

February 1, 2018
Nippon Life Insurance Company
Nissay Asset Management Corporation

Initiatives to Strengthen the Nippon Life Group's Asset Management Business
(Nissay Asset Management to be a wholly owned subsidiary of Nippon Life)

Nippon Life Insurance Company (Nippon Life) and its asset management subsidiary Nissay Asset Management Corporation (Nissay Asset) announced that they have agreed with Putnam Investments (Putnam), a U.S. asset management company and subsidiary of Canada-based Power Financial Corporation, and its U.S. asset management subsidiary PanAgora Asset Management, Inc. (PanAgora) that Nippon Life will acquire the Nissay Asset shares owned by Putnam and Putnam will acquire the PanAgora shares owned by Nippon Life. This will result in Nissay Asset and PanAgora becoming wholly owned subsidiaries of Nippon Life and Putnam, respectively.

1. Events leading up to the conversion of Nissay Asset into a wholly owned subsidiary of Nippon Life

The Nippon Life Group has long worked to strengthen the asset management business. At this time, Nippon Life has decided to convert Nissay Asset into a wholly owned subsidiary in order to reinforce and expand the asset management business.

In 1997, the Nippon Life Group and Putnam initiated a business alliance in an effort to enhance their investment capabilities in the foreign securities field. Thereafter, a capital relationship was established between the two parties in order to cement their business partnership. The capital relationship involved initiatives such as the acquisition of Nissay Asset shares by Putnam and joint investment in PanAgora by Nippon Life and Putnam.

Nippon Life has strengthened its investment capabilities by mandating its general account assets and undertaking personnel exchanges. Moreover, since the inception of the business alliance, Nissay Asset has been providing asset management services to customers through various collaborations, including joint product development.

The Nippon Life Group and Putnam have so far achieved a number of successes

through initiatives based on their business alliance. However, after discussing future policies with Putnam, the Nippon Life Group has judged that the two parties will be able to maintain a good business relationship as before, regardless of the capital relationship. Accordingly, the Nippon Life Group has decided to convert Nissay Asset into a wholly owned subsidiary of Nippon Life by dissolving the mutual capital relationships between the two parties.

2. Details of the change in capital

Nippon Life will acquire all of the Nissay Asset shares held by Putnam (percentage of the total number of voting shares: approximately 10%), thereby converting Nissay Asset into a wholly owned subsidiary.

Meanwhile, Putnam will acquire all of the PanAgora shares held by Nippon Life (percentage of the total number of voting shares: 20%), thereby converting PanAgora into a wholly owned subsidiary (a portion of the firm is also owned by PanAgora senior management). PanAgora and its affiliates Putnam and Great-West Lifeco Inc. are subsidiaries of Power Financial Corporation.

Nippon Life, Nissay Asset, Putnam and PanAgora have agreed to maintain a good relationship as before. Accordingly, Nissay Asset will continue to develop and supply products through its respective business alliances with each of Putnam and PanAgora.

The Nippon Life Group will continue to strengthen its asset management business, along with providing asset management services that contribute to stable, long-term asset formation for customers.

(Reference) Overview of related parties

< Overview of Nippon Life >

1. Company name	Nippon Life Insurance Company
2. Establishment	1889
3. Nature of business	Life insurance business
4. Head office	Osaka, Japan
5. Representative	President: Yoshinobu Tsutsui

< Overview of Nissay Asset Management >

1. Company name	Nissay Asset Management Corporation
2. Establishment	1995
3. Nature of business	Asset management business
4. Head office	Tokyo, Japan
5. Representative	President and CEO: Tomiji Akabayashi
6. Assets under management	¥10,697.6 billion (as of the end of March 2017)

< Overview of Putnam >

1. Company name	Putnam Investments
2. Establishment	1937
3. Nature of business	Asset management business
4. Head office	Boston, U.S.A.
5. Representative	President and CEO: Robert L. Reynolds
6. Assets under management	\$171.5 billion (approx. ¥18.865 trillion as of the end of 2017)

< Overview of PanAgora >

1. Company name	PanAgora Asset Management, Inc.
2. Establishment	1990
3. Nature of business	Asset management business
4. Head office	Boston, U.S.A.
5. Representative	President and CEO: Eric Sorensen, Ph.D.
6. Assets under management	\$53.9 billion (approx. ¥5.929 trillion as of the end of 2017)

(Exchange rate: 1 USD = 110 JPY)