

May 28, 2020
Nippon Life Insurance Company

Notice Regarding Recording of an Extraordinary Loss
for the Fiscal Year Ended March 31, 2020

Nippon Life Insurance Company (President: Hiroshi Shimizu, hereinafter “Nippon Life”) has recorded extraordinary losses on goodwill for its consolidated subsidiary, MLC Limited (hereinafter “MLC”) and its shares for the fiscal year ended March 31, 2020.

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.

Taking into account of the recent environmental changes, Nippon Life has reassessed MLC’s corporate value at the end of fiscal year and decided to record an impairment loss on goodwill of ¥40.8 billion in the consolidated financial statements and valuation loss on MLC’s shares of ¥68.3 billion in the non-consolidated financial statements. In the consolidated financial statements, the valuation loss in the non-consolidated financial statements is eliminated and only impairment loss on goodwill is recorded.

Nippon Life will endeavor with MLC to recover its business performance.