FY2018 Business Highlights

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President & Chief Operating Officer
Santen’s Values and Mission Statement

Values

天機に参与する

*Tenki ni sanyo suru* \(^1\)

1 “Exploring the secrets and mechanisms of nature in order to contribute to people’s health”

Santen’s original interpretation of a passage from chapter 22 of *Zhongyong (The Doctrine of the Mean)* by Confucius.

We think carefully about what is essential, decide clearly what we should do, and act quickly.

Mission Statement

By focusing on ophthalmology, Santen develops unique scientific knowledge and organizational capabilities that contribute to the well-being of patients, their loved ones and consequently to society.
Ophthalmology is our singular focus

Blindness 36 million
Low Vision 217 million

Vision impairment estimated impacting 1 in 30 of world population

84% Chronic diseases
81% Preventable by early detection and treatment

New therapeutic technologies emerging such as devices and regenerative medicine
Disease awareness activities and new technology deployment to the field needed

Protecting the World’s Vision
As a specialized pharmaceutical company in ophthalmology

(Citation: WHO World Sight Day poster, 2017) *Santen estimates
MTP2020 Fundamental Policy and Strategic Goals

Fundamental policy

- To become a “Specialized Pharmaceutical Company with a Global Presence”
- Construct a path for sustainable growth beyond FY2020

Strategic goals

Increase profitability

Increase customer satisfaction

Increase organizational strength

(1) Grow faster than the market through progress in global business strategy
(2) Enhance the product pipeline and develop new treatment options
(3) Raise strength / efficiency of business framework; boost human resource and organizational capabilities

Responding to the needs of patients and medical professionals worldwide, Santen will achieve reliable growth while sustainably contributing to ophthalmic treatment worldwide
(1) Grow faster than the market through progress in our global business strategy

- Maximize the value of each differentiated product through tailored strategies
- Achieve profit at earliest timing

- High surgical glaucoma expertise
- Strong presence in US

Aiming for leading efficacy and greater safety compared to existing surgical methods
(1) Grow faster than the market through progress in our global business strategy
(2) Enhance product pipeline and develop new treatment options
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- Greater intermediate and far distance visual acuity
- Suppression of optical discomfort
(2) Enhance product pipeline and develop new treatment options
(3) Raise strength / efficiency of business framework; boost human resource and organizational capabilities
Contributing to the well-being of the world’s patients and their loved ones
Realizing solid growth by answering medical needs all over the world

Revenue: CAGR 8.9%
Core OP: CAGR 5.5%

FY2014  162
          39
          123
FY2015  195
        43
        152
FY2016  199
      40
      159
FY2017  225
    45
    180
* +9 (+4.0%)
FY2018  234
  48
  186
* +14 (+6.0%)
FY2019 Forecast  248
  51
  197
* +3 (+6.3%)

(bil JPY)
Aiming for continuous contribution to ophthalmic treatment

- **Realize continuous growth**
- **Stable and sustained return to shareholders**
- **Mid- and long-term strategic investment for future growth**
- **Raise profitability and capital efficiency**

### FY2018 Actual | FY2019 Forecast
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Annual dividends per share | 26 JPY | 26 JPY
Payout ratio | 33.0% | 44.1%
Total return | 76.3% | 44.1%

(Share buyback: 13.9 bil JPY)