

SANTEN PHARMACEUTICAL CO., LTD. (July 31, 2006)
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URL <http://www.santen.co.jp>
Financial Report for the Three-month period ended June 30, 2006
(Consolidated)
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1. Basis of preparing the financial report for the three months ended June 30, 2006

- (1) No alternative methods have been adopted in accounting policy.
- (2) No change has been made in accounting policy.
- (3) No changes on consolidated subsidiaries and application of the equity method

2. Performance for the three months ended June 30, 2006

(Figures are rounded down to the nearest million yen)

(1) Operating results	Three months ended June 30, 2006	Three months ended June 30, 2005	Year ended March 31, 2006
Net sales (millions of yen)	25,999	25,246	98,397
Operating income (millions of yen)	6,202	6,534	20,995
Ordinary income (millions of yen)	6,314	6,701	21,507
Net income (millions of yen)	4,132	4,202	13,022
Net income per share (yen)	47.65	48.52	150.26
Diluted net income per share (yen)	47.57	48.44	150.01

(2) Financial condition	June 30, 2006	June 30, 2005	March 31, 2006
Total assets (millions of yen)	146,010	137,687	150,458
Net assets (millions of yen)	120,496	109,459	118,637
Shareholders' equity ratio	82.5%	79.5%	78.9%
Net assets per share (yen)	1,389.64	1,263.60	1,368.27

(3) Cash flows	Three months ended June 30, 2006	Three months ended June 30, 2005	Year ended March 31, 2006
Cash flows from operating activities (millions of yen)	(2,553)	1,211	20,878
Cash flows from investing activities (millions of yen)	(1,077)	(73)	(1,330)
Cash flows from financing activities (millions of yen)	(2,883)	(2,496)	(5,900)
Cash and cash equivalents at end of year (millions of yen)	39,662	31,031	46,104

3. Forecasts of results for the year ending March 31, 2007

	Interim	Full year	
Net sales (millions of yen)	50,500	100,000	
Operating income (millions of yen)	10,200	20,000	
Ordinary income (millions of yen)	10,200	20,000	
Net income (millions of yen)	6,700	13,000	
Reference: Expected net income per share (full-year basis)			149.92 yen

Caution)

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.