Roche: Innovation & profitable growth
Bank of America/Merrill Lynch 2012 Health Care Conference in Las Vegas, Nevada - 16 May 2012

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Ekaterine Kortkhonjia, IR Officer for Pharma pipeline
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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, including without limitation negative results of clinical trials or research projects, unexpected side-effects of pipeline or marketed 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 and news coverage.

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Current performance

Strategic positioning

Summary; questions
# Q1 2012: Group sales

**On track to meet full-year guidance**

<table>
<thead>
<tr>
<th>Division</th>
<th>2012 CHF m</th>
<th>2011 CHF m</th>
<th>change in % CHF</th>
<th>CER</th>
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<td><strong>11,120</strong></td>
<td><strong>-1</strong></td>
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1 CER=Constant Exchange Rates
Q1 2012: Highlights

Sales

- Group and Pharma: +2%\(^1\) (+3%\(^1\) excluding Tamiflu)
- Diagnostics: +4%\(^1\)
- Negative currency impact (-3%p)

2 Approvals of New Molecular Entities

- Erivedge in advanced basal cell carcinoma – approved in US
- Zelboraf in metastatic melanoma – approved in EU

5 positive late-stage trials and regulatory filings

- Avastin in metastatic colorectal cancer: treatment through multiple lines (TML)
- T-DM1 in HER2+ metastatic breast cancer (EMILIA)
- Herceptin subcutaneous in HER2+ breast cancer (HANNAH)-filed in EU
- Actemra in polyarticular-course juvenile idiopathic arthritis (CHERISH)
- Actemra in rheumatoid arthritis (ADACTA)

\(^1\) at Constant Exchange Rates
## Outlook for 2012 confirmed

| **Sales growth (CER)**          | Group & Pharma: low to mid-single digit  
Diagnostics: above market |
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<tbody>
<tr>
<td><strong>Operational Excellence savings</strong></td>
<td>2012+ : CHF 2.4 bn*</td>
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<td><strong>Core EPS growth target (CER)</strong></td>
<td>High single-digit</td>
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<td><strong>Dividend outlook</strong></td>
<td>Continue attractive dividend policy</td>
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Barring unforeseen events; CER=Constant Exchange Rates; * vs. 2011: CHF 1.8 bn
Increasing dividend pay-out ratio

Dividend pay-out ratio:
- 2008: 44.8%
- 2009: 48.6%
- 2010: 51.6%
- 2011: 55.3%

Dividend (CHF):
- 2008: 5.00
- 2009: 6.00
- 2010: 6.60
- 2011: 6.80
Current performance

Strategic positioning

Summary; questions
Roche strategy

Focused on medically differentiated therapies
PHC: Leveraging Pharma & Diagnostics
Collaborating throughout discovery to market

Total number of internal collaborations
(including R&D collaborations and CoDx Projects)

- 2005: 10
- 2006: 25
- 2007: 38
- 2008: 69
- 2009: 101
- 2010: 169
- 2011: >200

Events:
- Genentech Privatisation
- Ventana Acquisition
**Personalised Healthcare is a reality today**

**Significant progress in 2011**

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<th>FILED</th>
<th>TO FILE IN 2012</th>
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<td><img src="image" alt="Pertuzumab" /></td>
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<td>Periostin level</td>
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## 2011: Three New Molecular Entities filed

### Expanding into selected therapeutic franchises

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**Larger**

> 1 bn

**Smaller**

up to ~1 bn

- **Oncology**
- **Neuroscience**
- **Metabolism**
- **Virology**
- **Immunology**

Non risk-adjusted
2011/2012: Three potential New Molecular Entities launches

Zelboraf (BRAF inh.)
Metastatic melanoma
Approved in US Aug 2011
Approved in EU Feb 2012

Erivedge (Hedgehog inh.)
Advanced basal cell carcinoma
Approved in US Jan 2012
Filed in EU Q4 2011

pertuzumab
HER2+ 1L metastatic breast cancer
Filed in US and EU Dec 2011
Roche in brief

Innovation & productivity

• **Focused innovation strategy**
  - Personalized Healthcare through Pharmaceuticals & Diagnostics
  - Medically-differentiated products & services

• **Leading businesses**
  - Biotech-based leadership in Oncology, Infectious disease; emerging Immunology, Cardio-metabolic and Neuroscience franchises. Limited patent risk
  - World’s #1 in-vitro Diagnostics company

• **Strong financials**
  - Increasing profitability through growth & productivity with constant focus on cash flow
  - Attractive dividend
We Innovate Healthcare