

# FINANCIAL HIGHLIGHTS

## THREE-YEAR SUMMARY

(MILLIONS, EXCEPT PER COMMON SHARE DATA)	AS OF AND FOR THE YEAR ENDED DECEMBER 31,				
	2008	2007	2006	% CHANGE	
				08/07	07/06
Revenues	\$ 48,296	\$ 48,418	\$ 48,371	—	—
Research and development expenses	\$ 7,945	\$ 8,089	\$ 7,599	(2)	6
Acquisition-related in-process research and development charges <sup>(a)</sup>	\$ 633	\$ 283	\$ 835	123	(66)
Restructuring charges and acquisition-related costs	\$ 2,675	\$ 2,534	\$ 1,323	6	92
Income from continuing operations before provision for taxes on income and minority interests	\$ 9,694	\$ 9,278	\$ 13,028	4	(29)
Net income	\$ 8,104	\$ 8,144	\$ 19,337	—	(58)
Diluted earnings per common share	\$ 1.20	\$ 1.17	\$ 2.66	3	(56)
Weighted average shares—diluted	6,750	6,939	7,274	(3)	(5)
Number of common shares outstanding	6,722	6,737	7,094	—	(5)
Working capital	\$ 16,067	\$ 25,014	\$ 25,559	(36)	(2)
Goodwill & other identifiable intangible assets, net	\$ 39,185	\$ 41,880	\$ 45,226	(6)	(7)
Total assets	\$ 111,148	\$ 115,268	\$ 115,546	(4)	—
Total debt <sup>(b)</sup>	\$ 17,283	\$ 13,139	\$ 7,980	32	65
Total shareholders' equity	\$ 57,556	\$ 65,010	\$ 71,358	(11)	(9)
Shareholders' equity per common share	\$ 8.56	\$ 9.65	\$ 10.05	(11)	(4)
Cash provided by continuing operating activities	\$ 18,238	\$ 13,353	\$ 17,594	37	(24)
Property, plant and equipment additions	\$ 1,701	\$ 1,880	\$ 2,050	(9)	(8)
Purchases of common stock	\$ 500	\$ 9,994	\$ 6,979	(95)	43
Cash dividends paid	\$ 8,541	\$ 7,975	\$ 6,919	7	15

(a) Acquisition-related in-process research and development charges primarily related to our acquisitions of Serenex, Inc., Encysive Pharmaceuticals, Inc., CovX, Coley Pharmaceutical Group, Inc. and a number of animal health product lines from Schering-Plough Corporation, as well as two smaller acquisitions also related to Animal Health in 2008; BioRexis Pharmaceutical Corporation and Embrex, Inc. in 2007; and PowderMed Ltd. and Rinat Neuroscience Corporation in 2006.

(b) Our short-term borrowings are rated P-1 by Moody's Investors Service (Moody's) and A1+ by Standard & Poor's (S&P). Our long-term debt is rated Aa2 by Moody's and AAA by S&P. Moody's and S&P are major corporate debt-rating organizations.

Detailed information on our financial and operational performance can be found in the 2008 Financial Report.