Quarterly Statement of

Merck KGaA, Darmstadt, Germany

3rd Quarter

2026



Disclaimer

Publication of Merck KGaA, Darmstadt, Germany

In the United States and Canada the subsidiaries of Merck KGaA, Darmstadt, Germany, operate as MilliporeSigma in life science, EMD Serono in healthcare and EMD Electronics in the electronics business. To reflect such fact and to avoid any confusion, certain logos, terms and business description of the publication have been substituted or additional descriptions have been added.

This version of the publication, therefore, slightly deviates from the otherwise identical versions provided outside the United States and Canada.

In Brief*

Group

Key figures

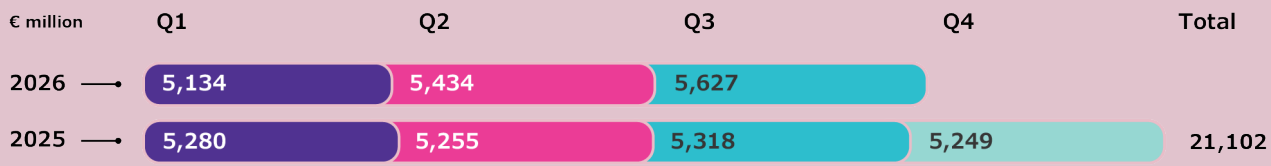
€ million	Q3 2026	Q3 2025	Change	Jan.-Sept. 2026	Jan.-Sept. 2025	Change
Net sales	5,627	5,318	5.8%	16,195	15,853	2.2%
Operating result (EBIT)[1]	653	1,221	-46.5%	2,343	3,118	-24.8%
Margin (% of net sales)[1]	11.6%	23.0%		14.5%	19.7%	
EBITDA[2]	1,615	1,679	-3.8%	4,364	4,506	-3.1%
Margin (% of net sales)[1]	28.7%	31.6%		26.9%	28.4%	
EBITDA pre[1]	1,682	1,669	0.8%	4,811	4,666	3.1%
Margin (% of net sales)[1]	29.9%	31.4%		29.7%	29.4%	
Profit after income tax	450	898	-49.9%	1,613	2,291	-29.6%
Earnings per share (€)	1.04	2.07	-49.8%	3.68	5.26	-30.0%
Earnings per share pre (€)[1]	2.32	2.32	–%	6.59	6.46	2.0%
Operating cash flow	1,660	1,518	9.4%	3,083	2,641	16.8%

	Sept. 30, 2026	Dec. 31, 2025	Change
Net financial debt[1]	7,733	8,619	-10.3%
Number of employees[3]	61,949	62,346	-0.6%

[1] Not defined by IFRS® Accounting Standards (IFRS Accounting Standards).
[2] Not defined by IFRS Accounting Standards; EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.
[3] This figure refers to all employees at sites of fully consolidated entities.

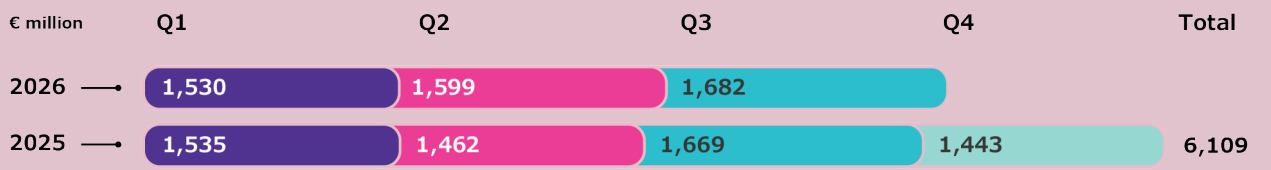
Group

Net sales by quarter



Group

EBITDA pre by quarter



* This document is a quarterly statement pursuant to section 53 of the Exchange Rules for the Frankfurt Stock Exchange. It is not an interim report as defined in International Accounting Standard 34. The accounting and measurement policies applied to this quarterly statement generally derive from the same accounting and measurement policies as used in the preparation of the consolidated financial statements for fiscal 2025, except for new amendments to standards required to be applied. However, those amendments to standards had no material impact on the financial statements. This quarterly statement contains certain financial indicators such as operating result (EBIT), EBITDA, EBITDA pre, net financial debt and earnings per share pre, which are not defined by International Financial Reporting Standards (IFRS). These financial indicators should not be taken into account in order to assess the performance of the Group in isolation or used as an alternative to the financial indicators presented in the consolidated financial statements and determined in accordance with IFRS.
The figures presented in this quarterly statement have been rounded. This may lead to individual values not adding up to the totals presented.
It is our aim to ensure that our communication is inclusive, and so we strive to use language that is both non-discriminatory and easy to read. This report attempts to use gender-neutral language, which may not yet be consistent in all instances. Even if masculine forms are used, all genders are explicitly meant.
The Annual Report for 2025 has been optimized for mobile devices and is available at **https://www.emdgroup.com/en/annualreport/2025/**.

Significant events during the reporting period

The Group plans divestment of North American CDMO business

The Group is currently in the process of divesting its North American CDMO (contract development and manufacturing organization) business, which offers development and production services for complex modalities, to Lonza Group AG, Switzerland. The operating activities and assets are part of the Life Science business sector and are spread across multiple sites and legal entities in the United States.

Although the divestment had not yet been signed as of the balance sheet date of September 30, 2026, the Group viewed completion of the transaction within the next 12 months to be highly probable. In order to fulfill the other IFRS 5 criteria, the assets and liabilities of the disposal group were reclassified as assets held for sale or liabilities directly related to assets held for sale as of September 30, 2026. The sales of the affected CDMO business and the assets to be divested, including the pro rata goodwill of the Life Science business sector to be divested, each amounted to less than 2% of the corresponding values of the Group in the first nine months of fiscal 2026, i.e. up to the balance sheet date of September 30, 2026. Impairment losses on assets amounting to € 366 million were recorded in connection with the divestment, € 144 million of which was attributable to the goodwill allocated on a pro rata basis. The remaining amount related to property, plant and equipment and other intangible assets.

Agreement to acquire Bio-Techne Corporation, USA

On June 25, 2026, the Group announced that it had signed a binding agreement to acquire 100% of the voting rights in Bio-Techne Corporation, USA (Bio-Techne), for US$ 73 per share in cash. This corresponds to an enterprise value of around US$ 11.3 billion (€ 9.9 billion).

Bio-Techne is a global provider of life science tools, analytical technologies and consumables with around 50 years of experience in the research and development of innovative technologies. The company generated annual sales in excess of US$ 1.2 billion in the 2026 financial year (July 1, 2025 to June 30, 2026), has approximately 3,000 employees worldwide and operates 15 manufacturing facilities in the United States, Canada, the United Kingdom, Switzerland, and China.

The goal of the transaction is to bring together two leading and highly complementary life science companies and to strengthen the position of the Group sustainably in fast-growing areas including multi-omics, spatial biology, cell and gene therapy, and precision diagnostics. At the same time, it will provide Bio-Techne with access to new sales channels and customer touchpoints as well as the global scale, manufacturing expertise and established Life Science infrastructure of the Group. The acquisition supports the medium- and long-term strategic agenda of the Group and enhances the existing portfolio in the fields of research, biologics manufacturing and novel therapeutics. The transaction will also bolster and broaden the Process Solutions business unit of the Group in a targeted way by expanding its reach into higher-value reagents, analytics and cell and gene therapy workflows while strengthening discovery, development and manufacturing capabilities.

Bio-Techne also holds a 19.9% share in Wilson Wolf Corporation, USA (Wilson Wolf), a leading manufacturer of cell culture systems (including the G-Rex product line). Under the terms of a forward contract, Bio-Techne expects to acquire the remaining shares in Wilson Wolf immediately following the end of the 2027 calendar year.

The planned transaction to acquire Bio-Techne has been approved by Bio-Techne’s Board of Directors and the relevant corporate bodies of the Group. The shareholders of Bio-Techne approved the planned transaction on September 23, 2026, at an extraordinary general meeting. A business combination according to IFRS 3 had not yet been completed as of the balance sheet date. The transaction is expected to close in the fourth quarter of 2026, subject to regulatory clearances, including antitrust clearances in the relevant jurisdictions, and the satisfaction of other customary closing conditions.

After closing, the planned acquisition is expected to have an immediate positive impact on the EBITDA pre margin of both the Life Science business sector and the Group. A positive contribution to earnings per share pre (EPS pre) is expected from the third year after closing the acquisition.

To finance the purchase price, the Group intends to use a combination of newly issued bonds, existing cash on hand and a loan. In addition, the Group has a newly set up credit line, through which the purchase price is to be financed by bridge loans until the bonds are issued. In doing so, the Group aims to maintain a strong investment-grade rating. The foreign currency risk arising from the payment of the purchase price in U.S. dollars has been hedged using forward exchange contracts that were entered into in June 2026. In addition, the interest rate for the planned bond issues has been hedged on a pro rata basis using forward rate agreements.

Acquisition of Saturnus Bio, Inc., USA

The Group closed a transaction to acquire Saturnus Bio, Inc., USA (Saturnus), on June 18, 2026. Saturnus is a U.S.-based unlisted biotech company that focuses on next-generation precision cardiology and uses targeted gene modulation to treat rare monogenetic cardiomyopathies with significant unmet need. With the acquisition of Saturnus, the Group pursues the strategic goal of addressing the significant unmet medical need in the area of rare diseases through targeted therapies. The aim is to build a foundational portfolio in the promising therapeutic area of rare genetic cardiomyopathies in a market in which no approved therapies for genetic disease triggers currently exist.

The Group holds 10% of the equity capital in the form of preferred stock as well as an exclusive option to acquire all remaining shares in Saturnus at a defined exercise price. The preferred stocks carry no regular voting rights. The option right can be exercised at any time during a defined time period. The control is derived from the option right that grants the Group all potential voting rights. This assessment required material discretionary decisions.

Saturnus will be included in the consolidated financial statements of the Group as a fully consolidated subsidiary as of the completion date. The non-controlling interests correspond to the shares not held by the Group and have been measured proportionally to the fair value of the acquired net assets. The anticipated acquisition method should not be applied because the conditions have not been met. The option of recognizing the goodwill attributable to the non-controlling interests will not be exercised.

This represents a business combination in accordance with IFRS 3. The provisional purchase price in accordance with IFRS 3 amounts to US$ 16 million (€ 14 million) in cash and is allocated to the equity capital. An amount of US$ 34 million (€ 30 million) is allocated to the acquisition of an exclusive option to acquire the remaining shares. The payment was made directly to Saturnus. There, it is used to finance research activities. A payment to the previous owner was not planned. Contingent considerations were not recognized on the acquisition date. The milestone payments agreed as part of the transaction are only legally binding if the Group unilaterally exercises the purchase option in the future. Within the scope of the transaction, further milestone payments were agreed for the period prior to the exercising of the purchase option; these will go directly to Saturnus as capital contributions if defined development events occur.

The accounting for the business combination is not yet complete. This concerns the final total purchase price as per IFRS 3, and the purchase price allocation as regards valuation of acquired intangible assets from the research programs and the associated deferred taxes as well as the identification of factors that affect goodwill. The provisional difference determined between the provisional purchase price as per IFRS 3 and the proportionately acquired net assets amounted to € 7 million; it is provisionally recognized as goodwill and allocated in full to the Healthcare business sector.

In the event that the Group exercises the option in the future, the transaction will be treated as an acquisition of non-controlling interests.

The contractual agreements between the Group and the other shareholders of Saturnus include arrangements that limit the transferability of shares in Saturnus. However, these agreements do not materially restrict the ability of Saturnus to transfer cash or other assets to the Group.

Saturnus is currently in the research stage of development that does not generate net sales; accordingly, in the consolidated financial statements of the Group, the amounts attributable to the non-controlling interests are not material compared with the Group’s total assets. For this reason, no separate presentation is provided.

Saturnus generated no net sales and did not make a material contribution to Group net income after taxes between the acquisition date and the balance sheet date. In the event of first-time consolidation on January 1, 2026, Saturnus would also have generated no sales and made no material contribution to Group net income after taxes.

Acquisition of the chromatography business of JSR Corporation, Japan

On March 31, 2026, the Group entered into the agreement announced on October 15, 2025 to acquire the chromatography business of JSR Corporation, Japan.

The acquisition adds Amsphere™ protein A resins and advanced protein A chromatography capacities to the downstream processing portfolio of the Group in the Life Science business sector, enabling efficient, scalable purification of monoclonal antibodies. In combination with the existing downstream portfolio of the Group, these capacities help customers increase their productivity and support reliable production from development to commercial scale.

The transaction concerns the acquisition of a group of assets that economically represent a business combination according to IFRS 3. The acquired assets mainly comprise intangible assets and, to a lesser extent, property, plant and equipment and inventories.

The provisional total purchase price according to IFRS 3 amounted to € 194 million in cash and was recognized in the Consolidated Cash Flow Statement under payments for acquisitions less acquired cash and cash equivalents (net).

The accounting for the business combination was not yet complete as of the balance sheet date. A final assessment as to what extent the contractually agreed selling prices of the acquired assets reflect the respective fair value is still outstanding.

The provisional difference between the total purchase price and the acquired assets amounted to € 44 million; it is provisionally recognized as goodwill and allocated to the Life Science business sector. It includes expected synergies resulting from the integration of the downstream processing portfolio into the Group and unrecognized intangible assets such as the expertise of the workforce. The goodwill is fully tax deductible.

The individual assets acquired were legally purchased by different companies affiliated to Merck KGaA, Darmstadt, Germany, and integrated into existing business processes. Accordingly, it was not possible to determine the share in Group net sales and Group net income after taxes due to the lack of a reliable distinction from existing activities. Due to the lack of historical financial data for the acquired business operation, the figures for Group net sales and Group net income after taxes in the event of a notional first-time consolidation on January 1, 2026 also cannot be determined.

Preliminary fair values and carrying amounts acquired in the acquisition

€ million	JSR
Non-current assets	
Other intangible assets	110
Property, plant and equipment	15
Other non-current assets	–
Deferred tax assets	–
	126
Current assets	
Inventories	24
Trade and other current receivables	–
Cash and cash equivalents	–
Other current assets	–
	24
Total assets	**149**
Non-current liabilities	
Other non-current provisions and other liabilities	–
Deferred tax liabilities	–
	–
Current liabilities	
Trade payables and other liabilities	–
Other current liabilities and provisions	–
	–
Total liabilities	**–**
Net assets acquired	**149**
Purchase price for the acquisition of shares in accordance with IFRS 3	**194**
Positive difference (goodwill)	**44**

Acquisition of SpringWorks Therapeutics, Inc., USA

The Group completed the acquisition of SpringWorks Therapeutics, Inc., USA (SpringWorks), on July 1, 2025. SpringWorks specializes in developing and commercializing therapies for rare tumors. The acquisition strengthens the activities of the Healthcare business sector in this field. SpringWorks' portfolio features two highly innovative products: Ogsiveo® (nirogacestat) and Gomekli®/Ezmekly® (mirdametinib). Moreover, the acquisition strengthens our presence in the U.S. market and supports the growth of the Healthcare business sector.

As of the preparation of the consolidated interim financial statements 2026, a final purchase price allocation was already in place, taking into account a valuation report from an external expert. The purchase price in accordance with IFRS 3 for 100% of the voting rights amounted to US$ 3,778 million (€ 3,207 million) in cash.

Within the scope of purchase price allocation, part of the purchase price was assigned to:

- intangible assets for therapies involving the ingredients nirogacestat and mirdametinib that have either been approved or are undergoing approval,
- intangible assets from the valuation of a right acquired as part of the transaction, which entitles the holder to a priority review by the U.S. Food and Drug Administration,
- deferred tax assets from usable tax loss carryforwards, and
- deferred tax liabilities.

The final difference of € 580 million was recognized as goodwill and allocated in full to the Healthcare business sector. It includes expected synergies resulting from the integration of SpringWorks into the Group and unrecognized intangible assets such as the expertise of the workforce. The goodwill and final fair values of the acquired assets and liabilities correspond to the preliminary figures reported in the Notes to the Consolidated Financial Statements for 2025.

The goodwill, denominated in U.S. dollars, changed due to foreign exchange development from € 580 million at initial recognition to € 582 million as of December 31, 2025, and to € 602 million as of September 30, 2026. As expected, the goodwill is not tax deductible.

Final fair values at the acquisition date

€ million	SpringWorks
Non-current assets	
Other intangible assets	2,696
Property, plant and equipment	13
Other non-current assets	1
Deferred tax assets	282
	2,992
Current assets	
Inventories	65
Trade and other current receivables	48
Cash and cash equivalents	308
Other current assets	11
	432
Total assets	**3,423**
Non-current liabilities	
Other non-current provisions and other liabilities	6
Deferred tax liabilities	613
	619
Current liabilities	
Trade payables and other liabilities	19
Other current liabilities and provisions	158
	177
Total liabilities	**796**
Net assets acquired	**2,627**
Purchase price for the acquisition of shares in accordance with IFRS 3	**3,207**
Positive difference (goodwill)	**580**

Divestment of shares in Vera Therapeutics, Inc., USA

In fiscal 2026, the Group divested in full the shares it held in the listed company Vera Therapeutics, Inc., USA. The cumulative amount recognized in other comprehensive income of € 55 million attributable to the shares divested by September 30, 2026 was reclassified within retained earnings through other comprehensive income.

Divestment of shares in Celestial AI Inc., USA

On December 2, 2025, the owners of the M Ventures portfolio company Celestial AI Inc., USA (Celestial), approved a takeover offer by Marvell Technology Inc., USA (Marvell). The transaction closed on February 2, 2026. The entitlement to a cash payment in the mid-double-digit million U.S. dollar range and a Marvell share package in the mid-double-digit million U.S. dollar range, both of which resulted from the transaction, was fulfilled by Marvell. Moreover, the Group is entitled to sales-based contingent considerations, which are to be paid by Marvell in its own shares. As of September 30, 2026, these have not yet been paid and are valued at a low double-digit million euro amount. The cumulative amount of other comprehensive income attributable to the shares sold in the amount of € 91 million was reclassified within retained earnings through other comprehensive income upon the closure of the transaction.

Impairment losses on assets

In addition to impairment losses in connection with the divestment of the North American CDMO business, impairment losses of non-financial assets in the amount of € 96 million (Q3 2025: € 33 million) occurred in the third quarter of 2026, of which € 35 million was attributable to property, plant and equipment and € 61 million to intangible assets. The impairment losses on intangible assets were primarily due to discontinued development projects in the Healthcare (€ 40 million) and Electronics (€ 20 million) business sectors. Ad hoc impairment losses for property, plant and equipment amounting to € 21 million were mainly attributable to the Electronics business sector.

Initiatives for strategic alignment in the business sectors

Global initiatives for strategic realignment in the three business sectors Life Science, Healthcare and Electronics were both continued and commenced in fiscal 2026. The initiatives also comprise workforce reduction measures from communicated restructuring plans. In this connection, provisions amounting to a low triple-digit million euro figure were set up and recognized in profit or loss in the current fiscal year.

Refund of U.S. import duties due to Supreme Court judgment

On April 20, 2026, the Group began to assert its claim for the refund of tariffs charged by the United States in a high double-digit million euro amount following the corresponding judgment of the U.S. Supreme Court. In this connection, approved claims from CAPE Phase 1 and CAPE Phase 2 were recognized as a reduction of the cost of sales or an adjustment of costs of inventories in the reporting period. In the context of an intended refund of customs surcharges to affected U.S. customers, a refund liability was recognized along with an associated reduction in net sales. The remaining refund claims for CAPE Phase 3 were not recognized on the balance sheet in the reporting period due to associated uncertainties.

Agreement with the U.S. government on price, investment and trade conditions

In February 2026, the Group and the U.S. government signed the agreement announced in October 2025 on further measures in the U.S. health market with a term until January 2029. These measures comprise the provision of selected prescription drugs at Most Favored Nation prices (i.e. at the lowest price that the Group offers to a comparable buyer anywhere in the world) for the government healthcare program Medicaid, as well as the sale of fertility medicines directly to patients at significantly reduced prices. In addition, the agreement provides for investments of US$ 300 million for the establishment or expansion of existing production facilities in the United States by the end of 2028. In return, the Group receives tariff exemptions in the Healthcare business sector until January 1, 2029, comprising both the existing product portfolio and products in development as well as their associated active ingredients.

Impacts of the Gulf conflict

To date, the Gulf conflict has had no direct material impact on the net assets, financial position or results of operations of the Group. The share of net sales of the Group generated in Saudi Arabia, the United Arab Emirates, Israel, Iran, Kuwait, Lebanon, and Jordan is around 2%. Subsidiaries exist in Israel, Saudi Arabia and the United Arab Emirates.

The indirect effects of the armed conflict for the Group include increased logistics and energy costs in particular.

Repaying and taking on financial liabilities

The hybrid bond issued in fiscal 2020 with an outstanding nominal volume of € 271 million was repaid early and in full in September 2026.

Course of Business and Economic Position

Group

Development of net sales

The development of Group net sales across the individual business sectors in the third quarter of 2026 (quarter under review) was as follows:

Group

Net sales by business sector

€ million	Q3 2026	Share	Organic growth[1]	Exchange rate effects[1]	Acquisitions/ divestments[1]	Total change	Q3 2025	Share
Life Science	2,411	43%	6.1%	1.1%	0.4%	7.6%	2,241	42%
Healthcare	2,268	40%	0.9%	2.1%	–%	2.9%	2,203	41%
Electronics	948	17%	13.3%	0.9%	-5.7%	8.4%	875	17%
Group	**5,627**	**100%**	**5.1%**	**1.5%**	**-0.8%**	**5.8%**	**5,318**	**100%**

[1] Not defined by IFRS Accounting Standards.

In the third quarter of 2026, the regional breakdown of Group net sales was as follows:

Group

Net sales by region

€ million	Q3 2026	Share	Organic growth[1]	Exchange rate effects[1]	Acquisitions/ divestments[1]	Total change	Q3 2025	Share
Europe	1,639	29%	4.4%	-0.1%	-0.6%	3.6%	1,581	30%
North America	1,379	25%	-4.3%	1.4%	-0.5%	-3.4%	1,428	27%
Asia-Pacific (APAC)	1,956	35%	11.6%	1.8%	-1.2%	12.1%	1,745	33%
Latin America	410	7%	5.1%	7.2%	-0.8%	11.4%	368	7%
Middle East and Africa (MEA)	243	4%	22.3%	1.7%	-0.2%	23.8%	197	3%
Group	**5,627**	**100%**	**5.1%**	**1.5%**	**-0.8%**	**5.8%**	**5,318**	**100%**

[1] Not defined by IFRS Accounting Standards.

Results of operations

The following table presents the composition of EBITDA pre for the third quarter of 2026 in comparison with the year-earlier quarter. The IFRS figures have been modified to reflect the elimination of adjustments included in the respective functional costs.

Group

Reconciliation EBITDA pre[1]

	Q3 2026			Q3 2025			Change
€ million	IFRS	Elimination of adjustments	Pre[1]	IFRS	Elimination of adjustments	Pre[1]	Pre[1]
Net sales	**5,627**	**–**	**5,627**	**5,318**	**–**	**5,318**	**5.8%**
Cost of sales	-2,248	1	-2,247	-2,105	7	-2,097	7.1%
Gross profit	**3,379**	**1**	**3,380**	**3,213**	**7**	**3,221**	**4.9%**
Marketing and selling expenses	-1,183	25	-1,158	-1,128	12	-1,116	3.7%
Administration expenses	-393	45	-348	-332	12	-320	8.9%
Research and development costs	-635	-4	-638	-660	18	-642	-0.6%
Impairment losses and reversals of impairment losses on financial assets (net)	-7	–	-7	9	–	9	>100.0%
Other operating income and expenses	-508	423	-85	119	-40	79	>100.0%
Operating result (EBIT)[1]	**653**	**–**	**–**	**1,221**	**–**	**–**	
Margin (in % of net sales)[1]	11.6%			23.0%			
Depreciation/amortization/ impairment losses/reversals of impairment losses	962	-424	538	458	-19	439	22.7%
EBITDA[2]	**1,615**	**–**	**–**	**1,679**	**–**	**–**	
Margin (in % of net sales)[1]	28.7%			31.6%			
Restructuring expenses	28	-28	–	18	-18	–	
Integration expenses/IT expenses	29	-29	–	67	-67	–	
Gains (–)/losses (+) on the divestment of businesses	4	-4	–	-145	145	–	
Acquisition-related adjustments	4	-4	–	40	-40	–	
Other adjustments	2	-2	–	10	-10	–	
EBITDA pre[1]	**1,682**	**–**	**1,682**	**1,669**	**–**	**1,669**	**0.8%**
Margin (in % of net sales)[1]	29.9%			31.4%			
of which: organic growth[1]							0.4%
of which: exchange rate effects							0.2%
of which: acquisitions/divestments							0.2%

[1] Not defined by IFRS Accounting Standards.

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

- EBITDA pre, the key financial indicator for steering operating business, was 0.8% higher in the third quarter of 2026 compared with the year-earlier quarter. In the first nine months of 2026, EBITDA pre saw a moderate increase compared with the year-earlier period. The positive development in the first nine months of 2026 was driven by organic growth, which more than offset currency headwinds.
- After eliminating adjustments, marketing and selling expenses were 3.7% above the level of the year-earlier quarter in the third quarter of 2026, which was attributable to, among other things, market launch costs for products from the Rare Diseases Franchise in the Healthcare business sector. The net balance of other operating income and expenses after eliminating adjustments declined significantly in the third quarter of 2026. In the previous year, income from the sale of an intangible asset that entitles the holder to priority review by the U.S. Food and Drug Administration (FDA) had a positive influence on the net balance. Income from non-income taxes due to changes in legislation in Latin America also had a positive impact on the net balance in the year-earlier quarter and thus contributed to a higher year-on-year base.

- In the third quarter of 2026, the operating result (EBIT) was significantly below the level of the year-earlier quarter, which was mainly attributable to negative development of other operating income and expenses. This development was primarily attributable to impairment losses on assets in connection with the divestment of the North American CDMO (contract development and manufacturing organization) business of the Life Science business sector. The EBIT margin declined by 11.4 percentage points compared with the year-earlier quarter.
- Earnings per share pre (earnings per share after eliminating effects of adjustments and amortization on purchased intangible assets presented in the foregoing table after income taxes, EPS pre) amounted to € 2.32 in the third quarter of 2026 and were thus approximately at the level of the year-earlier quarter (Q3 2025: € 2.32). In the first nine months of 2026, EPS pre was slightly above the level of the previous year at € 6.59 (January–September 2025: € 6.46).

Financial position

The composition and development of net financial debt were as follows:

Group

Net financial debt[1]

			Change	
€ million	**Sept. 30, 2026**	Dec. 31, 2025	€ million	in %
Bonds	8,423	9,073	-650	-7.2%
Bank loans	197	179	19	10.6%
Liabilities to related parties	2,656	1,988	667	33.5%
Loans from third parties and other financial liabilities	66	64	2	3.4%
Liabilities from derivatives (financial transactions)	26	17	9	50.4%
Lease liabilities	624	648	-23	-3.6%
Financial debt	**11,992**	**11,968**	**24**	**0.2%**
less:				
Cash and cash equivalents	3,352	2,740	613	22.4%
Current financial assets[2]	907	610	297	48.7%
Net financial debt[1]	**7,733**	**8,619**	**-886**	**-10.3%**

[1] Not defined by IFRS Accounting Standards.

[2] Excluding current derivatives (operational) and contingent considerations, which are recognized in the context of business combinations according to IFRS 3.

As one of the three key performance indicators alongside net sales and EBITDA pre, operating cash flow developed as follows:

Group

Free cash flow

€ million	**Q3 2026**	Q3 2025	Change
EBITDA pre[1]	**1,682**	**1,669**	**0.8%**
Adjustments[1]	-67	10	>100.0%
Financial income and expenses[2]	-62	-99	-37.1%
Income tax[2]	-141	-225	-37.2%
Changes in working capital[1]	-116	-64	79.6%
thereof: changes in inventories[3]	31	-35	>100.0%
thereof: changes in trade accounts receivable[3]	-37	-72	-47.9%
thereof: changes in trade accounts payable/refund liabilities[3]	-109	42	>100.0%
Changes in provisions[3]	80	51	57.1%
Changes in other assets and liabilities[3]	294	346	-15.0%
Neutralization of gains/losses on disposals of fixed assets and other disposals[3]	–	-174	>100.0%
Other non-cash income and expenses[3]	-10	5	>100.0%
Operating cash flow	**1,660**	**1,518**	**9.4%**
Adjusted payments for investments in intangible and tangible assets[4]	-293	-413	-28.9%
Adjusted proceeds from the disposal of intangible and tangible assets[4]	–	3	-100.0%
Payments included in operating cash flow related to collaboration and licensing agreements	3	–	>100.0%
Proceeds included in operating cash flow related to collaboration and licensing agreements	-21	–	>100.0%
Payments for leasing	-33	-34	-5.0%
Free cash flow	**1,317**	**1,073**	**22.7%**

[1] Not defined by IFRS Accounting Standards.
[2] In accordance with the Group Income Statement.
[3] In accordance with the Group Cash Flow Statement.
[4] Please refer to the following table for the components of the adjustments.

	Payments for investments in intangible assets and tangible assets		Proceeds from the disposal of intangible assets and tangible assets	
€ million	**Q3 2026**	Q3 2025	**Q3 2026**	Q3 2025
Investment payments[1]	-362	-461	–	156
Adjustments proceeds (-)/payments (+)	–	–	–	–
Collaboration and licensing agreements	68	49	–	-153
Adjusted investment payments	**-293**	**-413**	**–**	**3**

[1] As reported in the Consolidated Cash Flow Statement.

Life Science

Development of net sales and results of operations

To strengthen customer experience, we announced an updated go-to-market strategy in October 2025. The updated model with the business units Process Solutions, Discovery Solutions and Advanced Solutions came into effect on January 1, 2026.

In the third quarter of 2026, net sales of the Life Science business sector developed as follows:

Life Science

Net sales by business unit

€ million	Q3 2026	Share	Organic growth[1]	Exchange rate effects[1]	Acquisitions/ divestments[1]	Total change	Q3 2025[2]	Share
Process Solutions	1,069	44%	10.5%	1.0%	1.1%	12.6%	949	42%
Discovery Solutions	722	30%	1.7%	1.3%	–%	3.0%	701	31%
Advanced Solutions	621	26%	4.3%	1.1%	-0.3%	5.1%	591	26%
Life Science	**2,411**	**100%**	**6.1%**	**1.1%**	**0.4%**	**7.6%**	**2,241**	**100%**

[1] Not defined by IFRS Accounting Standards.

[2] Prior-year figures have been adjusted to reflect the transformation of the three business units.

- The Process Solutions business unit, which markets products and services for the entire pharmaceutical production value chain, saw an organic sales increase of 10.5% in the third quarter of 2026. This marked the business unit's third consecutive double-digit organic quarterly increase this year. Net sales increased across all regions, driven primarily by higher demand from customer projects in downstream processing.
- The Discovery Solutions business unit, which provides fast and convenient access to high-quality biology and chemistry products, recorded continued slight organic growth in the third quarter of 2026, thereby once again confirming the positive impact of the go-to-market strategy. The increase in net sales was supported by a stabilizing market environment in the North America and Asia-Pacific regions.
- The Advanced Solutions business unit, which offers specialized products and services delivered through high-touch commercial models such as contract testing services and diagnostic and regulated materials, exhibited organic growth of 4.3% in the third quarter of 2026, continuing the trend seen in the previous quarters of the year. The steady growth in net sales was broad-based across all core regions and driven by higher demand, primarily in North America.

The following table presents the composition of EBITDA pre for the third quarter of 2026 in comparison with the year-earlier quarter. The IFRS figures have been modified to reflect the elimination of adjustments included in the respective functional costs.

Life Science

Reconciliation EBITDA pre[1]

	Q3 2026			Q3 2025			Change
€ million	IFRS	Elimination of adjustments	Pre[1]	IFRS	Elimination of adjustments	Pre[1]	Pre[1]
Net sales	**2,411**	**–**	**2,411**	**2,241**	**–**	**2,241**	**7.6%**
Cost of sales	-1,077	4	-1,073	-1,038	6	-1,033	3.9%
Gross profit	**1,334**	**4**	**1,338**	**1,202**	**6**	**1,208**	**10.7%**
Marketing and selling expenses	-569	11	-558	-545	3	-542	3.0%
Administration expenses	-129	21	-108	-104	8	-96	12.8%
Research and development costs	-114	–	-114	-101	–	-101	12.4%
Impairment losses and reversals of impairment losses on financial assets (net)	–	–	–	–	–	–	–%
Other operating income and expenses	-403	378	-25	-27	13	-15	71.4%
Operating result (EBIT)[1]	**119**			**425**			
Margin (in % of net sales)[1]	4.9%			19.0%			
Depreciation/amortization/ impairment losses/reversals of impairment losses	574	-370	203	207	–	207	-2.0%
EBITDA[2]	**692**			**632**			
Margin (in % of net sales)[1]	28.7%			28.2%			
Restructuring expenses	25	-25	–	13	-13	–	
Integration expenses/IT expenses	9	-9	–	7	-7	–	
Gains (–)/losses (+) on the divestment of businesses	4	-4	–	1	-1	–	
Acquisition-related adjustments	9	-9	–	8	-8	–	
Other adjustments	-5	5	–	–	–	–	
EBITDA pre[1]	**736**	**–**	**736**	**662**	**–**	**662**	**11.2%**
Margin (in % of net sales)[1]	30.5%			29.5%			
of which: organic growth[1]							8.7%
of which: exchange rate effects							1.0%
of which: acquisitions/divestments							1.6%

[1] Not defined by IFRS Accounting Standards.

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

- After the elimination of adjustments, gross profit for the Life Science business sector showed an increase of 10.7% in the third quarter of 2026 and 7.5% in the first nine months of 2026 compared with the respective year-earlier periods. Positive impacts, such as double-digit organic sales growth in Process Solutions, were partly offset by inflationary cost increases. Foreign exchange effects had a positive impact in the third quarter of 2026, while they showed unfavorable effects in the first nine months of 2026.
- After eliminating adjustments, marketing and selling as well as administration expenses saw an increase in the third quarter of 2026 and in the first nine months of 2026 compared with the respective year-earlier periods. Annual wage and salary increases, targeted hirings in growth areas and investments in automation (e.g. artificial intelligence) were partially offset by saving measures and positive foreign exchange effects. The increase in research and development costs after the elimination of adjustments was attributable to investments in new product developments and was partially offset by positive foreign exchange effects.
- While EBITDA pre saw an organic increase of 8.7% in the third quarter of 2026 and 8.1% in the first nine months of 2026, the strong organic growth of EBITDA pre was impacted by unfavorable foreign exchange effects in the first nine months of 2026, which slightly offset overall performance, resulting in an EBITDA pre margin of 30.5% in the third quarter of 2026 (Q3 2025: 29.5%) and 29.4% in the first nine months of 2026 (January–September 2025: 28.7%).

Healthcare

Development of net sales and results of operations

In line with our global specialty innovator strategy and to align our product offering with the commercial capabilities required, the Healthcare business sector has operated through the franchises of Rare Diseases, Fertility & Endocrinology, Cardiometabolic, and Specialty Care since the second quarter of 2026.

In the third quarter of 2026, sales of the key product lines and products developed as follows:

Healthcare

Net sales by major product lines / products

€ million	Q3 2026	Share	Organic growth[1]	Exchange rate effects[1]	Acquisitions/ divestments[1]	Total change	Q3 2025	Share
Rare Diseases	**123**	**5%**	**41.5%**	**2.1%**	**–%**	**43.6%**	**85**	**4%**
thereof: Ogsiveo®	78	3%	24.5%	1.7%	–%	26.1%	62	3%
thereof: Gomekli®	43	2%	80.4%	2.7%	–%	83.1%	23	1%
Fertility & Endocrinology	**514**	**23%**	**3.6%**	**1.2%**	**–%**	**4.8%**	**490**	**22%**
thereof: Gonal-f®	175	8%	-2.4%	0.4%	–%	-2.0%	179	8%
thereof: Pergoveris®	91	4%	14.1%	1.5%	–%	15.6%	79	4%
thereof: Saizen®	111	5%	16.4%	1.0%	–%	17.4%	94	4%
Cardiometabolic	**703**	**31%**	**5.2%**	**4.2%**	**–%**	**9.3%**	**643**	**29%**
thereof: Glucophage®	267	12%	3.0%	5.5%	–%	8.5%	247	11%
thereof: Concor®	179	8%	12.2%	2.2%	–%	14.4%	156	7%
thereof: Euthyrox®	188	8%	6.8%	4.6%	–%	11.4%	169	8%
Specialty Care	**832**	**37%**	**-10.2%**	**1.1%**	**–%**	**-9.1%**	**916**	**42%**
thereof: Erbitux®	329	14%	4.3%	1.9%	–%	6.2%	310	14%
thereof: Bavencio®	128	6%	-14.1%	-0.1%	–%	-14.2%	149	7%
thereof: Mavenclad®	232	10%	-25.1%	1.1%	–%	-24.0%	305	14%
thereof: Rebif®	104	5%	-12.1%	0.8%	–%	-11.3%	118	5%
Other	**95**	**4%**	**–%**	**–%**	**–%**	**–%**	**68**	**3%**
Healthcare	**2,268**	**100%**	**0.9%**	**2.1%**	**–%**	**2.9%**	**2,203**	**100%**

[1] Not defined by IFRS Accounting Standards.

- The Rare Diseases franchise mainly includes sales from the products Ogsiveo® (nirogacestat), which is used to treat progressing desmoid tumors, and Gomekli® (mirdametinib), which is used to treat adults and children aged two years and older with neurofibromatosis type 1-associated plexiform neurofibromas (NF1-PN). Both products were acquired upon the purchase of SpringWorks Therapeutics, Inc., USA, (SpringWorks) on July 1, 2025. Since July 1, 2026, both products have contributed to organic growth of net sales. Following successful approval in China and Canada, Pimicotinib, for the treatment of tenosynovial giant cell tumor (TGCT), also contributed to sales in the first nine months of fiscal 2026. The Rare Diseases franchise thus posted organic sales growth in the low forties percentage range in the third quarter of 2026 and in the period from January to September 2026; in both cases, this growth was largely driven by the North America and Europe regions.

- Sales of the Fertility & Endocrinology franchise grew organically by 3.6% in the third quarter of 2026 compared with the year-earlier period. Gonal-f®, the leading recombinant hormone used in the treatment of infertility, saw an organic sales decline of 2.4%. This development was primarily influenced by the North America region. In the same period, Pergoveris®, which combines recombinant human follicle-stimulating hormone (r-hFSH) and recombinant human luteinizing hormone (r-hLH), posted organic sales growth of 14.1%, to which the Asia-Pacific and Middle East & Africa regions in particular contributed. The product Saizen® for the treatment of various growth hormone disorders also recorded organic sales growth of 16.4%, driven largely by the Middle East & Africa and Europe regions. In the period from January to September 2026, the development of net sales in the Fertility & Endocrinology franchise remained roughly stable. Organic sales declines in the North America and Latin America regions were partially cushioned by positive sales development in the other regions. With respect to the products, sales growth of Pergoveris® and Saizen® did not completely offset the decline in sales of Gonal-f® and other products in the franchise.

- The Cardiometabolic franchise, which commercializes drugs for the treatment of cardiovascular diseases, thyroid disorders and diabetes, delivered organic sales growth of 5.2% in the third quarter of 2026. The 3.0% organic sales growth of the diabetes medicine Glucophage® was driven by all regions. The 12.2% organic sales growth of the beta-blocker Concor® was primarily attributable to the Asia-Pacific, Europe and Middle East & Africa regions. The organic sales growth of the thyroid medicine Euthyrox® was driven primarily by the Middle East & Africa, Europe and Asia-Pacific regions. In the period from January to September 2026, the Cardiometabolic franchise recorded moderate organic sales growth, which was primarily attributable to the Asia-Pacific and Europe regions. This was dampened by the sales decline in the Middle East & Africa and Latin America regions.
- The Specialty Care franchise, which combines our former Oncology and Neurology & Immunology portfolios, recorded an organic sales decline of 10.2% in the third quarter of 2026. The organic sales growth of Erbitux® (cetuximab) was primarily attributable to higher demand in Europe in both the third quarter of 2026 and the period from January to September 2026; organic growth was dampened by increased competitive pressure in the Asia-Pacific region.The oncology drug Bavencio® (avelumab) recorded an organic sales decline of around 14% in the quarter under review and saw a similar decline in the period from January to September 2026; this was caused by lower demand primarily in North America and Europe, but also in the Asia-Pacific region, as alternative treatment methods for patients with locally advanced or metastatic urothelial carcinoma were increasingly preferred. Sales of Mavenclad®, for the oral short-course treatment of highly active relapsing multiple sclerosis (MS), saw an organic decline both in the third quarter of 2026 and in the period from January to September 2026 due primarily to weaker demand in North America amid generics competition. By contrast, organic sales growth continued to be generated in the Europe, Middle East & Africa and Latin America regions. Sales of Rebif®, which is used to treat relapsing forms of MS, declined organically as a result of a shrinking interferon market due to competition from oral dosage forms and high-efficacy MS therapies; this was reflected in an organic sales decline of around 12% in the third quarter of 2026 and a similar decline in the first nine months of the fiscal year.
- Foreign exchange effects positively impacted the development of net sales in all franchises in the third quarter of 2026; however, in the period from January to September 2026, foreign exchange effects had a negative impact on net sales.

The following table presents the composition of EBITDA pre for the third quarter of 2026 in comparison with the year-earlier quarter. The IFRS figures have been modified to reflect the elimination of adjustments included in the respective functional costs.

Healthcare

Reconciliation EBITDA pre[1]

	Q3 2026			Q3 2025			Change
€ million	IFRS	Elimination of adjustments	Pre[1]	IFRS	Elimination of adjustments	Pre[1]	Pre[1]
Net sales	**2,268**	**–**	**2,268**	**2,203**	**–**	**2,203**	**2.9%**
Cost of sales	-634	-6	-640	-539	–	-539	18.9%
Gross profit	**1,633**	**-6**	**1,627**	**1,664**	**–**	**1,664**	**-2.2%**
Marketing and selling expenses	-478	14	-464	-464	16	-448	3.4%
Administration expenses	-94	8	-86	-99	13	-86	0.3%
Research and development costs	-430	-7	-437	-478	18	-461	-5.3%
Impairment losses and reversals of impairment losses on financial assets (net)	-7	–	-7	8	–	8	>100.0%
Other operating income and expenses	-6	-3	-9	12	35	47	>100.0%
Operating result (EBIT)[1]	**617**			**642**			
Margin (in % of net sales)[1]	27.2%			29.1%			
Depreciation/amortization/ impairment losses/reversals of impairment losses	203	-8	195	95	–	94	>100.0%
EBITDA[2]	**820**			**736**			
Margin (in % of net sales)[1]	36.2%			33.4%			
Restructuring expenses	–	–	–	–	–	–	
Integration expenses/IT expenses	9	-9	–	53	-53	–	
Gains (–)/losses (+) on the divestment of businesses	-10	10	–	6	-6	–	
Acquisition-related adjustments	–	–	–	23	-23	–	
Other adjustments	–	–	–	–	–	–	
EBITDA pre[1]	**819**	**–**	**819**	**818**	**–**	**818**	**0.1%**
Margin (in % of net sales)[1]	36.1%			37.1%			
of which: organic growth[1]							-3.6%
of which: exchange rate effects							3.8%
of which: acquisitions/divestments							-0.2%

[1] Not defined by IFRS Accounting Standards.

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

- After eliminating adjustments, the gross profit and gross margin declined in the third quarter of 2026; this was mainly attributable to the amortization of intangible assets in connection with the final purchase price allocation for the acquisition of SpringWorks, which was not yet included in the operating result in the year-earlier quarter. In the period from January to September 2026, the gross profit after the elimination of adjustments and the gross margin after the elimination of adjustments both declined due to the aforementioned aspect.

- After eliminating adjustments, marketing and selling expenses were above the level of the previous year in the third quarter of 2026, primarily as a result of market launch costs for products from the Rare Diseases franchise. Administration expenses remained roughly stable in the third quarter of 2026 after eliminating adjustments. After the elimination of adjustments, marketing and selling expenses and administration expenses increased in the first nine months of 2026 compared with the year-earlier period due mainly to additional follow-on costs since the acquisition of SpringWorks on July 1, 2025.

- In the third quarter of 2026, research and development costs decreased by 5.3% after the elimination of adjustments compared with the year-earlier quarter. This was driven primarily by higher costs in the year-earlier quarter due to post-trial obligations after a clinical trial ended. By contrast, in the period from January to September 2026, research and development costs after the elimination of adjustments increased compared with the year-earlier period as a result of the continuous intensification of research and development projects and additional follow-on costs after the acquisition of SpringWorks.
- The net balance of other operating income and expenses after eliminating adjustments was negative in the third quarter of 2026 in contrast to the year-earlier quarter. In the previous year, income from the sale of an intangible asset that entitles the holder to priority review by the U.S. Food and Drug Administration (FDA) had a positive influence on the operating result. In the period from January to September 2026, the net balance of other operating income and expenses after the elimination of adjustments was positively impacted by income from licensing agreements.
- In the third quarter of 2026, EBITDA pre was at the level of the previous year and recorded a margin of 36.1% (Q3 2025: 37.1%). EBITDA pre and the EBITDA pre margin declined in the first nine months of fiscal 2026. In addition to the aforementioned reasons, foreign exchange effects had a negative impact on the development of EBITDA pre.

Electronics

Development of net sales and results of operations

In the third quarter of 2026, net sales of the Electronics business sector developed as follows:

Electronics

Net sales by business unit

€ million	Q3 2026	Share	Organic growth[1]	Exchange rate effects[1]	Acquisitions/ divestments[1]	Total change	Q3 2025[2]	Share
Semiconductor Solutions	752	79%	18.7%	0.4%	–%	19.2%	631	72%
Optronics	196	21%	-0.9%	2.5%	–%	1.6%	193	22%
Surface Solutions	–	–%	–%	–%	-100.0%	-100.0%	50	6%
Electronics	**948**	**100%**	**13.3%**	**0.9%**	**-5.7%**	**8.4%**	**875**	**100%**

[1] Not defined by IFRS Accounting Standards.

[2] Prior-year figures have been adjusted owing to an internal realignment.

- Net sales of the Semiconductor Solutions business unit, which comprises the two businesses Semiconductor Materials and Delivery Systems & Services (DS&S), recorded organic growth of 18.7% in the third quarter of 2026. This accelerated growth compared with the second quarter of 2026 was driven by demand for state-of-the-art microchips (advanced nodes) in the field of artificial intelligence as well as for mature microchips (mature nodes). DS&S additionally supported organic growth of net sales in the Semiconductor Solutions business unit. Favorable foreign exchange effects had a minor positive impact on net sales development in the third quarter of 2026. In the first nine months of Fiscal 2026, the Semiconductor Solutions business unit achieved strong organic sales growth.
- Net sales of the Optronics business unit, consisting mainly of the business with liquid crystals, photoresists for display applications, OLED materials, and metrology and inspection equipment, declined organically by 0.9% in the third quarter of 2026. This was primarily attributable to ongoing price pressure and lower demand for liquid crystals. Positive foreign exchange effects offset this development and led to an overall increase in net sales in the quarter under review. In the first nine months of 2026, net sales of the Optronics business unit recorded a slight organic decline.
- The Surface Solutions business unit was divested to Global New Material International Holdings Ltd., Cayman Islands, on July 31, 2025. This is reflected in the reported divestment effect.

The following table presents the composition of EBITDA pre for the third quarter of 2026 in comparison with the year-earlier quarter. The IFRS figures have been modified to reflect the elimination of adjustments included in the respective functional costs.

Electronics

Reconciliation EBITDA pre[1]

	Q3 2026			Q3 2025			Change
€ million	IFRS	Elimination of adjustments	Pre[1]	IFRS	Elimination of adjustments	Pre[1]	Pre[1]
Net sales	**948**	**–**	**948**	**875**	**–**	**875**	**8.4%**
Cost of sales	-537	3	-534	-527	2	-525	1.6%
Gross profit	**412**	**3**	**415**	**348**	**2**	**349**	**18.7%**
Marketing and selling expenses	-126	–	-126	-120	-7	-127	-1.0%
Administration expenses	-46	8	-38	-14	-17	-31	22.0%
Research and development costs	-77	2	-75	-76	–	-76	-1.8%
Impairment losses and reversals of impairment losses on financial assets (net)	–	–	–	–	–	–	–%
Other operating income and expenses	-48	43	-5	112	-98	13	>100.0%
Operating result (EBIT)[1]	**115**			**249**			
Margin (in % of net sales)[1]	12.1%			28.5%			
Depreciation/amortization/ impairment losses/reversals of impairment losses	149	-41	108	126	-18	107	1.0%
EBITDA[2]	**264**			**375**			
Margin (in % of net sales)[1]	27.8%			42.9%			
Restructuring expenses	-3	3	–	3	-3	–	
Integration expenses/IT expenses	9	-9	–	2	-2	–	
Gains (–)/losses (+) on the divestment of businesses	9	-9	–	-153	153	–	
Acquisition-related adjustments	–	–	–	9	-9	–	
Other adjustments	–	–	–	–	–	–	
EBITDA pre[1]	**279**	**–**	**279**	**236**	**–**	**236**	**18.4%**
Margin (in % of net sales)[1]	29.5%			27.0%			
of which: organic growth[1]							17.5%
of which: exchange rate effects							3.5%
of which: acquisitions/divestments							-2.5%

[1] Not defined by IFRS Accounting Standards.
[2] Not defined by IFRS Accounting Standards; EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.

- Thanks to increased sales growth and the focus on the core business, the gross profit of the Electronics business sector after eliminating adjustments grew by 18.7% in the third quarter of 2026. The gross margin after eliminating adjustments increased in the third quarter of 2026 compared with the year-earlier quarter to 43.8% (Q3 2025: 39.9%). This was driven by the increased focus on the more profitable core business and, in particular, sales growth in Semiconductor Solutions.
- After the elimination of adjustments, marketing and selling expenses and research and development costs in the third quarter of 2026 were at the level of the year-earlier quarter. Measures with the objective of increasing cost efficiency in the areas of logistics and administration continued to contribute toward offsetting negative inflation effects.
- Other operating income and expenses after the elimination of adjustments declined in the third quarter of 2026 compared with the year-earlier quarter; this was mainly attributable to positive one-time effects in the previous year.
- Overall, EBITDA pre in the third quarter of 2026 was above the level of the year-earlier quarter. At 29.5%, the EBITDA pre margin was above the level of the year-earlier quarter (Q3 2025: 27.0%), which reflects the aforementioned effects.

Corporate and Other

Corporate and Other comprises administration expenses for Group functions that cannot be directly allocated to the business sectors.

Corporate and Other

Key figures

€ million	**Q3 2026**	Q3 2025	Change
Operating result (EBIT)[1]	-197	-95	>100.0%
EBITDA[2]	-161	-65	>100.0%
EBITDA pre[1]	-152	-47	>100.0%

[1] Not defined by IFRS Accounting Standards.

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

The operating result and EBITDA declined in the third quarter of 2026 compared with the year-earlier period. This was mainly attributable to income from non-income taxes due to changes in legislation in Latin America, which positively impacted the operating result in the previous year, as well as a decline in the foreign currency result from operating activities. This also resulted in a decline in EBITDA pre in the third quarter of 2026.

Likewise, in the first nine months of 2026, the operating result, EBITDA and EBITDA pre were below their respective values in the year-earlier period.

Report on expected developments

With the half-yearly financial report dated June 30, 2026, we provided a forecast for the development of net sales and EBITDA pre for the Group and the individual business sectors Life Science, Healthcare and Electronics as well as guidance for Group free cash flow in fiscal 2026. With this quarterly statement dated September 30, 2026, we update this forecast as follows:

Forecast for the Group

Forecast for FY 2026

€ million	Net sales	EBITDA pre[1]	Free cash flow
Group	**~21,500 to 21,900** Organic +3% to +4% Foreign exchange effect -1% to 0% Portfolio ~0%	**~6,200 to 6,400** Organic +3% to +5% Foreign exchange effect -2% to 0% Portfolio ~0%	**~2,300 to 2,700**
Life Science	**~9,400 to 9,600** Organic +6% to +7% Foreign exchange effect -1% to 0% Portfolio ~+1%	**~2,750 to 2,850** Organic +6% to +8% Foreign exchange effect -2% to 0% Portfolio ~+2%	
Healthcare	**~8,500 to 8,700** Organic -3% to -2% Foreign exchange effect 0% to +1% Portfolio +2.4% (€ 207 million)	**~2,900 to 3,000** Organic -5% to -3% Foreign exchange effect 0% to +1% Portfolio ~0%	
Electronics	**~3,600** Organic +10% to +11% Foreign exchange effect -2% to -1% Portfolio -7.0% (€ -245 million)	**~1,100** Organic +33% to +35% Foreign exchange effect 0% to +1% Portfolio -3.3% (€ -28 million)	
Corporate and Other		**~-550**	

[1] Not defined by IFRS® Accounting Standards (IFRS Accounting Standards); EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.

EPS pre € 8.30 to € 8.70, based on an underlying tax rate of 22%.

Fundamental assumptions

Against the backdrop of the ongoing highly dynamic development of macroeconomic, geopolitical and industry-specific conditions, the forecast is again subject to increased uncertainty in fiscal 2026.

As of November 2026, the Report on Expected Developments no longer takes into account sales of Mavenclad® in the United States (previous forecast: as of August 2026).

As regards the Gulf conflict, we assume that the impacts of the conflict such as temporary and isolated restrictions to shipping routes will persist, but the markets will gradually stabilize. Further escalation and the involvement of additional countries in the conflict are not taken into account in this forecast.

The acquisition of SpringWorks Therapeutics, Inc., USA, (SpringWorks) on July 1, 2025 and the divestment of our Surface Solutions business on July 31, 2025 are both reflected as a portfolio effect in this forecast, largely in the first half of 2026. The acquisition of SpringWorks has contributed to organic development since the second half of 2026. In addition, this forecast reflects the acquisition of Bio-Techne Corporation, USA, for the month of December as a portfolio effect in the Life Science business sector. This is an assumption; the actual closing date of the transaction may differ. The transactions lead to material portfolio effects in the respective business sectors. The effects virtually cancel each other out at Group level.

We expect a volatile environment as regards the development of foreign exchange rates. For fiscal 2026, we expect negative foreign exchange effects compared with 2025, albeit to a lesser extent than in the previous forecast. The main driver compared with 2025 is the development of the U.S. dollar. Moreover, numerous Asian currencies and foreign exchange developments in various emerging and developing economies will contribute to the foreign exchange effects. Compared with the previous forecast, we continue to anticipate negative effects, albeit somewhat less pronounced. We now expect the average euro–U.S. dollar exchange rate for fiscal 2026 to fall within a range of 1.14 to 1.16.

Net sales

With this report, we raise the forecast for net sales in fiscal 2026 and now expect an organic increase within a corridor of +3% to +4% (previously +1% to +3%). In comparison with the previous forecast, we have adjusted the U.S. sales figures of Mavenclad® to be taken into account. Furthermore, in the Electronics business sector, we still expect a stronger demand trend in the Semiconductor Solutions business unit.

In fiscal 2026, we forecast organic sales growth in the Life Science and Electronics business sectors; by contrast, we expect a decline in Healthcare. Organic growth within Life Science will once again be mainly attributable to the Process Solutions business unit in fiscal 2026 as a result of a solid demand trend. We also expect organic growth in the Advanced Solutions business unit. The organic sales decline in the Healthcare business sector will be driven largely by the significant decline of Mavenclad® in connection with competition from generic drugs in the United States. Furthermore, we expect an organic decline in sales of Bavencio®, reflecting more intense competition among other things. Forecast organic growth in medicines for the treatment of cardiometabolic diseases and expected contributions to growth in the Rare Diseases franchise, which will be reported in organic growth from the second half of 2026, will partially offset this. We expect the Electronics business sector to return to organic growth, attributable mainly to the sustained growth dynamics in our semiconductor materials business within the Semiconductor Solutions business unit. This development will be driven mainly by demand for state-of-the-art microchips (advanced nodes) in the field of artificial intelligence. Including foreign exchange effects of -1% to 0% (previously: -2% to 0%), we now anticipate net sales for the Group of between € 21.5 billion and € 21.9 billion (previously: € 21.0 billion to € 21.8 billion/2025: € 21.1 billion).

EBITDA pre[1]

We are also raising our forecast for EBITDA pre and now assume organic development of +3% to +5% (previously: 0% to +3%). In comparison with the previous forecast, the development will largely be in line with sales performance.

In fiscal 2026, we assume that organic growth in the Life Science and Electronics business sectors will offset the organic decline in Healthcare. Organic growth in Life Science will follow organic sales growth, supported by continuing cost discipline. The organic decline in Healthcare will result primarily from the loss of patent protection for Mavenclad® in the United States and the associated organic sales decline. The development also reflects growth investments, which are visible in research and development costs in particular. Strict cost discipline and prioritization of resource allocation will have a mitigating effect. Double-digit organic growth rates in Electronics will result from expected organic sales growth and the sale of OLED patents from the portfolio of the Optronics business for € 43 million in the first quarter of 2026. Moreover, positive growth effects will result from negative one-time effects in 2025, which lead to a lower year-on-year base. Efficiency measures and active cost management will also contribute to this development. The year-on-year decrease in earnings under Corporate and Other (2025: € -388 million) will be primarily attributable to one-time income in fiscal 2025 due to changes in legislation in Latin America as well as lower positive effects from currency hedging transactions. Including foreign exchange effects of -2% to 0% (previously: -2% to 0%), we anticipate EBITDA pre for the Group of between € 6.2 billion and € 6.4 billion (previously: € 5.9 billion to € 6.3 billion/2025: € 6.1 billion).

[1] Not defined by IFRS® Accounting Standards (IFRS); EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.

Free cash flow

As of fiscal 2026, free cash flow is one of the most important key performance indicators for the Group, replacing operating cash flow. Free cash flow is defined as operating cash flow less payments made for investments in intangible assets and property, plant and equipment, and plus payments received for the sale of intangible assets, property, plant and equipment and leases. To obtain the best possible understanding of the underlying actual performance of liquid assets, certain payments made and received in connection with the purchase and sale of intangible assets and property, plant and equipment, especially in connection with collaboration and licensing agreements, are not included in free cash flow. The forecast for free cash flow is generally subject to a higher fluctuation corridor than the forecast for EBITDA pre. We provide an estimate of the development of free cash flow only for the Group as a whole.

In fiscal 2026, the development of free cash flow is expected to be largely in line with the organic performance of EBITDA pre. Lower investment-related cash outflows also have a positive effect. The forecast negative foreign exchange effects will dampen this. Moreover, the consideration of financing-related payments as part of the SpringWorks acquisition will burden free cash flow throughout the fiscal year.

Compared with the previous forecast, free cash flow primarily reflects the total change of EBITDA pre and improved management of working capital, meaning that we can increase our expectations for fiscal 2026; we now anticipate free cash flow within a corridor of € 2.3 billion to € 2.7 billion (previously: € 1.8 billion to € 2.3 billion/2025: € 2.1 billion).

As regards the composition of free cash flow, we refer to the section entitled **Course of Business and Economic Position** in this report.

supplemental financial information

Consolidated Income Statement

€ million	**Q3 2026**	Q3 2025	**Jan.-Sept. 2026**	Jan.-Sept. 2025
Net sales	**5,627**	**5,318**	**16,195**	**15,853**
Cost of sales	-2,248	-2,105	-6,585	-6,468
Gross profit	**3,379**	**3,213**	**9,610**	**9,385**
Marketing and selling expenses	-1,183	-1,128	-3,480	-3,362
Administration expenses	-393	-332	-1,175	-1,041
Research and development costs	-635	-660	-1,977	-1,751
Impairment losses and reversals of impairment losses on financial assets (net)	-7	9	-9	6
Other operating income	113	310	420	447
Other operating expenses	-621	-191	-1,045	-567
Operating result (EBIT)[1]	**653**	**1,221**	**2,343**	**3,118**
Finance income	57	27	117	72
Finance costs	-119	-126	-360	-283
Profit before income tax	**591**	**1,122**	**2,100**	**2,907**
Income tax	-141	-225	-487	-616
Profit after income tax	**450**	**898**	**1,613**	**2,291**
thereof: attributable to shareholders of Merck KGaA, Darmstadt, Germany (net income)	450	902	1,600	2,289
thereof: attributable to non-controlling interests	–	-4	13	2
Earnings per share (€)				
Basic	1.04	2.07	3.68	5.26
Diluted	1.04	2.07	3.68	5.26

[1] Not defined by IFRS® Accounting Standards.

Consolidated Statement of Comprehensive Income

€ million	Q3 2026	Q3 2025	Jan.-Sept. 2026	Jan.-Sept. 2025
Profit after income tax	**450**	**898**	**1,613**	**2,291**
Items of other comprehensive income that will not be reclassified to profit or loss in subsequent periods				
Net defined benefit liability				
Changes in remeasurement	213	42	234	306
Tax effect	-44	-18	-45	-70
Changes recognized in equity	169	25	189	236
Equity instruments				
Fair value adjustments	213	-70	220	-133
Tax effect	-24	-5	-24	3
Changes recognized in equity	190	-75	196	-130
	359	**-50**	**385**	**106**
Items of other comprehensive income that may be reclassified to profit or loss in subsequent periods				
Cash flow hedge reserve				
Fair value adjustments	77	3	97	253
Reclassification to profit or loss	59	-15	-45	-142
Tax effect	-37	4	-33	-33
Changes recognized in equity	100	-9	19	78
Cost of cash flow hedge reserve				
Fair value adjustments	23	-5	13	-11
Reclassification to profit or loss	1	5	11	6
Tax effect	–	1	-1	2
Changes recognized in equity	23	–	22	-3
Currency translation difference				
Changes taken directly to equity	234	-53	1,000	-3,052
Reclassification to profit or loss	–	-116	4	-116
Changes recognized in equity	234	-169	1,004	-3,168
	357	**-178**	**1,046**	**-3,093**
Other comprehensive income	**716**	**-228**	**1,431**	**-2,987**
Comprehensive income	**1,166**	**670**	**3,043**	**-696**
thereof: attributable to shareholders of Merck KGaA, Darmstadt, Germany	1,165	676	3,029	-694
thereof: attributable to non-controlling interests	–	-6	14	-2

Consolidated Balance Sheet

€ million	Sept. 30, 2026	Dec. 31, 2025
Non-current assets		
Goodwill	18,342	17,934
Other intangible assets	7,365	7,662
Property, plant and equipment	9,719	9,940
Investments accounted for using the equity method	3	3
Non-current receivables	33	32
Other non-current financial assets	1,316	992
Other non-current non-financial assets	124	114
Non-current income tax receivables	7	3
Deferred tax assets	1,610	1,618
	38,519	**38,298**
Current assets		
Inventories	4,777	4,562
Trade and other current receivables	4,394	3,947
Contract assets	181	103
Other current financial assets	920	688
Other current non-financial assets	756	716
Current income tax receivables	272	356
Cash and cash equivalents	3,352	2,740
Assets held for sale	490	118
	15,143	**13,230**
Total assets	**53,662**	**51,527**
Total equity		
Equity capital	565	565
Capital reserves	3,814	3,814
Retained earnings	25,739	24,039
Gains/losses recognized in equity	1,219	174
Equity attributable to shareholders of Merck KGaA, Darmstadt, Germany	31,337	28,592
Non-controlling interests	118	68
	31,455	**28,660**
Non-current liabilities		
Non-current provisions for employee benefits	1,389	1,553
Other non-current provisions	346	259
Non-current financial debt	10,342	10,730
Other non-current financial liabilities	109	104
Other non-current non-financial liabilities	9	9
Non-current income tax liabilities	36	36
Deferred tax liabilities	1,018	1,134
	13,248	**13,826**
Current liabilities		
Current provisions for employee benefits	150	63
Current provisions	538	481
Current financial debt	1,650	1,238
Other current financial liabilities	337	998
Trade and other current payables	2,041	2,110
Refund liabilities	1,094	985
Current income tax liabilities	1,448	1,579
Other current non-financial liabilities	1,622	1,588
Liabilities directly related to assets held for sale	79	–
	8,958	**9,042**
Total equity and liabilities	**53,662**	**51,527**

Consolidated Cash Flow Statement

€ million	Q3 2026	Q3 2025	Jan.-Sept. 2026	Jan.-Sept. 2025
Profit after income tax	**450**	**898**	**1,613**	**2,291**
Depreciation/amortization/impairment losses/reversals of impairment losses	962	458	2,021	1,388
Changes in inventories	31	-35	-198	-252
Changes in trade accounts receivable	-37	-72	-367	-448
Changes in trade accounts payable/refund liabilities	-109	42	124	81
Changes in provisions	80	51	281	88
Changes in other assets and liabilities	294	346	-294	-345
Neutralization of gains/losses on disposal of fixed assets and other disposals	–	-174	-40	-170
Other non-cash income and expenses	-10	5	-56	8
Operating cash flow	**1,660**	**1,518**	**3,083**	**2,641**
Payments for investments in intangible assets	-115	-83	-272	-265
Proceeds from the disposal of intangible assets	–	153	37	159
Payments for investments in property, plant and equipment	-247	-378	-956	-1,165
Proceeds from the disposal of property, plant and equipment	–	3	16	11
Payments for investments in other assets	-148	-526	-1,489	-1,177
Proceeds from the disposal of other assets	609	201	1,601	1,249
Payments for acquisitions less acquired cash and cash equivalents (net)	1	-2,917	-195	-2,920
Payments related to divestments	–	–	-5	–
Proceeds related to divestments	–	430	–	430
Investing cash flow	**100**	**-3,116**	**-1,263**	**-3,678**
Dividend payments to shareholders of Merck KGaA, Darmstadt, Germany	–	–	-284	-284
Dividend payments to non-controlling interests	–	-1	-4	-10
Profit withdrawal by E. Merck KG, Darmstadt, Germany	–	–	-754	-755
Proceeds from new borrowings of financial debt from E. Merck KG, Darmstadt, Germany, and E. Merck Beteiligungen KG, Darmstadt, Germany, a related party of E. Merck KG, Darmstadt, Germany	–	–	800	809
Repayments of financial debt to E. Merck KG, Darmstadt, Germany, and E. Merck Beteiligungen KG, Darmstadt, Germany, a related party of E. Merck KG, Darmstadt, Germany	–	-51	-135	-164
Changes in other current and non-current financial debt	-381	2,756	-854	1,242
Financing cash flow	**-382**	**2,704**	**-1,231**	**838**
Changes in cash and cash equivalents	**1,379**	**1,106**	**589**	**-200**
Changes in cash and cash equivalents due to currency translation	19	-21	23	-67
Cash and cash equivalents at the beginning of the reporting period	1,955	1,166	2,740	2,517
Changes in cash and cash equivalents due to reclassification to assets held for sale	–	–	–	–
Cash and cash equivalents as of September 30 (consolidated balance sheet)	**3,352**	**2,251**	**3,352**	**2,251**

Subsequent events

On October 19, 2026, the Group announced a definitive agreement to acquire Silence Therapeutics plc, United Kingdom (Silence Therapeutics). Silence Therapeutics is a global biotechnology company that specializes in clinical development, with a focus on developing therapies based on siRNA (short interfering RNA) in areas with high unmet medical needs. As part of the planned acquisition, the pipeline of our company will be expanded to include the siRNA investigational therapy divesiran in particular – a potentially best-in-class, phase III-ready active ingredient currently in development for the treatment of phlebotomy-dependent polycythemia vera.

The agreed purchase price of US$ 20 per American depositary share (ADS) in cash, with each ADS representing three ordinary shares of Silence Therapeutics, represents an enterprise value of US$ 1.1 billion and an equity value of approximately US$ 1.3 billion (€ 1.2 billion). The transaction will be financed through newly issued bonds. The foreign currency risk arising from the payment of the purchase price in U.S. dollars has been hedged in full using forward exchange contracts that were entered into in October 2026.

The transaction will be effected through a UK scheme of arrangement. Closing is subject to antitrust clearances in the United States and Germany, the approval of the Silence Therapeutics shareholders, court confirmation of the scheme of arrangement, and other customary closing conditions. The transaction is expected to close in the first quarter of 2027.

On November 3, 2026, the Group signed a binding agreement for the divestment of its North American CDMO (contract development and manufacturing organization) business in the Life Science business sector to Lonza Group AG, Switzerland. In this connection, the assets and liabilities of the disposal group were reclassified as assets held for sale or liabilities directly related to assets held for sale as of September 30, 2026.

Subsequent to the balance sheet date, no other events of special importance occurred that are expected to have a material impact on the net assets, financial position or results of operations.

Darmstadt, November 10, 2026



Kai Beckmann



Dan Pinhas Bar Zohar



Khadija Ben Hammada



Benjamin Hein



Helene von Roeder



Jean-Charles Wirth

financial calendar

March 4, 2027 Annual Report 2026

April 23, 2027 Annual General Meeting

May 13, 2027 Quarterly Statement Q1

August 5, 2027 Half-yearly Financial Report

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