

Merck ASCO 2015 Investor Briefing

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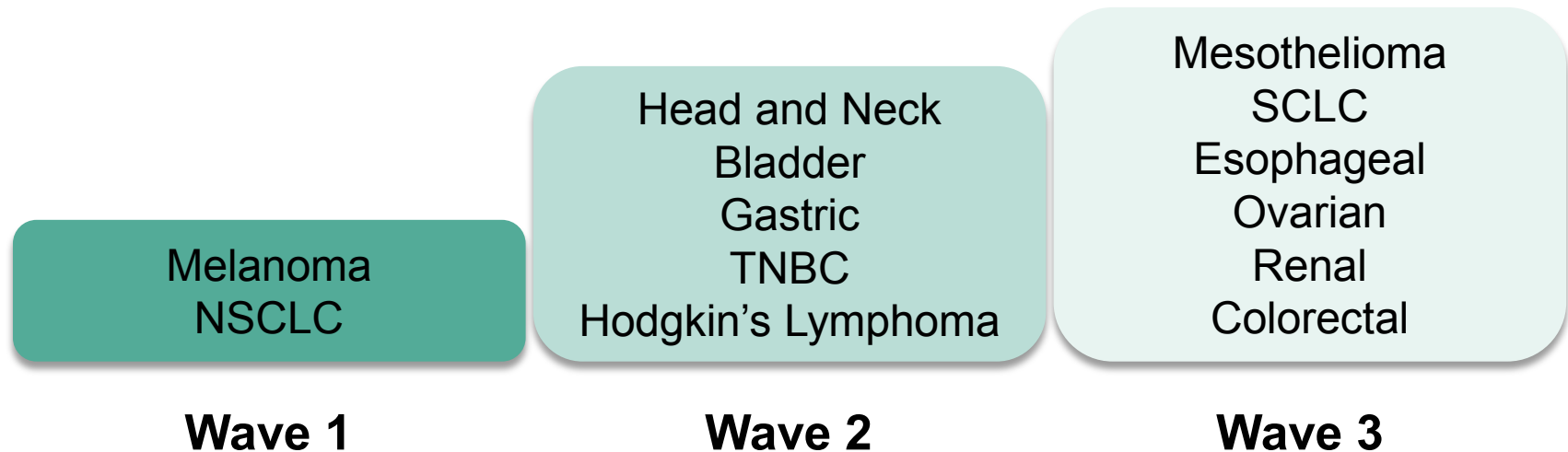
Agenda

- **Opening Remarks:** Dr. Roger Perlmutter
- **Highlights from ASCO:** Dr. Roy Baynes
- **Concluding Remarks:** Dr. Roger Perlmutter
- **Q&A**

KEYTRUDA: Active in a Broad Range of Cancers

- Oncology is a priority area of focus for Merck
- Our strategy:
 - Build a broad foundation with monotherapy
 - Improve efficacy with selective combination therapy
 - Identify patients who are most likely to benefit from KEYTRUDA treatment

Building a Foundation with Monotherapy



Over 30 Different Tumor Types Under Investigation

Improving Efficacy with Selective Combination Therapy

Combination Strategy

More than 40 Combinations Under Investigation

**Standard
Therapies**

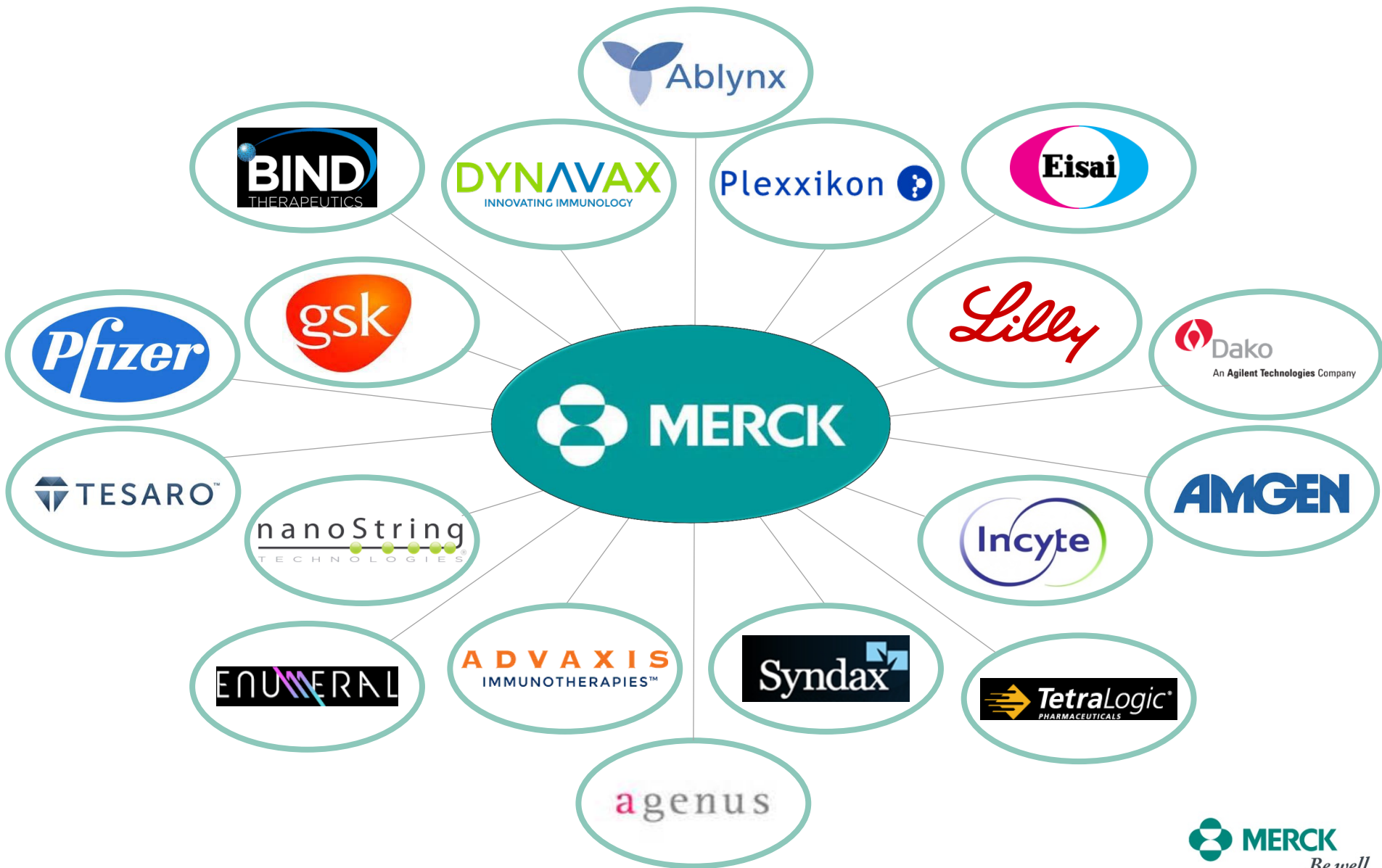
**Targeted
Therapies**

**Immuno-
modulators**

**Novel
Vaccines**

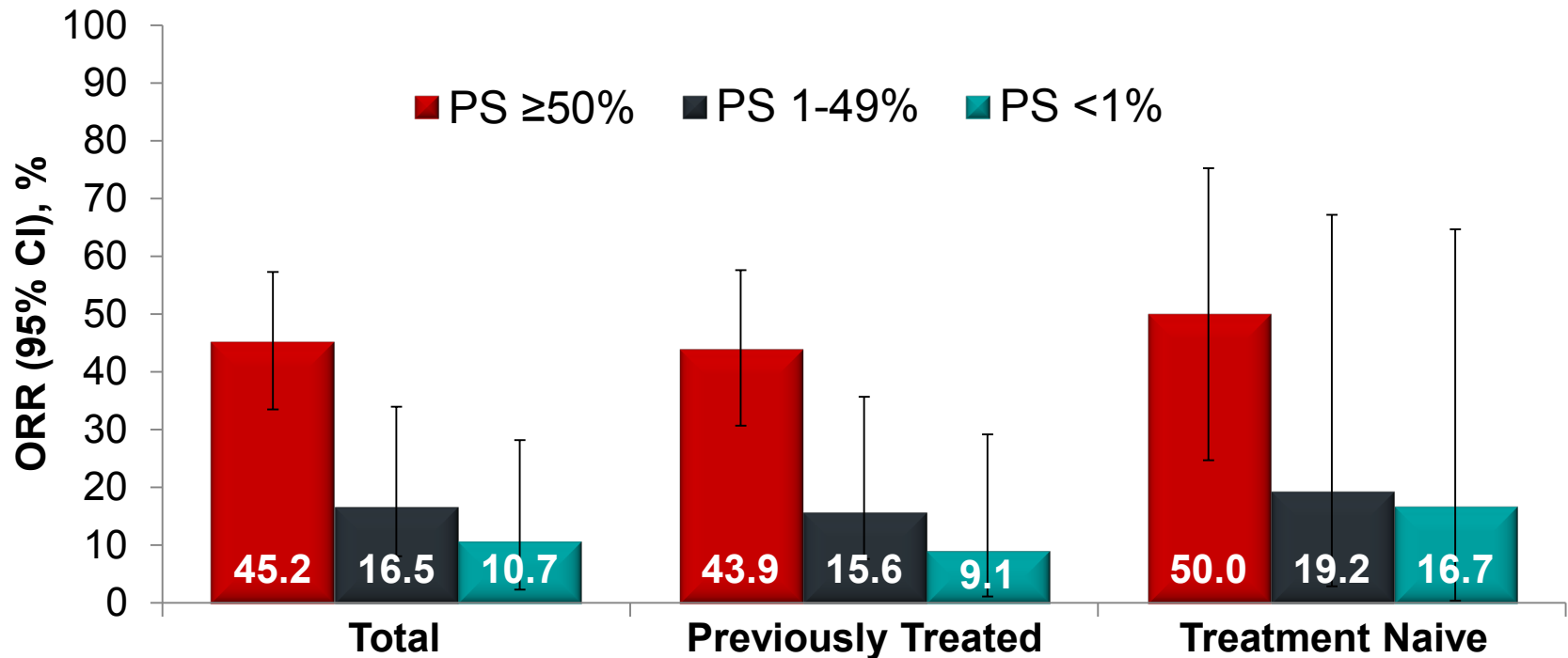
KEYTRUDA[®]
(pembrolizumab) Injection 100 mg

Merck Oncology: Broad Universe of Partnerships



Strategy Has Accelerated Melanoma and NSCLC Programs

NSCLC File Accepted by FDA Priority Review Granted



Overall Response Rate in Advanced NSCLC by PD-L1 Proportion Score (KEYNOTE-001)

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Roy D. Baynes
Senior Vice President
Global Clinical Development
Merck Research Laboratories



Key Datasets

New Data in
Prior PoC
Tumor Types

Five
New Tumor
Types

Early
Combination
Data

Novel
Biomarker
Approaches

Head and Neck Squamous Cell Cancer

- Head and Neck Squamous Cell Cancer (HNSCC)
 - 5th most common cancer worldwide
- Recurrent/metastatic HNSCC remains poorly treatable with a median OS of 10 months in the first-line setting¹
 - Commonly used agents: platinum, cetuximab, taxanes, 5-FU, methotrexate
- Median OS of 6-months in patients previously treated²
- Prominent immune escape observed in HNSCC^{3,4}
 - T-cell inflamed phenotype (TILs + PD-L1 expression)
 - Present in both HPV(-) and HPV(+) tumors
 - HPV related “foreign” antigens present in HPV(+) tumors

Adapted from presentation by Tanguy Seiwert, ASCO 2015

1. Vermorken J et al. *N Engl J Med*. 2008;359(11):1116-27.

2. Stewart JSW, et al *J Clin Oncol*. 27:1864-1871.

3. Saloura V et al. *J Clin Oncol* 2014;32 (Suppl 5): Abstract 6009

4. Lyford-Pike S et al. *Cancer Res* 2013;73(6):1733-1741.

HNSCC Expansion Cohort of KEYNOTE-012

Patients:

- Recurrent or metastatic HNSCC, regardless of PD-L1 or HPV status
- Have measurable disease based on RECIST 1.1
- ECOG performance status of 0 or 1

Pembrolizumab
200 mg Q3W

- Treatment for 24 months[†]
- Documented disease progression[‡]
- Intolerable toxicity

Response assessment: Every 8 weeks

Primary end points: ORR per modified RECIST v1.1 by investigator review; safety

Secondary end points: PFS, OS, duration of response

Adapted from presentation by Tanguy Seiwert, ASCO 2015

*Additional cohorts included bladder cancer, TN breast cancer, and gastric cancer.

[†]Treatment beyond progression was allowed.

[‡]Re-treatment was permitted.

HNSCC Overall Response Rate*

Best overall response	Total N = 117 [†]		HPV+ n = 34		HPV- n = 80	
	n (%)	95% CI	n (%)	95% CI	n (%)	95% CI
ORR	29 (24.8)	17.3-33.6	7 (20.6)	8.7-37.9	21 (26.3)	17.0-37.3
Complete Response	1 (0.9)	0.0-4.7	1 (2.9)	0.1-15.3	0 (0)	0-4.5
Partial Response	28 (23.9)	16.5-32.7	6 (17.6)	6.8-34.5	21 (26.3)	17.0, 37.3
Stable Disease	29 (24.8)	17.3-33.6	9 (26.5)	12.9-44.4	20 (25.0)	16.0-35.9
Progressive Disease	48 (41.0)	32.0-50.5	13 (38.2)	22.2-56.4	33 (41.3)	30.4-52.8
No Assessment	9 (7.7)	3.6-14.1	4 (11.8)	3.3-27.5	5 (6.3)	2.1-14.0
Non-evaluable	2 (1.7)	0.2-6.0	1 (2.9)	0.1-15.3	1 (1.3)	0.0-6.8

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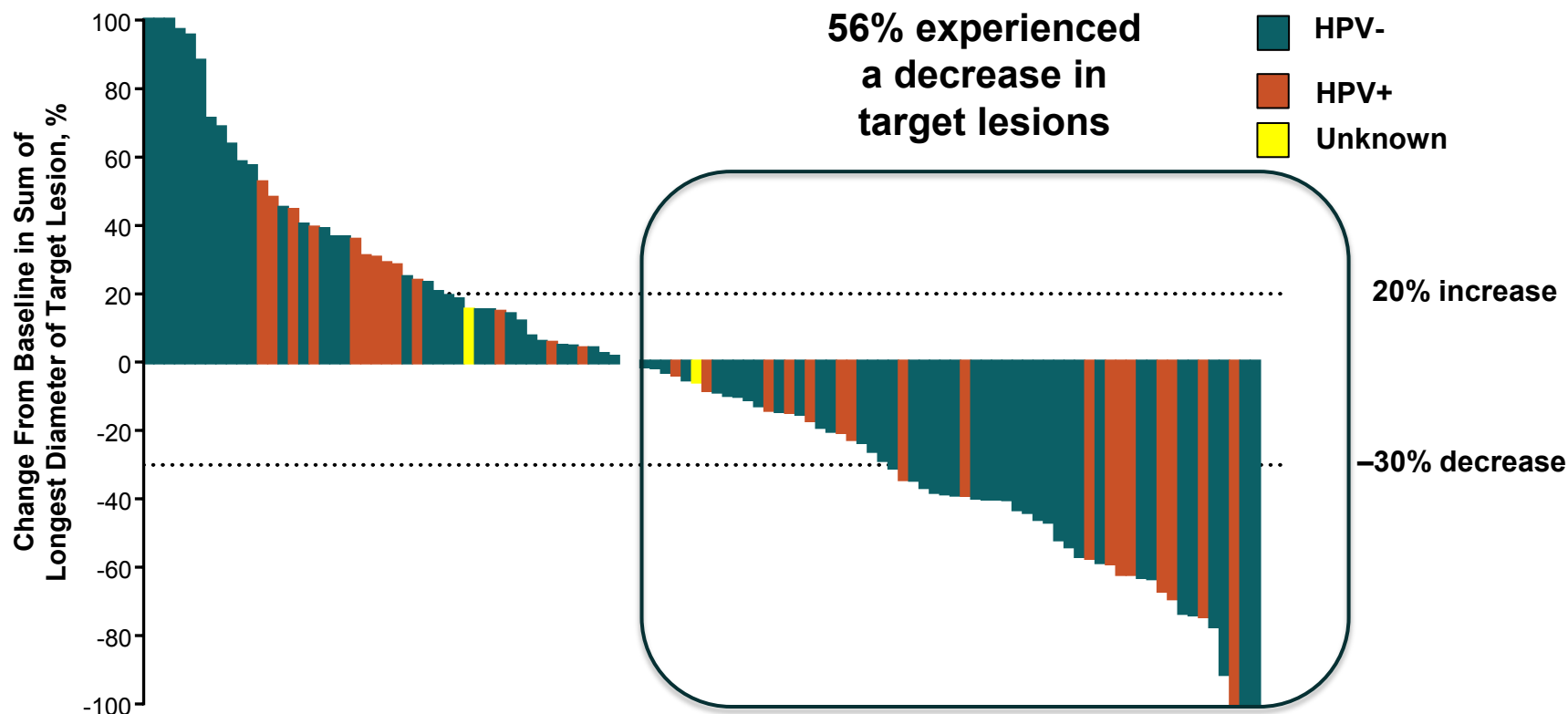
*Unconfirmed and confirmed RECIST v 1.1 responses

[†]Includes patients who received ≥1 dose of pembrolizumab, had measurable disease at baseline and ≥1 postbaseline scan or discontinued due to PD or DRAE

HPV status missing for 3 patients

Data cutoff date: March 23, 2015.

HNSCC Tumor Shrinkage



Adapted from presentation by Tanguy Seiwert, ASCO 2015

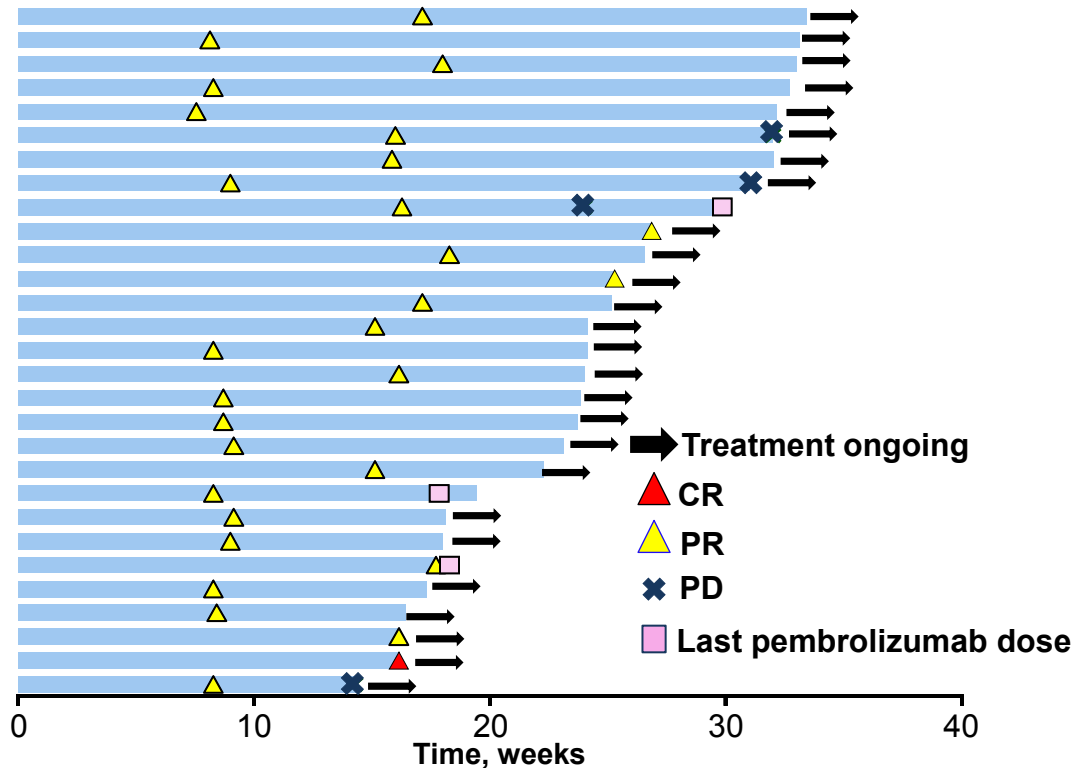
Analysis includes patients with measurable disease at baseline who received ≥ 1 pembrolizumab dose and had ≥ 1 post-baseline tumor assessment (n = 106)

Unconfirmed and confirmed RECIST v 1.1 responses by site radiology review

*2 oropharynx cancer patient are HPV unknown. Cancers outside the oropharynx are considered HPV negative by convention

Data cutoff date: March 23, 2015.

HNSCC Treatment Exposure and Response Duration



- Median follow-up duration:
 - 5.7 (0.2 – 8.7) months
- Median time to response:
 - 9.0 (7.6–18.0) weeks
- Median duration of response was not reached
 - Range: 7.3+ – 25.1+ weeks
- 40 patients remain on therapy
- **86% (25/29) of responding patients remain in response**

HNSCC Conclusions

- Significant experience of immunotherapy in head and neck cancer
 - 56% of patients experienced any decrease in target lesions
 - Response rate of 25%
 - Broadly active in both HPV(+) and HPV(-) patients
 - Active in heavily pretreated population
 - Responses were durable → 86% of responding patients remain in response
- The 200 mg every 3 weeks dosing schedule is currently being evaluated in multiple phase III trials to investigate the clinical benefit of pembrolizumab vs standard of care chemotherapy
- Ongoing registration studies KEYNOTE-040, -048, -055

Identifying patients who are most likely to benefit from KEYTRUDA treatment

PD-L1 Expression

- Many tumors evade immune response through the PD-1/PD-L1 checkpoint
- Enrichment approach in clinical program across several tumors
- Not an absolute marker of responsiveness

Immune-Related Gene Expression Signatures

- Several immune-related signatures established in melanoma patients treated with KEYTRUDA
- Broadening investigation to other solid tumors
- Early results consistent with hypothesis that response to PD-1 blockade occurs in patients with a pre-existing, IFN-mediated adaptive immune response

DNA Mismatch Repair Deficiency

- Mutations have been shown to encode proteins that are immunogenic
- Average tumor has dozens of somatic mutations
- Mismatch repair deficient tumors harbor thousands of mutations
- Early signals of correlation in colorectal and other solid tumors

Mismatch Repair Deficiency / Microsatellite Instability

- Mutations have been shown to encode proteins that are immunogenic
- Average tumor has dozens of somatic mutations. Mismatch repair (MMR) deficient tumors harbor thousands of mutations
- Microsatellite instability in tumor cells is due to deficient DNA mismatch repair
- Colorectal cancer (CRC):
 - 15% of sporadic colorectal carcinomas
- Other tumor types with deficient DNA mismatch repair: endometrial, gastric, small bowel, ampullary, cholangiocarcinoma, pancreatic, sarcoma, prostate, esophageal, and others

Mismatch Repair Study Design

Colorectal Cancers

Cohort A
**Deficient in
Mismatch Repair
(n=25)**

Cohort B
**Proficient in
Mismatch Repair
(n=25)**

Non-Colorectal Cancers

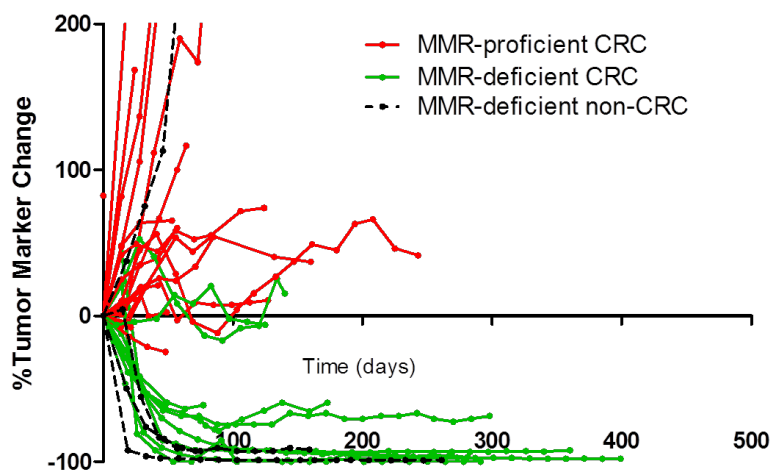
Cohort C
**Deficient in
Mismatch Repair
(n=21)**

-
- Anti-PD1 (Pembrolizumab) – 10 mg/kg every 2 weeks
 - Primary endpoint: immune-related 20-week PFS rate and response rate
 - Mismatch repair testing using standard PCR-based method for detection of microsatellite instability

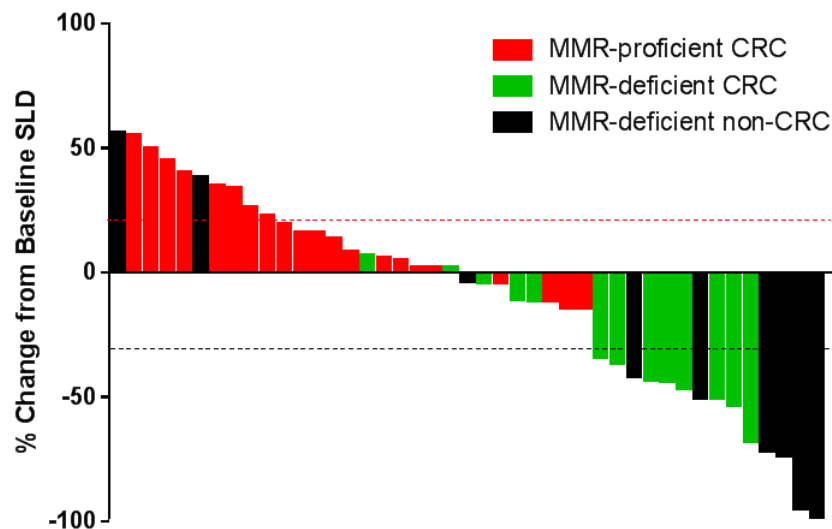
MMR Status Predicts Responses to KEYTRUDA treatment

	MMR-deficient CRC	MMR-proficient CRC	MMR-deficient non-CRC
N	13	25	10
Objective Response Rate	62%	0%	60%
Disease Control Rate	92%	16%	70%

Biochemical Responses



Objective Responses

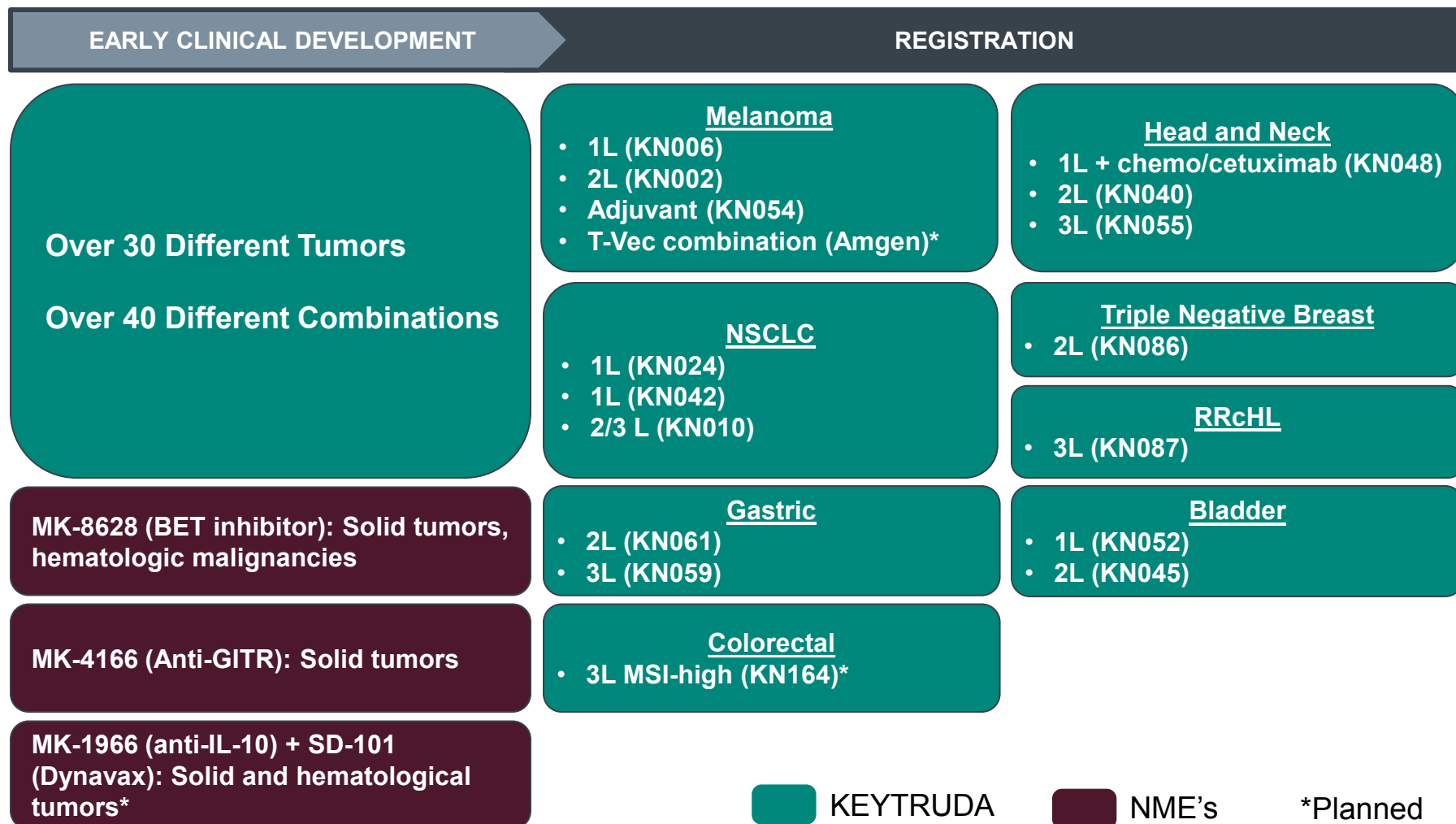


Mismatch Repair Summary

- Mismatch repair deficient tumors are highly responsive to checkpoint blockade with anti-PD1.
- Biochemical response correlates with radiographic response as well as PFS and OS.
- Mismatch repair deficient tumors are highly mutated and are rich in CD8⁺ T cells and PD-L1 expression at the tumors' invasive front.
- Results published in *The New England Journal of Medicine*
- Planned Registration Study KEYNOTE-164

Roger M. Perlmutter
Executive Vice President and President
Merck Research Laboratories

Broad Pipeline is Advancing Rapidly



 KEYTRUDA

 NME's

*Planned

What to Expect from Merck Oncology in 2015

- Anticipated approval in NSCLC in U.S. and melanoma in E.U.
- Anticipated full approval from KEYNOTE-002 submission in U.S. for ipilimumab-refractory melanoma
- Filing of KEYNOTE-006 data for ipilimumab-naïve melanoma
- Multiple additional registration trials to begin
- Proof of concept data in other tumor types
- Ongoing melanoma launch in U.S. and other global markets

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Q&A