UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2015

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 1-9810

Owens & Minor, Inc.
(Exact name of Registrant as specified in its charter)

Virginia	**54-1701843**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
9120 Lockwood Boulevard, Mechanicsville, Virginia	**23116**
(Address of principal executive offices)	**(Zip Code)**
Post Office Box 27626, Richmond, Virginia	**23261-7626**
(Mailing address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code (804) 723-7000

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 x No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "larger accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	☐
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No x

The number of shares of Owens & Minor, Inc.'s common stock outstanding as of April 23, 2015, was 63,102,497 shares.

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Part I. Financial Information

Item 1. Financial Statements

Owens & Minor, Inc. and Subsidiaries
Consolidated Statements of Income
(unaudited)

(in thousands, except per share data)	Three Months Ended March 31, 2015	2014
Net revenue	**$ 2,391,196**	$ 2,256,380
Cost of goods sold	**2,093,595**	1,975,185
Gross margin	**297,601**	281,195
Selling, general and administrative expenses	**233,825**	225,610
Acquisition-related and exit and realignment charges	**9,916**	3,262
Depreciation and amortization	**15,869**	13,864
Other operating income, net	**(2,984)**	(7,825)
Operating earnings	**40,975**	46,284
Interest expense, net	**6,880**	3,246
Income before income taxes	**34,095**	43,038
Income tax provision	**15,155**	17,553
Net income	**$ 18,940**	$ 25,485
Net income per common share:		
Basic	**$ 0.30**	$ 0.41
Diluted	**$ 0.30**	$ 0.41
Cash dividends per common share	**$ 0.2525**	$ 0.25

See accompanying notes to consolidated financial statements.

Owens & Minor, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income
(unaudited)

(in thousands)	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Net income	**$ 18,940**	$ 25,485
Other comprehensive income (loss), net of tax:		
Currency translation adjustments (net of income tax of $0 in 2015 and 2014)	**(27,941)**	467
Change in unrecognized net periodic pension costs (net of income tax of $143 in 2015 and $97 in 2014)	**258**	107
Other (net of income tax of $0 in 2015 and $8 in 2014)	**38**	(9)
Total other comprehensive income (loss), net of tax	**(27,645)**	565
Comprehensive income (loss)	**$ (8,705)**	$ 26,050

See accompanying notes to consolidated financial statements.

Owens & Minor, Inc. and Subsidiaries
Consolidated Balance Sheets
(unaudited)

(in thousands, except per share data)	March 31, 2015	December 31, 2014
Assets		
Current assets		
Cash and cash equivalents	**$ 159,056**	$ 56,772
Accounts and notes receivable, net of allowances of $13,295 and $13,306	**597,235**	626,192
Merchandise inventories	**874,738**	872,457
Other current assets	**233,318**	315,285
Total current assets	**1,864,347**	1,870,706
Property and equipment, net of accumulated depreciation of $167,835 and $163,377	**221,950**	232,979
Goodwill, net	**419,453**	423,276
Intangible assets, net	**102,122**	108,593
Other assets, net	**91,638**	99,852
Total assets	**$ 2,699,510**	$ 2,735,406
Liabilities and equity		
Current liabilities		
Accounts payable	**$ 693,699**	$ 608,846
Accrued payroll and related liabilities	**24,991**	31,507
Deferred income taxes	**37,820**	37,979
Other accrued liabilities	**273,104**	326,223
Total current liabilities	**1,029,614**	1,004,555
Long-term debt, excluding current portion	**574,606**	608,551
Deferred income taxes	**63,321**	63,901
Other liabilities	**63,696**	67,561
Total liabilities	**1,731,237**	1,744,568
Commitments and contingencies		
Equity		
Owens & Minor, Inc. shareholders' equity:		
Common stock, par value $2 per share; authorized - 200,000 shares; issued and outstanding - 63,102 shares and 63,070 shares	**126,205**	126,140
Paid-in capital	**204,901**	202,934
Retained earnings	**688,813**	685,765
Accumulated other comprehensive income	**(51,646)**	(24,001)
Total equity	**968,273**	990,838
Total liabilities and equity	**$ 2,699,510**	$ 2,735,406

See accompanying notes to consolidated financial statements.

Owens & Minor, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(unaudited)

(in thousands)	Three Months Ended March 31, 2015	2014
Operating activities:		
Net income	**$ 18,940**	$ 25,485
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	**19,123**	13,864
Share-based compensation expense	**2,597**	2,642
Provision for losses on accounts and notes receivable	**220**	54
Deferred income tax expense (benefit)	**510**	(822)
Changes in operating assets and liabilities:		
Accounts and notes receivable	**27,356**	29,828
Merchandise inventories	**(3,888)**	3,707
Accounts payable	**88,944**	15,815
Net change in other assets and liabilities	**13,580**	3,921
Other, net	**1,321**	(1,292)
Cash provided by operating activities	**168,703**	93,202
Investing activities:		
Additions to property and equipment	**(7,619)**	(7,299)
Additions to computer software and intangible assets	**(3,947)**	(6,930)
Proceeds from sale of investment	**—**	1,937
Proceeds from sale of property and equipment	**50**	105
Cash used for investing activities	**(11,516)**	(12,187)
Financing activities:		
Change in bank overdraft	**1,179**	20,578
Repayment of revolving credit facility	**(33,700)**	—
Cash dividends paid	**(15,934)**	(15,785)
Repurchases of common stock	**—**	(5,000)
Excess tax benefits related to share-based compensation	**240**	346
Proceeds from exercise of stock options	**125**	937
Other, net	**(2,324)**	(1,868)
Cash used for financing activities	**(50,414)**	(792)
Effect of exchange rate changes on cash and cash equivalents	**(4,489)**	245
Net increase in cash and cash equivalents	**102,284**	80,468
Cash and cash equivalents at beginning of period	**56,772**	101,905
Cash and cash equivalents at end of period	**$ 159,056**	$ 182,373
Supplemental disclosure of cash flow information:		
Income taxes paid, net	**$ 4,509**	$ 15,161
Interest paid	**$ 5,924**	$ 539

See accompanying notes to consolidated financial statements.

Owens & Minor, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
(unaudited)

(in thousands, except per share data)	Owens & Minor, Inc. Shareholders' Equity						
	Common Shares Outstanding	Common Stock ($ 2 par value)	Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total Equity
Balance December 31, 2013	63,096	$ 126,193	$ 196,605	$ 691,547	$ 9,568	$ 1,130	$ 1,025,043
Net income				25,485			25,485
Other comprehensive income (loss)					565		565
Dividends declared ($0.25 per share)				(15,744)			(15,744)
Shares repurchased and retired	(143)	(286)		(4,714)			(5,000)
Share-based compensation expense, exercises and other	138	275	2,543				2,818
Balance March 31, 2014	63,091	$ 126,182	$ 199,148	$ 696,574	$ 10,133	$ 1,130	$ 1,033,167
Balance December 31, 2014	63,070	$ 126,140	$ 202,934	$ 685,765	$ (24,001)	$ —	$ 990,838
Net income				18,940			18,940
Other comprehensive income (loss)					(27,645)		(27,645)
Dividends declared ($0.2525 per share)				(15,892)			(15,892)
Shares repurchased and retired							—
Share-based compensation expense, exercises and other	32	65	1,967				2,032
Balance March 31, 2015	**63,102**	**$ 126,205**	**$ 204,901**	**$ 688,813**	**$ (51,646)**	**$ —**	**$ 968,273**

See accompanying notes to consolidated financial statements.

Owens & Minor, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(unaudited)
(in thousands, unless otherwise indicated)

Note 1—Basis of Presentation and Use of Estimates

Basis of Presentation

The accompanying unaudited consolidated financial statements include the accounts of Owens & Minor, Inc. and the subsidiaries it controls (we, us, or our) and contain all adjustments (which are comprised only of normal recurring accruals and use of estimates) necessary to conform with U.S. generally accepted accounting principles (GAAP). All significant intercompany accounts and transactions have been eliminated. The results of operations for interim periods are not necessarily indicative of the results expected for the full year.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires us to make assumptions and estimates that affect reported amounts and related disclosures. Actual results may differ from these estimates.

Note 2—Fair Value

The carrying amounts of cash and cash equivalents, accounts receivable, financing receivables, accounts payable and financing payables included in the consolidated balance sheets approximate fair value due to the short-term nature of these instruments. The fair value of long-term debt is estimated based on quoted market prices or dealer quotes for the identical liability when traded as an asset in an active market (Level 1) or, if quoted market prices or dealer quotes are not available, on the borrowing rates currently available for loans with similar terms, credit ratings and average remaining maturities (Level 2). We determine the fair value of our derivatives based on quoted market prices. See Note 8 for the fair value of long-term debt and Note 9 for the fair value of derivatives.

Note 3—Acquisitions

On October 1, 2014, we completed the acquisition of Medical Action Industries Inc., (Medical Action), a leading producer of surgical kits and procedure trays, which will enable an expansion of our capabilities in the assembly of kits, packs and trays for the healthcare market.

On November 1, 2014, we acquired ArcRoyal, a privately held surgical kitting company based in Ireland (ArcRoyal). The transaction expanded our capabilities in the assembly of kits, packs and trays in the European healthcare market.

The combined consideration for these two acquisitions was $261.6 million, net of cash acquired, and including debt assumed of $13.4 million (capitalized lease obligations).

The purchase price was allocated to the underlying assets acquired and liabilities assumed based upon our preliminary estimate of their fair values at the date of acquisition, with certain exceptions permitted under GAAP. The combined purchase price exceeded the preliminary estimated fair value of the net tangible and identifiable intangible assets by $150.6 million, which was allocated to goodwill. The following table presents, in the aggregate, the preliminary estimated fair value of the assets acquired and liabilities assumed recognized as of the acquisition date. Adjustments relate to revised estimates pending completion of our valuation. The allocation of purchase price to assets and liabilities acquired is not yet complete.

	Preliminary Fair Value Estimated as of Acquisition Date	Differences Between Prior and Current Period Preliminary Fair Value Estimate	Preliminary Fair Value Currently Estimated as of Acquisition Date
Assets acquired:			
Current assets	$ 90,608	$ 98	$ 90,706
Property and equipment	34,048	(448)	33,600
Goodwill	150,492	79	150,571
Intangible assets	77,623	—	77,623
Total assets	352,771	(271)	352,500
Liabilities assumed:			
Current liabilities	64,736	(271)	64,465
Noncurrent liabilities	26,426	—	26,426
Total liabilities	91,162	(271)	90,891
Fair value of net assets acquired, net of cash	$ 261,609	$ —	$ 261,609

We are amortizing the fair value of acquired intangible assets, primarily customer relationships, over their remaining weighted average useful lives of 14 years.

Goodwill of $150.6 million consists largely of expected opportunities to expand our kitting capabilities. We assigned goodwill of $21.9 million to our International segment and $128.7 million to our Domestic segment. None of the goodwill recognized is expected to be deductible for income tax purposes.

Pro forma results of operations for these acquisitions have not been presented because the effects on revenue and net income were not material to our historic consolidated financial statements.

Acquisition-related expenses in the current quarter consisted primarily of transition costs incurred to integrate the acquired operations (including certain severance and contractual payments to former management). We recognized pre-tax acquisition-related expenses of $2.6 million in 2015 related to these activities.

Acquisition-related expenses of $0.6 million for the quarter ended March 31, 2014 consisted primarily of costs to resolve certain contingencies with the former Movianto owner as well as remaining costs to transition Movianto's information technology and administrative functions.

Note 4—Financing Receivables and Payables

At March 31, 2015 and December 31, 2014, we had financing receivables of $135.1 million and $196.2 million and related payables of $133.7 million and $168.8 million outstanding under our order-to-cash program and product financing arrangements, which were included in other current assets and other current liabilities, respectively, in the consolidated balance sheets.

Note 5—Goodwill and Intangible Assets

The following table summarizes the changes in the carrying amount of goodwill through March 31, 2015:

	Domestic Segment	International Segment	Total
Carrying amount of goodwill, December 31, 2014	$ 377,089	$ 46,187	$ 423,276
Currency translation adjustments	—	(3,902)	(3,902)
Acquisitions (see Note 3)	79	—	79
Carrying amount of goodwill, March 31, 2015	**$ 377,168**	**$ 42,285**	**$ 419,453**

Intangible assets at March 31, 2015, and December 31, 2014, were as follows:

	March 31, 2015		December 31, 2014	
	Customer Relationships	Other Intangibles	Customer Relationships	Other Intangibles
Gross intangible assets	**$ 121,783**	**$ 2,565**	$ 125,448	$ 3,405
Accumulated amortization	**(22,117)**	**(109)**	(19,773)	(487)
Net intangible assets	**$ 99,666**	**$ 2,456**	$ 105,675	$ 2,918

At March 31, 2015, $64.6 million in net intangible assets were held in the Domestic segment and $37.5 million were held in the International segment. Amortization expense for intangible assets was $2.4 million and $1.1 million for the three months ended March 31, 2015 and 2014.

Based on the current carrying value of intangible assets subject to amortization, estimated amortization expense is $7.6 million for the remainder of 2015, $10.0 million for 2016, $9.9 million for 2017, $9.2 million for 2018, $9.1 million for 2019 and $9.1 million for 2020.

Note 6—Exit and Realignment Costs

We periodically incur exit and realignment and other charges associated with optimizing our operations which include the closure and consolidation of certain distribution and logistics centers, administrative offices and warehouses in the United States and Europe. These charges also include costs associated with our strategic organizational realignment which include management changes, certain professional fees, and costs to streamline administrative functions and processes.

Exit and realignment charges by segment for the three months ended March 31, 2015 and 2014 were as follows:

	Three Months Ended March 31,	
	2015	2014
Domestic segment	**$ 2,639**	$ 1,294
International segment	**4,672**	1,330
Total exit and realignment charges	**$ 7,311**	$ 2,624

The following table summarizes the activity related to exit and realignment cost accruals through March 31, 2015 and 2014:

	Lease Obligations	Severance and Other	Total
Accrued exit and realignment costs, December 31, 2014	$ 3,575	$ 2,887	$ 6,462
Provision for exit and realignment activities	256	142	398
Cash payments, net of sublease income	(385)	(873)	(1,258)
Accrued exit and realignment costs, March 31, 2015	**$ 3,446**	**$ 2,156**	**$ 5,602**
Accrued exit and realignment costs, December 31, 2013	$ 2,434	$ 475	$ 2,909
Provision for exit and realignment activities	532	807	1,339
Cash payments, net of sublease income	(411)	(327)	(738)
Accrued exit and realignment costs, March 31, 2014	$ 2,555	$ 955	$ 3,510

In addition to the exit and realignment accruals in the preceding table, we also incurred $6.9 million of costs that were expensed as incurred for the quarter ended March 31, 2015, including $3.0 million in accelerated amortization of an information system that is being replaced, $1.8 million in facility costs, $1.3 million in labor costs, $0.3 million in information systems costs and $0.5 million in other costs.

We incurred $1.3 million in charges that were expensed as incurred for the quarter ended March 31, 2014 including $0.5 million in relocation costs, $0.5 million in property related costs, and $0.3 million in labor and other costs.

We expect additional exit and realignment charges of approximately $7.0 million over the remainder of 2015 for activities initiated through March 31, 2015.

Note 7—Retirement Plans

We have a noncontributory, unfunded retirement plan for certain officers and other key employees in the United States. Certain of our foreign subsidiaries also have defined benefit pension plans covering substantially all of their respective employees.

The components of net periodic benefit cost, which are included in selling, general and administrative expenses, for the three months ended March 31, 2015 and 2014, were as follows:

	Three Months Ended March 31,	
	2015	**2014**
Service cost	**$ 33**	$ 36
Interest cost	**464**	482
Recognized net actuarial loss	**401**	204
Net periodic benefit cost	**$ 898**	$ 722

Certain of our foreign subsidiaries have health and welfare plans covering substantially all of their respective employees. Our expense for these plans totaled $0.5 million and $0.4 million for the three months ended March 31, 2015 and 2014.

Note 8—Debt

We have $275 million of 3.875% senior notes due 2021 (the “2021 Notes”) and $275 million of 4.375% senior notes due 2024 (the “2024 Notes”), with interest payable semi-annually. The 2021 Notes were sold at 99.5% of the principal amount with an effective yield of 3.951%. The 2024 Notes were sold at 99.6% of the principal with an effective yield of 4.422%. We have the option to redeem the 2021 Notes and 2024 Notes in part or in whole prior to maturity at a redemption price equal to the greater of 100% of the principal amount or the present value of the remaining scheduled payments discounted at the Treasury Rate plus 30 basis points. As of March 31, 2015 and December 31, 2014, the estimated fair value of the 2021 Notes was $287.4 million and $275.1 million and the estimated fair value of the 2024 Notes was $291.4 million and $283.9 million, respectively.

We have a Credit Agreement with a $450 million borrowing capacity which extends through September 2019. Under the Amended Credit Agreement, we have the ability to request two one-year extensions and to request an increase in aggregate commitments by up to $200 million. The interest rate on the Amended Credit Agreement, which is subject to adjustment quarterly, is based on the London Interbank Offered Rate (LIBOR), the Federal Funds Rate or the Prime Rate, plus an adjustment based on the better of our debt ratings or leverage ratio (Credit Spread) as defined by the Amended Credit Agreement. We are charged a commitment fee of between 12.5 and 25.0 basis points on the unused portion of the facility. The terms of the Amended Credit Agreement limit the amount of indebtedness that we may incur and require us to maintain ratios for leverage and interest coverage, including on a pro forma basis in the event of an acquisition. Based on our leverage ratio at March 31, 2015, the interest rate under the credit facility is LIBOR plus 1.375%.

At March 31, 2015, we had no borrowings and letters of credit of approximately $5.0 million outstanding under the Amended Credit Agreement, leaving $445 million available for borrowing. We also have a $1.2 million letter of credit outstanding as of March 31, 2015 and 2014, which supports our facilities leased in Europe.

The Amended Credit Agreement and senior notes contain cross-default provisions which could result in the acceleration of payments due in the event of default of either agreement. We believe we were in compliance with our debt covenants at March 31, 2015.

Note 9—Derivatives

When deemed appropriate, we use derivatives, primarily forward contracts, as a risk management tool to mitigate the potential impact of foreign currency exchange risk. The total notional values of our foreign currency derivatives was $7.0 million at March 31, 2015 and $10.0 million as of December 31, 2014. We do not currently have any derivatives designated as hedging instruments and all gains and losses resulting from changes in the fair value of derivative instruments are immediately recognized into earnings. At March 31, 2015 and December 31, 2014 the fair value of our foreign currency contracts included in other assets on the consolidated balance sheet was $1.3 million and $0.7 million. The impact from changes in the fair value of these foreign currency derivatives included in other operating income, net was $0.8 million for the first quarter of 2015. We did not hold foreign currency contracts in the first quarter of 2014. We consider the risk of counterparty default to be minimal.

Note 10—Income Taxes

The effective tax rate was 44.4% for the three months ended March 31, 2015, compared to 40.8% in the same quarter of 2014. The change in rate is due to the impact of foreign taxes and certain acquisition-related charges which are not deductible for tax purposes. The liability for unrecognized tax benefits was $6.9 million at March 31, 2015 and $6.7 million at December 31, 2014. Included in the liability at March 31, 2015 were $4.3 million of tax positions for which ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.

Note 11—Net Income per Common Share

The following summarizes the calculation of net income per common share attributable to common shareholders for the three months ended March 31, 2015 and 2014.

	Three Months Ended March 31,	
(in thousands, except per share data)	**2015**	**2014**
Numerator:		
Net income	**$ 18,940**	$ 25,485
Less: income allocated to unvested restricted shares	**(161)**	(188)
Net income attributable to common shareholders - basic	**18,779**	25,297
Add: undistributed income attributable to unvested restricted shares - basic	**18**	51
Less: undistributed income attributable to unvested restricted shares - diluted	**(18)**	(51)
Net income attributable to common shareholders - diluted	**$ 18,779**	$ 25,297
Denominator:		
Weighted average shares outstanding - basic	**62,264**	62,304
Dilutive shares - stock options	**2**	13
Weighted average shares outstanding - diluted	**62,266**	62,317
Net income per share attributable to common shareholders:		
Basic	**$ 0.30**	$ 0.41
Diluted	**$ 0.30**	$ 0.41

Note 12—Shareholders' Equity

Our Board of Directors has authorized a share repurchase program of up to $100 million of our outstanding common stock to be executed at the discretion of management over a three-year period, expiring in February 2017. The program is intended, in part, to offset shares issued in conjunction with our stock incentive plans and return capital to shareholders. The program may be suspended or discontinued at any time. We did not purchase any shares during the three months ended March 31, 2015. As of March 31, 2015, we have approximately $90.1 million remaining under the repurchase program. We have elected to allocate any excess of share repurchase price over par value to retained earnings.

Note 13—Accumulated Other Comprehensive Income

The following table shows the changes in accumulated other comprehensive income (loss) by component for the three months ended March 31, 2015 and 2014:

	Defined Benefit Pension Plans	Currency Translation Adjustments	Other	Total
Accumulated other comprehensive income (loss), December 31, 2014	$ (10,323)	$ (13,647)	$ (31)	$ (24,001)
Other comprehensive income (loss) before reclassifications	—	(27,941)	38	(27,903)
Income tax	—	—	—	—
Other comprehensive income (loss) before reclassifications, net of tax	—	(27,941)	38	(27,903)
Amounts reclassified from accumulated other comprehensive income (loss)	401	—	—	401
Income tax	(143)	—	—	(143)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	258	—	—	258
Other comprehensive income (loss)	258	(27,941)	38	(27,645)
Accumulated other comprehensive income (loss), March 31, 2015	**$ (10,065)**	**$ (41,588)**	**$ 7**	**$ (51,646)**

	Defined Benefit Pension Plans	Currency Translation Adjustments	Other	Total
Accumulated other comprehensive income (loss), December 31, 2013	$ (6,479)	$ 15,892	$ 155	$ 9,568
Other comprehensive income (loss) before reclassifications	—	467	—	467
Income tax	—	—	—	—
Other comprehensive income (loss) before reclassifications, net of tax	—	467	—	467
Amounts reclassified from accumulated other comprehensive income (loss)	204	—	(17)	187
Income tax	(97)	—	8	(89)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	107	—	(9)	98
Other comprehensive income (loss)	107	467	(9)	565
Accumulated other comprehensive income (loss), March 31, 2014	$ (6,372)	$ 16,359	$ 146	$ 10,133

We include amounts reclassified out of accumulated other comprehensive income related to defined benefit pension plans as a component of net periodic pension cost recorded in selling, general & administrative expenses. For the three months ended March 31, 2015 and 2014, we reclassified $0.4 million and $0.2 million of actuarial net losses.

Note 14—Commitments and Contingencies

Prior to exiting the direct-to-consumer business in January 2009, we received reimbursements from Medicare, Medicaid, and private healthcare insurers for certain customer billings. We are subject to audits of these reimbursements for up to seven years from the date of the service.

In the first quarter of 2015, we settled our dispute and terminated the service contract with a customer in the United Kingdom. As part of the settlement, we entered into a transition agreement for the transfer of services back to this customer and paid approximately $3.9 million that was fully accrued at December 31, 2014. Substantially all outstanding accounts receivable as of December 31, 2014 related to this contract have been received.

Note 15—Segment Information

We evaluate the performance of our segments based on the operating earnings of the segments, excluding acquisition-related and exit and realignment charges.

The following tables present financial information by segment:

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Net revenue:		
Domestic	**$ 2,285,635**	$ 2,148,915
International	**105,561**	107,465
Consolidated net revenue	**$ 2,391,196**	$ 2,256,380
Operating earnings (loss):		
Domestic	**$ 50,512**	$ 52,734
International	**379**	(3,188)
Acquisition-related and exit and realignment charges [1]	**(9,916)**	(3,262)
Consolidated operating earnings	**$ 40,975**	$ 46,284
Depreciation and amortization:		
Domestic	**$ 10,738**	$ 8,975
International	**5,431**	4,889
Consolidated depreciation and amortization	**$ 16,169**	$ 13,864
Capital expenditures:		
Domestic	**$ 8,651**	$ 10,175
International	**2,915**	4,054
Consolidated capital expenditures	**$ 11,566**	$ 14,229

	March 31, 2015	December 31, 2014
Total assets:		
Domestic	**$ 2,101,477**	$ 2,139,972
International	**438,977**	538,662
Segment assets	**2,540,454**	2,678,634
Cash and cash equivalents	**159,056**	56,772
Consolidated total assets	**$ 2,699,510**	$ 2,735,406

[1] The first quarter of 2015 includes $3.0 million in accelerated amortization related to an information system that is being replaced.

Note 16—Condensed Consolidating Financial Information

The following tables present condensed consolidating financial information for: Owens & Minor, Inc. (O&M); the guarantors of Owens & Minor, Inc.'s 2021 Notes and 2024 Notes, on a combined basis; and the non-guarantor subsidiaries of the 2021 Notes and 2024 Notes, on a combined basis. The guarantor subsidiaries are 100% owned by Owens & Minor, Inc. Separate financial statements of the guarantor subsidiaries are not presented because the guarantees by our guarantor subsidiaries are full and unconditional, as well as joint and several, and we believe the condensed consolidating financial information is more meaningful in understanding the financial position, results of operations and cash flows of the guarantor subsidiaries.

Three Months Ended March 31, 2015	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Statements of Income					
Net revenue	$ —	$ 2,250,704	$ 180,361	$ (39,869)	$ 2,391,196
Cost of goods sold	—	2,034,032	99,818	(40,255)	2,093,595
Gross margin	—	216,672	80,543	386	297,601
Selling, general and administrative expenses	39	160,577	73,209	—	233,825
Acquisition-related and exit and realignment charges	—	3,577	6,339	—	9,916
Depreciation and amortization	—	9,103	6,766	—	15,869
Other operating income, net	—	(976)	(2,008)	—	(2,984)
Operating earnings (loss)	(39)	44,391	(3,763)	386	40,975
Interest expense (income), net	5,947	764	169	—	6,880
Income (loss) before income taxes	(5,986)	43,627	(3,932)	386	34,095
Income tax (benefit) provision	(773)	15,231	697	—	15,155
Equity in earnings of subsidiaries	24,153	—	—	(24,153)	—
Net income (loss)	18,940	28,396	(4,629)	(23,767)	18,940
Other comprehensive income (loss)	(27,645)	504	(28,149)	27,645	(27,645)
Comprehensive income (loss)	$ (8,705)	$ 28,900	$ (32,778)	$ 3,878	$ (8,705)

Three Months Ended March 31, 2014	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Statements of Income					
Net revenue	$ —	$ 2,148,365	$ 119,873	$ (11,858)	$ 2,256,380
Cost of goods sold	—	1,939,464	47,599	(11,878)	1,975,185
Gross margin	—	208,901	72,274	20	281,195
Selling, general and administrative expenses	47	154,156	71,407	—	225,610
Acquisition-related and exit and realignment charges	—	1,294	1,968	—	3,262
Depreciation and amortization	2	8,952	4,910	—	13,864
Other operating income, net	—	(7,062)	(763)	—	(7,825)
Operating earnings (loss)	(49)	51,561	(5,248)	20	46,284
Interest expense (income), net	2,472	1,243	(469)	—	3,246
Income (loss) before income taxes	(2,521)	50,318	(4,779)	20	43,038
Income tax (benefit) provision	(952)	20,160	(1,655)	—	17,553
Equity in earnings of subsidiaries	27,054	—	—	(27,054)	—
Net income (loss)	25,485	30,158	(3,124)	(27,034)	25,485
Other comprehensive income (loss)	565	106	467	(573)	565
Comprehensive income (loss)	$ 26,050	$ 30,264	$ (2,657)	$ (27,607)	$ 26,050

March 31, 2015	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Balance Sheets					
Assets					
Current assets					
Cash and cash equivalents	$ 115,613	$ 10,135	$ 33,308	$ —	$ 159,056
Accounts and notes receivable, net	—	494,303	112,957	(10,025)	597,235
Merchandise inventories	—	819,263	59,608	(4,133)	874,738
Other current assets	15	78,295	155,008	—	233,318
Total current assets	115,628	1,401,996	360,881	(14,158)	1,864,347
Property and equipment, net	—	110,753	111,197	—	221,950
Goodwill, net	—	247,271	172,182	—	419,453
Intangible assets, net	—	15,286	86,836	—	102,122
Due from O&M and subsidiaries	—	480,429	—	(480,429)	—
Advances to and investment in consolidated subsidiaries	1,855,506	—	—	(1,855,506)	—
Other assets, net	4,498	64,961	22,179	—	91,638
Total assets	$ 1,975,632	$ 2,320,696	$ 753,275	$ (2,350,093)	$ 2,699,510
Liabilities and equity					
Current liabilities					
Accounts payable	$ —	$ 659,644	$ 43,038	$ (8,983)	$ 693,699
Accrued payroll and related liabilities	—	14,227	10,764	—	24,991
Deferred income taxes	—	39,602	(1,782)	—	37,820
Other accrued liabilities	6,709	89,991	176,404	—	273,104
Total current liabilities	6,709	803,464	228,424	(8,983)	1,029,614
Long-term debt, excluding current portion	547,834	5,728	21,044	—	574,606
Due to O&M and subsidiaries	452,816	—	62,924	(515,740)	—
Intercompany debt	—	138,890	—	(138,890)	—
Deferred income taxes	—	33,908	29,413	—	63,321
Other liabilities	—	56,079	7,617	—	63,696
Total liabilities	1,007,359	1,038,069	349,422	(663,613)	1,731,237
Equity					
Common stock	126,205	—	—	—	126,205
Paid-in capital	204,901	241,875	516,608	(758,483)	204,901
Retained earnings (deficit)	688,813	1,050,782	(71,116)	(979,666)	688,813
Accumulated other comprehensive income (loss)	(51,646)	(10,030)	(41,639)	51,669	(51,646)
Total equity	968,273	1,282,627	403,853	(1,686,480)	968,273
Total liabilities and equity	$ 1,975,632	$ 2,320,696	$ 753,275	$ (2,350,093)	$ 2,699,510

December 31, 2014	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Balance Sheets					
Assets					
Current assets					
Cash and cash equivalents	$ 22,013	$ 3,912	$ 30,847	$ —	$ 56,772
Accounts and notes receivable, net	—	519,951	144,463	(38,222)	626,192
Merchandise inventories	—	816,915	60,061	(4,519)	872,457
Other current assets	(24,748)	90,733	224,220	25,080	315,285
Total current assets	(2,735)	1,431,511	459,591	(17,661)	1,870,706
Property and equipment, net	—	110,076	122,903	—	232,979
Goodwill, net	—	247,271	176,005	—	423,276
Intangible assets, net	—	15,805	92,788	—	108,593
Due from O&M and subsidiaries	—	357,304	—	(357,304)	—
Advances to and investments in consolidated subsidiaries	1,893,767	—	—	(1,893,767)	—
Other assets, net	4,637	66,836	28,379	—	99,852
Total assets	$ 1,895,669	$ 2,228,803	$ 879,666	$ (2,268,732)	$ 2,735,406
Liabilities and equity					
Current liabilities					
Accounts payable	$ —	$ 567,285	$ 54,898	$ (13,337)	$ 608,846
Accrued payroll and related liabilities	—	16,434	15,073	—	31,507
Deferred income taxes	—	39,667	(1,688)	—	37,979
Other current liabilities	6,441	83,698	236,084	—	326,223
Total current liabilities	6,441	707,084	304,367	(13,337)	1,004,555
Long-term debt, excluding current portion	547,763	39,915	20,873	—	608,551
Due to O&M and subsidiaries	350,627	—	77,788	(428,415)	—
Intercompany debt	—	138,890	—	(138,890)	—
Deferred income taxes	—	33,162	30,739	—	63,901
Other liabilities	—	55,794	11,767	—	67,561
Total liabilities	904,831	974,845	445,534	(580,642)	1,744,568
Equity					—
Common stock	126,140	—	—	—	126,140
Paid-in capital	202,934	241,877	514,314	(756,191)	202,934
Retained earnings (deficit)	685,765	1,022,379	(66,479)	(955,900)	685,765
Accumulated other comprehensive income (loss)	(24,001)	(10,298)	(13,703)	24,001	(24,001)
Total equity	990,838	1,253,958	434,132	(1,688,090)	990,838
Total liabilities and equity	$ 1,895,669	$ 2,228,803	$ 879,666	$ (2,268,732)	$ 2,735,406

Three Months Ended March 31, 2015	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Statements of Cash Flows					
Operating activities:					
Net income (loss)	$ 18,940	$ 28,396	$ (4,629)	$ (23,767)	$ 18,940
Adjustments to reconcile net income to cash provided by (used for) operating activities:					
Equity in earnings of subsidiaries	(24,153)	—	—	24,153	—
Depreciation and amortization	—	9,105	10,018	—	19,123
Share-based compensation expense	—	2,597	—	—	2,597
Provision for losses on accounts and notes receivable	—	(36)	256	—	220
Deferred income tax expense (benefit)	—	(373)	883	—	510
Changes in operating assets and liabilities:					
Accounts and notes receivable	—	26,519	(5,561)	6,398	27,356
Merchandise inventories	—	(2,348)	(3,928)	2,388	(3,888)
Accounts payable	—	92,359	3,424	(6,839)	88,944
Net change in other assets and liabilities	541	16,418	(1,046)	(2,333)	13,580
Other, net	209	636	476	—	1,321
Cash provided by (used for) operating activities	(4,463)	173,273	(107)	—	168,703
Investing activities:					
Additions to property and equipment	—	(6,552)	(1,067)	—	(7,619)
Additions to computer software and intangible assets	—	(1,457)	(2,490)	—	(3,947)
Proceeds from the sale of property and equipment	—	50	—	—	50
Cash used for investing activities	—	(7,959)	(3,557)	—	(11,516)
Financing activities:					
Change in bank overdraft	—	—	1,179	—	1,179
Change in intercompany advances	114,499	(124,681)	10,182	—	—
Repayment of revolving credit facility	—	(33,700)	—	—	(33,700)
Cash dividends paid	(15,934)	—	—	—	(15,934)
Excess tax benefits related to share-based compensation	240	—	—	—	240
Proceeds from exercise of stock options	125	—	—	—	125
Other, net	(867)	(710)	(747)	—	(2,324)
Cash provided by (used for) financing activities	98,063	(159,091)	10,614	—	(50,414)
Effect of exchange rate changes on cash and cash equivalents	—	—	(4,489)	—	(4,489)
Net increase (decrease) in cash and cash equivalents	93,600	6,223	2,461	—	102,284
Cash and cash equivalents at beginning of period	22,013	3,912	30,847		56,772
Cash and cash equivalents at end of period	$ 115,613	$ 10,135	$ 33,308	$ —	$ 159,056

Three Months Ended March 31, 2014	Owens & Minor, Inc.	Guarantor Subsidiaries	Non-guarantor Subsidiaries	Eliminations	Consolidated
Statements of Cash Flows					
Operating activities:					
Net income (loss)	$ 25,485	$ 30,158	$ (3,124)	$ (27,034)	$ 25,485
Adjustments to reconcile net income to cash provided by (used for) operating activities:					
Equity in earnings of subsidiaries	(27,054)	—	—	27,054	—
Depreciation and amortization	2	8,952	4,910	—	13,864
Share-based compensation expense	—	2,570	72	—	2,642
Provision for losses on accounts and notes receivable	—	96	(42)	—	54
Deferred income tax expense (benefit)	—	(588)	(234)	—	(822)
Changes in operating assets and liabilities:					
Accounts and notes receivable	—	26,879	2,530	419	29,828
Merchandise inventories	—	7,563	(3,835)	(21)	3,707
Accounts payable	—	23,375	(7,142)	(418)	15,815
Net change in other assets and liabilities	3,138	12,734	(11,951)	—	3,921
Other, net	(388)	(745)	(159)		(1,292)
Cash provided by (used for) operating activities	1,183	110,994	(18,975)	—	93,202
Investing activities:					
Additions to property and equipment	—	(4,036)	(3,263)	—	(7,299)
Additions to computer software and intangible assets	—	(6,139)	(791)	—	(6,930)
Proceeds from investment sale	—	1,937	—	—	1,937
Proceeds from the sale of property and equipment	—	11	94	—	105
Cash used for investing activities	—	(8,227)	(3,960)	—	(12,187)
Financing activities:					
Change in bank overdraft	—	—	20,578	—	20,578
Change in intercompany advances	78,263	(78,631)	368	—	—
Cash dividends paid	(15,785)	—	—	—	(15,785)
Repurchases of common stock	(5,000)	—	—	—	(5,000)
Excess tax benefits related to share-based compensation	346	—	—	—	346
Proceeds from exercise of stock options	937	—	—	—	937
Other, net	(1,035)	(579)	(254)	—	(1,868)
Cash provided by (used for) financing activities	57,726	(79,210)	20,692	—	(792)
Effect of exchange rate changes on cash and cash equivalents	—	—	245	—	245
Net increase (decrease) in cash and cash equivalents	58,909	23,557	(1,998)	—	80,468
Cash and cash equivalents at beginning of period	74,391	2,012	25,502	—	101,905
Cash and cash equivalents at end of period	$ 133,300	$ 25,569	$ 23,504	$ —	$ 182,373

Note 17—Recent Accounting Pronouncements

There has been no change in our significant accounting policies from those contained in our Annual Report on Form 10-K for the year ended December 31, 2014. There are no new accounting pronouncements that we anticipate will have a material impact on our financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis describes results of operations and material changes in the financial condition of Owens & Minor, Inc. and its subsidiaries since December 31, 2014. Trends of a material nature are discussed to the extent known and considered relevant. This discussion should be read in conjunction with the consolidated financial statements, related notes thereto, and management's discussion and analysis of financial condition and results of operations included in our Annual Report on Form 10-K for the year ended December 31, 2014.

Overview

Owens & Minor, Inc., along with its subsidiaries, (we, us, or our) is a leading national distributor of name-brand medical and surgical supplies and a healthcare logistics company. We report our business under two segments: Domestic and International. The Domestic segment includes all functions relating to our role as a medical supply logistics company providing distribution, packaging and logistics services to healthcare providers and manufacturers in the United States. The International segment consists of our European third-party logistics and packaging businesses. Segment financial information is provided in Note 15 of Notes to Consolidated Financial Statements included in this quarterly report.

Financial highlights. The following table provides a reconciliation of reported operating earnings, net income and net income per diluted common share to non-GAAP measures used by management.

	Three Months Ended March 31,	
(Dollars in thousands except per share data)	**2015**	**2014**
Operating earnings, as reported (GAAP)	**$ 40,975**	$ 46,284
Acquisition-related and exit and realignment charges	**9,916**	3,262
Operating earnings, adjusted (non-GAAP) (Adjusted Operated Earnings)	**$ 50,891**	$ 49,546
Adjusted Operating Earnings as a percent of revenue (non-GAAP)	**2.13%**	2.20%
Net income, as reported (GAAP)	**$ 18,940**	$ 25,485
Acquisition-related and exit and realignment charges, net of tax	**8,592**	2,222
Net income, adjusted (non-GAAP) (Adjusted Net Income)	**$ 27,532**	$ 27,707
Net income per diluted common share, as reported (GAAP)	**$ 0.30**	$ 0.41
Acquisition-related and exit and realignment charges, per diluted common share	**0.14**	0.03
Net income per diluted common share, adjusted (non-GAAP)(Adjusted EPS)	**$ 0.44**	$ 0.44

Adjusted EPS (non-GAAP) was $0.44 in the first quarter of 2015, unchanged when compared with prior year. Domestic segment operating earnings of $50.5 million decreased $2.2 million from the first quarter of 2014. The prior year included the recovery of $5.3 million related to the settlement of a direct purchaser anti-trust class action lawsuit. The International segment improved in the first quarter of 2015 to operating income of $0.4 million compared to a loss of $3.2 million in the same period of 2014.

Use of Non-GAAP Measures

Adjusted operating earnings, adjusted net income and adjusted EPS are an alternative view of performance used by management, and we believe that investors' understanding of our performance is enhanced by disclosing these performance measures In general, the measures exclude items and charges that (i) management does not believe reflect our core business and relate more to strategic, multi-year corporate activities; or (ii) relate to activities or actions that may have occurred over multiple or in prior periods without predictable trends. Management uses these non-GAAP financial measures internally to evaluate our performance, evaluate the balance sheet, engage in financial and operational planning and determine incentive compensation.

Management provides these non-GAAP financial measures to investors as supplemental metrics to assist readers in assessing the effects of items and events on our financial and operating results and in comparing our performance to that of our competitors. However, the non-GAAP financial measures used by us may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

The non-GAAP financial measures disclosed by us should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations to those financial statements set forth above should be carefully evaluated.

Acquisition-related charges, pre-tax, were $2.6 million and $0.6 million in the first quarter of 2015 and 2014. Current quarter charges consist primarily of costs to continue the integration of Medical Action and ArcRoyal which were acquired in the fourth quarter of 2014 including certain severance and contractual payments to former management and costs to transition information technology and other administrative functions.

Exit and realignment charges, pre-tax, of $7.3 million and $2.6 million in the first quarter of 2015 and 2014 were associated with optimizing our operations and include the consolidation of distribution and logistics centers and closure of offsite warehouses in the United States and Europe, as well as other costs associated with our strategic organizational realignment which include certain professional fees and costs to streamline administrative functions and processes in Europe.

These charges have been tax effected in the preceding table by determining the income tax rate depending on the amount of charges incurred in different tax jurisdictions and the deductibility of those charges for income tax purposes. Unless otherwise stated, our analysis hereinafter excludes acquisition-related and exit and realignment charges. More information about these charges is provided in Notes 3 and 6 of Notes to Consolidated Financial Statements included in this quarterly report.

Results of Operations

Net revenue.

	Three Months Ended March 31,		Change	
(Dollars in thousands)	**2015**	2014	$	%
Domestic	**$ 2,285,635**	$ 2,148,915	**$ 136,720**	6.4 %
International	**105,561**	107,465	**(1,904)**	(1.8)%
Net revenue	**$ 2,391,196**	$ 2,256,380	**$ 134,816**	6.0 %

Consolidated net revenue improved in the first quarter of 2015 as a result of strong growth in our Domestic segment. Excluding the impact of the 2014 fourth quarter acquisitions, net revenue increased by 4.7% in our Domestic segment and declined by 11.1% in our International segment. In the Domestic segment, the continued trend of growth in our existing large healthcare provider customer accounts and new business exceeded declines from smaller customers and lost business when compared to prior year. Domestic segment growth rates are impacted by ongoing market trends including healthcare utilization rates. The decrease in the International segment was driven by unfavorable foreign currency translation impacts of $17.0 million which was partially offset by organic growth. Fee-for-service business generally represents approximately two-thirds of net revenue in the International segment.

Cost of goods sold.

	Three Months Ended March 31,		Change	
(Dollars in thousands)	**2015**	2014	$	%
Cost of goods sold	**$ 2,093,595**	$ 1,975,185	**$ 118,410**	6.0%

Cost of goods sold includes the cost of the product (net of supplier incentives and cash discounts) and all costs incurred for shipments of products from manufacturers to our distribution centers for all customer arrangements where we are the primary obligor, bear risk of general and physical inventory loss and carry all credit risk associated with sales. These are sometimes referred to as distribution or buy/sell contracts. Beginning in the fourth quarter of 2014, cost of goods sold also includes direct and certain indirect labor, material and overhead costs associated with our packaging operations. There is no cost of goods sold associated with our fee-for-service business. As a result of the increase in sales activity through our distribution and packaging businesses, cost of goods sold increased $118.4 million compared to the first quarter of 2014.

Gross margin.

	Three Months Ended March 31,		Change	
(Dollars in thousands)	**2015**	2014	$	%
Gross margin	**$ 297,601**	$ 281,195	**$ 16,406**	5.8%
As a % of net revenue	***12.45%***	*12.46%*		

The increase in gross margin compared to the first quarter of 2014 is largely attributable to revenue growth in the Domestic segment as described above. The International segment also experienced an increase in gross margin from revenue growth though these benefits were offset by $11.9 million in unfavorable impacts of foreign currency translation.

Operating expenses.

	Three Months Ended March 31,		Change	
(Dollars in thousands)	**2015**	2014	$	%
SG&A expenses	**$ 233,825**	$ 225,610	**$ 8,215**	3.6 %
As a % of net revenue	***9.78%***	*10.00%*		
Depreciation and amortization	**$ 15,869**	$ 13,864	**$ 2,005**	14.5 %
Other operating income, net	**$ (2,984)**	$ (7,825)	**$ 4,841**	(61.9)%

Selling, general and administrative (SG&A) expenses include labor and warehousing costs associated with our distribution and logistics services and all costs associated with our fee-for-service arrangements. Shipping and handling costs are included in SG&A expenses and include costs to store, move, and prepare products for shipment, as well as costs to deliver products to customers. The costs to convert new customers to our information systems are generally incurred prior to the recognition of revenues from the new customers.

The increase in SG&A expenses compared to prior year is largely attributable to increased warehouse expenses, salaries and transportation costs associated with incremental sales activity in both segments partially offset by favorable foreign currency translation impacts of $11.1 million in the International segment. The Domestic segment also incurred $0.4 million in costs associated with our previously announced CEO search which includes professional fees, consulting, meeting and travel expenses and other costs associated with the leadership succession plan.

Depreciation and amortization expense increased in the first quarter of 2015 compared to the same period of the prior year as a result of property, equipment and intangible assets acquired with business combinations in the fourth quarter of 2014. In connection with our packaging businesses, approximately $0.3 million in depreciation for the first quarter of 2015 and $0.0 million for the first quarter of 2014 is also included in cost of goods sold. Additional amortization of $3.0 million related to the accelerated amortization of an information system which is being replaced in the International segment is included in acquisition-related and exit and realignment charges for the current quarter.

The decrease in other operating income, net compared to 2014 is attributed primarily to the benefit in the prior year of $5.3 million from the settlement of a direct purchaser anti-trust class action lawsuit which did not re-occur in the current year.

Interest expense, net.

(Dollars in thousands)	Three Months Ended March 31, 2015	2014	Change $	%
Interest expense, net	**$ 6,880**	$ 3,246	$ 3,634	112.0%
Effective interest rate	***4.73%***	*6.08%*		

The increase in interest expense in the first quarter of 2015 compared to the same period of 2014 is a result of the new Senior Notes issued on September 16, 2014.

Income taxes.

(Dollars in thousands)	Three Months Ended March 31, 2015	2014	Change $	%
Income tax provision	**$ 15,155**	$ 17,553	$ (2,398)	(13.7)%
Effective tax rate	***44.4%***	*40.8%*		

The change in the provision for income taxes compared to 2014, including income taxes on acquisition-related and exit and realignment charges, is a result of the amount of pretax income earned in different tax jurisdictions and the deductibility of certain acquisition-related charges for income tax purposes.

Financial Condition, Liquidity and Capital Resources

Financial condition. We monitor operating working capital through days sales outstanding (DSO) and merchandise inventory turnover. We estimate a hypothetical increase (decrease) in DSO of one day would result in a decrease (increase) in our cash balances, an increase (decrease) in borrowings against our revolving credit facility, or a combination thereof of approximately $25 million.

The majority of our cash and cash equivalents are held in cash depository accounts with major banks in the United States and Europe or invested in high-quality, short-term liquid investments. Changes in our working capital can vary in the normal course of business based upon the timing of inventory purchases, collection of accounts receivable, and payment to suppliers.

(Dollars in thousands)	March 31, 2015	December 31, 2014	Change $	%
Cash and cash equivalents	**$ 159,056**	$ 56,772	$ 102,284	180.2 %
Accounts and notes receivable, net of allowances	**$ 597,235**	$ 626,192	$ (28,957)	(4.6)%
Consolidated DSO (1)	***21.2***	*22.1*		
Merchandise inventories	**$ 874,738**	$ 872,457	$ 2,281	0.3 %
Consolidated inventory turnover (2)	***9.7***	*10.1*		
Accounts payable	**$ 693,699**	$ 608,846	$ 84,853	13.9 %

(1) Based on period end accounts receivable and net revenue for the quarter
(2) Based on average annual inventory and costs of goods sold for the quarter ended March 31, 2015 and December 31, 2014

Liquidity and capital expenditures. The following table summarizes our consolidated statements of cash flows for the three months ended March 31, 2015 and 2014:

(Dollars in thousands)	2015	2014
Net cash provided by (used for):		
Operating activities	**$ 168,703**	$ 93,202
Investing activities	**(11,516)**	(12,187)
Financing activities	**(50,414)**	(792)
Effect of exchange rate changes	**(4,489)**	245
Increase in cash and cash equivalents	**$ 102,284**	$ 80,468

Cash provided by operating activities was $168.7 million in the first three months of 2015, compared to $93.2 million in the same period of 2014. The increase in cash from operating activities for the first three months of 2015 compared to the same period in 2014 was primarily due to routine changes in working capital including timing of payments to vendors.

Cash used for investing activities was $11.5 million in the first three months of 2015, compared to $12.2 million in the same period of 2014. Investing activities in 2015 and 2014 relate to capital expenditures for our strategic and operational efficiency initiatives, particularly initiatives relating to information technology enhancements and optimizing our distribution network.

Cash used for financing activities in the first three months of 2015 was $50.4 million, compared to $0.8 million used in the same period of 2014. During the first three months of 2015, we paid dividends of $15.9 million (compared to $15.8 million in the same period of 2014) and repaid $33.7 million in borrowings on our Amended Credit Agreement. Financing activities in the first quarter of 2014 also included $20.6 million in a bank overdraft related to timing of payments and collections in our order-to-cash business at March 31, 2014.

Capital resources. Our sources of liquidity include cash and cash equivalents and a revolving credit facility. On September 17, 2014, we amended our existing Credit Agreement with Wells Fargo Bank, N.A., JPMorgan Chase Bank, N.A., Bank of America, N.A. and a syndicate of financial institutions (the Amended Credit Agreement) increasing our borrowing capacity from $350 million to $450 million and extending the term through 2019. Under the Amended Credit Agreement, we have the ability to request two one-year extensions and to request an increase in aggregate commitments by up to $200 million. The interest rate on the Amended Credit Agreement, which is subject to adjustment quarterly, is based on the London Interbank Offered Rate (LIBOR), the Federal Funds Rate or the Prime Rate, plus an adjustment based on the better of our debt ratings or leverage ratio (Credit Spread) as defined by the Amended Credit Agreement. We are charged a commitment fee of between 12.5 and 25.0 basis points on the unused portion of the facility. The terms of the Amended Credit Agreement limit the amount of indebtedness that we may incur and require us to maintain ratios for leverage and interest coverage, including on a pro forma basis in the event of an acquisition. We may utilize the revolving credit facility for long-term strategic growth, capital expenditures, working capital and general corporate purposes. If we were unable to access the revolving credit facility, it could impact our ability to fund these needs. Based on our leverage ratio at March 31, 2015, the interest rate under the credit facility is LIBOR plus 1.375%.

At March 31, 2015 , we had no borrowings and letters of credit of approximately $5.0 million outstanding under the Amended Credit Agreement, leaving $445 million available for borrowing. We also have a $1.2 million letter of credit outstanding as of March 31, 2015 and December 31, 2014 which supports our facilities leased in Europe.

On September 16, 2014, we issued $275 million of 3.875% senior notes due 2021 (the “2021 Notes”) and $275 million of 4.375% senior notes due 2024 (the “2024 Notes”). The 2021 Notes were sold at 99.5% of the principal amount with an effective yield of 3.951%. The 2024 Notes were sold at 99.6% of the principal amount with an effective yield of 4.422%. Interest on the 2021 Notes and 2024 Notes is payable semiannually in arrears, commencing on March 15, 2015 and December 15, 2014, respectively. We have the option to redeem the 2021 Notes and 2024 Notes in part or in whole prior to maturity at a redemption price equal to the greater of 100% of the principal amount or the present value of the remaining scheduled payments discounted at the Treasury Rate plus 30 basis points.

In the first quarter of 2015, we paid cash dividends on our outstanding common stock at the rate of $0.2525 per share, which represents a 1.0% increase over the rate of $0.25 per share paid in the first quarter of 2014. We anticipate continuing to pay quarterly cash dividends in the future. However, the payment of future dividends remains within the discretion of the Board of Directors and will depend upon our results of operations, financial condition, capital requirements and other factors.

In February 2014, the Board of Directors authorized a share repurchase program of up to $100 million of our outstanding common stock to be executed at the discretion of management over a three-year period, expiring in February 2017. The program is intended to offset shares issued in conjunction with our stock incentive plan and may be suspended or discontinued at any time. During the first quarter of 2015, we did not repurchase any shares under this program. At March 31, 2015, the remaining amount authorized for repurchase under this program was $90.1 million.

We earn a portion of our operating earnings in foreign jurisdictions outside the U.S., which we consider to be indefinitely reinvested. Accordingly, no U.S. federal and state income taxes and withholding taxes have been provided on these earnings. Our cash, cash-equivalents, short-term investments, and marketable securities held by our foreign subsidiaries totaled $33.0 million and $31.5 million as of March 31, 2015 and December 31, 2014. We do not intend, nor do we foresee a need, to repatriate these funds or other assets held outside the U.S. In the future, should we require more capital to fund discretionary activities in the U.S. than is generated by our domestic operations and is available through our borrowings, we could elect to repatriate cash or other assets from foreign jurisdictions that have previously been considered to be indefinitely reinvested.

We believe available financing sources, including cash generated by operating activities and borrowings under the Amended Credit Agreement, will be sufficient to fund our working capital needs, capital expenditures, long-term strategic growth, payments under long-term debt and lease arrangements, payments of quarterly cash dividends, share repurchases and other cash requirements. While we believe that we will have the ability to meet our financing needs in the foreseeable future, changes in economic conditions may impact (i) the ability of financial institutions to meet their contractual commitments to us, (ii) the ability of our customers and suppliers to meet their obligations to us or (iii) our cost of borrowing.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, see Note 16 in the Notes to Consolidated Financial Statements, included in this Quarterly Report on Form 10-Q for the quarterly period ended on March 31, 2015.

Forward-looking Statements

Certain statements in this discussion constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe our expectations with respect to the forward-looking statements are based upon reasonable assumptions within the bounds of our knowledge of our business and operations, all forward-looking statements involve risks and uncertainties and, as a result, actual results could differ materially from those projected, anticipated or implied by these statements. Such forward-looking statements involve known and unknown risks, including, but not limited to:

- competitive pressures in the marketplace, including intense pricing pressure;
- our ability to retain existing and attract new customers in a market characterized by significant customer consolidation and intense cost-containment initiatives;
- our dependence on sales to certain customers or the loss or material reduction in purchases by key customers;
- our dependence on distribution of product of certain suppliers;
- our ability to successfully identify, manage or integrate acquisitions;
- our ability to successfully manage our international operations, including risks associated with changes in international trade regulations, foreign currency volatility, changes in regulatory conditions, deteriorating economic conditions, adverse tax consequences, and other risks of operating in international markets;
- uncertainties related to and our ability to adapt to changes in government regulations, including healthcare laws and regulations (including the Affordable Care Act);
- risks arising from possible violations of legal, regulatory or licensing requirements of the markets in which we operate;
- uncertainties related to general economic, regulatory and business conditions;
- our ability to successfully implement our strategic initiatives;
- the availability of and modifications to existing supplier funding programs and our ability to meet the terms to qualify for certain of these programs;
- our ability to adapt to changes in product pricing and other terms of purchase by suppliers of product;
- the ability of customers and suppliers to meet financial commitments due to us;
- changes in manufacturer preferences between direct sales and wholesale distribution;

- changing trends in customer profiles and ordering patterns and our ability to meet customer demand for additional value-added services;
- our ability to manage operating expenses and improve operational efficiencies in response to changing customer profiles;
- our ability to meet performance targets specified by customer contracts under contractual commitments;
- availability of and our ability to access special inventory buying opportunities;
- the ability of business partners and financial institutions to perform their contractual responsibilities;
- the effect of price volatility in the commodities markets, including fuel price fluctuations, on our operating costs and supplier product prices;
- our ability to continue to obtain financing at reasonable rates and to manage financing costs and interest rate risk;
- the risk that information systems are interrupted or damaged or fail for any extended period of time or that there is a data security breach;
- the risk that a decline in business volume or profitability could result in an impairment of goodwill or other long-lived assets;
- our ability to timely or adequately respond to technological advances in the medical supply industry;
- the costs associated with and outcome of outstanding and any future litigation, including product and professional liability claims;
- adverse changes in U.S. and foreign tax laws and the outcome of outstanding tax contingencies and legislative and tax proposals; and
- other factors described in “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2014.

We undertake no obligation to update or revise any forward-looking statements, except as required by applicable law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in interest rates related to our revolving credit facility. We had no outstanding borrowings and approximately $5 million in letters of credit under the revolving credit facility at March 31, 2015. A hypothetical increase in interest rates of 100 basis points would result in a potential reduction in future pre-tax earnings of approximately $0.1 million per year for every $10 million of outstanding borrowings under the revolving credit facility.

Due to the nature and pricing of our Domestic segment distribution services, we are exposed to potential volatility in fuel prices. Our strategies for helping to mitigate our exposure to changing domestic fuel prices has included entering into leases for trucks with improved fuel efficiency and entering into fixed–price agreements for diesel fuel. We benchmark our domestic diesel fuel purchase prices against the U.S. Weekly Retail On-Highway Diesel Prices (benchmark) as quoted by the U.S. Energy Information Administration. The benchmark averaged $2.92 per gallon in the first three months of 2015, a decrease from $3.96 per gallon in the first three months of 2014. Based on our fuel consumption in the first three months of 2015, we estimate that every 10 cents per gallon increase in the benchmark would reduce our Domestic segment operating earnings by approximately $0.3 million on an annualized basis.

In the normal course of business, we are exposed to foreign currency translation and transaction risks. Our business transactions outside of the United States are primarily denominated in the Euro and British Pound. We may use foreign currency forwards, swaps and options, where possible, to manage our risk related to certain foreign currency fluctuations. However, we believe that our foreign currency transaction risks are low since our revenues and expenses are typically denominated in the same currency.

Item 4. Controls and Procedures

We carried out an evaluation, with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (pursuant to Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report. Based upon that evaluation, the principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of March 31, 2015. There has been no change in our internal control over financial reporting during the quarter ended March 31, 2015, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

SEC guidance permits the exclusion of an evaluation of the effectiveness of a registrant's disclosure controls and procedures as they relate to the internal control over financial reporting for an acquired business during the first year following such acquisition. In the fourth quarter of 2014, we acquired Medical Action and ArcRoyal. These acquisitions represent $333 million of total assets and $45.6 million of revenues as of and for the three months ended March 31, 2015. Management's evaluation and conclusion as to the effectiveness of the design and operation of the Company's disclosure controls and procedures as of and for the period covered by this report excludes any evaluation of the internal control over financial reporting of these acquisitions.

Part II. Other Information

Item 1. Legal Proceedings

Certain legal proceedings pending against us are described in our Annual Report on Form 10-K for the year ended December 31, 2014. Through March 31, 2015, there have been no material developments in any legal proceedings reported in such Annual Report.

Item 1A. Risk Factors

Certain risk factors that we believe could affect our business and prospects are described in our Annual Report on Form 10-K for the year ended December 31, 2014. Through March 31, 2015, there have been no material changes in the risk factors described in such Annual Report.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities

In February 2014, our Board of Directors authorized a share repurchase program of up to $100 million of our outstanding common stock to be executed at the discretion of management over a three-year period, expiring in February 2017. The program is intended to offset shares issued in conjunction with our stock incentive plan and return capital to shareholders. The program may be suspended or discontinued at any time.

We did not repurchase any shares during the first quarter of 2015.

SIGNATURES

Pursuant to the requirements 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.

		Owens & Minor, Inc. (Registrant)
Date:	April 28, 2015	/s/ James L. Bierman
		James L. Bierman President & Chief Executive Officer
Date:	April 28, 2015	/s/ Richard A. Meier
		Richard A. Meier Executive Vice President & Chief Financial Officer

Item 6. Exhibits

(a) Exhibits

10.1	Form of Performance Share Award Agreement
10.2	Form of Annual Executive Incentive Program
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

Exhibit 10.1

OWENS & MINOR, INC.

PERFORMANCE SHARE AWARD AGREEMENT

THIS PERFORMANCE SHARE AWARD AGREEMENT (“Agreement”) dated as of _____________, 20__ between Owens & Minor, Inc., a Virginia corporation (the “Company”), and ________________ (“Participant”) is made pursuant to and subject to the provisions of the Company's 2005 Stock Incentive Plan (the “Plan”). All capitalized terms used in this Agreement that are not otherwise defined shall have the same meanings given to them in the Plan.

1. **Grant of Performance Share Award.** In accordance with the Plan, on ________, 20__ (the “Date of Grant”), the Company granted to the Participant, subject to the terms and conditions of the Plan and the terms and conditions set forth in this Agreement, _______ Performance Shares, subject to adjustment as provided in Section 2 (the “Performance Shares”). The Participant will earn the Performance Shares to the extent that the requirements of Section 2 are satisfied. The Company will issue shares of Common Stock in accordance with Section 3 in settlement of the Performance Shares, if any, that the Participant earns in accordance with Section 2, which shares of Common Stock (the “Restricted Stock”) will be further subject to the vesting and forfeiture provisions described in Section 4 (except as otherwise specifically provided in Section 3(b)).

2. **Earning Performance Shares.** This Section 2 determines the number of Performance Shares that the Participant may earn under this Agreement.

(a) The Participant will earn Performance Shares based on achievement by the Company of the Performance Metrics (defined below) for fiscal years 20__ and 20__. The number of Performance Shares earned by the Participant will be determined based upon the following formula, the terms of which are further defined below:

(Weighted Performance Multiple) x (Target Shares)

The Weighted Performance Multiple will be determined based on the following Performance Metrics and the definitions below:

Performance Metrics	Weight	Threshold	Target	Maximum
ROAA	__%	___%	___%	___%
Company Adjusted Diluted EPS	__%	$____	$____	$____

Definitions:

“Company Return on Average Assets” shall mean Company Net Income divided by the Company’s average total assets (calculated by averaging the Company’s total assets as of each month-end during the Performance Period).

“Company Adjusted Diluted EPS” shall mean, for the Performance Period, the Company's net income per diluted common share as presented in the Company's consolidated audited income statement for the Performance Period, adjusted to eliminate or exclude the after-tax effects of unusual or non-recurring items, including but not limited to, the effect of accounting and/or tax changes; tangible and intangible asset impairment charges; fees, expenses and charges associated with debt and/or equity financing transactions,, merger and acquisition activity (including the purchase or sale of a business unit or its assets) and exit and realignment activities; gains/losses from asset sales not made in the ordinary course of business; retirement plan gains/losses; and gains/losses or charges associated with material litigation, regulatory, tax or insurance settlements. Adjustments to the Company's net income per diluted common share for purposes of determining any Award earned hereunder shall be taken into account only to the extent that they are separately identified or quantified in the Company's consolidated audited financial statements, the notes to the consolidated financial statements, "Management's Discussion and Analysis" in the Company's Annual Report on Form 10-K or in other Company filings with the Securities and Exchange Commission.

"Metric Target" means, with respect to any Performance Metric, the applicable Metric Target specified in the table above.

"Performance Metric" means each of (i) ROAA; and (ii) Company Adjusted Diluted EPS.

"Target Shares" means ________ shares.

"Weight" means, with respect to any Performance Metric, the applicable Weight specified in the table above.

"Weighted Performance Multiple" means the weighted average of the Performance Multiples for each Performance Metric (based on the Weight for each such metric in the table above), the maximum of which shall be capped at two (2) and the minimum of which shall be zero.

(b) Effect of Termination Prior to Issuance of Restricted Stock. Except as provided in subparagraphs (c), (d) and (e), no Performance Shares will be earned if the Participant's employment with, and service to, the Company and its Affiliates terminates or is terminated before January 1, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b).

(c) Death or Disability. This subparagraph (c) applies if the Participant's employment with, and service to, the Company and its Affiliates terminates before____________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b), on account of the Participant's death or permanent and total disability (as defined in Section 22(e)(3) of the Code). In the event of the Participant's death prior to___________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b), the number of Performance Shares earned by the Participant shall equal the number determined in accordance with subparagraph (a). In the event the Participant's employment terminates before ___________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b) due to permanent and total disability, the number of Performance Shares earned by the Participant shall equal the number determined in accordance with subparagraph (a) multiplied by a fraction. The numerator of the fraction shall be the number of whole months that the Participant was employed by, or providing services to, the Company or an Affiliate during the 24-month period beginning __________, 20__ and ending ___________, 20__ (including any period that the Participant was absent from work for illness, injury or short term disability prior to termination of employment) and the denominator shall be 24.

(d) Retirement. This subparagraph (d) applies if the Participant's employment with, and service to, the Company and its Affiliates terminates before _________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b), on account of the Participant's retirement (defined below). In the event of the Participant's retirement before __________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b), the number of Performance Shares earned by the Participant shall equal the number determined in accordance with subparagraph (a) multiplied by a fraction. The numerator of the fraction shall be the number of whole months that the Participant was employed by, or providing services to, the Company or an Affiliate during the 24-month period beginning _________, 20__ and ending __________, 20__ and the denominator shall be 24. For purposes of this Section 2(d), retirement shall mean severance from the employment of the Company and its Affiliates (i) at or after the attainment of age 55 and after completing a number of years of service (the total years of service credited to Participant for purposes of determining vested or nontransferable interest in a defined benefit pension plan maintained by the Company or an Affiliate which satisfies the requirements of Section 401(a) of the Code) that, when added to Participant's age at the time of severance from employment, equals at least 65 or (ii) at or after the attainment of age 65.

(e) Change in Control. The Participant will earn the number of Performance Shares equal to Target Shares if there is a Change in Control before _________, 20__ or the date on which Restricted Stock is issued as provided in Section 3(b).

3. **Settlement of Performance Shares.** The Performance Shares will be settled in accordance with this Section 3.

(a) Committee Certification. As soon as practicable after ___________, 20__ (but no later than _________, 20__), the Committee will determine the number of Performance Shares that are earned under the provisions of Section 2. The Committee's determination shall be set forth in writing, as part of the minutes of a meeting of the Committee, by unanimous consent or otherwise. Notwithstanding the preceding sentences, a written determination of the Committee shall not be required in the case of Performance Shares that are earned pursuant to the provisions of Section 2(e).

(b) Issuance of Restricted Stock. As soon as practicable after the Committee's certification under subparagraph (a) (but no later than March 15, 20__), the Committee shall issue shares of Restricted Stock under the Plan in settlement of the Performance Shares earned by the Participant. The number of shares of Restricted Stock issued shall equal the number of Performance Shares earned by the Participant. Notwithstanding the preceding sentences, (i) if the Performance Shares are earned pursuant to the provisions of Section 2(c) or 2(d), such Performance Shares shall be settled in shares of Common Stock that are not subject to the restrictions set forth in Section 4 and (ii) if the Performance Shares are earned pursuant to the provisions of Section 2(e), the number of shares of Restricted Stock indicated in Section 2(e) shall be issued to the Participant on the Control Change Date, and such shares of Restricted Stock shall otherwise be treated as provided in Section 4(c)(vi).

(c) Registration, etc. Shares of Restricted Stock issued in settlement of the Performance Shares shall be registered in the name of the Participant on the stock transfer books of the Company but shall be held by the Company (or its transfer agent) during the Restricted Period (defined below). The Company's Secretary and its General Counsel shall serve as attorney-in-fact for Participant during the Restricted Period with full power and authority in Participant's name to assign and convey to the Company any shares of Restricted Stock that Participant forfeits under Section 4(c) or that are recovered under Section 5. Each certificate representing shares of Restricted Stock may bear a legend referring to the risk of forfeiture of the shares and stating that such shares are nontransferable until all restrictions have been satisfied and the legend has been removed.

(d) Dividends. Upon issuance of shares of Restricted Stock in settlement of the Performance Shares earned by the Participant, the Company shall pay Participant in cash the amount of any dividends that would have been paid on the Performance Shares prior to settlement if the Performance Shares had been actual shares of Restricted Stock outstanding during the period from _________, 20__ through _________, 20__. No dividends will be paid on the Performance Shares if Restricted Stock is not earned and issued hereunder.

4. **Terms of Restricted Stock.** The shares of Restricted Stock issued in settlement of the Performance Shares are subject to the following terms and conditions:

(a) Restricted Period. Until __________, 20__ (the "Restricted Period") or the lapse of restrictions as provided in subparagraph (c) hereof, the Restricted Stock shall be subject to the following restrictions:

(i) Participant shall not be entitled to receive the certificate or certificates evidencing the Restricted Stock;

(ii) Shares of Restricted Stock may not be sold, transferred, assigned, pledged, conveyed, hypothecated or otherwise disposed of; and

(iii) Shares of Restricted Stock may be forfeited immediately as provided in subparagraph (c) hereof.

(b) Distribution of Restricted Stock. If Participant remains in the continuous employment of the Company or an Affiliate during the entire Restricted Period and otherwise does not forfeit such shares pursuant to subparagraph (c) hereof, all restrictions applicable to the shares of Restricted Stock shall lapse upon expiration of the Restricted Period and a certificate or certificates representing the shares of Common Stock that were granted to Participant in the form of shares of Restricted Stock shall be delivered to Participant.

(c) Lapse of Restrictions or Forfeiture.

(i) Death. If Participant's employment with the Company and its Affiliates is terminated before the expiration of the Restricted Period by reason of Participant's death, all restrictions applicable to the shares of Restricted Stock shall immediately lapse on the date of Participant's death and the certificate or certificates representing the shares of Common Stock shall be delivered to Participant's estate.

(ii) Disability. If Participant's employment with the Company and its Affiliates is terminated before the expiration of the Restricted Period by reason of "total and permanent disability" (as such term is defined in Section 22(e)(3) of the Code), all restrictions on a pro rata number of shares of Restricted Stock shall lapse. The "pro rata number" shall be the number of shares of Restricted Stock multiplied by a fraction, the numerator of which is the number of months (including a fractional month) of Participant's employment after the Date of Grant and the denominator of which is 36. The certificate or certificates representing the shares of Common Stock upon which the restrictions have lapsed shall be delivered to Participant.

(iii) Retirement. If Participant's employment with the Company and its Affiliates is terminated before the expiration of the Restricted Period by reason of retirement (defined below), all shares of Restricted Stock shall be forfeited immediately and all rights of Participant to such shares shall terminate immediately without further obligation on the part of the Company. Notwithstanding the foregoing, if Participant's service to the Company or an Affiliate continues from and after the date of retirement through (i) membership on the Board, (ii) a written consulting services arrangement with the Company or an Affiliate or (iii) at the Company's discretion, a written confidentiality and non-solicitation agreement with the Company ("Post-Retirement Service"), shares of Restricted Stock shall not be forfeited but shall continue to be held by the Company until the earlier of (i) the end of the Restricted Period at which time such shares shall be delivered to the Participant or (ii) the date Participant ceases to provide Post-Retirement Service at which time such shares shall be forfeited. For purposes of this subparagraph 4(c)(iii), retirement shall mean severance from the employment of the Company and its Affiliates (i) at or after the attainment of age 55 and after completing a number of years of service (the total years of service credited to Participant for purposes of determining vested or nontransferable interest in a defined benefit pension plan maintained by the Company or an Affiliate which satisfies the requirements of Section 401(a) of the Code) that, when added to Participant's age at the time of severance from employment, equals at least 65 or (ii) at or after the attainment of age 65.

(iv) Termination of Employment by Company or Affiliate.

(a) With Cause. If the Company or an Affiliate terminates Participant's employment with the Company and its Affiliates with "cause," all shares of Restricted Stock shall be forfeited immediately and all rights of Participant to such shares shall terminate immediately without further obligation on the part of the Company. For purposes of this Agreement, "cause" means: (i) misappropriation, theft or embezzlement of funds or property from the Company or an Affiliate or securing or attempting to secure personally any profit in connection with any transaction entered into on behalf of the Company or an Affiliate, (ii) conviction of, or entry of a plea of "*nolo contendere*" with respect to, a felony which, in the reasonable opinion of the Company, is likely to cause material harm to the Company's or an Affiliate's business, customer or supplier relations, financial condition or prospects, (iii) violation of the Company's Code of Honor or any successor code of conduct; or (iv) failure to substantially perform (other than by reason of illness or temporary disability, regardless of whether such temporary disability is or becomes a total and permanent disability (as defined in subparagraph 4(c)(ii) above), or by reason of approved leave of absence) the duties of Participant's job.

(b) Without Cause. If Participant's employment with the Company and its Affiliates is terminated by the Company or an Affiliate without "cause," all restrictions on a pro rata number of shares of Restricted Stock shall lapse. The "pro rata number" shall be the number of shares of Restricted Stock multiplied by a fraction, the numerator of which is the number of months (including a fractional month) of Participant's employment after the Date of Grant and the denominator of which is 36. The certificate or certificates representing the shares of Common Stock upon which the restrictions have lapsed shall be delivered to Participant.

(v) Termination of Employment by Participant. If Participant resigns from employment with the Company and its Affiliates before the expiration of the Restricted Period, without regard to the reason for such resignation (other than death, disability or retirement as provided in subsections (i), (ii) and (iii) above), all of the shares of Restricted Stock shall be forfeited immediately and all rights of Participant to such shares shall terminate immediately without further obligation on the part of the Company.

(vi) Change in Control.

(a) If, upon a Change in Control, (i) the Restricted Stock is assumed by, or a substitute award granted by, the surviving entity (together with its Related Entities, the “Surviving Entity”) in the Change in Control (such assumed or substituted award to be of the same type of award as this Restricted Stock with a value as of the Control Change Date substantially equal to the value of this Restricted Stock) and (ii) within 24 months of the Control Change Date, Participant’s employment with the Surviving Entity is terminated by the Surviving Entity without Cause (defined below) or by Participant for Good Reason (defined below), all restrictions applicable to the shares of Restricted Stock shall immediately lapse on the date of employment termination and the certificate or certificates representing the shares of Common Stock upon which the restrictions have lapsed shall be delivered to Participant.

(b) For purposes of this subsection 4(c)(vi), “Cause” shall mean (i) the willful and continued failure by Participant to substantially perform his or her duties with the Surviving Entity (other than any such failure resulting from Participant’s incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to Participant by the Surviving Entity, which demand specifically identifies the manner in which the Surviving Entity believes that Participant has not substantially performed his or her duties, or (ii) the willful engaging by Participant in conduct which is demonstrably and materially injurious to the Surviving Entity, monetarily or otherwise. For purposes of this paragraph, no act, or failure to act, on Participant’s part shall be deemed "willful" unless done, or omitted to be done, not in good faith and without reasonable belief that the action or omission was in the best interest of the Surviving Entity.

(c) For purposes of this subparagraph 4(c)(vi), “Good Reason” shall have the meaning given to such term in the Executive Severance Agreement between Participant and the Company effective ___________, 20__, as such agreement from time to time may be amended, modified, extended or replaced by a successor agreement or plan.

(d) If, upon a Change in Control, the Restricted Stock is not assumed by, or a substitute award granted by, the Surviving Entity in the Change in Control as provided in subparagraph 4(c)(vi)(a) above, all restrictions applicable to the shares of Restricted Stock shall immediately lapse on the Control Change Date and the certificate or certificates representing the shares of Common Stock upon which the restrictions have lapsed shall be delivered to Participant.

5. **Recoupment Policy.** Notwithstanding any other provision in this Agreement to the contrary, the Stock Award and underlying Restricted Stock granted under this Agreement are subject to recoupment by the Company in accordance with the Company’s Policy on Recoupment of Executive Incentive

Compensation in effect on the date of this Agreement, as such policy is interpreted and applied by the Company's board of directors.

6. **Nontransferability.** The Performance Shares are nontransferable except by will or by the laws of descent and distribution. Shares of Restricted Stock issued in settlement of the Performance Shares cannot be transferred before the Restricted Period lapses except by will or by the laws of descent and distribution.

7. **Shareholder Rights.** Except as otherwise specifically provided herein, the Participant shall not have any rights as a shareholder of the Company with respect to the Performance Shares. Upon the issuance of shares of Restricted Stock in settlement of the Performance Shares, the Participant shall have all of the rights of a shareholder of the Company with respect to those shares, including the right to vote the shares and to receive, free of all restrictions, ordinary cash dividends. Stock received as a dividend on, or in connection with a stock split of any shares of Restricted Stock issued in settlement of the Performance Shares shall be subject to the same vesting restrictions as the underlying shares of Restricted Stock. The Participant's right to receive any extraordinary dividends or distributions with respect to shares of Restricted Stock issued in settlement of the Performance Shares shall be at the sole discretion of the Committee, but in the event of any such extraordinary event, the Committee shall take action appropriate to preserve the value of, and to prevent the unintended enhancement of value in, such shares of Restricted Stock.

8. **Withholding.** The Participant shall pay the Company any amount of taxes as may be necessary in the opinion of the Company to satisfy tax withholding required under the laws of any country, state, province, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions. In lieu thereof, the Company shall have the right to retain, from the shares of Restricted Stock to be issued under Section 3, the number of shares of Restricted Stock with Fair Market Value equal to the minimum amount required to be withheld. In any event, the Company shall have the right to deduct from all amounts paid to a Participant in cash (whether under the Plan or otherwise) any taxes required to be withheld. The Participant shall promptly notify the Company of any election made pursuant of Section 83(b) of the Code.

9. **No Right to Continued Employment.** The award and settlement of the Performance Shares does not give Participant any right with respect to continuance of employment by the Company or an Affiliate, nor shall it interfere in any way with the right of the Company or an Affiliate to terminate his or her employment at any time.

10. **Change in Capital Structure.** The number of Performance Shares and the performance criteria in Section 2 (or, after any settlement of the Performance Shares, the number of shares of Restricted Stock) shall be adjusted as the Committee determines is equitably required in the event the Company effects one or more stock dividends, stock split-ups subdivisions or consolidations of shares, other similar changes in capitalization or such other events as are described in the Plan.

11. **Governing Law.** This Agreement shall be governed by the laws of the Commonwealth of Virginia.

12. **Conflicts.** In the event of any conflict between the provisions of the Plan as in effect on the Date of Grant and the provisions of this Agreement, the provisions of the Plan shall govern. All references herein to the Plan shall mean the plan as in effect on the Date of Grant.

13. **Participant Bound by Plan.** Participant hereby acknowledges that a copy of the Plan has been made available to him or her and he or she agrees to be bound by all the terms and provisions of the Plan.

14. **Binding Effect.** Subject to the limitations stated above and in the Plan, this Agreement shall be binding upon Participant and his or her successors in interest and the successors of the Company.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

OWENS & MINOR, INC.

By:_________________________________
President & Chief Executive Officer

____
Participant

Exhibit 10.2

OWENS & MINOR, INC.
20__ EXECUTIVE INCENTIVE PROGRAM

1. PURPOSE

The purpose of the Owens & Minor, Inc. 20__ Executive Incentive Program (the "Program") is to permit Owens & Minor, Inc. and its Subsidiaries (the "Company") to provide awards of annual incentive compensation which satisfy the requirements for "performance-based compensation" under Section 162(m) of the Internal Revenue Code. This Program evidences the terms and conditions of "Incentive Awards" granted under and pursuant to the terms of the Owens & Minor, Inc. 2005 Stock Incentive Plan and/or any prior and successor stock plans adopted or assumed by the Company ("Stock Plan"). This Program and the Awards granted hereunder shall be administered in accordance with the terms of the Stock Plan.

2. DEFINITIONS

"20__ COMPANY ADJUSTED DILUTED EPS" shall mean, for the Performance Period, the Company's net income per diluted common share as presented in the Company's consolidated audited income statement for the Performance Period, adjusted to eliminate or exclude the after-tax effects of unusual or non-recurring items, including but not limited to, the effect of accounting and/or tax changes; tangible and intangible asset impairment charges; fees, expenses and charges associated with debt and/or equity financing transactions,, merger and acquisition activity (including the purchase or sale of a business unit or its assets) and exit and realignment activities; gains/losses from asset sales not made in the ordinary course of business; retirement plan gains/losses; and gains/losses or charges associated with material litigation, regulatory, tax or insurance settlements. Adjustments to the Company's net income per diluted common share for purposes of determining any Award earned hereunder shall be taken into account only to the extent that they are separately identified or quantified in the Company's consolidated audited financial statements, the notes to the consolidated financial statements, "Management's Discussion and Analysis" in the Company's 20__ Annual Report on Form 10-K or in other Company filings with the Securities and Exchange Commission.

"20__ COMPANY NET REVENUE" shall mean, for the Performance Period, the Company's Net Revenue as reported in the Company's consolidated income statement for the Performance Period, adjusted to include (to the extent not already included) any revenue relating to unusual or non-recurring items, including but not limited to, merger and acquisition activity; revenue associated with material litigation or insurance settlements.

"AWARD" shall mean an Incentive Award (as defined under the Stock Plan) that entitles the Participant to a cash payment in accordance with, and subject to, the terms of this Program.

"BOARD" shall mean the Board of Directors of the Company.

"CODE" shall mean the Internal Revenue Code of 1986, as amended.

"COMMITTEE" shall mean the Compensation & Benefits Committee of the Board or any subcommittee thereof which meets the requirements of Section 162(m)(4)(C) of the Code.

"EXCHANGE ACT" shall mean the Securities Exchange Act of 1934, as amended.

"PARTICIPANT" shall mean each individual serving in one of the positions of the Company identified in Annex A hereto.

"PERFORMANCE PERIOD" shall mean the Company's 20__ fiscal year.

"PERFORMANCE GOAL" shall mean each of 20__ Company Net Revenue, 20__ Company Adjusted Diluted EPS, and the Qualitative Performance Factor.

"PROGRAM" shall mean this Owens & Minor, Inc. 20__ Executive Incentive Program, as amended from time to time.

“QUALITATIVE PERFORMANCE FACTOR” shall mean, with respect to each Participant, an assessment of his or her job performance based on qualitative measurements such as strength of leadership, goal implementation, strategic focus, overall management skills and other measurements as determined by the Committee in its sole discretion.

"STOCK PLAN" shall mean the Owens & Minor, Inc. 2005 Stock Incentive Plan and/or any prior and successor stock plans adopted or assumed by the Company.

"SUBSIDIARY" shall mean any entity that is directly or indirectly controlled by the Company or any entity, in which the Company has at least a 50% equity interest.

3. ADMINISTRATION

(a) Subject to subsection (b) below, the Program shall be administered by the Compensation Committee, which shall have full authority to interpret and amend the Program, to establish rules and regulations relating to the operation of the Program, to select Participants, to determine the maximum Awards and the amounts of any Awards and to make all determinations and take all other actions necessary or appropriate for the proper administration of the Program. Before any payments are made under the Program, the Committee shall certify in writing the 20__ Performance Goals that have been achieved. The Committee's interpretation of the Program, and all actions taken within the scope of its authority, shall be final and binding on the Company, its stockholders and Participants and their respective successors and assigns.

(b) This Program is intended to comply both by its terms and in its operation with Sections 162(m) and other provisions of the Code in order to make it as tax-efficient for the Company as possible. Accordingly, any modifications to the Performance Goals that would increase the amount of any Award shall be made by the Committee prior to March 31, 20__ and the identification of any unusual, non-recurring or discretionary adjustments to the 20__ Performance Goals shall be made by the Committee on or before the last day of the Performance Period.

4. DETERMINATION OF AWARDS

(a) Each Participant is hereby granted an Award that, contingent upon achievement of the Performance Goals, will entitle the Participant to receive a cash payment calculated as provided in Annex A hereto. Set forth on Annex A hereto are the following: (i) the goal levels established for each Performance Goal, (ii) the weight attributable to each Performance Goal and (iii) the award opportunity for each Participant. Following the end of the Performance Period, the Committee shall certify any achievement of the Performance Goals as specified herein. Notwithstanding the foregoing, the Committee may make any adjustments in its discretion that would reduce the amount paid for any Award earned hereunder.

(b) If 20__ Company Adjusted Diluted EPS is not at least $____ as set forth in Annex A, no payments shall be made under this Program.

5. PAYMENT OF AWARDS

Except as provided in the Stock Plan, in the event of a Change in Control (as defined under the Stock Plan), a Participant will receive all or part of the amount payable under an Award, only to the extent that the Committee certifies that the applicable Performance Goals have been achieved. In addition, a Participant will receive the amount payable under an Award only if the Participant is employed on the last day of the Performance Period; provided, however, that the Committee, in its discretion, may determine to make a pro rata payment of an Award for a Participant who is not employed on the last day of the Performance Period in accordance with the Company’s executive severance policy. All Awards earned shall be paid in cash in a lump sum no later than March 15, 20__.

6. RECOUPMENT POLICY

Notwithstanding any other provision in this Agreement to the contrary, any Award under this Program is subject to recoupment by the Company in accordance with the Company's Policy on Recoupment of Executive Incentive Compensation in effect on the date of this Agreement, as such policy is interpreted and applied by the Company's board of directors.

7. OTHER PROVISIONS

(a) Neither the establishment of this Program, nor any action taken hereunder, shall be construed as giving any Participant any right to be retained in the employ of the Company. Nothing contained in this Program shall limit the ability of the Company to make payments or awards to Participants under any other plan, agreement or arrangement.

(b) The rights and benefits of a Participant hereunder are personal to the Participant and, except for payments made following a Participant's death, shall not be subject to any voluntary or involuntary alienation, assignment, pledge, transfer, encumbrance, attachment, garnishment or other disposition.

(c) Awards under this Program shall not constitute compensation for the purpose of determining participation or benefits under any other plan of the Company unless specifically included as compensation in such plan.

(d) The Company shall have the right to deduct from Awards any taxes or other amounts required to be withheld by law.

(e) All questions pertaining to the construction, regulation, validity and effect of the provisions of the Program shall be determined in accordance with the laws of the Commonwealth of Virginia without regard to principles of conflict of laws.

(f) If any provision of this Program would cause Awards not to constitute "qualified performance-based compensation" under Section 162(m) of the Code, that provision shall be severed from, and shall be deemed not to be a part of, the Program, but the other provisions hereof shall remain in full force and effect.

(g) No member of the Committee or the Board, and no officer, employee or agent of the Company shall be liable for any act or action hereunder, whether of commission or omission, taken by any other member, or by any officer, agent, or employee, or, except in circumstances involving bad faith, for anything done or omitted to be done in the administration of the Program.

8. EFFECTIVE DATE

The Program shall be effective as of January 1, 20__.

Annex A

OWENS & MINOR 20   EXECUTIVE INCENTIVE PROGRAM

AWARD OPPORTUNITY

Position	Cash Target as a Percentage of Base Salary
President and CEO	75%
Executive Vice President (Grade X2) or Senior Vice President (Grade X3)	50%
Senior Vice President (Grade X4)	40%
Vice President (Grade X5)	35%

GOALS AND WEIGHTS

Position	20__ Company Net Revenue	20__ Company Adjusted Diluted Earnings Per Share (EPS)	20__ Qualitative Performance Factor*
All above positions	__%	__%	__%

***As a condition to any award being made, 20__ Company Adjusted Diluted EPS must be at least $____**

GOAL LEVELS

Achievement Level (1)	20__ Company Net Revenue (thousands)	20__ Company Adjusted Diluted Earnings Per Share (EPS)	Qualitative Performance Factor
200% (Maximum)	$___________	$____	Based on qualitative assessment of performance by Committee
100% (Target)	$___________	$____	Based on qualitative assessment of performance by Committee
25% (Threshold)	$___________	$____	Based on qualitative assessment of performance by Committee

(1) If a 20__ Performance Goal is achieved at a level between Threshold and Target or Target and Maximum, then the amount of the Award will be determined based on a straight line interpolation of achievement levels between the Threshold and Target or the Target and Maximum, as applicable. Achievement levels of the Qualitative Performance Factor shall be determined for each Participant by the Committee in its sole discretion. As a condition to any award being made, 20__ Company Adjusted Diluted EPS must be at least $____.

Exhibit 31.1

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, James L. Bierman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, of Owens & Minor, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2015

/s/ James L. Bierman

James L. Bierman
President & Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Richard A. Meier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, of Owens & Minor, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2015

/s/ Richard A. Meier

Richard A. Meier
Executive Vice President & Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Owens & Minor, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James L. Bierman, President & Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James L. Bierman

James L. Bierman
President & Chief Executive Officer
Owens & Minor, Inc.

April 28, 2015

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Owens & Minor, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard A. Meier, Executive Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard A. Meier

Richard A. Meier

Executive Vice President & Chief Financial Officer
Owens & Minor, Inc.

April 28, 2015