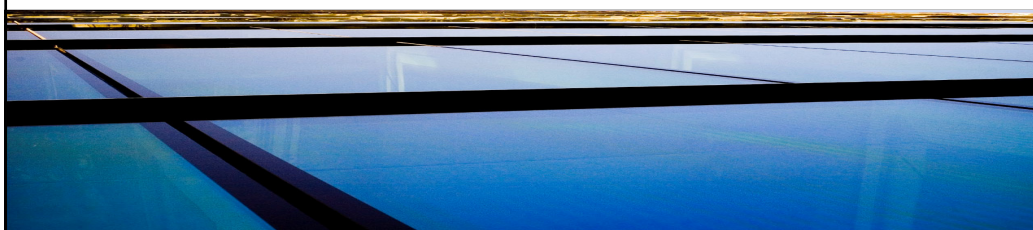


Half-Year Media Conference 2008

Severin Schwan

Chief Executive Officer



Industry-leading sales performance

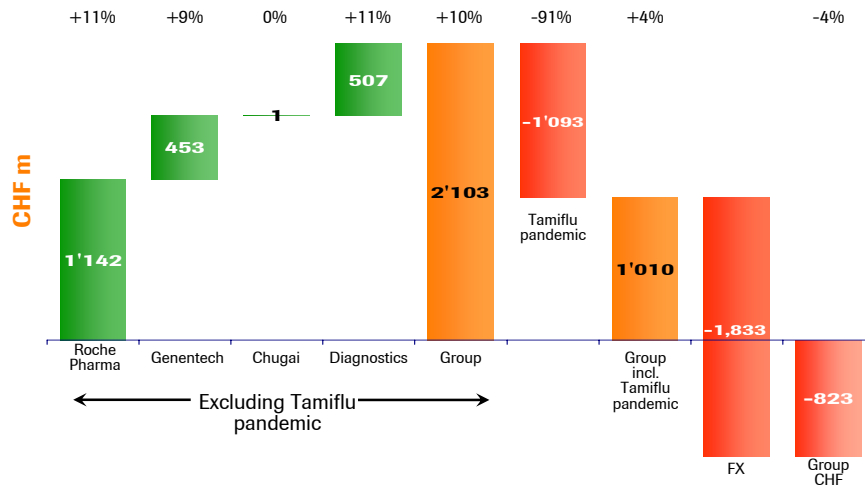
CHF bn	H1'07	H1'08	% change in		USD growth
			CHF	local	
Pharmaceuticals	18.3	17.3	-6	3	10
excl. Tamiflu pandemic	17.1	17.2	1	9	18
Diagnostics	4.6	4.7	4	11	22
Roche Group	22.8	22.0	-4	4	13
excl. Tamiflu pandemic	21.6	21.9	1	10	18

Including Tissue Diagnostics (Ventana)

CHF 2 billion organic sales growth



Strong growth in H1 2008 impacted by currency & Tamiflu



Profit maintained despite CHF 3 billion Tamiflu & currency headwind



CHF bn	H1'07	H1'08	Change		
			CHF bn	%	loc %
Sales	22.8	22.0	-0.8	-4	+4
Operating profit b.e. items	7.5	7.0	-0.5	-6	+2
as % of sales	32.8	32.0			
Operating profit	7.5	7.4	-0.1	-2	+7
as % of sales	32.8	33.4			
Net income	5.9	5.7	-0.1	-4	
as % of sales	25.7	26.0			
Core EPS	5.95	5.75		-3	+3

Reconfirming objectives for 2008



Sales

- High single digit local currency sales increase for Roche Group (excl. Tamiflu pandemic¹)
- Above-market sales growth¹ in both divisions

Core EPS

- Core earnings per share target² at least at record 2007 level despite significant increase in R&D investment and considerably lower Tamiflu pandemic sales

Shareholder return

- Continuous increase in dividend pay-out ratio over the next 3 years

¹ Excluding government and corporate stockpiling orders of Tamiflu for pandemic use
² At constant exchange rates

Barring unforeseen events



Half-Year Media Conference 2008

William M. Burns

CEO Roche Pharmaceuticals





H1 2008: Highlights in Pharma

Strong momentum continues

Positive underlying performance

- Sales growing more than twice the world market¹
- Operating profit margin improved by almost 2% pts while investing in the future

Further strengthening the pipeline

- Major phase III decisions in Metabolics taken (CETPi and GLP-1)
- Phase II opt-in in CNS (Memory)
- Acquisitions: Piramed (PI3-kinase targeting)
- Licensing deal: ThromboGenics / BioInvent: MAb blocking placental growth factor (PlGF) - potential new cancer target

¹ Excluding government and corporate stockpiling orders of Tamiflu for pandemic use



Pharma: Sales growth more than twice global market

Sales CHF m

	H1'07	H1'08	% change in		USD growth
			CHF	local	
Roche Pharma	11,367	10,938	-4	2	12
excl. Tamiflu pandemic	10,354	10,845	5	11	22
Genentech	5,227	4,867	-7	9	9
Chugai	1,674	1,452	-13	-11	1
excl. Tamiflu pandemic	1,481	1,450	-2	0	15
Pharmaceuticals	18,268	17,257	-6	3	10
excl. Tamiflu pandemic	17,062	17,162	1	9	18

Continued double-digit growth driven by Roche Pharma

	2007 vs. 2006 ¹				2008 vs. 2007 ¹		USD growth	
	Q1	Q2	Q3	Q4	Q1	Q2	Q1	Q2
Pharmaceuticals Division	20	16	6	5	1	5	8	13
excl. Tamiflu pandemic²	16	14	12	11	9	10	17	18
Roche Pharma	18	13	1	7	1	3	11	14
excl. Tamiflu pandemic ²	13	11	10	14	11	11	22	23
Genentech	30	26	18	6	9	9	9	9
Chugai	11	2	8	-8	-23	2	-13	18
excl. Tamiflu pandemic ²	-7	4	4	4	-2	2	11	18

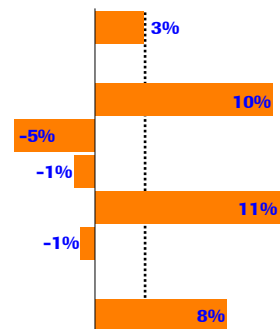
¹ Local Currency

² Tamiflu corporate and government pandemic sales; all figures in %.

H1 2008: Strong Pharma operating performance

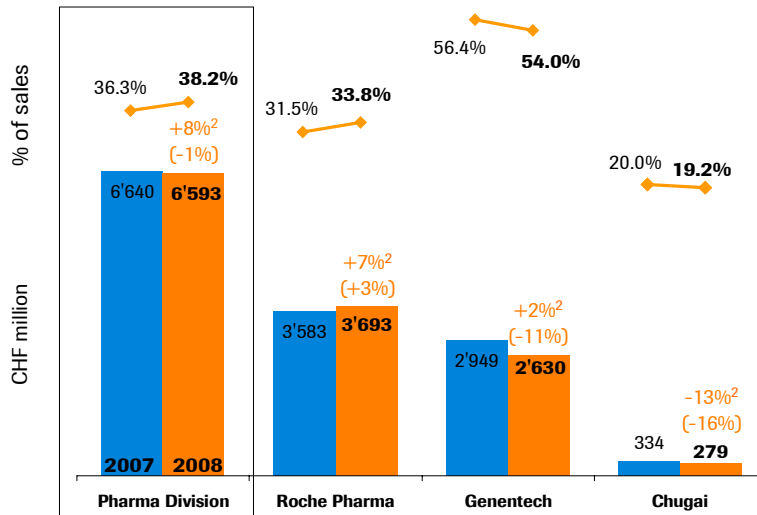
Efficiency gains in COGS and M & D

	H1'08	H1'08 vs. H1'07	H1'08 vs. H1'07
	CHF million	% sales	Local growth
Sales	17,257	100.0	-1,011
Royalties & other op inc	1,059	6.1	-11
Cost of sales	-4,219	-24.4	+609
M & D	-3,164	-18.3	+305
R & D	-3,670	-21.3	-13
G & A	-670	-3.9	+74
Operating profit	6,593	38.2	-47
before except. items			



Improving efficiency, investing in R&D

H1 2008: Strong improvement in operating margin¹ carried by Roche Pharma

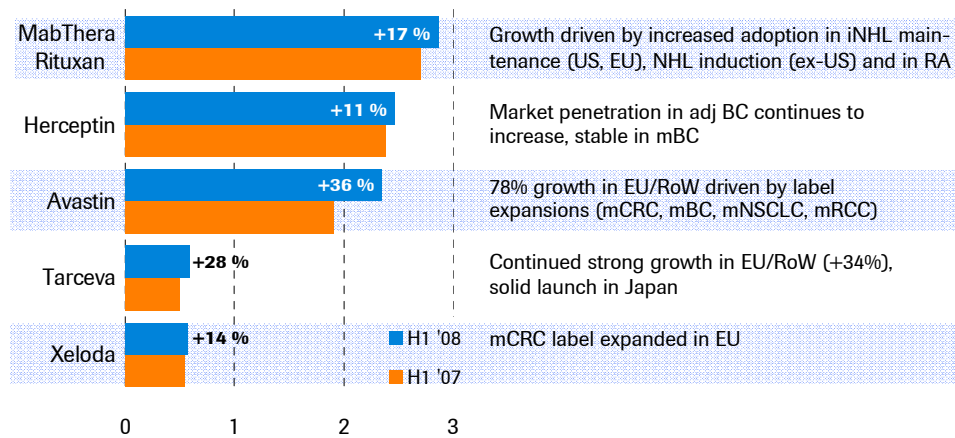


¹ before exceptional items ² at constant exchange rates

Oncology: Key brands on double-digit growth path



Major brands (CHF bn) H1 '08 vs. H1 '07 local growth



Inflammation/Autoimmune/Transplantation

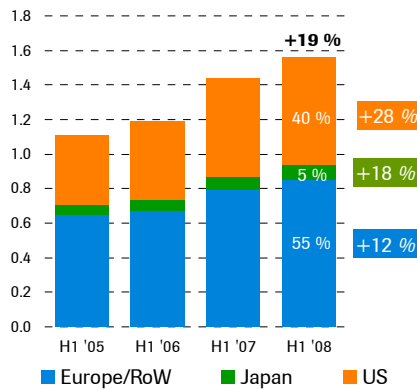
Building in rheumatoid arthritis



CHF bn (as reported)

H1 '08 vs. H1 '07
local growth

H1 2008



CellCept

- Double-digit growth continues

MabThera/Rituxan in RA

- Market penetration in RA continues to increase strongly

Actemra

- Actemra approved for RA and JIA in Japan
- AMBITION and RADIATE data at EULAR, LITHE met 1 yr primary end point
- FDA Ad Com panel on July 29th 2008

Pharmaceuticals objectives for 2008

Rich clinical newsflow ahead



Major clinical data	Compound	Phase	Indication / data	Timing	Status H1
	Avastin	III	mBC (AVADO)	H1 2008	✓
	Avastin	III	mBC (RIBBON-1)	H2 2008	
	Avastin+Tarceva	III	2nd line NSCLC (BETA lung)	H2 2008	
	Tarceva	III	1st line NSCLC (SATURN)	H2 2008	
	MabThera	III	RA, DMARD-IR	Q1 2008	✓
	MabThera	III	SLE (EXPLORER)	Q2 2008	Endpoint not met
	MabThera	III	PPMS (OLYPMUS)	Q2 2008	Endpoint not met
	MabThera	III	CLL 1 st line ph. III data interim	Q1 2008	✓
	MabThera	III	CLL relapsed ph. III data	H2 2008	
	Xeloda	III	Adjuvant CC (NO16968) interim	Event-driven	
	Actemra	III	RA (AMBITION, RADIATE) full data	H1 2008	✓
	GLP-1	IIb	Type 2 diabetes full data	H1 2008	✓
	DPP-IV	II	Type 2 diabetes	H2 2008	✓ (outlicensing)

Filings	Compound	Indication	Status
	Avastin	mBC (AVADO)	
	Avastin+Tarceva	NSCLC 2nd line (BETA lung)	
	MabThera	CLL	
	MabThera	RA, DMARD IR	To be filed in 2009
Avastin	Glioblastoma 2nd line	To be filed Q4 2008	

Divisional sales growth

Above-market excluding pandemic Tamiflu

barring unforeseen events

Half Year Media Conference 2008

Jürgen Schwiezer
CEO Roche Diagnostics



H1 2008: Highlights in Diagnostics Division

Extending global market leadership

Strong top-line growth in all regions

- Above market growth at 11% (local currencies)
- Operating profit impacted by strategic investments
- Diabetes Care returned to growth (Q2: +7% global, +9% US)

New products & instrument placements driving market share gains

- Six new Immunochemistry tests launched
- Genome FLX sequencing systems advanced three times the market
- Ventana: integration on track, continues to outperform competition

Sales by business area



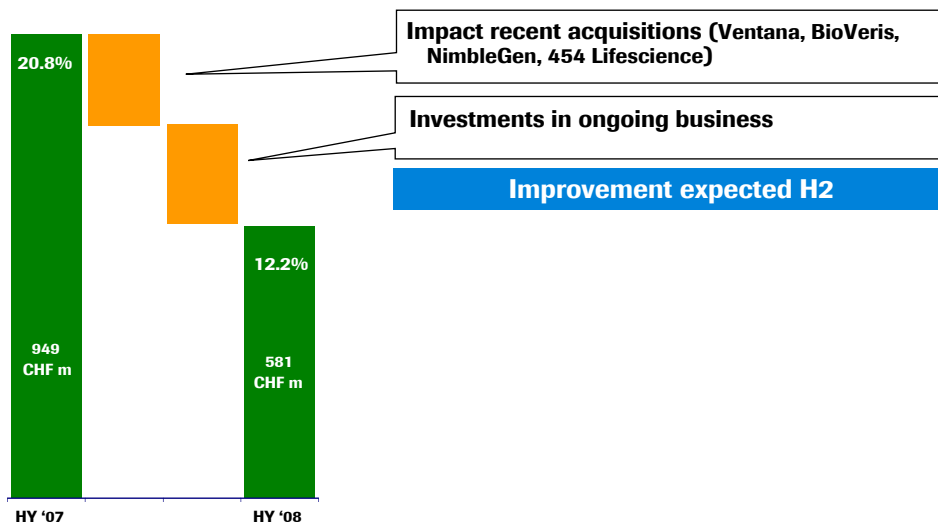
Strong growth in Professional Diagnostics & Applied Science

Sales CHF m	H1 '07	H1 '08	% change in		USD growth %
			CHF	local	
Professional Diagnostics	2,110	2,183	3	9	21
Diabetes Care	1,544	1,482	-4	2	12
Molecular Diagnostics	574	551	-4	4	12
Applied Science	331	367	11	21	29
Tissue Diagnostics ¹	-	164	-	-	-
Diagnostics Division	4,559	4,747	4	11	22

¹ Sales from beginning of February 2008

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H1 2008: Near-term operating profit impacted by acquisitions and investments into future growth drivers



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Key growth drivers in 2008

Commercialise current assets; prepare market for new drivers

Key 2008 Launches*

Professional Diagnostics	<ul style="list-style-type: none"> cobas 4000 analyser series - cobas c 311 analyzer Accu-Chek Inform II menu: HCV, RA, sepsis, CMV ✓
Diabetes Care	<ul style="list-style-type: none"> Accu-Chek Aviva Nano Accu-Chek Active (new)
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)
Tissue Diagnostics	<ul style="list-style-type: none"> BenchMark Ultra IHC/ISH staining system ✓ Vantage Workflow Management Solution ✓ VIAS: Imaging application for HER-2 SISH (EU) ✓
Applied Science	<ul style="list-style-type: none"> Real-Time Cell Analyser xCELLigence XLR-HD for DNA sequencing (454) Comprehensive menu of NimbleGen microarrays ✓

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

barring unforeseen events

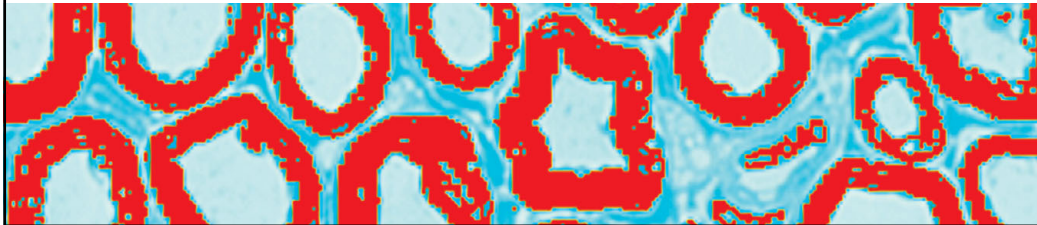
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We Innovate Healthcare

Bringing a successful partnership to the next level

Media Conference 21 July 2008



This presentation contains certain forward-looking statements. These forward-looking statements may be identified by words such as "believes", "expects", "anticipates", "projects", "intends", "should", "seeks", "estimates", "future" or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this document, including among others:

- (1) pricing and product initiatives of competitors;
- (2) legislative and regulatory developments and economic conditions;
- (3) delay or inability in obtaining regulatory approvals or bringing products to market;
- (4) developments in financial market conditions, including the market for acquisition financing and other capital markets and fluctuations in currency exchange rates;
- (5) uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of clinical trials or research projects and unexpected side-effects of pipeline or marketed products;
- (6) increased government pricing pressures or changes in third party reimbursement rates;
- (7) interruptions in production;
- (8) loss of or inability to obtain adequate protection for intellectual property rights;
- (9) Litigation;
- (10) the inherent uncertainties involved in negotiations with the special committee of Genentech and that there can be no assurances that a negotiated transaction will ultimately be agreed to or consummated;
- (11) potential difficulties in integrating the businesses of Genentech and Roche, and that some or all of the anticipated benefits of the proposed transaction may not be realized on the schedule contemplated or at all;
- (12) that future dividends are subject to the discretion of the board of directors of Roche and a number of other factors, some of which are beyond the control of Roche;
- (13) the ability of Roche to generate cash flow to, among other things, repay acquisition-related debt as currently contemplated;
- (14) loss of key executives or other employees; and
- (15) adverse publicity and news coverage.

The directors of Genentech who are also employees of Roche will not take part in the consideration of the proposed transaction by the Genentech board and accordingly are not permitted to comment or respond to questions regarding the transaction as representatives of Genentech.

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Roche makes an offer to acquire all publicly held shares in Genentech



- Roche makes an all cash offer to acquire all outstanding publicly held shares of Genentech at US\$ 89 per share, for a total investment of US\$ 43.7 billion
- The offer has been presented to Genentech's independent directors, and we expect to enter negotiations shortly in order to secure a recommended deal
- Our offer is both fair and generous and provides an opportunity for all non-Roche shareholders in Genentech to receive an immediate premium for all of their shares:
 - The offer represents a 1-day premium of 8.8% to Genentech's closing price of US\$ 81.82 on July 18th and a 1-month premium of 19.0% to Genentech's closing price of US\$ 74.76 on June 20th 2008

3



Strategic rationale

Franz B. Humer

Key objectives

Enhance ability to innovate

Severin Schwan

Improve operational efficiency

William M. Burns

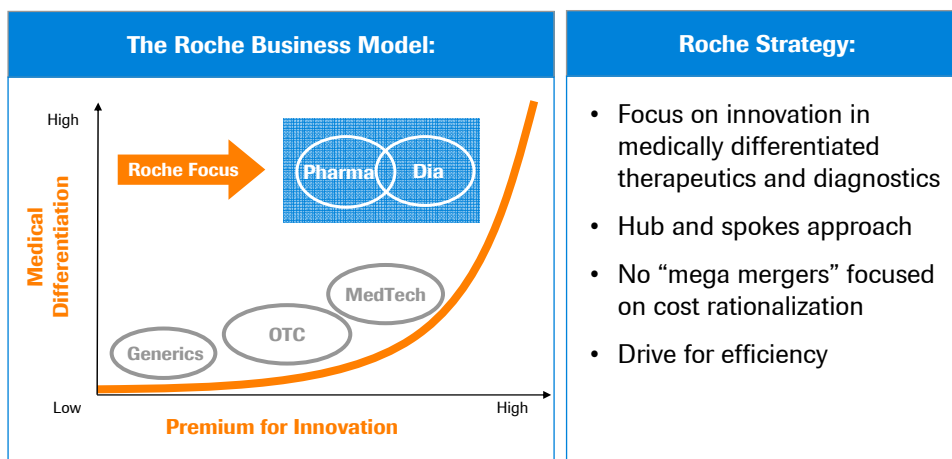
Financial value proposition

Erich Hunziker

4

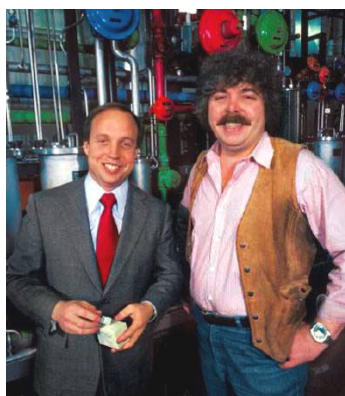
Strong fit with Roche strategy

Furtheres our strategy and focus

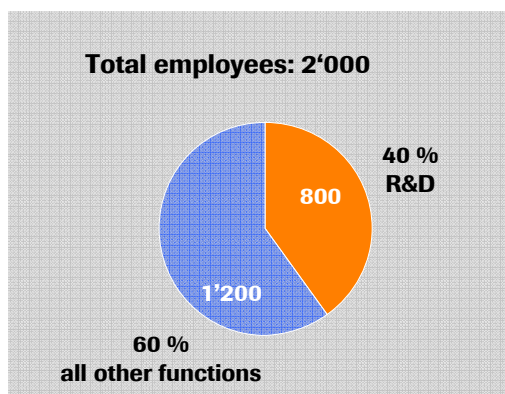


Genentech in 1990

A research focused emerging biotech company...



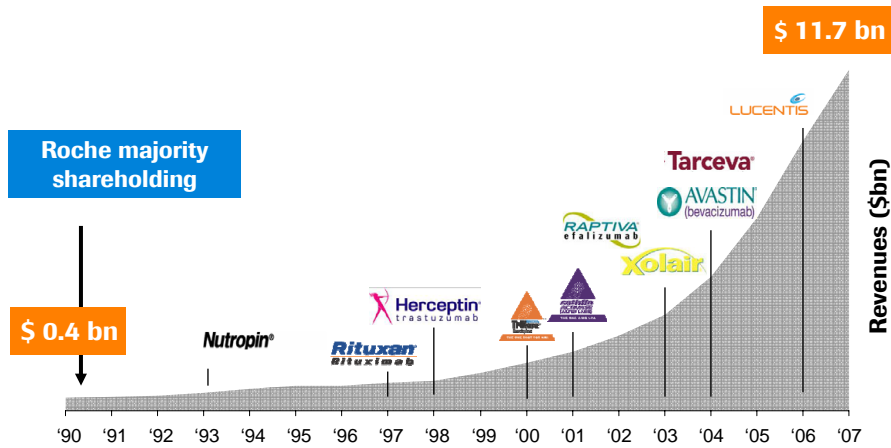
Robert A. Swanson & Herbert W. Boyer
Co-founders of Genentech



Genentech: the journey between 1990-2008



Strong revenue growth driven by medical breakthroughs



7

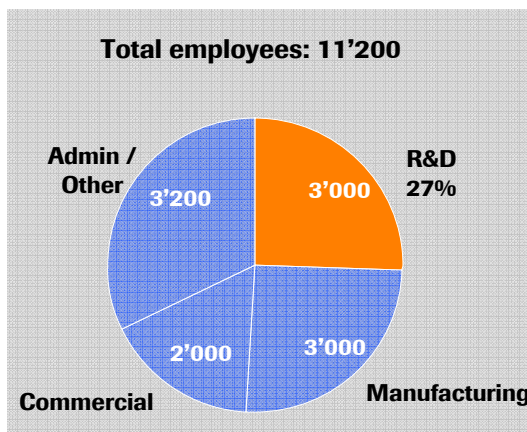
Genentech today



... a fully integrated pharmaceutical company



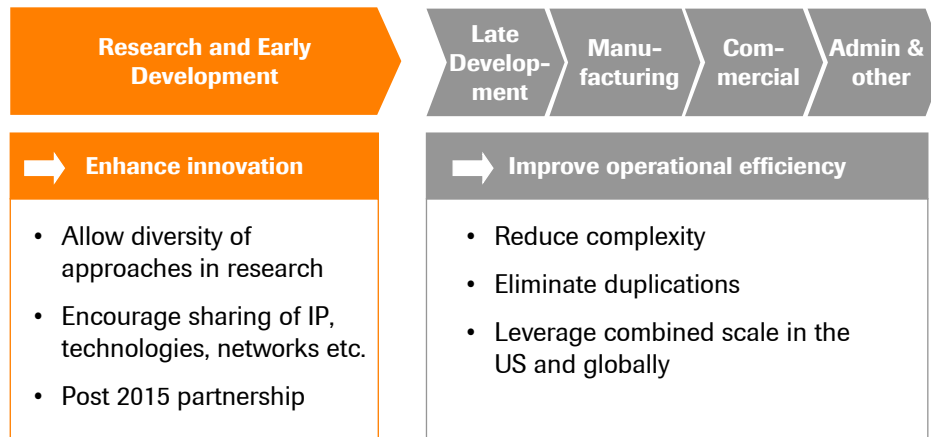
Genentech campus in South San Francisco



Source: Genentech filings, Roche estimates

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Key objectives of combining Genentech and Roche ...building a leading organization



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Strategic rationale

Franz. B. Humer

Key objectives

Enhance ability to innovate

Severin Schwan

Improve operational efficiency

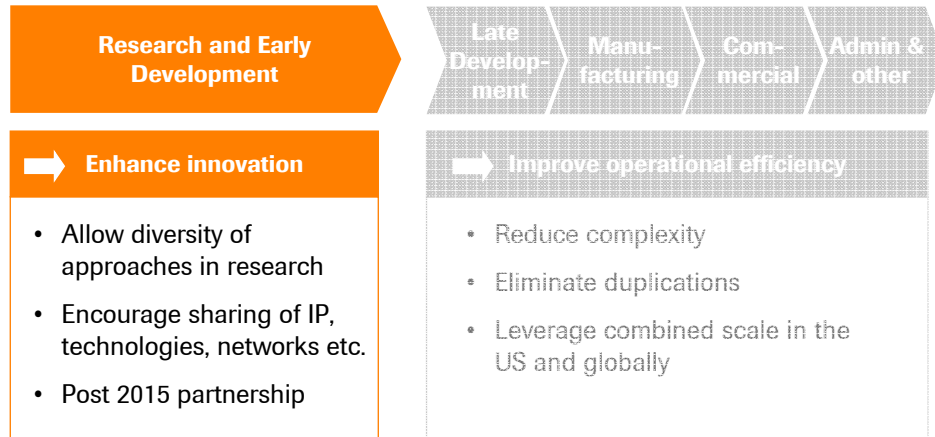
William M. Burns

Financial value proposition

Erich Hunziker

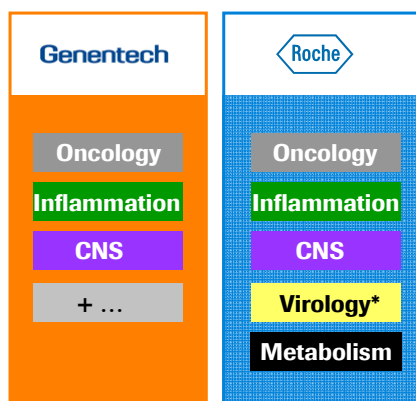
10

Key objectives of combining Genentech and Roche ...enhance innovation and operational efficiency



11

Enhance innovation ...by maintaining diversity of approaches



Genentech:

- Keep Founders Research Center independent

Roche:

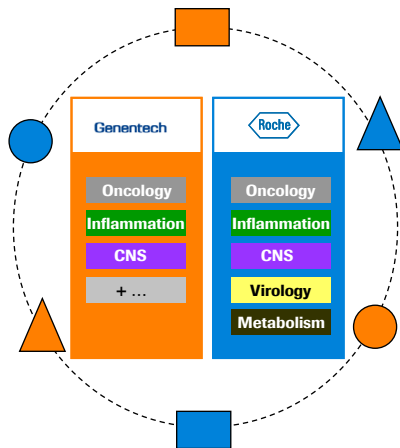
- Keep existing Disease Biology Area (DBA) model
- Transfer Palo Alto activities:
 - Virology DBA to South San Francisco
 - Inflammation DBA to Nutley
- No changes outside the US

* Located on Genentech site in South San Francisco

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Enhance innovation

...by mutual access to IP, technologies and science network



Examples from Roche network

● IP:

- Biomarkers
- Libraries (small molecules)

▲ Technologies:

- Antibody technology platform (GlycArt)
- Protein therapeutics (Penzberg)
- siRNA (Kulmbach, Alnylam)
- Immunohistochemistry (Ventana tissue diagnostics & companion diagnostics)

■ Partnerships:

- Combined global partnerships >100

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Strategic rationale

Franz B. Humer

Key objectives

Enhance ability to innovate

Severin Schwan

Improve operational efficiency

William M. Burns

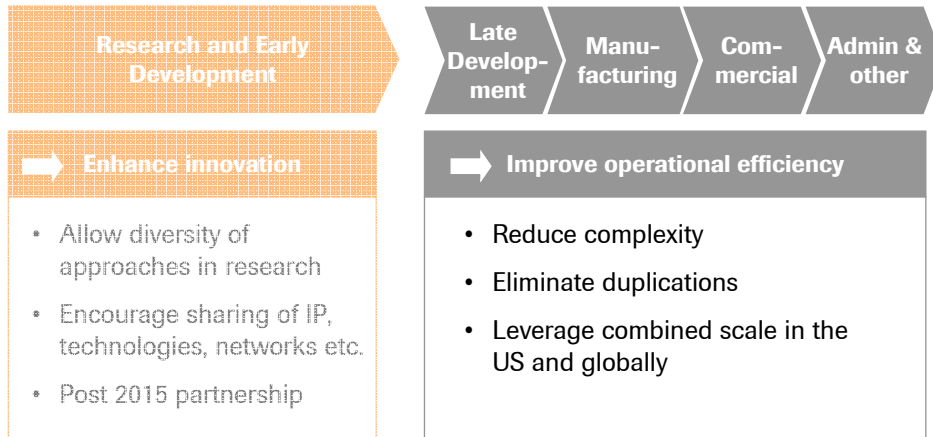
Financial value proposition

Erich Hunziker



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Key objectives of combining Genentech and Roche ...enhance innovation and operational efficiency



15

Late Development *Reduce project complexity*



Portfolio decisions

- Address overlap of compounds (e.g. 3rd generation anti-CD20)
- Product combination strategies (e.g. Avastin backbone + other)
- Freedom to optimize complex franchises including third party relationships (e.g. Anti-angiogenesis, different partnerships Roche and Genentech)

Trial design & execution

- Management of common programs (e.g. interface to external investigators)
- Coordinated access to global patient pool

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Manufacturing – combined organization

Global integration of biotech production

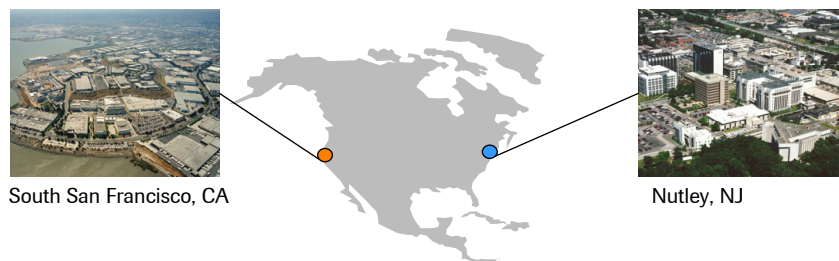


- Optimize capacity (avoid planned capital expenditures)
- Leverage combined scale in procurement
- Eliminate overlapping support functions

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US Commercial – combined organization

No change in sales forces

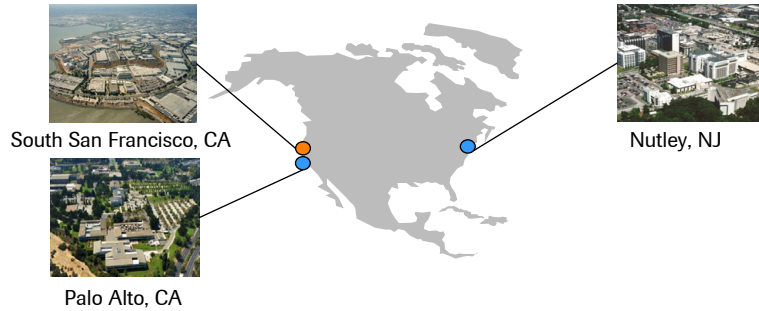


- Relocate commercial headquarters to South San Francisco by combining marketing and support services
- Leverage the Genentech brand
- No change in either sales forces

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Admin / other – combined organization

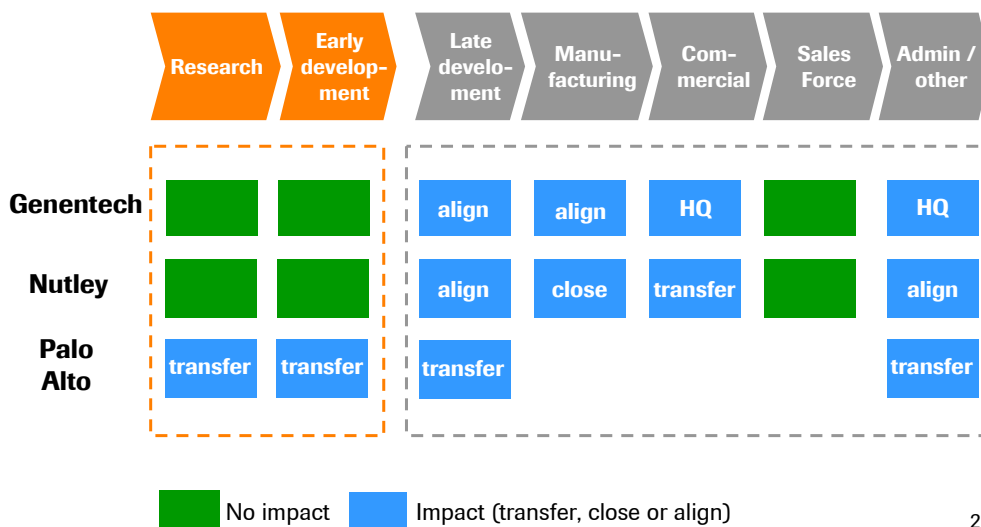
Move to new South San Francisco HQ



- Consolidate HQ functions in South San Francisco
- Eliminate overlapping and redundant functions

Impact by function and site

Does not affect Sales forces



Guiding principles for integration

We will select the “best of both”

- 1 Protect innovation capabilities and foster science culture at Genentech
- 2 Leverage brand and reputation of Genentech in the US
- 3 Integrate operational management and seek synergies wherever possible
- 4 Integration based on selection of the best talent from both organizations

Strategic rationale

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Key objectives

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Erich Hunziker

Key transaction numbers and facts



- Roche makes an all cash offer to acquire all outstanding publicly held shares of Genentech at US\$ 89 per share, for a total investment of US\$ 43.7 billion
- The offer represents a 1-day premium of 8.8% to Genentech's closing price of US\$ 81.82 on July 18th and a 1-month premium of 19.0% to Genentech's closing price of US\$ 74.76 on June 20th 2008
- Total consideration payable is US\$ 43.7 billion (CHF 44.7 billion), assuming Roche purchases all outstanding shares and options
- Roche currently owns approx. 587.2 million shares in Genentech, representing 55.9% of shares outstanding as of June 30th 2008

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Key financial value drivers



Strong earnings growth and improved long term prospects for combined entity

Accretive in first year after closing

- Accretion to EPS growth in the first year after closing due to strong profitability of Genentech's business and expected synergies
- Expected synergies of \$750 to \$850 million annually

Strong cash generation

- Full access to Genentech's cash flow
- Strategic flexibility for small and medium sized acquisitions maintained

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Financing and accounting



Fast repayment of debt

- Financed through a combination of Roche funds and debt financing
- Roche expects to include its core banks and others to build an underwriting consortium
- The combined cash-flows allow fast repayment of the debt
- Accounting: Equity transaction treatment in accordance with IFRS. The consideration is deducted from equity and eliminates minority interests (IAS 27 revised)
 - no additional intangible assets or goodwill

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Next steps



Negotiations with Genentech's independent directors

- We expect that Genentech's board of directors will form a special committee comprised solely of independent directors to consider Roche's proposal
- Genentech board directors who are employees of Roche will not participate in the evaluation of the proposal
- Terms of the transaction will be negotiated with the independent directors
- Roche expects to complete the transaction promptly following negotiation of a definitive merger agreement and approval by a majority of the non-Roche Genentech shareholders

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Summary



Combination creates a win-win situation

➔ Strengthen our business

- Enhance ability to innovate
- Improve operational efficiency

➔ Attractive to shareholders

- Offer is fair and generous and gives shareholders an opportunity to receive an immediate premium for their shares in Genentech
- Accretive in first year after closing
- Strong cash generation
- Improved long term prospects for the combined entity

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We Innovate Healthcare

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