



Santen



Eyeing the Next Stage

SANTEN PHARMACEUTICAL CO., LTD. Annual Report 2014
Year Ended March 31, 2014

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Our Values

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NOTE ON ACCOUNTING STANDARDS

The Santen Group has unified the accounting period from the fiscal year ended March 31, 2014. The results given in this annual report are based on this unified fiscal year, if no note is specified. Results given for fiscal years up to the previous fiscal year have not been calculated on the basis of this unified fiscal year, but on their existing 12-month basis.

NOTE CONCERNING GRAPHS

Graphs in this annual report are based on fiscal years ended March 31, if no note is specified.

NOTE CONCERNING DATA

Some information in this annual report is based on IMS data (JPM).

Source: ©2014 IMS Health

Santen analysis is based on IMS-JPM data from April 2009 to March 2014.

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CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements regarding the Company's plans, outlook, strategies and results for the future. All forward-looking statements are based on judgments derived from the information available to the Company at the time of publication. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented in this report. These risks and uncertainties include, but are not limited to, the economic circumstances surrounding the Company's businesses, competitive pressures, changes in related laws and regulations, status of product development programs and changes in exchange rates.





Core Value

*Tenki ni sanyo suru*¹

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

By focusing our efforts on ophthalmology and related areas, we develop 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.

1. Santen's original interpretation of a passage from chapter 22 of Zhongyong (The Doctrine of the Mean) by Confucius, meaning "exploring the secrets and mechanisms of nature in order to contribute to people's health."

Santen's Values embody what the Company has continued to recognize as important since its foundation in 1890. Based on Santen's Values—the essence of which is "*tenki ni sanyo suru*"—we have put in place a virtuous cycle of creation and innovation while contributing to the protection and improvement of eyesight and health as a specialty company in the ophthalmic and anti-rheumatic fields. Building on the scientific knowledge and organizational capabilities that Santen has nurtured for over 120 years, the Company will continue to contribute to society, working primarily for the benefit of patients and their loved ones.

Our Vision

Long-Term Strategic Vision through 2020

Aiming to Become a Specialized Pharmaceutical Company with a Global

A company possessing a deep understanding of true customer needs, together with a distinct advantage against competitors, and a global competitiveness and presence

Long-Term Growth Targets

Prescription Ophthalmic Business

No.1 in Japan and Asia
Top 3 position globally

Overseas Sales in Fiscal 2020

Up to **40-50%**
of total sales

5 Policies toward the Achievement of Our Long-Term Strategic Vision

1. Develop products that meet true customer needs swiftly
2. Transform domestic business for further growth
3. Accelerate business expansion in Asia and promote market entry in Western Europe/the U.S.
4. Establish competitive global product supply and quality assurance systems
5. Strengthen talents and organizational capabilities to promote "Creation and Innovation"



Presence


Fiscal 2014-2017 Medium-Term Management Plan

Basic Policies

- Product Development** Transform product development to realize enhanced productivity and achieve sustained growth
- Business Expansion** Grow business in Asia/Europe and strengthen market presence by entering into new markets
- Organization and Talents** Develop talents and organization to realize sustained growth

Strategic Vision

Santen is working to become a specialized pharmaceutical company with a global presence, in order to realize its long-term strategic vision through 2020. The first step was our Fiscal 2011-2013 Medium-Term Management Plan, which stipulated the plan's period as the time for making investments for medium- and long-term growth, and during which we took a variety of steps such as the promotion of globally oriented research and development. The next step is our newly formulated Fiscal 2014-2017 Medium-Term Management Plan, which calls for two strategies of ongoing product launches and the achievement of growth and profitability in Asia and Europe. At Santen, we are working across the organization to drive our business forward, capitalizing on our strengths to maintain market leadership.

 Further Information
P.10 President and CEO's Message

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.