

A Message from the Management



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Despite turbulence in the operating environment, Meiji Yasuda Life achieved steady progress in fiscal 2011, the year ended March 31, 2012. The domestic economy accelerated during the summer as reconstruction advanced and production systems, disrupted by the Great East Japan Earthquake, were restored. However, the domestic economy grew mired by global economic slowdown in the close of 2011 due to the escalating European sovereign debt crisis and yen appreciation. The new year brought encouragement as the domestic economy strengthened on the back of domestic-led demand driven by reconstruction, a rising stock market and a slowing of the yen's appreciation. Nevertheless, a full-fledged recovery did not emerge.

In response to the Great East Japan Earthquake, we immediately rallied the full strength of Meiji Yasuda Life to pay insurance claims and benefits to customers as early as possible. For our 610,000 individual policyholders and 4,400 corporate customers in the devastated areas, we accelerated payouts and facilitated the claims process by confirming the safety of these customers immediately after the earthquake. These insurance payments are now substantially complete, but we shall not rest until they have all been made. Moreover, through additional efforts we continue to support reconstruction throughout the area.

In April 2011, we launched the new three-year “Meiji Yasuda New Development Plan,” (see page 4), pursuing a number of initiatives under the basic policies of “promoting Corporate Social Responsibility (CSR) management, including strict compliance” and “thoroughly pursuing enhanced customer satisfaction.”

In fiscal 2011, premium income increased for the fifth consecutive year to ¥5,184 billion, reflecting significant expansion of Bancassurance sales. Base profit increased to ¥370.9 billion, along with annualized new premiums which rose to ¥276.2 billion. As a result, we achieved increases in both revenues and profits for the second consecutive year.

With a solvency margin ratio (one of several regulatory indicators displaying the soundness of insurers) of 749.6%, we maintained our financial soundness, despite the unstable asset management environment.

Our strong performance is continuously recognized with solid credit ratings. As of July 3, 2012, Meiji Yasuda Life was assigned a claims-paying ability of “AA-” by Rating and Investment Information (R&I) and “A+” by the Japan Credit Rating Agency (JCR). Standard & Poor’s (S&P) rated our insurer financial strength “A.”

We moved into new growth areas. In the overseas insurance business, we acquired joint ownership of two major Polish insurers, TU Europa S.A. and TUIR Warta S.A., in 2012 with German insurer Talanx AG, which became our capital and business alliance partner in fiscal 2010. In the nursing care service business, we opened the “*MY Kaigo-no-Hiroba*,” a general nursing care information website. Moreover, in March 2012, we acquired 100% ownership of Sunvenus Tachikawa Company Limited, which operates a private nursing home, as our first step into operating nursing care facilities.

Looking ahead, fiscal 2012 marks the second year of the “Meiji Yasuda New Development Plan.” Fiscal 2012 will be essential to building a sound operating foundation for stable growth over the long-term by:

1. Securing sustainable growth potential in domestic life insurance business
2. Active investment in growth markets such as overseas life insurance business and nursing care service business
3. Adopting sophisticated risk management and strengthening the capital and financial base.

Everyone at Meiji Yasuda Life will rally their strength to achieve the plan’s three pillars.

As for our key sales personnel channel, we will enrich after-sales service, of course, and we will accelerate the enhancement of our pre-enrollment consulting service to further improve customer satisfaction. Moreover, we seek to develop new products in nursing care insurance, for which customer needs are growing, and cultivate new markets. Through initiatives to fundamentally improve our administrative service, we will exhaustively review our existing services and application processes as we seek to further enhance service quality from each customer’s point of view.

Anticipating a changing business environment, Meiji Yasuda Life is diversifying its sales channels and expanding into growth markets. We seek to establish a sound foundation, under any circumstances, by undertaking proper risk management amid the continuing unpredictability of the economic outlook.

The important social mission of life insurance companies was again recognized through the experience of the Great East Japan Earthquake. Above all, we remain a company placing utmost value on our customers. Each employee and officer of Meiji Yasuda Life will continue to work as one to provide customers with comprehensive relief and peace of mind.