

Highlights (Year ended March 31, 2007)

We have started the 2006-2010 Medium-term Management Plan.

We have introduced the new management system led by Chairman & CEO and President & COO.

Major Management Indices

Net Sales	¥100.5 billion
Operating Income	¥20.4 billion
Net Income	¥13.1 billion
ROE	10.6 %
DOE	4.4 %

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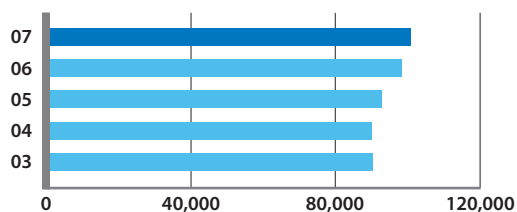
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Consolidated Financial Highlights

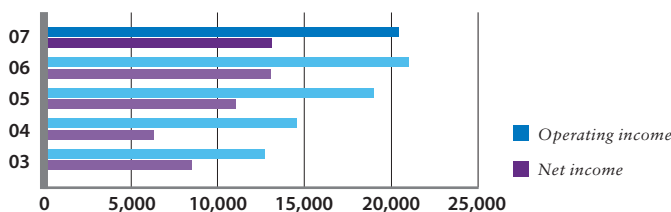
	Millions of yen		Change	Thousands of U.S. dollars
	2007	2006	2007/2006	2007
For the year:				
Net sales	¥ 100,486	¥ 98,398	2.1%	\$ 851,213
Operating income	20,412	20,995	(2.8)	172,913
Net income	13,148	13,023	1.0	111,373
R&D expenditures	13,663	13,971	(2.2)	115,740
Capital expenditures	3,556	2,106	68.9	30,116
Depreciation and amortization	4,761	4,824	(1.3)	40,334
Per share data (yen and U.S. dollars):				
Net income-basic	¥ 151.58	¥ 150.26	0.9%	\$ 1.28
Net income-diluted	151.31	150.01	0.9	1.28
Equity	1,481.83	1,368.27	8.3	12.55
Cash dividends, applicable to period	65.00	60.00	8.3	0.55
At year-end:				
Total assets	¥ 159,099	¥ 150,458	5.7%	\$ 1,347,725
Long-term debt	5,446	5,614	(3.0)	46,133
Total shareholders' equity	128,587	118,637	8.4	1,089,248
Return on equity (ROE) (%)	10.6	11.5		
Number of employees	2,409	2,312		

- Notes: 1. U.S. dollar amounts have been translated from yen, solely for the convenience of the reader, at the rate of ¥118.05 to U.S.\$1 prevailing on March 31, 2007.
 2. See Notes 2, 13) and 11 of Notes to Consolidated Financial Statements in respect of per share data.
 3. Figures in parentheses indicate a decrease.

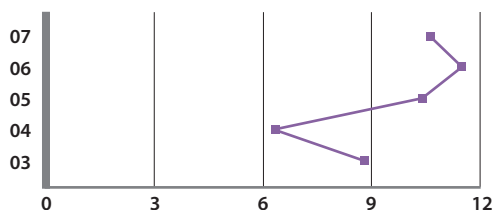
Net Sales
(Millions of yen)



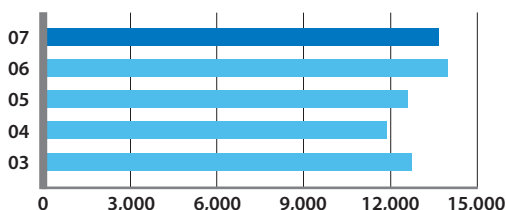
Operating Income and Net Income
(Millions of yen)



Return on Equity (ROE)
(%)



R&D Expenditures
(Millions of yen)



Key Highlights (Year ended March 31, 2007)

April 2006

May 9

Joint development of ROCK inhibitor for glaucoma and ocular hypertension drug candidate

Ube Industries, Ltd. and Santen announced that they have reached a basic agreement to jointly develop ROCK* inhibitor (development code: DE-104) as an agent for glaucoma and ocular hypertension, for which they discovered an application possibility for ophthalmic treatment in joint research.

*ROCK:ROCK (Rho-kinase) is an enzyme to phosphorylate cytoskeletal regulatory proteins and plays important roles in cytoskeletal regulation.

*See more at http://www.santen.com/news/20060509_01.jsp

June 27

Started a new management structure headed by a Chairman & CEO and a President & COO

July 25

Announced 2006-2010 Medium-term Management Plan

Santen formulated 2006-2010 Medium-term Management Plan. The basic policies of the Plan are to develop new drug candidates and to generate growth in promising regions by leveraging Santen's strength in global development.

*Read details in Features on Page 8

July 31

Filed for approval for the domestic manufacturing and marketing of its glaucoma and ocular hypertension drug candidate DE-085 (INN: Tafluprost)

DE-085 is a novel prostaglandin drug candidate jointly developed by Santen and Asahi Glass Co., Ltd., to reduce intraocular pressure in primary open angle glaucoma and ocular hypertension. Santen pharmaceutically and clinically develops active pharmaceutical ingredients produced by Asahi Glass Co., Ltd.

*See more at <http://www.santen.com/news/20060801.jsp>



October 10

**Launched new OTC eye drops Sante Medical 10
Focused on visual fatigue relief in response to 90% of the eye drop user's needs**

Santen launched the new OTC eye drop *Sante Medical 10* on October 10, 2006. *Sante Medical 10* contains 10 active ingredients formulated to relieve visual fatigue for overworked eyes.

*See more at <http://www.santen.com/news/20060925.jsp>



November 17

**Launched Sante AL Cool II
Relieve itchy, red eyes suffering from allergies with cool refreshment**

Santen launched *Sante AL Cool II*, a reformulated eye drop of former *Sante AL Cool* on November 17, 2006. *Sante AL Cool II* contains a well-balanced combination of active ingredients effective for itchy and red eyes associated with allergies.

*See more at <http://www.santen.com/news/20061113.jsp>



January 30

Started "Pollen" information service through mobile phone

Santen started the new information services of "forecasting flying pollen" through the mobile phones in Japan, named "Muzu Kayu Mobile Pollen Information Centre" during the season of hay fever.

Note: This news appears only in Japanese at the company Web site.

March 2007