

## **AmerisourceBergen Reports Record Revenue and Earnings for First Quarter Fiscal Year 2002; First Quarter EPS Up 37 Percent To \$0.67 Before Special Item**

January 24, 2002

### **Operating Revenue Increased 20% Over Pro Forma Prior Year AmerisourceBergen Corporation today reported record results for its fiscal first quarter ended December 31, 2001.**

VALLEY FORGE, Pa.--(BUSINESS WIRE)--Jan. 24, 2002-- AmeriSource Health Corporation and Bergen Brunswig Corporation merged on August 29, 2001 to form AmerisourceBergen Corporation (NYSE:ABC) . Under purchase accounting rules, AmerisourceBergen's fiscal 2002 first quarter results are compared with the fiscal 2001 first quarter of AmeriSource only.

Pro forma data included in this discussion reflects comparisons to the combined companies operating results in the previous year's first quarter, adjusted to eliminate amortization of goodwill. Both former companies had the same fiscal year ending September 30.

AmerisourceBergen's operating revenue, which excludes bulk deliveries to customer warehouses, was a record \$9.7 billion in the first quarter compared to \$3.3 billion for the same period last year. First quarter operating revenue increased 20 percent over fiscal 2001 first quarter pro forma operating revenue of \$8.1 billion.

Diluted earnings per share before the special item for the quarter were \$0.67, a 37 percent increase over the previous year's first quarter. Income before the special item for the first quarter increased to \$72.4 million from \$26.2 million in the same period last year. The special item, consisting of merger integration costs, was a \$4.5 million charge, net of tax, in the quarter.

Net income and diluted earnings per share for the quarter were \$67.9 million and \$0.63, respectively. AmerisourceBergen had approximately 111.2 million weighted average diluted common shares outstanding for the first quarter of fiscal 2002.

The following discussion of the first quarter results, including segment data, does not include the impact of the special item in first quarter of fiscal 2002.

R. David Yost, AmerisourceBergen President and Chief Executive Officer, said, "This was an exceptional performance by AmerisourceBergen in its first full quarter as a combined company. The Company delivered strong revenue growth, record earnings per share, and a very strong return on committed capital (ROCC) of 25.4 percent.

"This solid revenue and earnings performance is a clear indication of the strength of this new company. Our diverse customer base, our focus on the pharmaceutical supply chain, and our developing scale, all contributed to our success in the quarter.

"Our cost savings from merger synergies are gaining traction. In 120 days, we have established our management organization, completed our planning activities for capturing merger synergies, and begun to operate as one company, while remaining focused on customer service."

#### Segment Discussion

AmerisourceBergen operates in two segments: Pharmaceutical Distribution (which includes AmerisourceBergen Drug Company and AmerisourceBergen Specialty Group) and PharMerica, its institutional pharmacy and worker's compensation fulfillment businesses.

Intersegment sales of \$191.2 million in the first quarter of fiscal 2002 from AmerisourceBergen Drug Company to PharMerica, which are included in the pharmaceutical distribution segment operating revenue, are eliminated for consolidated reporting purposes.

#### Pharmaceutical Distribution Segment

Operating revenue in the first quarter of fiscal 2002 increased to \$9.5 billion compared with \$3.3 billion, in the previous year's first quarter. Operating revenue increased 20 percent over fiscal 2001 first quarter pro forma revenues of \$7.9 billion.

Pharmaceutical distribution customer mix in the first quarter of fiscal 2002 was 52 percent institutional and 48 percent retail.

Operating income was \$139.5 million in the first quarter of fiscal year 2002, up from \$53.9 million for the same quarter last year, and improved 20 percent compared to pro forma operating income of \$116.1 million in the same period last year.

For the fiscal 2002 first quarter, operating income, as a percentage of operating revenue, was 1.46 percent, unchanged compared to the prior year's first quarter results on a pro forma basis. Consistent with prior experience, lower gross margins were offset by lower total operating expenses as a percentage of operating revenue.

"This quarter's strong revenue growth in pharmaceutical distribution was driven primarily by new accounts added in previous quarters, new business opportunities with existing customers, and above market growth rates in our larger retail and institutional customers," said Kurt Hilzinger, AmerisourceBergen Executive Vice President and Chief Operating Officer. "These growth dynamics in combination with solid expense control drove excellent earnings growth in the quarter."

"With annualized revenue now over \$2 billion, AmerisourceBergen Specialty Group continues its rapid development as it builds on its strong positions in oncology, blood plasma and vaccine distribution," he said.

Commenting on integration activities, Hilzinger said, "We continue to make significant progress in all facets of our integration activities, remaining on or ahead of our established timetables. During the quarter we closed two distribution centers, consolidated our pharmaceutical repackaging operations and began capturing procurement and administrative savings.

"Our information technology integration work remains on track allowing for five more distribution centers to be consolidated before the end of the fiscal year, and we continue our planning activities for the six new distribution centers we expect to build."

#### PharMerica

PharMerica's operating revenue for the first quarter of fiscal 2002 was \$355.4 million, representing a 6 percent increase over pro forma operating revenue of \$335.2 million in the same period last year.

Operating income for the first quarter was \$19.3 million, a 13 percent increase over the previous year's pro forma first quarter operating income of \$17.1 million.

Operating income as a percentage of operating revenue increased 33 basis points in the quarter to 5.43 percent from 5.10 percent on a pro forma basis. As anticipated, lower gross margins were more than offset by lower total operating expenses as a percentage of operating revenue.

"PharMerica's disciplined growth and expense control continued to drive its improved performance in the quarter," said Hilzinger. "Asset management has improved as illustrated by reductions in gross days-sales-outstanding (DSO), which were 63 in the quarter, down from 82 in the same quarter last year. Net DSOs dropped from 55 in the prior year's first quarter to 44 in the current first quarter."

#### Looking Ahead

"For the balance of fiscal 2002, we expect continued strong performance for AmerisourceBergen with revenue growth in the range of 15 percent to 17 percent and ROCC in excess of 20 percent," said Yost. "We are increasing our diluted earnings per share estimate for fiscal year 2002, excluding the impact of merger-related special items, from \$2.90 to \$3.00. The increase in earnings expectations for the year reflects the strong performance of our businesses in the first quarter, continued low interest rates, and our ongoing focus on cost improvement.

We remain confident in our ability to achieve annual cost saving synergies of \$150 million by the end of fiscal year 2004."

#### Conference Call

The Company will host a conference call to discuss the results at 11:00 am Eastern Standard Time on January 24, 2002. Participating in the conference call will be: R. David Yost, President & Chief Executive Officer; Kurt J. Hilzinger, Executive Vice President & Chief Operating Officer; and Neil F. Dimick, Executive Vice President & Chief Financial Officer.

To access the live conference call via telephone:

Dial in: 800/553-0318 from inside the U.S. no access code required

or 612/288-0340 from outside the U.S. no access code required .

To access the live webcast:

Go to the Quarterly Webcasts section on the Investor Relations page at <http://www.amerisourcebergen.net>.

A replay of the telephone call and webcast will be available from 2:30 pm January 24, 2002 until 11:59 pm January 31, 2002.

To access the replay via telephone:

Dial in: 800/475-6701 from within the U.S., access code: 620238

320/365-3844 from outside the U.S., access code: 620238

To access the archived webcast:

Go to the Quarterly Webcasts section on the Investor Relations page at <http://www.amerisourcebergen.net>.

#### About AmerisourceBergen

AmerisourceBergen (NYSE:ABC) is the largest pharmaceutical services company in the United States dedicated solely to the pharmaceutical supply chain. It is the leading distributor of pharmaceutical products and services to the hospital systems/acute care market, alternative care facilities, independent community pharmacies, and regional chains.

The Company is also a leader in the institutional pharmacy marketplace. With more than \$36 billion in annualized operating revenue, AmerisourceBergen is headquartered in Valley Forge, PA, and employs more than 13,000 people serving over 25,000 customers.

#### Forward-Looking Statements

This press release may contain certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained in the forward-looking statements. The forward-looking statements herein include statements addressing future financial and operating results of AmerisourceBergen and the benefits and other aspects of the merger between Amerisource Health Corporation and Bergen Brunswig Corporation.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the risk that the businesses of AmeriSource and Bergen Brunswig will not be integrated successfully; failure to obtain and retain expected synergies; and other economic, business, competitive and/or regulatory factors affecting the business of AmerisourceBergen generally.

More detailed information about these factors is set forth in AmerisourceBergen's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for fiscal 2001 and AmeriSource's and Bergen's joint proxy statement-prospectus dated August 1, 2001.

AmerisourceBergen, AmeriSource and Bergen Brunswig are under no obligation to (and expressly disclaim any such obligation to) update or alter their forward-looking statements whether as a result of new information, future events or otherwise.

AMERISOURCEBERGEN CORPORATION  
FINANCIAL SUMMARY  
(In thousands, except per share data)  
(unaudited)

	Three Months Ended Dec. 31, 2001	% of Operating Revenue	Three Months Ended Dec. 31, 2000	% of Operating Revenue	% Change
Revenue:					
Operating revenue	\$9,686,276	100.00%	\$3,306,751	100.00%	193%
Bulk deliveries to customer warehouses	1,382,504		444	--	
Total revenue	11,068,780		3,307,195		235%
Cost of goods sold	10,597,347		3,169,762		234%
Gross profit	471,433	4.87%	137,433	4.16%	243%
Operating expenses:					
Distribution, selling and administrative	297,592	3.07%	79,645	2.41%	274%
Depreciation and amortization	15,047	0.16%	3,894	0.12%	286%
Merger costs	7,497	0.08%	--	0.00%	--
Operating income	151,297	1.56%	53,894	1.63%	181%
Equity in losses of affiliates and other	1,731	0.02%	774	0.02%	124%
Interest expense	30,975	0.32%	10,876	0.33%	185%
Income before taxes and distributions on preferred securities of subsidiary trust	118,591	1.22%	42,244	1.28%	181%
Income taxes	47,078	0.49%	16,053	0.49%	193%
Income before distributions on					

preferred securities of subsidiary trust	71,513	0.74%	26,191	0.79%	173%
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Distributions on preferred securities of subsidiary trust, net of income tax benefit of \$2,388	3,630	0.04%	--	0.00%	--
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Net income	\$ 67,883	0.70%	\$ 26,191	0.79%	159%
=====	=====				

Earnings per share:					
Basic	\$ 0.65		\$ 0.50		
Diluted	\$ 0.63		\$ 0.49		

Weighted average common shares outstanding:					
Basic	103,736		52,354		
Diluted	111,182		54,578		

Pro forma results excluding merger costs included in the three months ended December 31, 2001:

Operating income	\$ 158,794		\$ 53,894		
Net income	\$ 72,402		\$ 26,191		

Earnings per share:					
Basic	\$ 0.70		\$ 0.50		
Diluted	\$ 0.67		\$ 0.49		

AMERISOURCEBERGEN CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(dollars in thousands)

ASSETS	(Unaudited)		
	Dec. 31,	Sept. 30,	\$
	2001	2001	Change
	-----	-----	-----
Current assets:			
Cash and cash equivalents	\$ 256,689	\$ 297,626	(\$ 40,937)
Accounts receivable, net	2,106,068	2,142,663	(36,595)
Merchandise inventories	5,778,905	5,056,257	722,648
Prepaid expenses and other	17,088	15,956	1,132
	-----	-----	-----
Total current assets	8,158,750	7,512,502	646,248
Long-term assets	2,774,570	2,778,743	(4,173)

Total assets	\$10,933,320	\$10,291,245	\$ 642,075
	=====	=====	=====

LIABILITIES AND  
STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 5,122,086	\$ 4,991,884	\$ 130,202
Other current liabilities	585,114	540,569	44,545
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Total current liabilities	5,707,200	5,532,453	174,747
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Long-term debt, less current portion	1,989,357	1,597,295	392,062
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Other liabilities	43,926	48,317	(4,391)
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Company-obligated mandatorily redeemable preferred securities of subsidiary trust	274,784	274,616	168
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Stockholders' equity	2,918,053	2,838,564	79,489
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Total liabilities and stockholders' equity	\$10,933,320	\$10,291,245	\$ 642,075
	=====	=====	=====

AMERISOURCEBERGEN CORPORATION  
SUMMARY SEGMENT INFORMATION  
(dollars in thousands)

Three Months Ended December 31,

	Actual	Pro Actual	Pro forma Actual	% Change (1)	% Change
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Pharmaceutical

Distribution	\$9,522,076	\$3,306,751	\$7,929,966	188	20
PharMerica	355,415	-	335,166	-	6
Intersegment					
Eliminations	(191,215)	-	(181,597)	-	5
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Operating revenue	\$9,686,276	\$3,306,751	\$8,083,535	193	20
	=====	=====	=====		

Three Months Ended December 31,

Operating Income (2)	Actual 2001	Pro	Pro	Actual % Change	% Change
		Actual 2000	forma 2000 (1)		
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Pharmaceutical					
Distribution	\$139,484	\$53,894	\$116,090	159	20
PharMerica	19,310	-	17,107	-	13
-----					
Operating income	\$158,794	\$53,894	\$133,197	195	19
=====					

Percentages of operating revenue (2):

Pharmaceutical			
Distribution			
Gross profit	3.70%	4.16%	4.06%
Operating expenses	2.23%	2.53%	2.60%
Operating income	1.46%	1.63%	1.46%

PharMerica			
Gross profit	33.62%	-	35.85%
Operating expenses	28.18%	-	30.74%
Operating income	5.43%	-	5.10%

AmerisourceBergen Corporation			
Gross profit	4.87%	4.16%	5.47%
Operating expenses	3.23%	2.53%	3.82%
Operating income	1.64%	1.63%	1.65%

(1) Represents the combination of AmeriSource Health Corporation's and Bergen Brunswick Corporation's previously reported financial information. (See discussion under Pro Forma Information Appendix - A(1)).

(2) Excludes merger costs.

AMERISOURCEBERGEN CORPORATION  
EARNINGS PER SHARE  
(In thousands, except per share data)  
(unaudited)

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock outstanding during the periods presented. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock outstanding during the period plus the dilutive effect of stock options. Additionally, the calculations consider the convertible subordinated notes as if converted and, therefore, the effect of interest expense related to those notes is added back to net income in determining

income available to common stockholders.

	Three months ended December 31,	
	2001	2000
Net income	\$67,883	\$26,191
Interest expense - convertible subordinated notes, net of income taxes	2,481	559
Income available to common stockholders	\$70,364	\$26,750

Weighted average common shares outstanding	103,736	52,354
Effect of dilutive securities:		
Options to purchase common stock	1,782	993
Convertible subordinated notes	5,664	1,231

Weighted average common shares outstanding - diluted	111,182	54,578
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Earnings per share:		
Basic	\$0.65	\$0.50
Diluted	\$0.63	\$0.49

#### Appendix - A(1)

##### Pro Forma Information

The historical consolidated financial summary and summary segment information for the three months ended December 31, 2000, included in this press release, reflect only the results of AmeriSource Health Corporation, as predecessor to the Company. In order to enhance comparability, the following schedules as well as the summary segment information include fiscal 2001 financial data on a pro forma basis. Within these schedules, pro forma refers to the combined results of AmeriSource Health Corporation and Bergen Brunswig Corporation and are not intended to be consolidated financial statements of AmeriSourceBergen prepared in accordance with generally accepted accounting principles and do not represent consolidated results as if the merger had occurred at the beginning of the periods presented. In addition, they are not necessarily indicative of the actual results which might have occurred had the operations and management of AmeriSource Health Corporation and Bergen Brunswig Corporation been combined at the beginning of fiscal 2001.

In addition, to enhance comparability of financial information between fiscal years, the pro forma information for fiscal 2001 excludes the amortization of goodwill and special items related to the merger and environmental remediation and reflects the full allocation

of Bergen Brunswig Corporation's former Corporate segment to the Pharmaceutical Distribution and PharMerica segments.

Appendix - A(2)

AmerisourceBergen  
Pro forma combined condensed financial information (1)  
(dollars in thousands)

	Fiscal Year Ended September 30, 2001		
	First Quarter	Second Quarter	Third Quarter
Operating revenue	\$ 8,083,535	\$ 8,467,976	\$ 8,995,115
Gross profit	\$ 442,249	\$ 480,035	\$ 475,810
Distribution, selling and administrative (2)	293,608	303,730	295,462
Depreciation	13,891	14,337	14,296
Amortization (3)	1,553	1,140	1,270
Operating income	\$ 133,197	\$ 160,828	\$ 164,782
Gross profit to operating revenue	5.47%	5.67%	5.29%
Operating expenses to operating revenue	3.82%	3.77%	3.46%
Operating income to operating revenue	1.65%	1.90%	1.83%

	Fiscal Year Ended September 30, 2001	
	Fourth Quarter	Fiscal Year
Operating revenue	\$ 9,052,684	\$34,599,310
Gross profit	\$ 482,647	\$ 1,880,741
Distribution, selling and administrative (2)	304,703	1,197,503
Depreciation	14,641	57,165

Amortization (3)	1,427	5,390
-----		
Operating income	\$ 161,876	\$ 620,683
=====		
Gross profit to operating revenue	5.33%	5.44%
Operating expenses to operating revenue	3.54%	3.64%
Operating income to operating revenue	1.79%	1.79%

(1) Represents the combination of AmeriSource Health Corporation's and Bergen Brunswig Corporation's previously reported financial information. (See discussion under Pro Forma Information Appendix - A(1)).

(2) Excludes special items in the third and fourth quarters related to the merger and environmental remediation.

(3) Excludes amortization of goodwill.

#### Appendix - A(3)

AmerisourceBergen - Pharmaceutical Distribution  
Pro forma combined condensed financial information (1)  
(dollars in thousands)

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Fiscal Year Ended September 30, 2001			
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	First Quarter	Second Quarter	Third Quarter
-----			
Operating revenue	\$7,929,966	\$8,335,337	\$8,835,163
=====			
Gross profit	\$322,096	\$358,294	\$358,619
Distribution, selling and administrative (2), (3)	195,464	202,915	200,042
Depreciation	9,426	9,962	9,916
Amortization (4)	1,116	703	835
-----			
Operating income	\$116,090	\$144,714	\$147,826
=====			

Gross profit to operating revenue	4.06%	4.30%	4.06%
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Operating expenses to operating revenue	2.60%	2.56%	2.39%
Operating income to operating revenue	1.46%	1.74%	1.67%

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Fiscal Year Ended September 30, 2001  
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Fourth Quarter    Fiscal Year  
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Operating revenue	\$8,885,145	\$33,985,611
=====		

Gross profit	\$365,948	\$1,404,957
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Distribution, selling and administrative (2), (3)	211,501	809,922
Depreciation	10,278	39,582
Amortization (4)	972	3,626
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Operating income	\$143,197	\$551,827
=====		

Gross profit to operating revenue	4.12%	4.13%
Operating expenses to operating revenue	2.51%	2.51%
Operating income to operating revenue	1.61%	1.62%

(1) Represents the combination of AmeriSource Health Corporation's and Bergen Brunswick Corporation's previously reported financial information. (See discussion under Pro Forma Information Appendix - A(1)).

(2) Excludes special items in the fourth quarter related to the merger and environmental remediation.

(3) Expenses previously reported in the Corporate segment for Bergen Brunswick Corporation have been fully allocated to the Pharmaceutical Distribution and PharMerica segments for comparative purposes within this schedule.

(4) Excludes amortization of goodwill.

Appendix - A(4)  
AmerisourceBergen - PharMerica  
Pro forma combined condensed financial information (1)  
(dollars in thousands)

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Fiscal Year Ended September 30, 2001

	First Quarter	Second Quarter	Third Quarter
Operating revenue	\$ 335,166	\$ 339,924	\$ 336,783
Gross profit	\$ 120,153	\$ 121,741	\$ 117,191
Distribution, selling and administrative (2), (3)	98,144	100,815	95,420
Depreciation	4,465	4,375	4,380
Amortization (4)	437	437	435
Operating income	\$ 17,107	\$ 16,114	\$ 16,956
Gross profit to operating revenue	35.85%	35.81%	34.80%
Operating expenses to operating revenue	30.74%	31.07%	29.76%
Operating income to operating revenue	5.10%	4.74%	5.03%

Fiscal Year Ended September 30, 2001

	Fourth Quarter	Fiscal Year
Operating revenue	\$ 338,135	\$1,350,008
Gross profit	\$ 116,699	\$ 475,784
Distribution, selling and administrative (2), (3)	93,202	387,581
Depreciation	4,363	17,583
Amortization (4)	455	1,764
Operating income	\$ 18,679	\$ 68,856
Gross profit to operating revenue	34.51%	35.24%
Operating		

expenses to operating revenue	28.99%	30.14%
Operating income to operating revenue	5.52%	5.10%

(1) Represents the combination of AmeriSource Health Corporation's and Bergen Brunswig Corporation's previously reported financial information. (See discussion under Pro Forma Information Appendix - A(1)).

(2) Excludes special items in the fourth quarter related to the merger and environmental remediation.

(3) Expenses previously reported in the Corporate segment for Bergen Brunswig Corporation have been fully allocated to the Pharmaceutical Distribution and PharMerica segments for comparative purposes within this schedule.

(4) Excludes amortization of goodwill.

Appendix - A(5)  
 AmerisourceBergen - Intersegment Eliminations  
 Pro forma combined condensed financial information (1)  
 (dollars in thousands)

Fiscal Year Ended September 30, 2001					
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year
Operating revenue	(\$181,597)	(\$207,285)	(\$176,831)	(\$170,596)	(\$736,309)
Gross profit	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Distribution, selling and administrative	-	-	-	-	-
Depreciation	-	-	-	-	-
Amortization	-	-	-	-	-
Operating income	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(1) Represents the combination of AmeriSource Health Corporation's and Bergen Brunswig Corporation's previously reported financial information. (See discussion under Pro Forma Information Appendix - A(1)).

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