Sumitomo Mitsui Financial Group, Inc. Daiwa Securities Group Inc. Mitsui Sumitomo Insurance Company, Limited Sumitomo Life Insurance Company Sumitomo Mitsui Asset Management Company, Limited Daiwa SB Investments Ltd.

Execution of Merger Agreement between Sumitomo Mitsui Asset Management Company, Limited and Daiwa SB Investments Ltd.

Tokyo, September 28, 2018 -- Sumitomo Mitsui Financial Group, Inc. ("Sumitomo Mitsui Financial Group"; President & Group CEO: Takeshi Kunibe), Daiwa Securities Group Inc. ("Daiwa Securities Group"; President & CEO: Seiji Nakata), Mitsui Sumitomo Insurance Company, Limited ("Mitsui Sumitomo Insurance Company"; President & CEO: Noriyuki Hara), Sumitomo Life Insurance Company ("Sumitomo Life Insurance Company"; President & CEO: Masahiro Hashimoto), Sumitomo Mitsui Asset Management Company, Limited ("SMAM"; President & CEO: Takashi Matsushita), and Daiwa SB Investments Ltd. ("DSBI"; President & CEO: Masaaki Goto) have been engaging in detailed deliberations regarding the merger of SMAM and DSBI, as announced in the May 11, 2018, press release titled "Memorandum of Understanding on the Merger between Sumitomo Mitsui Asset Management Company, Limited and Daiwa SB Investments Ltd.", and the concerned parties hereby announce that, as detailed below, they have reached a final agreement and SMAM and DSBI have executed a merger agreement today. Please note that the merger is subject to the approval and permission of the relevant authorities.

1. Objectives of Merger

The asset management sector is undergoing global growth, and the investment management capabilities and services desired by clients are progressively becoming more sophisticated. The merger aims to establish an asset management company that combines the strengths and expertise of SMAM and DSBI, and offers the highest quality of investment management performance and services based on an unwavering commitment to its fiduciary duties, in order to properly address the aforesaid client needs.

While shareholders in the merged company will consist of well-established companies from various financial sectors, the merged company will be an asset management company that is not dependent on any particular financial group and possesses one of the premier business foundations in Japan. The merged company will establish itself as a leader in the domestic market by further enhancing its investment management and product capabilities in Japanese equities and bonds, asset classes in which both SMAM and DSBI have a robust presence. At the same time, it will focus on establishing

a top-class presence in the domestic market for Asia-related products, a product category for which demand is expected to grow substantially. The merged company will strive to become an asset management company that is trusted and respected in international markets, including Asia.

2. Outline of Merger

(1) Structure of Merger

The structure of the merger will consist of an absorption-type merger under which SMAM will be the surviving company and DSBI will be the absorbed company. The ownership (percentage of voting rights) of the merged company is planned to be as follows: Sumitomo Mitsui Financial Group (50.1%), Daiwa Securities Group (23.5%), Mitsui Sumitomo Insurance Company (15.0%), Sumitomo Life Insurance Company (10.4%), and Sumitomo Mitsui Trust Bank, Limited (1.0%). Furthermore, it is planned that the merged company will become a consolidated subsidiary of Sumitomo Mitsui Financial Group and an equity-method affiliate of Daiwa Securities Group and Mitsui Sumitomo Insurance Company.

(2) Overview of Merged Company

Name	Sumitomo Mitsui DS Asset Management Company, Limited
Paid in Capital	JPY 2 billion
Head Office	Atago Green Hills MORI Tower 28F, 2-5-1 Atago, Minato-ku, Tokyo
	(current head office of SMAM)
	It is planned that the current head office of DSBI will be used as an office
	of the merged company.

(3) Management Structure of Merged Company

Deliberations regarding the merged company's management structure are currently underway. The results will be announced once they have been finalized.

(4) Timetable

Based on the premise that the necessary notifications will be submitted to, and approvals will be obtained from, both domestic and foreign regulatory authorities, the merger has been scheduled as set forth below.

September 28, 2018 (today)	Execution	of	merger	agreement	and	other	related
	agreements						
April 1, 2019 (subject to change)	Completion of merger						

(For Reference)	Overview	of Merging	Companies
(1 01 100101000)		01 1101010	companies

Company Name	Sumitomo Mitsui Asset Management	Daiwa SB Investments Ltd.			
	Company, Limited				
Head Office	Atago Green Hills MORI Tower 28F,	Kasumigaseki Common Gate West			
	2-5-1 Atago, Minato-ku, Tokyo	Tower, 3-2-1 Kasumigaseki,			
		Chiyoda-ku, Tokyo			
Representative	Takashi Matsushita	Masaaki Goto			
Officer					
Business	Investment Management Business,	Investment Management Business,			
	Investment Advisory & Agency	Investment Advisory & Agency			
	Business, etc.	Business, etc.			
Paid in Capital	JPY 2 billion	JPY 2 billion			
Number of Staffs	652	345			
(as of March 31,					
2018)					
Shareholders and	Sumitomo Mitsui Financial Group	Daiwa Securities Group (49%),			
Shareholding	(60%), Mitsui Sumitomo Insurance	Sumitomo Mitsui Financial Group			
Ratios Company (20%), and Sumitomo Life		(49%), and Sumitomo Mitsui Trust			
Insurance Company (20%)		Bank, Limited (2%)			
Assets under	13,436.0	6,691.5			
Management (as	(includes assets under management by				
of March 31,	Nikko Global Wrap Ltd., an SMAM				
2018) (Unit: JPY	subsidiary)				
billion)					