

Astellas Pharma Inc.
-Press Meeting-

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Masafumi Nogimori
President and CEO



Our Efforts Toward Becoming Global Category Leader (GCL) During This Year

1. Enhance Ability to Generate Products
2. Establish a Solid Business Infrastructure
3. Three systems to realize a GCL

Long-term Strategy of Astellas: VISION 2015

Global Category Leader (GCL)

A “GCL” shows higher competitiveness by providing value-added products ‘**globally**’ in several ‘**categories**’ where a high degree of expertise is required.

And takes over the position of ‘**leader**’ in the categories

Two strategies: Improve ability to generate products

Establish a solid business infrastructure

Three systems: HR management, Management control,

CSR-based management

Roadmap of VISION2015

2008

2009

GCL

Major Milestones in 2009

- ★ Acquisition of Agensys
- ★ Concentrate drug discovery research function in Tsukuba
- ★ Reorganization of fermentation research functions
- ★ Complete new buildings at Tsukuba research center
- ★ Start operation of Beamline
- ★ Creation of the Bioimaging Research Labs.
- ★ Groundbreaking for Fermentation Technology Research Building(Toyama)
- ★ Transfer of Fermentation and Biotechnology Labs.
- ★ Global Development Organizational Changes
- ★ In-licensing of MDV3100
- ★ Joint Venture with Maxygen
- ★ In-licensing of Linaclotide

Improve ability to generate products

Business Infrastructure

- ★ Bonoteo new launch in Japan
- ★ Agreement of Symbicort Co-pro(Japan)
- ★ Micombi new launch in Japan
- ★ Agreement of Caduet Co-pro(Japan)
- ★ Establishment of Brazilian Affiliate
- ★ Agreement of Sumavel™DosePro™(US)
- ★ Agreement of febuxostat(Taiwan)
- ★ Agreement of Qutenza (EU and others)
- ★ VIBATIV new launch in US

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Realizing faster and more efficient research by concentrating research function

Development research
function to be put together
in Kashima, Osaka (Sep,2009)



New buildings completed in
Tsukuba research
Center (Miyukigaoka) (Sep,2008)

Exploratory/Optimization research
function to be put together in
Tsukuba area (Apr,2009)



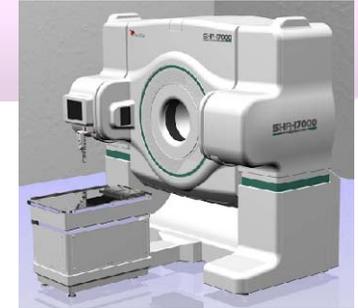
Enhancing drug discovery capability

-Tsukuba Research Center (Miyukigaoka)

■ Creation of the Bioimaging Research Labs. (Oct, 2009)

To carry out R&D projects efficiently utilizing bioimaging technologies and promote closer cooperation with translational science research

- ✓ Created by splitting out the Image Analysis Research Unit from the Applied Pharmacology Research Labs.



■ Reorganization of fermentation research function (Oct, 2009)

To promote drug discovery research focused on target diseases and molecules through multidisciplinary approaches organically combining synthesis, fermentation, and antibody technologies

- ✓ Drug discovery function of Fermentation Research Labs. → Transfer to Pharmacology Research Labs and Molecular Medicine Research Labs.
- ✓ Platform technology functions that contributes to the construction of natural product library → Transfer to Astellas Research Technologies Co., Ltd.
- ✓ Concentration of fermentation research functions in Tsukuba Research Center (Miyukigaoka) → Construct a fermentation research building in 2011

■ Transfer of Fermentation and Biotechnology Labs. to Tokodai

To further enhance and accelerate drug discovery research by ensuring closer collaboration between drug discovery research and manufacturing process research

- ✓ Transfer in a phased manner from FY2010 through FY2011
- ✓ Investment in plants and equipment: about 7 billion yen (including facilities to manufacture drug substances for development of antibody pharmaceuticals)
- ✓ Kiyosu Research Office (Aichi Prefecture) will be closed in FY2012.



Tsukuba Research Center (Tokodai)

Foothold of biotechnology research
such as fermentation and antibodies

■ Construction of Fermentation Technology Research Building

To ensure stable global supply of active pharmaceutical ingredients for *CTM in the development of candidate compounds obtained through fermentation based drug discovery

- ✓ To be constructed in the Toyama Plant
- ✓ Construction started in Sep,2009
 - To be completed in Oct,2010
- ✓ Total construction cost:
 - About 5.5 billion yen

*CTM=Clinical Trial Material



Rendering of fermentation technology research building

Project Update

	Japan	US	Europe
Approval	Micombi (Apr, 2009) combination Micardis/diuretic	Prograf (May, 2009) Use with MMF	Modigraf (May, 2009) Tacrolimus granules
	Celecox (June, 2009) Lumbago and others	VIBATIV (Sep, 2009) (Telavancin) cSSSI*	
	Prograf (July, 2009) Ulcerative colitis		
	Prograf (Oct, 2009) Myasthenia gravis		
Filed	ASP8825 (Nov, 2009) Restless legs syndrome		Telavancin (Oct, 2009) cSSTI**, NP***
Other		FLOMAX (Sep, 2009) Pediatric data accepted by FDA	

Reinforcement of Pipeline

Reinforcement of pipeline

Joint venture with Maxygen (Sep, 2009)

- Research and development of protein pharmaceutical programs

MDV3100 (Oct, 2009)

- Prostate cancer
- Develop/commercialize worldwide
- Medivation

Expand ADC collaboration for antibody drugs (Nov, 2009)

- Seattle Genetics and Agensys

Linacotide (Nov, 2009)

- Develop/commercialize in Japan and others
- IBS*
- Ironwood

Expanding of product lineup

febuxostat (May, 2009)

- Hyperuricemia with gout
- Distributorship in Taiwan
- Teijin Pharma

Symbicort (Aug, 2009)

- Bronchial asthma
- Co-Promotion in Japan
- AstraZenaca

Caduet (Aug, 2009)

- Hypercholesterolemia/hypertension
- Co-Promotion in Japan
- Pfizer

Qutenza(June,2009)

- Peripheral neuropathic pain
- Commercialize in EU and others
- NeurogesX

Sumavel™ DosePro™ (Aug,2009)

- Migraine, cluster headache
- Co-Promotion in US
- Zogenix

*IBS=Irritable Bowel Syndrome

Enhancement of Oncology Pipeline

Drug Discovery

- Unique breadth of technologies
 - Chemical synthesis, fermentation and antibody
- Novel targets that lead to innovative NME discovery
 - Synergistic combination of Agensys' target molecules and Astellas' genomics technology (target search)

Antibody Technology Platform

- Agensys' strong antibody research and development capabilities
- Many first-in-class antibody products for novel targets
- Cutting-edge ADC (Antibody-Drug Conjugate) technology in multiple cancer indications
 - Seattle Genetics and Agensys expand ADC collaboration (Nov, 2009)

Enhancement of Oncology Pipeline

	Project/Product Name (Area)	Target Cancer	P-1	P-2	P-3	Launch
Small molecule	Eligard(EU)	Prostate cancer				
	MDV3100(EU/US)	Prostate cancer				
	ASP3550(JP)	Prostate cancer				
	YM155(EU/US/JP)	Breast cancer, Non-Hodgkin's lymphoma, Melanoma				
	ASP0265	Prostate cancer				
Antibody	AGS-1C4D4(EU/US)	Pancreatic cancer				
	AGS-16M18					
	AGS-8M4					

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Establish a Solid Business Infrastructure

Japan

Domestic No.1

- Maintain/expand existing products
- Continuous new product launch

Sales Forecast:
¥539.1Billion
(Change:+5.6%)
Ratio: 55.2%

Lipitor, Micardis,
Gaster, Harnal,
Prograf, Myslee,
Vesicare,Celecox
etc.

US

Transforming

- Expand franchise area

Sales Forecast:
\$1,937MM
(Change:+3.1%)
Ratio: 18.4%

Prograf, VESIcare
Lexiscan, Adenoscan,
Mycamine,Protopic
etc.

Europe

Continuous Growth

- Launch anti-infective business
- Expand cover areas

Sales Forecast:
€1,733MM
(Change:+4.0%)
Ratio: 23.4%

Prograf, Vesicare
Harnal(Omnic/OCAS)
Eligard,Mycamine,
Protopic etc.

Asia

Expand In-house S&M System

- Expand Chinese market
- Expand Transplant/Urology

Sales Forecast:
¥29.3Billion
(Change:+7.6%)
Ratio:3.0%

Prograf,Harnal,
Vesicare,Mycamine,
Protopic etc.

* Sales Forecast=FY2009 Forecast

*Ratio: Ratio to Net Sales by Yen basis

Expanding Products' Lineup

Japan

Domestic No.1

【Launch】

- ★ Iribow (10/'08)
- ★ Bonoteo (04/'09)
- ★ Micombi (06/'09)

【Additional Indication】

- ★ Celecox (06/'09)
- ★ Prograf (07, 10/'09)

- ★ Symbicort Co-Pro (AstraZeneca)
- ★ Caduet Co-Pro (Pfizer)

US

Transforming

【Launch】

- ★ Lexiscan (06/'08)
- ★ VIBATIV (11/'09)

- ★ Sumavel™ DosePro™ (Zogenix)

Europe

Continuous Growth

【Launch】

- ★ Mycamine (08/'08)

【Approved】

- ★ Modigraf (05/'09)

- ★ Qutenza (NeurogesX)

Asia

Expand In-house S&M System

【Launch】

- ★ Advagraf HongKong (01/'09)
- Taiwan (09/'09)

- ★ Mycamine Philippine (03/'09)
- Indonesia (10/'09)

- ★ febuxostat (Teijin Pharma)

Marketing Base: More than 40 countries

Expanding business areas in emerging countries including BRICs

Europe

- **Russian Affiliate**
 - Establish : 1994 Location : Moscow
 - Cover CIS in addition to Russia
 - Prograf, Vesicare etc
- **Turkey Affiliate**
 - Location : Istanbul
 - Started operation in June, 2008

Latin America

- **Establishment of Brazilian Affiliate**
 - Establish: July, 2009 Location : Sao Paulo
 - Plan to launch Harnal (Omnic/Omnic OCAS)

Asia

- **Chinese Affiliate**
 - Establish: Oct, 1994
 - Location : Beijing and 4 other cities
 - Prograf etc
 - Vesicare plan to launch
- **Indian Affiliate**
 - Establish: Nov, 2008 Location : Mumbai
 - Plan to launch Prograf in FY2009

Construct global IT infrastructure that supports global business

Measure : Standardization of globally usable IT environment

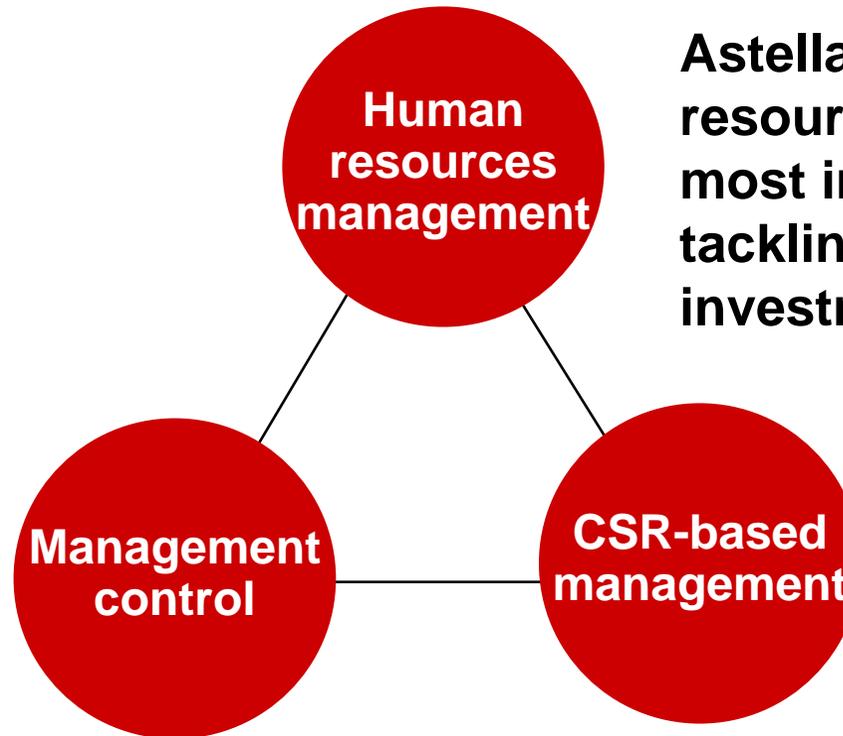
Targets : Global unification of domains
Global unification of PCs (20,000 PCs around the world)
Global standardization of PC environment (OS, applications, etc.)

Effects : Seamless utilization at all business bases in Japan and abroad
Stimulation of global communications
Global optimization of IT costs

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Astellas' Three Systems to realize a GCL



Astellas has identified human resources development as its most important issue, and is tackling this with competitive investment.

We will create a very flexible and agile organization by optimizing the balance of power and authority in the group.

We will clarify corporate social responsibilities and build a system to fulfill them.

Create a corporate culture that enables a great variety of people to ensure a good balance between their private life and work (“Work-Life Balance”) based on diversity-oriented management perspective.

■ Creation of Diversity Promotion Office (July 2008)

-5 full-time staff

-To create an environment, awareness, and culture that enables female employees to fully develop their professional career.



- ✓ Creation of the “Cohabitation Support Program for Married Employees” (Apr,2008)
- ✓ Creation of the “Reemployment Registration Program”(Apr,2008)
- ✓ Expansion of the “Reduced Working Hours Program during Child earing”(Oct,2008)
- ✓ Creation of the “Maternity Care Leave Program” (Oct,2008)

Additional measures taken in FY2009 to support a good balance between private life and work (“ Work-Life Balance”)

【April 2009】

- ✓ Reduction of working hours → Introduction of Family Friday
 - Closure of offices 1hr and 45 min earlier on Friday
- ✓ Creation of a nursery fee support program for employees returning to work after maternity or child-care leaves
- ✓ Expansion of the nursing-care support program

【October 2009】

- ✓ Introduction of a “Telework program”
(for all employees working for the Astellas Group in Japan for one year or longer)

Receive Awards for Our Efforts

- Work-Life Balance Award from the Japan Productivity Center (Nov,2009)

- ✓ In recognition of a reduction in the retirement rate for female Medical Representatives (MRs)

- Astellas Toyama granted the “Shining Women’s Company Award - Toyama” by Toyama Governor (June,2009)

- ✓ In recognition of the active employment of women and promotion of the development of their skills and career

- Astellas Pharma US granted “Workforce Chicago Award (Aug, 2009)

- ✓ In recognition of the outstanding education/training and HR development program

- Astellas Korea receives a preferred company certificate (Jul,2009)

- ✓ Certificate issued under the “2009 preferred companies – medium-sized and small companies” program



Work-Life Balance Award



Workforce Chicago Award

Promotion of “globalization of human resources” to enhance global competitiveness

■ Promotion of the Ambassador Program

- ✓ Acceptance of foreign affiliates’ employees at HQ on a short-term basis (2-5 months)
- ✓ 4 such employees accepted in 1 year (Oct.2008-Sept 2009)
- ✓ Program to be expanded to all functions of Astellas HQ after Oct. 2009

■ Start of an expatriate program from foreign affiliates to Astellas HQ

- ✓ Acceptance of foreign affiliates’ employees on a long-term basis (2-3 years)
- ✓ 2 such employees in the Product & Portfolio Strategy Dept. as of Oct. 2009
- ✓ To continue to accept as necessary

Changing tomorrow

