



Roche Pharmaceuticals

Focusing on differentiated medicines

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R&D performance in 2005

Strategy and outlook

2005: An outstanding year

- Pharma organic growth four times faster than world market
 - top ten products +32 %,
 - top twenty products +31 %
- Successful launch of seven new products/indications
- Outstanding clinical data in oncology
- Four phase III trials for CERA in renal anemia successfully completed
- Built the base for entry into a new therapeutic franchise of Autoimmune diseases

Our objectives in R&D

Delivering clinically differentiated medicines



Create the best medicine by

- Pioneering 1st-in-class therapy
- Creating best-in-class in areas of established mechanisms
- Maximizing product lifecycles through innovative development

5

2005: Successful approvals and strong clinical news-flow

Building the base for future growth



Major granted approvals	Completed phase III trials
Avastin - mCRC EU	Avastin - NSCLC (E4599)
Pegasys - HBV EU and US	Avastin - mBC (E2100)
Pegasys - HCV/HIV coinfection EU and US	Herceptin - adj. BC (NSABP / NCCTG)
Xenical - adolescent obesity EU	Herceptin - adj. BC (HERA)
Xenical - prevention of T2D EU and US	Herceptin - adj. BC (BCIRG 006)
Boniva - osteoporosis (oral monthly) EU and US	Xeloda - pancreatic Ca
Boniva - osteoporosis (iv) US*	MabThera - maintenance iNHL (EORTC20891)
Xeloda - adj CC EU and US	MabThera - RA (REFLEX)
Tarceva - NSCLC EU	Actemra - RA (Japanese trial)
Tarceva - pancreatic Ca US	Pegasys/Copegus - HCV (Japanese trial)
Actemra - Castleman's disease Jp	CERA - renal anemia (BA16739, BA16740, BA17283, BA17284)
	Lucentis - AMD (MARINA)

* Jan. 06, CHMP positive opinion EU

All approvals obtained as planned (16)
All phase III trials met primary end-points (15)

6

Making a difference for patients - and boding well for future growth

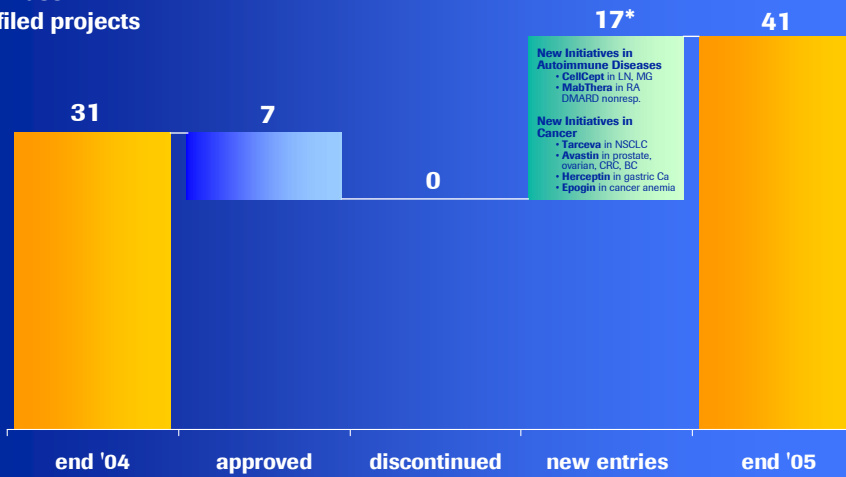


Product	Indication (clinical trial)	Benefit
Avastin	NSCLC 1st line (E4599)	23% reduction in risk of death
	mBC 1st line (E2100)	50% reduction in risk of cancer progression
	mCRC 2nd-line (E3200)	24% reduction in risk of death
Herceptin	BC adjuvant (NSABP B-31/N9831)	52% reduction in risk of disease recurrence
	BC adjuvant (HERA)	46% reduction in risk of disease recurrence
	BC adjuvant (BCIRG 006)	51% reduction in risk of disease recurrence
MabThera	iNHL relapsed maintenance (GSLG)	>17 months prolongation of PFS
	iNHL relapsed maintenance (EORTC 20891)	50% reduction in risk of death
Tarceva	Pancreatic cancer 1st line (PA3)	19% reduction in risk of death
Xeloda	Pancreatic cancer 1st line (CR UK)	20% reduction in risk of death
Actemra	Rheumatoid arthritis (Japan)	ACR20, 50 and 70 of 89%, 70% and 47%
MabThera	Rheumatoid arthritis TNF nonresp. (REFLEX)	ACR20, 50 and 70 of 51%, 27% and 12%

An industry leading late stage pipeline Again strengthened



Phase III/
filed projects



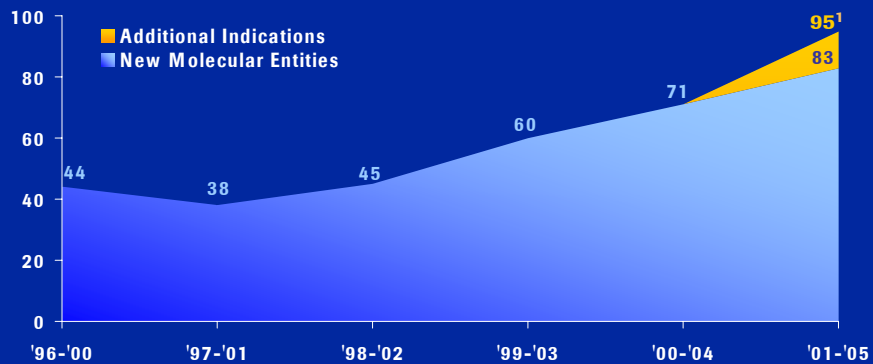
* Including three projects previously combined and now listed as seven single indications

An outstanding success rate in R&D

Measures taken to improve chances for success



Roche Rx Phase III success rate in %



¹Data for Additional Indications only available for cohort '01-'05
Success rate = 1 - terminations / (terminations + approvals)

9

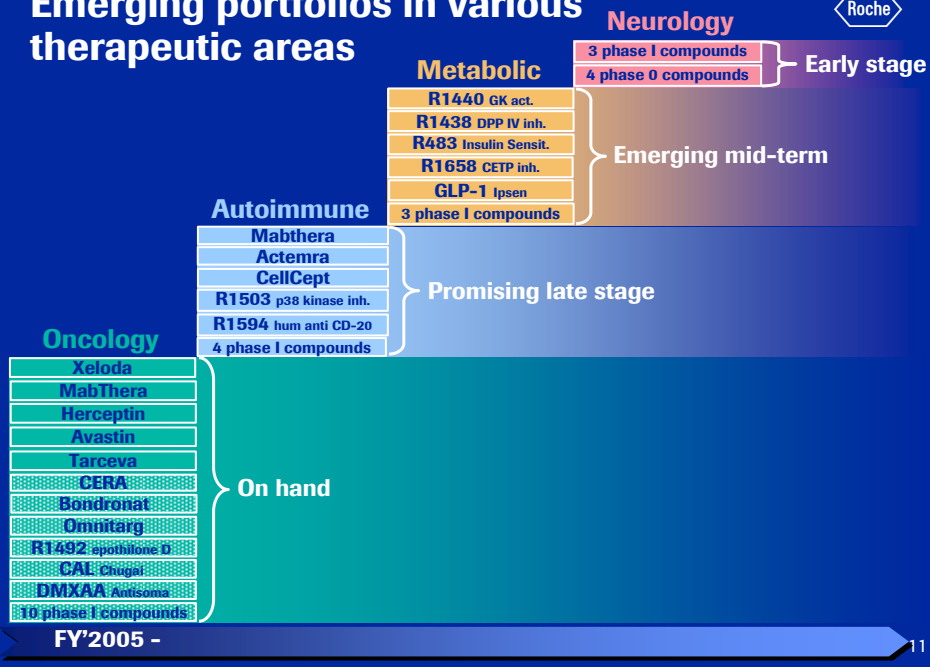
R&D performance in 2005



Strategy and outlook

10

Emerging portfolios in various therapeutic areas

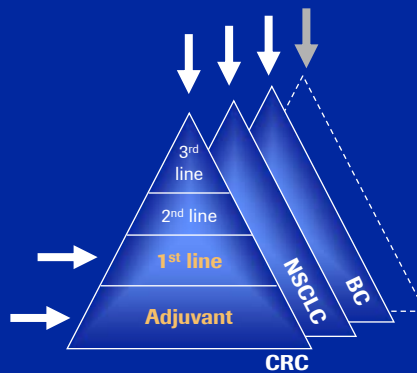


Avastin: A unique development approach



All main cancer types, including early intervention, in parallel

Phase III indication	Status
mCRC 1st line	Launched US/EU
mCRC 1st line ext.	Recruitment completed, EU filing '06
CC adjuvant	Recruitment ongoing, EU filing post '09
NSCLC 1st line non-squamous	Data presented, filing '06
NSCLC 1st line maint. combo Tarceva	Started Q4'05, EU filing post '09
NSCLC 2nd line combo Tarceva	Recruitment ongoing, EU filing '08
NSCLC adjuvant	To start soon
mBC 1st line	Data presented, filing '06
mBC 1st line combo extension	Started Q4'05, EU filing '08
BC adjuvant	Pilot ongoing
RCC 1st line	Recruitment completed, EU filing '07
Pancreatic Ca 1st line	Recruitment ongoing, EU filing '08
Ovarian Ca	Recruitment ongoing, EU filing post '09
Prostate Ca	Recruitment ongoing, EU filing post '09



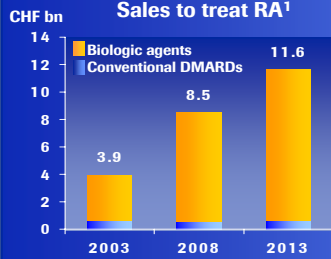
Establish Avastin as a backbone therapy for all major tumors

2005: Roche in Rheumatoid Arthritis

The first products in the autoimmune franchise



RA



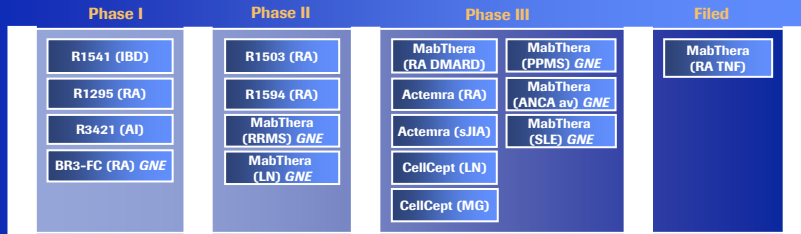
MabThera

- Anti-TNF inadequate responders (REFLEX)
 - filed in US and EU
- DMARD inadequate responders
 - phase III initiated (3 trials), filing in 2007

Actemra

- Phase III completed in Japan, on track (5 trials) in RoW
- Japanese filing in 2006, filing in US and EU in 2007

AI diseases

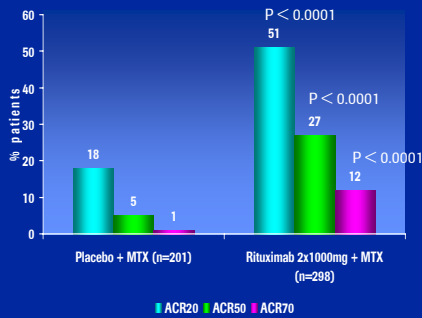


¹ Source : Decision Resources March 2005, US/Top 5 EU/Japan

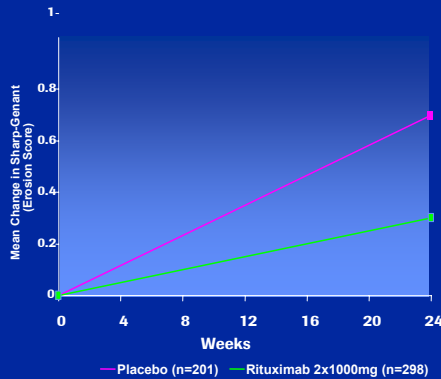
MabThera efficacy in RA (REFLEX)



ACR responses at 6 months



Mean change in Sharp-Genant erosion score



Robustness Analysis III: All 24 week data included, missing values imputed with LOCF (no change)

MabThera significantly improves ACR responses

MabThera in RA



Conclusions of 6-month primary analyses

- MabThera in combination was associated with a highly significant increase in ACR20 response rate over placebo + MTX
- All secondary and exploratory endpoints (DAS, EULAR, ACR core set, FACIT-F) were highly significantly improved over placebo
- Efficacy demonstrated in RF-negative patients
- Suggestion of effects on joint damage at 24 weeks
- Well tolerated

Data filed in US and EU

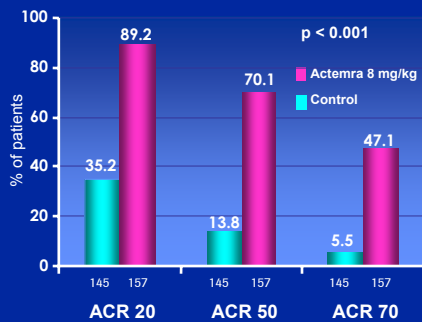
15

Actemra monotherapy in RA (Japanese pIII)

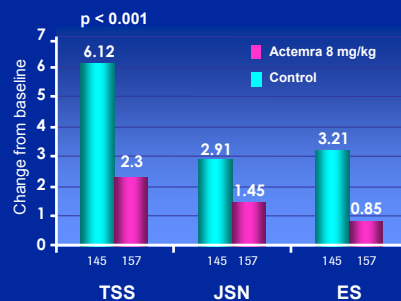


Efficacy

ACR responses at 52 weeks



Radiographic data (mean scores)



TSS: Total Sharp Score; JSN: Joint Space Narrowing; ES: Erosion Score

Significantly improved ACR responses and significantly less radiographic progression with Actemra

16

Actemra monotherapy in RA

Preliminary results



- First trial showing superiority of blocking IL-6 with Actemra to conventional DMARDs
- Blocking the IL-6 receptor with Actemra leads to significant improvement in signs and symptoms and reduce the progression of joint damage
- Adverse events are within expectations¹
 - AEs: 96% vs. 87% in Actemra vs. DMARDs group
 - SAEs: 19% vs. 13% in Actemra vs. DMARDs group

Five phase III trials in Roche territories ongoing

¹most frequently reported infectious event: nasopharyngitis; mild, transient increases in LFTs were observed in both groups
lipid increases were mainly reported in the Actemra group: mean total cholesterol levels became stable (217 ± 39.3 mg/dl) at around the normal upper limit

17



Conclusions

18

A rich and low risk Phase III pipeline

Keeping the high level of commitment



Filed or to file soon

MabThera maintenance INHR	Herceptin adjuvant BC	Femara Breast Ca (Japan)	Lucentis AMD	Avastin NSCLC
MabThera RA TNF nonresp.	Tarceva pancreatic Ca	Antevas subarach. haemorr.	Sigmat acute heart failure	Avastin mBC
CERA renal anemia				

Ongoing

MabThera 1st line CLL	Xeloda adjuvant CC combo	Avastin Prostate Ca	Tarceva & Avastin NSCLC 2nd line	MabThera RA DMARD failures	MabThera ANCA ass. vasculitis
MabThera relapsed CLL	Avastin mCRC 1st line ext.	Avastin ovarian Ca	Herceptin gastric Ca	CellCept lupus nephritis	MabThera SLE
Xeloda adjuvant BC	Avastin adjuvant CC	Avastin mBC 1st line ext.	Herceptin mBC combo hormonal	CellCept myasthenia gravis	Epogin chemotherapy-induced anemia
Xeloda mCRC 1st line combo	Avastin RCC	Tarceva NSCLC 1st line	Actemra RA	Bondronat MBP	ED-71 osteoporosis
Xeloda mCRC 2nd line combo	Avastin pancreatic Ca	Tarceva & Avastin NSCLC maintenance	Actemra sJIA	MabThera PPMs	Xolair pediatric asthma

To start soon

Tarceva adjuvant NSCLC	Avastin adjuvant NSCLC	Avastin adjuvant BC
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Status as of December 31, 2005 19

Our objectives for 2006

Another busy year...



Major clinical data	Compound	Phase	Indication	Data
	R744 (CERA)	III	Renal anemia (correction)	Final
	CellCept	III	Lupus nephritis (Induction phase)	Final
	Herceptin	III	mBC combo hormonal (TAnDEM)	Final
	Xeloda	III	mCRC 2nd line	Final
	Avastin	III	NSCLC 1st line (AVAIL)	Interim
	Avastin / Xeloda	III	mCRC 1st line combo extension	Final
	R1658	II	Dyslipidemia	Final
	R873	IIa	MED	Final
	Avastin / Tarceva	II	NSCLC 2nd line	Final
R1594	II	RA	Final	

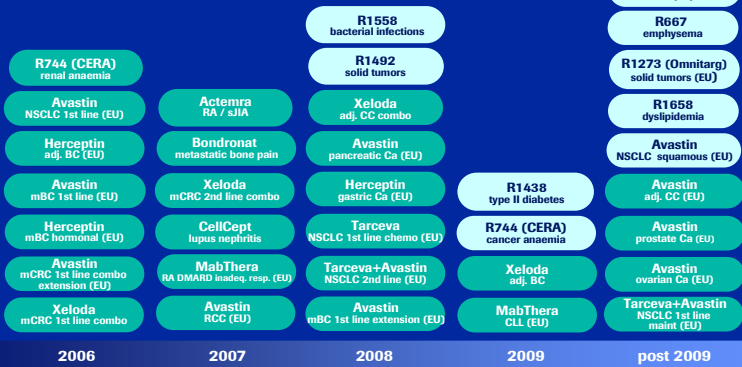
Filings	Compound	Indication
	R744 (CERA)	Renal anemia
	Avastin	NSCLC 1st line
	Avastin	mBC 1st line
	Avastin	mCRC 1st line combo extension
	Herceptin	Adjuvant BC
	Herceptin	mBC combo hormonal
	Xeloda	mCRC 1st line combo

barring unforeseen events 20

Major Roche managed projected submissions over the next years



Phase II
Phase III



Status as of December 31, 2005

Unless stated otherwise, submissions will occur in US and EU 21

The “bottom-line”



Strong pipeline and performance over long term

- Rich late-stage pipeline with low risk
 - Emerging early portfolio in various therapeutic areas
- Oncology-fostering market leadership with 5 NME with survival benefit and additional indications
- Continuing delivering ‘first-in-class medicines’ (Avastin in cancer therapy, MabThera and Actemra in RA)
- Various ‘best-in-class molecules’ in development (CERA in anemia, Tarceva in cancer therapy)
- Continuing maximizing the value of approved products by effective life cycle management (MabThera, Xeloda, Avastin, Pegasys, CellCept)

Well-prepared for future growth