Maximizing assets on hands and securing long term growth opportunities

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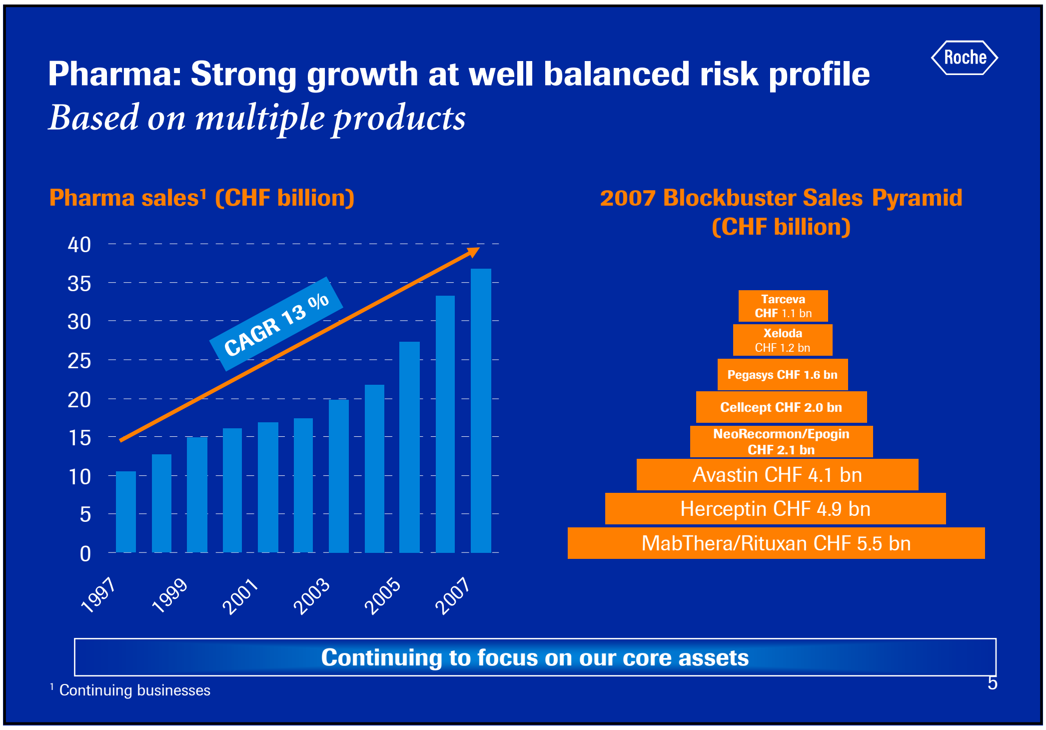
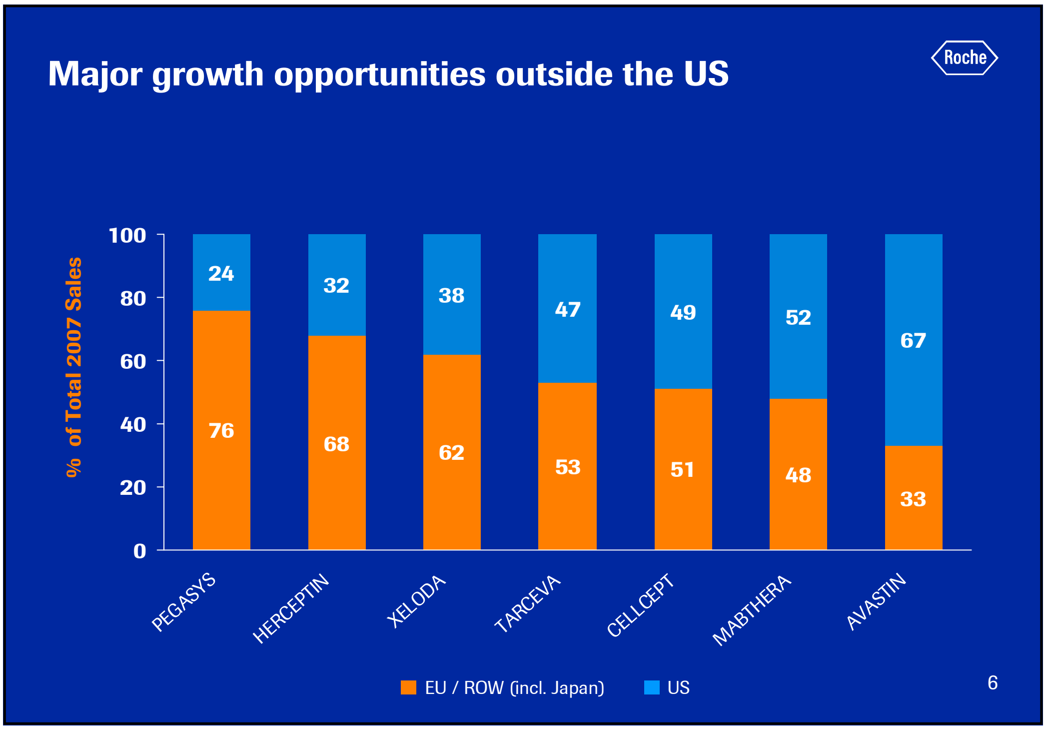
Outgrowing the market

Securing continuous growth & Summary

Pharma Q1 `08: strong underlying momentum

Sales CHF m	Q1'07	Q1'08	% change in CHF	% change in local	USD growth
Roche Pharma	5,702	5,498	-4	1	11
excl. Tamiflu pandemic	5,151	5,455	6	11	22
Genentech	2,547	2,399	-6	9	9
Chugai	893	671	-25	-23	-13
excl. Tamiflu pandemic	698	669	-4	-2	11
Pharmaceuticals	**9,142**	**8,568**	**-6**	**1**	**8**
excl. Tamiflu pandemic	**8,396**	**8,523**	**2**	**9**	**17**

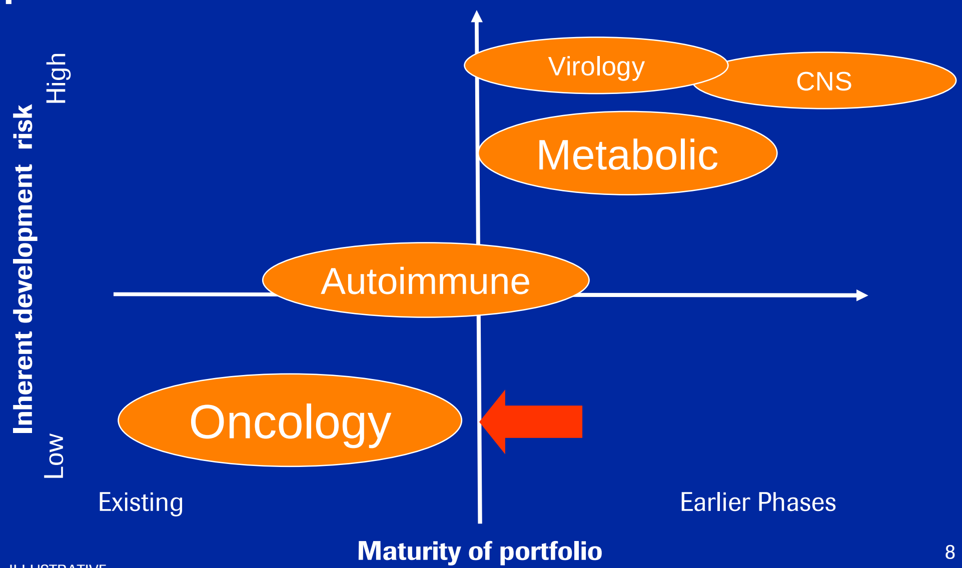

Pharma: Strong growth at well balanced risk profile
Based on multiple products
Roche
Pharma sales¹ (CHF billion)
40
35
30
25
20
15
10
5
0
CAGR 13 %
1997
1999
2001
2003
2005
2007
2007 Blockbuster Sales Pyramid (CHF billion)
Tarceva CHF 1.1 bn
Xeloda CHF 1.2 bn
Pegasys CHF 1.6 bn
Cellcept CHF 2.0 bn
NeoRecormon/Epogin CHF 2.1 bn
Avastin CHF 4.1 bn
Herceptin CHF 4.9 bn
MabThera/Rituxan CHF 5.5 bn
Continuing to focus on our core assets
¹ Continuing businesses
5


Major growth opportunities outside the US
Roche
% of Total 2007 Sales
100
80
60
40
20
0
24
76
32
68
38
62
47
53
49
51
52
48
67
33
PEGASYS
HERCEPTIN
XELODA
TARCEVA
CELLCEPT
MABTHERA
AVASTIN
EU / ROW (incl. Japan)
US
6

Outgrowing the market

Securing continuous growth & Summary

Key drivers for short and long term development in place

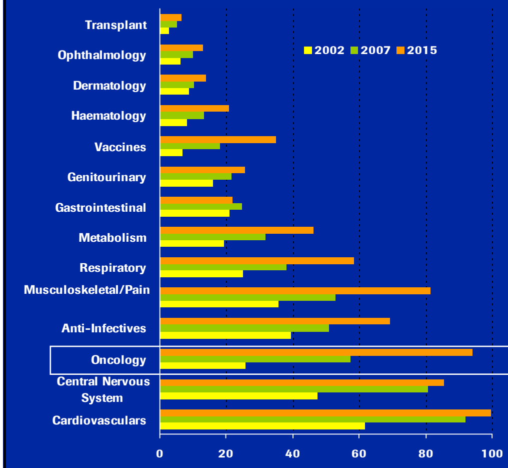


ILLUSTRATIVE

Oncology expected to outperform market

Roche

Projected growth by therapeutic area 2002, 2007 and 2015 (USD bn)



Therapeutic area	2007–2015 Growth	% of 2015 Pharma Sales
Transplant	31%	0.8%
Ophthalmology	31%	1.7%
Dermatology	36%	1.8%
Haematology	55%	2.7%
Vaccines	92%	4.5%
Genitourinary	19%	3.3%
Gastrointestinal	-12%	2.8%
Metabolism	46%	5.9%
Respiratory	54%	7.5%
Musculoskeletal/Pain	54%	10.4%
Anti-Infectives	36%	8.9%
Oncology	**64%**	**12%**
Central Nervous System	6.1%	10.9%
Cardiovasculars	8.5%	12.8%

Oncology second largest therapy area by 2015

64% growth vs 38% for total Pharma

Source: Wood Mackenzie Nov 2007, extrapolated

Roche at ASCO: first in class mechanisms establishing new standards of care

Roche

Expected key data

- Avastin mBC (AVADO)
- Avastin adj. CC (NSABP C-08) safety results
- Avastin mCRC K-ras update
- Avastin in GBM (BRAIN)
- Herceptin multiple lines of treatment (GBG26)
- Pertuzumab full phase II in mBC

Two IR events planned for ASCO 2008

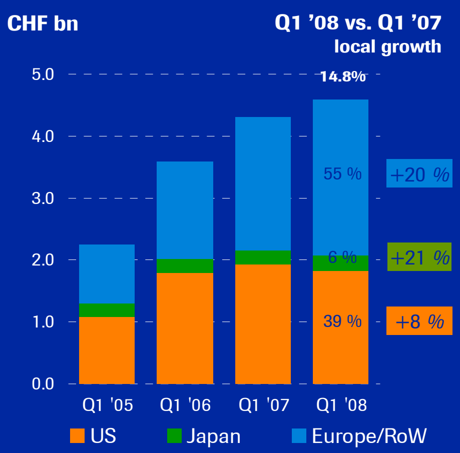
Key objective: to be first to market

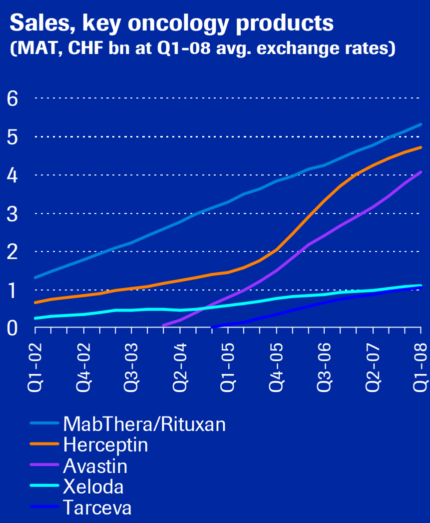
Rank	Drug	Sales MAT 3Q07 ($m)
1	MabThera	3,550
2	Herceptin	3,110
3	Avastin	2,610
4	Glivec	2,450
5	Taxotere	2,150
6	Eloxatine	2,010
7	Arimidex	1,540
8	Gemzar	1,330
9	Casodex	1,190
10	Erbitux	1,080

First in class

Successful products need to be first class entrants – the race begins early in R&D

Oncology: Europe/RoW particularly strong





Avastin still early in its journey

Beyond metastatic indications and across tumour types

Tumour	Early/adjuvant (Potential for cure)
Colon/ rectal	**Phase III** (AVANT, NSABP C-08, E5202, E5204)
Lung (NSCLC)	**Phase III** (E1505)
Breast (HER2-)	**Phase III** (BEATRICE, E5103)
Breast (HER2+)	**Phase III** (BETH w/Herceptin)

Avastin also trialed in gastric, ovarian, prostate, aNHL, and brain (GBM)

(Trial names) [Approval status]. More trials are ongoing than listed above.

Examples of new market opportunities

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Trastuzumab-DM1- *Very promising early data* *(Phase 1 data)*

(24 pts evaluated, - 6 objective responses, 4 responses on-going at the last data cut-off; the longest has persisted over 8 months- No unexpected cardiotoxicity so far

Moved into Phase II

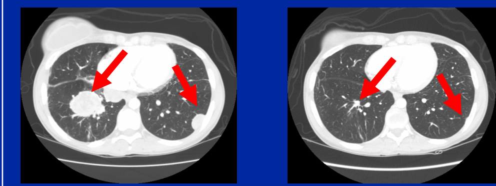
3rd generation Anti-CD20s
Acquisition of Glycart paying off

Increased CD20 binding and apoptosis

Increased ADCC; Reduced CDC

Moving into Phase II soon

IGF1-R Inhibitor – Impressive early results
Eligibility as multi-tumor compound?



Restaging Week 6

Unique Features- Selective to IGF pathway which is a key factor in tumor growth

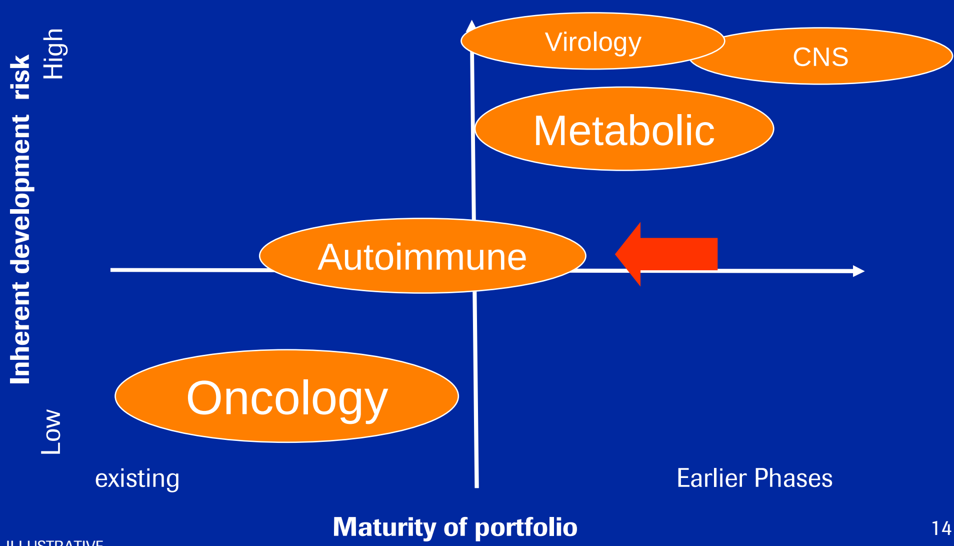
Drivers for Value – IGF pathway linked to many tumor types

Moved into Phase II

ADCC= (antibody dependent cell-mediated cytotoxicity); CDC= (complement dependent cytotoxicity)

Key drivers for short and long term development in place

Roche

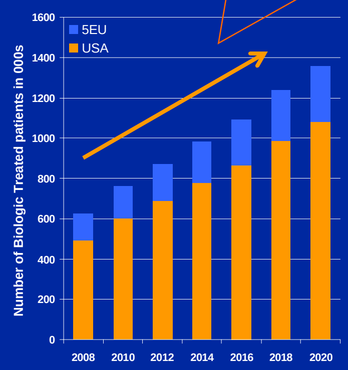


ILLUSTRATIVE

Rheumatoid Arthritis: Continued Market Growth

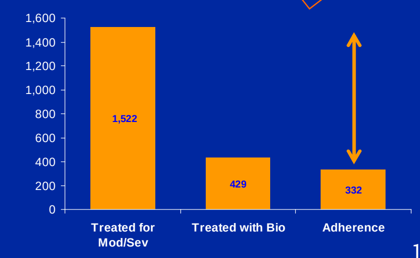
Driven by increased Biologic use, novel oral DMARDs & PHC

Short to mid-term growth driver
Biologic treated population projected to grow 6.7% CAGR (2008-2020)

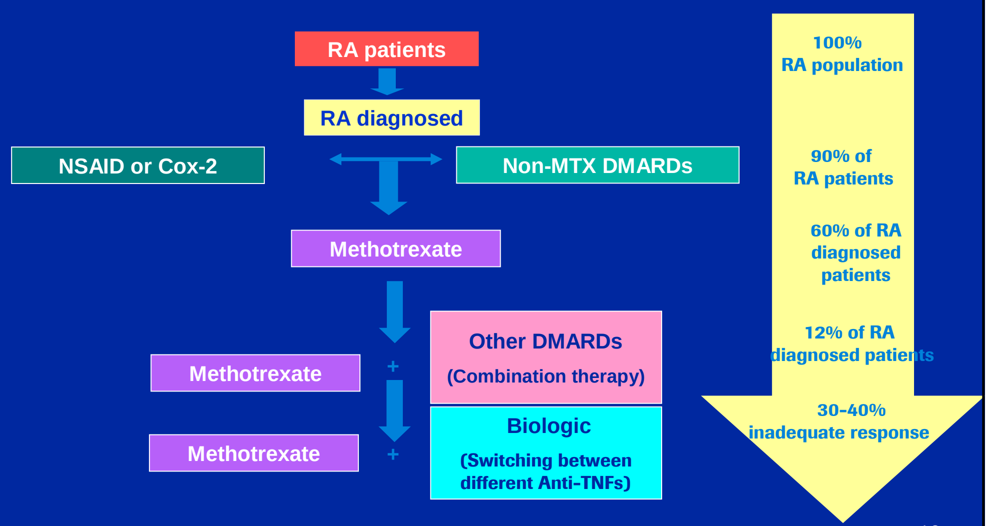


Mid to Long-Term Opportunities

- Low biologic penetration Mod/Sev RA
- Future growth drivers:
  - Novel orals: Potent & convenient
  - PHC defined differentiation = premium pricing
  - New brand Rx combination regimens

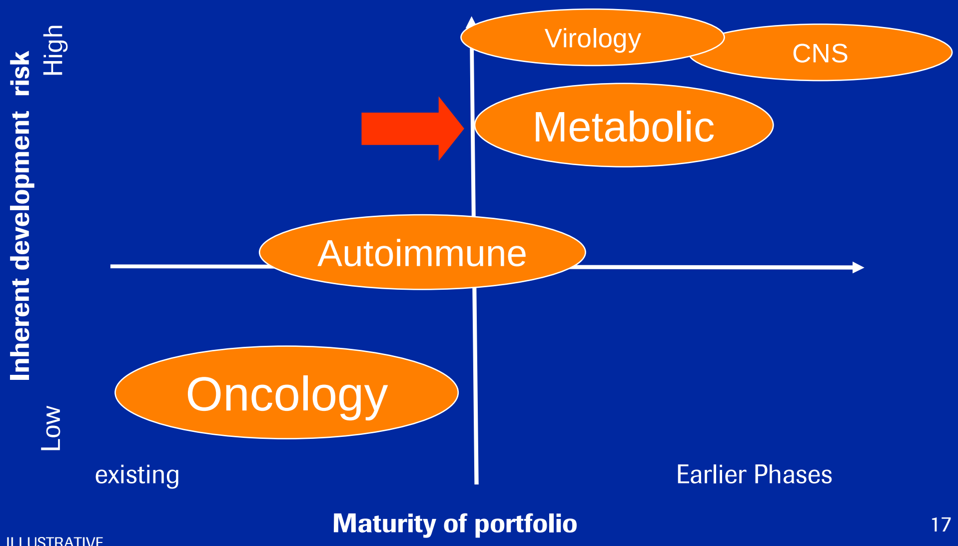


Actemra – broadly investigated in all RA segments and globally filed in 2007



DMARD: Disease modifying anti rheumatic drugs, NSAIDs: Non-steroidal anti-inflammatory drugs

Key drivers for short and long term development in place



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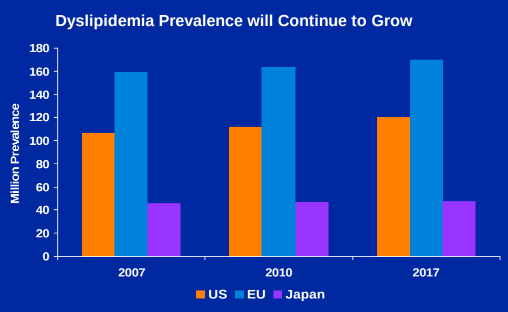
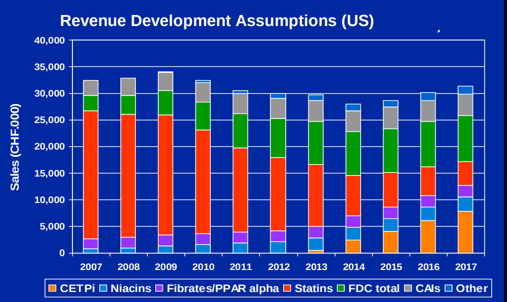
Dyslipidemia: Future growth driven by HDL treatment

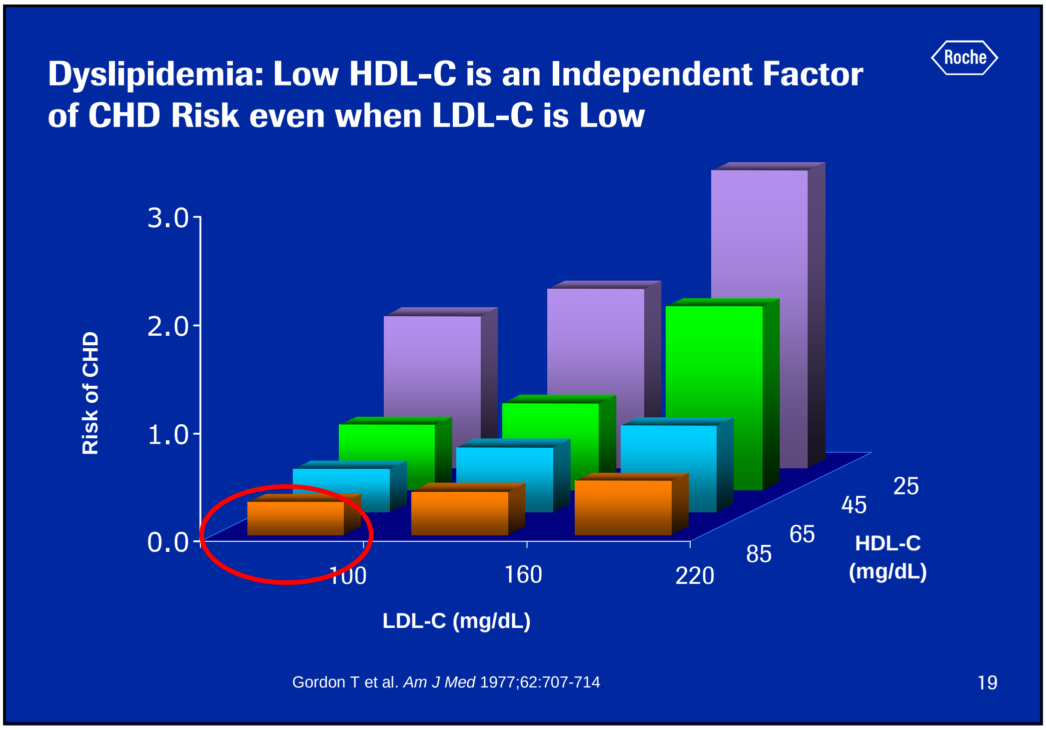


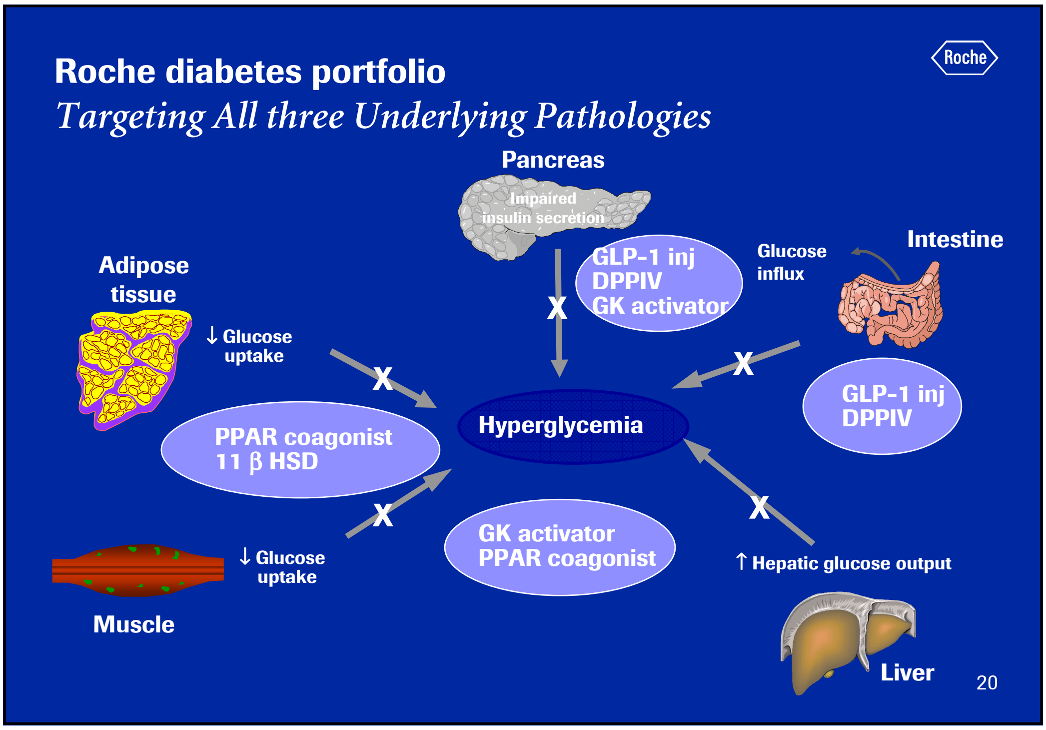


CETP inhibitors and other HDL raising drugs will be responsible for the majority of market value

Sources:, Wood MacKenzie, IMS therapy forecaster

Decision Resources, Cardium Study#4, 2007; Datamonitor Pipeline Insight dyslipidemia 2007


Dyslipidemia: Low HDL-C is an Independent Factor of CHD Risk even when LDL-C is Low
Roche
3.0
2.0
1.0
0.0
Risk of CHD
100
160
220
LDL-C (mg/dL)
25
45
65
85
HDL-C (mg/dL)
Gordon T et al. *Am J Med* 1977;62:707-714
19


Roche diabetes portfolio
Targeting All three Underlying Pathologies
Roche
Pancreas
Impaired insulin secretion
GLP-1 inj
DPPIV
GK activator
Glucose influx
Intestine
Adipose tissue
↓ Glucose uptake
GLP-1 inj
DPPIV
Hyperglycemia
PPAR coagonist
11 β HSD
GK activator
PPAR coagonist
↓ Glucose uptake
Muscle
↑ Hepatic glucose output
Liver
20

Metabolism/Diabetes in 2008
Committed to become a major player

Roche

CETP Inhibitor to move into phase III

- Safety data to be presented at major medical meetings

GLP-1 phase II data available

- Decision for phase III to be taken in H1 2008
- Publication planned for ADA

Investor science event

Phase II data for DPP-IV (3) and PPARαγ expected

- Looking for a differentiated profile (e.g. weight reduction for DPP-IV)
- Go/no-go decisions for phase III trials to be taken this year

SGLT2 just moved into Phase II

Summary
Building additional value propositions

Roche

- Oncology – worldwide leadership and continuing to expand
- Autoimmune diseases/ RA/ MS – a new growth area
- Metabolic disease – an opportunity for future growth shaping up
- HCV – framing the next standard of therapy
- CNS- innovative, early stage and some ‘wild cards’