Media Release

First half of the year with 1%[1] growth at constant exchange rates, significant impact of COVID-19 pandemic

- **Group sales increase 1% at constant exchange rates and decline 4% in Swiss francs as a result of continued appreciation of the Swiss franc against most currencies**
- **COVID-19 pandemic has a negative impact on sales during the second quarter; since June sales are recovering**
- **Pharmaceuticals Division sales up 1%, driven by newly launched medicines (+37%),[2] including Tecentriq, Hemlibra, Ocrevus and Perjeta, compensating for the impact of competition from biosimilars**
- **Diagnostics Division sales grow 3%, with COVID-19 testing as the main contributor; routine testing declining as COVID-19 causes delays of patients visiting physicians**
- **Approvals for medicines in the second quarter:**
    - **in the US: Tecentriq as a first-line monotherapy for certain people with metastatic non-small cell lung cancer; Tecentriq in combination with Avastin for people with the most common form of liver cancer; Phesgo for HER2-positive breast cancer**
    - **in Japan, Canada and Switzerland: Enspryng (satralizumab) for the treatment of a rare neurodegenerative disease (neuromyelitis optica spectrum disorder)**
    - **in Europe: Ocrevus with shorter infusion time**
- **Completion of phase III trial enrolment for pivotal studies in Alzheimer's and Huntington's disease and start of four important phase III studies in oncology**
- **Diagnostic launches in the second quarter: several tests for COVID-19 diagnosis; cobas prime, a pre-analytical system for automation in molecular labs; digital pathology algorithms for non-small cell lung cancer and breast cancer**
- **Core earnings per share up 2%**
- **On IFRS basis, net income increases 3%**
- **Outlook for 2020 confirmed**

Roche's contributions to the fight against the COVID-19 pandemic in the second quarter:

- Launches of several new diagnostic tools for COVID-19, including the Elecsys Anti-SARS-CoV-2 test, Roche v-TAC digital algorithm and the Elecsys IL-6 test
- Production capacity for SARS-CoV-2 tests ramped up significantly
- Six different medicines in 28 clinical trials for COVID-19 infections
- Read-out of Covacta study with Actemra/RoActemra expected soon

F. Hoffmann-La Roche Ltd 4070 Basel Switzerland
Group Communications Roche Group Media Relations
Tel. +41 61 688 88 88 www.roche.com

Key figures January - June 2020	CHF millions		% change	
	2020	2019	At CER[1]	In CHF
Group sales	29,281	30,469	+1	-4
Pharmaceuticals Division	23,202	24,194	+1	-4
Diagnostics Division	6,079	6,275	+3	-3
Core operating profit	11,766	12,363	+2	-5
Core EPS - diluted (CHF)	10.44	11.12	+2	-6
IFRS net income	8,465	8,904	+3	-5

Commenting on the Group's performance in the first half of the year, Roche CEO Severin Schwan said: "The corona pandemic continues to pose an enormous challenge worldwide. I am grateful that, in close collaboration with health authorities, we have been able to make a number of SARS-CoV-2 tests available and start several global Actemra/RoActemra phase III studies in COVID-19 pneumonia. At the same time, Roche's regular business was significantly impacted by the pandemic in the second quarter. But we now see clear signs of recovery. Furthermore, the uptake of our recently introduced medicines and diagnostic tests continues to be strong. Based on our current assessment of the impact of the pandemic, we can confirm the outlook for the full year."

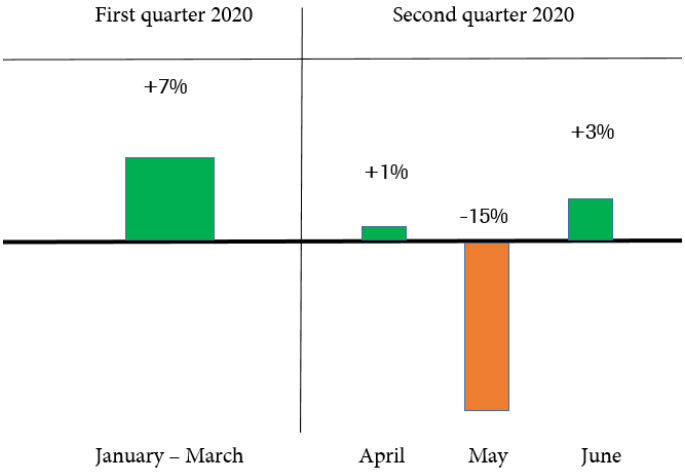
Outlook confirmed for 2020

Based on the current assessment of the COVID-19 impact, sales are expected to grow in the low- to mid-single digit range, at constant exchange rates. Core earnings per share are targeted to grow broadly in line with sales, at constant exchange rates. Roche expects to increase its dividend in Swiss francs further.

Group results

In the first half of 2020, Group sales rose 1% to CHF 29.3 billion and core EPS grew 2%, ahead of sales. IFRS net income increased 3% at constant exchange rates, due to the strong underlying core results. As a result of the continued appreciation of the Swiss franc against most currencies, the IFRS net income expressed in Swiss francs decreased 5% to CHF 8.5 billion.

Sales in the Pharmaceuticals Division increased 1% to CHF 23.2 billion. The COVID-19 pandemic had an overall negative impact on the division's sales, especially in May. Hospitalisations and out-patient visits decreased, which particularly impacted sales of Ocrevus, Hemlibra, Lucentis and MabThera/Rituxan. Key growth drivers were the cancer medicine Tecentriq, the haemophilia medicine Hemlibra, the multiple sclerosis medicine Ocrevus, Actemra/RoActemra in immunology and Perjeta in breast cancer. The new medicines (+37%) generated sales of CHF 8.9 billion and grew by CHF 2.5 billion at constant exchange rates over 2019, more than offsetting the impact of the competition from biosimilars (CHF 2.1 billion at constant exchange rates).[3]



Sales at constant exchange rates (CER: average 2019)

Within the Roche Group's sales growth of 1% in the first half of 2020, there was 7% year-on-year growth in the first quarter and 4% decline in the second quarter. Especially in May, Roche's business was impacted by the COVID-19 pandemic.

In the US, overall sales decreased 4%. While sales of Hemlibra, Ocrevus, Tecentriq and Actemra/RoActemra increased, competition from biosimilars for Herceptin, Avastin and MabThera/Rituxan impacted this growth as expected. Hemlibra sales increased 80%, resulting from the ongoing rollout in the US. Ocrevus sales increased by 19% and were driven by both new and returning patient demand. Sales of both Hemlibra and Ocrevus were partly impacted by COVID-19 effects. Tecentriq sales increased by 52%, driven by the growth in the new indications ES-SCLC and triple-negative breast cancer. In the US, as well as in other countries, an increased use of Actemra/RoActemra in patients with severe COVID-19 pneumonia can be observed as countries included it in their treatment guidelines. Actemra/RoActemra is not currently approved for this use; Roche is conducting several phase III clinical studies in severe COVID-19 pneumonia. Results from the Covacta study are expected soon.

In Europe, sales increased (+5%) as the strong demand for Tecentriq, Ocrevus, Hemlibra, Kadcyla, Perjeta and Actemra/RoActemra was able to offset the impact of lower sales of Herceptin (-33%) and MabThera/Rituxan (-34%). The first biosimilar versions of Avastin could come to market in Europe in the second half of 2020.

In the International region (+11%), growth was mostly driven by Russia and China. Growth in China resulted from a strong uptake of Perjeta and Alecensa, partially offset by the National Reimbursement Drug List price cut and COVID-19 impact for Herceptin, MabThera/Rituxan and Avastin.

Sales decreased in Japan 2%, resulting from considerable competition from biosimilars, generics and government price cuts. This decline was partially compensated by recently launched products including Tecentriq, Hemlibra and Perjeta.

Diagnostics Division sales increased 3% to CHF 6.1 billion. The business area Molecular Diagnostics (+61%) was the main growth contributor. Sales of the recently developed cobas SARS-CoV-2 PCR tests could offset the negative impact of the COVID-19 pandemic on products for routine diagnosis. Growth was reported in North America (+13%), EMEA[4] (+5%), Latin America (+6%) and Japan (+1%). In the Asia-Pacific region (-9%), sales were strongly impacted by the COVID-19 pandemic shutdown in China. Overall, demand was impacted by COVID-19 in all regions in the second quarter. Routine testing decreased significantly due to a decline in regular health checks while emergency and SARS-Co-V-2 testing increased significantly.

The core operating profit increased 2% in the Pharmaceuticals Division and 9% in the Diagnostics Division.

Roche's response to the COVID-19 pandemic
Ever since the early phase of the COVID-19 pandemic, we have been partnering with healthcare providers, laboratories, authorities and organisations to provide patients with the tests, treatments and care they need.

The portfolio of our recently developed SARS-Co-V-2 tests as well as our existing diagnostics menu for critical care have become a significant factor in supporting patient management during the COVID-19 pandemic. Roche is working closely with healthcare providers around the world, and has significantly increased production to provide tests globally.

To date no major manufacturing supply chain issues have been identified and the Group's planned drug launches, filings, pivotal phase III trial readouts and pivotal trial starts are largely on track. The Group is continuously monitoring the situation.

Overview of Roche Diagnostics' COVID-19 products launched in the first six months 2020

Test	*Usage*	*Availability*	*Launch date*
LightMix Modular SARS-CoV-2 tests	Detection of active infection	CE mark and Research Use only in US	24 January
cobas SARS-CoV-2 test	Detection of active infection, testing on our high throughput instruments	FDA EUA and CE mark	12 March
Elecsys Anti-SARS-CoV-2 test	Detection of antibodies against SARS-CoV-2 in patients, testing on established cobas e analysers	FDA EUA and CE mark	3 May

Roche v-TAC	Digital tool to simplify blood gas value conversion from patients	CE mark	15 May
Elecsys IL-6 test	IL-6 testing to help identify severe inflammatory response	FDA EUA and CE-mark	4 June
Viewics LabOPS COVID-19	Efficiency improvements in laboratories	USA	7 May
NAVIFY Symptom Tracker	Remotely track and manage symptoms related to COVID-19	USA	20 May

Covacta, a global phase III randomised, double-blind, placebo-controlled clinical trial, was initiated to evaluate the safety and efficacy of intravenous Actemra/RoActemra plus standard of care in hospitalised adult patients with severe COVID-19 pneumonia compared to placebo plus standard of care. The first patients were enrolled in early April; the results of this study are expected soon.

Remdacta, a global phase III, randomised, double-blind, multicentre study, was initiated to evaluate the safety and efficacy of Actemra/RoActemra plus the antiviral remdesivir, versus placebo plus remdesivir in hospitalised patients with severe COVID-19 pneumonia, in collaboration with Gilead Sciences, Inc. The study began enrolment in June. Data from the Remdacta trial are designed to supplement the phase III Covacta trial; results are expected later this year.

Empacta is a randomised, double-blind, placebo-controlled phase III multicentre study to evaluate the efficacy and safety of Actemra/RoActemra in the treatment of COVID-19 associated hospitalised pneumonia in patients that are often underrepresented in clinical trials. Started in the US in May 2020, the study was expanded to sites in other countries, including Brazil, Kenya, Mexico, South Africa and Peru. Results are expected later this year.

Mariposa, a global phase III randomised, double-blind, placebo-controlled clinical trial, was initiated to evaluate the safety and efficacy of 8 mg/kg vs 4 mg/kg intravenous Actemra/RoActemra plus standard of care in hospitalised adult patients with severe COVID-19 pneumonia. The results of this study are expected later this year.

Roche has also initiated an internal early research programme focused on the discovery of medicines for COVID-19 and is evaluating a large number of potential collaborations. Currently, a total of six Roche medicines, including Actemra/RoActemra, Esbriet, Avastin and Pulmozyme, already approved for other diseases, are being studied in 28 Roche or Roche supported clinical trials in COVID-19 infection. Additionally, several new compounds are being investigated in pre-clinical research.

Regulatory achievements in the second quarter
Regulators around the globe granted approvals for new Roche medicines, line extensions of existing medicines and new tests.

The FDA approved Tecentriq in combination with Avastin for the treatment of people with unresectable or metastatic hepatocellular carcinoma (HCC) who have not received prior systemic therapy. The application was reviewed under the FDA's Real-Time Oncology Review pilot and Project Orbis initiative, helping to bring this new treatment option rapidly to patients in the US and around the world.

The FDA also approved Tecentriq as a first-line (initial) treatment for adults with metastatic non-small cell lung cancer (NSCLC) whose tumours have high PD-L1 expression (PD-L1 stained ≥ 50% of tumour cells [TC ≥ 50%] or PD-L1 stained tumour-infiltrating covering ≥ 10% of the tumour area [IC ≥ 10]), as determined by an FDA-approved test), with no EGFR or ALK genomic tumour aberrations.

The FDA approved Phesgo, a fixed-dose combination of Perjeta and Herceptin with hyaluronidase, administered by subcutaneous injection (SC) in combination with intravenous chemotherapy, for the treatment of early and metastatic HER2-positive breast cancer. This is the first time that Roche has combined two monoclonal antibodies that can be administered by a single SC injection.
The European Medicines Agency (EMA) approved a new, shorter two-hour Ocrevus infusion time, dosed twice yearly, for relapsing or primary progressive multiple sclerosis (MS). The approval will further improve the treatment experience for patients while increasing capacity in healthcare systems.

Enspryng (satralizumab) was approved in Japan for the prevention of relapses of neuromyelitis optica spectrum disorder (NMOSD), including NMO, for aquaporin-4 antibody (AQP4-IgG) seropositive adults and children. Enspryng demonstrated robust efficacy and significantly reduced the risk of relapse across a broad NMOSD patient population in two pivotal phase III studies, as a monotherapy and as an add-on therapy to baseline immunosuppressant therapy (IST), and is dosed subcutaneously every four weeks. Enspryng is also approved in Canada and Switzerland.

Additional regulatory achievements in the second quarter of 2020:

Pharmaceuticals	*Status*	*Indication*
MabThera/Rituxan	EU approval	MabThera/Rituxan in combination with chemotherapy for the treatment of paediatric patients from six months to less than 18 years of age with previously untreated, advanced stage, B-cell non-Hodgkin lymphoma (NHL), including diffuse large B-cell lymphoma (DLBCL), Burkitt lymphoma/leukaemia and Burkitt-like lymphoma.
Rozlytrek	CHMP recommends EU approval	For treatment of NTRK fusion-positive solid tumours and for therapy of ROS1-positive, advanced non-small cell lung cancer
Mosunetuzumab	FDA Breakthrough Therapy Designation granted	Investigational CD20xCD3 T-cell engaging bispecific, for the treatment of adult patients with relapsed or refractory (R/R) follicular lymphoma who have received at least two prior systemic therapies. This designation was granted based on encouraging efficacy results observed in the phase I/Ib GO29781 study investigating mosunetuzumab in R/R non-Hodgkin lymphoma (NHL).

Diagnostics – key launches in the second quarter

In addition to the new COVID-19 portfolio, Roche launched the cobas prime Pre-analytical System, a first-of-its kind solution designed to automate all common pre-analytical manual steps in molecular diagnostics labs. The system accommodates multiple sample types, simplifies workflow and reduces manual errors. Roche is now the first company to offer molecular labs with complete end-to-end automation for testing consolidation on current and future platforms.

Roche also launched its automated digital pathology CE-marked algorithms, the uPath PD-L1 (SP263) image analysis for non-small cell lung cancer (NSCLC) and the uPath HER2 Dual ISH image analysis for breast cancer. The algorithms provide pathologists with automated assessments of scanned slide images that are objective and reproducible and have the potential to aid diagnosis and, ultimately, targeted treatment options for patients.

The new whole exome and custom KAPA Target Enrichment portfolio was launched for translational and

clinical research applications in sequencing. The portfolio empowers clinical researchers to process more samples successfully and with greater efficiency.

Key development milestones in the second quarter of 2020
Regulatory filings and product launches for 2020 as well as pivotal trial read outs and pivotal starts in 2020 are largely on track. We are making significant efforts to protect all studies with continued support from health authorities, but the ultimate outcome will depend on the length and severity of the pandemic.

The phase III IMpassion031 study met its primary endpoint by demonstrating a statistically significant and clinically meaningful improvement in pathological complete response (pCR) for the treatment of people with early triple-negative breast cancer (eTNBC), regardless of PD-L1 expression. The study evaluates Tecentriq in combination with chemotherapy (Abraxane, albumin-bound paclitaxel; nab-paclitaxel; followed by doxorubicin and cyclophosphamide) in comparison with placebo plus chemotherapy (including Abraxane).

In spinal muscular atrophy (SMA), data of an exploratory efficacy analysis from part 1 of the pivotal Sunfish trial in people aged 2-25 years with type 2 or 3 SMA show that risdiplam significantly improved motor function after 24 months of treatment compared to natural history data. In addition, preliminary 12-month data from Jewelfish, a trial in people with all types of SMA aged 6 months to 60 years previously treated with other SMA therapies, showed that treatment with risdiplam led to rapid and sustained increases in SMN protein levels.

One-year data from the study Firefish part 2 show that the study met its primary endpoint with 29% of infants (12/41; $p<0.0001$) sitting without support for five seconds by month 12, as assessed by the Gross Motor Scale of the Bayley Scales of Infant and Toddler Development Third Edition (BSID-III). This pivotal global study evaluates risdiplam in infants aged 1–7 months with symptomatic Type 1 SMA.

Post-hoc analysis from six years of phase III open-label extension studies showed that Ocrevus treatment reduced the risk of needing a walking aid by 49% in relapsing multiple sclerosis patients compared with patients who switched from interferon beta-1a two years later. Separate analysis showed that Ocrevus slowed thalamic volume loss in patients with RMS and primary progressive MS (PPMS) versus interferon beta-1a and placebo, respectively.

Updated data from the pivotal phase III Alex study show an increased five-year survival rate with Alecensa, compared with crizotinib, in people living with anaplastic lymphoma kinase (ALK)-positive non-small cell lung cancer (NSCLC). These data confirm the longer-term efficacy of Alecensa already demonstrated across three phase III clinical trials.

Roche announced positive topline results from the phase III Archway study, evaluating its Port Delivery System with ranibizumab (PDS) in people living with neovascular or "wet" age-related macular degeneration (nAMD). PDS is a permanent refillable eye implant, approximately the size of a grain of rice, which continuously delivers a customised formulation of ranibizumab over a period of months. The Archway trial met its primary endpoint, demonstrating that patients with PDS who received refills every six months achieved visual acuity outcomes equivalent to those receiving monthly ranibizumab 0.5 mg injections.

Results from the phase III Viale-A study showed that the Venclexta/Venclyxto combination reduced the risk of death (overall survival) by 34% compared to azacitidine alone in people with previously untreated AML. The Venclexta/Venclyxto plus azacitidine combination also led to higher rates of composite complete remission (CR + CR with incomplete blood count recovery [CR + CRi]) at 66.4% compared to 28.3% with azacitidine alone.

The phase III IPATential150 study in patients with metastatic castration-resistant prostate cancer (mCRPC) and whose tumours had PTEN loss met its co-primary endpoint of radiographic progression-free survival (rPFS). In this patient group, ipatasertib in combination with abiraterone and prednisone/prednisolone provided a statistically significant reduction in the risk of disease worsening or death, compared to current standard of care (abiraterone and prednisone/ prednisolone) plus placebo. The other co-primary endpoint of rPFS in the overall study population (ITT) was not met.

Roche announced the first clinical data for the anti-TIGIT cancer immunotherapy tiragolumab. The randomised phase II Cityscape met both its primary endpoints of ORR and PFS in PD-L1-positive metastatic non-small cell lung cancer and showed clinically meaningful results in the PD-L1-high population.
Spark Therapeutics announced updated data on SPK-8011 from Phase 1/2 Clinical Trial in Hemophilia A at ISTH 2020 Virtual Congress, showing an acceptable safety profile, stable and durable factor VIII expression and substantial improvement in annualised bleed rate (ABR) after a follow-up of between two and 3.3 years.

Pharmaceuticals Division

Sales	CHF millions		As % of sales		% change	
January - June 2020	2020	2019	2020	2019	At CER	In CHF
Pharmaceuticals Division	23,202	24,194	100.0	100.0	+1	-4
United States	12,464	13,370	53.7	55.3	-4	-7
Europe	4,190	4,221	18.1	17.5	+5	-1
Japan	1,908	1,988	8.2	8.2	-2	-4
International*	4,640	4,615	20.0	19.0	+11	+1

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

Key pharmaceutical products

Avastin (-18%). For advanced colorectal, breast, lung, kidney, cervical and ovarian cancer, and relapsed glioblastoma (a type of brain tumour). Sales were impacted by the biosimilar competition in the US and Japan.

MabThera/Rituxan (-23%). For forms of blood cancer, rheumatoid arthritis and certain types of vasculitis. The sales decline was driven by all regions, due to the launch of biosimilars in the US and most EU markets and in Japan and the impact of the COVID-19 pandemic.

Herceptin (-28%). For HER2-positive breast cancer and HER2-positive metastatic gastric cancer. Sales were impacted by biosimilars in the US, Europe and Japan. In the US, the switch to Kadcyla in the adjuvant setting also impacted sales.

Actemra/RoActemra (+36%). 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. A number of countries included Actemra/RoActemra in their treatment guidelines for severe COVID-19 pneumonia. Actemra/RoActemra is not currently approved for this use; Roche is conducting three phase III clinical studies. The US and the International region were the major contributors to the sales increase.

Xolair (+2%, US only). For chronic idiopathic urticaria and allergic asthma. The sales increase was driven by the demand in both indications. Xolair remains the market leader in the larger allergic asthma indication.

Lucentis (-19%, US only). For eye conditions, including neovascular ('wet') age-related macular degeneration, macular oedema following retinal vein occlusion, diabetic macular oedema, and diabetic retinopathy. Sales decreased in all approved indications and were especially affected by the COVID-19 pandemic due to disruptions in hospitals and ophthalmology practices and many patients were delaying treatment during restrictions.

Highlights for medicines launched since 2012

Ocrevus (first approved in 2017; CHF 2.1 billion, +25%). For the treatment of both the relapsing (RMS) and primary progressive (PPMS) forms of multiple sclerosis (MS). The strong demand for this treatment in both indications has continued, while the COVID-19 pandemic has had a certain negative impact. In the US, growth was driven both by new and returning patients, with a higher proportion of sales coming from returning patients. In Europe and the International region Ocrevus continues to show strong initial uptake where launched.

Perjeta (first approved in 2012; CHF 1.9 billion, +17%). As therapy for HER2-positive breast cancer. Sales grew strongly in the International region, mostly driven by China. The increased patient demand for Perjeta for adjuvant early breast cancer therapy supports its continued strong growth.

Tecentriq (first approved in 2016; CHF 1.3 billion, +74%). Approved either alone or in combination with targeted therapies and/or chemotherapies in various forms of NSCLC, small cell lung cancer (SCLC), certain types of metastatic urothelial cancer, and in PD-L1-positive metastatic TNBC. In the US and several other countries, Tecentriq in combination with Avastin is approved for people with unresectable or metastatic HCC. Strong sales growth was reported by all regions, driven mainly by the indications in extensive-stage small cell lung cancer (ES-SCLC) and TNBC. Sales in Japan increased due to robust uptake in first-line NSCLC and first-line ES-SCLC.

Hemlibra (first approved in 2017; CHF 1.0 billion, +94%). For treating people with haemophilia A with factor VIII inhibitors. It is also approved to treat people with haemophilia A without factor VIII inhibitors. Hemlibra is the only prophylactic treatment that can be administered subcutaneously and with multiple dosing options (once weekly, once every two weeks or once every four weeks). Sales continued to show a strong uptake in all regions, despite COVID-19 restrictions having some impact on potential new patients.

Kadcyla (first approved in 2013; CHF 837 million, +39%). For treating HER2-positive breast cancer. The increased demand for Kadcyla was driven by its usage in the early breast cancer setting, and benefited from the positive read-out from the Katherine study and patients switching to the new standard of treatment.

Esbriet (first approved in 2014; CHF 566 million, +11%). For idiopathic pulmonary fibrosis. Sales continued to expand, driven by growth in the US and Europe.

Alecensa (first approved in 2015; CHF 540 million, +34%). To treat ALK-positive lung cancer. Alecensa showed continued sales growth across all regions.

Gazyva/Gazyvaro (first approved in 2013; CHF 310 million, +35%). For chronic lymphocytic leukaemia (CLL), rituximab-refractory follicular lymphoma and previously untreated advanced follicular lymphoma. Sales increased in all regions.

Polivy (first approved in 2019; CHF 83 million). Part of combination therapy for the treatment of adults with relapsed or refractory diffuse large B-cell lymphoma.

Xofluza (first approved in 2018; CHF 28 million). For the treatment of acute, uncomplicated influenza, or flu, in people 12 years of age and older and people with high risk of developing flu-related complications.

Rozlytrek (first approved in 2019; CHF 8 million). For lung cancer with a specific gene mutation and solid tumours carrying a certain gene fusion. In Japan, Rozlytrek was approved for treatment of RSO1 fusion-positive NSCLC.

Top-selling pharmaceuticals	Total		United States		Europe		Japan		International*	
	CHFm	%	CHFm	%	CHFm	%	CHFm	%	CHFm	%
Avastin	2,835	-18	1,057	-33	796	-8	363	-13	619	-1
MabThera/Rituxan	2,440	-23	1,693	-23	202	-34	33	-42	512	-17
Herceptin	2,200	-28	848	-42	361	-33	77	-37	914	-5
Ocrevus	2,076	25	1,671	19	297	49	-	-	108	75
Perjeta	1,941	17	770	1	567	11	149	27	455	65
Actemra/RoActemra	1,461	36	692	56	382	14	181	-2	206	77
Tecentriq	1,297	74	744	52	282	123	148	102	123	111
Hemlibra	1,003	94	664	80	146	143	151	87	42	418
Xolair	958	2	958	2	-	-	-	-	-	-
Kadcyla	837	39	404	51	257	34	41	3	135	35

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

Diagnostics Division

Sales	CHF millions		As % of sales		% change	
January - June 2020	2020	2019	2020	2019	At CER	In CHF
Diagnostics Division	6,079	6,275	100.0	100.0	+3	-3
Business Areas						
Centralised and Point of Care Solutions	3,181	3,762	52.3	59.9	-10	-15
Molecular Diagnostics	1,558	1,029	25.6	16.4	+61	+51
Diabetes Care	832	958	13.7	15.3	-6	-13
Tissue Diagnostics	508	526	8.4	8.4	+2	-3
Regions						
Europe, Middle East, Africa	2,408	2,456	39.5	39.2	+5	-2
North America	1,740	1,589	28.8	25.3	+13	+10
Asia–Pacific	1,362	1,606	22.4	25.6	-9	-15
Latin America	343	398	5.6	6.3	+6	-14
Japan	226	226	3.7	3.6	+1	0

In the first half 2020, sales of all business units were impacted by the COVID-19 pandemic. In general terms, COVID-19 and emergency testing strongly increased while routine testing decreased as a result of declining or delayed regular health checks. Roche's broad, diversified test portfolio and its large number of instruments installed worldwide could balance out these effects.

During the first half 2020, Roche increased its production capacity (reagents and consumables) for COVID-19 testing massively. This includes all our products used in fighting COVID-19 infections.

Centralised and Point of Care Solutions sales declined by 10%, its immunodiagnostics business (-12%) was strongly impacted by the COVID-19 shutdown in key markets. The Elecsys Anti-SARS-CoV-2 and the Elecsys IL-6 tests were launched in May and June, respectively, in the US. The Elecsys Anti-SARS-CoV-2 was launched in countries accepting the CE mark in May (the Elecsys IL-6 test was launched earlier). Shipment to leading laboratories globally started immediately and market demand for the Elecsys Anti-SARS-CoV-2 antibody test is fully met.

Sales in **Molecular Diagnostics** increased 61%, with 69% growth in the underlying molecular business. Growth was driven by virology (predominantly corona viruses), Molecular Point-of-Care (influenza viruses), Quantitative PCR (to detect molecular/genetic targets) and Nucleic Acid Purification (to isolate and purify genetic material).

Diabetes Care sales decreased 6%, with the continued contraction of the Blood Glucose Monitoring (BGM) market due to patients switching to Continuous Glucose Monitoring (CGM) systems. The COVID-19 pandemic also had an impact. The decrease was reflected mainly in the EMEA region with a 10% decline, notably in Germany, UK and Italy.

Tissue Diagnostics sales increased 2%, supported by companion diagnostics business and instrument sales. However, overall sales were impacted by the COVID-19 pandemic.

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. More than 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. Moreover, for the eleventh consecutive year, Roche has been recognised as one of the most sustainable companies in the Pharmaceuticals Industry by the Dow Jones Sustainability Indices (DJSI).

The Roche Group, headquartered in Basel, Switzerland, is active in over 100 countries and in 2019 employed about 98,000 people worldwide. In 2019, Roche invested CHF 11.7 billion in R&D and posted sales of CHF 61.5 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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References

[1] Unless otherwise stated, all growth rates in this document are at constant exchange rates (CER: average 2019).
[2] Launched since 2012: Alecensa, Cotellic, Erivedge, Esbriet, Gazyva, Hemlibra, Kadcyla, Ocrevus, Perjeta, Polivy, Rozlytrek, Tecentriq and Xofluza
[3] In Europe: MabThera/Rituxan and Herceptin; in Japan: MabThera/Rituxan, Herceptin and Avastin; in the US: Herceptin, Avastin and MabThera/Rituxan
[4] EMEA = Europe, Middle East and Africa

Cautionary statement regarding forward-looking statements

This Annual Report 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, among other things, 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 Annual Report, such as: (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, 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.

The statement regarding earnings per share growth is not a profit forecast and should not be interpreted to mean that Roche's earnings or earnings per share for 2020 or any subsequent period will necessarily match or exceed the historical published earnings or earnings per share of Roche.

Roche Group Media Relations

Phone: +41 61 688 8888 / e-mail: media.relations@roche.com

- Nicolas Dunant (Head)
- Patrick Barth
- Daniel Grotzky
- Karsten Kleine
- Nina Mählitz
- Nathalie Meetz
- Barbara von Schnurbein