NEWS RELEASE

Jan7Merck Enters Exclusive Worldwide License Agreement with Teijin Pharma for Investigational Antibody Candidate Targeting Tau

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Merck (NYSE: MRK), known as MSD outside the United States and Canada, today announced that it has entered into an exclusive worldwide license agreement with Teijin Pharma for the development, manufacture and commercialization of an investigational preclinical antibody candidate targeting the protein tau. Changes in tau are associated with a number of diseases affecting the nervous system, including Alzheimer's disease (AD).

"Securing alliances with leading industry partners is a key part of The Teijin Group strategy," said Mr. Akihisa Nabeshima, president, Teijin Pharma. "Teijin Pharma believes that Merck's strong neuroscience expertise makes it well suited to maximize the potential of this candidate."

Under terms of the agreement Merck will have exclusive world-wide rights to develop, manufacture and commercialize the anti-tau antibody. In exchange, Merck will make an upfront payment to Teijin Pharma who is also eligible to receive development, regulatory and sales milestone payments. In addition, Teijin Pharma will receive royalties on product sales and retains an option to co-promote an approved product in Japan.

"Teijin Pharma scientists have made important progress to advance this investigational anti-tau antibody to this stage of development," said Darryle Schoepp, vice president, neuroscience discovery, Merck Research Laboratories. "Merck remains committed to developing meaningful therapeutic options for the treatment of Alzheimer's and other neurological diseases."

The addition of this antibody targeting tau will complement Merck's portfolio of candidates being investigated for the treatment of Alzheimer's disease. This includes [18F]-MK-6240, a tau ligand currently being evaluated as a potential Positron Emission Tomography (PET) imaging agent for quantifying the brain burden of neurofibrillary tangle pathology in people with AD. Merck is evaluating verubecestat (MK-8931) an investigational small molecule inhibitor of the beta-site amyloid precursor protein cleaving enzyme 1 (BACE1), in a Phase 3 study of people with prodromal AD (APECS).

About Merck

For more than a century, Merck, a leading global biopharmaceutical company known as MSD outside of the United States and Canada, has been inventing for life, bringing forward medicines and vaccines for many of the world's most challenging diseases. Through our prescription medicines, vaccines, biologic therapies 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 health care through far-reaching policies, programs and partnerships. Today, Merck continues to be at the forefront of research to advance the prevention and treatment of diseases that threaten people and communities around the world - including cancer, cardio-metabolic diseases, emerging animal diseases, Alzheimer's disease and infectious diseases including HIV and Ebola. For more information, visit **www.merck.com** and connect with us on **Twitter**, **Facebook**, **Instagram**, **YouTube** and **LinkedIn**.

Forward-Looking Statement of Merck & Co., Inc., Kenilworth, N.J., USA

This news release of Merck & Co., Inc., Kenilworth, N.J., USA (the "company") includes "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based upon the current beliefs and expectations of the company's management and are subject to significant risks and uncertainties. There can be no guarantees with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. 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; the company'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 the company's patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

The company 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 the company's 2016 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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