This presentation 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 presentation, among others:

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.

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Financial guidance fully met

Operational Excellence on track
- Most of the concerned employees individually notified
- R&D prioritised
- Divestitures of factories initiated

Major progress in Personalised Healthcare
- Strong late-stage pipeline of 12 NMEs out of which
  6 tailored to specific patient groups
### 2010: Group sales

**Solid underlying growth in line with guidance**

<table>
<thead>
<tr>
<th>Division</th>
<th>2009 CHF m</th>
<th>2010 CHF m</th>
<th>change in %</th>
<th>Excluding Tamiflu*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmaceuticals Division</td>
<td>38,996</td>
<td>37,058</td>
<td>-5</td>
<td>-2</td>
</tr>
<tr>
<td>Diagnostics Division</td>
<td>10,055</td>
<td>10,415</td>
<td>+4</td>
<td>+8</td>
</tr>
<tr>
<td>Roche Group</td>
<td>49,051</td>
<td>47,473</td>
<td>-3</td>
<td>0</td>
</tr>
</tbody>
</table>

* local currency
2010: Diagnostics Division sales
Sustained high growth above the market

<table>
<thead>
<tr>
<th></th>
<th>2009 CHF m</th>
<th>2010 CHF m</th>
<th>CHF growth</th>
<th>local growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Diagnostics</td>
<td>4,553</td>
<td>4,858</td>
<td>7%</td>
<td>11%</td>
</tr>
<tr>
<td>Diabetes Care</td>
<td>2,969</td>
<td>2,959</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Molecular Diagnostics</td>
<td>1,183</td>
<td>1,189</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Applied Science</td>
<td>870</td>
<td>868</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Tissue Diagnostics</td>
<td>480</td>
<td>541</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Diagnostics Division</strong></td>
<td><strong>10,055</strong></td>
<td><strong>10,415</strong></td>
<td><strong>4%</strong></td>
<td><strong>8%</strong></td>
</tr>
</tbody>
</table>

IVD market growth estimated 4-5%
2010: Diagnostics Division sales
Growth above market in all regions

North America
26% Dia sales, +5%

Latin America
7% Dia sales, +16%

EMEA¹
50% Dia sales, +6%

Japan
5% Dia sales, +4%

Asia Pacific
12% Dia sales, +20%

¹ Europe, Middle East and Africa
All growth in local currency
IVD market growth estimated 4-5%
2010: Diagnostics profit improvement on track
Significant profit and margin increase driven by strong sales and tight management of operating expenses

<table>
<thead>
<tr>
<th></th>
<th>2010 (CHF m)</th>
<th>% sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>10,415</td>
<td>100.0</td>
</tr>
<tr>
<td>Royalties &amp; other op inc</td>
<td>157</td>
<td>1.5</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-4,564</td>
<td>-43.8</td>
</tr>
<tr>
<td>M &amp; D</td>
<td>-2,515</td>
<td>-24.1</td>
</tr>
<tr>
<td>R &amp; D</td>
<td>-890</td>
<td>-8.6</td>
</tr>
<tr>
<td>G &amp; A</td>
<td>-401</td>
<td>-3.9</td>
</tr>
<tr>
<td>Core operating profit</td>
<td>2,202</td>
<td>21.1</td>
</tr>
</tbody>
</table>

2010 vs. 2009 local growth:
- COGS & PC\(^1\): +5%
- Administration: +5%
- +26% in CHF

\(^1\) Cost of goods sold & period costs
2010: Diagnostics performance

Operating free cash flow increase driven by profit growth

Core operating profit

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF m</td>
<td>1,742</td>
<td>2,202</td>
</tr>
<tr>
<td>% of sales</td>
<td>17.3%</td>
<td>21.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF m</td>
<td>1,152</td>
<td>1,634</td>
</tr>
<tr>
<td>% of sales</td>
<td>11.5%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

1 at constant exchange rates
Accelerated delivery of ongoing initiatives for sustainable margin improvement

**Ongoing operational efficiency programmes**

- manufacturing excellence (COGs)
- consolidation of services (regional call centres, shared services)
- active portfolio management

**Further streamlining of sites (site closures 2013-2014)**

- **Graz** → **Rotkreuz**  
  Blood gas & electrolytes

- **Burgdorf** → **Mannheim**  
  Insulin delivery systems (IDS) R&D  
  IDS manufacturing outsourced

- **Mannheim** → **Penzberg**  
  Chemical raw material manufacturing

- Enhancing system integration  
  Leveraging existing capacities  
  Reducing infrastructure costs
## Growth driven by Professional Diagnostics and Diabetes Care

<table>
<thead>
<tr>
<th>CHF bn</th>
<th>2010 vs. 2009 local growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Dia</td>
<td>Strong placements of cobas 6000 &amp; 8000 modular analyzers; cobas e 602 module launched; Expanding immunoassay menu</td>
</tr>
<tr>
<td>Diabetes Care</td>
<td>Maltose-independent strip chemistries for Accu-Chek Aviva, Performa, Compact and Mobile commenced roll-out in EU</td>
</tr>
<tr>
<td>Molecular Dia</td>
<td>Strong demand in APAC for virology and cobas 4800 system for CT/NG &amp; HPV; HPV Test under FDA review</td>
</tr>
<tr>
<td>Applied Science</td>
<td>Double-digit increase in sequencing due to GS Junior; Second half impacted by lower demand for H1N1 testing</td>
</tr>
<tr>
<td>Tissue Dia</td>
<td>Growth driven by IHC/ISH reagents and BenchMark ULTRA; 15 new Abs (IHC) + 6 new probes (ISH) launched</td>
</tr>
</tbody>
</table>

EMEA = Europe, Middle East and Africa, APAC = Asia Pacific
Immunoassays driving sales
Ten consecutive years of double-digit growth

Immunoassay sales
CAGR 13%

Local growth rates to year earlier period

Strong placements of cobas modular platforms
– consolidating clinical chemistry & immunoassays

Expanding menu
– HIV combi, HSV-1, HSV-2, Rubella IgM, HAV, HCV
– free β-HCG/PAPP-A
– stat NT-proBNP
New Accu-Chek products driving above-market growth in Diabetes Care

- Small, sleek design developed for young, high-frequency testers
- Only “strip-free” system enabling less steps for greater ease of use
- First interactive insulin pump in EU allowing patients to operate pump by meter

1 BG market growth estimated 2%  
2 local currency  
3 Not available in the US

* New product sales includes: Accu-Chek Aviva/ Nano, Accu-Chek Performa/ Nano, Accu-Chek Mobile, Accu-Chek Combo
Creating medical value and improving patient care

Three trials demonstrating the value of diagnostics

ATHENA
- HPV (cervical cancer)
  - 47,000 women screened by cobas 4800 HPV Test with 16/18 genotyping
  - 1/10 women\(^1\) positive for HPV 16/18 had cervical precancer although their PAP test was normal\(^2\)

PROTECT
- NT-proBNP (heart failure)
  - NT-proBNP levels used to guide heart failure (HF) therapy
  - Patients experienced significant reduction in total cardiovascular events and HF-related hospitalisations\(^3\)

STeP
- Glucose monitoring (diabetes)
  - Patients created 7-point BG profiles over 3 consecutive days
  - Therapy decisions based on pattern analysis
  - Patients showed significantly better HbA1c and glycemic control\(^4\)

---

\(^1\) >30 years old
\(^2\) Wright TC, et al, IPV Montreal, July 2010
\(^3\) Januzzi, J., AHA Chicago, November 2010
\(^4\) Polonsky et al, Diabetes Care, 34, 2011
ATHENA Clinical Trial

HPV 16/18 genotype status identifies cervical pre-cancer missed by PAP

ATHENA proved:

1. PAP testing insufficient:
   - Testing for HPV genotypes 16/18 identified cervical pre-cancer in one of ten women\(^1\) although their PAP test was normal\(^2\)

2. Roche cobas 4800 HPV test setting new standard
   - Sensitivity (%)\(^{\text{c}}\): 90.0 vs. 87.2
   - Specificity (%)\(^{\text{c}}\): 70.5 vs. 71.1
   - Hi Risk GT 16/18 & 12 HR HPV in one test
   - Fully automated throughput up to 388/12hr

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\(^1\) >30 years old \hspace{1cm} \(^2\) Wright TC, et al, IPV Montreal, July 2010; \hspace{1cm} \(^3\) ASC-US \hspace{1cm} \(^4\) Stoler M, et al, IPV Montreal, July 2010; CIN = cervical intraepithelial neoplasia; ASC-US = atypical squamous cells of undetermined significance
Creating medical value and improving patient care

Six NMEs in late-stage development have PHC approach

NMEs = new molecular entities
PHC = Personalised Healthcare

Not all products available in all countries; some products in development
Results demonstrated the importance of selecting NSCLC patients based on Met status

- Met-high patients lived nearly twice as long without their disease getting worse when treated with MetMAb and Tarceva compared to placebo and Tarceva

- Met receptor over-expressed or mutated in variety of tumors and associated with poor prognosis

1 metastatic non-small cell lung cancer; 2 progression free survival; 3 hazard ratio

Source: Spigel D., et al., LBA No. 5146, ESMO 2010
Acquisitions, collaborations and licensing of IP to strengthen businesses

**Acquisitions**
- MEDINGO Medical Solutions
- biomagene

**Research & technology collaborations**
- IBM and DNA electronics (sequencing)
- German Cancer Research Centre (HPV)
- InterComponentWare (Diabetes Care)

**Intellectual Property**
- EGFR
- PI3K
- p63
### Key launches for 2011*

| Professional Diagnostics         | • Vitamin D total and HE4 immunoassays (EU)  
|                                | • cobas 8000 modular analyzer series, cobas c 702 module (EU, US)  
|                                | • cobas b 123 POC system for bloodgas & electrolytes (US)  
| Diabetes Care                   | • Accu-Chek Mobile LCM (EU)  
|                                | • Accu-Chek Combo (US)  
|                                | • Accu-Chek Nano (US)  
| Molecular Diagnostics           | • cobas 4800 HPV Test (US)  
|                                | • cobas 4800 EGFR Mutation Test (EU)  
|                                | • cobas 4800 KRAS Mutation Test (EU)  
|                                | • cobas 4800 BRAF V600 Mutation Test (EU, US)  
| Applied Science                 | • HLA genotyping on GS Junior & FLX sequencing systems (global)  
|                                | • GS FLX Titanum-XL system (global)  
|                                | • Ultra-high resolution CGH arrays (global)  
| Tissue Diagnostics              | • ER/PR antibody for IHC (US)  
|                                | • HER2 dual colour ISH probe (US)  
|                                | • FutureView detection system (US, EU)  

### Diagnostics Division Outlook: Sales growth significantly above the market

* Subject to appropriate regulatory approvals barring unforeseen events
Priorities in 2011

- Drive above-market growth
- Deliver key product launches
- Drive Personalised Healthcare with Pharma
- Continue strong growth in emerging markets
- Further improve profitability
We Innovate Healthcare