Annual Employment Report
Strategic Investment Program (SIP)
ORS 385C.615, OAR 123-623-4000 and 123-623-4100

After each property tax year (ending June 30) of benefiting from a SIP exemption, please complete and return this form, not later than the following April 1 date, to:

Business Oregon, Business Tax Incentives
775 Summer Street NE, Suite 200
Salem, OR 97301-1280

Benefitting Business Firm

Michael Sokitch
Contact Person
Genentech USA Inc.
Name of Business
1 DNA Way, Mail Stop #24
Mailing Address (Street/P.O. Box)
S. San Francisco CA 94080-4990
City State Zip

Tax Manager
Title
650-225-6799
Phone Number
650-225-2414
Fax Number
sokitch.michael@gene.com
E-mail Address

Eligible SIP Project/Property

☐ Hillboro Fill Finish
Name of Project/Facility/Operations
☐ 4625 NW Shute Road, Hillsboro, OR / 97123-02900
Site Address(es)/Assessor Map/Lot Number(s)

☐ 2010 1 out of 15
First Exemption Year Number of last tax year (ending previous June 30) within exemption period

$236,527,670 for land, structure & personal property 2010/11
Total real market value of project property*

$25,000,000
Assessed value of taxable property*

$412,175
Total property taxes paid*

$231,527,670
Assessed value of exempt property*

$3,817,197
Total property tax savings*

☐ Attached is location and assessed value* of associated investments in Oregon not covered by SIP (optional)

*Use property tax data from the previously completed tax year (e.g., if it is 2012, data is from July 1, 2010, through June 30, 2011).
**Locally Collected Fees and Payments** (during most recent calendar year)

<table>
<thead>
<tr>
<th>Name of Fee/Payments</th>
<th>Recipient/Disposition</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Service Fee</td>
<td>County, local distribution</td>
<td>Washington County</td>
</tr>
</tbody>
</table>

- Attached is list showing additional payments under SIP agreement or further information about the above.

**Employment Associated with Project** (during most recent calendar year)

Number of FTE based on 2,080-hour year, since pre-project application

324

### New hires (jobs created)

- Actively retained jobs

### Actively retained jobs

SEE ATTACHED NOTE

### Passively retained jobs

SEE ATTACHED NOTE

Average annual taxable income (Oregon wages, salary, etc) paid to employees

$78,803

### New hires (jobs created)

- Actively retained jobs

### Actively retained jobs

SEE ATTACHED NOTE

### Passively retained jobs

SEE ATTACHED NOTE

Average annual compensation, taxable income plus discretionary fringe benefits

$104,021

### New hires (jobs created)

- Actively retained jobs

### Actively retained jobs

SEE ATTACHED NOTE

### Passively retained jobs

SEE ATTACHED NOTE

Breakdown of three most common occupations for above new hires (jobs created)

<table>
<thead>
<tr>
<th>FTE</th>
<th>Average annual taxable income</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>$95,691 Engineers</td>
</tr>
<tr>
<td>56</td>
<td>$42,969 Mfg Technicians</td>
</tr>
<tr>
<td>29</td>
<td>$84,222 OA Specialists</td>
</tr>
</tbody>
</table>

- Attached is supporting information on employment data (optional, unless otherwise stipulated)
- Attached is an explanation and identification of information provided here that is financially or otherwise sensitive, and for which confidentiality is explicitly requested by the submitter of this form.

**Declaration**

I have examined this document and attachments to it. To the best of my knowledge, they are true, correct and complete in every material respect. If any such information changes, I will notify the department and submit proper written amendments.

Roger Brown

Signed: Roger Brown

Date: 03/28/2012

03-2012 Business Oregon SIP
NOTE FOR ACTIVELY AND PASSIVELY RETAINED JOBS

THE GENENTECH HILLSBORO FILL FINISH FACILITY WAS A NEW BUSINESS TO OREGON RELOCATED FROM EXISTING CALIFORNIA LOCATIONS IN PART BECAUSE OF THE OPPORTUNITY TO PARTICIPATE THE STRATEGIC INVESTMENT PROGRAM. WITHOUT THE PROGRAM, THE FACILITY MAY NOT HAVE RELOCATED TO OREGON AND THERE WOULD HAVE BEEN NO JOB CREATION OR HIRING.