


Supplementary Materials for
Consolidated Financial Results for
the 2nd Quarter of Fiscal Year 2020. 12 (IFRS)

Innovation all for the patients



CHUGAI PHARMACEUTICAL CO., LTD.

 A member of the Roche group

- Notes: 1. Portions of this report that refer to performance forecasts or any other future events are believed to be reasonable under information available at the time of the forecasts. Actual results may materially differ from these forecasts due to potential risks and uncertainties.
2. Amounts shown in this report are rounded to the nearest 0.1 billion yen. Variance and % are calculated based on the amounts shown.
3. Exchange rates used for each period are as follows.

QTR

(Yen)

| | | Actual* | | | | Actual* | | | |
|-----|--|---------|--------|--------|--------|---------|--------|-----|-------|
| | | FY2019 | | | | FY2020 | | | |
| | | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | 4-6 | 7-9 | 10-12 |
| | | QTR | QTR | QTR | QTR | QTR | QTR | QTR | QTR |
| CHF | | 110.52 | 109.66 | 108.89 | 109.82 | 112.61 | 111.54 | | |
| EUR | | 125.17 | 123.53 | 119.35 | 120.35 | 120.19 | 118.35 | | |
| USD | | 110.18 | 109.96 | 107.33 | 108.72 | 109.02 | 107.53 | | |
| SGD | | 81.32 | 80.66 | 78.05 | 79.75 | 78.72 | 76.15 | | |

*Market average exchange rate

YTD

| | Actual* | Actual* | | | | Actual* | | | | Assumption |
|-----|-----------|---------|--------|--------|-----------|---------|--------|-----|-----------|------------|
| | FY2018 | FY2019 | | | | FY2020 | | | | FY2020 |
| | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-12 |
| | Full-year | YTD | YTD | YTD | Full-year | YTD | YTD | YTD | Full-year | Full-year |
| CHF | 112.92 | 110.52 | 110.09 | 109.69 | 109.72 | 112.61 | 112.07 | | | 110.00 |
| EUR | 130.36 | 125.17 | 124.34 | 122.66 | 122.08 | 120.19 | 119.27 | | | 121.00 |
| USD | 110.45 | 110.18 | 110.07 | 109.15 | 109.05 | 109.02 | 108.28 | | | 107.00 |
| SGD | 81.87 | 81.32 | 80.99 | 80.00 | 79.94 | 78.72 | 77.42 | | | 80.00 |

*Market average exchange rate

Period-end

| | Actual | Actual | | | | Actual | | | |
|-----|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | FY2018 | FY2019 | | | | FY2020 | | | |
| | 31 Dec. | 31 Mar. | 30 Jun. | 30 Sep. | 31 Dec. | 31 Mar. | 30 Jun. | 30 Sep. | 31 Dec. |
| CHF | 112.03 | 111.11 | 110.39 | 108.93 | 112.31 | 112.49 | 113.07 | | |
| EUR | 126.13 | 124.15 | 122.56 | 118.07 | 121.93 | 119.13 | 120.93 | | |
| USD | 110.28 | 110.64 | 107.80 | 107.94 | 108.88 | 107.83 | 107.57 | | |
| SGD | 80.70 | 81.56 | 79.64 | 78.12 | 80.72 | 75.73 | 77.18 | | |

Reconciliation of IFRS results to Core results

(Billions of yen)

| | FY2019 | | | | FY2020 | | | |
|--------------------------------------|--------------|-------------------|--------|--------------|--------------|-------------------|--------|--------------|
| | 1-6 | | | | 1-6 | | | |
| | IFRS results | Intangible assets | Others | Core results | IFRS results | Intangible assets | Others | Core results |
| Revenues | 320.3 | - | - | 320.3 | 368.1 | - | - | 368.1 |
| Sales | 282.4 | - | - | 282.4 | 305.7 | - | - | 305.7 |
| Royalties and other operating income | 37.9 | - | - | 37.9 | 62.5 | - | - | 62.5 |
| Cost of sales | (128.0) | 0.4 | - | (127.5) | (131.8) | 0.6 | - | (131.2) |
| Gross profit | 192.3 | 0.4 | - | 192.7 | 236.3 | 0.6 | - | 236.9 |
| Operating expenses | (97.3) | 2.6 | 5.4 | (89.2) | (95.7) | 0.2 | 2.3 | (93.2) |
| Marketing and distribution | (35.8) | - | 2.9 | (32.9) | (32.8) | - | 0.5 | (32.3) |
| Research and development | (51.8) | 2.6 | 1.3 | (47.9) | (54.9) | 0.2 | 1.8 | (52.9) |
| General and administration | (9.6) | - | 1.2 | (8.4) | (8.0) | - | 0.0 | (8.0) |
| Operating profit | 95.1 | 3.1 | 5.4 | 103.5 | 140.6 | 0.8 | 2.3 | 143.7 |
| Financing costs | (0.1) | - | - | (0.1) | (0.0) | - | - | (0.0) |
| Other financial income (expense) | 0.3 | - | - | 0.3 | (0.2) | - | - | (0.2) |
| Other expense | (1.5) | - | - | (1.5) | (0.9) | - | - | (0.9) |
| Profit before taxes | 93.8 | 3.1 | 5.4 | 102.3 | 139.6 | 0.8 | 2.3 | 142.7 |
| Income taxes | (24.5) | (0.9) | (1.6) | (27.1) | (37.3) | (0.2) | (0.7) | (38.2) |
| Net income | 69.3 | 2.1 | 3.8 | 75.1 | 102.3 | 0.6 | 1.6 | 104.5 |
| Attributable to | | | | | | | | |
| Chugai shareholders | 69.3 | 2.1 | 3.8 | 75.1 | 102.3 | 0.6 | 1.6 | 104.5 |
| Non-controlling interests | - | - | - | - | - | - | - | - |

Core results

Chugai discloses its results on a Core basis from 2013 in conjunction with its transition to IFRS. Core results are the results after adjusting non-recurring items recognized by Chugai to IFRS results, and are consistent with the Core concept disclosed by Roche. Core results are used by Chugai as an internal performance indicator, for explaining the status of recurring profits both internally and externally, and as the basis for payment-by-results.

The table above shows the reconciliation of IFRS results into Core results. The detail is as below.

Intangible assets

Amortization (0.6 billion yen in 2019 and 0.7 billion yen in 2020)

Impairment (2.5 billion yen in 2019 and 0.1 billion yen in 2020)

Others

Early retirement incentive program (5.1 billion yen in 2019 and none in 2020)

Restructuring expenses (0.3 billion yen in 2019 and 2.3 billion yen in 2020)

IFRS results (QTR)

(Billions of yen)

| | Actual FY2019 | | | | Actual FY2020 | | | | | | | |
|--------------------------------------|------------------|--------|--------|--------|------------------|--------|--------|--------|-----|--------|-------|--------|
| | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | Change | 4-6 | Change | 7-9 | Change | 10-12 | Change |
| | QTR | QTR | QTR | QTR | QTR | (%) | QTR | (%) | QTR | (%) | QTR | (%) |
| Revenues | 154.3 | 166.0 | 188.6 | 177.3 | 179.4 | +16.3 | 188.7 | +13.7 | | | | |
| Sales | 137.7 | 144.7 | 158.0 | 148.4 | 144.5 | +4.9 | 161.1 | +11.3 | | | | |
| Domestic | 99.3 | 110.7 | 114.4 | 113.1 | 101.9 | +2.6 | 102.7 | (7.2) | | | | |
| Overseas | 38.4 | 34.0 | 43.6 | 35.3 | 42.6 | +10.9 | 58.4 | +71.8 | | | | |
| Royalties and other operating income | 16.6 | 21.3 | 30.5 | 28.9 | 34.9 | +110.2 | 27.6 | +29.6 | | | | |
| Royalty and profit-sharing income | 13.7 | 16.6 | 18.5 | 27.7 | 26.4 | +92.7 | 27.1 | +63.3 | | | | |
| Other operating income | 2.9 | 4.7 | 12.0 | 1.1 | 8.5 | +193.1 | 0.5 | (89.4) | | | | |
| Cost of sales | (63.9) | (64.1) | (74.0) | (64.1) | (61.3) | (4.1) | (70.6) | +10.1 | | | | |
| (% of Sales) | 46.4 | 44.3 | 46.8 | 43.2 | 42.4 | - | 43.8 | - | | | | |
| Gross profit | 90.4 | 101.9 | 114.5 | 113.3 | 118.2 | +30.8 | 118.1 | +15.9 | | | | |
| (% of Revenues) | 58.6 | 61.4 | 60.7 | 63.9 | 65.9 | - | 62.6 | - | | | | |
| Operating expenses | (44.3) | (53.0) | (48.7) | (63.5) | (45.7) | +3.2 | (49.9) | (5.8) | | | | |
| (% of Revenues) | 28.7 | 31.9 | 25.8 | 35.8 | 25.5 | - | 26.4 | - | | | | |
| Marketing and distribution | (15.4) | (20.4) | (18.6) | (22.8) | (15.8) | +2.6 | (17.0) | (16.7) | | | | |
| (% of Revenues) | 10.0 | 12.3 | 9.9 | 12.9 | 8.8 | - | 9.0 | - | | | | |
| Research and development | (25.1) | (26.7) | (25.1) | (31.0) | (26.1) | +4.0 | (28.8) | +7.9 | | | | |
| (% of Revenues) | 16.3 | 16.1 | 13.3 | 17.5 | 14.5 | - | 15.3 | - | | | | |
| General and administration | (3.7) | (5.9) | (5.1) | (9.7) | (3.9) | +5.4 | (4.1) | (30.5) | | | | |
| (% of Revenues) | 2.4 | 3.6 | 2.7 | 5.5 | 2.2 | - | 2.2 | - | | | | |
| Operating profit | 46.1 | 49.0 | 65.8 | 49.7 | 72.4 | +57.0 | 68.2 | +39.2 | | | | |
| (% of Revenues) | 29.9 | 29.5 | 34.9 | 28.0 | 40.4 | - | 36.1 | - | | | | |
| Financing costs | (0.0) | (0.0) | (0.0) | (0.0) | (0.0) | 0.0 | (0.0) | 0.0 | | | | |
| Other financial income (expense) | 0.2 | 0.1 | (0.3) | 0.5 | (0.6) | - | 0.5 | +400.0 | | | | |
| Other expense | (0.8) | (0.7) | (0.7) | (0.9) | (0.5) | (37.5) | (0.3) | (57.1) | | | | |
| Profit before taxes | 45.4 | 48.4 | 64.8 | 49.3 | 71.2 | +56.8 | 68.4 | +41.3 | | | | |
| (% of Revenues) | 29.4 | 29.2 | 34.4 | 27.8 | 39.7 | - | 36.2 | - | | | | |
| Income taxes | (10.4) | (14.1) | (16.7) | (9.2) | (19.7) | +89.4 | (17.6) | +24.8 | | | | |
| Net income | 35.0 | 34.2 | 48.1 | 40.2 | 51.5 | +47.1 | 50.8 | +48.5 | | | | |
| (% of Revenues) | 22.7 | 20.6 | 25.5 | 22.7 | 28.7 | - | 26.9 | - | | | | |
| Attributable to | | | | | | | | | | | | |
| Chugai shareholders | 35.0 | 34.2 | 48.1 | 40.2 | 51.5 | +47.1 | 50.8 | +48.5 | | | | |
| Non-controlling interests | - | - | - | - | - | - | - | - | | | | |
| Earnings per share | | | | | | | | | | | | |
| Basic (yen) | 21.34 | 20.84 | 29.31 | 24.45 | 31.37 | +47.0 | 30.89 | +48.2 | | | | |
| Diluted (yen) | 21.30 | 20.81 | 29.27 | 24.42 | 31.33 | +47.1 | 30.85 | +48.2 | | | | |

Other financial income (expense) includes net amount of FX related gains/losses.

Effective July 1, 2020, Chugai Pharmaceutical Co., Ltd. ("Chugai") has implemented a three-for-one stock split of its common stock.

"Earnings per share (Basic)" and "Earnings per share (Diluted)" are calculated based on the assumption that the stock split was implemented.

IFRS results (YTD)

(Billions of yen)

| | Actual | Actual | | | | Actual | | | | | | | |
|--------------------------------------|-------------|------------|------------|------------|-------------|------------|---------------|------------|---------------|------------|---------------|-------------|---------------|
| | FY2018 | FY2019 | | | | FY2020 | | | | | | | |
| | 1-12 YTD | 1-3 YTD | 1-6 YTD | 1-9 YTD | 1-12 YTD | 1-3 YTD | Change (%) | 1-6 YTD | Change (%) | 1-9 YTD | Change (%) | 1-12 YTD | Change (%) |
| Revenues | 579.8 | 154.3 | 320.3 | 508.9 | 686.2 | 179.4 | +16.3 | 368.1 | +14.9 | | | | |
| Sales | 527.8 | 137.7 | 282.4 | 440.5 | 588.9 | 144.5 | +4.9 | 305.7 | +8.3 | | | | |
| Domestic | 399.9 | 99.3 | 210.0 | 324.4 | 437.6 | 101.9 | +2.6 | 204.6 | (2.6) | | | | |
| Overseas | 127.9 | 38.4 | 72.4 | 116.0 | 151.3 | 42.6 | +10.9 | 101.0 | +39.5 | | | | |
| Royalties and other operating income | 51.9 | 16.6 | 37.9 | 68.4 | 97.3 | 34.9 | +110.2 | 62.5 | +64.9 | | | | |
| Royalty and profit-sharing income | 24.1 | 13.7 | 30.2 | 48.8 | 76.5 | 26.4 | +92.7 | 53.5 | +77.2 | | | | |
| Other operating income | 27.9 | 2.9 | 7.6 | 19.6 | 20.8 | 8.5 | +193.1 | 9.0 | +18.4 | | | | |
| Cost of sales | (262.8) | (63.9) | (128.0) | (202.0) | (266.1) | (61.3) | (4.1) | (131.8) | +3.0 | | | | |
| (% of Sales) | 49.8 | 46.4 | 45.3 | 45.9 | 45.2 | 42.4 | - | 43.1 | - | | | | |
| Gross profit | 316.9 | 90.4 | 192.3 | 306.9 | 420.1 | 118.2 | +30.8 | 236.3 | +22.9 | | | | |
| (% of Revenues) | 54.7 | 58.6 | 60.0 | 60.3 | 61.2 | 65.9 | - | 64.2 | - | | | | |
| Operating expenses | (192.6) | (44.3) | (97.3) | (146.0) | (209.5) | (45.7) | +3.2 | (95.7) | (1.6) | | | | |
| (% of Revenues) | 33.2 | 28.7 | 30.4 | 28.7 | 30.5 | 25.5 | - | 26.0 | - | | | | |
| Marketing and distribution | (73.7) | (15.4) | (35.8) | (54.4) | (77.2) | (15.8) | +2.6 | (32.8) | (8.4) | | | | |
| (% of Revenues) | 12.7 | 10.0 | 11.2 | 10.7 | 11.3 | 8.8 | - | 8.9 | - | | | | |
| Research and development | (99.2) | (25.1) | (51.8) | (76.9) | (107.9) | (26.1) | +4.0 | (54.9) | +6.0 | | | | |
| (% of Revenues) | 17.1 | 16.3 | 16.2 | 15.1 | 15.7 | 14.5 | - | 14.9 | - | | | | |
| General and administration | (19.7) | (3.7) | (9.6) | (14.7) | (24.4) | (3.9) | +5.4 | (8.0) | (16.7) | | | | |
| (% of Revenues) | 3.4 | 2.4 | 3.0 | 2.9 | 3.6 | 2.2 | - | 2.2 | - | | | | |
| Operating profit | 124.3 | 46.1 | 95.1 | 160.9 | 210.6 | 72.4 | +57.0 | 140.6 | +47.8 | | | | |
| (% of Revenues) | 21.4 | 29.9 | 29.7 | 31.6 | 30.7 | 40.4 | - | 38.2 | - | | | | |
| Financing costs | (0.1) | (0.0) | (0.1) | (0.1) | (0.1) | (0.0) | 0.0 | (0.0) | (100.0) | | | | |
| Other financial income (expense) | 0.4 | 0.2 | 0.3 | 0.0 | 0.5 | (0.6) | - | (0.2) | - | | | | |
| Other expense | (3.2) | (0.8) | (1.5) | (2.2) | (3.1) | (0.5) | (37.5) | (0.9) | (40.0) | | | | |
| Profit before taxes | 121.4 | 45.4 | 93.8 | 158.6 | 207.9 | 71.2 | +56.8 | 139.6 | +48.8 | | | | |
| (% of Revenues) | 20.9 | 29.4 | 29.3 | 31.2 | 30.3 | 39.7 | - | 37.9 | - | | | | |
| Income taxes | (28.4) | (10.4) | (24.5) | (41.2) | (50.3) | (19.7) | +89.4 | (37.3) | +52.2 | | | | |
| Net income | 93.1 | 35.0 | 69.3 | 117.4 | 157.6 | 51.5 | +47.1 | 102.3 | +47.6 | | | | |
| (% of Revenues) | 16.1 | 22.7 | 21.6 | 23.1 | 23.0 | 28.7 | - | 27.8 | - | | | | |
| Attributable to | | | | | | | | | | | | | |
| Chugai shareholders | 92.5 | 35.0 | 69.3 | 117.4 | 157.6 | 51.5 | +47.1 | 102.3 | +47.6 | | | | |
| Non-controlling interests | 0.6 | - | - | - | - | - | - | - | - | | | | |
| Earnings per share | | | | | | | | | | | | | |
| Basic (yen) | 56.36 | 21.34 | 42.18 | 71.49 | 95.95 | 31.37 | +47.0 | 62.26 | +47.6 | | | | |
| Diluted (yen) | 56.27 | 21.30 | 42.12 | 71.39 | 95.81 | 31.33 | +47.1 | 62.18 | +47.6 | | | | |

Other financial income (expense) includes net amount of FX related gains/losses.

Effective July 1, 2020, Chugai Pharmaceutical Co., Ltd. ("Chugai") has implemented a three-for-one stock split of its common stock.

"Earnings per share (Basic)" and "Earnings per share (Diluted)" are calculated based on the assumption that the stock split was implemented.

Core results (QTR)

(Billions of yen)

| | Actual | | | | Actual | | | | | | | |
|---|--------|--------|--------|--------|--------|------------|--------|------------|-----|------------|-------|------------|
| | FY2019 | | | | FY2020 | | | | | | | |
| | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | Change (%) | 4-6 | Change (%) | 7-9 | Change (%) | 10-12 | Change (%) |
| QTR | QTR | QTR | QTR | QTR | | QTR | | QTR | | QTR | | |
| Revenues | 154.3 | 166.0 | 188.6 | 177.3 | 179.4 | +16.3 | 188.7 | +13.7 | | | | |
| Sales | 137.7 | 144.7 | 158.0 | 148.4 | 144.5 | +4.9 | 161.1 | +11.3 | | | | |
| Domestic | 99.3 | 110.7 | 114.4 | 113.1 | 101.9 | +2.6 | 102.7 | (7.2) | | | | |
| Overseas | 38.4 | 34.0 | 43.6 | 35.3 | 42.6 | +10.9 | 58.4 | +71.8 | | | | |
| Royalties and other operating income | 16.6 | 21.3 | 30.5 | 28.9 | 34.9 | +110.2 | 27.6 | +29.6 | | | | |
| Royalty and profit-sharing income | 13.7 | 16.6 | 18.5 | 27.7 | 26.4 | +92.7 | 27.1 | +63.3 | | | | |
| Other operating income | 2.9 | 4.7 | 12.0 | 1.1 | 8.5 | +193.1 | 0.5 | (89.4) | | | | |
| Cost of sales | (63.7) | (63.9) | (73.8) | (63.8) | (61.0) | (4.2) | (70.3) | +10.0 | | | | |
| (% of Sales) | 46.3 | 44.2 | 46.7 | 43.0 | 42.2 | - | 43.6 | - | | | | |
| Gross profit | 90.6 | 102.1 | 114.8 | 113.5 | 118.5 | +30.8 | 118.4 | +16.0 | | | | |
| (% of Revenues) | 58.7 | 61.5 | 60.9 | 64.0 | 66.1 | - | 62.7 | - | | | | |
| Operating expenses | (42.7) | (46.5) | (47.3) | (59.7) | (44.4) | +4.0 | (48.8) | +4.9 | | | | |
| (% of Revenues) | 27.7 | 28.0 | 25.1 | 33.7 | 24.7 | - | 25.9 | - | | | | |
| Marketing and distribution | (15.4) | (17.5) | (18.0) | (22.5) | (15.5) | +0.6 | (16.8) | (4.0) | | | | |
| (% of Revenues) | 10.0 | 10.5 | 9.5 | 12.7 | 8.6 | - | 8.9 | - | | | | |
| Research and development | (23.6) | (24.3) | (24.2) | (30.0) | (25.0) | +5.9 | (27.9) | +14.8 | | | | |
| (% of Revenues) | 15.3 | 14.6 | 12.8 | 16.9 | 13.9 | - | 14.8 | - | | | | |
| General and administration | (3.7) | (4.7) | (5.1) | (7.1) | (3.9) | +5.4 | (4.1) | (12.8) | | | | |
| (% of Revenues) | 2.4 | 2.8 | 2.7 | 4.0 | 2.2 | - | 2.2 | - | | | | |
| Operating profit | 47.9 | 55.7 | 67.5 | 53.8 | 74.1 | +54.7 | 69.7 | +25.1 | | | | |
| (% of Revenues) | 31.0 | 33.6 | 35.8 | 30.3 | 41.3 | - | 36.9 | - | | | | |
| Financing costs | (0.0) | (0.0) | (0.0) | (0.0) | (0.0) | 0.0 | (0.0) | 0.0 | | | | |
| Other financial income (expense) | 0.2 | 0.1 | (0.3) | 0.5 | (0.6) | - | 0.5 | +400.0 | | | | |
| Other expense | (0.8) | (0.7) | (0.7) | (0.9) | (0.5) | (37.5) | (0.3) | (57.1) | | | | |
| Profit before taxes | 47.2 | 55.1 | 66.5 | 53.4 | 72.9 | +54.4 | 69.8 | +26.7 | | | | |
| (% of Revenues) | 30.6 | 33.2 | 35.3 | 30.1 | 40.6 | - | 37.0 | - | | | | |
| Income taxes | (10.9) | (16.2) | (17.2) | (10.3) | (20.2) | +85.3 | (18.0) | +11.1 | | | | |
| Net income | 36.3 | 38.9 | 49.3 | 43.2 | 52.7 | +45.2 | 51.8 | +33.2 | | | | |
| (% of Revenues) | 23.5 | 23.4 | 26.1 | 24.4 | 29.4 | - | 27.5 | - | | | | |
| Attributable to | | | | | | | | | | | | |
| Chugai shareholders | 36.3 | 38.9 | 49.3 | 43.2 | 52.7 | +45.2 | 51.8 | +33.2 | | | | |
| Non-controlling interests | - | - | - | - | - | - | - | - | | | | |
| Core earnings per share (diluted) (yen) | 22.05 | 23.65 | 29.98 | 26.25 | 32.04 | +45.3 | 31.47 | +33.1 | | | | |

Please see page 1 "Reconciliation of IFRS results to Core results" for the detail of the adjustments.

Core earnings per share (diluted) (yen) : Net income attributable to Chugai shareholders / Weighted average number of shares in issue used to calculate diluted earnings per share.

Other financial income (expense) includes net amount of FX related gains/losses.

Effective July 1, 2020, Chugai Pharmaceutical Co., Ltd. ("Chugai") has implemented a three-for-one stock split of its common stock.

Core EPS is calculated based on the assumption that the stock split was implemented.

Core results (YTD)

(Billions of yen)

| | Actual | Actual | | | | Actual | | | | | | | | Forecast (Jan 30th announced) | |
|--|---------|--------|---------|---------|---------|--------|---------------|---------|---------------|-----|---------------|------|---------------|-------------------------------------|---------------|
| | FY2018 | FY2019 | | | | FY2020 | | | | | | | | FY2020 | |
| | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-3 | Change (%) | 1-6 | Change (%) | 1-9 | Change (%) | 1-12 | Change (%) | 1-12 | Change (%) |
| | YTD | YTD | YTD | YTD | YTD | YTD | | YTD | | YTD | | YTD | | YTD | |
| Revenues | 579.8 | 554.3 | 520.3 | 508.9 | 686.2 | 179.4 | +16.3 | 368.1 | +14.9 | | | | | 740.0 | +7.8 |
| Sales | 527.8 | 137.7 | 282.4 | 440.5 | 588.9 | 144.5 | +4.9 | 305.7 | +8.3 | | | | | 580.0 | (1.5) |
| Domestic | 399.9 | 99.3 | 210.0 | 324.4 | 437.6 | 101.9 | +2.6 | 204.6 | (2.6) | | | | | 411.6 | (5.9) |
| Overseas | 127.9 | 38.4 | 72.4 | 116.0 | 151.3 | 42.6 | +10.9 | 101.0 | +39.5 | | | | | 168.4 | +11.3 |
| Royalties and other operating income | 51.9 | 16.6 | 37.9 | 68.4 | 97.3 | 34.9 | +110.2 | 62.5 | +64.9 | | | | | 160.0 | +64.4 |
| Royalty and profit-sharing income | 24.1 | 13.7 | 30.2 | 48.8 | 76.5 | 26.4 | +92.7 | 53.5 | +77.2 | | | | | 141.0 | +84.3 |
| Other operating income | 27.9 | 2.9 | 7.6 | 19.6 | 20.8 | 8.5 | +193.1 | 9.0 | +18.4 | | | | | 19.0 | (8.7) |
| Cost of sales | (261.9) | (63.7) | (127.5) | (201.3) | (265.1) | (61.0) | (4.2) | (131.2) | +2.9 | | | | | (252.0) | (4.9) |
| (% of Sales) | 49.6 | 46.3 | 45.1 | 45.7 | 45.0 | 42.2 | - | 42.9 | - | | | | | 43.4 | - |
| Gross profit | 317.9 | 90.6 | 192.7 | 307.5 | 421.1 | 118.5 | +30.8 | 236.9 | +22.9 | | | | | 488.0 | +15.9 |
| (% of Revenues) | 54.8 | 58.7 | 60.2 | 60.4 | 61.4 | 66.1 | - | 64.4 | - | | | | | 65.9 | - |
| Operating expenses | (187.6) | (42.7) | (89.2) | (136.5) | (196.2) | (44.4) | +4.0 | (93.2) | +4.5 | | | | | (213.0) | +8.6 |
| (% of Revenues) | 32.4 | 27.7 | 27.8 | 26.8 | 28.6 | 24.7 | - | 25.3 | - | | | | | 28.8 | - |
| Marketing and distribution | (73.7) | (15.4) | (32.9) | (51.0) | (73.5) | (15.5) | +0.6 | (32.3) | (1.8) | | | | | | |
| (% of Revenues) | 12.7 | 10.0 | 10.3 | 10.0 | 10.7 | 8.6 | - | 8.8 | - | | | | | | |
| Research and development | (94.2) | (23.6) | (47.9) | (72.0) | (102.1) | (25.0) | +5.9 | (52.9) | +10.4 | | | | | (115.0) | +12.6 |
| (% of Revenues) | 16.2 | 15.3 | 15.0 | 14.1 | 14.9 | 13.9 | - | 14.4 | - | | | | | 15.5 | - |
| General and administration | (19.7) | (3.7) | (8.4) | (13.5) | (20.6) | (3.9) | +5.4 | (8.0) | (4.8) | | | | | | |
| (% of Revenues) | 3.4 | 2.4 | 2.6 | 2.7 | 3.0 | 2.2 | - | 2.2 | - | | | | | | |
| Operating profit | 130.3 | 47.9 | 103.5 | 171.1 | 224.9 | 74.1 | +54.7 | 143.7 | +38.8 | | | | | 275.0 | +22.3 |
| (% of Revenues) | 22.5 | 31.0 | 32.3 | 33.6 | 32.8 | 41.3 | - | 39.0 | - | | | | | 37.2 | - |
| Financing costs | (0.1) | (0.0) | (0.1) | (0.1) | (0.1) | (0.0) | 0.0 | (0.0) | (100.0) | | | | | | |
| Other financial income (expense) | 0.4 | 0.2 | 0.3 | 0.0 | 0.5 | (0.6) | - | (0.2) | - | | | | | | |
| Other expense | (3.2) | (0.8) | (1.5) | (2.2) | (3.1) | (0.5) | (37.5) | (0.9) | (40.0) | | | | | | |
| Profit before taxes | 127.5 | 47.2 | 102.3 | 168.8 | 222.2 | 72.9 | +54.4 | 142.7 | +39.5 | | | | | | |
| (% of Revenues) | 22.0 | 30.6 | 31.9 | 33.2 | 32.4 | 40.6 | - | 38.8 | - | | | | | | |
| Income taxes | (30.2) | (10.9) | (27.1) | (44.3) | (54.6) | (20.2) | +85.3 | (38.2) | +41.0 | | | | | | |
| Net income | 97.3 | 36.3 | 75.1 | 124.5 | 167.6 | 52.7 | +45.2 | 104.5 | +39.1 | | | | | 201.0 | +19.9 |
| (% of Revenues) | 16.8 | 23.5 | 23.4 | 24.5 | 24.4 | 29.4 | - | 28.4 | - | | | | | 27.2 | - |
| Attributable to | | | | | | | | | | | | | | | |
| Chugai shareholders | 96.7 | 36.3 | 75.1 | 124.5 | 167.6 | 52.7 | +45.2 | 104.5 | +39.1 | | | | | | |
| Non-controlling interests | 0.6 | - | - | - | - | - | - | - | - | | | | | | |
| Weighted average number of shares in issue used to calculate diluted earnings per share (Millions of shares) | 1,644 | 1,644 | 1,644 | 1,644 | 1,645 | 1,645 | 0.0 | 1,645 | 0.0 | | | | | | |
| Core earnings per share (diluted) (yen) | 58.81 | 22.05 | 45.70 | 75.69 | 101.93 | 32.04 | +45.3 | 63.51 | +39.0 | | | | | 122.00 | +19.7 |
| Core payout ratio (%) | 48.7 | | | | 45.8 | | | | | | | | | 41.0 | - |
| Dividend per share (Full year) (yen) | 86 | | | | 140 | | | | | | | | | - | - |
| Dividend per share (Year end) (yen) | 55 | | | | 92 | | | | | | | | | 25 | - |
| Dividend per share (Half year) (yen) | 31 | | | | 48 | | | | | | 75 | | | 75 | - |

Please see page 1 "Reconciliation of IFRS results to Core results" for the detail of the adjustments.

Core earnings per share (diluted) (yen) : Net income attributable to Chugai shareholders / Weighted average number of shares in issue used to calculate diluted earnings per share.

Other financial income (expense) includes net amount of FX related gains/losses.

Effective July 1, 2020, Chugai Pharmaceutical Co., Ltd. ("Chugai") has implemented a three-for-one stock split of its common stock. Core EPS is calculated based on the assumption that the stock split was implemented.

The dividend for the fiscal year ended December 31, 2018 and 2019 and the second quarter of the fiscal year 2020 presents the amount prior to the stock split.

The full-year dividends per share forecast is not stated because the amounts cannot be simply combined due to the implementation of the stock split.

When calculated based on the assumption of no stock split, the year-end dividend is ¥75 and the full-year dividend per share is ¥150.

Statements of revenues (QTR)

(Billions of yen)

| | Actual FY2019 | | | | Actual FY2020 | | | | | | | |
|--------------------------------------|------------------|-------|-------|-------|------------------|---------------|-------|---------------|-----|---------------|-------|---------------|
| | 1-3 | 4-6 | 7-9 | 10-12 | 1-3 | Change (%) | 4-6 | Change (%) | 7-9 | Change (%) | 10-12 | Change (%) |
| | QTR | QTR | QTR | QTR | QTR | | QTR | | QTR | | QTR | |
| Sales | 137.7 | 144.7 | 158.0 | 148.4 | 144.5 | +4.9 | 161.1 | +11.3 | | | | |
| Domestic | 99.3 | 110.7 | 114.4 | 113.1 | 101.9 | +2.6 | 102.7 | (7.2) | | | | |
| Oncology | 52.0 | 62.5 | 65.1 | 60.8 | 54.7 | +5.2 | 57.5 | (8.0) | | | | |
| Avastin | 21.4 | 25.3 | 26.3 | 22.6 | 20.4 | (4.7) | 20.4 | (19.4) | | | | |
| Tecentriq | 3.7 | 4.6 | 5.5 | 6.9 | 7.8 | +110.8 | 8.8 | +91.3 | | | | |
| Perjeta | 5.6 | 7.6 | 8.8 | 8.7 | 8.3 | +48.2 | 8.4 | +10.5 | | | | |
| Alecensa | 4.9 | 6.2 | 6.1 | 5.8 | 5.6 | +14.3 | 6.6 | +6.5 | | | | |
| Herceptin | 6.2 | 7.4 | 6.8 | 6.4 | 4.5 | (27.4) | 4.1 | (44.6) | | | | |
| Kadcyla | 2.0 | 2.4 | 2.4 | 2.2 | 2.1 | +5.0 | 2.5 | +4.2 | | | | |
| Rituxan | 3.1 | 3.3 | 2.8 | 2.7 | 1.9 | (38.7) | 1.8 | (45.5) | | | | |
| Gazyva | 0.6 | 0.9 | 1.0 | 1.1 | 1.0 | +66.7 | 1.0 | +11.1 | | | | |
| Xeloda | 2.4 | 2.3 | 1.8 | 1.6 | 1.1 | (54.2) | 0.9 | (60.9) | | | | |
| Rozlytrek | - | - | 0.0 | 0.0 | 0.0 | - | 0.1 | - | | | | |
| Other products | 2.1 | 2.7 | 3.6 | 2.9 | 2.0 | (4.8) | 2.8 | +3.7 | | | | |
| Bone and joint diseases | 24.2 | 27.9 | 28.5 | 27.9 | 24.9 | +2.9 | 25.6 | (8.2) | | | | |
| Actemra | 9.0 | 10.8 | 11.2 | 10.8 | 9.5 | +5.6 | 9.7 | (10.2) | | | | |
| Edirol | 8.0 | 9.3 | 9.8 | 9.6 | 8.8 | +10.0 | 9.5 | +2.2 | | | | |
| Bonviva | 2.3 | 2.5 | 2.4 | 2.4 | 2.1 | (8.7) | 2.1 | (16.0) | | | | |
| Other products | 4.9 | 5.3 | 5.0 | 5.0 | 4.5 | (8.2) | 4.3 | (18.9) | | | | |
| Renal diseases | 7.9 | 9.3 | 8.7 | 8.7 | 6.7 | (15.2) | 7.0 | (24.7) | | | | |
| Mircera | 5.0 | 6.0 | 5.6 | 5.6 | 4.2 | (16.0) | 4.3 | (28.3) | | | | |
| Oxarol | 1.6 | 1.8 | 1.7 | 1.8 | 1.4 | (12.5) | 1.6 | (11.1) | | | | |
| Other products | 1.3 | 1.4 | 1.4 | 1.3 | 1.1 | (15.4) | 1.1 | (21.4) | | | | |
| Others | 15.2 | 11.0 | 12.1 | 15.7 | 15.5 | +2.0 | 12.7 | +15.5 | | | | |
| Hemlibra | 2.7 | 6.3 | 7.8 | 8.4 | 7.9 | +192.6 | 8.2 | +30.2 | | | | |
| CellCept | 2.2 | 2.5 | 2.3 | 2.4 | 2.2 | 0.0 | 2.3 | (8.0) | | | | |
| Tamiflu(Ordinary use) | 4.7 | 0.1 | (0.2) | 2.7 | 0.6 | (87.2) | - | - | | | | |
| Tamiflu(Govt. stockpiles etc.) | 3.2 | - | 0.1 | - | 2.6 | (18.8) | - | - | | | | |
| Foundation Medicine | - | 0.0 | 0.1 | 0.3 | 0.6 | - | 0.6 | - | | | | |
| Other products | 2.5 | 2.2 | 2.1 | 1.9 | 1.6 | (36.0) | 1.5 | (31.8) | | | | |
| Overseas | 38.4 | 34.0 | 43.6 | 35.3 | 42.6 | +10.9 | 58.4 | +71.8 | | | | |
| Actemra | 25.3 | 18.2 | 23.7 | 21.1 | 24.1 | (4.7) | 36.5 | +100.5 | | | | |
| To Roche | 24.9 | 17.7 | 23.2 | 20.6 | 23.5 | (5.6) | 35.9 | +102.8 | | | | |
| Alecensa | 8.4 | 11.5 | 14.8 | 10.6 | 6.2 | (26.2) | 10.7 | (7.0) | | | | |
| To Roche | 8.2 | 11.2 | 14.7 | 10.4 | 5.9 | (28.0) | 10.3 | (8.0) | | | | |
| Hemlibra | 0.7 | 0.9 | 1.5 | 0.5 | 8.6 | +1,128.6 | 7.9 | +777.8 | | | | |
| To Roche | 0.7 | 0.9 | 1.5 | 0.2 | 8.2 | +1,071.4 | 7.5 | +733.3 | | | | |
| Neutrogen | 2.5 | 2.5 | 2.6 | 2.4 | 2.5 | 0.0 | 2.0 | (20.0) | | | | |
| Enspryng | - | - | - | - | 0.1 | - | 0.3 | - | | | | |
| Other products | 1.4 | 1.0 | 1.0 | 0.8 | 1.1 | (21.4) | 1.1 | +10.0 | | | | |
| Royalties and other operating income | 16.6 | 21.3 | 30.5 | 28.9 | 34.9 | +110.2 | 27.6 | +29.6 | | | | |
| Royalty and profit-sharing income | 13.7 | 16.6 | 18.5 | 27.7 | 26.4 | +92.7 | 27.1 | +63.3 | | | | |
| Other operating income | 2.9 | 4.7 | 12.0 | 1.1 | 8.5 | +193.1 | 0.5 | (89.4) | | | | |
| Revenues | 154.3 | 166.0 | 188.6 | 177.3 | 179.4 | +16.3 | 188.7 | +13.7 | | | | |
| Domestic | 99.3 | 111.8 | 118.7 | 114.2 | 109.5 | +10.3 | 102.7 | (8.1) | | | | |
| Overseas | 55.0 | 54.2 | 69.9 | 63.2 | 69.9 | +27.1 | 86.0 | +58.7 | | | | |

Statements of revenues (YTD)

(Billions of yen)

| | Actual | Actual | | | | Actual | | | | | | | | Forecast (Jan 30th announced) | |
|--------------------------------------|--------|--------|-------|-------|-------|--------|---------------|-------|---------------|-----|---------------|------|---------------|-------------------------------------|---------------|
| | FY2018 | FY2019 | | | | FY2020 | | | | | | | | FY2020 | |
| | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-3 | Change (%) | 1-6 | Change (%) | 1-9 | Change (%) | 1-12 | Change (%) | 1-12 | Change (%) |
| | YTD | YTD | YTD | YTD | YTD | YTD | | YTD | | YTD | | YTD | | YTD | |
| Sales | 527.8 | 137.7 | 282.4 | 440.5 | 588.9 | 144.5 | +4.9 | 305.7 | +8.3 | | | | | 580.0 | (1.5) |
| Domestic | 399.9 | 99.3 | 210.0 | 324.4 | 437.6 | 101.9 | +2.6 | 204.6 | (2.6) | | | | | 411.6 | (5.9) |
| Oncology | 225.7 | 52.0 | 114.6 | 179.7 | 240.5 | 54.7 | +5.2 | 112.2 | (2.1) | | | | | 228.8 | (4.9) |
| Avastin | 95.6 | 21.4 | 46.7 | 73.0 | 95.6 | 20.4 | (4.7) | 40.7 | (12.8) | | | | | 73.3 | (23.3) |
| Tecentriq | 9.1 | 3.7 | 8.2 | 13.7 | 20.6 | 7.8 | +110.8 | 16.6 | +102.4 | | | | | 44.6 | +116.5 |
| Perjeta | 16.1 | 5.6 | 13.2 | 22.0 | 30.7 | 8.3 | +48.2 | 16.7 | +26.5 | | | | | 28.8 | (6.2) |
| Alecensa | 20.6 | 4.9 | 11.1 | 17.2 | 23.0 | 5.6 | +14.3 | 12.3 | +10.8 | | | | | 24.8 | +7.8 |
| Herceptin | 28.1 | 6.2 | 13.6 | 20.3 | 26.7 | 4.5 | (27.4) | 8.6 | (36.8) | | | | | 19.2 | (28.1) |
| Kadcyla | 8.5 | 2.0 | 4.4 | 6.8 | 9.0 | 2.1 | +5.0 | 4.6 | +4.5 | | | | | 11.7 | +30.0 |
| Rituxan | 21.3 | 3.1 | 6.4 | 9.2 | 11.9 | 1.9 | (38.7) | 3.7 | (42.2) | | | | | 6.3 | (47.1) |
| Gazyva | 0.6 | 0.6 | 1.5 | 2.5 | 3.6 | 1.0 | +66.7 | 2.1 | +40.0 | | | | | 5.4 | +50.0 |
| Xeloda | 12.5 | 2.4 | 4.7 | 6.4 | 8.0 | 1.1 | (54.2) | 2.0 | (57.4) | | | | | 3.1 | (61.3) |
| Rozlytrek | - | - | - | 0.0 | 0.0 | 0.0 | - | 0.1 | - | | | | | 1.0 | - |
| Other products | 13.2 | 2.1 | 4.8 | 8.4 | 11.3 | 2.0 | (4.8) | 4.9 | +2.1 | | | | | 10.5 | (7.1) |
| Bone and joint diseases | 100.5 | 24.2 | 52.0 | 80.5 | 108.4 | 24.9 | +2.9 | 50.5 | (2.9) | | | | | 90.1 | (16.9) |
| Actemra | 38.2 | 9.0 | 19.8 | 31.0 | 41.8 | 9.5 | +5.6 | 19.1 | (3.5) | | | | | 38.2 | (8.6) |
| Edirol | 32.9 | 8.0 | 17.3 | 27.1 | 36.7 | 8.8 | +10.0 | 18.3 | +5.8 | | | | | 26.1 | (28.9) |
| Bonviva | 9.4 | 2.3 | 4.8 | 7.2 | 9.7 | 2.1 | (8.7) | 4.2 | (12.5) | | | | | 9.7 | 0.0 |
| Other products | 20.1 | 4.9 | 10.2 | 15.2 | 20.2 | 4.5 | (8.2) | 8.8 | (13.7) | | | | | 16.0 | (20.8) |
| Renal diseases | 36.3 | 7.9 | 17.2 | 25.9 | 34.6 | 6.7 | (15.2) | 13.7 | (20.3) | | | | | 24.7 | (28.6) |
| Mircerca | 23.1 | 5.0 | 11.0 | 16.6 | 22.2 | 4.2 | (16.0) | 8.5 | (22.7) | | | | | 15.4 | (30.6) |
| Oxarol | 7.3 | 1.6 | 3.4 | 5.2 | 6.9 | 1.4 | (12.5) | 3.1 | (8.8) | | | | | 5.2 | (24.6) |
| Other products | 5.9 | 1.3 | 2.7 | 4.1 | 5.4 | 1.1 | (15.4) | 2.2 | (18.5) | | | | | 4.1 | (24.1) |
| Others | 37.5 | 15.2 | 26.2 | 38.4 | 54.1 | 15.5 | +2.0 | 28.2 | +7.6 | | | | | 68.0 | +25.7 |
| Hemlibra | 3.0 | 2.7 | 9.0 | 16.8 | 25.2 | 7.9 | +192.6 | 16.1 | +78.9 | | | | | 42.1 | +67.1 |
| CellCept | 9.0 | 2.2 | 4.6 | 6.9 | 9.3 | 2.2 | 0.0 | 4.5 | (2.2) | | | | | 8.4 | (9.7) |
| Tamiflu(Ordinary use) | 10.1 | 4.7 | 4.8 | 4.7 | 7.4 | 0.6 | (87.2) | 0.7 | (85.4) | | | | | 3.4 | (54.1) |
| Tamiflu(Govt. stockpiles etc.) | 0.5 | 3.2 | 3.2 | 3.2 | 3.2 | 2.6 | (18.8) | 2.6 | (18.8) | | | | | 3.2 | 0.0 |
| Foundation Medicine | - | - | 0.0 | 0.1 | 0.4 | 0.6 | - | 1.2 | - | | | | | 4.5 | +1,025.0 |
| Other products | 14.9 | 2.5 | 4.6 | 6.7 | 8.6 | 1.6 | (36.0) | 3.1 | (32.6) | | | | | 6.5 | (24.4) |
| Overseas | 127.9 | 38.4 | 72.4 | 116.0 | 151.3 | 42.6 | +10.9 | 101.0 | +39.5 | | | | | 168.4 | +11.3 |
| Actemra | 80.6 | 25.3 | 43.5 | 67.2 | 88.3 | 24.1 | (4.7) | 60.6 | +39.3 | | | | | 90.8 | +2.8 |
| To Roche | 78.7 | 24.9 | 42.6 | 65.8 | 86.5 | 23.5 | (5.6) | 59.4 | +39.4 | | | | | 88.8 | +2.7 |
| Alecensa | 29.5 | 8.4 | 19.9 | 34.8 | 45.3 | 6.2 | (26.2) | 16.8 | (15.6) | | | | | 39.0 | (13.9) |
| To Roche | 28.9 | 8.2 | 19.4 | 34.1 | 44.6 | 5.9 | (28.0) | 16.2 | (16.5) | | | | | 37.8 | (15.2) |
| Hemlibra | 2.3 | 0.7 | 1.6 | 3.1 | 3.6 | 8.6 | +1,128.6 | 16.4 | +925.0 | | | | | 23.9 | +563.9 |
| To Roche | 2.3 | 0.7 | 1.6 | 3.1 | 3.3 | 8.2 | +1,071.4 | 15.7 | +881.3 | | | | | 23.0 | +597.0 |
| Neutrogen | 11.1 | 2.5 | 5.0 | 7.6 | 9.9 | 2.5 | 0.0 | 4.5 | (10.0) | | | | | 9.1 | (8.1) |
| Enspryng | - | - | - | - | - | 0.1 | - | 0.4 | - | | | | | 1.6 | - |
| Other products | 4.4 | 1.4 | 2.4 | 3.4 | 4.2 | 1.1 | (21.4) | 2.2 | (8.3) | | | | | 4.0 | (4.8) |
| Royalties and other operating income | 51.9 | 16.6 | 37.9 | 68.4 | 97.3 | 34.9 | +110.2 | 62.5 | +64.9 | | | | | 160.0 | +64.4 |
| Royalty and profit-sharing income | 24.1 | 13.7 | 30.2 | 48.8 | 76.5 | 26.4 | +92.7 | 53.5 | +77.2 | | | | | 141.0 | +84.3 |
| Other operating income | 27.9 | 2.9 | 7.6 | 19.6 | 20.8 | 8.5 | +193.1 | 9.0 | +18.4 | | | | | 19.0 | (8.7) |
| Revenues | 579.8 | 154.3 | 320.3 | 508.9 | 686.2 | 179.4 | +16.3 | 368.1 | +14.9 | | | | | 740.0 | +7.8 |
| Domestic | 421.5 | 99.3 | 211.2 | 329.9 | 444.0 | 109.5 | +10.3 | 212.2 | +0.5 | | | | | 421.3 | (5.1) |
| Overseas | 158.3 | 55.0 | 109.1 | 179.0 | 242.2 | 69.9 | +27.1 | 155.9 | +42.9 | | | | | 318.6 | +31.5 |

Financial position

(Billions of yen)

| | Actual | Actual | | | | Actual | | | | | | | | | | |
|----------------------------------|---------|---------|---------|---------|---------|---------|-------------------|-------------------|---------|-------------------|-------------------|---------|-------------------|-------------------|---------|-------------------|
| | FY2018 | FY2019 | | | | FY2020 | | | | | | | | | | |
| | Dec. 31 | Mar. 31 | Jun. 30 | Sep. 30 | Dec. 31 | Mar. 31 | vs. Mar. 31, 2018 | vs. Dec. 31, 2018 | Jun. 30 | vs. Jun. 30, 2018 | vs. Dec. 31, 2018 | Sep. 30 | vs. Sep. 30, 2018 | vs. Dec. 31, 2018 | Dec. 31 | vs. Dec. 31, 2018 |
| Trade accounts receivable | 150.8 | 149.6 | 154.9 | 161.3 | 139.6 | 150.1 | 0.5 | 10.5 | 169.2 | 14.3 | 29.6 | | | | | |
| Inventories | 159.4 | 168.7 | 167.7 | 169.0 | 168.1 | 174.4 | 5.7 | 6.3 | 172.0 | 4.3 | 3.9 | | | | | |
| Trade accounts payable | (35.9) | (54.9) | (44.8) | (55.0) | (47.7) | (51.3) | 3.6 | (3.6) | (44.7) | 0.1 | 3.0 | | | | | |
| Other net working capital | (39.1) | (19.1) | (33.1) | (35.8) | (22.9) | (21.5) | (2.4) | 1.4 | 8.5 | 41.6 | 31.4 | | | | | |
| Net working capital | 235.1 | 244.3 | 244.6 | 239.4 | 237.2 | 251.6 | 7.3 | 14.4 | 305.0 | 60.4 | 67.8 | | | | | |
| Property, plant and equipment | 222.4 | 222.1 | 243.8 | 247.9 | 255.6 | 277.4 | 55.3 | 21.8 | 275.3 | 31.5 | 19.7 | | | | | |
| Right-of-use assets | – | 12.5 | 11.5 | 10.4 | 9.7 | 8.4 | (4.1) | (1.3) | 7.7 | (3.8) | (2.0) | | | | | |
| Intangible assets | 22.7 | 21.9 | 22.4 | 22.4 | 23.5 | 23.8 | 1.9 | 0.3 | 24.0 | 1.6 | 0.5 | | | | | |
| Other long-term assets – net | 25.1 | 27.9 | 27.7 | 28.0 | 21.0 | 24.9 | (3.0) | 3.9 | 24.4 | (3.3) | 3.4 | | | | | |
| Long-term net operating assets | 270.1 | 284.3 | 305.5 | 308.7 | 309.8 | 334.5 | 50.2 | 24.7 | 331.3 | 25.8 | 21.5 | | | | | |
| Net operating assets | 505.3 | 528.6 | 550.1 | 548.2 | 547.0 | 586.1 | 57.5 | 39.1 | 636.3 | 86.2 | 89.3 | | | | | |
| Debt | (0.2) | – | – | – | – | – | – | – | – | – | – | | | | | |
| Marketable securities | 102.5 | 111.5 | 111.9 | 109.1 | 129.1 | 134.0 | 22.5 | 4.9 | 94.1 | (17.8) | (35.0) | | | | | |
| Cash and cash equivalents | 146.9 | 125.8 | 149.2 | 177.0 | 203.9 | 138.7 | 12.9 | (65.2) | 196.6 | 47.4 | (7.3) | | | | | |
| Net cash | 249.2 | 237.4 | 261.0 | 286.2 | 333.1 | 272.7 | 35.3 | (60.4) | 290.7 | 29.7 | (42.4) | | | | | |
| Other non-operating assets – net | 2.1 | (5.5) | (18.9) | (21.2) | (26.1) | (4.7) | 0.8 | 21.4 | (21.1) | (2.2) | 5.0 | | | | | |
| Net non-operating assets | 251.3 | 231.8 | 242.1 | 265.0 | 307.0 | 268.0 | 36.2 | (39.0) | 269.6 | 27.5 | (37.4) | | | | | |
| Total net assets | 756.5 | 760.5 | 792.2 | 813.1 | 854.0 | 854.1 | 93.6 | 0.1 | 905.9 | 113.7 | 51.9 | | | | | |
| Total net assets | | | | | | | | | | | | | | | | |
| Total assets | 919.5 | 932.2 | 986.6 | 1,025.3 | 1,058.9 | 1,045.6 | 113.4 | (13.3) | 1,072.1 | 85.5 | 13.2 | | | | | |
| Total liabilities | (163.0) | (171.8) | (194.5) | (212.2) | (204.9) | (191.5) | (19.7) | 13.4 | (166.2) | 28.3 | 38.7 | | | | | |
| Attributable to | | | | | | | | | | | | | | | | |
| Chugai shareholders | 755.9 | 760.5 | 792.2 | 813.1 | 854.0 | 854.1 | 93.6 | 0.1 | 905.9 | 113.7 | 51.9 | | | | | |
| Non-controlling interests | 0.7 | – | – | – | – | – | – | – | – | – | – | | | | | |

Trade accounts receivable: trade receivable and notes receivable

Trade accounts payable: trade payable and notes payable

Other net working capital: accrued receivable (other receivable), accrued payable (other payable), accrued expenses (other current liabilities) etc.

Other long-term assets-net: long-term prepaid expenses, long-term provisions etc.

Other non-operating assets-net: deferred income tax assets, current income tax liabilities etc.

Net operating assets (NOA) and Net assets:

The consolidated balance sheet has been prepared in accordance with International Accounting Standards (IAS) No. 1, "Presentation of Financial Statements." On the other hand, Net operating assets (NOA) and Net assets are a reconfiguration of the consolidated balance sheet as internal indicators and are identical to the indicators disclosed by Roche. Furthermore, no items from Net operating assets (NOA) and Net assets of IFRS have been excluded, as the Core results concept only applies to the income statement.

Net operating assets (NOA):

Net operating assets allow for an assessment of the Group's operating performance of the business independently from financing and tax activities. Net operating assets are calculated as net working capital, long-term net operating assets that includes property, plant and equipment, right-of-use assets, intangible assets etc. minus provisions.

Cash flows

(Billions of yen)

| | Actual | Actual | | | | Actual | | | |
|--|--------|--------|--------|--------|--------|--------|--------|-----|------|
| | FY2018 | FY2019 | | | | FY2020 | | | |
| | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 |
| | YTD | YTD | YTD | YTD | YTD | YTD | YTD | YTD | YTD |
| Operating profit – IFRS basis | 124.3 | 46.1 | 95.1 | 160.9 | 210.6 | 72.4 | 140.6 | | |
| Depreciation and impairment of property, plant and equipment | 14.6 | 3.7 | 8.8 | 13.9 | 19.0 | 5.2 | 10.5 | | |
| Depreciation and impairment of right-of-use assets | – | 1.5 | 3.0 | 4.6 | 6.0 | 1.5 | 2.8 | | |
| Amortization and impairment of intangible assets | 6.8 | 2.1 | 3.7 | 4.4 | 5.3 | 0.9 | 1.6 | | |
| Other cash adjustment on operating profit | 1.6 | 0.8 | 1.7 | 3.1 | 4.3 | 1.1 | 2.0 | | |
| Operating profit, net of operating cash adjustments | 147.4 | 54.1 | 112.3 | 186.8 | 245.2 | 81.0 | 157.6 | | |
| (Increase) decrease in trade accounts receivable | (2.4) | 1.2 | (4.2) | (10.6) | 11.1 | (10.5) | (29.5) | | |
| (Increase) decrease in inventories | 14.2 | (9.5) | (8.7) | (10.4) | (9.0) | (6.8) | 3.6 | | |
| Increase (decrease) in trade accounts payable | (2.4) | 18.9 | 9.0 | 19.3 | 11.8 | 3.7 | (3.0) | | |
| Change in other net working capital etc. | (4.8) | (13.2) | (23.2) | (19.8) | (7.7) | (21.2) | (32.4) | | |
| Total (increase) decrease in net working capital etc. | 4.5 | (2.5) | (27.1) | (21.5) | 6.2 | (34.8) | (61.4) | | |
| Investment in property, plant and equipment | (71.8) | (7.4) | (10.1) | (21.1) | (53.0) | (11.1) | (40.6) | | |
| Lease liabilities paid | – | (2.2) | (4.5) | (6.6) | (8.9) | (2.1) | (4.2) | | |
| Investment in intangible assets | (5.9) | (3.8) | (5.4) | (6.5) | (8.2) | (1.2) | (2.3) | | |
| Operating free cash flows | 74.3 | 38.3 | 65.3 | 131.0 | 181.4 | 31.8 | 49.0 | | |
| as % of revenues | 12.8% | 24.8% | 20.4% | 25.7% | 26.4% | 17.7% | 13.3% | | |
| Treasury activities (interest income/expenses, foreign exchange gains/losses etc.) | 4.3 | 0.1 | (0.8) | 2.8 | (0.9) | 0.6 | 2.2 | | |
| Settlement for transfer pricing taxation | (3.2) | (0.8) | (1.5) | (2.2) | (3.1) | (0.5) | (0.9) | | |
| Tax paid | (31.6) | (17.8) | (18.2) | (34.5) | (34.8) | (41.0) | (41.9) | | |
| Free cash flows | 43.7 | 19.7 | 44.7 | 97.1 | 142.6 | (9.1) | 8.4 | | |
| Dividends paid | (35.8) | (29.9) | (30.1) | (56.2) | (56.4) | (50.1) | (50.4) | | |
| Transaction in own equity instruments | 1.0 | 0.2 | 0.4 | 0.5 | 0.7 | 0.3 | 0.3 | | |
| Purchase of non-controlling interests | – | (1.7) | (2.3) | (2.3) | (2.3) | – | – | | |
| Net effect of currency translation on net cash | (2.5) | (0.2) | (0.8) | (2.1) | (0.8) | (1.4) | (0.8) | | |
| Net change in net cash | 6.4 | (11.8) | 11.8 | 37.0 | 83.9 | (60.4) | (42.4) | | |

Other cash adjustment on operating profit: adjustments for all non-cash income and expense items other than amortization expenses and impairment included in operating profit (such as loss on inventory differences, reserve for doubtful accounts, stock option expenses, loss on asset retirement, and increase/decrease in reserves) as well as all non-operating income and expense cash flows relating to net operating assets (NOA) (including proceeds from the sales of assets and reserve payments).

Operating free cash flow (Operating FCF): pretax cash flow after adjusting changes in working capital and operating investments in assets (tangible and intangible) to “operating profit, net of operating cash adjustments,” which shows the company’s cash generation ability from operating activities.

Free cash flow (FCF): the ability to generate net cash from a management perspective after deducting tax, dividends, and other payments from operating FCF.

Net change in net cash: dividends paid, increases and decreases in marketable securities and interest-bearing debt, changes in equity are included.

The concepts of operating profit, operating FCF and Net operating assets (NOA) presented in the previous page are mutually consistent.

Free cash flow (FCF):

The consolidated statement of cash flows has been prepared in accordance with International Accounting Standard (IAS) No. 7, “Statement of Cash Flows.” FCF is a reconfiguration of the consolidated statement of cash flows as internal indicators and is identical to the indicators disclosed by Roche. Furthermore, no items from FCF have been excluded, as the Core results concept only applies to the income statement.

Key Performance indicators

| | Units | Actual | Actual | | | | Actual | | | | Forecast (Jan 30th announced) |
|---|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------------------------------|
| | | 2018 | 2019 | | | | 2020 | | | | 2020 |
| | | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-3 | 1-6 | 1-9 | 1-12 | 1-12 |
| | | As of Dec. 31 | As of Mar. 31 | As of Jun. 30 | As of Sep. 30 | As of Dec. 31 | As of Mar. 31 | As of Jun. 30 | As of Sep. 30 | As of Dec. 31 | As of Dec. 31 |
| Total indicator | | | | | | | | | | | |
| Core return on invested capital (Core ROIC) | % | 21.2 | 7.0 | 14.3 | 23.7 | 31.9 | 9.5 | 17.8 | | | |
| Return on invested capital (ROIC) | % | 20.3 | 6.8 | 13.2 | 22.4 | 30.1 | 9.3 | 17.5 | | | |
| Ratio of profit to total assets (ROA) | % | 10.5 | 3.8 | 7.2 | 12.0 | 15.8 | 4.9 | 9.6 | | | |
| Ratio of equity attributable to Chugai shareholders | % | 82.2 | 81.6 | 80.3 | 79.3 | 80.6 | 81.7 | 84.5 | | | |
| Ratio of equity attributable to Chugai shareholders (stock price base) | % | 379.7 | 446.8 | 390.6 | 448.5 | 521.2 | 654.7 | 883.9 | | | |
| Price book value ratio (PBR) | times | 4.6 | 5.5 | 4.9 | 5.7 | 6.5 | 8.0 | 10.5 | | | |
| Ratio of net income to equity attributable to Chugai shareholders (ROE) | % | 12.8 | 4.6 | 8.9 | 15.0 | 19.6 | 6.0 | 11.6 | | | |
| Margin indicator | | | | | | | | | | | |
| ROS | % | 22.5 | 31.0 | 32.3 | 33.6 | 32.8 | 41.3 | 39.0 | | | 37.2 |
| COS ratio (vs. Prod. sales) | % | 49.6 | 46.3 | 45.1 | 45.7 | 45.0 | 42.2 | 42.9 | | | 43.4 |
| M&D cost ratio | % | 12.7 | 10.0 | 10.3 | 10.0 | 10.7 | 8.6 | 8.8 | | | |
| R&D cost ratio | % | 16.2 | 15.3 | 15.0 | 14.1 | 14.9 | 13.9 | 14.4 | | | 15.5 |
| G&A cost ratio | % | 3.4 | 2.4 | 2.6 | 2.7 | 3.0 | 2.2 | 2.2 | | | |
| Turn over indicator | | | | | | | | | | | |
| Total asset turnover | % | 65.4 | 16.5 | 33.4 | 51.9 | 68.9 | 17.1 | 34.5 | | | |
| Working capital turnover | % | 122.6 | 29.4 | 59.9 | 95.3 | 128.7 | 31.7 | 62.2 | | | |
| Inventory turnover | Months | 7.3 | 7.9 | 7.9 | 7.5 | 7.6 | 8.5 | 7.8 | | | |
| Receivables turnover | Months | 3.4 | 3.3 | 3.3 | 3.3 | 2.8 | 3.1 | 3.3 | | | |
| Payables turnover | Months | 1.6 | 2.6 | 2.1 | 2.5 | 2.2 | 2.5 | 2.0 | | | |
| Fixed asset turnover | % | 264.9 | 59.8 | 119.1 | 188.2 | 250.0 | 60.0 | 123.6 | | | |
| PP&E turnover | % | 294.3 | 69.5 | 137.5 | 216.5 | 287.3 | 67.3 | 138.7 | | | |
| Intangible assets turnover | % | 2,648.9 | 692.3 | 1,419.3 | 2,256.5 | 2,968.0 | 757.7 | 1,548.1 | | | |
| Dividend / per stock indicator | | | | | | | | | | | |
| Dividends per share (Half year) | Yen | 31 | | | | 48 | | | | 75 | 75 |
| Dividends per share (Year end) | Yen | 55 | | | | 92 | | | | | 25 |
| Dividends per share (Full year) | Yen | 86 | | | | 140 | | | | | - |
| Core earnings per share (diluted) | Yen | 58.81 | 22.05 | 45.70 | 75.69 | 101.93 | 32.04 | 63.51 | | | 122.00 |
| Core payout ratio (%) | % | 48.7 | | | | 45.8 | | | | | 41.0 |
| Equity per share attributable to Chugai shareholders (BPS) | Yen | 460.42 | 463.15 | 482.38 | 495.10 | 519.91 | 519.90 | 551.13 | | | |
| Ratio of dividends to equity attributable to Chugai shareholders (DOE) | % | 6.5 | | | | 9.5 | | | | | |
| Cashflow indicator | | | | | | | | | | | |
| Cash conversion cycle (CCC) | Months | 9.1 | 8.6 | 9.1 | 8.4 | 8.3 | 9.1 | 9.1 | | | |
| Net cash turnover period | Months | 5.2 | 4.6 | 4.9 | 5.1 | 5.8 | 4.6 | 4.7 | | | |
| Other indicators | | | | | | | | | | | |
| Number of employees | | 7,432 | 7,411 | 7,531 | 7,384 | 7,394 | 7,400 | 7,536 | | | |
| Investment on property, plant and equipment | Billions of yen | 71.8 | 3.7 | 30.8 | 40.4 | 54.0 | 27.3 | 38.7 | | | 72.5 |
| Depreciation | Billions of yen | 14.6 | 3.7 | 7.6 | 12.7 | 17.8 | 5.2 | 10.5 | | | 21.0 |
| Investment on intangible assets | Billions of yen | 8.5 | 1.2 | 3.5 | 4.1 | 6.1 | 1.1 | 2.1 | | | |
| Amortization | Billions of yen | 2.0 | 0.6 | 1.2 | 1.9 | 2.6 | 0.7 | 1.5 | | | |

Core ROIC: Core net operating profit after taxes / Net operating assets (Core ROIC is calculated by using Core Income taxes)

ROIC: Net operating profit after taxes / Net operating assets (Net operating profit after taxes = Operating profit - income taxes)

ROA: Net income / total assets, ROE: Net income attributable to Chugai shareholders / Equity attributable to Chugai shareholders

Total asset turnover: Revenues / Total asset, CCC: [Trade accounts receivable/Sales + (Inventories - Trade accounts payable)/Cost of sales]* passed months

Net cash turnover period: Net cash/Revenue* passed months

Core ROIC, ROIC, ROA, ROE, total asset turnover, working capital turnover, fixed asset turnover, PP&E turnover, and intangible assets turnover are not annualized

The Adjusted figures are used for calculating average NOA for Core ROIC and ROIC

Effective July 1, 2020, Chugai Pharmaceutical Co., Ltd. ("Chugai") has implemented a three-for-one stock split of its common stock.

The dividend for the fiscal year ended December 31, 2018 and 2019 and the second quarter of the fiscal year 2020 presents the amount prior to the stock split.

The full-year dividends per share forecast is not stated because the amounts cannot be simply combined due to the implementation of the stock split.

When calculated based on the assumption of no stock split, the year-end dividend is ¥75 and the full-year dividend per share is ¥150.

Core EPS, BPS are calculated based on the assumption that the stock split was implemented.

Development pipeline (as of July 27, 2020)

| Development code | Indication # Additional indication | Stage (Date) | Generic name Product name Dosage form | Origin Overseas name (Collaborator) | Mode of Action |
|------------------------|--|---|---|---|---|
| <u>Oncology</u> | | | | | |
| RG6268 | Non-small cell lung cancer (NSCLC) # | Approved (20/02) | entrectinib Rozlytrek Oral | Roche/Nerviano Medical Sciences | ROS1/TRK inhibitor |
| RG7446 | Hepatocellular carcinoma # | Filed (20/02) | atezolizumab Tecentriq Injection | Roche Tecentriq | Engineered anti-PD-L1 monoclonal antibody |
| | NSCLC (adjuvant) # | Phase III | | | |
| | NSCLC (neoadjuvant) # | Phase III | | | |
| | Urothelial carcinoma # | Phase III | | | |
| | Renal cell carcinoma (adjuvant) # | Phase III | | | |
| | Early breast cancer # | Phase III | | | |
| | Ovarian cancer # | Phase III | | | |
| | Hepatocellular carcinoma (adjuvant) # | Phase III | | | |
| | Head and neck carcinoma (adjuvant) # | Phase III | | | |
| | Renal cell carcinoma # | Development discontinued | | | |
| RG3502 | Breast cancer (adjuvant) # | Filed (19/08) | trastuzumab emtansine Kadcyla Injection | Roche Kadcyla | Anti-HER2 antibody-tubulin polymerization inhibitor conjugate |
| RG435 | Hepatocellular carcinoma # | Filed (20/02) (in combination with RG7446) | bevacizumab Avastin Injection | Roche Avastin | Anti-VEGF (Vascular Endothelial Growth Factor) humanized monoclonal antibody |

| Development code | Indication # Additional indication | Stage (Date) | Generic name Product name Dosage form | Origin Overseas name (Collaborator) | Mode of Action |
|------------------|--|--|--|---|---|
| | Hepatocellular carcinoma (adjuvant) # | Phase III (in combination with RG7446) | | | |
| | Small cell lung cancer (SCLC) # | Phase III (in combination with RG7446) | | | |
| | Renal cell carcinoma # | Development discontinued (in combination with RG7446) | | | |
| RG7596 | Relapsed or refractory diffuse large B-cell lymphoma (DLBCL) | Filed (20/06) | polatuzumab vedotin | Roche/Seattle Genetics Polivy | Anti-CD79b antibody-drug conjugate |
| | Diffuse large B-cell lymphoma (DLBCL) | Phase III | Injection | | |
| RG7440 | Prostate cancer | Phase III | ipatasertib | Roche/Array BioPharma | AKT inhibitor |
| | Breast cancer | Phase III | Oral | | |
| RG6264 | Breast cancer (Fixed-dose combination, subcutaneous injection) | Phase III | trastuzumab/pertuzumab Herceptin/Perjeta Injection | Roche Herceptin/Perjeta | Anti-HER2 humanized monoclonal antibody/ HER2 dimerization inhibitory humanized monoclonal antibody |
| AF802 / RG7853 | NSCLC (adjuvant) # | Phase III | alectinib Alecensa Oral | In-house Alecensa (Roche) | ALK inhibitor |
| RG6058 | SCLC | Phase III | tiragolumab | Roche | Anti-TIGIT human monoclonal antibody |
| | NSCLC | Phase III | Injection | | |
| OBP-301 | Esophageal cancer | Phase II | Injection | Oncolys BioPharma | Oncolytic type 5 adenovirus |
| GC33 | Hepatocellular carcinoma | Phase I | codrituzumab Injection | In-house | Anti-Glypican-3 humanized monoclonal antibody |

| Development code | Indication # Additional indication | Stage (Date) | Generic name Product name Dosage form | Origin Overseas name (Collaborator) | Mode of Action |
|---------------------------------------|--|---------------------------|---|---|--|
| ERY974 | Solid tumors | Phase I | Injection | In-house | Anti-Glypican-3/CD3 bispecific antibody |
| RG7421 | Solid tumors | Phase I | cobimetinib Oral | Roche/Exelixis Cotellic | MEK inhibitor |
| RG7802 | Solid tumors | Phase I | cibisatamab Injection | Roche | Anti-CEA/CD3 bispecific antibody |
| RG7828 | Hematologic tumors | Phase I | mosunetuzumab Injection | Roche | Anti-CD20/CD3 bispecific antibody |
| RG6026 | Hematologic tumors | Phase I | glofitamab Injection | Roche | Anti-CD20/CD3 bispecific antibody |
| RG7461 | Solid tumors | Phase I | Injection | Roche | Anti-FAP humanized antibody-engineered IL-2 variant fusion protein |
| AMY109 | Solid tumors | Phase I | Injection | In-house | — |
| STA551 | Solid tumors | Phase I | Injection | In-house | — |
| RG6171 | Breast cancer | Phase I | Oral | Roche | SERD (Selective Estrogen Receptor Downregulator) |
| <u>Bone and Joint Diseases</u> | | | | | |
| ED-71 | Osteoporosis | Filed (18/02) China | eldecacitol Edirol Oral | In-house | Activated vitamin D ₃ agent |
| NRD101 | Knee osteoarthritis /Shoulder periarthritis | Phase III China | purified sodium hyaluronate Suvenyl Injection | In-house | Sodium hyaluronate |

| Development code | Indication # Additional indication | Stage (Date) | Generic name Product name Dosage form | Origin Overseas name (Collaborator) | Mode of Action |
|----------------------------|--|------------------------|---|---|---|
| Renal Diseases | | | | | |
| EOS789 | Hyperphosphatemia | Phase I | Oral | In-house | — |
| Autoimmune Diseases | | | | | |
| RG7845 | Rheumatoid arthritis | Phase I | fenebrutinib Oral | Roche | BTK inhibitor |
| RG7880 | Inflammatory bowel disease | Phase I | Injection | Roche | Human IL-22 fusion protein |
| Neurology | | | | | |
| SA237 / RG6168 | Neuromyelitis optica spectrum disorder (NMOSD) | Approved (20/06) Japan | satralizumab Enspryng Injection | In-house Enspryng (Roche) | Anti-IL-6 receptor recycling antibody |
| | | Filed (19/08) US | | | |
| | | Filed (19/08) EU | | | |
| RG1450 | Alzheimer's disease | Phase III | gantenerumab Injection | Roche/MorphoSys | Anti-amyloid-beta human monoclonal antibody |
| RG6042 | Huntington's disease | Phase III | tominersen Injection | Roche/Ionis Pharmaceuticals | Antisense oligonucleotide targeting <i>HTT</i> mRNA |
| RG7916 | Spinal muscular atrophy (SMA) | Phase II/III | risdiplam Oral | Roche/PTC Therapeutics | SMN2 splicing modifier |
| RG7906 | Schizophrenia | Phase II | ralmitaront Oral | Roche | — |
| RG7935 | Parkinson's disease | Phase I | prasinezumab Injection | Roche/Prothena | Anti- α -synuclein monoclonal antibody |

| Development code | Indication # Additional indication | Stage (Date) | Generic name Product name Dosage form | Origin Overseas name (Collaborator) | Mode of Action |
|-----------------------|---|-----------------------------|---|---|--|
| GYM329 / RG6237 | Neuromuscular disease | Phase I | Injection | In-house (Roche) | Anti-latent myostatin sweeping antibody |
| RG6100 | Alzheimer's disease | Phase I | semorinemab injection | Roche/AC Immune | Anti-tau humanized monoclonal antibody |
| RG7314 | Autism spectrum disorder | Development discontinued | balovaptan Oral | Roche | Vasopressin 1a receptor antagonist |
| Other diseases | | | | | |
| MRA / RG1569 | COVID-19 pneumonia # | Phase III* Japan | tocilizumab Actemra Injection | In-house Actemra/RoActemra (EU) | Humanized anti-human IL-6 receptor monoclonal antibody |
| RG7716 | Diabetic macular edema | Phase III | faricimab | Roche | Anti-VEGF/Ang2 bispecific antibody |
| | Neovascular age related macular degeneration (nAMD) | Phase III | Injection | | |
| ACE910 / RG6013 | Acquired hemophilia A # | Phase III Japan | emicizumab Hemlibra Injection | In-house Hemlibra | Anti-coagulation factor IXa/X humanized bispecific monoclonal antibody |
| SKY59 / RG6107 | Paroxysmal nocturnal hemoglobinuria (PNH) | Phase I/II | crovalimab Injection | In-house (Roche) | Anti-C5 recycling antibody |
| NXT007 | Hemophilia A | Phase I/II | Injection | In-house | Anti-coagulation factor IXa/X bispecific antibody |
| PCO371 | Hypoparathyroidism | Phase I | Oral | In-house | PTH1 receptor agonist |
| AMY109 | Endometriosis | Phase I | Injection | In-house | — |

In principle, completion of first dose is regarded as the start of clinical studies in each phase.

*: Roche is conducting global Phase III studies of Actemra/RoActemra against COVID-19 pneumonia separately.

Changes from the last announcement on April 23, 2020

Oncology

- RG7446 Phase III (Renal cell carcinoma) → Development discontinued
- RG435 Phase III (Renal cell carcinoma; in combination with RG7446) → Development discontinued
- RG7596 Phase III (Relapsed or refractory diffuse large B-cell lymphoma) → Filed

Neurology

- SA237/RG6168 Filed (Neuromyelitis optica spectrum disorder) → Approved (Japan)
- RG7314 Phase I (Autism spectrum disorder) → Development discontinued

Other diseases

- MRA/RG1569 Phase III (COVID-19 pneumonia: development started / Japan)
- ACE910/RG6013 Phase III (Acquired hemophilia A: development started / Japan)

R&D Activities

For the changes during the second quarter of FY2020 (January 1 – June 30), please refer to page 5 of “CONSOLIDATED FINANCIAL STATEMENTS (IFRS) (Non-Audited) (for the second quarter of the fiscal year 2020).”

Major Chugai originated developments licensed out to 3rd party excluding Roche

| Development code in Chugai | Indication | Stage | Generic name Product name Dosage form | Licensee (granted right) | Mode of Action |
|----------------------------|-------------------|-------------------------|---|---|---|
| CIM331 | Atopic dermatitis | Phase III (global) | nemolizumab Injection | Galderma (exclusive global license for the development and marketing excluding Japan and Taiwan) | Anti-IL-31 receptor A humanized monoclonal antibody |
| | | Phase III (domestic) | | Maruho (rights for development and marketing in the skin disease area for the Japanese market) | |
| | Prurigo nodularis | Phase II (global) | | Galderma (exclusive global license for the development and marketing excluding Japan and Taiwan) | |
| OWL833 | Type 2 diabetes | Phase I | Oral | Eli Lilly and Company (worldwide development and commercialization rights) | Oral non-peptidic GLP-1 receptor agonist |

Major clinical trials in oncology field

| Treatment | Expected Indication | Study design | Study name | Stage | Planned filing year | |
|-------------------------------------|--|--|---------------|--------------|---------------------|-----------------|
| RG3502, Kadcylla | Breast cancer (adjuvant) | Kadcyla vs. Herceptin | KATHERINE | Phase III | Filed | |
| | | Kadcyla + Perjeta vs. Herceptin + Perjeta + chemo | KAITLIN | Phase III | | |
| RG7446 (Tecentriq) | NSCLC [1st line] | PD-L1 positive: Tecentriq vs. chemo | IMpower110 | Phase III | - | |
| | | TMB* positive: Tecentriq vs. chemo | B-FAST | Phase II/III | | |
| | | PD-L1 positive: Tecentriq ± RG6058 | SKYSCRAPER-01 | Phase III | | 2023 and beyond |
| | | Chemo ± Tecentriq | IMpower030 | Phase III | | 2023 and beyond |
| | NSCLC (neoadjuvant) | Tecentriq vs. best supportive care | IMpower010 | Phase III | 2022 | |
| | SCLC | Tecentriq + chemo ± Avastin | BEAT-SC | Phase III* | 2023 and beyond | |
| | | Tecentriq + chemo ± RG6058 | SKYSCRAPER-02 | Phase III | 2022 | |
| | Urothelial carcinoma (UC) | Tecentriq ± chemo vs. chemo | IMvigor130 | Phase III | 2020 | |
| | Renal cell carcinoma (adjuvant) | Tecentriq | IMmotion010 | Phase III | 2022 | |
| | Breast cancer | TNBC** : paclitaxel ± Tecentriq | IMpassion131 | Phase III | - | |
| | | TNBC** (adjuvant): paclitaxel ± Tecentriq | IMpassion030 | Phase III | 2021 | |
| | | TNBC (neoadjuvant): nab-paclitaxel ± Tecentriq | IMpassion031 | Phase III | | |
| | HER2+ (neoadjuvant): Herceptin + Perjeta + chemo ± Tecentriq | IMpassion050 | Phase III | | | |
| | Ovarian cancer | carboplatin + paclitaxel + Avastin ± Tecentriq | IMagn050 | Phase III | 2020 | |
| | Hepatocellular carcinoma | Tecentriq + Avastin vs. sorafenib | IMbrave150 | Phase III | Filed | |
| Hepatocellular carcinoma (adjuvant) | Tecentriq + Avastin vs. active surveillance | IMbrave050 | Phase III | 2022 | | |
| Head and neck carcinoma (adjuvant) | Tecentriq | IMvoke010 | Phase III | 2022 | | |
| RG7440 (ipatasertib) | Prostate cancer | abiraterone ± RG7440 | IPATential150 | Phase III | 2021 | |
| | Breast cancer | TNBC: paclitaxel ± RG7440 HR+ breast cancer: paclitaxel ± RG7440 | IPATunity130 | Phase III | 2020 | |
| | | fulvestrant + palbociclib ± RG7440 | IPATunity150 | Phase Ib/III | | |
| | | PD-L1 negative TNBC: paclitaxel ± Tecentriq ± RG7440 PD-L1 positive TNBC: paclitaxel + Tecentriq ± RG7440 | IPATunity170 | Phase III | | |
| RG7596 (polatuzumab vedotin) | r/r DLBCL | Rituxan + bendamustine + RG7596 | P-DRIVE | Phase II* | Filed | |
| | DLBCL | Rituxan + Chemo ± RG7596 | POLARIX | Phase III | 2021 | |
| RG6264 | Breast cancer | RG6264 (SC) + chemo vs. Herceptin (IV) + Perjeta (IV) + chemo | FeDeriCa | Phase III | 2021 | |
| AF802, Alecensa | NSCLC (adjuvant) | ALK fusion-positive: Alecensa vs. chemo | ALINA | Phase III | 2023 and beyond | |
| OBP-301 | Esophageal cancer | OBP-301 + radiotherapy | - | Phase II* | 2022 | |

TMB: tumor mutational burden, TNBC: triple negative breast cancer, HR: hormone receptor, *: domestic