

Name of listed company: Chugai Pharmaceutical Co., Ltd.  
Code number: 4519 (1<sup>st</sup> Section of Tokyo Stock Exchange)  
Head office: 1-1, Nihonbashi-Muromachi 2-Chome, Chuo-ku, Tokyo  
Chairman & CEO: Osamu Nagayama  
Inquiries to: Masahiko Uchida, General Manager,  
Corporate Communications Dept.  
Tel: +81-(0)3-3273-0881

## **Favorable Grand Panel Judgment on Patent-Infringement Lawsuit Regarding OXAROL<sup>®</sup> Ointment at the Intellectual Property High Court**

March 25, 2016 (Tokyo) -- Chugai Pharmaceutical Co., Ltd. announced that it has won as of March 25 a lawsuit against companies who by the decision must now stop manufacturing and marketing their generic drugs in infringement of the process patent (Patent No. 3310301; hereinafter referred to as "Patent") on "OXAROL<sup>®</sup> Ointment 25 µg/g" (hereinafter referred to as OXAROL Ointment), a Chugai's drug for treatment of keratosis including psoriasis vulgaris. The grand panel judgment made by the Special Division of the Intellectual Property High Court was to reject the appeal by the generic companies, and by which, Chugai's claim was fully supported.

### <Background>

- As of February 19, 2013, Chugai filed a lawsuit at Tokyo District Court against Iwaki & Co., Ltd., Takata Seiyaku Co., Ltd., and Pola Pharma Inc., who were distributing generics of OXAROL Ointment, and also against DKSH Japan K.K., who imported the active ingredient of these generic products (hereinafter collectively referred to as "4 companies") to allege the companies' infringement of the Patent and to stop them from the patent infringement.
- As of December 24, 2014, Tokyo District Court rendered a decision that was fully in favor of Chugai's claim, and as of February 25, 2015, issued a provisional injunction to the 4 companies to stop importing the active ingredient and distributing the generic products.
- The 4 companies appealed the decision of Tokyo District Court to the Intellectual Property High Court as of January 6, 2015.

Then, as mentioned above, the Special Division of the Intellectual Property High Court comprising a five-judge panel ruled in favor of Chugai as of March 25, 2016.

This decision made by the Intellectual Property High Court as mentioned above will support the judgment of Tokyo District Court to suspend the marketing of the generic products, and by which, the 4 companies must not market the generics manufactured with the process that is in infringement with Chugai's Patent.

Meanwhile, the effect of the decision made by the Intellectual Property High Court mentioned above is expected to be negligible on the business performance of Chugai.

### **About OXAROL<sup>®</sup> Ointment**

OXAROL Ointment is a drug with the active ingredient, "maxacalcitol," an active vitamin D<sub>3</sub> derivative created by Chugai for treatment of keratosis, and has been approved for 4 indications, which are psoriasis vulgaris, ichthyosis group, palmoplantar keratosis, and palmoplantar pustulosis.