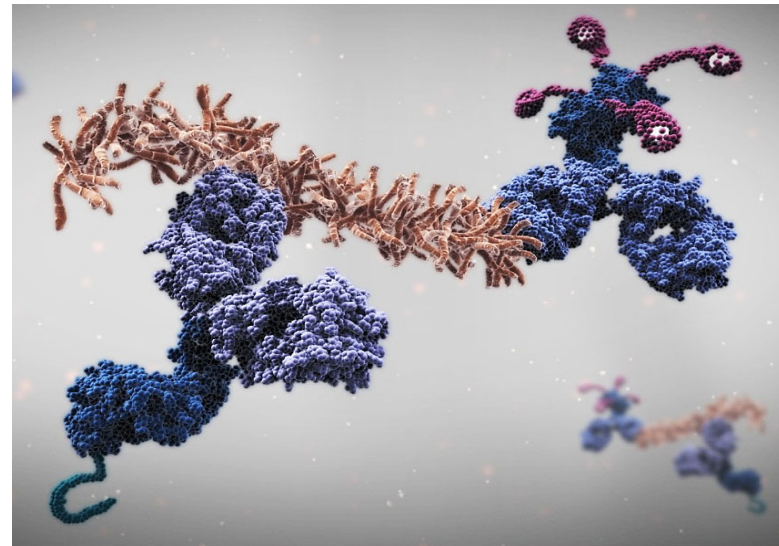

Committed to innovation and growth

*Roland Diggelmann,
COO Roche Diagnostics*

Atlanta, 28 July 2015



HY 2015 Group results

Diagnostics

Business model & strategy

HY 2015 overview

Building a leading sequencing solution

Outlook

HY 2015: Highlights

Growth

- Sales**
- Group sales +6%¹ driven by HER2 franchise (+21%), Avastin (+9%), Actemra (+25%) and Professional Diagnostics (+7%)
 - Outperformance in all major regions: US (+6%¹), Japan (+6%¹) and International (+9%¹)
- Profit**
- +7% core EPS growth^{1,2} driven by strong underlying business

Innovation

- Oncology**
- Strong ASCO newsflow
- Atezolizumab (aPD-L1): POPLAR, FIR, Chemo combos
 - Alectinib: Phase II in 2L ALK+ NSCLC
 - Gazyva: Phase III (GADOLIN) in R/R iNHL
 - Cobimetinib + Zelboraf: Phase III (coBRIM) in 1L BRAF+ mM
- Neuroscience**
- Ocrelizumab: OPERA I and II met primary and secondary endpoints
- Hematology**
- ACE910 (aFIXa/FX): Updated phase Ib

¹ At Constant Exchange Rates (CER)

² Excluding sale of filgrastim rights in 2014

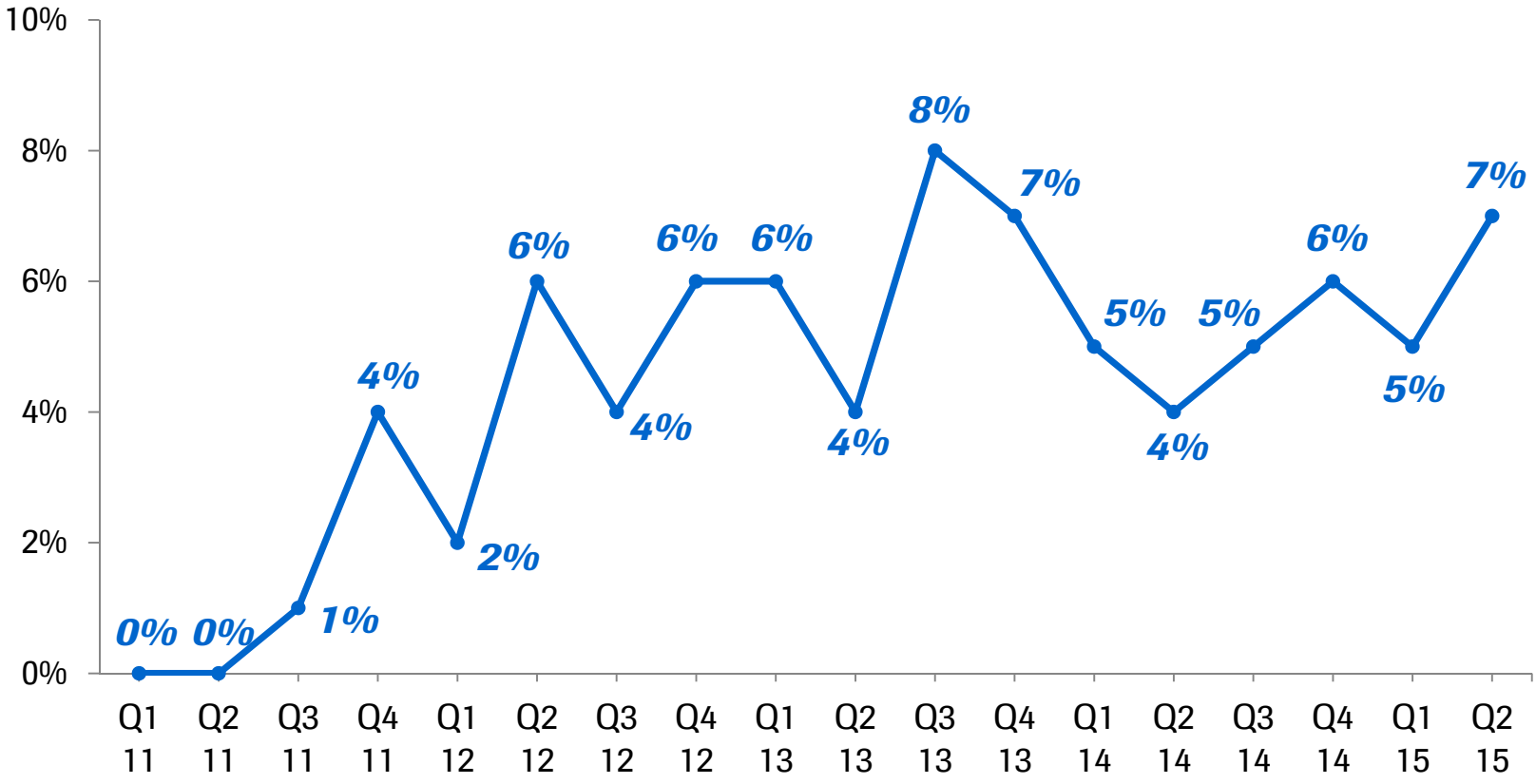


HY 2015: Strong sales growth

	HY 2015	HY 2014	Change in %	
	CHFbn	CHFbn	CHF	CER
Pharmaceuticals Division	18.4	17.9	3	5
Diagnostics Division	5.2	5.1	2	7
Roche Group	23.6	23.0	3	6

CER=Constant Exchange Rates

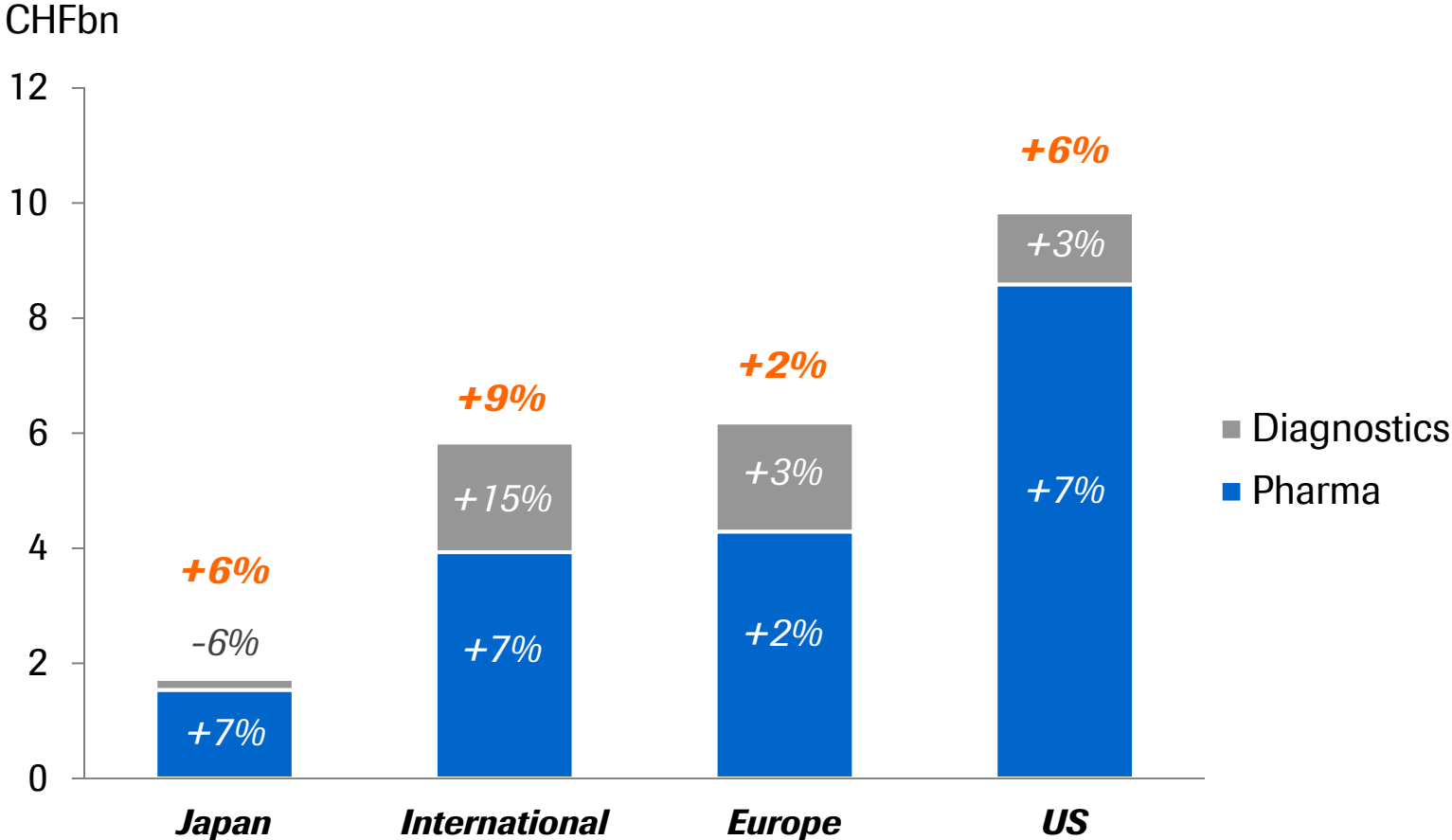
Q2 2015: Sales growth for fifth consecutive year



All growth rates at Constant Exchange Rates (CER)

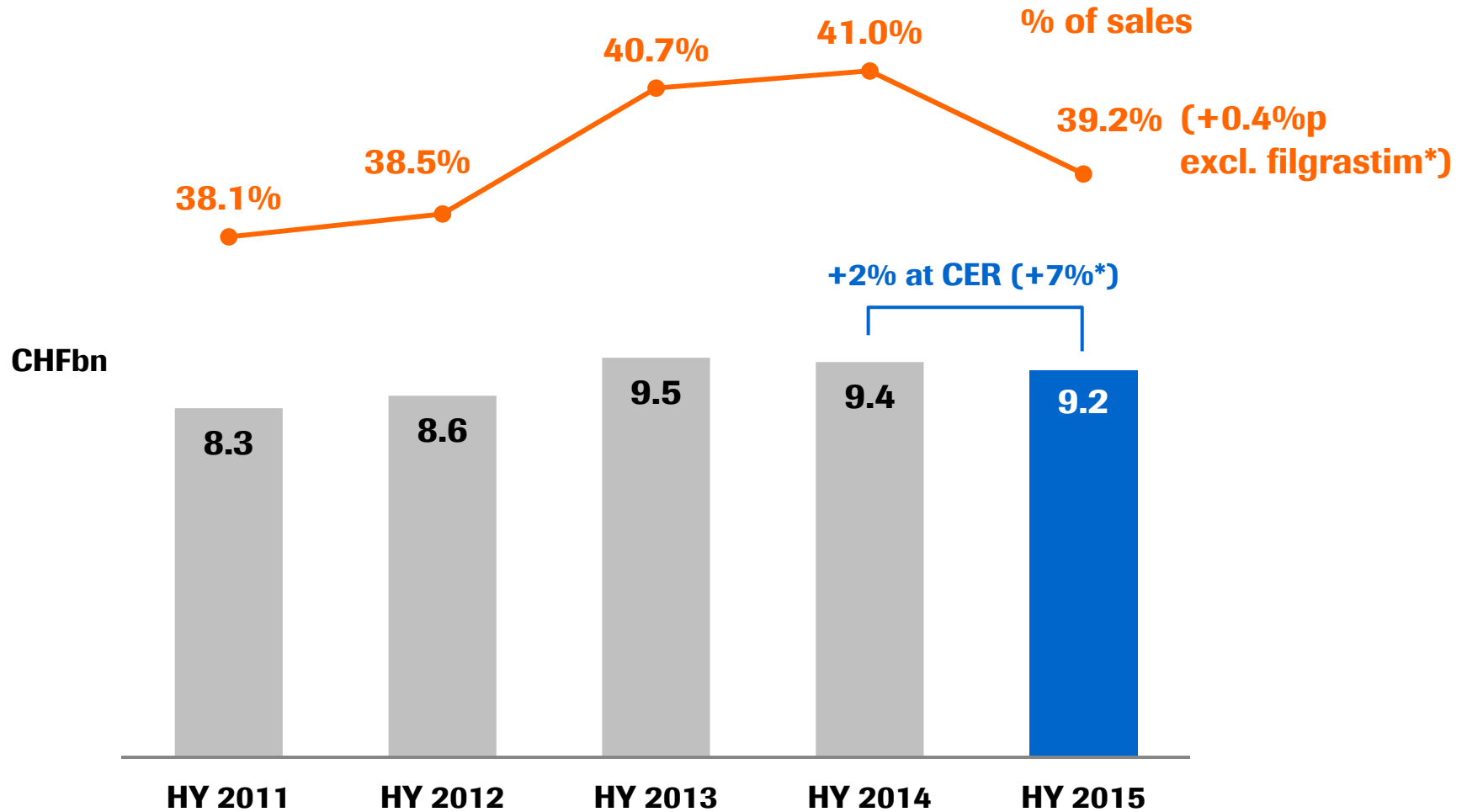


HY 2015: Both divisions with strong sales growth



All growth rates at Constant Exchange Rates (CER)

HY 2015: Strong underlying Group core operating profit & margin

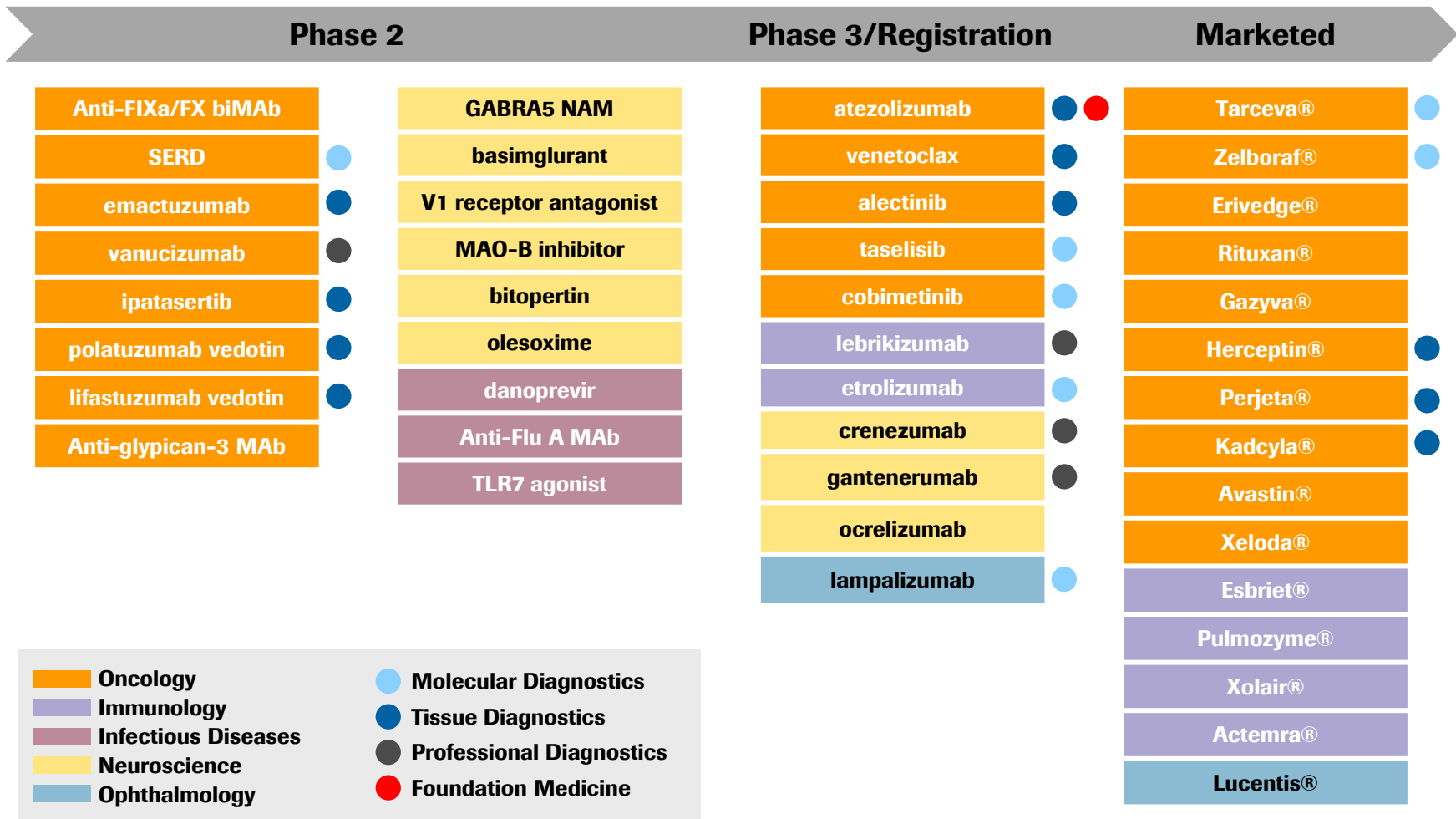


CER=Constant Exchange Rates

* Excluding sale of filgrastim rights in 2014 at CER

Progressing in Personalised Healthcare

60% of phase 2 & 3 products have PHC component



Roche: 6 new molecular entities (NMEs) for near-term readout

2015

- **Alectinib** (filing)
- **Venetoclax** (filing)
- **Cobimetinib / Zelboraf** (approval)

2016

- **Atezolizumab (aPDL1)**
Lung and bladder (filings)
- **Ocrelizumab** (filing)
- **Lebrikizumab** (filing)

2015 outlook

Group sales growth¹

Low to mid-single digit

Core EPS growth¹

Ahead of sales growth²

Dividend outlook

Further increase dividend in Swiss francs

¹ At Constant Exchange Rates (CER)

² Excluding sale of filgrastim rights in 2014

HY 2015 Group results

Diagnostics

Business model & strategy

HY 2015 overview

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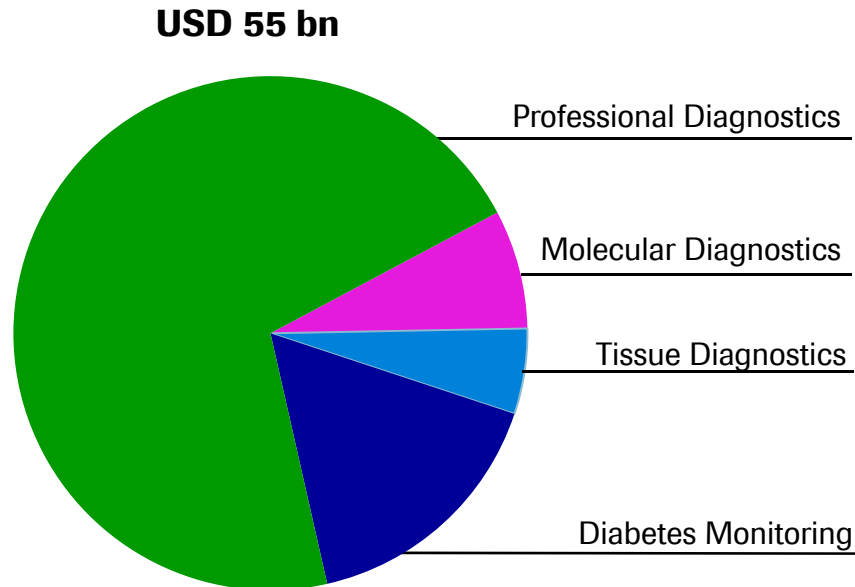
Outlook



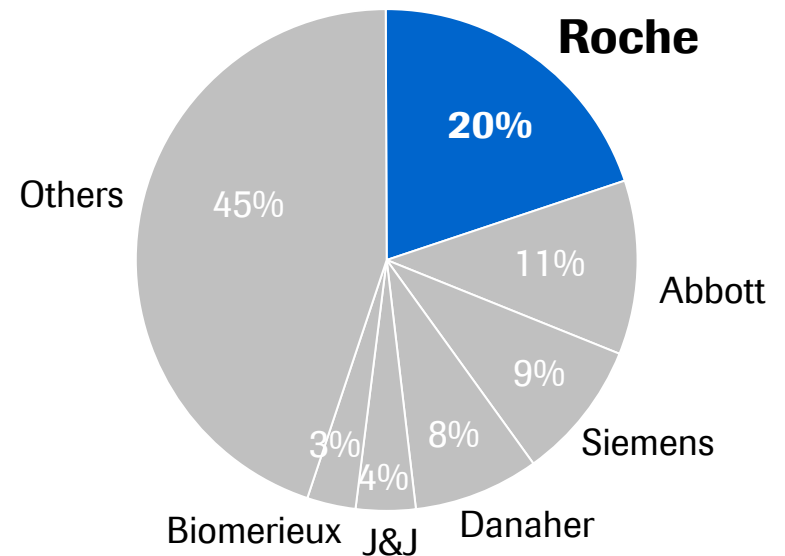
In-Vitro Diagnostics market overview

Large and growing market; Roche is market leader

Market size

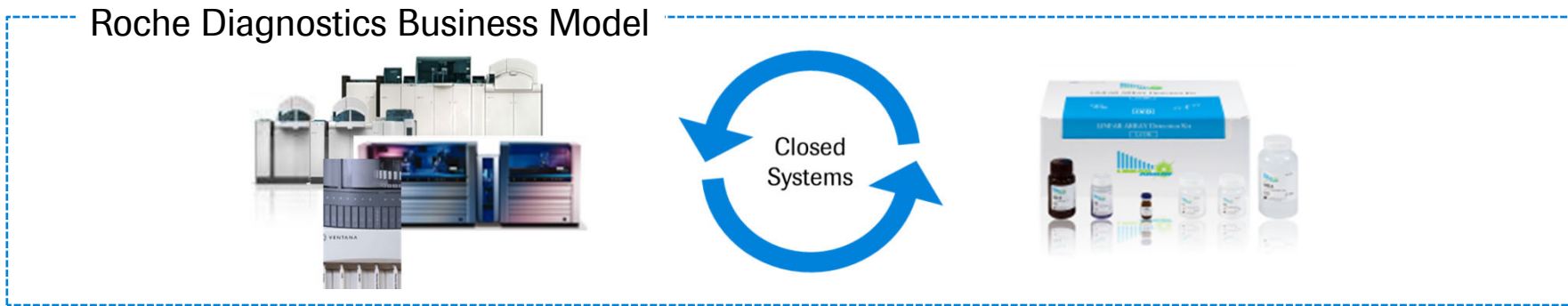


Market share



Our business model

Customer focus and place instruments to generate recurring revenues through reagent usage





Roche Diagnostics

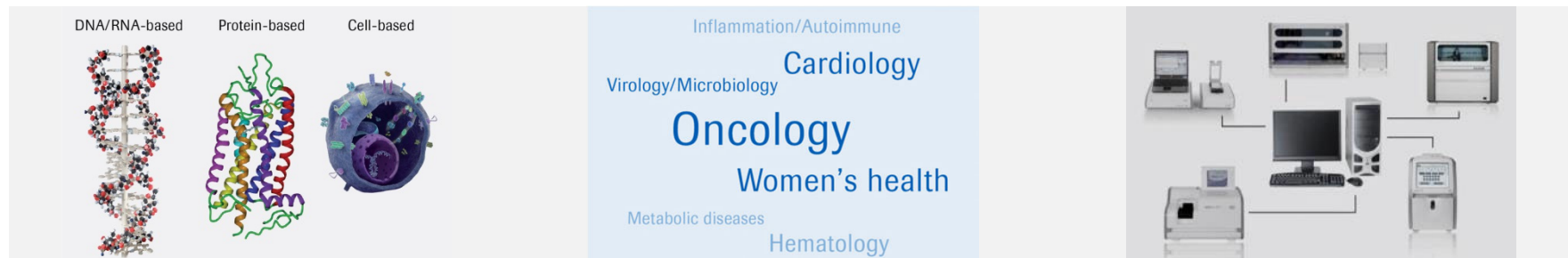
Our competitive advantage

Total solution offering

Breadth of technologies

Comprehensive menu

IT and workflow connectivity

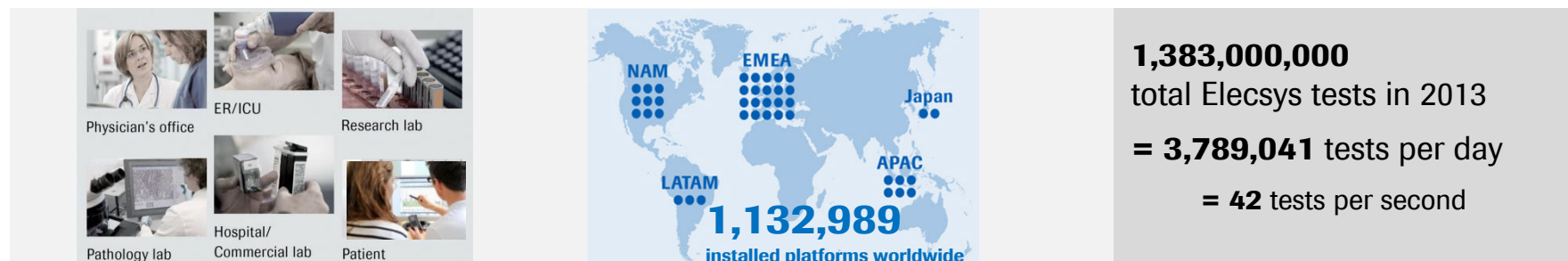


Strong commercial presence

Active in all diagnostics segments

Large installed base worldwide

Millions of patients each day



HY 2015 Group results

Diagnostics

Business model & strategy

HY 2015 overview

Building a leading sequencing solution

Outlook



HY 2015: Diagnostics Division sales

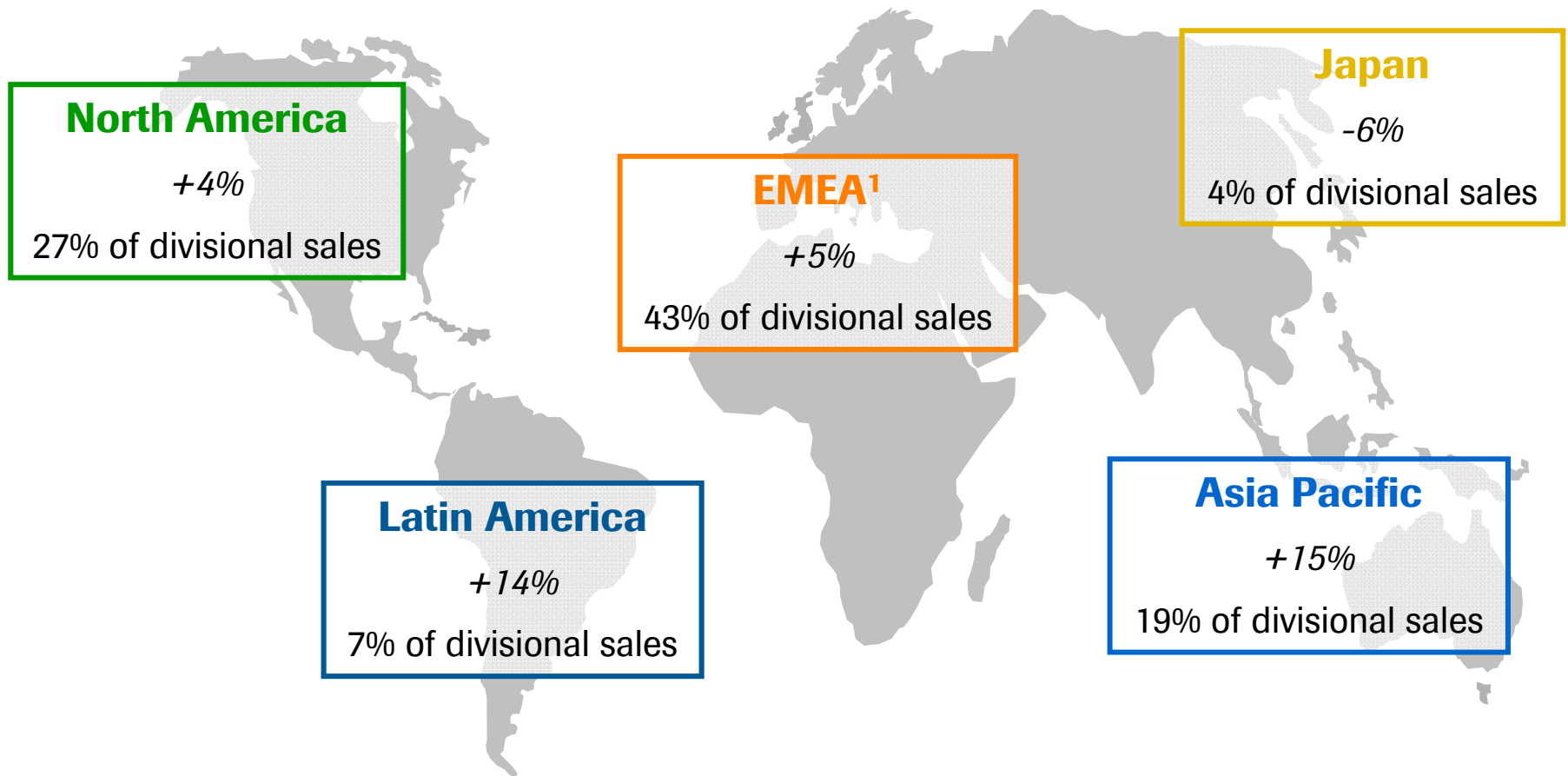
Strong sales performance

	HY 2015	HY 2014	Change in %	
	CHFm	CHFm	CHF	CER
Diagnostics Division	5,235	5,140	2	7
Professional Diagnostics	2,972	2,904	2	7
Diabetes Care	1,057	1,140	-7	1
Molecular Diagnostics	832	762	9	12
Tissue Diagnostics	374	334	12	12

Underlying growth of Molecular Diagnostics excluding Sequencing business: +9%
CER=Constant Exchange Rates

HY 2015: Diagnostics regional sales

Strong performance in APAC and EMEA



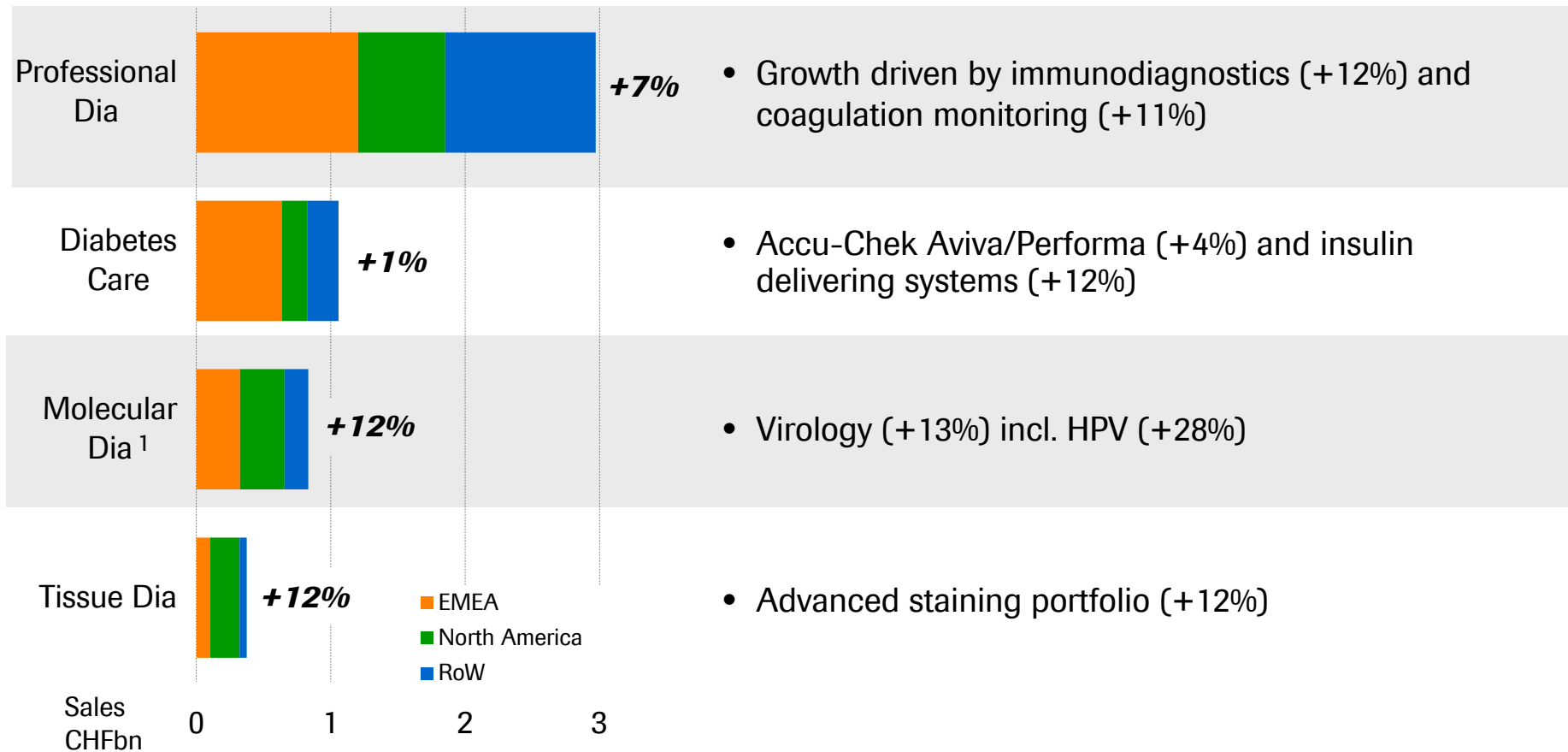
16% growth in E7 countries²

¹Europe, Middle East and Africa; ²Brazil, China, India, Mexico, Russia, South Korea, Turkey
All growth rates at Constant Exchange Rates

HY 2015: Diagnostics

Growth driven by Professional Diagnostics

YoY CER growth



¹ Underlying growth of Molecular Diagnostics excluding Sequencing business: +9%

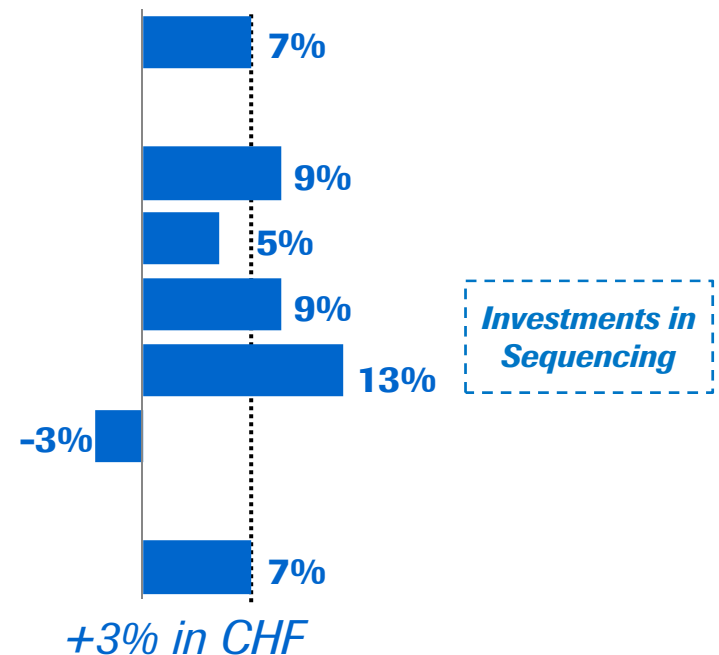
CER=Constant Exchange Rates; EMEA=Europe, Middle East and Africa; NIPT=Non-invasive prenatal testing

HY 2015: Diagnostics Division

Profit growth in line with sales growth

	HY 2015	
	CHFm	% sales
Sales	5,235	100.0
Royalties & other op. inc.	71	1.4
Cost of sales	-2,303	-44.1
M & D	-1,220	-23.3
R & D	-540	-10.3
G & A	-222	-4.2
Core operating profit	1,021	19.5

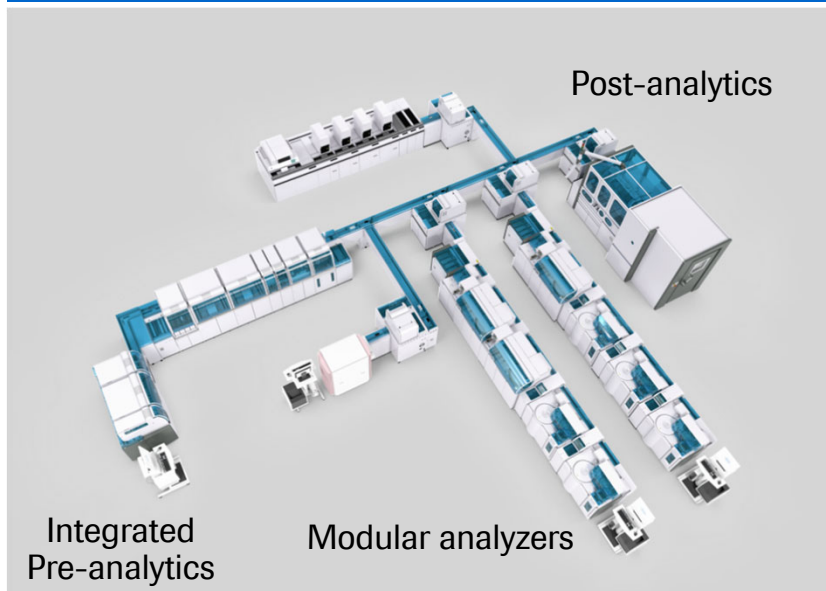
2015 vs. 2014
CER growth



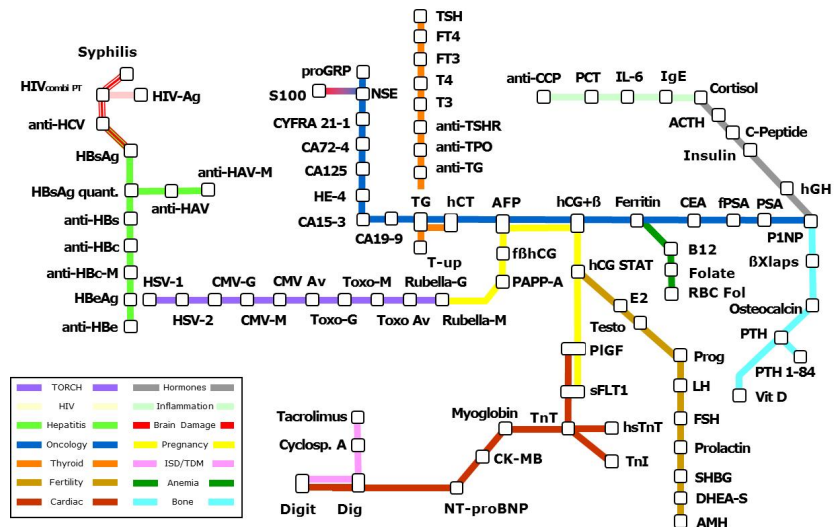
Professional Diagnostics: Global launch of cobas 8100 version 2

- Bidirectional sample flow between pre-analytical, analytical and post-analytical steps optimizes laboratory workflow
- Automated sample check reduces work load and enhances patient safety

Integrated cobas 8100 lab solutions



Elecsys assay menu



cobas e801 exhibited at EuroMedLab

Double throughput with the same footprint



cobas e801



Flexible **cobas e** pack sizes

High throughput immunochemistry module in cobas 8000 series:

- Fastest time to result
- Highest accuracy
- Lower blood sample volume
- Minimum waste
- Minimized hands-on time
- High system uptime

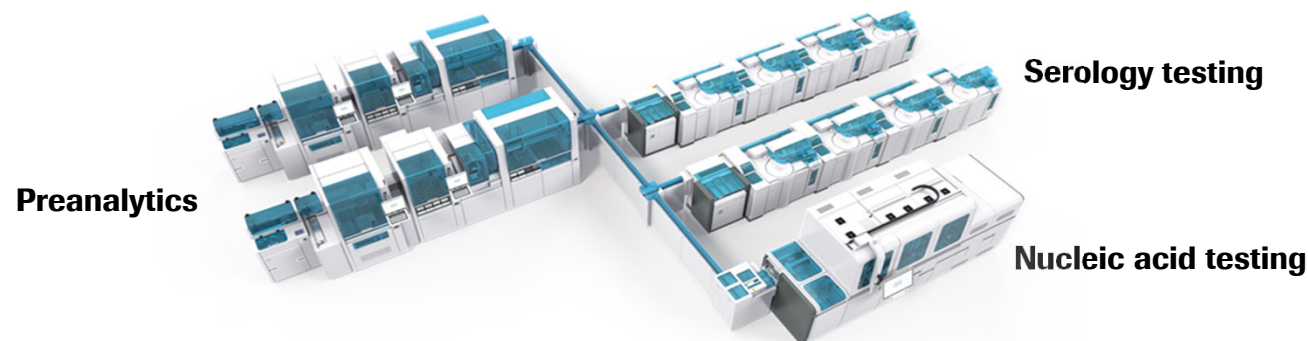
Roche blood safety solution

Unique ability to combine nucleic acid testing and serology for bloodscreening

Roche blood safety solution

HTLV-I/II	
HIV combi PT	Anit-HCV II
Anti-HBc	Anti-HBs
HBsA	Syphilis

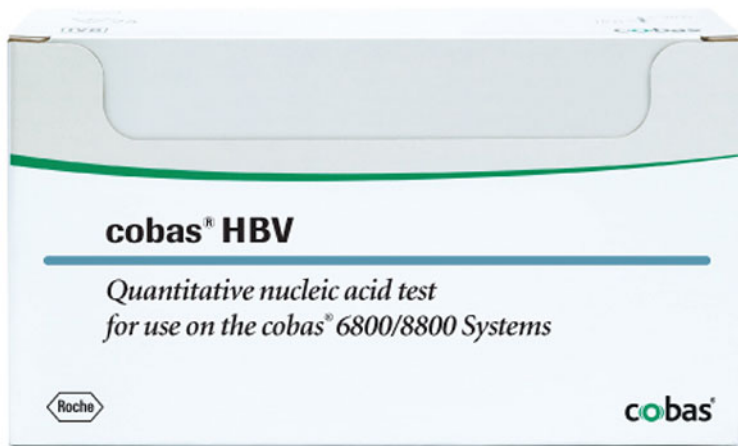
- Launch of Elecsys® HTLV-I/II Immunoassay
- Competitive assay to complete bloodscreening portfolio in serology
- Target market for serology bloodscreening: ~CHF 1bn



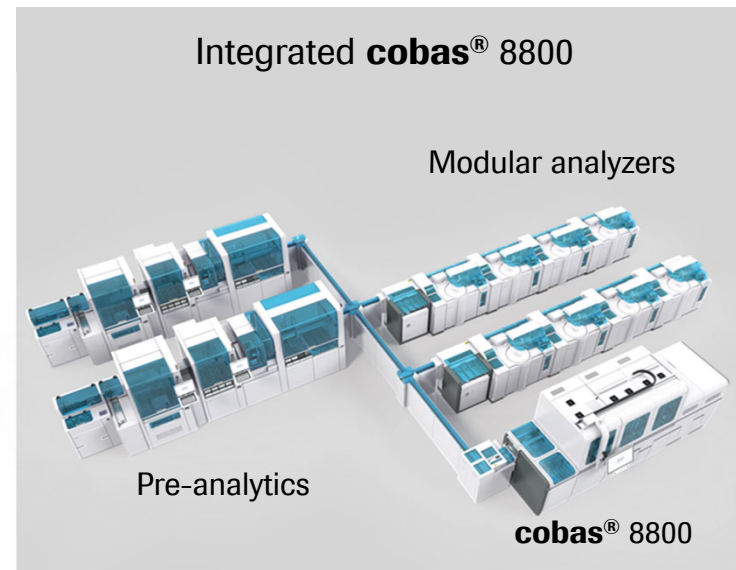
Molecular Diagnostics: Launch of HBV Test for cobas® 6800/8800 systems

Complements the viral load monitoring portfolio of cobas 6800/8800

- Lower sample requirement, higher sensitivity and faster test results across all genotypes
- Strengthens market lead in viral load testing and helps optimize therapy for patients



cobas® HBV



Entering Point of Care Molecular Diagnostics

CLIA waiver for Liat analyzer and Strep A test



Liat™ Analyzer

- Fast readout and easy to use
- Influenza A/B also submitted for CLIA waiver
- Plans to extend menu in:
 - RSV tests
 - MRSA and C-difficile
- Target market: ~CHF 350m (+20%)

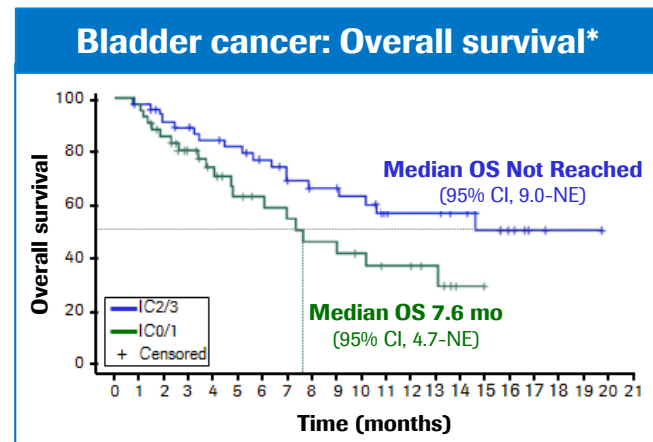
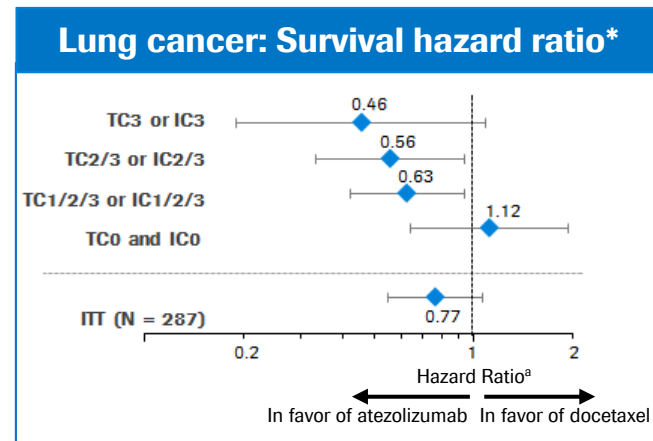
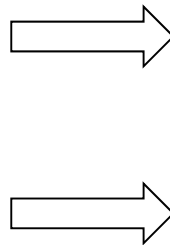
Diagnostic assays guiding our clinical strategy

More than 350 collaborations between Pharma and Dia

- 4 BTD were supported by having a Dx assay identifying patients to benefit
- Clinical outcomes correlate with patient stratification



Molecule	Dx
Alectinib ALK+ NSCLC	
Atezolizumab PD-L1+ NSCLC**	
Atezolizumab PD-L1+ UBC	
Venetoclax 17p- CLL**	



* Monotherapy data

** Achieved BTD in first half of 2015

HY 2015 Group results

Diagnostics

Business model & strategy

HY 2015 overview

Building a leading sequencing solution

Outlook

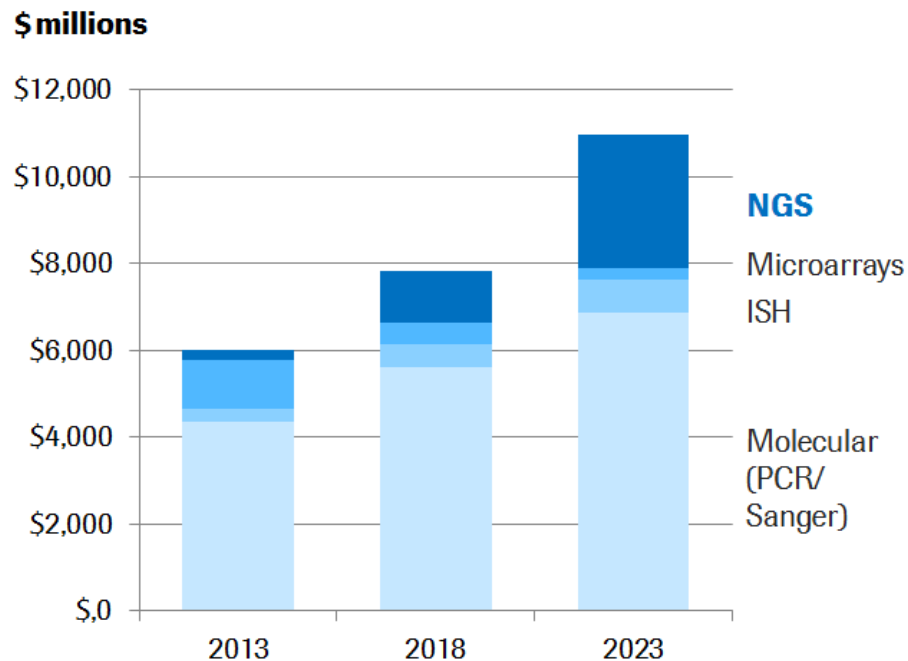
Roche is market leader in DNA testing

Complement offering with leading sequencing solution



DNA testing market*: 10-year estimates

Next-generation sequencing (NGS) will be the fastest-growing segment



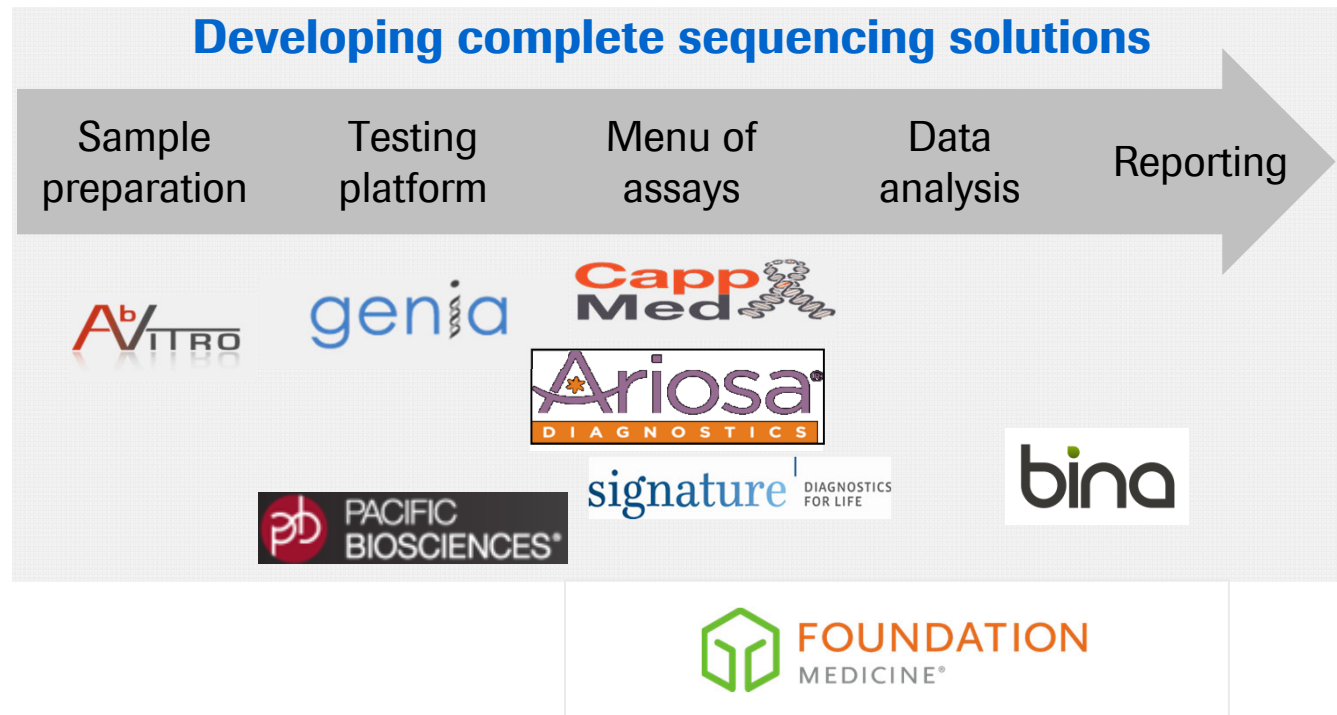
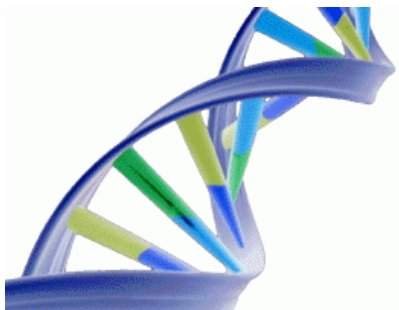
DNA testing uses different technologies which are complementary in applications:

- Molecular (PCR):
 - virology
 - blood screening
 - Oncology
 - Infectious disease
- In situ hybridization (ISH)
 - oncology
- Sequencing:
 - Whole genome sequencing and targeted sequencing
 - Mutation detection
 - Oncology
 - Pre-natal, newborn
 - Infectious disease

Sequencing strategy

Building a leading sequencing solution

Grow through disruptive innovation



Updates on investments in sequencing

Ariosa receives CE mark for FORTE™ software;

Acquisition of CAPP Medical

harmony™
PRENATAL TEST



Ariosa

- Business extension: licensing of FORTE software to labs in Europe
- FORTE provides more accurate assessment of fetal chromosome conditions than other statistical methods*
- Harmony test filed for CE-IVD certification

**Capp
Med** 

CAPP Medical

- Liquid biopsy for circulating tumour DNA for cancer therapy selection and monitoring.**

*Ashoor G et al., Am J Obstet Gynecol. 2012 Apr; 206(4):322.e1-5

**Nature Medicine, 2014 May; 20(5):548-54

HY 2015 Group results

Diagnostics

Business model & strategy

HY 2015 overview

Building a leading sequencing solution

Outlook

Key launches 2015

	<i>Area</i>	<i>Product</i>	<i>Market</i>	<i>BA¹</i>
Instruments / Devices	Laboratory	cobas c 513 – dedicated HbA1C analyzer	EU	RPD
		cobas t 411– core lab coagulation analyzer	EU	RPD
		cobas 8100 V2 – Integrated pre- and post-analytical solution	WW ✓	RPD
		cobas [®] 6800/8800 – Medium to High volume automated real-time PCR	US	RMD
		VENTANA HE 600 – automated H&E staining platform	WW	RTD
	Diabetes Care	Accu-Chek Active no-code– next-gen. bG meter, no coding of test strips	WW	RDC
	Accu-Chek Connect – bG meter with connectivity to smartphones, mobile applications and cloud	US	RDC	
	Point of Care	CoaguChek [®] Pro II - professional system for PT and aPTT testing	EU	RPD
Tests / Assays	Blood Screening	cobas [®] 6800/8800 MPX – Multiplex Bloodscreening test	US	RMD
	Infectious Diseases	cobas [®] Liat Influenza A/B + RSV – POC detection	US	RMD
		HTLV– human T-lymphotropic virus diagnostics test	EU ✓	RPD
	Virology	cobas [®] 6800/8800 HBV – Quantitative HBV viral load test	EU ✓	RMD
		cobas [®] 4800 HIV-1 - Quantitative HIV viral load test	EU	RMD
		cobas [®] 4800 HCV – Quantitative HCV viral load test	EU	RMD
		cobas [®] 4800 HBV – Quantitative HBV viral load test	EU	RMD
	Genomics & Oncology	cobas [®] EGFR Test v2 - detection of EGFR in plasma	EU	RMD
Cardiac	cobas h 232 Troponin T – Point of Care test version of Elecsys cTNT-hs	EU ✓	RPD	

¹ Business Areas. RPD: Roche Professional Diagnostics; RDC: Roche Diabetes Care; RMD: Roche Molecular Diagnostics; RTD: Roche Tissue Diagnostics

Outlook

Investing into future growth

-
- Continued strong growth in serum work area
 - Focus on implementation of next generation platforms, e.g. cobas 6800/8800
 - Continued investment into development of future sequencing solution
 - Ongoing structural adjustments in Diabetes Care to adapt to continuing challenging market environment
 - Strengthen leading presence in emerging markets
-

*Doing now what patients need
next*