

SANTEN PHARMACEUTICAL CO., LTD. (July 29, 2005)

Code: 4536

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

Financial Report for the Three-month period ended June 30, 2005

(Non-consolidated)

Takakazu Morita, President and Chief Executive Officer

Contact: Ichiro Otokoza, Member of the Board, Senior Corporate Officer

Head of Corporate Development and Administration Division Tel: 06-6321-7007

1. Basis of preparing the financial report for the three months ended June 30, 2005

- (1) No alternative methods have been adopted in accounting policy.
- (2) No change has been made in accounting policy.
- (3) No audit or review by certified public accountant or accounting firm

2. Performance for the three months ended June 30, 2005

(Figures are rounded down to the nearest million yen)

(1) Operating results	Three months ended	Three months ended	Year ended
	June 30, 2005	June 30, 2004	March 31, 2005
Net sales (millions of yen)	23,547	20,822	86,340
Operating income (millions of yen)	6,525	4,809	19,692
Ordinary income (millions of yen)	6,759	5,045	20,266
Net income (millions of yen)	4,275	3,198	12,602
Net income per share (yen)	49.35	36.37	143.93
Diluted net income per share (yen)	49.28	36.35	143.77

(2) **Financial condition**

	June 30, 2005	June 30, 2004	March 31, 2005
Total assets (millions of yen)	141,185	142,298	142,762
Shareholders' equity (millions of yen)	114,595	107,595	113,092
Shareholders' equity ratio	81.2%	75.6%	79.2%
Shareholders' equity per share (yen)	1,322.88	1,223.66	1,305.34

3. Forecasts of results for the year ending March 31, 2006

	Interim	Full year
Net sales (millions of yen)	46,100	91,100
Operating income (millions of yen)	10,900	21,200
Ordinary income (millions of yen)	11,200	21,600
Net income (millions of yen)	7,000	13,400
Interim dividends per share (yen)	25.00	-
Dividends at end of period per share (yen)	-	25.00
Annual dividends per share (yen)	-	50.00
Reference: Expected net income per share (full-year basis)		154.69 yen

Caution)

The aforementioned forecast in this brief financial report reflects the Company's current analysis of data available and the Company's assumption as of July 29, 2005. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses; competitive pressures; changes in related laws and regulations; status of product development programs; and changes in exchange rates.