

Comprehensive Alliance towards Business Integration



President of Meiji Life, Ryotaro Kaneko (right)
President of Yasuda Life, Mikihiko Miyamoto (left)



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Meiji Life Insurance Company ("Meiji Life") and The Yasuda Mutual Life Insurance Company ("Yasuda Life") reached a basic agreement on January 24, 2002, to enter into a comprehensive alliance aimed at business integration that is scheduled for completion in April 2004.

Purposes of the Agreement

Environmental changes surrounding the life insurance business in Japan have been accelerated by globalization of economy and finance, and advances in information technology. Against such a backdrop, Meiji Life and Yasuda Life have consummated a comprehensive alliance agreement with the ultimate goal of future business integration. By combining and leveraging the strengths of both companies and reallocating the increased quality and size of management resources efficiently, Meiji Life and Yasuda Life will establish a new insurance business model, in which life insurance plays a core role, in order to attain the corporate goals of growth, profitability and financial soundness, and thereby meet customer expectations and enhance customer trust and confidence.

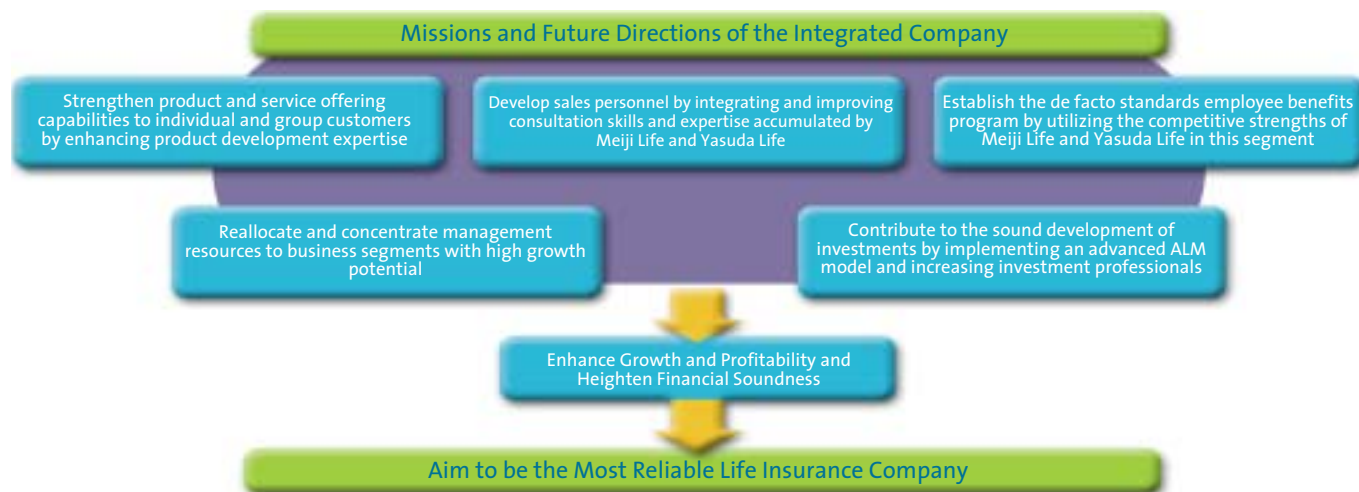
Contents and Progress of the Comprehensive Alliance towards Business Integration

Meiji Life and Yasuda Life will strengthen the alliance relationship with each other mainly by jointly developing and standardizing products and services, as well as strengthening operational efficiency by integrating the business infrastructures of both companies. Each company will be independently responsible for enhancing profitability and financial soundness by improving operational performance and efficiency.

The alliance has already yielded some positive and fruitful results. In response to the reform of the defined benefit pension system, Meiji Life and Yasuda Life jointly developed a new product for defined benefit pension plans in April 2002. On a personnel front, the companies promoted the dispatch and exchange of personnel with each other on March 1 and April 1, 2002, to facilitate the harmony and the mutual understanding of each corporate culture.

The companies are actively looking into and preparing for the integration of information systems, with primary importance placed on guaranteeing and enhancing customer service quality. In line with this, the companies will take ample time for systems testing and set a thorough inspection and reviewing system. Every utmost effort will be taken to eradicate potential risks in any systems.

Aims of the Business Integration



Company Outline (as of March 31, 2002)

Company Name	Meiji Life	Yasuda Life	(Total)* ⁵
President	Ryotaro Kaneko	Mikihiko Miyamoto	
1. Service Network and Employees			
Number of employees	38,446	21,382	59,828
Sales personnel	31,828	16,025	47,853
Number of regional offices	81	81	162
Number of agency offices	1,153	787	1,940
2. Amount of Policies (billions of yen)			
Life insurance in force* ¹	175,127	142,163	317,291
Individual insurance and annuities	121,926	71,115	193,041
Group insurance	53,201	71,048	124,250
Group pensions in force (Group-wide)	6,025	3,875	9,901
New business : Individual insurance and annuities* ²	12,258	8,256	20,514
New business : Group insurance	1,565	1,424	2,990
3. Profit, Income, and Financial Indicators (billions of yen)			
Base profit	258	183	442
Premium income and reinsurance refunds	2,277	1,398	3,676
Total assets	17,081	9,778	26,860
Actual net assets	1,628	702	2,330
Solvency margin ratio	609.4%	612.8%	—
Equivalent of net unrealized gains on securities	713	27	741
Non-performing loans ratio* ³	0.57%	0.95%	0.72%
4. Credit Ratings*⁴ (as of May 31, 2002)			
Standard & Poor's (financial strength rating)	A	A-	—
Japan Credit Rating Agency (ability to pay insurance claims)	A+	A+	—
AM Best (financial strength rating)	A+	—	—
Rating and Investment Information (ability to pay insurance claims)	—	A+	—

*1 = the total of individual insurance, individual annuity and group insurance.

*2 = include net increases by conversion.

*3 = (loans to bankrupt borrowers + non-accrual, past due & restructured loans) / (total loans)

*4 = these ratings have been obtained at the request of Meiji Life and Yasuda Life respectively. These are not a recommendation to purchase, withdraw or continue any policy or contract.

*5 = These are the present opinion statements of the ratings agencies, and may be changed, suspended or withdrawn.

*5 = total figures are simply a combined aggregate of each company's figures as of March 31, 2002. The combined figures neither project or guarantee the actual figures of the integrated company.

Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company are contemplating to integrate their businesses, targeting a merger in April 2004. A merger of the mutual companies is contemplated as the form of the business integration. At present, no official decision for the merger and the business integration has been finalized yet by either company.