

August 10, 2016

Name of Listed Company: MS&AD Insurance Group Holdings, Inc.  
Name of Representative: Yasuyoshi Karasawa, President  
(Securities Code: 8725, Tokyo Stock Exchange and Nagoya Stock Exchange)  
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## **Notice Regarding the Merger of Max Life Insurance Company Limited, Indian Equity Method Affiliate**

Mitsui Sumitomo Insurance Company Ltd. (“MSI”, President: Noriyuki Hara), a member of the MS&AD Insurance Group hereby announces that Max Life Insurance Company Ltd. (“Max Life”), an equity method affiliated company of MSI has reached a basic agreement regarding the merger with Max Financial Services Ltd.\*<sup>1</sup> and HDFC Standard Life Insurance Company Ltd. (“HDFC Life”) on August 8, 2016.

### 1. The purpose of the merger

The MS&AD Insurance Group has invested in leading life insurance companies in India and other various countries in Asia through MSI, to secure profitability in anticipated growth in the Asian region over the medium to long-term, and to achieve synergies with our non-life insurance business, where we are ranked No. 1 in the ASEAN region.

We expect the newly merged company will gain around 400 billion yen\*<sup>2</sup>. We expect it to lead to greater profit growth and improvement in enterprise value. This will be achieved through expansion in scale, which will reduce costs, expand sales networks, and improve products development, among other benefits.

### 2. Future business development

As one of the shareholders of the newly merged company, MSI will continue to focus on the life insurance business in India. By providing our varied expertise in that business and higher quality products and services, cultivated both in Japan and overseas, we will work toward the development of the life insurance market in India.

Please note that the structure of the new company, timing of the merger have not yet been determined.

\*<sup>1</sup> a parent company of Max Life with 69% stake in Max Life

\*<sup>2</sup> combined total premiums as of March 2016

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1. The overview of Max Life

Established year:	2000
Headquarters:	New Delhi, India
Total premiums:	143.8 billion yen (at the end of Mar. 2016)
Net profit:	6.9 billion yen (at the end of Mar. 2016)
Total assets:	587.0 billion yen (at the end of Mar. 2016)
Number of employees:	8,780 (at the end of Dec. 2015)

MSI invested in June 2012 and currently has 25% interest in Max Life.

2. The overview of HDFC Life

Established year:	2000
Headquarters:	Mumbai, India
Total premiums:	254.5 billion yen (at the end of Mar. 2016)
Net profit:	12.8 billion yen (at the end of Mar. 2016)
Total assets:	1,195.7 billion yen (at the end of Mar. 2016)
Number of employees:	15,047 (at the end of Dec. 2015)

※The exchange rate assumed in this document is JPY1.56/INR1.00.

For more details, please refer to the below.

<https://www.maxlifeinsurance.com/about-us/news/merger-of-hdfc-life-and-max-life.aspx>

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