

The following table shows the financial results for Merck & Co., Inc. and subsidiaries for the quarter ended June 30, 2006, compared with the corresponding period of the prior year.

Merck & Co., Inc.  
Consolidated Results  
(In Millions Except Earnings per Common Share)  
Quarter Ended June 30  
(Unaudited)

	<u>2006</u>	<u>2005</u>	<u>% Change</u>
Sales	\$5,771.7	\$5,467.5	6%
Costs, Expenses and Other			
Materials and production <sup>(1)</sup>	1,445.2	1,160.6	25
Marketing and administrative <sup>(2)</sup>	1,734.0	1,749.5	-1
Research and development <sup>(3)</sup>	1,172.5	946.8	24
Restructuring and related costs <sup>(4)</sup>	(6.9)	5.8	*
Equity income from affiliates	(611.3)	(334.1)	83
Other (income) expense, net	(70.1)	14.0	*
Income Before Taxes	2,108.3	1,924.9	10
Taxes on Income <sup>(5)</sup>	609.0	1,204.3	
Net Income	\$1,499.3	\$720.6	*
Average Shares Outstanding			
Assuming Dilution	2,187.7	2,206.1	
Earnings per Common Share			
Assuming Dilution	\$0.69	\$0.33	*

\* > 100%

(1) Includes restructuring costs of \$167.5 million recorded in the second quarter 2006 primarily related to accelerated depreciation and asset impairment costs associated with Merck's global restructuring program announced in November 2005 as well as stock option expense of \$4.6 million.

(2) Includes stock option expense of \$25.3 million recorded in the second quarter 2006.

(3) Research and development expense includes acquired research expense of \$296.3 million recorded in the second quarter 2006 resulting from the acquisition of GlycoFi, Inc. These charges are associated with GlycoFi's technology platform to be used in research projects for which, at the acquisition date, technological feasibility had not been established and no alternative future use existed. Also included in the second quarter of 2006 is stock option expense of \$11.1 million.

(4) Second quarter 2006 results reflect restructuring costs related to separations as well as gains on the sales of facilities associated with Merck's global restructuring program announced in November 2005. Separations associated with other restructuring programs were recorded in the second quarter of 2005.

(5) The effective tax rate was 28.9% and 62.6% for the second quarter of 2006 and 2005, respectively. Included in the second quarter 2006 effective tax rate is a favorable impact of 0.5 percentage points related to the restructuring charge. Included in the second quarter 2005 is a net tax charge of \$640 million, primarily related to repatriation of foreign earnings under the American Jobs Creation Act (AJCA). This net tax charge resulted in an increase of 33.3 percentage points to the effective tax rate for the second quarter of 2005.

The following table shows the financial results for Merck & Co., Inc. and subsidiaries for the six months ended June 30, 2006, compared with the corresponding period of the prior year.

Merck & Co., Inc.  
Consolidated Results  
(In Millions Except Earnings per Common Share)  
Six Months Ended June 30  
(Unaudited)

	<u>2006</u>	<u>2005</u>	<u>% Change</u>
Sales	\$11,181.5	\$10,829.8	3%
Costs, Expenses and Other			
Materials and production <sup>(1)</sup>	2,787.9	2,432.0	15
Marketing and administrative <sup>(2)</sup>	3,449.0	3,355.0	3
Research and development <sup>(3)</sup>	2,114.5	1,793.4	18
Restructuring and related costs <sup>(4)</sup>	36.8	13.6	*
Equity income from affiliates	(1,114.7)	(650.4)	71
Other (income) expense, net	(170.7)	40.6	*
Income Before Taxes	4,078.7	3,845.6	6
Taxes on Income <sup>(5)</sup>	1,059.4	1,754.9	
Net Income	\$3,019.3	\$2,090.7	44
Average Shares Outstanding Assuming Dilution	2,189.2	2,208.1	
Earnings per Common Share Assuming Dilution	\$1.38	\$0.95	45

\* > 100%

(1) Includes restructuring costs of \$372.5 million recorded during the first six months of 2006 primarily related to accelerated depreciation and asset impairment costs associated with Merck's global restructuring program announced in November 2005 as well as stock option expense of \$15.2 million.

(2) Includes stock option expense of \$87.9 million recorded in the first six months of 2006.

(3) Research and development expense includes acquired research expense of \$296.3 million recorded in the second quarter 2006 resulting from the acquisition of GlycoFi, Inc. These charges are associated with GlycoFi's technology platform to be used in research projects for which, at the acquisition date, technological feasibility had not been established and no alternative future use existed. Also included are restructuring costs of \$55.4 million recorded in the first quarter of 2006 related to accelerated depreciation associated with Merck's global restructuring program announced in November 2005 as well as stock option expense of \$35.5 million.

(4) June 2006 year-to-date results reflect restructuring costs related to separations as well as gains on the sales of facilities associated with Merck's global restructuring program announced in November 2005. Separations associated with other restructuring programs were recorded in the first six months of 2005.

(5) The effective tax rate was 26.0% and 45.6% for the first six months of 2006 and 2005, respectively. Included in the first six months 2006 effective tax rate is a favorable impact of 1.0 percentage points related to the restructuring charge. Included in the second quarter 2005 is a net tax charge of \$640 million, primarily related to repatriation of foreign earnings under the American Jobs Creation Act (AJCA). This net tax charge resulted in an increase of 16.6 percentage points to the effective tax rate for the first six months of 2005.