

Strategic Investment in TCW

December 1, 2017



<Summary>

Nippon Life's asset management business

- ✓ In the “New Med-Term Management Plan [Fiscal 2017-2020 (Apr. 2017- Mar. 2021)]”, one of our core growth strategies is to steadily expand profits of the group business. We have focused on expanding the asset management business in order to enhance the investment management capabilities of the life insurance business, and to fulfill the diversified clients' need for asset formation

Strategic rationale for the transaction

- ✓ Enhancing the investment capability of the life insurance business
- ✓ Reinforcing the asset management business
- ✓ Expansion of net income by group companies

Overview of TCW and the transaction

- ✓ Founded in 1971, TCW is a U.S. asset management company with \$191.6 billion (approx. ¥21 trillion) in assets under management
- ✓ Nippon Life to acquire a 24.75% stake in TCW

Pro forma ownership post-transaction: TCW Management and employees - 44.07%,
Carlyle - 31.18%, Nippon Life - 24.75%

I . Our asset management business and strategic rationale

II . Overview of TCW and the transaction

I - 1 . Overview of New Medium-Term Management Plan

- In our “New Med-Term Management Plan [Fiscal 2017-2020 (Apr. 2017- Mar. 2021)]”, we intend to reach ¥70 billion of net income by group companies as one of the growth strategies

Working to be the leading company in the time of 100-year life

Growth strategies

- ① Increase profit under ultra low-interest rate environment
- ② Expand a social role as Nippon Life Group
- ③ Steadily expand profit of group business

- Develop products as balancing profitability with meeting customer needs
- Develop business beyond boundaries of “Insurance”
- Enhance “Delivering capability” of insurance products and services
- Industry leading customer service (Seniors, Regional network)
- Develop group businesses in order to contribute to the future growth
- Enhance investment management capabilities for securing stable profit
- Improve efficiency by reviewing business structure

Number of policyholders - 14 million (By March 31, 2021)
8% growth of Annualized premiums in force (Fiscal 2016→2020)

Domestic
life insurance

Net income by Group companies - ¥70 billion (By March 31, 2021)

Establish
industry leading
business platform

ERM

Advanced IT
utilization

Human resource
development

Accumulate capital steadily to underpin growth strategies
- ¥6.5 trillion (March 31, 2021)

To enhance group-wide business base in the mid to long-term

Further explore the domestic life insurance market

Capture assets of post-retirement age and overseas markets

Enjoy benefits from high growth markets outside of Japan

Group-wide domestic businesses

Asset management business

Overseas insurance business

Domestic

Overseas

Build a business management structure which will support the broadening of group-wide profit base (human resource development, sophistication of governance, etc.)

I - 3. Strategic rational of the investment in TCW

1 Enhancing the investment capability of the life insurance business

- Leverage TCW's expertise in U.S. fixed income to enhance our own capabilities in an important asset class for investment management of insurance assets
- Gain from TCW's experience in investment management and personnel development through personnel exchanges

2 Reinforcing the asset management business

- Expand both the supply and sale of products among group asset management companies
- Acquire expertise relating to overseas asset management business through appointment of directors and sending expatriates

3 Expansion of net income by group companies

- Contribute to our goal of ¥70 billion (March 31, 2021) of net income by group companies

I - 4. Trajectory of asset management and overseas insurance business

Asset Management

1985

【Japan】

Nissay Asset Management established



1990

【US】

Acquired stake in PanAgora Asset Management



2012

【India】

Acquired stake in Reliance Capital Asset Management



2013

【US】

Acquired stake in Post Advisory Group



2017

【US】

Agreed to make investment in TCW



By building our domestic and global asset management business for over 30 years, we have steadily enhanced our life insurance investment management business to continue to meet the growing needs of client investments

To a higher stage of asset management business

Overseas Insurance

1991

【US】

Nippon Life Insurance Company of America established



1997

【Thailand】

Acquired stake in Bangkok Life



2003

【China】

Nissay-Greatwall Life established



2011

【India】

Acquired stake in Reliance Life



2014

【Indonesia】

Acquired stake in Sequis Life



2016

【Australia】

Acquired majority stake in MLC



■ We aim to advance our asset management business to a higher stage through the investment in TCW

<Insurance business>

Mitsui Life

Nippon Life

Overseas life insurance group companies

Enhancement of life insurance investment management

Domestic AM business

Nissay Asset Management

Providing Nippon Life Group's outstanding asset management service in Japan

Asset formation needs

Domestic asset management market

Overseas AM business

To a higher stage

TCW

Reliance Nippon Life Asset Management

PanAgora

Post

Other overseas asset management companies

Enhancing investment management capabilities and profit base through a global network

Asset formation needs

Overseas asset management market



I . Our asset management business and strategic rationale

II . Overview of TCW and the transaction

II - 1. Overview of TCW

■ Founded in 1971, TCW has a strong presence in the U.S. retail market with an outstanding U.S. fixed income investment management business

■ TCW company profile



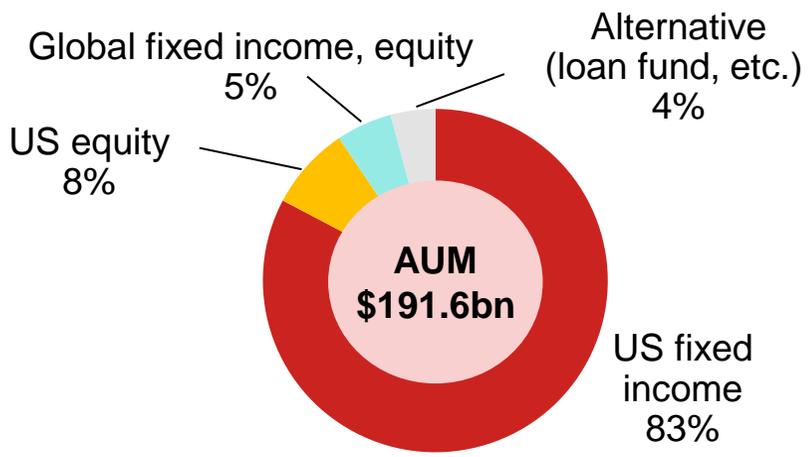
Company name	The TCW Group, Inc.
Establishment	1971
Offices	Headquarters: Los Angeles, US Others: 7 cities in 4 countries
Current ownership	Carlyle: 60% Management: 40%
Employees	Approx. 600
Asset under management	\$191.6 billion (Approx. ¥21tr, 2016)

■ History of TCW

1971	TCW was founded by Robert Day
2001	Société Générale acquired TCW
2009	TCW acquired MetWest
2013	Carlyle and TCW Management acquired TCW

■ Assets under management by asset type

(2016)



■ Senior executives



David Lippman, President and CEO

✓ Joined in 2009 when TCW acquired MetWest; Appointed to CEO in 2012



Tad Rivelle, CIO of fixed income

✓ Joined in 2009 when TCW acquired MetWest; CIO of Fixed Income where TCW has a strong industry presence

II - 2. Deal outline

- Nippon Life to acquire a 24.75% stake in TCW from The Carlyle Group
(Pro forma ownership: TCW Management and employees - 44.07%, Carlyle - 31.18%, Nippon Life - 24.75%)

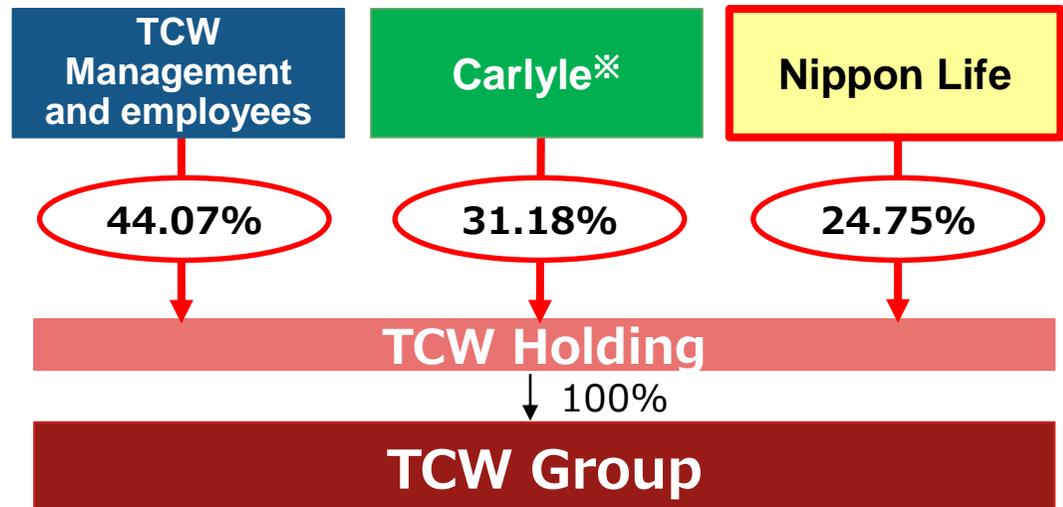
■ Overview of transaction

Transaction structure	Nippon life to acquire a 24.75% stake in TCW
Closing timing	Expected to close by the end of the year, subject to customary approvals
Other	Nippon Life to appoint two directors to the TCW board

■ Relationship development

- ✓ Since July 2014, we have had constant interactions with TCW from the senior management team to the working level, and have developed business transactions as listed below:
 - Delegation of general-account asset to TCW
 - Supply products of TCW to Nissay Asset Management
 - Secondment of short term trainee

■ Deal structure



※Carlyle will hold TCW ownership through its funds under management

II - 3. TCW features

- TCW is renowned for its product development capabilities and performance, and has been strengthening its corporate management through various measures

Product / Investment management structure

- With an outstanding U.S. fixed income investment management business, TCW has been awarded a number of prizes on many products including their flagship funds through their excellence in management process and infrastructure
- Established a team management structure which does not depend on any specific personnel
- Has a strong management team with an average of over 30 years of industry experience

Culture / Corporate management

- TCW and Nippon Life Group share the same management philosophy of valuing the customer and adopting a long-term perspective
- TCW has high employee satisfaction and has been ranked #1 in “the best places to work” by a trade magazine for three consecutive years
- TCW has implemented a well-planned system for growth for the next generation through employee development initiatives (TCW University, etc.)