



**Merck & Co., Inc.
Financial Highlights Package
Second Quarter 2010
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MERCK & CO., INC.
CONSOLIDATED STATEMENT OF OPERATIONS - GAAP
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 1

	GAAP		% Change	GAAP		% Change
	2Q10	2Q09		YTD 2010	YTD 2009	
Sales	\$ 11,346.3	\$ 5,899.9	92%	\$ 22,768.5	\$ 11,285.1	*
Costs, Expenses and Other						
Materials and production ⁽¹⁾	4,548.9	1,353.9	*	9,764.5	2,687.7	*
Marketing and administrative ⁽²⁾	3,202.7	1,729.5	85%	6,448.9	3,362.5	92%
Research and development ⁽³⁾	2,150.9	1,395.3	54%	4,177.6	2,619.5	59%
Restructuring costs ⁽⁴⁾	526.3	37.4	*	814.0	101.7	*
Equity income from affiliates ⁽⁵⁾	(42.9)	(587.1)	-93%	(180.4)	(1,173.0)	-85%
Other (income) expense, net ⁽⁶⁾	(280.4)	3.6	*	(112.7)	(63.6)	77%
Income Before Taxes	1,240.8	1,967.3	-37%	1,856.6	3,750.3	-50%
Taxes on Income	460.6	379.0		746.2	706.2	
Net Income	780.2	1,588.3	-51%	1,110.4	3,044.1	-64%
Less: Net Income Attributable to Noncontrolling Interests	27.8	32.0		59.2	62.8	
Net Income Attributable to Merck & Co., Inc.	\$ 752.4	\$ 1,556.3	-52%	\$ 1,051.2	\$ 2,981.3	-65%
Earnings per Common Share Assuming Dilution ⁽⁷⁾	\$ 0.24	\$ 0.74	-68%	\$ 0.33	\$ 1.41	-77%
Average Shares Outstanding Assuming Dilution	3,125.5	2,110.0		3,132.4	2,109.8	
Tax Rate ⁽⁸⁾	37.1%	19.3%		40.2%	18.8%	

* ≥ 100%

(1) The second quarter and first six months of 2010 includes \$1.7 billion and \$4.0 billion, respectively, of expense for the amortization of purchase accounting adjustments to inventories and the amortization of intangible assets recognized as a result of the merger. Also includes restructuring costs of \$224 million and \$47 million in the second quarter of 2010 and 2009, respectively, and \$281 million and \$69 million for the first six months of 2010 and 2009, respectively, primarily related to accelerated depreciation.

(2) Reflects merger-related costs of \$75 million and \$44 million in the second quarter of 2010 and 2009, respectively, and \$154 million and \$50 million in the first six months of 2010 and 2009, respectively.

(3) Includes restructuring costs of \$144 million and \$108 million in the second quarter of 2010 and 2009, respectively, and \$150 million and \$196 million in the first six months of 2010 and 2009, respectively, primarily related to accelerated depreciation. In addition, expenses for the first six months of 2010 include \$27 million of impairment charges associated with in-process research and development ("IPR&D") for previously in-licensed projects capitalized in connection with the merger that were subsequently abandoned in connection with the company's pipeline prioritization review and returned to the respective licensors.

(4) Represents separation and other related costs associated with restructuring activities.

(5) In 2010, equity income from affiliates no longer reflects any contribution from the Merck/Schering-Plough partnership, which is now wholly-owned by the company as a result of the merger, or from Merial Limited due to the sale of Merck's interest in 2009.

(6) The change in other (income) expense, net in the second quarter and first six months of 2010 primarily reflects \$443 million of income recognized upon AstraZeneca's asset option exercise, partially offset by higher interest expense and lower interest income largely attributable to the financing of the merger, as well as lower realized gains on the company's investment portfolio. Also reflected in other (income) expense, net during the second quarter and first six months of 2009 is a charge of \$80 million related to the settlement of the company's Vioxx third-party payor litigation in the United States. In addition, during the first six months of 2010, the company recorded higher exchange losses due to the Venezuelan currency devaluation, as well as income on the settlement of certain disputed royalties. Other (income) expense, net reflects merger-related costs of \$10 million and \$50 million in the second quarter of 2010 and 2009, respectively, and \$17 million and \$63 million in the first six months of 2010 and 2009, respectively.

(7) The company calculates earnings per share pursuant to the two-class method which requires the allocation of net income between common shareholders and participating security holders. Net income attributable to Merck & Co., Inc. common shareholders used to calculate earnings per common share assuming dilution was \$749.5 million and \$1,551.5 million for the second quarter of 2010 and 2009, respectively, and was \$1,047.0 million and \$2,972.3 million for the first six months of 2010 and 2009, respectively.

(8) The effective tax rate of 37.1% for the second quarter of 2010 reflects the net unfavorable impact of approximately 17 percentage points resulting from purchase accounting charges, AstraZeneca's asset option exercise and restructuring charges. The effective tax rate of 40.2% for the first six months of 2010 reflects the net unfavorable impact of approximately 19 percentage points resulting from purchase accounting charges, the impact of a \$146.5 million charge associated with a change in tax law that requires taxation of the prescription drug subsidy of the company's retiree health benefit plans which was enacted in the first quarter of 2010 as part of U.S. health care reform legislation, as well as by the impact of AstraZeneca's asset option exercise and restructuring charges. The effective tax rate of 19.3% for the second quarter of 2009 reflects a net favorable impact of approximately 6 percentage points resulting from tax settlements and restructuring charges. The effective tax rate of 18.8% for the first six months of 2009 reflects the favorable impact of approximately 6 percentage points resulting from tax settlements, including the previously disclosed settlement reached with the Canada Revenue Agency, as well as restructuring charges.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF OPERATIONS
GAAP TO NON-GAAP RECONCILIATION
SECOND QUARTER 2010
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 2a

	GAAP	Purchase Accounting ⁽¹⁾	Restructuring Costs ⁽²⁾	Merger-Related Costs ⁽³⁾	Certain Other Items ⁽⁴⁾	Adjustment Subtotal	Non-GAAP
Sales	\$ 11,346.3					\$ -	\$ 11,346.3
Materials and production	4,548.9	1,662.1	224.3			1,886.4	2,662.5
Marketing and administrative	3,202.7			74.8		74.8	3,127.9
Research and development	2,150.9		143.7			143.7	2,007.2
Restructuring costs	526.3		526.3			526.3	-
Equity income from affiliates	(42.9)					-	(42.9)
Other (income) expense, net	(280.4)			9.8	(443.0)	(433.2)	152.8
Income Before Taxes	1,240.8	(1,662.1)	(894.3)	(84.6)	443.0	(2,198.0)	3,438.8
Taxes on Income	460.6					(242.7) ⁽⁵⁾	703.3
Net Income	780.2					(1,955.3)	2,735.5
Less: Net Income Attributable to Noncontrolling Interests	27.8					-	27.8
Net Income Attributable to Merck & Co., Inc.	\$ 752.4					\$ (1,955.3)	\$ 2,707.7
Earnings per Common Share Assuming Dilution	\$ 0.24					\$ (0.62)	\$ 0.86 ⁽⁶⁾
Average Shares Outstanding Assuming Dilution	3,125.5						3,125.5
Tax Rate	37.1%						20.5%

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) Reflects expense for the amortization of purchase accounting adjustments to inventories and the amortization of intangible assets recognized as a result of the merger.

(2) Amounts primarily include employee separation costs and accelerated depreciation associated with facilities to be sold or closed.

(3) Merger-related costs include transaction and integration costs associated with the merger.

(4) Included in other (income) expense, net is a \$443 million gain recognized upon AstraZeneca's exercise of the asset option.

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

(6) The company calculates earnings per share pursuant to the two-class method which requires the allocation of net income between common shareholders and participating security holders. Net income attributable to Merck & Co., Inc. common shareholders used to calculate non-GAAP earnings per common share assuming dilution was \$2,697.1 million for the second quarter of 2010.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF OPERATIONS
GAAP TO NON-GAAP RECONCILIATION
SIX MONTHS ENDED JUNE 30, 2010
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)
Table 2b

	GAAP	Purchase Accounting ⁽¹⁾	Restructuring Costs ⁽²⁾	Merger-Related Costs ⁽³⁾	Certain Other Items ⁽⁴⁾	Adjustment Subtotal	Non-GAAP
Sales	\$ 22,768.5					\$ -	\$ 22,768.5
Materials and production	9,764.5	4,009.2	281.1			4,290.3	5,474.2
Marketing and administrative	6,448.9			154.3		154.3	6,294.6
Research and development	4,177.6	26.7	149.9			176.6	4,001.0
Restructuring costs	814.0		814.0			814.0	-
Equity income from affiliates	(180.4)					-	(180.4)
Other (income) expense, net	(112.7)			17.1	(443.0)	(425.9)	313.2
Income Before Taxes	1,856.6	(4,035.9)	(1,245.0)	(171.4)	443.0	(5,009.3)	6,865.9
Taxes on Income	746.2					(745.4) ⁽⁵⁾	1,491.6
Net Income	1,110.4					(4,263.9)	5,374.3
Less: Net Income Attributable to Noncontrolling Interests	59.2					-	59.2
Net Income Attributable to Merck & Co., Inc.	\$ 1,051.2					\$ (4,263.9)	\$ 5,315.1
Earnings per Common Share Assuming Dilution	\$ 0.33					\$ (1.36)	\$ 1.69 ⁽⁶⁾
Average Shares Outstanding Assuming Dilution	3,132.4						3,132.4
Tax Rate	40.2%						21.7%

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 expense for the amortization of purchase accounting adjustments to inventories and the amortization of intangible assets recognized as a result of the merger. Amounts included in research and development expense represent impairment charges associated with in-process research and development ("IPR&D") for previously in-licensed projects capitalized in connection with the merger that were subsequently abandoned in connection with the company's pipeline prioritization review and returned to the respective licensors.

(2) Amounts primarily include employee separation costs and accelerated depreciation associated with facilities to be sold or closed.

(3) Merger-related costs include transaction and integration costs associated with the merger.

(4) Included in other (income) expense, net is a \$443 million gain recognized upon AstraZeneca's exercise of the asset option.

(5) Includes a charge of \$146.5 million associated with a change in tax law that requires taxation of the prescription drug subsidy of the company's retiree health benefit plans which was enacted in the first quarter of 2010 as part of U.S. health care reform legislation, as well as the estimated tax impact on the other reconciling items.

(6) The company calculates earnings per share pursuant to the two-class method which requires the allocation of net income between common shareholders and participating security holders. Net income attributable to Merck & Co., Inc. common shareholders used to calculate non-GAAP earnings per common share assuming dilution was \$5,292.6 million for the six months ended June 30, 2010.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF OPERATIONS
GAAP TO NON-GAAP RECONCILIATION
SECOND QUARTER 2009
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2c

	GAAP	Restructuring Costs ⁽¹⁾	Merger-Related Costs ⁽²⁾	Adjustment Subtotal	Non-GAAP
Sales	\$ 5,899.9			\$ -	\$ 5,899.9
Materials and production	1,353.9	47.1		47.1	1,306.8
Marketing and administrative	1,729.5		43.6	43.6	1,685.9
Research and development	1,395.3	107.8		107.8	1,287.5
Restructuring costs	37.4	37.4		37.4	-
Equity income from affiliates	(587.1)			-	(587.1)
Other (income) expense, net	3.6		50.2	50.2	(46.6)
Income Before Taxes	1,967.3	(192.3)	(93.8)	(286.1)	2,253.4
Taxes on Income	379.0			(80.1) ⁽³⁾	459.1
Net Income	1,588.3			(206.0)	1,794.3
Less: Net Income Attributable to Noncontrolling Interests	32.0			-	32.0
Net Income Attributable to Merck & Co., Inc.	\$ 1,556.3			\$ (206.0)	\$ 1,762.3
Earnings per Common Share Assuming Dilution	\$ 0.74			\$ (0.09)	\$ 0.83 ⁽⁴⁾
Average Shares Outstanding Assuming Dilution	2,110.0				2,110.0
Tax Rate	19.3%				20.4%

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 primarily include employee separation costs and accelerated depreciation associated with facilities to be sold or closed.

(2) Merger-related costs include transaction and integration costs associated with the merger.

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

(4) The company calculates earnings per share pursuant to the two-class method which requires the allocation of net income between common shareholders and participating security holders. Net income attributable to Merck & Co., Inc. common shareholders used to calculate non-GAAP earnings per common share assuming dilution was \$1,756.9 million for the second quarter of 2009.

MERCK & CO., INC.
CONSOLIDATED STATEMENT OF OPERATIONS
GAAP TO NON-GAAP RECONCILIATION
SIX MONTHS ENDED JUNE 30, 2009
(AMOUNTS IN MILLIONS, EXCEPT PER SHARE FIGURES)
(UNAUDITED)

Table 2d

	GAAP	Restructuring Costs ⁽¹⁾	Merger-Related Costs ⁽²⁾	Adjustment Subtotal	Non-GAAP
Sales	\$ 11,285.1			\$ -	\$ 11,285.1
Materials and production	2,687.7	69.3		69.3	2,618.4
Marketing and administrative	3,362.5		50.2	50.2	3,312.3
Research and development	2,619.5	195.9		195.9	2,423.6
Restructuring costs	101.7	101.7		101.7	-
Equity income from affiliates	(1,173.0)			-	(1,173.0)
Other (income) expense, net	(63.6)		62.7	62.7	(126.3)
Income Before Taxes	3,750.3	(366.9)	(112.9)	(479.8)	4,230.1
Taxes on Income	706.2			(137.1) ⁽³⁾	843.3
Net Income	3,044.1			(342.7)	3,386.8
Less: Net Income Attributable to Noncontrolling Interests	62.8			-	62.8
Net Income Attributable to Merck & Co., Inc.	\$ 2,981.3			\$ (342.7)	\$ 3,324.0
Earnings per Common Share Assuming Dilution	\$ 1.41			\$ (0.16)	\$ 1.57 ⁽⁴⁾
Average Shares Outstanding Assuming Dilution	2,109.8				2,109.8
Tax Rate	18.8%				19.9%

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 primarily include employee separation costs and accelerated depreciation associated with facilities to be sold or closed.

(2) Merger-related costs include transaction and integration costs associated with the merger.

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

(4) The company calculates earnings per share pursuant to the two-class method which requires the allocation of net income between common shareholders and participating security holders. Net income attributable to Merck & Co., Inc. common shareholders used to calculate non-GAAP earnings per common share assuming dilution was \$3,314.0 million for the six months ended June 30, 2009.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
SECOND QUARTER 2010
(AMOUNTS IN MILLIONS)
Table 3

The following Table reflects Supplemental Combined Non-GAAP sales for the prior year which were adjusted to reflect a full quarter of Merck and Schering-Plough combined results as if the merger closed as of January 1, 2009.

	GAAP	GAAP	Adjustment	Supp. Comb. Non-GAAP	% Change (2Q10 GAAP vs Supp. Comb. Non-GAAP 2Q09)
	2Q10	2Q09	2Q09	2Q09	
TOTAL SALES ⁽¹⁾	\$11,346	\$5,900	\$5,634	\$11,534	-2
HUMAN HEALTH ⁽²⁾	9,776	5,470	4,488	9,956	-2
Bone, Resp., Imm., & Dermatology					
Singulair	1,258	1,257		1,257	
Remicade	669		565	565	18
Nasonex	338		321	321	5
Fosamax	241	277		277	-13
Clarinex	202		226	226	-11
Propecia	113	106		106	7
Arcoxia	95	88		88	8
Asmanex	56		54	54	4
Cardiovascular					
Zetia	564	1	555	556	1
Vytorin	490	21	511	532	-8
Integrilin	70		73	73	-4
Diabetes & Obesity					
Januvia	600	462		462	30
Janumet	218	155		155	41
Infectious Disease					
Isentress	267	172		172	55
PegIntron	185		215	215	-14
Primaxin	158	160		160	-2
Candidas	150	149		149	1
Avelox	59		71	71	-17
Invanz	83	71		71	17
Rebetol	55		67	67	-18
Crixivan / Stocrin	48	56		56	-14
Mature Brands					
Cozaar / Hyzaar	485	906		906	-46
Zocor	117	141		141	-17
Claritin Rx	93		96	96	-3
Vasotec / Vaseretic	63	76		76	-18
Proscar	56	79		79	-30
Proventil	55		56	56	-2
Neurosciences & Ophthalmology					
Maxalt	133	141		141	-5
Cosopt / Trusopt	123	125		125	-1
Subutex / Suboxone	51		52	52	-2
Remeron	59		50	50	17
Oncology					
Temodar	271		256	256	6
Emend	93	77		77	21
Caelyx	66		68	68	-3
Intron A	51		67	67	-24
Vaccines					
ProQuad, M-M-R II and Varivax	340	322		322	5
Gardasil	219	268		268	-18
RotaTeq	139	126		126	10
Zostavax	18	42		42	-57
Pneumovax	59	47		47	26
Women's Health & Endocrine					
NuvaRing	145		129	129	12
Follistim / Puregon	137		145	145	-5
Cerazette	49		46	46	7
Implanon	51		43	43	17
Other Human Health ⁽³⁾	986	145	821	965	2
ANIMAL HEALTH	731		672	672	9
CONSUMER CARE ⁽²⁾	422		381	381	11
Claritin OTC	132		108	108	23
Other Revenues ⁽⁴⁾	417	430	94	524	-20
Astra	241	386		386	-38

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other vaccines sales included in Other Human Health were \$57 million and \$35 million for second quarter 2010 and 2009, respectively.

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

Note: The company is providing Supplemental Combined Non-GAAP sales to reflect the revenues of the company's product sales on a comparable basis to periods prior to the merger. Merck has defined Supplemental Combined Non-GAAP sales as GAAP sales adjusted to reflect a full quarter of Merck and Schering-Plough performance as if the merger closed at the beginning of the periods indicated in this table. This supplemental information is provided to enhance investors' understanding of the company's sales performance. This information should be considered in addition to, but not in lieu of, sales reported in accordance with GAAP.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
JUNE YEAR-TO-DATE 2010
(AMOUNTS IN MILLIONS)
Table 3a

The following Table reflects Supplemental Combined Non-GAAP sales for the prior year which were adjusted to reflect the period of Merck and Schering-Plough combined results as if the merger closed as of January 1, 2009.

	GAAP	GAAP	Adjustment	Supp. Comb. Non-GAAP	% Change (Jun YTD 10 GAAP vs Supp. Comb. Non- GAAP Jun YTD 09)
	Jun YTD 10	Jun YTD 09	Jun YTD 09	Jun YTD 09	
TOTAL SALES ⁽¹⁾	\$22,768	\$11,285	\$10,932	\$22,217	2
HUMAN HEALTH ⁽²⁾	19,570	10,489	8,703	19,191	2
Bone, Resp., Imm., & Dermatology					
Singulair	2,423	2,315		2,315	5
Remicade	1,343		1,083	1,083	24
Nasonex	658		627	627	5
Fosamax	472	539		539	-12
Clarinex	376		400	400	-6
Propecia	213	209		209	2
Arcoxia	190	169		169	12
Asmanex	107		103	103	4
Cardiovascular					
Zetia	1,098	3	1,064	1,067	3
Vytorin	967	37	973	1,010	-4
Integrilin	140		149	149	-6
Diabetes & Obesity					
Januvia	1,111	873		873	27
Janumet	419	283		283	48
Infectious Disease					
Isentress	499	320		320	56
PegIntron	371		430	430	-14
Primaxin	317	324		324	-2
Cancidas	303	287		287	5
Avelox	165		180	180	-9
Invanz	158	132		132	19
Rebetol	111		134	134	-17
Crixivan / Stocrin	100	105		105	-5
Mature Brands					
Cozaar / Hyzaar	1,267	1,745		1,745	-27
Zocor	233	278		278	-16
Claritin Rx	217		228	228	-5
Vasotec / Vaseretic	122	153		153	-21
Proscar	114	151		151	-25
Proventil	112		110	110	2
Neurosciences & Ophthalmology					
Maxalt	268	274		274	-2
Cosopt / Trusopt	238	246		246	-3
Subutex / Suboxone	104		102	102	1
Remeron	110		100	100	10
Oncology					
Temodar	545		503	503	8
Emend	177	146		146	21
Caelyx	139		128	128	8
Intron A	105		121	121	-13
Vaccines					
ProQuad, M-M-R II and Varivax	659	574		574	15
Gardasil	451	530		530	-15
RotaTeq	231	260		260	-11
Zostavax	114	118		118	-3
Pneumovax	110	88		88	25
Women's Health & Endocrine					
NuvaRing	280		244	244	15
Follistim / Puregon	270		275	275	-2
Cerazette	104		85	85	22
Implanon	101		80	80	26
Other Human Health ⁽³⁾	1,960	329	1,582	1,909	3
ANIMAL HEALTH	1,440		1,293	1,293	11
CONSUMER CARE ⁽²⁾	800		765	765	5
Claritin OTC	242		257	257	-6
Other Revenues ⁽⁴⁾	959	797	171	967	-1
Astra	605	742		742	-19

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other vaccines sales included in Other Human Health were \$113 million and \$84 million for the first six months of 2010 and 2009, respectively.

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

Note: The company is providing Supplemental Combined Non-GAAP sales to reflect the revenues of the company's product sales on a comparable basis to periods prior to the merger. Merck has defined Supplemental Combined Non-GAAP sales as GAAP sales adjusted to reflect the period of Merck and Schering-Plough performance as if the merger closed at the beginning of the periods indicated in this table. This supplemental information is provided to enhance investors' understanding of the company's sales performance. This information should be considered in addition to, but not in lieu of, sales reported in accordance with GAAP.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
SECOND QUARTER 2010
(AMOUNTS IN MILLIONS)
Table 3b

The following Table reflects Supplemental Combined Non-GAAP sales which are adjusted to reflect a full quarter of Merck and Schering-Plough combined results as if the merger closed as of January 1, 2009.

	Global			U.S.			International		
		Supp. Comb. Non-GAAP	%		Supp. Comb. Non-GAAP	%		Supp. Comb. Non-GAAP	%
	2Q10	2Q09	Change	2Q10	2Q09	Change	2Q10	2Q09	Change
TOTAL SALES ⁽¹⁾	\$11,346	\$11,534	-2	\$4,864	\$5,288	-8	\$6,482	\$6,247	4
HUMAN HEALTH ⁽²⁾	9,776	9,956	-2	4,041	4,323	-7	5,736	5,633	2
Bone, Resp., Imm., & Dermatology									
Singulair	1,258	1,257		830	823	1	427	434	-2
Remicade	669	565	18				669	565	18
Nasonex	338	321	5	196	183	7	142	138	3
Fosamax	241	277	-13	21	42	-48	220	236	-7
Clarinet	202	226	-11	60	74	-20	143	152	-6
Propecia	113	106	7	37	37	-1	77	69	11
Arcoxia	95	88	8				95	88	8
Asmanex	56	54	4	54	52	3	2	2	29
Cardiovascular									
Zetia	564	556	1	308	323	-5	256	233	10
Vytorin	490	532	-8	263	314	-16	227	218	4
Integrilin	70	73	-4	65	68	-5	5	5	-1
Diabetes & Obesity									
Januvia	600	462	30	380	348	9	220	115	92
Janumet	218	155	41	136	113	20	82	41	*
Infectious Disease									
Isentress	267	172	55	130	88	49	137	85	61
PegIntron	185	215	-14	25	30	-16	159	185	-14
Primaxin	158	160	-2	32	32	1	125	128	-2
Candidas	150	149	1	14	18	-22	135	130	4
Avelox	59	71	-17	55	67	-19	5	4	8
Invanz	83	71	17	43	37	17	40	34	18
Rebetol	55	67	-18			*	55	67	-18
Crixivan / Stocrin	48	56	-14	2	3	-41	46	53	-12
Mature Brands									
Cozaar / Hyzaar	485	906	-46	63	332	-81	423	573	-26
Zocor	117	141	-17	9	9	-1	108	132	-18
Claritin Rx	93	96	-3				93	96	-3
Vasotec / Vaseretic	63	76	-18				63	76	-18
Proscar	56	79	-30	2	1	15	54	78	-31
Proventil	55	56	-2	53	55	-4	2	1	79
Neurosciences & Ophthalmology									
Maxalt	133	141	-5	93	99	-6	40	42	-4
Cosopt / Trusopt	123	125	-1	4	11	-61	119	114	5
Subutex / Suboxone	51	52	-2				51	52	-2
Remeron	59	50	17	2	2	-8	57	48	19
Oncology									
Temodar	271	256	6	103	93	11	168	163	3
Emend	93	77	21	54	51	6	39	26	52
Caelyx	66	68	-3				66	68	-3
Intron A	51	67	-24	29	35	-17	22	32	-32
Vaccines									
ProQuad, M-M-R II and Varivax	340	322	5	323	303	6	17	19	-13
Gardasil	219	268	-18	163	184	-12	56	84	-33
RotaTeq	139	126	10	118	107	10	21	18	15
Zostavax	18	42	-57	18	42	-57			
Pneumovax	59	47	26	49	39	24	11	8	33
Women's Health & Endocrine									
NuvaRing	145	129	12	88	79	11	57	50	14
Follistim / Puregon	137	145	-5	43	49	-12	94	96	-2
Cerazette	49	46	7				49	46	7
Implanon	51	43	17	19	15	24	32	28	14
Other Human Health ⁽³⁾	986	965	2	158	166	-4	827	801	3
ANIMAL HEALTH	731	672	9	153	149	3	578	524	10
CONSUMER CARE ⁽²⁾	422	381	11	381	347	10	41	34	20
Claritin OTC	132	108	23	124	102	21	8	6	44
Other Revenues ⁽⁴⁾	417	524	-20	290	469	-38	127	55	*
Astra	241	386	-38	241	386	-38			

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other Vaccine sales included in Other Human Health were \$57million and \$34 million on a global basis for second quarter 2010 and 2009 respectively.

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

Note: The company is providing Supplemental Combined Non-GAAP sales to reflect the revenues of the company's product sales on a comparable basis to periods prior to the merger. Merck has defined Supplemental Combined Non-GAAP sales as GAAP sales adjusted to reflect a full quarter of Merck and Schering-Plough performance as if the merger closed at the beginning of the periods indicated in this table. This supplemental information is provided to enhance investors' understanding of the company's sales performance. This information should be considered in addition to, but not in lieu of, sales reported in accordance with GAAP.

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
JUNE YEAR-TO-DATE 2010
(AMOUNTS IN MILLIONS)

Table 3c

The following Table reflects Supplemental Combined Non-GAAP sales which are adjusted to reflect the period of Merck and Schering-Plough combined results as if the merger closed as of January 1, 2009.

	Global			U.S.			International		
	Jun YTD 2010	Supp. Comb. Non-GAAP Jun YTD 2009	% Change	Jun YTD 2010	Supp. Comb. Non-GAAP Jun YTD 2009	% Change	Jun YTD 2010	Supp. Comb. Non-GAAP Jun YTD 2009	% Change
TOTAL SALES ⁽¹⁾	\$22,768	\$22,217	2	\$9,862	\$10,233	-4	\$12,907	\$11,983	8
HUMAN HEALTH ⁽²⁾	19,570	19,191	2	8,130	8,360	-3	11,439	10,832	6
Bone, Resp., Imm., & Dermatology									
Singulair	2,423	2,315	5	1,559	1,505	4	864	809	7
Remicade	1,343	1,083	24				1,343	1,083	24
Nasonex	658	627	5	351	340	3	307	286	7
Fosamax	472	539	-12	47	82	-43	425	456	-7
Clarinet	376	400	-6	109	134	-19	267	266	1
Propecia	213	209	2	72	73	-1	141	136	4
Arcoxia	190	169	12				190	169	12
Asmanex	107	103	4	103	99	4	4	4	-2
Cardiovascular									
Zetia	1,098	1,067	3	588	633	-7	509	434	17
Vytorin	967	1,010	-4	518	601	-14	449	408	10
Integrilin	140	149	-6	130	140	-7	10	9	2
Diabetes & Obesity									
Januvia	1,111	873	27	734	661	11	377	213	77
Janumet	419	283	48	261	214	22	158	69	*
Infectious Disease									
Isentress	499	320	56	241	163	49	258	158	63
PegIntron	371	430	-14	51	59	-13	320	372	-14
Primaxin	317	324	-2	67	62	9	249	262	-5
Candidas	303	287	5	29	37	-20	273	250	9
Avelox	165	180	-9	156	172	-9	9	8	8
Invanz	158	132	19	81	70	16	77	62	23
Rebetol	111	134	-17				111	133	-17
Crixivan / Stocrin	100	105	-5	4	6	-26	95	99	-4
Mature Brands									
Cozaar / Hyzaar	1,267	1,745	-27	354	636	-44	913	1,109	-18
Zocor	233	278	-16	19	18	9	214	261	-18
Claritin Rx	217	228	-5				217	228	-5
Vasotec / Vaseretic	122	153	-21				122	153	-21
Proscar	114	151	-25	3	3	15	111	149	-25
Proventil	112	110	2	109	108		3	1	*
Neurosciences & Ophthalmology									
Maxalt	268	274	-2	176	191	-8	92	83	11
Cosopt / Trusopt	238	246	-3	10	25	-61	228	221	3
Subutex / Suboxone	104	102	1				104	102	1
Remeron	110	100	10	3	4	-21	106	96	11
Oncology									
Temodar	545	503	8	195	185	6	350	318	10
Emend	177	146	21	105	95	11	71	51	40
Caelyx	139	128	8				139	128	8
Intron A	105	121	-13	59	62	-3	46	59	-23
Vaccines									
ProQuad, M-M-R II and Varivax	659	574	15	619	538	15	40	37	9
Gardasil	451	530	-15	319	363	-12	133	167	-20
RotaTeq	231	260	-11	191	232	-17	40	28	41
Zostavax	114	118	-3	114	118	-3			
Pneumovax	110	88	25	89	69	29	21	19	12
Women's Health & Endocrine									
NuvaRing	280	244	15	171	151	13	109	93	17
Follistim / Puregon	270	275	-2	84	92	-8	186	184	1
Cerazette	104	85	22				104	85	22
Implanon	101	80	26	38	28	34	63	52	21
Other Human Health ⁽³⁾	1,960	1,910	3	369	390	-5	1,590	1,520	5
ANIMAL HEALTH	1,440	1,293	11	293	294		1,147	999	15
CONSUMER CARE ⁽²⁾	800	765	5	718	700	3	82	65	25
Claritin OTC	242	257	-6	226	246	-8	16	11	47
Other Revenues ⁽⁴⁾	959	967	-1	721	880	-18	237	86	*
Astra	605	742	-19	605	742	-19			

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other Vaccine sales included in Other Human Health were \$113 million and \$83 million on a global basis for second quarter 2010 and 2009 respectively.

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

Note: The company is providing Supplemental Combined Non-GAAP sales to reflect the revenues of the company's product sales on a comparable basis to periods prior to the merger. Merck has defined Supplemental Combined Non-GAAP sales as GAAP sales adjusted to reflect the period of Merck and Schering-Plough performance as if the merger closed at the beginning of the periods indicated in this table. This supplemental information is provided to enhance investors' understanding of the company's sales performance. This information should be considered in addition to, but not in lieu of, sales reported in accordance with GAAP.

MERCK & CO., INC.
HUMAN HEALTH GEOGRAPHIC SALES
(AMOUNTS IN MILLIONS)

Table 3d

	1Q10	2Q10	Jun YTD
TOTAL HUMAN HEALTH	\$9,793	\$9,776	\$19,570
United States	4,090	4,041	8,130
% Human Health Sales	41.8%	41.3%	41.5%
Europe ⁽¹⁾	2,831	2,660	5,491
% Human Health Sales	28.9%	27.2%	28.1%
Japan	811	902	1,712
% Human Health Sales	8.3%	9.2%	8.7%
Latin America	694	728	1,422
% Human Health Sales	7.1%	7.4%	7.3%
Asia Pacific	587	659	1,245
% Human Health Sales	6.0%	6.7%	6.4%
Eastern Europe/Middle East Africa	404	422	826
% Human Health Sales	4.1%	4.3%	4.2%
Canada	337	328	665
% Human Health Sales	3.4%	3.4%	3.4%
Other	39	37	77
% Human Health Sales	0.4%	0.4%	0.4%

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

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES
June 2010
(AMOUNTS IN MILLIONS)
Table 3e

	2010 - GAAP		
	1Q	2Q	June YTD
TOTAL SALES⁽¹⁾	\$11,422	\$11,346	\$22,768
HUMAN HEALTH⁽²⁾	9,793	9,776	19,570
Bone, Resp., Imm., & Dermatology			
Singulair	1,165	1,258	2,423
Remicade	674	669	1,343
Nasonex	320	338	658
Fosamax	230	241	472
Clarinex	174	202	376
Propecia	100	113	213
Arcoxia	95	95	190
Asmanex	51	56	107
Cardiovascular			
Zetia	534	564	1,098
Vytorin	477	490	967
Integrilin	70	70	140
Diabetes & Obesity			
Januvia	511	600	1,111
Janumet	201	218	419
Infectious Disease			
Isentress	232	267	499
PegIntron	186	185	371
Primaxin	159	158	317
Cancidas	153	150	303
Avelox	106	59	165
Invanz	75	83	158
Rebetol	56	55	111
Crixivan / Stocrin	52	48	100
Mature Brands			
Cozaar / Hyzaar	782	485	1,267
Zocor	116	117	233
Claritin Rx	124	93	217
Vasotec / Vaseretic	59	63	122
Proscar	58	56	114
Proventil	57	55	112
Neurosciences & Ophthalmology			
Maxalt	135	133	268
Cosopt / Trusopt	115	123	238
Subutex / Suboxone	52	51	104
Remeron	51	59	110
Oncology			
Temodar	274	271	545
Emend	84	93	177
Caelyx	74	66	139
Intron A	54	51	105
Vaccines			
ProQuad, M-M-R II and Varivax	319	340	659
Gardasil	233	219	451
RotaTeq	93	139	231
Zostavax	95	18	114
Pneumovax	51	59	110
Women's Health & Endocrine			
NuvaRing	135	145	280
Follistim / Puregon	134	137	270
Cerazette	55	49	104
Implanon	51	51	101
Other Human Health⁽³⁾	974	986	1,960
ANIMAL HEALTH	709	731	1,440
CONSUMER CARE⁽²⁾	379	422	800
Claritin OTC	110	132	242
Other Revenues⁽⁴⁾	542	417	959
Astra	364	241	605

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other vaccines sales included in Other Human Health were \$55 million and \$57 million for first and second quarters of 2010, respectively.

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

MERCK & CO., INC.
FRANCHISE / KEY PRODUCT SALES - SUPPLEMENTAL COMBINED NON-GAAP
FULL YEAR 2009
(AMOUNTS IN MILLIONS)
Table 3f

The following Table reflects Supplemental Combined Non-GAAP sales which are adjusted to reflect full quarters and a full year of Merck and Schering-Plough combined results as if the merger closed as of January 1, 2009.

	2009 - Supplemental Combined Non-GAAP				
	1Q	2Q	3Q	4Q	Full Year
TOTAL SALES ⁽¹⁾	\$10,683	\$11,534	\$11,531	\$12,216	\$45,964
HUMAN HEALTH ⁽²⁾	9,235	9,956	10,101	10,805	40,098
Bone, Resp., Imm., & Dermatology					
Singulair	1,057	1,257	1,085	1,260	4,660
Remicade	518	565	608	635	2,327
Nasonex	306	321	266	286	1,179
Fosamax	261	277	276	285	1,100
Clarinet	174	226	164	155	719
Propecia	103	106	109	123	440
Arcoxia	81	88	90	98	358
Asmanex	49	54	53	58	214
Cardiovascular					
Zetia	510	556	563	614	2,244
Vytorin	477	532	525	577	2,112
Integrilin	76	73	74	72	295
Diabetes & Obesity					
Januvia	411	462	491	558	1,922
Janumet	128	155	173	202	658
Infectious Disease					
PegIntron	216	215	198	216	844
Isentress	148	172	197	234	752
Primaxin	165	160	168	196	689
Candidas	139	149	155	175	617
Avelox	109	71	70	118	368
Invanz	62	71	73	88	293
Rebetol	66	67	64	57	254
Crixivan / Stocrin	49	56	49	52	206
Mature Brands					
Cozaar / Hyzaar	839	906	861	955	3,561
Zocor	137	141	141	139	558
Claritin Rx	132	96	95	109	433
Vasotec / Vaseretic	77	76	73	85	311
Proscar	72	79	67	72	291
Proventil	54	56	59	56	225
Neurosciences & Ophthalmology					
Maxalt	133	141	144	156	575
Cosopt / Trusopt	121	125	123	134	503
Remeron	50	50	74	60	234
Subutex / Suboxone	50	52	53	56	211
Oncology					
Temodar	247	256	278	292	1,073
Emend	69	77	82	89	317
Caelyx	61	68	67	70	265
Intron A	54	67	56	54	231
Vaccines					
ProQuad, M-M-R II and Varivax	252	322	462	333	1,369
Gardasil	262	268	311	277	1,118
RotaTeq	134	126	127	135	522
Pneumovax	41	47	130	128	346
Zostavax	75	42	84	76	277
Women's Health & Endocrine					
Follistim / Puregon	131	145	122	149	546
NuvaRing	115	129	131	135	511
Cerazette	39	46	49	53	187
Implanon	37	43	45	53	179
Other Human Health ⁽³⁾	945	965	1,016	1,079	4,005
ANIMAL HEALTH	621	672	664	759	2,716
CONSUMER CARE ⁽²⁾	384	381	283	232	1,281
Claritin OTC	149	108	85	63	406
Other Revenues ⁽⁴⁾	443	524	483	420	1,870
Astra	356	386	340	332	1,414

⁽¹⁾ Only select products are shown.

⁽²⁾ Human Health includes worldwide prescription pharmaceutical sales and consumer product sales excluding the US and Canada. Consumer Care includes US and Canada consumer product sales.

⁽³⁾ Includes Human Health products not individually shown above. Other vaccines sales included in Other Human Health were \$50M in 1Q09, \$34M in 2Q09, \$54M in 3Q09, and \$50M in 4Q09, respectively.

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

Note: The company is providing Supplemental Combined Non-GAAP sales to reflect the revenues of the company's product sales on a comparable basis to periods prior to the merger. Merck has defined Supplemental Combined Non-GAAP sales as GAAP sales adjusted to reflect a full year of Merck and Schering-Plough performance as if the merger closed at the beginning of the periods indicated in this table. This supplemental information is provided to enhance investors' understanding of the company's sales performance. This information should be considered in addition to, but not in lieu of, sales reported in accordance with GAAP.

MERCK & CO., INC.
EQUITY INCOME / JV SALES / OTHER (INCOME) EXPENSE - GAAP
SECOND QUARTER 2010

Table 4

EQUITY INCOME FROM AFFILIATES (millions of dollars)

	2Q10	2Q09	YTD 2010	YTD 2009
ASTRAZENECA LP	\$ 40.1	\$ 122.9	\$ 165.1	\$ 291.2
MERCK / SCHERING-PLOUGH ⁽¹⁾	-	362.3	-	653.2
Other ⁽²⁾	2.8	101.9	15.3	228.6
TOTAL	\$ 42.9	\$ 587.1	\$ 180.4	\$ 1,173.0

⁽¹⁾ Upon completion of the merger with Schering-Plough, the Merck/Schering-Plough partnership became wholly-owned by the company.

⁽²⁾ Primarily reflects results for Merial Limited (which was disposed of on September 17, 2009), Sanofi Pasteur MSD and Johnson & Johnson[®]Merck Consumer Pharmaceuticals.

SANOFI PASTEUR MSD JOINT VENTURE SALES DETAIL (millions of dollars)

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

	2Q10	2Q09	YTD 2010	YTD 2009
GARDASIL	\$ 82.3	\$ 144.9	\$ 164.5	\$ 309.0
OTHER VIRAL VACCINES	23.4	26.9	46.4	52.3
ROTATEQ	13.8	10.1	25.4	18.8
FLU VACCINES	-	-	10.0	-
HEPATITIS VACCINES	5.7	11.0	11.6	24.4
Other Vaccines	112.2	120.3	230.6	252.0
TOTAL SANOFI PASTEUR MSD SALES	\$ 237.4	\$ 313.2	\$ 488.5	\$ 656.5

OTHER (INCOME) EXPENSE, NET (millions of dollars)

	2Q10	2Q09	YTD 2010	YTD 2009
INTEREST INCOME	\$ (21.6)	\$ (70.0)	\$ (33.6)	\$ (166.3)
INTEREST EXPENSE	184.8	99.5	366.0	160.2
EXCHANGE (GAINS) LOSSES	(4.3)	(20.0)	75.8	(3.5)
Other, net	(439.3)	(5.9)	(520.9)	(54.0)
TOTAL	\$ (280.4)	\$ 3.6	\$ (112.7)	\$ (63.6)