



New Mid-Term Business Plan “Sunrise 2012”

CHUGAI PHARMACEUTICAL CO.,LTD.
President and CEO
Osamu Nagayama

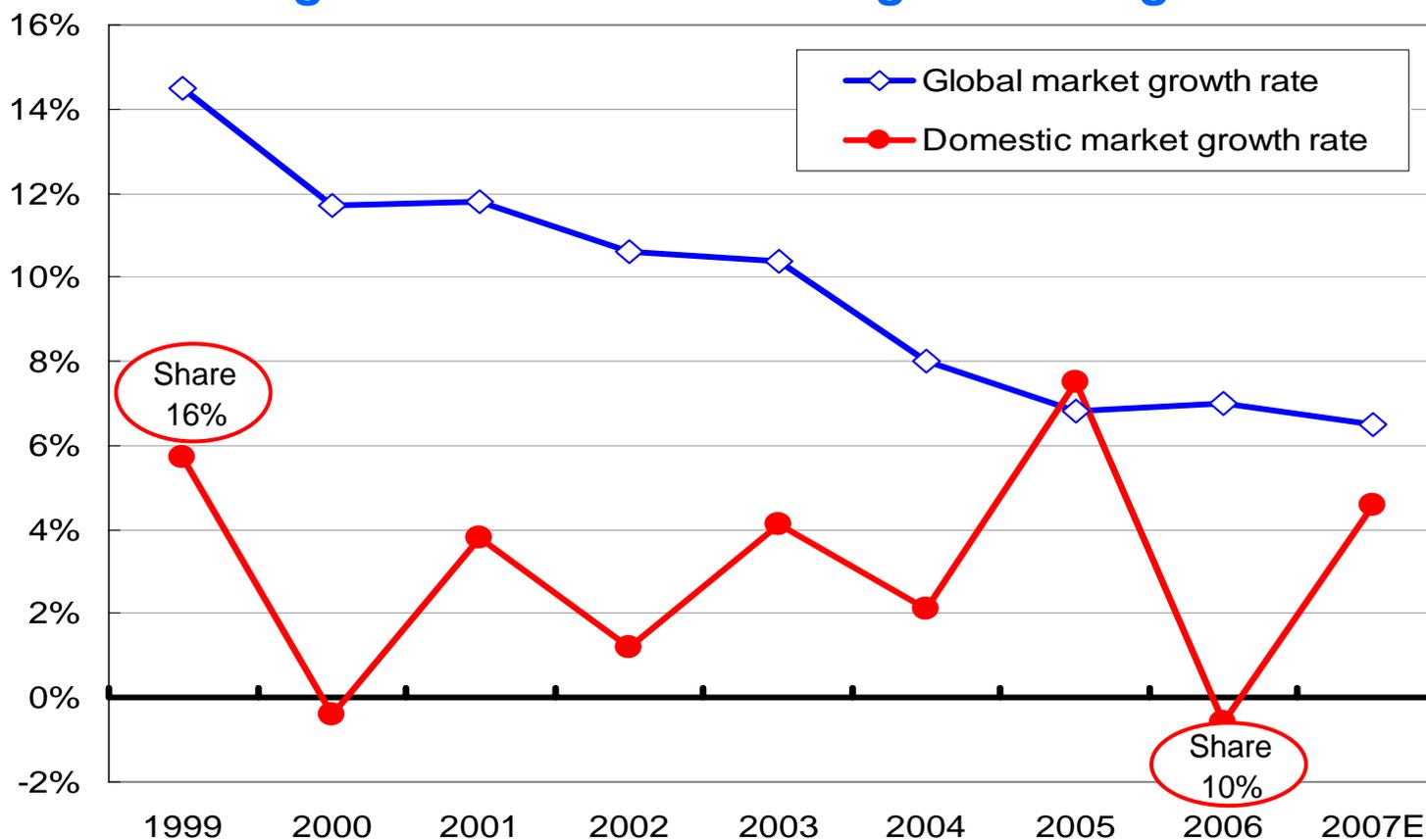
January 30/31, 2008

Forward Looking Statements

This presentation may include forward looking statements pertaining to the business and prospects of Chugai Pharmaceutical Co., Ltd. (the “Company”). These statements reflect the Company’s current analysis of existing information and trends. Actual results may differ from expectations based on risks and uncertainties that may affect the Company’s businesses.

Growth Rate of Pharma Markets

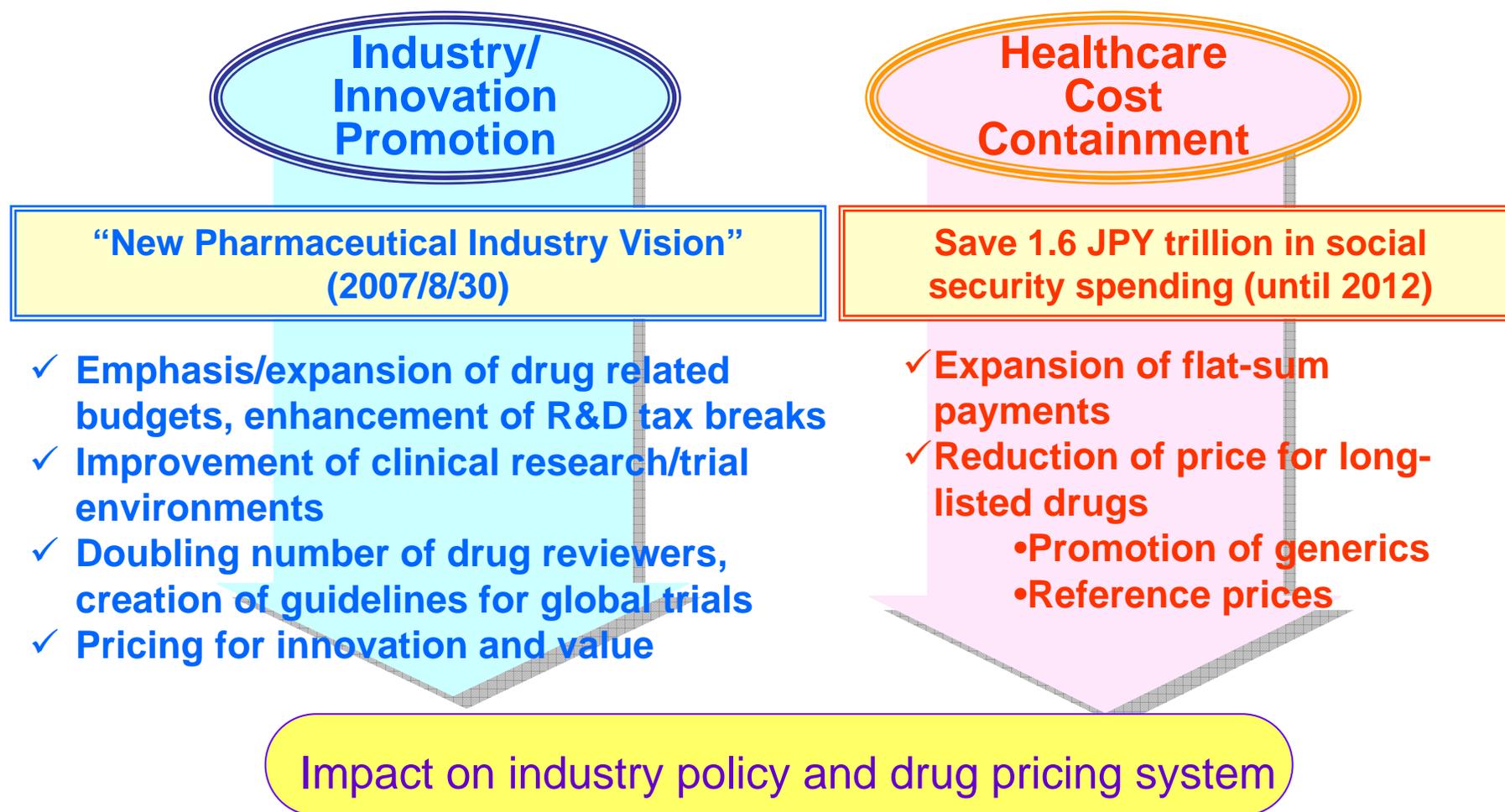
Growth rate of global market slowed, while domestic market saw continued low growth and a decreasing share of global sales



Source: IMS
(2007 Global: estimation)

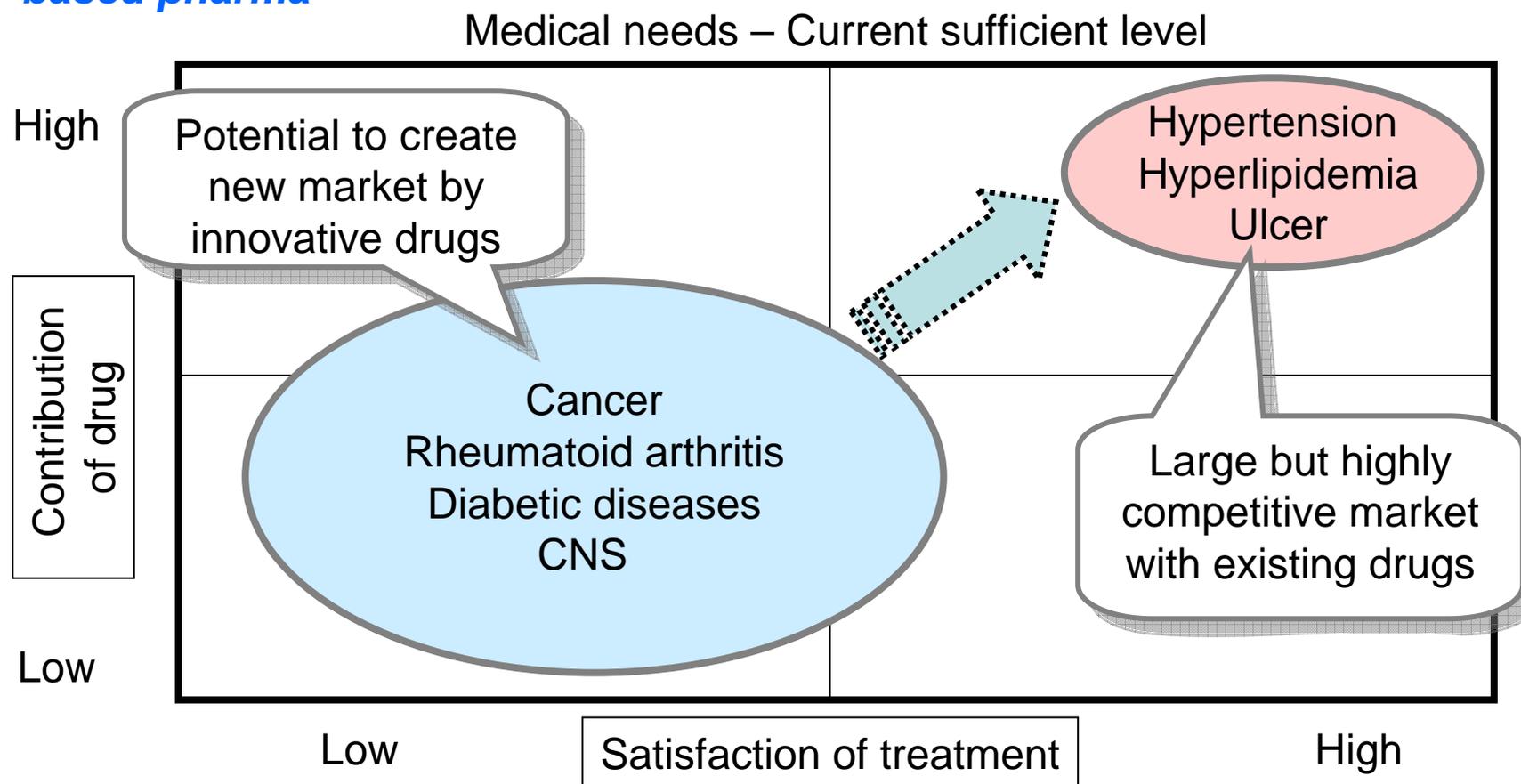
Current Situation Surrounding the Industry

Continuous launch and market penetration of innovative drugs is critical for success

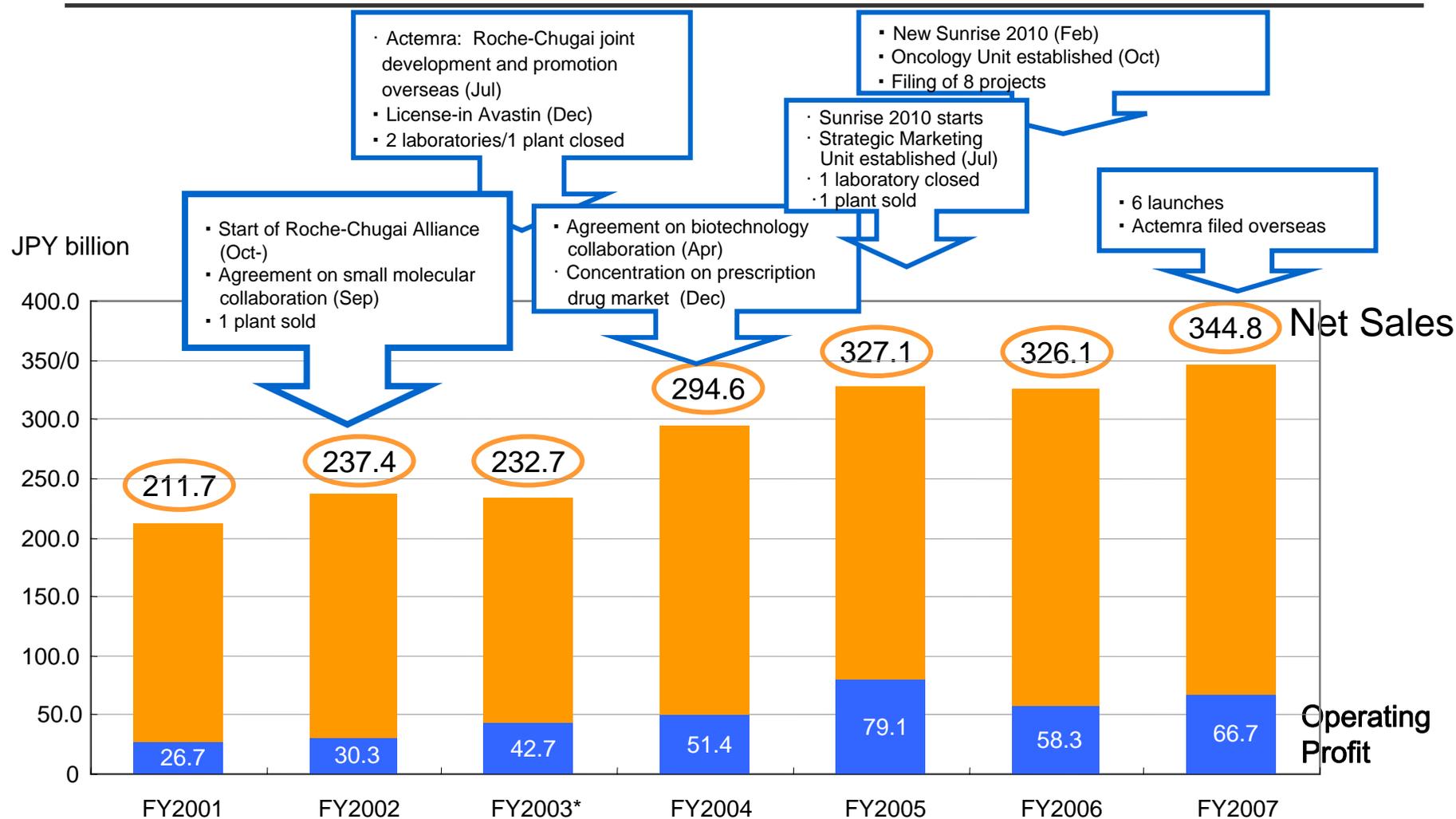


Unmet Medical Needs

Satisfaction of unmet medical needs required to sustain growth of R&D based pharma



Chugai Activities (as of 2007)

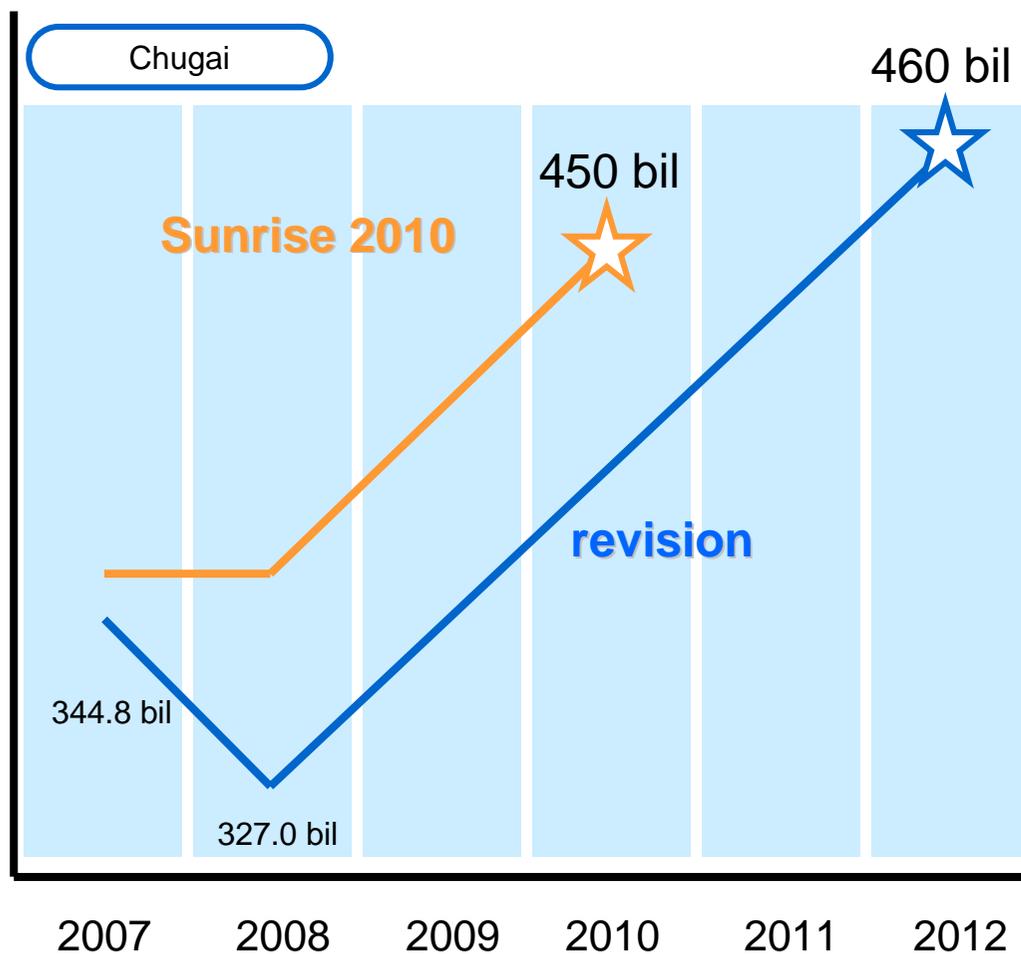
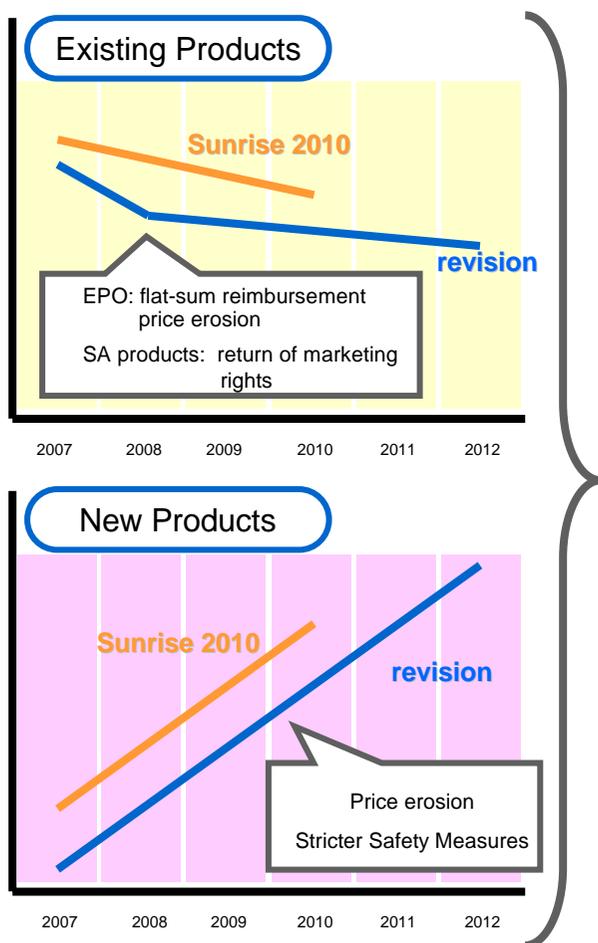


Major Events Since 2006

- 8 Filings (FY2006)
- Copegus launch (2007/3)
- Avastin launch (2007/6)
- Actemra Overseas Filing (2007/11)
- Tarceva launch (2007/12)
- Xeloda adj. CC (2007/12)
- EPO flat-sum reimbursement (2006/4)
- Strict PMS requirements
- Tamiflu safety issue (2007/1Q~)
- Avastin low pricing
- Launch and low price of competitor product to Epogin (2007/7)
- Return of marketing rights for Sanofi-Aventis products (2007/12)

Revised sales growth due to environmental changes

Trend for robust growth unchanged, but lower near term potential



New Mid-term Business Plan “Sunrise 2012”

Sunrise 2010

FY2010 Net sales

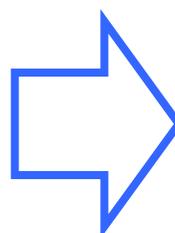
450.0 JPY bio.

FY2010 Operating profit

(% of sales)

100.0 JPY bio.

(22.2%)



Sunrise 2012

FY2012 Net sales

460.0 JPY bio.

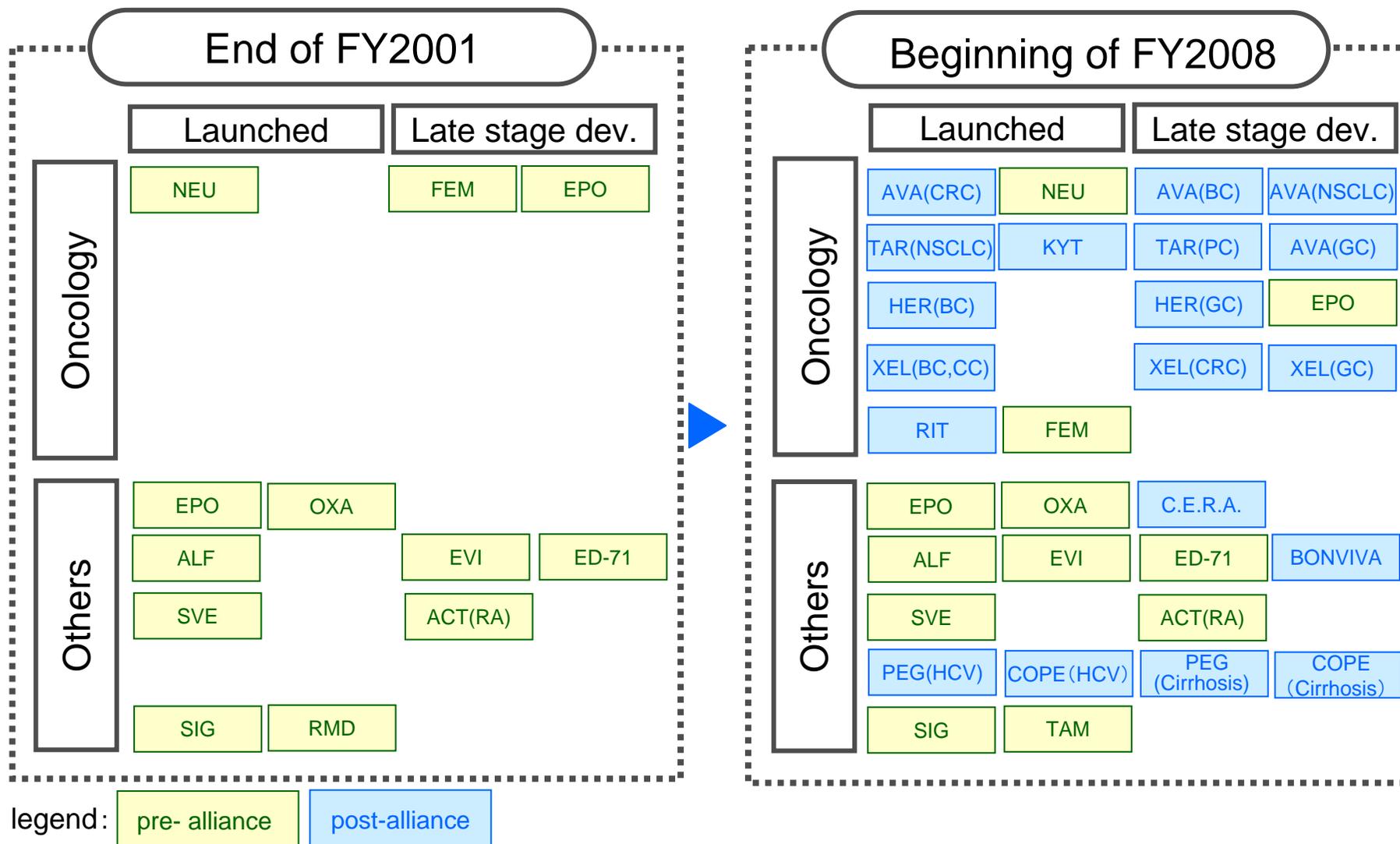
FY2012 Operating profit

(% of sales)

80.0 JPY bio.

(17.4%)

Drastically enhanced product / development portfolio



Characteristics of product / development portfolio

■ Innovative new products serving unmet medical needs

- Avastin, Tarceva, Herceptin and other oncology products
- Actemra
- Pegasys / Copegus etc

■ Existing products well established in specialized fields

- Epogin, Oxarol
- Neutrogen, Kytril
- Suvenyl
- Sigmart etc

Major tasks for the achievement of Sunrise 2012

Sophistication of commercial activities to realize high growth and creation of new markets with innovative drugs

Major Tasks

- I. Strengthen portfolio management
 - ✓ Prioritization of projects and optimization of resource allocation
 - ✓ Prompt PoC through utilization of alliances etc
- II. Exhibition of strategic marketing functions
 - ✓ Create new markets by maximizing value of innovative drugs (especially for oncology and RA areas)
 - ✓ Competitive defense of HD franchise to secure profit
 - ✓ Establish robust franchise in the key therapeutic areas to compete against big competitors
- III. Maximize company-wide productivity

Reorganization for market creation with innovative new drugs

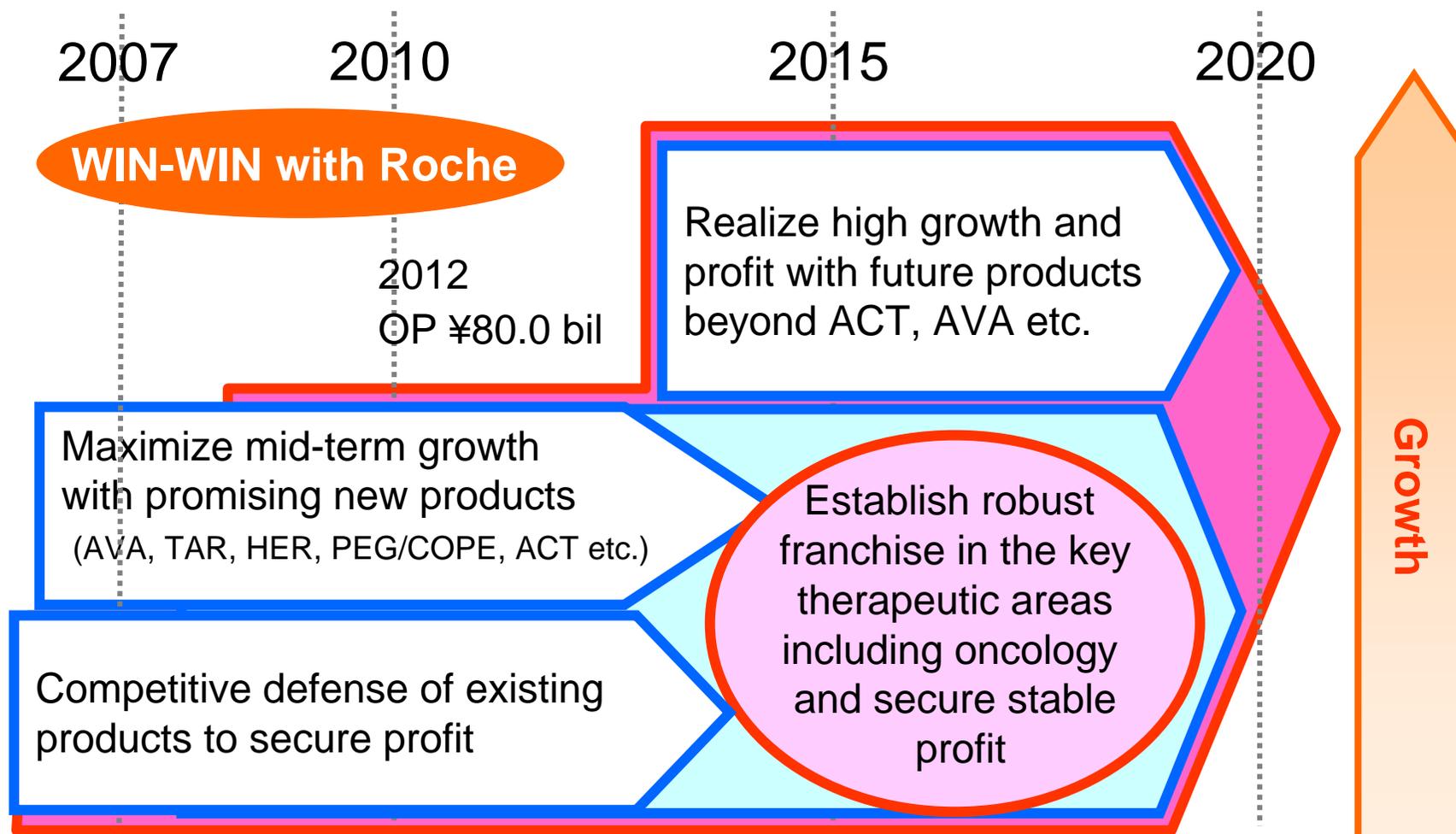
Consistent product lifecycle strategy from development stage



<p>Portfolio Management Committee*</p>	<p>Strategic Marketing Committee*</p>
<ul style="list-style-type: none"> • R&D portfolio management • R&D resource allocation 	<ul style="list-style-type: none"> • Marketing strategy • Sales strategy

* From March 2008

Growth through creation of innovative drugs and new markets



Contacts:

Investor Relations Group

Tel: +81 (0)3-3273-0554 Fax: +81 (0)3-3281-6607

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

Mac Uchida, Kae Maeda, Tomoko Shimizu, Yusuke Tokita