



June 2, 2015

J-STAR Co., Ltd.

Gregory Hara

President & Representative Director

Announcement of Investment in Nihon Hoken Service Inc.

This is to announce that our wholly managed and operated investment fund, J-STAR No. 2 Investment Limited Partnership, has invested in businesses of Nihon Hoken Service Inc. (headquarter: Nakano-ku, Tokyo, company representative: Mr. Kimihiro Higuchi, "NHS").

NHS's insurance agency business and insurance solicitation business cover insurance policies in the third sector insurance, such as medical insurance, cancer insurance, and care insurance. The company has established a business model to combine telemarketing and face-to-face marketing and an organizational compliance structure in order to match insurance companies' requirements.

Backed up by the aging population in Japan, the growth of the third sector insurance market is expected to be stable. On the other hand, with the trend of tightening regulations of Insurance Business Act, businesses in the market will be required to have a stricter organizational structure to correspond to the change in the regulations. J-STAR will help NHS to further enhance the compliance & organizational structures while supporting them to establish a stabilized the management platform and a lasting business model structure.

In approaching the investment, we enlisted es Networks Co., Ltd., es Networks Tax Corporation, and Nagashima Ohno & Tsunematsu. We financed a part of the acquisition capital from Shinsei Bank, Limited

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J-STAR

J-STAR Co., Ltd. (<http://www.j-star.co.jp/en/>)

Founded in 2006 as independent Japanese firm, J-STAR is mainly involved in private equity investments for private companies. Management rights are acquired from the company to undertake management buyout (MBO) investments that improve corporate value. J-STAR has the following three standards for investment: (1) a superior management team and staff, (2) ample potential for increasing added value through the contributions of fund managers and (3) a uniqueness / superiority of market status and business models. Following these standards, we focus on companies with a corporate value ranging from 3 billion yen to 10 billion yen. Since its founding, J-STAR invested in more than 21 transactions in various industries such as consumer goods, B to B/B to C service, Healthcare, Environment, and Manufacturing.