A Clear Vision For Life

January 13, 2015

Akira Kurokawa
President & CEO
Santen Pharmaceutical Co., Ltd.

J.P. Morgan Healthcare Conference
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 and event were to adversely affect supply capabilities for related final products.

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By focusing our efforts on ophthalmology and related areas, Santen develops scientific knowledge and organizational capabilities which are unique and original to Santen. We use our unique capabilities to contribute to patients and their loved ones, and consequently to society.
A Leading Pharmaceutical Company Specialized in Ophthalmology

- Pursuing “Creation and Innovation” since 1890
- Strong pipeline focused on meeting unmet medical needs
- Market leader in Japan
- Vision to grow presence in the global market
- Partner of choice in ophthalmology
Focused on Ophthalmology

● **Specialized in Eye Care**
  - Providing full range of ophthalmology products meeting customers’ needs

● **Creation and Innovation**
  - Diversified and attractive pipeline focused on meeting unmet medical needs

● **Focus on Unmet Medical Needs**
  - Aiming to contribute in improving the Quality of Life and Vision of the patients
Santen offers a full range of ophthalmology treatment, including areas with high unmet medical needs.

<table>
<thead>
<tr>
<th>Company</th>
<th>Retinal</th>
<th>Glaucoma</th>
<th>Dry eye</th>
<th>Infection</th>
<th>Allergy</th>
<th>Cataract</th>
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Source: Publicly available information
Market Leader in Japan and Asia

Japan
- Provides full market coverage with top market share
- High customer satisfaction

China
- Strong market recognition with number 2 market share

Santen’s Market Share
- 39% in Japan
- 13% in China

Source: ©2014 IMS Health, Calculated based on IMS-JPM and IMS-MIDAS 2013 data, reprinted with permission
Pursuing Growth through Global Expansion

- Santen is one of the leading ophthalmology player in the world
- Solid business platforms in Japan, Asia and Europe
- Global network of R&D centers and manufacturing sites
- Acquisition of Merck products expanded Santen’s presence in Europe and Asia
Growing Ophthalmology Market
Ophthalmic Market Growing Faster than Overall Market

World Pharmaceutical Market

CAGR +7%

World Ophthalmology Market

CAGR +10%

Source: ©2014 IMS Health, Calculated based on IMS-MIDAS 2003-2013 data, reprinted with permission

Exchange rate: USD1=JPY100
Increasing Number of Patients in Aging Society

World population aged 70 and over

- World total population age 70 over (Mil)
- Age 70 over population ratio in the world total population (right axis)

Number of ophthalmic patients in Japan

- Age over 70 (Ophthalmology)
- All age (Ophthalmology)
- All age (Internal medicine)

Source: United Nation, MHLM, number of patient as of 1997, 12month moving average
Retina Drives Market Growth

Variation of world ophthalmology market by therapeutic categories

Source: ©2014 IMS Health, Calculated based on IMS-MIDAS 2003-2013 data, reprinted with permission
Vision 2020
Growth Strategy
Become Specialized Pharmaceutical Company with a Global Presence

No.1 in Asia by 2020

Strengthen domestic business platform and competitiveness

Establish and reinforce overseas business platforms

Maximize new product value globally

2011

2020
Pursue Sustained Growth with New Products, Global Sales and Alliance in Mid-Term Plan

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (JPY billions)</th>
<th>Operating Income (JPY billions)</th>
<th>R&amp;D Expenses (JPY billions)</th>
<th>ROE (%)</th>
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<tbody>
<tr>
<td>FY10</td>
<td>100</td>
<td>19.0</td>
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<td>205.0</td>
<td>21.0</td>
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FY10 11 12 13 14e 17e

ROE
Sales
R&D Expenses
Operating Income
Pipeline and Alliances for Meeting the Unmet Needs
## Pipeline Targeting Unmet Needs

<table>
<thead>
<tr>
<th>Glaucoma</th>
<th>Launched in FY2011-13</th>
<th>Approval timing FY2014-17</th>
<th>To be approved after FY2018</th>
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<tbody>
<tr>
<td>Tapros Mini</td>
<td></td>
<td>DE-111 (Tafluprost / Timolol (combination))</td>
<td>DE-117 (EP2 Agonist)</td>
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<tr>
<td></td>
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<td></td>
<td>DE-090 (Lomerizine HCl)</td>
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<tr>
<td>Corneal and conjunctival disease (Dry Eye)</td>
<td></td>
<td>Ikervis (Cyclosporin)</td>
<td>DE-120 (VEGF/PDGF inhibitor)</td>
</tr>
<tr>
<td>Retinal disease, uveitis</td>
<td>Eylea</td>
<td>DE-109 (Sirolimus)</td>
<td>DE-122 (Anti-endoglin antibodies)</td>
</tr>
<tr>
<td>Other infection, allergy</td>
<td>Alesion</td>
<td>Cravit1.5%</td>
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<tr>
<td></td>
<td>Vekacia</td>
<td>(Cyclosporin)</td>
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*Excluding GE products. With regard to LCM products, those products to be launched in multiple regions are included.

*With regard to other clinical trials of Santen S.A.S., feasibility is being assessed.
Alliances for Meeting the Patient Needs

Co-development
- collaboration in comprehensive research programs in multi disease areas in ophthalmology
  - November 2014

P-321 for dry eye
- epithelial sodium channel inhibitor
  - June 2014

TRC105
- anti-endoglin antibody in ophthalmology
  - March 2014

VEGF Trap-Eye/Eylea®
- afibercept intravitreal injection for retina disease
  - May 2012

EP2 agonist
- new chemical compound for glaucoma treatment
  - Oct 2011

TAPROS
- the first Prostaglandin analogue developed in Japan for glaucoma treatment
  - Before Oct 2008

Option right for in-license
- Asian Territories
  - Co-development

Licensing-in
- Worldwide

Co-promotion/Distribution
- Japan

Licensing-in/Co-development
- Worldwide

Option right for in-license
- Asian Territories

Licensing-in/Co-development
- Worldwide

Co-development
- Co-development

Before Oct 2008

AGC ASAHI GLASS