

Santen and Inspire Announce Approval of DIQUAS™ for Dry Eye Treatment in Japan

April 16, 2010 --- Osaka, Japan and Durham, NC --- Santen Pharmaceutical Co., Ltd. (Listed in TSE : 4536) and Inspire Pharmaceuticals, Inc. (NASDAQ: ISPH) announced today that the Japanese Ministry of Health, Labour and Welfare granted approval for the new dry eye treatment drug, DIQUAS Ophthalmic Solution 3% (generic name: diquafosol tetrasodium), on April 16, 2010.

Diquafosol was licensed for certain ophthalmic uses from Inspire and DIQUAS Ophthalmic Solution 3% was developed by Santen as a treatment for dry eye. Dry eye is a chronic disorder of the keratoconjunctival epithelium and tear film caused by various factors, and is accompanied by symptoms such as ocular discomfort and visual function disorder. In clinical studies conducted in Japan, DIQUAS Ophthalmic Solution 3% was shown to improve dry eye symptoms by promoting secretion of mucin and water, thereby bringing the tear film closer to a normal state. In addition, no serious ocular or systemic adverse drug reactions were found during the clinical trials.

Dry eye begins with symptoms of ocular discomfort such as burning, stinging or a foreign body sensation. However, when aggravated, the disease can become so serious that it interferes with everyday activities. Recently, studies have shown that the number of dry eye patients is increasing due to environmental pollution, increased visual activities (computer work, etc.), dry air in a room due to air conditioning, increased prevalence of contact lens wear, and in LASIK (laser assisted in-situ keratomileusis) refractive surgery. Currently, sodium hyaluronate ophthalmic solution and artificial tears are the primary products used for the treatment of dry eye syndrome in Japan.

Santen currently markets “Hyalein Ophthalmic Solution 0.1%” and several other dry eye treatment products. The addition of “DIQUAS Ophthalmic Solution 3%” to the Santen product lineup is expected to increase treatment choices for medical professionals, and contribute to improving QOL (quality of life) for dry eye patients.

About DIQUAS

Product name	DIQUAS Ophthalmic Solution 3%
Generic name (JAN)	Diquafosol tetrasodium
Dosage form	Aqueous ophthalmic solution
Indication	Dry eye
Dose method	Usually, 1 drop at a time, 6 times a day
Storage method	Can be stored at room temperature

Product Characteristics

- DIQUAS is the first approved P2Y₂ receptor agonist in the world to be formulated as ophthalmic solution, and has a new mechanism of action for dry eye treatment.
- DIQUAS improves symptoms of dry eye as it promotes secretion of water and mucin.
- DIQUAS was well tolerated in dry eye patients in long-term administration, and therefore is expected to have long-term improvement effect against the clinical symptoms of dry eye.
- No serious ocular or systemic adverse drug reactions have been found.

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 Napa, California based Santen Inc. and its Tampere, Finland based Santen OY. For more information, visit www.santen.com.

About Inspire Pharmaceuticals, Inc.

Inspire is a biopharmaceutical company focused on researching, developing and commercializing prescription pharmaceutical products for ophthalmic and pulmonary diseases. Inspire's goal is to build and commercialize a sustainable portfolio of innovative new products based on its technical, scientific and commercial expertise. The most advanced compounds in Inspire's clinical pipeline are denufosol tetrasodium for cystic fibrosis and PROLACRIA™ (diquafosol tetrasodium ophthalmic solution) 2% for dry eye, which are both in Phase 3 development, and AZASITE® (azithromycin ophthalmic solution) 1% for blepharitis, which is in Phase 2 development. Inspire receives revenues related to the promotion of AZASITE for bacterial conjunctivitis, the co-promotion of ELESTAT® (epinastine HCl ophthalmic solution) 0.05% for allergic conjunctivitis and royalties based on net sales of RESTASIS® (cyclosporine ophthalmic emulsion) 0.05% for dry eye. For more information, visit www.inspirepharm.com.

Inspire Pharmaceuticals, Inc. Forward-Looking Statements

The forward-looking statements in this news release relating to management's expectations and beliefs are based on preliminary information and management assumptions. Specifically, no assurances can be made with respect to: the addition of DIQUAS increasing treatment choices for

medical professionals and improving quality of life for dry eye patients; the ability of DIQUAS to have long-term improvement effect against the clinical symptoms of dry eye; and Inspire's ability to build and commercialize a sustainable portfolio of innovative new products based on its technical, scientific and commercial expertise. Such forward-looking statements are subject to a wide range of risks and uncertainties that could cause results to differ in material respects. Further information regarding factors that could affect Inspire's results is included in Inspire's filings with the SEC. Inspire undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof.

Santen Pharmaceutical, Co., Ltd. Forward-looking Statements

Information provided in this press release contains so-called "Forward-looking Statements". The realizations of these forecasts are 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 condition are subject to the effects of change 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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Investor Contact:

Inspire Pharmaceuticals, Inc.

Jenny Kobin

VP, Investor Relations and Corporate Communications

919-941-9777, ext. 219

or

Media Contact:

Cara Amoroso

Manager, Corporate Communications

919-941-9777, ext. 266

Corporate Contact :

Santen, Inc.

Mike Ford

Director, Professional Communications

707-256-2403

or

Media Contact:

Pascale Communications, LLC

Allison Potter

Account Executive

814-221-2661