

August 1, 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 Confirmation of Terms for Issuance of Stock Options as Equity Compensation for Associate Directors**

MS&AD Insurance Group Holdings, Inc. (the “Company”) hereby announces that the undetermined items with respect to the terms of the issuance of stock acquisition rights to be allotted for associate directors of the subsidiaries of the Company and the issuance of which was resolved at the Board of Directors Meeting held on June 22, 2016 were determined as follows.

1. Total number of stock acquisition rights : 17,572

The number of share underlying each stock acquisition right shall be 1.

2. The amount to be paid in for stock acquisition rights :

JPY 2,814 per stock acquisition right (JPY 2,814 per share)

The above amount was calculated using the Black-Scholes model on the allotment date. The monetary remuneration claims of the person to be allotted the stock acquisition rights and the obligation to pay the aggregate amount to be paid for the stock acquisition right shall be offset.

3. Type and number of shares underlying stock acquisition rights :

Shares of common stock of the Company, 17,572 shares

4. Persons to be allotted stock acquisition rights, the number of said persons and the number of stock acquisition rights to be allotted :

Qualified persons allotted	Number of persons	Number of stock acquisition rights allotted
Associate Directors of the subsidiaries of the Company	62	17,572

< Reference >

Date of the resolution at the Board of the Directors Meeting : June 22, 2016

Stock acquisition right allotment date : July 29, 2016

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