

February 2, 2023

Name of listed company: Chugai Pharmaceutical Co., Ltd.
Code number: 4519 (Prime Market of Tokyo Stock Exchange)
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Notice of Distribution of Retained Earnings

Chugai Pharmaceutical Co., Ltd. announced that the Company resolved at the meeting of its Board of Directors held today to distribute retained earnings with the record date being December 31, 2022, as described below.

1. Contents of Dividends

	Amount decided	Latest forecast for dividend (February 3, 2022)	Actual in the previous fiscal year (ended Dec. 31, 2021)
Record date	December 31, 2022	December 31, 2022	December 31, 2021
Dividends per share	JPY40.00	JPY38.00	JPY46.00
Total dividends	JPY65,801 million	—	JPY75,639 million
Effective date	March 31, 2023	—	March 30, 2022
Dividend resource	Retained earnings	—	Retained earnings

2. Reasons for the Revision

Taking into account strategic funding needs and earnings prospects, Chugai sets a target for consolidated dividend payout ratio of 45% on average in comparison with Core EPS, with an aim to continuously provide a stable allocation of profit to all shareholders. In addition, internal reserves will be used to increase corporate value through investments to attain further growth in existing strategic domains and to identify future business opportunities.

In the fiscal year ended December 31, 2022, Chugai achieved the highest results in the past, which resulted in Core EPS increasing by 2.0% year on year.

Reflecting the favorable results and based on our principles of “a stable allocation of profit” and “aiming for a consolidated dividend payout ratio of 45% on average in comparison with Core EPS,” year-end dividends for the fiscal year ended December 31, 2022 are planned to be ¥40 per share. As a result, annual dividends will be ¥78 per share, and the Core dividend payout ratio is 40.4% (an average of 42.0% for the past five years).

The amount of annual dividend per share for the fiscal year ended December 31, 2023 is forecasted to be ¥80.00, of which ¥40.00 is an interim dividend. As a result, the Core dividend payout ratio will be 43.0% (an average of 41.8% for the past five years).

(For reference) Contents of annual dividends:

	Dividend per share		
	End of second quarter	End of fiscal year	Total
Fiscal year ended Dec. 31, 2022	JP38.00	JPY40.00	JPY78.00
Fiscal year ended Dec. 31, 2021	JPY30.00	JPY46.00	JPY76.00

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