

September 27, 2013

Astellas Pharma: Production Subsidiary Astellas Pharma Tech Concludes Basic Agreement with Nichi-Iko on Succession of Fuji Plant Business

Astellas Pharma Inc. (“Astellas”; headquarters : Tokyo:4503; President and CEO : Yoshihiko Hatanaka) today announced that a basic agreement has been concluded between Astellas Pharma Tech Co., Ltd. (“Astellas Pharma Tech”; headquarters: Tokyo; President : Takashi Shimizu), Astellas’ production subsidiary in Japan, and Nichi-Iko Pharmaceutical Co., Ltd. (“Nichi-Iko”; headquarters : Toyama; President and CEO: Yuichi Tamura), under which Nichi-Iko will succeed to the business of Fuji Plant (Fuji-shi, Shizuoka), one of production sites of Astellas Pharma Tech on April 1, 2014 by Company Split.

1. Purpose of succession of the Fuji Plant business and future plans

(1) Purpose of the business succession

Astellas Pharma is engaged in on-going efforts to optimize resource allocation and improve operation quality so as to accommodate the rapidly-changing business environment and achieve sustainable growth. In the areas of production and technology as well, the company actively strengthens its corporate function and ties up with partners, and promotes the establishment of a stable production system that would efficiently realize “steady supply of high-quality drugs” in changing environment. As a part of these efforts, Astellas Pharma Tech has reached a basic agreement with Nichi-Iko, under which the pharmaceutical manufacturing business of Fuji Plant is to be succeeded by Nichi-Iko.

Along with the business succession, employees of Astellas Pharma Tech’s Fuji Plant and employees at the Fuji office of Astellas Business Services Co., Ltd., which is contracted with some of Astellas Pharma Tech’s services, are to be transferred to and remain employed by Nichi-Iko group. Astellas Pharma’s products currently manufactured at the Fuji Plant are planned to be continuously produced there as products outsourced to Nichi-Iko for manufacturing. Such synergy effects produced by the Fuji Plant and Nichi-Iko will allow Astellas Pharma to establish a high-quality, more efficient outsourced manufacturing system.

Meanwhile, through the succession of the Fuji Plant business, Nichi-Iko can expect

synergy effects such as “ensuring stable supply through production capacity enhancement” and “merging high-quality management capability and technical strength.”

(2) Schedule of the business succession

September 27, 2013: Conclusion of a basic agreement (Astellas Pharma Tech’s board of directors’ resolution)

December, 2013: Conclusion of definitive agreement (tentative)

April 1, 2014: Business to be succeeded to Nichi-Iko (tentative)

2. Outline of Astellas Pharma Tech and Fuji Plant

■ Astellas Pharma Tech Co., Ltd.

Headquarters: 2-5-1 Nihonbashi-Honcho, Chuo-Ku, Tokyo

Representative: President Takashi Shimizu

Capital: 100 million yen

Operations: contracted-manufacturing of drugs and drug substances for medical use in Japan; contracted-manufacturing of drugs and drug substances for medical use outside Japan; contracted-manufacturing of drugs and drug substances for clinical trials; and contracted-manufacturing of drug substances for development

Employees: approx. 1,670 employees (as of the end of March 2013)

Production sites: Takahagi Technology Center, Toyama Technology Center, Yaizu Technology Center, Takaoka Plant, Nishine Plant, and Fuji Plant

■ Astellas Pharma Tech Co., Ltd., Fuji Plant

Location: 88 Nakakawahara, Fuji-shi, Shizuoka

Site area: 96,506 m²

Building area: 57,789 m²

Employees: approx. 370 employees (as of the end of March 2013)

Forms of pharmaceuticals being produced: tablets, capsules, powders, granulated drugs, and injectable drugs

Production Results: approx. 2 billion tablets and injectable drugs for approx. 5 million injections (as of the end of March 2013)

3. Outline of the succeeding company

■ Nichi-Iko Pharmaceutical Co., Ltd.

Headquarters: 6-21 Sougawa 1-chome, Toyama-shi, Toyama

Representative: President and CEO, Yuichi Tamura

Capital: 13.557 billion yen (as of the end of March 2013)

Sales: 93.926 billion yen (fiscal term ending March 2013)

Operations: Manufacturing, sales, import and export of drugs, quasi-drugs, and various other chemicals

Employees: approx. 880 employees (as of the end of March 2013)

The impact of this basic agreement on Astellas' financial results (fiscal term ending March 2014) will be immaterial.

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