

Name of listed company: Chugai Pharmaceutical Co., Ltd.
Code number: 4519 (1st Section of Tokyo Stock Exchange)
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Impact of the Great East Japan Earthquake (No.3)

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

Below is the update, confirmed as of today, regarding damage of the manufacturing plants of Chugai Group and its contract manufacturers.

1. Utsunomiya Plant (Utsunomiya City, Tochigi) of Chugai Pharma Manufacturing Co., Ltd.

Packaging and shipment functions for some products have resumed. Other functions will also resume over time and the full resumption of the plant is expected by September, 2011.

The damages identified at this stage are as follows:

<Buildings and facilities>

Buildings: Out of nine buildings, three buildings were seriously damaged; quality control (one building out of two), warehouse (one building out of two), and administration & welfare buildings.

The damages of other six buildings including API production facilities are minor.

Facilities: Formulation and packaging facilities were partially damaged.

The other facilities including bioreactors to manufacture biological API have no damage.

<Inventories>

Some intermediates and finished products were damaged.

2. Contract manufacturers for our products

Some manufacturing plants of our contract manufacturers have also been affected by the earthquake, and have halted operation. The investigation in cooperation with these contract manufactures is ongoing to determine the impact to the product supply.

3. Product supply

The projected timeframe of recovery of the facilities is as written in section (1) above, and in order to ensure the stable supply of our products, we are also determining necessary measures to take, including site change to other plants within the Chugai Group and/or to other contract manufactures.

4. Amount of damage

The Company estimates that the damage caused by the earthquake will be approximately 9 billion yen based on information available at this stage. Expenses related to Utsunomiya Plant comprise most of the damage including: loss on and restoration costs for damaged buildings and other fixed assets, removal costs for fixed assets, loss on inventories, and fixed costs during shutdown. The actual amount may differ as more details become available, as the number given above include uncertain estimates, as there are facilities within the manufacturing plant where human access is still restricted.

5. Impact on business performance

The overall impact from the earthquake on its business performance is currently under close review by the Company. If it becomes necessary, the Company will announce changes to the forecasts for the second quarter and for the full year including information obtained from here on, when first quarter results for fiscal year 2011 are announced on April 21, 2011.