



Focused Therapeutic Innovations: Introducing Merck Serono

Bio Tuesday 2nd March 2010

Our group: Merck KGaA

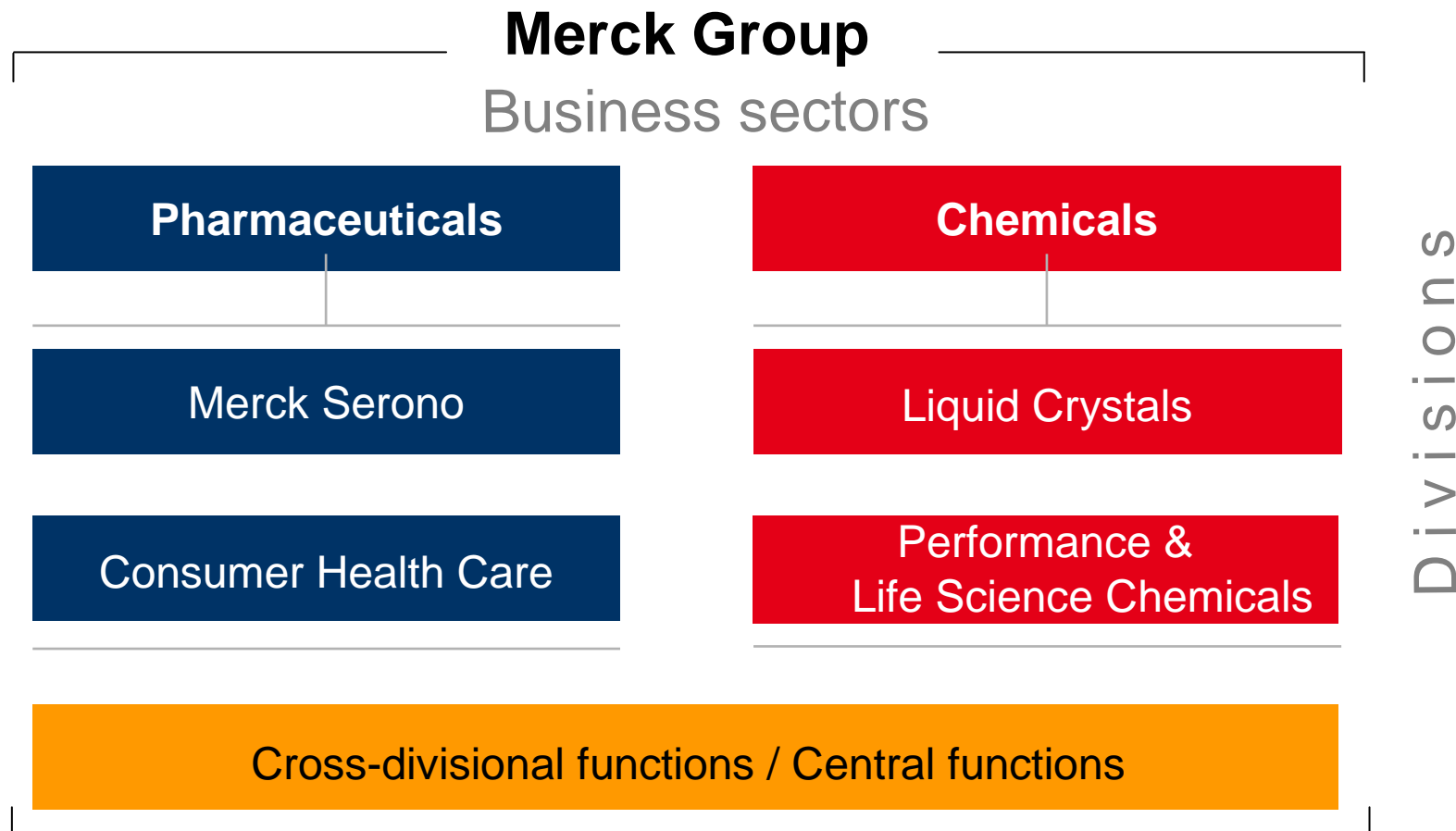


- Merck manages its operating activities under the umbrella of **Merck KGaA**, Darmstadt, Germany
 - Listed on the Frankfurt Stock Exchange since 1995 – and included in the DAX[®] 30 index since June 2007
- Around 30% of the total capital is publicly traded
 - The Merck family, as general partner, indirectly holds approximately 70% of the capital
- Merck operates in two main business sectors:
Pharmaceuticals and Chemicals



The Pützer Tower and Pyramid at Darmstadt headquarters

The largest division of the Merck Group



Merck Serono creation



Merck Ethicals

- Division of Merck KGaA (family-owned since 1668)
- Major success with Erbitux® in developing a world-class Oncology franchise
- Successful CardioMetabolic Care franchise built on core product families (Glucophage®, Concor® and Euthyrox®)

Serono

- Family-owned since 1906
- Major success with Rebif®, the leading multiple sclerosis product outside the U.S.
- Strategy of focusing on specialized therapeutic areas for serious medical needs (fertility, metabolic endocrinology)
- Strong capabilities in developing biotech compounds

Merck Serono

- **Established January 2007 following the acquisition by Merck of Serono S.A. and the integration of the business with the former Ethicals division**
 - **Integration successfully completed within first year**
 - **Focus on innovative, prescription drugs of chemical and biological origin**
- **Truly global coverage and product franchises with broad access to world markets**
 - **Combined annual R&D expenditure of around € 1 bn**

Merck Serono today: a global division



17,500 Merck Serono employees worldwide – breakdown by region



U.S./Canada



Rest of world

Over 17,500 employees worldwide

Key products by therapeutic area



- Oncology
- Neurodegenerative diseases
- Fertility
- Endocrinology
- CardioMetabolic Care
- Other key products

Erbix[®], our first oncology product



- Erbix[®] (cetuximab) is a monoclonal antibody that specifically blocks the epidermal growth factor receptor (EGFR)
 - One of the most successful new drug launches in the European pharmaceutical market
- Approved in 76 countries* all over the world for treating patients:
 - In various indications in metastatic colorectal cancer and in locally advanced or recurrent and / or metastatic squamous cell carcinoma of the head and neck
- Currently undergoing extensive clinical development in several cancer types, including non-small cell lung cancer, gastric cancer and breast cancer

**Including 1st-line treatment*



Neurodegenerative diseases



Innovative treatments to help manage neurodegenerative diseases such as Multiple Sclerosis (MS)

Interferon beta-1a therapy for relapsing forms of MS



- Rebif is registered in over 80 countries
- New formulation of Rebif launched in all EU countries, as well as Canada, and approved in several Asian and Latin American countries
- RebiSmart™, 1st electronic injection device in MS introduced from June 2009

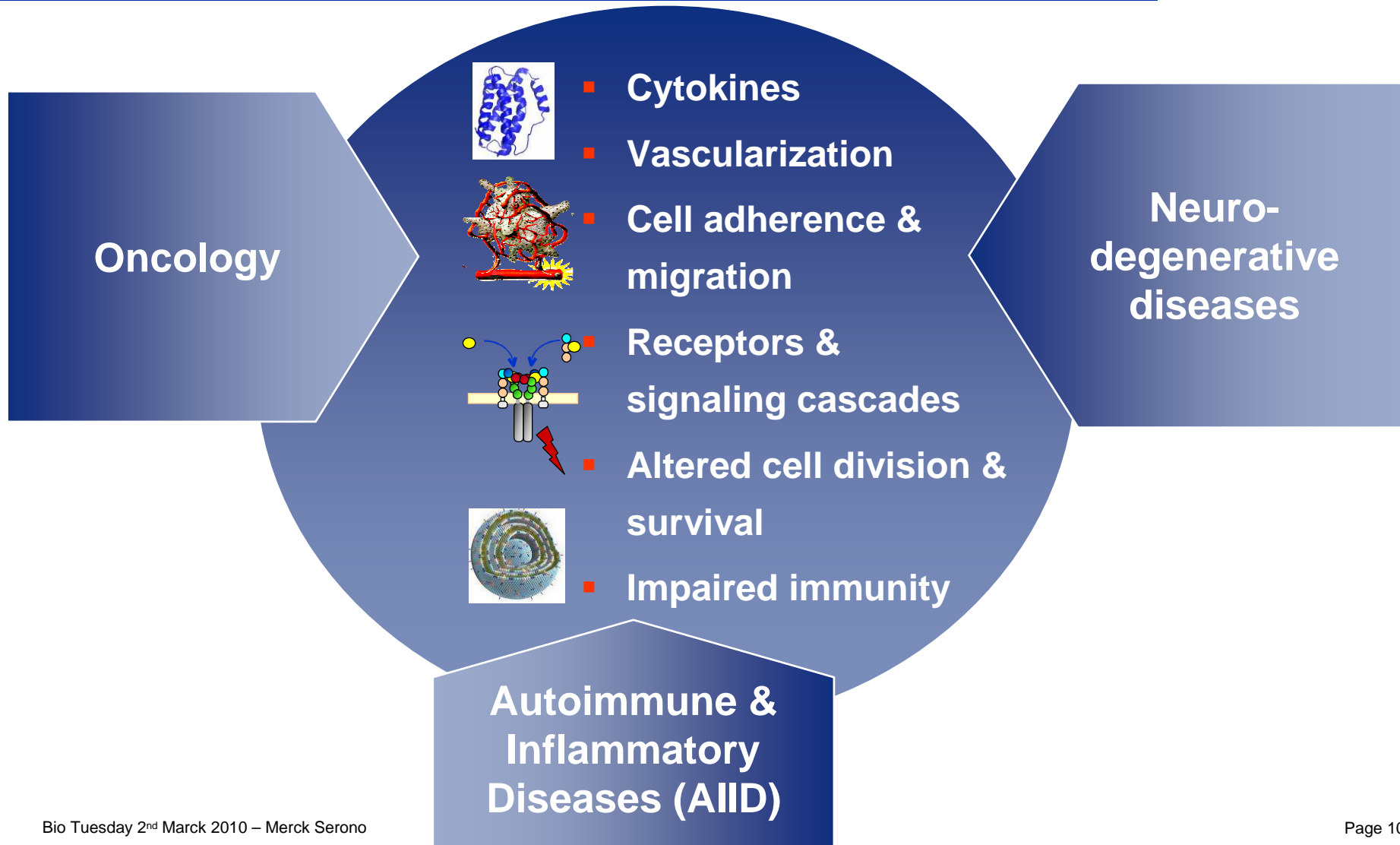
R&D activities ensure future success



- Merck Serono invests more than **20%** of total revenues, or approximately **€1 billion each year**, to discover and develop new therapies
- A well-stocked development pipeline: around **30 projects** in clinical development
- Focus on unmet medical needs:
 - **Oncology:** Targeted cancer therapies
 - **Neurodegenerative diseases:**
Multiple sclerosis and Parkinson's disease
 - **Autoimmune and inflammatory diseases:**
e.g. rheumatology, osteoarthritis, etc.
 - **Fertility:** Leading innovation with new embryology technologies and solutions to improve pregnancy rates
 - **Endocrinology:** Growth hormone and targeted indications



Core R&D focus: Key pathological mechanisms and shared molecular targets across multiple TAs



Progressing projects through development



Phase I	Phase II	Phase III	in Registration
Aurora Kinase Inhibitor (AS703569) Solid tumors and hematological malignancies	Erbix® (cetuximab) Breast cancer	Rebif New Formulation in CIS (REFLEX)	Rebif New Formulation Relapsing forms of MS FDA: Application submitted
NHS-IL2-LT, immunocytokine Solid tumors	Tucotuzumab celmoleukin, huKS-IL2, immunocytokine Small cell lung cancer (SCLC)	Cladribine tablets in CIS (ORACLE MS)	Cladribine tablets Relapsing forms of MS EMA: Application submitted FDA: Application submitted
Survivac, therapeutic cancer vaccine Solid tumors	Cilengitide, integrin inhibitor, anti-angiogenic SCCHN	Safinamide (MOTION) Early stage Parkinson's	
MEK Inhibitor (AS703026) Solid tumors and hematological malignancies	Cilengitide, integrin inhibitor, anti-angiogenic NSCLC	Safinamide (SETTLE) Mid-to-late stage Parkinson's	Erbix® (cetuximab) NSCLC 1 st line therapy EMA: Application submitted
IMO-2055, TLR9 immunomodulator Solid tumors	Adecatumumab, anti-EpCAM monoclonal antibody Colorectal Cancer	Erbix® (cetuximab) (EXPAND) Gastric Cancer	Tesamorelin HIV patients with lipodystrophy FDA: Application submitted
Sonepcizumab anti-S1P monoclonal antibody Solid tumors	DI17E6, integrin inhibitor, anti-angiogenic Colorectal Cancer	Cilengitide, integrin inhibitor, anti-angiogenic (CENTRIC) Glioblastoma	E2 / NOMAC Oral Contraceptive EMA: Application submitted
Fibroblast Growth Factor 18 Osteoarthritis	Atacept, anti-Blys/anti-APRIL fusion protein Rheumatoid Arthritis	Stimuvax®, therapeutic cancer vaccine (START) NSCLC	
	ARX 201, long acting GH Growth hormone deficiencies	Stimuvax®, therapeutic cancer vaccine (STRIDE) Breast Cancer	
		Atacept, anti-Blys/anti-APRIL fusion protein (APRIL SLE) Lupus	

- Oncology
- Neurodegenerative Diseases
- Autoimmune & Inflammatory Diseases
- Endocrinology
- Gynecology

As of February 23, 2010

*Sponsored and coordinated by the Fédération Francophone de Cancérologie Digestive (FFCD)

Focused therapeutic innovations



Merck Serono Headquarters, Geneva, Switzerland