



Roche

Turning innovation into customer benefit

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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 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 presentation 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) fluctuations in currency exchange rates and general financial market conditions; (5) uncertainties in the discovery, development or marketing of new products or new uses of existing products; (6) increased government pricing pressures; (7) interruptions in production; (8) loss of or inability to obtain adequate protection for intellectual property rights; (9) litigation; (10) loss of key executives or other employees; and (11) adverse publicity or news coverage.



Nine month sales 2003

Continuing strong business momentum

sales (CHF m)	2003	2002	% CHF	% local
Pharmaceuticals¹	15,767	13,903	13	23
Prescription¹	14,449	12,756	13	23
OTC²	1,318	1,147	15	21
Diagnostics	5,418	5,367	1	7
sales core businesses¹	21,185	19,270	10	19
Vitamins and Fine Chemicals	2,263	2,574	-12	-5
reclassification ¹	-96	-143		
sales (financial statements)	23,352	21,701	8	16

¹ sales in 2003 and 2002 are adjusted to include the reclassification of CHF 96 million and CHF 143 million of sales to the Vitamins & Fine Chemicals Division as divisional sales to third parties

² including Chugai OTC

Highlights third quarter 2003

Strategic and operational level

- Strong growth of marketed products
 - market leadership in oncology strengthened
 - Pegasys, NeoRecormon and CellCept outperforming the market
- Diagnostics growing twice as fast as the IVD market
- Debt further restructured and further reduction in exposure to equity portfolio
- Vitamins divestiture to DSM completed

Strong operating performance

Brands driving growth

Pipeline well positioned for future growth



Pharma sales (adjusted)

Steady improvement

	Q1	Q2	H1	Q3	YTD
Pharma¹	18	24	21	28	23
Prescription¹	18	24	21	28	23
Roche Rx^{1, 2}	3	8	5	13	7
Genentech Rx	25	24	24	22	24
Chugai Rx³	236	242	239	274	250
OTC	13	23	18	27	21

¹ sales in 2003 and 2002 are adjusted to include the reclassification of sales to the Vitamins & Fine Chemicals Division as divisional sales to third parties

² excludes Nippon Roche Rx

³ consists of Nippon Roche Rx (Jan 1st 2001 to Sep 30th 2002) and Chugai Rx (from Oct 1st 2002)

Highlights of third quarter 2003

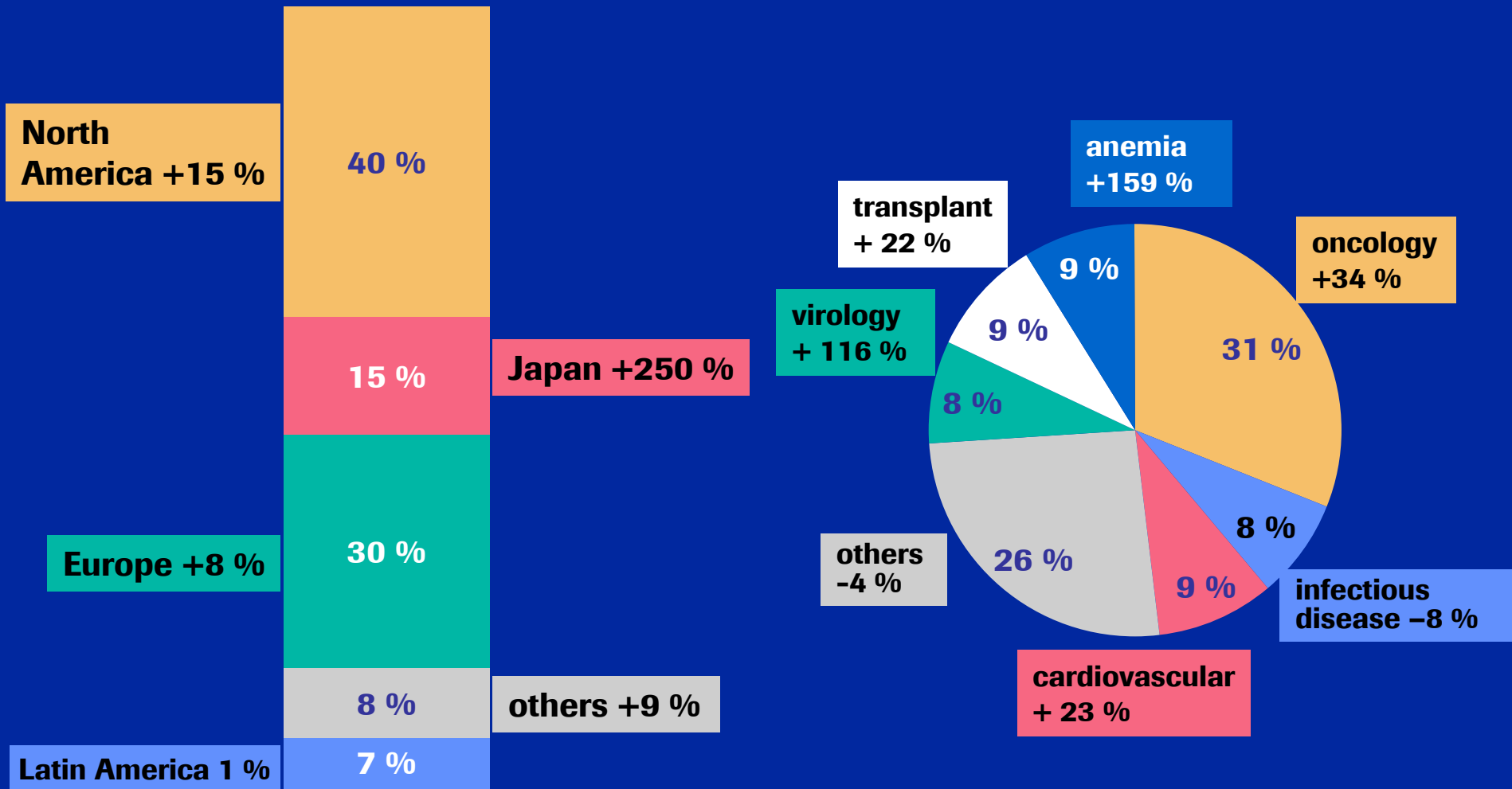
- Pharma division grew +23 %¹ YTD (half of growth contributed by Chugai)
- Prescription business outperforming the market: +23 %¹ vs. IMS 8 %
- Roche Rx increasing its contribution and growing 13 %¹ in Q3 '03
- Continued strong growth of oncology franchise: +34 %¹ YTD '03
- Pegasys continues gaining market share, Japan launch expected year end
- CPMP positive opinion for Bondronat² in oncology – now approved
- Fuzeon now launched in 12 countries – major educational program underway

¹ in local currency

² in prevention of skeletal events in patients with breast cancer and bone metastases

Above market growth in main regions (YTD Sep '03)

Strong growth in key therapeutic areas



all growth figures are in local currencies

Strong operating performance

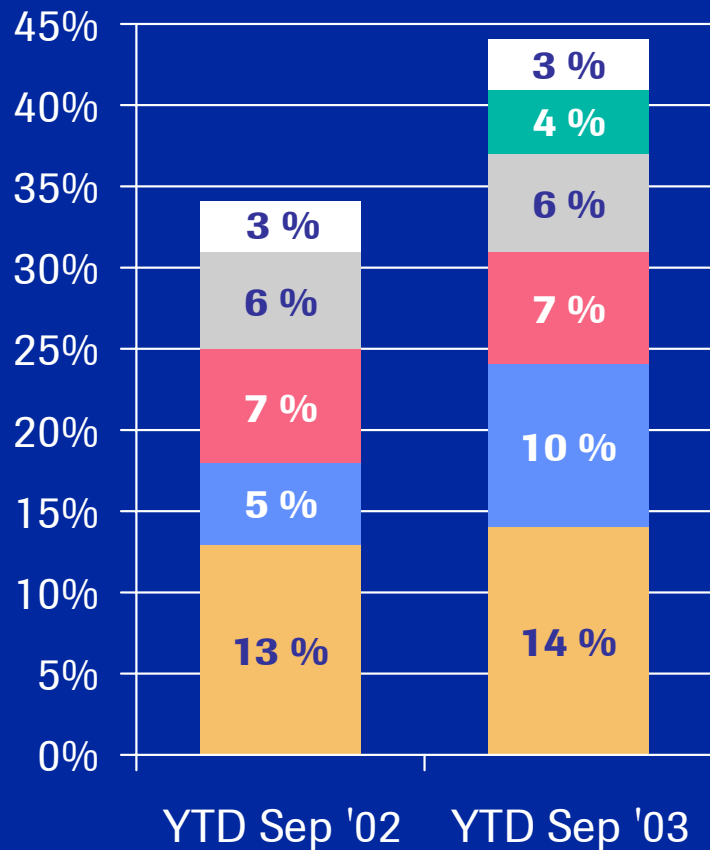
Brands driving growth

Pipeline well positioned for future growth

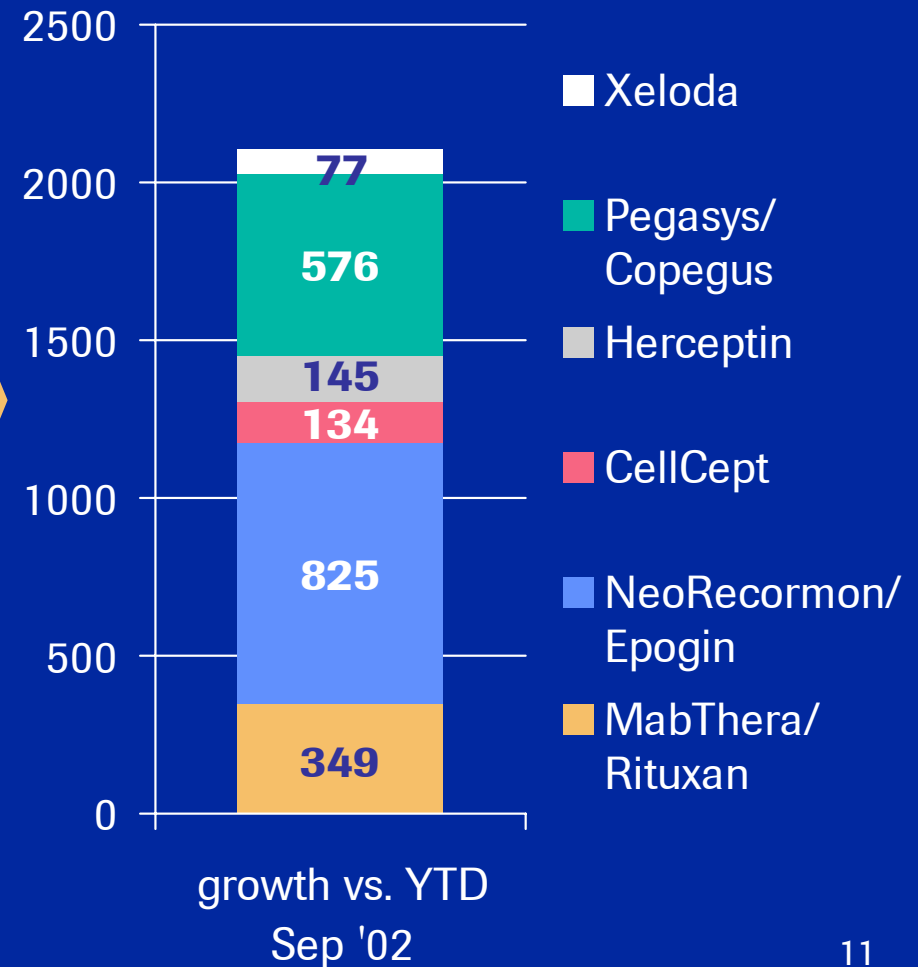
Prescription - key brands driving growth

~CHF 2.1 billion additional sales¹

% of World Wide Prescription sales



CHF m



¹ at constant fx: 2.7 billion additional sales



Top 20 Prescription products

Sales YTD September 2003 (vs. YTD Sep '02)

	total		US		J		ROW	
	CHF m	% local	CHF m	% local	CHF m	% local	CHF m	% local
MabThera/Rituxan	2,023	36	1,428	32	58	30	537	51
NeoRecormon/Epogin	1,509	128	-	-	572	-	937	37
Rocephin	1,023	-7	591	-5	38	12	394	-12
CellCept	989	28	508	26	14	21	467	30
Herceptin	871	31	415	20	67	53	389	41
Pegasys/Copegus	619	1483	387	-	-	-	232	445
Xenical	471	-13	113	-15	-	-	358	-13
Xeloda	409	36	220	31	5	-	184	41
Roaccutane	406	-40	227	-48	-	-	179	-24
Nutropin/Protropin	335	8	326	8	-	-	9	11
Kytril	321	8	137	4	93	11	91	11
Dilatrend	286	19	-	-	-	-	286	19
Pulmozyme	243	11	143	11	-	-	100	11
Neutrogin	234	-	-	-	234	-	-	-
Activase/TNKase	215	8	192	8	-	-	23	7
Cymevene/Valcyte	214	6	130	2	-	-	84	14
Viracept	211	-13	-	-	2	-5	209	-13
Madopar	179	4	-	-	13	-1	166	5
Lexotan	161	-8	-	-	9	-3	152	-9
Inhibace/Inhibace+	159	-1	-	-	8	-	151	-1

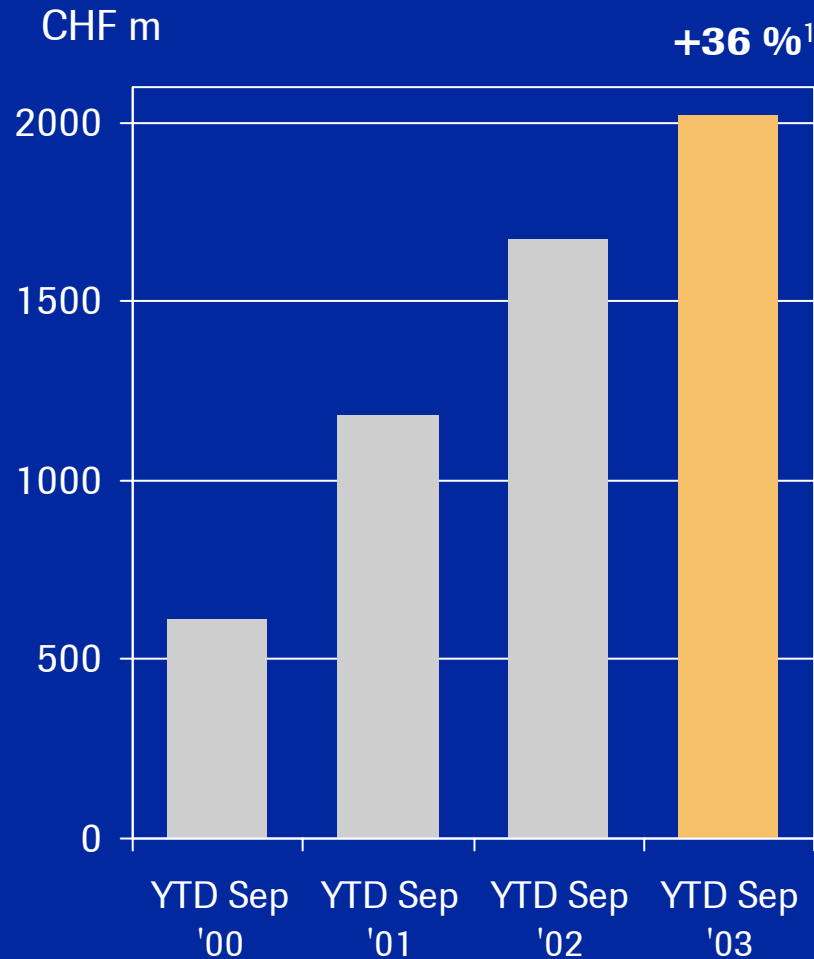
Roche oncology

#1 company in anti-cancer and supportive care

- Sales of CHF 4.85 billion (excl. anti-anemia franchise) YTD Sep '03
- Strong growth of +34 % PYD
- Strong pipeline
 - Bondronat: EU launch in metastatic bone disease Q1 '04
 - Avastin: US filed Q3 '03, EU filed in Dec '03 mCRC
 - Tarceva: US filing expected '04 – subject to phase III data (2nd / 3rd line NSCLC)
 - important line extensions
 - MabThera 1st line iNHL (data presented at ASH in Dec '03)
 - Herceptin 1st line mBC in combination with docetaxel (data presented at ECCO in Sep '03)
 - Xeloda adjuvant CRC monotherapy (data to be presented at ASCO '04)
- All major oncology brands' patent protected well into the next decade

MabThera - ongoing success

Becoming the biggest oncology brand



Oncology

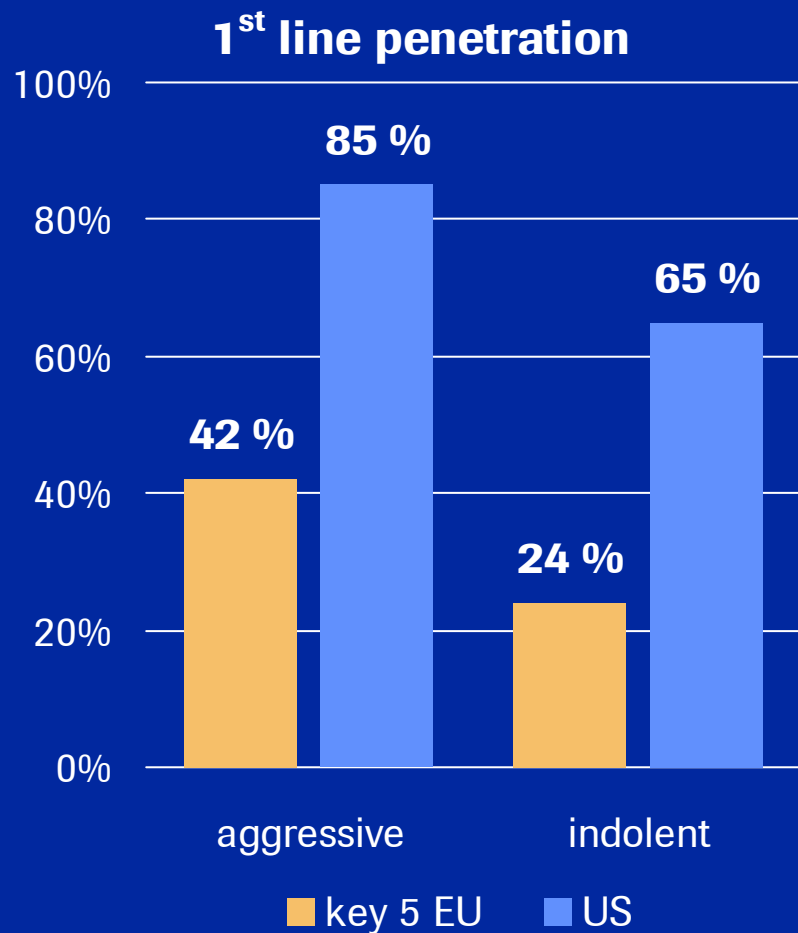
- Sales CHF 2.0 billion YTD Sep '03
- Important milestones in Q3 '03
 - label extension 1st line aNHL in Japan
 - NICE approval for 1st line aNHL
- Ongoing development in oncology
 - phase III 1st line iNHL at ASH in Dec '03
 - CLL phase III trial started in H2 '03

RA

- Phase IIa 48 week study at ACR in Oct '03

MabThera / Rituxan in oncology

Two approaches to grow sales



1. Increased penetration:

- About 60 % of all NHL patients receiving treatment are treated in 1st line → significant upside potential for MabThera especially in EU

2. More infusions per patient:

- 8 infusions in 1st line (aNHL and iNHL)
- Maintenance treatment
- Re-treatment

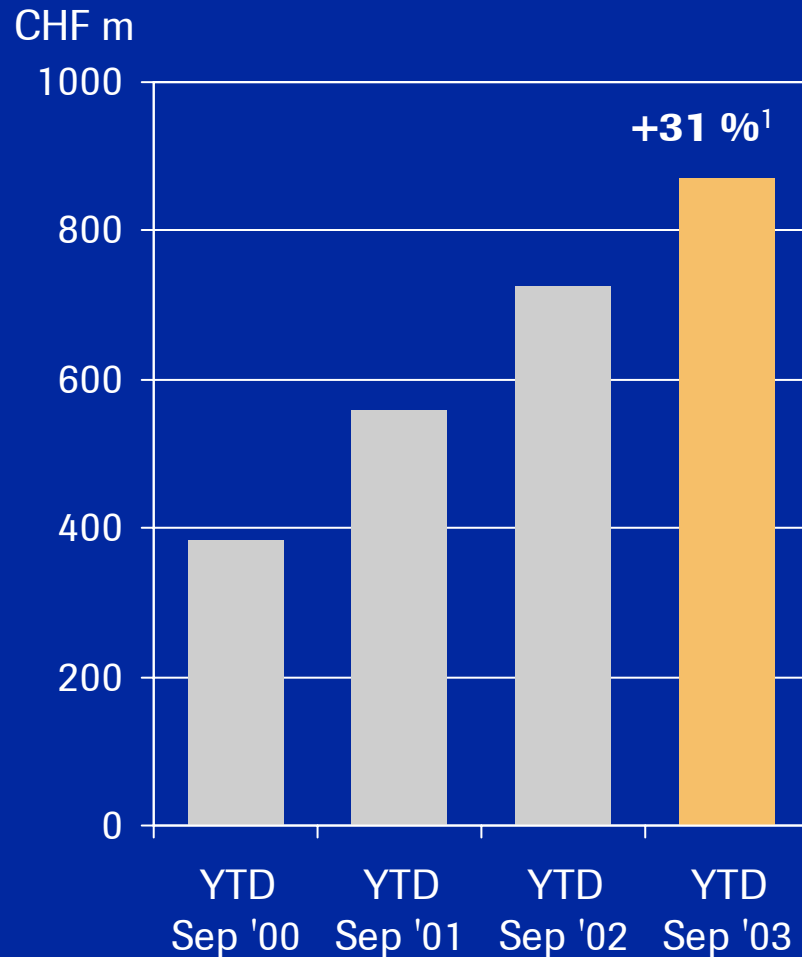
MabThera / Rituxan in oncology

ECOG trial (E4494) results at ASH vs. GELA

- Patients in ECOG study received only **4 - 5 doses** of MabThera (MAB) vs. **8** in GELA study. Patients in ECOG study may have also received 6 doses of CHOP rather than the 8 doses used in GELA
- ECOG and GELA trials used **different dosing** schedules
- ECOG study includes very important maintenance randomization. It is possible that patients who receive MAB maintenance (i.e. more MAB) may improve their response
- MAB in combination with CHOP is already "standard" therapy in aNHL as evidenced by our ~80 % adoption in that market
- MAB in combination with CHOP for previously-untreated aNHL patients (GELA) is already approved for use in Europe
- MAB is the #1 cancer therapy in the US → a standard therapy for lymphoma patients with more than 250,000 patients w/w receiving MAB

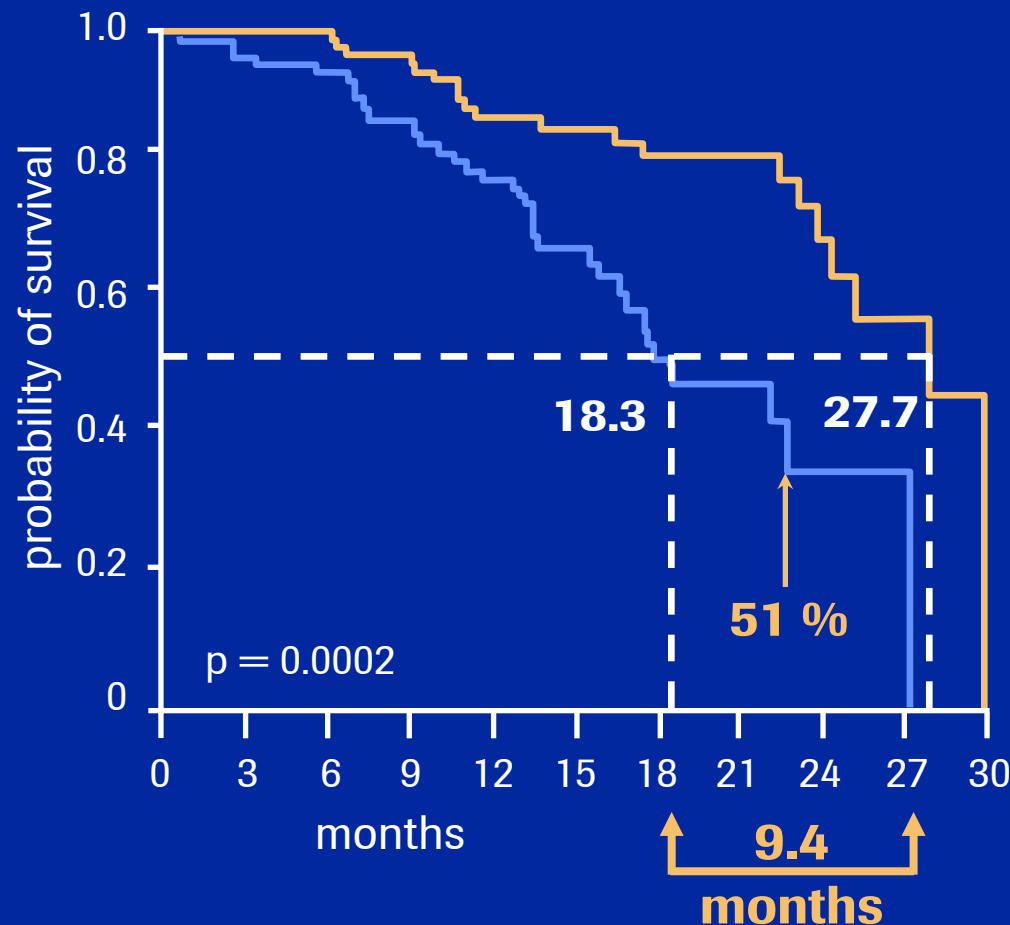
Herceptin

Targeted on HER2, focused on living



- Sales of CHF 871 million YTD Sep '03
- Growth drivers
 - increased HER2 testing
 - expansion in 1st line usage and duration of treatment
- Herceptin in combination with *Taxotere* 1st line results in an impressive survival benefit, filing (EU) in Oct '03
- Further ongoing development
 - Herceptin in combination with hormonal treatments (H2 '05)
 - Herceptin in the adjuvant setting (H2 '07)

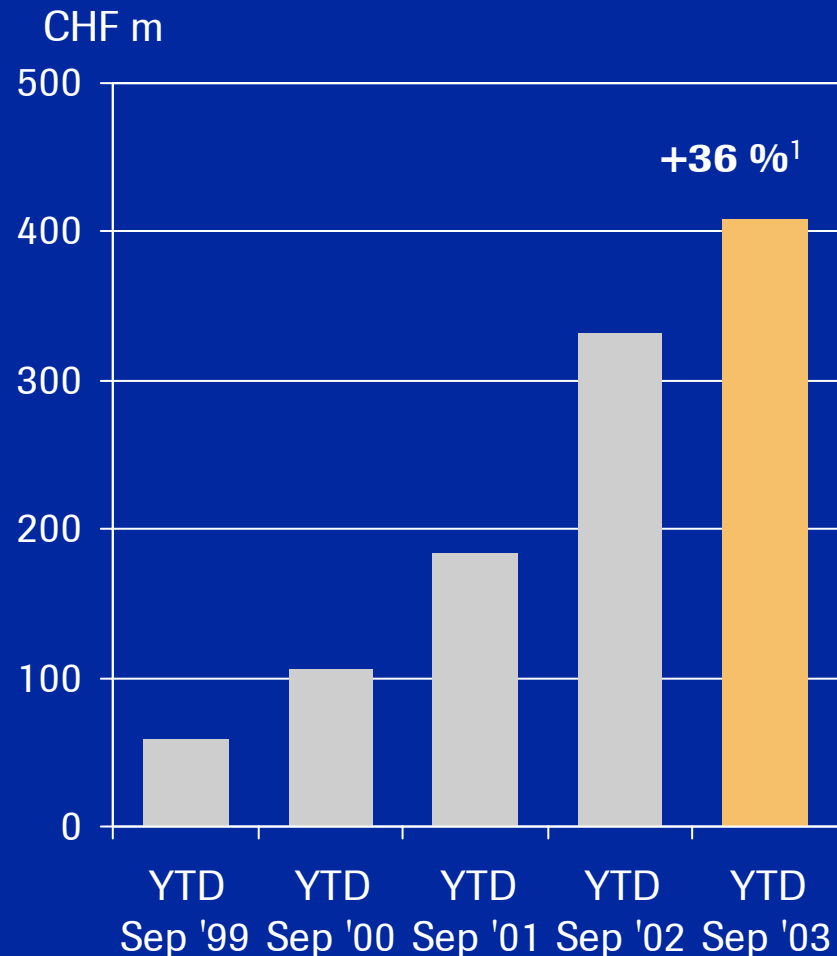
Latest study results: Herceptin in combination with Taxotere significantly increases survival



- 1st line therapy with HER2+ patients with advanced breast cancer
- Combination therapy increased survival by 9.4 months
- Filed for approval with EU reg. authority in October '03

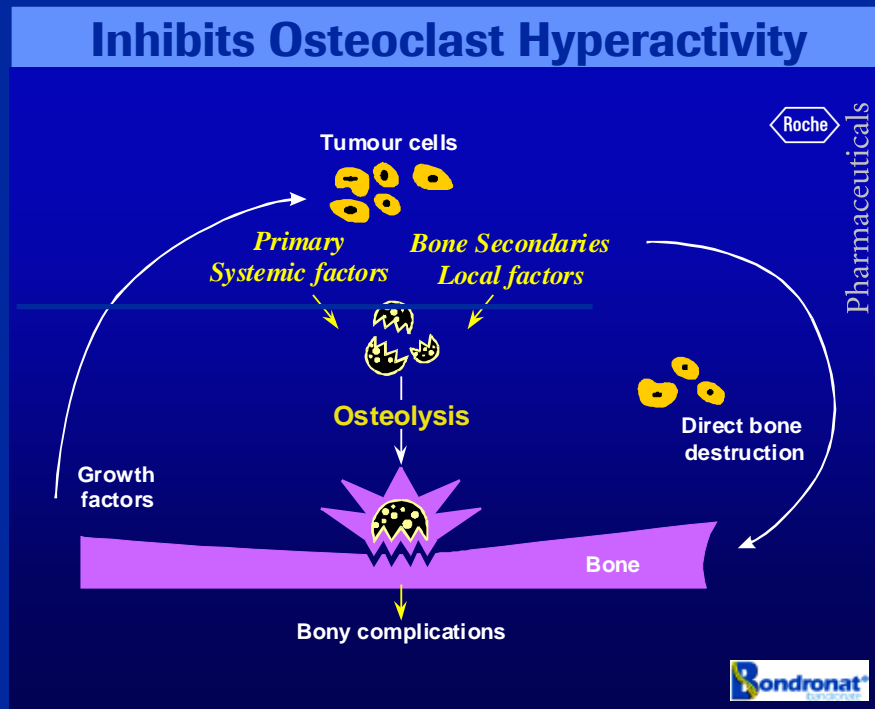
Xeloda

Development in mBC and CRC continues



- Sales of CHF 409 million YTD Sep '03
 - US and EU: continued strong growth (+37 %¹)
 - Japan: successfully launched in mBC in June '03
- Outlook
 - integration of Avastin in 1st line mCRC trial program planned (oxaliplatin based combo)
 - monotherapy in adj. CRC filing planned for Q2 '04

Bondronat benefits



Bondronat advantages (supported by SmPC*)

- Unsurpassed prevention of bone event
- Proven relief of bone pain*
- No significant renal toxicity*
- Oral dose that provides i.v. efficacy*

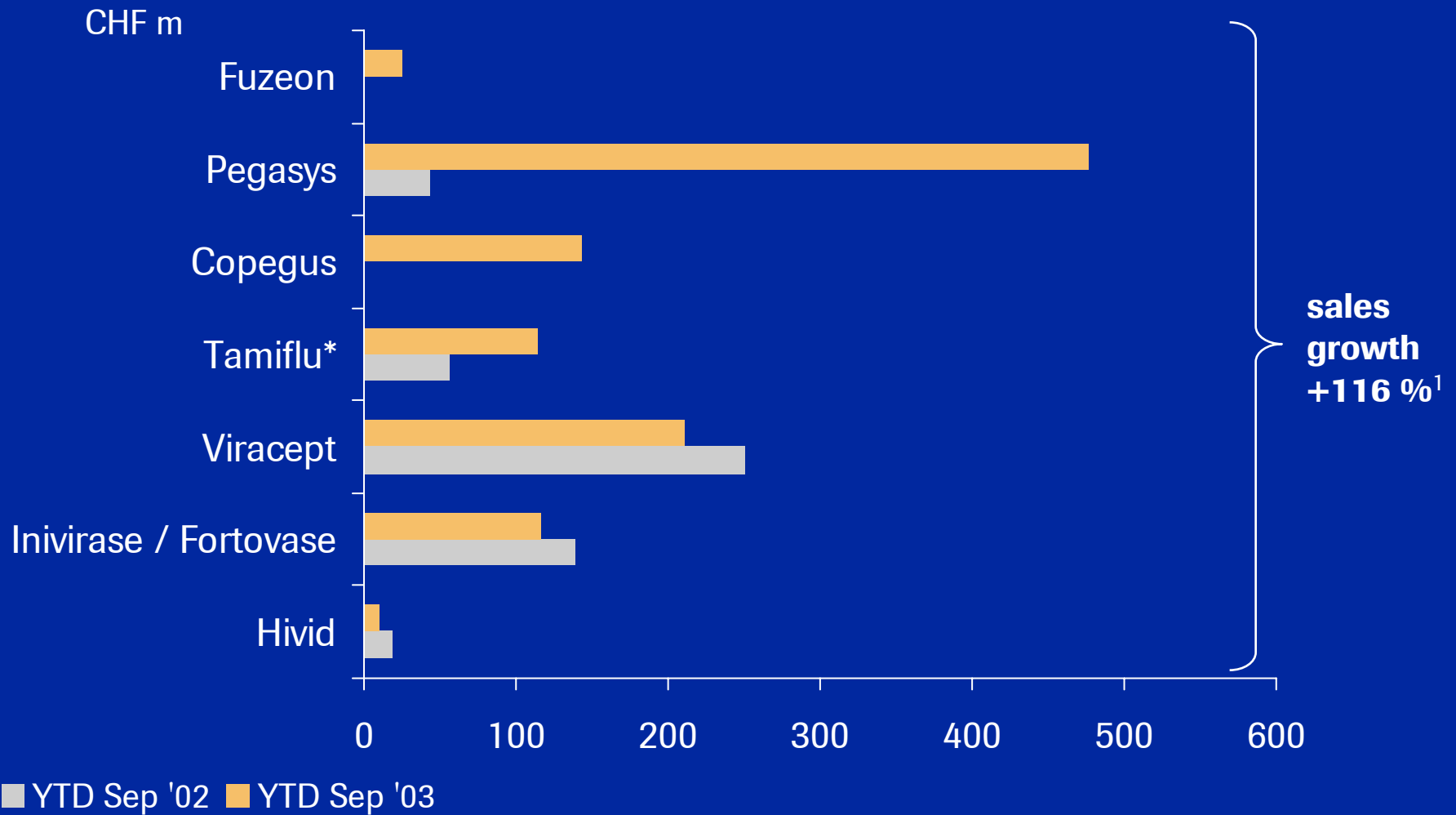
* Labeled advantage over competitor

* summary of product characteristics



Virology

Strong commitment retained



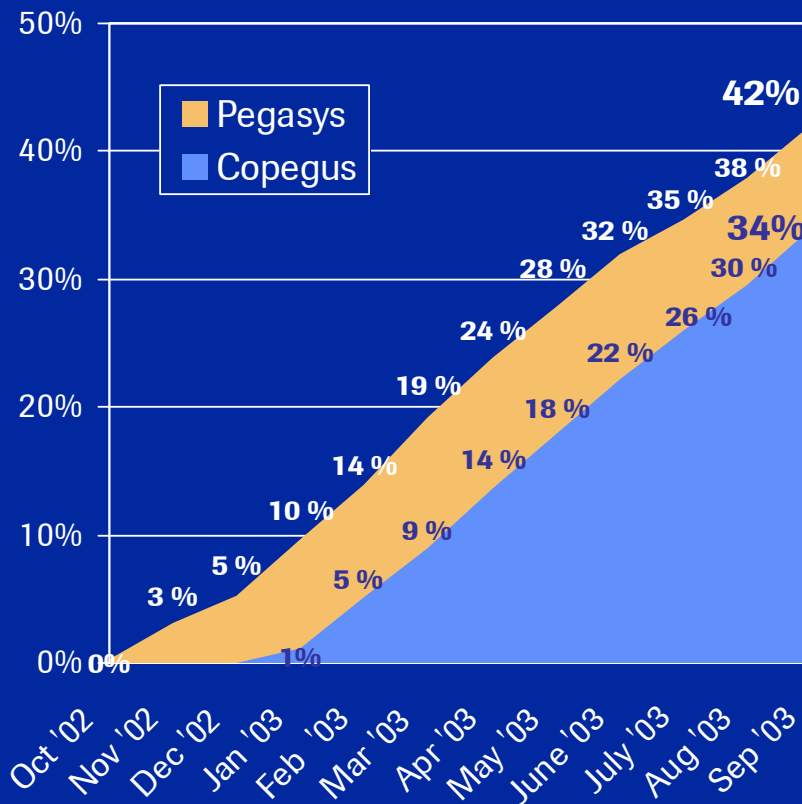
* CHF 114 million

¹ local growth

Pegasys / Copegus

US market share gain continues

US market share total prescription (TRx)



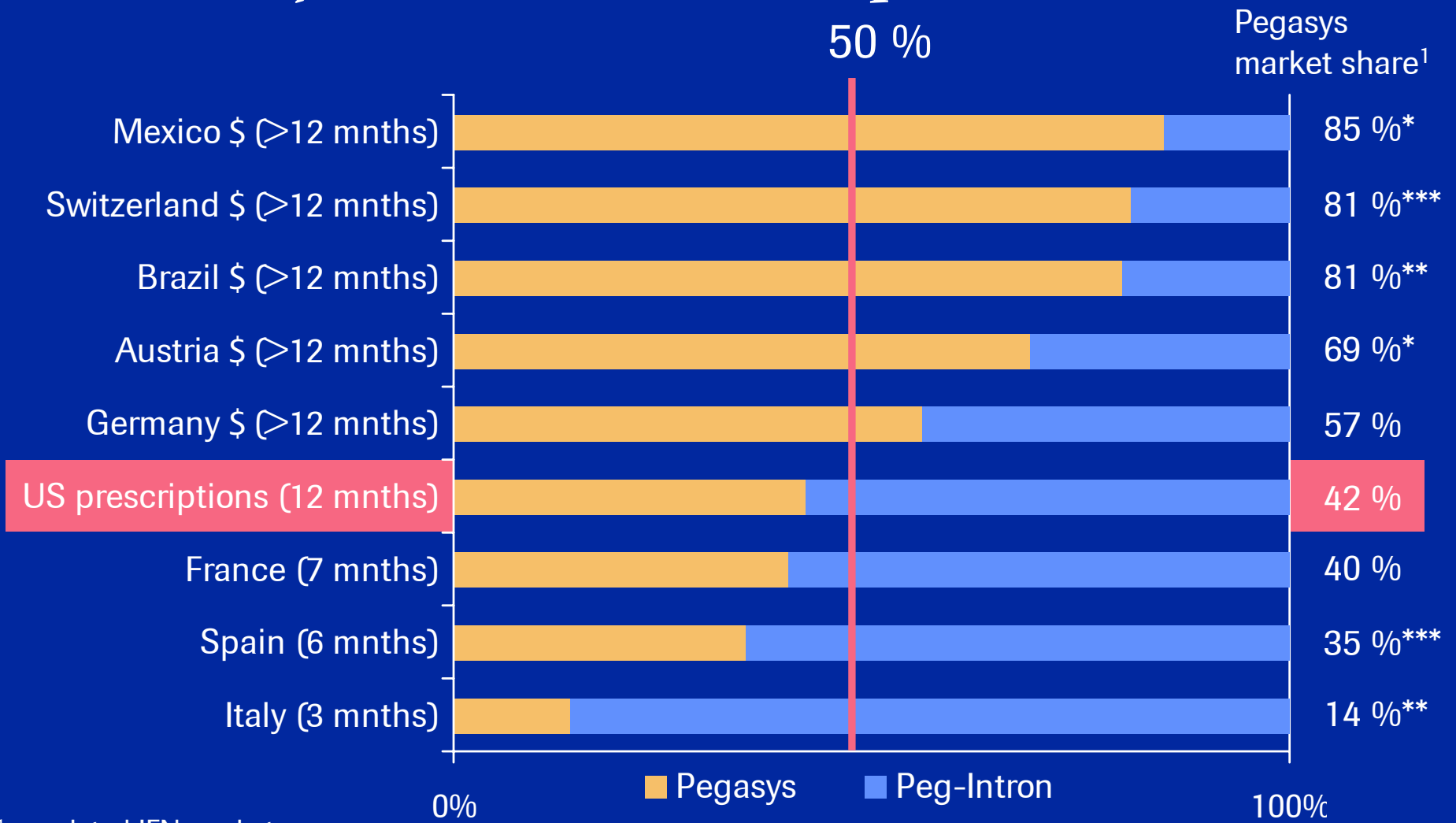
- Sales of CHF 619 million YTD Sep '03
- Phase III landmark global trial in Hep C / normal ALT¹ at AASLD Oct '03
- Phase III on Hep B at AASLD Oct '03 and April '04 at EASL
- APRICOT global trial in nearly 900 co-infected patients (HIV / HCV)
- Start of REPEAT trial (patients who failed to respond to Peg-Intron)
- COPEGUS now launched in France

¹ alanine aminotransferase



Pegasys

On the way to market leadership



¹ pegylated IFN market

sources: IMS or local affiliate market research, Sep 2003 (* IMS Aug '03, ** IMS July '03, ***IMS June '03)

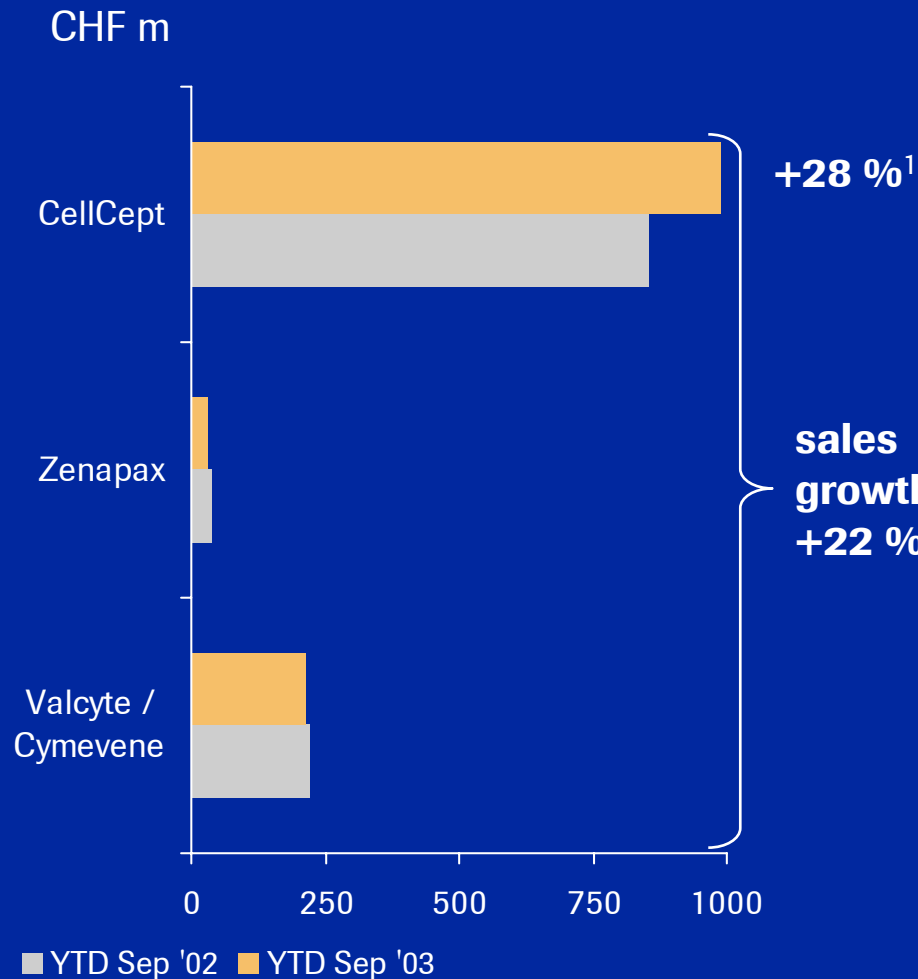
Fuzeon

First steps in 12 countries

- Sales of CHF 25 million YTD Sep '03
- Studies confirm durability of response over 48 weeks¹
- Greatest benefit when used earlier in treatment schedule²
- Side effects of background therapy halved by Fuzeon
- US
 - addressing reimbursement related issues
 - improving distribution
 - increasing clinician awareness and support
- Europe
 - launched in A, DK, SF, F, D, IRE, NL, N, S, CH, and UK
 - reimbursement still pending in some key countries including B, G, I, P, E
- Manufacturing progressing well - no supply issues

Transplantation

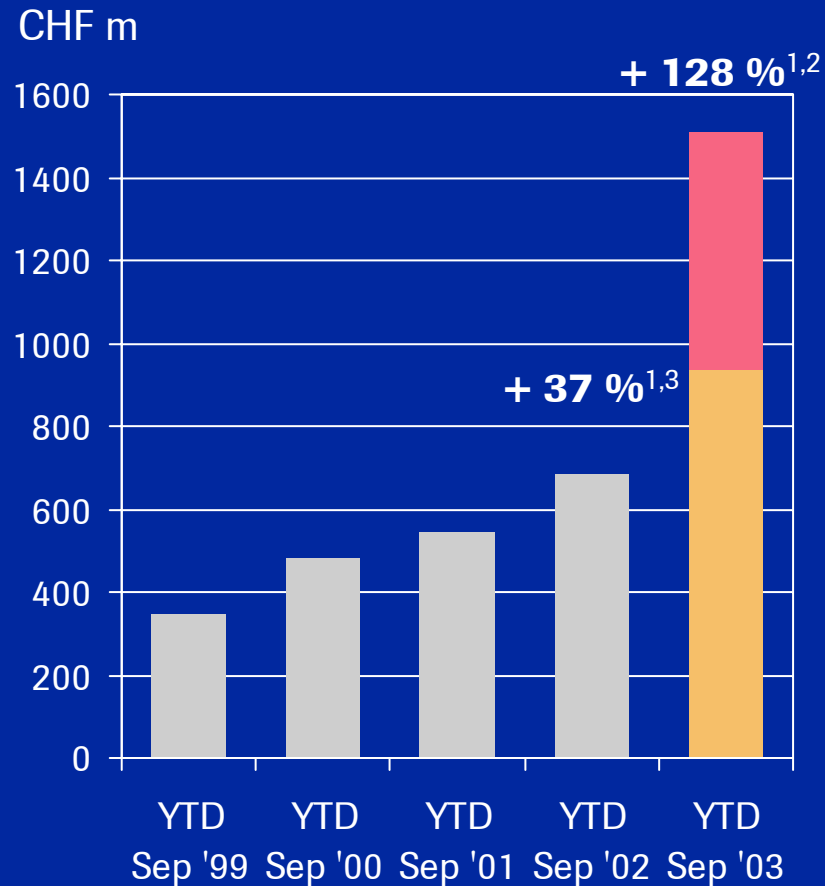
CellCept: accelerated global growth vs. 2002



- Global sales of CellCept CHF 989 million YTD Sep '03 (+28 %¹)
- Low toxicity program driving physician acceptance - increasing sales
- Approval of Valcyte for transplant indications
 - first EU approval (UK) June '03
 - US approval Sep '03

Anemia management

NeoRecormon / Epogin and CERA



- Sales² of CHF 1.5 billion YTD Sep '03
- Market leader in renal anemia (ex-US)
- Significant growth in oncology
- Growth drivers
 - unrestricted label in renal (s.c. / i.v.)
 - increasing penetration into pre-dialysis
 - once-weekly data in oncology
- CERA – phase II data will be presented at ASN in Nov '03

■ NeoRecormon ■ Epogin

Strong operating performance

Brands driving growth

Pipeline well positioned for future growth

Substantial opportunities (NME's only)

Decisions on 14 projects throughout 2003

accomplished	phase	action	time	
Boniva	III	database closure (new regimen)	H2 '03	decisions to be taken on phase III
MabThera in RA (TNF failure)	III	start of recruitment	H1 '03	
Tarceva	III	1st line NSCLC data available	H2 '03	
Avastin	III	CRC study data available	H1 '03	
R1549	III	ovarian cancer, interim data	H2 '03	
R 1569 (Chugai)	III	start of study	H2 '03	decisions to be taken on phase II
MabThera in RA	IIb	start of study	H1 '03	
R483	II	data available	H2 '03	
R744	II	data available	H2 '03	
R673	II (US)	recruitment finished	H2 '03	
R411	II	recruitment finished	H2 '03	
R450	II	recruitment finished	H2 '03	
R1273	II	BC mono, recruitment finished	H2 '03	
T-1249	II	start of study	H2 '03	

Strong newsflow on major market opportunities in Q4 '03

product	phase	indication	scientific meeting	NME
Avastin	II	1 st line mCRC	t.b.a.	✓
CERA	II	renal	ASN	✓
CERA	I/II	oncology	ASH	✓
MabThera	III	1 st line indolent NHL	ASH	
MabThera	IIa	RA (48 weeks)	ACR	
MRA	II	systemic onset juvenile idiopathic arthritis	ACR	✓
Pegasys	III	Hepatitis C, normal ALT	AASLD	
Pegasys	III	Hepatitis B	AASLD	

Tarceva

Clinical program continues

- TRIBUTE and TALENT trial (1st line metastatic NSCLC¹)
 - did not meet primary end point (25 % survival increase)
- Potential for 2nd and 3rd line NSCLC (BR21)
 - phase III monotherapy trial: best supportive care +/- Tarceva, survival endpoint
 - data expected Q1 '04
- Still recruiting for other indications
 - glioma phase I / II in patients after surgery and / or radiation (data in 2004)
 - bronchioalveolar carcinoma phase II study (subset of NSCLC)
 - NSCLC phase I / II in combination with Avastin (investigator trial)

Avastin

Anti-VEGF treatment concept confirmed

- Phase III data presented at ASCO 2003
Avastin (bevacizumab, rhuMAb-VEGF) plus Saltz-regimen showed survival benefit in metastatic CRC
 - increase of survival of 50 % = 4.7 months → most significant survival benefit ever seen in first line mCRC
 - hazard ratio: 0.65, $p = 0.00003$
 - increase of median time to progression by 71 %
 - from 6.2 months to 10.6 months, $p < 0.0014$
- US filing: fast track granted
- EU filing: submitted Dec '03

Avastin

Effective targeting VEGF

CRC

- Towards approval in CRC (1st line metastatic)
 - outstanding mortality benefit in phase III program; filing in US, EU
- Additional CRC development
 - phase II: 1st line for metastatic CRC (AVF2192g)
 - phase III: 2nd line for metastatic CRC (AVF2380s/ECOG 3200)

Multi-tumor development on-going

- phase III: 1st line for metastatic BC (E-2100)
- phase III: 1st line for stage IIIB/IV NSCLC (E-4599)
- phase III: RCC (AVF2723)
- pancreatic cancer

The foreseen advantages of CERA

- Unique mechanism of action that leads to potent, prolonged stimulation of erythropoiesis
- Offers the opportunity for longer dosing intervals – potential for administration up to every 3 or 4 weeks
- Predictable, dose-dependent, specific erythropoietic responses
- Comparable erythropoietic responses after s.c. and i.v. administration
- Well tolerated
 - no reports of antibody development
 - low frequency of SC injection site reactions

Status of the CERA development program

- Pre-clinical program: complete
 - repeated attachment and rapid release of CERA at EPO receptor site



Continuous Erythropoiesis Receptor Activator CERA

- Phase I program (healthy volunteers): complete
- Phase II program (kidney disease and cancer patients): on-going
- Phase IIb in renal presented at ASN in Nov '03
- Phase III program: initiated in Q4 '03

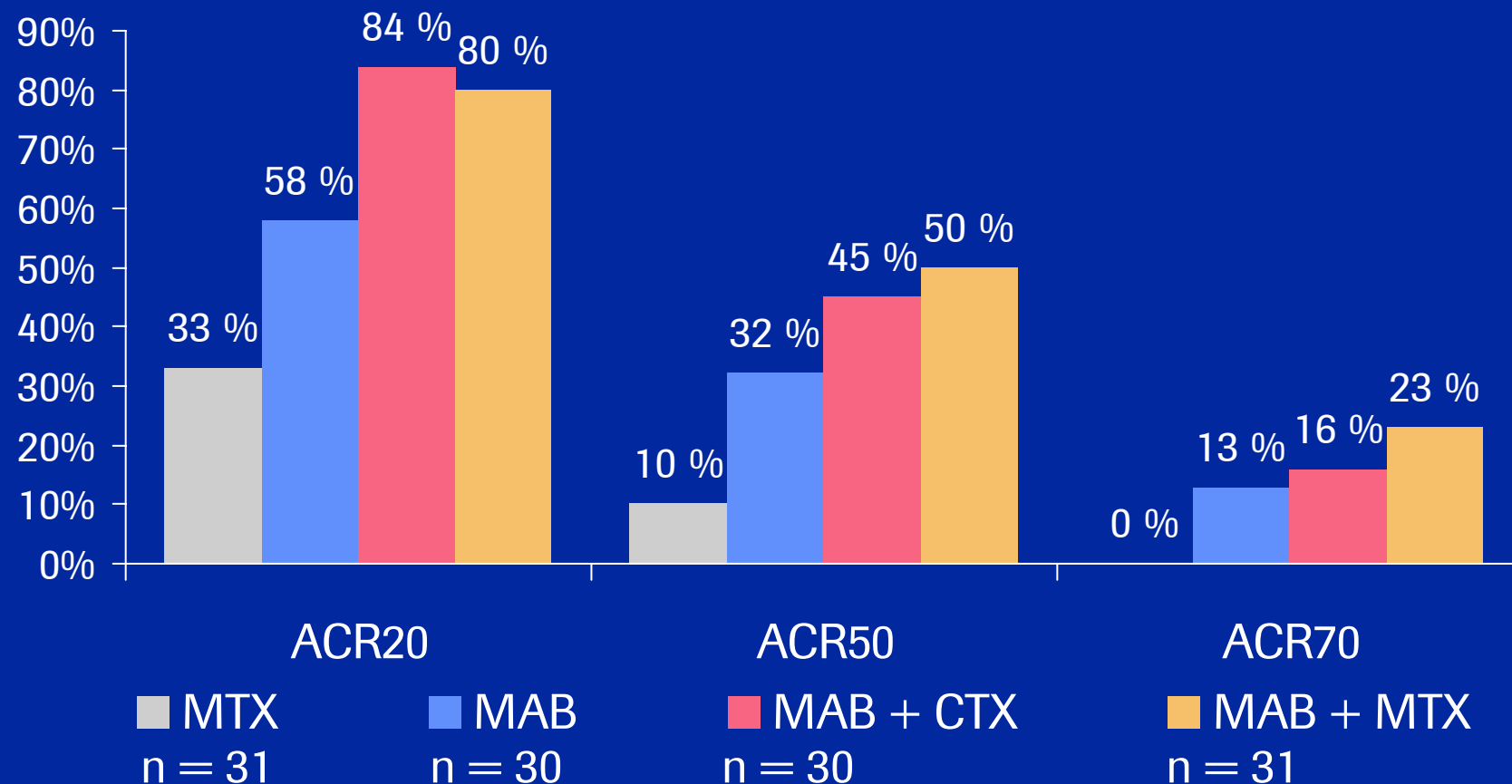
MabThera in rheumatoid arthritis

Interim summary & conclusions

- A randomized, multi-center, international, placebo controlled trial conducted in RA patients
- Trial investigated 3 regimens of MabThera (rituximab) including use alone, in combination with either methotrexate (MTX) or cyclophosphamide
- Interim data presented at ACR 2002
- Key conclusions
 - all rituximab regimens produced significant and sustained improvement in disease activity
 - all regimens of rituximab were well tolerated, with a safety profile comparable to the MTX control being observed over 6 months follow-up

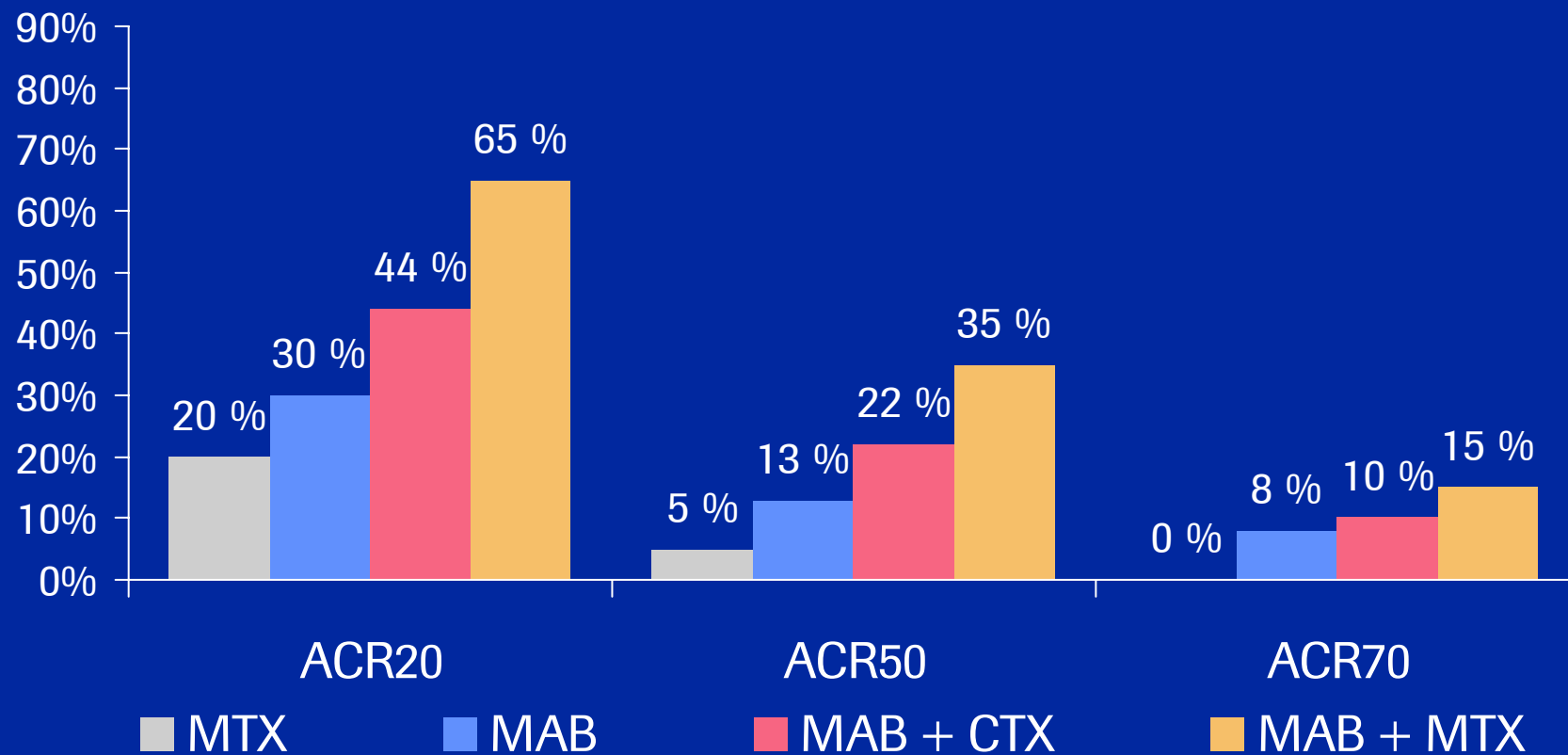
MabThera: Interim cohort (exploratory phase II)

ACR responses after 24 weeks



MabThera: Interim cohort (exploratory phase II)

ACR responses after 48 weeks



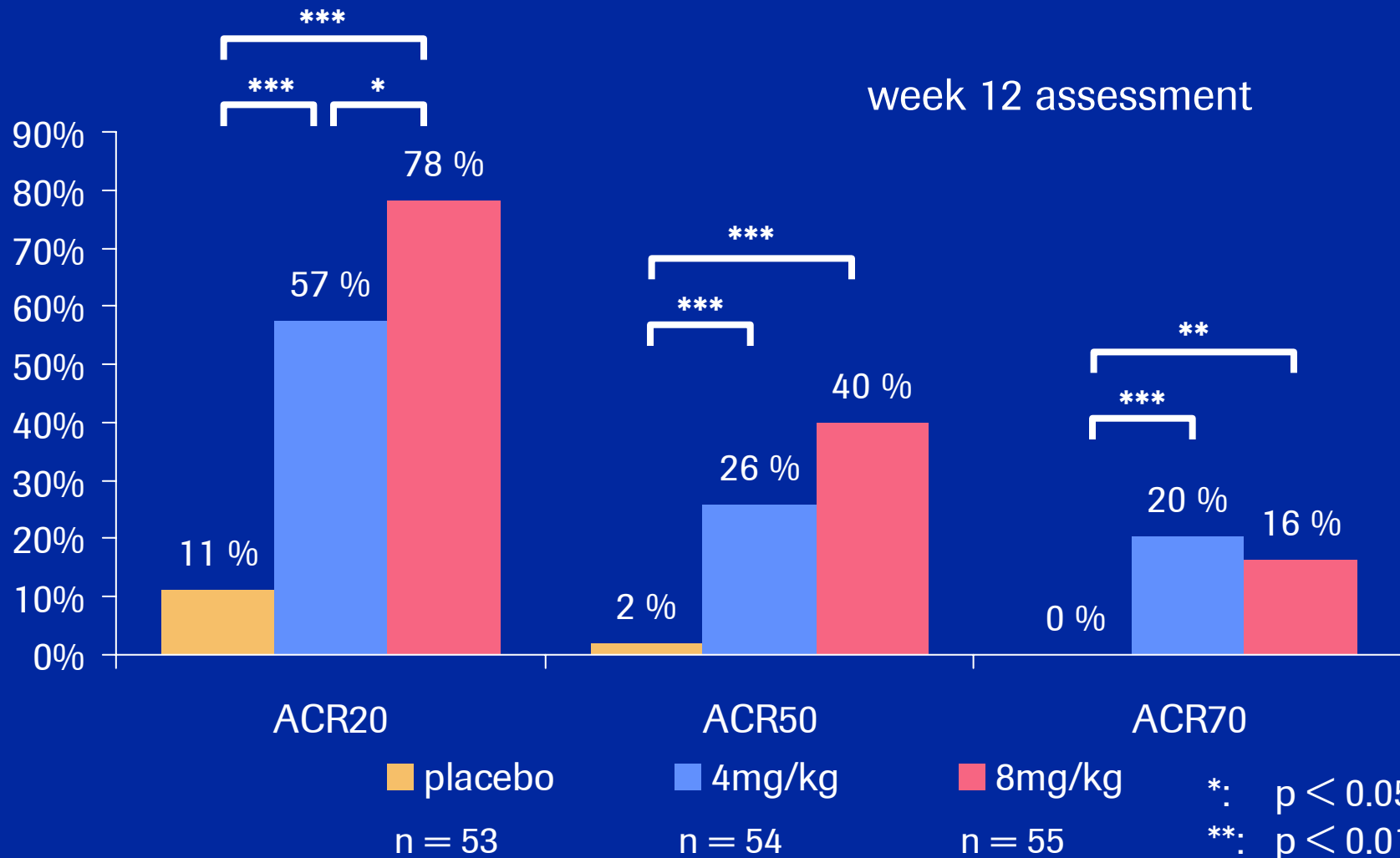
MabThera

Further development

- Phase III-first line combination with chemotherapy for indolent lymphoma - CVP +/- MabThera
- Phase III in TNF-failures started
- Phase IIb full development (signs, structural damages) started
- Phase III in CLL started

MRA

Phase II study data in rheumatoid arthritis



*: p < 0.05
 **: p < 0.01
 ***: p < 0.001

MRA in juvenile idiopathic arthritis

*Preliminary phase II trial results**

- Study design
 - investigate safety and efficacy of MRA in children with active systemic-onset juvenile idiopathic arthritis (So-JLA)
- Study results
 - rapidly reduced disease activity of So-JLA
 - rapid improvement of clinical manifestations such as fever, rash, arthritis, fatigue and hepatosplenomegaly
- Large scale clinical trials need to be conducted before further conclusions can be drawn

Pegasys

Expanding the patient base in Hepatitis C

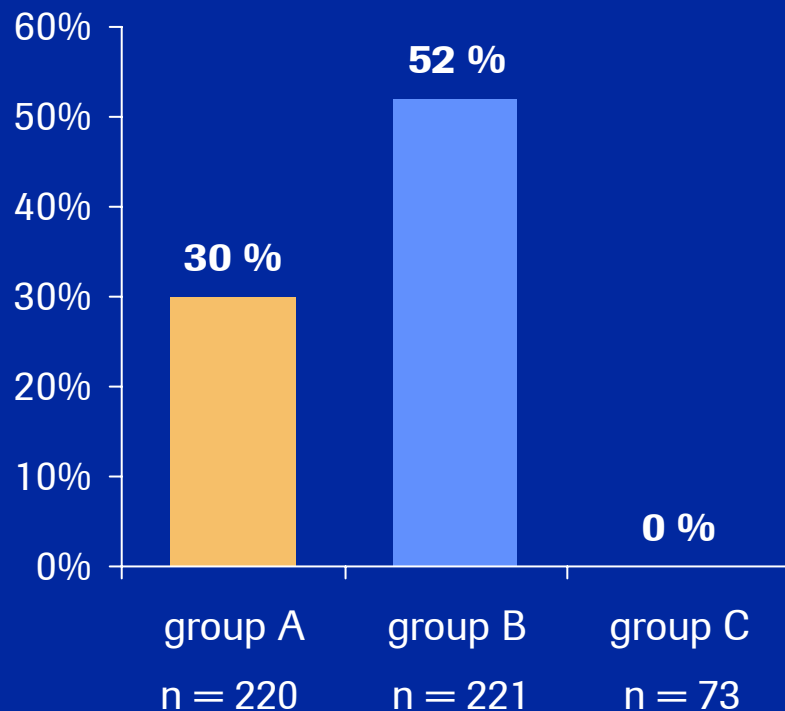
- Normal ALT - data presented at AASLD Oct '03
- Co-infected (HCV / HIV) - data in '04
- Previous non-responders - study initiated

Pegasys - normal ALT

More patients with a chance for a cure

A vs. C: $p < 0.000$
 B vs. C: $p < 0.000$
 B vs. A: $p < 0.001$
 (odds ratio 3.13)

SVR – all genotypes



Study design

- 514 HCV patients with normal ALT
 - group A: Pegasys + Copegus 24 weeks
 - group B: Pegasys + Copegus 48 weeks
 - group C: no treatment

Results

- 24 week and 48 week therapy both statistically superior to untreated control
- 48 week therapy statistically superior to 24 week therapy
- 48 week results comparable to phase III results for abnormal ALT populations

First phase III study of PEGASYS® in HBV



- Study design (546 patients)
 - objective: compare efficacy and safety of PEGASYS with and without lamivudine (LAM) to LAM alone in HBeAg-negative patients with CHB*
 - treatment period: 48 weeks; followed by 24 observation period
 - primary endpoints: reduction in HBV DNA to < 20,000 copies/ml and ALT normalization
- Results
 - PEGASYS® delivered sustained HBV DNA suppression in of 43 % of patients vs. 29 % for lamivudine in HBeAg negative disease
 - PEGASYS® delivered sustained normalization of ALT in 60 % of patients vs. 44 % for lamivudine in HBeAg negative disease
 - highest reported sustained treatment response at a defined treatment duration (48 weeks) with no issue of drug resistance

* chronic hepatitis B



Roche R&D pipeline today

Total of 65 NME's including 5 opt-in opportunities

phase 0

R1315	Alzheimer's
R1454	solid tumors
R1485	Alzheimer's
R1495	HIV
R1497	depression
R1499	type 2 diabetes
R1554	OAB
R1559	solid tumors
R1594	tumors
Gen	wound healing
antifungal (B)	

phase I

R448	COPD
R701	OAB
R944	HIV
R1068	emesis
R1204	depress./anxiety
R1295	asthma
R1438	type 2 diabetes
R1439	type 2 diabetes
R1440	type 2 diabetes
R1479	HCV
R1484	SUI
R1487	RA
R1492	solid tumors
R1500	Alzheimer's
R1503	RA
R1516	anemia
R1518	HCV
R1533	Alzheimer's
R1550	breast cancer
Gen	acute coronary synd.
Chu	multiple myeloma
Chu	osteoporosis
Chu	breast cancer
solid tumors (At)	
antifungal (B)	

phase II

R411	asthma
R450	(alpha 1 agonist) SUI
R483	(insulin sensitizer) type 2 diabetes
R667	emphysema
R673	(NK1) depression/anxiety
R724	(T-1249) HIV
R744	(next generation anemia treatment)
R1124	emesis
R1270	HCV
R1273	(Omnitarg) solid tumors
R1461	HPV
R1524	renal transplant
R1536	solid tumors
R1569	RA
Gen	inflamm. bowel disease
Gen	macular degeneration
Chu	bone metastases
Chu	osteoporosis
Chu	CHD
Chu	gastroparesis
Chu	post hepatectomy
subarach. haemorrhage (Ax)	
antibiotic (B)	

phase III / registration

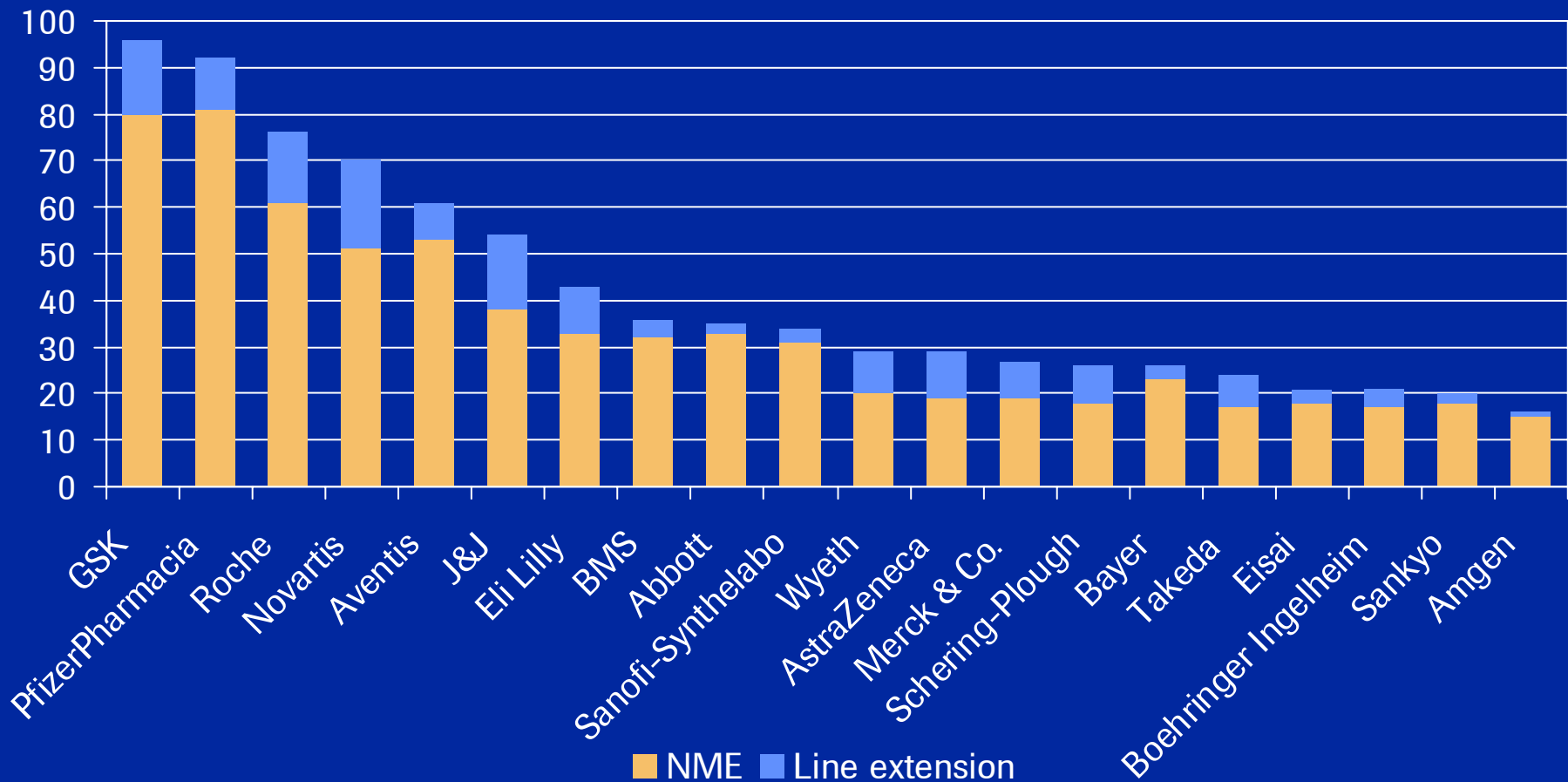
R435	(Avastin) oncology
R484	(Boniva) osteoporosis
R1415	(Tarceva) oncology
R1549	(Pentumomab) ovarian cancer
Gen	(Raptiva) psoriasis
Chu	(Antevas) subarach. haemorrhage

- Roche managed
- participation through Genentech
- participation through Chugai
- opt-in opportunities
Antisoma (At)
Axovan (Ax)
Basilea (B)



An industry comparison

Roche: A rich portfolio of NME supplemented by substantial line extensions

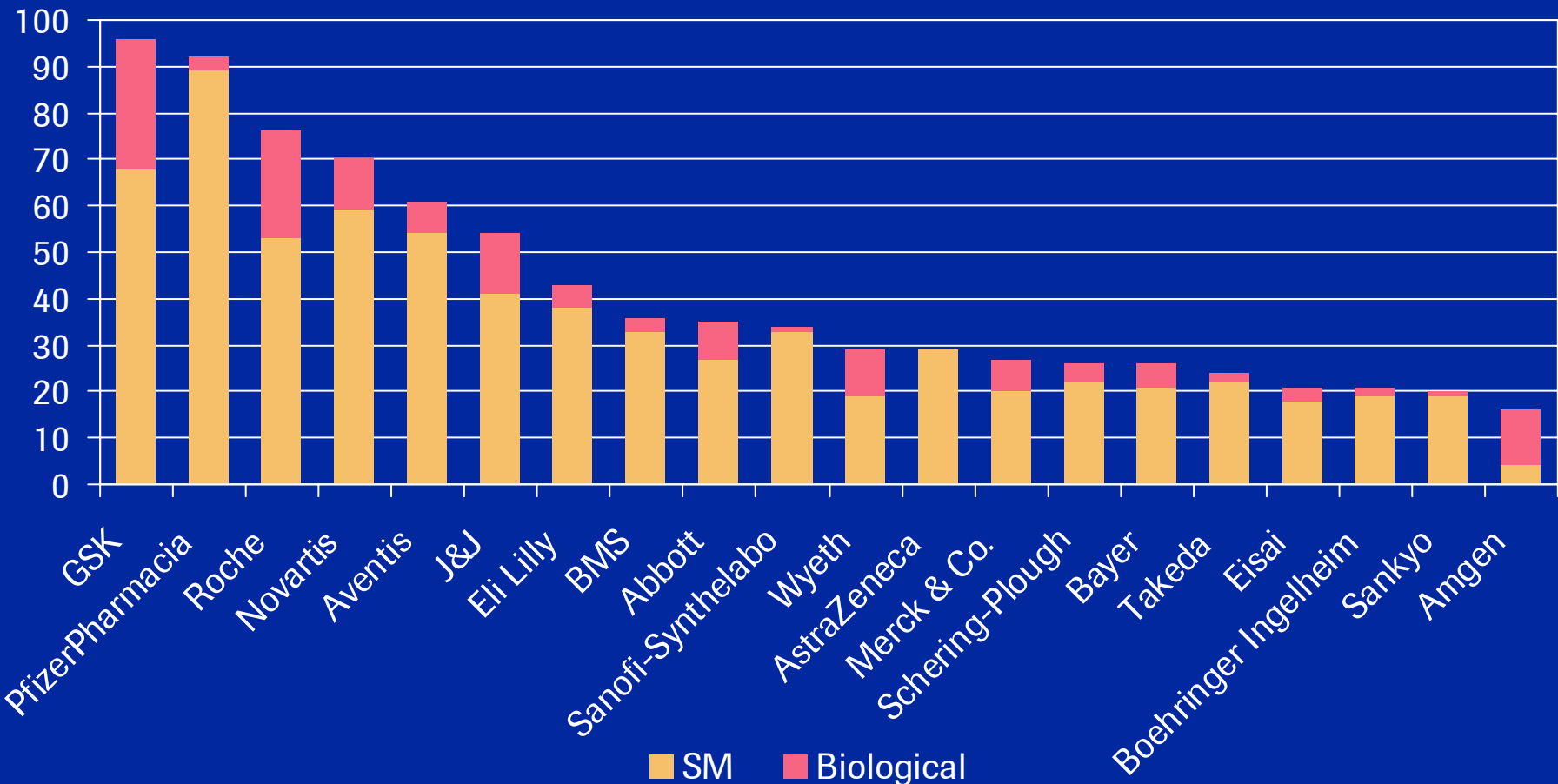


source: analysis by Wood Mackenzie



An industry comparison

Roche: Biologicals, a growing source of innovation



source: analysis by Wood Mackenzie



Projected filing dates for Roche managed NDA's

New molecular entities and significant line extensions

2003	2004	2005	2006		2007
Avastin colorectal cancer EU	Tarceva refractory NSCLC, EU	R1549 ovarian cancer	R1124 emesis	R483 type 2 diabetes	R944 HIV / AIDS
Herceptin mBC 1 st line combo, EU	MabThera 1 st line iNHL, EU	MabThera RA, TNF-failures, EU	R744 renal & cancer anemia	R673 depression	R411 asthma
Xenical four year Xendos study	Pegasys HBV	R212 2 nd gen. obesity new formulation	R450 urinary stress incontinence	R1270 HCV	R1492 solid tumors
	Boniva osteoporosis iv & oral formul.		MabThera CLL, EU	R1273 solid tumors EU	R1479 HCV
	Xeloda adj. colon cancer mono			Xeloda 1 st & 2 nd line mCRC combo	R724 HIV / AIDS
				Herceptin mBC hormonal, EU	R1569 RA
					MabThera RA signs, symp, struct. damage, EU
					Herceptin adjuvant BC, EU

 new molecular entity

 line extension

status: September 30, 2003

Roche R&D

Concluding remarks

- Strong up-coming news flow on phase III and phase II new chemical entities (NME's) and major line extensions
- Expanded portfolio of Roche Rx pipeline with improved phase balance (no. of NME's)
- A strong research network with Roche, Genentech, Chugai and external partners
- Roche - a preferred partner of the Biotech Industry
- Various opportunities in key franchises

Outlook

2003

- Double-digit growth in sales for the Group and Pharmaceuticals, and high single digit for Diagnostics in local currencies; each above market growth
- Double digit growth in operating profit for the Group and both Pharmaceuticals and Diagnostics in local currencies
- Operating profit margin for the Group slightly increasing
- Tax rate around 29 %

... and after

- Improved operating profit margins: Group > 20 % in medium term; Pharmaceuticals approaching 25 % by the end of 2004; Diagnostics slightly better than 20 % by 2006
- By the end of 2004 conditions in place for a balanced financial income



Roche