

Financial Section

Non-Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company

As of March 31, 2008 and 2007

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
ASSETS			
Cash and deposits:			
Cash	¥ 766	¥ 907	\$ 7.6
Deposits	296,137	261,994	2,955.7
Call loans	250,000	550,000	2,495.2
Monetary claims bought	445,898	248,985	4,450.5
Money-held-in-trust	—	9,875	—
Securities:			
Domestic bonds:			
Government bonds	7,309,657	7,266,501	72,957.9
Municipal bonds	684,869	374,383	6,835.7
Corporate bonds	1,624,875	1,652,935	16,217.9
Domestic stocks	4,193,532	5,608,122	41,855.7
Foreign securities	2,647,799	2,884,435	26,427.7
Other securities	78,988	93,854	788.3
Loans:			
Policy loans	384,226	398,197	3,834.9
Financial loans	5,867,161	6,045,928	58,560.3
Tangible fixed assets:			
Land	674,572	689,638	6,732.9
Buildings	384,755	401,476	3,840.2
Construction in progress	2,160	2,610	21.5
Other tangible fixed assets	6,533	5,642	65.2
Intangible fixed assets:			
Software	26,208	31,775	261.5
Other intangible fixed assets	39,248	27,828	391.7
Agency account receivable	29	299	0.2
Reinsurance account receivable	2,656	3,428	26.5
Other assets:			
Accounts receivable	133,870	95,300	1,336.1
Prepaid expenses	3,570	4,182	35.6
Accrued income	74,065	74,947	739.2
Security deposits and rental deposits	5,906	5,958	58.9
Deposits on financial futures	213	262	2.1
Margins on financial futures	12	3	0.1
Derivative financial instruments	5,989	70	59.7
Suspense payment	5,952	4,109	59.4
Miscellaneous assets	69,807	55,060	696.7
Deferred tax assets	12,953	—	129.2
Customers' liabilities for acceptances and guarantees	11,616	9,512	115.9
Reserves for possible loan losses	(10,603)	(11,018)	(105.8)
TOTAL ASSETS	¥25,233,431	¥26,797,211	\$251,855.7

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
LIABILITIES AND SURPLUS			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims	¥ 143,281	¥ 155,114	\$ 1,430.0
Policy reserves	21,670,167	21,752,931	216,290.7
Reserves for policyholder dividends	373,787	389,535	3,730.7
Agency account payable	0	0	0.0
Reinsurance account payable	2,515	3,216	25.1
Other liabilities:			
Deposits received on bonds lending	500,612	254,551	4,996.6
Loans payable	100,000	100,000	998.1
Corporate income tax payable and others	53,278	50,498	531.7
Account payable	78,568	111,587	784.1
Unpaid expenses	24,138	25,071	240.9
Unearned income	9,452	10,824	94.3
Employees' and agents' savings deposits	19,612	18,424	195.7
Deposits received for guarantee	40,344	40,273	402.6
Margins on financial futures	6	4	0.0
Derivative financial instruments	39	15	0.3
Suspense receipts	8,737	7,305	87.2
Accrued retirement benefits for directors and executive officers	777	—	7.7
Reserves for contingent liabilities	4,353	5,133	43.4
Reserves for price fluctuations	212,310	202,300	2,119.0
Deferred tax liabilities	—	617,559	—
Deferred tax liabilities on revaluation of land	122,634	126,569	1,224.0
Acceptances and guarantees	11,616	9,512	115.9
TOTAL LIABILITIES	23,376,235	23,880,431	233,319.0
(Net Assets)			
Foundation funds	60,000	120,000	598.8
Accumulated redeemed foundation funds	350,000	290,000	3,493.3
Revaluation reserves	452	452	4.5
Surplus retained:			
Reserves for loss compensation	6,497	5,959	64.8
Other surplus retained:			
Reserves for redemption of foundation funds	15,000	40,000	149.7
Accumulated fund for price fluctuations	15,264	15,264	152.3
Reserves for retirement benefits	2,113	1,944	21.0
Social welfare project promotion reserves	497	477	4.9
Reserves for advanced depreciation of real estate	19,138	19,950	191.0
Special reserves	2,000	2,000	19.9
Other reserves	85	85	0.8
Unappropriated surplus for the period	171,051	214,642	1,707.2
Total foundation funds and others	642,101	710,775	6,408.8
Unrealized gains (losses) on available-for-sale securities	1,131,732	2,115,313	11,295.8
Deferred hedge gains (losses)	11	1	0.1
Revaluation reserves for land	83,350	90,691	831.9
Total valuation and translation adjustments and others	1,215,094	2,206,005	12,127.8
TOTAL NET ASSETS	1,857,195	2,916,780	18,536.7
TOTAL LIABILITIES & NET ASSETS	¥25,233,431	¥26,797,211	\$251,855.7

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

Non-Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2008 and 2007

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
ORDINARY REVENUE			
Premium income and reinsurance refunds:			
Premium income	¥2,652,351	¥2,568,551	\$26,473.2
Refunds on reinsurance	1,349	1,724	13.4
Investment income and gain:			
Interest and dividends:			
Interest on deposits	1,080	166	10.7
Interest and dividends on securities	333,548	323,404	3,329.1
Interest on loans	127,008	133,478	1,267.6
Rental income	40,377	42,393	403.0
Other interest and dividends	11,127	6,840	111.0
Gains on money-held-in-trust	270	24	2.6
Gains on trading securities	0	1,637	0.0
Gains on securities sold	35,553	61,091	354.8
Gains on securities redeemed	21,183	16,690	211.4
Income for derivative financial instruments	3,908	376	39.0
Gains on foreign exchange	—	421	—
Other investment income	1,159	1,976	11.5
Gains on separate account assets investment	—	44,234	—
Other ordinary revenue:			
Annuity supplementary contract premiums	19,647	20,867	196.0
Benefits left to accumulate at interest	187,300	189,314	1,869.4
Reversal of outstanding claims	11,832	8,572	118.0
Reversal of policy reserves	82,764	—	826.0
Reversal of accrued pension and severance costs	15,457	31,351	154.2
Miscellaneous income	5,894	5,729	58.8
TOTAL ORDINARY REVENUE	3,551,816	3,458,848	35,450.8
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	925,534	810,209	9,237.7
Annuities paid	364,048	334,891	3,633.5
Benefits on policies paid	560,784	539,857	5,597.2
Surrender benefits paid	492,612	546,687	4,916.7
Other refunds paid	162,831	168,485	1,625.2
Reinsurance premiums	1,901	2,020	18.9
Provision for policy reserves and others:			
Provision for policy reserves	—	2,972	—
Interest on dividend reserves	1,218	332	12.1
Investment expenses and losses:			
Interest paid	6,418	5,111	64.0
Losses on securities sold	35,632	30,317	355.6
Losses on securities appraised	31,583	6,754	315.2
Losses on securities redeemed	286	88	2.8
Losses on foreign exchange	1,985	—	19.8
Provision for reserves for possible loan losses	—	4,031	—
Depreciation on real estate for rent	11,361	10,712	113.3
Other investment expenses	12,601	12,051	125.7
Losses on separate account assets investment	119,780	—	1,195.5
Operating expenses	323,870	329,959	3,232.5
Other ordinary expenses:			
Payments of benefits left to accumulate at interest	258,367	295,103	2,578.7
Taxes	20,561	21,284	205.2
Depreciation	23,435	23,758	233.9
Miscellaneous expenses	7,105	6,348	70.9
TOTAL ORDINARY EXPENSES	¥3,361,923	¥3,150,979	\$33,555.4

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
ORDINARY INCOME	¥189,893	¥307,869	\$1,895.3
Extraordinary profits:			
Gains on disposals of fixed assets	10,907	18,788	108.8
Reversal of reserves for possible loan losses	289	—	2.8
Other extraordinary profits	—	6	—
Extraordinary losses:			
Losses on disposals of fixed assets	8,466	29,676	84.4
Impairment losses	4,511	15,248	45.0
Provision for reserves for contingent liabilities	97	292	0.9
Provision for reserves for price fluctuations	10,009	6,647	99.9
Losses on advanced depreciation of real estate	40	24	0.3
Donations for social welfare project promotion	579	570	5.7
NET SURPLUS BEFORE TAXES	177,383	274,205	1,770.4
Provision for corporate income taxes	91,923	72,751	917.4
Corporate income tax equivalent adjustment	(77,721)	(39,964)	775.7
NET SURPLUS FOR THE PERIOD	¥163,182	¥241,417	\$1,628.7

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

Appropriation of Surplus

Meiji Yasuda Life Insurance Company

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
Unappropriated surplus for the period	¥171,051	¥214,642	\$1,707.2
Reversal of voluntary reserves:			
Reversal of reserves for advanced depreciation of real estate	439	861	4.3
Reversal of reserves for retirement benefits	484	—	4.8
TOTAL UNAPPROPRIATED SURPLUS	171,975	215,503	1,716.4
Provision for reserves for policyholder dividends	139,107	177,228	1,388.4
Net surplus for the period:			
Reserves for loss compensation	421	538	4.2
Interest on foundation funds	1,049	1,825	10.4
Voluntary reserves:			
Reserves for redemption of foundation funds	15,000	35,000	149.7
Reserve for price fluctuations	14,500	—	144.7
Reserves for retirement benefits	—	261	—
Social welfare promotion reserves	600	600	5.9
Reserves for advanced depreciation of real estate	1,298	49	12.9

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

Non-Consolidated Statement of Changes in Net Assets

Meiji Yasuda Life Insurance Company

From April 1, 2007 to March 31, 2008

	Millions of yen													
	Foundation funds and others												Total surplus retained and others	
	Surplus retained													
	Other surplus retained										Unappro- priated surplus			
	Founda- tion funds	Accumu- lated redeemed funds	Revalua- tion reserves	Reserves for loss compen- sation	Reserves for redemption of founda- tion funds	Accumu- lated fund for price fluctua- tions	Reserves for retirement benefits	Social welfare project promotion reserves	Reserves for advanced deprecia- tion of real estate	Special reserves		Other reserves		
Balance at March 31, 2007.....	¥120,000	¥290,000	¥452	¥5,959	¥40,000	¥15,264	¥1,944	¥477	¥19,950	¥2,000	¥85	¥214,642	¥300,322	¥710,775
Changes during the period:														
Transfer to reserves for policyholder dividends	—	—	—	—	—	—	—	—	—	—	—	(177,228)	(177,228)	(177,228)
Transfer to reserves for loss compensation	—	—	—	538	—	—	—	—	—	—	—	(538)	—	—
Transfer to accumulated redeemed foundation funds	—	60,000	—	—	—	—	—	—	—	—	—	—	—	60,000
Interest payment on foundation funds	—	—	—	—	—	—	—	—	—	—	—	(1,825)	(1,825)	(1,825)
Net surplus	—	—	—	—	—	—	—	—	—	—	—	163,182	163,182	163,182
Redemption of foundation funds	(60,000)	—	—	—	—	—	—	—	—	—	—	—	—	(60,000)
Transfer to reserves for redemption of foundation funds	—	—	—	—	35,000	—	—	—	—	—	—	(35,000)	—	—
Reversal of reserves for redemption of foundation funds	—	—	—	—	(60,000)	—	—	—	—	—	—	—	(60,000)	(60,000)
Transfer to reserves for retirement benefits	—	—	—	—	—	—	261	—	—	—	—	(261)	—	—
Reversal of reserves for retirement benefits	—	—	—	—	—	—	(92)	—	—	—	—	92	—	—
Transfer to social welfare project promotion reserves	—	—	—	—	—	—	—	600	—	—	—	(600)	—	—
Reversal of social welfare project promotion reserves	—	—	—	—	—	—	—	(579)	—	—	—	579	—	—
Transfer to reserves for advanced depreciation of real estate	—	—	—	—	—	—	—	—	49	—	—	(49)	—	—
Reversal of reserves for advanced depreciation of real estate	—	—	—	—	—	—	—	—	—	(861)	—	861	—	—
Reversal of revaluation reserves for land	—	—	—	—	—	—	—	—	—	—	—	7,197	7,197	7,197
Net changes in items other than foundation funds and others	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total changes during the period	(60,000)	60,000	—	538	(25,000)	—	169	20	(811)	—	—	(43,590)	(68,674)	(68,674)
BALANCE AT MARCH 31, 2008	¥60,000	¥350,000	¥452	¥6,497	¥15,000	¥15,264	¥2,113	¥497	¥19,138	¥2,000	¥85	¥171,051	¥231,648	¥642,101

	Millions of yen				
	Valuation and translation adjustments and others				Total net assets
	Unrealized gains (losses) on available-for-sale securities	Deferred hedge gains (losses)	Revaluation reserves for land	Total valuation and translation adjustments and others	
Balance at March 31, 2007	¥2,115,313	¥1	¥90,691	¥2,206,005	¥2,916,780
Changes during the period:					
Transfer to reserves for policyholder dividends	—	—	—	—	(177,228)
Transfer to reserves for loss compensation	—	—	—	—	—
Transfer to accumulated redeemed foundation funds	—	—	—	—	60,000
Interest payment on foundation funds	—	—	—	—	(1,825)
Net surplus	—	—	—	—	163,182
Redemption of foundation funds	—	—	—	—	(60,000)
Transfer to reserves for redemption of foundation funds	—	—	—	—	—
Reversal of reserves for redemption of foundation funds	—	—	—	—	(60,000)
Transfer to reserves for retirement benefits	—	—	—	—	—
Reversal of reserves for retirement benefits	—	—	—	—	—
Transfer to social welfare project promotion reserves	—	—	—	—	—
Reversal of social welfare project promotion reserves	—	—	—	—	—
Transfer to reserves for advanced depreciation of real estate	—	—	—	—	—
Reversal of reserves for advanced depreciation of real estate	—	—	—	—	—
Reversal of revaluation reserves for land	—	—	—	—	7,197
Net changes in items other than foundation funds and others	(983,580)	10	(7,340)	(990,910)	(990,910)
Total changes during the period	(983,580)	10	(7,340)	(990,910)	(1,059,584)
BALANCE AT MARCH 31, 2008	¥1,131,732	¥11	¥83,350	¥1,215,094	¥1,857,195

Notes to Non-Consolidated Financial Statements

Meiji Yasuda Life Insurance Company

1. Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the Insurance Business Law and the Enforcement Regulations thereunder and in accordance with standard accounting principles and procedures followed by life insurance companies in Japan.

2. Significant Accounting Policies

(1) Valuation Basis and Method of Securities

- a. Trading Securities are stated at fair value based mainly on the business year-end closing market price (Cost of their sales is determined by the moving average method).
- b. Held-to-Maturity Debt Securities are stated at amortized cost using the moving average method (straight-line method).
- c. Stock Securities Issued by Subsidiaries and Affiliates are stated at cost using the moving average method (refers to stock securities issued by those subsidiaries prescribed under Article 2 Paragraph 12 of the Insurance Business Law, child companies, etc., excluding subsidiaries, prescribed under Article 2-3 Paragraph 2 of the Enforcement Regulations of the Insurance Business Law and other affiliates prescribed under Paragraph 3 of the same Article).
- d. Available-for-sale Securities
 - Stock securities for which market quotations are available are stated at fair value based on the average market price during March. Others are stated at market price built on market value method at the end of March. (Cost of their sales is determined by the moving average method)
 - Stock securities for which market quotations are unavailable
 - i) Bonds and debentures (including bonds issued overseas) for which the difference in acquisition amounts are recognized as the difference in interest rate adjustment are stated at amortized cost using the moving average method (straight-line method)
 - ii) Stock Securities that are not classified in categories (i) are stated at cost methods using the moving average method.With Available-for-sale Securities, valuation differences are computed using the net asset adjustment method.

(2) Derivative Transactions

Derivative transactions are stated at fair value.

(3) Depreciation of Tangible Fixed Assets

Depreciation of tangible fixed assets is determined according to the following methods.

- Buildings
 - 1) Acquired on or before March 31, 2007
The former straight-line method.
 - 2) Acquired on or after April 1, 2007
The straight-line method.
- Tangible fixed assets other than buildings
 - 1) Acquired on or before March 31, 2007
The former declining balance method.
 - 2) Acquired on or after April 1, 2007
The declining balance method.

(4) Depreciation of Computer Software

Depreciation of computer software included under intangible fixed assets is calculated according to the straight-line method based on the useful life of the product.

(5) Foreign Exchange Rate

Assets and liabilities denominated in foreign currencies other than the stock issued by subsidiaries and affiliates are converted into yen at the exchange rates prevailing on the last business day of March. The stock issued by subsidiaries and affiliates is converted into yen at the exchange rates prevailing on the date of their acquisition.

(6) Calculation Criteria for Reserves etc.

1) Reserves for Possible Loan Losses

- a. Reserves for possible loan losses are calculated according to the Company's internal standards for risk assessment of assets and the rules for the write-off and provision of reserves. All loans are assessed by the departments concerned and the results are audited by an independent Auditing Department.
- b. For loans to legally bankrupt and substantially bankrupt borrowers, reserves are provided at the balance outstanding after the direct deduction shown below and deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- c. For loans to borrowers with high possibility of bankruptcy, reserves are provided at the required portion of the balance outstanding, based on a general assessment of financial solvency, after deduction of the net amount collectible through the disposal of collateral or the execution of guarantees.
- d. Reserves for possible loan losses on other loans are calculated on a historical basis according to the actual rate of loan losses over a given period.
- e. Where loans to legally bankrupt or substantially bankrupt borrowers are covered by collateral or guarantees, the balance after deduction of the assessed value of the collateral and the amount considered to be collectible through the execution of guarantees is directly deducted from the loans outstanding. In FY2007, these direct deductions amounted to ¥120 million.

2) Accrued Pension and Severance Costs

To provide for the payment of retirement benefits in the future, the retirement benefits are provided at the amount accrued at the end of the year, based on the Accounting Standards for Retirement Benefits.

The projected pension assets exceeded the projected retirement benefit obligations at the end of the current fiscal year. The balance of the accrued pension and severance costs was zero.

3) Accrued for Retirement Benefits for Directors and Executive Officers

In order to pay retirement allowances and bonuses to directors and executive officers, a portion of the projected payable amount that is recognized to have accrued at the end of the fiscal year is set aside as reserves for retirement benefits.

4) Reserves for Contingent Liabilities

Reserves for contingent liabilities are provided based on the amount of estimated possible losses in the future with respect to securitization of receivable. These reserves are provided in compliance with Article 24-4 of Enforcement Regulations of Insurance Business Law.

5) Reserves for Price Fluctuations

Reserves for price fluctuations are calculated in accordance with Article 115 of the Insurance Business Law.

(7) Lease Transactions

Except for lease transactions in which ownership of leased properties is deemed to be transferred to the lessee, all finance lease transactions are accounted for in accordance with the methods used for normal lease transactions.

(8) Method of Hedge Accounting

Hedging transactions have been accounted for in accordance with the "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan (ASBJ), June 15, 2007). These transactions consist primarily of: interest rate swaps used as a cash flow hedge related to loans and loans payable, which are treated exceptionally; deferral hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency-denominated time deposits; and market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency-denominated bonds.

Decisions on the effectiveness of market-based hedges are based on comparative analyses of variations in the fair value of the underlying hedge variables and the hedging method used.

(9) Consumption Tax

Consumption and local consumption taxes and the base price are recorded separately. Note that deferred consumption taxes on assets that do not qualify as deductive expenses are recorded as prepaid expenses and amortized on a straight-line basis over a five year period. Other consumption taxes that do not qualify as deductive expenses are recorded as expenses for the fiscal year in which they are incurred.

(10) Policy Reserves

Policy reserves are provided in accordance with Article 116 of the Insurance Business Law. The amounts are calculated using the following methods.

- a. Reserves for policies subject to the standard policy reserve requirement are calculated according to ordinances stipulated by the Prime Minister.
- b. Reserves for other policies are calculated on the basis of the net level premium method.

3. Changes in Accounting Policies

(1) Depreciation of Tangible Fixed Assets

Pursuant to revisions to the Corporation Tax Law (the Law for the Partial Revision of the Income Tax Law, Law No. 6 of March 30, 2007) and the Cabinet Order for the Partial Revision of the Corporation Tax Law, Cabinet Order No. 83 of March 30, 2007), tangible fixed assets acquired on or after April 1, 2007 have been depreciated according to the declining balance method and the straight-line method stipulated by the revised Law.

As a result, Ordinary Income and Net Surplus before Taxes declined by ¥141 million compared with the previous accounting method.

Tangible fixed assets acquired on or before March 31, 2007 are to be amortized on a straight-line basis over a five-year period from the year after the end of depreciation up to the former depreciable limit.

As a result, Ordinary Income and Net Surplus before Taxes declined by ¥1,260 million.

(2) Calculation Criteria for Reserves

Retirement benefits for directors and executive officers were formerly recorded as expenses at the time of payment. However, in light of the increasingly common accounting practice of recording them as reserves for retirement benefits for directors and executive officers, and following the announcement of the "Treatment for Auditing of Reserve under Special Taxation Measures Law, Reserve on Allowance under Special Laws and Reserve for Retirement Benefits to Directors and Corporate Auditors" (JICPA Audit and Assurance Practice. Committee Report No.42), a portion of the projected payable amount based on internal regulations that is recognized to have accrued at the end of the fiscal year is set aside as reserves for retirement benefits in order to pay retirement allowances and bonuses to directors and executive officers.

As a result, Ordinary Income and Net Surplus before Taxes declined by ¥777 million compared with the previous accounting method.

(3) Policy Reserves

From the current fiscal year, the difference arising from calculations of premium reserves using the expected rate of interest of 2.75% for individual annuity contracts concluded under the provisions of Article 69 Paragraph 5 of the Regulations for the Enforcement of the Insurance Business Law on or before April 1, 1996 is to be additionally set aside over a period of three years (or, in the case of contracts for pensions whose payments have yet to start as of the end of the current fiscal year, on each occasion following the start of pension payments for the portion for pensions following the start of payments).

This change reflects ongoing progress in the trend towards mark-to-market accounting for insurance liabilities in Japan and overseas following the publication of the International Accounting Standards Board's discussion paper "Preliminary Views on Insurance Contracts" and the Financial Services Agency of Japan's report on calculation standards for the solvency margin ratio since fiscal 2007. It was designed to strengthen the company's financial profile by setting aside additional policy reserves against individual annuity insurance contracts, which have many of the characteristics of savings, and to improve future balance of payment by aiming for an early resolution to negative spreads.

By drawing down ¥279,893 million from the contingency reserve included in the policy reserves and appropriating it as a portion of the additional policy reserves, the company had set aside 65% of the required amount as of the end of the current fiscal year, which is the first year for building these reserves.

Compared with the situation if additional reserves had not been set aside, policy reserves increased by ¥109,044 million, while Ordinary Income and Net Surplus before Taxes decreased by ¥109,044 million.

4. Balance Sheets

(1) Depreciation on Tangible Fixed Assets

Accumulated depreciation on tangible fixed assets totaled ¥428,529 million.

(2) Assets and Liabilities for Separate Accounts

Combined assets and liabilities for separate accounts, prescribed in Article 118 of the Insurance Business Law, amounted to ¥713,742 million.

(3) Resource of Surplus Distribution

The resource of surplus distribution as provided for in Article 30-2 of the Enforcement Regulations of the Insurance Business Law was ¥1,215,547 million.

(4) Monetary Claims on and Monetary Liabilities to Subsidiaries

Total monetary claims from the Company's subsidiaries amounted to ¥3,834 million, while total monetary liabilities owed to subsidiaries amounted to ¥3,412 million.

(5) Leased Movables

The Company holds leased movables, including computers and peripherals, in addition to the other tangible fixed assets reported on the Balance Sheets.

(6) Reserves for Policyholder Dividends

Changes in the reserves for policyholder dividends for FY2007 are shown below:

a. Amount at the end of FY2006	¥389,535 million
b. Provision from surplus for FY2006	¥177,228 million
c. Dividends to policyholders in FY2007	¥194,247 million
d. Interest on reserves	¥ 1,272 million
e. Balance at the end of FY2007	¥373,787 million

(7) Assets and Liabilities Denominated in Foreign Currencies

Assets denominated in foreign currencies totaled ¥2,131,030 million. (The main foreign currencies are US\$11,568 million and EUR 4,270 million.) Liabilities denominated in foreign currencies totaled ¥2,023 million. (The main foreign currencies are US\$13 million and EUR 1 million.)

(8) Reserves for Redemption of Foundation Funds

Since ¥60,000 million of the foundation funds was amortized, the same amount of reserves for redemption of foundation funds was transferred to the accumulated redeemed foundation funds under the provisions of Article 56 of the Insurance Business Law.

(9) Assets Pledged as Collateral

Assets pledged as collateral amounted to ¥17,718 million in securities.

(10) Non-Performing Loans

- Non-performing loans, including loans to borrowers under bankruptcy proceedings, past due loans, loans past due for three months or more, and restructured loans totaled ¥42,330 million. Loans to borrowers under bankruptcy proceedings amounted to ¥1,660 million and past due loans totaled ¥14,415 million.
- The estimated uncollectible amount for loans to bankrupt borrowers and past due loans was directly deducted from the outstanding balance. These deductions came to ¥67 million for loans to bankrupt borrowers and ¥53 million for past due loans.
- Loans to borrowers under bankruptcy proceedings are nonaccrual loans for which events defined in Articles 96-1, subparagraphs 3 (i-v) and 4 of the Enforcement Regulations of the Corporate Income Tax Law (the Ordinance No. 97, 1965) have taken place. Accrued interest is not recorded as income due to substantial doubt over the ability to collect interest or principal because of delay in payment for extended periods.
- Past due loans are nonaccrual loans, other than loans to bankrupt borrowers, and loans whose interest payments are postponed to support the reconstruction efforts of borrowers.
- There were no loans past due for three months or more. Loans past due for three months or more are loans for which interest

or principal payments are delinquent for three months or more under terms of the respective loans but not classified as loans to borrowers under bankruptcy proceedings or past due loans.

- Restructured loans, excluding the above, totaled ¥26,254 million. Restructured loans are those subject to certain favorable concessions, including reduced interest rates or moratorium on interest payments, moratorium on repayments, or debt forgiveness, which are made to support the reconstruction efforts of borrowers.

(11) Securities Lent

The balance sheet amount of the securities lent under consumption loan agreements, including sales and repurchase transactions ("repo") was ¥833,061 million.

(12) The Balance of Funds not yet Provided in Financing through Commitment Line Agreements for Loans

The balance of funds not yet provided in financing through commitment line agreements for loans totaled ¥10,208 million.

(13) Loans Payable

Loans payable are subordinated debts whose repayment is subordinated to other obligation.

(14) Contribution to Life Insurance Policyholders' Protection Corporation of Japan

The amount of the future contribution to the Life Insurance Policyholders' Protection Corporation of Japan, founded in accordance with Article 259 of the Insurance Business Law, is estimated at ¥58,760 million. The contribution is recorded as an operating expense at the time of payment.

(15) Liability for Retirement Benefits

The itemization of the Liability for Retirement Benefits is as listed below:

a. Benefit obligation	–¥381,700 million
b. Plan assets	¥426,253 million
Including retirement benefit trust	¥238,109 million
c. Non-accumulated liability for retirement benefits (a+b)	¥ 44,552 million
d. Unrecognized actuarial loss	¥ 18,822 million
e. Unrecognized prior service cost	–¥ 12,965 million
f. Pre-paid plan cost	¥ 50,409 million
g. Accrued pension and severance costs (c+d+e–f)	¥ — million

A calculation of Liability for Retirement Benefits is as listed below:

a. Allocation of expected retirement benefit payments	Fixed payments over a period of time
b. Discount rate	2.0%
c. Expected rate of return on plan assets	
Approved pension fund	3.0%
Retirement benefit trust	0.0%
d. Years for amortization of gain and loss	10 years
e. Years for amortization of prior service cost	10 years

(16) Deferred Tax Assets and Liabilities

- Deferred tax assets, which amount to ¥671,345 million, consist mainly of ¥428,288 million on policy reserves and others, ¥92,109 million on losses on securities appraised, ¥76,750 million on reserves for price fluctuations, and ¥43,939 million on accrued pension and severance costs. The amount of deferred tax assets deducted as allowance account was ¥4,121 million.

- b. Deferred tax liabilities, which amount to ¥654,271 million, consist mainly of ¥621,840 million on unrealized gains on available-for-sale securities.
- c. The statutory effective tax rate for FY2007 was 36.15%. The difference between the statutory effective tax rate and the tax burden ratio after applying tax effect accounting consists primarily of a decrease of 27.53% in reserves for policyholder dividends.

(17) Revaluation of Land for Business

- a. Land used for the Company's business was revalued at publicly disclosed prices, in accordance with the Law concerning the Revaluation of the Land (Law No. 34, promulgated on March 31, 1998).
- b. Unrealized gains on the revaluation of land, net of deferred tax, was reported as revaluation reserves for land within net assets, and the relevant deferred tax was included in liabilities as deferred tax liabilities on revaluation of land.
- c. Date of revaluation: March 31, 2000
Method of revaluation as provided in Article 3-3 of the law:
The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments.
- d. The date and method related to the revaluation reserves of land acquired from The Yasuda Mutual Life Insurance Company upon the merger on January 1, 2004, are as follows.
Date of revaluation: March 31, 2001
Method of revaluation as provided in Article 3-3 of the law:
The fair value of land is determined based on revisions to the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-1 of the Law Concerning the Revaluation of Land (Law No. 119, issued on March 31, 1998) after making reasonable adjustments or to the Law Concerning Appraised Values, as stipulated in Article 2-5.

(18) Subsidiaries' Shares

The shares of subsidiaries were valued at ¥156,700 million.

(19) Others

The reserves for outstanding claims corresponding to the portion of reinsurance provided for under Article 71-1 of the Enforcement Regulations of Insurance Business Law applied mutatis mutandis to Article 73-3 amounted to ¥83 million, and the underwriting reserves provided for under Article 71-1 of the Enforcement Regulations of Insurance Business Law amounted to ¥635 million.

5. Operations and Surplus

(1) Transactions with Subsidiaries

Total profits from transactions with the Company's subsidiaries amounted to ¥15,289 million, while total expenses amounted to ¥29,725 million.

(2) Gains and Losses on Securities

- a. Gains on securities sold are ¥2,631 million from domestic bonds, ¥11,910 million from domestic stocks, and ¥21,010 million from foreign securities.
- b. Losses on securities sold are ¥9,937 million from domestic bonds and ¥499 million from domestic stocks, and ¥25,195 million from foreign securities.

- c. Losses on securities appraised are ¥28,584 million from domestic stocks, and ¥2,971 million from foreign securities.

(3) Reversal of Outstanding Claims and Policy Reserves

When calculating the reversal of outstanding claims, the additional amount of the provision of outstanding claims for ceded reinsurance was ¥69 million. When calculating the reversal of policy reserves, the deduction amount of the reversal of policy reserves for ceded reinsurance was ¥58 million.

(4) Gains on Money-Held-in-Trust

Gains on money-held-in-trust include valuation gains of ¥72 million.

(5) Income for Derivative Financial Instruments

Income for derivative financial instruments included valuation gains of ¥3,787 million.

(6) Cost of Retirement Benefits

The itemization of cost of retirement benefits is as listed below:

a. Service cost	¥11,114 million
b. Interest cost.....	¥ 7,795 million
c. Expected return on plan assets	-¥ 6,301 million
d. Amortization of actuarial loss	-¥ 3,854 million
e. Amortization of prior service cost	-¥ 2,562 million
f. Others	¥ 16 million
Net Benefit Cost amounted to	¥6,209 million (a+b+c+d+e+f).

(7) Impairment Losses

Impairment losses for the year are as itemized below:

- Asset grouping method
Real estate, etc., provided for the use of the insurance business, etc., is treated as a single asset group for the overall insurance business, etc. For rental real estate and idle real estate, etc., not provided for the use of the insurance business, each individual property is treated as a single asset group.
- Developments leading to recognition of impairment losses
Since there were marked declines in the profitability or fair value of some asset groups as a result of the deterioration in real estate business conditions, book values were reduced to the amounts collectible, and the amounts of reduction were reported under extraordinary losses as impairment losses.
- Itemization of asset groups for which impairment losses were recognized, and impairment losses posted by type of fixed asset

Use	No. of cases	Impairment loss (¥ million)		
		Land	Buildings	Total
Rental real estate, etc.	2	264	264	529
Idle real estate, etc.	49	1,872	2,109	3,982
Total	51	2,137	2,373	4,511

4) Calculations of collectible amounts

The collectible amounts applied are the value in use or net sales value in the case of rental real estate, etc., and the net sales value in the case of idle real estate. Value in use has been calculated as the future cash flow after reflecting estimated divergence risk, discounted by 2.95%. The net sales value is calculated on the basis of the price obtained by deducting estimated disposal expenses from the appraisal value based on real estate appraisal criteria, or the appraisal price based on the posted price.

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)

	FY2007	FY2006
Individual life insurance	¥115,629,745	¥124,662,648
Individual annuities	11,202,259	11,134,807
Group life insurance	107,602,965	108,324,717
Group pensions*	6,563,311	6,708,063

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

1-2. Life Insurance and Group Pensions New Business

(Millions of Yen)

	FY2007	FY2006
Individual life insurance	¥3,954,799	¥4,980,255
Individual annuities	528,584	550,816
Group life insurance	1,346,916	1,391,195
Group pensions*	130	604

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

1-3. Premium Income

(Millions of Yen)

	FY2007	FY2006
Individual life insurance	¥1,283,081	¥1,299,369
Individual annuities	254,603	245,008
Group life insurance	330,176	352,309
Group pensions	733,699	619,292
TOTAL*	¥2,652,351	¥2,568,551

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

1-4. Insurance Benefits Paid

(Millions of Yen)

	FY2007					FY2006
	Individual life	Individual annuities	Group life	Group pensions	Total*	Total*
Claims paid:						
Death benefits	¥266,944	¥ 1,526	¥164,203	—	¥438,271	¥465,874
Accidental death benefits	4,005	2	432	—	4,516	5,178
Disability benefits	42,754	145	10,690	—	53,599	41,665
Maturity benefits	325,890	16	38	101,616	428,716	297,185
Others	420	—	4	—	431	305
Annuities paid	25,265	154,583	21,598	157,960	364,048	334,891
Benefits on policies paid:						
Death benefits	1,475	12,580	4	4,071	18,378	17,681
Hospitalization benefits	43,716	1,517	466	—	47,424	47,498
Operation benefits	21,059	857	—	—	21,917	19,946
Injury benefits	1,122	3	129	—	1,255	1,099
Survivor benefits	96,628	2,164	—	—	100,917	107,361
Lump sum benefits	—	—	205	337,741	337,946	313,356
Others	29,450	98	—	3,389	32,944	32,913
Surrender benefits paid	264,562	111,517	—	89,085	492,612	546,687

*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)	
	FY2007	FY2006
Cash, deposits and call loans	¥ 521,087	¥ 796,633
Monetary claims bought	445,898	248,985
Money-held-in-trust	—	9,875
Securities:		
Domestic bonds	9,423,116	9,110,231
Domestic stocks	3,970,560	5,303,790
Foreign securities:		
Foreign bonds	1,651,961	1,594,870
Foreign stocks	791,699	1,008,802
Others	63,198	80,804
Loans:		
Policy loans	384,226	398,197
Financial loans	5,867,161	6,045,928
Real estate	1,061,488	1,093,724
Deferred tax assets	12,953	—
Others	346,403	282,417
Reserves for possible loan losses	(10,603)	(11,018)
TOTAL	¥24,529,151	¥25,963,243
(Assets denominated in foreign currencies)	¥ 1,925,011	¥ 2,127,798

2-2. Average Balances of Assets

	(Millions of Yen)	
	FY2007	FY2006
Cash, deposits and call loans	¥ 575,105	¥ 542,051
Monetary claims bought	501,256	194,607
Money-held-in-trust	9,893	9,892
Domestic bonds	9,162,015	8,983,319
Domestic stocks	2,481,262	2,523,280
Foreign securities:		
Foreign bonds	1,532,858	1,541,661
Foreign stocks	681,509	668,857
Loans	6,456,142	6,675,966
(Financial loans)	6,065,439	6,267,802
Real estate	1,090,795	1,182,607
TOTAL	¥23,397,066	¥23,168,620
(Overseas investments)	¥ 2,643,474	¥ 2,682,631

2-3. Investment Income and Gain

	(Millions of Yen)	
	FY2007	FY2006
Interest and dividends	¥513,142	¥506,283
Gains on money-held-in-trust	270	24
Gains on trading securities	0	1,637
Gains on securities sold	35,553	61,091
Gains on securities redeemed.....	21,183	16,690
Income for derivative financial instruments ...	3,908	376
Gains on foreign exchange	—	421
Others	1,159	1,976
TOTAL	¥575,217	¥588,502

2-4. Investment Expenses and Losses

	(Millions of Yen)	
	FY2007	FY2006
Interest paid	¥ 6,418	¥ 5,111
Losses on securities sold	35,632	30,317
Losses on securities appraised	31,583	6,754
Losses on securities redeemed	286	88
Losses on foreign exchange	1,985	—
Provisions of reserves for possible loan losses ...	—	4,031
Depreciation of real estate for rent	11,361	10,712
Others	12,601	12,051
TOTAL	¥99,870	¥69,067

2-5. Net Investment Returns

	(%)	
	FY2007	FY2006
Cash, deposits and call loans	0.45	0.17
Monetary claims bought	1.33	1.40
Money-held-in-trust	2.74	0.24
Domestic bonds	1.49	1.39
Domestic stocks	2.31	4.22
Foreign securities:		
Foreign bonds	3.93	4.79
Foreign stocks	9.00	7.28
Loans	1.97	1.96
(Financial loans)	1.79	1.77
Real estate	2.16	2.17
TOTAL	2.03	2.24
(Overseas investments)	4.97	5.00

2-6. Breakdown of Securities Investment

	(Millions of Yen)	
	FY2007	FY2006
Domestic bonds:		
Government bonds	¥ 7,156,027	¥ 7,141,073
Municipal bonds	676,148	365,963
Corporate bonds	1,590,940	1,603,194
(Public corporation bonds)	715,232	719,458
Domestic stocks	3,970,560	5,303,790
Foreign securities:		
Foreign bonds	1,651,961	1,594,870
Foreign stocks	791,699	1,008,802
Others	63,198	80,804
TOTAL	¥15,900,536	¥17,098,498

2-7. Breakdown of Loans

	(Millions of Yen)	
	FY2007	FY2006
Policy loans	¥ 384,226	¥ 398,197
Financial loans:		
(Overseas loans)	357,036	381,155
Corporate loans	5,058,989	5,187,664
(to domestic corporations)	4,945,661	5,063,100
Loans to governments and supranationals	210,070	209,716
Loans to public organizations	183,016	199,276
Housing loans	200,480	212,969
Consumer loans	210,144	232,313
Others	4,461	3,987
TOTAL	¥6,251,388	¥6,444,126

Securities and Others with Market Value*

	(Millions of Yen)				
	FY2007				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥ 9,306,462	¥ 9,553,191	¥ 246,728	¥ 259,754	¥ 13,026
Domestic stocks	2,188,526	3,709,804	1,521,278	1,542,320	21,042
Foreign securities:					
Foreign bonds	1,610,766	1,648,936	38,169	71,445	33,276
Foreign stocks	375,367	463,266	87,899	126,137	38,238
Other securities	31,704	37,839	6,134	6,814	679
Others**	508,105	514,174	6,069	6,211	141
TOTAL	¥14,020,933	¥15,927,213	¥1,906,279	¥2,012,685	¥106,406

	(Millions of Yen)				
	FY2006				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥ 9,084,752	¥ 9,133,450	¥ 48,698	¥ 85,441	¥36,743
Domestic stocks	2,222,452	5,039,988	2,817,535	2,828,533	10,997
Foreign securities:					
Foreign bonds	1,469,264	1,592,686	123,421	128,144	4,722
Foreign stocks	432,286	762,346	330,059	331,530	1,471
Other securities	41,472	55,660	14,188	14,269	80
Others**	262,251	262,515	265	1,123	857
TOTAL	¥13,512,479	¥16,846,647	¥3,334,168	¥3,389,042	¥54,873

* 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)

	FY2007				FY2006			
	Foreign securities			Overseas loans	Foreign securities			Overseas loans
	Total	Bonds	Stocks		Total	Bonds	Stocks	
North America	¥ 718,410	¥ 654,168	¥ 64,241	¥ 62,700	¥ 812,565	¥ 734,559	¥ 78,006	¥ 92,882
Europe	976,885	767,642	209,242	152,500	1,061,053	656,041	405,012	146,500
Oceania	65,188	65,188	—	—	40,840	40,840	—	—
Asia	7,653	3,000	4,653	11,792	12,681	6,000	6,681	7,374
Latin America	591,761	78,199	513,561	5,398	621,536	102,433	519,102	6,610
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	3,532	1,003	1,003	—	3,925
Supranationals	83,762	83,762	—	121,113	53,992	53,992	—	123,864
TOTAL	¥2,443,660	¥1,651,961	¥791,699	¥357,036	¥2,603,672	¥1,594,870	¥1,008,802	¥381,155

3. Non-performing Loans

(Millions of Yen)

	FY2007	FY2006
Loans to bankrupt borrowers	¥ 1,660	¥ 1,463
Past due loans	14,415	16,159
Loans past due three months or more	—	—
Restructured loans	26,254	28,035
TOTAL	¥42,330	¥45,658
Non-performing loans/total loans	0.68%	0.71%

4. Outline of Reserves

4-1. Policy Reserves

(Millions of Yen)

	FY2007	FY2006
Policy reserves:		
Individual life insurance	¥ 8,431,079	¥ 8,691,229
Individual annuities	5,534,528	5,013,298
Group life insurance	168,297	170,358
Group pensions	6,563,311	6,708,063
Others	255,955	260,451
Reserves for contingencies	716,995	909,530
TOTAL	¥21,670,167	¥21,752,931

4-2. Other Reserves

(Millions of Yen)

	FY2007	FY2006
Reserves for possible loan losses:		
General reserves for possible loan losses	¥ 2,072	¥ 1,816
Specific reserves for possible loan losses	8,530	9,201
Specific reserves for country risk	—	—
Accrued pension and severance costs	0	0
Accrued retirement benefits for directors and executive officers	777	—
Reserves for contingent liabilities	4,353	5,133
Reserves for price fluctuations	212,310	202,300

Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2008 and 2007

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
ASSETS			
Cash and deposits	¥ 352,750	¥ 290,989	\$ 3,520.8
Call loans	250,000	550,000	2,495.2
Monetary claims bought	445,898	248,985	4,450.5
Money-held-in-trust	—	9,875	—
Securities	16,519,592	17,844,360	164,882.6
Loans	6,270,008	6,462,531	62,581.1
Tangible fixed assets	1,081,881	1,135,520	10,798.2
Intangible fixed assets	67,429	61,580	673.0
Agency account receivable	1,449	1,657	14.4
Reinsurance account receivable	2,771	3,615	27.6
Other assets	305,162	247,086	3,045.8
Deferred tax assets	17,049	3,138	170.1
Customers' liabilities for acceptances and guarantees	11,616	9,512	115.9
Reserves for possible loan losses	(10,655)	(11,073)	(106.3)
TOTAL ASSETS	¥25,314,955	¥26,857,780	\$252,669.4
LIABILITIES			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims	¥ 148,918	¥ 160,687	\$ 1,486.3
Policy reserves	21,726,193	21,814,727	216,849.9
Reserves for policyholder dividends	373,787	389,535	3,730.7
Agency account payable	9	9	0.0
Reinsurance account payable	2,691	3,383	26.8
Other liabilities	865,342	624,459	8,637.0
Accrued pension and severance costs	609	564	6.0
Accrued retirement benefits for directors and executive officers	777	—	7.7
Reserves for contingent liabilities	4,353	5,133	43.4
Reserves for price fluctuations	212,804	202,806	2,124.0
Deferred tax liabilities	—	617,559	—
Deferred tax liabilities on revaluation of land	122,634	126,569	1,224.0
Acceptances and guarantees	11,616	9,512	115.9
TOTAL LIABILITIES	23,469,739	23,954,948	234,252.3
(Net Assets)			
Foundation funds	60,000	120,000	598.8
Accumulated redeemed foundation funds	350,000	290,000	3,493.3
Revaluation reserves	452	452	4.5
Consolidated surplus	224,567	285,994	2,241.4
Total foundation funds and others	635,020	696,447	6,338.1
Unrealized gains (losses) on available-for-sale securities	1,132,404	2,115,487	11,302.5
Deferred hedge gains (losses)	11	1	0.1
Revaluation reserves for land	83,350	90,691	831.9
Currency translation adjustment	(9,314)	(1,973)	(92.9)
Total valuation and translation adjustments and others	1,206,452	2,204,205	12,041.6
Minority interests	3,743	2,179	37.3
TOTAL NET ASSETS	1,845,216	2,902,831	18,417.1
TOTAL LIABILITIES & NET ASSETS	¥25,314,955	¥26,857,780	\$252,669.4

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2008 and 2007

	Millions of Yen		Millions of U.S. Dollars*
	FY2007	FY2006	FY2007
ORDINARY REVENUE			
Premium income and reinsurance refunds	¥2,675,801	¥2,592,762	\$26,707.2
Investment income and gain:			
Interest and dividends	516,254	513,598	5,152.7
Gains on money-held-in-trust	270	24	2.6
Gains on trading securities	0	1,637	0.0
Gains on securities sold	35,553	61,091	354.8
Gains on securities redeemed	21,187	16,690	211.4
Income for derivative financial instruments	3,908	376	39.0
Gains on foreign exchange	—	420	—
Other investment income	6,486	2,383	64.7
Gains on separate account assets investment	—	44,234	—
Other ordinary revenue	342,679	273,301	3,420.2
TOTAL ORDINARY REVENUE	3,602,142	3,506,523	35,953.1
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	934,510	819,115	9,327.3
Annuities paid	364,479	335,312	3,637.8
Benefits on policies paid	563,056	542,108	5,619.8
Surrender benefits paid	497,004	550,477	4,960.6
Other refunds paid and expenses	164,733	170,505	1,644.2
Provision for policy reserves and others:			
Provision for policy reserves	—	2,972	—
Interest on dividend reserves	1,218	332	12.1
Investment expenses and losses:			
Interest paid	6,483	5,170	64.7
Losses on securities sold	35,655	30,375	355.8
Losses on securities appraised	31,584	6,754	315.2
Losses on securities redeemed	286	88	2.8
Losses on foreign exchange	1,985	—	19.8
Provision for reserves for possible loan losses	—	4,036	—
Write-down of loans	0	—	0.0
Depreciation on real estate for rent	11,584	10,945	115.6
Other investment expenses	13,676	13,189	136.5
Losses on separate account assets investment	119,780	—	1,195.5
Operating expenses	341,509	345,789	3,408.6
Other ordinary expenses	318,939	356,305	3,183.3
TOTAL ORDINARY EXPENSES	3,406,487	3,193,481	34,000.2
ORDINARY INCOME	195,654	313,041	1,952.8
Extraordinary profits:			
Gains on disposals of fixed assets	14,638	19,807	146.1
Reversal of reserves for possible loan losses	292	—	2.9
Other extraordinary profits	1	76	0.0
Extraordinary losses:			
Losses on disposals of fixed assets	8,474	29,689	84.5
Impairment losses	4,511	15,248	45.0
Provision for reserves for contingent liabilities	97	292	0.9
Provision for reserves for price fluctuations	10,018	6,664	99.9
Losses on advanced depreciation of real estate	40	24	0.3
Donations for social welfare project promotion	579	570	5.7
Other extraordinary losses	283	55	2.8
NET SURPLUS BEFORE TAXES	186,580	280,381	1,862.2
Provision for corporate income taxes	94,079	73,892	939.0
Corporate income tax equivalent adjustment	(78,598)	(42,278)	(784.4)
Minority interests	304	(89)	3.0
NET SURPLUS FOR THE PERIOD	¥ 170,793	¥ 248,856	\$ 1,704.6

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥100.19 to US\$1.00 prevailing on March 31, 2008.

Consolidated Statement of Changes in Net Assets
Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

From April 1, 2007 to March 31, 2008

	Millions of yen				
	Foundation funds and others				
	Foundation funds	Accumulated redeemed foundation funds	Revaluation reserves	Consolidated surplus	Total foundation funds and others
Consolidated balance at March 31, 2007	¥120,000	¥290,000	¥452	¥285,994	¥696,447
Consolidated changes during the period:					
Transfer to reserves for policyholder dividends	—	—	—	(177,228)	(177,228)
Transfer to accumulated redeemed foundation funds	—	60,000	—	—	60,000
Interest payment on foundation funds	—	—	—	(1,825)	(1,825)
Net surplus.....	—	—	—	170,793	170,793
Redemption of foundation funds.....	(60,000)	—	—	—	(60,000)
Reversal of reserves for redemption of foundation funds	—	—	—	(60,000)	(60,000)
Reversal of revaluation reserves for land	—	—	—	7,197	7,197
Others	—	—	—	(364)	(364)
Net changes in items other than foundation funds and others.....	—	—	—	—	—
Consolidated changes during the period	(60,000)	60,000	—	(61,426)	(61,426)
CONSOLIDATED BALANCE AT MARCH 31, 2008.....	¥ 60,000	¥350,000	¥452	¥224,567	¥635,020

	Millions of yen						
	Valuation and translation adjustments and others						
	Unrealized gains (losses) on available-for-sale securities	Deferred hedge gains (losses)	Revaluation reserves for land	Foreign currency translation adjustment account	Total valuation and translation adjustments and others	Minority interests	Total net assets
Consolidated balance at March 31, 2007	¥2,115,487	¥ 1	¥90,691	¥(1,973)	¥2,204,205	¥2,179	¥2,902,831
Consolidated changes during the period:							
Transfer to reserves for policyholder dividends	—	—	—	—	—	—	(177,228)
Transfer to accumulated redeemed foundation funds.....	—	—	—	—	—	—	60,000
Interest payment on foundation funds.....	—	—	—	—	—	—	(1,825)
Net surplus	—	—	—	—	—	—	170,793
Redemption of foundation funds	—	—	—	—	—	—	(60,000)
Reversal of reserves for redemption of foundation funds	—	—	—	—	—	—	(60,000)
Reversal of revaluation reserves for land.....	—	—	—	—	—	—	7,197
Others	—	—	—	—	—	—	(364)
Net changes in items other than foundation funds and others	(983,082)	10	(7,340)	(7,340)	(997,753)	1,564	(996,188)
Consolidated changes during the period.....	(983,082)	10	(7,340)	(7,340)	(997,753)	1,564	(1,057,615)
CONSOLIDATED BALANCE AT MARCH 31, 2008	¥1,132,404	¥11	¥83,350	¥(9,314)	¥1,206,452	¥3,743	¥1,845,216