FY 2011 Third Quarter Results

February 7, 2012

Santen Pharmaceutical Co., Ltd

Consolidated Results
FY2011 Third Quarter

Satoshi Harada

Corporate Officer

Head of Administration Division

Medium-term Policies FY2011-2013

To become a specialized pharmaceutical company with global presence;

1. Promote global oriented research and development operation.
2. Boost domestic business by maximizing new product value and implementation of sales/marketing strategies.
3. Accelerate growth in both Asia and Europe by reinforcing marketing platform.
4. Establish global product supply system with existing 4 plants which enables to meet the emerging market needs.
5. Develop talents and organizational capabilities to promote “Creation and Innovation” on a globally level.

Financial Highlights for Q3 FY2011

	Q3.FY2010 Actual	Q3.FY2011 Actual	Var. %
Net Sales	82.10	86.43	+5.3%
Operating Income	22.10	22.22	+0.5%
Ordinary Income	22.82	23.03	+0.9%
Net Income	14.67	14.76	+0.6%

Highlights for Q3-FY2011 Results

Sales :

- **Domestic sales** increased in the prescription pharmaceutical segment. Increased market shares in the glaucoma and dry-eye segments.
- **Overseas sales** sustained growth in Europe and China. In Europe, steady penetration of Taflotan drove the growth.

Operating Profit:

- **SG&A excluding R&D expense** has increased due to costs related to strengthening sales platforms of European and Chinese businesses.
- Increased investment in **R&D** pipeline in line with the Medium-tem Management Plan.

Progress in Novagali Acquisition :

- Successful completions of tender offer and mandatory squeeze-out process. Santen now holds 100% of Novagali shares.
- Integration of operations in progress.

Q3 FY2011
Net Sales: Variances (vs. Q3 FY2010)

FY2010 Q3 Net Sales (Actual) ¥82.10billion

+¥4.33 billion

FY2011 Q3 Net Sales (Actual) ¥86.43billion

Japan: +3.41billion

Prescription Ophthalmics	+2.66bil
Anti-rheumatics	+0.21bil
OTC Drugs	-0.01bil
Medical Devices	+0.32bil
Others	+0.23bil

Overseas + ¥0.91billion

U.S.	+0.15bil
(Forex impact	-0.07bil
Europe	+0.51bil
(Forex impact	-0.09bil
Asia	+0.24bil
- China	+0.16bil
(Forex impact:	-0.19bil
- Korea	+0.04bil
(Forex impact:	-0.02bil

Prescription Ophthalmics (Japan)

Anti-infective	-0.54bil	-4.8%
Cornea (Dry Eye)	+2.05bil	+13.0%
Diquas	+1.56bil	—
Glaucoma	+2.07bil	+13.7%
Tapros:	+0.44bil	+8.9%
Cosopt:	+2.68bil	+138%
Anti-allergy	+0.09bil	+4.9%
Others	-1.02bil	-8.1%

Europe

Prescription Ophthalmics	+0.83bil	+14.2%
-Western Europe	+0.03bil	+1.9%
-Eastern Europe	+0.30bil	+31.0%
-Northern Europe	+0.17bil	+7.6%
- Russia	+0.32bil	+34.4%

<Currency Rates>

	FY10.Q3 actual	FY11.Q3 actual
US$	JPY 86.72	JPY 79.09
Euro	JPY 114.50	JPY 112.94
CNY	JPY 13.15	JPY 12.38

Changes in Income Statement

(JPY billions)	FY2010 Q3 Actual	Q3.FY2011 Actual	Q3.FY2011 Variance	Major Changes
Net Sales	82.10	**86.43**	+4.33	
Cost of Sales **(% of net sales)**	26.19 31.9%	**26.95** **31.2%**	+0.75 -0.7pt	Fixed production cost -0.1pt, Change in product mix +0.1pt、Overseas business -0.2pt, Effect from income related to license contracts -0.1pt, etc.
SGA excluding R&D **(% of net sales)**	24.05 29.3%	**25.02** **28.9%**	+0.97 -0.3pt	Japanese business promotion expense -0.64bil, European and US subsidiaries +0.79bil, Asian business +0.53bil, etc.
R&D Expenses **(% of net sales)**	9.75 11.9%	**12.24** **14.2%**	+2.48 +2.2pt	
Operating Profit **(% of net sales)**	22.10 26.9%	**22.22** **25.7%**	+0.11 -1.2pt	
Non-operating Income **Non-operating Expense**	0.84 0.12	**0.86** **0.05**	+0.02 -0.07	
Ordinary Income	22.82	**23.03**	+0.21	
Extraordinary Gain **Extraordinary Loss**	0.01 0.26	**0.06** **0.02**	+0.04 -0.24	
Net Income before Tax	22.56	**23.06**	+0.50	
Corporate Tax	7.88	**8.29**	+0.41	
Net Profit	14.67	**14.76**	+0.08	

<Currency Rates>

	FY10.Q3actual	FY11.Q3 actual
US$	JPY 86.72	JPY 79.09
Euro	JPY 114.50	JPY 112.94
CNY	JPY 13.15	JPY 12.38

Reference:
Consolidated Results
FY2011 Third Quarter

Net Sales by Business Segment

(JPY billions)	Q3.FY2011 Actual					
	Japan		Overseas		Total	
	Sales	Var.	Sales	Var.	Sales	Var.
Pharmaceuticals	71.75	+4.5%	12.64	5.6%	**84.40**	**4.7%**
Prescription Pharmaceuticals	68.16	+4.8%	12.63	5.6%	**80.80**	**4.9%**
Ophthalmic	59.48	+4.7%	12.39	8.2%	**71.88**	**5.3%**
Anti-RA	7.78	+2.9%	0.08	9.1%	**7.87**	**2.9%**
Others	0.89	+35.8%	0.15	-63.5%	**1.05**	**-3.5%**
OTC Pharmaceuticals	3.58	-0.6%	0.00	41.5%	**3.59**	**-0.5%**
Others	1.39	+30.0%	0.63	60.2%	**2.03**	**38.2%**
Medical Devices	1.38	+30.2%	0.63	60.2%	**2.02**	**38.4%**
Others	0.00	+4.3%	—	—	**0.00**	**4.3%**
Total	**73.15**	**+4.9%**	**13.28**	**7.4%**	**86.43**	**5.3%**

Oversea Sales

(JPY billions)	FY2010 Q3 Actual	FY2011		
		Q3 Actual	Var.	Var. %
U.S.	**0.85**	**1.01**	+0.15	+18.5%
Europe	**6.23**	**6.75**	+0.51	+8.3%
Asia	**5.27**	**5.51**	+0.24	+4.6%
Others	**0.00**	**0.00**	-0.00	–
Total	**12.37**	**13.28**	+0.91	+7.4%

Summery of Change in Balance Sheet

(JPY billions)	As of March 31, 2011		As of December 31, 2011		
	Actual	% of Total	Actual	% of Total	Var.
Current Asset	137.66	74.5%	129.13	68.8%	-8.53
Fixed Asset	47.13	25.5%	58.44	31.1%	+11.31
Total Asset	**184.80**	**100.0%**	**187.57**	**100.0%**	**+2.77**
Current Liabilities	24.10	13.0%	19.52	10.4%	-4.57
Non-current Liabilities	4.29	2.3%	6.26	3.3%	+1.97
Total Liabilities	**28.39**	**15.4%**	**25.79**	**13.8%**	**-2.60**
Total Net Asset	**156.40**	**84.6%**	**161.78**	**86.2%**	**+5.38**
Total Liabilities Net Assets	**184.80**	**100.0%**	**187.57**	**100.0%**	**+2.77**

Major Changes

- **Current Asset:** Cash and deposits -¥7.94bil, Merchandise and finished products +¥1.16bil, Marketable securities -¥0.39bil, Inventories -¥0.55bil, ST deferred tax assets -¥0.79bil
- **Fixed Asset :** Buildings and structures -¥0.83bil, Construction in progress +¥1.28bil, Goodwill +¥6.19bil, Investment securities -¥0.30bil, LT deferred tax assets -¥0.87bil, Other intangible assets +¥6.29bil,
- **Current Liabilities:** Accounts payable -¥1.08bil, Income tax payable -¥2.44bil, Provision for bonus -¥1.17bil
- **Fixed Liabilities :** Provisions for directors' retirement fund -¥0.24bil, LT deferred tax liability +¥2.05bil
- **Net asset :** Retained earnings +¥6.05bil, Foreign currency translation adjustments -¥0.95bil

Summary of Cash Flows

(JPY billions)		FY2011 Q3 Actual
Cash and cash equivalents at the beginning of the year		**72.48**
Net increase/decrease in cash and cash equivalents		**-6.69**
	Cash flows from operating activities	12.23
	Cash flows from investing activities	-9.94
	Cash flows from financial activities	-8.48
	Effect of exchange rate changes on cash and cash equivalents	-0.50
Cash and cash equivalents at the end of the year		**65.78**

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

Capital Expenditures / Depreciation & Amortization / Lease Expenses

(JPY billions)	FY2010	FY2011	
	Q3 Actual	Q3 Actual	Var.
Capital Expenditures	0.91	**2.70**	+1.78
Depreciation and Amortization	2.08	**2.02**	-0.06
Lease Payments	0.14	**0.02**	-0.12

Reference:
Acquisition of Novagali

Acquisition of Novagali

Purpose of the Acquisition

- In line with Santen's long term strategic vision for 2020, to strengthen its global business platform, especially its business franchise in Europe.
- Novagali has outstanding R&D capabilities as well as unique pharmaceutical formulation technologies.
- Cyclokat, Novagali's dry-eye treatment under a late-stage development, which uses a unique Novasorb technology, has a potential to become Europe's first prescription dry-eye drug, when launched successfully.

Acquisition Process

- September, 2011: Acquired 50.55% of outstanding shares of Novagali pursuant to the Share Purchase Agreement.
- December, 2011: Acquired up to 96.73% of Novagali shares through public tender offer.
- January, 2012 : Executed a mandatory squeeze-out. Novagali gets delisted, and becomes a wholly owned subsidiary of Santen.
- Total acquisition price: Euro 107.1 million (about JPY 10.94 billion), including associated costs and expenses.

Acquisition of Novagali

NOVAGALI PHARMA

Acquisition Price Allocation

Acquisition Price	JPY' billions
Acquisition of shares	10.40
Associated costs and expenses	0.54
Total acquisition cost	**10.94**

Breakdown of Acquired Assets

Assets	JPY' billions
Existing assets	1.21
In-process R&D	6.16
Goodwill	6.19
Total assets acquired	13.56

Reference:
FY2011 Financial Forecasts

Financial Forecast for FY2011

(JPY billions)	FY2010 Actual	FY2011 Forecast	Var. %
Net Sales	110.81	116.00	+4.7%
Operating Income	30.73	30.00	-2.4%
Ordinary Income	31.48	30.50	-3.1%
Net Income	21.33	20.50	-3.9%

ROE	14.5%	12.6%	-1.9pt

*Forecast as of: May 10, 2011

Sales/Income Outlook for the FY2011

(JPY billions)	FY2010 Actual	FY2011	
		Forecast	Var.
Net Sales	**110.81**	**116.00**	**+5.18**
Cost of Sales	**34.43**	**36.00**	**+1.56**
(% of net sales)	31.1%	31.0 %	-0.0 pt
SG&A excluding R&D	**32.41**	**34.00**	**+1.58**
(% of net sales)	29.3 %	29.3 %	+0.1 pt
R&D Expense	**13.22**	**16.00**	**+2.77**
(% of net sales)	11.9 %	13.8 %	+1.9 pt
Operating Income	**30.73**	**30.00**	**-0.73**
(% of net sales)	27.7 %	25.9%	- 1.9 pt
Non-operating Income/Loss	0.74	0.50	-0.24
Ordinary Income	**31.48**	**30.50**	**- 0.98**
Extraordinary Income/Loss	- 0.40	0.00	+0.40
Net Income before Tax	**31.07**	**30.50**	**- 0.57**
Income Taxes	9.74	10.00	+0.25
Net Income	**21.33**	**20.50**	**- 0.83**

ROE	**14.5 %**	**12.6%**	**- 1.9 pt**

<Currency rate>

	FY2010 actual
US$	¥85.57
Euro	¥113.45
CNY	¥12.94
	FY2011 forecast
US$	¥82.00
Euro	¥113.00
CNY	¥12.50

*Forecast as of: May 10, 2011

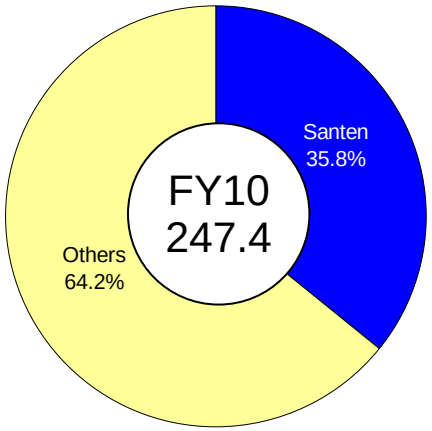
Reference:
Market Overview of
Prescription Ophthalmic in Japan

Japan: Trend & Competition in Ophthalmics (1)

- **Ophthalmology Total**: Market grew by 5.7% in the period up to 3rd quarter FY11. Retinal segment and corneal segment lead the market growth. Santen's market share was 36.7%.
- **Glaucoma**: Market grew by 2.5% in the period up to 3rd quarter FY11. Santen's sales grew by 14.1%. Santen held 28.1% share of the glaucoma market by the contribution of Tapros and Cosopt.
- **Corneal**: Market grew by 11.2% in the period up to 3rd quarter FY11. Santen's sales grew by 14.5%, and Santen's market share increased to 77.6% with growth of Hyalein and Diquas.

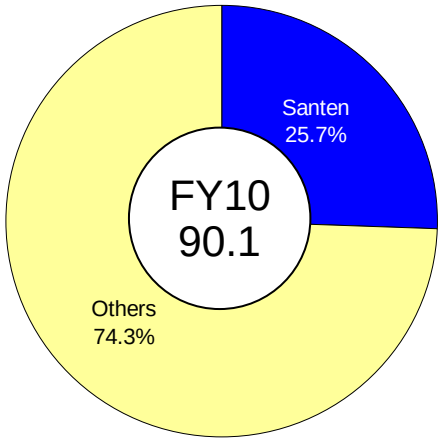
Market Size:
billions of yen
%: Value Share

Ophthalmology Total



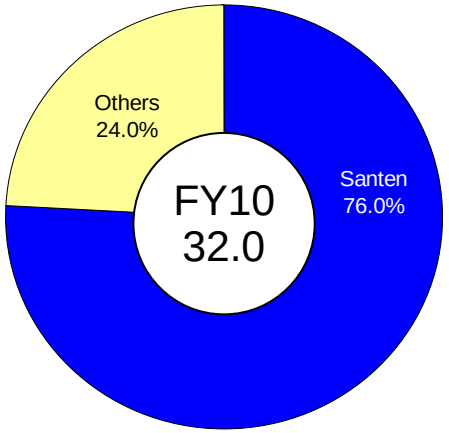
		FY10	Q3YTD FY11
YoY change	Market	+5.3%	+5.7%
	Santen	+1.0%	+5.7%
Santen's Share		35.8%	36.7%

Anti-glaucoma



FY10	Q3YTD FY11
+1.8%	+2.5%
+13.5%	+14.1%
25.7%	28.1%

Corneal: Dry Eye



FY10	Q3YTD FY11
+1.0%	+11.2%
-0.5%	+14.5%
76.0%	77.6%

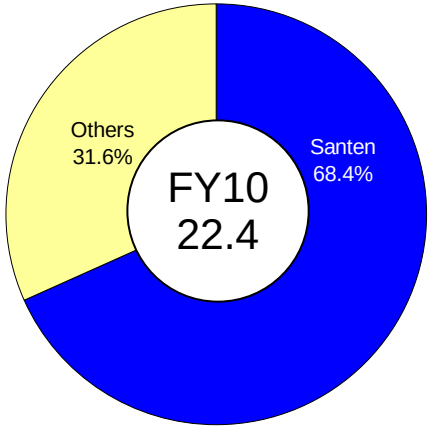
-Santen:
-Glaucoma : Tapros, Cosopt, Timoptol/XE, Rescula, Detantol, etc.
-Cornea / Dry Eye : Hyalein, Diquas etc.

Japan: Trend & Competition in Ophthalmics (2)

- **Anti-infection**: Market declined by 3.4% in the period up to 3rd quarter FY11. Santen maintained 67.9% of market share with primary contribution from Cravit.
- **Anti-allergy**: Market grew by 11.6% in the period up to 3rd quarter FY11. Santen's share was 19.3%.

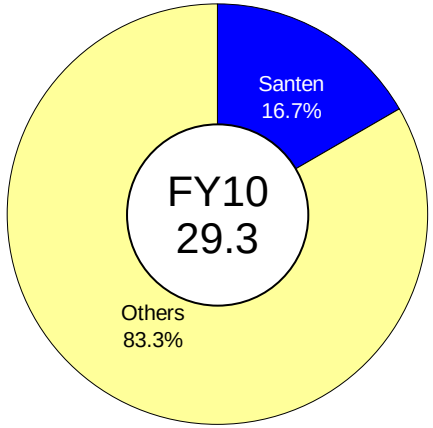
Market Size:
billions of yen
%: Value Share

Anti-infection



		FY10	Q3YTD FY11
YoY change	Market	-1.0%	-3.4%
	Santen	-3.3%	-4.2%
Santen's Share		68.4%	67.9%

Anti-allergy



FY10	Q3YTD FY11
+22.3%	11.6%
+2.9%	15.7%
16.7%	19.3%

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

FY2011 Third Quarter
Status of Clinical Development

Toshiaki Nishihata, Ph.D.

Director
Executive Corporate Officer, U.S. and Europe Business,
Head of Research and Development Division

Major Clinical Pipeline List (1) [by Disease]

(Red underlined : Change from Q2 FY11 Presentation)

Global Product | Japan (Asia) Product

Disease	Phase 1	Phase 2	Phase 3	NDA	Approved/ Launched
Glaucoma		**DE-112** Adenosine A_{2A}	**DE-111** Tafluprost/ Timolol (EU, Japan)	**DE-085** Tafluprost (China, US)	Japan, Asia, EU, Latin America, Australia
		DE-090 Lomerizine HCl		**DE-118** Tafluprost	
Corneal/ Conjunctival Disease (Dry Eye)		**DE-101** Rivoglitazone	**DE-089** Diquafosol Sodium (China, Korea, Japan)		
	DE-105 Peptide combination (US, Japan)				
		DE-110 SEGRA			
		Cyclokat Ciclosporin (US, EU)			
Retinal/ Uveal Disease			**DE-109** Sirolimus		
		DE-102 Betamethasone			
Others Infection, Allergy, RA		**DE-098** Anti APO-1 Antibody	**DE-114** Epinastine HCl	**DE-108** Levofloxacin 1.5% (Korea, Japan)	

*Project evaluations are ongoing for other Novagali products

Major Clinical Pipeline List (2) [by Region]

(Red underlined : Change from Q2 FY11 Presentation)

Global product | Japan (Asia) Product

Region	Phase 1	Phase 2	Phase 3	NDA	Approved・Launched
Japan		**DE-102** Betamethasone		**DE-118** Tafluprost	**DE-085** Tafluprost
		DE-090 Lomerizine HCl	**DE-111** Tafluprost/ Timolol		**DE-089** Diquafosol Sodium
		DE-105 Peptide combination	**DE-114** Epinastine HCl		**DE-108** Levofloxacin 1.5%
		DE-098 Anti APO-1 Antibody	**DE-109** Sirolimus		
North America (Including Latin America)	**DE-105** Peptide Combination	**DE-110** SEGRA	**DE-109** Sirolimus	**DE-085** Tafluprost (US, Latin America)	
		DE-101 Rivoglitazone			
	DE-112 Adenosine A_{2A}				
		Cyclokat Ciclosporin			
Asia (Including Oceania)				**DE-085** Tafluprost (China, Korea, Australia)	
			China: **DE-089** Diquafosol Sodium (Korea)		
				DE-108 Levofloxacin 1.5%	
EU			**DE-111** Tafluprost/ Timolol		**DE-085** Tafluprost
			Cyclokat Ciclosporin		

*Project evaluations are ongoing for other Novagali products

Major Clinical Projects Update (DE-085)

- **DE-085 (Glaucoma, Ocular hypertension)**
  TAPROS, *TAFLOTAN*, *SAFLUTAN*

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011	
Japan	**Launched**	**Launched**	**Generic name: Tafulprost** Launched in: Japan (Dec. 2008) Europe (Jun. 2008) Asia (Mar. 2010) Latin America (Aug. 2010) Out-licensed to: Merck & Co. (Apr. 2009)
Europe**	**Launched: 27 countries** **Approved: 39 countries** Partly out-licensed to Merck*	**Launched: 27 countries** **Approved: 39 countries** Partly out-licensed to Merck*	
Asia**	**Launched: 4 countries** **Approved: 7 countries** **NDA filed: China**	**Launched: 4 countries** **Approved: 6 countries** **NDA filed: China**	
U.S./ Others**	Out-licensed to Merck* **Launched: 4 countries** **Approved: 10 countries** **NDA filed: U.S.**	Out-licensed to Merck* **Launched: 4 countries** **Approved: 10 countries** **NDA filed: U.S.**	

Launched: Total of 36 countries worldwide
- Santen: Japan and 4 countries in Asia (Hong Kong, Korea, Indonesia, Singapore)
  20 countries in Europe (Germany, Finland and 18 other countries)
- Merck*: 7 countries in Europe (U.K., Spain, Netherlands, Italy, Portugal, Austria, Switzerland)
  4 countries in Latin America (Bahamas, etc.)

Approved: Total of 57 countries worldwide
(Newly added 1 country: Australia)

*Merck areas (since April 2009): Western Europe excluding Germany, North America, South America, and Africa
**EU: Including CIS, Asia: Including Oceania, US: Including Latin America

Major Clinical Projects Update

- **DE-118** (Glaucoma, ocular hypertension)

Region	Development Stage		Remarks
	As of February 7, 2012	**As of November 1, 2011** (Previous announcement)	
Japan	**NDA filed**	**-**	**Generic name:** **Tafluprost** (preservative-free, unit dose, single use)

- **DE-089 (Dry eye)**

  Product Name: *DIQUAS* in Japan

Region	Development Stage		Remarks
	As of February 7, 2012	**As of November 1, 2011** (Previous announcement)	
Japan	**Launched**	**Launched**	**Generic name:** **Diquafosol Sodium**
Asia	**China: Preparing NDA** **Korea: Approved**	**China: Preparing NDA** **Korea: NDA filed**	

Major Clinical Projects Update - Glaucoma, Ocular hypertension -

- **DE-090**

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P2	P2	Generic name: Lomerizine HCl

- **DE-111**

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P3	P3	Generic name: Tafluprost/ Timolol maleate (Combination drug)
Europe	P3	P3	

- **DE-112**

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
U.S.	P1/2a	P1/2a	Adenosine A_{2A} receptor agonist

Major Clinical Projects Update – Corneal disease -

•**DE-101** (Corneal and conjunctival epithelial disorders associated with dry eye, etc.)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
U.S.	P2	P2	Generic Name: Rivoglitazone

•**DE-105** (Persistent corneal epithelial defects)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P2	P2	Combination of peptides
U.S.	Preparing P2	Preparing P2	

•**DE-110** (Corneal and conjunctival epithelial disorders associated with dry eye, etc)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
U.S.	P2	P2	Selective glucocorticoid receptor agonist (SEGRA)

Major Clinical Projects Update - Retinal / Uveitis Disease -

- **DE-102** (Macular edema associated with diabetes or branch retinal vein occlusion* (BRVO)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P2/3*	P2/3	Generic name: Betamethasone

*Study for macular edema secondary to BRVO has been added

- **DE-109** (Uveitis)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
US	P3	P3	Generic name: Sirolimus
Japan	P3	—	

Major Clinical Projects Update – Infection, Allergy, Arthritis -

- **DE-108** (Bacterial conjunctivitis)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	Launched (June, 2011)		Generic name: Levofloxacin 1.5%
Korea	NDA Filed	—	

- **DE-114** (Allergic conjunctivitis)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P3	P3	Generic name: Epinastine HCl

- **DE-098** (Rheumatoid arthritis)

Region	Development Stage		Remarks
	As of February 7, 2012	As of November 1, 2011 (Previous announcement)	
Japan	P2	P2	Anti-APO-1 antibody

Major Clinical Projects Update – Novagali -

- **Cyclokat** (Severe Dry Eye)

Region	Development Stage As of February 7, 2012	Remarks
EU	P3	Generic Name: Ciclosporin
US	P2 Completed	

***Project evaluations are ongoing for the products below.**

Product Name	Indication	Region	Stage	Remarks
Vekacia	Vernal conjunctivitis	EU	P3	Generic Name: Ciclosporin
Catioprost	Glaucoma/ ocular hypertension	EU	P2	Generic Name: Latanoprost
		US	P2	
Cortiject	Diabetic macular edema	US	P1/2	Generic Name: Dexamethasone Palmitate

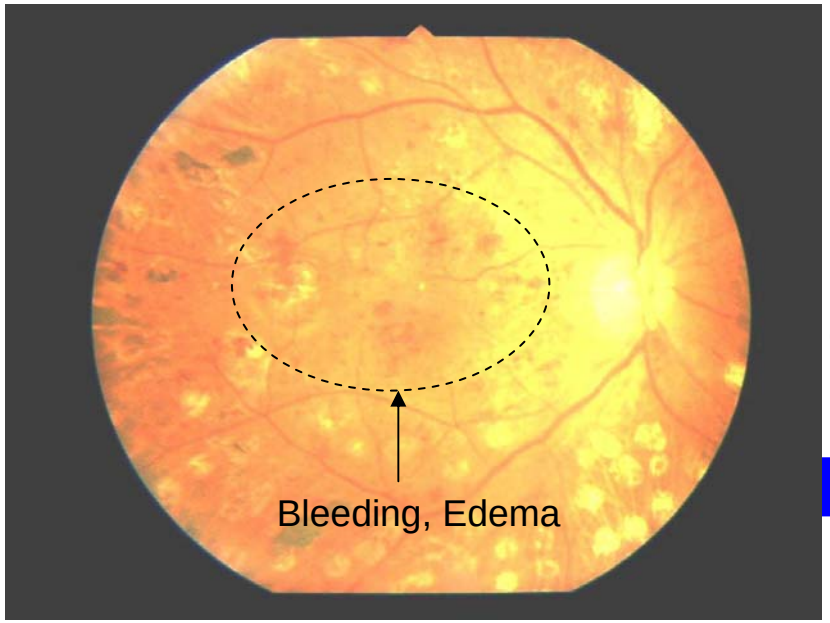
Reference: DME and BRVO

Diabetic Macular Edema (DME)

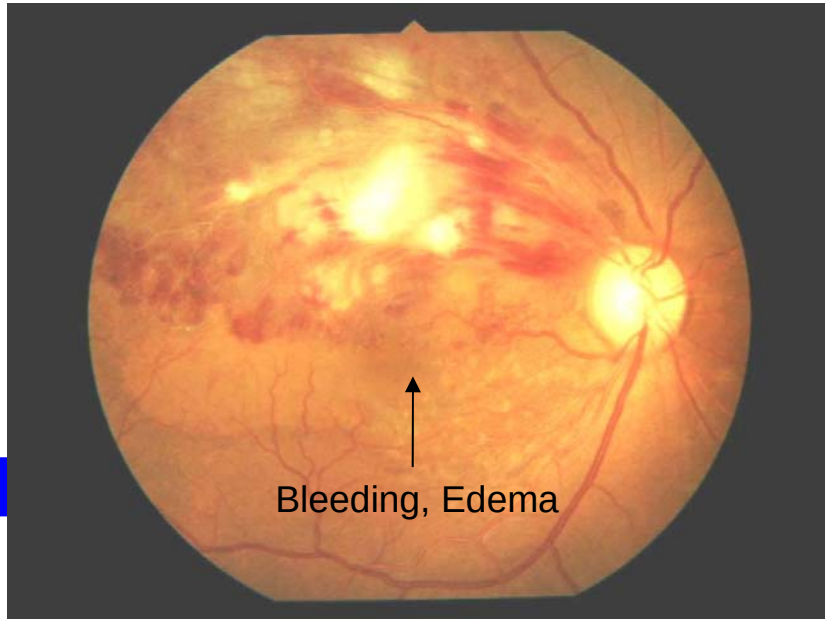
Edema (swelling) occurs in the macula by leakage of blood components or capillary aneurism, due to retinal circulation/ vascular disorders secondary to diabetes mellitus. It is a chronic clinical state.

Branch Retinal Vein Occlusion (BRVO)

Retinal vein, which branches out from the optic disc, is occluded due to blood clot or arterial sclerosis, causing bleeding or edema (swelling) in the peripheral retina. It is an acute clinical state.



Examples of Fundus findings



Visual acuity loss accompanied by inflammation, retinal hemorrhage, edema, etc.

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 and event were to adversely affect supply capabilities for related final products.