

July 26, 2011

MS&AD Insurance Group Holdings, Inc.

Notice regarding devaluation losses on securities for the first quarter of the fiscal year ended March 31, 2012

MS&AD Holdings, Inc. (the “Company”) hereby announces that the amounts of devaluation losses on securities for the first quarter of the fiscal year ended March 31, 2012, is estimated as set forth below.

1. Devaluation losses on securities for the first quarter of the fiscal year ended March 31, 2012:

(Yen in billions)

	The Company (consolidated basis)	(Subsidiary) MSI (non-consoli- dated)	(Subsidiary) ADI (non-consolid- ated)
(A) Amount of devaluation losses on securities for the first fiscal quarter (April 1, 2011 through June 30, 2011)	10.9	1.6	5.5

(Note) 1. Mitsui Sumitomo Insurance Company, Ltd., is abbreviated as “MSI”, Aioi Nissay Dowa Insurance Company, Ltd., as “ADI”.

2. Securities are evaluated for each fiscal quarter by using the reversal method.
3. Each fiscal year of the Company ends on March 31.
4. The amount of ADI (non-consolidated) above does not include 3.3 billion yen, which would be adjusted on a consolidated basis under purchase method.

*Ratios to net assets, ordinary profit and net income

(Yen in billions)

	Consolidated basis
(B) Net assets as of March 31, 2011	1,633.3
∴ (A/B×100)	0.7%
(C) 2% of sales amount of fiscal year 2010*	68.0
∴ (A/C×100)	16.0%
(D) 1% of sales amount of fiscal year 2010*	34.0
∴ (A/D×100)	32.1%

(Note) * The special exception under the disclosure criteria is adapted, as ordinary profit was below 2% of sales amount (ordinary income) and net income was below 1% of sales amount (ordinary income) in the fiscal year ended March 31, 2011.

2. Outlook

There is no change, because of this event, in the earnings forecasts for the first half and the full year ended March 31, 2012, as announced on May 19, 2011.

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