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# Roche

## A sustainable business model based on innovation and productivity gains

*Karl Mahler, Head of Investor Relations*

*Stefan Frings, Life Cycle Leader Avastin*





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 document, including among others:

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- (14) loss of key executives or other employees; and
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## **Performance up-date and our strategy**

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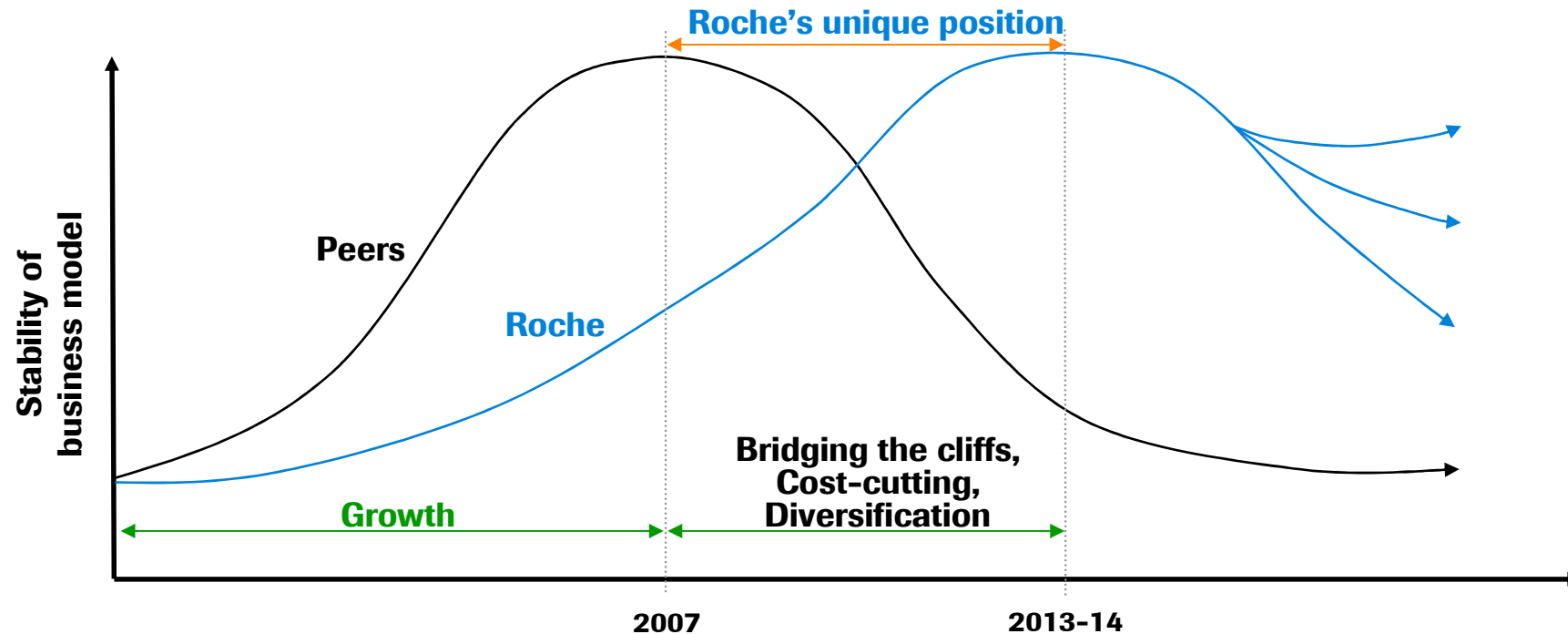
### **Setting the standard in oncology**

# Q1 2009: High single-digit growth for both divisions

*Well above world market*

CHF bn	Q1'08	Q1'09	% change in	
			CHF	local
<b>Pharmaceuticals</b>	<b>8.6</b>	<b>9.2</b>	<b>8</b>	<b>8</b>
<b>Diagnostics</b>	<b>2.3</b>	<b>2.4</b>	<b>3</b>	<b>8</b>
<b>Roche Group</b>	<b>10.9</b>	<b>11.6</b>	<b>7</b>	<b>8</b>

# Roche's unique window of opportunity



## The industry

Low replacement power of current earnings levels

Poor pipelines

Cost cutting

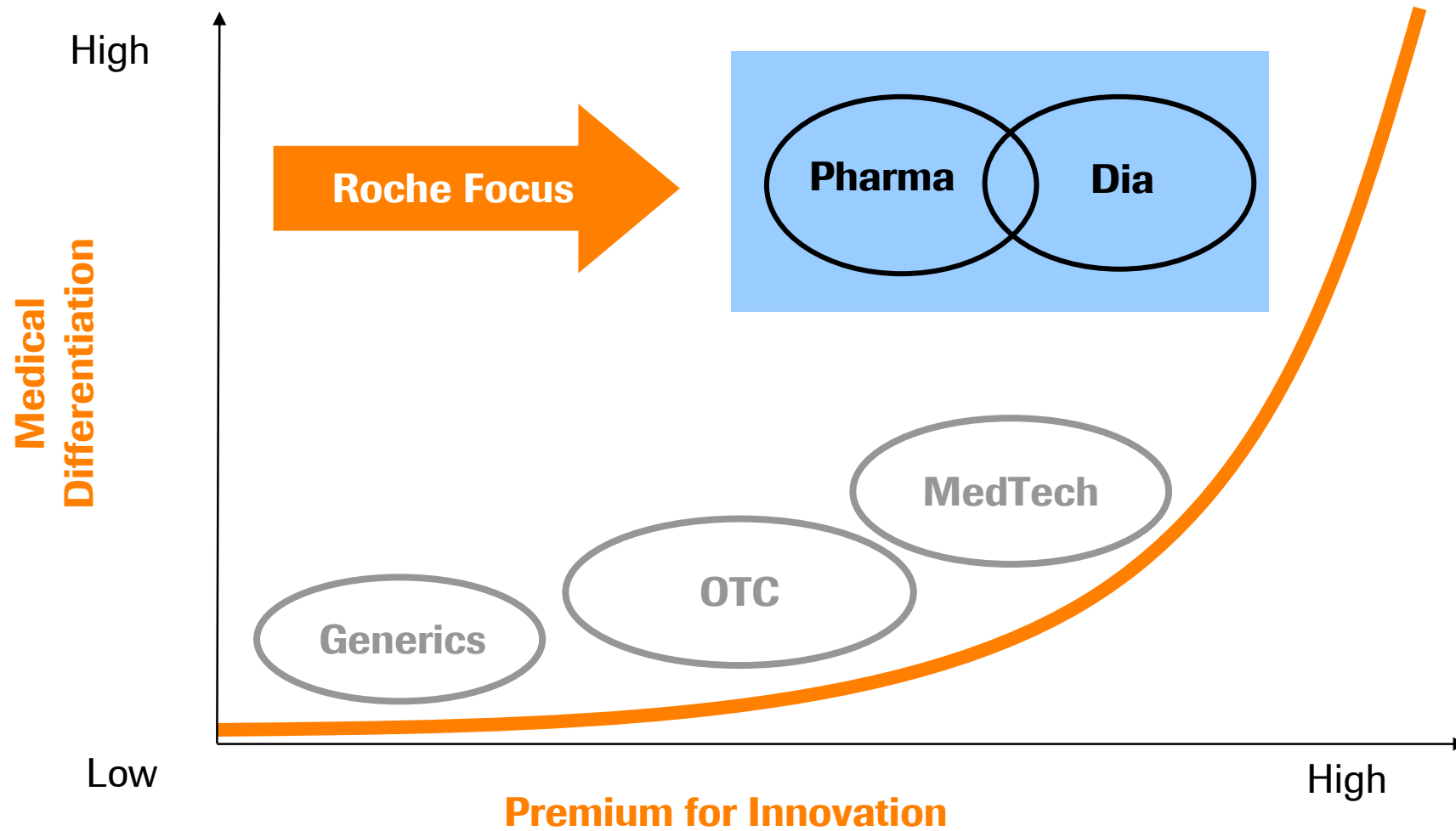
## Roche

Extended stability

Low generic exposure

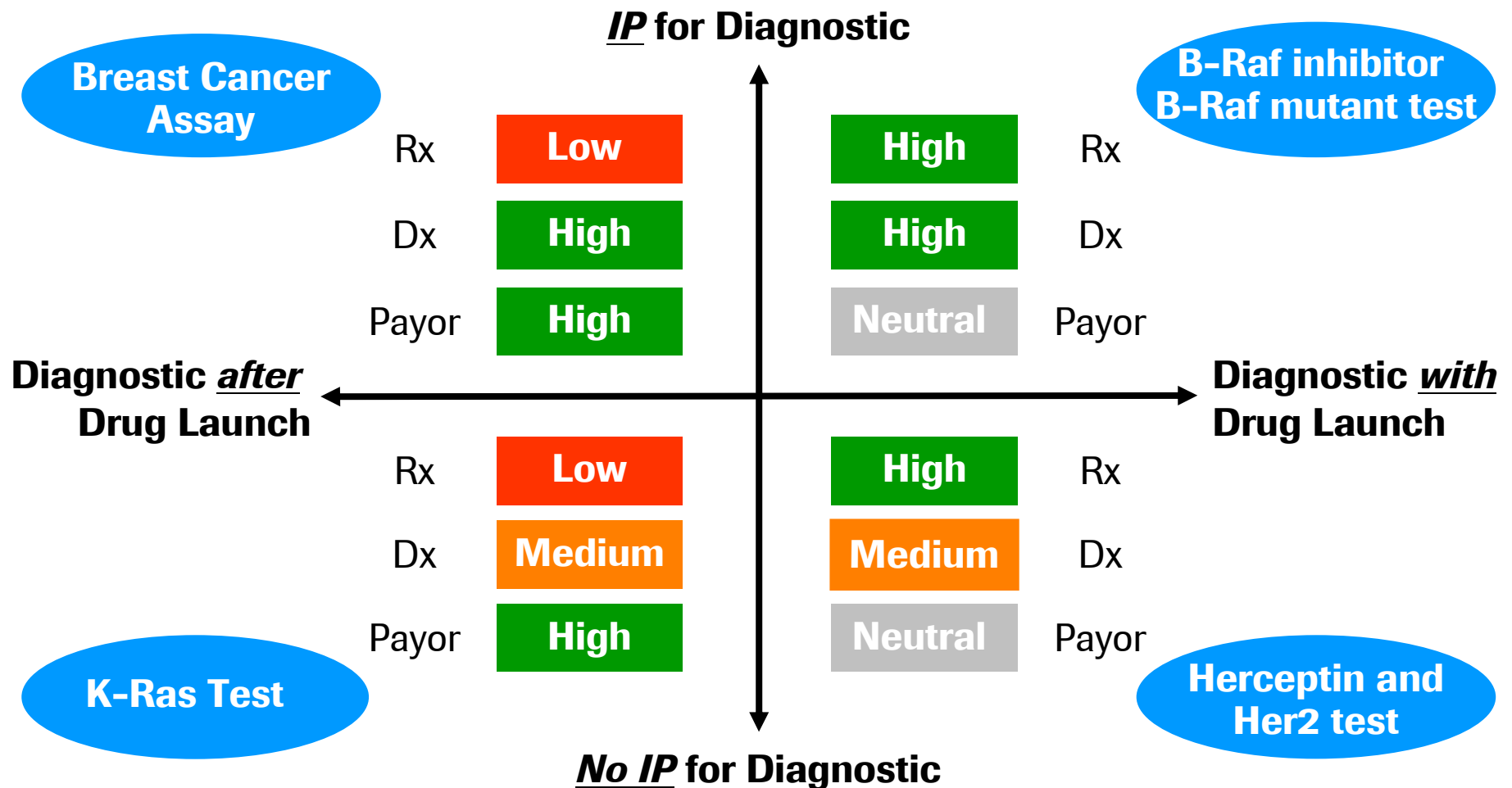
Investment into the future

# Focus on our core businesses



# Scenarios for PHC Added Value Distribution

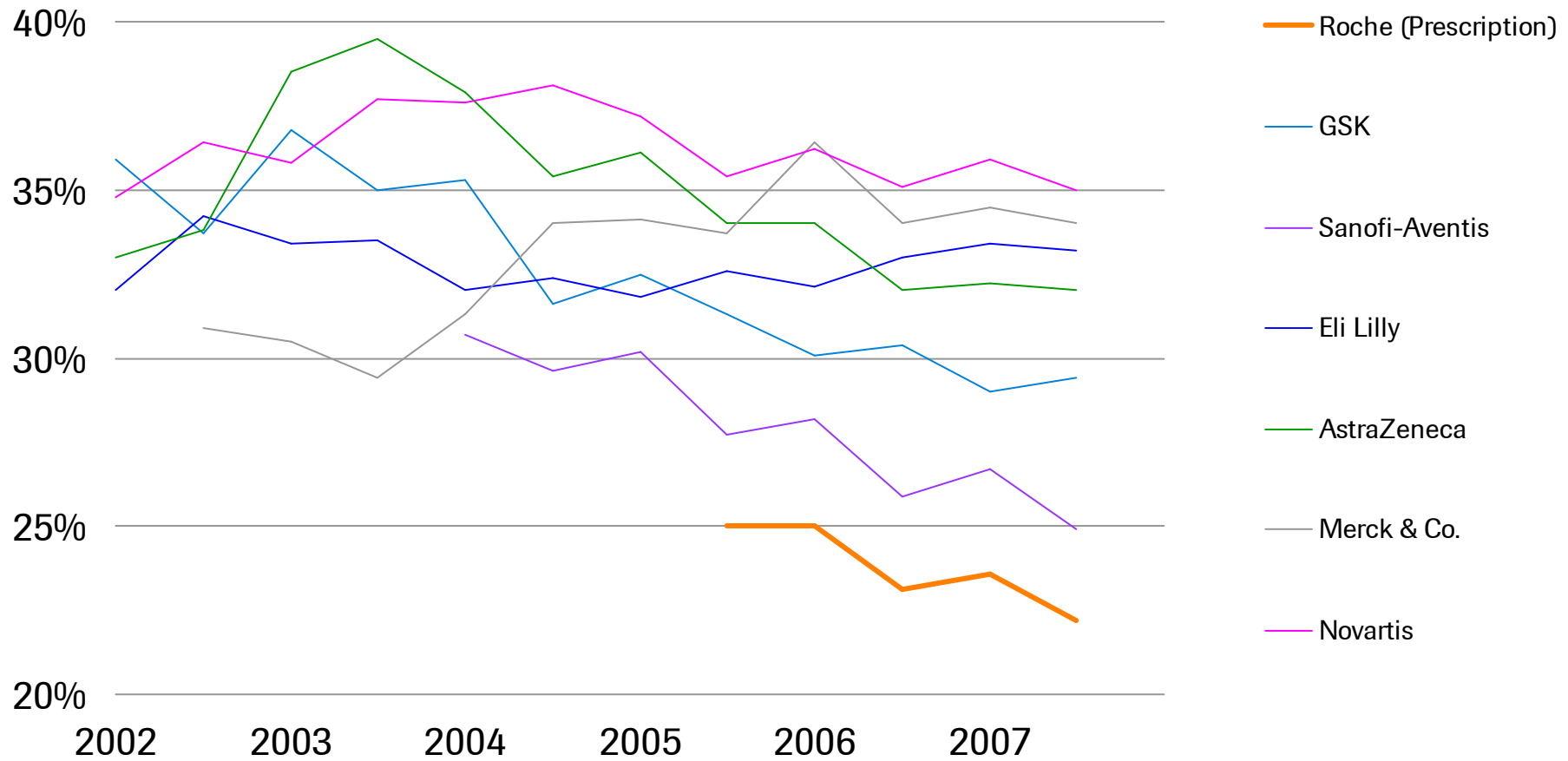
*Value captured by different stakeholders depending on IP and timing of diagnostic*





# Roche: M&D and G&A % to sales

*Freeing up resources for innovation*

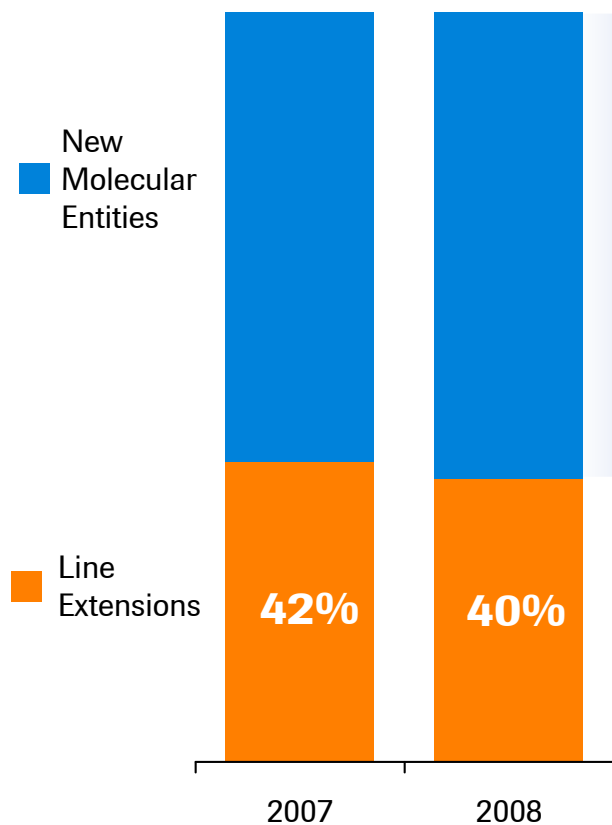




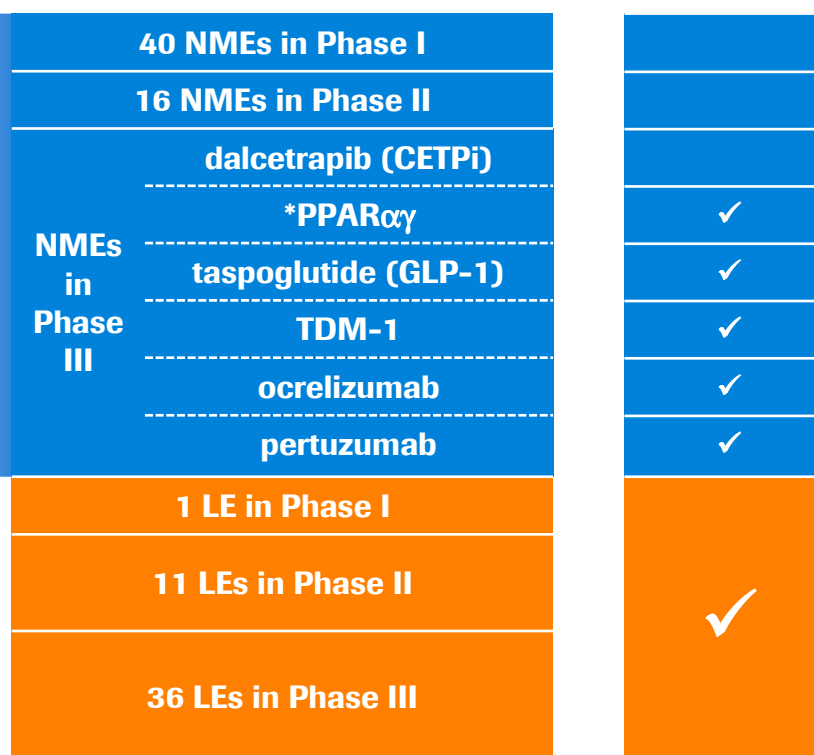
# A well risk balanced approach to investment

*Most projects in late stage de-risked*

## % of Pharma Development spend



## Proof of Concept



\* Formal decision to move into phase III pending

# **Performance up-date and our strategy**

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## **Setting the standard in oncology**

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# First in class mechanisms establishing new standards of care

Rank	Drug	Sales (\$m) MAT 3Q08
1	<b>MabThera</b>	<b>4,189</b>
2	<b>Herceptin</b>	<b>4,129</b>
3	<b>Avastin</b>	<b>4,052</b>
4	Glivec	3,491
5	Taxotere	2745
6	Eloxatine	2,236
7	Arimidex	1,944
8	Gemzar	1,601
9	Erbitux	1,412
10	Casodex	1,343

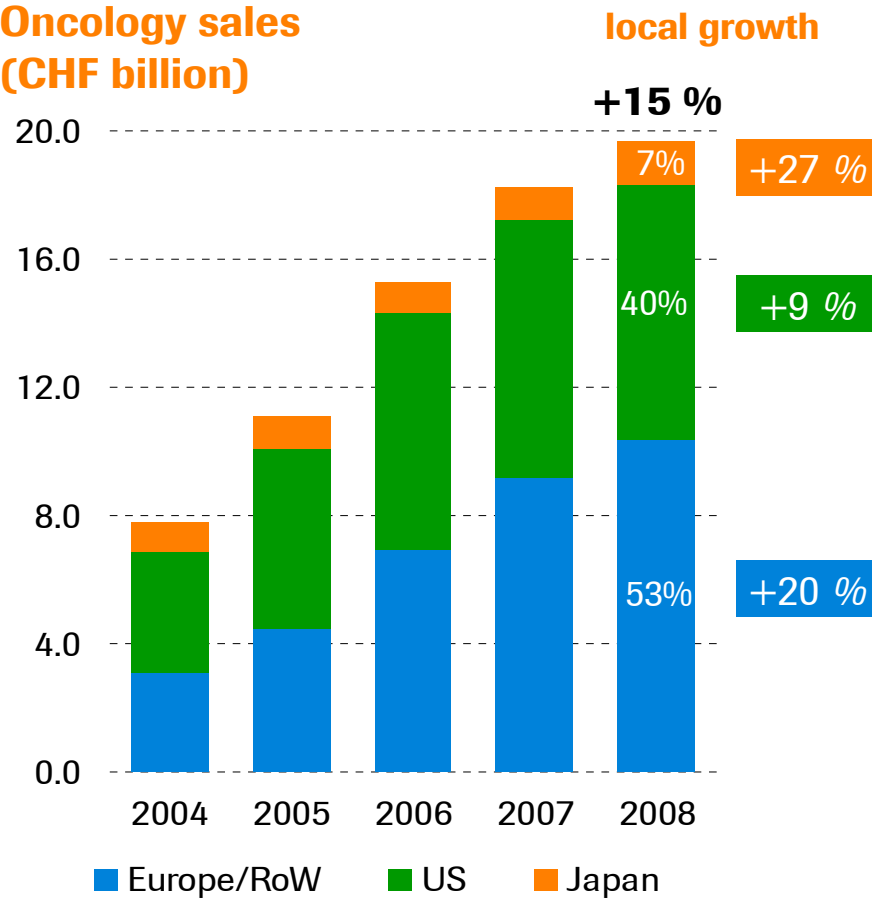
**First in class**

**Successful products need to be first class entrants – the race begins early in R&D**

# Oncology franchise approaches CHF 20 billion in sales



## Oncology sales (CHF billion)



## Double-digit growth continues

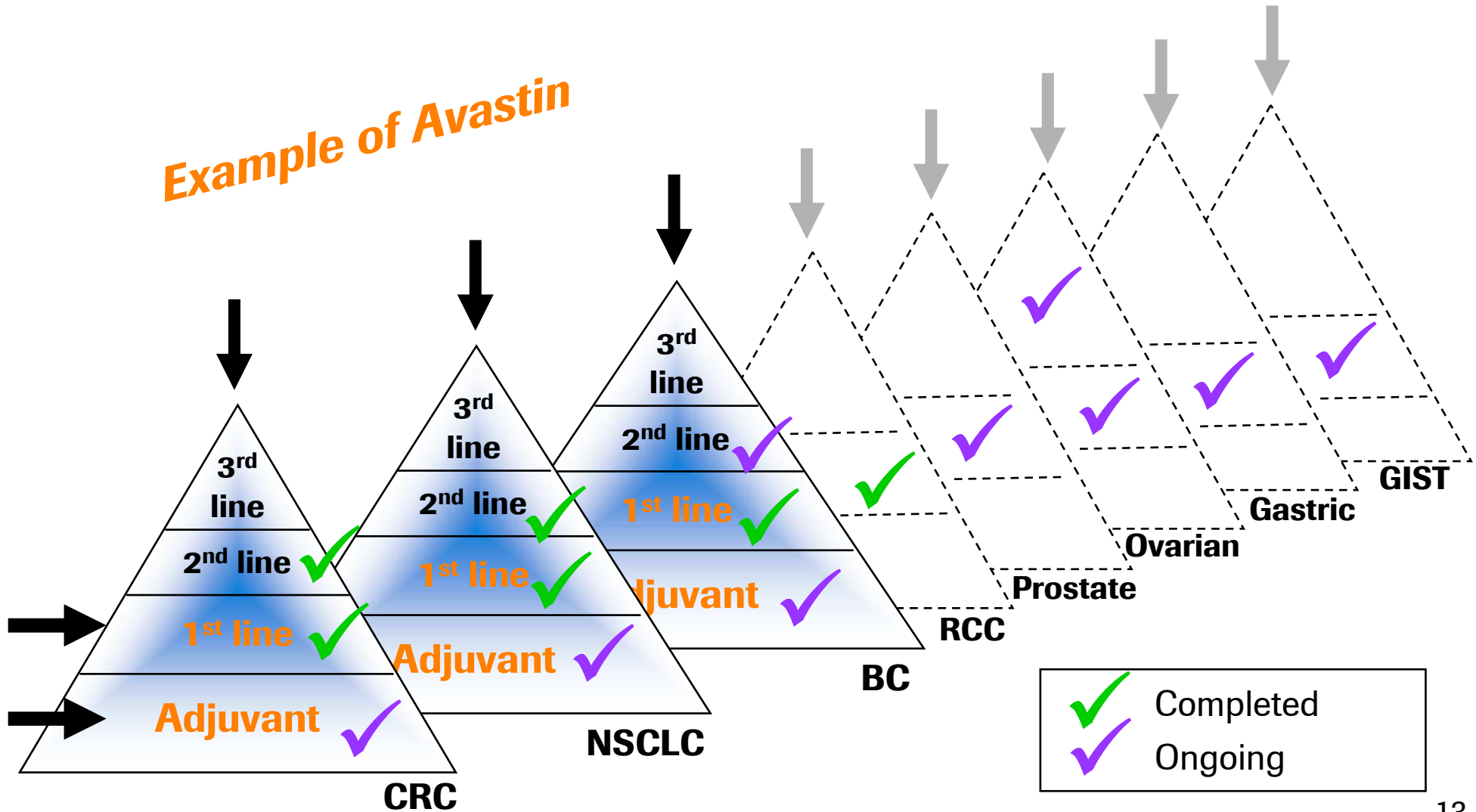
### Europe/RoW

- Continued strong increase in Avastin sales, driven by strong uptake in mCRC and mBC
- Emerging markets contributing to continued growth of MabThera, Herceptin and Tarceva

### Japan

- Strong launches of Avastin, Tarceva, and adjuvant Herceptin

# Paradigm change: Development of all main cancer types in parallel



# Avastin: significant potential for additional indications in the metastatic setting

*Important Phase III newsflow over next 2 years*

Indication	Study name	Start	Status*	Filing*
Previously-treated glioblastoma	<b>BRAIN</b>	2007	May 5, 2009 US FDA granted accelerated approval	2008
1st line metastatic ovarian cancer	<b>GOG-0218</b> <b>ICON-7</b>	Q3'05 Q4'06	Interim analysis H2'09 Expect data 2010	2010
Relapsed Platinum sensitive ovarian cancer	<b>OCEANS</b> <b>GOG-0213</b>	Q2'07 Q4'07	Expect data 2010 Expect data 2013	2010-2013
1st line hormone-refractory prostate cancer	<b>CALGB 90401</b>	Q4'07	Interim analyses Q2'09 and Q4'09	2011
1st line advanced gastric cancer	<b>AVAGAST</b>	Q3'07	Interim analysis H2'09	2010

\*Projected timelines for positive results

# ASCO 2009 Highlights

## Avastin

*NSABP C-08: Adjuvant colon cancer efficacy results – late-breaker abstract*

*RIBBON-1: 1<sup>st</sup> line HER2-negative metastatic breast cancer – oral presentation*

## Tarceva

*ATLAS: 1<sup>st</sup> line maintenance therapy for advanced non-small cell lung cancer – late-breaker oral presentation*

*SATURN: 1<sup>st</sup> line maintenance therapy for advanced non-small cell lung cancer – oral presentation*

*SATURN: 1<sup>st</sup> line maintenance therapy for advanced non-small cell lung cancer biomarker data*

## Herceptin

*ToGA: 1<sup>st</sup> line HER2-positive advanced gastric cancer – oral presentation*

## T-DM1

Phase II second-line+ HER2-positive mBC final results

**Joint Roche-Genentech  
Investor Science Events**

Sunday May 31st

Monday June 1st

## Exciting mid / early-stage opportunities in oncology

*3rd generation anti-CD20- potential for improvement over MabThera based on Glycart technology*

### Improved product features

Increased direct cell death

Increased ADCC

Lower CDC

Phase I in NHL

### Extended life cycle

#### for many monoclonal antibodies?

Next generation MabThera/Rituxan

Other antibodies:

- Established targets

- Novel targets

**GA101: Phase II ongoing  
Phase I data presented at ASH 2009**



# Roche: A unique “investment case”

## Clear and focused strategy

- Medically differentiated products

## Attractive risk profile

- Low generic risk; lowest among European large-cap players

## Assets in place for sustained success

- World market leader in Oncology
- Emerging Rheumatology & Autoimmune, and Metabolic franchises

## Industry-leading organic growth

**Unique high-tech healthcare investment**