

March 2, 2018
Nippon Life Insurance Company

Nippon Life and MassMutual Life have signed an agreement on management integration

Nippon Life Insurance Company (President: Yoshinobu Tsutsui; “Nippon Life”) have agreed with Massachusetts Mutual Life Insurance Company (Chairman, President and CEO: Roger Crandall; “MassMutual”) and MassMutual International LLC (Chairman, President and CEO: Eddie Ahmed; “MMI”)*¹ on March 1, 2018 to acquire approximately 85.1% of the issued and outstanding shares of MassMutual Life Insurance Company (President and CEO: Mitsuru Imoto; “MassMutual Japan”) from MMI (the “Transaction”).

*¹ MMI is a wholly-owned subsidiary of MassMutual.

MMI will continue to hold approximately 14.9% of the issued and outstanding shares of MassMutual Japan and support MassMutual Japan for the smooth business transition and further development.

MassMutual Japan will become Nippon Life’s subsidiary, subject to the approval by the Financial Services Agency. The completion of the Transaction is expected to take place around May or June 2018.

Furthermore, Nippon Life and MassMutual have built a trusting relationship through communications at both management and working group level upon the Transaction. Nippon Life and MassMutual will move forward towards strategic cooperation in various business areas through communications among the management teams and working level.

1. Background of the Transaction

Nippon Life aims to (1) increase profit under ultra low-interest rate environment, (2) expand a social role as Nippon Life Group, and (3) steadily expand profit of group business as our growth strategies in our mid-term management plan, which has started from April 2017.

Nippon Life has also established “policy of customer-oriented operational management” in March 2017 in order to further promote customer-oriented operational management and

aims to grasp the society's and customers' needs and develop life insurance products which meet customers' needs.

Under these management plan and policy, Nippon Life undertakes a development of products and services that accommodates diversifying customers' needs even under ultra low-interest rate environment in the domestic insurance business.

In particular, in the financial institution bancassurance area, the market environment and customers' needs are rapidly changing due to the impact from the declining population, aging society and negative interest rate, and the competition for foreign currency-denominated products has been intensified, especially after many insurance companies suspended the sales of yen-denominated products. Under such environment, Nippon Life believes that it is essential to have abundant product line-ups and sophisticated sales support system for financial institutions in order to swiftly and carefully accommodate diversifying customers' needs; therefore, we have carried out studies how to utilize a separate company to establish efficient structure for financial institution bancassurance channel.

2. Overview of MassMutual Japan

MassMutual Japan became a member of MassMutual Group and started business as MassMutual Japan in 2001, after being established in 1907 as Yokohama Life Insurance Company and operated as The Heiwa Life Insurance Company.

Since its entry to financial institution bancassurance market in 2004, MassMutual Japan, leveraging its outstanding product development capability, has responded mainly to high net worth customers' needs for inheritance and gifting. As a result, MassMutual Japan has a significant presence in the market.

3. Strategic Rationale for the Transaction

Nippon Life believes that the Transaction will greatly contribute to "increase profit under ultra low-interest rate environment" and "steadily expand profit of group business" set forth in the mid-term management plan.

Nippon Life, Mitsui Life Insurance Company Limited (“Mitsui Life”) and MassMutual Japan will collectively, as a group, aim to build a structure which can accommodate a wide range of customers’ needs in the financial institution bancassurance market.

Furthermore, Nippon Life strives to continuously expand policyholders’ profit by expanding the profit base of group business and strengthening a business foundation through the Transaction.

Nippon Life Group’s basic principles of the business strategy in the financial institution bancassurance area after the Transaction are followings:

- (1) Collectively establish a structure which can accommodate diversifying customers’ needs swiftly and carefully through the product development, focusing on areas where Nippon Life, Mitsui Life and MassMutual Japan respectively has strengths in order to further promote customer-oriented operational management as a group
- (2) Aim to maximize the value of the group though building an efficient and effective support structure for financial institutions and sales promotion as a group, pursuing synergies through each company’s cooperation and undertaking other efforts

4. Transaction Structure and Schedule

Nippon Life plans to acquire approximately 85.1% of the issued and outstanding shares of MassMutual Japan from MMI. MMI plans to continue to hold the remaining approximately 14.9% of the issued and outstanding shares of MassMutual Japan.

Additionally, it is contemplated that Mr. Mitsuru Imoto will continue to serve as President and CEO of MassMutual Japan after the Transaction. Moreover, Nippon Life plans to send out directors and statutory auditors to MassMutual Japan.

The completion of the Transaction is expected to take place around May or June 2018, subject to the approval by the Financial Services Agency.

5. Overview of the Transaction

(1) Purchase Price

The purchase price of the Transaction (approximately 85.1% of the issued and outstanding shares of MassMutual Japan) is expected to be approximately 104.2

billion yen. After prudent analysis and review of MassMutual Japan's business operations and assets, Nippon Life considers this purchase price to be fair and reasonable.

(2) Funding

The Transaction will be funded through Nippon Life's cash on hand.

(End of Document)

(Appendix)

<Overview of MassMutual Japan>

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|------------------------|---|
| 1. Company Name | MassMutual Life Insurance Company |
| 2. Establishment | 1907 |
| 3. Head Office | Osaki, Shinagawa-ku, Tokyo (Tokyo Head Office) Chuo-ku, Fukuoka-shi, Fukuoka (Fukuoka Head Office) |
| 4. Representative | CEO: Mitsuru Imoto |
| 5. Total Assets | 2,776.9 billion yen |
| 6. Number of Employees | 426 |
| 7. Financial Data | Premium Income: 322.9 billion yen (FY2016) |
| 8. Credit Rating | A- (S&P Global Ratings Japan, as of March 1, 2018) |

(As of March 31, 2017)

<Overview of MassMutual Financial Group*2>

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|----------------------------|--|
| 1. Establishment | 1851 |
| 2. Head Office | Springfield, Massachusetts |
| 3. Nature of Business | Life Insurance, Annuities, Retirement Plans / 401(k), Investment Trust |
| 4. Major Subsidiaries | <ul style="list-style-type: none"> • MassMutual (Life Insurance Business) • MMI (ditto) • Haven Life (ditto) • Barings (Asset Management Business) • OppenheimerFunds (ditto) |
| 5. Assets under Management | USD 675.0 billion (approximately 78.9 trillion yen) |
| 6. Total Assets | USD 235.0 billion (approximately 27.5 trillion yen) |
| 7. Financial Data | Premium Income: USD 21.2 billion (2016) (approximately 2.5 trillion yen) |
| 8. Credit Rating | A++ (A.M. Best), AA+ (Fitch), AA2 (Moody's), AA+ (S&P) (As of March 1, 2018) |

(As of December 31, 2016)

*² MassMutual Financial Group is a marketing name for MassMutual and its affiliated companies and sales representatives.

MassMutual Financial Group was founded in 1851 as an insurance company in the state of Massachusetts, the United States of America and offers a wide range of financial services, including life insurance, annuities, retirement plans / 401(k) and investment trust, mainly in the United States of America, as a diversified financial group with over 160-year corporate history.