

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% ^{*1}	-	-7.48%	-	-2.4%	-4.38%	- ^{*3}	-6.69%
Santen	high -5%	-	high -1%	-	early -7% ^{*2}	-	mid -4%	-	under -1%	early -3%	early -2%	mid -4%

^{*1} Excluding market expansion re-pricing -0.9%

^{*2} Mid -4% price cut in 2016 excluding impact of Eylea price cut.

^{*3} Not announced by the Ministry of Health, Labour and Welfare.

■Market shares by therapeutic area - prescription ophthalmics^{*4}

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.

^{*4} Including co-promoted product (Anti-VEGF EYLEA) of Bayer Yakuhin, Ltd. (MAH)

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Santen analysis based on IQVIA data.
(JPM 2017.4-2022.3)
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