

Basel, 15 April 2008

Roche fully acquires privately-owned biotech company Piramed

- Roche gains access to important oncology target with potential for treating major cancers such as breast and lung; first drug candidate in phase I clinical testing
- Second research programme centred on potential target in inflammatory indications such as rheumatoid arthritis

Roche announced today that it will acquire Piramed Limited, a privately-owned UK company focusing on therapeutics targeting PI3-kinase (PI3-K). The PI3-K pathway is known to play an important role in disease progression and in resistance to chemotherapeutics in cancer cells. Pre-clinical studies have demonstrated the activity of PI3-K inhibitors in a broad range of tumours such as breast and lung cancer, as well as their potential importance in treating inflammatory diseases such as rheumatoid arthritis.

Through this acquisition, Roche's R&D pipeline is strengthened by Piramed's two major research programmes targeting PI3-K-alpha in oncology and PI3K-delta in inflammatory disease. The PI3-K-alpha programme has a compound in phase I of clinical development and is currently being developed in collaboration with Genentech, in whom Roche has a majority ownership interest. The previously unpartnered PI3-K-delta programme, while at a pre-clinical stage, will be integrated into the Roche Group's rich inflammatory R&D portfolio.

"The integration of Piramed's promising research and development reaffirms and further strengthens Roche's leadership in oncology", said William M. Burns, CEO, Roche Pharmaceuticals Division. "While innovative medicines have undoubtedly transformed cancer treatment, cancer remains a major cause of death and we are committed to investing in the development of new treatment options. In addition, this acquisition augments our research efforts in debilitating diseases such as rheumatoid arthritis".

Michael Moore, Chief Executive of Piramed, said: “Since Piramed was formed in 2003, we have struck a significant licensing deal with Genentech and advanced our highly promising first oncology product into the clinic. Today’s acquisition by Roche underlines the value of our pipeline and is a testament to the quality of the science developed by our team. With Roche’s undisputed excellence in oncology and inflammatory disease, Piramed has found a secure long term home for some world class science.”

Terms of the agreement

Under the terms of the agreement, Roche will acquire 100% of Piramed’s shares for USD 160 million, plus a milestone payment of USD 15 million, which is due upon the commencement of phase II clinical trials for the company’s oncology programme. The final transaction value will be adjusted by the net cash balance remaining upon closing. Closing of the transaction is subject to standard conditions including review by anti-trust authorities. Completion is expected during the second quarter of 2008.

About the PI3K programmes

PI 3-kinases are implicated in both cancer and immune inflammatory disease. In cancer, up-regulation of the PI 3-K pathway is a very common characteristic and several components of the pathway are implicated in the development of cancer. In addition, persistent signalling through the PI 3-K pathway has been shown to be a major mechanism of resistance to potential chemotherapeutic agents targeting the epidermal growth factor receptor. Pre-clinical data clearly point to the potential widespread anti-cancer utility of agents that inhibit the pathway at the level of PI3-K, particularly the alpha isoform. Such agents are expected to inhibit proliferation and overcome resistance to cytotoxic agents in cancer cells.

The delta isoform of PI3-K is strongly implicated in immune inflammatory disease, primarily through the acquired immune system. Inhibitors of PI3-K delta down-regulate certain functions of B and T cells, mast cells and neutrophils and have demonstrated significant activity in various experimental models of human immune inflammatory disorders. These data indicate a potential for broad clinical utility as new therapeutic agents in this diverse disease area.

About Piramed

Piramed is a biotech company whose mission is to discover and develop new medicines primarily for the treatment of cancer and immune inflammatory disorders such as arthritis and asthma. Piramed is a leading company in the discovery of highly selective drugs that inhibit different

isoforms of PI3-K, enzymes that are increasingly recognised as key players in a wide variety of disease processes. The company's leadership in this area was recognised in 2005 when it secured a collaboration with Genentech in relation to its PI3-K alpha programme. The company also has proprietary, unpartnered programmes targeting the PI3-K delta isoform that are in the later stages of pre-clinical development and certain earlier stage programmes involving a variety of molecular targets. Additional information is available on the Internet at www.piramed.com.

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 the world's biggest biotech company and an innovator of products and services for the early detection, prevention, diagnosis and treatment of diseases, the Group contributes on a broad range of fronts to improving people's health and quality of life. Roche is the world leader in in-vitro diagnostics and drugs for cancer and transplantation, and is a market leader in virology. It is also active in other major therapeutic areas such as autoimmune diseases, inflammatory and metabolic disorders and diseases of the central nervous system. In 2007 sales by the Pharmaceuticals Division totalled 36.8 billion Swiss francs, and the Diagnostics Division posted sales of 9.3 billion francs. Roche has R&D agreements and strategic alliances with numerous partners, including majority ownership interests in Genentech and Chugai, and invested over 8 billion Swiss francs in R&D in 2007. Worldwide, the Group employs about 79,000 people. Additional information is available on the Internet at www.roche.com.

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