

SANTEN PHARMACEUTICAL CO., LTD.

Code : 4536

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

Financial Results for the Fiscal Year Ended March 31, 2015 [IFRS] (Consolidated)

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(Figures are rounded to the nearest million yen)

1. Consolidated Performance for the fiscal year ended March 31, 2015

(1) Operating results

(Percentage figures represent changes from same period of previous year.)

	Year to March 2015	Year to March 2014	% change
Revenue (millions of yen)	161,831	146,260	+10.6%
Operating profit (millions of yen)	35,374	29,878	+18.4%
Profit before tax (millions of yen)	35,863	30,361	+18.1%
Profit for the year (millions of yen)	24,032	19,718	+21.9%
Profit for the year attributable to the owners of the parent company (millions of yen)	24,032	19,718	+21.9%
Total comprehensive income for the year (millions of yen)	32,446	27,169	+19.4%
Basic earning per share (yen)	58.18	47.78	
Diluted earnings per share (yen)	57.93	47.63	
Profit ratio to equity attributable to the owners of the parent company	12.0%	11.1%	
Profit before tax ratio to total assets	13.2%	13.7%	
Operating profit ratio to revenue	21.9%	20.4%	

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015. Basic earning per share and Diluted earnings per share are calculated based on the assumption that the stock split was conducted at the beginning of FY2013.

(2) Financial condition

	March 31, 2015	March 31, 2014
Total assets (millions of yen)	304,200	237,640
Total equity (millions of yen)	211,779	187,210
Equity attributable to the owners of the parent company (millions of yen)	211,779	187,210
Equity attributable to the owners of the parent company ratio	69.6%	78.8%
Equity per share attributable to the owners of the parent company (yen)	511.14	452.43

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015. Equity per share attributable to the owners of the parent company is calculated based on the assumption that the stock split was conducted at the beginning of FY2013.

(3) Cash flows

	Year to March 2015	Year to March 2014
Cash flows from operating activities (millions of yen)	25,386	26,686
Cash flows from investing activities (millions of yen)	(61,709)	(7,847)
Cash flows from financing activities (millions of yen)	28,960	(7,954)
Cash and cash equivalents at end of year (millions of yen)	65,923	72,397

2. Dividends

	Year to March 2015	Year to March 2014	(Forecasts) Year to March 2016
Second quarter dividends per share (yen)	50.00	50.00	12.00
Year-end dividends per share (yen)	60.00	50.00	12.00
Annual dividends per share (yen)	110.00	100.00	24.00
Total dividends paid (full-year) (millions of yen)	9,089	8,255	—
Payout ratio (consolidated)	37.8%	41.9%	18.9%
Dividends paid on equity attributable to the owners of the parent company (consolidated)	4.6%	4.7%	—

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015. Total dividends paid (full-year) of FY2013 and FY2014 are calculated based on the number of issued shares before the stock split.

3. Consolidated Forecasts of results for the year ending March 31, 2016

(Percentage figures represent changes from same period of previous year.)

	First half year	Full year	(Full year)
Revenue (millions of yen)	92,500	186,500	+15.2%
Operating profit (millions of yen)	62,000	78,000	+120.5%
Profit before tax (millions of yen)	62,500	78,500	+118.9%
Profit for the year (millions of yen)	41,500	52,500	+118.5%
Profit for the year attributable to the owners of the parent company (millions of yen)	41,500	52,500	+118.5%
Basic earning per share (yen)	100.42	127.04	

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015. Basic earning per share is calculated based on the number of issued shares after the stock split.

4. Consolidated Forecasts of results for the year ending March 31, 2016 (core basis*1)

(Percentage figures represent changes from same period of previous year.)

	First half year	Full year	(Full year)
Revenue (millions of yen)	92,500	186,500	+15.2%
Core operating profit (millions of yen)	21,000	40,300	+3.1%
Core profit for the year (millions of yen)	13,700	26,900	+3.7%
Core earning per share (yen)	33.15	65.09	

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1, 2015. Core earning per share is calculated based on the number of issued shares after the stock split.

*Others

(1) Changes in significant subsidiaries during the term (changes in designated subsidiaries resulting in adjustment to the scope of consolidation) : No

Note : Seven companies, Santen Switzerland SA, Santen Italy S.r.l., Santen UK Limited, Santen Pharmaceutical Spain, S.L., SANTEN (THAILAND) CO., LTD., SANTEN PHARMA MALAYSIA SDN. BHD., and SANTEN PHILIPPINES INC. have newly become our consolidated subsidiaries.

(2) Changes in accounting policies and accounting estimates

[i] Changes in the accounting policies required by IFRS : No

[ii] Other changes : No

[iii] Changes in accounting estimates : No

(3) Number of shares outstanding (common stock) :

[i] Number of shares outstanding at the end of period (including treasury stock)

March 31, 2015 : 413,265,515

March 31, 2014 : 412,914,515

[ii] Number of treasury stock at the end of period

March 31, 2015 : 19,225

March 31, 2014 : 11,620

[iii] Average number of outstanding shares (during the fiscal year ended March 31)

Fiscal year ended March 31, 2015 : 413,055,546

Fiscal year ended March 31, 2014 : 412,684,675

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1,2015. Number of shares outstanding(common stock) is calculated based on the assumption that the stock split was conducted at the beginning of FY2013.

(Reference)

1. Non-consolidated Performance for the fiscal year ended March 31, 2015

(Percentage figures represent changes from same period of previous year.)

(1) Operating results	Year to	Year to	% change
	March 2015	March 2014	
Net sales (millions of yen)	138,432	128,718	+7.5%
Operating income (millions of yen)	33,188	29,220	+13.6%
Ordinary income (millions of yen)	33,884	29,746	+13.9%
Net income (millions of yen)	22,483	19,861	+13.2%
Net income per share (yen)	54.43	48.13	
Diluted net income per share (yen)	54.20	47.98	

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1,2015. Net income per share and Diluted net income per share are calculated based on the assumption that the stock split was conducted at the beginning of FY2013.

(2) Financial condition

	March 31, 2015	March 31, 2014
Total assets (millions of yen)	286,362	219,406
Net assets (millions of yen)	203,211	180,598
Equity ratio	70.8%	82.1%
Net assets per share (yen)	490.40	436.42

Reference: Equity at year-end:

Fiscal year ended March 31, 2015 : 202,658million

Fiscal year ended March 31, 2014 : 180,199million

Note : The Company conducted a stock split of common stock at a ratio of 5 for 1 with an effective date of April 1,2015. Net assets per share is calculated based on the assumption that the stock split was conducted at the beginning of FY2013.

(Information regarding the implementation of audit procedures)

These financial results are not subject to audit procedures. Thus, at the time of disclosure of these financial results, the consolidated financial statement audit procedures based on the Financial Instruments and Exchange Law, are in progress.

(Information regarding adoptin of International Financial Reporting Standards)

The company has adopted International Financial Reporting Standards (IFRS) effective from the fiscal year ended March 31, 2015. The company also presents financial statements for the fiscal year ended March 31, 2014 based on IFRS.

(Caution)

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, delays in new products launch, currency exchange rate, legislative and regulatory developments.

***1 (core basis)**

Core results are non-IFRS measures that remove non-core items including amortization associated with products, other revenue and expenses, and financial revenue and expenses in order to provide greater transparency on underlying business performance.

Information regarding the Consolidated Performance of results for the fiscal year ended March 31, 2015(core basis)

(Percentage figures represent changes from same period of previous year.)

	Year to March 2015	Year to March 2014	% change
Revenue (millions of yen)	161,831	146,260	+10.6%
Core operating profit (millions of yen)	39,088	30,403	+28.6%
Core profit for the year (millions of yen)	25,948	19,813	+31.0%