

February 14, 2017
Meiji Yasuda Life Insurance Company

Financial Results for the Nine Months Ended December 31, 2016 (Summary)

1. Results of the Group

- ◇ Insurance premiums of the Group decreased by 17.0% year-on-year due to the impact of Meiji Yasuda Life's (non-consolidated) results.
- ◇ Base profit of the Group limited the decrease to 6.7% in spite of the severe investment environment and secured ¥ 320.7 billion.
- ◇ Consolidated solvency margin ratio stood at 988.8% and maintained superior financial soundness.

(billions of yen)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Insurance premiums of the Group*1	2,112.8	-17.0%	2,546.7
Base profit of the Group*2,*3	320.7	-6.7%	343.7

(%)

	As of December 31, 2016	Change	As of March 31, 2016
Consolidated solvency margin ratio*4	988.8	+5.1 ^{pts}	983.7

*1 Insurance premiums of the Group is "Insurance premiums and other" in the Consolidated Statements of Income.

*2 Base profit of the Group is the total of Base profit of Meiji Yasuda Life and pretax profit of the consolidated subsidiaries and affiliates, which capital gains/losses are deducted (for affiliates shares of affiliates accounted for under the equity method), and internal group transactions of the Group is partially eliminated. Business results of StanCorp are added up before deducting amortization expenses of the value of in-force business and others effected by purchase accounting.

*3 Business results of StanCorp are added up corresponding to its 7 months result from March (the acquisition month) to September, 2016.

*4 Consolidated solvency margin ratio as of December 31, 2016 is calculated by the method deemed appropriate by the Company in accordance with the laws and others.

2. Business Performance

- ◇ Insurance premiums and other amounted ¥ 1,958.4 billion, decreased by 22.6% year-on-year.
 - To control risk in response to the rise of domestic interest rates and maintain financial soundness, lowered the assumed interest rate and partially suspended the sales of the single premium products, and also controlled group pensions underwriting.
 - In the agency distribution channel, insurance premiums and other of level premium products increased by 6.2% year-on-year.
- ◇ Annualized new premiums totaled ¥ 126.2 billion, decreased by 10.3% year-on-year.
 - In the agency distribution channel, annualized new premiums increased by 5.7% year-on-year due to the strong sales of “Meiji Yasuda Life *Jibun no Tsumitate*” launched in October 2016 and “Best Style”, the comprehensive protection product.
 - Annualized new premiums of third-sector insurance increased by 2.6% year-on-year continuously.
- ◇ Annualized premiums from business in force amounted ¥ 2,230.8 billion, increased by 1.6% compared with the end of fiscal 2015.

○ Breakdown of Insurance premiums and other

(billions of yen)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Insurance premiums and other	1,958.4	-22.6%	2,528.7
Individual life insurance and annuities	1,245.2	-26.3%	1,689.5
Agency distribution channel	970.0	-9.9%	1,076.4
Level premium products	893.7	+6.2%	841.7
Bancassurance channel	239.9	-58.3%	574.9
Group life insurance and group pensions	684.0	-15.5%	809.4

○ Annualized new premiums (individual life insurance and annuities)

(billions of yen)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Annualized new premiums	126.2	-10.3%	140.7
Agency distribution channel	98.4	+5.7%	93.1
Bancassurance channel	25.8	-43.1%	45.4
Third-sector insurance*	28.1	+2.6%	27.3

*Third-sector insurance includes benefits related to medical insurance, living benefits and premium payment waiver.

○ Annualized premiums from business in force (individual life insurance and annuities)

(billions of yen)

	As of December 31, 2016	Change	As of March 31, 2016
Annualized premiums from business in force	2,230.8	+1.6%	2,196.6

«Reference» Quality indicators of policies

○ Surrender, lapse and partial surrender rate (individual life insurance and annuities) (%)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Surrender, lapse and partial surrender rate	2.73	-0.14 ^{pts}	2.87

Note: Surrender, lapse and partial surrender rate represents the proportion of surrendered, lapsed and partial surrendered policies to policies in force at the beginning of the fiscal year. The rate is calculated based on annualized premiums from business in force.

○ Total persistency rate (individual life insurance and annuities) (%)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
13th month-total persistency rate	95.6	-0.1 ^{pts}	95.7
25th month-total persistency rate	90.1	+3.3 ^{pts}	86.8

Note: The calculation of total persistency rate is based on the amount of policies in force.

3. Indicators of profitability

- ◇ Base profit totaled ¥302.1 billion, decreased ¥37.0 billion year-on-year due to the decrease of gains on redemption of securities in foreign bonds in accordance with yen appreciation. However, the level was above the plan.
- Despite the ultra-low interest rate and high-volatility environment, interest, dividends and other income maintained nearly the same level of the corresponding period of the previous year due to the effective asset allocation with an eye to market conditions.

○ Base profit (billions of yen)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Base profit	302.1	(37.0)	339.1
Interest, dividends and other income	499.7	(0.6)	500.4
Gains/Losses on redemption of securities	39.3	(34.6)	73.9

«Reference»

○ Capital gains/losses (billions of yen)

	Nine months ended December 31, 2016	Change	Nine months ended December 31, 2015
Capital gains/losses	(99.5)	(10.4)	(89.1)
Gains/Losses on sales of securities	(17.0)	(23.4)	6.3
Losses on valuation of securities	17.4	7.2	10.1

4. Indicators of financial soundness

- ◇ Solvency margin ratio slightly decreased compared with the end of fiscal 2015. However, the ratio continues to show superior financial soundness due to such measures as the issuance of subordinated bonds.
- ◇ Unrealized gains in general account investment assets totaled ¥6,337.7 billion, increased ¥166.9 billion compared with the end of fiscal 2015 due to rising stock prices based on the positive expectations for the President Trump's financial policy.

○ Solvency margin ratio

(billions of yen, %)

	As of December 31, 2016	Change	As of March 31, 2016
Solvency margin ratio	927.8	-10.7 ^{pts}	938.5
Total solvency margin (A)	7,317.3	511.8	6,805.4
Total risk (B)	1,577.2	127.0	1,450.2

Note: Solvency margin ratio = (A)/(1/2x(B))x100

Solvency margin ratio, total solvency margin and total risk as of December 31, 2016 are calculated by the method deemed appropriate by the Company in accordance with the laws and others.

○ Real net assets

(billions of yen, %)

	As of December 31, 2016	Change	As of March 31, 2016
Real net assets	9,729.3	213.6	9,515.6
Proportion in general account assets	26.2	-0.4 ^{pts}	26.6

Note: Real net assets and its proportion in general account assets as of December 31, 2016 are calculated by the method deemed appropriate by the Company in accordance with the laws and others.

○ Internal reserves

(billions of yen)

	As of December 31, 2016	Change	As of March 31, 2016
Internal reserves	2,407.0	117.4	2,289.5

○ Unrealized gains in general account investment assets

(billions of yen)

	As of December 31, 2016	Change	As of March 31, 2016
Unrealized gains in general account investment assets	6,337.7	166.9	6,170.7
Securities with market price	5,972.3	151.9	5,820.4
Domestic bonds	2,779.2	(381.7)	3,161.0
Domestic stocks	2,301.1	513.3	1,787.7
Foreign securities	817.9	(10.8)	828.7

Note: Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

○ Breakeven Points

Breakeven Points indicate the level of Nikkei 225/TOPIX at which unrealized gains and losses cancel out on domestic stocks held if the Company's portfolio and the market indices fully correlate.

	As of December 31, 2016	As of March 31, 2016
Nikkei 225	Approx. 8,000 yen	Approx. 8,100 yen
TOPIX	Approx. 640 ^{pts}	Approx. 650 ^{pts}

Note: The approximate breakeven points are ¥8,600 for Nikkei 225 and 680 pts for TOPIX as calculated based on the historical correlation coefficient between the Company's portfolio and stock market indices.