Roche: Committed to innovation and profitable growth

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Financial performance

Challenges and answers

Oncology: Pillar of Growth

Roche in 2011: Targets fully achieved

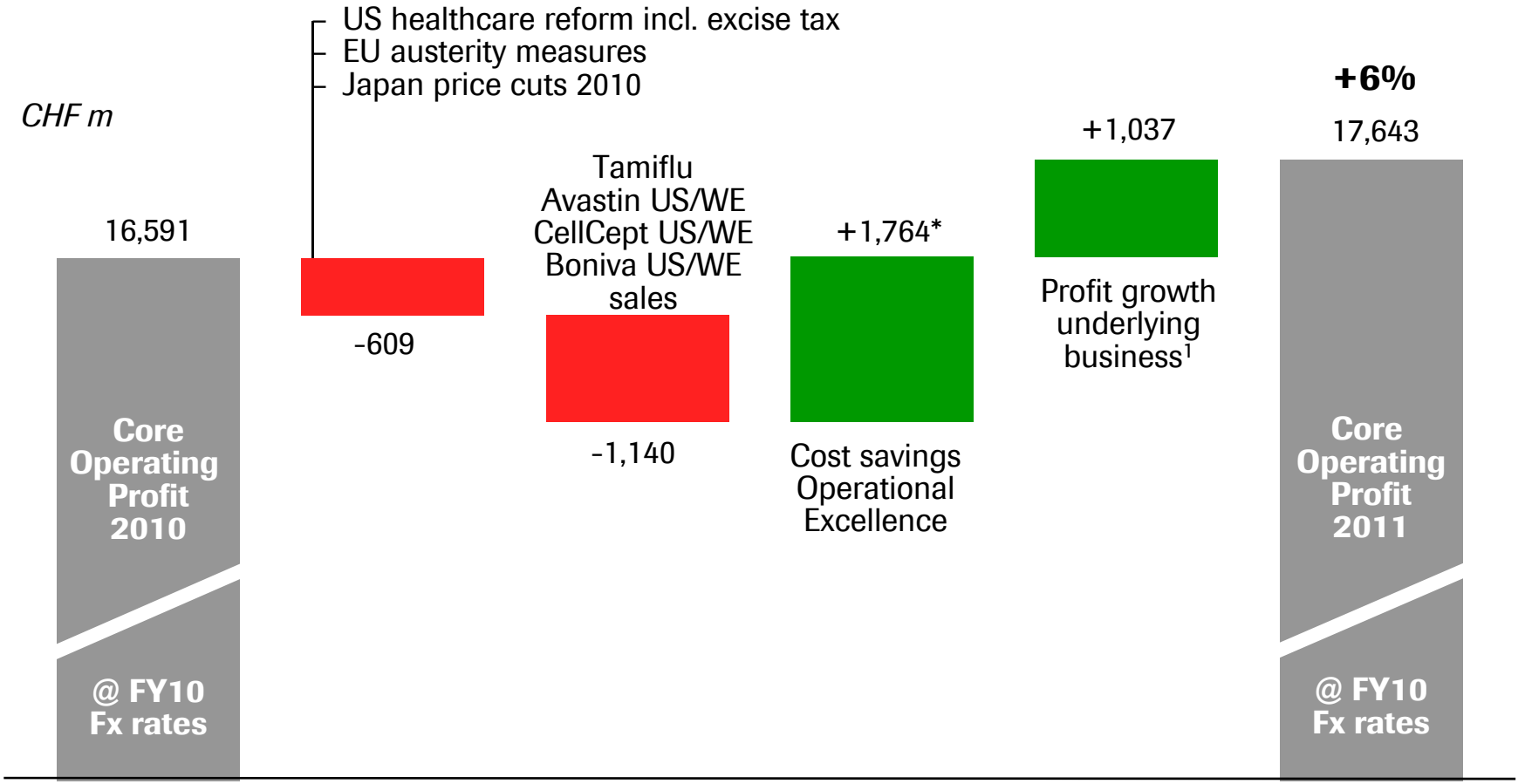
Targets for 2011		*FY 2011*	
Pharma	Low single-digit [1,2]	**+1%**	✓
Diagnostics	Above market[1]	**+6%**	✓
Group	Low single-digit [1,2]	**+2%**	✓
Operational excellence	CHF 1.8 bn	**~CHF 1.8 bn**	✓
Core EPS	Around 10%[1]	**+11%**	✓
Dividend	min CHF 6.60	**CHF 6.80 +3%**	✓

[1] Growth rates, at constant exchange rates; [2] Excluding Tamiflu

2011 dividend as proposed by the Board of Directors

2011: Core operating profit development

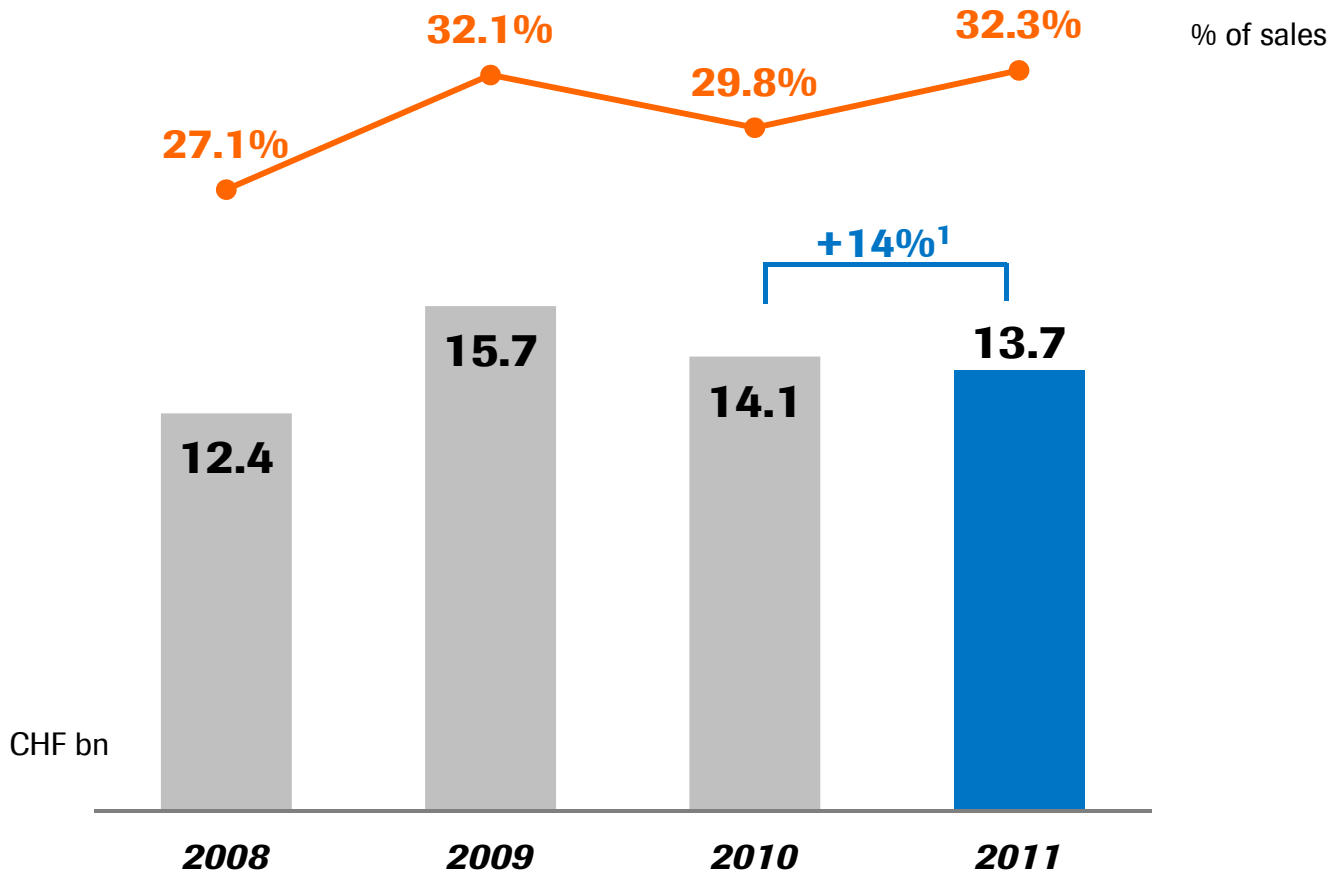
Profit growth driven by productivity improvements



* corresponds to CHF 1,836 m at exchange rates at the time of Operational Excellence announcement;
[1] including Genentech integration synergies

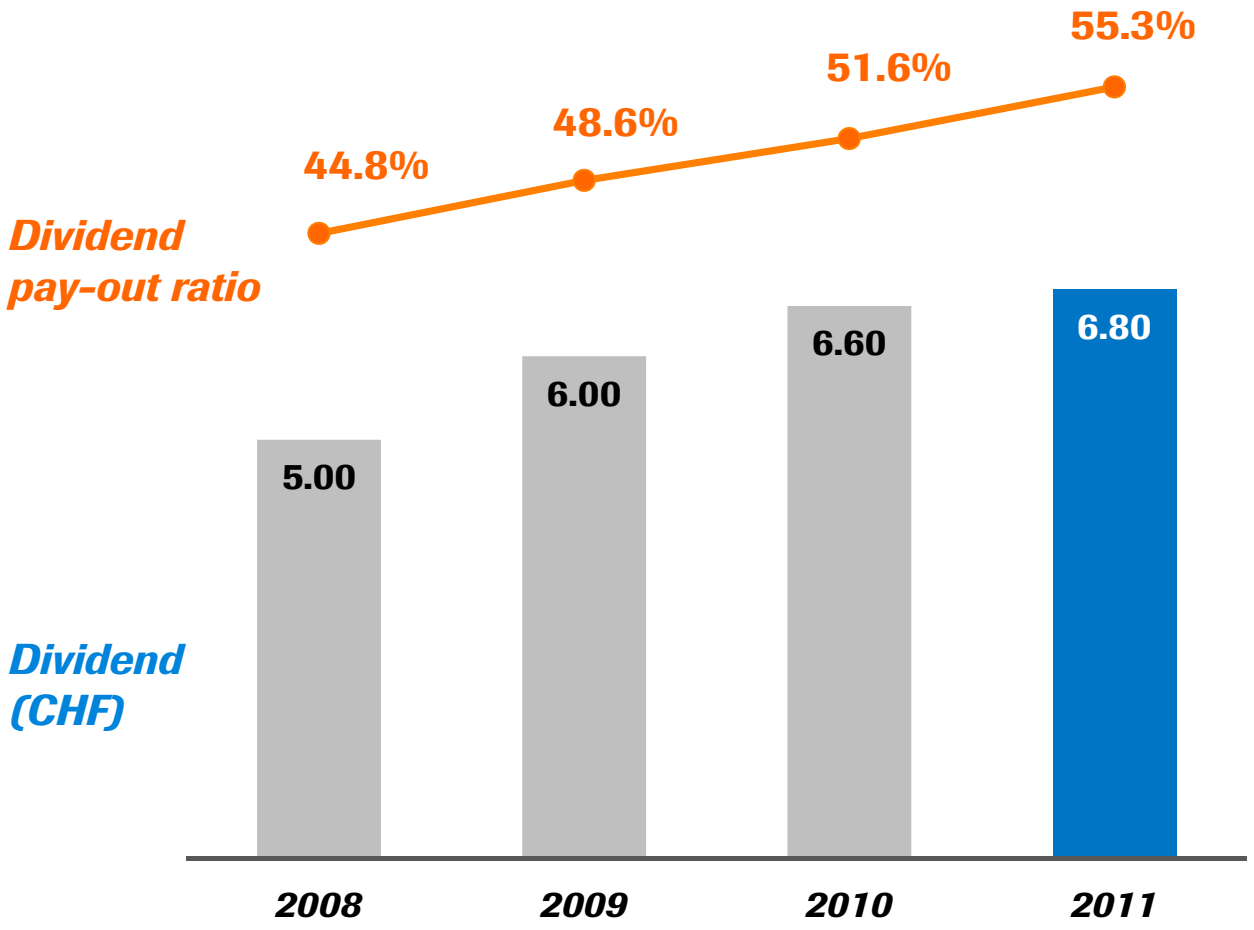
High operating free cash flow and margin

Group operating free cash flow (CHF bn) and margin



[1] CER = Constant Exchange Rates

Increasing dividend pay-out ratio



2011 as proposed by the Board of Directors

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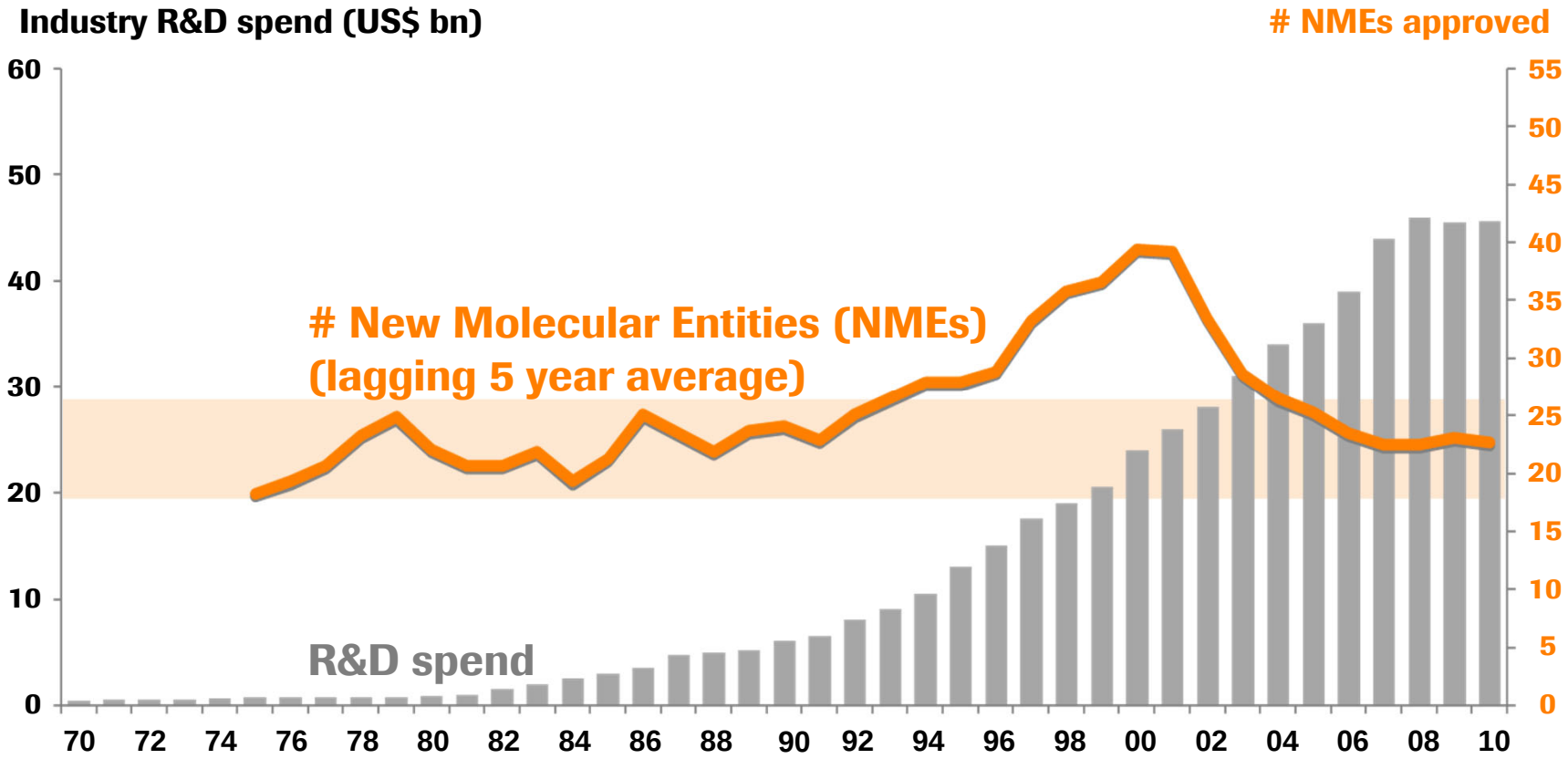
R&D productivity of Pharma industry

Output relatively flat, while R&D costs have increased



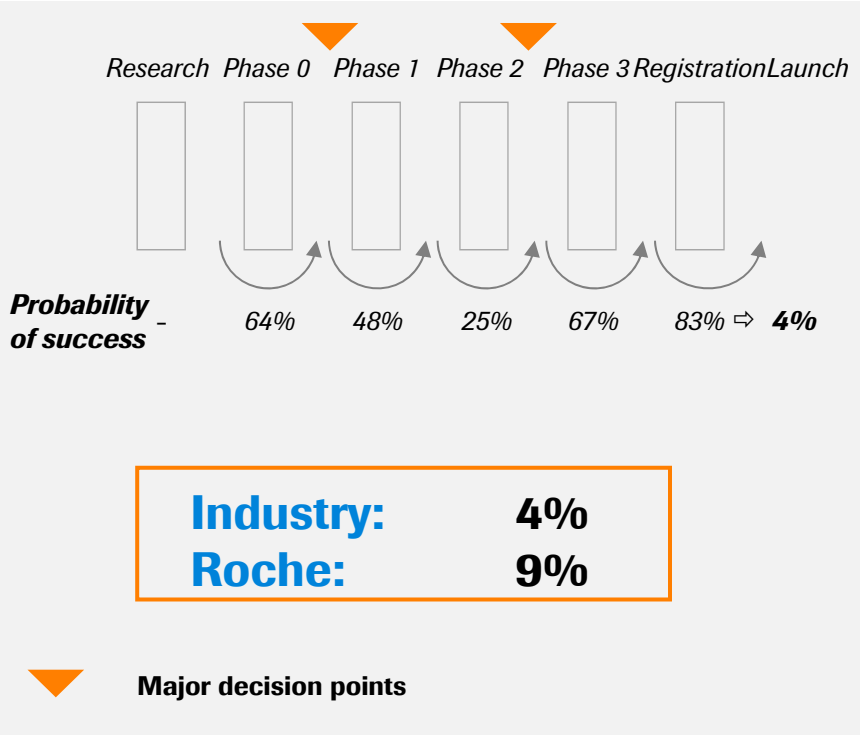
Notes: R&D spend figures may not include overhead components as reported in company annual reports

Source:. NME data for 1966-1971 from Peltzman, S. (1973) J. of Political Economy 81, no. 5: 1049–91. NME data for 1972-1979 as reported in Hutt, P.B. (1982) Health Affairs 1(2) 6-24. NME Data for 1980-2007 from Parexel's Pharma R&D Statistical Sourcebook 2009/2010, FDA, and PhRMA. Industry R&D spend data from PhRMA Annual Membership Survey, 2008 and Parexel 2009/2010

R&D productivity

Excellence in science key lever to reduce attrition

Industry success rate 2005-2009

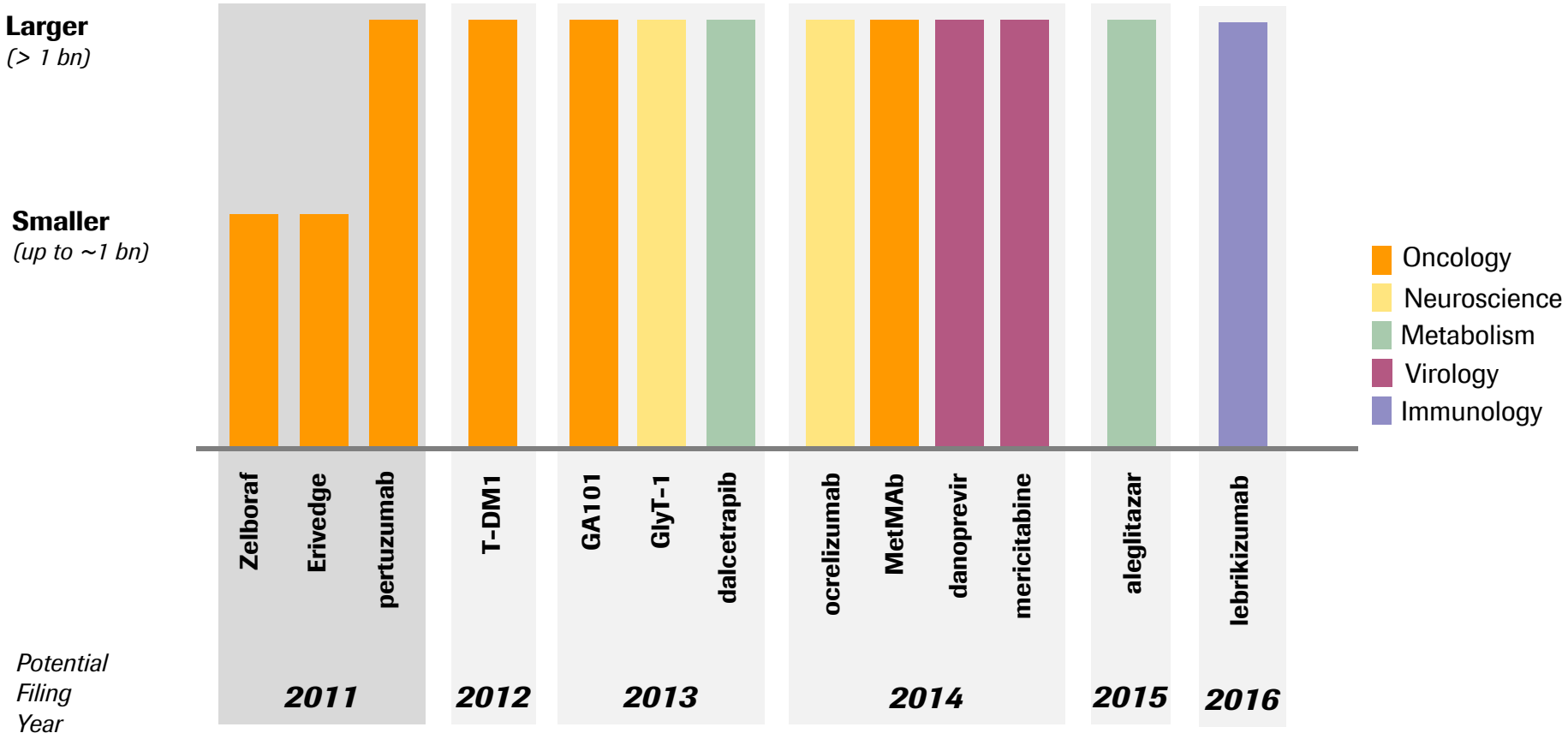


- Understanding of **disease biology**
- Leveraging **Personalized Healthcare** – stratify patient population early on
- **Rigorous decision making** – transition only most promising projects

Source: Industry success rates - Linda Martin, KMR, Bernstein R&D conference 2011
Roche – publically available data, BCG analysis

2011: Three New Molecular Entities filed

Expanding into selected therapeutic franchises



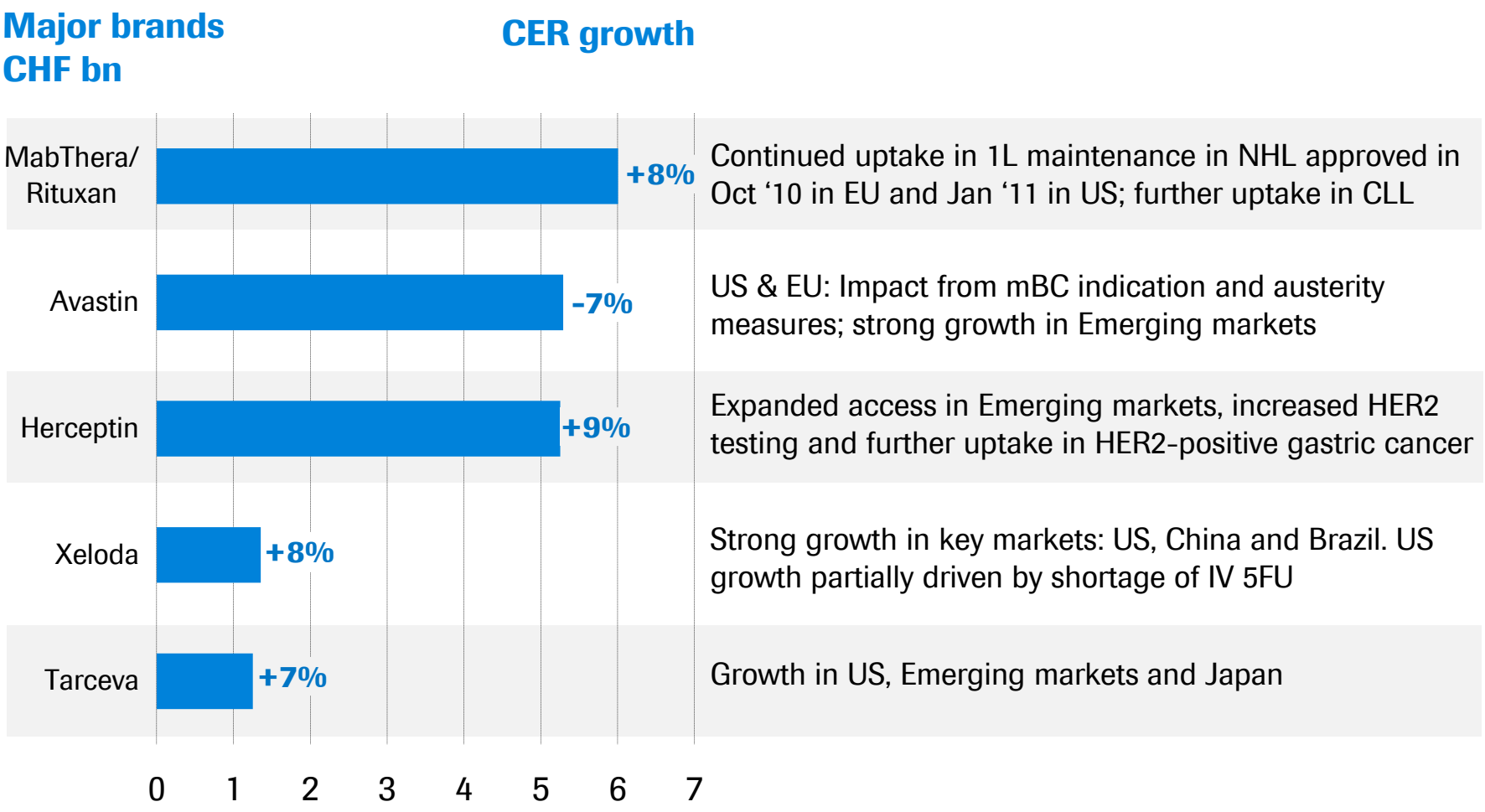
Non risk-adjusted

Financial performance

Challenges and answers

Oncology: Pillar of Growth

2011: Solid growth of the oncology franchise

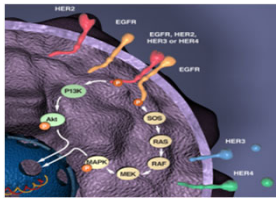
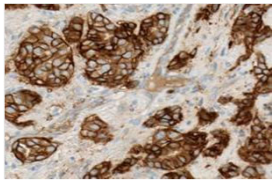
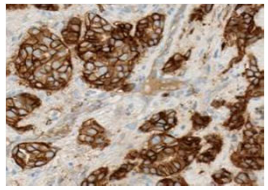


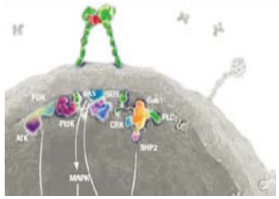
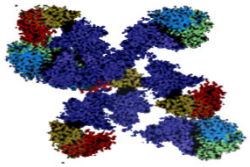
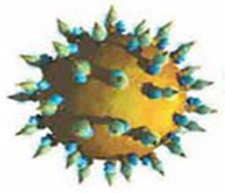
CER = Constant Exchange Rates

Oncology 2011 sales: 19.2 bn

Personalised Healthcare is a reality today

Significant progress in 2011

APPROVED*	FILED	TO FILE IN 2012
		
Zelboraf Metastatic Melanoma BRAF V600E Mutation	Pertuzumab Metastatic Breast Cancer HER2 expression level	T-DM1 Metastatic Breast Cancer HER2 expression level

In Ph III	Ph III	Ph III decision in 2012
		
MetMAb NSCLC Met Status	Lebrikizumab Severe uncontrolled asthma Periostin level	Mericitabine and danoprevir Hepatitis C HCV viral load, genotype

* Approved in the US and EU

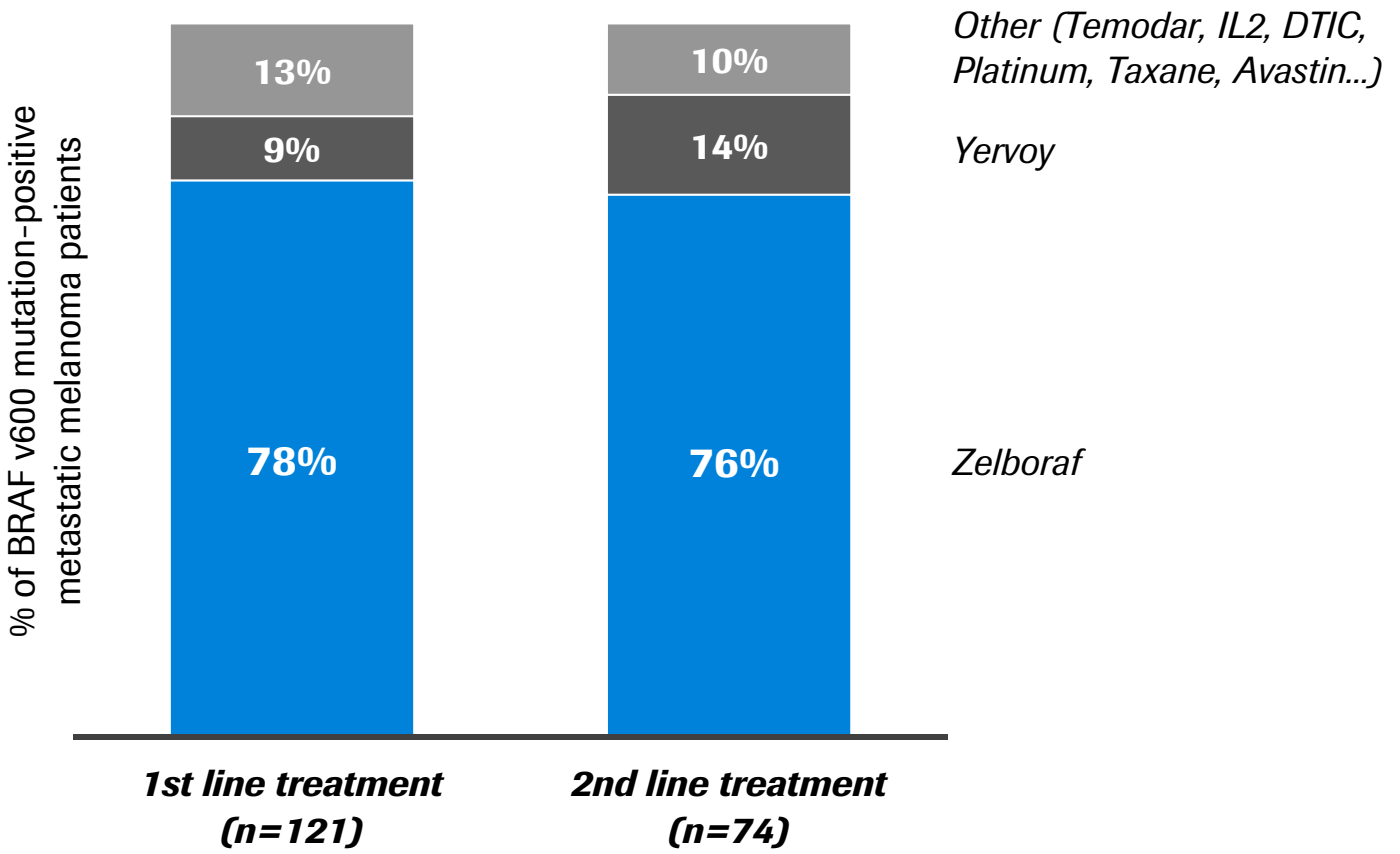
2011/2012: Three potential New Molecular Entities launches

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***

Establishing Zelboraf as new standard of care

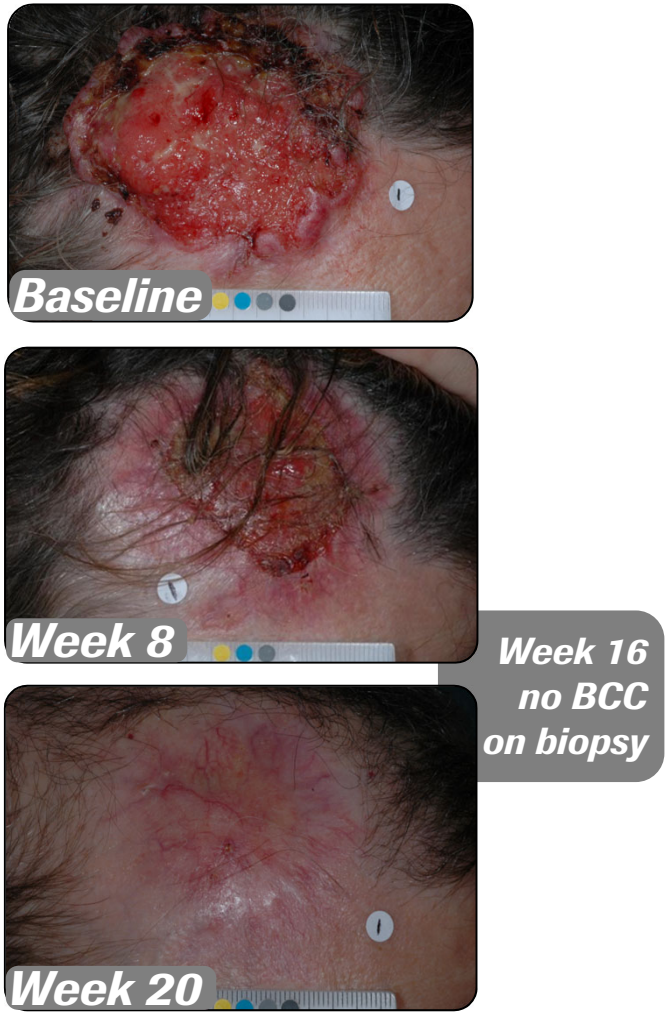
In BRAF V600 patients, Zelboraf is the dominant therapy

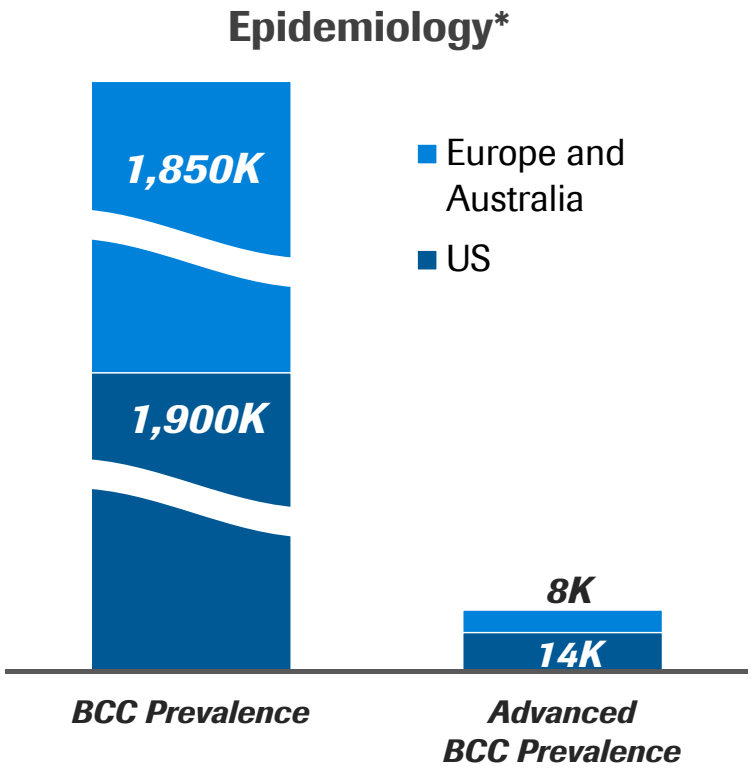
(~60% of patients currently tested for BRAF status)



Source: Quarterly chart audit: Charts of mM patients starting 1L or 2L therapy between Aug 15 and Nov 28;
Confidence intervals for Zelboraf market share: +/-10%

Erivedge in metastatic and locally advanced Basal Cell Carcinoma





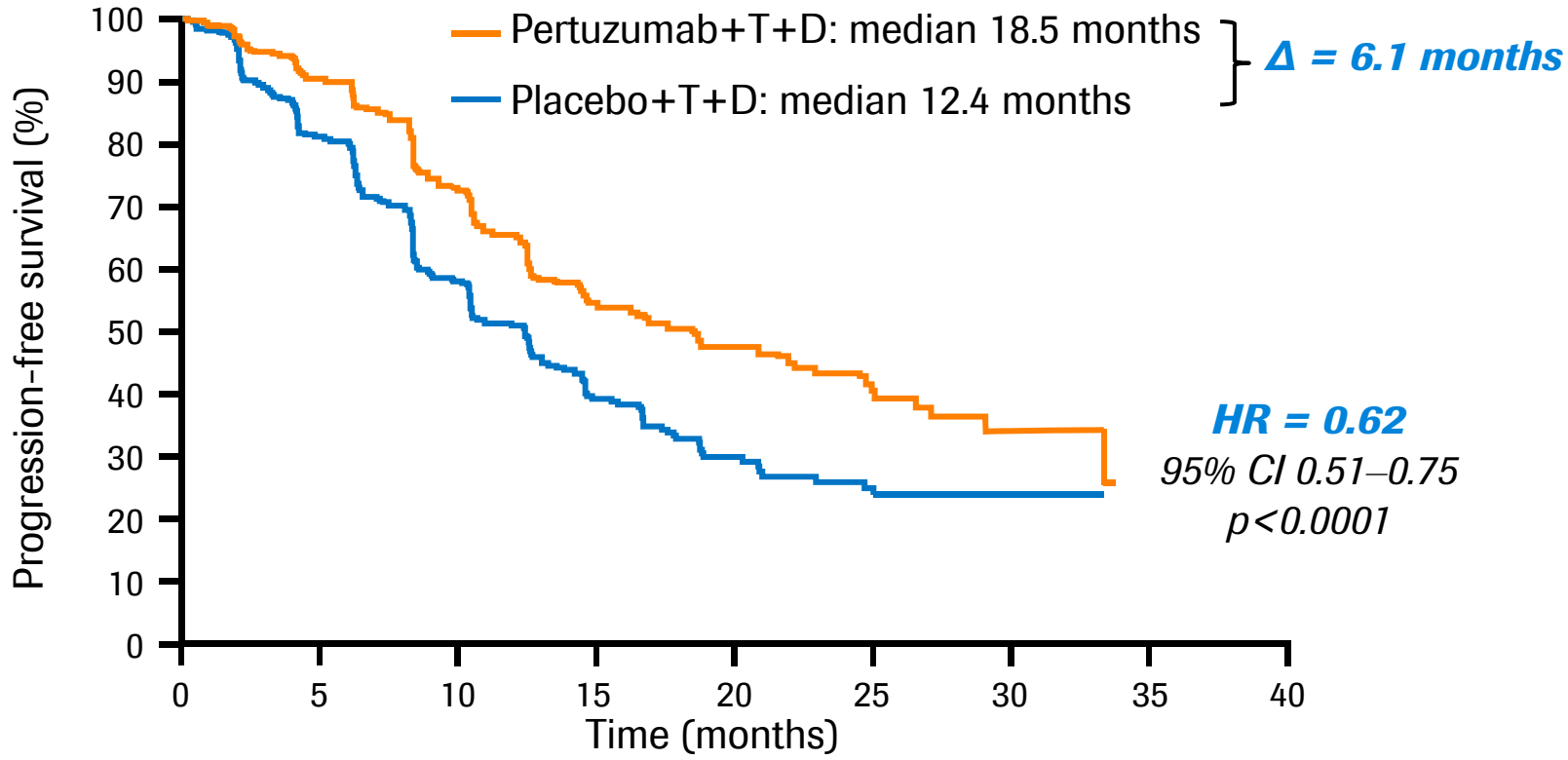
Approved in US Jan 2012
Filed in EU Q4 2011

In collaboration with Curis; A. Sekulic et al., EADO 2011

**Basal cell carcinoma is not tracked in most cancer registries, including SEER. Prevalence is difficult to estimate and there is high uncertainty in our projections. Shown are estimates from incidence rates reported in literature and primary market research.*

Pertuzumab in HER2+ 1st line mBC

CLEOPATRA study

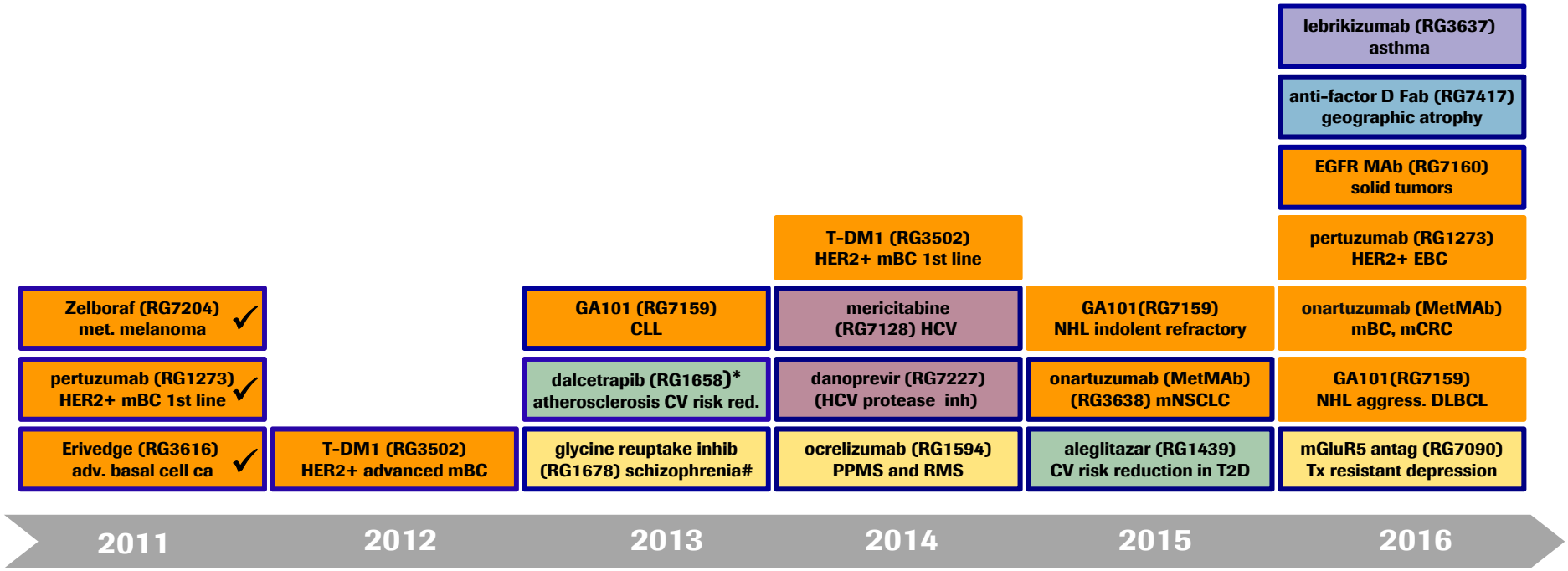


Filed in US and EU Dec 2011

D, docetaxel; PFS, progression-free survival; T, trastuzumab

NME submissions and their additional indications

Projects currently in Phase 2 and 3



Unless stated otherwise, submissions are planned to occur in US and EU.

✓ indicates a submission which has occurred with regulatory action pending

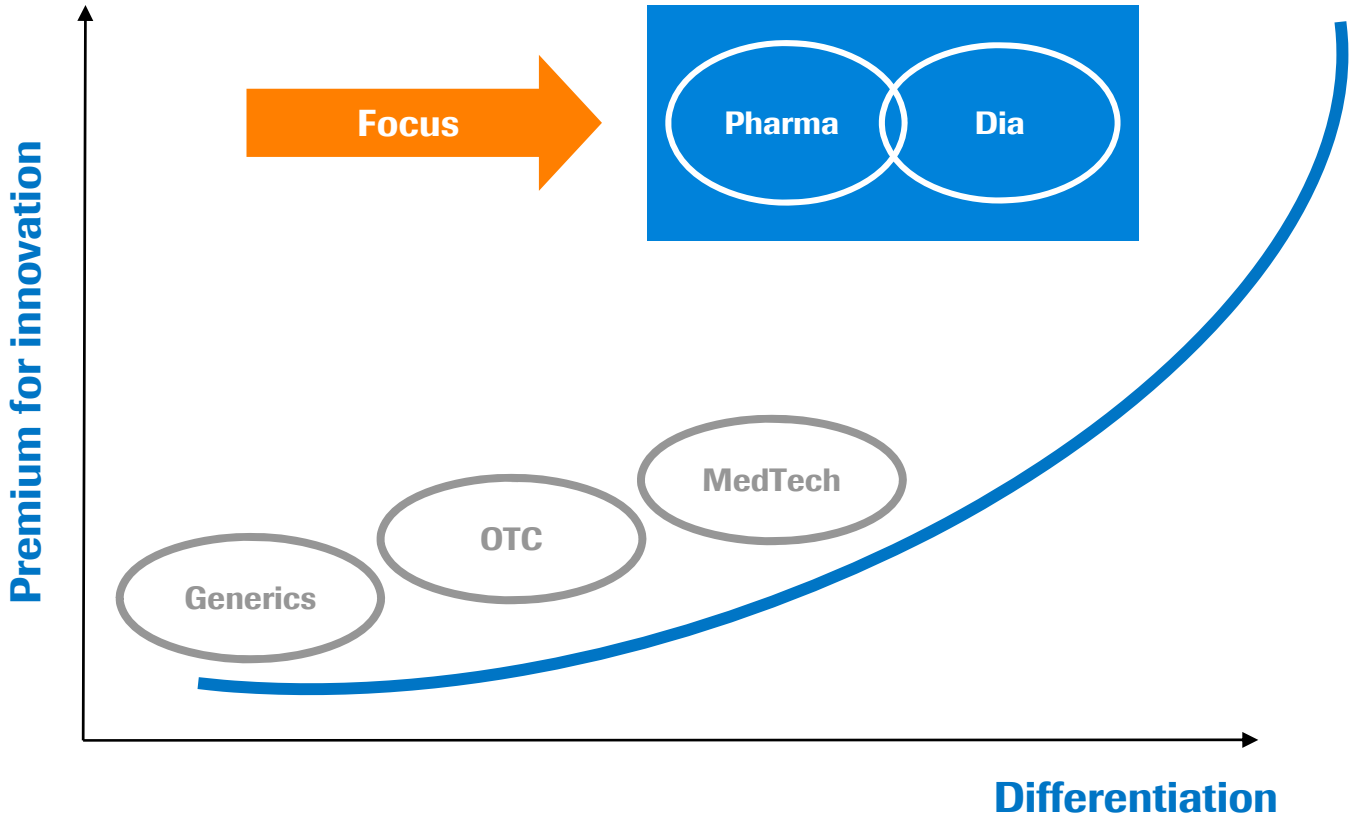
* NDA timeline is driven by the event rate in dal-OUTCOMES; updated timeline estimate will be provided in Q3 2012 after 2nd year event rate is known

negative symptoms and sub-optimal control

Oncology
Immunology
Virology
CardioMetabolism
Neuroscience
Ophthalmology
NME

Status as of December 31, 2011

Roche: Focused on medically differentiated therapies



Major clinical and regulatory news flow

Timeline	Compound	Indication	Milestone
2012	***Avastin***	mCRC	Ph III TML ✓
	pertuzumab	1st line HER2+ mBC	US, EU approval
	Erivedge	advanced BCC	US approval ✓ EU approval (2012/13)
	Zelboraf	metastatic melanoma	EU approval ✓
	Lucentis	DME	US approval
	T-DM1	2nd line HER2+ mBC	Ph III EMILIA
	Herceptin subcutaneous	early HER2+ BC	Ph III HANNAH (data presentation)
	Herceptin	adjuvant HER2+ BC	Ph III HERA 2 years vs. 1 year
	MabThera subcutaneous	front-line follicular NHL	Ph III
	Actemra	RA DMARD IR	Ph III ADACTA H2H vs. Humira
	Actemra subcutaneous	RA, moderate to severe	Ph III SUMMACTA/BREVACTA
	Avastin	newly diagnosed glioblastoma	Ph III AVAglio
2013	***dalcetrapib***	Atherosclerosis CV risk red.	Ph III dal-OUTCOMES final analysis; 2nd interim analysis in H1 2012
	GA101	Front line CLL	Ph III vs. chemotherapy
	Glycin reuptake inh (GlyT-1)	Schizophrenia	Ph III (several studies)

Oncology and CV outcome studies are event driven, timelines may change

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