



## News Release

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### **Merck KGaA Completes Millipore Acquisition and Launches New Merck Millipore Division**

- **Transaction creates EUR 2.1 billion (US\$2.9 billion) world-class partner for the Life Science sector**
- **High-level organizational structure in place and senior management team appointed: Merck Chemicals Head Bernd Reckmann to lead Merck Millipore**
- **Merck Chemicals now comprises two new divisions: Merck Millipore and Performance Materials**

Darmstadt, Germany, July 15, 2010 – Merck KGaA, a global pharmaceutical and chemical company, today announced the successful completion of its acquisition of Millipore Corporation, a leading Life Science company based in Billerica, Massachusetts, USA, for an aggregate purchase price including debt and cash of approximately EUR 5.2 billion (US\$ 7.0 billion). Merck agreed to acquire Millipore on February 28, 2010 for US\$107 in cash per share of Millipore common stock. The closing follows the approval of the acquisition by Millipore's shareholders at a special meeting held on June 3, 2010 and the satisfaction of other customary conditions, including antitrust clearance in the United States and Europe. Merck will now begin the process of de-listing the shares of Millipore from the New York Stock Exchange and removing the shares from registration with the U.S. Securities and Exchange Commission.

“With today's launch of Merck Millipore, we are creating a world-class partner for the Life Science sector with a comprehensive product offering and enhanced global scale

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and innovative power,” said Dr. Karl-Ludwig Kley, Chairman of the Merck Executive Board. “We will now move quickly to bring together the expertise and complementary capabilities of both Merck and Millipore employees to capture the significant opportunities in the high-growth, high-margin market segments such as bio-research and bio-production.”

Dr. Bernd Reckmann, Head of the Merck Millipore division and Member of the Executive Board of Merck, said, “Both Merck Chemicals and Millipore have a long and proud history of providing superior products and solutions to their partners in the Life Science sector. The increased breadth of the Merck Millipore product portfolio, together with the expertise of our talented people, will allow us to deepen our customer relationships and gain the new insights we need to further drive innovation. We will also bring together our research and development capabilities, which will make Merck Millipore one of the top three investors in R&D in the Life Science Tools industry. This, in turn, will enable us to create greater value for our customers.”

With 10,000 employees in 64 countries, Merck Millipore (EMD Millipore in the U.S. and Canada) had pro forma revenues of EUR 2.1 billion (US\$2.9 billion) for fiscal year 2009. It will be headquartered in Billerica, Massachusetts/USA, and supported by locations throughout the Americas, Europe and Asia-Pacific. The new division will offer a comprehensive range of products, technologies and services for pharma and biotech companies, as well as for academia, to improve laboratory productivity and develop and optimize manufacturing processes. Merck Millipore will have enhanced global manufacturing and distribution capabilities, which will allow it to compete more effectively in the marketplace. Additionally, a larger sales organization will lead to greater customer service and broader global sales coverage, opening up new growth opportunities.

Merck Millipore will consist of three business units – Bioscience, Lab Solutions and Process Solutions – and each unit will itself comprise a number of key focus areas, known as business fields.



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### **Integration planning progressing well: senior management team appointed**

To ensure a swift and smooth integration, Merck Millipore has made significant progress on the integration planning process and has appointed the senior management team.

Following Merck's "best-of-both-worlds" integration approach across all operating business functions, the leaders for Merck Millipore are drawn from both companies: Dr. Bernd Reckmann will lead Merck Millipore and continue as Head of the Merck Chemicals business sector and as a member of the Executive Board of Merck; Jon DiVincenzo (currently President of Millipore's Bioscience division) will head up the Bioscience business unit; Klaus R. Bischoff (currently President of the Merck's Performance & Life Science Chemicals division) will lead the Lab Solutions business unit; Jean-Paul Mangeolle (currently President of Millipore's Bioprocess division) will be the new head of the Process Solutions business unit; and Peter C. Kershaw (currently Corporate Vice President of Global Operations at Millipore) will head Operations.

Martin Madaus, CEO of Millipore, will not be joining Merck Millipore but will be available as an advisor during the integration process. Charles Wagner, the CFO of Millipore, and Bruce Bonnevier, Corporate Vice President for Human Resources at Millipore, will leave the company. Joerg Hornstein, Chief Financial Officer for Merck Serono in China, has been appointed as the new Head of Controlling for Merck Millipore; Toni Spinazzola, Vice President for Human Resources at Millipore, will become Head of Human Resources for Merck Millipore.

Merck expects that the majority of the integration decisions will be made by the end of 2010. As already announced, Merck expects the combined business to generate annual cost synergies of around US\$ 100 million, which Merck expects to realize within three years from the closing of the transaction.



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### **New Performance Materials division created**

The second Merck Chemicals division, Performance Materials, will be led by Walter Galinat, currently head of the Liquid Crystals division. It will comprise Merck's current Materials businesses and activities - i.e. Liquid Crystals, Pigments and Cosmetics businesses.

The launch of Performance Materials will combine Merck's successful range of materials-based products, technologies and innovative solutions as well as its application know-how and customer-centric research to create an even more compelling customer offering and open up additional growth opportunities. The division will be able to more effectively address current and future megatrends through R&D focused on future demand drivers and a broad portfolio of innovative solutions and common customer engagement.

Walter Galinat said, "The integration of our specialty chemicals materials businesses in Performance Materials allows Merck to merge innovative chemical research and development, strong application know-how, excellent product solutions and distinctive customer focus in promising growth areas." The division had pro forma sales of more than EUR 1 billion (US\$1.6 billion) for fiscal year 2009, with approximately 5,000 employees worldwide.

The Information in this document may contain "forward-looking statements". Forward-looking statements may be identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "will" or words of similar meaning and include, but are not limited to, statements about the expected future businesses of Merck KGaA (Merck) and Millipore Corporation (Millipore) resulting from and following the acquisition. These statements are based on the current expectations of Merck and Millipore and are inherently subject to uncertainties and changes in circumstances. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in global, political, economic, business, competitive, market and regulatory forces. Merck and Millipore do not undertake any obligation to update the forward-looking statements to reflect actual results, or any change in events, conditions, assumptions or other factors. Please refer to Millipore's filings with the SEC, including its most recent Annual Report on Form 10-K, for more information on additional risks that could cause actual results to differ from the forward-looking statements made herein.



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Merck is a global pharmaceutical and chemical company with total revenues of € 7.7 billion in 2009, a history that began in 1668, and a future shaped by approximately 40,000 (including Merck Millipore) employees in 64 countries. Its success is characterized by innovations from entrepreneurial employees. Merck's operating activities come under the umbrella of Merck KGaA, in which the Merck family holds an approximately 70% interest and free shareholders own the remaining approximately 30%. In 1917 the U.S. subsidiary Merck & Co. was expropriated and has been an independent company ever since.