

ROIC rec table

Return on Invested Capital (ROIC)

(amounts in thousands)

	Q3 2015 (TTM)	2014	2013	2012	2011	2010	2009
Operating income	2,106,100	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)	(261,000)	(141,000)	(141,000)	(141,000)
Operating income (non-GAAP for 2008)	1,965,100	2,378,000	1,667,900	1,485,442	1,301,753	848,635	700,526
Effective tax rate	16.8%	14.1%	12.9%	13.4%	7.2%	13.1%	20.4%
Operating income after tax	1,635,179	2,043,380	1,452,284	1,286,401	1,208,155	737,660	557,681
Total equity	5,375,488	6,524,796	5,589,900	5,694,467	5,512,727	5,995,472	4,394,606
Certain charges net of amortization (3)	778,086	914,699	1,051,313	1,187,927	1,440,807	1,577,420	1,714,034
Total debt	15,497,605	6,871,632	4,741,269	3,079,792	1,802,269	1,247,584	-
Total capital	21,651,179	14,311,127	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640
Total capital beginning of period	13,554,508	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640	5,341,976
Total capital end of period	21,651,179	14,311,127	11,382,482	9,962,186	8,755,803	8,820,476	6,108,640
Average total capital	17,602,843	12,846,805	10,672,334	9,358,994	8,788,140	7,464,558	5,725,308
ROIC	9.3%	15.9%	13.6%	13.7%	13.7%	9.9%	9.7%

Return on Invested Capital (ROIC), Net of Cash

(amounts in thousands)

	Q3 2015 (TTM)	2014	2013	2012	2011	2010	2009
Operating income	2,106,100	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)	(261,000)	(141,000)	(141,000)	(141,000)
Operating income (non-GAAP for 2008)	1,965,100	2,378,000	1,667,900	1,485,442	1,301,753	848,635	700,526
Effective tax rate	16.8%	14.1%	12.9%	13.4%	7.2%	13.1%	20.4%
Operating income after tax	1,635,179	2,043,380	1,452,077	1,286,401	1,208,155	737,660	557,681
Total equity	5,375,488	6,524,796	5,589,900	5,694,467	5,512,727	5,995,472	4,394,606
Certain charges net of amortization (3)	778,086	914,699	1,051,313	1,187,927	1,440,807	1,577,420	1,714,034
Total debt	15,497,605	6,871,632	4,741,269	3,079,792	1,802,269	1,247,584	-
Less Cash and Marketable Securities	(7,505,572)	(7,546,633)	(5,686,989)	(3,900,270)	(2,648,154)	(2,601,301)	(2,996,752)
Total capital	14,145,607	6,764,494	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888
Total capital beginning of period	6,693,808	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888	3,119,885
Total capital end of period	14,145,607	6,764,494	5,695,493	6,061,916	6,107,649	6,219,175	3,111,888
Average total capital	10,419,708	6,229,994	5,878,704	6,084,782	6,163,412	4,665,532	3,115,886
ROIC, Net of Cash	15.7%	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.