

**Astellas Forms Collaboration on Astellas' Compounds
with Cardeus/ Mitsui Global Investment
-A New Model to Implement "Multi-track" R&D process-**

Tokyo, March 31, 2011—[Astellas Pharma Inc.](#) (TSE:4503, "Astellas") today announced that it has entered into an exclusive license agreement with Cardeus Pharmaceuticals, Inc. ("Cardeus") to develop, manufacture and commercialize three Astellas compounds in all territories excluding Japan. Cardeus, a newly established company with seed money invested from Mitsui & Co. Global Investment, Inc. ("MGI"), will initiate its future financing from investors including MGI and Astellas' venture capital, Astellas Venture Management LLC.

Under the terms of the agreement, two clinical stage compounds, an I_f channel inhibitor, YM758, and a selective COX1 inhibitor, ASP6537, as well as one pre-clinical stage compound are licensed to Cardeus. Cardeus is responsible for all the development, manufacturing and commercialization activities and associated costs. In addition, Astellas is entitled to receive an upfront payment, development and sales milestone payments together with royalties on sales. Also, with regard to Cardeus' future partnering activities on three compounds, Astellas is granted rights of first negotiation for the U.S. and European markets and rights of first refusal for China market.

"We are pleased to have the opportunity to develop these innovative compounds which originated from Astellas, a globally well-recognized pharmaceutical company," said Dr. Karen J. Brunke, President and CEO of Cardeus. "We look forward to bringing these new products to market as quickly as possible in order to treat patients with significant unmet medical needs."

Mr. Masafumi Nogimori, President and CEO of Astellas said: "While we have fortified our pipeline through recent M&A and in-licensing activities in addition to our compounds developed in-house, it is becoming increasingly important for Astellas to set priorities on our development compounds in order to effectively manage rising R&D costs. To meet the needs of our patients and other stakeholders, Astellas must also continue developing compounds that may otherwise have been delayed or stopped due to R&D resource constraints while at the same time holding down R&D costs. We believe that collaborations, such as the one with Cardeus, will prove to be an effective way to address these realities and we have high expectations that Cardeus' efforts represent a significant step towards effectively delivering products to the market."

Mr. Kenichi Kimura, President & CEO of MGI said: “In the recent fast-moving social and economic environment, we recognize it is becoming more difficult for a single enterprise to take the risks of drug development. Through our participation in Cardeus, Mitsui Global Investment would like to propose one of the solutions for such risks that ends up to contribute to an open-innovation model in the industry.”

Astellas believes that it is important to deliver as many innovative products as possible while also managing various risks associated with increasingly complicated R&D activities. “Multi-track” R&D process, which implies product development pipelines utilizing both in-house and outside resources, is one of the solutions to the challenge of holding down developmental costs and minimizing risks, while at the same time fortifying Astellas’ product pipeline. Furthermore, Astellas will maintain its efforts to remodel the overall R&D process to ensure timely delivery of products that meet the market needs.

About Cardeus

Cardeus Pharmaceuticals, Inc., located in Menlo Park, CA, USA, is an early stage startup company with seed financing from Mitsui Global Investment, Tokyo, Japan. Cardeus is focused on innovative pharmaceutical solutions using the licensed Astellas compounds in a variety of therapeutic areas. For more information on Cardeus Pharmaceuticals, Inc., please contact info@cardeuspharma.com.

About Astellas

Astellas Pharma Inc., located in Tokyo, Japan, is a pharmaceutical company dedicated to improving the health of people around the world through the provision of innovative and reliable pharmaceuticals. Astellas has approximately 16,000 employees worldwide. The organization is committed to becoming a global category leader in Urology, Immunology including Transplantation and Infectious Diseases, Oncology, Neuroscience, DM Complications and Metabolic Diseases. For more information on Astellas Pharma Inc., please visit the company website at www.astellas.com/en.

About Mitsui & Co. Global Investment, Inc.

Mitsui & Co. Global Investment, Inc. (MGI) is a subsidiary of Mitsui & Co., Ltd., a diversified, global trading company and one of the largest corporate entities in Japan. MGI invests in a broad spectrum of industries, focusing on opportunities that have potential for growth. Headquartered in Tokyo, MGI also has offices in Menlo Park, New York, Shanghai and Beijing. MGI's investments reach beyond these geographical barriers, building a diversified global portfolio. For more information on Mitsui Global Investment, please visit the company's website at www.mitsui-global.com/en.

About Astellas Venture Management LLC.

Astellas Venture Management's mission is to invest in emerging biotech companies that combine unique scientific capabilities with the potential for global market leadership and a management team driven by ambition for success of the company. To learn more about Astellas Venture Management, please visit the company's website at www.astellasventure.com.

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