Fiscal Year 2008.12
Supplementary Materials for
Consolidated Interim Financial Results
Period Ended June 30, 2008

CHUGAI PHARMACEUTICAL CO., LTD.

A member of the Roche group

Financial Highlights

(Millions of Yen)

	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12	Change (%)	FY2007.12	FY2008.12 (Forecasts) *3, 4
Revenues *1	152,624	170,877	145,877	(14.6)	344,808	326,000
Cost of sales *2	60,067	68,434	56,298	(17.7)	137,293	130,000
(%)	39.4	40.0	38.6		39.8	39.9
SG&A expenses	38,449	40,970	42,210	3.0	86,569	94,500
(%)	25.2	24.0	28.9		25.1	29.0
R&D expenses	26,694	25,692	24,245	(5.6)	54,243	53,500
(%)	17.5	15.0	16.6		15.7	16.4
Operating income	27,412	35,779	23,122	(35.4)	66,702	48,000
(%)	18.0	20.9	15.9		19.3	14.7
Recurring profit	29,840	36,750	24,319	(33.8)	67,687	49,000
(%)	19.6	21.5	16.7		19.6	15.0
Net income	18,793	21,109	18,872	(10.6)	40,060	33,000
(%)	12.3	12.4	12.9		11.6	10.1

Notes: 1. Revenues include royalties and other operating income, starting from the fiscal year 2007.

2. Cost of sales includes the provision for returned goods.

3. The assumed exchange rates for the period ending December 31, 2008, are 1US$=¥105, 1€=¥163, 1GBP=¥210 and 1CHF=¥103.

4. The financial forecasts for fiscal year 2008 are the revised forecasts released on July 31, 2008.

Extraordinary Gains and Losses

Extraordinary Gains

(Millions of Yen)

	Amount	Description
Gain on settlement of co-development costs	6,340	This gain arose from the signing of a new agreement with F. Hoffman-La Roche Ltd. regarding the sharing of co-development costs for Actemra.
Subsidies received	500	Subsidies were received for a new industrial development project accompanying the construction of a solid agent facility at the Fujieda Plant.
Gain on sales of fixed assets	403	Gains from the sale of real estate investments.

Extraordinary Losses

(Millions of Yen)

	Amount	Description
Loss on office realignment costs	186	Costs arose from the restructuring of manufacturing function, etc.
Retirement benefit expenses	107	The amount treated as expenses, accompanying the shift from the simplified method of calculating retirement obligations to the standard method of calculation at one of the Company's consolidated subsidiaries due to an increase in the number of employees.
Loss on revaluation of investment securities	19	Details omitted.
Impairment loss	7	Details omitted.
Loss on sales of fixed assets	0	Details omitted.

Statement of Revenues

(Billions of Yen)[*1]

Product Name	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12		FY2007.12	FY2008.12 (Forecasts) [*2]
				Change (%)		
Epogin	31.0	28.2	21.7	(23.0)	54.8	45.2
Neutrogin	16.5	18.7	18.7	0.0	39.2	38.5
Domestic	5.6	5.9	5.4	(8.5)	12.6	11.6
Herceptin	6.4	7.9	9.8	24.1	16.1	23.4
Rituxan	8.1	8.5	9.5	11.8	18.6	19.4
Sigmart	8.6	8.6	8.5	(1.2)	17.9	17.5
Domestic	7.3	7.2	7.3	1.4	15.2	15.3
Evista	5.8	7.2	7.5	4.2	16.0	17.2
Avastin [*3]	–	0.3	7.1	2,266.7	3.5	19.0
Alfarol	7.0	6.8	6.7	(1.5)	14.4	14.2
Suvenyl	4.1	5.0	5.6	12.0	11.0	11.4
Kytril	6.0	6.3	5.4	(14.3)	13.6	11.2
Oxarol	3.5	3.9	4.7	20.5	8.7	9.5
Pegasys	3.0	2.4	4.1	70.8	6.3	9.0
Rocephin	2.6	2.7	2.8	3.7	5.7	6.0
Renagel	2.3	2.6	2.8	7.7	5.7	5.9
Xeloda	1.2	1.3	2.0	53.8	2.7	5.0
Tarceva [*4]	–	–	2.0	–	0.2	4.3
Cellcept	1.4	1.6	1.9	18.8	3.5	3.8
Copegus [*5]	–	0.6	1.8	200.0	2.0	4.3
Tamiflu	16.3	23.8	1.6	(93.3)	38.7	5.0
Actemra	0.2	0.2	0.9	350.0	0.5	8.1
Domestic	0.2	0.2	0.7	250.0	0.5	2.8
Femara [*6]	0.1	0.4	0.7	75.0	1.0	1.6
Other [*7, 8]	28.5	33.9	20.1	(40.7)	64.8	46.5
Total	152.6	170.9	145.9	(14.6)	344.8	326.0
Domestic	139.7	152.3	130.2	(14.5)	308.4	286.9
Overseas	13.0	18.6	15.7	(15.6)	36.4	39.1

Notes: 1. Figures are rounded to the nearest ¥100 million. The percentages are calculated based on the rounded numbers.

2. The financial forecasts for fiscal year 2008 are the revised forecasts released on July 31, 2008.

3. Launched in June 2007

4. Launched in December 2007

5. Launched in March 2007

6. Launched in May 2006

7. Starting from the fiscal year 2007, royalties and other operating income are included in the “Other” (7,500 million yen for Jan.-Jun. 2007; 11,900 million yen for Jan.-Dec. 2007; 1,000 million yen for Jan.-Jun. 2008.)

8. Sales of the products for which the marketing collaboration in Japan with sanofi-aventis K.K. ended on December 31, 2007, are included in the “Other” (6,200 million yen for Jan.-Jun. 2006; 5,900 million yen for Jan.-Jun. 2007; 11,200 million yen for Jan.-Dec. 2007.)

Balance Sheets

(Millions of Yen)

	As of June 30, 2006	As of June 30, 2007	As of June 30, 2008			As of December 31, 2007
				Change from June 30, 2007 (%)	Change from December 31, 2007 (%)	
Cash and Deposits	87,308	71,471	72,616	1.6	(0.8)	73,167
Trade Notes and Accounts Receivable	100,545	99,026	93,486	(5.6)	(12.6)	107,012
Marketable Securities	63,923	65,984	65,945	(0.1)	0.6	65,547
Inventories	46,122	61,381	63,863	4.0	15.7	55,186
Other Current Assets	17,631	22,353	27,421	22.7	(5.1)	28,893
Total Current Assets	315,532	320,218	323,333	1.0	(2.0)	329,807
Tangible Fixed Assets	77,640	91,570	101,189	10.5	9.4	92,495
Intangible Fixed Assets	5,799	4,601	3,965	(13.8)	6.5	3,724
Investments and Other Assets	35,399	34,224	33,495	(2.1)	1.8	32,915
Total Fixed Assets	118,840	130,396	138,650	6.3	7.4	129,134
Total Assets	434,372	450,615	461,984	2.5	0.7	458,942
Notes and Accounts Payable	19,301	24,507	22,247	(9.2)	28.4	17,325
Other Current Liabilities	30,771	44,558	40,138	(9.9)	(23.5)	52,472
Total Current Liabilities	50,072	69,066	62,386	(9.7)	(10.6)	69,797
Fixed Liabilities	6,105	4,283	3,045	(28.9)	(9.0)	3,346
Total Liabilities	56,178	73,349	65,432	(10.8)	(10.5)	73,144
Common Stock	72,891	72,945	72,963	0.0	0.0	72,947
Additional Paid-in Capital	92,743	92,794	92,811	0.0	0.0	92,796
Retained Earnings	213,233	237,334	258,797	9.0	4.3	248,098
Treasury Stock, at Cost	(7,608)	(35,139)	(35,111)	(0.1)	0.0	(35,108)
Valuation and Translation Adjustments	4,990	7,037	4,514	(35.8)	(4.0)	4,701
Share Warrant	—	46	233	400.0	66.7	139
Minority Interests	1,944	2,247	2,343	4.3	5.5	2,222
Total Net Assets	378,194	377,266	396,552	5.1	2.8	385,797
Total Liabilities and Net Assets	434,372	450,615	461,984	2.5	0.7	458,942

Commitment Line (Loan Framework) Contract

(Millions of Yen)

	Amount
Total Commitments	40,000
Commitments Used	—
Commitments Unused	40,000

Note: The Company maintains commitment line contracts with ten financial institutions.

Performance Indicators

	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12	FY2007.12	FY2008.12 (Forecasts) *2
Return on Equity (ROE) *1	5.0%	5.5%	4.9%	10.4%	—
Return on Assets (ROA) *1	6.7%	8.1%	5.3%	14.7%	—
Net Income per Share [Basic]	¥33.94	¥38.43	¥34.64	¥73.23	¥60.57
Net Income per Share [Fully Diluted]	¥33.88	¥38.38	¥34.62	¥73.16	—
Net assets per Share	¥679.02	¥688.29	¥723.10	¥703.80	—
Equity Ratio	86.6%	83.2%	85.3%	83.5%	—
Payout Ratio	—	—	—	41.0%	—

Note: 1. Interim ROE and ROA are not annualized.

2. The financial forecasts for fiscal year 2008 are the revised forecasts released on July 31, 2008.

Capital Expenditures

(Millions of Yen)

	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12	FY2007.12	FY2008.12 (Forecasts)
Capital Expenditures	2,937	11,827	17,903	19,609	26,000
Depreciation	5,659	5,875	8,642	13,349	18,000

Major Capital Investments

(The Company) (Millions of Yen)

Facilities (Location)	Description of investment	Planned investment		Fund raising method	Start of construction	Slated completion date
		Total amount	Investment to-date			
Ukima area (Kita-ku, Tokyo) Fujieda area (Fujieda-shi, Shizuoka)	Investigational drug synthesis and formulation facilities	9,000	8,729	Self-financing	December 2005	June 2008
Ukima area (Kita-ku, Tokyo)	Bio-product technology research building No.2	3,250	1,969	Self-financing	January 2007	January 2009

(Domestic Subsidiaries) (Millions of Yen)

Company name	Plants (Location)	Description of investment	Planned investment		Fund raising method	Start of construction	Slated completion date
			Total amount	Investment to-date			
Chugai Pharma Manufacturing Co., Ltd.	Fujieda Plant (Fujieda-shi, Shizuoka)	Solid pharmaceutical production lines and related facilities	22,900	19,347	Self-financing	August 2005	June 2009
Chugai Pharma Manufacturing Co., Ltd.	Utsunomiya Plant (Utsunomiya-shi, Tochigi)	Injection products building No.3	14,460	10,684	Self-financing	May 2007	September 2011

Cash Flows

(Millions of Yen)

	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12	FY2007. 12
Net Cash Provided by (Used in) Operating Activities	28,047	33,486	23,489	60,364
Net Cash Provided by (Used in) Investing Activities	(3,277)	6,183	(14,695)	(7,509)
Net Cash Provided by (Used in) Financing Activities	(12,168)	(37,523)	(8,810)	(47,173)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	326	992	(653)	(291)
Net Increase (Decrease) in Cash and Cash Equivalents	12,927	3,138	(669)	5,390
Cash and Cash Equivalents at Beginning of Period	74,380	68,332	73,723	68,332
Cash and Cash Equivalents at End of Period	87,308	71,471	73,053	73,723

Convertible Bonds

Type	Balance of unredeemed bonds [issued Amount]	Redemption period	Redemption price[*1]	Rate
No. 6 Series Unsecured Convertible Bonds	¥11 million [¥25,000 million]	November 1, 1996 - September 29, 2008	¥762.50	1.05%

Notes: 1. In connection with capital reduction with compensation, we adjusted the exercise price from ¥1,014.00 to ¥762.50 effective August 1, 2002.

2. The total amount of convertible bonds converted from January 1, 2008, through June 30, 2008, was ¥31 million. As a result of this conversion, the total number of shares outstanding increased by a total of 40,651.

Corporate Bonds

Type	Balance of Unredeemed Bonds [Issued Amount]	Exercise Period	Exercise Price	Rate
No.1 Series Bonds with Warrants	¥300 million [¥43,883 million]	October 1, 2002 - September 29, 2008	¥1,338.5108	0.8969%

Note: Corporate bonds were not converted from January 1, 2008, through June 30, 2008.

Number of Employees

	As of June 30, 2006	As of June 30, 2007	As of June 30, 2008	As of December 31, 2007	As of December 31, 2008 (Forecasts)
Number of Employees	5,975	6,321	6,432	6,282	6,420

Note: Number of employees includes staff seconded to companies outside the Group.

For reference: Highlights (Non-consolidated)

(Millions of Yen)

	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12	FY2007.12
Revenues *1	146,538	163,221	138,251	329,203
Cost of Sales *2	59,653	69,797	58,523	139,397
(%)	40.7	42.8	42.3	42.3
SG&A Expenses	35,827	37,703	38,712	80,013
(%)	24.4	23.1	28.0	24.3
R&D Expenses	26,872	25,247	24,292	53,323
(%)	18.3	15.5	17.6	16.2
Operating Income	24,186	30,472	16,722	56,469
(%)	16.5	18.7	12.1	17.2
Recurring Profit	27,281	32,103	17,636	57,355
(%)	18.6	19.7	12.8	17.4
Net Income	17,602	19,641	14,970	33,788
(%)	12.0	12.0	10.8	10.3
Return on Equity (ROE) *3	4.9%	5.3%	4.1%	9.1%
Return on Assets (ROA) *3	6.5%	7.4%	4.1%	13.2%
Net Income per Share [Basic]	¥31.79	¥35.76	27.48 円	¥61.77
Net Income per Share [Fully Diluted]	¥31.73	¥35.71	27.47 円	¥61.71
Net Assets per Share	¥660.21	¥658.12	680.48 円	¥667.17
Dividends per Share	¥12.00	¥15.00	¥15.00	¥30.0
Payout Ratio	—	—	—	48.6%
Equity Ratio	86.7%	83.7%	86.4%	84.4%
Capital Expenditures	2,617	2,626	4,010	8,301
Depreciation	4,463	3,056	3,827	7,037
Number of Employees *4	5,183	5,412	5,401	5,356

Notes: 1. Revenues include royalties and other operating income, starting from the fiscal year 2007.

2. Cost of sales includes the provision for returned goods.

3. Interim ROE and ROA values are not annualized.

4. Number of employees includes staff seconded to subsidiaries and other companies.

For reference：Statement of Revenues (Non-Consolidated)

(Billions of Yen)[*1]

Product Name	First Half of FY2006.12	First Half of FY2007.12	First Half of FY2008.12		FY2007.12
				Change (%)	
Epogin	31.0	28.2	21.7	(23.0)	54.8
Herceptin	6.4	7.9	9.8	24.1	16.1
Rituxan	8.1	8.5	9.5	11.8	18.6
Evista	5.8	7.2	7.5	4.2	16.0
Sigmart	7.3	7.2	7.3	1.4	15.2
Avastin *2	–	0.3	7.1	2,266.7	3.5
Alfarol	7.0	6.8	6.7	(1.5)	14.3
Suvenyl	4.1	5.0	5.6	12.0	11.0
Kytril	6.0	6.3	5.4	(14.3)	13.6
Neutrogin	5.6	5.9	5.4	(8.5)	12.6
Oxarol	3.5	3.9	4.7	20.5	8.7
Pegasys	3.0	2.4	4.1	70.8	6.3
Rocephin	2.6	2.7	2.8	3.7	5.7
Renagel	2.3	2.6	2.7	3.8	5.6
Xeloda	1.2	1.3	2.0	53.8	2.7
Tarceva *3	–	–	2.0	–	0.2
Cellcept	1.4	1.6	1.9	18.8	3.5
Copegus *4	–	0.6	1.8	200.0	2.0
Tamiflu	16.3	23.8	1.6	(93.3)	38.7
Actemra	0.2	0.2	0.9	350.0	0.5
Femara *5	0.1	0.4	0.7	75.0	1.0
Neutrogin(export)	5.1	4.9	5.3	8.2	10.1
Sigmart(export)	1.0	1.2	1.0	(16.7)	2.4
UlcerImin(export)	0.7	0.8	0.8	0.0	1.5
Other *6, 7	27.7	33.6	19.9	(40.8)	64.5
Total	146.5	163.2	138.3	(15.3)	329.2

Notes: 1. Figures are rounded to the nearest ¥100 million. The percentages are calculated based on the rounded numbers.

2. Launched in June 2007

3. Launched in December 2007

4. Launched in March 2007

5. Launched in May 2006

6. Starting from the fiscal year 2007, royalties and other operating income are included in the “Other” (8,100 million yen for Jan.-Jun. 2007; 13,300 million yen for Jan.-Dec. 2007; 1,600 million yen for Jan.-Jun. 2008.)

7. Sales of the products for which the marketing collaboration in Japan with sanofi-aventis K.K. ended on December 31, 2007, are included in the “Other” (6,200 million yen for Jan.-Jun. 2006; 5,900 million yen for Jan.-Jun. 2007; 11,200 million yen for Jan.-Dec. 2007.)

For reference：Outline of Principal Subsidiary and the State of Its Business Result

Chugai Pharma Marketing Ltd.

Established	1997
Location	London, United Kingdom
Business	Sale Administration *
Capital	£8,677,808 (June 2008)
Percentage Ownership	100.0%

Note: Chugai Pharma Marketing Ltd. oversees the sales and marketing operations of the Germany branch, Chugai Pharma France S.A.S., Chugai Pharma UK Ltd., and CHUGAI sanofi-aventis S.N.C.

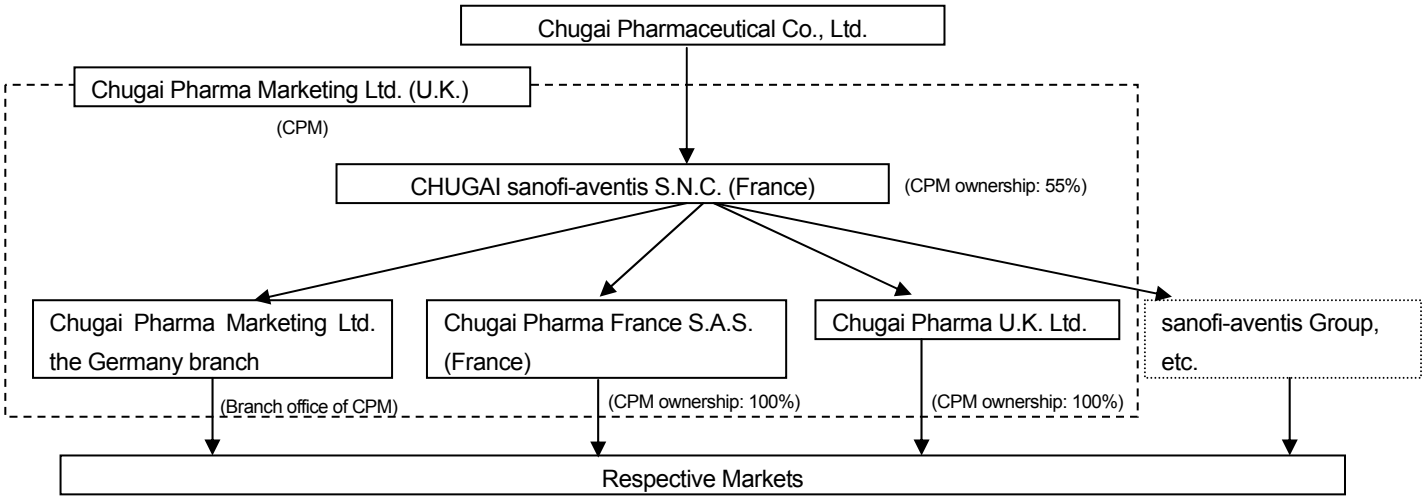
Business Results

(Millions of Yen)

(Consolidated)	First Half of FY2007.12	First Half of FY2008.12
Revenues	12,347	12,971
Compared with the previous Interim Period	116.1%	105.1%
In local currency (in thousands)	*£52,200*	*£62,570*
Interim Net Income	2,574	2,541
Compared with the previous Interim Period	155.0%	98.7%
In local currency (in thousand)	*£10,883*	*£12,259*

Note: Translations into yen are based on the average rate during the term. (Interim period 2007: £236.54; Interim period 2008: £207.31)

For reference: Product distribution structure



Development pipeline (as of July 31, 2008)

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
Oncology					
R597	Breast cancer (adjuvant) #	Launched Feb.08	trastuzumab Herceptin Injection	Roche /Genentech Herceptin	Anti-HER2 humanized monoclonal antibody
	Gastric cancer #	Phase III Multinational study			
R340	Colorectal cancer #	Filed Feb.08	capecitabine Xeloda Oral	Roche Xeloda	Antimetabolite, 5-FU derivative
	Gastric cancer #	Phase III			
R435	Colon cancer (adjuvant) #	Phase III Multinational study	bevacizumab Avastin Injection	Roche /Genentech Avastin	Anti-VEGF(Vascular Endothelial Growth Factor) humanized monoclonal antibody
	Gastric cancer #	Phase III Multinational study			
	Breast cancer (adjuvant) #	Phase III Multinational study			
	Non-small cell lung cancer #	Phase II			
	Breast cancer #	Phase II			
EPOCH	Chemotherapy-induced anemia #	Phase III	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
R1415	Pancreatic cancer #	Phase II	erlotinib Tarceva Oral	OSI/Genentech/ Roche Tarceva	EGFR tyrosine kinase inhibitor
R744	Chemotherapy-induced anemia	Phase II	 Injection	Roche Mircera	Continuous erythropoietin receptor activator
MRA	Multiple myeloma	Phase II Overseas	tocilizumab Actemra Injection	In-house (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody
R1273	Breast cancer, etc	Phase I	pertuzumab Injection	Roche /Genentech	HER dimerization inhibitory humanized monoclonal antibody
TP300	Colorectal cancer, etc	Phase I Overseas	 Injection	In-house	Topoisomerase I inhibitor
CIF (R7167)	Solid tumors	Phase I Overseas	 Oral	In-house (Roche)	-
Bone and Joint					
MRA	Rheumatoid arthritis #	Launched Apr.08 Japan	tocilizumab Actemra Injection	In-house	Humanized anti-human IL-6 receptor monoclonal antibody
		Filed Nov.07 Overseas	tocilizumab Actemra Injection	In-house (Roche)	

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
	Systemic onset juvenile idiopathic arthritis (sJIA) #	Launched Apr.08 Japan	tocilizumab Actemra Injection	In-house	
		Phase III Overseas	tocilizumab Actemra Injection	In-house (Roche)	
R1594	Rheumatoid arthritis	Phase III Multinational study	ocrelizumab Injection	Roche /Genentech	Humanized anti-CD20 monoclonal antibody
ED-71	Osteoporosis	Phase III	 Oral	In-house (Taisho Pharmaceutical)	Activated Vitamin D derivative
R484	Osteoporosis	Phase II / III	ibandronate sodium hydrate Injection	Roche Boniva in US / Bonviva in EU (Taisho Pharmaceutical)	Bisphosphonate
		Phase II	ibandronate sodium hydrate Oral		
Renal diseases					
R744	Renal anemia	Phase III	 Injection	Roche Mircera	Continuous erythropoietin receptor activator
Transplant, Immunology and Infectious diseases					
R964	Compensated liver cirrhosis caused by hepatitis C virus #	Phase II / III	ribavirin Copegus Oral	Roche Copegus	Anti-viral agent in combination with Pegasys
R442			peginterferon alfa-2a Pegasys Injection	Roche Pegasys	Peginterferon alfa-2a agent (recombinant)
	Chronic hepatitis B #	Phase II / III			
MRA	Crohn's disease #	Phase II	tocilizumab Actemra Injection	In-house	Humanized anti-human IL-6 receptor monoclonal antibody
	Castleman's disease	Phase I Overseas	tocilizumab Actemra Injection	In-house (Roche)	
	Systemic lupus erythematosus (SLE)	Phase I Overseas			
NA808	Chronic hepatitis C	Phase I Overseas	 Injection	In-house	-
Other diseases					
EPOCH	Predeposit of autologous blood transfusion #	Filed Mar.02	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
R1678	Schizophrenia	Phase II Multinational study	 Oral	Roche	GLYT1 inhibitor

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
GM-611	Diabetic gastroparesis	Phase I Completed Japan	mitemcinal Oral	In-house	Motilin agonist Recovery of gastrointestinal motility
		Phase II Overseas			
	Irritable bowel syndrome (IBS)	Phase II Overseas			
R1583 (ITM-077)	Type II diabetes	Phase I	taspoglutide Injection	Roche / Ipsen (Teijin)	GLP-1 analogue
CSG452 (R7201)	Type II diabetes	Phase I	 Oral	In-house (Roche)	-
R1579	Type II diabetes	Phase I	 Oral	Roche	DPP-IV inhibitor

Changes from the last announcement on April 22, 2008

Oncology

-R435 Started Phase III multinational study (adjuvant breast cancer)

Bone and Joint

-ED-71 Agreement with Taisho Pharmaceutical Co., Ltd, to co-develop and co-market

Cardio/Cerebro-vascular diseases

-AVS Filed → Development suspended

Other diseases

-R1678 Phase I → Phase II multinational study (schizophrenia)

-R1579 Started Phase I (type II diabetes)

R&D Activities (Jan.1, 2008 – Jul. 31, 2008)

As for clinical development activities in Japan, the Company saw progress as described below:

Oncology
- In February, we obtained the approval and launched for additional indication of adjuvant breast cancer for humanized anti-HER2 monoclonal antibody R597 (product name: Herceptin).
- In February, we filed for combination therapy with antimetabolite 5-FU derivative R340 (product name: Xeloda), and oxaliplatin, plus humanized anti-VEGF monoclonal antibody R435 (product name: Avastin), as well as monotherapy of R340 for the additional indication of colorectal cancer.
- In May, we joined the multinational Phase III clinical trials (expected additional indication: adjuvant breast cancer) conducted by Roche for R435 (product name: Avastin).
- In June, we started the additional Phase III clinical trials of the additional indication of recombinant human erythropoietin EPOCH (product name: Epogin) for treatment of chemotherapy-induced anemia.

Bone and Joint Diseases
- In April, we obtained the approval and launched for additional indication of rheumatoid arthritis, polyarticular-course juvenile idiopathic arthritis and systemic-onset juvenile idiopathic arthritis for humanized anti-human IL-6 receptor monoclonal antibody MRA (product name: Actemra).
- In May, we entered into an agreement with Taisho Pharmaceutical Co., Ltd, to co-develop and co-market activated vitamin D derivative ED-71 (expected indication: osteoporosis) in Japan.

Renal Diseases
- In March, we filed for modification of manufacturing process for drug substance (serum-free version) for recombinant human erythropoietin EPOCH (product name: Epogin).

Cardio/Cerebro-vascular diseases
- In July, we withdrew the application and suspended the development for hydroxyl radical scavenger AVS (expected indication: subarachnoidal hemorrhage) because the additional Phase III clinical trials under review did not meet the endpoint.

Other Diseases
- We decided to join the multinational Phase II clinical trials (expected indication: schizophrenia) conducted by Roche for GLYT1 inhibitor R1678 and will start patient enrolment by the end of third quarter in Japan.
- In June, we started Phase I clinical trials of DPP-IV inhibitor R1579 (expected indication: type II diabetes).

At present, we are awaiting the approval of applications filed for 3 development themes (new molecular entities and additions of indications), including R340 (expected indication: colorectal cancer).

Also, as for clinical development activities overseas, the Company saw progress as described below.
- In April, Roche started Phase I clinical trials for CIF (R7167) (expected indication: solid tumors), a compound licensed-out to Roche.
- In July, we licensed-out the import and marketing rights of the potassium channel opener SG-75 (product name: Sigmart) to Merck Pharmaceutical (HK) Ltd in China. Merck Pharmaceutical Ltd is part of Merck Serono, a division of Merck KGaA, Darmstadt, Germany, and will market the product in mainland China through Merck Serono China.

Currently running clinical trials in oncology field in Japan

Theme	Expected Indication	Regimen	Stage	Planned Filing Date
R435 (bevacizumab) Avastin	Non-small cell lung	carboplatin + paclitaxel ± R435	Phase II	2008
	Breast	paclitaxel + R435	Phase II	2009
	Breast (adjuvant)	standard chemotherapy ± R435	BEATRICE study Phase III Multinational study	2011 ｜ 2013
R435 (bevacizumab) Avastin R340 (capecitabine) Xeloda	Colon (adjuvant)	FOLFOX4 ± R435 XELOX + R435	AVANT study： Phase III Multinational study	2011 ｜ 2013
	Gastric	Xeloda/5FU + CDDP ± R435	AVAGAST study： Phase III Multinational study	2011 ｜ 2013
	Colorectal	XELOX + R435	Phase II	Filed (Feb.08)
R1415 (erlotinib) Tarceva	Pancreatic	gemcitabine + R1415	Phase II	2009
R597 (trastuzumab) Herceptin	Breast (adjuvant)	R597	HERA study： Phase III Multinational study	Launched (Feb.08)
R597 (trastuzumab) Herceptin R340 (capecitabine) Xeloda	Gastric	5FU + CDDP ± R597 Xeloda + CDDP ± R597	ToGA study： Phase III Multinational study	2010