

February 14, 2020
Nippon Life Insurance Company

Notice Regarding Recording of an Impairment Loss on Goodwill
for the Nine Months Ended December 31, 2019

Nippon Life Insurance Company (President: Hiroshi Shimizu, hereinafter “Nippon Life”) has recorded an impairment loss on goodwill for its consolidated subsidiary, MLC Limited (hereinafter “MLC”) for the nine months ended December 31, 2019.

As mentioned in the news release titled “Capital increase in MLC Limited” that Nippon Life issued on December 20, 2019, MLC has been facing deteriorating profitability due to an increase in payments for the income-protection product, which is one of its main products. In light of this situation, MLC is currently reviewing its business plan, including amending its income-protection insurance policies and improving operational efficiencies. While it takes a certain amount of time to recover business performance, Nippon Life decided to record an impairment loss on goodwill of ¥29.8 billion since, in principle, it is necessary for such matters to be conservatively accounted for.

Nippon Life has underwritten a capital increase of MLC to strengthen its profitability and sustainability, and it will endeavor with MLC to recover its business performance.