

January 29, 2007

Notice of Intention to Exercise Call Option on 1.25% Convertible Bonds due 2014

Japan, January 29, 2007 - Astellas Pharma Inc. (“Astellas”; Headquarters: Tokyo; President and CEO: Masafumi Nogimori) today announced that Astellas is exercising a 150% call option to redeem the 1.25% Convertible Bonds due 2014 issued on April 22, 1994 (the “Bonds”) as described below.

The right to redeem all outstanding Bonds is effective as the requirement for exercising the call option is met as of January 26, 2007.

Particulars

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| 1. Bonds to be Redeemed | Astellas Pharma Inc.(formerly Yamanouchi Pharmaceutical Co., Ltd.)
¥40,000,000,000 1.25% Convertible Bonds due 2014 |
| 2. Redemption Date | March 15, 2007 |
| 3. Redemption Price | 102% of principal amount (¥ 10,200,000) |
| 4. Outstanding amount | ¥ 20,000,000 (as of January 26, 2007). |
| 5. Last Date for Conversion | March 15, 2007 |

- The Bonds are listed on the Luxembourg Stock Exchange.
- The requirement for exercising the call option: The closing price of the Company’s shares being at least 150 percent of the conversion price for each of the 20 consecutive trading days.

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Contacts for inquiries or additional information
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