

[Unofficial translation]



**MY INNOVATION**  
**2020**  
MEIJI YASUDA  
3-year program

# **Financial Results for the Fiscal Year Ended March 31, 2017 (Summary)**

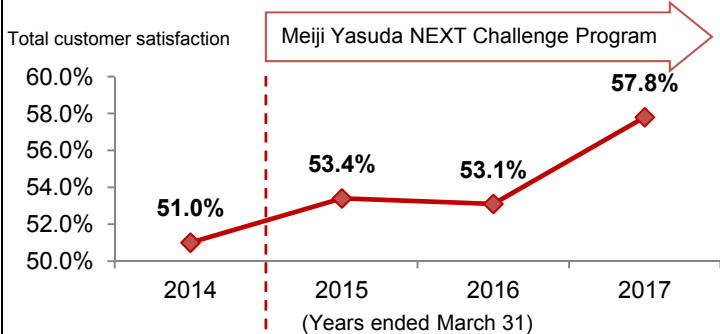
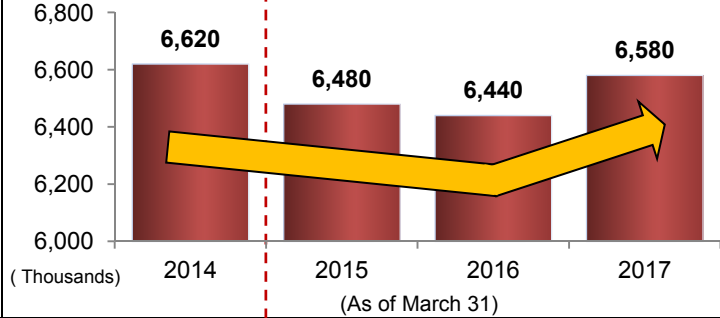
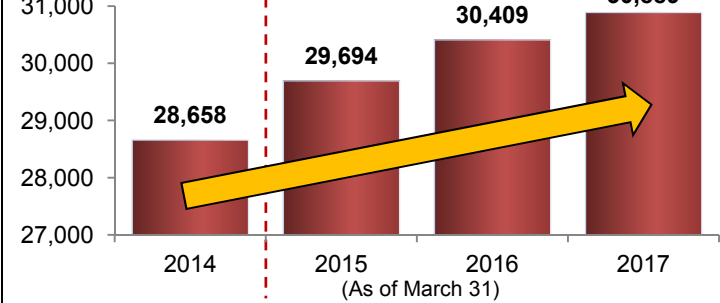
**May 25, 2017**  
**Meiji Yasuda Life Insurance Company**

# I. Review of “Meiji Yasuda NEXT Challenge Program” (April 2014 – March 2017)

- Achieved the Medium-Term Business Plan’s management goals mostly while striking a balance between growth potential, profitability and financial soundness, and solidified our operating base for the upcoming decade.

| Items  | Change   | Results  |
|--|--|--|
| Corporate value (EEV)  | <p>Meiji Yasuda NEXT Challenge Program</p> <p>(billions of yen)</p> <p>2014 2015 2016 2017</p> <p>(As of March 31)</p> | <ul style="list-style-type: none"> <li>○ Achieved ¥5,504.6 billion, with the target number of ¥5,300.0 billion.</li> <li>○ Increased by approx. 30% in three years due to the sales of new policy and improvement of quality indicators of policies in the agency distribution channel, and achieved management target.</li> <li>※ Amount based on the investment environment as of March 31, 2014, the end of the fiscal year in which the target was established.</li> </ul> |
| Annualized premiums from business in force<br>[Individual insurance marketing] | <p>(billions of yen)</p> <p>2014 2015 2016 2017</p> <p>(As of March 31)</p>  | <ul style="list-style-type: none"> <li>○ Achieved ¥2,205.2 billion, with the target number of ¥2,198.0 billion.</li> <li>○ Increased approx. ¥120.0 billion in three years and achieved management target.</li> </ul>  |
| Group life insurance from business in force<br>[Group insurance marketing]     | <p>(trillions of yen)</p> <p>2014 2015 2016 2017</p> <p>(As of March 31)</p>   | <ul style="list-style-type: none"> <li>○ Group life insurance from business in force increased steadily and maintained the top share in the domestic market.</li> <li>○ Group pension asset achieved stable increase due to the controlled sales under the ultra-low interest rate.</li> </ul>   |

# I. Review of “Meiji Yasuda NEXT Challenge Program” (April 2014 – March 2017)

| Items                     | Change   | Results  |
|---------------------------|--|--|
| Customer satisfaction     |  <p>Total customer satisfaction</p> <p>Meiji Yasuda NEXT Challenge Program</p> <p>51.0% 53.4% 53.1% 57.8%</p> <p>2014 2015 2016 2017</p> <p>(Years ended March 31)</p> | <p>○Total customer satisfaction ratings (the proportion of “Satisfied” and “Somewhat satisfied”) achieved 57.8%, hitting a record high.</p> <p>※Choose from “Satisfied”, “Somewhat satisfied”, “Normal”, “Somewhat unsatisfied”, “Unsatisfied”</p> |
| Number of customers       |  <p>6,620 6,480 6,440 6,580</p> <p>2014 2015 2016 2017</p> <p>(Thousands) (As of March 31)</p>   | <p>○Reversed to increase in the number of customers as of March 31, 2017.</p> <p>※Number of life insurance policyholders and insured persons in the agency distribution channel (excluded non-life policyholder and other)</p>                     |
| Number of sales personnel |  <p>28,658 29,694 30,409 30,889</p> <p>2014 2015 2016 2017</p> <p>(As of March 31)</p>  | <p>○Number of sales personnel exceeded 30,000 and progressed steadily while strengthening sales and service structure.</p>   |

## II. FY2016 Business Performance Highlights

### Insurance premiums and other

- As of FY2016, under the ongoing ultra-low interest rate as the Bank of Japan maintained the negative interest rate, strategically controlled assets and liabilities through such measures as lowering the assumed interest rates and partially suspending sales of single premium saving products as well as controlling group pensions underwriting. Insurance premiums and other decreased but progressed as planned.

### Base profit

- The base profit of both Meiji Yasuda Group (hereafter, the Group) and Meiji Yasuda Life (hereafter, the Company) increased. StanCorp Financial Group, Inc. (hereafter, StanCorp), made a wholly-owned subsidiary effective in March 2016, contributed to the base profit of the Group. Although we expected the decrease of base profit of the Company due to the severe investment environment, achieved increase due to the curb of the decrease of interest surplus by means of effective asset allocation in addition to the increase of mortality profit and expense profit.

### Financial soundness

- Solvency margin ratio continued to show superior financial soundness, higher than the end of FY2015 due to measures such as issuance of foundation funds and domestic subordinated notes to enhance accounting capital adequacy.
- Corporate value (EEV) increased significantly due to the sales of new policy and improvement of quality indicators of policies in the agency distribution channel.

### Policyholders dividends

- Partially raised dividend rates for individual life insurance and individual annuities.

### Business Outlook

- Ordinary income and net surplus are projected to increase in FY2017 both the Group and the Company from the viewpoint of the expected sales effect of the foreign currency denominated insurance products to be launched in this summer and the contribution from StanCorp.

### III. Results of Meiji Yasuda Group

#### 1. Insurance Premiums of the Group and Base Profit of the Group

- Insurance premiums of the Group amounted ¥2,866.3 billion, decreased by 15.2% year-on-year due to the impact of Meiji Yasuda Life results (non-consolidated). ①
- Base profit of the Group amounted ¥496.2 billion, increased by 6.5% year-on-year due to such effects as the ¥24.0 billion contribution of StanCorp, made a wholly-owned subsidiary effective in March 2016. ②
- Base profit from domestic life insurance business (the sum of Meiji Yasuda Life (non-consolidated) and Meiji Yasuda General Insurance Co., Ltd.) totaled ¥475.4 billion. ③
- Ratio of the overseas insurance business and other business in the Group results progressed steadily with insurance premiums and other of 8.7% and base profit of 7.4%. ④

##### ■ Insurance premiums of the Group

(billions of yen)

|  | Year ended<br>March 31, 2017 |        | Year ended<br>March 31, 2016 |
|--|------------------------------|--------|------------------------------|
|  |                              | Change |                              |
| Insurance premiums of the Group <sup>*1</sup>  | ① 2,866.3                    | -15.2% | 3,381.6                      |
| Domestic life insurance business <sup>*4</sup> | 2,631.1                      | -22.0% | 3,373.0                      |
| Meiji Yasuda Life<br>(non-consolidated)        | 2,615.8                      | -22.1% | 3,357.8                      |
| StanCorp                                       | 226.5                        | —      | —                            |

##### ■ Base profit of the Group

(billions of yen)

|  | Year ended<br>March 31, 2017 |        | Year ended<br>March 31, 2016 |
|--|------------------------------|--------|------------------------------|
|  |                              | Change |                              |
| Base profit of the Group <sup>*2 *3</sup>      | ② 496.2                      | +6.5%  | 466.0                        |
| Domestic life insurance business <sup>*4</sup> | ③ 475.4                      | +2.9%  | 461.9                        |
| Meiji Yasuda Life<br>(non-consolidated)        | 472.3                        | +2.7%  | 459.9                        |
| StanCorp                                       | 24.0                         | —      | —                            |

<sup>\*1</sup> Insurance premiums of the Group is "Insurance premiums and other" in the Consolidated Statements of Income.

<sup>\*2</sup> 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.

<sup>\*3</sup> Business results of StanCorp are added up corresponding to its 10 months result from March (the acquisition month) to December, 2016.

<sup>\*4</sup> The sum of Meiji Yasuda Life (non-consolidated) and Meiji Yasuda General Insurance Co., Ltd.

##### ■ Ratio of the overseas insurance business and other business (except domestic life insurance business) in the Group results

|   |                                   |   |                            |                           |
|---|-----------------------------------|---|----------------------------|---------------------------|
| ④ | ■ Insurance premiums of the Group |   | ■ Base profit of the Group |                           |
|   | FY2015 0.7%                       | ➡ | FY2016 8.7%                | FY2015 2.8% ➡ FY2016 7.4% |

## 2. Consolidated Solvency Margin Ratio and European Embedded Value (EEV)

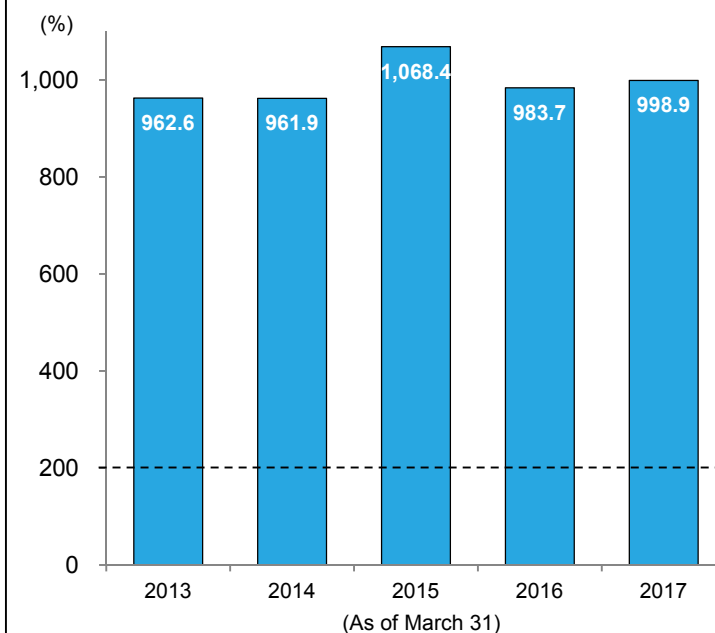
- Consolidated solvency margin ratio stood at 998.9% and maintained superior financial soundness. ①
- European Embedded Value (EEV) amounted ¥4,528.8 billion (¥1,127.4 billion increase compared with the end of FY2015). ②

### ■ Consolidated solvency margin ratio

|   | As of<br>March 31, 2017 |       | Change               | As of<br>March 31, 2016 |
|---|-------------------------|-------|----------------------|-------------------------|
| Consolidated solvency margin ratio      | ①                       | 998.9 | +15.2 <sup>pts</sup> | 983.7                   |
| Meiji Yasuda Life<br>(non-consolidated) |                         | 945.5 | +7.0 <sup>pts</sup>  | 938.5                   |

(%)

### ① Consolidated solvency margin ratio



### ■ European Embedded Value (EEV)

|   | As of<br>March 31, 2017 |         | Change  | As of<br>March 31, 2016 |
|---|-------------------------|---------|---------|-------------------------|
| EEV                                     | ②                       | 4,528.8 | 1,127.4 | 3,401.4                 |
| Meiji Yasuda Life<br>(non-consolidated) |                         | 4,713.2 | 1,068.6 | 3,644.5                 |
| StanCorp                                |                         | 425.5   | 66.0    | 359.4                   |

(billions of yen)

\* The solvency margin ratio is one of several regulatory indicators displaying the soundness of insurers. The solvency margin ratio is presented to determine whether or not the insurer has sufficient claims-paying ability capable of withstanding the occurrence of such events as a collapse of stock prices that goes beyond usually predictable risk. When an insurer fails to maintain its solvency margin ratio at 200% or greater, such insurer is subject to a business improvement order and other administrative orders issued by a supervisory authority.

## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 1. Insurance Premiums and Other

- Insurance premiums and other totaled ¥2,615.8 billion (a year-on-year decrease by 22.1%). ①
- In the agency distribution channel, insurance premiums of level premium products increased by 7.9% year-on-year and progressed steadily. ②
- Insurance premiums and other progressed as planned, due to controlling assets and liabilities through such measures as lowering the assumed interest rates and partially suspending sales of single premium saving products as well as controlling group pensions underwriting under the ultra-low interest rate environment. ③

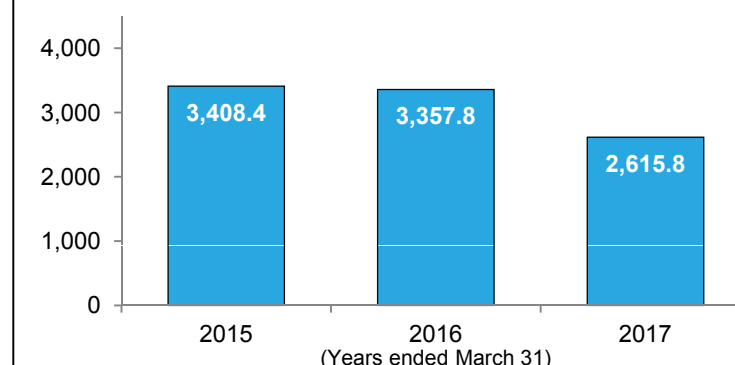
#### ■ Breakdown of Insurance premiums and other

|   | Year ended<br>March 31, 2017 |         | Change | Year ended<br>March 31, 2016 |
|---|------------------------------|---------|--------|------------------------------|
|   |                              |         |        |                              |
| Insurance premiums and other            | ①                            | 2,615.8 | -22.1% | 3,357.8                      |
| Individual life insurance and annuities |                              | 1,663.1 | -23.3% | 2,167.9                      |
| Agency distribution channel             |                              | 1,308.1 | -12.4% | 1,494.1                      |
| Level premium products                  | ②                            | 1,224.8 | +7.9%  | 1,135.6                      |
| Single premium products                 | ③                            | 83.3    | -76.8% | 358.4                        |
| Bancassurance channel                   |                              | 311.4   | -50.3% | 627.2                        |
| Group life insurance                    |                              | 313.0   | +0.8%  | 310.5                        |
| Group pensions                          | ③                            | 602.8   | -28.4% | 841.8                        |

(billions of yen)

#### ① Insurance premiums and other

(billions of yen)



## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 2. Annualized Premiums and Life Insurance from Business in Force

- Annualized new premiums totaled ¥179.9 billion (a year-on-year decrease by 2.7%). ①
- In the agency distribution channel, annualized new premiums increased by 12.7% year-on-year due to the strong sales of “Simple Insurance Series Light ! By Meiji Yasuda Life” and “Best Style”, the comprehensive protection product. ②
- Annualized new premiums of third-sector insurance increased continuously due to such effects as the launch of new rider for “Best Style” (a year-on-year increase by 0.6%). ③
- Annualized premiums from business in force amounted ¥2,250.0 billion (2.4% increase compared with the end of FY2015). Achieved net increase for eight consecutive years due to the improvement of quality indicators of policies in addition to the sales of new policies in the agency distribution channel. ④
- Group life insurance in force achieved net increase for seven consecutive years and maintained the top share in the domestic market. ⑤

#### ■ Annualized new premiums

##### (individual life insurance and individual annuities)

|                             | Year ended<br>March 31, 2017 |        | Year ended<br>March 31, 2016 |  |
|-----------------------------|------------------------------|--------|------------------------------|--|
|                             |                              | Change |                              |  |
| Annualized new premiums     | ① 179.9                      | -2.7%  | 184.9                        |  |
| Agency distribution channel | ② 143.2                      | +12.7% | 127.0                        |  |
| Bancassurance channel       | 33.9                         | -37.9% | 54.7                         |  |
| Third-sector insurance*1    | ③ 36.5                       | +0.6%  | 36.3                         |  |

\*1 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 individual annuities)

|                             | As of<br>March 31, 2017 |        | As of<br>March 31, 2016 |  |
|-----------------------------|-------------------------|--------|-------------------------|--|
|                             |                         | Change |                         |  |
| Annualized premiums         | ④ 2,250.0               | +2.4%  | 2,196.6                 |  |
| Agency distribution channel | 1,609.9                 | +3.3%  | 1,557.8                 |  |
| Bancassurance channel       | 595.2                   | +0.0%  | 595.1                   |  |

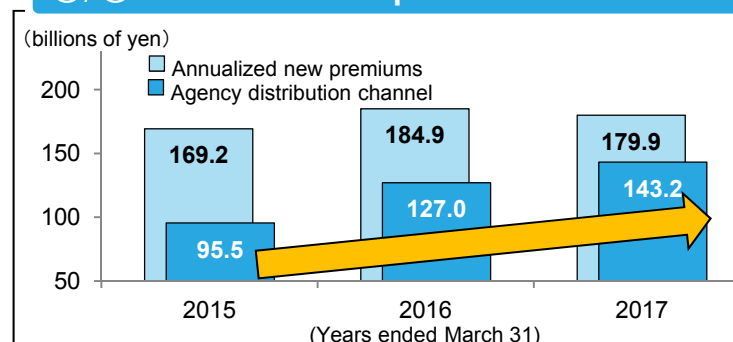
#### ■ Life insurance from business in force

##### (group life insurance and group pensions)

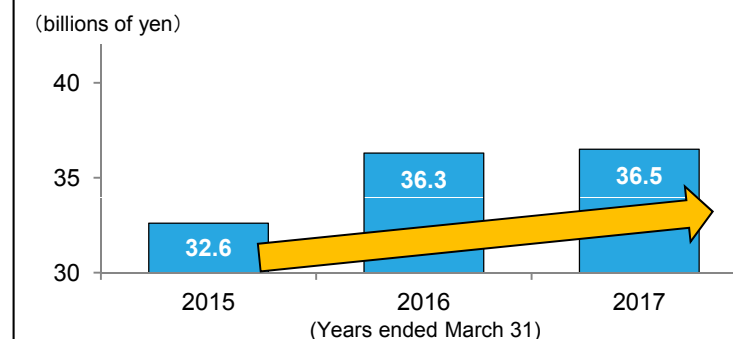
|                      | As of<br>March 31, 2017 |        | As of<br>March 31, 2016 |  |
|----------------------|-------------------------|--------|-------------------------|--|
|                      |                         | Change |                         |  |
| Group life insurance | ⑤ 112,956.9             | +0.9%  | 111,918.8               |  |
| Group pensions       | 7,441.7                 | +1.3%  | 7,345.4                 |  |
| (Domestic Group)*2   | 8,587.0                 | +2.0%  | 8,419.2                 |  |

\*2 The sum of Meiji Yasuda Life (non-consolidated) and Meiji Yasuda Asset Management Company.

#### ①, ② Annualized new premiums



#### ③ Annualized new premiums from Third-sector insurance





## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 3. Base Profit

- Base profit totaled ¥472.3 billion (a year-on-year increase by ¥12.4 billion) . ①
- Although we expected the decrease of base profit of the Company (non-consolidated) based on the severe investment environment, achieved increase of base profit due to the curb of the decrease of interest surplus effected by the improvement of investment environment and by means of effective asset allocation in addition to the increase of mortality profit by such risk-control as suspending sales of the single premium products. ②
- Average assumed interest rate decreased by 0.05pts compared with the end of FY2015 and stood at 1.92%, fallen below 2%. ③

#### ■ Base profit and others

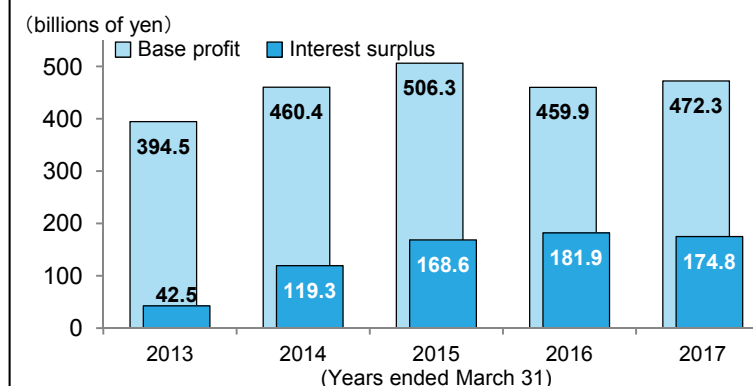
|                               | Year Ended<br>March 31, 2017 |       | Change | Year Ended<br>March 31, 2016 |  |
|-------------------------------|------------------------------|-------|--------|------------------------------|--|
|                               | ①                            | ②     |        |                              |  |
| Base profit (A)               | 472.3                        | 12.4  |        | 459.9                        |  |
| Interest surplus              | 174.8                        | (7.1) |        | 181.9                        |  |
| Mortality profit              | 281.6                        | 13.7  |        | 267.9                        |  |
| Expense profit                | 15.8                         | 5.8   |        | 9.9                          |  |
| Capital gains / losses (B)    | (113.0)                      | 0.5   |        | (113.5)                      |  |
| Temporary gains / losses (C)* | (40.8)                       | 4.5   |        | (45.4)                       |  |
| Ordinary profit (A+B+C)       | 318.4                        | 17.5  |        | 300.9                        |  |

\* Including provision for / reversal of contingency reserves and provision for policy reserves and other reserves.

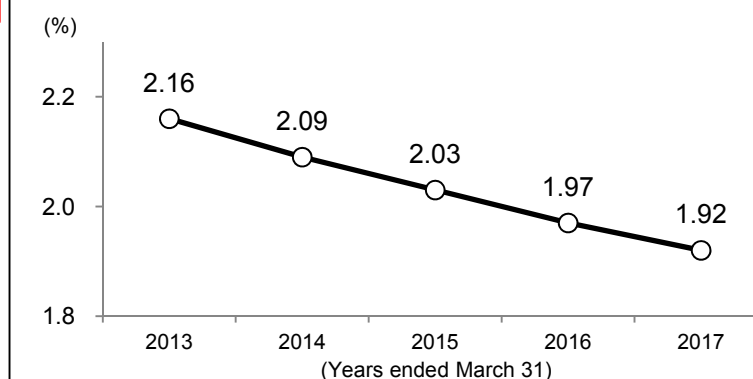
③

(billions of yen)

#### ① Base profit and ② Interest surplus



#### ③ Average assumed interest rate



## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 4. Net Investment Income

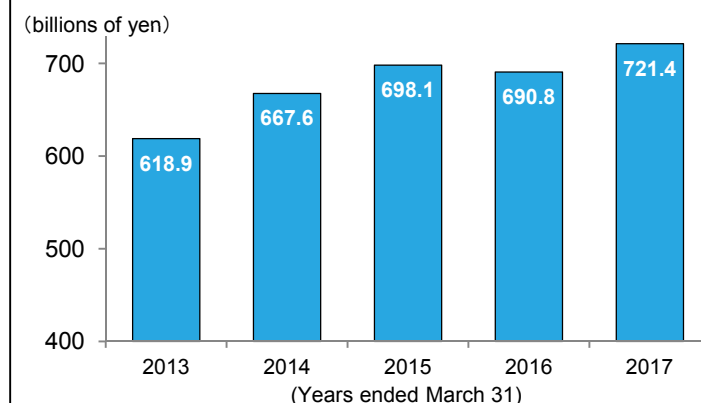
- Net investment income (Total) amounted ¥644.0 billion (a year-on-year increase by ¥35.8 billion). ①
- Interest, dividends and other income amounted ¥721.4 billion (a year-on-year increase by ¥30.6 billion), hitting a record high since establishment of Meiji Yasuda Life, due to the effective asset allocation with an eye to market conditions and by adopting more sophisticated and diverse asset management as well as the increase of dividends income from domestic and foreign stocks. ②

#### ■ Net investment income

|  | Year ended     |        | Change | Year ended<br>March 31, 2016 |
|--|----------------|--------|--------|------------------------------|
|  | March 31, 2017 |        |        |                              |
| Net investment income (Total)              | ① 644.0        | 35.8   |        | 608.1                        |
| Net investment income (General account)    | 628.2          | (8.8)  |        | 637.0                        |
| General account                            |                |        |        |                              |
| Investment income                          | 800.2          | 12.1   |        | 788.1                        |
| Interest, dividends and other income       | ② 721.4        | 30.6   |        | 690.8                        |
| Gains on sales of securities               | 21.6           | 13.2   |        | 8.4                          |
| Gains on redemption of securities          | 56.6           | (32.0) |        | 88.7                         |
| Investment expenses                        | 172.0          | 20.9   |        | 151.0                        |
| Losses on sales of securities              | 32.0           | 30.1   |        | 1.9                          |
| Losses on valuation of securities          | 12.0           | (0.7)  |        | 12.7                         |
| Losses on derivative financial instruments | 90.1           | (17.1) |        | 107.3                        |

(billions of yen)

#### ② Interest, dividends and other income



#### <Reference> Investment environment for the year ended March 31, 2017

|                            | As of          |          | Change | As of<br>March 31, 2016 |
|----------------------------|----------------|----------|--------|-------------------------|
|                            | March 31, 2017 |          |        |                         |
| TOPIX                      | 1,512.60       | 165.40   |        | 1,347.20                |
| Nikkei 225 (yen)           | 18,909.26      | 2,150.59 |        | 16,758.67               |
| 10-year JGBs (%)           | 0.065          | 0.115    |        | -0.050                  |
| Yen / Dollar exchange rate | 112.19         | (0.49)   |        | 112.68                  |
| Yen / Euro exchange rate   | 119.79         | (7.91)   |        | 127.70                  |

## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 5. Solvency Margin Ratio, Real Net Assets and On-balance Core Capital

- Solvency margin ratio stood at 945.5% (7.0pts increase compared with the end of FY2015) and maintained superior financial soundness due to the issuance of foundation funds and domestic subordinated notes to enhance on-balance core capital. ①
- On-balance core capital amounted ¥2,464.1 billion (¥274.7 billion increase compared with the end of FY2015). ②

#### ■ Solvency margin ratio

(billions of yen, %)

|                           | As of<br>March 31, 2017 | Change              | As of<br>March 31, 2016 |
|---------------------------|-------------------------|---------------------|-------------------------|
| Solvency margin ratio*1   | ① 945.5                 | +7.0 <sup>pts</sup> | 938.5                   |
| Total solvency margin (A) | 7,328.4                 | 522.9               | 6,805.4                 |
| Total risk (B)            | 1,550.1                 | 99.8                | 1,450.2                 |

\*1 Solvency margin ratio = (A)/(1/2x(B))x100

#### ■ Real net assets

(billions of yen, %)

|                                      | As of<br>March 31, 2017 | Change              | As of<br>March 31, 2016 |
|--------------------------------------|-------------------------|---------------------|-------------------------|
| Real net assets                      | 9,563.9                 | 48.3                | 9,515.6                 |
| Proportion in General account assets | 26.0                    | -0.6 <sup>pts</sup> | 26.6                    |

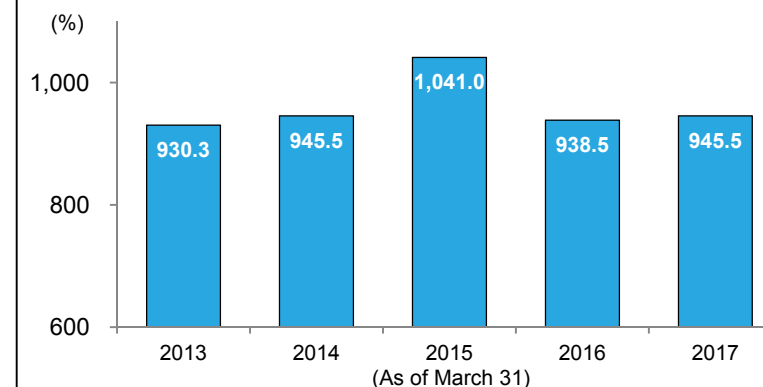
#### ■ On-balance core capital\*2

(billions of yen)

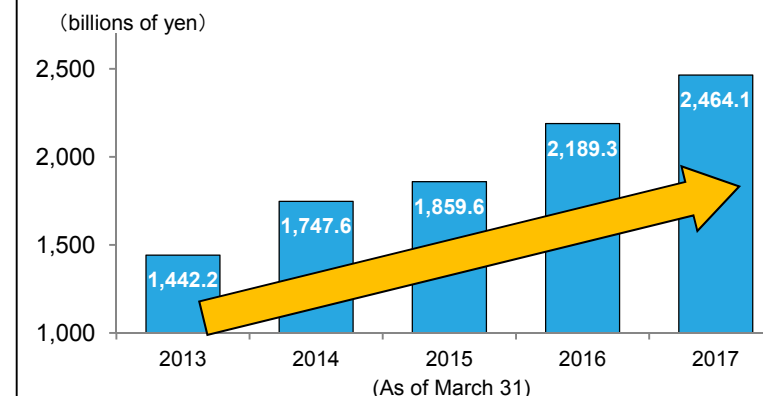
|                         | As of<br>March 31, 2017 | Change | As of<br>March 31, 2016 |
|-------------------------|-------------------------|--------|-------------------------|
| On-balance core capital | ② 2,464.1               | 274.7  | 2,189.3                 |

\*2 The sum of contingency reserve, reserve for price fluctuation, reserve for redemption of foundation funds and accounting surplus, and external financing capital

#### ① Solvency margin ratio



#### ② On-balance core capital



## 6. Unrealized Gains and Breakeven Points of Domestic Stocks

- Unrealized gains in General account investment assets totaled ¥6,040.9 billion (¥129.8 billion decrease compared with the end of FY2015) due to decrease of unrealized gains in domestic bonds and foreign securities effected by rising domestic and overseas interest rate whereas unrealized gains of domestic stocks increased by rising stock prices. ①
- Breakeven Points of domestic stocks is estimated approximately ¥8,000 (Nikkei 225). ②

### ■ Unrealized gains in General account investment assets

|                                     | As of          |                | Change  | (billions of yen) |
|-------------------------------------|----------------|----------------|---------|-------------------|
|                                     | March 31, 2017 | March 31, 2016 |         |                   |
| Unrealized gains in General account | ① 6,040.9      | 6,170.7        | (129.8) | 6,170.7           |
| Securities with market price*       | 5,666.9        | 5,820.4        | (153.5) | 5,820.4           |
| Domestic bonds                      | 2,587.7        | 3,161.0        | (573.2) | 3,161.0           |
| Domestic stocks                     | 2,348.2        | 1,787.7        | 560.4   | 1,787.7           |
| Foreign securities                  | 674.1          | 828.7          | (154.6) | 828.7             |

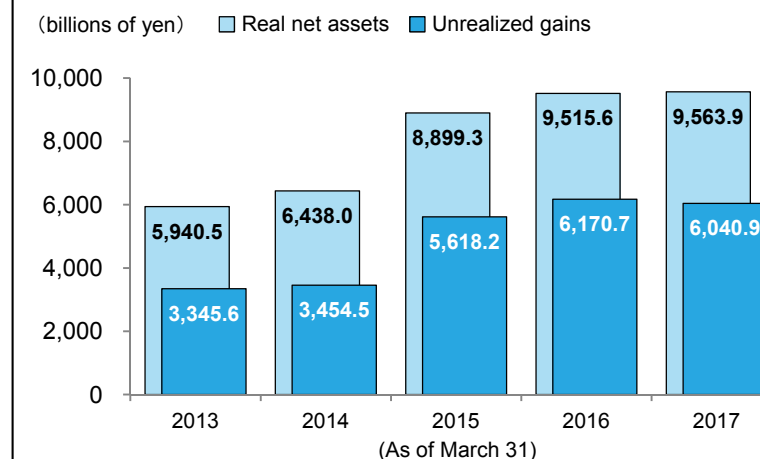
\* Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

### ■ Breakeven Points of domestic stocks

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                      | As of                      |
|------------|----------------------------|----------------------------|
|            | March 31, 2017             | March 31, 2016             |
| Nikkei 225 | ② Approx. 8,000yen         | Approx. 8,100yen           |
| TOPIX      | Approx. 650 <sup>pts</sup> | Approx. 650 <sup>pts</sup> |

### ① Unrealized gains



## IV. Results of Meiji Yasuda Life (Non-Consolidated)

### 7. Quality Indicators of Policies (Surrender, Lapse and Partial Surrender Rate, and Total Persistency Rate)

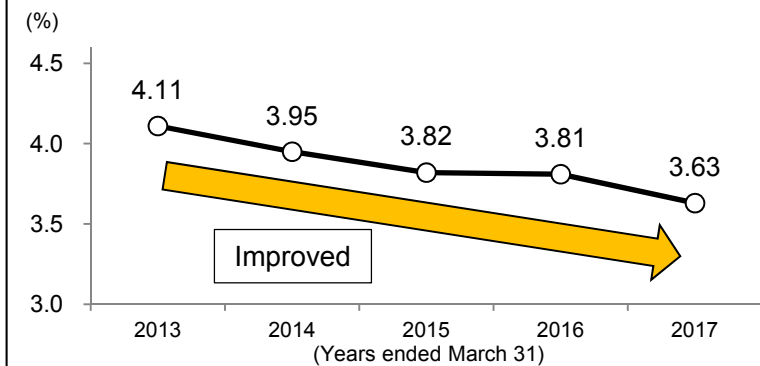
- Quality indicators of policies remain favorable and are reflected by the Company's successful efforts of the proactive after-sales services such as the face-to-face "Periodic Checkup Visit" aiming to check the contract information and whether there are policies eligible for claims.
- Surrender, lapse and partial surrender rate 3.63% (a year-on-year improvement by 0.18pts). ①
- 13th and 25th month-total persistency rates both maintained high level. ②

#### ■ Surrender, lapse and partial surrender rate \*1 (individual life insurance and individual annuities)

|   | Year ended<br>March 31, 2017 |          | Year ended<br>March 31, 2016 |
|---|------------------------------|----------|------------------------------|
|   |                              | Change   |                              |
| Surrender, lapse and partial surrender rate | ① 3.63                       | -0.18pts | 3.81                         |

\*1 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.

#### ① Surrender, lapse and partial surrender rate

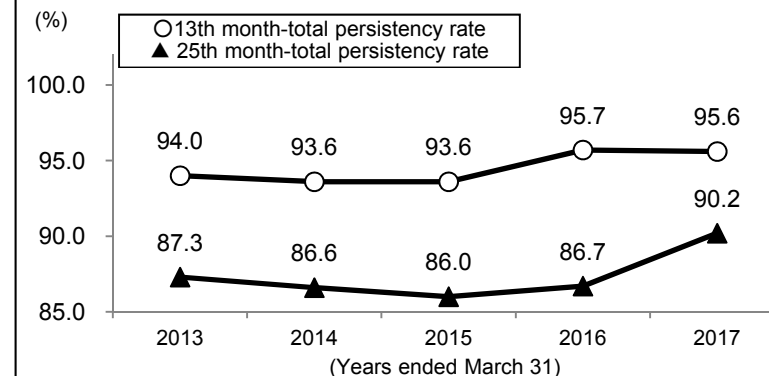


#### ■ Total persistency rate \*2 (individual life insurance and individual annuities)

|                                   | Year ended<br>March 31, 2017 |         | Year ended<br>March 31, 2016 |
|-----------------------------------|------------------------------|---------|------------------------------|
|                                   |                              | Change  |                              |
| 13th month-total persistency rate | ② 95.6                       | -0.1pts | 95.7                         |
| 25th month-total persistency rate | 90.2                         | +3.5pts | 86.7                         |

\*2 The calculation of total persistency rate is based on the amount of policies in force.

#### ② Total persistency rate



### Policyholders Dividends Based on FY2016 Financial Results

- Partially raised dividend rates for comprehensive protection products of individual life insurance and individual annuities.
- Maintained dividend rates for group life insurance and group pensions.

#### ■ Individual life insurance and individual annuities

- Providing returns to comprehensive protection policyholders by means of partially raising mortality profit dividend rates.

Example: Life Account L.A.

|                            | FY2017 Proposed Dividend |        |
|----------------------------|--------------------------|--------|
|                            |                          | Change |
| 6 years passed (age of 46) | ¥12,916                  | ¥3,120 |

- \* ▪ Subject to the resolution of the policyholder representatives meeting in July 2017, ¥169.8 billion among the unappropriated surplus will be transferred to the provision for policyholders' dividend reserves.
- The above dividends example based on the situation as follows:
  - Acquired coverage at age of 40, complete payment at age of 70, male
  - Monthly installment (paperless account transfer insurance premium rate)
  - Wealth accumulation whole life insurance premium: ¥1,000
  - Whole life or fixed-term annuity rider with disability income benefit: basic annuity amount ¥2.4 million
  - Support to the bereaved family rider: death insurance claims amount ¥6.0 million
  - Hospitalization benefit rider: daily hospitalization benefits ¥5,000
- Dividends differs according to the policy coverage and zero or small amount cases occur.

#### ■ Group life insurance and group pensions

- Maintained dividend rates taking into account the balance of insurance and others.
- Given due consideration to the investment performance of the group pension assets, maintained rates of dividends for group pensions.

## Business Outlook for the Year Ending March 31, 2018

### ○ Ordinary income and net surplus of both of the Group and the Company are projected to increase in FY2017

- Continue to strategically control assets and liabilities due to actively building up of investment assets under the ongoing ultra-low interest rate might result in negative spread later as well as increase of risk during domestic interest rate surge. Whereas, expected sales effect of the foreign currency denominated insurance product launching this summer and the contribution from StanCorp Financial Group are projected to boost company performance.
- Estimated the increase of insurance premiums of the Group and insurance premiums of the Company (non-consolidated) in the amount of approx. ¥3,080.0 billion (a year-on-year increase approx. 7.4%) and approx. ¥2,780.0 billion (a year-on-year increase approx. 6.2%), respectively. ①
- Projected the increase of base profit of the Group and the Company (non-consolidated) in the amount of ¥510.0 billion (a year-on-year increase approx. 2.7%) and ¥480.0 billion (a year-on-year increase approx. 1.6%), respectively.
- Corporate value (EEV) is projected to increase by approx. 6.0%. ②

### ■ Insurance premiums of the Group Outlook

|                                      | Year ending March 31, 2018    | Change        | Year ended March 31, 2017<br>(Actual) |
|--------------------------------------|-------------------------------|---------------|---------------------------------------|
| Insurance premiums of the Group*1 *3 | ① Approx. 3,080.0 billion yen | Approx. +7.4% | 2,866.3 billion yen                   |
| Meiji Yasuda Life (non-consolidated) | Approx. 2,780.0 billion yen   | Approx. +6.2% | 2,615.8 billion yen                   |

### ■ Base profit of the Group Outlook

|                                      | Year ending March 31, 2018  | Change        | Year ended March 31, 2017<br>(Actual) |
|--------------------------------------|-----------------------------|---------------|---------------------------------------|
| Base profit of the Group*2 *3        | ② Approx. 510.0 billion yen | Approx. +2.7% | 496.2 billion yen                     |
| Meiji Yasuda Life (non-consolidated) | Approx. 480.0 billion yen   | Approx. +1.6% | 472.3 billion yen                     |

\*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 Predicted exchange rate used in business outlook : ¥110 to U.S. \$1

### ■ Corporate value (EEV) Outlook

|                       | As of March 31, 2018                   | As of April 1st, 2018 |
|-----------------------|--|-----------------------|
| Corporate value (EEV) | A year-on-year increase by approx. +6% | 4,713.2 billion yen   |

## 1. Statements of Income and Consolidated Statements of Income

### ■ Non-consolidated Statements of Income (Summary)

|  | Year ended     |        | (billions of yen)            |
|--|----------------|--------|------------------------------|
|  | March 31, 2017 | Change | Year ended<br>March 31, 2016 |
| Ordinary income (A)                              | 3,542.2        | -16.4% | 4,235.4                      |
| Insurance premiums and other                     | 2,615.8        | -22.1% | 3,357.8                      |
| Investment income                                | 816.0          | +3.5%  | 788.1                        |
| Ordinary expenses (B)                            | 3,223.7        | -18.1% | 3,934.5                      |
| Benefits and other payments※                     | 2,204.0        | -4.2%  | 2,301.1                      |
| Provision for policy reserves and other reserves | 323.6          | -64.0% | 898.2                        |
| Investment expenses                              | 172.0          | -4.4%  | 180.0                        |
| Operating expenses                               | 350.3          | -1.5%  | 355.6                        |
| Ordinary profit (A-B)                            | 318.4          | +5.8%  | 300.9                        |
| Base profit                                      | 472.3          | +2.7%  | 459.9                        |
| Extraordinary gains / losses                     | (62.3)         | —      | (37.5)                       |
| Income taxes                                     | 22.3           | -50.3% | 44.9                         |
| Net surplus                                      | 233.8          | +7.0%  | 218.4                        |

### ■ Consolidated Statements of Income (Summary)

|  | Year ended     |        | (billions of yen)            |
|--|----------------|--------|------------------------------|
|  | March 31, 2017 | Change | Year ended<br>March 31, 2016 |
| Ordinary income (A)                              | 3,875.4        |        |                              |
| Insurance premiums and other                     | 2,866.3        |        |                              |
| Investment income                                | 871.4          |        |                              |
| Ordinary expenses (B)                            | 3,560.5        |        |                              |
| Benefits and other payments                      | 2,383.2        |        |                              |
| Provision for policy reserves and other reserves | 331.8          |        |                              |
| Investment expenses                              | 197.0          |        |                              |
| Operating expenses                               | 439.7          |        |                              |
| Ordinary profit (A-B)                            | 314.8          |        |                              |
| Base profit                                      |                |        |                              |
| Extraordinary gains / losses                     | (62.4)         |        |                              |
| Income taxes                                     | 27.8           |        |                              |
| Net surplus                                      | 223.7*         |        |                              |

### ※ Breakdown of Benefits and Other Payments

|                                      | Year ended     |        | (billions of yen)            |
|--------------------------------------|----------------|--------|------------------------------|
|                                      | March 31, 2017 | Change | Year ended<br>March 31, 2016 |
| Benefits and other payments          | 2,204.0        | -4.2%  | 2,301.1                      |
| Claims and benefit payments          | 961.1          | -1.1%  | 972.0                        |
| Annuity payments                     | 695.2          | -0.1%  | 695.9                        |
| Surrender benefits and other refunds | 542.1          | -13.6% | 627.3                        |

\* Net surplus attributable to the Parent Company



## 2. Balance Sheet and Consolidated Balance Sheet

### ■ Non-consolidated Balance Sheet (Summary)

| (billions of yen)   |                      |         |                      |
|---|----------------------|---------|----------------------|
|   | As of March 31, 2017 | Change  | As of March 31, 2016 |
| Total assets  | 37,561.4             | 984.7   | 36,576.6             |
| Cash, deposit and call loans                                    | 413.5                | 2.0     | 411.4                |
| Securities  | 30,863.4             | 1,327.4 | 29,535.9             |
| Loans   | 4,681.9              | (267.8) | 4,949.8              |
| Tangible fixed assets   | 882.4                | (10.3)  | 892.7                |
| Intangible fixed assets   | 76.9                 | 4.1     | 72.8                 |
| Total liabilities   | 33,503.8             | 623.7   | 32,880.1             |
| Policy reserves and other reserves                              | 31,731.6             | 319.6   | 31,412.0             |
| Policy reserves   | 31,383.2             | 322.2   | 31,060.9             |
| Bonds payable   | 353.3                | 115.0   | 238.3                |
| Other liabilities   | 401.1                | 53.6    | 347.4                |
| Reserve for price fluctuation                                   | 577.5                | 55.8    | 521.6                |
| Total net assets  | 4,057.6              | 361.0   | 3,696.5              |
| Foundation funds and reserve for redemption of foundation funds | 830.0                | 100.0   | 730.0                |
| Surplus   | 538.3                | 18.8    | 519.5                |
| Net unrealized gains on available-for-sale securities           | 2,533.8              | 245.8   | 2,288.0              |

### ■ Consolidated Balance Sheet (Summary)

| (billions of yen)   |                      |
|---|----------------------|
|   | As of March 31, 2017 |
| Total assets  | 40,412.7             |
| Cash, deposit and call loans                                    | 595.5                |
| Securities  | 32,046.0             |
| Loans   | 5,422.6              |
| Tangible fixed assets   | 923.1                |
| Intangible fixed assets   | 517.3                |
| Total liabilities   | 36,368.4             |
| Policy reserves and other reserves                              | 34,302.0             |
| Policy reserves   | 33,332.7             |
| Bonds payable   | 409.7                |
| Other liabilities   | 531.2                |
| Reserve for price fluctuation                                   | 578.2                |
| Total net assets  | 4,044.3              |
| Foundation funds and reserve for redemption of foundation funds | 830.0                |
| Surplus   | 514.7                |
| Net unrealized gains on available-for-sale securities           | 2,542.5              |

※ Total assets amounted ¥37,561.4 billion (2.7% increase compared with the end of FY2015). Main components are securities ¥30,863.4 billion (4.5% increase compared with the end of FY2015) and loans ¥4,681.9 billion (5.4% decrease compared with the end of FY2015).  
 Total liabilities amounted ¥33,503.8 billion (1.9% increase compared with the end of FY2015). Most of the liabilities are policy reserves and other reserves ¥31,731.6 billion (1.0% increase compared with the end of FY2015).  
 Total net assets amounted ¥4,057.6 billion (9.8% increase compared with the end of FY2015). Foundation funds and reserve for redemption of foundation funds amounted ¥830.0 billion (13.7% increase compared with the end of FY2015) and net unrealized gains on available-for-sale securities amounted ¥2,533.8 billion (10.7% increase compared with the end of FY2015).

### 1. Meiji Yasuda Life New Three-year Program “MY INNOVATION 2020”

#### “MY INNOVATION 2020”

##### ◆MY INNOVATION 2020

- Launched the new three-year program “MY INNOVATION 2020” in April 2017.
- Encompasses a new Medium-Term Business Plan and the “Corporate Vision Realization Project” together, these will facilitate business innovation, driving our transformative and creative initiatives aimed at realizing our new corporate philosophy, the “Meiji Yasuda Philosophy”.
- Promote measures to achieve stable and steady improvement in corporate value while aiming to drastically increase the number of customers who directly enjoy Meiji Yasuda Life’s after-sales services and striking a balance between growth potential, profitability and financial soundness.

We aim to achieve stable, firm improvement in corporate value and realize the new corporate philosophy.

#### Medium-Term Business Plan

- ◇ Prefaced on customer focus and thoroughgoing compliance, we are promoting our growth strategy, operating base reinforcement strategy and brand strategy.
- ◇ Each key policy will incorporate innovative initiatives and bring about greater innovation, mainly through advanced technology.



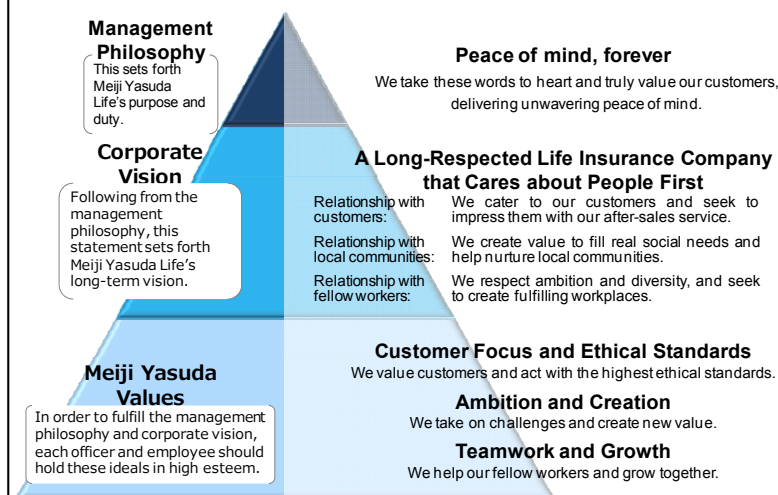
- ◇ We will foster a culture where each employee proactively works to realize the new corporate philosophy and especially the corporate vision.

#### Corporate Vision Realization Project

#### New Corporate Philosophy

##### ◆New Corporate Philosophy: Meiji Yasuda Philosophy

- Based on its long-term direction, Meiji Yasuda Life launched its new three-year program and introduced an updated corporate philosophy that resonates with a simpler, more engaging message.
- New corporate vision “A Long-Respected Life Insurance Company that Cares about People First” portrays our long-term efforts towards our goals.



(Excerpt from March 15, 2017 news release ““MY INNOVATION 2020” (April 2017 – March 2020) to Launch – MEIJI YASUDA Three-Year Program”)

## 2. After-Sales Services for Customers

### ◆“MY Anshin Family Registration Scheme”

- Given Japan’s rapidly aging demographics and devastating disasters, the scheme that registering a policyholder’s secondary contact to confirm their latest whereabouts and swiftly reestablish communication, in case contact becomes difficult to establish.
- Approximately 1,330,000 policies, consisting mainly of the elderly policyholders, subscribed for this registration scheme as of April 30, 2017.

### ◆“MY Longevity Policy Checking Scheme”

- The Company launched “MY Longevity Policy Checking Scheme” to offer solid, lifelong protection in April 2015.
- This scheme covers all policyholders who reach the milestone ages celebrated in Japan of 77 (*Kiju*), 90 (*Sotuju*), 99 (*Hakuju*), 108 (*Chaju*) and 111 (*Koju*) to check whether they have policies eligible for claims that they need to apply for and reconfirm their latest contact information.
- Mainly carried out by MY life plan advisor in addition to periodic visit and other activities.



いつのまにか、家に帰ることが  
親孝行になってしまった。

99歳、99歳、108歳、111歳のお客さまへの  
はがきや電話や訪問による確認結果

99.6%

明治安田生命

**今までも、これからも、私たちは  
会いに行く生命保険会社です。**

**MY長寿ご契約点検制度**  
長寿の節目を迎えられるご契約者さまに、保険金等のご請求やご遺言先変更の支援を積極的、その後のお手続きまでしっかりサポートします。

|             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|
| 77歳(寄寿)     | 90歳(中寿)     | 99歳(白寿)     | 108歳(茶寿)    | 111歳(鼻寿)    |
| はがきや電話による確認 | はがきや電話による確認 | はがきや電話による確認 | はがきや電話による確認 | はがきや電話による確認 |

はがきや電話でご連絡がつかないお客様には、当制度の担当職員が訪問いたします。

私たちにできること、それは「前の保険加入を知らなかった」、「気持ちの整理がつかず先延ばしにしていた」などの理由でご請求がなかった保険金・給付金のお手続きを積極的にご案内すること。  
2016年3月までの1年間で、対象のお客さま約9万人のうち、90歳以上では99.6%、77歳以上では96.9%の方のご契約を確認いたしました。昨年4月から引き継ぎ、新たに対象となったお客さま約9万人のご契約を確認しています。  
これからも確かなお支払いをするために、明治安田生命は今日も会いに行きます。

**アフターフォローで、保険を変えます。**

本拠：千代田 さいたま駅前 新田駅前 上野駅前 〇この広告に関するお問い合わせ・ご意見・ご質問 コミュニケーションセンター ☎0120-045-332 月曜～金曜 9:00～18:00/土曜 9:00～17:00(いずれも祝日・年末年始を除く)



兄ちゃん、  
最近、母さんと  
連絡とってる？



今度、一緒に帰るか。

アフターフォローで、保険を変えます。

明治安田生命
 
 アフターフォロー



### 3. “Meiji Yasuda Life J. League”

#### ◆Meiji Yasuda Life J. League entered third year in 2017 season

- In January 2015, the Company entered into a title partner contract with J. League to support its objective of cultivating Japan’s sporting culture through the operation of sports clubs rooted in community.
- The Company signed sponsorship contract with all 54 clubs\* of Meiji Yasuda Life J. League through 86 regional offices nationwide in 2016 season, following previous season.
- During 2016 season, our employees went to the stadiums to watch a game with local fans and approximately 220,000 spectators watched games to cheer for local football clubs.

\* In areas where J. League clubs are not active, signed sponsorship contract with football clubs belonging to such associations as the Japan Football League (JFL).



#### ◆Holding Collaborative Events, such as Football Clinics for Elementary School Students Nationwide

- During 2016 season, the Company provided regional customers with over 700 events throughout Japan with the cooperation of J. League and local football clubs.
- 173 football clinics for elementary school students were held. A total of approximately 14,000 children and their parents had participated in the clinics.

#### ◆Contributing to the vitalization of local society through assisting J. League and other local football clubs

- Strived to raise awareness toward sponsorship of J. League and local football clubs together with local residents. For this purpose, organized tied-in events with J. League partner companies including football events cooperated by J. League sponsors and each partner company as well as cross industry exchange meetings.
- To raise consciousness for J. League and local clubs, launched “Meiji Yasuda J. League Support Project” with the aim to contribute to the vitalization of local communities by way of expanding the circle of fans and supporters sympathized with the sponsorship of J. League and local football clubs.



### 4. “Customer-focused Business Operations Policy”

◆ **The Company launched “Customer-focused Business Operations Policy” to further promote the customer-focused initiatives based on the new corporate philosophy, “Meiji Yasuda Philosophy”, on April 1st, 2017.**

▪ **The Background of the Launch of “Customer-focused Business Operations Policy”**

In order to fulfill the new management philosophy “Peace of mind, forever” and corporate vision “A Long-Respected Life Insurance Company that Cares about People First”, we developed the customer-focused policy that each officer and employees should hold in high esteem. In addition, under the new Medium-Term Business Plan: MY Innovation 2020, we will strive to enhance our approach for customer-focus while carrying on and developing our customer-focus initiatives. Since the recent publication of the “Principles of Fiduciary Duty” is in line with our attitude and actions, we adopted the principle and developed the Customer-focused Business Operations Policy.

#### Composition of “Customer-focused Business Operations Policy”

**1.Promote thorough Customer-focus**

**2.Incorporate Customer Voice into Management**

**3. Provide Optimum Product and Service Addressing Customer Needs**

**4. Strengthen the Provision of Information to Customers at Insurance Subscription**

**5. Enrich After-Sales Services Adapted to the Needs of Each Customer**

**6. Appropriate Control of Conflict of Interest**

**7. Maintain Customer-focus Initiatives**