

Data Book

Year Ended March 31, 2019

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Santen Group has adopted International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2015, for the purpose of enhancing the international comparability of its financial information.

The company implemented a 5-for-1 stock split on April 1, 2015. Figures in the column 2015.3 are adjusted assuming the new, post-split number of shares for comparison purposes.

Forecasts in this report are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions, delays in new products launch, currency exchange rate, legislative and regulatory developments.

Financial highlights

■ Consolidated financial summary

(Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
Revenue	161,831	195,291	199,096	224,942	234,026	4.0	248,000
Operating profit	35,374	80,180	32,479	38,691	45,098	16.6	34,500
Net profit for the year	24,032	53,373	21,724	35,261	31,943	(9.4)	23,200
Dividends per share (yen)	22	25	26	26	26	-	26
Dividend payout ratio (%)	37.8	19.4	49.1	30.0	33.0	3.0pt	44.1

Notes: The company implemented a 5-for-1 stock split on April 1, 2015. Dividends per share have been retrospectively adjusted to reflect the impact of the share split.

Core operating profit	39,088	43,067	39,687	45,378	48,230	6.3	51,000
Core net profit for the year	25,948	29,163	29,125	33,458	36,092	7.9	37,700

■ Consolidated statement of financial position summary

(Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change
Total assets	304,200	355,399	358,906	388,463	391,186	0.7
Total equity	211,779	260,009	255,929	287,557	292,572	1.7
Interest-bearing debt	37,161	22,484	16,963	7,618	4,111	(46.0)

■ Consolidated financial indexes

Year ended March 31	2015	2016	2017	2018	2019	% Change
EPS (yen)	58.18	128.99	52.96	86.73	78.67	(9.3)
BPS (yen)	511.14	627.78	628.09	702.54	728.97	3.8
Debt equity ratio (times)	0.2	0.1	0.1	0.0	0.0	(0.0)pt
PER (times)	30.1	13.1	30.4	19.8	21.0	1.2pt
PBR (times)	3.4	2.7	2.6	2.4	2.3	(0.2)pt
ROE (%)	12.0	22.6	8.4	13.0	11.1	(1.9)pt
ROA (%)	8.9	16.2	6.1	9.4	8.2	(1.2)pt
Equity ratio(%)	69.6	73.2	71.1	73.6	74.4	0.8pt
Free cash flows (millions of yen) #1	(41,054)	13,433	1,342	32,906	24,562	(25.4)
EBITDA (millions of yen) #2	22,660	38,596	42,832	49,718	53,578	7.8

#1 Free cash flows = (Net cash flows from operating activities)-(Capital expenditures/Payments for acquisition of property, plant and equipment, and intangible assets)

#2 EBITDA = (Operating profit) - (Other income) + (Other expenses) + (Interest expense) + (Depreciation and amortization)

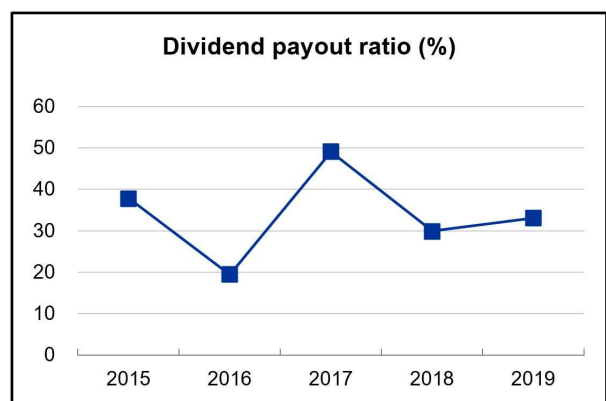
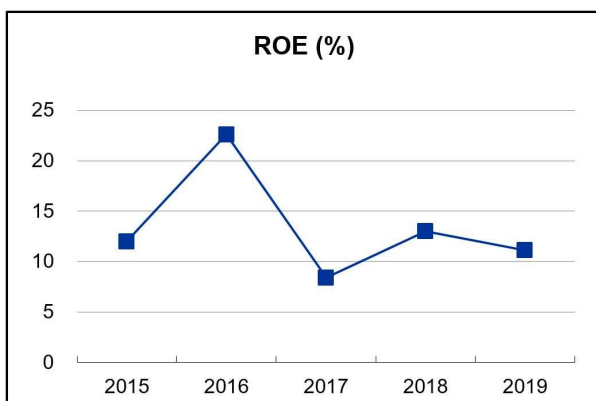
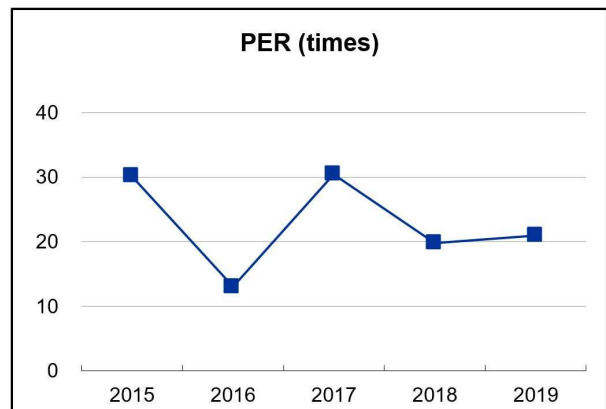
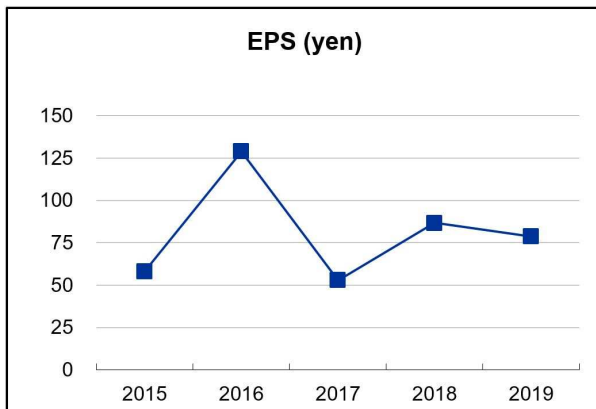
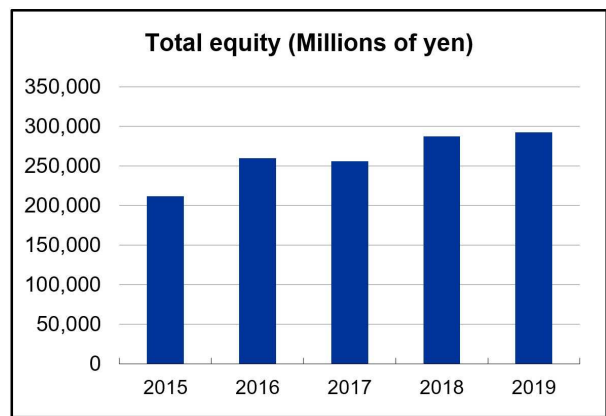
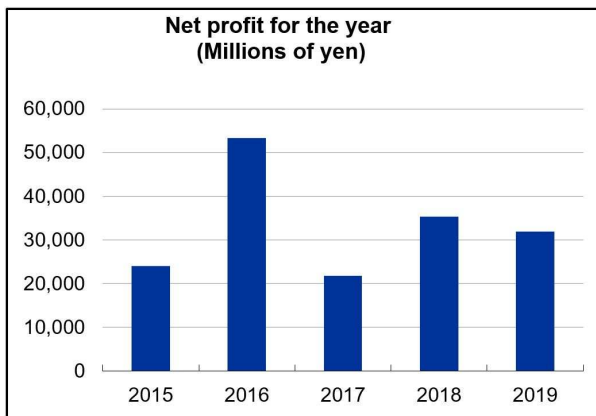
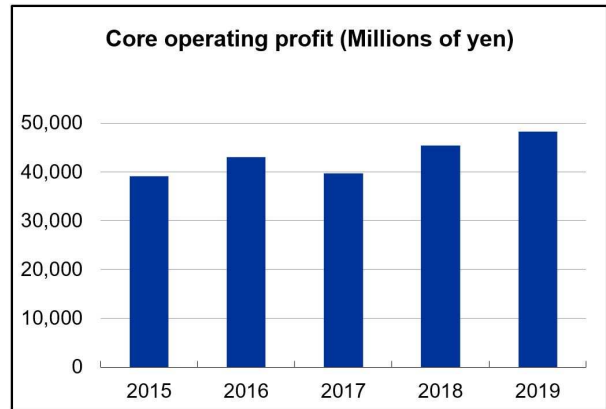
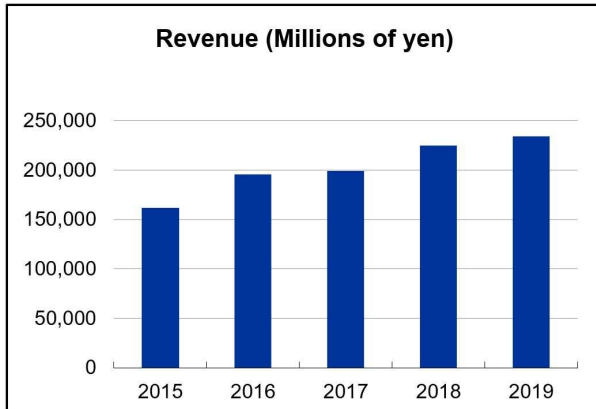
■ Exchange rates

(Yen)

Year ended March 31	2015	2016	2017	2018	2019	2020 Forecast
Exchange rate: US dollar	110.14	120.45	108.64	110.94	110.82	110.00
: Euro	139.01	132.46	118.96	129.92	128.38	130.00
: CNY	17.84	19.05	16.14	16.84	16.52	16.00

Financial highlights

■ Consolidated Financial summary (Graph)



Consolidated statements of income and comprehensive income

■IFRS

(Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change 2019/2018
Revenue	161,831	195,291	199,096	224,942	234,026	4.0
Cost of sales (Percent of revenue)	(56,373) 34.8%	(72,829) 37.3%	(74,966) 37.7%	(86,378) 38.4%	(90,764) 38.8%	5.1 —
Gross profit (Percent of revenue)	105,458 65.2%	122,463 62.7%	124,130 62.3%	138,564 61.6%	143,262 61.2%	3.4 —
Selling, general and administrative expenses (Percent of revenue)	(48,893) 30.2%	(59,406) 30.4%	(62,193) 31.2%	(68,788) 30.6%	(71,273) 30.5%	3.6 —
Research and development expenses (Percent of revenue)	(17,477) 10.8%	(19,990) 10.2%	(22,786) 11.4%	(24,398) 10.8%	(23,759) 10.2%	(2.6) —
Amortization on intangible assets associated with products (Percent of revenue)	(3,979) 2.5%	(6,205) 3.2%	(6,412) 3.2%	(6,740) 3.0%	(6,988) 3.0%	3.7 —
Other income	723	44,999	468	417	4,028	865.3
Other expenses	(458)	(1,681)	(728)	(364)	(172)	(52.7)
Operating profit (Percent of revenue)	35,374 21.9%	80,180 41.1%	32,479 16.3%	38,691 17.2%	45,098 19.3%	16.6 —
Finance income	768	782	1,105	1,004	901	(10.3)
Finance expenses	(279)	(1,492)	(3,529)	(434)	(2,881)	563.5
Profit before tax (Percent of revenue)	35,863 22.2%	79,470 40.7%	30,055 15.1%	39,261 17.5%	43,117 18.4%	9.8 —
Income tax expenses	(11,831)	(26,097)	(8,331)	(4,000)	(11,174)	179.4
Net profit for the year (Percent of revenue)	24,032 14.9%	53,373 27.3%	21,724 10.9%	35,261 15.7%	31,943 13.6%	(9.4) —
Profit attributable to Owners of the company	24,032	53,373	21,731	35,247	31,954	(9.3)
Non-controlling interests	-	-	(7)	14	(11)	(180.3)
Net profit for the year	24,032	53,373	21,724	35,261	31,943	(9.4)
ROE (%)	12.0	22.6	8.4	13.0	11.1	—

■Core basis

(Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change 2019/2018
Revenue	161,831	195,291	199,096	224,942	234,026	4.0
Cost of sales (Percent of revenue)	(56,373) 34.8%	(72,879) 37.3%	(74,966) 37.7%	(86,378) 38.4%	(90,764) 38.8%	5.1 —
Gross profit (Percent of revenue)	105,458 65.2%	122,463 62.7%	124,130 62.3%	138,564 61.6%	143,262 61.2%	3.4 —
Selling, general and administrative expenses (Percent of revenue)	(48,893) 30.2%	(59,406) 30.4%	(61,657) 31.0%	(68,788) 30.6%	(71,273) 30.5%	3.6 —
Research and development expenses (Percent of revenue)	(17,477) 10.8%	(19,990) 10.2%	(22,786) 11.4%	(24,398) 10.8%	(23,759) 10.2%	(2.6) —
Operating profit (Percent of revenue)	39,088 24.2%	43,067 22.1%	39,687 19.9%	45,378 20.2%	48,230 20.6%	6.3 —
Profit before tax (Percent of revenue)	39,088 24.2%	43,067 22.1%	39,687 19.9%	45,378 20.2%	48,230 20.6%	6.3 —
Income tax expenses	(13,140)	(13,904)	(10,562)	(11,920)	(12,138)	1.8
Net profit for the year (Percent of revenue)	25,948 16.0%	29,163 14.9%	29,125 14.6%	33,458 14.9%	36,092 15.4%	7.9 —
ROE (%)	13.0	12.4	11.3	12.4	12.5	—

Revenue details

■Revenue by business segment (Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
Prescription pharmaceuticals	152,556	181,550	183,469	206,967	216,030	4.4	225,438
Ophthalmics	136,059	172,545	181,859	205,868	215,302	4.6	224,802
Anti-rheumatics	9,629	3,495	—	—	—	—	—
Other pharmaceuticals	6,868	5,510	1,610	1,099	728	(33.8)	636
OTC pharmaceuticals	6,706	11,004	12,553	14,594	14,223	(2.5)	15,128
Medical devices	2,313	2,394	2,536	2,583	2,709	4.9	5,408
Others	256	343	537	798	1,065	33.5	2,027
Total	161,831	195,291	199,096	224,942	234,026	4.0	248,000

[Japan] (Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
Prescription pharmaceuticals	115,672	128,278	130,018	141,067	142,950	1.3	144,542
Ophthalmics	105,345	124,165	129,594	140,415	142,582	1.5	144,113
Anti-rheumatics	9,568	3,495	—	—	—	—	—
Other pharmaceuticals	759	617	424	653	368	(43.6)	429
OTC pharmaceuticals	6,638	10,918	12,421	14,301	13,930	(2.6)	14,707
Medical devices	2,269	2,323	2,514	2,527	2,600	2.9	4,953
Others	256	330	404	758	977	28.9	1,896
Total	124,835	141,849	145,358	158,653	160,456	1.1	166,098
(Japan sales/total sales)	77.1%	72.6%	73.0%	70.5%	68.6%	—	67.0%

[Overseas] (Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
Prescription pharmaceuticals	36,884	53,271	53,451	65,900	73,080	10.9	80,896
Ophthalmics	30,714	48,379	52,265	65,453	72,720	11.1	80,689
Anti-rheumatics	61	—	—	—	—	—	—
Other pharmaceuticals	6,109	4,892	1,186	447	360	(19.4)	207
OTC pharmaceuticals	67	87	132	293	293	(0.1)	421
Medical devices	44	71	22	56	109	95.7	455
Others	—	13	132	40	88	121.0	131
Total	36,995	53,442	53,738	66,289	73,570	11.0	81,902
(Overseas sales/total sales)	22.9%	27.4%	27.0%	29.5%	31.4%	—	33.0%

■Revenue by region (Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
North America	6,169	5,265	1,433	371	533	43.7	740
EMEA ^{#1}	14,377	25,674	28,657	35,015	36,156	3.3	38,824
Asia	16,450	22,504	23,647	30,903	36,881	19.3	42,339
China	10,698	13,530	13,471	17,809	21,365	20.0	24,980
Total	36,995	53,442	53,738	66,289	73,570	11.0	81,902

■Overseas profit contribution (Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019	% Change	2020 Forecast
North America	(2,033)	(2,197)	(3,424)	(4,627)	(4,120)	—	(4,395)
EMEA ^{#1}	(734)	4,781	3,514	5,980	7,603	27.2	8,545
Asia	3,181	5,088	4,912	7,334	11,517	57.0	14,364
Total	414	7,672	5,001	8,686	15,000	72.7	18,514

^{#1} Europe, the Middle East and Africa

Revenue details

■ Revenue of major pharmaceuticals

(Millions of yen)

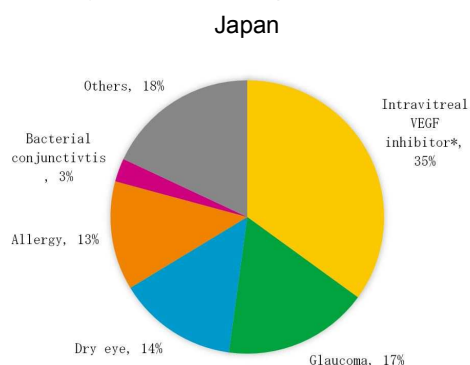
Brand name Generic name/formulation	Therapeutic category	Region	2015	2016	2017	2018	2019	% Change 2019/2018	2020 Forecast
Cravit levofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	13,399	14,250	12,884	14,944	15,028	0.6	15,733
		Japan	6,498	5,918	4,660	4,105	3,175	(22.7)	2,528
		Asia	5,423	7,001	6,980	9,225	10,385	12.6	11,797
		EMEA	1,478	1,331	1,245	1,614	1,468	(9.0)	1,407
Tarivid ofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	1,910	1,761	1,541	1,581	1,445	(8.6)	1,472
		Japan	762	673	559	508	482	(5.2)	364
		Asia	1,147	1,088	982	1,073	963	(10.2)	1,108
		EMEA	381	1,534	2,798	3,892	4,788	23.0	5,708
Tapcom tafluprost-timolol maleate/ combination ophthalmic solution	Glaucoma	Total	342	1,381	2,256	2,479	2,549	2.8	2,724
		Japan	-	-	38	158	308	94.9	400
		Asia	39	153	504	1,255	1,930	53.9	2,583
		EMEA	12,330	15,633	16,406	17,844	18,014	1.0	18,645
Tapros tafluprost/ophthalmic solution	Glaucoma	Total	8,329	9,168	9,592	9,610	9,554	(0.6)	9,135
		Japan	817	1,097	1,227	1,807	2,085	15.4	2,361
		Asia	3,185	5,368	5,587	6,427	6,375	(0.8)	7,149
		EMEA	897	6,876	8,128	9,600	9,392	(2.2)	8,988
Cosopt dorzolamide hydrochloride-timolol maleate/combination ophthalmic solution	Glaucoma	Total	12,478	20,583	22,164	24,200	21,985	(9.2)	20,341
		Japan	10,689	11,214	11,366	11,403	8,919	(21.8)	7,608
		Asia	892	2,493	2,669	3,197	3,675	14.9	3,745
		EMEA	897	6,876	8,128	9,600	9,392	(2.2)	8,988
Timoptol timolol maleate/ ophthalmic solution	Glaucoma	Total	1,267	1,930	1,509	1,451	991	(31.7)	1,350
		Japan	1,216	1,182	967	787	494	(37.1)	454
		Asia	29	140	119	116	113	(2.8)	122
		EMEA	22	608	422	548	384	(30.0)	773
Timoptol XE timolol maleate/ long-acting ophthalmic solution	Glaucoma	Total	1,984	2,463	2,382	2,221	1,883	(15.2)	1,406
		Japan	1,918	1,886	1,614	1,407	1,151	(18.2)	1,107
		Asia	27	87	88	105	108	2.6	109
		EMEA	39	489	679	709	624	(12.0)	190
Trusopt dorzolamide hydrochloride/ ophthalmic solution	Glaucoma	Total	1,853	4,561	4,343	4,677	4,586	(1.9)	4,530
		Japan	1,545	2,125	1,731	1,641	1,474	(10.2)	1,359
		Asia	55	446	271	327	415	26.9	526
		EMEA	252	1,990	2,342	2,709	2,697	(0.4)	2,645
Rescula* isopropyl unoprostone/ ophthalmic solution	Glaucoma	Total	1,935	1,845	1,633	1,467	1,402	(4.4)	-
		Japan	1,935	1,845	1,633	1,467	1,402	(4.4)	-
Eybelis omidenedepag isopropyl/ ophthalmic solution	Glaucoma	Total	-	-	-	-	431	-	2,366
		Japan	-	-	-	-	431	-	2,366
Alesion epinastine hydrochloride/ ophthalmic solution	Allergy	Total	6,698	9,483	12,235	16,851	19,445	15.4	21,865
		Japan	6,698	9,483	12,235	16,851	19,445	15.4	21,865
Flumetholon fluorometholone/ ophthalmic solution	Inflammation	Total	3,811	3,775	3,347	3,497	3,302	(5.6)	3,293
		Japan	2,844	2,655	2,224	2,113	1,640	(22.4)	1,432
		Asia	967	1,120	1,123	1,385	1,662	20.0	1,861
		EMEA	3,909	4,187	4,124	4,413	4,076	(7.6)	4,122
Kary Uni pirenoxine/ ophthalmic solution	Senile cataract	Total	2,908	2,900	2,833	2,741	2,604	(5.0)	2,597
		Japan	1,001	1,287	1,291	1,672	1,472	(11.9)	1,525
Ofan Catachrom cytochrome C, adenosine, nicotinamide/ ophthalmic solution	Senile cataract	Total	1,850	1,870	2,224	2,695	2,397	(11.1)	2,445
		EMEA	1,850	1,870	2,224	2,695	2,397	(11.1)	2,445
Opegan Hi sodium hyaluronate/ adjuvant for ophthalmic operations	Adjuvant for ophthalmic operations	Total	2,574	2,568	2,285	2,304	2,154	(6.5)	2,011
		Japan	2,574	2,568	2,285	2,304	2,154	(6.5)	2,011
Eylea aflibercept/ soulution for intravitreal injection	Intravitreal VEGF inhibitor	Total	24,886	39,988	45,155	51,517	56,157	9.0	58,363
		Japan	24,886	39,988	45,155	51,517	56,157	9.0	58,363
Hyalein sodium hyaluronate/ophthalmic solution	Dry eye	Total	19,611	19,864	17,595	18,170	18,902	4.0	19,207
		Japan	15,316	14,491	11,852	10,772	8,763	(18.7)	7,152
		Asia	4,295	5,372	5,743	7,397	10,139	37.1	12,055
Diquas diquafosol sodium/ophthalmic solution	Dry eye	Total	7,895	9,631	11,940	14,286	15,367	7.6	16,866
		Japan	7,419	8,880	11,016	12,822	13,932	8.7	15,082
		Asia	476	751	924	1,463	1,434	(2.0)	1,784
Ikervis cyclosporin/ophthalmic solution	Dry eye	Total	-	751	1,303	2,049	3,391	65.5	4,091
		Asia	-	-	2	68	459	570.3	917
		EMEA	-	751	1,301	1,981	2,932	48	3,174
Cationorm	Dry eye	Total	819	1,453	1,835	2,092	2,512	20.1	3,486
		Asia	5	69	116	199	168	(15.8)	322
		EMEA	671	1,141	1,439	1,670	1,989	19.1	2,634
		North America	143	242	280	223	355	59.1	530
Lentis comfort	Intraocular Lens for Cataract Treatment	Total	-	-	-	-	129	-	2,910
		Japan	-	-	-	-	129	-	2,910
OTC pharmaceuticals		Total	6,705	11,004	12,553	14,594	14,223	(2.5)	15,128
		Japan	6,638	10,918	12,421	14,301	13,930	(2.6)	14,707
		Asia	67	87	132	293	293	(0.1)	421

* Exclusive sales contract with Sucampo Pharma, LLC for Rescula in Japan was ended as of March 31, 2019

Year ended March 31	2015	2016	2017	2018	2019	2020 Forecast
Exchange rates : US dollar	110.14	120.45	108.64	110.94	110.82	110.00
: Euro	139.01	132.46	118.96	129.92	128.38	130.00
: CNY	17.84	19.05	16.14	16.84	16.52	16.00

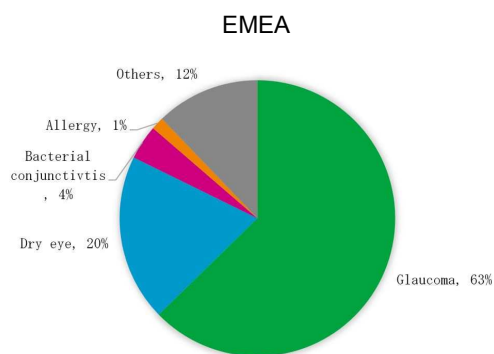
Revenue details

Revenue by business segment (Graph)



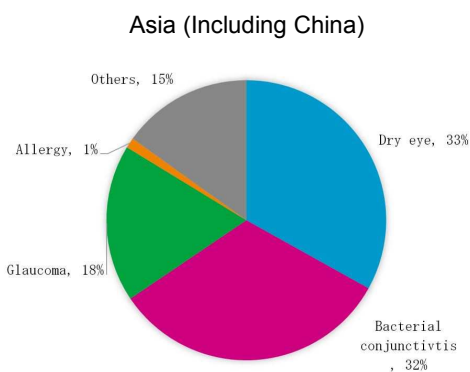
(Billions of yen)

Eylea*	Intravitreal VEGF inhibitor	56.2
Alesion	Allergy	19.4
Diquas	Dry eye	13.9
Others	-	70.9
Total	-	160.5



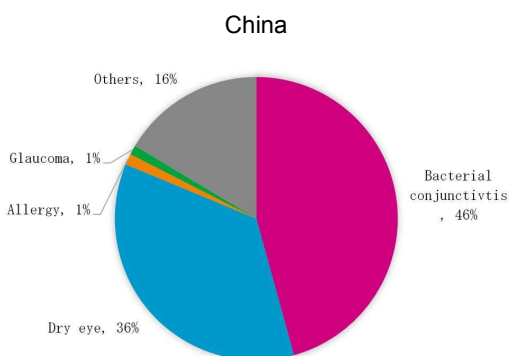
(Billions of yen)

Cosopt	Glaucoma	9.4
Tapros	Glaucoma	6.4
Ikervis	Dry eye	2.9
Others	-	17.5
Total	-	36.2



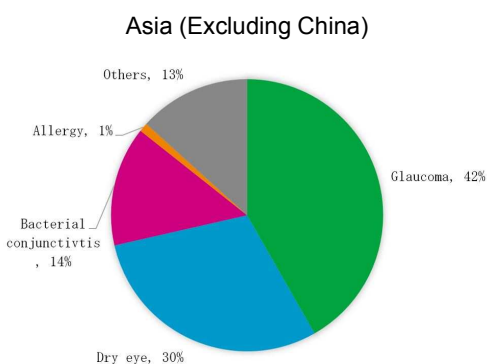
(Billions of yen)

Cravit	Bacterial conjunctivitis	10.4
Hyalein	Dry eye	10.1
Cosopt	Glaucoma	3.7
Others	-	12.7
Total	-	36.9



(Billions of yen)

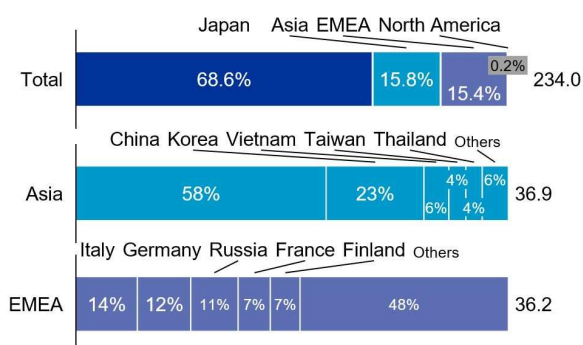
Cravit	Bacterial conjunctivitis	8.9
Hyalein	Dry eye	7.6
Flumetholon	Others	1.2
Others	-	3.7
Total	-	21.4



(Billions of yen)

Cosopt	Glaucoma	3.7
Hyalein	Dry eye	2.6
Tapros	Glaucoma	1.9
Others	-	7.4
Total	-	15.5

Revenue by business segment (Billions of yen)



*Intravitreal VEGF inhibitor indicates Eylea, which is the Co-promoted product of Bayer Yakuhin, Ltd. (MAH)

Consolidated statement of financial position

(Millions of yen)

Year ended March 31	2015		2016		2017		2018		2019	
	%		%		%		%		%	
■Assets										
Non-current assets										
Property, plant and equipment	29,104	9.6	27,991	7.9	28,550	8.0	29,706	7.6	31,699	8.1
Intangible assets	84,433	27.8	83,681	23.5	138,935	38.7	134,495	34.6	131,110	33.5
Financial assets	34,725	11.4	44,535	12.5	29,889	8.3	35,775	9.2	30,044	7.7
Deferred tax assets	2,978	1.0	2,345	0.7	2,396	0.7	2,264	0.6	1,771	0.5
Other non-current assets	2,288	0.8	2,109	0.6	2,124	0.6	2,855	0.7	1,819	0.5
Total non-current assets	153,528	50.5	160,660	45.2	201,894	56.3	205,095	52.8	196,444	50.2
Current assets										
Inventories	20,133	6.6	24,996	7.0	28,502	7.9	30,636	7.9	35,235	9.0
Trade and other receivables	61,701	20.3	65,998	18.6	70,970	19.8	78,654	20.2	84,618	21.6
Other financial assets	187	0.1	234	0.1	333	0.1	472	0.1	267	0.1
Other current assets	2,728	0.9	3,714	1.0	3,909	1.1	4,322	1.1	3,826	1.0
Cash and cash equivalents	65,923	21.7	99,798	28.1	53,297	14.8	69,283	17.8	70,796	18.1
Total current assets	150,672	49.5	194,739	54.8	157,011	43.7	183,367	47.2	194,742	49.8
Total assets	304,200	100.0	355,399	100.0	358,906	100.0	388,463	100.0	391,186	100.0
■Equity and liabilities										
Equity										
Share capital	7,383	2.4	7,695	2.2	7,792	2.2	8,032	2.1	8,252	2.1
Capital surplus	8,077	2.7	8,389	2.4	8,417	2.3	8,657	2.2	8,661	2.2
Treasury shares	(18)	(0.0)	(24)	(0.0)	(10)	(0.0)	(11)	(0.0)	(1,131)	(0.3)
Retained earnings	178,840	58.8	221,945	62.4	223,283	62.2	249,225	64.2	258,659	66.1
Other components of equity	17,497	5.8	22,003	6.2	15,628	4.4	19,921	5.1	16,461	4.2
Total equity attributable to owners of the company	211,779	69.6	260,009	73.2	255,110	71.1	285,823	73.6	290,900	74.4
Non-controlling interests	—	—	—	—	819	0.2	1,734	0.4	1,672	0.4
Total equity	211,779	69.6	260,009	73.2	255,929	71.3	287,557	74.0	292,572	74.8
Liabilities										
Non-current liabilities										
Financial liabilities	25,351	8.3	12,944	3.6	26,288	7.3	21,244	5.5	23,520	6.0
Net defined benefit liabilities	5,459	1.8	2,556	0.7	1,900	0.5	1,804	0.5	1,992	0.5
Provisions	1,444	0.5	1,629	0.5	1,426	0.4	1,367	0.4	1,255	0.3
Deferred tax liabilities	2,874	0.9	3,988	1.1	17,963	5.0	12,909	3.3	9,389	2.4
Other non-current liabilities	953	0.3	1,043	0.3	1,919	0.5	1,380	0.4	1,795	0.5
Total non-current liabilities	36,081	11.9	22,161	6.2	49,496	13.8	38,704	10.0	37,951	9.7
Current liabilities										
Trade and other payables	20,250	6.7	24,504	6.9	23,937	6.7	29,743	7.7	32,079	8.2
Other financial liabilities	19,298	6.3	19,881	5.6	17,649	4.9	14,404	3.7	12,116	3.1
Income tax payable	6,729	2.2	20,431	5.7	3,279	0.9	7,656	2.0	7,185	1.8
Provisions	1,197	0.4	1,276	0.4	1,372	0.4	1,508	0.4	717	0.2
Other current liabilities	8,866	2.9	7,138	2.0	7,244	2.0	8,890	2.3	8,566	2.2
Total current liabilities	56,340	18.5	73,230	20.6	53,481	14.9	62,201	16.0	60,663	15.5
Total liabilities	92,421	30.4	95,391	26.8	102,977	28.7	100,905	26.0	98,614	25.2
Total equity and liabilities	304,200	100.0	355,399	100.0	358,906	100.0	388,463	100.0	391,186	100.0

Consolidated statements of cash flows

(Millions of yen)

Year ended March 31	2015	2016	2017	2018	2019
I. Cash flows from operating activities:					
Net profit for the year	24,032	53,373	21,724	35,261	31,943
Depreciation and amortization	6,958	9,338	9,882	10,896	10,969
Impairment losses	290	395	475	150	—
Gain on disposal of non-current assets	—	—	—	—	(3,592)
Finance expenses (income)	(529)	(545)	983	(327)	(700)
Income tax expenses	11,831	26,097	8,331	4,000	11,174
Gain on disposal of disposal groups	—	(44,477)	—	—	—
Decrease (increase) in trade and other receivables	(7,701)	(4,799)	(5,489)	(7,116)	(6,303)
Decrease (increase) in inventories	(521)	(5,388)	(4,120)	(1,435)	(5,000)
Increase (decrease) in trade and other payables	1,251	4,376	(425)	5,697	2,445
Increase (decrease) in provisions and net defined benefit liabilities	761	(3,974)	(200)	285	(518)
Increase (decrease) in accounts payable-other	—	—	—	961	1,181
Increase (decrease) in long-term accounts payable-other	—	—	—	17	1,885
Other	2,554	653	2,877	728	2,116
Subtotal	38,926	35,049	34,039	49,117	45,601
Interest received	81	67	74	145	187
Dividends received	548	573	681	598	521
Interest paid	(82)	(98)	(52)	(27)	(8)
Income tax paid	(14,087)	(13,067)	(23,900)	(6,990)	(13,408)
Net cash flows from (used in) operating activities	25,386	22,525	10,843	42,843	32,894
II. Cash flows from investing activities:					
Payments into time deposits	(84)	(21)	—	—	—
Proceeds from withdrawal of time deposits	184	21	19	—	—
Payments for acquisition of investments	(114)	(2,210)	(478)	(565)	(931)
Proceeds from sale of investments	4,149	2,682	1,364	2,879	2,156
Increase (decrease) through acquisition of subsidiary	—	—	(19,064)	—	—
Payments for acquisition of property, plant and equipment	(2,972)	(4,299)	(4,145)	(3,984)	(5,470)
Proceeds from sales of property, plant and equipment	656	696	4	—	4,338
Payments for acquisition of intangible assets	(63,468)	(4,793)	(5,355)	(5,953)	(2,863)
Proceeds on disposal of disposal groups	—	45,000	—	—	—
Other	(60)	(25)	(545)	(636)	(166)
Net cash flows from (used in) investing activities	(61,709)	37,052	(28,201)	(8,259)	(2,935)
III. Cash flows from financing activities:					
Proceeds from short-term loans payable	35,000	—	—	—	—
Repayments of short-term loans payable	(35,000)	—	—	—	—
Proceeds from long-term loans payable	40,000	500	3,000	—	567
Repayments of long-term loans payable	(2,970)	(15,133)	(9,524)	(8,316)	(4,098)
Acquisition of treasury shares	—	—	(12,380)	(1)	(14,124)
Proceeds from contributions of non-controlling interests	—	—	832	838	—
Dividends paid	(8,264)	(9,923)	(10,751)	(10,559)	(10,580)
Other	194	489	167	408	128
Net cash flows from (used in) financing activities	28,960	(24,066)	(28,657)	(17,631)	(28,107)
IV. Net increase (decrease) in cash and cash equivalents	(7,363)	35,510	(46,015)	16,953	1,852
V. Cash and cash equivalents at the beginning of year	72,397	65,923	99,798	52,282	69,283
VI. Effect of exchange rate changes on cash and cash equivalents	889	(1,636)	(1,501)	48	(338)
VII. Cash and cash equivalents at the end of period	65,923	99,798	52,282	69,283	70,796

Other consolidated information

■R&D expenses

(Millions of yen)

Year ended March 31	IFRS					
	2015	2016	2017	2018	2019	2020 Forecast
Consolidated	17,477	19,990	22,786	24,398	23,759	28,000
Percent of revenue	10.8%	10.2%	11.4%	10.8%	10.2%	11.3%

■Capital expenditures

(Millions of yen)

Year ended March 31	IFRS					
	2015	2016	2017	2018	2019	2020 Forecast
Consolidated	5,383	4,474	5,216	5,445	7,220	10,000

■Depreciation and amortization

(Millions of yen)

Year ended March 31	IFRS					
	2015	2016	2017	2018	2019	2020 Forecast
Manufacturing cost	1,446	1,445	1,515	1,950	1,872	2,140
Selling, general and administrative expenses	864	1,035	1,246	1,453	1,478	1,860
R&D expenses	668	653	709	752	631	760
Consolidated total	2,979	3,133	3,470	4,155	3,981	4,760

Note: Excluding amortization of intangible assets and long-term advance expense

■Amortization on intangible assets associated with products

(Millions of yen)

Year ended March 31	IFRS					
	2015	2016	2017	2018	2019	2020 Forecast
Amortization on Intangible assets (Merck products)	3,734	5,186	5,357	5,592	5,808	5,810
Amortization on Intangible assets (DE-128*)	—	—	—	—	—	2,830
Amortization on Intangible assets (Ikervis)	—	625	674	736	727	740
Other	245	394	381	412	453	520
Consolidated total	3,979	6,205	6,412	6,740	6,988	9,900

*DE-128 (PRESERFLO MicroShunt)

■Additional detail of statement of financial position

(Millions of yen)

Year ended March 31	IFRS				
	2015	2016	2017	2018	2019
In-process research and development	16,145	11,363	54,818	54,311	55,863
Investment securities	33,634	43,413	28,615	34,713	28,786
Inventories	20,133	24,996	28,502	30,636	35,235
Notes and accounts receivable	59,611	63,954	68,829	76,318	82,173
Notes and accounts payable#1	14,330	17,225	17,883	22,471	23,101

#1 Including electronically recorded monetary liabilities

■Number of employees

Year ended March 31	2015	2016	2017	2018	2019
Japan	1,923	1,915	1,975	2,015	2,001
North America	162	175	213	232	229
EMEA#2	588	660	669	651	738
Asia	557	713	810	907	1,105
Consolidated	3,230	3,463	3,667	3,805	4,073

#2 Europe, the Middle East and Africa

Research & development

As of May 9, 2019

■ Pipelines (clinical stage)

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
diquafosol sodium	DE-089	Dry eye	Merck Sharp & Dohme Corp. (U.S.)	China						Sep-18
A dry eye treatment which stimulates secretion of mucin and aqueous components from the corneal and conjunctival epithelium. Its mechanism of action is different from existing treatments. Launched in December 2010 in Japan. Launched in October 2013 in Korea. Launched in February 2016 in Vietnam. Launched in April 2016 in Thailand. Currently seeking sequential approvals for marketing in Asia. Launched in September 2018 in China.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
sirolimus	DE-109	Uveitis	Original	U.S.						
				Japan						
				Europe						
				Asia				Apr-15		
An intravitreal injection with immunosuppressive effect, anti-angiogenic effect, etc. Started an additional Phase 3 in December 2018 and planning to complete in January ~ June 2021 in the U.S. NDA filed in April 2015 in Asia.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
tafluprost/ timolol maleate	DE-111	Glaucoma/ Ocular hypertension	Co-development with AGC	China						
A fixed dose combination drug of a prostaglandin F2α derivative and a beta-adrenergic receptor blocker. Launched in Japan in November 2014. Launched successively in European countries since January 2015. Launched successively in Asian countries since April 2016. Started Phase 3 in January 2019 and planning to complete in the 1st half of FY2020 in China.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
epinastine hydrochloride	DE-114A	Allergic conjunctivitis	Nippon Boehringer Ingelheim	Japan					Sep-18	
An H ₁ receptor antagonist with membrane-stabilizing function, as treatment for allergic conjunctivitis. High dose drug. Filed for manufacturing and marketing approval in September 2018 and planning to receive approval in July ~ December 2019 in Japan.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
omidenepeg isopropyl	DE-117	Glaucoma/ Ocular hypertension	Co-development with Ube Industries	U.S.						
				Japan					Nov-18	
				Asia				Apr-19		
An EP2 receptor agonist with a new mechanism of action. Started Phase 3 in September 2018 and planning to complete in January ~ June 2020 in the U.S. Launched in November 2018 in Japan. Filed for marketing approval in Korea in April 2019 with successive filings in Asian countries and planning to receive approvals starting from the 1st half of FY2020.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
carotuximab	DE-122	Wet Age-related macular degeneration	TRACON Pharmaceuticals	U.S.		(Phase 2a)				
An intravitreal injection of anti-endothelin antibody. Started Phase 2a in July 2017 and planning to complete in the 2nd half of FY2019 for development in the U.S.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
sepetaprost	DE-126	Glaucoma/ Ocular hypertension	ONO PHARMACEUTICAL	U.S.		(Phase 2b)				
				Japan		(Phase 2b)				
A prostaglandin analogue eye drop drug product with a novel mode of action that is both FP and EP3 receptors dual agonist for the treatment of glaucoma and ocular hypertension. Started Phase 2b in July 2017 in the U.S. and Japan.										
Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
atropine sulfate	DE-127	Myopia	Singapore Health Services, Nanyang Technological University	Japan						
				Asia						
Muscarinic antagonist which reduces juvenile myopia progression. Planning to start Phase 2/3 in the 1st half of FY2019 in Japan. Started Phase 2 in November 2017 and planning to complete in the 2nd half of FY2019 in Asia.										
	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
glaucoma implant device	DE-128	Glaucoma	Original	U.S.		(Phase 2/3)				
				Europe						
A drainage implant device designed to lower and sustain intraocular pressure (IOP) for the treatment of primary open-angle glaucoma through the drainage of aqueous humor. Conducting Phase 2/3 in the U.S. and Europe in advance of application to FDA. Planning to complete PMA rolling submission in 2019 and launch in 2020 in U.S. Received CE Mark in Europe.										

Generic name	Dev. name	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
ciclosporin	DE-076C (Vekacia)	Vernal Keratoconjunctivitis	Original	Europe	Oct-18					
				Asia	Nov-18					
				Ohters	Dec-18					

An ophthalmic emulsion which improves vernal keratoconjunctivitis by immunosuppressive effect. Cationic emulsion technology has enhanced ocular tissue penetration. Received the Marketing Authorization Application approval from the European Commission Agency in July 2018 and launched in October 2018 in U.K. Filed for marketing approval in November 2018 and planning to receive approval in July ~ December 2019 in Asia. Received marketing approval in December 2018 and planning to launch in 2019 in Canada.

Generic name	Dev. name	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
latanoprost	DE-130A (Catioprost)	Glaucoma/ Ocular hypertension	Original	Europe						
				Asia						

An ophthalmic emulsion of a prostaglandin F2 α derivative, for the treatment of glaucoma and ocular hypertension. Started Phase 3 in April 2019 and planning to complete in 2021 in Europe and Asia.

—	Dev. name	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
intraocular lens	MD-16	Cataract	Oculentis	Japan						

A toric intraocular lens which be implanted into an aphakia after cataract surgery. Completed Phase 3 in April 2019 and planning to file in the 1st half of FY2019 in Japan.

■Changes from Q3 FY18 (February 5, 2019)

Dev. Code / name	Changes
DE-117	Filed for marketing approval in Korea in April 2019 with successive filing in Asian countries.
DE-130A	Started Phase 3 in April 2019 in Europe and Asia.
MD-16	Completed Phase 3 in April 2019 in Japan.

Pharmaceutical market in Japan

■Revision of National Health Insurance (NHI) drug prices

	2010	2011	2012	2013	2014	2015	2016#1	2017	2018	2019
Industry average	mid -6%	—	-6.25%	—	-2.7%	—	-5.57%#1	—	-7.48%	—
Ophthalmic drugs	early -3%	—	mid -4%	—	high -1%	—	early -6%	—	mid -5%	—
Santen	mid -5%	—	high -5%	—	high -1%	—	early -7%#2	—	mid -4%	—

(Compiled by Santen)

#1 Excluding market expansion re-pricing -0.9%

#2 Mid -4% price cut in 2016 excluding its impact of Eylea

Revision of NHI drug prices: In Japan, drug prices are generally revised every two years to reflect their market price. The drugs marketed at lower market prices will bear larger reduction margins at the revision.

Excluding consumption tax impact	
	2014
Industry average	-5.6%
Ophthalmic drugs	high -4%
Santen	high -4%

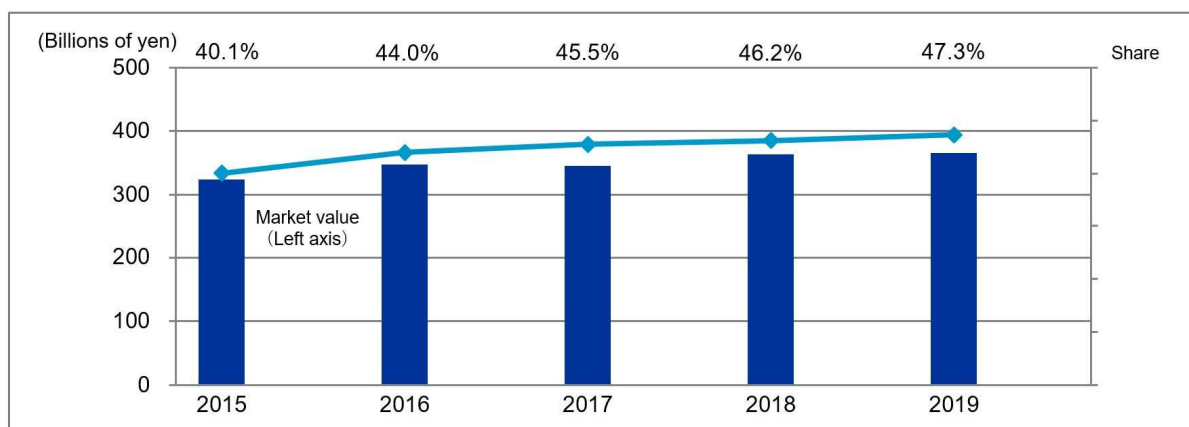
■Market shares in prescription ophthalmics

(Billions of yen)

Year ended March 31	2015	2016	2017	2018	2019
Share	40.1%	44.0%	45.5%	46.2%	47.3%
Market	323.7	347.5	345.5	363.3	365.2

Notes: On an NHI drug price basis.

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■Market shares by therapeutic area - prescription ophthalmics#3

(Billions of yen)

Year ended March 31		2015	2016	2017	2018	2019
Glaucoma treatments	Share	32.1%	32.6%	32.2%	31.2%	30.1%
	Market	105.7	112.6	114.3	114.9	109.8
Corneal disease treatments	Share	65.6%	63.4%	62.7%	62.2%	61.5%
	Market	44.2	46.4	45.5	46.6	45.7
Anti-infective	Share	54.0%	49.8%	44.1%	40.0%	35.1%
	Market	16.8	16.4	14.6	13.9	12.6
Anti-allergy	Share	32.0%	36.3%	42.9%	47.9%	52.2%
	Market	33.9	35.8	37.7	42.9	47.3
Anti-VEGF	Share	48.8%	65.7%	72.4%	71.8%	72.1%
	Market	61.6	74.5	74.5	85.3	93.6

Notes: On an NHI drug price basis.

#3Including co-promoted product (Anti-VEGF Eylea) of Bayer Yakuhin, Ltd. (MAH)

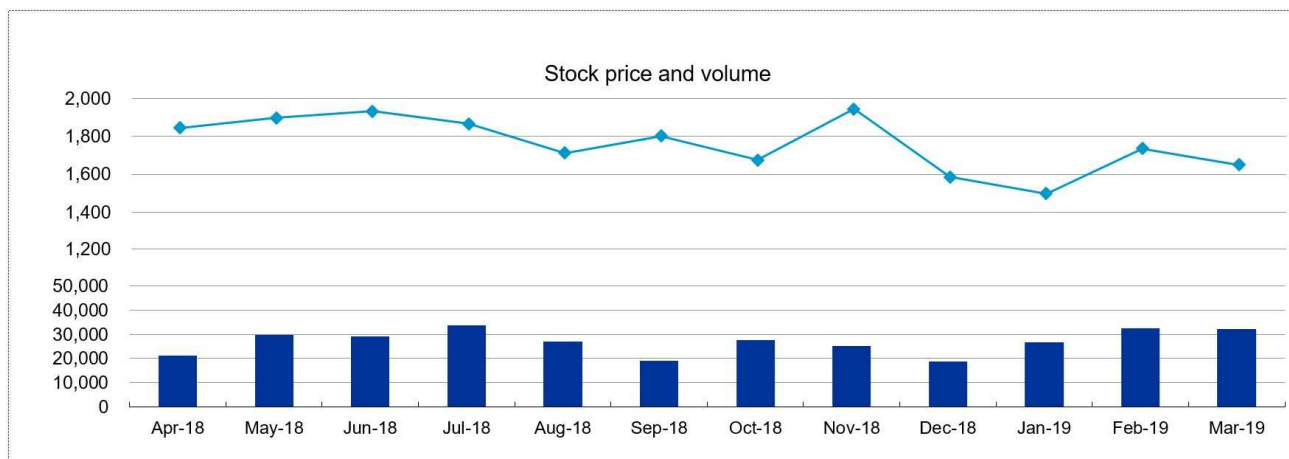
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Stock information

■ Stock price (Tokyo Securities Exchange 1st market)

(Yen and thousand shares)

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
Stock price:												
End of month	1,845	1,897	1,931	1,865	1,712	1,801	1,675	1,943	1,586	1,499	1,735	1,649
Volume	21,074	29,725	29,043	33,664	26,932	19,118	27,528	25,220	18,643	26,775	32,385	32,244



■ Major shareholders (top 10)

As of March 31, 2019

Name	Number of shares held	Percent of investment
	Thousand shares	%
Japan Trustee Service Bank, Ltd. (Trust Account)	33,546	8.4
State Street Bank and Trust Company 505223	32,027	8.0
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,960	7.2
RBC IST 15 PCT LENDING ACCOUNT - CLIENT ACCOUNT	10,786	2.7
Nippon Life Insurance Company	10,662	2.7
MUFG Bank, Ltd.	10,605	2.7
ONO PHARMACEUTICAL Co.,Ltd.	9,307	2.3
Japan Trustee Service Bank, Ltd. (Trust Account 5)	7,438	1.9
Trust & Custody Services Bank.,Ltd.as trustee for Eisai Co.,Ltd.		
Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co.,Ltd	6,863	1.7
Japan Trustee Service Bank, Ltd. (Trust Account 9)	5,958	1.5

■ Major stock information

Year ended March 31	2015	2016	2017	2018	2019
Issued shares (thousands)	82,653	414,192	406,173	406,848	399,782
Treasury stock (thousands)	3	22	7	7	663
Market Capitalization (million)	723,181	701,188	654,740	697,731	658,147
A purchased amount of money (millions of yen)	—	—	12,310	—	13,901
The number of the purchased stocks (thousand shares)	—	—	8,284	—	8,144

Notes: The Company has conducted a 5-for-1 stock split with an effective date of April 1, 2015.

Stock information

■ Breakdown of shareholding by number of shares

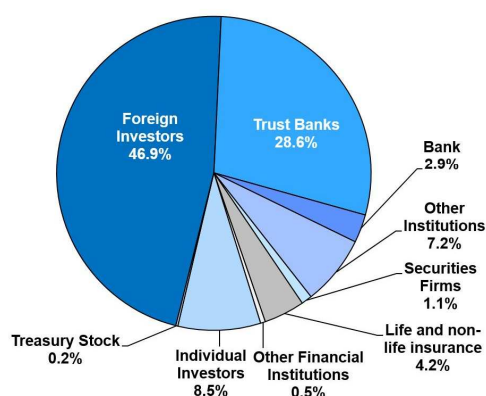
Year ended March 31	2015		2016#		2017		2018		2019	
	Thousand shares	Proportion (%)	Thousand shares	Proportion (%)	Thousand shares	Proportion (%)	Thousand shares	Proportion (%)	Thousand shares	Proportion (%)
Financial institutions	30,049	36.4	146,963	35.5	152,090	37.4	148,006	36.4	144,854	36.2
City & regional banks	2,262	2.7	11,576	2.8	11,496	2.8	11,566	2.8	11,687	2.9
Trust banks	18,726	22.7	98,601	23.8	103,541	25.5	105,060	25.8	114,484	28.6
(concerned in trust works)	16,333	—	86,474	—	90,732	—	93,483	—	103,399	—
Life and non-life insurance	4,196	5.1	21,016	5.1	21,455	5.3	15,810	3.9	16,603	4.2
Other financial institutions	4,862	5.9	15,770	3.8	15,599	3.8	15,570	3.8	2,080	0.5
Securities firms	922	1.1	4,868	1.2	4,915	1.2	4,536	1.1	4,204	1.1
Other institutions	7,880	9.5	36,938	8.9	34,231	8.4	31,319	7.7	28,838	7.2
Foreign investors	36,373	44.0	186,294	45.0	175,774	43.3	187,543	46.1	187,426	46.9
Individual investors	7,423	9.0	39,106	9.4	39,156	9.6	35,436	8.7	33,803	8.5
Treasury Stock	3	0.0	22	0.0	7	0.0	7	0.0	658	0.2
Total	82,653	100.0	414,192	100.0	406,173	100.0	406,848	100.0	399,782	100.0

Notes: The Company has conducted a 5-for-1 stock split with an effective date of April 1, 2015.

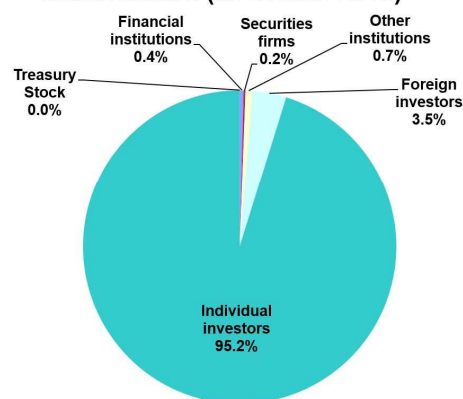
■ Breakdown of shareholding by number of shareholders

Year ended March 31	2015		2016		2017		2018		2019	
	Number of shareholders	Proportion (%)	Number of shareholders	Proportion (%)	Number of shareholders	Proportion (%)	Number of shareholders	Proportion (%)	Number of shareholders	Proportion (%)
Financial institutions	62	0.6	77	0.3	66	0.3	68	0.3	67	0.4
City & regional banks	4	0.1	8	0.0	7	0.0	9	0.0	11	0.1
Trust banks	27	0.2	30	0.1	26	0.1	26	0.1	23	0.1
Life and non-life insurance	23	0.2	27	0.1	24	0.1	23	0.1	24	0.1
Other financial institutions	8	0.1	12	0.1	9	0.1	10	0.1	9	0.1
Securities firms	33	0.3	52	0.2	40	0.2	42	0.2	37	0.2
Other institutions	122	1.1	154	0.7	152	0.6	130	0.7	122	0.7
Foreign investors	486	4.2	549	2.3	539	2.3	593	3.0	643	3.5
Individual investors	10,664	93.8	22,700	96.5	22,852	96.6	19,051	95.8	17,377	95.2
Treasury stock	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0
Total	11,368	100.0	23,533	100.0	23,650	100.0	19,885	100.0	18,247	100.0

Breakdown of shareholding by number of shares (as of Mar. 2019)



Breakdown of shareholding by number of shareholders (as of Mar. 2019)



Consolidated subsidiaries

【Japan】

As of March 31,2019

Company name	Main business	Location	Paid-in capital	Equity owned
Claire Co., Ltd.	Cleaning of antiodust and sterilized clothing	Japan	90 million yen	100%
Santen Business Services Co., Ltd.	Support of indirect operations	Japan	10 million yen	100%
Santen Eye Care Co., Ltd.	Production and marketing of pharmaceuticals	Japan	10 million yen	100%

【North America】

Company name	Main business	Location	Paid-in capital	Equity owned
Santen Holdings U.S. Inc.	Holding company for North American businesses	U.S.A.	24,784 thousand US\$	100%
Santen Inc.	Clinical development and business development of pharmaceuticals	U.S.A.	8,765 thousand US\$	100% #1
Advanced Vision Science, Inc.	Development, production and marketing of medical devices	U.S.A.	10 thousand US\$	100% #1
InnFocus, Inc.	Development, production of devices for glaucoma	U.S.A.	2 thousand US\$	100% #1
Santen Ventures, Inc.	Investment in ventures	U.S.A.	10 thousand US\$	100% #1
Santen Canada Inc.	Marketing of pharmaceuticals	Canada	2,000 thousand Canadian dollars	100% #1

【EMEA】

Company name	Main business	Location	Paid-in capital	Equity owned
Santen Holdings EU B.V.	Holdings company for EMEA business operation	Netherlands	50 thousand euros	100%
Santen Oy	Clinical development, contract manufacturing, production and marketing of pharmaceuticals	Finland	20,000 thousand euros	100% #2
Santen S.A.S.	Clinical development and marketing of pharmaceuticals	France	1,976 thousand euros	100% #2
Santen GmbH	Marketing of pharmaceuticals and business development	Germany	25 thousand euros	100% #2
SantenPharma AB	Marketing support of pharmaceuticals	Sweden	500 thousand SEK	100% #2
Santen SA	Headquarter of EMEA business, production and marketing of pharmaceuticals	Switzerland	12,065 thousand Swiss franc	100% #2
Santen Italy S.r.l.	Marketing of pharmaceuticals	Italy	10 thousand euros	100% #2
Santen UK Limited	Marketing of pharmaceuticals	U.K.	2,300 thousand pounds	100% #2
Santen Pharmaceutical Spain, S.L.	Marketing of pharmaceuticals	Spain	3 thousand euros	100% #2
SANTEN LIMITED LIABILITY COMPANY	Marketing support of pharmaceuticals	Russia	10 thousand RUB	100% #2

【Asia】

Company name	Main business	Location	Paid-in capital	Equity owned
Santen Pharmaceutical (China) Co., Ltd.	Clinical development, production and marketing of pharmaceuticals	China	3,800 million yen	100%
Santen Pharmaceutical Sales and Marketing (Suzhou) Co., Ltd.	Marketing of pharmaceuticals	China	35,000 thousand CNY	100% #3
Chongqing Santen Kerui Pharmaceutical Co., Ltd	Production and marketing of pharmaceuticals	China	200,000 thousand CNY	49% #4
Santen Pharmaceutical Korea Co., Ltd.	Clinical development and marketing of pharmaceuticals	Korea	29,000,000 thousand won	100%
Taiwan Santen Pharmaceutical Co., Ltd.	Marketing of pharmaceuticals	Taiwan	42,000 thousand Taiwan dollars	100%
Santen India Private Limited	Market research and clinical development of pharmaceuticals	India	48,500 thousand India rupees	99.9%, 0.1% #1
Santen Pharmaceutical Asia Pte. Ltd.	Headquarter of ASEAN business, production and marketing of pharmaceuticals	Singapore	20,500 thousand Singapore dollars	100%
SANTEN (THAILAND) CO., LTD.	Marketing of pharmaceuticals	Thailand	110,000 thousand Thai baht	100% #5
SANTEN PHARMA MALAYSIA SDN. BHD.	Marketing of pharmaceuticals	Malaysia	4,000 thousand Malaysian ringgit	100% #5
SANTEN PHILIPPINES INC.	Marketing of pharmaceuticals	Philippines	43,309 thousand Philippine peso	100% #5
SANTEN PHARMACEUTICAL (HONG KONG) LIMITED	Marketing of pharmaceuticals	Hong Kong	7,600 thousand HKD	100% #5

#1 Indirect investment through Santen Holdings U.S. Inc.

#2 Indirect investment through Santen Holdings EU B.V.

#3 Indirect investment through Santen Pharmaceutical (China) Co., Ltd.

#4 Indirect investment through Santen Pharmaceutical (China) Co., Ltd., Chongqing Kerui Pharmaceutical (Group) Co., Ltd. hold 51% of share.

#5 Indirect investment through Santen Pharmaceutical Asia Pte. Ltd.

News releases

News releases during April 2018-March 2019

For details, please refer to our Website (<http://www.santen.com>).

2018

9-May Notice on the Introduction of a New Stock-Linked Remuneration Program and Change to Director Remuneration

Santen announced that its Board of Directors, reviewed its executive compensation and decided to introduce a new stock-linked remuneration program and submitted a proposal concerning the Program to the 106th annual general meeting of shareholders to be held on June 26, 2018.

4-Jun Santen Announces Medium-Term Plan (MTP2020)

Santen announced "MTP2020," the company's medium-term management plan for the three-year period through 2020.

With the aging of the world's populations and the emergence of new diagnostic and therapeutic technologies, the global ophthalmic market is expected to grow with an increased number of patients worldwide, particularly in the areas of glaucoma, retinal disease and dry eye. Santen is committed to fulfilling its responsibilities as a global company specialized in ophthalmology by contributing to the improvement of patients' Quality of Life (QOL) worldwide through the provision of the highest quality products and services to best meet the actual ophthalmology needs in the field.

26-Jun Notice on the Issuance of New Shares Under Restricted Stock-Linked Remuneration Program

17-Jul Santen Donates to Japan Flood and Landslide Relief Efforts

26-Jul Notice on Completion of Payment for Issuance of New Shares Under Restricted Stock-linked Remuneration Program

21-Sep Santen Files for Manufacturing and Marketing Approval of Anti-Allergy Ophthalmic Drug Candidate DE-114A (JAN: Epinastine Hydrochloride)

Santen announced the filing for manufacturing and marketing approval of anti-allergy ophthalmic drug DE-114A (JAN: Epinastine Hydrochloride) in Japan.

DE-114A is an ophthalmic solution based on an in-license from Nippon Boehringer Ingelheim Co., Ltd., and was developed in Japan by Santen as a treatment for allergic conjunctivitis. DE-114A is a higher-dose formulation of *Alesion* 0.05% ophthalmic solution, which has been marketed in Japan since 2013.

21-Sep Santen and Ube Industries Announce Receipt of Manufacturing and Marketing Approval for Glaucoma and Ocular Hypertension Treatment EYBELIS in Japan

Santen and Ube Industries, Ltd. announced that Santen has received manufacturing and marketing approval of glaucoma and ocular hypertension treatment *EYBELIS* ophthalmic solution 0.002% (development code: DE-117; JAN: Omidenepag Isopropyl) in Japan.

Santen and Ube Industries co-developed *EYBELIS* as a treatment for glaucoma and ocular hypertension. Omidenepag Isopropyl, the active pharmaceutical ingredient in *EYBELIS*, is a selective EP2 receptor agonist and is a new mechanism of action as an ocular hypotensive agent.

25-Sep Santen Donates to the 2018 Hokkaido Eastern Iburi Earthquake Relief Efforts in Japan

25-Sep Santen Announces Drug Discovery and Development Agreement with PeptiDream

Santen announced that it has entered into a broad-based multi-target discovery and development agreement with PeptiDream Inc., (Kanagawa, Japan).

2018

27-Nov Santen and Ube Industries Announce Launch of Glaucoma and Ocular Hypertension Treatment EYBELIS Ophthalmic Solution 0.002% in Japan

Santen and Ube Industries, Ltd. announced the launch of glaucoma and ocular hypertension treatment *EYBELIS* Ophthalmic Solution 0.002% (JAN: Omidenepag Isopropyl) in Japan. Santen and Ube Industries co-developed *EYBELIS* as a treatment for glaucoma and ocular hypertension. Omidenepag Isopropyl, the active pharmaceutical ingredient in *EYBELIS*, is the world's first selective EP2 receptor agonist and is an ocular hypotensive agent with a new mechanism of action.

2019

25-Jan Santen's Tampere manufacturing facility to be acquired by NextPharma

Santen SA and NextPharma announced that Santen's Tampere manufacturing facility and related operations will be acquired by NextPharma, a leading European pharmaceutical Contract Development and Manufacturing Organisation (CDMO).

31-Jan Santen Hosts Event to Raise Public Awareness of Importance of Continued Glaucoma Treatment Prior to Sponsoring World Glaucoma Week in March

20-Feb Santen Announces Repurchase of Own Shares

1-Mar Santen Announces Status of Repurchase of Own Shares

6-Mar Santen Selected and Launches Gene Therapy Drug Research and Development Project for Inherited Ocular Disease Treatment for CiCLE Program

Santen announced its launch of a research and development project for gene therapy drugs for treatment of inherited ocular diseases.

There has been a strong desire for a reliable treatment for inherited ocular diseases. This R&D project aims to develop Japan-made gene therapy drugs for inherited ocular diseases through collaboration between industry, academia, and government, in order to relieve patients from visual impairments.

6-Mar Santen Selected and Launches Photo-Crosslinking Research and Development Project for Pathologic Myopia Treatment for CiCLE Program

Santen announced its launch of a research and development project for photo-crosslinking for the treatment of pathologic myopia.

There is widespread concern about an increase in the number of patients with pathologic myopia which causes severe visual impairments from now on. This R&D project aims to establish photo-crosslinking as a new treatment for pathologic myopia through collaboration between industry, academia and government, in order to prevent patients from suffering visual impairments.

8-Mar Santen to Conduct Activities to Raise Disease Awareness during World Glaucoma Week, March 10 to 16

25-Mar Santen Announces Completion of Repurchase of Own Shares

27-Mar Santen Announces Cancellation of Treasury Shares



SANTEN PHARMACEUTICAL CO., LTD.