

March 7, 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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## Enhancing a System for Developing Products and Services That Strategically Utilize ICT

MS&AD Insurance Group Holdings, Inc. ("MS&AD Holdings", President: Yasuyoshi Karasawa ) will establish new dedicated departments in collaboration with wholly owned subsidiaries Mitsui Sumitomo Insurance Co., Ltd. ("MSI" , President: Yasuyoshi Karasawa) and Aioi Nissay Dowa Insurance Co., Ltd. ("ADI", President: Hisahito Suzuki) on April 1, 2016, with the goal of enhancing the Group's ability to develop new products and services utilizing information and communications technology ("ICT").

These new departments will advance efforts to utilize and apply Big Data, the Internet of Things ("IoT") and other advanced technology in our products and services. At the same time, they will review and implement ways of creating new business models, including the use of artificial intelligence ("AI") in sales, loss adjustment and other operations, and through collaboration with other industries, such as financial technology ("FinTech") firms.

The MS&AD Group will be moving ahead with development of products and services to meet with customer needs, responding vividly to anticipated technological innovation and changes in the social environment.

### 1. Background

Momentum is gathering for the use of ICT in business, as society as a whole shifts to ICT at an unprecedented speed, and with the appearance of FinTech integrating finance and IT.

For example, in the automotive industry, technological progress and international competition in development have led to the realization of driverless cars, and has invigorated moves both in the public and private sectors to ramp up adoption of advanced vehicles which are always connected with Internet. Given this environment, the MS&AD Group is promoting the utilization of ICT across the Group as a whole, and from a long-term viewpoint. To do this, we have decided to establish dedicated departments

in our holding company and our two core operating companies comprising 30 individuals (total number, including those with concurrent duties), enhancing our ability to put forward plans for ICT strategies and develop innovative products and services which are not struck in the stereotypes.

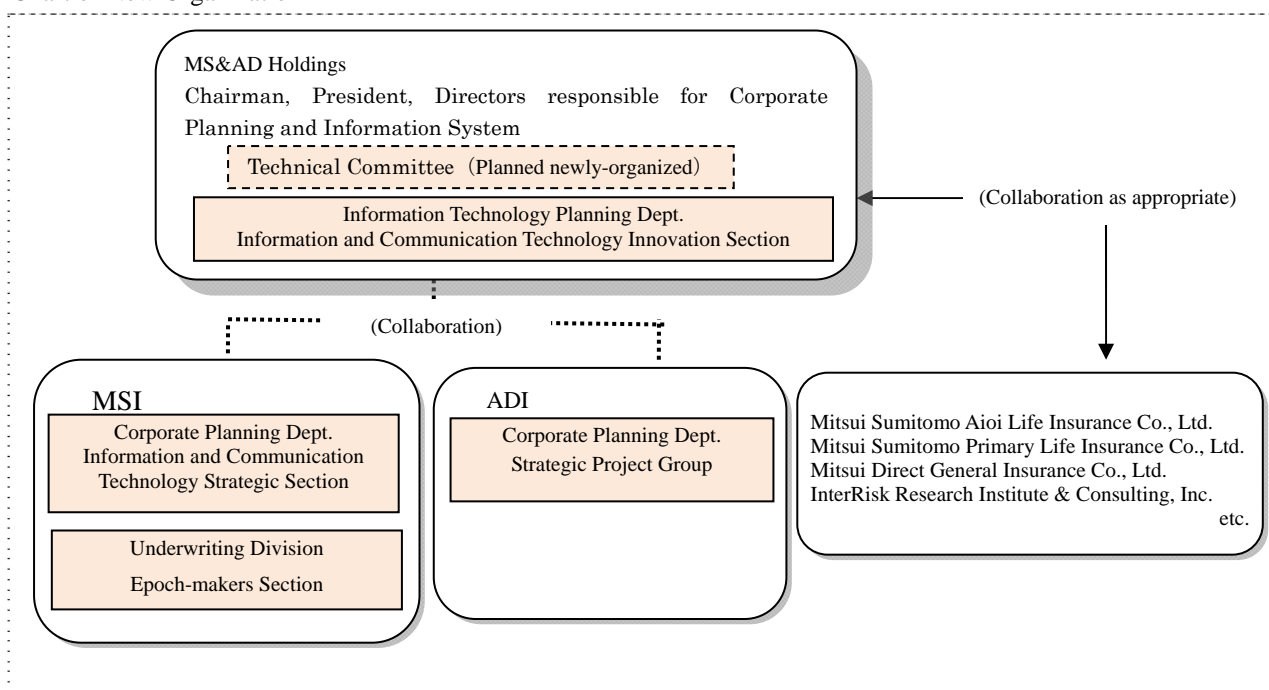
New dedicated departments will study to utilize the advanced technology in delivering better customer service, such as products and service development by utilizing telematics technology, products research for driverless cars and so on.

Note that between August and December of last year, MS&AD Group held a series of meetings under the title of “Thinking About Our Future”, at which junior employees from our various subsidiaries presented management with their visions for the Group ten years ahead. Establishment of the new organization described herein was based on recommendations presented at those meetings.

## 2. Overview of New Departments

- (1) At our two core operating companies, new departments will be established to propose and execute plans for ICT strategies, and to develop innovative products and services which are not struck in the stereotypes, primarily in the non-life insurance field. The holding company, meanwhile, will work with these two core operating companies and our other operating companies to plan and execute policies for utilizing ICT strategies on a Group-wide basis, and for uncovering and utilizing related knowledge both inside and outside of the Group.

Chart of New Organization



(2) Details of New Departments

Name of New Department	Description
<p><b>【MS&amp;AD Holdings】</b>  Information Technology Planning Dept.  Information and Communication  Technology Innovation Section</p>	<ul style="list-style-type: none"> <li>• Propose and execute plans for ICT strategies for the Group as a whole (life, non-life, others)</li> <li>• Uncover and utilize knowledge from inside and outside the Group (holding business contests, strategic partnerships with other firms, etc.) in preparation for the utilization of ICT at Group companies. etc.</li> </ul>
<p><b>【MSI】</b>  Corporate Planning Dept.  Information and Communication  Technology Strategic Section</p> <p>Underwriting Division  Epoch-makers Section</p> <p><b>【ADI】</b>  Corporate Planning Dept.  Strategic Project Group</p>	<ul style="list-style-type: none"> <li>• Respond to issues involving medium to long-term growth strategy, including proposing and executing plans for utilization strategies of ICT in the non-life insurance field</li> <li>• Transform business models through the use of ICT</li> <li>• Build new business models through partnerships with other industries, etc.</li> <li>• Develop innovative products and services which are not struck in the stereotypes</li> <li>• Investigate and research medium to long-term market trends, and conduct risk analysis</li> <li>• Develop products and services utilizing ICT, and develop the use of ICT in the risk management field etc.</li> </ul>

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