

Basel, 14 April 2009

## **Roche and Genentech announce organizational and leadership decisions** **Early progress sets course for successful integration**

Following the completion of the Genentech transaction Roche (SWX: ROG.VX; RO.S, OTCQX: RHHBY) today announced the successful start of the integration. Building on the long-standing and trustful relationship of the two companies, senior leaders from Genentech and Roche have made considerable progress in a short period of time to set the course for the integration.

The following decisions regarding the organizational structure and key management positions will become effective 1<sup>st</sup> May 2009:

### **Genentech Board of Directors and Scientific Resource Board**

**Arthur D. Levinson**, currently Genentech Chairman and CEO, will chair Genentech's new Board of Directors and steer the integration of Genentech and Roche on a strategic level. The board will include Roche executives as well as external members.

Arthur Levinson also will serve as an advisor to Genentech's Research and Early Development center, and will join the Scientific Resource Board (SRB), Genentech's external advisory group.

In addition, the Board of Roche Holding Ltd will propose Arthur Levinson as a member of the Board of Roche Holding Ltd at the next Annual General Meeting of Shareholders in 2010.

**Susan Desmond-Hellmann**, currently President Genentech Product Development, will continue to support the integration planning and the handover of her current responsibilities until mid year. Thereafter she will contribute to Genentech in an advisory role. In addition, Susan Desmond- Hellmann will also join the Genentech SRB.

### **Genentech Research and Early Development**

As announced earlier, Genentech's Research and Early Development will operate as an independent center within the Roche Group. **Richard Scheller**, currently EVP Genentech Research, will lead this center and report directly to Group CEO Severin Schwan. In his extended role as EVP Research and Early Development Genentech, Richard Scheller is appointed to the Enlarged Roche Corporate Executive Committee with immediate effect.

**Marc Tessier-Lavigne**, currently EVP Genentech Research Drug Discovery, will continue reporting to Richard Scheller and succeed him as EVP Research. At the same time Marc Tessier-Lavigne is appointed as Genentech's Chief Scientific Officer.

### **Commercial operations North America and support functions**

**Pascal Soriot** will be appointed as CEO Genentech. In his new role he will lead all Pharma activities in the US and report directly to Group CEO Severin Schwan. In addition, the Board of Directors of Roche Holding has appointed Pascal Soriot as a member of the Corporate Executive Committee with immediate effect. Until now, Pascal Soriot was a member of the Enlarged Corporate Executive Committee and responsible for Commercial Operations of the Pharma division. For an interim period this function will additionally be led directly by William M. Burns, CEO Roche Pharmaceuticals.

As announced earlier, the combined commercial operations of Roche Pharma North America and Genentech will be headquartered in South San Francisco. Pascal Soriot will directly lead this function.

**George Abercrombie**, CEO and President of Hoffmann-La Roche Inc., has agreed to support the integration through the end of 2009. In this role he will assist Pascal Soriot with the transition of the US Commercial Headquarters from Nutley to South San Francisco. A site head for the Research and Development center in Nutley will be announced in due course.

**David A. Ebersman**, currently EVP and Chief Financial Officer, and **Steve Juelsgaard**, EVP Genentech Secretary and Chief Compliance Officer, will be leaving Genentech. Their responsibilities will be organized as follows:

- **Steve Krognnes**, currently Head of Roche Corporate Business Development, will be appointed as CFO Genentech and SVP Regional Head Finance and IT Pharma North America.
- **Rick Kentz**, currently VP Secretary and Legal Affairs Roche Pharma North America, will be appointed SVP Secretary and Chief Compliance Officer for the combined organization with

responsibilities for Legal and Corporate Services.

- **Steve Grossmann**, currently VP Human Resources Roche Pharma North America, will be appointed as SVP Regional Head HR Pharma North America for the combined organization.
- **Denise Smith-Hams**, currently VP Genentech Human Resources, will be promoted to SVP Genentech Human Resources.
- **Christine Castro**, VP Corporate Relations Genentech, will be appointed SVP Regional Head Public Relations Pharma North America.

All these functions are based in South San Francisco and report to Pascal Soriot.

#### **Global functions**

**Ian Clark**, currently EVP Commercial Operations Genentech, will take over responsibility as EVP Global Marketing and Chief Marketing Officer of the Roche Pharma division. He will be located in South San Francisco and report to Pascal Soriot.

**Pat Yang** will continue as EVP Technical Operations Genentech and functionally report to Jan van Koeveringe, Head Global Technical Operations Pharma, and locally to Pascal Soriot.

**Hal Barron**, currently SVP Genentech Development and Chief Medical Officer (CMO), will be appointed EVP Head Global Development responsible for Early and Late Development for three Disease Biology Areas (oncology, immunology/tissue growth repair, virology). Based in South San Francisco, he will report functionally to Jean-Jacques Garaud, Head of Global Development Roche Pharma, and locally to Pascal Soriot. He will also be appointed as CMO for the combined US organization.

#### **Integration activities**

Arthur Levinson and Pascal Soriot will lead the operational integration team to design the future set-up of the combined company. The integration plans will be finalized by mid-year with the goal to have the integration largely completed by the end of 2009.

Following completion of the integration, Pascal Soriot will resume his current responsibilities as Head of Global Pharma Commercial Operations as a member of the Corporate Executive Committee.

### **Planned changes at Roche-Group level**

**William M. Burns**, CEO Roche Pharma, age 62, will retire as planned from the Corporate Executive Committee per 1 January 2010. During the remainder of this year he will fully support the Pharma division in this significant period of transition. The successor of William M. Burns will be announced in due course. The Board of Directors of Roche Holding Ltd will propose William M. Burns, together with Arthur Levinson, as a board member at the next Annual General Meeting of Shareholders in 2010.

“Roche and Genentech have always shared a focus on scientific discovery and a commitment to achieving medical breakthroughs that can enhance and even save lives. The companies’ efficient and strategic integration of its personnel and operations reflects these shared values, and I am confident that our combined organization will be even more capable of delivering significant achievements,” said Arthur Levinson, Chairman and CEO of Genentech. “All of what Genentech has achieved during its 33-year history is due to the extraordinary talents and efforts of individuals who have dedicated themselves wholly to our mission,” Levinson added. “Among those individuals whose contributions to the company are difficult to overstate are Sue Desmond-Hellmann, Steve Juelsgaard and David Ebersman. Genentech's simply would not be the success it is today without them and on behalf of all Genentech employees I want to offer them my deepest thanks.”

Franz B. Humer, Chairman of the Roche Board, said: “We have enormous respect for the achievements of Genentech and look forward to working together even more closely with our colleagues at Genentech. I am in particular delighted that Art Levinson will continue to support Genentech and Roche in an active role.” And added further: “As planned earlier, Bill Burns will continue to lead the Pharma division until the end of the year during this significant period of transition. Over the last 23 years with Roche, Bill has been instrumental in achieving today’s strong market position and the success of the Group. We look forward very much to continuing to work together with him and profiting from his enormous know-how and industry experience.”

Severin Schwan, CEO of the Roche-Group, commented on the progress of the integration process: “I am extremely grateful to George Abercrombie for his many valuable contributions to Roche and for his support in transitioning to the new organization. We are also delighted that many outstanding individuals from both Genentech and Roche have committed themselves to driving forward the combined businesses. We look forward to maintaining the excellent momentum of the integration.”

## **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 2008 sales by the Pharmaceuticals Division totaled 36.0 billion Swiss francs, and the Diagnostics Division posted sales of 9.7 billion francs. Roche has R&D agreements and strategic alliances with numerous partners, including majority ownership interest in Chugai, and invested nearly 9 billion Swiss francs in R&D in 2008. Worldwide, the Group employs about 80,000 people. Additional information is available on the Internet at [www.roche.com](http://www.roche.com).

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## **Additional information**

- Organization Charts: <http://www.roche.com/med-cor-2009-04-14.htm>
- CV of Pascal Soriot: <http://www.roche.com/med-cor-2009-04-14.htm>
- CV of Richard Scheller: <http://www.roche.com/med-cor-2009-04-14.htm>

## **Roche Group Media Relations**

Phone: +41 -61 688 8888 / e-mail: [basel.mediaoffice@roche.com](mailto:basel.mediaoffice@roche.com)

- Daniel Piller (Head)
- Alexander Klauser
- Valeria Passoni
- Martina Rupp
- Claudia Schmitt

## **Genentech Media Relations**

Phone: +1 650 467-6800

- Geoffrey Teeter