

## Individual Insurance Marketing

In the area of product development, we made efforts to strengthen our product line-up, centering on the “Life Account L.A. Double”. In September 2004, we launched two new products against the background of social and environmental changes such as the falling birthrate and ageing population, and rising patients’ contribution to medical expenses, and also of the growing need among the middle-aged and elderly for medical and nursing-care security. “Life Account L.A., Mirai and Mamoru” – meaning “Protect the Future” is aimed at children aged 6 through 17, and “Life Account L.A. Double, Iki-kenkou” – meaning “Excellent Health” at people aged 50 through 70.

In addition to basic medical coverage for hospitalization and surgery, these two new products allow insured persons to receive livelihood support pensions for life when they suffer from certain vital function disabilities (including those who require nursing-care).

In the area of sales and marketing, through face-to-face consultations conducted by experienced and skilled insurance agents, we offer life, non-life and pension products that meet various customers’ needs, centered on the “Life Account L.A. Double”. At the same time, we have streamlined our training organization by deploying full-time insurance agent training personnel, and have introduced more sophisticated evaluation rules for sales agents, such as focusing on the retention rates of contracts, in order to improve our sales agent channels.

## New Market Development

We have deployed agency sales personnel throughout the country to sell individual annuities through banks, and individual life insurance through subscription agencies.

In January 2005, we responded to strong demand from customers by initiating OTC (over the counter) sales of our new “Dream Annuity D.A. Plus”, which features an annuity funding guarantee function. This completed our line-up of three products to satisfy the diversified needs of our customers. “Dream Annuity D.A.” is suitable for long-term, low-cost investments; “Fixed Annuity S” has been well received among customers who are interested in mitigating risk; and “Dream Annuity D.A. Plus” combines the annuity funding guarantee function with value enhancement. The subscription agencies have also made efforts to meet customers’ needs for measures to deal with business security funding and inheritance, and offer a wide range of products and services.



## Group Marketing

In order to maximize our service to corporate customers, we have enhanced our services as follows;

In the area of Group Life Insurance, and especially in the area of corporate and group contribution schemes, we worked to improve convenience for corporate customers by offering the “E.C. Plan” and the “Wellness Plan”. The “E.C. Plan”, which is a comprehensive welfare organization term insurance bearing no dividend rider, is designed to meet corporate needs when compiling insurance premium budgets. The “Wellness Plan” is a value-added service to support efforts to monitor the status of employee health management and improve the health promotion environment.

In the area of Employees’ Contribution schemes, we have provided our original product named “New Group Term Insurance”, which has been widely adopted by public agencies, private companies and labor unions, as a self-help welfare scheme. In addition, we have been proactively selling medical service coverage as an add-on to group term insurance to meet strong customers’ demand. We have also made a contribution to the further strengthening of the group welfare program by offering value-added services such as fitness support for promoting the health of employees, and other value added services through the Internet.

In the area of Group Pensions, the shift to defined benefit corporate pensions and defined contribution pensions is accelerating against the background of rebates of the subrogated portion of Employees’ Pension Fund to the government, and the scheduled abolition of qualified retirement pension plans at the end of March 2012. Amidst these developments, we adopted a proactive approach to comprehensive consulting activities from both the plan design and operational perspectives.

We have also strived to expand our range of benefit design variations so as to be able to respond to cash balance plan needs.

In other areas, we have been responding to customers’ wide-ranging needs for financing and investments, as well as in relation to the non-life insurance business and the nursing-care related business.

## Customer Service

Based on our customer-first policy, we have been endeavoring to provide services that offer greater customer satisfaction.

As part of these efforts, we reduced the burden on policyholders by eliminating the need to present certain documents when changing contract details or making various claim procedures. For example, adult policyholders no longer have to present their insurance policies when making applications for policyholder loans involving payments of ¥ 1 million or less.

Since November 2004, we have offered greater convenience by allowing insurance premium transfer services to be used with accounts at agricultural and fisheries cooperatives. In September-October 2004, we sent out 7.38 million copies of “Information from Meiji Yasuda Life 2004” to our policyholders, providing information on our Company and details of contracts available to policyholders, as well as information on new products and services.

We use the “Customers’ Voice System” – a database of customers’ requests and communication – linking regional offices and agency offices throughout the country to speed up and increase the accuracy of our response to requests from customers. At our Customer Communication Center, we now process various procedures connected with telephone applications and consultations around the clock throughout the year.

These procedures include change of policyholders’ addresses, claims for maturity benefits and hospitalization benefits, totaling 503, 778 cases in 2004.

With respect to card services, we have provided “Health, Medical and Nursing”, “Life Event” and “Travel and Entertainment” services through our “map (mental and physical health support)” point service in accordance with accumulated points earned, and depending on the amount of insurance coverage and the length that the policy has been in force.

In addition, we offer nursing consultation and care management services through Wellness Care Network Co., Ltd., a member of the Meiji Yasuda Life Group.

## 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 29 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(Excellent)” 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 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), Thailand, Malaysia, Taiwan and Singapore.

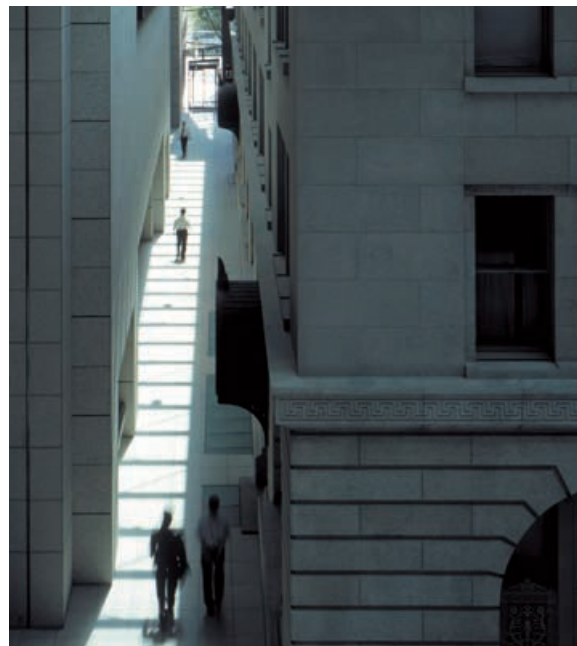
In addition, Meiji Yasuda Asia, Limited works in cooperation with local insurance companies in Hong Kong, and controls the management of Mandatory Provident Funds (MPFs). Meiji Yasuda Life also has offices in Seoul and Beijing and continues to enhance operations of those offices in Asian Market.

### 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.



## Asset Management

Based on an ALM approach (Assets-Liability Management) that is appropriate for life insurance companies, we aim to make investments that assure superior and stable returns over the long term and at the same time, maintain and enhance the quality of assets through high-level risk management. Taking this as our basic philosophy for asset management, we are endeavoring to accumulate loans and bonds that offer stable returns while mitigating high risk assets.

More specifically, we endeavored to secure long-term returns and further promote ALM by building up our bond portfolio centered on Japanese Government Bonds and by

reducing our holdings of stocks and foreign securities, which pose relatively higher price fluctuations in general. We were also quick to apply accounting procedures for the Impairment of Fixed Assets as a means of maintaining and enhancing the soundness of our assets.

As a result of these measures to improve the quality of our assets, unrealized gains on overall assets including land and securities came to ¥1,573.2 billion, exceeding the levels posted at the end of the previous year.

The ratio of problem loans to our overall loan portfolio remained low at 0.58%.



## Risk Management

Meiji Yasuda Life believes that ensuring sound management and faithfully fulfilling contractual obligations over the long term are absolutely essential from the viewpoint of earning and maintaining customers' confidence. As the speed of change increases in the business environment, the need to accurately identify and manage the risk affecting the insurance business is becoming ever more crucial.

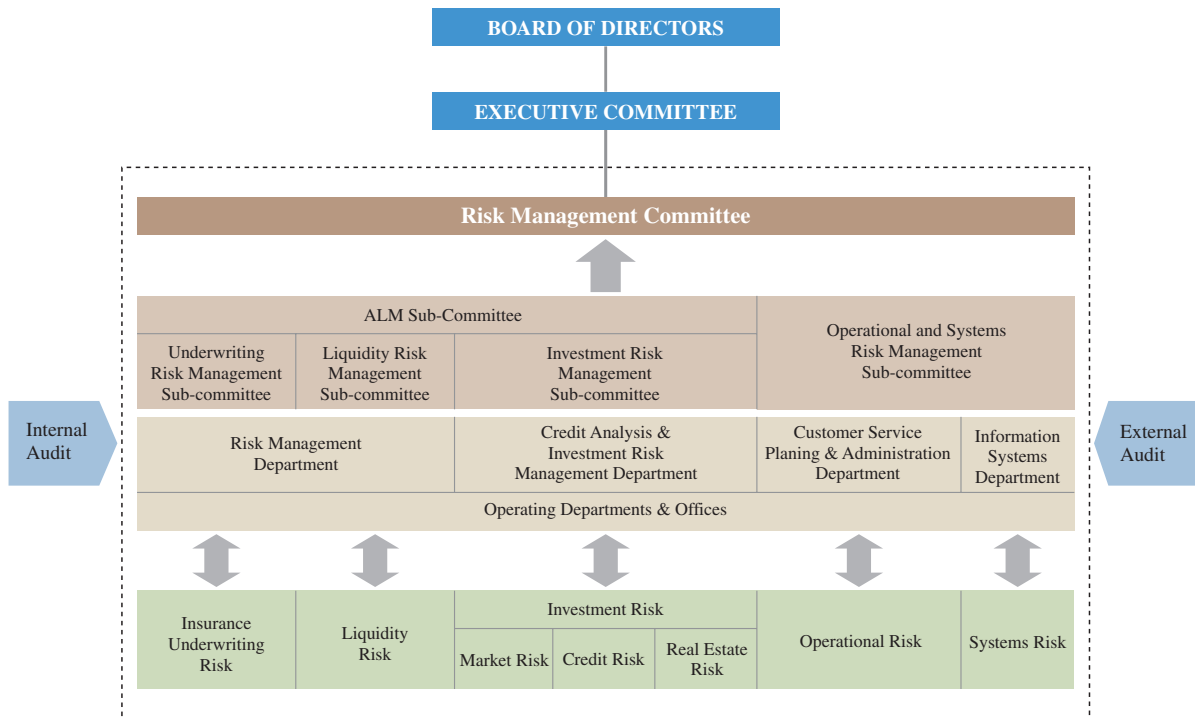
We see risk management as one of the most crucial elements of business management. The Board of Directors, Executive Committee and Risk Management Committees control risk in an appropriate manner by determining risk management policies and regulations, monitoring and analyzing risk on a regular basis, and promoting cooperation between the departments involved. The company is also working to strengthen and enhance the risk management

system by stipulating rules for communicating information in cases where major risks arise, and establishing a framework that enables management to quickly identify risk situations and give instructions on how to deal with them.

To enhance the effectiveness of risk management even further, the Auditing Department conducts inspections and Board of Auditors (internal auditors) and Audit Corporation (external auditor) carry out audits to verify the appropriateness and efficacy of risk management functions and systems.

Meiji Yasuda Life also complies with the provisions of the Law Concerning the Protection of Personal Information, which went into full force in April 2005, and is striving to streamline its approach to information management still further.

### Overview of the Risk Management System



## Promoting Compliance Thoroughly

Meiji Yasuda Life has set compliance guidelines for all executives and employees in the form of the Code of Conduct, the Job Performance Guidelines, and the Sales and Service Policy. At the monthly compliance morning meetings held in agency offices, sales personnel confirm their commitment to fair sales practices by repeating a pledge to conduct fair sales practices. The Compliance Manuals, with separate versions for field forces and employees, covers all the typical business affairs necessary for compliance in daily operation. All personnel regularly refer to them during work.

Compliance is promoted in accordance with the internal compliance programs drawn up not only for our company as a whole but also by each headquarter department, regional office and group marketing department. The Compliance Control Department, which is independent of other operating departments, reports the planning, implementation and verification of these programs, to the Board of Directors through the Compliance Committee.

The Compliance Control Department promotes compliance multilaterally as follows:

- ① Integrates management of compliance-related information;
- ② Runs working groups to identify improper cases relating to insurance solicitation, preservation procedures and payments of insurance claims, and also to devise responses to these issues; and
- ③ Runs compliance training courses for executives and employees regularly basis.

Under our Code of Conduct, including compliance guidelines that are based on very high ethical standards, we are endeavoring to deepen our customers' trust in us by ensuring that insurance solicitation and all other aspects of our operations are appropriate.

## Contribution to Society

Meiji Yasuda Life promotes a wide variety of social action programs aimed at the achievement of true affluence in society, including activities for healthy child development and the well being of physically challenged and elderly people.

To commemorate the inauguration of the new company in 2004, we initiated the "Able Art Onstage" program. The goal is to offer people with disabilities the opportunity to express themselves through performing arts such as theater, dance and music, and to discover new possibilities in the area of artistic expression.

In 2004, Meiji Yasuda Life established the "MY Community Fund", which is financed by donations from executives and employees for the purpose of supporting activities contributing to local communities. The Fund provides grants for volunteer activities by employees and for non-profit organizations in which employees participate, and makes contributions for humanitarian purposes, including disaster relief and reconstruction assistance. In fiscal 2004, the fund made donations to 13 prefectures affected by the wind and flood damage caused by a series of typhoons that hit Japan. We also made a special collection to help the victims of the Niigata Chuetsu Earthquake of October 2004, and provided both donations and relief materials in response to the Sumatra earthquake and Indian Ocean tsunami disaster.

