

Final Update: April 13, 2012

Eisai Co., Ltd.

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Securities Code: 4523

<http://www.eisai.com/index.html>

The status of Eisai's corporate governance is described below.

I. Basic philosophy of corporate governance, capital structure, corporate profile, and other basic information

1. Basic philosophy (Update)

Eisai has adopted the following Corporate Concept and incorporated it into the company's Articles of Incorporation as a commitment to our shareholders.

(Corporate Concept)

- (1) The Company's Corporate Concept is to give first thought to patients and their families, and to increase the benefits that health care provides. Under this Concept, the Company endeavors to become a "human health care" (*hhc*) company.
- (2) The Company's mission is the enhancement of patient satisfaction. The Company believes that revenues and earnings will be generated as a consequence of the fulfillment of the mission. The Company places importance on this positive sequence of the mission and the ensuing results.
- (3) Positioning compliance—the observance of legal and ethical standards—as the core of all business activities, the Company strives to fulfill corporate social responsibilities.
- (4) The Company's principal stakeholders are patients, customers, shareholders and employees. The Company seeks to foster a good relationship with stakeholders and to enhance their value through striving to do the following:
 1. Satisfy unmet medical needs, ensure stable supply of high-quality products, and provide useful information regarding safety and efficacy.
 2. Disclose corporate managerial information in a timely manner, enhance corporate value, and proactively provide return to shareholders.
 3. Ensure stable employment, offer challenging and fulfilling duties, and provide full opportunities for the development and enhancement of employees' capabilities.

This Corporate Concept is commonly shared as Common Knowledge among Eisai's Japanese and overseas group companies (Eisai Network Companies). While developing Eisai's global business through their respective separate operations, they work as one toward the realization of this Corporate Concept.

To realize the Corporate Concept, corporate measures and policies must be executed with long-term vision. Such implementation is made possible only with the trust of the Company's

shareholders. Therefore the Company is always aiming for the good corporate governance, and to continually achieve its fulfillment.

In considering respecting the rights of all our shareholders, and as the essence of corporate governance is to ensure fair and transparent management and to enhance corporate vitality.

The Company aims to secure the trust of its shareholders. With such trust, our shareholders will be motivated to hold our shares with confidence for a long time in accordance with the following basic points of view:

(1) Shareholder Relations:

The Company shall;

- (i) Respect the rights of all shareholders.
- (ii) Ensure the equality of all shareholders.
- (iii) Structure favorable and smooth relations with the Company's stakeholders including all shareholders.
- (iv) Disclose properly and ensure the transparency of Company information.

(2) Corporate Governance System

- (i) The Company has adopted a company with Committees System.
- (ii) The Board of Directors shall broadly delegate to the Executive Officers the power of decision-making over business conduct to the extent permitted by the laws and regulations and shall exercise its management oversight function.
- (iii) The majority of the Board of Directors shall consist of independent Outside Directors.
- (iv) There shall only be one Representative Executive Officer & President who shall be an Executive Officer and a Director concurrently.
- (v) To clarify the management oversight function, the Chair of the Board of Directors and the Representative Executive Officer & President shall be divided.
- (vi) The Nominating Committee and the Compensation Committee shall be entirely composed of Outside Directors, and the majority of the Audit Committee shall consist of Outside Directors.
- (vii) Each of the Chairs of the Nominating Committee, the Audit Committee and the Compensation Committee shall be appointed from the Outside Directors.
- (viii) The internal controls system shall operate properly to ensure the credibility of financial reports.

Detailed information regarding Eisai's corporate governance is available on the corporate website (<http://www.eisai.com/company/governance.html>) along with the Company's Corporate Governance guidelines, Rules of the Board of Directors, Rules of the Nomination Committee, Rules of the Audit Committee, and Rules of the Compensation Committee.

2. Capital structure

Percentage of foreign Shareholders: From 10 % to less than 20 %

[Status of Major Shareholders]

Name/Company Name	Number of Shares Owned	Percentage (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	15,678,200	5.29
Nippon Life Insurance Company	15,344,145	5.17
The Master Trust Bank of Japan, Ltd. (Trust Account)	15,254,700	5.14
Saitama Resona Bank, Limited	10,000,000	3.37
Eisai Employees Shareholding Association	7,158,971	2.41

SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	6,873,300	2.32
JP Morgan Chase Bank 385147	5,793,700	1.95
Mizuho Corporate Bank, Ltd.	4,680,694	1.58
The Naito Science & Engineering Foundation	4,207,169	1.42
Mizuho Bank, Ltd.	3,617,922	1.22

Predominant Shareholders: _____
Parent Company: Not exist

3. Corporate profile

Listed stock markets and market section	Tokyo, Section 1; Osaka, Section 1
Accounting period	March
Type of business	Pharmaceuticals
Employees (consolidated)	1000 or more
Sales (consolidated)	100 billion yen or more, less than 1 trillion yen
Consolidated subsidiaries	50 or more, less than 100

4. Indicator concerning strategy of protection of minority stockholders when having dealings with predominant stockholder.

5. Other circumstances that may significantly affect corporate governance

II. The status of management decisions, business management organization related to administration and oversight, and other corporate governance systems

1. Organizational composition and operation

Organization type : Company with a committees system

[Directors]

Number of director on article of incorporation : 15
Term of office on article of incorporation : 1
Chair of Board of Directors : Outside director
Number of directors: 11

[Outside Directors]

Number of outside directors: 7
Number of independent director of outside directors: 1

Relationship to the company (1)

Name	Characteristics	Relationship to the Company (*1)
Junji Miyahara	Came from another company	h
Kimitoshi Yabuki	Came from another company	h
Christina Ahmadjan	Came from another company	h
Tokuji Izumi	Came from another company	h
Koichi Masuda	Came from another company	d,h
Kiyochika Ota	Came from another company	e,h
Michikazu Aoi	Came from another company	d,h

*1 Types of relationship to the company

- a Came from the parent company.
- b Came from a related company other than the parent company.
- c Is a major shareholder in the applicable company.
- d Has additional duties as an outside director or outside corporate auditor for another company.
- e Is a director with executive duties, an executive officer, etc., of another company.
- f Is the spouse, close relative, or has a similar relationship with a director with executive duties, an executive officer, etc., of the applicable company or a specified company related to the applicable company.
- g Receives compensation or other profit from assets for service as an officer of the parent company of the applicable company or a subsidiary of said parent company.
- h Has entered into a contract with the applicable company limiting responsibilities.
- i Other

Relationship to the company (2)

Name	Supplementary Explanation of Conforming Items	Reason for Selection as Outside Director
Junji Miyahara	Meeting the independency requirements for Outside Directors that were stipulated by the Nomination Committee (See page 15 ,Requirements for the Independence and Neutrality of Outside Directors")	<p>< Reason for Selection > Mr. Junji Miyahara is a specialist in research and research management. In addition, he has experience working as a corporate employee involved in management, as well as a high level of insight into management and excellent supervisory ability. Moreover, the Nomination Committee has considered such factors as the candidate's (1) actual performance as a director, member of the Nomination Committee, and member of the Compensation Committee, (2) qualifications and capabilities as a director, (3) experience, and (4) age and period of time in office. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the "Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors," the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director. In addition, although the nominee worked for many years as an employee of Fuji Photo Film Co., Ltd., in consideration of factors including the fact that more than 10 years have passed since the nominee's retirement from that company, the Nomination Committee has confirmed that there is no relevant obstacle, problem, or other circumstance that would impair the candidate's ability to execute his duties as an outside director. Further, the Institute of Innovation Research does not engage in any business transactions with the Company.</p>
Kimitoshi Yabuki	Same as above	<p>< Reason for Selection > Mr. Kimitoshi Yabuki is a specialist in law, and although he has not been directly involved with management, he has rich experience related to</p>

		<p>Companies Act and a high level of insight into management and excellent supervisory ability. Moreover, the Nomination Committee has considered such factors as the candidate’s (1) actual performance as a director, member of the Audit Committee, and chair of the Independent Committee of Outside Directors, (2) qualifications and capabilities as a director, (3) experience, and (4) age and period of time in office. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the</p> <p>“Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors,” the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director.</p>
Christina Ahmadjan	Same as above	<p>< Reason for Selection > Ms. Christina Ahmadjan is a specialist in corporate governance and organizational theory. Although she has not been directly involved with management, the candidate has experience working in Japanese companies and is internationally minded. In addition, the candidate has a high level of insight into management and excellent supervisory ability. Moreover, the Nomination Committee has considered such factors as the candidate’s (1) actual performance as a director and member of the Audit Committee, (2) qualifications and capabilities as a director, (3) experience, and (4) age and period of time in office. Having objectively determined that the nominee is capable of executing her management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the</p> <p>“Requirements for independence and neutrality</p>

		that the Company Nomination Committee has stipulated as a requirement for outside directors,” the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director
Tokuji Izumi	Same as above	<p>< Reason for Selection > Mr. Tokuji Izumi is a legal specialist who has many years of experience serving as a judge. Although he has not been directly involved with corporate management, in regard to management supervision, his rich experience and knowledge give him the ability to make fair judgments that are not biased toward benefits of managers or specially interested parties. The Nomination Committee has considered such factors as the candidate’s (1) actual performance as a director, chair of the Compensation Committee, and member of the Nomination Committee, (2) qualifications and capabilities as a director, (3) experience, and (4) age and period of time in office. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the</p> <p>“Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors,” the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director. Although the candidate is an advisor to TMI Associates (with which the Company conducts business transactions), the candidate does not execute business related to management decisions of the law firm, nor is he an employee of the law firm. In addition, he does not handle legal issues for the Company. Further, although the candidate served as a member of the Company’s Compliance Committee in the past, in which capacity he provided counsel from a neutral standpoint regarding the improvement of the Company’s compliance, he retired from the committee as of March 31, 2010. The Nomination Committee has confirmed that there is no related obstacle,</p>

		<p>problem, or other circumstance that would impair the candidate's ability to execute his duties as a director.</p>
Koichi Masuda	Same as above Independent Director	<p>< Reason for Selection > Mr. Koichi Masuda has many years of experience in practice as a CPA, and is a specialist in finance, accounting, auditing, and international accounting standards. Although he has not been directly involved with corporate management, the candidate's specialized knowledge has given him a high level of insight into management and excellent supervisory ability. Moreover, the Nomination Committee has considered such factors as the candidate's (1) actual performance as a director and chair of the Audit Committee, (2) qualifications and capabilities as a director, (3) experience, and (4) age and period of time in office. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting. < Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the "Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors," the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director. In addition, although the candidate is currently serving as an outside corporate auditor for the Enterprise Turnaround Initiative Corporation of Japan and for NKSJ Holdings, Inc., the Nomination Committee has confirmed that there is no related obstacle, problem, or other circumstance that would impair the candidate's ability to execute his duties as a director. Then, he is registered with independent director because he does not fall under any of the rules of securities listed enforcement regulations in Article 211 clause 6 item 5, besides he is sufficiently endowed with independence and neutrality as an Outside Director.</p>

Kiyochika Ota	Same as above	<p>< Reason for Selection > Mr. Kiyochika Ota has abundant experience as a manager in a company deploying consulting and IT solutions, as well as a high level of insight into management and excellent supervisory ability.</p> <p>Moreover, the Nomination Committee has considered such factors as the candidate's (1) qualifications and capabilities as a director, (2) experience, and (3) age, etc. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director, elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the</p> <p>“Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors,” the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director.</p> <p>In addition, although the candidate has served as an officer of Nomura Research Institute, Ltd., and is currently serving as a director for Canon MJ IT Group Holdings Inc., the Nomination Committee has confirmed that there is no related obstacle, problem, or other circumstance that would impair the candidate's ability to execute his duties as a director.</p>
Michikazu Aoi	Same as above	<p>< Reason for Selection > Mr. Michikazu Aoi is a specialist in business administration. Although he has not been directly involved with corporate management, his field of research has given him deep familiarity with competitive business strategy, decision analysis, risk management, and corporate governance, as well as a high level of insight into management and excellent supervisory ability. Moreover, the Nomination Committee has considered such factors as the candidate's (1) qualifications and capabilities as a director, (2) experience, and (3) age, etc. Having objectively determined that the nominee is capable of executing his management supervisory duties, the Nomination Committee has nominated the candidate as an outside director,</p>

		<p>elected by the director in 99th General Shareholder Meeting.</p> <p>< Policy for Independence and Neutrality > Because the candidate meets the conditions for outside directors stipulated by the Companies Act and meets the</p> <p>“Requirements for independence and neutrality that the Company Nomination Committee has stipulated as a requirement for outside directors,” the Nomination Committee has determined that the candidate is sufficiently endowed with independence and neutrality as an outside director. In addition, although the candidate serves as an outside director of Tokyo Cathode Laboratory Co., Ltd. and Adat Inc., the Nomination Committee has confirmed that there is no related obstacle, problem, or other circumstance that would impair the candidate’s ability to execute his duties as a director.</p>
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[Individual Committees]

Committee composition and attributes of chair

	All Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Nomination Committee	3	0	0	3	Outside director
Compensation Committee	3	0	0	3	Outside director
Audit Committee	5	2	2	3	Outside director

[Executive Officers]

Number of executive officers: 18

Status of additional duties

Name	Representative Authority	Additional Duties as Director	Additional Duties as		Additional Duties as Employee
			Nomination Committee Member	Compensation Committee Member	
Haruo Naito	Yes	Yes	No	No	No
Nobuo Deguchi	Yes	No	No	No	No
Hideshi Honda	No	No	No	No	No
Hajime Shimizu	No	No	No	No	No
Hideki Hayashi	No	No	No	No	No
Yutaka Tsuchiya	No	No	No	No	No
Lonnell Coats	No	No	No	No	No
Noboru Naoe	No	No	No	No	No

Takafumi Asano	No	No	No	No	No
Kenta Takahashi	No	No	No	No	No
Yasushi Okada	No	No	No	No	Yes
Edward Stewart Geary	No	No	No	No	Yes
Kazuo Hirai	No	No	No	No	No
Hideto Ueda	No	No	No	No	Yes
Yuji Matsue	No	No	No	No	Yes
Gary Hendler	No	No	No	No	No
Ivan Cheung	No	No	No	No	No
Takashi Owa	No	No	No	No	Yes

[Auditing Structure]

Directors and employees responsible for assisting in execution of the duties of the Audit Committee : Yes

Independence of said directors and employees from executive officers

The Management Audit Department has been established as a department specializing in assisting in execution of the duties of the Audit Committee, and maintains its independence from executive officers through the following setup.

- The head and staff of the Management Audit Department shall perform their duties under the direction of the Audit Committee and Audit Committee members.
- The head and staff of the Management Audit Department shall be appointed and reassigned by the President (Representative Executive Officer) and CEO with the consent of the Audit Committee.
- The personnel evaluations of the head and staff of the Management Audit Department shall be conducted by the Audit Committee.

Status of link between the Audit Committee, Accounting Auditors and internal auditors

The Audit Committee collaborates with the Accounting Auditor through the following activities, thereby endeavoring to improve the quality of audits.

- The Audit Committee confirms yearly accounting audit plans of Accounting Auditor in advance and obtains a copy of the plan.
- The Audit Committee obtains and reviews the auditing opinions and recommendations of the Accounting Auditor regarding quarterly and year-end financial statements (consolidated and non-consolidated).
- The Audit Committee obtains information regarding the important audit activities implemented by the Accounting Auditor (visiting audits to ENW companies, etc.)
- The Audit Committee obtains information concerning internal control found in the audit by the Accounting Auditor.
- The Audit Committee continues to confirm the status of internal control related to Article 131 of the Rules of Company Accounting for the Accounting Auditor.

[Independent director]

Number of independent director: 1

Other matters of independent director

[Incentives]

Status of the implementation of measures to give incentives to directors and executive officers
Performance-based compensation system and stock option system implemented.

Supplementary explanation of the above

Described in [Director/Executive Officer Compensation].

Stock option recipients

Inside directors, outside directors, executive officers, employees

Supplementary explanation of the above

New share subscription rights are provided as stock options to employees who serve as administrative officers.

[Director/Executive Officer Compensation]

Disclose situation of compensation of
Individual director : Not-disclosed

Disclose situation of compensation of
Individual Executive officer : only a part of compensation is disclose

Supplementary explanation of the above

The Directors and Executive officers for whom consolidated compensation, etc., totaled ¥100 million or more in FY2010 are the following 2 individuals

Name/ post	Company division	Amount of each compensation (millions of yen)					Total amount of compensation (millions of yen)
		Basic compensation	Bonus	Stock Option	Retirement Bonus	Middle- term incentive	
Haruo Naito (President and CEO)	Eisai Co., Ltd.	104	34	6	6	-	152
Lyonel Coats (executive officer)	Eisai Co., Ltd.	-	-	1	-	-	155
	Eisai, Inc	50	32	-	2	66	

(Note)

1. There is the only person who receive the amount of compensation more than 100million yen
2. Lyonel Coats is accepted of the compensation for the Officer from Eisai, Inc, the Compensation Committee of Eisai Co., Ltd decide that the compensation of Executive officer is only allocated to Stock Option.
3. The amount of compensation paid to the officer about Eisai, Inc, is disclosed in which cost appropriated during fiscal 2010, (converted to yen by Fiscal Year average rate 85.72yen/\$). Moreover, total amount of Mid-term incentive received during fiscal 2010 or for which the anticipated figure became clear during fiscal 2010, is 75million on including the above table.

Policy for determining the amount of compensation and the method of calculating

Existent

The disclosures of the policy for determining the amount of compensation and the method of calculating

The grand total of compensation paid to Directors and Executive officers in FY2010 (from April 1, 2010, to March 31, 2011) was ¥1,340.2 million, broken down as follows.

	Base Compensation		Bonus (Performance-based Compensation)		Stock Options		Retirement Bonus		Total (Millions of yen)
	Number Receiving (Persons)	Amount Paid (Millions of yen)	Number Receiving (Persons)	Amount Paid (Millions of yen)	Number of Persons to whom granted (Persons)	Fair market value (Millions of yen)	Number Receiving (Persons)	Amount Paid (Millions of yen)	
Directors (Inside)	4	106	-	-	4	5	2	4	115
Directors (Outside)	9	74	-	-	9	12	-	-	86
Executive Officers	25	702	25	227	28	55	21	151	1,137
Total	38	883	25	227	41	73	23	156	1,340

(Notes)

1. Compensation paid to the Director, President (Representative Executive Officer) and CEO is included in the amount for Executive officers.
2. Figures for base compensation are the total figures for base compensation paid to Directors and Executive officers in office as of March 31, 2011, and base compensation paid during the period from April 2010 through June 2010 to 3 Directors (1 inside director and 2 outside Directors) who retired at the end of the 98th Ordinary General Meeting of Shareholders held on June 18, 2010, and to 9 Executive officers who retired as of the conclusion of the meeting of the Company's Board of Directors held on the same day. Base compensation was calculated for the period from July 2010 through March 2011 for Directors newly appointed at the 98th Ordinary General Meeting of Shareholders held on June 18, 2010, and for Executive officers newly appointed at the meeting of the Company's Board of Directors held on the same day.
3. Figures for bonus payments to Executive officers are the total figures representing the total value of planned bonus payments (reserve for bonus payments) to be paid in July 2011 to Executive officers in office as of March 31, 2011, for the period from April 2010 through March 2011, together with the total value of bonus payments paid in July 2010 to Executive officers in office as of March 31, 2010, for the period from April 2009 through March 2010, less the value of the reserve for bonus payments disclosed in the business report for FY2009.
4. A resolution to issue stock options as compensation to Directors and Executive officers was passed by the Company's Compensation Committee and the Company's Board of Directors on June 18, 2010. Accordingly, a total of 1,440 rights (144,000 shares) have been allocated: 400 rights (40,000 shares) to 10 Directors and 1,040 rights (104,000 shares) to 18 Executive officers. The figure included in the chart is the associated expense figure for the relevant fiscal year.
5. Figures for retirement bonuses (not applicable to outside Directors) include the total increase in the reserve for retirement benefits associated with Directors from April 2010 through June 2010, and the total retirement bonus amounts approved by the Company's Compensation Committee for 5 Executive officers who retired as of the conclusion of the Company's Board of Directors' meeting held on June 18, 2010. When calculating the retirement bonuses paid during FY2010, amounts newly added to the reserve for retirement benefits and disclosed in the Business Report for FY2009 were subtracted.

In addition, at a meeting held on June 18, 2010, the Compensation Committee determined to provide termination payments in conjunction with the elimination of retirement bonuses. The total amount of executive compensation, etc., received, or compensation, etc., for which it

becomes clear that it will be received during FY2010, is ¥2,025.5 million. Of this, ¥202.39 million is for 13 Directors and ¥1,823.11 million is for 28 Executive officers.

[Outside Director Support System]

The Company has established two specialized support units: namely, the Board of Directors Secretariat, which is responsible for providing support for the Board of Directors, Nomination Committee, Compensation Committee, and Independent Committee of Outside Directors, and a Management Audit Department, which provides secretariat assistance to the Board of Auditors and is separate from the operating divisions. To provide support to Outside Directors, the units perform the following functions.

- (1) Support provided by the Board of Directors Secretariat
 - a. Preparation of agenda items and related materials for the Board of Directors, Nomination Committee, Compensation Committee, and Independent Committee of Outside Directors and conduct of prior discussions with the Chair of the Board of Directors and Committee Chairs
 - b. Provision of advance explanations of the substance of agenda items of the Board of Directors, Nomination Committee, Compensation Committee, and Independent Committee of Outside Directors
 - c. Provision of written materials related to the pharmaceutical industry and periodic publications
 - d. For newly appointed Outside Directors, the Board of Directors Secretariat provides training in Eisai's Corporate Concept, corporate culture, management environment, etc., as well as conducts visits to major business locations.
- (2) Support provided by the Management Audit Department
 - a. Preparation of agenda items and related materials for the Audit Committee and conduct of prior discussions with the Committee Chair
 - b. Provision of advance explanations of major agenda items to be discussed by the Audit Committee

2. Business execution, auditing/oversight, nomination, compensation determination, etc., functions

- (1) The Board of Directors has created a system under which, as far as allowed by law, it can delegate management decisions to a great extent to executive officers, and focus exclusively on management oversight. Each executive officer adheres to the division of duties for business execution determined by the Board of Directors, and the job accountability and authority and decision-making route established in company regulations, to carry out their duties appropriately and efficiently. Along with receiving direct reports from the executive officers regarding the status of business execution, the Board of Directors fulfills their functions based on reports from the Audit Committee.
- (2) The Board of Directors shall be composed of a diversity of directors, each with differing specialized knowledge and experience, and the majority of the Board of Directors shall be composed of outside directors. Outside directors are being selected as persons with independence and neutrality from the company, and fulfill the role of secure the fairness and appropriateness of management in the Board of Directors.
Moreover, the Board of Directors shall be accountable for making fair decisions and taking appropriate actions on such conduct that may possibly damage the corporate concept, corporate value or the common interests of shareholders. Outside directors shall take the initiative to further enhance fairness and appropriateness.
- (3) The Audit Committee directs a specialized department consisting of five individuals who assist in their duties and act as the secretariat for that committee, and in cooperation with executive

officers in charge of internal audits and departments that implement them, conducts activities which take into consideration their efficiency.

- (4) The Compensation Committee determines individual compensation according to the executive compensation policy established by the Compensation Committee. Especially in the case of performance-based compensation for executive officers, the applicable compensation for individuals is determined according to the level of achievement based on evaluation of overall company performance goals and individual performance goals.
- (5) The Nomination Committee selects candidates for director according to the director selection criteria established by the Nomination Committee. Especially in the case of candidates for outside director, the selection is made in accordance with the requirements for independence.

"Requirements for the Independence and Neutrality of Outside Directors"

1. An Outside Director must be economically independent from the Company or its affiliated companies (hereinafter referred to as the Eisai Group collectively) as well as from specified enterprises, etc., as demonstrated by satisfying the following conditions.
 - i) An Outside Director must not have received directly from the Eisai Group, in the past five years, compensation or remuneration for work or transactions (excluding director compensation from Eisai) at or above the fixed amount defined below:
 - a. The "fixed amount" is defined as ¥10 million or more in a single fiscal year out of the past five years.
 - b. Even when the individual has received the amount indirectly, the actual situation shall be judged prudently.
 - ii) An Outside Director must not have been, in the past five years, a director, executive officer, or other officer of the following types of enterprises (including holding companies), as defined below:
 - a. Enterprises, etc., for which 2% or more of its sales in any of the past five fiscal years have been sales or compensation for work or transactions to the Eisai Group; or
 - b. Regardless of the previous item, enterprises, etc., with a relationship of substantial interest with Eisai or its affiliated companies, such as Eisai's audit corporation
 - c. Enterprises, etc., that are major shareholders of the Company (holding 10% or more of the Company's outstanding shares)
 - d. Enterprises, etc., in which the Eisai Group is a major shareholder (holding 10% or more of the outstanding shares of the relevant enterprise, etc.)
 - iii) Even if an Outside Director has been retired from positions as a Director, Executive Officer, or other officer of the previously specified types of enterprises, the Nomination Committee must determine that the Outside Director is independent and neutral with respect to these enterprises based on consideration of the following factors.
 - a. The Outside Director's shareholding in the relevant enterprise, etc.
 - b. The Outside Director's post-retirement remuneration from the relevant enterprise, etc.
 - c. Human interaction between the Eisai Group and the relevant enterprise, etc.
2. An Outside Director must not be a close relative of, or one having a similar relationship to, a Director or Executive Officer of the Eisai Group.
 - i) A "close relative" is defined as a spouse, a blood relative within three degrees of kinship, or a cohabitating relative.
 - ii) "One having a similar relationship to" is defined as one having a human relationship that can be rationally recognized as that which makes it impossible for the individual to fulfill duties as an independent Director, such as a personally interested individual.
3. An Outside Director may not be of the same household of persons holding any of the conflicts of interest described in paragraph 1.

4. In addition, there must not be any other situations rationally recognizable as preventing an Outside Director from performing duties as an independent Director.
5. The requirements for the independence and neutrality of Outside Directors defined in this article continue to apply after the appointment as Director.

3. Reasons for implementing the company with a committees system

Eisai recognizes that thoroughly enhanced corporate governance is the most important issue for increasing our corporate value, and has worked to implement a corporate officer system, establish a Corporate Governance Committee, separate the roles of chair of the Board of Directors and president and CEO (representative executive officer), etc. Eisai made the transition to a company with a committees system in June 2004, based on the following.

(1) Enhancement of the management oversight function

As far as allowed by law, the Board of Directors delegates management decisions to a great extent to executive officers, and focuses exclusively on management oversight.

(2) Expansion of business execution authority and enhancement of competitive strength

Each executive officer adheres to the division of duties for business execution determined by the Board of Directors, and the job accountability and authority and decision-making route established in company regulations, to carry out their duties rapidly and efficiently and strive to achieve the Eisai corporate philosophy.

(3) Improvement of the fairness and transparency of management

To ensure a sufficient level of independence for outside directors, management oversight is conducted objectively and fairly from the standpoint of stakeholders, and management is conducted with fairness and transparency, in the selection of candidates for director by the Nomination Committee, determination of executive compensation by the Compensation Committee, etc.

Eisai has established the Corporate Governance Guidelines and has built a system with the core aspect being the clear separation of the function of management oversight from that of business execution by maximizing the advantage of being a company with a committees system.

III. Status of the implementation of measures related to shareholders and other interested parties

1. Status of implementation of measures for revitalization of the general meeting of shareholders and smoothing of the execution of voting rights **(Update)**

	Supplementary Explanation
Early notification of convocation of general meeting of shareholders	In principle, we strive to send notification of convocation at least four weeks prior to the meeting.
Scheduling of general meeting of shareholders away from “concentrated days”	We avoid “concentrated days” to make it possible for as many shareholders as possible to attend.
Electronic execution of voting rights	Electronic execution of voting rights using a voting website of corporate agency from PC and mobile phone.
Participation of a voting rights execution platform and effort to improve the exercising a voting rights system	From the regular general meeting of shareholders scheduled for June 2006, use of a voting rights execution platform for institutional investors was implemented.
Offer in English of Notice of convocation (summary)	The notice of convocation is made by English, and made public on our homepage.

Other	It is assumed to be a purport to do an enough explanation in the General Shareholder meeting, the chairperson (president) oneself explains the business report and the management policy, and it tries in the question and answer as the place where an active remark from the shareholder is received. Moreover, shareholder list of names manager's right to vote exercise system and right to vote electron exercise platform are used to maintain the environment to which all shareholders can appropriately exercise the right to vote, the English translation of Japanese version publishes both notice to convocation that enhance the content in our website etc. , and the promotion of the right to vote exercise is aimed at.
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2. Status of activities related to IR

	Explanation from Representative	Supplementary Explanation
Hold regular meeting for personal investors	Yes	The Eisai Group holds explanatory meeting as needed, in cooperation with securities firms, etc. Then, we explain to shareholders like IR style at General Shareholder Meeting
Hold regular meetings for analysts and institutional investors.	Yes	The Eisai Group settles accounts quarterly. In conjunction with this, a settlement explanation meeting for analysts and institutional investors is held four times annually. Further, a yearly information meeting is held separately from the settlement explanation meeting to explain the Group's strategy. In addition, the Group holds specialized explanation meetings when appropriate to explain R&D issues. At this meeting, the executive officer in charge of research and development explains the status and results of research and development, as well as strategy, and answers questions.
Hold regular meetings for investors outside Japan.	Yes	We conduct regular visits to investors outside Japan. In addition, Eisai representatives actively participate in conferences, large meeting, and small meeting organized by individual securities companies for institutional investors outside Japan, providing explanations and answering questions.
Post IR materials on the website.	Yes	A website for shareholders and investors has been created on the company website. Along with posting the articles of incorporation, financial statements, reference materials, and materials of explanation meetings for analysts and institutional investors, videos of representatives from explanation meetings are posted in both Japanese and English as soon as

		they are released. In addition, performance highlights/research and development status summarizing the status of business performance and research and development, annual reports, yearly IR schedules, stock procedures/stock prices, announcement of financial statements/electronic announcements, etc., are posted on the website. Moreover, a system has been set up making it possible to send questions related to IR directly to the IR Department via the Internet. (http://www.eisai.com/ir/index.html)
Establish departments (responsible parties) for IR.	-	Investor Relations Department is set up under the executive officer of Investor Relations. IR activities are being conducted with the cooperation of the Research and Development section, the Corporate Management Planning Department, the Finance & Accounting Division and the General Affairs Department as well as other related departments.

3. Status of efforts to consider the standpoint of stakeholders

	Supplementary Explanation
Rules regarding consideration of the standpoint of stakeholders through company regulations, etc.	<p>Consideration of the standpoint of stakeholders is clearly prescribed in Eisai's corporate philosophy which has been established in the text of the articles of incorporation. A summary is given below.</p> <p>Eisai believes that its stakeholders are patients and their families, shareholders, and our employees. Through the following activities, Eisai strives to increase the value for our stakeholders as well as develop and maintain good relationships.</p> <ol style="list-style-type: none"> 1. Satisfying unmet medical needs, ensuring stable supply of high-quality products, and providing useful information on safety and efficacy 2. Timely disclosure of corporate managerial information, enhancement of corporate value, and proactive return to shareholders 3. Ensuring stable employment, offering challenging and fulfilling duties, and providing full opportunities for the development and enhancement of employees' capabilities
Implementation of environmental protection activities, CSR activities, etc.	<p>All officers and employees of the Eisai Group share the same basic principles for environmental protection under an environmental management system based on the Eisai Network Environmental Protection Policy. The Group is expanding its environmental protection activities globally, setting up environmental protection committees at sites in Japan and at its North Carolina Plant in the United States to promote nature conservation activities, and attaining ISO14001 certification at its Suzhou Plant in China.</p> <p>The Eisai Group strives to collect quantitative data on its inputs of environmental resources and the environmental impact of its operations, while taking measures to combat climate change, promoting recycling and waste reduction, establishing stricter controls for the appropriate management and reduction of chemical substances, and promoting green purchasing. In addition, Eisai publishes an Environmental and Social</p>

	<p>Report annually to report on its management systems for protecting the environment as well as on the concrete achievements of its management initiatives.</p> <p>Eisai has established the Naito Museum of Pharmaceutical Science and Industry in Gifu Prefecture, Japan, with the aim to raise public awareness of the history of medicine, pharmaceutical science, and health sciences. Open to the public free of charge, the museum is the first in Japan dedicated to medicines.</p> <p>In its efforts to contribute to science and human welfare, the Eisai Group supports the activities of two non-profit academic foundations: the Naito Foundation, which funds natural science research aimed at the prevention and treatment of diseases; and the Health Care Science Institute, a foundation that supports economic and social research on healthcare and pharmaceuticals, and promotes healthcare and welfare in Japan through research on the development, production, and distribution of pharmaceutical products, as well as studies on healthcare and related scientific fields. Eisai also sponsors the annual Health and Medical Care Contributions Awards to recognize healthcare professionals who have dedicated themselves to providing medical or care services under challenging environments in Japan or overseas. environments, assistance to encourage natural science research and knowledge dissemination related to human diseases and their remedies, promotion of interdisciplinary healthcare study, including health economics, and development of young researchers. The Company also supports a number of educational initiatives designed to raise awareness of Alzheimer’s disease as well as programs for elderly patients and caregivers and activities providing relief for victims of natural disasters in many countries.</p>
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IV. Basic philosophy and status of preparation of internal control systems

1. The system for assurance of appropriate business operations.

In June 2004, the Company adopted the “Company with Committees System.” The Board of Directors passed a resolution based on former Business Law Enforcement Regulations Article 193, stipulating “regulations related to items necessary for execution of duties by the Audit Committee.”

Subsequently, these regulations have undergone successive revisions. In April 2006, in preparation for enforcement of the Companies Act, the Board of Directors, in accordance with Article 416 of the Companies Act and Article 112 of the Ordinance for Enforcement of the Companies Act, stipulated “rules concerning items necessary for the execution of duties by the Audit Committee” and “rules for preparing systems necessary to ensure compliance with laws and regulations and the Articles of Incorporation in the execution of duties by executive officers and other systems for maintaining the suitability of operations.” Outlines of both sets of regulations are given below.

- 1) Outline of “Regulations relating to Necessary Items for Execution of Duties by the Audit Committee”
 - (1) Items related to directors and employees assisting Audit Committee as part of their duties
 - The Company has established a Management Audit Department to assist the Audit Committee in execution of its duties. However, directors will not be assigned to this post.
 - The head and members of the Management Audit Department will abide by work regulations, except where stipulated by these regulations.
 - (2) Items regarding independence of the Management Audit Department from executive officers
 - The organization ensures independence of the Management Audit Department from

executive officers.

- The head and members of the Management Audit Department execute their duties under the auspices and direction of the Audit Committee and its members.
 - Assignment and reassignment of the head and members of the Management Audit Department is carried out by the President and CEO with the approval of the Audit Committee.
 - Assessment of the head and members of the Management Audit Department is conducted by the Audit Committee.
- (3) System of reporting to the Audit Committee by executive officers and employees and system for other reports to the Audit Committee
- Executive officers must report to the Audit Committee once a month regarding the following items for the division they head, including to indicate whether or not the event or circumstances have arisen. However, reports should be made to the Audit Committee immediately in the case of major items of potential damage to the Company or infractions against laws or regulations (including the danger of such infractions).
 - a) Casualties or accidents at work
 - b) Suspension of business operations for half a day or more
 - c) Execution and status of legal action
 - d) Breaches of compliance (including incidents subject to investigation)
 - e) Requests for cooperation with investigations, investigations, summons or inspections by government and other public offices (excluding periodic investigations, etc.), and any warnings, guidance, orders, recommendations, suspension of operations, or other measures
 - f) Violation of Company assets or rights, or the danger of such
 - g) Bankruptcy of major company clients or cancellation of contracts, or the danger of such
 - h) Any incidents or information other than the above that could result in major damage to or influence on the Company
 - i) Other items that the Audit Committee deems necessary for reporting:
 - Employees should report suspicion of any of the above items to their supervisors.
 - Executive officers and employees should report plans to hold any major meetings to the Audit Committee.
- (4) Other systems to ensure effective execution of audits by the Audit Committee
- To establish an efficient, optimal auditing system, officers (executive officers and corporate auditors) and departments responsible for audits, including internal audits, of ENW companies, including Eisai Co., Ltd., collaborate and coordinate with the Audit Committee and its members and the Management Audit Committee through regular meetings.
 - The Company and independent auditors make reports on the audit of the independent auditors and other investigation items to the Audit Committee regularly or at the request of the Audit Committee.
 - The President and CEO devises a system between ENW companies to enable the Audit Committee to carry out audits of ENW companies and other investigations relating to business operations.
- * ENW (Eisai Network Companies): ENW refers to the corporate group comprised of Eisai Co., Ltd., and its consolidated subsidiaries and affiliates.
- 2) Regulations relating to a system to ensure compliance with laws and the articles of incorporation in the execution of duties by executive officers and necessary improvements to the system for assurance of appropriate business operations
- (1) System related to storage and management of data used for the duties of executive officers
- The President and CEO appoints from among the executive officers a person responsible for

Company-wide control of protection and management of data relating to execution of the duties of executive officers, who then formulates regulations relating to storage and management of documentation.

- The executive officer responsible for storage and management of documentation presents the regulations relating to storage and management of documentation to the Audit Committee and reports on the status of compliance.
- (2) Regulations relating to risk management and other systems
- Each executive officer is responsible for risk management within the sphere of the duties for which he is responsible.
 - The executive officer appointed for each area of risk (finance, legal affairs, environment, and disasters) formulates regulations regarding major risks to the Company that could impact multiple departments and presents them to the Audit Committee and reports on the status of compliance.
 - The executive officer responsible for promotion of creation of the Internal Control System formulates a self-assessment system for risk management relating to executive officers and employees within their respective spheres of duties.
- (3) System to ensure efficient execution of duties by executive officers
- Within the scope of laws and ordinances, the Board of Directors assigns decision-making authority for execution of duties to executive officers as much as possible, except for certain items in areas where appointment by the Board of Directors is not appropriate.
 - The Board of Directors establishes the appropriate division of duties and relationships between executive officers.
 - The President and CEO establishes internal regulations concerning routes for official responsibilities and decision-making authority, including for employees, and formulates a system for appropriate and effective execution of duties by executive officers.
 - The executive officer responsible for promotion of creation of the Internal Control System formulates a self-assessment system for efficiency of execution of duties.
- (4) System to ensure compliance with laws and the articles of incorporation in the execution of duties by executive officers and employees
- The President and CEO appoints from among the executive officers a person responsible for promotion of compliance, including a system to ensure compliance with laws and the articles of incorporation in the execution of duties by executive officers and employees, and establishes departments, etc., for execution of his duties.
 - The executive officer responsible for promotion of compliance formulates a Charter of Business Conduct and Compliance Handbook, defines regulations and behavior standards to ensure that the conduct of executive officers and employees complies with laws and regulations, and takes steps for the necessary training of executive officers and employees.
 - The executive officer responsible for promotion of compliance establishes a communications channel for compliance consultation and liaison to facilitate proactive measures and swift settlement of risks relating to compliance.
 - The President and CEO appoints from among the executive officers a person responsible for promotion of formulation of the internal control system and a person responsible for execution of the internal audit, and establishes departments, etc., for execution of their duties.
 - The executive officer responsible for promotion of formulation of the Internal Control System deepens understanding of internal control by establishing an Internal Control Policy and taking steps for necessary training of executive officers and employees.
 - The executive officer responsible for internal audits stipulates regulations relating to internal audits and establishes internal audit plans for efficient execution of internal audits.
 - As needs arise, the President and CEO appoints from among the executive officers a person responsible for confirming compliance with rules and regulations in specialized areas, and

establishes departments, etc., for execution of his duties.

(5) System to ensure appropriate business operations in ENW

- Eisai formulates an ENW Charter of Business Conduct and ENW Compliance Handbook for use by all ENW companies and defines regulations and behavior standards to ensure that the conduct of directors, executive officers, corporate auditors, and employees complies with laws and regulations.
- The officers, departments, and staff members responsible for compliance in each ENW company carry out compliance training and operate communications channels for compliance consultation and liaison for their respective companies in cooperation with the Eisai executive officer and department responsible for promotion of compliance.
- Eisai establishes policies relating to internal control for use in all ENW companies.
- The officers and departments responsible for internal control in each ENW company formulate internal control systems in their respective companies through internal control training for officers and employees in cooperation with the Eisai executive officer and department responsible for internal control.
- Officers (executive officers and corporate auditors) and departments responsible for audits, including internal audits, of ENW companies carry out the audits for their respective ENW companies.
- Eisai officers and departments responsible for internal audits receive reports on the audits of the preceding item from the officers and departments responsible for the audits of each ENW company.

2. The basic philosophy and status of preparation for elimination of any form of organized criminal activity

The Eisai Group established the Charter of Business Conduct to carry out their compliance activities. We stand firm against any form of organized criminal activity as provided in Article 9 of the ENW Charter of Business Conduct.

All directors, officers, and employees of ENW shall at all times and in all daily activities act strictly in accordance with the Charter, and work towards achieving the corporate goals that the Charter defines.

Specifically, we educate our directors, officers, and employees on the following points regarding groups engaged in organized criminal activity, such as corporate racketeers and organized crime groups. ENW should never provide any kind of benefit or advantage to such groups.

- Under the Japanese Companies Act, it is prohibited to provide benefit or any kind of benefit or advantage to such groups.
- ENW should not associate with or enter into any kind of relationship with any form of advantage to any specific shareholders. Depending on the circumstances, there are various forms of requirements for benefit or advantage. The request for such benefit or advantage is in itself prohibited under the law.
- To entertain any form of request from any organized crime group is a violation of the Charter and any director, officer, or employee found to be entertaining such requests may be charged with breach of trust.
- If any of the aforementioned situations come to the knowledge or attention of an officer or employee, it shall be reported promptly to the Compliance Counter (a tool designated to help employees seeking compliance advice and reporting).

The Company collects information about any form of organized criminal activity and establishes internal systems in cooperation with outside institutions.

*ENW (Eisai Network Companies) refers to the corporate group comprised of Eisai Co., Ltd., and its consolidated subsidiaries and affiliates.

V. Other

1. Adoption of Takeover prevention: Yes

Matters related to “Policy for Protection of the Company's Corporate Value and Common Interests of Shareholders”

The Policy was initially adopted after being proposed by the Independent Committee of Outside Directors (ICOD) at the Eisai Board of Directors meeting held on February 28, 2006. The continuation, amendment, or abandonment of the Policy is deliberated each year at the ICOD, which is composed of the all outside directors newly elected held after the Ordinary General Meeting of Shareholders.

In fiscal 2011, the ICOD (Chair: Kimitoshi Yabuki) meeting was held on June 21 following the 99th Ordinary General Meeting of Shareholders, with a total of seven outside directors including two newly appointed outside director. Though the policy is adding additional clauses or amending wording with the beginning of new Mid-term Strategic Plan, the ICOD members agreed to propose the continuation of the policy in its present form at the Board of Directors meeting.

The ICOD determined that, on the basis of resolution at the board meeting, it was appropriate to continue the policy since it has the following schemes:

- (1) The policy precludes arbitrary actions on the part of the management
- (2) The continuation, amendment, or abandonment of the policy shall be deliberated each year
- (3) Shareholders' opinions concerning the policy may be reflected through the election of directors at the Ordinary General Meeting of Shareholders

After reviewing the proposal put forward by the ICOD at its meeting held on August 2, 2011, the Board of Directors unanimously resolved to continue the policy.

Outline of “Policy for Protection of the Company's Corporate Value and Common Interests of Shareholders”

(1) Purpose and Nature

Eisai has adopted to introduce the “Policy for Protection of the Company's Corporate Value and Common Interests of the Shareholders” (hereinafter referred to as “the Policy”) in order to ensure corporate value and the common interests of the shareholders through implementation and achievement of Mid-term Strategic Plan based on the Company's philosophy as an *hbc* company.

The Policy is a prior notice type plan. It sets forth an orderly procedure to be followed when an acquisition of a large block of our shares is planned, to secure sufficient time and information for shareholders to make appropriate judgments. It also enables the Company to issue new share acquisition rights to all the shareholders which the acquirer is not entitled to exercise and dilute the voting rights of the acquirer if the procedure is not followed by the acquirer or if the acquisition is inappropriate and would undermine corporate value and the common interests of the shareholders. In these ways, this Policy is designed to deter inappropriate acquisitions.

The procedure in this Policy will be managed primarily by an Independent Committee of Outside Directors which consists of all seven (7) outside directors who are the majority of the Board of Directors (7 out of 11) and are all independent from Company management. The Independent Committee of Outside Directors will provide evaluations of the proposed acquisition and make judgments as to whether to submit a proposal on the issue of the new share acquisition rights to the Board of Directors.

(2) Procedures

An acquirer who plans to acquire 15% or more of the Company's outstanding shares by any purchase or any offer of tender is required to submit the necessary information to the Independent Committee of Outside Directors in accordance with the Policy.

The Independent Committee of Outside Directors may receive information from Eisai's management, and will evaluate the proposed acquisition, provide information to the shareholders, and may invite proposals of alternative plans and may negotiate with the acquirer.

If the acquirer fails to adhere to the procedures or the Independent Committee of Outside Directors determines that the acquisition undermines corporate value and the common interests of the shareholders, the Committee may recommend to the Board of Directors to issue new share acquisition rights to ensure the Company's corporate value and the common interests of the shareholders.

(3) Effective Period

The effective period of the Policy is until June 30, 2016.. Annual review of the Policy, which may result in continuance, modification, or abolition, will be conducted at a meeting of the Independent Committee of Outside Directors and the Board of Directors consisting of the directors newly elected immediately after the Ordinary General Meeting of Shareholders.

The entire text of this policy can be read at the following URL.

<http://www.eisai.com/company/ecgpolicy20110802.pdf>

2. Other items related to the corporate governance system

1. About the Eisai articles of incorporation

1)Number of directors, qualifications and restrictions, and requirements for resolutions for election and dismissal stipulated by the articles of incorporation

(1) Number of directors (Article 19)

The Company shall have no more than fifteen (15) directors

(2)Requirements for resolutions for the election of directors (Article 20 Paragraph 2)

Resolutions for the election of directors shall be approved by an affirmative vote of a majority of the voting rights held by shareholders present, where such shareholders present hold shares representing one-third (1/3) or more of the exercisable voting rights of shareholders.

(3)Elimination of cumulative voting (Article 20 Paragraph 3)

Cumulative voting shall not be used for a resolution to elect directors.

Moreover, no stipulations of the articles of incorporation applicable to resolutions regarding qualifications and restrictions for directors, or for their dismissal, differ from the Companies Act.

2)Decision to allow resolution of general meeting of shareholders resolution items by the Board of Directors and stipulations in the articles of incorporation to forbid resolution of Board of Director resolution items by the general meeting of shareholders

(1)Exemption of directors and executive officers from liability (Article 37 Paragraph 1)

Within the legally stipulated limitations, the Company may, by resolution of the Board of Directors, exempt directors and executive officers (including former executive officers) from

liability for damages due to negligence of their duties, as per Article 426, Paragraph 1, of the Companies Act.

(2) Dividend (Article 39)

The Company shall determine the matters listed in each item of Article 459, Paragraph 1, of the Companies Act, including dividend, by the Board of Directors, without a resolution by a General Meeting of Shareholders, unless otherwise stipulated by law.

3) Modification of requirements for special resolutions of the general meeting of shareholders

(1) Special resolutions of the general meeting of shareholders (Article 16 Paragraph 2)

Resolutions stipulated in Article 309, Paragraph 2, of the Companies Act shall be adopted by an affirmative vote of two-thirds (2/3) of the voting rights held by shareholders present, where such shareholders present hold shares representing one-third (1/3) or more of the exercisable voting rights of the shareholders.

2. Outline of a disclose systems

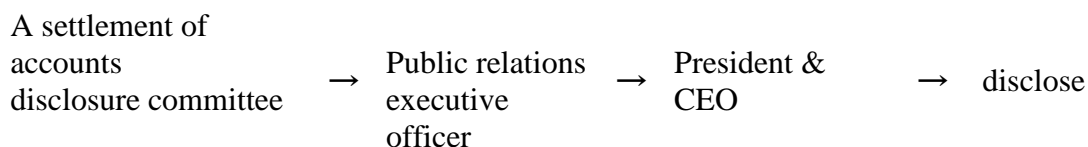
Our disclose system about Eisai is as follow.

1. Financial Information

After finance & accounting executive officer approved it, the financial statements becoming the grounds of the disclosure submit quarterly to President Representative Executive Officer and get the approval of the board of directors.



These of financial information has been disclosed through the procedure described below. Public relations executive officer gathers disclosure plan based on the information from related section through a settlement of accounts disclosure committee, finance and accounting executive officer examine and suggests it to President and CEO gets approval about the disclosure after the board of director resolution.



[Member of a settlement of accounts disclosure committee]

- Finance and Accounting executive officer
- Investor Relations executive officer
- Public Relations executive officer
- General Affairs executive officer
- Investor Relations section
- Public Relations section
- Corporate Planning and Strategy section
- Accounting section
- Financing section
- General affairs section

2. Submit to a security report

A security report has been disclosed through the procedure described below. After the examination of the suggestion of the Accounting section in the related sections meeting of a security report, Finance and Accounting executive officer examine and President and CEO approve it.

The related sections meeting of security report \Leftrightarrow Accounting section
Finance section \rightarrow Finance & Accounting Executive Officer \rightarrow
President & CEO \rightarrow Submit

[Member of the related sections meeting of a security report]

- Investor Relations executive officer
- Public Relations executive officer
- General Counsel
- General Affairs executive officer
- the Board of Directors Secretariat
- Investor Relations section
- Public Relations section
- Legal section
- Accounting section
- Financing section
- General affairs section

3. The information about Eisai except above 1.2.

Such information has been disclosed through the procedure described below. Public Relations section report to the Public Relations executive officer to gather information of interest disclosure. In addition, when internal sections (including subsidiary) sensing or hold information, notify to Public Relations section. Public Relations executive officer review the adequacy of disclosure the information received, and other meetings and Executive Board for information obtained from others, and set the date and procedure discussed with related executive officer. Public Relations is responsible for disclose, Public Relations executive officer manage the timely and appropriate disclosure conforming to the regulation and the guidelines of Tokyo Stock Exchange.

In addition, the information manager held the information management committee, decide how to manage internal information about important fact, aim to prevent insider trading.

Department to retain information \Leftrightarrow Public relations section \rightarrow Public relations executive officer \rightarrow
President & CEO \rightarrow disclose

[End Matter: Appendix]
Reference Materials

The Company's Corporate Governance System

