

Financial Section

Non-Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company

As of March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
ASSETS			
Cash and deposits:			
Cash	¥ 655	¥ 766	\$ 6.6
Deposits	333,633	296,137	3,396.4
Call loans	345,000	250,000	3,512.1
Monetary claims bought	263,374	445,898	2,681.1
Securities:			
Domestic bonds:			
Government bonds	7,011,243	7,309,657	71,375.7
Municipal bonds	937,615	684,869	9,545.0
Corporate bonds	1,495,145	1,624,875	15,220.8
Domestic stocks	2,775,223	4,193,532	28,252.2
Foreign securities	2,741,898	2,647,799	27,913.0
Other securities	88,313	78,988	899.0
Loans:			
Policy loans	375,508	384,226	3,822.7
Financial loans	5,621,195	5,867,161	57,224.8
Tangible fixed assets:			
Land	670,540	674,572	6,826.2
Buildings	373,888	384,755	3,806.2
Construction in progress	2,780	2,160	28.3
Other tangible fixed assets	6,096	6,533	62.0
Intangible fixed assets:			
Software	38,777	26,208	394.7
Other intangible fixed assets	29,501	39,248	300.3
Agency account receivable	81	29	0.8
Reinsurance account receivable	2,983	2,656	30.3
Other assets:			
Accounts receivable	134,826	133,870	1,372.5
Prepaid expenses	3,876	3,570	39.4
Accrued income	71,441	74,065	727.2
Security deposits and rental deposits	5,436	5,906	55.3
Deposits on financial futures	284	213	2.8
Margins on financial futures	20	12	0.2
Derivative financial instruments	2,395	5,989	24.3
Suspense payment	5,167	5,952	52.6
Miscellaneous assets	70,879	69,807	721.5
Deferred tax assets	494,332	12,953	5,032.3
Customers' liabilities for acceptances and guarantees	15,222	11,616	154.9
Reserves for possible loan losses	(13,874)	(10,603)	(141.2)
TOTAL ASSETS	¥23,903,468	¥25,233,431	\$243,341.8

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
LIABILITIES AND NET ASSETS			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims	¥ 138,920	¥ 143,281	\$ 1,414.2
Policy reserves	21,313,343	21,670,167	216,973.8
Reserves for policyholder dividends	352,502	373,787	3,588.5
Agency account payable	0	0	0.0
Reinsurance account payable	2,531	2,515	25.7
Other liabilities:			
Deposits received on bonds lending	490,989	500,612	4,998.3
Loans payable	100,000	100,000	1,018.0
Corporate income tax payable and others	—	53,278	—
Account payable	63,455	78,568	645.9
Unpaid expenses	25,088	24,138	255.4
Unearned income	8,571	9,452	87.2
Employees' and agents' savings deposits	20,800	19,612	211.7
Deposits received for guarantee	39,795	40,344	405.1
Margins on financial futures	715	6	7.2
Derivative financial instruments	61,322	39	624.2
Suspense receipts	9,670	8,737	98.4
Accrued retirement benefits for directors and executive officers.....	2,036	777	20.7
Reserves for contingent liabilities	4,202	4,353	42.7
Reserves for price fluctuations	177,522	212,310	1,807.2
Deferred tax liabilities on revaluation of land	120,972	122,634	1,231.5
Acceptances and guarantees	15,222	11,616	154.9
TOTAL LIABILITIES	22,947,664	23,376,235	233,611.5
(Net Assets)			
Foundation funds	60,000	60,000	610.8
Accumulated redeemed foundation funds	350,000	350,000	3,563.0
Revaluation reserves	452	452	4.6
Surplus retained:			
Reserves for loss compensation	6,918	6,497	70.4
Other surplus retained:			
Reserves for redemption of foundation funds	30,000	15,000	305.4
Accumulated fund for price fluctuations	29,764	15,264	303.0
Reserves for retirement benefits	1,629	2,113	16.5
Social welfare project promotion reserves	528	497	5.3
Reserves for advanced depreciation of real estate.....	19,997	19,138	203.5
Special reserves	2,000	2,000	20.3
Other reserves	85	85	0.8
Unappropriated surplus for the period	125,755	171,051	1,280.2
Total foundation funds and others	627,132	642,101	6,384.3
Unrealized gains (losses) on available-for-sale securities.....	255,397	1,131,732	2,599.9
Deferred hedge gains (losses)	(7,158)	11	(72.8)
Revaluation reserves for land	80,432	83,350	818.8
Total valuation and translation adjustments and others.....	328,671	1,215,094	3,345.9
TOTAL NET ASSETS	955,803	1,857,195	9,730.2
TOTAL LIABILITIES & NET ASSETS.....	¥23,903,468	¥25,233,431	\$243,341.8

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

Non-Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
ORDINARY REVENUE			
Premium income and reinsurance refunds:			
Premium income	¥2,684,824	¥2,652,351	\$27,332.0
Refunds on reinsurance	1,723	1,349	17.5
Investment income and gain:			
Interest and dividends:			
Interest on deposits	873	1,080	8.8
Interest and dividends on securities	314,279	333,548	3,199.4
Interest on loans	122,925	127,008	1,251.3
Rental income	40,786	40,377	415.2
Other interest and dividends	9,126	11,127	92.9
Gains on money-held-in-trust	6	270	0.0
Gains on trading securities	—	0	—
Gains on securities sold	57,383	35,553	584.1
Gains on securities redeemed	933	21,183	9.4
Income for derivative financial instruments	—	3,908	—
Other investment income	364	1,159	3.7
Other ordinary revenue:			
Annuity supplementary contract premiums	17,308	19,647	176.1
Benefits left to accumulate at interest	165,201	187,300	1,681.7
Reversal of outstanding claims	4,361	11,832	44.3
Reversal of policy reserves	356,824	82,764	3,632.5
Reversal of accrued pension and severance costs	1,950	15,457	19.8
Miscellaneous income	5,917	5,894	60.2
TOTAL ORDINARY REVENUE	3,784,791	3,551,816	38,529.8
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	871,312	925,534	8,870.1
Annuities paid	395,737	364,048	4,028.6
Benefits on policies paid	544,469	560,784	5,542.7
Surrender benefits paid	522,731	492,612	5,321.5
Other refunds paid	119,085	162,831	1,212.3
Reinsurance premiums	1,927	1,901	19.6
Provision for policy reserves and others:			
Interest on dividend reserves	1,147	1,218	11.6
Investment expenses and losses:			
Interest paid	4,870	6,418	49.5
Losses on trading securities	0	—	0.0
Losses on securities sold	113,220	35,632	1,152.6
Losses on securities appraised	285,552	31,583	2,906.9
Losses on securities redeemed	5,778	286	58.8
Expenses for derivative financial instruments	11,729	—	119.4
Losses on foreign exchange	571	1,985	5.8
Provision for reserves for possible loan losses	3,669	—	37.3
Depreciation on real estate for rent	11,388	11,361	115.9
Other investment expenses	11,907	12,601	121.2
Losses on separate account assets investment	152,052	119,780	1,547.9
Operating expenses	331,793	323,870	3,377.7
Other ordinary expenses:			
Payments of benefits left to accumulate at interest	233,891	258,367	2,381.0
Taxes	21,074	20,561	214.5
Depreciation	23,761	23,435	241.8
Miscellaneous expenses	5,670	7,105	57.7
TOTAL ORDINARY EXPENSES	¥3,673,342	¥3,361,923	\$37,395.3

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
ORDINARY INCOME	¥111,448	¥189,893	\$1,134.5
Extraordinary profits:			
Gains on disposals of fixed assets	450	10,907	4.5
Reversal of reserves for possible loan losses	—	289	—
Reversal of reserves for price fluctuations	34,788	—	354.1
Extraordinary losses:			
Losses on disposals of fixed assets	6,442	8,466	65.5
Impairment losses	4,276	4,511	43.5
Provision for reserves for contingent liabilities	387	97	3.9
Provision for reserves for price fluctuations	—	10,009	—
Losses on advanced depreciation of real estate	—	40	—
Donations for social welfare project promotion	568	579	5.7
NET SURPLUS BEFORE TAXES	135,012	177,383	1,374.4
Provision for corporate income taxes	(371)	91,923	(3.7)
Corporate income tax equivalent adjustment	13,114	(77,721)	133.5
NET SURPLUS FOR THE PERIOD	¥122,269	¥163,182	\$1,244.7

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

Appropriation of Surplus

Meiji Yasuda Life Insurance Company

	For the years ended March 31, 2009 and 2008		Millions of U.S. Dollars*
	Millions of Yen		FY2008
	FY2008	FY2007	FY2008
Unappropriated surplus for the period	¥125,755	¥171,051	\$1,280.2
Reversal of voluntary reserves:			
Reversal of reserves for advanced depreciation of real estate	450	439	4.5
Reversal of reserves for retirement benefits	1,629	484	16.5
TOTAL UNAPPROPRIATED SURPLUS	127,835	171,975	1,301.3
Provision for reserves for policyholder dividends	110,557	139,107	1,125.4
Net surplus for the period:			
Reserves for loss compensation	335	421	3.4
Interest on foundation funds	1,043	1,049	10.6
Voluntary reserves:			
Reserves for redemption of foundation funds	15,000	15,000	152.7
Accumulated fund for price fluctuations	—	14,500	—
Social welfare project promotion reserves	72	600	0.7
Reserves for advanced depreciation of real estate	827	1,298	8.4

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

Non-Consolidated Statement of Changes in Net Assets

Meiji Yasuda Life Insurance Company

For the years ended March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
Foundation funds and others			
Foundation funds			
Balance at the end of previous period	¥ 60,000	¥120,000	\$610.8
Changes during the period			
Redemption of foundation funds	—	(60,000)	—
Total changes during the period	—	(60,000)	—
Balance at the end of current period	60,000	60,000	610.8
Accumulated redeemed foundation funds			
Balance at the end of previous period	350,000	290,000	3,563.0
Changes during the period			
Transfer to accumulated redeemed foundation funds	—	60,000	—
Total changes during the period	—	60,000	—
Balance at the end of current period	350,000	350,000	3,563.0
Revaluation reserves			
Balance at the end of previous period	452	452	4.6
Changes during the period			
Total changes during the period	—	—	—
Balance at the end of current period	452	452	4.6
Surplus retained			
Reserves for loss compensation			
Balance at the end of previous period	6,497	5,959	66.1
Changes during the period			
Transfer to reserves for loss compensation	421	538	4.2
Total changes during the period	421	538	4.2
Balance at the end of current period	6,918	6,497	70.4
Other surplus retained			
Reserves for redemption of foundation funds			
Balance at the end of previous period	15,000	40,000	152.7
Changes during the period			
Transfer to reserves for redemption of foundation funds	15,000	35,000	152.7
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Total changes during the period	15,000	(25,000)	152.7
Balance at the end of current period	30,000	15,000	305.4
Accumulated fund for price fluctuations			
Balance at the end of previous period	15,264	15,264	155.3
Changes during the period			
Transfer to accumulated fund for price fluctuations	14,500	—	147.6
Total changes during the period	14,500	—	147.6
Balance at the end of current period	29,764	15,264	303.0
Reserves for retirement benefits			
Balance at the end of previous period	2,113	1,944	21.5
Changes during the period			
Transfer to reserves for retirement benefits	—	261	—
Reversal of reserves for retirement benefits	(484)	(92)	(4.9)
Total changes during the period	(484)	169	(4.9)
Balance at the end of current period	1,629	2,113	16.5
Social welfare project promotion reserves			
Balance at the end of previous period	497	477	5.0
Changes during the period			
Transfer to social welfare project promotion reserves	600	600	6.1
Reversal of social welfare project promotion reserves	(568)	(579)	(5.7)
Total changes during the period	31	20	0.3
Balance at the end of current period	528	497	5.3

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
Reserves for advanced depreciation of real estate			
Balance at the end of previous period	¥ 19,138	¥ 19,950	\$ 194.8
Changes during the period			
Transfer to reserves for advanced depreciation of real estate	1,298	49	13.2
Reversal of reserves for advanced depreciation of real estate	(439)	(861)	(4.4)
Total changes during the period	858	(811)	8.7
Balance at the end of current period	19,997	19,138	203.5
Special reserves			
Balance at the end of previous period	2,000	2,000	20.3
Changes during the period			
Total changes during the period	—	—	—
Balance at the end of current period	2,000	2,000	20.3
Other reserves			
Balance at the end of previous period	85	85	0.8
Changes during the period			
Total changes during the period	—	—	—
Balance at the end of current period	85	85	0.8
Unappropriated surplus			
Balance at the end of previous period	171,051	214,642	1,741.3
Changes during the period			
Transfer to reserves for policyholder dividends	(139,107)	(177,228)	(1,416.1)
Transfer to reserves for loss compensation	(421)	(538)	(4.2)
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus	122,269	163,182	1,244.7
Transfer to reserves for redemption of foundation funds	(15,000)	(35,000)	(152.7)
Transfer to accumulated fund for price fluctuations	(14,500)	—	(147.6)
Transfer to reserves for retirement benefits	—	(261)	—
Reversal of reserves for retirement benefits	484	92	4.9
Transfer to social welfare project promotion reserves	(600)	(600)	(6.1)
Reversal of social welfare project promotion reserves	568	579	5.7
Transfer to reserves for advanced depreciation of real estate	(1,298)	(49)	(13.2)
Reversal of reserves for advanced depreciation of real estate	439	861	4.4
Reversal of revaluation reserves for land	2,918	7,197	29.7
Total changes during the period	(45,295)	(43,590)	(461.1)
Balance at the end of current period	125,755	171,051	1,280.2
Total surplus retained			
Balance at the end of previous period	231,648	300,322	2,358.2
Changes during the period			
Transfer to reserves for policyholder dividends	(139,107)	(177,228)	(1,416.1)
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus	122,269	163,182	1,244.7
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land	2,918	7,197	29.7
Total changes during the period	(14,969)	(68,674)	(152.3)
Balance at the end of current period	216,679	231,648	2,205.8
Total foundation funds and others			
Balance at the end of previous period	642,101	710,775	6,536.7
Changes during the period			
Transfer to reserves for policyholder dividends	(139,107)	(177,228)	(1,416.1)
Transfer to accumulated redeemed foundation funds	—	60,000	—
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus	122,269	163,182	1,244.7
Redemption of foundation funds	—	(60,000)	—
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land	2,918	7,197	29.7
Total changes during the period	(14,969)	(68,674)	(152.3)
Balance at the end of current period	627,132	642,101	6,384.3

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
Valuation and translation adjustments and others			
Unrealized gains (loss) on available-for-sale securities			
Balance at the end of previous period	¥1,131,732	¥ 2,115,313	\$11,521.2
Changes during the period			
Net changes in items other than foundation funds and others	(876,335)	(983,580)	(8,921.2)
Total changes during the period	(876,335)	(983,580)	(8,921.2)
Balance at the end of current period	255,397	1,131,732	2,599.9
Deferred hedge gains (losses)			
Balance at the end of previous period	11	1	0.1
Changes during the period			
Net changes in items other than foundation funds and others	(7,169)	10	(72.9)
Total changes during the period	(7,169)	10	(72.9)
Balance at the end of current period	(7,158)	11	(72.8)
Revaluation reserves for land			
Balance at the end of previous period	83,350	90,691	848.5
Changes during the period			
Net changes in items other than foundation funds and others	(2,918)	(7,340)	(29.7)
Total changes during the period	(2,918)	(7,340)	(29.7)
Balance at the end of current period	80,432	83,350	818.8
Total valuation and translation adjustments and others			
Balance at the end of previous period	1,215,094	2,206,005	12,369.8
Changes during the period			
Net changes in items other than foundation funds and others	(886,422)	(990,910)	(9,023.9)
Total changes during the period	(886,422)	(990,910)	(9,023.9)
Balance at the end of current period	328,671	1,215,094	3,345.9
Total net assets			
Balance at the end of previous period	1,857,195	2,916,780	18,906.5
Changes during the period			
Transfer to reserves for policyholder dividends	(139,107)	(177,228)	(1,416.1)
Transfer to accumulated redeemed foundation funds	—	60,000	—
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus	122,269	163,182	1,244.7
Redemption of foundation funds	—	(60,000)	—
Reversal of reserves for redemption of foundation funds	—	(60,000)	—
Reversal of revaluation reserves for land	2,918	7,197	29.7
Net changes in items other than foundation funds and others	(886,422)	(990,910)	(9,023.9)
Total changes during the period	(901,392)	(1,059,584)	(9,176.3)
Balance at the end of current period	955,803	1,857,195	9,730.2

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

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) 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) Other Securities that are not classified in category (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 amount deemed necessary 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 FY2008, these direct deductions amounted to ¥103 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 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.

The fiscal 2007, the Compensation Committee decided to abolish the retirement allowances and bonuses scheme from June 30, 2008, and no provisions have been made in connection with incumbent directors and executive officers since that date.

Of the ¥2,036 million reported in the balance sheet, ¥1,275 million has been set aside this fiscal year as the projected amount payable to retired directors.

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 the Enforcement Regulations of the 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

Ownership non-transfer finance lease transactions with starting dates on or before March 31, 2008 shall continue to be 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; and market-based hedge accounting using forward exchange contracts to hedge against exchange rate fluctuation risk related to foreign currency denominated bonds.

(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.

Under the provisions of Article 69 Paragraph 5 of the Enforcement Regulations of the Insurance Business Law, the policy reserves include ¥487,341 million to be additionally set aside over a period of three years starting last fiscal year as the difference arising from calculations of premium reserves using the expected rate of interest of 2.75% for individual annuity contracts concluded on or before April 1, 1996. The ¥119,478 million accumulated in the current fiscal year brought the total set aside as of the end of the current fiscal year to 82.0% of the required amount.

In addition to the drawdown of excess reserves, ¥248,037 million was drawn down from the contingency reserve included in the policy reserves.

3. Balance Sheets

(1) Depreciation on Tangible Fixed Assets

Accumulated depreciation on tangible fixed assets totaled ¥439,658 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 ¥522,696 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 ¥329,124 million.

(4) Monetary Claims on and Monetary Liabilities to Subsidiaries

Total monetary claims from the Company's subsidiaries amounted to ¥4,842 million, while total monetary liabilities owed to subsidiaries amounted to ¥3,374 million.

(5) Leased Movable

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

(6) Reserves for Policyholder Dividends

Changes in the reserves for policyholder dividends for FY2008 are shown below:

- a. Balance at the end of FY2007 ¥373,787 million
- b. Provision from surplus for FY2007 ¥139,107 million
- c. Dividends to policyholders in FY2008 ¥161,590 million
- d. Interest on reserves ¥ 1,198 million
- e. Balance at the end of FY2008 ¥352,502 million

(7) Assets and Liabilities Denominated in Foreign Currencies

Assets denominated in foreign currencies totaled ¥1,957,159 million. (The main foreign currencies are US\$11,879 million and EUR 4,488 million.) Liabilities denominated in foreign currencies totaled ¥3,207 million. (The main foreign currencies are US\$24 million and EUR 2 million.)

(8) Assets Pledged as Collateral

Assets pledged as collateral amounted to ¥11,057 million in securities.

(9) Non-Performing Loans

- a. 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 ¥30,215 million. Loans to borrowers under bankruptcy proceedings amounted to ¥1,734 million and past due loans totaled ¥2,912 million.
- b. The direct deduction of estimated uncollectible amount for loans to bankrupt borrowers and past due loans was respectively ¥57 million, ¥45 million.
- c. 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.
- d. 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.

- e. 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.
- f. Restructured loans totaled ¥25,568 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.

(10) Securities Lent

The balance sheet amount of the securities lent under consumption loan agreements, including sales and repurchase transactions (“repo”) was ¥1,626,132 million.

(11) 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 ¥7,774 million.

(12) Loans Payable

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

(13) 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 ¥52,664 million. The contribution is recorded as an operating expense at the time of payment.

(14) Liability for Retirement Benefits

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

a. Benefit obligation	¥377,808 million
b. Plan assets	¥298,544 million
Including retirement benefit trust	¥141,106 million
c. Non-accumulated liability for retirement benefits (a+b)	¥ 79,263 million
d. Unrecognized actuarial difference	¥142,027 million
e. Unrecognized prior service cost	¥ 10,403 million
f. Pre-paid plan cost	¥ 52,360 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	
Qualified pension fund	3.0%
Retirement benefit trust	0.0%
d. Years for amortization of actuarial difference	10 years
e. Years for amortization of prior service cost	10 years

(15) Deferred Tax Assets and Liabilities

- a. Deferred tax assets, which amount to ¥666,640 million, consist mainly of ¥370,153 million on policy reserves, ¥87,188 million on losses on securities appraised, ¥68,931 million on operating loss carried forward for tax purposes, and ¥64,174 million on reserves for price fluctuations. The amount of deferred tax assets deducted as allowance account was ¥4,562 million.

- b. Deferred tax liabilities, which amount to ¥167,744 million, consist mainly of ¥137,226 million on unrealized gains on available-for-sale securities.
- c. The statutory effective tax rate for FY2008 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 29.60% in reserves for policyholder dividends.

(16) 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.

(17) Subsidiaries’ Shares

The shares of subsidiaries were valued at ¥152,403 million.

(18) Others

The reserves for outstanding claims corresponding to the portion of reinsurance provided for under Article 71-1 of the Enforcement Regulations of the Insurance Business Law applied mutatis mutandis to Article 73-3 amounted to ¥102 million, and the underwriting reserves provided for under Article 71-1 of the Enforcement Regulations of the Insurance Business Law amounted to ¥2,683 million.

4. Operations and Surplus

(1) Transactions with Subsidiaries

Total profits from transactions with the Company's subsidiaries amounted to ¥6,414 million, while total expenses amounted to ¥28,710 million.

(2) Gains and Losses on Securities

- a. Gains on securities sold are ¥19,828 million from domestic bonds, ¥11,258 million from domestic stocks, and ¥26,275 million from foreign securities.
- b. Losses on securities sold are ¥3,950 million from domestic bonds and ¥606 million from domestic stocks, and ¥108,664 million from foreign securities.
- c. Losses on securities appraised are ¥234,561 million from domestic stocks, and ¥45,004 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 ¥18 million. When calculating the reversal of policy reserves, the additional amount of the reversal of policy reserves for ceded reinsurance was ¥2,048 million.

(4) Expenses for Derivative Financial Instruments

Expenses for derivative financial instruments included valuation losses of ¥58,183 million.

(5) Cost of Retirement Benefits

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

- | | |
|---|------------------|
| a. Service cost | ¥10,999 million |
| b. Interest cost | ¥ 7,634 million |
| c. Expected return on plan assets | -¥ 5,644 million |
| d. Amortization of actuarial difference | ¥ 9,407 million |
| e. Amortization of prior service cost | -¥ 2,562 million |
| f. Others | ¥ 9 million |

Net Benefit Cost amounted to ¥19,843 million (a+b+c+d+e+f).

(6) Impairment Losses

Impairment losses for the year are as itemized below:

1) 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.

2) 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 market, book values were reduced to the amounts collectible, and the amounts of reduction were reported under extraordinary losses as impairment losses.

3) Itemization of asset groups for which impairment losses were recognized, and impairment losses posted by type of fixed asset

Type	No. of cases	Impairment loss (¥ million)		
		Land	Buildings	Total
Rental real estate, etc.	3	176	390	566
Idle real estate, etc.	51	1,874	1,834	3,709
Total	54	2,051	2,224	4,276

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 2.82%. 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)

	FY2008	FY2007
Individual life insurance	¥105,953,065	¥115,629,745
Individual annuities	11,258,235	11,202,259
Group life insurance	106,929,000	107,602,965
Group pensions*	6,380,688	6,563,311

*Sum total of policy reserves for group pensions

1-2. Life Insurance and Group Pensions New Business

(Millions of Yen)

	FY2008	FY2007
Individual life insurance	¥2,510,454	¥3,954,799
Individual annuities	544,919	528,584
Group life insurance	564,504	1,346,916
Group pensions*	378	130

*Sum total of first premiums

1-3. Premium Income

(Millions of Yen)

	FY2008	FY2007
Individual life insurance	¥1,367,530	¥1,283,081
Individual annuities	315,817	254,603
Group life insurance	304,086	330,176
Group pensions	648,771	733,699
TOTAL*	¥2,684,824	¥2,652,351

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

1-4. Insurance Benefits Paid

(Millions of Yen)

	FY2008					FY2007
	Individual life	Individual annuities	Group life	Group pensions	Total*	Total*
Claims paid:						
Death benefits	¥259,858	¥1,347	¥156,986	—	¥423,553	¥438,271
Accidental death benefits	4,219	4	431	—	4,737	4,516
Disability benefits	39,430	180	11,514	—	51,133	53,599
Maturity benefits	353,670	7	34	36,685	391,496	428,716
Others	374	—	8	—	391	431
Annuities paid	23,519	174,103	21,677	171,547	395,737	364,048
Benefits on policies paid:						
Death benefits	1,994	12,545	5	3,997	18,753	18,378
Hospitalization benefits	41,855	1,415	412	—	45,290	47,424
Operation benefits	21,109	830	—	—	21,940	21,917
Injury benefits	1,031	5	101	—	1,143	1,255
Survivor benefits	83,076	1,680	—	—	86,618	100,917
Lump sum benefits	—	—	167	339,291	339,458	337,946
Others	28,538	76	—	2,645	31,265	32,944
Surrender benefits paid	279,081	109,390	—	106,530	522,731	492,612

*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)	
	FY2008	FY2007
Cash, deposits and call loans.....	¥ 656,137	¥ 521,087
Monetary claims bought	263,374	445,898
Securities:		
Domestic bonds	9,291,178	9,423,116
Domestic stocks.....	2,630,773	3,970,560
Foreign securities:		
Foreign bonds	1,734,606	1,651,961
Foreign stocks	860,423	791,699
Others	62,570	63,198
Loans:		
Policy loans	375,508	384,226
Financial loans	5,621,195	5,867,161
Real estate	1,047,209	1,061,488
Deferred tax assets	494,332	12,953
Others	366,228	346,403
Reserves for possible loan losses ..	(13,874)	(10,603)
TOTAL	¥23,389,664	¥24,529,151
(Assets denominated in foreign currencies)	¥ 1,808,922	¥ 1,925,011

2-2. Average Balances of Assets

	(Millions of Yen)	
	FY2008	FY2007
Cash, deposits and call loans.....	¥ 527,941	¥ 575,105
Monetary claims bought	289,485	501,256
Money-held-in-trust	—	9,893
Domestic bonds	9,135,828	9,162,015
Domestic stocks	2,472,608	2,481,262
Foreign securities:		
Foreign bonds	1,743,545	1,532,858
Foreign stocks	803,392	681,509
Loans	6,109,625	6,456,142
(Financial loans)	5,729,065	6,065,439
Real estate	1,063,361	1,090,795
TOTAL	¥23,156,271	¥23,397,066
(Overseas investments)	¥ 2,911,418	¥ 2,643,474

2-3. Investment Income and Gain

	(Millions of Yen)	
	FY2008	FY2007
Interest and dividends	¥487,991	¥513,142
Gains on money-held-in-trust	6	270
Gains on trading securities	—	0
Gains on securities sold	57,383	35,553
Gains on securities redeemed.....	933	21,183
Income for derivative financial instruments	—	3,908
Others	364	1,159
TOTAL	¥546,679	¥575,217

2-4. Investment Expenses and Losses

	(Millions of Yen)	
	FY2008	FY2007
Interest paid	¥4,870	¥ 6,418
Loss on trading securities	0	—
Losses on securities sold	113,220	35,632
Losses on securities appraised	285,552	31,583
Losses on securities redeemed	5,778	286
Expenses for derivative financial instruments	11,729	—
Losses on foreign exchange	571	1,985
Provisions of reserves for possible loan losses	3,669	—
Depreciation of real estate for rent ..	11,388	11,361
Others	11,907	12,601
TOTAL	¥448,687	¥99,870

2-5. Net Investment Returns

	(%)	
	FY2008	FY2007
Cash, deposits and call loans	0.41	0.45
Monetary claims bought	2.13	1.33
Money-held-in-trust	—	2.74
Domestic bonds	1.86	1.49
Domestic stocks	(6.40)	2.31
Foreign securities:		
Foreign bonds	(3.90)	3.93
Foreign stocks	1.12	9.00
Loans	2.10	1.97
(Financial loans)	1.92	1.79
Real estate	2.29	2.16
TOTAL	0.42	2.03
(Overseas investments)	(1.75)	4.97

2-6. Breakdown of Securities Investment

(Millions of Yen)

	FY2008	FY2007
Domestic bonds:		
Government bonds	¥ 6,899,519	¥ 7,156,027
Municipal bonds	927,086	676,148
Corporate bonds	1,464,572	1,590,940
(Public corporation bonds)	624,780	715,232
Domestic stocks	2,630,773	3,970,560
Foreign securities:		
Foreign bonds	1,734,606	1,651,961
Foreign stocks	860,423	791,699
Others	62,570	63,198
TOTAL	¥14,579,552	¥15,900,536

2-7. Breakdown of Loans

(Millions of Yen)

	FY2008	FY2007
Policy loans	¥ 375,508	¥ 384,226
Financial loans:		
(Overseas loans)	315,454	357,036
Corporate loans	4,870,751	5,058,989
(to domestic corporations)	4,769,392	4,945,661
Loans to governments and supranationals	168,504	210,070
Loans to public organizations	191,248	183,016
Housing loans	190,462	200,480
Consumer loans	196,860	210,144
Others	3,367	4,461
TOTAL	¥5,996,704	¥6,251,388

Securities and Others with Market Value*

(Millions of Yen)

	FY2008				
	Book value	Market value	Equivalent of net unrealized gains	Equivalent of gross unrealized gains	Equivalent of gross unrealized losses
Domestic bonds	¥ 9,181,555	¥9,437,758	¥256,202	¥270,918	¥14,715
Domestic stocks	1,930,294	2,275,354	345,059	415,822	70,763
Foreign securities:					
Foreign bonds	1,720,860	1,713,805	(7,054)	28,604	35,659
Foreign stocks	303,476	250,635	(52,841)	9,067	61,908
Other securities	40,116	38,420	(1,695)	1,071	2,766
Others**	370,608	371,006	398	1,813	1,415
TOTAL	¥13,546,911	¥14,086,980	¥540,069	¥727,299	¥187,230

(Millions of Yen)

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

* 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 Financial Instruments and Exchange Act, such as certificate of deposit.

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

(Millions of Yen)

	FY2008				FY2007			
	Foreign securities			Overseas loans	Foreign securities			Overseas loans
	Total	Bonds	Stocks		Total	Bonds	Stocks	
North America	¥ 850,969	¥ 808,338	¥ 42,630	¥ 59,700	¥ 718,410	¥ 654,168	¥ 64,241	¥ 62,700
Europe	822,545	760,189	62,355	128,500	976,885	767,642	209,242	152,500
Oceania	26,768	26,768	—	—	65,188	65,188	—	—
Asia	5,924	3,000	2,924	6,770	7,653	3,000	4,653	11,792
Latin America	814,463	61,951	752,512	4,462	591,761	78,199	513,561	5,398
Middle East	—	—	—	—	—	—	—	—
Africa	—	—	—	3,140	—	—	—	3,532
Supranationals	74,358	74,358	—	112,882	83,762	83,762	—	121,113
TOTAL	¥2,595,029	¥1,734,606	¥860,423	¥315,454	¥2,443,660	¥1,651,961	¥791,699	¥357,036

3. Non-performing Loans

(Millions of Yen)

	FY2008	FY2007
Loans to bankrupt borrowers	¥ 1,734	¥ 1,660
Past due loans	2,912	14,415
Loans past due three months or more	—	—
Restructured loans	25,568	26,254
TOTAL	¥30,215	¥42,330
Non-performing loans/total loans	0.50%	0.68%

4. Outline of Reserves

4-1. Policy Reserves

(Millions of Yen)

	FY2008	FY2007
Policy reserves:		
Individual life insurance	¥ 8,251,798	¥ 8,431,079
Individual annuities	5,807,806	5,534,528
Group life insurance	164,846	168,297
Group pensions	6,380,688	6,563,311
Others	249,879	255,955
Reserves for contingencies	458,323	716,995
TOTAL	¥21,313,343	¥21,670,167

4-2. Other Reserves

(Millions of Yen)

	FY2008	FY2007
Reserves for possible loan losses:		
General reserves for possible loan losses	¥ 2,340	¥ 2,072
Specific reserves for possible loan losses	11,534	8,530
Accrued retirement benefits for directors and executive officers	2,036	777
Reserves for contingent liabilities	4,202	4,353
Reserves for price fluctuations	177,522	212,310

Consolidated Balance Sheet

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
ASSETS			
Cash and deposits	¥ 392,766	¥ 352,750	\$ 3,998.4
Call loans	345,000	250,000	3,512.1
Monetary claims bought	263,374	445,898	2,681.1
Securities	15,021,734	16,519,592	152,924.0
Loans	6,012,235	6,270,008	61,205.6
Tangible fixed assets	1,065,064	1,081,881	10,842.5
Land**	677,104	—	6,893.0
Buildings**	378,690	—	3,855.1
Construction in progress**	2,780	—	28.3
Other tangible fixed assets**	6,489	—	66.0
Intangible fixed assets	70,288	67,429	715.5
Software**	40,718	—	414.5
Other intangible fixed assets**	29,569	—	301.0
Agency account receivable	1,689	1,449	17.1
Reinsurance account receivable	3,415	2,771	34.7
Other assets	298,321	305,162	3,036.9
Deferred tax assets	498,849	17,049	5,078.3
Customers' liabilities for acceptances and guarantees	15,222	11,616	154.9
Reserves for possible loan losses	(13,928)	(10,655)	(141.7)
TOTAL ASSETS	¥23,974,035	¥25,314,955	\$244,060.2
LIABILITIES AND NET ASSETS			
(Liabilities)			
Policy reserves and others:			
Reserves for outstanding claims	¥ 144,085	¥ 148,918	\$ 1,466.8
Policy reserves	21,361,079	21,726,193	217,459.8
Reserves for policyholder dividends	352,502	373,787	3,588.5
Agency account payable	0	9	0.0
Reinsurance account payable	2,746	2,691	27.9
Other liabilities	854,526	865,342	8,699.2
Accrued pension and severance costs	612	609	6.2
Accrued retirement benefits for directors and executive officers	2,036	777	20.7
Reserves for contingent liabilities	4,202	4,353	42.7
Reserves for price fluctuations	177,675	212,804	1,808.7
Deferred tax liabilities on revaluation of land	120,972	122,634	1,231.5
Acceptances and guarantees	15,222	11,616	154.9
TOTAL LIABILITIES	23,035,662	23,469,739	234,507.4
(Net Assets)			
Foundation funds	60,000	60,000	610.8
Accumulated redeemed foundation funds	350,000	350,000	3,563.0
Revaluation reserves	452	452	4.6
Consolidated surplus	213,436	224,567	2,172.8
Total foundation funds and others	623,889	635,020	6,351.3
Unrealized gains (losses) on available-for-sale securities	255,233	1,132,404	2,598.3
Deferred hedge gains (losses)	(7,158)	11	(72.8)
Revaluation reserves for land	80,432	83,350	818.8
Currency translation adjustment	(17,809)	(9,314)	(181.2)
Total valuation and translation adjustments and others	310,698	1,206,452	3,162.9
Minority interests	3,784	3,743	38.5
TOTAL NET ASSETS	938,372	1,845,216	9,552.8
TOTAL LIABILITIES & NET ASSETS	¥23,974,035	¥25,314,955	\$244,060.2

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

**The disclosure of these items started from FY2008.

Consolidated Statement of Operations and Surplus

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

As of March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
ORDINARY REVENUE			
Premium income and reinsurance refunds	¥2,707,318	¥2,675,801	\$27,561.0
Investment income and gain:			
Interest and dividends	492,653	516,254	5,015.3
Gains on money-held-in-trust	6	270	0.0
Gains on trading securities	—	0	—
Gains on securities sold	57,383	35,553	584.1
Gains on securities redeemed	933	21,187	9.4
Income for derivative financial instruments	—	3,908	—
Other investment income	394	6,486	4.0
Other ordinary revenue	567,145	342,679	5,773.6
Of which: Reversal of policy reserves	357,641	—	3,640.8
TOTAL ORDINARY REVENUE	3,825,834	3,602,142	38,947.7
ORDINARY EXPENSES			
Insurance benefits paid and others:			
Claims paid	878,809	934,510	8,946.4
Annuities paid	395,990	364,479	4,031.2
Benefits on policies paid	546,300	563,056	5,561.4
Surrender benefits paid	524,648	497,004	5,341.0
Other refunds paid and expenses	121,012	164,733	1,231.9
Provision for policy reserves and others:			
Interest on dividend reserves	1,147	1,218	11.6
Investment expenses and losses:			
Interest paid	4,923	6,483	50.1
Losses on trading securities	0	—	0.0
Losses on securities sold	113,420	35,655	1,154.6
Losses on securities appraised	285,837	31,584	2,909.8
Losses on securities redeemed	5,778	286	58.8
Expenses for derivative financial instruments	11,729	—	119.4
Losses on foreign exchange	570	1,985	5.8
Provision for reserves for possible loan losses	3,671	—	37.3
Write-down of loans	—	0	—
Depreciation on real estate for rent	11,561	11,584	117.6
Other investment expenses	13,185	13,676	134.2
Losses on separate account assets investment	152,052	119,780	1,547.9
Operating expenses	346,740	341,509	3,529.8
Other ordinary expenses	293,119	318,939	2,984.0
TOTAL ORDINARY EXPENSES	3,710,499	3,406,487	37,773.5
ORDINARY INCOME	115,335	195,654	1,174.1
Extraordinary profits:			
Gains on disposals of fixed assets	450	14,638	4.5
Reversal of reserves for possible loan losses	—	292	—
Reversal of reserves for price fluctuations	35,032	—	356.6
Other extraordinary profits	—	1	—
Extraordinary losses:			
Losses on disposals of fixed assets	6,490	8,474	66.0
Impairment losses	4,325	4,511	44.0
Provision for reserves for contingent liabilities	387	97	3.9
Provision for reserves for price fluctuations	—	10,018	—
Losses on advanced depreciation of real estate	—	40	—
Donations for social welfare project promotion	568	579	5.7
Other extraordinary losses	84	283	0.8
NET SURPLUS BEFORE TAXES	138,960	186,580	1,414.6
Provision for corporate income taxes	782	94,079	7.9
Corporate income tax equivalent adjustment	13,398	(78,598)	136.3
Minority interests	265	304	2.6
NET SURPLUS FOR THE PERIOD	¥ 124,513	¥ 170,793	\$ 1,267.5

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

Consolidated Statement of Changes in Net Assets

Meiji Yasuda Life Insurance Company and Consolidated Subsidiaries

For the years ended March 31, 2009 and 2008

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
Foundation funds and others			
Foundation funds			
Balance at the end of previous period	¥ 60,000	¥120,000	\$ 610.8
Changes during the period			
Redemption of foundation funds.....	—	(60,000)	—
Total changes during the period	—	(60,000)	—
Balance at the end of current period	60,000	60,000	610.8
Accumulated redeemed foundation funds			
Balance at the end of previous period.....	350,000	290,000	3,563.0
Changes during the period			
Transfer to accumulated redeemed foundation funds	—	60,000	—
Total changes during the period	—	60,000	—
Balance at the end of current period	350,000	350,000	3,563.0
Revaluation reserves			
Balance at the end of previous period.....	452	452	4.6
Changes during the period			
Total changes during the period	—	—	—
Balance at the end of current period	452	452	4.6
Consolidated surplus			
Balance at the end of previous period.....	224,567	285,994	2,286.1
Changes during the period			
Transfer to reserves for policyholder dividends.....	(139,107)	(177,228)	(1,416.1)
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus.....	124,513	170,793	1,267.5
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land	2,918	7,197	29.7
Increase resulting from decline in number of consolidated subsidiaries	849	—	8.6
Increase resulting from unification of accounting treatment for overseas subsidiaries	743	—	7.5
Others.....	—	(364)	—
Total changes during the period	(11,130)	(61,426)	(113.3)
Balance at the end of current period	213,436	224,567	2,172.8
Total foundation funds and others			
Balance at the end of previous period.....	635,020	696,447	6,464.6
Changes during the period			
Transfer to reserves for policyholder dividends.....	(139,107)	(177,228)	(1,416.1)
Transfer to accumulated redeemed foundation funds	—	60,000	—
Interest payment on foundation funds	(1,049)	(1,825)	(10.6)
Net surplus.....	124,513	170,793	1,267.5
Redemption of foundation funds.....	—	(60,000)	—
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land	2,918	7,197	29.7
Increase resulting from decline in number of consolidated subsidiaries	849	—	8.6
Increase resulting from unification of accounting treatment for overseas subsidiaries	743	—	7.5
Others.....	—	(364)	—
Total changes during the period	(11,130)	(61,426)	(113.3)
Balance at the end of current period	623,889	635,020	6,351.3

*Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥98.23 to US\$1.00 prevailing on March 31, 2009.

	Millions of Yen		Millions of U.S. Dollars*
	FY2008	FY2007	FY2008
Valuation and translation adjustments and others			
Unrealized gains (loss) on available-for-sale securities			
Balance at the end of previous period.....	¥1,132,404	¥ 2,115,487	\$11,528.0
Changes during the period			
Net changes in items other than foundation funds and others	(877,171)	(983,082)	(8,929.7)
Total changes during the period	(877,171)	(983,082)	(8,929.7)
Balance at the end of current period	255,233	1,132,404	2,598.3
Deferred hedge gains (losses)			
Balance at the end of previous period.....	11	1	0.1
Changes during the period			
Net changes in items other than foundation funds and others	(7,169)	10	(72.9)
Total changes during the period	(7,169)	10	(72.9)
Balance at the end of current period	(7,158)	11	(72.8)
Revaluation reserves for land			
Balance at the end of previous period.....	83,350	90,691	848.5
Changes during the period			
Net changes in items other than foundation funds and others	(2,918)	(7,340)	(29.7)
Total changes during the period	(2,918)	(7,340)	(29.7)
Balance at the end of current period	80,432	83,350	818.8
Foreign currency translation adjustment account			
Balance at the end of previous period.....	(9,314)	(1,973)	(94.8)
Changes during the period			
Net changes in items other than foundation funds and others	(8,494)	(7,340)	(86.4)
Total changes during the period	(8,494)	(7,340)	(86.4)
Balance at the end of current period	(17,809)	(9,314)	(181.2)
Total valuation and translation adjustments and others			
Balance at the end of previous period.....	1,206,452	2,204,205	12,281.9
Changes during the period			
Net changes in items other than foundation funds and others	(895,754)	(997,753)	(9,118.9)
Total changes during the period	(895,754)	(997,753)	(9,118.9)
Balance at the end of current period	310,698	1,206,452	3,162.9
Minority interests			
Balance at the end of previous period	3,743	2,179	38.1
Changes during the period			
Net changes in items other than foundation funds and others.....	41	1,564	0.4
Total changes during the period.....	41	1,564	0.4
Balance at the end of current period.....	3,784	3,743	38.5
Total net assets			
Balance at the end of previous period	1,845,216	2,902,831	18,784.6
Changes during the period			
Transfer to reserves for policyholder dividends.....	(139,107)	(177,228)	(1,416.1)
Transfer to accumulated redeemed foundation funds.....	—	60,000	—
Interest payment on foundation funds.....	(1,049)	(1,825)	(10.6)
Net surplus	124,513	170,793	1,267.5
Redemption of foundation funds	—	(60,000)	—
Reversal of reserves for redemption of foundation funds.....	—	(60,000)	—
Reversal of revaluation reserves for land.....	2,918	7,197	29.7
Increase resulting from decline in number of consolidated subsidiaries	849	—	8.6
Increase resulting from unification of accounting treatment for overseas subsidiaries.....	743	—	7.5
Others.....	—	(364)	—
Net changes in items other than foundation funds and others.....	(895,712)	(996,188)	(9,118.5)
Total changes during the period.....	(906,843)	(1,057,615)	(9,231.8)
Balance at the end of current period.....	938,372	1,845,216	9,552.8

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