 Pacheco Group

FY2008 1Q Consolidated Financial Overview

CHUGAI PHARMACEUTICAL CO., LTD.
Executive Vice President and CFO
Ryuzo Kodama

April 22, 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.

Note: Amounts are rounded to the nearest 0.1 billion yen.
% is calculated based on amounts shown.

Financial Overview (Year on Year)

(Billion Yen)	Mar. 2007	Mar. 2008	Variance	
				(%)
Revenues	91.1	66.2	-24.9	-27.3
Cost of Sales	39.8	25.0	-14.8	-37.2
% of Sales	46.2%	37.9%		
Selling & Admin. Exp.	19.0	19.4	+ 0.4	+2.1
% of Revenues	20.9%	29.3%		
R&D Exp.	11.9	11.8	-0.1	-0.8
% of Revenues	13.1%	17.8%		
Operating Income	20.4	10.1	-10.3	-50.5
% of Revenues	22.4%	15.3%		
Recurring Profit	21.2	10.2	-11.0	-51.9
% of Revenues	23.3%	15.4%		
Net Income	13.3	6.7	-6.6	-49.6
% of Revenues	14.6%	10.1%		

	(Billion yen)	
> Revenues	-24.9	(-27.3%)
Refer to P.4-P.6		
> Operating Income	-10.3	(-50.5%)
Refer to P.7		
> Recurring Profit	-11.0	(-51.9%)
> Net Income	-6.6	(-49.6%)

Foreign Exchange Rate

Average rate (Jan. 1 – Mar. 31, 2007)

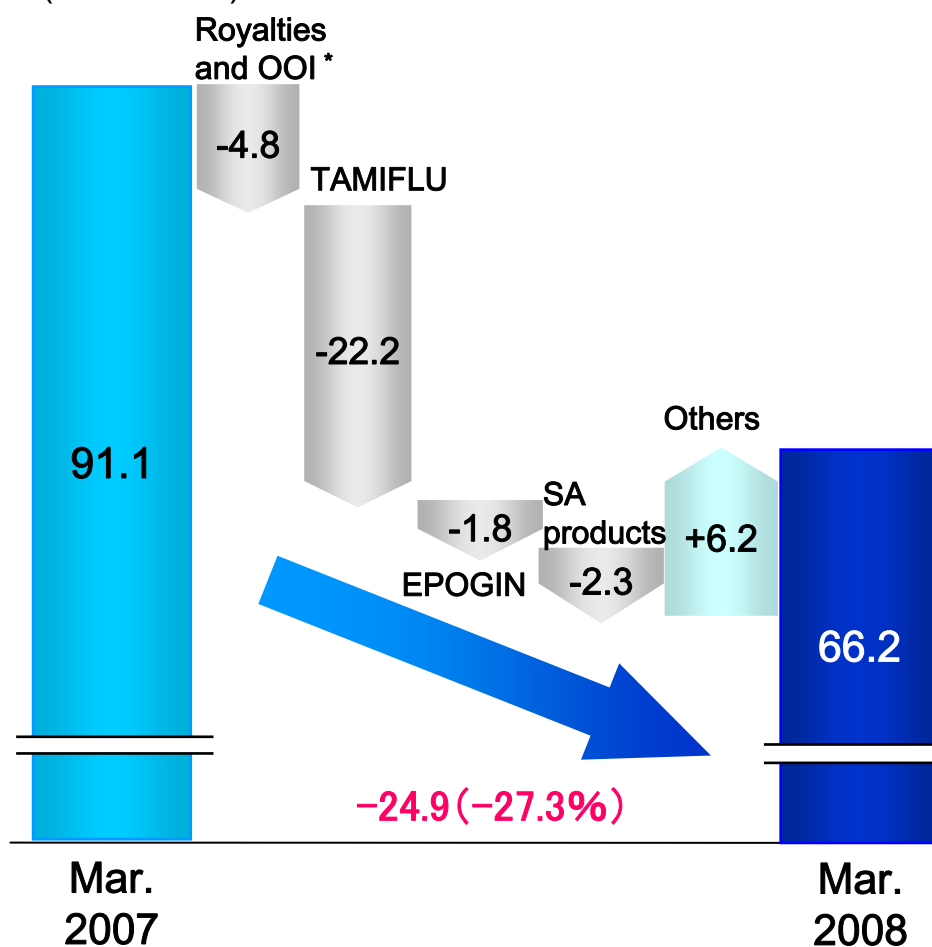
119.41Yen/US\$, 156.51Yen/€, 233.43Yen/ £ , 96.83Yen/CHF

Average rate (Jan. 1 – Mar. 31, 2008)

105.43Yen/US\$, 157.85Yen/€, 208.56Yen/ £ , 98.58Yen/CHF

Revenues (Year on Year)

(Billion Yen)



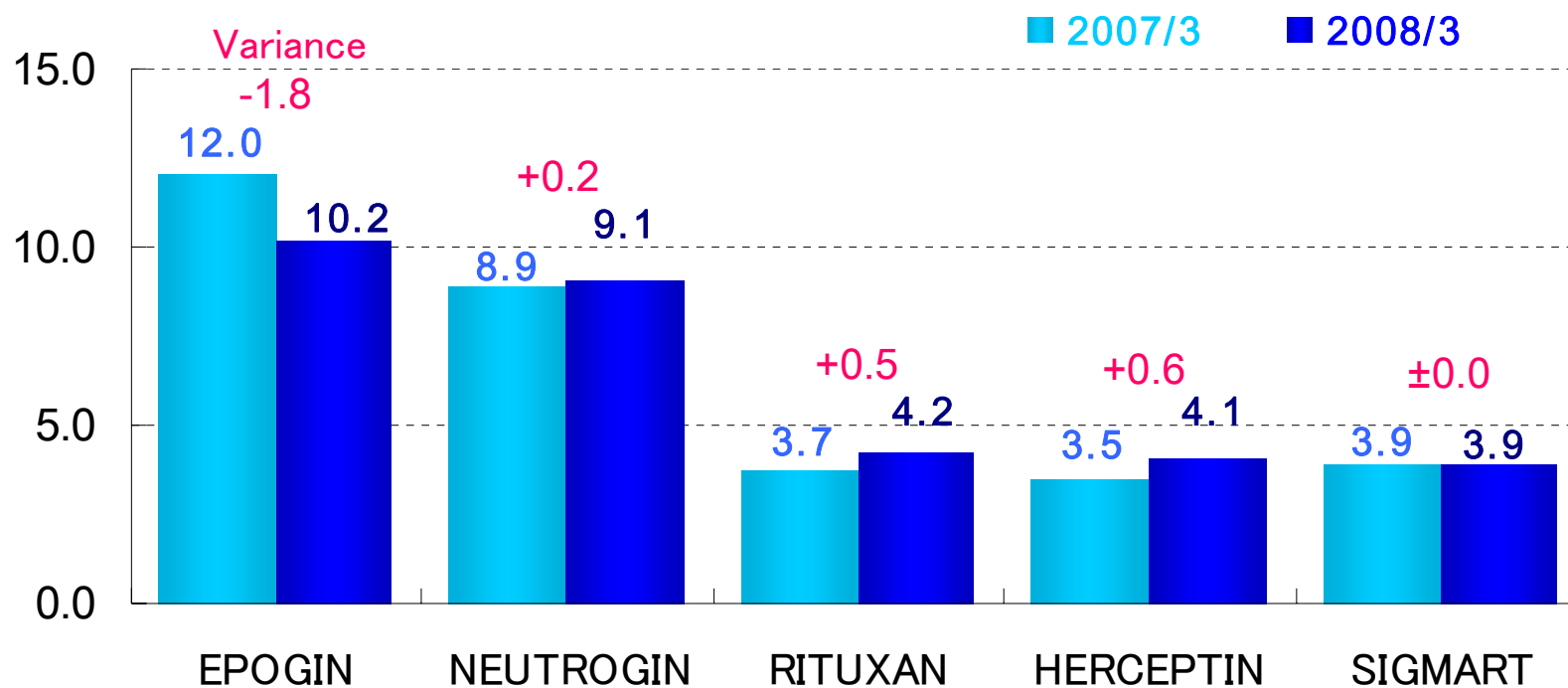
<Breakdown of Revenues>

(Billion Yen)	Mar.2007	Mar.2008	Variance	(%)	
Revenues	91.1	66.2	-24.9	-27.3	
Sales	86.1	65.9	-20.2	-23.5	
TAMIFLU	Ordinary Sales	4.9	1.3	-3.6	-73.5
	Govt. Stock etc.	18.9	0.2	-18.7	-98.9
	Total	23.8	1.6	-22.2	-93.3
Sales excl. TAMIFLU	62.3	64.4	+2.1	+3.4	
EPOGIN	12.0	10.2	-1.8	-15.0	
Others	50.3	54.2	+3.9	+7.8	
Royalties and OOI*	5.0	0.2	-4.8	-96.0	
Overseas	9.1	7.8	-1.3	-14.3	

* other operating income

Sales of Top Five Products (Year on Year)

(Billion Yen)



TAMIFLU: Sales Performance

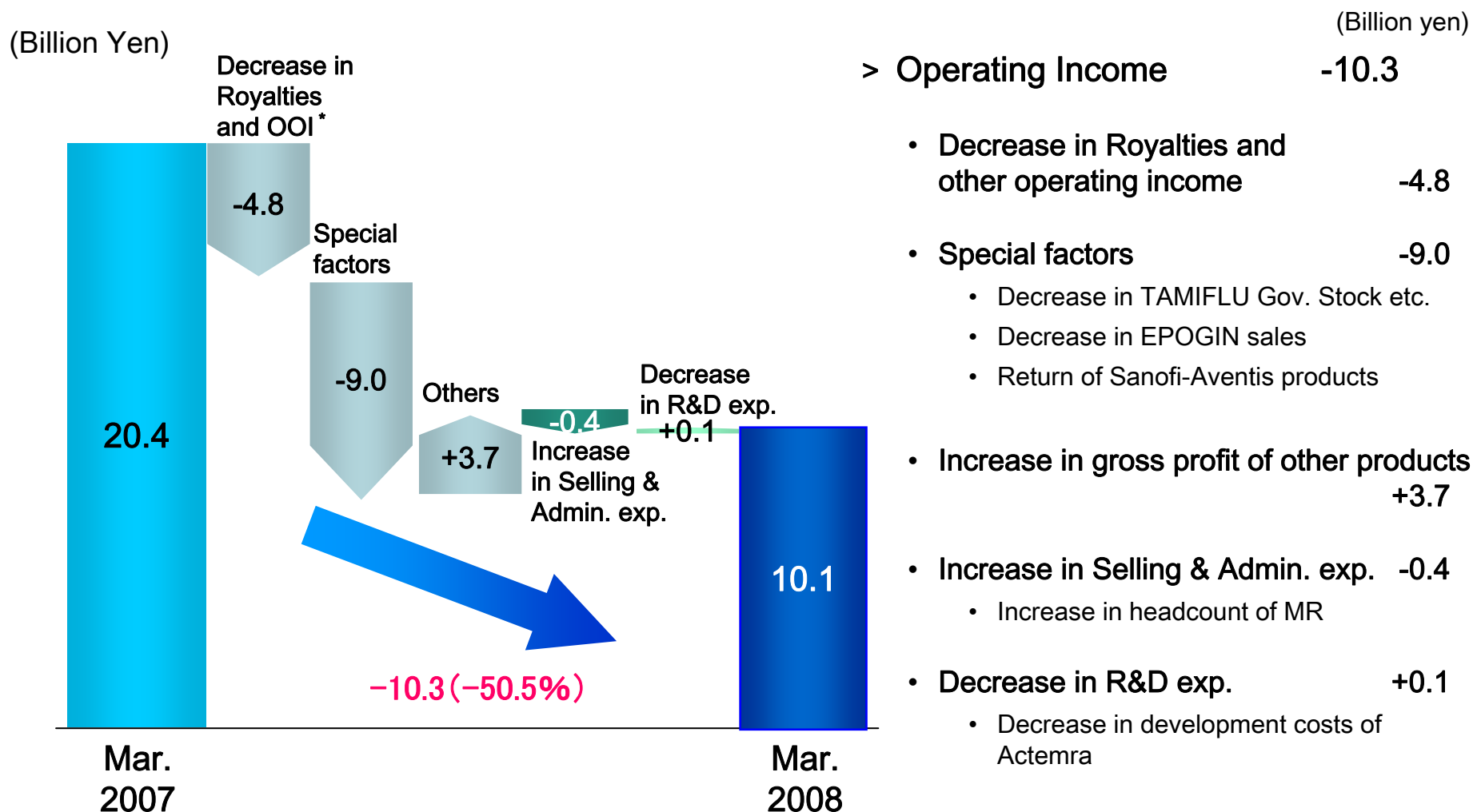
(Billion Yen)		Fiscal Term Sales											Seasonal Sales	Number of Patients* (millions)	
		FY2003.3		FY2003.12	FY2004.12		FY2005.12		FY2006.12		FY2007.12				FY2008
		Oct.-Dec.	Jan.-Mar.	Apr.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.	Jan.-Jun.	Jul.-Dec.			Jan.-Mar.
Ordinary Seasonal Sales	2002/2003	5.2	7.2											12.4	1.19
	2003/2004			11.6	7.2									18.8	0.77
	2004/2005					1.4	23.2							24.6	1.47
	2005/2006							11.9	9.9					21.8	0.92
	2006/2007									3.7	5.0			8.7	1.01
	2007/2008											5.2	1.3	6.5	0.65*
Ordinary Sales		12.4		11.6	8.6		35.1		13.6		10.2		1.3		
Govt. Stock etc.	2005/2006							0.2	6.5					6.7	
	2006/2007									17.9	18.9			36.8	
	2007/2008											9.6	0.2	9.8	
	Govt. Stock etc.						0.2		24.4		28.5		0.2		
Total Sales		5.2	7.2	11.6	7.2	1.4	23.2	12.0	16.3	21.6	23.8	14.8			
		12.4		11.6	8.6		35.2		38.0		38.7				

*Total patients number of the controlled samples in the infectious Diseases Weekly Report, period between late October and mid-April, published by Japan's National Institute of Infectious Diseases. (2007/2008 figures is estimate.)



Sales Jul.2007 – Mar.2008

Operating Income (Year on Year)



Revised Forecast

(Billion)	1H			FY			<Main Reasons for Revision> (Billion yen)
	Forecast Jan.30	Revised Forecast Apr.22	Variance	Forecast Jan.30	Revised Forecast Apr.22	Variance	
Revenues	148.2	150.0	+1.8	327.0	335.0	+8.0	> Revenues +8.0 Impact from price cut Increase in Royalties and other operating income
Operating Income	12.5	19.0	+6.5	31.5	43.0	+11.5	> Operating Income +11.5 Modification of purchasing price from Roche
% of Revenues	8.4%	12.7%		9.6%	12.8%		
Recurring Profit	12.7	19.0	+6.3	31.2	42.2	+11.0	> Net Income +12.0 Adjustment in co-development cost sharing for Actemra
% of Revenues	8.6%	12.7%		9.5%	12.6%		
Net Income	7.1	15.5	+8.4	17.0	29.0	+12.0	
% of Revenues	4.8%	10.3%		5.2%	8.7%		



 Roche Group

Overview of R&D Activities

CHUGAI PHARMACEUTICAL CO., LTD.
Senior Vice President
Research
Head of Portfolio Management Unit
Mikio Arisawa

April 22, 2008

R&D Topics (January~April 2008)

- Feb R340 (Xeloda) : Filed for combination therapy with R435(Avastin), as well as monotherapy for colorectal cancer
- Feb R597 (Herceptin): Approved and launched for additional indication of adjuvant breast cancer
- Mar EPOCH (Epogin): Filed for modification of manufacturing process for drug substance (serum-free version)
- Apr MRA (Actemra) : Approved and launched for additional indications of rheumatoid arthritis, polyarticular-course juvenile idiopathic arthritis and systemic-onset juvenile idiopathic arthritis
- Apr CIF (R7167) : Roche started overseas Phase I for solid tumors (A compound licensed-out to Roche)

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