

Reinforcement of Financial Services Business

Mitsui Sumitomo Insurance Co., Ltd. (President: Noriyuki Hara, “the Company”), a subsidiary of MS&AD Insurance Group Holdings, Inc. (President & CEO: Yasuyoshi Karasawa) is strengthening its ILS^{*1} business, one of the primary segments of the Financial Services Business, and asset management business.

The Company will realize sustainable growth in the Financial Services Business through the following initiatives.

*1 ILS: Insurance-Linked Securities

1. Reinforcement of ILS business

The Company acquired 80% of limited partnership equity in the fund management company Leadenhall Capital Partners LLP (“LCP”) from MS Amlin Corporate Services Limited, a group company of MS Amlin plc (a direct subsidiary of the Company), and reorganized LCP into a direct subsidiary of the Company.

Oversight of LCP will be transferred from the Company’s International Business to the Financial Services Business, which has a strong business relationship with LCP. The Company will work to realize synergies while maintaining the independence of LCP and further strengthen ILS business going forward.

The following is a summary of our efforts to realize synergies.

- 1) Enhancing product appeal in the ILS and ART^{*2} businesses
Further expanding the product lineup in the Company’s ILS business in Japan and developing new products in the ART business
- 2) Enhancing LCP’s presence
Contributing to the enhancement of LCP’s presence in Japan and the expansion of entrusted assets by supporting the development of LCP’s investors in Japan

*2ART: Alternative Risk Transfer, such as weather derivatives, a fusion of insurance and finance

<Overview of LCP>

Company name	Leadenhall Capital Partners LLP
Incorporation	April 2008
Head office	London, U.K.
Description of business	Fund management specialized in ILS investment
Ownership	The Company : 80%, Individual partners (8 members of management) : 20%
Assets under management	About US\$ 5.4 billion (around JPY 590 billion) as of December 2018

2. Promotion of asset management business

On April 1, 2019, Sumitomo Mitsui Asset Management Co., Ltd. and Daiwa SB Investments Ltd. will merge to form Sumitomo Mitsui DS Asset Management Co., Ltd. The asset management business is growing globally, and the management capabilities and services required by customers are becoming increasingly sophisticated.

As an equity-method affiliate with a 15% of percentage of voting rights, the Company as a major shareholder will support initiatives aimed at enhancing profitability and maximizing synergies by strengthening investment and product development to support those.