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Expanding leadership in oncology

Dr. Kevan Clemens

Global Business Director, Oncology

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Targeting Cancer With Care
Roche Oncology

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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 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; (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 or news coverage.

Targeting Cancer With Care

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Maintain leadership in oncology

- **Vision**

- The oncology market - growth rates - drivers - therapeutic trends

- Roche's oncology portfolio

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Vision

- Roche with Genentech and Chugai to maintain the number 1 position in oncology and supportive care
- Develop selective and better tolerated products with survival benefits
- Bring enhanced performance supportive care products to market
- Seek added value through collaboration of Pharmaceutical and Diagnostics

Achieving the vision

Roche

- Innovative products can achieve sales CHF 1 - 2 billion
- Focus on five tumor types (breast, NSCLC, CRC, prostate, NHL)
- Out of four therapeutic classes - Roche markets in three and has research in two
- No major patent expirations of “young” growth drivers near term
  - Herceptin 2012
  - MabThera 2013
  - Xeloda 2013

Robust exciting pipeline

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Achieving the vision

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- 12 - 18 % market share ✔
- Steady flow of products (innovatives, cytotoxics, supportive care) ✔
- Products with clear benefits in terms of survival and quality of life ✔
- Multiple products of CHF > 1 billion ✔
- Competitive investments in marketing, especially phase IV trials and adjuvant studies ✔
- Strong market presence in US and Japan ✔
- Strong Diagnostics presence ✔

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Maintain leadership in oncology

- Vision
- **The oncology market - growth rates - drivers - therapeutic trends**
- Roche's oncology portfolio

Oncology worldwide market

We expect in the next 10 years

- Oncology market to grow at around 10 % CAGR
- Roche / Genentech / Chugai to outperform the market
- Innovatives to surpass chemotherapeutics
- Supportive care to grow at over 10 % CAGR
- A revolution in molecular targets but only an evolution in survival benefits

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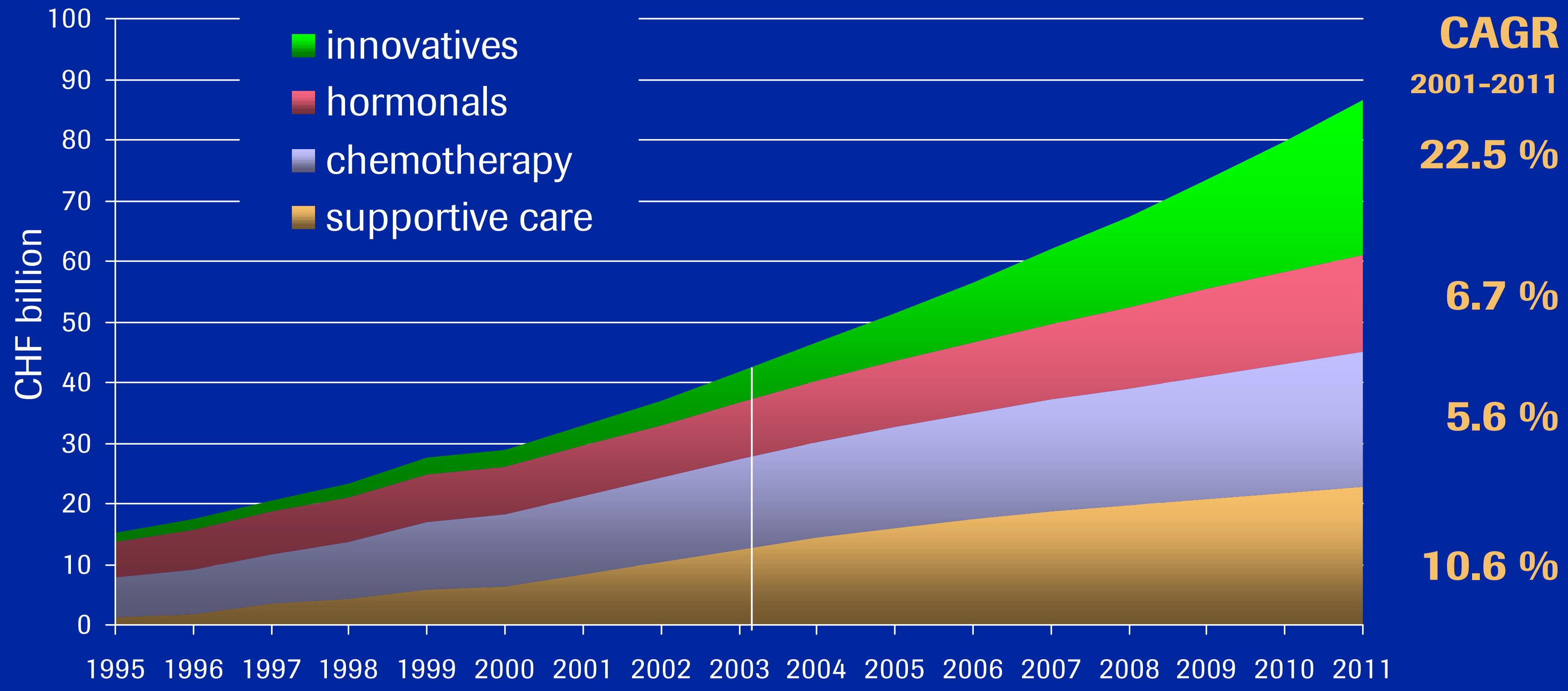
Oncology worldwide market

Innovatives to become biggest segment



total market of CHF 87 billion in 2011 (CAGR 10.2 %)

source IMS, analyst reports, decision resources

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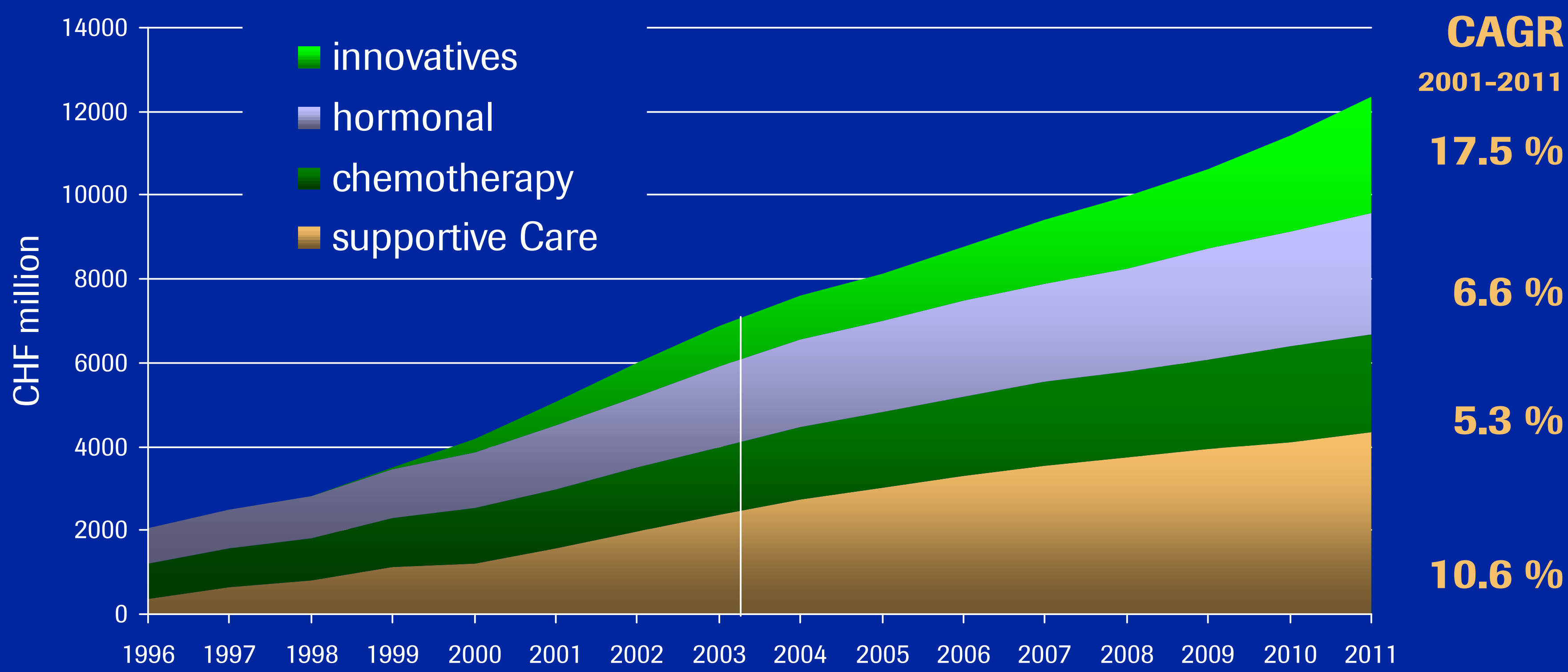
Breast cancer worldwide market

Size and growth rates



total market of CHF 12.3 billion in 2011 (CAGR 9.3 %)

source IMS, analyst reports, decision resources

Therapeutic trends breast cancer

- Current treatment
  - hormonal therapy
  - older cytotoxics: anthracyclines, alkylating agents
  - newer cytotoxics: taxanes, **Xeloda**, vinorelbine
  - monoclonal antibodies: **Herceptin**
  - supportive care: **bisphosphonates, growth factors**
- Future treatment
  - next-generation hormonals: aromatase inhibitors, SERM's
  - HER family inhibitors: **2C4**, Erbitux, **Tarceva**
  - targeted inhibitors: **MUC-1**
  - angiogenesis inhibitors: **Avastin**, Angiozyme
  - cytotoxics: Taxanes, **Topo 1 inhibitors, epothilones (D)**, farnesyl transferase inhibitors, CDK-M
  - novel signal transduction inhibitors
  - novel biotechnology: vaccines, gene therapy, antisense

Oncology market dynamics

- Increase in prevalence
- Increase in prescription penetration in major tumor types
- Longer treatment periods in major tumor types
- Generic erosions
- Tailor made drugs
- Evidenced based medicine in Japan

Oncology market dynamics
Predictive diagnostics

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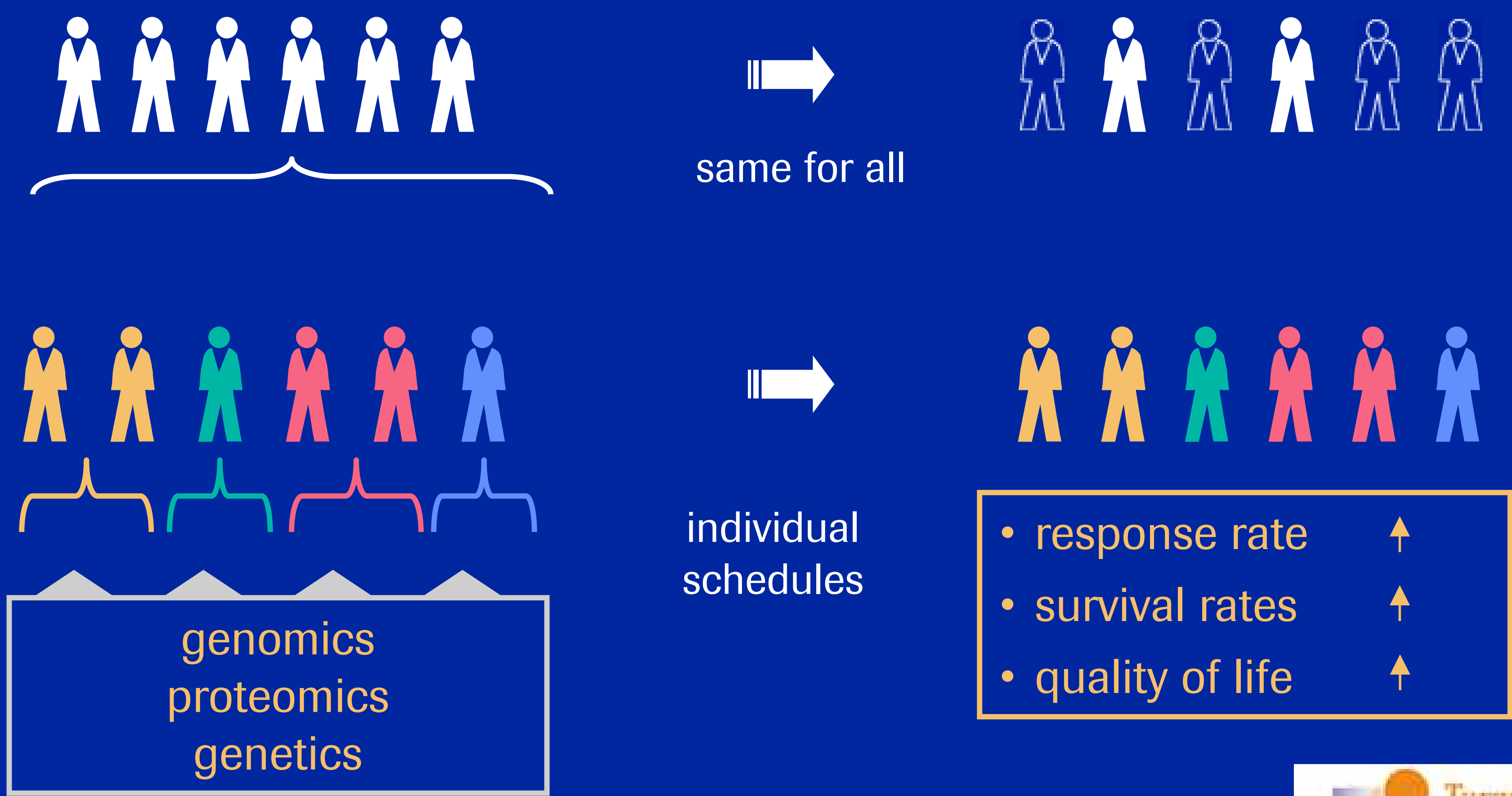

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Oncology market drivers
Unmet medical needs

- Current unmet needs
  - generally low survival rates in the major indications
  - improved safety profile needed
- New therapies expected
  - wider use of oral therapies
  - increasing adjuvant usage of more effective and better tolerated drugs
  - more drugs targeting of specific processes and genes in the tumor
  - major role for diagnostics for specific treatments

Oncology market drivers
Supportive care

- Increased treatment of anemia
- Improved convenience of currently marketed products through pegylation
- Improved control of delayed emesis with NK1 inhibitors
- Generic erosion
  - in emesis for the 5-HT3 antagonist within the next 5 years
  - erythropoietins

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Maintain leadership in oncology

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- Vision

- The oncology market - growth rates - drivers - therapeutic trends

- **Roche's oncology portfolio**

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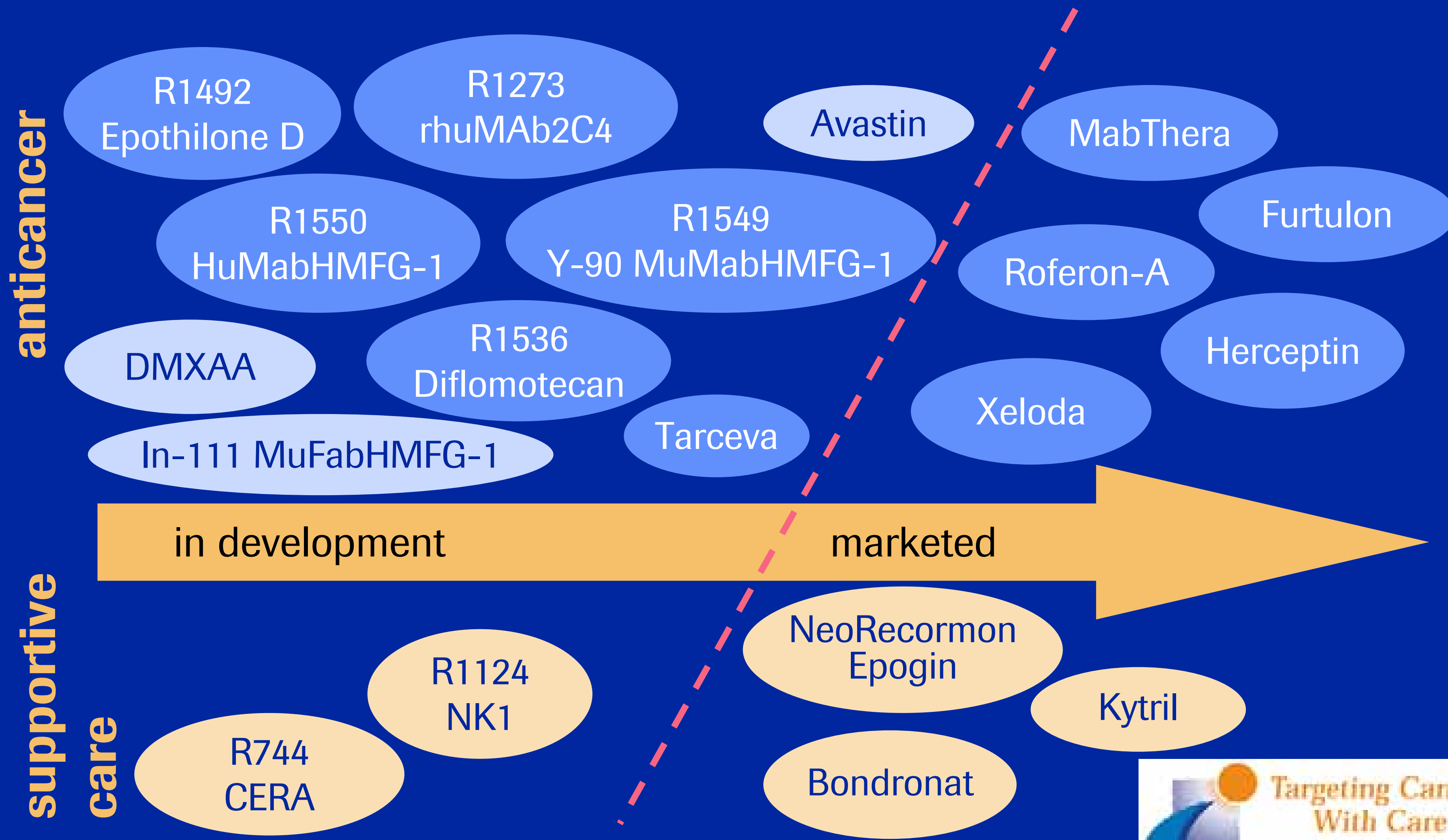
Roche oncology portfolio* overview

Strong mix of new and marketed products



* Roche and Genentech combined; HMFG = human milk fat globulin

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Oncology - Roche the no. 1 company

Outperforming the market

	Roche Prescription		Japan Prescription		USA Prescription		Roche world wide Prescription	
	FY 2002 CHF m	local growth	FY 2002 CHF m	local growth	FY 2002 CHF m	local growth	FY 2002 CHF m	local growth
MabThera	502	73 %	70	176 %	1,760	40 %	2,332	48 %
Herceptin	385	64 %	73	318 %	549	9 %	1,007	34 %
Xeloda	191	89 %	--	--	253	78 %	444	83 %
Bondronat	29	-5 %	--	--	--	--	29	-5 %
Kytril	114	22 %	128	9 %	209	4 %	451	12 %
sub-total	**1,221**	**66 %**	**271**	**69 %**	**2,771**	**35 %**	**4,262**	**42 %**
Neupogen	213	-30 %	--	--	--	--	213	-30 %
Furtulon	22	-24 %	226	-7 %	--	--	248	-9 %
NeoRecormon*	239	32 %	--	--	--	--	239	65 %
Roferon-A**	106	-15 %	1	-66 %	4	-97 %	111	-16 %
Picibanil	--	--	3	--	--	--	3	--
Neutrogin	--	--	93	--	--	--	93	--
sub-total	**581**	**-9 %**	**323**	**31 %**	**4**	**-97 %**	**907**	**2 %**
total	**1,802**	**42 %**	**594**	**15 %**	**2,775**	**35 %**	**5,169**	**35 %**

* 25 % / ** 60 % of total sales

29 % Roche Pharma Business

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Women with metastatic breast cancer live longer with Xeloda combination

Xeloda®
(capecitabine)
Response and Convenience

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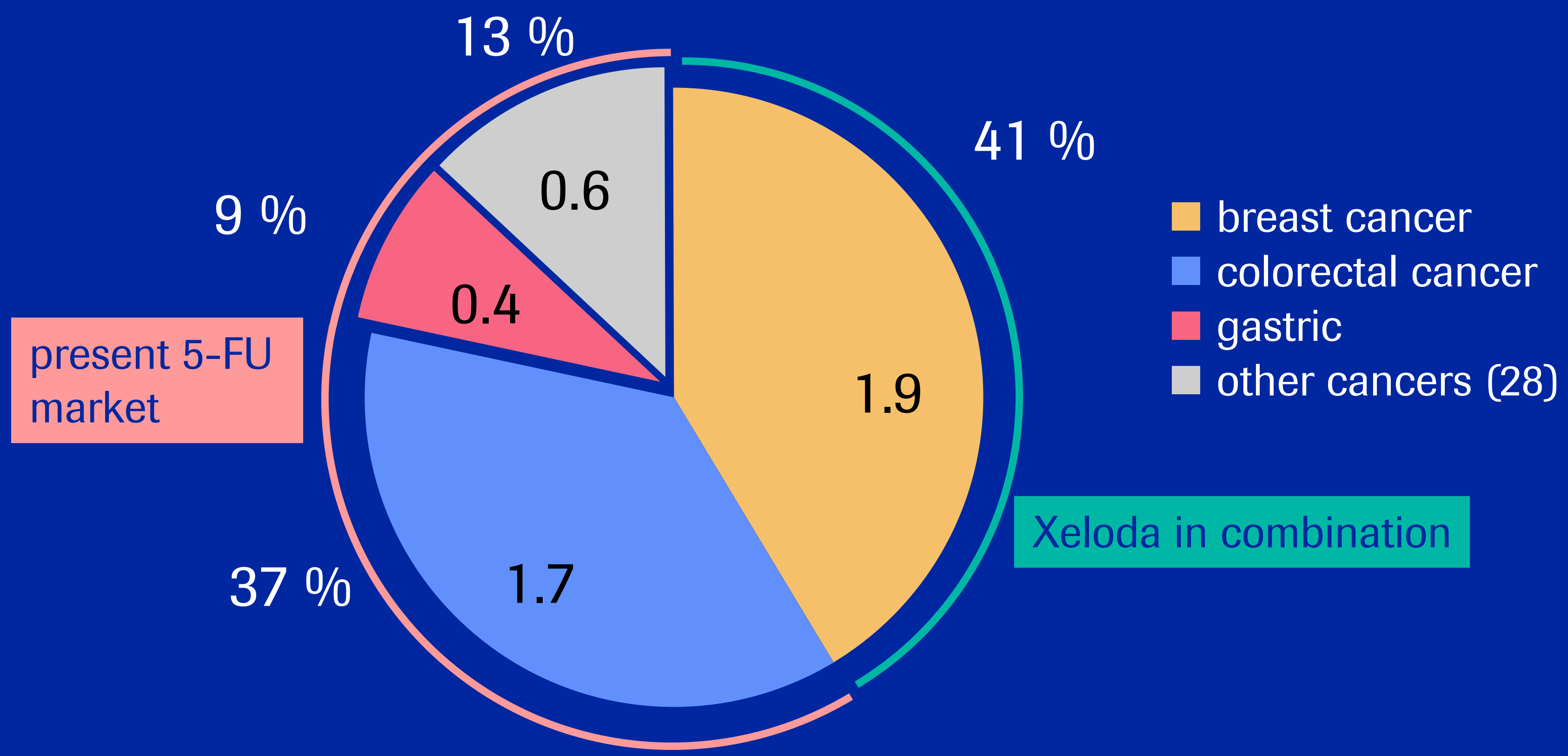
Xeloda

Target market



2001 CHF 4.6 billion

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Xeloda in colorectal cancer (CRC)

~ 510,000 metastatic CRC patients

~ 725,000 adjuvant CRC patients (6-8 cycles)

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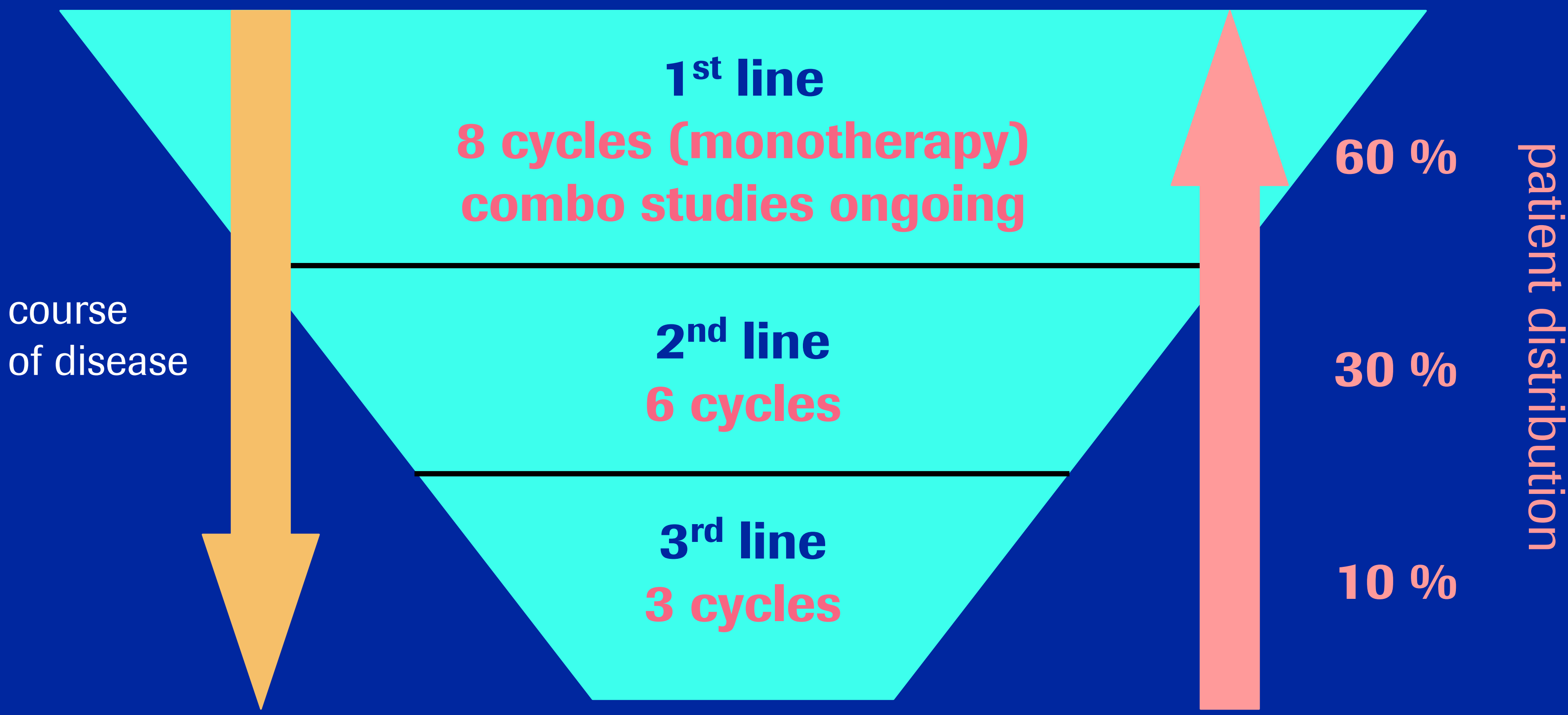

source: estimations based on clinical trial data

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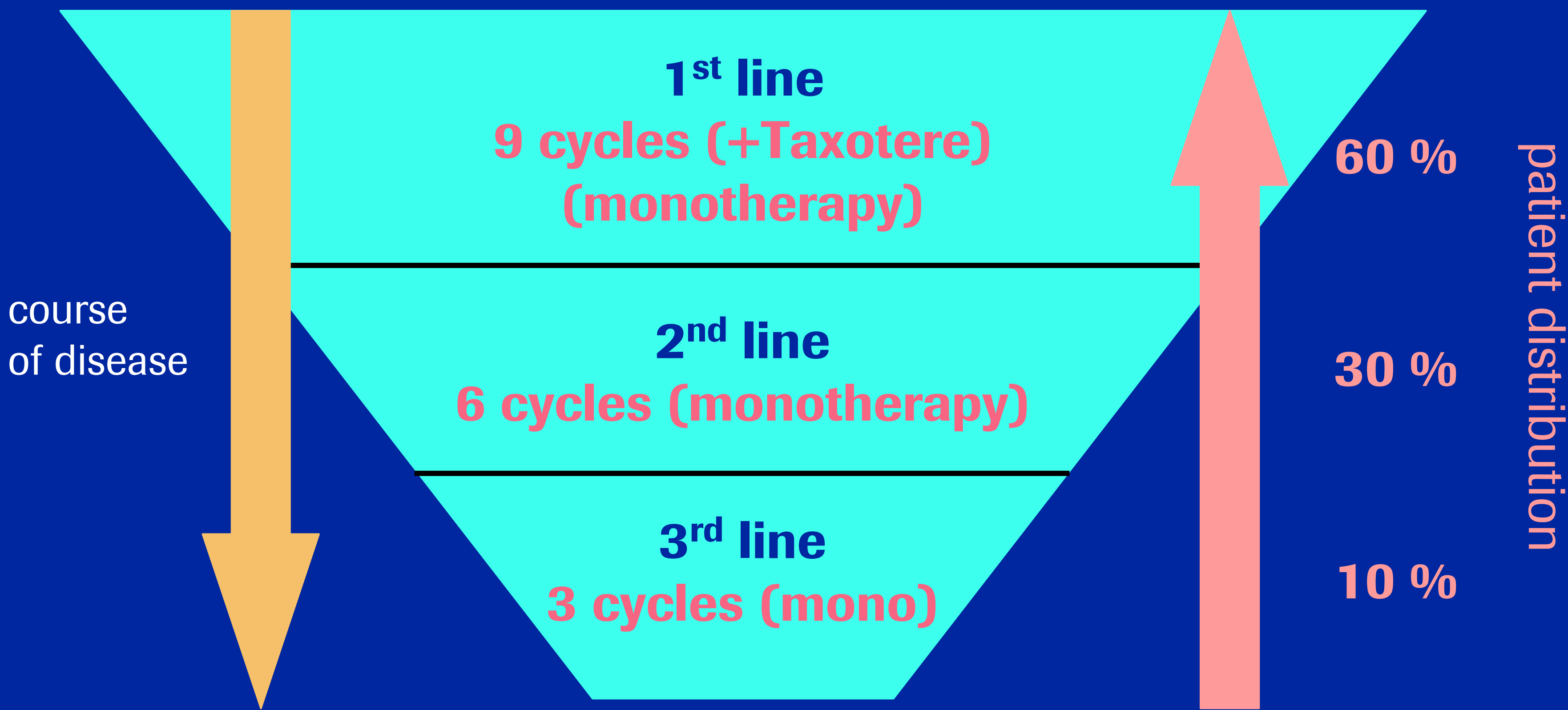
Xeloda in metastatic breast cancer

~ 750,000 women

~ 3 million women adjuvant breast cancer (6-8 cycles)



source: estimations based on clinical trial data

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Xeloda in colorectal cancer
Strategic initiatives

- Establish Xeloda as 1st line therapy by replacing 5-FU/LV in monotherapy and combination therapy through registrations and phase IV.

- Develop and register Xeloda in adjuvant colon as monotherapy and combination therapy

- Xeloda as backbone therapy for new agents to add to rather than 5-FU/LV

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Xeloda in metastatic breast cancer
Strategic initiatives

- Establish Xeloda + Taxotere in anthracycline failures (survival)
- Establish Xeloda in taxane failures
- Develop and register Xeloda in adjuvant with taxanes
- Large supportive phase IV program

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Xeloda

Clinical update - 12000 patients

'99 '00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11

colorectal cancer

adj. colon cancer phase III mono — EU+US approval

adj. colon cancer combination — US + EU approvals

neoadj. rectal cancer phase III — US + EU approvals

metastatic combo CRC — US + EU approvals

breast cancer

adj. breast cancer phase III — US + EU approvals

neoadjuvant breast cancer — US + EU approvals

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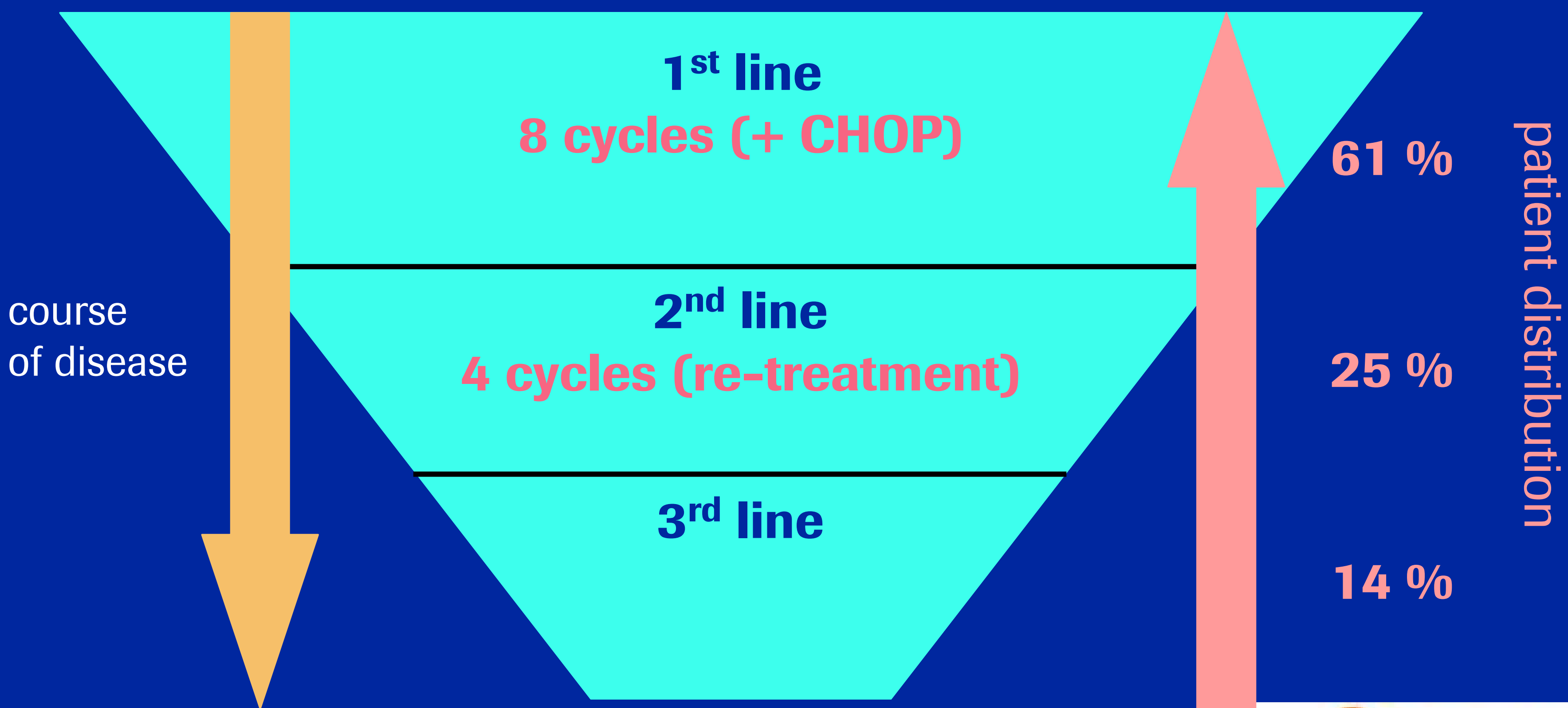
MabThera in aggressive NHL

~ 210,000 patients globally



source: recent market research

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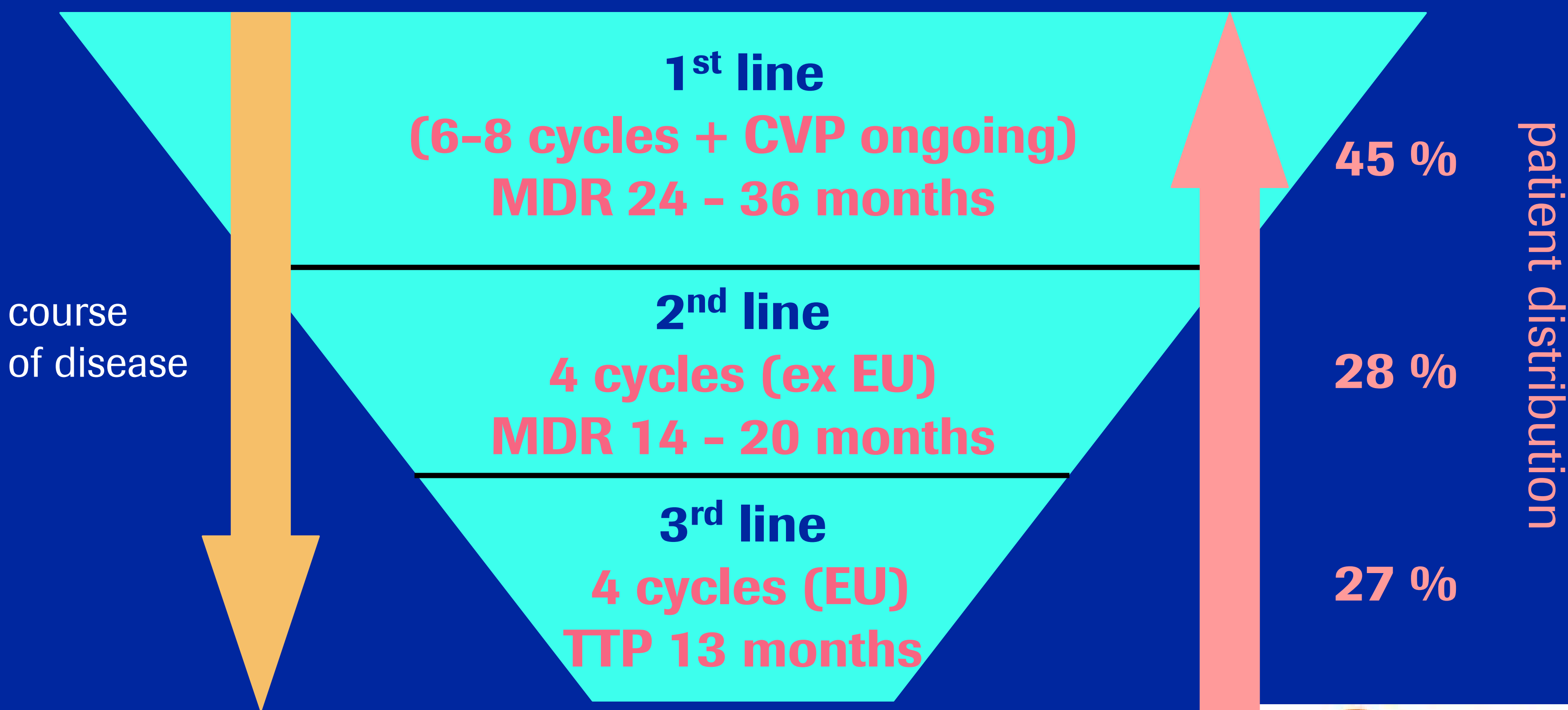
MabThera in indolent NHL

~ 170,000 patients globally



source: recent market research

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MabThera
Strategic initiatives

- Increase penetration in indolent NHL from 20 %
  - move to 1st line with longer treatment
- Establish MabThera in aggressive NHL by increasing penetration from 25 % and make it the cornerstone with any chemotherapy
- In both indications earlier and longer treatment
- Patient demand for treatment / reimbursement
- Maintenance

MabThera

Increase blockbuster potential

2003

- Interim data first line aggressive NHL study (younger population)

2005

- **New indication:** first line indolent NHL and new data in relapsed indolent NHL

2008

- **New indication:** CLL filing expected

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Herceptin®

Trastuzumab

anti-HER2 monoclonal antibody

Targeted to increase survival

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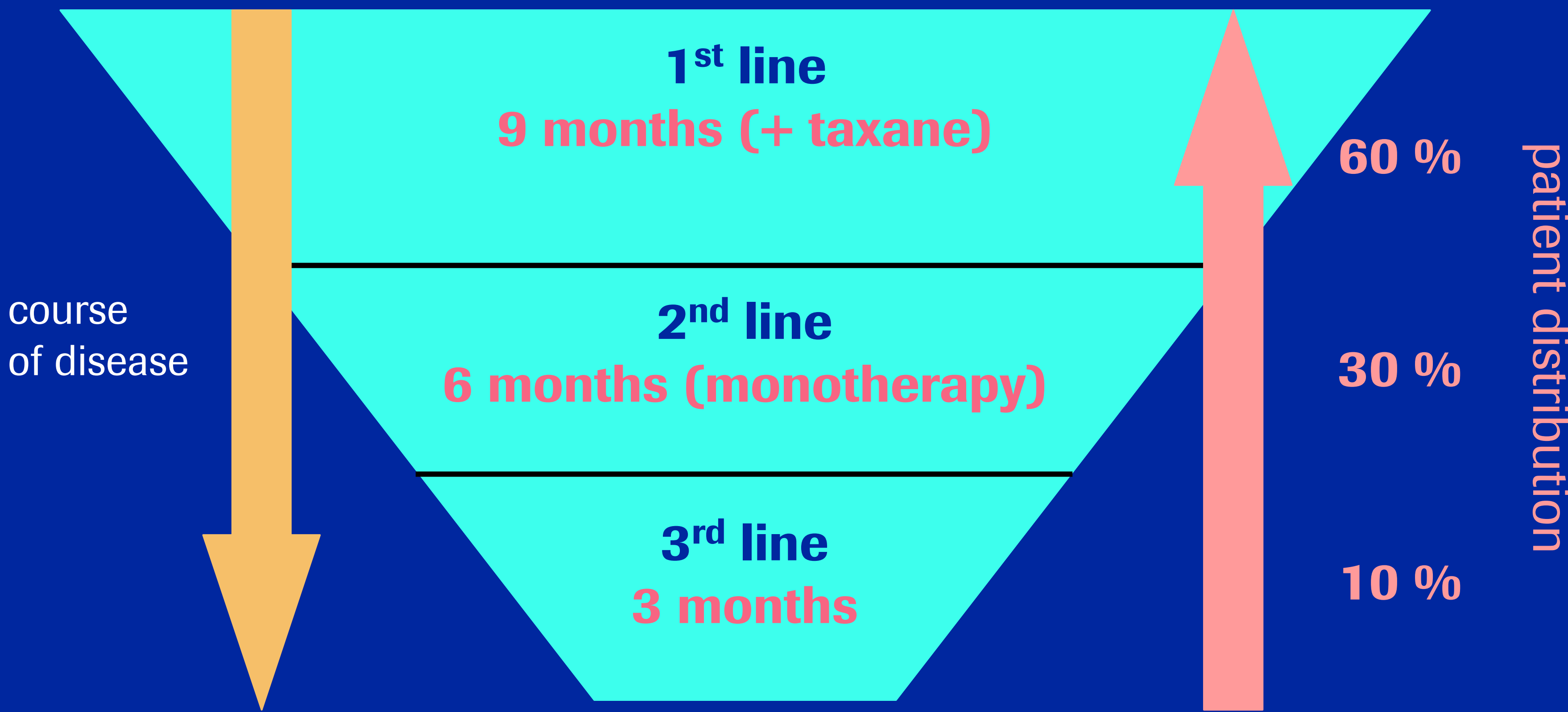
Herceptin in metastatic breast cancer

~ 750,000 women

~ 3 million women adjuvant breast cancer (12 - 24 months)



source: estimations based on clinical trial data

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Herceptin
Strategic initiatives

- Maximize numbers of metastatic breast cancer patients treated with Herceptin
  - increase penetration of testing
  - expand 1st line usage
  - increase duration of treatment
  - re-treatment and treatment beyond progression
- Funding access
  - reimbursement
  - hospital budgets
- Develop and register adjuvant indication

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Herceptin
Building for the future

variation	approval
testing: fluorescence in situ hybridization (FISH)	Q1 '03
metastatic breast cancer: combination with hormonal therapy	Q3 '07
adjuvant breast cancer (interim 2005)	Q1 '09

- Enlarge the diagnostic component of the label
- Add new indications

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Treat cancer without nausea & vomiting challenges

KYTRIL®
granisetron HCl
Tablets and Injection

Less complicated 24 hour prevention of nausea & vomiting

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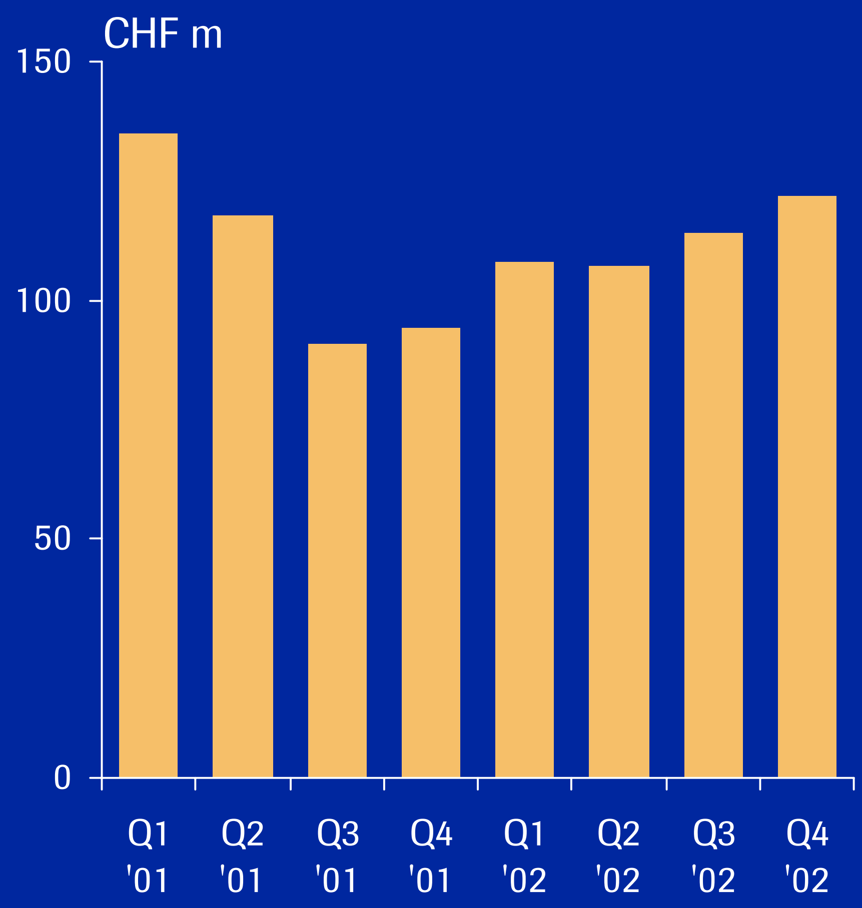
Kytril
Turned the corner



global (Roche & Chugai)

- Achievements
  - 54 % market share in Japan
  - ~ 23 % global market share
  - returned to global growth through Chugai alliance and aggressive contracting in the US
  - US PONV* approval in August '02
- Future growth
  - increased share of voice
  - consistent differentiation from competitors (true 24 hour coverage, drug interactions, cardio-toxicity)

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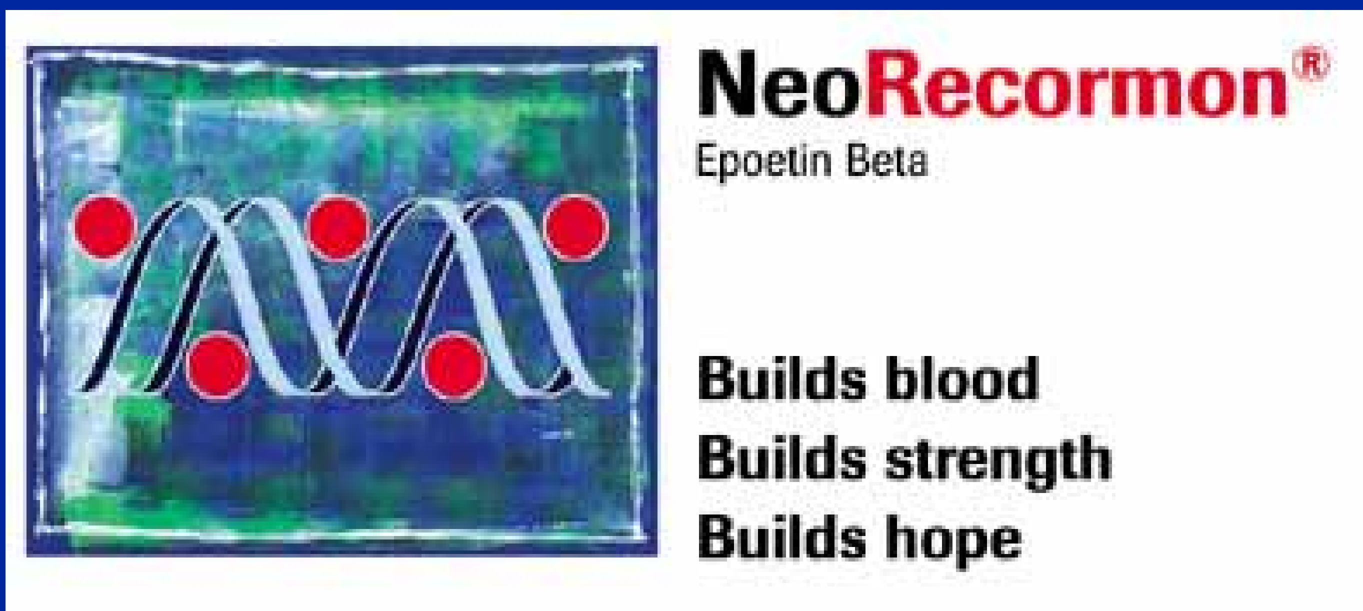
NeoRecormon® in oncology



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NeoRecormon

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- Anaemia weakens the patients ability to fight the cancer at poorer survival prognosis
- Once a week for solid and hematological tumors
- Pain free injection with better delivery systems (30,000 PFS)
- NeoRecormon oncology potential
  - approx. CHF 500 - 600 million
  - no sales in oncology yet in Japan (Chugai)

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Continuous erythropoiesis receptor activator (CERA)

- Strategic fit
  - entry into two key strategic markets, US and Japan
  - defend current sales against new competitors and bio-generics in Europe and Japan
  - grow the market with optimum dosing
- Development objectives
  - develop a compound with clinical and competitive advantages compared to EPO and NESP
- Filing expected 2006

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Tarceva™

erlotinib

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Tarceva
Differences to Iressa

1st line non-small cell lung cancer

- At therapeutic doses AUC Tarceva is **5 - 6 times** AUC Iressa
- Metabolism of Tarceva generates an **active metabolite**
- Roche / partners **dose to rash (MTD*)** - Iressa 33 % MTD
- Powered for median survival improvement of **25 %** (Tarceva) **vs. 33 %** (Iressa).
- Phase II clinical data show broad anti-tumor activity in NSCLC, pancreatic, head & neck cancer and ovarian cancer

* maximum tolerated dose

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Avastin
What's special about it?

- Angiogenesis essential for growth of all tumors
- VEGF crucial for development of new blood vessels
- Anti-VEGF (Avastin) to inhibit angiogenesis and therefore new tumor formation and grow of existing tumors
- Phase III data expected in 2002

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Genentech

BIO ONCOLOGY

Genentech, Inc.

Leadership

Roche

CHUGAI

Roche A member of the Roche group

ANTISOMA

BEAUFOUR IPSEN

KOSAN BIOSCIENCES

OSI Pharmaceuticals™

Roche