

Annual Media Conference

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CEO Roche Diagnostics



2008: Diagnostics continues solid growth

Driven by new products and strategic acquisitions

- **Sales:** above market growth
- **Operating profit:** impacted by acquisitions & Diabetes Care market
- **Key drivers:**
 - **Strong increase instrument placements across all business areas:** cobas 6000, Accu-Chek Aviva, Genome Sequencer FLX, Benchmark XT
 - **New product launches:** 5 new immunoassays, 3 FDA approvals in Molecular Diagnostics, xCELLigence system, Benchmark Ultra
 - **Strategic acquisitions:** Ventana integration completed; SwissLab GmbH acquired to strengthen lab IT offering



2008: Growth driven by Professional Diagnostics, Applied Science and Tissue Diagnostics

Sales CHF m	2007	2008	% change in		USD growth
			CHF	local	
Professional Diagnostics	4,294	4,422	3	9	14
Diabetes Care	3,216	2,971	-8	-1	2
Molecular Diagnostics	1,148	1,122	-2	5	8
Applied Science	692	765	11	19	23
Tissue Diagnostics ¹	-	376	-	23*	26*
Diagnostics Division	9,350	9,656	3	10	15

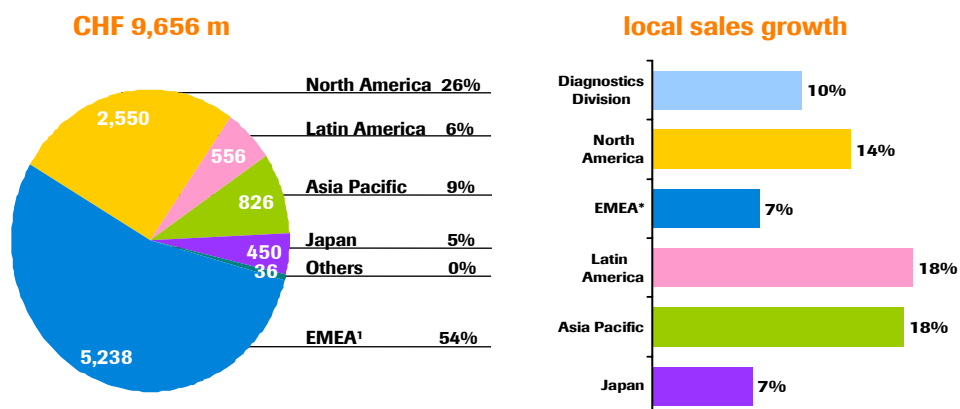
¹ Sales from beginning of February 2008

* pro-forma stand-alone growth

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2008: Above-market growth, particularly in Japan and emerging markets



¹ Europe, Middle East and Africa

Tissue Diagnostics sales consolidated since beginning of February 2008

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2008: Diagnostics operating performance

Double-digit sales growth; margin impacted by acquisitions, increased investments & portfolio mix effects

	2008		Δ	
	CHF million	% sales		2008 vs. 2007 local growth
Sales	9,656	100.0	+306	10%
Royalties & other op inc	139	1.4	-47	-21%
Cost of sales	-4,698	-48.7	-457	COGS & PC ¹ : 15% 19%
M & D	-2,474	-25.6	-165	15%
R & D	-941	-9.7	-154	26%
G & A	-495	-5.1	+56	-4%
Operating profit	1,187	12.3	-461	-22%

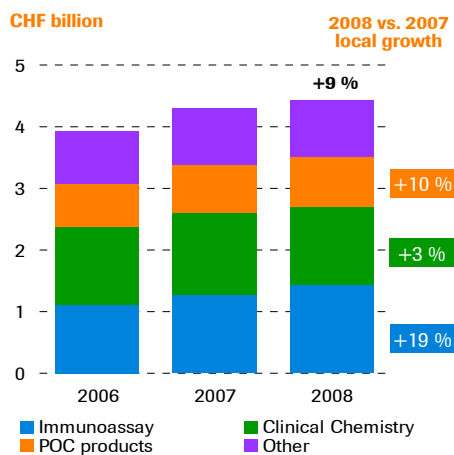
¹ Manufacturing cost of goods sold & period costs

Business Area review

Targets and growth drivers

Professional Diagnostics

Double-digit growth in immunoassays, 8th consecutive year



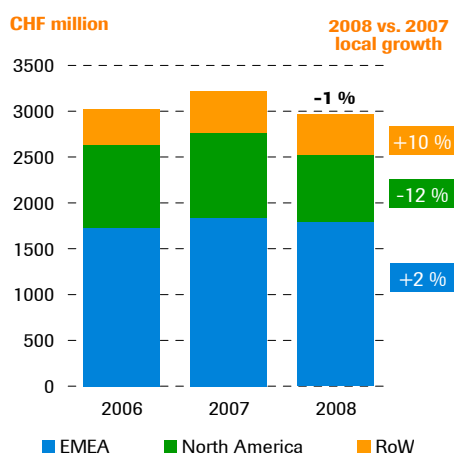
all growth in local currencies

- Strong increase in **cobas** 6000 and **cobas** 4000 instrument placements
- Continued roll-out of new immunoassays
- Acquired Swisslab GmbH; expanding position in IT solutions for laboratory automation and data management

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Diabetes Care

Growth in new portfolio helps offset decline in old products



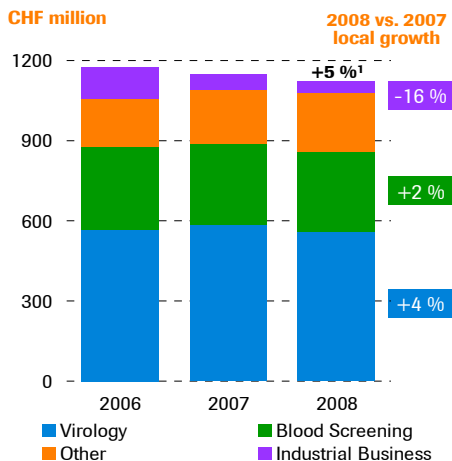
all growth in local currencies

- Double-digit growth of new products
 - Accu-Chek Aviva/Peforma now top-selling platform
 - Accu-Chek Compact Plus roll-out complete
- US impacted by heavy competition and pricing pressures
- Solid growth in Eastern Europe, Latin America and Japan

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Molecular Diagnostics

Returned to growth, significant FDA approvals received



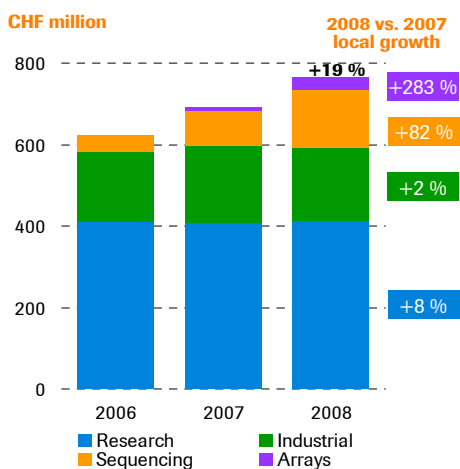
all growth in local currencies

- Automated platforms driving growth in blood screening and virology
 - US strengthened by 3 key FDA approvals
- Recruitment on-track for trial to support US HPV registration
- TheraScreen K-RAS test launched in EU Q4'08

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Applied Science

Three times market growth



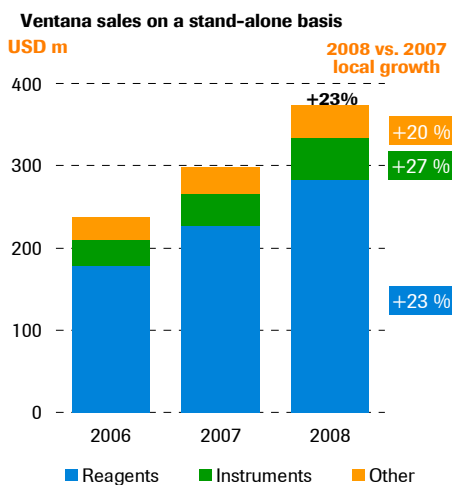
all growth in local currencies

- Leader in placements of ultra-fast long-read sequencing systems, driven by new GS FLX Titanium software and reagents
- Microarrays growth through launch of NimbleGen SeqCap & HD2 arrays
- Launch of xCELLigence system for first entry into real-time cell analysis market

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Tissue Diagnostics

Maintained market out-performance



all growth in local currencies

IHC = Immunohistochemistry

- Ventana integration completed
- Leveraging Roche to expand market in Europe, Latin America and Asia-Pacific
- Advanced staining segment driving growth
 - BenchMark Ultra launched in US Q3'08, EU in Q4'08
 - IHC menu expanded with 10 new cancer antibodies

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Business Area review

Targets and growth drivers

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Main growth drivers in 2009



Key 2008 Launches

Key 2009 Launches*

Professional Diagnostics	<ul style="list-style-type: none"> cobas c 311 analyzer (EU) Accu-Chek Inform II (EU) IC menu: HCV, RA, sepsis, CMV (EU) 	<ul style="list-style-type: none"> cobas 8000 analyser series (EU) cobas p 501 & cobas p 701 storage/ retrieval modules cobas b 123 bloodgas, electrolytes (EU, US) IC menu: PIGF/SFit1, IL-6, hsTrop T, Trop I (EU)
Diabetes Care	<ul style="list-style-type: none"> Accu-Chek Compact Plus (roll-out) Accu-Chek Performa (roll-out) 	<ul style="list-style-type: none"> Accu-Chek Aviva/ Performa Nano (EU, US) Accu-Active (EU) Accu-Chek Mobile (EU) Accu-Chek Combo (EU, US)
Molecular Diagnostics	<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) 	<ul style="list-style-type: none"> CT/NG Test on cobas 4800 (EU) HPV Test on cobas 4800 (EU) MRSA Test (EU, US) TheraScreen EGFR 29 mutation test (EU)
Tissue Diagnostics	<ul style="list-style-type: none"> BenchMark ULTRA staining system (US) VANTAGE Workflow Management Solution (US) VIAS: Imaging application for <i>HER-2</i> SISH (EU) 	<ul style="list-style-type: none"> BenchMark ULTRA staining system (EU) VANTAGE Workflow Management Solution (EU) Symphony primary staining system (EU)
Applied Science	<ul style="list-style-type: none"> Real-Time Cell Analyser xCELLigence GS FLX Titanium for DNA sequencing (454) Comprehensive menu of NimbleGen arrays 	<ul style="list-style-type: none"> High-resolution microarray scanner MagNa Pure 96 high-throughput system

Divisional sales outlook

Above-market, mid single-digit growth in local currencies

* Subject to appropriate regulatory approvals; US launch may be later

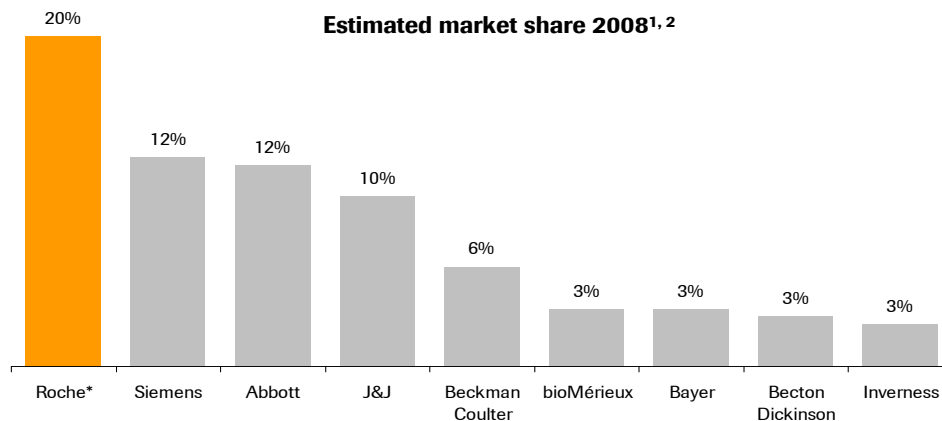
barring unforeseen events

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Roche is the #1 in vitro diagnostics company



Focused on growing above the market through innovative products that offer clear medical value



1 Source: company reports, Industry consultants, Roche analysis based on peer sales 2008 (BD, Bayer and Inverness 2007 figures)

2 In vitro diagnostics market; excludes Life Science research market; * Includes Ventana

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We Innovate Healthcare