



NEWS RELEASE

Merck Opens New Manufacturing Facility in Hangzhou, China

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New facility to deliver innovative, high-quality Merck medicines to Asia

Merck (NYSE: MRK), known as MSD outside of the United States and Canada, announced the opening of its new pharmaceutical manufacturing facility in Hangzhou, China. The facility, located in the Hangzhou Economic and Technology Area (HEDA), will package Merck medicines for China and the Asia Pacific region and will become a critical part of Merck's global supply chain.

"This new facility helps Merck to achieve our mission of helping the world be well by bringing our innovative, high-quality medicines to more patients in China," said Willie A. Deese, executive vice president, and president of Merck Manufacturing. "It also extends our long-standing partnership with the Chinese government and our unequivocal commitment to help broaden access to quality healthcare throughout China."

The new facility – a nearly US\$120 million investment by Merck – deepens Merck's growing research and development (R&D), manufacturing and commercial presence in China. Merck also has an R&D Center in Beijing, three manufacturing facilities throughout the country, a marketing and sales organization headquartered in Shanghai, and employs more than 5000 employees in China.

"Merck built its first China plant in 1994 in Hangzhou," said Pam Cheng, president, MSD China. "Today, 20 years later, we are celebrating this new plant in Hangzhou that marks another milestone in our commitment to invest in China and further demonstrates the importance of China to Merck. We are pleased to witness the rapid growth in the country's healthcare system, and are proud to be part of the reform that is underway across China's healthcare

industry.”

Merck in China

Over the past two decades, Merck has successfully introduced more than 40 innovative medicines and vaccines in China. In addition, in the last ten years, Merck signed the C-MAP agreement with the Chinese government on HIV/AIDS prevention and treatment and donated US\$30 million toward the project.

In 2011, Merck established its Asia R&D headquarters in Beijing and committed to invest more than US\$1.5 billion in R&D in China over the next five years.

“Merck is looking to bring more innovative medicines and vaccines to the Chinese people, and to supporting China’s efforts to meet its healthcare demands,” commented Ms. Cheng. “With China’s fast economic growth, rise in living standards, changing lifestyles, industrialization, urbanization and an aging population, more people across the country need quality health care and access to a strong medical system.”

Facts about the new Merck manufacturing facility in HEDA

“The new facility in HEDA joins an integrated, interdependent network of 72 Merck facilities that supply medicines and vaccines to more than 140 countries,” said Mr. Deese. “The HEDA facility is one of the most advanced and largest packaging facilities in China and the region.”

The new facility is 75,000 m² and is capable of holding up to 16 high speed lines to package pharmaceutical tablets and sterile Merck medicines that are used to manage diabetes, cardiovascular, infectious, respiratory and bone diseases. Packaging capacity is currently estimated at more than 300 million packages annually. Products used in Merck’s clinical studies and in its commercial activities to support future new product launches also will be packaged at the new HEDA plant.

The new facility is fully compliant with the rigorous quality, environmental, safety and compliance standards that all Merck manufacturing facilities worldwide meet. The HEDA facility received a current Good Manufacturing Practices (cGMP) certification in January 2013. Protecting the environment was also a critical consideration in the facility’s construction – special air, waste and water management procedures and systems were built into the facility.

“Nothing is more important than the compliant, reliable supply of our medicines and vaccines. Our commitment to deliver to patients who rely on Merck for their health and well-being whether it be here in China, Asia Pacific or anywhere in the world is what drives us and defines us as a leading healthcare company,” concluded Mr. Deese.

About Merck

Today's Merck is a global healthcare leader working to help the world be well. Merck is known as MSD outside the United States and Canada. Through our prescription medicines, vaccines, biologic therapies, and consumer care and animal health products, we work with customers and operate in more than 140 countries to deliver innovative health solutions. We also demonstrate our commitment to increasing access to healthcare through far-reaching policies, programs and partnerships. For more information, visit www.merck.com and connect with us on **Twitter**, **Facebook** and **YouTube**.

Forward-Looking Statement

This news release includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of Merck’s management and are subject to significant risks and uncertainties. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include but are not limited to, general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; Merck’s ability to accurately predict future market conditions; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of Merck’s patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

Merck undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Merck’s 2012 Annual Report on Form 10-K and the company’s other filings with the Securities and Exchange Commission (SEC) available at the SEC’s Internet site (www.sec.gov).

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