TIH LIMITED

Company Registration No. 199400941K
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

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1. Introduction

The board of directors (the "**Board**" or the "**Directors**") of TIH Limited (the "**Company**") refers to the announcements made by the Company dated 4 September 2014, 17 October 2014 and 11 January 2018 (collectively, the "**Previous Announcements**").

2. Decision of the Tokyo District Court

2.1 As set out in the Previous Announcements, TIHT Investment Holdings Pte. Ltd. ("**TIHT**"), in which the Company holds an indirect interest of 55%, acquired an interest of approximately 7.64% in Mitsui Life Insurance Company Limited ("**Mitsui Life**") (the "**Mitsui Life Stake**"). In March 2016, the Mitsui Life Stake was compulsorily acquired following the close of a tender offer for Mitsui Life by Nippon Life Insurance Company ("**Nissay**"), and TIHT has received its share of the tender offer price.

2.2 Further to the Previous Announcements, the Board wishes to update shareholders of the Company that the Tokyo District Court has issued a decision with respect to the proceedings for an appraisal ("**Appraisal Proceedings**") relating to the Mitsui Life Stake at the time of the tender offer (the "**District Court Decision**").

2.3 The District Court Decision stated, *inter alia*, that:

(a) the acquisition price per common share in Mitsui Life ("**Mitsui Life Share**") should be JPY560, being the same price as the price per Mitsui Life Share offered by Nissay in the Mitsui Life Tender Offer (as defined in paragraph 3.2(a) below);

(b) there was no conflict of interest (as further elaborated upon in paragraph 3.3(b) below) between Mitsui Life and its majority shareholders;

(c) the fact that an independent committee was not established for the purpose of the Mitsui Life Tender Offer did not in itself negate the fairness of the process;

(d) the fact that the "majority of minority" rule (as further elaborated upon in paragraph 3.3(d) below) was not adopted in the context of the Mitsui Life Tender Offer did not negate the fairness of the process;

(e) it is not a common practice in Japan to implement an auction process in M&A transactions; and

(f) the fact that the price offered by Nissay in the Mitsui Life Tender Offer implied an EEV Value (as defined in paragraph 3.3(f) below) that was less than the EEV Value previously announced by Mitsui Life did not negate the fairness of the process.

3. Appraisal Proceedings

3.1 In light of the District Court Decision, the Company would like to set out a summary of key arguments raised by TIHT in the Appraisal Proceedings.

3.2. The following events leading up to the Appraisal Proceedings were highlighted by TIHT in its petition:

(a) On 11 September 2015, Nissay and Mitsui Life announced the launch of a tender offer in respect of the shares of Mitsui Life ("**Mitsui Life Tender Offer**") and a squeeze-out procedure for the minority shareholders of Mitsui Life involving a reinvestment by certain majority shareholders of Mitsui Life (collectively, "**Management Integration**").

(b) Between 9 November 2015 and 21 December 2015, Nissay implemented the Mitsui Life Tender Offer with the following offer:

(i) JPY560 per Mitsui Life Share,

(ii) JPY112,000 per Class A share in Mitsui Life; and

(iii) JPY127,273 per Class B share in Mitsui Life.

(c) Nissay successfully acquired 92.16% of the voting rights of Mitsui Life through the Mitsui Life Tender Offer ("**Nissay Acquisition**"). Following the Nissay Acquisition, Nissay exercised the right under Article 179, Paragraph 1 of the Japanese Companies Act (the "**Compulsory Transfer**") which requires all remaining shareholders of Mitsui Life, including minority shareholders, to compulsorily transfer their Mitsui Life shares to Nissay. On 27 January 2016, Nissay made the notice of demand of the Compulsory Transfer and it was effected on 11 March 2016 in accordance with the Japanese Companies Act.

(d) On 8 March 2016, TIHT filed a petition with the Tokyo District Court seeking the determination of a "fair" acquisition price in respect of the Mitsui Life Shares as it was of the view that the fair price of each Mitsui Life Share should not be less than JPY1,746 per Mitsui Life Share.

3.3 TIHT argued in the Appraisal Proceedings that the structure of the Management Integration was determined only by the majority shareholders of Mitsui Life and the purchase price could not be considered fair. The following arguments were raised by TIHT in support of its petition:

(a) TIHT noted that there was no auction process implemented by the directors of Mitsui Life to offer other buyers an opportunity to acquire the Mitsui Life Shares.

(b) TIHT noted that, in accordance with the terms and agreement relating to the Management Integration (to which minority shareholders of Mitsui Life were not a

party), approximately 17% in aggregate of Mitsui Life Shares would be sold back by Nissay to certain related companies of Mitsui Life ("**Mitsui Group Companies**") following the consummation of the Compulsory Transfer. TIHT raised the argument that, if the Management Integration was intended to maximize the synergy between Nissay and Mitsui Life, the fact that only Mitsui Group Companies were provided the opportunity to participate in the reinvestment in Mitsui Life following the Compulsory Transfer was a special or unusual benefit, and meant that the minority shareholders of Mitsui Life were deprived of the equal opportunity to receive the benefit of the synergy arising out of the Management Integration. It was further argued that a conflict of interest could be said to have arisen.

(c) Certain advisers were appointed by Mitsui Life to prepare valuation reports. In this regard, TIHT made the argument in the Appraisal Proceedings that the appointed advisers were interested parties of Mitsui Life and/or its major shareholders and should not be considered as independent third party valuers or advisers.

(d) TIHT noted that the implementation of the Mitsui Life Tender Offer and Compulsory Transfer was determined only by the majority shareholders of Mitsui Life who re-invested into Mitsui Life pursuant to the Management Integration. TIHT argued that, in the Mitsui Life Tender Offer where a conflict of interest between Mitsui Life and its majority shareholders was said to have existed, Mitsui Life was required to assure its minority shareholders the opportunity to consider whether they should accept the offer. Accordingly, TIHT raised the argument that the "majority of minority" rule (i.e. that the transaction should only be approved when more than majority or two-thirds of shareholders, other than the directors or related shareholders of the company, had approved the transaction) was required in the Mitsui Life Tender Offer to protect the interests of the minority shareholders of Mitsui Life.

(e) TIHT argued that, based on case law, in the event of a conflict of interest between the directors of an acquiror and a target company, the establishment of an independent third party committee is considered in the context of a take-over in Japan to be an important element to consider the fairness of the transaction. In this regard, TIHT noted that Mitsui Life did not establish an independent third party committee for the purpose of the Mitsui Life Tender Offer.

(f) TIHT noted in the Appraisal Proceedings that Mitsui Life had announced that its valuation based on the European Embedded Value as at the end of March 2015 was JPY745 billion ("**EEV Value**"). However, the total consideration paid to shareholders in 2016 in the squeeze-out transaction was approximately JPY334.5 billion which was less than half of the EEV Value. As the EEV Value was calculated by Mitsui Life and based on the opinion issued by a reputable actuarial firm, TIHT raised the argument in the Appraisal Proceedings that it was not justifiable to ignore the EEV Value.

4. Further Information

4.1 The Company and TIHT are currently seeking advice from legal counsel in relation to the District Court Decision and are considering the possibility of seeking an appeal of the District Court Decision. However, there is no assurance or certainty as to whether the Company and/or TIHT may take further actions in relation to the District Court Decision. Even if the Company chooses to appeal the District Court Decision, there is no assurance or certainty as

to whether the Company and/or TIHT will prevail in such appeal, when there will be finality on the outcome of such appeal and, even if the Company and/or TIHT were to prevail in such appeal, the amount that may be awarded to the Company and/or TIHT. The Company's view remains that, depending on the final outcome of an appeal, the potential amount that the Company may receive could range from zero to SGD165 million, before taxes, fees and expenses.

4.2 Further announcements will be made by the Company and the Board via SGXNET as and when there are any material developments in compliance with the listing rules of the Singapore Exchange Securities Trading Limited.

5. Responsibility Statement

The Directors (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement are fair and accurate, and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD
For and on behalf of TIH Limited

Allen Wang
CEO
TIH Investment Management Pte. Ltd.

Singapore, 30 January 2018