

[**Translation:** Please note that the following purports to be a translation from the Japanese original Notice of Resolution of the 98th Annual General Meeting of Shareholders of Chugai Pharmaceutical Co., Ltd. prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

(Securities Code: 4519)

March 25, 2009

To the Shareholders:

**NOTICE OF RESOLUTION OF
THE 98th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We are pleased to announce that the matters below were reported and resolved at the 98th Annual General Meeting of Shareholders of the Company held today.

Yours very truly,

Osamu Nagayama
President & CEO
CHUGAI PHARMACEUTICAL CO., LTD.
(the "Company")
1-1, Nihonbashi-Muromachi 2-chome Chuo-ku,
Tokyo

PARTICULARS

Matters Reported:

1. The Business Report, the Consolidated Financial Statements, and Financial Statements for the Business Term (January 1, 2008 to December 31, 2008)
2. The Report on the Results of Audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors

The contents of the above were reported.

Matters Resolved:

First Item of Business: **Proposed Disposition of Surplus**

This item was approved and resolved as originally proposed. Disposition of surplus for the end of the Term was decided to be 19 yen per share of common stock of the Company, or 10,351,460,167 yen in an aggregate amount.

Second Item of Business: **Partial Amendments to the Articles of Incorporation**

This item was approved and resolved as originally proposed. The Articles of Incorporation was amended as follows:

(Underlined parts are amended.)

Before the Amendments	Amended Articles
CHAPTER 2 SHARES	CHAPTER 2 SHARES
<u>Article 9 (Issuance of Shares)</u>	<u><Deleted></u>
<u>The Company shall issue certificates in respect of its shares.</u>	
<u>2. Notwithstanding the preceding paragraph, the Company may choose not to issue any share certificates constituting less than one unit.</u>	
Article 10 (Rights to Share Certificates Constituting Less than One Unit)	Article 9 (Rights to Share Certificates Constituting Less than One Unit)
The shareholders (<u>including beneficial shareholders; the same applicable hereinafter</u>) of the Company shall not exercise any rights other than the rights stated below with respect to shares constituting less than one unit:	The shareholders of the Company shall not exercise any rights other than the rights stated below with respect to shares constituting less than one unit:
(1) the rights stated in each item, Article 189, Paragraph 2 of the Corporate Law;	(1) the rights stated in each item, Article 189, Paragraph 2 of the Corporate Law;
(2) the right to make a demand pursuant to Article 166, Paragraph 1 of the Corporate Law;	(2) the right to make a demand pursuant to Article 166, Paragraph 1 of the Corporate Law;
(3) the right to be allotted offered shares and stock acquisition rights corresponding to the number of shares owned by shareholders; and	(3) the right to be allotted offered shares and stock acquisition rights corresponding to the number of shares owned by shareholders; and
(4) the right to make a demand pursuant to the following Article.	(4) the right to make a demand pursuant to the following Article.

Before the Amendments	Amended Articles
<p>Article <u>11</u> <Omitted></p> <p>Article <u>12</u> (Share Registrar)</p> <p>1. <Omitted></p> <p>2. <Omitted></p> <p>3. The preparation and maintenance of the register of shareholders (<u>including the register of beneficial shareholders; the same applicable hereinafter</u>), a register of lost share certificates, and a register of stock acquisition rights and other matters relating to the register of shareholders, register of lost share certificates and a register of stock acquisition rights shall be entrusted to the share registrar but shall not be handled by the Company.</p> <p>Article <u>13</u> (Share Handling Regulations) Any handling relating to shares of the Company, exercise of rights by the shareholders, and fees therefor shall be governed by Share Handling Regulations to be established by the Board of Directors in addition to the laws and ordinances or the Articles of Incorporation.</p> <p>Articles <u>14</u> to <u>37</u> <Omitted></p> <p>< New provisions ></p>	<p>Article <u>10</u> <The contents of this article is not amended.></p> <p>Article <u>11</u> (Share Registrar)</p> <p>1. <The contents of this article is not amended.></p> <p>2. <The contents of this article is not amended.></p> <p>3. The preparation and maintenance of the register of shareholders and a register of stock acquisition rights and other matters relating to the register of shareholders and a register of stock acquisition rights shall be entrusted to the share registrar but shall not be handled by the Company.</p> <p>Article <u>12</u> (Share Handling Regulations) Any handling relating to shares of the Company, stock acquisition rights, and fees therefor <u>as well as procedures, etc. for the exercise of rights by the shareholders</u> shall be governed by Share Handling Regulations to be established by the Board of Directors in addition to the laws and ordinances or the Articles of Incorporation.</p> <p>Articles <u>13</u> to <u>36</u> < The contents of these articles are not amended.></p> <p>Supplementary Provisions</p> <p>Article <u>1</u> <u>The preparation and maintenance of the register of lost share certificates of the Company and other matters relating to the register of lost share certificates shall be entrusted to the share registrar but shall not be handled by the Company.</u></p> <p>Article <u>2</u> <u>The preceding Article and this Article shall be effective until January 6, 2010, and shall be deleted on the said date.</u></p>

Third Item of Business:

Election of Four (4) Directors

This item was approved and resolved as originally proposed. Three Directors, namely, Mr. Mitsuo Ohashi, Mr. Abraham E. Cohen and Prof. Jonathan K. C. Knowles were reelected and all assumed their respective offices. One Director, namely, Dr. Severin Schwan was newly elected and assumed his office. All four Directors satisfy the condition of external Directors.

Fourth Item of Business: Election of One (1) Corporate Auditor

This item was approved and resolved as originally proposed. A Corporate Auditor, namely, Dr. Yasuhiro Tsuji was newly elected and assumed his office.

Fifth Item of Business: Abolishment of the Retirement Gratuities System for Directors and Final Payment

This item was approved and resolved as originally proposed. The Company determined to abolish the system to pay retirement gratuities to Directors with executive power as part of the review of the officers' remuneration system. This annual general meeting of shareholders approved that the Board of Directors be entrusted with the task of determining the exact amount, method and other matters concerning the granting of retirement gratuities to six (6) Directors, namely, Mr. Osamu Nagayama, Mr. Motoo Ueno, Mr. Ryuzo Kodama, Dr. Tatsumi Yamazaki, Mr. Harutaka Fujita and Mr. Naotaka Nakamura, upon their retirement on an individual basis, proportionate to their respective terms of office up until the closing of this annual general meeting of shareholders, within reasonable bounds in accordance with the Company's regulations.

Sixth Item of Business: Determination of Amount and Contents of Stock Option Remuneration for Directors

This item was approved and resolved as originally proposed. The amount and detail of Remuneration for Directors with executive power were approved for allotting two types of stock acquisition rights as stock options, namely stock options as stock-based compensation and common stock options.

– End –

Directors and Corporate Auditors

Directors and Corporate Auditors of the Company as of March 25, 2009 are as follows:

# Representative Director, President	Osamu Nagayama		Director	Abraham E. Cohen	reelected
# Representative Director, Deputy President	Motoo Ueno		Director	Severin Schwan	new
# Director & Executive Vice President	Ryuzo Kodama		Director	William M. Burns	
# Director & Executive Vice President	Tatsumi Yamazaki		Director	Jonathan K. C. Knowles	reelected
# Director & Executive Vice President	Harutaka Fujita		Director	Erich Hunziker	
# Director & Executive Vice President	Christopher Murray		Full-time Corporate Auditor	Shigetoshi Matsumoto	
# Director & Senior Vice President	Naotaka Nakamura		Full-time Corporate Auditor	Yasuhiro Tsuji	new
Director	Etsuro Ogata		Corporate Auditor	Yasunori Fujii	
Director	Mitsuo Ohashi	reelected	Corporate Auditor	Toshio Kobayashi	

Directors with “#” mark have the concurrent position of Vice President. Among the Directors, Etsuro Ogata, Mitsuo Ohashi, Abraham E. Cohen, Severin Schwan, William M. Burns, Jonathan K. C. Knowles and Erich Hunziker are External Directors. Among the Corporate Auditors, Yasunori Fujii and Toshio Kobayashi are External Corporate Auditors.

In addition to the above seven Directors having the concurrent position of Vice President, Vice Presidents of the Company as of March 25, 2009 are as follows:

Senior Vice President	Mikio Arisawa	Vice President	Katsuyori Kunii
Senior Vice President	Tatsuro Kosaka	Vice President	Keiji Shima
Senior Vice President	Stefan Matthias Manth	Vice President	Tetsuo Minoura
Senior Vice President	Michiharu Abe	Vice President	Yoshio Itaya
Senior Vice President	Yutaka Tanaka	Vice President	Yoichi Yamanaka
Vice President	Shunji Yokoyama	Vice President	Fumihiko Kamoshida
Vice President	Hisafumi Okabe	Vice President	Masaharu Unno
Vice President	Hidetoshi Ushio	Vice President	Kotaro Miwa
Vice President	Akio Tanaka	Vice President	Mitsuru Kikuchi
Vice President	Shinya Unno	Vice President	Tatsuo Miyauchi
Vice President	Yoshiro Saito		

PAYMENT OF DIVIDENDS

The year-end dividends for the fiscal year 2008 will be paid on and after March 26, 2009. Please confirm the dividend payment amounts etc. in the enclosed "Statement for Payment of Year-End Dividends" and receive your dividends at your nearby office of Japan Post Bank by using the "Dividend Receipt" during the payment period.

For shareholders who designated a bank account to which the dividends shall be wire-transferred, please confirm the enclosed "Confirmation of the Account for Payment of Dividends".

– End –