

Individual Insurance Marketing

In the area of sales and marketing, we offer life, non-life and pension products that meet customers' needs through face-to-face consultations conducted by experienced and knowledgeable sales personnel.

On the product side, we have endeavored to strengthen our product line-up in order to satisfy the varied needs of our customers. In April 2005, we launched the new L.A. Double products with medical coverage "Gan Juten Pack" and "Josei Iryou Pack" to provide coverage against serious illnesses like cancer and basic coverage for hospitalization and surgery. The "Gan Juten Pack" provides coverage against cancer, a concern for many customers, while the "Josei Iryou Pack" provides wide-ranging coverage for problems that worry many women. We also launched "Medical Insurance MY Doc", which focuses on basic hospitalization and surgery to satisfy the growing need for medical coverage among customers aged 40 and over. In October 2005, we added the "Children's Insurance" aimed at young children aged between 0 and 6 years. One of the features of this insurance is that it provides comprehensive support during the years of a child's growth. It not only sets aside funds for education, but also offers medical coverage for the child and supports the childrearing in case of the contractor's death, etc. through childrearing pensions and waiver of premium payment.

New Market Development

We engaged in OTC (over the counter) insurance sales through banks and sold individual annuity insurance and personal insurance through independent agency channels centered on corporate agencies.

With regard to bank OTC insurance sales, we established a sales organization to specialize in expanding sales of individual annuity insurance through financial institutions in April 2005. We also expanded our product line-up in January 2005 by starting sales of the new "Dream Annuity D.A. Plus", which features an annuity funding guarantee function. Together with our existing products "Dream Annuity D.A." and "Fixed Annuity S", this brought our total line-up to three.

We worked hard at promoting consulting proposals and offering a wide range of products and services to enable subscription agency channels to respond to customers' varied needs, with special emphasis on measures to ensure funding for corporate support and deal with inheritance.



Group Marketing

In the area of Group Life Insurance, we worked to improve convenience for policyholders and personnel in charge of group life insurance paperwork, and to further strengthen welfare benefit programs. We strove to promote broader adoption of our original low-premium/low-dividend “New Group Term Insurance” in order to respond to self-help welfare needs, and the “E.C. Plan” with no dividend rider which is designed to meet the needs of comprehensive welfare schemes. We also offered a system to support group insurance clerical work.

In the area of Group Pensions, the shift to defined benefit corporate pensions and defined contribution pensions is now underway in earnest. Against this background, we offered finely-tuned responses to the varied needs of customers as an operational outsourcing and pension management and administration institution through consulting activities in connection with retirement benefit schemes, management of pension funds and administrative services. Through our investment trust advisory subsidiary, we also endeavored to expand entrustment for the entire group centered on performance-linked products. In response to the demand resulting from pension scheme reform, we proposed the “DCB Plan”, which facilitates pension plan design by allowing freedom in combining defined contribution pension plans and cash balance pension plans.

In addition to responding to customers’ wide-ranging needs in the non-life insurance business and the nursing cared related business, we started offering proactive support for improving the financial soundness of health insurance associations and mutual aid associations and promoting the health of their members through disease prevention services offered by Healthcare Total Support Co., Ltd., a subsidiary established in April 2005.

Customer Service

For our customer’s convenience, we revised the documents our customer must present when applying to conclude a contract and enhanced the efficiency of contract procedures.

In connection with underwriting contracts, we continued to revise our underwriting criteria, which utilize the medical statistical information we have accumulated and reflect the latest developments in medical care. Our aim is to respond to growing medical coverage needs and ensure continuing fair treatment for customers. We also reviewed the “special conditional underwriting scheme”, which allows insurance to be underwritten even in cases where customers have a record of sickness and/or injury.

In the area of card services, from July 2005, we tied up with the former UFJ Bank (now the Bank of Tokyo-Mitsubishi UFJ) to enable policyholders to borrow money and check their account balances at some 6,000 ATMs and CDs belonging to the bank. At the end of December 2005, we revised the terms and conditions governing the Meiji Yasuda Life Card, and started offering compensation for damages arising from card forgery or theft. From January 2006, we also lowered the amount of money that can be withdrawn in one day from ¥2 million to ¥1 million. In March 2006, we started allowing customers to change their PINs (Personal Identification Numbers) at the company’s website, thus building up our countermeasures for illicit use of forged or stolen cards.

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 30 years since Meiji Yasuda Life first participated in the operations of PGL, which provides life 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 provide information on local insurance and financial markets which contribute to the management of Meiji Yasuda Life.

Asia

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 the 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.

Meiji Seimei Kan Building:

Completed in March 1934, Meiji Seimei Kan was designed by Shinichiro Okada, a notable architect and professor at the Tokyo Fine Arts School (now the Tokyo National University of Fine Arts and Music). In a classical and stately way, it has been described as embodying the mastery of Western-style architecture. Meiji Seimei Kan is recognized as the pinnacle of office buildings in the early years of the Showa era (1926–1989) by its outstanding structural concept and its functional superiority. Having survived the turmoil of the Showa era, including government requisition of its metal fittings, the Tokyo air raids of the Pacific War, post-war confiscation by the General Headquarters/Supreme Commander for the Allied Powers (GHQ/SCAP) for use by the American Far East Air Force (FEAF), the use as a conference room by the Allied Council for Japan (ACJ) consisting of representatives of the United States, Britain, China and the Soviet Union, the marks left by history remain unchanged today.

In 1997, it became the first building from the Showa era onward to be designated National Important Cultural Property.

The renovation work that began in August 2001 used methods that preserved the building while utilizing its features proactively.

Together, the newly refurbished Meiji Seimei Kan and the 30-story Meiji Yasuda Seimei Building completed in 2004 constitute Marunouchi MY PLAZA, where tradition and modernity work in harmony.



Asset Management

We continued to adhere to our ALM (Asset-Liability Management) approach in the area of asset management, endeavoring to assure satisfactory stable returns on investments over the long term while maintaining and enhancing asset quality through high-level risk management. More specifically, we built up our bond portfolio centered on super-long-term and long-term Japanese Government Bonds on the one hand, while reducing our holdings of foreign securities and low-yield, underutilized real estate, etc. on the other. These efforts to improve the soundness of our assets and rising stock market resulted in unrealized gains of ¥3,068.2 billion on overall assets including securities and real estate at year-end. This exceeded the previous year's figures.

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 creating a “company that values its customers”. As the speed of change increases in the business environment, the need to accurately identify and manage the risk affecting our insurance business is becoming more crucial.

We see risk management as one of the most crucial elements of business management. The Board of Directors, Management Council and various risk-management-related committees control risk in an appropriate manner by determining key risk management policies and regulations, and monitoring and analyzing risk on a regular basis.

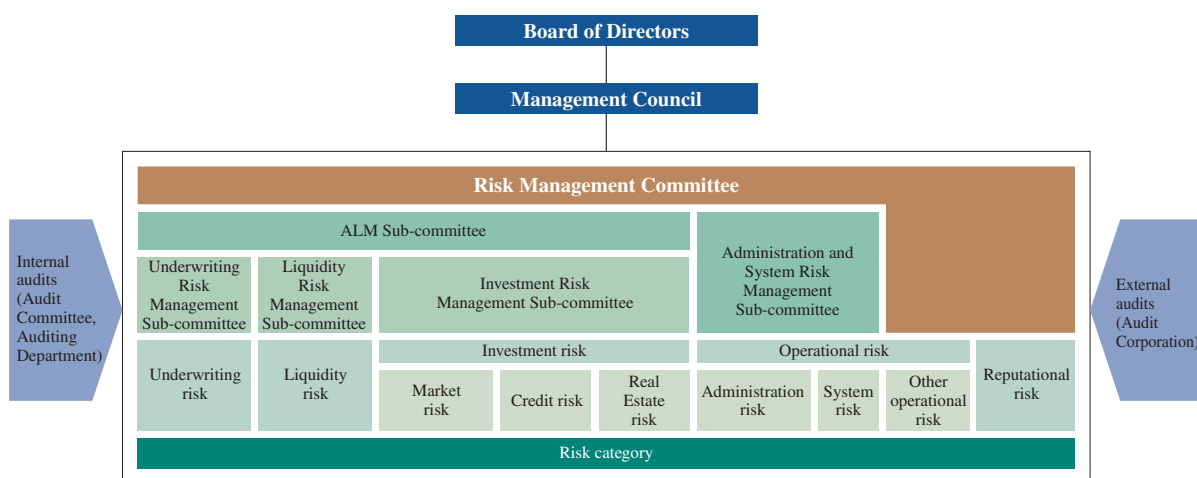
In addition to managing risk classified according to the category, we have implemented risk management at each

department. We have placed Risk Management Sub-committees for each category of risk. These report to the Risk Management Committee, which serves as an advisory body to the Management Council and perform the company-wide risk management.

We also deploy risk management officers and managers at each department primarily to identify and confirm the operational risk management situation. The Risk Management Control Department identifies and manages the risk management situation for each department.

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

Overview of the Risk Management System



Promoting Compliance

Meiji Yasuda Life has set compliance guidelines for all officers and employees as a fundamental element in the form of the Code of Conduct, the Job Performance Guidelines. To ensure that sales of products are conducted fairly, we have compiled and published the Sales and Service Policy and sales personnel at agency offices repeat a pledge to conduct fair sales practices at the compliance morning meetings. Through meetings and training courses, all officers and employees are subject to thoroughgoing education in these guidelines. The Compliance Manuals cover business affairs necessary for compliance in daily operation and all officers and employees regularly refer to them.

The Compliance Control Department promotes compliance multilaterally as follows:

- ① Integrates management of compliance-related information and investigates individual cases relating to compliance
- ② Identifies improper cases relating to insurance sales, preservation procedures and payments of insurance claims, and to devise responses to these issues
- ③ Runs compliance training courses for officers and employees on a regular basis

Constant efforts are made to ensure that neither the company nor officers and employees engage in activities that violate compliance.

In July 2005, we established a Compliance Council consisting of three external and two internal members as an advisory body to the Board of Directors with a view to building a highly effective compliance regime by reflecting the opinions of external experts and strengthening the business monitoring function from the perspectives of a third-party. With adoption of the “Company with Committees” system in July 2006, we reorganized the Compliance Council into the Compliance Promotion Advisory Council. This continues to hold discussions on basic policies for promoting compliance, important regulatory revisions and the state of progress, where necessary, seeks reports from the departments.

Contribution to Society

Meiji Yasuda Life initiated the “Able Art Onstage” program from 2004, which aims 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.

Since 2001, we have also worked together with Tokyo YMCA to celebrate International Volunteer Day with a charity concert for love and peace. We held the concert featured an ensemble of flute and string quartet on February 6, 2006 at the MY PLAZA Hall in Marunouchi, Tokyo. The audience was fascinated as the Japan Philharmonic Orchestra filled the hall with the glorious sounds. Charitable donations collected from the audience were donated through Tokyo YMCA to support children working in Bangladesh.

We established the “MY Community Fund” which is financed by donations from officers 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. It also makes contributions for humanitarian purposes, including disaster relief and reconstruction assistance. In fiscal 2005, the Fund made donations to four prefectures that damaged by the wind and flood caused by Typhoon No. 14.

