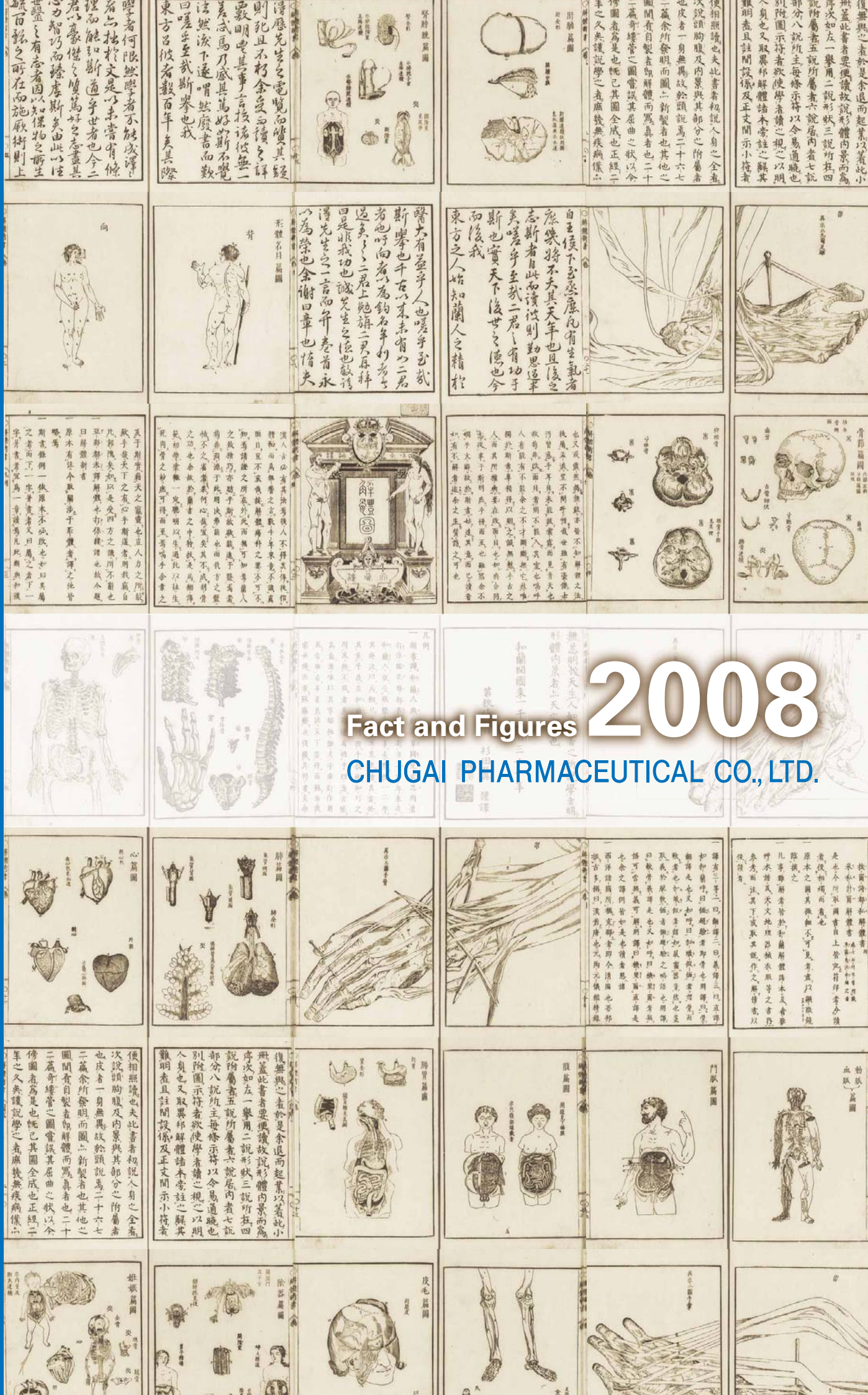
CHUGAI

Roche Roche Group



Fact and Figures 2008

CHUGAI PHARMACEUTICAL CO., LTD.

Facts and Figures

To Know Us Better >>

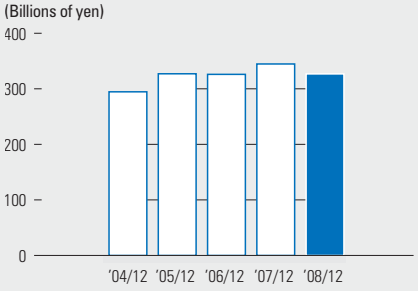
Financial Data

Operating Results (Consolidated Basis)

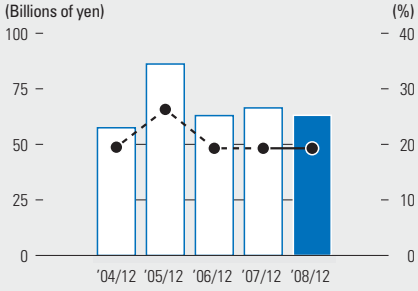
Millions of yen	Years ended December 31 2008	2007	2006	2005	2004
Revenues:	326,938	344,808	326,109	327,155	294,671
Prescription pharmaceuticals	321,836	332,943	326,109	327,155	278,485
Nonprescription products	—	—	—	—	16,186
Royalties and other operating income	5,102	11,865	—	—	—
Overseas revenues	33,804	36,444	28,367	23,455	18,480
Rate of increase in revenues (%)	(5.2)	5.7	(0.3)	13.0	—
Income before income taxes and minority interests	63,106	66,428	62,956	86,179	57,488
Income before income taxes and minority interests to revenues (%)	19.3	19.3	19.3	26.3	19.5
Net income	39,265	40,061	38,418	53,632	34,117
Net income to revenues (%)	12.0	11.6	11.8	16.4	11.6

Note: Revenues include Royalties and other operating income, starting from the fiscal year ended December 31, 2007.

Revenues

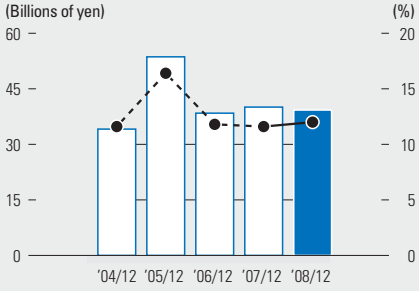


Income before Income Taxes and Minority Interests / Income before Income Taxes and Minority Interests to Revenues



■ Income before income taxes and minority interests (left)
●- Income before income taxes and minority interests to revenues (right)

Net Income / Net Income to Revenues

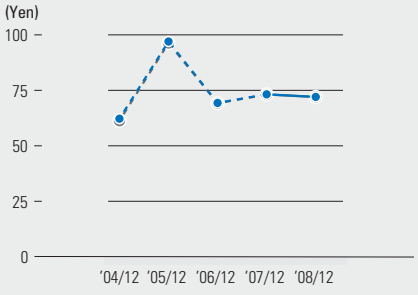


■ Net income (left)
●- Net income to revenues (right)

Per Share Data (Consolidated Basis)

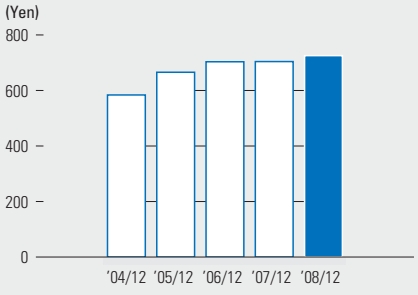
Yen	Years ended December 31 2008	2007	2006	2005	2004
Net income per share (basic)	72.07	73.23	69.35	97.00	62.27
Net income per share (diluted)	72.04	73.16	69.26	96.33	61.34
Shareholders' equity per share	725.18	703.80	703.08	665.29	583.61
Cash dividends per share	34.00	30.00	30.00	34.00	18.00
Payout ratio (%)	47.2	41.0	43.3	35.1	28.9

Net Income per Share (Basic) / Net Income per Share (Diluted)

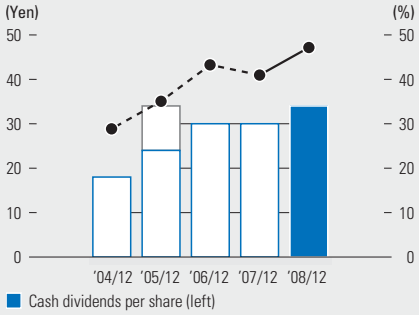


●- Net income per share (basic)
●- Net income per share (diluted)

Shareholders' Equity per Share



Cash Dividends per Share / Payout Ratio



■ Cash dividends per share (left)
□ Special dividends per share (left)
●- Payout ratio (right)

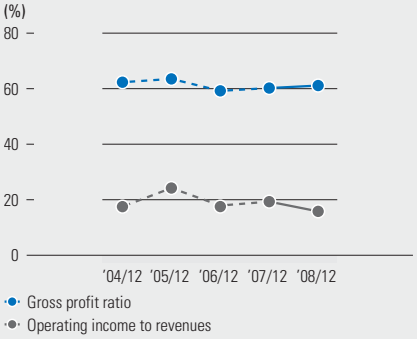
Note: Dividends per share for fiscal year 2005 include special dividends of ¥10 per share.

Profitability (Consolidated Basis)

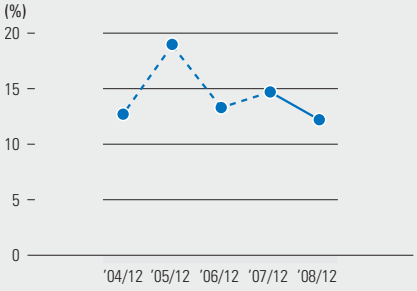
	Years ended December 31				
	2008	2007	2006	2005	2004
Gross profit ratio (%)	61.1	60.2	59.2	63.5	62.3
Operating income to revenues (%)	15.8	19.3	17.9	24.2	17.5
Return on assets (%)	12.2	14.7	13.3	18.9	12.7
Return on equity (%)	10.1	10.4	10.1	15.6	11.0

Notes: Return on equity = Net income /Shareholders' equity (yearly average) x 100

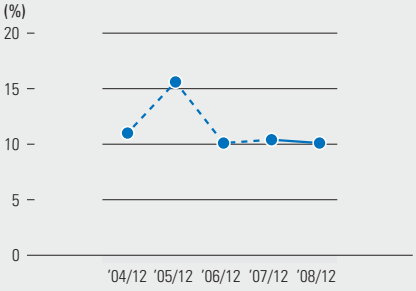
Gross Profit Ratio / Operating Income to Revenues



Return on Assets



Return on Equity

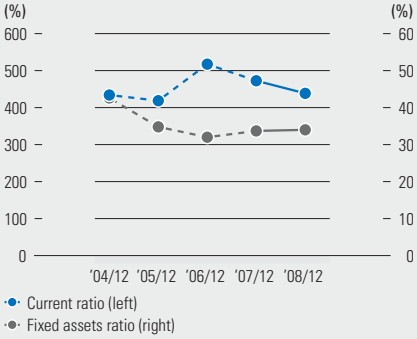


Stability (Consolidated Basis)

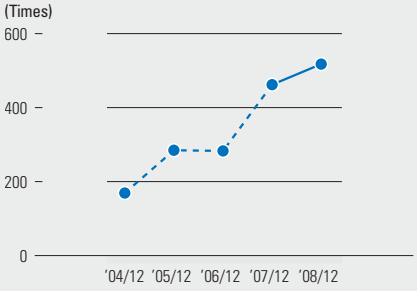
	Years ended December 31				
	2008	2007	2006	2005	2004
Current ratio (%)	438.5	472.5	517.3	418.6	434.0
Fixed assets ratio (%)	34.0	33.7	32.0	34.8	42.6
Interest coverage (times)	517.5	461.9	283.0	284.8	169.3
Debt-to-equity ratio (%)	0.1	0.2	0.3	0.7	1.9
Shareholders' equity to total assets (%)	82.6	83.5	84.3	80.7	78.0
Market value equity ratio (%)	196.2	189.9	294.4	306.7	226.3

Notes: 1. Current ratio = Current assets (fiscal year-end)/Current liabilities (fiscal year-end) x 100
2. Fixed assets ratio = Fixed assets (fiscal year-end)/Shareholders' equity (fiscal year-end) x 100
3. Interest coverage = (Operating income + interest and dividend income)/Interest expense
4. Debt-to-equity ratio = Interest-bearing debt (fiscal year-end)/Shareholders' equity (fiscal year-end) x 100
5. Market value equity ratio = Total market capitalization/Total assets (fiscal year-end) x 100

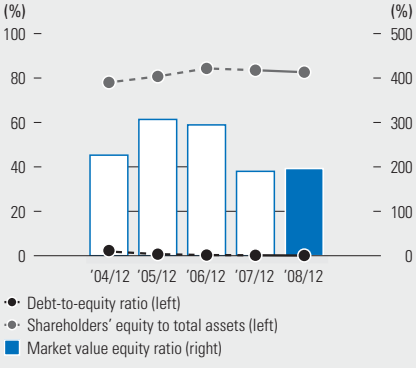
Current Ratio / Fixed Assets Ratio



Interest Coverage



Debt-to-Equity Ratio / Shareholders' Equity to Total Assets / Market Value Equity Ratio

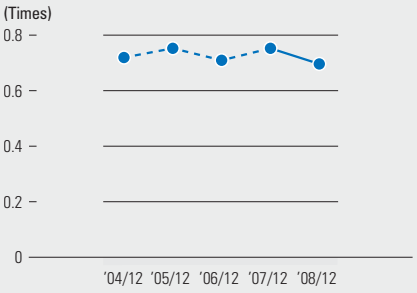


Efficiency (Consolidated Basis)

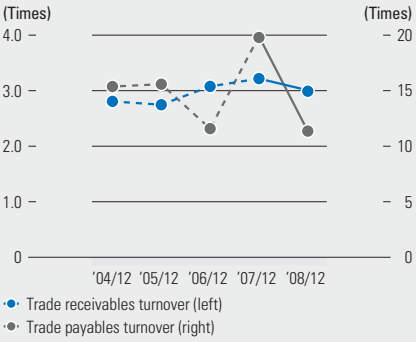
	Years ended December 31				
	2008	2007	2006	2005	2004
Total assets turnover (times)	0.70	0.75	0.71	0.75	0.72
Trade receivables turnover (times)	3.01	3.22	3.08	2.75	2.81
Inventories turnover (times)	4.15	6.25	5.30	6.90	5.09
Trade payables turnover (times)	11.37	19.90	11.59	15.59	15.38

Notes: 1. Total assets turnover = Revenues/Total assets (yearly average)
2. Trade receivables turnover = Revenues/(trade notes receivable + trade accounts receivable)
3. Inventories turnover = Revenues/inventories
4. Trade payables turnover = Revenues/(trade notes payable + trade accounts payable)

Total Assets Turnover



Trade Receivables Turnover / Trade Payables Turnover



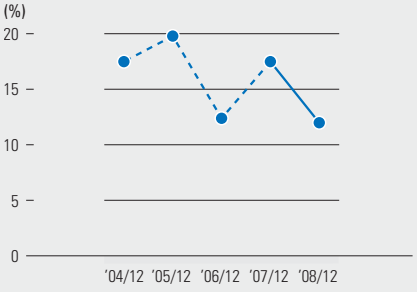
Inventories Turnover

Cash Flow (Consolidated Basis)

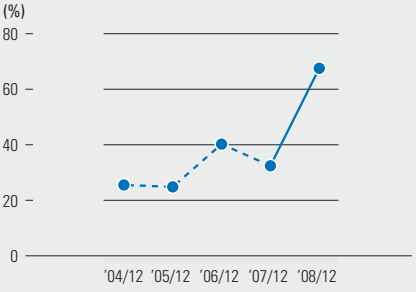
	Years ended December 31				
	2008	2007	2006	2005	2004
Net cash provided by (used in) operating activities (¥ millions)	39,277	60,365	40,539	64,663	51,495
Net cash provided by (used in) operating activities to revenues (%)	12.0	17.5	12.4	19.8	17.5
Capital investments to net cash provided by (used in) operating activities (%)	67.6	32.5	40.3	24.9	25.6
Interest-bearing debt to net cash provided by (used in) operating activities (years)	0.0	0.0	0.0	0.0	0.1

Notes: Interest-bearing debt to net cash provided by (used in) operating activities
= Interest-bearing debt/net provided by (used in) operating activities (prior to interest and income tax deductions)

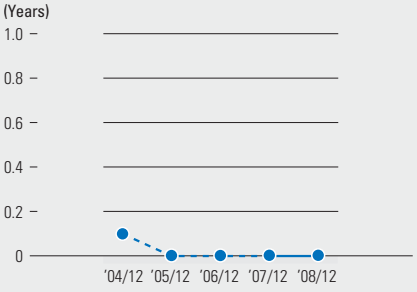
Net Cash Provided by (Used in) Operating Activities to Revenues



Capital Investments to Net Cash Provided by (Used in) Operating Activities



Interest-Bearing Debt to Net Cash Provided by (Used in) Operating Activities



Development Pipeline (As of February 4, 2009)

Development Code (*Additional Indication)	Indication	Status: Phase I	Phase II	Phase III	Filed	Approved
Oncology						
R340*	Colorectal cancer				'08/2	
	Gastric cancer					
R435*	Non-small cell lung cancer				'08/11	
	Colon cancer (adjuvant)			(Multinational study)		
	Gastric cancer			(Multinational study)		
	Breast cancer (adjuvant)			(Multinational study)		
	Breast cancer					
R597*	Gastric cancer			(Multinational study)		
EPOCH*	Chemotherapy-induced anemia					
R1415*	Pancreatic cancer					
R744	Chemotherapy-induced anemia					
MRA*	Multiple myeloma		(Overseas)			
R1273	Breast cancer, etc.					
TP300	Colorectal cancer, etc.	(Overseas)				
CIF(R7167)	Solid tumors	(Overseas)				
GC33	Liver cancer	(Overseas)				
R7159 (GA101)	Non-Hodgkin's lymphoma					
CKI27 (R7304)	Solid tumors	(Overseas)				
R1507	Solid tumors					
Renal Diseases						
R744	Renal anemia					
Bone and Joint						
MRA*	Rheumatoid arthritis					'09/1 (Overseas / EU)
					'07/11 (Overseas / US)	
	Systemic onset juvenile idiopathic arthritis (sJIA)			(Overseas)		
	Rheumatoid arthritis (new formulation: subcutaneous injection)		(I / II)			
R1594	Rheumatoid arthritis			(Multinational study)		
ED-71	Osteoporosis					
R484	Osteoporosis			(II / III)		
Transplant, Immunology and Infectious diseases						
R964*	Compensated liver cirrhosis caused by hepatitis C virus			(II / III)		
R442*	Compensated liver cirrhosis caused by hepatitis C virus			(II / III)		
	Chronic hepatitis B			(II / III)		
MRA*	Crohn's disease					
	Castleman's disease	(Overseas)				
	Systemic lupus erythematosus (SLE)	(Overseas)				
NA808	Chronic hepatitis C	(Japan)				
		(Overseas)				
Other diseases						
EPOCH*	Predeposit of autologous blood transfusion				'02/3	
R1678	Schizophrenia		(Multinational study)			
GM-611	Diabetic gastroparesis		(Japan)			
			(Overseas)			
	Irritable bowel syndrome (IBS)		(Overseas)			
R1583 (ITM-077)	Type II diabetes					
CSG452 (R7201)	Type II diabetes					
R1579	Type II diabetes					

	Generic Name / Product Name	**Origin** (Collaborator)	**Mode of Action**
	capecitabine / Xeloda	Roche	Antimetabolite, 5-FU derivative (Oral)
	bevacizumab / Avastin	Roche / Genentech	Anti-VEGF (Vascular Endothelial Growth Factor) humanized monoclonal antibody (Injection)
	trastuzumab / Herceptin	Roche / Genentech	Anti-HER2 humanized monoclonal antibody (Injection)
	epoetin beta / Epogin	In-house	Recombinant human erythropoietin (Injection)
	erlotinib / Tarceva	Roche / Genentech / OSI	EGFR tyrosine kinase inhibitor (Oral)
	(Overseas name: Mircera)	Roche	Continuous erythropoietin receptor activator (Injection)
	tocilizumab / Actemra	In-house (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody (Injection)
	pertuzumab	Roche / Genentech	HER dimerization inhibitory humanized monoclonal antibody (Injection)
	—	In-house	Topoisomerase I inhibitor (Injection)
	—	In-house (Roche)	(Oral)
	—	In-house	Humanized anti-Glypican-3 monoclonal antibody (Injection)
	—	Roche / GlycArt	Humanized anti-CD20 monoclonal antibody (Injection)
	—	In-house (Roche)	(Oral)
	—	Roche	Human anti-IGF-1R monoclonal antibody (Injection)
	(Overseas name: Mircera)	Roche	Continuous erythropoietin receptor activator (Injection)
	tocilizumab / Actemra, RoActemra	In-house (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody (Injection)
	tocilizumab / Actemra	In-house (Roche)	
	tocilizumab / Actemra	In-house (Roche)	
	ocrelizumab	Roche / Genentech	Humanized anti-CD20 monoclonal antibody (Injection)
	eldecalcitol	In-house (Taisho Pharmaceutical)	Activated Vitamin D_3 derivative (Oral)
	ibandronate sodium hydrate	Roche (Taisho Pharmaceutical)	Bisphosphonate (Injection)
	(Overseas name: Bonviva, Boniva)		Bisphosphonate (Oral)
	ribavirin / Copegus	Roche	Anti-viral agent in combination with Pegasys (Oral)
	peginterferon alfa-2a / Pegasys	Roche	Peginterferon alfa-2a agent (recombinant) (Injection)
	tocilizumab / Actemra	In-house	Humanized anti-human IL-6 receptor monoclonal antibody (Injection)
	tocilizumab / Actemra	In-house (Roche)	
	—	In-house	(Injection)
	epoetin beta / Epogin	In-house	Recombinant human erythropoietin (Injection)
	—	Roche	GLYT1 inhibitor (Oral)
	mitemcinal	In-house	Motilin agonist, Recovery of gastrointestinal motility (Oral)
	taspoglutide	Roche / Ipsen (Teijin)	GLP-1 analogue (Injection)
	—	In-house (Roche)	(Oral)
	—	Roche	DPP-IV inhibitor (Oral)

Basic Information

Basic Information on the Pharmaceutical Industry

Overview of Domestic Pharmaceutical Market and NHI Drug Price Revisions

Trends in the National Medical Insurance System

Without medical system reforms, Japan's national medical expenses will increase at an annual rate of approximately 3% to 4% going forward. In FY2006, national medical expenses totaled ¥33,127.6 billion, a ¥1.3 billion decrease from the previous year. The rapid aging of Japan's society presents the serious challenge of how to efficiently manage the marked increase in medical costs for the elderly.

National Health Insurance (NHI) Drug Price Revision

The Ministry of Health, Labour and Welfare (MHLW) generally reviews drug reimbursement prices every two years and sets standard prices (reimbursement prices) so that pharmaceuticals prescribed under the health insurance system are at a level approximating their actual market price. It does this by investigating the prices and volumes of all prescription drug transactions during a given period. In FY2008, drug reimbursement prices declined by 1.2% overall on a medical cost basis, or 5.2% on a reimbursement price basis.

Changes to Promote Use of Generic Drugs*1

MHLW is instituting changes to prescription rules in line with an Action Program announced in October 2007 to promote the safe use of generic drugs. Until now, physicians have ticked the "Can be substituted" box on the prescription form if they had determined that a generic drug was acceptable. However, from April 2008 the prescription form changed so that they need to tick a box only if they do not agree to substitution by a generic drug. The Japanese government aims to trim medical expenditure by raising the generic drug share of prescription drug volume from the current level of approximately 18.7% (as of 2007) to 30% by 2012.

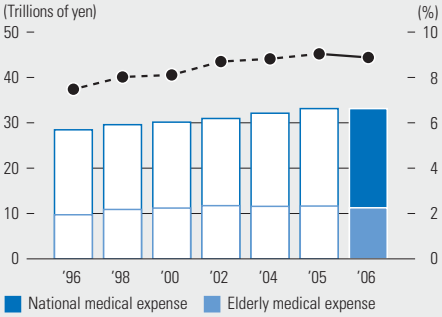
Advanced Elderly Healthcare System

Under reforms to Japan's healthcare system implemented in 2006, a new healthcare insurance system has been instituted for all elderly persons aged 75 or over*2. A greater burden is expected to fall on the current working population for healthcare for the elderly amid Japan's aging and low-birthrate society. The new system differs substantially from the existing elderly healthcare system in terms of funding, since approximately 10% of the new system's budget will be covered by insurance premiums borne equally by elderly people. In addition, separate reforms are in progress for the system covering medical treatment fees.

*1 The term "generic drug" refers to a drug manufactured by another pharmaceutical company after the expiry of the patent protection for the drug. It has the same active ingredients and efficacy as the original formulation. Because companies do not incur development costs, a generic drug can be 20% to 70% cheaper than the original drug.

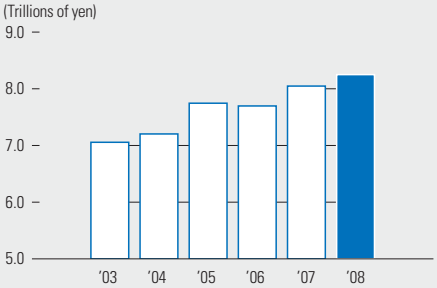
*2 65 or over with certain disabilities.

Trends in National Medical Insurance System and Elderly Medical Expense



Source: Overview of National Medical Expense by Ministry of Health, Labour and Welfare.
Notes: National income is based on the actual results of the System of National Accounts (announced in June 2008 by the Cabinet office).

Prescription Drug Market



Source: IMS Pharmaceutical Market Statistics (Reimbursement price basis), Dec. 2003-2008 MAT, Reproduction without consent is prohibited.

Impact of National Health Insurance Price Revision

NHI Price Reduction Rate (%)	2004	2006	2008
Industry Average	4.2	6.7	5.2
Chugai	4.3	7.2	7.2

Source: Company data

Oncology Field

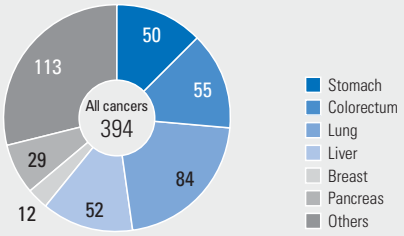
Overview of Diseases and Treatment Methods

Leading Cause of Death in Japan

Cancer has been the single most common cause of death in Japan since 1981. In 2007, approximately 336,000 people died of cancer, 30.4% of all deaths in that year and the highest figure recorded since government surveys began in 1899.

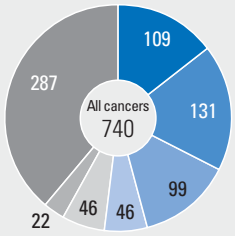
Cancer Mortality (estimates for 2010)

(Thousands of cases)



Cancer Incidence (estimates for 2010)

(Thousands of cases)



Source: Cancer White Paper-Incidence/Death/Prognosis-2004 (Shinohara Shuppan Shinsha).

Establishment of the Basic Act for Anti-Cancer Measures and Changes in the Healthcare Environment

In June 2006, the Diet enacted the Basic Act for Anti-Cancer Measures, which stipulates the obligation of national and local governments to promote measures to fight cancer. The basic principle of the law is to develop optimal cancer treatment systems in every corner of the country so that patients can receive optimal treatment in accordance to their wishes ("the availability of optimal treatment" for cancer patients). The law includes provisions for (1) improvement of cancer prevention and treatment technologies, (2) development of oncologists and "hub" institutions specialized in cancer, and (3) enhanced provision of information to patients.

The Changing Cancer Treatment Environment from the Patient's Perspective

Measures introduced as part of the patient-centered cancer treatment policy are bringing about major changes in the Japanese cancer treatment environment. The Basic Act for Anticancer Measures requires the national government to formulate a basic plan and policies to fight cancer after listening to the opinions of patients, their families, and experts. As a result of these patient-centered policies, great progress is being made in the training of oncologists and other healthcare professionals such as nurses and pharmacists working with oncologists. Advances have also been seen in efforts such as establishing networks among local medical institutions by designating interregional hub cancer centers. Japan's first medical oncologists were certified in 2006 and as of April 2008 there were 205 such specialists. Today, there is a growing multidisciplinary approach involving oncologists and other healthcare professionals such as nurses, pharmacists, and nutritionists. The "drug lag" problem —the inability of Japanese patients to gain access to global standard or state-of-the-art treatments— has also been addressed through the establishment of the Investigational Committee for Usage of Unapproved Drugs. Other significant changes reflecting the adoption of a patient-centered approach to treatment in Japan include the establishment of treatment guidelines.

Solving the Drug Lag Problem

In January 2005, the Japanese Ministry of Health, Labour and Welfare established the Investigational Committee for Usage of Unapproved Drugs as one means of helping solve the drug lag problem. The Committee is charged with investigating the clinical necessity and the appropriateness of usage of drugs already approved in Europe and the United States but not yet in Japan. This is to promote the clinical trials of those drugs in Japan facilitating access by patients.

The Ministry has also reinforced several functions of the Pharmaceutical and Medical Devices Agency, an independent administrative institution responsible for reviewing of drugs and medical devices for approval. These include increasing the number of staff involved in the reviewing process, introducing a project management system under which a dedicated staff is appointed to oversee the progress, providing guidelines on global clinical studies, clarifying reviewing criteria, and offering an improved consultancy function. By 2011, the aim is to shorten the period from new drug development through approval by two-and-a-half years, and to shorten the reviewing process to one year.

Changes in Treatment Methods

Cancer treatment is increasingly being based on a multidisciplinary approach that combines surgery, radiation therapy, and anti-cancer agents. In particular, the field of anti-cancer agents is evolving, and highly innovative medications such as molecular targeted drugs have been introduced. This has brought about a dramatic improvement in treatment outcomes in colorectal, lung and breast cancer, malignant lymphoma, and other forms of cancer. As the adverse reaction profiles of these drugs differ from those of conventional anti-cancer agents, it is now recognized that there is a need for cancer drug therapy specialists with a thorough knowledge of drug mechanisms of action, pharmacokinetics, and the effects of co-administration with other drugs. Furthermore, in recent years, there has been a rapid increase in the number of cancer patients receiving drug treatment on an outpatient basis, which allows them to maintain their normal lifestyles. To ensure the medical safety of chemotherapy for these patients, a multidisciplinary approach involving close collaboration between oncologists and other healthcare professionals has become essential.

Overview of Products and Development Projects

Neutrogin

Neutrogin is a recombinant human granulocytecolony stimulating factor (G-CSF) developed by Chugai. G-CSF is a hematopoietic factor that specifically promotes the differentiation and growth of cells of the granulocytic series (especially neutrophils) in bone marrow. Neutrogin has the effect of reducing the period

when the neutrophil count is low and promoting recovery in various types of neutropenia. Neutrogin is used to treat neutropenia that occurs as a side effect of anti-cancer agents, mobilize peripheral blood progenitor cells, promote neutrophilia after hematopoietic cell transplantation, and treat neutropenia associated with myelodysplastic syndrome, aplastic anemia, HIV infection, and immunosuppressive therapy following kidney transplantation. Overseas, Neutrogin is sold under the name Granocyte.

Herceptin

Herceptin is a targeted monoclonal antibody that works across all stages of human epidermal growth factor receptor type 2 (HER2)-positive breast cancer. The product specifically activates the immune system and suppresses the HER2 protein that contributes to tumor cell growth.

In Japan, the product is indicated for the treatment of patients with metastatic breast cancer with HER2 over-expression and now also for postoperative adjuvant therapy of patients with early HER2-positive breast cancer.

Rituxan

Rituxan is a targeted monoclonal antibody for the treatment of CD20-positive, B-cell non-Hodgkin's lymphoma. It works by binding to a specific protein (the CD20 antigen) found on the surface of normal and malignant B cells, activating the immune system to eliminate the marked cells. These are then replaced by healthy B cells from the bone marrow. The efficacy of Rituxan has been confirmed in many overseas and domestic clinical trials, and it is now the standard therapy for non-Hodgkin's lymphoma. As a result, it has gained wide recognition internationally. In Japan, Rituxan is marketed jointly by Chugai and Zenyaku Kogyo Co., Ltd. Outside Japan and North America, Rituxan is sold under the brand-name MabThera by the Roche Group.

Avastin

The humanized anti-VEGF (vascular endothelial growth factor) monoclonal antibody Avastin is the first anti-angiogenesis agent in the world to receive approval. Avastin inhibits angiogenesis — the growth of the network of blood vessels that supply nutrients and oxygen to cancerous tissues.

Avastin is marketed globally by Roche Group companies. We plan to investigate the efficacy of combinations of Avastin and Chugai's other anti-cancer agents. We expect Avastin to play a key role in improving Chugai's presence in oncology in Japan.

In Japan, Avastin is currently approved for the treatment of advanced and recurrent colorectal cancer.

Kytril

Kytril is a selective inhibitor of the 5-HT3 (serotonin) receptors found in afferent vagal nerve endings distributed mainly along the gastrointestinal tract. It is widely prescribed as an antiemetic agent to alleviate nausea and vomiting caused by the adverse reactions due to anti-cancer agents.

Xeloda

Xeloda was developed at the Kamakura Research Laboratories of the former Nippon Roche to improve the efficacy and safety of Furtulon. After Xeloda is absorbed by the body, it is gradually metabolized by certain enzymes present in high concentrations in the liver and tumors and is eventually converted into 5-FU within tumors. It is an innovative drug with high target specificity. Xeloda is the standard treatment for metastatic breast cancer and colorectal cancer in more than 100 countries around the world. In Japan, Xeloda is currently used to treat inoperable or recurrent breast cancer and as a postoperative adjuvant chemotherapy for colon cancer.

Tarceva

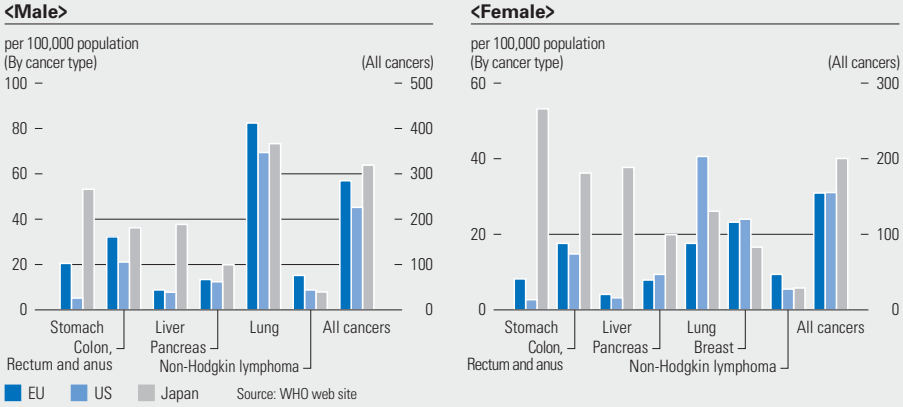
Tarceva is a targeted, small-molecule drug that inhibits the activation of human epidermal growth factor receptor (EGFR) by blocking the enzyme tyrosine kinase. EGFR plays a key role in the growth, progression and metastasis of cancer. The product is marketed overseas by Roche, Genentech and OSI Pharmaceuticals. It is approved in Europe and the United States for the second-line treatment of advanced non-small cell lung cancer and the first-line treatment of metastatic pancreatic cancer. In Japan, Tarceva is currently approved for the second-line or later treatment of non-small cell lung cancer.

Femara

We commenced joint marketing of Femara, an aromatase inhibitor, with Novartis Pharma K.K., Femara's manufacturer and distributor, in May 2006. Femara is one of the standard drugs used in endocrine therapies for breast cancer and it has already been approved in over 100 countries around the world as a breast cancer treatment for postmenopausal women.

Although it is the third agent to come into the domestic market as a third generation aromatase inhibitor, we will aim to differentiate Femara from competitor products using the strong evidence in its favor: (1) Femara is the first aromatase inhibitor shown in large-scale clinical trials to be useful as an extended adjuvant therapy (adjuvant therapy after five years of standard tamoxifen therapy after surgery for breast cancer); (2) large-scale clinical trials overseas have confirmed that Femara reduces the risk of cancer recurrence as an initial adjuvant therapy commencing immediately after surgery; and (3) large-scale clinical trials have confirmed that Femara is more effective than tamoxifen in treating advanced and recurrent breast cancer.

Cancer Mortality Rate (2005)



TP300

TP300 is a topoisomerase* I inhibitor which prevents the growth of cancer cells by obstructing the activity of an enzyme called topoisomerase I, which contributes to the replication of DNA. With existing topoisomerase I inhibitors, concentrations in the blood following administration vary from patient to patient; these agents can also cause severe diarrhea as a adverse reaction. TP300 is designed to overcome these disadvantages, and we expect that it will demonstrate a high level of safety and efficacy.

* Topoisomerase inhibitors designed as anti-cancer agents suppress the functioning of topoisomerase I or II in order to inhibit the synthesis of deoxyribonucleic acid (DNA). Topoisomerase is an enzyme that has the function of assisting the replication of the genetic code by unknotting the double helical configuration of DNA, by temporarily loosening the binding of the DNA to manifest the genetic code. Topoisomerase I cuts one strand of DNA and Topoisomerase II cuts two strands.

CIF (R7167) / CK127 (R7304)

CIF and CK127 are targeted small-molecule agents developed by Chugai. Chugai has licensed them to Roche, and we are working on their development overseas.

GC33

GC33, a humanized antibody from Chugai research, targets glypican-3 proteins which are specifically expressed in liver cancer. The project involves joint research between Chugai and Tokyo University, as well as clinical proteomics work by PharmaLogicals Research, a joint venture in which Chugai paticipates. Phase I overseas clinical trials started in October 2008.

R1273

R1273 is a monoclonal antibody licensed from Roche. This is the first in a new class of targeted agents known as HER dimerization inhibitors, and is being developed for breast cancer.

R7159 (GA101)

R7159 is a humanized monoclonal antibody licensed from Roche. Chugai has started phase I domestic clinical trials in October 2008 for the intended indications of non-Hodgkin's lymphoma.

R1507

R1507 is a human anti-insulin like growth factor (IGF-1R) monoclonal antibody licensed from Roche. Chugai has started phase I domestic clinical trials in January 2009.

Renal Diseases Field

Overview of Diseases and Treatment Methods

Chronic Kidney Disease

Chronic kidney disease is defined as the continuation for three months or more of "manifestations showing the existence of renal disease, such as positive proteinuria" or "presence of kidney damage (a glomerular filtration rate of less than 60 ml/min)." Recently, reports containing ample evidence of the major risk posed by chronic kidney disease in end stage renal failure and cardiovascular disease have prompted efforts to address this disease around the world.

In Japan, too, measures are being put in place to deal with the problem. For example, the Japanese Society of Nephrology issued "Chronic Kidney Disease Guidelines" in July 2007. The Ministry of Health, Labour and Welfare has initiated strategic research through The Kidney Foundation, Japan with the objective of achieving a 15% reduction in five years of the number of dialysis patients compared with current forecasts.

Chronic Renal Failure and Renal Anemia

Chronic renal failure is a disease in which renal function is significantly reduced due to a variety of causes, including diabetes-related renal disease, chronic glomerulonephritis, nephrosclerosis, and polycystic kidney disease. In recent years, the rise in the number of diabetes patients has led to a corresponding increase in chronic renal failure in patients with underlying diabetes-related renal disease; this has become the primary reason for dialysis use.

For dialysis patients and end-stage renal failure patients, the treatment of serious complications of advanced renal dysfunction, such as renal anemia, secondary hyperparathyroidism, and abnormal calcium and phosphorus metabolism, is a major issue. Of these complications, renal anemia is one of the most frequent, occurring not only in dialysis patients but also in-pre-dialysis patients. Renal anemia, in turn, is thought to be responsible for a wide range of further complications suffered by renal failure patients, including deterioration in heart, brain, and hemostatic functions.

Treatment Methods and Changes in the Medical Environment

Erythropoietin

Erythropoietin is a hemopoietic factor produced mainly in the kidneys which speeds up erythrocyte production by acting on normoblastic progenitor cells found in bone marrow. Erythropoietin (EPO) is effective in treating renal anemia caused primarily by the decline in erythropoietin production due to chronic renal failure. In addition, by correcting and controlling anemia, the drug is also thought to help improve the secondary complications listed above. Large-scale studies have shown that correction of anemia with erythropoietin helps reduce the length of hospital stays and improves both quality of life and life expectancy. It is estimated that EPO preparations are currently used by approximately 80% of dialysis patients and the majority of pre-dialysis renal failure patients with serum creatinine levels of 2mg/dL or more. Chugai's Epogin is thus an essential drug for the treatment of renal anemia.

A Flat-sum Reimbursement System for Erythropoietin Preparations

The number of patients receiving dialysis treatment in Japan is increasing each year by about 4%, reaching 275,000 people in 2007, partly due to increased use of dialysis in patients with diabetes-related renal disease. Expenses for erythropoietin (about ¥140 billion*1), essential for dialysis treatment, accounted for 8.8% of all dialysis-related expenses in 2005.

Consequently, the government decided in its 2006 revisions of medical fees that the administration of erythropoietin in dialysis

treatment would be comprehensively incorporated as a flat-sum reimbursement within the medical fee points*2 for "artificial kidney" (dialysis treatment). The government changed the previous mechanism under which the number of fee points awarded depended on the amount of erythropoietin used. The new mechanism provides an integrated fee structure by adding the average amount of erythropoietin used per dialysis session to the medical fee points for one session.

*1 IMS data. Erythropoietin market in 2005. The scope of the market is defined by Chugai.
*2 Formerly, the average amount of erythropoietin used per patient was approximately 4,500 international units per week, on the basis of three dialysis sessions per week. The new system adds points equivalent to 1,500 international units, to the artificial kidney medical fee points and provides an integrated fee structure.

Overview of Products and Development Project

Epogin

Erythropoietin is a hemopoietic factor produced mainly in the kidneys which speeds up erythrocyte production by acting on normoblastic progenitor cells found in bone marrow. The full utilization of Chugai's unique gene recombinant technology enabled the creation of Epogin, a human erythropoietin formulation that uses epoetin beta as its main active ingredient. Erythropoietin is effective in improving renal anemia primarily caused by the decline in erythropoietin production due to chronic renal failure. It also contributes to the improvement of a wide range of complications arising from anemia.

R744 (overseas product name: Mircera)

R744 is a new anemia treatment with a very long serum half-life, enabling stable and sustained control of haemoglobin. R744 stimulates erythropoiesis by a different interaction with the erythropoietin receptor on progenitor cells in the bone marrow.

The serum half-life of R744 is virtually the same, whether administered subcutaneously or via intravenous injection, and the drug demonstrates effectiveness in relieving the symptoms of anemia when administered at four-week intervals. Consequently, it may reduce the cost of hospital visits for chronic kidney disease patients not on dialysis and may contribute to better treatment compliance. Furthermore, as a dialysis-related treatment, R744 is expected to reduce medical costs such as drug administration costs and medical waste by dramatically reducing administration frequency. The product thus has the potential to expand the options for the treatment of renal anemia.

Renagel

Renagel is used to treat hyperphosphatemia. Because depressed renal functions impair the ability of dialysis patients to eliminate phosphorous excretions, phosphorous intake is controlled by phosphorous-eliminating dialysis and strictly controlled diets. However, these methods are not 100% effective in correcting oversupplies of phosphorous, so a phosphate binder is required to eliminate the excess phosphorous amounts. Renagel differs from conventional calcium carbonates used to treat this condition, and there is almost no possibility of hypercalcemia occurring with Renagel use, as it is a new type of treatment, free of aluminum and calcium. Therefore, synergies with Chugai's other products can be expected. For instance, it becomes easier to use vitamin D3 derivatives, in particular Oxarol, an agent for the treatment of secondary hyperparathyroidism.

Oxarol

Synthesized by Chugai, Oxarol is the first intravenous activated vitamin D3 derivative agent in Japan. It treats secondary hyperparathyroidism —a result of prolonged dialysis— by acting directly on the parathyroid gland to control PTH synthesis and secretion, and by acting to improve osteitis fibrosa and excess remodeling. Even in cases where previous oral vitamin D3 derivatives had no positive effect, Oxarol is producing nice results.

Bone and Joint Diseases Field

Osteoporosis

Osteoporosis is considered to be a serious disease as fractures, especially compression fractures of the spine and femoral neck, caused by the disease can decrease quality of life, leave patients bedridden, and increase mortality risks.

It is estimated that over 12 million people suffer from osteoporosis throughout Japan, with one in every two women aged 65 or over said to suffer from the disease. However, the treatment rate stands at around only 30% of the estimated number of sufferers due to a lack of readily noticeable symptoms. Consequently, the appearance of a new drug acts to expand the osteoporosis treatment market by exposing more patients.

Treatment Methods

In the past, drug treatment of osteoporosis mainly involved activated vitamin D3 derivatives, bisphosphonates, and calcitonin preparations. Since 2005, however, there has been an increase in the use of Evista, a selective estrogen receptor modulator (SERM).

Regulatory Trends

National guidelines for osteoporosis treatment underwent major revision in October 2006 for the first time in about four years, with the aim of improving quality of life of the elderly and containing medical costs. Among the main points of the new guidelines are: (1) emphasis on the prevention of fractures; (2) a new focus on "bone quality" as a measure of bone strength; and (3) establishment of criteria for the initiation of drug treatment that are separate from the criteria for diagnosis. The Ministry of Health, Labour and Welfare also seeks to promote diagnosis by urging local governments to provide periodical bone density testing for women from the age of 40.

Overview of Products and Development Projects

Evista

Evista, a new category of osteoporosis treatment called SERM, uses the estrogen-like effect only for blocking the reduction of bone mass, while reducing the occurrence of gynecological adverse reactions that are associated with existing estrogen drugs. In Japan, Evista has been jointly marketed by Chugai and Eli Lilly Japan since May 2004.

Based on large-scale overseas clinical trials conducted by Eli Lilly & Co., Evista has been established as an evidence-based medicine. The drug reduces vertebral fractures and has low risk of causing breast cancer. New treatment guidelines implemented in October 2006 designated Evista as a grade-A recommended agent.

Alfarol

Alfarol, an activated vitamin D3 derivative, is positioned as the base drug for osteoporosis treatment. Alfarol inhibits the decline of bone mass by adjusting calcium and bone metabolism, and therefore is effective in preventing vertebrate fractures. The latest treatment guidelines also indicate the drug's effect on prevention of falls, focusing attention to this feature that other osteoporosis treatment do not have.

ED-71

ED-71 is a vitamin D3 preparation, that was born out of our many years of research in vitamin D. Currently, we are developing it as a promising drug to replace Alfarol. Clinical trials have confirmed that ED-71 has the same safety level as the existing D3 derivatives and that it also has significantly greater effect in preventing fractures. In May 2008, we concluded a co-development and co-marketing agreement with Taisho Pharmaceutical Co., Ltd. We are planning to file for application in 2009.

R484 (overseas product name: Bonviva/Boniva)

R484 is a bisphosphonate that requires less frequent administration than existing medicines of the same class. It is available overseas in two dosage forms: a tablet that needs to be taken only once a month, and an injection that is given once every three months. These more convenient treatment schedules are expected to help patients continue their medication, an important issue in osteoporosis. In order to expedite development and maximize sales of R484, Chugai concluded a co-development and co-marketing agreement with Taisho Pharmaceutical Co., Ltd. in September 2006.

Rheumatoid Arthritis, Osteoarthritis

Rheumatoid arthritis (RA) is a systemic disease characterized by inflammation of joints leading to dysfunction, pain and deformity. A lack of appropriate treatment tends to result in deterioration of a patient's condition over time. It is estimated that there are about 600,000 to 700,000 patients in Japan suffering from RA, of whom some 350,000 are currently receiving drug treatment. The number of patients is increasing as the average age of the population rises. Systemic onset juvenile idiopathic arthritis (sJIA), the form of RA suffered by children below 16 years of age, accompanies growth disorders. It is considered even more difficult to treat than adult forms of the disease, as few suitable drugs are available.

The most common joint disease is osteoarthritis. Degeneration of the cartilage in the joints and surrounding areas causes joint pain, stiffness, and loss of function. The disease is more common in older people and occurs in more than 80% of people over 60 years of age.

Treatment Methods and Market Conditions

Rheumatoid arthritis has been conventionally treated with anti-rheumatic drugs and anti-inflammatory analgesics, but biologic agents (anti-TNF-agents) targeting cytokines, proteins involved in the process of inflammation, have recently entered the market and expanded the range of treatment choices. Research in recent years implies that the administration of biologic agents at the early onset stage is effective in inhibiting bone and joint damage. The global market for these agents is expected to exceed US$6 billion by 2008, and in Japan, also, it is expected that the number of patients treated with biologics will grow, now standing at around 35,000.

Systemic onset juvenile idiopathic arthritis (sJIA) is a serious and potentially fatal disease. While it is rare, with only a few hundred patients in Japan, no effective treatment is available. Current therapy relies on steroid drugs, which can cause growth impairment and other adverse reactions. Accordingly, the approval and launch of Actemra in April 2008 is expected to provide a significant step forward in therapy.

The main drug therapies for osteoarthritis include non-steroidal anti-inflammatory analgesics, steroids, and hyaluronic acid preparations. However, the level of satisfaction with these therapies is not high and more useful drugs are needed.

Regulatory Trends

In October 2005, the Ministry of Health, Labour and Welfare released the Report of the Rheumatism and Allergy Countermeasure Committee. The report calls for the following measures to prevent rheumatism from becoming severe: (1) promotion of early diagnosis and the development of highly effective treatment methods; (2) establishment of medical service systems to provide appropriate care; and (3) improvement of the patient environment, including consultation opportunities and access to information.

The 2001-2010 period has been designated as the Bone and Joint Decade, and academic societies and other players are aggressively approaching research, diagnosis and treatment of osteoarthritis.

Overview of Products and Development Project

Suvenyl

Suvenyl, a drug that improves joint function through injection into the joint cavity, is a high molecular weight hyaluronate sodium drug that alleviates knee joint pains caused by knee osteoarthritis and rheumatoid arthritis. Recently, the superior performance of Suvenyl over low molecular weight hyaluronic acid, due to its physical and chemical properties being close to that of natural hyaluronic acid, has begun to widen the understanding among clinicians of the value of high molecular weight.

Actemra

Actemra, the first antibody drug created in Japan, blocks the activity of interleukin-6 (IL-6), a type of cytokine. The high expectations placed by doctors in this new medication are shared by patients for whom conventional treatments for rheumatoid arthritis, including existing biologic agents, have failed to be effective.

In April 2008, we obtained the domestic approval and launched for additional indication of rheumatoid arthritis, polyarticular-course juvenile idiopathic arthritis, and systemic-onset juvenile idiopathic arthritis. Overseas, Actemra was approved in the European Union in January 2009 (European product name: RoActemra). In the United States, we have received the Complete Response Letter (CRL) from the U.S. Food and Drug Administration (FDA) in September 2008, and we are currently preparing the requested additional materials for submission with Roche.

R1594

R1594 is a second-generation humanized anti-CD20 monoclonal antibody that binds to a particular protein (the CD20 antigen) on the surface of human B cell lymphocytes, activating the immune system to eliminate the marked cells. R1594 is expected to be effective in treating diseases that involve B cells and is currently being studied for a variety of autoimmune diseases by Roche Group companies. Japan is participating in an ongoing global phase III study of R1594 for rheumatoid arthritis.

Others Field

Chronic Hepatitis C

Chronic hepatitis C is a liver disease caused by persistent infection by the hepatitis C virus (HCV). In Japan, this disease has been designated a "21st century national health issue," as there are approximately two million HCV carriers. Early detection and treatment of the hepatitis C virus is particularly important because approximately 70% of those infected develop chronic hepatitis, which gradually progresses to liver cirrhosis and then liver cancer.

Treatment Methods and Market Conditions

There are two methods of treating chronic hepatitis C: antiviral therapy to eradicate HCV from the body, and liver-support therapy to improve liver function and prevent the hepatitis from worsening.

Interferon therapy is the main antiviral treatment. However, the limited efficacy of conventional interferon drugs has led to an increase in the use of liver-support therapy in Japan, where 80% of chronic hepatitis C patients do not receive interferon treatment. Since 2001, the introduction of interferon-ribavirin combination therapy and of peginterferon*1 has increased the treatment options available for patients with hepatitis C. Overseas, combined peginterferon and ribavirin is now the standard treatment.

*1 Interferon conjugated with polyethylene glycol, which makes the medication longer-acting.

Regulatory Trends

The government has been focusing its effort to double the number of hepatitis patients treated with interferon in the next seven years since April 2008. It has been cooperating with local governments to implement a seven-year program for the treatment of hepatitis, which is the comprehensive measures tackling hepatitis. In order to diagnose potential patients who are unaware of their infection due to a lack of symptoms, public healthcare centers have been offering free testing since 2008 to people aged 20 or older. Also, regional hospitals in each prefecture will be designated as hub centers for hepatitis C treatment in order to provide patients with a framework for treatment and consultation. Additionally, a new policy will be implemented to ease the financial burden of hepatitis patients, with the upper limit of co-payments set at 10,000 yen, 30,000 yen and 50,000 yen, based on a patient's income level.

Overview of Products and Development Projects

Pegasys/Copegus

Pegasys (generic name: peginterferon alfa-2a) enables sustained therapeutic concentrations to be achieved with once-weekly*2 administration, with fewer adverse reactions than standard interferon preparations. The guidelines for chronic hepatitis C treatment published by the Ministry of Health, Labour and Welfare recommend Pegasys as monotherapy for patients with a low viral load or those who cannot use ribavirin.

Copegus (generic name: ribavirin) is a chronic hepatitis C treatment that synergistically strengthens the antiviral effect when used in combination with interferon. In January 2007, Chugai obtained approval for Copegus and launched it in March in combination with Pegasys for the treatment of patients with chronic hepatitis C serogroup 1*3 infection and high viral load, or those who have either not responded to, or have relapsed following, interferon monotherapy. This approval makes Chugai the only pharmaceutical company in Japan that can offer peginterferon for both monotherapy and combination therapy. The Company plans to use this advantage to maximize the value of the two products by seeking to expand its market share in the treatment of chronic hepatitis C and further expanding the range of indications. Pegasys is establishing its position as monotherapy for patients who are unable to use ribavirin.

*2 Conventional interferon must be injected three or more times per week.
*3 Genotypes I (1a) and II (1b), with which approximately 70% of HCV patients in Japan are infected.
Note: See the "Copegus-Expanded Options in HCV Treatment" figure on p.28.

NA808

NA808 is a small-molecule compound that is expected to prove effective as a treatment for chronic hepatitis C. The drug acts on the body, not the virus, to inhibit the growth of the virus.

Influenza

Influenza is an acute infectious disease characterized by the rapid onset of high fever (38 degrees centigrade or more) and severe systemic symptoms. It is highly infectious, and epidemics can develop quickly. In some cases, secondary infections can lead to very serious illness. Influenza is classified into types A, B, and C based on differences in the antigenicity of the underlying virus. Types A and B can infect humans and cause major outbreaks. There are three anti-influenza drugs currently on the market: they treat only type A, or treat both types (A and B). Either type requires administration to begin within two days of symptoms appearing.

Overview of Product

Tamiflu

Tamiflu is the only oral anti-influenza agent that is effective against both type A and type B infections. It inhibits viral replication by binding to and blocking the action of neuraminidase, an enzyme essential for the multiplication of the influenza virus. Launched in capsule form in February 2001 and dry syrup form in July 2002, dosages are available for patients one years of age and older. In July 2004 approval was granted for limited prophylactic use. Abnormal behavior has occurred in some influenza patients who have also taken Tamiflu. Although no causal relationship with Tamiflu has been established, the authorities introduced restrictions on the use of Tamiflu in teenage patients from March 2007 as a precaution. The interim report of an epidemiological survey published by a working group at the Ministry of Health, Labor and Welfare in July 2008 showed that so far there have been no findings that point to a causal association between Tamiflu and the abnormal behavior of patients taking the drug. The Ministry's Subcommittee on the Safety of Drugs later said that further investigations were needed and decided to continue the restriction on the use of Tamiflu in teenage patients during the 2008-2009 influenza season.

Angina Pectoris

Hardening of the coronary artery or coronary spasms can cause constriction of the artery and lead to ischemia, a condition where the heart does not receive sufficient blood flow. Clinical symptoms of angina pectoris include chest pain and pressure that accompany temporary ischemia. Nitric acid is used to treat angina pectoris, enlarging the coronary artery and increasing blood flow to the ischemia affected areas. In addition, beta blocker agents are used for exertional angina pectoris treatment and calcium blockers are used for coronary spasm related angina pectoris.

Overview of Product

Sigmart

Anti-anginal agent Sigmart is a drug that overcomes the flaws of nitric acid compounds such as nitroglycerin and is effective in treating various types of angina pectoris. In December 2007, additional approval was obtained for acute heart failure.

Castleman's Disease

Castleman's disease is a lymphoproliferative disease characterized by symptoms such as systemic lymphadenopathy, fever, and general fatigue, as well as various abnormal laboratory test values including anemia, hyper gamma globulinemia, and hypoalbuminemia. It has been confirmed that these manifestations result from the excessive production of interleukin-6 (IL-6), one of the proteins that causes inflammation. Castleman's disease is very rare, affecting approximately 1,500 people in Japan.

Overview of Product

Actemra

Actemra, a humanized anti-human IL-6 receptor monoclonal antibody produced using genetical recombination technology, is the first antibody drug created in Japan. With a mechanism of action that inhibits the receptor for IL-6, a type of cytokine, the drug improves Castleman's disease symptoms. Patients who are eligible for Actemra treatment are those who cannot be treated by surgery and show resistance to traditional therapies, and the number of patients is estimated at 160.

Diabetes

The number of patients suffering from diabetes is increasing worldwide. In Japan, the 2002 Diabetes Survey Report issued by the Ministry of Health, Labour and Welfare put the total number of "persons strongly suspected of having diabetes" and "persons for which having diabetes cannot be denied" at approximately 16.2 million. Patients with type 2 diabetes have higher than normal blood sugar levels due to difficulty in controlling blood sugar caused by a diminished insulin secretory function or lower insulin sensitivity. Treatment using various kinds of oral diabetic drugs becomes necessary as the disease progresses, and further deterioration requires insulin replacement therapy.

Overview of Development Projects

R1583 (ITM-077)

R1583 is a new compound that mimics GLP-1 (glucagon-like peptide 1), a hormone that stimulates the secretion of insulin. As GLP-1 stimulates insulin secretion only when blood sugar levels are too high, there is little risk of the drug causing low blood sugar. R1583 is formulated using technology from Ipsen that enbables maintenance of stable therapeutic concentrations for extended periods, and is expected to allow less frequent administration compared to existing medications. R1583 is being co-developed in Japan with Teijin Pharma Limited.

CSG452 (R7201)

An oral preparation that reduces blood sugar level, CSG453 is expected to be effective in the treatment for type 2 diabetes. Chugai licensed the drug to Roche in January 2007, and started phase I domestic clinical trials in September 2007.

R1579

R1579 is a dipeptidyl peptidase-IV (DPP-IV) inhibitor licensed from Roche. Chugai started phase I domestic clinical trials for the treatment of type 2 diabetes in June 2008.

Schizophrenia

It is estimated that about 1% of the population suffers from schizophrenia, a disease characterized by persistent disturbances of thought, communication, perceptions, emotions and behavior. Patients become detached from reality and may experience delusions, hallucinations, or uncontrollable thoughts.

Overview of Development Project

R1678

R1678, a small-molecule compound licensed from Roche, is expected to be effective in treating schizophrenia. Chugai joined multinational phase II clinical trials in May 2008.

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Telephone: +86-(0)10-6590-8066

Guangzhou Branch
Unit2508B, Yian Plaza,
No.33 Jian She 6th Road,
Guangzhou, 510060 China
Telephone: +86-(0)20-8363-3468

Chugai Pharma Taiwan Ltd.
3FI., No.73, ZhouZi Street,
Neihu District, Taipei 11493, Taiwan
Telephone: +886-(0)2-2658-8800

R&D Partners

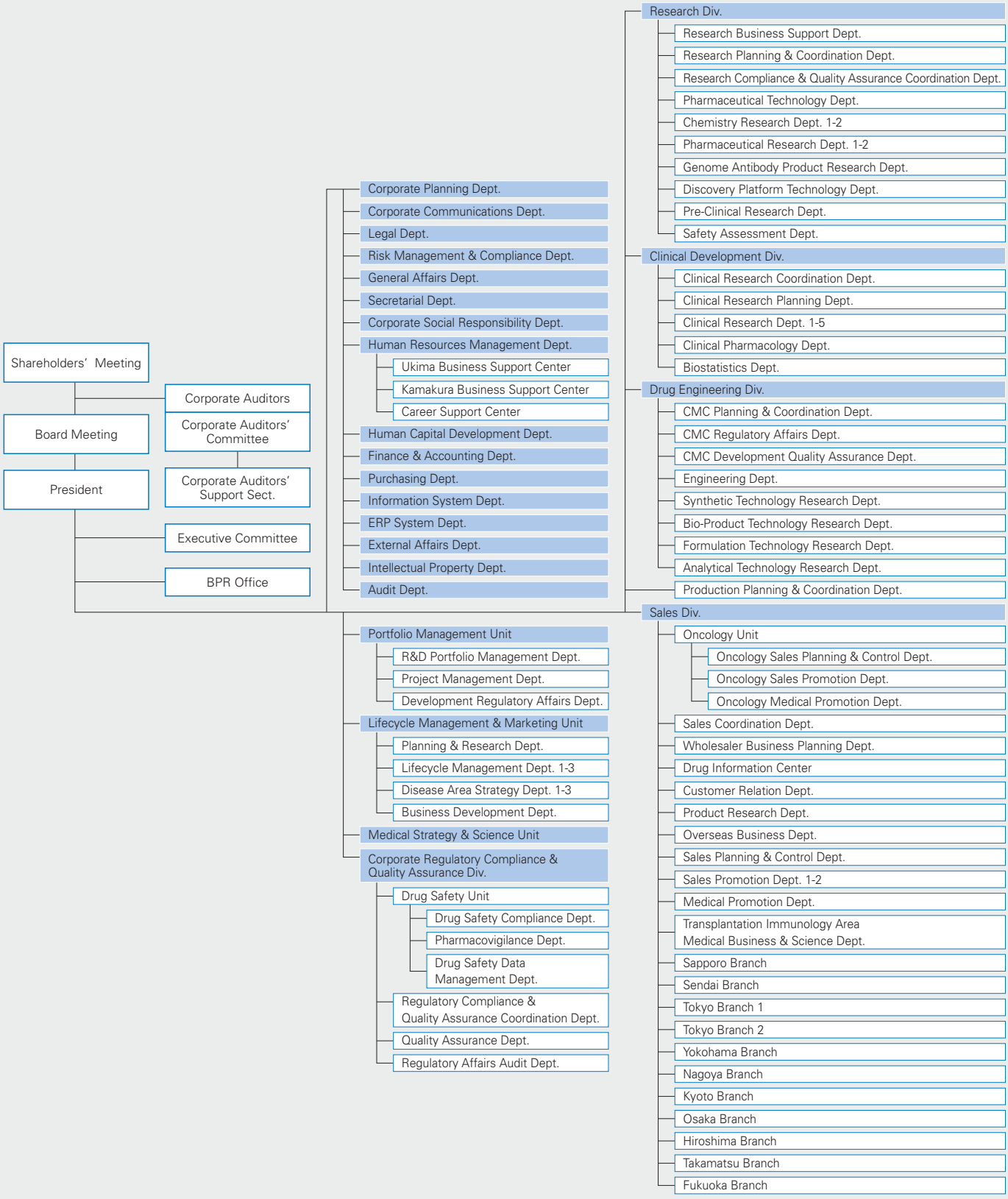
Forerunner Pharma Research Co., Ltd.
2-16 Komaba 4-Chome, Meguro-ku,
Tokyo, 153-0041 Japan
Telephone: +81-(0)3-5465-0871

PharmaLogicals Research Pte.Ltd
No.11 Biopolis Way #05-08/09 Helios
Singapore 138667
Telephone: +65-(0)6776-6556

C&C Research Laboratories
146-141 Annyeong-dong, Hwaseong-si,
Gyeonggi-do, 445-380 KOREA
Telephone: +82-(0)31-230-6542

Chugai's Global Network

Organization (As of March 25, 2009)



Corporate Data

Chugai Pharmaceutical Co., Ltd. (As of December 31, 2008)

Year of Foundation
1925

Year of Establishment
1943

Address
1-1 Nihonbashi-Muromachi 2-Chome, Chuo-ku, Tokyo, 103-8324 Japan

Stated Capital
¥72,966,825,723

Number of Employees
6,383

Number of Shares Issued of Common Stock
559,685,889

Number of Shareholders
44,372

Stock Listing
Tokyo

Fiscal Year-End
December 31

General Meeting of Shareholders
March

Transfer Agent
Mitsubishi UFJ Trust and Banking Corporation

Public Notices
Public Notices are to be made electronically on Chugai Website (http://www.chugai-pharm.co.jp/ir). In case electronic communications are unavailable, Public Notice will be made in the newspaper, Nihon Keizai Shimbun.

For further information, please contact:

Investor Relations
Tel: +81-(0)3-3273-0554
Fax: +81-(0)3-3281-6607
E-mail: ir@chugai-pharm.co.jp

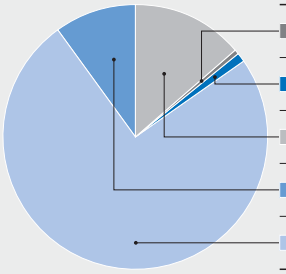
Chugai Pharmaceutical Co., Ltd. provides information on its Website:

URL: http://www.chugai-pharm.co.jp/english

Shareholders Information (As of December 31, 2008)

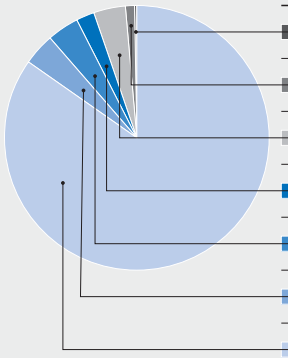
Classification of Shareholders

By Shareholder



Financial Institutions Business Operators	Number of Shares: 2,808,330 0.50% (Number of Shareholders: 43)
Other Corporations	Number of Shares: 6,242,082 1.12% (Number of Shareholders: 305)
Financial Institutions	Number of Shares: 76,882,613 13.73% (Number of Shareholders: 64)
Individuals and Other	Number of Shares: 54,436,927 9.73% (Number of Shareholders: 43,532)
Foreign Corporations	Number of Shares: 419,315,937 74.92% (Number of Shareholders: 428)

By Number of Shares Held



Fewer than 100 shares	Number of Shares: 123,342 0.02% (Number of Shareholders: 3,170)
More than 100 shares	Number of Shares: 7,397,404 1.32% (Number of Shareholders: 29,645)
More than 1,000 shares	Number of Shares: 21,669,756 3.87% (Number of Shareholders: 10,904)
More than 10,000 shares	Number of Shares: 11,761,164 2.10% (Number of Shareholders: 488)
More than 100,000 shares	Number of Shares: 22,210,772 3.97% (Number of Shareholders: 89)
More than 500,000 shares	Number of Shares: 22,289,692 3.98% (Number of Shareholders: 33)
More than 1,000,000 shares	Number of Shares: 474,233,759 84.73% (Number of Shareholders: 43)

Major Shareholders*

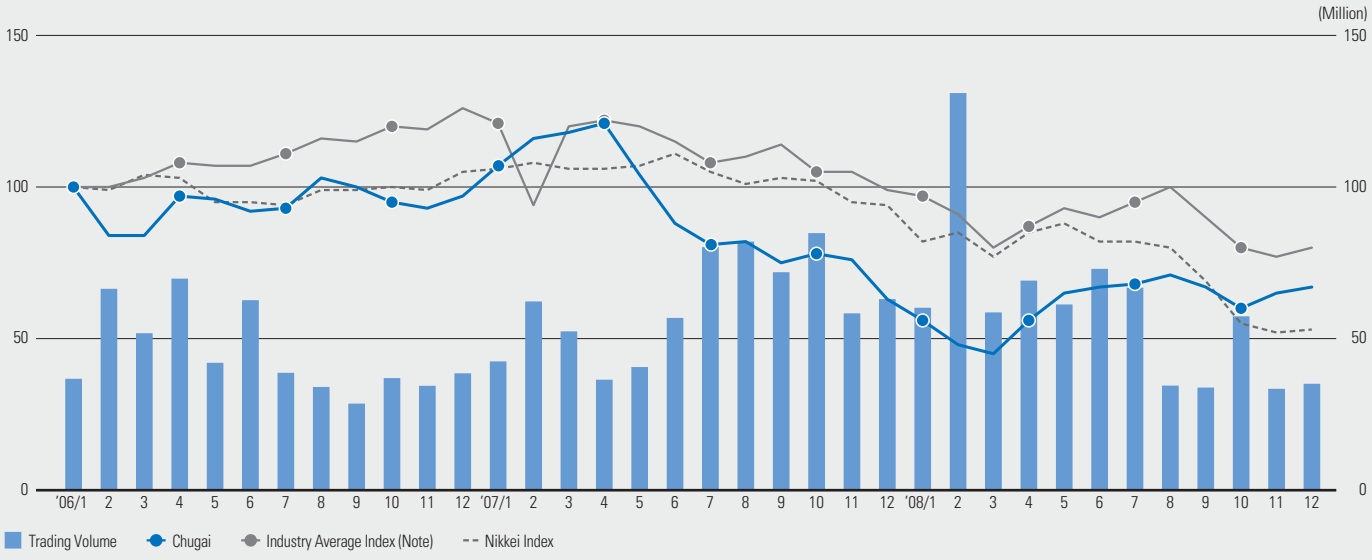
Name	Number of Shares Held (Thousands)	Percentage of Ownership Voting (%)
Roche Pharmholding B.V.	335,223	61.55
The Master Trust Bank of Japan, Ltd. (trust account)	16,776	3.08
Japan Trustee Services Bank, Ltd. (trust account)	14,067	2.58
Japan Trustee Services Bank, Ltd. (trust account 4G)	12,626	2.31
The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	5,721	1.05
Tokio Marine & Nichido Fire Insurance Co., Ltd.	5,309	0.97
Morgan Whitefriars Equity Derivatives	5,155	0.94
Citibank Hong Kong PBG Clients H.K.	3,457	0.63
Trust&Custody Services Bank, Ltd. (securities investment trust account)	3,388	0.62
Japan Trustee Services Bank, Ltd. (trust account 4)	3,279	0.60

* 14,872,196 shares of treasury stock held by the Company are not included in the above breakdown of major shareholders.

Stock Price Information

	Stock Price	
	High	Low
From January 1, 2008 to December 31, 2008		
First Quarter	¥1,746	¥1,027
Second Quarter	1,759	1,138
Third Quarter	1,820	1,473
Fourth Quarter	1,824	1,221

Share Performance of Chugai



Share price on January 4, 2006 (¥2,530) = 100

Industry average index is calculated as below (because of the merger and delisting):

2007.10-: A total of eight companies (Takeda, Daiichi-Sankyo, Astellas, Shionogi, Eisai, Mitsubishi-Tanabe, Dainippon-Sumitomo, Chugai)

2005.10-: A total of eight companies (Takeda, Daiichi-Sankyo, Astellas, Shionogi, Eisai, Tanabe, Dainippon-Sumitomo, Chugai)


For Your
Better Life >>

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