FY2020 Q3 Consolidated Financial Overview

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Important Reminder

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.

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, including return to shareholders.

Note: Amounts shown in this report are rounded to the nearest 0.1 billion yen
Variance and % are calculated based on the amounts shown.

Core

Financial Overview

- **Significant year-on-year increase in revenues and operating profit**
- **Record-high Q3 revenues, operating profit and net income**
- **Progress steady in revenues, strong in operating profit and net income**

(Billions of JPY)	2020 Jan – Sep	Growth (year on year)		Forecast on Jan. 30 Progress
Revenues	**576.5**	**+67.6**	**+13.3%**	**77.9%**
Cost of sales	**-200.3**	**+1.0**	**-0.5%**	**79.5%**
cost to sales ratio	43.1%	-2.6%pts		
Operating expenses	**-144.3**	**-7.8**	**+5.7%**	**67.7%**
Research and development	-82.2	-10.2	+14.2%	71.5%
Operating profit	**231.9**	**+60.8**	**+35.5%**	**84.3%**
operating margin	40.2%	+6.6%pts		
Net income	**165.6**	**+41.1**	**+33.0%**	**82.4%**
EPS (JPY) *	**100.68**	**+24.99**	**+33.0%**	**82.5%**

* Effective July 1, 2020, Chugai has implemented a three-for-one stock split of its common stock. EPS are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

Business Update

In blue : actions related to development pipeline

Jul	• Nemolizumab: Domestic P3 study conducted by Maruho published in NEJM • Partnering with Biofourmis to develop a digital solution platform for pain management in patients with endometriosis • Actemra: Roche announced the results of COVACTA study
Aug	• Continues to be listed for all ESG indices selected by GPIF • Enspryng: Approved in USA • Kadcyla: Obtained additional indication for adjuvant therapy of HER2-positive early breast cancer • Selected as Digital Transformation Stock (DX Stock) 2020 • Switch Antibody STA551: Non-clinical research results published in Cancer Discovery • Enspryng: Launched in Japan
Sep	• Introduction of LINE WORKS by WORKS MOBILE Japan for medical representatives • Completed demonstration of AI-based clinical trial efficiency solution with NTT DATA • Joint clinical collaboration with Takeda for global P3 studies for combo therapy with Tecentriq and Cabometyx in Japan • Actemra: Roche announced the results of EMPACTA study • Tecentriq: Obtained additional indication for hepatocellular carcinoma in combo with Avastin • Organized the 2nd ESG meeting

※NEJM: New England Journal of Medicine

Impact on Value Chain due to Spread of COVID-19

- Although there were no major negative impacts on revenues and profits to date, there was a partial impact on the progress of each business activity

Revenues	Regulatory Affairs/R&D	Manufacturing	Capital Investment etc.
[Domestic] Delay in market penetration of TEC and HEM due to restraint in sales activities, reduction in the number of hospitalizations and outpatients, etc. [Overseas] Exports were favorable since the delay in switching to HEM was temporary. ACT exports including those for clinical trials increased significantly	[Regulatory Affairs] No significant impact on application/approval timing so far [Development] Some delays in the start and progress of clinical trials but are expected to be resolved in the future [Drug discovery] No delays in high-priority projects	- Maintain a stable product supply system while maximizing the safety of employees/ stakeholders - No impact on product supply both domestically and internationally so far - Continue to maintain a stable product supply system	[Capital Investment] Resumed all construction works for CLSPY with limited impact on overall construction period. [Expenses] Some expenses were curbed due to the cancellation of overseas travel and refraining from domestic sales activities.

TEC: Tecentriq; HEM: Hemlibra; ACT: Actemra

CLSPY: Chugai Life Science Park Yokoyama

By taking advantage of changes in the business environment, improve efficiency and speed of R&D and information provision activities through the promotion and acceleration of digitalization, as well as business process and work style reforms

Year on Year (Core)

Financial Overview Jan - Sep

(Billions of JPY)	2019 Jan - Sep	2020 Jan - Sep	Growth	
Revenues	**508.9**	**576.5**	**+ 67.6**	**+ 13.3%**
Sales	440.5	464.8	+ 24.3	+ 5.5%
Domestic	324.4	303.2	- 21.2	- 6.5%
Overseas	116.0	161.6	+ 45.6	+ 39.3%
Royalties and other operating income	68.4	111.7	+ 43.3	+ 63.3%
Royalty and profit-sharing income	48.8	89.1	+ 40.3	+ 82.6%
Other operating income	19.6	22.6	+ 3.0	+ 15.3%
Cost of sales	-201.3	-200.3	+ 1.0	- 0.5%
(cost to sales ratio)	45.7%	43.1%	-2.6%pts	-
Gross profit	**307.5**	**376.2**	**+ 68.7**	**+ 22.3%**
Operating expenses	-136.5	-144.3	- 7.8	+ 5.7%
Marketing and distribution	-51.0	-49.0	+ 2.0	- 3.9%
Research and development	-72.0	-82.2	- 10.2	+ 14.2%
General and administration	-13.5	-13.1	+ 0.4	- 3.0%
Operating profit	**171.1**	**231.9**	**+ 60.8**	**+ 35.5%**
(operating margin)	33.6%	40.2%	+6.6%pts	-
Financial account balance	-2.3	-2.2	+ 0.1	- 4.3%
Income taxes	-44.3	-64.1	- 19.8	+ 44.7%
Net income	**124.5**	**165.6**	**+ 41.1**	**+ 33.0%**
EPS (JPY) *	75.69	100.68	+24.99	+ 33.0%

Domestic sales
Decrease due to NHI drug price revision and launch of generic drugs

Overseas sales
Increase in export of Actemra and Hemlibra to Roche

Royalty and profit-sharing income
Increase in income for Hemlibra

Other operating income
Increase in one-time income

Cost of sales
Cost to sales ratio improved due to a change in product mix, etc.

Operating expenses
Decrease of marketing and distribution expenses due to restraint in sales activities
Increase of research and development expenses due to progress of projects, etc.

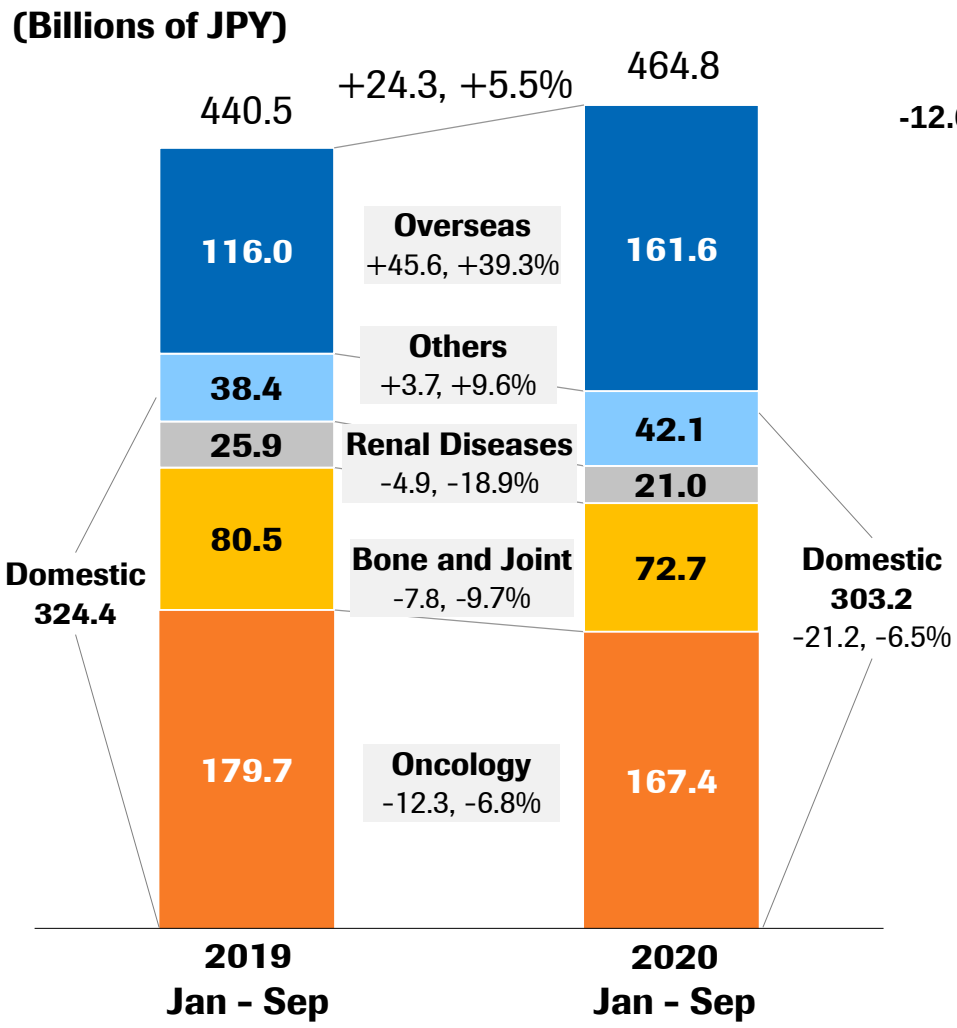
Operating profit
Significant year-on-year increase

* Effective July 1, 2020, Chugai has implemented a three-for-one stock split of its common stock. EPS are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

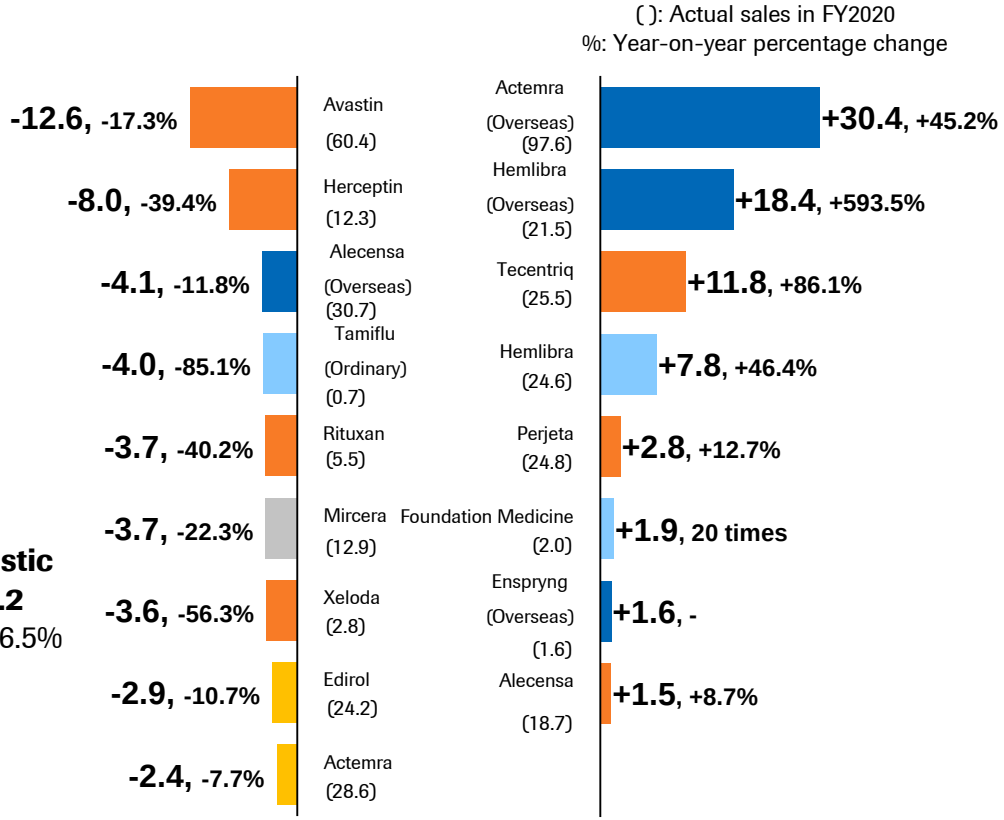
Year on Year (Core)

Sales Jan - Sep

Sales by Disease Area, Year on Year Comparisons



Sales by Products, Year on Year Changes

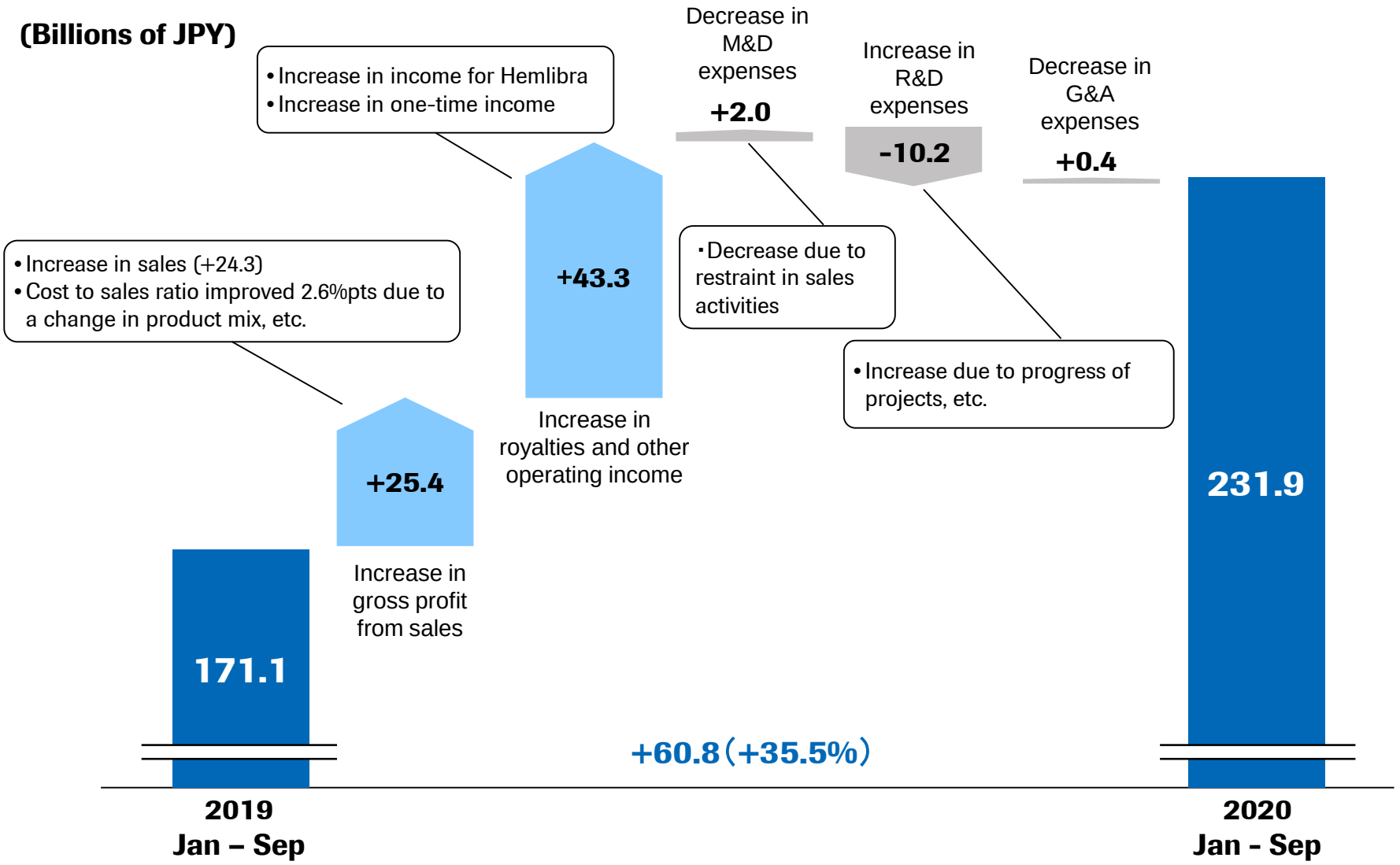


Details of HER2 franchise (44.2) -5.0, -10.2%

Perjeta	(24.8)	+2.8,	+12.7%
Herceptin	(12.3)	-8.0,	-39.4%
Kadcyla	(7.1)	+0.3,	+4.4%

Year on Year (Core)

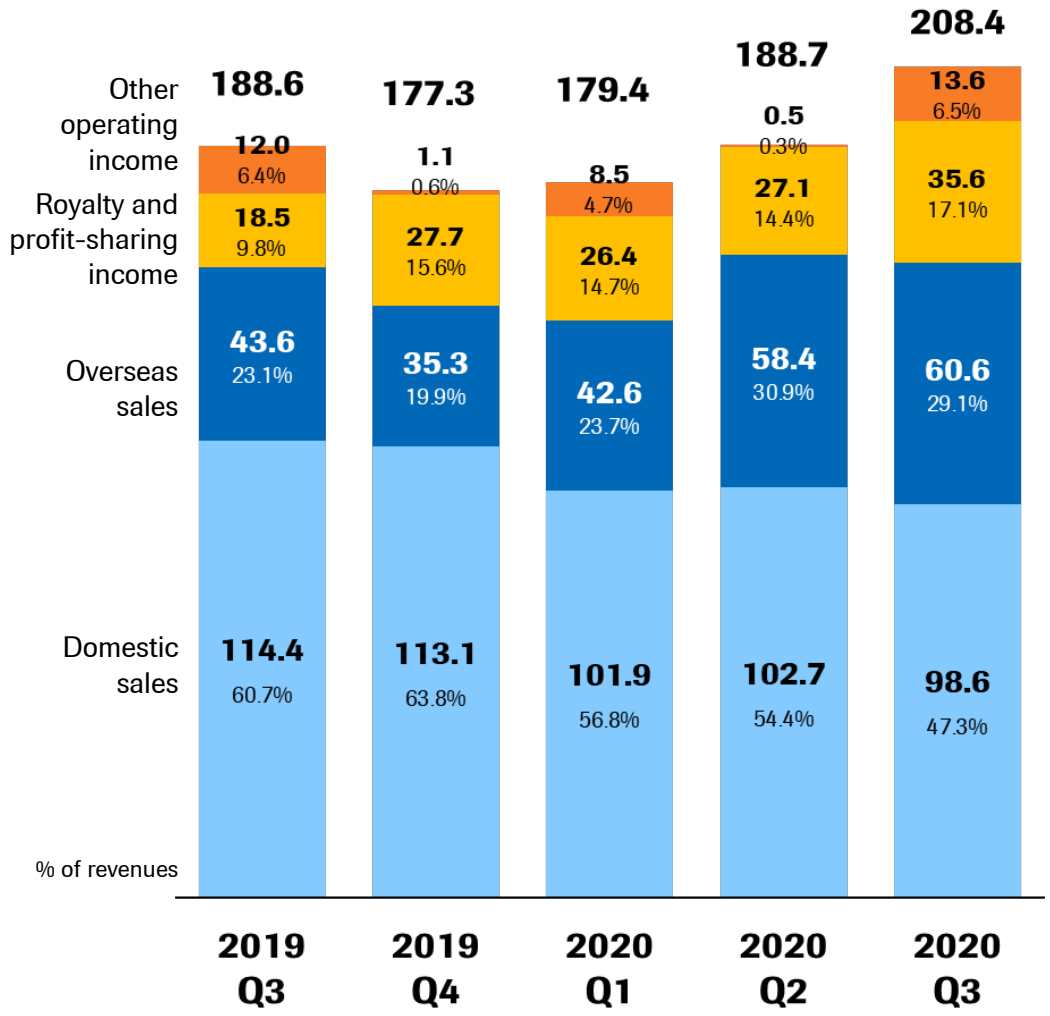
Operating Profit Jan - Sep



Quarterly (Core)

Structure of Revenues by Quarter

(Billions of JPY)



vs. Year on Year (2019 Q3)

Domestic sales: decrease due to NHI drug price revision and launch of generic drugs, etc.

Overseas sales: significant increase in export of Actemra to Roche

Royalty and profit-sharing income: increase in income for Hemlibra

vs. Previous Quarter (2020 Q2)

Domestic sales: decrease due to the launch of generic drugs, etc.

Overseas sales: increase in export of Alecensa to Roche

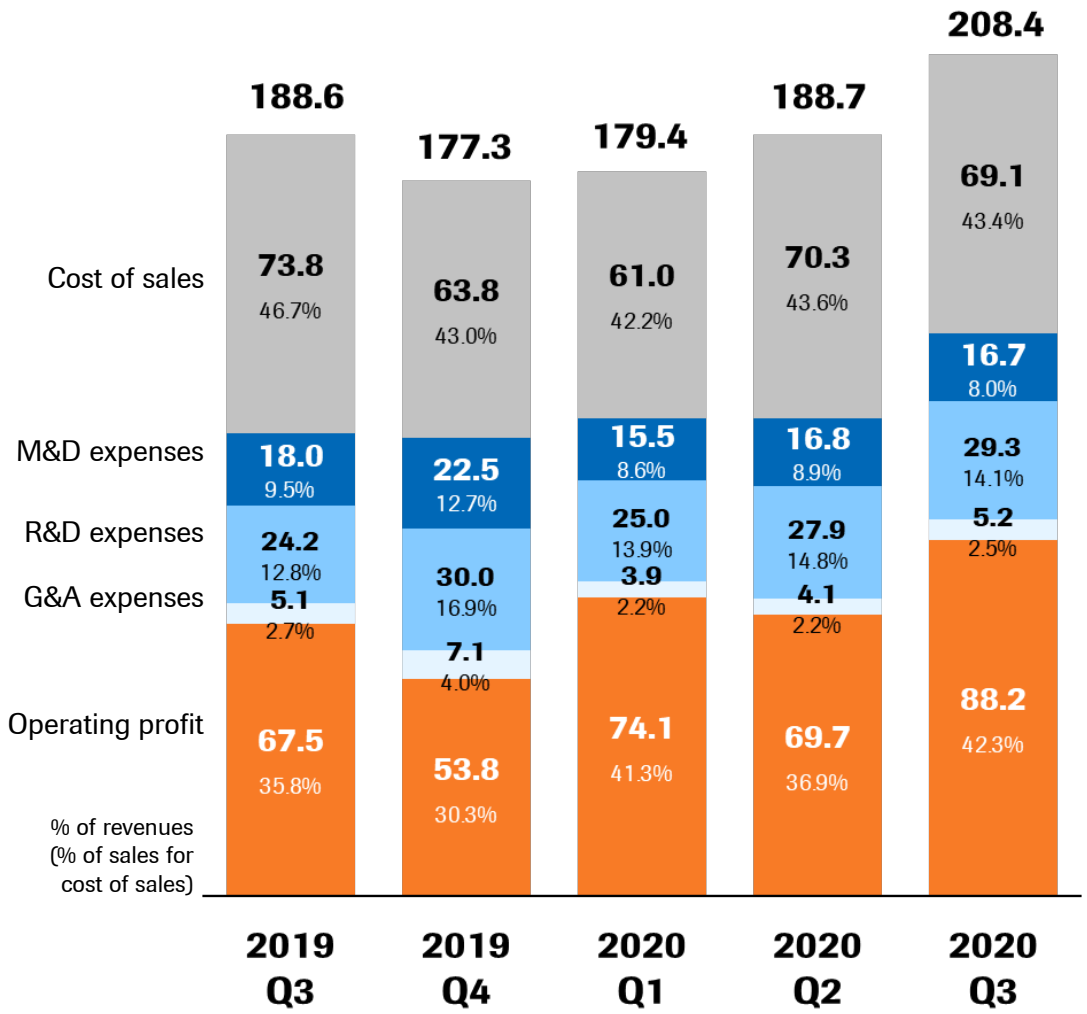
Royalty and profit-sharing income: increase in income for Hemlibra

Other operating income: increase in onetime income

Quarterly (Core)

Structure of Costs and Profit by Quarter

(Billions of JPY)



vs. Year on Year (2019 Q3)

Cost of sales ratio: despite NHI drug price revisions, improved due to a change in product mix, etc.

M&D expenses: decrease due to restraint in sales activities

R&D expenses: increase based on progress of projects, etc.

Operating profit: increase of +20.7 (+30.7%)

vs. Previous Quarter (2020 Q2)

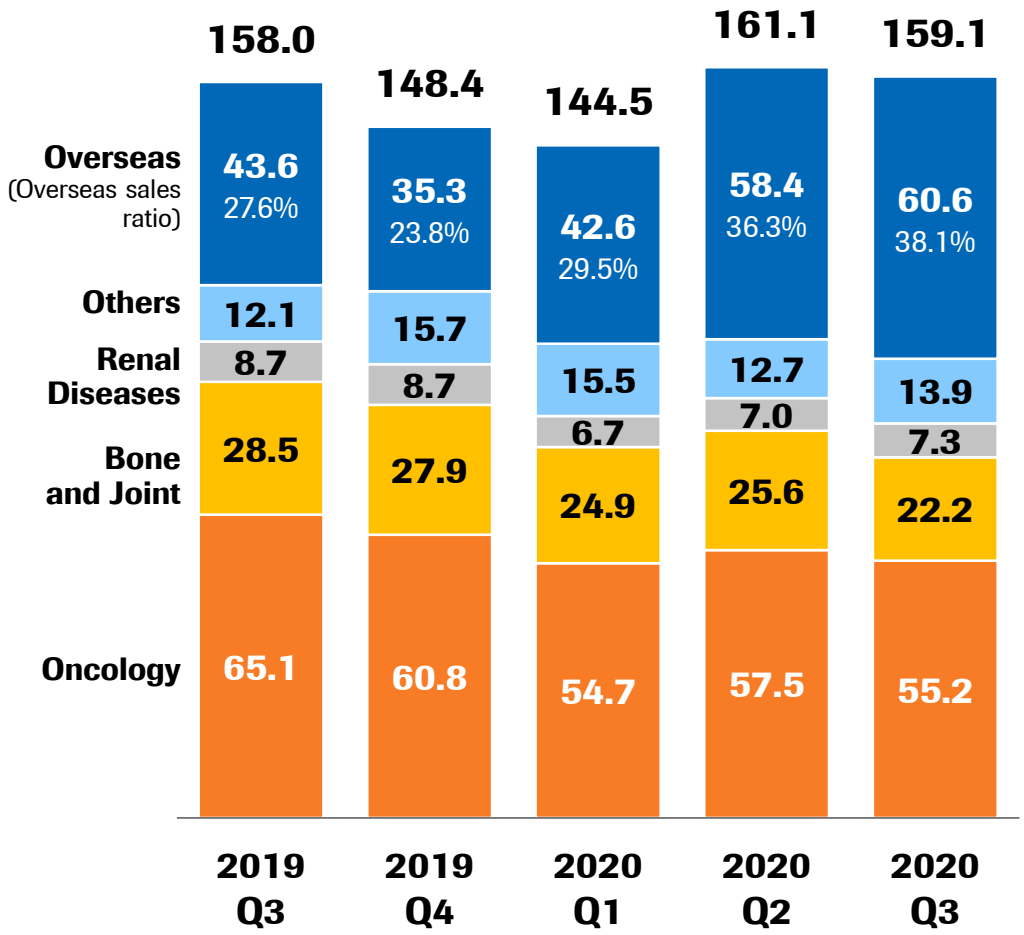
R&D expenses: increase due to progress of projects, etc.

Operating profit: increase of +18.5 (+26.5%)

Quarterly (Core)

Structure of Sales by Quarter

(Billions of JPY)



vs. Year on Year (2019 Q3)

Overseas

Actemra (+13.3), Hemlibra (+3.6)

Domestic

Increase:	oncology	Tecentriq	(+3.4)
Decrease:	oncology	Avastin	(-6.6)
		Herceptin	(-3.1)
	bone and joint	Edirol	(-3.9)

vs. Previous Quarter (2020 Q2)

Overseas

Alecensa (+3.2)

Domestic

Decrease:	bone and joint	Edirol	(-3.6)

vs. Forecast (Core)

Financial Overview Jan - Sep

(Billions of JPY)	Actual 2020 Jan - Sep	Forecast 2020 Jan - Dec	Progress	2019 Progress *1
Revenues	**576.5**	**740.0**	**77.9%**	**74.2%**
Sales	464.8	580.0	80.1%	74.8%
Domestic	303.2	411.6	73.7%	74.1%
Overseas	161.6	168.4	96.0%	76.7%
Royalties and other operating income	111.7	160.0	69.8%	70.3%
Royalty and profit-sharing income	89.1	141.0	63.2%	63.8%
Other operating income	22.6	19.0	118.9%	94.2%
Cost of sales	- 200.3	- 252.0	79.5%	75.9%
(cost to sales ratio)	43.1%	43.4%	-	-
Gross profit	**376.2**	**488.0**	**77.1%**	**73.0%**
Operating expenses	- 144.3	- 213.0	67.7%	69.6%
Research and development	- 82.2	- 115.0	71.5%	70.5%
Operating profit	**231.9**	**275.0**	**84.3%**	**76.1%**
(operating margin)	40.2%	37.2%	-	-
Net income	**165.6**	**201.0**	**82.4%**	**74.3%**
EPS (JPY) *2	100.68	122.00	82.5%	74.3%

Domestic sales
Delay in market penetration of new products and products obtaining additional indication

Overseas sales
Sales of Actemra progressed well in view of the forecast

Royalty and profit-sharing income
Income for Hemlibra progressed slightly lower than forecast

Other operating income
One-time income occurred earlier than forecast

Cost of Sales
Cost to sales ratio nearly in line with forecast

Operating expenses
Progress lower than forecast due to voluntary restraint of some activities

Operating profit
Progress steadily in view of the forecast

*1 Jan – Sep progress versus Jan – Dec
*2 Effective July 1, 2020, Chugai has implemented a three-for-one stock split of its common stock. EPS are calculated based on the assumption that the stock split was implemented.

vs. Forecast (Core)

Sales Jan - Sep

(Billions of JPY)	Actual 2020 Jan - Sep	Forecast 2020 Jan - Dec	Progress	2019 Progress *1
Sales	**464.8**	**580.0**	**80.1%**	**74.8%**
Domestic	**303.2**	**411.6**	**73.7%**	**74.1%**
Oncology	**167.4**	**228.8**	**73.2%**	**74.7%**
Avastin	60.4	73.3	82.4%	76.4%
Tecentriq	25.5	44.6	57.2%	66.5%
Perjeta	24.8	28.8	86.1%	71.7%
Alecensa	18.7	24.8	75.4%	74.8%
Herceptin	12.3	19.2	64.1%	76.0%
Kadcyla	7.1	11.7	60.7%	75.6%
Rituxan	5.5	6.3	87.3%	77.3%
Gazyva	3.2	5.4	59.3%	69.4%
Xeloda	2.8	3.1	90.3%	80.0%
Rozlytrek	0.2	1.0	20.0%	-
Other	6.9	10.5	65.7%	74.3%
Bone and Joint	**72.7**	**90.1**	**80.7%**	**74.3%**
Actemra	28.6	38.2	74.9%	74.2%
Edirol	24.2	26.1	92.7%	73.8%
Bonviva	6.5	9.7	67.0%	74.2%
Other	13.5	16.0	84.4%	75.2%

(Billions of JPY)	Actual 2020 Jan - Sep	Forecast 2020 Jan - Dec	Progress	2019 Progress *1
Renal	**21.0**	**24.7**	**85.0%**	**74.9%**
Mircera	12.9	15.4	83.8%	74.8%
Oxarol	4.7	5.2	90.4%	75.4%
Other	3.5	4.1	85.4%	75.9%
Others	**42.1**	**68.0**	**61.9%**	**71.0%**
Hemlibra	24.6	42.1	58.4%	66.7%
CellCept	6.7	8.4	79.8%	74.2%
Tamiflu(Ordinary use)	0.7	3.4	20.6%	63.5%
Tamiflu(Govt. stockpiles, etc.)	3.0	3.2	93.8%	100.0%
Foundation Medicine	2.0	4.5	44.4%	25.0%
Enspryng *2	0.3	0.9	33.3%	-
Other	5.0	5.6	89.3%	77.9%
Overseas	**161.6**	**168.4**	**96.0%**	**76.7%**
Actemra	97.6	90.8	107.5%	76.1%
Alecensa	30.7	39.0	78.7%	76.8%
Hemlibra	21.5	23.9	90.0%	86.1%
Neutrogin	6.8	9.1	74.7%	76.8%
Enspryng *3	1.6	1.6	100.0%	-
Other	3.4	4.0	85.0%	81.0%

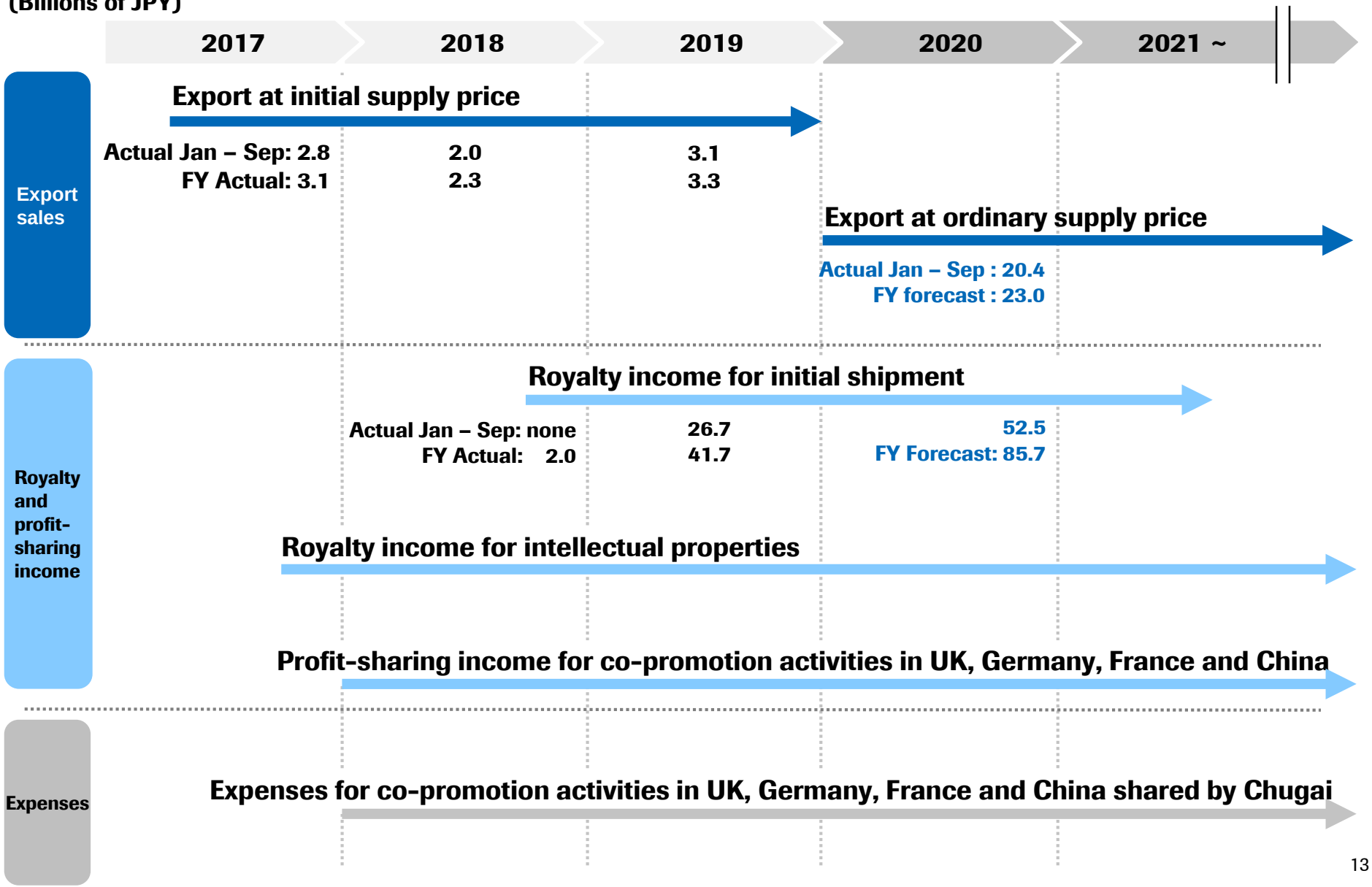
*1 Jan – Sep progress versus Jan – Dec
*2 Enspryng (Domestic): Forecast announced on Oct 22
*3 Enspryng (Overseas): Forecast announced on Jul 27

Outline of Hemlibra Sales to Roche

CHUGAI

Roche Roche Group

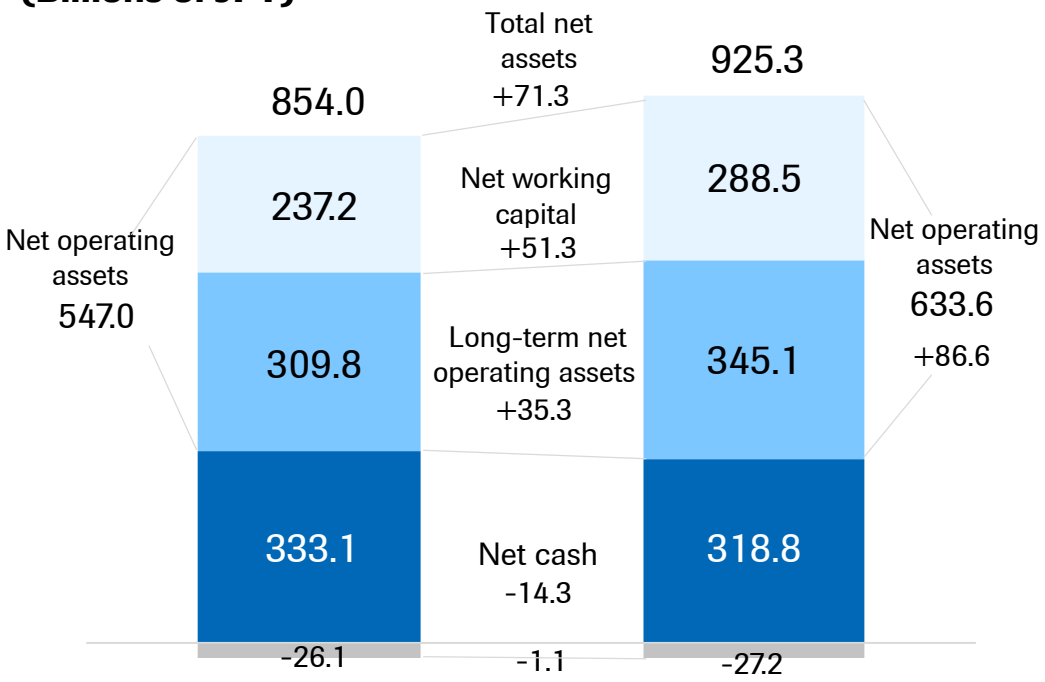
(Billions of JPY)



vs. 2019 Year End

Overview of Financial Position

(Billions of JPY)



	2019 Dec		2020 Sep
Total assets	1,058.9	+77.2	1,136.1
Total liabilities	-204.9	-5.9	-210.8
Total net assets	**854.0**	+71.3	**925.3**
Ratio of equity attributable to Chugai shareholders	80.6%	+0.8%pts	81.4%

Increase in net working capital

Increase in trade accounts receivable due to increase of export to Roche

Increase in long-term net operating assets

Increase in property, plant and equipment due mainly to the investment in Chugai Life Science Park Yokohama

Decrease in net cash

Please refer to the next slide

Increase in other non-operating assets – net

Mainly increase in derivative financial liabilities

* e.g. deferred income tax assets, accrued corporate tax, etc.

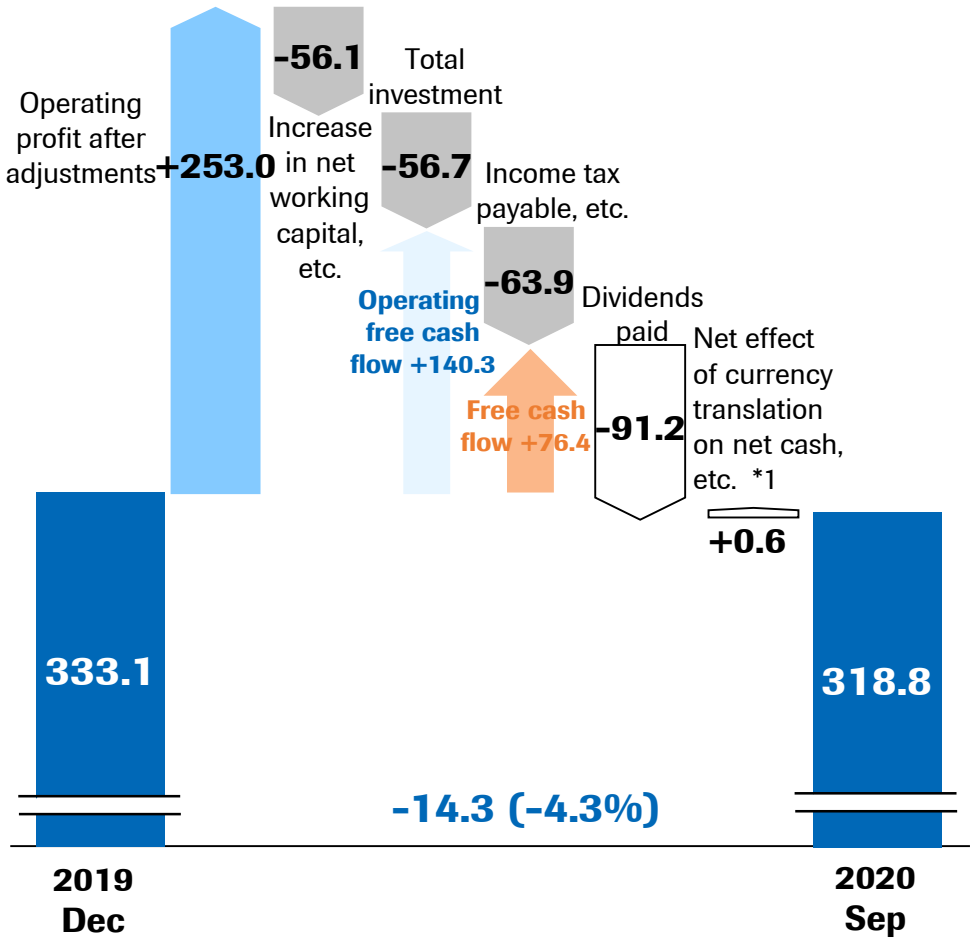
FX rate to the JPY (end of period)

	2019 Dec	2020 Sep
1CHF	112.31	114.92
1EUR	121.93	124.08
1USD	108.88	105.66
1SGD	80.72	77.19

vs. 2019 Year End

Net Cash

(Billions of JPY)



Operating profit after adjustment	**+253.0**
Operating profit	+227.3
Depreciation, amortization and impairment	+22.6
Increase in net working capital, etc.	**-56.1**
Total investment	**-56.7**
Property, plant and equipment	-47.3
Payment for lease liabilities	-6.3
Intangible assets	-3.1
Operating free cash flow	**+140.3**
Income tax payable, etc.	**-63.9**
Income tax payable	-66.4
Free cash flow	**+76.4**
Dividends paid	**-91.2**
End of FY 2019 (92 JPY per share)	-50.3
Interim 2020 (75 JPY per share)	-40.9
Net effect of currency translation on net cash, etc.	**+0.6**

*1 Net effect of currency translation on net cash, etc. = Transaction in own equity instruments + Purchase of non-controlling interests + Net effect of currency translation on net cash(*2)
*2 Results from using different types of exchange rates when consolidating overseas subsidiaries in financial statements, i.e. net cash using end of period exchange rate and free cash flows using average exchange rate. (Chugai defines this term based on International Accounting Standard (IAS) 7 and IAS 21)

Appendix

Rate of NHI Drug Price Revisions

(%)	2018 Apr	2019 Oct*	2020 Apr	Notes
Domestic Sales	**- 6.7**	**- 0.2**	**- 9.2**	
Oncology				
Avastin	-	+1.9	- 15.7	Apr 2016: -10.9, Special re-pricing for market expansion
Tecentriq		+1.9	-	Apr 2012: -8.8, Re-pricing for market expansion
Perjeta	-	+1.9	- 15.0	
Alecensa	-	+1.9	-	
Herceptin	- 20.4	- 2.8	- 3.8	Apr 2010: -18.0, Re-pricing for market expansion
Kadcyla	- 1.5	+1.9	-	
Rituxan	- 26.2	- 3.5	- 2.2	Apr 2006: -13.1, Re-pricing for market expansion
Gazyva		+1.9	-	
Xeloda	- 0.6	- 3.2	- 27.4	
Rozlytrek		+1.9	-	
Bone and Joint				
Actemra	-	+1.9	- 18.5	Apr 2012: -25.0, Re-pricing for market expansion
Edirol	- 1.3	+0.7	- 0.4	
Bonviva	- 4.7	- 2.4	- 0.9	
Renal				
Mircera	- 8.6	- 4.7	- 1.9	Apr 2016: -19.7, Including return of price maintenance premium
Oxarol	- 8.9	- 6.5	- 1.2	
Others				
Hemlibra		+1.9	- 15.0	Apr 2018: Including return of price maintenance premium (dry syrup)
CellCept	- 9.3	- 7.2	- 4.0	Apr 2016: -11.0, Including return of price maintenance premium (capsule)
Tamiflu(Ordinary use)	- 10.6	- 1.9	- 0.4	Apr 2006: -13.0, Re-pricing for market expansion

Legend:
Minus sign indicates price reduction, plus sign indicates price increase

Includes reduction due to return of price maintenance premium

Re-pricing for market expansion

* Includes impact of consumption tax increase

IFRS and Core Results Jan - Sep

(Billions of JPY)	IFRS results 2020 Jan - Sep	Non-core items		Core results 2020 Jan - Sep
		Intangible assets	Others	
Revenues	**576.5**			**576.5**
Sales	464.8			464.8
Royalties and other operating income	111.7			111.7
Cost of sales	-201.2	+0.9		-200.3
Gross profit	**375.3**	**+0.9**		**376.2**
Operating expenses	**-148.0**	**+0.2**	**+3.5**	**-144.3**
Marketing and distribution	-49.8		+0.8	-49.0
Research and development	-85.0	+0.2	+2.6	-82.2
General and administration	-13.2		+0.1	-13.1
Operating profit	**227.3**	**+1.1**	**+3.5**	**231.9**
Financing costs	-0.0			-0.0
Other financial income (expense)	-1.0			-1.0
Other expense	-1.1			-1.1
Profit before taxes	**225.1**	**+1.1**	**+3.5**	**229.7**
Income taxes	-62.7	-0.3	-1.0	-64.1
Net income	**162.4**	**+0.8**	**+2.4**	**165.6**
EPS(JPY) *	98.74			100.68

(Billions of JPY)

Non-Core items

Intangible assets	
Amortization	+1.0
Impairment	+0.1
Others	
Restructuring expenses	+3.4
Expenses for environmental measures	+0.1

* Effective July 1, 2020, Chugai has implemented a three-for-one stock split of its common stock. EPS are calculated based on the assumption that the stock split was implemented.

vs. Forecast (Core)

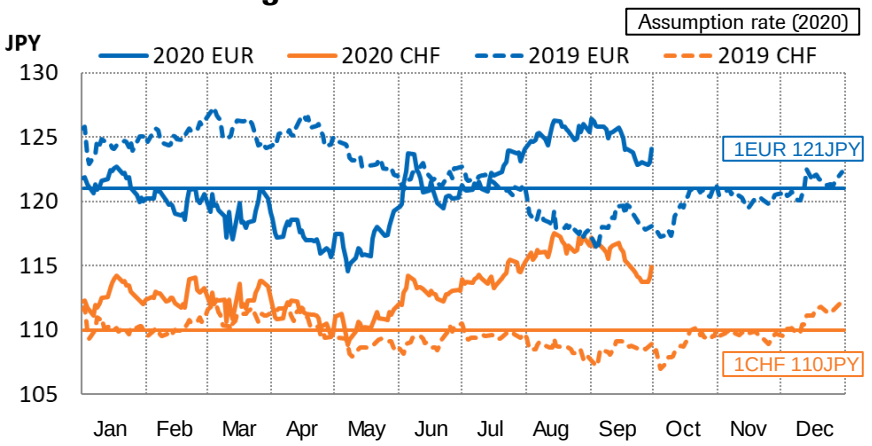
Impact from Foreign Exchange

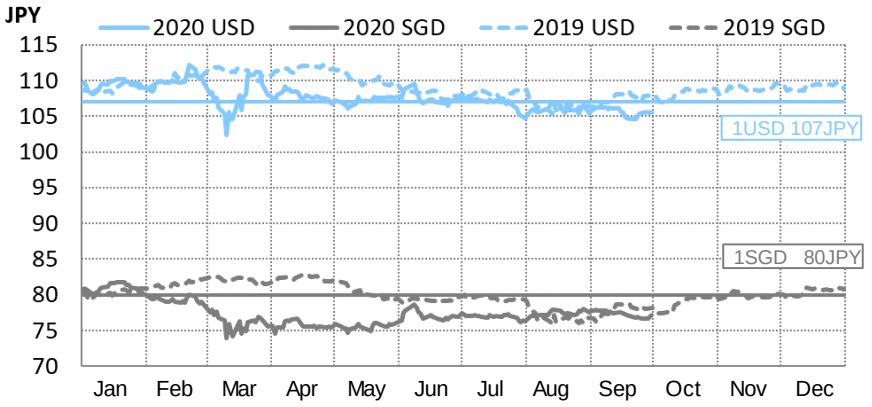
(Billions of JPY)	FX impact Jan – Sep 2020 (FX impact vs. Assumption)	
Revenues	**+1.2**	
	Sales	+0.4
	Royalties and other operating income	+0.8
Cost of sales Operating expenses	Cost of sales	-0.1
	Expenses	-0.0
Operating profit	**+1.1**	

Actual / Assumption rate* (JPY)	2019 Jan - Sep Actual	2020 Jan -Dec Assumption	2020 Jan - Sep
1CHF	109.69	110.00	113.14
1EUR	122.66	121.00	120.80
1USD	109.15	107.00	107.57
1SGD	80.00	80.00	77.36

* Actual: market average exchange rate for the period Jan - Sep

Historical exchange rate to the JPY





Business Update

In blue : actions related to development pipeline

Jan	• Global licensing agreement with Verastem Oncology for RAF/MEK inhibitor CKI27 • Resolution of three-for-one stock split effective July 1, 2020 • Announcement of change in management system effective March 30, 2020
Feb	• Additional indications filed for Tecentriq and Avastin for the treatment of unresectable hepatocellular carcinoma • Changes to marketing arrangements for SGLT2 inhibitor tofogliflozin hydrate • Rituxan obtained additional indication of acquired thrombotic thrombocytopenic purpura • Rozlytrek obtained additional indication of *ROS1* fusion-positive non-small cell lung cancer • Alecensa obtained additional indication of recurrent or refractory *ALK* fusion gene-positive anaplastic large-cell lymphoma • Workshop on multidisciplinary team care held in Cambodia
Mar	• Application filed for approval of FoundationOne Liquid CDx • As a general rule, employees started telecommuting as a countermeasure against COVID-19 • Resolution of year-end dividends of ¥92 per share (including special dividends of ¥44) • Announcement of CHUGAI DIGITAL VISION 2030

Business Update

In blue : actions related to development pipeline

Apr	• Implemented a new personnel system • Enspryng: Global P3 study (monotherapy) published in Lancet Neurology
May	• Actemra: Started domestic P3 for severe COVID-19 pneumonia • Started joint research with A*STAR on antibody drug for COVID-19 • Non-exclusive license agreement with Eli Lilly for the usage of antibody engineering technologies to develop drugs for COVID-19 • Actemra: Roche started global P3 study (REMDACTA study) for severe COVID-19 pneumonia in combo with remdesvir • FoundationOne CDx: Approved as a companion diagnostic MET inhibitor – capmatinib • License agreement with FRONTEO for AI-based drug discovery support system
Jun	• Enspyrng: Approved in Japan • Polatuzumab Vedotin: Filed for relapsed or refractory diffuse large B-cell lymphoma in Japan

Outline of Arrangements for Sales, Royalties, and Expenses of Four Products to Roche

P/L account of Chugai	Details of transactions	Actemra	Alecensa	Hemlibra	Enspryng
Sales (Export to Roche)	Export to Roche at the agreed supply price	✓	✓	✓	✓
Royalty and profit-sharing income	Royalty income *1	✓	✓	✓	✓
	Profit Sharing income in co-promotion country*2	✓		✓	
M&D expenses	Cost sharing in co-promotion countries *2	✓		✓	
	Receive promotion service fee from Roche (reimbursement of expenses) *3		✓		

*1 For Hemlibra, there are two kinds of royalty income, for intellectual properties and initial shipment

*2 Main co-promotion countries are as follows:
- UK, Germany, France (for Actemra)
- UK, Germany, France, China (for Hemlibra)

*3 Chugai provides promotion service in UK, Germany, France

Overview of Development Pipeline

Dr. Minoru Hirose
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CHUGAI PHARMACEUTICAL CO., LTD.

October 22, 2020

Overview of Development Pipeline

Projects under Development (1)

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Roche Roche Group

As of October 22, 2020

	Phase I	Phase II	Phase III	Filed
Oncology	**GC33 / codrituzumab** - HCC **ERY974** - solid tumors **RG7421 / cobimetinib** - solid tumors **RG7802 / cibisatamab** - solid tumors **RG7828 / mosunetuzumab** - hematologic tumors **RG7461 (FAP-IL2v)** - solid tumors **AMY109** - solid tumors **STA551** - solid tumors **SPYK04** - solid tumors ★ **RG6026 / glofitamab** - hematologic tumors	**OBP-301** - esophageal cancer	**RG435 / Avastin (Tecentriq combo)** - SCLC - HCC (adjuvant) **RG7440 / ipatasertib** - prostate cancer - breast cancer **RG6264 (Herceptin+Perjeta)** - breast cancer (Fixed-dose combination, subcutaneous injection) **RG6058 / tiragolumab (Tecentriq combo)** - SCLC - NSCLC - NSCLC(stage III) ★ - esophageal cancer★ **RG6171** - breast cancer★ **AF802 (RG7853) / Alecensa** - NSCLC (adjuvant) **RG7446 / Tecentriq** - NSCLC (adjuvant) - NSCLC (neoadjuvant) - NSCLC(stage III)★ - urothelial carcinoma - RCC (adjuvant) - RCC★ - early breast cancer - ovarian cancer - HCC (adjuvant) - HNC (adjuvant) - esophageal cancer★ **RG7596 / polatuzumab vedotin** - DLBCL	**RG7596 / polatuzumab vedotin** - r/r DLBCL
Bone & Joint			**NRD101 / Suvenyl (China)** - knee osteoarthritis / shoulder periarthritis	**ED-71 / Edirol (China)** - osteoporosis

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

★: **Projects with advances in stages since July 27, 2020**
Letters in orange: in-house projects*
*Includes projects that Chugai owns / retains domestic and overseas development rights

HCC: hepatocellular carcinoma
SCLC: small cell lung cancer
RCC: renal cell carcinoma

DLBCL: diffuse large B-cell lymphoma
r/r: relapsed / refractory
NSCLC: non-small cell lung cancer
HNC: head and neck carcinoma

Overview of Development Pipeline

Projects under Development (2)

As of October 22, 2020

	Phase I	Phase II	Phase III	Filed
Renal	**EOS789** - Hyperphosphatemia			
Autoimmune	**RG7845 / fenebrutinib** - rheumatoid arthritis **RG7880 (IL-22 fusion protein)** - inflammatory bowel disease			
Neurology	**RG7935 / prasinezumab** - Parkinson's disease **GYM329 (RG6237)** - neuromuscular disease **RG6100 / semorinemab** - Alzheimer's disease	**RG7906 / ralmitaront** - schizophrenia	**RG1450 / gantenerumab** - Alzheimer's disease **RG6042 / tominersen** - Huntington's disease	**SA237 (RG6168) / Enspryng (EU)** - NMOSD **RG7916 / risdiplam** - spinal muscular atrophy★
Others	**PCO371** - hypoparathyroidism **AMY109** - endometriosis **NXT007** - hemophilia A (PI/II)		**RG7716 / faricimab** - DME - nAMD **MRA (RG1569) / Actemra (JPN)** - COVID-19 pneumonia **ACE910 (RG6013) / Hemlibra** - Acquired hemophilia A **SKY59 (RG6107) / crovalimab** - PNH★	

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

PNH: paroxysmal nocturnal hemoglobinuria
DME: diabetic macular edema
nAMD: neovascular age-related macular degeneration
NMOSD: neuromyelitis optica spectrum disorder

Letters in orange: in-house projects*
★: Projects with advances in stages since July 27, 2020
*Includes projects that Chugai owns / retains domestic and overseas development rights

Overview of Development Pipeline

Key News Flows in Q3

Approved	**Enspryng**	Neuromyelitis optica spectrum disorder (NMOSD)	August, 2020*1
	Kadcyla	HER2+ Breast Cancer (adjuvant)	August, 2020
	Tecentriq	Hepatocellular carcinoma (HCC)	September, 2020
	Avastin	Hepatocellular carcinoma (HCC)	September, 2020
Filed	**F1CDx**	CDx for larotrectinib (*NTRK1/2/3* fusion gene)	July, 2020
	F1CDx	CDx for pemigatinib (*FGFR2* fusion genes)	September, 2020
	Risdiplam	Spinal muscular atrophy (SMA)	October, 2020
Phase Progress	**crovalimab**	Paroxysmal nocturnal hemoglobinuria (PNH)	P3 study
	RG6171 (SERD)	Breast cancer	P3 study
New to Pipeline	**SPYK04**	Solid tumors	P1 study
	Tecentriq	Renal cell carcinoma (combination with cabozantinib)	P3 study (CONTACT-03)
	TIR / Tecentriq	Stage III NSCLC	P3 study (SKYSCRAPER-03)
	TIR / Tecentriq	Esophageal cancer	P3 study (SKYSCRAPER-07)
Late-stage Readouts	**Actemra**	COVID-19 pneumonia	P3 study (COVACTA)
	Actemra	COVID-19 pneumonia	P3 study (EMPACTA)
	Tecentriq	Triple negative breast cancer (TNBC)	P3 (IMpassion131)
Medical Conference	**Enspryng**	SAkuraStar / SAkuraSky studies (data from open-label extension period)	ACTRIMS-ECTRIMS
	Tecentriq	IMpassion031, IMpassion130, IMpassion131studies	ESMO
	risdiplam	FIREFISH study part 1 (after two-year treatment)	World Muscle Society
Others	**nemolizumab**	Atopic dermatitis (Japan) filed*2	Q3, 2020
	STA551	Solid tumors / non-clinical research	Published in Cancer Discovery
	Joint development	combination therapy of Tecentriq and cabozantinib (domestic)	Takeda
	Technology transfer	Antibody engineering technologies	argenx / Novo Nordisk

*1 Approved in U.S. and launched in Japan

F1CDx: FoundationOne CDx; NTRK: neurotrophic tyrosine receptor kinase; FGFR: fibroblast growth factor receptor; NSCLC: non-small cell lung cancer; TIR: tiragolumab

Letters in orange: **in-house projects***3

*2 conducted by Maruho, licensee in Japan

*3 Includes projects that Chugai owns / retains domestic and overseas development rights

Response to COVID-19

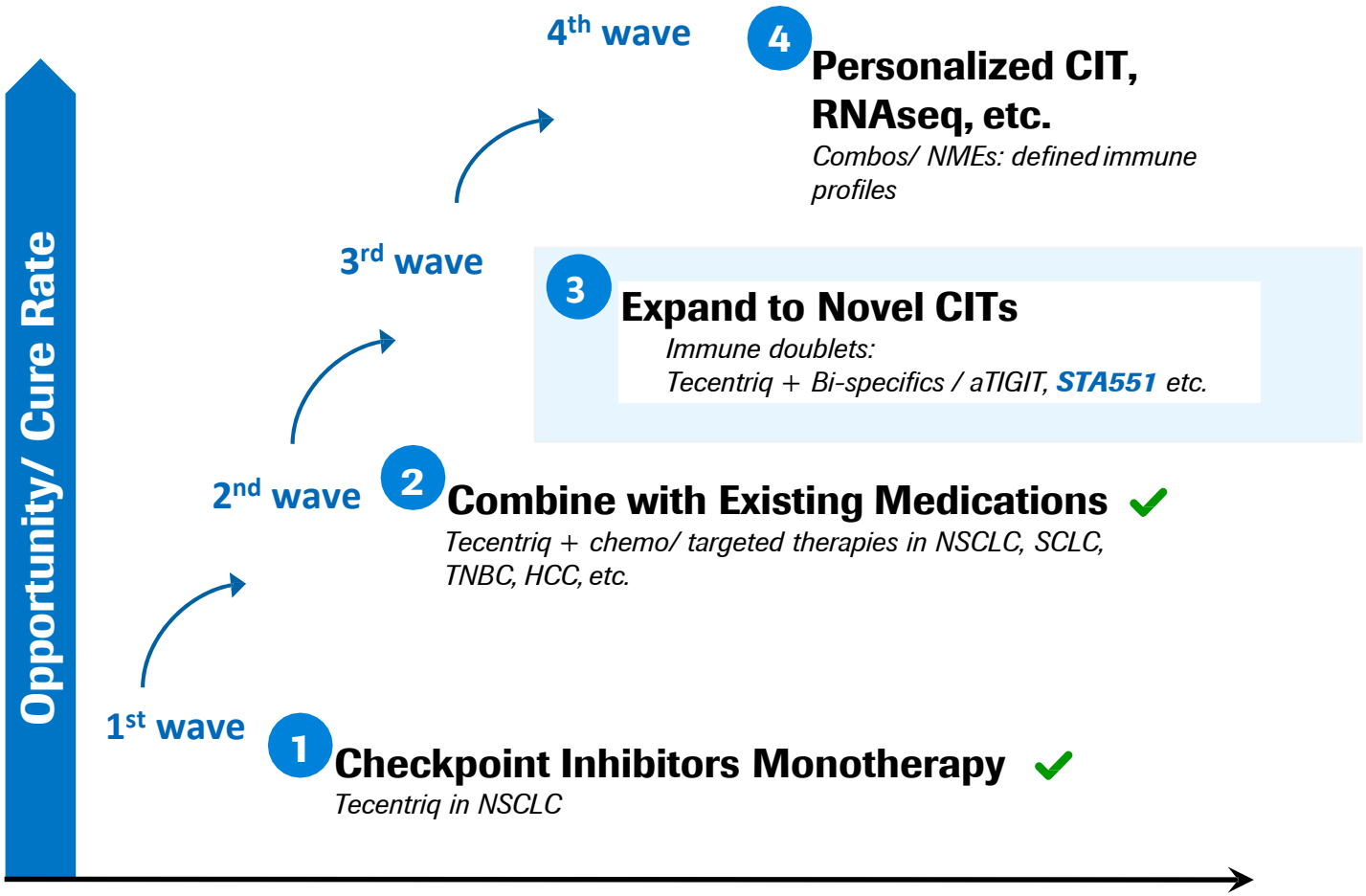
1. **Clinical trial**: evaluate the efficacy and safety of Actemra against COVID-19 pneumonia

Study	Sponsor / Region	Population	Dosing regimen	Estimated filing
J-COVACTA (Phase 3)	Chugai / Japan	Hospitalized severe patients >10	Single 8mg/kg IV dose; up to one additional dose may be given	2021
COVACTA (Phase 3)	Roche / Global	Hospitalized severe patients 450	Same as above	-
EMPACTA (Phase 3)	Roche / Global	Hospitalized patients 379	Same as above	2020 (Roche)
REMDACTA (Phase 3)	Roche* / Global * collaboration with Gilead Sciences, Inc.	Hospitalized severe patients 500	Same as above** ** combination with remdesivir	2021 (Roche)

2. **Joint research**: develop antibody drug against COVID-19
   - CPR and A*STAR aim to create an antibody drug candidate with Chugai's proprietary antibody engineering technologies
3. **Technology transfer**: Chugai's antibody engineering technologies
   - Elli Lilly and Company was granted rights to use Chugai's antibody engineering technologies for their research activities to develop COVID-19 treatments and the rights for the development and marketing of therapeutic antibodies applying the technologies.

CPR: Chugai Pharmabody Research Pte. Ltd. A*STAR: Agency for Science, Technology and Research

Establishing Tecentriq as Standard of Care in Major Tumor Types



NSCLC: non-small cell lung cancer
SCLC: small cell lung cancer
TNBC: triple-negative breast cancer
HCC: hepatocellular carcinoma

Source: Roche JPMorgan Healthcare Conference, San Francisco 2020 (partially modified)

STA551 (Anti-CD137 Agonist Switch Antibody)

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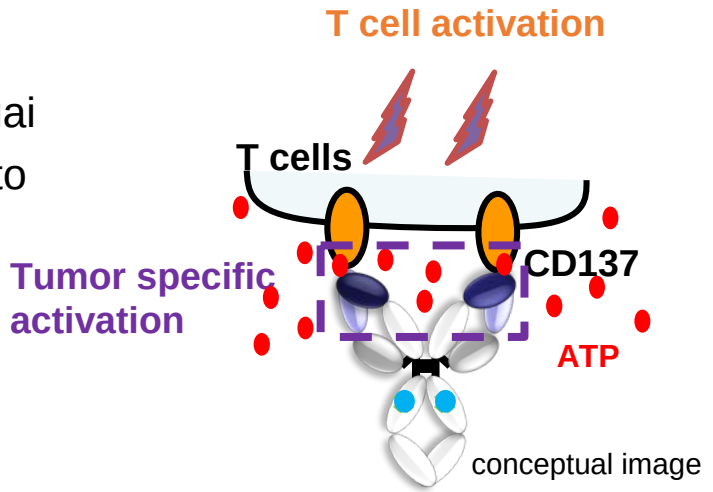
【STA551】

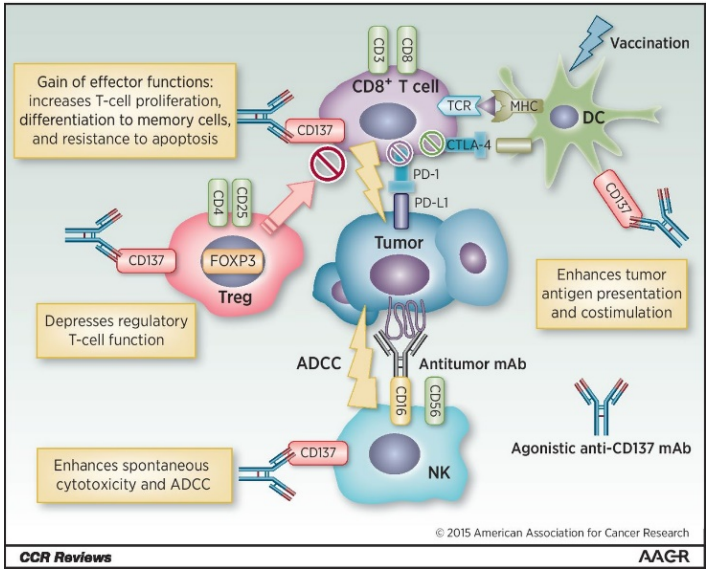
- Utilized Switch Antibody™ technoloby developed by Chugai
- In the presence of ATP (switch molecule), STA551 binds to CD137 and activates T cells, but not in the absence of ATP.



conceptual image

【CD137 (4-1BB)】

- CD137 is a co-stimulatory molecule on CD4/8 T cells, Tregs, NK cells & DCs
- On T cells, CD137 is induced by TCR signaling and leads to T cell activation
  - ✓ T cell proliferation, cytokine production, maturation, prolonged survival
- Wide variety of potential combinations
  - ✓ Immune checkpoint inhibitors, TRAB, ADCC Abs
- For conventional anti-CD137 Abs, severe toxicity (hepatotoxicity, etc.) is the main issue
- Tumor selective CD137 agonist signal induction is essential to overcome the limitation of conventional anti-CD137 antibodies



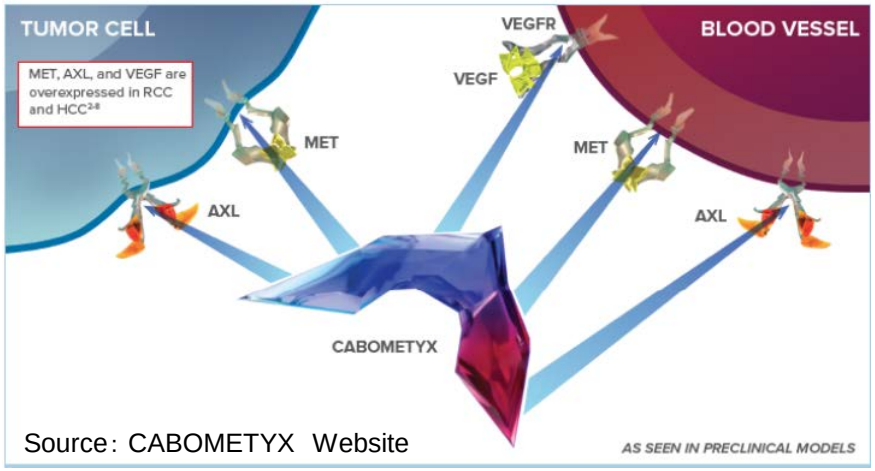
A. Yonezawa, et. al., Clin Cancer Res. 2015

Domestic Joint Development for Combination Therapy of Tecentriq and cabozantinib (1/2)

- Collaboration with Takeda, join global phase III studies to evaluate the combination therapy with multiple tumor types in Japan -

About cabozantinib

The low-molecular compound that inhibit Vascular Endothelial Growth Factor Receptor-2 (VEGFR2), hepatocyte growth factor receptor (MET), and kinase including AXL.



Source：CABOMETYX Website

Expected immunological benefits for combination therapy of Tecentriq and cabozantinib

- Inhibition of Treg and myeloid-derived suppressor cells (MDSC) through inhibition of the VEGF signaling pathway
- Increase in tumor infiltrating T cell through inhibition of TAM family (AXL etc.) and change from M2 macrophage (immunosuppression) to M1 macrophage (induction of inflammation and immune response).
- Suppression of PD-L1 overexpression induced by MET through inhibition of MET
- Increase sensitivity against attack from T cells by promoting the expression of MHC class I, FAS, etc.

TAM：Tyro3/Axl/Mer

Nature2017 Mar 30,543(7647)：728-732

Domestic Joint Development for Combination Therapy of Tecentriq and cabozantinib (2/2)

- Collaboration with Takeda, join global phase III studies to evaluate the combination therapy with multiple tumor types in Japan -

■ Three studies to be conducted in domestic development

Study	Expected indication	Study Design
CONTACT-01	NSCLC (2nd line)	Tecentriq + cabozantinib vs. docetaxel
CONTACT-02	Prostate cancer*	Tecentriq + cabozantinib vs. novel hormonal therapy
CONTACT-03	Renal cell carcinoma (2nd line)	Tecentriq + cabozantinib vs. cabozantinib

*Domestic development for prostate cancer is led by Takeda.

NSCLC: non-small cell lung cancer

crovalimab：P3 COMMODORE 1 & 2 Studies PNH

- Initiate two P3 studies based on the results of COMPOSER study (P1/2) -

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■ Initiate two global P3 studies in adults and adolescents (12 years of age or older) with paroxysmal nocturnal hemoglobinuria (PNH)

Study	COMMODORE 1	COMMODORE 2
Enrolled Patient (target number)	PNH Patients currently treated with complement inhibitors（n=250）	PNH Patients not previously treated with complement inhibitors (n=200）
Study design	crovalimab vs. eculizumab	crovalimab vs. eculizumab
Primary endpoint	Mean Percentage Change in Lactate Dehydrogenase (LDH) levels from baseline to Week 25	Percentage of participants who achieve transfusion avoidance and hemolysis control from baseline to Week 25

■ Features of crovalimab

- Applied Chugai's proprietary recycling antibody technology and is expected to extend the blood elimination half-life
- Prevent hemolysis by inhibiting complement C5 and blocking its cleavage
- Allow patients to treat at home by self-injection through subcutaneous administration every four weeks*

* Initial administration is given by intravenous loading dose, followed by subcutaneous doses in both COMMODORE 1&2 studies

risdiplam: P3 FIREFISH Study part 1 SMA

- 2-year data for risdiplam in infants with Type 1 spinal muscular atrophy (SMA) presented at WMS2020 -

Achieved continuous improvement in infant motor function for the first and second years

Study Overview	An open-label, two-part single-arm clinical trial in infants aged 17 months with Type 1 SMA Part 1: Optimal-dose finding (n=21) Part 2: Assessment of the efficacy and safety profile in the dose determined in Part 1(n=41)
Part 1 Efficacy analysis (at month 24)	• 88% were alive and required no permanent ventilation • 59% were able to sit without support for at least 5 seconds*1 • 65% had maintained upright head control, and 29% could turn themselves over *2 • 30% were able to stand with support *2
Features of risdiplam	• Designed to durably increase SMN protein levels both throughout the central nervous system and in peripheral tissues of the body • Suitable for home care due to an orally administered liquid (syrup)

*1: assessed by the Gross Motor Scale of the BSID-III (Bayley Scales of Infant and Toddler Development – Third Edition)
*2: assessed by the HINE-2 (Hammersmith Infant Neurological Examination Module 2)

WMS: International Annual Congress of the World Muscle Society

Overview of Development Pipeline

Projected Submissions (Post PoC NMEs and Products)

as of October 22, 2020

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	NME	line extension
in-house*	■	□
in-licensed (Roche)	■	□

r/r: relapsed or recurrent
DLBCL: diffuse large B-cell lymphoma
NMOSD: neuromyelitis optica spectrum disorder
FDC: fixed-dose combination
nAMD: neovascular age-related macular degeneration
HCC: hepatocellular carcinoma
RCC: renal cell carcinoma
NSCLC: non-small cell lung cancer
PNH: paroxysmal nocturnal hemoglobinuria
SCLC: small cell lung cancer
HNC: head and neck carcinoma

*Includes projects that Chugai owns / retains domestic and overseas development rights
★Newly added projects to be filed

Filed

2020	2021	2022	2023 and beyond
risdiplam (RG7916) Spinal Muscular Atrophy	polatuzumab vedotin (RG7596) r/r DLBCL		
EDIROL (ED-71) Osteoporosis (China)	ENSPRYNG (SA237/RG6168) NMOSD (EU)		
		crovalimab (SKY59/RG6107) PNH ★	tominersen (RG6042) Huntington's Disease
			gantenerumab (RG1450) Alzheimer's Disease
SUVENYL (NRD101) Knee Osteoarthritis /Shoulder Periarthritis (China)	RG6264 (FDC, sc) Breast Cancer	AVASTIN (RG435) HCC (adjuvant)	HEMLIBRA (ACE910/RG6013) Acquired hemophilia A
			SERD (RG6171) Breast Cancer★
			TECENTRIQ (RG7446) Esophageal Cancer ★
ipatasertib (RG7440) Breast Cancer	polatuzumab vedotin (RG7596) 1L DLBCL	TECENTRIQ (RG7446) HCC (adjuvant)	OBP-301 (Telomelysin) Esophageal Cancer
	ACTEMRA (MRA/RG1569) COVID-19 pneumonia		ALECENSA (AF802/RG7853) NSCLC (adjuvant)
			tiragolumab (RG6058) Esophageal Cancer ★
			TECENTRIQ (RG7446) 2L RCC★
			TECENTRIQ (RG7446) NSCLC (Stage III)★
TECENTRIQ (RG7446) Ovarian Cancer	ipatasertib (RG7440) Prostate Cancer	TECENTRIQ (RG7446) RCC (adjuvant)	tiragolumab (RG6058) SCLC
	faricimab (RG7716) nAMD		AVASTIN (RG435) SCLC
			tiragolumab (RG6058) NSCLC (Stage III)★
TECENTRIQ (RG7446) Urothelial Carcinoma	TECENTRIQ (RG7446) Early Breast Cancer	TECENTRIQ (RG7446) NSCLC (adjuvant)	TECENTRIQ (RG7446) HNC (adjuvant)
	faricimab (RG7716) Diabetic Macular Edema		TECENTRIQ (RG7446) NSCLC (neoadjuvant)
			tiragolumab (RG6058) NSCLC

FoudationOne CDx Cancer Genomic Profile: companion diagnostic indications

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As of October 22, 2020

Alterations	Cancer type	Relevant drugs
Activated *EGFR* gene alterations	Non-small cell lung cancer (NSCLC)	Afatinib dimaleate, erlotinib hydrochloride, gefitinib, osimertinib mesylate
EGFR exon 20 T790M alterations		osimertinib mesylate
ALK fusion genes		alectinib hydrochloride, crizotinib, ceritinib
ROS1 fusion genes		entrectinib
MET exon 14 skipping alterations		capmatinib hydrochloride hydrate
BRAF V600E and V600K alterations	Malignant melanoma	dabrafenib mesylate, trametinib dimethyl sulfoxide, vemurafenib
ERBB2 copy number alterations (HER*2* gene amplification positive)	Breast cancer	trastuzumab (genetical recombination)
KRAS/NRAS wild-type	Colorectal cancer	cetuximab (genetical recombination), panitumumab (genetical recombination)
NTRK1/2/3 fusion gene	Solid tumors	entrectinib, larotrectinib
BRCA1/2 alterations	Ovarian cancer	olaparib
HRR–related gene alterations	Prostate cancer	olaparib
FGFR2 fusion genes	Cholangiocarcinoma	pemigatinib

* Underlined are the companion diagnostic features and relevant drugs currently filed for regulatory approval

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