

Notice of Cancellation of Treasury Shares

Osaka, Japan, November 1, 2012 -- Santen Pharmaceutical Co., Ltd. (Osaka, Ticker Code 4536JP) (the “Company”) hereby announces that it was resolved at the Board of Director meeting held on November 1, 2012 to cancel the treasury shares of the Company pursuant to the provisions of Article 178 of the Companies Act.

As to the treasury shares of the Company acquired by means of the tender offer in accordance with the resolution passed at the Board of Directors meeting held on August 1, 2012 (the “Tender Offer”), as further described in the “Notice of Acquisition and Tender Offer of Treasury Stock” announced on the said day, the Company intends to cancel all of the said shares by the end of this calendar year. This is to implement the cancellation of our treasury shares (this “Cancellation”) including those acquired by the Tender Offer.

Description of this Cancellation

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|---|--|
| 1. Class of shares to be canceled: | The Company’s common shares |
| 2. Total number of shares to be canceled: | 4,938,500 shares |
| | (Note) The ratio against total number of the
outstanding shares before the Cancellation
(rounded off to two decimal places): |
| | 5.67 % |
| 3. Scheduled date of the Cancellation: | November 16, 2012 |

- (1) The total number of the outstanding shares of the Company (including its treasury shares) after the Cancellation is expected to be 82,229,803 shares.
- (2) The number of treasury shares after the Cancellation is expected to be 713 shares.

For the avoidance of doubt, the aforementioned details indicated by “(Note)” and “(For your information)” were calculated based on the total number of the outstanding shares of the Company and the number of treasury shares as of September 30, 2012.

Contact:

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