

June 26, 2003

**RESOLUTION OF THE 91ST ANNUAL GENERAL MEETING OF SHAREHOLDERS
OF SANTEN PHARMACEUTICAL CO., LTD.**

Dear Shareholder:

We are pleased to announce that the following matters were reported and resolved at the 91st Annual General Meeting of Shareholders of the Company today.

REPORTS:

The contents of the following Financial Statements were reported: the Non-Consolidated Balance Sheet as of March 31, 2003; and the Non-Consolidated Income Statement and Business Report for the 91st Business Term (April 1, 2002 to March 31, 2003).

RESOLUTION:

Item No. 1 Appropriation of Retained Earnings for the 91st Business Term

The proposed appropriation of retained earnings was approved. The dividend for the end of the Term was decided to be JPY10 per share, making the total dividends for the business term JPY20 per share including the interim dividend.

Item No. 2 Purchase of Treasury Stock

The proposal of this item was approved. The Company was approved of purchasing up to 4,000,000 shares of common stock of the Company with a maximum purchase price of JPY5 billion during the period from the close of today's annual general meeting of shareholders to the next annual general meeting of shareholders in 2004.

Item No. 3 Partial Amendments to the Articles of Incorporation

The proposal of this item was approved. Summary of the amendments are as follows:

- (1) The office terms of Directors were shortened from two years to one year. The related Article was amended accordingly.
- (2) An Article was amended to reflect a change in a law concerning the extension of office terms of Corporate Auditors from three years to four years: "Law regarding the Partial Amendments to the Commercial Code of Japan and the Commercial Code Special Measures Law concerning Audit, etc. of *Kabushiki Kaisha*" (Law No. 149, 2001) in force on May 1, 2002.
- (3) "Law regarding the Partial Amendments to the Commercial Code, etc. of Japan" (Law No. 44, 2002), which took effect on May 1, 2003, provides new articles such as: making a request for the Company to sell shares constituting less than one unit; establishment of invalidation of share certificates; and a reduction in the quorum required for special resolutions at the general meeting of shareholders. Some Articles were added or amended to reflect the change.
- (4) Due to the establishment of a new Article, Articles thereafter were renumbered.

Item No. 4 Election of Five (5) Directors

This item was approved as proposed. Takakazu Morita, Masahiro Mita, Katsuhiko Waga, Akira Kurokawa and Kosei Furukawa were elected and all assumed their offices. Kosei Furukawa fulfills the requirement for the external Director provided in Paragraph 7-2, Section 2, Article 188 of the Commercial Code on Japan.

Item No. 5 Election of Two (2) Corporate Auditors

This item was approved as proposed. Koji Hori and Tadao Kagono were elected as Corporate Auditors and assumed their offices. Koji Hori and Tadao Kagono are Outside Corporate Auditors that fulfill the requirements provided for in paragraph 1 of Article 18 of the Law concerning Special Exceptions to the Commercial Code on Audit, etc., of *Kabushiki Kaisha*.

Item No. 6 Grant of Retirement Allowances to Retiring Director

This item was approved as proposed. Retirement allowances will be paid in reasonable amount to Kunihiro Shimotsu, who retired from the position of Director at the close of the Meeting, in accordance with the regulations of the Company. The determination of the amount, date and procedures of the grant are entrusted to the Board of Directors.

Item No. 7 Issuance of Stock Acquisition Rights as Stock Options

The proposal of this item was approved. Maximum of 1,452 units (145,200 shares) of Stock Acquisition Rights will be issued to the Company's Directors and Corporate Officers as well as Directors of the Company's major overseas subsidiaries.

Item No. 8 Election of Certified Public Accountants

The proposal was approved, and Azsa & Co. was elected as the new certified public accountants.

Yours very truly,

Takakazu Morita
President & CEO
SANTEN PHARMACEUTICAL CO., LTD.
9-19, Shimoshinjo 3-chome,
Higashiyodogawa-ku, Osaka