

Return on Invested Capital (ROIC)*(amounts in thousands)*

	Q2 2017 (TTM)	2016	2015	2014	2013	2012	2011	2010	2009
Operating income	3,760,400	3,166,600	2,254,600	2,519,000	1,808,900	1,746,442	1,442,753	989,635	841,526
Certain charges (1)									
Amortization of certain charges (2)	(141,000)	(141,000)	(141,000)	(141,000)	(141,000)	(261,000)	(141,000)	(141,000)	(141,000)
Operating income (non-GAAP for 2008)	3,619,400	3,025,600	2,113,600	2,378,000	1,667,900	1,485,442	1,301,753	848,635	700,526
Effective tax rate	10.8%	16.0%	20.8%	14.1%	12.9%	13.4%	7.2%	13.1%	20.4%
Operating income after tax	3,227,083	2,540,611	1,673,332	2,043,380	1,452,284	1,286,401	1,208,155	737,660	557,681
Total equity	8,445,316	6,592,264	5,918,966	6,524,796	5,589,900	5,694,467	5,512,727	5,995,472	4,394,606
Certain charges net of amortization (3)	504,859	641,472	778,086	914,699	1,051,313	1,187,927	1,440,807	1,577,420	1,714,034
Total debt	14,282,676	14,289,202	14,161,340	6,871,632	4,741,269	3,079,792	1,802,269	1,247,584	-
Total capital	23,232,850	21,522,938	20,858,392	14,311,127	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640
Total capital beginning of period	20,502,325	20,858,392	14,311,127	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640	5,341,976
Total capital end of period	23,232,850	21,522,938	20,858,392	14,311,127	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640
Average total capital	21,867,588	21,190,665	17,584,760	12,846,805	10,672,334	9,358,994	8,788,140	7,464,558	5,725,308

ROIC **14.8%** **12.0%** **9.5%** **15.9%** **13.6%** **13.7%** **13.7%** **9.9%** **9.7%**

Return on Invested Capital (ROIC), Net of Cash*(amounts in thousands)*

	Q2 2017 (TTM)	2016	2015	2014	2013	2012	2011	2010	2009
Operating income	3,760,400	3,166,600	2,254,600	2,519,000	1,808,900	1,746,442	1,442,753	989,635	841,526
Certain charges (1)									
Amortization of certain charges (2)	(141,000)	(141,000)	(141,000)	(141,000)	(141,000)	(261,000)	(141,000)	(141,000)	(141,000)
Operating income (non-GAAP for 2008)	3,619,400	3,025,600	2,113,600	2,378,000	1,667,900	1,485,442	1,301,753	848,635	700,526
Effective tax rate	10.8%	16.0%	20.8%	14.1%	12.9%	13.4%	7.2%	13.1%	20.4%
Operating income after tax	3,227,083	2,540,611	1,673,332	2,043,380	1,452,077	1,286,401	1,208,155	737,660	557,681
Total equity	8,445,316	6,592,264	5,918,966	6,524,796	5,589,900	5,694,467	5,512,727	5,995,472	4,394,606
Certain charges net of amortization (3)	504,859	641,472	778,086	914,699	1,051,313	1,187,927	1,440,807	1,577,420	1,714,034
Total debt	14,282,676	14,289,202	14,161,340	6,871,632	4,741,269	3,079,792	1,802,269	1,247,584	-
Less Cash and Marketable Securities	(10,140,417)	(7,969,750)	(6,551,900)	(7,546,633)	(5,686,989)	(3,900,270)	(2,648,154)	(2,601,301)	(2,996,752)
Total capital	13,092,434	13,553,188	14,306,492	6,764,494	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888
Total capital beginning of period	14,098,631	14,306,492	6,764,494	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888	3,119,885
Total capital end of period	13,092,434	13,553,188	14,306,492	6,764,494	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888
Average total capital	13,595,532	13,929,840	10,535,493	6,229,994	5,878,704	6,084,782	6,163,412	4,665,532	3,115,886

ROIC, Net of Cash **23.7%** **18.2%** **15.9%** **32.8%** **24.7%** **21.1%** **19.6%** **15.8%** **17.9%**

(1) Excludes \$1.7 billion of IPR&D expense in 2008 associated with the acquisition of Pharmion, as well as \$300 million of expense related to the acquisition of intellectual property rights for Vidaza in 2008 prior to its launch.

(2) Adjustment to include amortization and impairment related to IPR&D and intellectual property rights acquired in 2008.

(3) Cumulative net impact of items (1) and (2) on equity.