



Summary of Consolidated Financial Results for the Three Months Ended June 30, 2026 (IFRS)

August 6, 2026

Listed Company Name:	Santen Pharmaceutical Co., Ltd
Exchanges Listed:	Tokyo (Prime Market)
Stock Code:	4536
URL:	https://www.santen.com/en
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Start of Distribution of Dividends (Scheduled):	-
Preparation of Supplementary Material of the Financial Results:	Yes
Holding of Presentation of Financial Results:	Yes (for securities analysts and institutional investors)

(JPY millions)

1. Consolidated Performance for the Three Months Ended June 30, 2026

(1) Operating Results

	Three months ended June 30, 2025	Three months ended June 30, 2026	Change
Revenue	68,737	68,957	+0.3%
Core operating profit	9,707	10,605	+9.3%
Operating profit	7,573	8,116	+7.2%
Net profit for the period	5,863	7,199	+22.8%
Net profit for the period attributable to owners of the company	5,878	7,194	+22.4%
Total comprehensive income for the period	9,328	10,185	+9.2%
Basic earnings per share (yen)	17.32	22.38	
Diluted earnings per share (yen)	17.28	22.30	

(2) Financial Position

	March 31, 2026	June 30, 2026
Total assets	423,033	415,849
Total equity	296,017	299,269
Total equity attributable to owners of the company	296,989	300,263
Total equity attributable to owners of the company ratio (%)	70.2	72.2
Equity per share attributable to owners of the company (yen)	923.75	935.36

2. Dividends

	Year to March 2026	Year to March 2027	(Forecasts) Year to March 2027
First quarter dividends per share (yen)	—	—	—
Second quarter dividends per share (yen)	19.00	—	21.00
Third quarter dividends per share (yen)	—	—	—
Year-end dividends per share (yen)	19.00	—	21.00
Annual dividends per share (yen)	38.00	—	42.00

(Note):

Revisions to the forecasts of dividends from the latest announcement: No

3. Consolidated Forecasts of Results for the Fiscal Year Ending March 31, 2027

	Year to March 2027	Change
Revenue	311,000	+6.6%
Core operating profit	59,000	+7.0%
Operating profit	49,500	+3.6%
Net profit for the year	39,500	+5.2%
Net profit for the period attributable to owners of the company	40,000	+7.0%
Basic earnings per share (yen)	124.42	+9.1%

(Note):

Revisions to the forecasts of consolidated results from the latest announcement: No

Please refer to "1. Summary of Consolidated Results and Others (1) Summary of Consolidated Results for the Period" on page 3 of the attached material for details of the reconciliation from IFRS basis figures to core-based figures.

***Notes**

(1) Significant changes in scope of consolidation during the period: No

(2) Changes in accounting policies and accounting estimates

- (i) Changes in accounting policies required by IFRS : No
- (ii) Changes in accounting policies other than (i) : No
- (iii) Changes in accounting estimates : No

(3) Number of ordinary shares issued

(i) Number of shares outstanding at the end of period (including treasury shares)

June 30, 2026	322,290,154 shares
March 31, 2026	322,281,654 shares

(ii) Number of treasury shares at the end of period

June 30, 2026	1,099,863 shares
March 31, 2026	602,813 shares

(iii) Average number of outstanding shares

The first quarter ended June 30, 2026	321,344,079 shares
The first quarter ended June 30, 2025	339,167,250 shares

(Note):

The number of treasury shares at the end of the period includes shares (28,410 shares for the fiscal year ended March 31, 2026 and 525,410 shares at the first quarter of the fiscal year ending June 30, 2026) owned in trust for the stock compensation system. Such shares are included in the treasury shares which are excluded from the calculation of the average number of shares outstanding during the period

*Audit by a certified public accountant or auditing firm for the quarterly consolidated financial statements: No

*Explanations and other special notes concerning the appropriate use of business performance forecasts

(Notes on forward-looking statements)

The earnings forecasts and other forward-looking statements contained in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual results may differ from these forecasts due to various factors.

(Method of obtaining supplementary explanatory materials for financial results and results presentation contents)

The Santen Group plans to hold a conference call on the results for securities analysts and institutional investors on Thursday, August 6, 2026. The materials used in this briefing will be posted on our website.

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murai 1. Summary of Consolidated Results and Others

(1) Summary of Consolidated Results for Period

(I) Consolidated Results

(JPY billions)

	Three months ended June 30, 2025	Three months ended June 30, 2026	Year-on-year change
Revenue	68.7	69.0	0.3%
Core operating profit ^{*1}	9.7	10.6	9.3%
Operating profit	7.6	8.1	7.2%
Net profit for the period	5.9	7.2	22.8%
Net profit for the period attributable to owners of the company	5.9	7.2	22.4%
EBITDA ^{*2}	12.0	12.8	6.2%

[Revenue]

Revenue in the three months ended June 30, 2026 increased by 0.3% year-on-year to ¥69.0 billion. This was mainly due to the focus on expanding sales of new and mainstay products despite the impact of NHI price revisions.

◇ Japan

The Company focused on expanding sales of new and mainstay products, including *Ryjusea* and *EYLEA 8mg kit for IVT inj. 114.3mg/mL* which were launched in 2025, *Upneeq*, which was launched in May 2026, and *Diquas LX*, shipments of which resumed in December 2025. Revenue in the three months ended June 30, 2026 decreased by 19.3% year-on-year to ¥29.6 billion. This was mainly due to the impact of market expansion re-pricing and the entry of generic drugs for a mainstay product. Within total Japan revenue, revenue from OTC decreased by 5.6% year-on-year to ¥2.8 billion.

◇ China

On a JPY basis, revenue in the three months ended June 30, 2026 increased by 19.5% year-on-year (+2.9% excluding FX impact) to ¥7.5 billion. This was mainly due to growth in the mainstay product *Cravit*.

◇ Asia (excluding China)

On a JPY basis, revenue in the three months ended June 30, 2026 increased by 39.4% year-on-year (+31.7% excluding FX impact) to ¥9.5 billion. This was mainly due to the steady growth of glaucoma and dry eye products and the contribution of an exclusive promotion and distribution agreement for VEGF inhibitors, *Beovu* and *Lucentis*, in South Korea from October 2025.

◇ EMEA^{*3}

On a JPY basis, revenue in the three months ended June 30, 2026 increased by 17.7% year-on-year (+4.0% excluding FX impact) to ¥21.9 billion. This was mainly due to the focus on expansion of mainstay glaucoma and dry eye products and *Ryjunea*, which was launched in 2025.

[Core operating profit]

Gross profit in the three months ended June 30, 2026 increased by 7.7% year-on-year to ¥40.0 billion.

SG&A expenses in the three months ended June 30, 2026 increased by 9.9% year-on-year (+1.7% excluding FX impact) to ¥23.3 billion.

R&D expenses in the three months ended June 30, 2026 decreased by 2.0% year-on-year (-9.0% excluding FX impact) to ¥6.1 billion.

As a result, operating profit on a core basis in the three months ended June 30, 2026 increased by 9.3% year-on-year (+2.0% excluding FX impact) to ¥10.6 billion.

[Operating profit]

As non-core expenses adjusted from the core basis, expenses related to streamlining of ¥0.1 billion and ¥0.2 billion were recorded in SG&A and R&D expenses respectively in the three months ended June 30, 2026.

Amortization on intangible assets associated with products in the three months ended June 30, 2026 increased by 5.6% year-on-year (+1.8% excluding FX impact) to ¥2.3 billion. This was mainly due to the amortization on intangible assets associated with products acquired from Merck & Co., Inc. (U.S.) in 2014, *PRESERFLO MicroShunt* which was launched in Europe in 2019, *Rhopressa / Rocklatan* which Santen began selling in Europe in 2023 and Asia in 2024, and *Upneeq* which was launched in Japan in 2026.

Other income amounted to ¥0.1 billion.

Other expenses amounted to ¥0.02 billion.

As a result, operating profit on an IFRS basis in the three months ended June 30, 2026 increased by 7.2% year-on-year (-0.7% excluding FX impact) to ¥8.1 billion.

[Net profit for the period]

Finance income amounted to ¥1.0 billion.

Finance expenses amounted to ¥0.7 billion.

Income tax expenses amounted to ¥1.1 billion, down ¥0.5 billion year-on-year.

As a result, net profit for the period ended June 30, 2026 increased by 22.8% year-on-year to ¥7.2 billion.

[Net profit for the period attributable to owners of the company]

Net profit for the period attributable to owners of the company in the three months ended June 30, 2026 increased by 22.4% year-on-year to ¥7.2 billion. The ratio to revenue was 10.4%.

*1 With the adoption of IFRS in the fiscal year ended March 31, 2015, the Santen Group discloses financial information on a core basis, which is calculated by excluding certain income and expense items from the IFRS basis, as an indicator of ordinary performance. The core basis is calculated by deducting the following income and expense items (non-core income and non-core expense) from IFRS results.

- Amortization on intangible assets associated with products
- Other income
- Other expenses
- Expenses related to acquisitions of companies and streamlining measures

*2 EBITDA is calculated as follows: $EBITDA = (\text{Operating profit}) - (\text{Other income}) + (\text{Other expenses}) + (\text{Depreciation and amortization})$

*3 Refers to Europe, Middle East and Africa.

(II) Research & Development Activities

<Glaucoma and ocular hypertension area>

STN1011702 (generic name: omidenepag isopropyl) is an EP2 receptor agonist. Phase 3 trial has been under way in China since November 2024.

STN1013001 (DE-130A, generic name: latanoprost) is an ophthalmic emulsion of a prostaglandin F_{2α} derivative. The Company filed for marketing approval in Asia in November 2024. The Company launched the product in European countries including Spain in August 2024.

STN1013900 (AR-13324, generic name: netarsudil mesylate) is a ROCK/NET inhibitor. The Company received manufacturing and marketing approval in Japan in June 2026. Marketing approval has been received in Europe, and the Company has launched the product in Sweden and other countries from February 2023 onward. The Company has successively received marketing approval in Asian countries and launched in South Korea in November 2024.

STN1014003 (generic name: netarsudil mesylate / latanoprost) is a fixed dose combination drug of a ROCK/NET inhibitor and a prostaglandin F_{2α} derivative. It met its primary endpoint in the pivotal phase of Phase 3 trial being conducted in Japan since February 2025.

<Keratoconjunctival disease area including dry eye>

STN1008903 (DE-089C, generic name: diquafosol sodium) is for the treatment of dry eye. The Company filed for marketing approval in Asia in May 2026.

STN1014100 (generic name: olodaterol hydrochloride) is for the treatment of dry eye. Phase 2b trial has been under way in Japan since May 2025.

STN1014101 (generic name: olodaterol hydrochloride) is for the treatment of allergic conjunctivitis. Phase 1/2a trial was started in Japan in March 2026.

STN1011402 (generic name: epinastine hydrochloride) is an eyelid cream for the treatment of allergic conjunctivitis. The Company launched the product in Japan in May 2024. Phase 3 trial was started in China in January 2026.

STN1011403 (generic name: epinastine hydrochloride) is a high dose formulation to instill twice a day for the treatment of allergic conjunctivitis. The Company filed for marketing approval in China in March 2025.

STN1014200 (CBT-001, generic name: nintedanib) is for the treatment of pterygium. Phase 2b trial was started in Japan in November 2025.

<Refractive disorder>

STN1012700 (DE-127, generic name: atropine sulfate) is for the treatment of myopia in children. The Company launched the product in Japan in April 2025. Phase 2/3 trial was completed in China in April 2026 and met its primary endpoint. In Asia, the Company received marketing approval in the Philippines in May 2026.

<Retinal diseases area>

STN1014300 (RC28-E, generic name: eflimrufusp alfa) is for the treatment of diabetic macular edema. RemeGen Co., Ltd. (China), the licensor, withdrew the filing for marketing approval in China in June 2026 and plans additional trials to fulfill final approval requirements.

STN1014301 (RC28-E, generic name: eflimrufusp alfa) is for the treatment of wet age-related macular degeneration. RemeGen Co., Ltd. (China), the licensor, completed a Phase 3 trial in China in April 2026, having met its primary endpoint.

<Others>

STN1013800 (generic name: oxymetazoline hydrochloride) is for the treatment of ptosis. The Company launched the product in Japan in May 2026. Phase 3 trial has been under way in Europe since December 2024. Phase 3 trial has been under way in China since October 2024.

※ The numbering method for development codes has changed. Both existing development codes (DE-XXX) and new development codes (STNXXXXXXXX) are shown. AR-13324, RC28-E and CBT-001 are the development codes of Alcon Inc. (Switzerland), RemeGen Co., Ltd. (China) and Cloudbreak Pharma Inc. (U.S.) respectively.

(2) Summary of Financial Position for the Period

(I) Assets, equity and liabilities

Total assets as of June 30, 2026 amounted to ¥415.8 billion, down ¥7.2 billion from the end of the previous fiscal year ended March 31, 2026. Despite an increase in property, plant and equipment for expanding production capacity, there were decreases in trade and other receivables, and cash.

Equity amounted to ¥299.3 billion. There was an increase of ¥3.3 billion from the end of the previous fiscal year ended March 31, 2026. This was due to an increase in other components of equity.

Liabilities amounted to ¥116.6 billion, a decrease of ¥10.4 billion from the end of the previous fiscal year ended March 31, 2026. Despite an increase of other financial liabilities, there were decreases in trade and other payables, and income taxes payable.

As a result, the ratio of equity attributable to owners of the company to total assets increased by 2.0%-points from the end of the previous fiscal year ended March 31, 2026 to 72.2%

The Santen Group views ROE (equity attributable to owners of the company profit ratio) as its most important management metric. The Company aims to maximize shareholder value by focusing on both maximizing cash flow and lowering the cost of capital. While the inflow of cash from operating activities is considered the basic source of cash, the Company is also implementing measures to maximize cash-generating capability by improving working capital efficiency through the management of the cash conversion cycle. As part of this effort, the Company is liquidating trade receivables to improve ROIC (return on invested capital).

(II) Cash Flows

Cash flows from operating activities amounted to an inflow of ¥5.3 billion (inflow of ¥7.7 billion in the three months ended June 30, 2025). This was mainly due to the net profit for the period of ¥7.2 billion, ¥4.7 billion in depreciation and amortization, a decrease of ¥8.9 billion in trade and other receivables and a decrease of ¥8.3 billion in trade and other payables.

Cash flows from investing activities amounted to an outflow of ¥0.9 billion (outflow of ¥2.2 billion in the three months ended June 30, 2025). This was mainly due to payments for the acquisition of property, plant and equipment of ¥1.0 billion.

Cash flows from financing activities amounted to an outflow of ¥7.9 billion (outflow of ¥15.3 billion in the three months ended June 30, 2025). This was mainly due to dividends paid of ¥6.0 billion.

As a result, cash and cash equivalents at the end of June 30, 2026 decreased by ¥2.6 billion from the end of the fiscal year ended March 31, 2026 to ¥78.3 billion.

(3) Information about Forecasts of Consolidated Financial Results and Other Forward-Looking Statements

The results for the period of the fiscal year under review have generally remained in line with plan. No changes have been made to the forecasts of consolidated financial results for the year ending March 31, 2027 announced on May 12, 2026.

2. Condensed Interim Consolidated Financial Statements and Major Notes

(1) Condensed Interim Consolidated Statements of Income and Comprehensive Income

IFRS		(JPY millions)	
	Three months ended June 30, 2025	Three months ended June 30, 2026	
Revenue	68,737	68,957	
Cost of sales	(31,619)	(28,970)	
Gross profit	37,118	39,987	
Selling, general and administrative expenses	(21,204)	(23,380)	
Research and development expenses	(6,207)	(6,248)	
Amortization on intangible assets associated with products	(2,176)	(2,297)	
Other income	176	71	
Other expenses	(134)	(16)	
Operating profit	7,573	8,116	
Finance income	627	957	
Finance expenses	(749)	(738)	
Profit before tax	7,450	8,335	
Income tax expenses	(1,587)	(1,135)	
Net profit for the period	5,863	7,199	
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net gain on financial assets measured at fair value through other comprehensive income	(175)	(108)	
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	3,640	3,093	
Other comprehensive income	3,465	2,986	
Total comprehensive income	9,328	10,185	
Net profit attributable to			
Owners of the company	5,878	7,194	
Non-controlling interests	(15)	5	
Net profit for the period	5,863	7,199	
Total comprehensive income attributable to			
Owners of the company	9,318	10,206	
Non-controlling interests	10	(22)	
Total comprehensive income	9,328	10,185	
Earnings per share			
Basic earnings per share (yen)	17.32	22.38	
Diluted earnings per share (yen)	17.28	22.30	

Core basis (JPY millions)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Core operating profit	9,707	10,605

(2) Condensed Interim Consolidated Statements of Financial Position

Assets		(JPY millions)
	As of March 31, 2026	As of June 30, 2026
Non-current assets		
Property, plant and equipment	78,115	80,292
Intangible assets	71,658	71,792
Financial assets	19,940	19,915
Retirement benefit assets	11,379	11,338
Deferred tax assets	10,843	10,340
Other non-current assets	2,339	2,323
Total non-current assets	194,274	195,999
Current assets		
Inventories	64,584	65,072
Trade and other receivables	71,754	63,320
Other financial assets	2,475	3,267
Income taxes receivable	76	287
Other current assets	8,994	9,645
Cash and cash equivalents	80,875	78,258
Total current assets	228,758	219,849
Total assets	423,033	415,849

Equity and liabilities

(JPY millions)

	As of March 31, 2026	As of June 30, 2026
Equity		
Equity attributable to owners of the company		
Share capital	8,824	8,830
Capital surplus	9,595	9,736
Treasury shares	(979)	(1,934)
Retained earnings	223,285	224,482
Other components of equity	56,263	59,148
Total equity attributable to owners of the company	296,989	300,263
Non-controlling interests	(972)	(993)
Total equity	296,017	299,269
Liabilities		
Non-current liabilities		
Financial liabilities	31,219	31,007
Net defined benefit liabilities	1,424	1,219
Income taxes payable	31	—
Provisions	731	702
Deferred tax liabilities	4,338	4,049
Other non-current liabilities	1,405	1,524
Total non-current liabilities	39,147	38,502
Current liabilities		
Trade and other payables	35,350	27,185
Other financial liabilities	27,529	30,430
Income taxes payable	4,535	2,072
Provisions	1,404	1,529
Other current liabilities	19,050	16,862
Total current liabilities	87,868	78,078
Total liabilities	127,015	116,579
Total equity and liabilities	423,033	415,849

(3) Condensed Interim Consolidated Statements of Changes in Equity

Three months ended June 30, 2025

(JPY millions)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity		
					Remeasurements of defined benefit plans	Net gain or loss on financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations
Balance at April 1, 2025	8,806	9,797	(1,161)	228,291	—	2,616	37,629
Comprehensive income							
Net profit for the period				5,878			
Other comprehensive income						(175)	3,614
Total comprehensive income	—	—	—	5,878	—	(175)	3,614
Transactions with owners							
Issuance of new shares	3	3					
Repurchase of treasury shares		(5)	(8,045)				
Dividends				(6,487)			
Share-based payments		242					
Total transactions with owners	3	240	(8,045)	(6,487)	—	—	—
Balance at June 30, 2025	8,808	10,037	(9,206)	227,682	—	2,441	41,243

	Other components of equity			Total equity attributable to owners of the company	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Share acquisition rights	Total			
Balance at April 1, 2025	140	124	40,509	286,242	(1,061)	285,181
Comprehensive income						
Net profit for the period			—	5,878	(15)	5,863
Other comprehensive income			3,439	3,439	25	3,465
Total comprehensive income	—	—	3,439	9,318	10	9,328
Transactions with owners						
Issuance of new shares		(5)	(5)	0		0
Repurchase of treasury shares			—	(8,050)		(8,050)
Dividends			—	(6,487)		(6,487)
Share-based payments			—	242		242
Total transactions with owners	—	(5)	(5)	(14,295)	—	(14,295)
Balance at June 30, 2025	140	119	43,943	281,265	(1,051)	280,214

Three months ended June 30, 2026

(JPY millions)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity		
					Remeasurements of defined benefit plans	Net gain or loss on financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations
Balance at April 1, 2026	8,824	9,595	(979)	223,285	—	4,780	51,255
Comprehensive income							
Net profit for the period				7,194			
Other comprehensive income						(108)	3,120
Total comprehensive income	—	—	—	7,194	—	(108)	3,120
Transactions with owners							
Issuance of new shares	7	7					
Repurchase of treasury shares			(955)				
Dividends				(6,112)			
Share-based payments		134					
Other				115		(115)	
Total transactions with owners	7	141	(955)	(5,997)	—	(115)	—
Balance at June 30, 2026	8,830	9,736	(1,934)	224,482	—	4,557	54,376

	Other components of equity			Total equity attributable to owners of the company	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Share acquisition rights	Total			
Balance at April 1, 2026	140	88	56,263	296,989	(972)	296,017
Comprehensive income						
Net profit for the period			—	7,194	5	7,199
Other comprehensive income			3,013	3,013	(27)	2,986
Total comprehensive income	—	—	3,013	10,206	(22)	10,185
Transactions with owners						
Issuance of new shares		(13)	(13)	0		0
Repurchase of treasury shares			—	(955)		(955)
Dividends			—	(6,112)		(6,112)
Share-based payments			—	134		134
Other			(115)	—		—
Total transactions with owners	—	(13)	(128)	(6,933)	—	(6,933)
Balance at June 30, 2026	140	75	59,148	300,263	(993)	299,269

(4) Condensed Interim Consolidated Statements of Cash Flows

(JPY millions)

	Three months ended June 30, 2025	Three months ended June 30, 2026
I. Cash flows from operating activities:		
Net profit for the period	5,863	7,199
Depreciation and amortization	4,497	4,718
Interest income, dividend income and interest expenses (increase)	(173)	(207)
Income tax expenses	1,587	1,135
Decrease (increase) in trade and other receivables	4,944	8,888
Decrease (increase) in inventories	(6,582)	(6)
Increase (decrease) in trade and other payables	3,279	(8,295)
Increase (decrease) in provisions and net defined benefit liabilities	(447)	(97)
Decrease (increase) in other current assets	(1,911)	(956)
Increase (decrease) in accounts payable - bonuses	(3,414)	(4,934)
Increase (decrease) in accounts payable - other	(1,477)	(1,139)
Increase (decrease) in deposits received	1,778	2,932
Other	1,920	(615)
Subtotal	9,863	8,621
Interest received	262	253
Dividends received	176	176
Interest paid	(310)	(348)
Income tax paid	(2,271)	(3,444)
Net cash flows from (used in) operating activities	7,720	5,258
II. Cash flows from investing activities:		
Proceeds from sale of investment securities	—	115
Payments for acquisition of property, plant and equipment	(1,856)	(952)
Payments for acquisition of intangible assets	(291)	(119)
Other	(45)	56
Net cash flows from (used in) investing activities	(2,192)	(900)
III. Cash flows from financing activities:		
Purchase of treasury shares	(8,050)	(955)
Dividends paid	(6,408)	(6,048)
Repayments of lease obligation	(881)	(884)
Other	(2)	0
Net cash flows from (used in) financing activities	(15,342)	(7,887)
IV. Net increase (decrease) in cash and cash equivalents	(9,814)	(3,530)
V. Cash and cash equivalents at the beginning of period	92,997	80,875
VI. Effect of exchange rate changes on cash and cash equivalents	1,394	913
VII. Cash and cash equivalents at the end of period	84,578	78,258

(5) Notes to Condensed Interim Consolidated Financial Statements (Going Concern Assumption)

Not applicable.

(Segment Information and Others)

Segment information is omitted because the Santen Group is a single segment.

(Statement of Significant Changes in Shareholders' Equity)

Three months ended June 30, 2025

(Repurchase of own shares)

At a meeting of the Board of Directors on May 13, 2025, the Board resolved to repurchase its own shares in accordance with Article 156 of the Companies Act (Japan), as applied pursuant to Article 165, paragraph 3. Santen repurchased a total of 4,378,900 of its own shares for a total value of 7,169 million yen during the period between May 22, 2025 to June 30, 2025.

(I) Reasons for repurchase of own shares

Santen considers returning profits to shareholders as one of its top management priorities. Taking into consideration its business environment and financial condition, Santen decided to implement a share buyback to enhance shareholder returns and capital efficiency.

(II) Details of repurchase

(1) Class of shares to be acquired	Common shares
(2) Total number of shares to be acquired	19,800,000 shares (maximum) *Representing 5.8% of the total number of shares outstanding (excluding treasury shares)
(3) Total amount of acquisition	35.0 billion yen (maximum)
(4) Period of acquisition	May 22, 2025 to November 5, 2025
(5) Method of acquisition	Open-market repurchase by discretionary trading method

(Significant Subsequent Events)

Not applicable.

3. Consolidated Reference

(1) Revenue of Major Products

(JPY billions)

Brand Name	Region	Year ended March 31, 2026		Year ending March 31, 2027			
		Three months ended June 30, 2025 Actual	Year ended March 31, 2026 Actual	Three months ended June 30, 2026 Actual	Changes from the same period of previous year	Forecast for the fiscal year ending March 31, 2027	Changes from the same period of previous year
Glaucoma and ocular hypertension							
Cosopt	Total	6.3	28.2	7.4	17.7%	27.9	(0.9%)
	Japan	0.4	1.7	0.3	(23.1%)	1.2	(26.2%)
	Asia	1.6	7.2	1.8	15.9%	7.6	5.4%
	EMEA	4.3	19.2	5.2	22.2%	19.0	(1.0%)
Tapros	Total	3.8	15.9	3.8	0.4%	15.4	(3.5%)
	Japan	0.6	2.3	0.4	(31.2%)	1.6	(30.3%)
	China	0.6	2.6	0.7	11.9%	2.6	0.2%
	Asia	0.6	2.4	0.6	9.7%	2.5	1.8%
Tapcom	EMEA	2.0	8.6	2.1	3.9%	8.7	1.0%
	Total	2.1	9.4	2.3	6.9%	9.5	0.9%
	Japan	0.3	1.1	0.2	(29.5%)	0.7	(31.9%)
	China	0.0	0.1	0.0	—	0.3	208.9%
Eybelis	Asia	0.4	1.6	0.4	13.1%	2.0	22.2%
	EMEA	1.5	6.7	1.6	11.1%	6.5	(2.1%)
	Total	1.4	5.7	1.5	11.1%	5.8	2.6%
	Japan	1.2	4.7	1.2	3.2%	4.5	(4.2%)
Catiolanze	Asia	0.2	0.9	0.3	58.3%	1.3	37.8%
	Total	0.1	1.0	0.4	204.3%	2.6	176.0%
Rhopressa/Rhokiinsa	EMEA	0.1	1.0	0.4	204.3%	2.6	176.0%
	Total	0.0	0.2	0.1	24.5%	1.3	597.7%
	Japan	—	—	—	—	1.0	—
Rocklatan/Roclanda	Asia	0.0	0.2	0.1	18.8%	0.3	67.4%
	EMEA	0.0	0.0	0.0	82.1%	0.0	14.5%
	Total	0.3	1.5	0.4	40.8%	2.4	65.2%
Setaneo	Asia	0.0	0.0	0.0	98.0%	0.0	12.3%
	EMEA	0.3	1.5	0.4	39.9%	2.4	66.2%
Alphagan/AlphaganP	Total	—	0.5	0.3	—	1.6	260.9%
	Japan	—	0.5	0.3	—	1.6	260.9%
	Total	—	—	—	—	2.5	—
	China	—	—	—	—	2.5	—
Dry eye							
Diquas	Total	2.5	10.2	2.1	(17.5%)	7.7	(24.9%)
	Japan	1.6	6.1	1.2	(26.6%)	2.8	(54.0%)
	China	0.4	1.8	0.3	(38.9%)	2.3	27.5%
	Asia	0.5	2.3	0.6	32.1%	2.6	9.8%
Diquas LX	Total	—	1.9	1.1	—	10.4	454.2%
	Japan	—	1.9	1.1	—	10.4	454.2%
Hyalein	Total	3.5	16.2	3.9	9.8%	17.0	5.1%
	Japan	0.8	3.5	0.7	(8.3%)	2.8	(21.5%)
	China	1.8	8.2	1.9	6.4%	9.3	13.5%
	Asia	0.9	4.5	1.2	32.4%	4.9	10.7%
Ikervis	Total	3.2	13.6	4.0	24.8%	15.2	11.2%
	Asia	0.5	2.2	0.7	30.5%	2.6	17.0%
	EMEA	2.7	11.4	3.3	22.8%	12.4	9.1%
Cationorm	Total	1.0	3.4	1.1	12.4%	4.5	29.5%
	China	0.0	0.2	0.1	96.7%	0.2	44.3%
	Asia	0.2	0.8	0.3	47.4%	1.0	22.9%
	EMEA	0.7	2.4	0.7	10.1%	3.2	34.9%
Allergy							
Alesion ^{*1}	Total	3.3	26.8	2.2	(32.9%)	24.2	(10.0%)
	Japan	3.2	26.4	2.1	(35.5%)	23.4	(11.2%)
	Asia	0.1	0.4	0.2	39.1%	0.7	65.7%
Verkazia	Total	0.7	2.4	0.8	14.4%	3.7	55.8%
	China	0.0	0.1	0.1	—	0.5	792.9%
	EMEA	0.7	2.3	0.7	1.9%	3.3	39.7%
Intravitreal VEGF inhibitor							
EYLEA ^{*2}	Total	20.1	65.6	13.3	(33.8%)	56.1	(14.5%)
	Japan	20.1	65.6	13.3	(33.8%)	56.1	(14.5%)
Beovu	Total	—	1.4	0.9	—	4.1	184.5%
	Asia	—	1.4	0.9	—	4.1	184.5%
Bacterial conjunctivitis							
Cravit	Total	2.8	13.8	3.7	33.7%	14.9	7.8%
	Japan	0.1	0.4	0.1	(33.2%)	0.3	(23.8%)
	China	1.6	8.9	2.4	44.8%	9.6	7.7%
	Asia	0.7	3.0	0.7	13.8%	3.4	14.4%
	EMEA	0.3	1.5	0.5	43.1%	1.6	4.5%
	Total	0.2	1.6	0.8	421.3%	6.0	273.4%
Ryjusea/Ryjunea	Japan	0.2	1.1	0.5	244.1%	4.0	264.5%
	EMEA	—	0.5	0.3	—	2.0	291.4%
Ptosis							
Upneeq	Total	—	—	0.2	—	1.4	—
	Japan	—	—	0.2	—	1.4	—
Medical devices							
PRESERFLO MicroShunt	Total	1.9	8.1	2.5	28.6%	9.7	19.5%
	Japan	0.6	2.4	0.7	17.4%	2.8	16.1%
	Asia	0.0	0.2	0.1	10.7%	0.3	48.3%
	EMEA	1.3	5.6	1.7	33.9%	6.7	20.1%
OTC Pharmaceuticals	Total	3.1	12.2	3.0	(3.8%)	12.5	2.9%
	Japan	3.0	11.4	2.8	(5.6%)	11.7	2.8%
	Asia	0.1	0.8	0.2	33.5%	0.8	4.8%

Forecasts in this report are based on the currently available information. Actual results may differ materially depending on a number of factors including changes to the business environment and others. Our full-year forecasts are based on our foreign exchange assumptions. Revenue by region shows that of major countries or regions.

*1 Including Alesion LX, Alesion eyelid cream, Epinastine hydrochloride and Epinastine hydrochloride LX

*2 Co-promoted product of Bayer Yakuhin, Ltd. (MAH); including EYLEA 8mg, EYLEA 8mg intraocular injection kit, and Afibercept intraocular injection kit "Bayer" of Bayer Life Science, Ltd. (MAH).

(2) Research & Development

As of July 2026

Pipeline Development Status (Clinical Stage)

<Glaucoma and ocular hypertension area>

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
omidenepeg isopropyl	STN1011702	Glaucoma/ Ocular hypertension	Co-development with UBE Corporation	China						
A unit dose, preservative free eye drop, EP2 receptor agonist with a new mechanism of action, sold in Japan and Asia. Conducting Phase 3 in China from November 2024.										

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
latanoprost	STN1013001 / DE-130A (Cat ioprost)	Glaucoma / Ocular hypertension	Original	Europe	Aug-2024					
				Asia	Nov-2024					
An ophthalmic emulsion of a prostaglandin F _{2α} derivative, for the treatment of glaucoma and ocular hypertension. Filed for marketing approval in Asia in November 2024. Launched in European countries including Spain in August 2024.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
netarsudil mesylate	STN1013900 / AR-13324	Glaucoma / Ocular hypertension	Alcon Inc.	Japan	Jun-2026					
				Europe	Feb-2023					
				Asia	Nov-2024					
ROCK (Rho-associated kinase)/NET (norepinephrine transporter) inhibitor. Developed and sold by Alcon Inc. in the U.S.. Received manufacturing and marketing approval in Japan in June 2026. Received marketing approval in Europe and has been launched in Sweden and other countries from February 2023. Successively received marketing approval in Asian countries and launched in South Korea in November 2024.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
netarsudil mesylate / latanoprost	STN1014003	Glaucoma / Ocular hypertension	Alcon Inc.	Japan						
A fixed dose combination drug of a ROCK (Rho-associated kinase)/NET (norepinephrine transporter) inhibitor and a prostaglandin F _{2α} derivative. Developed and sold by Alcon Inc. in the U.S.. Met its primary endpoint in the pivotal phase of Phase 3 being conducted in Japan from February 2025.										

<Keratoconjunctival disease area including dry eye >

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
diquafosol sodium	STN1008903 / DE-089C	Dry eye	Merck Sharp & Dohme Corp. (U.S.)	Asia				May-2026		
A dry eye treatment which stimulates secretion of mucin and aqueous components from the corneal and conjunctival epithelium. Long-acting drug. Launched in November 2022 in Japan. Filed for marketing approval in Asia in May 2026.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
olodaterol hydrochloride	STN1014100	Dry eye	Boehringer Ingelheim	Japan		(Phase 2b)				
β ₂ receptor agonist. Conducting Phase 2b in Japan from May 2025.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
olodaterol hydrochloride	STN1014101	Allergic conjunctivitis	Boehringer Ingelheim	Japan		(Phase 1/2a)				
β ₂ receptor agonist. Started Phase 1/2a in Japan in March 2026.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
epinastine hydrochloride	STN1011402	Allergic conjunctivitis	Nippon Boehringer Ingelheim	Japan	May-2024					
				China						
A histamine H ₁ receptor antagonist with mediator release inhibitor function, as a treatment for allergic conjunctivitis. Ophthalmic eyelid cream. Launched in Japan in May 2024. Started Phase 3 in China in January 2026.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
epinastine hydrochloride	STN1011403	Allergic conjunctivitis	Boehringer Ingelheim	China				Mar-2025		
A histamine H ₁ receptor antagonist with mediator release inhibitor function, as a treatment for allergic conjunctivitis. High dose formulation to instill twice a day. Filed for marketing approval in China in March 2025.										

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
nintedanib	STN1014200 / CBT-001	Pterygium	Cloudbreak Pharma Inc.	Japan		(Phase 2b)				
A multi-kinase inhibitor which suppresses angiogenesis and fibrosis. Started Phase 2b in Japan in November 2025.										

< Refractive disorder>

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched
atropine sulfate	STN1012700 / DE-127	Myopia	Singapore Health Services, Nanyang Technological University	Japan	Apr-2025					
				China	(Phase 2/3)					
				Asia	May-2026					
Non-selective muscarinic antagonist which reduces the progression of juvenile myopia. Launched in Japan in April 2025. Completed Phase 2/3 in China in April 2026, having met its primary endpoint. In Asia, received marketing approval in the Philippines in May 2026.										

< Retinal diseases area >

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
eflimrufusp alfa	STN1014300 / RC28-E	Diabetic macular edema	RemeGen Co., Ltd.	China						
Dual decoy receptor IgG1 Fc-fusion protein drug simultaneously blocks both VEGF-A and FGF-2. RemeGen Co., Ltd., the licensor, withdrew filing for marketing approval in China in June 2026 and plans additional trials to fulfill final approval requirements.										

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
eflimrufusp alfa	STN1014301 / RC28-E	Wet age-related macular degeneration	RemeGen Co., Ltd.	China						
Dual decoy receptor IgG1 Fc-fusion protein drug simultaneously blocks both VEGF-A and FGF-2. RemeGen Co., Ltd., the licensor, completed Phase 3 trial in China in April 2026, having met its primary endpoint.										

<Others>

Generic name	Dev. code	Indication	Original/Licensors	Region	P1	P2	P3	Filed	Approved	Launched	
oxymetazoline hydrochloride	STN1013800	Ptosis	RVL Pharmaceuticals	Japan	May-2026						
				Europe							
				China							
A direct-acting alpha adrenergic receptor agonist. Developed and sold by RVL Pharmaceuticals in the U.S.. Launched in Japan in May 2026. Conducting Phase 3 in Europe from December 2024. Conducting Phase 3 in China from October 2024.											

Changes from Q4 FY2025 (May 12, 2026)

Dev. Code	Changes
STN1013900 / AR-13324	Received manufacturing and marketing approval in Japan in June 2026.
STN1014003	Met its primary endpoint in the pivotal phase of Phase 3 being conducted in Japan from February 2025.
STN1008903 / DE-089C	Filed for marketing approval in Asia in May 2026.
STN1012700 / DE-127	Completed Phase 2/3 in China in April 2026, having met its primary endpoint. In Asia, received marketing approval in the Philippines in May 2026.
STN1014300 / RC28-E	RemeGen Co., Ltd., the licensor, withdrew filing for marketing approval in China in June 2026 and plans additional trials to fulfill final approval requirements.
STN1014301 / RC28-E	RemeGen Co., Ltd., the licensor, completed Phase 3 trial in China in April 2026, having met its primary endpoint.
STN1013800	Launched in Japan in May 2026.

(3) Capital Expenditures, Depreciation and Amortization, Amortization on Intangible Assets Associated with Products, and Research and Development Expenses

Capital expenditures				(JPY billions)
	Three months ended June 30, 2025	Year ended March 31, 2026	Three months ended June 30, 2026	Year ending March 31, 2027
	Actual			Forecast
Consolidated	2.0	7.3	2.9	22.5

(Note):

Excluding the increase in right-of-use assets.

Depreciation and amortization				(JPY billions)
	Three months ended June 30, 2025	Year ended March 31, 2026	Three months ended June 30, 2026	Year ending March 31, 2027
	Actual			Forecast
Manufacturing cost	0.9	3.9	1.0	4.2
Selling, general and administrative expenses	0.6	2.5	0.6	2.6
R&D expenses	0.1	0.6	0.2	0.6
Consolidated total	1.7	7.0	1.7	7.3

(Note):

Excluding amortization on intangible assets associated with products, long-term advance expense and right-of-use assets.

Amortization on intangible assets associated with products				(JPY billions)
	Three months ended June 30, 2025	Year ended March 31, 2026	Three months ended June 30, 2026	Year ending March 31, 2027
	Actual			Forecast
Intangible assets (Merck products)	1.1	4.4	1.1	2.2
Intangible assets (<i>Rhopressa/Rocklatan</i>)	0.4	1.9	0.5	2.0
Intangible assets (<i>PRESERFLO MicroShunt</i>)	0.3	1.3	0.3	1.3
Intangible assets (<i>Upneeq</i>)	—	—	0.2	0.9
Intangible assets (<i>Ikervis</i>)	0.2	0.6	—	—
Other	0.1	0.6	0.2	1.3
Consolidated total	2.2	8.8	2.3	7.7

Research and development expenses				(JPY billions)
	Three months ended June 30, 2025	Year ended March 31, 2026	Three months ended June 30, 2026	Year ending March 31, 2027
	Actual			Forecast
Consolidated	6.2	25.6	6.1	27.5

(4) FOREX

					(JPY)
Major currency	1st quarter ended June 30, 2025	Fiscal year ended March 31, 2026	1st quarter ended June 30, 2026	Fiscal year ending March 31, 2027 (Forecasts)	
USD	144.63	150.79	159.61	155.00	
EUR	163.81	174.71	185.36	180.00	
CNY	20.07	21.29	23.35	23.00	

*Forecasts in this report are based on currently available information. Actual results may differ materially depending on a number of factors including changes to the business environment and others.