

August 24, 2005

Allotment of Stock Acquisition Rights as Stock Option Scheme for Stock-Linked Compensation Plan

Astellas Pharma Inc. (Headquarters: Tokyo; President and CEO: Toichi Takenaka) (hereinafter called the “Company”) hereby announces that at the meeting of the Board of Directors held today it resolved the details of the issuance of stock acquisition rights free of charge to Directors and Corporate Officers of the Company on August 31, 2005 as a stock option scheme for a stock-linked compensation plan. The scheme was introduced upon resolution of the 92nd Ordinary General Meeting of Shareholders held on June 24, 2005 pursuant to provisions of Articles 280-20 and 280-21 of the Commercial Code of Japan, in order to enhance motivation and morale of Directors and Corporate Officers of the Company to improve corporate value. The details of the stock acquisition rights are as follows:

Particulars

1. Name of stock acquisition rights:
Astellas Pharma Inc. Stock Acquisition Rights (stock option scheme for a stock-linked compensation plan) to be issued in August 2005
2. Type and number of shares to be issued upon exercise of stock acquisition rights:
104,800 shares of common stock of the Company

100 shares shall be allotted to each stock acquisition right (the “number of allotted shares”).
3. Aggregate number of stock acquisition rights to be issued:
1,048
4. Issue price of stock acquisition rights and date of issue:
Free of charge
Date of issue is August 31, 2005.
5. Amount to be paid upon exercise of each stock acquisition right:
An amount to be paid upon exercise of each stock acquisition right shall be an amount obtained by multiplying 1 yen which is the subscription price of the shares newly issued or transferred upon exercise of each stock acquisition right by the number of allotted shares.
6. Aggregate issue price of shares to be issued upon exercise of stock acquisition rights:
104,800 yen

7. Exercise period of stock acquisition rights:
From September 1, 2005 to June 24, 2025 (both days inclusive)
8. Other conditions for exercise of stock acquisition rights:
 1. The holders of stock acquisition rights may only exercise their rights during a 10-year period beginning on the date immediately following the date when they lose the positions as both Directors and Corporate Officers of the Company (hereinafter called the “Commencement Date of the exercise period”).
 2. Notwithstanding the preceding paragraph 1, the holders of stock acquisition rights may also exercise such rights during the period set out respectively in a) or b) below.
 - a) In case the holder of stock acquisition rights does not have the Commencement Date of the exercise period on or before June 24, 2024:
From June 25, 2024 to June 24, 2025
 - b) Without regard to the Commencement Date of the exercise period, in case a proposal for a merger agreement where the Company will be dissolved, or a proposal for a stock exchange agreement or stock transfer agreement where the Company will become a wholly owned subsidiary is approved at the general meeting of shareholders of the Company:
During a 15-day period commencing from the date immediately following the date when the proposal is approved
 3. Each stock acquisition right shall not be partially exercised.
9. Cancellation and conditions thereof of stock acquisition rights:
 1. The Company may cancel free of charge the stock acquisition rights after the holders of stock acquisition rights may not exercise all or a part of such rights.
 2. The Company may cancel free of charge at any time stock acquisition rights purchased and owned by the Company.
10. Restriction on transfer of stock acquisition rights:
Any transfer of stock acquisition rights shall be subject to approval of the Board of Directors of the Company.
11. Issuance of share certificates for the stock acquisition rights:
Share certificates for the stock acquisition rights shall only be issued when the holder of stock acquisition rights requests to do so.

12. Amount of a portion of the issue price of shares to be issued upon exercise of stock acquisition rights which is transferred to the paid-in capital of the Company:
1 yen
13. Calculation of dividends on shares of common stock to be newly issued upon exercise of stock acquisition rights:
With respect to shares to be issued upon exercise of stock acquisition rights, the first dividends or interim dividends on such shares shall be paid as if the exercise of stock acquisition rights have been effected on April 1, if the right was exercised in the period from April 1 to September 30, or on October 1, if the right was exercised in the period from October 1 to March 31 of the following year.
14. Place where the request for exercising stock acquisition rights is received:
Human Resources Department of the Company (or other department responsible for such matter, as the case may be.)
15. Place where the payment upon exercise of stock acquisition rights is made:
Sumitomo Mitsui Banking Corporation, Tokyo Main Office (or other successor bank or branch responsible for such matter, as the case may be.)
16. Summary of allottees:
Total of 32, consisting of Directors and Corporate Officers of the Company

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Contacts for inquiries or additional information
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