

Roche: Committed to Innovation

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- 10 loss of key executives or other employees; and
- 11 adverse publicity and news coverage.

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Growth opportunities

Summary

Pharma Q1 `08: strong underlying momentum

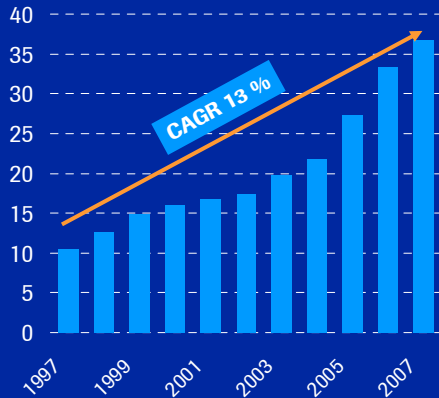
Sales CHF m

	Q1'07	Q1'08	% change in		USD
			CHF	local	growth
Roche Pharma	5,702	5,498	-4	1	11
excl. Tamiflu pandemic	5,151	5,455	6	11	22
Genentech	2,547	2,399	-6	9	9
Chugai	893	671	-25	-23	-13
excl. Tamiflu pandemic	698	669	-4	-2	11
Pharmaceuticals	9,142	8,568	-6	1	8
excl. Tamiflu pandemic	8,396	8,523	2	9	17

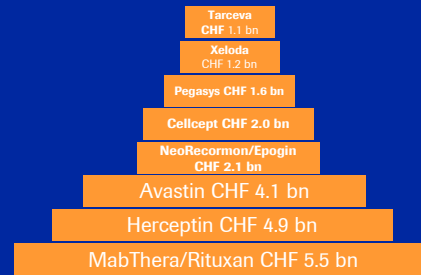
Pharma: Strong growth at well balanced risk profile Based on multiple products



Pharma sales¹ (CHF billion)



2007 Blockbuster Sales Pyramid (CHF billion)

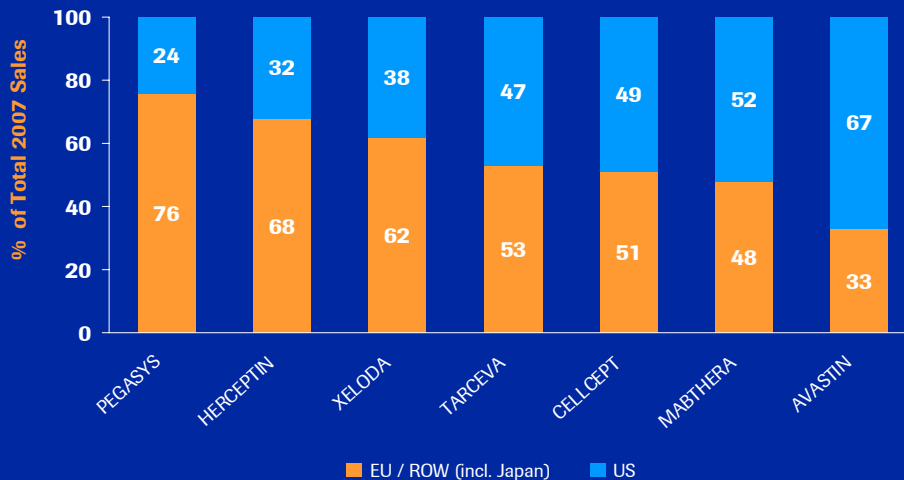


Continuing to focus on our core assets

¹ Continuing businesses

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Major growth opportunities outside the US



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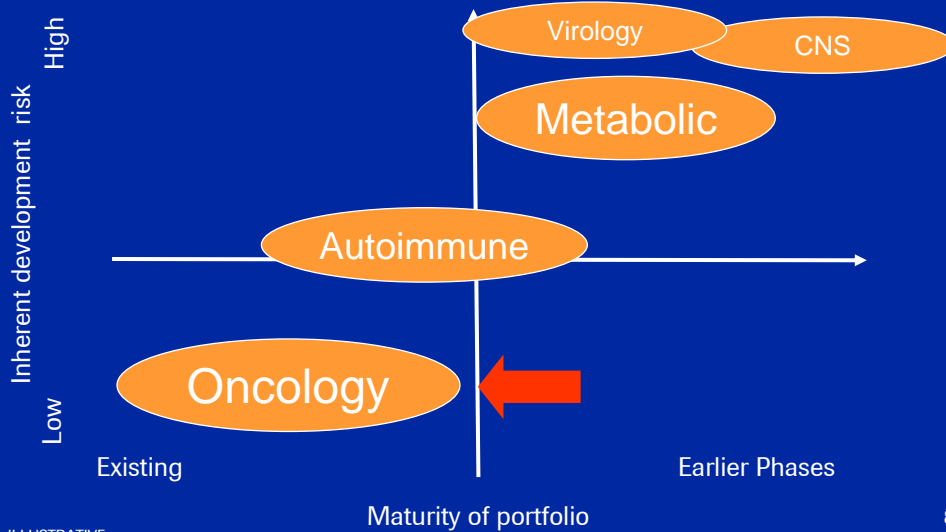
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Growth opportunities

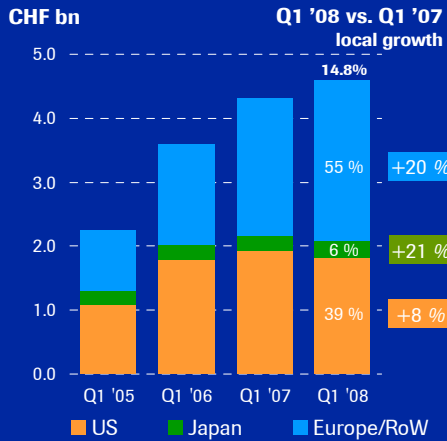
Summary

Key drivers for long term development in place

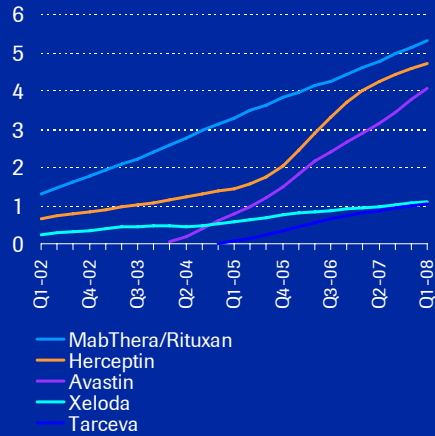
Develop the short term drivers while shaping the others



Oncology: Europe/RoW particularly strong

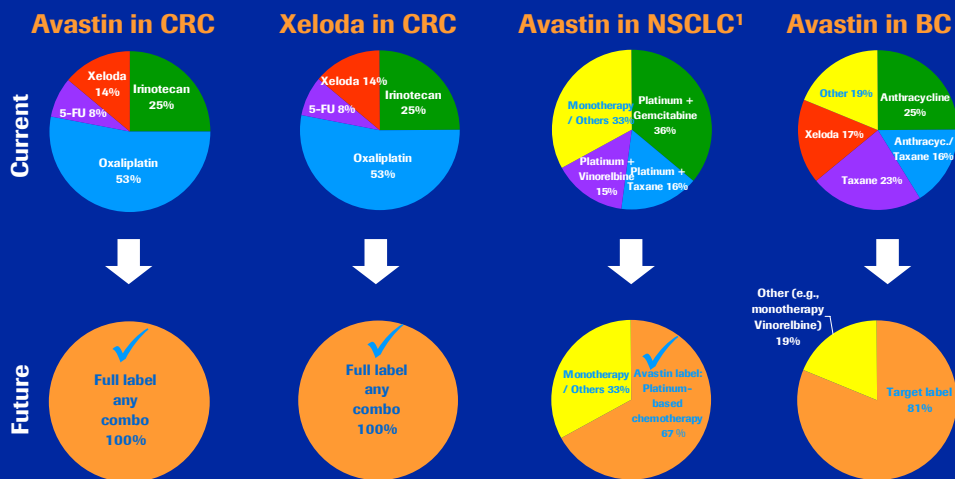


Sales, key oncology products (MAT, CHF bn at Q1-08 avg. exchange rates)



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Expanding markets, launching with best possible label And expanding the label



Source for CRC and NSCLC market: Synovate Healthcare. Source for BC market: Genactis. ¹ Non-squamous NSCLC.

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Avastin still early in its journey



Beyond metastatic indications and across tumour types

Tumour

Early/adjvant (Potential for cure)

Colon/ rectal	Phase III (AVANT, NSABP C-08, E5202, E5204)
Lung (NSCLC)	Phase III (E1505)
Breast (HER2-)	Phase III (BEATRICE, E5103)
Breast (HER2+)	Phase III (BETH w/Herceptin)

Avastin also trialed in gastric, ovarian, prostate, aNHL, and brain (GBM)

(Trial names) [Approval status]. More trials are ongoing than listed above.

Examples of new market opportunities



Trastuzumab-DM1- *Very promising early data (Phase 1 data)*

(24 pts evaluated, - 6 objective responses, 4 responses on-going at the last data cut-off; the longest has persisted over 8 months- No unexpected cardiotoxicity so far

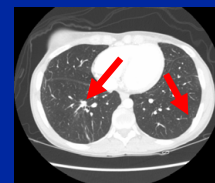
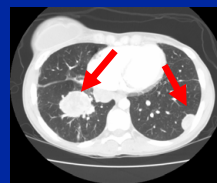
Moved into Phase II

3rd generation Anti-CD20s *Acquisition of Glycart paying off*

Increased CD20 binding and apoptosis
Increased ADCC; Reduced CDC

Moving into Phase II soon

IGF1-R Inhibitor – Impressive early results *Eligibility as multi-tumor compound?*



Restaging Week 6

Unique Features- Selective to IGF pathway which is a key factor in tumor growth

Drivers for Value – IGF pathway linked to many tumor types

Moved into Phase II

ADCC= (antibody dependent cell-mediated cytotoxicity); CDC= (complement dependent cytotoxicity)

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Roche at ASCO: first in class mechanisms establishing new standards of care



Expected key data

- Avastin mBC (AVADO)
- Avastin adj. CC (NSABP C-08) safety results
- Avastin mCRC K-ras update
- Avastin in GBM (BRAIN)
- Herceptin multiple lines of treatment (GBG26)
- Pertuzumab full phase II in mBC

Two IR events planned for ASCO 2008

Key objective: to be first to market

Rank	Drug	Sales MAT 3Q07 (\$m)
1	MabThera	3,550
2	Herceptin	3,110
3	Avastin	2,610
4	Glivec	2,450
5	Taxotere	2,150
6	Eloxatine	2,010
7	Arimidex	1,540
8	Gemzar	1,330
9	Casodex	1,190
10	Erbix	1,080

First in class

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

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Oncology in 2008



Preparing for new market opportunities

Breast cancer (BC)

- Phase III data (AVADO, RIBBON-1) to broaden Avastin label for combination with all major chemos
- HER2+ mBC
 - phase III for pertuzumab started in Q1 2008
 - opted-in to trastuzumab-DM1 (in phase II)
- Avastin adjuvant trials started: Large potential new market opportunity

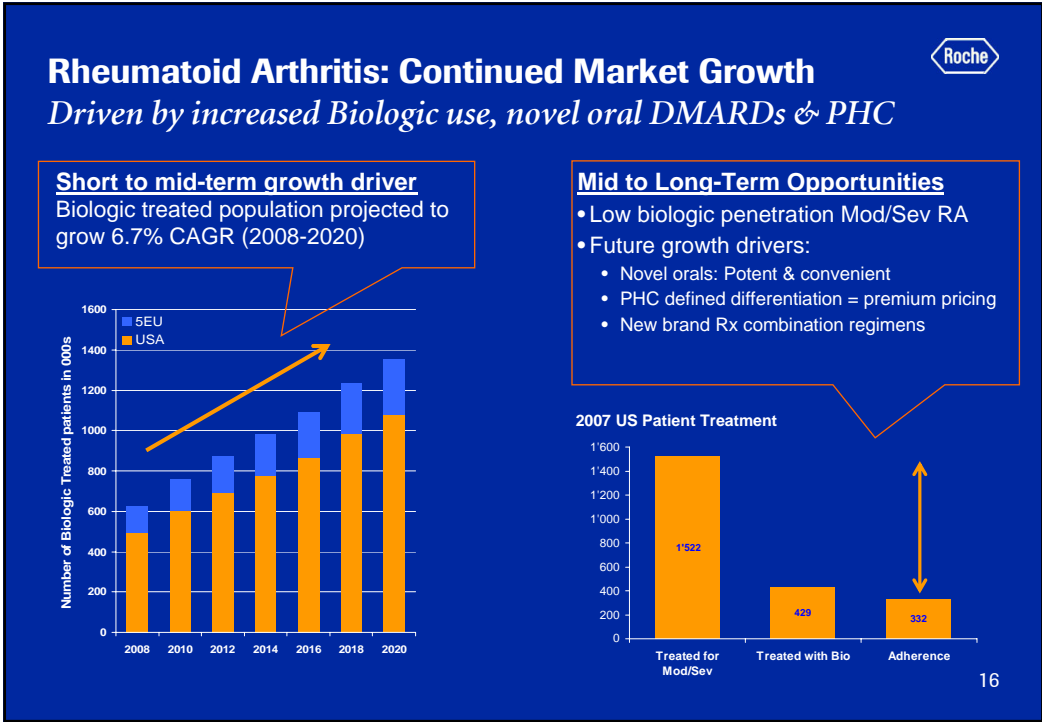
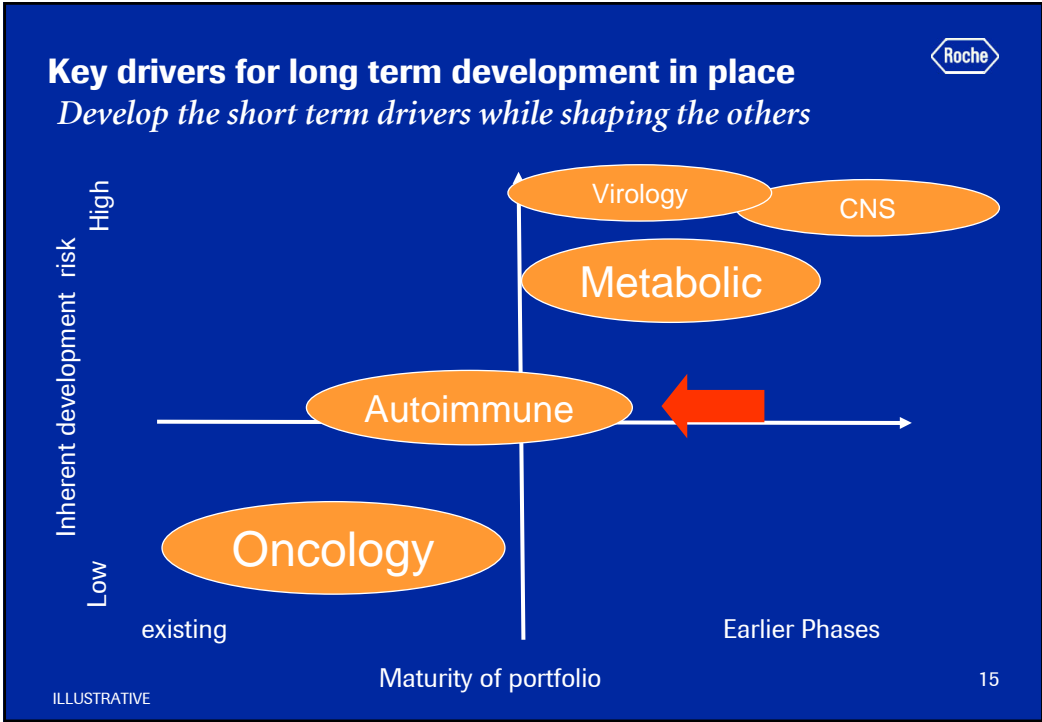
Metastatic colorectal cancer (mCRC)

- Launch of Avastin and Xeloda in 1st and later lines - not restricted by chemo choice (incl. oxaliplatin) (EU)

Chronic lymphocytic leukemia (CLL)

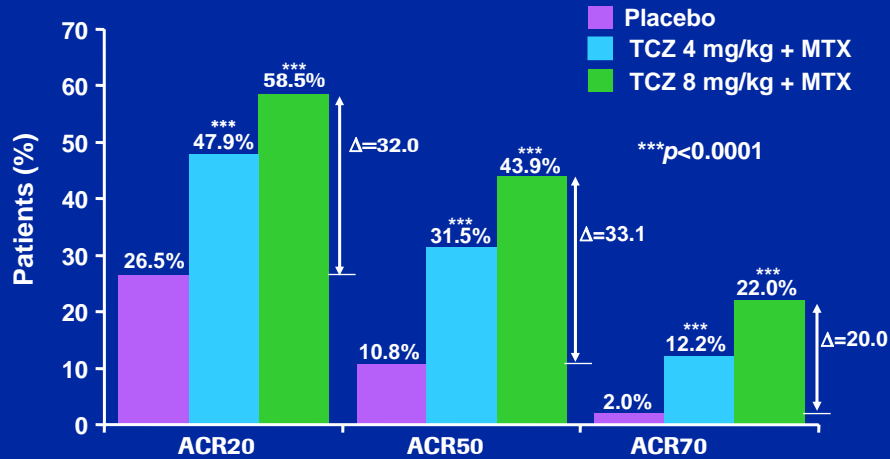
- Positive data in 1st line - MabThera to enter a new market in Europe

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Actemra: Significant clinical benefit

Strong improvement also at higher ACR scores

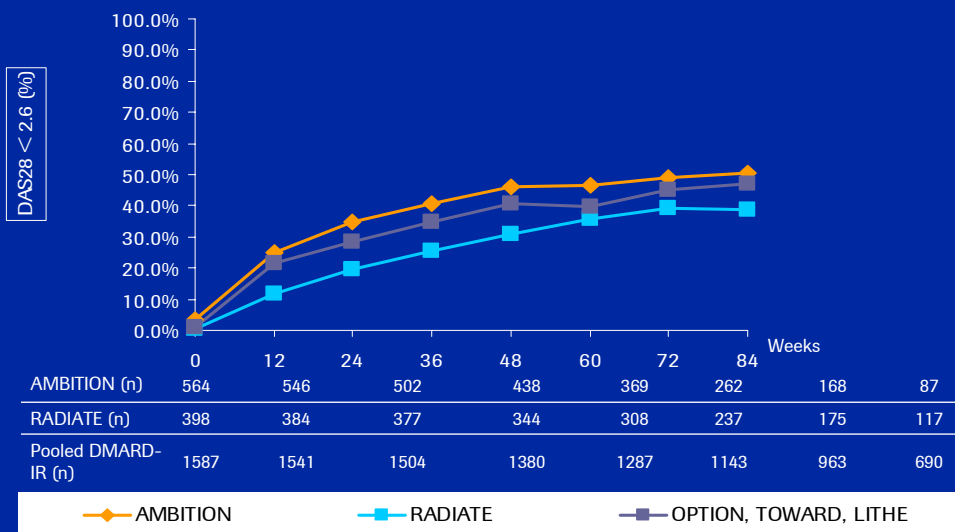


Source: Roche's OPTION trial. All comparisons are to placebo + MTX
Cochran-Mantel-Haenszel analysis was used to calculate p-values

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Actemra: Impressive Long-term extension data

DAS28 (ESR) < 2.6 (ITT)



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Next generation anti-CD20s (MabThera follow-ons)

Opportunities for improvement



2nd gen. anti-CD20 (ocrelizumab)

Fully humanized

Potential clinical benefits

- Less immunogenicity
- Better tolerability
- Shorter infusion time

3rd gen. anti-CD20 (R7159)

Fc engineered (glycosylations)

- Increased CD20 binding and apoptosis
- Increased ADCC (antibody dependent cell-mediated toxicity)
- Reduced CDC (complement dependent cell toxicity)

Potential clinical benefits

- Improved efficacy/ Less infusion reactions

In phase III in RA,
Phase II in RRMS to start 2008

In phase I for oncology / hematology

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Inflammation Portfolio

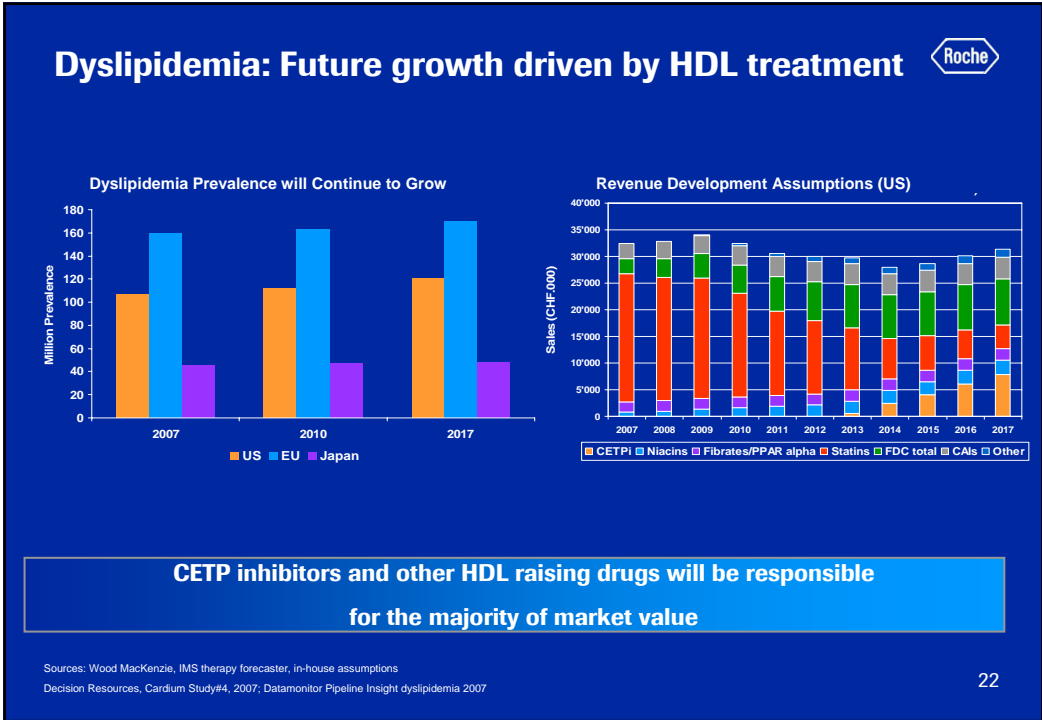
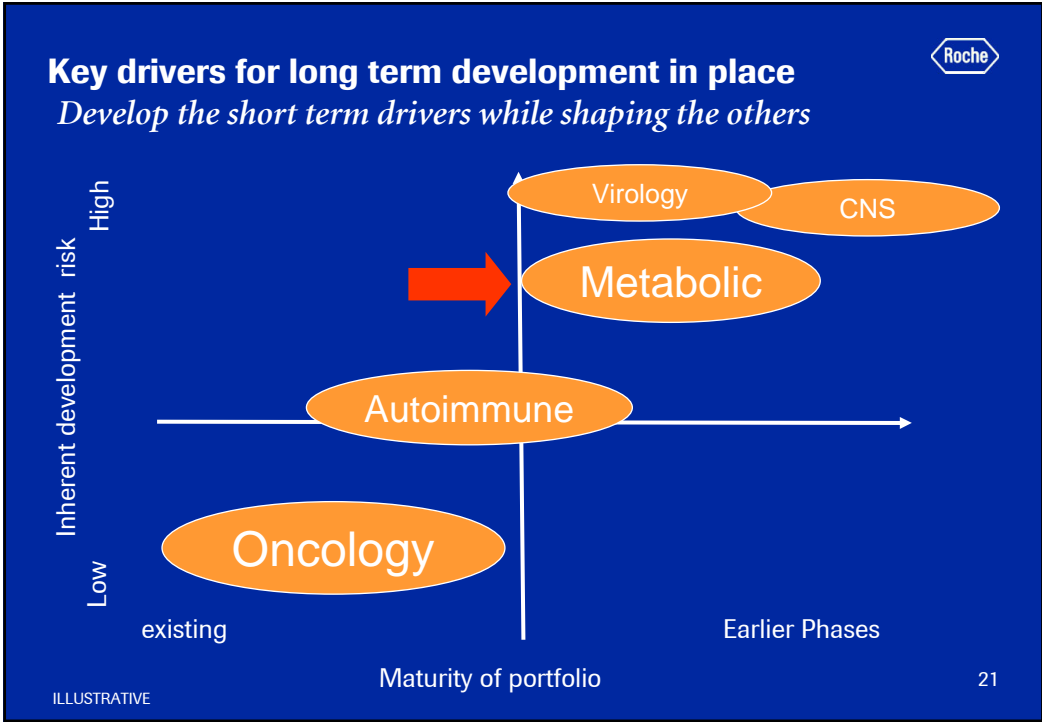
A rich pipeline in multiple AI indications



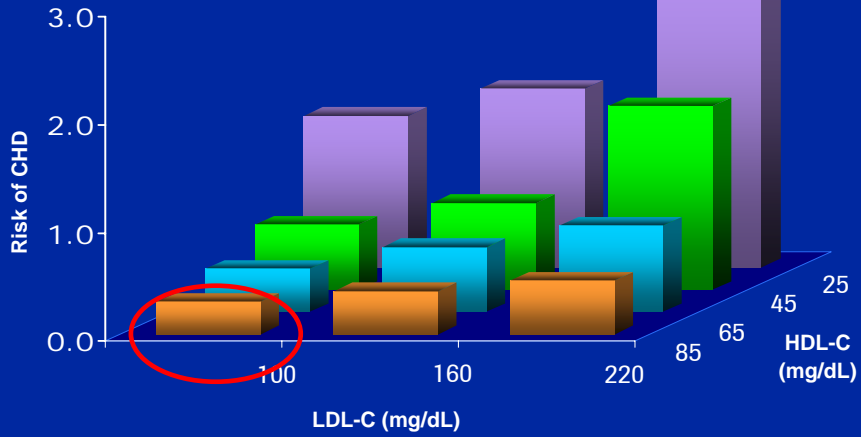
	LI	LO	P0	P1	P2	P3	Mkt
Rheumatology	nn	nn		nn	Actemra sJIA	Actemra RA	MabThera RA
	nn	nn		nn	Ocrelizumab SLE	Ocrelizumab RA	
	nn	nn				MabThera DMARD inad resp	
	nn	nn				MabThera RA MTX naive	
		nn					
	nn	nn					
Respiratory	nn	nn	nn	nn	RARy		
	nn	nn		hMAb OX40L			
	nn	nn		nn			
Transplant		nn		nn			CellCept
Pain		nn		nn			
Other		nn		S1P1 Psoriasis	ocrelizumab ANCA vasculitis		
					nn		

Project origin: TPI Group Origin External Origin Line Extensions

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Dyslipidemia: Low HDL-C is an Independent Factor of CHD Risk even when LDL-C is Low

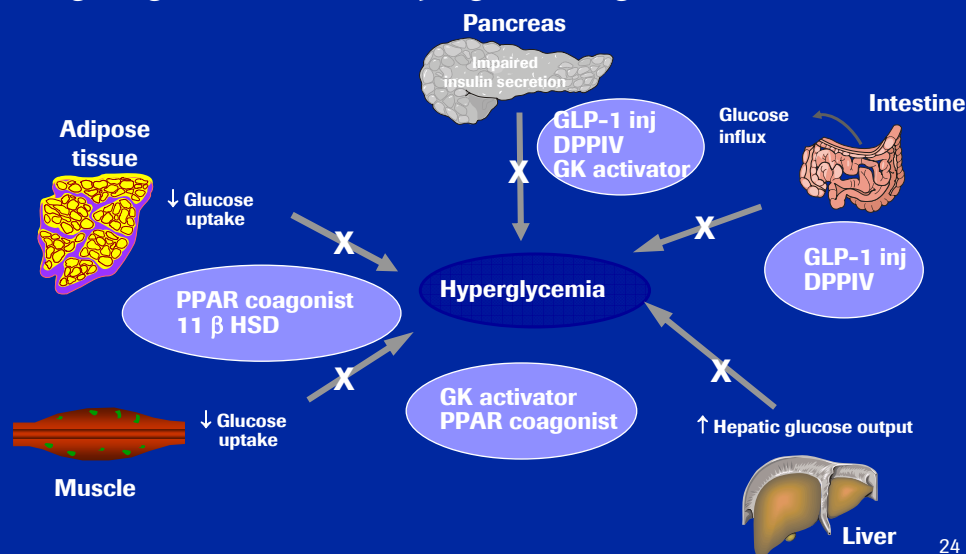


Gordon T et al. *Am J Med* 1977;62:707-714

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Roche diabetes portfolio

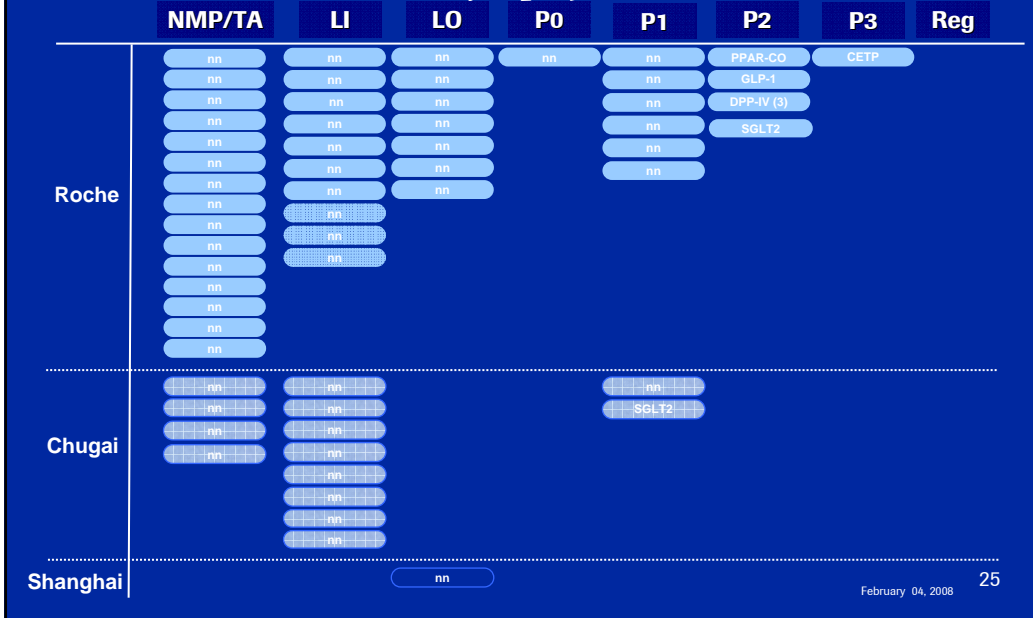
Targeting All three Underlying Pathologies



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Our metabolic pipeline: maturing quickly

Committed to become a major player



Metabolism/Diabetes in 2008

Committed to become a major player



CETP Inhibitor to move into phase III

- Safety data to be presented at major medical meetings

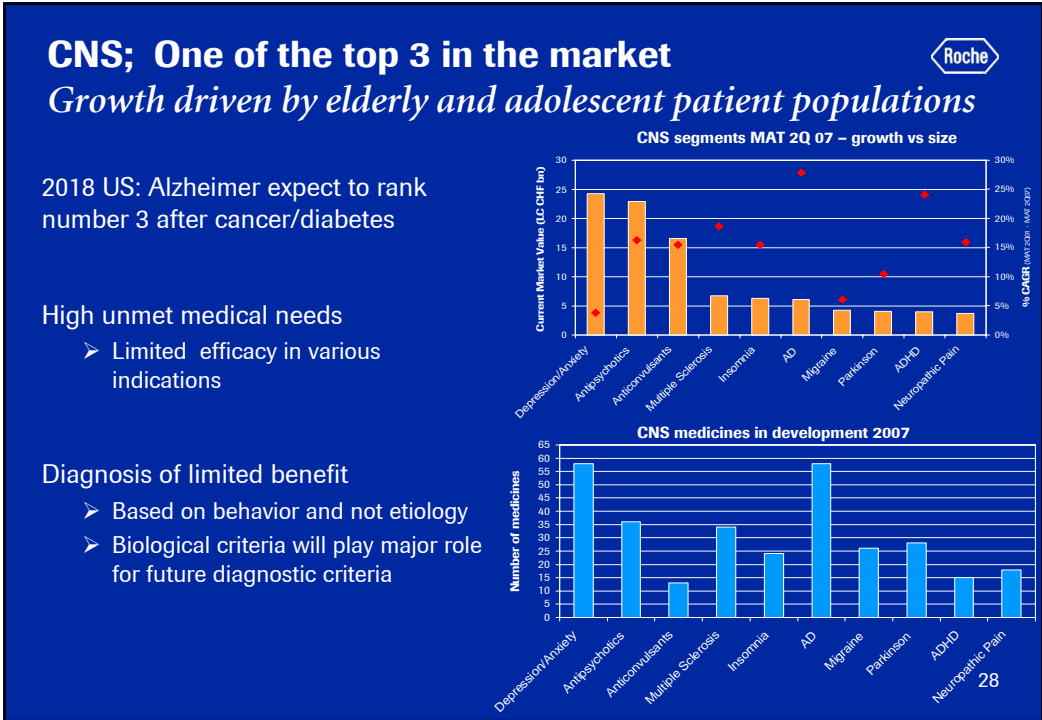
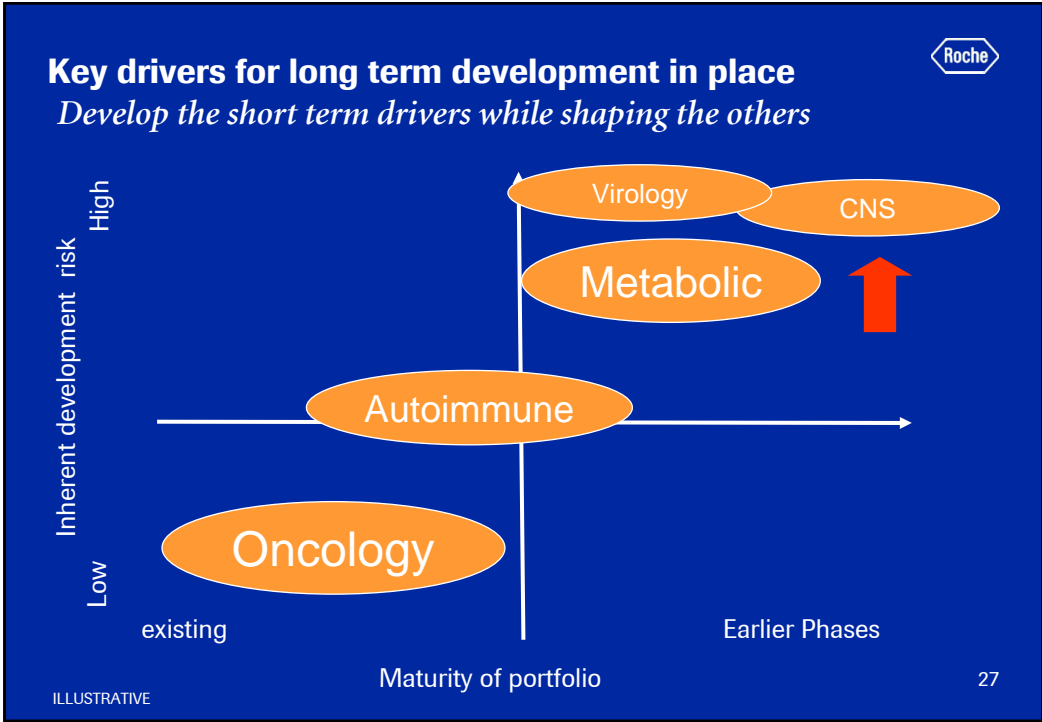
GLP-1 phase II data available

- Decision for phase III to be taken in H1 2008
- Publication planned for ADA

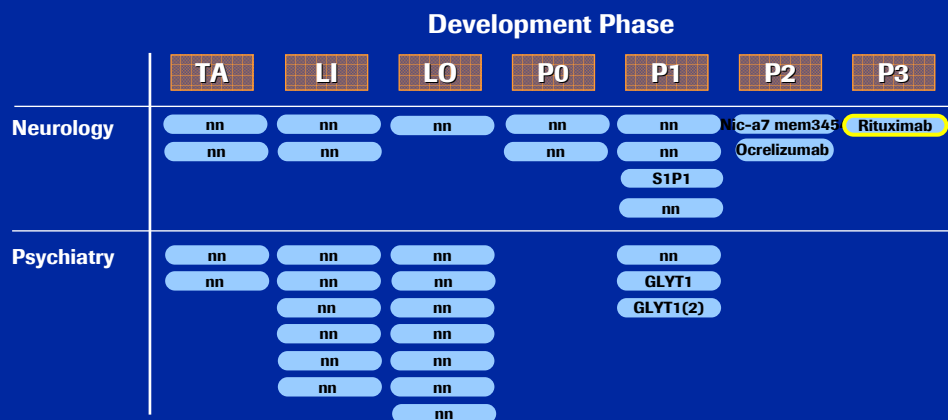
Phase II data for DPP-IV (3) and PPAR α expected

- Looking for a differentiated profile (e.g. weight reduction for DPP-IV)
- Go/no-go decisions for phase III trials to be taken this year

SGLT2 just moved into Phase II



CNS Portfolio 2008- A clear commitment



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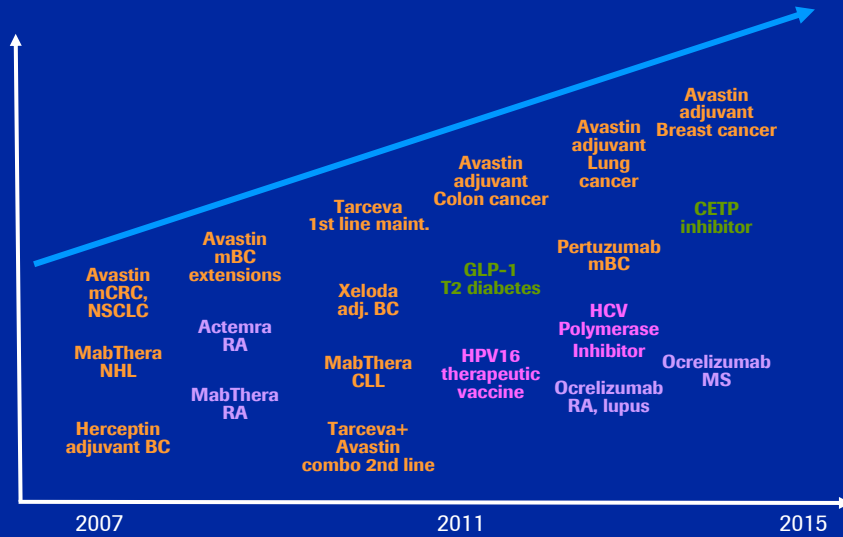
Growth opportunities

Summary

Key drivers in place for sustainable growth



Current and projected sources of value creation (phase IIb and III)



ILLUSTRATIVE

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Our objectives for 2008



Sales

- High single-digit local currency sales increase for Roche Group (excl. Tamiflu pandemic¹)
- Above-market sales growth¹ in both divisions

Core EPS

- Core earnings per share target² at least at record 2007 level despite significant increase in R&D investment and considerably lower Tamiflu pandemic sales

Shareholder return

- Continuous increase in dividend pay-out ratio over the next 3 years

¹ Excluding government and corporate stockpiling orders of Tamiflu for pandemic use
² At constant exchange rates

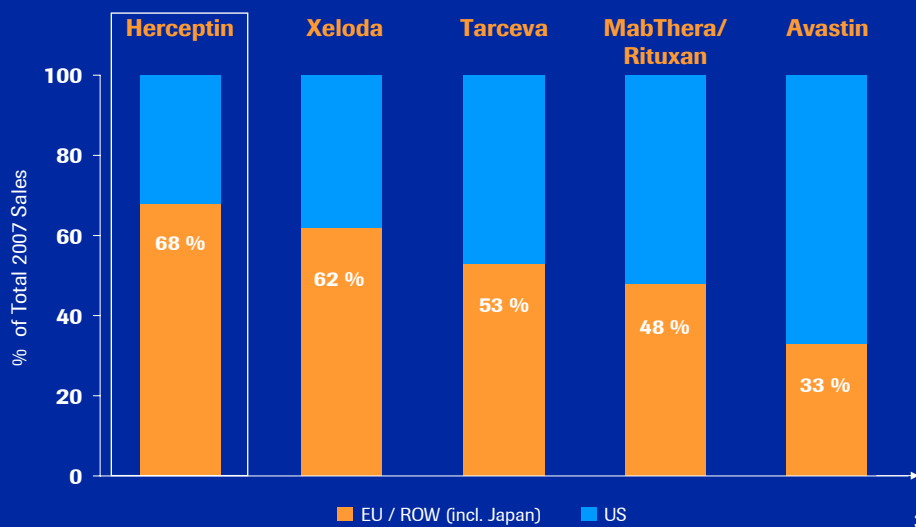
Barring unforeseen events

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Major growth opportunities outside the US



Herceptin leading the way



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