

March 16, 2010

To: Holders of 6.00% Mandatory Convertible Preferred Stock of Merck & Co., Inc.

Re: Notice of Adjustments to Minimum and Maximum Share Conversion Rates

Dear Investors:

Reference is hereby made to Annex A to the Restated Certificate of Incorporation (the "Certificate of Incorporation") of Merck & Co., Inc., a New Jersey corporation ("Merck" or the "Company"), setting forth the terms of the 6.00% Mandatory Convertible Preferred Stock of Merck (the "Preferred Stock"), formerly the 6.00% Mandatory Convertible Preferred Stock of Schering-Plough Corporation. Capitalized terms used in this notice without definition have the respective meanings ascribed to them in Annex A to the Certificate of Incorporation. You may obtain a copy of the Certificate of Incorporation for free at the Investor Relations section of the Company's website at [www.merck.com](http://www.merck.com) or by contacting Stockholder Services Dept., WS3AB-40, Merck & Co., Inc., One Merck Drive, P.O. Box 100, Whitehouse Station, NJ 08889-0100, Phone: 1-800-522-9114.

#### Conversion Rights

The shares of Preferred Stock are convertible into consideration comprised of 0.5767 of a shares of common stock of Merck (the "Share Consideration") and \$10.50 in cash, without interest (the "Cash Consideration") at a conversion rate for the Share Consideration (a "Share Conversion Rate") and a conversion rate for the Cash Consideration (a "Cash Conversion Rate") determined at the time of conversion, subject to minimum and maximum Share Conversion Rates and minimum and maximum Cash Conversion Rates.

Prior to March 16, 2010, the minimum and maximum Share Conversion Rates were 7.4206 and 9.0909, respectively. As described more fully below, effective immediately prior to the opening of business on March 16, 2010, the minimum and maximum Share Conversion Rates were adjusted to 7.5485 and 9.2476, respectively.

The minimum and maximum Cash Conversion Rates remain fixed at 7.4206 and 9.0909, respectively.

#### Adjustments to the Share Conversion Rates

Under Section 14(a)(iv) of Annex A to the Certificate of Incorporation, if the Company distributes a regularly scheduled quarterly cash dividend on the Company's common stock, par value \$0.50 per share ("Common Stock") that exceeds \$0.065 (the "Dividend Threshold Amount") per share of Common Stock, the minimum and maximum Share Conversion Rates then in effect are to be adjusted by multiplying such minimum and maximum Share Conversion Rates by a fraction (the "Adjustment Fraction") the numerator of which is the average of the closing prices for the shares of Common Stock on the New York Stock Exchange over the five consecutive trading days ending on the day before the first day on which the shares of Common Stock trade without the right to receive the regularly scheduled quarterly cash dividend (the "Pre-Ex Average Price") and the denominator of which is equal to the Pre-Ex Average Price less the amount by which the regularly scheduled quarterly cash dividend exceeds \$0.065.

Under Section 14(c) of Annex A to the Certificate of Incorporation, prior to the Mandatory Conversion Date (as defined in Annex A to the Certificate of Incorporation), no adjustment to the minimum and maximum Share Conversion Rates is required unless the adjustment would require an increase or decrease of at least one percent. Any adjustment which by reason of the foregoing is not required to be made is to be carried forward and taken into account in connection with any subsequent adjustment.

### Q1 Dividend

On November 24, 2009, the Board of Directors of the Company declared a quarterly cash dividend of \$0.38 (the "Q1 Dividend") per share with respect to the, which was distributed on January 8, 2010 to holders of record of shares of Common Stock on December 15, 2009.

The Adjustment Fraction with respect to the Q1 Dividend (the "Q1 Adjustment Fraction"), is a fraction the numerator of which is \$36.89 (the "Q1 Pre-Ex Average Price") (the average of the closing prices for the shares of Common Stock on the New York Stock Exchange over the five consecutive trading days ending on December 10, 2009, the day before the first day on which the shares of Common Stock traded without the right to receive the Q1 Dividend) and the denominator of which is equal to \$36.57 (the Q1 Pre-Ex Average Price less \$0.315 (the amount by which the Q1 Dividend exceeded \$0.065)).

Because the increase to the minimum and maximum Share Conversion Rates that would have resulted from multiplying the minimum and maximum Share Conversion Rates by the Q1 Adjustment Fraction would not have been equal to or greater than one percent, pursuant to Section 14(c) of Annex A to the Certificate of Incorporation, no adjustment to the minimum and maximum Share Conversion Rates was required at the time of the Q1 Dividend and such adjustment was carried forward to be taken into account in determining a future adjustment.

### Q2 Dividend

On February 23, 2010, the Board of Directors of the Company declared a quarterly cash dividend of \$0.38 (the "Q2 Dividend") per share with respect to the Common Stock, which will be distributed on April 7, 2010 to holders of record of shares of Common Stock on March 15, 2010.

The Adjustment Fraction with respect to the Q2 Dividend (the "Q2 Adjustment Fraction"), is a fraction the numerator of which is \$37.14 (the "Q2 Pre-Ex Average Price") (the average of the closing prices for the shares of Common Stock on the New York Stock Exchange over the five consecutive trading days ending on March 10, 2009, the day before the first day on which the shares of Common Stock trade without the right to receive the Q2 Dividend) and the denominator of which is equal to \$36.82 (the Q2 Pre-Ex Average Price less \$0.315 (the amount by with the Q2 Dividend exceeded \$0.065)).

### Notice of Adjustment

Because the increase to the minimum and maximum Share Conversion Rates that results from multiplying the minimum and maximum Share Conversion Rates by the Q1 Adjustment Fraction and the Q2 Adjustment Fraction is greater than one percent, the minimum and maximum Share Conversion Rates was adjusted to 7.5485 and 9.2476, respectively, effective immediately prior to the opening of business on March 16, 2010.

The adjustments were calculated by multiplying each of 7.4206 and 9.0909, the minimum and maximum Share Conversion Rates in effect prior to the adjustments, by the Q1 Adjustment Fraction and the Q2 Adjustment Fraction and adjusting the result to the nearest 1/10,000<sup>th</sup>.

**MERCK & CO., INC.**