

Basel, 26 July 2018

Roche reports very strong performance in the first half of 2018

- Group sales increase 7%¹ at constant exchange rates and in Swiss francs
- Pharmaceuticals Division sales up 7%, driven mainly by Ocrevus, Perjeta, Alecensa and Tecentriq
- Diagnostics Division sales grow 6%, primarily due to demand for immunodiagnostic solutions
- Core earnings per share grow ahead of sales at 19%, or 8% excluding the effect of the US tax reform
- On IFRS basis, net income increases 33% due to the strong underlying results and lower impairments of intangible assets compared to 2017
- Approvals in the second quarter: European Commission approves Perjeta for adjuvant treatment of HER2-positive early breast cancer at high risk of recurrence; FDA approves new indications for existing medicines: subcutaneous formulation of Actemra/RoActemra for a form of juvenile idiopathic arthritis; MabThera/Rituxan for pemphigus vulgaris; Avastin for a form of ovarian cancer
- Outlook raised for 2018: Roche expects mid-single digit sales growth, at constant exchange rates. Core earnings per share are targeted to grow in the mid-teen digits, at constant exchange rates. Excluding the US tax reform impact, core earnings per share are targeted to grow broadly in line with sales.

Key figures	CHF millions		% change	
	2018	2017	At CER ¹	In CHF
January - June 2018				
Group sales	28,111	26,344	+7	+7
Pharmaceuticals Division	21,847	20,521	+7	+6
Diagnostics Division	6,264	5,823	+6	+8
Core operating profit	11,162	10,135	+10	+10
Core EPS - diluted (CHF)	9.84	8.23	+19	+20
excl. US tax reform			+8	+8
IFRS net income	7,516	5,577	+33	+35

¹ Unless otherwise stated, all growth rates in this document are at constant exchange rates (CER: average 2017).

Commenting on the Group's results, Roche CEO Severin Schwan said: "In the first half of the year, both our Pharmaceuticals and Diagnostics Divisions achieved very strong results. Given the very good, continuously growing uptake of our new medicines, we are well on track to rejuvenate our portfolio. The growth of our business will continue, also beyond the current year. Based on the performance in the first half of the year, we are increasing the outlook for the full-year 2018 to mid-single digit sales growth, and targeting core earnings per share to grow in the mid-teen digits, at constant exchange rates."

Group results

Very strong performance in both divisions

In the first half of 2018, Group sales rose 7% to CHF 28.1 billion and core EPS grew 19%. Excluding the effect of the US tax reform, core EPS grew 8%, ahead of sales. Core EPS growth reflects the strong underlying business performance. IFRS net income increased 33%, due to the underlying core results and lower impairment of intangible assets compared to 2017.

Sales in the Pharmaceuticals Division increased 7% to CHF 21.8 billion. Key growth drivers were the recently launched medicines Ocrevus, used to treat two forms of multiple sclerosis, and cancer medicines Perjeta, Alecensa and Tecentriq. Tamiflu contributed with high sales at the beginning of the year due to a severe flu season. As expected, the strong growth reported for the Pharmaceuticals Division was partially offset by lower sales of MabThera/Rituxan and of Tarceva.

In the US, sales increased 15%, led by Ocrevus, Herceptin and Perjeta. Ocrevus sales were supported by continued strong new patient demand. The 27% sales increase of Perjeta was driven by its use for adjuvant (after surgery) treatment of patients with HER2-positive early breast cancer at high risk of recurrence.²

In Europe (-8%), strong launches of our new medicines Ocrevus, Tecentriq and Alecensa, especially in Germany, partially offset declining sales of MabThera/Rituxan (-47%), which were affected by biosimilar impact. Perjeta sales continued to grow, specifically in the metastatic and neoadjuvant settings. In the International region, sales grew 5%, led by the Latin America and Asia-Pacific subregions. In Japan, sales were stable, despite government price cuts.

Diagnostics Division sales increased 6% to CHF 6.3 billion. Centralised and Point of Care Solutions (+6%) was the main contributor, led by the growth of its immunodiagnostics business (+9%). Sales increased in all business areas. In regional terms, growth was driven by Asia-Pacific (+14%) and North America (+7%). Sales increased 1% in EMEA³ and 6% in Latin America. In Japan, sales decreased 2% due to lower sales in the molecular diagnostics business.

² US Food and Drug Administration prescribing information for Perjeta

³ EMEA = Europe, Middle East and Africa

Core operating profit increased 11% in the Pharmaceuticals Division while it remained stable in the Diagnostics Division. The IFRS results include lower intangible asset impairment charges of CHF 0.3 billion compared to CHF 1.5 billion in the first half of 2017.

Milestones for Roche medicines

In the second quarter, health authorities granted several approvals for Roche medicines. The European Commission approved Perjeta in combination with Herceptin and chemotherapy for post-surgery (adjuvant) treatment of adult patients with HER2-positive early breast cancer (eBC) at high risk of recurrence. This approval is based on results from the phase III Aphinity study.

The US Food and Drug Administration (FDA) approved the subcutaneous formulation of Actemra for the treatment of active polyarticular juvenile idiopathic arthritis in patients two years of age and older.

MabThera/Rituxan received FDA approval for the treatment of adults with moderate to severe pemphigus vulgaris, a rare, serious, life-threatening condition characterised by progressive painful blistering of the skin and mucous membranes. This is the first biologic therapy approved by the FDA for pemphigus vulgaris and the first major advancement in the treatment of the disease in more than 60 years.

Approval was granted by the FDA for Venclexta in combination with Rituxan/MabThera for the treatment of people with chronic lymphocytic leukaemia (CLL) or small lymphocytic lymphoma, with or without 17p deletion, who have received at least one prior therapy. Venclexta is being developed by AbbVie and Roche. It is jointly commercialised with AbbVie in the US and commercialised solely by AbbVie outside of the US. Sales of Venclexta are reported by AbbVie.

The FDA granted Priority Review for Roche medicines including Hemlibra for adults and children with haemophilia A without factor VIII inhibitors. This decision is based on data from the phase III Haven 3 study. Priority Review was also granted for Tecentriq, in combination with Avastin, paclitaxel and carboplatin (chemotherapy), for the initial (first-line) treatment of people with metastatic non-squamous non-small cell lung cancer (NSCLC).

Breakthrough Therapy Designation was granted by the FDA for the combination of Tecentriq and Avastin as an initial (first-line) treatment for people with advanced or metastatic hepatocellular carcinoma (HCC), the most common form of liver cancer.

The FDA granted Priority Review for baloxavir marboxil as a single-dose, oral treatment for acute, uncomplicated influenza in patients 12 years and older. Baloxavir marboxil is a first-in-class, single-dose,

investigational oral medicine with a novel proposed mechanism of action designed to target the flu virus, including oseltamivir-resistant strains and avian strains (H7N9, H5N1).⁴

Clinical trial results on Roche medicines

Results from a number of late-stage studies were announced during the second quarter, with Tecentriq in particular continuing its news flow with six positive out of seven readouts during the quarter. These represent important achievements in a highly competitive and dynamic environment.

The phase III IMpower132 study met its co-primary endpoint of progression-free survival (PFS) and demonstrated that the combination of Tecentriq plus chemotherapy (cisplatin or carboplatin plus pemetrexed) reduced the risk of disease worsening or death (PFS) compared to chemotherapy alone in the initial (first-line) treatment of advanced non-squamous non-small cell lung cancer (NSCLC). While a numerical improvement for the co-primary endpoint of overall survival (OS) was observed, statistical significance was not met at this interim analysis, and the study will continue as planned with final OS results expected next year.

The phase III IMpassion130 study met its co-primary endpoint of PFS. Results demonstrated that the combination of Tecentriq plus nab-paclitaxel, as an initial (first-line) treatment, significantly reduced the risk of disease worsening or death (PFS) in the intention-to-treat and PD-L1-positive population with metastatic or unresectable locally advanced triple negative breast cancer (TNBC). Overall survival was encouraging in the PD-L1 positive population at this interim analysis, and follow up will continue until the next planned analysis. Currently, Roche has seven ongoing phase III studies investigating Tecentriq in TNBC, an aggressive disease with limited treatment options.

The phase III IMpower133 study met its co-primary endpoints of OS and PFS at its first interim analysis. The study demonstrated that initial (first-line) treatment with the combination of Tecentriq plus chemotherapy (carboplatin and etoposide) helped people with extensive-stage small cell lung cancer (ES-SCLC) live significantly longer compared to chemotherapy alone. The Tecentriq-based combination also reduced the risk of disease worsening or death (PFS) compared to chemotherapy alone. There has been limited treatment progress for people with ES-SCLC in the past 20 years.

Results from the phase III IMpower131 study showed Tecentriq plus chemotherapy (carboplatin and albumin-bound paclitaxel) reduced the risk of disease worsening or death (PFS) by 29 percent compared

⁴ T. Noshi et al. S-033447/S-033188, a Novel Small Molecule Inhibitor of Cap-dependent Endonuclease of Influenza A and B Virus: In Vitro Antiviral Activity against Laboratory Strains of Influenza A and B Virus in Madin-Darby Canine Kidney Cells. Poster presentation at OPTIONS IX, August 2016

with chemotherapy (carboplatin and nab-paclitaxel) alone in the initial (first-line) treatment of people with advanced squamous non-small cell lung cancer (NSCLC) (median PFS=6.3 vs. 5.6 months).

The phase III IMpower130 study met its co-primary endpoints of OS and PFS. The combination of Tecentriq plus chemotherapy (carboplatin and albumin-bound paclitaxel; nab-paclitaxel) helped people live significantly longer compared to chemotherapy alone in the initial (first-line) treatment of advanced non-squamous NSCLC. In addition, the Tecentriq combination reduced the risk of disease worsening or death (PFS) compared with chemotherapy alone.

Positive OS results were announced from the phase III IMpower150 study of Tecentriq and Avastin plus carboplatin and paclitaxel (chemotherapy) for the initial (first-line) treatment of chemotherapy-naïve people with metastatic non-squamous NSCLC. This interim analysis showed that Tecentriq and Avastin plus carboplatin and paclitaxel helped people live significantly longer compared with Avastin plus carboplatin and paclitaxel (median OS = 19.2 versus 14.7 months).

The phase III IMblaze370 study evaluating the combination of Tecentriq and Cotellic did not meet its primary endpoint of OS compared to regorafenib. The study evaluated the combination in people with difficult-to-treat, locally advanced or metastatic colorectal cancer whose disease progressed or who were intolerant to at least two systemic chemotherapy regimens.

Follow-up data from the phase III Alex study revealed that Alecensa helped people with ALK-positive metastatic non-small cell lung cancer to live a median of almost three years without their disease worsening or death (PFS).

The phase III Capstone-2 study assessing the safety and efficacy of baloxavir marboxil in people at high risk of complications from the flu met the study's primary objective, and showed superior efficacy in the primary endpoint of time to improvement of influenza symptoms versus placebo.

Advancing personalised healthcare

Roche and Foundation Medicine (FMI), Inc., US, have entered into a definitive merger agreement. A tender offer was launched on 2 July 2018 and the closing of the transaction is expected to take place in the second half of 2018, subject to a majority of FMI's outstanding shares not already held by the Group being tendered and other customary conditions. This transaction broadens Roche's personalised healthcare strategy and aims to further advance molecular insights and the broad availability of high-quality comprehensive genomic profiling, both key enablers for the development of new cancer treatments and optimal patient care.

New tools for Alzheimer's diagnosis and diabetes management

The FDA granted Breakthrough Device Designation to Roche's Elecsys β -Amyloid (1-42) CSF and Elecsys Phospho-Tau (181P) CSF assays. These *in vitro* diagnostic immunoassays are for the measurement of the β -Amyloid (1-42) and Phospho-Tau concentrations in cerebral spinal fluid (CSF) in adult subjects with mild cognitive impairment being evaluated for Alzheimer's disease (AD) and other causes of dementia. Roche was one of the first companies to use biomarkers in clinical trials and will continue to explore high-performing diagnostic and disease-monitoring solutions for AD.

Roche's new small, tube-free Accu-Chek Solo micropump obtained the CE mark. The micropump offers people with diabetes the option of dosing insulin either directly from the pump or from the dedicated handheld, as well as enabling them to detach and re-attach the pump without wasting insulin. It also complements Roche's digital health solutions contributing to a more effective and personalised diabetes management. Roche signed a collaboration agreement and investment in Care Innovations. mySugr, one of Roche's digital diabetes management solutions, will become the integrated personalised diabetes and population health management offering to Care Innovations' broad range of customers based in the US and Canada.

Next generation of the founding families for the Board of Directors

Dr Andreas Oeri (69) has informed the Board of Directors that he will not stand for re-election as a member of the Board of Directors at the Annual General Meeting 2020. This will conclude his 24-year term of office. Dr Joerg Duschmalé (34), a fifth-generation descendant of the founder of Roche, has confirmed his interest in standing for election as a member of the Board of Directors in 2020.

Outlook increased again for 2018

Roche expects sales to grow mid-single digit, at constant exchange rates. Core earnings per share are targeted to grow in the mid-teen digits, at constant exchange rates. Excluding the US tax reform impact, core earnings per share are targeted to grow broadly in line with sales. Roche expects to further increase its dividend in Swiss francs.

Pharmaceuticals Division

Sales January - June 2018	CHF millions		As % of sales		% change	
	2018	2017	2018	2017	At CER	In CHF
Pharmaceuticals Division	21,847	20,521	100.0	100.0	+7	+6
United States	11,378	10,185	52.1	49.6	+15	+12
Europe	4,528	4,539	20.7	22.1	-8	0
Japan	1,781	1,771	8.2	8.6	0	+1
International*	4,160	4,026	19.0	19.7	+5	+3

*Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

Key pharmaceutical products in 2018

HER2-franchise (Herceptin, Perjeta and Kadcyła) +7%. For HER2-positive breast cancer and HER2-positive metastatic gastric cancer (Herceptin only).

Herceptin (+2%). For HER2-positive breast cancer and HER2-positive metastatic gastric cancer. Sales increases were mainly driven by growth in the US.

MabThera/Rituxan (-9%). For forms of blood cancer, rheumatoid arthritis and certain types of vasculitis. Sales development was impacted by Europe (-47%) as a result of the market entry of biosimilars. In the US, sales increased 3%, with growth in both the immunology and oncology segments, also driven by the subcutaneous formulation. Sales were also higher in the International region (+7%), particularly in China due to broader market penetration.

Avastin (0%). For advanced colorectal, breast, lung, kidney, cervical and ovarian cancer, and relapsed glioblastoma (a type of brain tumour). Sales declined in the US and in Europe (-2% each) but increased in the International region and in Japan (+6% and +3% respectively).

Actemra/RoActemra (+13%). For rheumatoid arthritis, forms of juvenile idiopathic arthritis and giant cell arteritis as well as CAR T cell-induced severe or life-threatening cytokine release syndrome (US only). Sales growth was reported in all regions, driven by the continued uptake of the subcutaneous formulation.

Xolair (+10%, US only). For chronic idiopathic urticaria and allergic asthma. Growth was driven by demand in chronic idiopathic urticaria.

Lucentis (+16%, US only). For eye conditions including wet age-related macular degeneration, macular oedema following retinal vein occlusion, diabetic macular oedema, and diabetic retinopathy. Growth was driven by the launch of prefilled syringes and sales increases were reported for all approved indications.

Highlights on certain medicines launched since 2012

Perjeta. For HER2-positive breast cancer. Sales (CHF 1.3 billion, +23%) grew in all regions. In addition to the recent authorisation in the EU and the approval in the US in late 2017, a further 18 countries had granted approval for Perjeta in the adjuvant indication as at June 2018. The approval in this new indication strongly supports Perjeta's continued growth, which is also driven by increased demand in the neoadjuvant and metastatic settings across the regions.

Ocrevus (CHF 1.0 billion). For both the relapsing and primary progressive forms of multiple sclerosis (MS). Ocrevus has now been approved in more than 60 countries, with 50,000 people treated globally as at June 2018. Strong demand in both indications has continued. Reflecting the high medical need, two phase IIIb studies in progressive MS have been announced, to include endpoints never used in previous trials and which will enroll over 1,500 people across more than 25 countries.

Tecentriq (CHF 320 million, +37%). For advanced bladder cancer and advanced lung cancer. Tecentriq is approved in more than 70 countries. Sales growth was driven by post-launch uptake in Europe, notably in Germany. Roche is conducting a large number of studies of Tecentriq in combination with medicines from Roche's marketed and investigational portfolios as well as those developed with our external partners.

Alecensa (CHF 279 million, +91%). For a specific form of lung cancer. Alecensa showed continued strong sales growth across all regions.

Gazyva/Gazyvaro (CHF 177 million, +32%). For chronic lymphocytic leukaemia (CLL), rituximab-refractory follicular lymphoma and previously untreated advanced follicular lymphoma. Sales expanded, especially in Europe and in the US.

Hemlibra (CHF 57 million). For people with haemophilia A with inhibitors to factor VIII. Hemlibra is approved in the US, the EU, Australia and in Japan.

Top-selling pharmaceuticals	Total		United States		Europe		Japan		International*	
	CHFm	%	CHFm	%	CHFm	%	CHFm	%	CHFm	%
Herceptin	3,624	2	1,494	12	1,076	-5	123	-15	931	-2
MabThera/Rituxan	3,454	-9	2,127	3	525	-47	105	-23	697	7
Avastin	3,418	0	1,442	-2	933	-2	404	3	639	6
Perjeta	1,313	23	626	27	438	11	63	12	186	46
Actemra/RoActemra	1,049	13	411	16	347	5	164	16	127	20
Ocrevus	1,040	456	939	406	78	**	-	-	23	**
Xolair	928	10	928	10	-	-	-	-	-	-
Lucentis	818	16	818	16	-	-	-	-	-	-
Activase/TNKase	652	9	626	9	-	-	-	-	26	8
Kadcyla	484	9	178	7	186	1	35	7	85	34

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others,

** over 500%

Diagnosics Division

Sales	CHF millions		As % of sales		% change	
	2018	2017	2018	2017	At CER	In CHF
January - June 2018						
Diagnosics Division	6,264	5,823	100.0	100.0	+6	+8
Business Areas						
Centralised and Point of Care Solutions	3,755	3,456	60.0	59.4	+6	+9
Diabetes Care	991	962	15.8	16.5	+1	+3
Molecular Diagnostics	979	920	15.6	15.8	+5	+6
Tissue Diagnostics	539	485	8.6	8.3	+11	+11
Regions						
Europe, Middle East, Africa	2,492	2,330	39.8	40.0	+1	+7
Asia-Pacific	1,573	1,341	25.1	23.0	+14	+17
North America	1,570	1,507	25.1	25.9	+7	+4
Latin America	413	425	6.6	7.3	+6	-3
Japan	216	220	3.4	3.8	-2	-2

Centralised and Point of Care Solutions (+6%) was the largest contributor to the division's sales growth. Integrated Serum Work Area solutions, comprising the immunodiagnosics (+9%) and clinical chemistry (+5%) businesses, were the main growth drivers. The launch of Elecsys Zika IgG assay complements recent advancements Roche has made as part of its ongoing commitment to the global public health challenge caused by the Zika virus.

Sales in **Molecular Diagnostics** increased 5%. In virology, sales are up 4%, with strong growth in HIV monitoring. Continued strong demand was reported for cobas Liat tests, the new system for molecular point of care testing. Sales in the human papillomavirus (HPV) and in blood screening businesses grew 30% and 1% respectively. The cobas CT/NG test for the cobas 6800/8800 systems was launched in the US; it is the first test for these sexually transmitted infections on this fully automated, high throughput platform.

Tissue Diagnostics sales increased 11%. The advanced staining business continued its strong growth (+12%); demand for the primary staining portfolio was high (+16%).

Diabetes Care sales increased 1%, mainly driven by the new Accu-Chek Guide and Accu-Chek Instant systems.

Half Year Results 2018 – Live video webcast and conference call

There will be a live video webcast and conference call for investors and analysts today, **Thursday, 26 July at 1:00 pm CEST**.

To access the **live video webcast**, please click [here](#). To listen to the **conference call**, please dial in to the conference 10-15 min prior to the scheduled start, using the following numbers:

+41 (0) 58 310 5000 (Europe and ROW)

+44 (0) 207 107 0613 (UK)

+1 (1) 631 570 5613 (USA Toll Free)

About Roche

Roche is a global pioneer in pharmaceuticals and diagnostics focused on advancing science to improve people's lives. The combined strengths of pharmaceuticals and diagnostics under one roof have made Roche the leader in personalised healthcare – a strategy that aims to fit the right treatment to each patient in the best way possible.

Roche is the world's largest biotech company, with truly differentiated medicines in oncology, immunology, infectious diseases, ophthalmology and diseases of the central nervous system. Roche is also the world leader in in vitro diagnostics and tissue-based cancer diagnostics, and a frontrunner in diabetes management. Founded in 1896, Roche continues to search for better ways to prevent, diagnose and treat diseases and make a sustainable contribution to society. The company also aims to improve patient access to medical innovations by working with all relevant stakeholders. Thirty medicines developed by Roche are included in the World Health Organization Model Lists of Essential Medicines, among them life-saving antibiotics, antimalarials and cancer medicines. Roche has been recognised as the Group Leader in sustainability within the Pharmaceuticals, Biotechnology & Life Sciences Industry nine years in a row by the Dow Jones Sustainability Indices (DJSI).

The Roche Group, headquartered in Basel, Switzerland, is active in over 100 countries and in 2017 employed about 94,000 people worldwide. In 2017, Roche invested CHF 10.4 billion in R&D and posted sales of CHF 53.3 billion. Genentech, in the United States, is a wholly owned member of the Roche Group. Roche is the majority shareholder in Chugai Pharmaceutical, Japan. For more information, please visit www.roche.com.

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Additional information

- Half Year 2018 Presentation: <http://www.roche.com/irp180726-a.pdf>
- Half Year 2018 Presentation with appendix: <http://www.roche.com/irp180726.pdf>
- Finance Report Half Year 2018 www.roche.com/hy18e.pdf
- Annual Report 2017: www.roche.com/annual_reports
- Dow Jones Sustainability Indices: www.sustainability-indices.com

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Disclaimer: Cautionary statement regarding forward-looking statements

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Appendix: Tables

1.	Sales January to June 2018 and 2017	14
2.	Quarterly sales and constant exchange rate sales growth by Division in 2018 and 2017	15
3.	Pharmaceuticals Division – Top-selling pharmaceuticals sales and constant exchange rate growth HY 2018 vs. HY 2017	16
4.	Pharmaceuticals Division – New products sales and constant exchange rate growth HY 2018 vs. HY 2017	17
5.	Top 20 Pharmaceuticals Division product sales and constant exchange rate growth HY 2018 vs. HY 2017	18
6.	Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth	19
7.	Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth United States	20
8.	Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth Europe.....	21
9.	Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth Japan.....	22
10.	Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth International*	23
11.	Roche Group consolidated income statement for the six months ended 30 June 2018.....	24
12.	Roche Group core results reconciliation – Half Year 2018.....	25
13.	Divisional core results reconciliation – Half Year 2018	26
14.	Roche Group consolidated balance sheet.....	27
15.	Roche Group consolidated statement of cash flows	28

1. Sales January to June 2018 and 2017

CHF millions	Six months ended 30 June		% change	
	2018	2017	At CER	In CHF
Pharmaceuticals Division	21,847	20,521	7	6
United States	11,378	10,185	15	12
Europe	4,528	4,539	-8	0
Japan	1,781	1,771	0	1
International*	4,160	4,026	5	3
Diagnostics Division	6,264	5,823	6	8
Roche Group	28,111	26,344	7	7

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

2. Quarterly sales and constant exchange rate sales growth by Division in 2018 and 2017

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Pharmaceuticals Division	10,344	7	10,115	6	10,584	6	10,672	7	11,175	7
United States	5,115	10	5,081	12	5,230	12	5,516	15	5,862	15
Europe	2,266	0	2,227	-5	2,285	-5	2,287	-7	2,241	-8
Japan	915	2	904	6	1,038	6	851	0	930	0
International*	2,048	8	1,903	2	2,031	3	2,018	5	2,142	6
Diagnostics Division	3,058	4	2,975	6	3,281	4	2,911	5	3,353	7
Roche Group	13,402	6	13,090	6	13,865	5	13,583	6	14,528	7

*Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

3. Pharmaceuticals Division – Top-selling pharmaceuticals sales and constant exchange rate growth HY 2018 vs. HY 2017

Top-selling pharmaceuticals January - June 2018	Total		United States		Europe		Japan		International*	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Herceptin	3,624	2	1,494	12	1,076	-5	123	-15	931	-2
MabThera/Rituxan	3,454	-9	2,127	3	525	-47	105	-23	697	7
Avastin	3,418	0	1,442	-2	933	-2	404	3	639	6
Perjeta	1,313	23	626	27	438	11	63	12	186	46
Actemra/RoActemra	1,049	13	411	16	347	5	164	16	127	20
Ocrevus	1,040	456	939	406	78	**	-	-	23	**
Xolair	928	10	928	10	-	-	-	-	-	-
Lucentis	818	16	818	16	-	-	-	-	-	-
Activase/TNKase	652	9	626	9	-	-	-	-	26	8
Kadcyla	484	9	178	7	186	1	35	7	85	34

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

** Over 500%

4. Pharmaceuticals Division – New products sales and constant exchange rate growth HY 2018 vs. HY 2017

New products January - June 2018	Total		United States		Europe		Japan		International*	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Erivedge	126	6	76	-1	37	11	-	-	13	43
Perjeta	1,313	23	626	27	438	11	63	12	186	46
Kadcyla	484	9	178	7	186	1	35	7	85	34
Gazyva/Gazyvaro	177	32	93	24	63	65	-	-	21	3
Esbriet	472	14	335	10	114	20	-	-	23	51
Cotellic	32	9	9	17	18	-4	-	-	5	57
Alecensa	279	91	133	87	37	**	86	32	23	439
Tecentriq	320	37	219	-2	60	**	15	-	26	405
Ocrevus	1,040	456	939	406	78	**	-	-	23	**
Hemlibra	57	-	46	-	7	-	4	-	-	-

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

** Over 500%

5. Top 20 Pharmaceuticals Division product sales and constant exchange rate growth HY 2018 vs. HY 2017

CHF millions	Total		United States		Europe		Japan		International*	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Herceptin	3,624	2	1,494	12	1,076	-5	123	-15	931	-2
MabThera/Rituxan	3,454	-9	2,127	3	525	-47	105	-23	697	7
Avastin	3,418	0	1,442	-2	933	-2	404	3	639	6
Perjeta	1,313	23	626	27	438	11	63	12	186	46
Actemra/RoActemra	1,049	13	411	16	347	5	164	16	127	20
Ocrevus	1,040	456	939	406	78	**	-	-	23	**
Xolair	928	10	928	10	-	-	-	-	-	-
Lucentis	818	16	818	16	-	-	-	-	-	-
Activase/TNKase	652	9	626	9	-	-	-	-	26	8
Kadcyla	484	9	178	7	186	1	35	7	85	34
Esbriet	472	14	335	10	114	20	-	-	23	51
Pulmozyme	357	3	239	-1	67	0	-	-	51	32
CellCept	333	-6	54	-16	90	-5	38	5	151	-4
Tecentriq	320	37	219	-2	60	**	15	-	26	405
Tamiflu	320	-11	164	-10	22	47	75	3	59	-35
Tarceva	298	-32	126	-44	61	-23	39	-15	72	-17
Alecensa	279	91	133	87	37	**	86	32	23	439
Mircera	248	4	-	-	39	-17	95	-3	114	22
Xeloda	216	-7	17	-34	9	-32	54	3	136	-3
Madopar	182	9	-	-	55	6	7	-6	120	12

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

** Over 500%

6. Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Herceptin	1,786	4	1,691	0	1,781	6	1,774	2	1,850	2
MabThera/Rituxan	1,938	3	1,783	1	1,768	-3	1,713	-8	1,741	-11
Avastin	1,721	0	1,592	-4	1,691	1	1,640	-2	1,778	1
Perjeta	541	16	552	17	579	22	613	18	700	28
Actemra/RoActemra	477	12	485	13	519	14	499	13	550	13
Ocrevus	192	-	308	-	369	-	479	-	561	195
Xolair	429	13	448	17	428	15	442	7	486	14
Lucentis	335	-5	399	8	288	-11	393	6	425	27
Activase/TNKase	297	12	307	15	299	0	323	8	329	10
Kadcyla	221	7	228	10	243	12	235	6	249	11
Esbriet	216	19	219	3	232	17	222	13	250	15
Pulmozyme	177	-1	179	8	199	10	169	0	188	6
CellCept	176	-4	169	-8	182	-1	158	-8	175	-4
Tecentriq	124	*	118	104	132	65	139	29	181	44
Tamiflu	94	110	33	-61	138	-52	292	11	28	-75
Tarceva	225	-15	202	-16	205	-21	141	-32	157	-31
Alecensa	80	88	96	100	118	99	119	81	160	98
Mircera	121	-2	128	-2	141	3	120	5	128	4
Xeloda	125	5	112	-4	112	-28	102	-2	114	-11
Madopar	77	10	81	10	90	14	90	3	92	16

* Over 500%

7. Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth United States

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Herceptin	694	8	627	3	696	16	728	13	766	11
MabThera/Rituxan	1,074	3	997	9	1,017	6	1,023	4	1,104	3
Avastin	751	-3	677	-5	701	1	699	-3	743	-1
Perjeta	250	7	249	10	257	18	287	18	339	36
Actemra/RoActemra	188	13	192	18	199	16	192	15	219	17
Ocrevus	191	-	306	-	363	-	443	-	496	163
Xolair	429	13	448	17	428	15	442	7	486	14
Lucentis	335	-5	399	8	288	-11	393	6	425	27
Activase/TNKase	285	12	293	15	285	0	311	8	315	11
Kadcyla	82	2	83	7	89	15	86	2	92	12
Esbriet	161	20	162	3	164	11	155	8	180	12
Pulmozyme	124	2	120	4	137	11	106	-10	133	7
CellCept	34	-23	27	-41	26	-29	25	-19	29	-14
Tecentriq	120	*	112	99	115	48	107	5	112	-7
Tamiflu	32	125	9	-83	42	-70	161	10	3	-100
Tarceva	121	-15	117	-13	110	-24	61	-41	65	-46
Alecensa	37	137	45	113	55	112	56	66	77	107
Mircera	-	-	-	-	-	-	-	-	-	-
Xeloda	21	68	6	-38	3	-94	8	38	9	-54
Madopar	-	-	-	-	-	-	-	-	-	-

* Over 500%

8. Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth Europe

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Herceptin	525	2	524	-2	552	6	551	-3	525	-7
MabThera/Rituxan	458	-3	406	-16	361	-26	282	-44	243	-50
Avastin	435	-7	438	-8	457	-3	469	-3	464	-1
Perjeta	190	21	201	20	200	21	215	13	223	8
Actemra/RoActemra	159	14	156	7	169	12	172	9	175	2
Ocrevus	-	-	1	-	3	-	28	-	50	*
Xolair	-	-	-	-	-	-	-	-	-	-
Lucentis	-	-	-	-	-	-	-	-	-	-
Activase/TNKase	-	-	-	-	-	-	-	-	-	-
Kadcyla	86	5	88	2	89	3	92	1	94	1
Esbriet	46	13	47	-7	55	17	56	21	58	19
Pulmozyme	30	2	29	-6	33	1	33	-4	34	5
CellCept	45	-1	43	-2	47	-1	44	-5	46	-4
Tecentriq	1	*	2	130	12	*	23	*	37	*
Tamiflu	1	-96	1	-88	12	-81	21	45	1	117
Tarceva	36	-15	33	-27	34	-18	30	-23	31	-22
Alecensa	4	*	9	*	12	*	17	*	20	349
Mircera	21	2	21	-12	20	-14	19	-17	20	-17
Xeloda	6	-27	9	5	5	-25	5	-32	4	-33
Madopar	25	0	27	5	28	6	27	6	28	5

* Over 500%

9. Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth Japan

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Herceptin	76	-1	73	0	79	-1	59	-10	64	-19
MabThera/Rituxan	75	5	75	7	81	5	54	-11	51	-33
Avastin	209	2	204	5	223	5	184	2	220	4
Perjeta	30	14	30	22	34	15	28	11	35	12
Actemra/RoActemra	76	9	77	12	87	15	73	14	91	18
Ocrevus	-	-	-	-	-	-	-	-	-	-
Xolair	-	-	-	-	-	-	-	-	-	-
Lucentis	-	-	-	-	-	-	-	-	-	-
Activase/TNKase	-	-	-	-	-	-	-	-	-	-
Kadcyla	17	-12	18	2	19	6	16	1	19	12
Esbriet	-	-	-	-	-	-	-	-	-	-
Pulmozyme	-	-	-	-	-	-	-	-	-	-
CellCept	19	13	20	14	22	14	17	6	21	3
Tecentriq	-	-	-	-	-	-	-	-	15	-
Tamiflu	7	183	16	63	60	36	74	14	1	-96
Tarceva	24	-10	22	-9	24	-11	17	-23	22	-9
Alecensa	36	35	38	44	44	39	37	27	49	36
Mircera	54	0	54	3	59	-1	43	-1	52	-5
Xeloda	27	-4	26	-1	29	5	24	0	30	6
Madopar	4	-3	3	1	5	2	3	-9	4	-3

10. Top 20 Pharmaceuticals Division quarterly product sales and quarterly constant exchange rate sales growth International*

CHF millions	Q2 2017	% change vs. Q2 2016	Q3 2017	% change vs. Q3 2016	Q4 2017	% change vs. Q4 2016	Q1 2018	% change vs. Q1 2017	Q2 2018	% change vs. Q2 2017
Herceptin	491	2	467	0	454	-5	436	-8	495	4
MabThera/Rituxan	331	10	305	1	309	0	354	11	343	4
Avastin	326	15	273	-5	310	1	288	2	351	9
Perjeta	71	41	72	35	88	45	83	34	103	56
Actemra/RoActemra	54	9	60	16	64	16	62	15	65	25
Ocrevus	1	-	1	-	3	-	8	-	15	**
Xolair	-	-	-	-	-	-	-	-	-	-
Lucentis	-	-	-	-	-	-	-	-	-	-
Activase/TNKase	12	11	14	16	14	5	12	14	14	4
Kadcyla	36	44	39	53	46	29	41	33	44	35
Esbriet	9	62	10	113	13	263	11	61	12	43
Pulmozyme	23	-17	30	50	29	15	30	69	21	4
CellCept	78	2	79	4	87	9	72	-8	79	-1
Tecentriq	3	-	4	**	5	300	9	357	17	434
Tamiflu	54	222	7	-29	24	-45	36	2	23	-59
Tarceva	44	-15	30	-19	37	-19	33	-24	39	-10
Alecensa	3	-	4	-	7	**	9	500	14	403
Mircera	46	-7	53	-2	62	16	58	19	56	25
Xeloda	71	1	71	-1	75	11	65	-3	71	-3
Madopar	48	18	51	13	57	20	60	3	60	23

* Asia-Pacific, EEMEA (Eastern Europe, Middle East and Africa), Latin America, Canada, Others

** Over 500%

11. Roche Group consolidated income statement for the six months ended 30 June 2018

in millions of CHF	Pharma- ceuticals	Diagnostics	Corporate	Group
Sales	21,847	6,264	-	28,111
Royalties and other operating income	1,375	41	-	1,416
Cost of sales	(5,061)	(2,985)	-	(8,046)
Marketing and distribution	(3,154)	(1,446)	-	(4,600)
Research and development	(4,862)	(750)	-	(5,612)
General and administration	(835)	(293)	(329)	(1,457)
Operating profit	9,310	831	(329)	9,812
Financing costs				(383)
Other financial income (expense)				65
Profit before taxes				9,494
Income taxes				(1,978)
Net income				7,516
Attributable to				
- Roche shareholders				7,309
- Non-controlling interests				207
Earnings per share and non-voting equity security				
Basic (CHF)				8.56
Diluted (CHF)				8.51

12. Roche Group core results reconciliation – Half Year 2018

in millions of CHF	IFRS	Global restructuring	Intangibles amortisation	Intangibles impairment	Alliances & business combinations	Legal & environmental	Normalisation of ECP tax benefit	Core
Sales	28,111	-	-	-	-	-	-	28,111
Royalties and other operating income	1,416	(2)	-	-	-	-	-	1,414
Cost of sales	(8,046)	177	547	-	-	-	-	(7,322)
Marketing and distribution	(4,600)	35	14	-	-	-	-	(4,551)
Research and development	(5,612)	66	67	166	-	-	-	(5,313)
General and administration	(1,457)	151	-	107	(46)	68	-	(1,177)
Operating profit	9,812	427	628	273	(46)	68	-	11,162
Financing costs	(383)	1	-	-	8	5	-	(369)
Other financial income (expense)	65	-	-	-	-	-	-	65
Profit before taxes	9,494	428	628	273	(38)	73	-	10,858
Income taxes	(1,978)	(73)	(106)	(39)	(7)	(12)	36	(2,179)
Net income	7,516	355	522	234	(45)	61	36	8,679
Attributable to								
- Roche shareholders	7,309	355	512	224	(45)	60	36	8,451
- Non-controlling interests	207	-	10	10	-	1	-	228
EPS - diluted (CHF)	8.51	0.42	0.60	0.26	(0.05)	0.06	0.04	9.84

13. Divisional core results reconciliation – Half Year 2018

in millions of CHF	IFRS	Global restructuring	Intangibles amortisation	Intangibles impairment	Alliances & business combinations	Legal & environmental	Pension plan settlements	Core
Pharmaceuticals								
Sales	21,847	-	-	-	-	-	-	21,847
Royalties and other operating income	1,375	-	-	-	-	-	-	1,375
Cost of sales	(5,061)	113	472	-	-	-	-	(4,476)
Marketing and distribution	(3,154)	20	12	-	-	-	-	(3,122)
Research and development	(4,862)	40	58	166	-	-	-	(4,598)
General and administration	(835)	26	-	107	(41)	18	-	(725)
Operating profit	9,310	199	542	273	(41)	18	-	10,301
Diagnostics								
Sales	6,264	-	-	-	-	-	-	6,264
Royalties and other operating income	41	(2)	-	-	-	-	-	39
Cost of sales	(2,985)	64	75	-	-	-	-	(2,846)
Marketing and distribution	(1,446)	15	2	-	-	-	-	(1,429)
Research and development	(750)	26	9	-	-	-	-	(715)
General and administration	(293)	9	-	-	(5)	50	-	(239)
Operating profit	831	112	86	-	(5)	50	-	1,074
Corporate								
General and administration	(329)	116	-	-	-	-	-	(213)
Operating profit	(329)	116	-	-	-	-	-	(213)

14. Roche Group consolidated balance sheet

in millions of CHF	30 June 2018	31 December 2017	31 December 2016
Non-current assets			
Property, plant and equipment	21,230	20,912	19,957
Goodwill	11,552	10,077	11,282
Intangible assets	10,469	8,368	12,046
Deferred tax assets	3,349	3,576	2,826
Defined benefit plan assets	808	801	738
Other non-current assets	1,171	1,370	1,300
Total non-current assets	48,579	45,104	48,149
Current assets			
Inventories	7,318	7,407	7,928
Accounts receivable	10,440	9,577	8,760
Current income tax assets	266	348	335
Other current assets	2,589	2,243	2,540
Marketable securities	3,690	7,278	4,944
Cash and cash equivalents	5,293	4,719	4,163
Total current assets	29,596	31,572	28,670
Total assets	78,175	76,676	76,819
Non-current liabilities			
Long-term debt	(15,975)	(15,839)	(16,992)
Net deferred tax liabilities	(549)	(495)	(838)
Defined benefit plan liabilities	(6,668)	(7,421)	(7,678)
Provisions	(1,586)	(1,548)	(1,777)
Other non-current liabilities	(204)	(206)	(532)
Total non-current liabilities	(24,982)	(25,509)	(27,817)
Current liabilities			
Short-term debt	(4,744)	(3,121)	(5,363)
Current income tax liabilities	(3,818)	(3,408)	(2,713)
Provisions	(2,197)	(2,042)	(2,271)
Accounts payable	(2,892)	(3,454)	(3,375)
Other current liabilities	(9,387)	(10,135)	(8,878)
Total current liabilities	(23,038)	(22,160)	(22,600)
Total liabilities	(48,020)	(47,669)	(50,417)
Total net assets	30,155	29,007	26,402
Equity			
Capital and reserves attributable to Roche shareholders	27,349	26,441	23,911
Equity attributable to non-controlling interests	2,806	2,566	2,491
Total equity	30,155	29,007	26,402

15. Roche Group consolidated statement of cash flows

in millions of CHF	HY 2018	HY 2017
Cash flows from operating activities		
Cash generated from operations	12,711	11,549
(Increase) decrease in net working capital	(2,388)	(1,737)
Payments made for defined benefit plans	(358)	(297)
Utilisation of provisions	(364)	(311)
Disposal of products	307	231
Other operating cash flows	0	(1)
Cash flows from operating activities, before income taxes paid	9,908	9,434
Income taxes paid	(1,848)	(1,633)
Total cash flows from operating activities	8,060	7,801
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,713)	(1,615)
Purchase of intangible assets	(259)	(282)
Disposal of property, plant and equipment	20	26
Disposal of intangible assets	0	0
Business combinations	(3,223)	(172)
Divestment of subsidiaries	0	8
Interest and dividends received	9	15
Sales of equity securities and debt securities	389	621
Purchases of equity securities and debt securities	(297)	(210)
Sales (purchases) of money market instruments and time accounts over three months, net	3,582	1,000
Other investing cash flows	184	(16)
Total cash flows from investing activities	(1,308)	(625)
Cash flows from financing activities		
Proceeds from issue of bonds and notes	0	1,502
Redemption and repurchase of bonds and notes	(1,152)	(1,500)
Increase (decrease) in commercial paper	2,545	(153)
Increase (decrease) in other debt	151	(193)
Hedging and collateral arrangements	24	132
Changes in non-controlling interests	0	0
Equity contribution by non-controlling interests - capital injection	0	0
Interest paid	(348)	(406)
Dividends paid	(7,178)	(7,070)
Equity-settled equity compensation plans, net of transactions in own equity	(202)	(175)
Other financing cash flows	1	0
Total cash flows from financing activities	(6,159)	(7,863)
Net effect of currency translation on cash and cash equivalents	(19)	(23)
Increase (decrease) in cash and cash equivalents	574	(710)
Cash and cash equivalents at beginning of period	4,719	4,163
Cash and cash equivalents at end of period	5,293	3,453