

Overseas

Integrating the Overseas Business Networks of Somo Japan and Nipponkoa

With the official merger of Somo Japan and Nipponkoa approaching in September 2014, these companies are already planning and implementing the integration of their overseas business networks, combining bases of operations in regions across the world. Somo Japan's subsidiaries in Thailand and Hong Kong have even changed their names to "Somo Japan Nipponkoa Insurance (Thailand) Public Company Limited" and "Somo Japan Nipponkoa Insurance (Hong Kong) Company Limited". Somo Japan and Nipponkoa have begun to unify their underwriting business in these regions. In addition, two Indonesian subsidiaries owned by Somo Japan and Nipponkoa merged in June 2013, forming a new company PT. Asuransi Somo Japan Nipponkoa Indonesia.

In regions other than those stated above, Somo Japan and Nipponkoa are accelerating the integration of their operation bases with the aim of enhancing the efficiency of operations and strengthening their customer support.

Making Marítima Seguros S.A. a Subsidiary



Headquarters of Marítima Seguros

In Brazil, Somo Japan has made Marítima Seguros S.A. a subsidiary by acquiring additional shares of Marítima Seguros through its local subsidiary Yasuda Seguros, S.A. in June 2013. On the backdrop of continued economic growth, the insurance market in Brazil has experienced steady growth that is expected to continue in the future. The NKSJ Group will strive to achieve further expansion and success in this country, utilizing the brand strength and sales capability of Marítima Seguros and Yasuda Seguros in the insurance field.

Acquiring Martin & Boulart SAS (France)



In October 2012, Nipponkoa acquired all shares of Martin & Boulart SAS (M&B), a France-based insurance underwriter.* M&B specializes in marine and transport risks in France, and generates stable profit from its insurance underwriting business. With the aim of expanding business, NIPPONKOA Insurance Company

(Europe) Limited, a subsidiary of Nipponkoa, has commenced sales of insurance policies underwritten by M&B for local customers, at its branch in France.

* An entity operating in specific fields that require highly specialized expertise (e.g., marine insurance) on behalf of insurance companies to determine whether to provide insurance and on what terms, as well as to conduct damage investigations.

Partnership with Royal Insurance Corporation of Bhutan Regarding Technical Support



Signing ceremony between Nipponkoa and RICB

In August 2012, Nipponkoa entered into a partnership agreement with Royal Insurance Corporation of Bhutan Limited (RICB), the largest insurer in the Kingdom of Bhutan. Under the partnership, Nipponkoa is providing RICB technical support, and

working to contribute to the popularization of P&C insurance and the development of the insurance industry in the Kingdom of Bhutan. By doing so, Nipponkoa aims to help this country achieve economic growth while deepening friendship between Japan and Bhutan. Simultaneously, Nipponkoa will also draw on this partnership in its efforts aimed at enhancing its human resource capabilities and achieving greater significance in global markets.

Launching Operations at the Shandong Branch of Chinese Subsidiary



In November 2012, NIPPONKOA Insurance Company (China) Limited (NKC), a subsidiary of Nipponkoa, began operations at its Shandong Branch, Nipponkoa's second base of operations established in China. The branch became the first Japanese affiliated P&C insurer to operate in this area, where numerous Japanese companies are expanding into such

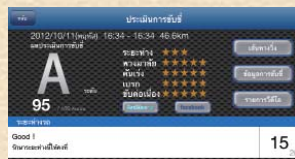
cities as Qingdao and Yantai. By establishing the new base, NKC will be able to provide insurance services better tailored for the needs of local customers in Shandong province.

Looking ahead, Nipponkoa will continue to develop its service network in China.

Releasing “Safety Sight” a Free Smartphone Application for Drivers in Thailand



Approaching car in front alert



Safe driving diagnosis

In June 2013, Sampo Japan and Nipponkoa commenced the provision of the Thai translated version of “Safety Sight”, a free smartphone application for automobile drivers, as a part of initiatives aimed at expanding this application worldwide. Although “Safety Sight” was previously released in Japan, Sampo Japan and Nipponkoa decided to provide it in Thailand, noting that the increasing number of car owners in

the country, as well as the rapid adoption of smartphones. The Thai translated version of the application is provided through a Group subsidiary, Sampo Japan Nipponkoa Insurance (Thailand) Public Company Limited, which is offering this convenient tool to help users avoid traffic accidents.

Looking ahead, Sampo Japan and Nipponkoa are considering the release of this application in other countries around the world.

Proactively Participating in Global Initiatives



Sato speaking at the pavilion of the Japanese Government

In May 2012, Masatoshi Sato, Chairman of Sampo Japan, assumed the Chairmanship of the Keidanren Committee on Nature Conservation (KCNC). Attending RIO+20, the United Nations Conference on Sustainable Development held in June 2012, as Chairman of KCNC, Sato introduced initiatives undertaken by KCNC at the “KIZUNA MESSAGE for Biodiversity”, an event held at the Japanese Government pavilion.

Establishing “NKSJ Global University”



In October 2012, Sampo Japan and Nipponkoa established the corporate university “NKSJ Global University” in tandem with the National University of Singapore Business School.

Sampo Japan and Nipponkoa recognize that, to achieve their goal of “Becoming Japan’s Best / No. 1 in terms of employees’ skills and appeal of agencies”, it is indispensable to nurture business leaders who possess advanced expertise on management;

wide-ranging knowledge on such matters as economy, finance and world affairs; skills to negotiate in English; and capability for prompt decision making. To this end, NKSJ Global University will provide high-quality programs that extend from group training to overseas assignment which entails commensurate responsibilities. In this way, NKSJ Global University will strive to nurture business leaders capable of winning success on the global stage.

Japan

Our Approach to the Merger of Sompō Japan and Nipponkoa

NKSJ Holdings, Sompō Japan and Nipponkoa have agreed that Sompō Japan and Nipponkoa will merge as Sompō Japan Nipponkoa Insurance Inc., on September 1, 2014. In advance of the legal merger, Sompō Japan and Nipponkoa unveiled an integrated management structure on April 1, 2013, under which their respective officers and employees will concurrently serve each other's operations.



Sompō Japan
Nipponkoa

We decided the new company's corporate mark, and call it "The Global Ring". The red sphere symbolizes perfect harmony and stability, while simultaneously representing our nation of Japan.

The overlaid platinum ring is a leader guiding towards our future, representing

Sompō Japan Nipponkoa's future in connecting with people of the world to create a "new level of trust".

Dynamic combination of the sphere and ring is an expression of our vision to build a globally competitive company, as a leading brand in Japan.

Expanding Group Operations (Road Assistance and Nursing-Care Services)

Prime Assistance Inc., a Group subsidiary established in April 2012, initiated its own road assistance services in October 2012. Prime Assistance aims to enhance services for automobile insurance policyholders through the provision of assistance services, such as the prompt arrangement of towing when a policyholder is involved in an accident.

Also, in September 2012 Sompō Japan acquired shares of Cedar Co., Ltd., a company that operates nursing-care services across Japan, through an investment LPS to enter the nursing-care service business. Sompō Japan and Cedar will integrate knowhow of each company to develop and provide new services to a progressively graying society.

Releasing a New Automobile Insurance Product that Employs Telematics

Sompō Japan released "Dra-Log",* a new automobile insurance product for individual policyholders. Applying cutting-edge telematics** technology that transmits an automobile's driving data, Dra-Log provides not only feedback on driving behavior of cars covered by policies, but also tracks them when they have been stolen. This product adjusts premiums in line with the actual record of each policyholder's driving

distance. Coverage under the new Dra-Log insurance policies has been provided since July 1, 2013.

* Coined from "drive" and "log" to represent the feature of the product that employs driving data to provide unique services and to determine the optimal premium amount.

** Coined from "telecommunication" and "informatics", this refers to an information service provided through the combination of such mobile objects as automobiles and telecommunication systems.

Assisting Safe Driving with a Smartphone Application



Approaching car in front alert

In August 2012, Sompō Japan and Nipponkoa released "Safety Sight", a free smartphone application for automobile drivers. Noting the growing customer need for a convenient tool that helps avoid traffic accidents, Sompō

Japan and Nipponkoa have developed "Safety Sight", with an eye on utilizing increasingly popular smartphones, focusing especially on their portability and user-friendliness.

This application identifies the distance from the car in front and provides services such as alerting the driver using sound and voices when the distance gets too close or cars ahead start moving. Along with other functions, the application can evaluate the driver's skills and keep driving records.

Enriching Road Assistance Services

Sompō Japan released the "Road Assistance Rider", a rider for automobile insurance policyholders to provide additional coverage for such expenses as towing and immediate repairs, to assist drivers whose cars are damaged by troubles including car accidents and malfunction. Coverage under the newly released "Road Assistance Rider" has been applied from April 1, 2013. With the aim of enriching its roadside assistance services, Sompō Japan has provided coverage for vehicles ranging from motorbikes to large cars into the scope of services as it strives to enhance service quality.

Nipponkoa has also enriched the "Kuruma no Anshin road assistance service", expanding the towing distance covered under its automobile insurance policy from 50km to 100km. By doing so, Nipponkoa strives to provide even better service to policyholders who are involved in traffic accidents or experience mechanical problems, expanding convenience and improving customer satisfaction. The increased service distance has been applied from April 1, 2013 onward.

Releasing “Business Interruption Coverage for Specified Suppliers of Renewable Electricity”

On October 1, 2012, Sompo Japan released the “Business Interruption Coverage for Specified Suppliers of Renewable Electricity”. Following the July 2012 launch of the “Feed-in-Tariff Scheme under the Renewable Electric Power Act” supporting the purchase of renewable energy, companies across many industries are considering entry into the solar power generation business. Entry, however, raises concerns over the risks that might beset these activities. This has spurred demand for insurance products capable of countering such risks. Sompo Japan has developed this product with the aim of addressing the needs of those companies. When a solar power supplier who has power purchase agreements with electric utility operators fails to achieve the electricity output set forth in their business plan due to power generation system damage resulting from such causes as fire and natural disasters, this product provides coverage for loss of profit, thereby mitigating a major operational risk. By providing this product, Sompo Japan is striving to promote the expansion of renewable energy.

NKSJ Himawari’s “Medical Insurance (08)”: 1,000,000 Policies Sold



In February 2013, NKSJ Himawari Life achieved the sale of over 1,000,000 policies of “Medical Insurance (08)”, a whole-life insurance nicknamed “Kenko no Omamori” that has been sold since August 2008. This product boasts a simple, easy-to-understand basic coverage system while also offering a range of additional coverage options to meet

diverse customer needs. These options include “Dan Dan Wari”, which provides no-claim discounts that may reduce premiums by up to 50%; “Coverage for Ambulatory Treatment of Cancers” that covers expenses for outpatient hospital visits and house visits undertaken by doctors to treat cancer; and “Exemption of Premiums for Those Suffering Specified Diseases”. Backed by these and other features, “Kenko no Omamori” is garnering solid reputation from policyholders.

Up Close: Helping Female Workers Achieve Success

Appointing Female Managers

Sompo Japan and Nipponkoa have set a proactive target of appointing female managers with the aim that women will soon account for 10% or more of all managers working at Sompo Japan Nipponkoa Insurance Inc., the new company to be created through the merger scheduled in September 2014. Aiming to achieve this target by the end of fiscal 2015, Sompo Japan and

Nipponkoa are actively promoting capable female workers.

In fiscal 2012, training sessions entitled the “Business Management Course for Women” were held at Sompo Japan and Nipponkoa in order to facilitate the career development of female workers who aim to be managers or members of top management. The sessions comprised a 10-month program to train participants who were selected for their competencies to be leaders of companies or branches.

In addition, similar training sessions were held under the name of “Pre-Business Management Course for Women” and “Career Development Training”, inviting a broader range of female workers to participate.



Becoming a Signatory of Women’s Empowerment Principles (WEPs)

Fully upholding the purpose of the “Women’s Empowerment Principles”, the NKSJ Group became a signatory in June 2012. With the aim of encouraging women’s empowerment by strengthening their independence to achieve their own targets and improving decision-making capabilities, WEPs provide international standards consisting of seven steps designed for businesses and other private entities to guide their efforts in promoting and empowering female workers.

Looking ahead, the NKSJ Group will strive to create an open and vibrant workplace encouraging female workers to achieve success. Simultaneously, the NKSJ Group will help the general public better understand the importance of promoting diversity.