

October 3, 2019

Ryosuke Mori, President

LIFENET INSURANCE COMPANY

(Securities Code: 7157, TSE Mothers)

## Notice of Change in the Largest Major Shareholder

TOKYO, October 3, 2019 - LIFENET INSURANCE COMPANY (TSE Mothers 7157, President Ryosuke Mori, URL: <https://ir.lifenet-seimei.co.jp/en/>) hereby announces a planned change in the largest major shareholder and other associated company.

This change is a result of KDDI CORPORATION (hereafter, “KDDI”), the largest major shareholder of LIFENET INSURANCE COMPANY (hereafter, “Lifenet”), deciding to transfer all Lifenet common shares held by KDDI (24.99%\*) to au Financial Holdings Corporation, an intermediate financial holding company, provisioned on obtaining approval of the competent authorities.

1. Date of Change

December 2, 2019 (scheduled)

2. Behind Change

KDDI has decided to execute a corporate split (absorption-type split) on December 2, 2019 and succeed all Lifenet shares held by KDDI to au Financial Holdings Corporation, an intermediate financial holding company.

3. Overview of the Shareholders Subject to the Change

(1) Overview of KDDI CORPORATION

(As of March 31, 2019)

(1) Company Name	KDDI CORPORATION
(2) Location	2-3-2, Nishishinjuku, Shinjuku-ku, Tokyo
(3) Representative	Makoto Takahashi, President
(4) Business Description	Telecommunications business
(5) Capital	141,852 million yen

## (2) Overview of au Financial Holdings Corporation

(As of April 1, 2019)

(1) Company Name	au Financial Holdings Corporation	
(2) Location	1-19-1, Nihonbashi, Chuo-ku, Tokyo	
(3) Representative	Tomohiko Katsuki, President	
(4) Business Description	Management of and business pertaining to the management of subsidiary companies as determined by Banking Act	
(5) Capital	20,000 million yen	
(6) Date established	April 1, 2019	
(7) Consolidated net assets	124,566 million yen (as of June 30, 2019)	
(8) Consolidated total assets	1,696,807 million yen (as of June 30, 2019)	
(9) Major shareholder & percentage of shares held	KDDI CORPORATION 100%	
(10) Shareholder's relationship with Lifenet (As of October 3, 2019)	Capital relationship	au Financial Holdings Corporation has no capital relationship with Lifenet
	Personnel relationship	Yasuhiro Morita, a managing executive officer of au Financial Holdings Corporation, is an outside director of Lifenet.
	Transactional relationship	au Financial Holdings Corporation has no material transactional relationship with Lifenet.

## 4. Number of Shares Held and Number of Voting Rights Held by the Shareholders and their Ownership Percentage Before and After the Change

### (1) KDDI CORPORATION

	Attribution	Number of Shares Held (Percentage)	Number of Voting Rights (Percentage)			Shareholder Ranking
			Direct ownership	Indirect ownership	Total	
Before Change (As of March 31, 2019)	Largest major shareholder and other associated company	12,800,000 (24.99%*)	128,000 (24.99%*)	0 (0.00%)	128,000 (24.99%*)	1st
After Change	Other associated company	0 (0.00%)	0 (0.00%)	128,000 (24.99%*)	128,000 (24.99%*)	—

(2) au Financial Holdings Corporation

	Attribution	Number of Shares Held (Percentage)	Number of Voting Rights (Percentage)			Shareholder Ranking
			Direct ownership	Indirect ownership	Total	
Before Change	—	0 (0.00%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	—
After Change	Largest major shareholder and other associated company	12,800,000 (24.99%*)	128,000 (24.99%*)	0 (0.00%)	128,000 (24.99%*)	1st

\* The total number of shares issued as of October 3, 2019 is 51,218,238. The total number of shares issued as of October 3, 2019 includes an additional 73,238 shares added as a result of the new share issue for restricted stock compensation on August 9, 2019. The percentage of shares held (24.99%) was therefore calculated based on 51,218,238 as the total number of shares issued. The percentage of voting rights (24.99%) was also calculated based on a total number of voting rights of 512,138, which includes the total number of voting rights as of March 31, 2019 (511,408) plus 730 voting rights associated with the new shares issued. Numbers are rounded down to the second decimal place. Please note that the figures noted above were based on information available on October 3, 2019 and may differ from the actual figures.

5. Unlisted Parent Company or Other Subject to Disclosure

au Financial Holdings Corporation will become an associated company of Lifenet, but as KDDI has the largest impact on Lifenet, there are no changes in unlisted parent company or other subject to disclosure.

6. Future Prospects

As this change is due to organizational changes within the KDDI Group, it will have no impact on Lifenet's results.

7. Others

Lifenet and KDDI entered into a capital and business alliance in April 2015 with the aim of providing new financial services by combining life insurance with communications. Since December 2016, Lifenet, with KDDI as a sales agent, has been selling au Life Insurance with Refund, which allows au mobile phones users to be eligible for monthly refunds of 200 yen for up to 60 months as refunds of insurance premiums.

Looking forward, Lifenet, KDDI and au Financial Holdings Corporation will work together to integrate their respective customer bases, brands and business expertise, and jointly provide products and services that take advantage of both companies' strengths while Lifenet continues to maintain and ensure management independence.

**About LIFENET** URL: <https://ir.lifenet-seimei.co.jp/en/>

Remembering the original purpose of life insurance - mutual support - LIFENET INSURANCE COMPANY was founded with the goal of offering simple, convenient and competitively priced products and services based on the highest levels of business integrity. We sell these products and services directly to customers over the Internet. We aim to be the leading company driving the growth of the online life insurance market.

Contact:	Investor Relations, Corporate Planning Department
Tel:	+81-3-5216-7900
e-mail:	<a href="mailto:ir@lifenet-seimei.co.jp">ir@lifenet-seimei.co.jp</a>

*Disclaimer: This is a summarized translation of the original Japanese document, prepared and provided solely for readers' convenience. In case of any discrepancy or dispute, the Japanese document prevails.*