

SANTEN PHARMACEUTICAL CO., LTD. (May 9, 2005)

Code: 4536

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

Financial Report for the Year Ended March 31, 2005

(Consolidated)

Takakazu Morita, President and Chief Executive Officer

Contact: Ichiro Otokozaawa, Senior Corporate Officer,

Head of Corporate Development and Administration Division

Tel: 06-6321-7007

1. Performance for the year ended March 31, 2005

(Figures are rounded down to the nearest million yen)

(1) Operating results	Year to March 2005	Year to March 2004	% change 2005/2004
Net sales (millions of yen)	92,696	89,857	3.2%
Operating income (millions of yen)	18,982	14,525	30.7%
Ordinary income (millions of yen)	18,837	15,790	19.3%
Net income (millions of yen)	11,022	6,321	74.4%
Net income per share (yen)	125.85	71.65	
Diluted net income per share (yen)	125.71	71.64	
Net income to shareholders' equity	10.4%	6.3%	
Ordinary income to total assets	13.0%	10.6%	
Ordinary income to net sales	20.3%	17.6%	

Note: ¹ Average number of shares outstanding

March 31, 2005: 87,390,316

March 31, 2004: 87,931,398

² No change has been made in accounting policy.

(2) Financial condition	March 31, 2005	March 31, 2004
Total assets (millions of yen)	139,979	150,237
Shareholders' equity (millions of yen)	108,239	103,499
Shareholders' equity ratio	77.3%	68.9%
Shareholders' equity per share (yen)	1,249.32	1,176.83

Note: ¹ Number of shares outstanding at end of period

March 31, 2005: 86,619,043

March 31, 2004: 87,929,950

(3) Cash flows	Year to March 2005	Year to March 2004
Cash flows from operating activities (millions of yen)	6,619	23,196
Cash flows from investing activities (millions of yen)	(2,907)	5,246
Cash flows from financing activities (millions of yen)	(12,711)	(12,122)
Cash and cash equivalents at end of year (millions of yen)	32,380	41,422

(4) Consolidated subsidiaries and application of the equity method

Number of consolidated subsidiaries: 12

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, 2006

	Interim	Full year	
Net sales (millions of yen)	47,800	96,100	
Operating income (millions of yen)	9,400	19,500	
Ordinary income (millions of yen)	9,400	19,500	
Net income (millions of yen)	5,500	11,300	
Reference: Expected net income per share (full-year basis)			130.46 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 May 9, 2005. 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.

SANTEN PHARMACEUTICAL CO., LTD. (May 9, 2005)

Code: 4536

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

Financial Report for the Year Ended March 31, 2005

(Non-consolidated)

Takakazu Morita, President and Chief Executive Officer

Contact: Ichiro Otokozaawa, Senior Corporate Officer,
Head of Corporate Development and Administration Division Tel: 06-6321-7007

1. Performance for the year ended March 31, 2005

(Figures are rounded down to the nearest million yen)

(1) Operating results	Year to March 2005	Year to March 2004	% change 2005/2004
Net sales (millions of yen)	86,340	80,227	7.6%
Operating income (millions of yen)	19,692	17,469	12.7%
Ordinary income (millions of yen)	20,266	18,680	8.5%
Net income (millions of yen)	12,602	7,176	75.6%
Net income per share (yen)	143.93	81.37	
Diluted net income per share (yen)	143.77	81.36	
Net income to shareholders' equity	11.5%	6.9%	
Ordinary income to total assets	13.8%	12.5%	
Ordinary income to net sales	23.5%	23.3%	

Note: ¹ Average number of shares outstanding

March 31, 2005: 87,390,316

March 31, 2004: 87,931,398

² No change has been made in accounting policy.

(2) Dividends

	Year to March 2005	Year to March 2004
Annual dividends per share (yen)	50.00	40.00
Interim dividends per share (yen)	20.00	10.00
End of period (yen)	30.00	30.00
Total dividends paid (full-year) (millions of yen)	4,357	3,517
Payout ratio	34.7%	49.0%
Shareholders' equity yield	3.9%	3.3%

(3) Financial condition

	March 31, 2005	March 31, 2004
Total assets (millions of yen)	142,762	150,240
Shareholders' equity (millions of yen)	113,092	106,800
Shareholders' equity ratio	79.2%	71.1%
Shareholders' equity per share (yen)	1,305.34	1,214.37

Note: ¹ Number of shares outstanding at end of period

March 31, 2005: 86,619,043

March 31, 2004: 87,929,950

² Number of treasury stock at end of period

March 31, 2005: 39,660

March 31, 2004: 33,353

2. Forecasts of results for the year ending March 31, 2006

	Interim	Full year
Net sales (millions of yen)	45,000	90,000
Operating income (millions of yen)	9,900	20,200
Ordinary income (millions of yen)	10,100	20,500
Net income (millions of yen)	6,300	12,700
Interim dividends per share (yen)	25.00	-
Dividends at end of period per share (yen)	-	25.00
Annual dividends per share (yen)	-	50.00
Reference: Expected net income per share (full-year basis)		146.62 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 May 9, 2005. 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.