

## **Astellas to Review Strategic Business Alternatives for Prosidion Subsidiary**

Tokyo, – January 10, 2011 – [Astellas Pharma Inc.](#) (TSE: 4503) announced today that it has engaged Citigroup Global Markets Inc. to conduct, in conjunction with executive management, a review of the Company's strategic alternatives with regard to its Prosidion subsidiary. Prosidion was acquired as part of Astellas' acquisition of OSI Pharmaceuticals in June 2010.

Prosidion's assets include two drug candidates in development for diabetes and obesity, as well as a patent estate relating to the use of dipeptidyl peptidase IV (DPP-IV) inhibitors for the treatment of type 2 diabetes. The range of alternatives that will be assessed could include minority investment or strategic alliance, a merger or sale of some or all of Prosidion's assets.

"Following our successful acquisition of OSI Pharmaceuticals last year, we conducted a thorough evaluation of all of OSI's assets. We recently concluded this review and believe that a strategic transaction with some or all of Prosidion's assets may provide the greatest return for Astellas' shareholders," stated Yoshihiko Hatanaka, Chief Financial Officer of Astellas.

The Company is committed to completing its review of potential alternatives as promptly as practicable. However, there can be no assurances that any particular alternative will be pursued or that any transaction will occur, or on what terms. The Company does not plan to release additional information about the status of the review of alternatives until a definitive agreement is entered into or the process is otherwise completed.

### **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 & infectious diseases, neuroscience, DM complications & metabolic diseases and oncology. For more information on Astellas Pharma Inc., please visit our website at <http://www.astellas.com/en>.

### **About Prosidion**

Prosidion Ltd.(a subsidiary of Astellas Pharma Inc.) is a biopharmaceutical company, focused on discovering, developing and commercializing innovative molecular targeted therapies addressing major unmet medical needs in type 2 diabetes and obesity. The

company's biological research is focused on neuroendocrine control of body weight and glycaemia. This combined with special expertise in the area of designed multiple ligands is geared to deliver novel, innovative first- or best-in-class therapies for type 2 diabetes and obesity. Prosidion is located in Oxford, in the UK close to a seat of international academic excellence. The company has state of the art facilities and fully integrated capabilities in research and development.

### **Statement of Cautionary Factors**

This document contains certain forward-looking statements. These forward-looking statements may be identified by words such as 'believes', 'expects', 'anticipates', 'projects', 'intends', 'should', 'seeks', 'estimates', 'future' or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this document, among others: (1) pricing and product initiatives of competitors; (2) legislative and regulatory developments and economic conditions; (3) delay or inability in obtaining regulatory approvals or bringing products to market; (4) fluctuations in currency exchange rates and general financial market conditions; (5) uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of clinical trials or research projects, unexpected side-effects of pipeline or marketed products; (6) increased government pricing pressures; (7) interruptions in production; (8) loss of or inability to obtain adequate protection for intellectual property rights; (9) litigation; (10) loss of key executives or other employees; and (11) adverse publicity and news coverage. The statement regarding earnings growth is not a profit forecast and should not be interpreted to mean that Astellas' earnings or earnings per share for any current or future period will necessarily match or exceed the historical published earnings or earnings per share of Astellas.

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