

Implementation of a squeeze-out on the shares of Novagali Pharma SA initiated by Santen Pharmaceutical Co., Ltd.

Osaka, Japan, December 26, 2011 – Santen Pharmaceutical Co., Ltd. (Osaka, Ticker Code 4536JP, “Santen”) published this news release in accordance with Article 237-16 III of the General Regulations of the Autorité des marchés financiers (the “AMF”).

Pursuant to Article L. 621-8 of the French Monetary and Financial Code and Article 231-23 of the General Regulations of the AMF, and following its decision regarding the clearance of the simplified cash tender offer (the “Offer”) initiated by Santen for the shares and the *bons de souscription d’actions* of Novagali Pharma S.A. (“Novagali”) dated November 29, 2011 (Decision and Information n°211C2163 dated November 29, 2011), the AMF affixed visa n°11-551 to the offer document related to the Offer which took place from December 2, 2011 to December 15, 2011 included.

The AMF published on December 21, 2011 the results of the Offer (Decision and Information n°211C2289 dated December 21, 2011) and indicated that Santen now holds directly 15,788,594 shares representing 96.73% of the share capital and voting rights of Novagali on the basis of a share capital consisting, as of December 20, 2011, in 16,322,484 shares representing an equal amount of voting rights within the meaning of Article 223-11, I al. 2 of the General Regulations of the AMF and that all of the outstanding *bons de souscription d’actions* of Novagali have either been exercised or tendered into the Offer. Consequently, upon the closing of the Offer, 533,890 Novagali shares, representing 3.27% of the share capital and voting rights of Novagali (and 3.09% of the share capital and voting rights of Novagali when excluding the 30,148 Novagali treasury shares not tendered into the Offer), have not been tendered into the Offer by the minority shareholders.

By a letter dated December 22, 2011, and in accordance with Article L.433-4 III of the French Monetary and Financial Code and Articles 237-14 et *seq.* of the General Regulations of the AMF, Goldman Sachs International, acting as presenting bank on behalf of Santen, informed the AMF of Santen’s decision, in accordance with its intention disclosed in the offer document, to implement a squeeze-out (the “Squeeze-Out”) on the shares of Novagali not tendered into the Offer, in consideration for an indemnification of € 6.25 per share corresponding to the price paid in the Offer (the “Indemnification”).

In this respect, the AMF published on December 23, 2011 a notice related to the date of implementation of the Squeeze-Out, which specifies that the Squeeze Out will occur on January 6, 2012 (Decision and Information n°211C2302 dated December 23, 2011).

The Squeeze-Out will be made for all Novagali shares not tendered into the Offer, *i.e.*, 503,742 Novagali shares on the basis of a share capital consisting, as of December 20, 2011, in 16,322,484 shares, it being noted that the following shares are excluded from the Squeeze-Out: (i) 15,788,594 shares held directly by Santen and (ii) 30,148 Novagali treasury shares.

The amount of the Indemnification for the shares subject to the Squeeze-Out will be transferred on a dedicated blocked cash account opened for that purpose in the books of BNP Paribas Securities Services, the centralisation agent in charge of the indemnification process related to the Squeeze-Out.

Upon the closing by Euroclear France of the affiliates’ accounts, the financial intermediaries will require from BNP Paribas Securities Services the payment of the Indemnification for the shares registered in their books which have not been tendered to the Offer, and will credit the accounts of the shareholders with the amount of the Indemnification due to them.

The amount corresponding to the Indemnification for Novagali shares not requested by the financial intermediaries on behalf of the beneficiaries, will be kept by BNP Paribas Securities Services for a period of 10 years as from January 6, 2012 and will be transferred to the *Caisse des dépôts et consignations* following the expiry of such period. Such amounts can be claimed at any time by their beneficiaries, subject to the thirty-year statute of limitations in favour of the French State.

The Novagali shares will be delisted on January 6, 2012 which is the date of implementation of the Squeeze-Out.

Santen's offer document (which received visa n°11-551 on November 29, 2011), Novagali's answer document (which received visa n°11-552 on November 29, 2011) as well as the information relating to the legal, financial and accounting characteristics of Santen and Novagali are available to the public on the website of the AMF (www.amf-france.org), as well as on the websites of, respectively, Santen (www.santen.com) and Novagali (www.novagali.com) and may be obtained free of charge from:

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About Santen Pharmaceutical Co. Ltd.

Founded in 1890, Santen is a global pharmaceutical company specialized in the fields of ophthalmology and anti-rheumatics, which is headquartered in Osaka, Japan. Among prescription ophthalmic pharmaceuticals, Santen holds the top share within the Japanese market and is one of the leading ophthalmic companies worldwide. Santen has subsidiaries in the U.S., Europe, and Asia, including its Emeryville, California based Santen Inc., its Tampere, Finland based Santen Oy, its Suzhou, China based Santen Pharmaceutical (China) Co., Ltd. and its Bangalore, India based Santen India Private Limited.

For more information, visit www.santen.com.

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