

Translation

December 14, 2012

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

Chairman & CEO: Osamu Nagayama

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Notice concerning adoption of International Financial Reporting Standards (IFRS)

Chugai Pharmaceutical Co., Ltd. [Main Office: Chuo-ku, Tokyo. Chairman & CEO: Osamu Nagayama (hereafter, Chugai)] has decided to voluntary adopt International Financial Reporting Standards (IFRS) for use in the consolidated financial statements and documents for the financial results announcement of the Chugai Group for the year ending December 31, 2013. Chugai will disclose its consolidated financial statements and documents according to IFRS from the first quarter of the fiscal year ending December 31, 2013.

The Chugai Group engages actively in international business with the aim of providing a continuous flow of innovative medical products domestically and internationally. These activities include sales of pharmaceuticals and research & development overseas as well as exporting and importing of bulk pharmaceuticals. As a member of the Roche Group, Chugai has been increasing its international profile dramatically and has received support from a wide range of shareholders at home and overseas. In light of this, IFRS will be adopted to improve the international comparability of financial information for investors and other users of the financial statements.

Please refer to the "Financial reporting based on IFRS" in the supplemental information for the details of the impact and other matters arising from the adoption.