
Roche

A sustainable business model based on innovation and productivity gains

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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.

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Performance up-date and our strategy

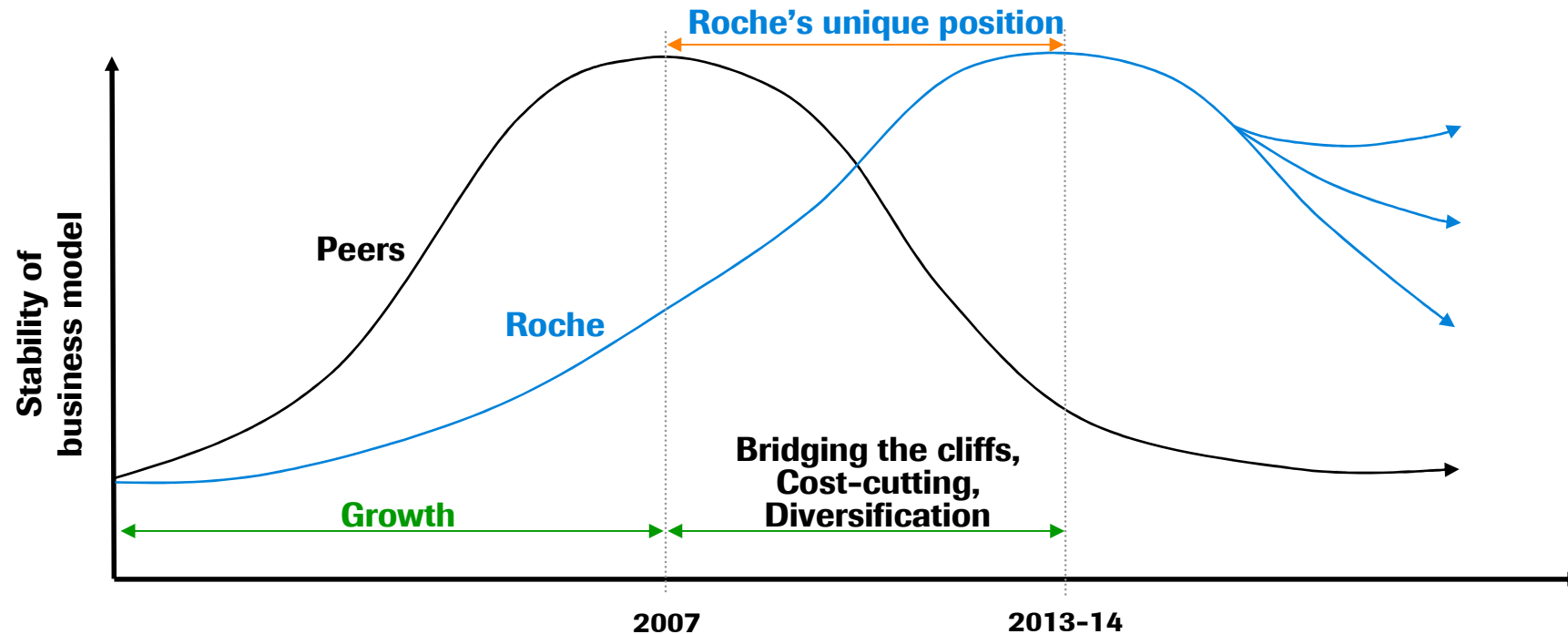
Setting the standard in oncology

Q1 2009: High single-digit growth for both divisions

Well above world market

CHF bn	Q1'08	Q1'09	% change in	
			CHF	local
Pharmaceuticals	8.6	9.2	8	8
Diagnostics	2.3	2.4	3	8
Roche Group	10.9	11.6	7	8

Roche's unique window of opportunity



The industry

Low replacement power of current earnings levels

Poor pipelines

Cost cutting

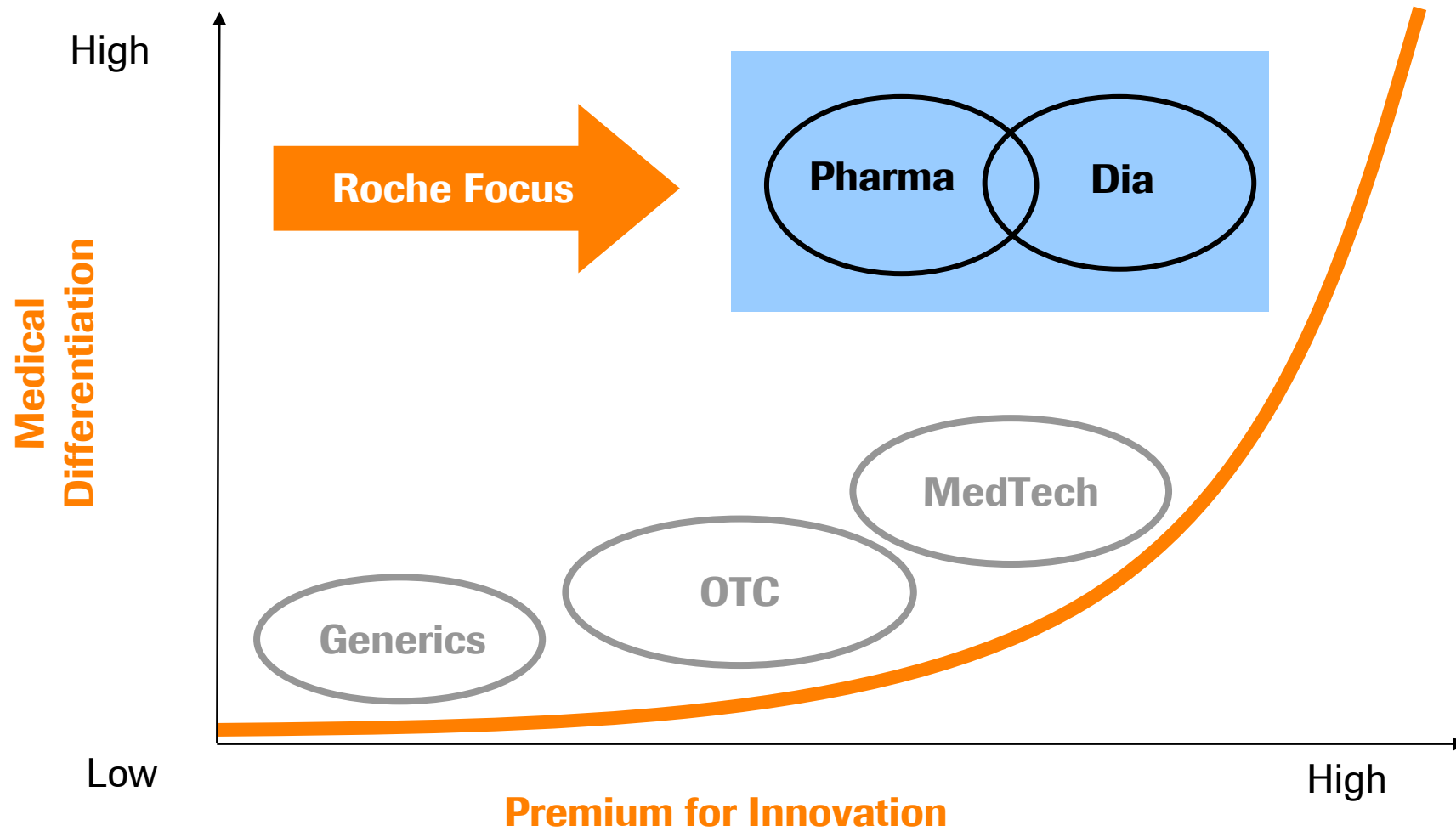
Roche

Extended stability

Low generic exposure

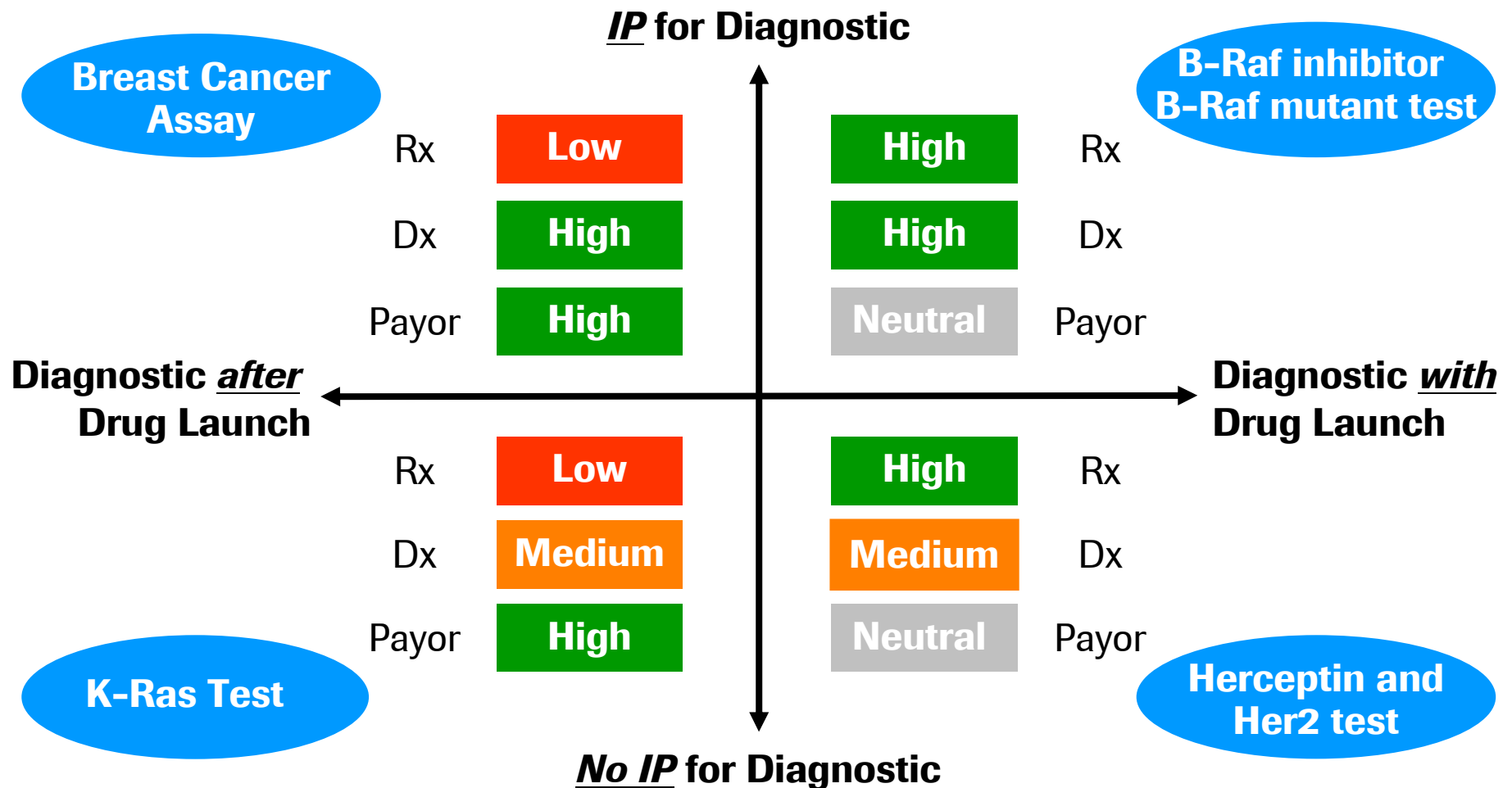
Investment into the future

Focus on our core businesses



Scenarios for PHC Added Value Distribution

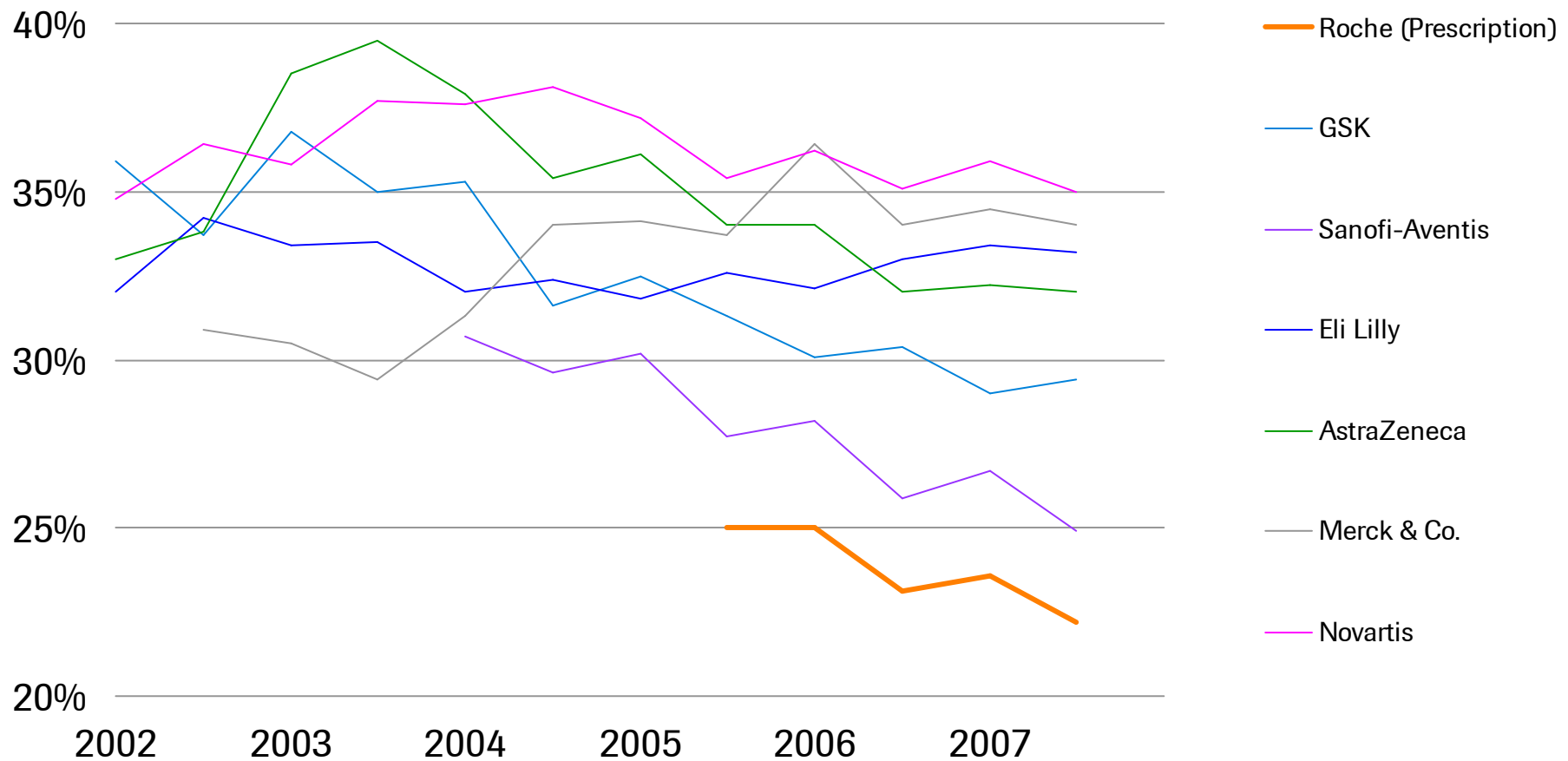
Value captured by different stakeholders depending on IP and timing of diagnostic





Roche: M&D and G&A % to sales

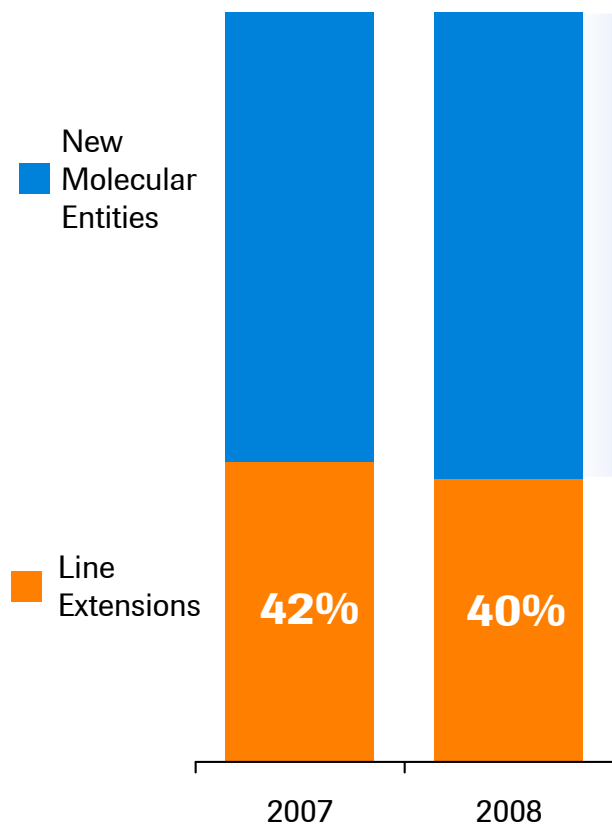
Freeing up resources for innovation



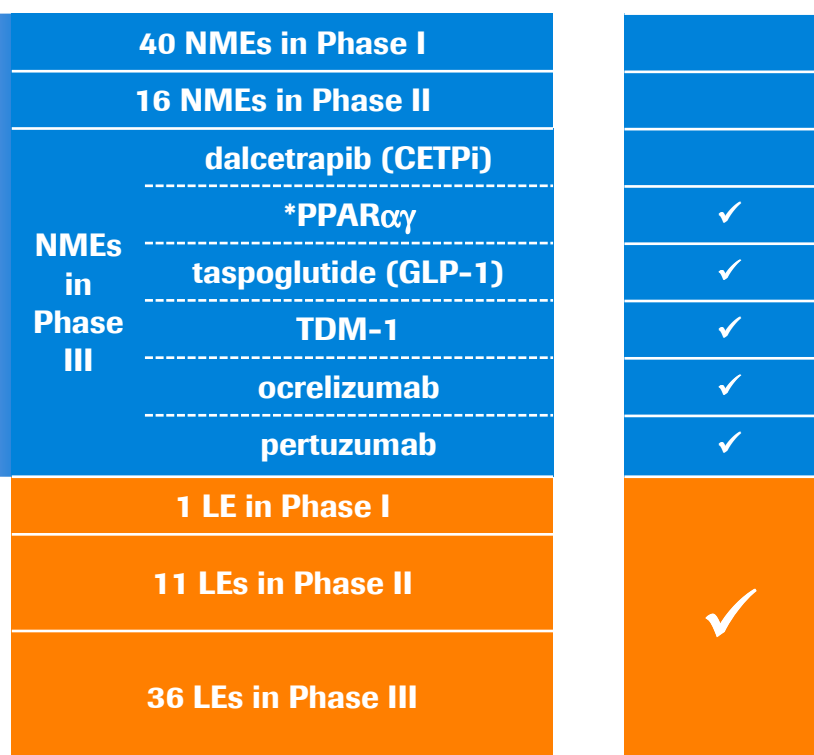
A well risk balanced approach to investment

Most projects in late stage de-risked

% of Pharma Development spend



Proof of Concept



* Formal decision to move into phase III pending

Performance up-date and our strategy

Setting the standard in oncology

First in class mechanisms establishing new standards of care

Rank	Drug	Sales (\$m) MAT 3Q08
1	MabThera	4,189
2	Herceptin	4,129
3	Avastin	4,052
4	Glivec	3,491
5	Taxotere	2745
6	Eloxatine	2,236
7	Arimidex	1,944
8	Gemzar	1,601
9	Erbitux	1,412
10	Casodex	1,343

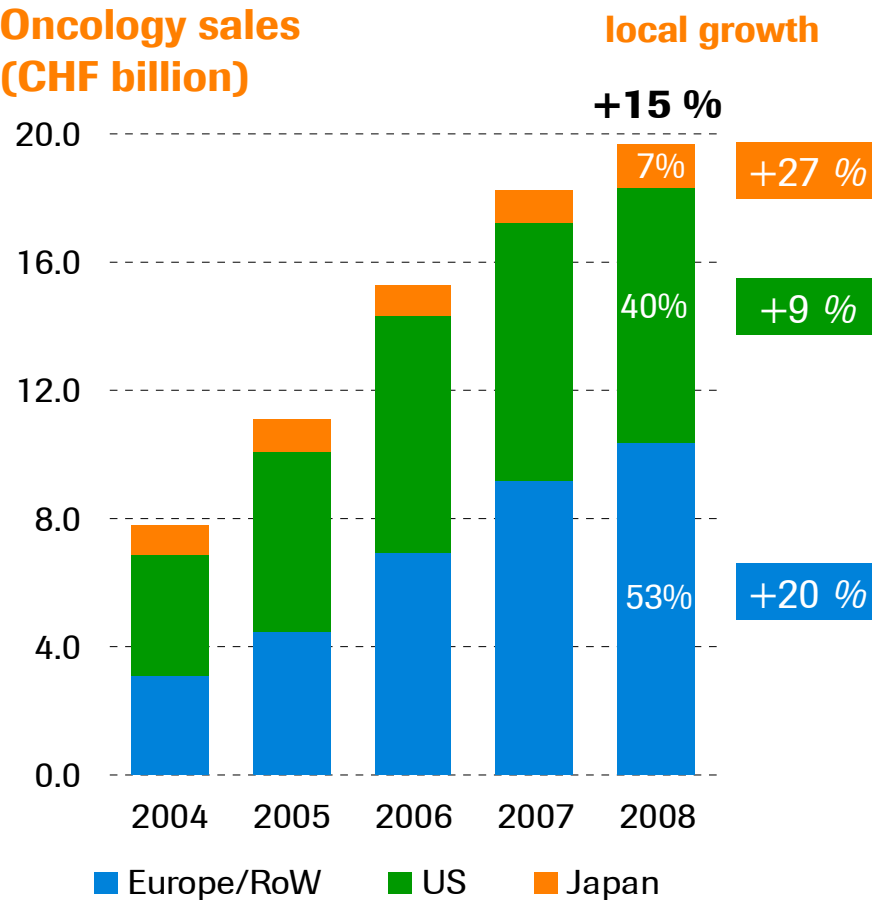
First in class

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

Oncology franchise approaches CHF 20 billion in sales



Oncology sales (CHF billion)



Double-digit growth continues

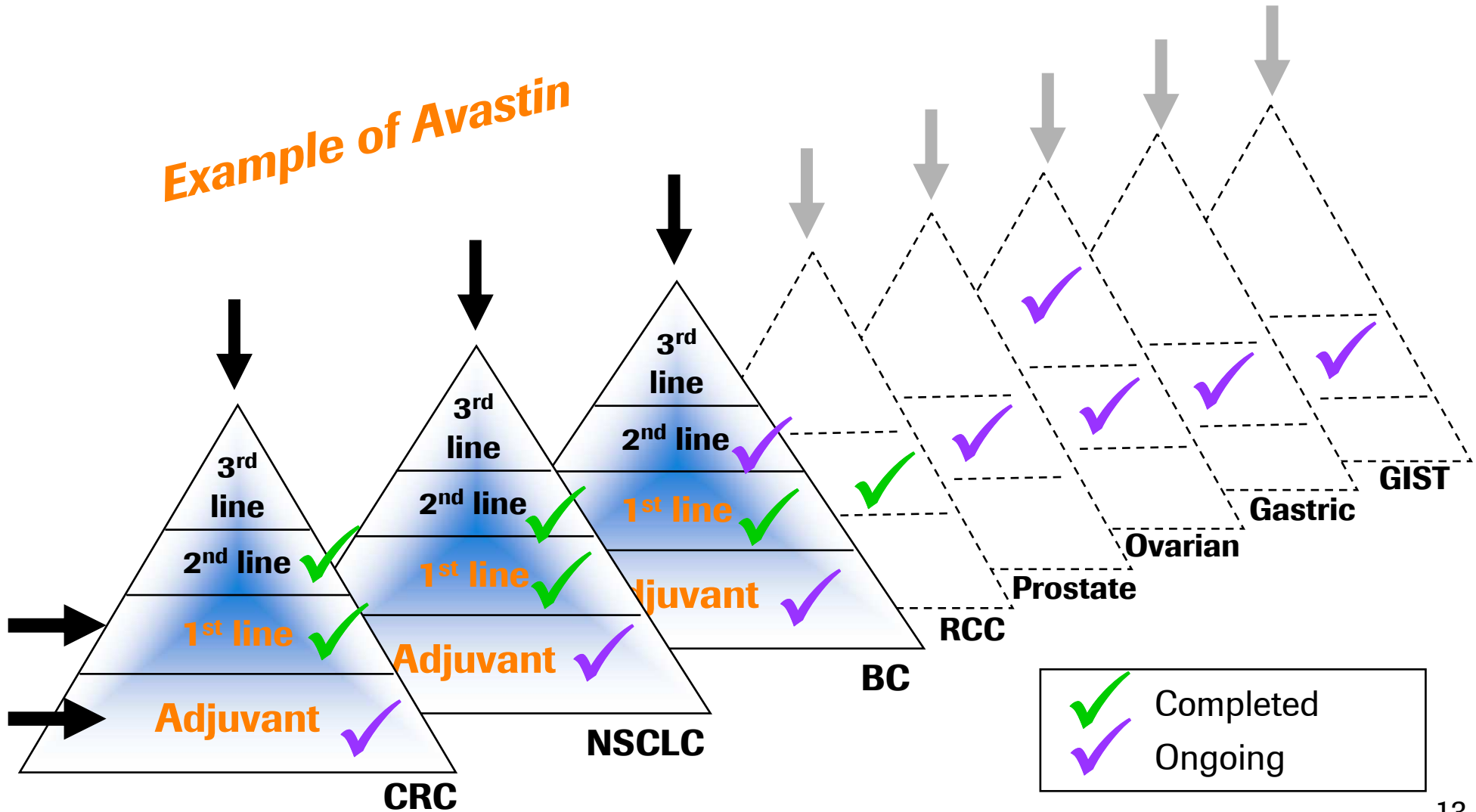
Europe/RoW

- Continued strong increase in Avastin sales, driven by strong uptake in mCRC and mBC
- Emerging markets contributing to continued growth of MabThera, Herceptin and Tarceva

Japan

- Strong launches of Avastin, Tarceva, and adjuvant Herceptin

Paradigm change: Development of all main cancer types in parallel



Avastin: significant potential for additional indications in the metastatic setting

Important Phase III newsflow over next 2 years

Indication	Study name	Start	Status*	Filing*
Previously-treated glioblastoma	BRAIN	2007	May 5, 2009 US FDA granted accelerated approval	2008
1st line metastatic ovarian cancer	GOG-0218 ICON-7	Q3'05 Q4'06	Interim analysis H2'09 Expect data 2010	2010
Relapsed Platinum sensitive ovarian cancer	OCEANS GOG-0213	Q2'07 Q4'07	Expect data 2010 Expect data 2013	2010-2013
1st line hormone-refractory prostate cancer	CALGB 90401	Q4'07	Interim analyses Q2'09 and Q4'09	2011
1st line advanced gastric cancer	AVAGAST	Q3'07	Interim analysis H2'09	2010

*Projected timelines for positive results

ASCO 2009 Highlights

Avastin

NSABP C-08: Adjuvant colon cancer efficacy results – late-breaker abstract

RIBBON-1: 1st line HER2-negative metastatic breast cancer – oral presentation

Tarceva

ATLAS: 1st line maintenance therapy for advanced non-small cell lung cancer – late-breaker oral presentation

SATURN: 1st line maintenance therapy for advanced non-small cell lung cancer – oral presentation

SATURN: 1st line maintenance therapy for advanced non-small cell lung cancer biomarker data

Herceptin

ToGA: 1st line HER2-positive advanced gastric cancer – oral presentation

T-DM1

Phase II second-line+ HER2-positive mBC final results

**Joint Roche-Genentech
Investor Science Events**

Sunday May 31st

Monday June 1st

Exciting mid / early-stage opportunities in oncology

3rd generation anti-CD20- potential for improvement over MabThera based on Glycart technology

Improved product features

Increased direct cell death

Increased ADCC

Lower CDC

Phase I in NHL

Extended life cycle

for many monoclonal antibodies?

Next generation MabThera/Rituxan

Other antibodies:

- Established targets
- Novel targets

**GA101: Phase II ongoing
Phase I data presented at ASH 2009**

Roche: A unique “investment case”

Clear and focused strategy

- Medically differentiated products

Attractive risk profile

- Low generic risk; lowest among European large-cap players

Assets in place for sustained success

- World market leader in Oncology
- Emerging Rheumatology & Autoimmune, and Metabolic franchises

Industry-leading organic growth

Unique high-tech healthcare investment