

14 February 2014

Corporate Name: NKSJ Holdings, Inc.

Representative: Kengo Sakurada, President

(Stock Code: 8630, TSE 1<sup>st</sup> Section)

## Basic Agreement regarding Share Transfer of Sompo Japan DIY Life Insurance Co., Ltd.

NKSJ Holdings, Inc. (“NKSJ”) announced that Sompo Japan Insurance Inc. (“Sompo Japan”), the wholly-owned subsidiary of NKSJ, has reached a basic agreement with The Dai-ichi Life Insurance Company, Limited (“Dai-ichi Life”), regarding the transfer of the shares held by Sompo Japan, of Sompo Japan DIY Life Insurance Co., Ltd. (“DIY Life”), subject to the approval of relevant authorities. Sompo Japan currently owns 90% shares of DIY Life.

### 1. Background to Share Transfer

NKSJ and Sompo Japan has agreed with Dai-ichi Life that Sompo Japan will sell its shares of DIY Life and The Dai-ichi Frontier Life Insurance Co., Ltd. to Dai-ichi Life. DIY Life is one of NKSJ group’s two life subsidiaries and mainly providing one-year renewal life insurance product through direct marketing channels. The Dai-ichi Frontier Life Insurance Co., Ltd. is 10%-owned by Sompo Japan and undertaking a variable annuity business. This share transfer was planned from the point of view of the selection and concentration of management resource, reflecting changing customer needs and consumption behaviors in products and sales channels.

Since establishing the comprehensive business alliance in August 2008, Sompo Japan and Dai-ichi Life have been providing insurance products to each other and working closely with each other in various insurance fields. Both companies will continuously make an effort to enhance competitiveness and improve earning capacity, through strengthening the alliance in order to adapt to a rapidly changing business environment.

### 2. Overview of DIY Life (As of September 30, 2013)

(1) Name	Sompo Japan DIY Life Insurance Co., Ltd.
(2) Head Office	Nittochi Nishi-Shinjuku Building, 10-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo
(3) Name and Title of Representative	Manabu Yamamoto, President
(4) Main Business	Life insurance business
(5) Capital	10,100 million yen
(6) Incorporation	April 23, 1999
(7) Major Shareholder and Shareholding Ratio	Sompo Japan Insurance Inc. 90%, The Dai-ichi Life Insurance Company, Limited 10%

(8) Relationship with NKSJ Holdings, Inc.	Capital Relationship	Sompo Japan, subsidiary of NKSJ, holds DIY's voting ratio of 90%, and DIY Life is subsidiary of NKSJ and Sompo Japan.	
	Human Relationship	NKSJ's one staff simultaneously holds the position of director in DIY Life. 25 employees in NKSJ's subsidiaries are on temporary assignment for work in DIY Life. (including 4 directors)	
	Business Relationship	NKSJ's subsidiaries conduct business agency or standing in for the administrative services of DIY Life based on their operating agreement. NKSJ's subsidiaries provide DIY Life with system maintenance services and insurance contract services.	
(9) Non-Consolidated Financial Results in last 3 years			
Fiscal Year	Fiscal year ended March 2011	Fiscal year ended March 2012	Fiscal year ended March 2013
Net Assets	4,350 million yen	3,380 million yen	3,698 million yen
Total Assets	6,014 million yen	4,863 million yen	5,113 million yen
Net Assets per Share	10,875.26 yen	8,451.63 yen	9,245.33 yen
Ordinary Income	3,794 million yen	4,008 million yen	4,073 million yen
Ordinary Profit	10 million yen	280 million yen	572 million yen
Net Income	5 million yen	-920 million yen	539 million yen
Net Income per Share	12.66 yen	-2,300.96 yen	1,349.35 yen
Dividends per Share	-	-	-

### 3. Overview of Dai-ichi Life (As of September 30, 2013)

(1) Name	The Dai-ichi Life Insurance Company, Limited		
(2) Head Office	13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo.		
(3) Name and Title of Representative	Koichiro Watanabe, President		
(4) Main Business	Life insurance business		
(5) Capital	210,207 million yen		
(6) Incorporation	September 15, 1902		
(7) Net Assets	1,722,798 million yen		
(8) Total Assets	36,521,972 million yen		
(9) Major Shareholders and Shareholding Ratio	Mizuho Corporate Bank, Ltd. 5.19% Japan Trustee Services Bank, Ltd.(Trust account) 4.54% The Master Trust Bank of Japan, Ltd. (Trust account) 2.94% Sompo Japan Insurance Inc. 2.49% THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT 2.43%		
(10) Relationship with NKSJ Holdings, Inc.	Capital Relationship	NKSJ, through its subsidiary Sompo Japan, holds 250,000 shares in Dai-ichi Life. (Shareholding ratio: 2.49%), and Dai-ichi Life holds 10,277 thousand shares in NKSJ (Shareholding ratio: 2.46%)*	
	Human Relationship	None.	
	Business Relationship	NKSJ's subsidiaries conduct business agency or standing in for the administrative services of Dai-ichi Life based on their operating agreement. Dai-ichi Life conducts business agency or standing in for the administrative services of NKSJ's subsidiaries based on their operating agreement.	
	Related Party Status	None.	

\* The number of shares held by Dai-ichi Life includes 4,492 thousand shares contributed by that company as trust assets for a retirement benefit trust. (In the shareholder register, the shares are listed in the name of Mizuho Trust & Banking Co., Ltd., Dai-ichi Life Insurance Retirement Benefit Trust)

4. Number of shares to be transferred, number of shares held before and after the share transfer

(1) Number of Share Held before the Transfer	360,000 (Shareholding ratio: 90%)
(2) Number of Share to be Transferred	360,000 (Shareholding ratio: 90%)
(3) Transferred Price	Approx. 5.4 billion yen (Estimate) *
(4) Number of Share Held after the Transfer	0 (Shareholding ratio: 0%)

\* To be adjusted based on DIY Life's financial information etc., in Share Transfer Agreement, to be agreed in due course.

5. Schedule

Conclusion of Basic Agreement	: February 14, 2014
Conclusion of Share Transfer Agreement	: During June 2014 (Expected)
Closing	: During June 2014 (Expected)

6. Future Outlook

NKSJ expects that the transfer of the shares will generate gains of 2 billion yen in the fiscal year ending March 2015, which may change subject to the relevant adjustments, including DIY Life's business results in the future and the final price agreed.