Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (IFRS)

Listed Company Name:	Santen Pharmaceutical Co.,Ltd
Exchanges Listed:	Tokyo (Prime Market)
Stock Code:	4536
URL:	https://www.santen.com/en
Representative:	Takeshi Ito, President and CEO
Contact:	Guillaume Sakuma, Global Head of IR (+81-6-7664-8621)
Filing of Securities Report (Scheduled):	August 7, 2025
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, 2025

(1) Operating Results

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change
Revenue	74,771	68,737	(8.1%)
Core operating profit	15,882	9,707	(38.9%)
Operating profit	13,155	7,573	(42.4%)
Net profit for the period	10,607	5,863	(44.7%)
Net profit for the period attributable to owners of the company	10,633	5,878	(44.7%)
Total comprehensive income for the period	18,590	9,328	(49.8%)
Basic earnings per share (yen)	29.59	17.32	
Diluted earnings per share (yen)	29.50	17.28	

(2) Financial Position

	March 31, 2025	June 30, 2025
Total assets	409,277	408,123
Total equity	285,181	280,214
Total equity attributable to owners of the company	286,242	281,265
Total equity attributable to owners of the company ratio (%)	69.9	68.9
Equity per share attributable to owners of the company (yen)	839.20	836.51

2. Dividends

	Year to March 2025	Year to March 2026	(Forecasts) Year to March 2026
First quarter dividends per share (yen)	—	—	—
Second quarter dividends per share (yen)	17.00	—	19.00
Third quarter dividends per share (yen)	—	—	—
Year-end dividends per share (yen)	19.00	—	19.00
Annual dividends per share (yen)	36.00	—	38.00

(Note):

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

3. Consolidated Forecasts of Results for the Fiscal Year Ending March 31, 2026

	Year to March 2026	Change
Revenue	294,000	(2.0%)
Core operating profit	54,000	(9.1%)
Operating profit	44,000	(6.1%)
Net profit for the year	33,500	(6.6%)
Net profit for the period attributable to owners of the company	34,000	(6.2%)
Basic earnings per share (yen)	102.66	(1.3%)

(Note):

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

1. Presentation of figures on a core basis has been revised from the fiscal year ended March 31, 2025.
2. 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.
3. At a meeting of the Board of Directors on May 13, 2025, the Board resolved to undertake a share repurchase. The share repurchase has been factored into the basic earnings per share forecasts.

*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, 2025	342,059,554 shares
March 31, 2025	342,055,554 shares

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

June 30, 2025	5,603,415 shares
March 31, 2025	691,515 shares

(iii) Average number of outstanding shares

June 30, 2025	339,167,250 shares
June 30, 2024	359,145,969 shares

(Note):
The number of treasury shares at the end of the period includes shares (59,329 shares for the fiscal year ended March 31, 2025 and 592,329 shares at the first quarter of the fiscal year ending March 31, 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 7, 2025. The materials used in this briefing will be posted on our website.

Accompanying Materials – Contents

1. Summary of Consolidated Results and Others

(1) Summary of Consolidated Results for Period

(I) Consolidated Results

(JPY billions)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year change
Revenue	74.8	68.7	(8.1%)
Core operating profit[*1]	15.9	9.7	(38.9%)
Operating profit	13.2	7.6	(42.4%)
Net profit for the period	10.6	5.9	(44.7%)
Net profit for the period attributable to owners of the company	10.6	5.9	(44.7%)
EBITDA[*2]	18.2	12.0	(33.7%)

[Revenue]

Revenue in the three months ended June 30, 2025 decreased by 8.1% year-on-year to ¥68.7 billion. This was mainly due to the focus on expanding sales of new and mainstay products despite the impact of NHI price revisions and adjustments to channel inventory levels.

◇ Japan

Revenue in the three months ended June 30, 2025 decreased by 9.6% year-on-year to ¥36.6 billion.
NHI price revisions at the high end of the 1% level and the absence of the strong performance of *Alesion* products at the end of the previous fiscal year were partially offset by the focus on growing mainstay products such as *RYJUSEA Mini* which was launched in April 2025, *EYLEA* kit for IVT inj. 114.3mg/mL which was launched in May 2025 and *Alesion* eyelid cream. Within total Japan revenue, revenue from OTC (excluding China and Asia) increased by 21.4% year-on-year to ¥3.0 billion.

◇ China

On a JPY basis, revenue in the three months ended June 30, 2025 decreased by 20.9% year-on-year (-14.0% excluding FX impact) to ¥6.3 billion. This was mainly due to the impact of adjustments to channel inventory levels. Starting this fiscal year, Hong Kong is included in the China segment rather than the Asia segment. For reference, the calculation of the year-on-year growth rate takes into account this change.

◇ Asia (excluding China)

On a JPY basis, revenue in the three months ended June 30, 2025 decreased by 4.3% year-on-year (+2.8% excluding FX impact) to ¥6.8 billion. This was due to an increased competition in South Korea glaucoma market despite the steady growth of glaucoma and dry eye products sold in Southeast Asia.

◇ EMEA[*3]

On a JPY basis, revenue in the three months ended June 30, 2025 decreased by 0.2% year-on-year (+2.2% excluding FX impact) to ¥18.6 billion. This was mainly due to the focus on building leadership positions in the glaucoma and dry eye fields.

[Core operating profit]

Gross profit in the three months ended June 30, 2025 decreased by 13.2 % year-on-year to ¥37.1 billion.
SG&A expenses in the three months ended June 30, 2025 decreased by 0.8% year-on-year (+2.0% excluding FX impact) to ¥21.2 billion.
R&D expenses in the three months ended June 30, 2025 increased by 12.8% year-on-year (+16.9% excluding FX impact) to ¥6.2 billion.

As a result, operating profit on a core basis in the three months ended June 30, 2025 decreased by 38.9% year-on-year (-37.1% excluding FX impact) to ¥9.7 billion.

[Operating profit]

Amortization on intangible assets associated with products in the three months ended June 30, 2025 decreased by 10.6% year-on-year (-8.8% excluding FX impact) to ¥2.2 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, *Ikervis* which was launched in Europe in 2015, and *Rhopressa* / *Rocklatan* which Santen began selling in Europe in 2023 and Asia in 2024.

Other income amounted to ¥0.2 billion.
Other expenses amounted to ¥0.1 billion.

As a result, operating profit on an IFRS basis in the three months ended June 30, 2025 decreased by 42.4 % year-on-year (-40.5% excluding FX impact) to ¥7.6 billion.

[Net profit for the period]

Finance income amounted to ¥0.6 billion.
Finance expenses amounted to ¥0.7 billion.
Income tax expenses amounted to ¥1.6 billion, down ¥1.3 billion year-on-year. This was mainly due to the decrease of profit before tax as a result of the aforementioned decrease in operating profit on an IFRS basis.

As a result, net profit for the period ended June 30, 2025 decreased by 44.7% year-on-year to ¥5.9 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, 2025 decreased by 44.7% year-on-year to ¥5.9 billion. The ratio to revenue was 8.6%.

*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 from IFRS results.

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

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

*3 Europe, Middle East and Africa.

(II) Research & Development Activities

<Glaucoma and ocular hypertension area>

STN1011101 (DE-111A, generic name: tafluprost / timolol maleate) is a fixed dose combination drug of a prostaglandin F_{2a} derivative and a beta-adrenergic receptor blocker. The Company received marketing approval in March 2025 in China.

STN1011702 (generic name: omidenepag isopropyl) is an EP2 receptor agonist. Phase 3 trial was started in November 2024 in China.

STN1012600 (DE-126, generic name: sepetaprost) is a dual agonist that activates both FP and EP3 receptors. An additional Phase 2 trial was completed in December 2021 in the U.S.. The Company filed for manufacturing and marketing approval in September 2024 in Japan. Phase 2 trial (exploratory study) was completed in Europe.

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

STN1013900 (AR-13324, generic name: netarsudil mesylate) is a ROCK inhibitor. The Company filed as a ROCK/NET inhibitor for manufacturing and marketing approval in July 2025 in Japan. 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.

STN1014000 (PG-324, generic name: netarsudil mesylate / latanoprost) is a fixed dose combination drug of a ROCK inhibitor and a prostaglandin $F_{2\alpha}$ derivative. Marketing approval has been received in Europe and the Company has launched the product in Germany and other countries from January 2023 onward. The Company has successively received marketing approval in Asian countries and launched in March 2025 in Singapore.

STN1014003 (generic name: netarsudil mesylate / latanoprost) is a fixed dose combination drug of a ROCK inhibitor and a prostaglandin $F_{2\alpha}$ derivative. Phase 3 trial was started in February 2025 in Japan.

<Keratoconjunctival disease area including dry eye>

STN1007603 (DE-076C, generic name: ciclosporin) for vernal keratoconjunctivitis has been approved and launched in Europe and Asia. Marketing approval has been received in April 2022 in China.

STN1014100 (generic name: olodaterol hydrochloride) is for the treatment of dry eye. Phase 2b trial was started in May 2025 in Japan.

STN1010904* (generic name: sirolimus) is for the treatment of Fuchs endothelial corneal dystrophy. The Company has executed a joint development agreement with ActualEyes Inc. Phase 2a trial has been under way in the U.S., France and India since May 2022. (*The development code (STN1010904) is due to be assigned to the product when Santen obtains an exclusive license upon completion of Phase 2 clinical trial.)

STN1010905 (generic name: sirolimus) is for the treatment of meibomian gland dysfunction. Phase 2a trial has been under way since June 2024 in Japan.

STN1011402 (generic name: epinastine hydrochloride) is an eyelid cream for the treatment of allergic conjunctivitis. The Company launched the product in May 2024 in Japan.

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 March 2025 in China.

<Refractive disorder>

STN1012700 (DE-127, generic name: atropine sulfate) is for the treatment of myopia in children. The Company launched the product in April 2025 in Japan. Phase 2/3 trial has been under way since June 2022 in China. The Company filed for marketing approval in July 2025 in Asia.

STN1012701 (SYD-101, generic name: atropine sulfate) is for the treatment of myopia in children. Sydnexis Inc. (U.S.), the licensor, is conducting Phase 3 trial in Europe and the U.S.. Santen has obtained the exclusive license for Europe,

Middle East and Africa. In Europe, the Company launched the product in July 2025 in Germany.

<Others>

STN1013800 (generic name: oxymetazoline hydrochloride) is for the treatment of ptosis. The Company filed for manufacturing and marketing approval in December 2024 in Japan. Phase 3 trial was started in December 2024 in Europe. Phase 3 trial was started in October 2024 in China.

※ The numbering method for development codes has changed. Both existing development codes (DE-XXX) and new development codes (STNXXXXXXX) are shown. AR-13324/PG-324 and SYD-101 are the development codes of Alcon Inc. (Switzerland) and Sydnexis Inc. (U.S.) respectively.

(2) Summary of Financial Position for the Period

(I) Assets, equity and liabilities

Total assets at the end of June 30, 2025 amounted to ¥408.1 billion, down ¥1.2 billion from the end of the previous fiscal year ended March 31, 2025. Despite an increase of inventories, there were decreases in working capital associated with the liquidation of trade receivables, and a decrease in cash and others.

Equity amounted to ¥280.2 billion. There was a decrease of ¥5.0 billion from the end of the previous fiscal year ended March 31, 2025. This was due to a reduction in capital owing to share repurchases, despite an increase in other components of equity.

Liabilities amounted to ¥127.9 billion, an increase of ¥3.8 billion from the end of the previous fiscal year ended March 31, 2025. Despite a decrease of other financial liabilities, there were increases in financial liabilities and trade and other payables.

As a result, the ratio of equity attributable to owners of the company to total assets decreased by 1.0%-point from the end of the previous fiscal year ended March 31, 2025 to 68.9%

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 ¥7.7 billion (inflow of ¥12.1 billion in the three months ended June 30, 2024). This was mainly due to the net profit for the period of ¥5.9 billion, ¥4.5 billion in depreciation and amortization, a decrease of ¥4.9 billion in trade and other receivables, an increase of ¥6.6 billion in inventories and a decrease of ¥3.4 billion in accrued bonuses.

Cash flows from investing activities amounted to an outflow of ¥2.2 billion (outflow of ¥1.0 billion in the three months ended June 30, 2024). This was mainly due to payments for the acquisition of property, plant and equipment of ¥1.9 billion.

Cash flows from financing activities amounted to an outflow of ¥15.3 billion (outflow of ¥18.9 billion in the three months ended June 30, 2024). This was mainly due to share repurchases and cash dividends paid of ¥8.1 billion and ¥6.4 billion respectively.

As a result, cash and cash equivalents at the end of June 30, 2025 decreased by ¥8.4 billion from the end of the fiscal year ended March 31, 2025 to ¥84.6 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, 2026 announced on May 13, 2025.

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, 2024	Three months ended June 30, 2025
Revenue	**74,771**	**68,737**
Cost of sales	(32,005)	(31,619)
Gross profit	**42,766**	**37,118**
Selling, general and administrative expenses	(21,379)	(21,204)
Research and development expenses	(5,504)	(6,207)
Amortization on intangible assets associated with products	(2,433)	(2,176)
Other income	63	176
Other expenses	(357)	(134)
Operating profit	**13,155**	**7,573**
Finance income	702	627
Finance expenses	(407)	(749)
Profit before tax	**13,450**	**7,450**
Income tax expenses	(2,843)	(1,587)
Net profit for the period	**10,607**	**5,863**
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	(135)	(175)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	7,946	3,640
Cash flow hedges	7	—
Share of other comprehensive income of investments accounted for using equity method	164	—
Other comprehensive income	**7,983**	**3,465**
Total comprehensive income	**18,590**	**9,328**
Net profit attributable to		
Owners of the company	10,633	5,878
Non-controlling interests	(26)	(15)
Net profit for the period	**10,607**	**5,863**
Total comprehensive income attributable to		
Owners of the company	18,653	9,318
Non-controlling interests	(63)	10
Total comprehensive income	**18,590**	**9,328**
Earnings per share		
Basic earnings per share (yen)	29.59	17.32
Diluted earnings per share (yen)	29.50	17.28

Core basis (JPY millions)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Core operating profit	15,882	9,707

(2) Condensed Interim Consolidated Statements of Financial Position

Assets (JPY millions)

	As of March 31, 2025	As of June 30, 2025
Non-current assets		
Property, plant and equipment	72,954	72,715
Intangible assets	75,467	73,677
Financial assets	16,177	19,772
Retirement benefit assets	7,861	7,743
Deferred tax assets	10,017	10,463
Other non-current assets	2,501	2,335
Total non-current assets	**184,978**	**186,705**
Current assets		
Inventories	51,590	59,247
Trade and other receivables	71,759	67,398
Other financial assets	997	1,358
Income taxes receivable	324	175
Other current assets	6,633	8,662
Cash and cash equivalents	92,997	84,578
Total current assets	**224,300**	**221,418**
Total assets	**409,277**	**408,123**

Equity and liabilities (JPY millions)

	As of March 31, 2025	As of June 30, 2025
Equity		
Equity attributable to owners of the company		
Share capital	8,806	8,808
Capital surplus	9,797	10,037
Treasury shares	(1,161)	(9,206)
Retained earnings	228,291	227,682
Other components of equity	40,509	43,943
Total equity attributable to owners of the company	**286,242**	**281,265**
Non-controlling interests	**(1,061)**	**(1,051)**
Total equity	**285,181**	**280,214**
Liabilities		
Non-current liabilities		
Financial liabilities	30,940	35,200
Net defined benefit liabilities	1,221	1,302
Income taxes payable	122	140
Provisions	670	682
Deferred tax liabilities	2,606	2,624
Other non-current liabilities	1,701	1,531
Total non-current liabilities	**37,260**	**41,478**
Current liabilities		
Trade and other payables	38,989	42,361
Other financial liabilities	25,573	24,030
Income taxes payable	2,239	1,537
Provisions	2,087	1,510
Other current liabilities	17,949	16,992
Total current liabilities	**86,837**	**86,431**
Total liabilities	**124,096**	**127,909**
Total equity and liabilities	**409,277**	**408,123**

(3)Condensed Interim Consolidated Statements of Changes in Equity

Three months ended June 30, 2024 (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, 2024	8,777	9,854	(1,018)	240,029	—	5,481	40,306
Comprehensive income							
Net profit for the period				10,633			
Other comprehensive income						(135)	7,984
Total comprehensive income	—	—	—	10,633	—	(135)	7,984
Transactions with owners							
Repurchase of treasury shares		(14)	(12,061)				
Dividends				(6,175)			
Share-based payments		230					
Total transactions with owners	—	216	(12,061)	(6,175)	—	—	—
Balance at June 30, 2024	8,777	10,070	(13,080)	244,487	—	5,346	48,289

	Other components of equity				Total equity attributable to owners of the company	Non-controlling interests	Total equity
	Cash flow hedges	Share of other comprehensive income of investments accounted for using equity method	Share acquisition rights	Total			
Balance at April 1, 2024	(20)	2,464	181	48,411	306,055	(685)	305,369
Comprehensive income							
Net profit for the period				—	10,633	(26)	10,607
Other comprehensive income	7	164		8,020	8,020	(37)	7,983
Total comprehensive income	7	164	—	8,020	18,653	(63)	18,590
Transactions with owners							
Repurchase of treasury shares				—	(12,076)		(12,076)
Dividends				—	(6,175)		(6,175)
Share-based payments				—	230		230
Total transactions with owners	—	—	—	—	(18,021)	—	(18,021)
Balance at June 30, 2024	(13)	2,629	181	56,432	306,686	(749)	305,938

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
	Cash flow hedges	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

(4) Condensed Interim Consolidated Statements of Cash Flows

(JPY millions)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Ⅰ. Cash flows from operating activities:		
Net profit for the period	10,607	5,863
Depreciation and amortization	4,707	4,497
Interest income, dividend income and interest expenses (increase)	(285)	(173)
Income tax expenses	2,843	1,587
Decrease (increase) in trade and other receivables	8,413	4,944
Decrease (increase) in inventories	(6,435)	(6,582)
Increase (decrease) in trade and other payables	1,521	3,279
Increase (decrease) in provisions and net defined benefit liabilities	438	(447)
Decrease (increase) in other current assets	(1,461)	(1,911)
Increase (decrease) in accounts payable - bonuses	(4,957)	(3,414)
Increase (decrease) in accounts payable - other	(2,500)	(1,477)
Increase (decrease) in deposits received	1,271	1,778
Other	2,541	1,920
Subtotal	**16,702**	**9,863**
Interest received	300	262
Dividends received	207	176
Interest paid	(231)	(310)
Income tax paid	(4,839)	(2,271)
Net cash flows from (used in) operating activities	**12,139**	**7,720**
Ⅱ. Cash flows from investing activities:		
Payments for acquisition of property, plant and equipment	(575)	(1,856)
Payments for acquisition of intangible assets	(412)	(291)
Other	(29)	(45)
Net cash flows from (used in) investing activities	**(1,016)**	**(2,192)**
Ⅲ. Cash flows from financing activities:		
Purchase of treasury shares	(12,076)	(8,050)
Dividends paid	(6,097)	(6,408)
Repayments of lease obligation	(764)	(881)
Other	—	(2)
Net cash flows from (used in) financing activities	**(18,936)**	**(15,342)**
Ⅳ. Net increase (decrease) in cash and cash equivalents	**(7,812)**	**(9,814)**
Ⅴ. Cash and cash equivalents at the beginning of period	**94,582**	**92,997**
Ⅵ. Effect of exchange rate changes on cash and cash equivalents	**2,974**	**1,394**
Ⅶ. Cash and cash equivalents at the end of period	**89,744**	**84,578**

(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, 2024

(Repurchase of own shares)

At a meeting of the Board of Directors on May 9, 2024, 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 7,117,700 of its own shares for a total value of 11,361 million yen during the period between May 10, 2024 to June 30, 2024.

(I) Reasons for repurchase of own shares

This repurchase is implemented in accordance with the capital allocation policy in the medium-term management plan (FY2023-2025) dated on April 13, 2023, to enhance capital efficiency and improve return of profits based on a comprehensive consideration of factors such as profitability improvement and business environment.

(II) Details of repurchase

(1) Class of shares to be acquired	Common shares
(2) Total number of shares to be acquired	21,110,000 shares (maximum) *Representing 5.8% of the total number of shares outstanding (excluding treasury shares)
(3) Total amount of acquisition	38.0 billion yen (maximum)
(4) Period of acquisition	May 10, 2024 to November 6, 2024
(5) Method of acquisition	Open-market repurchase by discretionary trading method

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
(6) Other	Santen plans to cancel the repurchased shares as resolved by the Board of Directors in accordance with Article 178 of the Companies Act (Japan). There is a possibility that some of the purchases may not be made depending on market conditions and other factors.

(Significant Subsequent Events)

Not applicable.

3. Consolidated Reference
(1) Revenue of Major Products

(JPY millions)

Brand Name	Region	Year ended March 31, 2025		Year ending March 31, 2026			
		Three months ended June 30, 2024 Actual	Year ended March 31, 2025 Actual	Three months ended June 30, 2025 Actual	Changes from the same period of previous year	Forecast for the fiscal year ending March 31, 2026	Changes from the same period of previous year
Glaucoma and ocular hypertension							
Cosopt	Total	7,191	26,799	6,293	(12.5%)	24,850	(7.3%)
	Japan	825	2,530	433	(47.5%)	1,361	(46.2%)
	Asia	1,825	6,919	1,578	(13.5%)	7,014	1.4%
	EMEA	4,518	17,252	4,269	(5.5%)	16,379	(5.1%)
Tapros	Total	4,252	16,461	3,808	(10.4%)	15,386	(6.5%)
	Japan	986	3,316	611	(38.0%)	2,759	(16.8%)
	China	605	2,472	598	(1.2%)	1,864	(24.6%)
	Asia	553	2,337	575	3.9%	2,704	15.7%
	EMEA	2,109	8,336	2,025	(4.0%)	8,059	(3.3%)
Tapcom	Total	2,453	9,661	2,133	(13.1%)	9,712	0.5%
	Japan	454	1,562	304	(33.1%)	1,201	(23.1%)
	China	16	82	1	(94.3%)	193	134.6%
	Asia	361	1,499	359	(0.7%)	1,580	5.4%
	EMEA	1,621	6,519	1,469	(9.4%)	6,738	3.4%
Eybelis	Total	1,278	5,291	1,363	6.6%	5,504	4.0%
	Japan	1,142	4,625	1,169	2.3%	4,612	(0.3%)
	Asia	135	662	193	43.4%	885	33.7%
Catiolanze	Total	–	141	145	–	1,109	689.0%
	EMEA	–	141	145	–	1,109	689.0%
Rocklatan/Roclanda	Total	137	911	308	125.0%	1,798	97.3%
	Asia	–	4	5	–	23	549.5%
	EMEA	137	908	303	121.4%	1,775	95.5%
Dry eye							
Diquas	Total	2,762	11,134	2,521	(8.7%)	9,493	(14.7%)
	Japan	1,168	6,501	1,589	36.1%	4,848	(25.4%)
	China	1,026	2,504	446	(56.5%)	2,072	(17.2%)
	Asia	569	2,130	486	(14.6%)	2,573	20.8%
Diquas LX	Total	–	–	–	–	4,131	–
	Japan	–	–	–	–	4,131	–
Hyalein	Total	4,461	16,896	3,516	(21.2%)	15,886	(6.0%)
	Japan	1,236	4,690	808	(34.6%)	3,368	(28.2%)
	China	2,236	8,312	1,795	(19.8%)	8,407	1.1%
	Asia	989	3,893	913	(7.6%)	4,111	5.6%
Ikervis	Total	2,859	11,290	3,195	11.7%	12,132	7.5%
	Asia	495	1,947	507	2.4%	2,215	13.7%
	EMEA	2,330	9,149	2,686	15.3%	9,777	6.9%
Cationorm	Total	1,736	4,324	952	(45.2%)	4,490	3.8%
	China	175	283	42	(75.8%)	679	140.4%
	Asia	210	709	175	(16.5%)	808	14.0%
	EMEA	1,091	3,080	662	(39.3%)	3,003	(2.5%)
Allergy							
Alesion (Including Alesion LX, Alesion eyelid cream, Epinastine hydrochloride and Epinastine hydrochloride LX)	Total	6,307	31,702	3,347	(46.9%)	26,861	(15.3%)
	Japan	6,251	31,393	3,229	(48.3%)	26,504	(15.6%)
	Asia	56	309	118	112.4%	357	15.6%
Verkazia	Total	436	1,821	678	55.5%	2,267	24.5%
	China	–	–	0	–	145	–
	EMEA	414	1,799	678	64.0%	2,121	17.9%
Intravitreal VEGF inhibitor							
EYLEA (Including EYLEA 8mg, EYLEA 8mg intraocular injection kit)	Total	19,851	78,052	20,113	1.3%	71,575	(8.3%)
	Japan	19,851	78,052	20,113	1.3%	71,575	(8.3%)
Bacterial conjunctivitis							
Cravit	Total	3,387	13,641	2,753	(18.7%)	13,393	(1.8%)
	Japan	234	679	123	(47.2%)	420	(38.1%)
	China	2,146	8,492	1,636	(23.7%)	8,287	(2.4%)
	Asia	508	2,895	656	29.2%	3,086	6.6%
	EMEA	499	1,576	337	(32.6%)	1,600	1.5%
Slowing myopia progression							
Ryjusea / Ryjunea	Total	–	–	150	–	1,606	–
	Japan	–	–	150	–	1,413	–
	EMEA	–	–	–	–	193	–
Medical devices							
PRESERFLO MicroShunt	Total	1,418	6,053	1,945	37.2%	7,007	15.8%
	Japan	369	1,680	604	63.6%	1,746	4.0%
	Asia	26	120	47	77.0%	157	30.8%
	EMEA	1,023	4,253	1,294	26.5%	5,050	18.7%
OTC Pharmaceuticals	Total	2,703	11,578	3,133	15.9%	11,577	(0.0%)
	Japan	2,461	10,607	2,987	21.4%	10,810	1.9%
	Asia	186	786	146	(21.6%)	767	(2.5%)

From the fiscal year ending March 2026, Hong Kong has been changed from “Asia” to “China.” The calculation of year-on-year change rates also reflects this change in the figures for the fiscal year ending March 2025.
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.

(2) Research & Development

As of July 2025

Pipeline Development Status (Clinical Stage)

<Glaucoma and ocular hypertension area>

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
tafluprost / timolol maleate	STN1011101 / DE-111A	Glaucoma / Ocular hypertension	Co-development with AGC	China					Mar-2025	

A fixed dose combination drug of a prostaglandin $F_{2\alpha}$ derivative and a beta-adrenergic receptor blocker. Launched in Japan in November 2014. Launched successively in European countries since January 2015. Launched successively in Asian countries since April 2016. Received marketing approval in March 2025 in China.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
omidenepag 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. Started Phase 3 in November 2024 in China.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
sepetaprost	STN1012600 / DE-126	Glaucoma / Ocular hypertension	ONO PHARMACEUTICAL	U.S.						
				Japan					Sep-2024	
				Europe	(Exploratory study)					

A prostaglandin analogue eye drops drug product with a novel mode of action that is a dual agonist for both FP and EP3 receptors for the treatment of glaucoma and ocular hypertension. Completed an additional Phase 2 in December 2021 in the U.S.. Filed for manufacturing and marketing approval in September 2024 in Japan. Completed Phase 2 (exploratory study) in Europe.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
latanoprost	STN1013001 / DE-130A (Catioprost)	Glaucoma / Ocular hypertension	Original	Europe						Aug-2024
				Asia					Nov-2024	

An ophthalmic emulsion of a prostaglandin $F_{2\alpha}$ derivative, for the treatment of glaucoma and ocular hypertension. Filed for marketing approval in November 2024 in Asia. Launched in August 2024 in European countries including Spain.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
netarsudil mesylate	STN1013900 / AR-13324	Glaucoma / Ocular hypertension	Alcon Inc.	Japan					Jul-2025	
				Europe						Feb-2023
				Asia						Nov-2024

A ROCK (Rho-associated kinase) inhibitor. Developed and sold by Alcon Inc. in the U.S.. Filed as a ROCK/NET (norepinephrine transporter) inhibitor for manufacturing and marketing approval in July 2025 in Japan. 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/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
Netarsudil mesylate / latanoprost	STN1014000 / PG-324	Glaucoma / Ocular hypertension	Alcon Inc.	Europe						Jan-2023
				Asia						Mar-2025

A fixed dose combination drug of a ROCK (Rho-associated kinase) inhibitor and a prostaglandin $F_{2\alpha}$ derivative. Developed and sold by Alcon Inc. in the U.S.. Received marketing approval in Europe and has been launched in Germany and other countries from January 2023. Received marketing approval successively in Asian countries and launched in March 2025 in Singapore.

Generic name	Dev. code	Indication	Original/Licensor	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) inhibitor and a prostaglandin $F_{2\alpha}$ derivative. Developed and sold by Alcon Inc. in the U.S.. Uses a different container from that of STN1014000. Started Phase 3 in February 2025 in Japan.

<Keratoconjunctival disease area including dry eye >

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
ciclosporin	STN1007603 / DE-076C	Vernal keratoconjunctivitis	Original	China					Apr-2022	

An ophthalmic emulsion which improves vernal keratoconjunctivitis by immunosuppressive effect. Cationic emulsion technology has enhanced ocular tissue penetration. Launched successively in European countries since October 2018. Launched successively in Asian countries after receiving approval for an indication expansion for *Ikervis* in August 2019. Received marketing approval in April 2022 in China.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
olodaterol hydrochloride	STN1014100	Dry eye	Boehringer Ingelheim	Japan	(Phase 2b)					

β_2 receptor agonist. Started Phase 2b in May 2025 in Japan.

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
sirolimus	STN1010904	Fuchs endothelial corneal dystrophy	Joint development with ActualEyes	U.S. France India	(Phase 2a)					
An ophthalmic suspension which treats Fuchs endothelial corneal dystrophy via mTOR inhibition. Conducting Phase 2a in U.S., France and India from May 2022. (*The development code (STN1010904) is due to be assigned to the product when Santen obtains an exclusive license upon completion of Phase 2 clinical trial)										

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
sirolimus	STN1010905	Meibomian gland dysfunction	Original	Japan	(Phase 2a)					
An ophthalmic suspension which improves meibomian gland function via mTOR inhibition. Conducting an additional Phase 2a from June 2024 in Japan.										

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
epinastine hydrochloride	STN1011402	Allergic conjunctivitis	Nippon Boehringer Ingelheim	Japan					May-2024	
A histamine H_1 receptor antagonist with mediator release inhibitor function, as a treatment for allergic conjunctivitis. Ophthalmic eyelid cream. Launched in May 2024 in Japan.										

Generic name	Dev. code	Indication	Original/Licensor	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 March 2025 in China.										

< Refractive disorder>

Generic name	Dev. code	Indication	Original/Licensor	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				July-2025		
Non-selective muscarinic antagonist which reduces the progression of juvenile myopia. Launched in April 2025 in Japan. Conducting Phase 2/3 from June 2022 in China. Filed for manufacturing and marketing approval in July 2025 in Asia.										

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
atropine sulfate	STN1012701 / SYD-101	Myopia	Sydnexis Inc.	Europe						July-2025
Non-selective muscarinic antagonist which reduces the progression of juvenile myopia. Sydnexis Inc., the licensor, is conducting Phase 3 trial in Europe and the U.S.. Santen has obtained the exclusive license for Europe, Middle East and Africa and in Europe, launched in July 2025 in Germany.										

<Others>

Generic name	Dev. code	Indication	Original/Licensor	Region	P1	P2	P3	Filed	Approved	Launched
oxymetazoline hydrochloride	STN1013800	Ptosis	RVL Pharmaceuticals	Japan					Dec-2024	
				Europe						
				China						
A direct-acting alpha adrenergic receptor agonist. Developed and sold by RVL Pharmaceuticals in the U.S.. Filed for manufacturing and marketing approval in December 2024 in Japan. Started Phase 3 in December 2024 in Europe. Started Phase 3 in October 2024 in China.										

Changes from Q4 FY2024 (May 13, 2025)

Dev. Code	Changes
STN1013900 / AR-13324	Filed for manufacturing and marketing approval in July 2025 in Japan.
STN1014100	Started Phase 2b in May 2025 in Japan.
STN1012700 / DE-127	Filed for manufacturing and marketing approval in July 2025 in Asia.
STN1012701 / SYD-101	In Europe, launched in July 2025 in Germany.

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

Capital expenditures (JPY millions)

	Three months ended June 30, 2024	Year ended March 31, 2025	Three months ended June 30, 2025	Year ending March 31, 2026
	Actual			Forecast
Consolidated	652	7,545	1,984	9,000

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

Depreciation and amortization (JPY millions)

	Three months ended June 30, 2024	Year ended March 31, 2025	Three months ended June 30, 2025	Year ending March 31, 2026
	Actual			Forecast
Manufacturing cost	989	3,967	944	4,020
Selling, general and administrative expenses	538	2,122	641	2,730
R&D expenses	134	543	145	510
Consolidated total	1,661	6,632	1,730	7,260

(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)

	Three months ended June 30, 2024	Year ended March 31, 2025	Three months ended June 30, 2025	Year ending March 31, 2026
	Actual			Forecast
Intangible assets (Merck products)	1,451	4,815	1,114	4,400
Intangible assets (Rhopressa/Rocklatan)	340	1,506	444	1,750
Intangible assets (PRESERFLO MicroShunt)	333	1,296	307	1,230
Intangible assets (Ikervis)	239	926	232	530
Other	70	267	80	790
Consolidated total	2,433	8,812	2,176	8,700

Research and development expenses (JPY millions)

	Three months ended June 30, 2024	Year ended March 31, 2025	Three months ended June 30, 2025	Year ending March 31, 2026
	Actual			Forecast
Consolidated	5,504	24,103	6,207	25,000

(4) FOREX

(JPY)

Exchange rate (yen)	Major currency	1st quarter ended June 30, 2024	Fiscal year ended March 31, 2025	1st quarter ended June 30, 2025	Fiscal year ending March 31, 2026 (Forecasts)
	USD	156.88	152.70	144.63	145.00
	EUR	168.77	163.57	163.81	160.00
	CNY	21.80	21.29	20.07	20.50

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.