AmerisourceBergen

Q4 FY2022 Financial Results

November 3, 2022



Cautionary note regarding forward-looking statements

Certain of the statements contained in this presentation are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"). Words such as "expect," "likely," "outlook," "forecast," "would," "could," "should," "can," "project," "intend," "plan," "continue," "sustain," "synergy," "on track," "believe," "seek," "estimate," "anticipate," "may," "possible," "assume," variations of such words, and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances and speak only as of the date hereof. These statements are not guarantees of future performance and are based on assumptions and estimates that could prove incorrect or could cause actual results to vary materially from those indicated. Among the factors that could cause actual results to differ materially from those projected, anticipated, or implied are the following: the effect of and uncertainties related to the ongoing COVID-19 pandemic (including any government responses thereto) and any continued recovery from the impact of the COVID-19 pandemic; our ability to achieve and maintain profitability in the future; our ability to respond to general economic conditions, including elevated levels of inflation; our ability to manage our growth effectively and our expectations regarding the development and expansion of our business; the impact on our business of the regulatory environment and complexities with compliance; unfavorable trends in brand and generic pharmaceutical pricing, including in rate or frequency of price inflation or deflation; competition and industry consolidation of both customers and suppliers resulting in increasing pressure to reduce prices for our products and services; changes in the United States healthcare and regulatory environment, including changes that could impact prescription drug reimbursement under Medicare and Medicaid and declining reimbursement rates for pharmaceuticals; increasing governmental regulations regarding the pharmaceutical supply channel; continued federal and state government enforcement initiatives to detect and prevent suspicious orders of controlled substances and the diversion of controlled substances; continued prosecution or suit by federal and state governmental entities and other parties (including third-party payors, hospitals, hospital groups and individuals) of alleged violations of laws and regulations regarding controlled substances, and any related disputes, including shareholder derivative lawsuits; increased federal scrutiny and litigation, including qui tam litigation, for alleged violations of laws and regulations governing the marketing, sale, purchase and/or dispensing of pharmaceutical products or services, and associated reserves and costs; failure to comply with the Corporate Integrity Agreement; the outcome of any legal or governmental proceedings that may be instituted against us, including material adverse resolution of pending legal proceedings; the retention of key customer or supplier relationships under less favorable economics or the adverse resolution of any contract or other dispute with customers or suppliers; changes to customer or supplier payment terms, including as a result of the COVID-19 impact on such payment terms; the possibility that various conditions to the consummation of the acquisition of PharmaLex may not be satisfied or that their satisfaction may be delayed; uncertainties as to the timing of the consummation of the acquisition of PharmaLex; unexpected costs, charges or expenses resulting from the acquisition of PharmaLex; the integration of the Alliance Healthcare and PharmaLex businesses into the Company being more difficult, time consuming or costly than expected; the Company's, Alliance Healthcare's or PharmaLex's failure to achieve expected or targeted future financial and operating performance and results; the effects of disruption from the acquisition and related strategic transactions on the respective businesses of the Company, Alliance Healthcare and PharmaLex, and the fact that the acquisition and related strategic transactions may make it more difficult to establish or maintain relationships with employees, suppliers and other business partners; the acquisition of businesses, including the acquisition of the Alliance Healthcare and PharmaLex businesses and related strategic transactions, that do not perform as expected, or that are difficult to integrate or control, or the inability to capture all of the anticipated synergies related thereto or to capture the anticipated synergies within the expected time period; risks associated with the strategic, long-term relationship between Walgreens Boots Alliance, Inc. and the Company, including with respect to the pharmaceutical distribution agreement and/or the global generic purchasing services arrangement; managing foreign expansion, including noncompliance with the U.S. Foreign Corrupt Practices Act, anti-bribery laws, economic sanctions and import laws and regulations; our ability to respond to financial market volatility and disruption; changes in tax laws or legislative initiatives that could adversely affect the Company's tax positions and/or the Company's tax liabilities or adverse resolution of challenges to the Company's tax positions; loss, bankruptcy or insolvency of a major supplier, or substantial defaults in payment, material reduction in purchases by or the loss, bankruptcy or insolvency of a major customer, including as a result of COVID-19; financial market volatility and disruption; financial and other impacts of COVID-19 on our operations or business continuity; changes to the customer or supplier mix; malfunction, failure or breach of sophisticated information systems to operate as designed; risks generally associated with cybersecurity; risks generally associated with data privacy regulation and the international transfer of personal data; financial and other impacts of macroeconomic and geopolitical trends and events, including the unfolding situation in Russia and Ukraine and its regional and global ramifications; natural disasters or other unexpected events, such as additional pandemics, that affect the Company's operations; the impairment of goodwill or other intangible assets (including any additional impairments with respect to foreign operations), resulting in a charge to earnings; the Company's ability to manage and complete divestitures; the disruption of the Company's cash flow and ability to return value to its stockholders in accordance with its past practices; interest rate and foreign currency exchange rate fluctuations; declining economic conditions and increases in inflation in the United States and abroad; and other economic, business, competitive, legal, tax, regulatory and/or operational factors affecting the Company's business generally. Certain additional factors that management believes could cause actual outcomes and results to differ materially from those described in forward-looking statements are set forth (i) in Item 1A (Risk Factors), in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2021 and elsewhere in that report and (ii) in other reports filed by the Company pursuant to the Securities Exchange Act. The Company undertakes no obligation to publicly update or revise any forward-looking statements, except as required by the federal securities laws.

GAAP / non-GAAP Reconciliation

In an effort to provide additional and useful information regarding AmerisourceBergen's financial results and other financial information as determined by generally accepted accounting principles (GAAP), certain materials presented during this event include non-GAAP information. A reconciliation of that information to GAAP and other related information is available in the supplemental material attached as an appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

AmerisourceBergen
is united in our responsibility to create healthier futures.

AmerisourceBergen creates unparalleled access, efficiency, and reliability for human and animal health as a leading provider of pharmaceutical distribution services and differentiated value-added solutions for upstream and downstream partners.



AmerisourceBergen

Overview

Recent highlights

- Growth driven by strong execution and business strength
- Leadership in specialty, both in U.S. distribution and services and global specialty logistics, continues to be a key differentiator
- Solidified global presence and capabilities, including further streamlining global operations

Global healthcare leader

- Foundation of leadership in pharmaceutical distribution
- Complementary higher-margin and higher-growth businesses in key markets
- Long-term sustainable growth supported by investments in people and culture and commitment to ESG

Fiscal 2023 guidance

- Guidance aligns with prior commentary provided at June 2022 investor day
- Strong operational growth in both segments excluding the impact of COVID-19 contributions and currency impacts
- Value creating capital deployment strategy including share repurchases and accretive M&A



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Q4 FY2022 financial results

Consolidated results

	GAAP	Adjusted (non-GAAP)[1]
Revenue *% Change (Year-over-Year)*	$61.2B 3.8%	$61.2B 3.8%
Gross profit *% Change*	$2.0B (4.1)%	$2.1B 4.8%
Operating expenses *% Change*	$1.5B 1.6%	$1.4B 3.8%
Operating income *% Change*	$455M (19.1)%	$741M 6.8%
Interest expense, net *% Change*	$52M (5.6)%	$52M (5.6)%
Effective tax rate	21.9%	19.8%
Net income attributable to AmerisourceBergen *% Change*	$295M (32.7)%	$546M 8.4%
Diluted earnings per share *% Change*	$1.40 (32.7)%	$2.60 8.8%
Diluted shares outstanding *% Change*	210.0M (0.4)%	210.0M (0.4)%

[1]See tables at end of presentation for GAAP to non-GAAP reconciliations

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.



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FY2022 financial results

Consolidated results

	GAAP	Adjusted (non-GAAP)[1]
Revenue *% Change (Year-over-Year)*	$238.6B 11.5%	$238.6B 11.5%
Gross profit *% Change*	$8.3B 19.5%	$8.4B 27.9%
Operating expenses *% Change*	$5.9B 29.2%	$5.2B 33.5%
Operating income *% Change*	$2.4B 0.5%	$3.2B 19.5%
Interest expense, net *% Change*	$211M 21.0%	$211M 21.0%
Effective tax rate	23.7%	20.6%
Net income attributable to AmerisourceBergen *% Change*	$1.7B 10.3%	$2.3B 20.7%
Diluted earnings per share *% Change*	$8.04 8.8%	$11.03 19.1%
Diluted shares outstanding *% Change*	211.2M 1.3%	211.2M 1.3%

[1]See tables at end of presentation for GAAP to non-GAAP reconciliations

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Q4 FY2022 financial results

U.S. Healthcare Solutions segment

	Q4 FY2022	Q4 FY2021	YoY Change
Revenue	$54.8B	$52.3B	4.7%
Operating income	$578M	$507M	14.0%
Percentages of revenue			
Gross profit	2.53%	2.38%	
Operating expenses	1.47%	1.41%	
Operating income	1.06%	0.97%	

- **U.S. Healthcare Solutions** consists of the legacy Pharmaceutical Distribution Services reportable segment (excluding Profarma), MWI Animal Health, Xcenda, Lash Group, and ICS 3PL.
- Revenue increase of 4.7% due to overall market growth and increased sales to specialty physician practices, offset by lower revenue from commercial COVID-19 treatments.
- Operating income increase of 14.0% driven by higher gross profit, due to sales to specialty physician practices and fees earned from the distribution of government-owned COVID-19 treatments.

Q4 FY2022 financial results

International Healthcare Solutions segment

	Q4 FY2022	Q4 FY2021	YoY Change
Revenue, as reported	$6.4B	$6.6B	(2.7)%
Negative impact of currency fluctuation	*$1.4B*		
Revenue, constant currency[1]	*$7.8B*		*18%*
Operating income, as reported	$163M	$187M	(12.6)%
Negative impact of currency fluctuation	*$51M*		
Operating Income, constant currency[1]	*$214M*		*15%*

Percentages of revenue, as reported

Gross profit	11.22%	11.54%
Operating expenses	8.67%	8.69%
Operating income	2.55%	2.84%

- **International Healthcare Solutions** consists of Alliance Healthcare, World Courier, Innomar, Profarma, and Profarma Specialty (until it was divested in June 2022).
- Revenue decrease of 2.7% due to the negative impact of foreign currency translation.
- Operating income decline of 12.6% due to the negative impact of foreign currency translation.

[1]The financial results presented on a constant currency basis are non-GAAP financial measures. For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

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FY 2023 guidance

Consolidated

	As reported	Constant currency[1]	As reported excluding COVID-19 contributions	Constant currency[1] excluding COVID
Revenue	5% to 7%	6% to 8%		
Adjusted operating income[1]	0% to 3%	3% to 6%	3% to 5%	6% to 8%
Adjusted effective tax rate[1]	~20% to 21%			
Diluted weighted average shares outstanding	~207 to 209 million shares			
Adjusted diluted earnings per share[1]	$11.30 to $11.60			
EPS Growth	*2% to 5%*	*4% to 7%*	*7% to 9%*	*9% to 11%*
Adjusted free cash flow[1]	~$2 billion			
Capital expenditures	~$500 million			

[1]The Company does not provide forward-looking guidance on a GAAP basis as certain information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

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FY 2023 guidance

Segment level

U.S. Healthcare Solutions	As reported	Excluding COVID-19 contributions
Revenue	6% to 8%	
Adjusted operating income[1]	2% to 4%	5% to 7%

International Healthcare Solutions	As reported	Constant currency[1]	As reported excluding COVID-19[1]	Constant currency[1] excluding COVID-19	As reported excluding M&A[2]
Revenue	-5% to -1%	8% to 12%			
Adjusted operating income[1]	-7% to -3%	5% to 9%	-5% to -1%	7% to 11%	-11% to -7%

[1]The Company does not provide forward-looking guidance on a GAAP basis as certain information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. Please refer to the section titled "Supplemental Information Regarding Non-GAAP Financial Measures" in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.
[2]Excludes expected contribution from PharmaLex acquisition announced in September 2022 and Profarma Specialty contribution for first 8 months of fiscal 2022

AmerisourceBergen

Creating differentiated value for our stakeholders

Our long-term, sustainable growth is supported by investments in our people and culture and commitment to ESG

Why we exist

We are united in our responsibility to create healthier futures

Our areas of focus

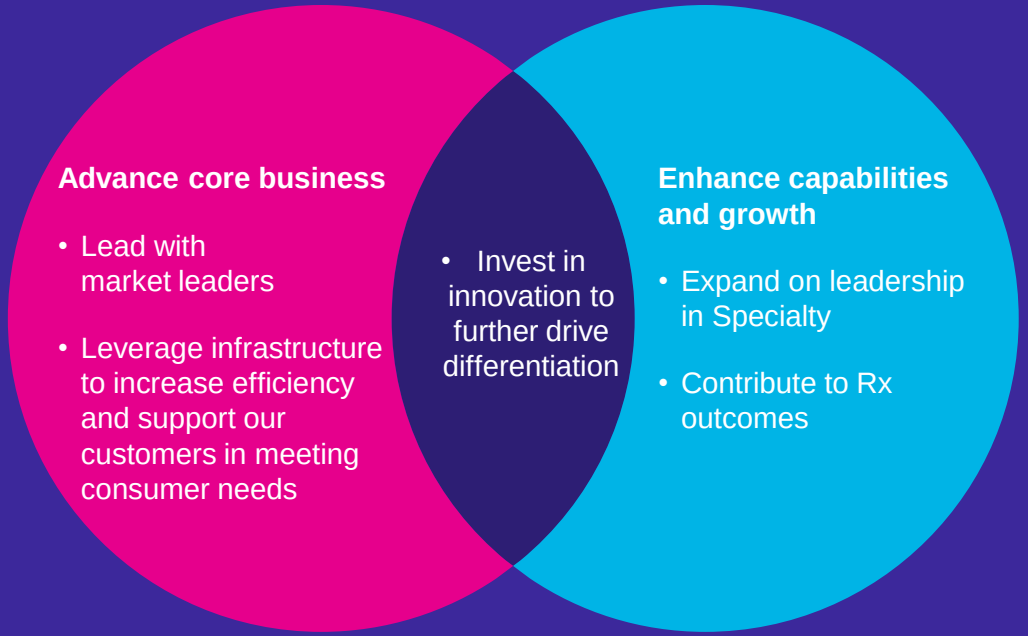
Specialty medicine and services

Community providers

Customer partnerships

Global access and opportunity

Our 5 Strategic Imperatives



Advancing environmental, social, and governance initiatives to create healthier futures around the world

ENVIRONMENTAL
Adapting to a changing climate

- Reduced greenhouse gas emissions by 4.6% in fiscal 2021 from fiscal 2019 levels
- Formally committed to establish science-based target aligned with Science-Based Target initiative guidance and submitted draft target in May 2022
- Our U.S. Human Health and Alliance Healthcare locations achieved 80% waste diversion in fiscal 2021
- Robust disaster preparedness plans and climate risk assessments in place to ensure supply chain resiliency

SOCIAL
Investing in our people and communities

- Long-term diversity, equity, and inclusion strategy focused on people, culture, and community
- Integrated talent framework to promote team member development and focus on promoting diverse and inclusive teams
- Innovative supplier diversity program to support small and diverse businesses
- The AmerisourceBergen Foundation held its 4th annual Grantee & Nonprofit Partner Conference, focused on enhancing the quality, equity, and access to healthcare for global change

GOVERNANCE
Embracing a culture of transparency, ethics and integrity

- Published 6th ESG report, aligned with GRI, SASB, TCFD, UN SDGs, WEF Stakeholder Capitalism Metrics and externally assured
- Submitted our first annual Communication on Progress as a signatory of the UN Global Compact
- Board oversight of ESG strategy, which is embedded in business
- Chief Financial Officer and Chief Communications & Administration Officer serve as executive sponsors of company's Global ESG Council



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Appendix

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended September 30, 2022							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Income Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 1,985,559	$ 1,531,040	$ 454,519	$ 382,340	$ 83,664	$ (3,939)	$ 294,737	$ 1.40
Gains from antitrust litigation settlements	—	—	—	—	79	—	(79)	—
Turkey highly inflationary impact	12,415	—	12,415	18,543	—	—	18,543	0.09
LIFO expense	104,839	—	104,839	104,839	24,943	—	79,896	0.38
Acquisition-related intangibles amortization	—	(72,685)	72,685	72,685	6,194	(1,127)	65,364	0.31
Litigation and opioid-related expenses	—	(15,024)	15,024	15,024	2,184	—	12,840	0.06
Acquisition, integration, and restructuring expenses	—	(81,992)	81,992	81,992	11,920	—	70,072	0.33
Gain on remeasurement of equity investment	—	—	—	(4,834)	—	—	(4,834)	(0.02)
Loss on sale of non-core businesses	—	—	—	3,745	2,821	3,618	4,542	0.02
Certain discrete tax benefits	—	—	—	—	9,302	—	(9,302)	(0.04)
Tax reform [1]	—	—	—	8,127	(5,951)	—	14,078	0.07
Adjusted Non-GAAP	$ 2,102,813	$ 1,361,339	$ 741,474	$ 682,461	$ 135,156	$ (1,448)	$ 545,857	$ 2.60
Adjusted Non-GAAP % change vs. prior year quarter	4.8%	3.8%	6.8%	7.0%	4.3%		8.4%	8.8%

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.25%	3.44%
Operating expenses	2.50%	2.23%
Operating income	0.74%	1.21%

1. Includes tax expense relating to Swiss tax reform and a loss on the currency remeasurement of the related deferred tax assets, the latter of which is recorded within Other Loss (Income), Net.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended September 30, 2021							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Loss (Income) Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 2,069,411	$ 1,507,516	$ 561,895	$ 553,936	$ 117,488	$ 1,250	$ 437,698	$ 2.08
Gains from antitrust litigation settlements	(21,362)	—	(21,362)	(21,362)	(32,251)	—	10,889	0.05
LIFO credit	(42,463)	—	(42,463)	(42,463)	(40,529)	—	(1,934)	(0.01)
Acquisition-related intangibles amortization	—	(81,932)	81,932	81,932	43,830	(5,734)	32,368	0.15
Litigation and opioid-related expenses	—	(45,348)	45,348	45,348	23,896	—	21,452	0.10
Acquisition, integration, and restructuring expenses	—	(51,062)	51,062	51,062	26,906	—	24,156	0.11
Impairment of non-customer note receivable	—	—	—	14,000	—	—	14,000	0.07
Gain on remeasurement of equity investment	—	—	—	(64,721)	—	—	(64,721)	(0.31)
Goodwill impairment	—	(6,373)	6,373	6,373	—	—	6,373	0.03
Impairment of assets	—	(11,324)	11,324	11,324	—	—	11,324	0.05
Tax reform [1]	—	—	—	2,276	(9,784)	—	12,060	0.06
Adjusted Non-GAAP	$ 2,005,586	$ 1,311,477	$ 694,109	$ 637,705	$ 129,556	$ (4,484)	$ 503,665	$ 2.39 [2]

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.51%	3.40%
Operating expenses	2.56%	2.23%
Operating income	0.95%	1.18%

1. Includes tax expense relating to Swiss tax reform and a loss on the currency remeasurement of the related deferred tax assets, the latter of which is recorded within Other Loss (Income), Net.
2. The sum of the components does not equal the total due to rounding.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

AMERISOURCEBERGEN CORPORATION
GAAP TO NON-GAAP RECONCILIATIONS
(in thousands, except per share data)
(unaudited)

	Fiscal Year Ended September 30, 2022							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Loss (Income) Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 8,296,367	$ 5,929,989	$ 2,366,378	$ 2,183,057	$ 516,517	$ 32,280	$ 1,698,820	$ 8.04
Gains from antitrust litigation settlements	(1,835)	—	(1,835)	(1,835)	(408)	—	(1,427)	(0.01)
Turkey highly inflationary impact	40,033	—	40,033	51,966	—	—	51,966	0.25
LIFO expense	67,171	—	67,171	67,171	14,943	—	52,228	0.25
Acquisition-related intangibles amortization	—	(304,551)	304,551	304,551	67,749	(5,219)	231,583	1.10
Litigation and opioid-related expenses	—	(123,191)	123,191	123,191	24,111	—	99,080	0.47
Acquisition, integration, and restructuring expenses	—	(183,059)	183,059	183,059	35,829	—	147,230	0.70
Gain on remeasurement of equity investment	—	—	—	(4,834)	—	—	(4,834)	(0.02)
Goodwill impairment	—	(75,936)	75,936	75,936	—	(47,004)	28,932	0.14
Impairment of assets	—	(4,946)	4,946	4,946	—	—	4,946	0.02
Gain on sale of non-core businesses	—	—	—	(56,228)	(10,372)	3,618	(42,238)	(0.20)
Certain discrete tax benefits	—	—	—	—	(9,677)	6,840	16,517	0.08
Tax reform [1]	—	—	—	14,443	(32,109)	—	46,552	0.22
Adjusted Non-GAAP	$ 8,401,736	$ 5,238,306	$ 3,163,430	$ 2,945,423	$ 606,583	$ (9,485)	$ 2,329,355	$ 11.03 [2]
Adjusted Non-GAAP % change vs. prior year	27.9%	33.5%	19.5%	19.3%	15.4%		20.7%	19.1%

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.48%	3.52%
Operating expenses	2.49%	2.20%
Operating income	0.99%	1.33%

1. Includes tax expense relating to Swiss tax reform and a loss on the currency remeasurement of the related deferred tax assets, the latter of which is recorded within Other Income, Net.
2. The sum of the components does not equal the total due to rounding.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

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(in thousands, except per share data)
(unaudited)

	Fiscal Year Ended September 30, 2021							
	Gross Profit	Operating Expenses	Operating Income	Income Before Income Taxes	Income Tax Expense	Net Income Attributable to Noncontrolling Interests	Net Income Attributable to ABC	Diluted Earnings Per Share
GAAP	$ 6,943,228	$ 4,589,031	$ 2,354,197	$ 2,221,859	$ 677,251	$ (4,676)	$ 1,539,932	$ 7.39
Gains from antitrust litigation settlements	(168,794)	—	(168,794)	(168,794)	(47,517)	—	(121,277)	(0.58)
LIFO credit	(203,028)	—	(203,028)	(203,028)	(57,154)	—	(145,874)	(0.70)
Acquisition-related intangibles amortization	—	(176,221)	176,221	176,221	46,873	(7,498)	121,850	0.58
Litigation and opioid-related expenses	—	(272,623)	272,623	272,623	50,436	—	222,187	1.07
Acquisition, integration, and restructuring expenses	—	(199,288)	199,288	199,288	36,868	—	162,420	0.78
Impairment of non-customer note receivable	—	—	—	14,000	—	—	14,000	0.07
Gain on remeasurement of equity investment	—	—	—	(64,721)	—	—	(64,721)	(0.31)
Goodwill impairment	—	(6,373)	6,373	6,373	—	—	6,373	0.03
Impairment of assets	—	(11,324)	11,324	11,324	—	—	11,324	0.05
Certain discrete tax benefits [1]	—	—	—	—	20,425	—	(20,425)	(0.1)
Tax reform [2]	—	—	—	3,362	(201,391)	—	204,753	0.98
Adjusted Non-GAAP	$ 6,571,406	$ 3,923,202	$ 2,648,204	$ 2,468,507	$ 525,791	$ (12,174)	$ 1,930,542	$ 9.26

Percentages of Revenue:	GAAP	Adjusted Non-GAAP
Gross profit	3.24%	3.07%
Operating expenses	2.14%	1.83%
Operating income	1.10%	1.24%

1. Represents an adjustment of discrete tax benefits primarily attributable to the income tax deductions resulting from the permanent shutdown of the PharMEDium business.
2. Includes $127.6 million of expense relating to UK tax reform, $73.8 million of expense relating to Swiss tax reform, and a $3.4 million loss on the currency remeasurement of the related deferred tax assets, the latter of which is recorded within Other Income, Net.

Note: For more information related to non-GAAP financial measures, refer to the section titled “Supplemental Information Regarding Non-GAAP Financial Measures” in the appendix to this presentation and posted on our website, investor.amerisourcebergen.com.

Supplemental Information Regarding Non-GAAP Financial Measures

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses the non-GAAP financial measures described below. The non-GAAP financial measures should be viewed in addition to, and not in lieu of, financial measures calculated in accordance with GAAP. These supplemental measures may vary from, and may not be comparable to, similarly titled measures by other companies.

The non-GAAP financial measures are presented because management uses non-GAAP financial measures to evaluate the Company's operating performance, to perform financial planning, and to determine incentive compensation. Therefore, the Company believes that the presentation of non-GAAP financial measures provides useful supplementary information to, and facilitates additional analysis by, investors. The presented non-GAAP financial measures exclude items that management does not believe reflect the Company's core operating performance because such items are outside the control of the Company or are inherently unusual, non-operating, unpredictable, non-recurring, or non-cash. We have included the following non-GAAP earnings-related financial measures:

- *Adjusted gross profit and adjusted gross profit margin*: Adjusted gross profit is a non-GAAP financial measure that excludes gains from antitrust litigation settlements, Turkey highly inflationary impact and LIFO expense/credit. Gains from antitrust litigation settlements, Turkey highly inflationary impact and LIFO expense/credit are excluded because the Company cannot control the amounts recognized or timing of these items. Adjusted gross profit margin is the ratio of adjusted gross profit to total revenue. Management believes that these non-GAAP financial measures are useful to investors as a supplemental measure of the Company's ongoing operating performance. Gains from antitrust litigation settlements relate to the settlement of lawsuits that have been filed against brand pharmaceutical manufacturers alleging that the manufacturer, by itself or in concert with others, took improper actions to delay or prevent generic drugs from entering the market. LIFO expense/credit is affected by changes in inventory quantities, product mix, and manufacturer pricing practices, which may be impacted by market and other external influences.

- *Adjusted operating expenses and adjusted operating expense margin*: Adjusted operating expenses is a non-GAAP financial measure that excludes acquisition-related intangibles amortization, litigation and opioid-related expenses, acquisition, integration, and restructuring expenses, goodwill impairment, and impairment of assets. Adjusted operating expense margin is the ratio of adjusted operating expenses to total revenue. Acquisition-related intangibles amortization is excluded because it is a non-cash item and does not reflect the operating performance of the acquired companies. We exclude acquisition, integration, and restructuring expenses that are unpredictable and/or non-recurring. We exclude the amount of litigation settlements and other expenses, such as goodwill impairment and the impairment of assets, that are unusual, non-operating, unpredictable, non-recurring or non-cash in nature because we believe these exclusions facilitate the analysis of our ongoing operational performance.

- *Adjusted operating income and adjusted operating income margin*: Adjusted operating income is a non-GAAP financial measure that excludes the same items that are described above and excluded from adjusted gross profit and adjusted operating expenses. Adjusted operating income margin is the ratio of adjusted operating income to total revenue. Management believes that these non-GAAP financial measures are useful to investors as a supplemental way to evaluate the Company's performance because the adjustments are unusual, non-operating, unpredictable, non-recurring or non-cash in nature.

Supplemental Information Regarding Non-GAAP Financial Measures (Cont.)

- *Adjusted income before income taxes*: Adjusted income before income taxes is a non-GAAP financial measure that excludes the same items that are described above and excluded from adjusted operating income. In addition, the gain on the remeasurement of an equity investment, impairment of a non-customer note receivable, as well as the gain/loss on the sale of non-core businesses and the gain/loss on the currency remeasurement of the deferred tax asset relating to Swiss tax reform are excluded from adjusted income before income taxes because these amounts are unusual, non-operating, and non-recurring. Management believes that this non-GAAP financial measure is useful to investors because it facilitates the calculation of the Company's adjusted effective tax rate.

- *Adjusted effective tax rate*: Adjusted effective tax rate is a non-GAAP financial measure that is determined by dividing adjusted income tax expense/benefit by adjusted income before income taxes. Management believes that this non-GAAP financial measure is useful to investors because it presents an effective tax rate that does not reflect unusual, non-operating, unpredictable, non-recurring, or non-cash amounts or items that are outside the control of the Company.

- *Adjusted income tax expense*: Adjusted income tax expense is a non-GAAP financial measure that excludes the income tax expense associated with the same items that are described above and excluded from adjusted income before income taxes. Certain discrete tax benefits primarily attributable to the income tax deduction recognized in connection with the permanent shutdown of PharMEDium are also excluded from adjusted income tax expense. Further, certain expenses relating to tax reforms in the UK and Switzerland are excluded from adjusted income tax expense in fiscal 2021 and certain benefits relating to tax reform in Switzerland are excluded from adjusted income tax expense in fiscal 2022. Management believes that this non-GAAP financial measure is useful to investors as a supplemental way to evaluate the Company's performance because the adjustments are unusual, non-operating, unpredictable, non-recurring or non-cash in nature.

- *Adjusted net income/loss attributable to noncontrolling interests*: Adjusted net income/loss attributable to noncontrolling interest excludes the non-controlling interest portion of acquisition-related intangibles amortization, goodwill impairment, and gain/loss on sale of non-core businesses. Management believes that this non-GAAP financial measure is useful to investors because it facilitates the calculation of adjusted net income attributable to AmerisourceBergen.

- *Adjusted net income attributable to the Company*: Adjusted net income attributable to AmerisourceBergen is a non-GAAP financial measure that excludes the same items that are described above. Management believes that this non-GAAP financial measure is useful to investors as a supplemental way to evaluate the Company's performance because the adjustments are unusual, non-operating, unpredictable, non-recurring or non-cash in nature.

Supplemental Information Regarding Non-GAAP Financial Measures (Cont.)

- *Adjusted diluted earnings per share*: Adjusted diluted earnings per share excludes the per share impact of adjustments including gains from antitrust litigation settlements; Turkey highly inflationary impact; LIFO expense/credit; acquisition-related intangibles amortization; litigation and opioid expenses; acquisition, integration and restructuring expenses; gain on remeasurement of equity investment; gain/loss on sale of non-core businesses; impairment of a non-customer note receivable; goodwill impairment; and impairment of assets, in each case net of the tax effect calculated using the applicable effective tax rate for those items. In addition, the per share impact of certain discrete tax benefits primarily attributable to the income tax deduction recognized in connection with the permanent shutdown of PharMEDium as well as the per share impact of certain benefits and expenses relating to tax reforms in Switzerland and the UK are also excluded from adjusted diluted earnings per share. Management believes that this non-GAAP financial measure is useful to investors because it eliminates the per share impact of the items that are outside the control of the Company or that we consider to not be indicative of our ongoing operating performance due to their inherent unusual, non-operating, unpredictable, non-recurring, or non-cash nature.

- *Adjusted free cash flow*: Adjusted free cash flow is a non-GAAP financial measure defined as net cash provided by operating activities, excluding significant unpredictable or non-recurring cash payments or receipts relating to legal settlements, minus capital expenditures. Adjusted free cash flow is used internally by management for measuring operating cash flow generation and setting performance targets and has historically been used as one of the means of providing guidance on possible future cash flows. For the fiscal year ended September 30, 2022, adjusted free cash flow of $2,977.8 million consisted of net cash provided by operating activities of $2,703.1 million, minus capital expenditures of $496.3 million and the gains from antitrust litigation settlements of $1.8 million, plus legal settlement payments of $772.9 million.

The Company also presents revenue and operating income on a “constant currency” basis, which are non-GAAP financial measures. These amounts are calculated by translating current period GAAP results at the foreign currency exchange rates used in the comparable period in the prior year. The Company presents such constant currency financial information because it has significant operations outside of the United States reporting in currencies other than the U.S. dollar and management believes that this presentation provides a framework to assess how its business performed excluding the impact of foreign currency exchange rate fluctuations.

In addition, the Company has provided non-GAAP fiscal year 2023 guidance for diluted earnings per share, operating income, effective income tax rate and free cash flow that excludes the same or similar items as those that are excluded from the historical non-GAAP financial measures, as well as significant items that are outside the control of the Company or inherently unusual, non-operating, unpredictable, non-recurring or non-cash in nature. The Company does not provide forward looking guidance on a GAAP basis for such metrics because certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. For example, LIFO expense/credit is largely dependent upon the future inflation or deflation of brand and generic pharmaceuticals, which is out of the Company’s control, and acquisition related intangibles amortization depends on the timing and amount of future acquisitions, which cannot be reasonably estimated. Similarly, the timing and amount of favorable and unfavorable settlements, the probable significance of which cannot be determined, are unavailable and cannot be reasonably estimated.

AmerisourceBergen

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