



Q3 2014 Results Conference Call

Good top-line growth – AZ integration on track

Marcus Kuhnert, CFO



November 13, 2014

Disclaimer



Cautionary Note Regarding Forward-Looking Statements

This communication may include "forward-looking statements." Statements that include words such as "anticipate," "expect," "should," "would," "intend," "plan," "project," "seek," "believe," "will," and other words of similar meaning in connection with future events or future operating or financial performance are often used to identify forward-looking statements. All statements in this communication, other than those relating to historical information or current conditions, are forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond control of Merck KGaA, Darmstadt, Germany, which could cause actual results to differ materially from such statements.

Risks and uncertainties relating to the proposed transaction with Sigma-Aldrich Corporation ("Sigma-Aldrich") include, but are not limited to: the risk Sigma-Aldrich's shareholders do not approve the transaction; uncertainties as to the timing of the transaction; the risk that regulatory or other approvals required for the transaction are not obtained or are obtained subject to conditions that are not anticipated; competitive responses to the transaction; litigation relating to the transaction; uncertainty of the expected financial performance of the combined company following completion of the proposed transaction; the ability of Merck KGaA, Darmstadt, Germany, to achieve the cost-savings and synergies contemplated by the proposed transaction within the expected time frame; the ability of Merck KGaA, Darmstadt, Germany, to promptly and effectively integrate the businesses of Sigma-Aldrich and Merck KGaA, Darmstadt, Germany; the effects of the business combination of Merck KGaA, Darmstadt, Germany, and Sigma-Aldrich, including the combined company's future financial condition, operating results, strategy and plans; the implications of the proposed transaction on certain employee benefit plans of Merck KGaA, Darmstadt, Germany, and Sigma-Aldrich; and disruption from the proposed transaction making it more difficult to maintain relationships with customers, employees or suppliers.

Additional risks and uncertainties include, but are not limited to: the risks of more restrictive regulatory requirements regarding drug pricing, reimbursement and approval; the risk of stricter regulations for the manufacture, testing and marketing of products; the risk of destabilization of political systems and the establishment of trade barriers; the risk of a changing marketing environment for multiple sclerosis products in the European Union; the risk of greater competitive pressure due to biosimilars; the risks of research and development; the risks of discontinuing development projects and regulatory approval of developed medicines; the risk of a temporary ban on products/production facilities or of non-registration of products due to non-compliance with quality standards; the risk of an import ban on products to the United States due to an FDA warning letter; the risks of dependency on suppliers; risks due to product-related crime and espionage; risks in relation to the use of financial instruments; liquidity risks; counterparty risks; market risks; risks of impairment on balance sheet items; risks from pension obligations; risks from product-related and patent law disputes; risks from antitrust law proceedings; risks from drug pricing by the divested Generics Group; risks in human resources; risks from e-crime and cyber attacks; risks due to failure of business-critical information technology applications or to failure of data center capacity; environmental and safety risks; unanticipated contract or regulatory issues; a potential downgrade in the rating of the indebtedness of Merck KGaA, Darmstadt, Germany, or Sigma-Aldrich; downward pressure on the common stock price of Merck KGaA, Darmstadt, Germany, or Sigma-Aldrich and its impact on goodwill impairment evaluations; the impact of future regulatory or legislative actions; and the risks and uncertainties detailed by Sigma-Aldrich with respect to its business as described in its reports and documents filed with the U.S. Securities and Exchange Commission (the "SEC").

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included elsewhere, including the Report on Risks and Opportunities Section of the most recent annual report and quarterly report of Merck KGaA, Darmstadt, Germany, and the Risk Factors section of Sigma-Aldrich's most recent reports on Form 10-K and Form 10-Q. Any forward-looking statements made in this communication are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us or our business or operations. Except to the extent required by applicable law, we undertake no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Important Additional Information

This communication may be deemed to be solicitation material in respect of the proposed acquisition of Sigma-Aldrich by Merck KGaA, Darmstadt, Germany. The proposed acquisition will be submitted to the stockholders of Sigma-Aldrich for their consideration. In connection therewith, on November 3, 2014, Sigma-Aldrich filed a definitive proxy statement with the SEC. Sigma-Aldrich will also begin mailing the definitive proxy statement on November 3, 2014, to its stockholders of record as of the close of business on October 29, 2014. BEFORE MAKING ANY VOTING OR ANY INVESTMENT DECISION, INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and stockholders may obtain free copies of the proxy statement, any amendments or supplements thereto and other documents containing important information about Sigma-Aldrich, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by Sigma-Aldrich will be available free of charge on Sigma-Aldrich's website at <http://investor.sigmaaldrich.com> under the heading "Financial Information—SEC Filings". Stockholders of Sigma-Aldrich may also obtain a free copy of the definitive proxy statement by contacting Sigma-Aldrich's Investor Relations Department at (314) 898-4643.

Sigma-Aldrich and certain of its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of Sigma-Aldrich is set forth in its proxy statement for its 2014 annual meeting of stockholders, which was filed with the SEC on March 21, 2014, its annual report on Form 10-K for the fiscal year ended December 31, 2013, which was filed with the SEC on February 6, 2014, and in subsequent documents filed with the SEC, each of which can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation of the stockholders of Sigma-Aldrich and a description of their direct and indirect interests, by share holdings or otherwise, is contained in the definitive proxy statement and other relevant materials filed with the SEC.

Agenda

Executive overview

Business and financial review Q3 2014

Guidance

Highlights Q3 2014



Operations

- ▶ Volume expansion drives organic growth of 4.6%
- ▶ Growth across all regions and businesses, EM* share expands to 39%
- ▶ AZ integration well on track

Financials

- ▶ EBITDA pre up 3% to €857 m, margin decreases on royalty income reduction
- ▶ EPS pre stable at €1.15
- ▶ Full year 2014 guidance confirmed with EBITDA pre at €3.3 – 3.4 bn

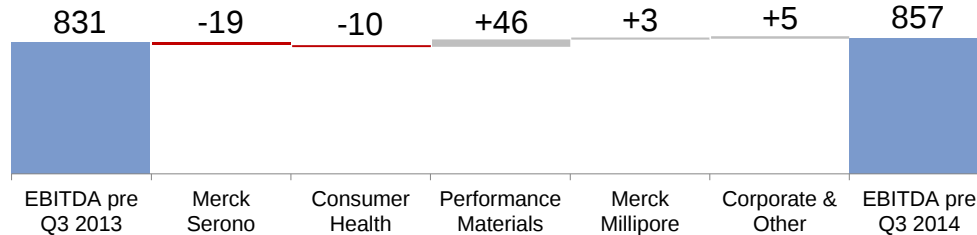
Merger agreement to acquire life science leader Sigma-Aldrich – subject to antitrust approval

All Merck businesses drive organic growth, while currency headwinds abate



Q3 YoY sales	Organic	Currency	Portfolio	Total
Merck Serono	4.5%	-0.8%	0.0%	3.7%
Consumer Health	1.4%	0.0%	0.0%	1.5%
Performance Materials	7.0%	-0.2%	35.0%	41.7%
Merck Millipore	4.5%	-0.1%	-1.0%	3.4%
Merck Group	4.6%	-0.5%	5.1%	9.3%

Q3 YoY EBITDA pre contributors [€ m]



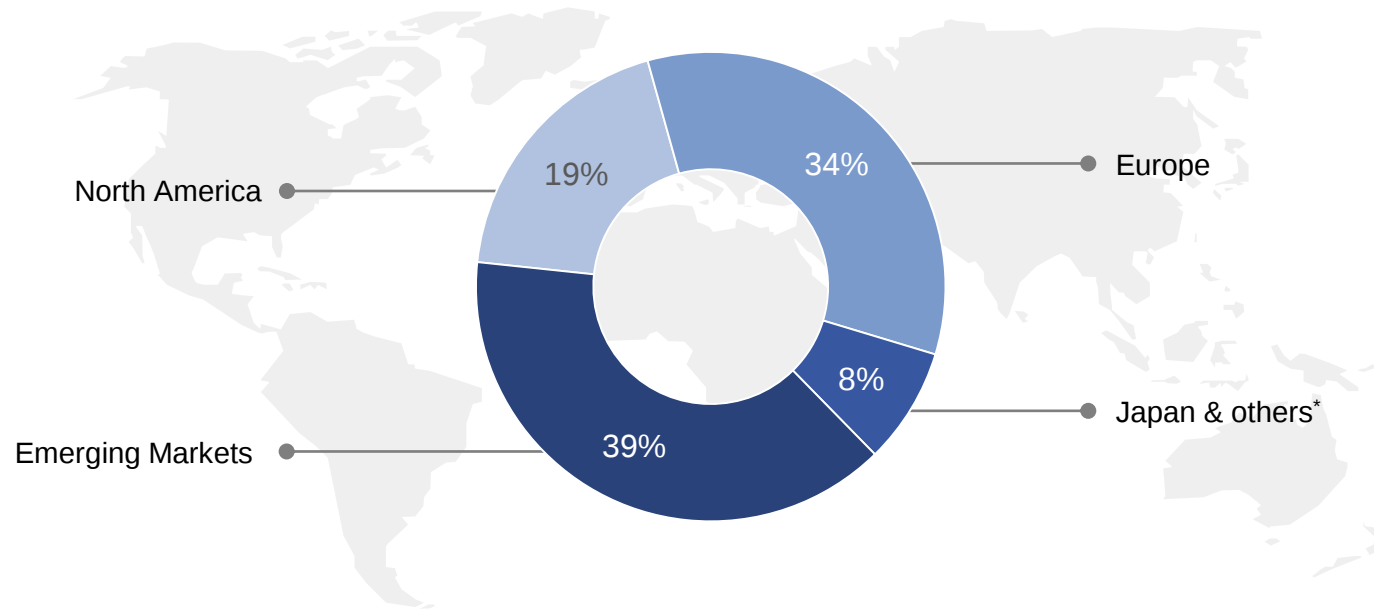
- All key franchises of Merck Serono deliver organic growth
- Good volumes in Liquid Crystals drive Performance Materials
- Merck Millipore benefits from strong performance of Process Solutions

- Merck Serono affected by Humira and Enbrel royalty income loss and higher production costs
- Consumer Health shows solid trend, but high comparables and investments in marketing
- Performance Materials includes a full quarter of AZ contribution

Totals may not add up due to rounding

Increased importance of Emerging Markets

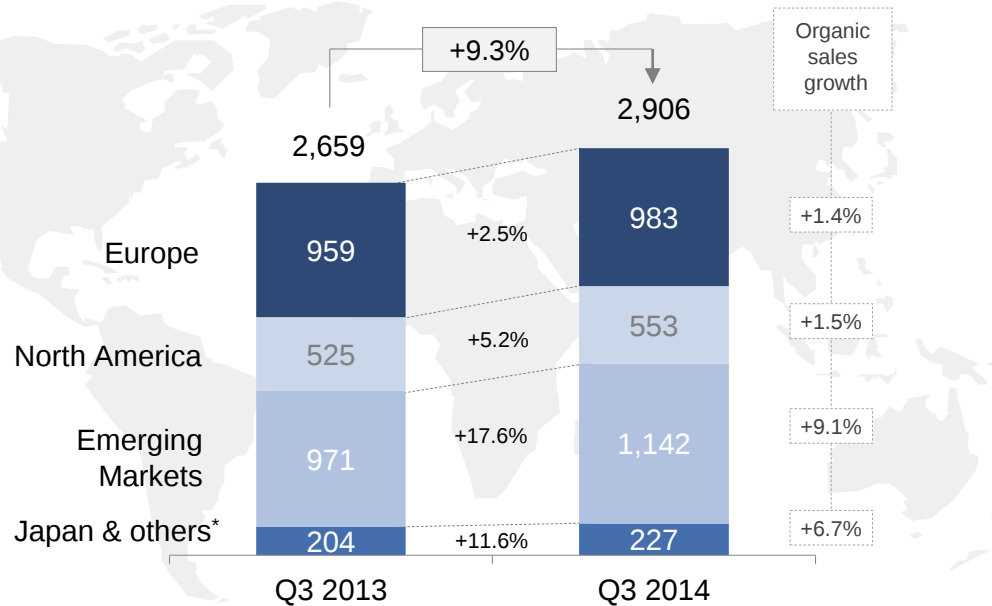
Merck Group Q3 2014 sales by region [in %]



*Australia/Oceania, Africa

Growth across all regions

Regional development of sales [€ m]



Regional details

- Reported sales growth includes AZ contribution especially in Emerging Markets, North America and Japan
- Strategic markets China and Brazil continue to drive organic growth in Emerging Markets
- North America benefits from bio-pharma demand in Process Solutions as well as Rebif pricing
- Japan supported by strong demand for IPS driven by new mobile device generations

*Australia/Oceania, Africa
Totals may not add up due to rounding

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Q3 2014: Sound financials



[€ m]	Q3 2013	Q3 2014	Δ
Sales	2,659	2,906	9.3%
EBITDA pre	831	857	3.1%
<i>Margin (% of sales)</i>	<i>31.2%</i>	<i>29.5%</i>	
EPS pre [€]	1.15	1.15	0%
Operating cash flow	827	726	-12.2%
[€ m]	Dec 31, 2013	Sept. 30, 2014	Δ
Net financial debt	307	1,521	>100%
Working capital	2,132	2,554	19.8%
Employees	38,154	39,355	3.1%
Net financial debt increases on AZ acquisition			

Q3 2014
▪ Sales up on organic improvement and full AZ contribution ▪ EBITDA pre increases on organic growth and AZ, margin reflects royalty income losses ▪ EPS pre flat amid higher D&A and lower financial result ▪ Operating cash flow impacted by lower royalty income and increase in working capital ▪ Higher headcount includes employees from AZ

Reported earnings contain AZ adjustments

[€ m]	Q3 2013	Q3 2014	Δ
EBIT	482	429	-11.0%
Financial result	-52	-57	10.4%
Profit before tax	430	372	-13.6%
Income tax	-87	-122	39.7%
<i>Tax rate (%)</i>	<i>20.3%</i>	<i>32.9%</i>	
Net income	340	249	-26.7%
EPS (€)	0.78	0.57	-26.9%

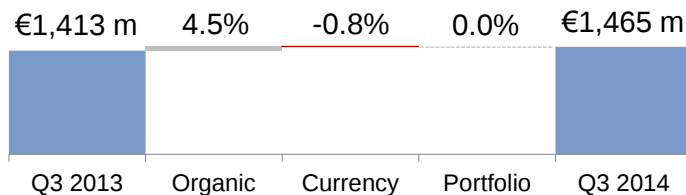
Reported results

- EBIT down mainly due to royalty terminations and some remaining inventory adjustments from AZ
- Financial result impacted by higher time value for LTIP*, mitigated by lower interest payments
- Tax rate increases due to solely tax-relevant gain from Sigma-Aldrich acquisition-related FX hedging

Merck Serono: Emerging Markets drive organic growth

[€ m]	Q3 2013*	Q3 2014
Sales	1,413	1,465
Marketing and selling	-428	-433
Admin	-49	-55
R&D	-296	-410
EBIT	240	237
EBITDA	446	436
EBITDA pre	467	449
<i>Margin (% of sales)</i>	<i>33.1%</i>	<i>30.6%</i>

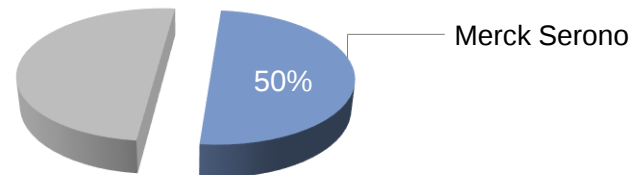
Sales bridge



Comments

- Sales improve due to solid organic growth, slightly impacted by FX
- Rebif with organic growth as U.S. pricing outweighs volume loss
- Erbitux with good organic performance driven by all regions
- Increase in R&D due to pipeline prioritization (tecemotide and plovamer discontinuations) and Biosimilars initiatives
- Higher R&D expense balanced by reduction in litigation provision reported under other operating income/expenses line
- EBITDA pre burdened by lower royalties (Humira, Enbrel) and higher production costs

Q3 2014 share of group sales



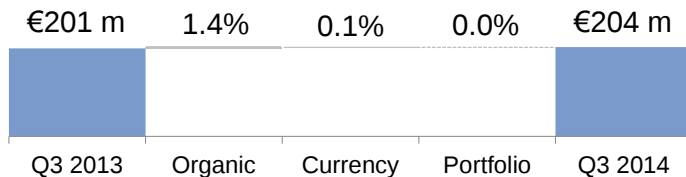
*Restated for product reclassification of Neurobion and Floratil from Merck Serono to Consumer Health

Consumer Health: Q3 compares to a strong base



[€ m]	Q3 2013*	Q3 2014
Sales	201	204
Marketing and selling	-72	-77
Admin	-6	-7
R&D	-6	-5
EBIT	55	42
EBITDA	57	45
EBITDA pre	58	49
<i>Margin (% of sales)</i>	<i>28.9%</i>	<i>23.8%</i>

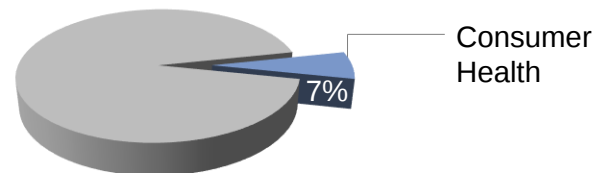
Sales bridge



Comments

- Slight organic sales growth despite tough comparables, country exits and destocking
- Emerging Markets main driver of organic growth, especially driven by Neurobion and Floratil in Brazil
- Femibion continues to grow organically, especially in Germany
- Higher marketing and selling costs due to investments in global marketing initiatives
- EBITDA pre impacted by higher marketing and selling costs, last year benefited from strong contribution of new brands
- Margin maintained at sustainable level

Q3 2014 share of group sales



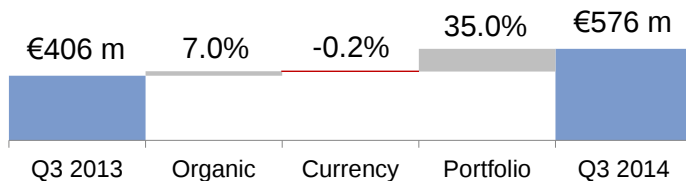
*Restated for product reclassification of Neurobion and Floratil from Merck Serono to Consumer Health

Performance Materials: IPS and PS-VA fuel divisional performance



[€ m]	Q3 2013	Q3 2014
Sales	406	576
Marketing and selling	-38	-45
Admin	-7	-18
R&D	-37	-45
EBIT	177	152
EBITDA	202	218
EBITDA pre	197	243
<i>Margin (% of sales)</i>	<i>48.4%</i>	<i>42.2%</i>

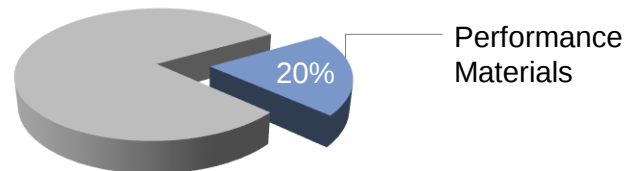
Sales bridge



Comments

- Sales increase on portfolio effect and good organic growth
- Liquid Crystals largest contributor to organic growth driven by good volumes
- Excellent performance of PS-VA and IPS due to strong demand for premium TV's, supported by new UB-FFS mode for mobile devices
- EBIT impacted by AZ inventory step-up
- EBITDA pre rises visibly due to AZ and good organic growth; AZ contributes lower average margins
- AZ integration well on track

Q3 2014 share of group sales

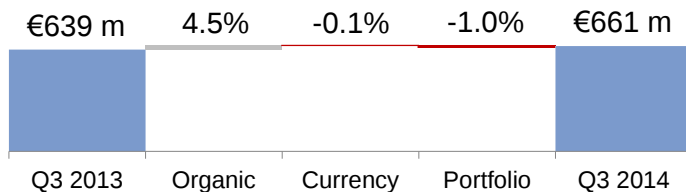


Merck Millipore: Process Solutions drives growth



[€ m]	Q3 2013	Q3 2014
Sales	639	661
Marketing and selling	-209	-206
Admin	-25	-26
R&D	-40	-42
EBIT	67	72
EBITDA	145	150
EBITDA pre	157	161
<i>Margin (% of sales)</i>	<i>24.6%</i>	<i>24.3%</i>

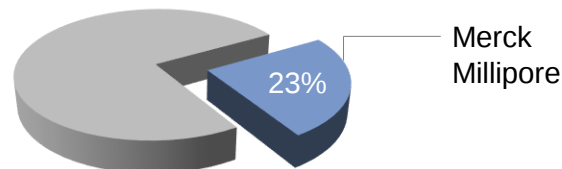
Sales bridge



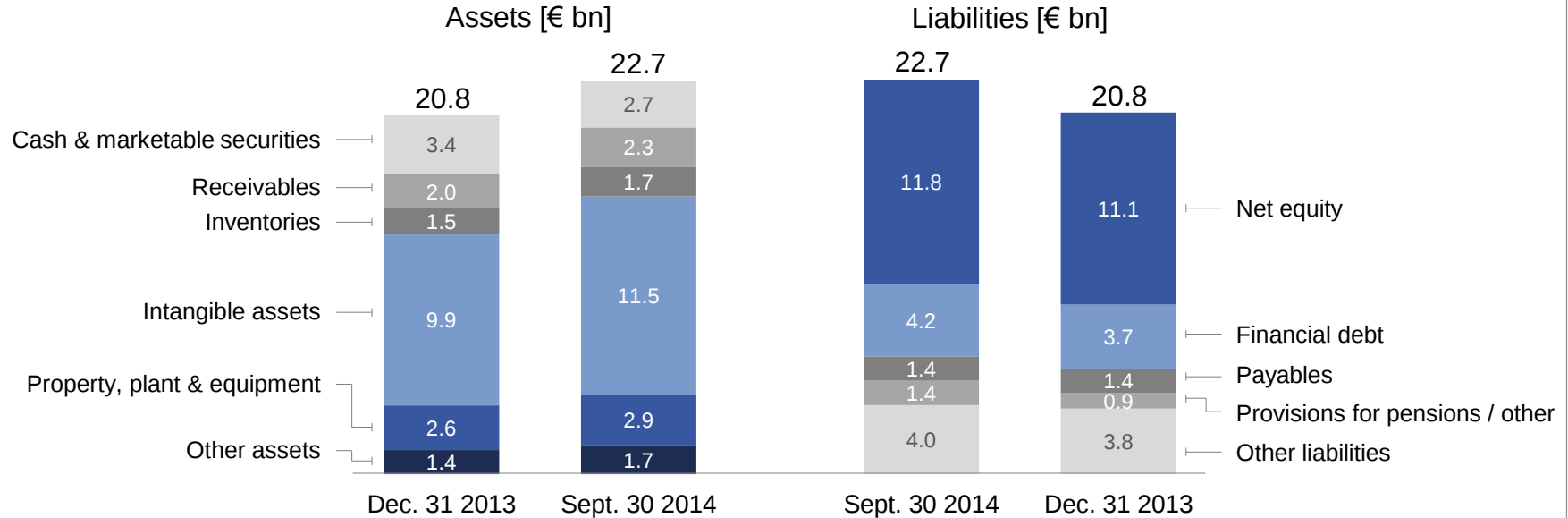
Comments

- Sound organic growth slightly reduced by FX and portfolio
- Process Solutions drives divisional growth mainly due to strong demand from biopharma industry for purification & sterilization
- Lab Solutions flat as Emerging Markets demand for water purification solutions is almost offset by softness in Europe
- Impact of U.S. sequestration as well as lower demand for antibodies in Europe and North America weigh on Bioscience
- Profitability remains on healthy level owing to solid volumes

Q3 2014 share of group sales



Balance sheet: Financial strength



- Balance sheet reflects AZ's assets and liabilities
- Positive currency effects account for ~1/3 of the increase in balance sheet total

Solid cash flow amid royalty income reduction



[€ m]	Q3 2013	Q3 2014	Δ
Profit after tax	343	250	-93
D&A	315	353	38
Changes in provisions	32	89	57
Changes in other assets / liabilities	76	83	7
Other operating activities	-8	-4	4
Changes in working capital	69	-44	-114
Operating cash flow	827	726	-101
Investing cash flow	-20	-364	-344
thereof Capex ¹	-78	-128	-50
Financing cash flow	-745	90	835

Cash flow drivers
▪ Profit after tax decreases on lower royalty income and higher income tax ▪ D&A reflects AZ impact ▪ Changes in provisions affected by release of litigation provision which is more than offset by build-up from pipeline terminations and LTIP² ▪ Factoring LY vs. increase in receivables this year as well as higher inventories drive changes in working capital ▪ Investing cash flow reflects investments in short-term financial assets ▪ Capex rising after slow H1 2014 ▪ Financing cash flow delta reflects €750 m bond repayment last year

¹Only PPE, not including software; ²Long Term Incentive Plan
Totals may not add up due to rounding

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Full-year guidance confirmed

Merck guidance for 2014, including AZ¹



Sales:

~ €11.0 – 11.2 bn



EBITDA pre:

~ €3.3 – 3.4 bn



EPS pre²:

~ €4.50 – 4.75



¹Including AZ Electronic Materials from May to December 2014

²Based on number of shares after the share split, which has been effective since June 30, 2014

Guidance details

Merck Serono



Sales

Slight organic growth

EBITDA pre

~ €1,770 – 1,830 m

Consumer Health



Sales

Moderate organic growth

EBITDA pre

~ €170 – 180 m

Performance Materials



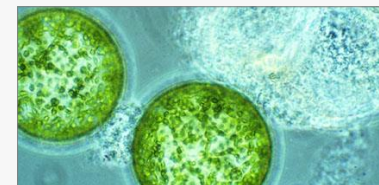
Sales

Slight organic growth

EBITDA pre*

~ €860 – 880 m

Merck Millipore



Sales

Moderate organic growth

EBITDA pre

~ €640 – 670 m

Merck 2014 guidance*: ~ €3.3 to €3.4 billion EBITDA pre

*Including AZ Electronic Materials from May to December 2014



Appendix

Additional financial guidance

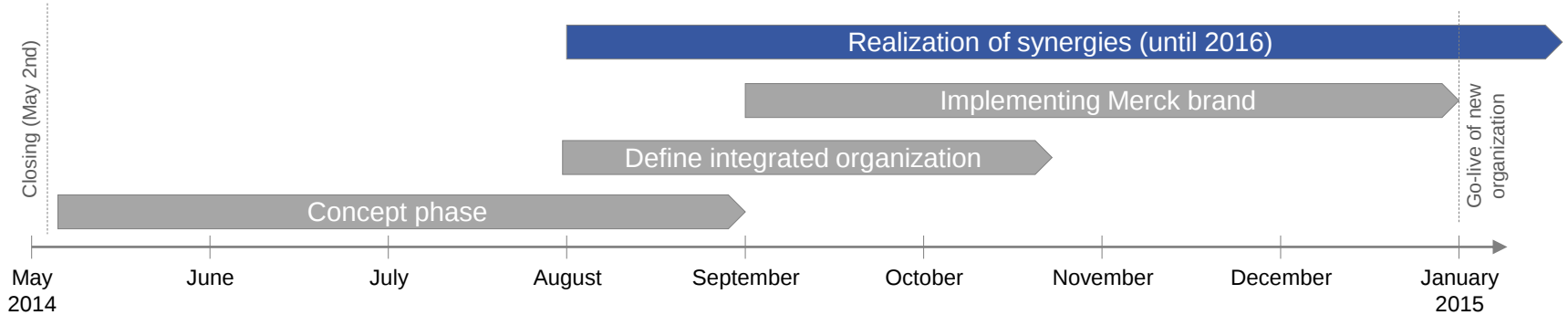
Further financial details

Merck Group royalty, license and commission income in 2015	~€130 – 150 m
Corporate & Other EBITDA pre	~€ -160 – 190 m
Underlying tax rate	~23% to 25%
Capex on PPE and software	~€500 – 550 m
Hedging / USD assumption	2014 & 2015 hedge rate ~30% at EUR/USD ~1.30 to 1.35



AZ integration well on track

AZ integration timeline

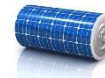


AZ product offerings



Portfolio today

- Photoresist for organic semiconductors and Silicium-tech materials
- Imageable dielectrics (Si-tech) & Thick Film Resists
- Photoresists, Stripper, Developer, Edge-bead remover, Polyimides



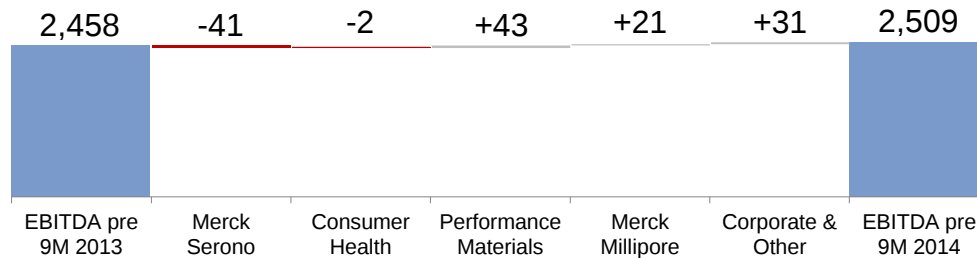
In development for the future

- LED/OLED lighting:
Si-tech materials for LED/OLED encapsulant
- Energy storage:
Graphene-based materials in Separators, Anodes and Cathodes

All divisions post organic growth, currency headwinds soften

9M YoY sales	Organic	Currency	Portfolio	Total
Merck Serono	3.9%	-3.5%	0.0%	0.4%
Consumer Health	5.0%	-3.7%	0.0%	1.3%
Performance Materials	3.3%	-3.7%	18.3%	17.9%
Merck Millipore	4.1%	-3.3%	-0.6%	0.1%
Merck Group	3.9%	-3.5%	2.7%	3.1%

9M YoY EBITDA pre contributors [€ m]



- Portfolio reflects the acquisition of AZ Electronic Materials
- Currency headwinds mainly driven by the U.S. dollar in H1
- Performance Materials includes AZ
- Merck Millipore contributes with solid organic performance
- Merck Serono affected by loss of royalty income (Avonex, Enbrel, Humira)
- Corporate & Other includes higher hedging gains versus last year

9M 2014: Stable financials amid royalty income reduction and currency headwinds



[€ m]	9M 2013	9M 2014	Δ
Sales	8,064	8,315	3.1%
EBITDA pre	2,458	2,509	2.1%
<i>Margin (% of sales)</i>	<i>30.5%</i>	<i>30.2%</i>	
EPS pre [€]	3.33	3.46	3.9%
Operating cash flow	1,785	1,564	-12.4%
[€ m]	Dec 31, 2013	Sept. 30, 2014	Δ
Net financial debt	307	1,521	>100%
Working capital	2,132	2,554	19.8%
Employees	38,154	39,355	3.1%
Net financial debt increases on AZ acquisition			

9M 2014
▪ Sales increase as organic growth and portfolio offset negative FX effects ▪ EBITDA pre and EPS pre improve on solid organic performance and AZ despite loss of royalty income ▪ Operating cash flow burdened by lower royalties and higher tax payments ▪ Jump in working capital reflects consolidation of AZ ▪ Increase in headcount includes employees from AZ

Reported figures impacted by lower royalties and acquisition effects

[€ m]	9M 2013	9M 2014	Δ
EBIT	1,347	1,338	-0.6%
Financial result	-159	-142	-10.6%
Profit before tax	1,188	1,196	0.7%
Income tax	-260	-313	20.5%
<i>Tax rate (%)</i>	<i>21.9%</i>	<i>26.2%</i>	
Net income	922	877	-4.8%
EPS (€)	2.12	2.02	-4.7%

Reported results

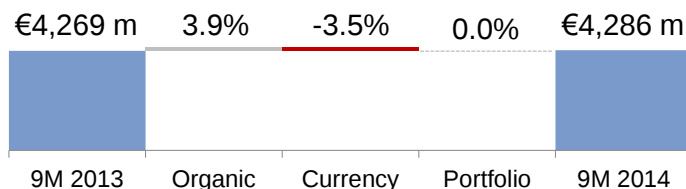
- EBIT flat as organic growth and leaner cost structure are offset by lower royalties, one-time items & FX
- Financial result improves on lower interest payments due to bond repayment and CTA* funding
- Tax rate impacted by Q3 solely tax-relevant gain from sale of Sigma financing derivatives
- Reduction in net income and EPS driven by higher income tax

Merck Serono: Solid performance supported by all franchises amid royalty income reduction



[€ m]	9M 2013*	9M 2014
Sales	4,269	4,286
Marketing and selling	-1,365	-1,322
Admin	-149	-164
R&D	-913	-1,020
EBIT	677	712
EBITDA	1,332	1,308
EBITDA pre	1,380	1,339
<i>Margin (% of sales)</i>	<i>32.3%</i>	<i>31.2%</i>

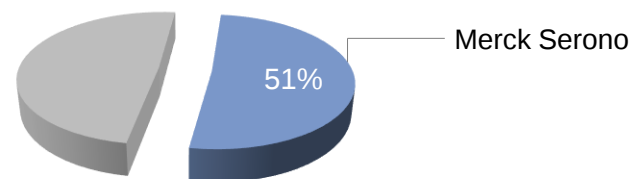
Sales bridge



Comments

- Organic growth partially offset by adverse currency effects
- Rebif organically stable, as U.S. pricing and Q1 wholesaler restocking overcompensate volume declines due to orals
- Solid Erbitux performance driven by growth in Emerging Markets and support from Japan, while Europe is flat
- Strong organic growth of fertility business as a result of good demand for entire portfolio especially from China
- Marketing and selling benefits from efficiency initiatives
- R&D reflects pipeline prioritization initiatives
- Lower profitability owing to royalty decline and FX

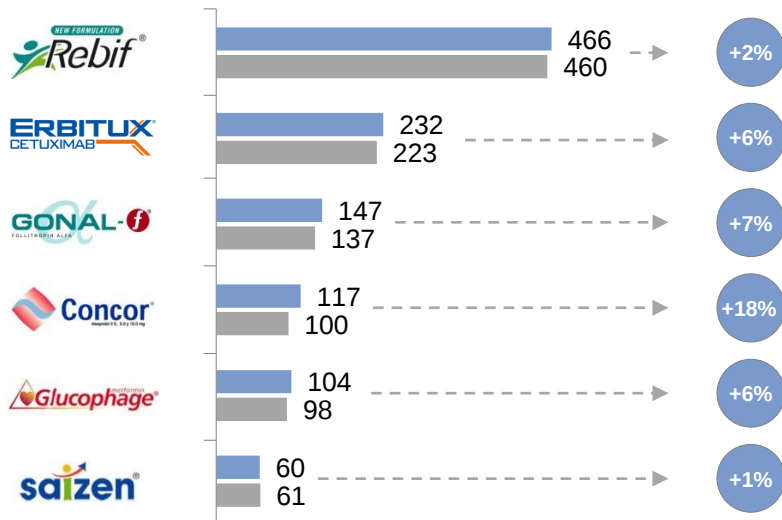
9M 2014 share of group sales



*Restated for product reclassification of Neurobion and Floratil from Merck Serono to Consumer Health

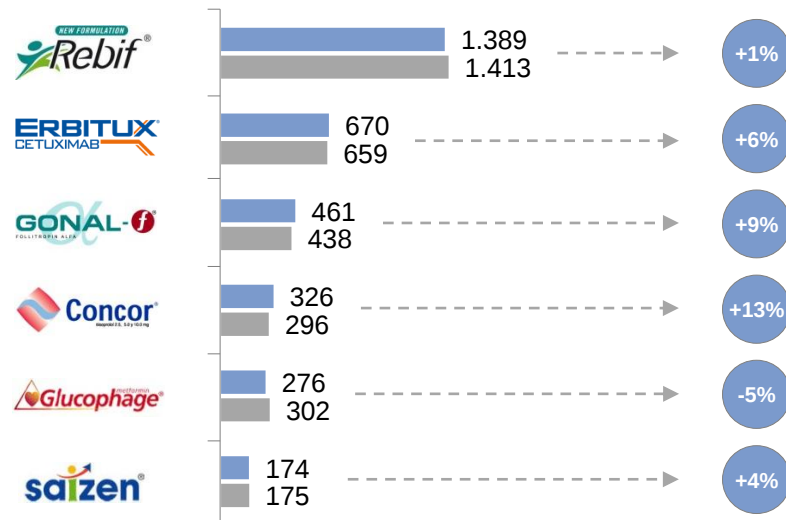
Merck Serono organic growth by product

Q3 2014 organic sales growth [%] by key product [€ m]



■ Q3 2014 ■ Q3 2013

9M 2014 organic sales growth [%] by key product [€ m]

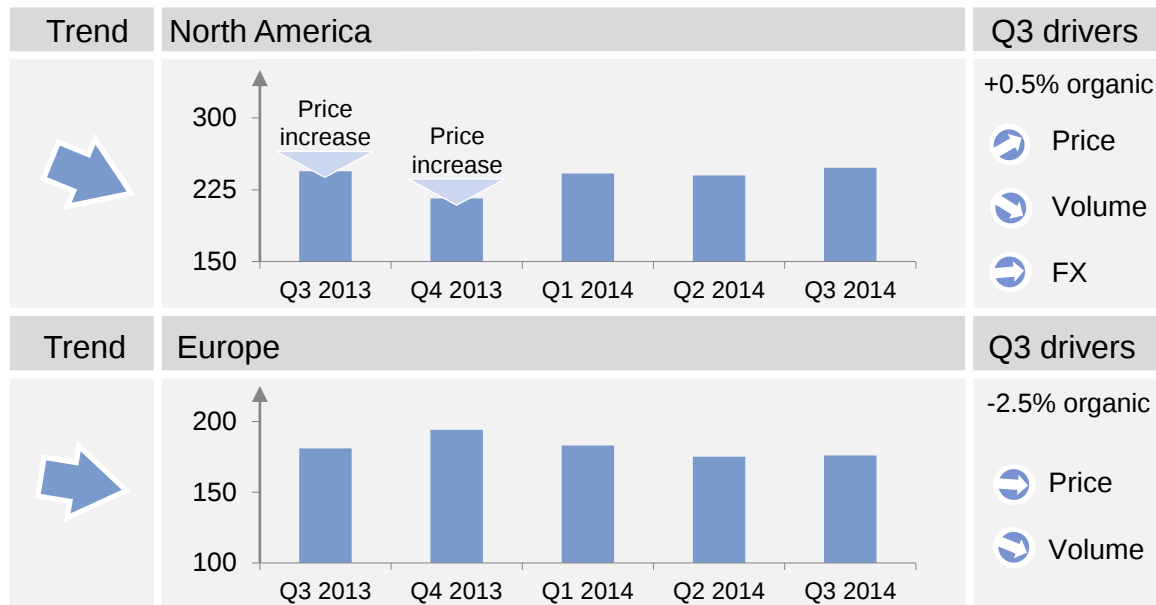


■ 9M 2014 ■ 9M 2013

Rebif – defending market leadership in Europe; competitive pressure in the U.S.



- Regional sales evolution [€ m]

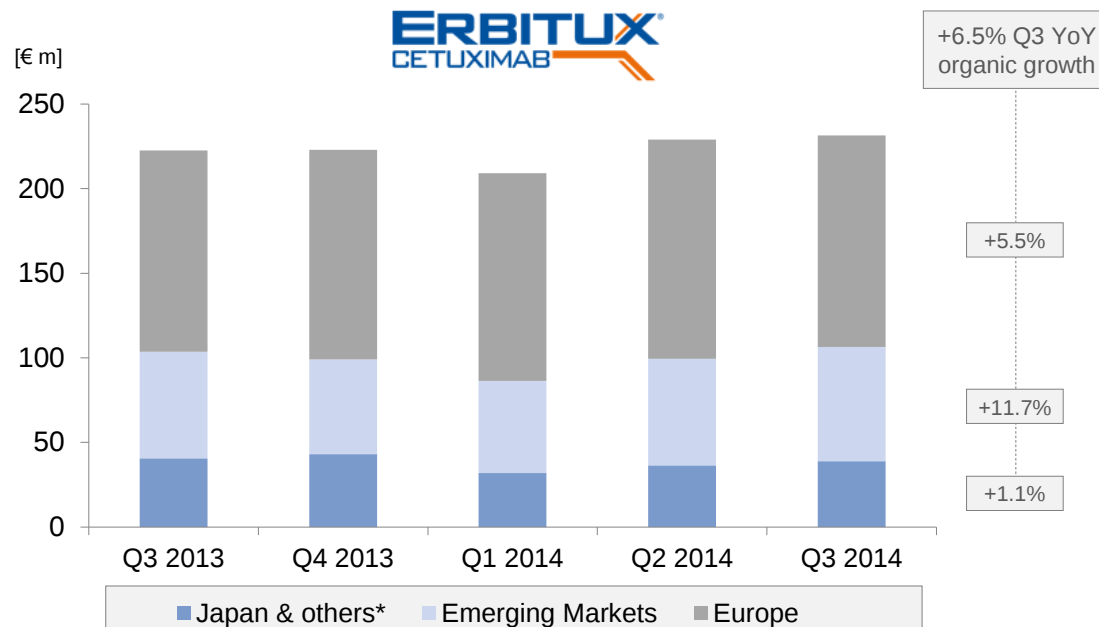


Rebif performance

- Rebif sales increase to €466 m in Q3
- Organic growth of +1.7% is driven by U.S. pricing and tender business in Russia, offset by volume erosion
- Competition from orals main factor of U.S. and European volume decline
- October price increase will support future U.S. performance
- Despite competition, Rebif remains market-leading injectable on the European market

Erbitux – strong in Emerging Markets

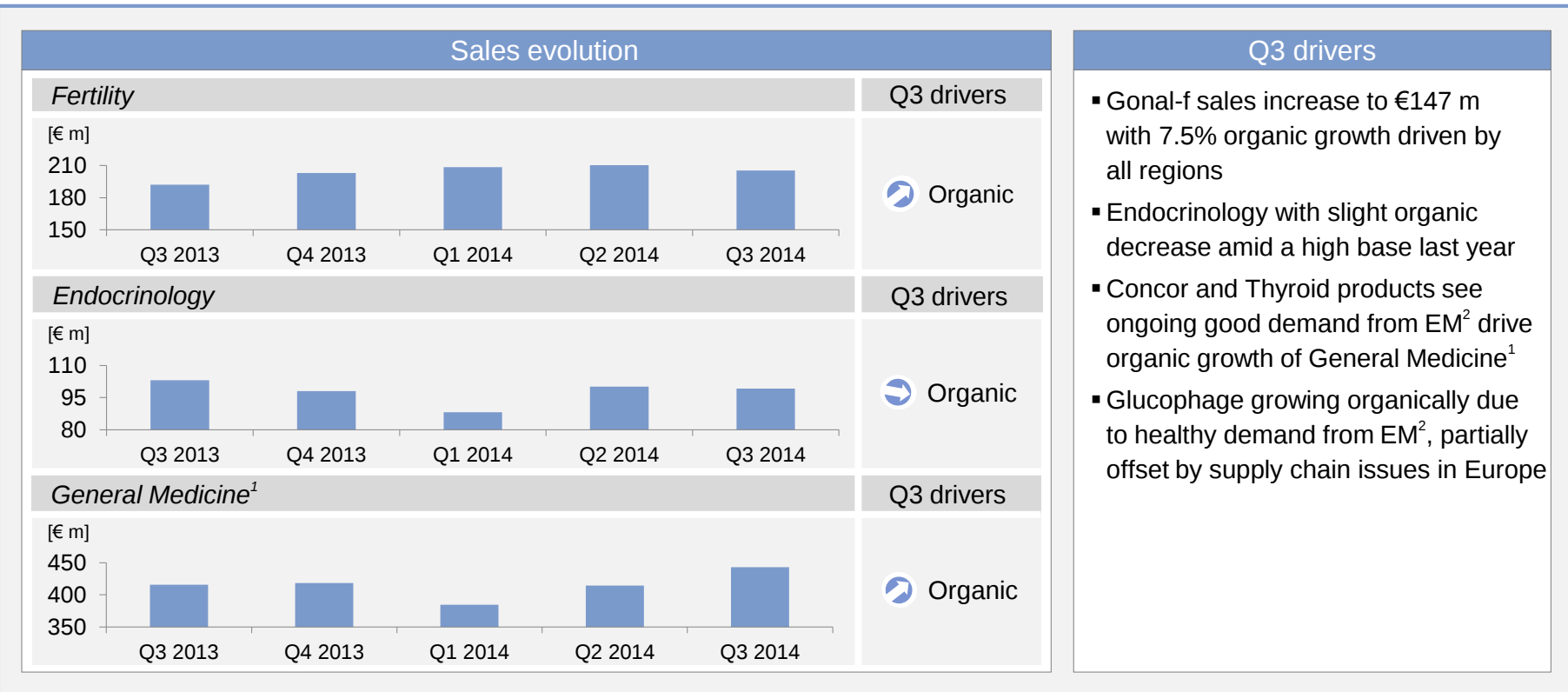
Erbitux sales by region



Erbitux performance

- Sales increase to €232 m as volume gains in all regions outweigh adverse currency effects
- Europe with solid organic growth supported by slightly higher volumes and easier comparables
- Strong organic growth in Emerging Markets mainly driven by good demand from private sector in Brazil
- Growth in Japan normalizing as head and neck sales now included in base

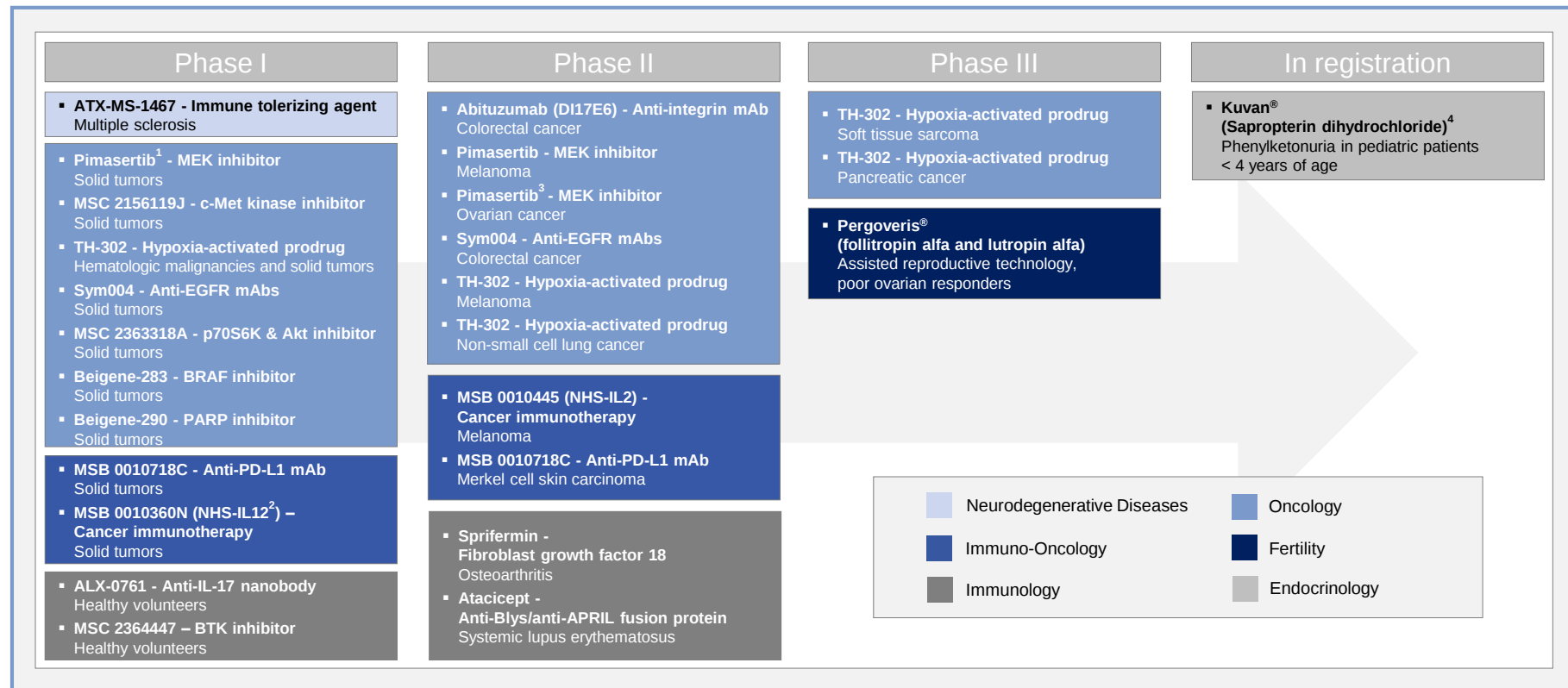
Strong growth in Fertility and General Medicine



- Gonal-f sales increase to €147 m with 7.5% organic growth driven by all regions
- Endocrinology with slight organic decrease amid a high base last year
- Concor and Thyroid products see ongoing good demand from EM² drive organic growth of General Medicine¹
- Glucophage growing organically due to healthy demand from EM², partially offset by supply chain issues in Europe

¹includes "Cardiometabolic Care & General Medicine and Others"; ²Emerging Markets

Merck Serono pipeline



Pipeline as of Oktober 31, 2014; ¹Combined with hDM2 inhibitor (SAR405838) from Sanofi, conducted under the responsibility of Sanofi;

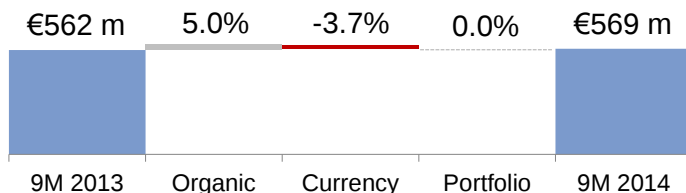
²Sponsored by the National Cancer Institute (USA); ³Combined with PI3K/mTOR inhibitor (SAR245409) from Sanofi, conducted under the responsibility of Merck;

⁴Post-approval request by the European Medicines Agency

Consumer Health: Focus on strategic brands in Emerging Markets drives performance

[€ m]	9M 2013*	9M 2014
Sales	562	569
Marketing and selling	-215	-217
Admin	-18	-20
R&D	-17	-15
EBIT	126	116
EBITDA	133	123
EBITDA pre	133	131
<i>Margin (% of sales)</i>	<i>23.7%</i>	<i>23.1%</i>

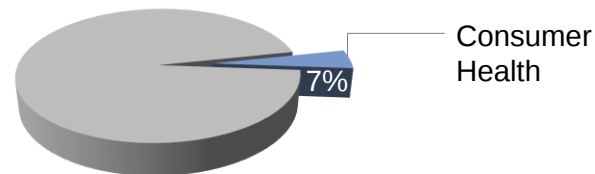
Sales bridge



Comments

- Slight increase in sales as good organic growth driven by Emerging Markets is almost offset by FX headwinds
- New strategic brands Neurobion and Floratil drive organic growth mainly from EM supported by consumer oriented marketing
- Europe solid, as demand for Femibion and some local brands is partially offset by soft demand for cough and cold products
- Marketing and selling slightly increasing, while shift in promotional spending towards strategic brands continues
- Slight decrease in profitability due to investments in marketing and selling as well as higher cost of sales

9M 2014 share of group sales



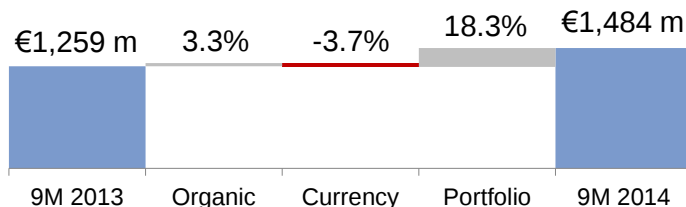
*Restated for product reclassification of Neurobion and Floratil from Merck Serono to Consumer Health

Performance Materials: Solid performance amid high comparables and currency headwinds



[€ m]	9M 2013	9M 2014
Sales	1,259	1,484
Marketing and selling	-117	-129
Admin	-22	-41
R&D	-107	-120
EBIT	519	441
EBITDA	611	574
EBITDA pre	613	656
<i>Margin (% of sales)</i>	<i>48.7%</i>	<i>44.2%</i>

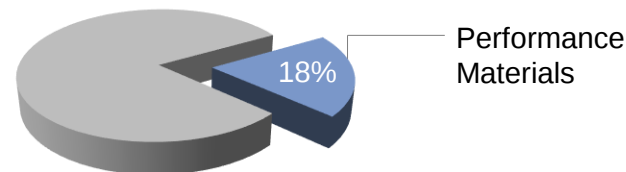
Sales bridge



Comments

- Sales increase as moderate organic growth and portfolio effects overcompensate for negative FX effects
- Liquid Crystals with moderate organic growth; last year supported by subsidy program for consumers in China until May 2013
- Liquid Crystals flagship technologies see ongoing good demand
- Pigments benefits from coating industry demand for Xirallic products
- Cost base reflects portfolio effects from AZ
- EBITDA pre increase contains organic growth and contribution from AZ; margin reflects inclusion of AZ

9M 2014 share of group sales

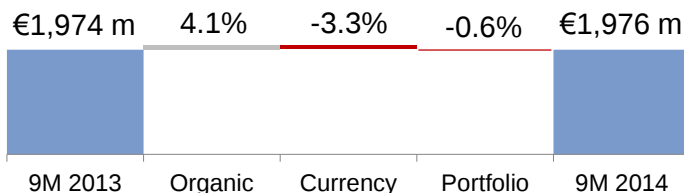


Merck Millipore: Growth in Process Solutions improves profitability



[€ m]	9M 2013	9M 2014
Sales	1,974	1,976
Marketing and selling	-629	-613
Admin	-75	-81
R&D	-121	-119
EBIT	211	234
EBITDA	444	464
EBITDA pre	475	496
<i>Margin (% of sales)</i>	<i>24.1%</i>	<i>25.1%</i>

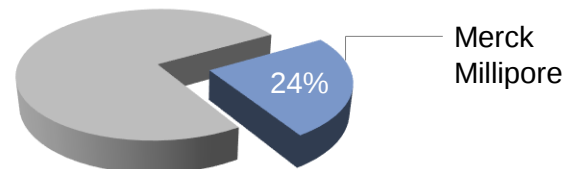
Sales bridge



Comments

- Sales stable as organic growth is offset by FX mainly driven by U.S. dollar and Japanese yen as well as DDS* divesture
- Process Solutions growth driven by biopharma demand for filtration and single-use products mainly stemming from EM and Europe
- Bioscience organically flat, as solid demand for cell culture and analysis systems mitigates soft U.S. academia demand
- Demand for consumables and water purification solutions in Emerging Markets drives organic growth in Lab Solutions
- Profitability increases due to solid volumes and pricing as well as ongoing cost discipline in marketing and selling

9M 2014 share of group sales



Underlying cash flow strength

[€ m]	9M 2013	9M 2014	Δ
Profit after tax	928	883	-45
D&A	997	980	-16
Changes in provisions	35	0	-35
Changes in other assets / liabilities	-56	-133	-77
Other operating activities	-47	-8	39
Changes in working capital	-72	-159	-87
Operating cash flow	1,785	1,564	-221
Investing cash flow	-612	-497	114
thereof Capex*	-235	-270	-35
Financing cash flow	-966	-758	208

Cash flow drivers

- Profit after tax decreases on lower royalty income and higher income tax
- Changes in provisions mainly impacted by release for litigation and build-up for pipeline terminations
- Increase in changes in other assets and liabilities is mainly due to higher tax payments
- Operating cash flow decreases on lower royalties & higher tax payments
- Investing & financing cash flows reflect AZ and €750 m bond repayment in 2013

*Only PPE, not including software
Totals may not add up due to rounding

One-time items in Q3 2014

One-time items in EBIT				
[€ m]	Q3 2013		Q3 2014	
	One-time items	thereof D&A	One-time items	thereof D&A
Merck Serono	36	15	13	0
Consumer Health	1	0	4	0
Performance Materials	-5	0	25	0
Merck Millipore	12	0	11	0
Corporate & Other	4	0	26	4
Total	49	15	79	4

Totals may not add up due to rounding

One-time items in 9M 2014

One-time items in EBIT

[€ m]	9M 2013		9M 2014	
	One-time items	thereof D&A	One-time items	thereof D&A
Merck Serono	93	45	34	4
Consumer Health	0	0	8	0
Performance Materials	3	1	81	0
Merck Millipore	31	0	32	0
Corporate & Other	34	0	42	4
Total	161	46	198	8

Totals may not add up due to rounding

Financial calendar

Date	Event
March 03, 2015	Q4 2014 Earnings release
April 17, 2015	Annual General Meeting 2015
May 19, 2015	Q1 2015 Earnings release
August 06, 2015	Q2 2015 Earnings release
November 12, 2015	Q3 2015 Earnings release



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