

**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) Audit & Supervisory Board Members
- (3) Audit & 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 Shimbun*.

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 eight billion and four hundred million (8,400,000,000).

Article 7 (Acquisition of Treasury Share)

The Company may acquire treasury share 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)

The shareholders of the Company are unable to exercise any rights pertaining to the 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 Shareholders Meeting

Article 13 (Convocation)

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

13.2 The General Shareholders Meeting 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 Shareholders Meeting 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 (Electronic Provision Measure, Etc.)

16.1 The Company shall, when convening a General Shareholders Meeting, take the electronic provision measure for information included in the reference document for the General Shareholders Meeting, etc.

16.2 Among the matters subject to the electronic provision measure, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.

Article 17 (Method of Resolution)

17.1 The 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 The 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 Shareholders Meeting.

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 are 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 Shareholders Meeting 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 Audit & Supervisory Board Member at least three (3) days before the meeting date; provided, however, that such period may be shortened in cases of

emergency.

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

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 the 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 Audit & Supervisory Board Member and
 Audit & Supervisory Board**

Article 28 (Number)

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

Article 29 (Method of Election)

29.1 The Audit & Supervisory Board Members shall be elected at the General Shareholders Meeting.

29.2 The Audit & Supervisory Board Members 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 the Audit & Supervisory Board Members (Supplemental))

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

Article 32 (Audit & Supervisory Board Members (Full-Time))

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

Article 33 (Convocation of the Audit & Supervisory Board)

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

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

Article 34 (Regulation of Audit & Supervisory Board)

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

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

The Company may enter into an agreement with an Outside Audit & Supervisory Board Member 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 Shareholders Meeting, distribute its surplus, the record date of which shall be March 31 every year.

37.2 The Company may, by the resolution of the 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.