

GOOD START TO THE YEAR DESPITE FIRST COVID-19 IMPACT

Merck KGaA, Darmstadt, Germany Q1 2020 results

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Agenda

01 Executive summary

02 Financial overview

03 Guidance



01 EXECUTIVE SUMMARY

Beyond focusing on the health & safety of our employees and on business continuity, we have contributed to help face global COVID-19 pandemic

Our Business:

- Supplying **critical** raw materials, components, and manufacturing products for vaccine production & diagnostics
- **Life Science** continues to **keep global supply chain operational** by implementing additional safety precautions to provide **indispensable** products and services to aid COVID-19 response

Collaborations:

- Part of pharma and Life Science **consortium together with the Bill & Melinda Gates Foundation**
- Life Science actively collaborating with leading institutions, to speed up development, production & delivery of **diagnostics, vaccines and treatment of COVID-19.**

Research Grants:

- **2019:** €1 m Future Insight Prize for outstanding **research in field of pandemic preparedness**
- **2020:** up to €500,000 p.a. for 3 years and extension option for **technological solutions for pandemic outbreak preparedness** and fighting viral infections

Donations:

- **290,000 units of interferon (Rebif®) to WHO** for global SOLIDARITY trial, investigating therapies for treating COVID-19
- **Liquid Handling Center of Life Science**, increasing capacity to produce and donate **250,000 liters of disinfectant**
- **Donated 2,000,000 FFP2-Masks** to local communities in U.S. and Europe

Highlights



Operations

Healthcare: double-digit growth fueled by Mavenclad[®] ramp-up and General Medicine

Life Science: Process Solutions with double digit growth while Academia and Applied end markets reflect temporary demand slow down in Asia due to COVID-19

Performance Materials: Strong uptake of Semiconductor Solutions offset by Display and Surface Solutions decline; Versum integration on track



Financials

Q1 organic sales growth of +7.6%;
Q1 organic EBITDA pre growth of +14.5%

Guidance:

Net sales: €16.8 – 17.8 bn
EBITDA pre: €4,350 – 4,850 m
EPS pre: €5.50 – 6.35

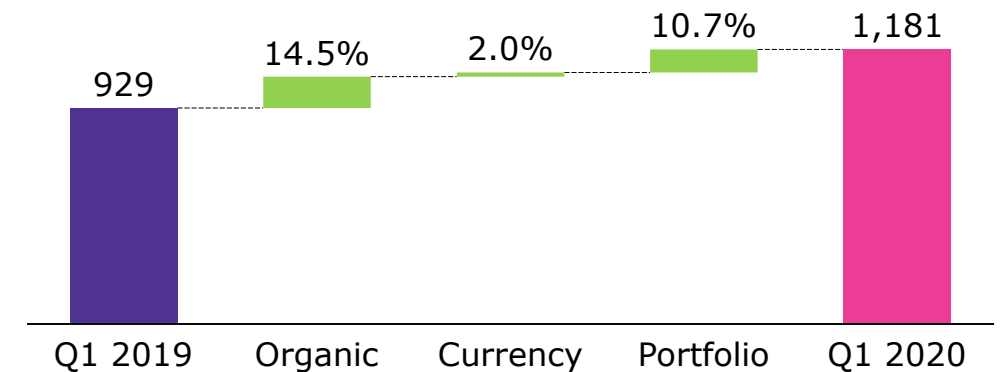
Net financial debt to EBITDA pre at 2.6 on March 31, 2020 – continued focus on deleveraging

Healthcare and Life Science fuel strong organic top- and bottom-line performance; significant portfolio effect from Versum

Q1 YoY Net Sales	Organic	Currency	Portfolio	Total
Healthcare	15.3%	-0.4%	0.0%	14.9%
Life Science	5.6%	0.9%	0.0%	6.5%
Performance Materials	-5.4%	2.4%	52.1%	49.0%
Group	7.6%	0.6%	8.4%	16.7%

- Healthcare with double-digit growth from strong General Medicine (in parts supported by COVID-19 driven pull-in effect), continued Mavenclad® ramp-up, and strong demand for Oncology
- Life Science reflects double-digit growth of Process Solutions overcompensating temporarily lower demand for Applied and Research Solutions amidst COVID-19 pandemic
- Performance Materials shows expected strong uptake of Semiconductor Solutions offset by declining market demand in Display and in Surface Solutions impacted by COVID-19

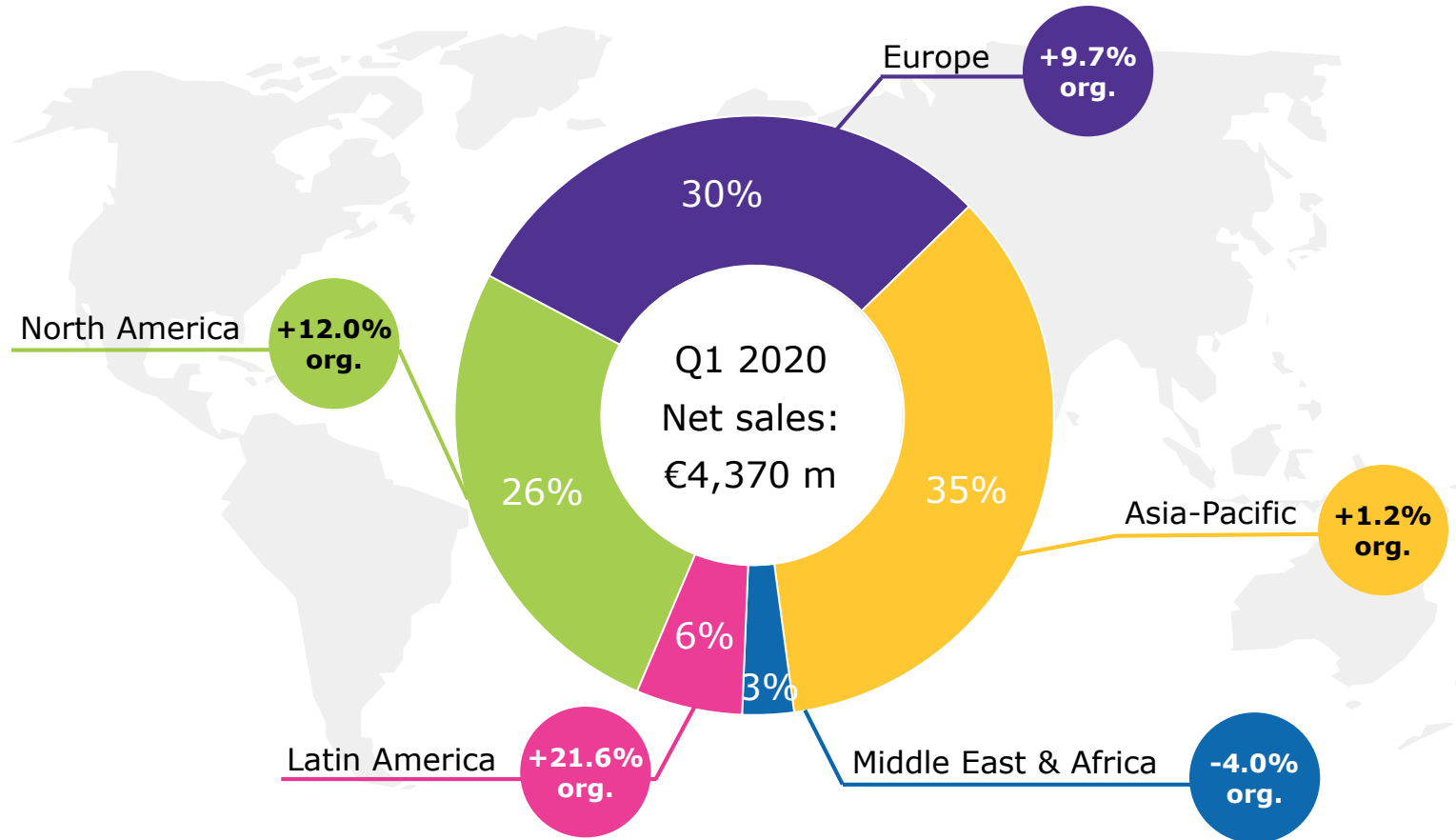
Q1 YoY EBITDA pre



- EBITDA pre growing twice as fast as net sales organically fueled by strong top-line growth, and cost management further benefitting from reduced travel & events during COVID-19 pandemic
- Positive FX tailwinds on EBITDA pre mainly from U.S. dollar and major Asian currencies

Organic growth driven by North America, Europe and Latin America

Regional breakdown of net sales [€ m]



Regional organic development

- About stable APAC due to double-digit growth of General Medicine, more than offsetting COVID-19 related flat Life Science and decline in Display Solutions
- Strong Europe driven by double-digit growth in General Medicine and Process Solutions and support from Mavenclad[®]
- North America reflects robust demand in Life Science and strong uptake of Mavenclad[®]
- Double-digit growth in LATAM from strong Healthcare & Life Science demand
- Middle East and Africa with moderate decline due to phasing in Healthcare



02 FINANCIAL OVERVIEW

Q1 2020: Overview

Key figures

[€m]	Q1 2019	Q1 2020	Δ
Net sales	3,746	4,370	16.7%
EBITDA pre	929	1,181	27.2%
Margin (in % of net sales)	24.8%	27.0%	
EPS pre	1.13	1.50	32.7%
Operating cash flow	493	516	4.9%

[€m]	Dec. 31, 2019	March 31, 2020	Δ
Net financial debt	12,363	12,285	-0.6%
Working capital	3,944	4,392	11.3%
Employees	57,071	57,451	0.7%

Comments

- Net sales driven by organic growth of Healthcare and Life Science, further fueled by portfolio effect from Versum
- EBITDA pre & margin increase due to strong operating leverage in Healthcare and Life Science
- EPS pre growing faster than EBITDA pre supported by better financial result
- Higher operating cash flow reflects strong business performance partially compensated by trade account receivables build-up due to COVID-19
- Working capital follows business activity

Reported figures

Reported results

[€m]	Q1 2019	Q1 2020	Δ
EBIT	379	716	89.0%
Financial result	-113	-98	-12.5%
Profit before tax	266	617	131.9%
Income tax	-67	-159	137.4%
<i>Effective tax rate (%)</i>	25.2%	25.8%	
Net income	189	456	141.9%
EPS (€)	0.43	1.05	144.2%

Comments

- Higher EBIT driven by strong top line growth in Healthcare and Life Science as well as consolidation of Versum and divestment gain from Allergopharma*
- Financial result benefits from comparison with last years' revaluation of F-Star purchase option (-€45 m) partially offset by the current year higher interest expense related to Versum financing
- Effective tax rate within guidance range of ~24-26%
- Higher net income and EPS reflects higher EBIT and better financial result

* closed March 31st, 2020

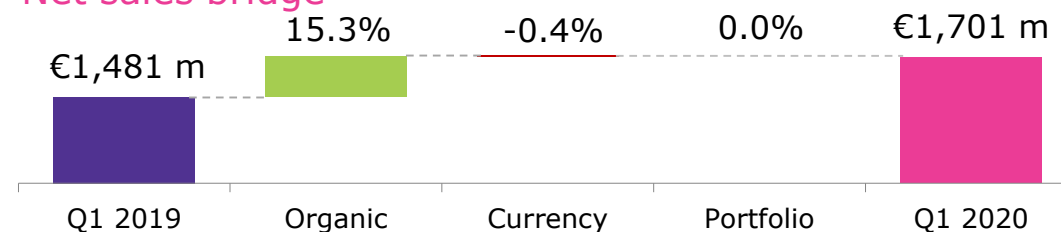
Totals may not add up due to rounding

Healthcare: Strong General Medicine supported by COVID-19 pull-in effect and ongoing Mavenclad[®] uptake; improved margins from top line leverage

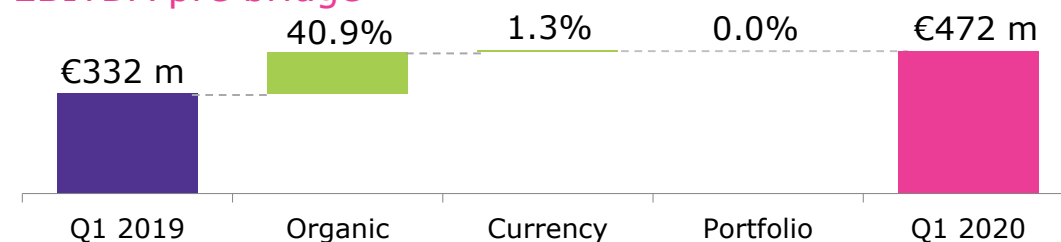
Healthcare P&L

[€m]	Q1 2019	Q1 2020
Net sales	1,481	1,701
Marketing and selling	-550	-423
Administration	-88	-79
Research and development	-380	-417
EBIT	128	422
EBITDA	329	501
EBITDA pre	332	472
Margin (in % of net sales)	22.4%	27.8%

Net sales bridge



EBITDA pre bridge



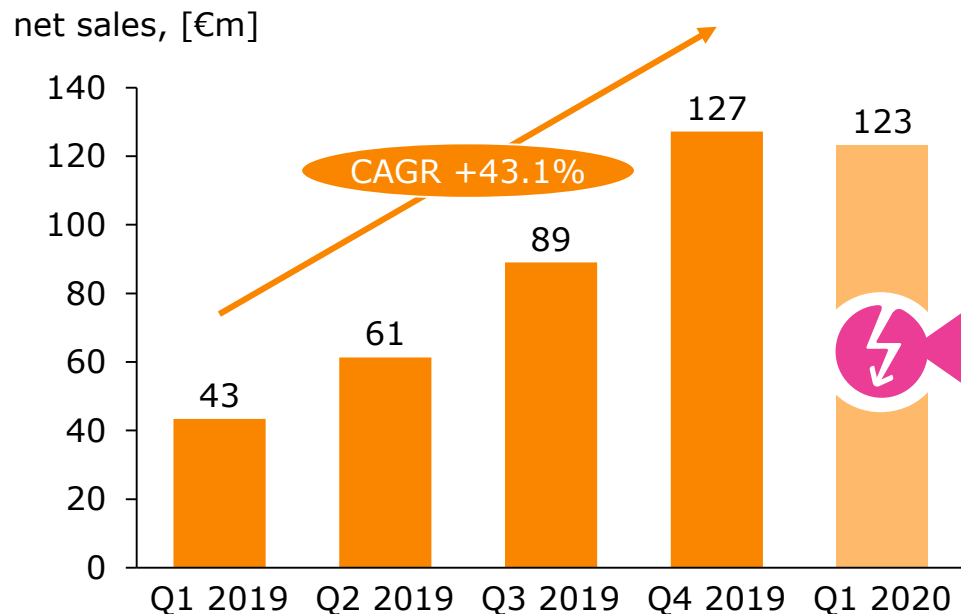
Comments

- Strong demand in General Medicine supported by COVID-19 pull-in and phasing
- Mavenclad[®] growth vs. Q1 2019, especially in U.S.; however about flat vs. Q4 2019 due to COVID-19, while Rebif[®] posts less pronounced decline explained by U.S. inventory effects, and Russia tender phasing
- Strong growth of Erbitux[®] particularly in Europe offsetting weaker China amidst COVID-19; Bavencio[®] developing as expected
- Moderate Fertility decline from COVID-19 impact most pronounced in China; strong first quarter in U.S.
- M&S decrease due to stringent cost management, resource prioritization across franchises and expired amortization of Rebif[®]
- R&D cost control offset by Avelumab H&N study termination accrual (-€15 m)
- Higher EBITDA pre driven by strong top-line performance and rigorous cost management

Totals may not add up due to rounding

Mavenclad® - Global launch continues to make progress, with Q1 showing initial impact of COVID; regaining of momentum expected in H2 2020

Global: First signs of COVID-19 related slow-down visible as of March, impacting Q1 2020



- Approved in **78 countries**
- **Launches progressing well, with momentum into early Q1 across the U.S. and EU4**
- **Number of prescribers increasing** +70% in the US, with **average depth increasing** +50%¹
- COVID-19 has **restricted HCP access** and forced **pivot to digital engagement only**
- Significant decline of patient consults with neurologists, leading to **fewer treatment initiations and fewer treatment switches**

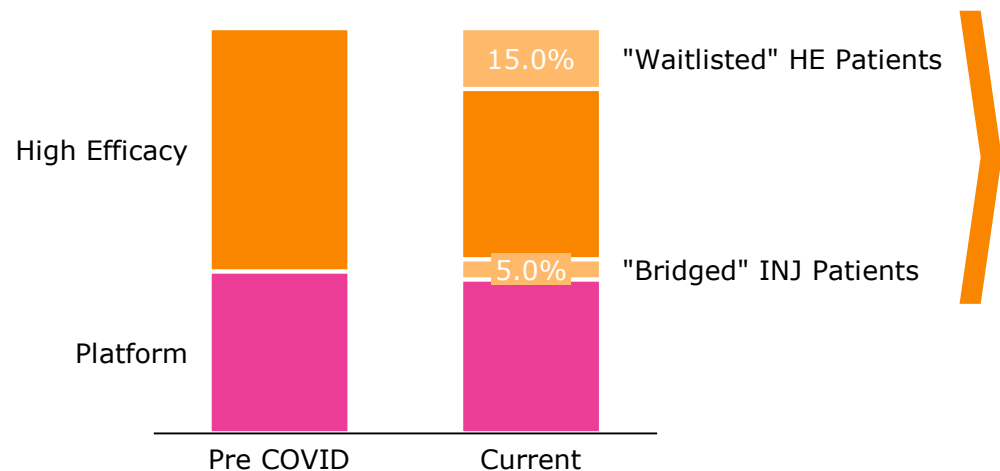
1: MSLR SRF data; Internal data on file/March 2020; Acronyms: HCP = Healthcare Professional; EU4 = Germany, UK, Spain, Italy

Mavenclad® - Aiming to capitalize on “waitlisted” patient opportunity amid COVID-19 pandemic

HE MS market: Significant opportunity for rebound in H2

- Diverse guidelines published – KOL debate ongoing
- **Infection risk number 1 choice driver**
- 15% of HE patient starts put on hold and a further 5% “bridged” to platform therapies¹

US dynamic market²:



Mavenclad® : Profile suited to evolved choice drivers

- ✓ **Lack of continuous immunosuppression³**
- ✓ **Transient preferential targeting** of B and T lymphocytes⁴
- ✓ Specifically important for viral defense ...
 - **Moderate T cell reduction** with lower impact on CD8+⁴
 - **Minimal impact on innate immunity⁵⁻⁷**
- ✓ Mavenclad® is **easy to use**, with **short-course at-home oral dosing** and a **low monitoring burden³**
- ✓ **High efficacy that is sustained** beyond total lymphocyte recovery³

1: “Monitoring the Impact of COVID-19 on the Pharmaceutical Market”, IQVIA; 2: IQVIA weekly data; 3: Mavenclad® EU SmPC, 2020; 4: Comi G, et al. Mult Scler Relat Disord. 2019;29:168–174; 5: Rieckmann P, et al. ECTRIMS 2009 [P816]; 6: Sorensen PS et al. ECTRIMS-ACTRIMS 2017 [P1141]; 7: Giovannoni G et al. N Engl J Med 2010;362:416–26 (and suppl. info).; Acronyms: HE = High Efficacy, INJ = Injectables, KOL = Key Opinion Leader

Bavencio® - Enhancing its foundation in GU cancers with transformative OS data from JAVELIN Bladder 100 trial featured at ASCO 2020 plenary session

sBLA under review

Urothelial Cancer 1L (UC)

(~90% of bladder cancers, 10th most prevalent cancer globally)

- **First immunotherapy to significantly prolong OS vs standard of care** in 1L locally advanced or metastatic urothelial carcinoma, and first to demonstrate OS benefit **regardless of PD-L1 status**
- **Breakthrough Therapy Designation, completion of sBLA submission, and review under the FDA's Real-Time Oncology Review (RTOR) program** announced on April 9, 2020
- New treatment paradigm offered by the **unique JAVELIN Bladder 100 Regimen, potential to be practice changing**, offering benefit beyond chemotherapy, the standard of care for the last 20+ years
- Launch to **leverage existing RCC resources and experiences**

Launch mode

Renal Cell Carcinoma 1L (RCC)

- Approved by **U.S. FDA** in May 2019, by the **European Commission** in October 2019, and by the **Japanese PMDA** in December 2019
- Participating in the **establishment of IO-TKI as the leading class** in 1L mRCC
- Expected to **benefit from strong 1L UC data**:
 - Enhanced overall brand value (first demonstrated OS benefit for Bavencio®)
 - Greater efficiency (75-80% overlap with UC and RCC prescribers in key markets)

In development

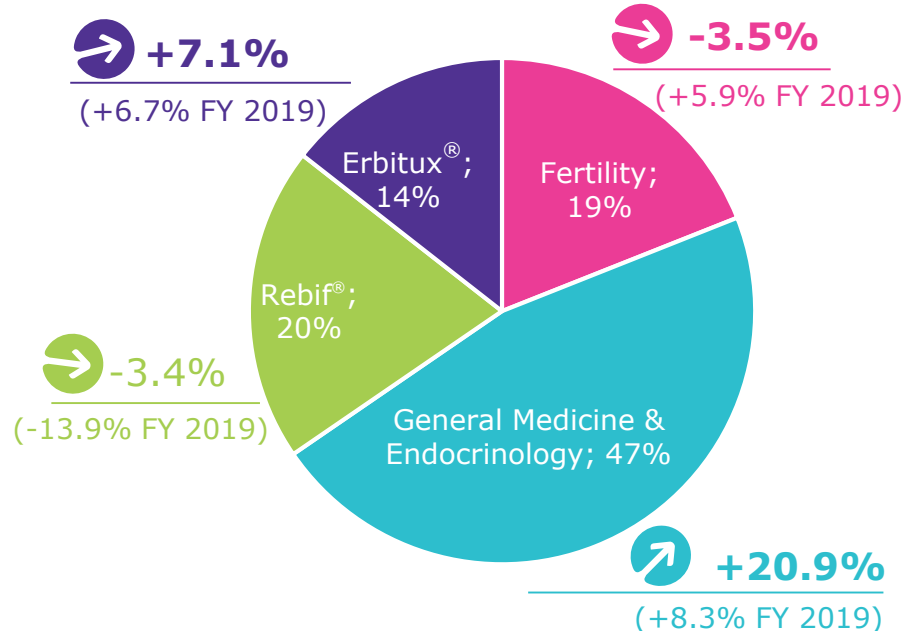
NSCLC 1L

- Ph III data **read-out expected in 2021**
- Core tumor for IO, **1L NSCLC remains a large indication**
- Highly competitive landscape – Complex study design (e.g. multiple arms) **might provide differentiated data in patient subgroups**

Acronyms: EMA = European Medicines Agency, FDA = Food and Drug Administration, GU = genitourinary, IO = Immuno-Oncology, mRCC = Metastatic Renal Cell Carcinoma, OS = Overall Survival, PMDA = Pharmaceuticals and Medical Devices Agency, sBLA = supplemental Biologics License Application, TKI = Tyrosine Kinase Inhibitor

Core business - Q1 growth rates reflect initial effects of COVID-19 and indicate future developments

Q1 2020 net sales contribution¹ & org. growth (%) in Q1 2020 (FY 2019)



Expected Impact of COVID-19

General Medicine & Endocrinology

- Q1 supported by COVID-19 related moderate stocking effects across the globe, suggesting **phasing impact in upcoming quarters**
- Rx duration for Glucophage® and Concor® extended** in most Chinese provinces to reduce frequency of hospital visits
- Chinese VBP roll out expected to continue** despite COVID-19

Fertility

- Medical societies issued **guidance for suspension of new, non-urgent treatments²** in late Q1, leading to **temporary closure of clinics** globally
- Situation now improving, >90% of Chinese centers reopened at reduced capacity, several APAC and EMEA clinics reopening in line with newly published guidance on recommencing of ART³
- Catch-up effects expected** post-recovery

Rebif®

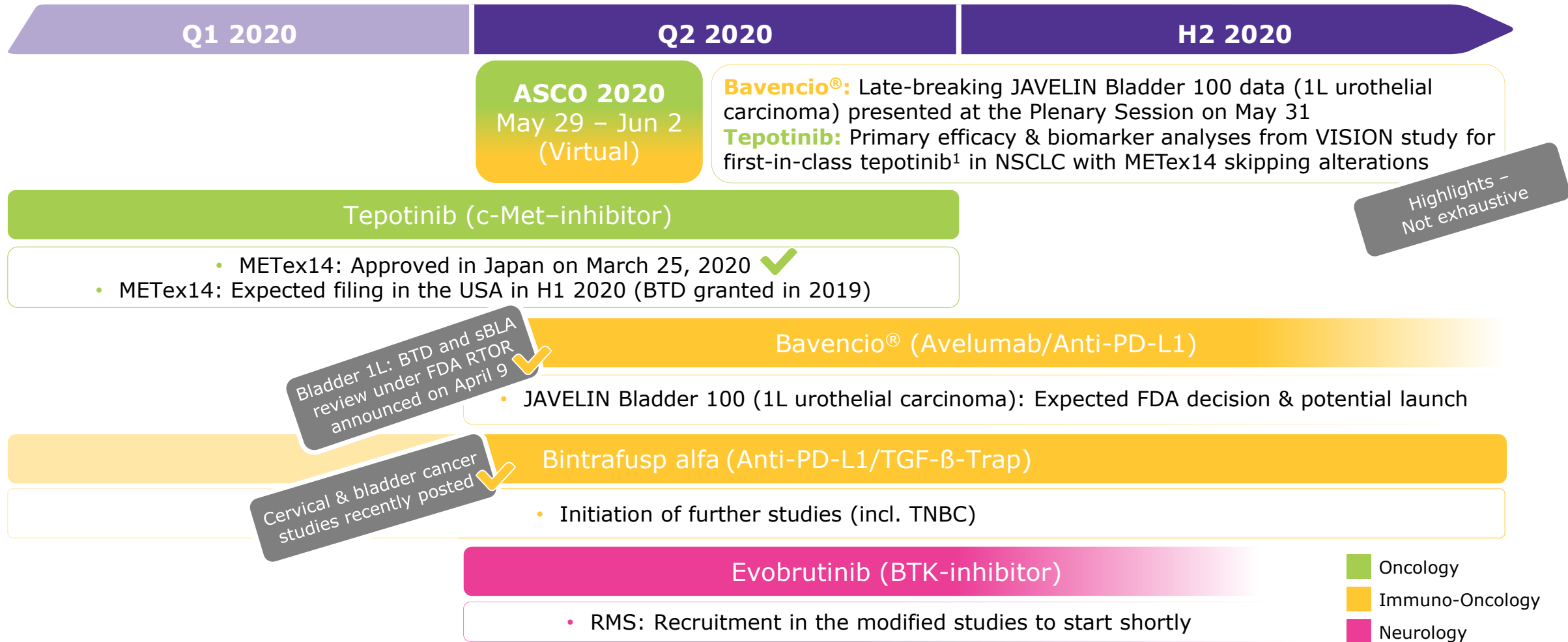
- Potential benefit** from changed treatment patterns:
 - Decreased switches** from Rebif® to High-Efficacy drugs due to guidelines and less frequent patient visits
 - Increased new patient numbers** due to greater preference for platform therapies

erbitux®

- Decreased diagnosis rates** due to lower physician/hospital access given prioritization of COVID-19 treatment

1: Net sales contribution reflected in pie chart; 2: <https://www.asrm.org/news-and-publications/news-and-research/press-releases-and-bulletins/asrm-issues-new-guidance-on-fertility-care-during-covid-19-pandemiccalls-for-suspension-of-most-treatments/>, 3: published by ESHRE and ASRM on April 23 2020, <https://www.eshre.eu/Press-Room/ESHRE-News>; Acronyms: ART = Assisted Reproductive Technology, ASRM = American Society for Reproductive Medicine, ESHRE = European Society of Human Reproduction and Embryology, VBP = Volume Based Procurement

Pipeline - 2020 characterized by developmental progress of innovative Oncology, Immuno-Oncology and Neurology assets



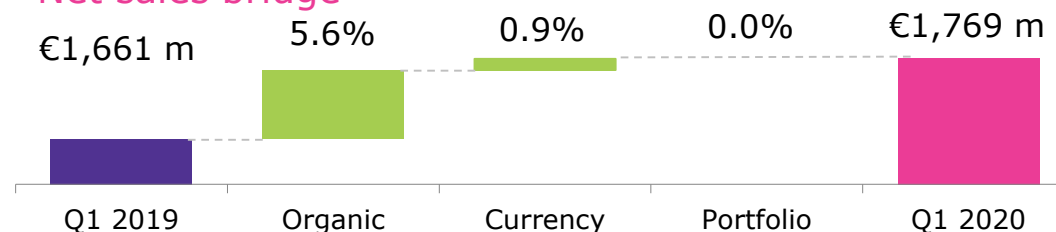
1: not yet approved in any markets outside of Japan; Acronyms: BTD = Breakthrough Therapy Designation, EMA = European Medicines Agency, FDA = U.S. Food and Drug Administration, NSCLC = Non-Small-Cell Lung Carcinoma, RMS = Relapsing Multiple Sclerosis, RTOR = Real-Time Oncology Review, sBLA = Supplemental Biologics License Application, TNBC = Triple-Negative Breast Cancer, UC = Urothelial Cancer

Life Science: Showing strong resilience, Process Solutions with double-digit growth, Research and Applied flat

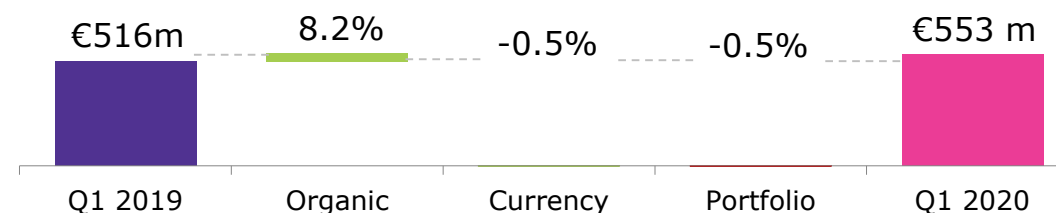
Life Science P&L

[€m]	Q1 2019	Q1 2020
Net sales	1,661	1,769
Marketing and selling	-470	-498
Administration	-88	-89
Research and development	-62	-75
EBIT	313	345
EBITDA	507	541
EBITDA pre	516	553
Margin (in % of net sales)	31.0%	31.2%

Net sales bridge



EBITDA pre bridge



Comments

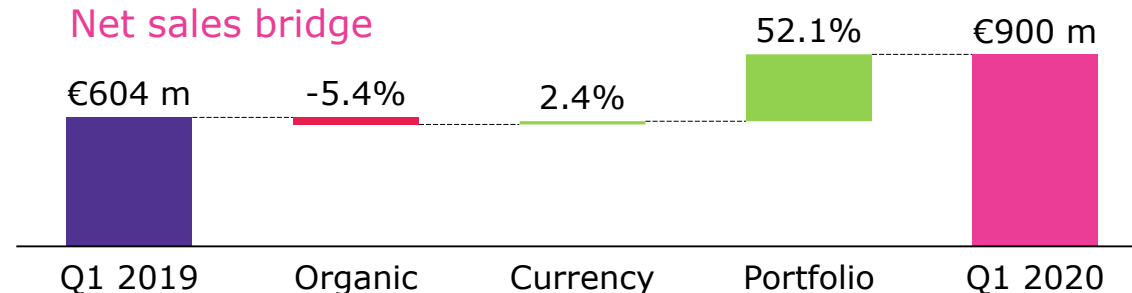
- Double-digit growth of Process Solutions mainly driven by downstream and single use, with COVID-19 demand contributing
- About stable Applied Solutions reflects high comps and decline in lab water due to inaccessibility of labs
- Research Solutions flat: increased demand of bulk chemicals offset by temporary slowdown in academia due to COVID-19
- Higher M&S reflecting increased logistics cost
- Increased R&D driven by investments in strategic projects
- EBITDA pre reflects operational leverage from strong top-line growth

Performance Materials: Strong Semi more than offset by LC's accelerated underlying negative trajectory and declining Surface amid COVID-19

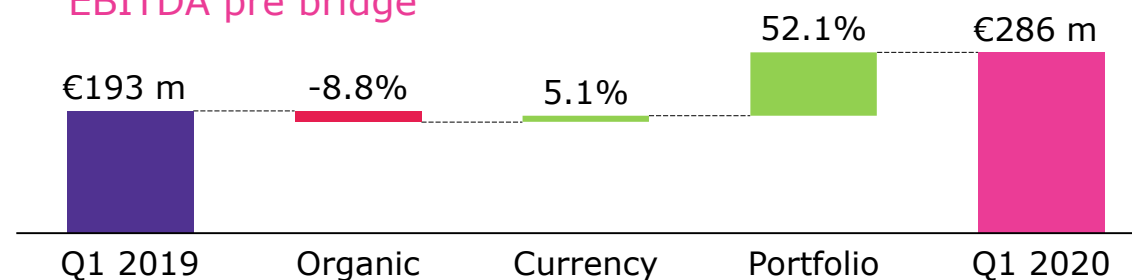
Performance Materials P&L

[€m]	Q1 2019	Q1 2020
Net sales	604	900
Marketing and selling	-66	-136
Administration	-23	-38
Research and development	-72	-71
EBIT	95	116
EBITDA	157	251
EBITDA pre	193	286
Margin (in % of net sales)	31.9%	31.7%

Net sales bridge



EBITDA pre bridge

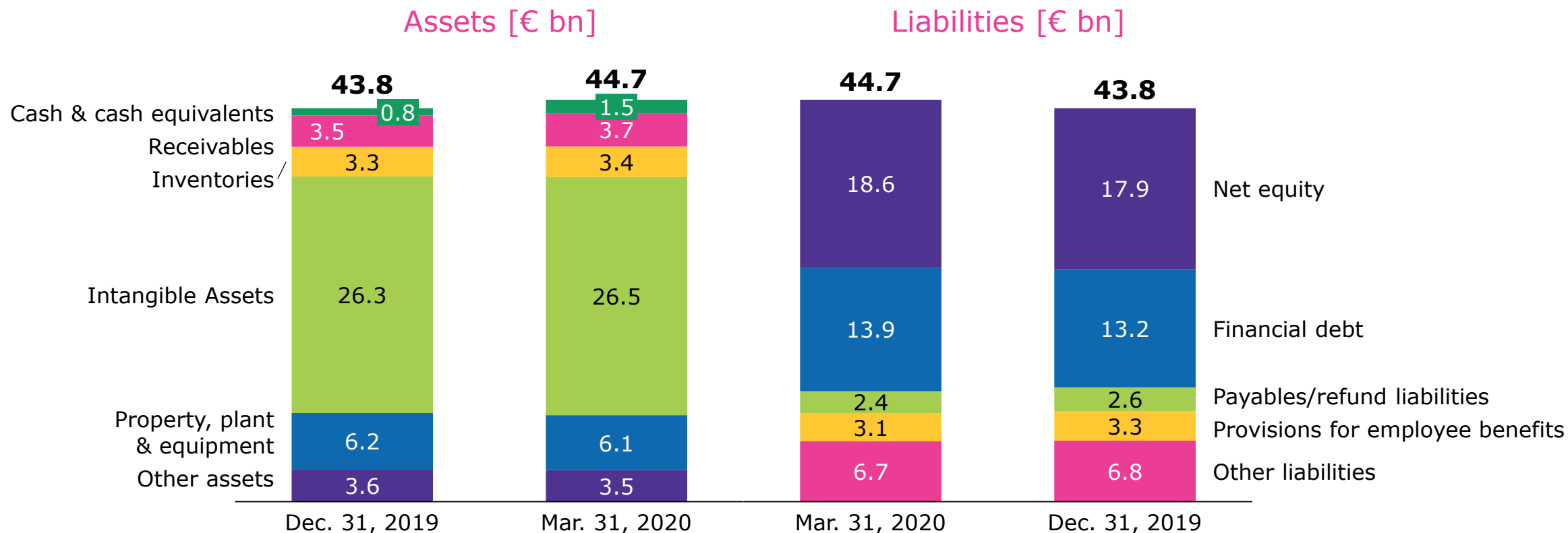


Comments

- Sales growth of nearly 50% reflects portfolio effect from Versum and positive FX, overcompensating organic decline
- Display Solutions: LC's negative underlying trajectory with high comps, not yet significantly impacted by COVID-19; OLED impacted
- Semiconductor Solutions showing strong growth, both organically as well as for Versum portfolio; recovery started already in Q1
- Surface Solutions decline driven by impact of COVID-19 on the Automotive and Cosmetics industries
- M&S reflects consolidation of Versum acquisition and diligent underlying cost management in framework of Bright Future transformation
- R&D staying flat due to Bright Future related provisions in Q1 2019, while Q1 2020 includes Versum consolidation
- Increase in EBITDA pre largely reflects consolidation effect from Versum

Totals may not add up due to rounding

Balance sheet



- Balance sheet reflects consolidation of Versum since Dec. 31 2019
- Higher cash (+€750 m) is driven by securing liquidity given the COVID-19 pandemic
- Increase in equity mainly driven by profit after tax and FX translations (equity ratio of 41.6%)
- Financial debt increase reflects new bonds (€1.5 bn) and utilization of available credit lines partially offset by due bonds repayment (€2.0 bn)

Cash flow statement

Q1 2020 – cash flow statement

[€m]	Q1 2019	Q1 2020	Δ
Profit after tax	190	458	268
D&A	474	431	-42
Changes in provisions	100	16	-84
Changes in other assets/liabilities	-89	-23	66
Other operating activities	-4	-10	-6
Changes in working capital	-178	-356	-178
Operating cash flow	493	516	24
Investing cash flow	-329	-288	41
thereof Capex on PPE	-209	-341	-132
Financing cash flow	-3	542	545

Cash flow drivers

- Profit after tax driven by higher EBIT and Allergopharma disposal* gain, neutralized in other operating activities
- D&A lower mainly from expired Rebif[®] amortization, compensated by Versum
- Changes in provisions reflect last year's build up for transformation programs
- Increased working capital driven by trade accounts receivables in Life Science partially impacted by COVID-19
- Higher financing cash flow reflecting new bond issuance (€1.5 bn) and utilization of available credit lines, partially offset by repayment of due bonds (€2.0 bn)

* closed March 31st

Totals may not add up due to rounding



03 GUIDANCE

Our assumptions regarding the development of COVID-19 have changed significantly post pandemic classification by WHO and subsequent events

Previous Assumptions (disclosed in March)

- Impact mainly in **China**
- Outbreak **peaks in Q1**
- Situation **eases in Q2**
- Situation **normal in H2**

Current assumptions (disclosed in May)

- Impact **across all regions**
 - Cases expected to **peak in Q2**
 - Situation **eases in H2**
 - Pandemic crisis **lasts for FY**
- +
- **Stressed** health systems
 - Some countries have a **less effective** response than China
 - However, **no major resurgences**



Group

COVID-19 Update: new assumptions on financial impact of COVID-19



Group

- **Mid single-digit percentage Sales impact**
 - Global impact across many businesses
 - Strong Q2 impact, also from Q1 pull-in
 - Lasting until at least Q3

Healthcare

- **Highest** anticipated impact in absolute terms
- Biggest impact anticipated in Fertility due to discretionary nature of treatment

Life science

- **Lowest** anticipated impact in absolute terms
- Process Solutions largely unaffected, main impact in Applied and Research Solutions

performance materials

- Semiconductor expected to show strong growth despite COVID-19
- COVID-19 additionally weighs on Display decline
- High impact on Surface's end markets

We assume a top-line impact of around mid single digit and thereof 50% to 60% hitting EBITDA pre

Group

Key earnings drivers to remember for 2020



EBITDA¹-supporting factors

- Increasing sales contribution from Mavenclad® and Bavencio®
- Stringent M&S and R&D cost management in HC (decrease YoY absolute and as % of sales)
- Ongoing strength in Life Science with above-market sales growth
- Recovery of Semiconductor Solutions and cost savings from Bright Future program related initiatives
- High level of cost consciousness and prioritization
- Four quarters of Versum



EBITDA¹-reducing factors

- No more support from Pfizer deferred income (€191 m in 2019)
- Lower income from pipeline management
- Continued decline of Liquid Crystals and Rebif®
- COVID-19 related sales and earnings effect

¹EBITDA pre

Group

Full-year 2020 guidance

Net sales:

Slight to moderate organic sales growth, Versum growth contribution in the mid-single digits %
FX between +1% to -2% YoY

~€16.8 – 17.8 bn

EBITDA pre:

Organically about stable, mid-single digit % growth from Versum
FX headwinds of 0% to -3% YoY

~€4,350 – 4,850 m¹

EPS pre:

~€5.50 – 6.35

¹CO guidance 2020: Slightly higher than last year

Group 2020 business sector guidance¹

Healthcare



Net sales

- Organically about stable
- COVID-19 significantly impacting fertility performance
- Sustained performance of new products

EBITDA pre

- Slight organic decline due to COVID-19
- Slight to moderate adverse FX impact

Life Science



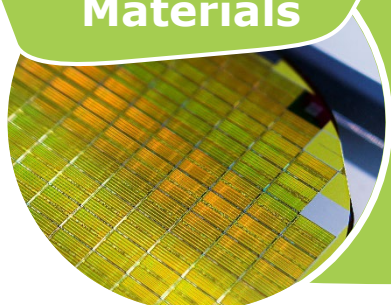
Net sales

- Strong organic growth
- Process Solutions strength offsets weakness in academic and applied end markets

EBITDA pre

- Strong organic growth
- Neutral to moderate adverse FX impact

Performance Materials



Net sales

- Moderate to strong organic decline
- COVID-19 weighing on Display and Surface, while Semiconductor Solutions growing strongly
- Display declining, driven by LC
- Low to mid-thirties % contribution from Versum

EBITDA pre

- Low- to mid-teens % organic decline
- Moderate support from FX
- Low to mid-thirties % contribution from Versum

¹Divisional guidances are only support to the group guidance and do not have to add up





APPENDIX

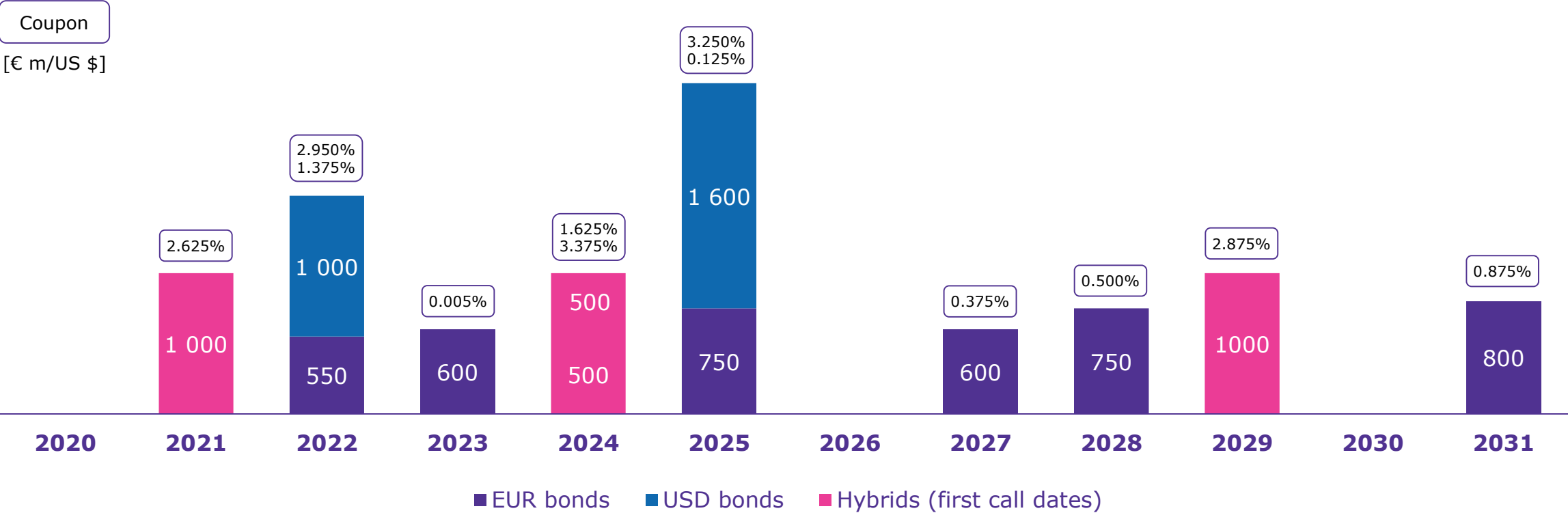
Additional financial guidance 2020

Further financial details

Corporate & Other EBITDA pre	slightly higher than last year
Interest result	~ -245 to -275 m
Effective tax rate	~24 % to 26%
Capex on PPE	~1.1 bn to 1.2 bn
Hedging/USD assumption	FY 2020 hedge ratio ~50% at EUR/USD ~1.18
2020 Ø EUR/USD assumption	~1.08 to 1.12

Maturity profile reflects Sigma-Aldrich and Versum financing transactions

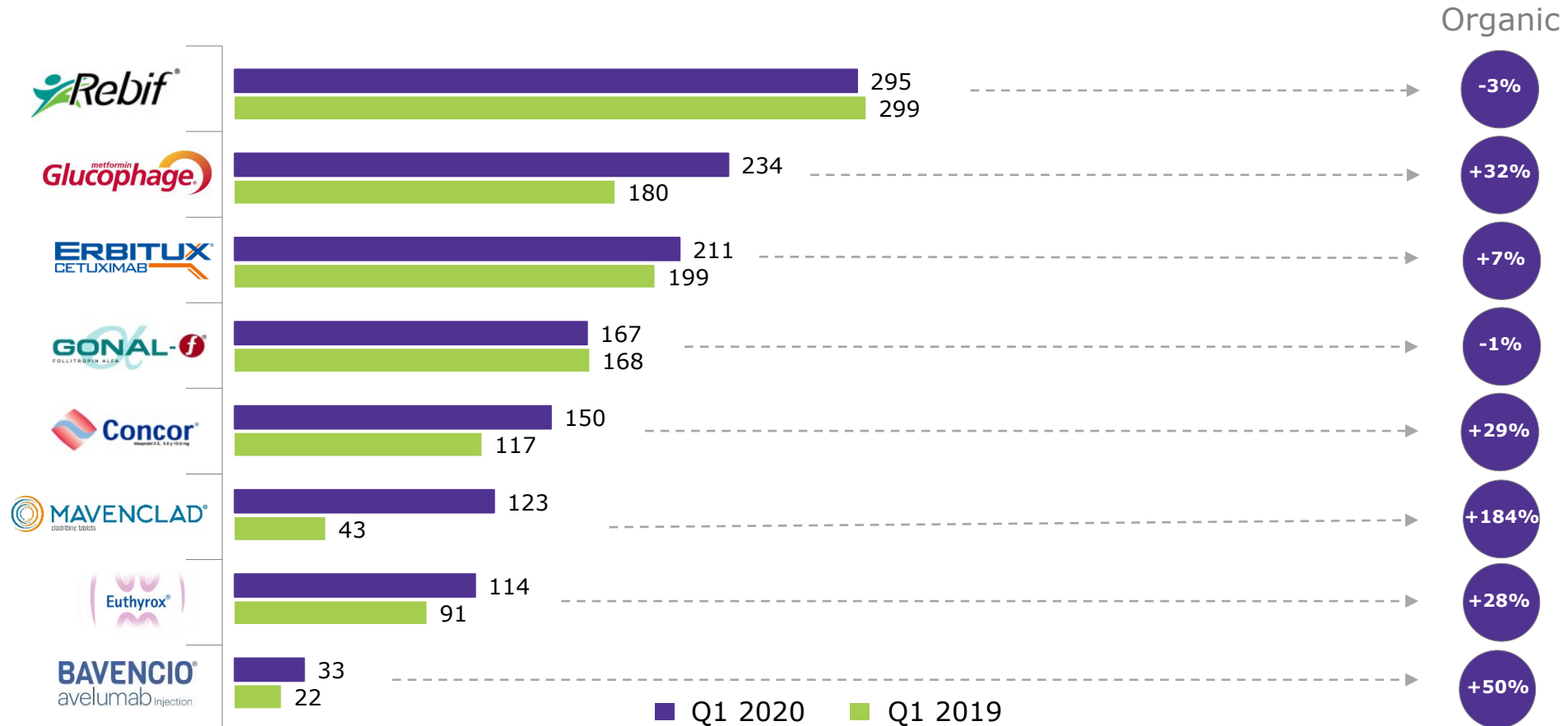
Maturity profile as of March 31, 2020



Balanced maturity profile in upcoming years avoids refinancing risks;
Merck KGaA, Darmstadt, Germany will become a more frequent issuer

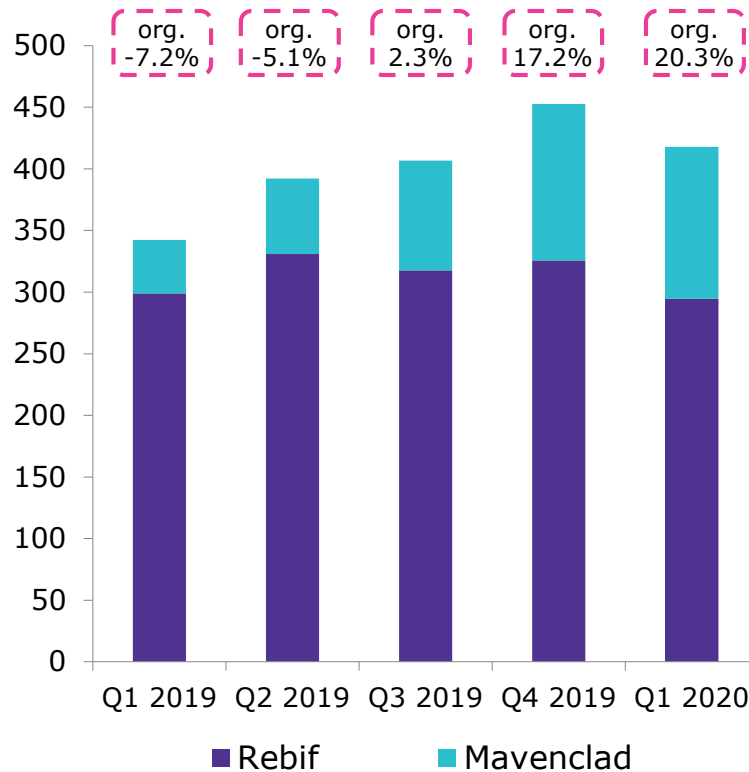
Healthcare organic growth by franchise/product

Q1 2020 organic sales growth [%] by key franchise/products [€ m]

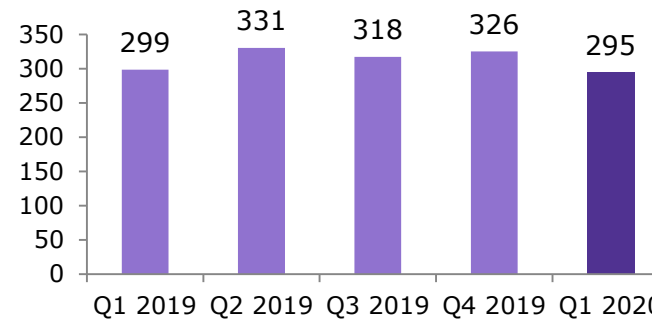


Neurology & Immunology: Paused Mavenclad[®] ramp up amid Covid-19 uncertainties offset by slower than anticipated organic Rebif[®] decline

Sales development NDI, [€m]

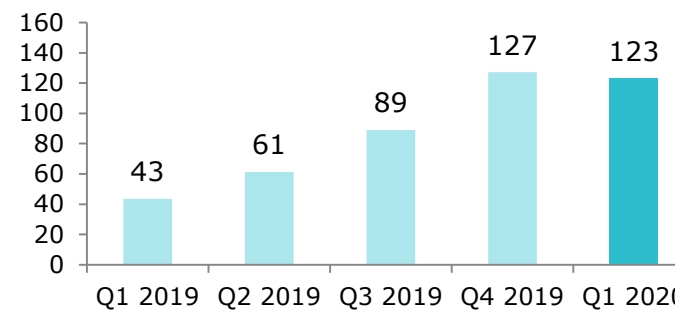


Rebif[®] net sales, [€m]



- Rebif[®] sales of €295 m in Q1 '20 reflect lower organic decline of -3.4%, further mitigated by FX effect of +2%
- Slower than anticipated U.S. decline from inventory effect while ex-U.S. remains stable
- Q-o-Q decline more pronounced against exceptionally strong Q4 '19 from rebate provision releases

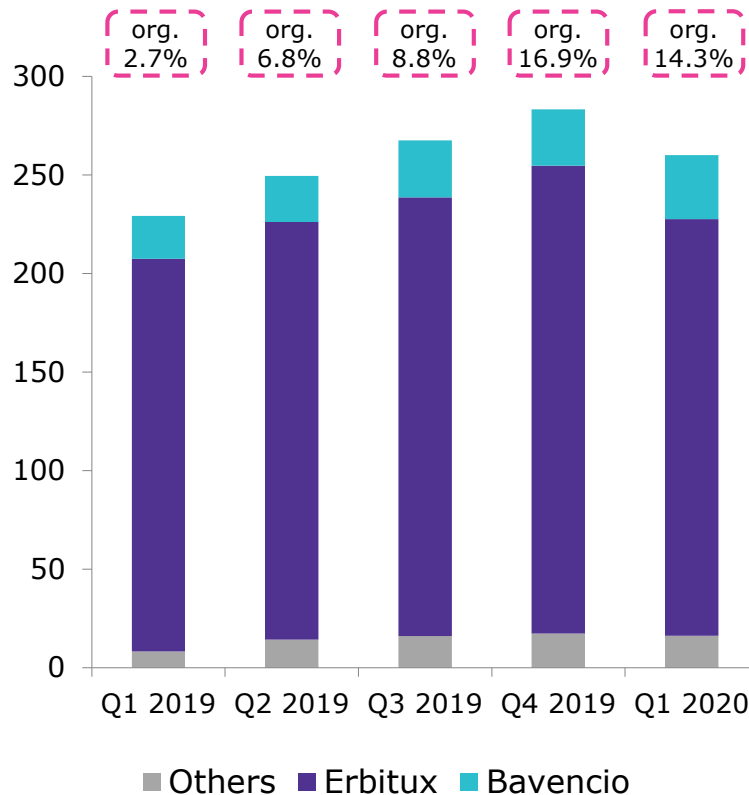
Mavenclad[®] net sales, [€m]



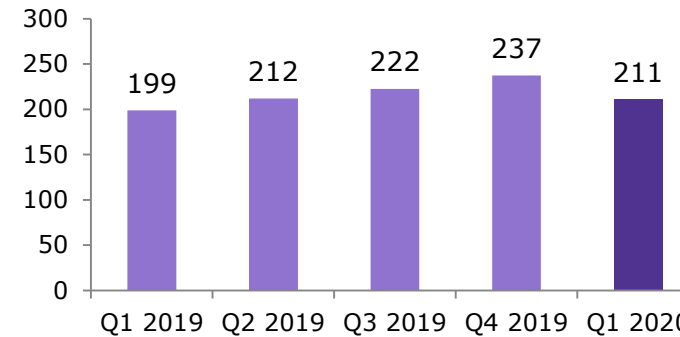
Mavenclad[®] nearly tripling vs. Q1 '19 but flattish vs. Q4 '19 amid COVID-19 uncertainties in Europe and U.S.

Oncology: High double-digit growth in Bavencio®, while Erbitux is impacted by interruption of treatment protocols with infusions due to COVID-19

Sales development Oncology, [€m]

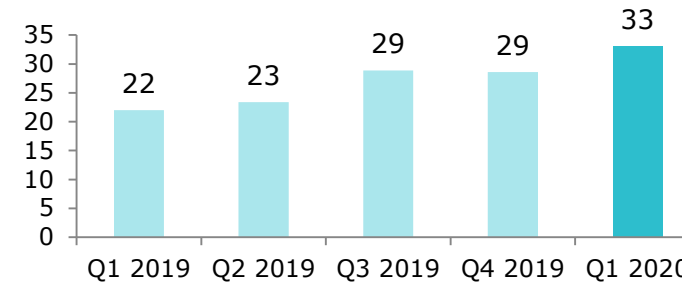


Erbitux® net sales, [€m]



- Absolute sales of €211 m reflect 6.1% growth in Q1 (org. 7.1%; FX -1.0%)
- Erbitux: COVID-19 related slowdown in APAC (org. +0.6%) offset by double-digit growth in Europe due to tender phasing

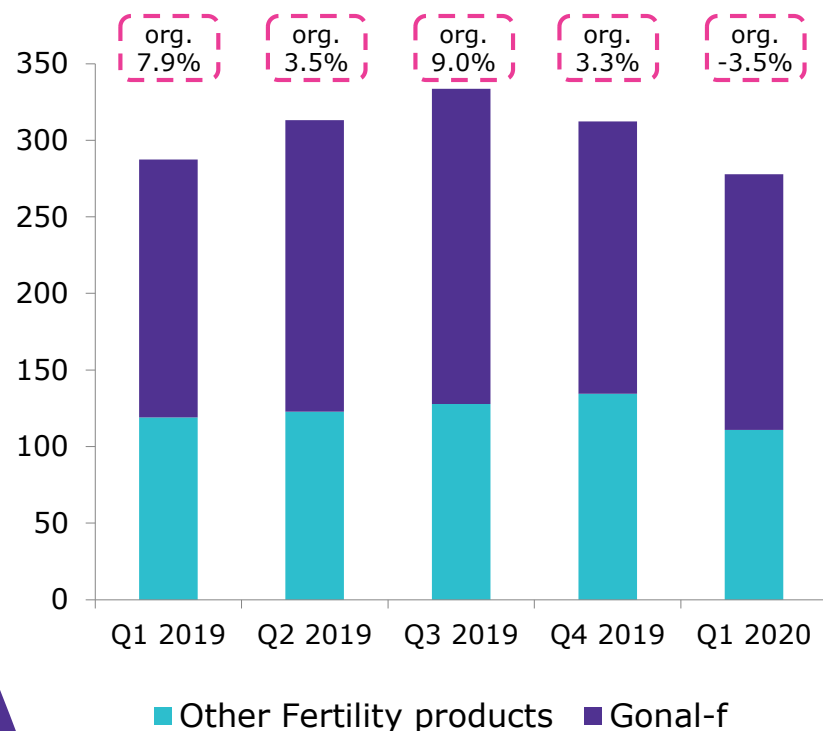
Bavencio® net sales, [€m]



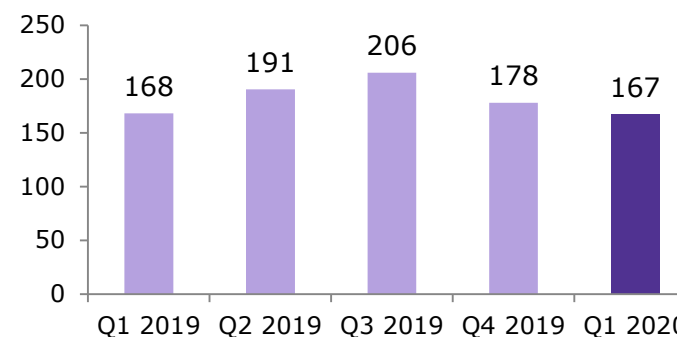
Recent Bavencio® approvals for RCC in U.S., Europe and Japan fuel 50,3% growth in Q1 (org. 49.8%; FX -0.5%)

Fertility: As anticipated, strongest COVID-19 impact among all franchises particularly pronounced in China, Central and Western Europe

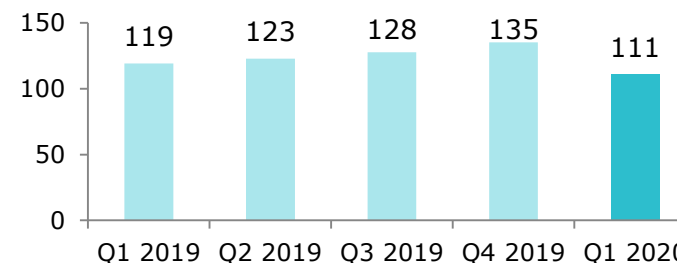
Sales development Fertility, [€m]



Gonal-f[®] net sales, [€m]



Other Fertility net sales, [€m]

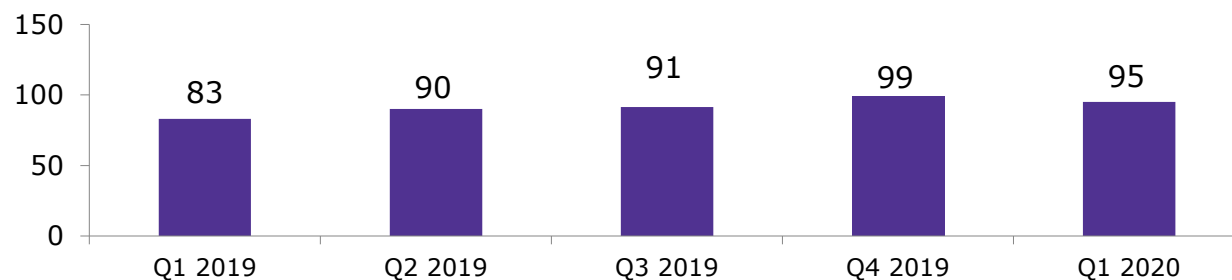


- Entire Fertility portfolio shows a moderate organic decline of -3.5% primarily due to COVID-19
- COVID-19 triggering nearly 50% sales decline in China, offset partially by strong growth in North America
- Milder decline in Gonal-f[®] (org. -1.2%; FX 0.4%) explained by different quarterly phasing in North America

General Medicine and Endocrinology: Strong growth further accelerated by stocking effects more than offsetting negative COVID-19 impact in China

Sales evolution

[€m] Endocrinology

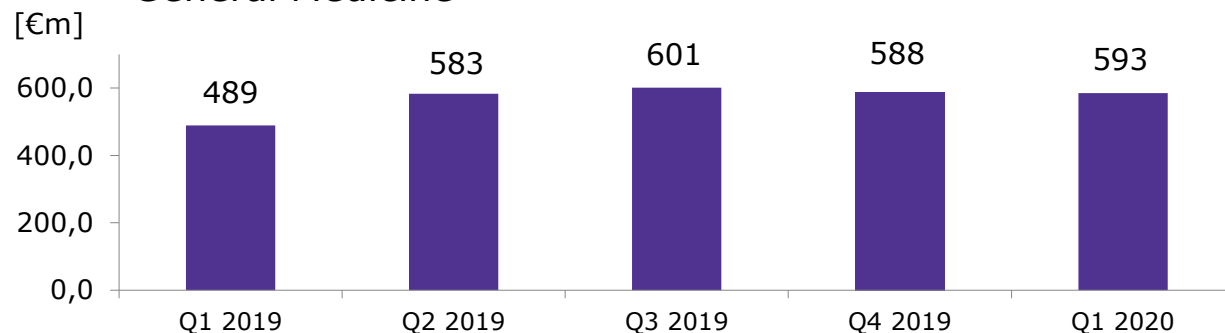


➡ Organic
+16.0% org.

Q1 2020 organic drivers

- Endocrinology reflects strong demand for Saizen® particularly in APAC and Latin America partially explained through competitor stockout

[€m] General Medicine*



➡ Organic
+21.7% org.

- Continuously strong demand for Glucophage® further accelerated in APAC (org. +39%), Latin America (org. +33%), and Europe (org. +18%) due to COVID-19 related trends

Phase I

berzosertib (M6620)
ATR inhibitor
Solid tumors

peposertib (M3814)
DNA-PK inhibitor
Solid tumors¹

M1774
ATR inhibitor
Solid tumors

M3258
LMP7 inhibitor
Multiple myeloma

M4344
ATR inhibitor
Solid tumors

M8891
MetAP2 inhibitor
Solid tumors

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Solid tumors

M9241 (NHS-IL12)
Cancer immunotherapy
Solid tumors¹

M5049
TLR7/8 antagonist
Immunology

M6495
anti-ADAMTS-5 nanobody
Osteoarthritis

M5717
PeEF2 inhibitor
Malaria

Phase II

peposertib (M3814)
DNA-PK inhibitor
Rectal cancer

tepotinib
MET kinase inhibitor
Non-small cell lung cancer

abrituzumab
pan-αv integrin inhibiting mAb
Colorectal cancer 1L

avelumab
anti-PD-L1 mAb
Merkel cell cancer 1L

avelumab
anti-PD-L1 mAb
Solid tumors²

avelumab
anti-PD-L1 mAb
Non-small cell lung cancer²

avelumab
anti-PD-L1 mAb
Urothelial cancer²

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Non-small cell lung cancer 1L

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Non-small cell lung cancer 1L/2L

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Locally advanced non-small cell lung cancer

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Biliary tract cancer 1L

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Biliary tract cancer 2L

bintrafusp alfa
TGFbeta trap/anti-PD-L1
Cervical cancer 2L

atacept
anti-BlyS/APRIL fusion protein
Systemic lupus erythematosus

atacept
anti-BlyS/APRIL fusion protein
IgA nephropathy

sprifermin
fibroblast growth factor 18
Osteoarthritis

M1095 (ALX-0761)³
anti-IL-17 A/F nanobody
Psoriasis

Phase III

avelumab
anti-PD-L1 mAb
Non-small cell lung cancer 1L

evobrutinib
BTK inhibitor
Multiple sclerosis

Registration

tepotinib
MET kinase inhibitor
Non-small cell lung cancer, *MET*ex14 skipping⁴

avelumab
anti-PD-L1 mAb
Urothelial cancer 1L-M⁵

- Oncology
- Immuno-Oncology
- Immunology
- Neurology
- Global Health

1L, first-line treatment; 1L-M, first-line maintenance treatment; 2L, second-line treatment.

¹ Includes studies in combination with avelumab. ² Avelumab combination studies with talazoparib, axitinib, ALK inhibitors, cetuximab, or chemotherapy. ³ As announced on March 30 2017, in an agreement with Avillion, anti-IL-17 A/F nanobody will be developed by Avillion for plaque psoriasis and commercialized by Merck KGaA, Darmstadt, Germany. ⁴ As announced on March 25 2020, tepotinib was approved in Japan for the treatment of patients with non-small cell lung cancer harboring *MET*ex14 skipping. ⁵ As announced on April 09 2020, a supplemental Biologics License Application (sBLA) has been submitted to the U.S. Food and Drug Administration (FDA) for avelumab for first-line maintenance treatment of patients with locally advanced or metastatic urothelial carcinoma.

Pipeline products are under clinical investigation and have not been proven to be safe and effective. There is no guarantee any product will be approved in the sought-after indication.

Adjustments in Q1 2020

Adjustments in EBIT

[€m]	Q1 2019		Q1 2020	
	Adjustments	thereof D&A	Adjustments	thereof D&A
Healthcare	3	0	-27	2
Life Science	9	0	11	0
Performance Materials	35	0	35	0
Corporate & Other	28	0	17	0
Total	76	0	36	2

Financial calendar

Date	Event
May 14, 2020	Q1 2020 Earnings release
May 28, 2020	Virtual Annual General Meeting
August 6, 2020	Q2 2020 Earnings release
November 12, 2020	Q3 2020 Earnings release



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