

Cancer drugs give Roche a 2012 profit boost

30 January 2013, by John Heilprin

Growing demand for its cancer medicines and diagnostic tests used by clinical laboratories helped Swiss drug maker Roche Holding AG post a modest 2.4 percent increase in full-year profits.

The Basel-based company said Wednesday that it made a net profit of 9.77 billion Swiss francs (\$10.6 billion) in 2012, against 9.54 billion francs the year before, and that it anticipates further gains this year.

The company, which is the world's biggest manufacturer of [cancer drugs](#), said it delivered strong results for 2012 in part due to the launch of its new breast cancer medicine, Perjeta, in the United States and Europe. Overall sales were up 4 percent at 45.5 billion francs (\$49.2 billion).

"We met our financial targets, grew faster than the market, and our strong pipeline positions us well for further growth," said Roche CEO Severin Schwan. "A particular highlight in 2012 was the approval of breast cancer medicine Perjeta, which helps women with HER2-positive breast cancer live longer. We now look forward to getting T-DM1, our other novel [breast cancer](#) therapy, to patients as soon as possible."

Roche benefits from having strong sellers whose patents are not expiring soon, unlike many of its major competitors. But like most other major Swiss companies it has in recent years battled against the strength of the franc. That somewhat reversed in 2012 with the fall in the franc against the dollar and the yen.

The drug maker said its top-selling products MabThera/[Rituxan](#), [Herceptin](#) and [Avastin](#) all performed strongly in 2012 as demand grew in all regions. [Genentech](#), which is owned by Roche, makes those three best-selling cancer drugs in the world. Avastin, which had dipped in sales, was "back on the growth path" after its launch for [ovarian cancer](#) in Europe at the end of 2011 and was also helped by stronger sales in Japan, the company said.

And the company cited robust demand for its clinical laboratory products in 2012, with the diagnostics division, which launched several new instruments and devices, reporting a 4 percent rise in sales to 10.3 billion francs.

Roche posted an 11 percent rise in 2012 core earnings per share, which rose to 13.62 Swiss francs (\$14.74) compared to 12.30 francs a year ago.

Shares in Roche closed Tuesday at 201.40 francs, up 8.5 percent already this year.

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