

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1996-12-30** | Period of Report: **1996-09-30**
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FILER

BERGEN BRUNSWIG CORP

CIK: **11454** | IRS No.: **221444512** | State of Incorporation: **NJ** | Fiscal Year End: **0930**
Type: **10-K** | Act: **34** | File No.: **001-05110** | Film No.: **96688118**
SIC: **5122** Drugs, proprietaries & druggists' sundries

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended SEPTEMBER 30, 1996

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-5110

BERGEN BRUNSWIG CORPORATION

(Exact name of registrant as specified in its charter)

NEW JERSEY

22-1444512

(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

(I.R.S. EMPLOYER
IDENTIFICATION NO.)

4000 METROPOLITAN DRIVE, ORANGE, CALIFORNIA

92868-3598

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (714) 385-4000

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Class A Common Stock Par Value \$1.50 per share	New York Stock Exchange
6 7/8% Exchangeable Subordinated Debentures due July 15, 2011	New York Stock Exchange
\$150,000,000 7 3/8% Senior Notes due 2003	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

7% Convertible Subordinated Debentures due March 1, 2006 - Durr-Fillauer
Medical, Inc.

(Cover page continued)

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405
of Regulation S-K is not contained herein, and will not be contained, to the
best of registrant's knowledge, in definitive proxy or information statements
incorporated by reference in Part III of this Form 10-K or any amendment to
this Form 10-K.

Indicate by check mark whether the registrant: (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. Yes No

At November 30, 1996, 40,091,818 shares of Class A Common Stock were

outstanding. The aggregate market value of the voting Class A Common Stock held by nonaffiliates of the registrant on November 30, 1996 was \$1,035,575,483.

DOCUMENTS INCORPORATED BY REFERENCE

=====

List hereunder the following documents if incorporated by reference and the part of the Form 10-K into which the document is incorporated:

Portions of the definitive proxy statement dated December 22, 1994 relating to the registrant's annual meeting of shareowners held January 26, 1995, as filed with the Securities and Exchange Commission, are incorporated herein by reference in Part IV.

The Company's Current Report on Form 8-K dated November 10, 1996, relating to the execution of a definitive merger agreement with IVAX Corporation, as filed with the Securities and Exchange Commission, is incorporated herein by reference in Part I.

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PART I

ITEM 1. BUSINESS

A. GENERAL DEVELOPMENT OF BUSINESS

Bergen Brunswig Corporation, a New Jersey corporation formed in 1956, and its subsidiaries (collectively, the "Company") are a diversified drug and health care distribution organization and is the nation's largest supplier of pharmaceuticals to the managed care market and the second largest wholesaler to the retail pharmacy market. The Company is the only pharmaceutical distributor to provide both pharmaceuticals and medical-surgical supplies on a national basis.

On November 11, 1996, the Company announced that it had entered into a definitive merger agreement with IVAX Corporation ("IVAX"). IVAX, headquartered in Miami, Florida, is a holding company with subsidiaries engaged in the research, development, manufacture and distribution of health care products, including generic and branded pharmaceuticals, intravenous solutions and related products, and IN VITRO diagnostics. The agreement, which has been unanimously approved by the Board of Directors of the Company and IVAX, calls for the formation of a new combined company to be known as BBI Healthcare Corporation ("BBI"), which will be headquartered in Miami, Florida. Under the agreement, BBI will acquire both the Company and IVAX through an exchange of common stock, whereby IVAX shareowners will receive 0.42 shares of common stock of BBI for each share of IVAX common stock and the Company's shareowners will receive 1.00 share of BBI common stock for each share of Class A Common Stock of the Company. After the merger, BBI is expected to have approximately 91 million shares outstanding of which the Company and IVAX shareowners will hold approximately 44% and 56%, respectively.

The merger is expected to be accounted for as a pooling of interests, and is expected to be tax-free to shareowners. The merger is expected to close during the first calendar quarter of 1997, subject to regulatory approvals, the approval of the Company and IVAX shareowners, and certain other conditions. Additional information regarding the proposed business combination is set forth in the Company's Current Report on Form 8-K dated November 12, 1996, as filed with the Securities and Exchange Commission, and is incorporated herein by reference.

On August 7, 1996, the Company acquired certain net assets of Oncology Supply Company ("Oncology"), a privately-held oncology supply distributor located in Dothan, Alabama, for approximately \$5.8 million in cash plus expenses and the assumption of certain liabilities. The Oncology acquisition is more fully described in Note 4 of Notes to Consolidated Financial Statements appearing in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report.

The Company filed a shelf registration statement with the Securities and Exchange Commission which became effective on March 27, 1996. The registration statement allows the Company to sell senior and subordinated debt

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or equity securities to the public from time to time up to an aggregate maximum principal amount of \$400 million. The Company intends to use the proceeds from the sale of such securities for general corporate purposes, which may include, without limitations, the repayment of indebtedness of the Company or of any of its subsidiaries, possible acquisitions, capital expenditures and working capital needs. Pending such application, the net proceeds may be temporarily invested in short-term securities. No offering has occurred since the effective date of the registration statement. Any offering of such securities shall be made only by means of prospectus.

On March 15, 1996, the Company's credit agreement (the "Credit Agreement") with a group of domestic and foreign banks was amended to, among other things, increase the maximum borrowing to \$400 million, to extend the maturity date to March 15, 2001 and to allow borrowing under discretionary credit lines ("discretionary lines") outside of the Credit Agreement. Outstanding borrowings under the Credit Agreement averaged \$129 million during the fiscal year ended September 30, 1996. The maximum outstanding borrowings under the Credit Agreement including discretionary lines for the year ended

September 30, 1996 were \$319 million.

On January 15, 1996, the Company repaid the \$100 million aggregate principal amount of its 5 5/8% Senior Notes, plus accrued interest. These notes were issued pursuant to the \$400 million shelf registration filed by the Company in December 1992.

B. NARRATIVE DESCRIPTION OF BUSINESS

Bergen Brunswig Drug Company (the "Drug Company"), a wholly-owned and the largest subsidiary of the Company, is one of the largest national distributors of products sold or used by institutional (hospital) and retail pharmacies. The Drug Company distributes a full line of products, including pharmaceuticals, proprietary medicines, cosmetics, toiletries, personal health products, sundries, and home healthcare supplies and equipment from 32 locations in 23 states. These products are sold to a large number of hospital pharmacies, managed care facilities, health maintenance organizations ("HMOs"), independent retail pharmacies, pharmacy chains, supermarkets, food-drug combination stores and other retailers located in all 50 states, the District of Columbia, Guam and Mexico. During fiscal 1996, no single customer or affiliated group of customers of the Company accounted for more than 10% of its net sales and other revenues. However, purchasing groups are expected to represent increasing percentages of total sales in the future.

The Drug Company has been an innovator in the development and utilization of computer-based retailer order entry systems and of electronic data interchange ("EDI") systems including computer-to-computer ordering systems with suppliers. During fiscal 1996, substantially all of Drug Company's customer orders were received via electronic order entry systems. These systems, combined with daily delivery, improve customers' cash and inventory management and profitability by freeing them from the burden of maintaining large inventories. Although these systems require capital expenditures by the Company, benefits from these systems to the Drug Company are expected to be realized through increased productivity. The Drug Company is expanding its electronic interface

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with its suppliers and now electronically processes a substantial portion of its purchase orders, invoices and payments. The Drug Company has opened eight regional distribution centers ("RDCs") since fiscal 1986, replacing 19 older, smaller, less efficient facilities. RDCs help improve customer service levels because a wider product selection is more readily available. These facilities serviced 49% of the Drug Company sales volume in 1996.

In June 1996, the Company introduced its Generic Purchasing Program ("GPP"). Designed to streamline customers' generic pharmaceutical costs, GPP utilizes the products of a selected group of generic manufacturers and combines that benefit with substantial volume to leverage buying power for the Company's customers.

In July 1994, the Company introduced AccuSource(R), a multimedia communication, product information, and electronic ordering system for pharmacies. AccuSource was developed jointly by the Drug Company and Apple Computer, Inc. and is the first link of its kind between supplier, wholesaler and retailer in the pharmaceutical distribution process. AccuSource simplifies the ordering process and gives retailers detailed information on thousands of products, services and special purchase opportunities, as well as prescription substitution alternatives and Medicaid coverage information. AccuSource's on-line feature provides retailers with a convenient method for ensuring product availability by giving immediate information on quantity levels at their Drug Company distribution center.

The Drug Company also provides a wide variety of promotional, advertising, merchandising, and marketing assistance to independent community pharmacies. For example, the Good Neighbor Pharmacy(R) program utilizes circular and media advertising to strengthen the consumer image of the independent pharmacy without sacrificing its local individuality. Other programs for the independent community pharmacy include in-store merchandising programs, private label products, shelf management systems, pharmacy computers and a fully-integrated point-of-sale system marketed under the Drug Company's trademark of OmniPhase(TM).

Hospital and other institutional accounts are offered a wide variety of inventory management and information services by the Drug Company to better manage inventory investment and contain costs. AccuLine(TM), introduced in June 1995, provides an on-line, real-time, hospital, pharmacy management system in a Windows(TM) (a trademark of Microsoft(R) Corporation) environment and features local area network capability.

Bergen Brunswig Medical Corporation (formerly known as Durr Medical Corporation), Southeastern Hospital Supply Corporation, Professional Medical Supply Co., Biddle & Crowther Company and Colonial Healthcare Supply Co. (collectively, "Medical") wholly-owned subsidiaries of the Company, distribute a variety of medical and surgical products to individual hospitals and alternate site healthcare providers through 27 distribution centers located in 22 states in every region of the United States except the northeast.

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Medical serves hospital customers and alternate site customers in 44 states and the District of Columbia. Alternate site customers include outpatient clinics, nursing homes, surgery centers, dialysis and oncology centers, emergency centers, laboratories and veterinary clinics. Medical's distribution centers range between 14,000 and 70,000 square feet and average 40,000 square feet. Medical employs approximately 1,300 people.

Alternate Site Distributors ("ASD"), the Company's specialty wholesale subsidiary, supplies pharmaceuticals and oncology products to physician and clinic accounts. The Company created ASD during fiscal 1994 to respond to the rapid growth in the alternate site market business. As a major supplier to the alternate site market, ASD gives its customers quick access to a broad range of specialty, value-added products and services, and commercial outsourcing.

In September 1995, the Company formed IntePlex(TM) Inc. ("IntePlex"), a subsidiary of the Company, to focus exclusively on the evolving integrated healthcare marketplace. The foundation of IntePlex involves the development of an electronic catalog for one-stop-shopping and a centralized database for tracking customers' purchasing information. IntePlex's offerings are expected to include logistics management, continuous replenishment, just-in-time delivery, and benefit plan compliance for both medical-surgical supplies and pharmaceuticals combined with delivery to all points in a network: hospitals, alternate site, physician offices and retail stores.

1. COMPETITION

The Drug Company, which is the second largest national pharmaceutical distributor measured by sales, faces intense competition from other national pharmaceutical distributors, as well as regional and local full-line and short-line distributors, direct selling manufacturers and specialty distributors. The principal competitive factors of the businesses of the Drug Company, Medical and ASD are service and price.

2. EMPLOYEES

As of November 30, 1996, the Company employed approximately 4,900 people. The Company considers its relationship with its employees and the unions representing certain of its employees to be satisfactory.

3. OTHER

While the Company's operations may show quarterly fluctuations, the Company does not consider its business to be seasonal in nature on a consolidated basis.

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Although the Company's computer service operations expend time and effort on the development and marketing of computer programs relating to the services for its subsidiaries, which are described in part elsewhere herein, the Company has not during the past three fiscal years expended any material amounts on research and development of computer software for sale.

ITEM 2. PROPERTIES

Because of the nature of the Company's business, office and warehousing facilities are operated in widely dispersed locations in the United

States. Some of the facilities are owned by the Company, but most are leased on a long-term basis. The Company considers its operating properties to be in satisfactory condition and well utilized with adequate capacity for growth.

For certain financial information regarding the Company's warehouse and office leases, see Note 6 of Notes to Consolidated Financial Statements appearing in Part II, Item 8, "Financial Statements and Supplementary Data," of this Annual Report.

ITEM 3. LEGAL PROCEEDINGS

On July 7, 1992, two putative class action complaints were filed in the Delaware Court of Chancery against Durr-Fillauer Medical, Inc. and subsidiaries ("Durr") and its directors: STEINER V. ADAIR, ET AL., C.A. No. 12634 and GOLDWURM V. ADAIR, ET AL., C.A. No. 12635. These actions were consolidated on July 15, 1992. On July 17, 1992, another putative class action complaint was filed in the Delaware Court of Chancery against Durr and its directors: TRIEF V. ADAIR, ET AL., C.A. No. 12648. This action was consolidated with C.A. Nos. 12634 and 12635 on August 7, 1992. The named plaintiffs in the three complaints (the "Class Action Complaints") allegedly owned an undisclosed number of shares of Durr common stock. The plaintiffs sought certification of a class consisting of all public stockholders of Durr who held Durr stock at the time of the filing of the Class Action Complaints and who were not affiliated with any of the defendants. The Class Action Complaints alleged, among other things, that Durr's directors breached their fiduciary duties in entering into a June 2, 1992, Agreement and Plan of Reorganization which contemplated the merger of Durr's wholesale drug business with Cardinal Distribution, Inc. and the spin-off of Durr's remaining businesses into a newly formed entity. The Class Action Complaints sought a variety of relief, including an injunction requiring the Durr directors to consider competing offers, damages, attorneys fees and costs. The Company subsequently acquired Durr in September 1992.

In connection with the acquisition of Durr, and for the purpose of settling the expressed concern of the Attorneys General of the States of Alabama, Florida and Louisiana (collectively, the "Attorneys General") over the alleged potential lessening of competition in the wholesale distribution of

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pharmaceutical products, the Company and Durr entered into an agreement dated September 18, 1992, with the Attorneys General wherein the Company agreed that: (1) subject to certain exceptions, no existing customer of either the Company or Durr in Alabama, Florida and Louisiana (the "Customers") will suffer a diminution of service levels until April 30, 1997; (2) except for price increases resulting from taxes, fees or governmental charges, neither the Company nor Durr will increase the markup percentage for the Customers in Alabama, Florida and Louisiana for a period of two years and from September 1994 through April 1997 will not increase such percentage in excess of the percentage increase in the Consumer Price Index; (3) Durr will maintain its distribution facilities in Montgomery and Mobile, Alabama; Lakeland, Florida; and Shreveport, Louisiana for a period of at least two years; (4) Durr will maintain and enhance its AccuNetR system for a period of at least two years; and (5) the Company will reimburse the States of Alabama, Florida and Louisiana for their legal fees, costs and expenses incurred in the investigation of the acquisition of Durr by the Company.

Drug Barn, Inc. ("Drug Barn"), a former retail pharmacy chain in the San Francisco Bay Area, owed the Company approximately \$6.2 million in principal obligations as of October 31, 1996, of which approximately \$1.2 million represents trade receivables and \$5.0 million represents a note which matured on March 25, 1993 and has not been paid to date. The Company has a security interest in virtually all of Drug Barn's assets, as well as personal guaranties, which collateralize the note and trade receivables.

In May 1992, Drug Barn requested additional financing which the Company denied to extend. In December 1992, Drug Barn commenced an action against the Company in the Santa Clara Superior Court (State of California) alleging breach of contract, misrepresentation and violations of certain California antitrust and unfair practices laws. Drug Barn sought a variety of damage claims including compensatory, treble and punitive damages, an injunction against collection on the note, and declaratory judgment as to Drug Barn's rights under an alleged oral joint venture agreement with the Company.

On April 20, 1993, the Company filed a complaint in the Orange County Superior Court (State of California), Case No. 709136 against Drug Barn and Milton Sloban and Barbara Sloban, as guarantors on the defaulted note and open trade receivables, alleging breach of contract and guaranty, and requesting

judicial foreclosure of and the possession of collateral.

Drug Barn commenced a Chapter 11 case in U.S. Bankruptcy Court for the Northern District of California, Case No. 93-3-3437 TC, by filing a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code on July 29, 1993 and remained in possession pursuant to 11 U.S.C. Section 1107. In April 1994, this matter (excluding the bankruptcy court matter) was transferred to the San Francisco County Superior Court with the California state actions referenced in the next paragraph. In April 1996, the Company filed a plan of reorganization with the Bankruptcy Court to resolve all of its claims with Drug Barn and its guarantors. The plan of reorganization provides for, among other things, a sale of all Drug Barn's assets, a distribution of the asset sale proceeds to creditors and a settlement of all claims of any nature between the Company and Drug Barn (but not its guarantors, Milton and Barbara Sloban). The Company's plan was confirmed by the Bankruptcy Court on June 14,

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1996. The actions brought by Milton and Barbara Sloban and the Company's collection suit commenced trial on August 14, 1996 in San Francisco County Superior Court. On August 29, 1996, the Company won a \$3.4 million jury verdict against Milton and Barbara Sloban. Milton and Barbara Sloban have filed a Notice of Appeal with the aforementioned court.

Between August 3, 1993 and February 14, 1994, the Company, along with various other pharmaceutical industry-related companies, was named as a defendant in eight separate state antitrust actions in three courts in California. These lawsuits are more fully detailed in "Item 1 - Legal Proceedings" of Part II of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994 as filed with the Securities and Exchange Commission and is incorporated herein by reference. In April 1994, these California state actions were all coordinated as Pharmaceutical Cases I, II and III, and assigned to a single judge in San Francisco Superior Court. On August 22, 1994, a Consolidated Amended Complaint ("California Complaint"), which supersedes and amends the eight prior complaints, was filed in these actions.

The California Complaint alleges that the Company and 35 other pharmaceutical industry-related companies violated California's Cartwright Act, Unfair Practices Act, and the Business and Professions Code unfair competition statute. The California Complaint alleges that defendants jointly and separately engaged in secret rebating, price fixing and price discrimination between plaintiffs and plaintiffs' alleged competitors who sell pharmaceuticals to patients or retail customers. Plaintiffs seek, on behalf of themselves and a class of similarly situated California pharmacies, injunctive relief and treble damages in an amount to be determined at trial. The judge struck the class allegations from the Unfair Practices Act claims.

Between August 12, 1993 and November 29, 1993, the Company was also named in 11 separate Federal antitrust actions. All 11 actions were consolidated into one multidistrict action in the Northern District of Illinois entitled, IN RE BRAND-NAME PRESCRIPTION DRUGS ANTITRUST LITIGATION, No. 94 C. 897 (MDL 997). On March 7, 1994, plaintiffs in these 11 actions filed a consolidated amended class action complaint ("Federal Complaint") which amended and superseded all previously filed Federal complaints against the Company. The Federal Complaint names the Company and 30 other pharmaceutical industry-related companies. The Federal Complaint alleges, on behalf of a nationwide class of retail pharmacies, that the Company conspired with other wholesalers and manufacturers to discriminatorily fix prices in violation of Section 1 of the Sherman Act. The Federal Complaint seeks injunctive relief and treble damages. On November 15, 1994, the Federal court certified the class defined in the Federal Complaint for the time period October 15, 1989 to the present. These lawsuits are more fully detailed in "Item 1 - Legal Proceedings" of Part II of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994 as filed with the Securities and Exchange Commission and is incorporated herein by reference.

On March 9, 1995, the Company was named along with 30 other pharmaceutical industry-related companies in a separate complaint filed in the U.S. District Court, Eastern District of Arkansas entitled LAWRENCE ADAMS D/B/A

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MC SPADEN DRUG STORE, ET AL. V. ABBOTT LABORATORIES, ET AL., Case No. LR-C-95-153, alleging similar claims as in the Federal complaint. The Company believes that this action will be consolidated into the Federal multidistrict

action.

On May 2, 1994, the Company and Durr Drug Company were named as defendants, along with 25 other pharmaceutical related-industry companies, in a state antitrust class action in the Circuit Court of Greene County, Alabama entitled DURRETT V. UPJOHN COMPANY, ET AL., No. 94-029 ("Alabama Complaint"). The Alabama Complaint alleges on behalf of a class of Alabama retail pharmacies and a class of Alabama consumers that the defendants conspired to discriminatorily fix prices to plaintiffs at artificially high levels. The Alabama Complaint seeks injunctive relief and treble damages.

On October 21, 1994, the Company entered into a sharing agreement with five other wholesalers and 26 pharmaceutical manufacturers. Among other things, the agreement provides that: (a) if a judgment is entered into against both the manufacturer and wholesaler defendants, the total exposure for joint and several liability of the Company is limited to \$1.0 million; (b) if a settlement is entered into by, between, and among the manufacturer and wholesaler defendants, the Company has no monetary exposure for such settlement amount; (c) the six wholesaler defendants will be reimbursed by the 26 pharmaceutical defendants for related legal fees and expenses up to \$9.0 million total (of which the Company will receive a proportionate share); and (d) the Company is to release certain claims which it might have had against the manufacturer defendants for the claims presented by the plaintiffs in these cases. The agreement covers the Federal court litigation, as well as the cases which have been filed in various state courts. In December 1994, plaintiffs in the Federal action had moved to set aside the agreement, but plaintiffs' motion was denied on April 25, 1995. On February 9, 1996, the class plaintiffs filed a motion for preliminary approval of a settlement with 15 of the manufacturer defendants, which, if approved by the court, would have resulted in dismissal of claims against those manufacturers and a reduction of the potential claims against the remaining defendants, including those against the Company. The Court did not grant approval for the settlement and the decision was approved by the plaintiffs. A second motion was filed by the class plaintiffs for preliminary approval of a settlement with 12 of the manufacturer defendants, which would result in dismissal of claims against those manufacturers and a reduction of the potential claims against the remaining defendants, including those against the Company. The Court granted preliminary approval for the settlement. The Company is not a party to this proposed settlement but retains protection afforded by the sharing agreement referenced above. In April 1996, the Company's motion for summary judgment was granted and the Company was dismissed from the Federal Class Action.

In November 1995 in the U.S. District Court, Northern District of Illinois, Abbott Laboratories filed a complaint seeking damages of approximately \$4.0 million against the Company and various affiliates for credits allegedly due in connection with the purchase and subsequent sale of Abbott products by the Company. The Company has filed various counter claims and has asked for damages according to proof at trial. This matter is in its initial discovery stage. After discussions with counsel, management of the Company believes that the allegations of liability set forth in these lawsuits are without merit as to the wholesaler defendants and that any attendant liability of the Company, although unlikely, would not have a material adverse effect on the Company's financial position or results of operations.

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The Company is involved in various additional items of litigation. Although the amount of liability at September 30, 1996 with respect to these items of litigation cannot be ascertained, in the opinion of management, any resulting future liability will not have a material adverse effect on its financial position or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of shareowners during the three months ended September 30, 1996.

ITEM 4A. EXECUTIVE OFFICERS OF THE REGISTRANT

Identification of Executive Officers.

The executive officers of the Company are elected by, and serve at the pleasure of, the Board of Directors. Each executive officer holds office until the next annual election of officers held in December, January or February

of each year. The current executive officers of the Company, and their respective principal occupations and employment during the last five years ended September 30, 1996, are listed alphabetically as follows:

LINDA M. BURKETT, 46, Executive Vice President, Chief Information Officer (since September 1996); Executive Vice President and Chief Information Officer, Bergen Brunswig Drug Company (since 1995); Vice President, IR Support Services (1992-1995); Director, Data Processing (1988-1992).

JOHN CALASIBETTA, 91, Senior Vice President since 1974. Mr. Calasibetta is also a member of the Board of Directors.

CHARLES J. CARPENTER, 47, Executive Vice President, Chief Procurement Officer (since September 1996); Executive Vice President, Supplier Relations and Operations (1995-1996), Bergen Brunswig Drug Company; Executive Vice President, Northeast Region (1994-1995); Vice President, Northeast Region (1989-1994).

NEIL F. DIMICK, 47, Executive Vice President, Chief Financial Officer (since 1992); formerly Vice President, Finance (1991-1992); President, Alternate Site Distributors, Inc. (since September 1996). Mr. Dimick is also a member of the Board of Directors.

WILLIAM J. ELLIOTT, 47, President, Bergen Brunswig Medical Corporation (since October 1996). Formerly Senior Vice President of Supply Chain Management, VHA Inc. (1984-October 1996).

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BRENT R. MARTINI, 37, President, Bergen Brunswig Drug Company (since September 1996); Executive Vice President, Bergen Brunswig Drug Company, West Region (1994-1996); Vice President, Quality Organizational Development and Training (1991-1994); Director, Quality Support Group (1989-1991). Brent R. Martini is the son of Robert E. Martini.

ROBERT E. MARTINI, 64, Chairman of the Board (since 1992) and Chief Executive Officer (since 1990 and until January 1997); formerly President (1981-1992). Mr. Martini is also a member of the Board of Directors.

JOHN P. NAUGHTON, 58, Vice President and Controller of Bergen Brunswig Drug Company since 1981.

DONALD R. RODEN, 50, President and Chief Operating Officer (since 1995) and Chief Executive Officer-Elect (commencing January 1997); formerly a healthcare industry consultant (1993-1995); formerly Chief Executive, North America of Reed Elsevier Medical (publishing) (1989-1993). Mr. Roden is also a member of the Board of Directors.

MILAN A. SAWDEI, 50, Secretary (since July 1992); Executive Vice President (since April 1992); Chief Legal Officer (since 1989); formerly Vice President and Assistant Secretary (1989-1992).

CAROL E. SCHERMAN, 41, Executive Vice President, Human Resources (since September 1996); Executive Vice President, Human Resources (since 1994), Bergen Brunswig Drug Company; Vice President, Human Resources and Associate Relations (1993-1994); Director, Human Resources and Associate Relations (1991-1993); Manager, Associate Relations (1991); Area Human Resources Manager (1989-1991).

ERIC J. SCHMITT, 46, Vice President, Finance and Treasurer (since February 1994); Vice President, Financial Planning (1989-1994).

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PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

For certain information regarding shares of the Company's Class A Common Stock, including cash dividends per share, market prices per share, stock

market information and number of shareowners, see "Selected Quarterly Results (unaudited)" as set forth in Part II, Item 8, "Financial Statements and Supplementary Data," of this Annual Report.

On February 9, 1994, the Board adopted a Shareowner Rights Plan which provided that a dividend of one Preferred Share Purchase Right (the "Rights") was declared for each share of Common Stock outstanding at the close of business on February 18, 1994. The Rights are generally not exercisable until 10 days after a person or group acquires 15% of the Common Stock or announces a tender offer which could result in a person or group owning 15% or more of the Common Stock (an "Acquisition"). Each Right, should it become exercisable, will entitle the owner to buy 1/100th of a share of a new series of the Company's Series A Junior Preferred Stock at an exercise price of \$80.00.

In the event of an Acquisition without the approval of the Board, each Right will entitle the owner, other than an acquiror, to buy at the Rights' then current exercise price a number of shares of Common Stock with a market value equal to twice the exercise price. In addition, if at the time when there was a 15% shareowner, the Company were to be acquired by merger, shareowners with unexercised Rights could purchase common stock of the acquiror with a value of twice the exercise price of the Rights. The Board may redeem the Rights for \$0.01 per Right at any time prior to an Acquisition. Unless earlier redeemed, the Rights will expire on February 18, 2004.

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<TABLE>

Item 6. SELECTED FINANCIAL DATA (unaudited)

<CAPTION>

Dollars in thousands, except for per share amounts
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Years Ended:	September 30,			August 31,	
	1996	1995	1994 (b)	1993	1992
<S>	<C>	<C>	<C>	<C>	<C>
Net sales and other revenues	\$9,942,697	\$8,447,607	\$7,483,801	\$6,823,552	\$5,048,309
Earnings from continuing operations	73,533	63,942	56,120 (c)	28,607 (d)	53,012
Earnings per share from continuing operations	1.83	1.61	1.45 (c)	0.75 (d)	1.29
Cash dividends per share:					
Class A Common	0.480	0.474	0.438	0.381	0.381
Class B Common	-	-	1.996	3.630	3.630
Pre-tax margin (a)	1.26%	1.30%	1.31% (c)	0.71% (d)	1.65%
At Years Ended:					
Total assets	\$2,489,826	\$2,405,530	\$1,995,057	\$1,772,337	\$1,412,177
Long-term obligations	419,275	557,771	342,094	309,781	245,586
Shareowners' equity	578,966	519,349	461,851	417,800	395,262
Return on average shareowners' equity (a)	13.39%	13.03%	12.76% (c)	7.04% (d)	12.47%

<FN>

(a) From continuing operations.

(b) Reflects change in year-end from August 31 to September 30.

(c) Includes gain recognized from sale of investment securities of \$2.9 million, net of income tax of \$2.2 million and provision for an earthquake-related charge of \$0.8 million, net of income tax benefit of \$0.6 million.

(d) Includes provision for restructuring charge of \$20.8 million, net of income tax benefit of \$12.2 million.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS 1996 COMPARED WITH 1995.

Net sales and other revenues in fiscal 1996 were 18% higher than in 1995 while operating earnings and pre-tax earnings showed increases of 11% and 14%, respectively.

Of the 18% increase in net sales and other revenues, approximately 2% is attributable to the acquisition of Colonial Healthcare Supply Co., ("Colonial") in August 1995. Approximately 16% of the net sales and other revenues increase reflects internal growth within both the Company's existing pharmaceutical and medical-surgical supply distribution businesses.

Earnings per share increased 14% compared to 1995. The average number of common and common equivalent shares outstanding increased 1% for the earnings per share computation.

Cost of sales increased 18% compared to 1995 due mainly to the Company's increased sales levels. The overall gross profit as a percent of net sales and other revenues decreased as a result of a decrease in gross margins due to continued price competition and a change in customer mix in the Company's pharmaceutical distribution business, partially offset by sales from the Company's higher gross margin medical-surgical supply distribution business. In the pharmaceutical distribution industry, it has been customary to pass on to customers price increases from manufacturers. Investment buying enables distributors such as the Company, to benefit from anticipated price increases. The rate or frequency of future price increases by manufacturers, or lack thereof, influences the profitability of the Company.

Management of the Company anticipates further downward pressure on gross margins in the Company's pharmaceutical and medical-surgical supply distribution businesses during fiscal year 1997 because of continued price competition influenced by large customers. The Company expects that these pressures on operating margins may be offset to some extent by increased sales of more profitable products, such as generic drugs and medical-surgical supplies, and continued reduction of distribution, selling, and general administrative expenses ("DSG&A") as a percentage of net sales and other revenues through more efficient operations.

DSG&A increased 15% over 1995, while net sales and other revenues increased 18% over the prior year. These expenses decreased as a percentage of net sales and other revenues from 4.3% in fiscal 1995 to 4.2% in fiscal 1996. The decreased DSG&A as a percentage of net sales and other revenues in the current year reflects continued operating efficiencies, including the positive effects of the continuing consolidation of distribution divisions into larger regional distribution centers, partially offset by increased DSG&A in the

II - 3

Company's medical-surgical supply distribution business, principally due to the acquisition of Colonial.

Net interest expense decreased from \$30.5 million in 1995 to \$30.2 million in 1996, primarily due to decreased interest on the 5 5/8% Senior Notes which were repaid on January 15, 1996, and decreased borrowings under the Credit Agreement, partially offset by interest on the 7 1/4% Senior Notes due June 1, 2005 ("7 1/4% Senior Notes") which were issued June 1, 1995.

The effective tax rate in 1996 decreased to 41.30% from 41.60% in 1995 reflecting the higher earnings in 1996 and, therefore, minimizing the impact of non-deductible expenses.

Inflation has not been a significant factor in either year. The Company uses the LIFO method of accounting for inventory which reduces the effects of inflation by reporting the cost of products sold at approximate current cost.

RESULTS OF OPERATIONS 1995 COMPARED WITH 1994.

Net sales and other revenues in fiscal 1995 were 13% higher than 1994 while operating earnings and pre-tax earnings showed increases of 21% and 12%, respectively. Major influences which impacted pre-tax earnings for 1994 were a charge of \$1.4 million for the uninsured portion of an earthquake loss incurred in the second quarter of fiscal 1994 and a gain recognized from the sale of investment securities of \$5.1 million in the third and fourth quarters of fiscal 1994, equivalent in the aggregate to a net \$0.06 per share. See Note 10 of Notes to Consolidated Financial Statements.

Of the 13% increase in net sales and other revenues, approximately 1% in the aggregate is attributable to the acquisitions of Colonial Healthcare Supply Co. ("Colonial") in August 1995 and Southeastern Hospital Supply Corporation ("Southeastern") in April 1994. Approximately 12% of the net sales and other revenues increase reflects internal growth within the Company's existing pharmaceutical distribution business.

Earnings per share before extraordinary loss increased 11% compared to 1994. The average number of common and common equivalent shares outstanding increased 3% for the earnings per share computation.

Cost of sales increased 13% compared to 1994 due mainly to the Company's increased sales levels. The overall gross margin as a percentage of net sales and other revenues decreased due to continued price competition, partially offset by increased opportunities for investment buying in the Company's pharmaceutical distribution business, and by a higher mix of sales from the Company's higher gross margin medical-surgical distribution business.

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DSG&A increased 10% over 1994, while net sales and other revenues increased 13% over the prior year. These expenses decreased as a percentage of net sales and other revenues from 4.4% in fiscal 1994 to 4.3% in fiscal 1995. The decreased DSG&A as a percentage of net sales and other revenues in the current year reflects operating efficiencies achieved from the positive effects of the Company's restructuring plan adopted for its pharmaceutical distribution business in the fourth quarter of fiscal 1993 and the continuing consolidation of distribution divisions into larger regional distribution centers, partially offset by increased DSG&A in the Company's medical-surgical supply distribution business.

Net interest expense, excluding the aforementioned unusual investment gain in 1994, increased from \$23.0 million in 1994 to \$30.5 million in 1995, primarily due to increased borrowings and higher interest rates under the Credit Agreement and interest on the new \$100 million 7 1/4% Senior Notes which were issued June 1, 1995.

The effective tax rate in 1995 decreased to 41.60% from 42.80% in 1994 reflecting the higher earnings in 1995 and, therefore, minimizing the impact of non-deductible expenses.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 1996, capitalization consisted of 41% debt and 59% equity, as compared to 51% and 49%, respectively, at September 30, 1995. The decreased debt percentage primarily reflects decreased borrowings under the Credit Agreement. Borrowings under the Credit Agreement were \$120.0 million and \$159.0 million at September 30, 1996 and 1995, respectively. Cash and cash equivalents of \$21.4 million at September 30, 1996, decreased from \$64.4 million at September 30, 1995, primarily as a result of decreased borrowings under the Credit Agreement, partially offset by an increase in net cash flows from operating activities (principally due to a decrease in investment in inventories, net of trade accounts payable).

On March 15, 1996, the Credit Agreement was amended to, among other things, increase the maximum borrowing to \$400 million and to extend the maturity date to March 15, 2001. See Note 2 of Notes to Consolidated Financial Statements.

On January 15, 1996, the Company repaid the \$100 million aggregate principal amount of its 5 5/8% Senior Notes plus accrued interest. These notes were issued in January 1993 pursuant to the \$400 million shelf registration filed by the Company in December 1992.

The Company filed a shelf registration statement with the Securities and Exchange Commission which became effective on March 27, 1996. The registration statement allows the Company to sell senior and subordinated debt or equity securities to the public from time to time up to an aggregate maximum principal amount of \$400 million. The Company intends to use the net proceeds

from the sale of any such securities for general corporate purposes, which may include, without limitations, the repayment of indebtedness of the Company or of

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any of its subsidiaries, possible acquisitions, capital expenditures and working capital needs. See Note 2 of Notes to Consolidated Financial Statements.

On November 11, 1996, the Company announced that it had entered into a definitive merger agreement with IVAX Corporation ("IVAX"). IVAX, headquartered in Miami, Florida, is a holding company with subsidiaries engaged in the research, development, manufacture and marketing of health care products, including generic and branded pharmaceuticals, intravenous solutions and related products, and IN VITRO diagnostics. The agreement, which has been unanimously approved by the Board of Directors of the Company and IVAX, calls for the formation of a new combined company to be known as BBI Healthcare Corporation ("BBI"), which will be headquartered in Miami, Florida. Under the agreement, BBI will acquire both the Company and IVAX through an exchange of common stock, whereby IVAX shareowners will receive 0.42 shares of common stock of BBI for each share of IVAX common stock and the Company's shareowners will receive 1.00 share of BBI common stock for each share of Class A Common Stock of the Company. After the merger, BBI is expected to have approximately 91 million shares outstanding of which the Company and IVAX shareowners will hold approximately 44% and 56%, respectively.

The merger is expected to be accounted for as a pooling of interests, and is expected to be tax-free to shareowners. The merger is expected to close during the first calendar quarter of 1997, subject to regulatory approvals, the approval of the Company and IVAX shareowners, and certain other conditions.

On August 7, 1996, the Company acquired certain net assets of Oncology Supply Company, a privately-held oncology supply distributor for approximately \$5.8 million in cash plus expenses and the assumption of certain liabilities. See Note 4 of Notes to Consolidated Financial Statements.

Dividends on Class A Common Stock amounted to \$19.2 million in 1996 compared to \$18.8 million in 1995. Dividends on Class A and Class B Common Stock were \$17.0 million in 1994. The increase from 1994 to 1995 resulted, primarily, from a 20% increase in the quarterly dividend rate on both the Class A and Class B Common Stock during the second quarter of fiscal 1994. Shares of Class B Common Stock were converted into shares of the Company's Class A Common Stock in February 1994 and all shares of Class B Common Stock were subsequently cancelled. While the Company has no policy with regard to the payment of dividends, during the three-year period ended September 30, 1996, dividends have averaged 28% of earnings.

Capital expenditures for 1996 were \$16.7 million and related principally to additional investments in existing locations, the acquisition of automated warehouse equipment and additional investments in data processing equipment.

In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation," which requires adoption of the disclosure provisions for the

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Company's fiscal year beginning October 1, 1996 and adoption of the recognition and measurement provisions for non-employee transactions entered into after December 15, 1995. The Company intends to adopt this standard in fiscal 1997 by making the required footnote disclosures only. Therefore, the adoption of this new standard will have no effect on the Company's consolidated financial position, results of operations or cash flows. See Note 3 of Notes to Consolidated Financial Statement.

In June 1996, the Financial Accounting Standard Board issued Statement of Financial Accounting Standards No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," which requires recognition of financial assets and liabilities, including receivables sold with recourse, using a financial-components approach which focuses on control of the assets transferred. This standard is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after December 31, 1996. Management believes the adoption of this new standard will not have a material effect on the consolidated financial position of the

Company.

The Company's working capital of \$440.6 million at September 30, 1996 decreased from the \$515.5 million at September 30, 1995 and represented 18% of total assets at September 30, 1996. The Company's current ratio was 1.30 at September 30, 1996, compared to 1.39 at September 30, 1995. Trade receivables outstanding were 19 days for 1996 and 18 days for 1995. The inventory turnover rate on a FIFO basis was 7.0 times for 1996 and 6.9 times for 1995.

The Company believes that internally generated funds, funds available under the existing Credit Agreement and funds potentially available under the exiting shelf registration will be sufficient to meet anticipated cash and capital needs.

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<TABLE>

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

a. Supplementary Data

SELECTED QUARTERLY RESULTS (unaudited)

<CAPTION>

Dollars in thousands, except for per share amounts

Year Ended September 30, 1996	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year
<S>	<C>	<C>	<C>	<C>	<C>
Net sales and other revenues	\$2,377,362	\$2,454,360	\$2,492,194	\$2,618,781	\$9,942,697
Gross margin	134,227	147,883	144,892	146,802	573,804
Net earnings	15,627	20,389	19,195	18,322	73,533
Earnings per share	0.39	0.51	0.48	0.45	1.83
Cash dividends per Class A Common share	0.120	0.120	0.120	0.120	0.480
Market prices per Class A Common share	\$26-20 1/2	\$27 3/8-24 1/8	\$28 3/8-25 3/8	\$32 1/2-24 3/4	\$32 1/2-20 1/2
Year Ended September 30, 1995					
Net sales and other revenues	\$1,983,863	\$2,084,216	\$2,157,361	\$2,222,167	\$8,447,607
Gross margin	115,943	127,548	124,050	135,670	503,211
Net earnings	13,549	17,864	16,875	15,654	63,942
Earnings per share	0.35	0.45	0.42	0.39	1.61
Cash dividends per Class A Common share	0.114	0.120	0.120	0.120	0.474
Market prices per Class A Common share	\$19 7/8-13 5/8	\$29 1/8-19 1/8	\$27 3/4-21	\$24 3/8-19 1/4	\$29 1/8-13 5/8

<FN>

Bergen Brunswig Corporation Class A Common Stock is listed on the New York Stock Exchange. There were approximately 2,500 Class A Common Stock shareowners of record on September 30, 1996.

</FN>

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</TABLE>

<TABLE>

b. Financial Statements

STATEMENTS OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

<CAPTION>

Dollars in thousands, except for per share amounts

Years Ended September 30,	1996	1995	1994
<S>	<C>	<C>	<C>
CONSOLIDATED EARNINGS			
Net sales and other revenues	\$9,942,697	\$8,447,607	\$7,483,801

Costs and expenses:			
Cost of sales	9,368,893	7,944,396	7,036,249
Distribution, selling, general and administrative expenses	418,364	363,179	331,530
Total costs and expenses	9,787,257	8,307,575	7,367,779
Operating earnings	155,440	140,032	116,022
Net interest expense	30,170	30,542	17,910
Earnings before taxes on income	125,270	109,490	98,112
Taxes on income	51,737	45,548	41,992
Net earnings	\$ 73,533	\$ 63,942	\$ 56,120
EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE	\$ 1.83	\$ 1.61	\$ 1.45

CONSOLIDATED RETAINED EARNINGS

Balance at beginning of year	\$ 378,229	\$ 378,867	\$ 342,166
Net earnings	73,533	63,942	56,120
5% stock dividend on Class A Common Stock	-	(44,207)	-
Excess cost of Treasury shares issued for an acquisition	-	(1,579)	(2,457)
Cash dividends on Class A Common Stock (\$0.480 in 1996, \$0.474 in 1995 and \$0.438 in 1994 per share)	(19,182)	(18,794)	(16,751)
Cash dividends on Class B Common Stock (\$1.996 per share)	-	-	(211)
Balance at end of year	\$ 432,580	\$ 378,229	\$ 378,867

<FN>
See accompanying Notes to Consolidated Financial Statements.
</FN>

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CONSOLIDATED BALANCE SHEETS

<CAPTION>
Dollars in thousands

September 30,	1996	1995
ASSETS	<C>	<C>
Current assets:		
Cash and cash equivalents	\$ 21,408	\$ 64,400
Accounts and notes receivable, less allowance for doubtful receivables: 1996, \$23,459; 1995, \$21,364	667,255	603,830
Inventories	1,220,975	1,158,465
Income taxes receivable	13,915	4,801
Prepaid expenses	8,656	12,389
Total current assets	1,932,209	1,843,885
Property - at cost:		
Land	12,452	12,443
Buildings and leasehold improvements	79,048	81,729
Equipment and fixtures	163,827	144,562
Total property	255,327	238,734
Less accumulated depreciation and amortization	112,600	85,675
Property - net	142,727	153,059

Other assets:		
Excess of cost over net assets of acquired companies	339,030	341,125
Other investments	5,161	3,799
Noncurrent receivables	9,939	7,706
Deferred charges and other assets	60,760	55,956
	-----	-----
Total other assets	414,890	408,586
	-----	-----
Total assets	\$2,489,826	\$2,405,530
	=====	=====

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 <FN>
 See accompanying Notes to Consolidated Financial Statements.
 </FN>

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</TABLE>

<TABLE>

CONSOLIDATED BALANCE SHEETS

<CAPTION>
 Dollars in thousands

September 30,	1996	1995
	=====	=====
<S>	<C>	<C>
LIABILITIES AND SHAREOWNERS' EQUITY		
Current liabilities:		
Accounts payable	\$1,249,167	\$1,140,466
Accrued liabilities	92,005	84,500
Customer credit balances	133,282	94,766
Deferred income taxes	16,006	7,353
Current portion of long-term obligations	1,125	1,325
	-----	-----
Total current liabilities	1,491,585	1,328,410
	-----	-----
Long-term obligations:		
7 3/8% senior notes	149,300	149,189
7 1/4% senior notes	99,696	99,662
5 5/8% senior notes	-	99,983
Revolving bank loan payable	120,000	159,000
7% convertible subordinated debentures	20,609	20,914
6 7/8% exchangeable subordinated debentures	8,425	10,575
Deferred income taxes	3,489	2,719
Other	17,756	15,729
	-----	-----
Total long-term obligations	419,275	557,771
	-----	-----
Shareowners' equity:		
Capital stock:		
Preferred - Authorized 3,000,000 shares; issued: none	-	-
Class A Common - Authorized 100,000,000 shares; issued: 1996, 44,416,940 shares; 1995, 44,183,074 shares	66,626	66,275
Paid-in capital	167,308	163,075
Net unrealized gain (loss) on investments, net of income tax of: 1996, \$231; 1995, \$(121)	363	(319)
Retained earnings	432,580	378,229
	-----	-----
Total	666,877	607,260
Less Treasury shares, at cost: 1996 and 1995, 4,354,558 shares	87,911	87,911
	-----	-----
Total shareowners' equity	578,966	519,349
	-----	-----
Total liabilities and shareowners' equity	\$2,489,826	\$2,405,530
	=====	=====

=====
 <FN>
 See accompanying Notes to Consolidated Financial Statements.
 </FN>

</TABLE>

<TABLE>

STATEMENTS OF CONSOLIDATED CASH FLOWS

<CAPTION>

Dollars in thousands

Years Ended September 30,	1996	1995	1994
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net earnings	\$ 73,533	\$ 63,942	\$ 56,120
Adjustments to reconcile net earnings to net cash flows from operating activities:			
Provision for doubtful accounts	8,213	5,810	7,060
Depreciation and amortization of property	25,183	21,474	19,065
Deferred compensation	2,242	1,394	949
Amortization of customer lists	1,749	1,749	1,749
Amortization of excess of cost over net assets of acquired companies	9,647	9,003	8,696
Deferred income taxes	9,070	3,178	(3,545)
Amortization of original issue discount on senior notes	162	180	168
Amortization of other intangible assets	1,645	1,748	1,657
Loss (gain) on dispositions of property	12	1,570	(1,229)
Effects of changes, net of acquisitions:			
Receivables	(76,926)	(74,683)	(49,625)
Inventories	(60,699)	(225,555)	(241,585)
Prepaid expenses and other assets	(5,985)	(423)	(1,965)
Accounts payable	108,701	129,553	109,890
Accrued liabilities	2,252	(31,223)	9,736
Customer credit balances	38,516	11,979	12,542
Income taxes payable	(9,114)	(2,514)	5,509
Net cash flows from operating activities	128,201	(82,818)	(64,808)
INVESTING ACTIVITIES			
(Sale) purchase of other investments	(327)	17,824	(1,769)
Proceeds from sale of notes receivable with recourse	7,712	13,791	14,831
Property acquisitions	(16,696)	(41,078)	(24,876)
Proceeds from dispositions of property	1,833	7,228	2,204
Acquisition of businesses, less cash acquired	(5,999)	(50,983)	(2,701)
Net cash flows from investing activities	(13,477)	(53,218)	(12,311)
FINANCING ACTIVITIES			
Repayment of senior notes	(100,000)	-	-
Repayment of revolving bank loan	(39,000)	-	-
Redemption of exchangeable subordinated debentures	(2,150)	-	(330)
Redemption of convertible subordinated debentures	(305)	(20)	(2,212)
Repayment of other obligations	(2,565)	(6,556)	(14,370)
Increase in other obligations	902	-	-
Proceeds from revolving bank loan	-	119,000	30,000
Proceeds from issuance of senior notes	-	99,650	-
Shareowners' equity transactions:			
Exercise of stock options	4,584	1,892	495
Cash dividends on Common Stock	(19,182)	(18,794)	(16,962)
Net cash flows from financing activities	(157,716)	195,172	(3,379)
Net (decrease) increase in cash and cash equivalents	(42,992)	59,136	(80,498)
Cash and cash equivalents at beginning of year	64,400	5,264	85,762
Cash and cash equivalents at end of year	\$ 21,408	\$ 64,400	\$ 5,264

<FN>

See accompanying Notes to Consolidated Financial Statements.

</FN>

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 1996, 1995, AND 1994

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements include the accounts of Bergen Brunswig Corporation and its subsidiaries (the "Company"), after elimination of the effect of intercompany transactions and balances. Certain reclassifications have been made in the consolidated financial statements and notes to conform to 1996 presentations.

The preparation of the Company's consolidated financial statements in conformity with generally accepted accounting principles necessarily requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet dates and the reported amounts of revenue and expense during the reporting periods. Actual results could differ from these estimates and assumptions.

The Company records revenues when product is shipped or services are provided to its customers. Net sales and other revenues include service fees of \$1.1 million, \$5.4 million and \$4.4 million for the years ended September 30, 1996, 1995, and 1994, respectively, related to bulk shipments of pharmaceuticals.

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Other investments include primarily debt instruments, principally variable rate demand notes having maturities of more than one year.

The Company has classified its investments in debt and equity securities as "available for sale" securities and has reported such investments at fair value, with unrealized gains and losses excluded from earnings, and reported as a separate component of shareowners' equity. Realized gains and losses on investments are determined by the specific identification method and are included in net earnings. Such unrealized gains and losses at September 30, 1996 and 1995 and realized gains and losses for the years then ended were not material.

Inventories are valued at the lower of cost or market, determined on the last-in, first-out (LIFO) method. If the Company had used the first-in, first-out (FIFO) method of inventory valuation, which approximates current replacement cost, inventories would have been higher than reported at September 30, 1996, by \$144.1 million and at September 30, 1995, by \$147.0 million.

Depreciation and amortization of property are computed principally on a straight-line basis over estimated useful lives. Generally, the estimated useful lives are 15 to 40 years for buildings and leasehold improvements, and 3 to 10 years for equipment and fixtures.

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The excess of cost over net assets of acquired companies (net of accumulated amortization of \$47.6 million at September 30, 1996; \$38.0 million at September 30, 1995) is amortized on a straight-line basis principally over 40 years. Customer lists, included in deferred charges and other assets, (\$8.8 million at September 30, 1996, net of accumulated amortization of \$17.4 million; \$10.5 million at September 30, 1995, net of accumulated amortization of \$15.7 million) are amortized on a straight-line basis over 15 years. At each balance sheet date, management reviews tangible and intangible assets for possible impairment based on several criteria, including, but not limited to sales trends, undiscounted operating cash flows and other operating factors.

Noncurrent receivables include notes receivable from employees and officers due at the Company's discretion in the amount of \$3.6 million and \$3.2 million at September 30, 1996 and 1995, respectively.

In June 1996, the Financial Accounting Standards Boards issued Statement of Financial Accounting Standards No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," which requires recognition of financial assets and liabilities, including receivables sold with recourse, using a financial-components approach which focuses on

control of the assets transferred. This standard is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after December 31, 1996. Management believes the adoption of this new standard will not have a material effect on the consolidated financial position of the Company.

2. BORROWING ARRANGEMENTS

On March 15, 1996, the Company's credit agreement (the "Credit Agreement") with a group of domestic and foreign banks was amended to, among other things increase the maximum borrowing to \$400 million, extend the maturity date to March 15, 2001, and allow borrowing under discretionary credit lines ("discretionary lines") outside of the Credit Agreement. Borrowings outstanding under the Credit Agreement were \$120 million at September 30, 1996. The maximum outstanding borrowings under the Credit Agreement including discretionary lines for the year ended September 30, 1996 were \$319 million.

On May 23, 1995, the Company sold \$100 million aggregate principal amount of 7 1/4% Senior Notes due June 1, 2005 (the "7 1/4% Senior Notes"). On June 1, 1995, the Company received net proceeds of \$99.0 million (after underwriting discount of \$0.6 million) from the 7 1/4% Senior Notes. Interest on the 7 1/4% Senior Notes is payable semi-annually on June 1 and December 1 of each year. The net proceeds were used to reduce the outstanding balance under the Credit Agreement. On January 14, 1993, the Company sold \$100 million aggregate principal amount of 5 5/8% Senior Notes due January 15, 1996 (the "5 5/8% Notes") and \$150 million aggregate principal amount of 7 3/8% Senior Notes due January 15, 2003 (the "7 3/8% Notes"). On January 15, 1996, the Company repaid the \$100 million aggregate principal amount of the 5 5/8% Notes plus accrued interest. The 7 1/4% Notes and 7 3/8% Notes were issued pursuant to the \$400 million shelf registration filed by the Company in December 1992 and are not

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redeemable prior to maturity and are not entitled to any sinking fund. Interest on the 7 3/8% Notes is payable semi-annually on January 15 and July 15 of each year. The carrying value of 7 1/4% Notes and 7 3/8% Notes represents gross proceeds plus amortization of the original issue discount ratably over the life of each issue.

The Company filed a shelf registration statement with the Securities and Exchange Commission which became effective on March 27, 1996. The registration statement allows the Company to sell senior and subordinated debt or equity securities to the public from time to time up to an aggregate maximum principal amount of \$400 million. The Company intends to use the net proceeds from the sale of any such securities for general corporate purposes, which may include, without limitations, the repayment of indebtedness of the Company or of any of its subsidiaries, possible acquisitions, capital expenditures and working capital needs. Pending such application, the net proceeds may be temporarily invested in short-term securities. No offering has occurred since the effective date of the the registration statement. Any offering of such securities shall be made only by means of prospectus.

In July 1986, the Company issued \$43.0 million of 6 7/8% Exchangeable Subordinated Debentures due July 2011 (the "6 7/8% Debentures") and during March 1990, \$32.1 million principal amount of the 6 7/8% Debentures was tendered and purchased pursuant to an offer from the Company. On July 15, 1996, the Company elected to redeem an additional \$2.2 million of principal amount of the 6 7/8% Debentures plus accrued interest. Between March 1990 and July 15, 1996, an additional \$0.3 million aggregate principal amount had been redeemed. The remaining unredeemed 6 7/8% Debentures receive interest on January 15 and July 15 of each year.

In connection with the acquisition of Durr-Fillauer Medical Inc. and subsidiaries ("Durr") in September 1992, the Company assumed \$69.0 million of Durr's 7% Convertible Subordinated Debentures due March 1, 2006 (the "7% Debentures"). The acquisition of Durr by the Company resulted in each holder receiving the right, at such holder's option, to require Durr to redeem, on November 22, 1992, all or any portion of such holder's 7% Debentures for cash equal to the principal amount plus all accrued interest to that date. As a result, the Company redeemed \$45.6 million aggregate principal amount on November 23, 1992. Since that date an additional \$2.8 million aggregate principal amount has been redeemed. The remaining unredeemed 7% Debentures receive interest on March 1 and September 1 of each year.

Cash paid for interest, net of amounts capitalized (\$0.5 million in 1994), was \$31.3 million, \$28.4 million and \$24.1 million in 1996, 1995, and 1994, respectively.

Scheduled future principal payments of long-term obligations, excluding

deferred income taxes, for the next five fiscal years are \$1.1 million in 1997, \$1.0 million in 1998, \$4.9 million in 1999, \$0.9 million in 2000, and \$121.0 million in 2001.

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3. CAPITAL STOCK, PAID-IN CAPITAL AND STOCK OPTIONS

The authorized capital stock of the Company consists of 100,000,000 shares of Class A Common Stock, par value \$1.50 per share (the "Common Stock"); and 3,000,000 shares of Preferred Stock without nominal or par value (the "Preferred Stock").

The Board of Directors (the "Board") is authorized to divide the Preferred Stock into one or more series to determine the relative rights, preferences and limitations of the shares of any class or of any such series. In addition, the Board may give the Preferred Stock (or any series) special, limited, multiple or no voting rights.

Subject to the preferences and other rights of the Preferred Stock, the Common Stock may receive stock or cash dividends as declared by the Board and each share of Common Stock is entitled to one vote per share at every meeting of shareowners. In the event of any liquidation, dissolution or winding up of the affairs of the Company, after payment to the owners of the Preferred Stock of the full amounts to which they have a liquidation preference, the owners of Common Stock shall be entitled to receive a distribution of all assets then remaining.

On February 9, 1994, the Board adopted a Shareowner Rights Plan which provided that a dividend of one Preferred Share Purchase Right (the "Rights") was declared for each share of Common Stock outstanding at the close of business on February 18, 1994. The Rights are generally not exercisable until 10 days after a person or group acquires 15% of the Common Stock or announces a tender offer which could result in a person or group owning 15% or more of the Common Stock (an "Acquisition"). Each Right, should it become exercisable, will entitle the owner to buy 1/100th of a share of a new series of the Company's Series A Junior Preferred Stock at an exercise price of \$80.00.

In the event of an Acquisition without the approval of the Board, each Right will entitle the owner, other than an acquiror, to buy at the Rights' then current exercise price a number of shares of Common Stock with a market value equal to twice the exercise price. In addition, if at the time when there was a 15% shareowner, the Company were to be acquired by merger, shareowners with unexercised Rights could purchase common stock of the acquiror with a value of twice the exercise price of the Rights. The Board may redeem the Rights for \$0.01 per Right at any time prior to an Acquisition. Unless earlier redeemed, the Rights will expire on February 18, 2004.

On February 24, 1994 (the "Conversion Date"), in accordance with the provisions of the Recapitalization Plan approved by the Company's shareowners on January 31, 1989, all of the 100,492 then outstanding shares of the Company's Class B Stock were automatically converted into shares of the Company's Class A Common Stock at the stated conversion rate of 9.5285 shares of Class A Common Stock for each share of Class B Common Stock. All shares of Class B Common Stock were subsequently cancelled.

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Changes in Class A and Class B Common Stock, Paid-in capital and Treasury shares for the fiscal years ended September 30, 1996, 1995, and 1994 were as follows:

<TABLE>
<CAPTION>

DOLLARS AND SHARES IN THOUSANDS	CLASS A COMMON		CLASS B COMMON		PAID-IN CAPITAL	TREASURY SHARES
	SHARES	AMOUNT	SHARES	AMOUNT		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance September 30, 1993	43,026	\$64,539	101	\$151	\$156,312	\$(152,586)
Exercise of stock options	75	113	-	-	733	(351)
Conversion of Class B Common Stock into Class A Common Stock	958	1,436	(101)	(151)	(1,286)	-

Recapitalization costs	-	-	-	-	(680)	-
Acquisition of Southeastern Hospital Supply Corporation	-	-	-	-	-	15,098
Adjustment of Healthcare Distribution of Indiana, Inc. acquisition price	-	-	-	-	-	(344)

Balance, September 30, 1994	44,059	66,088	-	-	155,079	(138,183)
5% Class A Common Stock dividend	-	-	-	-	5,996	38,185
Exercise of stock options	124	187	-	-	2,000	(295)
Acquisition of Biddle & Crowther Company	-	-	-	-	-	12,382

Balance, September 30, 1995	44,183	66,275	-	-	163,075	(87,911)
Exercise of stock options	234	351	-	-	4,233	-

Balance, September 30, 1996	44,417	\$66,626	- \$	-	\$167,308	\$ (87,911)
=====						

</TABLE>

At September 30, 1996, there were outstanding options to purchase 131,178 shares of Class A Common Stock, under a 1983 stock option plan, at prices per share not less than the fair market value on the dates the options were granted. No additional options may be granted under this plan.

The Company has an amended and restated 1989 stock incentive plan which authorizes the granting of stock options to officers, key employees and other recipients to purchase shares of Class A Common Stock within a ten-year period from date of grant at a price per share as may be set by the Company's Compensation/Stock Option Committee. The number of shares available for grant under the plan is formula-based, providing that, upon certain conditions, no more than 1% of the number of issued shares at the immediately preceding fiscal year-end may be added to the shares available for the grant pool in any fiscal year to this class of optionees. Stock option grants are also available to non-employee directors and only at a price per share equal to the market value on the grant date. At September 30, 1996, there were 354,562 shares available for grant under the plan, with 106,319 specifically reserved for non-employee directors.

Stock appreciation rights may be offered to some or all of the employees, but not non-employee directors, who hold or receive options granted under the stock option plans. No stock appreciation rights were outstanding as of September 30, 1996, 1995, or 1994.

In October 1995, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based

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Compensation," which requires adoption of the disclosure provisions for the Company's fiscal year beginning October 1, 1996 and adoption of the recognition and measurement provisions for non-employee transactions entered into after December 15, 1995. The new standard defines a fair value method of accounting for stock options and other equity instruments. Under the fair value method, compensation cost is measured at the grant date based on the fair value of the award and is recognized over the service period, which is usually the vesting period.

Pursuant to the new standard, companies are encouraged, but not required, to adopt the fair value method of accounting for employee stock-based transactions. Companies are also permitted to continue to account for such transactions under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," but would be required to disclose in a note to the financial statements pro forma net earnings and, if presented, earnings per share as if the Company had applied the new method of accounting.

The accounting requirements of the new method are effective for all employee awards granted after the beginning of the fiscal year of adoption. The Company intends to adopt this standard in fiscal 1997 by making the required footnote disclosures only. Therefore, the adoption of the new standard will have no effect on the Company's consolidated financial position, results of operations or cash flows.

Changes in the number of shares represented by outstanding options during the years ended September 30, 1996, 1995, and 1994 are summarized as follows:

<TABLE>

<CAPTION>

	1996	1995	1994
<S>	<C>	<C>	<C>
Outstanding at beginning of year	1,409,094	1,282,983	929,775
Options granted (1996, \$21.56 to \$28.75 per share; 1995, \$15.00 to \$22.63 per share; 1994, \$14.29 to \$16.90 per share)	755,000	319,500	542,325
Options exercised (1996, \$7.42 to \$21.19 per share; 1995, \$7.42 to \$21.29 per share; 1994, \$7.42 to \$12.42 per share)	(233,866)	(126,432)	(78,791)
Options cancelled	(40,802)	(66,957)	(110,326)
Outstanding at end of year (1996, \$7.42 to \$28.75 per share)	1,889,426	1,409,094	1,282,983

</TABLE>

At September 30, 1996, options for 666,732 shares were exercisable. The remaining options become exercisable in the following fiscal years: 1997, 423,691 shares; 1998, 363,171 shares; 1999, 250,332 shares; 2000, 185,500 shares.

At September 30, 1996, an aggregate of 2,935,658 shares of Class A Common Stock was reserved for the exercise of stock options and for issuance under the elective retirement savings plan (see Note 8).

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4. ACQUISITIONS

On August 7, 1996, the Company completed the acquisition of certain net assets of Oncology Supply Company ("Oncology"), a privately-held oncology supply distributor located in Dothan, Alabama. The Company paid approximately \$5.8 million in cash, plus expenses of \$.2 million, acquired assets of fair value of approximately \$6.5 million and assumed liabilities of approximately \$5.6 million. The Company recorded an excess of cost over net assets acquired of approximately \$5.1 million in the transaction.

On August 2, 1995, the Company completed the acquisition of Colonial Healthcare Supply Co. ("Colonial"), a privately-held medical-surgical supply distributor headquartered in Lake Zurich, Illinois, for approximately \$50.7 million in cash. The Company acquired assets at fair value of approximately \$47.3 million and assumed liabilities of approximately \$19.7 million, including approximately \$2.7 million of long-term debt which was paid by the Company on the acquisition date. This acquisition was financed from borrowings under the Credit Agreement. The Company recorded an excess of cost over net assets acquired of approximately \$23.1 million in the transaction.

On January 10, 1995 the Company completed the acquisition of Biddle & Crowther Company ("B&C"), a privately-held medical-surgical supply distributor headquartered in Seattle, Washington for 643,604 shares of the Company's Class A Common Stock, previously held as Treasury shares. The transaction was valued at approximately \$10.8 million, plus expenses, acquired assets at fair value of approximately \$12.0 million and assumed liabilities of approximately \$5.2 million. The Company recorded an excess of cost over net assets acquired of approximately \$4.4 million in the transaction.

On August 31, 1994, the Company completed the acquisition of certain net assets of Professional Medical Supply Co., a privately-held medical-surgical supply distributor located in Denver, Colorado. The Company paid approximately \$2.4 million in cash, plus expenses, acquired assets at fair value of approximately \$0.5 million, including excess of cost over net assets acquired and other intangible assets of \$1.9 million.

On April 29, 1994, the Company completed the acquisition of Southeastern Hospital Supply Corporation ("Southeastern"), a privately-held medical supply distributor located in Fayetteville, North Carolina, for 784,793 shares of the Company's Class A Common Stock, previously held as Treasury shares, valued at approximately \$12.6 million, plus expenses, acquired assets at fair value of approximately \$23.9 million and assumed liabilities of approximately \$16.3 million including approximately \$6.7 million of debt, which was paid by the Company on the acquisition date. The Company recorded an excess of cost over net assets acquired of approximately \$5.4 million in the transaction.

5. EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE

Earnings per common and common equivalent share are based on the weighted average number of shares of Class A Common Stock outstanding during each year, the assumed conversion of the weighted average number of shares of Class B

Common Stock outstanding during each year through the Conversion Date (see Note 3) and the assumed exercise of dilutive employees' stock options (less the number of Treasury shares assumed to be purchased from the proceeds using the average market price of the Company's Class A Common Stock). Earnings per share are based upon 40,259,072 shares in 1996; 39,800,954 shares in 1995; and 38,683,775 shares in 1994.

6. LEASES

The Company conducts most of its operations from leased warehouse and office facilities and uses certain data processing, transportation, and other equipment under lease agreements expiring at various dates through 2008, excluding renewal options. Future minimum rental commitments at September 30, 1996, under operating leases having noncancelable lease terms in excess of one year, aggregated \$48.8 million, with rental payments during the five succeeding years of \$16.5 million, \$11.8 million, \$8.8 million, \$5.1 million and \$2.3 million, respectively. Future minimum rentals to be received under noncancelable subleases at September 30, 1996 were not material. Net rental expense for the years ended September 30, 1996, 1995, and 1994, was \$17.9 million, \$17.0 million, and \$15.9 million, respectively, after deducting sublease income of \$0.1 million, \$0.1 million, and \$0.2 million, respectively.

7. TAXES ON INCOME

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are established for temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at tax rates expected to be in effect when such assets or liabilities are realized or settled.

Total Federal and state taxes on income for the fiscal years ended September 30, 1996, 1995, and 1994 are summarized as follows:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	1996	1995	1994
<S>	<C>	<C>	<C>
Currently payable			
Federal	\$35,985	\$35,865	\$36,818
State	6,682	6,505	6,588
Deferred (principally Federal)	9,070	3,178	(1,414)
Total	\$51,737	\$45,548	\$41,992

</TABLE>

Taxes on income vary from the statutory Federal income tax rate applied to earnings before taxes on income as the result of the following:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	1996	1995	1994
<S>	<C>	<C>	<C>
Statutory Federal income tax rate applied to earnings before taxes on income	\$43,844	\$38,322	\$34,340
Increase (decrease) in taxes resulting from:			

Amortization of excess of cost over net assets of acquired companies	2,447	3,055	2,912
State income taxes - net of Federal benefits	4,992	4,610	4,141
Governmental investment income	(157)	(366)	(348)
Other	611	(73)	947

Total taxes on income	\$51,737	\$45,548	\$41,992
	=====		

</TABLE>

The tax effects of significant items comprising the Company's net deferred tax liability as of September 30, 1996 and 1995 are as follows:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	1996	1995

<S>	<C>	<C>
Deferred tax liabilities:		
Inventory basis difference due to LIFO method and uniform capitalization	\$38,602	\$31,947
Accelerated depreciation	8,722	7,967
Other	2,918	3,307

Total	50,242	43,221

Deferred tax assets:		
Reserves for doubtful receivables	12,527	12,217
Restructuring charge not currently deductible	2,203	3,777
Vacation pay not currently deductible	1,659	1,566
Accrued liabilities not currently deductible	13,641	12,554
Other	717	3,035

Total	30,747	33,149

Net deferred tax liability	\$19,495	\$10,072
	=====	

</TABLE>

Deferred taxes result from temporary differences in the recognition of revenues and expenses for tax and financial reporting purposes. During 1995, deferred taxes were increased to reflect purchase accounting on acquisitions.

Cash paid for income taxes was \$51.1 million, \$41.0 million, and \$39.0 million in 1996, 1995, and 1994, respectively.

In the opinion of management of the Company, no valuation reserve related to deferred tax assets is considered necessary.

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8. RETIREMENT AND SAVINGS PLANS

The Company provides for retirement benefits through an elective retirement savings plan and supplemental retirement plans.

The Company has an elective retirement savings plan generally available to all employees with six months of service. Under the terms of the plan, the Company guarantees a contribution of \$0.50 for each \$1.00 invested by the participant up to the participant's investment of 6% of salary, subject to plan and regulatory limitations. The Company may also make additional cash or stock contributions to the plan at its discretion. The Company's contributions are vested to participants over five years. The Company made contributions of \$3.4 million, \$3.9 million, and \$4.1 million to the plan in 1996, 1995, and 1994, respectively.

The supplemental retirement plans provide benefits for certain officers and key employees. The Company has a Supplemental Executive Retirement Plan ("SERP") for officers and key employees. SERP is a "target" benefit plan, with the annual lifetime benefit based upon a percentage of salary during the final five years of pay at age 62, offset by several other sources of income including benefits payable under a prior supplemental retirement plan.

The components of net periodic pension cost for the supplemental retirement plans for 1996, 1995, and 1994 are as follows:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	1996	1995	1994
<S>	<C>	<C>	<C>
Service cost	\$ 294	\$ 221	\$ 131
Interest cost	1,519	1,261	1,643
Amortization of prior service cost	378	378	397
Amortization of initial unrecognized net obligation	264	264	286
Total	\$2,455	\$2,124	\$2,457

</TABLE>

Assumptions used to develop the net periodic pension cost for supplemental retirement plans were:

<TABLE>
<CAPTION>

	1996	1995	1994
<S>	<C>	<C>	<C>
Discount rate	7.00-8.00%	7.25%-8.25%	7.25%-8.25%
Rate of increase in salary levels	5.50%	5.25%	5.50%

</TABLE>

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The funded status of the supplemental retirement plans at September 30, 1996 and 1995 is as follows:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	1996	1995
<S>	<C>	<C>
Actuarial present value of benefit obligations:		
Vested benefits	\$15,572	\$14,346
Nonvested benefits	-	7
Accumulated benefit obligation	15,572	14,353
Effect of assumed increase in future compensation levels	3,998	3,555
Projected benefit obligation	19,570	17,908
Assets of plans at fair value	(2,898)	(2,898)
Excess of projected benefit obligation over assets	16,672	15,010
Unrecognized prior service cost	(2,510)	(2,888)
Unrecognized net loss	(5,166)	(4,386)
Unrecognized net obligation remaining from date of adoption	(3,578)	(3,842)
Pension liability recognized in the consolidated balance sheets	\$ 5,418	\$ 3,894

</TABLE>

At September 30, 1996, the Company owns life insurance in the aggregate amount of \$45 million covering substantially all the participants in the supplemental retirement plans. The Company intends to keep this life insurance in force until the demise of the participants.

Contributions are also made to multi-employer defined benefit plans administered by labor unions for certain union employees. Amounts charged to pension expense and contributed to these plans were \$0.4 million, \$0.4 million, and \$0.3 million in 1996, 1995, and 1994, respectively.

9. CONTINGENCIES

The Company received proceeds of \$7.7 million and \$13.8 million in 1996 and 1995, respectively, from receivables sold with recourse by the Company to financial institutions and is contingently liable as guarantor of \$15.9 million and \$23.0 million at September 30, 1996 and 1995, respectively, of such receivables.

The Company has been named as a defendant along with several

pharmaceutical industry-related companies in several State antitrust actions in California and Alabama and a Federal multidistrict antitrust action. The California State action purports to be a coordinated class action under California's Cartwright Act, Unfair Practices Act and Business and Professions Code. The Alabama State complaint purports to be a class action under Alabama antitrust law. The Federal class action complaint alleges that the Company and numerous manufacturers and other wholesalers violated the Sherman Act. In November 1994, the Federal court certified the class defined in the Federal class action complaint for the time period October 15, 1989 to the present. Plaintiffs seek injunctive relief and treble damages in an amount to be determined at trial.

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In October 1994, the Company entered into a sharing agreement with five other wholesalers and 26 pharmaceutical manufacturers. Among other things, the agreement provides that: (a) if a judgment is entered into against both the manufacturer and wholesaler defendants, the total exposure for joint and several liability of the Company is limited to \$1.0 million; (b) if a settlement is entered into by, between, and among the manufacturer and wholesaler defendants, the Company has no monetary exposure for such settlement amount; (c) the six wholesaler defendants will be reimbursed by the 26 pharmaceutical defendants for related legal fees and expenses up to \$9.0 million total (of which the Company will receive a proportionate share); and (d) the Company is to release certain claims which it might have had against the manufacturer defendants for the claims presented by the plaintiffs in these cases. The agreement covers the Federal court litigation as well as the cases which have been filed in the various state courts. In April 1996, the Company's Motion for Summary Judgment was granted and the Company was dismissed from the Federal class action.

The Company believes that the allegations of liability set forth in these lawsuits are without merit as to the wholesaler defendants and that any attendant liability of the Company, although unlikely, would not have a material effect on the Company's financial condition.

The Company is involved in various additional items of litigation. Although the amount of liability at September 30, 1996 with respect to these items of litigation cannot be ascertained, in the opinion of management, any resulting future liability will not have a material adverse effect on its financial position or results of operations.

10. OTHER UNUSUAL ITEMS

During fiscal 1994, the Company recognized a gain from the sale of investment securities of \$5.1 million before income taxes of \$2.2 million.

During the second quarter of fiscal 1994, the Company recorded a pre-tax charge of \$1.4 million (\$0.8 million after tax) for the uninsured portion of an earthquake loss sustained by the Company's Valencia, California regional distribution center on January 17, 1994.

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11. DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The recorded amounts of the Company's cash and cash equivalents, accounts and notes receivable, other investments, non-current receivables, accounts payable and the revolving bank loan payable, the 6 7/8% Debentures and the 7% Debentures at September 30, 1996 approximate fair value. The fair values of the Company's 7 3/8% Notes and 7 1/4% Notes are estimated as follows, based on the market prices of these instruments as of September 30, 1996:

<TABLE>
<CAPTION>

DOLLARS IN THOUSANDS	RECORDED AMOUNT	FAIR VALUE
----- <S>	----- <C>	----- <C>

7 3/8% Senior Notes	\$149,300	\$154,194
7 1/4% Senior Notes	99,696	101,519

</TABLE>

12. MERGER AGREEMENT WITH IVAX CORPORATION

On November 11, 1996, the Company announced that it had entered into a definitive merger agreement with IVAX Corporation ("IVAX"). IVAX, headquartered in Miami, Florida, is a holding company with subsidiaries engaged in the research, development, manufacture and distribution of health care products, including generic and branded pharmaceuticals, intravenous solutions and related products, and IN VITRO diagnostics. The agreement, which has been unanimously approved by the Board of Directors of the Company and IVAX, calls for the formation of a new combined company to be known as BBI Healthcare Corporation ("BBI"), which will be headquartered in Miami, Florida. Under the agreement, BBI will acquire both the Company and IVAX through an exchange of common stock, whereby IVAX shareowners will receive 0.42 shares of common stock of BBI for each share of IVAX common stock and the Company's shareowners will receive 1.00 share of BBI common stock for each share of Class A Common Stock of the Company. After the merger, BBI is expected to have approximately 91 million shares outstanding of which the Company and IVAX shareowners will hold approximately 44% and 56%, respectively.

The merger is expected to be accounted for as a pooling of interests, and is expected to be tax-free to shareowners. The merger is expected to close during the first calendar quarter of 1997, subject to regulatory approvals, the approval of the Company and IVAX shareowners, and certain other conditions.

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INDEPENDENT AUDITORS' REPORT

TO THE DIRECTORS AND SHAREOWNERS OF
BERGEN BRUNSWIG CORPORATION:

We have audited the accompanying consolidated balance sheets of Bergen Brunswick Corporation and subsidiaries as of September 30, 1996 and 1995 and the related statements of consolidated earnings and retained earnings and cash flows for each of the three years in the period ended September 30, 1996. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Bergen Brunswick Corporation and subsidiaries at September 30, 1996 and 1995, and the results of their operations and their cash flows for each of the three years in the period ended September 30, 1996, in conformity with generally accepted accounting principles.

/S/ DELOITTE & TOUCHE LLP

Costa Mesa, California
October 30, 1996

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

IDENTIFICATION OF DIRECTORS.

The Company's Restated Certificate of Incorporation provides that the Board of Directors shall consist of not more than 15 directors nor less than 9 directors, the exact number within such limits to be fixed by the Board as provided in the By-Laws, which currently provide for 12 directors. The directors are divided into three approximately equivalent-sized classes, each class serving for a period of three years on a staggered term basis.

The following sets forth information concerning the individuals currently serving as directors of the Company:

DIRECTORS WHOSE TERM EXPIRES JANUARY 1999
(CLASS II DIRECTORS)

JOSE E. BLANCO, SR. Director since 1992. Age 70.

Chairman of the Board (since 1987) of J.M. Blanco, Inc. (wholesale pharmaceutical distribution). Mr. Blanco is Vice Chairman of the Company's Audit and Investment/Retirement Plan Committees, and a member of the Compensation/Stock Option Committee.

CHARLES J. LEE Director since 1972. Age 71.

Former Managing Director, Smith Barney Inc. (investment banking) (1989 to 1996). Mr. Lee is a member of the Company's Executive, Financing and Nominating Committees.

GEORGE R. LIDDLE Director since 1969. Age 69.

Investment Adviser. Former Vice President, Kidder, Peabody & Co., Inc. (stockbrokers), retired. Mr. Liddle is Chairman of the Company's Investment/Retirement Plan Committee.

GEORGE E. REINHARDT, JR. Director since 1985. Age 67.

Formerly served as consultant (1992 to 1995), Senior Vice President (1991), Chief Financial Officer (1976 to 1991) and Vice President, Finance (1981 to 1991) of the Company. Mr. Reinhardt is a member of the Company's Executive, Financing and Nominating Committees.

IDENTIFICATION OF EXECUTIVE OFFICERS.

Information required by this item is contained in Item 4A captioned "Executive Officers of the Registrant" and is included in Part I of this Annual Report.

ITEM 11. EXECUTIVE COMPENSATION

DIRECTOR COMPENSATION.

Employee directors of the Company are not paid any fees, as such, for service on the Board or on any Board Committee. Each non-employee director received for fiscal 1996 an annual fee of \$30,000 for Board service and an attendance fee of \$2,000 for each Board meeting attended in person or \$600 for each such meeting participated in by telephone. For Committee meetings, non-employee directors received \$1,000 for each Committee meeting attended in person or \$600 for each such meeting participated in by telephone. The Chairman of each Committee who is a non-employee director received a fee of \$1,500 for each Committee meeting attended in person or \$900 for each telephone meeting of the Committee in which he participated. Non-employee directors are also reimbursed for all expenses incident to their Board service. Each non-employee director who serves less than six months in a fiscal year receives 50% of the annual fee, and if he serves six months or more in a fiscal year, receives 100% of the prevailing annual fee. Under the Company's Deferred Compensation Plan, a non-employee director of the Company may elect to defer up to 100% of these fees or any fixed amount not less than \$2,500 of such fees.

The Company has a nonqualified Capital Accumulation Plan for its non-employee directors. The maximum benefit available to these directors is

\$150,000, payable upon retirement in 120 equal consecutive monthly installments. If the non-employee director has served for less than ten years, his benefit upon retirement will be based upon 10% of the maximum benefit for each year of Board service with a minimum of three years of service required for inclusion in the plan. If a director dies before the normal retirement age of 70 and his termination from Board service, his beneficiary will receive an amount equal to 100% of the amount the Company would have paid the director had normal retirement age been attained.

Each non-employee director is automatically entitled to an option grant of 3,000 shares of Common Stock under the Company's Amended and Restated 1989 Stock Incentive Plan upon his initial election or appointment to the Board, and is thereafter entitled to an annual grant of 2,000 shares ("Annual Grant") only if the Company attains a ten percent or greater return on common equity in the preceding fiscal year. During fiscal 1996, each non-employee director received an Annual Grant of 2,000 shares.

COMPENSATION OF EXECUTIVE OFFICERS.

The following table sets forth information for the fiscal years ended September 30, 1996, 1995, and 1994, respectively, with respect to certain compensation awarded or paid to the Company's Chief Executive Officer and its other four most highly compensated executive officers (collectively, the "Named Executive Officers"):

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<TABLE>

SUMMARY COMPENSATION TABLE

<CAPTION>

Name and Principal Position	Year	ANNUAL COMPENSATION		Other Annual Compen- sation (\$)	Long-Term Compensation Awards Underlying Options/ SARs (#)	All Other Compen- sation(1) (\$)
		Salary (\$)	Bonus (\$)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Robert E. Martini Chairman and Chief Executive Officer	1996	560,000	502,600	108,561(2)	25,000	33,005(3)
	1995	553,269	428,000	168,229(2)	15,750	36,774(3)
	1994	534,808	350,000	117,356(2)	10,000	34,278(3)
Donald R. Roden President and Chief Operating Officer	1996	400,000	359,000	63,601(5)	95,000	---
	1995(4)	---	---	---	---	---
	1994(4)	---	---	---	---	---
Neil F. Dimick Executive Vice President, Chief Financial Officer	1996	275,000	269,300	132,631(6)	40,000	4,571
	1995	256,731	200,000	35,049(6)	5,250	4,500
	1994	233,654	175,000	30,604(6)	20,000	2,520
Milan A. Sawdei Executive Vice President, Chief Legal Officer and Secretary	1996	210,000	141,400	48,087(7)	30,000	4,571
	1995	180,000	105,000	33,457(7)	5,250	4,500
	1994	165,478	100,000	34,855(7)	15,000	2,520
Denny W. Steele (8) Executive Vice President	1996	200,000	134,700	34,824(9)	15,000	4,598
	1995	184,809	120,000	29,464(9)	10,250	5,000
	1994	165,354	100,000	29,323(9)	15,750	2,520

<FN>

(1) Reflects Company contributions under the Company's Pre-Tax Investment Retirement Account Plus Plan, unless otherwise indicated in the following notes.

(2) Includes \$68,250, \$92,120 and \$80,780 of imputed compensation reflecting the difference between the average market interest rate for the Company and the interest free loan to Mr. Martini during fiscal years 1994, 1995 and 1996, respectively, described under Item 13.

(3) Includes \$31,198, \$31,774 and \$28,418 of allocated premiums paid by the Company to a split dollar life insurance plan on Mr. Martini during fiscal years 1994, 1995 and 1996, respectively.

(4) Mr. Roden's employment with the Company commenced during fiscal year 1996, and accordingly, no amounts are reportable for fiscal years 1994 and 1995.

(5) Includes \$16,362 of imputed compensation reflecting the difference between the average market interest rate for the Company and the interest free loan to Mr. Roden for fiscal year 1996, described under Item 13.

(6) Includes \$12,174, \$18,506 and \$16,288 of imputed compensation reflecting the difference between the average market interest rate for the Company and the interest free loan to Mr. Dimick for fiscal years 1994, 1995 and 1996, respectively, described under Item 13.

(7) Includes \$9,100, \$13,160 and \$11,540 of imputed compensation reflecting the difference between the average market interest rate for the Company and the interest free loan to Mr. Sawdei for fiscal years 1994, 1995 and 1996, respectively, described under Item 13.

(8) Mr. Steele tendered his resignation as an executive officer of the Company in September 1996.

(9) Includes \$9,100, \$13,160 and \$11,540 of imputed compensation reflecting the difference between the average market interest rate for the Company and the interest free loan to Mr. Steele for fiscal years 1994, 1995 and 1996, respectively, described under Item 13.

</FN>
</TABLE>

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EMPLOYMENT AND SEVERANCE AGREEMENTS.

In May 1994, the Board authorized the Company to enter into written employment agreements (the "Employment Agreements") and severance agreements (the "Severance Agreements") with Mr. Martini (as Chairman and Chief Executive Officer), Mr. Dimick (as Executive Vice President, Chief Financial Officer), Mr. Sawdei (as Executive Vice President, Chief Legal Officer and Secretary) and Mr. Steele (as Executive Vice President, Chief Information Officer); and, in October 1995, with Mr. Roden (as President and Chief Operating Officer). As previously indicated, Mr. Steele is no longer an executive officer of the Company, and his status under the Employment Agreement is currently under review.

Each of the Employment Agreements is for a term of three years. The Employment Agreements automatically extend on a monthly basis so that the outstanding term is always three years, subject to the option of either party to terminate the automatic extension provision at any time. Pursuant to each Employment Agreement, each Named Executive Officer is to receive his then effective annual base compensation, a bonus that shall be equal to that paid to other executive officers at the same level, but, regardless of what may be paid to other executives, in any event no less than fifty percent of the average of the Named Executive Officer's previous three annual bonuses, and other benefits and allowances. In the event of death or disability, each Named Executive Officer or their beneficiary, as the case may be, will receive the compensation provided for under his Employment Agreement for the term of the Agreement, calculated as if notice to terminate had been given 30 days prior to such event.

Pursuant to the Employment Agreements, the Company will indemnify each Named Executive Officer with respect to any actions, claims or settlements arising out of the performance of his duties, including the payment of all reasonable attorneys' fees and necessary costs and expenses. In addition, the Company will pay as incurred all reasonable attorneys' fees and necessary costs and disbursements incurred by the Named Executive Officer in connection with any dispute under the Employment Agreement, whether or not the Named Executive Officer prevails.

Pursuant to the Employment Agreements, a Named Executive Officer's employment may be terminated without a claim for damages arising against the Company (1) upon notice by the Named Executive Officer, except for "good reason" discussed below; (2) by mutual agreement between the Named Executive Officer and the Company; or (3) by the Company for cause. If the Employment Agreement is terminated by the Company for any other reason, or if the Named Executive Officer terminates the Employment Agreement for good reason (including, but not limited to, an adverse change in such officer's position from his position at the time he entered into the Employment Agreement), he will be entitled to damages equal to the present value equivalent of the compensation he would have been paid under the Employment Agreement for the next three years, less his earned income from other employment, if any.

The Severance Agreements, which provide for benefits additional to the Employment Agreements, with the Named Executive Officers require payment of

of employment within three years following a Change in Control (as hereinafter defined) of the Company. Payment under the Severance Agreements would consist of 2.99 times the average annual W-2 compensation paid by the Company for the most recent five taxable years of the Named Executive Officer ending before the date of the Change in Control if, following a Change in Control, such Named Executive Officer is terminated without cause, such Named Executive Officer terminates for any reason within 180 days after a Change in Control, or if such Named Executive Officer terminates for good reason (including, but not limited to, an adverse change in such officer's position from his position at the time of the Change in Control). The Severance Agreement continues until three years and one day after a Change in Control or until the Named Executive Officer receives the severance payment under the Agreement.

Under the Severance Agreement, a Change in Control with respect to the Company is deemed to occur 90 days prior to (i) the acquisition by any person, entity or group, within the meaning of Section 13(d) and 14(d) of the Exchange Act (excluding for this purpose, (A) the Company, or (B) any employee benefit plan of the Company which acquires beneficial ownership of voting securities of the Company) of 50% or more of beneficial ownership (within Rule 13(d)-3 promulgated under the Exchange Act) of the combined voting power of the Company's then outstanding securities; (ii) any rolling period of two consecutive years in which individuals who at the beginning of such period constitute the Board of Directors of the Company (and any new director whose election or nomination for election was approved by a vote of at least 2/3 of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors; provided, however, no director shall be considered to have been so approved if such director initially assumed office as a result of either an actual or threatened "election contest" (as described in Rule 14(a)-11 under the Exchange Act) or other actual or threatened solicitation of proxies or consent by or on behalf of any person other than the Board of Directors, including as a result of any agreement intended to avoid or settle any such election contest or proxy contest; (iii) the approval by the Company's shareowners of a dissolution or liquidation of the Company; (iv) the sale (or similar transaction) of substantially all of the Company's operating assets; or (v) a merger or consolidation, or a transaction having a similar effect, where (A) the Company is not the survivor, (B) the majority of the Common Stock of the Company is no longer held by the holders of Common Stock of the Company immediately prior to the transaction, or (C) the Company's Common Stock is converted into cash, securities or other property.

If any payment or acceleration of any benefits extended from the Company to any Named Executive Officer upon a Change in Control would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended ("Code"), then the Named Executive Officer shall be entitled to receive an additional "gross up bonus" in an amount necessary to provide the Named Executive Officer with sufficient after income tax funds to fully pay all such excise taxes on both the payment and the gross up bonus.

Pursuant to the Severance Agreement, the Company will pay as incurred all reasonable attorneys' fees and necessary costs and disbursements incurred by the Named Executive Officer in connection with any dispute under the Severance Agreement, whether or not the Named Executive Officer prevails.

In addition to the above arrangements, the Company has an unfunded, non-qualified Retired Officers Medical Plan available to certain executive officers of the Company and their spouses, including executive officers now retired from the Company. The plan provides for payment of the covered individual's medical, dental, vision and prescription expenses at a level commensurate with the Company's medical benefit plans that are in effect upon the executive officer's retirement (as defined in the plan documents), but limited to the difference between benefits received or potentially available from other insurance sources (including governmental programs), if any, and the total expense actually incurred. The duration of the benefit is for the lifetime of the executive officer and the executive officer's spouse if such officer is married. Upon a change of control (as defined in the plan documents), it is contemplated that the Company would pre-fund the plan in an amount necessary to

provide future benefits to the covered individuals eligible to receive benefits under the plan. Based upon the various eligibility criteria under the plan, two of the Named Executive Officers (Messrs. Martini and Sawdei) would be eligible to receive benefits upon their retirement from the Company.

STOCK OPTION GRANTS AND EXERCISES.

The following tables provide information with respect to stock options granted to and held by the Named Executive Officers:

<TABLE>

OPTION GRANTS IN LAST FISCAL YEAR

<CAPTION>

NAME	Securities Underlying Options/SARs Granted (#) (1)	Individual Grants % of Total Options/SARs Granted to Employees in Fiscal Year		Exercise Price (\$/SHARE)	Expiration DATE	Grant Date Present VALUE (\$)
		1996				
<S>	<C>	<C>		<C>	<C>	<C>
Robert E. Martini	25,000	3.3		\$24.44	11/08/05	\$219,000 (6)
Donald R. Roden	50,000 (2) 20,000 25,000 (3)	12.6		21.56 24.44 28.75	10/15/04 11/08/05 09/04/06	401,500 (7) 175,200 (6) 260,750 (8)
Neil F. Dimick	15,000 25,000 (4)	5.3		24.44 28.75	11/08/05 09/04/06	131,400 (6) 260,750 (8)
Milan A. Sawdei	15,000 15,000 (5)	4.0		24.44 28.75	11/08/05 09/04/06	131,400 (6) 156,450 (8)
Denny W. Steele	15,000	2.0		24.44	11/08/05	131,400 (6)

<FN>

(1) All shares granted as nonstatutory stock options at 100% of fair market value on the date of grant, unless otherwise noted, and vest 25% one year after the date of grant and then 25% per year thereafter.

(2) Granted as incentive stock options.

(3) Of this amount, 3,478 shares granted as incentive stock options.

(4) Of this amount, 11,733 shares granted as incentive stock options.

(5) Of this amount, 9,396 shares granted as incentive stock options.

(6) The grant date present value is based on a Black-Scholes model and assumes a risk-free rate of return of 6.25%, an option term of ten years, a dividend yield of 2.58% and a stock volatility of .322.

(7) The grant date present value is based on a Black-Scholes model and assumes a risk-free rate of return of 6.25%, an option term of ten years, a dividend yield of 2.11% and a stock volatility of .301.

(8) The grant date present value is based on a Black-Scholes model and assumes a risk-free rate of return of 6.72%, an option term of ten years, a dividend yield of 2.40% and a stock volatility of .296.

</FN>
</TABLE>

<TABLE>

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION/SAR VALUES

<CAPTION>

Shares	Number of Securities Underlying Unexercised Options/SARs at	Value of Unexercised In-the-Money Options/
--------	-------------------------------------------------------------	--------------------------------------------

Name	Acquired on	Value	FY END (#)		SARS AT FY END (\$) (1)	
	Exercise	Realized	EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
	(#)	(\$)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Robert E. Martini	0	0	115,308	29,775	\$1,396,520	\$269,156
Donald R. Roden	0	0	17,500	74,022	163,975	566,925
Neil F. Dimick	0	0	26,325	45,175	367,426	294,874
Milan A. Sawdei	0	0	34,234	36,750	530,519	264,874
Denny W. Steele	0	0	26,657	25,500	345,074	257,862

<FN>
(1) Pursuant to the rules promulgated by the Securities and Exchange Commission, these values were calculated by determining the difference between the value of the Company's stock at fiscal year end (\$31.75 on September 30, 1996) and the exercise price of the options.

</FN>
</TABLE>

PENSION TABLE.

The following table shows the estimated annual benefits payable under the Company's non-qualified Supplemental Executive Retirement Plan ("SERP") at age 62 to persons in specified compensation and years of service classifications, based on a joint and 75 percent survivor annuity form of retirement income. The table also includes benefits payable under the Company's Capital Accumulation Plan ("CAP") for executives who participate in the CAP, which was the SERP's predecessor plan and which was frozen to all employee participants on October 7, 1987.

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<TABLE>
<CAPTION>

Average Annual Compensation During Highest Three Of Final Five Years Before Retirement	Estimated Annual Retirement Benefits For Years Of Credited Service Shown Below			
	10	20	30	40
	--	--	--	--
<C>	<C>	<C>	<C>	<C>
\$ 200,000	\$73,500	\$126,800	\$126,800	\$126,800
400,000	176,100	282,700	282,700	282,700
600,000	278,700	438,700	438,700	438,700
800,000	381,500	594,800	594,800	594,800
1,000,000	488,000	754,700	754,700	754,700

</TABLE>

As of September 30, 1996, full years of actual credited service in these plans are: Mr. Martini--40 years; Mr. Roden--1 year; Mr. Dimick--5 years; Mr. Sawdei--13 years; and, Mr. Steele--6 years.

Compensation for a particular year as used for the calculation of retirement benefits under SERP includes base salary received during the year (including salary deferred under a salary deferral plan) and excludes all other compensation. Benefits are reduced by the following amounts: (1) the participant's primary insurance amount payable under the Social Security Act at retirement age; (2) the participant's benefit under the CAP; (3) an annuitized amount based upon an assumed level of participation in the Company's Pre-Tax Investment Retirement Account Plus Plan; and (4) any amounts owed by a participant to the Company (except to the extent that such amount owed is under a program that expressly provides that there will not be an offset). Benefits are payable under the SERP in the form of a joint and survivor annuity, consisting of periodic payments to each participant or a lump sum distribution to a participant's beneficiary should a participant die before attaining normal retirement age. In the alternative, a participant may elect to receive his or her benefit in a lump sum. A \$5,000 funeral benefit is available to a participant's estate, offset by any funeral benefit paid under the CAP Plan. Because participants may be required to pay income and payroll taxes based upon payments made by the Company under SERP, the Company will pay affected participants an additional amount that the Company estimates will be equal to such tax liability. Generally, the CAP benefit is a monthly retirement benefit paid over a specified number of months that, at the election of a participant,

may be paid in a lump sum. Upon a change in control (as defined in the CAP and SERP), certain senior executive officers' benefits payable under the SERP would be accelerated such that their credited years of service in these plans would be as if they had attained the normal retirement age. In addition, a master trust for certain executive officer deferral plans has been established to preserve these and certain other executive benefits.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

BENEFICIAL OWNERSHIP OF SECURITIES

The following table lists the beneficial ownership of each person or group who owns, to the Company's knowledge, more than five percent of its outstanding voting securities, based on the number of shares outstanding as of November 30, 1996:

<TABLE>
<CAPTION>

Name and Address of Beneficial Owner	Title Of Class	Amount and Nature of Beneficial Ownership	Percent of Outstanding Shares
<S>	<C>	<C>	<C>
FMR Corp. (1) (including subsidiaries) 82 Devonshire Street Boston, Massachusetts 02109	Common Stock	4,241,410(1)	10.58
Wellington Management Company, LLP 75 State Street Boston, Massachusetts 02109	Common Stock	2,219,918(2)	5.54
Robert E. Martini (3) 4000 Metropolitan Drive Orange, California 92868	Common Stock	2,204,356(4)	5.50

<FN>

(1) This information was provided by FMR Corp. ("FMR") in its capacities as serving as an investment advisor to various registered investment companies and other funds as well as serving as trustee or managing agent for various private investment accounts. According to a Schedule 13G, dated June 10, 1996, as filed with the Securities and Exchange Commission, FMR had sole voting power over 598,315 shares and sole dispositive power over 4,241,410 shares.

(2) This information has been furnished to the Company by Wellington Management Company, LLP ("WMC") as of December 24, 1996. WMC advises that it is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940, as amended, and as of December 24, 1996, in its capacity as investment advisor, WMC may be deemed to have beneficial ownership of the number of shares indicated, that are owned by numerous investment advisory clients, none of which is known to have such interest with respect to more than five percent of the class. As of such date, WMC advises it had shared voting power over 1,764,908 shares and shared dispositive power over 2,219,918 shares.

(3) Information as to beneficial ownership has been furnished to the Company by Robert E. Martini as of September 30, 1996. Except as indicated otherwise by the following notes, shares shown beneficially owned are those to which Mr. Martini may have sole voting and dispositive power.

(4) Includes 115,308 shares which, as of October 31, 1996, may be acquired within sixty days pursuant to the exercise of stock options and 29,925 shares beneficially owned by Mr. Martini for which he does not have voting and dispositive power.

</FN>
</TABLE>

The following table sets forth certain information regarding the ownership of the Company's Common Stock as of October 31, 1996, by: (a) each director; (b) the chief executive officer and the four most highly compensated executive officers named in the Summary Compensation Table (see "Compensation of Executive Officers") under Item 11; and (c) all directors and executive officers as a group:

<TABLE>
<CAPTION>

<S>	Aggregate Number of Shares Beneficially Owned(1) (2) -----	Percent of Outstanding Shares -----
<C>	<C>	<C>
Jose E. Blanco, Sr.	5,601	*
Rodney H. Brady (3)	42,306	*
John Calasibetta	185,910	*
Neil F. Dimick	30,525	*
Dr. Charles C. Edwards	9,929	*
Charles J. Lee	13,401	*
George R. Liddle (4)	30,079	*
Robert E. Martini (5)	2,204,356	5.50
James R. Mellor	12,250	*
George E. Reinhardt, Jr.	84,787	*
Donald R. Roden	27,500	*
Francis G. Rodgers	12,122	*
Milan A. Sawdei (6)	34,864	*
Denny W. Steele	26,657	*
All directors and executive officers as a group including those above (20 persons)	2,843,476	7.10

<FN>

* Denotes ownership of less than 1% of the outstanding shares of Common Stock.

(1) Information as to beneficial ownership by the directors and executive officers named above has been furnished to the Company by such individuals. Except as indicated otherwise in the footnotes, shares shown as beneficially owned are those to which the individual has sole voting and dispositive power. Such shares, where applicable, may be subject to community property laws and related statutes under which a spouse may be entitled to share in the management of the community property, which may include the right to vote or dispose of the shares.

(2) Reflects the number of shares that could be purchased by exercise of options exercisable as of October 31, 1996 or within 60 days thereafter under the Company's stock option or stock incentive plans, as follows: Jose E. Blanco, Sr. 5,601 shares; Rodney H. Brady 8,752 shares; Neil F. Dimick 26,325 shares; Dr. Charles C. Edwards 7,439 shares; Charles J. Lee 8,752 shares; George R. Liddle 5,602 shares; Robert E. Martini 115,308 shares; James R. Mellor 8,752 shares; George E. Reinhardt, Jr. 5,601 shares; Donald R. Roden 17,500 shares; Francis G. Rodgers 8,752 shares; Milan A. Sawdei 34,234 shares; Denny W. Steele 26,657 shares; and all directors and executive officers as a group, including those above (20 persons) 369,250 shares.

(3) Includes 1,850 shares held by two sons living at home and 31,704 shares held in trust by Mr. Brady as trustee for his own benefit.

(4) Includes 23,735 shares held by Mr. Liddle as co-trustee for the benefit of him and his wife.

(5) Includes 29,925 shares beneficially owned by Mr. Martini for which he does not have voting and dispositive power.

(6) Includes 630 shares held by Mr. Sawdei as trustee for his son.

</FN>
</TABLE>

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

CERTAIN TRANSACTIONS.

In April 1990, the Board approved an unfunded deferred compensation loan program available to the executive officers of the Company (the "Executive Loan Program") for the purpose of providing them with an incentive to remain with the Company. Under this program, loans are available to all executive officers of the Company, except those who are also members of the Board. Each outstanding loan matures upon the officer's termination of employment unless extended by the Board and is evidenced by a secured promissory note in the principal amount of the loan which bears no interest. An executive officer may borrow up to 125% of his or her annual salary then in effect upon the date of request. The value of collateral securing the loan must equal at least 125% of the principal loan amount. Although no interest is charged by the Company to the employee, the employee is deemed by the Internal Revenue Service to have compensation in the amount of interest calculated according to a formula prescribed by the Internal Revenue Service. The employee is also deemed to have paid interest in a like amount to the Company. The Company has the right at any time to amend, modify or terminate this program but is limited in terminating or modifying outstanding loans.

In addition to the above loans, the Board has approved making loans to other key employees under terms similar to the Executive Loan Program and the principal amount of these loans outstanding as of November 30, 1996, to Messrs. Martini, Roden and Steffensen were \$1,400,000, \$500,000 and \$481,250, respectively. The loans to Messrs. Dimick (at the time made), Sawdei and Steele were made pursuant to the Executive Loan Program and are in the amounts of \$281,250, \$200,000 and \$200,000, respectively. In addition, William J. Elliott, Executive Vice President of the Company and President of Bergen Brunswig Medical Corporation, a Company subsidiary, received a loan in the amount of \$331,250 under the Executive Loan Program, and a relocation loan in the amount of \$100,000. Such amounts represent the largest aggregate amount of each executive officer's indebtedness during the Company's last fiscal year. In the event of a change in control (as defined in the promissory notes for the applicable loans), the indebtedness to the Company of Messrs. Martini, Dimick, Elliott (for the Executive Loan Program loan, only), Roden and Sawdei would be deemed forgiven.

The Company entered into a life insurance plan for Mr. Martini in 1985. Under this insurance plan, the Company pays the premiums on certain life insurance policies which provide him (or his assignees) with a death benefit of \$1,400,000 and which may provide certain alternative benefits in the event of a lifetime surrender of the policy. The Company expects to maintain this policy in force until his 75th birthday, whether he is employed by the Company or has retired.

Dwight A. Steffensen, formerly a director (1985 to 1996), President (1992 to 1995), Chief Operating Officer (1990 to 1995) and Executive Vice President (1985 to 1992) of the Company, currently serves as a consultant to the Company under a consulting agreement entered into as of February 1, 1996, and which expires October 15, 1998. The agreement provides for bi-weekly payments averaging approximately \$19,000, lump sum payments at fiscal year-end averaging

approximately \$339,000, and upon successful completion of the full term, a lump sum payment of \$1,500,000, to be offset in the amount of \$481,250 to reflect repayment by Mr. Steffensen of his Company loan. In addition, upon completion of the term of the agreement, the Company shall pay Mr. Steffensen lump sum payments of \$1,026,013 and \$1,667,247 as benefits accrued under the Company's SERP and CAP Plans, respectively through October 15, 1998. However, in the event Mr. Steffensen breaches certain terms and provisions of the agreement, the SERP and CAP payments, payable at October 15, 1998, will be reduced in the amounts of \$444,639 and \$221,025, respectively.

INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Under Article VII of the Company's Restated Certificate of Incorporation ("Restated Certificate"), every person who is or was a director, officer, employee or agent of the Company and the legal representative of such a person is entitled to receive indemnification from the Company to the fullest extent permitted by law. Under New Jersey law, directors and officers may be

indemnified in certain situations, subject to the Company's having taken certain actions and the directors and officers having met certain specified standards of conduct. In 1986, the Company entered into individual agreements (collectively, the "Indemnity Agreement") to indemnify each of its directors against liabilities and defense costs to the extent that such directors would have been insured under the director and officer liability insurance policies which were in effect on December 31, 1984 (the "1984 Policy"). The Company believes that the coverage addresses liabilities arising under ERISA, securities and antitrust laws. The obligation of the Company to indemnify a director under the Indemnity Agreement is limited to \$30 million, in the aggregate, the maximum coverage available under the 1984 Policy. However, the Indemnity Agreement does not limit a director's right to recover in excess of such \$30 million maximum from the Company if the director is otherwise entitled to statutory indemnification. The Indemnity Agreement was ratified by the shareowners at the December 1986 Annual Meeting.

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PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) Documents filed as part of this report:

1. Financial Statements

The following Consolidated Financial Statements of Bergen Brunswig Corporation and Subsidiaries are included in Part II, Item 8:

Statements of Consolidated Earnings and Retained Earnings for the Years Ended September 30, 1996, 1995, and 1994
Consolidated Balance Sheets, September 30, 1996 and 1995
Statements of Consolidated Cash Flows for the Years Ended September 30, 1996, 1995, and 1994
Notes to Consolidated Financial Statements
Independent Auditors' Report

Financial statements and schedules not listed are omitted because of the absence of the conditions under which they are required or because all material information is included in the consolidated financial statements or notes thereto.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K
(Continued)

3. Exhibits

***2 Agreement and Plan of Merger, dated as of November 10, 1996, among BBI, IVAX, the Company, IVAX Merger Sub and Bergen Merger Sub.

- 3(a) The By-Laws as amended and restated and dated November 8, 1996.
- *3(b) The Restated Certificate of Incorporation dated May 23, 1994 is set forth as Exhibit 3 to the Company's Current Report on Form 8-K dated May 23, 1995.
- *4(a) The Senior Indenture for \$400,000,000 of Debt Securities dated as of December 1, 1992 between the Company and Chemical Trust Company of California as Trustee is set forth as Exhibit 4.1 to the Company's Registration Statement on Form S-3 dated December 1, 1992 (file no. 33-55136).

The Company agrees to furnish to the Securities and Exchange Commission, upon request, a copy of each instrument with respect to other issues of long-term debt of the Company, the authorized principal amount of which does not exceed 10% of the total assets of the Company on a consolidated basis.
- *4(b) Rights Agreement, dated as of February 8, 1994, between Bergen Brunswig Corporation and Chemical Trust Company of California, as Rights Agent, including all exhibits thereto, is incorporated herein by reference to Exhibit 1 to the Company's Registration Statement on Form 8-A dated February 14, 1994.
- ***10(a) Stock Option Agreement, dated as of November 10, 1996, between IVAX and the Company.
- ***10(b) Stock Option Agreement, dated as of November 10, 1996, between the Company and the IVAX.
- ***10(c) Voting Agreement, dated as of November 10, 1996, between IVAX and Robert E. Martini.
- ***10(d) Voting Agreement, dated as of November 10, 1996, among the Company, Frost-Nevada, Limited Partnership and Dr. Phillip Frost.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K
(Continued)

3. Exhibits (Continued)

-
- **10(e) Bergen Brunswig Corporation Deferred Compensation Plan.
- **10(f) Director Indemnification Agreement and Amendment to Director Indemnification Agreement.
- *10(g) Bergen Brunswig Corporation Bonus Plan as adopted September 1, 1977, amended October 19, 1990, is set forth as Exhibit 10(i) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1991.
- **10(h) Bergen Brunswig Corporation Stock Option Plans, other than the 1989 Stock Incentive Plan.
- *10(i) 1989 Stock Incentive Plan of Bergen Brunswig Corporation is set forth as Exhibit 10(j) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1989.
- *10(j) Amendments to the Amended and Restated 1989 Stock Incentive Plan of Bergen Brunswig Corporation dated October 20, 1994 are set forth as Appendix A on pages 28 and 29 of the Company's definitive Proxy Statement dated December 22, 1994 for its January 26, 1995 Annual Meeting of Shareowners.
- *10(k) Form of Amended and Restated Supplemental Executive Retirement Plan.

- *10(l) Form of Amended and Restated Capital Accumulation Plan.

Exhibits 10(k) and 10(l) above are set forth as Exhibits 10.1 and 10.2 in the Company's Registration Statement on Form S-3 and Amendment No.1 thereto relating to a shelf offering of \$400 million in securities filed February 1, 1996 and March 19, 1996, respectively (file no. 333-631).
- 10(m) Amendment No.1 to the Amended and Restated Capital Accumulation Plan.
- *10(n) Executive Loan Program is set forth as Exhibit 10(k) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1990.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K
(Continued)

3. Exhibits (Continued)

- *10(o) Amended and Restated Executive Loan Program dated March 3, 1995 is set forth as Exhibit 10(g) in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1995.
- *10(p) Non-Solicitation Agreement dated as of September 4, 1992 among W.A. Williamson, Jr., Durr-Fillauer Medical, Inc. and Bergen Brunswig Corporation is set forth as Exhibit (c)(2) to Amendment No. 16 to Bergen Brunswig Corporation's and BBC Acquisition Corp.'s Tender Offer Statement pursuant to Section 14(d)(1) of the Securities and Exchange Act of 1934.
- *10(q) Non-Solicitation Agreement dated as of September 4, 1992 among Charles E. Adair, Durr-Fillauer Medical, Inc. and Bergen Brunswig Corporation is set forth as Exhibit (c)(3) to Amendment No. 16 to Bergen Brunswig Corporation's and BBC Acquisition Corp.'s Tender Offer Statement pursuant to Section 14(d)(1) of the Securities and Exchange Act of 1934.
- *10(r) Non-Solicitation Agreement dated as of September 4, 1992 among Winfield Cotton, Durr-Fillauer Medical, Inc. and Bergen Brunswig Corporation is set forth as Exhibit (c)(4) to Amendment No. 16 to Bergen Brunswig Corporation's and BBC Acquisition Corp.'s Tender Offer Statement pursuant to Section 14(d)(1) of the Securities Exchange Act of 1934.
- *10(s) Agreement dated as of September 18, 1992 by and among Bergen Brunswig Corporation, Durr-Fillauer Medical, Inc. and the Attorneys General of the States of Alabama, Florida and Louisiana is set forth as Exhibit 10(p) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1992.
- *10(t) Employment Agreement and Schedule.
- *10(u) Severance Agreement and Schedule.

Exhibits 10(t) and 10(u) above are set forth as Exhibit 10(q) and 10(r) in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1994.
- 11 Computation of earnings per share for the three years ended September 30, 1996.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K (Continued)

3. Exhibits (Continued)

-
- 21 List of subsidiaries of Bergen Brunswig Corporation.
 - 23 Independent Auditors' Consent.
 - 24 Power of Attorney is set forth on the Signature pages in Part IV of this Annual Report.
 - 27 Financial Data Schedule for the year ended September 30, 1996.
 - *99(a) Split Dollar Life Insurance Plan with Emil P. Martini, Jr. and Robert E. Martini.
 - *99(b) Amended and Restated Credit Agreement dated as of September 30, 1994 among Bergen Brunswig Drug Company, Bergen Brunswig Corporation and Bank of America National Trust and Savings Association is set forth as Exhibit 99(h) in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1994.
 - *99(c) First and Second Amendments to Amended and Restated Credit Agreement dated as of February 27, 1995 and March 16, 1996, respectively, are set forth as Exhibits 99(a) and 99(b), respectively, in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1996.
 - *99(d) Item 1 - Legal Proceedings of Part II of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994 as filed with the Securities and Exchange Commission, are incorporated herein by reference in Part I, Item 3 of this Annual Report.
 - *99(e) The Company's Current Report on Form 8-K dated November 10, 1996, relating to the execution of a definitive merger agreement with IVAX Corporation, is incorporated herein by reference in Part I, Item 1 of this Annual Report.
 - *99(f) The Company's Schedule 13D and Form 3 dated November 10, 1996 relating to the definitive merger agreement with IVAX Corporation.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K (Continued)

3. Exhibits (Continued)

-
- *99(g) Agreement and Plan of Merger dated as of September 4, 1992 by and among Bergen Brunswig Corporation, BBC Acquisition Corp. and Durr-Fillauer Medical, Inc. is set forth as Exhibit (c)(1) to Amendment No. 16 to Bergen Brunswig Corporation's and BBC Acquisition Corp.'s Tender Offer Statement Pursuant to Section 14(d)(1) of the Securities and Exchange Act of 1934.

* Document has heretofore been filed with the Securities and Exchange Commission and is incorporated herein by reference and made a part hereof.

** Incorporated herein by reference to the exhibits filed as part of the Company's Registration Statement on Form S-3 (Registration No. 33-5530) and Amendment Nos. 1 and 2 thereto relating to an offering of \$43,000,000 principal amount of 6 7/8% Exchangeable Subordinated Debentures due 2011, filed with the Securities and Exchange Commission on May 8, July 1, and July 8, 1986, respectively.

*** Incorporated herein by reference to the exhibits filed as part of the Company's Current Report on Form 8-K relating to the execution of a definitive merger agreement with IVAX Corporation, filed with the Securities and Exchange Commission on November 12, 1996.

(b) Reports on Form 8-K:

On November 12, 1996, a Current Report on Form 8-K, dated November 10, 1996, was filed reporting under Item 5, the execution of a definitive merger agreement with IVAX Corporation.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BERGEN BRUNSWIG CORPORATION

December 27, 1996

By /S/ ROBERT E. MARTINI

Robert E. Martini
Chairman of the Board and
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS that each person whose signature appears below, hereby constitutes and appoints Robert E. Martini, Donald R. Roden and Milan A. Sawdei and each of them singly, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any or all amendments (including pre-effective amendments and post-effective amendments) to this Annual Report on Form 10-K, and to file the same with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<TABLE>

<CAPTION>

SIGNATURE	TITLE	DATE
-----	-----	-----
<S> /S/ ROBERT E. MARTINI ----- Robert E. Martini	<C> Chairman of the Board and Chief Executive Officer and Director (Principal Executive Officer)	<C> December 27, 1996
/S/ DONALD R. RODEN ----- Donald R. Roden	President and Chief Operating Officer and Chief Executive Officer-Elect and Director	December 27, 1996

/S/ NEIL F. DIMICK

Neil F. Dimick

Executive Vice President,
Chief Financial Officer
and Director
(Principal Financial
Officer and Principal
Accounting Officer)

December 27, 1996

</TABLE>

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<TABLE>
<CAPTION>

SIGNATURE -----	TITLE -----	DATE -----
<S> /S/ JOHN CALASIBETTA ----- John Calasibetta	<C> Senior Vice President and Director	<C> December 27, 1996
/S/ JOSE E. BLANCO, SR. ----- Jose E. Blanco, Sr.	Director	December 27, 1996
/S/ RODNEY H. BRADY ----- Rodney H. Brady	Director	December 27, 1996
/S/ CHARLES C. EDWARDS, M.D. ----- Charles C. Edwards, M.D.	Director	December 27, 1996
/S/ CHARLES J. LEE ----- Charles J. Lee	Director	December 27, 1996
/S/ GEORGE R. LIDDLE ----- George R. Liddle	Director	December 27, 1996
/S/ JAMES R. MELLOR ----- James R. Mellor	Director	December 27, 1996
/S/ GEORGE E. REINHARDT, JR. ----- George E. Reinhardt, Jr.	Director	December 27, 1996
/S/ FRANCIS G. RODGERS ----- Francis G. Rodgers	Director	December 27, 1996

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INDEX TO EXHIBITS

***2 Agreement and Plan of Merger, dated as of November 10, 1996, among BBI, IVAX, the Company, IAX Merger Sub and Bergen Merger Sub

3(a) The By-Laws as amended and restated and dated November 8, 1996. 68

*3(b) The Restated Certificate of Incorporation dated May 23, 1994 is set forth as Exhibit 3 to the Company's Current Report on Form 8-K dated May 23, 1995.

*4(a) The Senior Indenture for \$400,000,000 of Debt Securities dated as of December 1, 1992 between the Company and Chemical Trust Company of California as Trustee is set forth as Exhibit 4.1 to the Company's Registration Statement on Form S-3 dated December 1, 1992 (file no. 33-55136).

The Company agrees to furnish to the Securities and Exchange Commission, upon request, a copy of each instrument with respect to other issues of long-term debt of the Company, the authorized principal amount of which does not exceed 10% of the total assets of the Company on a consolidated basis.

*4(b) Rights Agreement, dated as of February 8, 1994, between Bergen Brunswig Corporation and Chemical Trust Company of California, as Rights Agent, including all exhibits thereto, is incorporated herein by reference to Exhibit 1 to the Company's Registration Statement on Form 8-A dated February 14, 1994.

***10(a) Stock Option Agreement, dated as of November 10, 1996, between IVAX and the Company.

***10(b) Stock Option Agreement, dated as of November 10, 1996, between the Company and IVAX.

***10(c) Voting Agreement, dated as of November 10, 1996, between IVAX and Robert E. Martini.

***10(d) Voting Agreement, dated as of November 10, 1996, among the Company, Frost-Nevada, Limited Partnership and Dr. Phillip Frost.

**10(e) Bergen Brunswig Corporation Deferred Compensation Plan.

**10(f) Director Indemnification Agreement and Amendment to Director Indemnification Agreement.

INDEX TO EXHIBITS (CONTINUED)

*10(g) Bergen Brunswig Corporation Bonus Plan as adopted September 1, 1977, amended October 19, 1990, is set forth as Exhibit 10(i) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1991.

**10(h) Bergen Brunswig Corporation Stock Option Plans, other than the 1989 Stock Incentive Plan.

*10(i) 1989 Stock Incentive Plan of Bergen Brunswig Corporation is set forth as Exhibit 10(j) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1989.

*10(j) Amendments to the Amended and Restated 1989 Stock Incentive Plan of Bergen Brunswig Corporation dated October 20, 1994 are set forth as Appendix A on pages 28 and 29 of the Company's definitive Proxy Statement

dated December 22, 1994 for its January 26, 1995 Annual Meeting of Shareowners.

*10(k)	Form of Amended and Restated Supplemental Executive Retirement Plan.	
*10(l)	Form of Amended and Restated Capital Accumulation Plan.	
	Exhibits 10(k) and 10(l) above are set forth as Exhibits 10.1 and 10.2 in the Company's Registration Statement Form S-3 and Amendment No. 1 thereto relating to a shelf offering of \$400 million in securities filed February 1, 1996 and March 19, 1996, respectively (file no. 333-631).	
10(m)	Amendment No. 1 to the Amended and Restated Capital Accumulation Plan.	90
*10(n)	Executive Loan Program is set forth as Exhibit 10(k) in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 1990.	
*10(o)	Amended and Restated Executive Loan Program dated March 3, 1995 is set forth as Exhibit 10(g) in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 1995.	

INDEX TO EXHIBITS (CONTINUED)

EXHIBIT NO.		PAGE NO.
-----		-----
*10(p)	Non-Solicitation Agreement dated as of September 4, 1992 among W.A. Williamson, Jr., Durr-Fillauer Medical, Inc. and Bergen Brunswick Corporation is set forth as Exhibit (c)(2) to Amendment No. 16 to Bergen Brunswick Corporation's and BBC Acquisition Corp.'s Tender Offer Statement pursuant to Section 14(d)(1) of the Securities and Exchange Act of 1934.	
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*10(u)	Severance Agreement and Schedule.	
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11	Computation of earnings per share for the three years ended September 30, 1996.	91
21	List of subsidiaries of Bergen Brunswick Corporation	92
23	Independent Auditors' Consent.	93
24	Power of Attorney is set forth on the Signature pages in	

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-----		-----
27	Financial Data Schedule for the year ended September 30, 1996.	94
*99(a)	Split Dollar Life Insurance Plan with Emil P. Martini, Jr. and Robert E. Martini.	
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*99(c)	First and Second Amendments to Amended and Restated Credit Agreement dated as of February 27, 1995 and March 16, 1996, respectively, are set forth as Exhibits 99(a) and 99(b), respectively, in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1996.	
*99(d)	Item 1 - Legal Proceedings of Part II of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994 as filed with the Securities and Exchange Commission, are incorporated herein by reference in Part I, Item 3 of this Annual Report.	
*99(e)	The Company's Current Report on Form 8-K dated November 10, 1996, relating to the execution of a definitive merger agreement with IVAX Corporation, is incorporated herein by reference in Part I, Item 1 of this Annual Report.	
*99(f)	The Company's Schedule 13D and Form 3 dated November 10, 1996 relating to the definitive merger agreement with IVAX Corporation.	
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- * Document has heretofore been filed with the Securities and Exchange Commission and is incorporated herein by reference and made a part hereof.
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- *** Incorporated herein by reference to the exhibits filed as part of the Company's Current Report on Form 8-K relating to the execution of a definitive merger agreement with IVAX Corporation, filed with the Securities and Exchange Commission on November 12, 1996.

AMENDED AND RESTATED BY-LAWS

BERGEN BRUNSWIG CORPORATION

AS OF NOVEMBER 8, 1996

ARTICLE I

OFFICE

Section 1. PRINCIPAL OFFICE. The principal office of the corporation is hereby fixed and located at 4000 Metropolitan Drive, in the City of Orange, County of Orange, and State of California. The board of directors is hereby granted full power and authority to change said principal office to another office within or without the State of California.

Section 2. OTHER OFFICES. Branch or subordinate offices may at any time be established by the board of directors at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETING OF SHAREHOLDERS

Section 1. PLACE OF MEETINGS. All meetings of shareholders shall be held at the principal office of the corporation or at such other place in the States of New Jersey, California or New York as may be designated by the board of directors or its executive committee and stated in the notice of the meeting.

Section 2. ANNUAL MEETINGS. An annual meeting of the shareholders of the corporation shall be held on such day during the months of December, January or February of each year, and at

such hour, as shall be fixed by the board of directors and designated in the notice of the meeting.

Section 3. SPECIAL MEETINGS. Special meetings of the shareholders may be called for any purpose and at any time by the chairman of the board, the president or by the board of directors or as provided in the certificate of incorporation.

Section 4. NOTICE OF MEETINGS. Written notice of the time, place and purposes of annual and special meetings of shareholders shall be given to each shareholder entitled to vote at such meeting at least ten (10) days and not more than sixty (60) days before the date of such meeting, either personally or by

mail, charges prepaid, addressed to such shareholder at his address appearing on the books of the corporation.

Section 5. RECORD DATE. The board of directors shall fix the record date -----
for determination of shareholders entitled to notice of and to vote at any annual or special meeting of shareholders. Such record date shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting.

Section 6. NOMINATIONS OF DIRECTORS AND PROPOSALS OF BUSINESS TO BE -----
CONSIDERED. (a) Nominations of persons for election to the board of directors of -----
the corporation and the proposal of business to be considered by the shareholders may be made at an annual meeting of shareholders (i) pursuant to the corporation's notice of such annual meeting, (ii) by or at the direction of the board of directors or (iii) by any shareholder of the corporation who was a shareholder of record at the time of giving of the notice provided for in this Article II, Section 6 and who is entitled to vote at the meeting, provided that such shareholder has complied with the notice procedures set forth in this Article II, Section 6.

(b) For nominations or other business to be properly brought before an annual meeting by a shareholder pursuant to clause (iii) of paragraph (a) of this Article II, Section 6, the shareholder must have given timely notice thereof in writing to the secretary of the corporation. To be timely, a shareholder's notice shall be delivered to the secretary at the principal executive offices of the corporation not less than sixty (60) days nor more than ninety (90) days prior to the first anniversary of the preceding year's annual

meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than thirty (30) days or delayed by more than sixty (60) days from such anniversary date, notice by the shareholder to be timely must be so delivered not earlier than the ninetieth (90th) day prior to such annual meeting and not later than the close of business on the later of the sixtieth (60th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. Such shareholder's notice shall set forth (i) as to each person whom the shareholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including, without limitation, such person's name, address and principal occupation and such person's written consent to being named in the proxy statement as a nominee and to serving as a director if

electd); (ii) as to any other business that the shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any financial or other interest in such business of such shareholder and the beneficial owner, if any, on whose behalf the proposal is made; and (iii) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (1) the name and address of such shareholder, as they appear on the corporation's books, and of such beneficial owner and (2) the class and number of shares of the corporation which are owned beneficially and of record by such shareholder and such beneficial owner.

(c) Notwithstanding anything in the second sentence of paragraph (b) of this Article II, Section 6 to the contrary, in the event that the number of directors to be elected to the board of directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased board of directors made by the corporation at least seventy (70) days prior to the first anniversary of the preceding year's annual meeting, a shareholder's notice required by this Article

II, Section 6 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive offices of the corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Article II, Section 6 shall be eligible to serve as directors and only such business shall be conducted at an annual meeting of shareholders as shall have been brought before the meeting in accordance with the procedures set forth in this Article II, Section 6; provided, however, that the presiding officer of the meeting may elect, for good cause shown, to waive one or more of the procedures of this Article II, Section 6. The presiding officer of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this Article II, Section 6 and, if any proposed nomination or business is not in compliance with this Article II, Section 6 and the presiding officer elects not to waive such non-compliance, to declare that such defective proposed business or nomination shall be disregarded.

(e) For purposes of this Article II, Section 6, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange

Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(f) Notwithstanding the foregoing provisions of this Article II, Section 6, a shareholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Article II, Section 6. Nothing in this Article II, Section 6 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

Section 7. QUORUM. Except as otherwise provided in the certificate of

incorporation, the presence in person or by proxy of the holders of a majority

of any class or series voting separately at a meeting and a majority of any two or more classes voting together as a class at such meeting shall constitute a quorum for the transaction of business; if any matter to come before the meeting requires a vote of less than all the outstanding classes, then the presence in person or by proxy of the holders of a majority of the class or classes or series having the right to vote on such matter or matters shall constitute a quorum for the transaction of such business. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 8. ADJOURNED MEETINGS AND NOTICE THEREOF. Any shareholders'

meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the shares the holders of which are either present in person or represented by proxy at such meeting, but in the absence of a quorum no other business may be transacted at such meeting; provided, however, that if a quorum of any class or series is present and objects to such adjournment, the meeting shall not be adjourned.

When any shareholders' meeting, either annual or special, is adjourned for more than thirty days, notice of the adjourned meeting shall be given as in the case of an original meeting. If any such meeting is adjourned for thirty days or less, however, and the time and place of the adjourned meeting is announced at the meeting at which the adjournment is taken, and the only business transacted at the adjourned meeting is such as might have been transacted at the original meeting, no further notice of the adjourned meeting need be given to shareholders. If after the adjournment, the board of directors fixes a new record date for the adjourned meeting, however, a notice of the adjourned meeting shall be given to each shareholder of record on the new record date.

Section 9. VOTING. Shareholders shall vote their stock in the manner

provided in the certificate of incorporation as amended from time to time.
Shares held by the corporation shall not be voted at any meeting of shareholders
for any purpose.

Section 10. PROXIES. Every shareholder entitled to vote at a meeting of

shareholders may authorize another person or persons to act for him by proxy.

Every proxy shall be executed in writing by the shareholder or his agent, except
that a proxy may be given by a shareholder or his agent by telegram or cable or
by any means of electronic communication which results in a writing. No proxy
shall be valid after eleven months from the date of its execution unless a
longer time is expressly provided therein. Unless it states that it is
irrevocable and is coupled with an interest either in the stock itself or in the
corporation, a proxy shall be revocable at will. A proxy shall not be revoked by
the death or incapacity of the shareholder but the proxy shall continue to be in
force until revoked by the personal representative or guardian of the
shareholder. The presence at a meeting of any shareholder who has given a proxy
does not revoke the proxy unless the shareholder files written notice of the
revocation with the secretary of the meeting prior to the voting of the proxy or
votes the shares subject to the proxy by written ballot. A person named in a
proxy as the attorney or agent of a shareholder may, if the proxy so provides,
substitute another person to act in his place, including any other person named
as an attorney or agent in the same proxy. The substitution shall not be
effective until an instrument effecting it is filed with the secretary of the
corporation.

Section 11. OFFICERS OF MEETINGS. The chairman of the board, if present,

shall preside at all meetings of shareholders. In his absence, the president, if
present, shall preside. In his absence, the vice president of the corporation
who has held that office for the longest period of those present at the meeting
shall preside. The secretary of the corporation shall, if present, act as
secretary of all meetings of shareholders. In his absence, any assistant
secretary of the corporation who is present shall act as secretary of the
meeting. If no assistant secretary is present, a temporary secretary for that
particular meeting shall be elected.

Section 12. ORDER OF BUSINESS. The order of business at all meetings of

the shareholders, unless changed by a majority vote of the shares entitled to
vote at such meeting, shall be as follows: (i) call to order; (ii) proof of
mailing of notice of meeting, proxy and proxy statement; (iii) report on
presence of a quorum; (iv) reading or waiver of minutes of preceding meeting;
(v) election of directors; (vi) vote on other proposals; (vii) report of
officers; and (viii) other business and adjournment.

Section 13. VOTING LIST. The secretary or any assistant secretary shall

produce at each shareholders' meeting a list of shareholders entitled to vote at
the meeting or any adjournment thereof. Such list shall (a) be arranged
alphabetically within each class and series, with the address of, and the number
of shares held by, each shareholder, (b) be subject to the inspection of any
shareholder for reasonable periods during the meeting, and (c) be prima facie
evidence as to persons who are the shareholders entitled to examine such list or
to vote at the meeting.

Section 14. ACTION BY SHAREHOLDERS WITHOUT A MEETING. In order that the

corporation may determine the shareholders entitled to consent to corporate
action in writing without a meeting pursuant to Section 14A:5-6 of the New
Jersey Business Corporation Act, any shareholder of record seeking to have the
shareholders authorize or take corporate action by written consent shall, by
written notice to the secretary, request that the board of directors set a
record date. Upon receipt of such written notice, or in the absence of such
written notice at any time at its election, the board of directors may, as it
deems appropriate and in the best interests of the corporation, adopt a
resolution setting a record date for purposes of determining the shareholders
entitled to consent to corporate action in writing without a meeting. Any record
date set by the board of directors pursuant to this Section 14 shall not
precede, and shall not be more than ten (10) days after, the date on which the
resolution setting the record date is adopted by the board of directors.

ARTICLE III

BOARD OF DIRECTORS -----

Section 1. NUMBER OF DIRECTORS. The board of directors of the corporation

shall be composed of not less than nine (9) nor more than fifteen (15) until
changed by an amendment of the certificate of incorporation duly adopted by the
shareholders of the corporation.

The board of directors, following the adoption of these amended
by-laws, shall consist of twelve (12) members. The number of directors may be

increased or decreased within the foregoing limitations by an amendment to this
Section 1 of Article III duly adopted by the board of directors.

Section 2. TERM OF OFFICE; CLASSIFICATION OF DIRECTORS. The board shall be

divided into three classes, which shall be denominated Classes I, II and III,
respectively. The number of directors in each class shall be as nearly equal as

possible. All persons who are now Class A directors shall continue in office until the expiration of the terms for which they were elected and thereafter until their successors shall have been elected and qualified. All other directors shall continue in office until the first meeting of shareholders following the conversion of all Class B Common Stock into Class A Common Stock pursuant to the certificate of incorporation (the "First Meeting"), and thereafter until their successors shall have been elected and qualified.

At the First Meeting, Class I directors shall be elected for a term ending at the third annual meeting of shareholders thereafter; Class II directors shall be elected for a term ending at the first annual meeting of shareholders thereafter; and Class III directors shall be elected for a term ending at the second annual meeting of shareholders thereafter. Management shall recommend, and the board of directors shall determine, which directors shall be nominated for each such Class.

At each meeting of shareholders after the First Meeting, directors shall be elected to fill the directorships of the Class of directors whose terms have expired. Those directors shall hold office until the third successive annual meeting of shareholders after their election and until their successors shall have been elected and qualified, so that directors elected at annual meetings of shareholders subsequent to the First Meeting shall each be elected for a three year term, and that the term of one class of directors shall expire at each annual meeting.

Section 3. RESIGNATION AND REMOVAL. Any director may resign at any time. Any director may be removed with or without cause as provided in the certificate of incorporation. A special meeting for the purpose of removing a director may be called for by the chairman of the board, the president or the board of directors. Notice of such meeting shall be given to all the shareholders of

Class A Common Stock in the manner provided by these by-laws for any annual or special meeting. A new director may be elected at the special meeting called for the purpose of removing such director or at any subsequent annual or special meeting of shareholders. If such director is elected at a special meeting of shareholders, he shall serve until the term of the removed director would have expired and thereafter until his successor shall have been elected and qualified.

Section 4. VACANCIES. If any vacancy should occur in the board of

directors for any reason whatsoever, such vacancy may be filled by a majority of the remaining directors. Each director so elected shall hold office until the next succeeding annual or special meeting of the shareholders and thereafter until his successor shall have been elected and qualified.

A vacancy or vacancies in the board of directors shall be deemed to

exist in the case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the shareholders fail at any special meeting of the shareholders at which any director or directors are elected to elect the authorized number of directors to be voted for at that meeting. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Subject to the provisions of the certificate of incorporation, the shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. If the board of directors accepts the resignation of a director tendered to take effect at a future time, the board or the shareholders shall have the power to elect a successor to take office when the resignation is to become effective.

If the chairman of the board, the president or the board of directors shall so direct, the secretary shall promptly call a special meeting of shareholders to elect a director to fill such vacancy. Any director so elected shall hold office for a term which is not inconsistent with Section 2 of Article III of these by-laws, and thereafter until his successor shall have been elected and qualified.

If a vacancy of all directors shall occur, the president or secretary shall promptly call a special meeting of the shareholders to elect directors to fill such vacancies. The persons so elected shall hold office until the next annual meeting of shareholders and thereafter until their respective successors shall have been elected and qualified.

Section 5. PLACE OF MEETING. The board of directors may hold its meetings

at such place or places within or without the State of New Jersey as the board may from time to time determine.

Section 6. REGULAR MEETINGS. Regular meetings of the board of directors

shall be held on such day in March or April, June or July and September or October as shall be determined from time to time by the board, at 10:00 a.m. or at such other time designated by the board on such day; provided, however, that should said day fall upon a legal holiday, then any such meeting shall be held at the same hour and place on the next succeeding day which is not a legal holiday. A fourth regular meeting of the board of directors shall take place immediately following the conclusion of the annual meeting of shareholders. At the regular meeting of the board held immediately following the annual meeting of shareholders, the board of directors shall organize and elect officers.

Section 7. SPECIAL MEETINGS. Special meetings of the board of directors

for any purpose or purposes may be called at any time by the chairman of the board, the president, or by any three (3) directors.

Section 8. NOTICE OF MEETINGS. Notice of the place of each regular meeting

of the board, and notice of the time and place of each special meeting of the
board, shall be given in writing to each director either by hand delivery,
facsimile transmission or mail, to the address or facsimile number, as the case
may be, of such director as shown upon the records of the corporation. If such
notice is delivered by hand or by facsimile transmission, it shall be delivered
or transmitted, as the case may be, at least twenty-four (24) hours prior to the
time of the holding of the meeting. If such notice is mailed, it shall be sent
either by overnight mail, in which case it shall be deposited with the overnight
mail service at least two days prior to the time of the holding of the meeting,
or by airmail, in which case it shall be deposited in the United States Mails at
least one week prior to the time of the holding of the meeting. Such hand

delivery, facsimile transmission or mailing as above provided shall be due,
legal and personal notice to such director.

Section 9. WAIVER OF NOTICE AND CONSENT. The transactions of any meeting

of the board, however called and noticed or wherever held, shall be as valid as
though such meeting had been duly held after a regular call and notice, if a
quorum be present and if, before or after the meeting, each of the directors not
present signs a written waiver of notice or a consent to the holding of such
meeting or an approval of the minutes thereof. All such waivers, consents or
approvals shall be filed with the corporate records or made a part of the
minutes of the meeting.

Section 10. ACTION WITHOUT MEETING. Any action required or permitted to be

taken by the board of directors by law or these by-laws may be taken without a
meeting, if, prior or subsequent to such action, all members of the board shall
individually or collectively consent in writing to such action. Each such
written consent or consents shall be filed with the minutes of the proceedings
of the board. Such action by written consent shall have the same force and
effect as a unanimous vote of such directors, for all purposes. Any certificate
or other document which relates to action so taken shall state that the action
was taken by unanimous written consent of the board of directors without a
meeting, and that the by-laws authorize the directors so to act.

Section 11. QUORUM. A majority of the entire board of directors shall

constitute a quorum for the transaction of business.

Section 12. VOTING. Every act or decision done or made by a majority of

the directors present at a meeting duly held at which a quorum is present shall
be regarded as the act of the board of directors. In determining the presence of
a quorum and the result of a vote taken by the board, no distinction shall be
made among the directors with respect to the class or classes or series of
shareholders which elected them.

Section 13. PRESIDING OFFICER. The chairman of the board shall preside at

all meetings of the board at which he is present. In the absence of the chairman
of the board, the president shall preside. If the secretary of the corporation

or any assistant secretary is present, he shall record the minutes of the
meeting, and if neither of them is present the board shall designate a secretary
to record the minutes of the meeting.

Section 14. ADJOURNMENT. A quorum of the directors may adjourn any

directors' meeting to meet again at a time and place fixed in the resolutions
adjourning such meeting, and no notice of the time and place of the adjourned
meeting need be given if the period of adjournment does not exceed ten days in
any one adjournment. A meeting of directors at which less than a quorum is
present may also be adjourned until the next regular meeting of the board.

Section 15. DIRECTORS EMERITUS. The title of director emeritus may be

conferred by the board of directors upon any former director of the corporation
or of a corporation acquired by the corporation who, in the judgment of the
board, has brought credit and distinction to this corporation, or such acquired
corporation, through long and faithful service. The title hereby created is
honorary only and does not carry with it the powers, duties or obligations of a
director of this corporation or any other power, duty or obligation. The title
may be conferred upon as many persons as the board deems appropriate. A director
emeritus shall not be deemed a director or member of the board of directors but
may attend meetings of the board and, upon invitation of the chairman, may take
part in the deliberative proceedings of the board, but may not vote.

Section 16. FEES AND COMPENSATION. Directors shall receive for attendance

at each regular or special meeting of the board a fixed sum and expenses of
attendance, if any, and an annual fee for service as a director, such as may be
allowed by resolution of the board. The board of directors may, if it so
desires, fix one fee for directors who are officers or employees of the
corporation (or who are receiving retirement benefits from it or a subsidiary or
under a pension trust of a subsidiary) and a higher fee for other directors.
Nothing herein contained shall be construed to preclude any director from
serving the corporation in any other capacity and receiving compensation
therefor.

ARTICLE IV

COMMITTEES

Section 1. ESTABLISHMENT OF COMMITTEES. The board of directors may, by

resolution adopted by a majority of the entire board, designate an executive committee, consisting of the chairman of the board, the president and two (2) or more other directors, and may at any time designate additional committees, each of which shall consist of two (2) or more directors. Subject to the limitations contained in Section 8 of this Article IV, the executive committee shall have the maximum authority permitted by law in effect at the time of the exercise of such authority and each other committee shall have such authority, not exceeding the authority of the executive committee, as is provided by the board of directors in the resolutions creating such committee.

Section 2. PRESIDING OFFICER AND SECRETARY. The chairman of the board shall be chairman of the executive committee. In the absence of the chairman of the board, the president shall reside. Each other committee shall choose one of its members to act as chairman. Each committee shall from time to time designate a secretary of the committee who shall keep a record of its proceedings.

Section 3. VACANCIES. Vacancies occurring from time to time in the membership of any committee may be filled by a majority of the entire board for the unexpired term of the member whose death, resignation, removal or disability causes such vacancy, and shall be so filled, if, as the result of such vacancy, there shall be less than three (3) directors on the executive committee or less than two (2) directors on any other committee, or, in the case of the executive committee, if the chairman of the board should be the one whose death, resignation, removal or disability causes such vacancy.

Section 4. MEETINGS. Each committee shall adopt its own rules of procedure and shall meet at such stated time as it may, by resolution, appoint, and shall also meet whenever called together by the chairman of the board or the president.

Section 5. NOTICE OF MEETINGS. If the committee established regular meeting dates, it shall not be necessary to give notice of any such regular meeting. Notice of every special meeting shall be given in the manner and within the time periods specified in Section 8 of Article III with respect to notices

of special meetings of the board of directors. Notice of any special meeting may be waived in writing by all of the absent members of the committee either before or after the meeting.

Section 6. QUORUM. A quorum at any meeting of any committee shall be not less than one-half (1/2) of the entire committee. In the case of the executive committee, however, a quorum shall be not less than three (3) members. Every act or decision done or made by a majority of the directors present at a committee meeting duly held at which a quorum is present shall be regarded as the act of the committee.

Section 7. REPORTS. Actions taken at a meeting of any committee shall be

reported to the board at its next meeting following such committee meeting,
except that when the meeting of the board is held within two (2) days after the
committee meeting, such report shall, if not made at the first meeting, be made
to the board at the second meeting following such committee meeting.

Section 8. LIMITATION OF POWERS. No committee of the board of directors

shall have authority to do any of the following:

- (a) make, alter or repeal any by-law of the corporation;
- (b) elect or appoint any director, or remove any officer or director;
- (c) submit to shareholders any action that requires shareholders' approval;
- (d) amend or repeal any resolution theretofore adopted by the board
which by its terms is amendable or repealable only by the board;
- (e) fix the compensation of any officer who is a member of the committee
for serving as an officer of the corporation.

Section 9. ADDITIONAL POWERS OF THE BOARD. The board shall have the power,

with respect to existing committees, to

- (a) fill any vacancy in any such committee;
- (b) appoint one or more directors to serve as alternative members of any
such committee to act in the absence or disability of members of any
such committee with all the powers of such absent or disabled members;
- (c) abolish any such committee at its pleasure; and

- (d) remove any director from membership on such committee at any time,
with or without cause.

ARTICLE V

OFFICERS

Section 1. OFFICERS ENUMERATED. The board of directors shall designate and

elect the officers of the corporation which shall include but shall not be
limited to a chairman of the board, a president, one or more vice presidents, a
treasurer, one or more assistant treasurers, a secretary, and one or more
assistant secretaries. Any two or more offices may be held by the same person,
except that no one person may hold the offices of president and secretary. The
chairman of the board and the president shall be directors.

Section 2. ADDITIONAL OFFICERS. The board of directors may from time to

time elect such other officers as it shall deem necessary, who shall hold their
offices for such terms and have such powers and perform such duties as shall be
prescribed from time to time by the board.

Section 3. ELECTION AND TERM OF OFFICE. Each officer shall hold office

until the next annual election of officers, and until his successor has been
elected and qualified, unless he is earlier removed. All officers of the

corporation shall hold office at the pleasure of the board of directors, except as otherwise provided by contract between the corporation and any such officer.

Section 4. VACANCIES. Any vacancy in an enumerated office or in any other office may be filled by the board of directors.

Section 5. REMOVAL AND RESIGNATION. Except as provided by contract between the corporation and any officer, any officer may be removed, either with or without cause, by a majority of the directors at any regular or special meeting of the board or by any officer upon whom such power of removal may be conferred by the board. Any officer may resign at any time by giving written notice to the board or to the president. Any such resignation shall take effect at the date of

the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. POWERS AND DUTIES. The officers shall each have such authority and perform such duties in the management of the corporation as from time to time may be prescribed by the board of directors or the executive committee and as may be delegated by the chairman of the board or president.

Without limiting the foregoing,

(a) CHAIRMAN OF THE BOARD. The chairman of the board shall be the chief executive officer of the corporation. He shall preside at all meetings of the shareholders and at all meetings of the directors. He shall, subject only to the direction and control of the board of directors, have general charge of, supervision over and responsibility for the business and affairs of the corporation. He shall generally possess such powers and perform such duties as usually pertain to his office or to the office of the president.

(b) PRESIDENT. The president shall generally possess such powers and perform such duties as usually are incident to the office of the president, including power to supervise the business and activities of the corporation and to instruct, direct and control its other officers, agents and employees, and shall perform such other duties as the chairman of the board shall direct. In the absence of the chairman of the board, he shall preside at all meetings of shareholders and of the board of directors.

(c) VICE PRESIDENT. The corporation shall have one or more vice presidents as determined by the board of directors. The board of directors may designate one or more of such vice presidents as executive vice president or senior vice president. All vice presidents shall have such authority and shall perform such duties as may be delegated from time to time by the chairman of the board, the president or the board of directors. Unless otherwise ordered by the board of directors, any vice

president may sign contracts or other instruments authorized either generally or specifically by the board of directors.

(d) SECRETARY. The secretary or any assistant secretary shall cause

notices of all meetings to be served as prescribed in these by-laws and shall keep the minutes of all meetings of the shareholders, board of directors and all committees of the board of directors or shareholders, and shall have charge of the seal of the corporation. He shall perform such other duties and possess such other powers as are incident to his office or as are assigned to him by the chairman of the board, the president or the board of directors.

(e) TREASURER. The treasurer shall have the custody of the funds and

securities of the corporation and shall keep or cause to be kept regular books of account for the corporation. He shall account to the chairman of the board, the president or the board of directors whenever they may require concerning all his transactions as treasurer and concerning the financial condition of the corporation. The treasurer shall perform such other duties and possess such other powers as are incident to his office or as shall be assigned to him by the chairman of the board, the president or the board of directors.

(f) CONTROLLER. The Controller shall have the immediate

responsibility for the corporation's accounting practices, maintenance of its fiscal records, preparation of its financial reports and the responsibility for general accounting, cost accounting, budgetary controls and insurance functions of the corporation. He shall be under the broad administrative direction of the Vice President, Financial and Chief Financial Officer, and shall perform such other duties and possess such other powers as are incident to his office or as shall be assigned to him by the chairman of the board, the president or the board of directors.

ARTICLE VI

CAPITAL STOCK AND OTHER SECURITIES -----

Section 1. ISSUANCE OF STOCK AND OTHER SECURITIES. Certificates of any

class of capital stock of the corporation and certificates representing any other securities of the corporation shall be signed by the president or any vice president and may be countersigned by the secretary or the treasurer or the

assistant secretary. Any or all signatures upon a certificate may be a

facsimile. Such certificates shall be sealed with the seal of the corporation, or shall bear a facsimile of such seal; and such certificates shall be registered in such manner as the board of directors may by resolution prescribe.

Section 2. LOST, STOLEN AND DESTROYED CERTIFICATES. In case of lost, -----
stolen or destroyed certificates, new certificates may be issued to take their place upon receipt by the corporation of such bond of indemnity and under such regulations as shall be prescribed by the board of directors, but the giving of a bond of indemnity may be waived by the board.

Section 3. TRANSFER OF SECURITIES. Shares of capital stock or any other -----
registered securities of the corporation shall be transferable on the books of the corporation by the holder thereof in person or by his authorized attorney upon surrender for cancellation to the transfer agent for such security of an outstanding certificate or certificates for the same number of shares or other security with an assignment and authorization to transfer endorsed thereon or attached thereto, duly executed, together with such proof of the authenticity of the signature and of the power of assignor to transfer such securities as the corporation or its agents may require.

Section 4. RECORD DATE FOR DIVIDENDS OR RIGHTS. The board of directors may -----
fix a record date in advance as of which shares of stock shall be held of record to entitle a shareholder to the payment of any dividend, to the allotment of rights, or to exercise rights in respect to any change, conversion or exchange of capital stock of the corporation. Such record date shall not precede by more than sixty (60) days the date of such dividend payment, or such allotment of rights, or the date when such change, conversion or exchange of capital stock shall take effect. Only shareholders of record on such record date shall be entitled to receive or exercise such rights or benefits when they shall accrue, notwithstanding any transfer of any stock on the books of the corporation subsequent to the record date which is fixed.

Section 5. ISSUE OF NEW SHARES OR SALE OF TREASURY STOCK. Shares of the -----
capital stock of the corporation which have been authorized but not issued and

treasury shares may be issued or sold from time to time and for such consideration as may be determined by the board of directors. This amendment shall be effective as of December 1, 1988.

ARTICLE VII
CORPORATE SEAL

Section 1. FORM AND USE. The corporate seal shall have inscribed thereon -----
the name of the corporation, the year of its incorporation, and the words "Corporate Seal, New Jersey". The seal may be used by causing it or a facsimile

thereof to be impressed or reproduced on a document or instrument, or affixed thereto.

ARTICLE VIII

FISCAL YEAR

Section 1. TIME. The fiscal year of the corporation shall commence on

October 1 of each calendar year.

ARTICLE IX

AMENDMENTS

Section 1. AMENDMENTS BY SHAREHOLDERS. These by-laws may be altered,

amended or repealed and new by-laws may be added by the shareholders.

Section 2. AMENDMENTS BY THE BOARD OF DIRECTORS. Subject to the right of

the shareholders provided in Section 1 of this Article IX to adopt, amend or repeal the by-laws, the board of directors may adopt, amend or repeal these by-laws; provided, however, that a by-law or amendment thereto changing the number of directors may be adopted, amended or repealed by the board of directors only for the purpose of fixing the exact number of directors within the limits specified in Article III, Section 1, hereof.

ARTICLE X

MISCELLANEOUS

Section 1. INSPECTION OF CORPORATE RECORDS. The share register, or

duplicate share register, the books of accounts and minutes of proceedings of the shareholders, directors and of the executive committee may be examined for any proper purpose upon the written demand of any person who shall have been a shareholder of record or holder of a voting trust certificate for at least six (6) months immediately preceding his demand, or any person holding, or so authorized in writing by the holders of, at least five percent (5%) of the outstanding shares of any class. Such inspection shall be made at any reasonable time not less than five (5) days after such person shall have given written notice of his demand to the corporation. Such inspection may be made in person or by an agent or attorney and shall include the right to make extracts. Demand for inspection other than at a shareholders' meeting shall be made in writing upon the president or secretary of the corporation.

Section 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the

payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner, manually or by facsimile signature, as shall be

determined from time to time by the board of directors.

Section 3. EXECUTION OF CONTRACTS. The board of directors may authorize

any officer or officers, agent or agents, to enter into any contract or execute
any instrument in the name of and on behalf of the corporation, and such
authority may be general or confined to specific instances and, unless so
authorized by the board of directors, no officer, agent or employee shall have
any power or authority to bind the corporation by any contract or engagement or
to pledge its credit or to render it liable for any purpose or for any amount.

Section 4. VOTING SHARES OF OTHER CORPORATIONS. The chairman of the board,

the president or any vice president is hereby authorized to vote, represent and
exercise on behalf of this corporation all rights incident to any and all shares

of stock of any other corporation or corporations standing in the name of this
corporation. The authority herein granted may be exercised by such officers
either in person or by proxy or by power of attorney duly executed by said
officer.

Section 5. EMPLOYEE BENEFIT PLANS. The corporation, by resolution of the

board of directors, may adopt any one or more of the following plans for the
benefit of some or all employees, as hereinafter defined, and their families,
dependents or beneficiaries:

(a) plans providing for the sale or distribution of its shares of
any class or series, held by it or issued or purchased by it for the
purpose, including stock option, stock purchase, stock bonus,
profit-sharing, savings, pension, retirement, deferred compensation and
other plans of similar nature, whether or not such plans also provide for
the distribution of cash or property other than its shares;

(b) plans providing for payments solely in cash or property other
than shares of the corporation, including profit-sharing, bonus, savings,
pension, retirement, deferred compensation and other plans of similar
nature; and

(c) plans for the furnishing of medical service, life, sickness,
accident, disability or unemployment insurance or benefits; education;
housing, social and recreational service; and other similar aids and
services.

The term "employees" as used in this Section means employees, officers,
directors, and agents of the corporation or any subsidiary thereof, or other
persons who are or have been actively engaged in the conduct of the business of
the corporation or any subsidiary thereof, including any who have retired,
become disabled or died prior to the establishment of any plan heretofore or
hereafter adopted.

Section 6. DIRECTOR LOANS. The corporation may lend money to or guarantee

any obligation of, or otherwise assist any director of the corporation or of any
subsidiary, whenever, in the judgment of the board of directors, such loan,
guarantee or assistance may reasonably be expected to benefit the corporation.
Any such loan, guarantee or other assistance may be made only when authorized by
a majority of the entire board of directors and may be made with or without
interest and whether unsecured or secured in such manner as the board shall
approve, including, without limitation, by a pledge of shares of the

corporation, and may be made upon such other terms and conditions as the board
may determine. A director shall be disqualified from voting on any loan,
guarantee or other assistance proposed to be made to him or her pursuant to this
section. The statutory power of the board of directors to make such loans and
guarantees and to provide other assistance to employees of the corporation other
than directors shall not in any way be limited to this section.

By order of the Board of Directors of Bergen Brunswig Corporation
this 8th day of November, 1996.

Secretary

[Seal]

</TABLE>

AMENDMENT NO. 1 TO THE
BERGEN BRUNSWIG AMENDED AND RESTATED
CAPITAL ACCUMULATION PLAN

THIS AMENDMENT No. 1 dated June 20, 1996, hereby amends the Amended and Restated Bergen Brunswig Capital Accumulation Plan dated as of March 3, 1996 (the "Plan") to correct a scrivener's error in Section 3.3.

Section 3.3 of the Plan is hereby deleted and replaced with the following:

"3.3 FUTURE PARTICIPANTS.

Effective October 7, 1997, the Plan, including each of its component plans but excluding the Outside Director Plan, is hereby frozen to new participants. Hence, on and after that date, except for the Outside Director Plan, no one shall become a member of the Plan, or if already a member of one of its component plans, become a member of any of its other component plans."

Except as set forth herein the plan shall remain unchanged.

Executed at Orange, California, this 20th day of June, 1996.

BERGEN BRUNSWIG CORPORATION

BY: /S/ MILAN A. SAWDEI

Milan A. Sawdei
Executive Vice President, Chief
Legal Officer & Secretary

<TABLE>

EXHIBIT 11

BERGEN BRUNSWIG CORPORATION

COMPUTATION OF EARNINGS PER SHARE
FOR THE THREE YEARS ENDED SEPTEMBER 30, 1996,
(in thousands except for share and per share amounts)

<CAPTION>

	Years Ended September 30,		
	1996	1995	1994
<S>	<C>	<C>	<C>
DATA AS TO EARNINGS			
Net earnings applicable to common and common equivalent shares	\$73,533	\$63,942	\$56,120
DATA AS TO NUMBER OF COMMON AND COMMON EQUIVALENT SHARES:			
Weighted average number of shares outstanding:			
Class A Common Stock	39,979,250	39,588,670	38,215,314
Class B Common Stock	-	-	40,675
Shares of Class A Common Stock to be issued from assumed conversion of remainder of Class B Common Stock	-	-	346,900
Common equivalent shares assuming issuance of shares represented by outstanding employees' stock options:			
Additional shares assumed to be issued	1,673,606	1,314,239	506,751
Reduction of such additional shares assuming proceeds invested in treasury stock (at average market prices during each year)	(1,393,784)	(1,101,955)	(425,865)
Average number of common and common equivalent shares outstanding	40,259,072	39,800,954	38,683,775
EARNINGS PER COMMON AND COMMON EQUIVALENT SHARE OUTSTANDING:			
Net earnings	\$ 1.83	\$ 1.61	\$ 1.45

</TABLE>

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BERGEN BRUNSWIG CORPORATION AND SUBSIDIARIES

SUBSIDIARIES OF REGISTRANT

The following is a list of the significant subsidiaries of registrant as of November 30, 1996:

<CAPTION>

NAME -----	STATE OF INCORPORATION -----	PERCENTAGE OF VOTING SECURITIES OWNED BY REGISTRANT -----
<S> Durr-Fillauer Medical, Inc.	<C> Delaware	<C> 100%
Bergen Brunswig Drug Company	California	(1)
Bergen Brunswig Medical Corporation (formerly known as Durr Medical Corporation)	Alabama	(1)

<FN>

(1) 100% owned by Durr-Fillauer Medical, Inc.

</FN>

</TABLE>

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 2-54345, 2-63803, 2-75715, 2-88474, 2-96491, 33-32465 and 33-57537 on Form S-8 and in Registration Statement Nos. 33-55136, 33-53817, 33-57325, 33-59784 and 333-631 on Form S-3 of our report dated October 30, 1996, appearing in this Annual Report on Form 10-K of Bergen Brunswig Corporation for the fiscal year ended September 30, 1996.

/S/ DELOITTE & TOUCHE LLP

Costa Mesa, California
December 27, 1996

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