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Securities Code 6417
June 9, 2011

To Those Shareholders with Voting Rights

Akihiko Sawai
Representative Director, President & COO
SANKYO CO., LTD.
3-29-14 Shibuya, Shibuya-ku, Tokyo, Japan

NOTICE OF THE 46th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to offer our heartfelt condolences to all those affected by the Great East Japan Earthquake and our sincere hope for the swift recovery of the stricken regions.

You are cordially invited to the 46th Ordinary General Meeting of Shareholders of the Company. The meeting will be held as stated below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders as described hereinafter, and exercise your voting rights by no later than 6:00 p.m. on Tuesday, June 28, 2011.

Voting by paper ballot

Please indicate your votes for or against each of the proposals on the enclosed Voting Rights Exercise Form, and return the form by the deadline mentioned above.

Voting via the Internet

Please enter your decisions (for or against) regarding each of the proposals through the website for voting rights exercise (<http://www.web54.net>) by the deadline mentioned above.

- 1. Date and Time:** Wednesday, June 29, 2011 at 10:00 a.m.
- 2. Place:** Star Room, The Westin Tokyo B2F, 1-4-1 Mita, Meguro-ku, Tokyo (located within Yebisu Garden Place)
- 3. Agenda of the Meeting:**
 - Matters to be reported:**
 1. Business Report, Consolidated Financial Statements for the 46th Fiscal Term (from April 1, 2010 to March 31, 2011) and results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the 46th Fiscal Term (from April 1, 2010 to March 31, 2011)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Four Statutory Auditors
- Proposal No. 3:** Granting of Retirement Benefits to Retiring Director

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- Notes: 1. If you plan to attend the meeting, please hand in your Voting Rights Exercise Form at the front desk when you arrive at the venue.
2. Please note that if there arises any amendment to the Reference Documents for the General Meeting of Shareholders, the Business Report, Non-Consolidated Financial Statements and Consolidated Financial Statements prior to the date of the General Meeting of Shareholders, such amendment will be notified in writing by mail, or posted on the Company's website (<http://www.sankyo-fever.co.jp/ir/index.html>).

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal No. 1: Appropriation of Surplus

The Company considers that profit distribution to shareholders is one of the critical subjects in management. The dividend policy of the Company targets a payout ratio at 25% of consolidated net income and intends to carry out continuous increases in dividend distribution. Moreover, for the purchase of treasury stock, the Company will continuously consider the purchase of the stock in a flexible manner, taking the improvement of capital efficiency into account.

Internal reserves will be utilized for product development, capital investment and sales reinforcement, etc. for greater business results.

In accordance with the policy mentioned above, we would like to propose the year-end dividends for the 46th fiscal term as follows.

1. Matters concerning the year-end dividends

(1) Type of dividend property

Dividends will be paid in cash.

(2) Appropriation of dividend property to shareholders and total amount

¥75 per common share of the Company, for a total amount of ¥7,090,634,325

As a result, the annual dividend for this term, including interim dividend, would be ¥150 per share.

(3) Effective date of dividends from surplus

June 30, 2011

2. Matters concerning the appropriation of other surplus

(1) Decreased account item and its amount

| | |
|-----------------------------------|-----------------|
| Retained earnings brought forward | ¥20,000,000,000 |
|-----------------------------------|-----------------|

(2) Increased account item and its amount

| | |
|-----------------|-----------------|
| General reserve | ¥20,000,000,000 |
|-----------------|-----------------|

Proposal No. 2: Election of Four Statutory Auditors

All four Statutory Auditors of the Company will complete their term of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of four Statutory Auditors. The Board of Statutory Auditors has previously given its approval.

The candidates for Statutory Auditors are as follows:

| No. | Name (Date of birth) | Career summary, position, and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 1 | Shohachi Ugawa (October 8, 1942) | <p>June 1985 Director, General Manager of Technology Department of the Company</p> <p>August 1987 Executive Director, General Manager of Technology Department of the Company</p> <p>June 1992 Senior Executive Director, Head of Manufacturing Division of the Company</p> <p>June 1996 Director & Senior Executive Vice President, Head of Research & Development Division of the Company</p> <p>June 2001 Representative Director & Senior Executive Vice President of the Company</p> <p>April 2002 Representative Director & Senior Executive Vice President, Head of Manufacturing Division of the Company</p> <p>June 2006 Director, Advisor of the Company</p> <p>June 2007 Standing Statutory Auditor of the Company (to present)</p> | 28,650 |
| 2 | Toshiaki Ishiyama (September 17, 1956) | <p>March 1986 Registered as Certified Tax Accountant</p> <p>July 1987 Head of Ishiyama Toshiaki Tax Accounting Office (to present)</p> <p>June 1994 Statutory Auditor of the Company (to present)</p> <p>(Significant concurrent positions)</p> <p>Statutory Auditor of Sankyo Create Co., Ltd.</p> <p>Statutory Auditor of International Card System Co., Ltd.</p> | 4,000 |
| 3 | Yoshiro Sanada (May 8, 1957) | <p>April 1982 Joined Kubota Judicial Scrivener Office</p> <p>December 1992 Registered as Judicial Scrivener Head of Sanada Judicial Scrivener Office (to present)</p> <p>June 2003 Statutory Auditor of the Company (to present)</p> | - |
| 4 | Fumiyoshi Noda (January 26, 1959) | <p>August 1983 Joined Noda Susumu Tax Accountant & Real Estate Appraisal Office</p> <p>March 1984 Registered as Certified Tax Accountant</p> <p>August 1986 Head of Noda Fumiyoshi Tax Accounting Office (to present)</p> <p>June 2007 Statutory Auditor of the Company (to present)</p> | - |

Notes: 1. No conflict of interest exists between the Company and any of the above candidates for Statutory Auditors.

2. Mr. Yoshiro Sanada and Mr. Fumiyoshi Noda are candidates for Outside Statutory Auditors. Moreover, Mr. Fumiyoshi Noda is an Independent officer as designated by Securities Listing Regulations of Tokyo Stock Exchange, Inc. The Company will also report Mr. Yoshiro Sanada as its Independent officer Auditor to the Exchange.

3. Reasons why the Company considers that the candidates for Outside Statutory Auditors will be able to appropriately perform their duties as Outside Statutory Auditors are as follows.

(1) The Company has elected Mr. Yoshiro Sanada as a candidate for an Outside Statutory Auditor because the Company expects him to use, for the good of the auditing system of the Company, his knowledge of legal affairs accumulated by his long experience as a Judicial Scrivener when he takes office as an Outside Statutory Auditor. Although Mr. Sanada has never been directly involved in corporate management other than serving as an Outside Statutory Auditor of the Company, the Company believes that he will be able to adequately perform his duties as an Outside Statutory

Auditor, because he specializes in corporate legal affairs as a Judicial Scrivener and has sufficient insight to administer corporate management. His term of office as an Outside Statutory Auditor will have been eight years at the conclusion of this General Meeting of Shareholders.

- (2) The Company has elected Mr. Fumiyoshi Noda as a candidate for an Outside Statutory Auditor because the Company expects him to use, for the good of the auditing system of the Company, his knowledge of accounting accumulated by his long experience as a Certified Tax Accountant. Although Mr. Noda has never been directly involved in corporate management other than serving as an Outside Statutory Auditor of the Company, the Company believes that he will be able to adequately perform his duties as an Outside Statutory Auditor, because he specializes in corporate accounting as a Certified Tax Accountant and has sufficient insight to administer corporate management. In the past, he has never served as a Certified Tax Accountant for the Company. His term of office as an Outside Statutory Auditor will have been four years at the conclusion of this General Meeting of Shareholders.

Proposal No. 3: Granting of Retirement Benefits to Retiring Director

It is proposed that retirement benefits be granted to the Director Junzo Hamaguchi, who resigned the post of Director on March 31, 2011, in reward for his service during his term of office. The retirement benefits shall be within a reasonable range based on the prescribed standards of the Company.

It is also proposed that the decisions as to the specific amounts of money, timing and method of payment be entrusted to the Board of Directors.

The career summary of the retiring Director is as follows:

| Name | Career summary | |
|-----------------|----------------|--|
| Junzo Hamaguchi | June 2000 | Director of the Company |
| | June 2006 | Executive Director of the Company |
| | April 2008 | Director & Senior Executive Operating Officer of the Company |
| | April 2010 | Director & Senior Executive Vice President of the Company |
| | March 2011 | Resigned |