

September 4, 2019

Name of Listed Company: MS&AD Insurance Group Holdings, Inc.
Name of Representative: Yasuyoshi Karasawa, President & CEO
(Securities Code: 8725, Tokyo Stock Exchange and Nagoya Stock Exchange)
Contact: Corporate Communications and Investor Relations Dept.
<https://www.ms-ad-hd.com/en/ir/contact.html>

**Determination of the Terms and Conditions for the Issuance of Domestic Subordinated
Unsecured Bonds by Aioi Nissay Dowa Insurance Company, Limited**

Aioi Nissay Dowa Insurance Company, Limited (“ADI”, President: Yasuzo Kanasugi), a subsidiary of MS&AD Insurance Group Holdings, Inc., today determined the terms and conditions for the issuance of domestic subordinated unsecured bonds announced on August 1, 2019, and hereby notifies the outline thereof below.

Issuer	Aioi Nissay Dowa Insurance Company, Limited	
Name of bond	Aioi Nissay Dowa Insurance Company, Limited first series of domestic subordinated unsecured bonds with interest deferral option and early redemption option	Aioi Nissay Dowa Insurance Company, Limited second series of domestic subordinated unsecured bonds with interest deferral option and early redemption option
Principal amount	¥25 billion	¥25 billion
Denomination	¥100 million	
Issue price	¥100 per amount of ¥100 of each bond	
Redemption price	¥100 per amount of ¥100 of each bond	
Maturity date	September 10, 2079 (60-year bonds) ADI may, at its discretion, redeem the bond (i) on any interest payment date on and after September 10, 2024 or (ii) upon the occurrence and continuation of a regulatory event, a tax deductibility event or a rating agency event on and after September 10, 2019, subject to a prior approval of the regulatory authority.	September 10, 2079 (60-year bonds) ADI may, at its discretion, redeem the bond (i) on any interest payment date on and after September 10, 2029 or (ii) upon the occurrence and continuation of a regulatory event, a tax deductibility event or a rating agency event on and after September 10, 2019, subject to a prior approval of the regulatory authority.

Interest rate	(i) From the day immediately following September 10, 2019 until September 10, 2024 : 0.66% per annum (ii) From the day immediately following September 10, 2024 until September 10, 2029 : 6-month Japanese yen LIBOR plus 0.78% (iii) From the day immediately following September 10, 2029 : 6-month Japanese yen LIBOR plus 1.78%	(i) From the day immediately following September 10, 2019 until September 10, 2029 : 0.87% per annum (ii) From the day immediately following September 10, 2029 : 6-month Japanese yen LIBOR plus 1.92%
Interest payment dates	September 10 and March 10 of each year	
Subscription period	September 4, 2019	
Payment date	September 10, 2019	
Subordination	As to the payment of debt in ADI's liquidation proceedings, the bonds shall be subordinated to its indebtedness(including subordinated bonds issued in 2012 by ADI), rank substantially <i>pari passu</i> with its liquidation parity securities and preferred stock, and be senior to its common stock.	
Credit rating	A+ (Rating and Investment Information, Inc.)	
Use of funds	Working capital and long-term investment funds	
Method of offering	Public offering in Japan. The bonds will be offered mainly to institutional investors in the domestic securities market.	
Joint lead underwriters	Nomura Securities Co., Ltd., Daiwa Securities Co. Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	
Fiscal agent	MUFG Bank, Ltd.	
Securities depository	Japan Securities Depository Center, Incorporated	

This timely disclosure entitled “Determination of the Terms and Conditions for the Issuance of Domestic Subordinated Unsecured Bonds by Aioi Nissay Dowa Insurance Company, Limited” has been prepared for the sole purpose of publicly announcing the issuance of securities by Aioi Nissay Dowa Insurance Company, Limited, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. When investing in bonds, investors are encouraged to make their own decisions after reading Shelf Registration Statement and Supplement to Shelf Registration Statement. The timely disclosure does not constitute a public offering or sale of securities in the United States.

The above securities have not been and will not be registered under the United States Securities Act of 1933 (the “Securities Act”), and the securities may not be offered and or sold in the United States absent registration or an applicable exemption from the registration under the Securities Act. There is no plan to offer or sell the securities in the United States.

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