



Chugai Pharmaceutical Co., Ltd. Fuji Chemical Industries Co., Ltd.

Business Transfer of ULCERLMIN® for the Treatment of Gastritis/Peptic Ulcer from Chugai Pharmaceutical to Fuji Chemical Industries

TOKYO, April 1, 2019 -- Chugai Pharmaceutical Co., Ltd. [Head Office, Tokyo; President & CEO, Tatsuro Kosaka] (hereafter, "Chugai") and Fuji Chemical Industries Co., Ltd. [Head Office, Toyama; Chairman, President & CEO, Mitsunori Nishida] (hereafter, "Fuji Chemical Industries") announced today that two companies entered into a business transfer agreement on February 8, 2019 for Ulcerlmin® (generic name, sucralfate hydrate) for the treatment of gastritis/peptic ulcer manufactured and marketed by Chugai.

Ulcerlmin, created and developed by Chugai, has been launched in Japan since 1968. Currently, the drug is approved in more than 30 countries and has contributed to treatment for many patients in Japan and other countries. Based on the agreement, the rights related to supply of drug substances to overseas manufacturing and sales companies of Ulcerlmin and the rights related to the marketing authorization of the drug in Japan, will be devolved to Fuji Chemical Industries from Chugai on April 1, 2019 and by September 30, 2019, respectively.

For Japanese market, after the succession of the Ulcerlmin business, distribution of the products manufactured by Chugai will continue for a certain period to ensure stable supply of the drug. The products will be gradually switched to those manufactured by Fuji Chemical Industries along with fading of Chugai's products from the market. The new sales and marketing scheme in Japan will be announced by Fuji Chemical Industries at a later date. For overseas markets, Fuji Chemical Industries will be responsible for supply of drug substances, while manufacturing and sales companies in each country will continue to distribute the product.

Chugai will corporate with Fuji Chemical Industries to achieve a successful succession so that they can continuously implement activities to ensure stable supply, provide product information which meets medical needs, and promote the appropriate use of Ulcerlmin.

Effects of the agreement on consolidated results of operations of Chugai for the business term ending in December 2019 are expected to be slight.

Indications of Ulcerlmin in Japan are as follows;

- Gastric and duodenal ulcers
- Improvement of gastric mucosal lesion (erosion, hemorrhage, redness, and edema) of the following diseases; acute gastritis and acute exacerbation of chronic gastritis

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