

NOVAGALI P H A R M A

SIGNING OF AN ACQUISITION OF A CONTROLLING INTEREST IN NOVAGALI PHARMA S.A. BY SANTEN PHARMACEUTICAL CO., LTD.

Osaka, Japan and Évry, France, September 28, 2011 – Santen Pharmaceutical Co., Ltd. (Osaka, Ticker Code 4536JP) (hereafter “Santen”), a leading Japanese pharmaceutical company, and Novagali Pharma S.A. (hereafter “Novagali”), a French biopharmaceutical company specializing in ophthalmology and focusing on new ocular therapeutics, announce today that Santen, Novagali and certain of its shareholders, including the funds managed by Edmond de Rothschild Investment Partners, Auriga Partners, IdInvest Partners and CDC Innovation, have entered into a share purchase agreement (hereafter “SPA”), whereby Santen shall acquire shares representing 50.55%¹ of the share capital of Novagali for a cash consideration of €6.15 per share, representing a premium of 71.3% over the last traded price as of September 27, 2011, which may be increased to €6.25 as described below (the “Block Purchase”). The Block Purchase is not subject to any conditions and is expected to be completed in the next few days. The shares of Novagali Pharma are listed on NYSE Euronext Paris - Compartment C.

Santen intends to promptly purchase all remaining shares of Novagali at the same price per share and will consequently file a mandatory tender offer (*offre publique obligatoire*) with the French *Autorité des marchés financiers* (“AMF”) in accordance with article 234-2 *et seq.* of the general regulations of the AMF (the “Tender Offer”). Santen intends to squeeze-out the Novagali shares in the event, it holds following the Tender Offer at least 95% of the shares and voting rights of Novagali.

In the event that upon completion of the Tender Offer Santen holds at least 95% of the share capital and voting rights of Novagali, the price per Novagali share to be paid to all Novagali shareholders who sold their shares as part of the Block Purchase or tendered their shares into the Tender Offer shall be increased by an additional €0.10 per share, representing an aggregate price of €6.25 and a premium of 74.1% over the last traded price as of September 27, 2011

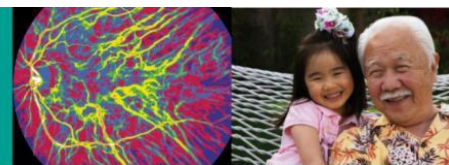
“Santen believes that by acquiring Novagali, it will be able to strengthen its global business platform, which is one of the key strategic focus of its long term vision for 2020 as well as its medium term management plan for 2011-2013” said Mr. Akira Kurokawa, President and CEO of Santen. Mr. Akira Kurokawa also said: “We are excited that Novagali’s outstanding R&D capability as well as its unique pharmaceutical technologies, represented by its Novasorb technology will enhance Santen’s drug formulation ability as a whole. Our corporate values are committing Santen to contribute to the protection and improvement of people’s eyesight and health as a specialty company in the ophthalmic and anti-rheumatic fields. Santen believes that Novagali will play an important role in achieving this objective in line with Santen’s corporate values.”

“We are extremely enthusiastic to become part of Santen. We share common vision and strategic goals which make Santen a partner of choice on the long-term development of our innovative technologies and products. This transaction is a recognition by a major ophthalmic player of the expertise and the achievements of Novagali’s team over the past years. We strongly believe that Santen represents a perfect strategic fit for Novagali Pharma to expand the commercial success of Cationorm and bring Cyclokot to patients” concluded Jerome Martinez, CEO, Novagali Pharma.

The signing of the SPA has been approved unanimously by both Santen’s board of directors and Novagali’s supervisory board (*conseil de surveillance*) and management board (*directoire*).

In connection with the Tender Offer, Bellot Mullenbach & Associés (Patrick Abensour and Jean-Louis Brun d’Arre) was appointed by the Supervisory Board of Novagali as independent expert in accordance with the

¹ Based on the issued share capital on the date of closing of the Block Purchase.



general regulations of the AMF. The report of the independent expert, once finalized, will be included in Novagali's draft response document (*projet de note d'information en réponse*). The Supervisory Board of Novagali has also appointed a committee comprised of four independent members who will review the terms of the Tender Offer and issue a recommendation to the Supervisory Board of Novagali on the basis of which the Supervisory Board will issue its opinion (*avis motivé*) on the Tender Offer in accordance with the general regulations of the AMF.

In accordance with French regulations, additional information regarding the terms and conditions of the Tender Offer will be included in the Tender Offer documentation. The Tender Offer remains subject to AMF clearance.

About Santen Pharmaceutical Co. Ltd.

Founded in 1890, Santen is a \$1 billion global company headquartered in Osaka, Japan. Santen researches, develops and markets ophthalmic products for physicians worldwide. Among prescription ophthalmic pharmaceuticals, Santen holds the top share within the Japanese market and is one of the leading ophthalmic companies worldwide. Santen has subsidiaries in the U.S., Europe, and Asia, including its Emeryville, California based Santen Inc., its Tampere, Finland based Santen OY, its Suzhou, China based Santen Pharmaceutical (China) Co., Ltd. and its Bangalore, India based Santen India Private Limited.

For more information, visit www.santen.com.

About NOVAGALI Pharma (www.novagali.com)

Founded in 2000, Novagali Pharma SA is a pharmaceutical company that develops and commercializes ophthalmic innovative products for all segments of the eye. Thanks to its three proprietary technology platforms, the Company has an advanced portfolio of highly innovative products, one of which is already on sale and two of which have ongoing undergoing phase III clinical trial programs. Since July 2010 Novagali Pharma has been listed on NYSE Euronext Paris - Compartment C.

For further information on Novagali Pharma S.A.: www.novagali.com



Contacts

Santen Pharmaceutical contact

Takashi Hibi
General Manager
Corporate Communication Group
Santen Pharmaceutical, Co., Ltd.
3-9-19 Shimoshinjo, Higashiyodogawa-ku,
Osaka 533-8651 Japan
Tel: +81-6-6321-7007

Novagali Pharma contact

Geneviève Garrigos
Vice President Communication
Novagali Pharma S.A.
1 rue Pierre Fontaine, Genavenir IV,
F-91058 Evry France
Tel: +33-6-6554-6019