

Astellas Pharma Inc.

December 3, 2008

**Masafumi Nogimori
President and CEO**



Long-term Strategy of Astellas: VISION 2015

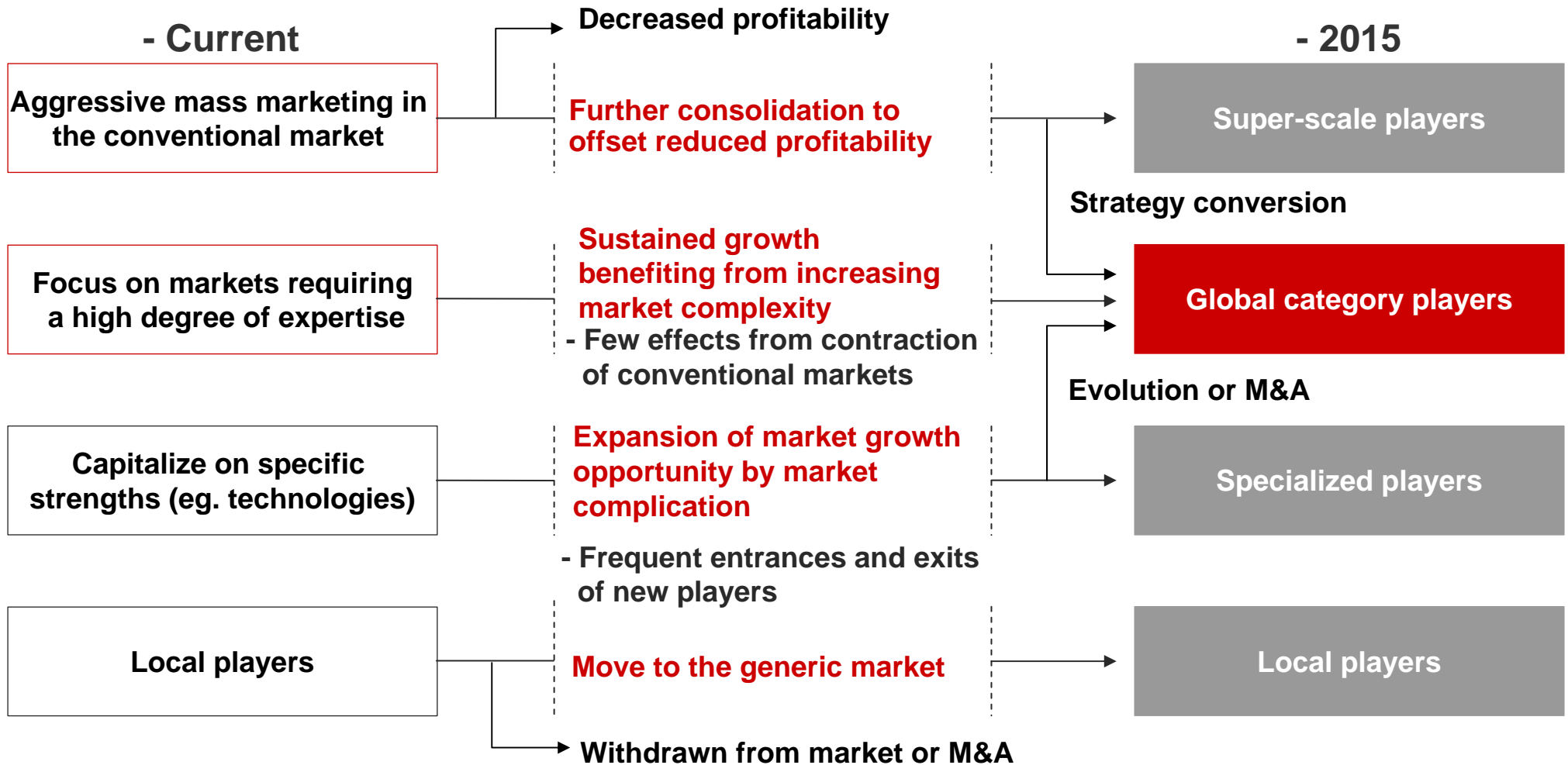
- Steps to Global Category Leader “GCL”
 - Establish a Solid Business Infrastructure
 - Improve Ability to Generate Products
 - Three systems to realize a GCL

- “Changing tomorrow”- message from Astellas

Long-term Strategy of Astellas: VISION 2015

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Player Structure as seen in VISION 2015



Players in a market requiring a high degree of expertise possess high possibility of sustainable growth

Global Category Leader

In several '**categories**' where high unmet medical needs exist and a high degree of expertise is required in the process of product carrying

A "GCL" shows higher competitiveness by providing value-added products '**globally**'

And takes over the position of '**leader**' in a category

Two strategies and three systems to realize a GCL

Two strategies: Establish a solid business infrastructure
Improve ability to generate products

Three systems: Management control,
HR management, CSR-based management

Roadmap of VISION2015



Major milestones in 2008

- ★ Establish subsidiary in Turkey
 - ★ Establish subsidiary in India
- ★ Lexiscan new launch in US
 - ★ Mycamine new launch in Europe
 - ★ Irribow new launch in Japan
 - ★ Graceptor new launch in Japan
 - ★ Transfer of Grand Island plant, US
- ★ License agreement with CoMentis
- ★ Acquisition of Agensys
- ★ License agreement with Maxygen
 - ★ Complete new buildings at Tsukuba research center
- ★ Reinforce global management/
Establish global development functional HQs

Today's Agenda

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Full Year Forecasts for FY2008

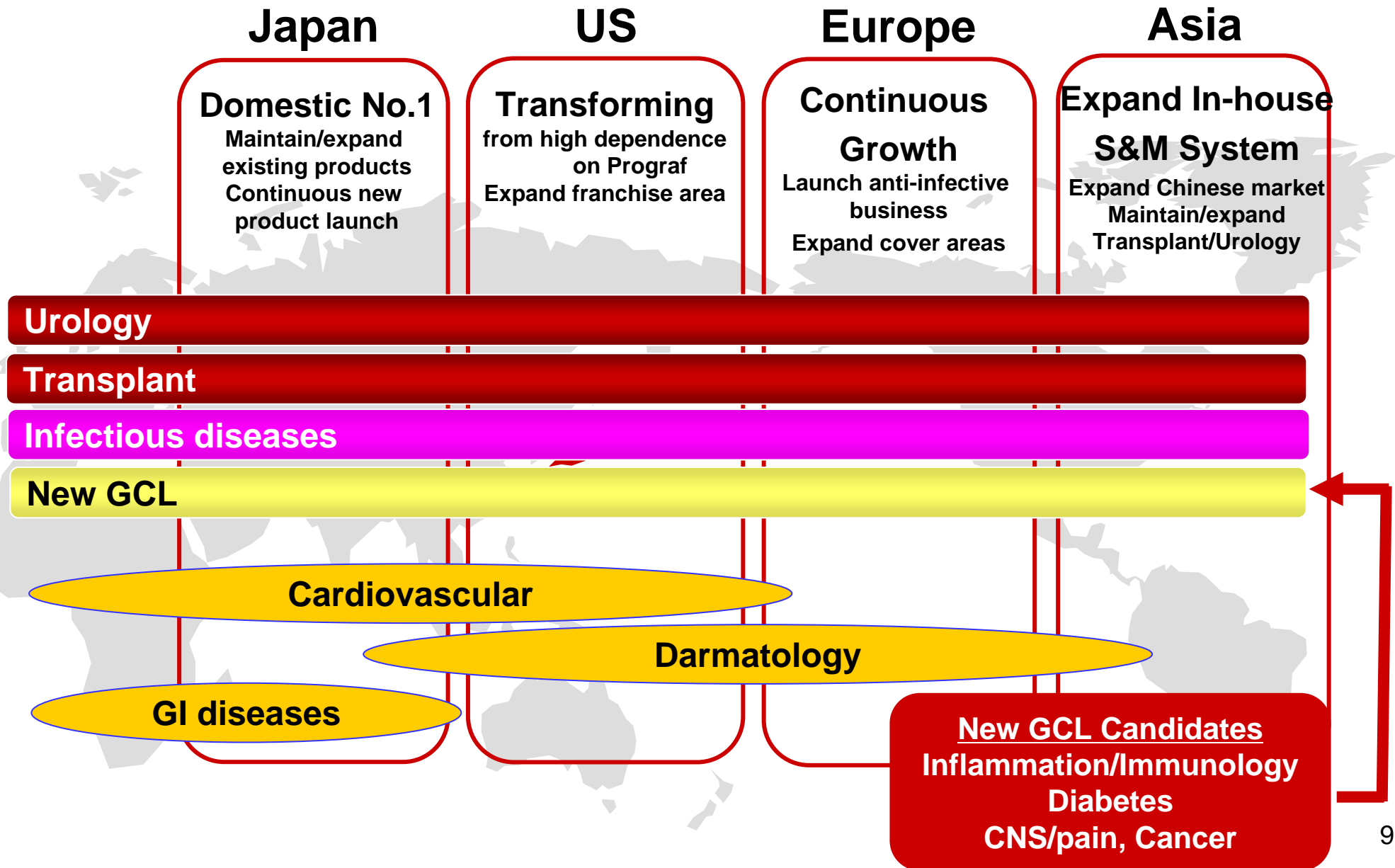


(billion yen)

	FY2007 actual	FY2008 revised forecasts (A)	Changes	FY2008 initial forecasts (B)	Variance (A)-(B)
Net sales	972.5	964.0	-8.5	962.0	+2.0
Operating income	275.9	235.0	-40.9	232.0	+3.0
Ordinary income	284.1	259.0	-25.1	246.0	+13.0
Net income	177.4	162.0	-15.4	159.0	+3.0
R&D expenses	134.4	159.0	+25.5	161.0	-2.0

- The forecasts announced in May was revised upward in net sales and income at each level considering the revision of sales and cost of each product and the change in expected exchange rate
- Sales in Japan is anticipated to increase despite of the NHI drug price reduction
- Sales in the US, Europe and Asia is anticipated to grow on a local currency basis but is anticipated to decrease due to the negative impact of exchange rate fluctuations

Reinforcement of Global S&M System



New S&M Sites

■ Europe

■ Turkish Affiliate

- Location: Istanbul, Turkey
- Start operation in June 2008
- Currently marketing Prograf



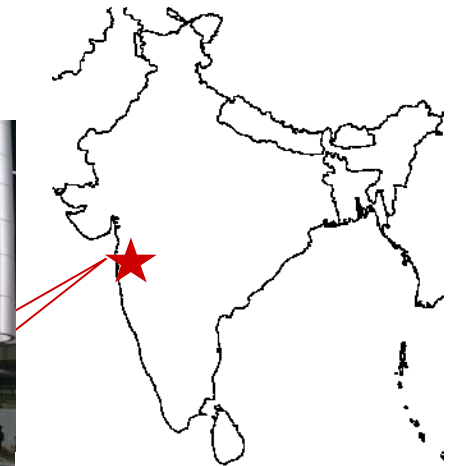
Expand business area to emerging market



Asia

■ Indian Affiliate

- Location: Mumbai, India
- Established in November 2008
- Plan to launch products in transplant and urology
Prograf: New launch planned in FY2009



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■ Concentrate research function by 2009

- Exploratory/Optimization Research function to be put together in Tsukuba area
New buildings completed in Miyukigaoka Research Center, Tsukuba in Sep. 2008
- Development Research function to be put together in Kashima, Osaka



Highly effective
and efficient
research

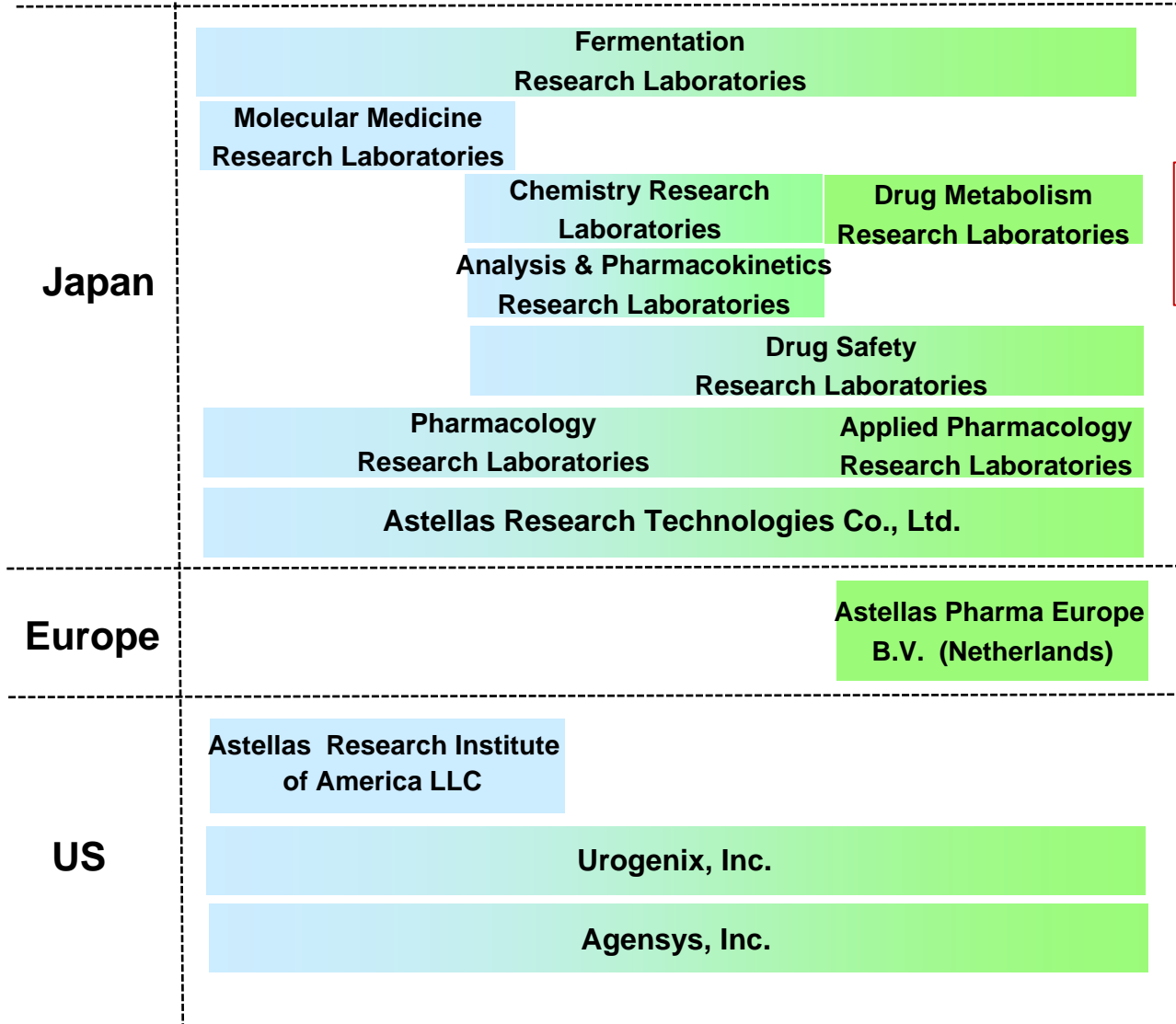
■ Collaboration with academia

- Co-research at the Innovation Center for Immunoregulation Technologies and Drugs of Next generation with Kyoto Univ
Established the innovation center at Kyoto Univ. and initiated research activities in Oct 2007
- National iPS cell-related project
Join an joint industry-university research project headed by Shinya Yamanaka M.D., D. Med.Sc, Kyoto Univ in November 2008

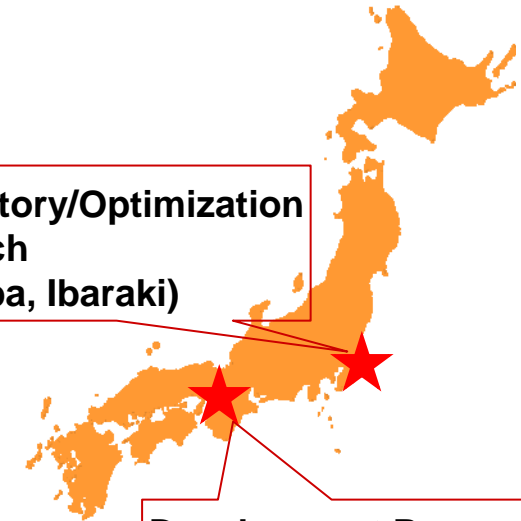
Global Research System



Japan: Concentrate research function



Exploratory/Optimization Research (Tsukuba, Ibaraki)



Development Research (Kashima, Osaka)

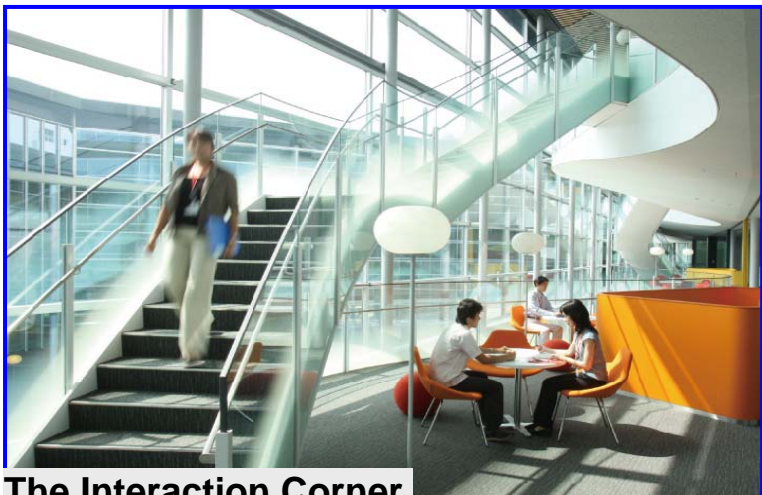


New Buildings at Tsukuba Research Center (1)



*The photo was provided by KOKYU MIWA ARCHITECTURAL PHOTOGRAPHY.

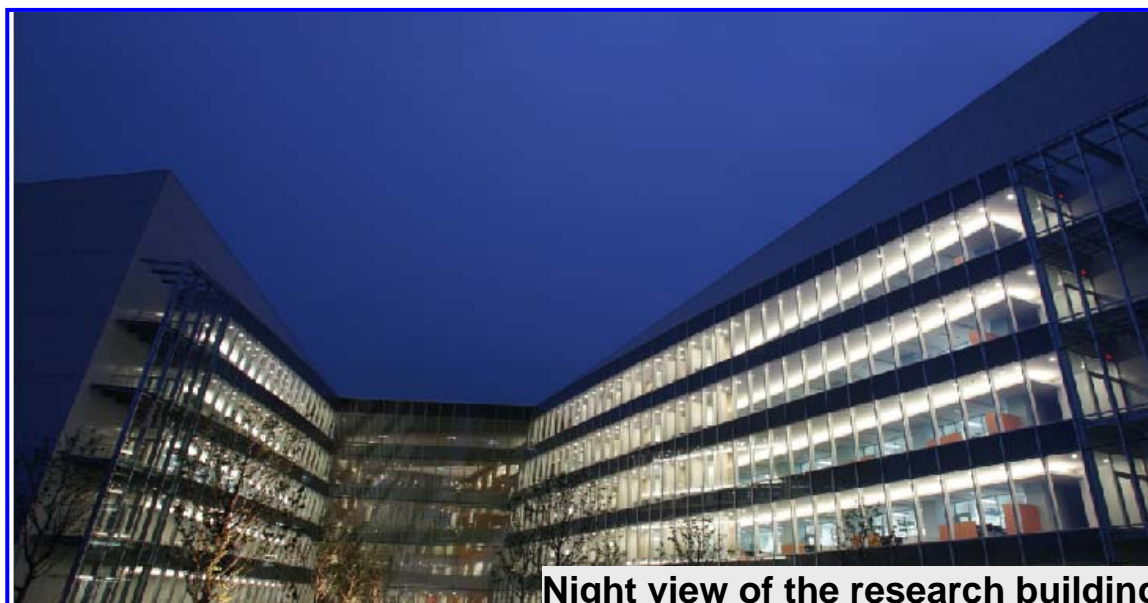
New Buildings at Tsukuba Research Center (2)



The Interaction Corner



Leading-edge research facility



Night view of the research building



An automated compound storehouse

Reinforcement of Antibody Technology Base

■ Tidy up in-house research system

- Initiate antibody research headed by Molecular Medicine Research Labs.
Establish Advanced Biologics in Molecular Medicine Research Labs. in Oct 2007

■ Technology in-license

MophoSys (March 2007): HuCAL GOLD antibody library (phage antibody library)

Regeneron (March 2007): VelocImmune[®] generating fully human monoclonal antibodies

Acquisition of Agensys (Dec 2007):

- Generation of fully human monoclonal antibody using transgenic mice (hybridoma related technologies)
- Gain proprietary target molecules in the cancer field and clinical candidate antibody pipeline



- Enrich antibody drug technology by in-licensing and acquisition
- Agensys originated PJ: 2 PJs in Phase I

Project Update

	Japan	US	Europe
Launch	Irribow (Oct 2008) Irritable Bowel Syndrome		
	Graceptar (Oct 2008) Immunosuppressant	Lexiscan (June 2008) Pharmacologic stress agent	Mycamine (Aug 2008) Injectable antifungal agent
	CareLoad LA (Dec 2007) pulmonary arterial hypertension		
Approval		VAPRISOL PREMIXED IN 5% DEXTROSE (Oct 2008) Hyponatremia	
Apply	FK506 (Sep 2008) Myasthenia Gravis		
	FK506 (June 2008) Ulcerative Colitis		

In-licensing to Enrich Pipeline

In-license projects during the current year

Transplant

- License agreement with Maxygen, US

Date: September 2008

Agreement: Worldwide rights to commercialize MAXY-4 lead candidates for all autoimmune diseases and transplant rejection.

CNS

- License agreement with CoMentis, US

Date: April 2008

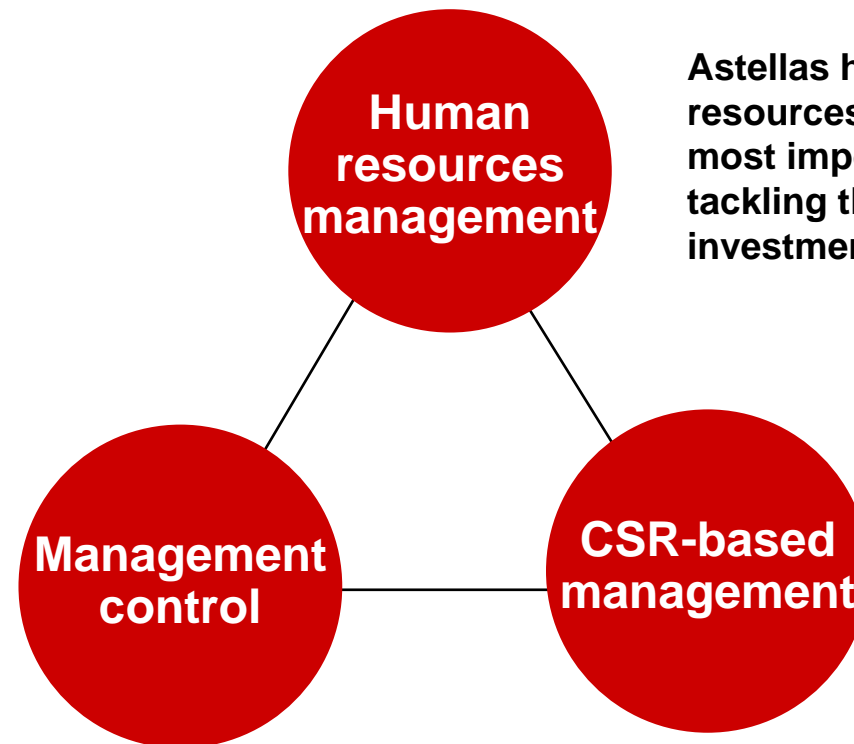
Agreement: An exclusive worldwide collaboration agreement to develop and commercialize products from CoMentis' bata-secretase inhibitor program, including lead candidate compound CTS-21166, which is being developed as a disease-modifying treatment for Alzheimer's disease

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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.

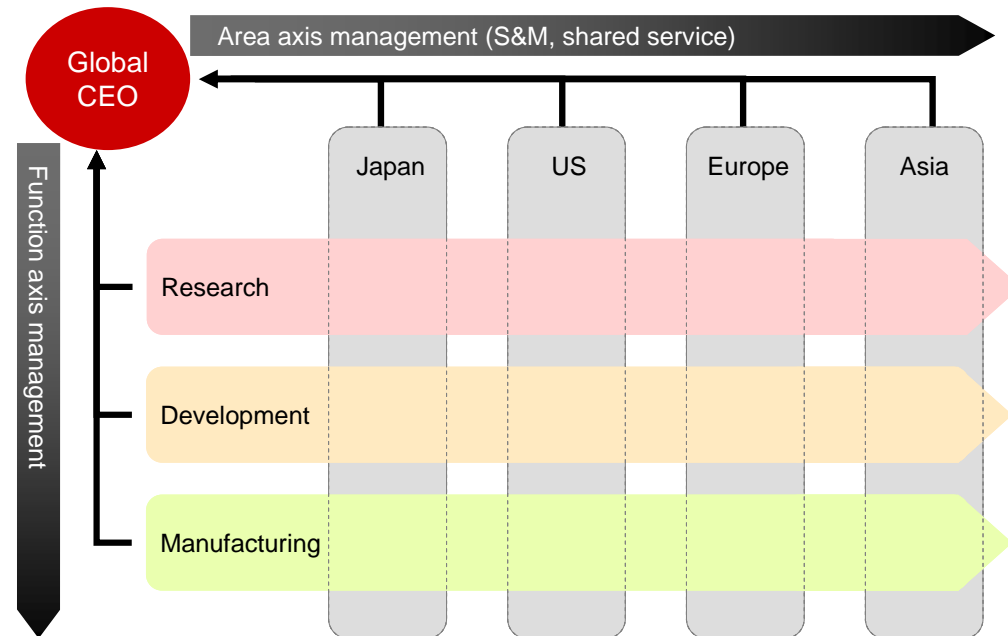
We will clarify corporate social responsibilities and build a system to fulfill them.

Reinforcement of Global Management System

Reinforcement of Matrix Management



Functional axis: Research, Development and Technology
Area axis: S&M, shared service



■ New global management system starting April 2008

- Established the Global Management Committee
- Established the Corporate Administration and Finance Committee
- Established Global Development Functional HQs

(Astellas Pharma Global Development, Inc.)

Human Resource Management

Aim to enhance the diversity of the Company's corporate culture

■ Promote WIND Project (WIND: Women's Innovative Network for Diversity)

Consider and promote actual measures to create corporate culture and employee awareness enable women to make fuller use of their capabilities in the workplace

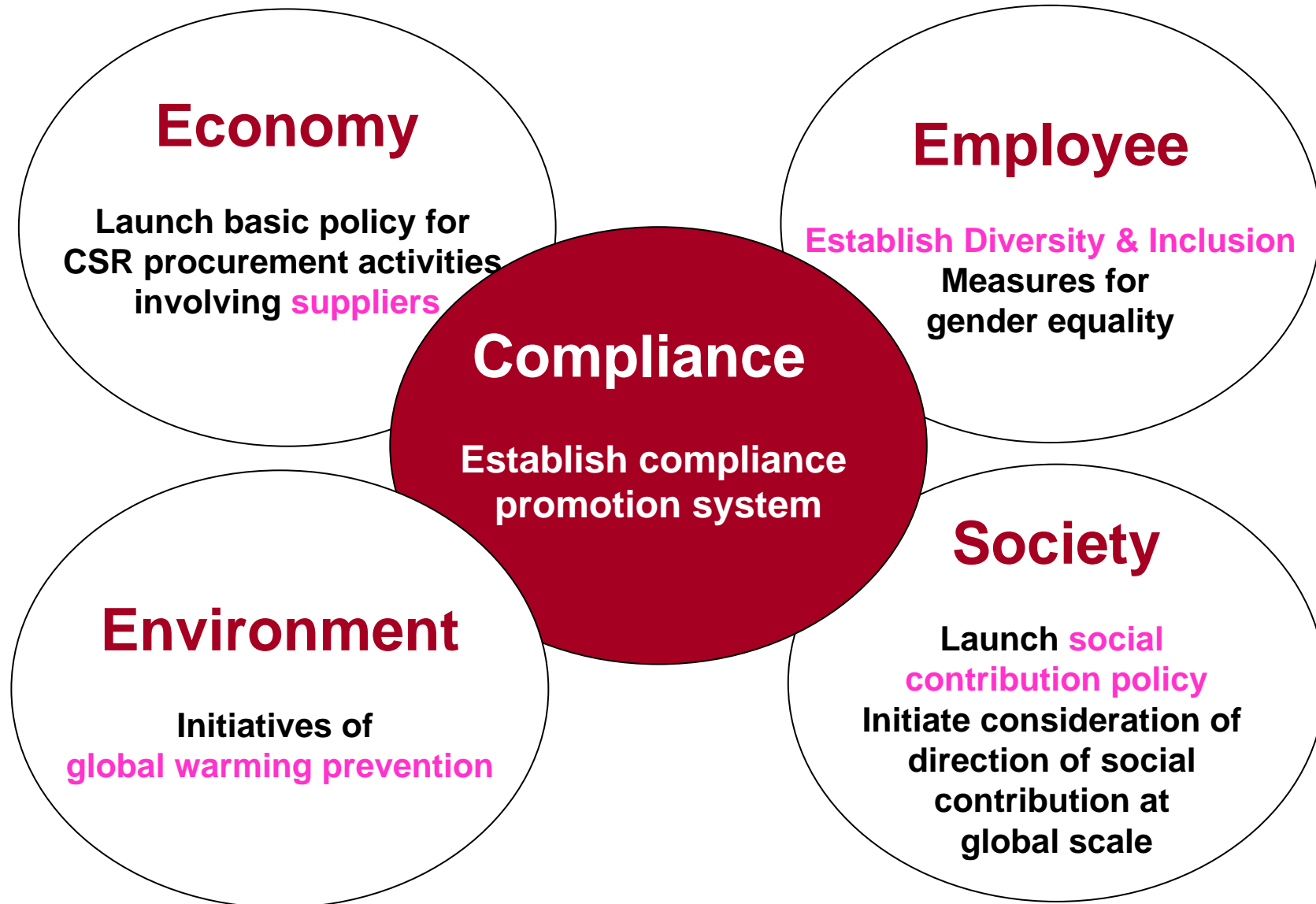


Establish Diversity & Inclusion in July 2008

- Promote it with 5 full-time members



Field and Concept of CSR-based Management



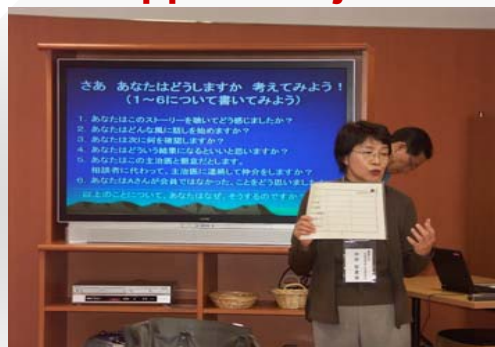
CSR : Social Contribution in Japan

Child Book Project

Activity to distribute original picture books to children at medical agencies such as children's hospitals and welfare facilities.
Astellas collaborates with successful picture book authors around the world to create dream-inspiring picture books on the theme of "Changing tomorrow"



Patient Association Support Project



- Third year since it has started
- Fund-raising for activities, training of peer supporters etc.

Donation of ambulances on First Aid Day



- 4 ambulances donated in 2008
- 212 ambulances cumulative since 1970

Employee participation in social contribution activities



- 7 wheelchair vans donated in 2008
- The company matches the amount donated by employees

Support relief efforts following China Earthquake in May and Iwate-Miyagi Inland Earthquake in June

CSR: Social Contribution in the US

- **Support the National Science Teachers Association (“NSTA”: the largest organization committed to promoting innovation in science teaching)**
 - NSTA established Astellas New Science Teacher Academy with scholarships for 15 Chicago-area NSTA teachers

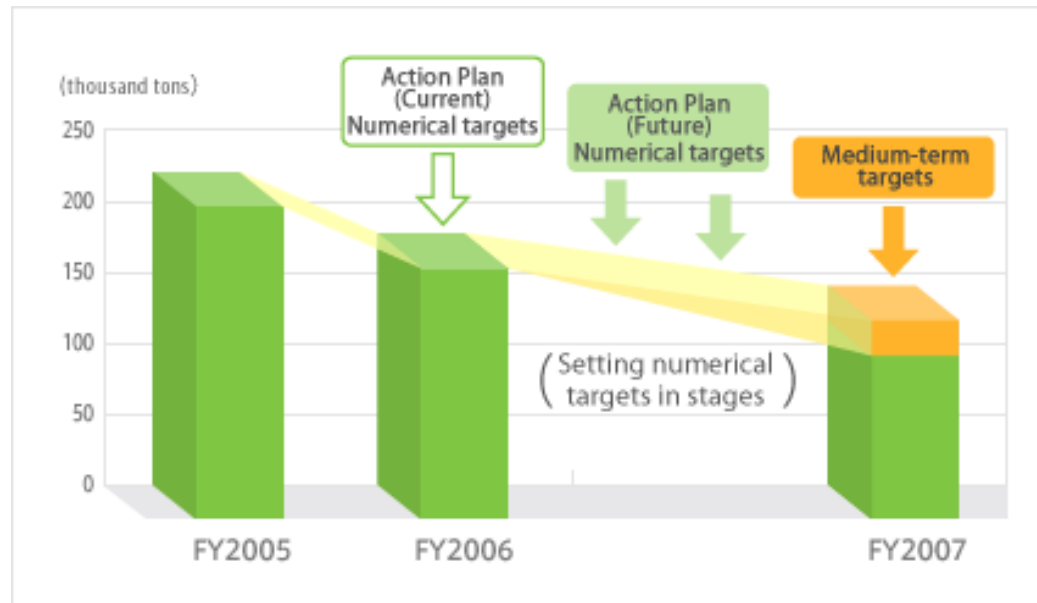
- **Collaborate with the Project Sunshine, a non-for-profit organization that provides various programs to children with medical challenges, and the Boys and Girls Club of Lake County**
 - Astellas employees build toys and make crafts at the annual Astellas Holiday party. Those crafts were donated to children in Chicago area through those organization

Fund to the Save the Children (“StC”: UK’s leading international children’s organisation)

- **Astellas provided funding which supported the provision of essential health and hygiene supplies supporting over 52,000 children suffering as a result of the cyclone, which tore through Myanmar in May 2008**
- **Astellas has provided funding to support over 35,000 children to be vaccinated against measles and has also supported over 47,000 children to be immunized (BCG, DPT, Polio, Measles) in Liberia, a country which has been devastated by 14 years of civil war**

Environment Initiatives

■ Midterm targets of global warming countermeasures by the end of FY2020



- **Promote energy-saving measures throughout the company**
 - An energy-saving sales promotion (introduce hybrid cars)
 - Environmental initiatives by offices
- **Plan to establish Global Warming Prevention Committee**
 - Activities based on a role of each function, including HQs, offices and employees
 - Site restructuring, introduction of energy-saving/new energy facility and technology development
 - Consider economic measures including emissions trading ect.

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Changing tomorrow

For patients and their families,

This is a phrase that gives patients and family members courage and hope for the purpose of surmounting their difficulties.

When patients recover from an illness after having abandoned hope, thinking it to be incurable, or when patients can reach beyond the point they had previously thought was the limit of their capabilities after having given up trying, a new life completely different from their previous one will come into view and make them able to live a new life.

For all Astellas staff members,

This is a phrase that expresses our pledge to meet unmet medical needs and develop new medicines that are vital to patients worldwide.

This conveys Astellas' intention to provide, through the efforts of its staff members, a bright future not only for patients but also for the staff members themselves.

At same time., this means that Astellas hopes to share in the bravery, hopes and desires of patients and shape our own future.

Changing tomorrow Campaign

明日は変えられる。

明日がある。そのよるこびを届けたい。

病氣と闘うすべての人々に、

ほんとうに求められる新薬で、

日本発、世界の医療用医薬品企業として、




1万9816回の失敗は、
自分のために。
最後の1回の成功は、
患者さんのために。

「明日は変えられる。」というメッセージを届けるために、私たちは、1万9816回の失敗を繰り返してきました。それは、自分たちのためにではなく、患者さんのために。最後の1回の成功は、患者さんのために。明日は変えられる。明日がある。そのよるこびを届けたい。病氣と闘うすべての人々に、ほんとうに求められる新薬で、日本発、世界の医療用医薬品企業として、

www.astellas.com/jp/



人に信頼される薬は、
人にしかつくれない。

「明日は変えられる。」というメッセージを届けるために、私たちは、1万9816回の失敗を繰り返してきました。それは、自分たちのためにではなく、患者さんのために。最後の1回の成功は、患者さんのために。明日は変えられる。明日がある。そのよるこびを届けたい。病氣と闘うすべての人々に、ほんとうに求められる新薬で、日本発、世界の医療用医薬品企業として、

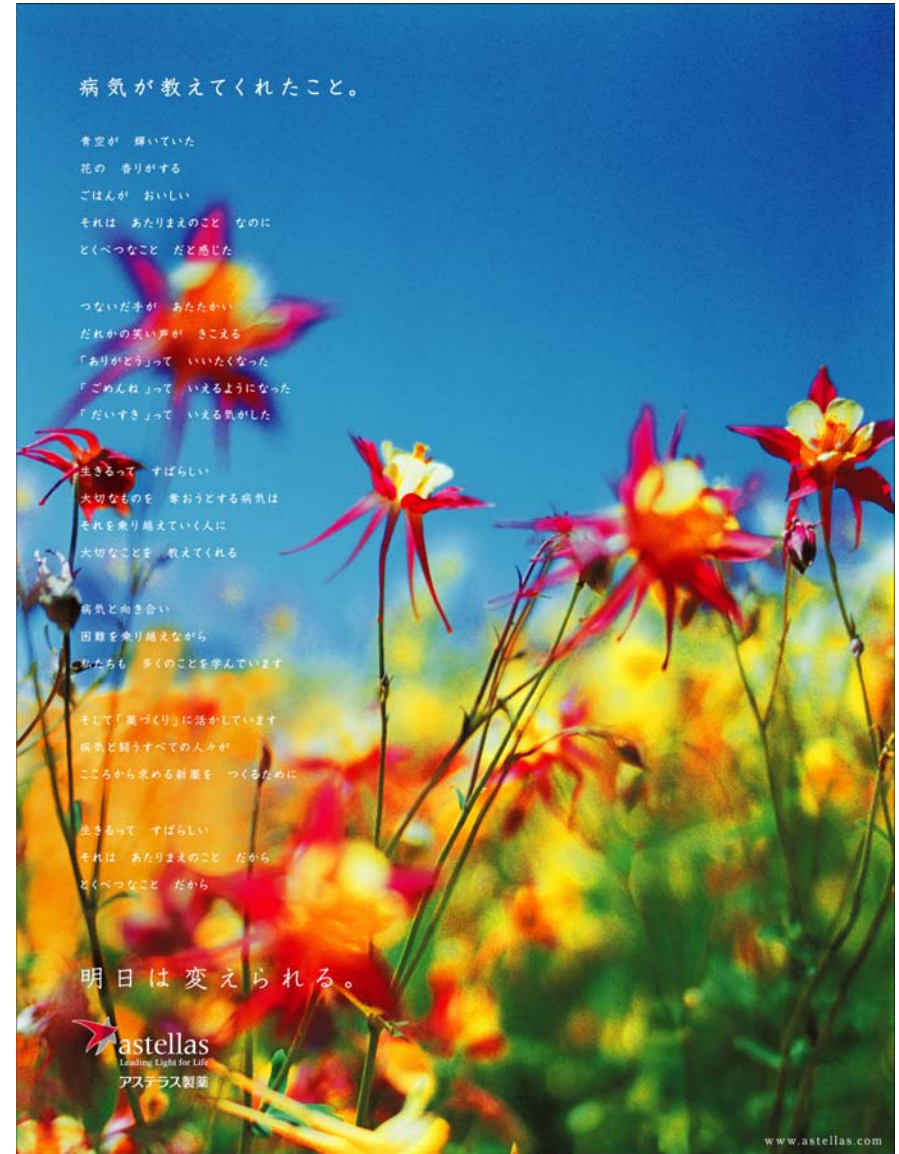
アステラス製薬株式会社
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薬って、
本当に必要なんだろうか。

「明日は変えられる。」というメッセージを届けるために、私たちは、1万9816回の失敗を繰り返してきました。それは、自分たちのためにではなく、患者さんのために。最後の1回の成功は、患者さんのために。明日は変えられる。明日がある。そのよるこびを届けたい。病氣と闘うすべての人々に、ほんとうに求められる新薬で、日本発、世界の医療用医薬品企業として、

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病氣が教えてくれたこと。

青空が 輝いていた
花の 香りがする
ごはんが おいしい
それは あたりまえのことなのに
とくべつなこと だと感じた

つないだ手が あたたかい
だれかの笑い声が きこえる
「ありがとう」って いたくなつた
「ごめんね」って いえるようになった
「だいすき」って いえる気がした

生きるって すばらしい
大切なものを 奪おうとする病氣は
それを乗り越えていく人に
大切なことを 教えてくれる

病氣と向き合い
困難を乗り越えながら
私たちが 多くのことを学んでいます

そして「薬づくり」に活かしています
病氣と闘うすべての人々が
ここから求められる新薬を つくるために

生きるって すばらしい
それは あたりまえのこと だから
とくべつなこと だから

明日は変えられる。

astellas
Leading Light for Life
アステラス製薬

www.astellas.com

病氣のこと、もっと知りたいあなたへ、ウェブサイトが新しくなりました。【全部は英語サイト】

CARDIOLOGY
DERMATOLOGY
IMMUNOLOGY
INFECTIOUS DISEASE
UROLOGY



Changing tomorrow

Inspired by the vision of a healthier world



Changing tomorrow

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Congue ut et proin nulla aenean justo. Aliquam vel aptent, elit quam cras massa suscipit vitae, tristique amet ultricies malesuada nisi luctus bibendum, condimentum eleifend purus pede iaculis facilisis. Venenatis ante, praesent massa quam aenean.

Urn quis erat purus mauris pellentesque. Potenti non vel mi tristique curabitur, augue lorem wisi nisl sociis ac tristique, laoreet congue nunc morbi vehicula auctor. Luctus lobortis

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TRANSPLANTATION
UROLOGY
DERMATOLOGY
ANTH-INFECTIVES

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Leading Light for Life