

Higher prices for MS drug help drug firm Merck

May 14 2013, by David Mchugh

(AP)—Higher prices for its multiple sclerosis drug Rebif helped German pharmaceutical and high-tech materials company Merck KGaA post a 54 percent rise in first-quarter profit.

Merck also saw stronger sales of materials for liquid-crystal displays and raised its profit forecast, saying it would achieve its 2014 goals this year.

Its optimism came after it reported [net profit](#) of 266 million euros (\$345 million) in the first three months of the year, up from 172.7 euros a year earlier. Total revenues rose 4.4 percent to 2.76 billion.

The company said Tuesday that Rebif revenue rose 6 percent to 454 million euros due to price increases in the U.S. and higher sales in Europe. Sales rose 6.6 percent for cancer drug [Erbix](#) to 222 million euros. Its materials division saw stronger business in liquid crystal products used in electronics displays, although it cautioned that it appeared some purchasers were stockpiling the materials and that demand could fall in the second part of the year.

The company said it was pressing ahead with a cost cutting program and said it would achieve 165 million euros in savings from that program this year. Its employee headcount fell by about 500 during the quarter to 38,311.

The company said it would now reach its 2014 goal of 3.1 billion-3.2 billion euros in operating profits this year, instead of in 2014. Its shares

traded 1.3 percent higher in morning trading in Europe at 123.55 euros.

Merck, based in Darmstadt, Germany, is a different company from U.S.-based [Merck](#) & Co., Inc.

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