Impact of the 2011 off the Pacific coast of Tohoku Earthquake (No.2)

Chugai expresses deep condolences for victims of the earthquake and sincerely hope for the recovery of the people affected by the disaster.

Chugai has set up an emergency task force and investigation is ongoing on the damages of each area, and measures for recovery will be planned and implemented, alongside with our effort to keep stable supply and distribution of our products.

Below is the update of the status of Chugai Group following our announcement on March 14.

1. Status of employees of the Chugai Group
   There has been no report of injuries or casualties on employees within the Chugai Group.

2. Status of damage on manufacturing plants and impact of the planned electric blackouts
   Some damage has been reported on the building and facilities at Utsunomiya Plant of Chugai Pharma Manufacturing Co., Ltd.(Utsunomiya City, Tochigi). Currently, we are working on the recovery and certain functions have resumed operation since March 16. However, the investigation is ongoing to determine the degree of damage and the time necessary for the recovery, and the timing to resume full operation is unknown at the moment.

   The damage reported at Ukima (Kita-ku, Tokyo) and Fujieda (Fujieda City, Shizuoka) Plants of Chugai Pharma Manufacturing Co., Ltd. are minor and normal production has resumed in both plants.

   As Utsunomiya Plant is located within the planned rolling blackout area, the impact and measures to be taken during blackout, including temporary suspension of the operation is currently being planned.

3. Status of sales offices
   Sendai Branch (Sendai City, Miyagi) and Koriyama Office (Koriyama City, Fukushima) located near the earthquake center were materially damaged, but recovery activities are ongoing.

4. Status of the distribution company
   Chugai Distribution Co., Ltd. (Kazo City, Saitama) was slightly damaged, but recovery activities have been completed and shipment has resumed as of March 16.

5. Impact on business performance
   The impact of this earthquake to Chugai’s business performance is unknown at this stage.
   An update will be provided in case a material impact is expected.