



Roche



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 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, including without limitation negative results of clinical trials or research projects, unexpected side-effects of pipeline or marketed 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 and news coverage.

Any statements regarding earnings per share growth is not a profit forecast and should not be interpreted to mean that Roche's earnings or earnings per share for this year or any subsequent period will necessarily match or exceed the historical published earnings or earnings per share of Roche.

For marketed products discussed in this presentation, please see full prescribing information on our website – www.roche.com

All mentioned trademarks are legally protected



Roche Diagnostics: Focus on Innovation

*Severin Schwan, CEO Roche Diagnostics
Citigroup Healthcare Conference, May 24 2007*



Overall Performance

Business Areas

Strategy for Future Growth



Q1 2007: Industry leading performance

More than CHF 1.5 billion organic growth

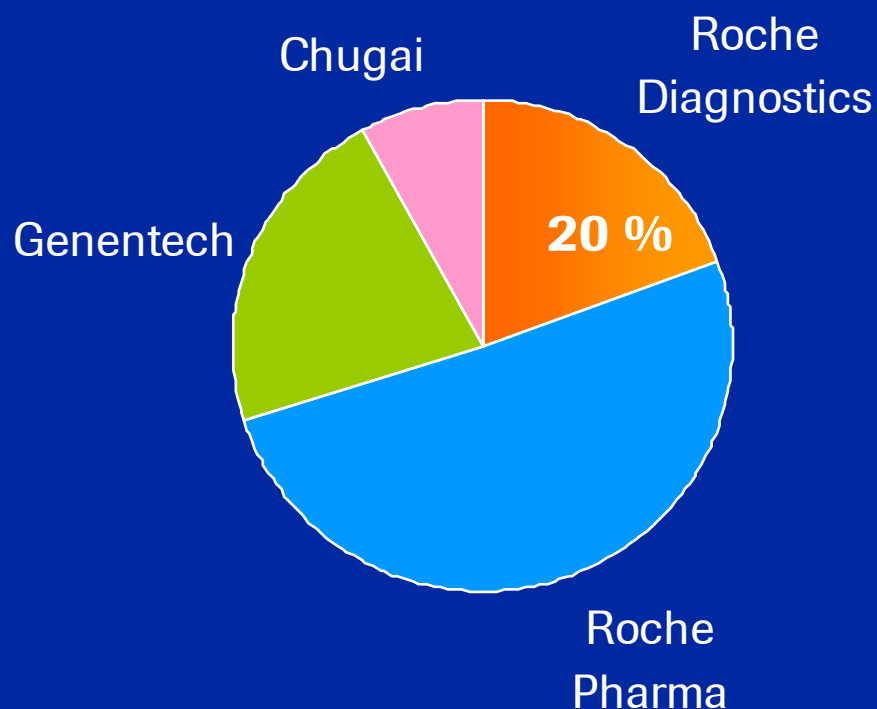
CHF bn			% change in		USD growth
	Q1'06	Q1'07	CHF	local	
Pharmaceuticals	7.7	9.1	18	20	24
Diagnostics	2.1	2.2	6	6	11
Roche Group	9.8	11.4	16	17	21



Roche Diagnostics

Integral component of Roche Group

Roche Group Sales Q1 '07 CHF 11.4 bn



Top products/ franchises Q1 '07

	CHF m	loc growth
MabThera/ Rituxan	1,309	17 %
Herceptin	1,168	36 %
Avastin	923	41 %
Tamiflu	865	47 %
Accu-Chek	755	11 %
NeoRecorm/ Epogin	522	-3 %
CellCept	476	7 %
Pegasys	400	15 %
Clinical Chemistry	344	5 %
Immunochemistry	293	10 %
Molecular Diag	278	-2 %
Xeloda	267	14 %

Q1 2007: Diagnostics continues above-market growth



Solid top-line growth of +6 %

- Diabetes Care showed strong performance (+11 %)
- Molecular diagnostics grew +6 % (excluding industrial business)
- North America continued growth trend (+10 %)

Two major acquisitions to strengthen and expand business

454 Life Sciences

- strengthen presence in ultra-fast gene sequencing in Life Science market

BioVeris

- expand Immunochemistry into new markets in central lab testing



Q1 2007: Diagnostics sales

Above market growth in key markets

	Q1 '07 CHF m	% of Dx sales	growth (local)	market growth
Professional Diagnostics ¹	1,107	46 %	5 %	5 %
Diabetes Care	755	34 %	11 %	8 %
Molecular Diagnostics	278	13 %	-2/6 ² %	10 %
Applied Science	166	7 %	7 %	6 %
Total	2,216	100 %	6 %	5 %
EMEA ³	1,250	57 %	5 %	5 %
North America	585	26 %	10 %	6 %
Asia Pacific	169	8 %	16 %	9 %
Japan	90	4 %	-2 %	1 %

1 Amalgamation of Centralized Diagnostics and Near Patient Testing

2 excluding industrial business

3 Europe, Middle East and Africa



Roche Diagnostics

Clear market leader

IVD market share 2006

	World	USA	Europe*	Japan	RoW**
1	Roche (19 %)	J & J (14 %)	Roche (25 %)	Roche (10 %)	Roche (26 %)
2	Abbott (12 %)	Roche (13 %)	Abbott (13 %)	Sysmex (9 %)	Abbott (15 %)
3	J & J (10 %)	Abbott (11 %)	Bayer (9 %)	Abbott (8 %)	Bayer (10 %)

* Western Europe

** Asia Pacific, Oceania, Middle East, Africa, Eastern Europe

source: Roche analysis, Boston Biomedical Consultants, company reports



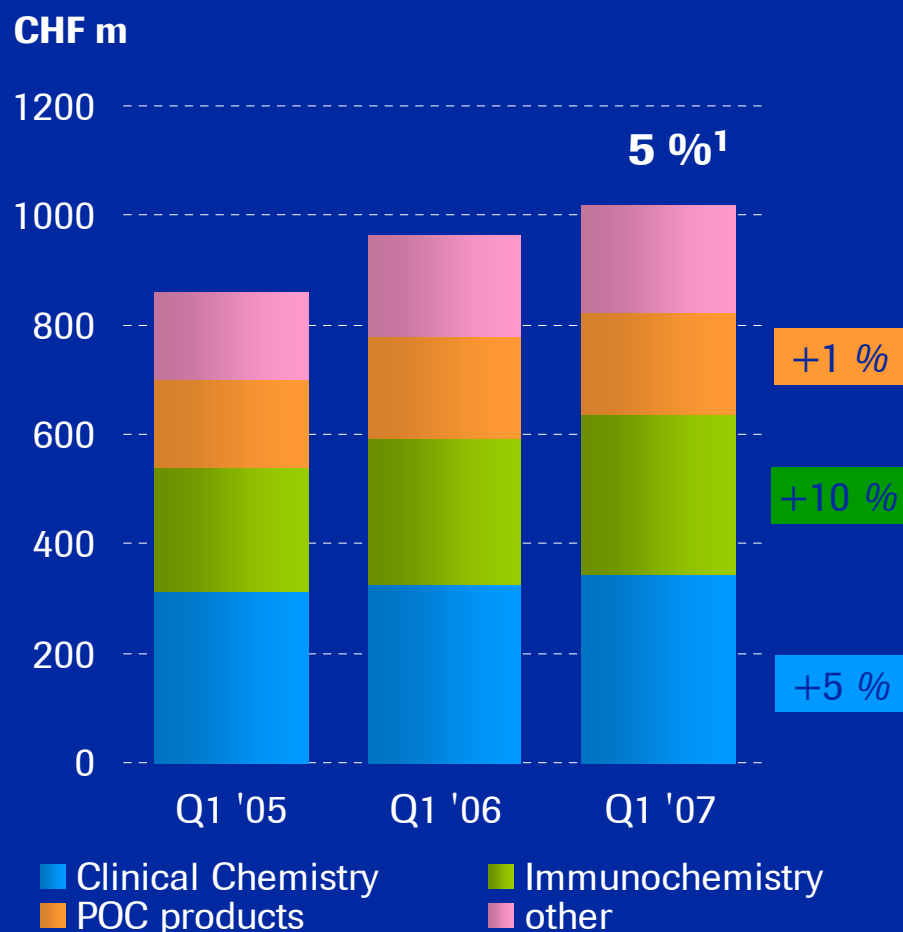
Overall Performance

Business Areas

Strategy for Future Growth

Q1 2007: Professional Diagnostics

cobas 6000 analyser placements driving sales



¹ local growth

- cobas modular platform rollout continues
 - cobas 6000 (c 501+e 601): medium volume
 - cobas e 411 (IC): small volume labs
 - cobas c 111 (CC): very small labs
- Immunochemistry sales benefiting from instrument placements & new markers
- Clinical Chemistry returned to market growth
- CoaguChek XS launched in US for patient self-coagulation monitoring

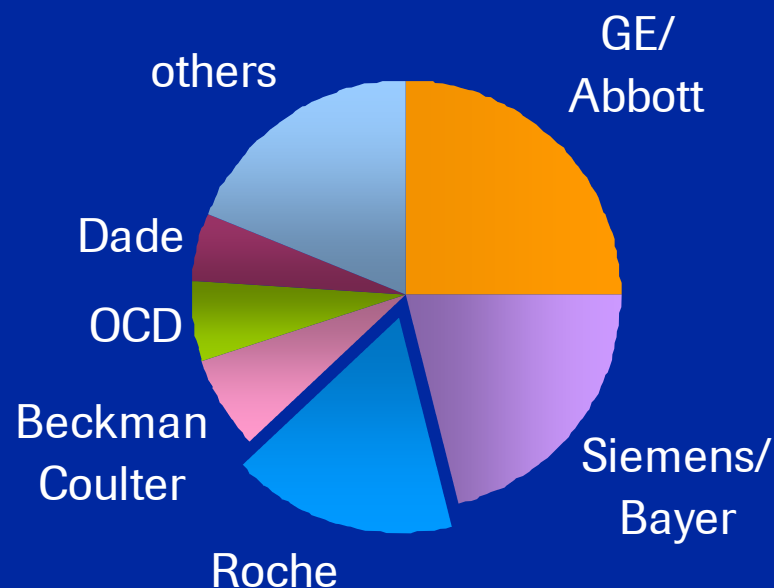
Immunochemistry: Acquisition of BioVeris

Expand Immunochemistry into new market segments

Heterogeneous Immunochemistry

Market 2006

5.8 bn USD, +6 %

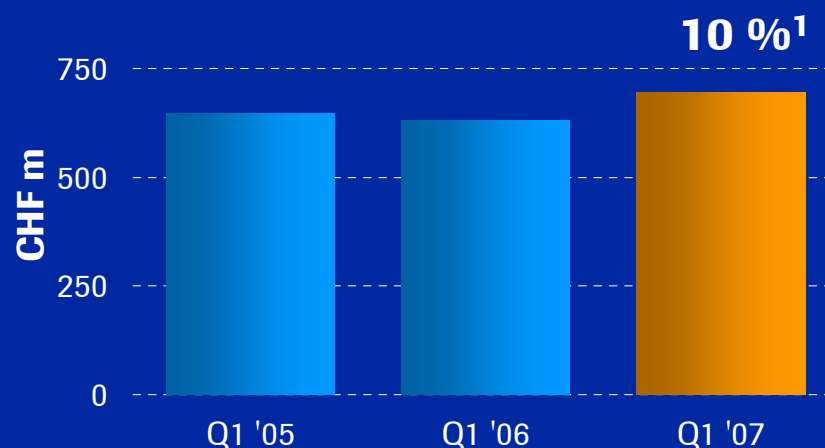


- Ownership of full ECL patent estate
- Enables Roche to enter markets previously excluded (drug discovery, clinical trial testing)
- Lab customers increasingly performing clinical trial testing
 - market around CHF 400m, +10 %
- Exploit full potential of novel assays (NT-proBNP, bone markers)

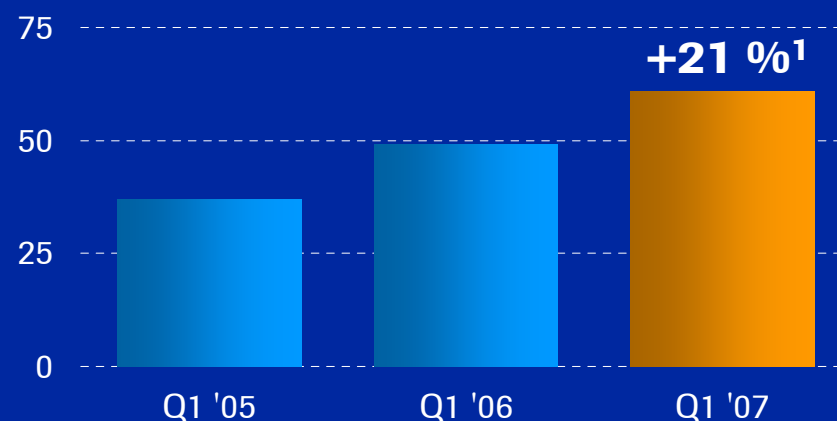
Q1 2007: Diabetes Care

Delivering on our commitments

Blood Glucose Monitoring*



Insulin Delivery



- North America returned to above-market growth
 - leveraging the benefit of the complete Accu-Chek product portfolio
- Accu-Chek Performa commenced launch in first markets
 - 5 sec test time, extensive quality checks, advanced data management features

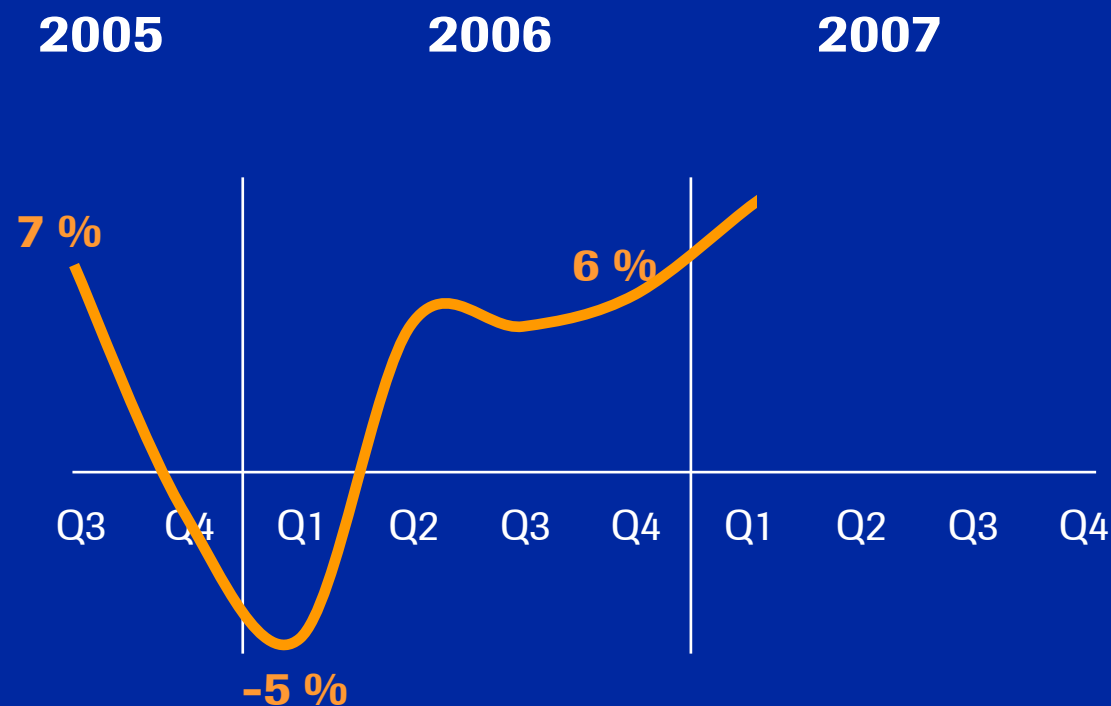
* meters, strip, lancets

¹ local growth

Diabetes Care growth

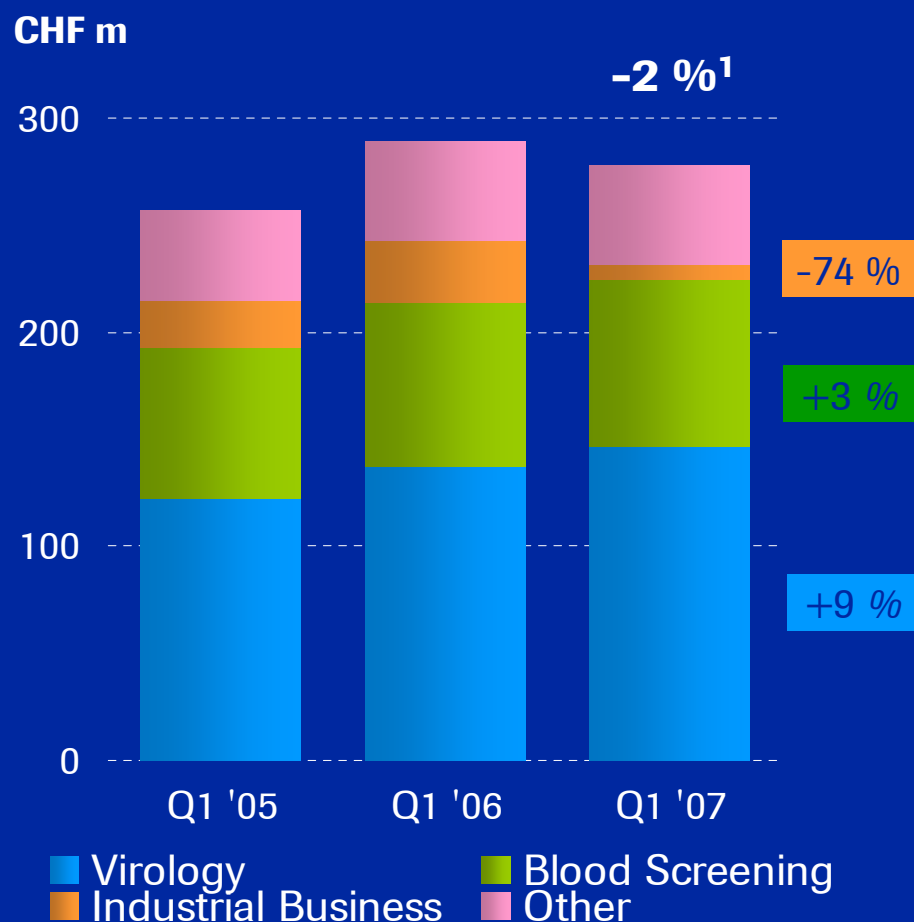
New product portfolio restoring growth

Local Quarterly Sales Growth %



Q1 2007: Molecular Diagnostics

Automated platforms supporting market share



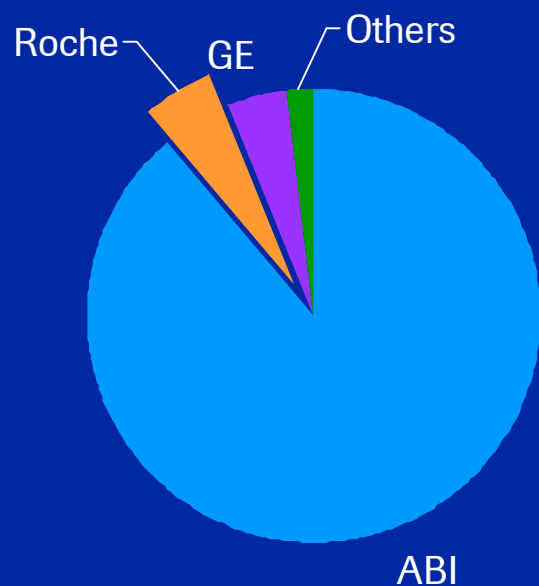
- Growth was +6 % excluding industrial business, which declined as announced
- Virology growth from placements of improved automation
- Blood screening growth offset by price decrease in Japan (Apr '06)
- Amplicor HPV test and Linear Array HPV genotyping test filed with FDA (PMAs)

¹ local growth

Q1 2007: Applied Science

Strengthening presence in ultra-fast gene sequencing market

Gene Sequencing Market*
800 m USD, +3 %



- May 2005 entered exclusive distribution agreement for Genome Sequencer systems & reagents to research market
 - Oct '05: Genome Sequencer 20
 - Jan '07: Genome Sequencer FLX (2nd generation DNA sequencer)
- Acquisition gives Roche access to future generation sequencing products and to develop systems in new applications

All growth rates in local currencies

* Including systems, reagents and sequencing services



Overall Performance

Business Areas

Strategy for Future Growth

Customer needs indicate two key areas where Roche can provide differentiated solutions

Researchers



Professionals



Laboratories



Physicians

Patients



Increase testing efficiency



Improve medical value



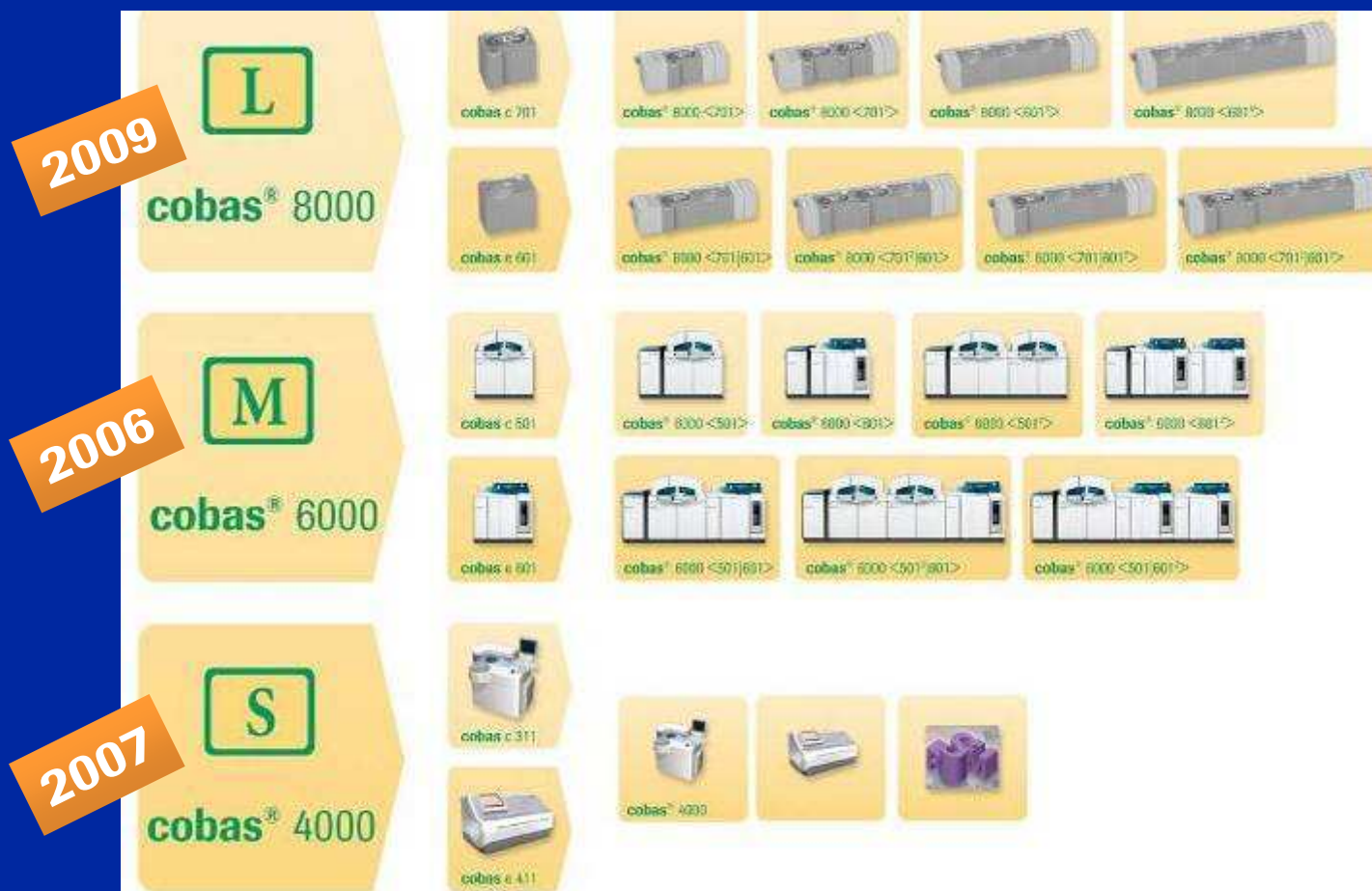
Testing efficiency (1)

A major challenge for our customers



New generation cobas modular platforms

Strengthening product offering to all laboratory sizes



- Modular platform for all lab sizes
- Multiple configurations allowing easy expansion
- Improved efficiency and productivity

Testing efficiency (2)

Data management increasing in complexity



Lab Workflow: Optimize test sample flow - reduce manual handling

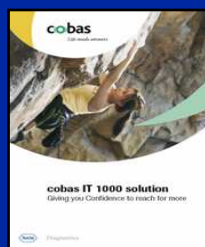
Result Quality: Ensure correct test environment

Test Traceability: Audit trail from patient sample to test result



Comprehensive IT solutions for laboratories

From point of care to the central laboratory



cobas IT 1000

Point of Care data management



cobas IT 3000




Work Area Management (central lab)



cobas IT 5000

Laboratory Information System

Customer needs indicate two key areas where Roche can provide differentiated solutions

	Researchers 	Professionals  <i>Laboratories</i>		 <i>Physicians</i>	Patients 
<div style="border: 1px solid white; padding: 5px; width: fit-content;"> Increase testing efficiency </div>	✓ ✓ ✓	✓ ✓ ✓	✓	✓	
<div style="border: 1px solid white; padding: 5px; width: fit-content;"> Improve medical value </div>	✓	✓	✓ ✓ ✓	✓ ✓ ✓	



Medical Value: Novel marker Congestive Heart Failure

Medical need & market development

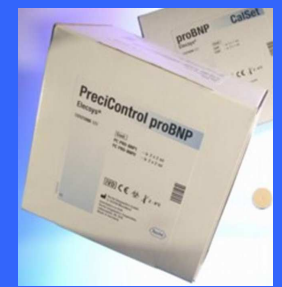
Congestive Heart Failure



- 5.4 % of total healthcare expenditures
- More costly than cancer
- Clinical symptoms unspecific (shortness of breath, edema)

Congestive Heart Failure:
Yes or no?

NT-proBNP
blood test



Clinical trials / Intended uses

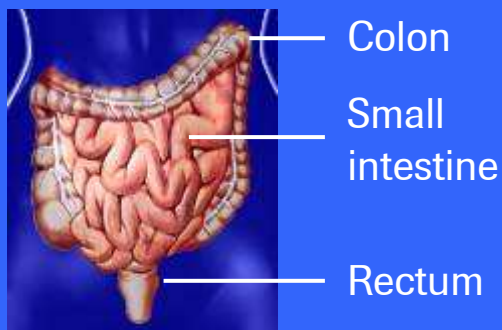


Market Development

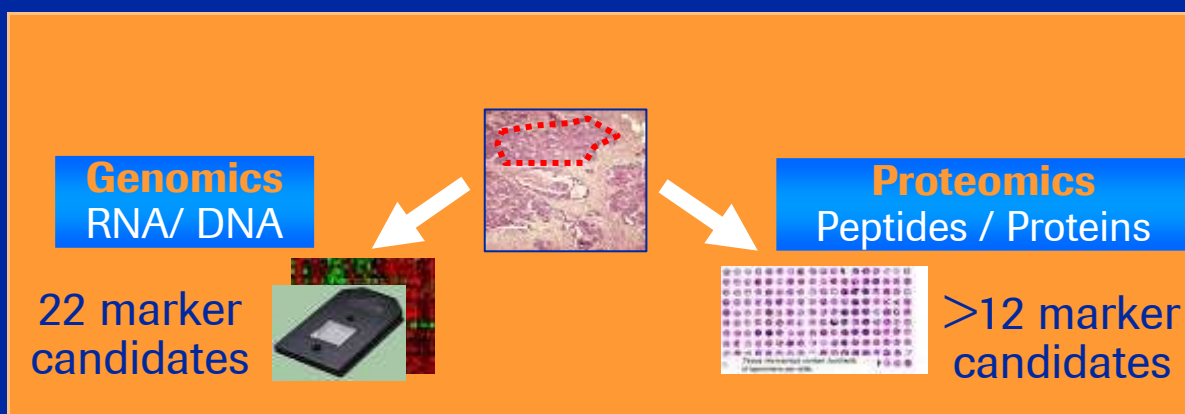
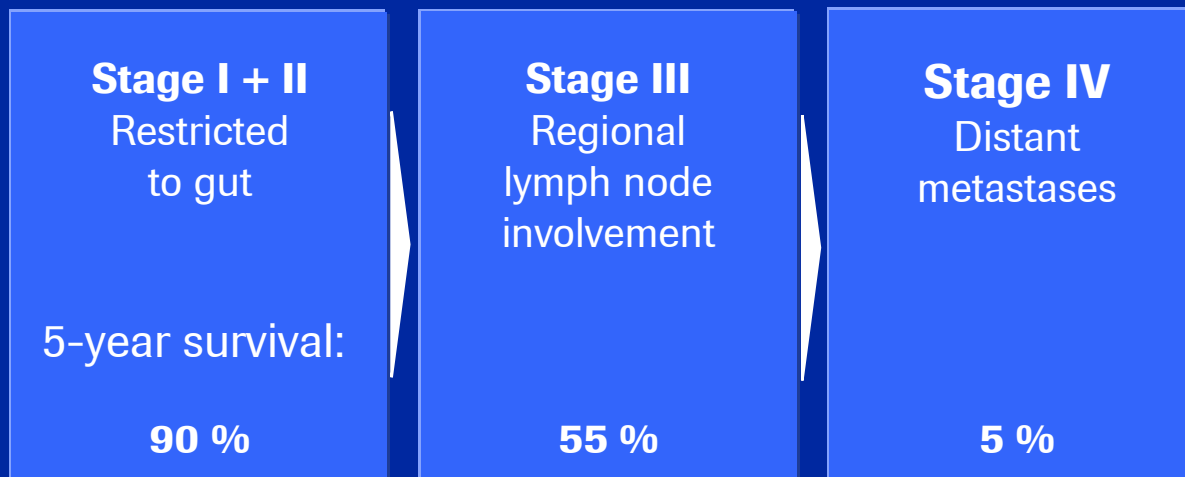
Medical Value: develop screening tests for CRC

Medical need & first results

Colorectal cancer

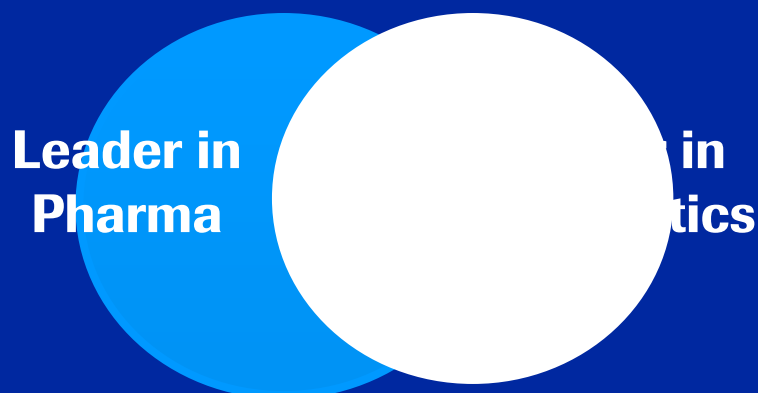


- 100 / 10.000 people over 55 yrs. affected
- 4th biggest cause of cancer mortality
- Highly curable when diagnosed early stage



Roche's competitive edge: driving personalized healthcare entirely 'within house'

Opportunities for synergies



- Strengths in two research-oriented healthcare areas
- Synergies in research, development and marketing
- Well positioned to take a leading role in the move towards personalized healthcare





Personalized healthcare: a key component of good drug development and cost-effective, safe treatment

Drug discovery

Improve drug target selection
Early indication of response profile

*fast development,
targeted drug*

Patient stratification

Increase risk/ benefit ratio:
Include patients more likely to respond
Exclude those not likely to benefit

*safer, more efficacious
trials and drugs*

Companion diagnostics

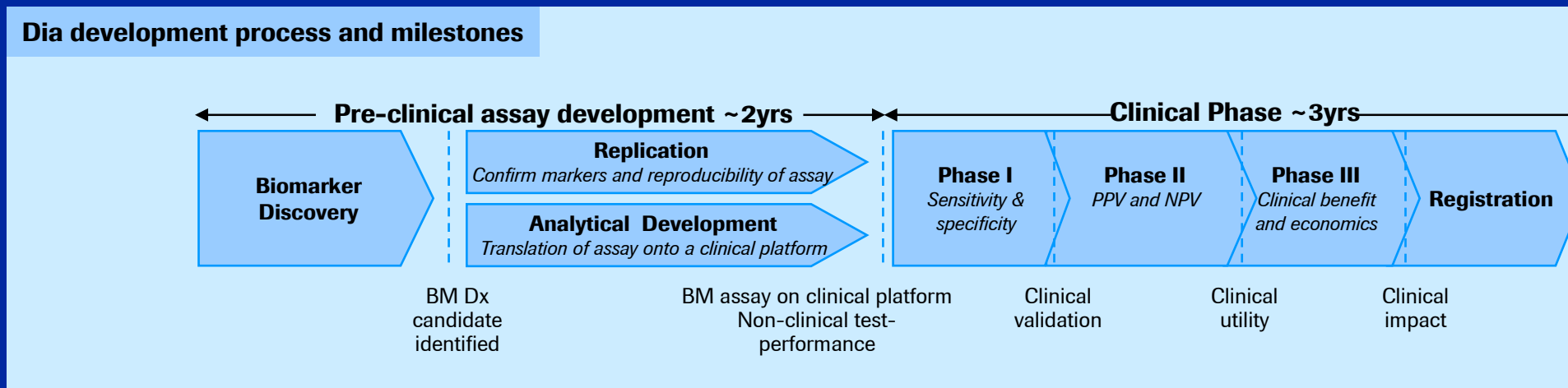
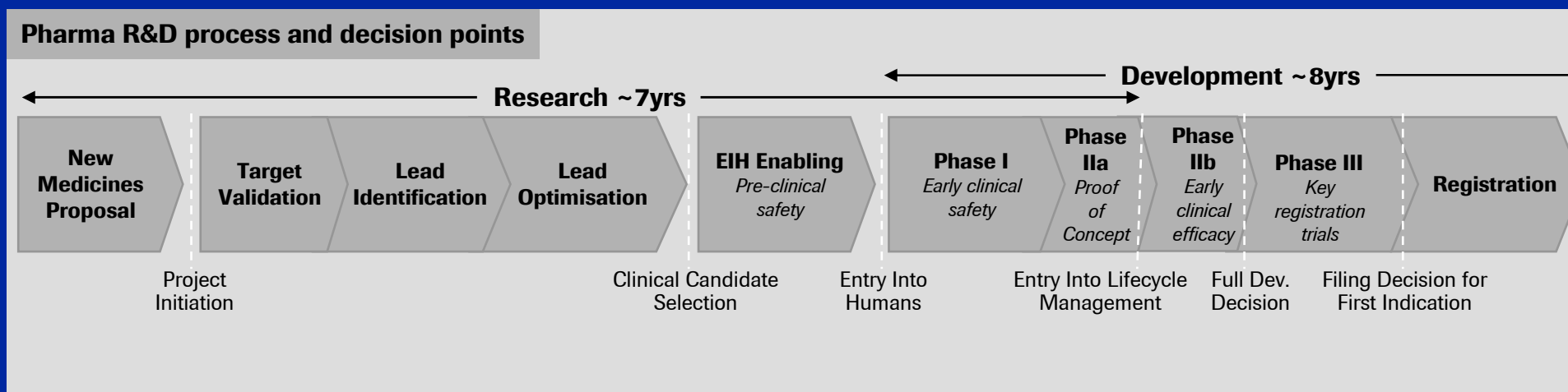
New testing opportunities:
Early detection/ Screening
Patient selection
Monitoring treatment/ relapse

*defined market on launch,
efficient use therapies*



Personalized healthcare: a complex process

Need to integrate across Pharma and Diagnostic activity chains





Roche Diagnostics

Clear strategies in place for future growth

Leveraging market leadership

- Number one position overall and in most attractive segments
- Above market growth

Focusing innovation on customer needs

- Improve lab efficiency thru automation & IT
- Develop new markers offering high medical value

Driving personalized healthcare

- Joint Pharma programs for all drugs throughout lifecycle
- Safer, more efficacious medicines

Roche to lead and shape the future of healthcare



Growth objectives for 2007

Improved outlook

Sales

- Double-digit sales growth¹ for Roche Group and Pharmaceuticals Division
- Above-market sales growth in both divisions

Core EPS target

- Core earnings per share growth above sales growth

¹ in local currencies

barring unforeseen events



Roche