

Conclusion of Strategic Alliance Agreement in Russia

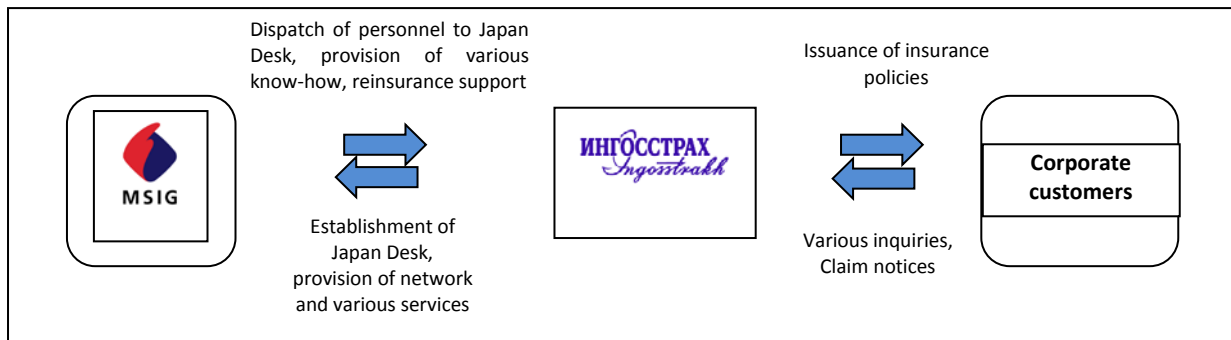
Mitsui Sumitomo Insurance Co., Ltd. (President: Noriyuki Hara, "MSI"), a subsidiary of MS&AD Insurance Group Holdings, Inc. (President & CEO: Yasuyoshi Karasawa) is pleased to announce the conclusion of a strategic alliance with Ingosstrakh Insurance Company ("Ingosstrakh"), a leading non-life insurance company in the Russian Federation.

This alliance will allow MSI to utilize the network of Ingosstrakh, including its 83 branches throughout Russia and its offices in six countries of the Commonwealth of Independent States (CIS). This alliance will contribute to the development of higher quality services for Japanese companies, the number of which is expected to increase in the future in line with the further development of Japan-Russia economic cooperation.

MSI will continue to enhance its services for customers by utilizing the Strategic Alliance Agreement and by utilizing expertise it has gained through its international business.

1. Purpose of the Strategic Alliance Agreement

- Ingosstrakh will establish "MSI Japan Desk" ("Japan Desk"), a team dedicated to MSI's Japanese clients, and MSI will dispatch its representatives to the Japan Desk.
- MSI staff will directly provide customers with higher-quality services satisfying customers' needs, such as designing insurance products, issuing insurance policies, responding to customer accidents, etc., utilizing the Ingosstrakh network across the Russian Federation and CIS countries, its rich expertise in underwriting, risk management and claim services, accumulated throughout the company's abundant history of more than 70 years.
- In addition, MSI will provide reinsurance support for Ingosstrakh and share know-how related to underwriting and customer services for Japanese clients.



2. Background and Strategic Objectives of Alliance Agreement

- Economic cooperation between Russia and Japan has been developing favorably, as evidenced by the steady progress in a cooperation plan with eight points proposed at the Japan-Russia Summit Meeting in May 2016. Taking into consideration this development, it is expected that Japanese companies will continue to actively invest in Russia.
- MSI established representative offices in Moscow and St. Petersburg in July 2005 to conduct market research and introduce Japanese corporate clients operating in Russia and CIS countries to local insurance companies. This alliance will enable MSI staff to directly provide Japanese clients with higher quality insurance services such as underwriting know-how, claims support and risk management.
- In addition, by utilizing Ingosstrakh's network of 83 branches spanning across all Russian regions, MSI will be able to provide services closer to the clients' locations, including Siberia, the Far East and CIS countries.
- Through collaboration with the strategic business partner in China, MSI will also enhance its services to Chinese companies whose investment activities in Russia and CIS countries are increasing.

3. Ingosstrakh Insurance Group – Company profile

- Ingosstrakh is the fourth largest non-life insurance company in Russia (Gross Written Premium basis) and a leading local financial group with diversified lines of business including life insurance and asset management. It was established in 1947 as an independent entity demerged from the department of the international business of the state-owned insurance company, Gosstrakh.
- Today, in addition to its extensive network in Russia, the company has overseas subsidiaries in four countries (Armenia, Belarus, Kyrgyzstan, Uzbekistan) and representative offices in Azerbaijan, Kazakhstan, China and India.

Name	Ingosstrakh Insurance Company
Head Office	41 Lesnaya St., Moscow, Russia
Year of Establishment	1947
Representative	Mikhail Volkov, General Director, Chair of the Management Board
Number of branches	83 branches
Total assets	RUB 148,326 mil (About JPY 285 billion)
Revenue (consolidated sales)	RUB 84,372 mil (About JPY 165 billion)
Industry Ranking	4th place (GWP basis, 2017)
Number of Employees	6,079

(As of December 31st, 2017)
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