

December 21, 2006

Astellas Transfers Three European Plants to Temmler Group, German Pharmaceutical Company

Japan, December 21, 2006 - Astellas Pharma Inc. (“Astellas”; headquarters: Tokyo; President and CEO: Masafumi Nogimori) today announced that Temmler Group (owner: Hans Joachim Ricken), German pharmaceutical company and Astellas have reached an agreement and concluded a contract providing for the transfer by Astellas of bulk assets comprising the Munich Plant and Klinge Ireland Plant of Astellas Deutschland GmbH (headquarters: Germany), and all stocks of Produzioni Farmaceutiche Carugate S.r.l (headquarters: Italy, Carugate Plant), to Temmler Group.

Astellas has previously declared in its mid-term 5-year management plan, ending in FY2010 (fiscal year ending March 2011), that the number of production sites will be reduced from the current 18 (9 in Japan and 9 overseas) to around 10 by FY2010 to achieve an optimal production system. This transfer of three plants has been effected in order to carry out this mid-term 5-year management plan.

Temmler Group is a German company engaged in the manufacturing, sales, and contract manufacturing of pharmaceuticals with extensive experience in Europe. Approximately 400 employees will be transferred to Temmler Group. The products which are currently manufactured at the plants will be sourced from Temmler Group.

The transfer of three plants concerned is planned for January 1, 2007. Astellas is planning on accounting the special losses of 4.6 billion yen as streamlining cost of three European production sites in earning forecast of the fiscal year ending March 2007. However, the slight increase in the final amount is expected.

The outline of European three plants is described below.

Company Name: Astellas Deutschland GmbH

Location: Munich Plant , Munich, Germany

Klinge Ireland Plant , Co.Kerry, Ireland

Business Description: Manufacturing of pharmaceuticals (active pharmaceutical ingredients, finished products)

Employees: Munich Plant approximately 200 (as of end- October, 2006)

Klinge Ireland Plant approximately 80 (as of end- October, 2006)

Company Name: Produzioni Farmaceutiche Carugate S.r.l

Location: Milan, Italy

Business Description: Manufacturing of pharmaceuticals (finished products)

Employees: approximately 120 (as of end- October, 2006)

The outline of the representative legal entity of Temmler Group is described below.

Company Name: Temmler Pharma GmbH & Co. KG

Headquarters location: Marburg, Germany

Foundation: 1917

Business Description: manufacturing and sales of pharmaceuticals

Employees: approximately 180 (the end of June, 2006))

Paid in Capital: 5,863 Thousands EUR (2005)

Sales: approximately 40 Million EUR

#####

Contacts for inquiries or additional information
Astellas Pharma Inc. Corporate Communications Tel: +81-3-3244-3201 Fax: +81-3-5201-7473 http://www.astellas.com