

# Long-term, Stable Investment

To be certain that we can pay future insurance claims and benefits, Nippon Life invests premiums entrusted to it from policyholders with sufficient consideration for safety, profitability, and the public nature of its business, among other factors. By spreading risk and allocating assets properly, Nippon Life aims to secure long-term stable investment returns.

## Features of Investment

Nippon Life's mission is to fulfill its long-term commitment to policyholders under life insurance agreements, and maximize returns to policyholders in a stable manner over the long term. Investment is carried out to achieve this mission.

Specifically, to ensure that we provide policyholders with promised returns in a stable manner, we strive to increase equity while implementing stringent risk management. When investing, we give sufficient consideration

### Nippon Life's Basic Approach to General Account Investment

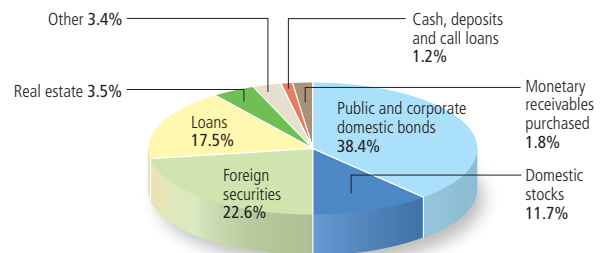
1. Fulfilling our financial coverage obligations to policyholders is our first priority for investment
2. Achieving long-term stable growth of investment returns through a coherent investment strategy
3. Conducting investment in a way that is acceptable to policyholders, maintaining an awareness of the mission and public nature of the life insurance business

to diversifying investments across assets, countries, currencies and other investment targets, while maintaining a well-balanced investment portfolio that is not overly concentrated on any specific asset or country.

To enhance medium- to long-term profitability, we intend to replace investments in the portfolio mainly by buying at undervalued prices and selling at higher valuations based on stringent risk management. Through this approach, we seek to increase and stabilize profitability.

### [Breakdown of General Account Portfolio]

(¥49,862.7 billion as of March 31, 2012)



## Market Presence

The life insurance business has a highly social and public nature. By utilizing the long-term nature of its funds as a life insurer, Nippon Life has long conducted investment from the standpoint of coexisting with communities and society, and achieving stable growth hand in hand with Japan's companies and economy at large.

For example, in equities investment, Nippon Life is counted among the top ten shareholders of around 20% of all publicly listed Japanese companies. In addition, together with Group company Nissay Capital Co., Ltd., Nippon Life is a large investor in many unlisted companies around the country that are aiming for future initial public offerings.

Additionally, in loan transactions, we strive to support the development of industry by extending loans to customers across Japan, not just large corporations. In the field of personal loans, we provide the financing needed for sound

and enriched life planning through housing loans and other means. We are also active in real estate investment. Through a broad range of investments in office buildings nationwide, we are contributing to regional development.

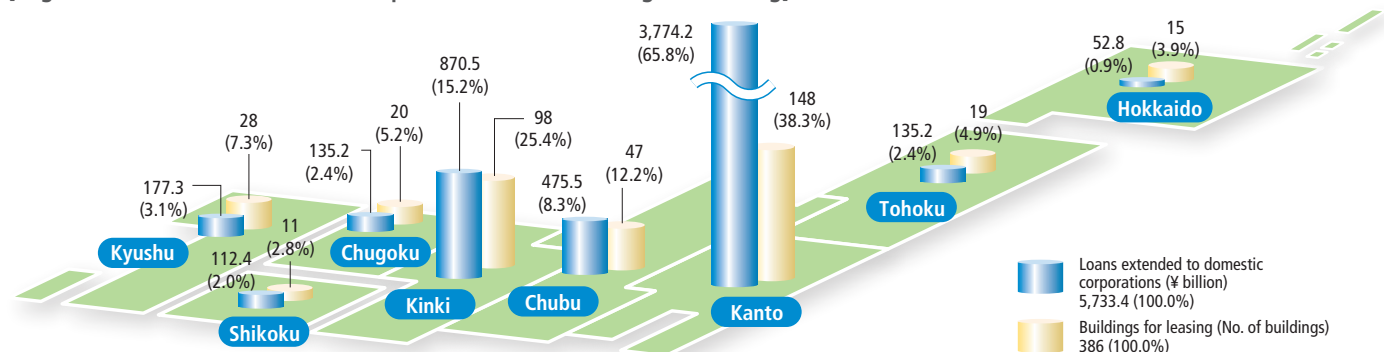
### [Market Presence]

Domestic stocks	<ul style="list-style-type: none"> <li>Number of publicly listed Japanese companies in which Nippon Life is a top ten shareholder: 665 (20% of all publicly listed Japanese companies)</li> </ul>
Loans	<ul style="list-style-type: none"> <li>Balance: ¥8,721.6 billion</li> </ul>
Real estate	<ul style="list-style-type: none"> <li>Balance of real estate for leasing: ¥1,083.3 billion</li> <li>Number of buildings held for leasing: 386</li> </ul>

\*Domestic stocks are as of September 30, 2011

\*Loans (sum of industrial and consumer loans and policy loans) and real estate are as of March 31, 2012

### [Regional Breakdown of Domestic Corporate Loans and Buildings for Leasing]



## Stringent Investment Risk Management

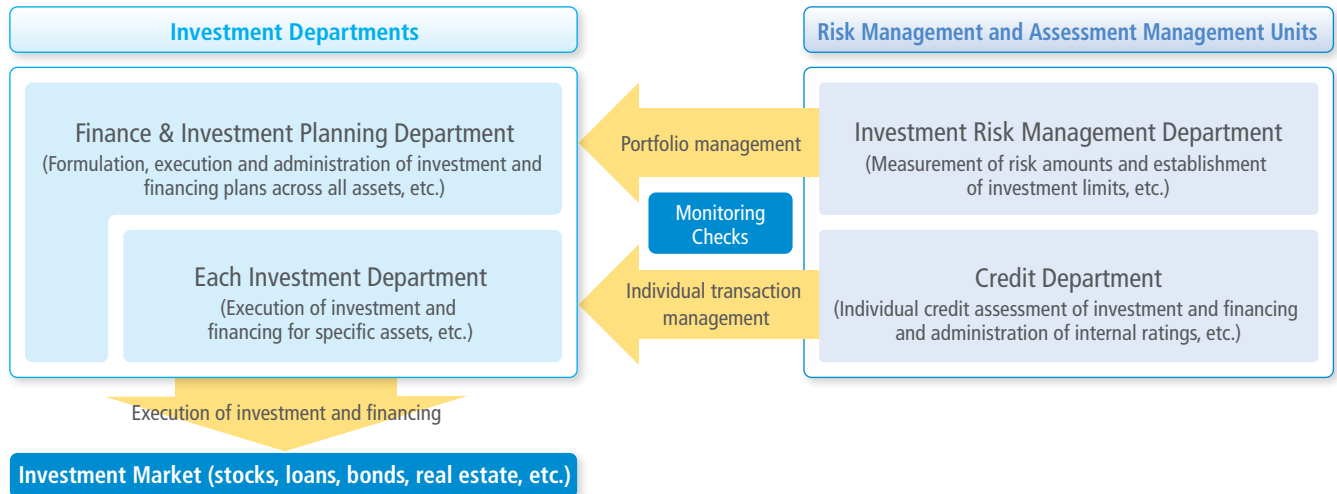
As financial products become increasingly diverse and complex, investment risk management is becoming more and more important.

At Nippon Life, investment departments strive to limit exposure to risk by strictly selecting and diversifying investments, while risk management and assessment management units provide checks by measuring the amount of risk in the portfolio and performing individual credit

assessments and other tasks. Through these measures, Nippon Life strives to secure stable investment returns.

In addition, Nippon Life has put a system in place that enables rapid responses to changes in the market environment by closely monitoring individual investees and market conditions.

### [Checking System for Investment Departments]



## Global Investment Network

Nippon Life has a global investment network comprising investment bases in New York, London, and Singapore, in addition to Nissay Asset Management Corporation, a Nippon Life Group asset management company. As global investment and finance have come to the fore in recent years, Nippon Life has striven to invest in countries and regions with growth

potential in order to diversify and multiply its earnings sources.

We are also working to enhance our global investment capabilities through alliances and investments, as well as personnel exchanges and other joint initiatives with leading overseas financial institutions.

### [Global Investment Network]

