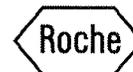


Roche - Corporate Media News

Basel, 26 May 1997

Roche acquires Boehringer Mannheim Group

Roche Boehringer Mannheim Diagnostics becomes the market leader in the global diagnostics business

On 24 May 1997 Roche entered into an agreement with the owners of Corange Ltd, Bermuda, to purchase all shares in this holding company. Corange Ltd is sole owner of the diagnostics and pharmaceuticals businesses of the Boehringer Mannheim Group. Corange also holds 84.2% of the shares in DePuy, Inc., Delaware USA, a leading manufacturer of orthopedic products. The purchase price is still subject to adjustments, but the value of the transaction is expected to be around 11 billion US dollars. The acquisition has still to be approved by the relevant regulatory authorities.

"This acquisition enables Roche to attain yet another of its strategic goals, to become a leader in the diagnostics systems and products sector in terms of sales and profitability," said Fritz Gerber, Chairman of the Roche Executive Committee and Chairman of the Board of Roche Holding Ltd. "We see long-term potential in the areas of disease management and patient care, both of which are gaining importance in the context of continuing efforts to reduce healthcare costs. Roche also gains market share in the pharmaceuticals sector as a result of the takeover. DePuy will complement our own activities in another segment of the healthcare market with growth potential."

Curt Engelhorn, Chairman of the Board of Corange Ltd, said he was convinced that the transaction ensured the long-term future of Boehringer Mannheim and DePuy. "A 150 year old entrepreneurial tradition in the healthcare sector is being taken over by a company of similar tradition with an outstanding market position in pharmaceuticals and diagnostics. The innovative power of generations of Boehringer Mannheim employees will thus live on."

The merger of the two companies' diagnostics businesses under the control of Roche Holding Ltd will create the world leader in the diagnostics market. Thanks to its innovative products and leading edge technologies this new organization will assume a leading position in the clinical laboratory systems, molecular diagnostics (PCR) and Patient Care segments.

With some 13,500 employees the future Roche Boehringer Mannheim Diagnostics will have a yearly sales potential of over 3.5 billion Swiss francs. The new organization will have research and development centers and large production facilities in Germany, the United States and Switzerland. Diagnostics customers will be served by a significantly larger and geographically more broadly based sales organization. At the same time it will be possible to achieve considerable improvements in productivity and efficiency.

In the pharmaceuticals sector Boehringer Mannheim posted sales of some 1.5 billion Swiss francs in 1996. The acquisition of this business area will significantly strengthen Roche's market position in Europe, particularly Germany and Italy, and in Latin America.

"Boehringer Mannheim's established and newly launched cardiovascular and oncology products will be an excellent complement to the Roche product portfolio," said Dr Franz B. Humer, Roche COO and Head of the Pharmaceuticals Division. In addition, Boehringer Mannheim has a number of promising drugs in various stages of clinical development. The most advanced of these, ibandronat, for the prevention and treatment of osteoporosis, is now in phase III of clinical development.

The DePuy Group is one of the world's leading manufacturers of artificial joints and other orthopedic products. It employs some 2900 people and recorded sales of around 860 million Swiss francs in 1996. Its products range from artificial joints and implants to orthopedic instruments and arthroscopic equipment. The 15.8% of DePuy shares not held by Corange Ltd are traded on the New York Stock exchange (symbol DPU). With Roche as the new majority shareholder, DePuy will continue to operate as an independent organization.

The Boehringer Mannheim Group is active worldwide in the pharmaceuticals and diagnostics areas. Its Lab Diagnostics, Patient Care, Biochemicals and Therapeutics subdivisions employ some 18,000 people and posted sales of 4.3 billion Swiss francs (without DePuy) in 1996. Boehringer Mannheim was founded in 1859 and is wholly owned by Corange Ltd, a holding company based in Bermuda. The corporate executive management of the Boehringer Mannheim Group has its headquarters in Amsterdam, Netherlands.



Roche, with headquarters in Basel, Switzerland, is an international group of companies with leading market positions in the areas of pharmaceuticals, diagnostics, vitamins and fine chemicals and fragrances and flavours. It recorded sales of around 16 billion Swiss francs in 1996 and has some 50,000 employees. Roche can look back at over 100 years of successful activity in the healthcare sector, based on innovative research and development. The group does business in over 100 countries and has its own affiliates in more than 50.

A media conference will be held at 14:00 hrs (CET) at Roche Headquarters in Basle. If you cannot attend, you may listen in on the conference by phoning one of the following numbers 5-10 minutes before the conference is scheduled to begin:

German (original language): ++41 91 - 610 41 00

English (simultaneous interpretation): ++41 91 - 610 41 01

From the US (English or German): ++1 412 - 858 46 00

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