

Basel, 7 February 2007

Roche posts outstanding results for 2006

Sales increase substantially faster than the market – Core Earnings per Share up well ahead of sales
– Board to propose significant, 36% dividend increase

Group

- Group sales advance 17% to 42.0 billion Swiss francs – a record increase of over 6.5 billion Swiss francs
- Operating profit margin increases 2.0 percentage points to 27.9%
- Net income up 34% to 9.2 billion Swiss francs, driven by a strong operating performance and significantly higher net financial income
- Board to propose 20th consecutive dividend increase: 36% to 3.40 Swiss francs per share and non-voting equity security

Pharmaceuticals

- Pharmaceutical sales grow 21%, more than three times as fast as the global market
- Division reinforces its leadership in oncology
- Operating profit margin rises 4.1 percentage points to 31.7%
- Marketing approvals received for Avastin in lung cancer, Herceptin in early-stage breast cancer and MabThera/Rituxan in rheumatoid arthritis
- First marketing applications filed for Mircera in renal anemia
- Major development targets met: 13 new marketing applications filed and 14 approvals received

Diagnostics

- Division posts 5% sales growth, consolidating its global market leadership
- As anticipated, divisional operating profit declines as a result of investments in new product launches, impairment charges on intangible assets and lower royalty income from licences in the molecular diagnostics segment
- New range of Accu-Chek products now available worldwide

Outlook for 2007

- Double-digit sales growth for the Roche Group and the Pharmaceuticals Division
- Above-market sales growth in both divisions
- Core Earnings per Share growth target in line with sales growth

All growth rates are based on local currencies

Operating profits and operating profit margins are stated before exceptional items

Commenting on the full-year results, Roche Chairman and CEO Franz B. Humer said, “2006 was another year of strong growth and outstanding financial performance at Roche. The Group’s sales rose 17% in local currencies to a record high of 42 billion Swiss francs. This 6.5 billion Swiss franc revenue increase over 2005 reflects exceptionally strong organic growth. The Group’s earnings performance improved significantly again last year, and total net income rose by one-third to 9.2 billion Swiss francs, the highest profit ever recorded by Roche. Top-line growth was driven primarily by the Pharmaceuticals Division, where sales advanced at more than three times the market growth rate in 2006. Roche Diagnostics maintained its leadership position in an increasingly competitive market, thanks to numerous new product launches and continued growth in all of the division’s business areas. With our broad portfolio of innovative products and strong R&D pipeline, we are equipped to continue growing well ahead of the market and creating value for patients, our employees and our shareholders in the years ahead.”

Roche Group

Exceptionally strong organic growth

Key figures	In millions of CHF		% change		As % of sales	
	2006	2005	In CHF	In local currencies	2006	2005
Sales	42,041	35,511	+18	+17	100.0	100.0
Research and development	6,589	5,672	+16	+16	15.7	16.0
Operating profit before exceptional items	11,730	9,189	+28	+27	27.9	25.9
Net income	9,171	6,866	+34		21.8	19.3

	2006	2005	% change
Equity ratio (in %)	62.9	58.0	
Core Earnings per Share (in CHF)	9.86	7.84	+26
Dividend per share * (in CHF)	3.40	2.50	+36
Number of employees (at 31 Dec.)	74,372	69,795	+7

* Proposed by the Board of Directors

Operationally and financially, 2006 was another outstanding year for the Roche Group. Total sales increased significantly, rising 17% in local currencies (18% in Swiss francs) to 42.0 billion Swiss francs. This 6.5 billion Swiss franc increase over 2005 revenues was all organic growth. Sales continued to grow especially strongly in the Pharmaceuticals Division. Its sales increased 21% for the year in local currencies (22% in Swiss francs), or more than three times the global market growth rate, led by strong demand for the cancer medicines Herceptin, Avastin and MabThera/Rituxan, the anti-influenza

medicine Tamiflu, and Bonviva/Boniva, for osteoporosis. As a result, Roche extended its market leadership in oncology, transplantation and virology. In the Diagnostics Division sales increased 5% in local currencies (6% in Swiss francs) to 8.7 billion Swiss francs, with the Centralized Diagnostics unit making the largest contribution to growth. Diagnostics sales accelerated during 2006 and grew slightly ahead of the market for the year as a whole.

Operating profit margin up significantly

The further robust increase in Group sales last year had a very positive impact on earnings performance. The Group's operating profit before exceptional items increased 27% in local currencies to 11.7 billion Swiss francs. The corresponding operating profit margin rose 2.0 percentage points to 27.9%. Once again, sales growth more than offset increased investments in Roche's strong development pipeline and in new product launches. The Group's improved earnings performance was primarily due to the significantly higher profit contributed by the Pharmaceuticals Division. The division's operating profit before exceptional items increased 40% in local currencies to 10.5 billion Swiss francs, resulting in a further margin improvement of 4.1 percentage points to 31.7%. The Diagnostics Division posted an operating profit of 1.4 billion Swiss francs, down 21% in local currencies from the high divisional profit recorded in 2005. The division's operating profit margin declined 5.2 percentage points to 16.3%. The margin decrease was primarily due to investments in the rollout of new products, impairment charges on intangible assets and lower royalty income from licences.

Record net income – high equity ratio

The Group's strong profitability is also reflected by other key indicators. EBITDA rose 2.9 billion Swiss francs to 14.4 billion Swiss francs. Net financial income totalled 855 million Swiss francs, up significantly from the 328 million Swiss francs recorded in 2005. The effective tax rate was 27.3%, compared with 24.9% in 2005. Group net income rose 34%, or 2.3 billion Swiss francs, to 9.2 billion Swiss francs, and the Group's return on sales margin increased 2.5 percentage points to 21.8%. Net income attributable to Roche shareholders was 33% higher than the year before. Core Earnings per Share (Core EPS) rose 26%. The Group's balance sheet has thus been strengthened further. The ratio of equity to total assets is now 63%, and 83% of assets are financed long-term.

Outlook

Barring unforeseen events, Roche anticipates further positive growth in 2007. Roche expects the Group's and the Pharmaceuticals Division's sales to continue to grow at double-digit rates in local currencies. In both the Pharmaceuticals Division and the Diagnostics Division, Roche anticipates continued above market sales growth in local currencies. Roche's target is for Core EPS to grow in line with Group sales, despite significant investments in research, development, production and marketing.

Twentieth dividend increase in a row

In view of the Group's outstanding results in 2006, the Board of Directors will propose a substantial dividend increase of 36% to 3.40 Swiss francs per share and non-voting equity security at this year's Annual General Meeting. If approved by shareholders, this will be the Group's twentieth dividend increase in as many years and will raise Roche's total dividend payout to 2.9 billion Swiss francs, up from the 2.1 billion Swiss francs distributed last year.

Pharmaceuticals Division

Divisional sales grow more than three times as fast as the market

Key figures	In millions of CHF	% change in CHF	% change in local currencies	As % of sales
Sales	33,294	+22	+21	100
- Roche Pharmaceuticals	20,666	+22	+20	62
- Genentech	9,125	+38	+37	27
- Chugai	3,503	-5	-1	11
EBITDA	12,168	+34	+34	36.5
Operating profit before exceptional items	10,545	+40	+40	31.7
Research and development	5,889	+18	+19	17.7

The Pharmaceuticals Division set new records in 2006. Sales for the full year rose 21% in local currencies and 22% in Swiss francs (21% in US dollars) to 33.3 billion Swiss francs – 6 billion francs more than 2005 and over three times the global market growth rate. Roche has now outperformed the global pharmaceuticals market every quarter for the last four years. Regional sales growth significantly outpaced the market average in North America (27% vs 8%) and Europe (22% vs 5%). In Japan sales declined 1%, in line with the market average, due to government mandated price cuts and healthcare reimbursement changes. Overall, growth was driven primarily by strong demand for the division's key oncology products, the influenza medicine Tamiflu, Genentech's ophthalmology drug Lucentis, and the osteoporosis medicine Bonviva/Boniva.

The division's operating profit before exceptional items advanced 40% to 10.5 billion Swiss francs, and the operating margin 4.1 percentage points to 31.7%. The margin increase was the result of the strong sales growth combined with further productivity improvements, particularly in manufacturing. These factors more than outweighed significantly higher investments in marketing and distribution, and research and development. EBITDA totalled 12.2 billion francs or 36.5% of sales, compared with 33.3% in 2005.

Oncology – portfolio expanded further

Sales of MabThera/Rituxan (rituximab), for the treatment of indolent and aggressive forms of non-Hodgkin's lymphoma (NHL), continued to advance strongly throughout 2006. Growth was supported by increased use of the product as first-line treatment for both forms of the disease, particularly in Europe and emerging markets such as Russia and Latin America. High treatment rates with Rituxan in the US were maintained throughout the year. In July Roche received EU regulatory approval to market MabThera for maintenance therapy of relapsed or refractory follicular NHL, the most common form of indolent NHL. In the US Genentech received marketing approvals for three additional indications for Rituxan, including treatment of previously untreated follicular lymphoma.

Herceptin (trastuzumab) is designed specifically to treat a particularly aggressive form of tumour (known as HER2-positive) that accounts for 20–30% of all breast cancers. Worldwide sales of the product nearly doubled in 2006. In addition to strong uptake by the medical community, growth was driven mainly by reimbursement approvals in the EU, the US and other key markets for wider use of the product after surgery in early-stage breast cancer. These approvals are based on clinical trial results showing that in this setting Herceptin can reduce the risk of cancer recurrence by up to 50% and the risk of death by about a third. In October Roche filed an application with the EU authorities for approval of Herceptin combined with hormonal therapy to treat advanced (metastatic) breast cancer that is both hormone receptor-positive and HER2-positive. In November Chugai filed an application with the Japanese Ministry of Health, Labour and Welfare (MHLW), seeking expansion of the product's marketing licence to include operable early-stage HER2-positive breast cancer.

Avastin (bevacizumab) is the first targeted anti-angiogenic therapy with demonstrated patient survival benefits in four major tumour types: metastatic colorectal, breast and lung cancer, and now also advanced kidney cancer. Avastin inhibits the growth of blood vessels into tumours, thus cutting off the blood supply tumours need to grow and spread. It has now been launched in most markets worldwide as a first-line treatment for advanced (metastatic) colorectal cancer (CRC). Sales grew strongly in 2006 and are expected to increase further, driven by continuing market uptake. Roche is preparing to ask the EU authorities to widen the product's current marketing approval in metastatic CRC to include combinations with chemotherapy regimens based on Xeloda or oxaliplatin. The filing, planned for the first half of 2007, will be based on data from the largest-ever clinical trial in first-line metastatic CRC, showing that adding Avastin to chemotherapy (FOLFOX-4 or XELOX) significantly improves progression-free survival compared with chemotherapy alone. In April Chugai filed the first marketing application for Avastin in Japan, for the treatment of advanced or recurrent colorectal cancer. The application was filed early under an MHLW initiative aimed at expediting patient access to innovative medicines that are already approved in the US or EU, and it has also been given priority review status. In

October, following priority review, the US Food and Drug Administration (FDA) approved Avastin for the treatment of non-small cell lung cancer (NSCLC), the most common form of the disease; a filing for the same indication was submitted to the EU's European Medicines Agency (EMA) in August. In addition, Roche filed an application in July for EU marketing authorisation of Avastin for the treatment of advanced breast cancer. In September the FDA asked Genentech to provide additional data analysis to support its US application for approval of Avastin to treat metastatic breast cancer. Genentech has agreed to supply the additional data by mid-2007. Interim analysis of a major phase III trial (AVOREN) released in December has shown that Avastin is also effective in a fourth type of cancer: it significantly improves progression-free survival when given as a first-line treatment for advanced renal cell carcinoma. These results will form the basis for a supplemental EU marketing application, planned for 2007.

Xeloda (capecitabine) is an effective oral anticancer therapy that greatly simplifies treatment and also saves costs by reducing the need for hospital visits. Strong sales growth in 2006 was fuelled mainly by increased use of the product in the adjuvant treatment of colon cancer in the US and Europe. Xeloda is currently also approved for the treatment of metastatic breast and colorectal cancer. Marketing applications are planned worldwide, except Japan, in the first half of 2007 for approval of a combination of Xeloda, oxaliplatin and Avastin for metastatic colorectal cancer. The filings will be based on the results of two phase III studies completed in 2006. In July Roche filed an EU marketing application for approval of Xeloda in combination with cisplatin for the treatment of stomach cancer. The filing is based on the results of a phase III comparative study of the efficacy and safety of combined Xeloda and cisplatin versus the current standard therapy.

Two years since its launch in 2004, sales and usage of Tarceva (erlotinib), a targeted drug with proven survival benefit in advanced non-small cell lung cancer and advanced pancreatic cancer, continue to increase strongly. Tarceva has now been approved for the second- and third-line treatment of NSCLC in over 75 countries worldwide. In April Chugai filed an application in Japan for approval of Tarceva in advanced or recurrent NSCLC; the filing has been given priority review status by the authorities. Market uptake of Tarceva for the treatment of pancreatic cancer is also strong, and the product is now the market leader in the US for this indication. In January 2007, after re-examining the data supporting Roche's supplementary marketing application, the EU authorities approved Tarceva for the treatment of metastatic pancreatic cancer.

Anemia – NeoRecormon sales up for both indications

Despite sustained pricing pressure, sales of NeoRecormon (epoetin beta) rose 6% to 1.5 billion Swiss francs, with the product retaining a strong position in cancer-related anemia and its market leadership in

renal anemia in the regions where it is sold. As in 2005, market share gains in the oncology setting were driven by continued adoption of the convenient once-weekly prefilled syringe formulation. In January 2007 the EU authorities approved the use of the once-weekly dosage form to treat anemia in patients with solid tumours. In Japan sales of Epogin (epoetin beta) declined due to government mandated price cuts and the introduction of flat-rate reimbursement for epoetin products used in dialysis patients, which has reduced the overall size of the anemia market. Combined sales of NeoRecormon and Epogin declined slightly overall for the year.

Transplantation – leading position maintained

Sales of CellCept (mycophenolate mofetil) continued to post solid sales growth in 2006, driven by particularly strong demand in the US. Thanks to its proven long-term survival benefits and low toxicity, CellCept remains the leading product in the mycophenolic acid market and the cornerstone of immunosuppressant therapies.

Virology – sales growth driven mainly by Tamiflu

Combined sales of Valcyte (valganciclovir) and Cymevene (ganciclovir) continued to show strong growth in 2006, driven by increasing recognition among doctors of the need for prevention and treatment of potentially fatal cytomegalovirus infection in transplant patients. Sales are also being helped by increased use of the products to treat cytomegalovirus infection in HIV/AIDS patients.

Worldwide sales of Tamiflu (oseltamivir), for influenza, continued to rise strongly, driven mainly by pandemic stockpiling, as governments increased their population coverage. Since 2004 over 75 countries have placed orders for pandemic stocks of Tamiflu, with some purchasing enough to cover 25–50% of their populations. Through a collaborative network of its own facilities and those of other companies, Roche now has access to manufacturing capacity for Tamiflu that exceeds all government orders received to date. Research into the most effective utilisation of Tamiflu against the H5N1 virus is continuing, both at Roche and through collaborations with independent experts, the World Health Organization and other institutions. Following EU approval of Tamiflu for influenza prophylaxis in children aged 1–12 years, the medicine can now be prescribed for treatment or prophylaxis in all patients aged one year or older.

Despite an overall decline in market volume in the US and competition from a combination treatment in Japan, sales of Pegasys (peginterferon alfa-2a), for the treatment of hepatitis B and C, continued to grow in 2006. The product remains the leading pegylated interferon treatment for chronic hepatitis C. Sales of Copegus (ribavirin) continued to decline overall due to generic competition in the US. In January 2007 Chugai received approval to market Copegus in Japan for the treatment of chronic hepatitis C in

combination with Pegasys.

Roche's HIV medicines achieved steady growth throughout 2006. Sales of Fuzeon (enfuvirtide), which works by blocking the entry of HIV into cells of the immune system, rose 19% compared with 2005. Combined sales of Invirase and Fortovase (saquinavir) increased 28% to 182 million Swiss francs. Growth is being fuelled by increasing uptake of the recently introduced Invirase 500 mg tablet, which offers patients greater convenience.

Rheumatoid arthritis – MabThera/Rituxan launched in first indication

MabThera/Rituxan is the first therapy developed for rheumatoid arthritis (RA) that selectively targets B cells, which play a key role in the disease. First approvals in this indication were issued by the FDA and the EMEA, for use in patients with active RA who have an inadequate response to or are unable to tolerate anti-TNF therapy. Launches in the US, EU and elsewhere have commenced.

Bone and metabolic diseases – good market uptake for Bonviva/Boniva

Bonviva/Boniva (ibandronic acid) is the first and only once-monthly oral bisphosphonate approved for the treatment of postmenopausal osteoporosis. As the worldwide rollout gathered pace, full-year sales of the product continued to rise strongly. In the US Boniva now accounts for some 16% of new bisphosphonate prescriptions. New data published in September show that patients on monthly Boniva tend to continue treatment significantly longer than those taking weekly bisphosphonates, thus increasing their chances of sustained treatment results. Bonviva/Boniva Injection was approved in the US and Europe in January and March, respectively, and is currently being launched in those markets. Given once every three months, this new formulation offers effective treatment to women unable to take or tolerate oral bisphosphonates.

Global sales of Xenical (orlistat 120 mg), for weight loss, grew steadily in 2006, despite the launch of a new competitor in a number of markets. Growth has been helped by increasing awareness of the risks associated with overweight and obesity. Following receipt of an 'approvable' letter from the FDA in April, Roche's partner GlaxoSmithKline is in discussions with the agency regarding its application to sell orlistat 60 mg as a non-prescription weight-loss aid in the US. Subject to final FDA approval, GSK expects to launch the product under the brand-name "alli" in the first half of 2007.

Research and development – R&D pipeline strengthened further

In 2006 the Pharmaceuticals Division filed 13 new marketing applications and received 14 regulatory approvals. At the beginning of 2007 the Division's R&D pipeline comprised 101 clinical projects, including 48 new molecular entities (NMEs) and 53 additional indications. Twenty-five NMEs are

currently in phase I, 18 in phase II and five in phase III or filed for regulatory review. In 2006 the total number of late-stage projects in the pipeline (NMEs and additional indications) increased from 41 to 47. Roche Pharmaceuticals currently has 110 projects in preclinical research across six therapeutic areas and 90 development projects in eight therapeutic areas, including 20 in phase 0 (transition from preclinical to clinical development). In 2006 fifteen projects were either terminated or reverted to the respective R&D partners. Of these, eight were in phase I, six in phase II and one in phase III.

Mircera, the first continuous erythropoietin receptor activator, is a new anti-anemia agent that differs from existing medicines both functionally and structurally. The results of six major phase III trials of Mircera in renal anemia, involving over 2,400 patients with chronic kidney disease, were presented at major medical conferences in 2006. The data show that dialysis patients can be switched directly and successfully to maintenance therapy with once-monthly Mircera from other medicines requiring administration up to three times a week – the first time such a switch has been achieved. In addition, two studies of anemia correction in previously untreated patients with chronic kidney disease demonstrated that Mircera can be given to these patients just twice monthly from the outset – another first. Clinical development of Mircera for chemotherapy-induced anemia in cancer patients, currently in phase II, is proceeding as planned. In April Roche filed its first marketing applications for approval of Mircera to treat anemia resulting from chronic kidney disease. The EU and US filings seek approval for the use of the product both in patients who are on dialysis and in those not on dialysis. In December the FDA accepted additional data submitted by Roche to facilitate the agency's review of the US marketing application and extended the review period by three months. The trial in the patent lawsuit brought by Amgen in the US is expected to begin in September 2007. Roche remains confident that Mircera does not infringe any of Amgen's erythropoietin patents.

Actemra (tocilizumab) is being developed as a treatment for RA in one of the most extensive phase III programmes Roche has ever undertaken. Five clinical trials with over 4,000 patients are currently ongoing in 41 countries. Patient enrolment was completed in December. In April 2006 Chugai filed a marketing application in Japan for use of Actemra in the treatment of adult RA and systemic onset juvenile idiopathic arthritis. Supporting data include phase III results showing that Actemra monotherapy significantly improves the symptoms of RA and slows the progression of joint damage. Roche plans to file marketing applications for Actemra in RA in the US and the EU in 2007.

Ocrelizumab is an anti-CD20 humanised monoclonal antibody being developed by Roche and Genentech for moderate to severe rheumatoid arthritis. Like MabThera/Rituxan, ocrelizumab also targets B cells. As a fully humanised antibody, it has the potential to be even better tolerated. Promising phase I/II data were presented at the American College of Rheumatology conference in November

showing that ocrelizumab was well tolerated and clinically active at all tested doses. An extensive phase III clinical development programme is planned to start early in 2007.

R1658, licensed from Japan Tobacco, is a cholesteryl ester transfer protein (CETP) inhibitor with a unique mechanism of action that is designed to raise levels of HDL-C, or “good” cholesterol (a lack of HDL-C is associated with an increased risk of cardiovascular disease). Phase II studies are nearing completion; the data indicate that the compound has a good safety profile and the desired effects on HDL-C and other blood lipids (fats). The results of these studies will form the basis for a decision in 2007 on entry into phase III testing. Unlike a development compound from the same class that was recently discontinued by another company, R1658 has not been associated with any adverse cardiovascular changes or any increase in blood pressure when given to patients as monotherapy or in combination with statins. Nor did R1658 affect cardiovascular parameters in animal models.

Diagnostics Division

All business areas contribute to sales growth

Key figures	In millions of CHF	% change in CHF	% change in local currencies	As % of sales
Sales	8,747	+6	+5	100
- Diabetes Care	3,019	+5	+3	35
- Centralized Diagnostics	3,100	+7	+5	35
- Molecular Diagnostics	1,211	+3	+3	14
- Near Patient Testing	785	+8	+7	9
- Applied Science	632	+12	+12	7
EBITDA	2,500	-4	-5	28.6
Operating profit before exceptional items	1,422	-20	-21	16.3
Research and development	700	0	-1	8.0

Roche Diagnostics remained the global leader in 2006 in an increasingly competitive market, with a market share of 19%. Divisional sales increased 5% for the year in local currencies (6% in Swiss francs; 5% in US dollars), fuelled by new product launches. This was slightly above the market growth rate. The Centralized Diagnostics, Near Patient Testing and Applied Science units were the main contributors to growth.

Divisional operating profit (before exceptional items) declined 21% to 1.4 billion Swiss francs, resulting in a margin decline of 5.2 percentage points. This was primarily due to increased investments in launch activities, impairment charges on intangible assets and lower royalty income from licences. The impairment charges mainly relate to intangible assets recorded following the Disetronic acquisition in 2003. The decline in royalty income followed the expiry of the foundational patents on polymerase chain

reaction (PCR) technology in many countries outside the US. EBITDA totalled 2.5 billion francs, or 28.6% of sales, compared with 31.7% in 2005; this was well above industry average.

In 2006 Roche Diagnostics invested 700 million Swiss francs, or 8% of sales, in research and development. The molecular diagnostics, immunochemistry and diabetes care businesses accounted for the largest shares of expenditure.

Diabetes Care – launch of new Accu-Chek products successfully completed

Roche Diabetes Care remained the global market leader in 2006. Following 1% growth in the first half-year, sales rose 5% in the third quarter and 6% in the fourth. Full-year sales were up 3% from the previous year. The new Accu-Chek product portfolio makes it even easier for people with diabetes to manage their condition. Besides the Accu-Chek Spirit insulin pump, it includes the Accu-Chek Aviva and Accu-Chek Go blood glucose monitoring systems and Accu-Chek Compact Plus, an all-in-one system integrating a glucose meter with an automatic test strip dispenser and a lancing device. Also new is the Accu-Chek Multiclix lancing device, which features a unique preloaded lancet drum for safer, more convenient and comfortable blood sampling. Market uptake of these products has been strong, spurring additional sales growth and helping to offset declining sales of the Accu-Chek Advantage system, one of Roche Diabetes Care's most successful products for nearly a decade. The rollout of new monitoring systems was completed in mid-2006 with the launch of the Accu-Chek Compact Plus in North America and Accu-Chek Aviva in Japan. The entire new family of Accu-Chek products is now available worldwide.

In the United States customers have had access to the complete Roche portfolio of insulin delivery products since the FDA lifted its import alert on Accu-Chek insulin pumps in October. The customer response there to the Accu-Chek Spirit pump, which is now available in more than 30 countries, was very positive during its first three months on the US market. Roche Diabetes Care's insulin delivery business posted double-digit growth.

Centralized Diagnostics – cobas 6000 analyser series on the market

In 2006 Roche Centralized Diagnostics posted above-market sales growth of 5% and remained the industry leader with a market share of about 13%. The rollout of the medium-throughput cobas 6000 analyser series and the European launch of the cobas c 111 analyser for customers with small testing volumes marked important steps in a business strategy centred on making clinical chemistry and immunochemistry testing simpler and more efficient. An application for US marketing approval for the cobas c 111 analyser was submitted to the FDA in late 2006. The cobas 6000 analyser series is a fully automated, integrated system capable of handling more than 95% of the routine tests performed daily by

a medium-volume laboratory. Thanks to its flexible, modular design, it can be configured exactly to customers' individual needs, and new modules can be added at any time as those needs grow.

Immunoassay sales continued to grow significantly faster than the market, advancing 13% in 2006 thanks to products like the Elecsys proBNP and Elecsys Troponin T assays for cardiac disorders. Sales of the NT-proBNP marker grew 28%, helped by additional US approval of the Elecsys proBNP assay for use in assessing the risk of cardiac events in patients with stable coronary artery disease.

Molecular Diagnostics – focus on automation

Roche Molecular Diagnostics maintained its leading market share at about 38% as sales advanced 3% for the year. Virology – the largest segment by sales – grew 5% in 2006, in line with the virology market.

Stepped-up sales efforts for the combined Cobas AmpliPrep/Cobas TaqMan platform and its menu of viral load tests for HIV and hepatitis B and C virus (HBV, HCV) drove product sales and helped Roche Molecular Diagnostics to maintain its market share in Europe. Offering fully automated sample preparation and analysis, Cobas AmpliPrep/Cobas TaqMan enhances laboratory productivity and test result integrity. FDA review of the HIV viral load test for this platform is already well advanced, and Roche is preparing to submit its marketing application for the HCV test to the FDA in early 2007.

Monitoring viral load (the amount of virus in a patient's blood) is an important way of assessing disease progression and treatment response. In June Roche began rolling out the new fully automated cobas s 201 modular blood screening system and cobas TaqScreen MPX multiplex test across Europe. The cobas TaqScreen MPX test, which simultaneously detects HIV, HCV and HBV in donated blood, received CE Mark (Conformité européenne) certification in March. These products are now available in all European countries. US filings for the multiplex test and a separate West Nile Virus test on the cobas s 201 system are planned for 2007. During the year additional large US laboratories signed on to offer the AmpliChip CYP450 Test, a microarray-based test that detects genetic variations which can affect the way patients respond to treatment with many widely prescribed drugs. Roche is preparing to submit filings to the FDA in the first half of 2007 for tests to detect and genotype low-, intermediate- and high-risk strains of human papillomavirus (HPV). Persistent infection with certain HPV genotypes is a known risk factor for cervical cancer.

Near Patient Testing – leadership in coagulation monitoring and hospital-based blood glucose monitoring extended

This business area reinforced its market leadership in 2006. Overall sales rose 7% for the year, helped by the continued trend towards decentralised testing. Roche Near Patient Testing's newest coagulation monitoring systems, CoaguChek XS for patient self-monitoring and CoaguChek XS Plus for healthcare professionals, commenced their European rollout in January and October, respectively. CoaguChek XS received FDA approval in the third quarter of 2006, and a full US launch is planned for the first quarter

of 2007. These systems provide patients taking oral anticoagulants and their health professionals accurate, on-the-spot results from a single drop of blood. Their successful launch has strengthened Roche's global leadership in coagulation monitoring. Roche Near Patient Testing is also the clear leader in hospital-based blood glucose monitoring. The Accu-Chek Inform meter and Accu-Chek Advantage and Accu-Chek Sensor test strips are the core products driving Roche's growing market share in this segment.

Applied Science – Genome Sequencer 20 opens up new market segment for Roche

Roche Applied Science's sales grew 12% in 2006, nearly twice the market growth rate. Growth was driven primarily by the LightCycler 480 instrument and Genome Sequencer 20 system. LightCycler 480 is a highly versatile high-throughput gene expression and mutation analysis platform based on the polymerase chain reaction (PCR) technology pioneered by Roche. The innovative Genome Sequencer 20 system, first launched in late 2005, marks Roche's successful entry into the attractive DNA sequencing research market. It can sequence long DNA fragments and entire genomes 60 times faster than conventional commercially available instruments. Roche Applied Science is also a supplier of industrial reagents and substrates, which account for a major part of its sales revenues. These products were important contributors to growth in 2006.

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 a supplier of innovative 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 a world leader in diagnostics, the leading supplier of drugs for cancer and transplantation and a market leader in virology. In 2006 sales by the Pharmaceuticals Division totalled 33.3 billion Swiss francs, and the Diagnostics Division posted sales of 8.7 billion Swiss francs. Roche employs roughly 75,000 people in 150 countries and has R&D agreements and strategic alliances with numerous partners, including majority ownership interests in Genentech and Chugai. Additional information about the Roche Group is available on the Internet at www.roche.com.

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Additional information

- Media release including a full set of tables: www.roche.com/med-cor-2007-02-07

- Annual Report 2006: www.roche.com/fig_annualreport_2006
- Presentations / live media conference broadcast (starting at 10:00 am CET):
www.roche.com/med-cor-2007-02-07b
- Photographs of the media conference (starting at 4:00 pm CET):
www.roche.com/pages/downloads/photosel/070207/
- Roche Pharma pipeline: www.roche.com/inv_pipeline

Next events

- Annual General Meeting: 5 March
- First quarter sales 2007: 17 April (tentative date)
- Half-year results 2007: 19 July (tentative date)
- Nine months sales 2007: 18 October (tentative date)

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1. Sales January to December 2006 and 2005

	2006	2005	% change	
	CHF m	CHF m	In CHF	In local currencies
January – December				
Pharmaceuticals Division	33,294	27,268	+22	+21
Roche Pharmaceuticals	20,666	16,955	+22	+20
Genentech	9,125	6,614	+38	+37
Chugai	3,503	3,699	-5	-1
Diagnostics Division	8,747	8,243	+6	+5
Roche Group	42,041	35,511	+18	+17

2. Quarterly local sales growth by Division in 2006

	Q1 2006 vs. Q1 2005	Q2 2006 vs. Q2 2005	Q3 2006 vs. Q3 2005	Q4 2006 vs. Q4 2005
Pharmaceuticals Division	+19	+19	+25	+22
Roche Pharmaceuticals	+19	+15	+25	+20
Genentech	+40	+39	+33	+37
Chugai	-8	+1	+2	+2
Diagnostics Division	+3	+5	+6	+5
Roche Group	+15	+16	+20	+18

3. Quarterly sales by Division in 2006

CHF millions	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
Pharmaceuticals Division	7,834	7,739	7,838	8,335	9,382
Roche Pharmaceuticals	4,786	4,821	4,849	5,251	5,745
Genentech	1,982	2,056	2,167	2,299	2,603
Chugai	1,066	862	822	785	1,034
Diagnostics Division	2,235	2,091	2,181	2,143	2,332
Roche Group	10,069	9,830	10,019	10,478	11,714

4. Top 20 Pharmaceuticals Division product sales¹ and local growth² in YTD December 2006: US, Japan and Europe/Rest of World

	Total		US		Japan		Europe/RoW	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%
MabThera/Rituxan	4,839	15%	2,696	12%	194	1%	1,949	23%
Herceptin	3,927	81%	1,547	65%	156	30%	2,224	100%
Avastin	2,962	76%	2,188	54%	-	-	774	200%
Tamiflu	2,627	68%	912	130%	409	8%	1,306	67%
NeoRecormon/Epogin	2,227	-1%	-	-	683	-12%	1,544	6%
CellCept	1,842	7%	941	14%	32	17%	869	-1%
Pegasys	1,467	3%	447	-10%	62	-28%	958	14%
Xeloda	971	20%	383	21%	27	-6%	561	21%
Tarceva	813	108%	504	46%	-	-	309	586%
Xenical	693	7%	114	14%	-	-	579	6%
Xolair	537	31%	537	31%	-	-	-	-
Kytril	498	0%	195	-4%	139	6%	164	1%
Nutropin	494	3%	479	3%	-	-	15	8%
Bonviva/Boniva	488	462%	413	400%	-	-	75	1768%
Cymevene/Valcyte	488	22%	259	27%	-	-	229	18%
Lucentis	478	-	478	-	-	-	-	-
Pulmozyme	436	10%	250	7%	-	-	186	13%
Rocephin	416	-56%	25	-95%	59	1%	332	-13%
Neutrogen	379	9%	-	-	379	9%	-	-
Activase/TNKase	362	15%	315	14%	-	-	47	21%

¹ Roche Pharmaceuticals, Genentech and Chugai combined ² versus YTD December 2005

5. Top 20 Pharmaceuticals Division quarterly local product sales growth¹ in 2006

	Q1 2006 vs. Q1 2005	Q2 2006 vs. Q2 2005	Q3 2006 vs. Q3 2005	Q4 2006 vs. Q4 2005
MabThera/Rituxan	16%	16%	13%	17%
Herceptin	107%	103%	72%	58%
Avastin	141%	102%	55%	49%
Tamiflu	37%	133%	141%	43%
NeoRecormon/Epogin	3%	0%	-4%	-1%
CellCept	15%	-1%	7%	7%
Pegasys	2%	3%	1%	6%
Xeloda	35%	21%	13%	16%
Tarceva	182%	119%	110%	71%
Xenical	16%	8%	-1%	6%
Xolair	39%	30%	34%	23%
Kytril	18%	-4%	0%	-10%
Nutropin	-3%	1%	5%	8%
Bonviva/Boniva	-	323%	929%	251%
Cymevene/Valcyte	21%	12%	26%	30%
Lucentis	-	-	-	-
Pulmozyme	14%	4%	8%	11%
Rocephin	-69%	-63%	-35%	-32%
Neutrogen	19%	12%	1%	7%
Activase/TNKase	19%	21%	9%	14%

¹ Roche Pharmaceuticals, Genentech and Chugai combined

6. Pharmaceuticals Division quarterly local product sales growth¹ US in 2006

	Q1 2006 vs. Q1 2005	Q2 2006 vs. Q2 2005	Q3 2006 vs. Q3 2005	Q4 2006 vs. Q4 2005
MabThera/Rituxan	7%	16%	9%	15%
Herceptin	123%	110%	40%	29%
Avastin	96%	72%	34%	36%
Tamiflu	414%	143%	229%	33%
NeoRecormon/Epogin	-	-	-	-
CellCept	32%	6%	9%	13%
Pegasys	-14%	-10%	-11%	-6%
Xeloda	40%	24%	11%	16%
Tarceva	95%	46%	37%	27%
Xenical	24%	15%	6%	11%
Xolair	39%	30%	34%	23%
Kytril	31%	-20%	5%	-26%
Nutropin	-3%	1%	5%	8%
Bonviva/Boniva	-	262%	818%	205%
Cymevene/Valcyte	15%	20%	32%	38%
Lucentis	-	-	-	-
Pulmozyme	12%	0%	7%	8%
Rocephin	-96%	-96%	-89%	-94%
Neutrogen	-	-	-	-
Activase/TNKase	19%	19%	9%	11%

¹ Roche Pharmaceuticals and Genentech combined

7. Pharmaceuticals Division quarterly local product sales growth Japan¹ in 2006

	Q1 2006 vs. Q1 2005	Q2 2006 vs. Q2 2005	Q3 2006 vs. Q3 2005	Q4 2006 vs. Q4 2005
MabThera/Rituxan	3%	-1%	3%	1%
Herceptin	31%	30%	33%	26%
Avastin	-	-	-	-
Tamiflu	-33%	367%	6485%	36%
NeoRecormon/Epogin	-3%	-9%	-22%	-12%
CellCept	15%	20%	19%	14%
Pegasys	-11%	-24%	-34%	-37%
Xeloda	1%	-5%	-9%	-9%
Tarceva	-	-	-	-
Xenical	-	-	-	-
Xolair	-	-	-	-
Kytril	6%	9%	4%	5%
Nutropin	-	-	-	-
Bonviva/Boniva	-	-	-	-
Cymevene/Valcyte	-	-	-	-
Lucentis	-	-	-	-
Pulmozyme	-	-	-	-
Rocephin	-11%	8%	2%	4%
Neutrogen	19%	12%	1%	7%
Activase/TNKase	-	-	-	-

¹ Chugai

8. Pharmaceuticals Division quarterly local product sales growth Europe/Rest of World¹ in 2006

	Q1 2006 vs. Q1 2005	Q2 2006 vs. Q2 2005	Q3 2006 vs. Q3 2005	Q4 2006 vs. Q4 2005
MabThera/Rituxan	30%	20%	20%	22%
Herceptin	105%	107%	104%	87%
Avastin	654%	294%	162%	101%
Tamiflu	88%	124%	49%	52%
NeoRecormon/Epogin	6%	5%	6%	5%
CellCept	2%	-7%	4%	0%
Pegasys	12%	13%	11%	19%
Xeloda	34%	20%	16%	17%
Tarceva	-	2566%	867%	211%
Xenical	14%	7%	-3%	5%
Xolair	-	-	-	-
Kytril	13%	4%	-9%	-5%
Nutropin	12%	-4%	10%	14%
Bonviva/Boniva	-	-	-	885%
Cymevene/Valcyte	27%	5%	19%	21%
Lucentis	-	-	-	-
Pulmozyme	18%	10%	10%	16%
Rocephin	-24%	-9%	-8%	-10%
Neutrogen	-	-	-	-
Activase/TNKase	14%	33%	7%	31%

¹ Roche Pharmaceuticals

9. Top Pharmaceuticals Division quarterly product sales¹ in 2005 and 2006

CHF millions	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
MabThera/Rituxan	1,153	1,146	1,202	1,177	1,314
Herceptin	704	861	952	1,009	1,105
Avastin	572	676	713	741	832
Tamiflu	699	601	360	669	997
NeoRecormon/Epogin	602	535	565	535	592
CellCept	464	454	437	466	485
Pegasys	373	350	374	350	393
Xeloda	228	238	234	239	260
Tarceva	141	172	195	211	235
Xenical	161	181	182	160	170
Xolair	123	124	133	135	145
Kytril	135	130	124	127	117
Nutropin	128	118	126	118	132
Bonviva/Boniva	51	75	92	142	179
Cymevene/Valcyte	109	110	113	126	139
Lucentis	-	-	13	192	273
Pulmozyme	107	109	103	108	116
Rocephin	161	110	106	96	104
Neutrogen	98	93	95	91	100
Activase/TNKase	87	88	90	89	95

¹ Roche Pharmaceuticals, Genentech and Chugai combined

10. Pharmaceuticals Division quarterly product sales¹ in US in 2005 and 2006

CHF millions	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
MabThera/Rituxan	672	634	675	650	737
Herceptin	321	375	400	374	398
Avastin	462	516	527	539	606
Tamiflu	210	168	108	361	275
NeoRecormon/Epogin	-	-	-	-	-
CellCept	244	221	215	241	264
Pegasys	137	103	115	107	122
Xeloda	99	92	90	90	111
Tarceva	108	120	129	123	132
Xenical	26	34	28	25	27
Xolair	123	124	133	135	145
Kytril	56	57	43	56	39
Nutropin	124	114	123	115	127
Bonviva/Boniva	48	69	78	122	144
Cymevene/Valcyte	57	55	59	68	77
Lucentis	-	-	13	192	273
Pulmozyme	63	64	58	62	66
Rocephin	48	9	8	6	2
Neutrogen	-	-	-	-	-
Activase/TNKase	77	78	78	78	81

¹ Roche Pharmaceuticals and Genentech combined

11. Pharmaceuticals Division quarterly product sales¹ in Japan in 2005 and 2006

CHF millions	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
MabThera/Rituxan	59	41	48	49	56
Herceptin	38	32	38	40	46
Avastin	-	-	-	-	-
Tamiflu	133	170	9	57	173
NeoRecormon/Epogin	232	160	182	147	194
CellCept	9	7	8	8	9
Pegasys	25	17	16	14	15
Xeloda	8	6	7	7	7
Tarceva	-	-	-	-	-
Xenical	-	-	-	-	-
Xolair	-	-	-	-	-
Kytril	40	29	36	34	40
Nutropin	-	-	-	-	-
Bonviva/Boniva	-	-	-	-	-
Cymevene/Valcyte	-	-	-	-	-
Lucentis	-	-	-	-	-
Pulmozyme	-	-	-	-	-
Rocephin	17	13	16	13	17
Neutrogen	98	93	95	91	100
Activase/TNKase	-	-	-	-	-

¹ Chugai

12. Pharmaceuticals Division quarterly product sales in Europe/Rest of World¹ in 2005 and 2006

CHF millions	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
MabThera/Rituxan	422	471	479	478	521
Herceptin	345	454	514	595	661
Avastin	110	160	186	202	226
Tamiflu	356	263	243	251	549
NeoRecormon/Epogin	370	375	383	388	398
CellCept	211	226	214	217	212
Pegasys	211	230	243	229	256
Xeloda	121	140	137	142	142
Tarceva	33	52	66	88	103
Xenical	135	147	154	135	143
Xolair	-	-	-	-	-
Kytril	39	44	45	37	38
Nutropin	4	4	3	3	5
Bonviva/Boniva	3	6	14	20	35
Cymevene/Valcyte	52	55	54	58	62
Lucentis	-	-	-	-	-
Pulmozyme	44	45	45	46	50
Rocephin	96	88	82	77	85
Neutrogen	-	-	-	-	-
Activase/TNKase	10	10	12	11	14

¹ Roche Pharmaceuticals