



Cardinal Health, Inc.
7000 Cardinal Place
Dublin, Ohio 43017, USA

Cardinal Health, Inc. Global Employee Stock Purchase Plan, as amended and restated

Prospectus for the employees of the European Economic Area (“EEA”) subsidiaries of Cardinal Health, Inc.

Pursuant to Article 23 of the Law of June 16, 2006 on the public offerings of securities and the admission to trading of securities on a regulated market, the Belgian Banking, Finance and Insurance Commission has approved this prospectus on November 25, 2008. This prospectus was established by the issuer and is the responsibility of the issuer. The prospectus has been approved in connection with the operation proposed to the investors. The visa represents neither an assessment of the transaction’s opportunity or quality nor the authentication of the financial and accounting information presented or more generally the issuer’s position, by the Belgian Banking, Finance and Insurance Commission.

This prospectus will be made available to the employees of the EEA subsidiaries of Cardinal Health, Inc. if the offering under the plan listed above is considered a public offering in their respective jurisdictions. At the time of the approval of this prospectus, these jurisdictions are Belgium, Germany, Malta and the United Kingdom. This prospectus will be made available on the intranet of the issuer and free paper copies will be available to the employees upon request by contacting the Human Resources Departments of their employers.

Note to the prospectus

This prospectus was established in accordance with the principles laid down in the Law of June 16, 2006 on the public offerings of securities and the admission to trading of securities on a regulated market, in Directive 2003/71/EC of November 4, 2003 and in Commission Regulation 809/2004 of April 29, 2004.

This prospectus contains, among other things, a summary conveying the essential characteristics of, and risks associated with, the issuer and the offered securities. More detailed information concerning the issuer and the securities to be offered is incorporated into this prospectus by reference. The documents made reference to in the relevant chapters are attached as annexes to this prospectus.

Company responsible for the prospectus

The responsibility for this prospectus is assumed by Cardinal Health, Inc., a company incorporated and existing under the laws of the State of Ohio, U.S.A., with its registered office at 7000 Cardinal Place, Dublin, Ohio 43017, USA, represented by its Board of Directors. Cardinal Health, Inc. ensures, having taken all reasonable care, that the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and that the prospectus does not contain omissions likely to affect the import of the prospectus.

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I. SUMMARY

Preliminary remark

The issuer warns the reader that:

- this summary should be read as an introduction to the prospectus;
- any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor;
- where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated; and
- civil liability attaches to those persons who have tabled the summary including any translation thereof, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus.

A. Information concerning the offer

Cardinal Health, Inc. (the “Company” or “Cardinal Health”), an Ohio corporation, with its headquarters at 7000 Cardinal Place Dublin, Ohio 43017, United States of America, has decided to offer eligible employees of its designated subsidiaries the possibility to purchase common shares, without par value, of Cardinal Health, Inc. (the “Shares”) under the Cardinal Health, Inc. Global Employee Stock Purchase Plan, as amended and restated (the “GESPP”). The Company’s Shares are listed on the New York Stock Exchange (the “NYSE”). The ticker symbol is “CAH”.

1. The GESPP

The GESPP is effective as of July 1, 2000 and was amended and restated effective as of May 10, 2006. The total number of Shares made available for purchase under the GESPP is 4,500,000.

The GESPP shall be administered by the Company’s Board of Directors (the “Board”), by a designated committee of the Board, or by the person(s) or entity designated by the Board.

Participation in the GESPP is offered to designated employees who have been working for at least thirty days with a designated subsidiary of the Company (“Eligible Employees”). Designated subsidiaries are the Company’s EEA and other subsidiaries whose employees have been designated to participate in the GESPP.

Eligible Employees may enroll in the GESPP, pursuant to which they will receive options to purchase Shares. Eligible Employees may enroll in the GESPP during the enrollment period for a given offering period. During any given calendar year, there are generally two offering periods: January 1-June 30 and July 1-December 31. Once enrolled in the GESPP, a participant shall continue to participate in the GESPP for each successive offering period until he or she terminates his or her participation by revoking his or her contributions to the GESPP or ceases to be an Eligible Employee.

During the offering period, the participant authorizes payroll deductions or provides alternative contributions to fund the purchase of Shares. Payroll withholding will commence with the first payroll issued during the offering period and will generally continue with each payroll throughout the entire offering period, except for pay periods for which such participant receives no compensation.

The withholding or alternative contributions shall be in increments of one percent (1%) of the participant’s compensation. The withholding amount can vary between a minimum amount equal to one percent (1%) of a participant’s compensation and a maximum amount equal to fifteen percent (15%) of a participant’s compensation, with a maximum per calendar year equal to the sum of the legal currency of U.S. \$21,250. The participant shall specify the actual percentage of compensation to be deducted in his or her authorization to participate in the GESPP. The aggregate amount of such contributions will generally be credited to the participant’s plan account.

The participant can increase or decrease the percentage of his or her payroll deductions during the enrollment period by completing and returning the applicable form to his or her local HR representative. Furthermore, at any time during the offering period, the participant can suspend his or her participation in the GESPP by changing the payroll deduction percentage to zero. If a participant so suspends his or her participation, he or she cannot reinstate his or her participation in the GESPP until the next enrollment period, at which point the participant will need to re-enroll in the plan.

The participant’s option to purchase Shares under the GESPP will normally be exercised automatically on the last day of the offering period with respect to the amounts creditable to the participant’s plan account.

The purchase price shall be an amount equal to the lesser of (1) eighty-five percent (85%) of the closing value of a Share on the first trading day of each offering period or (2) eighty-five percent (85%) of the closing value of such Share on the last trading day of the offering period. Closing value means, as of a particular date, the value of a Share determined by the closing sales price for such Share (or the closing bid, if no sales were reported) as quoted on the NYSE for the date of determination, as reported in the Wall Street Journal or other source.

In Belgium, all payroll deductions from participants will be credited to special bank account(s) opened by the Belgian employer in the name of all participants in Belgium, whereby all participants in Belgium will own the account(s) in the proportion of their respective contributions. The Belgian employer will manage the account(s) and will transfer the amount of each participant's accumulated payroll deductions at the end of the offering period in order to purchase Shares in the participant's name under the GESPP.

The number of whole or fractional Shares thus purchased will be transferred to the participant's plan account.

An Eligible Employee shall not be entitled to purchase Shares under the GESPP if such purchase would cause such Eligible Employee to own Shares (including any Shares that would be owned if such Eligible Employee purchased all of the Shares made available for purchase by such Eligible Employee under all options or rights then held by such Eligible Employee, whether or not then exercisable) representing five percent (5%) or more of the total combined voting power or value of each class of stock of the Company or a subsidiary.

The Company's agent (*i.e.*, Fidelity Stock Plan Services, LLC with offices at 82 Devonshire Street, R6C, Boston, Massachusetts 02109, USA, which is the broker currently appointed by the Company for the specific purposes of the GESPP) shall hold in its name, or in the name of its nominee, all Shares so purchased and allocated. No certificate will be issued to a participant for Shares held in his or her plan account unless he or she so requests in writing or unless such participant's active participation in the plan is terminated due to death, disability, separation from service or retirement. Subsequent to the purchase, participants are free to sell their Shares at any time. However, during the first 24 months after the granting of the option to purchase Shares, Shares must be held in the participant's plan account until they are sold. Participation in the plan and the purchase, ownership and sale of Shares under the plan are subject to risk of fluctuation in the share price and currency exchange.

A participant shall have no interest or voting right in the Shares covered by his or her option until such option has been exercised. Shares held for a participant in his or her plan account will be voted in accordance with the participant's express directions, in the absence of which such Shares will not be voted. Cash dividends and other cash distributions received by the agent on Shares in its custody will be credited to the plan accounts and may be reinvested in Shares at the participant's request.

No purchase rights granted under the GESPP shall be assignable or transferable by a participant other than by will or by the laws of descent and distribution.

2. Use of proceeds

The proceeds of the offers under the GESPP will be used by the Company for general corporate purposes, in accordance with its charter documents.

3. Costs related to the sale of Shares

If a participant acquires Shares under the GESPP, the participant will incur certain costs upon a subsequent sale of the Shares. These costs are inherent to any sale of shares on the NYSE and will be charged by the broker who sells the respective Shares on behalf of the participant.

If Fidelity Stock Plan Services is the broker / dealer, the following will apply in the context of the sale of the Shares acquired under the GESPP:

METHOD	NUMBER OF SHARES	FEES IN U.S. DOLLARS
Online	1-1,000 1,001 +	\$ 14.95 \$ 14.95 for first 1,000 shares plus \$0.015 per share for shares above 1,000
Representative –Assisted (language assistance available upon request)	1-100 101 +	\$55.00 \$55.00 for first 100 shares plus \$ 0.140 per share for shares above 100

B. General Information concerning Cardinal Health, Inc.

B.1 Company history and activities

Cardinal Health, Inc. was incorporated (*i.e.*, became a corporation) in 1979 under the laws of the State of Ohio for an unlimited period of time. Cardinal Health, Inc. has its registered office at 7000 Cardinal Place Dublin, Ohio 43017, USA (telephone number +1 (614) 757-5000). The Company's Shares are listed on the New York Stock Exchange (the "NYSE"). The ticker symbol is "CAH". The ISIN code of the Shares is US14149Y1082.

Cardinal Health is a leading provider of products and services that improve the safety and productivity of healthcare. The Company's operations are principally managed on a products and services basis and, as of June 30, 2008, the Company's operations were comprised of four reportable segments: (1) Healthcare Supply Chain Services - Pharmaceutical; (2) Healthcare Supply Chain Services - Medical; (3) Clinical Technologies and Services; and (4) Medical Products and Technologies. Effective July 1, 2008, the number of reporting segments was reduced to three (Healthcare Supply Chain Services, Clinical and Medical Products, and All Other).

On September 29, 2008, the Company issued a news release announcing the planned spin-off of most of its clinical and medical products businesses (the "Planned Spin-Off"). The Company announced that the Planned Spin-Off will be accomplished through a pro rata distribution to the Company's shareholders. Completion of the Planned Spin-Off is subject to final approval by the Company's Board of Directors, confirmation of the tax-free nature of the Planned Spin-Off and effectiveness of a Form 10 registration statement that will be filed with the U.S. Securities and Exchange Commission (the "SEC"). The Form 10 registration statement is expected to be filed during the Company's fiscal third quarter (January to March 2009) and will include detailed information about the new medical technology company, the Planned Spin-Off and related matters. The Company will distribute an information statement to shareholders following completion of the SEC's review of the Form 10 registration statement. Approval by the Company's shareholders is not required for completion of the Planned Spin-Off.

The Company announced that it will reassess its capital deployment targets as it refines the capital structure of both companies. Accordingly, share repurchases for this year are expected to total no more than the amount required to offset dilution from issuances of equity compensation. The Company also announced that it expects to continue its regular U.S. \$0.14 quarterly dividend until the Planned Spin-Off is completed and anticipates that it will continue to pay a dividend after the Planned Spin-Off, but that it is not currently anticipated that the new medical technology company will pay regular dividends.

During the third quarter of fiscal year 2008, the Company completed the acquisition of Enturia Inc. along with other acquisitions. Enturia develops and sells infection prevention products. The value of the transaction, including the assumption of Enturia's debt, totaled approximately U.S. \$490 million. Enturia is being integrated into the Clinical and Medical Products segment. On September 2, 2008, the Company completed the sale of its MedSystems business to Linden, LLC. On September 26, 2008, the Company completed the sale of its Tecomet business to Charlesbank Capital Partners and Tecomet management.

As of June 30, 2008, Cardinal Health had approximately 30,700 employees in the United States and approximately 16,900 employees outside of the United States.

B.2 Research and development; patents and trademarks

The Company seeks continuously to develop new products and manufacturing methods. The Company relies on a combination of trade secret, patent, copyright and trademark laws, nondisclosure and other contractual measures to protect its products, services and intangible assets. These

proprietary rights are important to the Company's ongoing operations. The Company holds various patents and has a number of pending patent applications in the United States and certain foreign countries.

B.3 Particular provisions of the Code of Regulations

The annual meeting of shareholders is held for the purpose of electing directors and conducting other business as may properly come before the meeting and shall be held during the first six months of each fiscal year. The last shareholders' meeting was held on November 5, 2008.

B.4 Board of Directors (as of November 5, 2008)

Name	Director Since
John F. Finn	1994
J. Michael Losh	1996
John B. McCoy	1987
Richard C. Notebaert	1999
Michael D. O'Halleran	1999
David W. Raisbeck	2002
Jean G. Spaulding, M.D.	2002
Calvin Darden	2005
R. Kerry Clark	2006
Philip L. Francis	2006
Colleen F. Arnold	2007
Gregory B. Kenny	2007

To the extent that such activity is required to be disclosed in Exhibits II or IV, for at least the previous five years, none of the Directors of Cardinal Health, Inc. has:

- (a) been convicted in relation to fraudulent offenses;
- (b) been associated with any bankruptcies, receiverships or liquidations when acting in their capacity of directors or executive officers of Cardinal Health, Inc.; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

There are no family relationships between any of the Executive Officers listed below and the Directors listed above.

As indicated in the Definitive Proxy Statement on Form DEF -14A (Exhibit IV), the Company has adopted Corporate Governance Guidelines, the full text of which is available on the Company's website, at www.cardinalhealth.com, under the "Investors-Corporate Governance: Corporate governance guidelines" captions. This information also is available in print (free of charge) to any shareholder who requests it from the Company's Investor Relations department.

B.5 Executive Officers (as of November 5, 2008)

Name	Age	Position
R. Kerry Clark	56	Chairman and Chief Executive Officer
George S. Barrett	53	Vice Chairman of Cardinal Health and Chief Executive Officer, Healthcare Supply Chain Services
David L. Schlotterbeck	61	Vice Chairman of Cardinal Health and Chief Executive Officer, Clinical and Medical Products
Jeffrey W. Henderson	43	Chief Financial Officer
Ivan K. Fong	47	Chief Legal Officer and Secretary
Vivek Jain	36	Executive Vice President – Strategy and Corporate Development
Craig S. Morford	49	Chief Compliance Officer
Carole S. Watkins	48	Chief Human Resources Officer

To the extent that such activity is required to be disclosed in Exhibits II or IV, for at least the previous five years, none of the Executive Officers of Cardinal Health, Inc. has:

- (a) been convicted in relation to fraudulent offenses;
- (b) been associated with any bankruptcies, receiverships or liquidations when acting in their capacity of directors or executive officers of Cardinal Health, Inc.; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

There are no family relationships between any of the Executive Officers listed above and the Directors listed above.

As indicated in the Definitive Proxy Statement on Form DEF -14A (Exhibit IV), the Company has adopted Corporate Governance Guidelines, the full text of which is available on the Company's website, at www.cardinalhealth.com, under the "Investors-Corporate Governance: Corporate governance guidelines" captions. This information also is available in print (free of charge) to any shareholder who requests it from the Company's Investor Relations department.

C. Financial Information concerning Cardinal Health, Inc.

C.1 Statutory auditors

The statutory auditors of Cardinal Health over the fiscal years ended on June 30, 2008, June 30, 2007 and June 30, 2006 were Ernst & Young, LLP, 1100 Huntington Center, 41 South High Street, Columbus, Ohio 43215, USA. The accounts for those years, prepared in accordance with the U.S. GAAP, were audited, and the audit reports contained no qualification.

C.2 Share capital

At June 30, 2008, the Company's authorized capital shares consisted of (i) 750 million common shares, without par value, (ii) 5 million Class B common shares, without par value, and (iii) 0.5 million non-voting preferred shares, without par value.

As of August 25, 2008, Cardinal Health had 359,153,099 Shares issued and outstanding. There are no Class B common shares, without par value, or preferred shares, without par value, issued and outstanding.

The aggregate market value of voting stock held by non-affiliates of the Company on December 31, 2007, based on the closing price on December 31, 2007 was U.S. \$20,404,211,520.

There are no shareholders in the Company that, directly or indirectly, singly or jointly, exercise or are capable of exercising control over the Company.

As of September 8, 2008, to the Company's knowledge, the following shareholders of Cardinal Health beneficially owned 5% or more of its Shares:

- (i) Based on information obtained from a Schedule 13G/A jointly filed with the SEC on February 14, 2008, FMR Corp., 82 Devonshire Street, Boston, MA 02109, and Edward C. Johnson, III beneficially owning 24,100,077 Shares as of December 31, 2007, representing 6.7% of the Company's outstanding Shares (the number of Shares held by FMR Corp. and Mr. Johnson may have changed since the filing of the Schedule 13G/A);
- (ii) Based on information obtained from a Schedule 13G/A filed with the SEC on February 13, 2008, Dodge & Cox, 555 California Street, San Francisco, CA 94104, beneficially owning 41,392,623 Shares as of December 31, 2007, representing 11.5% of the Company's outstanding Shares (the number of Shares held by Dodge & Cox may have changed since the filing of the Schedule 13G/A); and
- (iii) Based on information obtained from a Schedule 13G/A filed with the SEC on February 11, 2008, Capital Research Global Investors, 333 South Hope Street, Los Angeles, California 90071, beneficially owning 26,898,000 Shares as of December 31, 2007, representing 7.5% of the Company's outstanding Shares (the number of Shares held by Capital Research Global Investors may have changed since the filing of the Schedule 13G/A).

For the fiscal years ended on June 30, 2008, June 30, 2007 and June 30, 2006, no third parties have attempted a public takeover bid on the Company, by purchase or exchange of Shares of the Company.

C.3 Key financial data

The key financial data as per the fiscal years ended on June 30, 2008, June 30, 2007 and June 30, 2006 are set forth hereafter:

CARDINAL HEALTH, INC. AND SUBSIDIARIES
SELECTED CONSOLIDATED FINANCIAL DATA
(in millions, except per Common Share amounts, and in U.S. dollars)

	<u>At or For the Fiscal Year Ended June 30, (1)</u>		
	<u>2008</u>	<u>2007</u>	<u>2006(2)</u>
Earnings Data:			
Revenue.....	\$91,091.4	\$86,852.0	\$79,664.2
Earnings from continuing operations.....	\$1,315.9	\$839.7	\$1,163.3
Earnings/(loss) from discontinued operations (3).....	\$(15.3)	\$1,091.4	\$(163.2)
Net earnings.....	\$1,300.6	\$1,931.1	\$1,000.1
Basic earnings/(loss) per Common Share			
Continuing operations.....	\$3.67	\$2.13	\$2.76
Discontinued operations (3).....	\$(0.04)	\$2.76	\$(0.38)
Net basic earnings per Common Share.....	\$3.63	\$4.89	\$2.38
Diluted earnings/(loss) per Common Share			
Continuing operations.....	\$3.61	\$2.07	\$2.71
Discontinued operations (3).....	\$(0.04)	\$2.70	\$(0.38)
Net diluted earnings per Common Share.....	\$3.57	\$4.77	\$2.33
Cash dividends declared per Common Share (4).....	\$0.500	\$0.390	\$0.270
Balance Sheet Data:			
Total assets.....	\$23,448.2	\$23,153.8	\$23,433.3
Long-term obligations, less current portion and other short-term borrowings...	\$3,687.4	\$3,457.3	\$2,588.6
Shareholders' equity (5).....	\$7,747.5	\$7,376.9	\$8,490.7

- (1) Amounts reflect business combinations and the impact of special items in all periods presented. See Note 3 of “Notes to Consolidated Financial Statements” in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2008, filed on August 27, 2008 with the SEC (the “2008 Form 10-K”) for a further discussion of special items affecting fiscal 2008, 2007 and 2006.
- (2) During the first quarter of fiscal 2006, the Company adopted Statement of Financial Accounting Standards (“SFAS”) No. 123(R), “Share-Based Payment,” applying the modified prospective method. Prior to the adoption of SFAS No. 123(R), the Company accounted for equity-based awards under the intrinsic value method, which followed the recognition and measurement principles of Accounting Principles Board Opinion No. 25, “Accounting for Stock Issued to Employees,” and related Interpretations, and equity-based compensation was included as pro forma disclosure within the notes to the financial statements. See Note 18 of “Notes to Consolidated Financial Statements” in the 2008 Form 10-K for additional information.
- (3) During the second quarter of fiscal 2007, the Company committed to plans to sell the its former Pharmaceutical Technologies and Services segment, other than certain generic-focused businesses, thereby meeting the criteria for classification of discontinued operations in accordance with SFAS No. 144 “Accounting for the Impairment or Disposal of Long-Lived Assets” and Emerging Issues Task Force (“EITF”) Issue No. 03-13, “Applying the Conditions in Paragraph 42 of FASB Statement No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, in Determining Whether to Report Discontinued Operations.” During the third quarter of fiscal 2006, the Company committed to plans to sell a significant portion of its healthcare marketing services business and its United Kingdom-based Intercare pharmaceutical distribution business, thereby meeting the held for sale criteria set forth in SFAS No. 144. During the first quarter of fiscal 2006, the Company decided to discontinue its sterile pharmaceutical manufacturing business in Humacao, Puerto Rico, thereby meeting the criteria for classification of discontinued operations in accordance with SFAS No. 144 and EITF Issue No. 03-13. For additional information regarding discontinued operations, see Note 8 of “Notes to Consolidated Financial Statements” in the 2008 Form 10-K.
- (4) Cash dividends per Common Share exclude dividends paid by all entities with which subsidiaries of the Company have merged.
- (5) In the first quarter of fiscal 2008, the Company adopted the provisions of FASB Interpretation (“FIN”) No. 48, “Accounting for Uncertainty in Income Taxes.” FIN No. 48 clarifies the accounting for uncertainty in income taxes

recognized in the financial statements in accordance with SFAS No. 109, "Accounting for Income Taxes." This standard provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. The amount recognized is measured as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. The cumulative effect of adoption of this interpretation was a \$139.3 million reduction of retained earnings. See Note 11 of "Notes to Consolidated Financial Statements" in the 2008 Form 10-K.

Quarterly results (such as the results of the first quarter of the current fiscal year) are published on the Company's Quarterly Reports on Form 10-Q, which are available on the Company's website (www.cardinalhealth.com, under the "Investors – SEC filings" captions).

The dividend history of the Company can be found on the Company's website (www.cardinalhealth.com, under the "Investors – Stock Information – Dividend/split history" captions).

The cost of the stock-based compensation for U.S. GAAP accounting purposes is elaborated upon in the Company's Annual Report on Form 10-K for fiscal year ended June 30, 2008 (Exhibit III) and in the Company's Quarterly Report on Form 10-Q for fiscal quarter ended September 30, 2008 (Exhibit IV). In addition, Cardinal Health, Inc. has incurred legal costs of approximately U.S.\$ 20,000 to implement this prospectus in order to offer securities under the GESPP to eligible employees of its designated subsidiaries in the EEA.

C.4 Risk factors

The risk factors to be taken into consideration when participating in the Company's GESPP consist, on the one hand, of risks related to the participation in the Company's GESPP itself, and, on the other hand, risks related to the Company's business.

The risks related to participation in the Company's GESPP can be summarized as follows:

- Participation in the GESPP is subject to the same risks as inherent to any investment in shares (such as a change of the stock exchange price of the shares).
- Participation in the GESPP is subject to a currency risk (*e.g.*, USD/EUR) that could adversely affect the foreseen profit resulting from the participation in the GESPP.
- The possible tax and social security consequences of the participation in the GESPP could adversely affect the foreseen profit resulting from the participation in the GESPP.

The risks related to the Company's business that may materially and adversely affect its future results, financial condition, liquidity and cash flows, can be summarized as follows:

- Disruptions in the financial market may adversely affect the availability and cost of credit to the Company.
- The financial soundness of the Company's customers and vendors could affect its business and results of operations.
- Competitive pressures could adversely affect the Company's results of operations and financial condition.
- Substantial defaults or a material reduction in purchases of the Company's products by large customers could have an adverse effect on the Company's results of operations and financial

condition.

- Changes in the United States health care environment could adversely affect the Company's results of operations and financial condition.
- The Company's pharmaceutical supply chain business is subject to appreciation in branded pharmaceutical prices and deflation in generic pharmaceutical prices, which subjects the Company to risks and uncertainties.
- The Company is involved in legal proceedings that could adversely affect the Company's results of operations and financial condition. For further information, please refer to page 18 of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II).
- Failure to comply with existing and future regulatory requirements could adversely affect the Company's results of operations and financial condition.
- The Company's decision to separate its new Healthcare Supply Chain Services and Clinical and Medical Products reportable segments could have an adverse effect on business operations and its assets.
- The Company may be unable to complete the Planned Spin-Off.
- Increased demands on the Company's management team as a result of preparing for and completing the Planned Spin-Off could distract management's attention from operating the business.
- The Company and the spin-off company may not achieve some or all of the expected benefits of the Planned Spin-Off.
- The Company's businesses will be less diversified because of the Planned Spin-Off, which may adversely affect the Company's business and operating results and could result in a lower credit rating, which could also adversely affect the Company's business.
- If, following the completion of the Planned Spin-Off, there is a determination that the Planned Spin-Off is taxable for U.S. federal income tax purposes because the facts, assumptions, representations or undertaking underlying the U.S. Internal Revenue Service ruling or tax opinions are incorrect or for any other reason, then the Company and its shareholders that are subject to U.S. federal income tax could incur significant U.S. federal income tax liabilities.
- Circumstances associated with the Company's acquisition and divestiture strategy could adversely affect the Company's results of operations and financial condition.
- The Company may be unable to effectively introduce and market new products or may fail to keep pace with advances in technology.
- The Company's future results of operations are subject to the availability and fluctuations in the costs of purchased components, compounds, raw materials and energy.
- Proprietary technology protections may not be adequate and the products that the Company manufactures or distributes may be found to infringe on the intellectual property rights of third parties.

- Risks generally associated with the Company's information systems and implementation of a new accounting software system could adversely affect the Company's results of operations or the effectiveness of internal control over financial reporting.
- Tax legislation initiatives or challenges to the Company's tax positions could adversely affect the Company's results of operations and financial condition.
- The Company's global operations are subject to a number of economic, political and regulatory risks.

These risks are not the only risks that the Company faces. The Company's business operations could also be affected by additional factors that are not presently known to the Company or that the Company currently considers to be immaterial to its operations.

II. RISK FACTORS

The risk factors to be taken into consideration when participating in the Company's GESPP consist, on the one hand, of risks related to the participation in the Company's GESPP itself, and, on the other hand, risks related to the Company's business.

The risks related to participation in the Company's GESPP can be summarized as follows:

- Participation in the GESPP is subject to the same risks as inherent to any investment in shares (such as a change of the stock exchange price of the shares).
- Participation in the GESPP is subject to a currency risk (e.g. USD/EUR) that could adversely affect the foreseen profit resulting from the participation in the GESPP.
- The possible tax and social security consequences of the participation in the GESPP could adversely affect the foreseen profit resulting from the participation in the GESPP.

Information concerning the risk factors related to the Company's business that may materially and adversely affect future results, financial condition, liquidity and cash flows of the Company is reported in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II).

III. INFORMATION ON THE DIFFERENT TYPES OF OFFERS

Information concerning the offer, including offer statistics, the method and expected timetable and admission to trading details, is laid down in (i) the Cardinal Health, Inc. Global Employee Stock Purchase Plan, as amended and restated (Exhibit I); and (ii) the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II).

The Shares purchased under the GESPP will be admitted to trading on the NYSE no later than the moment that the Shares are recorded to the Participant's book entry account.

IV. KEY INFORMATION ON THE COMPANY'S FINANCIAL CONDITION, CAPITALIZATION AND RISK FACTORS

Information concerning the Company's financial condition, including selected financial data, information on capitalization and indebtedness and a description of the risk factors is laid down in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II) and in the Company's Quarterly Report for the fiscal quarter ended on September 30, 2008 (Exhibit III). The reasons for the offer and the use of proceeds are described in I.A above.

V. INFORMATION ON THE COMPANY

Information on the Company, including its history and development, a business overview, its organizational structure and information concerning its property, plants and equipment is laid down in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II).

VI. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Information concerning the Company's operating results, its liquidity and capital resources, research and development, patents and licenses, trends, etc. is laid down in the Company's Annual Report on

Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II) and in the Company's Quarterly Report for the fiscal quarter ended on September 30, 2008 (Exhibit III).

VII. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Information concerning the Company's directors and senior management, their remuneration, board practices, the Company's employees and concerning share ownership is laid down in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II) and in the Company's Definitive Proxy Statement (Exhibit IV).

VIII. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Information concerning major shareholders of the Company, related party transactions and information concerning interests of experts and advisers is laid down in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2008 (Exhibit II) and in the Company's Definitive Proxy Statement (Exhibit IV).

IX. BELGIAN TAX AND SOCIAL SECURITY CONSEQUENCES OF PARTICIPATION IN THE GESPP

The following is a general summary description of the tax consequences of participation in the GESPP under Belgian law. Information concerning the tax and social security consequences of participation in the GESPP in Germany, Malta and the United Kingdom is provided in Exhibit V to this prospectus.

This description is based on the tax and other laws concerning equity awards in effect in Belgium as of October 31, 2008. Such laws are often complex and change frequently. As a result, the information contained in this description may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the GESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the GESPP.**

If you are a citizen or resident of a country other than Belgium, the information contained in this description may not be applicable to you.

Note: The particular terms of any awards granted to you under the GESPP are set forth in the applicable plan and award agreement (the "Plan Documents"). If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will take precedence. As stated in the Plan Documents, the ability to participate in the GESPP is neither a contract nor a guarantee of continued employment; employment is and always will be on the basis as provided for in your employment agreement. The GESPP does not form a part of your salary and will not be included in the calculation of any severance payments that may be payable upon a termination of employment.

Enrollment in the GESPP

You are not subject to tax when an option is granted to you under the GESPP (*i.e.*, when you enroll in the GESPP or are offered participation in the GESPP).

Purchase of Shares

When shares are purchased, you will be subject to personal income tax (at the normal progressive income tax rates) on the difference (or spread) between the fair market value of the shares on the date of purchase and the purchase price.

Example:

- Accumulated contributions at the end of a certain offering period: U.S.\$ 1,000
- Purchase price: U.S.\$ 50
- Number of shares purchased: 20
- Stock exchange price on the purchase date: U.S.\$ 58.82

You will be taxed on the difference between U.S.\$ 58.82 and U.S.\$ 50.00 (*i.e.*, U.S.\$ 8.82) times the number of shares purchased (*i.e.*, 20) or $20 \times \text{U.S.}\$ 8.82 = \text{U.S.}\$ 176.40$ or EUR 125.42 (at an exchange rate of U.S.\$ 1: EUR 0.711). This taxable amount, *i.e.*, U.S.\$ 176.40 in the example, will be taxed at the normal progressive income tax rates. If you were, for instance, to be taxed at a 50% rate, the tax due will amount to U.S.\$ 88.20 or EUR 62.71 (at an exchange rate of US\$ 1: EUR 0.711).

Sale of Shares

When you subsequently sell the shares that you purchased under the GESPP, you will normally not be subject to tax.

Dividends

If you hold shares of Company stock and the Company declares a dividend on the shares, you will be subject to tax on the dividend payments that you receive. The dividends received will be subject to income tax in Belgium at a rate of 15% or 25%, as the case may be (plus a communal surcharge in certain circumstances) and to U.S. federal income withholding tax. You may be entitled to reduce the standard 30% U.S. federal income withholding tax rate, provided that the appropriate certifications concerning your Belgian residence are provided, as required by the United States Internal Revenue Service (*i.e.*, Substitute Form W-8/BEN Certificate of Foreign Status and Instructions, available from the brokerage firm(s) retained by the Company).

Withholding and Reporting

Because the Company charges the costs related to the GESPP to your local employer, your local employer will normally be obliged to report the remuneration on your salary forms 281.10 / 325.10 and will normally be obliged to impose a withholding tax. You are obliged to report the existence of your plan account on your annual income tax return.

Social Security

Because the Company charges the cost of the GESPP to your local employer, social security contributions will normally be due on the fringe benefit derived from your participation in the GESPP.

X. ADDITIONAL INFORMATION

More detailed information about the Company's businesses, as well as the contact information for the different subsidiaries is available on the Company's website (www.cardinalhealth.com).

The Annual Reports on Form 10-K for fiscal years ended June 30, 2008 and June 30, 2007 as well as Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are also made available on the Company's website (www.cardinalhealth.com, under the "Investors – SEC filings" captions) after the Company electronically files such materials with, or furnishes them to, the SEC.

Required filings by the Company's officers and directors and certain third parties with respect to transactions or holdings in Company shares are also made available on the Company's website, as are proxy statements for the Company's shareholder meetings. These filings may also be read and copied at the SEC's Public Reference Room at 100 F Street, NE, Room 1580 Washington, D.C. 20549. The SEC also maintains an internet site (www.sec.gov) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

Information about the Company's Board of Directors and Board Committees, including Committee charters, is available on the Company's website (www.cardinalhealth.com, under the "Investors – Board committees/charters" captions). This information is also available in print (free of charge) to any shareholder who requests it from the Company's Investor Relations department.

EXHIBITS

**EXHIBIT I – THE CARDINAL HEALTH, INC.
GLOBAL EMPLOYEE STOCK PURCHASE PLAN, AS AMENDED AND RESTATED**

EXHIBIT II – ANNUAL REPORT ON FORM 10-K
FOR FISCAL YEAR ENDED JUNE 30, 2008
filed by Cardinal Health, Inc. on August 27, 2008

EXHIBIT III - QUARTERLY REPORT ON FORM 10-Q
FOR FISCAL QUARTER ENDED SEPTEMBER 30, 2008
filed by Cardinal Health, Inc. on November 7, 2008

EXHIBIT IV – DEFINITIVE PROXY STATEMENT
FORM DEF 14A
filed by Cardinal Health, Inc. on September 29, 2008

EXHIBIT V – TAX AND SOCIAL SECURITY CONSEQUENCES OF PARTICIPATION IN THE GESPP IN GERMANY, MALTA AND THE UNITED KINGDOM

Information concerning the tax and social security consequences of participation in the GESPP in Germany, Malta and the United Kingdom is hereinafter reflected.

GERMAN TAX CONSEQUENCES

The following is a general summary description of the tax consequences of participation in the GESPP under German law.

This description is based on the tax and other laws concerning equity awards in effect in Germany as of October 31, 2008. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the GESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the GESPP.**

If you are a citizen or resident of another country, the information contained in this description may not be applicable to you.

Note: The particular terms of any awards granted to you under the GESPP are set forth in the Plan Documents. If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will take precedence. As stated in the Plan Documents, the ability to participate in the GESPP is neither a contract nor a guarantee of continued employment; employment is and always will be on the basis as provided for in your employment agreement. The GESPP does not form a part of your salary and will not be included in the calculation of any severance payments that may be payable upon a termination of employment.

Enrollment in the GESPP

You are not subject to tax when an option is granted to you under the GESPP (*i.e.*, when you enroll in the GESPP or are offered participation in the GESPP).

Purchase of Shares

When shares are purchased, you will be subject to income tax on the difference (or spread) between the fair market value of the shares on the date of purchase and the purchase price. You also will be subject to social insurance contributions on the spread to the extent you have not already exceeded your applicable contribution ceiling.

Pursuant to Section 19a of the Income Tax Act (*Einkommensteuergesetz*), you may be able to deduct €135 from the spread per calendar year because this income results from the purchase of stock in the employer's parent company. This tax allowance may increase to €360 on April 1, 2009 pursuant to a Government Draft issued on August 27, 2008. We recommend that you confirm the availability of this deduction as well as the applicable amount of the deduction with your tax advisor.

Sale of Shares Purchased on or Prior to December 31, 2008

When you subsequently sell the shares that you purchased under the GESPP on or before December 31, 2008, any capital gain, (*i.e.*, the difference between the sale price and the fair market value of the shares at the time of purchase) will be subject to capital gains tax only if one of the following conditions is met: (i) you have held the shares for less than 12 months; (ii) you own 1% or more of the Company's stated capital (or have owned 1% or more at any time in the last five years); or (iii) you hold the shares as a business asset.

If none of those three criteria is met, any capital gain is exempt from German income taxation.

If capital gains are subject to tax, only one-half of the gain (less one-half of sales related expenses) is actually subject to taxation. In addition, you will be subject to tax only if your total capital gains equal or exceed €12 in the relevant tax year. If this threshold is exceeded, you will be taxed on the full gain, subject to the one-half exemption, and not only on the gain exceeding €12.

Sale of Shares Purchased After December 31, 2008

When you subsequently sell the shares that you purchased under the GESPP on or after January 1, 2009, any capital gain will be taxed at a flat tax rate of 25% plus a solidarity surcharge, regardless of the length of time you have held the shares. If your individual tax rate is higher than 25%, then you will not be taxed on any additional amounts with respect to your capital gains. However, if your individual tax rate is less than 25%, then you may apply to reduce the flat tax rate of 25% on your capital gains.

If you own 1% or more of the Company's stated capital (or have owned 1% or more at any time in the last five years) or the shares are held as business assets, from the tax period of 2009 onwards, the flat tax rate does not apply. Instead, 60% of the capital gain will be subject to capital gains tax at your personal income tax rate and 60% of capital gain-related expenses will be deductible.

Dividends

If you hold shares of Company stock and the Company declares a dividend on the shares, you will be subject to income tax on dividend payments that you receive, if you receive the dividend prior to January 1, 2009. Expenses connected to dividend income are deductible up to 50%. The dividends received will be subject to income tax in Germany and to U.S. federal income withholding tax. In Germany, you will only be required to pay tax on one-half of the amount you receive. You may be entitled to a German tax credit for the U.S. withholding taxes paid provided certain conditions are met.

Dividends received after December 31, 2008 will be subject to a 25% withholding tax plus a solidarity surcharge. If your individual tax rate is higher than 25%, then you will not be taxed on any additional amounts with respect to any dividends received. However, if your individual tax rate is less than 25%, then you may apply to reduce the flat tax rate of 25% on any dividends received. Dividend income related expenses will no longer be tax deductible.

Withholding and Reporting

Your employer will withhold income tax when shares are purchased for you under the GESPP. It is your responsibility to pay and report any taxes due when you sell shares acquired under the GESPP and if you receive dividends.

Social Security

Your employer will withhold social insurance contributions (to the extent that you have not exceeded your applicable ceiling for social insurance contributions) when shares are purchased for you under the GESPP.

MALTESE TAX CONSEQUENCES

The following is a general summary description of the tax consequences of participation in the GESPP under Maltese law.

This description is based on the tax and other laws concerning equity awards in effect in your country as of October 31, 2008. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the GESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result. This summary assumes that you are a person who is “ordinarily resident and domiciled” in Malta for the purpose of Maltese law and that you are not carrying out a trade or in the business of dealing in securities. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the GESPP.**

If you are not “ordinarily resident and domiciled” in Malta or, if you are a citizen or resident of another country, the information contained in this description may not be applicable to you.

Note: The particular terms of any awards granted to you under the GESPP are set forth in the Plan Documents. If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will take precedence. As stated in the Plan Documents, the ability to participate in the GESPP is neither a contract nor a guarantee of continued employment; employment is and always will be on the basis as provided for in your employment agreement. The GESPP does not form part of your salary and will not be included in the calculation of any severance payments that may be payable upon a termination of employment.

Enrollment in the GESPP

You should not be subject to tax when an option is granted to you under the GESPP (*i.e.*, when you enroll in the GESPP or are offered participation in the GESPP).

Purchase of Shares

When shares are purchased, you will be subject to tax at the marginal rates of income tax applicable to you based on the chargeable income you derive during that period on the difference (or spread) between the fair market value of the shares on the date of purchase and the purchase price (this difference is the fringe benefit value).

Under current law, you will not be subject to social insurance contributions on this amount (*i.e.*, the fringe benefit value) when shares are purchased under the GESPP.

General Maltese Duty on Documents and Transfers (Stamp Duty)

If you participate in the GESPP, you may be subject to Stamp Duty. Except under certain exemptions, Stamp Duty is imposed in respect of transfers of non-Maltese marketable securities by or to Maltese residents. However the duty is imposed only in respect of documents which are executed in Malta or documents which are executed outside Malta and made use of in Malta.

On the assumption that all transfer documents used in connection with participation in the GESPP will be executed outside Malta and will not be used in Malta, no Maltese Stamp Duty should attach to the transfer of such securities. You should consult with your personal tax or legal advisor to determine whether you are subject to Stamp Duty.

Sale of Shares

When you subsequently sell the shares that you purchased under the GESPP, any capital gain, (*i.e.*, the difference between the sale price and the fair market value of the shares at the time of purchase), will be subject to tax at your marginal rate.

If, for tax purposes, you are deemed to be both ordinarily resident and domiciled in Malta, you must declare the relative capital gains on your Maltese income tax returns, whether such capital gains are received in Malta or otherwise. If you are either not domiciled or not ordinarily resident in Malta, you should not be taxed on such capital gains.

Dividends

If you hold shares of Company stock and the Company declares a dividend on the shares and you are a Maltese-domiciled and ordinarily resident individual, you will be subject to income tax on dividend payments that you receive whether you receive the dividends in Malta or not and such dividends must be reported in your Maltese income tax return. If you are not a Maltese-domiciled and ordinarily resident individual, you will be subject to tax on dividends only if they are received in Malta. The dividends also will be subject to U.S. federal income withholding tax. You may be entitled to a tax credit against your Malta income tax for the U.S. taxes paid provided certain conditions are met.

Withholding and Reporting

Your employer is required to aggregate the fringe benefit value upon the purchase of the shares under the GESPP with your salary for the purpose of determining the tax deductible under the Final Settlement System (“FSS”). The applicable tax is withheld on a monthly basis and forwarded to the Commissioner of Inland Revenue. Your employer will also include the fringe benefit value on the appropriate FSS forms including your annual Payee Statement of Earnings (“FS3”) together with your other annual income, and the FS3 must be submitted with your tax return. It is your responsibility to report and pay any taxes due in connection with the sale of shares or the receipt of any dividends.

Social Security

Your employer is not required to withhold social insurance contributions at the time the shares are purchased.

UNITED KINGDOM TAX CONSEQUENCES

The following is a general summary description of the tax consequences of participation in the GESPP under the laws of the United Kingdom.

This description is based on the tax and other laws concerning equity awards in effect in your country as of 31 October 2008. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the GESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result. This description assumes that you are and will remain an employee who is resident, ordinarily resident and domiciled in the United Kingdom. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the GESPP.**

If you are a citizen or resident of another country, the information contained in this description may not be applicable to you.

Note: The particular terms of any awards granted to you under the GESPP are set forth in the Plan Documents. If there is an inconsistency between the description below and the Plan Documents, the Plan Documents will take precedence. As stated in the Plan Documents, the ability to participate in the GESPP is neither a contract nor a guarantee of continued employment; employment is and always will be on the basis as provided for in your employment agreement. The GESPP does not form part of your salary and will not be included in the calculation of any severance payments that may be payable upon a termination of employment.

Enrollment in the GESPP

You are not subject to tax when an option is granted to you under the GESPP (*i.e.*, when you enroll in the GESPP or are offered participation in the GESPP).

Purchase of Shares

When shares are purchased, you will be subject to income tax and employee national insurance contributions (“NICs”) on the difference (or spread) between the fair market value of the shares on the date of purchase and the purchase price. Income tax on the spread will be due at your marginal income tax rate. Employee NICs will be due on the spread at a rate of 11% to the extent you have not exceeded the upper earnings limit, which for the tax year 6 April 2008 to 5 April 2009 is £40,040 per annum. To the extent you have exceeded the upper earnings limit, you will be subject to employee NICs at a rate of 1% on the spread.

Generally, your employer will withhold income tax and employee NICs when shares are purchased for you under the GESPP by deductions from your salary or other payments due to you.

Please note that (in the event that there is no such withholding) you must reimburse your employer for the income tax due (in excess of the amount withheld from your salary or covered by the sale of shares, if any) within 90 days of the date of purchase of your shares to avoid further tax consequences. If you fail to pay this amount to your employer within that time limit, you may be treated as having received a deemed benefit in kind equal to the amount of tax not paid to your employer and you will

have to pay further tax on this benefit. In such case, your employer is not required to withhold tax on the benefit in kind, and you must include this in your self-assessment tax return for the tax year in which the purchase occurs.

Sale of Shares

When you subsequently sell the shares that you purchased under the GESPP, any capital gain, (*i.e.*, the difference between the sale price and the fair market value of the shares at the time of purchase) will be subject to capital gains tax at a flat rate of 18%. Your taxable gain may be reduced by your annual capital gains tax exemption (presently £9,600) and, if available, relief for brought forward capital losses.

If you acquire other shares in the Company, you will need to take into account the share identification rules in calculating your capital gains tax liability.

Dividends

If you hold shares of Company stock and the Company declares a dividend on the shares, you will be subject to income tax on dividend payments that you receive. The dividends received will be subject to income tax in the U.K. and to U.S. federal income withholding tax. You may be entitled to a U.K. tax credit for the U.S. taxes paid provided certain conditions are met.

Withholding and Reporting

Your employer will withhold income tax when shares are purchased for you under the GESPP and will deliver the taxes withheld to HM Revenue & Customs (the "U.K. Revenue") on your behalf. You are required to pay to your employer any income tax that is due.

Without limitation to the above, unless you pay to the Company or your local employer in the United Kingdom, the amount which is required to be withheld when the shares are purchased for you, the Company or your local employer in the United Kingdom is entitled, under the terms of the GESPP, to arrange the sale of sufficient shares to meet the obligation to withhold and forward the proceeds to the U.K. Revenue or appropriate authorities. Without prejudice to the above, the Company and/or your local employer may also recover the income tax from your salary or any other payments due to you including from any bonus payable to you. The Company also reserves the right to ask you for the amounts due directly.

Please note that (in the event that there is no such withholding) you must reimburse your employer for the income tax due (in excess of the amount withheld from your salary or covered by the sale of shares, if any) within 90 days of the taxable event to avoid further tax consequences. If you fail to pay this amount to your employer within that time limit, you will be treated as having received a deemed benefit in kind equal to the amount of tax not paid to your employer and you will have to pay further tax on this benefit. In such case, your employer is not required to withhold tax on the benefit in kind, and you must include this in your self-assessment tax return for the tax year in which the taxable event occurred.

Your employer is required to report the details of your share purchases under the GESPP on its annual U.K. Revenue tax return.

In addition to your employer's reporting obligations, you must report details of any liabilities arising from your stock option and from the sale or disposal of shares, together with details of any dividend income to the U.K. Revenue, on your personal U.K. Revenue self-assessment tax return.

It is your responsibility to pay and report any taxes due when you sell shares acquired under the GESPP and if you receive dividends.

Social Security

Your employer will withhold NICs when shares are purchased for you under the GESPP by deductions from your salary or other payments due to you. In addition, responsibility for payment of your employer's portion of the NICs may be transferred to you. Details regarding transfer of the employer's NICs (if any) will be set forth in your GESPP enrollment form and withholding will occur at the same time as the employee NICs are withheld.