

## Translation

### Incident Report on Missing Deleterious Substance

March 27, 2015 (Tokyo) - Chugai Pharmaceutical Co., Ltd. [Head Office: Chuo-ku, Tokyo; Chairman and CEO: Osamu Nagayama] (hereafter, “Chugai”) announced today that a bottle containing 3-liters of acetonitrile stored in the reagent chamber at our Ukima office has been missing. This incident has been identified on February 5, 2015 from the regular control inspection for poisonous and deleterious substances at the Ukima office.

Chugai purchased and stored this acetonitrile as a reagent for the usage of High Performance Liquid Chromatography (HPLC) analysis. Chugai conducts regular stock inspection as acetonitrile is designated as a toxic substance under the Poisonous Material Control Law.

On February 5, the Ukima office noticed that one of eight acetonitrile bottles delivered on January 27, 2015 was missing upon monthly stock inspection. As there was a difference between the control record and actual stock, Chugai immediately conducted internal investigation and hearing investigation to the empty bottle recycling company; however, we could not determine the cause. Given this situation, Chugai notified Akabane branch of the Tokyo Metropolitan Police Department (hereafter, “Akabane Police Station”) of this incident in accordance with the law. Thereafter, we continued to conduct internal investigation with Akabane Police Station; nevertheless, failed to find the bottle and filed a claim to Akabane Police Station on March 17.

Chugai is continuously conducting internal investigation and committed to work on determining the cause, while fully cooperating with Akabane Police Station.

Chugai takes this incident very seriously, and sincerely apologizes to all stakeholders including the local residents for any concerns caused by the loss of this deleterious substance. To prevent similar incidents in the future and to further enforce preventive measures, Chugai is continuing to determine the cause and further committed to ensuring safety management.

[References]

#### About Acetonitrile

- Organic solvent for manufacturing chemical synthetic product or chemical analysis
- Flammable, clear and colorless liquid with characteristic odor
- Designated as a toxic substance under the Poisonous Material Control Law

- Although the degree of its toxicity is lower than inorganic cyanogen compounds, it is absorbed immediately through skin or inhalation, and it can cause inflammation once the skin or eyes are exposed to acetonitrile.