

## Revision of Performance Forecast

**March 10, 2004, Osaka, Japan** -- Santen Pharmaceutical Co., Ltd. (President and CEO: Takakazu Morita) today revised its non-consolidated performance forecast for the year ending March 31, 2004, which it announced on November 5, 2003.

### 1. Revision of non-consolidated forecast for the year ending March 31, 2004

(Units: millions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast as of November 5, 2003 (A)	79,800	15,900	17,400	10,600
Revised forecast (B)	79,800	15,900	17,400	7,600
Change (B - A)	0	0	0	(3,000)
% Change	---	---	---	(28.3%)
Ref. Results for the year ended March 31, 2003	82,372	17,329	17,011	871

Note: Figures in parenthesis indicate a decrease.

### 2. Reason for the revision

As a result of evaluating the fair market value of a U.S. subsidiary, Santen Holdings U.S. Inc. (SHUSI), Santen will write down SHUSI's shares and record an extraordinary loss of 3,000 million yen on the write down. Accordingly, the forecast for Santen's non-consolidated net income is expected to decrease, compared with its previous forecast.

SHUSI is a wholly-owned subsidiary of Santen and a holding company for Santen's three U.S. business units, Santen Inc., Phacor Inc. and Advanced Vision Science, Inc. In September 2003, Santen announced that Phacor, a wholly-owned subsidiary of SHUSI specializing in the research and development of phacoemulsification machines, was closing. The write down equals the amount of cumulative investment to Phacor, which was recognized as unrecoverable.

The write down has no impact on Santen's consolidated financial statements, as the subsidiary expenses are appropriated in the consolidated income statement at the time they are incurred. In addition, Santen has not revised its consolidated performance forecast and forecasts for non-consolidated net sales, operating income and ordinary income for the year ending March 31, 2004.

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