
Rejuvenating the portfolio

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Bank of America Merrill Lynch, London 2019



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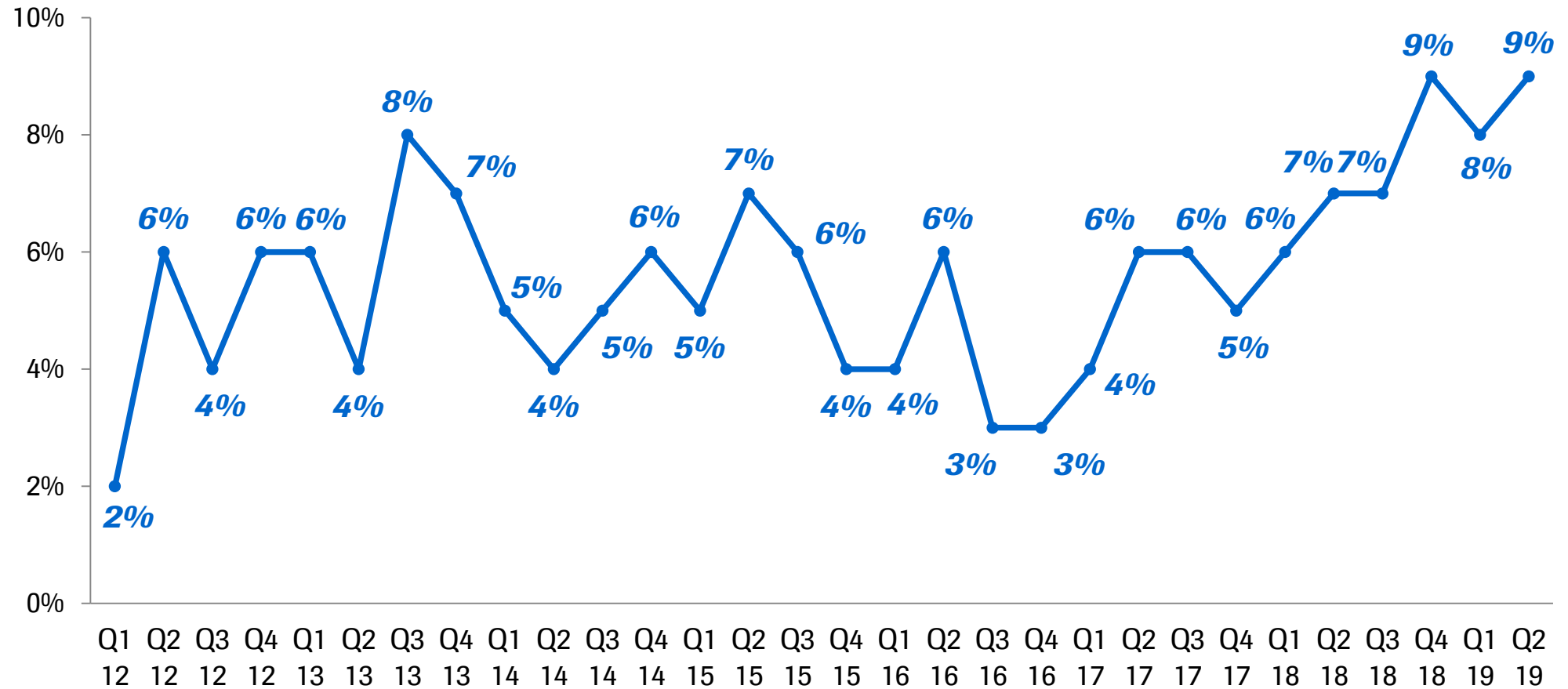
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Performance update

Rejuvenating the portfolio

Outlook

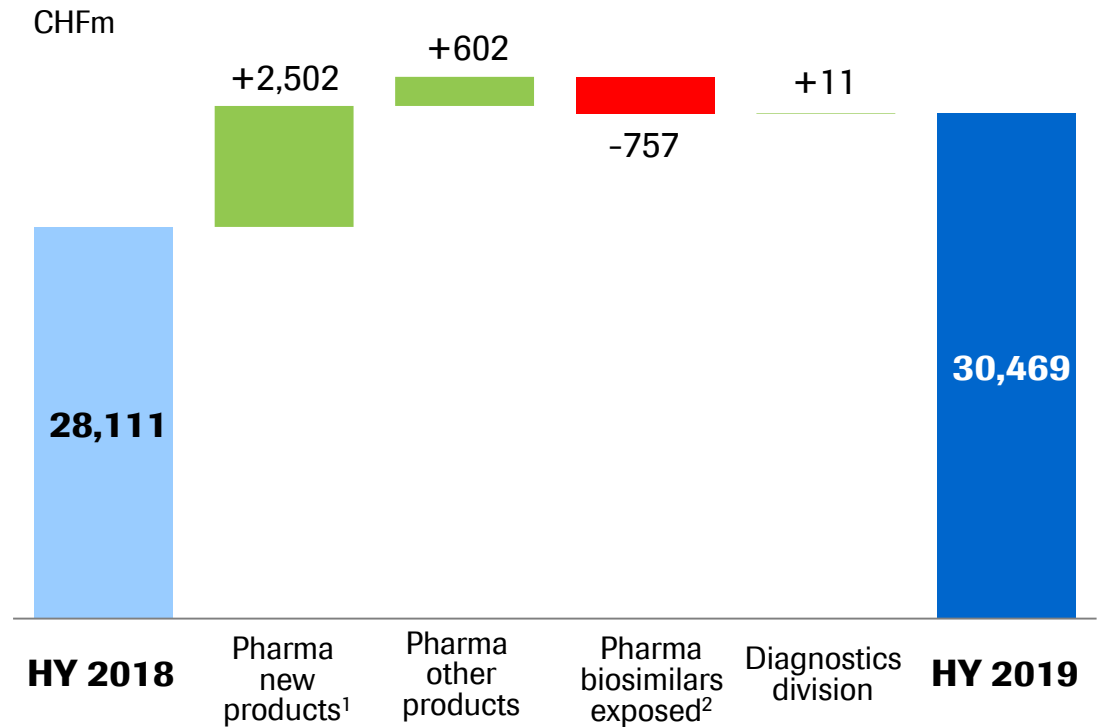
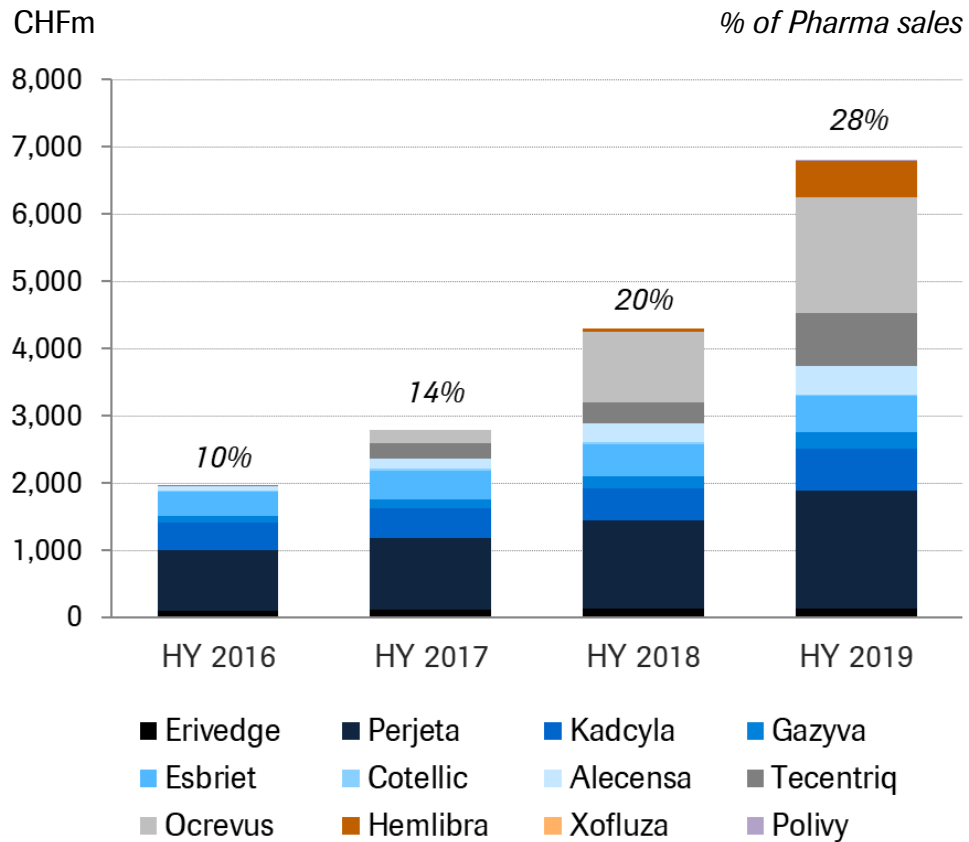
Q2 2019: Group sales growth for the eighth consecutive year



All growth rates at Constant Exchange Rates (CER)

Innovation driving portfolio rejuvenation

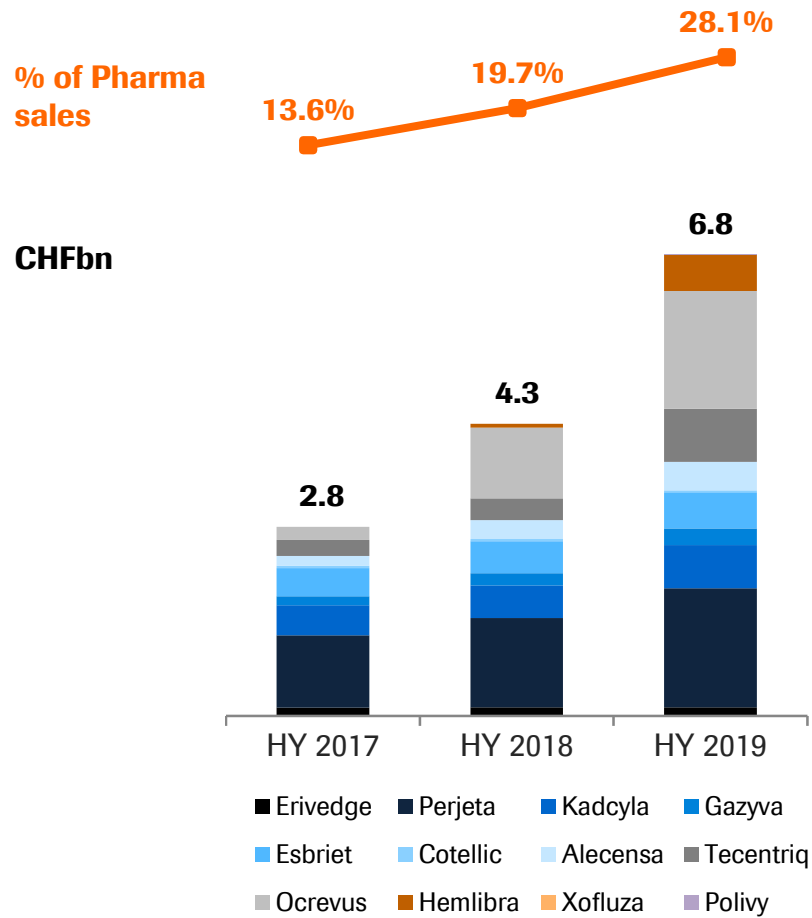
Increasing share of sales coming from recent launches



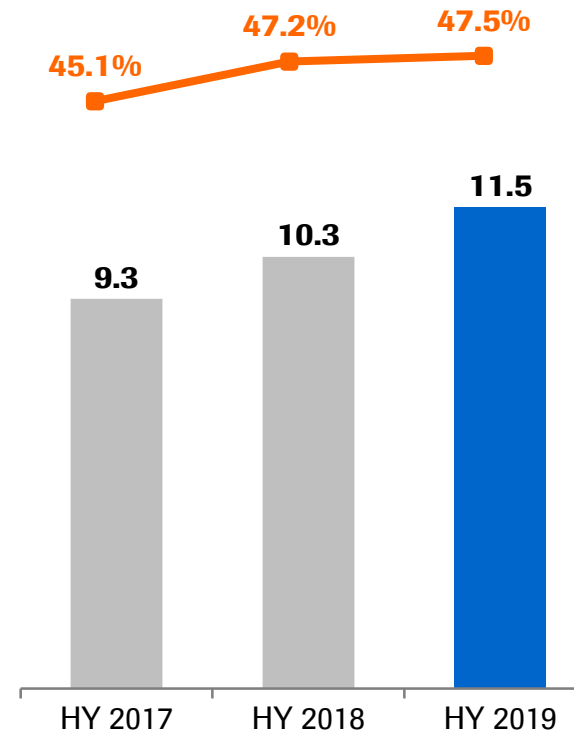
All absolute values are presented in CHFm reported; ¹ Erivedge, Perjeta, Kadcyla, Gazyva, Esbriet, Cotellic, Alecensa, Tecentriq, Ocrevus, Hemlibra, Xofluza, and Polivy; ² MabThera and Herceptin in Europe and Japan

Successfully managing the transition

New products contribution



Core operating profit Pharma



26 Breakthrough Therapy Designations

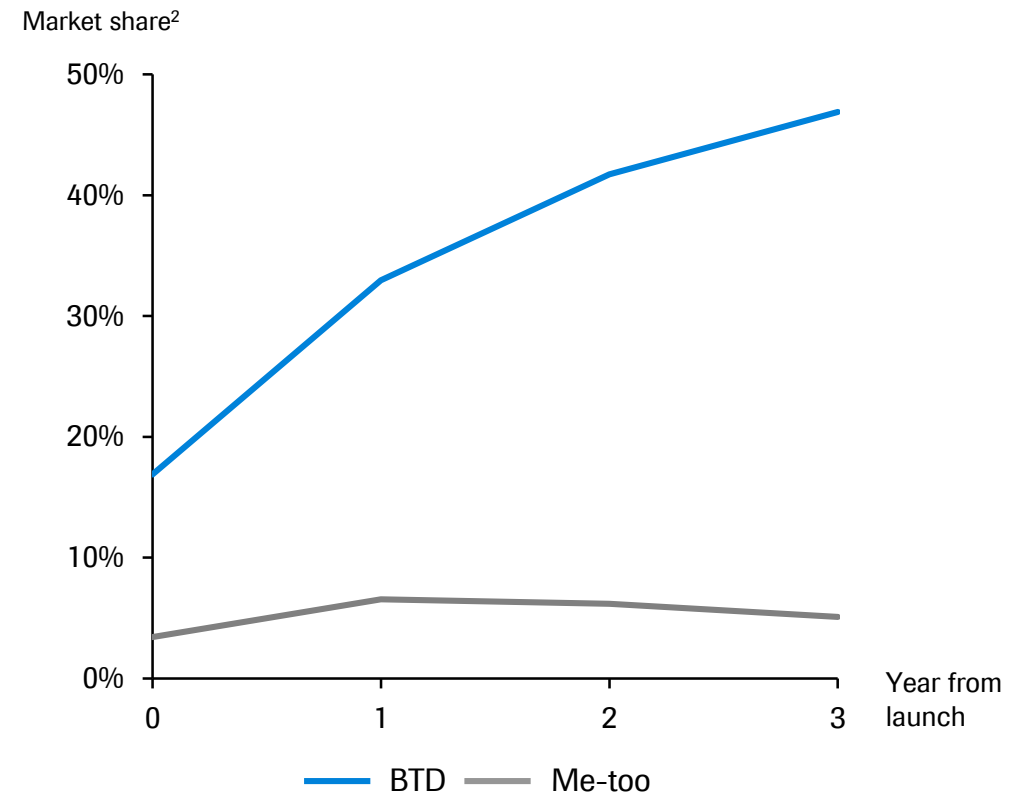
Reflecting the quality of our research

NEWS: BTD Gazyva in Lupus granted

Breakthrough Therapy Designations (BTB)

Year	Molecule	Indication
2019	Venclexta + Gazyva	1L unfit CLL
	Kadcyla	Adjuvant HER2+ BC
	satralizumab	NMOSD
2018	Xolair	Food allergies
	Tecentriq + Avastin	HCC
	Hemlibra	Hemophilia A non-inhibitors
	entrectinib	NTRK+ solid tumors
	balovaptan	Autism spectrum disorders
	polatuzumab vedotin + BR	R/R DLBCL
2017	Venclexta + LDAC	1L unfit AML
	Zelboraf	BRAF-mutated ECD
	Rituxan	Pemphigus vulgaris
	Actemra	Giant cell arteritis
2016	Alecensa	1L ALK+ NSCLC
	Ocrevus	PPMS
	Venclexta + HMA	1L unfit AML
	Venclexta + Rituxan	R/R CLL
2015	Actemra	Systemic sclerosis
	Tecentriq	NSCLC
	Venclexta	R/R CLL 17p del
	Hemlibra	Hemophilia A inhibitors
	Esbriet	IPF
2014	Lucentis	Diabetic retinopathy
	Tecentriq	Bladder
2013	Alecensa	2L ALK+ NSCLC
	Gazyva	1L CLL

Product launch up-take in oncology¹



¹ Selected oncology products launched over 2013-2016; ² Market shares represent sales of target product relative to sales competing products in similar indications; Data source: Evaluate Pharma, Decision Resources, Prismaccess

Performance update

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Outlook

Roche transitioning: Replace and extend the business

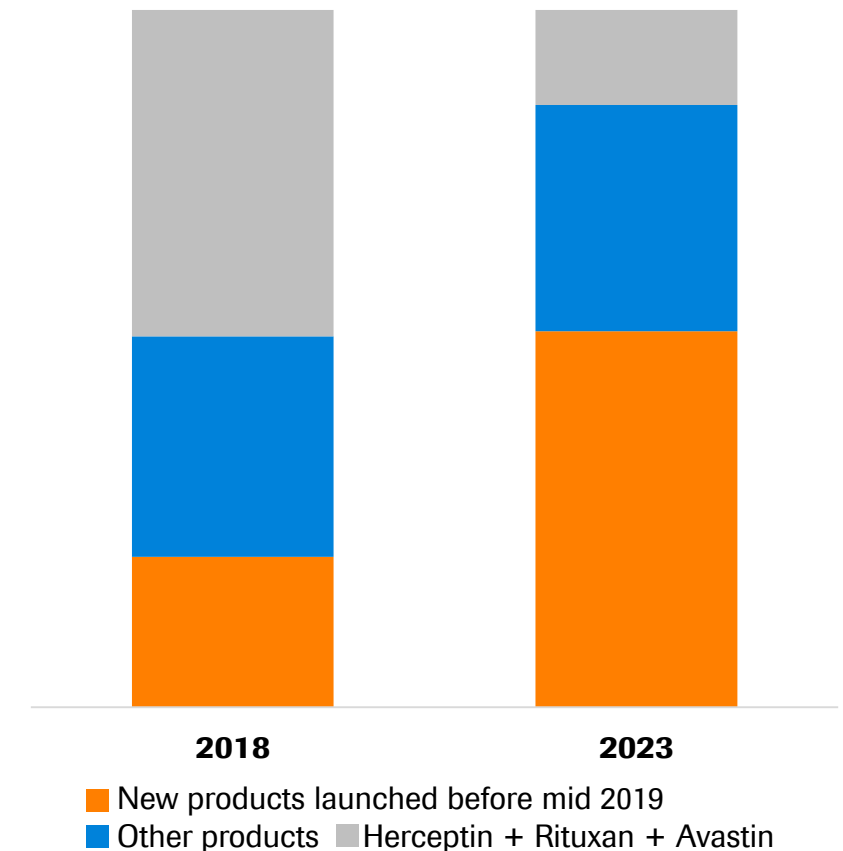
Replace/extend existing businesses

Entering new franchises

Sales mix (100%) (Conceptual)

MabThera/Rituxan	Gazyva, Venclexta, Polivy, mosunetuzumab, CD20 x CD3
Herceptin	Perjeta, Kadcyla, Herceptin + Perjeta FDC- SC
Avastin	Tecentriq, Alecensa, Rozlytrek, ipatasertib
Lucentis	faricimab Port delivery system (PDS)
Tamiflu	Xofluza

MS: Ocrevus
Hemophilia A: Hemlibra
CNS: NMOSD, SMA, Huntington's, Autism, Alzheimer's



FDC=fixed dose combination; NMOSD=neuromyelitis optica spectrum disorder; SMA=spinal muscular atrophy

Oncology: We focus on leadership across established core areas, while still investing in differentiated growth opportunities



Lead in Hematology

NHL: Rituxan, Gazyva, Venclexta, Polivy, mosunetuzumab, CD20xCD3

CLL: Venclexta, Gazyva

AML: Venclexta, idasanutlin

MM: Venclexta

Hemophilia A: Hemlibra

High medical need in later lines, aNHL and AML



Lead in Breast Cancer

HER2+ BC: Herceptin, Perjeta, Kadcylla, H+P FDC SC

TNBC: Tecentriq, ipatasertib

HR+ BC: ipatasertib, PI3Ka inhibitor (RG6114); SERD (RG6171)

> 80% patients in adjuvant



Growth in Lung

ALK+/ROS1+/NTRK+: Alectinib, Rozlytrek

SCLC: Tecentriq

NSCLC: Tecentriq, Avastin

>70% still metastatic

Establish presence (with Tecentriq and combos)

mUC: Expand in 1L; Move into adjuvant

HCC: Potential new SOC

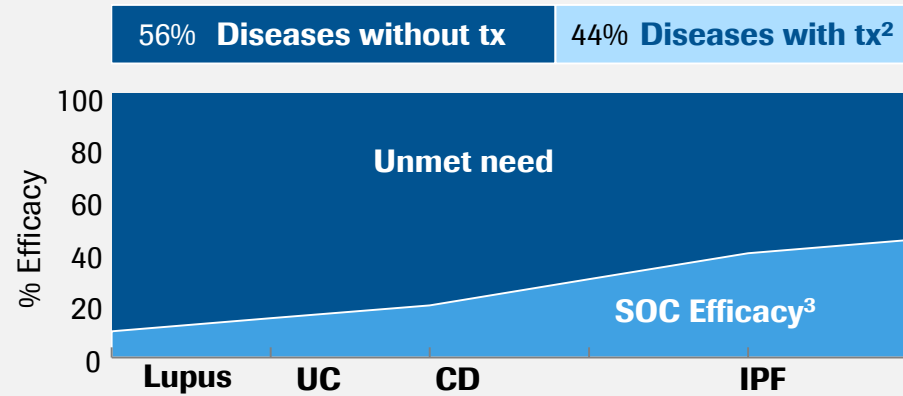
CRPC: Potential new SOC

OC: Potential new SOC

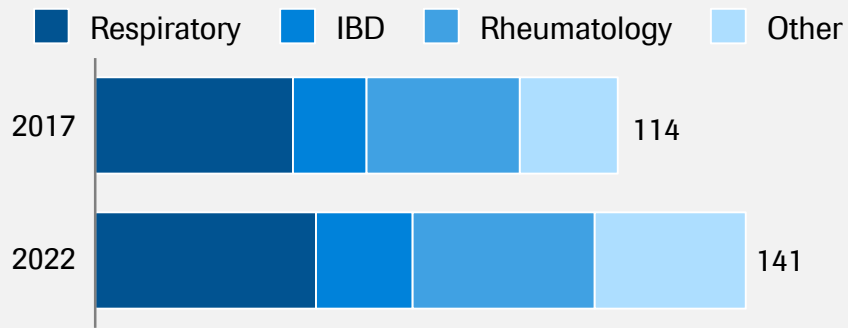
RCC and CRC: Explore opportunities

Immunology and Ophthalmology

Addressing high medical need



Global Immunology Market Sales¹ (\$bn)



Retina Portfolio:
faricimab, PDS

- Develop industry leading portfolio
- Build ex US infrastructure
- Gene-based therapies (4D)

IBD:
etrolizumab

- Establish etrolizumab as SOC in UC and Crohn's

Lupus:
Gazyva

- First in class

¹ Decision Resources, Evaluate Pharma 2017; ² Disease modifying treatment, based on UpToDate; ³ Lupus – Benlysta SRI-4; UC & CD – TNF Sustained Remission; Asthma – Dupixent exacerbations; IPF – Esbriet FVC; RA – TNF ACR50, McKinsey analysis based on data from Evaluate

Pushing towards new frontiers in Neuroscience

Creating new opportunities across modalities

Neuroimmunology Disorders

Neuromuscular Disorders

Neurodegenerative Disorders

Neurodevelopmental Disorders

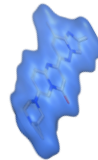
Ocrevus

First B-cell targeted therapy in MS



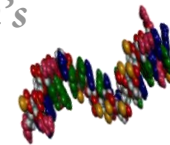
Risdiplam

First oral therapy for spinal muscular atrophy



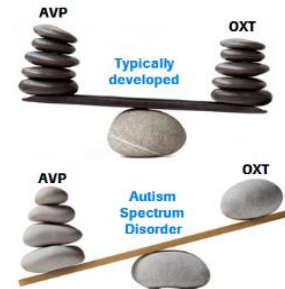
HTT-ASO

First disease modifying therapy for Huntington's disease



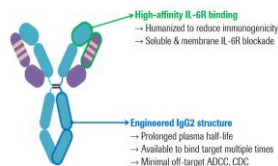
Balovaptan

First treatment for core social and communication deficits



Satralizumab

BTB in NMOSD



Duchenne Muscular Dystrophy (DMD)

Anti-myostatin with the potential to treat core symptoms

Parkinson's

First disease modifying agent

Smartphone digital biomarkers



Performance update

Rejuvenating the portfolio

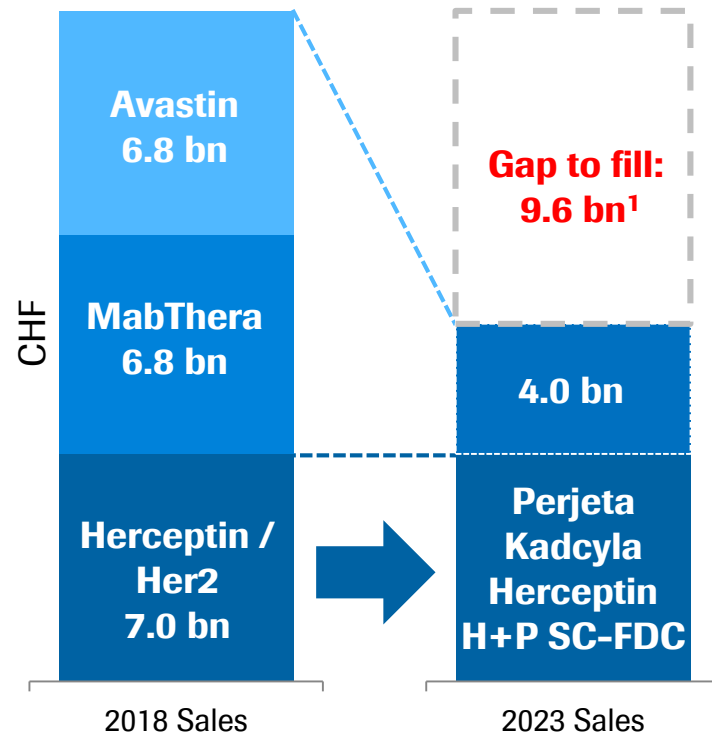
Outlook

New product growth with strong momentum

Considerable optionality

Biosimilar gap (18-23)

Sensitivity analysis: Assuming *conservative* planning assumptions of 60-70% erosion from biosimilars



Consensus sales growth (18-23)

Post-HY 2019 consensus survey

Ocrevus	3.8 bn
Tecentriq	3.5 bn
Hemlibra	3.5 bn
Gazyva	0.8 bn
Alecensa	0.9 bn
Xofluza	0.5 bn
Polivy	0.9 bn
Rozlytrek	0.4 bn
In-market & mature ²	(0.9) bn
Pipeline value ³	2.9 bn

Total 16.3 bn

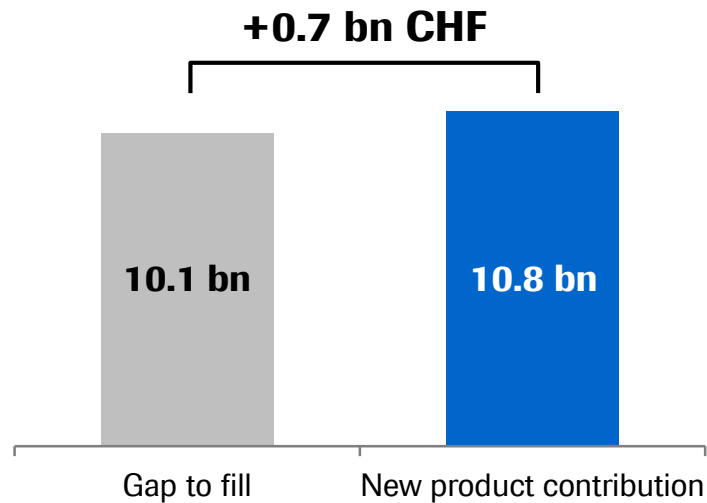
Up-side potential to consensus above are:
Oncology (Venclexta, mosunetuzumab/ CD20xCD3, PI3Kα, SERD) **Autism** (balovaptan), **Alzheimer's** (gantenerumab), **Ophthalmology** (port delivery system), **Immunology** (Gazyva in lupus), **Infectious diseases** (chronic hepatitis B)

¹ Gap value including the total HER2 franchise change from 2017 to 2023, assuming Lucentis will be replaced by faricimab; ² Esbriet, Tarceva, Xolair, Pulmozyme, Rocephin, CellCept, Mircera, NeoRecormon/Epogin, Activase/TNKase, Xeloda, Valcyte/Cymevene, Actemra/RoActemra, Tamiflu, Madopar, Pegasys; ³ satralizumab, etrolizumab, idasanutlin, ipatasertib, risdiplam, HTT-ASO

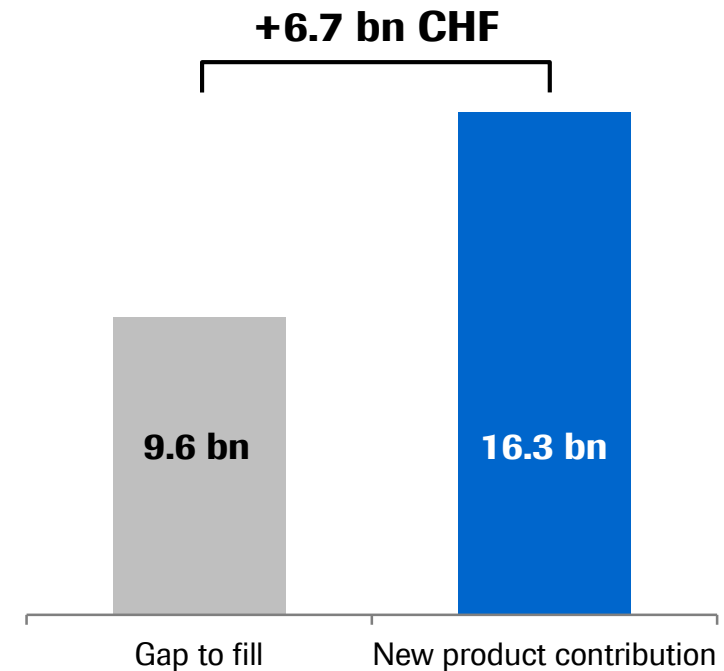
What has changed since our Pharma day a year ago?

Further increased confidence in delivering growth

2017-2022 consensus view¹



2018-2023 consensus view²



Strong new product contribution & ongoing launches driving growth

¹ Roche Post-HY 2018 consensus survey; ² Roche Post-HY 2019 consensus survey

Strong commercial potential throughout late stage portfolio

+17 late-stage assets
with large sales potential

Polivy	✓
Rozlytrek	✓
Venclexta*	✓
Xofluza	✓
risdiplam	filing 2019
satralizumab	filing 2019

balovaptan
HTT-ASO
gantenerumab
idasanutlin
PI3K α (RG6114)
ipatasertib
bi-specifics
Gazyva
etrolizumab
PDS w/ ranibizumab
faricimab

14 blockbusters

Hemlibra
Tecentriq
Alecensa
Kadcyla

10 blockbusters

Ocrevus	Esbriet
MabThera	Actemra
Herceptin	Lucentis
Avastin	Xolair
Perjeta	Activase

Ocrevus	Esbriet
MabThera	Actemra
Herceptin	Lucentis
Avastin	Xolair
Perjeta	Activase

2018

2020 consensus

■ Neuroscience ■ Immunology ■ Ophthalmology
■ Oncology ■ Infectious Disease ✓ launched

* Venclexta sales are booked by partner AbbVie

2019 outlook further raised

Sales growth to “mid- to high-single digit” from “mid-single digit”

Group sales growth¹

- Mid- to high-single digit (from mid-single digit)

Core EPS growth¹

- Broadly in line with sales

Dividend outlook

- Further increase dividend in Swiss francs

¹ At Constant Exchange Rates (CER)

Doing now what patients need next