

Name of listed company: Chugai Pharmaceutical Co., Ltd.
Code number: 4519 (1st Section of Tokyo Stock Exchange)
Head office: 1-1, Nihonbashi-Muromachi 2-Chome, Chuo-ku, Tokyo
Chairman & CEO: Osamu Nagayama
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Name of company: Eli Lilly Japan K.K.
Head office: 1-5, Isogami-dori 7-Chome, Chuo-ku, Kobe city, Hyogo
President: Alfonso G. Zulueta

**Eli Lilly Japan and Chugai to Terminate
Co-Marketing Agreement of “EVISTA[®] tablet 60mg,”
a Treatment for Osteoporosis in Postmenopausal Women**

Eli Lilly Japan K.K. (“Lilly”) [Head Office: Kobe City, Hyogo Prefecture /President: Alfonso G. Zulueta] and Chugai Pharmaceutical Co. Ltd. (“Chugai”) [Head Office: Chuo-ku, Tokyo; Chairman & CEO: Osamu Nagayama] have agreed to terminate the agreement regarding co-marketing of “EVISTA[®] tablet 60mg” (generic name: raloxifene hydrochloride, hereafter “EVISTA[®]”), a treatment for osteoporosis in postmenopausal women, as of December 31, 2012.

Lilly will be solely responsible for the distribution and commercialization of EVISTA[®] in Japan from January 2013.

Lilly and Chugai will cooperate to accomplish a smooth transition. During the transition period, both companies will maintain same level of product supply and adequate commercial activities to satisfy medical needs.

Any impact resulting from this agreement is negligible to Chugai's consolidated financial result in FY2012.

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[Reference]

About EVISTA[®] tablet 60mg

Generic Name	Raloxifene hydrochloride
Product Name	EVISTA [®] tablet 60mg
Approval Date	January 29, 2004 (Indication: postmenopausal osteoporosis)
Launch Date	May 12, 2004
Dosage and administration	EVISTA [®] can be taken once daily at any time of the day regardless of the timing of meals.
Mode of action	Raloxifene hydrochloride is one of the selective estrogen receptor modulators (SERMs) and produces the effect to inhibit desorption of the bone.
NHI drug price	122.6 yen for a 60mg tablet
History of co-marketing	Lilly and Chugai signed an agreement for joint development and marketing of EVISTA [®] in December, 1995, and have been developing EVISTA [®] . Both companies started 1-brand 2-channel co-marketing of EVISTA [®] from May 2004, and have successfully partnered, making EVISTA [®] and the SERM therapeutic class a landmark in the treatment of osteoporosis in Japan.
Usage in overseas	EVISTA [®] was first launched in January 1998 in the U.S. as a medicine for the prevention of postmenopausal osteoporosis. In 1999, the drug obtained the additional indication for the treatment of postmenopausal osteoporosis. At present, EVISTA [®] is approved as a medicine for the treatment and prevention of postmenopausal osteoporosis in approximately 100 countries worldwide. (In Japan, it is indicated only for the treatment of postmenopausal osteoporosis.)

About Eli Lilly Japan

Eli Lilly Japan is a Japanese affiliate of Eli Lilly and Company. It contributes to Japanese healthcare through the import, development, manufacturing and sale of innovative drugs. Eli Lilly Japan provides therapies in the areas of neuroscience, cancer, diabetes & growth disorder and musculoskeletal diseases including schizophrenia, depression, bipolar, ADHD, cancer (non-small-cell lung cancer, pancreatic cancer, biliary tract cancer, malignant pleural mesothelioma, urothelial cancer, breast cancer and ovarian cancer), diabetes, growth disorder and osteoporosis. For more information please visit our home page. <http://www.lilly.co.jp>

About Chugai Pharmaceutical

Chugai Pharmaceutical is one of Japan's leading research-based pharmaceutical companies with strengths in biotechnology products. Chugai, based in Tokyo, specializes in prescription pharmaceuticals and is listed on the 1st section of the Tokyo Stock Exchange. As an important member of the Roche Group, Chugai is actively involved in R&D activities in Japan and abroad. Specifically, Chugai is working to develop innovative products which may satisfy the unmet medical needs, mainly focusing on the oncology area.

In Japan, Chugai's research facilities in Gotemba and Kamakura are collaborating to develop new pharmaceuticals and Ukima is conducting research for technology development for industrial production. Overseas, Chugai Pharma USA and Chugai Pharma Europe are engaged in clinical development activities in the United States and Europe.

The consolidated revenue in 2011 of Chugai totaled 373.5 billion yen and the operating income was 62.4 billion yen. We are aiming at the consolidated revenue of 418.5 billion yen and operating income of 80 billion yen in 2012.

Additional information is available on the Internet at <http://www.chugai-pharm.co.jp/>.