

# Supplementary Materials for Consolidated Financial Results for Fiscal Year 2009. 12



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 Financial Highlights, Extraordinary Gains and Losses, Statements of Revenues, Balance Sheets, Cash Flows and Capital Expenditures etc. of this report are rounded to the nearest 0.1 billion yen. Variance and % are calculated based on the amounts shown.
3. Amounts by quarter for the fiscal year ended December 2008 and indicators are presented as comparisons with the same period of the previous fiscal year for reference purposes.
4. Exchange rates used for each period are as follows.

(Yen)

Fx rates	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2010
	(Full-year)	(Full-year)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(Full-year)
	end-of-year closing	average	average	average	average	average	average	average	average	average	forecast
CHF	97.44	98.13	98.58	99.95	100.08	95.54	81.55	84.52	85.68	86.20	88.00
EUR	156.57	161.17	157.85	160.54	160.93	151.38	122.06	127.19	129.32	130.10	130.00
USD	119.12	117.80	105.43	104.98	105.85	103.44	93.51	95.46	94.87	93.60	89.00
GBP	233.70	235.66	208.56	207.31	206.00	189.85	134.34	142.14	145.77	145.99	146.00

## Financial Highlights (YTD)

(Billions of Yen)

(Billions of Yen)

															Forecasts			
	FY2006	FY2007	FY2008				FY2009								FY2010			
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	Change (%)	1-6	Change (%)	1-9	Change (%)	1-12	Change (%)	1-6	Change (%)	1-12	Change (%)
	Full-year	Full-year	YTD	YTD	YTD	YTD	YTD		YTD		YTD		YTD		YTD		YTD	
Revenues	326.1	344.8	66.2	145.9	229.7	326.9	94.7	+43.1	191.7	+31.4	309.7	+34.8	428.9	+31.2	189.1	-1.4	418.5	-2.4
Sales	326.1	332.9	65.9	144.9	224.9	321.8	92.9	+41.0	185.9	+28.3	303.4	+34.9	419.1	+30.2	187.4	+0.8	414.0	-1.2
excl. Tamiflu	288.2	294.3	64.4	143.3	223.2	313.4	72.5	+12.6	160.6	+12.1	247.6	+10.9	342.9	+9.4	170.6	+6.2	375.3	+9.4
Tamiflu	38.0	38.7	1.6	1.6	1.7	8.4	20.4	+1,175.0	25.4	+1,487.5	55.8	+3,182.4	76.2	+807.1	16.8	-33.9	38.7	-49.2
Ordinary sales	13.6	10.2	1.3	1.4	1.5	7.1	6.0	+361.5	11.0	+685.7	18.5	+1,133.3	36.2	+409.9	5.5	-50.0	20.5	-43.4
Govt. stockpile etc.	24.4	28.5	0.2	0.2	0.2	1.3	14.4	+7,100.0	14.4	+7,100.0	37.3	+18,550.0	40.0	+2,976.9	11.3	-21.5	18.2	-54.5
Other operating revenues *	-	11.9	0.2	1.0	4.8	5.1	1.8	+800.0	5.7	+470.0	6.3	+31.3	9.8	+92.2	1.7	-70.2	4.5	-54.1
Cost of sales	133.1	137.3	25.0	56.3	87.6	127.0	43.7	+74.8	83.9	+49.0	143.3	+63.6	192.9	+51.9	-	-	184.5	-4.4
(% of Sales)	40.8	41.2	37.9	38.9	39.0	39.5	47.0	-	45.1	-	47.2	-	46.0	-	-	-	44.6	-
Gross profit	193.0	207.5	41.2	89.6	142.1	199.9	51.0	+23.8	107.8	+20.3	166.4	+17.1	236.1	+18.1	-	-	234.0	-0.9
(% of Revenues)	59.2	60.2	62.2	61.4	61.9	61.2	53.9	-	56.2	-	53.7	-	55.0	-	-	-	55.9	-
SG&A (excl. R&D) expenses	80.1	86.6	19.4	42.2	65.9	95.1	21.6	+11.3	46.1	+9.2	69.8	+5.9	98.2	+3.3	-	-	105.0	+6.9
(% of Revenues)	24.6	25.1	29.3	28.9	28.7	29.1	22.8	-	24.0	-	22.5	-	22.9	-	-	-	25.1	-
R&D expenses	54.6	54.2	11.8	24.2	36.3	53.2	11.8	+0.0	24.5	+1.2	37.8	+4.1	55.3	+3.9	-	-	59.0	+6.7
(% of Revenues)	16.7	15.7	17.8	16.6	15.8	16.3	12.5	-	12.8	-	12.2	-	12.9	-	-	-	14.1	-
Operating income	58.3	66.7	10.1	23.1	39.8	51.6	17.5	+73.3	37.2	+61.0	58.8	+47.7	82.6	+60.1	26.5	-28.8	70.0	-15.3
(% of Revenues)	17.9	19.3	15.3	15.8	17.3	15.8	18.5	-	19.4	-	19.0	-	19.3	-	14.0	-	16.7	-
Non-operating income	6.3	4.3	1.3	2.4	4.3	9.9	5.4	+315.4	6.9	+187.5	7.8	+81.4	9.4	-5.1	-	-	-	-
Non-operating expenses	3.7	3.3	1.1	1.2	1.4	4.2	0.2	-81.8	0.6	-50.0	0.5	-64.3	1.6	-61.9	-	-	-	-
Recurring profit	60.9	67.7	10.2	24.3	42.7	57.3	22.8	+123.5	43.5	+79.0	66.0	+54.6	90.4	+57.8	27.0	-37.9	70.5	-22.0
(% of Revenues)	18.7	19.6	15.4	16.7	18.6	17.5	24.1	-	22.7	-	21.3	-	21.1	-	14.3	-	16.8	-
Extraordinary gain	3.6	0.3	0.9	7.2	7.3	7.3	0.3	-66.7	0.3	-95.8	0.3	-95.9	0.3	-95.9	-	-	-	-
Extraordinary loss	1.6	1.6	0.1	0.3	0.4	1.4	0.0	-100.0	0.1	-66.7	0.1	-75.0	1.3	-7.1	-	-	-	-
Income before income taxes etc.	63.0	66.4	11.0	31.2	49.6	63.1	23.1	+110.0	43.7	+40.1	66.3	+33.7	89.4	+41.7	-	-	-	-
(% of Revenues)	19.3	19.3	16.6	21.4	21.6	19.3	24.4	-	22.8	-	21.4	-	20.8	-	-	-	-	-
Net income	38.4	40.1	6.7	18.9	30.1	39.3	13.8	+106.0	26.3	+39.2	40.9	+35.9	56.6	+44.0	16.7	-36.5	44.0	-22.3
(% of Revenues)	11.8	11.6	10.1	13.0	13.1	12.0	14.6	-	13.7	-	13.2	-	13.2	-	8.8	-	10.5	-

Note: Other operating revenues (presented as royalties and other operating income through the fiscal year ended December 2008) were previously included in non-operating income or extraordinary gain, but beginning in the fiscal year ended December 31, 2007, they have been included in revenues.

## Extraordinary Gains and Losses

Extraordinary Losses (Billions of Yen)

	Amount	Description
Restructuring loss	1.2	Costs arose from closing down partial establishments at the Company's consolidated subsidiaries and the restructuring of manufacturing function etc.

## Financial Highlights (QTR)

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009								Forecasts			
			FY2008				FY2009								FY2010			
			1-12	1-12	1-3	4-6	7-9	10-12	1-3	Change (%)	4-6	Change (%)	7-9	Change (%)	10-12	Change (%)	1-6	Change (%)
			Full-year	Full-year	QTR	QTR	QTR	QTR	QTR		QTR		QTR		QTR		1st Half	2nd Half
Revenues	326.1	344.8	66.2	79.7	83.8	97.3	94.7	+43.1	97.0	+21.7	118.0	+40.8	119.2	+22.5	189.1	-1.4	229.4	-3.3
Sales	326.1	332.9	65.9	79.0	80.0	97.0	92.9	+41.0	93.0	+17.7	117.5	+46.9	115.7	+19.3	187.4	+0.8	226.6	-2.8
excl. Tamiflu	288.2	294.3	64.4	78.9	79.9	90.3	72.5	+12.6	88.1	+11.7	87.0	+8.9	95.3	+5.5	170.6	+6.2	204.6	+12.2
Tamiflu	38.0	38.7	1.6	0.0	0.1	6.7	20.4	+1,175.0	5.0	-	30.4	+30,300.0	20.4	+204.5	16.8	-33.9	22.0	-56.7
Ordinary sales	13.6	10.2	1.3	0.0	0.1	5.6	6.0	+361.5	5.0	-	7.6	+7,500.0	17.7	+216.1	5.5	-50.0	15.0	-40.5
Govt. stockpile etc.	24.4	28.5	0.2	-	-	1.1	14.4	+7,100.0	-	-	22.9	-	2.7	+145.5	11.3	-21.5	7.0	-72.7
Other operating revenues	-	11.9	0.2	0.8	3.8	0.3	1.8	+800.0	4.0	+400.0	0.5	-86.8	3.6	+1,100.0	1.7	-70.2	2.8	-31.7
Cost of sales	133.1	137.3	25.0	31.3	31.3	39.4	43.7	+74.8	40.1	+28.1	59.4	+89.8	49.5	+25.6	-	-	-	-
(% of Sales)	40.8	41.2	37.9	39.6	39.1	40.6	47.0	-	43.1	-	50.6	-	42.8	-	-	-	-	-
Gross profit	193.0	207.5	41.2	48.4	52.5	57.8	51.0	+23.8	56.9	+17.6	58.6	+11.6	69.7	+20.6	-	-	-	-
(% of Revenues)	59.2	60.2	62.2	60.7	62.6	59.4	53.9	-	58.7	-	49.7	-	58.5	-	-	-	-	-
SG&A (excl. R&D) expenses	80.1	86.6	19.4	22.8	23.7	29.2	21.6	+11.3	24.5	+7.5	23.7	+0.0	28.3	-3.1	-	-	-	-
(% of Revenues)	24.6	25.1	29.3	28.6	28.3	30.0	22.8	-	25.3	-	20.1	-	23.7	-	-	-	-	-
R&D expenses	54.6	54.2	11.8	12.5	12.1	16.9	11.8	+0.0	12.7	+1.6	13.3	+9.9	17.5	+3.6	-	-	-	-
(% of Revenues)	16.7	15.7	17.8	15.7	14.4	17.4	12.5	-	13.1	-	11.3	-	14.7	-	-	-	-	-
Operating income	58.3	66.7	10.1	13.1	16.7	11.7	17.5	+73.3	19.6	+49.6	21.6	+29.3	23.8	+103.4	26.5	-28.8	43.5	-4.2
(% of Revenues)	17.9	19.3	15.3	16.4	19.9	12.0	18.5	-	20.2	-	18.3	-	20.0	-	14.0	-	19.0	-
Non-operating income	6.3	4.3	1.3	1.2	1.9	5.6	5.4	+315.4	1.5	+25.0	1.2	-36.8	1.7	-69.6	-	-	-	-
Non-operating expenses	3.7	3.3	1.1	0.1	0.2	2.8	0.2	-81.8	0.5	+400.0	0.2	+0.0	1.1	-60.7	-	-	-	-
Recurring profit	60.9	67.7	10.2	14.1	18.4	14.6	22.8	+123.5	20.7	+46.8	22.6	+22.8	24.4	+67.1	27.0	-37.9	43.5	-7.2
(% of Revenues)	18.7	19.6	15.4	17.7	22.0	15.0	24.1	-	21.3	-	19.2	-	20.5	-	14.3	-	19.0	-
Extraordinary gain	3.6	0.3	0.9	6.3	0.0	0.0	0.3	-66.7	-	-100.0	0.0	-	-	-	-	-	-	-
Extraordinary loss	1.6	1.6	0.1	0.2	0.0	1.1	0.0	-100.0	0.0	-100.0	0.0	-	1.2	+9.1	-	-	-	-
Income before income taxes etc.	63.0	66.4	11.0	20.2	18.4	13.5	23.1	+110.0	20.6	+2.0	22.6	+22.8	23.2	+71.9	-	-	-	-
(% of Revenues)	19.3	19.3	16.6	25.3	22.0	13.9	24.4	-	21.2	-	19.2	-	19.5	-	-	-	-	-
Net income	38.4	40.1	6.7	12.2	11.3	9.1	13.8	+106.0	12.5	+2.5	14.6	+29.2	15.7	+72.5	16.7	-36.5	27.3	-9.9
(% of Revenues)	11.8	11.6	10.1	15.3	13.5	9.4	14.6	-	12.9	-	12.4	-	13.2	-	8.8	-	11.9	-

## Statements of Revenues (YTD)

(Billions of Yen)

																	Forecasts			
			FY2006	FY2007	FY2008				FY2009						FY2010					
			1-12	1-12	1-3	1-6	1-9	1-12	1-3	Change (%)	1-6	Change (%)	1-9	Change (%)	1-12	Change (%)	1-6	Change (%)	1-12	Change (%)
			Full-year	Full-year	YTD	YTD	YTD	YTD	YTD		YTD		YTD		YTD		Half-year		Full-year	
Sales			326.1	332.9	65.9	144.9	224.9	321.8	92.9	+41.0	185.9	+28.3	303.4	+34.9	419.1	+30.2	187.4	+0.8	414.0	+1.2
Excl. Tamiflu			288.2	294.3	64.4	143.3	223.2	313.4	72.5	+12.6	160.6	+12.1	247.6	+10.9	342.9	+9.4	170.6	+6.2	375.3	+9.4
Domestic			259.8	263.1	56.6	127.7	198.3	279.9	66.2	+17.0	146.3	+14.6	223.9	+12.9	309.3	+10.5	152.4	+4.2	334.6	+8.2
Oncology field			67.8	74.0	18.9	44.0	70.8	102.3	25.7	+36.0	57.8	+31.4	88.9	+25.6	123.7	+20.9	62.4	+8.0	140.2	+13.3
Avastin *1			-	3.5	2.7	7.1	12.8	20.1	6.7	+148.1	15.4	+116.9	24.3	+89.8	34.9	+73.6	20.3	+31.8	47.9	+37.2
Herceptin			14.5	16.1	4.1	9.8	16.2	23.7	6.6	+61.0	14.7	+50.0	22.0	+35.8	29.7	+25.3	12.2	-17.0	24.7	-16.8
Rituxan			18.0	18.6	4.2	9.5	14.6	20.5	4.3	+2.4	9.7	+2.1	15.1	+3.4	21.1	+2.9	10.5	+8.2	23.4	+10.9
Neutrogin			12.0	12.6	2.4	5.4	8.5	12.0	2.2	-8.3	5.2	-3.7	8.2	-3.5	11.3	-5.8	5.1	-1.9	11.6	+2.7
Kytril			12.9	13.6	2.5	5.4	8.1	10.9	2.1	-16.0	4.5	-16.7	6.6	-18.5	8.6	-21.1	3.5	-22.2	7.8	-9.3
Xeloda			2.5	2.7	0.8	2.0	3.3	4.8	1.3	+62.5	2.8	+40.0	4.4	+33.3	6.6	+37.5	4.4	+57.1	10.9	+65.2
Tarceva *1			-	0.2	0.8	2.0	3.2	4.5	1.2	+50.0	2.7	+35.0	4.1	+28.1	5.8	+28.9	3.6	+33.3	7.7	+32.8
Femara *1			0.3	1.0	0.3	0.7	1.2	1.7	0.5	+66.7	1.1	+57.1	1.7	+41.7	2.4	+41.2	1.5	+36.4	3.6	+50.0
Other products			7.6	5.6	1.0	2.1	3.1	4.1	0.8	-20.0	1.7	-19.0	2.5	-19.4	3.3	-19.5	1.2	-29.4	2.5	-24.2
Renal diseases field			76.8	69.6	13.7	29.5	44.6	61.3	13.0	-5.1	28.8	-2.4	44.4	-0.4	61.0	-0.5	28.2	-2.1	59.3	-2.8
Epogin			63.4	54.8	10.2	21.7	32.8	44.9	9.4	-7.8	20.8	-4.1	32.3	-1.5	44.4	-1.1	20.3	-2.4	42.2	-5.0
Oxarol			7.6	8.7	2.1	4.7	7.3	10.0	2.2	+4.8	4.9	+4.3	7.7	+5.5	10.6	+6.0	5.3	+8.2	11.6	+9.4
Renagel			5.0	5.6	1.2	2.7	4.1	5.7	1.3	+8.3	2.7	+0.0	4.0	-2.4	5.3	-7.0	2.3	-14.8	4.9	-7.5
Other products			0.7	0.5	0.2	0.4	0.4	0.7	0.2	+0.0	0.4	+0.0	0.5	+25.0	0.7	+0.0	0.3	-25.0	0.7	+0.0
Bone and joint diseases field			42.2	46.6	9.8	22.7	35.2	50.0	12.2	+24.5	26.9	+18.5	41.2	+17.0	57.6	+15.2	29.2	+8.6	64.2	+11.5
Evista			13.4	16.0	3.1	7.5	11.7	16.5	3.8	+22.6	8.4	+12.0	12.8	+9.4	17.9	+8.5	8.3	-1.2	18.1	+1.1
Suvenyl			9.1	11.0	2.5	5.6	8.7	12.0	2.8	+12.0	6.5	+16.1	10.0	+14.9	13.7	+14.2	6.6	+1.5	14.3	+4.4
Alfarol			14.6	14.3	3.0	6.7	10.0	13.7	3.0	+0.0	6.5	-3.0	9.9	-1.0	13.6	-0.7	6.0	-7.7	12.8	-5.9
Actemra			0.4	0.5	0.1	0.7	1.8	3.4	1.5	+1,400.0	3.5	+400.0	5.7	+216.7	8.4	+147.1	6.3	+80.0	15.1	+79.8
Other products			4.6	4.8	1.1	2.2	3.1	4.5	1.1	+0.0	2.1	-4.5	2.8	-9.7	3.9	-13.3	1.9	-9.5	4.0	+2.6
Transplant, Immunology & Infectious diseases field			14.5	17.7	4.8	10.7	16.8	24.0	5.9	+22.9	12.8	+19.6	19.3	+14.9	26.2	+9.2	14.2	+10.9	31.9	+21.8
Pegasys			5.8	6.3	1.9	4.1	6.7	9.7	2.5	+31.6	5.5	+34.1	8.2	+22.4	11.1	+14.4	6.5	+18.2	14.8	+33.3
Copegus *1			-	2.0	0.8	1.8	2.9	4.2	1.1	+37.5	2.4	+33.3	3.6	+24.1	4.9	+16.7	3.1	+29.2	7.1	+44.9
Rocephin			5.5	5.7	1.3	2.8	4.2	5.9	1.3	+0.0	2.7	-3.6	4.1	-2.4	5.5	-6.8	2.3	-14.8	4.9	-10.9
CellCept			3.0	3.5	0.8	1.9	2.8	4.0	0.9	+12.5	2.1	+10.5	3.2	+14.3	4.4	+10.0	2.2	+4.8	5.0	+13.6
Other products			0.3	0.3	0.1	0.1	0.2	0.3	0.1	+0.0	0.1	+0.0	0.2	+0.0	0.3	+0.0	0.1	+0.0	0.3	+0.0
Others field			58.4	55.1	9.5	20.8	30.8	42.3	9.4	-1.1	20.0	-3.8	30.1	-2.3	40.9	-3.3	18.5	-7.5	38.9	-4.9
Sigmart			15.4	15.2	3.3	7.3	10.8	15.0	3.3	+0.0	7.1	-2.7	10.6	-1.9	14.7	-2.0	6.5	-8.5	13.7	-6.8
SA products *2			12.9	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other products			30.1	28.8	6.1	13.5	20.0	27.3	6.2	+1.6	13.0	-3.7	19.4	-3.0	26.3	-3.7	12.0	-7.7	25.2	-4.2
Overseas			28.4	31.2	7.8	15.6	24.9	33.5	6.3	-19.2	14.2	-9.0	23.7	-4.8	33.6	+0.3	18.2	+28.2	40.7	+21.1
Neutrogin			24.2	26.6	6.7	13.3	20.1	25.9	4.8	-28.4	10.2	-23.3	15.8	-21.4	21.3	-17.8	9.5	-6.9	17.9	-16.0
Actemra			-	-	-	0.2	1.7	3.8	0.4	-	1.8	+800.0	5.1	+200.0	8.9	+134.2	7.3	+305.6	19.7	+121.3
Sigmart			2.6	2.8	0.6	1.2	1.7	2.0	0.6	+0.0	1.3	+8.3	1.5	-11.8	1.9	-5.0	0.8	-38.5	1.7	-10.5
Other products			1.6	1.9	0.5	0.9	1.4	1.7	0.5	+0.0	1.0	+11.1	1.2	-14.3	1.5	-11.8	0.7	-30.0	1.4	-6.7
Tamiflu			38.0	38.7	1.6	1.6	1.7	8.4	20.4	+1,175.0	25.4	+1,487.5	55.8	+3,182.4	76.2	+807.1	16.8	-33.9	38.7	-49.2
Ordinary sales			13.6	10.2	1.3	1.4	1.5	7.1	6.0	+361.5	11.0	+685.7	18.5	+1,133.3	36.2	+409.9	5.5	-50.0	20.5	-43.4
Govt. stockpile etc.			24.4	28.5	0.2	0.2	0.2	1.3	14.4	+7,100.0	14.4	+7,100.0	37.3	+18,550.0	40.0	+2,976.9	11.3	-21.5	18.2	-54.5
Other operating revenues			-	11.9	0.2	1.0	4.8	5.1	1.8	+800.0	5.7	+470.0	6.3	+31.3	9.8	+92.2	1.7	-70.2	4.5	-54.1
Revenues (total)			326.1	344.8	66.2	145.9	229.7	326.9	94.7	+43.1	191.7	+31.4	309.7	+34.8	428.9	+31.2	189.1	-1.4	418.5	-2.4
Domestic			297.7	308.4	58.3	130.2	204.6	293.1	86.7	+48.7	175.5	+34.8	283.7	+38.7	392.6	+33.9	169.5	-3.4	373.8	-4.8
Overseas			28.4	36.4	7.8	15.7	25.0	33.8	8.0	+2.6	16.2	+3.2	26.1	+4.4	36.4	+7.7	19.6	+21.0	44.7	+22.8

## Statements of Revenues (QTR)

(Billions of Yen)

																	Forecasts			
			FY2006	FY2007	FY2008				FY2009								FY2010			
			1-12	1-12	1-3	4-6	7-9	10-12	1-3	Change (%)	4-6	Change (%)	7-9	Change (%)	10-12	Change (%)	1-6	Change (%)	7-12	Change (%)
			Full-year	Full-year	QTR	QTR	QTR	QTR	QTR		QTR		QTR		QTR		1st Half		2nd Half	
Sales			326.1	332.9	65.9	79.0	80.0	97.0	92.9	+41.0	93.0	+17.7	117.5	+46.9	115.7	+19.3	187.4	+0.8	226.6	-2.8
Excl. Tamiflu			288.2	294.3	64.4	78.9	79.9	90.3	72.5	+12.6	88.1	+11.7	87.0	+8.9	95.3	+5.5	170.6	+6.2	204.6	+12.2
Domestic			259.8	263.1	56.6	71.1	70.6	81.7	66.2	+17.0	80.1	+12.7	77.6	+9.9	85.4	+4.5	152.4	+4.2	182.2	+11.8
Oncology field			67.8	74.0	18.9	25.2	26.8	31.4	25.7	+36.0	32.1	+27.4	31.1	+16.0	34.8	+10.8	62.4	+8.0	77.9	+18.2
Avastin			-	3.5	2.7	4.4	5.6	7.3	6.7	+148.1	8.6	+95.5	8.9	+58.9	10.6	+45.2	20.3	+31.8	27.6	+41.5
Herceptin			14.5	16.1	4.1	5.7	6.4	7.5	6.6	+61.0	8.1	+42.1	7.3	+14.1	7.7	+2.7	12.2	-17.0	12.5	-16.7
Rituxan			18.0	18.6	4.2	5.3	5.1	5.9	4.3	+2.4	5.5	+3.8	5.4	+5.9	5.9	+0.0	10.5	+8.2	12.9	+14.2
Neutrogin			12.0	12.6	2.4	3.0	3.1	3.5	2.2	-8.3	3.0	+0.0	3.0	-3.2	3.1	-11.4	5.1	-1.9	6.4	+4.9
Kytril			12.9	13.6	2.5	2.8	2.7	2.8	2.1	-16.0	2.4	-14.3	2.1	-22.2	2.1	-25.0	3.5	-22.2	4.4	+4.8
Xeloda			2.5	2.7	0.8	1.2	1.3	1.5	1.3	+62.5	1.5	+25.0	1.6	+23.1	2.2	+46.7	4.4	+57.1	6.5	+71.1
Tarceva			-	0.2	0.8	1.2	1.2	1.4	1.2	+50.0	1.5	+25.0	1.4	+16.7	1.7	+21.4	3.6	+33.3	4.1	+36.7
Femara			0.3	1.0	0.3	0.4	0.4	0.5	0.5	+66.7	0.6	+50.0	0.6	+50.0	0.7	+40.0	1.5	+36.4	2.1	+50.0
Other products			7.6	5.6	1.0	1.2	1.0	1.1	0.8	-20.0	0.9	-25.0	0.8	-20.0	0.8	-27.3	1.2	-29.4	1.3	-18.8
Renal diseases field			76.8	69.6	13.7	15.8	15.1	16.7	13.0	-5.1	15.8	+0.0	15.6	+3.3	16.5	-1.2	28.2	-2.1	31.1	-3.4
Epogin			63.4	54.8	10.2	11.5	11.1	12.1	9.4	-7.8	11.5	+0.0	11.4	+2.7	12.1	+0.0	20.3	-2.4	21.9	-7.2
Oxarol			7.6	8.7	2.1	2.6	2.5	2.8	2.2	+4.8	2.8	+7.7	2.7	+8.0	2.9	+3.6	5.3	+8.2	6.2	+8.8
Renagel			5.0	5.6	1.2	1.5	1.4	1.6	1.3	+8.3	1.4	-6.7	1.3	-7.1	1.3	-18.8	2.3	-14.8	2.6	+0.0
Other products			0.7	0.5	0.2	0.2	0.1	0.3	0.2	+0.0	0.1	-50.0	0.2	+100.0	0.1	-66.7	0.3	-25.0	0.4	+33.3
Bone and joint diseases field			42.2	46.6	9.8	12.9	12.5	14.8	12.2	+24.5	14.8	+14.7	14.3	+14.4	16.4	+10.8	29.2	+8.6	35.1	+14.3
Evista			13.4	16.0	3.1	4.4	4.1	4.8	3.8	+22.6	4.6	+4.5	4.4	+7.3	5.1	+6.3	8.3	-1.2	9.7	+1.0
Suvenyl			9.1	11.0	2.5	3.2	3.0	3.3	2.8	+12.0	3.7	+15.6	3.5	+16.7	3.7	+12.1	6.6	+1.5	7.7	+6.9
Alfarol			14.6	14.3	3.0	3.7	3.3	3.7	3.0	+0.0	3.5	-5.4	3.3	+0.0	3.7	+0.0	6.0	-7.7	6.8	-4.2
Actemra			0.4	0.5	0.1	0.6	1.1	1.6	1.5	+1,400.0	2.0	+233.3	2.2	+100.0	2.7	+68.8	6.3	+80.0	8.7	+77.6
Other products			4.6	4.8	1.1	1.1	0.9	1.4	1.1	+0.0	1.0	-9.1	0.8	-11.1	1.1	-21.4	1.9	-9.5	2.1	+10.5
Transplant, Immunology & Infectious diseases field			14.5	17.7	4.8	5.9	6.1	7.2	5.9	+22.9	6.9	+16.9	6.5	+6.6	6.8	-5.6	14.2	+10.9	17.8	+33.8
Pegasys			5.8	6.3	1.9	2.3	2.6	3.0	2.5	+31.6	2.9	+26.1	2.8	+7.7	2.9	-3.3	6.5	+18.2	8.3	+48.2
Copegus			-	2.0	0.8	1.0	1.1	1.3	1.1	+37.5	1.3	+30.0	1.2	+9.1	1.2	-7.7	3.1	+29.2	4.0	+66.7
Rocephin			5.5	5.7	1.3	1.5	1.4	1.7	1.3	+0.0	1.5	+0.0	1.4	+0.0	1.4	-17.6	2.3	-14.8	2.6	-3.7
CellCept			3.0	3.5	0.8	1.1	1.0	1.1	0.9	+12.5	1.1	+0.0	1.1	+10.0	1.2	+9.1	2.2	+4.8	2.8	+16.7
Other products			0.3	0.3	0.1	0.1	0.1	0.1	0.1	+0.0	0.1	+0.0	0.1	+0.0	0.1	+0.0	0.1	+0.0	0.1	-50.0
Others field			58.4	55.1	9.5	11.3	10.0	11.5	9.4	-1.1	10.6	-6.2	10.0	+0.0	10.9	-5.2	18.5	-7.5	20.4	-2.4
Sigmart			15.4	15.2	3.3	4.0	3.5	4.1	3.3	+0.0	3.8	-5.0	3.6	+2.9	4.0	-2.4	6.5	-8.5	7.2	-5.3
SA products			12.9	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other products			30.1	28.8	6.1	7.4	6.5	7.3	6.2	+1.6	6.8	-8.1	6.5	+0.0	6.8	-6.8	12.0	-7.7	13.2	-0.8
Overseas			28.4	31.2	7.8	7.8	9.3	8.6	6.3	-19.2	7.9	+1.3	9.5	+2.2	9.9	+15.1	18.2	+28.2	22.5	+16.0
Neutrogin			24.2	26.6	6.7	6.6	6.8	5.8	4.8	-28.4	5.4	-18.2	5.6	-17.6	5.5	-5.2	9.5	-6.9	8.4	-24.3
Actemra			-	-	-	0.2	1.5	2.2	0.4	-	1.4	+600.0	3.3	+120.0	3.8	+72.7	7.3	+305.6	12.5	+76.1
Sigmart			2.6	2.8	0.6	0.6	0.5	0.3	0.6	+0.0	0.6	+0.0	0.3	-40.0	0.4	+33.3	0.8	-38.5	0.9	+28.6
Other products			1.6	1.9	0.5	0.5	0.5	0.3	0.5	+0.0	0.5	+0.0	0.2	-60.0	0.2	-33.3	0.7	-30.0	0.6	+20.0
Tamiflu			38.0	38.7	1.6	0.0	0.1	6.7	20.4	+1,175.0	5.0	-	30.4	+30,300.0	20.4	+204.5	16.8	-33.9	22.0	-56.7
Ordinary sales			13.6	10.2	1.3	0.0	0.1	5.6	6.0	+361.5	5.0	-	7.6	+7,500.0	17.7	+216.1	5.5	-50.0	15.0	-40.5
Govt. stockpile etc.			24.4	28.5	0.2	-	-	1.1	14.4	+7,100.0	-	-	22.9	-	2.7	+145.5	11.3	-21.5	7.0	-72.7
Other operating revenues			-	11.9	0.2	0.8	3.8	0.3	1.8	+800.0	4.0	+400.0	0.5	-86.8	3.6	+1,100.0	1.7	-70.2	2.8	-31.7
Revenues (total)			326.1	344.8	66.2	79.7	83.8	97.3	94.7	+43.1	97.0	+21.7	118.0	+40.8	119.2	+22.5	189.1	-1.4	229.4	-3.3
Domestic			297.7	308.4	58.3	71.9	74.4	88.5	86.7	+48.7	88.8	+23.5	108.1	+45.3	108.9	+23.1	169.5	-3.4	204.3	-5.9
Overseas			28.4	36.4	7.8	7.8	9.4	8.8	8.0	+2.6	8.2	+5.1	9.9	+5.3	10.3	+17.0	19.6	+21.0	25.1	+24.3

## Balance Sheets

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009				
	As of Dec. 31	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	vs. Dec. 31, 2008
Cash and deposits	68.3	73.2	70.0	72.6	65.4	70.8	77.6	90.8	77.6	107.0	+36.2
Trade notes and accounts receivable	105.9	107.0	84.6	93.5	93.3	108.5	111.3	102.7	121.8	121.6	+13.1
Marketable securities	81.9	65.5	61.9	65.9	66.3	54.7	46.0	54.5	55.6	52.2	-2.5
Inventories	61.5	55.2	58.4	63.9	72.7	78.7	78.7	94.0	90.4	92.6	+13.9
Other current assets	20.0	28.9	31.4	27.4	29.9	31.7	34.3	30.9	32.3	37.9	+6.2
Total Current assets	337.7	329.8	306.3	323.3	327.6	344.4	347.9	372.9	377.7	411.3	+66.9
Tangible fixed assets	85.2	92.5	98.9	101.2	99.3	98.3	97.1	96.2	93.7	93.7	-4.6
Intangible fixed assets	5.1	3.7	3.3	4.0	3.5	3.1	3.2	3.0	2.7	3.2	+0.1
Investments and other assets	34.2	32.9	35.5	33.5	31.5	32.7	30.6	29.6	31.2	32.3	-0.4
thereof Investment securities	15.1	16.8	20.5	19.1	16.0	14.4	11.8	10.6	9.8	9.7	-4.7
Total Fixed Assets	124.5	129.1	137.7	138.7	134.2	134.2	130.9	128.8	127.6	129.2	-5.0
Total Assets	462.1	458.9	444.0	462.0	461.9	478.5	478.7	501.7	505.3	540.5	+62.0
Notes and accounts payable	28.1	17.3	18.8	22.2	24.6	28.8	34.0	37.8	34.3	34.3	+5.5
Short-term borrowings and bonds	-	0.3	0.3	0.3	-	-	-	-	-	-	-
Other current liabilities	37.1	52.1	39.9	39.8	39.7	49.8	41.4	44.7	49.0	66.2	+16.4
Total current liabilities	65.3	69.8	59.0	62.4	64.3	78.5	75.4	82.5	83.3	100.5	+22.0
Long-term debt and bonds	0.5	-	-	-	-	-	-	-	-	-	-
Other fixed liabilities	4.8	3.3	3.1	3.0	3.1	2.9	3.0	3.3	3.6	5.4	+2.5
Total fixed liabilities	5.3	3.3	3.1	3.0	3.1	2.9	3.0	3.3	3.6	5.4	+2.5
Total liabilities	70.5	73.1	62.2	65.4	67.4	81.5	78.4	85.8	86.9	105.9	+24.4
Common stock	72.9	72.9	72.9	73.0	73.0	73.0	73.0	73.0	73.0	73.0	-
Additional paid-in capital	92.7	92.8	92.8	92.8	92.8	92.8	92.8	92.8	92.8	92.8	-
Retained earnings	226.2	248.1	246.6	258.8	261.9	271.0	274.4	286.9	292.3	308.0	+37.0
Treasury stock, at cost	-7.6	-35.1	-35.1	-35.1	-35.2	-35.2	-35.2	-35.2	-36.3	-36.3	-1.1
Net unrealized gain on securities	3.2	2.8	2.9	3.2	1.7	1.4	0.9	2.0	1.7	1.6	+0.2
Foreign currency translation adjustments	2.1	1.9	-0.3	1.3	-1.6	-7.9	-7.3	-5.8	-6.9	-6.8	+1.1
New share warrants	-	0.1	0.2	0.2	0.3	0.3	0.4	0.4	0.5	0.5	+0.2
Minority interests	2.0	2.2	1.8	2.3	1.6	1.7	1.3	1.8	1.4	1.8	+0.1
Total net assets	391.6	385.8	381.8	396.6	394.5	397.1	400.4	416.0	418.4	434.7	+37.6
Total liabilities and net assets	462.1	458.9	444.0	462.0	461.9	478.5	478.7	501.7	505.3	540.5	+62.0

**Cash Flows**

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009			
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12
	Full-year	Full-year	YTD	YTD	YTD	Full-year	YTD	YTD	YTD	Full-year
Net cash provided by (used in) operating activities	40.5	60.4	9.8	23.5	32.6	39.3	13.0	33.7	36.9	66.5
Net cash provided by (used in) investing activities	-29.4	-7.5	-2.2	-14.7	-19.1	-14.1	-3.9	-13.3	-21.6	-20.3
Net cash provided by (used in) financing activities	-18.8	-47.2	-8.8	-8.8	-18.4	-18.4	-11.0	-11.0	-22.3	-22.3
Effect of exchange rate changes on cash and cash equivalents	1.6	-0.3	-2.2	-0.7	-3.4	-9.9	-0.6	0.6	1.0	-0.1
Net increase (decrease) in cash and cash equivalents	-6.0	5.4	-3.3	-0.7	-8.3	-3.1	-2.5	9.9	-6.1	23.8
Cash and cash equivalents at beginning of period	74.4	68.3	73.7	73.7	73.7	73.7	70.7	70.7	70.7	70.7
Cash and cash equivalents at end of period	68.3	73.7	70.4	73.1	65.4	70.7	68.1	80.6	64.6	94.5

**Performance Indicators**

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2010
	As of Dec. 31	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
Net income per share (Basic)	69.35yen	73.23yen	12.30yen	34.64yen	55.32yen	72.07yen	25.27yen	48.29yen	75.07yen	104.00yen	80.85yen
Net income per share (Fully diluted)	69.26yen	73.16yen	12.29yen	34.62yen	55.32yen	72.04yen	25.27yen	48.28yen	75.06yen	103.98yen	-
Return on equity (ROE)*	10.1%	10.4%	1.8%	4.9%	7.8%	10.1%	3.5%	6.5%	10.1%	13.7%	-
Return on assets (ROA)*	13.3%	14.7%	2.3%	5.3%	9.3%	12.2%	4.8%	8.9%	13.4%	17.7%	-
Net assets per share	703.08yen	703.80yen	697.17yen	723.10yen	720.66yen	725.18yen	731.74yen	759.41yen	765.47yen	794.51yen	-
Equity ratio	84.3%	83.5%	85.6%	85.3%	85.0%	82.6%	83.3%	82.5%	82.4%	80.0%	-
Dividends per share (Annual)	30yen	30yen				34yen				40yen	34yen
Dividends per share (Interim)	12yen	15yen				15yen				17yen	17yen
Payout ratio	43.3%	41.0%				47.2%				38.5%	42.1%

Note: Quarterly (year-to-date) ROE and ROA are not annualized.

**Number of Employees**

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2010
	As of Dec. 31	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
Number of employees	5,905	6,257		6,408		6,383	6,347	6,474	6,481	6,485	6,700

Note: Number of employees doesn't include staff seconded to companies outside the Group.

**Capital Expenditures**

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2010
	Full-year	Full-year	YTD	YTD	YTD	Full-year	YTD	YTD	YTD	Full-year	Full-year
Capital expenditures	16.3	19.6		17.9		26.6	2.8	6.6	9.1	14.6	16.0
Depreciation	12.3	13.3		8.6		19.4	4.2	8.9	14.1	19.5	18.9



**Major Capital Investments Plan**

(The Company)

None

(Domestic Subsidiaries)

(Billions of Yen)

Company name	Plants (Location)	Description of investment	Planned investment		Fund raising method	Start of construction	Slated completion date
			Total amount	Investment to-date			
Chugai Pharma Manufacturing Co., Ltd.	Utsunomiya Plant (Utsunomiya-shi, Tochigi)	Injection products building No.3	14.6	14.5	Self-financing	May 2007	December 2010

**Commitment Line (Loan Framework) Contract**

(Billions of Yen)

	Amount
Total Commitments	40.0
Commitments used	–
Commitments unused	40.0

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

## Development pipeline (as of February 3, 2010)

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
<b><u>Oncology</u></b>					
RG340	Colorectal cancer #	Launched Sep. 09	capecitabine Xeloda	Roche Xeloda	Antimetabolite, 5-FU derivative
	Gastric cancer #	Phase III Multinational study	Oral		
RG435	Non-small cell lung cancer #	Launched Nov. 09	bevacizumab Avastin	Roche Avastin	Humanized anti-VEGF(Vascular Endothelial Growth Factor) monoclonal antibody
	Breast cancer #	Filed Oct. 09	Injection		
	Colon cancer (adjuvant) #	Phase III Multinational study			
	Gastric cancer #	Phase III Multinational study			
	Breast cancer (adjuvant) #	Phase III Multinational study			
	Glioblastoma #	Phase III Multinational study			
	Glioblastoma (relapsed) #	Phase II			
RG1415	Pancreatic cancer #	Filed Sep. 09	erlotinib Tarceva Oral	Roche/OSI Tarceva	EGFR tyrosine kinase inhibitor
EPOCH	Chemotherapy-induced anemia #	Filed Nov. 09	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
RG597	Gastric cancer #	Phase III Multinational study	trastuzumab Herceptin Injection	Roche Herceptin	Humanized anti-HER2 monoclonal antibody
RG1273	Breast cancer	Phase III Multinational study	pertuzumab Injection	Roche	Humanized HER dimerization inhibitory monoclonal antibody
TP300	Gastric cancer, etc	Phase II Overseas	Injection	In-house	Topoisomerase I inhibitor

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
MRA	Pancreatic cancer #	Phase I / II	tocilizumab Actemra Injection	In-house  (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody
CIF (RG7167)	Solid tumors	Phase I	Oral	In-house	MEK inhibitor
		Phase I Overseas		(Roche)	
CKI27 (RG7304)	Solid tumors	Phase I	Oral	In-house	-
		Phase I Overseas		(Roche)	
GA101 (RG7159)	Non-Hodgkin's lymphoma	Phase I	  Injection	GlycArt	Humanized anti-CD20 monoclonal antibody
RG3502	Breast cancer	Phase I	  Injection	Roche	HER2 antibody-drug conjugate
GC33	Liver cancer	Phase I Overseas	  Injection	In-house	Humanized anti-Glypican-3 monoclonal antibody
<b><u>Bone and Joint diseases</u></b>					
MRA	Rheumatoid arthritis #	Launched Jan. 10 Overseas(US)	tocilizumab Actemra(US) / RoActemra (EU) Injection	In-house  (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody
	Systemic onset juvenile idiopathic arthritis (sJIA) #	Phase III Overseas			
	Rheumatoid arthritis (new formulation: subcutaneous injection)	Phase I / II	tocilizumab Actemra Injection		
ED-71	Osteoporosis	Filed Oct. 09	eldecalcitol  Oral	In-house (Taisho Pharmaceutical)	Activated Vitamin D <sub>3</sub> derivative
RG1594	Rheumatoid arthritis	Phase III Multinational study	ocrelizumab  Injection	Roche	Humanized anti-CD20 monoclonal antibody

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
RG484	Osteoporosis	Phase II / III	ibandronate sodium hydrate Injection	Roche Boniva (US) / Bonviva (EU) (Taisho Pharmaceutical)	Bisphosphonate
		Phase II	ibandronate sodium hydrate Oral		
Renal diseases					
RG744	Renal anemia	Filed Jul. 09	Injection	Roche Mircera	Continuous erythropoietin receptor activator
Transplant, Immunology and Infectious diseases					
RG964	Compensated liver cirrhosis caused by hepatitis C virus	Phase II / III	ribavirin Copegus Oral	Roche Copegus	Anti-viral agent, in combination with Pegasys
RG442	# Chronic hepatitis B		peginterferon alfa-2a Pegasys Injection	Roche Pegasys	Peginterferon alfa-2a agent (recombinant)
NA808	Chronic hepatitis C	Phase I	Injection	In-house	Serine palmitoyl transferase inhibitor
		Phase I Overseas			
NTZ	Chronic hepatitis C	Phase I	nitazoxanide  Oral	Romark Laboratories Alinia	Thiazolide compound
Other diseases					
EPOCH	Predeposit of autologous blood transfusion #	Filed Jun. 94	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
RG1678	Schizophrenia	Phase II Multinational study	Oral	Roche	GLYT1 inhibitor
CSG452 (RG7201)	Type II diabetes	Phase II Multinational study	Oral	In-house  (Roche)	SGLT2 inhibitor
RG1583 (ITM-077)	Type II diabetes	Phase II	taspoglutide  Injection	Roche/Ipsen (Teijin)	GLP-1 analogue

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
RG1450	Alzheimer's disease	Phase I	gantenerumab Injection	Roche/Morphosys	Human anti-amyloid-beta monoclonal antibody

Changes from the last announcement on October 27, 2009

Oncology

-RG435	Filed → Launched (non-small cell lung cancer)
-EPOCH	Phase III → Filed (chemotherapy induced-anemia)
-RG1507	Phase I → Development suspended(solid tumors)
-CIF(RG7167)	Phase I (solid tumors/Japan)
-CKI27(RG7304)	Phase I (solid tumors/Japan)

Bone and Joint diseases

-MRA	Filed → Launched (Rheumatoid Arthritis/US)
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## R&D Activities (Jan. 1, 2009 – Feb. 3, 2010)

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

### Oncology

- In September 2009, we obtained approval for an additional indication of RG340 (product name: Xeloda), a 5-FU derivative, for colorectal cancer, as a combination therapy with oxaliplatin.
- In August 2009, we participated in a multinational Phase III study (expected indication: glioblastoma) conducted by Roche and started a domestic Phase II trial (expected indication: glioblastoma [relapsed]) for a humanized anti-VEGF monoclonal antibody RG435 (product name: Avastin). Also for RG435, we filed an application for an additional indication (expected indication: breast cancer) in October and obtained approval for an additional indication (expected indication: non-small cell lung cancer).
- In September 2009, we filed an application for an EGFR tyrosine kinase inhibitor, RG1415 (product name: Tarceva, expected indication: pancreatic cancer).
- In November 2009, we filed an application for a recombinant human erythropoietin EPOCH (product name: Epogin, expected indication: treatment of chemotherapy-induced anemia).
- In July 2009, we participated in a multinational Phase III study (expected indication: breast cancer) conducted by Roche for RG1273, a humanized HER dimerization inhibitory monoclonal antibody.
- In September 2009, we started a Phase I/II trial (expected indication: pancreatic cancer) for a humanized anti-human IL-6 receptor monoclonal antibody, MRA (product name: Actemra).
- In November 2009, we started a Phase I trial (expected indication: solid tumors) for a MEK inhibitor, CIF (RG7167).
- In January 2010, we started a Phase I trial (expected indication: solid tumors) for CKI27 (RG7304).
- In October 2009, we started a Phase I trial (expected indication: breast cancer) for a HER2 antibody-drug conjugate, RG3502.
- We decided to terminate development of RG744 for chemotherapy-induced anemia after reviewing priorities of our projects.
- We decided to terminate development for a human anti-IGF-1R monoclonal antibody RG1507 (expected indication: solid tumors) following the fact that results from overseas Phase II clinical trials conducted by Roche (target indication: non-small cell lung cancer, sarcoma) did not meet the efficacy criteria to proceed. No safety or tolerability signals were observed.

### Bone and Joint Diseases

- In January 2009, we started Phase I/II clinical trials for a new formulation (subcutaneous injection) of a humanized anti-human IL-6 receptor monoclonal antibody, MRA (product name: Actemra).
- In October 2009, we filed an application for an activated Vitamin D<sub>3</sub> derivative, ED-71 (expected indication: osteoporosis).

### Renal Diseases

- In April 2009, we obtained approval for the partial change of the API manufacturing method and the pharmaceutical formulation of a recombinant human erythropoietin (product name: Epogin).
- In July 2009, we filed an application for a continuous erythropoietin receptor activator, RG744 (expected indication: renal anemia).

### Transplant, Immunology and Infectious Diseases

- In August 2009, we started a Phase I trial (expected indication: chronic hepatitis C) for a thiazolidine compound, NTZ.

### Other Diseases

- In February 2009, we started a multinational Phase II study (expected indication: type II diabetes) for an SGLT2 inhibitor, CSG452 (RG7201).

- In July 2009, we started a Phase II trial (expected indication: type II diabetes) for a GLP-1 analogue, RG1583 (ITM-077).
- In July 2009, we started a Phase I trial (expected indication: Alzheimer's disease) for a human anti-amyloid-beta monoclonal antibody, RG1450.

At present, we are awaiting the approval of applications (new molecular entities or additions of indications) filed for 6 development themes, including RG435 (expected indication: breast cancer).

Also, as for development activities overseas, the Company saw progress as described below.

- In October 2009, we started a Phase II trial (expected indication: gastric cancer, etc) for a topoisomerase I inhibitor, TP300.
- In March 2009, we concluded a license agreement with ChoongWae Pharma Corporation to grant rights to develop and market a humanized anti-human IL-6 receptor monoclonal antibody, MRA (planned product name: Actemra), in South Korea for the indication of rheumatoid arthritis.
- In January 2010, Roche obtained approval for a humanized anti-human IL-6 receptor monoclonal antibody, MRA (product name: Actemra), for rheumatoid arthritis from the U.S. Food & Drug Administration (FDA).

We deleted the following projects from our development pipeline with due consideration for priorities: a humanized anti-human IL-6 receptor monoclonal antibody, MRA (expected indication: multiple myeloma, Crohn's disease, Castleman's disease [overseas], Systemic lupus erythematosus (SLE)), a motilin agonist GM-611 (expected indication: diabetic gastroparesis, irritable bowel syndrome (IBS)), a DPP-IV inhibitor RG1579 (expected indication: type II diabetes).

**Major clinical trials in oncology field currently running in Japan**

Theme	Expected Indication	Regimen	Stage	Planned Filing Date
RG435 (bevacizumab) Avastin	Breast	paclitaxel + RG435	Filed (Oct. 09)	-
	Breast (adjuvant)	standard chemotherapy ± RG435	BEATRICE study Phase III Multinational study	2013   2015
	Glioblastoma	temozolomide ± RG435	Phase III Multinational study	2013   2015
	Glioblastoma [relapsed]	RG435	Phase II	2013   2015
RG435 (bevacizumab) Avastin	Colon (adjuvant)	FOLFOX4 ± RG435 XELOX + RG435	AVANT study : Phase III Multinational study	2011
RG340 (capecitabine) Xeloda	Gastric	RG340(5FU) + CDDP ± RG435	AVAGAST study : Phase III Multinational study	2011
RG1415 (erlotinib) Tarceva	Pancreatic	gemcitabine + RG1415	Filed (Sep. 09)	-
RG597 (trastuzumab) Herceptin  RG340 (capecitabine) Xeloda	Gastric	RG340/5FU + CDDP ± RG597	ToGA study : Phase III Multinational study	2010
RG1273 (pertuzumab)	Breast	RG597 + docetaxel ± RG1273	CLEOPATRA study Phase III Multinational study	2013   2015