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SANTEN PHARMACEUTICAL CO., LTD. (January 30, 2008)

Code: 4536

URL <http://www.santen.co.jp>

Financial Report for the Nine-month period ended December 31, 2007

Takakazu Morita, Chairman and Chief Executive Officer

Contact: Yoshihiro Noutsuka, Corporate Officer

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(Figures are rounded down to the nearest million yen)

**1. Consolidated Performance for the nine months ended December 31, 2007**

(1) Operating results	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Year ended March 31, 2007
Net sales (millions of yen)	79,293	77,766	100,485
Operating income (millions of yen)	16,682	18,470	20,412
Ordinary income (millions of yen)	17,099	18,645	20,843
Net income (millions of yen)	10,769	11,880	13,147
Net income per share (yen)	124.09	136.99	151.58
Diluted net income per share (yen)	123.90	136.74	151.31

(2) Financial condition	December 31, 2007	December 31, 2006	March 31, 2007
Total assets (millions of yen)	159,882	155,027	159,098
Net assets (millions of yen)	131,606	127,469	128,645
Equity ratio	82.2%	82.2%	80.8%
Net assets per share (yen)	1,514.78	1,469.51	1,481.83

(3) Cash flows	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Year ended March 31, 2007
Cash flows from operating activities (millions of yen)	9,199	8,984	14,959
Cash flows from investing activities (millions of yen)	(1,788)	(3,944)	(5,845)
Cash flows from financing activities (millions of yen)	(6,395)	(5,576)	(5,691)
Cash and cash equivalents at end of year (millions of yen)	50,973	45,844	49,841

**2. Consolidated Forecasts of results for the year ending March 31, 2008**

	Full year	% change 2008/2007
Net sales (millions of yen)	103,300	2.8%
Operating income (millions of yen)	20,500	0.4%
Ordinary income (millions of yen)	21,200	1.7%
Net income (millions of yen)	13,700	4.2%
Net income per share (yen)	157.74	

**3. Others**

(1) No change on consolidated subsidiaries

(2) No alternative methods have been adopted in accounting policy.

(3) Change on accounting policy

One change has been made in the revision of accounting standards.

No other change has been made.

**(Reference)**

**1. Non-consolidated Performance for the nine months ended December 31, 2007**

<b>(1) Operating results</b>	Nine months ended December 31, 2007	Nine months ended December 31, 2006	Year ended March 31, 2007
Net sales (millions of yen)	72,301	71,451	91,770
Operating income (millions of yen)	16,737	18,054	20,067
Ordinary income (millions of yen)	17,457	18,675	20,926
Net income (millions of yen)	7,952	11,903	13,381
Net income per share (yen)	91.63	137.26	154.28
Diluted net income per share (yen)	91.48	137.01	154.00

<b>(2) Financial condition</b>	December 31, 2007	December 31, 2006	March 31, 2007
Total assets (millions of yen)	158,636	157,582	161,134
Net assets (millions of yen)	132,479	131,443	132,619
Equity ratio	83.4%	83.4%	82.3%
Net assets per share (yen)	1,524.84	1,515.32	1,527.63

**2. Non-consolidated Forecasts of results for the year ending March 31, 2008**

	Full year	% change 2008/2007
Net sales (millions of yen)	94,200	2.6%
Operating income (millions of yen)	19,900	(0.8%)
Ordinary income (millions of yen)	20,700	(1.1%)
Net income (millions of yen)	9,900	(26.0%)
Net income per share (yen)	113.99	

**(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.