

## **Santen Receives Financing from the Development Bank of Japan based on “DBJ Environmental Rating”**

October 31, 2014, Osaka, Japan -- Santen Pharmaceutical Co., Ltd. (Osaka Japan; President: Akira Kurokawa; hereinafter “Santen”) hereby announces that it has obtained financing today from the Development Bank of Japan Inc. (President: Toru Hashimoto; hereinafter “DBJ”), based on the DBJ’s financing program using the DBJ Environmental Rating system. Santen achieved the highest rating under the aforementioned DBJ Environmental Rating.

The DBJ Environmental Rating financing program rates the level of environmental management initiatives of companies through a screening (rating) system developed by the DBJ, selects outstanding companies, and sets financing conditions according to their evaluation results. This is the world’s first financing menu that employs a specialized environmental rating technique.

As a specialized pharmaceutical company in the ophthalmic and anti-rheumatic fields, Santen engages in research, development, and sales/marketing of pharmaceuticals. In line with Santen’s Values—*Tenki ni sanyo suru*<sup>\*</sup>—from which its name is derived, Santen is dedicated to improving the QOL (Quality of Life) of patients around the world by providing excellent products and services through its business activities in ophthalmology and other specialized fields. With its operations based in Japan, Europe, the U.S., and Asia, Santen supplies its products to over 50 countries. In Japan, Santen holds the No.1 market share in the prescription ophthalmic pharmaceutical market.

<sup>\*</sup> Santen’s original interpretation of a passage from chapter 22 of Zhongyong (The Doctrine of the Mean) by Confucius, meaning “exploring the secrets and mechanisms of nature in order to contribute to people’s health.”

The following are the evaluation points in the latest DBJ rating.

- (1) Integrating the principles of social responsibility outlined in ISO26000 with Santen’s Values, Santen has identified the social issues that it should emphasize in its corporate activities as “7 Core Subjects of CSR,” and studied the specific items to be addressed in each subject through dialogues with stakeholders inside and outside the company.
- (2) Santen has established its own product quality standards and criteria that are higher than those set by the relevant laws, identified water resources that greatly affect its quality control as the focus area of its environmental activities, and actively carried out water system protection through forest conservation activities.
- (3) Santen has promoted waste reduction by decreasing rejection rates through strict process control, and set numerical targets that exceed the industry average for its final waste disposal rate, thereby committing itself to the further advancement of 3R activities.

As a result, Santen achieved the highest rank in the DBJ Environmental Rating for being “particularly advanced in environmentally friendly measures.”

This achievement has led to Santen receiving DBJ financing based on the Environmental Rating. The procured fund was used for the payment of a consideration under an agreement announced on May 13, 2014, with Merck & Co. (U.S.) concerning Santen’s purchase of ophthalmology products from Merck. Santen does not plan to make any revision to its business result forecast due to the financing.

About the Development Bank of Japan Inc. (DBJ)

Incorporated in October 2008 from its predecessor, the Development Bank of Japan, which was established through the consolidation of the Japan Development Bank and the Hokkaido-Tohoku Development Finance Public Corporation, the Development Bank of Japan Inc. is a financial institution wholly funded by the government of Japan.

Based on its corporate philosophy, “Applying financial expertise to design the future: We apply creative financing to resolve client issues, as we work to earn the trust of our clients and achieve their future prosperity,” DBJ supports its clients’ efforts toward environmentally sustainable corporate management.