

Agreement Concerning Microsphere-based Platform Development and License

Osaka, Japan March 28, 2006, --- Santen Pharmaceutical Co., Ltd. (Osaka, Japan/ President & CEO: Takakazu Morita) announced that it has signed a development and license agreement with Oakwood Laboratories L.L.C. (Headquartered in Oakwood, Ohio, United States/ President & CEO: Mark T. Smith) concerning the development and license of a steroid microsphere-based product for Diabetic Macular Edema treatment (development code named DE-102). Under the agreement, taking advantage of Oakwood's microsphere-based technology platform (CHRONIJECT™), they will develop processing technology and a sustained release system for DE-102.

Diabetic Macular Edema is an ophthalmic disorder associated with swelling of the retina in diabetes mellitus due to leaking of fluid from blood vessels within the macula, which is in the central portion of the retina. The severe deterioration of DME can cause failing vision or vision loss. Currently the major treatments for DME are endophotocoagulation or surgery.

Santen is committed to improving the effectiveness of drugs by the use of drug delivery technology, as well as the development of new drugs. It is developing DE-102 for the treatment of DME, utilizing a sustained release injectable drug delivery platform. DE-102 has demonstrated sustained efficacy when injected around the affected area. Producing sterile microspheres in commercial scale required the technology and facilities, and thus the collaboration with Oakwood which has broad experience in such manufacturing and drug development, ensuring high quality and stable drug production.

Santen expects that DE-102 will enhance its pipeline of products for retinal disease, an important development area for Santen, and contribute to improving patients' quality of life.

Profile of "Oakwood Laboratories, L.L.C."

Headquarters: Oakwood, Ohio, the United States

President and CEO : Mark T. Smith

Outline: Oakwood Laboratories was established in 1997. Specializes in polymer microsphere-based technology. Has advantage in practical application of sustained-release drug delivery technology for parenteral pharmaceuticals. And has a unique microsphere-based technology platform for use in drug development.

URL: <http://www.oakwoodlabs.com/>