

September 10, 2007

Court Dismisses Appeal Filed by Taiyo Yakuhin Co., Ltd. of Patent Infringement Suit on Oral Cephalosporin Antibiotic Cefzon[®] Capsule

Astellas Pharma Inc. (“Astellas”; headquarters: Tokyo; President and CEO: Masafumi Nogimori) today announced that the Intellectual Property High Court has dismissed an appeal by Taiyo Yakuhin Co., Ltd. (“Taiyo”; headquarters: Nagoya), and has upheld the March 13, 2007 judgment by the Tokyo District Court which was found in favor of Astellas in a patent infringement lawsuit for its oral cephalosporin antibiotic cefdinir (brand name: Cefzon[®]).

The oral cephalosporin antibiotic cefdinir was discovered by Astellas (formerly Fujisawa Pharmaceutical Co., Ltd. (“Fujisawa”)). It was launched by Fujisawa in 1991 in the form of capsules under the brand name of Cefzon[®] Capsule and in 1993 in the form of granules under the brand name of Cefzon[®] Fine Granules for Pediatric. It has been clinically used to treat a wide range of infectious diseases including respiratory infections.

The substance patent right on cefdinir expired in September 2003; however, Astellas has a patent on the crystalline form of cefdinir valid until August 2008. Taiyo obtained an NHI price for an oral cefdinir capsule under the trade name of CEFLOSIL Capsule 100mg in July 2005 and launched it in September 2005. In the belief that Taiyo’s product infringes our patent, therefore, Astellas has filed a patent infringement lawsuit on September 15, 2005 at the Tokyo District Court demanding that Taiyo stop the production and marketing of this product and discard the products it holds in stock. The case was judged in Astellas’ favor on March 13, 2007. Then, Taiyo appealed against said judgment to the Intellectual Property High Court. Today the Intellectual Property High Court has dismissed the appeal filed by Taiyo and has supported Astellas’ claim.

Astellas has also filed a lawsuit on August 9, 2007 with the Tokyo District Court against Taiyo claiming damages to recover its loss suffered due to application of the exceptional NHI price reduction to Cefzon (capsules and fine granules).

Astellas will try to build the sound relationship among pharmaceutical industry where each company respects intellectual property rights of others and observe all applicable regulations and rules. Astellas will continue coping firmly with any infringements on its intellectual property rights and the loss suffered due to such infringements.

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