

**Santen Pharmaceutical Co., Ltd.**  
**Investor Meeting on FY2006 Results**

**Key Measures to be Implemented in FY2007**

**May 9, 2007**

**President and COO**

**Akira Kurokawa**

# Promote Disease-awareness Campaigns Targeting Dry Eye Patients

Expand the market through disease-awareness campaigns targeting patients, introducing a new product (DE-089) and promote concomitant use with *Hyalein*.

- Target:
  - Increase awareness of dry eye
  - Further expand dry eye market
  - Strengthen market presence
- Schedule:
  - First half FY2007: Implement a pilot campaign
  - Second half FY2007: Develop campaign to build strong presence
  - FY2008-2009 : Further sales growth of *Hyalein*
  - FY2010 : Launch DE-089, improve high market share by rapid market penetration of the new product

# Prepare Smooth Market Introduction of DE-085 to Maximize Product Value

Take approaches to maximize the product value of DE-085( to be launched in FY 2008) in early stage.

## ■ Measures :

- Maintain and improve market share through promotion of existing glaucoma products.
  - *Rescula / Detantol / Timoptol*
- Upgrade/establish marketing to maximize product value
  - Utilize our strong presence to maximize prescriptions
  - Improve ability to suggest treatment options

## ■ Schedule :

- FY2007 : Implement above measures in preparation of the product launch
- FY2008 : Launch DE-085

# Expand Business in China

**Construction of manufacturing plant and establishment of direct sales organization proceeded as planned**

## ■ Suzhou Plant:

- September, 2005 Established  
2006 Construction started  
2007 Construction completed  
2009 Start operation
- Production capacity: 20 million/year

## ■ Leading market share in hospital market, approx. 25% ( market size was approx. ¥12 billion in FY 2006)

- The market is prospected 15% annually growth due to aging populations

## ■ Sales target for FY 2010 is ¥4.5 billion, with sales reaching ¥10 billion by 2015

- Generate growth through promotion of existing products; *Cravit, Hyalein, Flumetholon, Kary Unii*, and prepare for launching DE-085 and DE-089 in medium term.
- Increase MR to 100 from current approx. 60 by direct sales entry
- Expand sales subsidiary mainly in urban area  
: Beijing, Shanghai, Guangzhou, Shenyang (as of May 2007)