

SANTEN PHARMACEUTICAL CO., LTD. (January 31, 2006)

Code: 4536

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

Financial Report for the Nine-month period ended December 31, 2005  
(Non-consolidated)

Takakazu Morita, President and Chief Executive Officer

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**1. Basis of preparing the financial report for the nine months ended December 31, 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 nine months ended December 31, 2005**

(Figures are rounded down to the nearest million yen)

(1) <b>Operating results</b>	Nine months ended	Nine months ended	Year ended
	December 31, 2005	December 31, 2004	March 31, 2005
Net sales (millions of yen)	71,383	65,655	86,340
Operating income (millions of yen)	19,004	16,878	19,692
Ordinary income (millions of yen)	19,547	17,357	20,266
Net income (millions of yen)	11,944	10,462	12,602
Net income per share (yen)	137.84	119.37	143.93
Diluted net income per share (yen)	137.62	119.25	143.77

(2) <b>Financial condition</b>	December 31, 2005	December 31, 2004	March 31, 2005
	Total assets (millions of yen)	149,196	146,937
Shareholders' equity (millions of yen)	121,435	110,698	113,092
Shareholders' equity ratio	81.4%	75.3%	79.2%
Shareholders' equity per share (yen)	1,400.90	1,278.15	1,305.34

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

	Full year
Net sales (millions of yen)	91,200
Operating income (millions of yen)	21,600
Ordinary income (millions of yen)	22,200
Net income (millions of yen)	13,800
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)	159.20 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 January 31, 2006. 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.