Institutional Decisions         Process	ER	CK	& C	<b>.</b> N	(SE-mr	K		R	ecent Rice	85.24	<b>4</b> P/E RATIO	<b>17.</b>	9 (Traili Media	ng: 18.9 an: 14.0)	RELATIV P/e rati	ĕ <b>1.0</b>	7 DIV'D YLD	2.6	6%	/ALUI LINE	1	629	
Direct Work         State State State         State Sta					Low:	22.8																	
Eff. 36         Color. Hundle         Wildle		-			12	2.0 x "Cas	h Flow" p s e Strength	sh														160	
dia         dia <td><b>A</b>.95</td> <td>(1.00 =</td> <td>= Market)</td> <td></td> <td>Options:</td> <td>Yes</td> <td>•</td> <td>sion</td> <td></td> <td>120</td>	<b>A</b> .95	(1.00 =	= Market)		Options:	Yes	•	sion														120	
dia         dia <td></td> <td></td> <td>A</td> <td>nn'l Total</td> <td></td> <td>,±'‡'<b>_</b></td> <td></td> <td></td> <td></td> <td></td> <td>80 60</td>			A	nn'l Total													,±'‡' <b>_</b>					80 60	
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1012       10.28       10.08       10.04       10.44       14.48       14.22       12.20	s <b>(000)</b> 19	966061	1959860	1936403	traded				<del></del>	4									5 yr.	59.8	30.8	<u> </u>	
356       329       334       339       242       434       447       453       436       422       436       325       339       436       356       538       578       538       543       578       538       543       578       539       543       544       547       578       539       543       544       547									-				-		-						UB. LLC	22-24 22.15	
145       1.49       1.52       1.52       1.52       1.52       1.52       1.66       53       46       47       47       476       403       476       403       46       46       46       46       46       46       46       46       46       47       478       476       476       476       446       476       478       478       4278       4278       428       378       328       446       388       366       476       478       478       4278       4278       428       478       428       478       428 </td <td>8.56</td> <td>3.29</td> <td>3.34</td> <td>3.59</td> <td>2.42</td> <td>4.48</td> <td>3.21</td> <td>5.87</td> <td>6.29</td> <td>6.19</td> <td>5.95</td> <td>5.98</td> <td>5.96</td> <td>5.83</td> <td>5.79</td> <td>6.23</td> <td>6.45</td> <td>6.95</td> <td>"Cash F</td> <td>low" per</td> <td></td> <td>8.00</td>	8.56	3.29	3.34	3.59	2.42	4.48	3.21	5.87	6.29	6.19	5.95	5.98	5.96	5.83	5.79	6.23	6.45	6.95	"Cash F	low" per		8.00	
7.01         7.83         8.21         8.10         8.37         8.30         19.00         17.64         17.80 <th17.80< th=""> <th17.80< th=""> <th17.80< t<="" td=""><td></td><td></td><td>1</td><td></td><td>1</td><td>1</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>1</td><td></td><td></td><td>1</td><td></td><td></td><td></td><td></td><td>6.50 2.64</td></th17.80<></th17.80<></th17.80<>			1		1	1								1			1					6.50 2.64	
2218         2208         208         218         227.5         238.1         218.1         228.1			-														1					1.00 14.05	
144         86         64         82         181         61         61         67         57         80         75         86         80         20         75         80         750         760         750         760         750         760         750         760         750         760         750         760         750         760         750         760         750         750         750         750         7	1.8	2208.6	2181.9	2167.8	2172.5	2107.7	3108.2	3082.1	3040.8	3026.6	2927.5	2838.1	2781.1	2748.7	2696.6	2592.6	2530.0	2470.0	Commo	n Shs Ou	sťg <sup>C</sup>	2350.0	
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Citab Debt S22896 mill. Due in 5 Yrs 31:440 mill.         214%         23.9%         21.4%         23.9%         21.4%         23.9%         21.4%         23.9%         23.9%         23						4.1%													-		ield	2.7%	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	al Deb	ot \$258	96 mill. <b>I</b>	Due in 5 Y	<b>/rs</b> \$1340								1				1					52000 35.0%	
Leases, Uncapitalized Annual rentals \$188 mill.         20.0%         23.4%         23.8%         21.7%         23.3%         12.7%         12.8%         12.8% <th12.8%< th="">         12.8%         12.8</th12.8%<>	Debt \$	\$22721	mill. I	LT Interes									1				1				II)	3500 15280	
Pension Assets-12/18 S18.2 bill Oblig. S19.7 bill. Dommon Stock 2,574,644,410 shs. so d 430/19 Tommon Stock 2,574,644,410 shs. so d 430/19 Table 2,574,644,410,410,410,410,410,410,410,410,410,4	Leases, Uncapitalized Annual rentals \$188 mill. 20.0% 20.0%						20.0%	23.4%	23.8%	21.7%	24.3%	21.7%	22.3%	19.1%	19.8%	19.0%	19.0%	Income	Tax Rate		19.0%		
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $															-						nill)	29.4% 10000	
as of 400175as of 400175<	Common Stock 2,574,644,410 shs.							15482	15525	16254	20539	18699	23929	24274	21353	19806	20000	19000	Long-Te	erm Debt (	\$mill)	17000	
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nymentory (LFC) Dther5096 42095440 45005712 	(\$MILL	)		8498	8864	8798							1		47%	44%	46%	43%	All Div'o	ds to Net I	Prof	41%	
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CallsStrate	Current Assets 24766 25875 2535						cines, vaccines, biologic therapies, and animal health products,								and direcotrs own less than 1% of common stock; Vanguard, 7.9%;								
Current Liab.186142220618543ANNUAL RATESPastEst'd '16-'18MANUAL RATESPastEst'd '16-'18Manuel Lab.75%6.5%Gahe Gord55%6.5%Cash Flow"5.5%6.6%Cash Flow"5.5%6.6%Mindends2.0%3.0%ONV date4.0%6.6%Cal-QUARTERLY SALES (\$mill.)FullCal-QUARTERLY SALES (\$mill.)FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-FullCal-Cal-Full<	Debt Due 3057 5308 3175 compris						prised of four segments: Pharmaceutical, Animal Health, Al-							Frazier. Inc.: NJ. Addr.: 2000 Galloping Hill Road., Kenilworth, NJ									
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Mar.31Jun.30Sep.30Dec.31Year20169312984410536101153980720169312984410536101153980720179434993010325104334012220181003710465107941099842294201910816110001160012000122004400020101130011600120001220047100Cal-EARNINGS PER SHARE A endarFull YearFull YearFull Year2016.89.931.07.893.782017.881.011.11.983.9820181.051.061.191.044.3420191.291.311.411.295.30Cal-QUARTERLY DIVIDENDS PAID BandarFull YearYear2015.45.45.451.802015.45.45.451.802015.45.45.451.802015.45.45.451.802015.45.45.451.802015.45.45.451.802016.46.46.46.46.45.45.451.80.45.45.451.80.45.45.451.80.45.45.451.80.46.46.46.46.45.45.45 <td< td=""><td></td><td></td><td></td><td></td><td></td><td>1</td><td>bette sales</td><td>er-tha s (+27</td><td>n-anti '% ve:</td><td>cipate ar over</td><td>d \$8 vear</td><td>38 n ) wit</td><td>nillion h mua</td><td>in ch of</td><td>addit</td><td>ional</td><td>appro</td><td>ovals</td><td>last</td><td>nonth</td><td>and</td><td>cur-</td></td<>						1	bette sales	er-tha s (+27	n-anti '% ve:	cipate ar over	d \$8 vear	38 n ) wit	nillion h mua	in ch of	addit	ional	appro	ovals	last	nonth	and	cur-	
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20191081611000114001158444800202011300120001220047100Cal-EARNINGS PER SHARE AFull YearFull yearYear2016.89.931.07.893.762017.881.011.11.98.9820191.221.151.231.154.3420191.221.151.231.154.3420191.221.151.231.154.3420191.221.311.411.295.30Cal-QUARTERLY DIVIDENDS PAID BandarFull YearFull YearFull Year2015.45.45.451.802015.45.45.451.802015.45.45.451.802016.46.46.46.462016.46.46.46.462016.45.45.45.802017.45.45.45.1802018.45.45.45.802019.221.31.41.292015.45.45.45.802016.45.45.452016.46.46.46.45.45.45.45.45.180.45.45.45.45.45.45.45.45.45.45.45.45.45.45<	17	9434	9930 10325 10433 40122 <i>Keytruda</i> (more below) and improved cost										cost	The company is targeting small and mid-									
2020173001740012200172001	19 1	0816	11000	1465 10/94 10998 42294 control provided further support to comps 1000 11400 11584 44800 Altogether it was a good start to the yea										sized deals in an effort to expand its oncol- ogy portfolio beyond <i>Keytruda</i> . Given its									
andarMar.31Jun.30Sep.30Dec.31Year2016.89.931.07.893.782016.89.931.07.893.782017.881.011.11.983.9820181.051.061.191.044.3420191.221.151.231.154.7520201.291.311.411.295.30Cal-QUARTERLY DIVIDENDS PAID <sup>B</sup> Full YearYear2015.45.45.451.802015.45.45.451.802016.46.46.46.462017.45.451.802018.46.46.462015.45.451.802015.45.45.452016.46.46.462017.46.46.462016.46.46.462017.45.45.452018.46.46.462019.46.46.46.45.45.45.45.45.45.45.45.45.45.45.184.46.46.46.46.46.46.46.46.46.46.46.46.46.46.46.46.45.45.45.45.45.45<	Z020         11300         11600         12000         12200         4/100         for Merc           Cal-         EARNINGS PER SHARE ^         Full         upping if							Merck	k and management responded by						growing reliance (21% of Q1 sales), we view this as a prudent move for the long								
2017.881.011.11.983.9820181.051.061.191.044.3420191.221.151.231.154.7520201.291.311.411.295.30Cal-QUARTERLY DIVIDENDS PAID <sup>B-</sup> Full year over year), owing to continued gains in the non-small cell lung cancer marketThis apprentices in June for \$773 m lion, both makers of cancer treatments.2015.45.45.451.802016.46.46.461.842017.41.421.842018.46.46.462019.46.46.462014.46.46.462015.45.45.452016.46.46.462017.46.46.462018.46.46.462019.46.46.462016.47.47.48.48.49.49.40.46.46.46.46.46.46.46.46.46.46.46.47.47.48.48.49.49 <t< td=""><td>lar N</td><td>Mar.31</td><td>Jun.30</td><td>Sep.30</td><td>Dec.31</td><td>Year</td><td>targe</td><td>eting</td><td>2019</td><td>adjuste</td><td>ed eau</td><td>rning</td><td>s of \$4</td><td>4.67-</td><td>term</td><td>. Mei</td><td>rck a</td><td>greed</td><td>to a</td><td>acquir</td><td>e Pel</td><td>oton</td></t<>	lar N	Mar.31	Jun.30	Sep.30	Dec.31	Year	targe	eting	2019	adjuste	ed eau	rning	s of \$4	4.67-	term	. Mei	rck a	greed	to a	acquir	e Pel	oton	
2019 1.22 1.15 1.23 1.15 4.75 2020 1.29 1.31 1.41 1.29 5.30 Cal- QUARTERLY DIVIDENDS PAID B= Full 2015 45 45 45 45 1.80 2016 46 46 46 46 46 46 1.84 2016 46 46 46 46 46 1.84 (NSCLC) and launches with new indica- marcel a continue of the anter treatments. The stock holds our Highest (1) ration of the stock holds o	17	.88	1.01	1.11	.98	3.98	reve	nues o	of \$43	.9 billi	on-\$4	5.1 b	illion										
Z0201.291.311.411.295.30standout immunotherapy drug pulled in standout immunotherapy drug pulled in standout immunotherapy drug pulled in shares of MRK currently represent on the more attractive year-ahead group the more attractive year-ahead group plays in the large pharma space. Str2015.45.45.45.451.802016.46.46.46.461.842017.45.45.45.45.452018.45.45.45.452016.46.46.46.46.45.45.45.45.45.45.45.45.45.45.45.45.45.45.45.45.45.45.45.46.46.46.46.46.46.47.47.48.48.45.45.45.45.45.45.46.46.46.46.47.47.48.48.49.49.41.46.46.46.47.47.48.48.49.49.49.49.41.41.41.41.42.43.44.44.45.45.45.45.46.46.47.48.48.48.49.49.49.49 <t< td=""><td>19</td><td>1.22</td><td>1.15</td><td>1.23</td><td>1.15</td><td>4.75</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>rck's</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	19	1.22	1.15	1.23	1.15	4.75								rck's									
andarMar.31Jun.30Sep.30Dec.31Year2015.45.45.451.80in the non-small cell lung cancer marketsince attractive year-ahead grow2016.46.46.46.461.84(NSCLC) and launches with new indica-scores for Safety and Price Stability, or							stan	dout	immu	nother	apy	drug	pulle	d in	for	Time	lines	s. Ba	sed d	on ou	sys	tem,	
2016 46 46 46 1.84 (NSCLC) and launches with new indica- scores for Safety and Price Stability, of	lar N	Mar.31	Jun.30	Sep.30	Dec.31	Year	year	over	year)	, owin	g to d	contin	ued g	ains	the	more	attra	active	year	-âhea	d gro	owth	
	16	.46	.46	.46	.46	1.84																	
$\frac{2018}{55}$ $\frac{48}{55}$ $\frac{48}{55}$ $\frac{48}{55}$ $\frac{48}{55}$ $\frac{1.92}{55}$ Wall Street's lofty \$2.33 billion forecast, it enhances the overall investment appeal							tions	s. Wh	ile th	e tall	y was	sał	nair b	elow	pled	with a	an ab	ove-av	erage	e divid	end y	ield,	
2019 .55 .55 .55 .55 .55 .55 .55 .55 .55 .5																			iivest				
A) Diluted earnings (adjusted). Quarters may 1'13, (\$2.02); 14, 58¢; 1'15, (\$2.03); 1'6, (\$2.37); April, July, and October. ■ Dividend reinvest- t sum due to rounding. Excludes nonrecur- 1'17, (\$3.11); 1'8, (\$2.02). Next egs. report due ment plan available. Company's Financial Strength Stock's Price Stability						ay '13, ur- '17.	(\$2.02); ' (\$3.11); '	14, 58¢; 18, (\$2.0	'15, (\$2.0 )2). Next	)3); '16, (\$ egs. repo	2.37); /	April, Ju ment pla	ly, and C n availab	october.	<ul> <li>Dividen</li> </ul>	d reinves	st- Co Sto				h	A++ 90	
g gains (losses): '05, (43¢); '06, (13¢); '09, July 30th. 2.40; '10, (\$3.16); '11, (\$1.75); '12, (\$1.66); (B) Dividends historically paid in early January,	gains	(losses	s): '05, (	43¢); '06,	(13¢); 'C	)9,   July	30th.										Pri	ce Growt	h Persis	stence		70 100	

(c) January Gueto rounding. Excludes nonrecurrent in the second rounding. Excludes nonrecurrent in gains (losses): '05, (43¢); '06, (13¢); '09, '17, (\$3.11); '18, (\$2.20). Next egs. report due ment plan available. (C) In millions.
 (2.40; '10, (\$3.16); '11, (18, 175); '12, (\$1.66); **(B)** Dividends historically paid in early January, (C) In millions.
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