

Bank of America Merrill Lynch 2012 Health Care Conference

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Merck KGaA

Darmstadt · Germany



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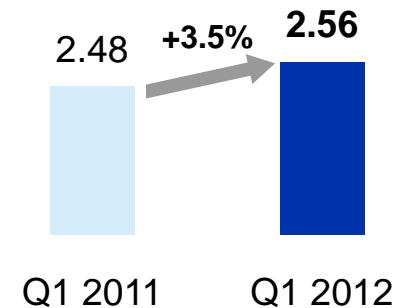
Q1 2012 Summary

Key Highlights

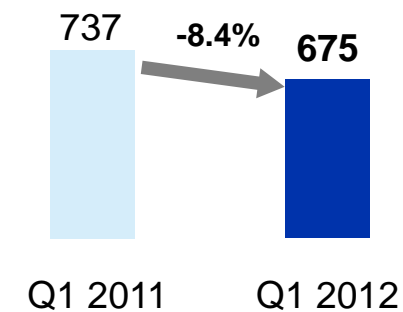
- Reasonable operational performance despite difficult year-over-year comparison
- Biopharmaceuticals and Life Science drive all of the organic revenue growth
- Performance Materials declines after a strong start in Q1 2011
- Cost containment continued
- Efficiency program launched and first planned initiatives announced

Q1 2012 Financials

Sales (€bn)

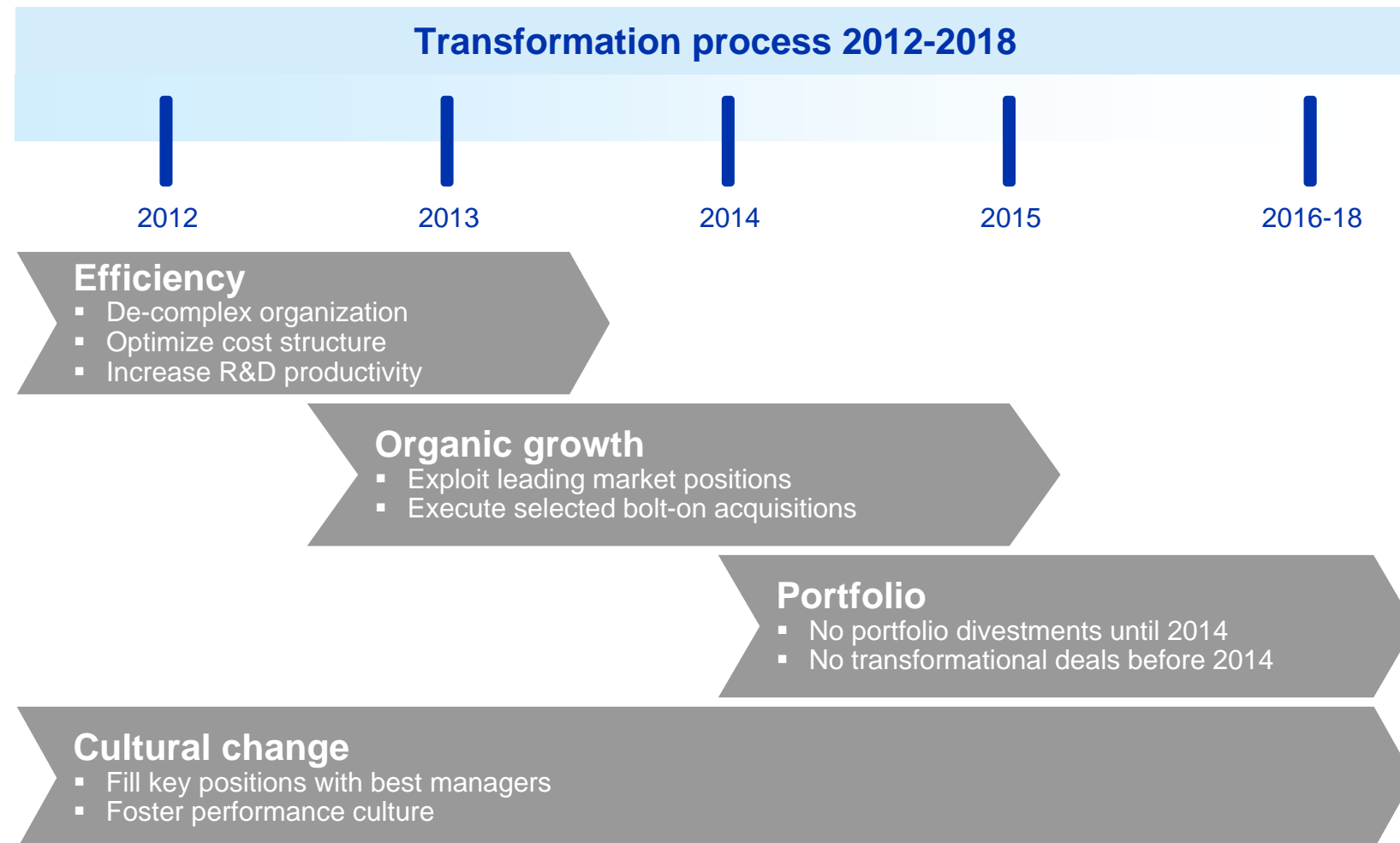


EBITDA pre (€m)



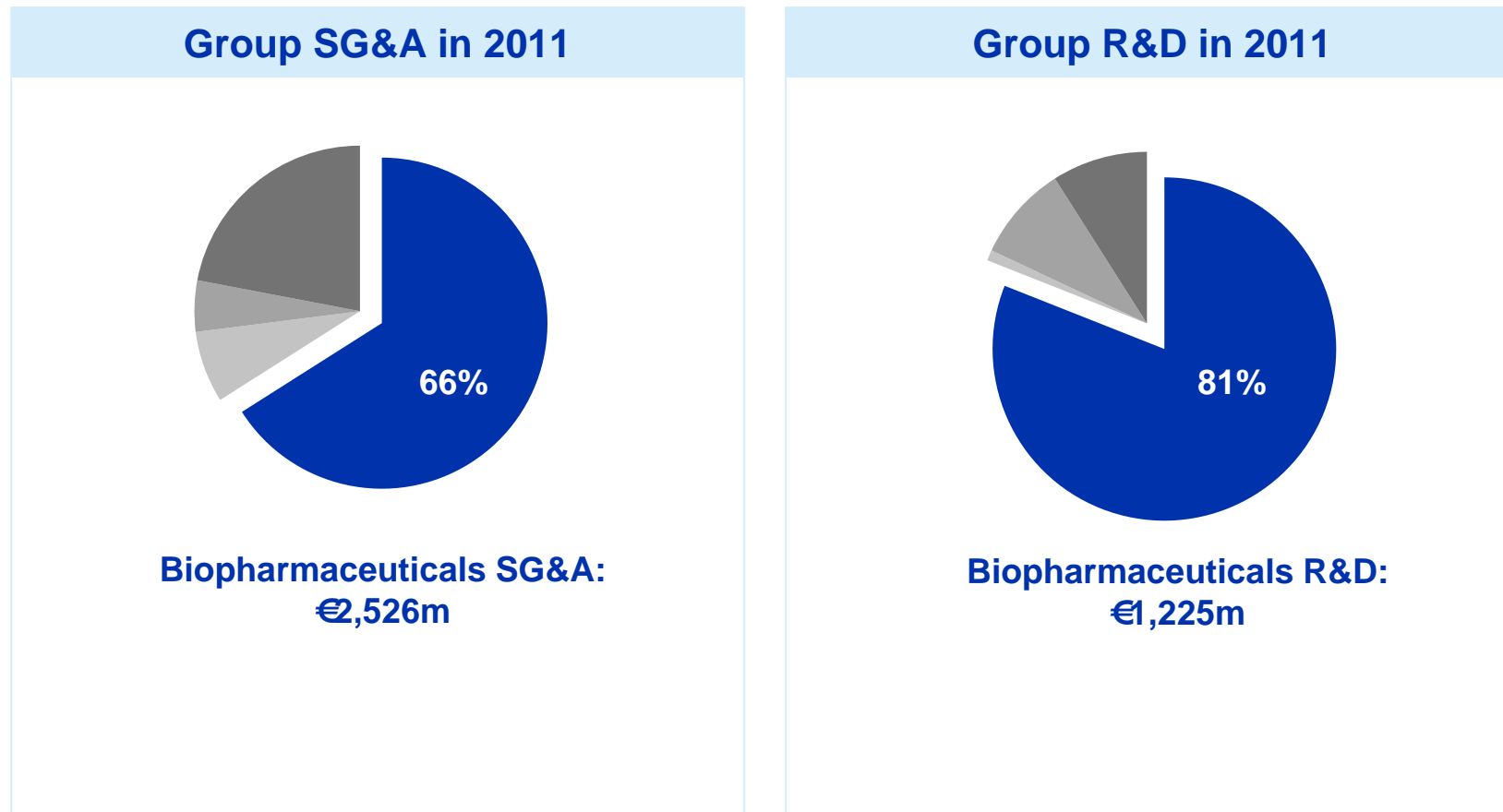
The Group

We now focus on efficiency



Biopharmaceuticals

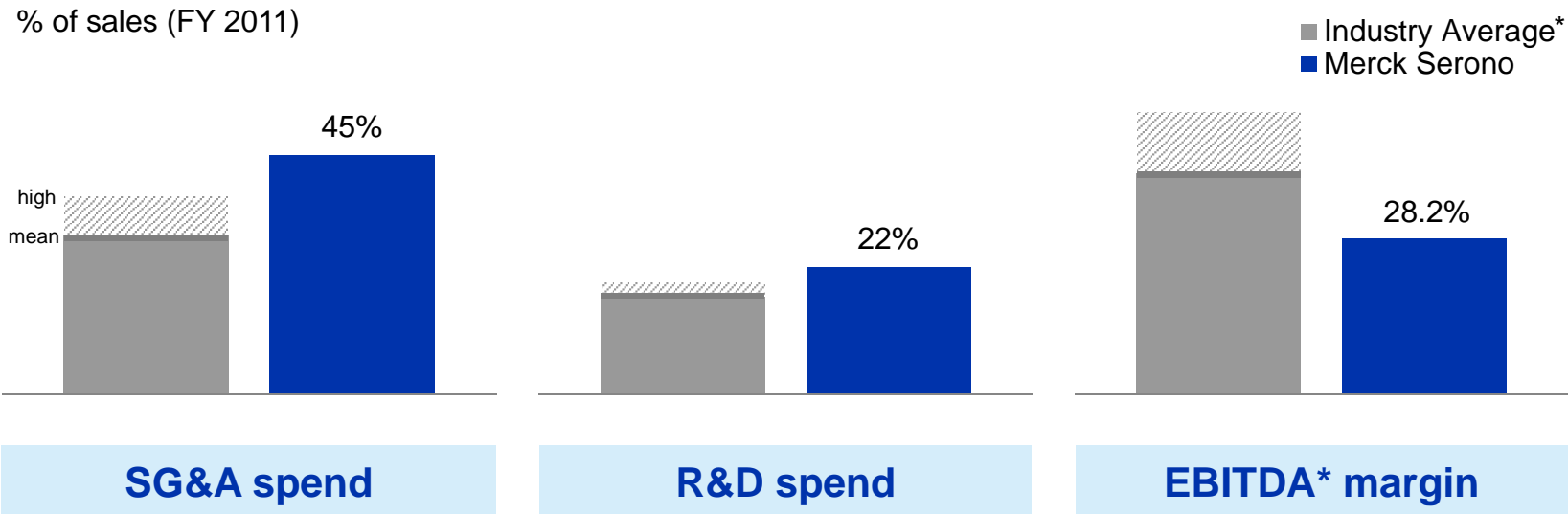
Division represents the largest savings potential within the group



■ Biopharmaceuticals ■ Life Science ■ Performance Materials ■ Consumer Health

Biopharmaceuticals

Catching up with industry standards



SG&A spend

- Eliminate duplications between headquarters in Darmstadt and Geneva
- Focus investments on markets and products with highest return profiles
- Centralize businesses

R&D spend

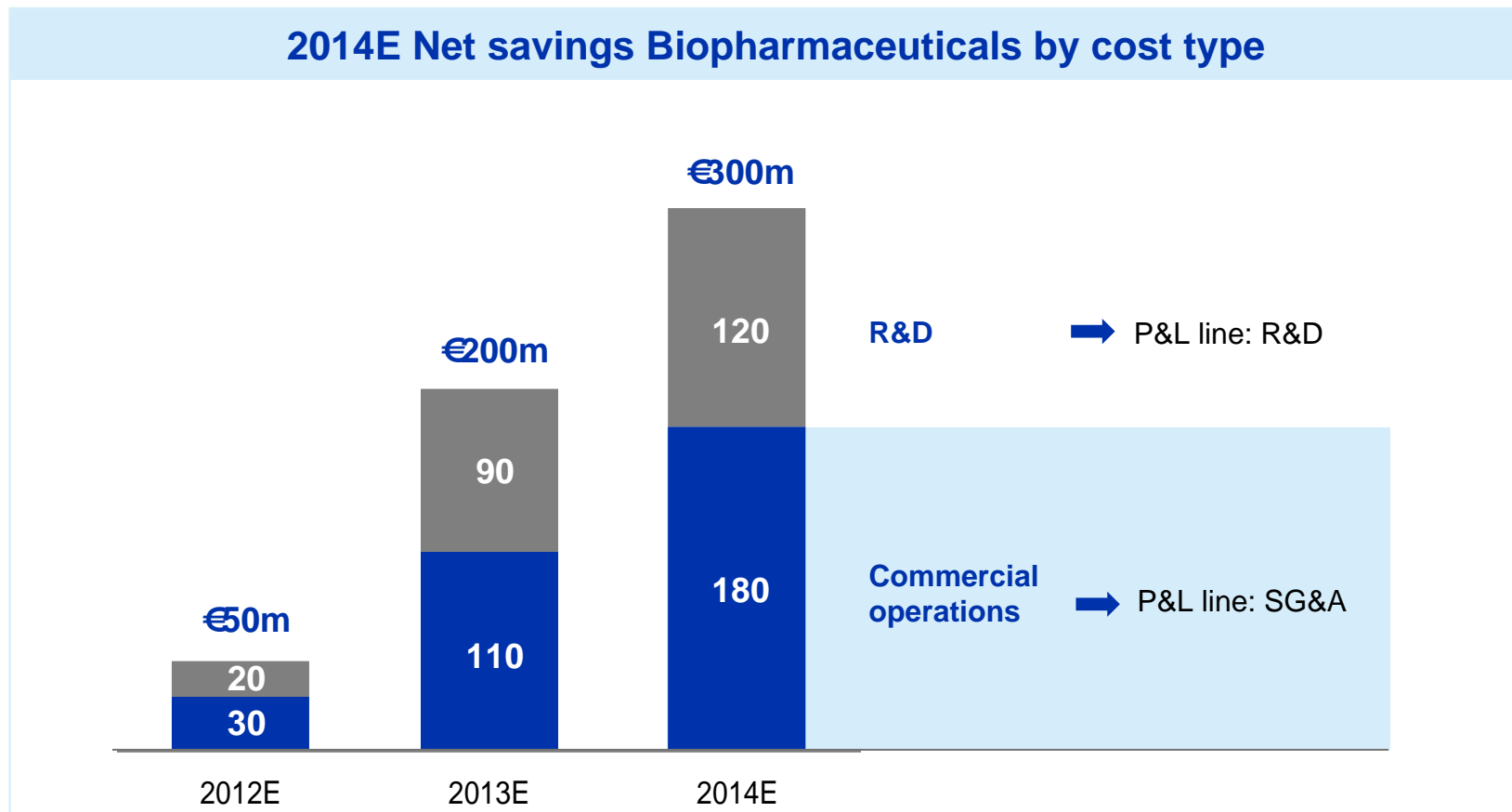
- Eliminate duplications between headquarters and local R&D operations
- Faster decision making
- Increase efficiency and output

EBITDA* margin

Source: sell-side analyst research
* EBITDA pre one-time items

Biopharmaceuticals

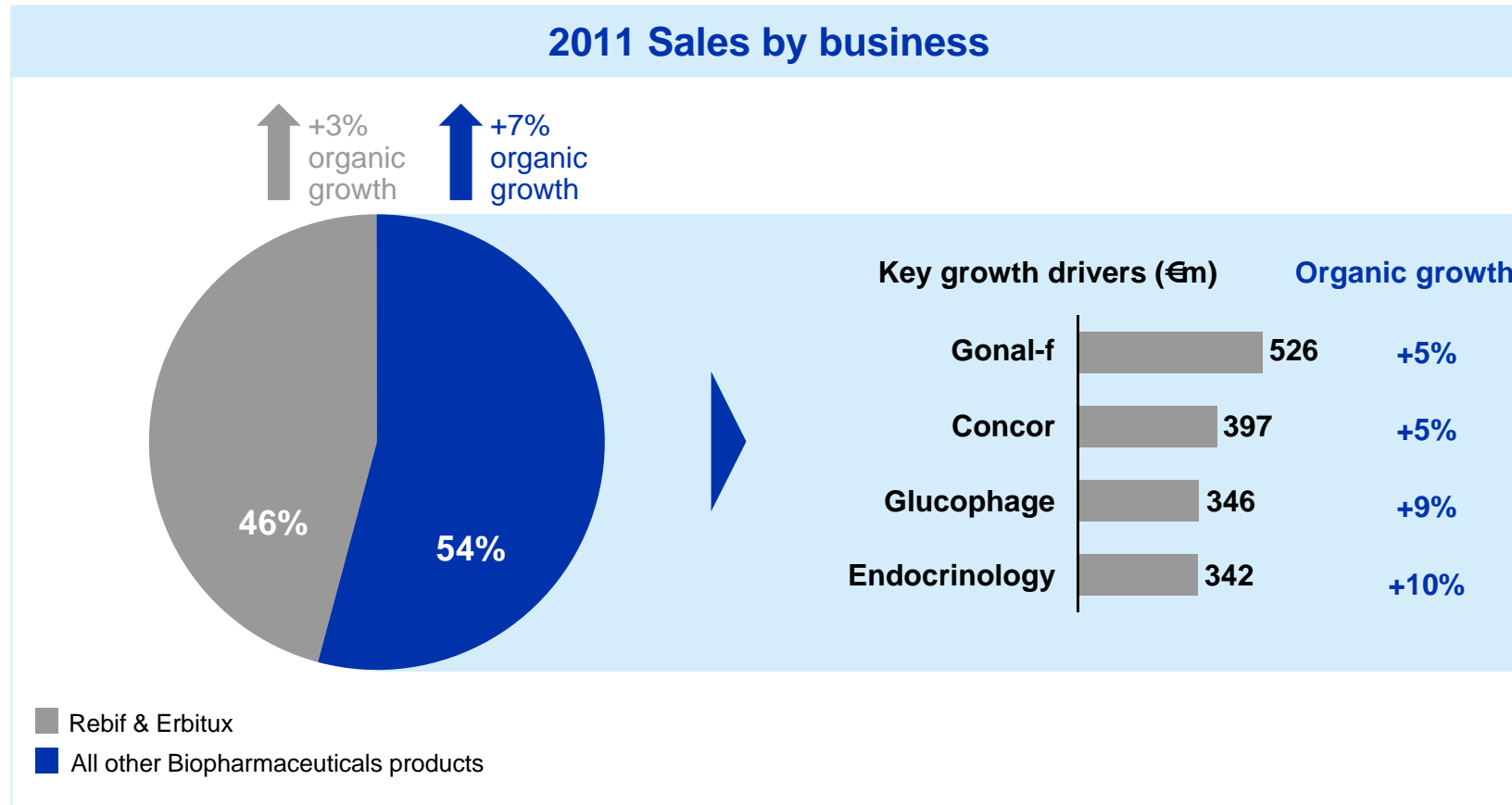
Breakdown of Biopharmaceuticals net cost savings through 2014



€300 m of net cost savings by 2014

Biopharmaceuticals

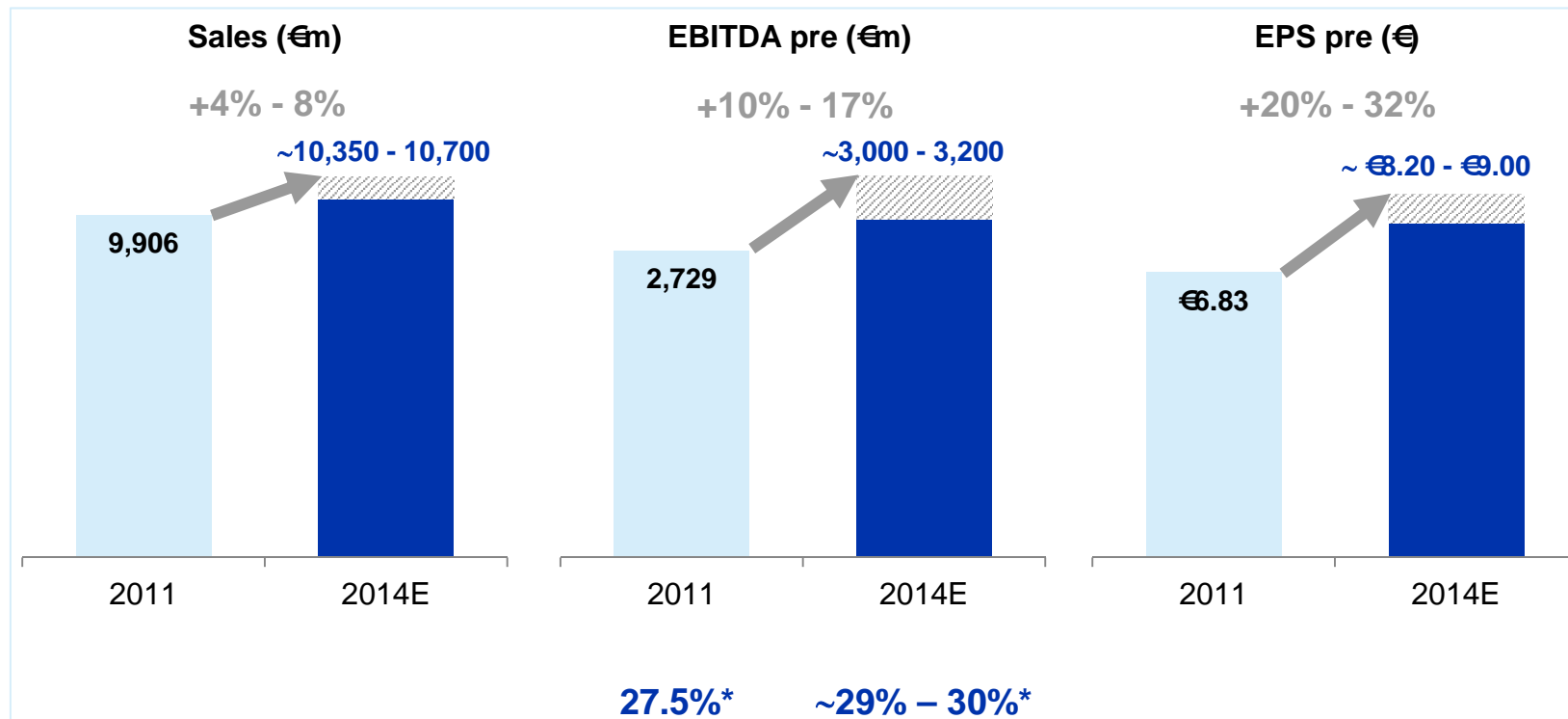
Over half of our portfolio is generating strong performance and will continue to grow



We have good assets that will continue to grow

The Group

We strive for realistic Group targets

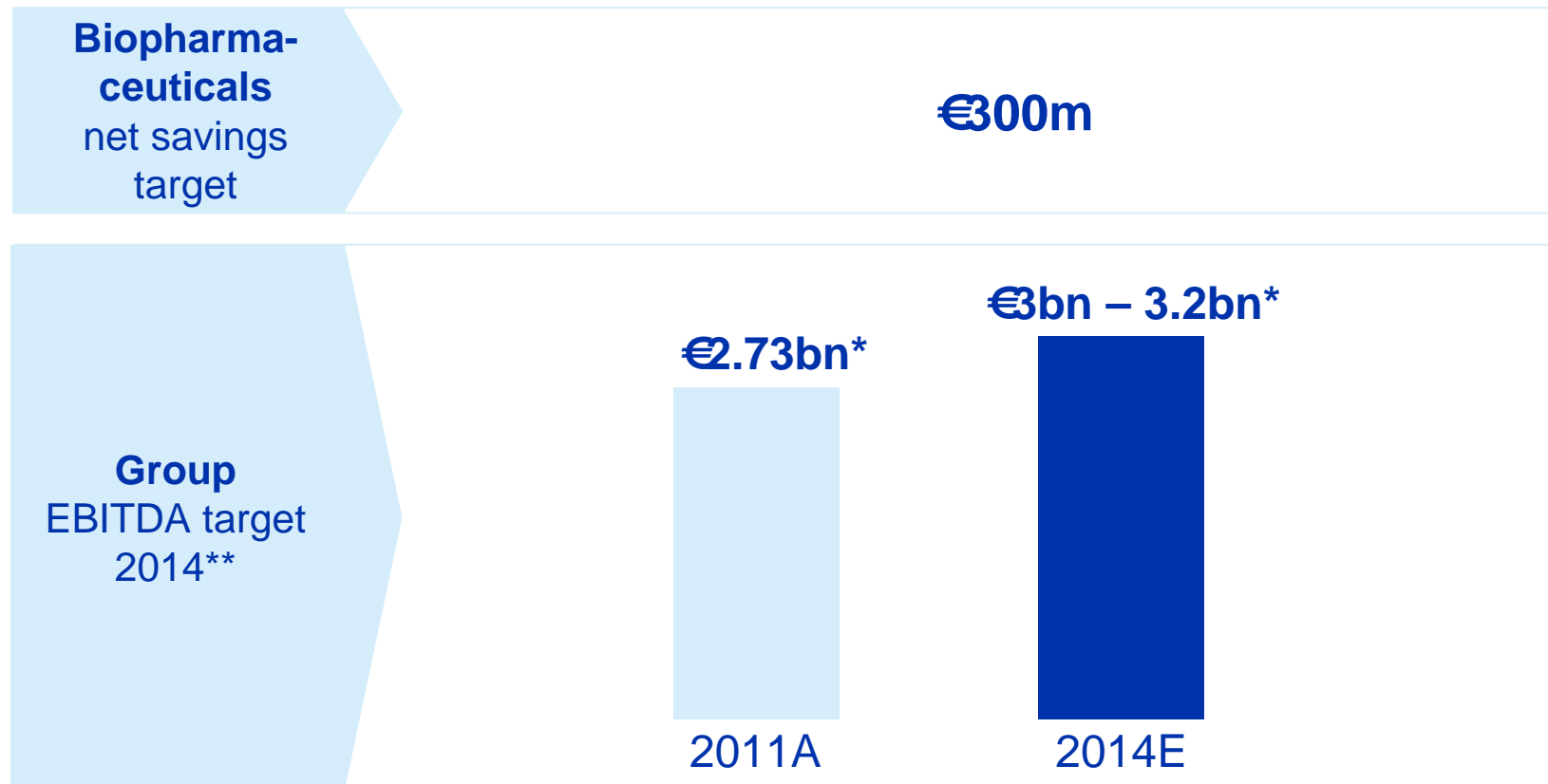


Assumptions:

- Unchanged economic environment
- FX: EUR/USD = 1.35; EUR/CHF = 1.20

The Group

Capturing savings will enable us to deliver attractive operating profitability



* EBITDA pre one-time items

** does not reflect financial impact of new product launches in Biopharmaceuticals