

Revision of Performance Forecasts

Osaka, Japan, February 20, 2003 --- Santen Pharmaceutical Co., Ltd. (President: Takakazu Morita, Ticker Code: 4536; Tokyo and Osaka) today revised its performance forecasts for the year ending March 31, 2003, which it announced on November 6, 2002.

1. Revision of consolidated forecast for the year ending March 31, 2003

(Units: millions of yen, %)

	Net Sales	Ordinary Income	Net Income
Previous forecast as of November 6, 2002 (A)	93,200	12,600	3,800
Revised forecast (B)	90,400	12,400	8,200
Change (B - A)	-2,800	-200	4,400
% Change	-3.0%	-1.6%	115.8%
<i>Ref. Results for the year ended March 31, 2002</i>	88,966	12,107	5,305

2. Revision of non-consolidated forecast for the year ending March 31, 2003

(Units: millions of yen, %)

	Net Sales	Ordinary Income	Net Income
Previous forecast as of November 6, 2002 (A)	85,300	16,900	8,400
Revised forecast (B)	82,900	16,600	900
Change (B - A)	-2,400	-300	-7,500
% Change	-2.8%	-1.8%	-89.3%
<i>Ref. Results for the year ended March 31, 2002</i>	82,990	16,060	9,932

3. Reasons for the Revision

(Consolidated)

For the year ending March 31, 2003, consolidated net sales are expected to fall below the previous forecast of November 6, 2002, primarily because of lower-than-expected sales in the Japanese prescription and over-the-counter businesses due to stagnant markets. Despite the projected decrease in net sales, ordinary income is projected to decrease only slightly from the previous forecast because of factors including reduced selling, general and administrative expenses. The loss from revaluation of marketable securities will be appropriated to extraordinary loss. However, consolidated net income is expected to substantially exceed the previous forecast because of the 5 billion yen adjustment of corporate income tax resulting from the non-consolidated loss from revaluation of a subsidiary's shares.

(Non-consolidated)

For the year ending March 31, 2003, non-consolidated net sales are expected to fall below the previous forecast of November 6, 2002, primarily because of lower-than-expected sales in the Japanese prescription and over-the-counter businesses due to stagnant markets. Despite the projected decrease in net sales, ordinary income is projected to decrease only slightly from the previous forecast because of factors including reduced selling, general and administrative expenses. Non-consolidated net income is expected to drop considerably from the previous forecast due to extraordinary loss of 11.8 billion yen from revaluation of shares of the subsidiary Santen Pharmaceutical B.V. (see Note), and an extraordinary loss from revaluation of marketable securities.

Note: Santen Pharmaceutical B.V. (located in the Netherlands) is a wholly owned Santen subsidiary and holding company that holds shares of such companies as Santen Oy (located in Finland). Santen Oy's losses from its sales activities in the United States and Europe led to a significant decrease in the value of the shares of Santen Pharmaceutical B.V. Santen deemed the impairment in value irrecoverable over the short- or medium-term, and recorded a revaluation loss.

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Notes:

1. Forward-Looking Statements

This news release contains forward-looking statements regarding the Company's plans, outlook, strategies and results for the future. All forward-looking statements are based on the judgment of the Company's management derived from the information available at the time of announcement. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this news release. These risks and uncertainties include, but are not limited to, changes in the business environment, status of product development programs, exchange rate fluctuations, and changes in related laws and regulations.

2. About the 12-hour Rule

You will be deemed the primary recipient(s) of corporate insider information by virtue of the provisions of Paragraph 3 of Article 166 of the Securities and Exchange Law of Japan and will be subject to insider regulations under such Law and Order until the elapse of twelve hours from the time this news release was made (until 1:00 a.m. of February 21, 2003, JST).