

Message from the President

Astellas – A Leading Light for Life Creating a brighter future – for patients, for society, for our supporters

Our slogan “Changing tomorrow” reflects Astellas employees’ determination to help each and every patient by providing high value-added pharmaceutical products to patients fighting illness. This fiscal year marks the fifth anniversary of Astellas Pharma Inc. On this occasion, we would like to renew our commitment to helping realize a brighter future for all patients fighting illness.

My mission as President

Three years have passed since I assumed the post of president. At that time, our focus was on strengthening R&D and expanding overseas sales, and my foremost mission was to take steps to help us realize those goals. However, I had also been entrusted with another important mission: the assurance of fair and impartial corporate management.

In our business philosophy, we make it clear that our *raison d’être* is to “contribute toward improving the health of people around the world through the provision of innovative and reliable pharmaceutical products.” We intend to provide high value-added drugs on a worldwide basis in highly specialized therapeutic fields, and thereby establish our presence as a truly global company.

This goal will not be easy to achieve. I believe that the key factor will be “people.” I have placed the highest priority on the creation of effective teams of employees. This can be realized only through a shared respect for professionalism and efficient communication. We need to create a work environment and a corporate culture in which individual employees are encouraged to cultivate specialized expertise and take responsibility for

decision-making in their respective positions. I believe that the widespread acceptance of such an approach by frontline employees is extremely important for Astellas to achieve growth, and that fair and impartial corporate management is particularly important.

Priority measures in fiscal 2008

By the end of fiscal 2007, we had nearly completed the restructuring of operations to eliminate duplications in functions, and we implemented other organizational reforms to reinforce our management base. We have positioned fiscal 2008 as a year for changing gears, i.e. shifting our focus from domestic to overseas operations while maintaining the solid base we have created in Japan.

Accordingly, we have introduced new measures to further strengthen our overseas management structure in a way that would allow us to switch our focus to overseas markets. One of these measures is the establishment of the Global Management Committee. Our main objective in establishing the new council is to reorganize the Company’s decision-making bodies to ensure the adoption of a global perspective in decision-making.

Another initiative is the reorganization of the development function. Taking into account the intensifying global competition, the size of the market for pharmaceutical products, and the need for development of products on a global basis, we established a new company in the U.S. which acts as a global development headquarters to strengthen our product development competitiveness.

With regard to the research function, we are working to create a structure for facilitating collaboration between our Japanese and overseas research bases and accelerating research. Specific measures include the concentration of research on new pharmaceutical products at our research centers in Tsukuba and Osaka, the construction of a new research wing in Tsukuba and increased collaboration with our U.S.-based biotechnology subsidiary Agensys.

In the environmental domain, in fiscal 2008 we set medium-term targets for countermeasures against global warming to be achieved by 2020, and have begun implementing measures toward realizing these targets. In addition, in May 2009 we created the Global Warming Prevention Committee, to be headed by an officer in charge of CSR. Countermeasures which had previously been entrusted to each individual plant have been repositioned as activities to be performed companywide.





Words of inspiration

From my childhood days, I have continuously practiced the art of Japanese calligraphy. These days, I only have the chance to do this about once every other month. I cherish the time spent doing calligraphy, as it is a chance for me to calm my mind while writing words of inspiration.

I especially treasure a calligraphic work by the poet Shinmin Sakamura, which reads: “*Nenzureba hana hiraku*” (If you try hard enough, you will succeed). I once told an acquaintance that these words had special meaning for me. The acquaintance later presented me with a piece of artwork displaying this poem written in calligraphy by Sakamura himself. This simple statement inspires me, giving me the courage to take action.

The probability of being able to develop a new product from a newly discovered drug constituent is said to be about one in 20,000. Drug development requires luck. One must be willing to take that chance and hope that luck will be on one’s side. This is not the same thing as leaving everything to chance, in which case nothing happens. One must have worthwhile aspirations, have the intention and the desire to realize those aspirations, and have the willingness to take repeated action until they are realized. In this way, aspirations become realized, through the creation of a virtuous cycle. I also believe that new discoveries are made through this process. The expression, “If you try hard enough, you will succeed” succinctly states the challenge we face in our struggle to develop new pharmaceutical treatments.

For a brighter future for patients fighting disease

Astellas introduced the concept of CSR-based management at the time of the Company’s establishment through a merger. We define CSR-based management as: “Management that works to maintain and improve enterprise value with a holistic approach encompassing economic, social and humanistic qualities.”

In the market, economic activities have become speculative, and society and its individual members are being forced to adjust to a rapid deterioration in economic conditions. Corporate scandals are often in the news. The people responsible seem to have forgotten to give due consideration to the social and humanistic implications of their actions. The conventional approach tends to focus on a company’s or an individual’s economic output as the principal indicator in the assessment of performance. Astellas’ approach to CSR-based management encourages us to assess our actions from a social and humanistic perspective. The aspiration to make Astellas a company of great integrity is commonly shared by all our employees. With these shared values, we are working to achieve the sustainable enhancement of our enterprise value.

It is our wish to help each and every patient fighting illness. To realize our business philosophy, we must keep repeating the process of trial and error in development, and must accept the numerous ensuing failures.

“Changing tomorrow,” and “If you try hard enough, you will succeed.” With these inspirational words, we will make ceaseless efforts so that all patients fighting illness may enjoy a brighter future.

We thank you all for your understanding and continuing support.

June 2009

Masafumi Nogimori, *President and CEO*