

September 21, 2021

## **Sompo International to Acquire Crop Insurance Company in Italy**

Sompo Holdings, Inc. (Group CEO & President: Kengo Sakurada), hereby announced that Sompo International Holdings Ltd., a wholly owned subsidiary of Sompo Holdings, will acquire ARA 1857 S.p.A.-Assicurazioni Rischi Agricoli VMG 1857 (ARA).

※1 The transaction is expected to close in the period from January to March of 2022, pending regulatory approvals.

### **1. Background of the transaction and the strategic rationale**

- ARA is an Italian insurance company predominantly active and specializing in crop insurance. ARA's roots derive from Vecchia Mutua Grandine ed Eguaglianza a mutual insurance company established in 1857. The acquisition of ARA will place AgriSompo as the market leader in the Italian crop insurance. ARA provides coverage for losses caused by various adverse weather conditions such as hail, strong wind, frost, excess rain or drought.
  - The ARA book of business will be a part of AgriSompo, Sompo International's global agriculture platform, delivering innovative and coordinated risk management solutions tailored to local needs across the agri-business market. AgriSompo is developing additional capabilities by leveraging Sompo's extensive agriculture insurance expertise and global presence.
- ※2 AgriSompo, integrated platform launched in October 2017, delivers a common underwriting approach with shared expertise and technology across a range of products to farmers, agricultural insurers and a wide variety of other agri-busine and provides agriculture insurance and reinsurance.

### **2. Comments from management**

- Mr. Kris Lynn, President of AgriSompo, commented, "AgriSompo is the number one multi-national writer of crop insurance across the globe. The acquisition of ARA is another strategic and welcome step in strengthening our presence with new products and capabilities in a key agriculture market. ARA's trusted name and rich history in the Italian market, combined with the increased geographical footprint solidifies AgriSompo as the market leader in Italy. Sompo International plans to grant continuity in ARA's course of action. Once the transaction is complete, Mr. Pier Ugo Andreini, current CEO of ARA, will join as a member of the new Board of Directors."
- Mr. Pier Ugo Andreini, CEO of ARA, added, "With ARA's current geographic spread of business and Sompo's strength globally, this is a welcome complimentary opportunity to provide continued superior

service and quality insurance protections to our clients. With the support of the AgriSompo platform, we are well poised to bring innovative new products and services as a leader in the Italian crop insurance market.”

### 3. Overview of ARA 1857 S.p.A.- Assicurazioni Rischi Agricoli VMG 1857 (ARA).

(1)	Year of establishment	1857
(2)	Headquarters	Milan, Italy
(3)	Nature of business	<ul style="list-style-type: none"><li>• ARA provides customer service for crop insurance and risk management.</li><li>• It also provides coverage for losses caused by various adverse weather conditions such as hail, strong wind, frost, excess rain or drought.</li></ul>
(5)	Major insurance products	Crop insurance

Hogan Lovells provided external legal counsel to Sompo International in connection with this transaction.

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