



March 22, 2022

[Unofficial Translation]

Protective Life to Acquire AUL

Protective Life Corporation (“Protective”), a wholly owned U.S. subsidiary of Dai-ichi Life Holdings, Inc. (the “Company”; President: Seiji Inagaki), announced that its principal subsidiary, Protective Life Insurance Company (“Protective Life”) has reached an agreement to acquire AUL Corp. (“AUL”). The transaction is subject to the receipt of regulatory approvals and satisfaction of customary closing conditions and is expected to close in the first quarter 2022.

Established in 1990, AUL, a pioneer in the used car service contract industry, offers a variety of finance and insurance products through advisors and dealers in the U.S. The business of AUL is expected to have synergies with the Asset Protection Division of Protective due to its complementary product portfolio. Through the acquisition, the Asset Protection Division looks forward to the opportunity to accelerate both growth and earnings. This acquisition supports Protective's overall objectives of building scale, increasing profitability and protecting more customers.

Protective has strong acquisition capabilities, in addition to strength in traditional life insurance and individual annuity business. Since joining the Dai-ichi Life Group (the “Group”) in February 2015, Protective has completed five acquisitions, including the acquisition via reinsurance of a block of term life insurance from Genworth Financial, Inc. in 2016, the acquisition of United States Warranty Corp. in 2016, the acquisitions via reinsurance of substantially all the individual life and annuity business from Liberty Life Assurance Company of Boston in 2018 and Great-West Life & Annuity Insurance Company in 2019, and the acquisition of the Revolos family of companies in 2021.

This transaction will represent Protective’s 59th acquisition overall and will be funded by Protective.

The Company considers Protective to be the Group’s platform in North America and continues to aim for further growth and profit enhancement within the region, through both acquisitions and organic growth in its retail sales.

<Overview of AUL>

Company name	AUL Corp.
Representative	President & CEO, Jimmy Atkinson
Year of the establishment	1990
URL	https://aulcorp.com/



U.S. Subsidiary Protective Life Corporation Acquires AUL Corp (Asset Protection Business) Dai-ichi Life Holdings

- ▶ Protective Life Corporation (“PLC”) has agreed to acquire all shares of AUL Corp through its principal subsidiary, Protective Life Insurance Company.
- ▶ AUL’s business is highly complementary to existing PLC’s business and contributing to the diversification of business and earnings stability by strengthening the revenue base in the asset protection market, which is expected to grow steadily.
- ▶ The asset protection business has low financial risk based on stable fee income and contributes to the group’s profit growth and risk profile improvement.

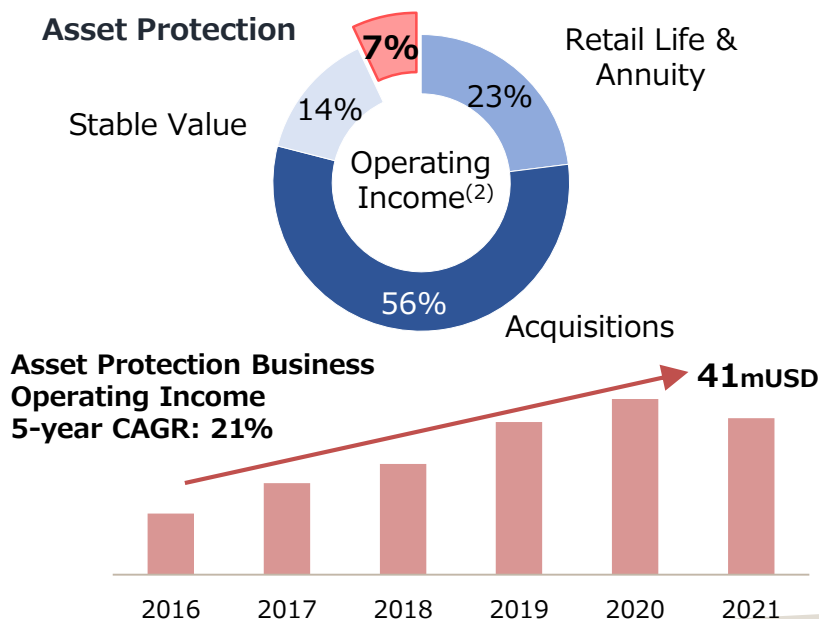
Overview of the Acquisition

Company Name	AUL Corp (asset protection company)
Funding	PLC Internal Fund
Estimated Completion Timing	During 1 st quarter (April-June) 2022 (Subject to the approvals by the relevant authorities)
Expected Profit Contribution	Expect approx. 4 - 5% increase in PLC’s net income in the mid to long term
Impact to RBC and ESR	Limited impact on both RBC and group ESR

[Recent M&A(Asset Protection) track record]
USWC: completed in Dec 2016
Revolos: completed in Jan 2021

Strategic Significance and Purpose

- ✓ PLC’s asset protection business has expanded steadily and to be further strengthened by this deal.
- ✓ The main product, Vehicle Service Contract (VSC)⁽¹⁾, has a stable profit structure based on fee income and utilization of reinsurance, etc.
- ✓ AUL’s advantage in used car markets is highly complementary to the existing PLC’s business centered on new car markets. AUL also contributes to the diversification of PLC’s sales channels.



VSC Market Player

Car manufacturer related providers (affiliated dealer etc.)

Non-car manufacturer

Protective

One of the major providers
Strength in new car market sales

AUL

Strength in used car market sales

(1) VSC is a contract that covers certain vehicle problems or repairs of the power, mechanical and electrical systems caused by deterioration etc., while general automobile insurance covers damage to vehicles caused by disasters and accidents.
(2) Operating profit ratio of the FY2020 result excluding significant one-time profits and losses related Great-West’s block acquisition settlements (Acquisitions business) and Covid-19 impacts (Retail Life & Annuity business, and Acquisitions business).