

MCKESSON CORP
Form FWP
February 24, 2011

Free Writing Prospectus
Filed Pursuant to Rule 433
Registration Statement No. 333-157176

Pricing Term Sheet

McKesson Corporation

February 23, 2011

3.250% Notes due 2016

4.750% Notes due 2021

6.000% Notes due 2041

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|-------------------------------|---|---|---|
| Issuer: | McKesson Corporation | | |
| Title: | 3.250% Notes due 2016 | 4.750% Notes due 2021 | 6.000% Notes due 2041 |
| Size: | \$600,000,000 | \$600,000,000 | \$500,000,000 |
| Maturity: | March 1, 2016 | March 1, 2021 | March 1, 2041 |
| Interest Payment Dates: | March 1 and September 1, commencing September 1, 2011 | March 1 and September 1, commencing September 1, 2011 | March 1 and September 1, commencing September 1, 2011 |
| Coupon: | 3.250% | 4.750% | 6.000% |
| Benchmark Treasury: | 2.000% due January 31, 2016 | 3.625% due February 15, 2021 | 4.250% due November 15, 2040 |
| Treasury Yield: | 2.174% | 3.489% | 4.607% |
| Spread to Benchmark Treasury: | +115bps | +130bps | +150bps |
| Yield to Maturity: | 3.324% | 4.789% | 6.107% |
| Price to Public: | 99.661% | 99.693% | 98.536% |
| Optional Redemption: | Treasury Rate+20bps | Treasury Rate+20bps | Treasury Rate+25bps |
| CUSIP: | 58155QAC7 | 58155QAD5 | 58155QAE3 |
| ISIN: | US58155QAC78 | US58155QAD51 | US58155QAE35 |
| Trade Date: | February 23, 2011 | | |
| Settlement Date: | February 28, 2011 | | |
| Ratings of the Notes: | Moody s, Baa2 (stable); S&P, A- (stable); Fitch, A- (stable) | | |
| Bookrunners: | J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated | | |
| Co-Managers: | Mitsubishi UFJ Securities (USA), Inc., Rabo Securities USA, Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, Fifth Third Securities, Inc., PNC Capital Markets LLC | | |

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities LLC collect at 1-212-834-4533 or Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free at 1-800-294-1322.

This pricing term sheet supplements the preliminary prospectus supplement dated February 23, 2011 and prospectus dated February 9, 2009.