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News Release

August 27, 2014

H\ Y Biopharmaceutical Division cZA YfW_'?; U5 z̃8 Ufa ghUXhz̃; Yfa Ubnž Announces; fci bXVfYU_]b['cZBYk 'D\ Ufa UWYi h]WU 'A Ubi ZUWi f]b[': UW]]hmi in China, its Second Largest Worldwide

- The biopharmaceutical division is the first and only multinational company in China to dedicate a large scale green-field investment to the production of pharmaceuticals on China's essential drug list
- First shipment of drugs to patients in 2017
- Facility is designed to comply with the highest international standards in terms of quality, environment, health and safety

Nantong, China, August 27, 2014 – The biopharmaceuticals division of Merck KGaA, Darmstadt, Germany, today held the groundbreaking ceremony for its new pharmaceutical manufacturing facility in Nantong, China. The new facility, which will be the Group's second-largest pharmaceutical manufacturing facility worldwide, will focus on the bulk production and packaging of Glucophage®, Concor® and Euthyrox®, the biopharmaceuticals division's leading brands for the treatment of diabetes, cardiovascular diseases and thyroid disorders, respectively. These medicines are referenced in China's essential drug list, making the biopharmaceutical division the first and only multinational company in China to dedicate a large scale green-field investment to the production of drugs on the list, comprising medicines that address public healthcare needs and must be available at all times.

"We have steadfastly aligned our focus and strategy with the Chinese government's efforts to increase patient access to quality care throughout the country," said Belén Garijo, President and Chief Executive Officer at the biopharmaceuticals division of

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Merck KGaA





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Merck KGaA, Darmstadt, Germany. "Today, we are focused on localizing production to better cater to the demands of Chinese doctors and patients. At the same time, we are localizing research and development to further build a differentiated portfolio of medicines in China, aimed at serving patient needs for general as well as specialized care. We are also creating alliances and partnerships with local partners in every part of our operations."

The new pharmaceutical manufacturing plant is located in the Nantong Economical Technological Development Area (NETDA), in the Greater Shanghai region (Yangtze River Delta area). Based in NETDA's BioSpark zone, a high-tech industrial park designed to accommodate life science enterprises, the plant represents an investment of € 80 million and will be the largest manufacturing facility of Merck KGaA, Darmstadt, Germany, outside of Europe. The new facility will cover an area of 40,000 square meters, with a possible 20,000 square meters extension. The construction of the site is scheduled to be completed in 2016, with commercial production starting in 2017. The site is designed to comply with the highest international standards in terms of quality, as well as environment, health and safety. The preservation of the environment is a critical consideration in the facility's construction, with a maximization of resource efficiency and minimized waste generation in the course of the manufacturing process.

"We firmly believe that complying with the highest quality, environment, health and safety standards is a natural commitment to the communities where we operate, as well as a prerequisite to ensuring the availability of high-quality medicines for patients," said E. Allan Gabor, President and Chief Executive Officer of the company's biopharmaceutical division China. "By building our new facility in the great city of Nantong, we are committing our resources to the clear objective that our drugs be made more readily available for hospitals, doctors and patients in China. This emphasis is part of a greater goal to promote not just better access to medicines, but better access to health for every person in this country. This is a key goal for China, and this is the company's biopharmaceutical division's commitment."

Caption to the attached photo:





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The biopharmaceutical division Senior Executives of Merck KGaA, Darmstadt, Germany, and Nantong Government Officials Celebrate the Groundbreaking of the Company's Nantong Pharmaceutical Manufacturing Facility.

About the biopharmaceutical division of Merck KGaA, Darmstadt, Germany, in China

Headquartered in Beijing, the company's biopharmaceutical division in China currently employs 1,400 people in the country. It offers a portfolio of medicines addressing some of the key rising healthcare needs of the Chinese population, including the division's leading brands serving patients with cancer (Erbitux®), infertility (Gonal-f®), cardiometabolic diseases (Concor®), as well as endocrine diseases (Glucophage®, Euthyrox® and Thyrozol®).

The biopharmaceutical division of Merck KGaA, Darmstadt, Germany, in China also has branch offices in key cities, a research center in Beijing, clinical development capabilities across the country, as well as an extensive network of collaborations with leading academic and medical institutions, as well as local companies.

About the biopharmaceutical division of Merck KGaA, Darmstadt, Germany

With headquarters in Darmstadt, Germany, the company's biopharmaceutical division offers leading brands in 150 countries to help patients with cancer, multiple sclerosis, infertility, endocrine and metabolic disorders as well as cardiovascular diseases. In the United States and Canada, EMD Serono operates as the separately incorporated subsidiary EMD Serono Inc.

The biopharmaceutical division of Merck KGaA, Darmstadt, Germany, discovers, develops, manufactures and markets prescription medicines of both chemical and biological origin in specialist indications. We have an enduring commitment to deliver novel therapies in our core focus areas of neurology, oncology, immuno-oncology and immunology.

For more information, please visit www.emdgroup.com and www.emdserono.com.

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About Merck KGaA, Darmstadt, Germany

Merck KGaA of Darmstadt, Germany, is a leading company for innovative and top-quality high-tech products in the pharmaceutical and chemical sectors. Its subsidiaries in Canada and the United States operate under the umbrella brand EMD. Around 39,000 employees work in 66 countries to improve the quality of life for patients, to further the success of customers and to help meet global challenges. The company generated total revenues of € 11.1 billion in 2013 with its four divisions: Biopharmaceuticals, Consumer Health, Performance Materials and Life Science Tools. Merck KGaA of Darmstadt, Germany is the world's oldest pharmaceutical and chemical company – since 1668, the name has stood for innovation, business success and responsible entrepreneurship. Holding an approximately 70 percent interest, the founding family remains the majority owner of the company to this day.