Investor Update

Basel, 14 October 2010

Roche Group posts solid sales growth in first nine months

Further market share gains for Roche Diagnostics; Group confirms full-year outlook

- Group sales increase 2% in local currencies (-1% in Swiss francs; 3% in US dollars) to 36.1 billion Swiss francs in first nine months of 2010. Excluding Tamiflu, Group sales rise 6%[1] (3% in Swiss francs, 7% in US dollars).
- Sales of cancer medicines continue to grow strongly, rising 8%.
- Operational Excellence initiative's Group-wide review of structures and processes well under way, with measures to be announced before year-end. Aim is to accelerate productivity improvements and strengthen innovation capacity.
- Roche named Supersector Leader in Healthcare in the Dow Jones Sustainability Indexes (DJSI) for second year running.
- Roche confirms full-year outlook.

Sales in millions of CHF	**Nine months ended 30 September**		**% change**		
	2010	**2009**	**In CHF**	**In LC***	**In USD**
Pharmaceuticals Division	28,395	29,034	-2	1	2
Excluding Tamiflu	*27,587*	*27,030*	*2*	*5*	*6*
United States	10,878	11,157	-3	1	1
Western Europe	7,295	8,026	-9	-3	-6
Japan	3,137	3,490	-10	-12	-7
International**	7,085	6,361	11	11	16
Diagnostics Division	7,732	7,365	5	8	9
Roche Group	36,127	36,399	-1	2	3
Excluding Tamiflu	*35,319*	*34,395*	*3*	*6*	*7*

*LC= local currencies
**International: Asia–Pacific, CEMAI (Central and Eastern Europe, Middle East, Africa, Central Asia, Indian Subcontinent), Latin America, Canada, Others
See appendix to this media release for details of quarterly sales growth

Barring unforeseen events.
[1] Unless otherwise stated, growth rates are in local currencies

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Pharmaceuticals Division posts mid-single-digit growth, excluding Tamiflu

- Sales up 1% (-2% in Swiss francs, 2% in US dollars). Excluding the expected significant decline in Tamiflu sales, divisional sales rise 5% (2% in Swiss francs), in line with Roche's full-year outlook.
- Growth driven mainly by Avastin, MabThera/Rituxan, Herceptin, Lucentis, Actemra/RoActemra and Xeloda. Together, these medicines contribute over 1.2 billion Swiss francs in additional sales.
- Strong growth continues in International region (+11%), driven by E7 key emerging markets[2].

Diagnostics Division — above-market growth and major new products

- Divisional sales grow 8% (5% in Swiss francs, 9% in US dollars), again ahead of the global market, driven mainly by Professional Diagnostics and Diabetes Care.
- Major new tests for virology and oncology launched.
- cobas 8000 modular analyser series expanded: immunoassay module launched in CE Mark countries; rollout of clinical chemistry modules in US.
- BioImagene Inc. acquired to strengthen offering in digital pathology.

Commenting on the Group's 2010 performance to date, Roche CEO Severin Schwan said: 'The Roche Group recorded solid nine-month sales growth in a challenging market. I am also pleased that several of our pharma development projects reported positive data in the third quarter, notably MetMAb in lung cancer and T-DM1 in HER2-positive breast cancer. Based on our performance to date, we expect to achieve our targets for 2010. Our Group-wide review of structures and processes as part of the Operational Excellence initiative is on track.'

[2] Brazil, China, India, Mexico, Russia, South Korea, Turkey

Roche Group

Solid growth in first nine months

In the first nine months of 2010 Group sales rose 2% in local currencies (-1% in Swiss francs; 3% in US dollars) to 36.1 billion Swiss francs. Excluding Tamiflu sales, which as expected were significantly lower than in the previous year, Group sales increased 6% (3% in Swiss francs, 7% in US dollars). The Pharmaceuticals Division’s nine-month sales totalled 28.4 billion Swiss francs, an increase of 1% in local currencies (-2% in Swiss francs; 2% in US dollars). Excluding Tamiflu, pharmaceutical sales advanced 5% — in line with global market growth. The Diagnostics Division’s sales continued to grow faster than the global *in vitro* diagnostics market, advancing 8% in local currencies (5% in Swiss francs; 9% in US dollars) to 7.7 billion Swiss francs.

Roche again recognised as global healthcare leader in Dow Jones Sustainability Index

In September Roche was named Supersector Leader in Healthcare in the Dow Jones Sustainability Indexes (DJSI) for the second year running. This top ranking among the world’s leading sustainability-driven healthcare companies is a reflection of Roche’s commitment to its employees, communities and the environment, and positions Roche as a global leader in sustainable business practices. Roche has been included in the DJSI World and DJSI STOXX since 2004 and was first named Supersector Leader in Healthcare in 2009.

Full-year outlook confirmed

Despite lower Tamiflu sales (expected to total up to 1 billion Swiss francs in the current year, down from 3.2 billion Swiss francs in 2009) and the more challenging market environment, Roche confirms its full-year outlook for 2010 on the basis of the positive nine-month sales performance. Barring unforeseen events, Roche expects local-currency sales growth in the mid-single-digit range for the Group and the Pharmaceuticals Division in 2010 (excluding Tamiflu sales). Full-year sales by the Diagnostics Division are expected to grow significantly ahead of the market. Roche is also aiming for double-digit growth in core earnings per share at constant exchange rates.

Pharmaceuticals Division

Mid-single-digit sales growth, excluding Tamiflu

Top-selling pharmaceuticals Jan–Sept 2010	Total		US		Western Europe		Japan		International**	
	CHF m	%*	CHF m	%*	CHF m	%*	CHF m	%*	CHF m	%*
Avastin	5,001	11	2,534	3	1,369	10	438	51	660	31
MabThera/Rituxan	4,821	8	2,314	4	1,258	9	192	7	1,057	19
Herceptin	4,163	8	1,224	5	1,603	7	218	-17	1,118	20
Pegasys	1,253	0	300	-2	269	-6	88	-9	596	6
Xeloda	1,093	18	406	19	232	5	93	76	362	16
Lucentis	1,081	29	1,081	29	-	-	-	-	-	-
Tarceva	1,005	8	396	9	330	0	65	34	214	17
CellCept	1,001	-20	221	-56	348	0	43	13	389	5
NeoRecormon/ Epogin	989	-14	-	-	377	-23	348	-9	264	-3
Tamiflu	808	-61	203	-58	3	-99	188	-72	414	8

* Local growth rates versus YTD September 2009
** Asia–Pacific, CEMAI (Central and Eastern Europe, Middle East, Africa, Central Asia, Indian Subcontinent), Latin America, Canada, Others

Sales by the Pharmaceuticals Division in the first nine months rose 1% in local currencies (-2% in Swiss francs, 2% in US dollars) to 28.4 billion Swiss francs. Excluding Tamiflu, the division's local-currency sales grew 5%, in line with the global market growth rate. In addition to the Group's five main cancer medicines, the main sales drivers were Lucentis, Actemra/RoActemra and Mircera. Growth from these and other pharmaceuticals more than offset lower sales of Tamiflu, CellCept and NeoRecormon/Epogin. Together, the top six sales drivers — Avastin, MabThera/Rituxan, Herceptin, Lucentis, Actemra/RoActemra and Xeloda — contributed over 1.2 billion Swiss francs in additional sales in the first nine months. As expected, sales of Tamiflu have declined 1.2 billion Swiss francs year-on-year, due to the end of the influenza A (H1N1) pandemic and the completion of final government orders.

Regional sales overview

Compared with the year-earlier period, sales grew 1% in the US and fell 3% in Western Europe and 12% in Japan. Excluding Tamiflu, sales in these regions grew 4%, 3% and 2%, respectively. The slower overall growth rates were due in part to increased rebates resulting from US healthcare reforms, as well as government-mandated price reductions and healthcare budget restrictions introduced in the second and third quarters in many Western European countries. Sustained double-digit sales growth in the International region (11%, including and excluding Tamiflu) was driven by strong gains in almost all of the E7 key emerging countries, led by Brazil and China.

Sales review — selected key products

Global sales of **Avastin** (bevacizumab), for advanced colorectal, breast, lung and kidney cancer, and for relapsed glioblastoma (a type of brain tumour), rose 11% to 5.0 billion Swiss francs. The sustained growth seen in the first nine months compared with the prior-year period reflects continued positive uptake of the product overall. Double-digit sales growth in Western Europe is being driven primarily by continued uptake for breast cancer, with encouraging signs of uptake for lung cancer. Slower US sales, especially in the third quarter, reflect regulatory and reimbursement uncertainty regarding the metastatic breast cancer indication. Very strong sales growth in Japan is being driven by good uptake in colorectal cancer and non-small cell lung cancer. Strong growth was also recorded in Latin America. Following marketing approval in China earlier this year, Avastin was launched for the first-line treatment of metastatic colorectal cancer in the third quarter.

Overall sales (oncology and autoimmune diseases) of **MabThera/Rituxan** (rituximab), for non-Hodgkin's lymphoma (NHL), chronic lymphocytic leukemia (CLL) and rheumatoid arthritis (RA), rose 8% to 4.8 billion Swiss francs. Sustained growth in the oncology segment was driven by continued uptake in CLL and continued strong use in NHL, resulting in double-digit growth in Latin America and in emerging markets, as well as single-digit growth in Western Europe and the US. Sales in the RA segment are being driven by increased use in patients with an inadequate response to one or more tumour necrosis factor inhibitors and by growing acceptance of six-month repeat treatment intervals. The UK's National Institute for Health and Clinical Excellence (NICE) issued positive guidance on the use of MabThera in relapsed CLL and in RA in July and August, respectively.

Global sales of **Herceptin** (trastuzumab), for HER2-positive breast cancer and advanced HER2-positive stomach cancer, rose 8% to 4.2 billion Swiss francs, reflecting sustained, solid single-digit growth in Western Europe and the US, and double-digit gains in the International region, particularly certain emerging markets. Sales continue to benefit from uptake in advanced HER2-positive stomach cancer in EU countries and other markets. A higher sales volume in Japan was outweighed by the effect of revised reimbursement prices from April, resulting in a significant year-on-year decline in sales revenue in the first nine months.
Nine-month sales of **Xeloda** (capecitabine), for colorectal, stomach and breast cancer, rose 18% compared with the prior-year period to 1.1 billion Swiss francs. Growth was driven primarily by strong gains in the

United States, China and Japan, the product's three largest markets. Global sales of Xeloda are benefitting from a number of new indications, including stomach cancer in China, an expanded metastatic colorectal cancer indication in Japan, and adjuvant colon cancer in Europe, as well as increased patient share in metastatic breast cancer in the EU.

Sales of **Tarceva** (erlotinib), for advanced lung and pancreatic cancer, increased 8% to 1.0 billion Swiss francs, with the main contributions to growth coming from the International region, the US and Japan. Lower growth rates in Western Europe were due to pricing pressure, while sales growth in the US is being affected by increased rebates under the recent healthcare reforms. Tarceva is now being launched in the EU and US in a new indication, first-line maintenance treatment after chemotherapy of patients with non-small cell lung cancer.

Sales of **Pegasys** (peginterferon alfa-2a), for hepatitis B and C, were stable at 1.3 billion Swiss francs, with growth seen in the Asia region. Sales are being helped by favourable clinical data reinforcing the superiority of Pegasys over other hepatitis C treatment options and increased use in the treatment of hepatitis B. In addition, with the acquisition from InterMune in early October of the full rights to danoprevir (RG7227, ITM-191), a promising second-generation protease inhibitor, Roche has further strengthened its leading position in the development of innovative treatments for hepatitis C.

US sales of **Lucentis** (ranibizumab), for wet age-related macular degeneration and macular edema following retinal vein occlusion, rose 29% versus the prior-year period to 1.1 billion Swiss francs. Robust growth throughout the year has been driven primarily by an increase in the total number of patients receiving Lucentis and the time patients are on treatment. The US launch of Lucentis in a new indication, the treatment of macular edema (swelling in the retina) following retinal vein occlusion, began in late June; initial uptake is encouraging.

With the global rollout of the novel rheumatoid arthritis medicine **Actemra** (tocilizumab, known as RoActemra in the EU) continuing, sales in the first nine months grew 188% to 262 million Swiss francs. Uptake of Actemra/RoActemra in its launch markets, including major EU countries and the United States, remains very encouraging. Continued strong sales growth in Japan reflects increasing use of Actemra as a first-line biologic. Also in August, the UK's National Institute for Health and Clinical Excellence (NICE) issued positive guidance for RoActemra, opening the way for reimbursement by the National Health Service.

Sales of the renal anemia medication **Mircera** (methoxy polyethylene glycol-epoetin beta) rose 58% to 185 million Swiss francs, while combined sales of the Group's established anemia medicines, Roche's **NeoRecormon** and Chugai's **Epogin** (epoetin beta), declined 14% to 989 million Swiss francs. Despite increasing competition from biosimilars, Roche's overall share of the European anemia market remained stable, due mainly to the strong performance of Mircera in the major EU countries. Lower sales of Epogin in Japan were due to competition in the dialysis market, which outweighed increased demand for the medicine in the predialysis segment.

Product development update

In late September the EU's Committee for Medicinal Products for Human Use (CHMP) recommended approval of MabThera as maintenance treatment for people with follicular lymphoma who have responded to induction therapy. The recommendation is based on the results of the PRIMA study, which showed that continuing MabThera for two years (maintenance therapy) in patients who responded to initial treatment with MabThera plus chemotherapy doubled the likelihood of these patients living without their disease worsening (progression-free-survival), compared with those who did not receive maintenance treatment.

Genentech announced in September that information it submitted to the US Food and Drug Administration (FDA) during the agency's review of supplemental Biologics License Applications (sBLAs) for Avastin for previously untreated (first-line) advanced HER2-negative breast cancer had been deemed a major amendment. The FDA therefore extended the review period for the sBLAs by an additional 90 days, setting 17 December 2010 as its new action date. Avastin remains under accelerated approval in combination with paclitaxel for the first-line treatment of HER2-negative metastatic breast cancer. The FDA is currently reviewing two sBLAs that Genentech submitted in November 2009 for Avastin in combination with taxane-based, anthracycline-based and Xeloda chemotherapies, based on the results of the AVADO and RIBBON-1 studies. Data from AVADO and RIBBON-1 were submitted as part of Genentech's effort to convert the accelerated approval to a full approval. In the same month the EU's CHMP started a review of the approved Avastin combination with paclitaxel or docetaxel for the first-line treatment of metastatic breast cancer in view of further data from RIBBON-1. Roche's application for an expansion of the approved Avastin indications to include combination treatment with Xeloda, based on the RIBBON-1 study, is currently under review by the European Medicines Agency. The CHMP opinion on this label expansion is expected later this year. The current use of Avastin in its approved indications, including treatment of patients with metastatic breast cancer, is not affected by this review.

Following evaluation of the results of two phase III clinical trials — the NSABP C-08 study and the recently reported AVANT trial — Roche has decided to discontinue development of Avastin in adjuvant colorectal cancer. The results and decision on adjuvant colorectal cancer do not affect the use of Avastin in the metastatic (advanced) colorectal cancer setting, where the medicine has demonstrated a clinically meaningful progression-free and overall survival benefit in both first- and second-line treatment. Avastin has shown a positive benefit–risk ratio in these and all other approved metastatic cancer indications.

The major regulatory approvals gained and important marketing applications filed by the Pharmaceuticals Division in the third quarter of 2010 are summarised in the tables below.

Major regulatory filings in Q3 2010[1]

Product	Clinical data supporting filing	Indication	Country
Actemra	ML21753	rheumatoid arthritis signs and symptoms, progressive joint damage	China (refiled)
Avastin	RIBBON-2	metastatic breast cancer, second line treatment	USA
Mircera	ML20680	renal anemia	China
Xeloda	data in the public domain, including ML17032, REAL-2, M66302, ToGA	advanced or refractory gastric cancer in patients who are not candidates for curative surgery	Japan
Xeloda	XELOX (NO16966)	metastatic colorectal cancer, combination with oxaliplatin	China (refiled)

[1] Includes additional indications

Major regulatory approvals in Q3 2010[1]

Product	Clinical data supporting filing	Indication	Country
Actemra/RoActemra	LITHE (2-year data)	reduction of progression of joint damage, improvement of physical function in rheumatoid arthritis, combination with methotrexate	Switzerland
Mircera	CORDATUS (NH20052)	correction of symptomatic anemia in adults with chronic kidney disease who do not yet need dialysis, once-monthly administration	EU, Switzerland

[1] Includes additional indications

R&D pipeline update

As of 30 September 2010 the Pharmaceuticals Division's research and development pipeline (phase I to III/registration) included 60 new molecular entities (NMEs) and 40 additional indications. In the third quarter of 2010 two projects entered phase I, one entered phase II and one entered phase III development. Two projects in phase I, one in phase II and two in phase III (Avastin and Xeloda plus Avastin in adjuvant colon cancer) were discontinued. In September Roche decided to advance MetMAb (RG3638; non-small cell lung cancer) into late-stage clinical development. With MetMAb, Roche's pharmaceuticals pipeline now includes 12 NMEs in late-stage development. Full details of the Group's pharmaceutical R&D pipeline are available at www.roche.com.

Diagnostics Division

Sales continue to outgrow the market

Sales January–September 2010	In millions of CHF	% change in CHF	% change in local currencies	As % of sales
Diagnostics Divsion	7,732	5	8	100
- Professional Diagnostics	3,602	7	10	47
- Diabetes Care	2,191	2	5	28
- Molecular Diagnostics	900	2	4	12
- Applied Science	646	5	8	8
- Tissue Diagnostics	393	14	18	5

Roche's Diagnostics Division recorded nine-month sales of 7,732 million Swiss francs. Sales grew 8% in local currencies (5% in Swiss francs, 9% in US dollars), once again advancing ahead of the global market. All five business areas increased their sales, with Professional Diagnostics and Diabetes Care the biggest contributors to growth. Major new tests were launched, including a molecular test for detecting methicillin-resistant *Staphylococcus aureus*, one of the most frequent causes of hospital infections; the first simultaneous test for parvovirus B19 and hepatitis A virus in human plasma; a unique viral-load test to quantify HIV levels even when mutations are present; and a DNA-based tissue test to assess the likelihood of response to treatment with Herceptin in gastric cancer. The latest addition to the cobas 8000 modular analyser series — a new high-throughput immunoassay module in markets accepting the CE Mark — and the series' US market entry, will strengthen Roche Diagnostics' position in the high-volume segment of the global clinical laboratory market. Nine-month sales grew ahead of the market in all regions, with the division continuing to record excellent growth in Asia–Pacific and Latin America. In September Roche completed the acquisition of BioImagene Inc., a leader in digital pathology, for approximately 100 million Swiss francs.

Professional Diagnostics' nine-month sales rose 10%, about twice as fast as the market, to 3,602 million Swiss francs. The immunoassay business grew 16%, gaining additional market share due to new placements of cobas analysers as well as strong sales of assays, particularly for cardiac biomarkers. Other key growth drivers were clinical chemistry (5%) and point-of-care solutions (8%). In the US, Professional Diagnostics launched an immunoassay to diagnose hepatitis A infection and five 9-minute STAT-immunoassays for cardiac biomarkers, enabling substantially faster delivery of results to doctors treating heart patients. Following FDA approval in September, the rollout of the cobas 8000 series' clinical chemistry modules c 701 and c 502 commenced in the US. In July the new cobas 8000 immunoassay module e 602 was launched in Europe and countries recognising the CE Mark; US launch is expected later this year. This module, which has a throughput of 170 tests per hour, will drive further testing efficiency gains by enabling large-volume laboratories to fully consolidate their serum work areas.

Diabetes Care's combined sales of blood glucose monitoring systems and insulin pumps outpaced the market, rising 5%, to 2,191 million Swiss francs. The main growth drivers were the Accu-Chek Aviva/Accu-Chek Performa blood glucose monitoring systems, both of which posted strong double-digit sales growth, supported by continued strong market uptake of the sleek Accu-Chek Aviva Nano/Accu-Chek Performa Nano meters and the strip-free Accu-Chek Mobile system. The insulin delivery business again posted double-digit sales growth, with Accu-Chek Combo, a combined insulin pump and blood glucose monitoring system, now available in 22 European and Asia-Pacific countries. Diabetes Care announced a technology partnership with eHealth specialist InterComponentWare to develop a global web-based solution that can facilitate efficient and secure data sharing and simplifying communication between diabetes patients and their healthcare providers.

Molecular Diagnostics posted nine-month sales of 900 million Swiss francs, a 4% increase over the year-earlier period. Growth was led by virology and blood screening in Eastern Europe, North America and Asia–Pacific. Strong demand continued for the fully automated cobas 4800 system for mid- to high-throughput laboratories, which is now in use in more than 20 countries in Europe, Latin America and Asia–Pacific. The recently approved tests for methicillin-resistant *Staphylococcus aureus* (LightCycler MRSA Advanced Test) and HIV (dual PCR-target COBAS AmpliPrep/COBAS TaqMan HIV Test) were successfully launched in the US. In the third quarter Molecular Diagnostics also received regulatory approvals for the cobas TaqScreen

DPX Test and the COBAS AmpliPrep/COBAS TaqMan HBV Test. The cobas TaqScreen DPX Test, which received CE Mark certification, is the first duplex test for parvovirus B19 and hepatitis A virus enabling simultaneous real-time detection of both viruses in a single assay, for increased safety of human plasma and plasma products. The COBAS AmpliPrep/COBAS TaqMan HBV Test, a new-generation viral-load test for the management of hepatitis B, which enables broader genotype detection and offers improved workflow flexibility, was approved by the FDA. Data from the ATHENA trial confirming the increased accuracy of human papillomavirus DNA testing using the cobas 4800 HPV test over conventional cytologic Pap testing were presented at the International Papillomavirus Conference in July.

Applied Science's nine-month sales rose 8% to 646 million Swiss francs, driven by strong double-digit growth in the cell analysis and custom biotech segments. The excellent performance of the cell analysis business was driven by full integration of the Innovatis product portfolio and continued strong demand for the xCELLigence System. In September Applied Science expanded its xCELLigence product portfolio of automated real-time cell analysers (RTCA) by launching two new instruments that will be available soon in several markets: RTCA HT Instrument for high-throughput analysis and RTCA Cardio Instrument for label-free cardiotoxicity testing. In the sequencing business, with sales up 12%, initial uptake of the GS Junior medium-throughput benchtop DNA sequencer was very encouraging. Two German-based companies — IMGM Laboratories, Europe's leading provider of genomic services, and the Center for Human Genetics and Laboratory Medicine Dr. Klein and Dr. Rost — announced plans to use the GS FLX and Junior systems for the joint development of robust and efficient workflows for targeted sequencing applications. The microarray business (sales up 22%) expanded its portfolio with the global launch of NimbleGen's innovative target-enrichment technology for next-generation sequencing (SeqCap EZ Exome), which enables faster detection of mutations at lower cost. Sales of MagNA Pure and LightCycler products for sample preparation and quantitative PCR analysis were flat, due mainly to decreasing demand for influenza A (H1N1) virus testing.

Tissue Diagnostics recorded nine-month sales of 393 million Swiss francs, up 18%, outperforming the market in all key regions. Advanced tissue staining — immunohistochemistry (IHC) and *in situ* hybridisation (ISH) — up 17%, continued to be the main growth driver, reflecting strong IHC reagent sales along with continued robust uptake of the BenchMark Ultra system for simultaneous IHC and ISH testing on a single platform. The recently launched Discovery ULTRA, an automated platform for IHC and ISH in the research setting, as well as VANTAGE, an advanced workflow management system, are steadily gaining momentum in the market. Tissue Diagnostics further expanded its advanced staining portfolio by launching four new primary antibodies to support the diagnosis of various cancers: p63-antibody and a cocktail of p63-

and keratin-antibodies (Basal Cell Cocktail) for prostate cancer, p120-antibody for breast cancer, and cyclin D1-antibody for lymphoma and breast cancer. In September the label of HER2 SISH DNA Probe was extended in Europe and other countries recognising the CE Mark to include use in assessing the likelihood of response to treatment with Herceptin in both breast and gastric cancer. Tissue Diagnostics completed two acquisitions: BioImagene Inc., a leader in digital pathology workflow and analysis, with products enabling high-resolution whole-slide digital images from glass microscope slides, will complement and strengthen the offering in image analysis and information management; and Mariposa BioScience, an innovator in the field of antibody production, will support Roche's production of best-in-class antibodies.

About Roche

Headquartered in Basel, Switzerland, Roche is a leader in research-focused healthcare with combined strengths in pharmaceuticals and diagnostics. Roche is the world's largest biotech company with truly differentiated medicines in oncology, virology, inflammation, metabolism and CNS. Roche is also the world leader in in-vitro diagnostics, tissue-based cancer diagnostics and a pioneer in diabetes management. Roche's personalised healthcare strategy aims at providing medicines and diagnostic tools that enable tangible improvements in the health, quality of life and survival of patients. In 2009, Roche had over 80'000 employees worldwide and invested almost 10 billion Swiss francs in R&D. The Group posted sales of 49.1 billion Swiss francs. Genentech, United States, is a wholly owned member of the Roche Group. Roche has a majority stake in Chugai Pharmaceutical, Japan. For more information: www.roche.com.

Additional information

- Investor Update including a full set of tables: http://www.roche.com/inv-update-2010-10-14.htm
- Annual Report 2009, Half-Year Report 2010: www.roche.com/annual_reports.htm
- Roche Pharmaceuticals pipeline: www.roche.com/pipeline.htm
- Roche Finance Info System: rofis.roche.com/dynasight/rofis.html

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1. **Sales January to September 2010 and 2009**

	2010	2009	% change	
January – September	**CHF m**	**CHF m**	**In CHF**	**In local currencies**
Pharmaceuticals Division	**28,395**	**29,034**	**-2**	**+1**
United States	**10,878**	**11,157**	**-3**	**+1**
Western Europe	**7,295**	**8,026**	**-9**	**-3**
Japan	**3,137**	**3,490**	**-10**	**-12**
International	**7,085**	**6,361**	**+11**	**+11**
Diagnostics Division	**7,732**	**7,365**	**+5**	**+8**
Roche Group	**36,127**	**36,399**	**-1**	**+2**

2. **Quarterly local sales growth by Division in 2009 and 2010**

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Pharmaceuticals Division	**+8**	**+10**	**-2**	**-5**
United States	**+4**	**+10**	**-5**	**-1**
Western Europe	**+13**	**+4**	**-2**	**-11**
Japan	**+18**	**-9**	**-3**	**-22**
International	**+4**	**+25**	**+4**	**+5**
Diagnostics Division	**+10**	**+9**	**+9**	**+7**
Roche Group	**+8**	**+9**	**0**	**-3**

3. Quarterly sales by Division in 2009 and 2010

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Pharmaceuticals Division	**9,930**	**9,962**	**9,727**	**9,659**	**9,009**
United States	**3,641**	**3,648**	**3,647**	**3,725**	**3,506**
Western Europe	**2,844**	**2,801**	**2,597**	**2,447**	**2,251**
Japan	**1,306**	**1,275**	**988**	**1,073**	**1,076**
International	**2,139**	**2,238**	**2,495**	**2,414**	**2,176**
Diagnostics Division	**2,463**	**2,690**	**2,518**	**2,732**	**2,482**
Roche Group	**12,393**	**12,652**	**12,245**	**12,391**	**11,491**

1. **Top 20 Pharmaceuticals Division product sales and local growth YTD September 2010 vs. YTD September 2009: US, Western Europe, Japan and International**

	Total		United States		Western Europe		Japan		International	
	CHF m	**%**	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Avastin	5,001	11%	2,534	3%	1,369	10%	438	51%	660	31%
MabThera/Rituxan	4,821	8%	2,314	4%	1,258	9%	192	7%	1,057	19%
Herceptin	4,163	8%	1,224	5%	1,603	7%	218	-17%	1,118	20%
Pegasys	1,253	0%	300	-2%	269	-6%	88	-9%	596	6%
Xeloda	1,093	18%	406	19%	232	5%	93	76%	362	16%
Lucentis	1,081	29%	1,081	29%	-	-	-	-	-	-
Tarceva	1,005	8%	396	9%	330	0%	65	34%	214	17%
CellCept	1,001	-20%	221	-56%	348	0%	43	13%	389	5%
NeoRecormon/Epogin	989	-14%	-	-	377	-23%	348	-9%	264	-3%
Tamiflu	808	-61%	203	-58%	3	-99%	188	-72%	414	8%
Bonviva/Boniva	790	6%	416	2%	223	7%	-	-	151	16%
Xolair	491	9%	491	9%	-	-	-	-	-	-
Valcyte/Cymevene	453	11%	229	14%	128	12%	-	-	96	4%
Pulmozyme	385	6%	224	4%	83	-2%	-	-	78	26%
Activase/TNKase	346	7%	314	8%	-	-	-	-	32	-7%
Nutropin	310	3%	302	3%	-	-	-	-	8	-9%
Actemra/RoActemra	262	188%	32	-	97	337%	112	64%	21	923%
Xenical	259	-13%	23	-10%	121	-12%	-	-	115	-16%
Neutrogin	249	-15%	-	-	-	-	249	-15%	-	-
Rocephin	242	4%	2	70%	44	-3%	47	-4%	149	8%

2. Top 20 Pharmaceuticals Division quarterly local product sales growth

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Avastin	9%	18%	10%	7%
MabThera/Rituxan	0%	13%	6%	6%
Herceptin	2%	11%	5%	8%
Pegasys	-11%	15%	-4%	-8%
Xeloda	-2%	23%	16%	16%
Lucentis	34%	27%	27%	34%
Tarceva	10%	6%	10%	9%
CellCept	-45%	-28%	-15%	-14%
NeoRecormon/Epogin	-15%	-8%	-16%	-16%
Tamiflu	620%	32%	-72%	-90%
Bonviva/Boniva	-10%	17%	0%	2%
Xolair	8%	5%	10%	10%
Valcyte/Cymevene	1%	18%	4%	11%
Pulmozyme	-1%	17%	0%	2%
Activase/TNKase	39%	-6%	15%	15%
Nutropin	-9%	-6%	-4%	19%
Actemra/RoActemra	216%	236%	175%	176%
Xenical	-15%	-11%	-12%	-17%
Neutrogin	-12%	-5%	-16%	-23%
Rocephin	-19%	10%	-6%	8%

3. Pharmaceuticals Division quarterly local product sales growth United States

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Avastin	3%	13%	1%	-3%
MabThera/Rituxan	-3%	8%	2%	2%
Herceptin	5%	14%	0%	4%
Pegasys	-18%	9%	0%	-12%
Xeloda	0%	25%	26%	8%
Lucentis	34%	27%	27%	34%
Tarceva	17%	2%	10%	13%
CellCept	-85%	-65%	-47%	-47%
NeoRecormon/Epogin	-	-	-	-
Tamiflu	558%	1099%	-91%	-97%
Bonviva/Boniva	-21%	14%	-9%	2%
Xolair	8%	5%	10%	10%
Valcyte/Cymevene	-4%	28%	2%	13%
Pulmozyme	4%	9%	5%	-1%
Activase/TNKase	45%	-5%	16%	16%
Nutropin	-9%	-6%	-4%	20%
Actemra/RoActemra	-	-	-	-
Xenical	17%	26%	-20%	-32%
Neutrogin	-	-	-	-
Rocephin	1013%	2325%	-62%	-

4. Pharmaceuticals Division quarterly local product sales growth Western Europe

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Avastin	13%	18%	9%	4%
MabThera/Rituxan	8%	14%	7%	5%
Herceptin	-1%	12%	5%	4%
Pegasys	-8%	-4%	-11%	-4%
Xeloda	-7%	10%	6%	1%
Lucentis	-	-	-	-
Tarceva	7%	3%	5%	-8%
CellCept	1%	5%	-2%	-2%
NeoRecormon/Epogin	-20%	-17%	-25%	-26%
Tamiflu	5532%	-97%	-	-100%
Bonviva/Boniva	3%	12%	9%	0%
Xolair	-	-	-	-
Valcyte/Cymevene	3%	19%	7%	10%
Pulmozyme	-3%	5%	-8%	-1%
Activase/TNKase	-	-	-	-
Nutropin	-	-	-	-
Actemra/RoActemra	Over 10000%	1213%	317%	210%
Xenical	2%	5%	-14%	-24%
Neutrogin	-	-	-	-
Rocephin	-21%	-6%	-1%	0%

5. Pharmaceuticals Division quarterly local product sales growth Japan

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Avastin	44%	53%	51%	51%
MabThera/Rituxan	0%	6%	5%	8%
Herceptin	2%	-14%	-20%	-15%
Pegasys	-5%	-12%	-13%	-4%
Xeloda	52%	81%	84%	64%
Lucentis	-	-	-	-
Tarceva	23%	19%	35%	45%
CellCept	9%	12%	15%	12%
NeoRecormon/Epogin	0%	-7%	-10%	-10%
Tamiflu	204%	-47%	-76%	-88%
Bonviva/Boniva	-	-	-	-
Xolair	-	-	-	-
Valcyte/Cymevene	-	-	-	-
Pulmozyme	-	-	-	-
Activase/TNKase	-	-	-	-
Nutropin	-	-	-	-
Actemra/RoActemra	70%	73%	62%	60%
Xenical	-	-	-	-
Neutrogin	-12%	-5%	-16%	-23%
Rocephin	-18%	-13%	2%	-2%

6. Pharmaceuticals Division quarterly local product sales growth International

	Q4 2009 vs. Q4 2008	Q1 2010 vs. Q1 2009	Q2 2010 vs. Q2 2009	Q3 2010 vs. Q3 2009
Avastin	13%	25%	33%	34%
MabThera/Rituxan	-4%	27%	14%	16%
Herceptin	4%	12%	20%	29%
Pegasys	-11%	36%	-1%	-9%
Xeloda	-8%	21%	2%	28%
Lucentis	-	-	-	-
Tarceva	2%	16%	11%	26%
CellCept	1%	5%	4%	8%
NeoRecormon/Epogin	-24%	6%	-10%	-4%
Tamiflu	762%	620%	-21%	-70%
Bonviva/Boniva	11%	33%	11%	6%
Xolair	-	-	-	-
Valcyte/Cymevene	10%	-1%	6%	8%
Pulmozyme	-12%	78%	-3%	18%
Activase/TNKase	0%	-24%	3%	2%
Nutropin	-8%	-3%	-7%	-16%
Actemra/RoActemra	-	1152%	861%	900%
Xenical	-31%	-30%	-7%	-5%
Neutrogin	-	-	-	-
Rocephin	-23%	20%	-9%	16%

7. Top 20 Pharmaceuticals Division quarterly product sales

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Avastin	1,594	1,538	1,666	1,727	1,608
MabThera/Rituxan	1,508	1,481	1,606	1,695	1,520
Herceptin	1,327	1,294	1,417	1,389	1,357
Pegasys	438	375	441	428	384
Xeloda	326	308	352	380	361
Lucentis	296	329	327	370	384
Tarceva	319	342	326	348	331
CellCept	362	287	357	345	299
NeoRecormon/Epogin	391	380	339	338	312
Tamiflu	994	1,196	517	193	98
Bonviva/Boniva	255	278	277	267	246
Xolair	157	150	148	176	167
Valcyte/Cymevene	148	142	149	147	157
Pulmozyme	125	128	135	129	121
Activase/TNKase	107	122	110	117	119
Nutropin	100	89	91	102	117
Actemra/RoActemra	40	53	66	89	107
Xenical	98	90	91	92	76
Neutrogin	101	96	81	86	82
Rocephin	73	70	82	83	77

8. Pharmaceuticals Division quarterly product sales United States

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Avastin	851	771	845	887	802
MabThera/Rituxan	734	703	763	822	729
Herceptin	397	359	408	418	398
Pegasys	109	87	102	106	92
Xeloda	131	118	123	147	136
Lucentis	296	329	327	370	384
Tarceva	126	142	120	138	138
CellCept	119	34	83	76	62
NeoRecormon/Epogin	-	-	-	-	-
Tamiflu	189	400	170	31	2
Bonviva/Boniva	132	148	144	140	132
Xolair	157	150	148	176	167
Valcyte/Cymevene	77	66	70	73	86
Pulmozyme	76	77	75	76	73
Activase/TNKase	96	111	100	105	109
Nutropin	97	87	88	100	114
Actemra/RoActemra	-	-	5	9	18
Xenical	9	7	10	7	6
Neutrogin	-	-	-	-	-
Rocephin	0	2	2	1	-1

9. Pharmaceuticals Division quarterly product sales Western Europe

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Avastin	461	458	484	462	423
MabThera/Rituxan	421	408	442	422	394
Herceptin	547	528	570	527	506
Pegasys	92	91	99	92	78
Xeloda	80	77	81	78	73
Lucentis	-	-	-	-	-
Tarceva	121	121	116	116	98
CellCept	123	125	123	117	108
NeoRecormon/Epogin	172	157	141	125	111
Tamiflu	283	297	3	0	0
Bonviva/Boniva	77	81	79	76	68
Xolair	-	-	-	-	-
Valcyte/Cymevene	41	43	46	41	41
Pulmozyme	29	29	30	27	26
Activase/TNKase	-	-	-	-	-
Nutropin	-	-	-	-	-
Actemra/RoActemra	14	20	27	33	37
Xenical	51	44	44	43	34
Neutrogin	-	-	-	-	-
Rocephin	15	17	16	15	13

10. Pharmaceuticals Division quarterly product sales Japan

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Avastin	102	120	120	156	162
MabThera/Rituxan	62	67	53	69	70
Herceptin	83	88	67	77	74
Pegasys	31	33	26	31	31
Xeloda	19	25	27	33	33
Lucentis	-	-	-	-	-
Tarceva	16	19	17	24	24
CellCept	13	14	12	16	15
NeoRecormon/Epogin	131	138	102	123	123
Tamiflu	351	233	126	16	46
Bonviva/Boniva	-	-	-	-	-
Xolair	-	-	-	-	-
Valcyte/Cymevene	-	-	-	-	-
Pulmozyme	-	-	-	-	-
Activase/TNKase	-	-	-	-	-
Nutropin	-	-	-	-	-
Actemra/RoActemra	26	31	30	39	43
Xenical	-	-	-	-	-
Neutrogin	101	96	81	86	82
Rocephin	16	15	13	18	16

11. Pharmaceuticals Division quarterly product sales International

CHF millions	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010
Avastin	180	189	217	222	221
MabThera/Rituxan	291	303	348	382	327
Herceptin	300	319	372	367	379
Pegasys	206	164	214	199	183
Xeloda	96	88	121	122	119
Lucentis	-	-	-	-	-
Tarceva	56	60	73	70	71
CellCept	107	114	139	136	114
NeoRecormon/Epogin	88	85	96	90	78
Tamiflu	171	266	218	146	50
Bonviva/Boniva	46	49	54	51	46
Xolair	-	-	-	-	-
Valcyte/Cymevene	30	33	33	33	30
Pulmozyme	20	22	30	26	22
Activase/TNKase	11	11	10	12	10
Nutropin	3	2	3	2	3
Actemra/RoActemra	0	2	4	8	9
Xenical	38	39	37	42	36
Neutrogin	-	-	-	-	-
Rocephin	42	36	51	49	49