

Financial Section (Combined Total of Two Companies)

Financial Data Comparing Fiscal 2004 with the Combined Total of the Two Companies in Fiscal 2003

CONTENTS

Non-Consolidated Balance Sheet	30
Non-Consolidated Statement of Operations and Surplus	32
Supplementary Financial Information (Non-Consolidated Basis).....	34
Consolidated Balance Sheet	38
Consolidated Statement of Operations and Surplus	39
Consolidated Statement of Surplus	40

*Please read figures on pages 30 through 40 as follows:

- Figures at the end of the year
Figures at the end of fiscal 2004 and 2003 represent results from Meiji Yasuda Life Insurance Company.
- Figures for the year
Figures for fiscal 2003 are the combined total of Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company from April 1 to December 31, 2003, and Meiji Yasuda Life Insurance Company from January 1 to March 31, 2004.
- Figures of investment returns
Figures for fiscal 2003 are calculated using results for Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company from April 1 to December 31, 2003, and Meiji Yasuda Life Insurance Company from January 1 to March 31, 2004.

Notes to consolidated financial statements on pages 38 through 40.

- Figures in the consolidated financial statements for fiscal 2003
Meiji Life and Yasuda Life merged during the year, however, the consolidated financial statements were presented on the assumption that they merged at the beginning of the year.
- Concepts employed in assuming merger at beginning of year
The pooling of interests method (assumption at book value) is applied in the treatment of assets and liabilities accepted from the non-surviving company.
On October 31, 2003 the Business Accounting Deliberation Council published the Opinion on Setting Accounting Standards for Business Combinations (enters into force in FY 2006) that mandates treating mergers as occurring at the beginning of the year when using the pooling of interests method to prepare consolidated financial statements. Our treatment accords with the opinion.

Non-Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company

As of March 31, 2005 and 2004

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
ASSETS			
Cash and deposits:			
Cash	¥ 1,167	¥ 1,580	\$ 10.8
Deposits	252,052	295,961	2,347.0
Call loans	380,000	700,000	3,538.5
Monetary claims bought	94,138	102,527	876.5
Money-placed-in-trust	10,023	9,934	93.3
Securities:			
Domestic bonds:			
Government bonds	6,600,787	5,217,850	61,465.5
Municipal bonds	239,191	313,175	2,227.3
Corporate bonds	1,863,837	2,056,258	17,355.7
Domestic stocks	3,851,102	3,632,129	35,860.9
Foreign securities	2,994,002	3,080,520	27,879.7
Other securities	115,508	133,764	1,075.5
Loans:			
Policy loans	431,750	443,196	4,020.3
Financial loans	6,729,372	7,522,286	62,662.9
Real estate and movables:			
Land	784,166	812,920	7,302.0
Buildings	502,645	474,742	4,680.5
Movable properties	8,282	10,084	77.1
Buildings and repairing suspense account	8,664	55,203	80.6
Agency account receivable	338	333	3.1
Reinsurance account receivable	2,717	3,174	25.3
Other assets:			
Accounts receivable	97,162	123,008	904.7
Prepaid expenses	6,091	5,341	56.7
Accrued investment income	83,407	93,149	776.6
Security deposits and rental deposits	7,387	11,238	68.7
Deposits on financial futures	214	39	1.9
Margins on financial futures	19	—	0.1
Derivative financial instruments	481	7,690	4.4
Deferred losses on hedging instruments	—	11	—
Suspense payment	7,608	9,232	70.8
Miscellaneous assets	112,904	121,900	1,051.3
Deferred tax assets	17,763	108,427	165.4
Customers' liabilities for acceptances and guarantees	—	123	—
Reserves for possible loan losses	(9,408)	(15,934)	(87.6)
TOTAL ASSETS	¥25,193,379	¥25,329,873	\$234,597.0

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
LIABILITIES AND SURPLUS			
(Liabilities)			
Policy reserves:			
Reserves for outstanding claims	¥ 184,393	¥ 174,893	\$ 1,717.0
Liability reserves	21,877,961	22,101,172	203,724.3
Reserves for policyholder dividends	459,677	494,878	4,280.4
Agency account payable	0	0	0.0
Reinsurance account payable	2,637	2,711	24.5
Corporate bonds	—	9,723	—
Other liabilities:			
Deposits received on bonds lending	400,610	598,127	3,730.4
Loans payable	100,000	100,038	931.1
Corporate income tax payable and others	62,834	333	585.1
Account payable	50,784	66,616	472.8
Unpaid expenses	26,878	27,761	250.2
Unearned investment income	11,105	14,122	103.4
Employees' and agents' savings deposits	17,007	14,973	158.3
Deposits received for guarantee	46,257	43,216	430.7
Margins on financial futures	—	18	—
Derivative financial instruments	5,274	32	49.1
Deferred gains on hedging instruments	5	—	0.0
Suspense receipts	12,204	10,141	113.6
Reserves for retirement benefits	62,488	78,518	581.8
Reserves for losses on sales of claims	—	25	—
Reserves for contingent liabilities	70,002	59,316	651.8
Reserves for asset value fluctuations	194,569	162,858	1,811.8
Deferred tax liabilities on revaluation of land	49,516	43,062	461.0
Acceptances and guarantees	—	123	—
TOTAL LIABILITIES	¥23,634,208	¥24,002,667	\$220,078.3
(Surplus)			
Foundation funds	150,000	190,000	1,396.7
Reserves with amortization of foundation funds	200,000	160,000	1,862.3
Revaluation surplus reserves	452	452	4.2
Surplus retained:			
Reserves for losses	5,057	4,623	47.0
Voluntary reserves:			
Reserves for fund amortization	63,000	67,000	586.6
Fund for asset value fluctuations	15,264	2,624	142.1
Fund for retirement allowances	1,796	1,498	16.7
Fund for promotion of welfare	443	665	4.1
Reserves for compressed entry of real estate	10,929	11,484	101.7
Reserves for separate account for compressed entry of real estate	4,159	1,276	38.7
Special reserves	2,000	2,000	18.6
Reserves for other uses	85	85	0.7
Unappropriated surplus for the period	185,056	196,764	1,723.2
[Net surplus for the period]	182,763	198,005	1,701.8
Revaluation reserves of land	66,987	76,059	623.7
Net unrealized gains on investments	853,937	612,671	7,951.7
TOTAL SURPLUS	1,559,170	1,327,206	14,518.7
TOTAL LIABILITIES AND SURPLUS	¥25,193,379	¥25,329,873	\$234,597.0

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

Non-Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2005 and 2004

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
ORDINARY INCOME			
Premium income and reinsurance refunds:			
Premium income	¥3,041,437	¥3,293,565	\$28,321.4
Refunds on reinsurance	2,075	3,172	19.3
Investment income and gain:			
Interest and dividends:			
Interest on deposits	4	9	0.0
Interest and dividends on securities	298,644	279,982	2,780.9
Interest on loans	168,139	208,339	1,565.6
Rental income	41,959	43,418	390.7
Other interest and dividends	8,050	8,938	74.9
Money-placed-in-trust income	266	4,533	2.4
Gains on trading securities	1,648	445	15.3
Gains on securities sold	41,223	52,274	383.8
Gains on securities redeemed	13,607	223	126.7
Gains on foreign exchange	—	86	—
Other investment income	467	951	4.3
Gains on separate account assets investment	28,038	110,705	261.0
Other ordinary income:			
Annuity supplementary contract premiums	21,531	22,540	200.4
Benefits left to accumulate at interest	194,928	306,838	1,815.1
Reversal of liability reserves	223,211	524,766	2,078.5
Reversal of reserves for retirement benefits	32,056	42,082	298.5
Miscellaneous income	6,262	6,396	58.3
TOTAL ORDINARY INCOME	4,123,550	4,909,271	38,397.9
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	894,306	1,055,388	8,327.6
Annuities paid	285,219	278,260	2,655.9
Benefits on policies paid	613,308	691,319	5,711.0
Surrender benefits paid	694,339	1,138,887	6,465.5
Other refunds paid	505,014	396,592	4,702.6
Reinsurance premiums	2,277	3,705	21.2
Transfers to policy reserves:			
Reserves for outstanding claims	9,500	6,677	88.4
Interest on dividend reserves	372	393	3.4
Investment expenses and losses:			
Interest paid	4,747	4,344	44.2
Losses on money-placed-in-trust	—	55	—
Losses on trading securities	—	9,909	—
Losses on securities sold	57,428	85,589	534.7
Losses on securities appraised	6,556	16,844	61.0
Losses on securities redeemed	441	228	4.1
Expenses for derivative financial instruments	1,380	46,218	12.8
Losses on foreign exchange	1,265	436	11.7
Write-off of loans	131	34	1.2
Depreciation on real estate for rent	12,347	12,825	114.9
Other investment expenses	15,172	17,114	141.2
Operating expenses	372,396	451,016	3,467.6
Other ordinary expenses:			
Payments of benefits left to accumulate at interest	264,043	282,020	2,458.7
Taxes	23,994	26,251	223.4
Depreciation	27,860	27,551	259.4
Miscellaneous expenses	6,479	6,683	60.3
TOTAL ORDINARY EXPENSES	¥3,798,583	¥4,558,347	\$35,371.8

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
ORDINARY PROFITS	¥324,966	¥350,924	\$3,026.0
Special profits:			
Gains on disposals of real estate and movables	717	284	6.6
Reversal of reserves for losses on sales of claims	25	2	0.2
Reversal of reserves for possible loan losses	6,695	10,933	62.3
Other special profits	—	26,777	—
Special losses:			
Losses on disposals of real estate and movables	32,207	44,603	299.9
Impairment losses	20,882	—	194.4
Transfer to reserves for contingent liabilities	12,286	28,465	114.4
Transfer to reserves for asset value fluctuations	31,711	63,967	295.2
Losses on compressed entry of real estate	104	279	0.9
Donations for promotion of welfare	622	406	5.7
Amortization of transition amount for retirement benefits	13,751	13,751	128.0
Other special losses	9,858	9,742	91.8
NET SURPLUS BEFORE TAXES	210,979	227,704	1,964.6
Provision for corporate income taxes	75,096	11,460	699.2
Corporate income tax equivalent adjustment	(46,879)	18,238	(436.5)
NET SURPLUS FOR THE PERIOD	182,763	198,005	1,701.8
Reversal of revaluation reserves of land	1,671	(2,353)	15.5
Reversal of fund for retirement allowances	—	1,395	—
Reversal of fund for promotion of welfare	622	406	5.7
Transfer to reserves for compressed entry of real estate	—	688	—
UNAPPROPRIATED SURPLUS FOR THE PERIOD	¥185,056	¥196,764	\$1,723.2

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

Supplementary Financial Information (Non-Consolidated Basis)

Meiji Yasuda Life Insurance Company

1. Outline of Life Insurance and Group Pension Business

1-1. Life Insurance and Group Pensions in Force

	(Millions of Yen)	
	FY2004	FY2003
Individual life insurance	¥148,062,638	¥157,527,222
Individual annuities	11,325,121	11,439,315
Group life insurance	117,830,694	119,716,423
Group pensions*	6,920,182	7,413,737

*Group pensions in force are the sum total of liability reserves for group pensions.

1-2. Life Insurance and Group Pensions New Business

	(Millions of Yen)	
	FY2004	FY2003
Individual life insurance	¥10,588,802	¥12,685,050
Individual annuities	344,316	354,329
Group life insurance	6,553,137	8,565,354
Group pensions*	1,356	2,479

*New business of group pensions is the sum total of first premiums.

1-3. Premium Income

	(Millions of Yen)	
	FY2004	FY2003
Individual life insurance	¥1,409,751	¥1,495,106
Individual annuities	354,972	390,843
Group life insurance	375,294	384,178
Group pensions	847,310	966,867
TOTAL*	¥3,041,437	¥3,293,565

*Total includes premium income from other types of insurance and annuities.

1-4. Insurance Benefits Paid

	(Millions of Yen)					FY2003
	FY2004					FY2003
	Individual life	Individual annuities	Group life	Group pensions	Total*	Total*
Claims paid:						
Death benefits	¥316,527	¥1,914	¥193,542	¥ —	¥516,459	¥533,864
Accidental death benefits	4,483	12	529	—	5,070	4,950
Disability benefits	26,930	33	9,329	—	36,297	30,188
Maturity benefits	279,394	24	8	55,559	336,387	480,474
Others	88	—	0	—	91	5,911
Annuities paid	25,190	97,028	19,531	139,281	285,219	278,260
Benefits on policies paid:						
Death benefits	1,010	10,744	3	3,858	15,853	14,937
Hospitalization benefits	46,477	1,612	595	—	50,381	52,003
Operation benefits	17,282	684	—	—	17,967	18,094
Injury benefits	807	11	66	—	885	979
Survivor benefits	118,975	1,946	—	—	124,144	137,116
Lump sum benefits	—	—	144	373,585	373,730	440,006
Others	24,870	112	—	5,286	30,346	28,181
Surrender benefits paid	280,018	89,907	—	293,706	694,339	1,138,887

*Total includes insurance benefits paid to other types of insurance and annuities.

2. Outline of Investments (General Account)

2-1. Breakdown of Assets

	(Millions of Yen)	
	FY2004	FY2003
Cash, deposits and call loans	¥ 597,296	¥ 949,610
Monetary claims bought	94,138	102,527
Money-placed-in-trust	10,023	9,934
Securities:		
Domestic bonds	8,495,858	7,357,373
Domestic stocks	3,630,728	3,378,989
Foreign securities:		
Foreign bonds	1,909,473	1,914,489
Foreign stocks	880,118	958,758
Others	102,905	121,495
Loans:		
Policy loans	431,750	443,196
Financial loans	6,729,372	7,522,286
Real estate	1,295,475	1,342,865
Deferred tax assets	17,763	108,427
Others	298,437	381,202
Reserves for possible loan losses	(9,408)	(15,934)
TOTAL	¥24,483,933	¥24,575,223
(Assets denominated in foreign currencies)	¥ 2,167,985	¥ 2,267,015

2-2. Average Balances of Assets

	(Millions of Yen)	
	FY2004	FY2003
Cash, deposits and call loans.....	¥ 580,836	¥ 815,540
Repurchase account	—	39,000
Monetary claims bought	116,094	139,584
Money-placed-in-trust	9,898	273,249
Domestic bonds	8,041,717	7,280,697
Domestic stocks	2,503,716	2,643,373
Foreign securities:		
Foreign bonds	1,959,727	1,619,213
Foreign stocks	844,943	958,949
Loans	7,456,497	8,314,737
(Financial loans)	7,019,584	7,864,299
Real estate	1,338,960	1,368,600
TOTAL	¥23,695,046	¥24,393,266
(Overseas investments)	¥ 3,409,169	¥ 3,740,323

2-3. Investment Income and Gain

	(Millions of Yen)	
	FY2004	FY2003
Interest and dividends	¥516,797	¥540,689
Money-placed-in-trust income	266	4,533
Gains on trading securities	1,648	445
Gains on securities sold	41,223	52,274
Gains on securities redeemed.....	13,607	223
Gains on foreign exchange	—	86
Others	467	951
TOTAL	¥574,010	¥599,203

2-4. Investment Expenses and Losses

	(Millions of Yen)	
	FY2004	FY2003
Interest paid	¥ 4,747	¥ 4,344
Losses on money-placed-in-trust	—	55
Losses on trading securities	—	9,909
Losses on securities sold	57,428	85,589
Losses on securities appraised	6,556	16,844
Losses on securities redeemed	441	228
Expenses for derivative financial instruments.....	1,380	46,218
Losses on foreign exchange	1,265	436
Write-off of loans	131	34
Depreciation of real estate for rent	12,347	12,825
Others	15,172	17,114
TOTAL	99,470	¥193,599

2-5. Net Investment Returns

	(%)	
	FY2004	FY2003
Cash, deposits and call loans	0.01	0.00
Repurchase account.....	—	0.02
Monetary claims bought	2.72	2.41
Money-placed-in-trust	2.70	1.15
Domestic bonds	1.55	1.40
Domestic stocks	2.08	(0.61)
Foreign securities:		
Foreign bonds	2.95	2.29
Foreign stocks	4.61	4.39
Loans	2.30	2.55
(Financial loans)	2.14	2.41
Real estate	1.53	1.46
TOTAL	2.00	1.66
(Overseas investments)	3.37	2.92

2-6. Breakdown of Securities Investment

	(Millions of Yen)	
	FY2004	FY2003
Domestic bonds:		
Government bonds	¥ 6,460,200	¥ 5,052,586
Municipal bonds	231,191	305,373
Corporate bonds	1,804,466	1,999,413
(Public corporation bonds)	718,217	776,067
Domestic stocks	3,630,728	3,378,989
Foreign securities:		
Foreign bonds	1,909,473	1,914,489
Foreign stocks	880,118	958,758
Others	102,905	121,495
TOTAL	¥15,019,083	¥13,731,106

2-7. Breakdown of Loans

	(Millions of Yen)	
	FY2004	FY2003
Policy loans	¥ 431,750	¥ 443,196
Financial loans:		
(Overseas loans)	454,664	754,891
Corporate loans	5,556,035	6,070,464
(to domestic corporations)	5,406,319	5,796,611
Loans to governments and supranationals	266,452	364,379
Loans to public organizations	338,190	439,571
Housing loans	311,427	330,420
Consumer loans	251,719	311,754
Others	5,546	5,694
TOTAL	¥7,161,122	¥7,965,483

*Securities and Others with Market Value

	(Millions of Yen)				
	FY2004				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥ 8,432,220	¥ 8,662,902	¥ 230,681	¥ 249,515	¥ 18,833
Domestic stocks	2,212,247	3,322,713	1,110,465	1,135,423	24,958
Foreign securities:					
Foreign bonds	1,866,205	1,912,314	46,108	82,605	36,496
Foreign stocks	566,964	681,071	114,106	154,388	40,281
Other securities	69,754	76,454	6,700	8,428	1,728
Others**	57,210	57,737	527	631	104
TOTAL	¥13,204,602	¥14,713,193	¥1,508,590	¥1,630,993	¥122,402

* The above table shows information regarding securities and other instruments with market price. Trading securities are not included.

** Others include those instruments treated as securities regulated by the Securities and Exchange Law, such as monetary claims bought.

	(Millions of Yen)				
	FY2003				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥ 7,332,586	¥ 7,478,030	¥ 145,444	¥ 188,878	¥ 43,434
Domestic stocks	2,315,635	3,143,900	828,265	867,032	38,767
Foreign securities:					
Foreign bonds	1,870,606	1,915,075	44,469	78,705	34,236
Foreign stocks	660,534	722,313	61,778	124,122	62,344
Other securities	85,103	94,293	9,189	12,196	3,006
Others**	65,208	65,241	32	238	205
TOTAL	¥12,329,674	¥13,418,854	¥1,089,179	¥1,271,172	¥181,993

* The above table shows information regarding securities and other instruments with market price. Trading securities are not included.

** Others include those instruments treated as securities regulated by the Securities and Exchange Law, such as monetary claims bought.

2-8. Distribution of Foreign Securities Investment and Overseas Loans

(Millions of Yen)

	FY2004				FY2003			
	Foreign securities			Overseas loans	Foreign securities			Overseas loans
	Total	Bonds	Stocks		Total	Bonds	Stocks	
North America	¥ 951,499	¥ 886,499	¥ 65,000	¥ 97,147	¥1,145,874	¥1,062,604	¥ 83,270	¥155,088
Europe	1,023,341	709,538	313,802	162,274	837,507	532,741	304,765	300,659
Oceania	25,330	25,330	—	6,800	22,328	22,328	—	59,050
Asia	16,314	8,902	7,412	33,996	17,244	8,915	8,329	64,958
Latin America	729,929	236,026	493,903	11,033	828,986	266,593	562,392	12,845
Middle East	—	—	—	—	—	—	—	—
Africa	1,030	1,030	—	4,710	1,042	1,042	—	5,102
Supranationals	42,146	42,146	—	138,703	20,262	20,262	—	157,187
TOTAL	¥2,789,591	¥1,909,473	¥880,118	¥454,664	¥2,873,247	¥1,914,489	¥958,758	¥754,891

3. Non-performing Loans

(Millions of Yen)

	FY2004	FY2003
Loans to bankrupt borrowers	¥ 781	¥ 1,158
Past due loans	8,343	10,847
Loans past due three months or more	—	23
Restructured loans	32,304	35,180
TOTAL	¥41,428	¥47,210
Non-performing loans/total loans	0.58%	0.59%

4. Outline of Reserves

4-1. Liability Reserves

(Millions of Yen)

	FY2004	FY2003
Liability reserves:		
Individual life insurance	¥9,221,609	¥ 9,369,334
Individual annuities	4,730,361	4,444,313
Group life insurance	166,520	162,135
Group pensions	6,920,182	7,413,737
Others	269,092	271,692
Reserves for contingencies	570,195	439,958
TOTAL	¥21,877,961	¥22,101,172

4-2. Other Reserves

(Millions of Yen)

	FY2004	FY2003
Reserves for possible loan losses:		
General reserves for possible loan losses	¥ 4,307	¥ 10,013
Specific reserves for possible loan losses	5,101	5,921
Specific reserves for country risk	—	0
Reserves for retirement benefits	62,488	78,518
Reserves for losses on sales of claims	—	25
Reserves for contingent liabilities	70,002	59,316
Reserves for asset value fluctuations	194,569	162,858

Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2005 and 2004

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
ASSETS			
Cash and deposits	¥ 289,739	¥ 342,240	\$ 2,698.0
Call loans	380,000	700,000	3,538.5
Monetary claims bought	94,138	102,527	876.5
Money-placed-in-trust	10,023	9,934	93.3
Securities	15,613,443	14,391,767	145,390.1
Loans	7,176,343	7,960,959	66,825.0
Real estate and movables	1,334,555	1,406,097	12,427.1
Agency account receivable	1,577	1,379	14.6
Reinsurance account receivable	2,911	3,369	27.1
Other assets	324,812	385,054	3,024.6
Deferred tax assets	18,528	107,337	172.5
Customers' liabilities for acceptances and guarantees	—	123	—
Reserves for possible loan losses	(9,462)	(15,404)	(88.1)
TOTAL ASSETS	¥25,236,612	¥25,395,388	\$234,999.6
LIABILITIES AND SURPLUS			
(Liabilities)			
Policy reserves:			
Reserves for outstanding claims	¥ 190,779	¥ 185,217	\$ 1,776.5
Liability reserves	21,934,862	22,168,908	204,254.2
Reserves for policyholder dividends	459,677	494,878	4,280.4
Agency account payable	6	6	0.0
Reinsurance account payable	2,939	3,155	27.3
Corporate bonds	—	9,723	—
Other liabilities	743,227	896,352	6,920.8
Reserves for retirement benefits	63,013	79,128	586.7
Reserves for losses on sales of claims	—	25	—
Reserves for contingent liabilities	70,002	59,316	651.8
Reserves for asset value fluctuations	194,973	163,284	1,815.5
Deferred tax liabilities	1,475	1,440	13.7
Deferred tax liabilities on revaluation of land	49,516	43,062	461.0
Acceptances and guarantees	—	123	—
TOTAL LIABILITIES	23,710,474	24,104,623	220,788.4
MINORITY INTERESTS	2,345	6,310	21.8
(Surplus)			
Foundation funds	150,000	190,000	1,396.7
Reserves with amortization of foundation funds	200,000	160,000	1,862.3
Revaluation surplus reserves	452	452	4.2
Consolidated surplus	265,528	259,928	2,472.5
Revaluation reserves for land	66,987	76,059	623.7
Net unrealized gains on investments	855,126	613,539	7,962.8
Currency translation adjustment	(14,303)	(15,526)	(133.1)
TOTAL SURPLUS	1,523,791	1,284,454	14,189.3
TOTAL LIABILITIES, MINORITY INTERESTS AND SURPLUS	¥25,236,612	¥25,395,388	\$234,999.6

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2005 and 2004

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
ORDINARY INCOME			
Premium income and reinsurance refunds	¥3,066,788	¥3,343,514	\$28,557.4
Investment income and gain:			
Interest and dividends	525,157	548,826	4,890.1
Money-placed-in-trust income	266	4,494	2.4
Gains on trading securities	1,648	—	15.3
Gains on securities sold	41,228	55,645	383.9
Gains on securities redeemed	13,607	223	126.7
Other investment income	2,484	3,215	23.1
Gains on separate account assets investment	28,038	110,705	261.0
Other ordinary income	494,495	910,658	4,604.6
TOTAL ORDINARY INCOME	4,173,713	4,977,282	38,865.0
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	908,029	1,078,708	8,455.4
Annuities paid	285,575	278,571	2,659.2
Benefits on policies paid	614,945	692,910	5,726.2
Surrender benefits paid	696,015	1,140,474	6,481.1
Other refunds paid and expenses	507,292	400,304	4,723.8
Transfers to policy reserves:			
Reserves for outstanding claims	6,680	7,848	62.2
Interest on dividend reserves	372	393	3.4
Investment expenses and losses:			
Interest paid	5,473	5,198	50.9
Losses on trading securities	—	9,463	—
Losses on securities sold	57,680	85,660	537.1
Losses on securities appraised	6,556	16,564	61.0
Losses on securities redeemed	459	228	4.2
Expenses for derivative financial instruments	1,380	46,218	12.8
Losses on foreign exchange	1,226	317	11.4
Write-off of loans	131	34	1.2
Depreciation on real estate for rent	13,491	13,892	125.6
Other investment expenses	18,357	19,332	170.9
Operating expenses	388,307	472,281	3,615.8
Other ordinary expenses	330,180	351,091	3,074.5
TOTAL ORDINARY EXPENSES	3,842,156	4,619,494	35,777.6
ORDINARY PROFITS	331,557	357,788	3,087.4
Special profits:			
Gains on disposals of real estate and movables	2,800	19,634	26.0
Reversal of reserves for losses on sales of claims	25	2	0.2
Reversal of reserves for possible loan losses	6,109	10,222	56.8
Other special profits	3	26,823	0.0
Special losses:			
Losses on disposals of real estate and movables	33,810	38,410	314.8
Impairment losses	20,882	—	194.4
Transfer to reserves for contingent liabilities	12,286	28,465	114.4
Transfer to reserves for asset value fluctuations	31,704	63,851	295.2
Losses on compressed entry of real estate	104	279	0.9
Donations for promotion of welfare	622	406	5.7
Amortization of transition amount for retirement benefits	13,769	13,769	128.2
Other special losses	10,819	9,338	100.7
NET SURPLUS BEFORE TAXES	216,497	259,948	2,015.9
Provision for corporate income taxes	76,682	12,525	714.0
Corporate income tax equivalent adjustment	(48,855)	29,281	(454.9)
Minority interests	78	(1,452)	0.7
NET SURPLUS FOR THE PERIOD	¥188,592	¥ 219,594	\$1,756.1

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

Consolidated Statement of Surplus

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2005 and 2004

	Millions of Yen		Millions of U.S. Dollars*
	FY2004	FY2003	FY2004
Consolidated surplus at the beginning of the period	¥259,928	¥170,540	\$2,420.4
Increase in consolidated surplus:			
Net surplus for the period	188,592	219,594	1,756.1
Change of scope of consolidation	—	193	—
Reversal of revaluation reserves of land	1,671	—	15.5
Decrease in consolidated surplus:			
Transfer to reserves for policyholder dividends	142,275	120,441	1,324.8
Transfer to reserves with amortization of foundation funds	40,000	—	372.4
Interest on foundation funds	2,389	2,392	22.2
Change of scope of consolidation	—	0	—
Change of scope of consolidation and equity method investees	—	5,210	—
Reversal of revaluation reserves of land.....	—	2,353	—
Consolidated surplus at the end of the period	¥265,528	¥259,928	\$2,472.5

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥107.39 to US\$1.00 prevailing on March 31, 2005.

Note: Consolidated companies include Meiji General Insurance Co., Ltd., The Yasuda General Insurance Co., Ltd., MEIJI Dresdner Asset Management Co., Ltd., Yasuda Asset Management Co., Ltd., Meiji Yasuda System Technology Co., Ltd., Wellness Care Network Co., Ltd., Pacific Guardian Life Insurance Co., Ltd., Meiji Yasuda Properties UK, Ltd., Meiji Yasuda Realty UK, Ltd., and Meiji Yasuda Realty USA, Inc.