Roche

Roche

HY 2015 results

Basel, 23 July 2015

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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Group

Severin Schwan

Chief Executive Officer

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 (aPDL1): 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

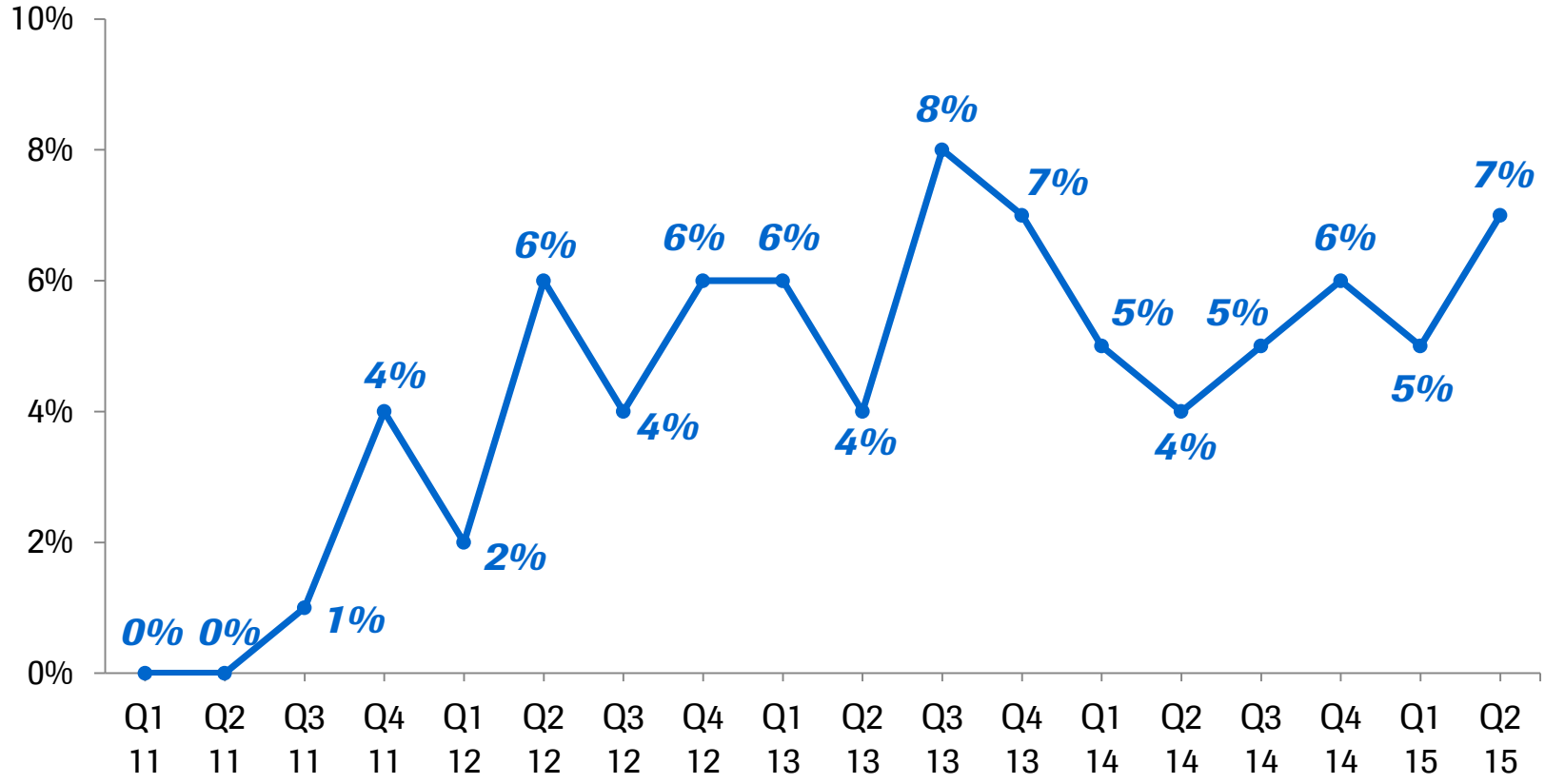
[1] At Constant Exchange Rates (CER)
[2] Excluding sale of filgrastim rights in 2014

HY 2015: Strong sales growth

	HY 2015 CHFbn	HY 2014 CHFbn	Change in % CHF	Change in % 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**

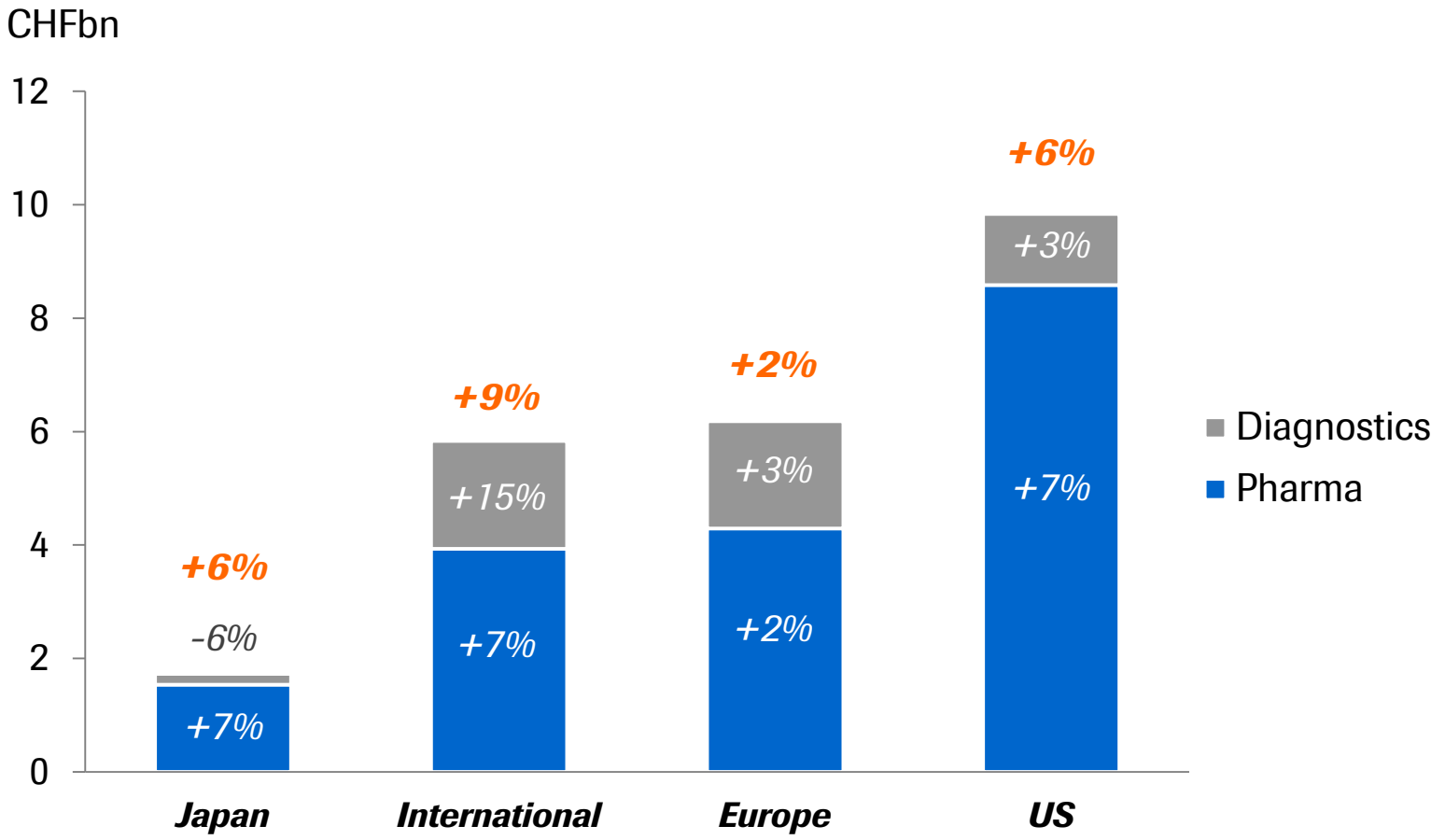
CER=Constant Exchange Rates

Q2 2015: Sales growth for fifth consecutive year



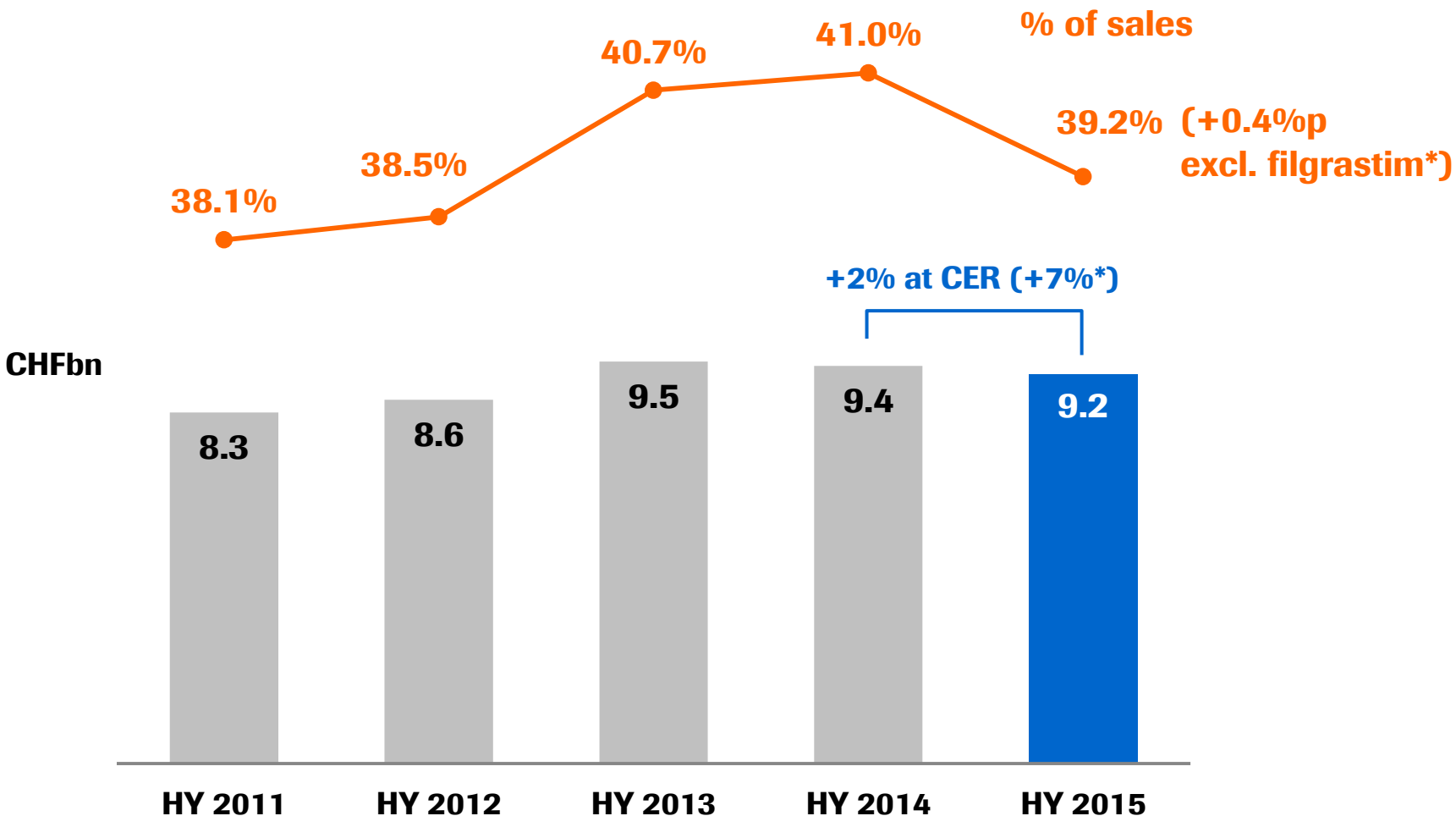
All growth rates at Constant Exchange Rates (CER)

HY 2015: Both divisions with strong sales growth



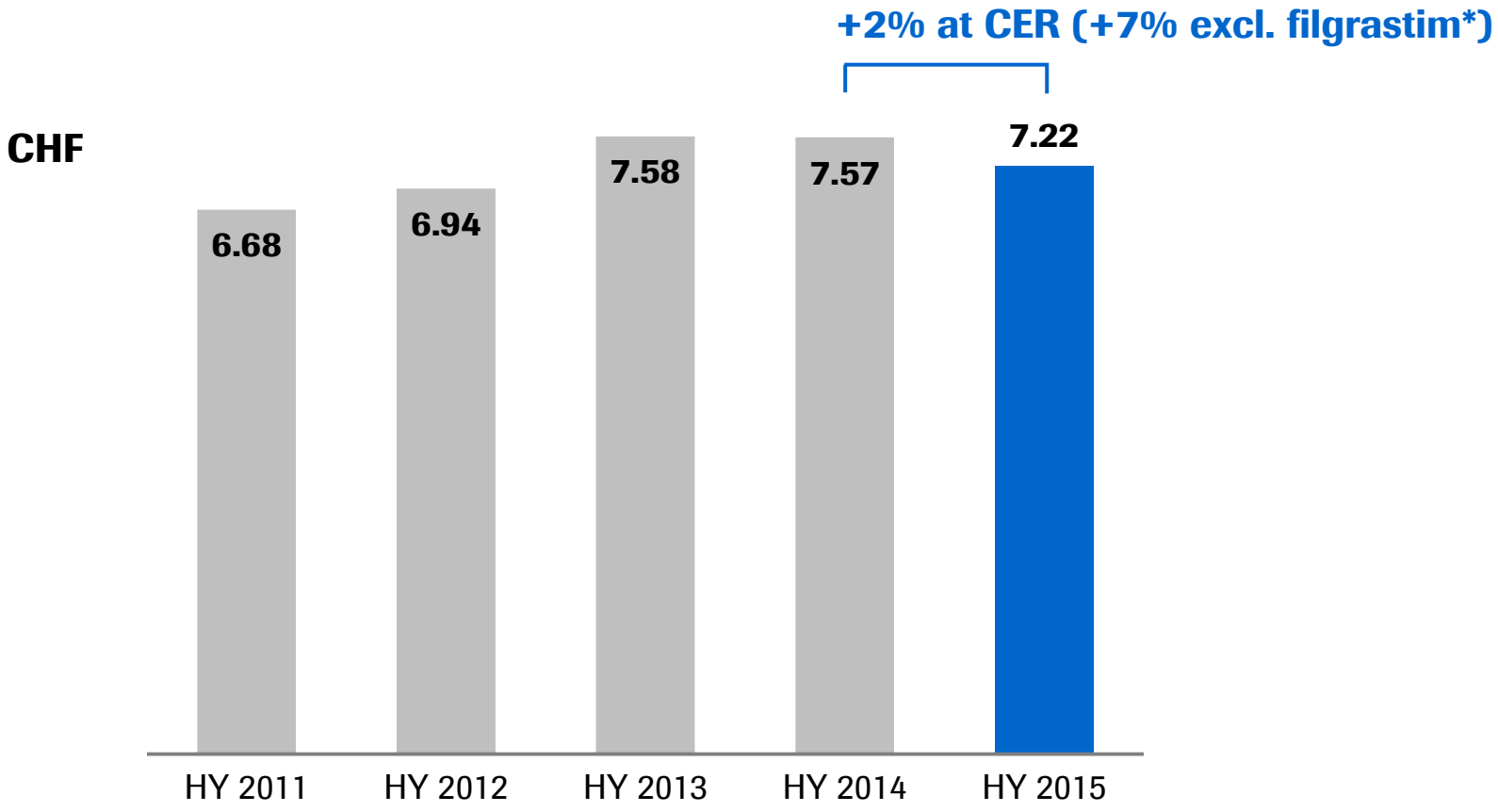
All growth rates at Constant Exchange Rates (CER)

HY 2015: Strong underlying Group core operating profit & margin



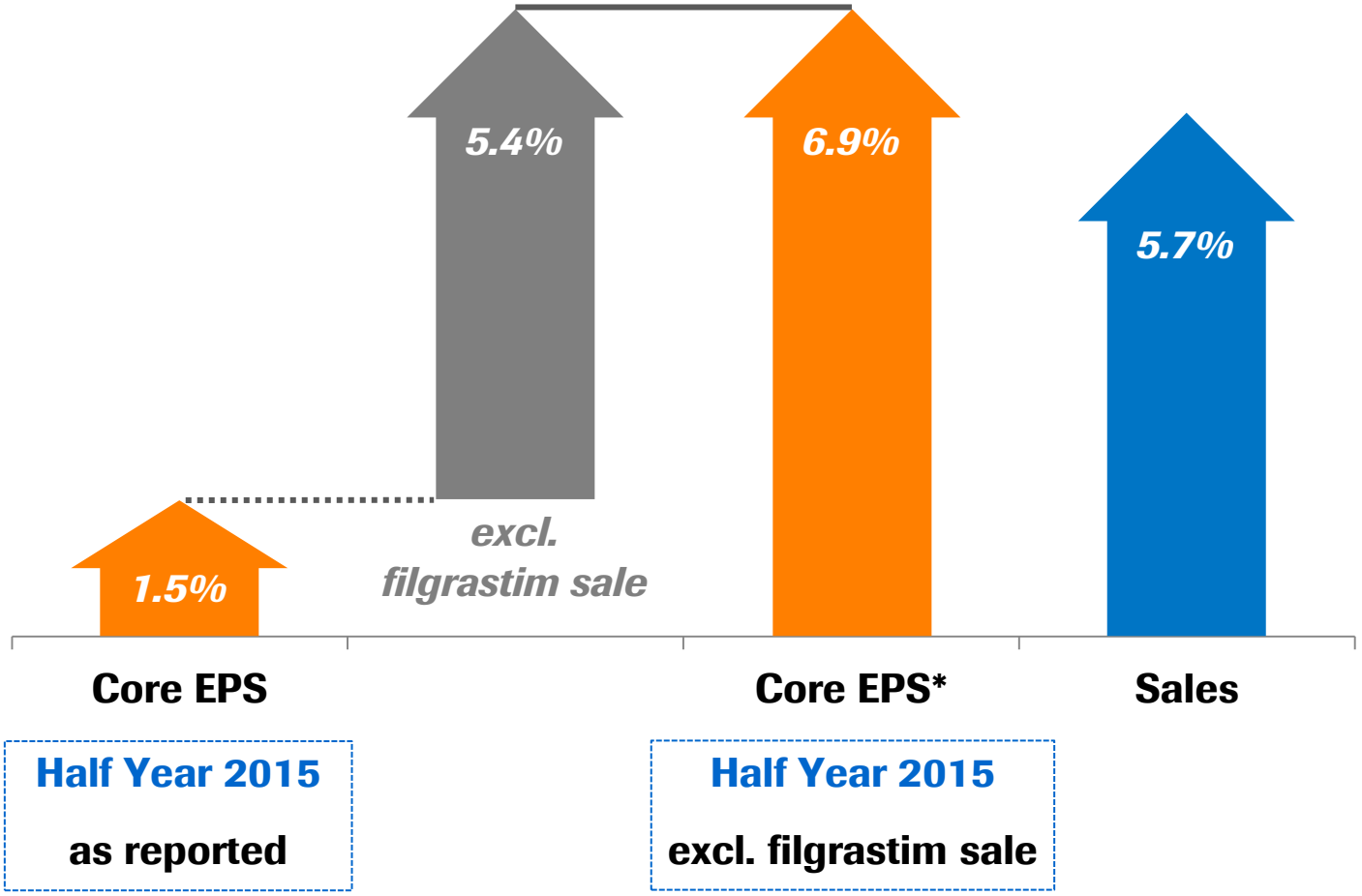
CER=Constant Exchange Rates
* Excluding sale of filgrastim rights in 2014 at CER

HY 2015: Continued strong underlying core EPS growth



All growth rates at Constant Exchange Rates (CER)
* Excluding sale of filgrastim rights in 2014

HY 2015: Core EPS growth bridge



All growth rates at Constant Exchange Rates (CER)
* Excluding sale of filgrastim rights in 2014

Roche: Making progress in advancing patient care

Recognising innovation 2013-15

8 *Breakthrough Therapy Designations*

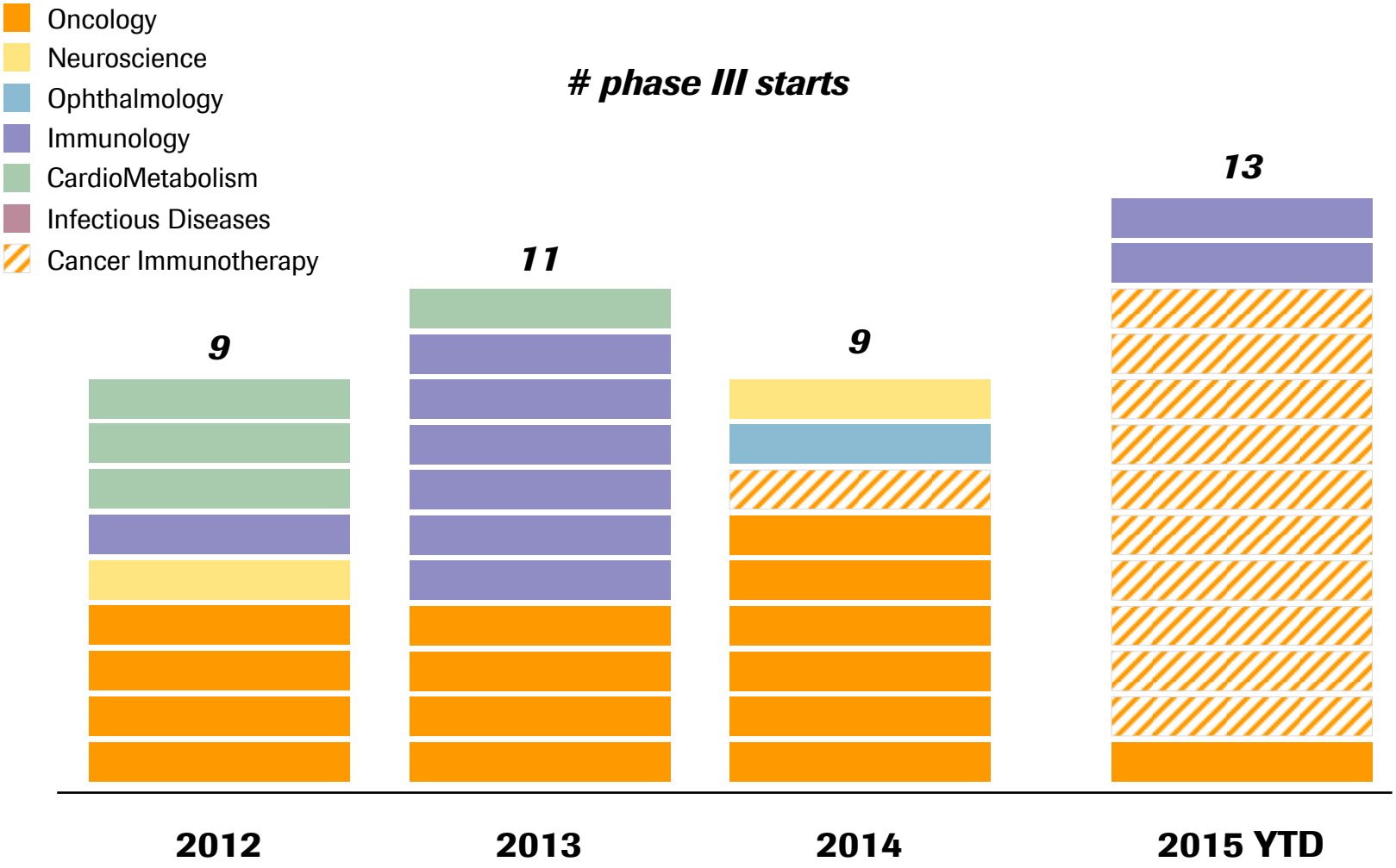
Rank	Company	#
1	**Roche**	**8**
2	GSK	5
2	Novartis	5
3	Merck	4
3	JNJ	4
3	BMS	4

H1 2015	***Actemra*** *(Systemic sclerosis)*
	Venetoclax *(R/R CLL 17p)*
	Atezolizumab *(NSCLC)*
2014	***Esbriet*** *(IPF)*
	Lucentis *(DR)*
	Atezolizumab *(bladder)*
2013	***Alectinib*** *(2L ALK+ NSCLC)*
	Gazyva *(1L CLL)*

Source: http://www.focr.org/breakthrough-therapies; CLL=Chronic Lymphocytic Leukemia; NSCLC=Non-Small Cell Lung Cancer; IPF=Idiopathic Pulmonary Hypertension; DR=Diabetic Retinopathy

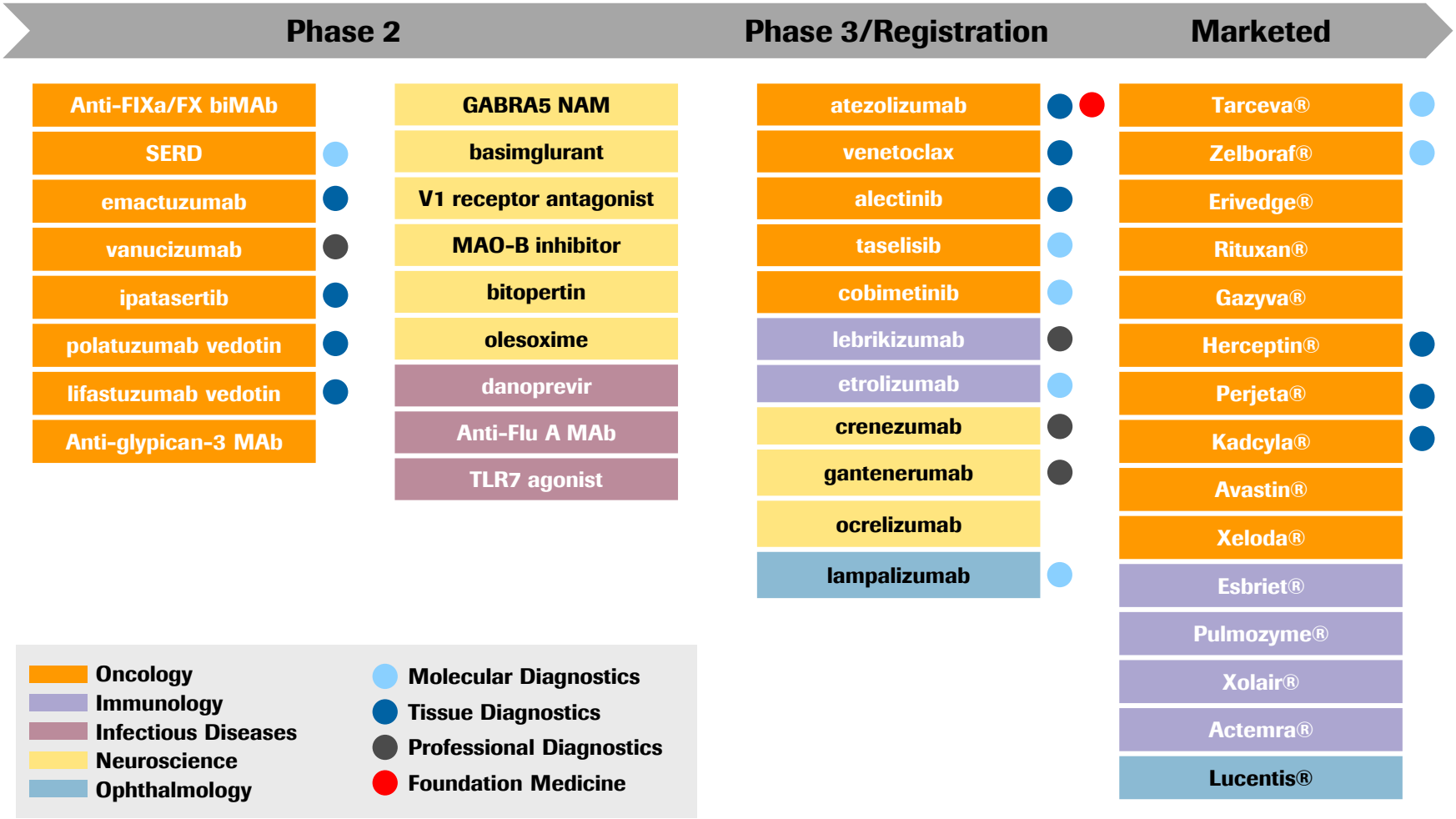
Continued strong commitment to innovation

Immunology and Oncology in focus



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 growth[1]	Low to mid-single digit
Core EPS growth[1]	Ahead of sales growth[2]
Dividend outlook	Further increase dividend in Swiss francs

[1] At Constant Exchange Rates (CER)
[2] Excluding sale of filgrastim rights in 2014

Pharmaceuticals Division

Daniel O'Day

COO Roche Pharmaceuticals

HY 2015 results

Innovation

Outlook

HY 2015: Strong growth driven by all regions

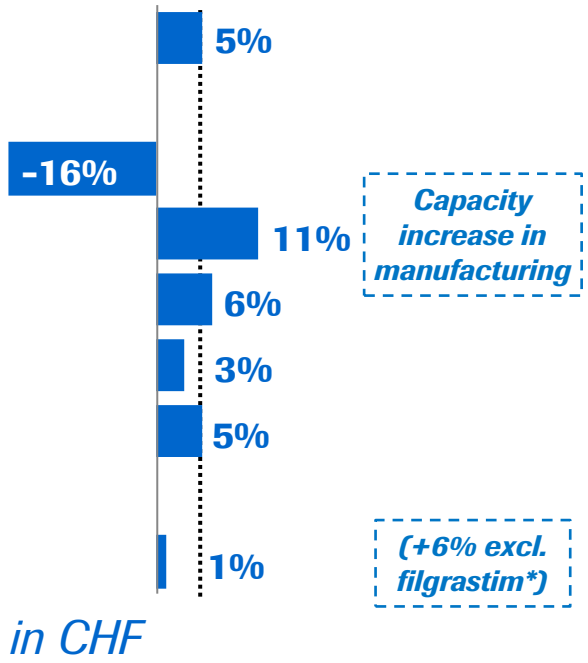
	HY 2015 CHFm	HY 2014 CHFm	Change in % CHF	Change in % CER
Pharmaceuticals Division	**18,350**	**17,834**	**3**	**5**
United States	8,586	7,572	13	7
Europe	4,291	4,775	-10	2
Japan	1,540	1,581	-3	7
International	3,933	3,906	1	7

CER=Constant Exchange Rates

HY 2015: Strong underlying growth

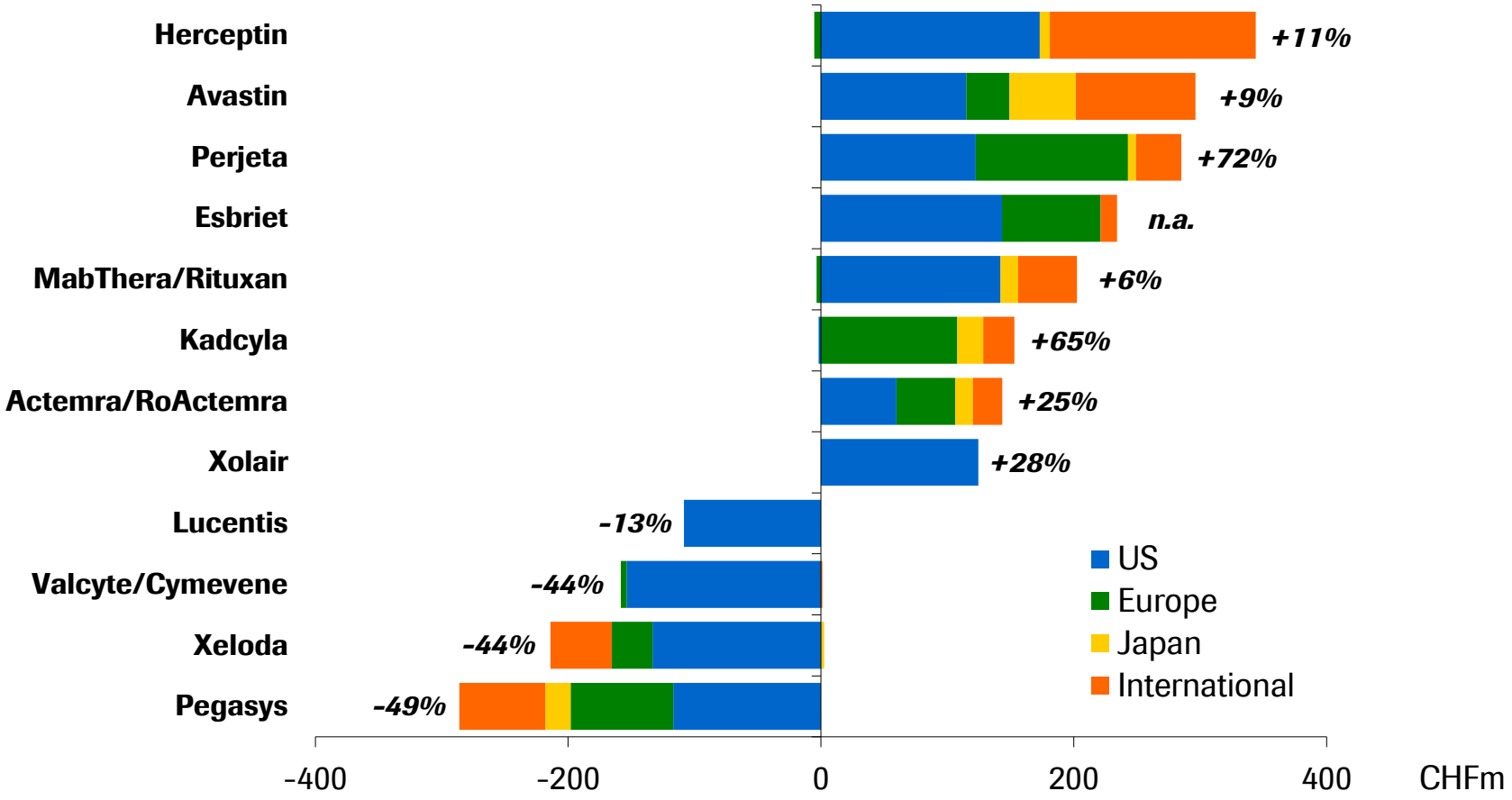
	HY 2015 CHFm	HY 2015 % sales
Sales	**18,350**	**100.0**
Royalties & other op. inc.	1,174	6.4
Cost of sales	-3,895	-21.2
M & D	-2,801	-15.3
R & D	-3,811	-20.8
G & A	-625	-3.4
Core operating profit	**8,392**	**45.7**

filgrastim impact



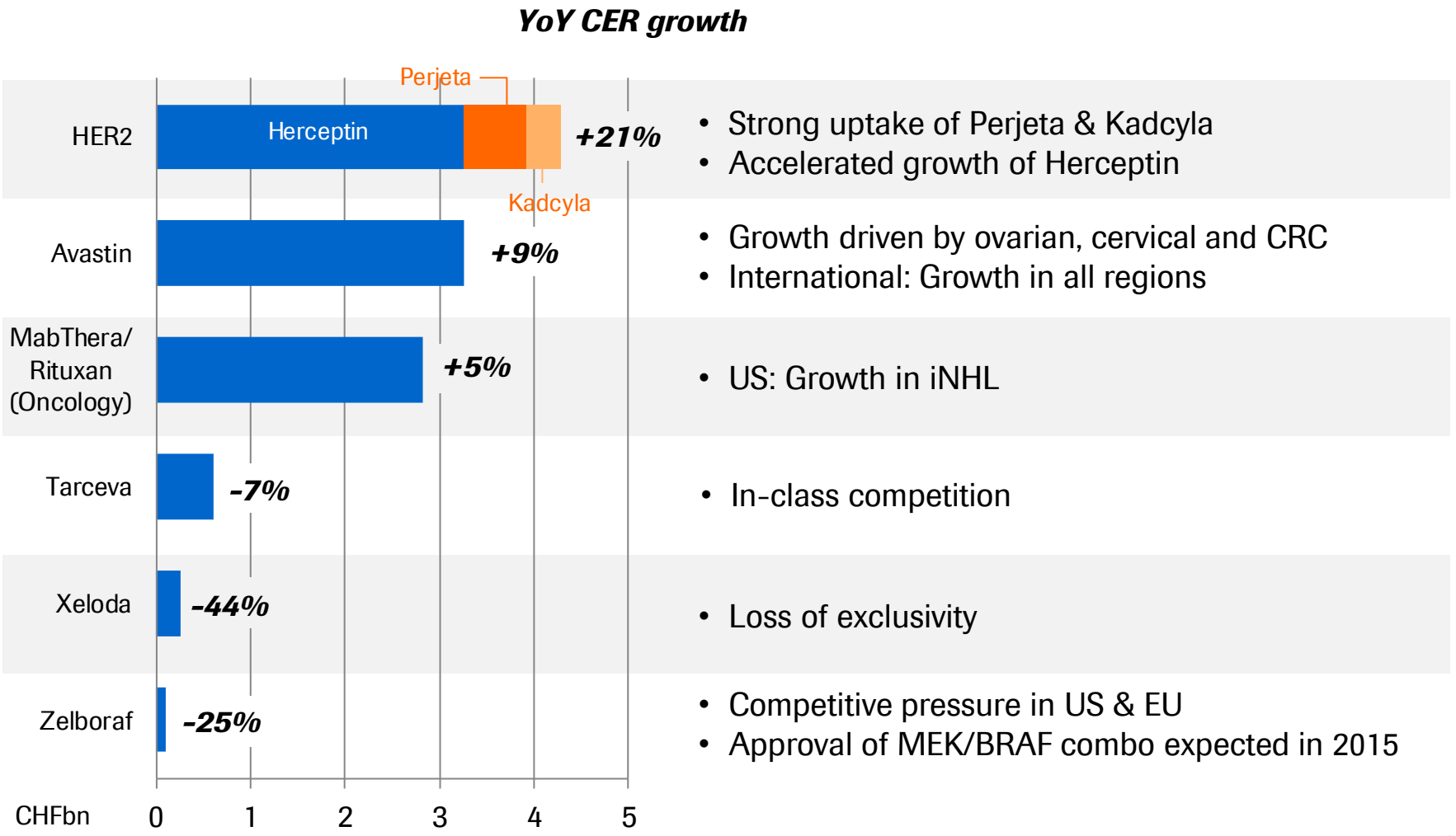
CER=Constant Exchange Rates
* Excluding sale of filgrastim rights in 2014

HY 2015: Strong performance from oncology and immunology franchises; Esbriet off to a good start



Absolute amounts and growth rates at Constant Exchange Rates (CER)

HY 2015: Oncology with +8% growth



- Strong uptake of Perjeta & Kadcyla
- Accelerated growth of Herceptin

- Growth driven by ovarian, cervical and CRC
- International: Growth in all regions

- US: Growth in iNHL

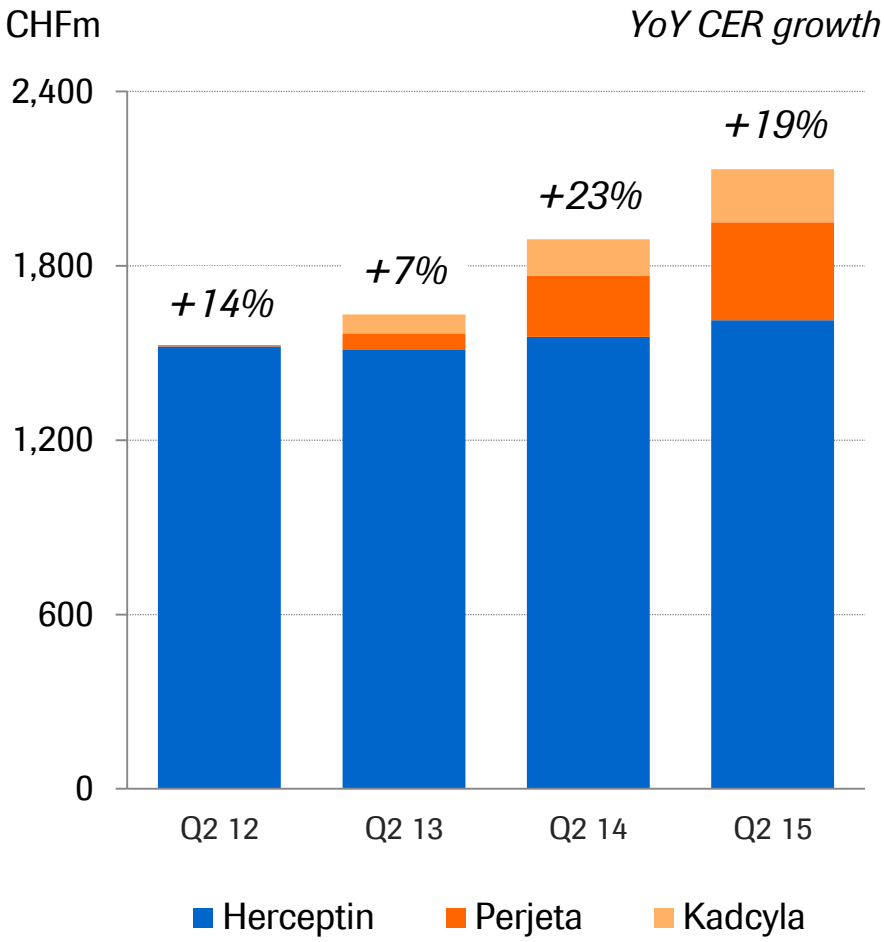
- In-class competition

- Loss of exclusivity

- Competitive pressure in US & EU
- Approval of MEK/BRAF combo expected in 2015

CER=Constant Exchange Rates
HY 2015 Oncology sales: CHF 11.7bn; CER growth +8%

HER2 franchise: Growth driven by Herceptin, Perjeta and Kadcyla



HER2 franchise Q2 2015

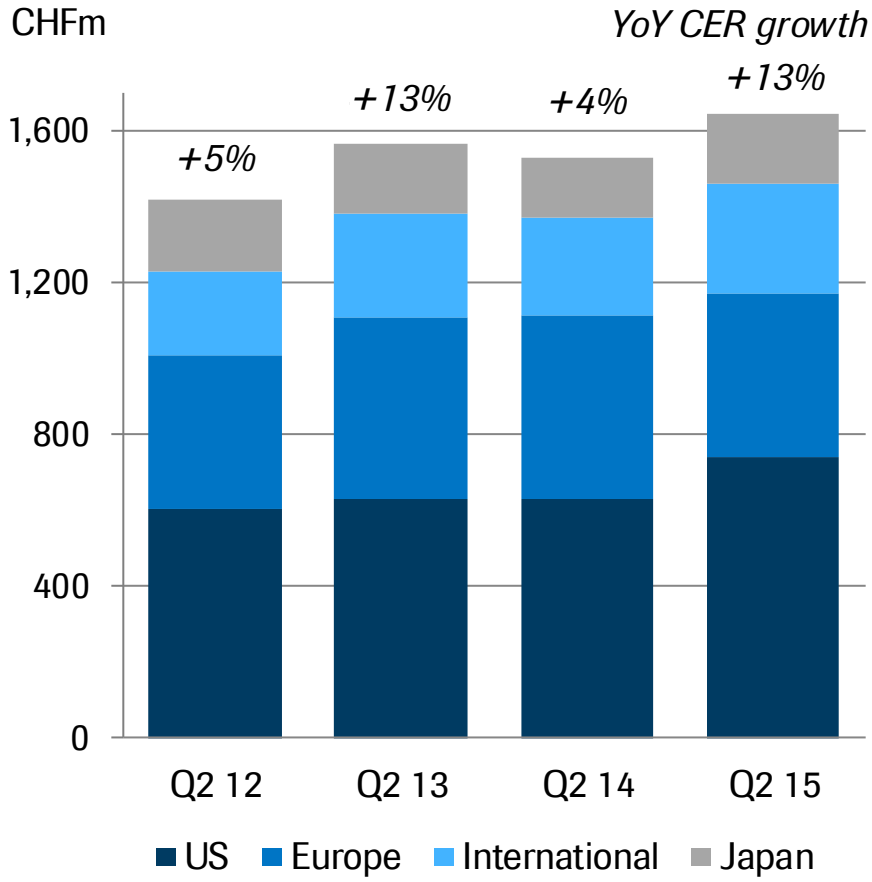
- Herceptin (+10%): Longer treatment duration in combination with Perjeta
- Perjeta (+64%): Strong demand in mBC (US & EU) and neoadjuvant (US)
- Kadcyla (+54%): Growth driven by EU

Outlook

- Perjeta: Positive CHMP opinion in Neoadjuvant in the EU
- Kadcyla: Continued growth driven by EU and International

CER=Constant Exchange Rates; mBC=metastatic breast cancer

Avastin: Growth across various indications and in all regions



Avastin Q2 2015

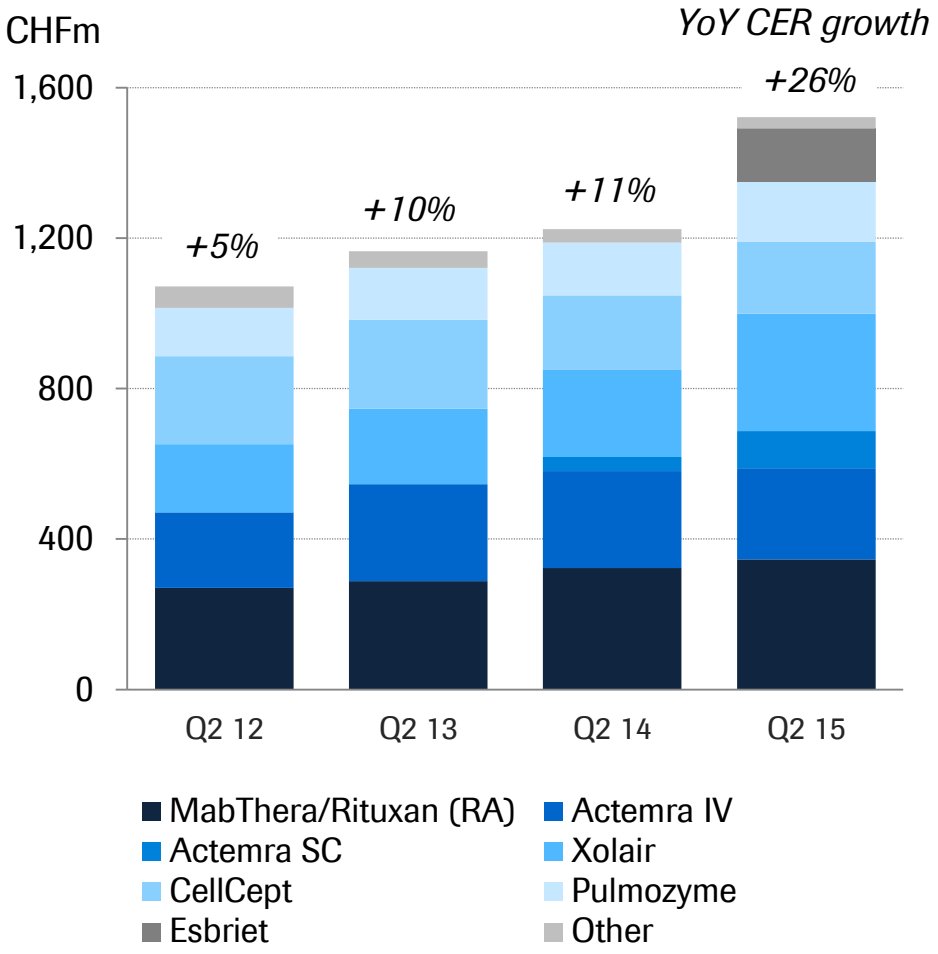
- US: Continued uptake in ovarian and 1L colorectal cancer
- EU: Growth in ovarian and cervical
- International driven by LATAM

Avastin outlook

- Potential filing in mesothelioma
- China: Lung cancer indication approved
- Lung cancer (EU): Avastin + Tarceva filed

CER=Constant Exchange Rates

Immunology: Strong performance by Actemra, Xolair and MabThera/Rituxan



Actemra (+23%)

- SC launch and 1L mono setting; Breakthrough therapy designation received in systemic sclerosis

Xolair (+27%)

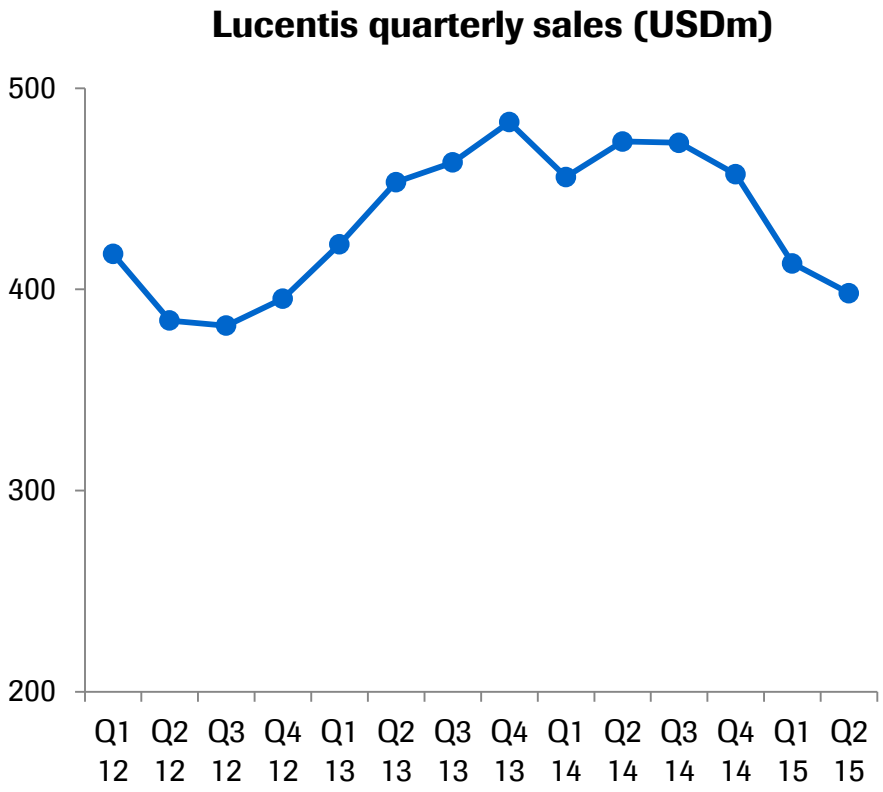
- Allergic asthma and strong growth in chronic idiopathic urticaria post FDA approval in Q1 '14

MabThera/Rituxan (+10%)

- Continues to grow in rheumatoid arthritis and vasculitis (GPA and MPA)

CER=Constant Exchange Rates; GPA=Granulomatosis with polyangiitis; MPA=Microscopic polyangiitis

Lucentis: Ongoing competitive pressure



Lucentis Q2 2015

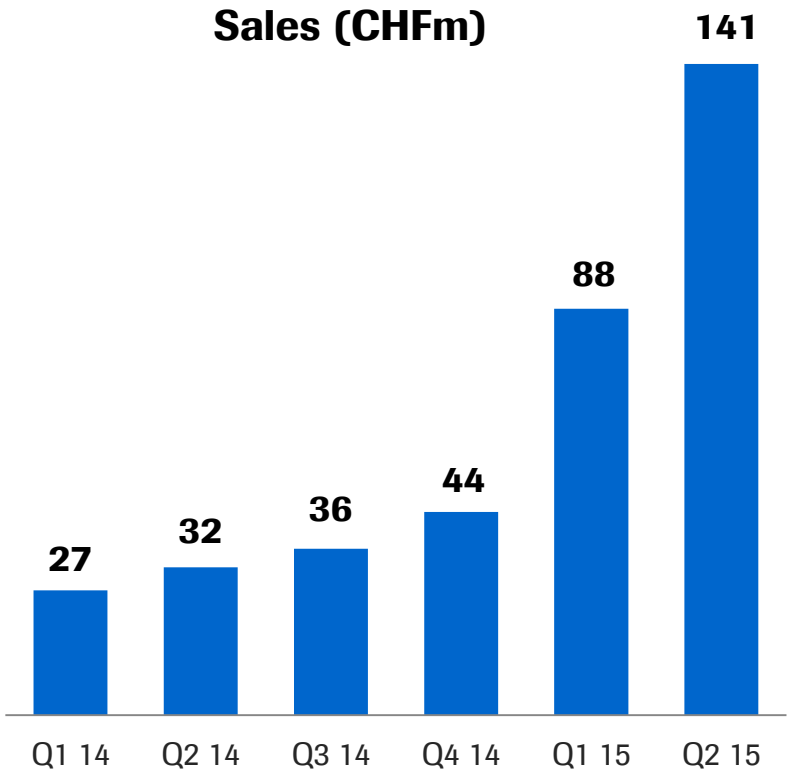
- Continued competitive pressure
- First-in-class FDA approval to treat diabetic retinopathy in patients with DME

Outlook

- Ongoing competition in AMD & DME
- First sales in diabetic retinopathy

wAMD=wet age-related macular degeneration; DME=diabetic macular edema

Esbriet: Establishing market leadership in IPF



US

- New patients on track with launch expectations

EU

- Label was strengthened by including ASCEND and pooled 1Y mortality data

Pipeline update

- Phase II study of Esbriet in combination with lebrikizumab (anti-IL13) in IPF started in Q2

IPF=idiopathic pulmonary hypertension

HY 2015 results

Innovation

Outlook

Roche cancer immunotherapy beginning 2015

Phase I

- **aPDL1** Solid tumors
- **aPDL1+chemo** Solid tumors
- **aPDL1+Tarceva** NSCLC
- **aPDL1+Zelboraf** Melanoma
- **aPDL1+cobimetinib** Solid tumors
- **aPDL1+Avastin** Solid tumors
- **aPDL1 + Gazyva** R/R FL / aNHL
- **aPDL1+Avastin+chemo** Solid tumors
- **aCSF-1R** Solid tumors
- **aCEA-IL2v FP** Solid tumors
- **aOX40** Solid tumors
- **aCEA/CD3 TCB** Solid tumors
- **IDO** Solid tumors
- **aPDL1+ipilimumab** Solid tumors
- **aPDL1+IFN-alfa** Solid tumors
- **aPDL1+aCD40** Solid tumors

Phase II

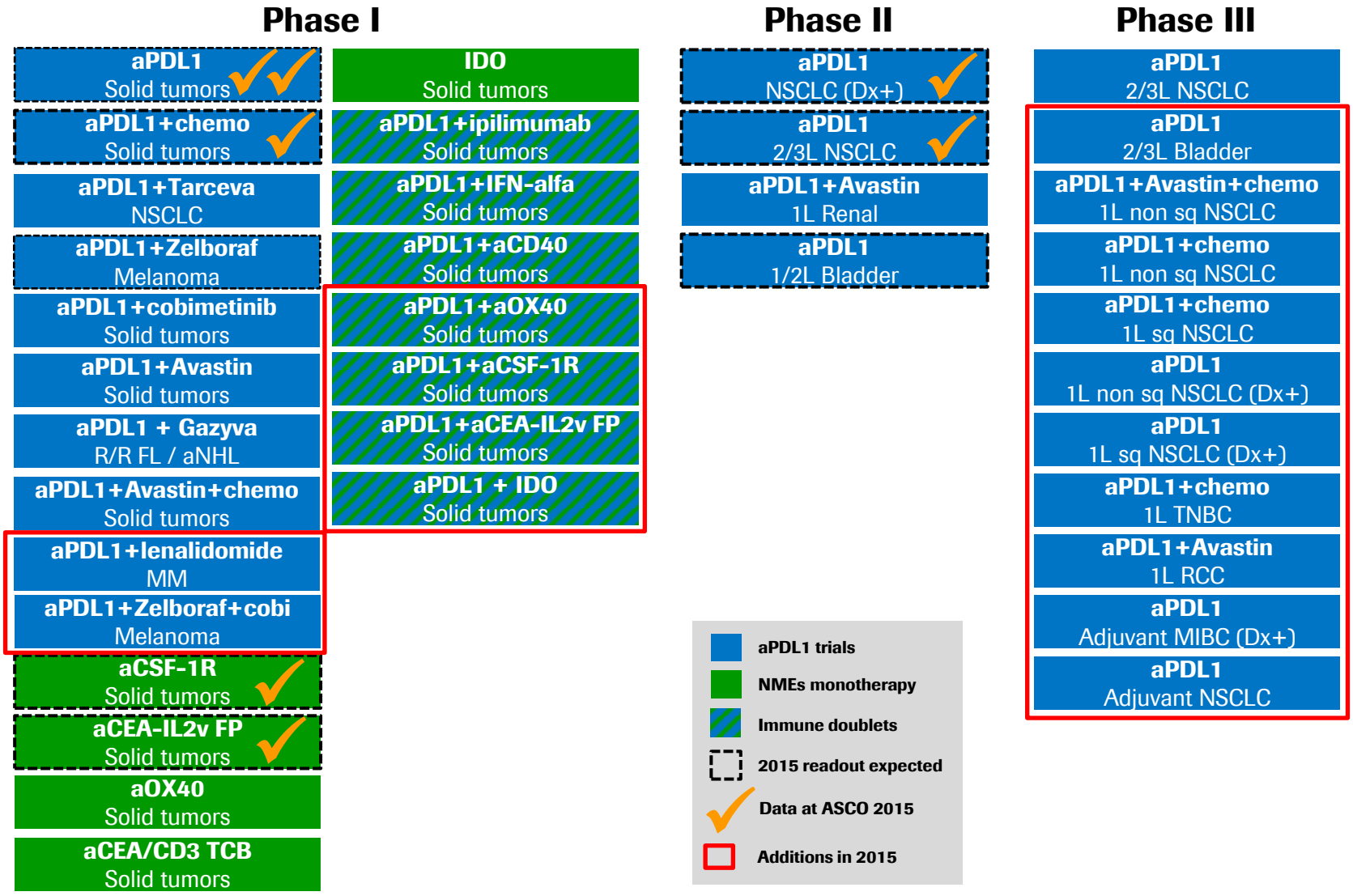
- **aPDL1** NSCLC (Dx+)
- **aPDL1** 2/3L NSCLC
- **aPDL1+Avastin** 1L Renal
- **aPDL1** 1/2L Bladder

Phase III

- **aPDL1** 2/3L NSCLC

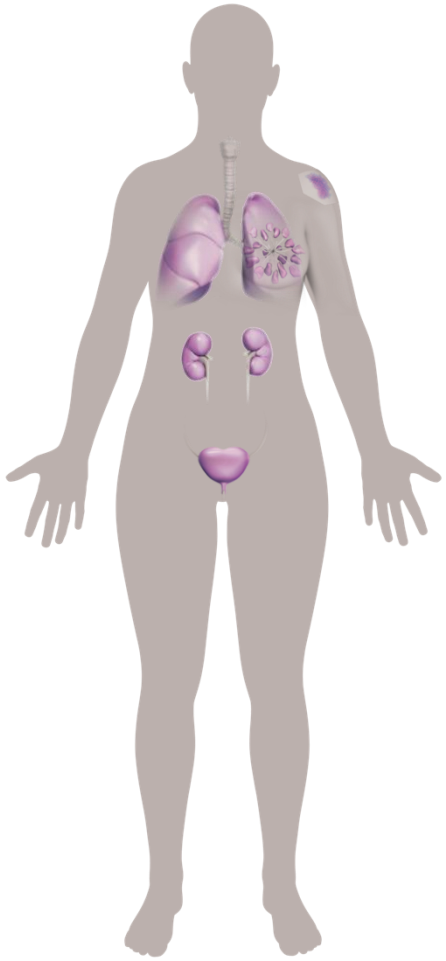
Status as at December 31, 2014

Roche cancer immunotherapy at HY 2015



Status as at June 30, 2015

Atezolizumab: Pivotal programs by disease



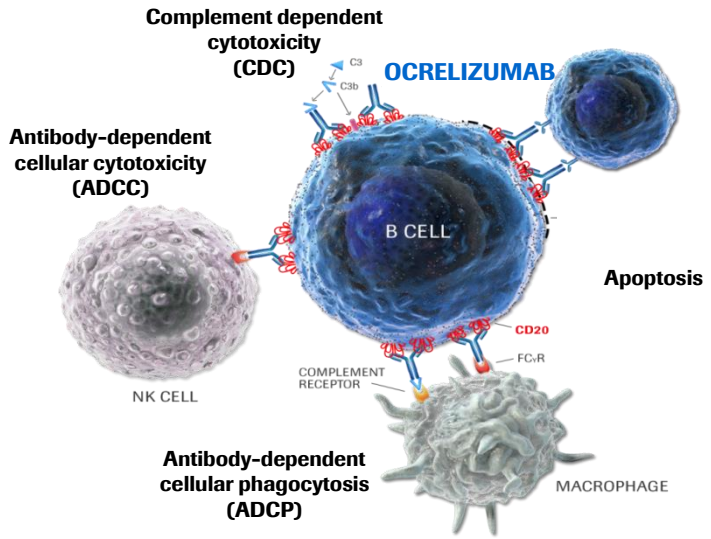
Going ***deep*** in diseases where we have strong scientific rationale

LUNG	BLADDER	KIDNEY
2L+ single-arm Ph2 (x2)	2L+ & 1L cis-inel. single-arm Ph2	1L w/Avastin Ph2
2L+ rand. Ph2 and rand. Ph3	2L+ rand. Ph3	1L w/Avastin Ph3
1L single-agent Ph3 (x2)	Adjuvant Ph3	**BREAST**
1L w/chemo, Avastin Ph3 (x3)		1L w/chemo Ph3
Adjuvant Ph3		

cis-inel.=cisplatin ineligible patients

Ocrelizumab: Phase 3 meets endpoints vs. SOC

Results confirm central role of B cells in MS



	Study Endpoint	Reduction versus Rebif®
Primary	Annualized Relapse Rate	✓
Secondary	Confirmed Disability Progression	✓
	MRI endpoints	✓

Targeted product profile

- Humanized antibody targeting CD20+ B cells
- Selective depletion of a subset of B cells leaving the ability to generate new B cells intact
- Administered by IV twice yearly

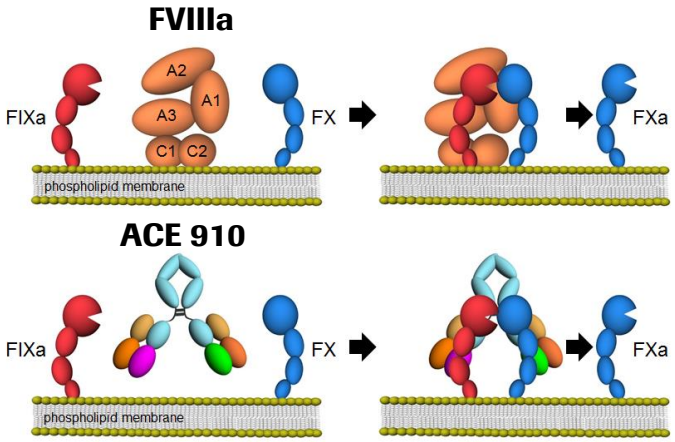
Phase 3 OPERA I/II results in RMS

- Superiority vs. Rebif® on primary and major secondary endpoints achieved
- Adverse events (including serious infections) similar to Rebif®
- Data to be presented at ECTRIMS

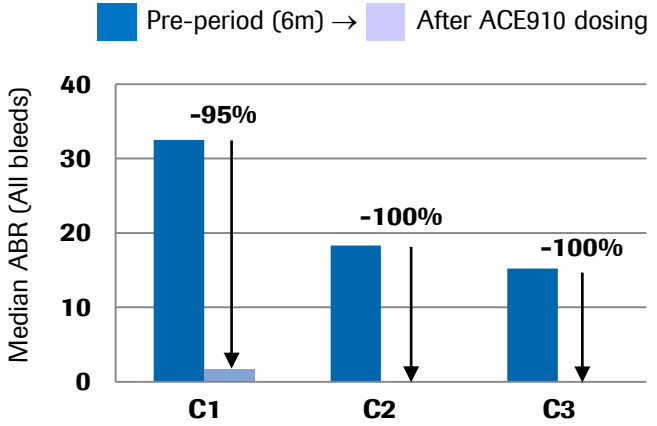
SOC=standard of care; MS=multiple sclerosis; RMS=relapsing forms of MS; Rebif® (Interferon beta-1a)

ACE 910 in Hemophilia A

Extension study confirms excellent efficacy



Kitazawa, Shima, Yoshioka, Hattori . Nature Medicine 2012;18(10):1570, Sampei, et al. PLoS One 2013;8(2):e57479, Muto, Shima, Hattori . J Thromb Haemost 2014;12:206



Extension		Median follow up Months [Range]
C1 (0.3mg/kg)	n=6	**17.8** [17.4 – 18.5]
C2 (1mg/kg)	n=5	**12.3** [8.2 – 13.7]
C3 (3mg/kg)	n=5	**6.6** [5.6 – 7.8]

Targeted product profile

- Less frequent dosing
- Subcutaneous
- Avoid induction of inhibiting antibodies

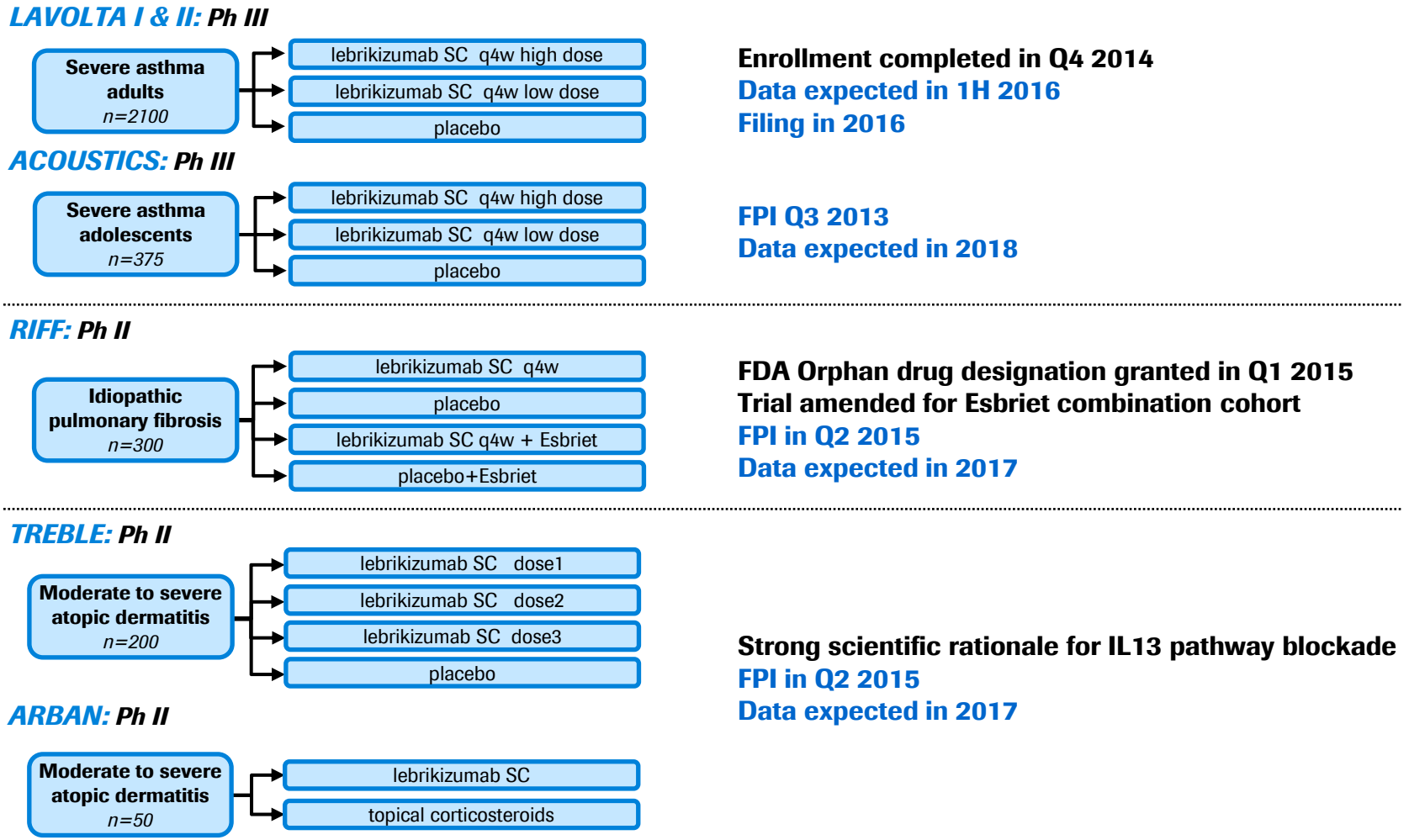
Next development steps

- Follow-on data presented at ISTH
- First Ph3 (inhibitors) to start in Q4 15
- Data in 2017

In collaboration with Chugai; ABR=annual bleeding rate
Nogami K. *et al*, ISTH 2015

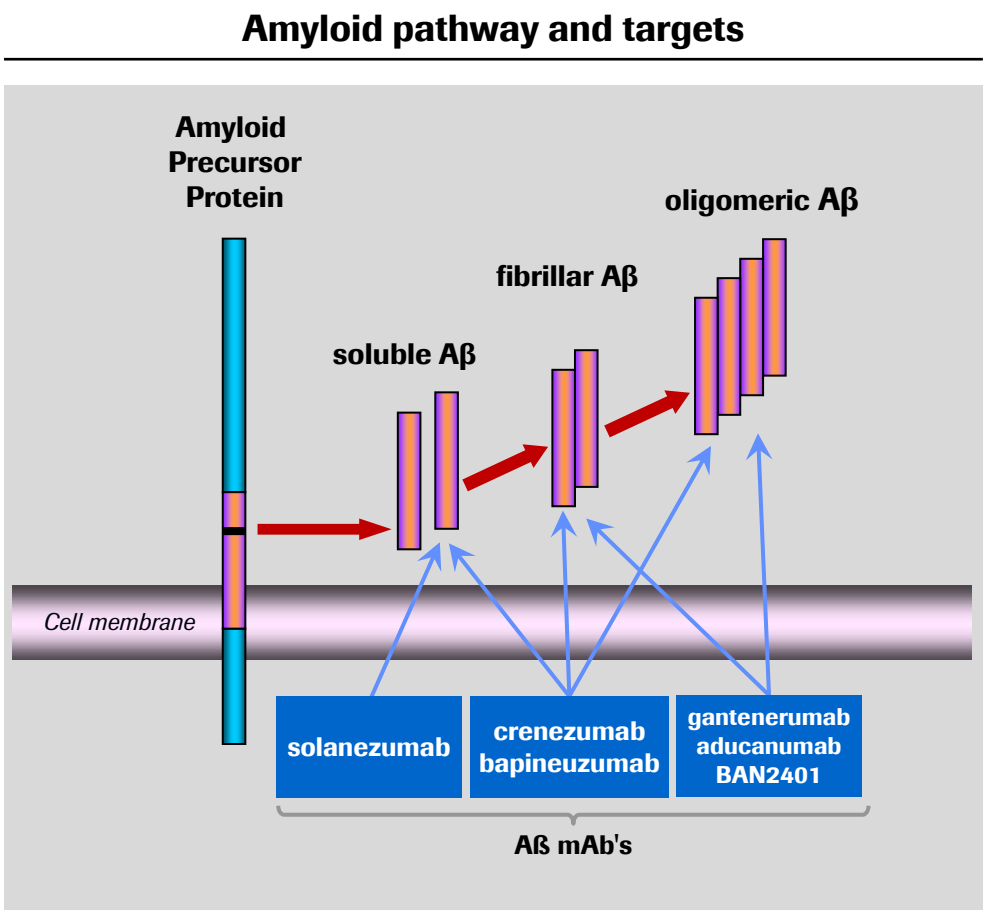
Lebrikizumab: First-in-class anti-IL13

Programs progressing in asthma, IPF and dermatitis



IPF=idiopathic pulmonary fibrosis; FPI=first patient in

Alzheimer's disease program: Implementing higher doses



Crenezumab

- Start of Phase 3 in prodromal-to-mild patients

Gantenerumab

- Discussions with the regulators to implement higher doses in ongoing and future studies

H1 2015 results

Innovation

Outlook

2015: Key late-stage news flow

	Compound	Indication	Milestone	
Regulatory	***Avastin***	Cervical cancer	EU approval	✓
	Lucentis	Diabetic retinopathy	US approval	✓
	alectinib	2L ALK+ NSCLC	US filing	
	cobimetinib + Zelboraf	1L Melanoma	US, EU approval	
Phase III readouts*	***Gazyva***	MabThera/Rituxan-refractory iNHL	Ph III GADOLIN	✓
	Gazyva	Front-line aNHL	Ph III GOYA (interim)	2016
	ocrelizumab	Relapsing forms of MS (RMS)	Ph III OPERA I/II	✓
	ocrelizumab	Primary progressive MS (PPMS)	Ph III ORATORIO	
	Perjeta	2L HER2+ mBC	Ph III PHEREXA	
	Kadcyla	2L HER2+ gastric cancer	Ph II/III GATSBY	
Phase III starts	***atezolizumab****	2/3L Bladder	Ph III	✓
	atezolizumab*	1L TNBC	Ph III	✓
	atezolizumab*	1L RCC	Ph III	✓
	atezolizumab*	Adjuvant MIBC	Ph III	
	etrolizumab	Crohn`s disease	Ph III	✓
	ACE910	Hemophilia A	Ph III	
	taselisib (PI3K inhib)	HR+/PI3Kmut BC	Ph III SANDPIPER	✓
Phase II readouts*	***atezolizumab***	2/3L NSCLC	Ph II FIR, POPLAR, BIRCH	
	atezolizumab	Bladder	Ph II	✓
	ipatasertib (AKT inhib)	Gastric/prostate cancers	Ph II A.MARTIN, JAGUAR	

* Outcome studies are event driven, timelines may change; ** For atezolizumab (aPDL1) only P3 trials in new indications are listed (1L NSCLC starts not shown)

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)

Planned key data presentations in H2 2015

Vienna, 25-29 Sep

Atezolizumab

- UBC: IMvigor 210 Ph II[1]
- NSCLC: POPLAR Ph II[1,2]
- NSCLC: BIRCH Ph II[1]
- NSCLC: Chemo combos update[2]

Alectinib

- ALK+NSCLC: Ph II update[2]

Barcelona, 7-10 Oct

Ocrelizumab

- RMS: OPERA I / II Ph III

San Francisco, 18-21 Nov

Atezolizumab

- Melanoma: Combo with Zelboraf Ph Ib (abstracts submitted)

Cobimetinib + Zelboraf

- BRAF+Melanoma: coBRIM efficacy update (abstracts submitted)

San Antonio, 8-12 Dec

Atezolizumab

- TNBC: Combo with abraxane Ph Ib (abstracts submitted)

[1] "Data not yet in-house; planned to be submitted to an up-coming congress"; [2] Potentially at World Conference on Lung Cancer (WCLC) 2015
UBC=Urinary Bladder Cancer; NSCLC=Non-Small Cell Lung Cancer; RMS=Relapsing forms of Multiple Sclerosis;
TNBC=Triple Negative Breast Cancer

Diagnostics Division

Roland Diggelmann

COO Roche Diagnostics

HY 2015: Diagnostics Division sales

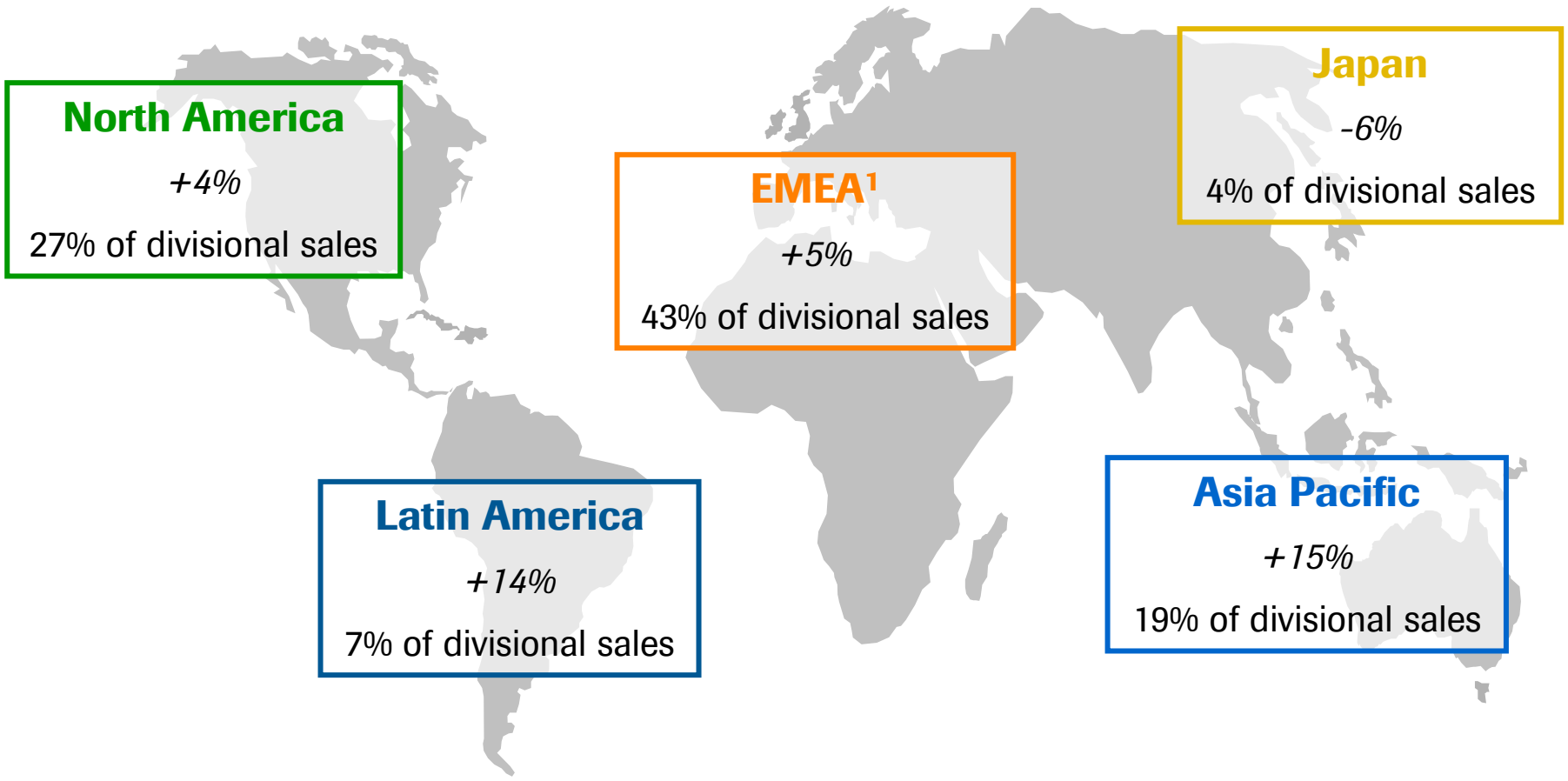
Strong sales performance

	HY 2015 CHFm	HY 2014 CHFm	Change in % CHF	Change in % 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

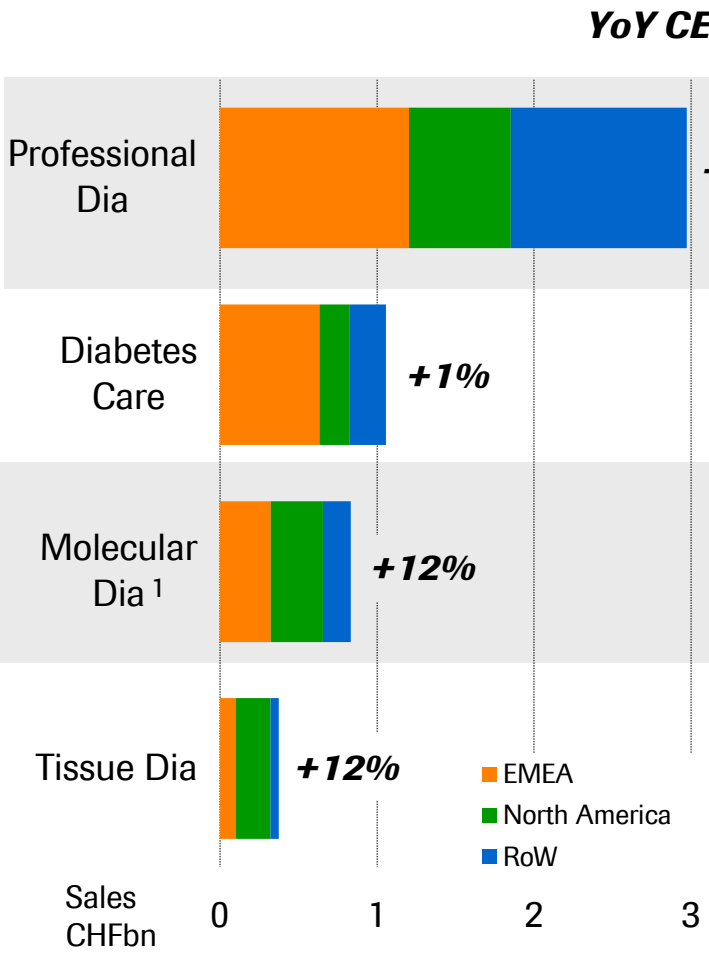


16% growth in E7 countries[2]

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

HY 2015: Diagnostics Division

Growth driven by Professional Diagnostics



- Growth driven by immunodiagnostics (+12%) and coagulation monitoring (+11%)
- Accu-Chek Aviva/Performa (+4%) and insulin delivering systems (+12%)
- Virology (+13%) incl. HPV (+28%)
- Advanced staining portfolio (+12%)

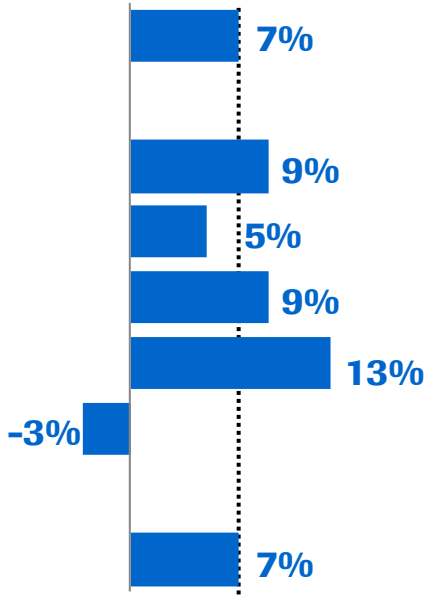
[1] Underlying growth of Molecular Diagnostics excluding Sequencing business: +9%
CER=Constant Exchange Rates; EMEA=Europe, Middle East and Africa

HY 2015: Diagnostics Division

Profit growth in line with sales growth

	HY 2015 CHFm	HY 2015 % 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



+3% in CHF

CER=Constant Exchange Rates

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:

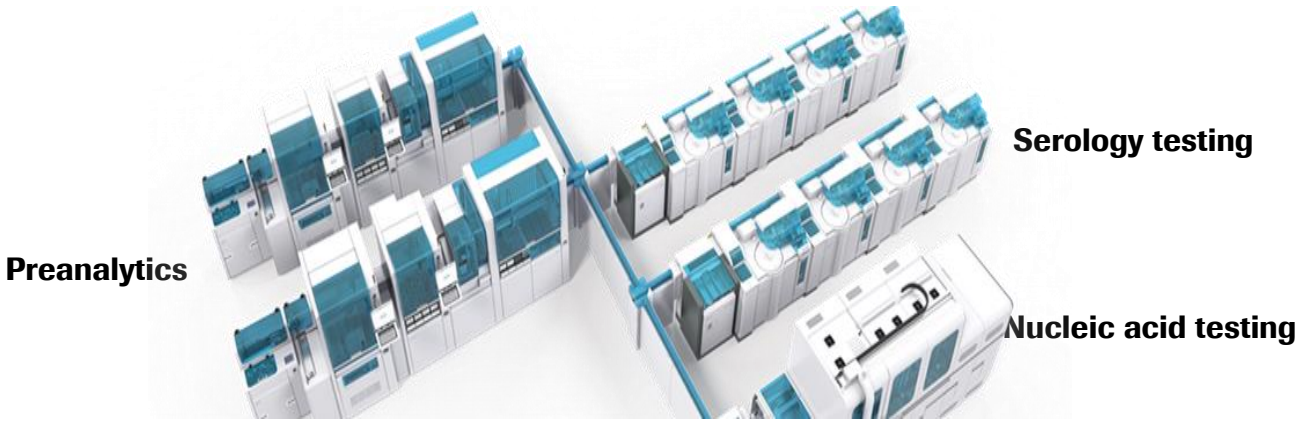
- Fastest time to result
- Highest accuracy
- Lower blood sample volume
- Minimum waste
- Minimised hands-on time
- High system uptime

Roche blood safety solution

Unique ability to combine nucleic acid testing and serology for blood screening

Roche blood safety solution	
HTLV-I/II	
HIV combi PT	Anti-HCV II
Anti-HBc	Anti-HBs
HBsA	Syphilis

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



HIV=Human Immunodeficiency Virus; HCV=Hepatitis C Virus; HTLV=Human T-Lymphotropic Virus; HBsAg=Hepatitis B surface antigen
HBc=Hepatitis B core; HBs=Hepatitis B surface

Launch of improved cobas h232 Troponin T
Point of Care test version of Elecsys cTNT-hs

cobas h232 Troponin T

- Quantitative measurement of Troponin T levels
- Allows for immediate rule-in decision of patients with suspected AMI*
- Competitive advantages:
  - High accuracy, fast readout
  - Compatible results with the Elecsys cTNT-hs
  - Only Troponin T handheld device
- Target market (cardiac POC): ~CHF 400m (+8%)

Elecsys cTNT-hs=Elecsys® cardiac Troponin T high-sensitive; AMI=Acute Myocardial Infarction; POC=Point of Care
* Supported by preHAP clinical study, which showed that pre-hospital patients with a suspected AMI and a POC Troponin T ≥ 50ng/L had a 3-10 times higher long-term mortality risk. Stengaard, C. et al. (2013). *Am J Cardiol 112(9)*, 1361-6.

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%)

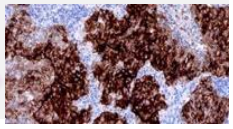
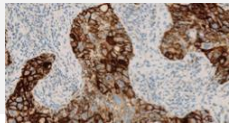
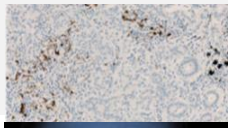
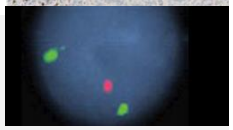
Point of Care: e.g. physician's office, emergency rooms, ambulance, pharmacies; MRSA=Methicillin Resistant Staphylococcus Aureus; RSV=Respiratory Cyntical Virus

Diagnostic assays guiding our clinical strategy

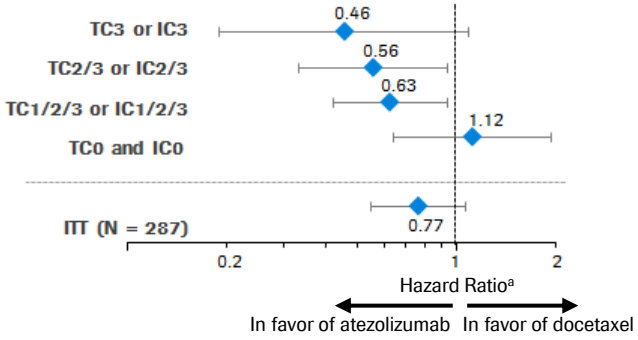
More than 350 collaborations between Pharma and Dia

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

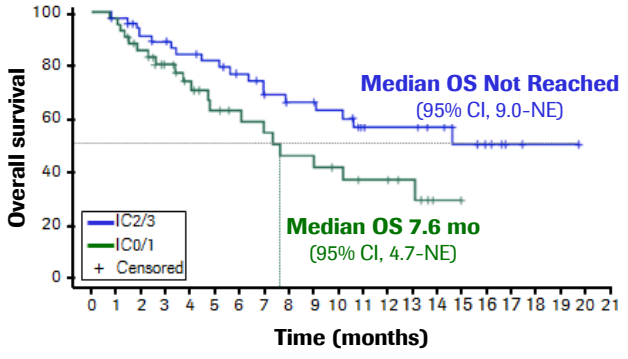
FDA BTD

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

Lung cancer: Survival hazard ratio*



Bladder cancer: Overall survival*



* Monotherapy data
** Achieved BTD in first half of 2015

Key launches 2015

	Area	Product	Market	BA[1]
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

Finance

Alan Hippe

Chief Financial Officer

HY 2015: Highlights

Business results

- Strong sales growth of +6%[1] and Core EPS growth +7%[1] excluding filgrastim[2]
- Core operating profit up +2%[1], excluding filgrastim[2] +7%[1]
- IFRS net income 0%[1], excluding filgrastim[2] +7%[1]

Cash flow

- Cash generation impacted by higher NWC, expanding manufacturing network, investments in intangible assets and sale of filgrastim rights in 2014
- Accounts receivable in Southern Europe under tight control
- Increased net debt due to outflow of dividends

[1] At Constant Exchange Rates (CER)
[2] Excluding sale of filgrastim rights in 2014 at CER

HY 2015 performance

Focus on cash

HY 2015: Group performance

Core EPS growth[1] +2% or +7% excl. filgrastim[2]

	HY 2015 CHFm	HY 2014 CHFm	Change in % CHF	Change in % CER	Excl. filgrastim[2]
Sales	**23,585**	**22,974**	**3**	**6**	
Core operating profit	**9,236**	**9,410**	**-2**	**2**	**7**
as % of sales	*39.2*	*41.0*			
Core net income	**6,320**	**6,641**	**-5**	**1**	**6**
as % of sales	*26.8*	*28.9*			
Attributable to Roche shareholders	6,220	6,533	-5	1	6
Core EPS (CHF)	**7.22**	**7.57**	**-5**	**2**	**7**
IFRS net income	**5,249**	**5,641**	**-7**	**0**	**7**
Operating free cash flow	**6,525**	**7,869**	**-17**	**-19**	
as % of sales	*27.7*	*34.3*			
Free cash flow	**-2,928**	**-1,026**	**-185**	**-216**	
as % of sales	*-12.4*	*-4.5*			

[1] CER=Constant Exchange Rates
[2] Excluding sale of filgrastim rights in 2014

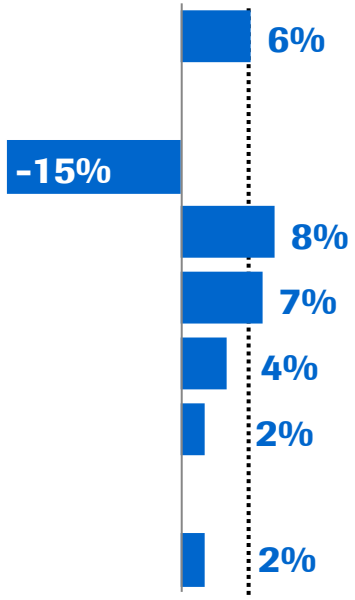
HY 2015: Group operating performance

Core operating profit growth[1] +7% excl. filgrastim[2]

	HY 2015 CHFm	HY 2015 % sales
Sales	**23,585**	**100.0**
Royalties & other op. inc.	1,245	5.3
Cost of sales	-6,198	-26.4
M & D	-4,021	-17.0
R & D	-4,351	-18.4
G & A	-1,024	-4.3
Core operating profit	**9,236**	**39.2**

filgrastim impact

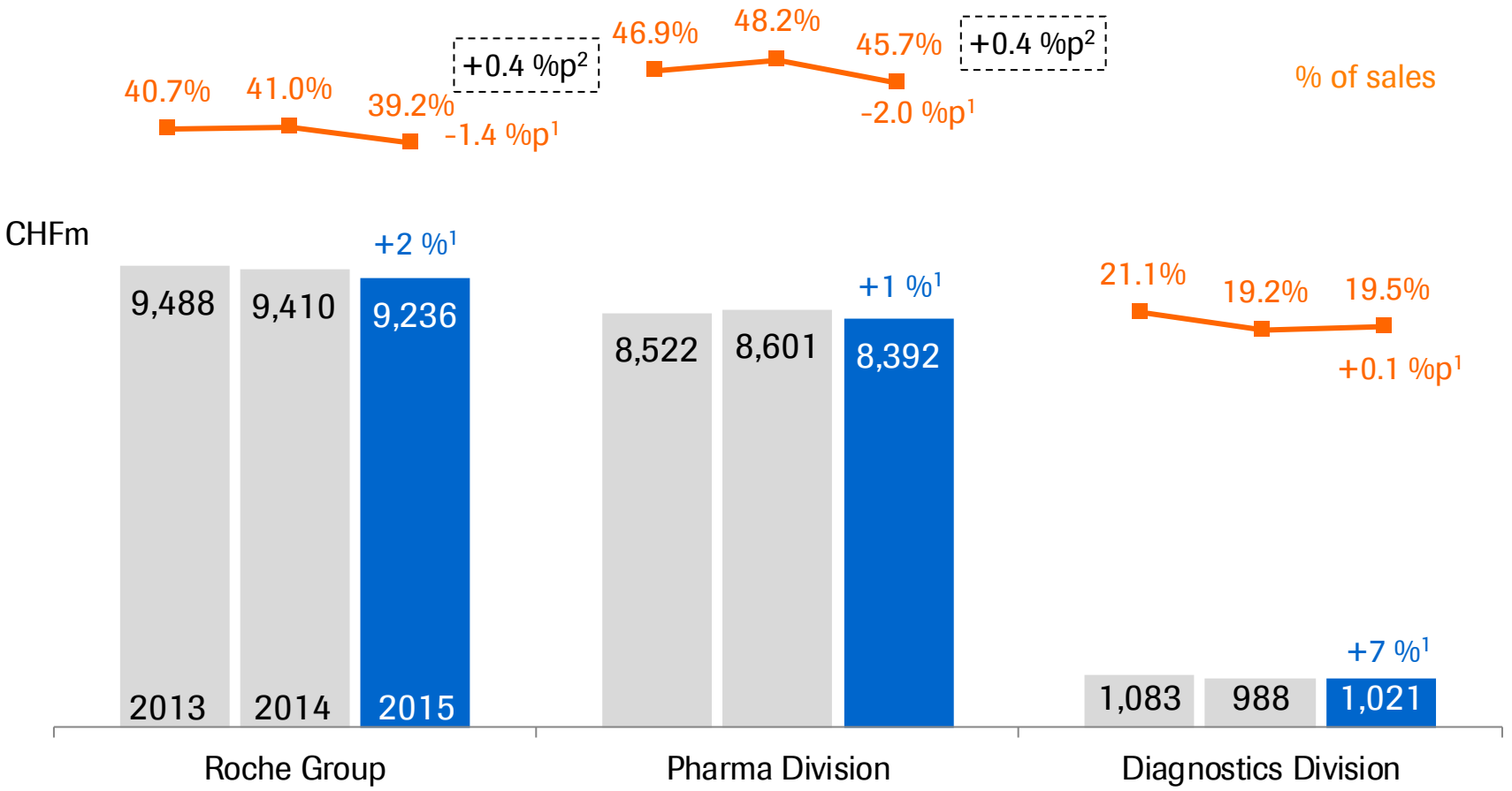
(+7% excl. filgrastim[2])



-2% in CHF

[1] CER=Constant Exchange Rates
[2] Excluding sale of filgrastim rights in 2014

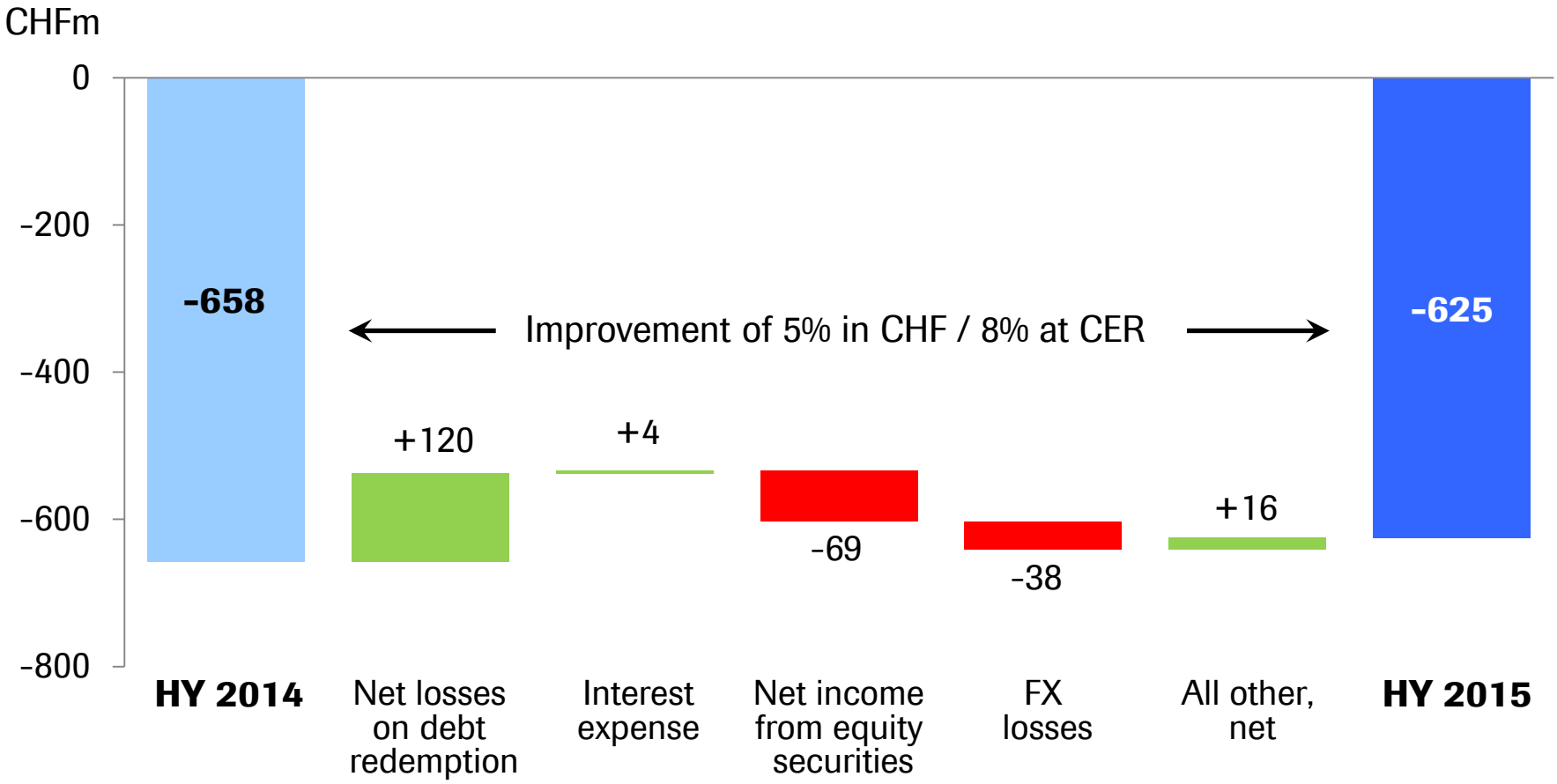
HY 2015: Strong underlying core operating profit and margin



[1] CER=Constant Exchange Rates
[2] Excluding sale of filgrastim rights in 2014

HY 2015: Core net financial result

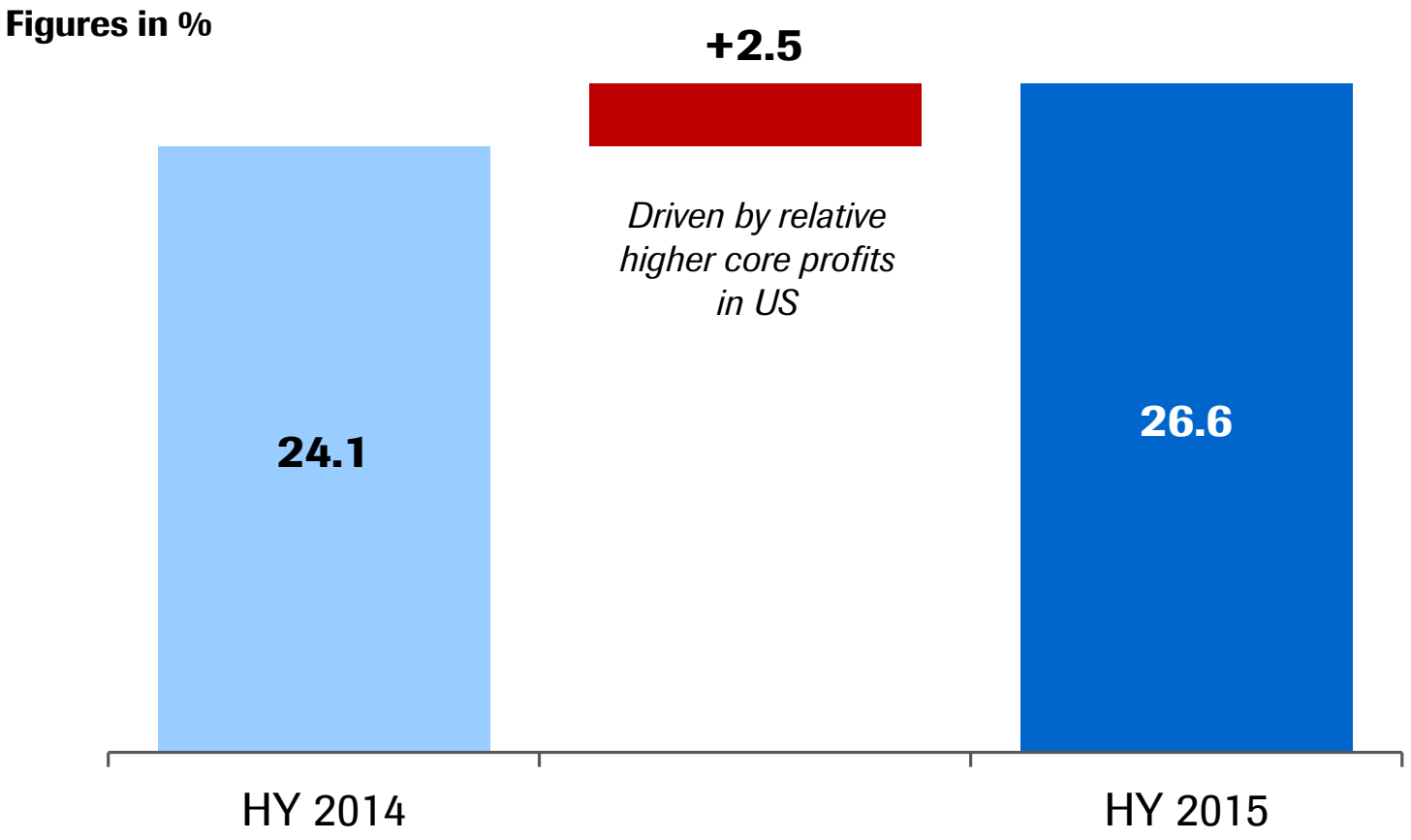
Lower debt redemption loss offsets lower equity income and higher fx losses



[1] CER=Constant Exchange Rates

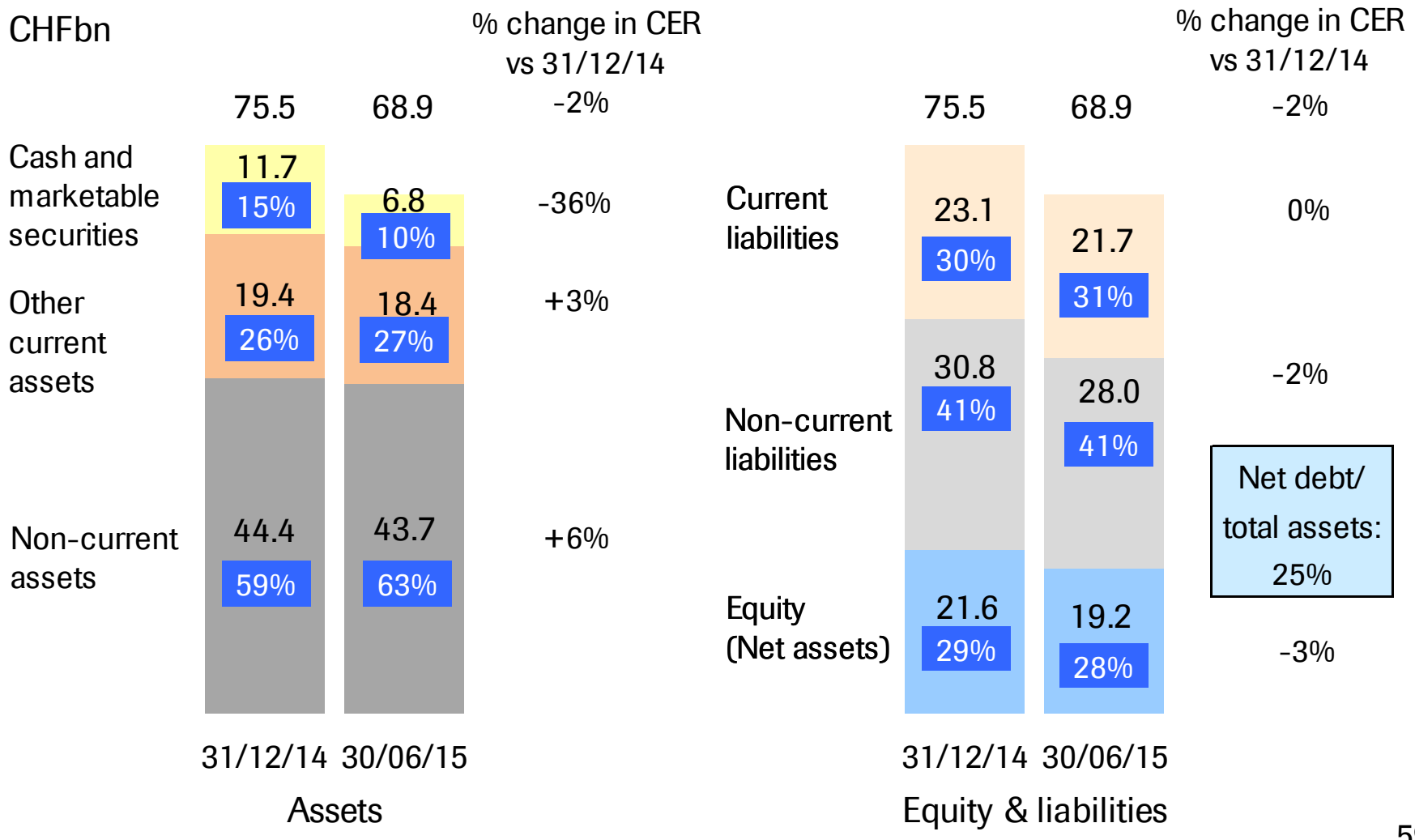
HY 2015: Group core tax rate

Relative higher core profits in US



Balance sheet 30 June 2015

Equity ratio at 28%



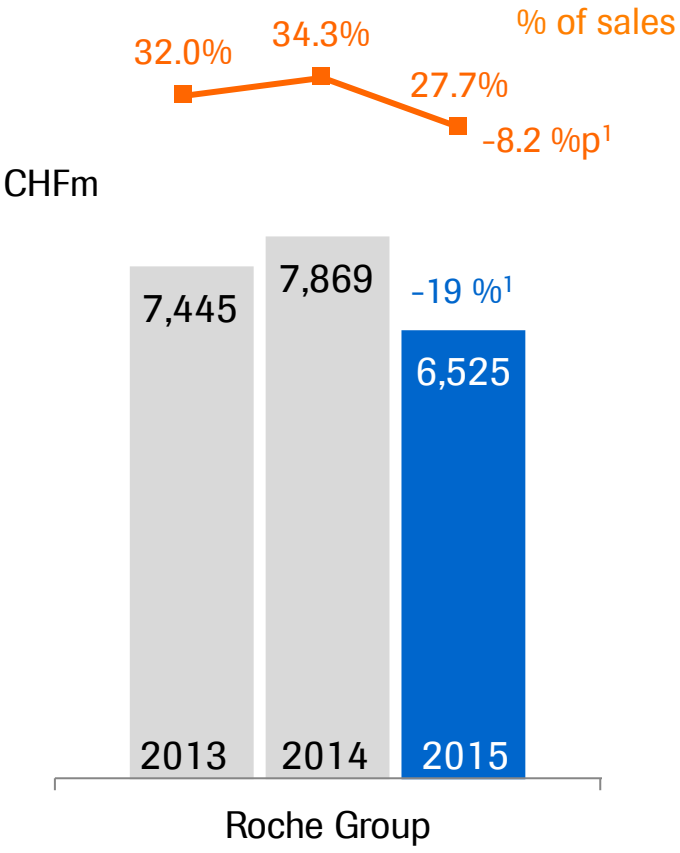
CER=Constant Exchange Rates

HY 2015 performance

Focus on cash

HY 2015: Operating free cash flow and margin

Impacted by expanding our manufacturing network and increased NWC

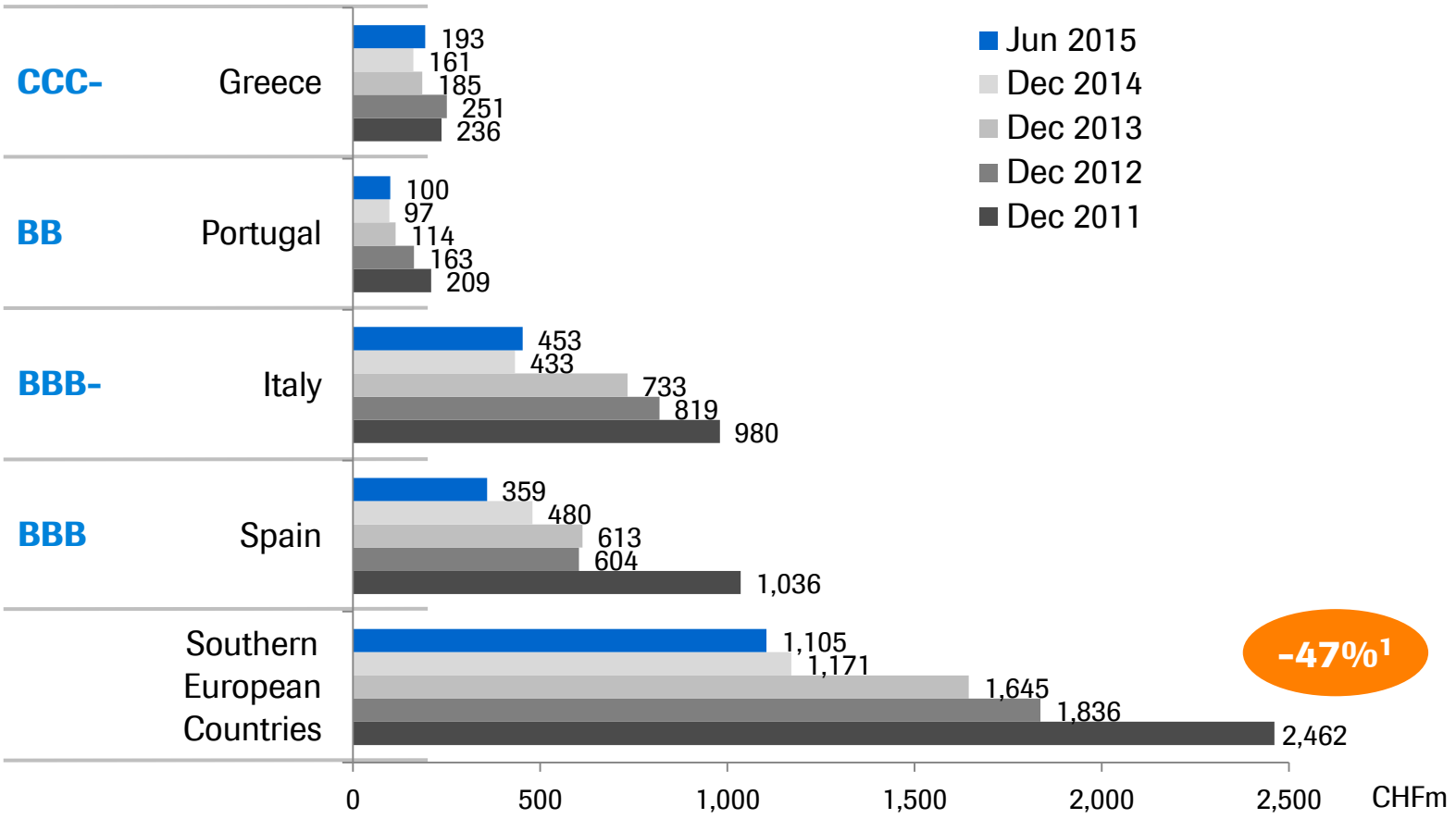


Main impacts

- Net working capital (NTWC/sales: 29.7% YE 2014 to 29.9% HY 2015)
- Expanding manufacturing network
- Investments in intangible assets
- Sale of filgrastim rights in 2014

[1] CER=Constant Exchange Rates

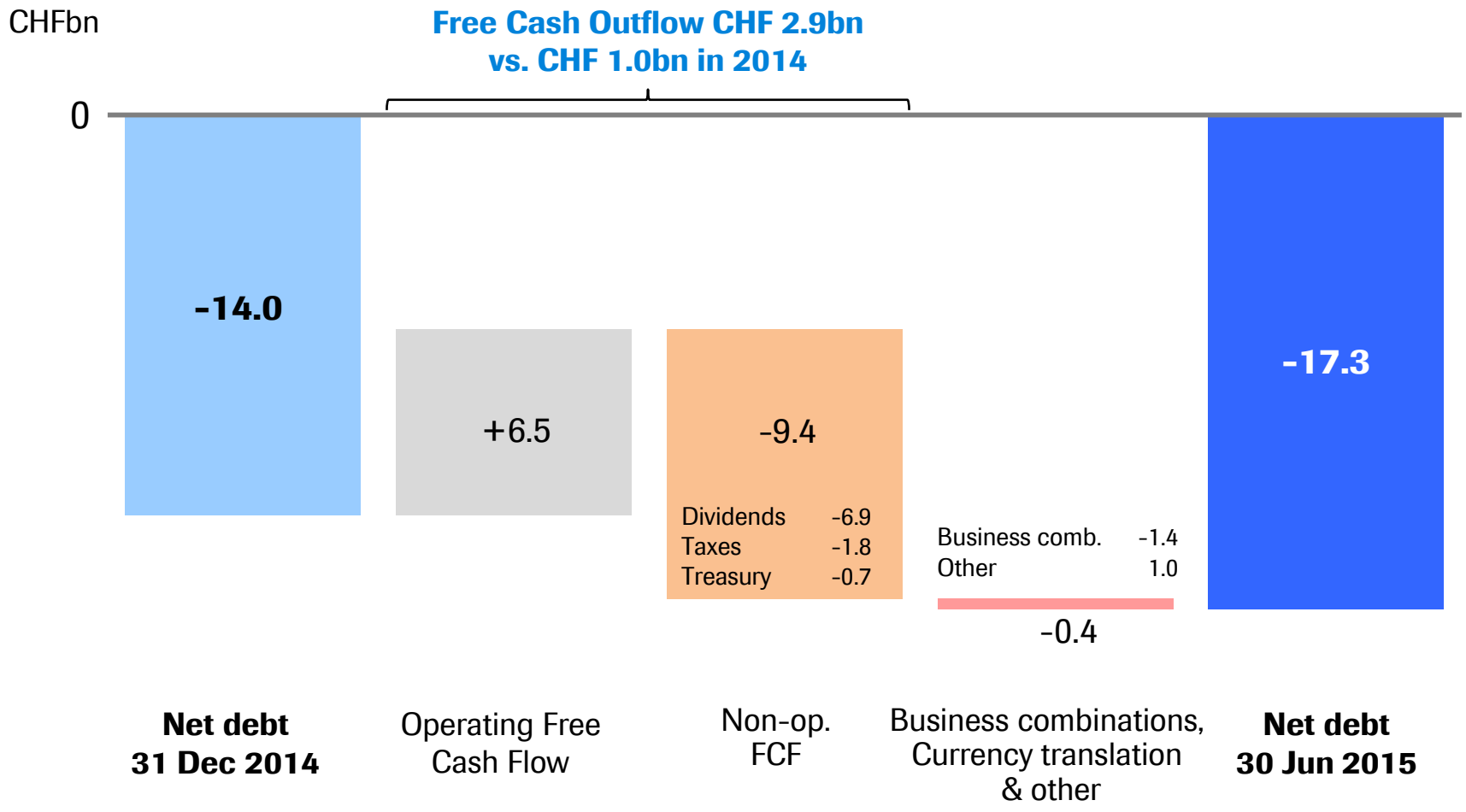
HY 2015: Accounts receivable in Southern Europe under tight control



Sovereign country ratings from Standard & Poor's, as of 6 Jul 2015;
[1] At CER=Constant Exchange Rates

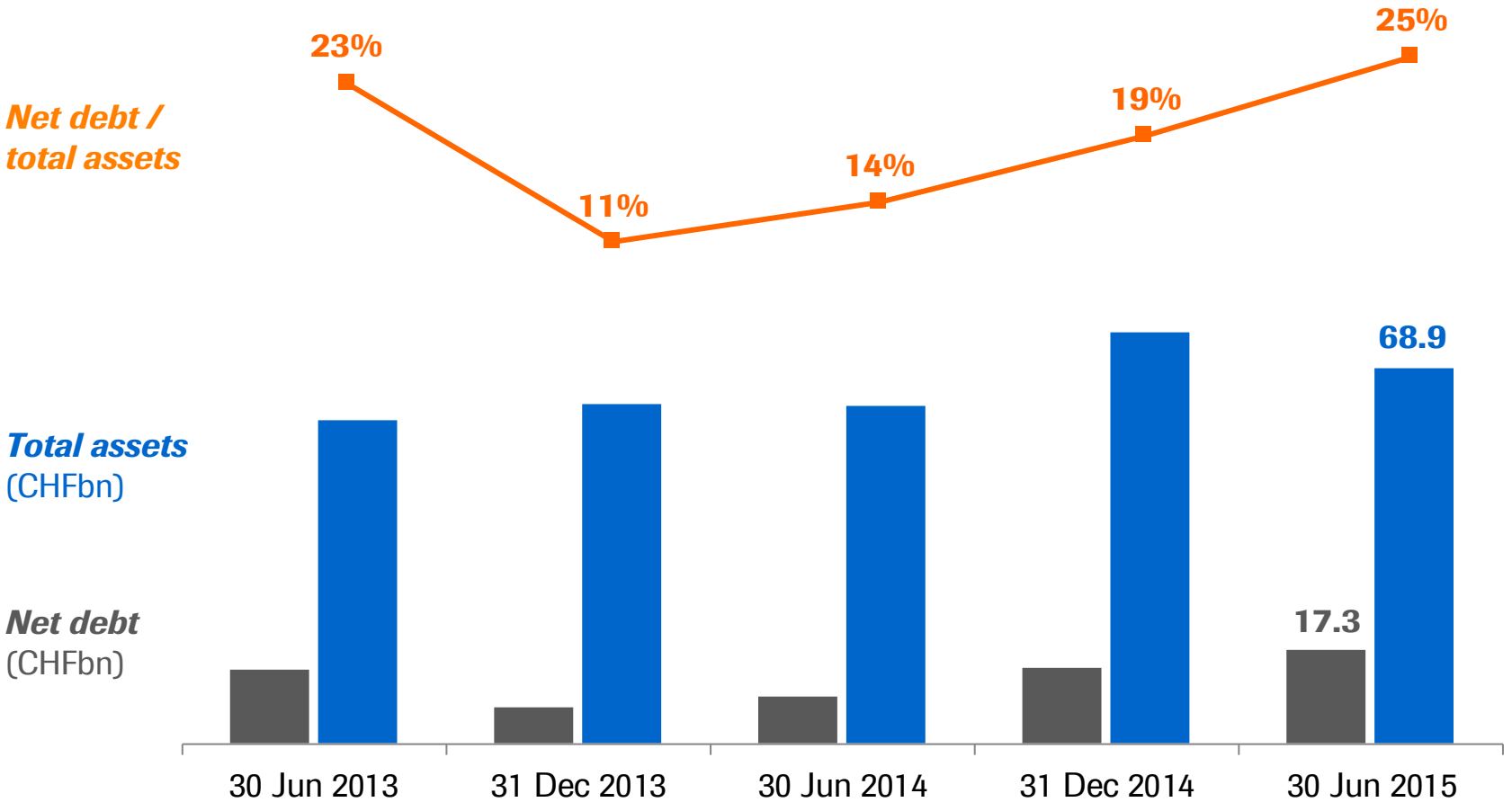
HY 2015: Group net debt development

Higher net debt due to dividend payment



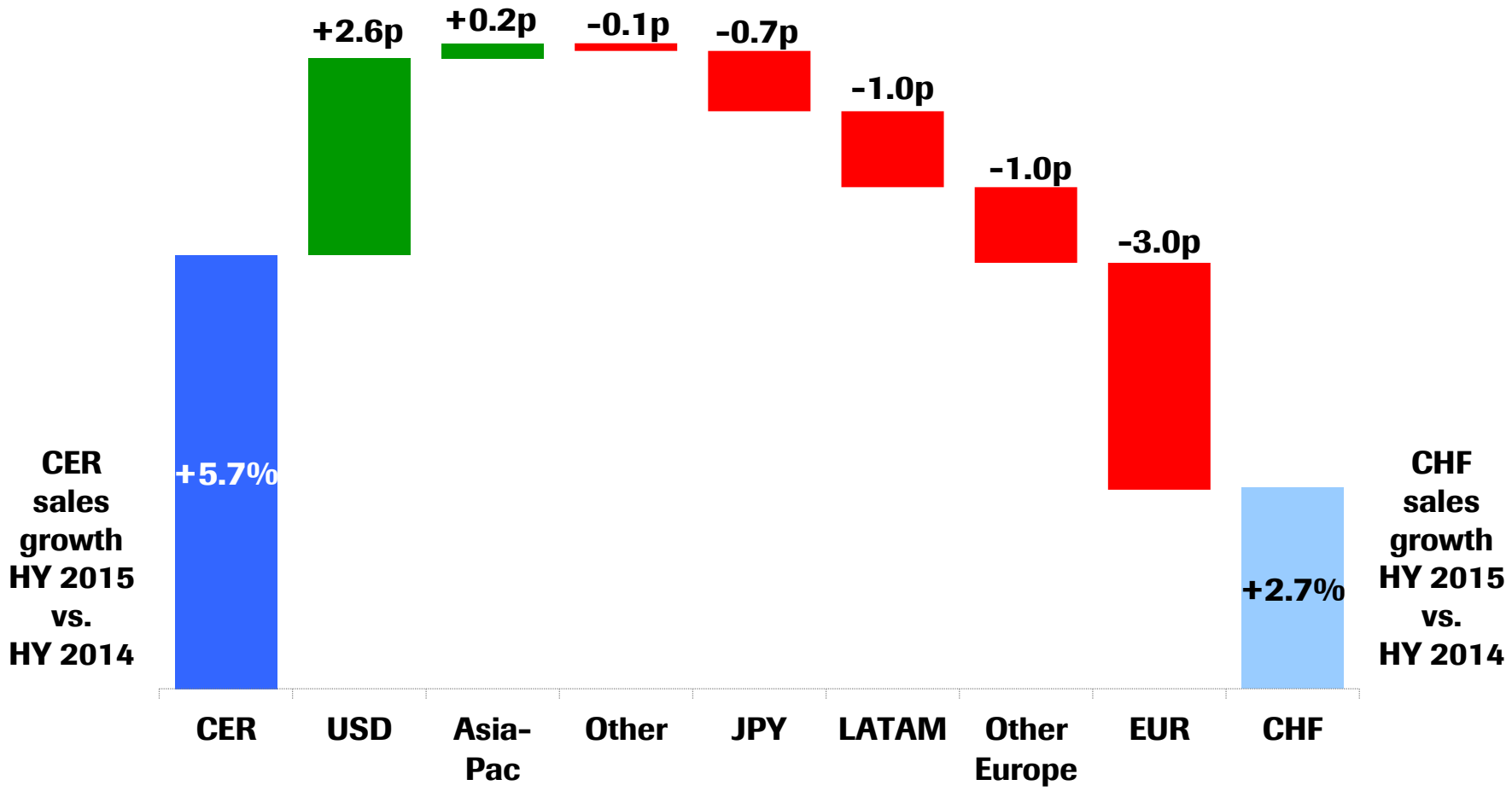
CER=Constant Exchange Rates

Balance sheet: Net debt to total assets



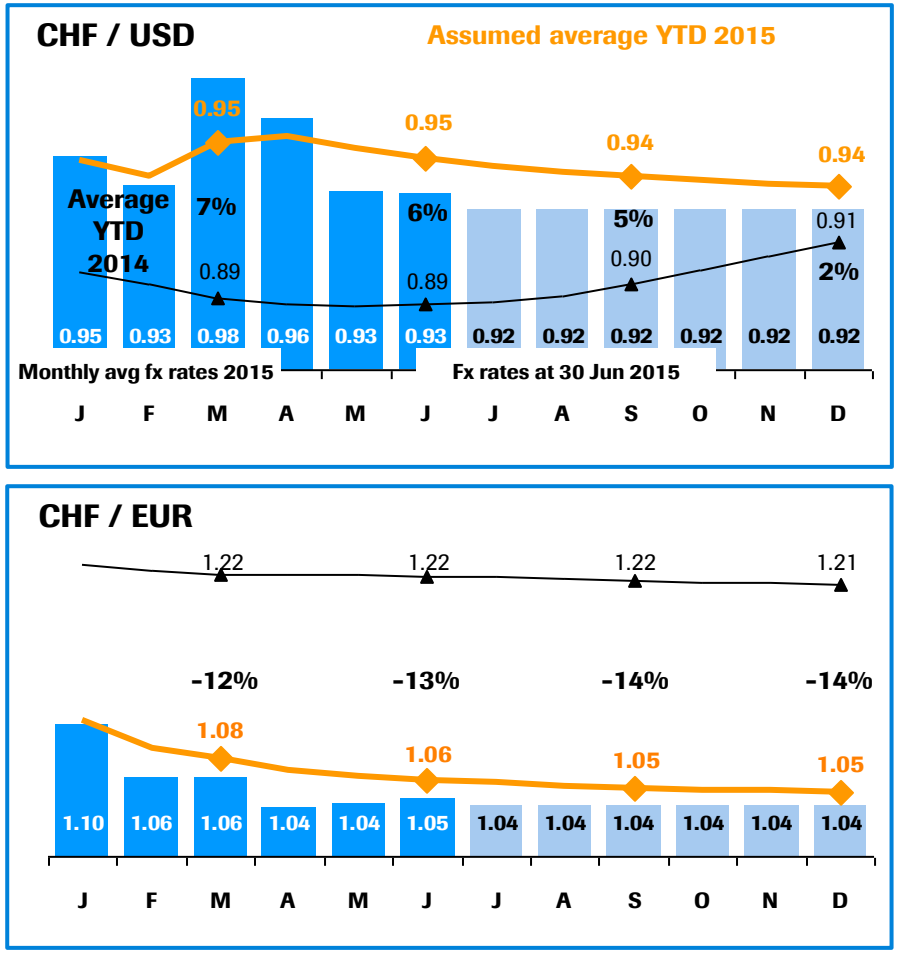
Exchange rate impact on sales growth

Negative impact from EUR, Europe, LATAM and JPY more than offsetting positive impact of USD



CER = Constant Exchange Rates (avg full year 2014)

Negative currency impact in 2015 expected



Assuming the 30 June 2015 exchange rates remain stable until end of 2015, 2015 impact is expected to be (%p):

	Q1	HY	Sep YTD	FY
Sales	-2	-3	-5	-6
Core operating profit		-4		-8
Core EPS		-7		-10

2015 outlook

Group sales growth[1]	Low to mid-single digit
Core EPS growth[1]	Ahead of sales growth[2]
Dividend outlook	Further increase dividend in Swiss francs

[1] At constant exchange rates
[2] Excluding sale of filgrastim rights in 2014

Roche

Changes to the development pipeline
HY 2015 update

New to Phase I	New to Phase II	New to Phase III	New to Registration
2 NMEs transitioned from Ph0 **RG7944** Therapeutic vaccine - HBV **RG6069** NME - fibrosis **3 AIs** **RG7888** OX40 MAb + atezolizumab – solid tumors **RG7446** atezolizumab + lenalidomide - multiple myeloma **RG6078** IDO inh + atezolizumab – solid tumors **1 NME added by Chugai** **CHU** PTH1 receptor agonist - hypoparathyroidism	**1NME transitioned from Ph1** **RG7795** TLR7 ago - HBV **1 AI** **RG3637** lebrikizumab - atopic dermatitis	**1 AI transitioned from Ph2** **RG7446** atezolizumab + Avastin - RCC **4 AIs** **RG105** MabThera - pemphigus vulgaris **RG7446** atezolizumab – Dx+ NSCLC adj **RG7446** atezolizumab + abraxane – TNBC **RG7446** atezolizumab - muscle invasive bladder cancer (MIBC) adj	**1 AI transitioned from Ph2 following EU submission** **RG435** Avastin + Tarceva EGFR mut+ NSCLC
Removed from Phase I	**Removed from Phase II**	**Removed from Phase III**	**Removed from Registration**
3 NMEs **RG7203** PDE10 inh – schizophrenia **RG7641** aldosterone synthase inh - met. diseases **RG7787** MSLN PE cFP - solid tumors	**2 NMEs** **RG7697** GIP/GLP-1 dual agonist - type 2 diabetes **RG7929** LptD antibiotic-antibacterial **1 AI** **RG6062** Esbriet - SSc–interstitial lung disease	**1 AI (filing no go decision)** **RG3502** Kadcyla +/- Perjeta HER2+ mBC 1L	

Status as of July 23, 2015

Roche Group development pipeline

Phase I
(30 NMEs + 14 AIs)

RG6016	LSD1 inh	AML
RG6047	SERD (2)	ER+(HER2-neg) mBC
RG6061	HIF1 alpha LNA	solid tumors
RG6078	IDO inh	solid tumors
RG6078	IDO inh + atezolizumab	solid tumors
RG7116	lumretuzumab	mBC
RG7155	emactuzumab + atezolizumab	s. tumors
RG7304	Raf & MEK dual inh	solid tumors
RG7388	idasanutlin	solid & hem tumors
RG7446	atezolizumab	solid tumors
RG7446	atezo+Zelboraf+/-cobi	m. melanoma
RG7446	atezo+Avastin+chemo	solid tumors
RG7446	atezolizumab+cobimetinib	solid tumors
RG7446	atezolizumab+ipi/IFN	solid tumors
RG7446	atezolizumab+Tarceva	NSCLC EGFR+
RG7446	atezolizumab+Gazyva	lymphoma
RG7446	atezo+lenalidomide	multiple myeloma
RG7450	anti-Steap 1 ADC	prostate ca.
RG7597	duligotuzumab + cobi	solid tumors
RG7601	venetoclax	heme indications
RG7601	venetoclax+Gazyva	CLL
RG7741	ChK1 inh	solid tum & lymphoma
RG7775	MDM2 (4) IV prodrug	AML
RG7802	CEA CD3 TCB	solid tumors
RG7813	CEA IL2v + atezolizumab	solid tumors
RG7841	anti-Ly6E ADC	solid tumors
RG7842	ERK inh + cobimetinib	solid tumors
RG7876	CD40 iMAb+atezolizumab	solid tumors
RG7882	ADC	ovarian ca
RG7888	OX40 MAb	solid tumors
RG7888	OX40 MAb + atezolizumab	solid tumors

RG6069	-	fibrosis
RG7625	-	autoimmune diseases
RG7880	-	inflammatory diseases
RG6080	DBO β-lactamase inh	bact. infections
RG7689	-	infectious diseases
RG7944	Therapeutic vaccine	HBV
RG7345	TAU MAb	Alzheimer's
RG7893	Nav1.7 inh	pain
RG7800	SMN2 splicer	spinal muscular atrophy
RG7935	a-synuclein MAb	Parkinson's Disease
RG3645	Lucentis sust. deliv.	AMD/RVO/DME
RG7716	VEGF-ANG2 MAb	wAMD
CHU	PTH1 recep. ago	hypoparathyroidism

New Molecular Entity (NME)
Additional Indication (AI)
CLL

Oncology
Immunology
Infectious Diseases
CardioMetabolism
Neuroscience
Ophthalmology
Other

RG-No **Roche Genentech managed**
CHU **Chugai managed**

Phase II
(22 NMEs + 11 AIs)

RG3502	Kadcyla	HER2+ NSCLC
RG6013	FIXa/FX bispecific MAb	hemophilia A
RG6046	SERD	ER+(HER2-neg) mBC
RG7155	emactuzumab	PVNS/solid tumors
RG7221	vanucizumab	mCRC
RG7421	cobimetinib+paclitaxel	TNBC
RG7440	ipatasertib	solid tumors
RG7446	atezolizumab	NSCLC 2/3L
RG7446	atezolizumab	bladder cancer 1/2L
RG7596	polatuzumab vedotin	hem tumors
RG7599	lifastuzumab vedotin	Pt-resist. OC
RG7601	venetoclax	17p del CLL rel/ref
RG7601	venetoclax	DLBCL
RG7601	venetoclax+Rituxan	FL rel/ref
RG7604	taselisib	NSCLC sq 2L
RG7604	taselisib	ER+(HER2-neg) BC neoadj
RG7686	glypican-3 MAb	liver cancer
RG7853	alectinib	ALK+ NSCLC 2L
RG1569	Actemra	systemic sclerosis
RG3637	lebrikizumab +/- Esbriet	IPF
RG3637	lebrikizumab	atopic dermatitis
CHU	IL-31R MAb	atopic dermatitis
RG7227	danoprevir	HCV
RG7745	Flu A MAb	influenza
RG7795	TLR7 agonist	HBV
CHU	URAT1 inh	gout
RG1577	sembragiline	Alzheimer's
RG1662	GABRA5 NAM	Down Syndrome
RG1678	bitopertin	obsessive compulsive dis.
RG6083	olesoxime	spinal muscular atrophy
RG7090	basimglurant	TRD
RG7314	V1 receptor antag	autism
RG7412	crenezumab	Alzheimer's

Status as of July 23, 2015

Roche Group development pipeline

Phase III
(8 NMEs + 32 AIs)

RG435	Avastin	glioblastoma 1L
RG435[1]	Avastin	ovarian cancer 1L
RG435[1]	Avastin	rel. ovarian ca. Pt-sensitive
RG1273	Perjeta+Herceptin	HER2+ mBC 2L
RG1273	Perjeta+Herceptin	HER2+ BC adj
RG1273	Perjeta+Herceptin	HER2+gastric ca 1L
RG3502	Kadcyla	HER2+ gastric cancer 2L
RG3502	Kadcyla	HER2+ BC adj
RG3502	Kadcyla + Perjeta	HER2+ BC adj
RG3502	Kadcyla + Perjeta	HER2+ BC neoadj
RG7159	Gazyva	DLBCL1L
RG7159	Gazyva	iNHL rituximab-ref
RG7159	Gazyva	follicular lymphoma 1L
RG7204	Zelboraf	melanoma adj
RG7446	atezolizumab (PD-L1)	NSCLC 2L
RG7446	atezolizumab+chemo	NSCLC non-sq.
RG7446	atezo+chemo+Avastin	NSCLC non-sq. 1L
RG7446	atezolizumab+chemo	NSCLC sq. 1L
RG7446	atezolizumab Dx+	NSCLC sq. 1L
RG7446	atezolizumab Dx+	NSCLC non-sq. 1L
RG7446	atezolizumab Dx+	NSCLC adj
RG7446	atezolizumab+abraxane	TNBC
RG7446	atezolizumab+Avastin	RCC
RG7446	atezolizumab	bladder cancer 2L
RG7446	atezolizumab	muscle inv. bladder ca adj
RG7601	venetoclax+Rituxan	CLL rel/ref
RG7601	venetoclax+Gazyva	CLL 1L
RG7604	taselisib	ER+(HER2-neg) mBC
RG7853	alectinib	ALK+ NSCLC 1L
RG105	MabThera	pemphigus vulgaris
RG1569	Actemra	giant cell arteritis
RG3637	lebrikizumab	severe asthma
RG7413	etrolizumab	ulcerative colitis
RG7413	etrolizumab	Crohn's disease
CHU	Actemra	large-vessel vasculitis
CHU	IL-6R MAb	neuromyelitis optica
RG1450	gantenerumab	Alzheimer's
RG1594	ocrelizumab	RMS
RG1594	ocrelizumab	PPMS
RG7417	lampalizumab	geographic atrophy

Registration
(1 NME + 3 AIs)

RG105	MabThera SC	CLL
RG435[3]	Avastin+Tarceva	EGFR mut+ NSCLC
RG1273[2]	Perjeta	HER2+ BC neoadj
RG7421	cobimetinib +Zelboraf	m. melanoma

1 US only : FDA submission decision pending
2 Approved in US, submitted in EU
3 EU only

New Molecular Entity (NME)
Additional Indication (AI)

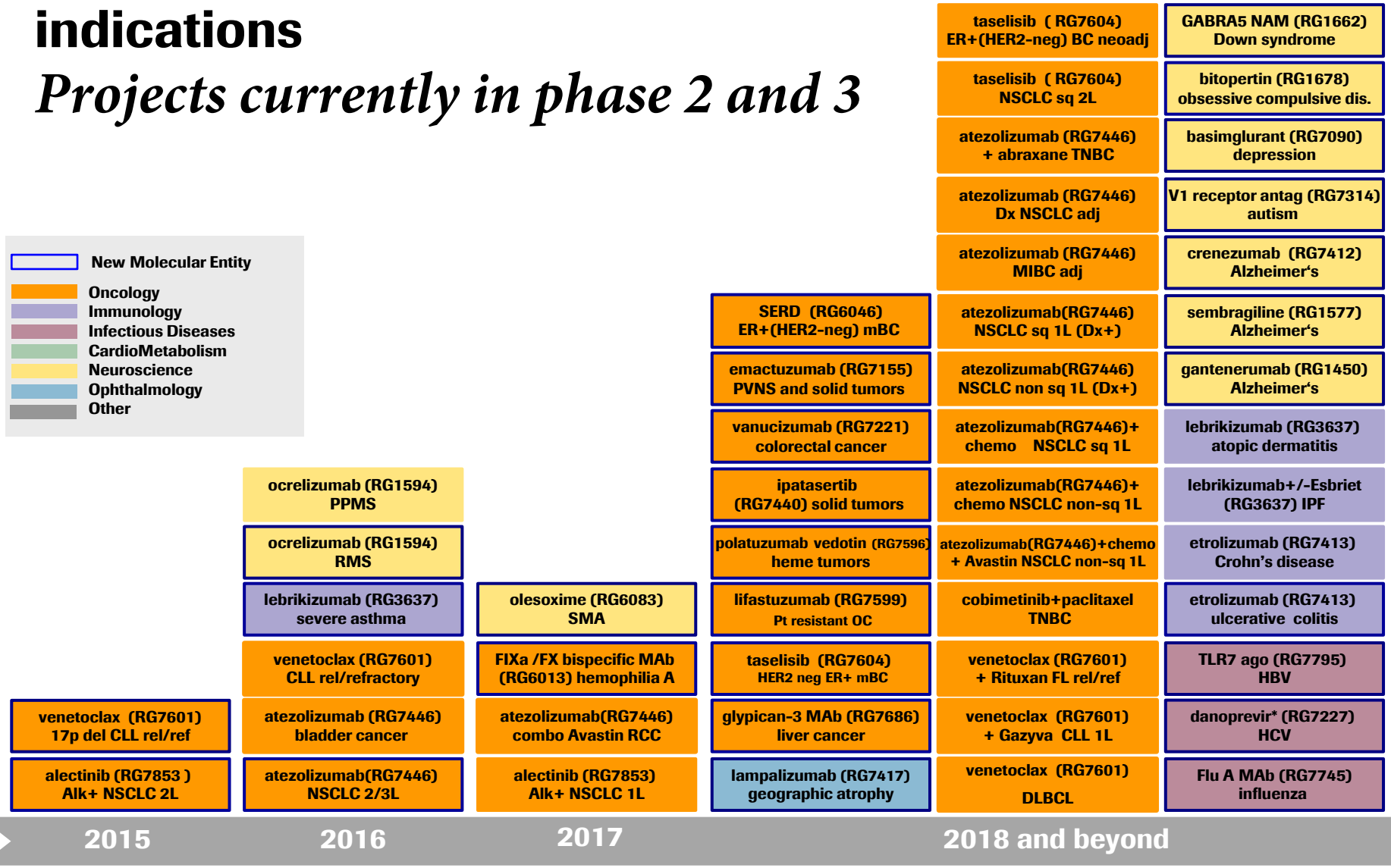
Oncology
Immunology
Infectious Diseases
CardioMetabolism
Neuroscience
Ophthalmology
Other

RG-No Roche Genentech managed
CHU Chugai managed
RG105 MabThera is branded as Rituxan in US and Japan
RG1569 Actemra is branded as RoActemra in EU
RG7159 Gazyva is branded as Gazyvaro in EU

Status as of July 23, 2015

NME submissions and their additional indications

Projects currently in phase 2 and 3

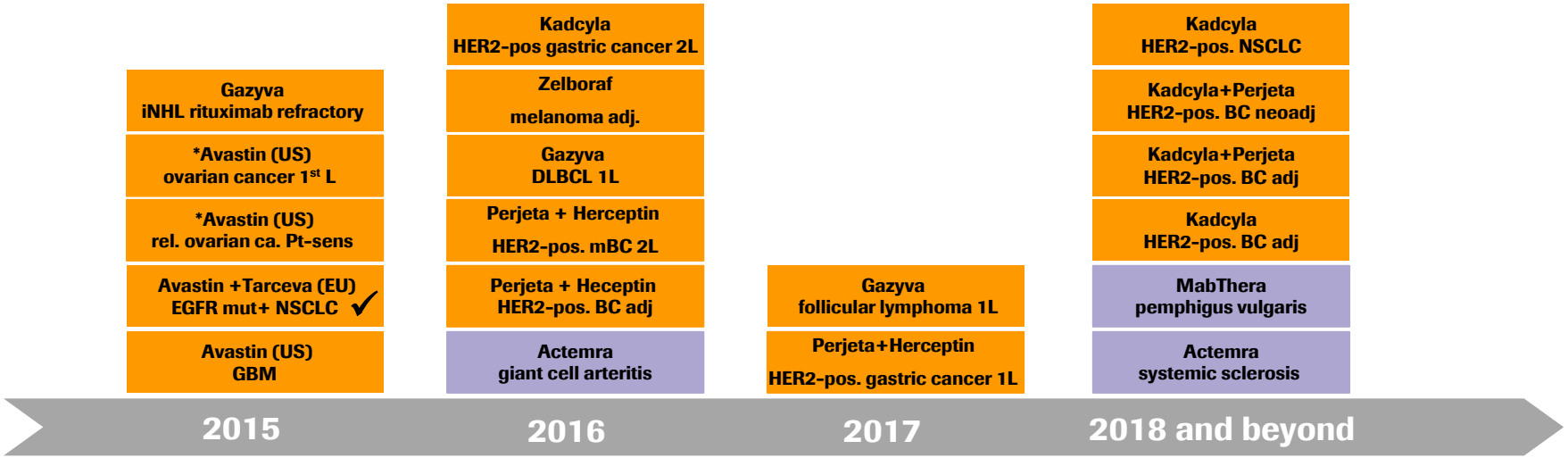


Unless stated otherwise, submissions are planned to occur in US and EU; * lead market China

Status as of July 23, 2015

Submissions of additional indications for existing products

Projects currently in phase 2 and 3

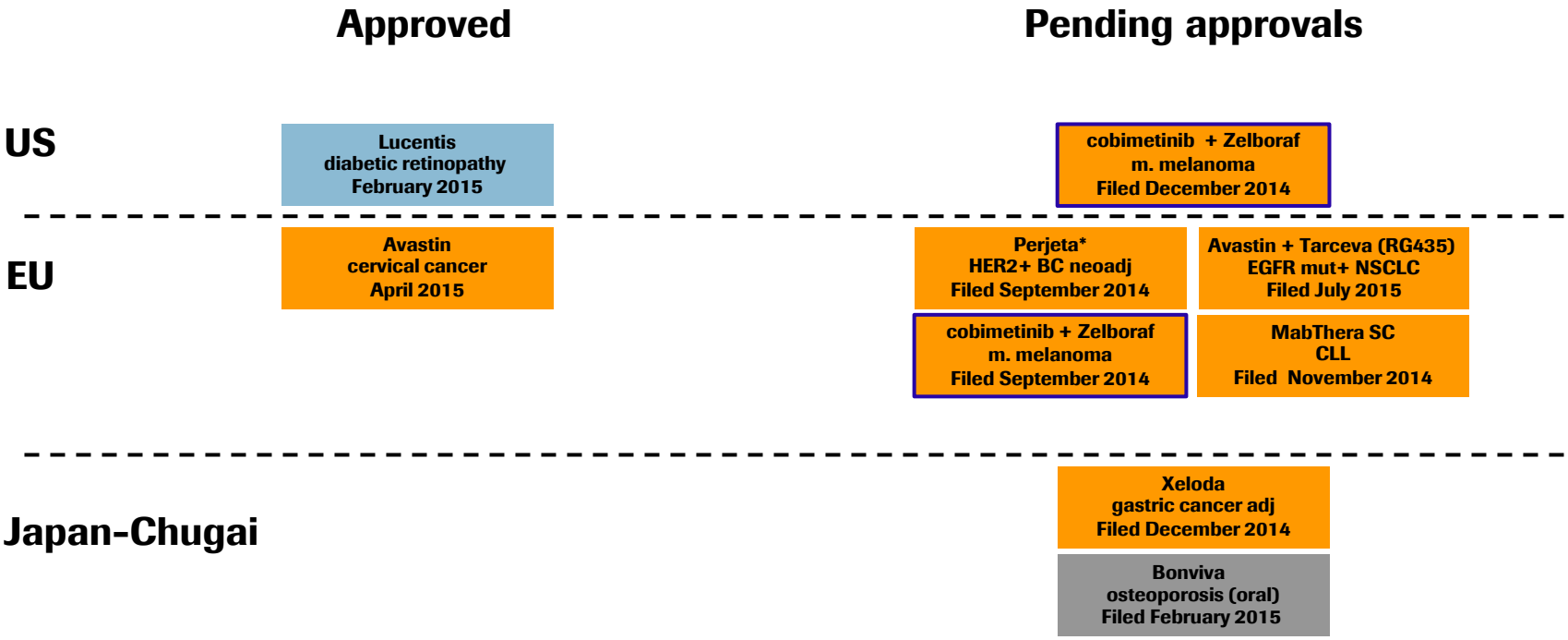


*approved in EU

Unless stated otherwise, submissions are planned to occur in US and EU.

Status as of July 23, 2015

Major granted and pending approvals 2015



* positive CHMP opinion in Q2'15

Oncology
Immunology
Infectious Diseases
CardioMetabolism
Neuroscience
Ophthalmology
Other
NME

Status as of July 23, 2015

Cancer immunotherapy pipeline overview

Phase I
(5 NMEs + 13 AIs)

RG6078	IDO inh	solid tumors
RG6078	IDO inh + atezolizumab	solid tumors
RG7155	emactuzumab + atezolizumab	s.tumors
RG7446	atezolizumab	solid tumors
RG7446	atezo+Zelboraf+/-cobimetinib	m. melanoma
RG7446	atezo+Avastin+chemo	solid tumors
RG7446	atezolizumab +cobimetinib	solid tum
RG7446	atezolizumab +ipi/IFN	solid tumors
RG7446	atezo+Tarceva	NSCLC EGFR+
RG7446	atezolizumab+Gazyva	lymphoma
RG7446	atezo+lenalidomide	multiple myeloma
RG7802	CEA CD3 TCB	solid tumors
RG7813	CEA IL2v + atezolizumab	solid tumors
RG7876	CD40 iMAb+atezolizumab	solid tumors
RG7888	OX40 MAb	solid tumors
RG7888	OX40 MAb + atezolizumab	solid tumors
*INCB	atezolizumab + IDO inh	solid tumors
*CDX	atezolizumab +varlilumab	solid tumors

*external collaborations: INCB- Incyte INCB024360, CDX-1127- Celldex CD27 MAb

Phase II
(1 NME + 2 AIs)

RG7155	emactuzumab	PVNS/solid tumors
RG7446	atezolizumab	NSCLC 2/3L
RG7446	atezolizumab	bladder cancer 1/2L

Phase III
(1 NME + 10 AIs)

RG7446	atezolizumab	NSCLC 2L
RG7446	atezo+chemo	NSCLC non-sq. 1L
RG7446	atezo+chemo+Avastin	NSCLC non-sq. 1L
RG7446	atezolizumab+chemo	NSCLC sq. 1L
RG7446	atezolizumab Dx+	NSCLC sq. 1L
RG7446	atezolizumab Dx+	NSCLC non-sq. 1L
RG7446	atezolizumab	bladder cancer 2L
RG7446	atezolizumab Dx+	NSCLC adj
RG7446	atezolizumab+abraxane	TNBC
RG7446	atezolizumab+Avastin	RCC
RG7446	atezolizumab muscle inv. bladder ca adj	

New Molecular Entity (NME)
Additional Indication (AI)

Oncology

RG-No **Roche Genentech managed**
CHU **Chugai managed**

Status as of July 23, 2015

Roche Group development pipeline
Combinations

Phase I
(4 NMEs + 11 AIs)

RG6078	IDO inh + atezolizumab	solid tumors
RG7155	emactuzumab + atezolizumab	s.tum
RG7446	atezo+Zelboraf+/-cobimetinib	m. melanoma
RG7446	atezo+Avastin+chemo	solid tumors
RG7446	atezolizumab +cobimetinib	solid tum
RG7446	atezolizumab +ipi/IFN	solid tumors
RG7446	atezo+Tarceva	NSCLC EGFR+
RG7446	atezolizumab+Gazyva	lymphoma
RG7446	atezo+lenalidomide	multiple myeloma
RG7597	duligotuzumab + cobi	solid tumors
RG7601	venetoclax+Gazyva	CLL
RG7813	CEA IL2v + atezolizumab	solid tum
RG7842	ERK inh + cobimetinib	solid tumors
RG7876	CD40 iMAb+atezolizumab	solid tum
RG7888	Anti-OX40 + atezolizumab	solid tum

Phase II
(1 NME + 2 AIs)

RG7421	cobimetinib+paclitaxel	TNBC
RG7601	venetoclax+Rituxan	FL rel/ref
RG3637	lebrikizumab +/- Esbriet	IPF

Phase III
(12 AIs)

RG1273	Perjeta+Herceptin	HER2+ mBC 2L
RG1273	Perjeta+Herceptin	HER2+ BC adj
RG1273	Perjeta+Herceptin	HER2+gastric ca 1L
RG3502	Kadcyla + Perjeta	HER2+ BC adj
RG3502	Kadcyla + Perjeta	HER2+ BC neoadj
RG7446	atezo+chemo	NSCLC non-sq. 1L
RG7446	atezo+chemo+Avastin	NSCLC non-sq. 1L
RG7446	atezolizumab+chemo	NSCLC sq. 1L
RG7446	atezolizumab+abraxane	TNBC
RG7446	atezolizumab+Avastin	RCC
RG7601	venetoclax+Rituxan	CLL rel/ref
RG7601	venetoclax+Gazyva	CLL 1L

Registration
(1 NME + 1 AI)

RG435[3]	Avastin+Tarceva	EGFR mut+ NSCLC
RG7421	cobimetinib +Zelboraf	m. melanoma

New Molecular Entity (NME)
Additional Indication (AI)

Oncology
Immunology

RG-No Roche Genentech managed
CHU Chugai managed

Status as of July 23, 2015

Doing now what patients need next