

# Fact Book

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**Year Ended March 31, 2021**

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Santen Group has adopted International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2015, for the purpose of enhancing the international comparability of its financial information.

Forecasts in this report are based on regional assumptions for when the coronavirus disease (COVID-19) caused by the novel coronavirus subsides. Actual results may differ from these forecasts, subject to circumstances. The Company will promptly disclose any changes to its full-year earnings forecasts in the event of changes of a magnitude sufficient to warrant a revision.

## Financial highlights

### ■ Consolidated financial summary

(JPY millions)

(FY)	2016	2017	2018	2019	2020	% Change	2021 Forecast
Revenue	199,096	224,942	234,026	241,555	249,605	3.3	260,000
Operating profit	32,479	38,691	45,098	33,535	12,917	-61.5	41,500
Net profit for the year	21,724	35,261	31,943	21,714	6,645	-69.4	30,500
Dividends per share (yen)	26	26	26	27	28	—	32
Dividend payout ratio (%)	49.1	30.0	33.0	45.6	163.9	118.3pt	41.5
Core operating profit	39,687	45,378	48,230	50,023	50,101	0.2	52,000
Core net profit for the year	29,125	33,458	36,092	35,894	37,549	4.6	39,000

### ■ Consolidated statement of financial position summary

(JPY millions)

Year ended March 31	2017/3	2018/3	2019/3	2020/3	2021/3	% Change
Total assets	358,906	388,463	391,186	408,768	402,353	-1.6
Total equity	255,929	287,557	292,572	302,560	307,050	1.5
Interest-bearing debt <sup>#</sup>	16,929	7,598	4,063	4,965	2,400	-51.7

<sup>#</sup>Not including lease obligations

### ■ Consolidated financial indexes

Year ended March 31	2017/3	2018/3	2019/3	2020/3	2021/3	% Change
EPS (yen)	52.96	86.73	78.67	59.16	17.09	-71.1
BPS (yen)	628.09	702.54	728.97	758.50	769.67	1.5
Debt equity ratio (times)	0.1	0.0	0.0	0.0	0.0	-0.0pt
PER (times)	30.4	19.8	21.0	31.4	89.1	57.7pt
PBR (times)	2.6	2.4	2.3	2.4	2.0	-0.5pt
ROE (%)	8.4	13.0	11.1	8.0	2.2	-5.7pt
ROA (%)	6.1	9.4	8.2	5.4	1.6	-3.8pt
Equity ratio(%)	71.1	73.6	74.4	74.1	76.4	2.4pt
Free cash flows (millions of yen) <sup>#1</sup>	1,342	32,906	24,562	30,719	15,004	-51.2
EBITDA (millions of yen) <sup>#2</sup>	42,781	49,693	52,368	56,899	54,756	-3.8

<sup>#1</sup> Free cash flow = (Net cash flows from operating activities)-(Capital payments for acquisition of property, plant and equipment, and intangible assets)

<sup>#2</sup> EBITDA = (Operating profit) - (Other income) + (Other expenses) + (Depreciation and amortization)

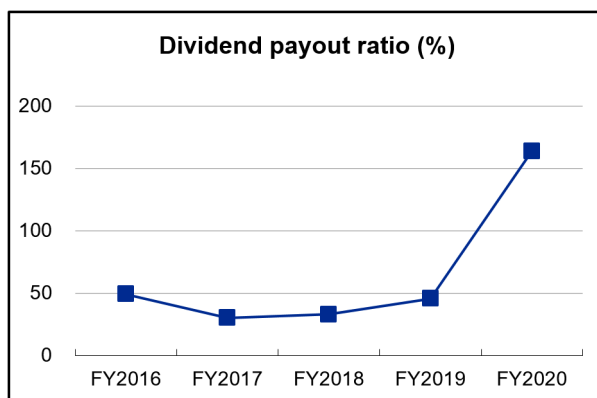
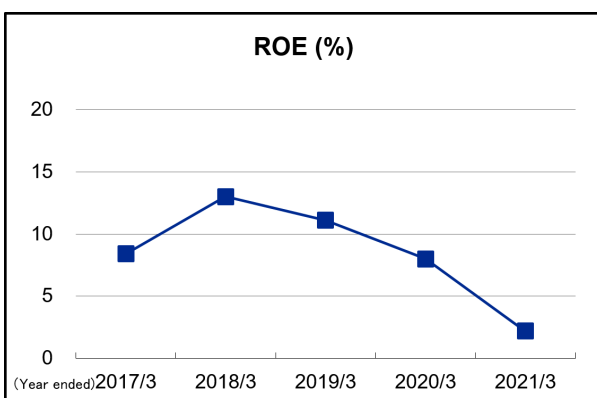
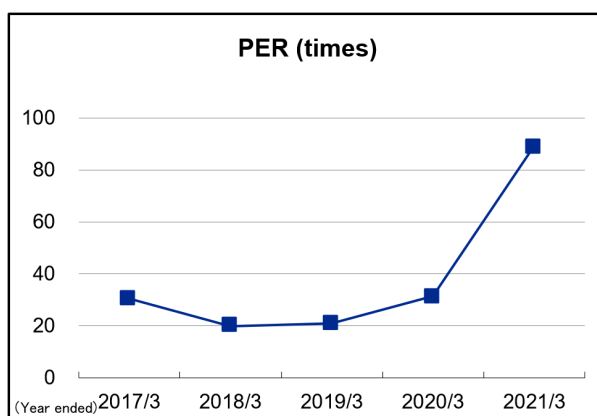
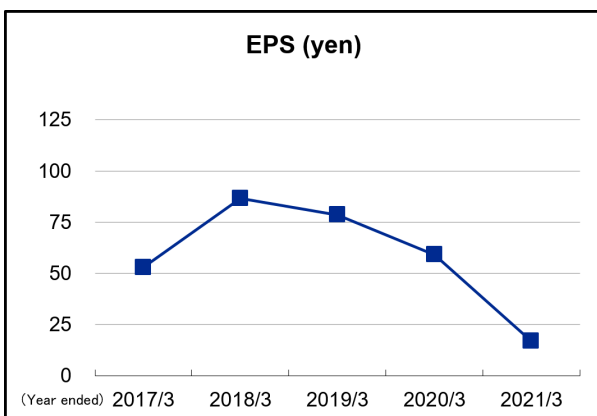
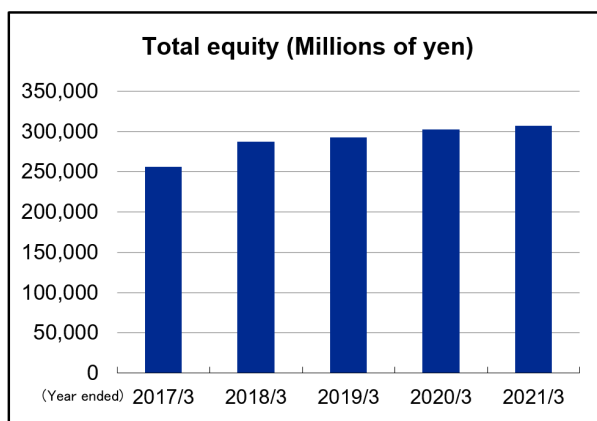
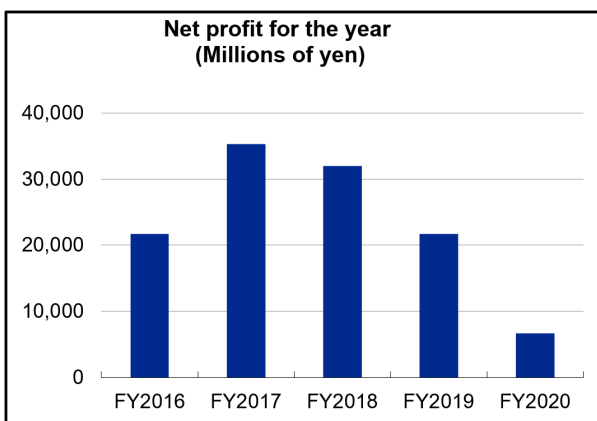
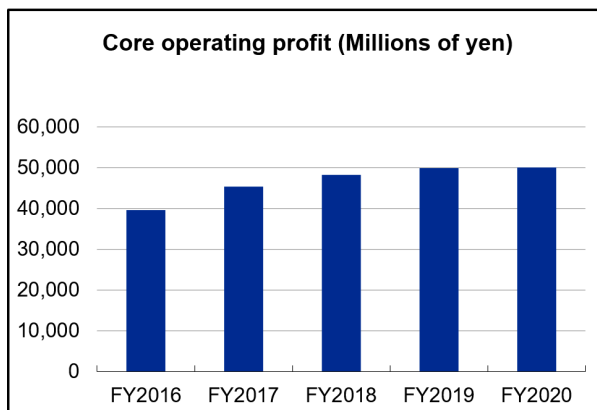
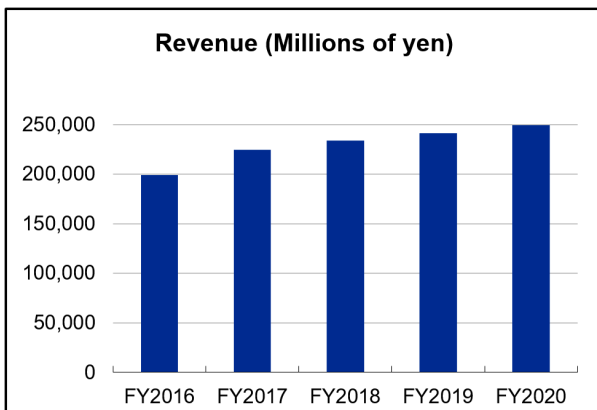
### ■ Exchange rates

(Yen)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Exchange rate: US dollar	108.64	110.94	110.82	108.81	105.95	105.00
: Euro	118.96	129.92	128.38	120.80	123.73	125.00
: CNY	16.14	16.84	16.52	15.64	15.61	16.05

# Financial highlights

## ■ Consolidated financial summary (Graph)



## Consolidated statements of income

### ■Core basis

(JPY millions)

(FY)	2016	2017	2018	2019	2020	% Change	2021
<b>Revenue</b>	<b>199,096</b>	<b>224,942</b>	<b>234,026</b>	<b>241,555</b>	<b>249,605</b>	<b>3.3</b>	<b>260,000</b>
Cost of sales (Percent of revenue)	-74,966 37.7%	-86,378 38.4%	-90,764 38.8%	-94,831 39.3%	-98,221 39.4%	3.6 —	-101,000 38.8%
<b>Gross profit</b> (Percent of revenue)	<b>124,130</b> 62.3%	<b>138,564</b> 61.6%	<b>143,262</b> 61.2%	<b>146,724</b> 60.7%	<b>151,384</b> 60.6%	<b>3.2</b> —	<b>159,000</b> 61.2%
SG&A expenses (Percent of revenue)	-61,657 31.0%	-68,788 30.6%	-71,273 30.5%	-73,360 30.4%	-77,171 30.9%	5.2 —	-81,000 31.2%
R&D expenses (Percent of revenue)	-22,786 11.4%	-24,398 10.8%	-23,759 10.2%	-23,341 9.7%	-24,112 9.7%	3.3 —	-26,000 10.0%
<b>Operating profit</b> (Percent of revenue)	<b>39,687</b> 19.9%	<b>45,378</b> 20.2%	<b>48,230</b> 20.6%	<b>50,023</b> 20.7%	<b>50,101</b> 20.1%	<b>0.2</b> —	<b>52,000</b> 20.0%
<b>Net profit for the year</b> (Percent of revenue)	<b>29,125</b> 14.6%	<b>33,458</b> 14.9%	<b>36,092</b> 15.4%	<b>35,894</b> 14.9%	<b>37,549</b> 15.0%	<b>4.6</b> —	<b>39,000</b> 15.0%
ROE (%)	11.3	12.4	12.5	12.1	12.3	—	—

### ■IFRS

(JPY millions)

(FY)	2016	2017	2018	2019	2020	% Change	2021
<b>Revenue</b>	<b>199,096</b>	<b>224,942</b>	<b>234,026</b>	<b>241,555</b>	<b>249,605</b>	<b>3.3</b>	<b>260,000</b>
Cost of sales (Percent of revenue)	-74,966 37.7%	-86,378 38.4%	-90,764 38.8%	-94,831 39.3%	-98,221 39.4%	3.6 —	-101,000 38.8%
<b>Gross profit</b> (Percent of revenue)	<b>124,130</b> 62.3%	<b>138,564</b> 61.6%	<b>143,262</b> 61.2%	<b>146,724</b> 60.7%	<b>151,384</b> 60.6%	<b>3.2</b> —	<b>159,000</b> 61.2%
SG&A expenses (Percent of revenue)	-62,193 31.2%	-68,788 30.6%	-71,273 30.5%	-73,360 30.4%	-79,554 31.9%	8.4 —	-81,400 31.3%
R&D expenses (Percent of revenue)	-22,786 11.4%	-24,398 10.8%	-23,759 10.2%	-23,341 9.7%	-24,112 9.7%	3.3 —	-26,000 10.0%
Amortization on intangible assets associated with products (Percent of revenue)	-6,412 3.2%	-6,740 3.0%	-6,988 3.0%	-9,898 4.1%	-9,920 4.0%	0.2 —	-8,900 3.4%
Other income	468	417	4,028	390	16,007	—	500
Other expenses	-728	-364	-172	-6,980	-40,889	—	-1,700
<b>Operating profit</b> (Percent of revenue)	<b>32,479</b> 16.3%	<b>38,691</b> 17.2%	<b>45,098</b> 19.3%	<b>33,535</b> 13.9%	<b>12,917</b> 5.2%	<b>-61.5</b> —	<b>41,500</b> 16.0%
Finance income	1,105	1,004	901	950	1,346	41.7	900
Finance expenses	-3,529	-434	-2,881	-2,393	-1,488	-37.8	-200
Share of loss of investments accounted for using equity method	—	—	—	—	-358	—	-1,200
<b>Profit before tax</b> (Percent of revenue)	<b>30,055</b> 15.1%	<b>39,261</b> 17.5%	<b>43,117</b> 18.4%	<b>32,091</b> 13.3%	<b>12,418</b> 5.0%	<b>-61.3</b> —	<b>41,000</b> 15.8%
Income tax expenses	-8,331	-4,000	-11,174	-10,377	-5,773	-44.4	-10,500
<b>Net profit for the year</b> (Percent of revenue)	<b>21,724</b> 10.9%	<b>35,261</b> 15.7%	<b>31,943</b> 13.6%	<b>21,714</b> 9.0%	<b>6,645</b> 2.7%	<b>-69.4</b> —	<b>30,500</b> 11.7%
Profit attributable to owners of the company	21,731	35,247	31,954	23,618	6,830	-71.1	30,800
Non-controlling interests	-7	14	-11	-1,904	-185	—	-300
ROE (%)	8.4	13.0	11.1	8.0	2.2	—	10

## Revenue details

■Revenue by business segment (JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Prescription pharmaceuticals	183,469	206,967	216,030	224,584	234,687	244,000
YoY(%)	1.1%	12.8%	4.4%	4.0%	4.5%	4.0%
OTC pharmaceuticals	12,553	14,594	14,223	12,034	9,410	10,000
YoY(%)	14.1%	16.3%	-2.5%	-15.4%	-21.8%	6.3%
Medical devices	2,536	2,583	2,709	3,515	4,037	5,000
Others	537	798	1,065	1,422	1,471	1,000
Total	199,096	224,942	234,026	241,555	249,605	260,000
YoY(%)	1.9%	13.0%	4.0%	3.2%	3.3%	4.2%

[Japan] (JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Prescription pharmaceuticals	130,018	141,067	142,950	148,842	155,807	156,100
YoY(%)	1.4%	8.5%	1.3%	4.1%	4.7%	0.2%
OTC pharmaceuticals	12,421	14,301	13,930	11,722	9,058	9,700
YoY(%)	13.8%	15.1%	-2.6%	-15.8%	-22.7%	7.1%
Medical devices	2,514	2,527	2,600	3,179	2,926	3,400
Others	404	758	977	1,281	1,343	800
Total	145,358	158,653	160,456	165,024	169,133	170,000
YoY(%)	2.5%	9.1%	1.1%	2.8%	2.5%	0.5%

[Overseas] (JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Prescription pharmaceuticals	53,451	65,900	73,080	75,742	78,880	87,900
YoY(%)	0.3%	23.3%	10.9%	3.6%	4.1%	11.4%
OTC pharmaceuticals	132	293	293	312	352	300
YoY(%)	51.7%	120.0%	-0.1%	6.5%	12.7%	-14.7%
Medical devices	22	56	109	336	1,111	1,600
Others	132	40	88	141	129	200
Total	53,738	66,289	73,570	76,531	80,472	90,000
YoY(%)	0.6%	23.4%	11.0%	4.0%	5.1%	11.8%

## Revenue details

■Revenue by region (Overseas) (JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
China	13,471	17,809	21,365	22,321	23,349	27,000
YoY(%)	-0.4%	32.2%	20.0%	4.5%	4.6%	15.6%
Asia (Not including China)	10,176	13,094	15,516	16,496	17,216	19,000
YoY(%)	13.4%	28.7%	18.5%	6.3%	4.4%	10.4%
EMEA#1	28,657	35,015	36,156	36,979	37,896	40,000
YoY(%)	11.6%	22.2%	3.3%	2.3%	2.5%	5.6%
Americas	1,433	371	533	735	2,011	4,000
YoY(%)	-72.8%	-74.1%	43.7%	38.0%	173.5%	98.9%
Total	53,738	66,289	73,570	76,531	80,472	90,000
YoY(%)	0.6%	23.4%	11.0%	4.0%	5.1%	11.8%

#1 Europe, the Middle East and Africa

■Profit contribution by region (Based on new classification) (JPY millions)

(FY)	2016	2017	2018	2019	2020
Japan	—	—	67,588	70,081	70,039
YoY(%)	—	—	—	3.7%	-0.1%
China	—	—	8,345	10,151	9,693
YoY(%)	—	—	—	21.6%	-4.5%
Asia (Not including China)	—	—	4,994	5,725	6,893
YoY(%)	—	—	—	14.6%	20.4%
EMEA	—	—	9,460	9,946	11,373
YoY(%)	—	—	—	5.1%	14.3%
Americas	—	—	-1,715	-1,830	-2,555
YoY(%)	—	—	—	—	—

■Profit contribution by region (Based on previous classification) (JPY millions)

(FY)	2016	2017	2018	2019	2020
Asia (Including China)	4,912	7,334	11,517	—	—
YoY(%)	2.8%	49.3%	57.0%	—	—
EMEA	3,514	5,980	7,603	—	—
YoY(%)	-26.5%	70.2%	27.2%	—	—
Americas	-3,424	-4,627	-4,120	—	—
YoY(%)	—	—	—	—	—

# Revenue details

## ■Revenue of major products

(JPY millions)

Brand name Generic name/formulation	Therapeutic category	Region	2016	2017	2018	2019	2020	% Change	2021 Forecast
Cravit levofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	12,884	14,944	15,028	15,181	12,650	-16.7%	12,147
		Japan	4,660	4,105	3,175	2,571	1,971	-23.3%	1,592
		China	6,065	7,991	8,860	9,509	7,927	-16.6%	7,859
		Asia	915	1,234	1,524	1,726	1,722	-0.2%	1,786
		EMEA	1,245	1,614	1,468	1,375	1,029	-25.1%	910
Tarivid ofloxacin/ophthalmic solution	Bacterial conjunctivitis	Total	1,541	1,581	1,445	1,472	1,427	-3.1%	1,215
		Japan	559	508	482	414	337	-18.6%	279
		China	641	695	599	585	683	16.8%	688
		Asia	341	378	364	473	406	-14.1%	247
Tapcom tafluprost-timolol maleate/ combination ophthalmic solution	Glaucoma	Total	2,798	3,892	4,788	5,405	6,036	11.7%	6,566
		Japan	2,256	2,479	2,549	2,521	2,604	3.3%	2,403
		Asia	38	158	308	383	546	42.6%	763
		EMEA	504	1,255	1,930	2,501	2,886	15.4%	3,399
Tapros tafluprost/ophthalmic solution	Glaucoma	Total	16,406	17,844	18,014	17,901	17,915	0.1%	20,564
		Japan	9,592	9,610	9,554	9,123	8,709	-4.5%	8,738
		China	14	147	228	395	602	52.4%	2,788
		Asia	1,212	1,660	1,857	1,892	1,907	0.8%	2,105
		EMEA	5,587	6,427	6,375	6,491	6,696	3.2%	6,933
Cosopt dorzolamide hydrochloride-timolol maleate/combination ophthalmic solution	Glaucoma	Total	22,164	24,200	21,985	21,045	20,877	-0.8%	19,597
		Japan	11,366	11,403	8,919	7,723	6,940	-10.1%	5,173
		Asia	2,669	3,197	3,675	4,052	4,462	10.1%	4,778
		EMEA	8,128	9,600	9,392	9,270	9,475	2.2%	9,646
Timoptol timolol maleate/ ophthalmic solution (Including Timoptol XE)	Glaucoma	Total	3,890	3,672	2,874	2,504	2,196	-12.3%	1,859
		Japan	2,582	2,194	1,645	1,349	1,137	-15.7%	789
		Asia	1,101	221	221	226	264	17.2%	294
		EMEA	208	1,257	1,008	929	794	-14.5%	777
Trusopt dorzolamide hydrochloride/ ophthalmic solution	Glaucoma	Total	4,343	4,677	4,586	4,424	4,365	-1.3%	3,862
		Japan	1,731	1,641	1,474	1,350	1,227	-9.1%	1,009
		Asia	271	327	415	411	344	-16.2%	308
		EMEA	2,342	2,709	2,697	2,663	2,794	4.9%	2,546
Eybelis omidenepeg isopropyl/ ophthalmic solution	Glaucoma	Total	—	—	431	1,629	2,536	55.7%	3,696
		Japan	—	—	431	1,629	2,516	54.4%	3,612
Alesion *Including Alesion LX epinastine hydrochloride/ ophthalmic solution	Allergy	Total	12,235	16,851	19,445	24,916	32,752	31.5%	32,368
		Japan	12,235	16,851	19,445	24,916	32,733	31.4%	32,225
		Asia	—	—	—	—	19	—	143
Flumetholon fluorometholone/ ophthalmic solution	Inflammation	Total	3,347	3,497	3,302	2,996	2,812	-6.2%	2,961
		Japan	2,224	2,113	1,640	1,272	1,052	-17.3%	924
		China	784	1,060	1,231	1,243	1,392	12.0%	1,676
		Asia	339	325	430	482	368	-23.5%	361
Pirenoxine Ophthalmic Suspension (Former sales name: Kary Uni) pirenoxine/ ophthalmic solution	Senile cataract	Total	4,124	4,413	4,076	4,056	3,995	-1.5%	4,025
		Japan	2,833	2,741	2,604	2,501	2,391	-4.4%	2,354
		China	759	885	760	704	771	9.6%	717
		Asia	532	788	713	852	832	-2.3%	954
Oftan Catachrom cytochrome C, adenosine, nicotinamide/ ophthalmic solution	Senile cataract	Total	2,224	2,695	2,397	2,241	1,830	-18.3%	1,767
		EMEA	2,224	2,695	2,397	2,241	1,830	-18.3%	1,767
Sodium Hyaluronate Ophthalmic Viscoelastic Preparation (Former sales name: Opegan Hi) sodium hyaluronate/ adjuvant for ophthalmic operations	Adjuvant for ophthalmic operations	Total	2,285	2,304	2,154	2,672	2,189	-18.1%	2,414
		Japan	2,285	2,304	2,154	2,672	2,189	-18.1%	2,414
EYLEA*1 aflibercept/ solution for intravitreal injection	Intravitreal VEGF inhibitor	Total	45,155	51,517	56,157	60,138	64,454	7.2%	65,038
		Japan	45,155	51,517	56,157	60,138	64,454	7.2%	65,038
Hyalein sodium hyaluronate/ophthalmic solution	Dry eye	Total	17,595	18,170	18,902	17,609	18,420	4.6%	14,932
		Japan	11,852	10,772	8,763	7,849	6,967	-11.2%	5,893
		China	4,227	5,762	7,567	7,856	9,259	17.9%	6,918
		Asia	1,516	1,635	2,572	1,904	2,194	15.2%	2,121
Diquas diqafosol sodium/ophthalmic solution	Dry eye	Total	11,940	14,286	15,367	15,970	14,403	-9.8%	17,935
		Japan	11,016	12,822	13,932	14,257	12,283	-13.8%	13,249
		China	—	0	25	167	717	328.6%	2,782
		Asia	924	1,463	1,409	1,546	1,404	-9.2%	1,904
Ikervis ciclosporin/ophthalmic solution	Dry eye	Total	1,303	2,049	3,391	3,851	4,529	17.6%	5,553
		Asia	2	68	459	738	890	20.6%	1,368
		EMEA	1,301	1,981	2,932	3,113	3,638	16.9%	4,184
Cationorm	Dry eye	Total	1,835	2,092	2,512	2,912	3,062	5.2%	3,420
		Asia	116	199	168	265	256	-3.3%	337
		EMEA	1,439	1,670	1,989	2,092	1,969	-5.9%	2,315
		US	280	223	355	555	838	50.9%	768
Lentis comfort	Intraocular Lens for Cataract Treatment	Total	—	—	129	1,065	1,196	12.3%	2,058
		Japan	—	—	129	1,065	1,196	12.3%	2,058
PRESERFLO MicroShunt	Glaucoma implant device	Total	—	6	68	270	892	230.0%	1,500
		EMEA	—	6	68	270	892	230.0%	1,440
OTC pharmaceuticals		Total	12,553	14,594	14,223	12,034	9,410	-21.8%	10,000
		Japan	12,421	14,301	13,930	11,722	9,058	-22.7%	9,700
		Asia	132	293	293	312	352	12.7%	300

\*1 Co-promoted product of Bayer Yakuhin, Ltd. (MAH)

\* Forecasts in this reports are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions and others. Our full-year forecasts are converted to JPY based on our foreign exchange assumptions.



# Consolidated statement of financial position

(JPY millions)

Year ended March 31	2017/3		2018/3		2019/3		2020/3		2021/3	
	%		%		%		%		%	
<b>■Assets</b>										
<b>Non-current assets</b>										
Property, plant and equipment	28,550	8.0	29,706	7.6	31,699	8.1	35,601	8.7	39,489	9.8
Intangible assets	138,935	38.7	134,495	34.6	131,110	33.5	119,850	29.3	112,876	28.1
Financial assets	29,889	8.3	35,775	9.2	30,044	7.7	30,848	7.5	31,903	7.9
Retirement benefit asset	—	—	—	—	—	—	—	—	1,619	0.4
Investments from application of equity method	—	—	—	—	—	—	—	—	5,162	1.3
Deferred tax assets	2,396	0.7	2,264	0.6	1,771	0.5	2,100	0.5	2,824	0.7
Other non-current assets	2,124	0.6	2,855	0.7	1,819	0.5	1,813	0.4	2,249	0.6
<b>Total non-current assets</b>	<b>201,894</b>	<b>56.3</b>	<b>205,095</b>	<b>52.8</b>	<b>196,444</b>	<b>50.2</b>	<b>190,212</b>	<b>46.5</b>	<b>196,122</b>	<b>48.7</b>
<b>Current assets</b>										
Inventories	28,502	7.9	30,636	7.9	35,235	9.0	35,282	8.6	41,575	10.3
Trade and other receivables	70,970	19.8	78,654	20.2	84,618	21.6	86,999	21.3	95,992	23.9
Other financial assets	333	0.1	472	0.1	267	0.1	452	0.1	527	0.1
Other current assets	3,909	1.1	4,322	1.1	3,826	1.0	4,392	1.1	5,248	1.3
Cash and cash equivalents	53,297	14.8	69,283	17.8	70,796	18.1	91,430	22.4	62,888	15.6
<b>Total current assets</b>	<b>157,011</b>	<b>43.7</b>	<b>183,367</b>	<b>47.2</b>	<b>194,742</b>	<b>49.8</b>	<b>218,556</b>	<b>53.5</b>	<b>206,231</b>	<b>51.3</b>
<b>Total assets</b>	<b>358,906</b>	<b>100.0</b>	<b>388,463</b>	<b>100.0</b>	<b>391,186</b>	<b>100.0</b>	<b>408,768</b>	<b>100.0</b>	<b>402,353</b>	<b>100.0</b>
<b>■Equity and liabilities</b>										
<b>Equity</b>										
Share capital	7,792	2.2	8,032	2.1	8,252	2.1	8,366	2.0	8,525	2.1
Capital surplus	8,417	2.3	8,657	2.2	8,661	2.2	8,746	2.1	8,954	2.2
Treasury shares	-10	-0.0	-11	-0.0	-1,131	-0.3	-1,033	-0.3	-934	-0.2
Retained earnings	223,283	62.2	249,225	64.2	258,659	66.1	273,422	66.9	270,757	67.3
Other components of equity	15,628	4.4	19,921	5.1	16,461	4.2	13,364	3.3	20,283	5.0
<b>Total equity attributable to owners of the company</b>	<b>255,110</b>	<b>71.1</b>	<b>285,823</b>	<b>73.6</b>	<b>290,900</b>	<b>74.4</b>	<b>302,865</b>	<b>74.1</b>	<b>307,585</b>	<b>76.4</b>
<b>Non-controlling interests</b>	<b>819</b>	<b>0.2</b>	<b>1,734</b>	<b>0.4</b>	<b>1,672</b>	<b>0.4</b>	<b>-305</b>	<b>-0.1</b>	<b>-535</b>	<b>-0.1</b>
<b>Total equity</b>	<b>255,929</b>	<b>71.3</b>	<b>287,557</b>	<b>74.0</b>	<b>292,572</b>	<b>74.8</b>	<b>302,560</b>	<b>74.0</b>	<b>307,050</b>	<b>76.3</b>
<b>Liabilities</b>										
<b>Non-current liabilities</b>										
Financial liabilities	26,288	7.3	21,244	5.5	23,520	6.0	27,592	6.7	10,141	2.5
Net defined benefit liabilities	1,900	0.5	1,804	0.5	1,992	0.5	1,738	0.4	1,210	0.3
Provisions	1,426	0.4	1,367	0.4	1,255	0.3	570	0.1	600	0.1
Deferred tax liabilities	17,963	5.0	12,909	3.3	9,389	2.4	7,228	1.8	3,290	0.8
Other non-current liabilities	1,919	0.5	1,380	0.4	1,795	0.5	1,483	0.4	1,514	0.4
<b>Total non-current liabilities</b>	<b>49,496</b>	<b>13.8</b>	<b>38,704</b>	<b>10.0</b>	<b>37,951</b>	<b>9.7</b>	<b>38,611</b>	<b>9.4</b>	<b>16,754</b>	<b>4.2</b>
<b>Current liabilities</b>										
Trade and other payables	23,937	6.7	29,743	7.7	32,079	8.2	32,578	8.0	38,106	9.5
Other financial liabilities	17,649	4.9	14,404	3.7	12,116	3.1	18,777	4.6	23,739	5.9
Income tax payable	3,279	0.9	7,656	2.0	7,185	1.8	6,848	1.7	5,458	1.4
Provisions	1,372	0.4	1,508	0.4	717	0.2	633	0.2	819	0.2
Other current liabilities	7,244	2.0	8,890	2.3	8,566	2.2	8,761	2.1	10,428	2.6
<b>Total current liabilities</b>	<b>53,481</b>	<b>14.9</b>	<b>62,201</b>	<b>16.0</b>	<b>60,663</b>	<b>15.5</b>	<b>67,597</b>	<b>16.5</b>	<b>78,549</b>	<b>19.5</b>
<b>Total liabilities</b>	<b>102,977</b>	<b>28.7</b>	<b>100,905</b>	<b>26.0</b>	<b>98,614</b>	<b>25.2</b>	<b>106,208</b>	<b>26.0</b>	<b>95,303</b>	<b>23.7</b>
<b>Total equity and liabilities</b>	<b>358,906</b>	<b>100.0</b>	<b>388,463</b>	<b>100.0</b>	<b>391,186</b>	<b>100.0</b>	<b>408,768</b>	<b>100.0</b>	<b>402,353</b>	<b>100.0</b>

# Consolidated statements of cash flows

(JPY millions)

(FY)	2016	2017	2018	2019	2020
<b>I. Cash flows from operating activities:</b>					
Net profit for the year	21,724	35,261	31,943	21,714	6,645
Depreciation and amortization	9,882	10,896	10,969	16,573	16,768
Impairment losses	475	150	—	5,825	40,664
Shares of loss (profit) of entities accounted for using equity method	—	—	—	—	358
Gain on disposal of non-current assets	—	—	(3,592)	(0)	(7)
Finance expenses (income)	983	(327)	(700)	(592)	(609)
Income tax expenses	8,331	4,000	11,174	10,377	5,773
Decrease (increase) in trade and other receivables	(5,489)	(7,116)	(6,303)	(3,054)	(7,514)
Decrease (increase) in inventories	(4,120)	(1,435)	(5,000)	(981)	(4,590)
Increase (decrease) in trade and other payables	(425)	5,697	2,445	717	4,948
Increase (decrease) in provisions and net defined benefit liabilities	(200)	285	(518)	(1,242)	(176)
Increase (decrease) in accounts payable-other	—	961	1,181	1,305	3,199
Increase (decrease) in long-term accounts payable-other	—	17	1,885	1,279	(17,344)
Other	2,877	728	2,116	1,584	3,000
Subtotal	34,039	49,117	45,601	53,506	51,115
Interest received	74	145	187	200	195
Dividends received	681	598	521	581	490
Interest paid	(52)	(27)	(8)	(190)	(159)
Income tax paid	(23,900)	(6,990)	(13,408)	(14,149)	(12,834)
<b>Net cash flows from (used in) operating activities</b>	<b>10,843</b>	<b>42,843</b>	<b>32,894</b>	<b>39,947</b>	<b>38,808</b>
<b>II. Cash flows from investing activities:</b>					
Proceeds from withdrawal of time deposits	19	—	—	—	—
Payments for acquisition of investments	(478)	(565)	(931)	(398)	(3,384)
Proceeds from sale of investments	1,364	2,879	2,156	3,503	3,070
Increase (decrease) through acquisition of subsidiary	(19,064)	—	—	—	(23,834)
Payments for acquisition of investments accounted for using equity method	—	—	—	—	(5,349)
Payments for acquisition of property, plant and equipment	(4,145)	(3,984)	(5,470)	(5,824)	(4,139)
Proceeds from sales of property, plant and equipment	4	—	4,338	0	6
Payments for acquisition of intangible assets	(5,355)	(5,953)	(2,863)	(3,404)	(19,665)
Other	(545)	(636)	(166)	949	(61)
<b>Net cash flows from (used in) investing activities</b>	<b>(28,201)</b>	<b>(8,259)</b>	<b>(2,935)</b>	<b>(5,175)</b>	<b>(53,355)</b>
<b>III. Cash flows from financing activities:</b>					
Proceeds from long-term loans payable	3,000	—	567	1,477	307
Repayments of long-term loans payable	(9,524)	(8,316)	(4,098)	(500)	(3,000)
Acquisition of treasury shares	(12,380)	(1)	(14,124)	(22)	(4)
Proceeds from contributions of non-controlling interests	832	838	—	—	—
Dividends paid	(10,751)	(10,559)	(10,580)	(10,379)	(11,188)
Repayments of lease obligations	—	—	(4)	(2,859)	(2,952)
Other	167	408	132	(447)	152
<b>Net cash flows from (used in) financing activities</b>	<b>(28,657)</b>	<b>(17,631)</b>	<b>(28,107)</b>	<b>(12,729)</b>	<b>(16,685)</b>
<b>IV. Net increase (decrease) in cash and cash equivalents</b>	<b>(46,015)</b>	<b>16,953</b>	<b>1,852</b>	<b>22,044</b>	<b>(31,232)</b>
<b>V. Cash and cash equivalents at the beginning of year</b>	<b>99,798</b>	<b>52,282</b>	<b>69,283</b>	<b>70,796</b>	<b>91,430</b>
<b>VI. Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1,501)</b>	<b>48</b>	<b>(338)</b>	<b>(1,410)</b>	<b>2,690</b>
<b>VII. Cash and cash equivalents at the end of period</b>	<b>52,282</b>	<b>69,283</b>	<b>70,796</b>	<b>91,430</b>	<b>62,888</b>

## Other consolidated information

### ■R&D expenses

(JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Consolidated	22,786	24,398	23,759	23,341	24,112	26,000
Percent of revenue	11.4%	10.8%	10.2%	9.7%	9.7%	10.0%

### ■Capital expenditures

(JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Consolidated	5,216	5,445	7,220	8,971	11,281	30,000

Note: Excluding the increase in right-of-use assets.

### ■Depreciation and amortization

(JPY millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Manufacturing cost	1,515	1,950	1,872	2,144	2,267	2,170
Selling, general and administrative expenses	1,246	1,453	1,478	1,462	1,533	1,970
R&D expenses	709	752	631	661	604	680
Consolidated total	3,470	4,155	3,981	4,267	4,404	4,820

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 millions)

(FY)	2016	2017	2018	2019	2020	2021 Forecast
Amortization on intangible assets (Merck products)	5,357	5,592	5,808	5,808	5,808	5,740
Amortization on intangible assets (DE-128 <sup>#1</sup> )	—	—	—	2,798	2,725	820
Amortization on intangible assets (Ikervis)	674	736	727	684	701	710
Other	381	412	453	608	687	1,630
Consolidated total	6,412	6,740	6,988	9,898	9,920	8,900

<sup>#1</sup> DE-128 (PRESERFLO MicroShunt)

### ■Additional detail of statement of financial position

(JPY millions)

(FY)	2016	2017	2018	2019	2020
In-process research and development	54,818	54,311	55,863	10,319	24,463
Investment securities	28,615	34,713	28,786	29,568	28,988
Inventories	28,502	30,636	35,235	35,282	41,575
Notes and accounts receivable	68,829	76,318	82,173	84,429	93,284
Notes and accounts payable <sup>#2</sup>	17,883	22,471	23,101	21,887	24,258

<sup>#2</sup> Including electronically recorded monetary liabilities

### ■Number of employees

Year ended March 31	2017/3	2018/3	2019/3	2020/3	2021/3
Japan	1,975	2,015	2,001	1,994	2,004
China	591	652	753	808	790
Asia	219	255	352	382	396
EMEA	669	651	738	667	690
Americas	213	232	229	257	349
Consolidated	3,667	3,805	4,073	4,108	4,229

# Quarterly consolidated statements of income

■ Core basis (JPY millions)

	FY2019					FY2020					FY2021 Full Forecast
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	
Revenue	59,136	59,639	63,551	59,230	241,555	57,563	61,342	62,881	67,819	249,605	260,000
(Percent of revenue)	4.7%	3.1%	8.0%	-2.6%	3.2%	-2.7%	2.9%	-1.1%	14.5%	3.3%	4.2%
Cost of sales	-24,120	-24,182	-26,056	-20,474	-94,831	-24,741	-24,964	-26,192	-22,324	-98,221	-101,000
YoY	4.8%	6.3%	8.4%	-2.3%	4.5%	2.6%	3.2%	0.5%	9.0%	3.6%	2.8%
(Percent of revenue)	40.8%	40.5%	41.0%	34.6%	39.3%	43.0%	40.7%	41.7%	32.9%	39.4%	38.8%
Gross profit	35,016	35,457	37,495	38,756	146,724	32,822	36,377	36,690	45,495	151,384	159,000
YoY	4.6%	1.0%	7.7%	-2.8%	2.4%	-6.3%	2.6%	-2.1%	17.4%	3.2%	5.0%
(Percent of revenue)	59.2%	59.5%	59.0%	65.4%	60.7%	57.0%	59.3%	58.3%	67.1%	60.6%	61.2%
Operating profit	12,794	12,844	12,342	12,043	50,023	11,655	14,035	10,738	13,673	50,101	52,000
YoY	9.6%	3.0%	12.7%	-8.4%	3.7%	-8.9%	9.3%	-13.0%	13.5%	0.2%	3.8%
(Percent of revenue)	21.6%	21.5%	19.4%	20.3%	20.7%	20.2%	22.9%	17.1%	20.2%	20.1%	20.0%
Net profit for the period	9,671	9,123	8,412	8,688	35,894	8,807	10,880	8,653	9,210	37,549	39,000
YoY	12.1%	-0.5%	7.1%	-16.8%	-0.5%	-8.9%	19.3%	2.9%	6.0%	4.6%	3.9%
(Percent of revenue)	16.4%	15.3%	13.2%	14.7%	14.9%	15.3%	17.7%	13.8%	13.6%	15.0%	15.0%

■ IFRS (JPY millions)

	FY2019					FY2020					FY2021 Full Forecast
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	
Revenue	59,136	59,639	63,551	59,230	241,555	57,563	61,342	62,881	67,819	249,605	260,000
YoY	4.7%	3.1%	8.0%	-2.6%	3.2%	-2.7%	2.9%	-1.1%	14.5%	3.3%	4.2%
Cost of sales	-24,120	-24,182	-26,056	-20,474	-94,831	-24,741	-24,964	-26,192	-22,324	-98,221	-101,000
YoY	4.8%	6.3%	8.4%	-2.3%	4.5%	2.6%	3.2%	0.5%	9.0%	3.6%	2.8%
(Percent of revenue)	40.8%	40.5%	41.0%	34.6%	39.3%	43.0%	40.7%	41.7%	32.9%	39.4%	38.8%
Gross profit	35,016	35,457	37,495	38,756	146,724	32,822	36,377	36,690	45,495	151,384	159,000
YoY	4.6%	1.0%	7.7%	-2.8%	2.4%	-6.3%	2.6%	-2.1%	17.4%	3.2%	5.0%
(Percent of revenue)	59.2%	59.5%	59.0%	65.4%	60.7%	57.0%	59.3%	58.3%	67.1%	60.6%	61.2%
SG&A expenses	-16,047	-17,375	-19,413	-20,525	-73,360	-15,551	-17,691	-19,579	-26,732	-79,554	-81,000
YoY	-0.8%	0.4%	9.4%	2.4%	2.9%	-3.1%	1.8%	0.9%	30.2%	8.4%	5.0%
(Percent of revenue)	27.1%	29.1%	30.5%	34.7%	30.4%	27.0%	28.8%	31.1%	39.4%	31.9%	31.2%
R&D expenses	-6,174	-5,238	-5,741	-6,188	-23,341	-5,616	-5,507	-6,530	-6,459	-24,112	-26,000
YoY	9.9%	2.0%	-6.3%	-7.2%	-1.8%	-9.0%	5.1%	13.8%	4.4%	3.3%	7.8%
(Percent of revenue)	10.4%	8.8%	9.0%	10.4%	9.7%	9.8%	9.0%	10.4%	9.5%	9.7%	10.0%
Amortization on intangible assets associated with products	-2,477	-2,459	-2,476	-2,486	-9,898	-2,448	-2,430	-2,503	-2,539	-9,920	-8,900
YoY	42.5%	41.8%	40.7%	41.6%	41.6%	-1.2%	-1.2%	1.1%	2.1%	0.2%	-10.3%
(Percent of revenue)	4.2%	4.1%	3.9%	4.2%	4.1%	4.3%	4.0%	4.0%	3.7%	4.0%	3.4%
Other income	101	60	129	101	390	176	174	174	15,483	16,007	500
Other expenses	-1,172	-679	-64	-5,066	-6,980	-1,367	-253	330	-39,599	-40,889	-1,700
Operating profit	9,246	9,766	9,931	4,592	33,535	8,016	10,670	8,581	-14,351	12,917	41,500
YoY	-7.7%	-9.7%	-22.6%	-59.9%	-25.6%	-13.3%	9.3%	-13.6%	—	-61.5%	221.3%
(Percent of revenue)	15.6%	16.4%	15.6%	7.8%	13.9%	13.9%	17.4%	13.6%	—	5.2%	16.0%
Finance income	441	77	357	76	950	530	36	450	330	1,346	900
Finance expenses	-684	-437	268	-1,540	-2,393	-187	-695	-264	-341	-1,488	-200
Share of loss of investments accounted for using equity method	—	—	—	—	—	—	-17	-158	-183	-358	1,200
Profit before tax	9,002	9,406	10,556	3,128	32,091	8,359	9,994	8,609	-14,545	12,418	41,000
YoY	-4.8%	-9.0%	-16.3%	-70.8%	-25.6%	-7.1%	6.3%	-18.4%	—	-61.3%	230.2%
(Percent of revenue)	15.2%	15.8%	16.6%	5.3%	13.3%	14.5%	16.3%	13.7%	—	5.0%	15.8%
Income tax expenses	-2,612	-2,667	-3,406	-1,691	-10,377	-2,235	-2,420	-1,362	244	-5,773	105.00
Net profit for the period	6,390	6,739	7,149	1,436	21,714	6,124	7,575	7,248	-14,301	6,645	30,500
YoY	-6.7%	-10.4%	-20.5%	-83.2%	-32.0%	-4.2%	12.4%	1.4%	—	-69.4%	359.0%
(Percent of revenue)	10.8%	11.3%	11.2%	2.4%	9.0%	10.6%	12.3%	11.5%	—	2.7%	11.7%
Owners of the company	6,399	6,749	7,152	3,318	23,618	6,189	7,624	7,304	-14,286	6,830	30,800
Non-controlling interests	-9	-11	-3	-1,881	-1,904	-65	-50	-56	-15	-185	-300

## Quarterly revenue details

### ■Revenue by business segment

(JPY millions)

	FY2019					FY2020					FY2021
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	54,247	55,235	59,227	55,875	224,584	54,336	57,150	59,030	64,171	234,687	244,000
YoY	4.2%	4.5%	9.1%	-1.7%	4.0%	0.2%	3.5%	-0.3%	14.8%	4.5%	4.0%
OTC pharmaceuticals	3,713	2,998	3,135	2,189	12,034	2,043	2,961	2,382	2,024	9,410	10,000
YoY	5.6%	-26.0%	-14.4%	-26.9%	-15.4%	-45.0%	-1.2%	-24.0%	-7.5%	-21.8%	6.3%
Medical devices	834	1,004	851	826	3,515	827	889	1,071	1,249	4,037	5,000
Others	343	402	338	340	1,422	357	341	398	375	1,471	1,000
Total	59,136	59,639	63,551	59,230	241,555	57,563	61,342	62,881	67,819	249,605	260,000
YoY	4.7%	3.1%	8.0%	-2.6%	3.2%	-2.7%	2.9%	-1.1%	14.5%	3.3%	4.2%

### [Japan]

(JPY millions)

	FY2019					FY2020					FY2021
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	33,584	34,918	39,341	41,000	148,842	35,078	36,075	38,992	45,662	155,807	156,100
YoY	-0.4%	4.9%	6.2%	5.4%	4.1%	4.4%	3.3%	-0.9%	11.4%	4.7%	0.2%
OTC pharmaceuticals	3,637	2,919	3,060	2,106	11,722	1,975	2,851	2,303	1,928	9,058	9,700
YoY	5.3%	-26.4%	-14.9%	-27.8%	-15.8%	-45.7%	-2.3%	-24.7%	-8.4%	-22.7%	7.1%
Medical devices	729	891	753	806	3,179	645	690	784	806	2,926	3,400
Others	316	354	311	300	1,281	317	318	358	349	1,343	800
Total	38,265	39,082	43,465	44,212	165,024	38,016	39,934	42,438	48,746	169,133	170,000
YoY	0.6%	2.4%	4.8%	3.4%	2.8%	-0.7%	2.2%	-2.4%	10.3%	2.5%	0.5%

### [Overseas]

(JPY millions)

	FY2019					FY2020					FY2021
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Prescription pharmaceuticals	20,663	20,318	19,887	14,875	75,742	19,258	21,076	20,037	18,510	78,880	87,900
YoY	12.8%	3.8%	15.2%	-17.0%	3.6%	-6.8%	3.7%	0.8%	24.4%	4.1%	11.4%
OTC pharmaceuticals	76	78	75	83	312	67	110	79	96	352	300
YoY	25.5%	-10.8%	9.9%	8.2%	6.5%	-11.2%	40.4%	5.1%	15.1%	12.7%	-14.7%
Medical devices	105	113	98	21	336	182	199	287	443	1,111	1,600
Others	27	48	26	40	141	40	23	40	25	129	200
Total	20,870	20,557	20,086	15,018	76,531	19,547	21,408	20,443	19,074	80,472	90,000
YoY	13.2%	4.4%	15.6%	-16.9%	4.0%	-6.3%	4.1%	1.8%	27.0%	5.1%	11.8%

### ■Revenue by region (Overseas)

(JPY millions)

	FY2019					FY2020					FY2021
	Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
China	6,753	6,958	5,659	2,950	22,321	5,806	6,952	5,570	5,021	23,349	27,000
YoY	26.3%	9.4%	23.8%	-42.0%	4.5%	-14.0%	-0.1%	-1.6%	70.2%	4.6%	15.6%
Asia (Not including China)	4,453	4,311	3,899	3,832	16,496	3,953	5,244	4,117	3,902	17,216	19,000
YoY	19.9%	-5.3%	10.3%	3.1%	6.3%	-11.2%	21.6%	5.6%	1.8%	4.4%	10.4%
EMEA	9,456	8,944	10,481	8,098	36,979	9,566	8,859	10,021	9,450	37,896	40,000
YoY	1.8%	2.9%	15.5%	-11.0%	2.3%	1.2%	-0.9%	-4.4%	16.7%	2.5%	5.6%
Americas	208	344	46	137	735	222	353	736	701	2,011	4,000
YoY	116.1%	311.2%	-76.4%	-13.1%	38.0%	6.6%	2.4%	-	411.7%	173.5%	98.9%

# Quarterly revenue details

## Revenue of major products

(JPY millions)

Brand name (Therapeutic category)	Region	FY2019					FY2020					FY2021
		Q1	Q2	Q3	Q4	Full	Q1	Q2	Q3	Q4	Full	Full Forecast
Cravit (Bacterial conjunctivitis)	Total	4,549	4,447	3,848	2,337	15,181	3,291	4,286	2,874	2,200	12,650	12,147
	Japan	722	709	671	470	2,571	521	557	528	365	1,971	1,592
	China	2,997	2,957	2,436	1,119	9,509	2,186	2,760	1,661	1,321	7,927	7,859
	Asia	448	408	407	464	1,726	386	712	313	311	1,722	1,786
	EMEA	384	374	334	284	1,375	197	257	372	203	1,029	910
Tarivid (Bacterial conjunctivitis)	Total	410	372	377	314	1,472	319	598	288	222	1,427	1,215
Japan	112	119	108	75	414	89	99	88	61	337	279	
	China	179	184	140	82	585	149	179	180	176	683	688
	Asia	119	69	129	157	473	82	320	20	-15	406	247
Tapcom (Glaucoma)	Total	1,356	1,257	1,572	1,220	5,405	1,529	1,430	1,683	1,394	6,036	6,566
Japan	668	617	722	513	2,521	685	651	729	539	2,604	2,403	
Asia	98	88	107	91	383	122	108	162	155	546	763	
EMEA	590	552	743	617	2,501	722	671	793	700	2,886	3,399	
Tapros (Glaucoma)	Total	4,662	4,363	5,033	3,844	17,901	4,672	4,444	4,806	3,994	17,915	20,564
Japan	2,396	2,316	2,556	1,855	9,123	2,372	2,233	2,417	1,687	8,709	8,738	
China	85	80	146	84	395	114	117	157	215	602	2,788	
Asia	502	459	477	454	1,892	461	493	468	485	1,907	2,105	
EMEA	1,678	1,508	1,853	1,451	6,491	1,725	1,602	1,763	1,606	6,696	6,933	
Cosopt (Glaucoma)	Total	5,398	5,064	5,899	4,684	21,045	5,609	5,119	5,424	4,725	20,877	19,597
Japan	1,977	1,815	2,214	1,718	7,723	2,042	1,775	1,851	1,272	6,940	5,173	
Asia	1,047	986	999	1,020	4,052	1,050	1,051	1,156	1,205	4,462	4,778	
EMEA	2,374	2,263	2,686	1,947	9,270	2,516	2,293	2,417	2,248	9,475	9,646	
Timoptol *Including Timoptol XE (Glaucoma)	Total	682	603	683	537	2,504	614	517	592	472	2,196	1,859
Japan	377	333	387	252	1,349	322	295	311	210	1,137	789	
Asia	68	49	51	57	226	92	27	72	73	264	294	
EMEA	236	220	245	228	929	200	196	209	190	794	777	
Trusopt (Glaucoma)	Total	1,159	1,120	1,272	873	4,424	1,082	1,181	1,167	936	4,365	3,862
Japan	362	340	373	275	1,350	350	320	331	226	1,227	1,009	
Asia	117	111	102	81	411	67	111	80	86	344	308	
EMEA	680	669	797	517	2,663	664	750	756	623	2,794	2,546	
Eybelis (Glaucoma)	Total	285	352	544	448	1,629	589	619	734	594	2,536	3,696
Japan	285	352	544	448	1,629	589	619	734	574	2,516	3,612	
Alesion *Including Alesion LX (Allergy)	Total	2,120	2,813	5,035	14,948	24,916	3,047	4,647	4,978	20,080	32,752	32,368
Japan	2,120	2,813	5,035	14,948	24,916	3,047	4,647	4,978	20,062	32,733	32,225	
Asia	—	—	—	—	—	—	—	—	19	19	143	
Total	808	977	596	615	2,996	650	817	654	691	2,812	2,961	
Flumetholon (Inflammation)	Japan	305	319	318	330	1,272	242	253	249	308	1,052	924
China	381	446	203	213	1,243	325	485	263	319	1,392	1,676	
Asia	122	213	75	72	482	83	79	142	64	368	361	
Pirenoxine Ophthalmic Suspension (Former sales name: Kary Uni) (Senile cataract)	Total	1,000	1,110	1,108	838	4,056	974	1,081	1,042	899	3,995	4,025
Japan	647	680	676	498	2,501	616	629	666	481	2,391	2,354	
China	148	222	223	110	704	189	208	184	190	771	717	
Asia	205	208	209	230	852	169	244	192	227	832	954	
Oftan Catachrom (Senile cataract)	Total	589	644	713	295	2,241	870	196	318	446	1,830	1,767
EMEA	589	644	713	295	2,241	870	196	318	446	1,830	1,767	
Sodium Hyaluronate Ophthalmic Viscoelastic Preparation (Former sales name: Opegan Hi) (Adjuvant for ophthalmic operations)	Total	567	616	909	579	2,672	527	558	665	439	2,189	2,414
Japan	567	616	909	579	2,672	527	558	665	439	2,189	2,414	
EYLEA <sup>TM</sup> (Intravitreal VEGF inhibitor)	Total	15,148	15,603	16,674	12,713	60,138	16,802	16,491	17,662	13,498	64,454	65,038
Japan	15,148	15,603	16,674	12,713	60,138	16,802	16,491	17,662	13,498	64,454	65,038	
Hyalein (Dry eye)	Total	4,948	5,121	4,537	3,002	17,609	4,523	5,185	5,023	3,689	18,420	14,932
	Japan	2,139	1,971	2,189	1,549	7,849	1,815	1,789	1,972	1,392	6,967	5,893
	China	2,417	2,455	1,954	1,029	7,856	2,349	2,425	2,431	2,054	9,259	6,918
	Asia	392	695	394	423	1,904	359	972	620	243	2,194	2,121
Total	4,434	4,582	3,880	3,075	15,970	3,551	3,558	4,004	3,291	14,403	17,935	
Diquas (Dry eye)	Japan	3,605	4,168	3,605	2,879	14,257	3,012	3,069	3,540	2,663	12,283	13,249
	China	30	51	58	28	167	71	172	167	307	717	2,782
	Asia	799	363	217	168	1,546	468	317	297	322	1,404	1,904
Total	920	852	1,083	997	3,851	939	1,137	1,260	1,192	4,529	5,553	
Ikervis (Dry eye)	Asia	171	189	201	178	738	191	226	230	243	890	1,368
	EMEA	749	663	882	819	3,113	748	912	1,029	949	3,638	4,184
Total	715	874	637	687	2,912	672	933	761	696	3,062	3,420	
Cationorm (Dry eye)	Asia	47	73	99	45	265	71	54	74	57	256	337
	EMEA	500	508	539	546	2,092	438	586	470	475	1,969	2,315
	US	168	292	-1	96	555	163	293	218	165	838	768
Total	183	291	299	292	1,065	215	250	364	367	1,196	2,058	
Japan	183	291	299	292	1,065	215	250	364	367	1,196	2,058	
PRESEFLO MicroShunt (Glaucoma implant device)	Total	87	84	96	36	270	174	182	273	263	892	1,500
EMEA	87	84	96	3	270	174	182	273	263	892	1,440	
OTC pharmaceuticals	Total	3,713	2,998	3,135	2,189	12,034	2,043	2,961	2,382	2,024	9,410	10,000
	Japan	3,637	2,919	3,060	2,106	11,722	1,975	2,851	2,303	1,928	9,058	9,700
	Asia	76	78	75	83	312	67	110	79	96	352	300

\*1 Co-promoted product of Bayer Yakuhin, Ltd. (MAH)

\* Forecasts in this reports are based on the currently available information. Actual results may differ materially depending on a number of factors including adverse economic conditions and others. Our full-year forecasts are converted to JPY based on our foreign exchange assumptions.

## Pharmaceutical market in Japan

### ■Revision of National Health Insurance (NHI) drug prices

Revision of NHI drug prices: In Japan, drug prices are generally revised every two years to reflect their market price. The drugs marketed at lower actual market prices will bear larger reduction margins at the revision (Chart below shows the change rate from the drug price before revision). Since 2021, the price revision review process has been implemented in the off-year between each biennial revision. (Approximately 70% of all products included on the NHI reimbursement list were subject to price adjustment in 2021)

	2011 Apr	2012 Apr	2013 Apr	2014 Apr	2015 Apr	2016 Apr	2017 Apr	2018 Apr	2019 Apr	2019 Oct	2020 Apr	2021 Apr
Industry average	-	-6.25%	-	-2.7%	-	-5.57%* <sup>1</sup>	-	-7.48%	-	-2.4%	-4.38%	-* <sup>3</sup>
Santen	-	high -5%	-	high -1%	-	early -7%* <sup>2</sup>	-	mid -4%	-	under -1%	early -3%	early -2%

\*<sup>1</sup> Excluding market expansion re-pricing -0.9%

\*<sup>2</sup> Mid -4% price cut in 2016 excluding impact of Eylea price cut.

\*<sup>3</sup> Not announced by the Ministry of Health, Labour and Welfare.

### ■Market shares by therapeutic area - prescription ophthalmics\*<sup>4</sup>

No.1 position in ophthalmology market and major therapeutic areas (glaucoma treatments, corneal disease, anti-infective, anti-allergy and retinal disorders).

		(JPY billions)				
(FY)		2016	2017	2018	2019	2020
Glaucoma treatments	Share	32.2%	31.2%	30.1%	29.5%	29.5%
	Market	114.3	114.9	109.8	107.4	105.1
Corneal disease treatments	Share	62.7%	62.2%	61.5%	60.7%	57.3%
	Market	45.5	46.6	45.7	46.1	42.4
Anti-infective	Share	44.1%	40.0%	35.1%	32.1%	32.8%
	Market	14.6	13.9	12.6	11.4	8.6
Anti-allergy	Share	42.9%	47.9%	52.2%	62.0%	70.3%
	Market	37.7	42.9	47.3	48.0	60.5
Retinal disorders	Share	70.8%	70.1%	70.4%	70.2%	71.6%
	Market	76.2	87.4	95.9	105.4	110.4
Others	Share	27.1%	27.3%	27.4%	27.1%	27.1%
	Market	57.2	57.5	53.9	55.7	51.8
Total	Share	45.5%	46.2%	47.3%	48.7%	51.1%
	Market	345.5	363.3	365.2	374.1	378.7

Notes: On an NHI drug price basis.

\*<sup>4</sup> Including co-promoted product (Anti-VEGF EYLEA) of Bayer Yakuhin, Ltd. (MAH)

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