

Data Book

Year Ended March 31, 2017

Corporate Communications Group
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Contents

Financial highlights	
■ Consolidated financial summary	2
■ Consolidated balance sheets summary	2
■ Consolidated financial indexes	2
■ Exchange rates	2
Consolidated information	
Consolidated statements of income and comprehensive income (IFRS, and Core basis)	4
Consolidated statements of income and comprehensive income (J-GAAP)	5
Net sales/Revenue details	6
■ Net sales/Revenue by business segment	6
■ Overseas net sales/revenue by region	6
■ Overseas profit contribution	6
■ Net Sales/Revenue of major pharmaceuticals	7
Consolidated statement of financial position	8
■ Assets	8
■ Equity and liabilities	9
Consolidated statements of cash flows	10
Other consolidated information	11
■ R&D expenses	11
■ Capital expenditures	11
■ Depreciation and amortization	11
■ Amortization on intangible assets associated with products	11
■ Additional information of statement of financial position	11
■ Number of employees	11
Reference information	
Research & development	12
■ Pipeline of prescription pharmaceuticals (Clinical stage)	12
■ Changes from Q3 FY16 (February 7, 2017)	13
Pharmaceutical market in Japan	14
■ Revision of National Health Insurance (NHI) drug prices	14
■ Market shares	14
■ Market shares by therapeutic area - prescription ophthalmics	14
Stock information	15
■ Stock price (Tokyo Securities Exchange 1st market)	15
■ Major shareholders (top 10)	15
■ Major stock information	15
■ Breakdown of shareholding by number of shares	16
■ Breakdown of shareholding by number of shareholders	16
Consolidated subsidiaries	17
News releases	18

Santen group has unified the accounting period from the fiscal year ended March 31, 2014, for voluntary adoption of International Financial Reporting Standards (IFRS) from the fiscal year ending March 31, 2015. In this data book, performance for the unification of accounting period is noted as (*), and financial results for the previous 12 month period are shown as [12month]. Financial results before the fiscal year ended March 31, 2013 are based on the previous 12 month performance.

Results contained in the column marked 2014[12month] provide precise and comparable 12 month results including for subsidiaries using different fiscal year periods.

The company implemented a 5-for-1 stock split on April 1, 2015. Figures in the column 2014.3[IFRS] are adjusted assuming the new, post-split number of shares for comparison purposes.

Forecasts in this report are based on the currently available information. Forecasts in this report are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions etc. Actual results may differ materially depending on a number of factors including adverse economic conditions, delays in new products launch, currency exchange rate, legislative and regulatory developments.

Financial highlights

■ Consolidated financial summary

(Millions of yen)

Year ended March 31	J-GAAP		IFRS					2018 Forecast
	2013	2014*	2014	2015	2016	2017	% Change	
Net sales/Revenue	119,066	148,663	146,260	161,831	195,291	199,096	1.9	218,000
Operating income/profit	24,681	27,414	29,878	35,374	80,180	32,479	(59.5)	37,400
Net income/Net profit for the year	16,520	17,109	19,718	24,032	53,373	23,054	(56.8)	26,800
Dividends per share (yen)#	20	20	20	22	25	26	4.0	26
Dividend payout ratio (%)	51.1	48.2	41.9	37.8	19.4	46.3	138.7	39.3

Notes: The company implemented a 5-for-1 stock split on April 1, 2015. Dividends per share have been retrospectively adjusted to reflect the impact of the share split..

Core operating profit	—	—	30,403	39,088	43,067	39,687	(7.8)	44,000
Core net profit for the year	—	—	19,813	25,948	29,163	28,688	(1.6)	31,200
Core dividend payout ratio (%)	—	—	41.7	35.0	35.5	37.2	4.8	33.6

■ Consolidated balance sheets summary

(Millions of yen)

Year ended March 31	J-GAAP		IFRS				
	2013	2014*	2014	2015	2016	2017	% Change
Total assets	199,640	231,105	237,640	304,200	355,399	322,778	(9.2)
Equity	165,132	181,209	187,210	211,779	260,009	253,884	(2.4)
Interest-bearing debts	133	110	153	37,161	22,484	16,963	(24.6)

■ Consolidated financial indexes

Year ended March 31	J-GAAP			IFRS				
	2013	2014*	2014 [12month]	2014	2015	2016	2017	% Change
EPS (yen)	195.81	207.29	229.26	47.78	58.18	128.99	56.20	(56.4)
Core EPS (yen)	—	—	—	48.01	62.82	70.48	69.93	(0.8)
BPS (yen)#1	1,998.44	2,189.50	2,234.70	452.43	511.14	627.78	623.06	(0.8)
Debt equity ratio (times)	0.0	0.0	0.0	0.0	0.2	0.1	0.1	(22.1)
PER (times)	22.7	22.1	20.0	19.2	30.1	13.1	28.7	119.0
Core PER (times)	—	—	—	19.1	27.9	24.0	23.1	(3.8)
PBR (times)	2.2	2.1	2.1	2.0	3.4	2.7	2.6	(3.7)
ROE (%) #1	10.0	9.9	10.8	11.1	12.0	22.6	9.0	(60.2)
Core ROE (%) #1	—	—	—	11.2	13.0	12.4	11.2	(9.7)
ROA (%)	8.3	7.9	8.8	8.9	8.9	16.2	6.8	(58.0)
Equity ratio(%) #1	82.6	78.2	79.3	78.8	69.6	73.2	78.4	7.1
Free cash flows (millions of yen) #2	6,334	21,172	—	20,807	(41,054)	13,433	1,342	(90.0)
EBITDA (millions of yen) #3	28,255	29,812	—	22,565	22,660	38,596	38,620	0.1

#1 BPS (equity per share), ROE (return on equity), Core ROE and equity ratios are based on the IFRS inputs of equity per share attributable to owners of the company, net profit attributable to owners of the company, Core net profit attributable to owners of the company and equity attributable to owners of the company ratio.

#2 Free cash flows = (Net cash flows from operating activities)-(Capital expenditures/Payments for acquisition of property, plant and equipment, and intangible assets)

#3 EBITDA = J-GAAP: (Income before income taxes) + (Interest expense) + (Depreciation and amortization)
IFRS: (Core profit for the year) + (Interest expense) + (Depreciation and amortization)

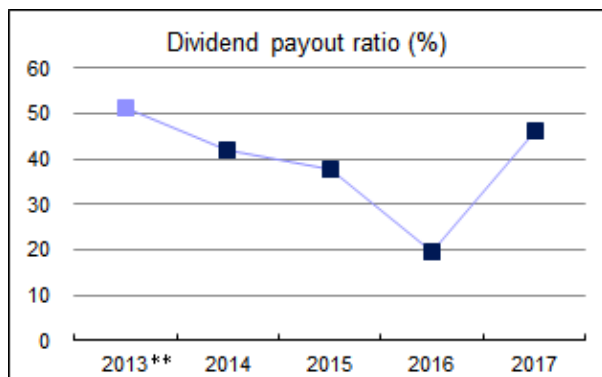
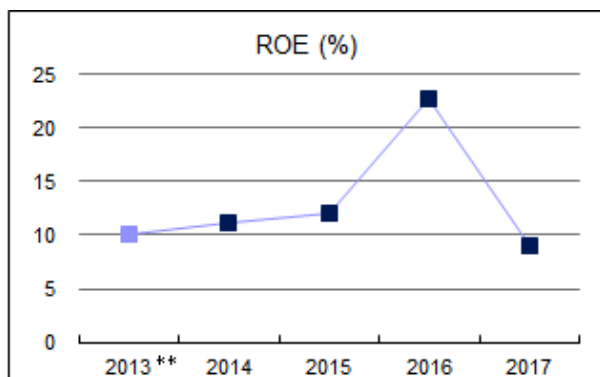
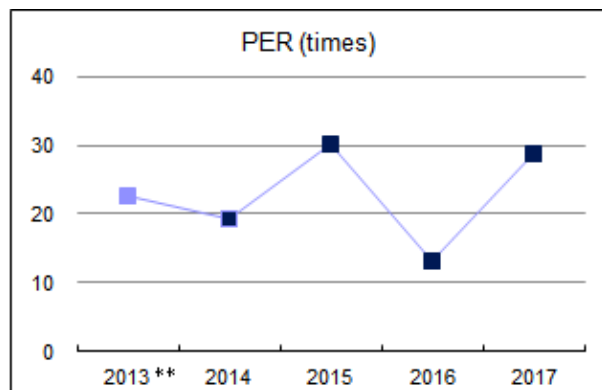
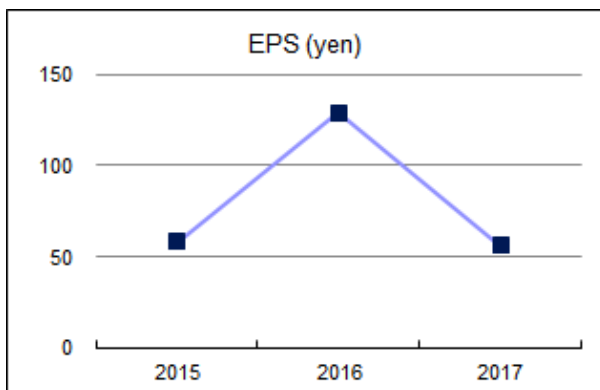
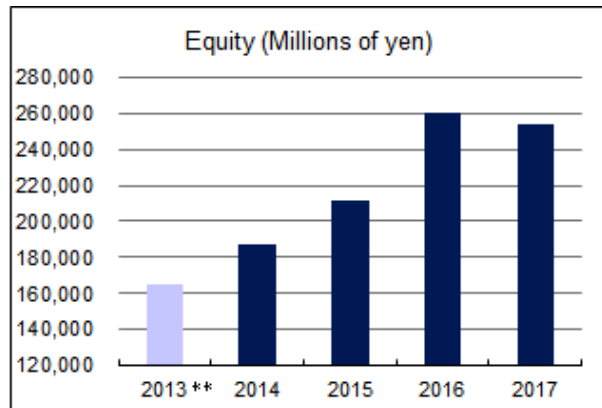
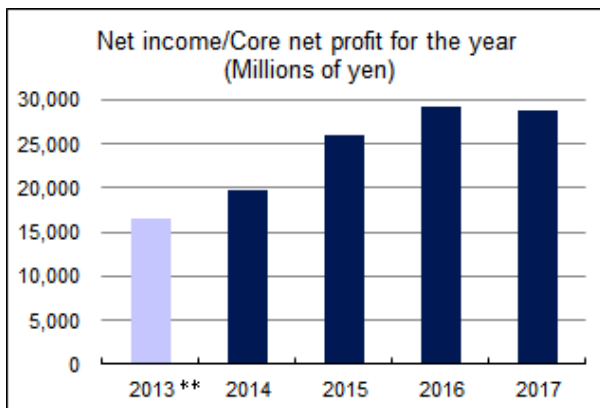
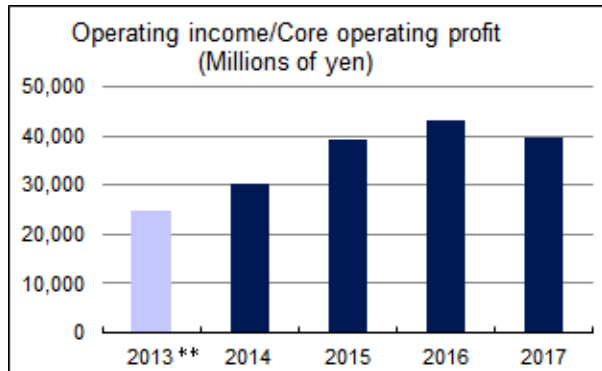
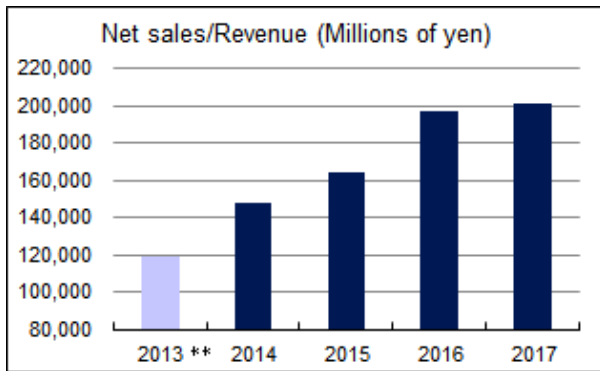
■ Exchange rates

(Yen)

Year ended March 31	2013	2014*	2014 [12month]	2015	2016	2017	2018 Forecast
Exchange rate: US dollar	82.91	100.04	100.04	110.14	120.45	108.64	110.00
: Euro	106.01	132.98	132.34	139.01	132.46	118.96	120.00
: CNY	12.64	15.93	15.72	17.84	19.05	16.14	16.50

Financial highlights

■ Consolidated Financial summary (Graph)



**J-GAAP

Consolidated statements of income and comprehensive income

■ IFRS

(Millions of yen)

Year ended March 31	2015	2016	2017	% Change 2017/2016
Revenue	161,831	195,291	199,096	1.9
Cost of sales (Percent of revenue)	(56,373) 34.8%	(72,829) 37.3%	(74,966) 37.7%	2.9 —
Gross profit (Percent of revenue)	105,458 65.2%	122,463 62.7%	124,130 62.3%	1.4 —
Selling, general and administrative expenses (Percent of revenue)	(48,893) 30.2%	(59,406) 30.4%	(62,193) 31.2%	4.7 —
Research and development expenses (Percent of revenue)	(17,477) 10.8%	(19,990) 10.2%	(22,786) 11.4%	14.0 —
Amortization on intangible assets associated with products (Percent of revenue)	(3,979) 2.5%	(6,205) 3.2%	(6,412) 3.2%	3.3 —
Other income	723	44,999	468	(99.0)
Other expenses	(458)	(1,681)	(728)	(56.7)
Operating profit (Percent of revenue)	35,374 21.9%	80,180 41.1%	32,479 16.3%	(59.5) —
Finance income	768	782	909	16.2
Finance expenses	(279)	(1,492)	(1,565)	4.9
Profit before tax (Percent of revenue)	35,863 22.2%	79,470 40.7%	31,822 16.0%	(60.0) —
Income tax expenses	(11,831)	(26,097)	(8,768)	(66.4)
Net profit for the year (Percent of revenue)	24,032 14.9%	53,373 27.3%	23,054 11.6%	(56.8) —
ROE (%)	12.0	22.6	9.0	—

■ IFRS (Core basis)

(Millions of yen)

Year ended March 31	2015	2016	2017	% Change 2017/2016
Revenue	161,831	195,291	199,096	1.9
Cost of sales (Percent of revenue)	(56,373) 34.8%	(72,829) 37.3%	(74,966) 37.7%	2.9 —
Gross profit (Percent of revenue)	105,458 65.2%	122,463 62.7%	124,130 62.3%	1.4 —
Selling, general and administrative expenses (Percent of revenue)	(48,893) 30.2%	(59,406) 30.4%	(61,657) 31.0%	3.8 —
Research and development expenses (Percent of revenue)	(17,477) 10.8%	(19,990) 10.2%	(22,786) 11.4%	14.0 —
Operating profit (Percent of revenue)	39,088 24.2%	43,067 22.1%	39,687 19.9%	(7.8) —
Profit before tax (Percent of revenue)	39,088 24.2%	43,067 22.1%	39,687 19.9%	(7.8) —
Income tax expenses	(13,140)	(13,904)	(10,999)	(20.9)
Net profit for the year (Percent of revenue)	25,948 16.0%	29,163 14.9%	28,688 14.4%	(1.6) —
ROE (%)	13.0	12.4	11.2	—

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