

Life Insurance

DOMESTIC INSURANCE AND RELATED SERVICES

Meiji Yasuda Life is aiming at the life insurance company most trusted by customers. Through the enhancement of products and services, and the provision of highly-focused consulting services, Meiji Yasuda Life will cater for all life stages as well as the evolving needs of customers.

Product Development

In January 2004, a new product named “Life Account L.A. Double” was introduced to commemorate the inauguration of Meiji Yasuda Life. This product incorporates the superior aspects of products developed at each of Meiji Life and Yasuda Life. Specifically, Meiji Yasuda Life developed “Life Support Rider” and “Dependents Support Rider” to replace the term insurance rider that has played a center role in providing death benefits in the past. Life Support Rider is extremely innovative in Japan’s life industry by offering death benefits and disabled benefits from a predetermined condition under one policy. This product manifests the accession of the industry’s leading pioneering spirit into the newly merged organization. In addition, new hospitalization rider that emphasizes on the coverage for adult diseases, which a period of hospitalization for treatment of three major adult diseases in Japan is not counted for the restriction of total number of days hospitalized. This expanded rider line-up has further enhanced the account-type insurance products enabling more detailed customer needs to be met. In medical insurance, Meiji Yasuda Life offers “medical account m.a.,” the first account-type medical insurance in Japan that enables customers to flexibly review coverage in line with advances in medical technology.

In non-life insurance arena, Meiji Yasuda Life continues to respond to the diverse needs of its customers by providing non-life insurance products through sales personnel. In order to do so more effectively, we entered into a working relationship with NIPPONKOA Insurance Co., Ltd., which possesses one of the industry’s top product lineups coupled with an extensive non-life insurance service network.

Meiji General Insurance Co., Ltd. and The Yasuda General Insurance Company Ltd., subsidiaries of Meiji Yasuda Life, concluded a basic agreement to merge on April 1, 2005, pursuant to approval from the relevant authorities. The new company will provide non-life products and services focusing on the various risks surrounding the operations of corporations and groups. To achieve this, it will leverage Meiji Yasuda Life’s dominance in the corporate and group markets in the life insurance arena.

Meiji Yasuda Life Group intends to keep developing unequaled, quality insurance products in a variety of areas, including life insurance, medical insurance and non-life insurance.

Enhancing Customer Service Capability

Meiji Yasuda Life focuses itself on friendly face-to-face consulting services, while constantly endeavoring to enhance its customer services.

With the objective of earning a higher level of customer trust, Meiji Yasuda Life is working on strengthening its after-sales services by supplying all Life Account L.A. and medical account m.a. policyholders a yearly policy statement that includes comprehensive and easy-to-read explanations of current coverage and accumulated cash flow, plus supportive information to assist in the annual review.

Meiji Yasuda Life has empowered its 40,000 sales force with personal laptops and the mobile marketing terminal “My-star.” This device is equipped with features including the ability to download high-capacity video and audio contents by way of a high-speed broadband network. It supports and improves consulting services by helping personnel make the most appropriate proposals for each individual customer. The introduction of such equipment also gives support to speedy response to customer enquiries outside the office.

Meiji Yasuda Life also provides a service package named “MAP (Mental and Physical health support)”, that includes health, medical, nursing and life-related services for holders of the “Meiji Yasuda Life Card” in accordance with accumu-

Note: The name of “Meiji Yasuda Life” has been used to refer to actions taken by either Meiji Life or Yasuda Life prior to the merger date of January 1, 2004.

lated points earned depending on the amount of insurance coverage and the length that the policy has been in force.

Long-Term Care Services

Since the introduction of Japan's public long-term care insurance system in April 2000, numerous long-term care-related services have attracted public concern. In response, Meiji Yasuda Life offers quality advice and optimum long-term care plans through specialized care managers who operate in 17 care service offices in major cities throughout Japan. These services are provided by consultation at the offices, telephone or the internet.

In March 2002, Meiji Yasuda Life established Wellness Care Network Co., Ltd. in conjunction with NTT Data Corporation, NIPPONKOA Insurance Co., Ltd. Matsushita Electric Industrial Co., Ltd. and DC Card Co., Ltd. This joint company is able to provide even swifter, higher-quality services in the fields of health, medical and long-term care by utilizing networks and the wealth of knowledge each investing company possesses in relevant fields of expertise.

OTC Sales at Banks and Other Financial Institutions

In October 2002, an individual annuity was added to products sold over the counter (OTC) at financial institutions. Meiji Yasuda Life offers two products exclusively designed for this distribution channel: "Dream Annuity D.A." — launched in response to rising demand for aggressive asset management—is a variable annuity product in which cash value and future annuity benefit change in line with the performance of investment funds selected by the customer; and, "Fixed Annuity S" —launched to meet needs for safe and secure asset management—which is an annuity certain product that pays the amount promised in the contract.

Focused efforts have led to the creation of a distribution network that caters for new markets and needs. As of the end of March 2003, the number of financial institutions whom Meiji Yasuda Life contracted had risen to 222.

New premises for Meiji Yasuda Life, planned to be completed by the end of August 2004

In August 2001, Meiji Yasuda Life began the construction of a new state-of-the-art building with integrated facilities for business and office space in the present Head Office area with the purpose of maximizing the benefits offered in the Marunouchi business center, while preserving Meiji Seimei Kan as a historic symbol. The construction is planned for completion in August 2004.

In May 1997, Meiji Seimei Kan became the first modern building constructed in the Showa Era to be designated as an Important National Cultural Asset representing Western-style architecture in Japan.



INTERNATIONAL INSURANCE SERVICES

Meiji Yasuda Life has promoted its international insurance business in three core areas: international insurance, international insurance networks and international reinsurance with overseas insurance companies.

The United States

Pacific Guardian Life Insurance Company, Limited (“PGL”), the largest life insurance company domiciled in Hawaii, is a wholly-owned subsidiary of Meiji Yasuda Life. It has been 28 years since Meiji Yasuda Life first participated in the operations of PGL, which provides life insurance and health insurance to meet the needs of communities, mainly in Hawaii, the West Coast of the United States, Guam and the Northern Mariana Islands. PGL was given an “A” rating by AM Best. In addition, Meiji Yasuda America, Inc. offers insurance services for the products of associated insurers to Japanese affiliates in the United States, especially the states of New York and California.

Europe

Meiji Yasuda Europe Limited located in London and our Frankfurt office collect information on local insurance markets and provide it in the form of information services to Japanese companies operating in the region.

Asia

Reflecting our long-term commitment to China, which is widely regarded as one of the fastest growing markets in the 21st century, in December 2000 we invested in New China Life Insurance Co., Ltd., the fourth-largest life insurance company in China.

Hong Kong based Meiji Yasuda Asia Limited provides the insurance products of associated insurers in China (Hong Kong), the Philippines, Thailand, Malaysia, Taiwan and Singapore.

Meiji Yasuda Capital Management Asia, Ltd. works in cooperation with local insurance companies in Hong Kong, and controls the management of Mandatory Provident Funds (MPFs). Meiji Yasuda Life also has offices in Seoul and Beijing and continues to enhance operations of those offices in Asian Market.

International Insurance Networks

Several international life insurance company networks have been established in order to meet the group insurance and annuity needs of the overseas branches and subsidiaries of multinational corporations. Meiji Yasuda Life has joined two networks: All Net, administered by the Allianz Group, and the Swiss Life Network, run by Swiss Life. Through our cooperation with members of these networks, Meiji Yasuda Life provides insurance services across the globe.

International Reinsurance Business

Meiji Yasuda Life entered the international reinsurance field in 1981. Since then, the company has assumed the reinsurance of life, accident and health insurance policies from major foreign insurance companies around the world.

The Company has entered into reinsurance agreements with 24 insurers in 13 countries.

Asset Management Services

Under the backdrop of historically low interest rates and an aging population in Japan, asset management has attracted greater attention than ever. Amid such an environment, Meiji Yasuda Life has provided a variety of high-quality products and services for asset management in response to the advancing and diversifying needs of customers.

INVESTMENT TRUST & INVESTMENT ADVISORY AND MANAGEMENT BUSINESS

Meiji Yasuda Life Group develops investment trust business and investment advisory and management business through MEIJI Dresdner Asset Management Co., Ltd. (“MEIJI Dresdner”) and Yasuda Asset Management Co., Ltd. (“Yasuda Asset Management”), and offers highly detailed asset management services to customers.

Both companies operate in investment advisory and management business based on the expertise in group pension investment, as well as in investment trust business, providing a diverse range of investment trust products. MEIJI Dresdner offers asset management products and services primarily by utilizing the global research and investment network, and, on the other hand, Yasuda Asset Management develops and provides them in conjunction with external asset management institutions of established reputation.

Both companies also provide investment advisory services for the separate account of group pension offered by Meiji Yasuda Life. In the years to come, Meiji Yasuda Life Group will leverage its collective power to bolster its asset management services and provide products that correspond to customer expectations. Meiji Yasuda Life has been marketing the investment trust products of these two companies to meet diversified customer needs.

DEFINED CONTRIBUTION PENSION BUSINESS

Meiji Yasuda Life utilizes its abundant know-how and human resources in the pension field together with its nationwide service network to promote defined contribution pension, in a similar vein to defined benefit pension.

In December 2001, Meiji Yasuda Life was the first life insurance company to be appointed as a plan administrator of defined contribution pension plan, and the number of clients in this area has been steadily rising.

Meiji Yasuda Life not only independently acts as a plan administrator, but also introduces Defined Contribution Plan Consulting of Japan Co., Ltd., jointly established plan administrator, with The Bank of Tokyo-Mitsubishi, Ltd., The Mitsubishi Trust and Banking Corporation and The Tokio Marine and Fire Insurance Company, Limited. Meiji Yasuda Life strives to provide products that best suit customers' needs, notably: a defined contribution pension insurance with variable assumed interest rate and a variety of investment trust products from MEIJI Dresdner and Yasuda Asset Management and so on.

Corporate Social Responsibilities

RISK MANAGEMENT

Meiji Yasuda Life reckons risk management as one of the most important management measures. At the Board of Directors Meeting, Executive Committee Meeting and other various risk management committees, major risk management policies and internal rules are formulated and risks surrounding operations are appropriately controlled by regular monitoring on the status of risks.

To further strengthen and enhance risk management systems, Meiji Yasuda Life has set forth rules for reporting upon occurrence of risks that significantly impacts operations, and thus, top management can immediately recognize the risk status and decide what measures need to be adopted.

In line with the merger, Risk Management Department has been established to handle the overall risk management and control throughout the Group.

PROMOTING COMPLIANCE

Meiji Yasuda Life Insurance Company provides job performance guidelines for executive and personnel behavior in the code of conduct, which outlines our fundamental concepts related to compliance.

In addition to the publication of the Sales and Service Policy as our commitment on fair and faithful sales practices, a pledge to conduct fair sales practices is made by sales personnel at the monthly compliance morning meeting in agency offices all over Japan. Moreover, the details of these policies are fully informed through morning assemblies, meetings and training.

The Compliance Manual, with separate versions for field forces and employees, covers all the typical business affairs necessary for compliance in daily operations. All personnel regularly refer to this manual during work.

Compliance is promoted in accordance with the internal compliance program, which outlines a set of action plans. Legal Affairs & Compliance Office, which is independent of other business units, monitors the program, its execution and follow-up.

CONTRIBUTION TO SOCIETY

Meiji Yasuda Life promotes a wide variety of programs forward the achievement of true affluence of society, including activities for sound child development and wellbeing for the physically handicapped and elderly people.

The following outlines our major social contribution activities.

To mark the inauguration of the new company and to further advance the importance of social contribution, we have developed a project aimed at spreading performing arts, whereby those with disabilities and able-bodied persons can express themselves together.

In the field of international exchange, we offer support to the John Manjiro Whitfield Commemorative Center for International Exchange (CIE). Established in 1992, the key intentions of CIE are to encourage the exchange of opinions between Japanese and U.S. citizens at a grass-roots level, while also fostering international exchange. These exchange programs are held annually, alternating between the cities or regions of the two countries.

With regard to environmental activities, we have supported the “All-Japan Elementary and Junior High School Students’ Environmental Art Contest” since 1997. This competition invites entries from elementary and junior high school students based on themes related to the “creation of a beautiful city” and the “protection of valuable nature.”

As part of our community contribution activities, we founded the “MY Community Fund” in 1997, which consists of donations from directors and personnel to support personnel’s activities in contributing to local communities. More specifically, donations are made to top-up the contributions that personnel make and to provide support to personnel’s own activities and non-profit organizations for community development in which personnel are involving.

Also as our long-term endeavors, we have participated in the “Yellow Badge Traffic Safety Campaign” since 1965 for protecting first-graders from traffic accidents. Company directors and personnel have also made regular donations to a fund for physically and mentally challenged children since 1968, and in the process, have helped to bring live music concerts to the children since 1984. In another example, personnel volunteers have participated in the activities of food delivery services associations since 1996. During the year under review, personnel delivered hot Japanese lunch boxes, and enjoyed conversation with the physically disabled and elderly who are not mobile enough to manage cooking, in 30 locations throughout Japan. In July 2003, a group of elderly persons with rare opportunity for outing were invited to Company headquarters for lunch with a live performance by the Japan Philharmonic Orchestra.

Other instances of social contribution activities range from activities for social wellbeing to assisting art and community-based traditional cultural events in conjunction with foundations established under Meiji Yasuda Group.