



**Santen Pharmaceutical Co., Ltd.**

**Investor Meeting on FY2009 Results**

**Financial Results for the FY2009  
Financial Forecast for the FY2010**

**May 12, 2010**

**President & CEO**

**Akira Kurokawa**



# **Financial Results for the FY2009**



# Financial Highlights for FY2009

(JPY billions)	FY2008 Actual	FY2009 Actual	Var. %	FY2009 Forecast*	Achievement %
<b>Net Sales</b>	101.61	110.59	8.8%	113.50	97.4%
<b>Operating Income</b>	15.49	29.64	91.3%	29.00	102.2%
<b>Ordinary Income</b>	15.93	29.86	87.4%	29.00	103.0%
<b>Net Income</b>	10.12	18.72	84.9%	18.00	104.0%

\*FY2009 Forecast as of: November 10, 2009

# FY2009 Highlights

## Net sales

- Japan: Continued growth in Glaucoma and Dry-Eye Treatments
  - Glaucoma: Steady growth in Tapros
  - Dry-Eye: Steady growth in the main product, Hyalein
- Overseas: Growth in Europe and China
  - Europe: Steady growth in Tafluprost
  - China: Smooth take-off with direct sales organization
  - Others: One-time contribution from licensing contract revenues

## Operating Income

- Increased income from licensing contract revenues
- SG&A: Decreased spending through adequate cost control
- R&D Expense: Underspent due to delay in projects



FY2009

# Net Sales: Variances (vs. FY2008)

**FY2008**  
**Net Sales**  
**(Actual)**  
**¥101.61**  
**billion**

**+ ¥8.98**  
**billion**

**FY2009**  
**Net Sales**  
**(Actual)**  
**¥110.59**  
**billion**

### Japan + ¥0.96 billion

- Prescription Ophthalmics + ¥0.31 billion
- RA drugs + ¥0.13 billion
- OTC drugs + ¥0.01 billion
- Medical Device + ¥0.34 billion

### Outside Japan + ¥8.01 billion

- Europe + ¥0.40 billion  
- currency impact: - ¥1.03 billion
- U.S. + ¥5.77 billion  
- currency impact: - ¥0.41 billion
- Asia + ¥1.82 billion  
- currency impact: - ¥0.37 billion
- China + ¥1.42 billion  
- currency impact: - ¥0.22 billion
- Korea + ¥0.24 billion  
- currency impact: - ¥0.10 billion

### Prescription Ophthalmics (Japan)

- Anti-infective - ¥0.92 billion
- Corneal Disease + ¥0.48 billion
- Anti-glaucoma + ¥2.37 billion  
(Tapros: + ¥3.62 billion)
- Anti-allergy - ¥1.19 billion
- Others - ¥0.42 billion

### Europe

- Prescription Ophthalmics + ¥0.37 billion
- West Europe + ¥0.40 billion  
(Germany + ¥0.42 billion)
- East Europe + ¥0.04 billion
- North Europe - ¥0.10 billion
- Russia + ¥0.03 billion

<Currency rate>

	<u>FY2008 actual</u>	<u>FY2009 actual</u>
US\$	¥100.81	¥92.79
Euro	¥146.71	¥131.12
RMB	¥14.86	¥13.70



FY2009

# Net Sales: Variances (vs. Forecast of FY2009)

**FY2009  
Net Sales  
(Forecast\*)  
¥113.50  
billion**

**- ¥2.90  
billion**



**FY2009  
Net Sales  
(Actual)  
¥110.59  
billion**

### Japan - ¥3.26 billion

- Prescription Ophthalmics - ¥2.34 billion
- RA drugs - ¥0.08 billion
- OTC drugs - ¥0.33 billion
- Medical Device - ¥0.37 billion

### Outside Japan + ¥0.36 billion

- Europe + ¥0.21 billion
  - currency impact: + ¥0.07 billion
- U.S. + ¥0.32 billion
  - currency impact: - ¥0.06 billion
- Asia - ¥0.16 billion
  - China - ¥0.39 billion
  - currency impact: - ¥0.14 billion
  - Korea + ¥0.15 billion

### Prescription Ophthalmics (Japan)

- Anti-infective - ¥0.46 billion
- Corneal Disease - ¥0.17 billion
- Anti-glaucoma - ¥0.30 billion
  - (Tapros: - ¥0.13 billion)
- Anti-allergy - ¥0.66 billion
- Others - ¥0.73 billion

### Europe

- Prescription Ophthalmics + ¥0.07 billion
  - West Europe + ¥0.40 billion
    - (Germany + ¥0.34 billion)
  - East Europe - ¥0.27 billion
  - North Europe + ¥0.01 billion
  - Russia - ¥ 0.06 billion

<Currency rate>

	<u>FY2009 forecast</u>	<u>FY2009 actual</u>
US\$	¥100.00	¥92.79
Euro	¥130.00	¥131.12
RMB	¥14.50	¥13.70

\*As of Nov. 10, 2009



# Summary of Changes in Income Statement

(JPY billions)	FY2008 Actual	FY2009		
		Actual	Variance	Major Changes
<b>Net Sales</b>	<b>101.61</b>	<b>110.59</b>	<b>8.98</b>	
<b>Cost of Sales</b> (% of Net Sales)	<b>35.94</b> <b>35.4%</b>	<b>34.71</b> <b>31.4%</b>	<b>- 1.23</b> <b>- 4.0pt</b>	- Change in product mix - Reduced fixed manufacturing costs - Revenue from license contracts
<b>SG&amp;A Total</b> (% of Net Sales)	<b>50.17</b> <b>49.4%</b>	<b>46.24</b> <b>41.8%</b>	<b>- 3.93</b> <b>- 7.6pt</b>	
<b>SG&amp;A excluding R&amp;D</b> (% of Net Sales)	<b>31.71</b> <b>31.2 %</b>	<b>32.12</b> <b>29.0%</b>	<b>0.41</b> <b>- 2.2pt</b>	Increase in SG&A in Asia
<b>R&amp;D Expense</b> ( (% of Net Sales)	<b>18.45</b> <b>18.2%</b>	<b>14.12</b> <b>12.8%</b>	<b>- 4.33</b> <b>- 5.4pt</b>	FY2008 ¥5.3bil License-in expense related to DE-109
<b>Operating Income</b> (% of Net Sales)	<b>15.49</b> <b>15.2%</b>	<b>29.64</b> <b>26.8%</b>	<b>14.15</b> <b>11.6pt</b>	
<b>Non-operating Income</b>	<b>1.43</b>	<b>0.84</b>	<b>- 0.59</b>	
<b>Non-operating Expense</b>	<b>0.98</b>	<b>0.62</b>	<b>- 0.36</b>	
<b>Ordinary Income</b>	<b>15.93</b>	<b>29.86</b>	<b>13.93</b>	
<b>Extraordinary Profit</b>	<b>0.01</b>	<b>0.07</b>	<b>0.06</b>	
<b>Extraordinary Loss</b>	<b>0.12</b>	<b>1.32</b>	<b>1.20</b>	Loss due to impairment, etc.
<b>Net Income before Tax</b>	<b>15.82</b>	<b>28.61</b>	<b>12.79</b>	
<b>Income Tax</b>	<b>5.70</b>	<b>9.88</b>	<b>4.18</b>	<Currency rate> <u>FY2008 actual</u> <u>FY2009 actual</u> US\$      ¥100.81          ¥92.79 Euro      ¥146.71          ¥131.12 RMB      ¥14.86              ¥13.70
<b>Net Income</b>	<b>10.12</b>	<b>18.72</b>	<b>8.60</b>	



# **Financial Forecast for the FY2010**





# FY2010 Consolidated Income Outlook

(JPY billions)	FY2009 Actual	FY2010 Forecast	Var. %
<b>Net Sales</b>	110.59	108.50	- 1.9%
<b>Operating Income</b>	29.64	26.30	- 11.3%
<b>Ordinary Income</b>	29.86	27.00	- 9.6%
<b>Net Income</b>	18.72	17.50	- 6.5%
<b>ROE</b>	14.3%	12.3%	- 2.0pt

# Highlights for FY2010

Growth by TAPROS and New Products

Contribution from Overseas Business

Adequate Cost Controls in COGS and SG&A

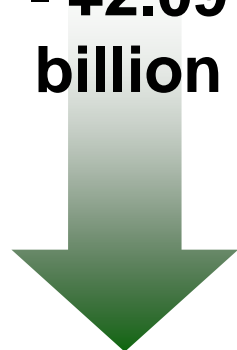


FY2010

# Net Sales: Variances (vs. FY2009)

**FY2009**  
Net Sales  
(Actual)  
¥110.59 billion

**- ¥2.09  
billion**



**FY2010**  
Net Sales  
(Forecast)  
¥108.50 billion

### Japan + ¥1.17 billion

- Prescription Ophthalmics + ¥0.17 billion
- RA Drugs - ¥0.38 billion
- OTC Drugs + ¥0.12 billion
- Medical Device + ¥0.99 billion

### Outside Japan - ¥3.26 billion

- Europe + ¥0.60 billion
  - Currency impact: - ¥0.45 billion
- U.S. - ¥5.11 billion
  - Currency impact: - ¥0.05 billion
- Asia + ¥1.23 billion
  - Currency impact: - ¥0.11 billion
- China + ¥1.23 billion
  - Currency impact: - ¥0.11 billion
- Korea + ¥0.05 billion
  - Currency impact: - ¥0.02 billion

### Prescription Ophthalmics (Japan)

- Anti-infective - ¥0.51 billion
- Corneal Disease + ¥0.35 billion
- Anti-glaucoma + ¥1.45 billion
  - (Tapros + ¥3.54 billion)
- Anti-allergy - ¥0.00 billion
- Others - ¥1.12 billion

### Europe

- Prescription Ophthalmics + ¥0.93 billion
  - West Europe + ¥0.58 billion
    - (Germany + ¥0.64 billion)
  - East Europe + ¥0.37 billion
  - North Europe - ¥0.02 billion

<Currency rate>		
	<u>FY2009 actual</u>	<u>FY2010 forecast</u>
US\$	¥92.79	¥90.00
Euro	¥131.12	¥125.00
RMB	¥13.70	¥13.30



# Sales/Income Outlook for the FY2010

(JPY billions)	FY2009 Actual	FY2010	
		Forecast	Var.
Net Sales	110.59	108.50	- 2.09
Cost of Sales	34.71	35.00	0.29
(% of net sales)	31.4 %	32.3 %	0.9 pt
SGA Total	46.24	47.20	0.96
(% of net sales)	41.8 %	43.5 %	1.7 pt
SG&A excluding R&D	32.12	33.10	0.98
(% of net sales)	29.0 %	30.5 %	1.5 pt
R&D Expense	14.12	14.10	- 0.02
(% of net sales)	12.8 %	13.0 %	0.2 pt
Operating Income	29.64	26.30	- 3.34
(% of net sales)	26.8 %	24.2 %	- 2.6 pt
Non-operating Income or Loss	0.22	0.70	0.48
Ordinary Income	29.86	27.00	- 2.86
Extraordinary Income or Loss	- 1.25	0.00	1.25
Net Income before Tax	28.61	27.00	- 1.61
Income Taxes	9.88	9.50	- 0.38
Net Income	18.72	17.50	- 1.22
ROE	14.3 %	12.3%	- 2.0 pt

<Currency rate>

FY2009 actual

US\$ ¥92.79

Euro ¥131.12

RMB ¥13.70

FY2010 forecast

US\$ ¥90.00

Euro ¥125.00

RMB ¥13.30



**Reference:  
FY2009 Financial Results**

# Net Sales by Business Segment / Overseas Sales

## ■ Sales by Business Segment

(JPY billions)	FY2009					
	Domestic		Overseas		Total	
	Actual	Var. (%)	Actual	Var. (%)	Actual	Var. (%)
<b>Prescription Pharmaceuticals</b>	<b>82.69</b>	<b>0.5%</b>	<b>14.35</b>	<b>17.0%</b>	<b>97.04</b>	<b>2.7%</b>
Ophthalmics	72.66	0.4%	14.20	17.1%	86.86	2.8%
Anti-rheumatics	9.77	1.4%	0.13	26.7%	9.90	1.7%
Others	0.25	- 8.1%	0.01	- 39.5%	0.27	- 11.2%
<b>OTC Drugs</b>	<b>5.23</b>	<b>0.3%</b>	<b>0.01</b>	<b>179.9%</b>	<b>5.25</b>	<b>0.5%</b>
<b>Medical Devices</b>	<b>0.96</b>	<b>54.8%</b>	—	—	<b>0.96</b>	<b>54.8%</b>
<b>Others</b>	<b>0.69</b>	<b>36.5%</b>	<b>6.63</b>	<b>816.6%</b>	<b>7.32</b>	<b>494.7%</b>
<b>Total</b>	<b>89.58</b>	<b>1.1%</b>	<b>21.00</b>	<b>61.6%</b>	<b>110.59</b>	<b>8.8%</b>

## ■ Overseas Sales

(JPY billions)	FY2008 Actual	FY2009		
		Actual	Var.	Var. (%)
<b>Europe</b>	<b>8.31</b>	<b>8.71</b>	<b>0.40</b>	<b>4.9%</b>
<b>U.S.</b>	<b>0.93</b>	<b>6.71</b>	<b>5.77</b>	<b>615.9%</b>
<b>Asia</b>	<b>3.74</b>	<b>5.57</b>	<b>1.82</b>	<b>48.8%</b>
<b>Others</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>67.5%</b>
<b>Total</b>	<b>12.99</b>	<b>21.00</b>	<b>8.01</b>	<b>61.6%</b>



# Performance by Geographic Segment

## ■ Net Sales

(JPY billions)	FY2008 Actual	FY2009 Actual	
		Actual	Var.
Japan	91.40	97.40	6.00
Europe	9.45	9.78	0.33
Others*	0.76	3.39	2.63
<b>Total</b>	<b>101.61</b>	<b>110.59</b>	<b>8.98</b>

## ■ Operating Income

(JPY billions)	FY2008 Actual	FY2009 Actual	
		Actual	Var.
Japan	18.28	30.99	12.71
Europe	0.17	0.75	0.58
Others*	-0.66	0.45	1.11
Elimination	-2.30	- 2.56	- 0.26
<b>Total</b>	<b>15.49</b>	<b>29.64</b>	<b>14.15</b>

\* "Others" includes U.S., China, Korea and Taiwan.

Note: Sales by geographic region differ from overseas sales (i.e. sales by destination).



# Balance Sheet

(JPY billions)	As of March 31, 2009		As of March 31, 2010		
	Actual	% of Total	Actual	% of Total	Var.
Current Assets	101.05	66.9%	118.83	71.2%	17.78
Fixed Assets	49.95	33.1%	48.04	28.8%	- 1.91
Deferred Assets	-	-	-	-	-
<b>Total Assets</b>	<b>151.01</b>	<b>100.0%</b>	<b>166.87</b>	<b>100.0%</b>	<b>15.86</b>
Current Liabilities	22.43	14.9%	25.28	15.2%	2.85
Non-current Liabilities	3.20	2.1%	3.98	2.4%	0.78
<b>Total Liabilities</b>	<b>25.64</b>	<b>17.0%</b>	<b>29.27</b>	<b>17.5%</b>	<b>3.63</b>
<b>Total Net Assets</b>	<b>125.36</b>	<b>83.0%</b>	<b>137.60</b>	<b>82.5%</b>	<b>12.24</b>
<b>Total Liabilities Net Assets</b>	<b>151.01</b>	<b>100.0%</b>	<b>166.87</b>	<b>100.0%</b>	<b>15.86</b>

## Major Changes

- Current Assets: Cash and deposits + ¥19.6 billion, Accounts & notes receivable - ¥0.7 billion, Marketable securities - ¥2.4 billion, Finished goods inventories + ¥1.0 billion, Work in process + ¥0.4 billion
- Fixed Assets: Building & fixtures - ¥1.2 billion, Machineries & equipments. - ¥0.4 billion, Land - ¥0.3 billion, Intangible assets - ¥0.3 billion, Investment securities + ¥0.4 billion, and Long-term deferred tax assets + ¥0.3 billion
- Current Liabilities: Accounts payable - ¥0.4 billion, Accrued liabilities + ¥0.5 billion, and Unpaid corporate tax + ¥2.5 billion
- Fixed Liabilities: Provision for retirement remuneration + ¥0.5 billion
- Net Assets: Retained earnings + ¥11.9 billion, and Revaluation profit from other marketable securities + ¥0.4 billion





# Summary of Cash Flows

(JPY billions)	<b>FY2009 Actual</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>45.95</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>18.39</b>
Cash flows from operating activities	26.11
Cash flows from investing activities	- 0.82
Cash flows from financial activities	- 6.75
Effect of exchange rate changes on cash and cash equivalents	- 0.13
<b>Cash and cash equivalents at the end of the year</b>	<b>64.34</b>

Note: "Cash and cash equivalents" include cash equivalents thus differ from "cash and deposits" in the Balance Sheets.



## CAPEX / Depreciation & Amortization / Lease Expenses

(JPY billions)	FY2008 Actual	FY2009	
		Actual	Var.
<b>Capital Expenditures</b>	<b>2.74</b>	<b>1.22</b>	<b>- 1.52</b>
<b>Depreciation and Amortization</b>	<b>3.39</b>	<b>3.20</b>	<b>- 0.19</b>
<b>Lease</b>	<b>0.93</b>	<b>0.52</b>	<b>- 0.41</b>



**Reference:  
FY 2010 Financial Forecasts**



## Mid-term Consolidated Income Comparison

(JPY billions)	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Actual	FY2010 Forecast
<b>Net Sales</b>	100.48	103.39	101.61	<b>110.59</b>	<b>108.50</b>
<b>Operating Income</b>	20.41	20.37	15.49	<b>29.64</b>	<b>26.30</b>
<b>Ordinary Income</b>	20.84	20.70	15.93	<b>29.86</b>	<b>27.00</b>
<b>Net Income</b>	13.14	12.65	10.12	<b>18.72</b>	<b>17.50</b>
<b>ROE</b>	10.6%	9.9%	8.0%	<b>14.3%</b>	<b>12.3%</b>



# Sales Forecast by Business Segment / Overseas Sales

## ■ Sales by Business Segment

(JPY billions)	FY2010					
	Domestic		Overseas		Total	
	Forecast	Var. (%)	Forecast	Var. (%)	Forecast	Var. (%)
<b>Prescription Pharmaceuticals</b>	<b>82.49</b>	<b>- 0.2%</b>	<b>16.33</b>	<b>13.8%</b>	<b>98.83</b>	<b>1.9%</b>
Ophthalmics	72.84	0.2%	16.19	14.0%	89.03	2.5%
Anti-rheumatics	9.39	- 3.9%	0.12	- 7.1%	9.51	- 3.9%
Others	0.26	2.6%	0.01	- 30.7%	0.27	0.3%
<b>OTC Drugs</b>	<b>5.36</b>	<b>2.4%</b>	<b>0.00</b>	<b>- 53.7%</b>	<b>5.36</b>	<b>2.2%</b>
<b>Medical Devices</b>	<b>1.95</b>	<b>102.6%</b>	<b>-</b>	<b>-</b>	<b>1.95</b>	<b>102.6%</b>
<b>Others</b>	<b>0.95</b>	<b>37.0%</b>	<b>1.40</b>	<b>- 78.9%</b>	<b>2.35</b>	<b>- 67.8%</b>
<b>Total</b>	<b>90.75</b>	<b>1.3%</b>	<b>17.74</b>	<b>- 15.5%</b>	<b>108.50</b>	<b>- 1.9%</b>

## ■ Overseas Sales

(JPY billions)	FY2009 Actual	FY2010		
		Forecast	Var.	Var. (%)
<b>Europe</b>	<b>8.71</b>	<b>9.32</b>	<b>0.60</b>	<b>7.0%</b>
<b>U.S.</b>	<b>6.71</b>	<b>1.60</b>	<b>- 5.11</b>	<b>- 76.2%</b>
<b>Asia</b>	<b>5.57</b>	<b>6.81</b>	<b>1.23</b>	<b>22.3%</b>
<b>Others</b>	<b>0.00</b>	<b>0.01</b>	<b>0.01</b>	<b>177.3%</b>
<b>Total</b>	<b>21.00</b>	<b>17.74</b>	<b>- 3.26</b>	<b>- 15.5%</b>

# Forecast by Geographic Segment

## ■ Net Sales

(JPY billions)	FY2009 Actual	FY2010	
		Forecast	Var.
<b>Japan</b>	<b>97.40</b>	<b>92.85</b>	<b>- 4.55</b>
<b>Europe</b>	<b>9.78</b>	<b>10.18</b>	<b>0.40</b>
<b>Others*</b>	<b>3.39</b>	<b>5.47</b>	<b>2.08</b>
<b>Total</b>	<b>110.59</b>	<b>108.50</b>	<b>- 2.09</b>

## ■ Operating Income

(JPY billions)	FY2009 Actual	FY2010	
		Forecast	Var.
<b>Japan</b>	<b>30.99</b>	<b>27.31</b>	<b>- 3.68</b>
<b>Europe</b>	<b>0.75</b>	<b>0.73</b>	<b>- 0.02</b>
<b>Others*</b>	<b>0.45</b>	<b>1.16</b>	<b>0.71</b>
<b>Elimination</b>	<b>- 2.56</b>	<b>- 2.90</b>	<b>- 0.34</b>
<b>Total</b>	<b>29.64</b>	<b>26.30</b>	<b>- 3.34</b>

\* "Others" are U.S., China, Korea and Taiwan.

Note: Sales by geographic region differ from overseas sales (i.e. sales by destination).



## CAPEX / Depreciation & Amortization / Lease Expenses

(JPY billions)	FY2009 Actual	FY2010	
		Forecast	Var.
<b>Capital Expenditures</b>	1.22	2.79	1.57
<b>Depreciation and Amortization</b>	3.20	3.06	- 0.14
<b>Lease</b>	0.52	0.19	- 0.33

### Major capital expenditure FY2010

- Production Related: 1.47 billion yen
- R&D Related: 0.36 billion yen
- Others: 0.96 billion yen



**Reference:**  
**Market Overview of**  
**Prescription Ophthalmics in Japan**

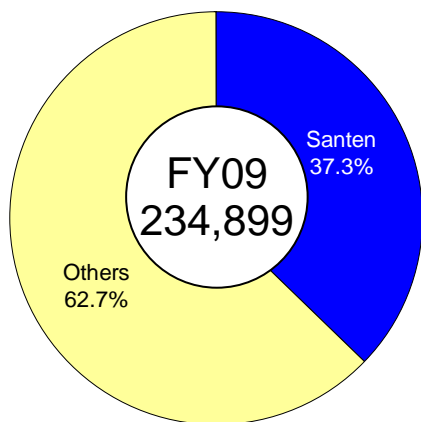


# S Japan: Trend & Competition by Category - 1

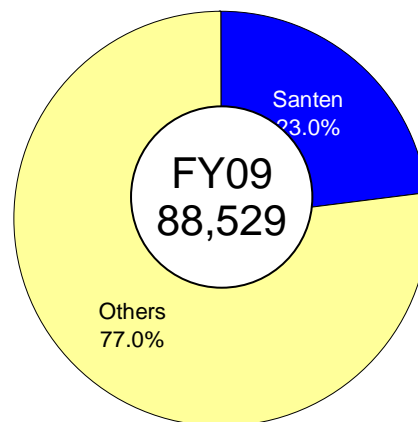
- **Ophthalmology Total:** Market grew by 3.5% YoY in FY09. Despite rapid growth in the retinal segment, Santen maintained market share at 37.3%.
- **Glaucoma:** Santen outperformed the market with the contribution of the Tapros. Santen's share stands at 23.0%.
- **Corneal:** Market continued to grow at 3.9% YoY. Santen managed to maintain market share at 77.1%.

Market Size:  
millions of yen  
%: Value Share

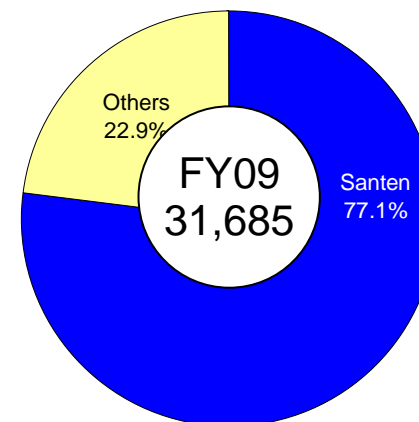
Ophthalmology Total



Anti-glaucoma



Corneal: Dry Eye



		FY08	FY09
YoY change	Market	+2.6%	+3.5%
	Santen	+0.3%	+1.7%
Santen's Share		38.0%	37.3%

		FY08	FY09
YoY change		+2.2%	+4.1%
Santen		-0.4%	+18.4%
Santen's Share		20.3%	23.0%

		FY08	FY09
YoY change		+5.7%	+3.9%
Santen		+4.4%	+3.0%
Santen's Share		77.7%	77.1%

-Santen:  
-Glaucoma : Tapros, Timoptol/XE, Rescula, Detantol  
-Cornea / Dry Eye : Hyalein

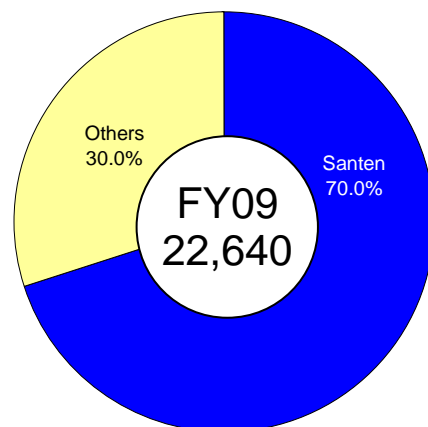
Source: ©2010 IMS Japan  
IMS-JPM 2008-10  
Santen analysis based on IMS data

# S Japan: Trend & Competition by Category - 2

- **Anti-infection:** Market shrunk by 4.4% YoY in FY09. Treatment days/head is in declining trend.
- **Anti-allergy:** Santen has been underperforming the market. Competitor's growth continues.

Market Size:  
millions of yen  
%: Value Share

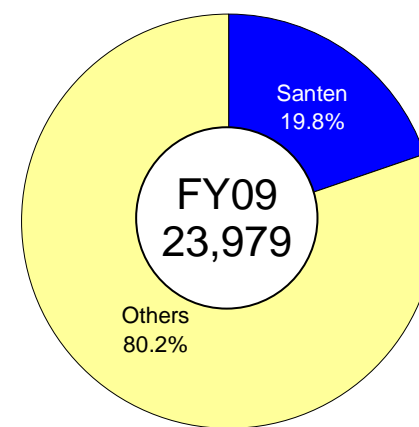
## Anti-infection



		FY08	FY09
YoY change	Market	-3.1%	-4.4%
	Santen	-5.0%	-5.6%
Santen's Share		70.9%	70.0%

- Santen:  
- Anti-infection: Cravit, Tarivid, etc.  
- Anti-allergy: Livostin, Alegysal

## Anti-allergy



		FY08	FY09
YoY change		+11.0%	-15.0%
Santen		+2.3%	-19.7%
Santen's Share		21.0%	19.8%



## Forward-Looking Statements

- Information given in this announcement and accompanying documentation contains certain forward-looking statements concerning forecasts, projections and plans whose realization is subject to risk and uncertainty from a variety of sources. Actual results may differ significantly from forecasts.
- Business performance and financial condition are subject to the effects of medical regulatory changes made by the governments of Japan and other nations concerning medical insurance, drug pricing and other systems, and to fluctuations in market variables such as interest rates and foreign exchange rates.
- The process of drug research and development from discovery to final approval and sales is long, complex and uncertain. Individual compounds are subject to a multitude of uncertainties, including the termination of clinical development at various stages and the non-approval of products after a regulatory filing has been submitted. Forecasts and projections concerning new products take into account assumptions concerning the development pipelines of other companies and any co-promotion agreements, existing or planned. The success or failure of such agreements could affect business performance and financial condition significantly.
- Business performance and financial conditions could be affected significantly by a substantial drop in sales of a major drug, either currently marketed or expected to be launched, due to termination of sales as a result of factors such as patent expiry and complications, product defects or unforeseen side effects. Santen Pharmaceutical also sells numerous products under sales and/or manufacturing license from other companies. Business performance could be affected significantly by changes in the terms and conditions of agreements and/or the non-renewal of agreements.
- Santen Pharmaceutical is reliant on specific companies for supplies of certain raw materials used in production. Business performance could be affected significantly by the suspension or termination of supplies of such raw materials if such an event were to adversely affect supply capabilities for related final products.