

January 4, 2011  
MS&AD Insurance Group Holdings, Inc.

## **2011 New Year Message By President Egashira**

A Happy new year to all our colleagues around the world.  
I hope you have had a good new year.

Last year was a memorable year, marking the start of the new MS&AD Insurance Group.  
This year, we will work together on various tasks for solidifying our industrial top position, and therefore your cooperation would be greatly appreciated.

### **<Business Environment Surrounding MS&AD Group>**

The global economy still remains uncertain, for example, while newly emerging countries, mainly Asia, are undergoing high economic growth, Europe is facing the financial crisis and various countries are devaluating their currencies.

Turning our attention to the situation in Japan, battling around government economic measures, such as tax cuts for eco-friendly cars and subsidies to buyers of eco-friendly home electric appliances under the “eco-point system”, and a sharp appreciation of the yen since the last summer seem to be preventing the Japanese economy from recovering strongly.

Furthermore, our insurance business has been affected by the significantly changing business environment such as the aging population and declining birthrate, and sluggish car sales due to young people's loss of interest in cars, continuously high loss ratios of motor insurance and increased risks due to global climate changes and warming.

As a globally-operating group, MS&AD Group needs to understand changes and outlook in such economic and social environment.

### **<2011 Ambition: Make 2011 a year for further strengthening our group's business base>**

Last year on 1<sup>st</sup> October, Aioi Nissay Dowa Insurance was established as a core company of MS&AD, just like MSI.

In the coming April, MSI MetLife is going to start its operations as a wholly-owned subsidiary of MS&AD, “Mitsui Sumitomo Primary Life Insurance company, Limited” and, in the coming October, MSI Kirameki Life and Aioi Life are going to consolidate to form “Mitsui Sumitomo Aioi Life Insurance Company, Limited”.

So we have been making steady efforts in line with our strategy established under the “MS&AD New Frontier 2013”.

In order to work towards transforming our group into the world's leading insurance and financial group this year, we must concentrate on further strengthening our group's business base by accelerating our effort and by sharing our mission, vision and values among all of us.

### **< Three Key Words>**

There are three key words which I think need to be remembered for this important year.

The first is the “**speed**”.

MS&AD Group is the largest non-life insurance group in Japan and has a market reputation as a “top company”. However, at the same time, the market has very high expectations on our company and there is continuous demand for “speed” on our business.

For example, in order to achieve group's synergy which is our extremely important task, we have been making steady, cooperative effort in the area of administration, system, shared service and overseas business, in line with the MS&AD New Frontier 2013.

This year, we will make ever more speedy efforts in achieving our goals. So please always remember this as my message for this year.

The second key word is **“the group’s best effort”**.

In addition to the launch of Aioi Nissay Dowa Insurance, “Mitsui Sumitomo Primary Life Insurance Company,Limited” and Mitsui Sumitomo Aioi Life Insurance Company, Limited. MS&AD Group will steadily undergo organizational changes, for example, the restructuring of affiliated group companies in Japan and the integration of subsidiaries overseas.

Especially during the phase of such organizational changes, I think it will become increasingly important to maintain the spirit of making “the group’s best effort”.

In starting the New Year, I would like to emphasize the importance of making “the group’s best effort” as I reiterated many times in the past.

The third key word is to have **“a challenging spirit”**.

MS&AD Group is taking on the challenge of becoming the world’s leading insurance and financial group and therefore we need to have a positive and proactive mindset required for taking on the challenge.

I am hoping that all of you will have a challenging spirit and exercise your strengths in various fields which will undergo further expansions. I believe that your positive mindset to work is more important for providing strength to MS&AD Group than anything else.

By always remembering the three key words which are the “speed”, “the group’s best effort” and “a challenging spirit”, let’s work together towards creating a top company in a true sense, and I will take the leadership.

#### **<Final Words>**

I would like to end my New Year message by extending my very best wishes for you and your family.

-- END --