

Meiji Yasuda Life Insurance Company

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 placing utmost value on our 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 founded on July 9, 1881, as Japan's first life insurance company. Today, Meiji Yasuda Life's 28,925 sales personnel* provide services that satisfy customers through a nationwide network. Meiji Yasuda Life has established a position as market leader in the group life insurance sector, where we meet the diverse needs of customers. More than 37,500 employees (including sales personnel) constantly strive to provide optimal products and high-quality services through the headquarters in Tokyo, 74 regional offices, 18 group marketing departments, and 966 agency offices** in accordance with the management philosophy. Overseas, we maintain subsidiaries, affiliates and offices in 12 cities** around the world. At the end of fiscal 2012, Meiji Yasuda Life had life insurance in force of ¥207,080 billion (US\$2,201 billion) and total assets of ¥33,000 billion (US\$350 billion).

* As of March 31, 2013

** As of April 1, 2013



Akio Negishi
President

Nobuya Suzuki
Chairman of the Board

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Financial Highlights

Non-Consolidated Basis

As of March 31, 2013 and 2012

	Billions of Yen		Billions of U.S. Dollars*
	FY2012	FY2011	FY2012
Life Insurance in Force	¥207,080	¥210,721	\$ 2,201.8
Group Pensions in Force.....	6,683	6,512	71.0
Total Assets.....	33,000	29,664	350.8

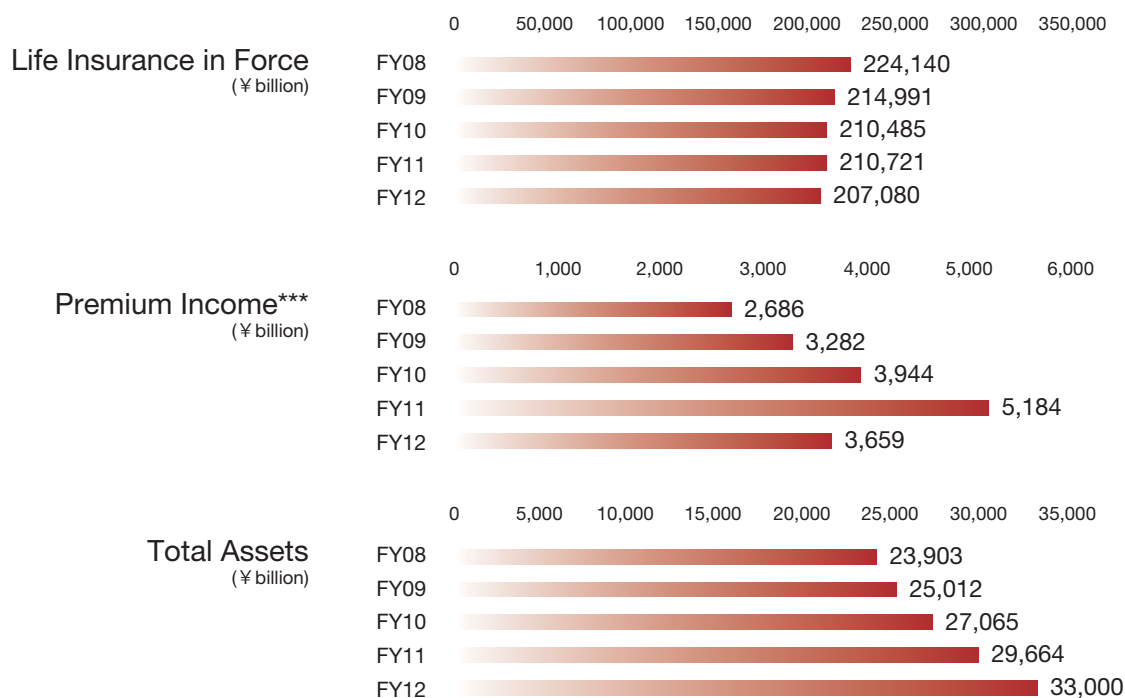
For the years ended March 31, 2013 and 2012

	Billions of Yen		Billions of U.S. Dollars*
	FY2012	FY2011	FY2012
New Business**	¥3,432	¥5,555	\$ 36.4
Premium Income***	3,659	5,184	38.9
Investment Income and Gain	859	695	9.1
Insurance Benefits Paid and Others	2,288	2,277	24.3

* Figures in U.S. dollars, shown for reference only, are converted using the rate of ¥94.05 to US\$1.00 prevailing on March 29, 2013.

** The amount of individual life insurance and annuities (adjusted for conversion).

*** Refunds on reinsurance are included.



Note About Fiscal Year : Both "Fiscal 2012" and "FY2012" refer to the year ended March 31, 2013.

"Fiscal 2013" and "FY2013" refer to the year ending March 31, 2014.

A Message from the Management



On behalf of Meiji Yasuda Life, I would like to extend my sincere gratitude for your continued support.

During the year ended March 31, 2013 (fiscal 2012), the Japanese economy recovered gradually through the summer due to such factors as restoration-led demand following the Great East Japan Earthquake, but faltered amid the European financial crisis and anxiety over the deceleration of China's economy, which caused Japanese exports and production to decline.

After a change in governing parties in December 2012, signs of recovery emerged in Japan's economy. Household and industrial sentiment rose, spurred on by yen depreciation and rising stock prices resulting from proactive fiscal and monetary policies. Nevertheless, the recovery may remain muted until salaries rise and the employment situation improves.

In financial markets, major central banks, including the Bank of Japan, have adopted expansionary monetary policy, leading interest rates to exceptionally low levels worldwide.

In fiscal 2011, we launched the "Meiji Yasuda New Development Plan." We are continuing implementation of this three-year plan, guided by the plan's broad themes "promoting Corporate Social Responsibility (CSR) management, including strict compliance" and "thoroughly pursuing enhanced customer satisfaction." In doing so, we have pursued various initiatives aimed at achieving sustainable growth over the long-term.

Consequently, premium income for fiscal 2012 totaled ¥3,659.3 billion, as scheduled. Base profit increased for the third consecutive year to ¥394.5 billion. We also maintained our position as the industry leader in terms of financial soundness, with a solvency margin ratio (one of several regulatory indicators displaying the soundness of insurers) of 930.3%. This performance was due to your assis-

tance, for which we are deeply grateful.

Looking ahead, fiscal 2013 marks the final year of the three-year “Meiji Yasuda New Development Plan.” Also, in January 2014 we will celebrate the tenth anniversary of Meiji Yasuda Life’s merger. With this in mind, all of us at Meiji Yasuda Life will rally our combined strength to achieve the plan’s three pillars, namely:

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

In particular, we will focus on our key distribution channel of agency, striving to enrich after-sales service with greater emphasis on face-to-face communication with our customers. Simultaneously, we will further enhance our pre-enrollment consulting service, ensuring explanations are made with appropriate detail of important matters such as the social security system and the tax implications of life insurance. In this way, we will improve customer satisfaction.

Pursuing a hassle-free policy administration process for our customers, we are simplifying the insurance claim application process in addition to enriching “MY Hoken Page,” a website designed to confirm policy contents, receive various applications, and accept requests for brochures. We will advance initiatives to realize greater convenience for our policyholders.

We are also placing emphasis on the overseas insurance business. In this growth field, for example, we recently became the first Japanese insurer to expand into Poland. We are working to get our overseas affiliates on track and expand their businesses.

We position our nursing care insurance business as the fourth growth driver next to mortality insurance,

annuities and medical insurances. We will continue such initiatives as the sale of nursing care-related insurance, the provision of online nursing care information service and the operation of nursing care facilities.

To ensure the payment of insurance claims and benefits, we will continue to strengthen our capital and financial base and adopt sophisticated risk management that always remains attentive to potential economic developments.

Approaching our anniversary and eager to express gratitude for ten years of your support, we are implementing the “*Nippon Sukoyaka Project*” to donate educational equipment to schools. We will continue with initiatives such as this to support the sound upbringing of children who will lead future generations.

As I assume the office of president, I am committed to both continuing and building upon my predecessors’ efforts. I will fulfill my role in spearheading and advancing initiatives to ensure we always remain “a company placing utmost value on our customers,” an aspiration which has long driven Meiji Yasuda Life’s operations. To provide even better service, Meiji Yasuda Life will push forward, aiming not only to satisfy customers, but also to inspire them with service that extends beyond expectation. All of us at Meiji Yasuda Life will work as one to achieve our aim of providing each customer with inspiring experience that makes an impression.

We sincerely ask for your continued support and encouragement.

July 2013

根岸秋男

Akio Negishi
President

Meiji Yasuda New Development Plan

Overview of Meiji Yasuda New Development Plan

In January 2006, we formulated the Meiji Yasuda Revitalization Plan and pursued the restoration of customer trust for two years and three months. Upon success, we launched the three-year Meiji Yasuda Challenge Plan in April 2008 to achieve stable growth through enhanced customer satisfaction. In April 2011, we proceeded with the three-year Meiji Yasuda New Development Plan. This consists of the Medium-Term Business Plan and the MOT Project—Phase III, which is designed to establish a basis for the continual improvement of customer satisfaction. The Meiji Yasuda New Development Plan is based on “promoting Corporate Social Responsibility (CSR) management, including strict compliance” and “thoroughly pursuing enhanced customer satisfaction.” We seek to improve the quality indicators of our policies, solidify our operating foundation for higher performance and respond accurately to changes transforming the market structure as we aim for steady growth over the long term.

■ Step-by-Step Strategic Improvement Leads to the Meiji Yasuda New Development Plan



Status of the Medium-Term Business Plan

(1) Achieve Stable Growth in Domestic Life Insurance Business

In our distribution channel of agency, we have been striving to achieve greater customer satisfaction through the ongoing reform efforts putting emphasis on this channel as a key sales channel. We accelerated such efforts, promoting optimization of our consulting services and development of training programs tailored to the needs of each sales personnel.

In October 2011, we released four new riders including the “Whole Life Annuity Rider with Disability Income Benefit.” Responding to customer needs, this provides separate coverage for income protection and survivor support in the event of serious illness, injury or death.

In September 2012, we introduced “*Kaigo no Sasae*,” another type of annuity product designed in

line with Japan’s long-term care insurance system, initiating payment at the time policyholders meet criteria requiring long-term nursing care as set forth in said system. Moreover, in February 2013 we released “Meiji Yasuda Educational Endowment Insurance” designed to help prepare for educational expenses in an efficient way, and also introduced “Medical Insurance for Child Dependents,” which boasts hospitalization coverage and other features.

We are working to diversify our sales channels. For example, in the Bancassurance channel we offer a single premium whole life insurance and other products aimed at meeting diverse customer needs including single premium fixed annuity, variable annuity and level premium fixed annuity products. Simultaneously, we strengthened sales support, striving to optimize sales at each bank and promote a seamless sales structure. In addition, we are enriching the contents of “*MY Hoken Page*,” a website launched in April 2012 and are expanding our

shops to develop multiple contact points with our policyholders.

In addition, we are exhaustively reviewing existing services and application processes while working through the administrative service reforms to drastically improve quality from the customer's point of view.

(2) Actively Invest in Growth Fields— Overseas Insurance Business and Nursing Care Services Business

As for the overseas insurance business, we have participated in the management of two major Polish insurers, TU Europa S.A. and TUIR Warta S.A., jointly with German-based insurer Talanx AG, our capital and business alliance partner, since November 2010. In doing so, we became the first Japanese insurer to expand into the Polish insurance market. We also have stake in PT Avrist Assurance (Indonesia) and Founder Meiji Yasuda Life Insurance Co., Ltd. (China) and are striving to get these affiliates on track and expand their businesses.

In the nursing care service business, we pursue our nursing care information service through “MY Kaigo-no-Hiroba” portal and opened a new facility for those requiring long-term nursing care at Sunvenus Tachikawa Company Limited (Japan) in March 2013.

(3) Refining Risk Management Methods, Strengthening Capital and Financial Base

Step by step, we are enhancing the enterprise risk management structure and adopting sophisticated risk management. One such step is the introduction of measures guarding against changes in interest rates. In addition, we raised ¥50.0 billion and ¥100.0 billion in August 2011 and August 2012, respectively, with the aim of strengthening our capital and financial base.

Status of Management Performance Targets and Customer Satisfaction

Progress was made in each of our management performance targets. We increased annualized premiums from individual insurance, premiums from group

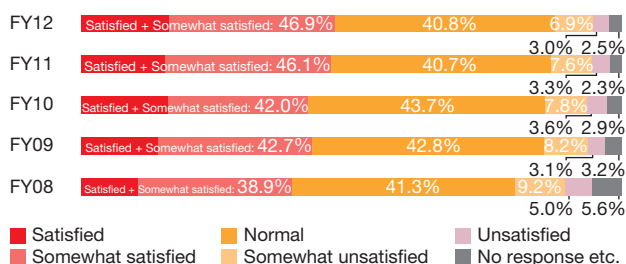
insurance and corporate value (EEV). Moreover, total customer satisfaction percentage (Satisfied and Somewhat satisfied) rose to 46.9%, hitting a record high since we began customer satisfaction surveys in fiscal 2005.

Management Performance Targets

	Fiscal 2012 results	Year-to-year comparison	Targets in Medium-Term Business Plan
Individual insurance: Annualized premiums	¥2,025 billion	+3.8%	¥1,960 billion
Group insurance: Premiums	¥1,152 billion	+4.6%	¥1,050 billion
Corporate value (EEV*)	¥3,012 billion	+11.3%	¥2,900 billion

* Values are based on the investment environment as of fiscal 2010, when the targets were set.

Total Customer Satisfaction Ratings from Customer Satisfaction Surveys



Note: Percentages may not total 100 because figures are rounded off after the second decimal point.

Status of the MOT Project —Phase III

The president spearheads this project, which entered phase III, to enhance customer satisfaction while everyone is participating as we spread awareness and adopt a proactive stance toward being “a company placing utmost value on our customers” throughout the entire organization.

In fiscal 2012, we strove to provide customers with better hospitality by sharing customer feedback, especially about best practices that pleased them. Moreover, we worked to improve day-to-day operations by utilizing “MOT* suggestions” from employees with the aim of enhancing customer services while facilitating communication among them on a Companywide basis.

* MOT is an acronym for a Japanese phrase that means “Value the customer even more.”

Fiscal 2012 Highlights

TOPIC 1

Enhancing Nursing Care Insurance and Services

In response to the growing need for nursing care to support a rapidly aging society, the Meiji Yasuda Life Group is involved in nursing care-related businesses, providing nursing care insurance, operating nursing care facilities and offering nursing care information services. We will continue to enrich the contents of these nursing care-related services.

Releasing “Kaigo no Sasae” Nursing Care Insurance

In consideration of the opinions voiced by our customers and the real-life situations of those struggling with nursing care, we released “Kaigo no Sasae,” a nursing care insurance developed to aid those seeking to minimize economic and mental burdens imposed on family members when they themselves need nursing care. Should a policyholder require long-term nursing care, this insurance product provides a lump-sum payment and lifelong annuity while ensuring survivors’ benefits.

Providing a Variety of Nursing Care Information through “MY Kaigo-no-Hiroba”

With the “graying” population, issues of nursing care for the elderly are increasingly relevant. Tailored to this growing need, the Meiji Yasuda Life Group is offering information and services through “MY Kaigo-no-Hiroba,” a general nursing care information website operated by Meiji Yasuda System Technology Company Limited. In May 2013, we upgraded this website to broaden the methods of searching for nursing care homes nationwide, enabling searches by map, by prefecture or city, and by keyword.

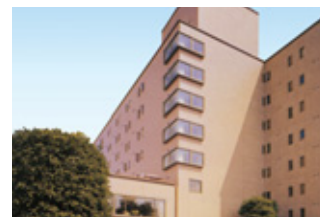


MY Kaigo-no-Hiroba

Reinforcing Nursing Care Facilities

Sunvenus Tachikawa Company Limited, a private nursing home operator that became our wholly-owned subsidiary in March 2012, opened a new nursing care facility building consisting of 34 rooms in March 2013 for those requiring long-term nursing care. The new building shares the same premises as the existing facility, which provides 103 rooms for those in need of only light nursing care.

Looking ahead, we will progressively reinforce our nursing care facilities and nursing care services.



Sunvenus Tachikawa

TOPIC 2

Enhancing Customer Satisfaction through Reform of Our Individual Insurance Marketing and Administrative Service Reforms

With the aim of pursuing greater customer satisfaction through the enhancement of pre-enrollment and after-sales services, we are promoting reform of our individual insurance marketing. These initiatives are intended to maintain the high quality of services provided by sales personnel. Simultaneously, we are pursuing administrative service reforms, with an exhaustive review to bring about structural change.

Bolstering Consulting Activities with Convincing Explanations to Ensure Peace of Mind

We are implementing consulting activities so customers can calmly enroll in a policy fully convinced of their own decision. These activities explain the social security system and ensure potential enrollees understand the benefits available through the system. With this understanding, we can then suggest insurance plans with multiple options designed to meet each customer’s necessary amount of coverage and their other preferences.

“Ease of Mind Service Activities Program” to Enhance Customer Satisfaction

Aiming to facilitate communication with customers, we are implementing a program that provides sales personnel with service standards, ranging from the number of customer visits (at least twice a year per customer) to service content, including helping policyholders confirm policy details, as well as procedures for claims applications and providing customers with other useful information.

Administrative Service Reforms to Ensure Customer Satisfaction

Placing the utmost emphasis on adopting the customer’s point of view, we are striving to reform administrative service associated with policy application procedures. To make the process prompt, easy to understand and more convincing, our initiatives include the strategic utilization of information and communication technology (ICT), development of administrative service suited for an aging society, and the establishment of sophisticated administrative structure.

TOPIC 3

Social Contribution Activities

“Contributing to local society and giving consideration for the environment” is a motto set forth in the Meiji Yasuda Life Action Principles to guide our employees at each business unit in the proactive pursuit of social contribution activities.

Toward the Reconstruction of Areas Devastated by the Great East Japan Earthquake

These are a few of the initiatives we implemented, and are continuing, to support hard-hit people and disaster-stricken areas.

“Ashinaga Charity & Walking 2012” for Earthquake Orphans

This charity walk event raises funds to support children who were orphaned by the earthquake, particularly with their schooling and mental health care,

while striving to raise general awareness of their plight. Our officers and employees from around the nation volunteered to support this event.



Ashinaga Charity & Walking 2012

Labor and Management Cooperate in Volunteer Activities at Disaster-Stricken Areas

We conducted volunteer activities in disaster-stricken areas across Iwate, Miyagi and Fukushima Prefectures with the aim of assisting reconstruction. We removed debris and cleaned both inside and around damaged housing with the cooperation of local volunteer centers.

Supporting Children in Fukushima by Participating in “Ponta Yama Genki Gakko” Program

We are participating in a program that invites children from Fukushima Prefecture, who are being forced by the nuclear accident to refrain from outdoor play, to Samegawa-mura. Located in the Abukuma mountain range, this village provides a safe environment where they can enjoy playing outside without fear of radiation.

Our Overseas Insurance Initiatives

Strengthening the Overseas Insurance Business

While striving to remain strong in the domestic life insurance market by enhancing our service capabilities and profitability, we are simultaneously building the overseas insurance business with the aim of securing medium- to long-term growth and diversifying our business portfolio.

In North America, in 1976 we acquired a majority equity stake in Pacific Guardian Life Insurance Company, Limited (PGL) in Hawaii and went on to make PGL our wholly-owned subsidiary in 1985. By doing so, we became the first Japanese life insurer to own a life insurance company (direct writer) in the United States. PGL is the largest life insurer domiciled in Hawaii and provides life insurance tailored for the needs of customers in local communities, mainly in Hawaii and the west coast.

In Europe, we joined the management of two major Polish insurers, namely TU Europa S.A. in June 2012 and TUIR Warta S.A. in July 2012, by acquiring their shares jointly with Talanx AG, a major German-based insurer with which we formed a capital and business alliance. Becoming the first Japanese insurer to expand into Poland through these acquisitions, we are striving to help TU Europa S.A. and TUIR Warta S.A. succeed.

In Asia, we welcomed Peking University Founder Group Co., Ltd. in April 2012 as a new shareholder of our Chinese joint venture Haier Meiji Yasuda Life Insurance Co., Ltd. Since renamed Founder Meiji Yasuda Life Insurance Co., Ltd., we are striving to expand its operations in tandem with Peking University Founder Group and Haier Group. We were also the first to expand into Indonesia as a Japanese life insurer. Since 2010, we have maintained a capital and business alliance with local life insurance company PT Avrist Assurance. In May 2012, we increased our shareholdings in Avrist to strengthen this alliance.

Group Insurance-Related Services and Reinsurance Transactions Overseas

With the aim of assisting the vigorous global expansion of Japanese companies, we are broadening our insurance service network overseas to help equip these companies with better benefit programs for their employees working abroad through capital and business alliances, reinsurance transactions and insurance broking with strong local insurance companies.

For example, our overseas insurance services extend to: the provision of insurance services in China and Indonesia in collaboration with our capital and business alliance partners; the handling of reinsurance in the United States through our subsidiary Meiji Yasuda America Incorporated (Headquarters: New York; Branch: Los Angeles) that directly engages with local reinsurers; and the broking business in Hong Kong through Meiji Yasuda Asia Limited, a subsidiary that handles insurance and annuity products for corporate customers provided by major local insurers. As such, we are capable of providing various insurance and related services to Japanese companies operating in countries all across the world. In addition, we are assuming reinsurance for individual life insurance policies, employing our collaborative relationships with major Korean and Taiwanese life insurance companies.

International Group Life Insurance Networks

We have joined two major international life insurance company networks: the Swiss Life Network, run by Swiss Life, and All Net, administered by Allianz Group. Utilizing close cooperation with these networks, we are assisting foreign-owned multinational corporations operating in Japan to equip them with excellent benefit programs for employees.

New Alliance with Leading Thai Insurer

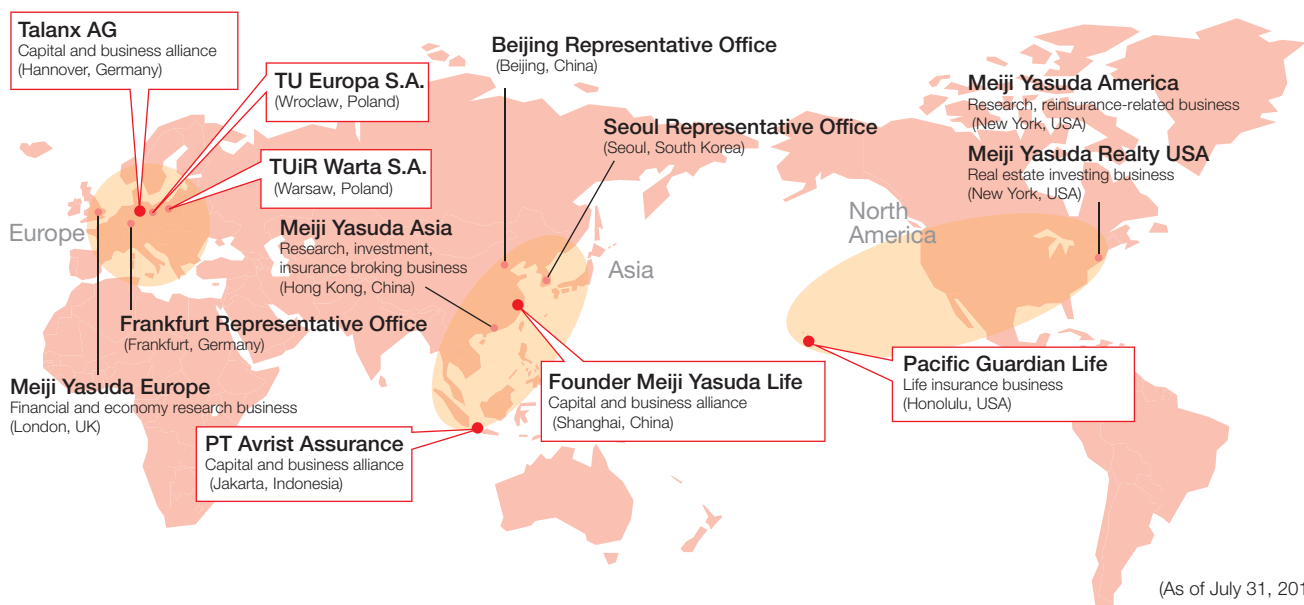
In July 2013, we agreed on capital investment in Thai Life Insurance Public Company Limited (“Thai Life”). With more than 70 years of history since its founding in 1942, Thai Life is a leading life insurance company in Thailand and boasts strong brand recognition as the Thai-operated life insurance group for the Thai people. Utilizing one of the largest tied agency forces in the country and an extensive Bancassurance network with leading banks, Thai Life provides life insurance services throughout the country.

Through the partnership, Meiji Yasuda Life and Thai Life will actively work together to pursue superior quality life insurance services in Thailand by combining our product development capabilities and distribution channel management expertise with Thai Life’s strong brand and nationwide distribution network. Furthermore, Meiji Yasuda Life and Thai Life will explore joint business opportunities in the ASEAN region.



Signing ceremony: (left: Akio Negishi, the president of Meiji Yasuda Life; right: Chai Chaiyawan, the president of Thai Life)

■ Operation Bases and Business Partners Overseas



Business Activities

Individual Insurance Marketing

In our distribution channel of agency, we have continually promoted phase II reform of our individual insurance marketing since fiscal 2011. This initiative built on and expanded reforms launched in fiscal 2008.

To further improve customer satisfaction through the strengthening of after-sales services, we reorganized and expanded the list of activities in our “Ease of Mind Service Activities Program,” which standardizes the content of services and the frequency of policyholder visits, putting greater emphasis on face-to-face communication. Moreover, we are working to improve pre-enrollment services. Specifically, we are striving to enhance our proposal capability by ensuring that explanations are made prior to enrollment with regard to appropriate detail concerning the social security system, required coverage amounts and multiple options available to customers.

To nurture our sales personnel, we are providing employees with in-house training and examination programs which verify the knowledge, skills and manners which are required of sales personnel. We also have a system to nurture sales personnel during the first five years by having them undergo such programs as consulting training and an examination to assess sales capability with main products. Furthermore, we are providing additional categories and levels of training opportunities that more precisely correspond to the capabilities of our sales personnel. In these ways, we are continuously strengthening our ability to systematically nurture human resources.

As for product strategy, our Medium-Term Business Plan positions nursing care insurance products as the fourth growth driver next to mortality insurance, annuities and medical insurances. With this in mind, in September 2012 we introduced “*Kaigo no Sasae*,” an annuity product designed in line with Japan’s long-term care insurance system,

initiating payment at the time policyholders meet criteria requiring long-term nursing care as set forth in said system. “*Kaigo no Sasae*” also distributes interest dividends every five years. Moreover, in February 2013 we released two products: “Meiji Yasuda Educational Endowment Insurance,” which boasts a higher rate of return than conventional products; and “Medical Insurance for Child Dependents” that provides hospitalization and surgical coverage.

We have also expanded our shops by establishing five more “*Hoken ga Wakaru Desk*,” shops that solely handle our products, in the metropolitan Tokyo area as well as in Osaka and Nagoya Prefectures. Our shop network in Japan now consists of 14 shops including 10 “*Hoken ga Wakaru Desk*” shops and four “*Hoken Port*” shops, which are run jointly by Group affiliates acting as independent agencies that sell both Meiji Yasuda Life products and other insurers’ products.

General Agent Marketing

In the Bancassurance channel, we are providing a single premium whole life insurance, which accommodates needs for lifetime coverage, inheritance planning and stable wealth building, while offering other products aimed at meeting diverse customer needs, including a single premium fixed annuity and variable annuity. Moreover, we increased the number of financial institutions that deal with our level premium fixed annuity products. We are also providing detailed sales support, striving to optimize sales at financial institutions.

During fiscal 2012 we had to suppress the sale of single premium whole life insurance to address interest rate risk. Taking market interest rates into account, in June 2012 we also revised the minimum guaranteed assumed rate of the “*Kantan sustainable growth plus / 3 Zou-Hou-Shi*” single premium whole life insurance. In addition, we introduced a new variable annuity product in November 2012.

Group Insurance Marketing

In group life insurance, we focused on achieving a greater number of new policyholders in government offices. While commencing the sale of an injury rider for group term insurance with the aim of meeting the coverage needs of younger customers, we stepped up face-to-face consulting with corporate policyholders to encourage greater staff participation.

As for group pensions, we reinforced proposal activities and information services for existing customers who enrolled in defined benefit pension

plans and defined contribution pension plans. To address customer needs for stable wealth building, we commenced the underwriting of new separate account annuity plans aimed at curbing price fluctuation risks and ensuring steady asset management. In addition, we worked to promote continued enrollment even after the retirement of policyholders and, to this end, strove to enhance convenience through such means as increasing the payment options for premiums.

■ Five-Year Results for Main Businesses

Years ended March 31

Items	Millions of Yen				
	FY2012	FY2011	FY2010	FY2009	FY2008
Total ordinary revenue	¥ 4,691,035	¥ 6,081,039	¥ 4,795,406	¥ 4,165,183	¥ 3,784,791
Ordinary income	396,951	371,772	235,022	178,577	111,448
Base profit	394,544	370,982	310,544	291,478	329,341
Surplus for the period.....	235,537	172,007	139,754	143,470	122,269
Total amount of foundation funds (Note 1).....	620,000	520,000	470,000	410,000	410,000
Total assets.....	33,000,742	29,664,157	27,065,316	25,012,490	23,903,468
Assets in separate accounts.....	771,030	712,519	694,105	595,353	522,696
Policy reserves	27,812,655	26,469,306	23,767,432	22,236,124	21,313,343
Loans.....	5,198,145	4,967,486	5,082,632	5,477,264	5,996,704
Securities.....	25,632,690	22,222,184	19,434,702	17,067,741	15,049,440
Solvency-margin ratio (Note 2).....	930.3%	749.6%	1,156.8% (663.6%)	1,187.5%	1,098.7%
Life insurance in force (Note 3).....	207,080,934	210,721,747	210,485,950	214,991,461	224,140,300
Individual life insurance	83,389,526	88,851,239	92,383,785	97,485,858	105,953,065
Individual annuities	13,563,364	12,702,634	12,082,476	11,690,075	11,258,235
Group life insurance.....	110,128,043	109,167,874	106,019,687	105,815,528	106,929,000
Group pensions in force (Note 4)	6,683,296	6,512,315	6,455,066	6,456,604	6,380,688
Spread (Billions of Yen).....	42.5	19.2	(1.0)	(59.0)	(68.8)

Notes: 1. Accumulated redeemed foundation funds are included.

2. In accordance with Cabinet Office Ordinance No. 23, 2010, and the Financial Services Agency Notification No. 48, 2010, a partial revision was made in the method of determining the total solvency margin and reserves and total risk (stricter rules for inclusion in solvency margin requirement, stricter rules and finer details for calculating risk, etc.) used in calculating the solvency margin ratio. The figures for fiscal 2011 and 2012 are based on the new method while the figures for fiscal 2008 to 2010 were calculated with the former method. To facilitate comparison, we also provide a pro forma result for fiscal 2010. This figure appears in parentheses and represents the solvency-margin ratio that would have resulted if the revision had been adopted on March 31, 2011.

3. Life insurance in force represents the sum total of individual life insurance, individual annuities and group life insurance in force.

4. Group pensions in force represents the sum total of policy reserves for group pensions.

Asset Management

With the aim of securing stable profit over the medium- to long-term, our asset management operations center on domestic bonds and loans by employing the surplus management type of asset liability management (ALM). We also purchased domestic bonds as policy-reserve-matching bonds to reinforce control over interest rate risk. We pursued profitability through such efforts as making loans that more effectively leverage interest rate spread and making additional purchases of foreign currency denominated bonds hedged against exchange rate fluctuation risk.

In our asset management business, Meiji Yasuda Asset Management Company Ltd., a Group subsidiary specialized in investment advisory and investment trust management, has expanded its product lineup focusing on alternative investment-related products, with the aim of meeting the diverse needs of our pension customers.

Note: The surplus management type of ALM is a risk management technique that defines a surplus as the difference between the assessed economic value of assets and liabilities, and aims to control fluctuation risk for the surplus using asset liability management.

Enhancing Customer Services

In the individual insurance field, we are continuously pursuing administrative service reforms, exhaustively reviewing such service from the customer's point of view. For example, we are simplifying processes, such as applications for insurance claims and benefits, while making these processes more user-friendly, and giving due consideration to seniors. To realize greater convenience for customers, we also launched "MY Hoken Page," a website for policyholders that is designed to confirm policy contents and receive various applications while accepting requests for necessary documents. Likewise, we are promoting similar initiatives in group insurance marketing, applying the customer's viewpoint to review and simplify insurance claim applications and other processes. In this field, we are working to enhance usability by converting business forms to digital format through the utilization of information and communication technology (ICT).

In addition, we are striving to enhance service quality by drawing on customer feedback. While sharing examples of best practice that pleased customers Companywide, we are also making efforts to collect and analyze their complaints, and thereby formulate and implement steps aimed at addressing the causes of these complaints. Moreover, we utilize the Customer Satisfaction Advisory Council, an advisory body to the President which involves external specialists, so we can seek advice leveraging their extensive knowledge in the field of consumer affairs.

We are summarizing our initiatives aimed at enhancing customer satisfaction and presenting them in an annual white paper on "The opinions voiced by our customers." This white paper also covers the implementation status of measures incorporating customer suggestions to improve daily operations. The latest 2012 white paper was issued in June 2012 (available only in Japanese).