



**Merck & Co., Inc.
Financial Highlights Package
Second Quarter 2016
Table of Contents**

Table 1: GAAP P&L.....	1
Table 1a: GAAP P&L – Current Year and Prior Year by Quarter.....	2
Table 2a: GAAP to Non-GAAP Reconciliation 2Q16	3
Table 2b: GAAP to Non-GAAP Reconciliation June YTD 16	4
Table 2c: GAAP to Non-GAAP Reconciliation 2Q15.....	5
Table 2d: GAAP to Non-GAAP Reconciliation June YTD 15	6
Table 3: Sales – Current Year and Prior Year by Quarter	7
Table 3a: Sales – U.S. / Ex- U.S. 2Q16	8
Table 3b: Sales – U.S. / Ex- U.S. June YTD 16.....	9
Table 3c: Sales – Pharmaceutical Geographic Split	10
Table 4: Other (Income) Expense	11

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

Table 1

	GAAP		% Change	GAAP		% Change
	2Q16	2Q15		June YTD 2016	June YTD 2015	
Sales	\$ 9,844	\$ 9,785	1%	\$ 19,156	\$ 19,210	--
Costs, Expenses and Other						
Materials and production ⁽¹⁾	3,578	3,754	-5%	7,150	7,323	-2%
Marketing and administrative ⁽¹⁾	2,458	2,624	-6%	4,776	5,226	-9%
Research and development ⁽¹⁾	2,151	1,670	29%	3,810	3,407	12%
Restructuring costs ⁽²⁾	134	191	-30%	225	273	-18%
Other (income) expense, net ⁽¹⁾⁽³⁾	19	739	-97%	67	793	-92%
Income Before Taxes	1,504	807	86%	3,128	2,188	43%
Taxes on Income	295	119		789	542	
Net Income	1,209	688	76%	2,339	1,646	42%
Less: Net Income Attributable to Noncontrolling Interests	4	1		9	7	
Net Income Attributable to Merck & Co., Inc.	\$ 1,205	\$ 687	75%	\$ 2,330	\$ 1,639	42%
Earnings per Common Share Assuming Dilution	\$ 0.43	\$ 0.24	79%	\$ 0.83	\$ 0.57	46%
Average Shares Outstanding Assuming Dilution	2,789	2,850		2,792	2,856	
Tax Rate ⁽⁴⁾	19.6%	14.7%		25.2%	24.8%	

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

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

(3) Other (income) expense, net in the second quarter and first six months of 2016 includes a \$115 million gain related to settlement of certain patent litigation. Other (income) expense, net in the second quarter and first six months of 2015 includes foreign exchange losses of \$715 million to devalue the company's net monetary assets in Venezuela.

(4) The effective income tax rates for the second quarter and first six months of 2015 reflect a net benefit of \$370 million related to the settlement of certain federal income tax issues, partially offset by the unfavorable impact of non-deductible foreign exchange losses recorded in connection with the devaluation of the company's net monetary assets in Venezuela.

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

Table 1a

	2016			2015						% Change	
	1Q	2Q	June YTD	1Q	2Q	June YTD	3Q	4Q	Dec YTD	2Q	June YTD
Sales	\$ 9,312	\$ 9,844	\$ 19,156	\$ 9,425	\$ 9,785	\$ 19,210	\$ 10,073	\$ 10,215	\$ 39,498	1%	--
Costs, Expenses and Other											
Materials and production	3,572	3,578	7,150	3,569	3,754	7,323	3,761	3,850	14,934	-5%	-2%
Marketing and administrative	2,318	2,458	4,776	2,601	2,624	5,226	2,472	2,615	10,313	-6%	-9%
Research and development	1,659	2,151	3,810	1,737	1,670	3,407	1,500	1,797	6,704	29%	12%
Restructuring costs	91	134	225	82	191	273	113	233	619	-30%	-18%
Other (income) expense, net	48	19	67	55	739	793	(170)	905	1,527	-97%	-92%
Income Before Taxes	1,624	1,504	3,128	1,381	807	2,188	2,397	815	5,401	86%	43%
Income Tax Provision (Benefit)	494	295	789	423	119	542	566	(166)	942		
Net Income	1,130	1,209	2,339	958	688	1,646	1,831	981	4,459	76%	42%
Less: Net Income Attributable to Noncontrolling Interests	5	4	9	5	1	7	5	5	17		
Net Income Attributable to Merck & Co., Inc.	\$ 1,125	\$ 1,205	\$ 2,330	\$ 953	\$ 687	\$ 1,639	\$ 1,826	\$ 976	\$ 4,442	75%	42%
Earnings per Common Share Assuming Dilution	\$ 0.40	\$ 0.43	\$ 0.83	\$ 0.33	\$ 0.24	\$ 0.57	\$ 0.64	\$ 0.35	\$ 1.56	79%	46%
Average Shares Outstanding Assuming Dilution	2,795	2,789	2,792	2,865	2,850	2,856	2,836	2,813	2,841		
Tax Rate	30.4%	19.6%	25.2%	30.6%	14.7%	24.8%	23.6%	-20.4%	17.4%		

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

MERCK & CO., INC.
GAAP TO NON-GAAP RECONCILIATION
SECOND QUARTER 2016
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2a

	GAAP	Acquisition and Divestiture- Related Costs ⁽¹⁾	Restructuring Costs ⁽²⁾	Adjustment Subtotal	Non-GAAP
Materials and production	\$ 3,578	1,120	66	1,186	\$ 2,392
Marketing and administrative	2,458	18	87	105	2,353
Research and development	2,151	207	64	271	1,880
Restructuring costs	134		134	134	-
Income Before Taxes	1,504	(1,345)	(351)	(1,696)	3,200
Tax Provision (Benefit)	295	(235) ⁽³⁾	(79) ⁽³⁾	(314)	609
Net Income	1,209	(1,110)	(272)	(1,382)	2,591
Net Income Attributable to Merck & Co., Inc.	1,205	(1,110)	(272)	(1,382)	2,587
Earnings per Common Share Assuming Dilution	\$ 0.43	(0.40)	(0.10)	(0.50)	\$ 0.93
Tax Rate	19.6%				19.0%

Only the line items that are affected by non-GAAP adjustments are shown.

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. Management uses this information internally for planning and forecasting purposes and to measure the performance of the company along with other metrics. Senior management's annual compensation is derived in part using non-GAAP income and non-GAAP EPS. This information should be considered in addition to, but not as a substitute for or superior to, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect \$1.0 billion of expenses for the amortization of intangible assets recognized as a result of acquisitions, as well as \$95 million of impairment charges on product intangibles. Amounts included in marketing and administrative expenses reflect integration, transaction and certain other costs related to business acquisitions, including severance costs which are not part of the company's formal restructuring programs, as well as transaction and certain other costs related to divestitures. Amounts included in research and development expenses primarily reflect 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 activities under the company's formal restructuring programs.

(3) Represents the estimated tax impact on the reconciling items, based on applying the statutory rate of the originating territory of the non-GAAP adjustments.

MERCK & CO., INC.
GAAP TO NON-GAAP RECONCILIATION
SIX MONTHS ENDED JUNE 30, 2016
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2b

	GAAP	Acquisition and Divestiture- Related Costs ⁽¹⁾	Restructuring Costs ⁽²⁾	Adjustment Subtotal	Non-GAAP
Materials and production	\$ 7,150	2,506	113	2,619	\$ 4,531
Marketing and administrative	4,776	20	90	110	4,666
Research and development	3,810	242	119	361	3,449
Restructuring costs	225		225	225	-
Income Before Taxes	3,128	(2,768)	(547)	(3,315)	6,443
Tax Provision (Benefit)	789	(444) ⁽³⁾	(122) ⁽³⁾	(566)	1,355
Net Income	2,339	(2,324)	(425)	(2,749)	5,088
Net Income Attributable to Merck & Co., Inc.	2,330	(2,324)	(425)	(2,749)	5,079
Earnings per Common Share Assuming Dilution	\$ 0.83	(0.84)	(0.15)	(0.99)	\$ 1.82
Tax Rate	25.2%				21.0%

Only the line items that are affected by non-GAAP adjustments are shown.

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. Management uses this information internally for planning and forecasting purposes and to measure the performance of the company along with other metrics. Senior management's annual compensation is derived in part using non-GAAP income and non-GAAP EPS. This information should be considered in addition to, but not as a substitute for or superior to, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect \$2.1 billion of expenses for the amortization of intangible assets recognized as a result of acquisitions, as well as \$347 million of impairment charges on product intangibles. Amounts included in marketing and administrative expenses reflect integration, transaction and certain other costs related to business acquisitions, including severance costs which are not part of the company's formal restructuring programs, as well as transaction and certain other costs related to divestitures. Amounts included in research and development expenses primarily reflect 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 activities under the company's formal restructuring programs.

(3) Represents the estimated tax impact on the reconciling items, based on applying the statutory rate of the originating territory of the non-GAAP adjustments.

MERCK & CO., INC.
GAAP TO NON-GAAP RECONCILIATION
SECOND QUARTER 2015
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2c

	GAAP	Acquisition and Divestiture-Related Costs ⁽¹⁾	Restructuring Costs ⁽²⁾	Certain Other Items	Adjustment Subtotal	Non-GAAP
Materials and production	\$ 3,754	1,241	105		1,346	\$ 2,408
Marketing and administrative	2,624	136	17		153	2,471
Research and development	1,670	71	15		86	1,584
Restructuring costs	191		191		191	-
Other (income) expense, net	739			715 ⁽³⁾	715	24
Income Before Taxes	807	(1,448)	(328)	(715)	(2,491)	3,298
Tax Provision (Benefit)	119	(314) ⁽⁴⁾	(53) ⁽⁴⁾	(370) ⁽⁵⁾	(737)	856
Net Income	688	(1,134)	(275)	(345)	(1,754)	2,442
Net Income Attributable to Merck & Co., Inc.	687	(1,134)	(275)	(345)	(1,754)	2,441
Earnings per Common Share Assuming Dilution	\$ 0.24	(0.40)	(0.10)	(0.12)	(0.62)	\$ 0.86
Tax Rate	14.7%					26.0%

Only the line items that are affected by non-GAAP adjustments are shown.

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. Management uses this information internally for planning and forecasting purposes and to measure the performance of the company along with other metrics. Senior management's annual compensation is derived in part using non-GAAP income and non-GAAP EPS. This information should be considered in addition to, but not as a substitute for or superior to, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect \$1.2 billion of expenses for the amortization of intangible assets recognized as a result of acquisitions, as well as \$44 million of amortization of purchase accounting adjustments to inventories as a result of the Cubist acquisition. Amounts included in marketing and administrative expenses reflect integration, transaction and certain other costs related to business acquisitions, including severance costs which are not part of the company's formal restructuring programs, as well as transaction and certain other costs related to divestitures. Amounts included in research and development expenses reflect \$59 million of in-process research and development ("IPR&D") impairment charges, as well as \$12 million of charges to increase the fair value of liabilities for contingent consideration.

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

(3) Represents non-deductible foreign exchange losses to devalue the company's net monetary assets in Venezuela.

(4) Represents the estimated tax impact on the reconciling items, based on applying the statutory rate of the originating territory of the non-GAAP adjustments.

(5) Represents a net benefit related to the settlement of certain federal income tax issues.

MERCK & CO., INC.
GAAP TO NON-GAAP RECONCILIATION
SIX MONTHS ENDED JUNE 30, 2015
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2d

	GAAP	Acquisition and Divestiture-Related Costs ⁽¹⁾	Restructuring Costs ⁽²⁾	Certain Other Items	Adjustment Subtotal	Non-GAAP
Materials and production	\$ 7,323	2,491	210		2,701	\$ 4,622
Marketing and administrative	5,226	363	53		416	4,810
Research and development	3,407	134	17		151	3,256
Restructuring costs	273		273		273	-
Other (income) expense, net	793			701 ⁽³⁾	701	92
Income Before Taxes	2,188	(2,988)	(553)	(701)	(4,242)	6,430
Tax Provision (Benefit)	542	(557) ⁽⁴⁾	(88) ⁽⁴⁾	(370) ⁽⁵⁾	(1,015)	1,557
Net Income	1,646	(2,431)	(465)	(331)	(3,227)	4,873
Net Income Attributable to Merck & Co., Inc.	1,639	(2,431)	(465)	(331)	(3,227)	4,866
Earnings per Common Share Assuming Dilution	\$ 0.57	(0.85)	(0.16)	(0.12)	(1.13)	\$ 1.70
Tax Rate	24.8%					24.2%

Only the line items that are affected by non-GAAP adjustments are shown.

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. Management uses this information internally for planning and forecasting purposes and to measure the performance of the company along with other metrics. Senior management's annual compensation is derived in part using non-GAAP income and non-GAAP EPS. This information should be considered in addition to, but not as a substitute for or superior to, information prepared in accordance with GAAP.

(1) Amounts included in materials and production costs reflect \$2.4 billion of expenses for the amortization of intangible assets recognized as a result of acquisitions, as well as \$65 million of amortization of purchase accounting adjustments to inventories as a result of the Cubist acquisition. Amounts included in marketing and administrative expenses reflect integration, transaction and certain other costs related to business acquisitions, including severance costs which are not part of the company's formal restructuring programs, as well as transaction and certain other costs related to divestitures. Amounts included in research and development expenses reflect \$73 million of charges to increase the fair value of liabilities for contingent consideration, as well as \$61 million of 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 activities under the company's formal restructuring programs.

(3) Primarily includes non-deductible foreign exchange losses of \$715 million to devalue the company's net monetary assets in Venezuela.

(4) Represents the estimated tax impact on the reconciling items, based on applying the statutory rate of the originating territory of the non-GAAP adjustments.

(5) Represents a net benefit related to the settlement of certain federal income tax issues.

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

7

	2016			2015						% Change	
	1Q	2Q	June YTD	1Q	2Q	June YTD	3Q	4Q	FY	2Q	June YTD
TOTAL SALES⁽¹⁾	\$ 9,312	\$ 9,844	\$ 19,156	\$ 9,425	\$ 9,785	\$ 19,210	\$ 10,073	\$ 10,215	\$ 39,498	1	0
PHARMACEUTICAL	8,104	8,700	16,804	8,266	8,564	16,830	8,925	9,027	34,782	2	0
Primary Care and Women's Health											
Cardiovascular											
Zetia	612	702	1,314	568	635	1,202	633	691	2,526	11	9
Vytorin	277	293	570	320	320	640	302	308	1,251	-9	-11
Diabetes											
Januvia	906	1,064	1,970	884	1,044	1,928	1,014	921	3,863	2	2
Janumet	506	569	1,075	509	554	1,063	562	526	2,151	3	1
General Medicine & Women's Health											
NuvaRing	175	200	376	166	182	348	190	193	732	10	8
Implanon / Nexplanon	134	164	298	137	124	261	176	151	588	32	14
Dulera	113	121	234	130	120	251	133	153	536	1	-7
Follistim AQ	94	73	167	82	111	193	95	95	383	-35	-13
Hospital and Specialty											
Hepatitis											
Zepatier	50	112	161	0	0	0	0	0	0	*	*
HIV											
Isentress	340	338	678	385	375	760	377	374	1,511	-10	-11
Hospital Acute Care											
Cubicin ⁽²⁾	292	357	649	187	293	480	325	322	1,127	22	35
Noxafil	145	143	288	111	117	228	132	128	487	22	26
Cancidas	133	131	263	163	134	297	139	137	573	-2	-11
Invanz	114	143	257	132	139	271	153	144	569	3	-5
Bridion	90	113	204	85	87	172	89	92	353	30	18
Primaxin	73	81	154	65	88	153	75	86	313	-8	1
Immunology											
Remicade	349	339	688	501	455	956	442	396	1,794	-26	-28
Simponi	188	199	387	158	169	327	178	185	690	18	19
Oncology											
Keytruda	249	314	563	83	110	192	159	214	566	*	*
Emend	126	143	268	122	134	255	141	139	535	7	5
Temodar	66	73	139	74	80	155	83	75	312	-9	-10
Diversified Brands											
Respiratory											
Singulair	237	229	465	245	212	457	201	273	931	8	2
Nasonex	229	101	331	289	215	504	121	231	858	-53	-34
Other											
Cozaar / Hyzaar	126	132	258	185	189	374	150	143	667	-30	-31
Arcoxia	111	117	228	123	115	238	123	110	471	2	-4
Fosamax	75	73	148	94	96	190	86	82	359	-24	-22
Zocor	46	50	96	49	63	112	56	49	217	-21	-15
Vaccines											
Gardasil / Gardasil 9	378	393	770	359	427	785	625	497	1,908	-8	-2
ProQuad / M-M-R II / Varivax	357	383	739	348	358	705	390	409	1,505	7	5
RotaTeq	188	130	318	192	89	281	160	169	610	46	13
Zostavax	125	149	274	175	149	324	179	246	749	0	-15
Pneumovax 23	107	120	228	110	106	216	138	188	542	14	5
Other Pharmaceutical⁽³⁾	1,093	1,151	2,246	1,235	1,274	2,512	1,298	1,300	5,105	-9	-11
ANIMAL HEALTH	829	898	1,727	829	840	1,669	825	830	3,324	7	4
Other Revenues⁽⁴⁾	379	246	625	330	381	711	323	358	1,392	-36	-12

* 100% or greater

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

⁽¹⁾ Only select products are shown.

⁽²⁾ First quarter of 2015 reflects approximately two months of sales following the acquisition of Cubist Pharmaceuticals, Inc. by Merck on January 21, 2015.

⁽³⁾ Includes Pharmaceutical products not individually shown above. Other Vaccines sales included in Other Pharmaceutical were \$103 million in the first quarter and \$91 million in the second quarter of 2016. Other Pharmaceutical sales were \$78 million, \$76 million, \$99 million and \$148 million for the first, second, third and fourth quarters of 2015, respectively.

⁽⁴⁾ Other revenues are comprised primarily of alliance revenue, third-party manufacturing sales and miscellaneous corporate revenues, including revenue hedging activities.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
SECOND QUARTER 2016
(AMOUNTS IN MILLIONS)

8

Table 3a

	Global			U.S.			International		
	2Q 2016	2Q 2015	% Change	2Q 2016	2Q 2015	% Change	2Q 2016	2Q 2015	% Change
TOTAL SALES ⁽¹⁾	\$9,844	\$9,785	1	\$4,507	\$4,265	6	\$5,337	\$5,520	-3
PHARMACEUTICAL	8,700	8,564	2	4,169	3,934	6	4,531	4,631	-2
Primary Care and Women's Health									
Cardiovascular									
Zetia	702	635	11	457	409	12	245	226	8
Vytorin	293	320	-9	123	123		170	197	-14
Diabetes									
Januvia	1,064	1,044	2	631	648	-3	433	396	9
Janumet	569	554	3	258	263	-2	312	292	7
General Medicine & Women's Health									
NuvaRing	200	182	10	149	126	18	51	56	-9
Implanon / Nexplanon	164	124	32	112	74	51	52	50	4
Dulera	121	120	1	115	116	-1	6	5	27
Follistim AQ	73	111	-35	20	52	-62	53	60	-11
Hospital and Specialty									
Hepatitis									
Zepatier	112		*	107		*	4		*
HIV									
Isentress	338	375	-10	169	212	-20	169	163	4
Hospital Acute Care									
Cubicin	357	293	22	304	266	14	53	27	97
Invanz	143	139	3	81	79	3	61	60	2
Noxafil	143	117	22	67	50	33	76	67	14
Cancidas	131	134	-2	6	7	-16	125	127	-1
Bridion	113	87	30	13		*	100	87	15
Primaxin	81	88	-8	2	1	22	79	87	-8
Immunology									
Remicade	339	455	-26				339	455	-26
Simponi	199	169	18				199	169	18
Oncology									
Keytruda	314	110	*	160	86	87	154	24	*
Emend	143	134	7	93	79	17	50	55	-8
Temodar	73	80	-9	1	2	-47	72	78	-8
Diversified Brands									
Respiratory									
Singular	229	212	8	7	10	-31	222	201	10
Nasonex	101	215	-53	29	124	-77	72	91	-20
Other									
Cozaar / Hyzaar	132	189	-30	4	9	-59	128	180	-29
Arcoxia	117	115	2				117	115	2
Fosamax	73	96	-24		3	-88	73	93	-21
Zocor	50	63	-21	2	5	-60	48	58	-17
Vaccines									
Gardasil / Gardasil 9	393	427	-8	315	308	2	78	118	-34
ProQuad / M-M-R II / Varivax	383	358	7	324	301	8	58	57	2
Zostavax	149	149		116	107	9	33	43	-22
RotaTeq	130	89	46	85	48	76	45	41	11
Pneumovax 23	120	106	14	78	70	10	43	35	21
Other Pharmaceutical ⁽²⁾	1,151	1,274	-9	341	356	-4	811	918	-12
ANIMAL HEALTH	898	840	7	256	215	19	643	625	3
Other Revenues ⁽³⁾	246	381	-36	82	116	-29	163	264	-38

* 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 \$91 million and \$76 million on a global basis for second quarter 2016 and 2015, respectively.

⁽³⁾ Other revenues are comprised primarily of alliance revenue, third-party manufacturing sales and miscellaneous corporate revenues, including revenue hedging activities.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
JUNE YEAR-TO-DATE 2016
(AMOUNTS IN MILLIONS)

9

Table 3b

	Global			U.S.			International		
	June YTD 2016	June YTD 2015	% Change	June YTD 2016	June YTD 2015	% Change	June YTD 2016	June YTD 2015	% Change
TOTAL SALES ⁽¹⁾	\$19,156	\$19,210		\$8,728	\$8,218	6	\$10,427	\$10,992	-5
PHARMACEUTICAL	16,804	16,830		8,082	7,571	7	8,722	9,259	-6
Primary Care and Women's Health									
Cardiovascular									
Zetia	1,314	1,202	9	843	754	12	471	448	5
Vytorin	570	640	-11	232	234	-1	337	406	-17
Diabetes									
Januvia	1,970	1,928	2	1,180	1,149	3	790	779	1
Janumet	1,075	1,063	1	483	475	2	592	589	1
General Medicine & Women's Health									
NuvaRing	376	348	8	277	238	16	99	110	-10
Implanon / Nexplanon	298	261	14	211	158	34	87	103	-16
Dulera	234	251	-7	222	241	-8	12	10	19
Follistim AQ	167	193	-13	73	86	-16	94	107	-12
Hospital and Specialty									
Hepatitis									
Zepatier	161		*	156		*	5		*
HIV									
Isentress	678	760	-11	331	399	-17	347	362	-4
Hospital Acute Care									
Cubicin ⁽²⁾	649	480	35	559	432	30	89	48	87
Noxafil	288	228	26	137	95	44	150	133	13
Cancidas	263	297	-11	10	13	-25	254	284	-11
Invanz	257	271	-5	147	146	*	110	125	-12
Bridion	204	172	18	18		*	186	172	8
Primaxin	154	153	1	2	4	-43	152	149	2
Immunology									
Remicade	688	956	-28				688	956	-28
Simponi	387	327	19				387	327	19
Oncology									
Keytruda	563	192	*	293	152	93	270	40	*
Emend	268	255	5	175	157	11	94	98	-4
Temodar	139	155	-10	5		*	134	155	-14
Diversified Brands									
Respiratory									
Singulair	465	457	2	24	16	52	442	441	
Nasonex	331	504	-34	141	267	-47	190	237	-20
Other									
Cozaar / Hyzaar	258	374	-31	9	17	-44	248	357	-31
Arcoxia	228	238	-4				228	238	-4
Fosamax	148	190	-22	1	6	-82	147	184	-20
Zocor	96	112	-15	5	10	-44	90	102	-12
Vaccines									
Gardasil / Gardasil 9	770	785	-2	635	603	5	136	182	-26
ProQuad / M-M-R II / Varivax	739	705	5	634	609	4	105	96	9
RotaTeq	318	281	13	233	205	14	85	76	11
Zostavax	274	324	-15	225	257	-13	49	67	-26
Pneumovax 23	228	216	5	145	147	-2	83	69	21
Other Pharmaceutical ⁽³⁾	2,246	2,512	-11	676	701	-4	1,571	1,809	-13
ANIMAL HEALTH	1,727	1,669	4	489	417	17	1,239	1,251	-1
Other Revenues ⁽⁴⁾	625	711	(12)	157	230	-32	466	482	-3

* 100% or greater

⁽¹⁾ Only select products are shown.

⁽²⁾ Reflects sales following the acquisition of Cubist Pharmaceuticals, Inc. by Merck on January 21, 2015.

⁽³⁾ Includes Pharmaceutical products not individually shown above. Other Vaccines sales included in Other Pharmaceutical were \$195 million and \$156 million on a global basis for June YTD 2016 and 2015, respectively.

⁽⁴⁾ Other revenues are comprised primarily of alliance revenue, third-party manufacturing sales and miscellaneous corporate revenues, including revenue hedging activities.

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

Table 3c

	2016			2015						% Change 2Q
	1Q	2Q	June YTD	1Q	2Q	June YTD	3Q	4Q	Full Year	
TOTAL PHARMACEUTICAL	\$8,104	\$8,700	\$16,804	\$8,266	\$8,564	\$16,830	\$8,925	\$9,027	\$34,782	2
United States	3,913	4,169	8,082	3,637	3,934	7,571	4,382	4,285	16,238	6
% Pharmaceutical Sales	48.3%	47.9%	48.1%	44.0%	45.9%	45.0%	49.1%	47.5%	46.7%	
Europe ⁽¹⁾	1,914	1,997	3,911	2,024	1,896	3,920	1,920	1,873	7,714	5
% Pharmaceutical Sales	23.6%	23.0%	23.3%	24.5%	22.1%	23.3%	21.5%	20.8%	22.2%	
Japan	620	673	1,293	627	629	1,256	564	785	2,605	7
% Pharmaceutical Sales	7.7%	7.7%	7.7%	7.6%	7.3%	7.5%	6.3%	8.7%	7.5%	
Asia Pacific	806	890	1,696	809	822	1,630	854	946	3,431	8
% Pharmaceutical Sales	9.9%	10.2%	10.1%	9.8%	9.6%	9.7%	9.6%	10.5%	9.9%	
China	337	353	690	318	335	653	353	339	1,344	5
Latin America	359	430	789	630	676	1,306	585	512	2,403	-36
% Pharmaceutical Sales	4.4%	4.9%	4.7%	7.6%	7.9%	7.8%	6.5%	5.7%	6.9%	
Eastern Europe/Middle East Africa	272	314	586	321	372	693	380	402	1,476	-16
% Pharmaceutical Sales	3.4%	3.6%	3.5%	3.9%	4.3%	4.1%	4.3%	4.5%	4.2%	
Canada	147	170	318	170	167	337	159	172	668	2
% Pharmaceutical Sales	1.8%	2.0%	1.9%	2.1%	2.0%	2.0%	1.8%	1.9%	1.9%	
Other	73	57	129	48	68	117	81	52	247	-16
% Pharmaceutical Sales	0.9%	0.7%	0.8%	0.6%	0.8%	0.7%	0.9%	0.6%	0.7%	

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

MERCK & CO., INC.
OTHER (INCOME) EXPENSE, NET - GAAP
(AMOUNTS IN MILLIONS)
(UNAUDITED)
Table 4

OTHER (INCOME) EXPENSE, NET

	2Q16	2Q15	JUNE YTD 2016	JUNE YTD 2015
INTEREST INCOME	\$ (78)	\$ (71)	\$ (157)	\$ (146)
INTEREST EXPENSE	171	174	343	338
EXCHANGE LOSSES ⁽¹⁾	37	716	76	810
EQUITY INCOME FROM AFFILIATES	(4)	(2)	(38)	(147)
Other, net	(107)	(78)	(157)	(62)
TOTAL	\$ 19	\$ 739	\$ 67	\$ 793

⁽¹⁾ Includes foreign exchange losses of \$715 million in the second quarter and first six months of 2015 recorded in connection with the devaluation of the company's net monetary assets in Venezuela.