

(English Translation)

June 10, 2015

Tokio Marine Holdings, Inc.

Agreement to Acquire a World Leading Specialty Insurer, HCC Insurance Holdings, Inc.

Tokio Marine Holdings, Inc. (“TMHD”) (President: Tsuyoshi Nagano) today announced a definitive agreement to acquire 100% of the outstanding shares of HCC Insurance Holdings, Inc. (“HCC”), a U.S. insurance holding company comprising property & casualty, accident & health and other specialty insurance businesses (hereinafter: “the Acquisition”), through TMHD’s wholly owned subsidiary, Tokio Marine & Nichido Fire Insurance Co., Ltd. (“TMNF”).

The Acquisition has been unanimously approved by the Board of Directors of TMHD and the Board of Directors of HCC.

1. Background

- (1) As a global insurance group, the Tokio Marine Group has been focused on continued expansion of its International business in size and profits as a driving force for its growth strategy. We are pursuing growth opportunities to build a diversified business portfolio through organic and strategic M&A initiatives in developed countries as well as emerging countries.
- (2) As part of the overall M&A strategy, in developed markets, we entered the Lloyd’s market through the acquisition of Kiln Ltd. (“Kiln”) in March, 2008, and we entered the U.S. market through the acquisition of Philadelphia Consolidated Holding Corp. (“Philadelphia”) in December, 2008 and the acquisition of the Delphi Financial Group, Inc. (“Delphi”) in May, 2012. In emerging markets, we have achieved strong growth by actively expanding in both property & casualty and life in regions such as Southeast Asia and Latin America. Throughout our expansion, we have continued to look for high quality acquisition opportunities to achieve further profitable growth and enhance capital efficiency.
- (3) As described in paragraphs “3” and “4” and in Appendix 1 below, HCC is a world leading specialty (*1) insurer with operations in the United States, and further international operations including in the United Kingdom, Spain and Ireland. Led by its highly experienced management, the company has a proven track record of disciplined growth and best-in-class underwriting profitability and financial strength.

(*1) Specialty insurance is a type of insurance product that often covers risks that are not covered by standard insurance policies and requires specific underwriting capability and

technical expertise.

- (4) The Acquisition accelerates growth in scale and profits for the International business of Tokio Marine Group resulting in a more globally diversified portfolio. The Acquisition will lead to a more solid Group business foundation through improvement in capital efficiencies and sustainable profit growth.

2. Overview of the Acquisition

(1) Acquisition Target: HCC Insurance Holdings, Inc. (TMHD intends to acquire 100% of HCC's outstanding shares through TMNF).

(2) Shares to be acquired, acquiring price and shares owned before and after the Acquisition

(a) Number of shares held before the Acquisition	0 shares (Ownership percentage: 0%)
(b) Number of shares to be acquired	96,201,045 shares (*2) (percentage of outstanding shares: 100%)
(c) Acquisition price	Acquisition price: approximately USD 7,500 Million Advisory fees: approximately USD 30 Million Total: approximately USD 7,530 Million (JPY 941 Billion) (*3)

(*2) The numbers shown above are based on the projected fully diluted shares at closing of HCC (including dilution resulting from settlement of stock based compensation related to the Acquisition).

(*3) Exchange rate is \$1 = JPY 125 unless otherwise noted.

(3) Acquisition terms: USD \$78.00 per share (approximately JPY 9,750)

This Acquisition price constitutes a price to book ratio of 1.90 times HCC's book value per share of \$41.03 as of March 31, 2015. Furthermore, the Acquisition price represents a 35.8% premium to HCC's average share price over the past one month and a 37.6% premium to the share price as of close of business on June 9, 2015.

After careful analysis and review of HCC's assets, business operations and prospects, TMHD considers this Acquisition price as fair and reasonable.

(4) Financing: The Acquisition will be financed through the utilization of Tokio Marine Group's cash on hand and borrowings.

3. Overview of HCC (see Appendix 1 for further details)

(1) Company name	HCC Insurance Holdings, Inc.		
(2) Registered office	Corporate Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801 U.S.A.		
(3) Name of Chairman and CEO	Chairman Robert A. Rosholt CEO Christopher J.B. Williams		
(4) Nature of business	Insurance holding company (common stock listed on the New York Stock Exchange) comprising property & casualty, accident & health and other insurance businesses		
(5) Capital	USD 126,794,000 (as of March 31, 2015)		
(6) Date of establishment	July 23, 1974		
(7) Major shareholders and ownership percentage (As of April 1, 2015)	T. Rowe Price Associates, Inc.	8.41%	
	The Vanguard Group	6.83%	
	Eaton Vance Management	6.59%	
	BlackRock, Inc.	6.17%	
(8) TMHD's relationship with HCC	Capital and management	No notable capital or management relationships between TMHD and HCC or with our affiliates and HCC's	
	Business	Reinsurance transaction exists between HCC's affiliates and TMHD's affiliates.	
(9) Consolidated financial results of the past three years(*4)			
Fiscal year	December, 2012	December, 2013	December, 2014
Consolidated net assets	USD 3,542M	USD 3,674M	USD 3,903M
Consolidated total assets	USD 10,267M	USD 10,344M	USD 10,714M
Consolidated net assets per share	USD 35.10	USD 36.62	USD 40.44
Gross written premium	USD 2,784M	USD 2,880M	USD 3,001M
Pre tax earnings	USD 554M	USD 572M	USD 661M
Consolidated net income	USD 391M	USD 407M	USD 458M
Consolidated net income per share (basic)	USD 3.84	USD 4.05	USD 4.62
Cash dividends declared, per share	USD 0.64	USD 0.78	USD 1.04
Combined ratio(*5)	84.1%	83.9%	82.5%

(*4) On a U.S.GAAP accounting basis (from 10-K). Some figures may differ slightly (rounded down) from HCC's disclosure to comply with the disclosure rules of the Japanese Stock Exchange.

(*5) Revised to reflect a change in the basis of calculation in Q1 2015.

4. Description of HCC

(1) HCC focuses on specialty insurance that requires strong underwriting technical expertise and has established market leading positions in many markets.

(2) HCC's business portfolio is diverse with over 100 classes of largely non-correlated specialty lines of business such as Accident & Health (A&H) (*6), Directors' & Officers' liability (D&O), agriculture, aviation, surety and credit. The vast majority of its lines of business (such as A&H) are less dependent on the traditional property & casualty insurance market cycle and have limited exposure to natural catastrophe risks.

(3) Given HCC's portfolio is diverse with low volatility, HCC has consistently achieved disciplined growth, strong underwriting profitability and maintained its financial strength. HCC is viewed as the best-in-class insurer among its specialty peers.

- Profitability: Average combined ratio over the past ten years is 86.0% and average ROE over the past ten years is 12.6%. In addition, HCC has the lowest expense ratio among its industry peers.
- Growth: Compound Annual Growth Rate of net income after tax over the past ten years is 11.1%.
- Underwriting stability: Standard deviation of the past ten years' combined ratio is 3.5%, demonstrating low volatility.
- Financial strength: Maintains excellent financial strength with very strong ratings from internationally recognized rating agencies (S&P: AA, AM Best: A+, Moody's: A1, Fitch: AA).

(*6) A&H insurance includes Medical stop-loss and short term medical. Medical stop-loss clients are companies and groups which self-insure medical coverage. When the self-insured losses exceed a specified amount, the medical stop-loss policy covers insurance claims for the portion exceeding that amount.

5. Strategic Rationale

(1) Establishment of a more solid Group business foundation, through capital efficiencies and sustainable profit growth

Taking into account the nature of HCC's portfolio with no significant overlap with Tokio Marine's existing operations, the Acquisition will further diversify the risk exposures in our global portfolio leading to significant improvement in capital efficiency and sustainable profit growth. This will enable us to establish a more solid Group business foundation. On a proforma basis giving effect to the Acquisition, the 2015 forecast adjusted ROE for Tokio Marine Group will increase by 1.5% to 9.3% and the 2015 forecast adjusted EPS will increase by 12% to ¥480 (*7).

(*7) The figures shown here are the simulated simple sum of the annual projection for TMHD's FY2015 results and TMHD's preliminary estimates for HCC's 2015 calendar year results. We will disclose the financial impact of this Acquisition on Tokio Marine Group's consolidated results for the fiscal year ending 2015 when available during our standard reporting period.

(2) Continued expansion of revenues and profits of International business through strengthening of its business franchise

With HCC joining the Tokio Marine Group, we will accelerate growth in scale and profit for the International business and pursue additional growth opportunities as a group globally.

- We will significantly enhance our presence in the U.S., the largest insurance market in the world, complementary to the solid foundation in our home market, Japan.
- Combining HCC with Kiln, Philadelphia and Delphi, the Acquisition solidifies Tokio Marine's standing as a truly global insurer with premier specialty franchises. In addition we will build our capabilities in new market leading businesses including A&H, D&O, agriculture and other specialty lines globally.
- As a result of the Acquisition, the profits for International business will increase by 38% to ¥175B, and its proportion within the Group will increase from 38% to 46% (*7).

(3) Complementary strengths to create long term synergies

By combining HCC's strengths such as underwriting expertise in diverse classes of business and Tokio Marine's strengths such as global footprint, financial strength / underwriting capacity and investment expertise, we will facilitate new business opportunities and create synergies.

- Given our complementary strengths, we will enhance our product and service proposition to our clients. Leveraging Tokio Marine's global footprint, we will cross sell HCC's main products such as A&H, D&O and other specialty lines to our clients in both developed (including Japan) and emerging markets.
- With Tokio Marine's financial strength, we will increase HCC's underwriting capacity and achieve efficiencies on HCC's outwards reinsurance treaty programs and increase profits and ROE.
- We will also utilize Delphi's superior investment expertise to further enhance HCC's investment return.

6. Acquisition Process

Under and in accordance with applicable laws and regulations in the U.S., the Acquisition will be implemented by first establishing TMNF's special purpose company in Delaware, and then merging it with and into HCC (*8). Through this process, TMNF will purchase the entire

outstanding shares in return for consideration to HCC's shareholders. The Acquisition is subject to approval of HCC's shareholders and the approval of various regulatory authorities, as well as other customary closing conditions.

We intend to proceed expeditiously on the merger process and expect to complete the Acquisition during October to December in 2015.

(*8) This process is called a reverse triangular merger under the related laws and regulations in the U.S., which is similar to a triangular merger in Japan. This is a common method used for acquisitions in the U.S.

7. Schedule

Date of delivery of shares	TBD (The Acquisition is subject to HCC's shareholders approval, regulatory approvals and customary closing conditions)
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8. Impact on financial results of TMHD

We will disclose the financial impact of this Acquisition on Tokio Marine Group's consolidated results for the fiscal year ending 2015 when available during our standard reporting period. For further references, HCC's financial results for the past three years are summarized in section 3 above.

Appendix 1

Overview of HCC

1. Headquarters: Houston, Texas (registered office: Wilmington, Delaware)
2. Business territories: offices in the U.S., the United Kingdom, Spain and Ireland
3. Main segments and lines of business:
 - (1) North America Property & Casualty: D&O, agriculture, primary casualty, aviation, surety, sports & entertainment disability / contingency, public risk, etc.
 - (2) Accident & Health: medical stop-loss and other short term medical products, etc.
 - (3) International: energy, marine, property, A&H, D&O, professional indemnity, surety, credit, etc.
4. Financial results history (growth of net income after tax, trends of profitability etc.)
 - (1) Growth of net income after tax: CAGR of past 10 years is 11.1% (see table below).

(\$ in millions)

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	CAGR
Net earnings	160	192	338	392	302	354	345	255	391	407	458	11.1%

- (2) Profitability: average combined ratio (*9) over 3 years: 83.5%, over 5 years: 85.5%, and over 10 years: 86.0%.
 - (3) Shareholders' value performance: Total Value Creation (*10) over the past 10 years is 15.4% (annual average), the second best among the listed property & casualty insurers per Dowling and Partners.

(*9) Based on the annual financial reports submitted to SEC (Form 10-K). Combined ratios are revised to reflect a change in Q1 2015.

(*10) Total Value Creation represents growth in tangible book value per share including dividends.
5. Number of employees: approximately 2,500
6. Financial ratings: S&P / AA (ERM evaluation: strong), A.M. Best / A+, Moody's / A1, Fitch / AA
7. Others (exposure to natural catastrophe):

Natural Catastrophe risks (U.S. Named Wind, European Wind, and U.S. Earthquake risks) exposures (loss amount after tax with a Natural Catastrophe loss with return period of 1 in

250 years) are about 2% (about \$80M) of shareholders' equity respectively.

Appendix 2

<Provisional Calculation of the impact of the Acquisition on our profits based on FY2015 forecast (*11)>

1. Breakdown of Tokio Marine Group's adjusted net income

	Before Acquisition	After Acquisition
Japanese P&C Operations	40%	35%
Japanese Life Operations	21%	18%
International Operations	38%	46%
Financial & General Operations	1%	1%

2. Regional breakdown of Tokio Marine Group's International business

	Before Acquisition	After Acquisition
North America	52%	62%
Europe/Middle East	13%	10%
Central/South America	9%	7%
Asia/Oceania	10%	8%
Reinsurance	8%	6%
Life	8%	6%

(*11) The figures shown here are the simulated simple sum of the annual projection for TMHD's FY2015 results and TMHD's preliminary estimates for HCC's 2015 calendar year results. We will disclose the financial impact of this Acquisition on Tokio Marine Group's consolidated results for the fiscal year ending 2015 when available during our standard reporting period. FX as of end 3/31/15 (\$1=120.17).

Cautionary Statement Regarding Forward-Looking Statements

This communication and other written or oral statements made by or on behalf of HCC or TMHD contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are made under the "safe harbor" provisions of The Private Securities Litigation Reform Act of 1995. In particular, statements using words such as "may," "will," "should," "estimate," "expect," "anticipate," "intend," "believe," "predict," "plan," "project," "continue" or "potential," or their negatives or variations, and similar terminology and words of similar import, generally involve forward-looking statements. Forward-looking statements reflect HCC's or TMHD's current views, plans or expectations with respect to future events and financial performance. They are inherently subject to significant business, economic, competitive and other risks, uncertainties and contingencies. The inclusion of forward-looking statements in this or any other communication should not be considered as a representation by HCC, TMHD or any other person that current plans or expectations will be achieved.

Forward-looking statements speak only as of the date on which they are made, and neither HCC nor TMHD undertakes any obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as otherwise required by law. There are or will be important factors that could cause actual results to differ materially from those expressed in any such forward-looking statements, including but not limited to the following: the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement; required governmental approvals of the merger may not be obtained or may not be obtained on the terms expected or on the anticipated schedule, and adverse regulatory conditions may be imposed in connection with any such governmental approvals; HCC's stockholders may fail to approve the merger; the parties to the merger agreement may fail to satisfy other conditions to the completion of the merger, or may not be able to meet expectations regarding the timing and completion of the merger; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers or suppliers) may be greater than expected following the announcement of the proposed merger; HCC may be unable to retain key personnel; the amount of the costs, fees, expenses and other charges related to the proposed merger; and other factors affecting future results disclosed in HCC's filings with the U.S. Securities and Exchange Commission (the "SEC"), including but not limited to those discussed under Item 1A, "Risk Factors", in HCC's Annual Report on Form 10-K for the year ended December 31, 2014, which are incorporated herein by reference.

Additional Information and Where to Find It

This communication relates to a proposed merger between HCC and TMNF that will be the subject of a proxy statement that HCC intends to file with the SEC. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, and is not a substitute for the proxy statement or any other document that HCC may file with the SEC or send to its stockholders in connection with the proposed merger. INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT AND ALL OTHER RELEVANT DOCUMENTS FILED WITH THE SEC OR SENT TO HCC'S STOCKHOLDERS AS THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER. All documents, when filed, will be available free of charge at the SEC's website (www.sec.gov). You may also obtain documents filed by HCC with the SEC by contacting HCC at Investor Relations, HCC Insurance Holdings, Inc., 13403 Northwest Freeway, Houston, Texas 77040, by email at InvestorRelations@hcc.com or by visiting the Investor Relations section of HCC's website at www.hcc.com

Participants in Solicitation

TMHD and HCC and its directors, executive officers and other members of management and employees may be deemed to be participants in any solicitation of proxies in connection with the proposed merger. Information about HCC's directors and executive officers is available in HCC's proxy statement dated April 9, 2015 for its 2015 Annual Meeting of Stockholders. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement and other relevant materials to be filed with the SEC regarding the merger when they become available. Investors and stockholders should read the proxy statement carefully when it becomes available before making any investment or voting decisions.