

July 28, 2015

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)
Contact: Corporate Communications and Investor Relations Dept.
e-mail: ms_ad_ir@ms-ad-hd.com

Establishment of New Office in Johannesburg, South Africa

Mitsui Sumitomo Insurance Co., Ltd. (Yasuyoshi Karasawa, president; “MSI”), a member of MS&AD Insurance Group Holdings, Inc., announces that Mitsui Sumitomo Insurance Company (Europe), Limited, affiliated with the wholly-owned European holding company of MSI, will establish a new office in Johannesburg, the largest city in the Republic of South Africa. The office is scheduled to open in around September, 2015.

The nations of Africa south of the Sahara Desert (the “sub-Saharan region”), with their rich underground resources and rising populations, are forecast to see enormous economic growth, and there are also expectations for expansion of the insurance market in the region. MSI, through its subsidiary, has thus decided to establish this new office and dispatch a representative with the goal of conducting research into the insurance markets in the sub-Saharan region, while also enhancing its ability to serve the needs of Japanese-owned firms.

MSI’s existing global network spans 39 countries and regions, and it hopes to further enhance that network by establishing a base in Johannesburg, South Africa, Africa’s most economically advanced city and a key nexus for transportation on the continent.

MSI will continue utilizing the expertise it has gained through its international business as it contributes to further enhance services to its customers.

1. Overview of the New Office

1) Name

Mitsui Sumitomo Insurance Company (Europe), Limited Johannesburg Office

2) Date established

September, 2015 (planned)

3) Primary business

Market research encompassing the sub-Saharan region, including South Africa; provision of information to Japanese-owned firms

2. Background and Objectives

The sub-Saharan region is expected to see enormous economic growth, both as a supplier of oil, natural gas and mineral resources, and as a promising consumer market with considerable potential. Further, with sizeable business investments being made by Japanese trading companies and others, and ongoing entry into the region by automobile manufacturers, MSI decided to establish a new office and dispatch a representative, with the goal of conducting research into insurance markets in the region and enhancing its ability to serve the needs of Japanese-owned firms.

(Reference) Size of the non-life insurance market in Africa (Source: Swiss Re/Sigma Report No.3/2014)

- Market size: \$22,485 million
- Characteristics: 43% of the overall market is in South Africa
- Potential: The average annual growth rate for non-life insurance in the sub-Saharan region is said to be 5.8%.
The number of Japanese firms entering the region, and the number of investment deals, continue trending upward.