

Translation

December 15, 2009

Name of listed company: Chugai Pharmaceutical Co., Ltd.
Code number: 4519 (1st Section of Tokyo Stock Exchange)
Head office: 1-1, Nihonbashi-Muromachi 2-Chome, Chuo-ku, Tokyo
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Regarding the Incidence of Insider Trading on Chugai Stock

The media reported today that a life insurance company employee, who was previously arrested by the Tokyo District Public Prosecutors Office on other insider trading charges, has also been charged by the Securities and Exchange Surveillance Commission on suspicion of insider trading involving Chugai Pharmaceutical stock, based on information obtained from a Chugai employee.

Chugai takes this situation with the utmost seriousness and will continue to fully cooperate with the investigation by the authorities. In addition, we shall endeavor to make every effort to clarify the situation, identify the cause, and develop preventive measures as we strengthen our internal compliance and internal management structure as well as enhance employee education.

We truly regret the inconvenience caused to all concerned parties including our investors and all other stakeholders.