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.

Any statements 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 this year or any subsequent period will necessarily match or exceed the historical published earnings or earnings per share of Roche.

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All mentioned trademarks are legally protected
Roche Diagnostics
Daniel O’Day
COO Roche Diagnostics

Bernstein 8th Annual Decisions Conference, London
September 20, 2011
Performance update and strategy

Diagnostics
### Roche Group: Strong performance in HY 2011

**Supporting full-year guidance, strong currency impact**

### Sales on track for full year guidance
- Group and Pharma: low-single digit sales growth \(^1,^2\)
- Diagnostics: above market sales growth

### Continuous productivity improvements
- On track to deliver CHF 1.8 bn OE* savings in 2011 (CHF 2.4 bn in 2012)
- Core operating margin and cash flow further increased
- Core EPS +10\(^1\)

### Currency Impact
- Reported results significantly impacted by currency fluctuations
- Underlying exposure mitigated by majority of cost base outside Switzerland

---

\(^1\) local currency, \(^2\) excluding Tamiflu, *Operational Excellence
## HY 2011: Group performance

### Core EPS growth +10%\(^1\)

<table>
<thead>
<tr>
<th>CHF m</th>
<th>2010</th>
<th>2011</th>
<th>CHF %Change</th>
<th>LC %Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>24,636</td>
<td>21,671</td>
<td>-12</td>
<td>0</td>
</tr>
<tr>
<td>Core operating profit</td>
<td>9,159</td>
<td>8,251</td>
<td>-10</td>
<td>+5</td>
</tr>
<tr>
<td>as % of sales</td>
<td>37.2</td>
<td>38.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core net income</td>
<td>6,062</td>
<td>5,821</td>
<td>-4</td>
<td>+11</td>
</tr>
<tr>
<td>as % of sales</td>
<td>24.6</td>
<td>26.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attributable to Roche shareholders</td>
<td>5,965</td>
<td>5,697</td>
<td>-4</td>
<td></td>
</tr>
<tr>
<td>Core EPS (CHF)</td>
<td>6.95</td>
<td>6.68</td>
<td>-4</td>
<td>+10</td>
</tr>
<tr>
<td>IFRS net income</td>
<td>5,565</td>
<td>5,259</td>
<td>-5</td>
<td>+10</td>
</tr>
<tr>
<td>as % of sales</td>
<td>22.6</td>
<td>24.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Outlook improved**

- Core EPS growth target increased to ‘around 10%’\(^1\)
- Grow dividend in-line with Core EPS; at least last year’s dividend in CHF

\(^1\) local currency
P&L structure reflecting innovation based strategy
Peer group core operating profit margin 2010

**R&D % sales**
- Eli Lilly: 22%
- Roche: 19%
- Merck: 18%
- Novartis: 16%
- Sanofi: 14%
- Pfizer: 14%
- GSK: 14%
- Astra: 13%
- JNJ: 11%

**M&D + G&A % sales**
- GSK: 33%
- JNJ: 32%
- Eli Lilly: 32%
- Novartis: 31%
- Astra: 29%
- Pfizer: 29%
- Merck: 29%
- Sanofi: 25%
- Roche: 23%

**Core operating profit margin % sales**
- Astra: 44%
- Sanofi: 38%
- Pfizer: 38%
- Roche: 35%
- Merck: 31%
- GSK: 31%
- Eli Lilly: 30%
- Novartis: 28%
- JNJ: 27%

FY 2010 figures; restated to a core basis based on publicly available information.

1. Pfizer: Non-core items in CoS
2. Eli Lilly: 8% p. lower CoS ratio vs. Roche. Not feasible to judge if definition of Lilly’s CoS same as Roche’s
3. JNJ: No adjustments feasible as no details are disclosed.
Attractive payout ratio

Average yearly dividend growth (2004-2010): 22%

Pay-out ratio calculated as dividend per share divided by core earnings per share (diluted)
Roche strategy

Focused on medically differentiated therapies
A leading pipeline
12 NMEs in late-stage development

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of NMEs</th>
<th>Virology</th>
<th>CNS</th>
<th>Metabolic</th>
<th>Inflammation</th>
<th>Oncology</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>4</td>
<td>ocrolizumab</td>
<td></td>
<td>tasapglutide</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>10</td>
<td></td>
<td></td>
<td>dalcetrapib</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12</td>
<td></td>
<td></td>
<td>ocrelizumab</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>aleglitar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>tasapglutide</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>dalcetrapib</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>ocrelizumab</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>HEGHOG inh</td>
<td>BRAF inhibitor</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>T-DM1</td>
<td>GA101 (CLL)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>pertuzumab</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Glycine reuptake inh</td>
<td>pertuzumab</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>HCV pol inh¹</td>
<td>HCV pol inh¹</td>
<td>aleglitar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ocrolizumab MS</td>
<td>ocrolizumab MS</td>
<td>dalcetrapib</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>lebrikizumab¹</td>
<td>lebrikizumab¹</td>
<td>MetMAb¹</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hedgehog inh</td>
<td>Hedgehog inh</td>
<td>BRAF inhibitor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>T-DM1</td>
<td>T-DM1</td>
<td>GA101 (CLL, NHL)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ LIP decision made, phase III start pending
Six late-stage products require Diagnostics test

Personalised Healthcare becoming reality

T-DM1
Metastatic breast cancer (HER-2 expression)

Pertuzumab
Metastatic breast cancer (HER-2 expression)

RG 7128
Hepatitis C (HCV viral load, genotype)

RG7204
Metastatic melanoma (BRAF V600E mutation)

MetMAb
Non-small cell lung cancer (MET status)

Lebrikizumab
Asthma (periostin level)

1 LIP decision made, phase III start pending
Revaluing Diagnostics: Mutation in BRAF Kinase

Co-development of test and drug in oncology

Joint launch of Vemurafenib and cobas® BRAF test in August 2011

Vemurafenib
Promising results in BRAF V600 mutation-positive metastatic melanoma

cobas® BRAF test
- Identifies patients with BRAFV600E mutation*
- Identifies patients missed by sequencing
- Consistent and reliable results

* BRAF gene mutations detected in ~8% of all cancers, over 50% of malignant melanomas
Performance update and strategy

Diagnostics
Roche Diagnostics
Leader in a Growing Market

Number 1 in IVD…

<table>
<thead>
<tr>
<th>Company</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roche</td>
<td>20%</td>
</tr>
<tr>
<td>Abbott</td>
<td>12%</td>
</tr>
<tr>
<td>Siemens</td>
<td>11%</td>
</tr>
<tr>
<td>J&amp;J</td>
<td>9%</td>
</tr>
<tr>
<td>Beckman Coulter</td>
<td>7%</td>
</tr>
<tr>
<td>bioMérieux</td>
<td>3%</td>
</tr>
<tr>
<td>Bayer</td>
<td>3%</td>
</tr>
<tr>
<td>Becton Dickinson</td>
<td>3%</td>
</tr>
</tbody>
</table>

… a large and growing market

<table>
<thead>
<tr>
<th>Region</th>
<th>2010</th>
<th>2015E</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>57</td>
<td>17</td>
<td>5%</td>
</tr>
<tr>
<td>ROW</td>
<td>44</td>
<td>17</td>
<td>10%</td>
</tr>
<tr>
<td>Japan</td>
<td>11</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td>W Europe</td>
<td>14</td>
<td>16</td>
<td>3%</td>
</tr>
<tr>
<td>US</td>
<td>15</td>
<td>19</td>
<td>5%</td>
</tr>
</tbody>
</table>

* incl. Diabetes Monitoring
Source: Industry Analyst Report
## HY 2011: Diagnostics Division sales

### Maintaining IVD market leadership and growth

<table>
<thead>
<tr>
<th></th>
<th>2010 CHF m</th>
<th>2011 CHF m</th>
<th>change in % CHF</th>
<th>change in % local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Diagnostics</td>
<td>2,449</td>
<td>2,347</td>
<td>-4</td>
<td>+9</td>
</tr>
<tr>
<td>Diabetes Care</td>
<td>1,489</td>
<td>1,329</td>
<td>-11</td>
<td>+1</td>
</tr>
<tr>
<td>Molecular Diagnostics</td>
<td>604</td>
<td>544</td>
<td>-10</td>
<td>+2</td>
</tr>
<tr>
<td>Applied Science</td>
<td>449</td>
<td>377</td>
<td>-16</td>
<td>-4</td>
</tr>
<tr>
<td>Tissue Diagnostics</td>
<td>259</td>
<td>259</td>
<td>0</td>
<td>+16</td>
</tr>
<tr>
<td><strong>Diagnostics Division</strong></td>
<td><strong>5,250</strong></td>
<td><strong>4,856</strong></td>
<td><strong>-8</strong></td>
<td><strong>+5</strong></td>
</tr>
</tbody>
</table>
### Market leadership driving sales

**Sustained high growth in Professional & Tissue Diagnostics**

<table>
<thead>
<tr>
<th>CHF bn</th>
<th>HY 2011 vs. HY 2010</th>
<th>local growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Professional Dia</strong></td>
<td></td>
<td>+9%</td>
</tr>
<tr>
<td><strong>Diabetes Care</strong></td>
<td></td>
<td>+1%</td>
</tr>
<tr>
<td><strong>Molecular Dia</strong></td>
<td></td>
<td>+2%</td>
</tr>
<tr>
<td><strong>Applied Science</strong></td>
<td></td>
<td>-4%</td>
</tr>
<tr>
<td><strong>Tissue Dia</strong></td>
<td></td>
<td>+16%</td>
</tr>
</tbody>
</table>

- Driven by immunoassays (+13%); CE mark for Vitamin D total test (D2D3); Roll-out cobas c 702 clin chem module
- Strong growth in developing markets & Japan; New products awaiting regulatory approval in the US
- FDA approval for cobas HPV test; Filing for cobas BRAF V600 mutation test (EU & US) and cobas CT/NG test (US)
- Negative impact by one-time orders in Q1 ‘10 related to H1N1 testing; Launch of LightCycler Nano for real-time PCR
- Sales driven by immunohistochemistry (IHC) tests; FDA approval for HER2 Dual ISH assay
Diagnostics Division performance HY 2011
Profit increase primarily due to higher sales and improved CoS ratio

### 2011 vs. 2010

<table>
<thead>
<tr>
<th></th>
<th>2011 CHF m</th>
<th>2011 % sales</th>
<th>2011 vs. 2010 local growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalties &amp; other op inc</td>
<td>50</td>
<td>1.0</td>
<td>-41%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-2,052</td>
<td>-42.3</td>
<td></td>
</tr>
<tr>
<td>M &amp; D</td>
<td>-1,174</td>
<td>-24.1</td>
<td></td>
</tr>
<tr>
<td>R &amp; D</td>
<td>-431</td>
<td>-8.9</td>
<td></td>
</tr>
<tr>
<td>G &amp; A</td>
<td>-186</td>
<td>-3.8</td>
<td></td>
</tr>
<tr>
<td><strong>Core operating profit</strong></td>
<td><strong>1,063</strong></td>
<td><strong>21.9</strong></td>
<td></td>
</tr>
</tbody>
</table>

1 Cost of goods sold & period cost
Our Strategy: Overview
Differentiation through innovation in testing efficiency and medical value

Drivers of competitive differentiation

- Provide lab solutions
- Offer complete menus
Roche cobas Solutions Strategy

Complete product offering worldwide

Integrated Pre-analytics

Winning Analytics Solutions

Comprehensive Testing Menu

Seamless IT Solutions

Post-analytics
Our Strategy: Overview
Differentiation through innovation in testing efficiency and medical value

Drivers of competitive differentiation

- Focus on unmet needs
- Get access & create IP
- Deliver clinical evidence

2020
Roche HPV Test Setting New Standard

HPV genotype 16/18 testing identifies women at highest risk for cervical cancer

Three results per test
- 12 HR HPV pool
- HPV Genotype 16
- HPV Genotype 18
- Control

Fully automated platform

Individual HPV-16/18 genotyping

1 in 10 women who had normal pap & tested positive for HPV-16 and/or 18 had pre-cancer

New physician-focused go-to-market approach in the US
- Dedicated medical sales force targeting OB/GYNs
- Lab sales force focused on establishing cobas 4800 installed base
- Medical marketing of ATHENA trial results

Driving cobas HPV Test adoption
Building a cervical cancer portfolio
Complementary solutions for risk identification and detection of disease

**cobas HPV test**
- detects HPV DNA plus genotypes 16 & 18 in cytology preparations

**mtm Acquisition**
- CINtec® PLUS
  - detects p16 & Ki-67 protein expression in cytology preparations
- CINtec® HISTOLOGY
  - detects p16 protein expression in tissue biopsies

**screening**
- Risk identification of disease

**triage**
- Disease detection and characterisation

**cervical lesions/cancer**
HER2 Dual ISH provides fully automated alternative to HER2 FISH assays

Fits into anatomic pathology lab workflow
• Rapid time to result (12 hr vs 36 hr)
• No darkroom or fluorescent microscope required

Improves visualization for the pathologist
• View entire tissue sample and HER2 gene status shown in context of tumor morphology

Delivers patient value
• Showed 96% concordance to FISH, with majority discordant cases correctly identified by Dual ISH*

Leading and changing the market
• Achieved leading position in EU just 12 months post-launch
• Large BenchMark installed base in US

ISH = in situ hybridisation; FISH: fluorescence in situ hybridisation
* Publication in progress
## 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)
- LightCycler Nano for real time PCR analysis (global)

### Tissue Diagnostics
- ER/PR antibody for IHC (US)
- HER2 dual colour ISH probe (US)
- OptiView detection system (US, EU)

---

Diagnostics Division Outlook: Sales growth significantly above the market

* Subject to appropriate regulatory approvals barring unforeseen events