

October 28, 2005

Astellas Announces Dissolution of Astellas Systems

Japan, October 28, 2005 - Astellas Pharma Inc. (“Astellas”, headquarters: Tokyo, president and CEO: Toichi Takenaka) today announced that Astellas and Fujitsu Limited (“Fujitsu”, headquarters: Tokyo, president: Hiroaki Kurokawa) agreed to transfer the operation of information systems which has been handled by Astellas Systems Co., Ltd. (“Astellas Systems”), a wholly owned subsidiary of Astellas, to Fujitsu. Following this agreement, Astellas has decided to dissolve Astellas Systems on March 31, 2006.

Following the dissolution of Astellas Systems, its employees will be transferred to Fujitsu or invited to apply for an early retirement program.

1. Reason for the dissolution

The operation of information systems, which has been outsourced to Astellas Systems, will be transferred to Fujitsu on April 1, 2006.

2. Outline of the subsidiary to be dissolved (as of April 1, 2005)

(1) Trade name	Astellas Systems Co., Ltd.		
(2) Summary of business	Development, operation and maintenance of information systems		
(3) Establishment	April 1, 1998		
(4) Headquarters	1-6, Kashima 2-chome, Yodogawa-ku, Osaka		
(5) Representative	Representative director: Shusuke Kitaoka		
(6) Capital	20 million yen*		
(7) Total number of outstanding shares	400*		
(8) Shareholders' equity	38 million yen*		
(9) Total assets	494 million yen*		
(10) Fiscal year-end	March 31		
(11) Number of employees	30		
(12) Main client	Astellas Pharma Inc.		
(13) Major shareholder and shareholding ratio	Astellas Pharma Inc.; 100%		
(14) Main bank	UFJ Bank		
(15) Sales in the last 3 years (profits not disclosed)			
Year	March 2003	March 2004	March 2005
Sales	1,789 million yen	2,220 million yen	1,860 million yen

* As of March 31, 2005

3. Losses following the dissolution

Special losses are expected this fiscal year following the dissolution due to extra retirement payment under the early retirement program and payment to the employees to be transferred to Fujitsu. However, their effect on Astellas' business performance will be minimal.

4. Time schedule for the dissolution

- June 21, 2005: official decision by Astellas (on condition that an outsourcing agreement is concluded with Fujitsu)
- October 28, 2005: conclusion of an outsourcing agreement with Fujitsu
- March 31, 2006: dissolution of Astellas Systems

5. Future prospects

The effect of the dissolution of Astellas Systems on Astellas' business performance will be minimal since its sales are small compared to the consolidated sales of Astellas and all its sales are recorded within the Astellas Group.

Reference: Outline of the early retirement program

- (1) Eligibility: all employees of Astellas Systems
- (2) Extra retirement payment : premium in addition to the ordinary retirement allowance
- (3) Application period: October 31, 2005 – November 11, 2005
- (4) Date of retirement: March 31, 2006

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