

Basel, 20 July 2005

Roche posts very strong interim results

Roche Group

- Group sales up 17%. Pharmaceutical sales grow three times faster than the global market
- Operating profit rises 30%, outpacing sales growth
- Positive net financial income
- Net income reaches 3.2 billion Swiss francs, surpassing last year's interim result, which included substantial exceptional gains

Pharmaceuticals Division

- Strong sales growth for oncology products and the anti-influenza drug Tamiflu results in significant additional market share gains
- Avastin, Tarceva and Boniva successfully launched
- Positive results from phase III clinical trials in rheumatoid arthritis and breast, lung and pancreatic cancers

Diagnostics Division

- Roche Diagnostics moves into the lead in Japan — now the number-one supplier of in-vitro diagnostics in all major market regions
- Operating profit margin (before exceptional items) remains significantly above the industry average
- Launch of next-generation Accu-Chek products off to a strong start
- US marketing clearance of first DNA chip-based test opens the way to more personalised treatment

Outlook

- Positive outlook for full-year 2005. Forecast for operating profit margin in the Pharmaceuticals Division (before exceptional items) raised again

All growth rates are based on local currencies.

Commenting on the interim figures, Roche Chairman and CEO Franz B. Humer said, 'Roche performed extremely well in the first half of 2005. We increased our net income, strengthened our market position and made progress on major development projects. Our strong sales growth resulted in additional market share gains, and we saw a further significant improvement in the Group's earnings performance. Most important of all, though, are the very positive data coming out of so many of the Group's clinical trials. They signal new hope for many patients, particularly patients with cancer. The Diagnostics Division posted further sales growth amid difficult market conditions and is now the number-one supplier of in-vitro diagnostics in the world's five biggest markets. We therefore remain confident about the outlook for full-year 2005, despite the loss of our Rocephin patent in the United States, and we are raising our guidance again for the Pharmaceuticals Division.'

Key figures in millions of CHF

	Six months ended 30 June		% Change	
	2005	2004	in CHF	in local currencies
Sales	16,622	14,526	+14	+17
EBITDA ^{a)}	5,510	4,755	+16	+19
Operating profit before exceptional items	4,373	3,607	+21	+24
Operating profit	4,227	3,325	+27	+30
Profit from continuing businesses before exceptional items ^{b)}	3,332	2,604	+28	
Net income	3,242	3,121	+4	
Core earnings per share and non-voting equity security ^{b)} (in CHF)	3.69	3.06	+21	

a) EBITDA: Earnings before exceptional items and before interest and other financing costs, financial income, tax, depreciation and amortisation, including impairment. This corresponds to operating profit before exceptional items and before depreciation and amortisation, including impairment.

b) Profit from continuing businesses before exceptional items and core earnings per share and non-voting equity security (diluted) are calculated as shown on p. 46 of Roche's 2005 Half-Year Report.

Roche Group

Significant sales growth

The Roche Group posted very strong operating results for the first half of 2005, led by its dynamic Pharmaceuticals Division. Group sales increased significantly, advancing 17% in local currencies to 16.6 billion Swiss francs. Expressed in Swiss francs and US dollars, sales for the period were up 14% and 20%, respectively. The Pharmaceuticals Division was the key growth driver. Its sales increased three times faster than the global market average and significantly ahead of the growth rates in the United States, Europe and Japan, the division's three most important markets. In the Diagnostics Division sales in local currencies increased 4%, in line with global market growth.

Operating profit up substantially

The strong increase in interim sales had a very positive impact on the Group's earnings performance. Operating profit before exceptional items rose 24% in local currencies to 4.4 billion Swiss francs, and the corresponding operating profit margin improved substantially, rising 1.5 percentage points to 26.3%. The excellent sales growth more than offset significantly increased investments in Roche's strong development pipeline and in launch and pre-launch activities. For the first time, the operating results for 2005 and for the comparable restated period in 2004 include the costs of the Group's equity compensation plans for employees, which are recorded as an operating expense. The Group's improved earnings performance reflects the significantly higher operating profit margin in the Pharmaceuticals Division. The Diagnostics Division's operating profit margin was down slightly from a year ago as a result of expenses related to product launches.

Strong cash flow from operations

Cash generation from the Group's business operations remained strong at 6.1 billion Swiss francs, driven by an increase in EBITDA. EBITDA for the first six months rose 19% in local currencies to 5.5 billion Swiss francs, reflecting the success of Roche's operating activities.

Positive net financial income

As anticipated, net financial income showed a significant improvement over last year, thanks to the Group's strong positive cash flow and the restructuring of Group debt. Roche posted a positive financial income for the first half of 2005, with net income from financial assets and foreign exchange management exceeding financing costs.

Net income increased

Net income for the first six months rose 4% in Swiss francs to 3.2 billion francs. This more than compensated for the exceptional after-tax gain of 687 million Swiss francs realised in the first half of 2004, primarily on the 'LYONs IV' transaction. Excluding exceptional items, profit from continuing businesses increased 28%. The Group's return on sales margin was 19.5%.

There was a further significant improvement in the Group's financial position. The ratio of equity (including minority interests) to total assets is now 62%, and over 85% of total assets are financed long-term.

Outlook raised again for Pharmaceuticals and reaffirmed for Diagnostics

Roche is strengthening the outlook for the full year announced on 19 April 2005 and now expects the operating profit margin (before exceptional items) in the Pharmaceuticals Division to be better again than previously announced. The Pharmaceuticals Division continues to expect sales in local currencies

to grow above the global market average at a double-digit rate. The Diagnostics Division expects sales for 2005 to show another above-market increase, with growth in the single-digit range. The Pharmaceuticals Division now expects its full-year operating profit margin (before exceptional items) to be better than the full-year margin for 2004. The Diagnostics Division anticipates the margin development to continue towards its goal of achieving an operating profit margin of around 23% (before exceptional items) in 2006.

Pharmaceuticals Division

Pharmaceutical sales grow three times faster than the global market

Key figures	In millions of CHF	% Change in CHF	% Change in local currencies	As % of sales
Sales – Roche worldwide prescription group	12,652	+19	+22	100
EBITDA	4,335	+21	+24	34.3
Operating profit before exceptional items	3,608	+28	+32	28.5

The Pharmaceuticals Division posted very strong growth in the first half of 2005, with sales up 22% in local currencies¹ (19% in Swiss francs; 25% in US dollars). This was three times the global market growth rate of 7% and resulted in significant market share gains for Roche. Growth was driven primarily by strong demand for the division's oncology products, including the new cancer treatments Avastin and Tarceva, and for the anti-influenza drug Tamiflu.

Sales gains significantly outpaced market growth in each of the three key regions, North America, Europe and Japan. Divisional operating profit before exceptional items grew 32% in local currencies to 3.6 billion Swiss francs, and the operating profit margin before exceptional items improved significantly, by 2.1 percentage points to 28.5%.

Oncology — strong growth from key brands and stunning clinical data

The division's oncology portfolio delivered outstanding first-half growth of 36%. All major brands contributed to this strong performance, which further consolidates Roche's position as the world's leading provider of cancer medications.

Over the last four quarters, cumulative worldwide sales of Avastin, for the treatment of colorectal cancer, exceeded one billion Swiss francs. In January the European Commission approved Avastin for the first-line treatment of patients with advanced colorectal cancer, and the launch roll-out has

¹ For additional information on cost of sales, see p. 17 of Roche's 2005 Half-Year Report.

commenced. Recent phase III results have demonstrated significant clinical benefit in advanced non-small cell lung cancer and metastatic breast cancer, in addition to advanced colorectal cancer.

Tarceva, a novel targeted drug with proven survival benefit in advanced non-small cell lung cancer, was launched in the United States last November. Sales in the six months to 30 June exceeded expectations, reaching 145 million Swiss francs. Tarceva was approved in Switzerland in March and in June received a positive opinion from the EU's Committee for Medicinal Products for Human Use (CHMP) for the treatment of non-small cell lung cancer. Based on new data showing significant benefits with the drug in pancreatic cancer, an application for this indication has been submitted in the US, with a filing in the EU planned later this year.

Sales of MabThera/Rituxan, for non-Hodgkin's lymphoma (NHL), remained strong. Particularly good uptake was achieved outside the United States for the first-line treatment of indolent NHL and for aggressive NHL. Roche plans to file a marketing application with the EU authorities in the fourth quarter of 2005 for an additional indication, maintenance treatment of indolent NHL, based on data showing that MabThera/Rituxan can dramatically improve progression-free survival in patients with this form of the disease.

Herceptin, the only targeted treatment for HER2-positive breast cancer, posted significant sales growth in the first half of 2005. Demand for the product, which is currently approved for first-line therapy of advanced (metastatic) disease, remained strong in all key markets. Following dramatic results in three landmark clinical trials of the product as adjuvant treatment in early-stage HER2-positive breast cancer, Roche and Genentech are working to prepare marketing applications for this indication.

Sales of Xeloda continued their strong upward trend in the first half of 2005, with growth driven by a steady increase in prescriptions and stabilisation of wholesaler inventories in the United States. In March and June, respectively, the EU authorities and the US Food and Drug Administration (FDA) approved

Xeloda for the adjuvant (after surgery) treatment of colon cancer. The new indication is expected to further accelerate prescription growth.

Anemia — strong market position maintained

Despite sustained price pressure in the anemia market as a whole, sales of NeoRecormon/Epogin for renal and cancer-related anemia grew steadily. The new prefilled syringe for once-weekly administration is now the top-selling dosage form of NeoRecormon for certain cancer-related anemias. Roche expects NeoRecormon sales in cancer-related anemia to continue to grow following a

recommendation by the CHMP to update the product label. As a result, NeoRecormon will be indicated for the treatment of anemia in patients with all solid and lymphoid cancers receiving any form of chemotherapy.

Transplantation — continuing strong demand for CellCept

The Roche Group maintained its global market leadership in the transplantation market, with the immunosuppressant CellCept posting double-digit gains globally and in all key regions.

Virology — strong increase in Tamiflu sales

Pegasys, the only pegylated interferon approved for the treatment of hepatitis B and hepatitis C, maintained its market leadership and posted solid growth in the first half of 2005, helped by further regulatory approvals. Pegasys plus Copegus has now been approved by both the FDA and the European Commission for the treatment of hepatitis C in patients co-infected with HIV. Pegasys has also been approved for the treatment of hepatitis B in over 40 countries, including the United States, the EU and China.

First-half sales of Tamiflu grew very strongly, driven by a late but severe flu season and orders of pandemic readiness supplies. Worldwide sales of the drug increased more than fourfold, with sales in Japan alone tripling to 263 million Swiss francs. Following warnings by experts about the likelihood of an influenza pandemic, Roche has worked closely with a number of countries whose governments have agreed to stockpile Tamiflu and is in negotiation with several others. Regulatory filings have been submitted in Europe and the US for use of the product to prevent flu in children aged 1–12 years.

Fuzeon sales continued to increase steadily in the six months to 30 June, reaching 116 million Swiss francs. Growth was strongest in key European markets. Roche continues to roll out educational initiatives for patients and physicians to accelerate uptake of the product.

Other major products — Boniva launched in the US

Boniva, the first once-monthly oral bisphosphonate for the treatment and prevention of osteoporosis, was approved by the US regulatory authorities in March and launched in April by Roche and its comarketing partner GlaxoSmithKline. Initial market response has been in line with expectations. In June the CHMP recommended EU approval of once-monthly oral Bonviva (the product's trademark outside the US).

Global sales of Xenical returned to growth in a flat market. In June the EU authorities approved the use of Xenical in obese adolescents aged twelve years and over. Xenical is now the only weight-loss

treatment in the United States and the EU with labelling that provides guidance on use in adolescents.

Major development activities — positive phase III results in rheumatoid arthritis

The clinical development of CERA, the first continuous erythropoietin receptor activator for the treatment of anemia in chronic kidney disease and in cancer patients continues to progress. Roche expects to file applications for approval of CERA in renal anemia in 2006.

Development of MabThera/Rituxan for the treatment of rheumatoid arthritis (RA) is progressing according to plan. Positive results were achieved in a pivotal phase III trial in patients with an inadequate response to therapy with current biologics and in a phase IIb study in patients who had previously failed treatment with one or more disease modifying antirheumatic drugs. Global regulatory filings are scheduled for the second half of this year for the use of MabThera in RA patients with an inadequate response to current biologics.

Development of tocilizumab (previously known as MRA, from Roche's Japanese affiliate Chugai) is on track worldwide. International phase III studies in rheumatoid arthritis are well under way.

The division currently has 27 projects spanning a number of major new indications in late-stage clinical development and is planning to file nine new marketing applications over the next 18 months. In addition, twelve marketing applications were approved by US or EU regulators during the first half of this year.

Diagnosics Division

Now number one in all market regions

Key figures	In millions of CHF	% Change in CHF	% Change in local currencies	As % of sales
Sales	3,970	+2	+4	100
- Diabetes Care	1,375	+2	+3	35
- Near Patient Testing	338	+1	+3	8
- Centralized Diagnostics	1,430	+4	+5	36
- Molecular Diagnostics	555	+3	+6	14
- Applied Science	272	-1	+1	7
EBITDA	1,311	0	+1	33.0
Operating profit before exceptional items	904	-3	-3	22.8

Roche Diagnostics' sales rose 4% in local currencies (2% in Swiss francs; 8% in US dollars) during the first half of 2005. The molecular diagnostics, diabetes care and immunodiagnostics portfolios continued to be the main growth drivers. Divisional operating profit (before exceptional items) was a strong 904 million Swiss francs, despite substantial investments for product launches planned for the second half of the year in Europe and the United States. At 22.8%, the division's operating profit margin remained significantly above the industry average. Owing to increased marketing costs for the launch of new products, the operating profit margin was down slightly from the previous year.² Sales of these products will contribute to accelerated sales growth in the second half of the year.

Roche Diagnostics moved into the number-one position in Japan, the world's second largest market for in-vitro diagnostic products, making it the industry leader now in all five of its market regions.

Diabetes Care — new generation of Accu-Chek products launched

In the first half of 2005 Diabetes Care began rolling out its new generation of state-of-the-art Accu-Chek products for improved diabetes management. The Accu-Chek Aviva blood glucose monitoring system and Accu-Chek Spirit insulin pump were successfully launched in their first European markets. Both devices have received 510K clearance from the FDA in the United States.

The FDA has officially informed Roche Diagnostics that it is in agreement with the action initiated by the division to address deficiencies in the manufacturing processes and documentation at the Burgdorf site in Switzerland. At the same time the FDA announced that it would be conducting its re-audit of the site at the end of July 2005.

Near Patient Testing — the market leader in rapid point-of-care diagnostics

Roche Near Patient Testing maintained its leadership in the fiercely competitive point-of-care market. The CoaguChek S system (coagulation monitoring), Accutrend GC and GCT systems (cholesterol monitoring) and Cardiac Reader (evaluation of suspected myocardial damage) made the biggest contribution to sales. Sales of Omni S and Omni C blood gas analysers and reagents grew significantly faster than the market.

Recent clinical trial data show that self-management of anticoagulant therapy with the CoaguChek S system reduces the frequency of bleeding complications by up to 70% and mortality after heart valve replacement by up to 60%. In addition to protecting patients from potentially life-threatening risks, CoaguChek S can also help healthcare systems reduce unnecessary treatment costs.

Centralized Diagnostics — immunodiagnostics drive growth

Growth in this business area was fuelled primarily by the continued upward trend in

² For additional information on the Diagnostics Division's interim results, see p. 19 of Roche's 2005 Half-Year Report.

immunodiagnostics sales. Placements of Elecsys instruments rose approximately 20% for the period. Additional data have confirmed the importance of Elecsys proBNP as a prognostic test for cardiovascular disease. A major study has now demonstrated that NT-proBNP is the most reliable marker for diagnosing heart failure in emergency patients. Another study has shown the clinical value of this innovative cardiac marker for stratifying risk in patients with stable coronary artery disease.

Molecular Diagnostics — world's first DNA chip-based test brought to market

Roche Molecular Diagnostics continued to expand its market lead, helped by robust sales of blood screening and women's health products, which remain the business area's key growth drivers.

Early this year the FDA cleared the AmpliChip CYP450 Test for clinical use. This DNA chip-based test can contribute to better, more personalised care by helping physicians predict how patients will respond to certain medicines.

The FDA approved the AmpliScreen HBV Test as a screening test to detect hepatitis B virus in donated whole blood, blood components, source plasma and other tissues from living donors. The agency also approved expanded use of the Cobas AmpliScreen HCV (hepatitis C virus) and HIV-1 Tests to screen organ and tissue donations. These approvals will help significantly increase the safety of tissue and organ transplants.

In May Roche Diagnostics and Applera reached a settlement on outstanding litigation and arbitration relating to the interpretation and performance of contracts between Roche and Applera for the commercialisation of PCR and real-time PCR technology.

Roche Diagnostics' LinearArray HPV Genotyping Test, which received CE mark approval in June, is the first commercially available test capable of detecting 37 genetic variants of human papillomavirus (HPV). HPV infection is recognised as the leading cause of cervical cancer.

In addition, the Linear Array HCV Genotyping Test, for determining the genotype of hepatitis C viruses, was launched in Europe in June.

Applied Science — significant sales growth expected

Roche Applied Science maintained its market position. A new addition to the business area's portfolio, the LightCycler 480 system for high-throughput DNA amplification, is expected to contribute to a significant increase in sales growth in the second half of this year.

An agreement signed with 454 Life Sciences (USA) in May of this year marks Roche Diagnostics' entry into the high-potential market for DNA sequencing products.

About Roche

Headquartered in Basel, Switzerland, Roche is one of the world's leading research-focused healthcare groups in the fields of pharmaceuticals and diagnostics. As a supplier of innovative products and services for the early detection, prevention, diagnosis and treatment of disease, the Group contributes on a broad range of fronts to improving people's health and quality of life. Roche is a world leader in diagnostics, the leading supplier of medicines for cancer and transplantation and a market leader in virology. Roche employs roughly 65,000 people in 150 countries and has R&D agreements and strategic alliances with numerous partners, including majority ownership interests in Genentech and Chugai. Additional information about the Roche Group is available on the Internet at www.roche.com.

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Additional information

- Investor Update including a full set of tables: www.roche.com/inv-update-2005-07-20b
- 2004 EPS restated: www.roche.com/irhy05res04eps.pdf
- Half-Year Report 2005: www.roche.com/fig_halfyearrep_2005.htm
- Nine-month sales 2005: 19 October (tentative)

Disclaimer

This release 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 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 presentation 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) fluctuations in currency exchange rates and general financial market conditions; (5) uncertainties in the discovery, development or marketing of new products or new uses of existing products; (6) increased government pricing pressures; (7) interruptions in production; (8) loss of or inability to obtain adequate protection for intellectual property rights; (9) litigation; (10) loss of key executives or other employees; and (11) adverse publicity or news coverage.

July 20, 2005

07.00 CET (Central European time):

Roche will publish its **HALF YEAR RESULTS** for 2005 prior to the opening of the Swiss Stock Exchange. Concurrently, the **HALF YEAR PRESENTATION SLIDES** and the **HALF YEAR REPORT** will be available from the Roche website <http://ir.roche.com>.

14.00 - 17.00 GMT (15.00 – 18.00 CET):

We would like to invite all interested parties to dial in or attend in person the **HALF YEAR PRESENTATION** followed by Q&A and additional break-out sessions held at **Cabot Hall, Cabot Place West, Canary Warf, London E14 5AB**. Participants will be:

Dr. Franz B. Humer, Chairman of the Board of Directors and Chief Executive Officer
Dr. Erich Hunziker, CFO and Deputy Head of the Corporate Executive Committee
William M. Burns, CEO Division Roche Pharma
Heino von Prondzynski, CEO Division Roche Diagnostics

This presentation can be followed by a **live audio webcast with synchronized presentation slides** accessed via <http://ir.roche.com>. It is also possible to **email questions** into the event from this website.

Alternatively, you can **dial in** to the conference using the following dial-in numbers (listen only mode, no live access to speakers):

+41 (0) 91 610 56 00 (Europe and ROW) or
+44 (0) 207 107 06 11 (UK) or
+1 (1) 866 291 41 66 (USA)

At 16.00 GMT (17.00 CET) the break-out sessions covering the topics Strategy & Finance, Pharmaceuticals, Diagnostics and Accounting will be held following the main Q&A session. The break-out sessions will be recorded and placed on the Roche website shortly after the event.

REPLAY:

A replay will be available one hour after the respective event, for 48 hours. Access is by dialing: +41 91 612 43 30 (Europe) or +44 207 108 62 33 (UK) or +1 (1) 866 416 25 58 (USA) and enter the conference ID 692 followed by the # sign.

The webcast will be available on demand at <http://ir.roche.com>.

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1. Key figures in millions of CHF

	Six months			
	ended 30 June		% change	
	2005	2004	CHF	LC
Sales	16,622	14,526	+14	+17
Research and development	2,559	2,361	+8	+11
EBITDA ^{a)}	5,510	4,755	+16	+19
Operating profit before exceptional items	4,373	3,607	+21	+24
Operating profit	4,227	3,325	+27	+30
Profit from continuing businesses before exceptional items ^{b)}	3,332	2,604	+28	
Net income	3,242	3,121	+4	
Net income attributable to Roche shareholders	2,798	2,911	-4	
Core EPS ^{b,c)} in CHF	3.69	3.06	+21	
EPS ^{c)} in CHF	3.26	3.40	-4	
Research and development as % of sales	15.4	16.3		
EBITDA as % of sales	33.1	32.7		
Operating profit before exceptional items as % of sales	26.3	24.8		
Profit from continuing businesses as % of sales	19.5	20.7		
Effective tax rate %	24.3	26.5		
Net income as % of sales	19.5	21.5		

	30 June 2005	31 December 2004	30 June 2004
Net liquidity	13,601	11,708	6,640
Total assets	62,748	58,401	58,208
Equity	38,833	33,368	31,368
Debt	7,832	8,960	11,204
Equity ratio ^{d)}	62%	57%	54%
Debt-equity ratio ^{e)}	20%	27%	36%

- a) EBITDA: Earnings before exceptional items and before interest and other financing costs, financial income, tax, depreciation and amortisation, including impairment. This corresponds to operating profit before exceptional items and before depreciation and amortisation, including impairment.
- b) Profit from continuing businesses before exceptional items and Core EPS are calculated as shown on page 46.
- c) EPS: Earnings per share and non-voting equity security (diluted).
- d) Equity ratio: Equity as a percentage of total assets.
- e) Debt-equity ratio: Debt as a percentage of equity.

LC = local currencies

2. Consolidated income statement for the six months ended 30 June 2005 ^{in millions of CHF}

	Pharmaceuticals	Diagnostics	Corporate	Group
Sales	12,652	3,970	-	16,622
Royalties and other operating income	542	168	-	710
Cost of sales	(2,858)	(1,490)	-	(4,348)
Marketing and distribution	(3,366)	(1,043)	-	(4,409)
Research and development	(2,215)	(344)	-	(2,559)
General and administration	(815)	(191)	(139)	(1,145)
Amortisation / impairment of intangible assets	(332)	(166)	-	(498)
Operating profit before exceptional items	3,608	904	(139)	4,373
Amortisation of goodwill	-	-	-	-
Major legal cases	-	(146)	-	(146)
Changes in Group organisation	-	-	-	-
Operating profit	3,608	758	(139)	4,227
Associated companies				-
Financial income				241
Financing costs				(187)
Profit before taxes				4,281
Income taxes				(1,040)
Profit from continuing businesses				3,241
Profit from discontinued businesses				1
Net income				3,242
Attributable to				
- Roche shareholders				2,798
- Minority interests				444
Earnings per share and non-voting equity security			Continuing	
			businesses	Group
Basic (CHF)			3.32	3.32
Diluted (CHF)			3.26	3.26

3. Consolidated income statement for the six months ended 30 June 2004 ^{in millions of CHF}

	Pharmaceuticals	Diagnostics	Corporate	Group
Sales	10,647	3,879	-	14,526
Royalties and other operating income	625	165	-	790
Cost of sales	(2,310)	(1,450)	-	(3,760)
Marketing and distribution	(3,019)	(981)	-	(4,000)
Research and development	(2,029)	(332)	-	(2,361)
General and administration	(722)	(195)	(142)	(1,059)
Amortisation / impairment of intangible assets	(377)	(152)	-	(529)
Operating profit before exceptional items	2,815	934	(142)	3,607
Amortisation of goodwill	(120)	(162)	-	(282)
Major legal cases	-	-	-	-
Changes in Group organisation	-	-	-	-
Operating profit	2,695	772	(142)	3,325
Associated companies				(27)
Financial income				213
Financing costs				(383)
Exceptional income from bond conversion and redemption				965
Profit before taxes				4,093
Income taxes				(1,084)
Profit from continuing businesses				3,009
Profit from discontinued businesses				112
Net income				3,121
Attributable to				
- Roche shareholders				2,911
- Minority interests				210
Earnings per share and non-voting equity security			Continuing	
			businesses	Group
Basic (CHF)			3.34	3.46
Diluted (CHF)			3.28	3.40

4. Condensed balance sheet in millions of CHF

	30 June 2005	31 December 2004	% change
Long-term assets	31,802	28,722	+11
Current assets	30,946	29,679	+4
Total assets	62,748	58,401	+7
Equity	38,833	33,368	+16
Non-current liabilities	15,970	14,899	+7
Current liabilities	7,945	10,134	-22
Total equity and liabilities	62,748	58,401	+7

5. Net liquidity in millions of CHF

	30 June 2005	31 December 2004	% change
Cash and marketable securities	16,402	12,999	+26
Receivable from Bayer Group collected on 1 January 2005	-	2,886	-100
Financial long-term assets and restricted cash	1,873	1,999	-6
Derivative financial instruments, net	205	(19)	-
Own equity instruments	2,953	2,803	+5
Financial assets	21,433	20,668	+4
Long-term debt	(7,354)	(6,947)	+6
Short-term debt	(478)	(2,013)	-76
Total debt	(7,832)	(8,960)	-13
Net liquidity	13,601	11,708	+16

6. Condensed cash flow statement ^{in millions of CHF}

	Six months ended 30 June	
	2005	2004
Cash generated from business operations	6,083	5,130
(Increase) decrease in working capital	(570)	(452)
Costs of major legal cases paid	(78)	(77)
Other operating cash flows	(313)	(426)
Operating activities before income taxes	5,122	4,175
Income taxes paid (all activities)	(1,222)	(410)
Operating activities	3,900	3,765
Investing activities	(466)	(556)
Financing activities	(2,688)	(5,038)
Net effect of currency translation on cash	203	17
Increase (decrease) in cash	949	(1,812)

7. Group operating results: six months ended 30 June 2005 ^{in millions of CHF}

	Pharmaceuticals	Diagnostics	Corporate	Group
Sales	12,652	3,970	-	16,622
Operating profit before exceptional items	3,608	904	(139)	4,373
- margin	28.5	22.8	-	26.3
EBITDA	4,335	1,311	(136)	5,510
- margin	34.3	33.0	-	33.1

8. Pharmaceuticals sub-divisional results in millions of CHF

	Divisional sales to third parties	EBITDA	EBITDA as % of sales	Operating profit before exceptional items	Operating profit before exceptional items as % of sales
Six months ended					
30 June 2005					
Roche Pharmaceuticals	7,978	2,758	34.6	2,318	29.1
Genentech	2,867	1,051	36.7	838	29.2
Chugai	1,807	526	29.1	452	25.0
Pharmaceuticals Division	12,652	4,335	34.3	3,608	28.5
Six months ended					
30 June 2004					
Roche Pharmaceuticals	7,040	2,432	34.5	1,968	28.0
Genentech	2,052	844	41.1	612	29.8
Chugai	1,555	308	19.8	235	15.1
Pharmaceuticals Division	10,647	3,584	33.7	2,815	26.4

9. Sales 1st half-year 2005 and 2004

	2005	2004	% change	
	CHF m	CHF m	In CHF	In local currencies
January – June				
Pharmaceuticals Division	12,652	10,647	+19	+22
Roche Pharmaceuticals	7,978	7,040	+13	+15
Genentech	2,867	2,052	+40	+47
Chugai	1,807	1,555	+16	+20
Diagnostics Division	3,970	3,879	+2	+4
Roche Group	16,622	14,526	+14	+17

10. Quarterly local sales growth by Division in 2004 and 2005

	Q3 2004 vs. Q3 2003	Q4 2004 vs. Q4 2003	Q1 2005 vs. Q1 2004	Q2 2005 vs. Q2 2004
Pharmaceuticals Division	+17	+5	+22	+21
Roche Pharmaceuticals	+9	-2	+11	+18
Genentech	+54	+48	+54	+41
Chugai	+7	-8	+32	+8
Diagnostics Division	+6	+6	+4	+4
Roche Group	+14	+6	+17	+17

11. Quarterly sales by Division in 2004 and 2005

CHF millions	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005
Pharmaceuticals Division	5,430	5,485	5,563	6,155	6,497
Roche Pharmaceuticals	3,494	3,483	3,447	3,859	4,119
Genentech	1,129	1,235	1,235	1,341	1,526
Chugai	807	767	881	955	852
Diagnostics Division	1,971	1,884	2,064	1,935	2,035
Roche Group	7,401	7,369	7,627	8,090	8,532

12. Top 20 Pharmaceuticals Division product sales¹ and local growth² in 1st half-year 2005: US, Japan and Europe/Rest of World

	Total		US		Japan		Europe/RoW	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%
MabThera/Rituxan	1,944	23%	1,113	17%	92	9%	739	37%
Neo Recormon/Epogin	1,086	8%	-	-	377	4%	709	10%
Herceptin	851	27%	339	24%	56	19%	456	30%
CellCept	800	14%	352	11%	13	23%	435	17%
Pegasys	680	19%	233	4%	42	65%	405	26%
Rocephin	614	-5%	388	3%	30	22%	196	-21%
Avastin	607	192%	540	162%	-	-	67	-
Tamiflu	580	363%	74	-	263	221%	243	456%
Xeloda	355	49%	131	73%	14	40%	210	38%
Xenical	312	2%	49	-8%	-	-	263	4%
Kytril	235	10%	93	11%	63	12%	79	7%
Nutropin/Protropin	232	8%	226	9%	-	-	6	-4%
Copegus	213	10%	96	-14%	-	-	117	43%
Pulmozyme	186	15%	109	22%	-	-	77	6%
Cymevene/Valcyte	185	15%	92	4%	-	-	93	29%
Xolair	181	104%	181	104%	-	-	-	-
Neutrogen	169	11%	-	-	169	11%	-	-
Dilatrend	167	-16%	-	-	-	-	167	-16%
Tarceva	145	-	142	-	-	-	3	-
Roaccutan/Accutane	143	-31%	39	-56%	-	-	104	-12%
New products not covered in Top 20								
Fuzeon	116	53%	55	16%	-	-	61	120%
Raptiva	59	149%	59	149%	-	-	-	-
Evista	41	149%	-	-	41	149%	-	-
Renagel	26	22%	-	-	26	22%	-	-
Boniva	21	-	21	-	-	-	-	-

¹ Roche Pharmaceuticals, Genentech and Chugai combined

² versus 1st half-year 2004

13. Top 20 Pharmaceuticals Division quarterly local product sales growth¹ in 2004 and 2005

	Q3 2004 vs. Q3 2003	Q4 2004 vs. Q4 2003	Q1 2005 vs. Q1 2004	Q2 2005 vs. Q2 2004
MabThera/Rituxan	31%	20%	24%	23%
NeoRecormon/Epogin	-1%	1%	7%	8%
Herceptin	25%	25%	23%	31%
CellCept	0%	3%	4%	25%
Pegasys	48%	24%	15%	22%
Rocephin	8%	-5%	-6%	-5%
Avastin	-	-	476%	112%
Tamiflu	-	-69%	302%	707%
Xeloda	19%	39%	48%	50%
Xenical	-2%	-5%	4%	0%
Kytril	-1%	11%	0%	18%
Nutropin/Protopin	7%	10%	7%	10%
Copegus	43%	13%	5%	15%
Pulmozyme	11%	3%	10%	20%
Cymevene/Valcyte	14%	26%	2%	29%
Xolair	704%	230%	128%	88%
Neutrogen	-1%	7%	9%	13%
Dilatrend	-10%	-27%	-19%	-13%
Tarceva	-	-	-	-
Roaccutan/Accutane	-59%	-43%	-29%	-34%

¹ Roche Pharmaceuticals, Genentech and Chugai combined

14. Top 20 Pharmaceuticals Division quarterly local product sales growth¹ US in 2004 and 2005

	Q3 2004 vs. Q3 2003	Q4 2004 vs. Q4 2003	Q1 2005 vs. Q1 2004	Q2 2005 vs. Q2 2004
MabThera/Rituxan	17%	8%	19%	16%
NeoRecormon/Epogin	-	-	-	-
Herceptin	19%	18%	19%	29%
CellCept	-15%	-7%	-8%	33%
Pegasys	1%	-3%	-9%	19%
Rocephin	20%	5%	1%	5%
Avastin	-	-	432%	85%
Tamiflu	-	-72%	-	493%
Xeloda	7%	72%	74%	72%
Xenical	-36%	-37%	-1%	-14%
Kytril	-6%	20%	-9%	33%
Nutropin/Protopin	7%	11%	7%	10%
Copegus	-2%	-24%	-28%	4%
Pulmozyme	14%	5%	16%	28%
Cymevene/Valcyte	6%	35%	-9%	20%
Xolair	704%	230%	128%	88%
Neutrogin	-	-	-	-
Dilatrend	-	-	-	-
Tarceva	-	-	-	-
Roaccutan/Accutane	-	-70%	-51%	-63%

¹ Roche Pharmaceuticals and Genentech combined

15. Top 20 Pharmaceuticals Division quarterly local product sales growth Japan¹ in 2004 and 2005

	Q3 2004 vs. Q3 2003	Q4 2004 vs. Q4 2003	Q1 2005 vs. Q1 2004	Q2 2005 vs. Q2 2004
MabThera/Rituxan	120%	15%	7%	11%
NeoRecormon/Epogin	-2%	0%	2%	5%
Herceptin	11%	18%	19%	18%
CellCept	17%	20%	20%	26%
Pegasys	-	1190%	135%	33%
Rocephin	1%	2%	33%	13%
Avastin	-	-	-	-
Tamiflu	-	-87%	209%	-
Xeloda	48%	28%	41%	38%
Xenical	-	-	-	-
Kytril	-6%	0%	14%	10%
Nutropin/Protopin	-	-	-	-
Copegus	-	-	-	-
Pulmozyme	-	-	-	-
Cymevene/Valcyte	-	-	-	-
Xolair	-	-	-	-
Neutrogen	-1%	7%	9%	13%
Dilatrend	-	-	-	-
Tarceva	-	-	-	-
Roaccutan/Accutane	-	-	-	-

¹ Chugai

16. Top 20 Pharmaceuticals Division quarterly local product sales growth Europe/Rest of World¹ in 2004 and 2005

	Q3 2004 vs. Q3 2003	Q4 2004 vs. Q4 2003	Q1 2005 vs. Q1 2004	Q1 2005 vs. Q1 2004
MabThera/Rituxan	55%	51%	36%	39%
NeoRecormon/Epogin	0%	2%	10%	10%
Herceptin	34%	34%	26%	34%
CellCept	17%	14%	14%	19%
Pegasys	87%	33%	29%	23%
Rocephin	-10%	-22%	-20%	-22%
Avastin	-	-	-	-
Tamiflu	-	103%	361%	654%
Xeloda	28%	23%	36%	39%
Xenical	8%	5%	5%	3%
Kytril	12%	9%	4%	10%
Nutropin/Protropin	-2%	4%	-5%	-3%
Copegus	275%	120%	61%	29%
Pulmozyme	5%	1%	2%	10%
Cymevene/Valcyte	25%	15%	19%	39%
Xolair	-	-	-	-
Neutrogin	-	-	-	-
Dilatrend	-10%	-27%	-19%	-13%
Tarceva	-	-	-	-
Roaccutan/Accutane	-9%	-21%	-11%	-14%

¹ Roche Pharmaceuticals

17. Top 20 Pharmaceuticals Division quarterly product sales¹ in 2004 and 2005

CHF millions	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005
MabThera/Rituxan	842	877	877	929	1,015
NeoRecormon/Epogin	531	528	534	516	570
Herceptin	356	373	378	391	460
CellCept	350	337	347	370	430
Pegasys	295	296	299	325	355
Rocephin	305	307	321	330	284
Avastin	169	235	238	260	347
Tamiflu	19	110	93	424	156
Xeloda	128	145	146	165	190
Xenical	165	145	137	147	165
Kytril	111	114	123	105	130
Nutropin/Protropin	116	110	113	110	122
Copegus	97	97	87	104	109
Pulmozyme	82	86	86	89	97
Cymevene/Valcyte	79	81	83	86	99
Xolair	55	68	73	81	100
Neutrogin	80	81	85	80	89
Dilatrend	96	86	75	83	84
Tarceva	-	-	17	57	88
Roaccutan/Accutane	94	43	63	81	62
New products not covered in Top 20					
Fuzeon	47	43	47	50	66
Raptiva	17	23	22	28	31
Evista	17	6	15	16	25
Renagel	11	11	12	11	15
Boniva	-	-	-	-	21

¹ Roche Pharmaceuticals, Genentech and Chugai combined

18. Top 20 Pharmaceuticals Division quarterly product sales¹ in US in 2004 and 2005

CHF millions	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005
MabThera/Rituxan	514	531	514	540	573
NeoRecormon/Epogin	-	-	-	-	-
Herceptin	151	159	149	153	186
CellCept	158	147	157	152	200
Pegasys	109	112	110	109	124
Rocephin	179	191	207	208	180
Avastin	169	230	230	240	300
Tamiflu	8	47	42	30	44
Xeloda	44	55	56	60	71
Xenical	29	20	20	25	24
Kytril	42	46	52	39	54
Nutropin/Protropin	113	107	110	107	119
Copegus	53	53	40	43	53
Pulmozyme	46	50	51	52	57
Cymevene/Valcyte	42	44	47	43	49
Xolair	55	68	73	81	100
Neutrogen	-	-	-	-	-
Dilatrend	-	-	-	-	-
Tarceva	-	-	17	56	86
Roaccutan/Accutane	39	-3	13	25	14
New products not covered in Top 20					
Fuzeon	30	25	28	26	29
Raptiva	17	23	22	28	31
Evista	-	-	-	-	-
Renagel	-	-	-	-	-
Boniva	-	-	-	-	21

¹ Roche Pharmaceuticals and Genentech combined

19. Top 20 Pharmaceuticals Division quarterly product sales¹ in Japan in 2004 and 2005

CHF millions	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005
MabThera/Rituxan	48	49	58	40	52
NeoRecormon/Epogin	203	199	220	168	209
Herceptin	26	28	31	25	31
CellCept	6	6	7	6	7
Pegasys	18	22	25	19	23
Rocephin	14	12	16	15	15
Avastin	-	-	-	-	-
Tamiflu	-3	-	15	260	3
Xeloda	6	6	8	6	8
Xenical	-	-	-	-	-
Kytril	32	31	37	28	35
Nutropin/Protopin	-	-	-	-	-
Copegus	-	-	-	-	-
Pulmozyme	-	-	-	-	-
Cymevene/Valcyte	-	-	-	-	-
Xolair	-	-	-	-	-
Neutrogen	80	81	85	80	89
Dilatrend	-	-	-	-	-
Tarceva	-	-	-	-	-
Roaccutan/Accutane	-	-	-	-	-
New products not covered in Top 20					
Fuzeon	-	-	-	-	-
Raptiva	-	-	-	-	-
Evista	17	6	15	16	25
Renagel	11	11	12	11	15
Boniva	-	-	-	-	-

¹ Chugai

20. Top 20 Pharmaceuticals Division quarterly product sales in Europe/Rest of World¹ in 2004 and 2005

CHF millions	Q2 2004	Q3 2004	Q4 2004	Q1 2005	Q2 2005
MabThera/Rituxan	280	297	305	349	390
NeoRecormon/Epogin	328	329	314	348	361
Herceptin	179	186	198	213	243
CellCept	186	184	183	212	223
Pegasys	168	162	164	197	208
Rocephin	112	104	98	107	89
Avastin	-	5	8	20	47
Tamiflu	14	63	36	134	109
Xeloda	78	84	82	99	111
Xenical	136	125	117	122	141
Kytril	37	37	34	38	41
Nutropin/Protopin	3	3	3	3	3
Copegus	44	44	47	61	56
Pulmozyme	36	36	35	37	40
Cymevene/Valcyte	37	37	36	43	50
Xolair	-	-	-	-	-
Neutrogin	-	-	-	-	-
Dilatrend	96	86	75	83	84
Tarceva	-	-	-	1	2
Roaccutan/Accutane	55	46	50	56	48
New products not covered in Top 20					
Fuzeon	17	18	19	24	37
Raptiva	-	-	-	-	-
Evista	-	-	-	-	-
Renagel	-	-	-	-	-
Boniva	-	-	-	-	-

¹ Roche Pharmaceuticals