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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Announcement of a Lawsuit Filed against Chugai

Chugai Pharmaceutical Co., Ltd. (Head office: Chuo-ku, Tokyo / Chairman & CEO: Osamu Nagayama) announces that a lawsuit was filed against Chugai at the United States District Court for the District of Delaware as follows.

1. Date of Complaint May 4, 2017

2. Reasons and Background for the Action

Baxalta alleges that the new drug candidate under development for the treatment of hemophilia A, emicizumab (development code: ACE910), infringes one of its US patent (patent number 7,033,590). Thus, Baxalta filed a lawsuit against Chugai and Genentech Inc., requesting relief including an injunction enjoining manufacturing, using, offering to sell, or selling emicizumab within the US, or importing emicizumab into the US.

3. Party Who Filed the Complaint

(1) Name: Baxalta Incorporated

Baxalta GmbH

(2) Address: 1200 Lakeside Drive, Bannockburn, Illinois, USA

Glattpark (Opfikon), Switzerland

4. Contents of the Complaint

A judgement for an injunction against infringement of patent right, etc.

5. Prospects

The complaint has not been served, but our understanding is that it alleges that Chugai is infringing Baxalta's US patent by manufacturing, selling and importing emicizumab in the US.

However, Chugai is confident that emicizumab does not infringe the plaintiff's patent and will vigorously challenge the infringement allegations and the validity of the patent, and assert other defenses as appropriate.

Therefore, no changes are expected to be made to the financial prospects of fiscal year 2017.