

The Meiji Yasuda Challenge Plan

Results of the "Meiji Yasuda Revitalization Plan"

In January 2006, Meiji Yasuda Life drew up the "Meiji Yasuda Revitalization Plan," which comprises the "Medium-Term Business Plan" and the "MOT Project for Creating a New Corporate Culture." The Plan ran for two years and three months through the end of March 2008.

(1) Results of the "Medium-Term Business Plan"

Overall, the challenges set out by the "Medium-Term Business Plan" were achieved according to plan and made steady progress towards creating a "Company that Values its Customers."

In July 2006, we completed the transition to a "Company with Committees" system, simultaneously creating the Board of Directors with a majority of outside directors. We also strengthened our management control system, by adopting a Representative Member Candidacy System and holding a series of Representative Member Reporting Meetings. We also moved forward with proactive disclosure of information by publishing "Customer Opinion White Paper" and "CSR Report", as well as disclosing the three sources of profit (investment margin, expense margin, and mortality and morbidity margin) and information on complaints.

On the customer services side, with a view to offering customers products and services that are easier to understand, we improved the content of our Policy Certificate, Guide to Contract, Articles and Policy Provisions, and Information on Contracts, and developed simpler products. From the perspective of ensuring that our key functions as a life insurance company – underwriting, policyholder services, and claim payment services – are executed appropriately, we have established a multi-layered checking system and allocated human resources and budgets on a priority basis. We also drew up our Basic Policy for Insurance Contract Procedures and have been using this as the foundation for improving our approaches. We also made systematic progress in dealing with areas for improvement based on the results of comprehensive checks of claim payment services and contract administration services (policyholder services).

On the marketing side, quality indicators such as new business persistency ratios, surrender and lapse rates for insurance business in force, and our insurance agents' education development ratios have improved, as we converted the evaluation systems to enhance focus on quality and trust. With regard to bank OTC sales, we launched new products that better match customers' needs and took steps to strengthen our sales support systems.

(2) Results of the "MOT Project for Creating a New Corporate Culture"

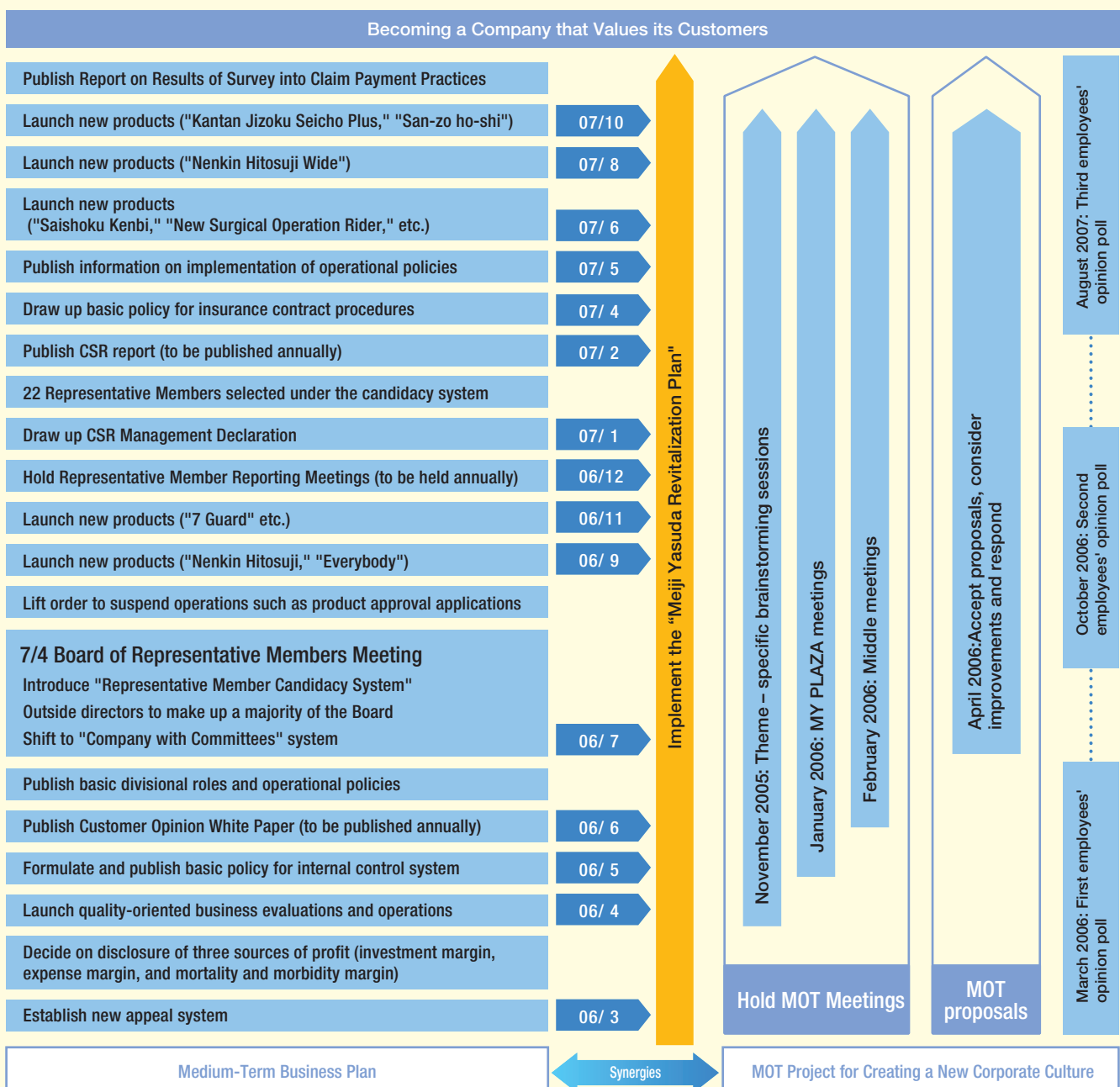
The "MOT Project for Creating a New Corporate Culture" was both a continuation and an expansion of company-wide participation in small-group activities as the "More! MOT Campaign" initiated in fiscal 2006. In addition to promoting problem-solving at organizational unit level, it adopted common themes such as improving manners and strengthening communications, and case studies based on customer's opinion were also conducted at organizational unit-level. These initiatives brought a noticeable enhancement in employee consciousness of valuing customers.

"MOT Meetings" allowing direct communication between management and employees were continuously conducted and were quite successful in nurturing a common view and enhancing inter-organizational communications.

The "MOT Proposal" scheme was also introduced to enable employees to put forward their ideas on ways to improve customer support and convenience, eliciting 4,174 proposals in fiscal 2007. Proposals are studied by the relevant departments and adopted if they are considered viable.

We believe the above initiatives enabled us to make progress towards becoming a "Company that Values its Customers" from the perspectives of approach and awareness. And given that insurance premium income have also turned positive, we believe we have earned a certain amount of approval among customers.

Implementation of the "Meiji Yasuda Revitalization Plan" (January 2006-March 2008)

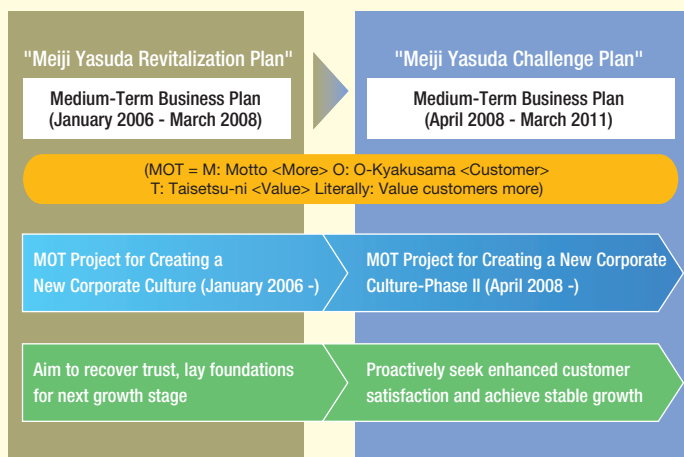


Overview of the Meiji Yasuda Challenge Plan

In fiscal 2008, we have inaugurated the "Meiji Yasuda Challenge Plan," which builds on the foundations laid by the "Meiji Yasuda Revitalization Plan" and aims to achieve a transition to a stable growth phase.

Like the "Meiji Yasuda Revitalization Plan," "Meiji Yasuda Challenge Plan" comprises "Medium-Term Business Plan" and "MOT Project for Creating a New Corporate Culture," in a three-year term. Premised on promoting "CSR management policies" that include thoroughgoing compliance, its basic approach is to realize stable growth by proactively seeking "Enhanced Customer Satisfaction," and creating a corporate culture that supports its enhancement.

Plan's Transition



Plan's Basic Approach

- Promote CSR management policies
- Faithfully satisfy the demands that customers and society make upon us as a life insurance company, and fulfill society's mandate.
- Proactively seek enhanced customer satisfaction
- As a "Company that Values its Customers," promote initiatives that enable customers to experience greater ease of mind and convenience.
- Create a corporate culture that supports enhanced customer satisfaction
- Continue the "MOT Project for Creating a New Corporate Culture," promote the creation of a corporate culture that supports enhancing customer satisfaction

Achieve stable growth

(1) Overview of the "Medium-Term Business Plan"

The "Medium-Term Business Plan" takes up three challenges: "Drastic Reforms of Key Channels," "Channel Diversification and the Development of New Markets," and "Further Improvement of the Business Structure."

The first challenge, "Drastic Reforms of Key Channels," is the "Medium-Term Business Plan's" core initiative. (See following page.)

The second challenge, "Channel Diversification and the Development of New Markets," promotes channel diversification centered on bank OTC sales to satisfy customers' wide-ranging needs. In addition to maintaining our advantages in the corporate market, we will work to develop new market segments, such as retirees from companies and the public sector.

The third challenge, "Further Improvement of the Business Structure," involves continuing efforts to strengthen our key functions as a life insurance company – underwriting, policyholder services and claim payment services. We shall simultaneously work to resolve negative spreads*, enhance our financial soundness and enrich dividend to policyholders.

*Negative Spread: the difference between planned investment income, which are based on estimated interest rate at the time of insurance premium calculation, and actual investment income.

(2) Overview of the "MOT Project for Creating a New Corporate Culture"

As it enters its second phase, the "MOT Project for Creating a New Corporate Culture" will not only continue existing initiatives such as the "MOT Proposal" scheme and enhancement of communications between management and employ-

ees, but will also promote the theme of "Hospitality" aimed at thoroughly enhancing customer satisfaction. When individual employees take the tenets of hospitality to heart, they are able to interact with customers in a warm and considerate manner. While taking into showing gratitude towards our colleagues as a basic policy, we have created a mechanism of exchanging words of thanks to fellow workers, and collected words of thanks from customers. We will be promoting and sharing case studies of these activities through company-wide participation in small group activities "More! MOT Campaign." An additional theme is to promote more drastic reforms of key channels, adding to efforts to improve manners and strengthen communications.

Through these initiatives, we shall further promote awareness of "Valuing our Customers," and through synergies with the "Medium-Term Business Plan," steadily put the "Meiji Yasuda Challenge Plan" into action.

Drastic Reforms of Key Channels

"Drastic Reforms of Key Channels" form an integral part of the new "Medium-Term Business Plan" from the perspectives of our proactive pursuit of enhanced customer satisfaction and our aim to achieve stable growth.

In order to enhance customer satisfaction levels, we believe the sales personnels who constitute our key channel for interfacing with customers should improve their communications skills and develop high-quality consulting and after-service skills.

To this end, we will implement vigorous and drastic reforms centered on the following initiatives with positive intent to innovate our existing business models and create new key channels.

- **Make the frequency of customer visits and service content a standard part of our "Ease of Mind Service Activities" to strengthen our communications with customers.**
- **Introduce a "Company Training Authorization System", promote efforts to enhance and regularize knowledge, skills and manners with a view to satisfying customers and winning their trust.**
- **Increase our sales personnel retention rate by stabilizing their treatment through higher salary levels with the requirement of "Ease of Mind Service Activities" and the "Company Training Authorization System."**
- **Strengthen hiring of high quality personnel and implement initial training that gives top priority to activities and acquiring skills.**

In addition to the above, we will change management approaches of Regional Offices and Branch Offices, so that they focus more on processes by strengthening guidance on after-service activities, raising employee consciousness, strengthening education, and altering the evaluation system.

We shall also establish sales and service approaches that better match the local situation, develop products and services that can respond to wide-ranging needs based on easy to understand products, and streamline our communications approach to answer a broad range of customer needs.