PRESS RELEASE

ANTITRUST: ITALIAN COMPETITION AUTHORITY OPENS PROCEEDINGS AGAINST ROCHE GROUP AND NOVARTIS GROUP FOR AN ALLEGED CARTEL RELATED TO THE SALES IN ITALY OF THE PHARMACEUTICAL PRODUCTS AVASTIN AND LUCENTIS

On February 6, 2013, the Italian Competition Authority has opened an investigation against Hoffmann-La Roche Ltd, Novartis AG, Genentech Inc., Roche S.p.A., and Novartis Farma S.p.A. into a suspected cartel in the pharmaceutical sector.

According to two complaints filed by an association of private health care facilities (Aiudapds) and the Italian Ophtalmological Society, the groups Roche and Novartis may be involved in an illicit agreement for excluding in Italy the ophtalmic use of Avastin, marketed by Roche, in order to advantage the sales of Lucentis, marketed by Novartis. Both medicines have been patented by Genentech, a wholly owned subsidiary of Roche, which is participated by Novartis with a 33% share.

According to several studies Avastin and Lucentis are equivalent: however, Lucentis is far more expensive than Avastin. As Roche did not require an "on-label" registration of Avastin for ophtalmic use, only Lucentis is currently reimbursed by the Italian healthcare system: as a consequence, the claimants argue that the damages of the alleged cartel may amount to several hundreds of EUR millions per year. If established, the cartel could constitute an infringement of Article 101 of the Treaty of the Functioning of the European Union, which prohibits cartels and restrictive business practices.

On February 14, 2013, the Italian Competition Authority carried out inspections at the premises of some Italian branches of Roche Group and

Novartis Group. The legal deadline to complete the inquiry has been set at December 20, 2013.

Rome - February 14, 2013