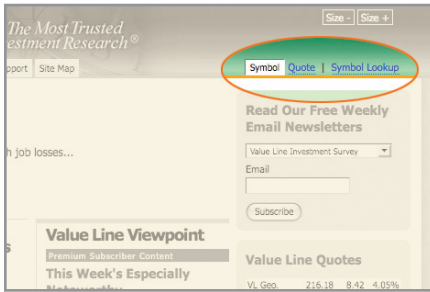




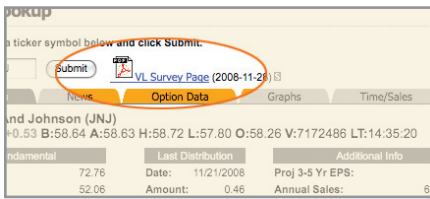
Getting Started

www.valueline.com



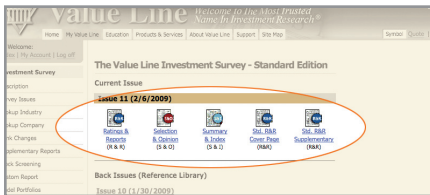
Getting a Quote

1. To quickly get a current quote, type a ticker symbol into the stock "quote" box to the left of "Quote" at the top right of the page.
2. If you don't know the ticker symbol of the company that you are looking for, click on "Symbol Lookup" in the top right corner. Type the company name into the box and click "Search". This will bring up a list of companies in *The Value Line Investment Survey* and their symbols.



Getting a Value Line Report

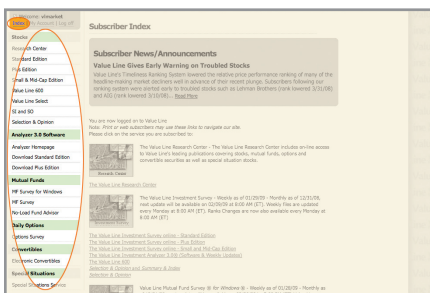
1. To get a Value Line stock report on a company, follow the steps above to get a Quote. If a *Value Line Investment Survey* report is available, a link labeled "VL Survey Page" is displayed to the right of the ticker on the quote page. The date next to the link denotes the date of the provided report. Click on this link to display the latest Value Line Report for that security.



2. To access the entire *Value Line Investment Survey*, click on "Standard Edition" under "Stocks" along the left selection bar. Then select from the Ratings & Reports, Selection & Opinion, Summary & Index, Cover Page, and Supplementary links for all of the current issues.

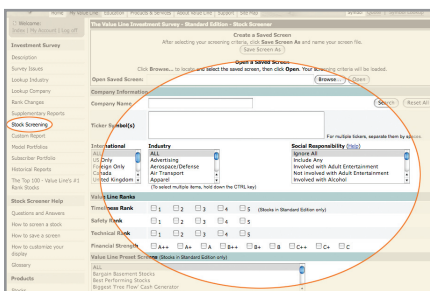
Gaining Access to Value Line Products Online

1. To access Value Line's various products, click on "Index" in the top selection bar on the far left.
2. This will take you to a list of the Value Line products available. Scroll down the page and select the product you wish to view. Note that you will only be granted access to products to which the account is subscribed.



Screening for Securities

1. Follow the instructions above to gain access to *The Value Line Investment Survey*.
2. Click on "Stock Screening" in the left selection bar.
3. Enter as many fields as required and click on the "Search" button to retrieve a list of stocks that meet your criteria. For example, to find all stocks ranked 1 (Highest) for both Timeliness™ and Safety™ in the current *Value Line Investment Survey*, click on the selection boxes next to the number "1" for Timeliness Rank and Safety Rank under Value Line Ranks. Then click "Search" in the "Company Information" section or at the bottom of the "Additional Stock Information" section.



Value Line's clear, concise, easy-to-use reports put all the information you need right at your fingertips!

- 1** The **Timeliness™** Rank measures probable price performance during the next six to 12 months, relative to other stocks. Ranks are from 1 (Highest) to 5 (Lowest). Only the top stocks earn a rank of 1.
- 2** **Safety™** Rank measures the company's Financial Strength and the stock's long-term Price Stability relative to other stocks, using the same 1 to 5 Ranking System. Stocks ranked 1 or 2 are considerably less risky than those ranked 3, 4 or 5.
- 3** The **Technical** Rank predicts short-term (three- to six-month) performance, again on a scale of 1 to 5.
- 4** **Beta** is a relative measure of the historical sensitivity of a stock's price to overall fluctuations in the broad stock market. For example, a Beta of 1.30 indicates that a stock tends to rise (or fall) 30% more than the market.

- 5** **Projected Price Appreciation** and Average Annual Total Return, 3-5 years ahead. They indicate total expected % gain/loss before dividends and the annual compound return % (including dividends).

- 6** **Growth rates** on a per-share basis. Actual past, estimated future.

- 7** **Quarterly sales** and earnings are shown for each quarter, with earnings on a per-share basis.

- 8** The **graph** includes: monthly price ranges for the stock over the past 10-13 years, Cash Flow Line, Relative Price Strength, Target Price Range for 3-5 years ahead, and other information.

- 9** **Statistical milestones** show significant long-term trends. Value Line projections appear at the right in bold italics.

- 10** **Business:** provides a brief description of the company's business and major products, significant shareholders (holding over 5%) and contact information.

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- 12** **Indexes** show Financial Strength, Price Stability, Price Growth Persistence and Earnings Predictability.

MERCK & CO. NYSE-MRK

RECENT PRICE 28.92
P/E RATIO 9.2 (Trailing: 12.6; Median: 21.0)
RELATIVE P/E RATIO 0.75
DIVID YLD 5.3%
VALUE LINE

TIMELINESS 3 Lowered 4/11/08

SAFETY 3 Lowered 1/21/05

TECHNICAL 3 Raised 10/10/08

BETA 50 (1.00 = Market)

2011-13 PROJECTIONS

	Price	Gain	Ann'l Total
High	80	(+175%)	31%
Low	55	(+90%)	21%

Insider Decisions

	N	D	J	F	M	A	M	J
To Buy	0	0	0	0	0	0	0	0
To Sell	0	0	0	0	0	0	0	0

Institutional Decisions

	4/20/07	1/22/08	2/22/08	Percent
To Buy	558	445	473	18
To Sell	528	668	558	12
Mfrs(000)	1587477	1536883	1533629	6

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	VALUE LINE PUB., INC.	11-13		
Sales	4.22	4.19	6.00	6.79	8.22	9.90	11.40	14.05	17.49	20.99	23.07	10.12	10.39	10.09	10.44	11.14	11.40	11.90	11.80	Sales per sh	13.15	
Earnings	1.21	1.23	1.47	1.63	1.91	2.28	2.65	3.02	3.51	3.85	3.85	3.29	3.34	3.59	2.42	4.30	4.45	4.30	4.45	"Cash Flow" per sh	5.00	
Divs	1.06	1.17	1.19	1.35	1.60	1.92	2.15	2.45	2.90	3.14	3.14	2.92	2.61	2.53	2.52	1.49	3.25	3.40	3.40	Earnings per sh	3.90	
Book Value	46	52	57	62	71	85	95	110	121	137	141	145	149	152	152	152	152	1.60	1.60	Div's Decl'd per sh	1.72	
Cap Spending	47	40	40	41	50	61	84	110	118	120	106	86	78	64	45	47	50	50	50	50	Cap'l Spending per sh	55
Common Shs	219	400	446	478	496	528	542	569	643	706	811	701	783	821	810	837	985	11.15	11.15	Book Value per sh	14.50	
Avg Ann'l P/E Ratio	2289.4	2507.9	2495.7	2457.7	2413.2	2387.3	2360.5	2329.1	2307.6	2272.7	2245.0	2221.8	2208.6	2181.9	2167.8	2172.5	2145.0	2100.0	2100.0	2100.0	Common Shs Outstanding	2050.0
Avg Ann'l Div'd Yield	22.9	15.1	14.0	18.4	21.3	24.8	30.0	29.8	25.6	22.7	17.3	18.2	16.2	12.1	15.2	34.1	34.1	34.1	34.1	34.1	Avg Ann'l Div'd Yield	17.0
Income Tax Rate	1.39	89	92	1.23	1.33	1.43	1.56	1.70	1.66	1.16	94	1.04	86	64	82	80	80	80	80	80	Income Tax Rate	26.0%
Operating Margin	1.9%	2.9%	3.4%	2.5%	2.1%	1.8%	1.5%	1.5%	1.6%	1.9%	2.6%	2.7%	3.5%	5.0%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Operating Margin	34.0%

CAPITAL STRUCTURE as of 6/30/08

Total Debt \$5113.7 mill. Due in 5 Yrs \$2377.1 mill.
 LT Debt \$3932.4 mill. LT Interest \$265.0 mill.
 (18% of Cap)

Pension Assets-1207 \$7.4 bill. Oblig. \$7.0 bill.

Pfd Stock None

Common Stock 2,142,473,991 shs.

MARKET CAP: \$62 billion (Large Cap)

CURRENT POSITION (SMILL)

	2006	2007	6/30/08
Cash Assets	8713.0	8230.8	7345.2
Receivables	3314.8	3636.2	3647.0
Inventory (LIFO)	1769.4	1881.0	2190.6
Other	1433.0	1297.4	4410.1
Current Assets	15290.2	15045.4	17592.9
Accrs Payable	496.6	624.5	530.9
Debt Due	1285.1	1823.6	1181.3
Other	10941.0	9810.1	8006.4
Current Liab.	12722.7	12258.2	9718.6

ANNUAL RATES

	Past 10 Yrs.	Past 5 Yrs.	Est'd '05-'07 to '11-'13
Sales	2.5%	-12.5%	3.5%
"Cash Flow"	5.0%	-3.5%	8.0%
Earnings	3.0%	-6.5%	10.0%
Dividends	7.5%	2.5%	2.0%
Book Value	5.0%	2.5%	10.0%

QUARTERLY SALES (\$ mill.)

Cal-ender	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2005	5362	5488	5416	5786	22012
2006	5410	5772	5410	6044	22336
2007	5769	6112	6074	6243	24198
2008	5822	6052	6200	6426	24500
2009	6100	6200	6250	6450	25000

EARNINGS PER SHARE

Cal-ender	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2005	62	62	65	64	2.53
2006	78	73	51	50	2.52
2007	78	77	70	67.5	1.49
2008	89	82	77	77	3.25
2009	80	80	90	90	3.40

QUARTERLY DIVIDENDS PAID

Cal-ender	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2004	37	37	37	38	1.49
2005	38	38	38	38	1.52
2006	38	38	38	38	1.52
2007	38	38	38	38	1.52
2008	38	38	38	38	1.52

Business: Merck & Co., Inc. is a leading manufacturer of human and animal health care and specialty chemical products. Important product names include *Singular* (asthma), *Vytorin*, *Zetia* (cholesterol-lowering agents), *Fosamax* (osteoporosis), *Crixivan* (HIV/AIDS), *Vasotec*, *Prinivil* (angiotensin converting enzyme (ACE) inhibitors for high blood pressure and angina), and *Prilosec* (gastro). Medco acq. 11/93, spun off 8/03. R&D, 20.2% of sales; Estimated plant age: 23 yrs. Has 60,000 employees, about 198,000 stockholders. Family owns 5.0% of common. Officers and Directors own less than 1% of stock (3/08 proxy). Chrm., Pres. & CEO: Richard T. Clark, Inc.: NJ. Addr.: P.O. Box 100, Whitehouse Station, NJ 08889. Tel. 908-423-1000. Internet: www.merck.com

Merck's June-period results were mixed. Sales were below our expectation, but share net beat our estimate slightly. That said, earnings per share was aided by a low tax rate for the second consecutive quarter.

Management has withdrawn 2008 earnings guidance. It claims that ongoing uncertainty with cholesterol drugs *Vytorin/Zetia* is the main reason, but it is possible that lower sales of *Gardasil* and *Singular* also entered into the decision to eliminate the near-term guidance.

There is bad news for Zetia. A trial evaluating use of the drug in patients with aortic stenosis (where blood flow to the heart is blocked) deemed it ineffective, and instead showed positive results on atherosclerotic endpoints (where plaque builds up and blocks an artery). Unfortunately, the study also reported cancer in some patients who took *Vytorin*. Although independent academic reports suggest that the cancer findings may be incorrect, we expect that prescription trends for *Vytorin/Zetia* may decline as a result of the well-publicized finding.

There is good news for Gardasil. The drug has been approved for the prevention of vulvar and vaginal cancers in women between the ages of nine and 26. Although the approval appears to indicate that Merck has resolved its previous vaccine manufacturing issues, the drug will likely have modest earnings impact because the label has been revised to note that the drug is not recommended for women beyond age 26.

We remain neutral on these shares. The sales slowdown of various drugs (*Vytorin/Zetia*, *Singular*, and *Gardasil*), and the scheduled expiration of several big drugs through 2012 (*Singular*) are noteworthy. Too, although Merck is widely viewed as having the best R&D in the industry, the new drug pipeline is not robust. Still, Merck's very good R&D track record could mean that drugs now in development may ultimately boost results, even if approval is not imminent. The company is seeking partners outside the U.S. (for acquisition, co-marketing, promotion agreements, and licensing deals) and is working to expand its emerging market opportunities.

Douglas G. Maurer, CFA

Indexes

	Financial Strength	Stock's Price Stability	Price Growth Persistence	Earnings Predictability
Value Line	A	95	10	85

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Value Line

(A) Based on avg. shares outstanding through 1997, diluted thereafter. May not sum due to rounding. Excludes a 40¢/share charge in '92. Excludes nonrecurring gain (losses): '93, (46c); '98, 1c; '05, (43c); '06, (13c); '08, 63c. Next reg. report due late October. (B) Dividends historically paid in early January, April, July, and October. * Dividend reinvestment plan available. (C) In millions, adjusted for stock split.

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