



News Release

Santen China and Chongqing Kerui Announce Collaboration to Develop New Ophthalmic Joint Venture

March 22, 2016 -- Santen Pharmaceutical Co., Ltd. (Osaka, Japan) and Chongqing Kerui Pharmaceutical (Group) Co., Ltd. (Chongqing, China; hereinafter “Kerui”) announced today that Santen Pharmaceutical (China) Co., Ltd. (hereinafter “Santen China”) and Kerui have entered into a strategic, multi-year collaboration that includes the establishment of a joint venture in the city of Chongqing, one of China's four direct-controlled municipalities.

The joint venture’s manufacturing site will be designed and constructed according to the high quality requirements of Santen Group and will be the largest such industrial site for ophthalmic medicines in China. Both Santen China and Kerui confirmed the new joint venture’s aims to provide the highest-quality ophthalmic products at a reasonable price to the most patients possible in China.

“We are pleased to establish a robust and long-term partnership with Kerui, a state-owned company with more than 100 years of history, to expand our services in the ophthalmology area” said Ye Liu, General Manager of Santen China. “We are dedicated to supporting the new joint venture with Santen Group core technology and expertise to guarantee the sustained supply of high quality products. By leveraging this robust partnership, Santen China will seek to continuously fulfill the unmet medical needs in ophthalmology.”

“This is an exciting strategic collaboration we embark on with our partners from Santen China, which we are thrilled to be part of” said Shaohong Li, the Chairman of Kerui. “The combination of Santen Group’s experience in ophthalmology and Kerui Group’s wide network resources promises to benefit patients in both urban and rural area. To fulfill the requirements of Santen Group, Kerui’s 22 ophthalmology licenses would be upgraded according to Santen Group technology and standard, and put into the new joint venture. We are all looking forward to developing this strong partnership, with the aim of covering all treatments for ophthalmic diseases.”

Note: The collaboration arrangement will not impact Santen’s forecasts for the fiscal year ending March 31, 2016.

About Chongqing Kerui

Established in 1914 by Mr. Soong Tse-Ven, Kerui pharmaceutical is a state-owned company with more than 100 years' experience. As one of the biggest pharmaceuticals in the western of China, Kerui owns 535 drug licenses covering anti-infection, anti-inflammatory, digestive/metabolic system, cardio-cerebro-vascular system, respiratory system and ophthalmology. Kerui trademark has been certified as Chinese Well-known Trademark by State Administration for Industry and Commerce (SAIC) in 2011.

Chongqing Pharmaceutical (Group) Co., Ltd, the parent company of Kerui, is a key subsidiary under Chongqing State-Owned Assets Supervision and Administration Commission (Chongqing SASAC) and the top 6 distributor in China. Kerui, through the wide network resource of Chongqing Pharmaceutical, would provide continuous service to the most Chinese patients.

For more details, please see Kerui's website (www.cqkerui.com).

About Santen

As a specialty company dedicated to the ophthalmic field, Santen carries out research, development, sales, and marketing of pharmaceuticals. Santen is the market leader in Japan for prescription ophthalmic pharmaceuticals and sells products in over 50 countries. As a leading company in the field of ophthalmology, Santen aims to contribute to society by supplying valuable products and services to satisfy unmet medical needs. For more details, please see Santen's website (www.santen.com).

Santen Forward-looking Statements

Information provided in this press release contains forward-looking statements. The achievement of these forecasts is subject to risk and uncertainty from various sources. Therefore, please note that the actual results may differ significantly from the forecasts. Business performance and financial conditions are subject to the effects of changes in regulations made by the governments of Japan and other nations concerning medical insurance, drug pricing and other systems, and to fluctuations in market variables such as interest rates and foreign exchange rates.

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