

Name of listed company: Chugai Pharmaceutical Co., Ltd.
Code number: 4519 (1st Section of Tokyo Stock Exchange)
Head office: 1-1, Nihonbashi-Muromachi 2-Chome, Chuo-ku, Tokyo
Chairman & CEO: Osamu Nagayama
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Notice of Amendments to the Articles of Incorporation

January 28, 2016 (Tokyo) - Chugai Pharmaceutical Co., Ltd. (hereinafter called the “Company”) [Head Office: Chuo-ku, Tokyo, Chairman & CEO Osamu Nagayama] announced that it resolved at the Meeting of the Board of Directors held today to propose an agenda “Amendments to the Articles of Incorporation” at the 105th Annual General Meeting of Shareholders to be held on March 24, 2016 as follows.

Particulars

1. Reasons for the Proposal

- (1) In line with the enforcement of the Japanese “Act for Partial Revision of the Companies Act” (Act No. 90 of 2014), under which companies may enter into limited liability agreements with non-executive directors and audit & supervisory board members who are not outside corporate auditor, necessary amendments shall be made to the provisions relating to the limited liability agreements with Outside Directors and the limited liability agreements with Outside Audit & Supervisory Board Members (Articles 25 and 33 of the current Articles of Incorporation), in order to ensure that Directors and Audit & Supervisory Board Members can adequately fulfill the role expected of them. The Company has obtained the consent of each Audit & Supervisory Board Member for the proposed amendment to Article 25 of the current Articles of Incorporation. The Company has obtained the consent of each Audit & Supervisory Board Member for the proposed amendment to Article 25 of the current Articles of Incorporation.
- (2) In conjunction with the revision to the Companies Act, the paragraph number of the provisions of the Companies Act with respect to the election of substitute officers has been changed. In accordance with this change, necessary amendment shall be made to the relevant article (Article 28 of the current Articles of Incorporation).

2. Contents of the Amendments

Details of the proposed amendments are as attached.

3. Schedule

Annual General Meeting of Shareholders to approve the Amendments: March 24, 2016

Effective Date of the Amendments: March 24, 2016

Current Articles	Proposed Amendments
Chapter 4 Directors and Board of Directors (Agreement with <u>Outside Director</u> to Limit Liability) Article 25 The Company and <u>Outside Directors</u> may, if a case falls under requirements specified by laws and ordinances regarding the liability of Director under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of such <u>Outside Directors</u>; provided that the limit of such liability shall be the amount equal to the minimum liability limit regulated by laws and ordinances. Chapter 5 Audit & Supervisory Board Members and Audit & Supervisory Board (Substitute Audit & Supervisory Board Member) Article 28 The effective term of the resolution for election of a Substitute Audit & Supervisory Board Member under Article 329, Paragraph <u>2</u> of the Companies Act shall expire at the beginning of an annual general meeting of shareholders relating to the last fiscal year ending within four (4) years from his/her election. 2.(Provision omitted) (Agreement with <u>Outside Audit & Supervisory Board Members</u> to Limit Liability) Article 33 The Company and <u>Outside Audit & Supervisory Board Member</u> may, if a case falls under requirements specified by laws and ordinances regarding the liability of Audit & Supervisory Board Members under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of such <u>Outside Audit & Supervisory Board Member</u>; provided that the limit of such liability shall be the amount equal to the minimum liability limit regulated by laws and ordinances.	Chapter 4 Directors and Board of Directors (Agreement with <u>Director</u> to Limit Liability) Article 25 The Company and <u>Directors (excluding Executive Directors, etc.)</u> may, if a case falls under requirements specified by laws and ordinances regarding the liability of Director under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of such <u>Directors (excluding Executive Directors, etc.)</u>; provided that the limit of such liability shall be the amount of equal to the minimum liability limit regulated by laws and ordinances. Chapter 5 Audit & Supervisory Board Members and Audit & Supervisory Board (Substitute Audit & Supervisory Board Member) Article 28 The effective term of the resolution for election of a Substitute Audit & Supervisory Board Member under Article 329, Paragraph <u>3</u> of the Companies Act shall expire at the beginning of an annual general meeting of shareholders relating to the last fiscal year ending within four (4) years from his/her election. 2. (Unchanged) (Agreement with <u>Audit & Supervisory Board Members</u> to Limit Liability) Article 33 The Company and <u>Audit & Supervisory Board Member</u> may, if a case falls under requirements specified by laws and ordinances regarding the liability of Audit & Supervisory Board Members under Article 423, Paragraph 1 of the Companies Act, enter into an agreement which limits the liability of such <u>Audit & Supervisory Board Member</u>; provided that the limit of such liability shall be the amount equal to the minimum liability limit regulated by laws and ordinances.