

**ARTICLES OF INCORPORATION
OF
DAIICHI SANKYO COMPANY, LIMITED**

Chapter 1 General Rules

Article 1 (Corporate Name)

The corporate name of the Company shall be Daiichi Sankyo Kabushiki Kaisha and in English DAIICHI SANKYO COMPANY, LIMITED.

Article 2 (Purpose)

The business purposes of the Company shall be as follows:

- (1) Manufacture, sale & purchase and export & import of drugs, quasi-drugs, medical devices such as equipments and instruments, medical supplies, dental materials and sanitary materials, veterinary drugs, cosmetics, agrochemicals, reagents, fragrant materials, dietary supplemental foods and beverages made from vitamins, minerals, enzymes and other materials, nursery foods, food additives, yeasts for bread, seasonings, livestock foods, livestock food additives, chemicals, industrial chemicals, radiopharmaceuticals and other kinds of chemicals;
- (2) Sale & purchase and export & import of foods and daily necessities;
- (3) Sale & purchase and export & import of products relating to those set forth in the foregoing clauses, and other machines and equipments;
- (4) Manufacture and wholesale of alcoholic liquor, refreshing beverage and drinking water;
- (5) Undertaking of test and research concerning safety of chemicals;
- (6) Sale & purchase, lease, management and brokerage of real estate;
- (7) Publishing business;
- (8) Motor vehicle carrier business;
- (9) Casualty insurance agency business and business relating to offering of life insurance;
- (10) Control and management of the business activities of the companies carrying out the businesses set forth in the foregoing clauses by owning the shares of such companies; and
- (11) Any business and investment incidental to or related with the foregoing

clauses.

Article 3 (Location of Principal Office)

The principal office of the Company shall be located in Chuo-ku, Tokyo.

Article 4 (Company Organs)

The Company shall set up, in addition to the General Shareholders Meeting and Directors, the following company organs:

- (1) Board of Directors
- (2) Members of the Audit and Supervisory Board
- (3) Audit and Supervisory Board
- (4) Accounting Auditor

Article 5 (Method of Public Notice)

The method of public notices of the Company shall be electronic public notice; provided, however, that if the method of electric public notice shall not be available due to any trouble or other unavoidable circumstances, notices shall be given by publication in *The Nihon Keizai Shinbun*.

Chapter 2 Shares

Article 6 (Total Number of Shares Authorized to be Issued)

The total number of shares authorized to be issued by the Company shall be two billion and eight hundred million (2,800,000,000).

Article 7 (Acquisition of Treasury Stock)

The Company may acquire treasury stock by market transactions etc. by resolution of the Board of Directors in accordance with Article 165, Paragraph 2 of the Corporation Law.

Article 8 (Number of Shares constituting One Unit)

The number of shares constituting one unit of the Company shall be one hundred (100).

Article 9 (Restrictions on Rights pertaining to Share Less Than One Unit)

Shareholders of the Company are unable to exercise any rights pertaining to Shares Less Than One Unit which they own except the following rights:

- (1) rights provided for in the items listed in Article 189, Paragraph 2 of the Corporation Law
- (2) a right to make a request pursuant to Article 166, Paragraph 1 of the Corporation Law
- (3) a right to be allotted offered shares and offered subscription rights to shares in proportion to the number of shares owned by shareholders
- (4) a right to make a request as provided for in the following Article

Article 10 (Additional Purchase of Shares Less Than One Unit)

Any shareholders of the Company may request, as set forth in the Share Handling Regulation, the Company to sell the number of shares that will constitute one unit when combined with the Shares Less Than One Unit held by such shareholder.

Article 11 (Share Registrar)

11.1 The Company shall have a share registrar.

11.2 The share registrar and its handling place of business shall be determined by a resolution of the Board of Directors.

11.3 The preparation and keeping of the register of shareholders, the register of subscription rights to shares, other business relating to the register of shareholders and the register of subscription rights to shares shall be delegated to the share registrar and shall not be handled by the Company.

Article 12 (Share Handling Regulation)

Handling relating to shares and subscription rights to shares of the Company shall be governed by the Share Handling Regulation established by the resolution of the Board of Directors, in addition to laws and ordinances or the Articles of Incorporation.

Chapter 3 General Meeting of Shareholders

Article 13 (Convocation)

13.1 The Ordinary General Meeting of Shareholders shall be convened in June every year, and an Extraordinary General Meeting of Shareholders shall be convened at any time as necessary.

13.2 The General Meetings of Shareholders shall be held at the place where the

principal office is located or other places in the wards within Tokyo.

Article 14 (Record Date)

Record date for voting at an Ordinary General Shareholders Meeting of the Company shall be March 31 every year.

Article 15 (Person to Convene and Chairperson)

A President and Representative Director shall convene the General Meeting of Shareholders pursuant to the resolution of the Board of Directors and act as chairperson thereof. If the President and Representative Director is unable to so act, one of the other Representative Directors shall act as chairperson pursuant to the resolution of the Board of Directors.

Article 16 (Disclosure of the Reference Materials for a General Shareholders Meeting on the Internet and Deemed Provision)

The Company may, in convening a General Shareholders Meeting, deem to provide information with respect to items which should be described or displayed in the reference materials for the General Shareholders Meeting, business reports, financial statements and consolidated financial statements by disclosing them on the Internet in accordance with ordinances of the Ministry of Justice.

Article 17 (Method of Resolution)

17.1 Resolutions of a General Shareholders Meeting shall be adopted by a majority of voting rights of the shareholders present who are entitled to exercise their voting rights, unless otherwise provided by laws and ordinances or by the Articles of Incorporation.

17.2 Any resolution provided for in Article 309, Paragraph 2 of the Corporation Law shall be adopted by no less than two-thirds (2/3) of the voting rights represented by the shareholders present, which shareholders present shall represent no less than one-third (1/3) of the voting rights of shareholders who are entitled to exercise their voting rights.

Article 18 (Exercise of Voting Rights by Proxy)

18.1 Shareholders or their legal representative may appoint another shareholder having voting rights of the Company as their proxy and exercise their voting rights through the proxy. Provided, however, that the number of the proxy shall be limited

to one (1).

18.2 In the event of Clause 19.1, the shareholders or the proxy must submit to the Company a document establishing power of representation for each General Meeting of Shareholders.

Chapter 4 Director and Board of Directors

Article 19 (Number)

The number of Directors shall be fourteen (14) or less.

Article 20 (Method of Election)

20.1 Directors shall be elected at the General Shareholders Meeting.

20.2 Directors shall be elected by a majority of the voting rights represented by the shareholders present, which shareholders present shall represent no less than one-third (1/3) of the voting rights of shareholders who may be entitled to exercise the voting rights.

20.3 No cumulative voting shall be used for a resolution of elections of Directors.

Article 21 (Term of Office)

21.1 The term of office of each Director shall expire at the close of the Ordinary General Meeting of Shareholders with respect to the last business year ending within one (1) year after he/she is elected.

21.2 The term of office of a Director who was elected for increasing the number of Directors or filling a vacancy of the Director having retired from office before expiration of his/her office shall expire upon the expiration of the term of office of other Directors in service.

Article 22 (Representative Director and Executive Director)

22.1 The Board of Directors, by its resolution, shall appoint the Representative Director

22.2 The Board of Directors, by its resolution, may appoint a Chair, Presidents, Vice Presidents, Senior Managing Directors and Managing Directors.

Article 23 (Convocation of the Board of Directors)

23.1 A notice to convene the Board of Directors shall be dispatched to each Director and Member of the Audit and Supervisory Board at least three (3) days

before the meeting date; provided, however, that such period may be shortened in cases of emergency.

23.2 A meeting of the Board of Directors may be held without the procedures of convocation, if consented to by all the Directors and Members of the Audit and Supervisory Board.

Article 24 (Omission of Resolution of Board of Directors)

The Company shall deem that a resolution of the Board of Directors has been adopted in case that the requirement by Article 370 of the Corporation Law has been satisfied.

Article 25 (Authority of Board of Directors)

The Board of Directors of the Company shall determine administration of affairs of the Company and supervise the performance of duties by the Directors.

Article 26 (Regulation of the Board of Directors)

Matters other than those provided in this Chapter shall be governed by the Regulation of the Board of Directors established by the Board of Directors.

Article 27 (Release of Liabilities of Outside Directors)

The Company may enter into an agreement with an Outside Director for limitation of liabilities for damages due to failure of his/her duty, in accordance with the provisions of Article 427, Paragraph 1 of the Corporation Law; provided, however, that the maximum amount of liabilities for damages under such agreement shall be as provided by laws and ordinances.

**Chapter 5 Member of the Audit and Supervisory Board and
 Audit and Supervisory Board**

Article 28 (Number)

The number of Members of the Audit and Supervisory Board shall be five (5) or less.

Article 29 (Method of Election)

29.1 Members of the Audit and Supervisory Board shall be elected at the General Shareholders Meeting.

29.2 Members of the Audit and Supervisory Board shall be elected by a majority of the voting rights represented by the shareholders present, which shareholders

present shall represent no less than one-third (1/3) of the voting rights of shareholders who are entitled to exercise their voting rights.

Article 30 (Effect of Pre-Election of Members of the Audit and Supervisory Board (Supplemental))

Pre-election of Member of the Audit and Supervisory Board (Supplemental) shall be effective until the opening of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within four (4) years after he/she is elected.

Article 31 (Term of Office)

The term of office of each Member of the Audit and Supervisory Board shall expire at the close of the Ordinary General Meeting of Shareholders held with respect to the last business year ending within four (4) years after he/she is elected.

Article 32 (Members of the Audit and Supervisory Board (Full-Time))

Member of the Audit and Supervisory Board, by a resolution of the Audit and Supervisory Board, shall appoint a Member of the Audit and Supervisory Board (Full-Time).

Article 33 (Convocation of the Audit and Supervisory Board)

33.1 A notice to convene the Audit and Supervisory Board shall be dispatched to each Member of the Audit and Supervisory Board at least three (3) days before the meeting date; provided, however, that such period may be shortened in cases of emergency.

33.2 A meeting of the Audit and Supervisory Board may be held without the procedures of convocation, if consented to by all the Members of the Audit and Supervisory Board.

Article 34 (Regulation of Audit and Supervisory Board)

Matters other than those provided in this Chapter shall be governed by the Regulation of Audit and Supervisory Board established by the Audit and Supervisory Board.

Article 35 (Release of Liabilities of Members of the Audit and Supervisory Board (Outside))

The Company may enter into an agreement with an Member of the Audit and Supervisory Board (Outside) for limitation of liabilities for damages due to failure of

his/her duty, in accordance with the provisions of Article 427, Paragraph 1 of the Corporation Law; provided, however, that the maximum amount of liabilities for damages under such agreement shall be as provided by laws and ordinances.

Chapter 6 Accounts

Article 36 (Business Year)

The business year of the Company shall commence on April 1 every year and end on March 31 of the following year.

Article 37 (Payment of Surplus)

37.1 The Company may, by a resolution of the Ordinary General Meeting of Shareholders, distribute its surplus, the record date of which shall be March 31 every year.

37.2 The Company may, by the resolution of Board of Directors, pay interim dividend as set forth in Article 454, Paragraph 5 of the Corporation Law, the record date of which shall be September 30 every year.

Article 38 (Annulment Term)

The Company is exempted from liability for paying dividend at the end of a business year and interim dividend if the same remains uncollected after three (3) years have elapsed from the first date on which such dividend and interim dividend became payable.