

Articles of Association

Actelion Ltd

(Translation; in case of controversy the German text shall prevail)

I. GENERAL PROVISIONS

Art. 1 Corporate Name, Registered Office

A stock corporation under the name "Actelion Ltd" ("the Company") is established with its Registered Office in Allschwil (Switzerland).

Art. 2 Purpose

1. The purpose of the Company is to hold interests in other companies active in the areas of research, manufacturing, development and marketing of pharmaceutical, biological and diagnostic products.
2. The Company has the power to provide management services, effect financial transactions and to acquire, hold and sell real estate. The Company may also engage in any commercial, contractual, financial or other activities which further the purpose of the Company or which are directly or indirectly related to it.

II. SHARE CAPITAL, SHARES, SHAREHOLDERS

Art. 3 Share Capital and Shares

1. The fully paid-in Share Capital of the Company amounts to CHF 64'912'287.50 and is divided into 129'824'575 registered Shares with a nominal value of CHF 0.50 each.
2. The registered shares of the Company are issued as uncertificated securities (in terms of the Swiss Code of Obligations) and as book entry securities (in terms of the Book Entry Securities Act). The Company may withdraw shares issued as book entry securities from the custodian system (Verwahrungssystem). Provided that the shareholder is registered in the shareholders register, the shareholder may request from the Company a statement of his or her registered shares at any time.
3. The shareholder has no right to the printing and delivery of certificates. The Company may, however, print and deliver certificates (individual share certificates or global certificates) for shares at any time. The Company may, with the consent of the shareholder, cancel issued certificates that are returned to the Company.

4. Registered Shares not physically represented by certificates and the rights derived there from can only be transferred by assignment. Such assignment shall not be valid unless notice is given to the Company. The Company can give notice to the bank handling the book entries of the assigned registered Shares of such assignment.

5. Registered Shares not physically represented by certificates which are administrated by a bank on request of the Shareholder, and the rights derived there from, may only be transferred with the assistance of the bank. Such Shares may also be pledged only to that bank. The pledge must be made by means of a written pledge agreement; notice to the Company is not required.

6. Registered Shares may be converted into bearer Shares and vice versa at any time by resolution of a Meeting of the Shareholders.

Art. 3a Conditional Increase of Capital

1. The Share Capital of the Company shall be increased in an amount of not more than CHF 12'607'020.00 by issuance of not more than 25'214'040 fully paid-in registered Shares with a nominal value of CHF 0.50 per Share by means of the exercise of Options which are granted to the employees of the Company. Preferential subscription rights and preemptive rights of the Shareholder shall be precluded.

2. The Options for the employees and consultants shall be granted by the Company. The conditions for granting of the Options such as the exercise price, the time of entitlement to dividends and the kind of payment of the price shall be determined by the Board of Directors in the form of special rules (such as Stock Option Plans).

3. The Share Capital of the Company shall be increased in an amount of not more than CHF 16'207'330.00 by issuance of not more than 32'414'660 fully paid-in registered Shares with a nominal value of CHF 0.50 per Share by means of the exercise of Options which are granted to the holders of the Options in relation with convertible bonds and similar forms of financing of the Company or of a subsidiary company. Entitled to new shares are the holders of conversion rights or option rights.

The conditions for the granting of the option rights and conversion rights shall be determined by the Board of Directors. If due to a resolution of the Board of Directors, the bonds and other loans connected with the bonds or other loans are not previously offered to the Shareholders for subscription, the proceeds of the issuance may only be used (i) in connection with the financing and refinancing of the business of the Company or its subsidiaries, (ii) with the financing and refinancing of the takeover of companies, parts of companies, interests or cooperations, as well as (iii) for other valid reasons in the sense of Article 652b para 2 of the Swiss Code of Obligations.

The issuance of the Shares is subject to the applicable option conditions and conversion conditions respectively, which the Board of Directors shall determine. Bonds and other loans with conversion rights and option rights shall be issued at fair market conditions."

4. The further transfer of the registered Shares acquired by the exercise of the Options shall be subject to the restrictions of Article 5 of these Articles of Association.

Art. 3b Authorized Capital

1. The Board of Directors shall be authorized to increase until 24 April 2011 the Share Capital of the Company in an amount of not more than CHF 31'000'000 by issuance of not more than 62'000'000 fully paid-in registered Shares with a nominal value of CHF 0.50 per Share. The increase in partial amounts is permitted. The exercise of preferential subscription rights acquired by means of a contract and the further transfer of the newly issued registered Shares is subject to the transfer limitations of Article 5 of the Articles of Association. The issue price, the beginning of the entitlement to dividends and the kind of non-cash contributions shall be determined by the Board of Directors.

2. In addition, the Board of Directors is authorized to suspend the preferential subscription rights of the Shareholders wholly or in part in the event of the issuance of the Shares for the participation of strategic partners or new shareholders (e.g. in connection with the listing of the Shares at a foreign stock exchange), as well as for the takeover of companies, parts of companies or participations or for the financing and refinancing of such transactions as well as for other valid grounds in the sense of Art. 652b alinea 2 of the Swiss Code of Obligations. The placement of the Shares can take place through one or several banks who may subscribe to the capital increase in a fiduciary capacity. If preferential rights were granted, but not exercised, the Board of Directors may use the respective shares in the interest of the Company.

Art. 4 Share Register

1. The Company keeps a Share Register for the registered Shares. The Shareholders and usufructuaries of Shares are entered in the Share Register with their names, addresses and nationality (for legal entities the registered office).

2. The Company recognizes as Shareholder or usufructuary of a Share the person whose name is entered in the Share Register.

3. The rights derived from the Shares are indivisible. The Company recognizes only one authorized party per Share.

Art. 5 Transfer Limitations / Nominees

1. The transfer of Shares, be it for ownership or usufruct purposes, is in any case subject to the approval of the Company. The approval is granted if the acquirer declares its name, address and nationality (for legal entities the registered office) on an application form provided by the Company and declares that it acquired the Shares in its own name and for its own account.
2. Any acquirer not expressly stating in its application form that the Shares have been acquired for its own account ("Nominee") may be entered as Shareholder in the Share Register with voting rights for a maximum of 5% of the total outstanding Share Capital. In excess of this limit, registered Shares held by a Nominee will only be registered with voting rights, if such Nominee declares in writing that it is prepared to disclose the name, address and shareholding of any person for whose account it is holding 1% or more of the outstanding Share Capital. The limit of 5% shall apply correspondingly for Nominees who are related to one another through capital ownership or voting rights or have a common management or are otherwise interrelated.
3. The Company may, after having heard the party involved, cancel entries which were based on untrue information. The acquirer must be informed of the cancellation immediately.

Art. 6 Preferential Subscription Rights

1. In the event of an increase of the Share Capital, every existing Shareholder is entitled to subscribe for newly issued Shares in proportion to his or her existing shareholding.
2. the Meeting of the Shareholders may suspend the preferential subscription rights of the Shareholders wholly or in part for good cause within the meaning of Art. 652b para. 2 of the Swiss Code of Obligations.

III. ORGANISATION

Art. 7 Governing bodies

The governing bodies of the Company are:

- A. the Meeting of the Shareholders;
- B. the Board of Directors;
- C. the Statutory Auditors and the Group Auditors.

A. THE MEETING OF THE SHAREHOLDERS

Art. 8 Powers

The Meeting of the Shareholders has the following inalienable powers:

- a) the determination and amendment of the Articles of Association;
- b) the election and removal of members of the Board of Directors, of the Statutory Auditors and the Group Auditors;
- c) the approval of the annual report and of the consolidated statements of account;
- d) the approval of the annual financial statement as well as the resolution on the allocation of the disposable profit, in particular, the declaration of dividends;
- e) the discharge of the members of the Board of Directors;
- f) the passing of resolutions on matters which are reserved to the Meeting of the Shareholders by law or by these Articles of association or which are submitted to it by the Board of Directors.
- g) The Annual Meeting of Shareholders holds a consultative vote on the Company's compensation report prepared by the Board of Directors.

Art. 9 Convening of Meetings

Meetings of the Shareholders shall be convened by the Board of Directors and, if necessary, by the Statutory Auditors by means of a one-time notice in the Company's official medium for publication at least twenty days prior to the day of the meeting. The notice shall state the agenda and the proposals of the Board of Directors and of the Shareholders.

Art. 10 Implementation

1. The Meeting of the Shareholders shall take place at the Registered Office of the Company, unless the Board of Directors resolves otherwise.
2. The Chairman or Chairwoman of the Board of Directors shall chair the Meeting of the Shareholders, or in his or her absence, a Vice-Chairman or Vice-Chairwoman or another member designated by the Board shall take the chair. The Person chairing the Meeting shall appoint a Secretary to take the minutes and Tellers to count the votes at the Meeting.

3. Minutes shall be taken and signed by the Person chairing the Meeting and the Secretary.

Art. 11 Procedures and Right to Vote

1. The Board of Directors issues regulations on the procedures of participation and representation in the Meeting of the Shareholder.
2. A Shareholder may only be represented by another Shareholder by means of a written proxy.
3. The Person chairing the Meeting decides whether the proxy is acceptable or not.
4. Each Share is entitled to one vote.

Art. 12 Ordinary Meeting of the Shareholders

1. The ordinary Meeting of the Shareholders shall be held annually within six months after the close of the business year.
2. The annual report and the Auditors report shall be made available for inspection by the Shareholders at the Company's Registered Office, not less than twenty days prior to the ordinary Meeting of the Shareholders. This shall be mentioned in the notice to convene the Meeting.

Art. 13 Extraordinary Meeting of the Shareholders

1. Extraordinary Meetings of the Shareholders shall be convened upon a resolution of the Board of Directors or on demand of the Statutory Auditors.
2. In addition, extraordinary Meetings of the Shareholders shall be convened upon a resolution of the Meeting of the Shareholders or on demand of one or more Shareholders representing an aggregate of at least 10% of the Share Capital. Such demands to call a Meeting shall state the agenda items and the proposals to be submitted to the Meeting.

Art. 14 Resolutions and Elections

1. Subject to mandatory provisions of law or these Articles of Association, resolutions and elections by the Meeting of the Shareholders require the approval of a simple majority of the votes represented. Abstentions from voting and empty ballots are not taken into account in calculating the majority. In the case of a tie, the Person chairing the Meeting has the casting vote.

2. The voting shall be conducted by an electronic voting and election system – to the extent that this is possible at the Meeting. If not, resolutions or elections will be taken on a show of hands unless a written ballot is held upon resolution of the Meeting of the Shareholders or if the Person chairing the Meeting so directs.

3. If the Person chairing the Meeting doubts the results of the vote, he or she may change the way of voting. In this case, the preceding resolution determined by the electronic voting and election system or by a show of hands is deemed not to have occurred.

Art. 15 Important resolutions

A resolution of the Meeting of the Shareholders passed by at least two thirds of the votes represented shall be required for:

- a) the change of the purpose of the Company;
- b) the creation of Shares with privileged voting rights;
- c) the restriction of the transferability of registered Shares;
- d) an increase of Capital, authorized or conditional subject to a condition;
- e) the increase of Capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits;
- f) the limitation or withdrawal of the Shareholders' preferential subscription rights;
- g) the change of the domicile of the Company;
- h) the dissolution of the Company without liquidation.

B. THE BOARD OF DIRECTORS

Art. 16 Composition and Term of Office

1. The Board of Directors consists of 5 to 11 members.

2. The members of the Board of Directors are elected by the Meeting of the Shareholders for a term of office of three years. One year of office is understood to be the period from one ordinary Meeting of the Shareholders to the next ordinary Meeting of the Shareholders.

3. The Board of Directors is renewed each year by one third. The term of office of newly elected members shall be fixed at the time of the election under due consideration of the renewal cycle.

Art. 17 Constitution

The Board of Directors organizes itself. It shall appoint from its members a Chairman or Chairwoman and one or more Vice-Chairmen or Vice-Chairwomen. It shall also appoint its Secretary; the Secretary need not be a member of the Board of Directors.

Art. 18 Convening of Meetings and Resolutions

1. The meetings of the Board of Directors are convened by the Chairman or Chairwoman as often as made necessary by the business; they are also convened upon a request in writing by a member of the Board of Directors.

2. At least half of the members of the Board of Directors must be present in order to pass resolutions; however, there is no quorum requirement for resolutions regarding a report on a capital increase and for those resolutions requiring notarization.

3. The passing of the resolutions by the Board of Directors requires a simple majority of the votes cast. In the case of a tie, the Person chairing the Meeting has the casting vote.

4. Resolutions can be made by circulation by mail, telefax, telex, telegram or e-mail, unless a member of the Board requests oral deliberation. The Organisational Regulations of the Company shall regulate the details.

5. Minutes of all meetings and resolutions of the Board of Directors shall be taken and signed by the Person chairing the Meeting and the Secretary.

Art. 19 Functions

The Board of Directors is authorized to pass resolutions regarding all matter which are not reserved to another governing body of the Company by law, these Articles of Association or any regulations.

Art. 20 Delegation of Powers / Organisational Regulations

1. The Board of Directors may delegate the management of the Company wholly or partly to one or more of its members or third parties (management) in accordance with the Organisational Regulations of the Company.

2. The Board of Directors issues Organisational Regulations defining the exact powers of the Board of Directors and the responsibilities and duties of the management.

Art. 21 Signatory power

The Board of Directors determines the members of the Board of Directors and third parties who have signatory power and the nature of the signatory power.

Art. 22 Remuneration

The Board of Directors determines the appropriate remuneration for its members.

C. STATUTORY AUDITORS AND GROUP AUDITORS

Art. 23

The Statutory Auditors and the Group Auditors shall be annually elected by the Meeting of the Shareholders and shall be responsible for carrying out all functions and duties incumbent upon them by law.

IV. BUSINESS YEAR AND FINANCES

Art. 24 Business Year

The Company's business year shall be determined by the Board of Directors.

Art. 25 Finances

The annual profit shall be at the disposal of the Meeting of the Shareholders after observing the relevant legal provisions.

**V. OFFICIAL NOTICES AND ANNOUNCEMENTS; JURISDICTION;
DISSOLUTION OF THE COMPANY**

Art. 26 Publication

Notices and announcements of the Company shall be made in the Swiss Commercial Gazette (Schweizerisches Handelsamtsblatt). The Board of Directors may determine additional publication media.

Art. 27 Jurisdiction

Jurisdiction for all controversies which may arise in relation with the Company is at the place of the Company's Registered Office.

Art. 28 Dissolution and Liquidation

Should the Company be dissolved, the liquidation shall be carried out according to the provisions of the Swiss Code of Obligations.

VI. NON-CASH CAPITAL CONTRIBUTIONS**Art. 29 Non-cash Capital Contribution**

1. Under a non-cash capital contribution agreement dated December 23, 1999 on the occasion of the Company's establishment on December 23, 1999, the Company acquires from F. Oser Treuhand AG, Schönenbuch, acting as fiduciary of the previous Shareholders of Actelion Pharmaceuticals Ltd., Allschwil (which at that time had the corporate name "Actelion Ltd."), 57'571 fully paid-in registered shares of Actelion Pharmaceuticals Ltd., Allschwil, with a nominal value of CHF 10.—per share (10'000 common shares, 30'300 preferred A shares and 17'271 preferred B shares). These shares are acquired at a total value of CHF 34'542'600.--. As consideration for this contribution, the Company transfers to F. Oser Treuhand AG as fiduciary of the previous shareholders of Actelion Pharmaceuticals Ltd. A total of 3'454'260 fully paid-in registered shares (600'000 common shares, 1'818'000 preferred A shares and 1'036'260 preferred B shares) of the Company with a nominal value of CHF 10.—each.

2. Under a non-cash capital contribution agreement dated December 23, 1999, on the occasion of the Company's establishment on December 23, 1999, the Company acquires from F. Oser Treuhand AG, acting as fiduciary of the previous shareholders of HESPERION AG, Schönenbuch, 7'697 fully paid-in registered shares and from Dr. Jean-Paul Clozel, Dr. Thomas Widmann and Dr. Walter Fischli one fully paid-in registered shares per person of HESPERION AG, with a nominal value of CHF 10.—per share. These shares are acquired at a total value of CHF 462'000.--. As consideration for this contribution, the Company transfers to F. Oser Treuhand AG as fiduciary of the previous shareholders of HESPERION AG a total of 46'182 fully paid-in registered Shares (Common Shares) and to Dr. Jean-Paul Clozel, Dr. Thomas Widmann and Dr. Walter Fischli each 6 fully paid-in registered Shares (Common Shares) of the Company with a nominal value of CHF 10.—each.

3. Under a non-cash capital contribution agreement dated 2nd and 6th March, 2000, the Company acquires on the occasion of the capital increase on 6th March, 2000, from F. Oser Treuhand AG, acting as fiduciary of previous shareholders of Actelion Pharmaceuticals Ltd., Allschwil (which at that time had the corporate name

"Actelion Ltd."), 3'890 fully paid-in registered shares (preferred B shares) of Actelion Pharmaceuticals Ltd., Allschwil. These shares are acquired at a total value of CHF 2'334'000.--. As consideration for this contribution, the Company transfers to F. Oser Treuhand AG as fiduciary of the previous shareholders of Actelion Pharmaceuticals Ltd. A total of 233'400 preferred B shares with a nominal value of CHF 10.—each.

Allschwil, 5 May 2011