July 7, 2016

To Whom It May Concern:

Company Name : Sompo Japan Nipponkoa Holdings, Inc.
Representative : Kengo Sakurada, Group CEO
Representative Director, President and
Executive Officer
(Stock Code: 8630, the first section of Tokyo Stock Exchange, Inc.)

Notice regarding Issuance of Domestic Unsecured Subordinated Bonds with Interest Deferrable Clause by Consolidated Subsidiary (Sompo Japan Nipponkoa Insurance Inc.)

Sompo Japan Nipponkoa Holdings, Inc. hereby announces that its consolidated subsidiary, Sompo Japan Nipponkoa Insurance Inc., has submitted to the Kanto Local Finance Bureau a securities registration statement regarding its offering of domestic unsecured subordinated bonds with interest deferrable clause as shown in the attached document.

(End of Document)

July 7, 2016

Sompo Japan Nipponkoa Insurance Inc.

Notice regarding Issuance of Domestic Unsecured Subordinated Bonds with Interest Deferrable Clause

Sompo Japan Nipponkoa Insurance Inc. ("SJNK") hereby announces that it has submitted to the Kanto Local Finance Bureau a securities registration statement regarding its offering of unsecured subordinated bonds with interest deferrable clause (the "Bonds"). Summary terms of the Bonds are described below.

The Bonds with a subordination provision as well as a long maturity term until redemption, an early redeemable option and optional and mandatory interest deferrable clauses, are expected to be given the regulatory capital status under the domestic solvency margin regulations and a certain level of equity credit based on the relevant criteria of rating agencies, and fall under the category of the so-called "Hybrid bonds." Through the issuance of the Bonds, SJNK intends to enhance the financial strength in order to carry out the medium-term management plan.

The first series of the Bonds are to be offered mainly to individual investors in Japan, which is expected to be the first ever offering by a domestic insurance company.

1. Issuer:	Sompo Japan Nipponkoa Insurance Inc.	
2. Name of bond:	The first series of unsecured subordinated bonds with interest deferrable clause and early redeemable option.	The second series of unsecured subordinated bonds with interest deferrable clause and early redeemable option.
3. Aggregate principal amount:	JPY 100.0 billion	Around JPY 100.0 billion(1)
4. Denomination:	JPY 1 million	JPY 100 million
5. Issue price:	JPY 100 per amount of JPY 100 of each bond	
6. Redemption price:	JPY 100 per amount of JPY 100 of each bond	
7. Maturity date:	August 8, 2046 (30-year bonds)	August 8, 2076 (60-year bonds)

	SJNK may, at its discretion, redeem the bonds (i) on any interest payment date on or after August 8, 2026 or (ii) upon the occurrence and continuation of a regulatory event, a tax deductibility event or a rating agency event on or after August 8, 2016, subject to a prior approval of the regulatory authority and other conditions.	SJNK may, at its discretion, redeem the bonds (i) on any interest payment date on or after August 8, 2026 or (ii) upon the occurrence and continuation of a regulatory event, a tax deductibility event or a rating agency event on or after August 8, 2016, subject to a prior approval of the regulatory authority and other conditions.
8. Interest rate(2):	(Preliminary 0.60%～1.20%) (To be decided on July 27, 2016)	(Preliminary 0.60%～1.20%) (To be decided on July 27, 2016)
9. Offering terms:	July 28, 2016 to August 5, 2016	July 27, 2016
10. Payment date:	August 8, 2016	
11. Interest payment dates:	February 8 and August 8 of each year	
12. Subordination:	As to the payment of debt in SJNK's liquidation or other bankruptcy proceedings, the Bonds shall be subordinated to SJNK's senior indebtedness, ranking substantially *pari passu* with its most preferred stock (if issued) and the outstanding U.S. dollar-denominated subordinated bonds issued by SJNK in 2013 and senior to SJNK's common stock.	
13. Use of funds:	Long-term investment funds such as securities investment and working capital.	
14. Underwriters:	Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc.	Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Daiwa Securities Co. Ltd. SMBC Nikko Securities Inc. JPMorgan Securities Japan Co., Ltd.
15. Bond administrator:	Mizuho Bank, Ltd.	－
16. Fiscal agent:	－	Mizuho Bank, Ltd.
17. Rating to be affirmed:	AA－ (Japan Credit Rating Agency, Ltd.)	

18. Securities depository:	Japan Securities Depository Center, Incorporated

(1) Aggregate principal amount of the second series of the Bonds is expected to be determined during the period of July 8, 2016 to July 25, 2016.

(2) Interest rates of the Bonds are expected to be determined on July 27, 2016.

(End of Document)

This document has been prepared for the purpose of publicly announcing the issuances of SJNK first series of unsecured subordinated bonds with interest deferrable clause and early redeemable option and SJNK second series of unsecured subordinated bonds with interest deferrable clause and early redeemable option, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan.