



To our Stockholders:

During fiscal 2018, AmerisourceBergen continued to execute its differentiated strategy and position the Company for long-term growth as a pharmaceutical-centric healthcare solutions provider. We received several high-profile awards and recognition during the year, including being ranked #12 on the *Fortune* 500 and #19 on *Forbes'* list of the world's top 100 most innovative companies. Our 21,000 dedicated associates across 150 offices in 50 countries continue to think, plan and act strategically to improve efficiency, support partner growth, champion patient access and build long-term, sustainable value for our stockholders. We have great appreciation for and confidence in our strong team, and recognize that further development of our talent and shaping of our culture will continue to power our ability to execute and drive growth.

Creating Value for our Customers, Partners and Stockholders

I am pleased to report solid financial and operational performance in fiscal 2018. In spite of some challenges, we are proud of what we accomplished. Our revenues increased 10% to \$167.9 billion and, on the basis of U.S. generally accepted accounting principles, diluted earnings per share was \$7.53. Adjusted diluted earnings per share increased 10.4% to \$6.49 due to AmerisourceBergen's ability to execute and deliver on its differentiated value proposition, a lower effective tax rate and a balanced and disciplined approach to capital deployment.¹

In fiscal 2018, our Pharmaceutical Distribution Services segment had strong revenue growth of 10%. Even with ongoing challenges at PharMEDium, this segment successfully executed important strategic initiatives that further strengthened and expanded our relationships with key anchor customers. For example, our teams helped to enable the seamless integration of more than 1,900 Rite Aid stores acquired by our largest partner, Walgreens Boots Alliance, increased share of wallet within our existing customer base, and continued to progress on customer contract rebalancing efforts—successfully renewing customer contracts, including Humana. Furthermore, we acquired H. D. Smith, the largest independent pharmaceutical wholesaler in the U.S., strengthening our core business and expanding and enhancing our strategic scale in U.S. pharmaceutical distribution; integrating the business while maintaining strong customer service.

The Pharmaceutical Distribution Services segment also continues to benefit from our leadership in Specialty distribution, as we provide key services for our customers in this fast-growing part of the market. Our extensive footprint in the Specialty market is a clear differentiator for AmerisourceBergen, enabling us to further leverage our strength and scale to ensure that patients have access to vital pharmaceuticals whenever and wherever they need them.

AmerisourceBergen remains committed to delivering a best-in-class customer experience through the design of innovative services and solutions that unlock new value for manufacturers and provider partners. Our highly automated distribution network and key technology offerings enable the successful, efficient navigation of a complex supply chain while maintaining product safety and security. Our ABC Order system—designed by pharmacists, for pharmacists—continues to help providers operate more effectively and efficiently. Given its differentiated value and high customer satisfaction scores, ABC Order was expanded and launched to support our Health Systems customers—helping them improve inventory control efficiency, optimize ordering decisions and access data trends and insights.

We continue to work through remediation efforts at PharMEDium. As always, patient safety comes first and PharMEDium is committed to full regulatory compliance. The process has certainly taken longer than we expected. Yet, despite the challenges, the focus remains on enhanced quality assurance and quality control programs that deliver the safest and highest quality products for PharMEDium's customers.

¹ See Appendix A for more information regarding the non-GAAP financial measure adjusted diluted earnings per share.

In fiscal 2018, our Global Commercialization Services & Animal Health businesses delivered solid revenue growth of 10%. With our market-leading services to support pharmaceutical commercialization and companion and production animal health, AmerisourceBergen continues to be well positioned to meet this growing need. In fact, businesses like World Courier continue to deliver results above expectations. As the leader in global specialty logistics, World Courier's growth continues to outperform the market. World Courier is the partner of choice and continues to find new ways to support the complex needs of its customers. In consulting and patient services, we are pleased with the substantial progress we have made at our Lash Consulting business, as the business continues to migrate customers to Fusion, our game-changing technology platform, and manufacturer feedback continues to be very positive. In a growing market of new, innovative specialty therapies that require additional patient access and adherence services, we believe that Lash's focused services, enabled by Fusion, are significant differentiators that are positioning Lash for future success. Finally, MWI enters fiscal 2019 building on its proven leadership, along with the execution of margin initiatives and the continued strengthening of customer relationships and commercial partnerships to further enhance the customer experience.

Leading in an Ever-Evolving Healthcare Landscape

AmerisourceBergen continues to execute and drive long-term growth in a highly complex, dynamic healthcare environment. Healthcare remains an integral part of the economy, and pharmaceuticals represent the most efficient form of patient care. They improve patient lives and are key to mitigating overall healthcare spend.

Right now, many debates regarding the U.S. healthcare system are taking place, with the cost of care and the price of prescription drugs drawing focus. We realize that the healthcare system will continue to evolve, yet also recognize that significant changes will likely take time. In this dynamic environment, the scale and scope of AmerisourceBergen's value to its partners, and our industry's value to the healthcare system overall, continue to be undeniable. Our unique ability to provide services and efficiency within the supply chain is essential to patient care—ensuring that patients have access to vital pharmaceuticals whenever and wherever they need them. As changes to various parts of the current healthcare model are considered, we will have an important seat at the table during discussions with policy leaders, manufacturers, customers and other stakeholders to help ensure that changes do not negatively affect patient access to the best care possible and that our important role in the supply chain continues to be recognized.

We will continue to focus on elements we can control—being an advocate for community-based providers, servicing our customer relationships, executing on our differentiated strategy and investing in our businesses. As the discussion of different healthcare system models continues, **AmerisourceBergen will continue to be a thought leader, engaging with policy makers and commercial partners to ensure that we are a driver of solutions, enabler of access and creator of additional efficiencies.** We remain steadfast in our commitment to be a part of the solution and supporters of the most cost-efficient form and sites of patient care.

Our Corporate and Social Responsibility

At AmerisourceBergen, **we are united in our responsibility to create healthier futures.** We recognize that we have a broader responsibility to make a positive impact through corporate citizenship—fostering a positive impact on the environment and society through the work we do, with the people who do it, and in the communities we serve.

The opioid epidemic is a crisis facing all of us in the healthcare industry and our country. AmerisourceBergen is committed to helping address this epidemic. We remain highly engaged and continue to mobilize efforts to help combat this crisis. As part of our role in the supply chain, we continue to report all orders for controlled substances to the Drug Enforcement Administration (DEA) and use data analytics tools to report and stop suspicious orders. Additionally, we collaborate with Walgreens Boots

Alliance, our Good Neighbor Pharmacy network and others on the Safe Medication Disposal Kiosks take-back and safe drug disposal programs. Our supply chain responsibility remains providing distribution logistics for getting FDA-approved drugs from pharmaceutical manufacturers to DEA- and state-registered pharmacies that dispense them based on prescriptions written by licensed health care providers.

On the philanthropic side, the AmerisourceBergen Foundation continues to provide communities and non-profit organizations across the country with grants and resources to help combat the epidemic of opioid abuse. We will continue to listen, engage and support initiatives that help tackle this epidemic. In 2018, the foundation also made grants to multiple organizations to support the long-term disaster relief needs of communities impacted by recent natural disasters—including those dealing with the recent fallout from hurricanes Florence, Michael and Matthew, which devastated Haiti. These efforts, focused on the delivery of critical medications, the operation of mobile medical units, establishment of temporary housing and shelter for both individuals and pets, and an enhanced pharmaceutical supply chain, continue to uphold the foundation’s mission to support health-related causes that enrich the global community.

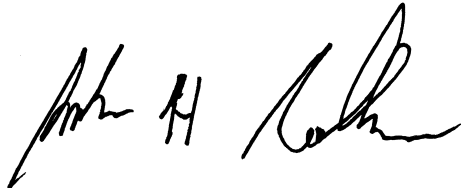
Our emphasis on good corporate citizenship also extends to social initiatives that ensure we shape a culture that values diversity. For the second year in a row, *DiversityInc* magazine recognized AmerisourceBergen for our continued momentum in diversity and inclusion practices. In addition, we are very proud that AmerisourceBergen received an award from Philadelphia’s Forum of Executive Women in recognition of the gender diversity on our Board of Directors. Our Board of Directors is exceptionally well qualified and works closely with management to focus on the critical areas of governance, strategy and planning.

Building Long-Term and Sustainable Growth

Looking to fiscal 2019 and beyond, AmerisourceBergen will continue to invest, innovate, execute and grow. We remain confident that our pharmaceutical-centric focus, unique portfolio of customers and businesses, differentiated customer experience, leadership in Specialty and strong financial stewardship will continue to position AmerisourceBergen for long-term growth and stockholder value creation. More than ever, we are united in our responsibility to create healthier futures.

As always, we appreciate your interest and investment in AmerisourceBergen.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven H. Collis". The signature is written in a cursive style with a large, stylized initial "S".

Steven H. Collis
Chairman, President & Chief Executive Officer

SUPPLEMENTAL INFORMATION REGARDING NON-GAAP FINANCIAL MEASURES

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), AmerisourceBergen uses certain non-GAAP financial measures. This letter uses the non-GAAP financial measure adjusted diluted earnings per share (“Adjusted Non-GAAP EPS”). Adjusted Non-GAAP EPS should be viewed in addition to, and not in lieu of, diluted earnings per share and other financial measures calculated in accordance with GAAP. This supplemental measure may vary from, and may not be comparable to, similarly titled measures by other companies in our industry.

Adjusted Non-GAAP EPS excludes the per share impact of adjustments including interest expense incurred in connection with the \$600 million of 1.15% senior notes that were repaid in May 2017; gain from antitrust litigation settlements; LIFO expense/credit; PharMEDium remediation costs; costs related to the New York State Opioid Stewardship Act; goodwill impairment charge; acquisition-related intangibles amortization; employee severance, litigation, and other; loss on consolidation of equity investments; impairment of non-customer note receivable; and loss on early retirement of debt; in each case net of the tax effect calculated using the applicable effective tax rate for those items. In addition, the per share one-time impact of U.S. tax reform is excluded from Adjusted Non-GAAP EPS. U.S. tax reform includes a benefit from applying a lower U.S. federal income tax rate to the Company’s net deferred tax liabilities as of December 31, 2017, offset in part by a one-time transition tax on historical foreign earnings and profits through December 31, 2017. 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.

The following is a reconciliation of the GAAP metric of diluted earnings per share to Adjusted Non-GAAP EPS:

	<u>FY 2018</u>	<u>FY 2017</u>
GAAP	\$ 7.53	\$ 1.64
Warrants expense(1)	—	0.02
Gain from antitrust litigation settlements	(0.12)	—
LIFO expense (credit)	0.22	(0.46)
PharMEDium remediation costs	0.22	—
New York State Opioid Stewardship Act	0.07	—
Goodwill impairment charge	0.10	—
Acquisition-related intangibles amortization	0.56	0.45
Employee severance, litigation, and other(2)	0.28	4.23
Loss on consolidation of equity investments	0.19	—
Impairment of non-customer note receivable	0.14	—
Loss on early retirement of debt	0.08	—
Tax reform(3)	<u>(2.78)</u>	<u>—</u>
Adjusted Non-GAAP	<u>\$ 6.49</u>	<u>\$ 5.88</u>

- (1) In connection with the fiscal 2014 special \$650 million share repurchase program, which was established to mitigate the dilutive effect of the warrants issued to Walgreens Boots Alliance, Inc., the Company issued \$600 million of 1.15% senior notes that were repaid in May 2017. The interest expense incurred relating to this borrowing has been excluded from the non-GAAP presentation.
- (2) Includes \$914.4 million for litigation settlements and accruals with no corresponding income tax benefit in the fiscal year ended September 30, 2017.
- (3) Includes the impact of applying a lower U.S. federal income tax rate to the Company’s net deferred tax liabilities as of December 31, 2017, offset in part by a one-time transition tax on historical foreign earnings and profits through December 31, 2017.