



News Release

Santen to Acquire InnFocus, Developer of “MicroShunt” Glaucoma Implant Device

July 19, 2016, Osaka, Japan and Miami, FL, U.S. – Santen Pharmaceutical Co., Ltd. (hereinafter, “Santen”) and InnFocus, Inc. (hereinafter, “InnFocus”) today announced that the two companies have entered into a definitive agreement under which Santen will acquire privately held InnFocus, developer of the InnFocus MicroShunt[®] (hereinafter, “MicroShunt”) glaucoma implant device.

InnFocus is developing the MicroShunt implant to lower and sustain intraocular pressure (IOP) for the treatment of primary open-angle glaucoma (mild to severe stage disease). The MicroShunt has shown significant and sustainable lowering of IOP when used alone or in combination with cataract surgery in clinical trials outside of the U.S. Late stage clinical studies are underway in the U.S. and Europe in advance of PMA (Pre-Market Approval) application to the U.S. Food and Drug Administration (FDA) planned in the near future. The MicroShunt has received CE Mark in Europe.

“With this acquisition, Santen will strengthen our glaucoma pipeline and stay at the forefront of innovation in ophthalmology. This agreement is in line with our long term vision to become a Specialized Pharmaceutical Company with a Global Presence. I am truly excited about the MicroShunt as a new and effective treatment option that should significantly improve patient outcomes,” said Akira Kurokawa, President and CEO of Santen.

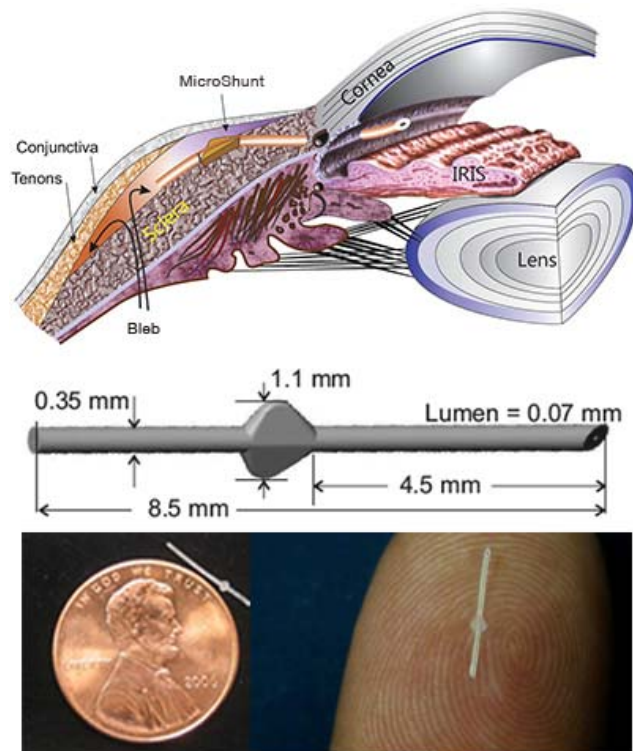
“The InnFocus MicroShunt was developed to be the world’s first minimally invasive stand-alone procedure for mild, moderate and severe stage primary open angle glaucoma. In addition to reducing IOP, the MicroShunt does not require simultaneous cataract removal, unlike many MIGS (micro-invasive glaucoma surgery) technologies. The InnFocus team is very pleased to be joining Santen and its global effort to address this growing and important segment of the ophthalmic market,” said Randy Lindholm, Executive Chairman of the Board of InnFocus.

Under the terms of the agreement, Santen will acquire InnFocus for an upfront payment of USD 225 million, plus performance based consideration upon achievement of certain development, regulatory and commercial milestones. The acquisition is subject to certain conditions under the Hart-Scott-Rodino Antitrust Improvements Act of the U.S.

Additional details regarding the impact of this agreement on Santen’s consolidated financial forecasts for the fiscal year ending March 31, 2017 are planned for disclosure at Santen’s first quarter earnings announcement scheduled on August 2, 2016.

About the InnFocus MicroShunt

The MicroShunt is a drainage implant device that helps effectively drain eye fluid and reduce intraocular pressure, which is the most effective means of preventing the progression of glaucoma and vision loss. The MicroShunt drainage device is made from SIBS; poly(styrene-*block*-isobutylene-*block*-styrene), an innovative, highly biocompatible biomaterial that has been implanted in the body for over 15 years. Compared to conventional glaucoma surgery, the MicroShunt is minimally invasive and anticipated to ease postoperative management.



About InnFocus

InnFocus is an ophthalmology company founded in 2004 with extensive biomaterials experience that develops and provides next generation products for glaucoma surgery. Its scientists and engineers are global leaders in the development of highly biocompatible biomaterials and medical devices. The MicroShunt is the first of what the Company expects to be many medical devices that incorporate these materials in the eye. The MicroShunt was developed in collaboration with the University of Miami, Miller School of Medicine, Bascom Palmer Eye Institute.

About Glaucoma

Glaucoma is a disease in which the optic nerve (which transmits visual images to the brain) is damaged, thereby causing gradual vision loss. Elevated IOP is believed to be the main cause of optic nerve damage, and IOP lowering is considered to be the most effective treatment for preserving visual function.

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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