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AmeriSource Signs Five-year Primary Distributor Contract With Medicap Pharmacies, Inc.; **AmeriSource to Gain More Than \$1 Billion in Added Revenue**

June 12, 2000

MALVERN, Pa--(BUSINESS WIRE)--June 12, 2000--AmeriSource Health Corp. (NYSE:AAS), one of the nation's leading pharmaceutical distributors, today announced that it has signed a five-year primary distributor agreement with Medicap Pharmacies, Inc., a national retail pharmacy franchise corporation with nearly 200 pharmacies in 37 states.

Under the new agreement, which is effective August 7, 2000, AmeriSource will supply Medicap franchisees and company-owned pharmacies with nearly all their pharmaceuticals and other store items. AmeriSource expects to gain more than \$1billion in added revenue over the life of the five-year agreement.

"We are thrilled about joining the Medicap Pharmacies family. Through the Medicap partnership, AmeriSource is committed to offering the value-added programs that assist local pharmacies to remain close to their customers," said Thomas P. Connolly, AmeriSource's Corporate Vice President, Sales and Marketing. "From our 'Source Select' generic program that delivers the best generic value in the marketplace, to our new 'Virtual Internet Pharmacy' that allows Medicap customers access to customized, local pharmacy products over the internet, these programs help keep independent pharmacies competitive in the rapidly changing healthcare environment."

"As Medicap continues to experience tremendous growth, we look to AmeriSource to keep us ahead of the curve with its ever-growing resources and capabilities," said Charles Porter, R.Ph., President and COO of Medicap Pharmacies, Inc. "This new business relationship will enable each Medicap Pharmacy location to provide an even higher level of professional service to our patients."

Headquartered in Des Moines, Iowa, Medicap Pharmacies, Inc., expects to expand its nearly 200 pharmacies with an additional 25 to 30 new franchise or company-owned stores during the next year. With 1999 revenue of more than \$215 million, the company recorded an industry-leading average annual same-store sales growth of nearly 22 percent for the same period.

AmeriSource Health Corporation, with more than \$10 billion in operating revenue, is one of the nation's leading, full-service wholesale distributors of pharmaceutical products and related healthcare services.

Headquartered in Malvern, PA, the company serves its base of 21,000 customer accounts through a national network of 24 strategically located distribution facilities. AmeriSource is the industry's largest provider of pharmaceuticals to the acute care/institutional market.

For news and additional information about these companies, visit their respective web site at www.amerisource.com or www.medicaprx.com.

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