

JULIAN PAUL C
 Form 4
 May 25, 2007

FORM 4

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

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 JULIAN PAUL C

(Last) (First) (Middle)
 ONE POST STREET
 (Street)

SAN FRANCISCO, CA 94104

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 MCKESSON CORP [MCK]

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/25/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 EVP, Group President

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

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

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 05/25/2007 | | M | | 10,000 | A | \$ 50.375 10,057 |
| Common Stock | 05/25/2007 | | S | | 10,000 | D | \$ 62.4567 57 |
| Common Stock | 05/25/2007 | | M | | 10,000 | A | \$ 50.375 10,057 |
| Common Stock | 05/25/2007 | | S | | 10,000 | D | \$ 62.4567 57 |
| Common Stock | 05/25/2007 | | M | | 125,000 | A | \$ 28.28 125,057 |

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| | | | | | | | | |
|--------------|------------|---|----------------------|---|------------|--------|---|--------------------------|
| Common Stock | 05/25/2007 | S | 125,000 | D | \$ 62.4567 | 57 | D | |
| Common Stock | 05/25/2007 | M | 75,000 | A | \$ 32.67 | 75,057 | D | |
| Common Stock | 05/25/2007 | S | 75,000 | D | \$ 62.4567 | 57 | D | |
| Common Stock | 05/25/2007 | M | 10,300 | A | \$ 0 | 10,357 | D | |
| Common Stock | 05/25/2007 | F | 4,712 ⁽³⁾ | D | \$ 62.36 | 5,645 | D | |
| Common Stock | | | | | | 48 | I | By Trustee of PSIP |

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

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(9-02)

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Employee Stock Option (Right-to-Buy) | \$ 50.375 | 05/25/2007 | | M | 10,000 | 01/12/1999 01/28/2008 | Common Stock |
| Employee Stock Option (Right-to-Buy) | \$ 50.375 | 05/25/2007 | | M | 10,000 | 01/12/1999 01/28/2008 | Common Stock |
| Employee Stock Option (Right-to-buy) | \$ 28.25 | 05/25/2007 | | M | 125,000 | ⁽¹⁾ 10/30/2010 | Common Stock |
| Employee Stock Option (Right-to-buy) | \$ 32.67 | 05/25/2007 | | M | 75,000 | ⁽¹⁾ 01/31/2011 | Common Stock |
| Performance | \$ 0 | 05/25/2007 | | M | 10,300 | 05/25/2007 ⁽²⁾ | Common |

Restricted
Stock Units

Stock

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| JULIAN PAUL C ONE POST STREET SAN FRANCISCO, CA 94104 | | | EVP, Group President | |

Signatures

Donna Spinola,
Attorney-in-fact

05/25/2007

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This option will vest 25% per year commencing on the first anniversary of the date of grant.
- (2) Fully vested 5/25/07
- (3) This transaction represents a withholding of shares to cover taxes applicable to a vesting of Performance Restricted Stock Units that vested May 25, 2007, also reported on this Form 4.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.