

News Release

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Q3 2024: Merck KGaA, Darmstadt, Germany, accelerates growth, driven by all business sectors

- **Net sales up organically by 3.8% to € 5.3 billion**
- **EBITDA pre up organically by 16.9% to € 1.6 billion**
- **EBITDA pre margin increases to 30.7%**
- **Life Science returns to organic sales growth**
- **Healthcare delivers solid sales growth and outstanding profitability**
- **Electronics achieves another quarter of profitable growth**
- **Company confirms and specifies guidance for fiscal 2024**

Darmstadt, Germany, November 14, 2024 – Merck KGaA, Darmstadt, Germany, a leading science and technology company, accelerated its growth in the third quarter of 2024. All three business sectors achieved organic increases in sales and earnings. Accordingly, the company remains on course to return to profitable growth in fiscal 2024, as previously announced.

“As expected, we continued our growth course in the third quarter. We confirm our guidance of profitable growth in fiscal 2024,” said Belén Garijo, Chair of the Executive Board and CEO of Merck KGaA, Darmstadt, Germany. “The markets in which we operate continue to experience robust growth trends and our multi-industry portfolio is optimally positioned to benefit from these positive developments.”



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Due to the positive business performance in all three business sectors, the company grew its net sales to € 5,266 million in the third quarter of 2024, achieving organic growth of 3.8%. Taking negative foreign exchange effects of 2.0% into account, Group sales grew by a total of 1.8% compared with the year-earlier quarter.

EBITDA pre rose organically by 16.9%. This was driven by sales growth, strict cost discipline and the temporarily lower spend on research and development in Healthcare. Including negative foreign exchange effects of 5.0%, earnings saw double-digit growth of 11.9% to € 1,618 million overall. The EBITDA pre margin increased to 30.7% compared to 27.9% in the year-earlier quarter. Earnings per share pre amounted to € 2.30.

Life Science: Return to organic sales and earnings growth

In Life Science, sales increased organically by 2.1% and reached € 2,210 million in the third quarter of 2024. As such, the business sector returned to organic sales growth for the first time since the first quarter of 2023.

The Process Solutions business unit, which markets solutions for the entire pharmaceutical production value chain, also returned to growth with an organic sales increase of 3.7% while inventory destocking by customers is gradually coming to an end. Compared to the second quarter of 2024, the business unit saw a further gradual recovery of sales and order intake. Science & Lab Solutions, which is the largest business unit within Life Science in terms of sales and provides products and services to support research activities in pharmaceutical, biotechnology and academic research institutions, also delivered organic sales growth of 4.3%. In contrast, net sales of Life Science Services declined organically by 16.6%, which corresponds to around € 34 million. The higher sales figure for the year-earlier quarter included a one-time customer payment from the Covid-19-related business. Life Science Services offers customers a fully integrated portfolio of services for contract testing, development and manufacturing.

EBITDA pre of Life Science also grew organically by 7.1% to € 646 million; this was mainly due to the sales increases in its two large business units and efficiency measures in the operating business. The EBITDA pre margin increased to 29.3%.

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Healthcare: Solid organic sales growth and very good profitability

Healthcare generated net sales of € 2,133 million in the third quarter of 2024. The organic increase of 6.2% was attributable to newer products alongside those that are long established in the market. The major drivers of the organic sales growth included Mavenclad for the treatment of multiple sclerosis (+19.8%) and the oncology drug Erbitux (+13.8%). The Cardiovascular, Metabolism and Endocrinology franchise also generated strong organic sales growth.

EBITDA pre of Healthcare went up organically by 27.0% to € 836 million. In addition to the positive sales performance and cost discipline, this was also due to temporarily lower research and development (R&D) expenses than in the year-earlier quarter. The EBITDA pre margin reached an outstanding 39.2%. The company expects R&D spend in Healthcare to gradually increase in 2025.

Electronics: Another quarter of profitable growth

Electronics delivered organic sales growth of 2.4% in the third quarter of 2024. Its total net sales were € 923 million. The sales growth was generated by the largest business unit Semiconductor Solutions, which achieved an organic sales increase of 7.0%, driven by strong demand for semiconductor materials for AI applications and advanced nodes. The recovery of the rest of the market for semiconductor materials continues to be delayed. As expected, the project business within Semiconductor Solutions, Delivery Systems & Services, recorded a sales decline while customer projects were being delayed.

The two other business units of Electronics, Display Solutions and Surface Solutions, recorded organic declines in sales. In July 2024, the company [signed an agreement to divest](#) its global Surface Solutions business.

EBITDA pre of Electronics grew to € 235 million, representing organic growth of 15.0%. This increase against the low comparative base of the year-earlier quarter was mainly driven by the sales growth in Semiconductor Solutions, combined with stringent cost management. The EBITDA pre margin of Electronics was 25.5%.

Guidance for fiscal 2024

As announced at the [Capital Markets Day](#) in October 2024, Merck KGaA, Darmstadt, Germany, confirms the guidance for fiscal 2024 and specifies the indicated target corridors prior to the last quarter of the year. The company expects:

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- Sales: organic growth between 2% and 5%, foreign exchange effects between -3% and 0%, in total between € 20.7 billion and € 22.1 billion – trending in the lower half of the absolute range
- EBITDA pre: organic growth between 4% and 10%, foreign exchange effects between -5% and -1%, in total between € 5.8 billion and € 6.4 billion – trending around the mid-point of the absolute range
- EPS pre: € 8.20 to € 9.30 – trending around the mid-point.

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Overview of the key figures for Q3 2024

Group

Key figures

€ million	Q3 2024	Q3 2023	Change	Jan.-Sept. 2024	Jan.-Sept. 2023	Change
Net sales	5,266	5,173	1.8%	15,738	15,768	-0.2%
Operating result (EBIT) ¹	1,097	983	11.6%	2,821	2,988	-5.6%
Margin (% of net sales) ¹	20.8%	19.0%		17.9%	18.9%	
EBITDA ²	1,546	1,418	9.0%	4,404	4,361	1.0%
Margin (% of net sales) ¹	29.4%	27.4%		28.0%	27.7%	
EBITDA pre ¹	1,618	1,446	11.9%	4,581	4,586	-0.1%
Margin (% of net sales) ¹	30.7%	27.9%		29.1%	29.1%	
Profit after income tax	812	740	9.6%	2,117	2,246	-5.8%
Earnings per share (€)	1.86	1.70	9.4%	4.85	5.15	-5.8%
Earnings per share pre (€) ¹	2.30	2.07	11.1%	6.56	6.64	-1.2%
Operating cash flow	1,458	1,255	16.2%	3,355	2,731	22.9%
Net financial debt ^{1, 3}	7,553	7,500	0.7%	–	–	–
Number of employees ⁴	62,255	63,297	-1.6%	–	–	–

¹ Not defined by International Financial Reporting Standards (IFRS).

² Not defined by International Financial Reporting Standards (IFRS); EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.

³ Figures for the reporting period ending on September 30, 2024, prior-year figures as of December 31, 2023.

⁴ Figures for the reporting period ending on September 30, 2024, prior-year figures as of September 30, 2023. This figure refers to all employees at sites of fully consolidated entities.

Life Science

Net sales by business unit

€ million	Q3 2024	Share	Organic growth ¹	Exchange rate effects	Acquisitions/divestments	Total change	Q3 2023	Share
Science & Lab Solutions	1,143	52%	4.3%	-1.5%	–	2.8%	1,111	51%
Process Solutions	896	40%	3.7%	-1.1%	–	2.6%	873	40%
Life Science Services	171	8%	-16.6%	-0.1%	–	-16.7%	206	9%
Life Science	2,210	100%	2.1%	-1.2%	–	0.9%	2,191	100%

¹ Not defined by International Financial Reporting Standards (IFRS).

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Healthcare

Net sales by major product lines/products

€ million	Q3 2024	Share	Organic growth ¹	Exchange rate effects	Total change	Q3 2023	Share
Oncology	509	24%	9.1%	-2.5%	6.6%	477	23%
thereof: Erbitux®	301	14%	13.8%	-2.8%	11.1%	271	13%
thereof: Bavencio®	180	8%	-1.0%	-2.2%	-3.2%	185	9%
Neurology & Immunology	419	20%	6.7%	-2.1%	4.6%	401	19%
thereof: Mavenclad®	265	12%	19.8%	-2.3%	17.6%	225	11%
thereof: Rebif®	154	7%	-10.1%	-1.9%	-12.0%	175	8%
Fertility	377	18%	1.1%	-3.6%	-2.6%	386	19%
thereof: Gonal-F®	209	10%	3.3%	-5.0%	-1.7%	213	10%
Cardiovascular, Metabolism and Endocrinology	755	35%	7.8%	-3.4%	4.3%	724	35%
thereof: Glucophage®	247	12%	8.2%	-2.9%	5.2%	235	11%
thereof: Concor®	160	8%	14.6%	-1.8%	12.7%	142	7%
thereof: Euthyrox®	161	8%	11.5%	-3.6%	7.9%	149	7%
thereof: Saizen®	84	4%	0.5%	-5.6%	-5.0%	89	4%
Other	73	3%				78	4%
Healthcare	2,133	100%	6.2%	-3.0%	3.2%	2,066	100%

¹ Not defined by International Financial Reporting Standards (IFRS).

Electronics

Net sales by business unit

€ million	Q3 2024	Share	Organic growth ¹	Exchange rate effects	Acquisitions/divestments	Total change	Q3 2023	Share
Semiconductor Solutions	642	69%	7.0%	-1.8%	-0.3%	4.9%	612	67%
Display Solutions	182	20%	-8.7%	-0.7%	–	-9.4%	201	22%
Surface Solutions	98	11%	-2.9%	-1.2%	–	-4.1%	103	11%
Electronics	923	100%	2.4%	-1.5%	-0.2%	0.8%	916	100%

¹ Not defined by International Financial Reporting Standards (IFRS).

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Notes to editors:

- The **press conference for media representatives** will take place at 9:30 a.m. (CEST).
- The respective **presentation** and further information for journalists, including a **digital press kit**, can be found [here](#)
- The half-yearly financial report can be found [here](#)
- Merck KGaA, Darmstadt, Germany, on [LinkedIn](#)
- **Photos and videos** can be found [here](#)
- **Stock symbols**

Reuters: MRCG, Bloomberg: MRK GY, Dow Jones: MRK.DE

Frankfurt Stock Exchange: ISIN: DE 000 659 9905 – WKN: 659 990

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About Merck KGaA, Darmstadt, Germany

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across life science, healthcare and electronics. Around 63,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From providing products and services that accelerate drug development and manufacturing as well as discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2023, Merck KGaA, Darmstadt, Germany, generated sales of € 21 billion in 65 countries.

The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany, operate as MilliporeSigma in life science, EMD Serono in healthcare and EMD Electronics in electronics. Since its founding in 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company.