

MINUTES

**of the 87th Annual General Meeting
of the Shareholders of ROCHE HOLDING LTD, Basel
Held 28 February 2005, 10:30 AM
at the Convention Centre, Basel Trade Fair Complex, Basel**

Chairman of the Board Dr Franz B. Humer opened the meeting at 10:30 AM and assumed the chair.

Joining the Chairman on the podium were the following members of the Corporate Executive Committee: Dr Erich Hunziker, Mr William Burns, Prof. Jonathan Knowles, Mr Heino von Prondzynski and Dr Gottlieb Keller.

Also present from the Board of Directors were: Prof. Bruno Gehrig (Independent Lead Director and Vice Chairman), Mr Rolf Hänggi (Vice Chairman), Prof. John Bell, Mr Peter Brabeck-Letmathe, Mr Lodewijk J.R. de Vink, Mr Walter Frey, Mr André Hoffmann, Dr DeAnne Julius and Dr Andreas Oeri. Prof. Horst Teltschik was excused.

The Chairman stated that timely notice of the meeting had been provided and made reference to the public notice of meeting published on two dates, 4 and 9 February 2005, in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) and to the announcement that had appeared in the daily newspapers and the financial press. The Chairman additionally noted that no proposals regarding inclusion of items in the agenda of the meeting had been received from shareholders.

The Chairman went on to note that the Messrs John Morris and Erik Willems were present on behalf of the Statutory and Group auditors, KPMG Klynveld Peat Marwick Goerdeler SA (KPMG). BDO Visura, the firm designated by Roche to serve as independent proxy within the meaning of Art. 689c of the Swiss Code of Obligations, was represented at the meeting by Mr Mark Schaffner.

The Chairman designated

as secretary:

Dr Gottlieb A. Keller

as tellers:

Dr Philip Baumann, Attorney, Partner at
ThomannFischer, Basel

Mr Hugo C. Beijerman, Managing Director,
UBS AG, Zurich

Mr Dieter Bloch, Director,
Basler Kantonalbank, Basel

Dr Bruno Dallo, Member of the Executive Committee,
Bâloise-Holding AG, Basel

Dr Beat Rauss, Managing Director,
Univest AG, Basel

Mr Werner Ruegg, Regional Manager for Northern
Switzerland, Credit Suisse, Basel

Mr Vittorio Schiro, Managing Director,
UBS AG, Zurich

Mr Peter Senn, Head of Wealth Management,
Northern Switzerland, UBS AG, Basel

Mr Donald Sulzer, Managing Director,
Credit Suisse First Boston, Zurich

The Chairman designated Mr Hugo C. Beijerman as head teller.

The Chairman then reported that the minutes of the 2004 AGM were available on the Internet, and he also stated that next year's AGM was expected to take place on Tuesday, 28 February 2006.

The Chairman called attention to the following procedural details:

- Only the shares of those shareholders whose admission cards have been collected and recorded at the door would be recorded as 'present' and 'represented'.
- Resolutions and elections voted on at the Meeting would be carried by an absolute majority of the votes represented and were not subject to any quorum requirements.
- Elections and other items of business would be voted on by electronic ballot.

The Chairman delivered an address on the Company's successful performance in 2004 and also spoke about the adjustments that had been made in remuneration policy – linking remuneration even more closely to the Company's results – and about the importance of the Basel research site and biotechnology. Before proceeding to the items of business on the agenda, the Chairman gave the floor to Dr René Imhof, Head of Pharma Research in Basel, and Prof. Klaus Lindpaintner, Head of the Roche Center for Medical Genomics, both of whom provided insights into pharmaceutical research activities at Roche Basel. Dr Imhof spoke about the contributions the Basel research organisation was making to the treatment of diabetes and Alzheimer's disease. The subject of Prof. Lindpaintner's presentation was 'Personalised medicine – not just a buzzword at Roche'.

Based on the attendance list, the Chairman then noted that 565 shareholders or their proxies, representing 144,885,040 shares and votes, or 90.55% of the Company's total share capital, were in attendance. The aforementioned shares, each with a nominal value of CHF 1.00, were represented at the meeting as follows:

– Shareholders:	61,158,178 shares
– Proxies for deposited shares:	83,409,595 shares
– Institutional representative:	294,666 shares
– Independent proxy:	22,601 shares

72,444,521 votes were required for an absolute majority.

It was additionally noted that no shares held by the Company or its subsidiaries were represented at the meeting.

The AGM then proceeded to the items of business listed in the published agenda.

Agenda item 1: Approval of the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2004

The Chairman noted that the Annual Report, comprising an operational report and the two sets of financial statements, had been published and that it had been made available on schedule for inspection at the Company's registered offices and at banks holding deposited shares. In addition, copies of the report had been mailed on request to shareholders wishing to attend the AGM. The Annual Report includes the report of the Statutory Auditors on page 151. In response to a request for comment, Messrs John Morris and Erik Willems, representing the Statutory Auditors, had already informed the Chairman that they had nothing to add to their written report. The Annual Report also includes the report of the Group Auditors, KPMG, on page 139.

A reading of the Annual Report was waived.

The Chairman invited the shareholders to discuss the report and financial statements.

As there were no questions, the Chairman called for a vote on approval of the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2004.

The AGM approved the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2004 by a vote of 144,851,812 in favour and 1,060 opposed, with 46,321 abstentions

Agenda item 2: Ratification of the Board of Directors' Actions

The Chairman noted that the Directors and other persons who had been involved in directing or managing the Company's affairs were not entitled to vote on this agenda item.

The Chairman invited shareholders' comments and questions regarding ratification of the Directors' actions. There were no requests to speak.

The AGM ratified the actions of the Board of Directors by a vote of 123,418,672 in favour and 12,645 opposed, with 22,561 abstentions. 123,453,878 shares were entitled to vote on this agenda item, 61,726,940 being the number required for an absolute majority.

Agenda item 3: Vote on the Appropriation of Available Earnings

The Chairman moved that the AGM approve the following proposal for the appropriation of available earnings, as published on page 150 of the Annual Report:

Available earnings

Net profit for 2004	CHF	1,815,438,499
Balance brought forward from previous year	CHF	<u>3,622,789</u>
Total available earnings	CHF	1,819,061,288

Appropriation of available earnings

Distribution of a dividend of CHF 2.00 gross per share and non-voting equity security	CHF	1,725,125,400
Transfer to free reserve:	CHF	<u>90,000,000</u>
Total appropriation of available earnings	CHF	<u>1,815,125,400</u>
To be carried forward on this account	CHF	3,935,888

The motion was passed by the AGM by a vote of 144,852,552 in favour and 28,701 opposed, with 17,640 abstentions.

The Chairman informed the AGM that the dividend would be payable, free of charges, starting 3 March 2005 on presentation of Coupon #4 at the company's offices or at any Swiss branch of UBS AG, Credit Suisse First Boston or Credit Swiss.

Agenda item 4: Election of Directors

The Board terms of the Chairman of the Board and of Prof. John Bell and Mr André Hoffmann ended at today's meeting. All three Directors expressed their willingness to stand for re-election for a term of four years, as provided by the Articles of Incorporation. The Chairman moved on behalf of the Board that the AGM re-elect the aforementioned Directors.

He then invited the shareholders to comment or ask questions prior to the vote.

Mr Walter Grob of Bern was given the floor twice. He asked about the Roche Directors' other paid and unpaid political and business activities and their directorships on other boards. The Chairman stated that under no circumstances were Board members' other activities or commitments permitted to interfere with their ability to serve Roche. Regarding additional directorships and other offices held by members of the Board, he referred to the detailed information provided on this subject on the Internet.

Mr Peter Schönenberg of St-Légier congratulated the Chairman and Roche's employees on the Company's excellent performance in 2004. He remarked that he would actually have expected Messrs Brabeck and Hänggi to step down from the Board in view of their directorships at Nestlé and in view of Mr Brabeck's future dual role as Nestlé's chairman and CEO. Mr Schönenberg praised Roche's transparent disclosure of information on the remuneration paid to executive management – describing it as 'exemplary' – but went on to say that having one person serve in the dual capacity of CEO and chairman was less than ideal in his opinion. The Chairman thanked Mr Schönenberg for his kind remarks and made note of Mr Brabeck's valuable contributions to Roche. Regarding his dual role, the Chairman stated that there were no 'dogmas' at Roche. Given the existing healthy balance between the Board of Directors and the Corporate Executive Committee, with Prof. Bruno Gehrig serving as Independent Lead Director and with independent Directors chairing the Board's committees, having the same person serve as Chairman and CEO was currently the best solution for the Company, the Chairman said. He noted that his dual role was discussed and re-evaluated by the Board regularly, and not less than once per calendar year.

Mr Ruedi Jörg of Zurich, a board member of Shareholders for a Sustainable Economy (ACTARES), expressed doubts whether the chemical industry intended to take timely action to remediate hazardous waste landfills. He referred to an agreement concluded between the industry action group IG DRB (Interessengemeinschaft Deponiesicherheit der Region Basel) and the French authorities regarding three landfills and asked what specific action would be taken there. In particular, he wanted to know whether Roche would be working to ensure that the latest remediation technology was used in cleaning up the Bonfol landfill and that the clean-up was done at the pharmaceutical companies' expense. Mr Jörg asked whether Roche would be pushing for remediation of the landfills in the Basel region at the earliest possible date. He enquired about the availability of a list of Roche landfills in the Basel region, noting that there had been talk of providing such a list at the time the IG DRB was founded, and he also asked whether provisions had been recorded for landfill remediation. In addition, he noted that the 2004 Sustainability Report contained no information about existing old landfills. The Chairman replied by affirming Roche's commitment to sustainable development and to cleaning up waste created by Roche. However, he stressed that Roche could not take a leading role with respect to landfills where Roche was either not involved at all or was only minimally involved. He added that Roche would be glad to provide ACTARES with a list of old landfills separately from the Sustainability Report. The Chairman emphasised that commercial success was essential to the Company's continued ability to play a truly active role in other areas, such as environmental protection.

Mr Julien Reinhardt of Lausanne, a member of the Declaration of Bern, referred to Roche's policy of not enforcing its patents on HIV/AIDS medicines in the world's least developed countries and in sub-Saharan Africa, but noted that this policy did not apply to VIRACEPT as Roche was merely the licensee. He therefore wanted to know about the status of talks between Roche and the licence holder, Pfizer, on this matter.

He also asked whether Roche was prepared to reduce its prices on INVIRASE and VIRACEPT in low and lower middle income countries to the price levels in effect in least developed countries and sub-Saharan Africa. Moreover, he asked whether Roche was prepared to develop a transparent pricing policy on HIV tests sold in developing countries.

The Chairman began by mentioning the constructive dialogue that had characterised Roche's working relationship with the Declaration of Berne over the past year and by affirming Roche's desire to continue that dialogue. He pointed out that in a number of discussions Pfizer had been asked whether it was pursuing the same policy as Roche in the aforementioned countries. Pfizer is the patent holder and does not wish to adopt this sort of general policy; instead it prefers to make decisions on a case-by-case basis. Roche has no choice but to accept this, the Chairman said, though he added that to date Pfizer had not taken any action against violations of its VIRACEPT patents in any of the countries in question and was thus, in effect, pursuing the same policy as Roche. VIRACEPT is sold in these countries for less than generics. Roche does not make a profit on AIDS medicines sold in these countries. This will remain Roche's policy, and it also applies to VIRACEPT.

As to the pricing of INVIRASE and VIRACEPT in low and lower middle income countries and whether prices there could or should be reduced to the price levels in least developed countries and sub-Saharan Africa, the Chairman stated that certain distinctions had to be made. The low and lower middle income countries include some of the largest and fastest-growing markets in the world. As already announced, Roche is prepared to reduce its prices in these countries to as low as 70% of the normal price in Switzerland. Roche and one US company are the only companies that have established transparent pricing policies for medium income countries. Together, Roche's no-profit prices and reduced prices for low and lower middle income countries apply to up to 85% of the people with HIV/AIDS worldwide. This means that normal market prices apply to only 15% of the global patient population.

The Chairman explained that Roche had significantly reduced the prices for its HIV tests as part of the AmpliCare initiative. Prices vary between USD 14.50 and USD 20.00. Roche will continue to pursue this policy and is working particularly closely with the programme started by former US president Bill Clinton, for which Roche is the main supplier of HIV tests.

Referring to the numerous patient interest groups on the Internet, Ms Eva Monecke of Saarbrücken asked whether Roche had recorded provisions for possible future litigation relating to side effects associated with the malaria drug LARIAM. The Chairman stressed that the LARIAM package leaflet contained appropriate warnings about the drug's side effects and added that to date none of the suits that had been filed had resulted in a judgement against Roche. For that reason, no provisions were warranted.

The Chairman submitted each of the Board of Directors' proposals individually to a vote by electronic ballot.

By a vote of 144,852,522 in favour and 16,483 opposed, with 30,288 abstentions, the AGM elected Prof. John Bell to the Board for an additional four-year term ending at the 2009 AGM.

In its second vote the AGM elected Mr André Hoffmann to the Board for an additional four-year term ending at the 2009 AGM, with 144,703,121 votes in favour, 13,449 opposed and 182,723 abstentions.

Prior to the vote on his own re-election to the Board, the Chairman turned over the role of the chair of the meeting to Prof. Bruno Gehrig.

With Prof. Gehrig presiding as chair, the AGM elected Dr Franz B. Humer to the Board for an additional four-year term ending at the 2009 AGM, with 144,820,211 votes in favour, 18,194 opposed and 60,888 abstentions.

Prof. Gehrig congratulated Dr Humer on his resounding re-election and handed over the role of the chair of the meeting to Dr Humer.

The Chairman congratulated Prof. Bell and Mr Hoffmann on their strong and well-deserved election showings.

Agenda item 5: Election of Group and Statutory Auditors

The Chairman noted that the AGM was required to vote annually to elect Statutory Auditors and Group Auditors for the current fiscal year.

The Board of Directors moved that the AGM elect KPMG Klynveld Peat Marwick Goerdeler SA as Statutory Auditors and Group Auditors for fiscal year 2005. KPMG is prepared to accept if elected.

By a vote of 144,693,953 in favour and 22,079 opposed, with 181,261 abstentions, the AGM elected KPMG Klynveld Peat Marwick Goerdeler SA as Statutory Auditors and Group Auditors.

Noting that there were no further requests to speak, the Chairman thanked the shareholders for attending and closed the meeting at 12:18 PM.

The Chairman:

The Secretary:

Sig. Dr Franz B. Humer

Sig. Dr Gottlieb A. Keller