

# Fact Book

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**Year Ended March 31, 2022**

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Santen Group has adopted International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2015, for the purpose of enhancing the international comparability of its financial information.

## Financial highlights

### ■ Consolidated financial summary

(JPY millions)

(FY)	2017	2018	2019	2020	2021	% Change	2022 Forecast
Revenue	224,942	234,026	241,555	249,605	266,257	6.7	264,000
Operating profit	38,691	45,098	33,535	12,187	35,886	194.5	34,200
Net profit for the year	35,261	31,943	21,714	9,126	27,189	197.9	24,400
Dividends per share (yen)	26	26	27	28	32	—	32
Dividend payout ratio (%)	30.0	33.0	45.6	120.2	47.0	-73.2pt	51.6
Core operating profit	45,378	48,230	50,023	50,101	46,348	-7.5	45,500
Core net profit for the year	33,458	36,092	35,894	37,549	35,195	-6.3	34,100

### ■ Consolidated statement of financial position summary

(JPY millions)

Year ended March 31	2018/3	2019/3	2020/3	2021/3	2022/3	% Change
Total assets	388,463	391,186	408,768	405,285	459,976	13.5
Total equity	287,557	292,572	302,560	309,646	336,844	8.8
Interest-bearing debt <sup>#</sup>	7,598	4,063	4,965	2,400	23,613	884.0

<sup>#</sup>Not including lease obligations

### ■ Consolidated financial indices

Year ended March 31	2018/3	2019/3	2020/3	2021/3	2022/3	% Change
EPS (yen)	86.73	78.67	59.16	23.30	68.07	192.2
BPS (yen)	702.54	728.97	758.50	776.16	843.60	8.7
Debt equity ratio (times)	0.0	0.0	0.0	0.0	0.0	0.0pt
PER (times)	19.8	21.0	31.4	65.4	18.0	-47.4pt
PBR (times)	2.4	2.3	2.4	2.0	1.5	-0.5pt
ROE (%)	13.0	11.1	8.0	3.0	8.4	5.4pt
ROA (%)	9.4	8.2	5.4	2.2	6.3	4.0pt
Equity ratio(%)	73.6	74.4	74.1	76.5	73.4	-3.2pt
Free cash flows (millions of yen) <sup>#1</sup>	32,906	24,562	30,719	15,004	10,203	-32.0%
EBITDA (millions of yen) <sup>#2</sup>	49,693	52,368	56,899	54,756	53,223	-2.8%

<sup>#1</sup> Free cash flow = (Net cash flows from operating activities)-(Capital payments for acquisition of property, plant and equipment, and intangible assets)

<sup>#2</sup> EBITDA = (Operating profit) - (Other income) + (Other expenses) + (Depreciation and amortization)

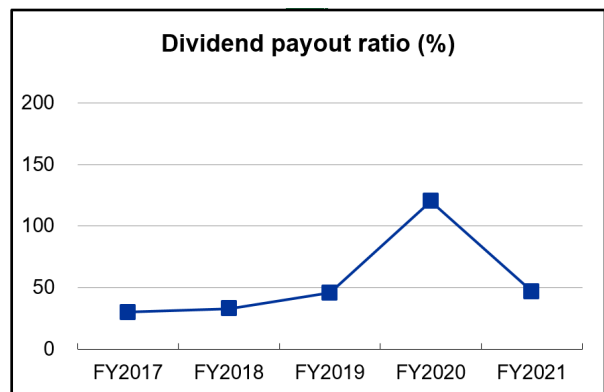
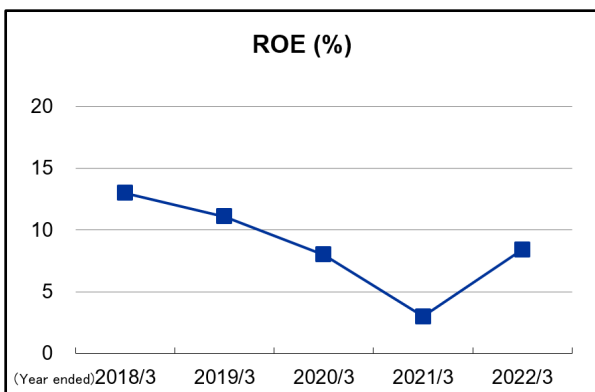
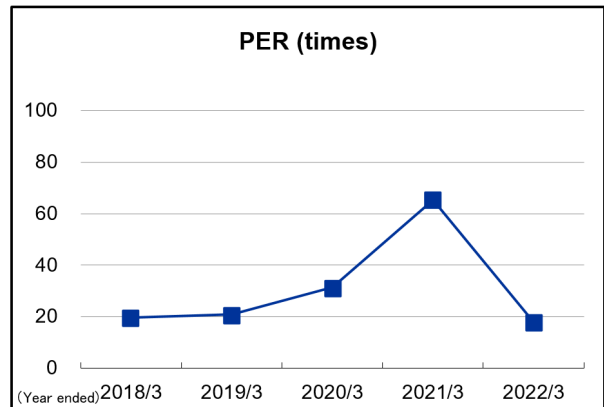
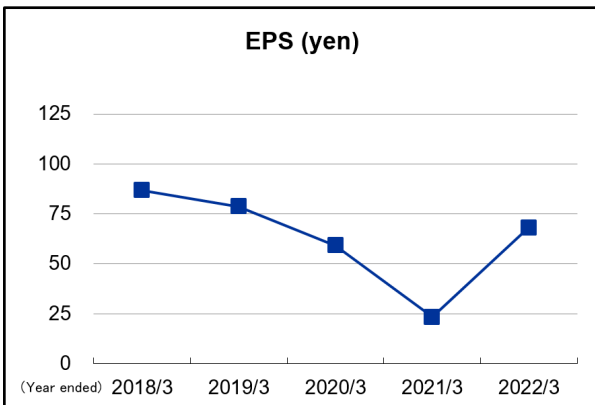
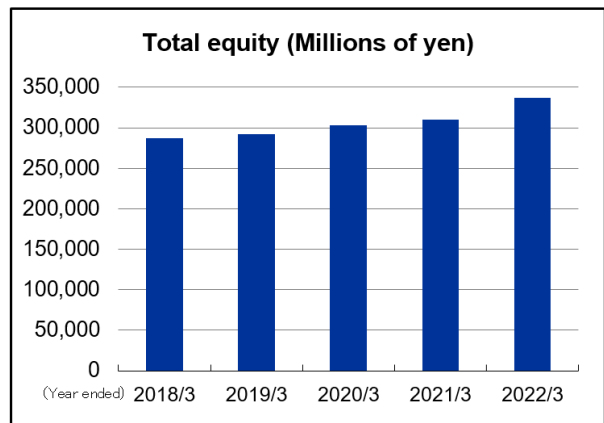
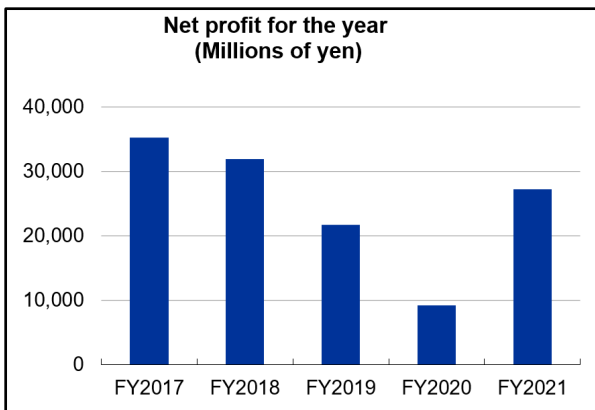
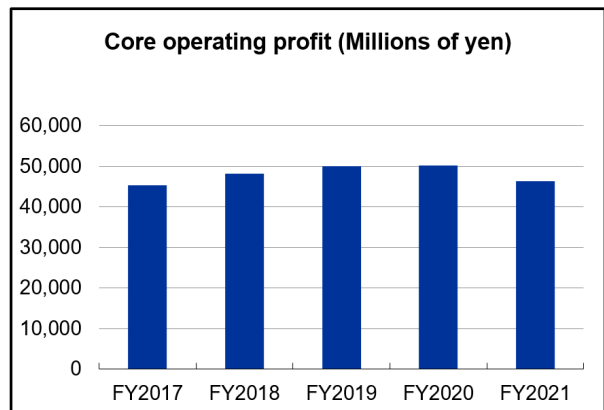
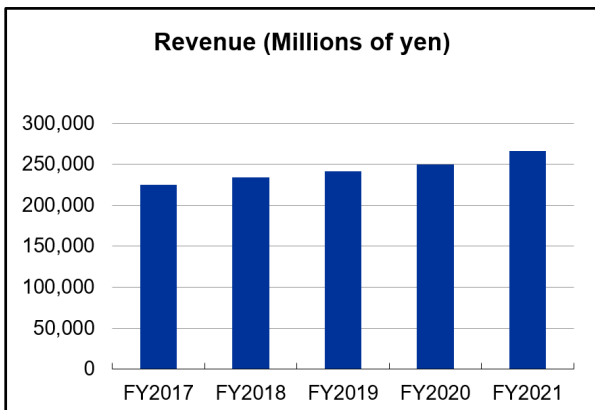
### ■ Exchange rates

(Yen)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Exchange rate: USD	110.94	110.82	108.81	105.95	112.57	125.00
: EUR	129.92	128.38	120.80	123.73	130.75	135.00
: CNY	16.84	16.52	15.64	15.61	17.55	19.00

# Financial highlights

## ■ Consolidated financial summary (Graph)



## Consolidated statements of income

■Core basis (JPY millions)

(FY)	2017	2018	2019	2020	2021	% Change	2022 Forecast
<b>Revenue</b>	<b>224,942</b>	<b>234,026</b>	<b>241,555</b>	<b>249,605</b>	<b>266,257</b>	<b>6.7</b>	<b>264,000</b>
Cost of sales (Percent of revenue)	-86,378 38.4%	-90,764 38.8%	-94,831 39.3%	-98,221 39.4%	-109,671 41.2%	11.7 —	103,000 39.0%
<b>Gross profit</b> (Percent of revenue)	<b>138,564</b> 61.6%	<b>143,262</b> 61.2%	<b>146,724</b> 60.7%	<b>151,384</b> 60.6%	<b>156,586</b> 58.8%	<b>3.4</b> —	<b>161,000</b> 61.0%
SG&A expenses (Percent of revenue)	-68,788 30.6%	-71,273 30.5%	-73,360 30.4%	-77,161 30.9%	-83,861 31.5%	8.7 —	-88,500 33.5%
R&D expenses (Percent of revenue)	-24,398 10.8%	-23,759 10.2%	-23,341 9.7%	-24,112 9.7%	-26,377 9.9%	9.4 —	-27,000 10.2%
<b>Operating profit</b> (Percent of revenue)	<b>45,378</b> 20.2%	<b>48,230</b> 20.6%	<b>50,023</b> 20.7%	<b>50,101</b> 20.1%	<b>46,348</b> 17.4%	<b>-7.5</b> —	<b>45,500</b> 17.2%
<b>Net profit for the year</b> (Percent of revenue)	<b>33,458</b> 14.9%	<b>36,092</b> 15.4%	<b>35,894</b> 14.9%	<b>37,549</b> 15.0%	<b>35,195</b> 13.2%	<b>-6.3</b> —	<b>34,100</b> 12.9%
ROE (%)	12.4	12.5	12.1	12.3	10.9	—	—

■IFRS (JPY millions)

(FY)	2017	2018	2019	2020	2021	% Change	2022 Forecast
<b>Revenue</b>	<b>224,942</b>	<b>234,026</b>	<b>241,555</b>	<b>249,605</b>	<b>266,257</b>	<b>6.7</b>	<b>264,000</b>
Cost of sales (Percent of revenue)	-86,378 38.4%	-90,764 38.8%	-94,831 39.3%	-98,221 39.4%	-109,671 41.2%	11.7 —	103,000 39.0%
<b>Gross profit</b> (Percent of revenue)	<b>138,564</b> 61.6%	<b>143,262</b> 61.2%	<b>146,724</b> 60.7%	<b>151,384</b> 60.6%	<b>156,586</b> 58.8%	<b>3.4</b> —	<b>161,000</b> 61.0%
SG&A expenses (Percent of revenue)	-68,788 30.6%	-71,273 30.5%	-73,360 30.4%	-79,554 31.9%	-84,499 31.7%	6.2 —	-88,500 33.5%
R&D expenses (Percent of revenue)	-24,398 10.8%	-23,759 10.2%	-23,341 9.7%	-24,112 9.7%	-26,377 9.9%	9.4 —	-27,000 10.2%
Amortization on intangible assets associated with products (Percent of revenue)	-6,740 3.0%	-6,988 3.0%	-9,898 4.1%	-10,650 4.3%	-9,734 3.7%	-8.6 —	-10,300 3.9%
Other income	417	4,028	390	16,007	1,043	-93.5	500
Other expenses	-364	-172	-6,980	-40,889	-1,133	-97.2	-1,500
<b>Operating profit</b> (Percent of revenue)	<b>38,691</b> 17.2%	<b>45,098</b> 19.3%	<b>33,535</b> 13.9%	<b>12,187</b> 4.9%	<b>35,886</b> 13.5%	<b>194.5</b> —	<b>34,200</b> 13.0%
Finance income	1,004	901	950	1,346	2,543	88.9	900
Finance expenses	-434	-2,881	-2,393	-1,488	-1,209	-18.8	-600
Share of loss of investments accounted for using equity method	—	—	—	-358	-1,604	348.6	-2,000
<b>Profit before tax</b> (Percent of revenue)	<b>39,261</b> 17.5%	<b>43,117</b> 18.4%	<b>32,091</b> 13.3%	<b>11,688</b> 4.7%	<b>35,616</b> 13.4%	<b>204.7</b> —	<b>32,500</b> 12.3%
Income tax expenses	-4,000	-11,174	-10,377	-2,562	-8,427	228.9	-8,100
<b>Net profit for the year</b> (Percent of revenue)	<b>35,261</b> 15.7%	<b>31,943</b> 13.6%	<b>21,714</b> 9.0%	<b>9,126</b> 3.7%	<b>27,189</b> 10.2%	<b>197.9</b> —	<b>24,400</b> 9.2%
Profit attributable to owners of the company	35,247	31,954	23,618	9,311	27,218	192.3	24,380
Non-controlling interests	14	-11	-1,904	-185	-29	-84.4	-20
ROE (%)	13.0	11.1	8.0	3.0	8.4	—	7

(Note) Related to the acquisition of Eyevance Pharmaceuticals Holdings Inc. (U.S.), as a result of the completion of the purchase price allocation in the six months ended September 2021, the provisional figures used previously have been retroactively restated for the fiscal year ended March 2021.

## Revenue details

### ■ Revenue by business segment

(JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Prescription pharmaceuticals	206,967	216,030	224,584	234,687	249,579	244,400
YoY(%)	12.8%	4.4%	4.0%	4.5%	6.3%	-2.1%
OTC pharmaceuticals	14,594	14,223	12,034	9,410	9,780	10,650
YoY(%)	16.3%	-2.5%	-15.4%	-21.8%	3.9%	8.9%
Medical devices	2,583	2,709	3,515	4,037	5,184	7,202
Others	798	1,065	1,422	1,471	1,714	1,748
Total	224,942	234,026	241,555	249,605	266,257	264,000
YoY(%)	13.0%	4.0%	3.2%	3.3%	6.7%	-0.8%

### [Japan]

(JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Prescription pharmaceuticals	141,067	142,950	148,842	155,807	159,705	141,700
YoY(%)	8.5%	1.3%	4.1%	4.7%	2.5%	-11.3%
OTC pharmaceuticals	14,301	13,930	11,722	9,058	9,185	9,400
YoY(%)	15.1%	-2.6%	-15.8%	-22.7%	1.4%	2.3%
Medical devices	2,527	2,600	3,179	2,926	3,139	3,400
Others	758	977	1,281	1,343	1,604	1,500
Total	158,653	160,456	165,024	169,133	173,633	156,000
YoY(%)	9.1%	1.1%	2.8%	2.5%	2.7%	-10.2%

### [Overseas]

(JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Prescription pharmaceuticals	65,900	73,080	75,742	78,880	89,874	102,700
YoY(%)	23.3%	10.9%	3.6%	4.1%	13.9%	14.3%
OTC pharmaceuticals	293	293	312	352	595	1,250
YoY(%)	120.0%	-0.1%	6.5%	12.7%	69.1%	110.2%
Medical devices	56	109	336	1,111	2,046	3,802
Others	40	88	141	129	109	248
Total	66,289	73,570	76,531	80,472	92,624	108,000
YoY(%)	23.4%	11.0%	4.0%	5.1%	15.1%	16.6%

## Revenue details

■Revenue by region (Overseas) (JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
China	17,809	21,365	22,321	23,349	27,197	35,000
YoY(%)	32.2%	20.0%	4.5%	4.6%	16.5%	28.7%
Asia (Not including China)	13,094	15,516	16,496	17,216	19,813	23,000
YoY(%)	28.7%	18.5%	6.3%	4.4%	15.1%	16.1%
EMEA <sup>#1</sup>	35,015	36,156	36,979	37,896	42,899	45,500
YoY(%)	22.2%	3.3%	2.3%	2.5%	13.2%	6.1%
Americas	371	533	735	2,011	2,715	4,500
YoY(%)	-74.1%	43.7%	38.0%	173.5%	35.0%	65.8%
Total	66,289	73,570	76,531	80,472	92,624	108,000
YoY(%)	23.4%	11.0%	4.0%	5.1%	15.1%	16.6%

<sup>#1</sup> Europe, the Middle East and Africa

■Profit contribution by region (Based on new classification) (JPY millions)

(FY)	2017	2018	2019	2020	2021
Japan	—	67,588	70,081	70,039	66,166
YoY(%)	—	—	3.7%	-0.1%	-5.5%
China	—	8,345	10,151	9,693	11,568
YoY(%)	—	—	21.6%	-4.5%	19.3%
Asia (Not including China)	—	4,994	5,725	6,893	8,254
YoY(%)	—	—	14.6%	20.4%	19.7%
EMEA	—	9,460	9,946	11,373	14,348
YoY(%)	—	—	5.1%	14.3%	26.2%
Americas	—	-1,715	-1,830	-2,555	-4,396
YoY(%)	—	—	—	—	—

■Profit contribution by region (Based on previous classification) (JPY millions)

(FY)	2017	2018	2019	2020	2021
Asia (Including China)	7,334	11,517	—	—	—
YoY(%)	49.3%	57.0%	—	—	—
EMEA	5,980	7,603	—	—	—
YoY(%)	70.2%	27.2%	—	—	—
Americas	-4,627	-4,120	—	—	—
YoY(%)	—	—	—	—	—

# Revenue details

## ■ Revenue of major products

(JPY millions)

Brand name Generic name/formulation	Therapeutic category	Region	2017	2018	2019	2020	2021	% Change	2022 Forecast
Cravit levofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	14,944	15,028	15,181	12,650	11,712	-7.4%	11,852
		Japan	4,105	3,175	2,571	1,971	1,754	-11.0%	1,489
		China	7,991	8,860	9,509	7,927	6,966	-12.1%	7,195
		Asia	1,234	1,524	1,726	1,722	1,866	8.3%	2,056
		EMEA	1,614	1,468	1,375	1,029	1,126	9.4%	1,112
Tarivid ofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	1,581	1,445	1,472	1,427	1,596	11.9%	1,491
		Japan	508	482	414	337	323	-4.4%	315
		China	695	599	585	683	910	33.2%	942
		Asia	378	364	473	406	364	-10.5%	233
Tapcom tafluprost-timolol maleate/ combination ophthalmic solution	Glaucoma	Total	3,892	4,788	5,405	6,036	6,971	15.5%	7,577
		Japan	2,479	2,549	2,521	2,604	2,738	5.1%	2,628
		Asia	158	308	383	546	815	49.3%	964
		EMEA	1,255	1,930	2,501	2,886	3,417	18.4%	3,985
Tapros tafluprost/ophthalmic solution	Glaucoma	Total	17,844	18,014	17,901	17,915	18,423	2.8%	19,705
		Japan	9,610	9,554	9,123	8,709	8,409	-3.4%	7,847
		China	147	228	395	602	1,170	94.3%	2,740
		Asia	1,660	1,857	1,892	1,907	2,077	8.9%	2,051
		EMEA	6,427	6,375	6,491	6,696	6,767	1.1%	7,067
Cosopt dorzolamide hydrochloride-timolol maleate/combination ophthalmic solution	Glaucoma	Total	24,200	21,985	21,045	20,877	21,752	4.2%	21,523
		Japan	11,403	8,919	7,723	6,940	5,650	-18.6%	4,898
		Asia	3,197	3,675	4,052	4,462	5,157	15.6%	5,630
		EMEA	9,600	9,392	9,270	9,475	10,945	15.5%	10,995
Timoptol timolol maleate/ ophthalmic solution (Including Timoptol XE)	Glaucoma	Total	3,672	2,874	2,504	2,196	2,098	-4.4%	1,894
		Japan	2,194	1,645	1,349	1,137	999	-12.2%	785
		Asia	221	221	226	264	302	14.4%	332
		EMEA	1,257	1,008	929	794	797	0.4%	777
Trusopt dorzolamide hydrochloride/ ophthalmic solution	Glaucoma	Total	4,677	4,586	4,424	4,365	4,374	0.2%	4,224
		Japan	1,641	1,474	1,350	1,227	1,108	-9.7%	965
		Asia	327	415	411	344	382	10.9%	413
		EMEA	2,709	2,697	2,663	2,794	2,883	3.2%	2,847
Eybelis omidenedepag isopropyl/ ophthalmic solution	Glaucoma	Total	—	431	1,629	2,536	3,420	34.8%	4,030
		Japan	—	431	1,629	2,516	3,304	31.3%	3,648
		Asia	—	—	—	20	116	475.4%	332
Alesion *Including Alesion LX epinastine hydrochloride/ ophthalmic solution	Allergy	Total	16,851	19,445	24,916	32,752	29,392	-10.3%	24,074
		Japan	16,851	19,445	24,916	32,733	29,286	-10.5%	23,821
		Asia	—	—	—	19	106	465.8%	253
Verkazia cyclosporin/ophthalmic emulsion	vernal keratoconjunctivitis	Total	—	18	84	178	633	255.2%	1,588
		EMEA	—	18	77	162	585	260.6%	743
		US	—	—	7	16	49	201.0%	792
Flumetholon fluorometholone/ ophthalmic solution	Inflammation	Total	3,497	3,302	2,996	2,812	3,354	19.3%	3,224
		Japan	2,113	1,640	1,272	1,052	911	-13.4%	827
		China	1,060	1,231	1,243	1,392	2,023	45.4%	1,996
		Asia	325	430	482	368	420	13.9%	401
Pirenoxine Ophthalmic Suspension (Former sales name: Kary Uni) pirenoxine/ ophthalmic solution	Senile cataract	Total	4,413	4,076	4,056	3,995	4,215	5.5%	4,181
		Japan	2,741	2,604	2,501	2,391	2,326	-2.7%	2,276
		China	885	760	704	771	894	15.9%	861
		Asia	788	713	852	832	995	19.5%	1,044
OfTan Catachrom cytochrome C, adenosine, nicotinamide/ ophthalmic solution	Senile cataract	Total	2,695	2,397	2,241	1,830	1,733	-5.3%	1,319
		EMEA	2,695	2,397	2,241	1,830	1,733	-5.3%	1,319
Sodium Hyaluronate Ophthalmic Viscoelastic Preparation (Former sales name: Opegan Hi) sodium hyaluronate/ adjuvant for ophthalmic operations	Adjuvant for ophthalmic operations	Total	2,304	2,154	2,672	2,189	2,129	-2.8%	1,963
		Japan	2,304	2,154	2,672	2,189	2,129	-2.8%	1,963
EYLEA* <sup>1</sup> aflibercept/ solution for intravitreal injection	Intravitreal VEGF inhibitor	Total	51,517	56,157	60,138	64,454	72,484	12.5%	61,896
		Japan	51,517	56,157	60,138	64,454	72,484	12.5%	61,896
Hyalain sodium hyaluronate/ophthalmic solution	Dry eye	Total	18,170	18,902	17,609	18,420	17,779	-3.5%	17,235
		Japan	10,772	8,763	7,849	6,967	6,466	-7.2%	5,115
		China	5,762	7,567	7,856	9,259	8,943	-3.4%	9,344
		Asia	1,635	2,572	1,904	2,194	2,370	8.0%	2,776
Diquas diquafosol sodium/ophthalmic solution	Dry eye	Total	14,286	15,367	15,970	14,403	18,835	30.8%	24,422
		Japan	12,822	13,932	14,257	12,283	13,342	8.6%	15,157
		China	0	25	167	717	4,074	468.5%	6,964
		Asia	1,463	1,409	1,546	1,404	1,419	1.1%	2,301
Ikervis cyclosporin/ophthalmic emulsion	Dry eye	Total	2,049	3,391	3,851	4,529	5,856	29.3%	6,667
		Asia	68	459	738	890	1,106	24.2%	1,506
		EMEA	1,981	2,932	3,113	3,638	4,750	30.6%	5,161
Cationorm	Dry eye	Total	2,092	2,512	2,912	3,062	3,230	5.5%	3,785
		Asia	199	168	265	256	467	82.5%	406
		EMEA	1,670	1,989	2,092	1,969	2,078	5.6%	2,458
		US	223	355	555	838	685	-18.3%	920
Lentis comfort	Intraocular Lens for Cataract Treatment	Total	—	129	1,065	1,196	1,422	18.9%	1,742
		Japan	—	129	1,065	1,196	1,422	18.9%	1,742
PRESERFLO MicroShunt	Glaucoma implant device	Total	6	68	270	892	1,612	80.9%	2,398
		EMEA	6	68	270	892	1,612	80.9%	2,364
OTC pharmaceuticals		Total	14,594	14,223	12,034	9,410	9,780	3.9%	10,650
		Japan	14,301	13,930	11,722	9,058	9,185	1.4%	9,400
		China	—	—	—	—	7	—	650
		Asia	293	293	312	352	588	67.1%	600

\*1 Co-promoted product of Bayer Yakuhin, Ltd. (MAH)

\* Forecasts in this reports are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions and others. Our full-year forecasts are converted to JPY based on our foreign exchange assumptions.



# Consolidated statement of financial position

(JPY millions)

Year ended March 31	2018/3		2019/3		2020/3		2021/3		2022/3	
	%		%		%		%		%	
<b>■Assets</b>										
<b>Non-current assets</b>										
Property, plant and equipment	29,706	7.6	31,699	8.1	35,601	8.7	39,489	9.7	56,287	12.2
Intangible assets	134,495	34.6	131,110	33.5	119,850	29.3	115,808	28.6	130,217	28.3
Financial assets	35,775	9.2	30,044	7.7	30,848	7.5	31,903	7.9	28,673	6.2
Retirement benefit asset	—	—	—	—	—	—	1,619	0.4	3,011	0.7
Investments from application of equity method	—	—	—	—	—	—	5,162	1.3	7,565	1.6
Deferred tax assets	2,264	0.6	1,771	0.5	2,100	0.5	2,824	0.7	3,103	0.7
Other non-current assets	2,855	0.7	1,819	0.5	1,813	0.4	2,249	0.6	1,695	0.4
<b>Total non-current assets</b>	<b>205,095</b>	<b>52.8</b>	<b>196,444</b>	<b>50.2</b>	<b>190,212</b>	<b>46.5</b>	<b>199,054</b>	<b>49.1</b>	<b>230,551</b>	<b>50.1</b>
<b>Current assets</b>										
Inventories	30,636	7.9	35,235	9.0	35,282	8.6	41,575	10.3	37,141	8.1
Trade and other receivables	78,654	20.2	84,618	21.6	86,999	21.3	95,992	23.7	99,591	21.7
Other financial assets	472	0.1	267	0.1	452	0.1	527	0.1	1,293	0.3
Other current assets	4,322	1.1	3,826	1.0	4,392	1.1	5,248	1.3	8,387	1.8
Cash and cash equivalents	69,283	17.8	70,796	18.1	91,430	22.4	62,888	15.5	83,014	18.0
<b>Total current assets</b>	<b>183,367</b>	<b>47.2</b>	<b>194,742</b>	<b>49.8</b>	<b>218,556</b>	<b>53.5</b>	<b>206,231</b>	<b>50.9</b>	<b>229,426</b>	<b>49.9</b>
<b>Total assets</b>	<b>388,463</b>	<b>100.0</b>	<b>391,186</b>	<b>100.0</b>	<b>408,768</b>	<b>100.0</b>	<b>405,285</b>	<b>100.0</b>	<b>459,976</b>	<b>100.0</b>
<b>■Equity and liabilities</b>										
<b>Equity</b>										
Share capital	8,032	2.1	8,252	2.1	8,366	2.0	8,525	2.1	8,672	1.9
Capital surplus	8,657	2.2	8,661	2.2	8,746	2.1	8,954	2.2	9,370	2.0
Treasury shares	-11	-0.0	-1,131	-0.3	-1,033	-0.3	-934	-0.2	-718	-0.2
Retained earnings	249,225	64.2	258,659	66.1	273,422	66.9	273,238	67.4	290,477	63.2
Other components of equity	19,921	5.1	16,461	4.2	13,364	3.3	20,398	5.0	29,688	6.5
<b>Total equity attributable to owners of the company</b>	<b>285,823</b>	<b>73.6</b>	<b>290,900</b>	<b>74.4</b>	<b>302,865</b>	<b>74.1</b>	<b>310,181</b>	<b>76.5</b>	<b>337,488</b>	<b>73.4</b>
<b>Non-controlling interests</b>	<b>1,734</b>	<b>0.4</b>	<b>1,672</b>	<b>0.4</b>	<b>-305</b>	<b>-0.1</b>	<b>-535</b>	<b>-0.1</b>	<b>-645</b>	<b>-0.1</b>
<b>Total equity</b>	<b>287,557</b>	<b>74.0</b>	<b>292,572</b>	<b>74.8</b>	<b>302,560</b>	<b>74.0</b>	<b>309,646</b>	<b>76.4</b>	<b>336,844</b>	<b>73.2</b>
<b>Liabilities</b>										
<b>Non-current liabilities</b>										
Financial liabilities	21,244	5.5	23,520	6.0	27,592	6.7	10,141	2.5	22,023	4.8
Net defined benefit liabilities	1,804	0.5	1,992	0.5	1,738	0.4	1,210	0.3	1,077	0.2
Provisions	1,367	0.4	1,255	0.3	570	0.1	600	0.1	738	0.2
Deferred tax liabilities	12,909	3.3	9,389	2.4	7,228	1.8	3,626	0.9	2,526	0.5
Other non-current liabilities	1,380	0.4	1,795	0.5	1,483	0.4	1,514	0.4	948	0.2
<b>Total non-current liabilities</b>	<b>38,704</b>	<b>10.0</b>	<b>37,951</b>	<b>9.7</b>	<b>38,611</b>	<b>9.4</b>	<b>17,090</b>	<b>4.2</b>	<b>27,312</b>	<b>5.9</b>
<b>Current liabilities</b>										
Trade and other payables	29,743	7.7	32,079	8.2	32,578	8.0	38,106	9.4	41,185	9.0
Other financial liabilities	14,404	3.7	12,116	3.1	18,777	4.6	23,739	5.9	38,533	8.4
Income tax payable	7,656	2.0	7,185	1.8	6,848	1.7	5,458	1.3	4,198	0.9
Provisions	1,508	0.4	717	0.2	633	0.2	819	0.2	939	0.2
Other current liabilities	8,890	2.3	8,566	2.2	8,761	2.1	10,428	2.6	10,965	2.4
<b>Total current liabilities</b>	<b>62,201</b>	<b>16.0</b>	<b>60,663</b>	<b>15.5</b>	<b>67,597</b>	<b>16.5</b>	<b>78,549</b>	<b>19.4</b>	<b>95,821</b>	<b>20.8</b>
<b>Total liabilities</b>	<b>100,905</b>	<b>26.0</b>	<b>98,614</b>	<b>25.2</b>	<b>106,208</b>	<b>26.0</b>	<b>95,639</b>	<b>23.6</b>	<b>123,133</b>	<b>26.8</b>
<b>Total equity and liabilities</b>	<b>388,463</b>	<b>100.0</b>	<b>391,186</b>	<b>100.0</b>	<b>408,768</b>	<b>100.0</b>	<b>405,285</b>	<b>100.0</b>	<b>459,976</b>	<b>100.0</b>

# Consolidated statements of cash flows

(JPY millions)

(FY)	2017	2018	2019	2020	2021
<b>I. Cash flows from operating activities:</b>					
Net profit for the year	35,261	31,943	21,714	9,126	27,189
Depreciation and amortization	10,896	10,969	16,573	17,498	17,055
Impairment losses	150	—	5,825	40,664	232
Shares of loss (profit) of entities accounted for using equity method	—	—	—	358	1,604
Gain on disposal of non-current assets	—	(3,592)	(0)	(7)	(490)
Finance expenses (income)	(327)	(700)	(592)	(609)	(652)
Income tax expenses	4,000	11,174	10,377	2,562	8,427
Decrease (increase) in trade and other receivables	(7,116)	(6,303)	(3,054)	(7,514)	(1,965)
Decrease (increase) in inventories	(1,435)	(5,000)	(981)	(4,590)	5,383
Increase (decrease) in trade and other payables	5,697	2,445	717	4,948	2,491
Increase (decrease) in provisions and net defined benefit liabilities	285	(518)	(1,242)	(176)	(1,358)
Increase (decrease) in accounts payable-other	961	1,181	1,305	3,199	257
Increase (decrease) in long-term accounts payable-other	17	1,885	1,279	(17,344)	(102)
Other	728	2,116	1,584	3,000	(2,362)
Subtotal	49,117	45,601	53,506	51,115	55,709
Interest received	145	187	200	195	323
Dividends received	598	521	581	490	497
Interest paid	(27)	(8)	(190)	(159)	(240)
Income tax paid	(6,990)	(13,408)	(14,149)	(12,834)	(10,246)
<b>Net cash flows from (used in) operating activities</b>	<b>42,843</b>	<b>32,894</b>	<b>39,947</b>	<b>38,808</b>	<b>46,043</b>
<b>II. Cash flows from investing activities:</b>					
Payments for acquisition of investments	(565)	(931)	(398)	(3,384)	(1,067)
Proceeds from sale of investments	2,879	2,156	3,503	3,070	3,870
Increase (decrease) through acquisition of subsidiary	—	—	—	(23,834)	—
Payments for acquisition of investments accounted for using equity method	—	—	—	(5,349)	(2,969)
Payments for acquisition of property, plant and equipment	(3,984)	(5,470)	(5,824)	(4,139)	(17,344)
Proceeds from sales of property, plant and equipment	—	4,338	0	6	906
Payments for acquisition of intangible assets	(5,953)	(2,863)	(3,404)	(19,665)	(18,497)
Other	(636)	(166)	949	(61)	(69)
<b>Net cash flows from (used in) investing activities</b>	<b>(8,259)</b>	<b>(2,935)</b>	<b>(5,175)</b>	<b>(53,355)</b>	<b>(35,169)</b>
<b>III. Cash flows from financing activities:</b>					
Proceeds from short-term loans	—	—	0	—	10,460
Proceeds from long-term loans payable	—	567	1,477	307	10,000
Repayments of long-term loans payable	(8,316)	(4,098)	(500)	(3,000)	(0)
Acquisition of treasury shares	(1)	(14,124)	(22)	(4)	(12)
Proceeds from contributions of non-controlling interests	838	—	—	—	—
Dividends paid	(10,559)	(10,580)	(10,379)	(11,188)	(11,994)
Repayments of lease obligations	—	(4)	(2,859)	(2,952)	(3,056)
Other	408	132	(447)	152	159
<b>Net cash flows from (used in) financing activities</b>	<b>(17,631)</b>	<b>(28,107)</b>	<b>(12,729)</b>	<b>(16,685)</b>	<b>5,557</b>
<b>IV. Net increase (decrease) in cash and cash equivalents</b>	<b>16,953</b>	<b>1,852</b>	<b>22,044</b>	<b>(31,232)</b>	<b>16,432</b>
<b>V. Cash and cash equivalents at the beginning of year</b>	<b>52,282</b>	<b>69,283</b>	<b>70,796</b>	<b>91,430</b>	<b>62,888</b>
<b>VI. Effect of exchange rate changes on cash and cash equivalents</b>	<b>48</b>	<b>(338)</b>	<b>(1,410)</b>	<b>2,690</b>	<b>3,694</b>
<b>VII. Cash and cash equivalents at the end of period</b>	<b>69,283</b>	<b>70,796</b>	<b>91,430</b>	<b>62,888</b>	<b>83,014</b>

## Other consolidated information

### ■R&D expenses (JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Consolidated	24,398	23,759	23,341	24,112	26,377	27,000
Percent of revenue	10.8%	10.2%	9.7%	9.7%	9.9%	10.2%

### ■Capital expenditures (JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Consolidated	5,445	7,220	8,971	11,281	22,244	25,000

Note: Excluding the increase in right-of-use assets.

### ■Depreciation and amortization (JPY millions)

(FY)	2017	2018	2019	2020	2021	2022 Forecast
Manufacturing cost	1,950	1,872	2,144	2,267	2,309	2,400
Selling, general and administrative expenses	1,453	1,478	1,462	1,533	1,654	2,300
R&D expenses	752	631	661	604	577	780
Consolidated total	4,155	3,981	4,267	4,404	4,540	5,480

Note: Excluding amortization on intangible assets associated with products, long-term advance expense and right-of-use assets.

### ■Amortization on intangible assets associated with products (JPY millions)

(FY)	2017	2018	2019	2020*1	2021	2022 Forecast
Intangible assets (Merck products)	5,592	5,808	5,808	5,808	5,740	5,740
Intangible assets (Eyevance)	—	—	—	887	1,899	2,110
Intangible assets (DE-128*2)	—	—	2,798	2,725	955	1,060
Intangible assets (Ikervis)	736	727	684	701	741	760
Other	412	453	608	530	398	630
Consolidated total	6,740	6,988	9,898	10,650	9,734	10,300

\*1 With regard to provisional accounting treatment related to a business combination, in conjunction with the completion of purchase price allocation in the second quarter of the fiscal year ended March 2022, the consolidated earnings (cumulative total) for the third quarter of the fiscal year ended March 2021 and full-year consolidated earnings for the fiscal year ended March 2021 have been retroactively restated.

\*2 PRESERFLO MicroShunt(STN2000100)

### ■Additional detail of statement of financial position (JPY millions)

(FY)	2017	2018	2019	2020	2021
In-process research and development	54,311	55,863	10,319	24,463	40,883
Investment securities	34,713	28,786	29,568	28,988	25,409
Inventories	30,636	35,235	35,282	41,575	37,141
Notes and accounts receivable	76,318	82,173	84,429	93,284	96,314
Notes and accounts payable*	22,471	23,101	21,887	24,258	24,420

\* Including electronically recorded monetary liabilities

### ■Number of employees

Year ended March 31	2018/3	2019/3	2020/3	2021/3	2022/3
Japan	2,015	2,001	1,994	2,004	1,968
China	652	753	808	790	787
Asia	255	352	382	396	403
EMEA	651	738	667	690	748
Americas	232	229	257	349	409
Consolidated	3,805	4,073	4,108	4,229	4,315

# Quarterly consolidated statements of income

## ■Core basis

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Revenue	57,563	61,342	62,881	67,819	249,605	64,986	63,773	67,042	70,456	266,257	264,000
YoY	-2.7%	2.9%	-1.1%	14.5%	3.3%	12.9%	4.0%	6.6%	3.9%	6.7%	-0.8%
Cost of sales	-24,741	-24,964	-26,192	-22,324	-98,221	-26,924	-25,943	-29,837	-26,967	-109,671	103,000
YoY	2.6%	3.2%	0.5%	9.0%	3.6%	8.8%	3.9%	13.9%	20.8%	11.7%	-6.1%
(Percent of revenue)	43.0%	40.7%	41.7%	32.9%	39.4%	41.4%	40.7%	44.5%	38.3%	41.2%	39.0%
Gross profit	32,822	36,377	36,690	45,495	151,384	38,062	37,829	37,205	43,489	156,586	161,000
YoY	-6.3%	2.6%	-2.1%	17.4%	3.2%	16.0%	4.0%	1.4%	-4.4%	3.4%	2.8%
(Percent of revenue)	57.0%	59.3%	58.3%	67.1%	60.6%	58.6%	59.3%	55.5%	61.7%	58.8%	61.0%
Operating profit	11,655	14,035	10,738	13,673	50,101	11,713	12,593	10,247	11,794	46,348	45,500
YoY	-8.9%	9.3%	-13.0%	13.5%	0.2%	0.5%	-10.3%	-4.6%	-13.7%	-7.5%	-1.8%
(Percent of revenue)	20.2%	22.9%	17.1%	20.2%	20.1%	18.0%	19.7%	15.3%	16.7%	17.4%	17.2%
Net profit for the period	8,807	10,880	8,653	9,210	37,549	9,026	9,530	7,309	9,330	35,195	34,100
YoY	-8.9%	19.3%	2.9%	6.0%	4.6%	2.5%	-12.4%	-15.5%	1.3%	-6.3%	-3.1%
(Percent of revenue)	15.3%	17.7%	13.8%	13.6%	15.0%	13.9%	14.9%	10.9%	13.2%	13.2%	12.9%

## ■IFRS

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Revenue	57,563	61,342	62,881	67,819	249,605	64,986	63,773	67,042	70,456	266,257	264,000
YoY	-2.7%	2.9%	-1.1%	14.5%	3.3%	12.9%	4.0%	6.6%	3.9%	6.7%	-0.8%
Cost of sales	-24,741	-24,964	-26,192	-22,324	-98,221	-26,924	-25,943	-29,837	-26,967	-109,671	-103,000
YoY	2.6%	3.2%	0.5%	9.0%	3.6%	8.8%	3.9%	13.9%	20.8%	11.7%	-6.1%
(Percent of revenue)	43.0%	40.7%	41.7%	32.9%	39.4%	41.4%	40.7%	44.5%	38.3%	41.2%	39.0%
Gross profit	32,822	36,377	36,690	45,495	151,384	38,062	37,829	37,205	43,489	156,586	161,000
YoY	-6.3%	2.6%	-2.1%	17.4%	3.2%	16.0%	4.0%	1.4%	-4.4%	3.4%	2.8%
(Percent of revenue)	57.0%	59.3%	58.3%	67.1%	60.6%	58.6%	59.3%	55.5%	61.7%	58.8%	61.0%
SG&A expenses	-15,551	-17,691	-19,579	-26,732	-79,554	-20,447	-19,205	-20,671	-24,176	-84,499	-88,500
YoY	-3.1%	1.8%	0.9%	30.2%	8.4%	31.5%	8.6%	5.6%	-9.6%	6.2%	5.5%
(Percent of revenue)	27.0%	28.8%	31.1%	39.4%	31.9%	31.5%	30.1%	30.8%	34.3%	31.7%	33.5%
R&D expenses	-5,616	-5,507	-6,530	-6,459	-24,112	-6,121	-6,218	-6,464	-7,574	-26,377	-27,000
YoY	-9.0%	5.1%	13.8%	4.4%	3.3%	9.0%	12.9%	-1.0%	17.3%	9.4%	2.4%
(Percent of revenue)	9.8%	9.0%	10.4%	9.5%	9.7%	9.4%	9.7%	9.6%	10.8%	9.9%	10.2%
Amortization on intangible assets associated with products	-2,448	-2,430	-2,866	-2,907	-10,650	-2,421	-2,366	-2,468	-2,479	-9,734	-10,300
YoY	-1.2%	-1.2%	15.7%	16.7%	7.6%	-1.1%	-2.6%	-13.9%	-14.7%	-8.6%	5.8%
(Percent of revenue)	4.3%	4.0%	4.6%	4.3%	4.3%	3.7%	3.7%	3.7%	3.5%	3.7%	3.9%
Other income	176	174	174	15,483	16,007	120	82	116	724	1,043	500
Other expenses	-1,367	-253	330	-39,599	-40,889	-39	-473	-143	-478	-1,133	-1,500
Operating profit	8,016	10,670	8,219	-14,718	12,187	9,156	9,650	7,575	9,505	35,886	34,200
YoY	-13.3%	9.3%	-17.2%	—	-63.7%	14.2%	-9.6%	-7.8%	—	194.5%	-4.7%
(Percent of revenue)	13.9%	17.4%	13.1%	—	4.9%	14.1%	15.1%	11.3%	13.5%	13.5%	13.0%
Finance income	530	36	450	330	1,346	590	82	540	1,332	2,543	900
Finance expenses	-187	-695	-264	-341	-1,488	-277	-163	-293	-475	-1,209	-600
Share of loss of investments accounted for using equity method	—	-17	-158	-183	-358	-297	-346	-542	-419	-1,604	-2,000
Profit before tax	8,359	9,994	8,247	-14,913	11,688	9,171	9,222	7,280	9,944	35,616	32,500
YoY	-7.1%	6.3%	-21.9%	—	-63.6%	9.7%	-7.7%	-11.7%	—	204.7%	-8.7%
(Percent of revenue)	14.5%	16.3%	13.1%	—	4.7%	14.1%	14.5%	10.9%	14.1%	13.4%	12.3%
Income tax expenses	-2,235	-2,420	-1,118	3,211	-2,562	-1,845	-2,294	-2,238	-2,050	-8,427	-8,100
Net profit for the period	6,124	7,575	7,129	-11,702	9,126	7,326	6,928	5,042	7,893	27,189	24,400
YoY	-4.2%	12.4%	-0.3%	—	-58.0%	19.6%	-8.5%	-29.3%	—	197.9%	-10.3%
(Percent of revenue)	10.6%	12.3%	11.3%	—	3.7%	11.3%	10.9%	7.5%	11.2%	10.2%	9.2%
Owners of the company	6,189	7,624	7,185	-11,687	9,311	7,342	6,965	5,042	7,869	27,218	24,380
Non-controlling interests	-65	-50	-56	-15	-185	-15	-38	-0	24	-29	-20

Retroactive restatement of FY2020 figures:

The consolidated statement of financial position for FY2020 has been retroactively revised due to the completion of the allocation of consideration for acquisition of Eyeveance. The figures Q3 and Q4 in FY2020 and Q1 and Q2 in FY2021 have been updated.

## Quarterly revenue details

### ■Revenue by business segment

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	54,336	57,150	59,030	64,171	234,687	61,008	59,363	62,576	66,633	249,579	244,400
YoY	0.2%	3.5%	-0.3%	14.8%	4.5%	12.3%	3.9%	6.0%	3.8%	6.3%	-2.1%
OTC pharmaceuticals	2,043	2,961	2,382	2,024	9,410	2,444	2,643	2,655	2,038	9,780	10,650
YoY	-45.0%	-1.2%	-24.0%	-7.5%	-21.8%	19.7%	-10.8%	11.5%	0.7%	3.9%	8.9%
Medical devices	827	889	1,071	1,249	4,037	1,145	1,337	1,371	1,332	5,184	7,202
Others	357	341	398	375	1,471	389	431	441	453	1,714	1,748
Total	57,563	61,342	62,881	67,819	249,605	64,986	63,773	67,042	70,456	266,257	264,000
YoY	-2.7%	2.9%	-1.1%	14.5%	3.3%	12.9%	4.0%	6.6%	3.9%	6.7%	-0.8%

### [Japan]

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	35,078	36,075	38,992	45,662	155,807	38,952	36,723	40,097	43,933	159,705	141,700
YoY	4.4%	3.3%	-0.9%	11.4%	4.7%	11.0%	1.8%	2.8%	-3.8%	2.5%	-11.3%
OTC pharmaceuticals	1,975	2,851	2,303	1,928	9,058	2,305	2,486	2,490	1,904	9,185	9,400
YoY	-45.7%	-2.3%	-24.7%	-8.4%	-22.7%	16.7%	-12.8%	8.1%	-1.2%	1.4%	2.3%
Medical devices	645	690	784	806	2,926	695	847	767	830	3,139	3,400
Others	317	318	358	349	1,343	369	401	428	407	1,604	1,500
Total	38,016	39,934	42,438	48,746	169,133	42,321	40,456	43,782	47,074	173,633	156,000
YoY	-0.7%	2.2%	-2.4%	10.3%	2.5%	11.3%	1.3%	3.2%	-3.4%	2.7%	-10.2%

### [Overseas]

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	19,258	21,076	20,037	18,510	78,880	22,055	22,640	22,479	22,699	89,874	102,700
YoY	-6.8%	3.7%	0.8%	24.4%	4.1%	14.5%	7.4%	12.2%	22.6%	13.9%	14.3%
OTC pharmaceuticals	67	110	79	96	352	139	157	165	134	595	1,250
YoY	-11.2%	40.4%	5.1%	15.1%	12.7%	106.3%	43.0%	109.5%	39.5%	69.1%	110.2%
Medical devices	182	199	287	443	1,111	450	489	604	502	2,046	3,802
Others	40	23	40	25	129	20	30	13	46	109	248
Total	19,547	21,408	20,443	19,074	80,472	22,665	23,317	23,261	23,382	92,624	108,000
YoY	-6.3%	4.1%	1.8%	27.0%	5.1%	15.9%	8.9%	13.8%	22.6%	15.1%	16.6%

### ■Revenue by region (Overseas)

(JPY millions)

	FY2020					FY2021					FY2022
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
China	5,806	6,952	5,570	5,021	23,349	6,460	7,556	6,329	6,852	27,197	35,000
YoY	-14.0%	-0.1%	-1.6%	70.2%	4.6%	11.2%	8.7%	13.6%	36.5%	16.5%	28.7%
Asia (Not including China)	3,953	5,244	4,117	3,902	17,216	4,600	4,457	4,641	6,115	19,813	23,000
YoY	-11.2%	21.6%	5.6%	1.8%	4.4%	16.4%	-15.0%	12.7%	56.7%	15.1%	16.1%
EMEA	9,566	8,859	10,021	9,450	37,896	10,704	10,538	11,572	10,085	42,899	45,500
YoY	1.2%	-0.9%	-4.4%	16.7%	2.5%	11.9%	19.0%	15.5%	6.7%	13.2%	6.1%
Americas	222	353	736	701	2,011	901	766	718	330	2,715	4,500
YoY	6.6%	2.4%	—	411.7%	173.5%	305.8%	117.3%	-2.4%	-52.9%	35.0%	65.8%

# Quarterly revenue details

## ■Revenue of major products

(JPY millions)

Brand name (Therapeutic category)	Region	FY2020					FY2021					FY2022
		Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Cravit (Bacterial conjunctivitis)	Total	3,291	4,286	2,874	2,200	12,650	3,063	3,797	2,282	2,570	11,712	11,852
	Japan	521	557	528	365	1,971	488	483	469	314	1,754	1,489
	China	2,186	2,760	1,661	1,321	7,927	1,754	2,661	1,144	1,406	6,966	7,195
	Asia	386	712	313	311	1,722	505	369	355	637	1,866	2,056
	EMEA	197	257	372	203	1,029	316	283	314	213	1,126	1,112
Tarivid (Bacterial conjunctivitis)	Total	319	598	288	222	1,427	386	305	303	602	1,596	1,491
	Japan	89	99	88	61	337	87	92	83	61	323	315
	China	149	179	180	176	683	213	193	201	302	910	942
	Asia	82	320	20	-15	406	86	20	19	239	364	233
Tapcom (Glaucoma)	Total	1,529	1,430	1,683	1,394	6,036	1,747	1,693	1,904	1,627	6,971	7,577
	Japan	685	651	729	539	2,604	724	688	744	582	2,738	2,628
	Asia	122	108	162	155	546	173	202	209	231	815	964
	EMEA	722	671	793	700	2,886	850	803	951	814	3,417	3,985
Tapros (Glaucoma)	Total	4,672	4,444	4,806	3,994	17,915	4,683	4,503	4,860	4,378	18,423	19,705
	Japan	2,372	2,233	2,417	1,687	8,709	2,281	2,118	2,256	1,755	8,409	7,847
	China	114	117	157	215	602	266	199	258	448	1,170	2,740
	Asia	461	493	468	485	1,907	490	493	518	576	2,077	2,051
	EMEA	1,725	1,602	1,763	1,606	6,696	1,646	1,693	1,828	1,599	6,767	7,067
Cosopt (Glaucoma)	Total	5,609	5,119	5,424	4,725	20,877	5,437	5,321	5,638	5,355	21,752	21,523
	Japan	2,042	1,775	1,851	1,272	6,940	1,576	1,442	1,523	1,108	5,650	4,898
	Asia	1,050	1,051	1,156	1,205	4,462	1,240	1,223	1,347	1,347	5,157	5,630
	EMEA	2,516	2,293	2,417	2,248	9,475	2,621	2,656	2,769	2,900	10,945	10,995
Timoptol *Including Timoptol XE (Glaucoma)	Total	614	517	592	472	2,196	565	518	555	460	2,098	1,894
	Japan	322	295	311	210	1,137	283	248	275	193	999	785
	Asia	92	27	72	73	264	78	73	63	89	302	332
	EMEA	200	196	209	190	794	204	197	217	179	797	777
Trusopt (Glaucoma)	Total	1,082	1,181	1,167	936	4,365	1,169	1,123	1,130	951	4,374	4,224
	Japan	350	320	331	226	1,227	310	278	300	221	1,108	965
	Asia	67	111	80	86	344	92	102	84	104	382	413
	EMEA	664	750	756	623	2,794	768	743	746	626	2,883	2,847
Eybelis (Glaucoma)	Total	589	619	734	594	2,536	823	848	946	803	3,420	4,030
	Japan	589	619	734	574	2,516	806	822	912	763	3,304	3,648
	Asia	—	—	—	20	20	17	25	33	40	116	332
Alesion *Including Alesion LX (Allergy)	Total	3,047	4,647	4,978	20,080	32,752	5,065	4,502	4,900	14,925	29,392	24,074
	Japan	3,047	4,647	4,978	20,062	32,733	5,038	4,468	4,880	14,900	29,286	23,821
	Asia	—	—	—	19	19	28	34	20	25	106	253
Verkazia (Vernal keratoconjunctivitis)	Total	19	33	65	61	178	164	149	151	169	633	1,588
	EMEA	17	28	61	57	162	155	137	133	159	585	743
	US	3	5	4	4	16	10	12	18	10	49	792
Flumetholon (Inflammation)	Total	650	817	654	691	2,812	834	877	653	990	3,354	3,224
	Japan	242	253	249	308	1,052	222	221	222	246	911	827
	China	325	485	263	319	1,392	528	572	349	574	2,023	1,996
	Asia	83	79	142	64	368	84	84	82	170	420	401
Pirenoxine Ophthalmic Suspension (Senile cataract)	Total	974	1,081	1,042	899	3,995	1,077	1,061	1,058	1,019	4,215	4,181
	Japan	616	629	666	481	2,391	617	596	638	474	2,326	2,276
	China	189	208	184	190	771	222	209	198	266	894	861
	Asia	169	244	192	227	832	238	256	222	279	995	1,044
Oftan Catachrom (Senile cataract)	Total	870	196	318	446	1,830	379	503	545	306	1,733	1,319
	EMEA	870	196	318	446	1,830	379	503	545	306	1,733	1,319
Sodium Hyaluronate Ophthalmic Viscoelastic Preparation (Adjuvant for ophthalmic operations)	Total	527	558	665	439	2,189	544	497	615	473	2,129	1,963
	Japan	527	558	665	439	2,189	544	497	615	473	2,129	1,963
EYLEA <sup>†1</sup> (Intravitreal VEGF inhibitor)	Total	16,802	16,491	17,662	13,498	64,454	18,727	17,748	19,451	16,558	72,484	61,896
	Japan	16,802	16,491	17,662	13,498	64,454	18,727	17,748	19,451	16,558	72,484	61,896
Hyalein (Dry eye)	Total	4,523	5,185	5,023	3,689	18,420	4,251	4,063	4,933	4,532	17,779	17,235
	Japan	1,815	1,789	1,972	1,392	6,967	1,721	1,602	1,797	1,347	6,466	5,115
	China	2,349	2,425	2,431	2,054	9,259	2,145	2,074	2,731	1,993	8,943	9,344
	Asia	359	972	620	243	2,194	386	387	405	1,192	2,370	2,776
Diqvas (Dry eye)	Total	3,551	3,558	4,004	3,291	14,403	4,537	4,649	5,063	4,586	18,835	24,422
	Japan	3,012	3,069	3,540	2,663	12,283	3,402	3,249	3,662	3,029	13,342	15,157
	Asia	468	317	297	322	1,404	438	417	443	121	1,419	2,301
Ikervis (Dry eye)	Total	939	1,137	1,260	1,192	4,529	1,656	1,356	1,641	1,204	5,856	6,667
	Asia	191	226	230	243	890	246	291	276	294	1,106	1,506
	EMEA	748	912	1,029	949	3,638	1,410	1,065	1,365	910	4,750	5,161
Cationorm (Dry eye)	Total	672	933	761	696	3,062	829	806	902	693	3,230	3,785
	Asia	71	54	74	57	256	103	82	173	109	467	406
	EMEA	438	586	470	475	1,969	532	536	563	448	2,078	2,458
Lentis comfort (Intraocular Lens for Cataract Treatment)	Total	215	250	364	367	1,196	341	327	391	363	1,422	1,742
	Japan	215	250	364	367	1,196	341	327	391	363	1,422	1,742
	EMEA	—	—	—	—	—	—	—	—	—	—	—
PRESERFLO MicroShunt (Glaucoma implant device)	Total	174	182	273	263	892	347	381	439	445	1,612	2,398
	EMEA	174	182	273	263	892	347	381	439	445	1,612	2,364
OTC pharmaceuticals	Total	2,043	2,961	2,382	2,024	9,410	2,444	2,643	2,655	2,038	9,780	10,650
	Japan	1,975	2,851	2,303	1,928	9,058	2,305	2,486	2,490	1,904	9,185	9,400
	China	—	—	—	—	—	—	—	—	7	7	650
	Asia	67	110	79	96	352	139	157	165	127	588	600

<sup>†1</sup> Co-promoted product of Bayer Yakuhin, Ltd. (MAH)

Note: Forecasts in this report are based on currently available information. Actual results may differ materially depending on a number of factors including business environment change and others. Our full-year forecasts are based on our foreign exchange assumptions. Revenue by region shows that of major countries or regions.

# Pharmaceutical market in Japan

## ■Revision of National Health Insurance (NHI) drug prices

Revision of NHI drug prices: In Japan, drug prices are generally revised every two years to reflect their market price. The drugs marketed at lower actual market prices will bear larger reduction margins at the revision (Chart below shows the change rate from the drug price before revision). Since 2021, the price revision review process has been implemented in the off-year between each biennial revision. (Approximately 70% of all products included on the NHI reimbursement list were subject to price adjustment in 2021)

	2012 Apr	2013 Apr	2014 Apr	2015 Apr	2016 Apr	2017 Apr	2018 Apr	2019 Apr	2019 Oct	2020 Apr	2021 Apr	2022 Apr
Industry average	-6.25%	-	-2.7%	-	-5.57% <sup>*1</sup>	-	-7.48%	-	-2.4%	-4.38%	- <sup>*3</sup>	-6.69%
Santen	high -5%	-	high -1%	-	early -7% <sup>*2</sup>	-	mid -4%	-	under -1%	early -3%	early -2%	mid -4%

<sup>\*1</sup> Excluding market expansion re-pricing -0.9%

<sup>\*2</sup> Mid -4% price cut in 2016 excluding impact of Eylea price cut.

<sup>\*3</sup> Not announced by the Ministry of Health, Labour and Welfare.

## ■Market shares by therapeutic area - prescription ophthalmics<sup>\*4</sup>

No.1 position in ophthalmology market and major therapeutic areas (glaucoma treatments, corneal disease, anti-infective, anti-allergy and retinal disorders).

		(JPY billions)				
	(FY)	2017	2018	2019	2020	2021
Glaucoma treatments	Share	31.2%	30.1%	29.5%	29.5%	29.8%
	Market	114.9	109.8	107.4	105.1	100.6
Corneal disease treatments	Share	62.2%	61.5%	60.7%	57.3%	57.7%
	Market	46.6	45.7	46.1	42.4	42.3
Anti-infective	Share	40.0%	35.1%	32.1%	32.8%	32.1%
	Market	13.9	12.6	11.4	8.6	7.9
Anti-allergy	Share	47.9%	52.2%	62.0%	70.3%	71.0%
	Market	42.9	47.3	48.0	60.5	52.5
Retinal disorders	Share	70.1%	70.4%	70.2%	71.6%	73.4%
	Market	87.4	95.9	105.4	110.4	118.1
Others	Share	27.3%	27.4%	27.1%	27.1%	26.7%
	Market	57.5	53.9	55.7	51.8	50.5
Total	Share	46.2%	47.3%	48.7%	51.1%	52.2%
	Market	363.3	365.2	374.1	378.7	371.9

Notes: On an NHI drug price basis.

<sup>\*4</sup> Including co-promoted product (Anti-VEGF EYLEA) of Bayer Yakuhin, Ltd. (MAH)

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