

Kaufmann Michael C
 Form 4
 February 08, 2011

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Kaufmann Michael C

(Last) (First) (Middle)
 7000 CARDINAL PLACE
 (Street)

DUBLIN, OH 43017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

CARDINAL HEALTH INC [CAH]

3. Date of Earliest Transaction
 (Month/Day/Year)
 02/07/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 CEO, Pharmaceutical Segment

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount or Price | | |
| Common Shares | 02/07/2011 | | M | | 356 A \$ 22.9 | 77,972 | D |
| Common Shares | 02/07/2011 | | M | | 1,312 A \$ 22.9 | 79,284 | D |
| Common Shares | 02/07/2011 | | M | | 3,409 A \$ 22.9 | 82,693 | D |
| Common Shares | 02/07/2011 | | M | | 2,994 A \$ 22.9 | 85,687 | D |
| Common Shares | 02/07/2011 | | M | | 2,119 A \$ 22.9 | 87,806 | D |

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| | | | | | | | | |
|---------------|------------|---|--------|---|------------------------|---------|---|-----------|
| Common Shares | 02/07/2011 | M | 2,732 | A | \$ 22.9 | 90,538 | D | |
| Common Shares | 02/07/2011 | M | 8,711 | A | \$ 22.9 | 99,249 | D | |
| Common Shares | 02/07/2011 | M | 531 | A | \$ 22.9 | 99,780 | D | |
| Common Shares | 02/07/2011 | M | 3,326 | A | \$ 22.9 | 103,106 | D | |
| Common Shares | 02/07/2011 | M | 55,158 | A | \$ 27.29 | 158,264 | D | |
| Common Shares | 02/07/2011 | S | 87,544 | D | \$ 41.71 <u>(1)</u> | 70,720 | D | |
| Common Shares | | | | | | 32 | I | By Spouse |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | | M | 356 | 07/20/2010 | 07/20/2012 | Common Shares | 356 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | | M | 1,312 | 07/20/2010 | 07/20/2012 | Common Shares | 1,312 |

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| | | | | | | | | |
|--------------------------------------|----------|------------|---|--------|------------|------------|---------------|--------|
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 3,409 | 07/20/2010 | 09/02/2012 | Common Shares | 3,409 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 2,994 | 07/20/2010 | 11/18/2012 | Common Shares | 2,994 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 2,119 | 07/20/2010 | 01/20/2013 | Common Shares | 2,119 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 2,732 | <u>(2)</u> | 08/15/2013 | Common Shares | 2,732 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 8,711 | 07/20/2010 | 11/17/2013 | Common Shares | 8,711 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 531 | <u>(3)</u> | 03/15/2014 | Common Shares | 531 |
| Employee Stock Option (right to buy) | \$ 22.9 | 02/07/2011 | M | 3,326 | <u>(4)</u> | 08/15/2014 | Common Shares | 3,326 |
| Employee Stock Option (right to buy) | \$ 27.29 | 02/07/2011 | M | 55,158 | <u>(5)</u> | 09/15/2016 | Common Shares | 55,158 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |

Kaufmann Michael C
7000 CARDINAL PLACE
DUBLIN, OH 43017

CEO, Pharmaceutical Segment

Signatures

/s/ Michael C.
Kaufmann

02/08/2011

**Signature of Reporting
Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The price reported in column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$41.70 to \$41.88, inclusive. The reporting person undertakes to provide to Cardinal Health, Inc., any security holder of Cardinal Health, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in footnote (2) to this Form 4.
- (1) This stock option vested and became exercisable 75% on July 20, 2010 and 25% on August 15, 2010.
 - (2) This stock option vested and became exercisable 75% on July 20, 2010. The remaining 25% vests on March 15, 2011.
 - (3) This stock option vested and became exercisable 67% on July 20, 2010 and 33% on August 15, 2010.
 - (4) This stock option vested and became exercisable 33% on September 15, 2010. The remaining 67% vests in two equal installments on September 15, 2011 and 2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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