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McKesson Corporation F4Q09 (Qtr End 3/31/09) Earnings Call Transcript

Earnings Call Excerpt

McKesson Corporation (MCK)

F4Q09 Earnings Call

May 4, 2009 5:00 pm ET

Executives

Ana Schrank - Vice President of Investor Relations

John H. Hammergren - President and Chief Executive Officer

Jeffrey C. Campbell - Chief Financial Officer

Analysts

Lawrence Marsh - Barclays Capital

Lisa Gill - J.P. Morgan

Charles Boorady - Citigroup

Robert Willoughby - BAS-ML

Ross Muken - Deutsche Bank Securities

Richard Close - Jefferies & Co.

Eric Coldwell - Robert W. Baird & Co.

Constantine Davides - JMP Securities

Ricky Goldwasser - UBS

Eugene Mannheimer - Auriga USA

Presentation

Operator

Good afternoon and welcome to McKesson Corporation's fiscal 2009 fourth quarter conference call.
(Operator Instructions)

I would now like to introduce Ana Schrank, Vice President of Investor Relations. Please go ahead, ma'am.

Ana Schrank

Good afternoon and welcome to the McKesson fiscal 2009 fourth quarter earnings call. With me today are John Hammergren, McKesson's Chairman and CEO, and Jeff Campbell, our CFO. John will first provide a business update and will then introduce Jeff, who will review the financial results for the quarter. After Jeff's comments we will open the call for your questions. We plan to end the call promptly after one hour at 6:00 p.m. Eastern time.

Before we begin I'll remind listeners that during the course of this call we will make forward-looking statements within the meaning of the federal securities laws. These forward-looking statements involve risks and uncertainties regarding the operations and future results of McKesson. In addition to the company's periodic, current, and annual reports filed with the Securities and Exchange Commission, please refer to the text of our press release for a discussion of the risks associated with such forward-looking statements.

Thanks, and here is John Hammergren.

John H. Hammergren

Thanks everyone for joining us on our call. Today we reported a solid finish to fiscal 2009. For the fourth quarter we achieved total company sales of \$26.2 billion and fully diluted earnings per share of \$1.01.

Looking at our full year results, you can see the strength of our business model. Excluding the AWP charge we were able to grow revenues by 5%, which we leveraged into 14% growth and operating income and in turn, generated another strong year in earnings per share momentum, finishing fiscal 2009 with 23% EPS growth.

Most of our businesses performed extremely well in fiscal 2009 with a particularly solid performance in Distribution Solutions. We had another successful year with our generics program where we use our size, scale, and experience to negotiate great savings for our customers.

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