



# Annual Report 2008

Meiji Yasuda Life Insurance Company, Year Ended March 31, 2008

# Meiji Yasuda Life Insurance Company



Ken-ichi Sekiguchi  
Chairman of the Board

Kenji Matsuo  
President

## Management Philosophy

As a pioneer in the life insurance industry, we commit ourselves to being a company that works to the spirit of mutual aid and endeavor to become a "Company that Values its Customers," provides them with high quality comprehensive insurance services, in which life insurance plays a core role, and delivers assured ease of mind and wealth.

Meiji Yasuda Life Insurance Company (Meiji Yasuda Life) was inaugurated on January 1, 2004, in an historic merger between two of Japan's major life insurers, Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company. These two companies, both established in the 1880s and with over 120 years of history and tradition to uphold, integrated their "pioneering spirits" to form a rejuvenated and innovative life insurance company. Today, Meiji Yasuda Life's 39,818 employees including sales personnel serve its customers through a worldwide network that encompasses its headquarters in Tokyo, 92 regional offices, 25 group marketing offices and 1,253 agency offices in Japan. Overseas offices include subsidiaries and affiliates in 8 cities around the world. At the end of fiscal 2007, Meiji Yasuda Life had ¥234,434 billion (US \$2,339 billion) worth of life insurance in force and total assets of ¥25,233 billion (US\$251 billion).

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# Financial Highlights

Meiji Yasuda Life Insurance Company

Years ended March 31

	Billions of Yen		Billions of U.S. Dollars*
	FY2007	FY2006	FY2007
Life Insurance in Force	¥234,434	¥244,122	\$2,339.8
Group Pensions in Force	6,563	6,708	65.5
Total Assets	25,233	26,797	251.8
For the years ended March 31, 2008 and 2007			
New Business**	4,483	5,531	44.7
Premium Income	2,652	2,568	26.4
Investment Income	513	506	5.1
Insurance Benefits Paid and Others	2,507	2,402	25.0

\* 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.

\*\* Figures in New Business are the amount of individual life insurance and annuities (adjusted for conversion).



Notes:

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 results from January 1 to March 31, 2004.

# A Message from the Management



Kenji Matsuo  
President

松尾憲治

## Overview of Fiscal 2007

Under the "Meiji Yasuda Revitalization Plan," launched in January 2006, which comprised the "Medium-Term Business Plan" and the "MOT Project for Creating a New Corporate Culture," we worked to ensure that compliance was rigorously enforced and aspired to the status of a "Company that Values its Customers." To establish the status we mobilized our entire workforce in our efforts to restore our customers' and society's trust in the company based on the concepts of becoming a company that delivers ease of mind to customers, values customers' views, and is open to society. We implemented the "Meiji Yasuda Revitalization Plan" mostly in line with our original intentions, and achieved sound results from our efforts to create a "Company that Values its Customers."

In the area of compliance enforcement, we strengthened compliance relating to insurance solicitation in both individual and group insurance marketing. We also continued our program of compliance training for executive officers and employees, and endeavored to make it more effective by having people in charge of compliance give on-the-spot guidance at branches and agency offices. Furthermore, based on the "CSR Management Declaration" adopted in January 2007, the entire company was engaged in various CSR activities aiming at creating a "Company that Values its Customers" through concrete programs designed to foster trust.

In order to further strengthen corporate governance and ensure greater management transparency, Meiji Yasuda Life has adopted a "Company with Committees" system and established a Board of Directors of which majority is made up of outside directors. In the area of internal audit, our awareness of the important role that our Internal Audit section plays in verifying appropriateness and effectiveness of our compliance and risk management structures has led us to strengthen our Auditing Department by increasing personnel with specialist knowledge and skills and sophisticating auditing measures to reinforce our inspection capabilities and increase the depth and frequency of our inspections.

We have also continued our phased reinforcement of our Customer Communications Center personnel to improve our responsiveness and readiness to deal with customer requests, and deployed "Customer Opinion Promotion Staff" at headquarters departments and regional headquarters as a means of further strengthening our approach to customer opinions. Between November 2007 and February 2008, we repeated the previous fiscal year's survey of customer satisfaction levels in connection with insurance claims and policy cancellation procedures to ensure that we reflect customer opinions in management as much as possible.

Reports on customers' opinions are regularly submitted to the Management Council and reflected in operational improvement initiatives and in-house training from the customers' perspective through the "Customer Opinion Promotion Committee," which met on 11 occasions during fiscal 2007.

In order to ensure the appropriateness of our key functions as a life insurance company – underwriting, policyholder services and claim payment services – we have set out a "Basic Policy for Insurance Contract Procedures" clarifying that

when claims are made by customers, we make sure to examine all payable benefits and inform our customers of its details. We have also strengthened the functions of our core insurance company operations through priority investment in systems for our underwriting, policyholder services and claim payment services.

In order to secure and foster superior personnel resources, we have strengthened our training program for newly employed sales personnel. We are also endeavoring to improve the follow-up services offered by our sales personnel by encouraging them to obtain FP (financial planner) qualifications, working to strengthen their consulting capabilities, and ensuring regular customer visits and contacts become an established practice. As a result, quality indicators such as new business persistency ratios and our sales personnel education development ratios have improved substantially.

Base profit, an indicator of annual earnings from insurance operations, amounted to ¥415.8 billion. Annualized new business premiums for individual life insurance and annuities amounted to ¥97 billion, and annualized premiums in force at the end of the business year amounted to ¥1,731.5 billion. Of this, third sector insurance such as medical coverage and living benefits accounted for ¥25.9 billion of annualized new business premiums, and ¥338.6 billion of annualized premiums in force at the end of the business year. Our solvency margin, which indicates our ability to pay insurance claims, fell by 40.8 percentage points year-on-year to 1,314.1%. This is roughly the same level as the previous fiscal year, and shows that our financial health remains more than sound.

As of July 1, 2008, Standard & Poor's gave Meiji Yasuda Life an "A-" rating, Fitch Ratings an "A+" rating, AM Best an "A" (Excellent) rating, and Japan Credit Rating Agency (JCR) an "A+" rating.

## Challenges for Fiscal 2008

March 2008 marked the completion of the "Meiji Yasuda Revitalization Plan," which was drawn up in January 2006. Since April 2008, we have been steadily putting the three-year "Meiji Yasuda Challenge Plan" into action.

The "Meiji Yasuda Challenge Plan" consists of the "Medium-Term Business Plan" and the "MOT Project for Creating a New Corporate Culture – Phase II." These comprise our basic policy for achieving stable growth as a "Company that Values its Customers" through promoting CSR management policies that include thoroughgoing compliance, company-wide efforts to faithfully satisfy the demands that customers and society make upon us, and proactively seeking enhanced customer satisfaction.

Under the "Medium-Term Business Plan," we shall focus on "Drastic Reforms of Key Channels" in order to continuously position our sales personnel channels as key channels and shall go forward with "Channel Diversification and the Development of New Markets" and "Further Improvement of the Business Structure."

Concrete initiatives under "Drastic Reforms of Key Channels" include standardizing the frequency of customer visits and service content under the "Ease of Mind Service Program" as a means of promoting communications with customers, as well as the introduction of a "Company Training Authorization System" to promote efforts to enhance and regularize knowledge, skills and manners at a high level with a view to satisfying customers and winning their trust. To give these initiatives greater momentum, we have extensively reviewed our treatment of sales personnel, or, as we call them, "MY Life Plan Advisors."

Looking ahead, we plan to develop products and services that can respond to wide-ranging needs based on ease of understanding, with particular emphasis on expanding sales of medical, nursing and annuity products for the middle-aged and elderly. By deploying follow-up service specialists and expanding the functions of our call centers, we shall streamline our communications approach to answer a broad range of customer needs.

Under our "MOT Project for Creating a New Corporate Culture – Phase II," we will implement "Hospitality" aimed at thoroughly enhancing customer satisfaction, and continuously promote to heighten awareness and foster a corporate culture that values our customers.

# 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"

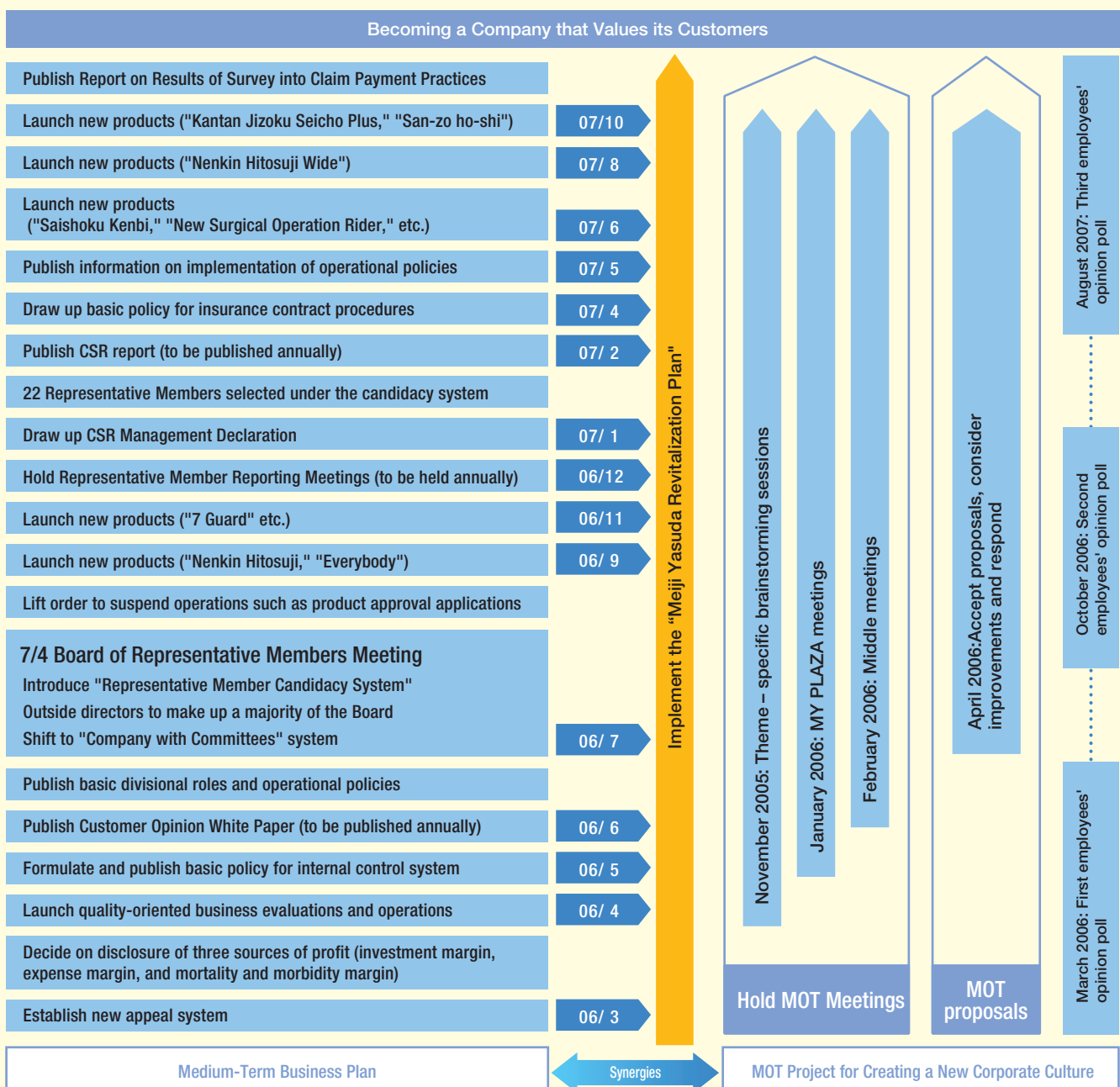
The "MOT Project for Creating a New Corporate Culture" was both a continuation and an expansion of company-wide participation in small-group activities as the "More! MOT Campaign" initiated in fiscal 2006. In addition to promoting problem-solving at organizational unit level, it adopted common themes 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)

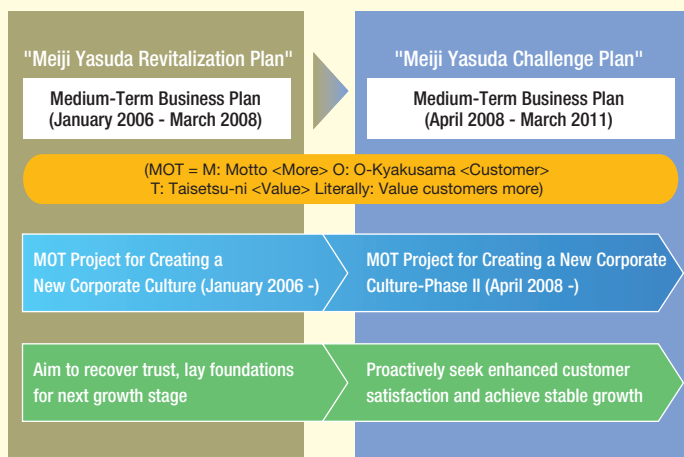


# Overview of the Meiji Yasuda Challenge Plan

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.

# Business Activities

## ▶ Individual Insurance Marketing

On the product side, we revised the insurance premiums as we amended the expected mortality rate for individual insurance and individual annuity insurance in April 2007, in accordance with the revision of the life insurance standard life table. In June 2007, Meiji Yasuda Life launched the "New Surgical Operation Rider," the "Women's Specific Hospitalization Expense Rider," and the "Women's Medical Insurance: Saishoku Kenbi," as products that deliver ease of mind to customers in the form of simple, easy to understand assurance. The "New Surgical Operation Rider" offers insurance for operations involving hospitalization irrespective of the operations' names, while the "Women's Specific Hospitalization Expense Rider" provides assurance against illnesses unique to women from the first day of hospitalization. "Saishoku Kenbi" also provides sufficient coverage for women-specific illnesses. In August 2007, we launched "Nenkin Hitosuji Wide," a new type of individual annuity insurance that not only allows people with health concerns to apply through simple disclosures, but also enables policyholders with certain mental and physical disorders at the time of the pension payments to select life annuity that offers a higher receipt rate.

On the marketing side, we reinforced our sales personnel education to enhance their consulting and after-service skills, and endeavored to improve our accountability to customers.

## ▶ Group Marketing

In the area of Group Life Insurance, we promoted wider adoption of products that answer customers' welfare benefit needs, and improved convenience for policyholders and personnel in charge of group life insurance paperwork by offering an operational support system. In April 2007, we amended the expected mortality rate and revised the insurance premiums of the following products; "Group Term Life Insurance," "Group Credit Life Insurance," and other forms of group life insurance; and in October 2007, an individual insurance exclusive for group marketing, "Dread Disease Term Life Insurance (Type II) with no dividend," and "Medical Insurance with no dividend."

In January 2008, we launched "Hospitalization Early Benefit Payment Rider," "Surgical Benefit Rider," and "Hospital Discharge Benefit Rider" as riders for medical life insurance (group type) in response to the increasingly diverse medical coverage needs for groups and policyholders.

In the area of group pensions, we strove to expand our line-up of products and services, and to customize consulting on administrative services and management of pension fund assets. More specifically, we expanded our separate account investment products and strengthened the functions of our dedicated call centers and website in May 2007, in order to offer better services to participants in defined contribution pension plans. With regard to improvements to our internal control systems for trustee business of corporate pensions and the appropriateness and the effectiveness of our operations, we carried out verifications on the basis of US Statement on Auditing Standards (SAS) No. 70, receiving a SAS70 Report (Type II) from the third party auditor to the effect that "internal controls are appropriately designed and improved to achieve the control objectives, and are operated effectively."

## ► General Agent Marketing

In the area of general agent marketing, we established two departments to promote marketing and to improve our approach to promote internal controls accordingly to general agency characteristics in April 2007. The General Agent Channel Department oversees agencies other than financial institutions, while the Financial Institution Channel Department handles banks and other financial institution agencies.

In the General Agent Marketing Department, in addition to using "Term life insurance with interest dividends payable every 5 years" in measures for dealing with funding for business and inheritance, we restarted handling "Increasing term life insurance" in March 2008 in order to respond to medium- to long-term assurance needs. We also worked to offer wide ranging products for individuals, and to establish tailor-made approaches to after-service and follow-ups.

In the Financial Institution Channel Department, we have strengthened our sales support team staffs engaged in bank OTC sales and taken other steps to promote marketing and improve our services approach with a view to responding to customers' diversifying needs. We also launched our single premium increasing whole life insurance products "Kantan Jizoku Seicho Plus" in October 2007 and "San-zo ho-shi" in November 2007, both of which allow applications based on simple disclosures such as medical condition. Additionally, we strengthened our individual annuity insurance line-up for OTC sales at financial institutions.

## ► Insurance Policy Underwriting

In connection with applications from customers for life insurance products, we reviewed our underwriting criteria to allow us to underwrite policies to the maximum degree possible based on appropriate assessment, and continue our initiatives to make medical assessments more sophisticated. In order to provide customers with more adequate explanations, we have started to hand out "Confirmation of Intention Concerning Insurance Policies" and "Solicitation Policies for the Elderly" to customers, as a means of strengthening our approach to underwriting policies that are in line with customers' intentions.

We revised our "Guide to Special Conditional Contracts" in June 2007 with a view to enabling customers to better understand the special conditions applicable when we underwrite contracts in cases where there is a record of sickness and/or injury. To make our contract procedures more comprehensible, we simplified the documentation we receive from customers.

## ▶ Customer Service

We have completely revised the policy provisions that give details of contracts and how matters are dealt with following the conclusion of a contract for products from the launch of "Women's Medical Insurance: Saishoku Kenbi" in June 2007, "Nenkin Hitosuji Wide," "Kantan Jizoku Seicho Plus" and "San-zo ho-shi," making use of diagrams and headings and replacing technical terms with simple language in order to make them easier for customers to understand. In addition to confirming the effectiveness of this initiative through questionnaire surveys to customers, we shall incorporate their invaluable opinions into future revisions. We are also steadily revising our product pamphlets and other solicitation materials.

We not only continue to expand the content of our publication "Information from Meiji Yasuda Life," which we send out to policyholders once a year, but are also revising it to make it easier to understand. We are further strengthening our services by preparing a new "Corporate Contract Information" publication for corporate customers who have signed up for our "increasing term life insurance" and other term insurance with long maturities to inform their management about future trends in the cash surrender value and its ratio.

In response to the increasing number of customers who wish to make applications via the Internet, we have made it possible to submit requests for materials via our external website since October 2007.

Meiji Yasuda Life also offers the "map (mental and physical health support) service" to help policyholders with their efforts to keep healthy. The "map service" is a dedicated service for customers who have a Meiji Yasuda Life Card and allows policyholders to accumulate points according to the type of insurance policy and the duration of the policy. The points can be applied to four services: "Total Support for Health, Medical, and Nursing Care," "Health Support," "Life Support Finance," and "Complimentary and Discount Services."

## 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 32 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. 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, which 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.

\*In 2006, PGL won an award as the Best Insurance Company in the insurance company section of the Best of the Best People's Choice Awards, which were held by Hawaii's largest daily newspaper, The Honolulu Advertiser. PGL was given an "A(Excellent)" rating by AM Best.

# Business Activities

## ▶ Asset Management

In the area of asset management, we maintained and enhanced asset soundness using sophisticated risk management procedures, and continued to aim for investments that yield stability in terms of favorable long-term results based on the concept of "surplus management-type ALM." ("Surplus" refers to the difference between assessed values of assets and liabilities that are consistent with financial market values. It takes this as a new capital concept, and uses the term "surplus management-type ALM" for ALM that controls the fluctuation risk affecting this surplus.)

More specifically, we promoted the prolongation of asset duration (average residual maturity of bondholdings, etc.) through equalized purchases centered on long-term and super-long-term bonds while monitoring interest rates, and restructuring our portfolio by replacing short- to medium-term bonds with super-long-term bonds during rising interest rate phases.

We also endeavored to increase profitability by replacing the relatively low yield bonds in our portfolio, increasing our holdings of foreign currency-denominated bonds, and putting more emphasis on interest rate levels when making loans. During yen appreciation phases, moreover, we continued to maintain and enhance asset soundness by replacing foreign bonds in our portfolio that had incurred unrealized losses. These efforts enabled us to maintain ample unrealized gains of ¥2,395 billion on overall assets, including securities and land, at the end of fiscal 2007.

Since we had almost no direct investments in the instruments involved, the so-called subprime loan problem in the United States had virtually no impact on our bottom line.



## ► Risk Management

Meiji Yasuda Life believes that ensuring sound management and faithfully fulfilling contractual obligations over the long term are essential to create a "Company that Values its Customers." As the speed of change increases in the business environment, the need to accurately identify and appropriately manage the risk affecting the insurance business is becoming more crucial to ensure sound management.

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

In addition to managing risks according to the category (category-specified risk management), we have implemented a risk management system at each department.

Under category-specified risk management, we have set up a framework of Risk Management Sub-committees with responsibility for promoting risk management for each category. The sub-committees report to the Risk Management Committee, which serves as an advisory body to the Management Council and identifies and manages company-wide risks.

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 oversees 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 effectiveness of a risk management system.

### Overview of the Risk Management System



### ▶ Promoting Compliance

As a "Company that Values its Customers", Meiji Yasuda Life has adopted CSR management policies that, among other things, aim to promote thoroughgoing compliance as a means of faithfully satisfying the requests that its customers and society make upon as a life insurance company.

We have established the "Code of Conduct" and "Job Performance Guidelines" based on the basic compliance policies and standards, and behavioral rules (ethical guidelines) for all officers and employees, and also adopted the "Sales and Service Policy" as a pledge to customers that we will conduct sales of products appropriately. Matters concerning these compliance guidelines are mentioned on cards that officers and employees carry at all times, and are referred to constantly at meetings and training sessions. In April 2008, a new item concerning compliance was added to these cards under the heading "Our Pledge." The aim is to encourage a much greater awareness of compliance at the personal level, and ensure it becomes more thoroughly embedded in our corporate culture.

Our "Compliance Manual", covering business affairs necessary for compliance in daily operations, is updated every year, and all officers and employees regularly refer to it.

Compliance at Meiji Yasuda Life is promoted through the action plan known as the "Compliance Program." During fiscal 2008, we shall establish basic policies for education and training designed to promote prompt, disciplinary and autonomous actions to compliance offenses and raise ethical awareness within the company.

Programs are being drawn up and implemented at various levels – company-wide, head office, branches, and the Corporate Marketing Department. Planning, review, and evaluation of these programs are compiled by the Compliance Control Department. After the reports have been proposed through the Compliance Promotion Advisory Council, it is submitted for discussion to the Management Council and the Board of Directors.

The Compliance Control Department promotes compliance multilaterally as follows:

- ① Integrates management of compliance-related information, and investigates and responds to individual cases relating to compliance.
- ② In cooperation with the relevant departments, identifies improprieties relating to insurance sales, policyholder service procedures and payments of insurance claims, and devises responses to these issues.
- ③ Runs compliance training courses for officers and employees on a regular basis.

As part of our integrated management of compliance, we established the Compliance Promotion Committee to study and improve compliance approaches in all aspects of operations, including those of affiliated companies. Under this committee, we have also established special sub-committees for individual and corporate insurance marketing to analyze marketing compliance information and propose and implement policies for improving and reinforcing marketing management approaches.

We have established a Compliance Promotion Advisory Council with a majority of external members in order to build a more transparent, more effective compliance regime by reflecting the opinions of external experts and strengthening the business monitoring function from a third-party perspective. As an advisory body to the Management Council, it holds discussion on basic policies, important regulatory revisions, and the state of progress for promoting compliance, and where necessary, seeks reports from the departments.



## ► Contribution to Society

We have been holding the "Fureai Concert," an intercommunication concert featuring Torizuka Shigeki of The Wild Ones, since 1984 to bring children with disabilities into contact with live music. This concert, in its 24th year, was held at five schools for disabled children in fiscal 2007. The concert is funded by contributions from officers and employees and has visited 100 such schools throughout Japan to date.

Since 2001, we have also worked together with Tokyo YMCA to hold a charity concert for peace and love. Charitable donations collected at the venue were donated to five non-profit organizations.

Meiji Yasuda Life has been running 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.

We have set up 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 1996, employees also started participating in the activities of the "Ai no Koe kake Haishoku Undo," a food distribution service organization. Employees throughout the country not only deliver hot packed lunchboxes to elderly and disabled people who have difficulty preparing meals for themselves, but also spend time chatting with them. Based on inspections conducted by Meals on Wheels Japan, we provide funding assistance to citizen food distribution groups throughout the country, making donations to 10 such groups in fiscal 2007.

From June 2006, we have been contributing to local communities through activities designed to protect the lives and safety of children. In recent years, there have been several cases where children were involved in incidents on their way to or from school. For this reason, Meiji Yasuda Life sales personnel have been carrying name tags bearing details of our crime prevention initiative and emergency contacts such as the police during their marketing visits in their sales territories. This way, they can contact the nearest police station, etc., if they observe anyone or anything suspicious.



# 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
<b>ASSETS</b>			
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)
<b>TOTAL ASSETS .....</b>	<b>¥25,233,431</b>	<b>¥26,797,211</b>	<b>\$251,855.7</b>

\*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
<b>LIABILITIES AND SURPLUS</b>			
(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
<b>TOTAL LIABILITIES .....</b>	<b>23,376,235</b>	<b>23,880,431</b>	<b>233,319.0</b>
(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
<b>TOTAL NET ASSETS .....</b>	<b>1,857,195</b>	<b>2,916,780</b>	<b>18,536.7</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS .....</b>	<b>¥25,233,431</b>	<b>¥26,797,211</b>	<b>\$251,855.7</b>

\*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
<b>ORDINARY REVENUE</b>			
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
<b>TOTAL ORDINARY REVENUE .....</b>	<b>3,551,816</b>	<b>3,458,848</b>	<b>35,450.8</b>
<b>ORDINARY EXPENSES</b>			
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
<b>TOTAL ORDINARY EXPENSES .....</b>	<b>¥3,361,923</b>	<b>¥3,150,979</b>	<b>\$33,555.4</b>

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

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

\*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)
<b>BALANCE AT MARCH 31, 2008 .....</b>	<b>¥60,000</b>	<b>¥350,000</b>	<b>¥452</b>	<b>¥6,497</b>	<b>¥15,000</b>	<b>¥15,264</b>	<b>¥2,113</b>	<b>¥497</b>	<b>¥19,138</b>	<b>¥2,000</b>	<b>¥85</b>	<b>¥171,051</b>	<b>¥231,648</b>	<b>¥642,101</b>

	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)
<b>BALANCE AT MARCH 31, 2008 .....</b>	<b>¥1,131,732</b>	<b>¥11</b>	<b>¥83,350</b>	<b>¥1,215,094</b>	<b>¥1,857,195</b>

## 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
<b>TOTAL*</b> .....	<b>¥2,652,351</b>	<b>¥2,568,551</b>

\*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
<b>Annuities paid .....</b>	<b>25,265</b>	<b>154,583</b>	<b>21,598</b>	<b>157,960</b>	<b>364,048</b>	<b>334,891</b>
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
<b>Surrender benefits paid .....</b>	<b>264,562</b>	<b>111,517</b>	<b>—</b>	<b>89,085</b>	<b>492,612</b>	<b>546,687</b>

\*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)
<b>TOTAL .....</b>	<b>¥24,529,151</b>	<b>¥25,963,243</b>
(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
<b>TOTAL .....</b>	<b>¥23,397,066</b>	<b>¥23,168,620</b>
(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
<b>TOTAL .....</b>	<b>¥575,217</b>	<b>¥588,502</b>

### 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
<b>TOTAL .....</b>	<b>¥99,870</b>	<b>¥69,067</b>

### 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
<b>TOTAL .....</b>	<b>2.03</b>	<b>2.24</b>
(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
<b>TOTAL .....</b>	<b>¥15,900,536</b>	<b>¥17,098,498</b>

## 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
<b>TOTAL .....</b>	<b>¥6,251,388</b>	<b>¥6,444,126</b>

## 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
<b>TOTAL .....</b>	<b>¥14,020,933</b>	<b>¥15,927,213</b>	<b>¥1,906,279</b>	<b>¥2,012,685</b>	<b>¥106,406</b>

	(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
<b>TOTAL .....</b>	<b>¥13,512,479</b>	<b>¥16,846,647</b>	<b>¥3,334,168</b>	<b>¥3,389,042</b>	<b>¥54,873</b>

\* 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
<b>TOTAL .....</b>	<b>¥2,443,660</b>	<b>¥1,651,961</b>	<b>¥791,699</b>	<b>¥357,036</b>	<b>¥2,603,672</b>	<b>¥1,594,870</b>	<b>¥1,008,802</b>	<b>¥381,155</b>

## 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
<b>TOTAL .....</b>	<b>¥42,330</b>	<b>¥45,658</b>
Non-performing loans/total loans .....	<b>0.68%</b>	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
<b>TOTAL .....</b>	<b>¥21,670,167</b>	<b>¥21,752,931</b>

### 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
<b>ASSETS</b>			
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)
<b>TOTAL ASSETS</b> .....	<b>¥25,314,955</b>	<b>¥26,857,780</b>	<b>\$252,669.4</b>
<b>LIABILITIES</b>			
(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
<b>TOTAL LIABILITIES</b> .....	<b>23,469,739</b>	<b>23,954,948</b>	<b>234,252.3</b>
(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
<b>TOTAL NET ASSETS</b> .....	<b>1,845,216</b>	<b>2,902,831</b>	<b>18,417.1</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b> .....	<b>¥25,314,955</b>	<b>¥26,857,780</b>	<b>\$252,669.4</b>

\*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
<b>ORDINARY REVENUE</b>			
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
<b>TOTAL ORDINARY REVENUE .....</b>	<b>3,602,142</b>	<b>3,506,523</b>	<b>35,953.1</b>
<b>ORDINARY EXPENSES</b>			
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
<b>TOTAL ORDINARY EXPENSES .....</b>	<b>3,406,487</b>	<b>3,193,481</b>	<b>34,000.2</b>
<b>ORDINARY INCOME .....</b>	<b>195,654</b>	<b>313,041</b>	<b>1,952.8</b>
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
<b>NET SURPLUS BEFORE TAXES .....</b>	<b>186,580</b>	<b>280,381</b>	<b>1,862.2</b>
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
<b>NET SURPLUS FOR THE PERIOD .....</b>	<b>¥ 170,793</b>	<b>¥ 248,856</b>	<b>\$ 1,704.6</b>

\*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)
<b>CONSOLIDATED BALANCE AT MARCH 31, 2008.....</b>	<b>¥ 60,000</b>	<b>¥350,000</b>	<b>¥452</b>	<b>¥224,567</b>	<b>¥635,020</b>

	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)
<b>CONSOLIDATED BALANCE AT MARCH 31, 2008 .....</b>	<b>¥1,132,404</b>	<b>¥11</b>	<b>¥83,350</b>	<b>¥(9,314)</b>	<b>¥1,206,452</b>	<b>¥3,743</b>	<b>¥1,845,216</b>

# Five-Year Summary (Non-Consolidated Basis)

## Legal Requirement Basis

Meiji Yasuda Life Insurance Company

Figures before the merger represents results from Meiji Life Insurance Company.

Years ended March 31

	Millions of Yen				
	FY2007	FY2006	FY2005	FY2004	FY2003
Total ordinary revenue .....	<b>¥3,551,816</b>	¥ 3,458,848	¥ 3,766,051	¥ 4,123,550	¥ 3,626,834
Ordinary income .....	<b>189,893</b>	307,869	289,913	324,966	305,992
Surplus for the period .....	<b>163,182</b>	241,417	226,074	182,763	171,549
Total amount of foundation funds (Note 1) .....	<b>410,000</b>	410,000	350,000	350,000	350,000
Total assets .....	<b>25,233,431</b>	26,797,211	26,412,256	25,193,379	25,329,873
Assets in separate accounts .....	<b>713,742</b>	844,789	812,781	721,025	765,250
Policy reserves .....	<b>21,670,167</b>	21,752,931	21,749,959	21,877,961	22,101,172
Loans .....	<b>6,251,388</b>	6,444,126	6,882,729	7,161,122	7,965,483
Securities .....	<b>16,539,722</b>	17,880,232	17,297,350	15,664,429	14,433,699
Solvency-margin ratio .....	<b>1,314.1%</b>	1,354.9%	1,179.9%	890.5%	747.9%
Life insurance in force (Note 2) .....	<b>234,434,970</b>	244,122,173	260,915,270	277,218,454	288,682,961
Group pensions in force (Note 3) .....	<b>6,563,311</b>	6,708,063	6,774,491	6,920,182	7,413,737

## Combined Total of Two Companies

Meiji Yasuda Life Insurance Company

Figures before the merger are the combined total of Meiji Life Insurance Company and The Yasuda Mutual Life Insurance Company.

Years ended March 31

	Millions of Yen				
	FY2007	FY2006	FY2005	FY2004	FY2003
Total ordinary revenue .....	<b>¥ 3,551,816</b>	¥ 3,458,848	¥ 3,766,051	¥ 4,123,550	¥ 4,909,271
Ordinary income .....	<b>189,893</b>	307,869	289,913	324,966	350,924
Surplus for the period .....	<b>163,182</b>	241,417	226,074	182,763	198,005
Total amount of foundation funds (Note 1) .....	<b>410,000</b>	410,000	350,000	350,000	350,000
Total assets .....	<b>25,233,431</b>	26,797,211	26,412,256	25,193,379	25,329,873
Assets in separate accounts .....	<b>713,742</b>	844,789	812,781	721,025	765,250
Policy reserves .....	<b>21,670,167</b>	21,752,931	21,749,959	21,877,961	22,101,172
Loans .....	<b>6,251,388</b>	6,444,126	6,882,729	7,161,122	7,965,483
Securities .....	<b>16,539,722</b>	17,880,232	17,297,350	15,664,429	14,433,699
Solvency-margin ratio.....	<b>1,314.1%</b>	1,354.9%	1,179.9%	890.5%	747.9%
Life insurance in force (Note 2) .....	<b>234,434,970</b>	244,122,173	260,915,270	277,218,454	288,682,961
Group pensions in force (Note 3) .....	<b>6,563,311</b>	6,708,063	6,774,491	6,920,182	7,413,737

Notes: 1. Total amount of foundation funds includes accumulated redeemed foundation funds.

2. Life Insurance in force is the sum total of individual life insurance, individual annuities and group life insurance in force.

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

# Directors and Executive Officers

## Director

As of July 1, 2008

### Chairman of the Board

Ken-ichi Sekiguchi

### Director

Kenji Matsuo	
Kyoichi Fukuda	
Yasuharu Takamatsu	
Osamu Kobayashi	
Yuzaburo Mogi *	Chairman and CEO, Kikkoman Corporation
Tetsuro Kitao *	Attorney at Law
Akio Matsuzaki *	Senior Advisor, Morinaga & Co., Ltd.
Keiji Aritomi *	Chairman, Yamato Holdings Co., Ltd.
Saburo Horiuchi *	Certified Public Accountant
Yuko Tashima *	Attorney at Law

## Executive Officers

Ken-ichi Sekiguchi \*\*

### President

Kenji Matsuo \*\*

### Deputy President

Kyoichi Fukuda	
Yasuharu Takamatsu	Chief Executive, Investment

### Senior Managing Executive Officer

Michio Kondo	Chief Executive, Individual Insurance Marketing
Toshio Abe	
Tamio Kurosaki	Chief Executive, Group Marketing
Shin'ichi Ikemoto	Chief General Manager, Tokyo Marketing Headquarters
Hiroaki Tonooka	

### Managing Executive Officer

Yutaka Shigemori	Chief Executive, General Agent Marketing
Kiyotaka Fuke	
Hajime Inomata	
Shigehiro Maeda	
Yoshinori Ozaki	
Ichiro Wakasa	
Katsumi Yoneda	
Koichiro Takahashi	Chief General Manager, Nagoya Marketing Headquarters
Yutaka Inada	Chief General Manager, Osaka Marketing Headquarters

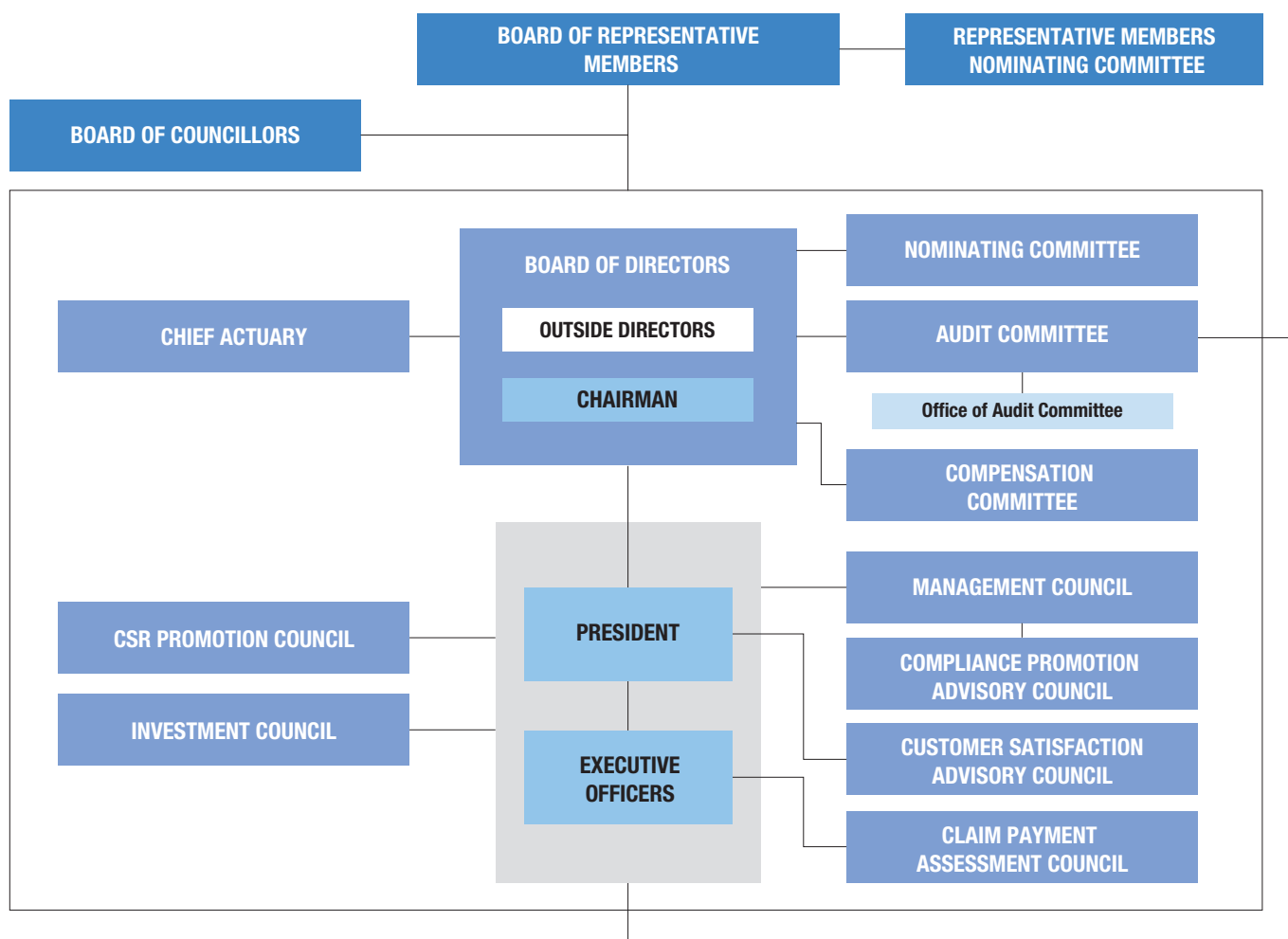
### Executive Officer

Hiroto Endo	General Manager, Agency Department
Yasushi Wada	
Masahide Ishikawa	General Manager, Credit Analysis & Investment Risk Management Department
Takashi Ito	General Manager, Mito Regional Office
Hiroshi Tokuoka	General Manager, Group Market Planning & Research Department
Masahiro Kijima	General Manager, Financial Institution Channel Department
Nobuya Suzuki	General Manager, Product Development Department
Hiromasa Suzuki	General Manager, Human Resources Department

\* Outside Director

\*\* Representative Executive Officer

# Company Organization



## Adoption of the "Company with Committees" System

In July 2006, Meiji Yasuda Life adopted the "Company with Committees" system to strengthen its management supervision functions and increase transparency.

The transition further enhanced corporate governance by making a clear institutional separation between management supervision functions and executive functions. It also promoted greater transparency in management by increasing the number of outside directors and putting them in the majority.

The Nominating, Audit, and Compensation Committees comprise three or more directors - a majority of them outside - selected by decision of the Board of Directors.

Nominating Committee	Audit Committee	Compensation Committee
◎ Yuzaburo Mogi ※ Tetsuro Kitao ※ Yuko Tashima ※ Ken-ichi Sekiguchi Kenji Matsuo	◎ Akio Matsuzaki ※ Tetsuro Kitao ※ Saburo Horiuchi ※ Osamu Kobayashi	◎ Keiji Aritomi ※ Saburo Horiuchi ※ Yuko Tashima ※ Ken-ichi Sekiguchi Kenji Matsuo

◎ Chairman of the Committee  
 ※ Outside Director



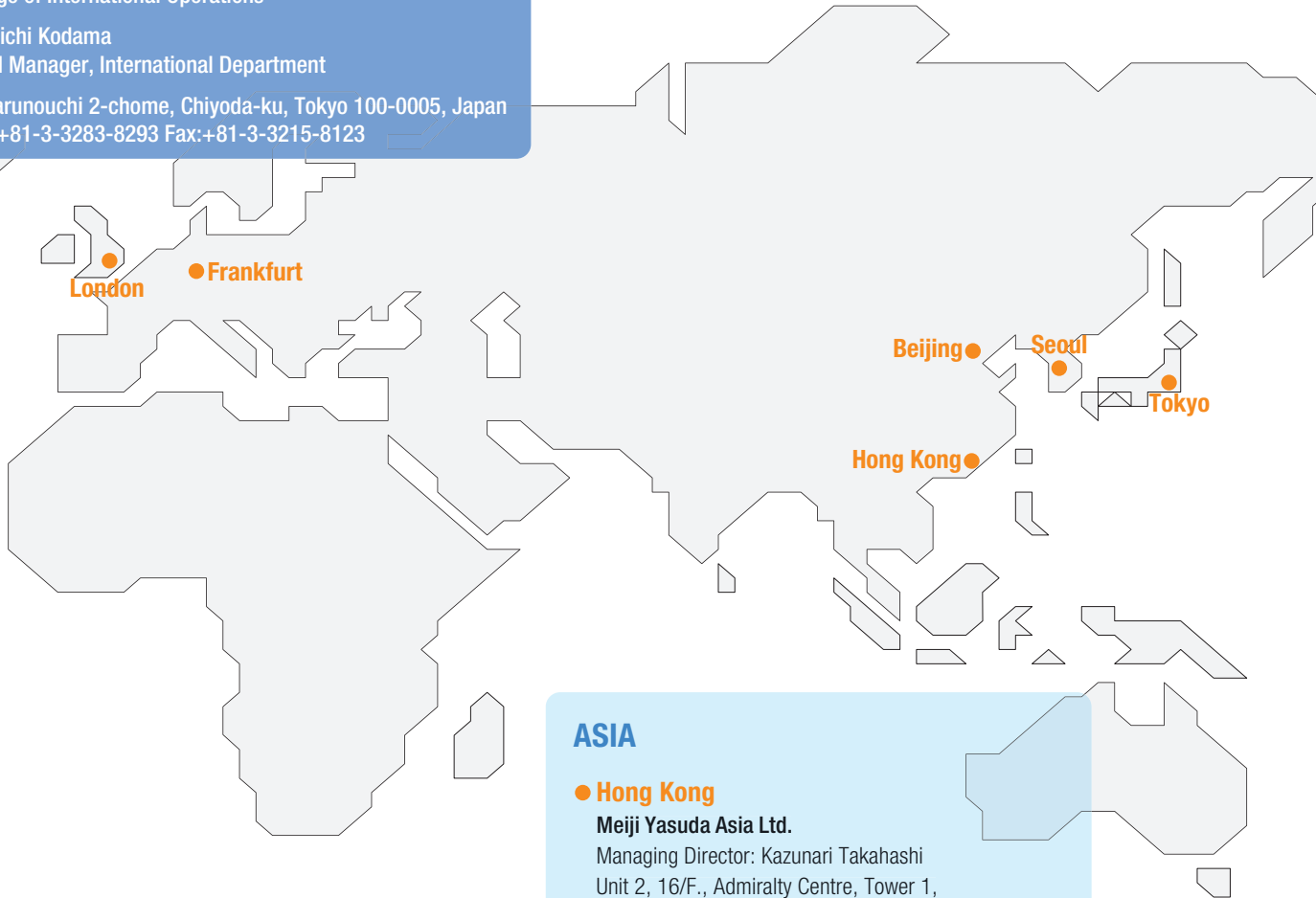
# International Directory

## HEAD OFFICE : Tokyo

Yasushi Wada  
Executive Officer  
In charge of International Operations

Yoshimichi Kodama  
General Manager, International Department

1-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-0005, Japan  
Phone:+81-3-3283-8293 Fax:+81-3-3215-8123



## EUROPE

### ● London

#### Meiji Yasuda Europe Ltd.

Managing Director : Hideaki Kodama  
River Plate House, 7-11 Finsbury Circus,  
London EC2M 7YA, U.K.  
Phone:+44-20-7448-8800 Fax:+44-20-7638-4185

### ● Frankfurt

#### Meiji Yasuda Life Insurance Company Frankfurt Office

Chief Representative : Seiichiro Saito  
MesseTurm, Friedrich-Ebert-Anlage 49,  
60327 Frankfurt am Main, Germany  
Phone:+49-69-748000 Fax:+49-69-748021

## ASIA

### ● Hong Kong

#### Meiji Yasuda Asia Ltd.

Managing Director: Kazunari Takahashi  
Unit 2, 16/F., Admiralty Centre, Tower 1,  
No.18 Harcourt Road, Hong Kong, China  
Phone:+852-2524-7021 Fax:+852-2868-4419

### ● Seoul

#### Meiji Yasuda Life Insurance Company Seoul Office

Chief Representative: Yoshihito Baba  
The Seoul Shinmun Daily (Korea Press Center)  
Bldg., 9th Floor, 25 Taepyongno 1-ga, Chung-gu,  
Seoul 100-745, Korea  
Phone:+82-2-723-9111 Fax:+82-2-723-6489

### ● Beijing

#### Meiji Yasuda Life Insurance Company Beijing Office

Chief Representative: Banri Hashimoto  
Room 6003, 6th Floor, Changfugong Office Building,  
26 Jianguomen Wai Avenue, Beijing 100022, China  
Phone:+86-10-6513-9815 Fax:+86-10-6513-9818

Yasuda Enterprise Development America, Inc.  
(A wholly-owned subsidiary of Yasuda Enterprise Development Co., Ltd.)  
435 Tasso Street, Suite 205,  
Palo Alto, California 94301, U.S.A.  
Phone:+1-650-289-9733 Fax:+1-650-289-9145



## THE AMERICAS

### ● Honolulu

**Pacific Guardian Life Insurance Co., Ltd.**  
President & CEO: Tsukasa Namiki  
1440 Kapiolani Boulevard, Suite 1700,  
Honolulu, Hawaii 96814, U.S.A.  
Phone:+1-808-955-2236 Fax:+1-808-942-1290

### ● New York

**Meiji Yasuda America Inc.**  
President: Nobuaki Matsui  
(Head of New York Operations)  
**Meiji Yasuda Realty USA Inc.**  
President: Hikari Takasugi  
780 Third Avenue, 42nd Floor,  
New York, New York 10017, U.S.A.  
Phone:+1-212-332-4900 Fax:+1-212-332-4960

### ● Los Angeles

**Meiji Yasuda America Inc.**  
**Los Angeles Branch**  
Senior Vice President & General Manager:Junichiro Date  
(Head of Los Angeles Operations)  
865 South Figueroa Street, Suite 2311,  
Los Angeles, California 90017, U.S.A.  
Phone:+1-213-624-9200 Fax:+1-213-624-0080

**Pacific Guardian Life Insurance Co., Ltd.**  
**Southern California Office**  
Assistant Vice President, Sales Agency Manager: Shinobu Mori  
TriCentre, 333 South Anita Drive, Suite 900  
Orange, California 92868, U.S.A.  
Phone:+1-888-777-6630 Fax:+1-714-939-7901

# Domestic Subsidiaries and Affiliates

As of March 31, 2008

<p><b>General Insurance Business</b></p>	<ul style="list-style-type: none"> <li>● Meiji Yasuda General Insurance Co.,Ltd.</li> </ul>
<p><b>Insurance-Related Services</b></p>	<ul style="list-style-type: none"> <li>● Meiji Yasuda Insurance Service Co.,Ltd.</li> <li>● Japan Confirm Co.,Ltd.</li> <li>● MST Insurance Service Co.,Ltd.</li> </ul>
<p><b>Investment-and Finance-Related Business</b></p>	<ul style="list-style-type: none"> <li>● MEIJI Dresdner Asset Management Co.,Ltd.</li> <li>● Yasuda Asset Management Co.,Ltd.</li> <li>● Meiji Capital Co.,Ltd.</li> <li>● Yasuda Enterprise Development Co.,Ltd.</li> <li>● The Mitsubishi Asset Brains Co.,Ltd.</li> <li>● Defined Contribution Plan Consulting of Japan Co.,Ltd.</li> <li>● Meiji Capital 6th Investment Partnership</li> <li>● Meiji Capital 7th Investment Partnership</li> <li>● Meiji Capital 8th Investment Partnership</li> <li>● The Investment Enterprise Partnership YNED</li> <li>● THE YASUDA ENTERPRISE DEVELOPMENT I , LIMITED PARTNERSHIP</li> <li>● THE YASUDA ENTERPRISE DEVELOPMENT II , LIMITED PARTNERSHIP</li> <li>● THE YASUDA ENTERPRISE DEVELOPMENT III , LIMITED PARTNERSHIP</li> <li>● THE YASUDA ENTERPRISE DEVELOPMENT RB I, LIMITED PARTNERSHIP</li> <li>● THE YASUDA ENTERPRISE DEVELOPMENT IV, LIMITED PARTNERSHIP</li> <li>● Tokyo Realty Investment Management,Inc.</li> </ul>
<p><b>Building Maintenance Services</b></p>	<ul style="list-style-type: none"> <li>● Meiji Yasuda Real Estate Management Co.,Ltd.</li> <li>● ASBP COMMUNITY, INC.</li> <li>● Shinjuku Center Building Management Co.,Ltd.</li> <li>● KSP COMMUNITY, Inc.</li> </ul>
<p><b>Research,Development,Medical and Wellness Services</b></p>	<ul style="list-style-type: none"> <li>● Diamond Athletics,Ltd.</li> <li>● Meiji Yasuda Institute of Life and Wellness, Inc.</li> </ul>
<p><b>Foundations</b></p>	<ul style="list-style-type: none"> <li>● Meiji Yasuda Life Foundation of Health and Welfare</li> <li>● Meiji Yasuda Mental Health Foundation</li> <li>● The Meiji Yasuda Cultural Foundation</li> </ul>
<p><b>Others</b></p>	<ul style="list-style-type: none"> <li>● Meiji Yasuda Delivery and Printing Co.,Ltd.</li> <li>● Meiji Yasuda Life Planning Center Co.,Ltd.</li> <li>● Meiji Yasuda System Technology Co.,Ltd.</li> <li>● Meiji Yasuda Staffing Service Co.,Ltd.</li> <li>● Meiji Yasuda Policy Administration Service Co.,Ltd.</li> <li>● BTS Company, Limited</li> <li>● Japan Pension Service Co.,Ltd.</li> </ul>





