



Santen Pharmaceutical Co., Ltd.

Investor Meeting on 1st Half of FY2009 Results

**Financial Results for the 1st Half of FY2009;
Financial Forecast for the FY2009;**

November 11, 2009

President & CEO

Akira Kurokawa



Financial Results for the 1st Half FY2009



Performance Overview of 1st Half FY2009

(billions of yen)

	FY2008 1st Half Actual	FY2009 1st Half Actual	Var. %	FY2009 1st Half Forecast*	Achieve- ment %
Net Sales	52.21	59.12	13.2%	57.00	103.7%
Operating Income	5.63	19.03	237.8%	14.00	136.0%
Ordinary Income	6.01	18.87	213.8%	14.00	134.8%
Net Income	3.72	11.67	213.4%	8.50	137.3%

*As of: August 4, 2009

Summary of FY2009 1st Half

Sales

■ Domestic Sales :

Steady progress in Glaucoma & Corneal Disease segments

- Glaucoma: Contribution from the market penetration of new product Tapros
- Corneal Disease: Steady progress

⊕ Overseas Sales :

- Contribution from the licensing fees
- China: Smooth transformation to direct marketing sales organization has contributed to increase in sales

Operating Income

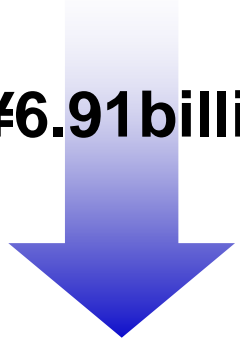
- **COGS**: Improved gross margin due to change in production mix
- **R&D Cost**: Large one time license fee payment in the FY08
- **SG&A Cost**: Decrease in SG&A costs due to unutilized SG&A budget such as sales promotion expenses and foreign exchange impact



Net Sales: Variances (vs. 1st Half FY2008)

**FY2008
1st Half
Net Sales
(Actual)
¥52.21billion**

+¥6.91billion



**FY2009
1st Half
Net Sales
(Actual)
¥59.12billion**

Japan: +1.08billion

- + Prescription Ophthalmics +¥0.68billion
- + Anti-rheumatics +¥0.07billion
- + Medical Devices +¥0.21billion
- + OTC Drugs +¥0.06billion
- + Others +¥0.04billion

Outside Japan +¥5.83billion

- + Europe -¥0.46billion
(Forex loss impact -0.96billion)
- + U.S. +¥5.55billion
- + Asia +¥0.74billion
(- China +¥0.70billion)
(Forex loss impact: -¥0.10billion)

Prescription Ophthalmics (Japan)

- + Anti-infective -¥0.67billion
- + Cornea (Dry Eye) +¥0.20billion
- + Glaucoma +¥1.32billion
(Tapros: +¥1.98billion)
- + Anti-allergy -¥0.14billion
- + Others -¥0.03billion

Europe

- + Prescription Ophthalmics -¥0.38billion
(- Western Europe +¥0.14billion
(Germany +¥0.18billion)
- Eastern Europe -¥0.04billion
- Northern Europe -¥0.26billion
- Russia -¥0.21billion)
- + Contract Manufacturing, etc. -¥0.08billion

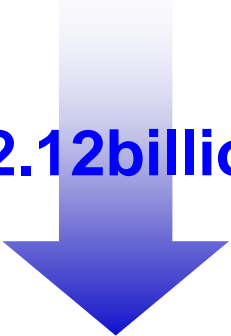
<Currency Rates>		
	<u>FY08 2Q</u>	<u>FY09 Q2</u>
US\$	JPY 105.75	JPY 95.48
Euro	JPY 163.13	JPY 132.14
CNY	JPY 14.90	JPY 14.00



Net Sales: Variances (vs. Aug.09 Announcement)

**FY2008
1st Half
Net Sales
(Forecast*)
¥57.00billion**

+¥2.12billion



**FY2009
1st Half
Net Sales
(Actual)
¥59.12billion**

Japan: -¥0.18billion

- + Prescription Ophthalmics +¥0.08billion
- + Anti-rheumatics +¥0.11billion
- + OTC Drugs -¥0.14billion
- + Medical Devices -¥0.12billion

Outside Japan +¥2.30billion

- + U.S. +¥2.35billion
(Forex loss impact -¥0.04billion)
- + Europe -¥0.15billion
(Forex gain impact +0.07billion)
- + Asia +¥0.11billion
 - China -¥0.07billion
 - (Forex loss impact -¥0.05billion)
 - Korea +¥0.14billion

Prescription Ophthalmics (Japan)

- + Anti-infective -¥0.02billion (99.8%)
- + Cornea (Dry Eye) +¥0.36billion (103.5%)
- + Glaucoma +¥0.24billion (102.8%)
(Tapros +¥0.02billion) (101.1%)
- + Anti-allergy -¥0.44billion (77.3%)
- + Others -¥0.20billion (97.9%)

Europe

- + Prescription Ophthalmics -¥0.16billion
 - Western Europe +¥0.10billion
(Germany +¥0.07billion)
 - Northern Europe -¥0.01billion
 - Eastern Europe -¥0.12billion
 - Russia -¥0.13billion

<Currency Rates>

	FY09	FY09 2Q
	Forecast	Actual
US\$	JPY100.00	JPY 95.48
Euro	JPY 130.00	JPY 132.14
CNY	JPY 14.50	JPY 14.00

*As of: August 4, 2009



Summary of Changes in Income Statement

(billions of yen)

	FY2008 1 st Half Actual	FY2009		
		1 st Half Actual	Var.	Major Changes
Net Sales	52.21	59.12	6.91	(Details in pervious slide.)
Cost of Sales (% of net sales)	18.42 35.3%	17.76 30.1%	▲0.66 ▲5.2pt	Impact from product mix. Impact from reduced fixed costs.
SGA Total (% of net sales)	28.15 53.9%	22.31 37.7%	▲5.84 ▲16.2pt	
SGA excluding R&D (% of net sales)	16.32 31.3%	15.39 26.0%	▲0.93 ▲5.3pt	Decrease in SGA •Domestic (JPY ▲0.2bil) •Europe (JPY ▲0.3bil) •Asia (JPY ▲0.1bil)
R&D Expenses (% of net sales)	11.83 22.7%	6.92 11.7%	▲4.91 ▲11.0pt	Licensing-in expense of JPY5.3bil relating to DE-109 in FY2008.
Operating Profit (% of net sales)	5.63 10.8%	19.03 32.2%		
Non-operating Income	0.78	0.44		
Non-operating Expense	0.40	0.60		
Ordinary Income	6.01	18.87		
Extraordinary Gain	0.01	—		
Extraordinary Loss	0.03	0.20		
Net Income before Tax	5.99	18.66		
Corporate Tax	2.27	6.99		
Net Profit	3.72	11.67		

<Currency Rate>
FY2008 1st Half Actual
 US\$ JPY105.75
 Euro JPY 163.13

FY2008 1st Half Actual
 US\$ JPY95.48
 Euro JPY 132.14



Financial Forecast for the FY2009



Overall Outlook of FY2009

(billions of yen)

	FY2008 Actual	FY2009 Previous Forecast	FY2009 Revised Forecast	Var. vs. FY2008
Net Sales	101.61	111.00	113.50	11.7%
Operating Income	15.49	25.50	29.00	87.2%
Ordinary Income	15.93	25.50	29.00	82.0%
Net Income	10.12	16.00	18.00	77.8%
ROE	8.0%	12.3%	13.7%	5.7pt

Highlights for FY2009 2nd Half

Steady Market Penetration of TAPROS

Control COGS at Appropriate Level

Conitnue Appropriate R&D Spending



Sales/Income Outlook for FY2009

(billions of yen)

	FY2008 Actual	FY2009		
		Previous Forecast	Revised Forecast	Var. vs. FY2008
Net Sales	101.61	111.00	113.50	11.89
Cost of Sales	35.94	37.00	36.00	0.06
(% of net sales)	35.4 %	33.3 %	31.7%	▲3.7pt
SGA Total	50.17	48.50	48.50	▲1.67
(% of net sales)	49.4 %	43.7 %	42.7%	▲6.7 pt
SGA excluding R&D	31.72	33.20	33.20	1.48
(% of net sales)	31.2 %	29.9 %	29.3%	▲1.9 pt
R&D Expense	18.45	15.30	15.30	▲3.15
(% of net sales)	18.2 %	13.8 %	13.5%	▲4.7 pt
Operating Income	15.49	25.50	29.00	13.51
(% of net sales)	15.2 %	23.0 %	25.6%	10.4pt
Ordinary Income	15.93	25.50	29.00	13.07
Net Income before Tax	15.82	25.50	29.00	13.18
Income Taxes	5.70	9.50	11.00	5.30
Net Income	10.12	16.00	18.00	7.88
ROE	8.0%	12.3%	13.7%	5.7 pt

< Currency Rate >

	<u>FY08 Actual</u>	<u>FY09 Forecast</u>
US\$	JPY 100.81	JPY 100.00
Euro	JPY 146.71	JPY 130.00



Net Sales: Variances (vs. FY2008)

FY2008
Net Sales
(Actual)
¥101.61billion

+¥11.89
billion

FY2009
Net Sales
(Revised
Forecast)
¥113.50billion

Japan **+¥4.23billion**

- + Prescription Ophthalmics +¥2.89billion
- + Anti-rheumatics +¥0.23billion
- + OTC Drugs +¥0.35billion
- + Medical Devices +¥0.72billion

Outside Japan **+¥7.66billion**

- + Europe +¥0.19billion
(Currency impact -¥1.09billion)
- + U.S. +¥5.45billion
(Currency impact -¥0.31billion)
- + Asia +¥2.00billion
 - China +¥1.82billion
(Currency impact -¥0.07billion)
 - Korea +¥0.09billion
(Currency impact -¥0.11billion)

Prescription Ophthalmics (Japan)

- + Anti-infective -¥0.46billion
- + Cornea (Dry Eye) +¥0.65billion
- + Glaucoma +¥2.67billion
(Tapros +¥3.75billion)
- + Anti-allergy -¥0.53billion
- + Viscoelastics +¥0.20billion

Europe

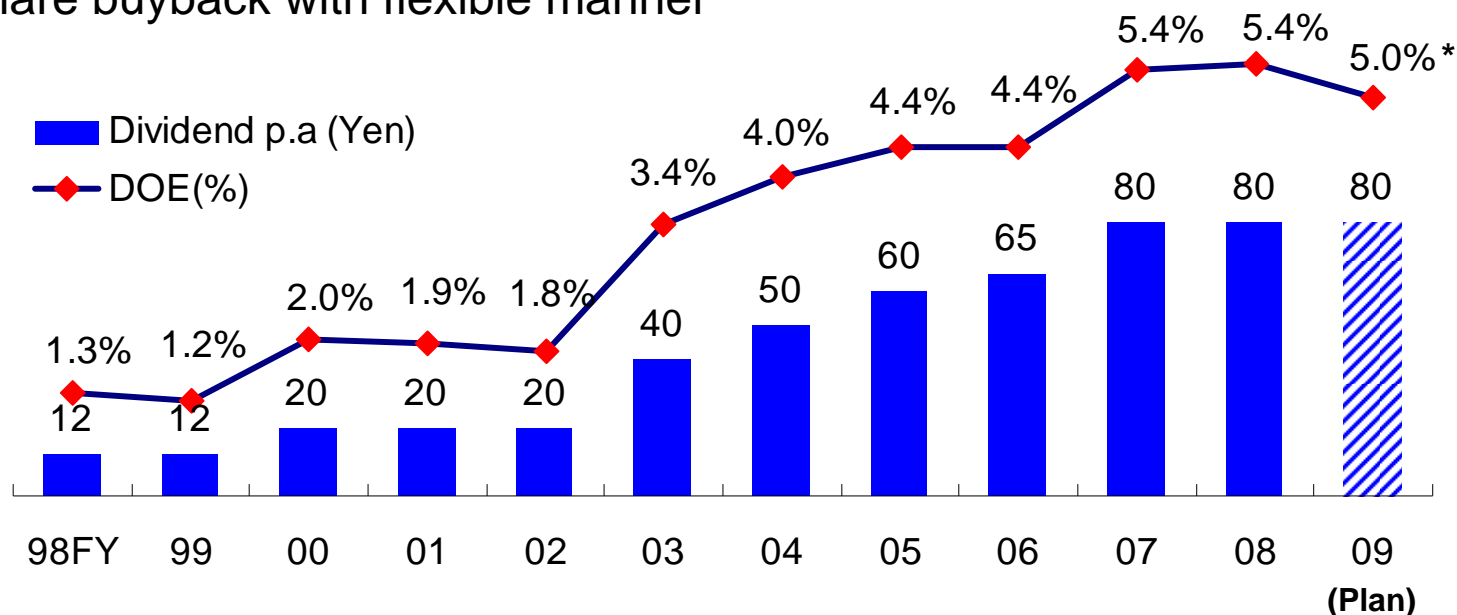
- + Prescription Ophthalmics +¥0.29billion
 - Eastern Europe +¥0.31billion
 - Russia +¥0.10billion
 - Germany +¥0.06billion
 - Western Europe (excl. Germany) -¥0.05billion
 - Northern Europe -¥0.08billion
- + Contract Manufacturing etc. - ¥0.10billion

<Currency Rate>

	<u>FY08 Actual</u>	<u>FY09 Forecast</u>
US\$	JPY 100.81	JPY 100.00
Euro	JPY 146.71	PY 130.00
CNY	JPY 14.86	PY 14.50

Enhancing Return to Shareholders

- Firstly, we consider the cash demand and financial forecast for R&D expense and investment for future growth
- Return to shareholders:
 - Focus primarily on dividend
- Mid-term target DOE ratio: 5%
- Consider share buyback with flexible manner



*Based on the results as of Sep.30, 2009

Pay out ratio(%)	14.1	14.4	24.6	34.9	21.4	55.8	39.7	39.9	42.9	54.7	67.2	42.5
Sum of share buyback (billions of yen)	0	0	5.1	3.2	3.2	0	2.6	0	0	4.8	-	-
Total return ratio (%)	14.1	14.4	92.0	96.4	59.5	55.8	63.3	39.9	42.9	85.8	-	-



References



**Reference:
Financial Results for the
1st Half FY2009**



Net Sales by Business Segment / Overseas Sales

■ Sales by Business Segment

(billions of yen)

	FY2009 1st Half					
	Domestic		Overseas		Total	
	Actual	Var.	Actual	Var.	Actual	Var.
Prescription Pharmaceuticals	42.48	1.9 %	7.24	5.0 %	49.73	2.3 %
Ophthalmics	37.29	1.9 %	7.17	4.7 %	44.47	2.3 %
Anti-rheumatics	5.03	1.5 %	0.05	173.4 %	5.09	2.2 %
Others	0.15	17.6 %	0.00	▲57.7 %	0.16	7.8 %
OTC Drugs	2.77	2.2 %	0.01	205.2 %	2.79	2.6 %
Medical Devices	0.43	92.0 %	—	—	0.43	92.0 %
Others	0.27	14.9 %	5.88	—	6.16	832.9 %
Total	45.98	2.4 %	13.14	79.6 %	59.12	13.2 %

■ Overseas Sales

(billions of yen)

	FY2008 1st Half Actual	FY2009 1st Half		
		Actual	Var.	Var.
Europe	4.54	4.08	▲0.46	▲10.2 %
U.S.	0.44	5.99	5.55	1234.5 %
Asia	2.32	3.06	0.74	32.0 %
Others	0.00	0.00	0.00	—
Total	7.31	13.14	5.83	79.6 %

Performance by Geographic Segment

■ Net Sales

(billions of yen)

	FY2008 1st Half Actual	FY2009 1st Half	
		Actual	Var.
Japan	46.70	52.85	6.15
Europe	5.08	4.65	▲0.43
Others*	0.43	1.61	1.18
Total	52.21	59.12	6.91

■ Operating Income

(billions of yen)

	FY2008 1st Half Actual	FY2009 1st Half	
		Actual	Var.
Japan	6.89	19.44	12.55
Europe	0.11	0.38	0.27
Others*	▲0.10	0.19	0.29
Elimination	▲1.27	▲0.99	0.28
Total	5.63	19.03	13.40

* "Others" are U.S., China, Korea and Taiwan.

Note: Sales by geographic region differ from overseas sales (i.e. sales by destination).

Summary of Balance Sheet

(billions of yen)

	As of End-March, 2009		As of End-September, 2009		
	Actual	% of Total	Actual	% of Total	Var.
Current Assets	101.05	66.9 %	114.01	69.3 %	12.96
Fixed Assets	49.95	33.1 %	50.50	30.7 %	0.55
Deferred Assets	-	-	-	-	-
Total Assets	151.01	100.0 %	164.52	100.0 %	13.51
Current Liabilities	22.43	14.9 %	25.32	15.4 %	2.89
Non-current Liabilities	3.20	2.1 %	3.80	2.3 %	0.60
Total Liabilities	25.64	17.0 %	29.12	17.7 %	3.48
Total Net Assets	125.36	83.0 %	135.39	82.3 %	10.03
Total Liabilities Net Assets	151.01	100.0 %	164.52	100.0 %	13.51

Major Changes

(billions of yen)

- **Current Assets:** Cash & cash equivalent +12.2billion, Accounts & notes receivables +1.2billion, Marketable securities -0.08billion
- **Fixed Assets:** Buildings & fixtures -0.4billion, Investment securities +2.1billion, Deferred assets -0.5billion
- **Current Liabilities:** Unpaid corporate tax +3.2billion, Account payables -0.8billion
- **Net Assets:** Retained earnings +8.2billion, Revaluation profit from other marketable securities +0.9billion, Forex adjustment account +0.6billion



Summary of Cash Flows

(billions of yen)

	FY2009 1st Half Actual
Cash and cash equivalents at the beginning of the year	45.95
Net increase/decrease in cash and cash equivalents	11.44
Cash flows from operating activities	16.01
Cash flows from investing activities	▲1.25
Cash flows from financial activities	▲3.12
Effect of exchange rate changes on cash and cash equivalents	▲0.19
Cash and cash equivalents at the end of the year	57.39

Note: "Cash and cash equivalents" include cash equivalents thus differ from "cash and deposits" in the Balance Sheets.



Capital Expenditures / Depreciation & Amortization / Lease Expenses

(billions of yen)

	FY2008 1st Half Actual	FY2009 1st Half	
		Actual	Var.
Capital Expenditures	1.00	0.37	-0.63
Depreciation and Amortization	1.64	1.58	-0.06
Lease Payments	0.48	0.33	-0.15



**Reference:
Financial Forecasts for the
FY2009**

Sales Forecast by Business Segment / Overseas Sales

■ Sales by Business Segment

(billions of yen)

	FY2009					
	Domestic		Overseas		Total	
	Forecast	Var.	Forecast	Var.	Forecast	Var.
Prescription Pharmaceuticals	85.38	3.8 %	14.34	16.9 %	99.72	5.5 %
Ophthalmics	75.24	4.0 %	14.22	17.3 %	89.47	5.9 %
Anti-rheumatics	9.86	2.4 %	0.10	-5.9 %	9.96	2.3 %
Others	0.27	0.1 %	0.01	-58.3 %	0.29	-5.6 %
OTC Drugs	5.56	6.7 %	0.02	259.5 %	5.59	7.0 %
Medical Devices	1.34	115.5 %	—	—	1.34	115.5 %
Others	0.55	9.9 %	6.28	767.8 %	6.84	455.0 %
Total	92.85	4.8 %	20.65	58.8 %	113.50	11.7 %

■ Overseas Sales

(billions of yen)

	FY2008 Actual	FY2009		
		Forecast	Var.	Var.
Europe	8.31	8.50	0.19	2.3 %
U.S.	0.93	6.39	5.45	581.4 %
Asia	3.74	5.74	2.00	53.2 %
Others	0.00	0.01	0.01	—
Total	12.99	20.65	7.66	58.8 %



Forecast by Geographic Segment

■ Net Sales

(billions of yen)

	FY2008 Actual	FY2009	
		Forecast	Var.
Japan	91.40	100.30	8.90
Europe	9.45	9.47	0.02
Others*	0.76	3.72	2.96
Total	101.61	113.50	11.89

■ Operating Income

(billions of yen)

	FY2008 Actual	FY2009	
		Forecast	Var.
Japan	18.28	30.95	12.67
Europe	0.17	0.66	0.49
Others*	-0.66	0.03	0.69
Elimination	-2.30	-2.65	-0.35
Total	15.49	29.00	13.51

* "Others" are U.S., China, Korea and Taiwan.

Note: Sales by geographic region differ from overseas sales (i.e. sales by destination).



Capital Expenditures / Depreciation & Amortization / Lease Expenses

(billions of yen)

	FY2008 Actual	FY2009	
		Forecast*	Var.
Capital Expenditures	2.74	1.83	▲0.91
Depreciation and Amortization	3.39	3.41	0.02
Lease	0.93	0.52	▲0.41

■ Major capital expenditure FY2008

- Addition and upgrade of manufacturing facilities
- Upgrade of R&D equipments

*As of: November 10, 2009



Reference

**Domestic Prescription Pharmaceutical Market
-Ophthalmics and Anti-rheumatics-**

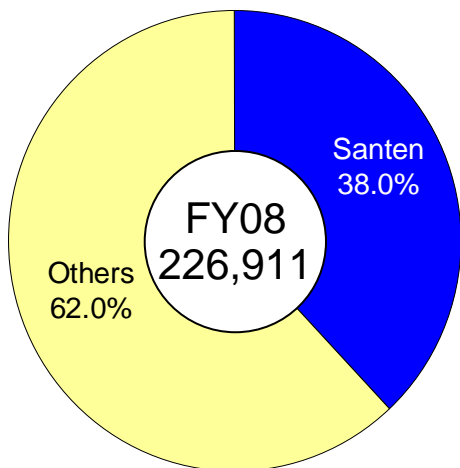


Japan: Trend & Competition by Category - 1

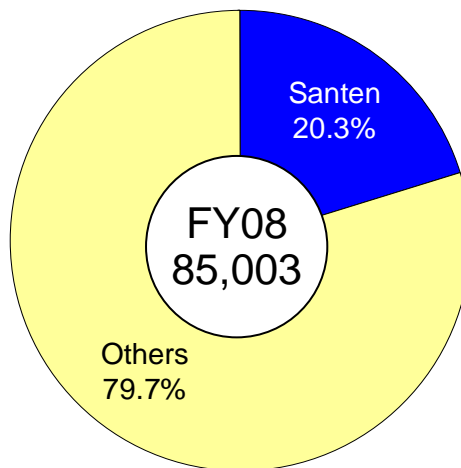
- Ophthalmics total: Market grew by +5.2% YoY at the end of 2Q-FY09. Santen secured 38.3% share under the rapid growth of retinal drug category.
- Glaucoma: Santen YTD sales grew by +20.8% YoY due to the growth of Tapros. Market share increased to 22.9%.
- Dry eye: Steady market growth of +4.7%. Santen's market share was 77.4%.

Market Size:
millions of yen
%: Value Share

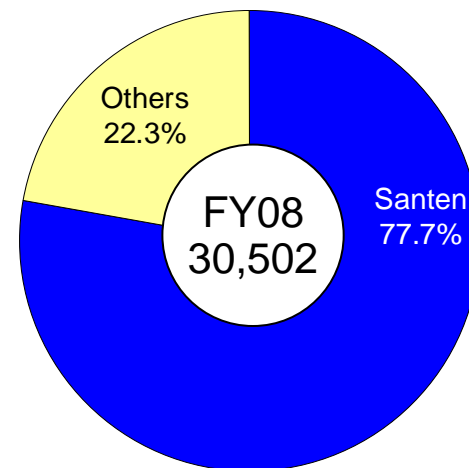
Ophthalmics Total



Glaucoma



Cornea: Dry Eye



FY08 FY09 2QYTD

change YoY	Market	+2.6%	+5.2%
	Santen	+0.3%	+3.2%
Santen Share		38.0%	38.3%

FY08 FY09 2QYTD

Market	+2.2%	+4.1%	
Santen	-0.4%	+20.8%	
Santen Share		20.3%	22.9%

FY08 FY09 2QYTD

Market	+5.7%	+4.7%	
Santen	+4.4%	+4.0%	
Santen Share		77.7%	77.4%

-Santen:
-Glaucoma : Tapros, Timoptol/XE, Rescula, Detantol
-Cornea / Dry Eye : Hyalein

Source: ©2009 IMS Japan
IMS-JPM 2007-09
Santen analysis based on IMS data

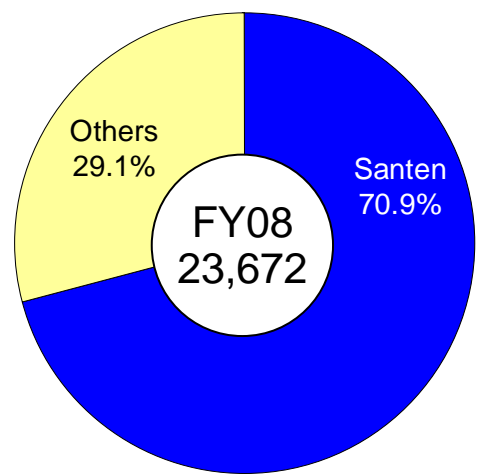


Japan: Trend & Competition by Category - 2

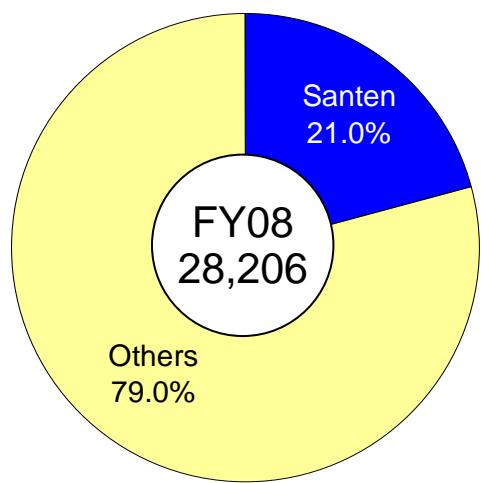
- Anti-infection: Market shrunk by -5.4% YoY in FY09 2QYTD. Treatment days/head is in declining trend.
- Anti-allergy: Market maintained by +0.0%, and Santen share at 21.8%. Competitor's growth continues.
- Anti-rheumatics: Solid market growth by +4.5%. Santen maintains its leading position by 44.1% share.

Market Size:
millions of yen
%: Value Share

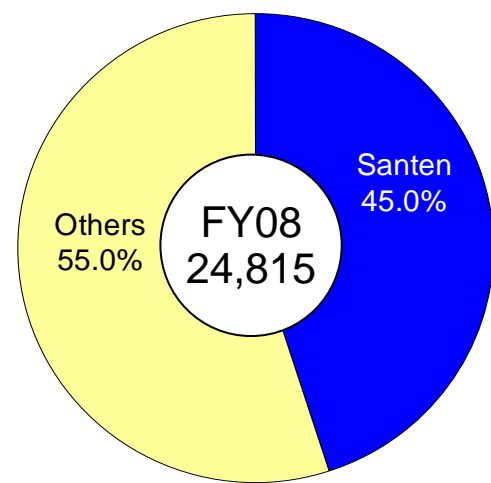
Anti-infection



Anti-allergy



RA: DMARDs



FY08 FY09 2QYTD

YOY change	Market	-3.1%	-5.4%
	Santen	-5.0%	-6.7%
Santen Share		70.9%	70.1%

FY08 FY09 2QYTD

Market	+11.0%	+0.0%
Santen	+2.3%	-8.6%
Santen Share	21.0%	21.8%

FY08 FY09 2QYTD

Market	+2.8%	+4.5%
Santen	+0.4%	+1.4%
Santen Share	45.0%	44.1%

- Santen:
- Anti-infection: Cravit, Tarivid, etc.
 - Anti-allergy : Livostin, Alegysal
 - RA /DMARDs: Rimatil, Azulfidine EN, Metolate

*DMARDs: Disease Modifying Anti-Rheumatic Drugs

Source: ©2009 IMS Japan
IMS-JPM 2007-09
Santen analysis based on IMS data



FY2009 Second Quarter Status of Clinical Development

Member of the Board
Senior Corporate Officer
Head of Research and Development Division
Toshiaki Nishihata, Ph.D.

S Major Clinical Pipeline List (Red Letters: Changes from FY09 1Q)

Global strategic Product

Global Product

Japan (Asia) Product

Domain	Phase I	Phase II	Phase III	NDA Filed	Approved
Glaucoma		<p>DE-104 ROCK inhibitor</p>	China	<p>DE-085 Tafluprost</p>	<p>Japan Europe (launch)</p>
		<p>DE-090 Lomerizine HCl</p>			<p>Korea (approved)</p>
Corneal Disease (Dry Eye)		<p>DE-101 Rivoglitazone</p>		<p>DE-089 Diquafosol sodium</p>	
		<p>DE-105 Combination of peptides</p>			
Retinal Disease		<p>DE-109 Sirolimus</p>			
		<p>DE-102 Steroid DDS</p>			
Others Inflammation, Allergy, RA			<p>DE-108 Levofloxacin</p>		
		<p>DE-098 Apoptosis inducer</p>			

Status of Major Drug Candidate (DE-085)

- **DE-085** *Tapros* in Japan, *Taflotan* in Europe (Glaucoma, Ocular hypertension)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
Japan	Launched (December 2008 -)	Launched (December 2008 -)	Approved (October 2008)
Europe	Launched* (June 2008 -)	Launched (June 2008 -)	Approved (April 2008 -)
Asia	Korea: Approved China: P3	Korea: Approved China: P3	Korea: Filed (Nov. 2007)

* : Launched in Germany, Denmark, Finland, Sweden, Norway, Poland.

Merck launched UK and Spain. (countries underlined were added from 1Q of FY2009).

Granted Marketing authorization to Merck for 21 countries (including CIS).

U.S.	Out-licensed development and marketing rights to Merck (Apr.2009)
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Status of Major Drug Candidate (DE-089)

- **DE-089** (Corneal and conjunctival epithelial disorders associated with dry eye)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
Japan	Filed	Filed	Generic name: Diquafosol sodium Filed in May 2008



Status of Major Pipeline - Glaucoma, Ocular hypertension -

- DE-090

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
Japan	P2	P2	Generic name: Lomerizine HCl

- DE-104

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
U.S.	P1/P2	P1/P2	ROCK inhibitor
Japan	P2	P2	



Status of Major Pipeline - Corneal and conjunctival disease -

- **DE-101** (Corneal and conjunctival epithelial disorders associated with dry eye)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
U.S.	Preparing P2b	Preparing P2b	Generic name: Rivoglitazone
Japan	P2b	Preparing P2b	

- **DE-105** (Persistent corneal epithelial defects)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
U.S.	Preparing P2	Preparing P2	Combination of peptides
Japan	P2	Preparing P2	



Status of Major Pipeline - Retinal Disease -

- **DE-102** (Diabetic macular edema)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
Japan	P1 / 2	P1 / 2	Steroid DDS

- **DE-109*** (Wet age related macular degeneration, diabetic macular edema)

Region	Development Stage		Remarks
	As of Nov. 11, 2009	As of Aug. 4, 2009 (Previous announcement)	
Japan	P1 / 2	P1 / 2	Generic name: Sirolimus

* Santen made a research and development collaboration and license agreement with MacuSight Inc. for the Japanese and Asian development and commercialization of sirolimus for the treatment of ocular diseases.



Status of Major Pipeline - Others -

- **DE-108** (Bacterial conjunctivitis)

Region	Development Stage		Remarks
	As of Aug. 4, 2009	As of May 13, 2009 (Previous announcement)	
Japan	P3	P3	higher-concentration Levofloxacin

- **DE-098*** (Rheumatoid arthritis)

Region	Development Stage		Remarks
	As of Aug. 4, 2009	As of May 13, 2009 (Previous announcement)	
Japan	P1 / 2	P1 / 2	Anti-APO-1 antibody
Europe	P1 / 2	P1 / 2	

* Domestic development rights were licensed to Argenes, Inc. Domestic marketing rights and oversea development and marketing rights belong to Santen.



Forward-Looking Statements

- Information given in this announcement and accompanying documentation contains certain forward-looking statements concerning forecasts, projections and plans whose realization is subject to risk and uncertainty from a variety of sources. Actual results may differ significantly from forecasts.
- Business performance and financial condition are subject to the effects of medical regulatory changes made by the governments of Japan and other nations concerning medical insurance, drug pricing and other systems, and to fluctuations in market variables such as interest rates and foreign exchange rates.
- The process of drug research and development from discovery to final approval and sales is long, complex and uncertain. Individual compounds are subject to a multitude of uncertainties, including the termination of clinical development at various stages and the non-approval of products after a regulatory filing has been submitted. Forecasts and projections concerning new products take into account assumptions concerning the development pipelines of other companies and any co-promotion agreements, existing or planned. The success or failure of such agreements could affect business performance and financial condition significantly.
- Business performance and financial conditions could be affected significantly by a substantial drop in sales of a major drug, either currently marketed or expected to be launched, due to termination of sales as a result of factors such as patent expiry and complications, product defects or unforeseen side effects. Santen Pharmaceutical also sells numerous products under sales and/or manufacturing license from other companies. Business performance could be affected significantly by changes in the terms and conditions of agreements and/or the non-renewal of agreements.
- Santen Pharmaceutical is reliant on specific companies for supplies of certain raw materials used in production. Business performance could be affected significantly by the suspension or termination of supplies of such raw materials if such an event were to adversely affect supply capabilities for related final products.