

# The Merger Aiming to be the Most Trusted Life Insurance Company



Ryotaro Kaneko, Meiji Life (right), and Mikihiko Miyamoto, Yasuda Life(left), reached a basic agreement on January 24, 2002.



Ryotaro Kaneko (right) and Mikihiko Miyamoto(left) signed a definitive merger agreement on May 29, 2003.

**Meiji Life Insurance Company ("Meiji Life", President: Ryotaro Kaneko) and The Yasuda Mutual Life Insurance Company ("Yasuda life", President: Mikihiko Miyamoto) announced a comprehensive alliance to aim at business integration in January 2002, and then signed the Merger Memorandum upon reaching a basic agreement to merge in October 2002. Based on the Merger Memorandum, the two companies agreed upon and signed a definitive merger agreement in May 2003.**

**The merger is planned for January 1, 2004, subject to approval from the regulatory authorities. The name of the combined company will be Meiji Yasuda Life Insurance Company. Ryotaro Kaneko and Mikihiko Miyamoto will assume the positions of President and the Chairman of the Board of the combined company, respectively.**

## THE CORPORATE OPERATING PHILOSOPHY AND BUSINESS DOMAINS OF THE NEW COMPANY

The corporate operating philosophy of Meiji Yasuda Life Insurance Company, which will be inaugurated on January 1, 2004, will be that "As a pioneering company in the Japanese life insurance industry, we will adhere to the spirit of mutual aid and our fundamental principle on being customer-oriented to provide high quality comprehensive insurance services in which life insurance plays a core role, and deliver assured ease of mind and wealth to our customers." Business fields of the New Company and its group companies shall consist of life insurance/annuities, medical & nursing-care insurance, non-life insurance, investment advisory/ investment trust and related services. Based on the business

environment in the 21st Century and the business fields of the New Company, the New Company shall establish the following three business models to provide comprehensive insurance services of high quality to our customers.

### Total Life Planning Services

Through cordial services and face-to-face consultations provided by sales personnel with full knowledge of products and related matters, the New Company shall aim to provide comprehensive insurance services best suited to the life stage and personalized needs of our customers and to be the best partner for individuals and households.

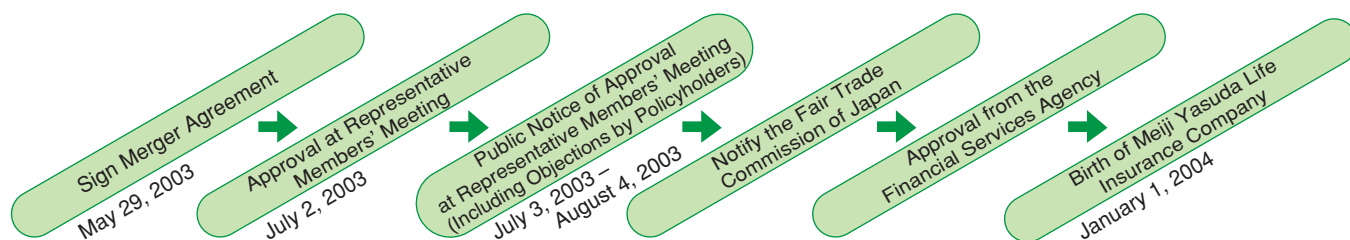
### Total Corporate & Group Services

The new company will aim to provide comprehensive services to both group and corporate customers by designing services based directly upon their risk planning needs. This will be achieved primarily through the promotion of progressive products by expert staff, the utilization of a "development & proposal" team-consulting model, which actively takes advantage of our service infrastructure, as well as the provision of high-quality after-sales service. The New Company will establish de facto standards in the group welfare sector and develop firm relationships with corporations and groups by widely supporting welfare programs and self-reliant efforts of employees and members.

### Collaboration Marketing Services

With the start of OTC sales of individual annuity insurance at financial institutions, the New Company shall tie-up with financial institutions to provide the best individual annuity insurance and related services to financial institutions and their customers, and pursue new opportunities in new sales channels such as agencies and internet to enhance customers' convenience and expand new customer base.

## ● Merger Process ●



### Company Outline (as of March 31, 2003)

Company Name	Meiji Life	Yasuda Life	(Total)* <sup>5</sup>
President	Ryotaro Kaneko	Mikihiko Miyamoto	

1. Service Network and Employees			
Number of employees	34,437	20,263	54,700
Sales personnel	28,083	15,069	43,152
Number of regional offices	81	81	162
Number of agency offices	1,052	678	1,730

2. Amount of Policies ( billions of yen)			
Life insurance in force* <sup>1</sup>	167,299	135,276	302,575
Individual insurance and annuities	114,453	67,448	181,901
Group insurance	52,845	67,828	120,673
New business : Individual insurance and annuities* <sup>2</sup>	8,890	7,195	16,085

3. Profit, Income, and Financial Indicators (billions of yen)			
Base profit	259	182	441
Premium income and reinsurance refunds	2,184	1,296	3,481
Total assets	16,243	9,484	25,727
Actual net assets	1,362	589	1,951
Solvency margin ratio	532.0%	617.6%	—
Non-performing loans ratio* <sup>3</sup>	0.44%	0.30%	0.38%

4. Credit Ratings* <sup>4</sup> (as of May 31, 2003)			
Standard & Poor's (financial strength rating)	BBB+	BBB+	
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) / (industrial and commercial 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, 2003. The combined figures neither project or guarantee the actual figures of the integrated company.

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