

Basel, 17 October 2000

A New Biotech Start-Up Formed Under Roche's Leadership

BASILEA Pharmaceutica – a New Company in the Field of Infectious Diseases and Dermatology

Roche announced today the creation of an independent Biotech company named "BASILEA Pharmaceutica" to discover and develop innovative drugs in the areas of infectious diseases and dermatology.

By creating BASILEA Pharmaceutica, Roche's R&D know-how and intellectual property in antibiotics, antifungals and dermatology, established over the last 15 years, will be integrated in this broadly based Biotech company well positioned to supply novel drugs for the future. In this way, Roche continues to focus its research and development resources in key strategic areas while capitalising on valuable assets to bring new products to the market outside of Roche's principal strategic focus. Roche will maintain a minority equity interest in the company and the option for global development and marketing rights to individual development candidates in return for the payment of milestones and royalties.

BASILEA Pharmaceutica's management and staff will be constituted primarily by a group of former Roche employees. The company will be based in the Basel region.

Strong portfolio

BASILEA Pharmaceutica will start with a strong portfolio comprised of five compounds entering phase I and II development, two projects in late stages of preclinical research and ten projects at the stage of lead optimisation. The company will utilise cutting-edge technologies, and the latest methods in genomics, biochemistry and biophysics, as well as combinatorial and medicinal chemistry to discover and develop new medicines. Informatics will be integrated into all processes as a major driver of efficiency in drug discovery. Natural product screening, historically a source of novel medicines for the treatment of microbial diseases, will be an additional strength of BASILEA Pharmaceutica. Exploitation of the rich diversity of natural products will be driven by innovative and miniaturised screening technologies.

Based in Basel, Switzerland, Roche is one of the world's leading research-based healthcare groups in the fields of pharmaceuticals, diagnostics and vitamins. Roche's innovative products and services address diagnosis, prevention and treatment of diseases, thereby enhancing people's well-being and quality of life. Pharmaceutical research at Roche focuses on high unmet medical needs in the areas of diseases of the central nervous system, genito-urinary tract diseases, metabolic diseases inflammatory and bone diseases, oncology, vascular diseases and viral infections.