

News Release

August 21, 2009

Reorganization of Drug Discovery Research Functions

Tokyo, Japan, August 21, 2009 - Astellas Pharma Inc. ("Astellas"; headquarters: Tokyo; President and CEO: Masafumi Nogimori) announced today that it has decided to reorganize its drug discovery research functions on October 1, 2009 as follows.

1. Creation of the Bioimaging Research Labs.

The Image Analysis Research Unit will be separated from the Applied Pharmacology Research Labs., and instead, the Bioimaging Research Labs. will be created in Tsukuba Research Center (Miyukigaoka) in order to carry out R&D projects more efficiently by using bioimaging technologies such as positron emission tomography (PET), magnetic resonance imaging (MRI) and X-ray CT which are widely used for clinical diagnosis and to promote closer cooperation with translational science experts and academia in Japan and abroad. The Bioimaging Research Labs. will clarify the pharmacokinetic and pharmacological profile of new drug candidates, estimate their optimal doses and evaluate their pharmacological efficacy by fully utilizing various bioimaging technologies. Bioimaging technologies are also attracting increasing attention as a useful tool of translational science that can be effectively used to discover biomarkers that can be used to predict the efficacy in humans based on data related to pharmacological effects in animals. Through alliances and collaborative research programs with academia and other parties, the Bioimaging Research Labs. will promote the efficacy study, the synthesis of labeled compounds for new drug candidates, the development of automated apparatus for rapid synthesis of PET tracers, disease model animals and the support of clinical studies using bioimaging technologies.

- 2. Reorganization of fermentation research functions
- The fermentation research functions of Tsukuba Research Center (Tokodai), will be reorganized as follows as of October 1, 2009 in order to build up a system that makes it possible to more agilely conduct drug discovery research more suitable for the target diseases and molecules by shifting weight from technology-based drug discovery approaches such as synthetic low molecules, natural products and antibody pharmaceuticals to more multiple approaches that organically combine all these technologies.
- (1) Drug discovery research functions of the Fermentation Research Labs. will be transferred to the Pharmacology Research Labs. and the Molecular Medicine Research Labs. in order to ensure their more diversified development while maintaining their unique characteristics. In addition, platform technology functions that contribute to the construction of natural product library and the discovery of active products as new drug candidates will be transferred to Astellas Research Technologies Co., Ltd., a member of the Astellas Group. The Fermentation Research Labs. will be dissolved.

(2) All drug discovery functions, including fermentation research, at Tsukuba Research Center (Tokodai) will be transferred to Tsukuba Research Center (Miyukigaoka). For this purpose, a Fermentation Research Building (tentative) will be constructed in Tsukuba Research Center (Miyukigaoka) by the end of 2011.

Astellas is consolidating its technology platforms necessary to more efficiently develop antibody pharmaceuticals in addition to its traditional drug discovery research centered on synthetic low molecules and natural products in order to enhance its drug discovery functions necessary for the development of innovative new drugs. As part of this effort, Astellas created the Advanced Biologics Section that conducts exploratory research on antibody pharmaceuticals in its Molecular Medicine Research Labs. in October 2007 and acquired the US bioventure Agensys Inc. in December 2007. In addition, Astellas started construction of a new research building in Tsukuba Research Center (Miyukigaoka) in September 2009 in order to concentrate drug discovery research functions in Tsukuba area.

Astellas is committed to maximizing the efficiency of the drug discovery research process and further increasing the speed and quality of its drug discovery research.

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