

# News Release



## Notice Concerning Abolition of Retirement Benefit Program for Directors

May 8, 2013---Santen Pharmaceutical Co., Ltd. announced its decision to abolish its retirement benefit program for directors subject to obtaining approval at the Company's 101st ordinary general meeting of shareholders (hereinafter, "Annual General Meeting of Shareholders"), scheduled to be held on June 25, 2013.

1. Reason for abolition of the retirement benefit program for directors

Santen Pharmaceutical will review its executive remuneration policy in order to improve the requisites to achieve its medium- and long-term goals and to enhance its corporate value, and as part of this effort, will abolish its retirement benefit program for directors.

2. Date of abolition

The retirement benefit program will be abolished upon the conclusion of the Annual General Meeting of Shareholders, scheduled to be held on June 25, 2013.

3. Payment of retirement benefits upon abolition of such for directors

In line with the abolition of the retirement benefit program, an agenda item will be introduced at the Annual General Meeting of Shareholders to be held on June 25, 2013 to offer two incumbent directors (excluding external directors) payment of retirement benefits for their office up to this date. If the resolution is approved at the said shareholders' meeting, these payments will be made at the time of their resignation or retirement.

4. Effect on results of operations

Since Santen Pharmaceutical has so far appropriated accrued benefits at the end of the year, which is based on its prescribed standards, as retirement benefits for directors in preparation for future payments, the abolition of these retirement benefits will not have any material effect on the results of operations.