

Supplementary Materials for  
Consolidated Financial Results  
for the 2nd Quarter of Fiscal Year 2009. 12



CHUGAI PHARMACEUTICAL CO., LTD.



A member of the Roche group

- Notes: 1. Portions of this report that refer to performance forecasts or any other future events are believed to be reasonable under information available at the time of the forecasts. Actual results may materially differ from these forecasts due to potential risks and uncertainties.
2. Amounts shown in Financial Highlights, Extraordinary Gains and Losses, Statements of Revenues, Balance Sheets, Cash Flows and Capital Expenditures of this report are rounded to the nearest 0.1 billion yen. Variance and % are calculated based on the amounts shown.
3. Amounts by quarter for the fiscal year ended December 2008 and indicators are presented as comparisons with the same period of the previous fiscal year for reference purposes.
4. Exchange rates used for each period are as follows.

(Yen)

Fx rates	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2009
	(Full-year)	(Full-year)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(YTD)	(Full-year)
	end-of-year closing	average	average	average	average	average	average	average	average	average	forecast
CHF	97.44	98.13	98.58	99.95	100.08	95.54	81.55	84.52	—	—	85.00
EUR	156.57	161.17	157.85	160.54	160.93	151.38	122.06	127.19	—	—	125.00
USD	119.12	117.80	105.43	104.98	105.85	103.44	93.51	95.46	—	—	90.00
GBP	233.70	235.66	208.56	207.31	206.00	189.85	134.34	142.14	—	—	135.00

## Financial Highlights (YTD)

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009								Forecasts			
			FY2008				FY2009								FY2009			
			1-3	1-6	1-9	1-12	1-3	Change (%)	1-6	Change (%)	1-9	Change (%)	1-12	Change (%)	1-6	Change (%)	1-12	Change (%)
			Full-year	Full-year	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	Half-year	Half-year	Full-year	Full-year
Revenues	326.1	344.8	66.2	145.9	229.7	326.9	94.7	+43.1	191.7	+31.4	—	—	—	—	199.5	+36.7	400.0	+22.4
Sales	326.1	332.9	65.9	144.9	224.9	321.8	92.9	+41.0	185.9	+28.3	—	—	—	—	194.0	+33.9	390.3	+21.3
excl. Tamiflu	288.2	294.3	64.4	143.3	223.2	313.4	72.5	+12.6	160.6	+12.1	—	—	—	—	155.0	+8.2	337.3	+7.6
Tamiflu	38.0	38.7	1.6	1.6	1.7	8.4	20.4	+1,175.0	25.4	+1,487.5	—	—	—	—	39.0	+2,337.5	53.0	+531.0
Ordinary sales	13.6	10.2	1.3	1.4	1.5	7.1	6.0	+361.5	11.0	+685.7	—	—	—	—	—	—	—	—
Govt. stockpile etc.	24.4	28.5	0.2	0.2	0.2	1.3	14.4	+7,100.0	14.4	+7,100.0	—	—	—	—	—	—	—	—
Other operating revenues *	—	11.9	0.2	1.0	4.8	5.1	1.8	+800.0	5.7	+470.0	—	—	—	—	5.5	+450.0	9.7	+90.2
Cost of sales	133.1	137.3	25.0	56.3	87.6	127.0	43.7	+74.8	83.9	+49.0	—	—	—	—	—	—	176.0	+38.6
(% of Sales)	40.8	41.2	37.9	38.9	39.0	39.5	47.0	—	45.1	—	—	—	—	—	—	—	45.1	—
Gross profit	193.0	207.5	41.2	89.6	142.1	199.9	51.0	+23.8	107.8	+20.3	—	—	—	—	—	—	224.0	+12.1
(% of Revenues)	59.2	60.2	62.2	61.4	61.9	61.2	53.9	—	56.2	—	—	—	—	—	—	—	56.0	—
SG&A (excl. R&D) expenses	80.1	86.6	19.4	42.2	65.9	95.1	21.6	+11.3	46.1	+9.2	—	—	—	—	—	—	100.5	+5.7
(% of Revenues)	24.6	25.1	29.3	28.9	28.7	29.1	22.8	—	24.0	—	—	—	—	—	—	—	25.1	—
R&D expenses	54.6	54.2	11.8	24.2	36.3	53.2	11.8	+0.0	24.5	+1.2	—	—	—	—	—	—	60.5	+13.7
(% of Revenues)	16.7	15.7	17.8	16.6	15.8	16.3	12.5	—	12.8	—	—	—	—	—	—	—	15.1	—
Operating income	58.3	66.7	10.1	23.1	39.8	51.6	17.5	+73.3	37.2	+61.0	—	—	—	—	35.0	+51.5	63.0	+22.1
(% of Revenues)	17.9	19.3	15.3	15.8	17.3	15.8	18.5	—	19.4	—	—	—	—	—	17.5	—	15.8	—
Non-operating income	6.3	4.3	1.3	2.4	4.3	9.9	5.4	+315.4	6.9	+187.5	—	—	—	—	—	—	—	—
Non-operating expenses	3.7	3.3	1.1	1.2	1.4	4.2	0.2	-81.8	0.6	-50.0	—	—	—	—	—	—	—	—
Recurring profit	60.9	67.7	10.2	24.3	42.7	57.3	22.8	+123.5	43.5	+79.0	—	—	—	—	35.5	+46.1	63.5	+10.8
(% of Revenues)	18.7	19.6	15.4	16.7	18.6	17.5	24.1	—	22.7	—	—	—	—	—	17.8	—	15.9	—
Extraordinary gain	3.6	0.3	0.9	7.2	7.3	7.3	0.3	-66.7	0.3	-95.8	—	—	—	—	—	—	—	—
Extraordinary loss	1.6	1.6	0.1	0.3	0.4	1.4	0.0	-100.0	0.1	-66.7	—	—	—	—	—	—	—	—
Income before income taxes etc.	63.0	66.4	11.0	31.2	49.6	63.1	23.1	+110.0	43.7	+40.1	—	—	—	—	—	—	—	—
(% of Revenues)	19.3	19.3	16.6	21.4	21.6	19.3	24.4	—	22.8	—	—	—	—	—	—	—	—	—
Net income	38.4	40.1	6.7	18.9	30.1	39.3	13.8	+106.0	26.3	+39.2	—	—	—	—	22.0	+16.4	40.0	+1.8
(% of Revenues)	11.8	11.6	10.1	13.0	13.1	12.0	14.6	—	13.7	—	—	—	—	—	11.0	—	10.0	—

Note: Other operating revenues (presented as royalties and other operating income through the fiscal year ended December 2008) were previously included in non-operating income or extraordinary gain, but beginning in the fiscal year ended December 31, 2007, they have been included in revenues.

## Extraordinary Gains and Losses

## Extraordinary Gains

(Billions of Yen)

	Amount	Description
Gain on sales of fixed assets	0.3	Gains from the sale of real estate investments etc.

## Financial Highlights (QTR)

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009								Forecasts			
			FY2008				FY2009								FY2009			
			1-3	4-6	7-9	10-12	1-3	Change (%)	4-6	Change (%)	7-9	Change (%)	10-12	Change (%)	1-6	Change (%)	7-12	Change (%)
			1-12	1-12	1-12	1-12	1-3	Change (%)	4-6	Change (%)	7-9	Change (%)	10-12	Change (%)	1st Half	Change (%)	2nd Half	Change (%)
	Full-year	Full-year	QTR	QTR	QTR	QTR	QTR		QTR		QTR		QTR					
Revenues	326.1	344.8	66.2	79.7	83.8	97.3	94.7	+43.1	97.0	+21.7	-	-	-	-	199.5	+36.7	200.5	+10.7
Sales	326.1	332.9	65.9	79.0	80.0	97.0	92.9	+41.0	93.0	+17.7	-	-	-	-	194.0	+33.9	196.3	+11.0
excl. Tamiflu	288.2	294.3	64.4	78.9	79.9	90.3	72.5	+12.6	88.1	+11.7	-	-	-	-	155.0	+8.2	182.3	+7.2
Tamiflu	38.0	38.7	1.6	0.0	0.1	6.7	20.4	+1,175.0	5.0	-	-	-	-	-	39.0	+2,337.5	14.0	+105.9
Ordinary sales	13.6	10.2	1.3	0.0	0.1	5.6	6.0	+361.5	5.0	-	-	-	-	-	-	-	-	-
Govt. stockpile etc.	24.4	28.5	0.2	-	-	1.1	14.4	+7,100.0	-	-	-	-	-	-	-	-	-	-
Other operating revenues	-	11.9	0.2	0.8	3.8	0.3	1.8	+800.0	4.0	+400.0	-	-	-	-	5.5	+450.0	4.2	+2.4
Cost of sales	133.1	137.3	25.0	31.3	31.3	39.4	43.7	+74.8	40.1	+28.1	-	-	-	-	-	-	-	-
(% of Sales)	40.8	41.2	37.9	39.6	39.1	40.6	47.0	-	43.1	-	-	-	-	-	-	-	-	-
Gross profit	193.0	207.5	41.2	48.4	52.5	57.8	51.0	+23.8	56.9	+17.6	-	-	-	-	-	-	-	-
(% of Revenues)	59.2	60.2	62.2	60.7	62.6	59.4	53.9	-	58.7	-	-	-	-	-	-	-	-	-
SG&A (excl. R&D) expenses	80.1	86.6	19.4	22.8	23.7	29.2	21.6	+11.3	24.5	+7.5	-	-	-	-	-	-	-	-
(% of Revenues)	24.6	25.1	29.3	28.6	28.3	30.0	22.8	-	25.3	-	-	-	-	-	-	-	-	-
R&D expenses	54.6	54.2	11.8	12.5	12.1	16.9	11.8	+0.0	12.7	+1.6	-	-	-	-	-	-	-	-
(% of Revenues)	16.7	15.7	17.8	15.7	14.4	17.4	12.5	-	13.1	-	-	-	-	-	-	-	-	-
Operating income	58.3	66.7	10.1	13.1	16.7	11.7	17.5	+73.3	19.6	+49.6	-	-	-	-	35.0	+51.5	28.0	-1.4
(% of Revenues)	17.9	19.3	15.3	16.4	19.9	12.0	18.5	-	20.2	-	-	-	-	-	17.5	-	14.0	-
Non-operating income	6.3	4.3	1.3	1.2	1.9	5.6	5.4	+315.4	1.5	+25.0	-	-	-	-	-	-	-	-
Non-operating expenses	3.7	3.3	1.1	0.1	0.2	2.8	0.2	-81.8	0.5	+400.0	-	-	-	-	-	-	-	-
Recurring profit	60.9	67.7	10.2	14.1	18.4	14.6	22.8	+123.5	20.7	+46.8	-	-	-	-	35.5	+46.1	28.0	-14.9
(% of Revenues)	18.7	19.6	15.4	17.7	22.0	15.0	24.1	-	21.3	-	-	-	-	-	17.8	-	14.0	-
Extraordinary gain	3.6	0.3	0.9	6.3	0.0	0.0	0.3	-66.7	-	-100.0	-	-	-	-	-	-	-	-
Extraordinary loss	1.6	1.6	0.1	0.2	0.0	1.1	0.0	-100.0	0.0	-100.0	-	-	-	-	-	-	-	-
Income before income taxes etc.	63.0	66.4	11.0	20.2	18.4	13.5	23.1	+110.0	20.6	+2.0	-	-	-	-	-	-	-	-
(% of Revenues)	19.3	19.3	16.6	25.3	22.0	13.9	24.4	-	21.2	-	-	-	-	-	-	-	-	-
Net income	38.4	40.1	6.7	12.2	11.3	9.1	13.8	+106.0	12.5	+2.5	-	-	-	-	22.0	+16.4	18.0	-11.8
(% of Revenues)	11.8	11.6	10.1	15.3	13.5	9.4	14.6	-	12.9	-	-	-	-	-	11.0	-	9.0	-

## Statements of Revenues (YTD)

(Billions of Yen)

																	Forecasts			
			FY2006	FY2007	FY2008				FY2009						FY2009					
			1-12	1-12	1-3	1-6	1-9	1-12	1-3	Change (%)	1-6	Change (%)	1-9	Change (%)	1-12	Change (%)	1-6	Change (%)	1-12	Change (%)
			Full-year	Full-year	YTD	YTD	YTD	YTD	YTD		YTD		YTD		YTD		Half-year		Full-year	
Sales			326.1	332.9	65.9	144.9	224.9	321.8	92.9	+41.0	185.9	+28.3	-	-	-	-	194.0	+33.9	390.3	+21.3
Excl. Tamiflu			288.2	294.3	64.4	143.3	223.2	313.4	72.5	+12.6	160.6	+12.1	-	-	-	-	155.0	+8.2	337.3	+7.6
Domestic			259.8	263.1	56.6	127.7	198.3	279.9	66.2	+17.0	146.3	+14.6	-	-	-	-	141.3	+10.6	309.7	+10.6
Oncology field			67.8	74.0	18.9	44.0	70.8	102.3	25.7	+36.0	57.8	+31.4	-	-	-	-	53.7	+22.0	117.5	+14.9
Herceptin			14.5	16.1	4.1	9.8	16.2	23.7	6.6	+61.0	14.7	+50.0	-	-	-	-	12.6	+28.6	27.5	+16.0
Rituxan			18.0	18.6	4.2	9.5	14.6	20.5	4.3	+2.4	9.7	+2.1	-	-	-	-	9.4	-1.1	20.6	+0.5
Avastin *1			-	3.5	2.7	7.1	12.8	20.1	6.7	+148.1	15.4	+116.9	-	-	-	-	13.0	+83.1	29.0	+44.3
Neutrogin			12.0	12.6	2.4	5.4	8.5	12.0	2.2	-8.3	5.2	-3.7	-	-	-	-	5.7	+5.6	12.5	+4.2
Kytril			12.9	13.6	2.5	5.4	8.1	10.9	2.1	-16.0	4.5	-16.7	-	-	-	-	4.8	-11.1	10.3	-5.5
Xeloda			2.5	2.7	0.8	2.0	3.3	4.8	1.3	+62.5	2.8	+40.0	-	-	-	-	2.9	+45.0	6.5	+35.4
Tarceva *1			-	0.2	0.8	2.0	3.2	4.5	1.2	+50.0	2.7	+35.0	-	-	-	-	2.6	+30.0	5.5	+22.2
Femara *1			0.3	1.0	0.3	0.7	1.2	1.7	0.5	+66.7	1.1	+57.1	-	-	-	-	1.2	+71.4	2.6	+52.9
Other products			7.6	5.6	1.0	2.1	3.1	4.1	0.8	-20.0	1.7	-19.0	-	-	-	-	1.5	-28.6	3.0	-26.8
Renal diseases field			76.8	69.6	13.7	29.5	44.6	61.3	13.0	-5.1	28.8	-2.4	-	-	-	-	28.4	-3.7	61.9	+1.0
Epogin			63.4	54.8	10.2	21.7	32.8	44.9	9.4	-7.8	20.8	-4.1	-	-	-	-	20.6	-5.1	45.2	+0.7
Oxarol			7.6	8.7	2.1	4.7	7.3	10.0	2.2	+4.8	4.9	+4.3	-	-	-	-	4.9	+4.3	10.6	+6.0
Renagel			5.0	5.6	1.2	2.7	4.1	5.7	1.3	+8.3	2.7	+0.0	-	-	-	-	2.5	-7.4	5.3	-7.0
Other products			0.7	0.5	0.2	0.4	0.4	0.7	0.2	+0.0	0.4	+0.0	-	-	-	-	0.3	-25.0	0.7	+0.0
Bone and joint diseases field			42.2	46.6	9.8	22.7	35.2	50.0	12.2	+24.5	26.9	+18.5	-	-	-	-	26.4	+16.3	58.5	+17.0
Evista			13.4	16.0	3.1	7.5	11.7	16.5	3.8	+22.6	8.4	+12.0	-	-	-	-	8.4	+12.0	18.1	+9.7
Alfarol			14.6	14.3	3.0	6.7	10.0	13.7	3.0	+0.0	6.5	-3.0	-	-	-	-	6.5	-3.0	13.4	-2.2
Suvenyl			9.1	11.0	2.5	5.6	8.7	12.0	2.8	+12.0	6.5	+16.1	-	-	-	-	5.9	+5.4	13.1	+9.2
Actemra			0.4	0.5	0.1	0.7	1.8	3.4	1.5	+1,400.0	3.5	+400.0	-	-	-	-	3.5	+400.0	9.6	+182.4
Other products			4.6	4.8	1.1	2.2	3.1	4.5	1.1	+0.0	2.1	-4.5	-	-	-	-	2.1	-4.5	4.2	-6.7
Transplant, Immunology & Infectious diseases field			14.5	17.7	4.8	10.7	16.8	24.0	5.9	+22.9	12.8	+19.6	-	-	-	-	13.1	+22.4	30.1	+25.4
Pegasys			5.8	6.3	1.9	4.1	6.7	9.7	2.5	+31.6	5.5	+34.1	-	-	-	-	5.5	+34.1	13.0	+34.0
Copegus *1			-	2.0	0.8	1.8	2.9	4.2	1.1	+37.5	2.4	+33.3	-	-	-	-	2.5	+38.9	6.2	+47.6
Rocephin			5.5	5.7	1.3	2.8	4.2	5.9	1.3	+0.0	2.7	-3.6	-	-	-	-	3.0	+7.1	6.2	+5.1
CellCept			3.0	3.5	0.8	1.9	2.8	4.0	0.9	+12.5	2.1	+10.5	-	-	-	-	2.0	+5.3	4.4	+10.0
Other products			0.3	0.3	0.1	0.1	0.2	0.3	0.1	+0.0	0.1	+0.0	-	-	-	-	0.1	+0.0	0.2	-33.3
Others field			58.4	55.1	9.5	20.8	30.8	42.3	9.4	-1.1	20.0	-3.8	-	-	-	-	19.7	-5.3	41.7	-1.4
Sigmart			15.4	15.2	3.3	7.3	10.8	15.0	3.3	+0.0	7.1	-2.7	-	-	-	-	6.9	-5.5	14.6	-2.7
SA products *2			12.9	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other products			30.1	28.8	6.1	13.5	20.0	27.3	6.2	+1.6	13.0	-3.7	-	-	-	-	12.8	-5.2	27.1	-0.7
Overseas			28.4	31.2	7.8	15.6	24.9	33.5	6.3	-19.2	14.2	-9.0	-	-	-	-	13.8	-11.5	27.7	-17.3
Neutrogin			24.2	26.6	6.7	13.3	20.1	25.9	4.8	-28.4	10.2	-23.3	-	-	-	-	10.4	-21.8	18.6	-28.2
Sigmart			2.6	2.8	0.6	1.2	1.7	2.0	0.6	+0.0	1.3	+8.3	-	-	-	-	1.1	-8.3	2.0	+0.0
Actemra			-	-	-	0.2	1.7	3.8	0.4	-	1.8	+800.0	-	-	-	-	1.7	+750.0	6.0	+57.9
Other products			1.6	1.9	0.5	0.9	1.4	1.7	0.5	+0.0	1.0	+11.1	-	-	-	-	0.6	-33.3	1.2	-29.4
Tamiflu			38.0	38.7	1.6	1.6	1.7	8.4	20.4	+1,175.0	25.4	+1,487.5	-	-	-	-	39.0	+2,337.5	53.0	+531.0
Ordinary sales			13.6	10.2	1.3	1.4	1.5	7.1	6.0	+361.5	11.0	+685.7	-	-	-	-	-	-	-	-
Govt. stockpile etc.			24.4	28.5	0.2	0.2	0.2	1.3	14.4	+7,100.0	14.4	+7,100.0	-	-	-	-	-	-	-	-
Other operating revenues			-	11.9	0.2	1.0	4.8	5.1	1.8	+800.0	5.7	+470.0	-	-	-	-	5.5	+450.0	9.7	+90.2
Revenues (total)			326.1	344.8	66.2	145.9	229.7	326.9	94.7	+43.1	191.7	+31.4	-	-	-	-	199.5	+36.7	400.0	+22.4
Domestic			297.7	308.4	58.3	130.2	204.6	293.1	86.7	+48.7	175.5	+34.8	-	-	-	-	184.0	+41.3	369.7	+26.1
Overseas			28.4	36.4	7.8	15.7	25.0	33.8	8.0	+2.6	16.2	+3.2	-	-	-	-	15.5	-1.3	30.3	-10.4

Notes: 1. The products marketed in 2006 and subsequent years are as follows: Avastin (launched in June 2007), Tarceva (December 2007), Femara (May 2006), Copegus (March 2007).  
2. Sales of the products for which the marketing collaboration in Japan with sanofi-aventis K.K. ended on December 31, 2007, are included in the "Others field (SA products)."

## Statements of Revenues (QTR)

(Billions of Yen)

																			Forecasts			
			FY2006	FY2007	FY2008				FY2009								FY2009					
			1-12	1-12	1-3	4-6	7-9	10-12	1-3	Change (%)	4-6	Change (%)	7-9	Change (%)	10-12	Change (%)	1-6	Change (%)	7-12	Change (%)		
			Full-year	Full-year	QTR	QTR	QTR	QTR	QTR		QTR		QTR		QTR		1st Half		2nd Half			
Sales			326.1	332.9	65.9	79.0	80.0	97.0	92.9	+41.0	93.0	+17.7	-	-	-	-	194.0	+33.9	196.3	+11.0		
Excl. Tamiflu			288.2	294.3	64.4	78.9	79.9	90.3	72.5	+12.6	88.1	+11.7	-	-	-	-	155.0	+8.2	182.3	+7.2		
Domestic			259.8	263.1	56.6	71.1	70.6	81.7	66.2	+17.0	80.1	+12.7	-	-	-	-	141.3	+10.6	168.4	+10.6		
Oncology field			67.8	74.0	18.9	25.2	26.8	31.4	25.7	+36.0	32.1	+27.4	-	-	-	-	53.7	+22.0	63.8	+9.6		
Herceptin			14.5	16.1	4.1	5.7	6.4	7.5	6.6	+61.0	8.1	+42.1	-	-	-	-	12.6	+28.6	14.9	+6.4		
Rituxan			18.0	18.6	4.2	5.3	5.1	5.9	4.3	+2.4	5.5	+3.8	-	-	-	-	9.4	-1.1	11.2	+1.8		
Avastin			-	3.5	2.7	4.4	5.6	7.3	6.7	+148.1	8.6	+95.5	-	-	-	-	13.0	+83.1	16.1	+23.8		
Neutrogin			12.0	12.6	2.4	3.0	3.1	3.5	2.2	-8.3	3.0	+0.0	-	-	-	-	5.7	+5.6	6.8	+4.6		
Kytril			12.9	13.6	2.5	2.8	2.7	2.8	2.1	-16.0	2.4	-14.3	-	-	-	-	4.8	-11.1	5.5	+0.0		
Xeloda			2.5	2.7	0.8	1.2	1.3	1.5	1.3	+62.5	1.5	+25.0	-	-	-	-	2.9	+45.0	3.6	+33.3		
Tarceva			-	0.2	0.8	1.2	1.2	1.4	1.2	+50.0	1.5	+25.0	-	-	-	-	2.6	+30.0	2.9	+16.0		
Femara			0.3	1.0	0.3	0.4	0.4	0.5	0.5	+66.7	0.6	+50.0	-	-	-	-	1.2	+71.4	1.5	+50.0		
Other products			7.6	5.6	1.0	1.2	1.0	1.1	0.8	-20.0	0.9	-25.0	-	-	-	-	1.5	-28.6	1.5	-25.0		
Renal diseases field			76.8	69.6	13.7	15.8	15.1	16.7	13.0	-5.1	15.8	+0.0	-	-	-	-	28.4	-3.7	33.5	+5.3		
Epogin			63.4	54.8	10.2	11.5	11.1	12.1	9.4	-7.8	11.5	+0.0	-	-	-	-	20.6	-5.1	24.6	+6.0		
Oxarol			7.6	8.7	2.1	2.6	2.5	2.8	2.2	+4.8	2.8	+7.7	-	-	-	-	4.9	+4.3	5.7	+7.5		
Renagel			5.0	5.6	1.2	1.5	1.4	1.6	1.3	+8.3	1.4	-6.7	-	-	-	-	2.5	-7.4	2.8	-6.7		
Other products			0.7	0.5	0.2	0.2	0.1	0.3	0.2	+0.0	0.1	-50.0	-	-	-	-	0.3	-25.0	0.4	+0.0		
Bone and joint diseases field			42.2	46.6	9.8	12.9	12.5	14.8	12.2	+24.5	14.8	+14.7	-	-	-	-	26.4	+16.3	32.0	+17.2		
Evista			13.4	16.0	3.1	4.4	4.1	4.8	3.8	+22.6	4.6	+4.5	-	-	-	-	8.4	+12.0	9.7	+9.0		
Alfarol			14.6	14.3	3.0	3.7	3.3	3.7	3.0	+0.0	3.5	-5.4	-	-	-	-	6.5	-3.0	7.0	+0.0		
Suvenyl			9.1	11.0	2.5	3.2	3.0	3.3	2.8	+12.0	3.7	+15.6	-	-	-	-	5.9	+5.4	7.1	+10.9		
Actemra			0.4	0.5	0.1	0.6	1.1	1.6	1.5	+1,400.0	2.0	+233.3	-	-	-	-	3.5	+400.0	6.1	+125.9		
Other products			4.6	4.8	1.1	1.1	0.9	1.4	1.1	+0.0	1.0	-9.1	-	-	-	-	2.1	-4.5	2.2	+0.0		
Transplant, Immunology & Infectious diseases field			14.5	17.7	4.8	5.9	6.1	7.2	5.9	+22.9	6.9	+16.9	-	-	-	-	13.1	+22.4	17.0	+27.8		
Pegasys			5.8	6.3	1.9	2.3	2.6	3.0	2.5	+31.6	2.9	+26.1	-	-	-	-	5.5	+34.1	7.6	+35.7		
Copegus			-	2.0	0.8	1.0	1.1	1.3	1.1	+37.5	1.3	+30.0	-	-	-	-	2.5	+38.9	3.7	+54.2		
Rocephin			5.5	5.7	1.3	1.5	1.4	1.7	1.3	+0.0	1.5	+0.0	-	-	-	-	3.0	+7.1	3.2	+3.2		
CellCept			3.0	3.5	0.8	1.1	1.0	1.1	0.9	+12.5	1.1	+0.0	-	-	-	-	2.0	+5.3	2.4	+14.3		
Other products			0.3	0.3	0.1	0.1	0.1	0.1	0.1	+0.0	0.1	+0.0	-	-	-	-	0.1	+0.0	0.1	+0.0		
Others field			58.4	55.1	9.5	11.3	10.0	11.5	9.4	-1.1	10.6	-6.2	-	-	-	-	19.7	-5.3	22.1	+2.8		
Sigmart			15.4	15.2	3.3	4.0	3.5	4.1	3.3	+0.0	3.8	-5.0	-	-	-	-	6.9	-5.5	7.7	+1.3		
SA products			12.9	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other products			30.1	28.8	6.1	7.4	6.5	7.3	6.2	+1.6	6.8	-8.1	-	-	-	-	12.8	-5.2	14.3	+2.9		
Overseas			28.4	31.2	7.8	7.8	9.3	8.6	6.3	-19.2	7.9	+1.3	-	-	-	-	13.8	-11.5	13.9	-22.3		
Neutrogin			24.2	26.6	6.7	6.6	6.8	5.8	4.8	-28.4	5.4	-18.2	-	-	-	-	10.4	-21.8	8.2	-34.9		
Sigmart			2.6	2.8	0.6	0.6	0.5	0.3	0.6	+0.0	0.6	+0.0	-	-	-	-	1.1	-8.3	0.9	+0.0		
Actemra			-	-	-	0.2	1.5	2.2	0.4	-	1.4	+600.0	-	-	-	-	1.7	+750.0	4.3	+19.4		
Other products			1.6	1.9	0.5	0.5	0.5	0.3	0.5	+0.0	0.5	+0.0	-	-	-	-	0.6	-33.3	0.5	-37.5		
Tamiflu			38.0	38.7	1.6	0.0	0.1	6.7	20.4	+1,175.0	5.0	-	-	-	-	-	39.0	+2,337.5	14.0	+105.9		
Ordinary sales			13.6	10.2	1.3	0.0	0.1	5.6	6.0	+361.5	5.0	-	-	-	-	-	-	-	-	-		
Govt. stockpile etc.			24.4	28.5	0.2	-	-	1.1	14.4	+7,100.0	-	-	-	-	-	-	-	-	-	-		
Other operating revenues			-	11.9	0.2	0.8	3.8	0.3	1.8	+800.0	4.0	+400.0	-	-	-	-	5.5	+450.0	4.2	+2.4		
Revenues (total)			326.1	344.8	66.2	79.7	83.8	97.3	94.7	+43.1	97.0	+21.7	-	-	-	-	199.5	+36.7	200.5	+10.7		
Domestic			297.7	308.4	58.3	71.9	74.4	88.5	86.7	+48.7	88.8	+23.5	-	-	-	-	184.0	+41.3	185.6	+13.9		
Overseas			28.4	36.4	7.8	7.8	9.4	8.8	8.0	+2.6	8.2	+5.1	-	-	-	-	15.5	-1.3	14.9	-17.7		

## Balance Sheets

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009					
	As of Dec. 31	As of Dec. 31	As of Mar. 31	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Mar. 31	As of Jun. 30	vs. June. 30, 2008	vs. Dec. 31, 2008	As of Sep. 30	As of Dec. 31
Cash and deposits	68.3	73.2	70.0	72.6	65.4	70.8	77.6	90.8	+18.2	+20.0	-	-
Trade notes and accounts receivable	105.9	107.0	84.6	93.5	93.3	108.5	111.3	102.7	+9.2	-5.8	-	-
Marketable securities	81.9	65.5	61.9	65.9	66.3	54.7	46.0	54.5	-11.4	-0.2	-	-
Inventories	61.5	55.2	58.4	63.9	72.7	78.7	78.7	94.0	+30.1	+15.3	-	-
Other current assets	20.0	28.9	31.4	27.4	29.9	31.7	34.3	30.9	+3.5	-0.8	-	-
Total Current assets	337.7	329.8	306.3	323.3	327.6	344.4	347.9	372.9	+49.6	+28.5	-	-
Tangible fixed assets	85.2	92.5	98.9	101.2	99.3	98.3	97.1	96.2	-5.0	-2.1	-	-
Intangible fixed assets	5.1	3.7	3.3	4.0	3.5	3.1	3.2	3.0	-1.0	-0.1	-	-
Investments and other assets	34.2	32.9	35.5	33.5	31.5	32.7	30.6	29.6	-3.9	-3.1	-	-
thereof Investment securities	15.1	16.8	20.5	19.1	16.0	14.4	11.8	10.6	-8.5	-3.8	-	-
Total Fixed Assets	124.5	129.1	137.7	138.7	134.2	134.2	130.9	128.8	-9.9	-5.4	-	-
Total Assets	462.1	458.9	444.0	462.0	461.9	478.5	478.7	501.7	+39.7	+23.2	-	-
Notes and accounts payable	28.1	17.3	18.8	22.2	24.6	28.8	34.0	37.8	+15.6	+9.0	-	-
Short-term borrowings and bonds	-	0.3	0.3	0.3	-	-	-	-	-0.3	+0.0	-	-
Other current liabilities	37.1	52.1	39.9	39.8	39.7	49.8	41.4	44.7	+4.9	-5.1	-	-
Total current liabilities	65.3	69.8	59.0	62.4	64.3	78.5	75.4	82.5	+20.1	+4.0	-	-
Long-term debt and bonds	0.5	-	-	-	-	-	-	-	+0.0	+0.0	-	-
Other fixed liabilities	4.8	3.3	3.1	3.0	3.1	2.9	3.0	3.3	+0.3	+0.4	-	-
Total fixed liabilities	5.3	3.3	3.1	3.0	3.1	2.9	3.0	3.3	+0.3	+0.4	-	-
Total liabilities	70.5	73.1	62.2	65.4	67.4	81.5	78.4	85.8	+20.4	+4.3	-	-
Common stock	72.9	72.9	72.9	73.0	73.0	73.0	73.0	73.0	+0.0	+0.0	-	-
Additional paid-in capital	92.7	92.8	92.8	92.8	92.8	92.8	92.8	92.8	+0.0	+0.0	-	-
Retained earnings	226.2	248.1	246.6	258.8	261.9	271.0	274.4	286.9	+28.1	+15.9	-	-
Treasury stock, at cost	-7.6	-35.1	-35.1	-35.1	-35.2	-35.2	-35.2	-35.2	-0.1	+0.0	-	-
Net unrealized gain on securities	3.2	2.8	2.9	3.2	1.7	1.4	0.9	2.0	-1.2	+0.6	-	-
Foreign currency translation adjustments	2.1	1.9	-0.3	1.3	-1.6	-7.9	-7.3	-5.8	-7.1	+2.1	-	-
New share warrants	-	0.1	0.2	0.2	0.3	0.3	0.4	0.4	+0.2	+0.1	-	-
Minority interests	2.0	2.2	1.8	2.3	1.6	1.7	1.3	1.8	-0.5	+0.1	-	-
Total net assets	391.6	385.8	381.8	396.6	394.5	397.1	400.4	416.0	+19.4	+18.9	-	-
Total liabilities and net assets	462.1	458.9	444.0	462.0	461.9	478.5	478.7	501.7	+39.7	+23.2	-	-

**Cash Flows**

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009			
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12
	Full-year	Full-year	YTD	YTD	YTD	Full-year	YTD	YTD	YTD	Full-year
Net cash provided by (used in) operating activities	40.5	60.4	9.8	23.5	32.6	39.3	13.0	33.7	-	-
Net cash provided by (used in) investing activities	-29.4	-7.5	-2.2	-14.7	-19.1	-14.1	-3.9	-13.3	-	-
Net cash provided by (used in) financing activities	-18.8	-47.2	-8.8	-8.8	-18.4	-18.4	-11.0	-11.0	-	-
Effect of exchange rate changes on cash and cash equivalents	1.6	-0.3	-2.2	-0.7	-3.4	-9.9	-0.6	0.6	-	-
Net increase (decrease) in cash and cash equivalents	-6.0	5.4	-3.3	-0.7	-8.3	-3.1	-2.5	9.9	-	-
Cash and cash equivalents at beginning of period	74.4	68.3	73.7	73.7	73.7	73.7	70.7	70.7	-	-
Cash and cash equivalents at end of period	68.3	73.7	70.4	73.1	65.4	70.7	68.1	80.6	-	-

**Performance Indicators**

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2009
	As of Dec. 31	As of Dec. 31	As of Mar. 31	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Mar. 31	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Dec. 31
Net income per share (Basic)	69.35yen	73.23yen	12.30yen	34.64yen	55.32yen	72.07yen	25.27yen	48.29yen	-	-	73.42yen
Net income per share (Fully diluted)	69.26yen	73.16yen	12.29yen	34.62yen	55.32yen	72.04yen	25.27yen	48.28yen	-	-	-
Return on equity (ROE)*	10.1%	10.4%	1.8%	4.9%	7.8%	10.1%	3.5%	6.5%	-	-	-
Return on assets (ROA)*	13.3%	14.7%	2.3%	5.3%	9.3%	12.2%	4.8%	8.9%	-	-	-
Net assets per share	703.08yen	703.80yen	697.17yen	723.10yen	720.66yen	725.18yen	731.74yen	759.41yen	-	-	-
Equity ratio	84.3%	83.5%	85.6%	85.3%	85.0%	82.6%	83.3%	82.5%	-	-	-
Dividends per share (Annual)	30yen	30yen				34yen					34yen
Dividends per share (Interim)	12yen	15yen				15yen				17yen	17yen
Payout ratio	43.3%	41.0%				47.2%				-	46.3%

Note: Quarterly (year-to-date) ROE and ROA are not annualized.

**Number of Employees**

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2009
	As of Dec. 31	As of Dec. 31	As of Mar. 31	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Mar. 31	As of Jun. 30	As of Sep. 30	As of Dec. 31	As of Dec. 31
Number of employees	5,905	6,257		6,408		6,383	6,347	6,474	-	-	6,500

Note: Number of employees doesn't include staff seconded to companies outside the Group.

**Capital Expenditures**

(Billions of Yen)

	FY2006	FY2007	FY2008				FY2009				Forecast
	1-12	1-12	1-3	1-6	1-9	1-12	1-3	1-6	1-9	1-12	FY2009
	Full-year	Full-year	YTD	YTD	YTD	Full-year	YTD	YTD	YTD	Full-year	Full-year
Capital expenditures	16.3	19.6		17.9		26.6	2.8	6.6	-	-	16.0
Depreciation	12.3	13.3		8.6		19.4	4.2	8.9	-	-	20.7



## Development pipeline (as of July 23, 2009)

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
Oncology					
R340	Colorectal cancer #	Filed Feb.08	capecitabine Xeloda	Roche Xeloda	Antimetabolite, 5-FU derivative
	Gastric cancer #	Phase III	Oral		
R435	Non-small cell lung cancer #	Filed Nov.08	bevacizumab Avastin Injection	Roche /Genentech Avastin	Humanized anti-VEGF(Vascular Endothelial Growth Factor) monoclonal antibody
	Colon cancer (adjuvant) #	Phase III Multinational study			
	Gastric cancer #	Phase III Multinational study			
	Breast cancer (adjuvant) #	Phase III Multinational study			
	Glioblastoma #	Phase III Multinational study			
	Breast cancer #	Phase II			
R597	Gastric cancer #	Phase III Multinational study	trastuzumab Herceptin Injection	Roche /Genentech Herceptin	Humanized anti-HER2 monoclonal antibody
R1273	Breast cancer	Phase III Multinational study	pertuzumab  Injection	Roche /Genentech	Humanized HER dimerization inhibitory monoclonal antibody
EPOCH	Chemotherapy-induced anemia #	Phase III	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
R1415	Pancreatic cancer #	Phase II	erlotinib Tarceva Oral	OSI/Genentech/ Roche Tarceva	EGFR tyrosine kinase inhibitor
MRA	Multiple myeloma #	Phase II Overseas	tocilizumab Actemra Injection	In-house  (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody
TP300	Colorectal cancer, etc	Phase I Overseas	  Injection	In-house	Topoisomerase I inhibitor

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
CIF (R7167)	Solid tumors	Phase I Overseas	Oral	In-house (Roche)	MEK inhibitor
GC33	Liver cancer	Phase I Overseas	Injection	In-house	Humanized anti-Glypican-3 monoclonal antibody
R7159 (GA101)	Non-Hodgkin's lymphoma	Phase I	Injection	Roche/GlycArt	Humanized anti-CD20 monoclonal antibody
CKI27 (R7304)	Solid tumors	Phase I Overseas	Oral	In-house (Roche)	-
R1507	Solid tumors	Phase I	Injection	Roche	Human anti-IGF-1R monoclonal antibody
<b>Bone and Joint</b>					
MRA	Rheumatoid arthritis #	Approved Jan.09 Overseas(EU)	tocilizumab Actemra(US) / RoActemra (EU) Injection	In-house (Roche)	Humanized anti-human IL-6 receptor monoclonal antibody
		Filed Nov.07 Overseas(US)			
	Systemic onset juvenile idiopathic arthritis (sJIA) #	Phase III Overseas			
	Rheumatoid arthritis (new formulation: subcutaneous injection)	Phase I / II	tocilizumab Actemra Injection		
R1594	Rheumatoid arthritis	Phase III Multinational study	ocrelizumab Injection	Roche /Genentech	Humanized anti-CD20 monoclonal antibody
ED-71	Osteoporosis	Phase III	eldecalcitol Oral	In-house (Taisho Pharmaceutical)	Activated Vitamin D <sub>3</sub> derivative

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
R484	Osteoporosis	Phase II / III	ibandronate sodium hydrate Injection	Roche Boniva (US) / Bonviva (EU) (Taisho Pharmaceutical)	Bisphosphonate
		Phase II	ibandronate sodium hydrate Oral		
Renal diseases					
R744	Renal anemia	Filed Jul. 09	Injection	Roche Mircera	Continuous erythropoietin receptor activator
Transplant, Immunology and Infectious diseases					
R964	Compensated liver cirrhosis caused by hepatitis C virus	Phase II / III	ribavirin Copegus Oral	Roche Copegus	Anti-viral agent in combination with Pegasys
R442	#		peginterferon alfa-2a Pegasys Injection	Roche Pegasys	Peginterferon alfa-2a agent (recombinant)
	Chronic hepatitis B #	Phase II / III			
MRA	Crohn's disease #	Phase II	tocilizumab Actemra Injection	In-house	Humanized anti-human IL-6 receptor monoclonal antibody
	Castleman's disease #	Phase I Overseas	tocilizumab Actemra Injection	In-house  (Roche)	
	Systemic lupus erythematosus (SLE) #	Phase I Overseas			
NA808	Chronic hepatitis C	Phase I Japan	Injection	In-house	Serine palmitoyltransferase inhibitor
		Phase I Overseas			
Other diseases					
EPOCH	Predeposit of autologous blood transfusion #	Filed Mar.02	epoetin beta Epogin Injection	In-house	Recombinant human erythropoietin
R1678	Schizophrenia	Phase II Multinational study	Oral	Roche	GLYT1 inhibitor

Development code	Indication # Additional indication	Stage (date)	Generic name Product name Dosage form	Origin Overseas name (Collaborator)	Mode of Action
GM-611	Diabetic gastroparesis	Phase I Completed Japan	mitemcinal	In-house	Motilin agonist Recovery of gastrointestinal motility
		Phase II Overseas	Oral		
	Irritable bowel syndrome (IBS)	Phase II Overseas			
CSG452 (R7201)	Type II diabetes	Phase II Multinational study	Oral	In-house  (Roche)	SGLT2 inhibitor
R1583 (ITM-077)	Type II diabetes	Phase II	taspoglutide  Injection	Roche / Ipsen (Teijin)	GLP-1 analogue
R1579	Type II diabetes	Phase I	Oral	Roche	DPP-IV inhibitor

Changes from the last announcement on April 24, 2009

Oncology

-R435                      Phase III multinational study (glioblastoma)

Renal diseases

-R744                      Phase III → Filed (renal anemia)

Others

-R1583(ITM-077)        Phase I → Phase II (type II diabetes)

## R&amp;D Activities (Jan.1, 2009 – July.23, 2009)

As for clinical development activities in Japan, the Company saw progress as described below:

Oncology

- We decided to participate in the multinational Phase III trials (expected indication: glioblastoma) conducted by Roche for R435 (product name: Avastin), humanized anti-VEGF monoclonal antibody. The patient enrollment in Japan is planned to commence within the year.
- We decided to terminate development of R744 for chemotherapy induced anemia after reviewing priorities of our projects.
- In July, we started to participate in the multinational Phase III trials (expected indication: breast cancer) conducted by Roche for R1203, a humanized HER dimerization inhibitory monoclonal antibody.

Renal Diseases

- In April, we obtained approval for serum-free API manufacturing method and new pharmaceutical formulation for recombinant human erythropoietin EPOCH (product name: Epogin).
- In July, we filed an application for lcontinuous erythropoietin receptor activator R744 (expected indication: renal anemia).

Transplant, Immunology and Infectious Diseases

- In February, we concluded a license agreement with Romark Laboratories for nitazoxanide. Overseas Romark Laboratories has been developing this compound for chronic hepatitis C, and we decided to conduct development for the project in Japan.

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Other Diseases

- In February, we started the multinational Phase II study (expected indication: type II diabetes) for a SGLT2 inhibitor, CSG452 (R7201).
- In July, we started the Phase II trials (expected indication: type II diabetes) for a GLP-1 analogue, R1583 (ITM-077).

At present, we are awaiting the approval of applications (new molecular entities or additions of indications) filed for 4 development themes, including R340 (expected indication: colorectal cancer).

Also, as for development activities overseas, the Company saw progress as described below.

- In March, we concluded a license agreement with ChoongWae Pharma Corporation to grant rights to develop and market a humanized anti-human IL6 receptor monoclonal antibody, MRA (planned product name: Actemra), in South Korea for the indication of rheumatoid arthritis.

**Major clinical trials in oncology field currently running in Japan**

Theme	Expected Indication	Regimen	Stage	Planned Filing Date
R435 (bevacizumab) Avastin	Non-small cell lung	carboplatin + paclitaxel ± R435	Filed (Nov.08)	-
	Breast	paclitaxel + R435	Phase II	2009
	Breast (adjuvant)	standard chemotherapy ± R435	BEATRICE study Phase III Multinational study	2012   2014
R435 (bevacizumab) Avastin  R340 (capecitabine) Xeloda	Colon (adjuvant)	FOLFOX4 ± R435 XELOX + R435	AVANT study : Phase III Multinational study	2011
	Gastric	R340(5FU) + CDDP ± R435	AVAGAST study : Phase III Multinational study	2011
	Colorectal	XELOX + R435	Filed (Feb.08)	-
R1415 (erlotinib) Tarceva	Pancreatic	gemcitabine + R1415	Phase II	2009
R597 (trastuzumab) Herceptin	Breast (adjuvant)	R597	Launched (Feb.08)	-
R597 (trastuzumab) Herceptin  R340 (capecitabine) Xeloda	Gastric	R340/5FU + CDDP ± R597	ToGA study : Phase III Multinational study	2010