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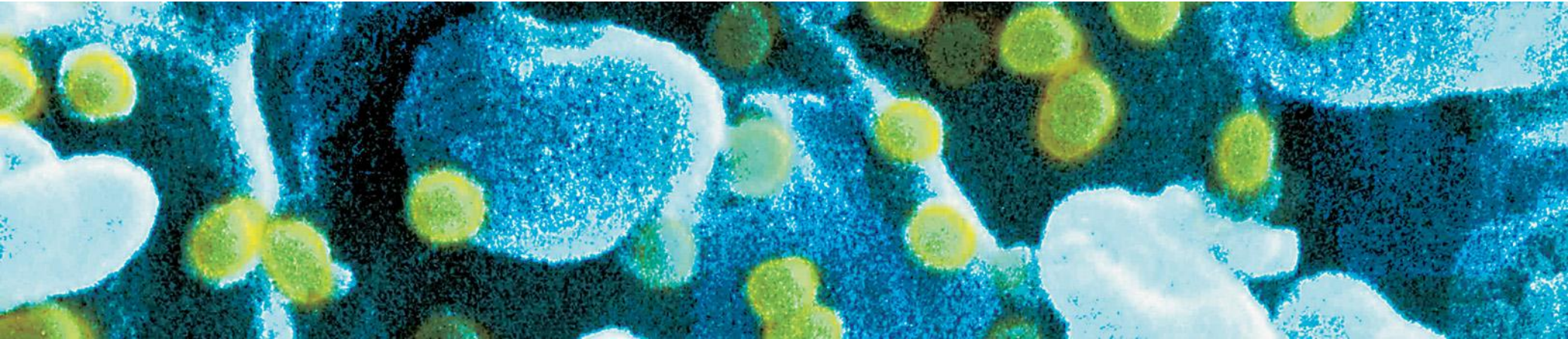
# **Roche: Innovation & profitable growth**

**Lazard Conference**

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## **Financial performance**

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## **Strategic positioning**

## **Summary**

# YTD Sept 2011: Group sales

*Supporting full-year guidance, strong currency impact*

CHF bn	2010	2011	CHF	change in % CER	Excluding Tamiflu <sup>1</sup>
Pharmaceuticals Division	28.4	24.4	-14	-1	+1
Diagnostics Division	7.7	7.1	-8	+6	
<b>Roche Group</b>	<b>35.3</b>	<b>31.5</b>	<b>-13</b>	<b>0</b>	<b>+2</b>

<sup>1</sup> at Constant Exchange Rates, CER (average full year 2010)

# HY 2011: Group performance

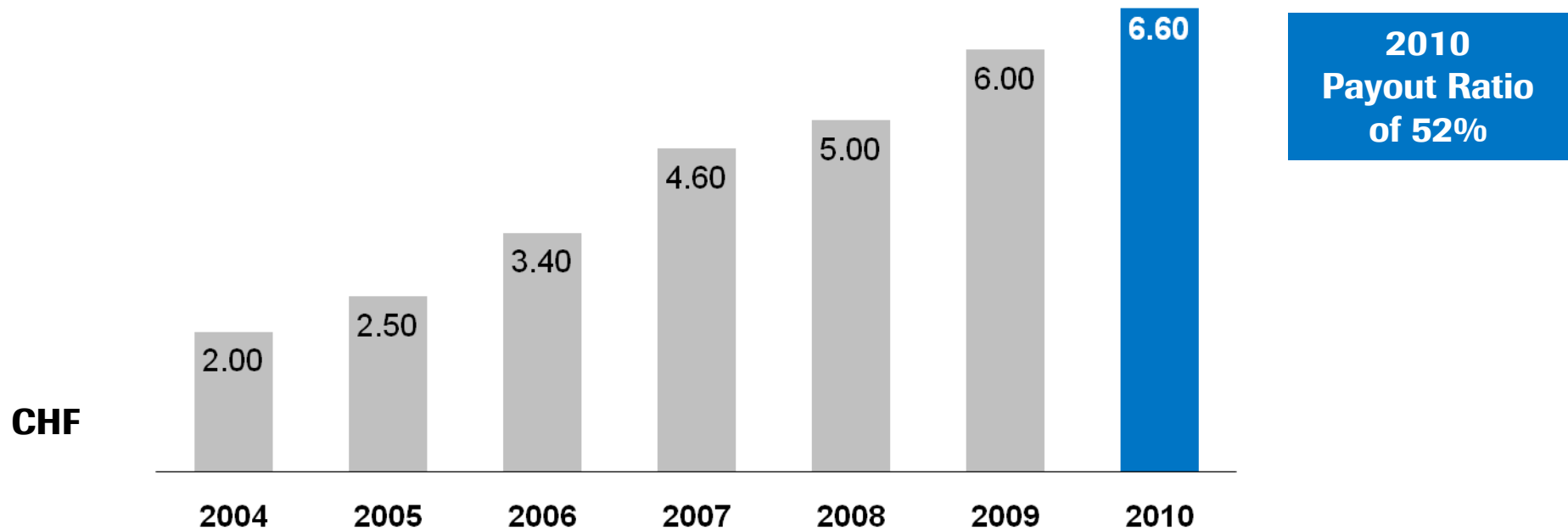
## *Core EPS growth +10%*<sup>1</sup>

CHF m			%Change	
	2010	2011	CHF	LC
<b>Sales</b>	<b>24,636</b>	<b>21,671</b>	<b>-12</b>	<b>0</b>
<b>Core operating profit</b> <i>as % of sales</i>	<b>9,159</b> 37.2	<b>8,251</b> 38.1	<b>-10</b>	<b>+5</b>
<b>Core net income</b> <i>as % of sales</i>	<b>6,062</b> 24.6	<b>5,821</b> 26.9	<b>-4</b>	<b>+11</b>
Attributable to Roche shareholders	5,965	5,697	-4	
<b>Core EPS (CHF)</b>	<b>6.95</b>	<b>6.68</b>	<b>-4</b>	<b>+10</b>
<b>IFRS net income</b> <i>as % of sales</i>	<b>5,565</b> 22.6	<b>5,259</b> 24.3	<b>-5</b>	<b>+10</b>

<sup>1</sup> local currency

# Attractive dividend payout ratio

**Average yearly dividend growth  
(2004-2010): 22%**



# Confirming outlook for 2011

## *Continued strong business performance*

<b>Sales growth</b> (in LC)	Group & Pharma (excl. Tamiflu): low single-digit Diagnostics: significantly above market
<b>Genentech synergies</b>	2011+ : CHF 1.0 bn*
<b>Operational Excellence savings</b>	2011 : CHF 1.8 bn 2012+ : CHF 2.4 bn
<b>Core EPS growth target</b> (in LC)	Around 10%
<b>Dividend outlook</b>	Grow in-line with Core EPS; maintain at least last year's dividend in CHF

**Financial performance**

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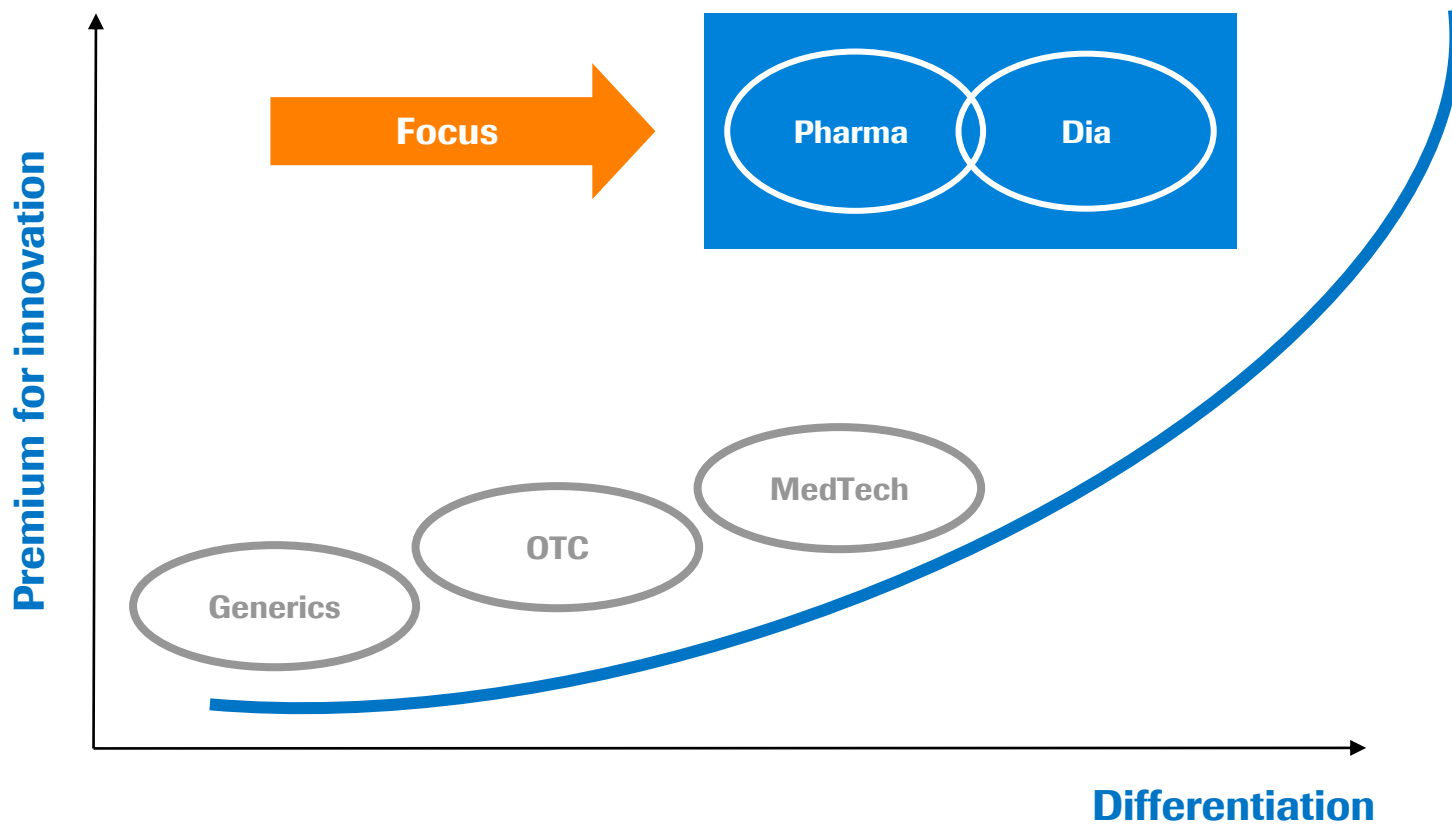
**Strategic positioning**

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**Summary**

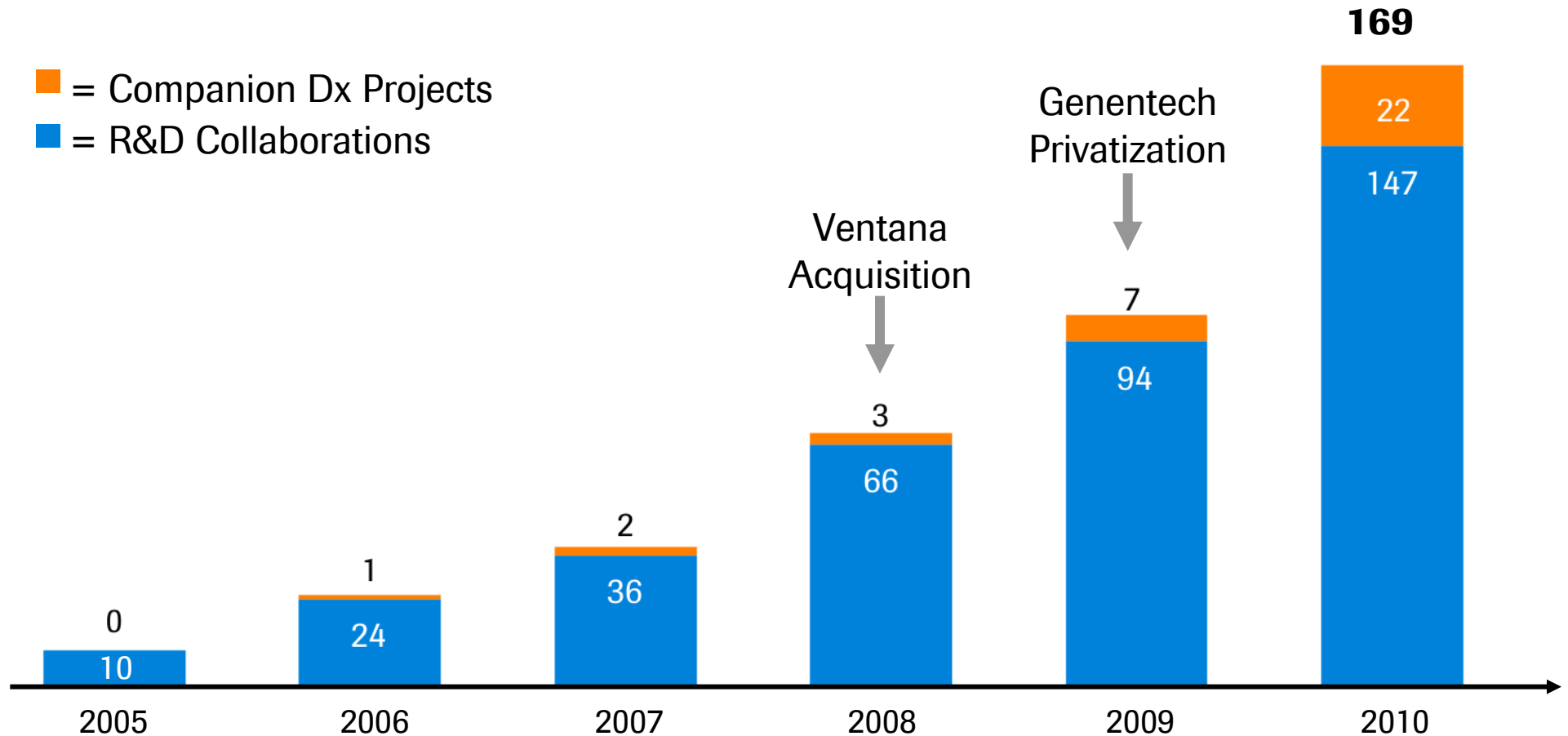


# Roche: Focused on medically differentiated therapies



# PHC: Roche internal collaborations

*Significant increase due to focused PHC strategy*

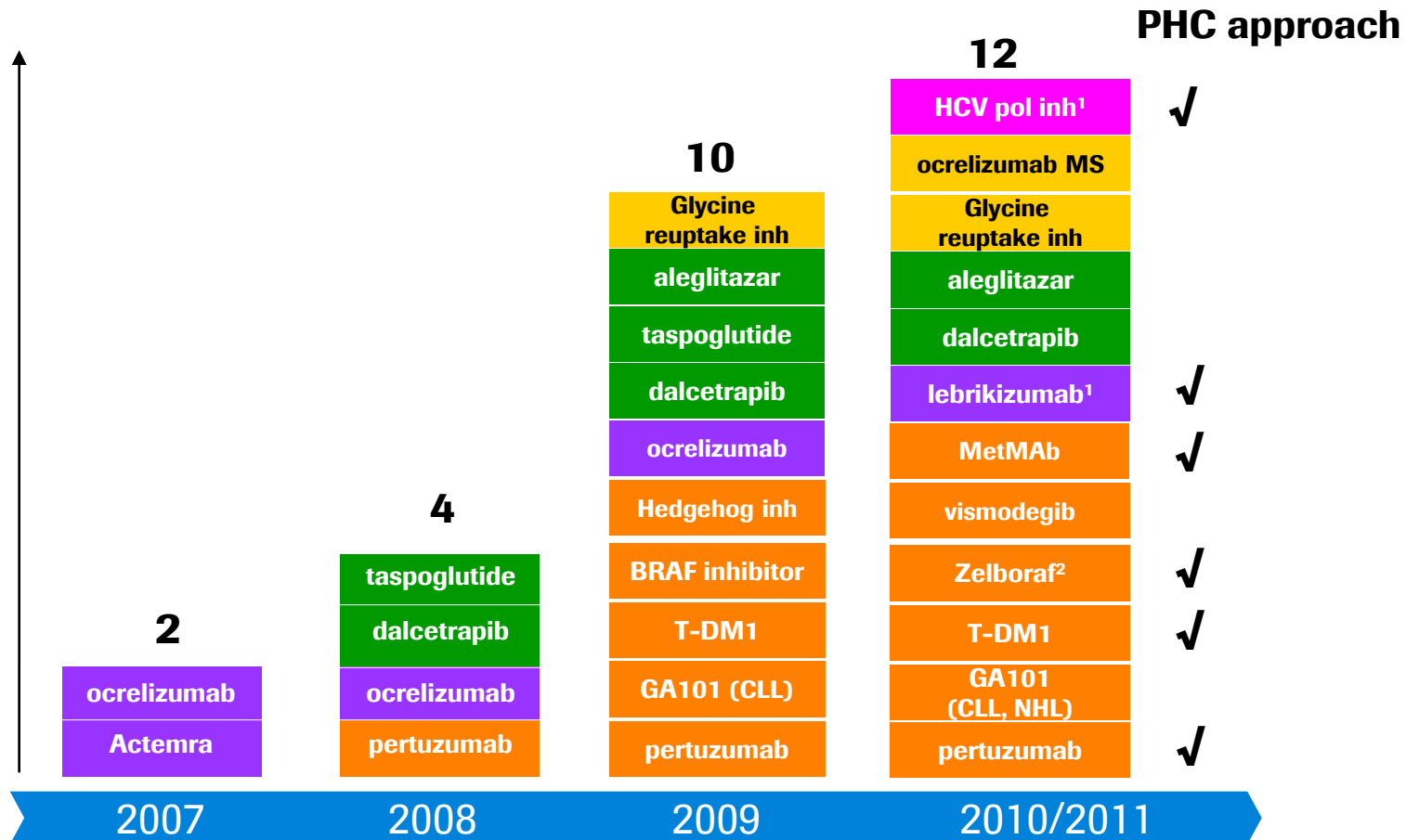


# Roche Pharma: a leading pipeline

## 12 NMEs in late-stage development

### New molecular entities (NMEs)

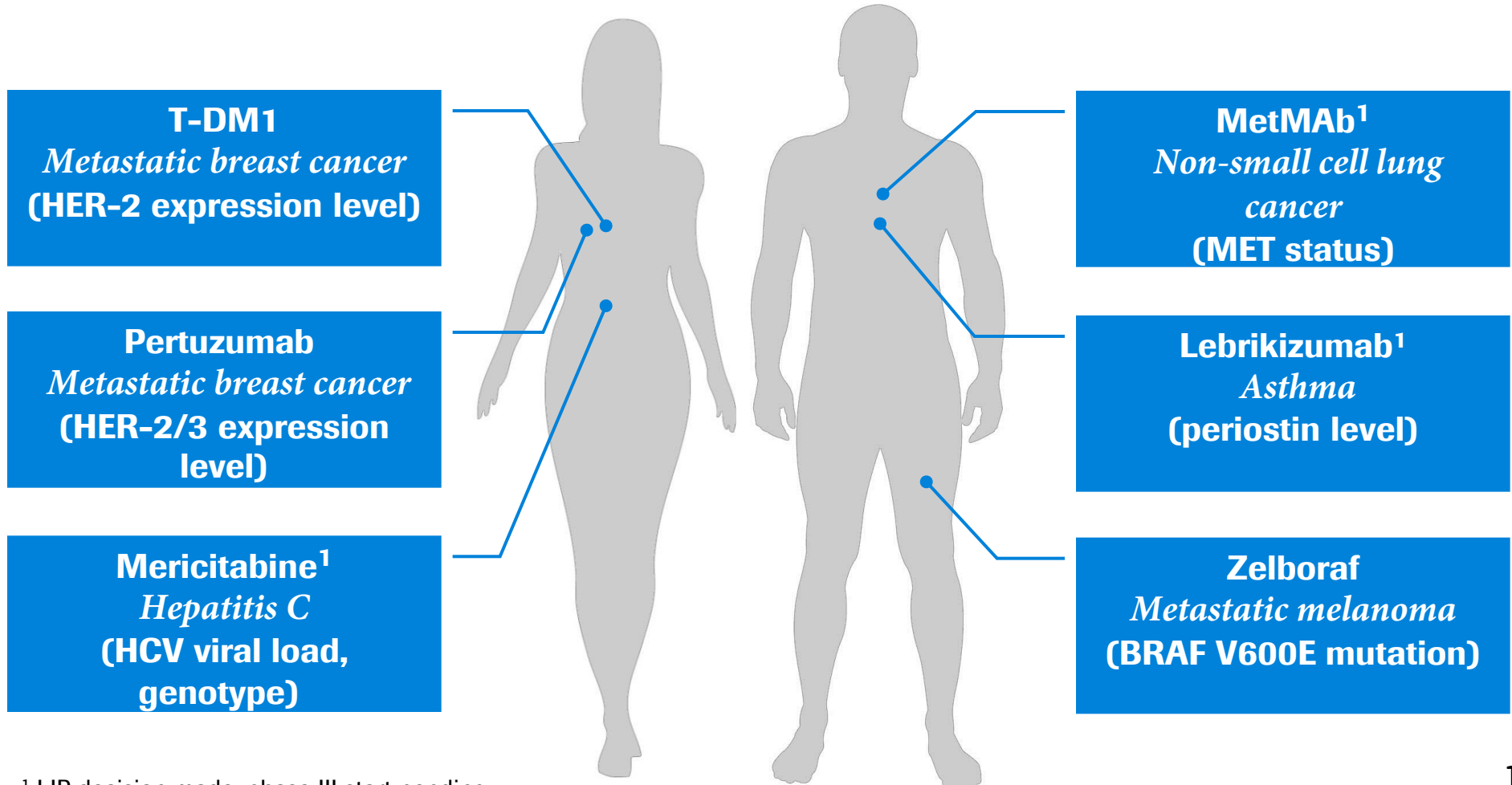
- Virology
- CNS
- Metabolic
- Inflammation
- Oncology



<sup>1</sup>LIP decision made, phase III start pending; <sup>2</sup>approved in US, filed in EU

# Our delivery

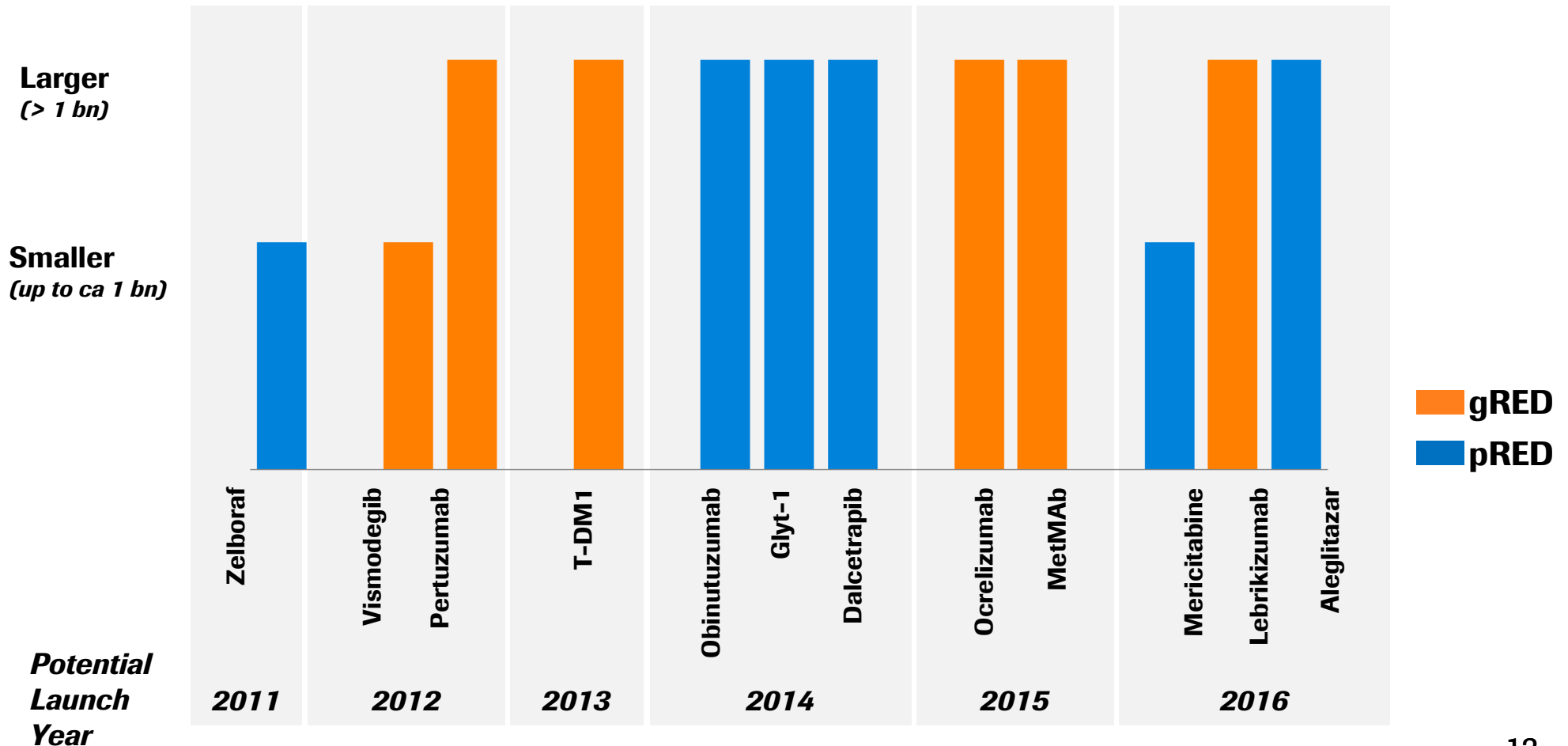
## *Personalized Healthcare becoming reality*



<sup>1</sup> LIP decision made, phase III start pending

# Portfolio outlook

## *Market expectations regarding peak sales*



**Financial performance**

**Strategic positioning**

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**Summary**

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# Roche in brief

## *Innovation & productivity*

- **Focused innovation strategy**

- Personalized Healthcare through Pharmaceuticals & Diagnostics
- Medically-differentiated products & services

- **Leading businesses**

- Biotech-based leadership in Oncology, Virology; 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*