

Initiation of discussion to change business operation in Continental Europe

Mitsui Sumitomo Insurance Co., Ltd. (“MSI”, President & CEO: Shinichiro Funabiki), a subsidiary of MS&AD Insurance Group Holdings, Inc., has initiated discussions on the intragroup merger of MS Amlin insurance SE (hereafter, AISE), and MSIG Insurance Europe AG (hereafter, MSIGEU), both a Continental European insurance subsidiary based in Belgium and Germany.

We aim to complete this merger around summer next year, subject to approval by the regulatory authorities, as well as consultations and decisions at local level.

1. Background and purpose of merger

In 2007, MSI established German Desk in Cologne through its European subsidiary based in the UK, and started its operations in the Continental Europe, providing non-life insurance services to local corporates. With the expansion of our business in Continental Europe, we established MSIGEU in 2012. Today, MSIGEU provide insurance services mainly to local corporate and Japanese clients.

AISE became our overseas subsidiary through the acquisition of Amlin in 2016, expanding our traditional business base and providing insurance services mainly to local Small and Medium-sized Business market.

Since 2016, our business in the Continental Europe has been carried out by these two companies, and today, we have initiated this discussion aiming for the sustainable growth of our European business.

2. Going Forward

The new company will become one of the larger insurance companies following the top five in Continental Europe in commercial and industrial market. We aim to further improve our presence, expand our business and strengthen profitability by pursuing synergies through integration, and strive to further improve customer service.

Reference: Overview of AISE and MSIGEU

	AISE	MSIGEU
Name of the Company	MS Amlin Insurance SE	MSIG Insurance Europe AG
Headquarter	Brussels, Belgium	Cologne, Germany
Year of establishment	2016	2012
Chief Executive Officer	Ludovic Sénécaut	Nikolaus-Martin Przybyła
Gross Written Premium	1,217 million Euros	668 million Euros
Number of employees	Approximately 650	Approximately 450

Reference: MSI's overseas business structure

MSI carry out international business through an overseas network of 41 countries and regions. Making full use of over 90 years' experience in international business, we provide products and services to alleviate the wide variety of risks occurring throughout the world.

Forward looking statements

This communication contains forward-looking statements regarding the planned intragroup merger, which are based on current expectations, forecasts, and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by relevant and applicable law.

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