

# CONSOLIDATED FINANCIAL STATEMENTS

## Consolidated Balance Sheet

As of March 31, 2001 and 2000

	Millions of Yen		Millions of U.S. Dollars*
	FY2000	FY1999	FY2000
<b>ASSETS</b>			
Cash and deposits .....	¥ 155,697	¥ 301,912	\$ 1,257
Call loans .....	1,035,300	550,000	8,356
Monetary claims bought .....	13,929	4,825	112
Money-placed-in-trust .....	43,212	91,830	349
Securities .....	9,554,575	8,655,254	77,115
Loans .....	5,477,778	5,837,916	44,211
Real estate and movables .....	1,054,867	978,685	8,514
Agency account receivable .....	543	323	4
Reinsurance account receivable .....	4,004	3,919	32
Other assets .....	237,100	259,036	1,914
Deferred tax assets .....	493	204,819	4
Customers' liabilities for acceptances and guarantees .....	10,700	26,000	86
Reserves for possible loan losses .....	(47,229)	(62,570)	
<b>TOTAL ASSETS</b> .....	<b>¥17,540,974</b>	<b>¥16,851,953</b>	<b>\$141,574</b>
<b>LIABILITIES AND SURPLUS</b>			
<b>(Liabilities)</b>			
Policy reserves:			
Reserves for outstanding claims .....	¥ 89,947	¥ 69,625	\$ 726
Liability reserves .....	14,839,773	15,058,980	119,772
Reserves for policyholder dividends .....	486,477	525,914	3,926
Agency account payable .....	7	1	0
Reinsurance account payable .....	3,985	3,658	32
Other liabilities .....	955,060	586,555	7,708
Reserves for retirement allowances .....	—	86,060	—
Reserves for retirement annuities .....	—	55,031	—
Reserves for retirement benefits .....	140,067	—	1,130
Reserves for losses on sales of claims .....	26	177	0
Reserves for asset value fluctuations .....	90,657	84,684	732
Deferred tax liabilities .....	38,282	—	309
Deferred tax liabilities on revaluation of land .....	34,373	24,756	277
Acceptances and guarantees .....	10,700	26,000	86
<b>TOTAL LIABILITIES</b> .....	<b>16,689,360</b>	<b>16,521,447</b>	<b>134,700</b>
<b>MINORITY INTERESTS</b> .....	<b>4,071</b>	<b>3,143</b>	<b>33</b>
<b>(Surplus)</b>			
Foundation funds .....	80,000	60,000	646
Revaluation surplus reserves .....	289	289	2
Reserves with amortization of foundation funds .....	80,000	60,000	646
Revaluation reserves of land .....	60,711	43,726	490
Consolidated surplus .....	160,983	222,725	1,299
Net unrealized gains on investments .....	482,297	—	3,893
Currency translation adjustment .....	(16,738)	(59,378)	(135)
<b>TOTAL SURPLUS</b> .....	<b>847,543</b>	<b>327,362</b>	<b>6,841</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS AND SURPLUS</b> .....	<b>¥17,540,974</b>	<b>¥16,851,953</b>	<b>\$141,574</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥123.90 to US\$1.00 prevailing on March 30, 2001.

## Consolidated Operations and Surplus

For the years ended March 31, 2001 and 2000

	Millions of Yen		Millions of U.S. Dollars*
	FY2000	FY1999	FY2000
<b>ORDINARY INCOME</b>			
Premium income and reinsurance refunds .....	¥2,321,130	¥2,323,084	\$18,734
Investment income and gain:			
Interest and dividends .....	408,226	462,054	3,295
Money-placed-in-trust income .....	—	2,827	—
Gains on securities sold .....	97,038	263,931	783
Gains on securities redeemed .....	—	2,607	—
Gains on separate account assets appraised .....	—	30,490	—
Gains on foreign exchange .....	1,379	—	11
Other investment income .....	8,425	3,707	68
Other ordinary income .....	456,117	693,363	3,681
<b>TOTAL ORDINARY INCOME .....</b>	<b>3,292,317</b>	<b>3,782,066</b>	<b>26,572</b>
<b>ORDINARY EXPENSES</b>			
Insurance benefits paid and others:			
Claims paid .....	683,212	863,925	5,514
Annuities paid .....	120,512	110,118	973
Benefits on policies paid .....	547,003	502,735	4,415
Surrender benefits paid .....	654,861	534,990	5,285
Other refunds paid and expenses .....	326,786	581,896	2,637
Transfers to policy reserves:			
Reserves for outstanding claims .....	20,236	1,019	163
Liability reserves .....	—	6,413	—
Interest on dividend reserves .....	2,238	5,060	18
Investment expenses and losses:			
Interest paid .....	2,708	985	22
Losses on money-placed-in-trust .....	11,393	—	92
Losses on securities sold .....	45,979	158,241	371
Losses on securities appraised .....	15,219	144,959	123
Losses on securities redeemed .....	—	44,760	—
Losses on separate account assets appraised .....	—	14,210	—
Expenses for derivative financial instruments .....	19,302	—	156
Losses on foreign exchange .....	—	9,275	—
Transfer to reserves for possible loan losses .....	—	11,568	—
Write-off of loans .....	4,647	—	38
Depreciation on real estate for rent .....	11,296	9,681	91
Other investment expenses .....	20,588	6,858	166
Losses on separate account assets investment .....	24,870	—	201
Operating expenses .....	319,562	304,626	2,579
Other ordinary expenses .....	282,538	283,931	2,280
<b>TOTAL ORDINARY EXPENSES .....</b>	<b>3,112,958</b>	<b>3,595,256</b>	<b>25,125</b>
<b>ORDINARY PROFITS .....</b>	<b>179,358</b>	<b>186,809</b>	<b>1,448</b>
Special profits:			
Gains on disposals of real estate and movables .....	5,570	6,537	45
Reversal of reserves for possible loan losses .....	4,708	—	38
Other special profits .....	223	160	2
Special losses:			
Losses on disposals of real estate and movables .....	56,055	73,267	452
Transfer to reserves for asset value fluctuations .....	5,439	5,222	44
Losses on compressed entry of real estate .....	123	3	1
Transfer to reserves for retirement allowances .....	—	53,934	—
Amortization of transition amount for retirement benefits .....	13,769	—	111
Other special losses .....	999	875	8
<b>NET SURPLUS BEFORE TAXES .....</b>	<b>113,473</b>	<b>60,204</b>	<b>916</b>
Provision for corporate income taxes .....	37,483	10,301	303
Corporate income tax equivalent adjustment .....	(20,925)	(26,310)	(169)
Losses on minority interests .....	647	171	5
<b>NET SURPLUS FOR THE PERIOD .....</b>	<b>¥ 96,268</b>	<b>¥ 76,043</b>	<b>\$ 777</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥123.90 to US\$1.00 prevailing on March 30, 2001.

## Consolidated Statement of Surplus

For the years ended March 31, 2001 and 2000

	Millions of Yen		Millions of U.S. Dollars*
	FY2000	FY1999	FY2000
Consolidated surplus at the beginning of the period .....	¥222,725	¥271,632	\$1,798
Decrease in consolidated surplus:			
Change of scope of consolidation .....	—	2,518	—
Reversal of revaluation reserves of land .....	16,985	—	137
Transfer to reserves for policyholder dividends .....	120,440	61,910	972
Transfer to reserves with amortization of foundation funds .....	20,000	59,000	161
Interest on foundation funds .....	518	1,446	4
Bonuses for directors and auditors .....	66	74	1
Net surplus for the period .....	96,268	76,043	777
Consolidated surplus at the end of the period .....	¥160,983	¥222,725	\$1,299

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥123.90 to US\$1.00 prevailing on March 30, 2001.

Note: Consolidated companies include Meiji Life Insurance Agency, Ltd., Meisei Credit Guarantee Co., Ltd., Meisei System Service Co., Ltd., MEIJI Dresdner Asset Management Co., Ltd., Meiji General Insurance Co., Ltd., Pacific Guardian Life Insurance Co., Ltd., Meijiseimei Realty of America, Inc., Meijiseimei Property U.K. Ltd., Meijiseimei Property Germany GmbH (Immobilieninvestitionen), Meijiseimei Realty (USA), Inc. and Meijiseimei Properties (USA), Inc.

In addition to the above-mentioned companies, Meijiseimei Leasing Co., Ltd. is consolidated as equity method investee.