
Diagnostics Division
Annual Media Conference, 30 January 2008
Severin Schwan



Divisional results

Investing in our future

Diagnostics continues solid growth in 2007

Driven by new products and strategic acquisitions

Continued market penetration of new products

- Strong cobas 6000 placements drove market share gains
- New Accu-Chek products restoring Diabetes growth
- Doubled market share in rapidly expanding DNA sequencing market

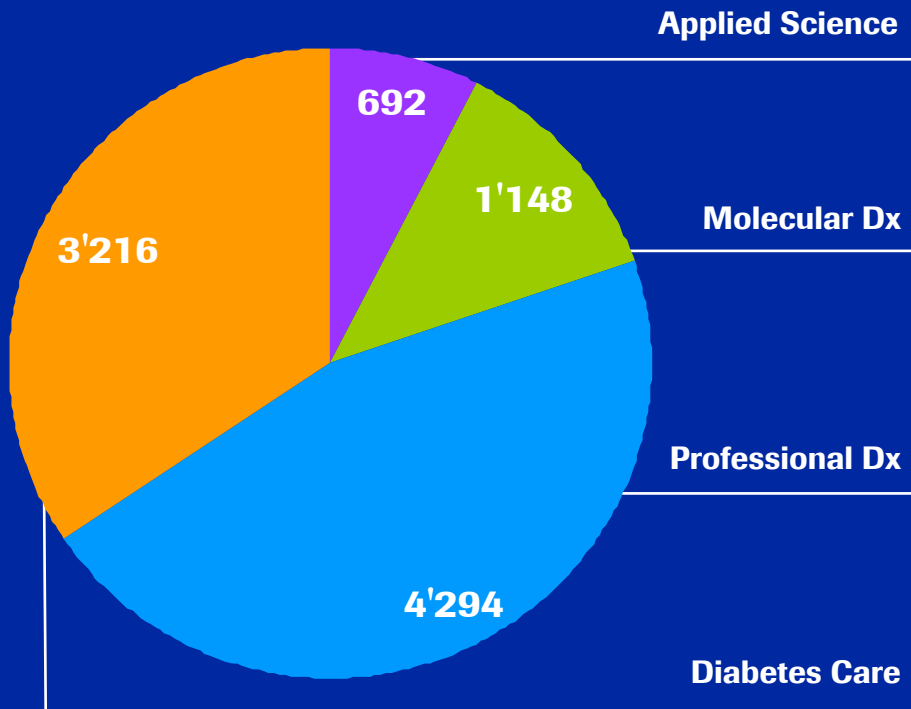
Strategic acquisitions enabling entry into new markets

- 454 Life Sciences and NimbleGen Systems: Strengthening our position in genomics
- BioVeris: Expansion into clinical trial testing market
- Ventana: Merger agreement signed

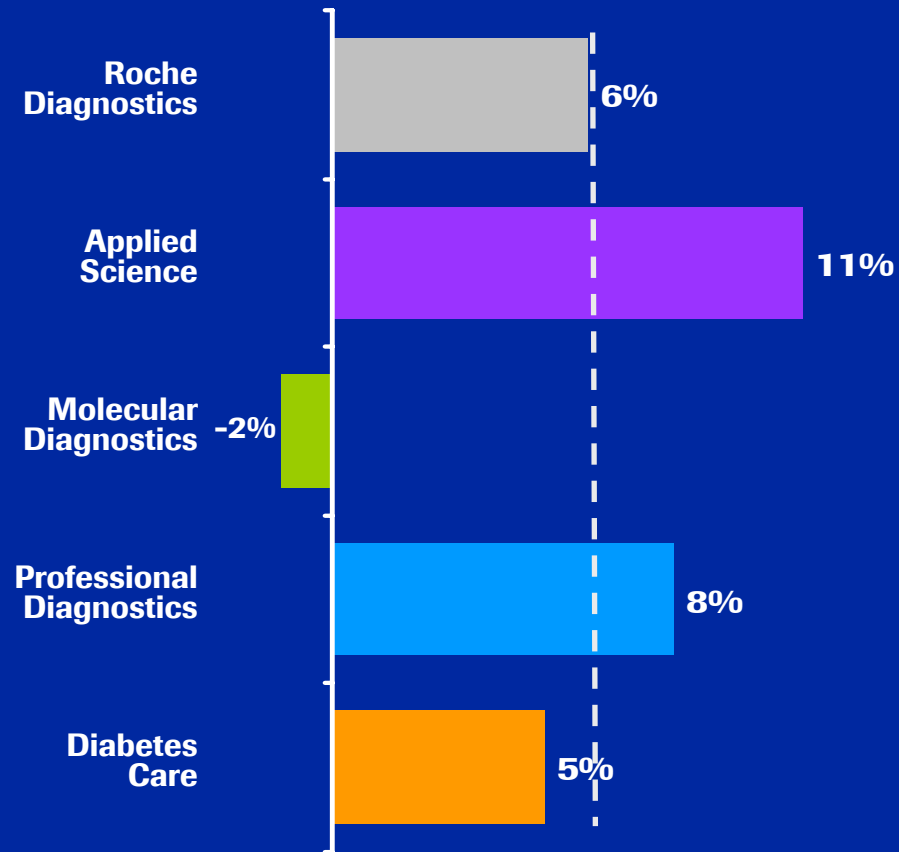
Diagnostics Sales by BA/BU in 2007

Strong growth in Professional Dx & Applied Science

CHF 9,350 m



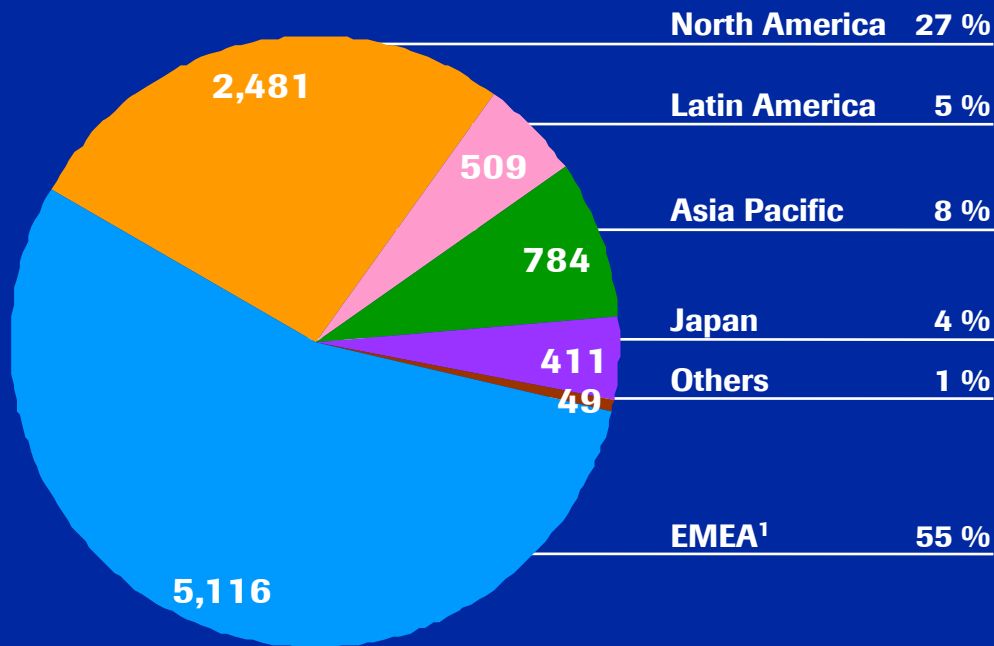
Local Sales Growth



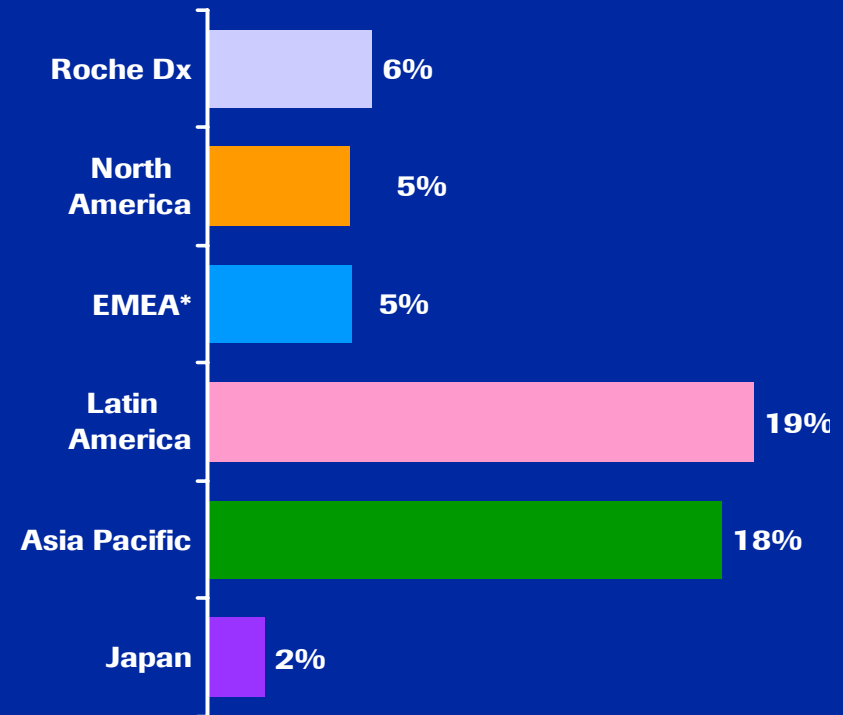
Diagnosics sales by region in 2007

Strong growth in emerging markets

CHF 9,350 m



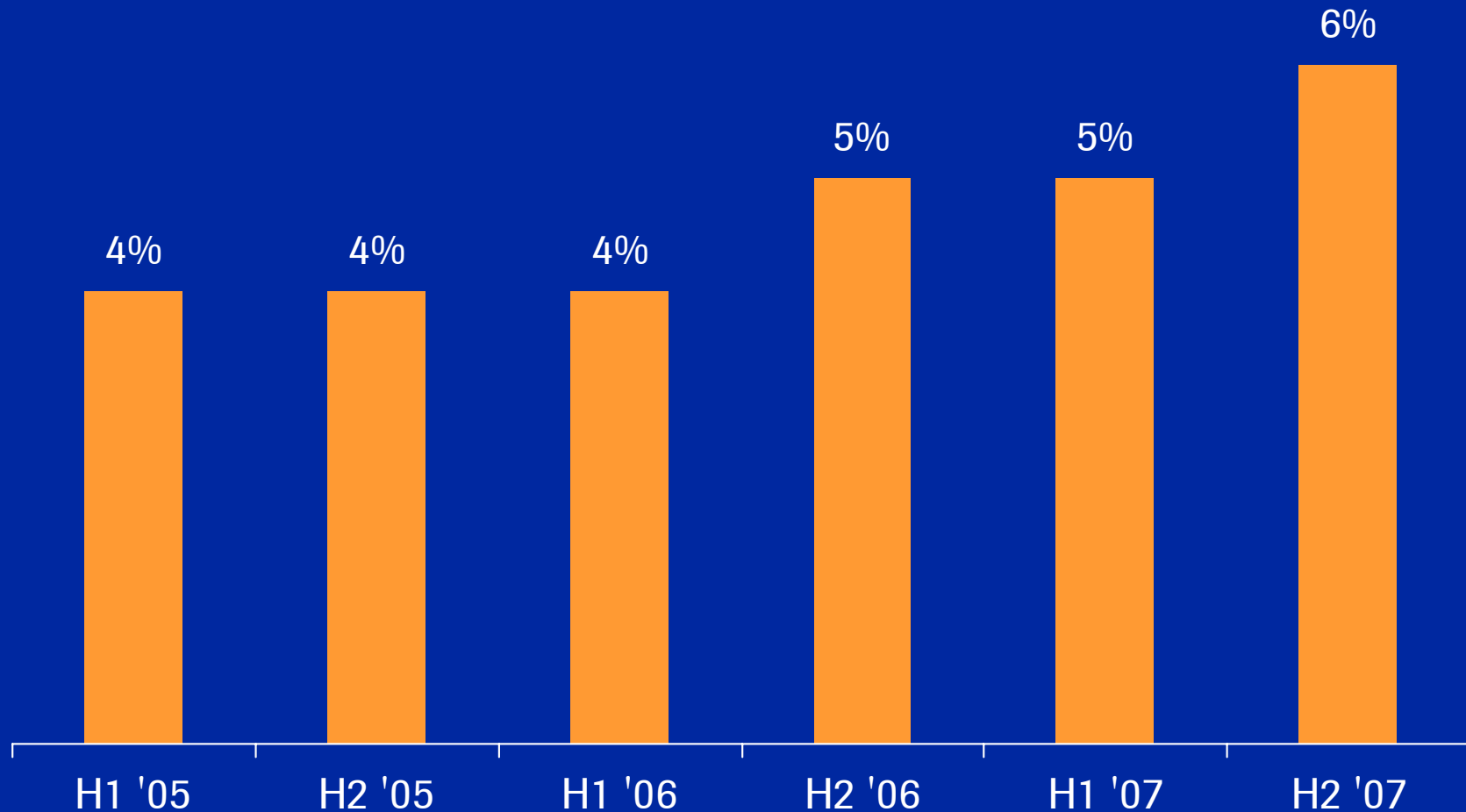
Local Sales Growth



¹ Europe, Middle East and Africa

Diagnosics half-yearly sales growth

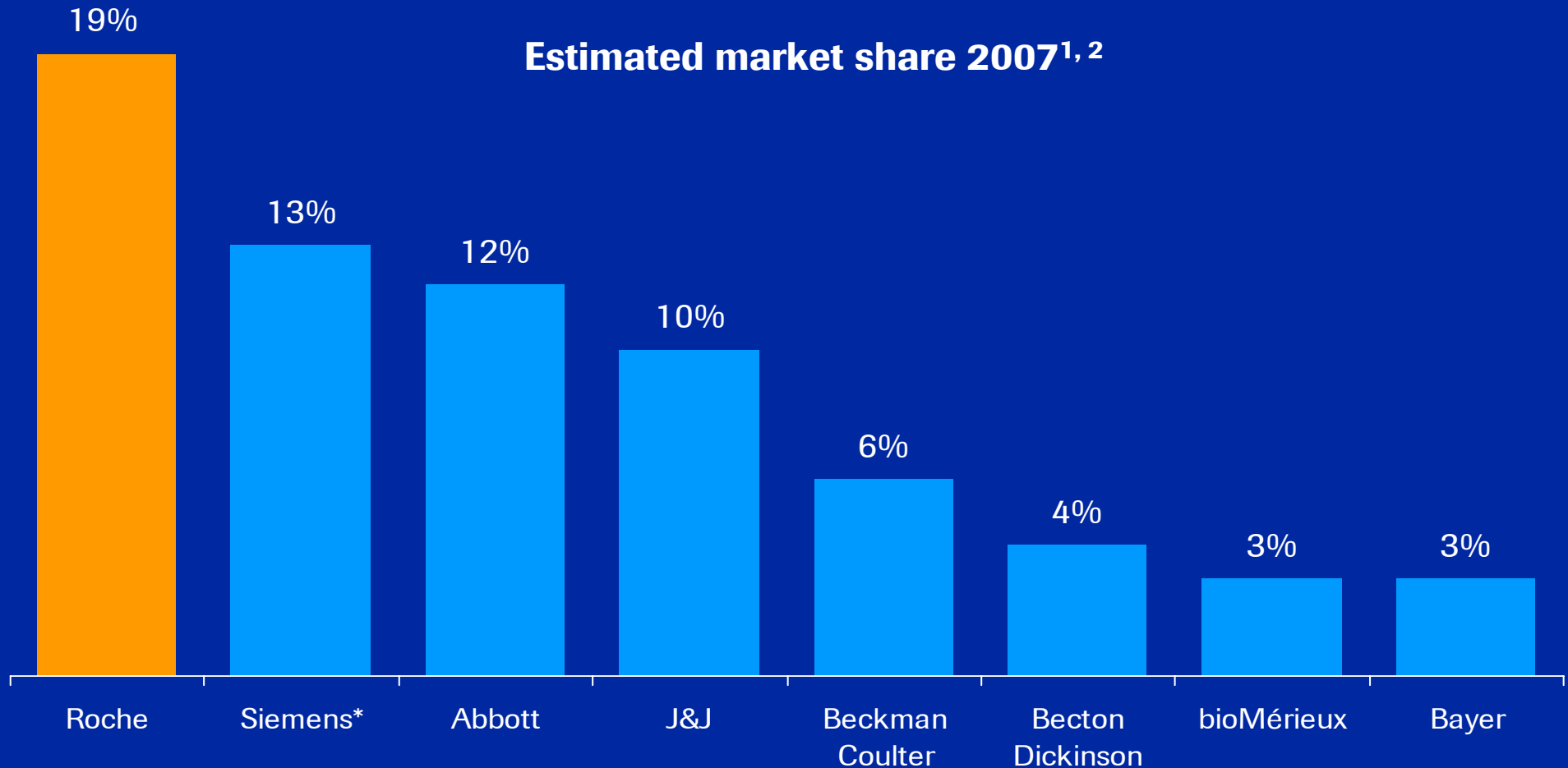
Growth acceleration continued



Growth on local currencies, versus same period prior year



Roche is the #1 in vitro Diagnostics company



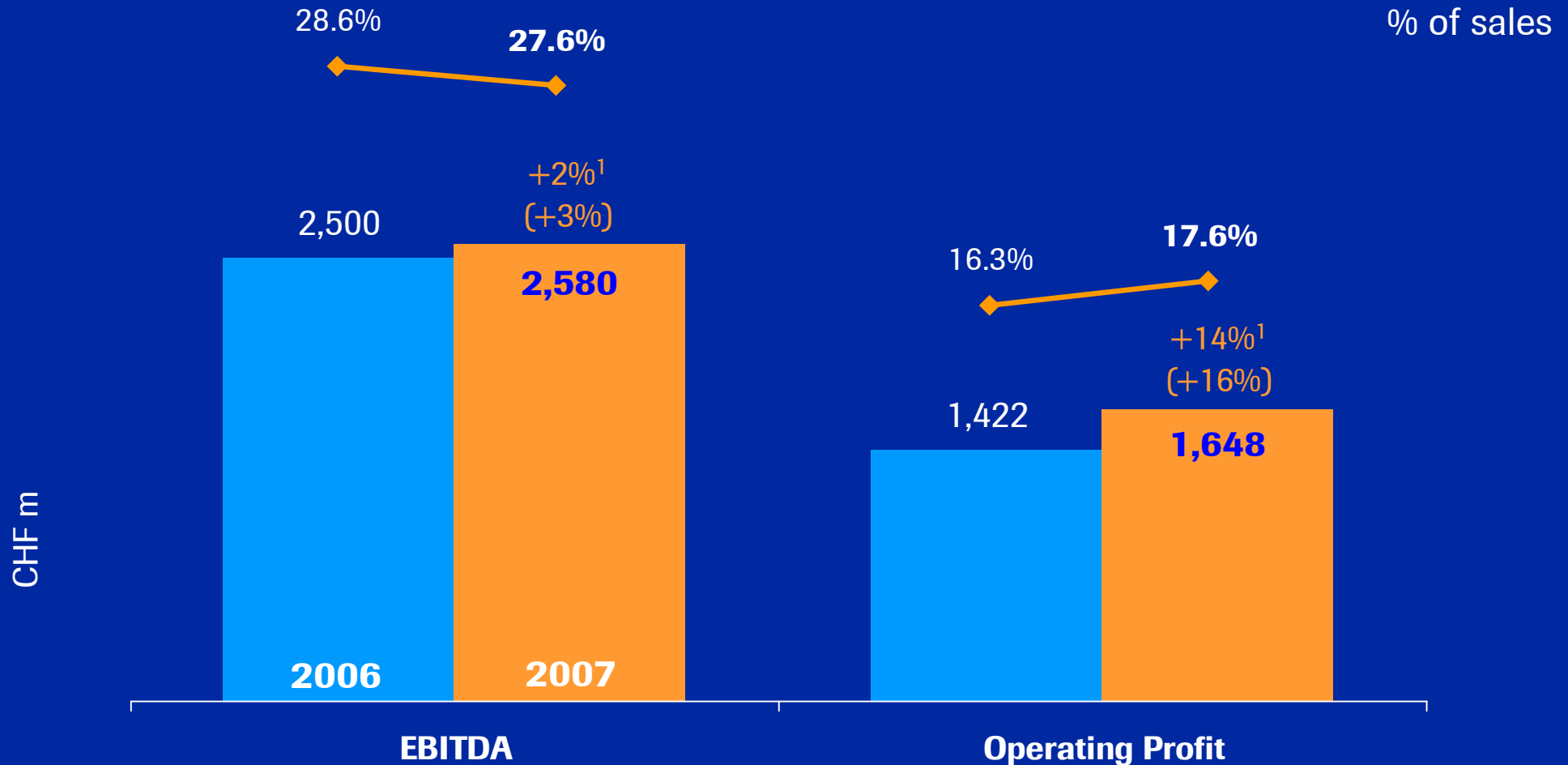
1 Source: company reports, Boston Biomedical Consultants and Roche analysis based on peer sales YTD Sept 2007

2 in vitro diagnostics market; excludes Life Science research market

* Siemens includes Dade (2007 deal)

Diagnostics margins in 2007

EBITDA remains well above industry average

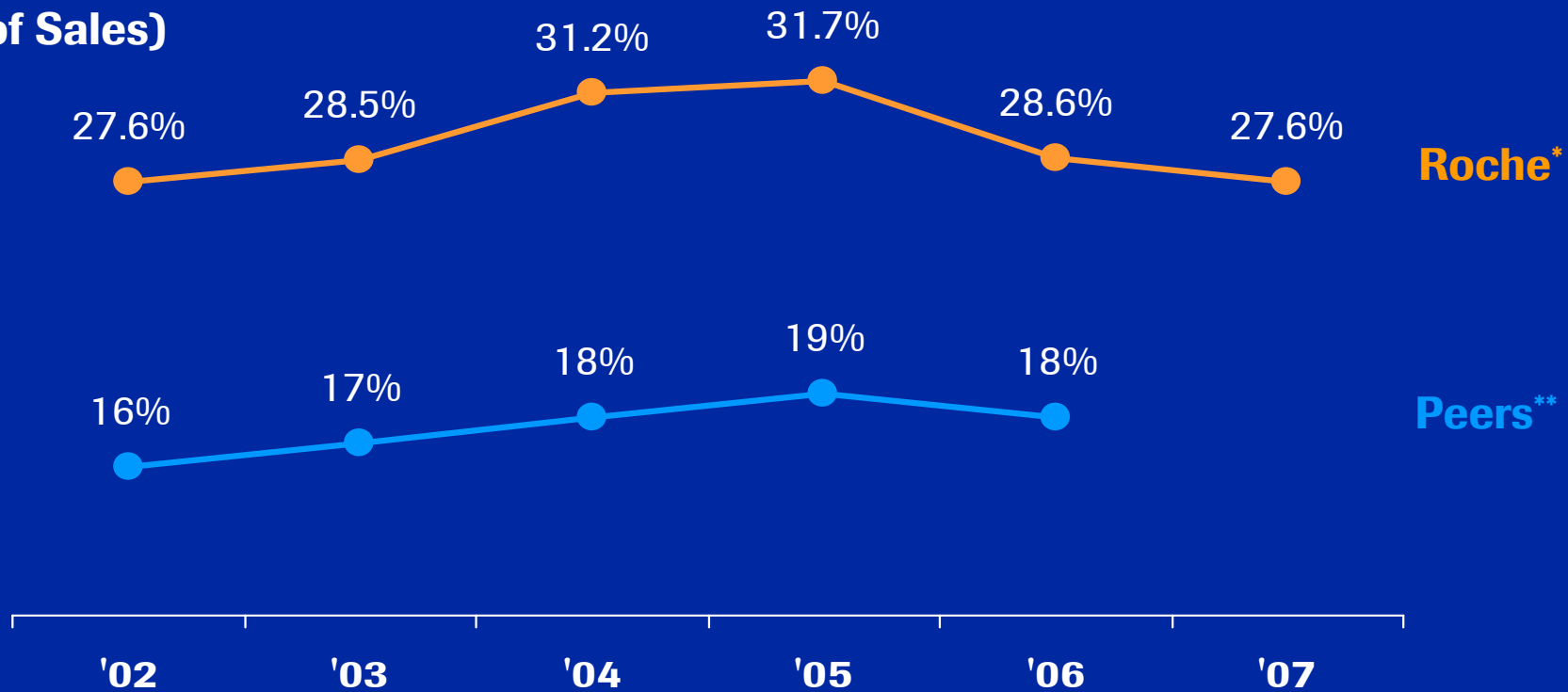


¹ at constant exchange rates

EBITDA Comparison to Peers

High margins relative to peers

EBITDA (% of Sales)



*Before exceptional items **2007 competitor (Abbott Dx., Bayer Dx., Beckman Coulter, Becton Dickinson, Dade Behring, JNJ) margins not yet available

Divisional results

Investing in our future

Investing in our future: Personalised healthcare

Strengthening all businesses

Life Sciences



in vitro Diagnostics



Pharma



Strengthen leading position in Genomics

- Microarrays



- Sequencing



Solidify leading position in diagnostics

- HCV agreement
- ECL IP



Become Pharma's "Partner of Choice"

- Interfaces
- Breadth of offering



Increasing medical value to patients & physicians

Ventana: Agreement signed

Closing the gap in tissue-based cancer diagnosis

• Company facts

- Based in Tucson, Arizona; founded in 1985
- About 1000 employees

• Financials 2007*

- Revenue '07: \$ US 296-300 million
- Operating Margin '07: ~17.5 %

• Leader in tissue-based diagnostics

- Leadership in advanced staining segment
- Large installed base in pathology labs
- Strong U.S. presence



Investing in our future: Ventana acquisition*

Deploying capital for the right strategic purposes

Financials:

- Tender offer of USD 89.50 per share (total transaction: 3.4 billion USD)
- Price reflects strategic fit and value of friendly and accelerated integration
- Tender offer set to expire on February 7th 2008, closing of merger expected H1 '08
- Strategic flexibility of the Roche group fully maintained

Smooth integration expected:

- Chris Gleeson will continue as CEO and will become a member of Diagnostics Executive Committee
- Ventana to operate as dedicated business under Roche Diagnostics umbrella
- Headquarters to remain in Tucson, Arizona

Key growth drivers in 2008

Commercialise current assets; prepare market for new drivers

Key 2007 Launches*

Key 2008 Launches*

Professional Diagnostics	<ul style="list-style-type: none"> • cobas 4000 analyzer series <ul style="list-style-type: none"> – cobas e 411 analyzer • cobas IT 3000 & 1000 • cobas h 232 • cobas h 152 (Accutrend Plus) 	<ul style="list-style-type: none"> • cobas 4000 analyzer series <ul style="list-style-type: none"> – cobas c 311 analyzer • Accu-Chek Inform II • menu: HCV, RA, sepsis, CMV
Diabetes Care	<ul style="list-style-type: none"> • Accu-Chek Performa • Accu-Chek Compact Plus (new) • Accu-Chek 360⁰ 	<ul style="list-style-type: none"> • Accu-Chek Aviva Nano • Accu-Chek Active (new)
Molecular Diagnostics	<ul style="list-style-type: none"> • cobas s 201 system & WNV Test (US) • cobas AmpliPrep/cobas TaqMan HIV Test (US) 	<ul style="list-style-type: none"> • CAP/CTM HCV Test (US) • cobas TaqScreen MPX (US, J) • cobas TaqMan 48 HBV Test (US) • cobas TaqMan 48 CT Test (EU)
Applied Science	<ul style="list-style-type: none"> • Genome Sequencer FLX 	<ul style="list-style-type: none"> • Real-Time Cell Analyser (RTCA) • XLR-HD for DNA sequencing • High-density Microarray product line

Divisional sales growth outlook

Above market growth in local currencies**



We Innovate Healthcare