



Chugai Announces License Agreement for Recycling Antibody SA237

TOKYO, June 1, 2016 -- Chugai Pharmaceutical Co., Ltd. (TOKYO: 4519) announced today that it concluded a license agreement with Roche (SIX: RO, ROG; OTCQX: RHHBY) for "SA237," an investigational, humanized monoclonal antibody designed to target the IL-6 receptor, created by Chugai.

SA237 was invented by Chugai to block the activity of the IL-6 receptor, and successfully applies Chugai's proprietary antibody-recycling technology. This design enables the antibody to bind to the target antigen repeatedly to extend the activity of antibodies. With its design, SA237 is expected to show clinical benefits with small injection volumes and long intervals between injections. Two multinational pivotal Phase III studies with patients suffering with neuromyelitis optica, an autoimmune disease of the central nervous system characterized by severe inflammation of the optic nerve and spinal cord, are currently being conducted by Chugai in more than ten countries, including US, Europe and Asia.

"This agreement demonstrates the potential of SA237, which utilizes our unique antibody-engineering technology," says Chugai's Representative Director, President and Chief Operating Officer, Tatsuro Kosaka. "Currently, there are no approved drugs available for the treatment of neuromyelitis optica. Chugai, together with Roche, is determined to pursue joint effort in accelerating development of SA237 to bring a viable treatment option to patients living with this debilitating disease."

Under the agreement, Chugai grants Roche exclusive license for the development and marketing of SA237 worldwide, with the exception of Japan, South Korea and Taiwan. Chugai will continue to be responsible for product manufacturing and supply of SA237. Per the terms of the agreement, Chugai will receive an upfront fee, milestone and royalty payments from Roche.

About Chugai

Chugai Pharmaceutical is one of Japan's leading research-based pharmaceutical companies with strengths in biotechnology products. Chugai, based in Tokyo, specializes in prescription pharmaceuticals and is listed on the 1st section of the Tokyo Stock Exchange. As an important member of the Roche Group, Chugai is actively involved in R&D activities in Japan and abroad. Specifically, Chugai is working to develop innovative products which may satisfy the unmet medical needs, mainly focusing on the oncology area.

In Japan, Chugai's research facilities in Gotemba and Kamakura are collaborating to develop new pharmaceuticals and laboratories in Ukima are conducting research for technology development for industrial production. Overseas, Chugai Pharmabody Research based in Singapore is engaged in research focusing on the generation of novel antibody drugs by utilizing Chugai's proprietary innovative antibody engineering technologies. Chugai Pharma USA and Chugai Pharma Europe are engaged in clinical development activities in the United States and Europe.

The consolidated revenue in 2015 of Chugai totalled 498.8 billion yen and the operating income was 90.7 billion yen (IFRS Core basis).

Additional information is available on the internet at <http://www.chugai-pharm.co.jp/english>.

Contact:

For Media

Chugai Pharmaceutical Co., Ltd.

Media Relations Group, Corporate Communications Dept.,

Koki Harada

Tel: +81-3-3273-0881

E-mail: pr@chugai-pharm.co.jp

For US media

Chugai Pharma USA Inc.

Casey Astringer

Tel: +1-908-516-1350

E-mail: pr@chugai-pharm.com

For European media

Chugai Pharma France SAS

Nathalie Leroy

Tel: +33-1-56-37-05-21

E-mail: pr@chugai.eu

For Taiwanese media

Chugai Pharma Taiwan Ltd.

Susan Chou, Osamu Kagawa

Tel: +886-2-2715-2000

E-mail: pr@chugai.com.tw

For Investors

Chugai Pharmaceutical Co., Ltd.

Investor Relations Group, Corporate Communications Dept.,

Toshiya Sasai

Tel: +81-3-3273-0554

E-mail: ir@chugai-pharm.co.jp