

**Santen Pharmaceutical Co., Ltd. completes the acquisition of
a controlling interest in Novagali Pharma S.A.**

October 11, 2011 – Following the press release of September 28, 2011, in accordance with articles 223-2 and 223-6 of the general regulations of the French *Autorité des marchés financiers* (“AMF”), Santen Pharmaceutical Co., Ltd. (Osaka, Ticker Code 4536JP) (hereafter “Santen”) and Novagali Pharma S.A. (hereafter “Novagali”) are pleased to announce the completion today of Santen’s acquisition of 50.55%¹ of the share capital of Novagali for a cash consideration of €6.15 per share, which may be increased to €6.25 as described below (the “Block Purchase”).

Following the completion of the Block Purchase, Edmond de Rothschild Investment Partners, Auriga Partners, Kurma Life Sciences Partners, CDC Innovation, Mr. Bernard Chauvin and Mr. Alain Munoz resigned from the Supervisory Board (*conseil de surveillance*) of Novagali and the Supervisory Board of Novagali convened and approved (i) the appointment of Messrs. Jyrki Liljeroos, Naoya Karube and Kazuo Koshiji as members of the Supervisory Board, (ii) the appointment of Mr. Naoya Karube as Vice-Chairman of the Supervisory Board and (iii) the appointment of Mr. Yasuhiro Yotsumoto as member of the Management Board (*directoire*). The Supervisory Board of Novagali has now seven members and no non-voting member (*censeur*).

As a result of the completion of the Block Purchase, Santen will promptly file a mandatory tender offer (*offre publique obligatoire*) with the AMF for the shares and securities not owned by Santen, in accordance with article 234-2 *et seq.* of the general regulations of the AMF (the “Tender Offer”). This Tender Offer will be followed by a mandatory squeeze-out of the remaining shares in Novagali in the event, Santen would hold, following the Tender Offer, at least 95% of the shares and voting rights of Novagali.

In the event that upon completion of the Tender Offer Santen holds at least 95% of the share capital and voting rights of Novagali, the price per Novagali share to be paid to all Novagali shareholders who sold their shares as part of the Block Purchase or tendered their shares into the Tender Offer shall be increased by an additional €0.10 per share, representing an aggregate price of €6.25.

In connection with the Block Purchase, Bryan, Garnier and Co. Ltd has expressed its unconditional and irrevocable waiver of all lock-up undertaking applicable to the securities issued by Novagali, including the lock-up undertaking which had been entered into at the time of the initial public offering of Novagali with certain existing shareholders. Shares which were under such lock-up undertakings are consequently from the date of the completion of the Block Purchase freely transferable.

In accordance with French regulations, additional information regarding the terms and conditions of the Tender Offer will be included in the Tender Offer documentation. The Tender Offer remains subject to AMF clearance.

¹ Based on the issued share capital on the date of closing of the Block Purchase.

About Santen Pharmaceutical Co. Ltd.

Founded in 1890, Santen is a \$1.1 billion global company headquartered in Osaka, Japan. Santen researches, develops and markets ophthalmic products for physicians worldwide. Among prescription ophthalmic pharmaceuticals, Santen holds the top share within the Japanese market and is one of the leading ophthalmic companies worldwide. Santen has subsidiaries in the U.S., Europe, and Asia, including its Emeryville, California based Santen Inc., its Tampere, Finland based Santen OY, its Suzhou, China based Santen Pharmaceutical (China) Co., Ltd. and its Bangalore, India based Santen India Private Limited.

For more information, visit www.santen.com.

About Novagali Pharma S.A.

Founded in 2000, Novagali Pharma SA is a pharmaceutical company that develops and commercializes ophthalmic innovative products for all segments of the eye. Thanks to its three proprietary technology platforms, the Company has an advanced portfolio of highly innovative products, one of which is already on sale and two of which have ongoing undergoing phase III clinical trial programs. Since July 2010 Novagali Pharma has been listed on NYSE Euronext Paris - Compartment C.

For further information on Novagali Pharma S.A.: www.novagali.com

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