

Swiss drug maker Roche posts 7 percent profit drop

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(AP)—Swiss drugmaker Roche Holding AG on Thursday posted a net profit drop of 7 percent compared with a year ago, weighed down by a strong Swiss franc and charges from one of its diagnostic units.

The world's biggest manufacturer of [cancer drugs](#), which reports earnings every six months, said it had 5.641 billion Swiss francs (\$6.25 billion) in net income from April to June, down from 6.047 billion francs in the comparable period of 2013.

The Basel, Switzerland-based company said its first-half sales were 22.974 billion francs, down 1 percent from 23.295 billion francs from a year ago.

It reported impairment charges of 414 million francs in tissue diagnostics and said the Swiss franc was stronger against most currencies in the first half of the year, particularly against the dollar, the yen and several Latin American currencies.

"The overall impact is strongly negative on the results expressed in Swiss francs compared to constant exchange rates, with a 6-8 percentage point impact on sales," the company reported.

In a statement, Chief Executive Severin Schwan described the company's first half as "good," driven mainly by its cancer medicines, especially new breast [cancer](#) treatments Perjeta and Kadcyła, and by its diagnostics products.

Roche said it expects low to mid-single digit growth in overall sales for the year, and to further increase its dividend.

"Based on our half year performance, I am confident that we will meet our full-year targets," Schwan said.

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