CHAPTER 4

OUTLINE OF NIPPON LIFE INSURANCE COMPANY

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COMPANY HISTORY AND BUSINESS ACTIVITIES

Company History

Nippon Life was founded as Nippon Life Assurance Co., Inc. in July 1889, and in 1891 the name was changed to Nippon Life Assurance Co., Ltd. When the Company was founded, the first premium table based on Japanese mortality statistics was created. At the same time, Nippon Life decided to offer profit dividends to policyholders, which was not a common practice in the life insurance industry at the time. As a life insurance company, Nippon Life was first to embody the spirit of mutual aid and was the first in the industry to pay policyholder dividends after its first major closing of books in 1899. After World War II, the Company was reborn as Nippon Life Insurance Company in 1947, and has strived to continue to realize mutual aid and cooperative prosperity as a mutual company.

Nippon Life’s Major Areas of Business

<1> Life insurance business

a. Underwriting insurance based on life insurance business licenses
   Nippon Life underwrites insurance based on Article 3, Clause 4, Parts 1, 2, and 3 of the
   Insurance Business Law.

b. Asset management
   Assets, such as monies received as premiums, are mainly invested in loans, securities,
   and real estate.
   (1) Loans
   As one part of asset management, call loans and loans to corporations and individuals are
   made.
   (2) Securities investments
   As part of asset management, we invest in securities (including foreign securities) and
   lend securities.
   (3) Real estate investments
   As part of asset management, we invest in real estate, including buildings.

<2> Auxiliary business

a. Proxy for other insurance companies and other financial institutions
   Nippon Life acts as an agent or proxy for business conducted by other financial
   institutions, including insurance companies, based on Article 98, Clause 1,
   Paragraph 1 of the Insurance Business Law (such as an agent or proxy for the
   insurance-related business of Nissay Dowa General Insurance).

b. Credit guarantee
   Nippon Life guarantees loans as credit guarantees as stipulated in Article 98,

c. Underwriting bonds such as Japanese government bonds
   Nippon Life underwrites bonds such as Japanese government bonds as stipulated in
   Article 98, Clause 1, Part 3 of the Insurance Business Law.

d. Counter sales of Japanese government bonds
   Nippon Life sells Japanese government bonds as stipulated in Article 98, Clause 1,

e. Private placement of securities
   Nippon Life privately places securities as stipulated in Article 98, Clause 1, Part 5
   of the Insurance Business Law.

f. Sales of products and securities
   Nippon Life trades public bonds as stipulated by Article 99, Clause 1 of the
   Insurance Business Law.

g. Sales of investment securities and investment trust beneficiary securities
   Nippon Life sells investment securities and investment trust beneficiary securities
   as stipulated by Article 99, Clause 1 of the Insurance Business Law.

History

1889 Nippon Life Assurance Co., Inc. established
1891 Changed name to Nippon Life Assurance Co., Ltd.
1898 Paid first profit dividends to policyholders in Japan
1899 Top in industry for policies in force
1902 Headquarters moved to present location
1924 Nippon Life Saiseikai Foundation established
1931 Nippon Life Hospital opened, attached to the Nippon Life Saiseikai Foundation
1940 Japan’s first “Ordinary insurance with dividend by profit source” was launched
1942 Full transfer of Aikoku Life Insurance
1945 Full transfer of Fuji Life Insurance
1947 Nippon Life reborn as Nippon Life Insurance Company in 1947, and has strived to
   continue to realize mutual aid and cooperative prosperity as a mutual company.
1959 Endowment Insurance with Term Rider launched
1963 Nippon Theater established
1964 Launch of the Nissay Masterpiece Theater Series
1973 Nissay Children’s Culture Promotion Foundation established (name changed to
   Nissay Culture Foundation in 1995)
1975 New York branch office established (name changed to New York Office in 1975)
1976 Full transfer of P裕友 Life Insurance
1979 Nippon Life Foundation established
1980 Nippon Life’s new comprehensive in-house computer network system began
1981 Whole life insurance with profit dividends and term insurance riders (given the nickname
   Long in 1981)
   Whole life insurance with profit dividends was launched
   London representative office opened
1982 Full time representative office opened
1984 Nissay Leasing Co., Ltd. established
1985 Nissay BOT Investing Advisors established (name changed to Nissay Investing Advisors in 1989)
1987 Beijing representative office opened
   Pandogora Asset Management Limited (London) established
1988 Comprehensive information online “System 100” began operation
   Nissay Research Institute established
   CI (corporate identity) introduced
   Nissay Seiboku Computer Center established
1989 Nissay Green Foundation established
1990 Nissay Life Children’s Culture Promotion Foundation established
1992 Nissay Million Tree-Planting Campaign began
1993 NISSAY NEW CREATION CO., LTD. established
   Nissay Green Foundation established
1994 Satellite broadcast system NICE-NET introduced
1995 Nissay Investment Trust Co., Ltd. established
1996 Nissay General Insurance Company, Limited established
1997 Nippon Life Insurance Company of the Philippines, Inc. established
1998 Nissay Research Institute established
1999 Nissay Call Center launched
2000 Nissay Asset Management Corporation, established
   More than six million children have benefited from the Nissay Masterpiece Theater Series
2001 Nissay SVA Life Insurance began operation
2002 Nissay Million Tree-Planting Campaign goal of one million trees reached
2003 More than six million children have benefited from the Nissay Masterpiece Theater Series
### Fund Contributors (as of March 31, 2005)

<table>
<thead>
<tr>
<th>Name of fund contributors</th>
<th>Amount of fund contributions</th>
<th>Fund contribution percentage</th>
<th>Investments to the Company fund contributors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nissay Fund Special Purpose Company</td>
<td>¥150 Billions of yen</td>
<td>75.00 %</td>
<td>— Thousands of stock —</td>
</tr>
<tr>
<td>Fund Securitization Special Purpose Company</td>
<td>50</td>
<td>25.00 %</td>
<td>— %</td>
</tr>
</tbody>
</table>

#### Notes:
1. Nissay Fund Special Purpose Company issues special corporate bonds, backed by claims on the fund; issuance proceeds are used to purchase claims on the fund. Nippon Life has no specified investments in the Nissay Fund Special Purpose Company.
2. The Fund Securitization Special Purpose Company issues special bonds, backed by claims on the fund, to qualified investors, stipulated by Cabinet Office ordinance, and the issuance proceeds are used to purchase claims on the fund. Nippon Life has no specified investments in the Fund Securitization Special Purpose Company.
3. Fund contributors are the two above-mentioned entities.

### Foundation Funds (Kikin) Status

Nippon Life endeavors to build up the foundation funds (kikin) as part of efforts to increase its ability to respond to risks. On account of foundation funds (kikin) fundraising activities, as shown in the diagram below, in fiscal 1996, 1997, 1999, 2000, and 2002, the fund amount (foundation funds (kikin)) and the reserve for redemption of foundation funds (kikin) totaled ¥750 billion as of March 31, 2005. Making use of securitization since fiscal 2000 increased the number of contributors. In fiscal 2002, foundation funds (kikin) fundraising targeted the general public for the first time in the history of the industry. With additional contributions to the fund worth ¥150 billion in fiscal 2005, the total fund amount is expected to reach ¥900 billion.

*Based on the Insurance Business Law, the fund is composed of funds from contributors, and is considered the capital of the mutual company. Mutual companies are not expected to raise capital from stockholders, liabilities from fund contributors in the form of funds are added, and on the redemption date stipulated in the contract, the contributor is repaid. Furthermore, for repayment, the Company is required to build up reserves for repaying the fund that equal the amount of the fund. Part of the reserves built up from the yearly distribution of surplus are reserves for fund redemption, the source of reserve for fund redemption, and when the fund is redeemed, the funds are transferred to the reserve for redemption of foundation funds (kikin), which is used for redemption.*

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**[Fund Redemption]**

*Notes:
1. As stipulated by the Insurance Business Law, minimum fund amount is ¥1 billion.
2. Article 56 of the Insurance Business Law: when redeeming the fund, an amount equivalent to the redemption amount must be accumulated as reserves for repaying the fund. Reserve for fund redemption is a voluntary reserve and it is transferred to reserve for redemption of foundation funds (kikin) when the foundation funds (kikin) is redeemed.
3. The redemption of ¥150 billion of reserve for fund redemption expected to occur between fiscal 1999 and fiscal 2001 was completed earlier than expected.*
CORPORATE MANAGEMENT

Chairman
Ikuo Uno

President
Kunie Okamoto

Vice Chairman
Mitsuhiro Ishibashi

Executive Vice President
Shingo Okada

Executive Vice President
Eitaro Waki

Senior Managing Director
Takao Arai

Senior Managing Director
Mitsutoshi Kimura

Managing Director
Takashi Matsukubo

Managing Director
Takashi Minagawa

Managing Director
Tetsuro Taki

Managing Director
Sadao Kato

Managing Director
Keizo Tsutsui

Managing Director
Shunsuke Wada

Managing Director
Takeshi Asahara

Managing Director
Kiyoshi Ujihara

Managing Director
Chiaki Hamaguchi

Managing Director
Akitio Kuwabara

DIRECTORS
Yoshihisa Akiyama
Yoichi Fujita
Yoshikazu Takeda
Keiji Tsuda
Yoshinobu Tsutsui
Takeshi Furuuchi
Shigemi Kanamori
Kensuke Matsumura
Kenichi Kobayashi
Hiroshi Ishimura
Koji Aiba
Akira Mihayashi

AUDITORS
Koji Miyazaki
(Senior Corporate Auditor)
Takashi Imai
Keisuke Kitajima
Kantaro Toyoizumi
Koji Miyazaki
Atsuiko Nozaki

(as of July 5, 2005)
### Number of Employees by Type

<table>
<thead>
<tr>
<th></th>
<th>As of March 31</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-sales personnel</td>
<td>10,647</td>
<td>10,483</td>
<td>10,771</td>
<td>882</td>
<td>438</td>
<td>556</td>
</tr>
<tr>
<td>Male</td>
<td>4,467</td>
<td>4,482</td>
<td>4,547</td>
<td>255</td>
<td>214</td>
<td>282</td>
</tr>
<tr>
<td>Female</td>
<td>6,180</td>
<td>6,001</td>
<td>6,224</td>
<td>627</td>
<td>224</td>
<td>274</td>
</tr>
<tr>
<td>Managerial track</td>
<td>3,856</td>
<td>3,939</td>
<td>4,001</td>
<td>137</td>
<td>146</td>
<td>190</td>
</tr>
<tr>
<td>Administrative clerk</td>
<td>3,246</td>
<td>3,291</td>
<td>3,376</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Clerk</td>
<td>2,436</td>
<td>2,540</td>
<td>2,656</td>
<td>265</td>
<td>210</td>
<td>235</td>
</tr>
<tr>
<td>Total sales representatives</td>
<td>56,469</td>
<td>57,565</td>
<td>60,015</td>
<td>18,729</td>
<td>20,557</td>
<td>22,886</td>
</tr>
<tr>
<td>Male</td>
<td>3,593</td>
<td>4,032</td>
<td>4,526</td>
<td>172</td>
<td>479</td>
<td>739</td>
</tr>
<tr>
<td>Female</td>
<td>52,876</td>
<td>53,533</td>
<td>55,489</td>
<td>18,557</td>
<td>20,078</td>
<td>22,147</td>
</tr>
<tr>
<td>Sales management positions</td>
<td>2,329</td>
<td>2,390</td>
<td>2,463</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Male</td>
<td>2,136</td>
<td>2,193</td>
<td>2,248</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Female</td>
<td>193</td>
<td>197</td>
<td>215</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Sales representatives</td>
<td>54,064</td>
<td>55,102</td>
<td>57,453</td>
<td>18,729</td>
<td>20,536</td>
<td>22,886</td>
</tr>
<tr>
<td>Male</td>
<td>1,381</td>
<td>1,766</td>
<td>2,179</td>
<td>172</td>
<td>458</td>
<td>739</td>
</tr>
<tr>
<td>Female</td>
<td>52,683</td>
<td>53,336</td>
<td>55,274</td>
<td>18,557</td>
<td>20,078</td>
<td>22,147</td>
</tr>
<tr>
<td>Sales representatives for management course</td>
<td>76</td>
<td>73</td>
<td>99</td>
<td>31</td>
<td>21</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>67,116</td>
<td>68,048</td>
<td>70,786</td>
<td>19,611</td>
<td>20,995</td>
<td>23,442</td>
</tr>
<tr>
<td>Male</td>
<td>5,050</td>
<td>5,514</td>
<td>6,073</td>
<td>427</td>
<td>693</td>
<td>1,021</td>
</tr>
<tr>
<td>Female</td>
<td>62,066</td>
<td>62,534</td>
<td>64,713</td>
<td>19,184</td>
<td>20,302</td>
<td>22,421</td>
</tr>
</tbody>
</table>

Notes: 1. All figures were calculated on March 31 of each fiscal year.
2. Non-sales personnel is the total number of non-sales representatives, medical staff, policy managers, labor, special advisors, professionals, and specific positions.
3. After fiscal 2003, the number of sales representatives includes employees that were registered as life insurance solicitors prior to employment. (1,943 employees as of March 31, 2005 and 1,797 employees as of March 31, 2004)
4. After fiscal 2003, the number of sales manager assistants includes sales manager assistant trainees. (New employees only include sales manager assistants.)

### Average Age and Years of Service of Employees

<table>
<thead>
<tr>
<th></th>
<th>As of March 31</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-sales personnel</td>
<td>40.6</td>
<td>40.3</td>
<td>39.9</td>
<td>17.6</td>
<td>18.1</td>
<td>17.8</td>
</tr>
<tr>
<td>Male</td>
<td>42.4</td>
<td>42.1</td>
<td>41.8</td>
<td>17.1</td>
<td>17.2</td>
<td>16.9</td>
</tr>
<tr>
<td>Female</td>
<td>39.2</td>
<td>39.0</td>
<td>38.5</td>
<td>17.9</td>
<td>18.8</td>
<td>18.5</td>
</tr>
<tr>
<td>Managerial track</td>
<td>40.7</td>
<td>40.4</td>
<td>40.1</td>
<td>18.6</td>
<td>18.2</td>
<td>17.9</td>
</tr>
<tr>
<td>Administrative clerk</td>
<td>43.2</td>
<td>43.0</td>
<td>42.6</td>
<td>23.9</td>
<td>23.8</td>
<td>23.6</td>
</tr>
<tr>
<td>Clerk</td>
<td>34.0</td>
<td>34.0</td>
<td>33.6</td>
<td>13.0</td>
<td>13.2</td>
<td>12.9</td>
</tr>
<tr>
<td>Total sales representatives</td>
<td>45.1</td>
<td>44.8</td>
<td>44.7</td>
<td>8.7</td>
<td>8.7</td>
<td>8.5</td>
</tr>
<tr>
<td>Male</td>
<td>44.1</td>
<td>43.6</td>
<td>42.9</td>
<td>17.3</td>
<td>16.0</td>
<td>14.7</td>
</tr>
<tr>
<td>Female</td>
<td>45.1</td>
<td>44.9</td>
<td>44.8</td>
<td>8.1</td>
<td>8.1</td>
<td>8.0</td>
</tr>
<tr>
<td>Sales management positions</td>
<td>44.9</td>
<td>44.9</td>
<td>44.9</td>
<td>21.8</td>
<td>21.7</td>
<td>21.4</td>
</tr>
<tr>
<td>Male</td>
<td>44.3</td>
<td>44.3</td>
<td>44.3</td>
<td>21.9</td>
<td>21.7</td>
<td>21.5</td>
</tr>
<tr>
<td>Female</td>
<td>51.1</td>
<td>51.8</td>
<td>51.3</td>
<td>21.0</td>
<td>21.3</td>
<td>20.4</td>
</tr>
<tr>
<td>Sales representatives</td>
<td>45.1</td>
<td>44.8</td>
<td>44.7</td>
<td>8.2</td>
<td>8.1</td>
<td>8.0</td>
</tr>
<tr>
<td>Male</td>
<td>44.3</td>
<td>43.2</td>
<td>41.9</td>
<td>10.9</td>
<td>9.2</td>
<td>7.9</td>
</tr>
<tr>
<td>Female</td>
<td>45.1</td>
<td>44.9</td>
<td>44.8</td>
<td>8.1</td>
<td>8.1</td>
<td>8.0</td>
</tr>
<tr>
<td>Sales representatives for management course</td>
<td>32.8</td>
<td>34.0</td>
<td>32.2</td>
<td>6.1</td>
<td>8.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Total</td>
<td>44.3</td>
<td>44.1</td>
<td>44.0</td>
<td>10.1</td>
<td>10.1</td>
<td>10.0</td>
</tr>
<tr>
<td>Male</td>
<td>43.1</td>
<td>42.8</td>
<td>42.3</td>
<td>17.2</td>
<td>16.6</td>
<td>15.8</td>
</tr>
<tr>
<td>Female</td>
<td>44.5</td>
<td>44.3</td>
<td>44.2</td>
<td>9.2</td>
<td>9.2</td>
<td>9.1</td>
</tr>
</tbody>
</table>

Notes: 1. All figures were calculated on March 31 of each fiscal year, and rounded to the nearest decimal place.
2. Non-sales personnel is the total number of non-sales representatives, medical staff, policy managers, labor, special advisors, professionals, and specific positions.
3. After fiscal 2003, the number of sales representatives includes employees that were registered as life insurance solicitors prior to employment. (1,943 employees as of March 31, 2005 and 1,797 employees as of March 31, 2004)
4. After fiscal 2003, the number of sales manager assistants includes sales manager assistant trainees.

### Average Monthly Salary of Non-Sales Personnel

<table>
<thead>
<tr>
<th></th>
<th>As of March 31</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-sales personnel</td>
<td>390</td>
<td>399</td>
<td>385</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: 1. The average monthly salary is the tax-inclusive standard salary in March of every fiscal year and excludes bonuses and overtime pay.
2. Non-sales personnel is the total number of non-sales representatives, medical staff, policy managers, labor service staffs, special advisors, key account managers, and contract employees.

### Average Monthly Salary of Sales Representatives

<table>
<thead>
<tr>
<th></th>
<th>As of March 31</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales representatives</td>
<td>252</td>
<td>250</td>
<td>269</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: 1. The average monthly salary is the tax-inclusive standard salary in March of every fiscal year and excludes bonuses and overtime pay.
2. Excludes deputy subbranch manager, training manager, special manager, sales manager assistance, SA office trainer, subbranch manager, sales representatives for management course, sales representatives for subbranch manager, specially commended sales manager, sales advisor, life agents, junior trainer, life insurance solicitor agent, SA staff, service support staff.
### OUTLINE OF NIPPON LIFE INSURANCE COMPANY

#### General Manager of Nissay Training Center
- **General Manager of Business School for Sales Managers**

#### Customer
- **Finance & Investment Planning Dept.**
- **Investment Risk Management Dept.**
- **Credit Dept.**
- **Securities Operations Dept.**
- **Finance Planning & Management Dept.**
  - **Corporate Finance Structuring Office**
  - **Consumer Loan Planning Office**
- **Corporate Finance Dept.**
- **Real Estate Investment Dept.**
- **Treasury & Capital Markets Dept.**
- **Stock Investment Dept.**
- **Separate Account Investment Dept.**

#### Service Network Development Sector
- **Head Office Corporate Marketing Dept.**
  - **Corporate Relations Management Dept.**
  - **Corporate Sales Dept.**
  - **Public Sector Marketing Dept.**
  - **Corporate and Collective Marketing Dept.**
  - **Osaka Area Corporate & Worksite Sale Office**

#### Corporate Marketing Sector
- **Head Office Corporate Marketing Dept.**
- **Corporate Sales Dept.**
- **Public Sector Marketing Dept.**
- **Corporate and Collective Marketing Dept.**
- **Osaka Area Corporate & Worksite Sale Office**

#### International Sector
- **International Planning & Operations Dept.**
- **China Dept.**
- **Overseas Representative Office**
- **International Investment Dept.**

#### Investment Management Sector
- **Finance & Investment Planning Dept.**
- **Investment Risk Management Dept.**
- **Credit Dept.**
- **Securities Operations Dept.**
- **Finance Planning & Management Dept.**
  - **Corporate Finance Structuring Office**
  - **Consumer Loan Planning Office**
- **Corporate Finance Dept.**
- **Real Estate Investment Dept.**
- **Treasury & Capital Markets Dept.**
- **Stock Investment Dept.**
- **Separate Account Investment Dept.**

#### Retail Sector
- **Metropolitan Area Headquarters**
  - **Branch**
    - **Metropolitan Area LP Office**
- **Tokai Regional Headquarters**
  - **Branch**
  - **Telecommunications Office**
- **Kinki Regional Headquarters**
  - **Branch**
    - **Life Plaza**
      - **Life Plaza Operations Office**
      - **Life Plaza**
- **Agency Operations Dept.**
  - **Agency Marketing Headquarters**
    - **Agency Relations Dept.**
  - **Agency Operations Dept.**
  - **Agency Marketing Headquarters**
    - **Agency Relations Dept.**
  - **Corporate & Worksite Sales Headquarters**
    - **Metropolitan Area Corporate & Worksite Sales Branch**
    - **Tokyo Area Corporate & Worksite Sales Office**

#### Service Network Development Sector
- **Service Network Development Dept.**
  - **Life Plaza Operations Office**
  - **Life Plaza**

#### Corporate & Worksite Sales Sector
- **Corporate & Worksite Sales Headquarters**
  - **Metropolitan Area Corporate & Worksite Sales Branch**
  - **Tokyo Area Corporate & Worksite Sales Office**

#### Agency Relations Dept.
- **(12) *1**

#### Agency Marketing Headquarters
- **Agency Relations Dept.**
  - **(12) *1**

#### Corporate & Worksite Sales Headquarters
- **Metropolitan Area Corporate & Worksite Sales Branch**
- **Tokyo Area Corporate & Worksite Sales Office**

#### Corporate Marketing Sector
- **Head Office Corporate Marketing Dept.**
  - **(7) *2**
  - **Corporate Relations Management Dept.**
  - **Corporate Sales Dept.**
  - **Public Sector Marketing Dept.**
  - **Corporate and Collective Marketing Dept.**
  - **Osaka Area Corporate & Worksite Sale Office**

#### International Sector
- **International Planning & Operations Dept.**
  - **China Dept.**
  - **Overseas Representative Office**
  - **International Investment Dept.**

#### Investment Management Sector
- **Corporate & Worksite Sales Headquarters**
  - **Metropolitan Area Corporate & Worksite Sales Branch**
  - **Tokyo Area Corporate & Worksite Sales Office**

#### Retail Sector
- **Metropolitan Area Headquarters**
  - **Branch**
    - **Metropolitan Area LP Office**
- **Tokai Regional Headquarters**
  - **Branch**
  - **Telecommunications Office**
- **Kinki Regional Headquarters**
  - **Branch**
    - **Life Plaza**
      - **Life Plaza Operations Office**
      - **Life Plaza**
- **Agency Operations Dept.**
  - **Agency Marketing Headquarters**
    - **Agency Relations Dept.**
  - **Agency Operations Dept.**
  - **Agency Marketing Headquarters**
    - **Agency Relations Dept.**
  - **Corporate & Worksite Sales Headquarters**
    - **Metropolitan Area Corporate & Worksite Sales Branch**
    - **Tokyo Area Corporate & Worksite Sales Office**

### ORGANIZATION

- **Secretarial Dept.**
- **Corporate Planning Dept.**
- **Public Affairs Dept.**
- **Public & Investors Relations Dept.**
- **Planning and Research Dept.**
- **Affiliated Business Dept.**
- **Actuarial Dept.**
- **Chief Actuary**
- **Personnel Dept.**
  - **Human Resource Development Office**
  - **General Affairs Dept.**
  - **Health Management Dept.**
  - **Legal and Compliance Dept.**
    - **Sound Business Promotion Office**
    - **Information Management Office**
- **Auditing Dept.**
  - **Loan & Investment Auditing Office**
  - **Auditing Office**
- **Policy Accounting Dept.**
  - **Medical Dept.**
  - **Medical Information Dept.**
    - **(Chief Medical Director)**
- **Policy Management Dept.**
- **Administrative Risk Management Dept.**
- **Group Life & Pension Dept.**
  - **Corporate Service Center**
  - **Head Office Osaka Corporate Service Center**
- **New Infrastructure Product Management Dept.**
- **System Planning Dept.**
- **System Risk Management Dept.**
- **Customer Service Dept.**
- **Product Planning Dept.**
- **Marketing Planning Dept.**
  - **Sales Manager Business Planning Office**
  - **Sales Representatives Human Resource Dept.**
  - **Sales Representatives Training Dept.**
    - **Business School for Sales Managers**
    - **Sales Material Inspection Office**
    - **(General Manager of Nissay Training Center)**
    - **(General Manager of Business School for Sales Managers)**
    - **Sales Representatives Operations Management Dept.**
    - **Sales Representatives Activity Planning Office**
    - **Policy Efficiency Promotion Dept.**
    - **General Insurance Planning & Operation Dept.**
    - **Corporate & Worksite Marketing Dept.**
    - **Corporate Service Center**
    - **Corporate & Worksite Development Office**
    - **Public Sector Management Office**
    - **Corporate & Worksite Development Office**
    - **Public Sector Management Office**
    - **Corporate Marketing Planning Dept.**
    - **Corporate Product Planning Office**
    - **Group Life & Pension Actuarial Office**
    - **Corporate Sales Planning & Product Development Office**
    - **Defined Contribution Plans Dept.**
    - **Corporate Sales Promotion Dept.**
    - **Group Marketing Information Center**
    - **Corporate & Worksite Sales Headquarters**
    - **Corporate & Worksite Sales Headquarters**
  - **Public Sector Management Office**
  - **Corporate Marketing Planning Dept.**
  - **Corporate & Worksite Marketing Dept.**
  - **Corporate Service Center**
  - **Corporate & Worksite Development Office**
  - **Public Sector Management Office**
  - **Corporate Marketing Planning Dept.**
  - **Corporate & Worksite Marketing Dept.**
  - **Corporate Service Center**
  - **Corporate & Worksite Development Office**
  - **Public Sector Management Office**
  - **Corporate Marketing Planning Dept.**
  - **Corporate & Worksite Marketing Dept.**
  - **Corporate Service Center**
  - **Corporate & Worksite Development Office**
  - **Public Sector Management Office**
### Headquarters Organization

#### As of March 31

<table>
<thead>
<tr>
<th>Department / Division / Department</th>
<th>2005</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Headquarters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Marketing Headquarters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate &amp; Worksite Sales Headquarters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head Office Corporate Marketing Dept.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departments</td>
<td>39</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Offices</td>
<td>29</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Sections (known as “Groups”)</td>
<td>88</td>
<td>90</td>
<td>94</td>
</tr>
<tr>
<td>Agency Relations Dept.</td>
<td>12</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Corporate Relations Management Dept.</td>
<td>22</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Corporate Sales Dept.</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>and Worksite Sales Office</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Finance Dept.</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

### Branch Organization

#### As of March 31

<table>
<thead>
<tr>
<th>Branch / Office / Category</th>
<th>2005</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branches, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branches</td>
<td>118</td>
<td>117</td>
<td>125</td>
</tr>
<tr>
<td>Branch Offices</td>
<td>12</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Sales Branches etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Offices</td>
<td>1,560</td>
<td>1,556</td>
<td>1,598</td>
</tr>
<tr>
<td>Sales Suboffices</td>
<td>197</td>
<td>201</td>
<td>189</td>
</tr>
<tr>
<td>Overseas Representative Offices</td>
<td>4</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Agencies</td>
<td>6,364</td>
<td>5,954</td>
<td>6,070</td>
</tr>
</tbody>
</table>

**Notes:**
1. Figures were compiled at the start of each fiscal year.
2. **Branches:**
   - Branches include Metropolitan Area LP Office and Telecommunications Offices.
   - Branch offices are organizations that specialize in urban corporate & worksite sales. Branch offices include those that provide advanced consulting sales services backed by a broad field of knowledge in insurance, taxation, and asset management.
3. **About Representative Offices:**
   - The number of overseas representative offices at the start of fiscal 2005 excludes the Shanghai representative office, which is in the process of shutting down.
**Nippon Life Insurance Company**

**BUSINESS STRUCTURE**

Nippon Life engages in the life insurance business while its subsidiaries and affiliates handle non-life insurance and life insurance operations. In addition, affiliates in insurance-related operations engage in corporate pension system management work, life insurance policy solicitation and non-life insurance agency work, life insurance policy and non-life insurance policy confirmation work, as well as life insurance brokerage agency work in the United States.

Subsidiaries in asset management-related operations engage in investment advisory services, investment trust consignment services, securities asset management, venture capital, credit guarantee services, leasing, credit cards, building management, and overseas real estate investment financing agency services.

Subsidiaries in general affairs-related operations engage in temporary staffing services, mediation and sales of goods to Nippon Life and its employees, printing and bookbinding services, software development, information processing services, system administration and management, as well as survey and research services.

<table>
<thead>
<tr>
<th>Insurance-related operations</th>
<th>Subsidiaries and affiliates: 15 companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Insurance business</strong></td>
<td>7 companies: 1 subsidiary and 6 affiliates</td>
</tr>
<tr>
<td><strong>Insurance-related operations</strong></td>
<td>8 companies: 3 subsidiaries and 5 affiliates</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset management-related businesses: 34 companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment advisory services</strong></td>
</tr>
<tr>
<td><strong>Trust banking</strong></td>
</tr>
<tr>
<td><strong>Investment financing services</strong></td>
</tr>
<tr>
<td><strong>Real estate-related businesses</strong></td>
</tr>
<tr>
<td><strong>Overseas asset management services</strong></td>
</tr>
<tr>
<td><strong>NLI Properties East, Inc. &lt;New York&gt;</strong> (Overseas real estate investment)</td>
</tr>
<tr>
<td><strong>NLI Properties Central, Inc. &lt;Illinois&gt;</strong> (Overseas real estate investment)</td>
</tr>
<tr>
<td><strong>NLI Properties West, Inc. &lt;California&gt;</strong> (Mortgage loans)</td>
</tr>
<tr>
<td><strong>NLI Commercial Mortgage Fund, LLC &lt;Delaware&gt;</strong> (Mortgage loans)</td>
</tr>
<tr>
<td><strong>NLI International PLC &lt;London&gt;</strong> (Loans and investment on behalf of Nippon Life)</td>
</tr>
<tr>
<td><strong>NLI International Inc. &lt;New York&gt;</strong> (Loans and investment on behalf of Nippon Life)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General-affairs-related operations</th>
<th>11 companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nissay Dowa General Insurance Company, Limited</strong></td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nippon Life Insurance Company of America &lt;New York&gt;</strong></td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Bangkok Life Assurance Limited &lt;Bangkok&gt;</strong></td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nippon Life Insurance Company of the Philippines, Inc. &lt;Metro Manila&gt;</strong></td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nissay-SVA Life Insurance Co., Ltd. &lt;Shanghai&gt;</strong></td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Corporate-pension Business Service Co., Ltd.</strong> (Corporate pension system management work)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General-affairs-related operations</th>
<th>11 companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nissay Asset Management Corporation</strong> (Investment advisory services, Investment trust consignment services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>The Master Trust Bank of Japan, Ltd.</strong> (Securities asset management)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nissay Card Service Co., Ltd.</strong> (Credit card services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nissay Capital Co., Ltd.</strong> (Venture capital services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nissay Leasing Co., Ltd.</strong> (Leasing services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Nissay Credit Guarantee Co., Ltd.</strong> (Credit guarantee services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
<tr>
<td><strong>Shinjuku NS Building Co., Ltd.</strong> (Building management services)</td>
<td>NISSAY NEW CREATION CO., LTD. (Printing and book binding services)</td>
</tr>
</tbody>
</table>

**Notes:**
1. ● Indicate consolidated subsidiaries and ■ marks indicate affiliates accounted for by the equity method.
2. Major company names shown.
Nippon Life conducts its business together with its subsidiaries and affiliates (being non-subsidiary companies in which Nippon Life holds, directly or indirectly, 20% to 50% of the issued share capital, or over which Nippon Life holds significant influence with respect to its finances, operations or businesses). As of March 31, 2005, Nippon Life had 13 subsidiaries, 13 of which were consolidated subsidiaries. As of the same date, Nippon Life had six affiliates, six of which were accounted for by the equity method in Nippon Life’s consolidated financial statements.

The following table sets forth information on Nippon Life’s principal direct and indirect subsidiaries and affiliates as of March 31, 2005.

Note: The Company’s percentage of voting rights shows the number of voting rights held by Nippon Life divided by the total number of voting rights.

<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Main business</th>
<th>Issued capital (millions)</th>
<th>Equity held directly or indirectly by Nippon Life (percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nissay Computer Co., Ltd.</td>
<td>Japan</td>
<td>Information handling services and systems operation and management</td>
<td>¥220</td>
<td>45.00%</td>
</tr>
<tr>
<td>Nissay Leasing Co., Ltd.</td>
<td>Japan</td>
<td>Lease</td>
<td>¥3,099</td>
<td>51.21</td>
</tr>
<tr>
<td>Nissay Card Service Co., Ltd.</td>
<td>Japan</td>
<td>Credit card business</td>
<td>¥100</td>
<td>95.00</td>
</tr>
<tr>
<td>Nissay Capital Co., Ltd.</td>
<td>Japan</td>
<td>Venture capital business</td>
<td>¥3,000</td>
<td>100.00</td>
</tr>
<tr>
<td>Nissay Asset Management Corporation</td>
<td>Japan</td>
<td>Investment advisory and investment trust management services</td>
<td>¥10,000</td>
<td>90.00</td>
</tr>
<tr>
<td>Nissay Information Technology Co., Ltd.</td>
<td>Japan</td>
<td>Information and technology</td>
<td>¥4,000</td>
<td>75.00</td>
</tr>
<tr>
<td>Nippon Life Insurance Company of America</td>
<td>U.S.A.</td>
<td>Insurance and insurance related</td>
<td>$3.6</td>
<td>96.96</td>
</tr>
<tr>
<td>NLI Properties East, Inc.</td>
<td>U.S.A.</td>
<td>Real estate investment</td>
<td>$310</td>
<td>100.00</td>
</tr>
<tr>
<td>NLI Properties Central, Inc.</td>
<td>U.S.A.</td>
<td>Real estate investment</td>
<td>$250</td>
<td>100.00</td>
</tr>
<tr>
<td>NLI Properties West, Inc.</td>
<td>U.S.A.</td>
<td>Real estate investment</td>
<td>$290</td>
<td>100.00</td>
</tr>
<tr>
<td>NLI Commercial Mortgage Fund, LLC</td>
<td>U.S.A.</td>
<td>Mortgage loan</td>
<td>$100</td>
<td>100.00</td>
</tr>
<tr>
<td>NLI Commercial Mortgage Fund II, LLC</td>
<td>U.S.A.</td>
<td>Mortgage loan</td>
<td>$100</td>
<td>100.00</td>
</tr>
<tr>
<td>Nissay Guarantee Corporation</td>
<td>Japan</td>
<td>Trust and guarantee</td>
<td>¥200</td>
<td>15.00</td>
</tr>
<tr>
<td>Nissay Dowa General Insurance Co., Ltd.</td>
<td>Japan</td>
<td>Non-life insurance</td>
<td>¥47,328</td>
<td>35.91</td>
</tr>
<tr>
<td>The Master Trust Bank of Japan, Ltd.</td>
<td>Japan</td>
<td>Master trust and custody services</td>
<td>¥10,000</td>
<td>29.00</td>
</tr>
<tr>
<td>Corporate-pension Business Service Co., Ltd.</td>
<td>Japan</td>
<td>Corporate pension system and administration management</td>
<td>¥6,000</td>
<td>49.00</td>
</tr>
<tr>
<td>Bangkok Life Assurance Limited</td>
<td>Thailand</td>
<td>Insurance and insurance related</td>
<td>1000 Baht</td>
<td>16.41</td>
</tr>
<tr>
<td>Nippon Life Insurance Company of Philippines, Inc.</td>
<td>Philippines</td>
<td>Insurance and insurance related</td>
<td>500 Piso</td>
<td>50.00</td>
</tr>
<tr>
<td>Nissay-SVA Life Insurance Co., Ltd.</td>
<td>China</td>
<td>Insurance and insurance related</td>
<td>300 RMB</td>
<td>50.00</td>
</tr>
</tbody>
</table>

Note: The Company’s percentage of voting rights shows the number of voting rights held by Nippon Life divided by the total number of voting rights.

• History of Corporate Mergers (Fiscal 2004)

1. On August 1, 2004, the Company’s percentage of voting rights in Nissay Leasing increased to 50.39% in line with a third-party capital increase totaling ¥2,999.36 billion, of which the Company funded ¥2,099.55 billion.
2. On September 28, 2004, NLI Properties UK was dissolved.
3. On November 5, 2004, the Company’s percentage of voting rights in Nissay Leasing increased to 51.21% with the acquisition of shares.
4. On March 17, 2005, NLI Commercial Mortgage Fund II, was established in the United States with paid-in capital of US$100 million as a wholly owned subsidiary of Nippon Life engaged in mortgage loans.
5. Nissay Leasing and NLI Commercial Mortgage Fund II became new subsidiaries. NLI Properties UK no longer fell under the classification of a subsidiary or affiliate.
Nippon Life makes every effort to create a structure capable of providing the best, most comprehensive insurance services across a broad spectrum of needs, including life insurance, non-life insurance, medical and nursing care insurance, and asset growth, to meet the diverse and sophisticated needs of its customers. We work from the customer’s perspective in our basic strategies to:

1) Provide the finest in innovative services in a precise and prompt manner
2) Provide responsible services, from sales to underwriting, under the Nissay brand

To this end, the four group companies of Nippon Life Insurance Company, Nissay Dowa General Insurance, Nissay Asset, and Nissay Information Technology are working toward even more solid group management.

Nissay Dowa General Insurance
Taking advantage of the direction and position of the comprehensive insurance strategy, which is advancing along with Nippon Life since their merger in 2001, Nissay Dowa General Insurance recorded ¥321.8 billion in net premiums written in fiscal 2004, an increase of ¥53.6 billion over the past four years since the merger. Nissay Dowa will continue to provide products and services in line with diversifying customer needs, expand sales channels and strengthen consulting capabilities while aiming to increase growth potential and profitability by promoting greater business efficiency. At the same time, Nissay Dowa is making every effort to be chosen and trusted by its customers and agencies.

Nissay Asset
Nissay Asset strives to provide high-quality services with a full lineup of investment products to aggressively meet the diverse needs of its customers for asset formation and corporate welfare needs. Nissay Asset had approximately ¥6.8 trillion in assets under management as of March 31, 2005, one of the highest levels in the industry. The company works tirelessly to increase the trust of its customers in the fields of group pensions and investment trusts. Nissay Asset is jointly developing a wide selection of investment trusts, including some through our NLI Research Institute and alliance partner Putnam Investments in the United States. Among them, the Nissay/Putnam Income Open, a product jointly developed with Putnam, is one of the leading funds in Japan’s investment trust industry with more than ¥940 billion under management as of March 31, 2005.

Nissay Information Technology
Responsible for advancing the Group’s IT strategy, Nissay Information Technology aims to improve development productivity and create advanced development technologies through the concentration of system development resources and know-how as well as the proactive implementation of the latest technologies. Nissay Information Technology has developed cutting-edge information systems to support services for Nissay Insurance Accounts, comprehensive services for life and non-life insurance, and call centers. Nissay Information Technology is combining efforts with Nippon Life to develop Web versions of agency systems and marketing base systems, as well as upgrade the portable computers of sales representatives. In addition, taking full advantage of its expertise in IT systems, the company is entering IT markets associated with the insurance industry, and actively provides services to a wide range of customers. In fiscal 2004, ¥11.7 billion of Nissay Information Technology’s ¥34.6 billion in sales came from outside of the Nippon Life Group.

Initiatives to Promote Alliances by Business Field
Our alliance strategy is aimed at offering customers the best, most comprehensive insurance services, and our basic policy is to move forward steadily in implementing the following initiatives:

1) When new services are needed, conclude alliances with the strongest company in that business field, and
2) Build an infrastructure that is common throughout society, and in the business areas where priority must be given to cost reduction, work together with a broad range of partners.