

SANTEN PHARMACEUTICAL CO., LTD. (November 6, 2002)

Code: 4536

URL <http://www.santen.co.jp>

Financial Report for the Six-month period ended September 30, 2002

(Consolidated)

Takakazu Morita, President and Chief Executive Officer

Contact: Ichiro Otokozaawa, Division Manager,

Corporate Development and Administration Division Tel: 06-6321-7017

1. Performance for the six months ended September 30, 2002

(Figures are rounded down to the nearest million yen)

	Six months to September 2002	Six months to September 2001	% change 2002/2001
(1) Operating results			
Net sales (millions of yen)	46,452	43,791	6.1%
Operating income (millions of yen)	7,158	6,955	2.9%
Ordinary income (millions of yen)	6,955	6,786	2.5%
Net income (millions of yen)	1,799	3,082	(41.6%)
Net income per share (yen)	19.84	33.25	
Diluted net income per share (yen)	18.48	30.70	

Note: ¹Average number of shares outstanding

September 30, 2002: 90,692,220

September 30, 2001: 92,705,400

March 31, 2002: 92,535,887

²No change has been made in accounting policy.

	September 30, 2002	September 30, 2001
(2) Financial condition		
Total assets (millions of yen)	151,149	150,881
Shareholders' equity (millions of yen)	94,581	96,311
Shareholders' equity ratio	62.6%	63.8%
Shareholders' equity per share (yen)	1,042.96	1,038.84

Note: ¹Number of shares outstanding at end of period

September 30, 2002: 90,685,908

September 30, 2001: 92,711,220

March 31, 2002: 90,701,451

	Six months to September 2002	Six months to September 2001
(3) Cash flows		
Cash flows from operating activities (millions of yen)	12,638	3,211
Cash flows from investing activities (millions of yen)	(6,416)	(433)
Cash flows from financing activities (millions of yen)	(1,132)	(1,235)
Cash and cash equivalents at end of year (millions of yen)	30,582	31,866

(4) Consolidated subsidiaries and application of the equity method

Number of consolidated subsidiaries: 13

Number of non-consolidated subsidiaries: 0

Number of affiliated company applied the equity method: 0

(5) Changes on consolidated subsidiaries and application of the equity method

Number of consolidated subsidiaries: 0

Number of non-consolidated subsidiaries: 0

Number of affiliated company applied the equity method: 0

2. Forecasts of results for the year ending March 31, 2003

	Full year
Net sales (millions of yen)	93,200
Ordinary income (millions of yen)	12,600
Net income (millions of yen)	3,800
Reference: Expected net income per share (full-year basis)	41.90 yen

Caution)

The aforementioned forecast in this brief financial report reflects the Company's current analysis of data available and the Company's assumption as of November 6, 2002. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses; competitive pressures; changes in related laws and regulations; status of product development programs; and changes in exchange rates.

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1. Performance for the six months ended September 30, 2002

(Figures are rounded down to the nearest million yen)

(1) Operating results	Six months to September 2002	Six months to September 2001	% change 2002/2001
Net sales (millions of yen)	42,770	41,307	3.5%
Operating income (millions of yen)	9,148	8,407	8.8%
Ordinary income (millions of yen)	8,905	8,450	5.4%
Net income (millions of yen)	3,817	4,927	(22.5%)
Net income per share (yen)	42.09	53.15	

Note: ¹ Average number of shares outstanding

September 30, 2002: 90,692,220

September 30, 2001: 92,705,400

March 31, 2002: 92,535,887

² No change has been made in accounting policy.

(2) Dividends	Six months to September 2002	Six months to September 2001	Year to March 2002
Interim dividends per share (yen)	10.00	10.00	
Annual dividends per share (yen)			20.00

(3) Financial condition	September 30, 2002	September 30, 2001
Total assets (millions of yen)	161,289	157,330
Shareholders' equity (millions of yen)	107,406	104,200
Shareholders' equity ratio	66.6%	66.2%
Shareholders' equity per share (yen)	1,184.38	1,123.93

Note: ¹ Number of shares outstanding at end of period

September 30, 2002: 90,685,908

September 30, 2001: 92,711,220

March 31, 2002: 90,701,451

² Number of treasury stock at end of period

September 30, 2002: 18,395

September 30, 2001: 20,629

March 31, 2002: 2,852

2. Forecasts of results for the year ending March 31, 2003

	Full year	
Net sales (millions of yen)	85,300	
Ordinary income (millions of yen)	16,900	
Net income (millions of yen)	8,400	
Dividends at end of period per share (yen)	10.00	
Annual dividends per share (yen)	20.00	
Reference: Expected net income per share (full-year basis)		92.63 yen

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