

FOR IMMEDIATE RELEASE

November 6, 2015

Nippon Life Insurance Company  
Mitsui Life Insurance Company Limited

**Execution of the Management Integration Agreement between  
Nippon Life and Mitsui Life and the Commencement of a Tender Offer**

As per the announcement on September 11, 2015, titled “Nippon Life and Mitsui Life have signed a basic agreement on management integration”, Nippon Life Insurance Company (President: Yoshinobu Tsutsui; “Nippon Life”) and Mitsui Life Insurance Company Limited (President: Shinya Arisue; “Mitsui Life”; collectively referred to as the “Companies”) signed a basic agreement on the management integration of the Companies (the “Transaction”) and post-Transaction management policy of Mitsui Life (the “Basic Agreement”) on September 11, 2015. Subsequently, the Companies have had discussions toward the materialization of the Transaction and hereby announce that the Companies have entered into a definitive management integration agreement on the Transaction as of today (the “Management Integration Agreement”).

Nippon Life’s board of directors has resolved the commencement of a tender offer to acquire Mitsui Life shares to consummate the Transaction (the “Tender Offer”), while Mitsui Life’s board of directors has resolved the endorsement of the Tender Offer and recommend that its shareholders tender their Mitsui Life shares in the Tender Offer.

The Tender Offer will commence on November 9, 2015, on which date Nippon Life will issue a public notice and file a tender offer registration document, while Mitsui Life will file a position statement. Please refer to those documents (in Japanese) for details of the Tender Offer.

1. **Purpose and Overview of the Transaction**

Nippon Life and Mitsui Life regard each other as optimal partners and appreciate their respective business operations and corporate brands. On the premise of thoughtful consideration of the history and corporate identity of the respective Companies, the Companies signed the Basic Agreement on September 11, 2015. Based upon subsequent discussions and considerations to consummate the Transaction, the Companies have entered into the Management Integration Agreement as of today, with respect to the following objectives of the Transaction and the post-Transaction management policy:

- (1) Further strengthen and develop the Companies' competitive sales representative channels through mutual cooperation;
- (2) In order to meet diversified customer needs in a flexible manner, jointly establish sales channels and business foundations which allow the Companies to provide appropriate products through the bancassurance and agency channels, on the premise that adequate levels of underwriting systems and capabilities are established and maintained; and
- (3) In addition to (1) and (2) above, mutually cooperate, share business intelligence, and leverage synergies to grow as a group.

In the Management Integration Agreement, the Companies have agreed that (i) to consummate the Transaction, Nippon Life will conduct the Tender Offer for all of the outstanding ordinary shares of Mitsui Life (the "Mitsui Life Ordinary Shares", including Mitsui Life Ordinary Shares issued upon conversion of the class A and B shares) and class A and B shares of Mitsui Life, excluding the treasury shares owned by Mitsui Life in each case (collectively referred to as the "Target Shares"), (ii) in the event that the Tender Offer is consummated, depending on the results of the Tender Offer, Nippon Life will implement the necessary procedures to acquire all of the Target Shares that continue to be held by shareholders other than Nippon Life after the Tender Offer and make Mitsui Life a wholly-owned subsidiary of Nippon Life (the "Squeeze-out Procedures"), and (iii) for the purpose of preserving and developing business relationships with Mitsui group companies after Mitsui Life becomes a wholly-owned subsidiary of Nippon Life, 16% in aggregate of Mitsui Life Ordinary Shares will be sold to the Post-Transaction Shareholders (as defined under "(4) Squeeze-out Procedures and Reinvestment in Mitsui Life by Mitsui Group Companies" of "2. Transaction Structure") and approximately 1% in aggregate of Mitsui Life Ordinary Shares are intended to be sold to other Mitsui group companies.

## 2. Transaction Structure

### (1) Overview of the Tender Offer

On November 4, 2015, Nippon Life's board of directors resolved to conduct the Tender Offer to consummate the Transaction. As of today, Nippon Life does not own any Mitsui Life Ordinary Shares or class A or B shares.

Major terms and conditions of the Tender Offer are outlined below:

- 1) Classes of Shares to be Purchased: Mitsui Life Ordinary Shares (excluding the treasury shares owned by Mitsui Life), class A shares (excluding the treasury shares owned by Mitsui Life), and class B shares
- 2) Tender Offer Period: From November 9, 2015 (Monday) through December 21, 2015 (Monday) (30 business days)

- 3) Tender Offer Prices: JPY 560 per Mitsui Life Ordinary Share  
 JPY 112,000 per class A share  
 JPY 127,273 per class B share

4) Number of Shares to be Purchased:

Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
597,273,868	439,785,136	—

(Note 1) If the total number of shares tendered in the Tender Offer (the “Tendered Shares”) does not reach the minimum number of shares to be purchased (439,785,136 shares), Nippon Life will not purchase any of the Tendered Shares. Since the class A and B shares of Mitsui Life are convertible into Mitsui Life Ordinary Shares, in determination of whether the number of the Tendered Shares is no less than the minimum number of shares to be purchased, the tendered class A and B shares will be deemed to have been converted into Mitsui Life Ordinary Shares. Specifically, the number of the Tendered Shares will be counted on the assumption that (a) each class A share equals 200 Mitsui Life Ordinary Shares and (b) the tendered class B shares equal the number of Mitsui Life Ordinary Shares determined by multiplying the number of tendered class B shares by 100,000 and dividing by 440, truncating any fractional shares.

(Note 2) As no maximum number of shares to be purchased has been set, the number of shares to be purchased shown above is the maximum number of shares to be purchased by Nippon Life through the Tender Offer (597,273,868 shares). This maximum number of shares to be purchased is equivalent to the sum of (1) the number of Mitsui Life Ordinary Shares (278,534,432 shares) that is calculated by deducting the number of treasury shares owned by Mitsui Life (17,272,768 shares) from the total number of issued and outstanding Mitsui Life Ordinary Shares (295,807,200 shares) and (2) the number of Mitsui Life Ordinary Shares (318,739,436 shares) that will be issued upon conversion of (i) the class A shares (911,879 shares) that is calculated by deducting the number of treasury class A shares owned by Mitsui Life (172,121 shares) from the total number of issued and outstanding class A shares (1,084,000 shares) and (ii) the class B shares (600,000 shares). The above numbers, as of March 31, 2015, have been derived from Mitsui Life’s annual securities report for its 68<sup>th</sup> fiscal year filed on June 26, 2015.

- 5) Commencement of Settlement of the Tender Offer: December 29, 2015 (Tuesday)

Please note that the acquisition of Mitsui Life Ordinary Shares through the Tender Offer requires approvals of the Commissioner of the Financial Services Agency pursuant to Article 271-10(1) and Article 106(7) of the Insurance Business Act (Act No. 105 of 1995, as amended). Therefore, the Tender Offer may be extended or withdrawn if Nippon Life fails to receive such prerequisite approvals by the immediately preceding day to the last date of the tender offer period.

(2) Agreements on Acceptance of the Tender Offer

As of November 6, 2015, Nippon Life has entered into tender offer acceptance agreements (the “Tender Offer Acceptance Agreements”, collectively or individually) with (i) Sumitomo Mitsui Banking Corporation (“SMBC”), (ii) Sumitomo Mitsui Trust Bank, Limited (“SuMiTB”), (iii) Mitsui Sumitomo Insurance Co., Ltd. (“MSI”), (iv) Mitsui & Co., Ltd. (“Mitsui & Co”) and (v) Mitsui

Fudosan Co., Ltd. (“Mitsui Fudosan”; those through (i) to (v) collectively referred to as the “Tendering Shareholders”), relating to the acceptance of the Tender Offer for all of their respective Mitsui Life Ordinary Shares and class A and B shares (Mitsui Life Ordinary Shares, class A and B shares owned by each of the Tendering Shareholders collectively referred to as the “ Shares to be Tendered”). Furthermore, Nippon Life intends to enter into a tender offer acceptance agreement with Sumitomo Life Insurance Company (“Sumitomo Life”), pertaining to its Mitsui Life Ordinary Shares and class B shares (together with the Shares to be Tendered, collectively referred to as the “Shares expected to be Tendered”) (the “Sumitomo Life Acceptance Agreement”). Nippon Life will proceed with good faith discussions with Sumitomo Life and take necessary procedures to enter into the Sumitomo Life Acceptance Agreement.

The number of the Shares expected to be Tendered on a fully diluted basis in aggregate (the “Fully Diluted Shares to be Tendered”<sup>1)</sup>) is equivalent to 439,785,136 Mitsui Life Ordinary Shares and percentage of the Fully Diluted Shares to be Tendered is 73.63% (the “Percentage of Fully Diluted Shares to be Tendered”<sup>2)</sup>).

(Note 1) The Fully Diluted Shares to be Tendered are Mitsui Life Ordinary Shares to be owned by Nippon Life assuming the class A and B shares will be fully converted into Mitsui Life Ordinary Shares. Any fractional shares upon conversion of the class B shares will be truncated in accordance with Article 167(3) of the Companies Act (Act No. 86 of 2005, as amended). Therefore, the number of Mitsui Life Ordinary Shares (136,363,633 shares) to be issued if all class B shares (600,000 shares) are converted individually will differ from the number of Mitsui Life Ordinary Shares (136,363,636 shares) to be issued if all class B shares (600,000 shares) are converted collectively.

(Note 2) The Percentage of Fully Diluted Shares to be Tendered is calculated by the number of Fully Diluted Shares to be Tendered divided by fully diluted Mitsui Life Ordinary Shares (rounding toward two decimal places). The number of fully diluted Mitsui Life Ordinary shares is equivalent to the maximum number of shares to be purchased by Nippon Life through the Tender Offer (597,273,868 shares).

### (3) Mitsui Life’s Endorsement of the Tender Offer and Recommendation to Tender the Shares in the Tender Offer

With careful considerations and discussions pertaining to necessity and rationale of the Transaction and the reasonableness of the terms and conditions of the Tender Offer as well as the post-Transaction management policies of Mitsui Life among others, Mitsui Life, advised by its financial advisers, Nomura Securities Co., Ltd. (“Nomura Securities”) and Daiwa Securities Co. Ltd. (“Daiwa Securities”), and its legal adviser, Mori Hamada & Matsumoto, has concluded that the Transaction will enhance the corporate value of Mitsui Life, considering the synergy arising out of the Transaction.

Mitsui Life requested an evaluation of Mitsui Life’s equity value from Nomura Securities and Daiwa Securities, both of which are independent third-party advisers. The valuation reports delivered by Nomura Securities and Daiwa Securities indicated that the tender offer price falls

within their valuation ranges. Furthermore, Mitsui Life has come to a conclusion that the Tender Offer will provide shareholders of Mitsui Life with a reasonable opportunity to exit from the ownership of their Mitsui Life, considering that Mitsui Life shareholders have limited opportunities to sell their shares because the Target Shares are unlisted, as well as that (i) the tender offer price was agreed upon through arms-length negotiation and implementation of measures to ensure fairness and avoid conflicts of interest and (ii) the Tendering Shareholders have agreed to tender their shares in Mitsui Life based on the tender offer price.

Based on the above, on November 5, 2015, Mitsui Life's board of directors resolved to endorse the Tender Offer and recommend that its shareholders tender their Mitsui Life shares in the Tender Offer.

#### (4) Squeeze-out Procedures and Reinvestment in Mitsui Life by Mitsui Group Companies

Following further discussions on post-Transaction business strategy and other matters, the Companies have concluded that making Mitsui Life a wholly-owned subsidiary of Nippon Life and streamlining the ownership structure enables Mitsui Life's timely decision making and flexible and strategic business operations, and further helps strengthen Mitsui Life's management foundation while maximizing synergies through mutual utilization of management resources of the Companies. Meanwhile, it is intended that Nippon Life will sell approximately 17% of Mitsui Life Ordinary Shares to Mitsui group companies on the premise that it will contribute to an increase in Nippon Life and Mitsui Life's value to preserve good relationships with Mitsui group companies and maintain and develop business relationships with such Mitsui group companies after the Transaction.

Accordingly, the Companies have agreed in the Management Integration Agreement that (i) in the event that the Tender Offer is consummated, depending on the results of the Tender Offer, Nippon Life will implement the Squeeze-out Procedures to acquire all of the Target Shares that continue to be held by shareholders other than Nippon Life after the Tender Offer and make Mitsui Life a wholly-owned subsidiary (the Squeeze-out Procedures will be conducted principally through either a demand for sale by the specially controlling shareholder or a share consolidation; in either case, an amount same as the tender offer price will be paid for each Mitsui Life Ordinary Share owned by those Mitsui Life shareholders that will have not tendered their shares in the Tender Offer (excluding the Companies)) and (ii) for the aforementioned purposes, after Mitsui Life becomes a wholly-owned subsidiary of Nippon Life, 16% in aggregate of Mitsui Life Ordinary Shares will be sold to SMBC, SuMiTB, MSI, Mitsui & Co and Mitsui Fudosan (collectively referred to as the "Post-Transaction Shareholders") and approximately 1% in aggregate of Mitsui Life Ordinary Shares are intended to be sold to other Mitsui group companies.

Specifically, pursuant to the Tender Offer Acceptance Agreements with each of the

Post-Transaction Shareholders, Nippon Life has agreed to sell, immediately after the Squeeze-out Procedures, shares representing 11% of Mitsui Life Ordinary Shares to SMBC, 2% to SuMiTB, 1% to MSI, 1% to Mitsui & Co and 1% to Mitsui Fudosan. In this transaction, the share purchase price will be calculated based on the tender offer price, in a way consistent with the principle of price uniformity in the Tender Offer. Furthermore, the Companies have confirmed that, as described above, Nippon Life intends to sell approximately 1% in aggregate of Mitsui Life Ordinary Shares to other Mitsui group companies other than the Post-Transaction Shareholders; however, specific purchasers and respective percentages of Mitsui Life Ordinary Shares to be acquired are undetermined at this time. Upon completion of the sale of Mitsui Life Ordinary Shares to the Post-Transaction Shareholders and other Mitsui group companies, Nippon Life will own approximately 83% of Mitsui Life's total voting rights.

### 3. Post-Transaction Policies

Regarding Mitsui Life's business strategies and management policy post-Transaction and throughout the period of the current mid-term business plan, the Companies have agreed in the Management Integration Agreement that Nippon Life appreciates Mitsui Life's business operation. The following are details of key post-Transaction management policies.

- (1) The Companies will sustain and expand their sales representative channels. Nippon Life appreciates Mitsui Life's operational policies of its sales representative channel (including its policy regarding supply of major products), and the Companies do not intend to consolidate their sales offices. Moreover, the Companies will cooperate to further strengthen and expand their sales representative channels. Such cooperation will include, among others, the expansion of the Companies' product lineup through a mutual offering of their respective products.
- (2) In accordance with basic policies stated in (1) above, the Companies will develop and maintain adequate underwriting systems and capabilities to provide appropriate products through the bancassurance and agency channels. Concurrently, both Companies will utilize their resources and cooperate to further develop their customer base and enhance their corporate value.
- (3) The Companies will aim to maximize the group's value through each Company's efforts to achieve the goals in their respective medium-term business plans and improvement of their cost structure and other measures to increase corporate value through synergy creation efforts in connection with the Transaction.
- (4) After the completion of the Transaction, Mitsui Life employees (including sales representatives) will remain employed and, in principle, no adverse changes to employment terms and compensation will be made.

The Companies' plan to review Mitsui Life's aforementioned basic management policies, with

consideration to Mitsui Life's history and corporate identity, after completion of the current medium-term business plan of Mitsui Life.

The Companies have agreed not to change the trade name and brand of Mitsui Life upon consummation of the Transaction.

Regarding the establishment of a new management structure of Mitsui Life post-Transaction, please refer to the tender offer registration document (in Japanese), which will be filed by Nippon Life on November 9, 2015, and the position statement (in Japanese), which will be filed by Mitsui Life on the same day.

#### 4. Schedule of the Transaction

(1)	Signing of the Management Integration Agreement	November 6, 2015 (today)
(2)	Signing of the Tender Offer Acceptance Agreements	Same as above
(3)	Commencement of the Tender Offer	November 9, 2015 (planned)
(4)	Expiration of the Tender Offer	December 21, 2015 (planned)
(5)	Commencement of Settlement of the Tender Offer	December 29, 2015 (planned)
(6)	Commencement of the Squeeze-out Procedures	Immediately after (5) above
(7)	Effective Date of the Squeeze-out Procedures	By end of March 2016 (planned)

#### 5. Overview of the Companies

(as of March 31, 2015)

Company Name	Nippon Life Insurance Company	Mitsui Life Insurance Company Limited
Location	3-5-12 Imabashi, Chuo-ku, Osaka	2-1-1 Otemachi, Chiyoda-ku, Tokyo
Name and Title of Representative	Yoshinobu Tsutsui, Representative Director and President	Shinya Arisue, Representative Director and President
Business	Life insurance	Life insurance
Foundation Funds / Capital Stock	1,250.0 billion yen (including reserve for redemption of foundation funds)	167.2 billion yen
Establishment	July 4, 1889	March 5, 1927
Number of Issued Shares	Not Applicable	Ordinary shares: 295,807,200 Class A shares: 1,084,000 Class B shares: 600,000
Fiscal Year End	March 31	March 31

Number of Employees	70,783 (incl. 18,477 office staff)	10,078 (incl. 3,121 office staff)
Major Shareholders and Percentage of Voting Rights	Not Applicable	Sumitomo Mitsui Banking Corporation 14.90%
		Daiwa Securities SMBC Principal Investments Co. Ltd. 12.99%
		Sumitomo Mitsui Trust Bank, Limited 9.60%
		Nomura Financial Partners Co., Ltd. 9.55%
		Mitsui Sumitomo Insurance Company, Limited 7.66%
		Citibank, N.A. Singapore - Baytree Investments (Mauritius) PTE LTD-JP UNQ 7.64%
		Mitsui & Co., Ltd. 4.32%
		Mitsui Fudosan Co., Ltd. 4.31%
		Sumitomo Life Insurance Company 2.67%
		Nippon Paper Industries Co., Ltd. 1.80%

End