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Sompo Japan Nipponkoa Holdings, Inc.

Sompo Japan Nipponkoa Holdings to venture into the home remodeling business

Sompo Japan Nipponkoa Holdings, Inc. (Kengo Sakurada, President; “SOMPO HOLDINGS” hereinafter) has determined to enter the home remodeling business by acquiring 66% of shares in FRESHHOUSE Co., Ltd. (Ziro Sano, President & Representative Director; “FRESHHOUSE” hereinafter), thereby making the latter company a subsidiary.

1. Reason for entering the home remodeling business

SOMPO HOLDINGS seeks to provide services of the highest quality that contribute to the security, health, and wellbeing of its customers in order to establish its position among customers as the most highly evaluated service company. To achieve this mission, SOMPO HOLDINGS is building on its foundations in insurance and actively expanding into a wide range of businesses, with the goal of evolving into the best customer service provider.

SOMPO HOLDINGS has delivered wellbeing to customers in the residential field for years through sales of fire insurance by its property and casualty insurance subsidiaries. It has now decided to enter the remodeling business, an industry with close links to fire insurance—the purpose of which is to provide compensation for damage in the event of fire, typhoon, and snow—and an area projected to experience market growth.

SOMPO HOLDINGS will draw on the expertise and human resources at FRESHHOUSE and the network and customer confidence enjoyed by SOMPO HOLDINGS not just to provide services through insurance products, but to deliver, through high-quality remodeling services, comfortable living environments for a wide range of customers.

As the company that protects the cherished homes of its customers, SOMPO HOLDINGS will strive to become a group ever more valued by its customers through its efforts in the remodeling business.

2. Overview of FRESHHOUSE

FRESHHOUSE is a specialist remodeling firm with locations in the Chubu and Kyushu regions of Japan, as well as in its primary market of greater Tokyo. It sees its mission as eliminating worry, inconvenience, and discomfort, thereby delivering homes in which residents can live in safety, comfort, and peace of mind.

(1) Company name	FRESHHOUSE Co., Ltd.
(2) Head office	1-2-6 Hiratsuka, Hiratsuka, Kanagawa Prefecture, Japan
(3) Name and title of representative	Ziro Sano, President & Representative Director
(4) Line of business	Home remodeling
(5) Established	July 1995
(6) Capital	JPY100 million
(7) Shares issued and outstanding	11,253 shares
Net sales (reference)	JPY6.47 billion (fiscal year ended March 2014)

Awarded more than 9,000 contracts annually, FRESHHOUSE delivers outstanding quality and high customer satisfaction, as attested by numerous awards in remodeling competitions. FRESHHOUSE has achieved high net sales growth, averaging more than 10% per year over the past five years.

3. Stock structure and percentages of shares held after acquisition of shares

Shareholder	Shares held
Sompo Japan Nipponkoa Holdings, Inc.	66% (7,427 shares)
Ziro Sano	34% (3,826 shares)

Plans call for the shares acquisition to take place in early April 2015.

Following the acquisition, Ziro Sano will remain involved in the management of FRESHHOUSE as President & Representative Director.

4. Future outlook

By accelerating the opening of new FRESHHOUSE locations, SOMPO HOLDINGS seeks to deliver outstanding, high-quality remodeling services to even more customers across Japan.

By providing services that exceed customer expectations, SOMPO HOLDINGS seeks to increase corporate value as the best customer service provider.



SOMPO HOLDINGS is the abbreviation represents the Company (Sompo Japan Nipponkoa Holdings) and the Group (Sompo Japan Nipponkoa Group).