

# CONSOLIDATED FINANCIAL STATEMENTS

Meiji Life Insurance Company and Consolidated Subsidiaries

## Consolidated Balance Sheet

As of March 31, 2002 and 2001

	Millions of Yen		Millions of U.S. Dollars*
	FY2001	FY2000	FY2001
<b>ASSETS</b>			
Cash and deposits .....	¥ 207,252	¥ 155,697	\$ 1,555.4
Call loans .....	505,000	1,035,300	3,789.9
Monetary claims bought .....	40,280	13,929	302.3
Money-placed-in-trust .....	15,042	43,212	112.9
Securities .....	9,698,337	9,554,575	72,783.0
Loans .....	5,123,246	5,477,778	38,448.4
Real estate and movables .....	1,064,278	1,054,867	7,987.1
Agency account receivable .....	1,031	543	7.7
Reinsurance account receivable .....	3,071	4,004	23.0
Other assets .....	458,583	237,100	3,441.5
Deferred tax assets .....	89,920	493	674.8
Customers' liabilities for acceptances and guarantees .....	513	10,700	3.8
Reserves for possible loan losses .....	(36,165)	(47,229)	(271.4)
<b>TOTAL ASSETS .....</b>	<b>¥17,170,394</b>	<b>¥17,540,974</b>	<b>\$128,858.5</b>
<b>LIABILITIES AND SURPLUS</b>			
<b>(Liabilities)</b>			
Policy reserves:			
Reserves for outstanding claims .....	¥ 105,351	¥ 89,947	\$ 790.6
Liability reserves .....	14,703,347	14,839,773	110,344.1
Reserves for policyholder dividends .....	438,087	486,477	3,287.7
Agency account payable .....	51	7	0.4
Reinsurance account payable .....	3,613	3,985	27.1
Other liabilities .....	1,027,436	955,060	7,710.6
Reserves for retirement benefits .....	144,131	140,067	1,081.7
Reserves for losses on sales of claims .....	27	26	0.2
Reserves for contingent liabilities .....	4,914	—	36.9
Reserves for asset value fluctuations .....	70,386	90,657	528.2
Deferred tax liabilities .....	2,087	38,282	15.7
Deferred tax liabilities on revaluation of land .....	37,445	34,373	281.0
Acceptances and guarantees .....	513	10,700	3.8
<b>TOTAL LIABILITIES .....</b>	<b>16,537,394</b>	<b>16,689,360</b>	<b>124,108.0</b>
<b>MINORITY INTERESTS .....</b>	<b>3,468</b>	<b>4,071</b>	<b>26.0</b>
<b>(Surplus)</b>			
Foundation funds .....	60,000	80,000	450.3
Revaluation surplus reserves .....	289	289	2.2
Reserves with amortization of foundation funds .....	100,000	80,000	750.5
Revaluation reserves for land .....	66,137	60,711	496.3
Consolidated surplus .....	58,759	160,983	441.0
Net unrealized gains on investments .....	340,116	482,297	2,552.5
Currency translation adjustment .....	4,229	(16,738)	31.7
<b>TOTAL SURPLUS .....</b>	<b>629,531</b>	<b>847,543</b>	<b>4,724.4</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS AND SURPLUS .....</b>	<b>¥17,170,394</b>	<b>¥17,540,974</b>	<b>\$128,858.5</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥133.25 to US\$1.00 prevailing on March 29, 2002.

## Consolidated of Operations and Surplus

	Millions of Yen		Millions of U.S. Dollars*
	FY2001	FY2000	FY2001
<b>ORDINARY INCOME</b>			
Premium income and reinsurance refunds .....	¥2,308,620	¥2,321,130	\$17,325.5
Investment income and gain:			
Interest and dividends .....	369,606	408,226	2,773.8
Gains on securities sold .....	112,512	97,038	844.4
Gains on securities redeemed .....	0		0.0
Gains on foreign exchange .....	2,053	1,379	15.4
Other investment income .....	8,609	8,425	64.6
Other ordinary income .....	361,476	456,117	2,712.8
<b>TOTAL ORDINARY INCOME</b> .....	<b>3,162,878</b>	<b>3,292,317</b>	<b>23,736.4</b>
<b>ORDINARY EXPENSES</b>			
Insurance benefits paid and others:			
Claims paid .....	641,709	683,212	4,815.8
Annuities paid .....	140,300	120,512	1,052.9
Benefits on policies paid .....	472,500	547,003	3,546.0
Surrender benefits paid .....	628,112	654,861	4,713.8
Other refunds paid and expenses .....	268,139	326,786	2,012.3
Transfers to policy reserves:			
Reserves for outstanding claims .....	15,361	20,236	115.3
Interest on dividend reserves .....	1,250	2,238	9.4
Investment expenses and losses:			
Interest paid .....	2,338	2,708	17.5
Losses on money-placed-in-trust .....	4,957	11,393	37.2
Losses on trading securities .....	2,096	—	15.7
Losses on securities sold .....	86,816	45,979	651.5
Losses on securities appraised .....	221,231	15,219	1,660.3
Expenses for derivative financial instruments .....	13,209	19,302	99.1
Transfer to reserves for possible loan losses .....	7,882		59.2
Write-off of loans .....	12	4,647	0.1
Depreciation on real estate for rent .....	11,668	11,296	87.6
Other investment expenses .....	14,809	20,588	111.1
Losses on separate account assets investment .....	51,538	24,870	386.8
Operating expenses .....	311,255	319,562	2,335.9
Other ordinary expenses .....	249,699	282,538	1,873.9
<b>TOTAL ORDINARY EXPENSES</b> .....	<b>3,144,892</b>	<b>3,112,958</b>	<b>23,601.4</b>
<b>ORDINARY PROFITS</b> .....	<b>17,985</b>	<b>179,358</b>	<b>135.0</b>
Special profits:			
Gains on disposals of real estate and movables .....	13,007	5,570	97.6
Reversal of reserves for possible loan losses .....	—	4,708	—
Reversal of reserves for asset value fluctuations .....	20,350	—	152.7
Other special profits .....	4,618	223	34.7
Special losses:			
Losses on disposals of real estate and movables .....	37,374	56,055	280.5
Transfer to reserves for contingent liabilities .....	4,914	—	36.9
Losses on compressed entry of real estate .....	246	123	1.8
Donations for promotion of welfare .....	804	702	6.0
Amortization of transition amount for retirement benefits .....	13,753	13,769	103.2
Other special losses .....	9,205	296	69.1
<b>NET SURPLUS BEFORE TAXES</b> .....	<b>(10,336)</b>	<b>113,473</b>	<b>(77.6)</b>
Provision for corporate income taxes .....	16,614	37,483	124.7
Corporate income tax equivalent adjustment .....	(41,383)	(20,925)	(310.6)
Losses on minority interests .....	278	(647)	2.1
<b>NET SURPLUS FOR THE PERIOD</b> .....	<b>¥ 14,711</b>	<b>¥ 96,268</b>	<b>\$ 110.4</b>

\*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥133.25 to US\$1.00 prevailing on March 29, 2002.

## Consolidated Statement of Surplus

For the years ended March 31, 2002 and 2001

	Millions of Yen		Millions of U.S. Dollars*
	FY2001	FY2000	FY2001
Consolidated surplus at the beginning of the period .....	¥160,983	¥222,725	\$1,208.1
Decrease in consolidated surplus:			
Reversal of revaluation reserves of land .....	5,425	16,985	40.7
Transfer to reserves for policyholder dividends .....	79,399	120,440	595.9
Transfer to reserves with amortization of foundation funds .....	20,000	20,000	150.1
Interest on foundation funds .....	678	518	5.1
Bonuses for directors and auditors .....	51	66	0.4
Decrease of surplus due to exclusion of consolidated companies .....	11,380		85.4
Net surplus for the period .....	14,711	96,268	110.4
<b>CONSOLIDATED SURPLUS AT THE END OF THE PERIOD .....</b>	<b>¥ 58,759</b>	<b>¥160,983</b>	<b>\$ 441.0</b>

\* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥133.25 to US\$1.00 prevailing on March 29, 2002.

Note: Consolidated companies include Meiji Life Insurance Agency, Ltd., Meisei System Service Co., Ltd., MEIJI Dresdner Asset Management Co., Ltd., Meiji General Insurance Co., Ltd., Pacific Guardian Life Insurance Co., Ltd., 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.