



SANTEN PHARMACEUTICAL CO.,LTD.

Data Book 2015

Year Ended March 31, 2015

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Santen group has unified the accounting period from the fiscal year ended March 31, 2014, for voluntary adoption of International Financial Reporting Standards (IFRS) from the fiscal year ending March 31, 2015. In this data book, performance for the unification of accounting period is noted as (*), and financial results for the previous 12 month period are shown as [12month]. Financial results before the fiscal year ended March 31, 2013 are based on the previous 12 month performance.

Results contained in the column marked 2014[12month] provide precise and comparable 12 month results including for subsidiaries using different fiscal year periods. Periods before the fiscal year ended March 31, 2014 are based on J-GAAP unless otherwise noted. Percent changes are 12-month, year-on-year comparisons.

The company implemented a 5-for-1 stock split on April 1, 2015. Figures in the column 2014.3[IFRS] are adjusted assuming the new, post-split number of shares for comparison purposes.

Forecasts in this report are based on the currently available information. Forecasts in this report are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions etc. Actual results may differ materially depending on a number of factors including adverse economic conditions, delays in new products launch, currency exchange rate, legislative and regulatory developments.

Financial highlights

■ Consolidated financial summary (J-GAAP)

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015	% Change 2015/2014
Net sales	110,812	114,416	119,066	148,663	146,013	161,881	10.9
Operating income	30,738	26,733	24,681	27,414	28,835	33,516	16.2
Ordinary income	31,484	27,780	25,602	27,924	29,332	34,516	17.7
Net income	21,333	17,160	16,520	17,109	18,922	22,570	19.3
Dividends per share (yen)	90	100	100	100	100	110	—
Dividend payout	36.0%	50.8%	51.1%	48.2%	43.6%	40.3%	—

■ Consolidated financial summary (IFRS, and Core base)

(Millions of yen)

Year ended March 31					2014	2015	% Change 2015/2014	2016 Forecast
Revenue	—	—	—	—	146,260	161,831	10.6	186,500
Operating profit	—	—	—	—	29,878	35,374	18.4	78,000
Profit for the year	—	—	—	—	19,718	24,032	21.9	52,500
ROE	—	—	—	—	11.1%	12.0%	—	22.5%
Dividend payout	—	—	—	—	41.9%	37.8%	—	18.9%
Core operating profit	—	—	—	—	30,403	39,088	28.6	40,300
Profit for the year	—	—	—	—	19,813	25,948	31.0	26,900
Core ROE	—	—	—	—	11.2%	13.0%	—	11.5%
Core dividends per share (yen)	—	—	—	—	48.0	62.8	30.8	65.1
PER (times)	—	—	—	—	19.1	27.9	46.1	—

■ Consolidated balance sheets summary

(Millions of yen)

Year ended March 31	J-GAAP				IFRS		
	2011	2012	2013	2014*	2014	2015	% Change 2015/2014
Total assets	184,801	198,801	199,640	231,105	237,640	304,200	28.0
Total equity	156,404	164,861	165,132	181,209	187,210	211,779	13.1
Interest-bearing debts	188	157	133	110	153	37,161	—

■ Consolidated financial indexes

Year ended March 31	J-GAAP					IFRS		
	2011	2012	2013	2014*	2014 [12month]	2014	2015	% Change 2015/2014
EPS (yen)	249.71	196.96	195.81	207.29	229.26	47.78	58.18	21.8
BPS (yen) ※1	1,793.15	1,887.81	1,998.44	2,189.50	2,234.70	452.43	511.14	13.0
Debt equity ratio (times)	0.0	0.0	0.0	0.0	0.0	0.0	0.2	—
PER (times)	13.3	17.9	22.7	22.1	20.0	19.2	30.1	56.8
PBR (times)	1.9	1.9	2.2	2.1	2.1	2.0	3.4	70.0
ROE (%) ※1	14.5	10.7	10.0	9.9	10.8	11.1	12.0	7.8
ROA (%)	12.1	8.9	8.3	7.9	8.8	8.9	8.9	-0.0
Equity ratio(%) ※1	84.5	82.8	82.6	78.2	79.3	78.8	69.6	-11.7
Free cash flows (millions of yen) ※2	16,118	18,203	6,334	21,172	—	20,806	20,105	-3.4
EBITDA (millions of yen) ※3	34,087	30,601	28,255	29,812	—	22,565	31,081	37.7

※1 BPS (net assets per share), ROE (return on equity) and equity ratios are based on the IFRS inputs of equity per share attributable to owners of the parent, net profit attributable to owners of parent and ratio of equity attributable to owners of the parent.

※2 Free cash flows = (Cash flows from operating activities) - (Capital expenditures)

Not adjusting increase/decrease in trade receivables for fiscal years ending on holidays.

※3 EBITDA = (Income before income taxes) + (Interest expense) + (Depreciation and amortization)

■ Exchange rates

(Yen)

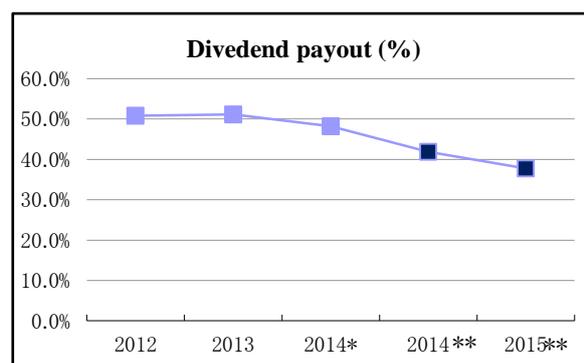
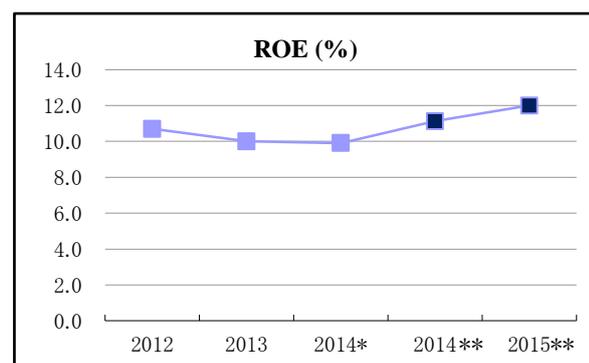
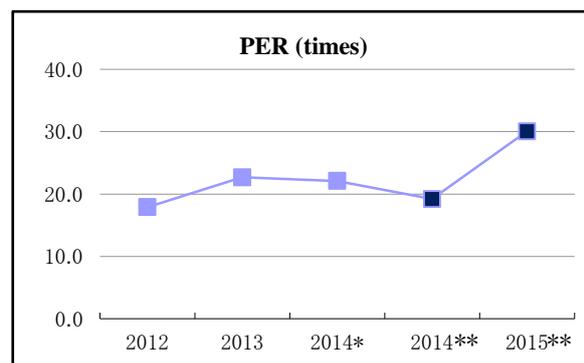
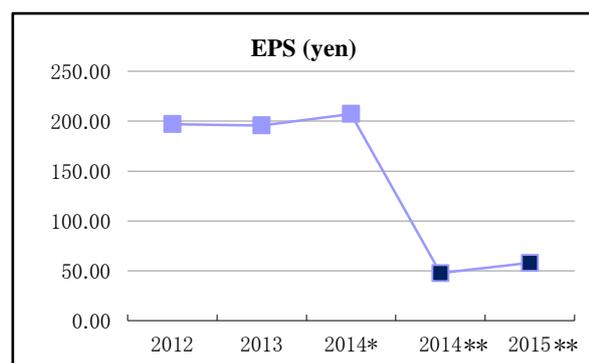
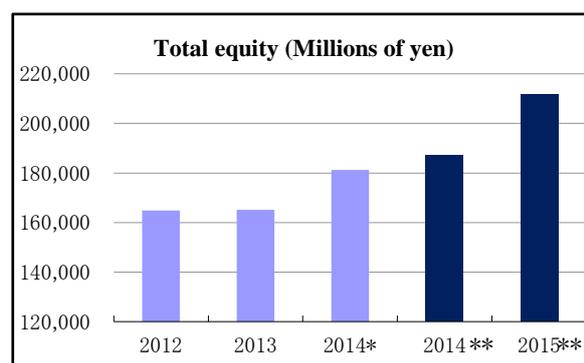
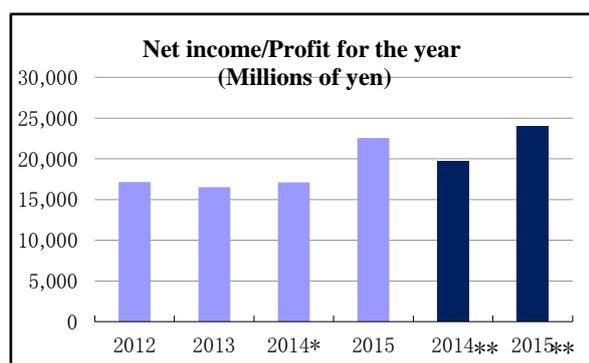
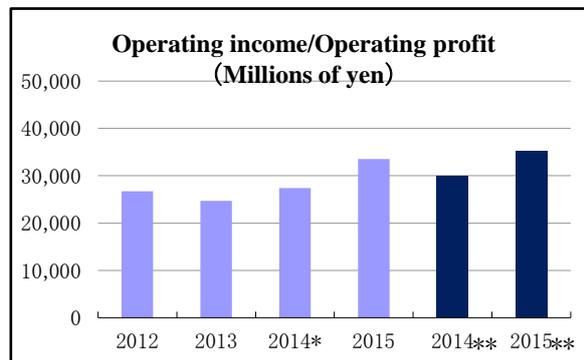
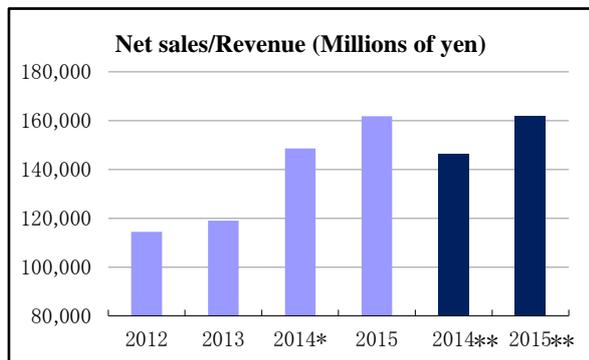
Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015	2016 Forecast
Exchange rate : US dollar	85.57	79.03	82.91	100.04	100.04	110.14	125.00
: Euro	113.45	110.27	106.01	132.98	132.34	139.01	135.00
: RMB	12.94	12.34	12.64	15.93	15.72	17.84	20.00

* After reflecting unification of accounting period.

Financial highlights



■ Consolidated Financial Summary (Graph)



*After reflecting unification of accounting period. **IFRS

Consolidated information

Consolidated statements of income and comprehensive income

■ Consolidated financial summary (J-GAAP)

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015	% Change 2015/2014
Net sales	110,812	114,416	119,066	148,663	146,013	161,881	10.9
Cost of sales	34,436	35,385	41,501	58,104	57,171	56,423	-1.3
(Percentage of net sales)	31.1%	30.9%	34.9%	39.1%	39.2%	34.9%	
Gross profit	76,375	79,031	77,564	90,558	88,842	105,458	18.7
(Percentage of net sales)	68.9%	69.1%	65.1%	60.9%	60.8%	65.1%	
Selling, general and administrative expenses	45,636	52,298	52,883	63,144	60,006	71,942	19.9
(Percentage of net sales)	41.2%	45.7%	44.4%	42.5%	41.1%	44.4%	
R&D expenditures	13,221	17,225	16,719	19,040	18,235	18,062	-0.9
(Percentage of net sales)	11.9%	15.1%	14.0%	12.8%	12.5%	11.2%	
Operating income	30,738	26,733	24,681	27,414	28,835	33,516	16.2
(Percentage of net sales)	27.7%	23.4%	20.7%	18.4%	19.7%	20.7%	
Non-operating income	1,011	1,119	1,007	975	952	1,333	40.0
Non-operating expenses	265	71	86	465	455	333	-26.8
Ordinary income	31,484	27,780	25,602	27,924	29,332	34,516	17.7
(Percentage of net sales)	28.4%	24.3%	21.5%	18.8%	20.1%	21.3%	
Extraordinary gain	15	61	17	473	473	155	-67.2
Extraordinary loss	425	51	28	1,504	1,014	344	-66.1
Income before income taxes	31,074	27,791	25,591	26,893	28,792	34,327	19.2
(Percentage of net sales)	28.0%	24.3%	21.5%	18.1%	19.7%	21.2%	
Income taxes - current	9,970	9,912	7,908	11,762	11,255	12,600	12.0
Income taxes - deferred	-229	717	1,162	-1,978	-1,385	-843	-39.1
Income before minority interests	21,333	17,160	16,520	17,109	18,922	22,570	19.3
Net income	21,333	17,160	16,520	17,109	18,922	22,570	19.3
(Percentage of net sales)	19.3%	15.0%	13.9%	11.5%	13.0%	13.9%	
Income before minority interests	21,333	17,160	16,520	17,109	18,922	22,570	19.3
Other comprehensive income	-1,537	-194	5,208	8,269	10,188	8,708	-14.5
Comprehensive income	19,796	16,966	21,728	25,378	29,111	31,278	7.4

* After reflecting unification of accounting period.

Consolidated information Statements of income and comprehensive income(IFRS)



■ IFRS (Full Base)

(Millions of yen)

Year ended March 31	2011	2012	2013	2014	2015	% Change 2015/2014
Revenue	—	—	—	146,260	161,831	10.6
Cost of sales	—	—	—	-57,353	-56,373	-1.7
(Percentage of revenue)	—	—	—	39.2%	34.8%	—
Gross profit	—	—	—	88,907	105,458	18.6
(Percentage of revenue)	—	—	—	60.8%	65.2%	—
Selling, general and administrative expenses	—	—	—	-41,642	-48,893	17.4
(Percentage of revenue)	—	—	—	28.5%	30.2%	—
Amortization on intangible assets associated with products	—	—	—	-190	-3,979	—
(Percentage of revenue)	—	—	—	0.1%	2.5%	—
Research and development expenses	—	—	—	-16,862	-17,477	3.7
(Percentage of revenue)	—	—	—	11.5%	10.8%	—
Other income	—	—	—	681	723	6.3
Other expense	—	—	—	-1,016	-458	-54.9
Operating profit	—	—	—	29,878	35,374	18.4
(Percentage of revenue)	—	—	—	20.4%	21.9%	—
Profit before tax	—	—	—	30,361	35,863	18.1
(Percentage of revenue)	—	—	—	20.8%	22.2%	—
Income tax expenses	—	—	—	-10,643	-11,831	11.2
Profit for the year	—	—	—	19,718	24,032	21.9
(Percentage of revenue)	—	—	—	13.5%	14.9%	—
ROE (%)	—	—	—	11.1	12.0	—

■ IFRS (Core Base)

(Millions of yen)

Year ended March 31	2011	2012	2013	2014	2015	% Change 2015/2014
Revenue	—	—	—	146,260	161,831	10.6
Cost of sales	—	—	—	-57,353	-56,373	-1.7
(Percentage of revenue)	—	—	—	39.2%	34.8%	—
Gross profit	—	—	—	88,907	105,458	18.6
(Percentage of revenue)	—	—	—	60.8%	65.2%	—
Selling, general and administrative expenses	—	—	—	-41,642	-48,893	17.4
(Percentage of revenue)	—	—	—	28.5%	30.2%	—
Research and development expenses	—	—	—	-16,862	-17,477	3.7
(Percentage of revenue)	—	—	—	11.5%	10.8%	—
Operating profit	—	—	—	30,403	39,088	28.6
(Percentage of revenue)	—	—	—	20.8%	24.2%	—
Profit before tax	—	—	—	30,403	39,088	28.6
(Percentage of revenue)	—	—	—	20.8%	24.2%	—
Income tax expenses	—	—	—	-10,590	-13,140	24.1
Profit for the year	—	—	—	19,813	25,948	31.0
(Percentage of revenue)	—	—	—	13.6%	16.0%	—
ROE (%)	—	—	—	11.2	13.0	—

Operating result details

■ Major selling, general and administrative expenses

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015 [IFRS]	% Change 2015/2014
Personnel expenses	13,612	14,933	15,627	17,822	17,092	18,381	7.5
Sales promotion expenses	4,490	5,163	5,233	6,751	6,257	7,267	16.1
Royalty expenses	2,545	1,952	1,935	2,547	2,515	2,916	15.9
Advertising expenses	1,500	1,221	1,116	1,589	1,439	2,041	41.8
R&D expenditures	13,221	17,225	16,719	19,040	18,235	17,477	-4.2

■ Major non-operating income and expenses (J-GAAP)

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015	% Change 2015/2014
Interest and dividend income	521	528	522	601	598	620	3.7
Gain on insurance received	136	143	157	147	147	144	-2.0
Interest expense	36	22	6	5	9	91	911.1

* After reflecting unification of accounting period.

Sales details



■ Sales by segment

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015 [IFRS]	% Change 2015/2014
Pharmaceuticals	108,575	111,846	116,810	145,712	143,063	159,261	11.1
Prescription pharmaceuticals	103,852	107,249	110,336	139,257	136,610	152,556	11.5
Ophthalmic	90,797	93,620	98,981	127,395	124,790	136,059	8.8
Anti-rheumatic drugs	9,833	9,987	9,874	10,251	10,251	9,629	-6.1
Other prescription pharmaceuticals	3,221	3,641	1,480	1,610	1,569	6,868	330.6
OTC pharmaceuticals	4,723	4,597	6,474	6,455	6,453	6,705	4.1
Others	2,236	2,570	2,255	2,950	2,950	2,569	-12.6
Medical devices	2,224	2,558	2,245	2,678	2,678	2,327	-13.1
Others	11	11	10	272	272	242	-7.4
Total net sales	110,812	114,416	119,066	148,663	146,013	161,831	10.7

[Domestic]

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015 [IFRS]	% Change 2015/2014
Pharmaceuticals	91,047	93,449	98,521	119,215	119,184	122,310	2.6
Prescription pharmaceuticals	86,332	88,862	92,062	112,798	112,767	115,672	2.6
Ophthalmic	75,585	77,753	81,125	101,779	101,779	105,345	3.5
Anti-rheumatic drugs	9,727	9,883	9,810	10,162	10,162	9,568	-5.9
Other prescription pharmaceuticals	1,020	1,225	1,126	856	825	759	-9.6
OTC pharmaceuticals	4,715	4,587	6,458	6,417	6,417	6,638	3.7
Others	1,501	1,924	2,189	2,897	2,897	2,526	-12.5
Medical devices	1,490	1,912	2,178	2,625	2,625	2,283	-13.0
Others	11	11	10	272	272	242	-7.4
Total net sales	92,549	95,374	100,711	122,113	122,082	124,835	2.3
(Percentage of total net sales)	83.5%	83.4%	84.6%	82.1%	83.6%	77.1%	

[Overseas]

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2014 [12month]	2015 [IFRS]	% Change 2015/2014
Pharmaceuticals	17,527	18,396	18,288	26,497	23,878	36,952	53.1
Prescription pharmaceuticals	17,519	18,386	18,273	26,459	23,843	36,884	53.1
Ophthalmic	15,211	15,866	17,855	25,616	23,010	2,015	32.1
Anti-rheumatic drugs	106	103	63	88	88	61	-31.2
Other prescription pharmaceuticals	2,200	2,416	354	754	743	6,109	708.8
OTC pharmaceuticals	8	10	15	37	35	67	85.5
Others	734	645	66	52	52	43	-17.9
Medical devices	734	645	66	52	52	43	-17.9
Others	—	—	—	—	—	—	—
Total net sales	18,262	19,042	18,354	26,550	23,931	36,995	53.0
(Percentage of total net sales)	16.5%	16.6%	15.4%	17.9%	16.4%	22.9%	

■ Oversea sales by region

(Millions of yen)

Year ended March 31	J-GAAP				IFRS		% Change 2015/2014
	2011	2012	2013	2014*	2014	2015	
U.S.	3,069	3,450	582	1,073	1,016	6,169	507.4
Europe	8,516	8,880	9,202	12,294	11,466	14,156	23.5
Asia	6,667	6,705	8,559	13,173	11,700	16,668	42.5
Others	8	5	10	8	7	2	-63.2
Total overseas sales	18,262	19,042	18,354	26,550	24,188	36,995	53.0

■ Oversea profit contribution (IFRS)

(Millions of yen)

	2014	2015	% Change 2015/2014
U.S.	—	-1,259	—
Europe	—	3,592	—
Asia	—	3,780	188.3
Others	—	—	—
Total overseas sales	—	6,113	—

* After reflecting unification of accounting period.

Sales details

■ Sales of major prescription pharmaceuticals

Therapeutic category	Generic name/formulation	Brand name	Region
Bacterial conjunctivitis	levofloxacin/ophthalmic solution	Cravit	Total Japan Asia Europe
	ofloxacin/ophthalmic solution	Tarivid	Total Japan Asia
Glaucoma	tafluprost-timolol maleate/ combination ophthalmic solution	Tapcom	Total Japan Europe
	tafluprost/ophthalmic solution	Tapros	Total Japan Asia Europe
	dorzolamide hydrochloride-timolol maleate/ combination ophthalmic solution	Cosopt	Total Japan Asia Europe
	timolol maleate/ophthalmic solution	Timoptol	Total Japan Asia Europe
	timolol maleate/ long-acting ophthalmic solution	Timoptol XE	Total Japan Asia Europe
	dorzolamide hydrochloride/ophthalmic solution	Trusopt	Total Japan Asia Europe
	bunazosin hydrochloride/ophthalmic solution	Detantol	Japan
Allergy	isopropyl unoprostone/ophthalmic solution	Rescula	Japan
	epinastine hydrochloride/ophthalmic solution	Alesion	Japan
	levocabastine hydrochloride/ophthalmic solution	Livostin	Japan
Corneal disease	sodium hyaluronate/ ophthalmic solution	Hyalein	Total Japan Asia
	diquafosol sodium	Diquas	Total Japan Asia
Inflammation	fluorometholone/ophthalmic solution	Flumetholon	Total Japan Asia
Senile cataract	pirenoxine/ophthalmic solution	Kary Uni	Total Japan Asia
Adjuvant for ophthalmic operations	sodium hyaluronate/ adjuvant for ophthalmic operations	Opegan Hi	Japan
Intravitreal VEGF inhibitor	aflibercept solution for intravitreal injection	Eylea	Japan

Year ended March 31

(Millions of yen)

2011	2012	2013	2014*	2014 [12month]	2015	% Change 2015/2014	2016 Forecast	Brand name
13,865	13,266	11,856	14,210	13,584	13,399	-1.4	14,331	Cravit
11,484	10,816	8,499	8,175	8,175	6,498	-20.5	6,461	
1,421	1,552	2,358	4,670	4,139	5,423	31.0	6,443	
913	894	1,010	1,364	1,270	1,478	16.4	1,428	
2,420	1,932	1,831	2,040	1,924	1,910	-0.7	1,866	Tarivid
1,528	1,287	1,086	955	955	762	-20.2	673	
892	645	745	1,085	969	1,147	18.5	1,193	
—	—	—	—	—	381	—	1,924	Tapcom
—	—	—	—	—	342	—	1,367	
—	—	—	—	—	39	—	557	
8,189	9,407	10,308	12,731	12,516	12,330	-1.5	16,413	Tapros
6,578	7,180	7,605	8,957	8,957	8,329	-7.0	9,186	
55	172	268	553	520	817	57.1	1,152	
1,556	2,055	2,435	3,221	3,040	3,185	4.8	6,075	
2,935	6,272	9,007	11,846	11,846	12,478	5.3	19,703	Cosopt
2,935	6,272	9,007	11,846	11,846	10,689	-9.8	10,955	
—	—	—	—	—	892	—	2,596	
—	—	—	—	—	897	—	6,152	
2,153	1,702	1,367	1,185	1,185	1,267	7.0	2,299	Timoptol
2,153	1,702	1,367	1,185	1,185	1,216	2.7	1,213	
—	—	—	—	—	29	—	154	
—	—	—	—	—	22	—	932	
2,892	2,404	2,085	1,931	1,931	1,984	2.7	2,009	Timoptol XE
2,892	2,404	2,085	1,931	1,931	1,918	-0.7	1,784	
—	—	—	—	—	27	—	92	
—	—	—	—	—	39	—	133	
—	—	—	—	—	1,853	—	4,237	Trusopt
—	—	—	—	—	1,545	—	1,891	
—	—	—	—	—	55	—	625	
—	—	—	—	—	252	—	1,721	
2,065	1,968	1,735	1,549	1,549	1,228	-20.7	1,197	Detantol
2,777	2,472	2,243	2,147	2,147	1,935	-9.9	1,871	Rescula
—	—	—	2,103	2,103	6,698	218.5	6,407	Alesion
3,801	3,347	4,036	2,535	2,535	2,263	-10.7	2,146	Livostin
21,257	22,217	21,160	21,823	21,416	19,611	-8.4	20,724	Hyalein
18,762	19,697	18,274	18,179	18,179	15,316	-15.7	15,033	
2,495	2,520	2,886	3,645	3,237	4,295	32.7	5,691	
746	2,846	5,563	7,938	7,938	7,895	-0.5	11,178	Diquas
746	2,846	5,563	7,831	7,831	7,419	-5.3	9,785	
—	—	—	106	107	476	344.8	1,393	
4,753	4,073	4,448	3,973	3,899	3,811	-2.3	3,970	Flumetholon
4,117	3,471	3,736	3,075	3,075	2,844	-7.5	2,796	
636	602	712	898	823	967	17.5	1,175	
3,729	3,690	3,766	4,060	3,978	3,909	-1.7	4,388	Kary Uni
3,281	3,176	3,107	3,162	3,162	2,908	-8.0	3,041	
448	514	659	898	816	1,001	22.6	1,346	
3,226	3,018	2,842	2,868	2,868	2,574	-10.2	2,658	Opegan Hi
—	—	3,183	18,757	18,757	24,886	32.7	33,859	Eylea

*After reflecting unification of accounting period.

Consolidated balance sheets (J-GAAP)

■ Assets

(Millions of yen)

Year ended March 31	2011		2012		2013		2014*		2015	
		%		%		%		%		%
Current assets	137,668	74.5	140,288	70.6	132,582	66.4	156,006	67.5	154,612	52.2
Cash and deposits	65,558		66,235		50,884		63,509		65,944	
Notes and accounts receivable-trade	38,980		37,923		43,840		52,086		59,611	
Marketable securities	13,332		12,739		11,007		13,111		—	
Merchandise and finished goods	11,784		14,672		16,703		16,223		16,035	
Work in process	449		600		624		390		585	
Raw materials and supplies	2,469		2,677		3,620		3,417		4,021	
Deferred tax assets	1,986		1,921		1,880		2,346		3,165	
Other current assets	3,106		3,521		4,022		4,925		5,252	
Allowance for doubtful receivables	-1		-1		-1		-3		-3	
Fixed assets	47,133	25.5	58,513	29.4	67,057	33.6	75,099	32.5	141,744	47.8
Tangible assets	24,956	13.5	25,523	12.8	27,420	13.7	27,628	12.0	29,103	9.8
Buildings and structures	13,450		12,806		13,427		14,146		13,265	
Machinery, equipment and vehicles	1,632		1,581		1,584		2,210		2,441	
Land	8,216		8,213		8,240		8,266		8,072	
Lease assets	186		166		158		155		146	
Construction in progress	186		1,365		2,454		816		3,006	
Other tangibles	1,283		1,390		1,554		2,032		2,170	
Intangible assets	991	0.5	12,877	6.5	14,123	7.1	16,585	7.2	73,272	24.7
Goodwill	—		5,801		5,936		6,297		4,970	
In-process research and development	—		5,941		6,767		8,357		7,688	
Software	952		831		1,150		1,826		1,918	
Other intangibles	39		301		269		102		58,694	
Investments and other assets	21,185	11.5	20,112	10.1	25,513	12.8	30,885	13.4	39,368	13.3
Investment securities	12,141		12,411		18,173		21,739		33,349	
Deferred tax assets	7,538		6,500		4,460		5,488		2,115	
Other assets	1,505		1,200		2,879		3,657		3,903	
Deferred assets	—	—								
Total assets	184,801	100.0	198,801	100.0	199,640	100.0	231,105	100.0	296,357	100.0

* After reflecting unification of accounting perio

■ Liabilities and net assets

(Millions of yen)

Year ended March 31	2011		2012		2013		2014*		2015	
		%		%		%		%		%
Current liabilities	24,104	13.0	27,425	13.8	27,011	13.5	39,093	16.9	56,162	19.0
Trade accounts payable	6,031		8,074		9,266		14,270		14,329	
Short-term debt	—		—		—		—		11,767	
Other payables	8,444		9,009		9,868		9,695		13,268	
Income taxes payable	4,631		5,282		3,038		8,169		6,823	
Reserve for bonuses	2,712		2,943		3,085		3,573		3,840	
Provision for sales returns	87		81		104		135		186	
Other current liabilities	2,198		2,033		1,647		3,249		5,945	
Non-current liabilities	4,292	2.3	6,514	3.3	7,496	3.8	10,802	4.7	35,475	12.0
Lease Obligations	152		115		87		59		46	
Deferred tax liabilities	20		1,996		2,269		2,796		2,723	
Retirement and severance benefits	3,266		3,459		3,664		—		—	
Retirement and severance benefits for directors and auditors	453		222		248		—		—	
Net defined benefit liability	—		—		—		5,400		5,457	
Provision for business structure improvement	—		—		—		802		766	
Asset retirement obligations	160		161		160		221		223	
Other liabilities	238		559		1,066		1,521		26,257	
Total liabilities	28,397	15.4	33,940	17.1	34,507	17.3	49,896	21.6	91,638	30.9
Shareholders' equity	162,159	87.7	170,770	85.9	165,855	83.1	175,328	75.9	190,015	64.1
Common stock	6,614	3.6	6,694	3.4	7,080	3.5	7,264	3.1	7,383	2.5
Capital surplus	7,968	4.3	8,049	4.0	7,775	3.9	7,958	3.4	8,077	2.7
Retained earnings	147,578	79.9	156,030	78.5	151,001	75.6	160,115	69.3	174,573	58.9
Treasury stock, at cost	-1	-0.0	-4	0.0	-2	-0.0	-9	-0.0	-18	-0.0
Accumulated other comprehensive income	-6,061	-3.3	-6,255	-3.1	-1,047	-0.5	5,481	2.4	14,151	4.8
Unrealized gains on securities, net of taxes	-443	-0.2	51	0.0	1,920	1.0	4,035	1.7	12,048	4.1
Foreign currency translation adjustments	-5,618	-3.0	-6,306	-3.2	-2,967	-1.5	2,574	1.1	2,845	1.0
Remeasurements of defined benefit plans	—	—	—	—	—	—	-1,128	-0.5	-743	-0.3
Stock subscription rights	305	0.2	347	0.2	324	0.2	399	0.2	552	0.2
Total net assets	156,404	84.6	164,861	82.9	165,132	82.7	181,209	78.4	204,719	69.1
Total liabilities and net assets	184,801	100.0	198,801	100.0	199,640	100.0	231,105	100.0	296,357	100.0

* After reflecting unification of accounting period.

Statement of financial position(IFRS)

■ Assets

(Millions of yen)

	2014		2015	
		%		%
Non-current assets				
Property, plant and equipment	27,175	11.4	29,104	9.6
Intangible assets	26,610	11.2	84,433	27.8
Financial assets	23,334	9.8	34,725	11.4
Deferred tax assets	5,215	2.2	2,978	1.0
Other non-current assets	2,065	0.9	2,288	0.8
Total non-current assets	84,399	35.5	153,528	50.5
Current assets				
Inventories	19,461	8.2	20,133	6.6
Trade and other receivables	53,986	22.7	61,701	20.3
Other financial assets	4,587	1.9	187	0.1
Other current assets	2,356	1.0	2,728	0.9
Cash and cash equivalents	72,397	30.5	65,923	21.7
Sub total	152,787		150,672	
Assets held for sale	454	0.2	—	—
Total current assets	153,241	64.5	150,672	49.5
Total assets	237,640	100.0	304,200	100.0

Equity and liabilities

(Millions of yen)

	2014		2015	
		%		%
Equity				
Equity attributable to owners of the parent				
Share capital	7,264	3.1	7,383	2.4
Capital surplus	7,959	3.4	8,077	2.7
Treasury shares	-9	-0.0	-18	-0.0
Retained earnings	162,727	68.5	178,840	58.8
Other components of equity	9,269	3.9	17,497	5.8
Total equity attributable to owners of the parent	187,210	78.8	211,779	69.6
Total equity	187,210	78.8	211,779	69.6
Liabilities				
Non-current liabilities				
Financial liabilities	102	0.0	25,351	8.3
Retirement benefit liabilities	5,401	2.3	5,459	1.8
Provisions	1,467	0.6	1,444	0.5
Deferred tax liabilities	2,795	1.2	2,874	0.9
Other non-current liabilities	1,479	0.6	953	0.3
Total non-current liabilities	11,244	4.7	36,081	11.9
Current liabilities				
Trade and other payables	19,072	8.0	20,250	6.7
Other financial liabilities	4,880	2.1	19,298	6.3
Income tax payable	8,081	3.4	6,729	2.2
Provisions	996	0.4	1,197	0.4
Other current liabilities	6,157	2.6	8,866	2.9
Total current liabilities	39,186	16.5	56,340	18.5
Total liabilities	50,430	21.2	92,421	30.4
Total equity and liabilities	237,640	100.0	304,200	100.0

Consolidated statements of cash flows

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*
I. Cash flows from operating activities:				
Income before income taxes	31,074	27,791	25,591	26,893
Depreciation and amortization	2,976	2,787	2,656	2,914
Amortization of goodwill	—	162	634	1,012
Gain on sales of investment securities	—	-57	—	-473
Loss on impairment of fixed assets	—	19	—	94
Business structure improvement expenses	—	—	—	1,380
Increase/decrease in retirement and severance benefits	359	178	186	—
Increase (decrease) in Net defined benefit liability	—	—	—	313
Interest and dividend income	-521	-528	-522	-601
Interest expense	36	22	6	5
Increase/decrease in trade receivables	-3,892	1,037	-5,559	-7,672
Increase/decrease in inventories	-1,299	-3,294	-2,588	1,650
Increase/decrease in trade accounts payable	521	2,033	1,170	4,927
Other, net	-11	66	-1,790	1,969
Subtotal	29,243	30,219	19,785	32,412
Interest and dividend income received	513	549	532	614
Interest expense paid	-36	-16	-3	-2
Income taxes paid	-11,951	-9,268	-10,372	-7,066
Net cash provided by operating activities	17,769	21,483	9,942	25,958
II. Cash flows from investing activities:				
Increase in fixed deposits	-4,384	-165	-504	-130
Decrease in fixed deposits	3,519	2,781	630	111
Payments for acquisition of marketable securities	-1,488	-1,617	-301	-604
Proceeds from sales and redemption of securities	403	4,850	4,048	2,407
Payments for acquisition of fixed assets	-1,650	-3,280	-3,608	-4,786
Proceeds from sale of fixed assets	188	6	37	11
Purchase of investment securities	-4,296	-2,420	-4,882	-4,220
Proceeds from sale of investment securities	20	377	1	524
Payments for loans	-0	-6	—	-2
Proceeds from loans	—	7	2	—
Other, net	13	-10,805	-17	-6
Net cash(used in) provided by investing activities:	-7,676	-10,272	-4,595	-6,694
III. Cash flows from financing activities:				
Purchase of treasury stock	-25	-2	-13,764	-6
Dividends paid	-6,808	-8,705	-8,468	-8,247
Other, net	5,263	148	675	300
Net cash provided by financing activities	-1,570	-8,559	-21,557	-7,953
IV. Effect of exchange rate changes on cash and cash equivalents	-388	-98	972	1,289
V. Net increase/decrease in cash and cash equivalents	8,133	2,553	-15,238	12,599
VI. Cash and cash equivalents at beginning of year	64,348	72,482	75,035	59,797
VII. Cash and cash equivalents at end of year	72,482	75,035	59,797	72,396

* After reflecting unification of accounting period.

Consolidated statements of cash flows (IFRS)



(Millions of yen)

Year ended March 31	2014	2015
I. Cash flows from operating activities:		
Profit for the year	19,718	24,032
Depreciation and amortization	2,841	6,958
Impairment losses	216	290
Finance income and expense	-759	-529
Income tax expenses	10,643	11,831
Decrease (increase) in trade and other receivables	-8,128	-7,701
Decrease (increase) in inventories	1,411	-521
Decrease (increase) in trade and other payables	5,242	1,251
Decrease (increase) in provisions and retirement benefit liabilities	346	761
Other	1,883	2,554
Sub total	33,413	38,926
Interest received	104	81
Dividends received	518	548
Interest paid	-9	-82
Income tax paid	-7,340	-14,087
Net cash flows from (used in) operating activities	26,686	25,386
II. Cash flows from investing activities:		
Payments into fixed deposits	-111	-84
Proceeds from withdrawal of fixed deposits	92	184
Purchase of investments	-4,825	-114
Proceeds from sale and redemption of investments	2,933	4,149
Purchase of property, plant and equipment	-3,461	-2,972
Proceeds from sales of property, plant and equipment	2	656
Purchase of intangible assets	-2,418	-63,468
Other	-59	-60
Net cash flows from (used in) investing activities	-7,847	-61,709
III. Cash flows from financing activities:		
Proceeds from short-term loans payable	—	35,000
Repayments of short-term loans payable	—	-35,000
Proceeds from long-term loans payable	—	40,000
Repayments of long-term loans payable	-29	-2,970
Dividends paid	-8,247	-8,264
Other	322	194
Net cash flows from (used in) financing activities	-7,954	28,960
IV. Net increase (decrease) in cash and cash equivalents	10,885	-7,363
V. Cash and cash equivalents at beginning of year	60,237	72,397
VI. Effect of exchange rate changes on cash and cash equivalents	1,275	889
VII. Cash and cash equivalents at end of year	72,397	65,923

Other consolidated information

■ R&D expenditures

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2015 【IFRS】	2016 Forecast
Consolidated	13,221	17,225	16,719	19,040	17,477	22,900
(Percentage of net sales)	11.9%	15.1%	14.0%	12.8%	10.8%	12.3%

■ Capital expenditures

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2015 【IFRS】	2016 Forecast
Consolidated	1,709	3,492	4,202	3,155	5,383	7,650

Note: Includes investment in facilities spent on a lease contract basis.

■ Depreciation and amortization

(Millions of yen)

Year ended March 31	2011	2012	2013	2014*	2015 【IFRS】	2016 Forecast
Manufacturing cost	1,532	1,400	1,211	1,330	1,446	1,440
Selling, general and administrative expenses	512	553	533	648	4,843	7,080
R&D expenses	762	764	785	634	668	800
Consolidated	2,808	2,717	2,530	2,612	6,958	9,320

■ Number of employees

Year ended March 31	2011	2012	2013	2014*	2015
Consolidated	2,867	3,053	3,050	3,072	3,230
Sales division	1,108	1,268	1,322	1,360	1,510
Production division	847	860	820	785	762
R&D division	574	624	599	604	605
Corporate or back-office division	338	301	309	323	353

* After reflecting unification of accounting period.

Reference information Research & development



■ Pipeline of prescription pharmaceuticals (Clinical Stage)

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Tafluprost	DE-085	Glaucoma/ Ocular hypertension	Co-development with Asahi Glass	Asia						Mar-10
				China					Jan-11	

A prostaglandin $F_{2\alpha}$ derivative for the treatment of glaucoma and ocular hypertension. Since December, 2008, launched in Japan, Europe, and the U.S. In Asia, launched in Hong Kong, Korea, Indonesia, and Singapore, etc. NDA filed in China in January, 2011.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Diquafosol sodium	DE-089	Dry eye	Merck Sharp & Dohme Corp. (U.S.)	Korea						Oct-13
				China				Jan-12		
				Asia				Jan-13		

A dry eye treatment drug which stimulates secretion of mucin and aqueous components from the corneal epithelium. Its mechanism of action is different from other existing treatments. Launched in December, 2010 in Japan and in October, 2013 in Korea. NDA filed in China in January, 2012.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Lomerizine HCl	DE-090	Glaucoma	MSD K.K.	Japan						

A new type of glaucoma treatment which inhibits the progression of visual field defects. It is the only calcium antagonist being development as an oral glaucoma treatment. Compared to NMDA receptor antagonists, it has excellent safety profile with mild systemic adverse drug reactions.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Sirolimus	DE-109	Uveitis	Original	U.S.						
				Japan						
				Europe				Feb-15		

An intravitreal injection with immunosuppressive effect, anti-angiogenic effect, etc. Phase 3 study is ongoing in multiple countries including the U.S. NDA filed in Europe in February, 2015.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Tafluprost/ Timolol maleate	DE-111	Glaucoma/ Ocular hypertension	Co-development with Asahi Glass	Japan						Nov-14
				Europe						Jan-15
				Korea				Dec-14		
				Asia				Mar-15		

A fixed dose combination drug of a prostaglandin $F_{2\alpha}$ derivative and a beta-adrenergic receptor blocker. Launched in Japan in November 2014. Approved appropriately in EU countries since October 2014. Launched in Germany in January 2015. NDA filed in Korea in December 2014. NDA filed in Asia in March 2015.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
(Undetermined)	DE-117	Glaucoma/ Ocular hypertension	Co-development with Ube Industries	U.S.						

An EP2 receptor agonist with a new mechanism of action. Completed Phase 2b in the U.S in February, 2015.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
Tafluprost	DE-118	Glaucoma/ Ocular hypertension	Co-development with Asahi Glass	Japan						Oct-13
				Asia				Mar-14		

A prostaglandin $F_{2\alpha}$ derivative for the treatment of glaucoma and ocular hypertension. Preservative-free, unit-dose type product. Launched in October, 2013 in Japan. NDA filed appropriately in Asian countries since March, 2014.

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	NDA Filed	Approved	Launched
(Undetermined)	DE-120	Wet Age-related macular degeneration	Original	U.S.	(Phase 1/2a)					

An intravitreal injection with dual inhibitor of VEGF and PDGF. Started on Phase 1/2a in the U.S., in January, 2014.

■ Santen S.A.S. pipeline of prescription pharmaceuticals (Clinical Stage)

Generic name	Dev. name	Indication	Original/Licensor	Region	P1	P2	P3	NDA Filed	Approved	Launched
Ciclosporin	Cyclokot	Severe dry eye	Original	Europe					Mar-15	
				U.S.						
An ophthalmic emulsion which improves symptoms and signs of severe dry eye by immunosuppressive effect. Cationic emulsion technology has enhanced ocular tissue absorption. Approved in Europe in March 2015.										
Ciclosporin	Vekacia	Vernal Keratoconjunctivitis	Original	Europe						
				An ophthalmic emulsion which improves symptoms of vernal keratoconjunctivitis by immunosuppressive effect. Cationic emulsion technology has enhanced ocular tissue absorption.						
Latanoprost	Catioprost	Glaucoma/ Ocular hypertension	Original	Europe						
				An ophthalmic emulsion of a prostaglandin F _{2α} derivative, for the treatment of glaucoma and ocular hypertension.						
Dexamethasone Palmitate	Cortiject	Diabetic macular edema	Original	U.S.	(Phase 1/2)					
				An intravitreal injection with anti-inflammatory effect.						

*Catioprost and Cortiject are under project evaluation.

■ Changes from 3Q FY14 (February 3, 2015)

Dev. Code / name	Changes
DE-109	NDA filed in February 2015 (Europe)
DE-111	NDA filed in march 2015 (Asia)
DE-117	Completed Phase 2b in February 2015 (U.S)
Cyclokot	Approved in March 2015 (Europe)

Pharmaceutical market in Japan



■ Revision of National Health Insurance (NHI) drug prices

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014*
Industry average	-4.2%	—	-6.7%	—	low -5%	—	mid -6%	—	-6.25%	—	-2.7%
Ophthalmic drugs	-2.7%	—	-5.5%	—	high -3%	—	low -3%	—	mid -4%	—	high -1%
Santen	-3.2%	—	-5.3%	—	mid -3%	—	mid -5%	—	high -5%	—	high -1%

(Compiled by Santen)

*Including the consumer tax increase impact

Revision of NHI drug prices: In Japan, drug prices are generally revised every two years to reflect their market price. The drugs marketed at lower market prices will bear larger reduction margins at the revision.

Excluding the consumer tax increase impact

	2014
Industry Average	-5.6%
Ophthalmic Average	high -4%
Santen	high -4%

■ Market shares

(Billions of yen)

Year ended March 31	2011	2012	2013	2014	2015
Prescription ophthalmics	35.8% 247.4	36.1% 254.9	35.3% 273.4	39.4% 301.3	40.1% 323.7
Anti-rheumatic drugs (DMARDs*)	43.0% 25.5	41.0% 27.2	39.7% 27.3	38.4% 28.7	37.0% 28.3

Notes: - On an NHI drug price basis.

- Lower figures indicate market size.

*Anti-rheumatic drugs exclude biologic agents.

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■ Market shares by therapeutic area - prescription ophthalmics

(Billions of yen)

Year ended March 31	2011	2012	2013	2014	2015
Anti-glaucoma	25.7% 90.1	28.4% 92.2	30.4% 94.8	30.5% 104.7	32.1% 105.7
Corneal disease treatments	76.0% 32.0	77.5% 35.6	74.6% 39.7	70.5% 44.2	65.6% 44.2
Anti-infection	68.4% 22.4	67.5% 21.5	61.6% 2,015.0	58.5% 18.3	54.0% 16.8
Anti-allergy	16.7% 29.3	17.6% 26.4	16.0% 30.9	21.2% 27.9	32.0% 33.9
Anti-VEGF	— —	— —	10.9% 28.3	48.7% 43.2	48.8% 61.6

Notes: - On an NHI drug price basis.

- Lower figures indicate market size.

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Source: Santen analysis based on IMS data(JPM)

Period: 2010.4-2015.3; Unauthorized copy prohibited

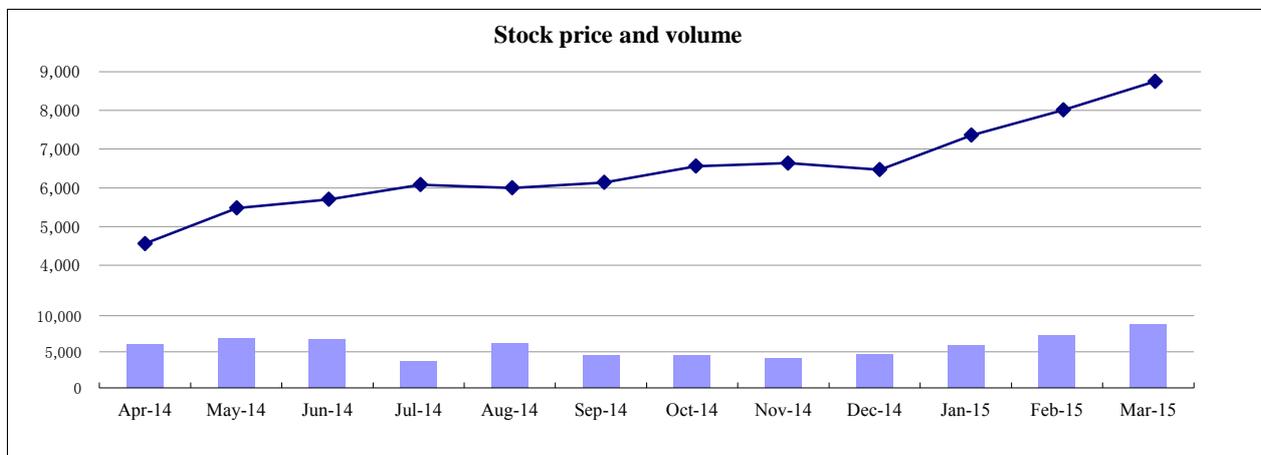
Stock information

■ Stock price (Tokyo Securities Exchange 1st market)

(Yen and thousand shares)

	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Stock price:	4,560	5,480	5,700	6,080	6,000	6,140	6,560	6,640	6,470	7,360	8,010	8,750
End of month												*1,750
Volume	5,998	6,857	6,720	3,723	6,188	4,440	4,510	4,027	4,701	5,921	7,330	8,812

*The stock price is based on a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015



■ Major shareholders

As of March 31, 2015

Name	Number of shares held	Percentage of investment
	Thousand shares	%
Bank and	5,709	6.9
Japan Trustee Service Bank, Ltd.	5,587	6.8
The Master Trust Bank of Japan, Ltd.	3,432	4.2
Development Bank of Japan Inc.	3,310	4.0
Nippon Life Insurance Company	2,132	2.6
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,121	2.6
Ono Pharmaceutical Co., Ltd.	1,861	2.3
Daiichi Sankyo Company, Ltd.	1,836	2.2
National Mutual Insurance Federation of Agricultural Cooperatives	1,438	1.7
Trust & Custody Services Bank, Ltd. as trustee for Eisai Company, Limited Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd	1,373	1.7

■ Major stock information

Year ended March 31	2011	2012	2013	2014	2015
Issued shares (thousands)	87,053	87,146	82,469	82,582	82,653
Treasury stock (thousands)	0	1	0	2	3
Market Capitalization (million)	288,579	308,059	366,983	378,219	723,181
A purchased amount of money (millions of yen)	—	—	13,735	—	—
The number of the purchased stocks (thousand shares)	—	—	4,937	—	—

Stock information

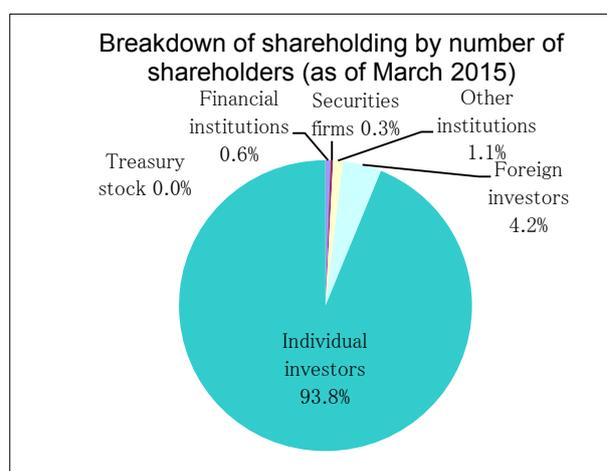
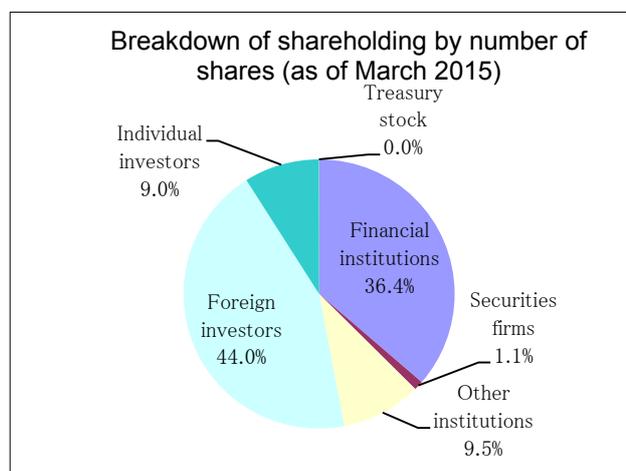


■ Breakdown of shareholding by number of shares

Year ended March 31	2011		2012		2013		2014		2015	
	Thousand shares	Proportion (%)								
Financial institutions	32,284	37.1	30,457	35.0	29,147	35.4	28,971	35.1	30,049	36.4
City & regional banks	2,422	2.8	2,376	2.7	2,277	2.8	2,270	2.8	2,262	2.7
Trust banks	20,431	23.5	19,316	22.2	17,298	21.0	17,581	21.3	18,726	22.7
(concerned in trust works)	18,310		16,923		14,908		15,192		16,333	
Life and non-life insurance	5,274	6.0	4,740	5.4	4,715	5.7	4,290	5.2	4,196	5.1
Other financial institutions	4,155	4.8	4,023	4.6	4,856	5.9	4,829	5.8	4,862	5.9
Securities firms	417	0.5	375	0.4	766	0.9	721	0.9	922	1.1
Other institutions	13,413	15.4	12,098	13.9	7,379	9.0	7,913	9.6	7,880	9.5
Foreign investors	31,228	35.9	35,130	40.3	36,783	44.6	37,597	45.5	36,373	44.0
Individual investors	9,708	11.1	9,083	10.4	8,390	10.1	7,376	8.9	7,423	9.0
Treasury stock	0	0.0	1	0.0	0	0.0	2	0.0	3	0.0
Total	87,053	100.0	87,146	100.0	82,469	100.0	82,582	100.0	82,653	100.0

■ Breakdown of shareholding by number of shareholders

Year ended March 31	2011		2012		2013		2014		2015	
	Number of shareholders	Proportion (%)								
Financial institutions	71	0.8	63	0.8	57	0.7	56	0.8	62	0.6
City & regional banks	6	0.1	5	0.1	6	0.1	5	0.1	4	0.1
Trust banks	28	0.3	28	0.3	26	0.3	25	0.3	27	0.2
Life and non-life insurance	29	0.3	26	0.3	20	0.2	21	0.3	23	0.2
Other financial institutions	8	0.1	4	0.1	5	0.1	5	0.1	8	0.1
Securities firms	32	0.3	33	0.4	38	0.5	35	0.4	33	0.3
Other institutions	125	1.4	121	1.5	110	1.4	114	1.5	122	1.1
Foreign investors	381	4.2	360	4.3	365	4.6	407	5.2	486	4.2
Individual investors	8,479	93.3	7,710	93.0	7,427	92.8	7,167	92.1	10,664	93.8
Treasury stock	1	0.0	1	0.0	1	0.0	1	0.0	1	0.0
Total	9,089	100.0	8,288	100.0	7,998	100.0	7,780	100.0	11,368	100.0



Consolidated subsidiaries

【Domestic】							As of March 31, 2015	
Claire Co., Ltd.								
Main business	Cleaning of antidust and sterilized clothing	Location	Japan	Paid-in capital	90 million yen	Equity owned	100%	
【Overseas】								
Santen Holdings U.S. Inc.								
Main business	Holding company for North American businesses and business development	Location	U.S.A.	Paid-in capital	24,784 thousand US\$	Equity owned	100%	
Santen Inc.								
Main business	Clinical development and business development of pharmaceuticals	Location	U.S.A.	Paid-in capital	8,765 thousand US\$	Equity owned	100% *1	
Advanced Vision Science, Inc.								
Main business	Research and development, production and marketing of medical devices	Location	U.S.A.	Paid-in capital	10 thousand US\$	Equity owned	100% *1	
Santen Holdings EU B.V.								
Main business	Holdings company for European operation	Location	Netherlands	Paid-in capital	50 thousand euros	Equity owned	100%	
Santen Oy								
Main business	Development, production and marketing of pharmaceuticals	Location	Finland	Paid-in capital	20,000 thousand euros	Equity owned	100% *2	
Santen S.A.S.								
Main business	Development and marketing of pharmaceuticals	Location	France	Paid-in capital	1,976 thousand euros	Equity owned	100% *2	
Santen GmbH								
Main business	Marketing of pharmaceuticals and business development	Location	Germany	Paid-in capital	25 thousand euros	Equity owned	100% *2	
SantenPharma AB								
Main business	Marketing support of pharmaceuticals	Location	Sweden	Paid-in capital	500 thousand S.KR	Equity owned	100% *2	
Santen Switzerland SA								
Main business	Marketing of pharmaceuticals	Location	Switzerland	Paid-in capital	1,657 thousand Swiss franc	2015	100% *2	
Santen Italy S.r.l.								
Main business	Marketing of pharmaceuticals	Location	Italy	Paid-in capital	10 thousand euros	Equity owned	100% *2	
Santen UK Limited								
Main business	Marketing of pharmaceuticals	Location	UK	Paid-in capital	2,300 thousand euros	Equity owned	100% *2	
Santen Pharmaceutical Spain, S.L.								
Main business	Marketing of pharmaceuticals	Location	Spain	Paid-in capital	3 thousand euros	Equity owned	100% *2	
Santen Pharmaceutical (China) Co., Ltd.								
Main business	Development, production and marketing of pharmaceuticals	Location	China	Paid-in capital	3,800 million yen	Equity owned	100%	
Santen Pharmaceutical Sales and Marketing (Suzhou) Co., Ltd.								
Main business	Marketing of pharmaceuticals	Location	China	Paid-in capital	10,000 thousand RMB	Equity owned	100%	
Santen Pharmaceutical Korea Co., Ltd.								
Main business	Development, import and marketing of pharmaceuticals	Location	Korea	Paid-in capital	29,000,000 thousand won	Equity owned	100%	
Taiwan Santen Pharmaceutical Co., Ltd.								
Main business	Import and marketing of pharmaceuticals	Location	Taiwan	Paid-in capital	42,000 thousand Taiwan dollars	Equity owned	100%	
Santen India Private Limited								
Main business	Market research of pharmaceuticals	Location	India	Paid-in capital	48,500 thousand India rupee	Equity owned	99.9% 0.1% *1	
Santen Pharmaceutical Asia Pte. Ltd.								
Main business	Business promotion for the Santen Group within the ASEAN region	Location	Singapore	Paid-in capital	10,500 thousand Singapore dollars	Equity owned	100%	
SANTEN (THAILAND) CO., LTD.								
Main business	Import and marketing of pharmaceuticals	Location	Thailand	Paid-in capital	100,000 thousand Thai bahts	Equity owned	100% *3	
SANTEN PHARMA MALAYSIA SDN. BHD.								
Main business	Import and marketing of pharmaceuticals	Location	Malaysia	Paid-in capital	4,000 thousand Malaysian Ringgit	Equity owned	100% *3	
SANTEN PHILIPPINES INC.								
Main business	Import and marketing of pharmaceuticals	Location	Phillipines	Paid-in capital	43,308 thousand Philippine Peso	Equity owned	100% *3	

*1 : Indirect investment through Santen Holdings U.S. Inc.

*2 : Indirect investment through Santen Holdings EU B.V.

*3 : Indirect investment through Santen Pharmaceutical Asia Pte. Ltd.

News releases during April 2014-March 2015

For details, please refer to our Web site (<http://www.santen.com>).

2014

4-Apr Santen Partners with Akorn, Inc. subsidiary Oak Pharmaceuticals for Marketing of Tafluprost, the Treatment of Glaucoma and Ocular Hypertension in the U.S.

Santen Pharmaceutical signed a licensing agreement with Oak Pharmaceuticals, Inc. (Lake Forest, Illinois, U.S.), a subsidiary of Akorn, Inc. pertaining to the sales and marketing in the United States of tafluprost, the treatment of glaucoma and elevated intraocular pressure. Tafluprost is trademarked as ZIOPTAN in the U.S. and TAPROS in Japan.

13-May Santen Announces the Signing of Agreement between Merck for the Purchase of Assets in Ophthalmology

Santen Pharmaceutical announced that it has entered into an Agreement with Merck & Co., Inc., (Whitehouse Station, NJ, USA, known as MSD outside of the U.S.A and Canada) for Santen to purchase Merck's ophthalmology products (COSOPT, COSOPT PF, TRUSOPT, TRUSOPT PF, TIMOPTIC, TIMOPTIC PF, TIMOPTIC XE, SAFLUTAN and TAPTIQOM) in Japan, Europe, and Asia Pacific.

2-Jul Santen Announces Closing of Asset Purchase Agreement with Respect to Acquisition of Ophthalmology Assets from Merck

Santen Pharmaceutical announced the closing of an asset purchase agreement which was entered on May 13, 2014 between Merck & Co., Inc. with respect to the acquisition of certain ophthalmology assets, following the fulfillment of all of the transfer conditions, except in some territories, in accordance with the terms of the Agreement.

5-Aug Santen to Grant Rights to Subscribe for New Shares as Stock Options as Stock-Linked Remuneration

5-Aug Medium-Term Management Plan FY2014-2017

Santen Pharmaceutical announced today, a four-year Medium-Term Management Plan (MTP) for FY2014- 2017, with a view toward realizing its long-term strategic vision through 2020 of becoming a "Specialized Pharmaceutical Company with a Global Presence." A set of strategic goals have been set under the new MTP to further reinforce Santen's competitiveness as a specialized company. Among such goals are the drastic reform of its research and development system to enable sustainable development of new products, accelerated business operations in the fast growing Asian market, business expansion and early improvement of earnings in Europe. In addition, the company will focus on human resources development and establishment of a solid organizational structure aimed at achieving sustainable growth.

15-Aug Santen Files for Manufacturing/Marketing Approval of its Glaucoma and Ocular Hypertension Therapeutic, COSOPT Mini Combination Ophthalmic Solution

1-Sep Notice on Details of the Rights to Subscribe for New Shares (Stock Options as Stock-Linked Remuneration)

22-Sep Intravitreal VEGF Inhibitor "EYLEA" Obtains Additional Indication of Myopic Choroidal Neovascularization (mCNV)

25-Sep Increase of Capital for a Consolidated Subsidiary in Europe

2-Oct Santen Announces Closing of Asset Purchase Agreement with Respect to Acquisition of Ophthalmology Assets from Merck

Santen Pharmaceutical announced the closing of an remaining assets under the asset purchase agreement ("Agreement") which was entered on May 13, 2014 between Merck & Co., Inc. with respect to the acquisition of certain ophthalmology assets, have occurred, following the fulfillment of all of the transfer conditions, in accordance with the terms of the Agreement ("2nd Closing").

31-Oct Santen Receives Financing from the Development Bank of Japan based on "DBJ Environmental Rating"

2014

12-Nov Santen and Singapore Eye Research Institute (SERI) Announce a Collaboration to Develop New Ophthalmic Therapeutics

Santen Pharmaceutical and the Singapore Eye Research Institute (SERI) announced that they have launched a strategic, multi-year collaboration designed to develop new therapeutics in ophthalmology by bringing together the two parties' capabilities in ophthalmic R&D, with a special focus on diseases prevalent in Asia.

18-Nov Intravitreal VEGF Inhibitor "EYLEA" Obtains Additional Indication of Diabetic Macular Edema (DME), its Fourth Indication

25-Nov Santen Launches TAPCOM Combination Ophthalmic Solution for the Treatment of Glaucoma and Ocular Hypertension

2015

23-Jan Santen Receives a Positive CHMP Opinion for EU Marketing Authorization for Ikervis

Santen Pharmaceutical announced that Santen S.A.S., its subsidiary in France, received a positive opinion recommending the granting of a marketing authorization for Ikervis, from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA).

24-Feb Santen Announces Stock Split and Amendment to the Articles of Incorporation

Santen Pharmaceutical announced that its Board of Directors resolved to conduct a stock split and amend the Articles of Incorporation. The stock split shall have a record date of Tuesday, March 31, 2015 and shall involve the splitting of common stock owned by shareholders entered or recorded in the last register of shareholders as of the record date at a ratio of 5 for 1.

2-Mar European Medicines Agency Accepts Santen's Marketing Application Filing for Intravitreal Sirolimus for the Treatment of Noninfectious Uveitis of the Posterior Segment

Santen Pharmaceutical announced that the European Medicines Agency (EMA) has accepted the company's Marketing Authorization Application (MAA) filing for the use of intravitreal sirolimus, an investigational mTOR inhibitor, for the treatment of noninfectious uveitis (NIU) of the posterior segment.

12-Mar Santen Announces Approval of Glaucoma and Ocular Hypertension Therapeutic, COSOPT Mini Ophthalmic Solution in Japan

24-Mar Santen Announces Proposed Dividends Change

Santen Pharmaceutical announced that its Board of Directors approved the change of per-share dividends for the fiscal year ending March 31, 2015. Santen will propose a year-end dividend of 60yen, an increase of 10yen per share over forecast. Total annual dividend of 110yen per share will be proposed at the company's 103th Annual General Meeting of Shareholders on 24 June, 2015.

24-Mar Revision of Consolidated Earnings Forecasts for FY 2014

25-Mar Santen Announces Approval of Ikervis for EU Marketing Authorization

Santen Pharmaceutical announced it received approval of the Marketing Authorization Application (MAA) for Ikervis from the European Commission (EC). Ikervis is approved for treatment of severe keratitis in adult patients with dry eye disease, which has not improved despite treatment with tear substitutes.

