



November 30, 2015

J-STAR Co., Ltd.
Gregory Hara
President & Representative Director

Announcement of Acquisition of SOKISHA Corporation by Nihon Hoken Service Inc.

This is to announce that Nihon Hoken Service Inc. (headquarters: Nakano-ku, Tokyo, company representative: Mr. Kimihiro Higuchi, "NHS"), a portfolio company of our wholly managed and operated investment fund, J-STAR No. 2 Investment Limited Partnership, has acquired SOKISHA Corporation (headquarters: Yokohama, Kanagawa, company representative: Mr. Atsushi Ohta, "Sokisha").

Sokisha is an insurance agent who was founded in 1996 by the current CEO, Mr. Ohta. With a twenty years of history, Sokisha has a strong relationship with insurance companies and has multi sales channels such as telemarketing, face-to-face marketing, web, and partnerships with other companies. Sokisha has a track record of reaching to many individuals and selling insurance policies.

NHS has insurance agency business and insurance solicitation business with a hybrid business model of combining telemarketing and face-to-face marketing. NHS's organizational structure allows the company to comply with the high level of compliance to correspond to requirements of insurance companies.

The insurance agency industry will face a big wave of change as a revision to the Insurance Business Act is expected next year. Tightening regulations on insurance agencies will create a momentum for industry consolidation. The social responsibilities of insurance agents will increase, and the agents are expected to react to such change.

Together with Sokisha, NHS will utilize its organizational strengths as well as Sokisha's relationships with insurance companies and policy holders to react to the expected changes. J-STAR will support NHS to achieve its aim to be "the most trusted and new leader of the insurance agency business"

J-STAR

In approaching the investment, we enlisted Aqua Corporate Advisory Co., Ltd. and Nagashima Ohno & Tsunematsu.

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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 22 transactions in various industries such as consumer goods, B to B/B to C service, Healthcare, Environment, and Manufacturing.