



Half-Year Media Conference

23 July 2003

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Head of the Pharmaceuticals Division

Strong operating performance

Brands driving growth

Pipeline well positioned for future growth



An exciting start into 2003

- Improvement in sales growth, despite generic erosion of Roaccutane/Accutane and Rocephin
- Two successful new product launches (Pegasys, Fuzeon)
- Avastin - our fourth cancer product showing survival benefit
- Operating profit increase
- Significantly strengthened our pipeline
- Chugai integration on track – MRA first project of collaboration

Pharmaceuticals sales



	H1/03 CHF m	growth vs. H1/02 in CHF	growth vs. H1/02 in local currencies
Roche worldwide prescription group^{1,2}	9,443	9 %	21 %
OTC	868	10 %	18 %
Pharmaceuticals¹	10,311	9 %	21 %

¹ Sales are adjusted to include the reclassification of sales to the Vitamins and Fine Chemicals Division

² Roche, Genentech and Chugai combined



Strong growth in US, Japan and key franchises in H1/03

	% of prescr. sales	growth (in LC)	market growth (IMS)
North America	37 %	12 %	10 %
Japan	15 %	239 %	2 %
Western Europe	29 %	8 %	6 %
Total	81 %		
Oncology	31 %	36 %	15 %
Transplantation	8 %	20 %	9 %
Virology	7 %	102 %	16 % ²
Anemia	9 %	39 % ¹ / 160 %	13 % ¹
Total	55 %	45 %	

¹ Excl. Chugai ² 38 % HCV market, 6 % HIV market LC = local currencies



Sales H1/03 vs. H1/02

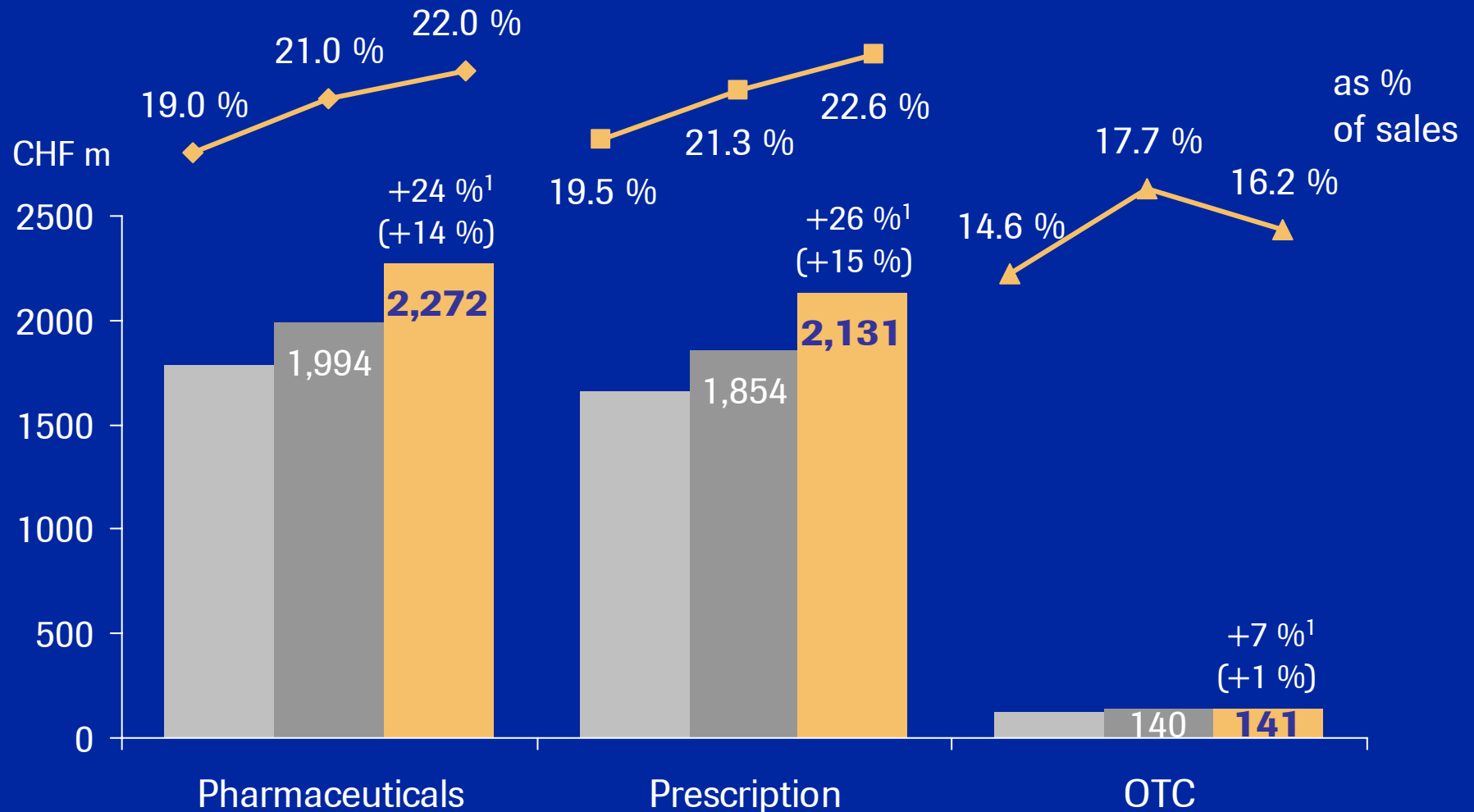
Top products around the world

	total		US		Japan		ROW	
	CHF m	% local	CHF m	% local	CHF m	% local	CHF m	% local
MabThera/Rituxan	1,299	38	922	33	35	25	342	59
NeoRecormon, Epogin	970	130	-	-	365	-	605	39
Rocephin	712	-10	415	-9	26	14	271	-14
CellCept	629	28	316	26	9	20	304	31
Herceptin	557	33	266	21	42	61	249	47
Pegasys+Copegus	335	1,650	204	-	-	-	131	537
Xenical	317	-14	79	-12	-	-	238	-15
Roaccutane/Accut.	297	-40	170	-46	-	-	127	-28
Xeloda	280	51	163	55	1	-	116	43
Nutropin, Protropin	220	11	214	10	-	-	6	14
Kytril	200	5	84	-1	58	12	58	9



Strong growth in operating profit

Targeting towards 25 % by end of 2004



¹ Local growth (growth in CHF) ■ H1/01 ■ H1/02 ■ H1/03



Key milestones

Regulatory

- Pegasys & Fuzeon: successful start
- Valcyte, NeoRecormon, Boniva, Xolair, Xeloda and Renagel: approvals

Clinical

- Avastin, MabThera/Rituxan, CellCept, Tarceva and Dilatrend: excellent clinical data

In-licensing of promising compounds



Strong operating performance

Brands driving growth

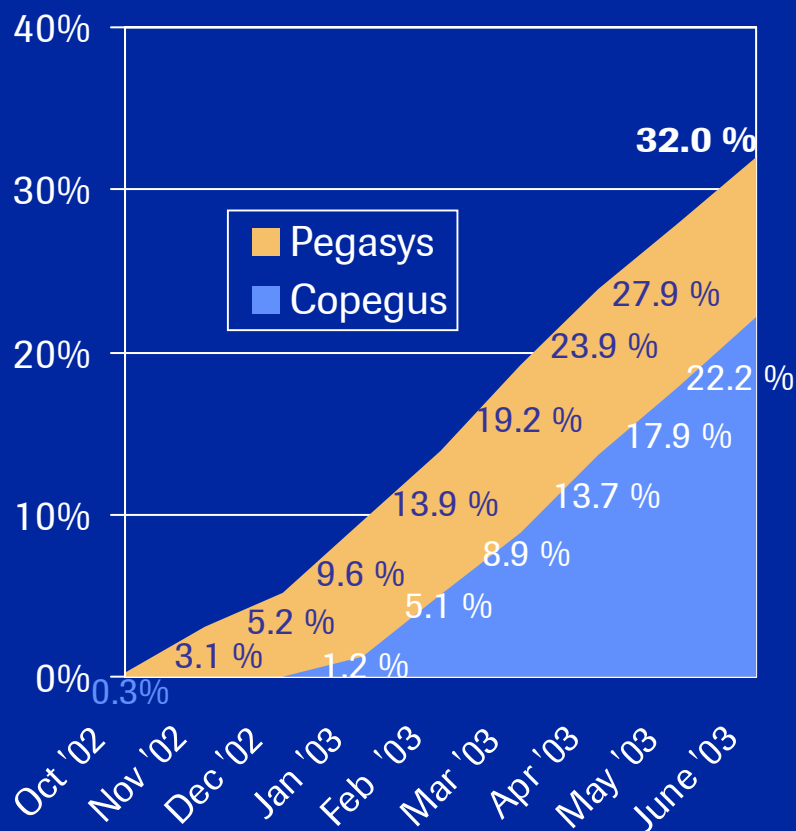
Pipeline well positioned for future growth



Pegasys + Copegus

Rapidly gaining market share in the US

market share total scripts

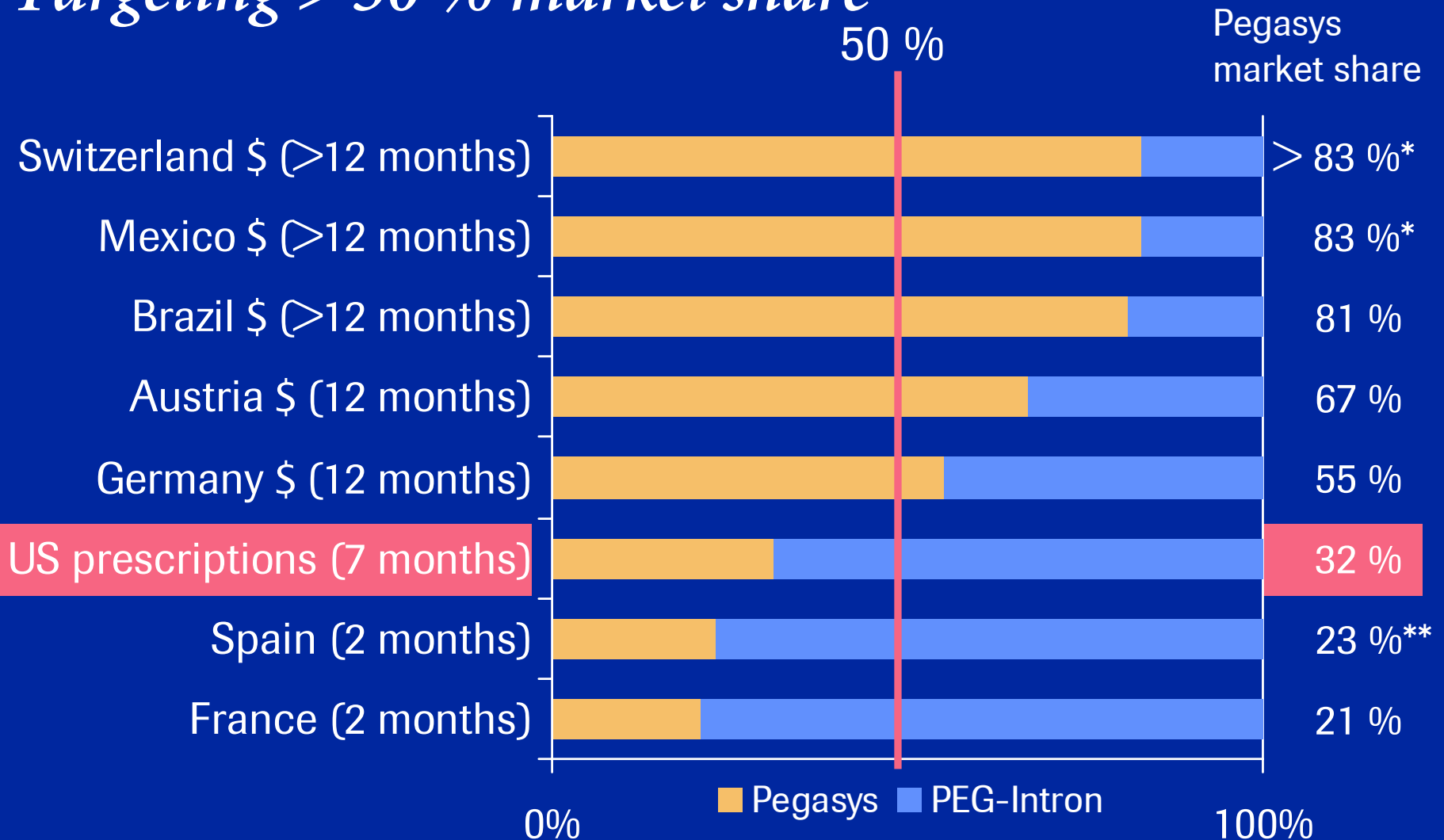


- Sales of CHF 335 million in H1/03
- 99 % of hepatitis C patients successfully treated with Pegasys still virus free up to 4 years later
- REPEAT trial initiated (study for patients who failed to respond to PEG-Intron therapy)
- Pegasys twice as effective as current standard therapy in hepatitis B



Pegasys + Copegus

Targeting > 50 % market share



Sources: IMS or local affiliate market research, June 2003 (* May 2003, ** IMS April 2003)



Fuzeon

Further data supporting increased clinical benefit

- Sales of CHF 7 million in H1/03
- Approved in US, EU and Switzerland
- Study confirms durability treatments over 48 weeks¹
- Greatest benefit when used earlier in treatment schedule²
- Reimbursement in US on track
 - 100 % of MEDICAID
 - around 52 % of ADAP
- Production capacity progresses well

¹ Abstract LB02, Paris IAS July '03 ² Within the first 10 drugs



Strong operating performance

Brands driving growth

Pipeline well positioned for future growth



Roche R&D pipeline today

Total of 65 NME's including 7 opt-in opportunities

phase 0

R1315	Alzheimer's
R1440	type 2 diabetes
R1454	solid tumors
R1497	depression
R1499	type 2 diabetes
R1500	Alzheimer's
R1503	RA
R1554	OAB
R1495	HIV
R1533	Alzheimer's
R1559	solid tumors
Gen	acute coronary synd.
Gen	tumors
antifungal (B)	
antifungal (B)	

phase I

R448	COPD
R701	OAB
R944	HIV
R1068	emesis
R1204	depression / anxiety
R1295	asthma
R1438	type 2 diabetes
R1439	type 2 diabetes
R1479	HCV
R1484	SUI
R1487	RA
R1492	solid tumors
R1516	anaemia
R1518	HCV
R1550	breast cancer
Chu	multiple myeloma
Chu	osteoporosis
Chu	breast cancer
solid tumors (At)	
lung cancer (At)	

phase II

R411	asthma
R450	(alpha 1 agonist) SUI
R483	(insulin sensitizer) type 2 diabetes
R667	emphysema
R673	(NK1) depression/anxiety
R724	(T-1249) HIV
R744	(next generation anaemia treatment)
R1124	emesis
R1270	HCV
R1273	solid tumors
R1461	HPV
R1524	renal transplant
R1536	solid tumors
R1569	RA
Gen	inflamm. bowel disease
Gen	macular degeneration
Chu	bone metastases
Chu	osteoporosis
Chu	CHD
Chu	gastroparesis
Chu	post hepatectomy
subarachnoid haemorrhage (Ax)	
psoriasis (B)	
antibiotic (B)	

phase III / registration

R435	(Avastin) oncology
R484	(Boniva) osteoporosis
R1415	(Tarceva) oncology
R1549	(Pentumomab) ovarian cancer
Gen	(Raptiva) psoriasis
Chu	(Antevas) subarachn. haemorrhage

	Roche managed
	participation through Genentech
	participation through Chugai
	opt-in opportunities
	Antisoma (At)
	Axovan (Ax)
	Basilea (B)

Roche pipeline status June 30, 2003



Pharmaceuticals Division

Our growth objectives for 2003 and beyond

2003...

- Double-digit sales growth (in local currencies)
- Double-digit operating profit growth (in local currencies)

... and beyond

- Operating profit margin towards 25 % by end of 2004

The Roche logo consists of a white, horizontally-oriented hexagonal shape with a pointed left side and a pointed right side, resembling a stylized arrow or a shield. The word "Roche" is written in a bold, white, sans-serif font across the center of this shape. The entire logo is set against a solid blue rectangular background.

Roche