

November 7, 2006

**Astellas Brought a Declaratory Judgment Action to Confirm
the Initial Term of “Lipitor[®]” Agreement in Japan**

Japan, November 7, 2006 - Astellas Pharma Inc. (“Astellas”; headquarters: Tokyo; President and CEO: Masafumi Nogimori) today announced that it has brought a declaratory judgment action to confirm that a Development and Marketing Agreement for a hypercholesterolemia drug “Lipitor[®]” marketed by Astellas in Japan (the “DMA”) shall continue in full force until July 8, 2016. The action was filed at the Tokyo District Court against Pfizer Overseas Pharmaceuticals, C.P. Pharmaceuticals International C.V., and Pfizer Japan Inc., all of which are the counter-parties to the DMA and subsidiaries of Pfizer Inc. (“Pfizer”).

Lipitor (atorvastatin calcium hydrate) was discovered by then Warner-Lambert Company (subsequently merged with Pfizer, “Warner-Lambert”) and launched in May 2000 in Japan by Astellas (formerly Yamanouchi Pharmaceutical Co., Ltd.) through the co-development with Warner-Lambert under the DMA.

The DMA sets forth the initial term of the agreement to be until the expiration of patents relating to Lipitor manufactured and marketed by Astellas or for 10 years after launch. At present, Lipitor manufactured and marketed by Astellas is protected by various patents, including drug substance, formulation, and polymorph patents, that are duly issued and remain valid. Since all of them are relevant to determining the initial term of the DMA, Astellas understands that the DMA shall be valid and effective until July 8, 2016, or the expiration date of a polymorph patent, which expires last among all these patents under the current situation. However, Pfizer contends that the DMA shall expire on June 17, 2011, when the substance patent expires. Under these circumstances, Astellas decided to bring a declaratory judgment action at the Tokyo District Court in order to confirm the initial term of the DMA.

Astellas is confident that the court will decide that DMA will remain valid and effective until the expiration of the polymorph patent as far as interpreted in accordance with provisions of the DMA. In addition, since the objective of the action is solely to confirm the initial term of the DMA, it has no adverse effect on the co-promotion activities for Lipitor with Pfizer Japan Inc. in the marketplace.

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