Supplement to
1Q 2013
Earnings Release

Merck & Co., Inc.

Financial Highlights Package

First Quarter 2013

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MERCK & CO., INC.
CONSOLIDATED STATEMENT OF INCOME - GAAP
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 1

	GAAP		% Change
	1Q13	1Q12	
Sales	$ 10,671	$ 11,731	-9%
Costs, Expenses and Other			
Materials and production [1]	3,959	4,037	-2%
Marketing and administrative [1]	2,987	3,074	-3%
Research and development [1]	1,907	1,862	2%
Restructuring costs [2]	119	219	-46%
Equity income from affiliates [3]	(133)	(110)	21%
Other (income) expense, net [4]	282	142	99%
Income Before Taxes	1,550	2,507	-38%
Income Tax (Benefit) Provision	(66)	740	
Net Income	1,616	1,767	-9%
Less: Net Income Attributable to Noncontrolling Interests	23	29	
Net Income Attributable to Merck & Co., Inc.	$ 1,593	$ 1,738	-8%
Earnings per Common Share Assuming Dilution	$ 0.52	$ 0.56	-7%
Average Shares Outstanding Assuming Dilution	3,053	3,074	
Tax Rate [5]	-4.3%	29.5%	

(1) Amounts include the impact of acquisition-related costs and restructuring costs. See accompanying tables for details.

(2) Represents separation and other related costs associated with restructuring activities under the company's formal restructuring programs.

(3) Primarily reflects equity income from the AstraZeneca LP and Sanofi Pasteur MSD partnerships.

(4) Other (income) expense, net in the first quarter of 2013 reflects approximately $140 million of losses due to exchange as a result of a Venezuelan currency devaluation.

(5) The GAAP effective tax rate for the first quarter of 2013 reflects the favorable impact of various discrete items, including the impact of tax legislation enacted in the first quarter of 2013, a reduction in tax reserves upon expiration of applicable statute of limitations, as well as a benefit of approximately $160 million associated with the resolution of a previously disclosed legacy Schering-Plough federal income tax issue.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF INCOME - GAAP
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 1a

	2013	2012					% Change
	1Q	1Q	2Q	3Q	4Q	Full Year	1Q
Sales	**$ 10,671**	**$ 11,731**	$ 12,311	$ 11,488	$ 11,738	$ 47,267	-9%
Costs, Expenses and Other							
Materials and production	**3,959**	**4,037**	4,112	4,137	4,160	16,446	-2%
Marketing and administrative	**2,987**	**3,074**	3,249	3,063	3,390	12,776	-3%
Research and development	**1,907**	**1,862**	2,165	1,918	2,224	8,168	2%
Restructuring costs	**119**	**219**	144	110	191	664	-46%
Equity income from affiliates	**(133)**	**(110)**	(142)	(158)	(231)	(642)	21%
Other (income) expense, net	**282**	**142**	103	200	669	1,116	99%
Income Before Taxes	**1,550**	**2,507**	2,680	2,218	1,335	8,739	-38%
Income Tax (Benefit) Provision	**(66)**	**740**	860	455	385	2,440	
Net Income	**1,616**	**1,767**	1,820	1,763	950	6,299	-9%
Less: Net Income Attributable to Noncontrolling Interests	**23**	**29**	27	34	42	131	
Net Income Attributable to Merck & Co., Inc.	**$ 1,593**	**$ 1,738**	$ 1,793	$ 1,729	$ 908	$ 6,168	-8%
Earnings per Common Share Assuming Dilution	**$ 0.52**	**$ 0.56**	$ 0.58	$ 0.56	$ 0.30	$ 2.00	-7%
Average Shares Outstanding Assuming Dilution	**3,053**	**3,074**	3,072	3,079	3,074	3,076	
Tax Rate	**-4.3%**	**29.5%**	32.1%	20.5%	28.8%	27.9%	

Sum of quarterly amounts may not equal year-to-date amounts due to rounding.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF INCOME
GAAP TO NON-GAAP RECONCILIATION
FIRST QUARTER 2013
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 2a

	GAAP	Acquisition-Related Costs [1]	Restructuring Costs [2]	Adjustment Subtotal	Non-GAAP
Sales	**$ 10,671**				$ 10,671
Costs, Expenses and Other					
Materials and production	**3,959**	1,184	43	1,227	2,732
Marketing and administrative	**2,987**	23	17	40	2,947
Research and development	**1,907**	30	15	45	1,862
Restructuring costs	**119**		119	119	-
Equity income from affiliates	**(133)**				(133)
Other (income) expense, net	**282**				282
Income Before Taxes	**1,550**	(1,237)	(194)	(1,431)	2,981
Taxes on Income	**(66)**			(439) [3]	373
Net Income	**1,616**			(992)	2,608
Less: Net Income Attributable to Noncontrolling Interests	**23**				23
Net Income Attributable to Merck & Co., Inc.	**$ 1,593**			(992)	$ 2,585
Earnings per Common Share Assuming Dilution	**$ 0.52**				$ 0.85
Average Shares Outstanding Assuming Dilution	**3,053**				3,053
Tax Rate	**-4.3%**				12.5%

Merck is providing non-GAAP information that excludes certain items because of the nature of these items and the impact they have on the analysis of underlying business performance and trends. Management believes that providing this information enhances investors' understanding of the company's performance. This information should be considered in addition to, but not in lieu of, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect expenses for the amortization of intangible assets recognized as a result of mergers and acquisitions. Amounts included in marketing and administrative expenses reflect merger integration costs. Amounts included in research and development expenses represent in-process research and development ("IPR&D") impairment charges.

(2) Amounts primarily include employee separation costs and accelerated depreciation associated with facilities to be closed or divested related to actions under the company's formal restructuring programs.

(3) Represents the estimated tax impact on the reconciling items, as well as a benefit of approximately $160 million associated with the resolution of a previously disclosed legacy Schering-Plough federal income tax issue.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF INCOME
GAAP TO NON-GAAP RECONCILIATION
FIRST QUARTER 2012
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 2b

	GAAP	Acquisition-Related Costs [1]	Restructuring Costs [2]	Adjustment Subtotal	Non-GAAP
Sales	**$ 11,731**				$ 11,731
Costs, Expenses and Other					
Materials and production	**4,037**	1,229	5	1,234	2,803
Marketing and administrative	**3,074**	51	24	75	2,999
Research and development	**1,862**	9	45	54	1,808
Restructuring costs	**219**		219	219	-
Equity income from affiliates	**(110)**				(110)
Other (income) expense, net	**142**				142
Income Before Taxes	**2,507**	(1,289)	(293)	(1,582)	4,089
Taxes on Income	**740**			(276) [3]	1,016
Net Income	**1,767**			(1,306)	3,073
Less: Net Income Attributable to Noncontrolling Interests	**29**				29
Net Income Attributable to Merck & Co., Inc.	**$ 1,738**			(1,306)	$ 3,044
Earnings per Common Share Assuming Dilution	**$ 0.56**				$ 0.99
Average Shares Outstanding Assuming Dilution	**3,074**				3,074
Tax Rate	**29.5%**				24.8%

Merck is providing non-GAAP information that excludes certain items because of the nature of these items and the impact they have on the analysis of underlying business performance and trends. Management believes that providing this information enhances investors' understanding of the company's performance. This information should be considered in addition to, but not in lieu of, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect expenses for the amortization of intangible assets recognized as a result of mergers and acquisitions. Amounts included in marketing and administrative expenses reflect merger integration costs. Amounts included in research and development expenses represent in-process research and development ("IPR&D") impairment charges.

(2) Amounts primarily include employee separation costs and accelerated depreciation associated with facilities to be closed or divested related to actions under the company's formal restructuring programs.

(3) Represents the estimated tax impact on the reconciling items.

Franchise Changes

Beginning in 2013, the following products have been moved into different therapeutic franchises in the Merck financial supplement. Results for the prior year periods reflect this change. In addition, the individual results for Vasotec/Vaseretic are no longer reported separately and are now included in the Other Pharmaceutical results.

Product	*Former Franchise*		*Current Franchise*
Maxalt	**Primary Care and Women's Health**	→	**Diversified Brands**
Clarinex	**Primary Care and Women's Health**	→	**Diversified Brands**
Primaxin	**Hospital and Specialty**	→	**Diversified Brands**

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
(AMOUNTS IN MILLIONS)
(UNAUDITED)
Table 3

	2013	2012					% Change
	1Q	1Q	2Q	3Q	4Q	Full Year	1Q
TOTAL SALES [1]	**$10,671**	**$11,731**	**$12,311**	**$11,488**	**$11,738**	**$47,267**	**-9**
PHARMACEUTICAL	**8,891**	**10,082**	**10,560**	**9,875**	**10,085**	**40,601**	**-12**
Primary Care and Women's Health							
Cardiovascular							
Zetia	629	614	632	645	676	2,567	2
Vytorin	394	444	445	423	435	1,747	-11
Diabetes & Obesity							
Januvia	884	919	1,058	975	1,134	4,086	-4
Janumet	409	392	411	405	452	1,659	4
Respiratory							
Nasonex	385	375	293	292	308	1,268	3
Singulair	337	1,340	1,431	602	480	3,853	-75
Dulera	68	39	50	52	67	207	76
Asmanex	40	48	51	42	44	185	-16
Women's Health & Endocrine							
NuvaRing	151	146	157	156	164	623	4
Fosamax	137	184	186	152	154	676	-26
Follistim AQ	122	116	125	111	116	468	5
Implanon	84	76	85	93	94	348	12
Cerazette	61	67	72	64	68	271	-9
Other							
Arcoxia	121	112	117	109	115	453	8
Avelox	36	73	44	30	55	201	-51
Hospital and Specialty							
Immunology							
Remicade	549	519	518	490	549	2,076	6
Simponi	108	74	76	86	95	331	46
Infectious Disease							
Isentress	362	337	398	399	381	1,515	8
Cancidas	162	145	166	163	145	619	12
PegIntron	126	162	183	165	143	653	-23
Victrelis	110	111	126	149	115	502	-1
Invanz	110	101	110	118	116	445	9
Noxafil	65	59	66	66	68	258	11
Oncology							
Temodar	216	237	225	227	229	917	-9
Emend	116	102	145	111	131	489	14
Other							
Cosopt / Trusopt	105	124	105	102	113	444	-15
Bridion	63	58	60	68	75	261	8
Integrilin	47	53	60	48	51	211	-11
Diversified Brands							
Cozaar / Hyzaar	267	336	337	295	315	1,284	-21
Primaxin	84	88	104	109	83	384	-5
Zocor	82	103	96	86	98	383	-20
Claritin Rx	76	87	48	47	63	244	-13
Propecia	68	108	100	104	112	424	-37
Clarinex	61	134	140	64	56	393	-55
Remeron	52	57	66	52	57	232	-8
Maxalt	40	156	154	166	162	638	-74
Proscar	39	51	55	55	56	217	-23
Vaccines							
Gardasil	390	284	324	581	442	1,631	37
ProQuad, M-M-R II and Varivax	272	255	316	396	306	1,273	7
Zostavax	168	76	148	202	225	651	*
RotaTeq	162	142	142	150	168	601	14
Pneumovax 23	111	112	101	160	208	580	-1
Other Pharmaceutical [2]	1,022	1,066	1,034	1,065	1,161	4,333	-4
ANIMAL HEALTH	**840**	**821**	**865**	**815**	**898**	**3,399**	**2**
CONSUMER CARE	**571**	**554**	**552**	**451**	**395**	**1,952**	**3**
Claritin OTC	177	169	145	118	100	532	5
Other Revenues [3]	**369**	**274**	**333**	**347**	**360**	**1,315**	**34**
Astra	262	186	223	255	251	915	41

* 100% or greater

Sum of quarterly amounts may not equal year-to-date amounts due to rounding.

[1] Only select products are shown.

[2] Includes Pharmaceutical products not individually shown above. Other Vaccines sales included in Other Pharmaceutical were $53 million for the first quarter of 2013. Other Vaccines sales included in Other Pharmaceutical were $60 million, $75 million, $116 million, and $69 million for the first, second, third, and fourth quarters of 2012, respectively.

[3] Other revenues are primarily comprised of alliance revenue, miscellaneous corporate revenues and third party manufacturing sales.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
FIRST QUARTER 2013
(AMOUNTS IN MILLIONS)
(UNAUDITED)
Table 3a

	Global			U.S.			International		
	1Q13	1Q12	% Change	1Q13	1Q12	% Change	1Q13	1Q12	% Change
TOTAL SALES [1]	**$10,671**	**$11,731**	**-9**	**$4,215**	**$5,009**	**-16**	**$6,457**	**$6,721**	**-4**
PHARMACEUTICAL	**8,891**	**10,082**	**-12**	**3,256**	**4,189**	**-22**	**5,635**	**5,892**	**-4**
Primary Care and Women's Health									
Cardiovascular									
Zetia	629	614	2	334	309	8	295	305	-3
Vytorin	394	444	-11	156	189	-17	238	255	-7
Diabetes & Obesity									
Januvia	884	919	-4	462	493	-6	422	427	-1
Janumet	409	392	4	197	202	-2	212	190	11
Respiratory									
Nasonex	385	375	3	150	161	-7	235	213	10
Singulair	337	1,340	-75	1	876	*	336	464	-28
Dulera	68	39	76	66	38	74	3	1	*
Asmanex	40	48	-16	34	44	-21	6	5	31
Women's Health & Endocrine									
NuvaRing	151	146	4	89	83	8	62	63	-2
Fosamax	137	184	-26	5	7	-32	132	177	-26
Follistim AQ	122	116	5	41	38	7	81	78	4
Implanon	84	76	12	42	31	37	42	45	-6
Cerazette	61	67	-9				61	67	-9
Other									
Arcoxia	121	112	8				121	112	8
Avelox	36	73	-51	33	70	-52	2	3	-21
Hospital and Specialty									
Immunology									
Remicade	549	519	6				549	519	6
Simponi	108	74	46				108	74	46
Infectious Disease									
Isentress	362	337	8	187	186	1	175	150	16
Cancidas	162	145	12	7	8	-18	156	137	13
PegIntron	126	162	-23	9	32	-72	117	130	-10
Victrelis	110	111	-1	37	67	-46	73	44	67
Invanz	110	101	9	54	51	6	57	50	13
Noxafil	65	59	11	18	15	22	47	44	7
Oncology									
Temodar	216	237	-9	108	105	3	108	132	-18
Emend	116	102	14	66	63	5	50	39	28
Other									
Cosopt / Trusopt	105	124	-15	4	3	14	102	120	-16
Bridion	63	58	8				63	58	8
Integrilin	47	53	-11	43	49	-11	4	4	-8
Diversified Brands									
Cozaar / Hyzaar	267	336	-21	11	5	*	256	332	-23
Primaxin	84	88	-5	4	4	-19	80	84	-4
Zocor	82	103	-20	6	6	-8	76	96	-21
Claritin Rx	76	87	-13				76	87	-13
Propecia	68	108	-37	6	32	-80	62	76	-19
Clarinex	61	134	-55	6	51	-89	55	82	-33
Remeron	52	57	-8	1	1	-4	51	56	-8
Maxalt	40	156	-74	9	112	-92	32	44	-27
Proscar	39	51	-23	1	1	*	38	51	-25
Vaccines									
Gardasil	390	284	37	247	174	42	142	110	29
ProQuad, M-M-R II and Varivax	272	255	7	246	228	8	26	27	-1
Zostavax	168	76	*	152	67	*	16	9	76
RotaTeq	162	142	14	130	108	21	32	34	-6
Pneumovax 23	111	112	-1	86	73	19	25	39	-37
Other Pharmaceutical [2]	1,022	1,066	-4	208	207		811	859	-6
ANIMAL HEALTH	**840**	**821**	**2**	**231**	**193**	**19**	**609**	**627**	**-3**
CONSUMER CARE	**571**	**554**	**3**	**400**	**383**	**4**	**171**	**171**	**--**
Claritin OTC	177	169	5	146	137	7	31	33	-4
Other Revenues [3]	**369**	**274**	**34**	**328**	**243**	**35**	**41**	**31**	**31**
Astra	262	186	41	262	186	41			

* 100% or greater

[1] Only select products are shown.

[2] Includes Pharmaceutical products not individually shown above. Other Vaccines sales included in Other Pharmaceutical were $53 million and $60 million on a global basis for first quarter 2013 and 2012, respectively.

[3] Other revenues are primarily comprised of alliance revenue, miscellaneous corporate revenues and third party manufacturing sales.

MERCK & CO., INC.
PHARMACEUTICAL GEOGRAPHIC SALES
(AMOUNTS IN MILLIONS)
(UNAUDITED)
Table 3b

	1Q13	1Q12	2Q12	3Q12	4Q12	Full Year	% Change 1Q
TOTAL PHARMACEUTICAL	**$8,891**	**$10,082**	**$10,560**	**$9,875**	**$10,085**	**$40,601**	**-12**
United States	**3,256**	**4,189**	**4,633**	**4,304**	**3,915**	**17,041**	**-22**
% Pharmaceutical Sales	36.6%	41.6%	43.9%	43.6%	38.8%	42.0%	
Europe (1)	**2,465**	**2,558**	**2,540**	**2,210**	**2,441**	**9,750**	**-4**
% Pharmaceutical Sales	27.7%	25.4%	24.1%	22.4%	24.2%	24.0%	
Japan	**1,034**	**1,267**	**1,199**	**1,124**	**1,388**	**4,978**	**-18**
% Pharmaceutical Sales	11.6%	12.6%	11.4%	11.4%	13.8%	12.3%	
Latin America	**596**	**627**	**668**	**715**	**742**	**2,752**	**-5**
% Pharmaceutical Sales	6.7%	6.2%	6.3%	7.2%	7.4%	6.8%	
Asia Pacific	**822**	**762**	**787**	**846**	**864**	**3,259**	**8**
% Pharmaceutical Sales	9.2%	7.6%	7.4%	8.6%	8.6%	8.0%	
China	**271**	**221**	**262**	**262**	**298**	**1,044**	**23**
Eastern Europe/Middle East Africa	**439**	**361**	**441**	**366**	**416**	**1,584**	**21**
% Pharmaceutical Sales	4.9%	3.6%	4.2%	3.7%	4.1%	3.9%	
Canada	**245**	**264**	**236**	**257**	**276**	**1,034**	**-7**
% Pharmaceutical Sales	2.8%	2.6%	2.2%	2.6%	2.7%	2.5%	
Other	**34**	**53**	**56**	**52**	**42**	**203**	**-35**
% Pharmaceutical Sales	0.4%	0.5%	0.5%	0.5%	0.4%	0.5%	

(1) Europe primarily represents all European Union countries and the European Union accession markets.

MERCK & CO., INC.
FIRST QUARTER 2013
EQUITY INCOME / JV SALES / OTHER (INCOME) EXPENSE - GAAP
(AMOUNTS IN MILLIONS)
(UNAUDITED)
Table 4

EQUITY INCOME FROM AFFILIATES

	1Q13	1Q12
ASTRAZENECA LP	$ 125	$ 113
Other [1]	8	(3)
TOTAL	**$ 133**	**$ 110**

[1] Includes results for Sanofi Pasteur MSD.

SANOFI PASTEUR MSD JOINT VENTURE SALES DETAIL

All sales reported here are end-market JV sales, presented on a "NET" basis.

	1Q13	1Q12
GARDASIL	$ 73	$ 55
OTHER VIRAL VACCINES	29	25
ROTATEQ	14	11
HEPATITIS VACCINES	8	9
Other Vaccines	106	106
TOTAL SANOFI PASTEUR MSD SALES	**$ 230**	**$ 206**

OTHER (INCOME) EXPENSE, NET

	1Q13	1Q12
INTEREST INCOME [1]	$ (57)	$ (55)
INTEREST EXPENSE [1]	184	175
EXCHANGE LOSSES	212	67
Other, net	(57)	(45)
TOTAL	**$ 282**	**$ 142**

[1] Prior period amounts reflect reclassifications to conform to the current period presentation.