

[Unofficial translation]



MY INNOVATION
2020
MEIJI YASUDA
3-year program

Financial Results for the Nine Months Ended December 31, 2017 (Summary)

**February 15, 2018
Meiji Yasuda Life Insurance Company**

Insurance premiums and base profit increased both Meiji Yasuda Group and Meiji Yasuda Life. Base profit of Meiji Yasuda Group and Meiji Yasuda Life hit a record high.

Insurance premiums and other

- Insurance premiums of Meiji Yasuda Group (hereafter, the Group) amounted ¥2,225.0 billion, increased by 5.3% year-on-year due to the increase of insurance premiums and other of Meiji Yasuda Life (hereafter, the Company) and StanCorp Financial Group, Inc. (hereafter, StanCorp).
- Insurance premiums and other of the Company amounted ¥1,998.4 billion, increased by 2.0% year-on-year due to the contribution such as the sales of foreign currency denominated single premium insurance products launched in August 2017.

Base profit

- Base profit of the Group amounted ¥393.4 billion, increased by 22.7% year-on-year due to such effects as the increase of base profit of the Company and StanCorp.
- Base profit of the Company amounted ¥361.9 billion, increased by 19.8% year-on-year due to the increase of interest and dividends income as the results of the increase of interest income from foreign bonds and dividends income from stocks.

Financial soundness

- Consolidated solvency margin ratio stood at 1,011.5% and solvency margin ratio of the Company stood at 957.7%, maintained superior financial soundness.

Business outlook

- Insurance premiums and base profit are projected to increase in FY2017 both the Group and the Company from the viewpoint of the expected sales increase of the foreign currency denominated single premium insurance products launched in August 2017 and third-sector insurance products and the contribution of StanCorp.

1. Insurance Premiums of the Group, Base Profit of the Group and Consolidated Solvency Margin Ratio

- Insurance premiums of the Group and base profit of the Group increased year-on-year due to the increased business results of the Company and increased contribution of StanCorp, amounted ¥2,225.0 billion and ¥393.4 billion, respectively.
- Consolidated solvency margin ratio stood at 1,011.5% and maintained superior financial soundness.

■ Insurance premiums of the Group

(billions of yen)

	FY2017 3Q	Change	FY2016 3Q
Insurance premiums of the Group ^{*1}	2,225.0	+5.3%	2,112.8
Meiji Yasuda Life (non-consolidated)	1,998.4	+2.0%	1,958.4
Overseas insurance business and other businesses ^{*2}	226.6	+46.8%	154.3
StanCorp ^{*3}	208.5	+52.2%	136.9

■ Base profit of the Group

(billions of yen)

	FY2017 3Q	Change	FY2016 3Q
Base profit of the Group ^{*4}	393.4	+22.7%	320.7
Meiji Yasuda Life (non-consolidated)	361.9	+19.8%	302.1
Overseas insurance business and other businesses ^{*2}	36.6	+52.3%	24.0
StanCorp ^{*3}	25.1	+82.4%	13.7

■ Consolidated solvency margin ratio

(%)

	End of FY2017 3Q	Change	End of FY2016
Consolidated solvency margin ratio	1,011.5	+12.6 ^{pts}	998.9
Meiji Yasuda Life (non-consolidated)	957.7	+12.2 ^{pts}	945.5

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

^{*2} Excluding domestic life insurance business. The third quarter business results of consolidated overseas subsidiaries and affiliates are their nine months results from January to September.

^{*3} The FY2016 third quarter business results of StanCorp are its seven months results from March (the acquisition month) to September 2016.

^{*4} Base profit of the Group is the total of Base profit of the Company 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.

2. Insurance Premiums and Other, Annualized New Premiums and Annualized Premiums in Force

- Insurance premiums and other of the Company amounted ¥1,998.4 billion, increased by 2.0% year-on-year due to such contribution as the sales of the foreign currency denominated single premium insurance products launched in August 2017.
- Annualized new premiums decreased year-on-year due to such effects as the lowered assumed interest rates of level premium saving-type products and suspended the sales of certain products since April 2017, however, progressed as planned.

■ Breakdown of Insurance premiums and other

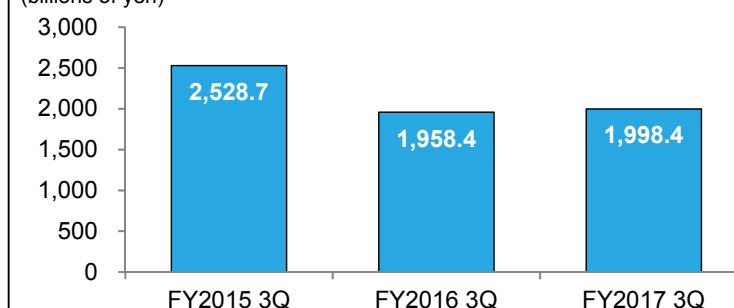
	FY2017 3Q	Change
Insurance premiums and other	1,998.4	+2.0%
Individual life insurance and annuities	1,253.8	+0.7%
Agency distribution channel	985.9	+1.6%
Level premium products	896.4	+0.3%
Single premium products	89.4	+17.4%
Bancassurance channel	240.5	+0.2%
Group life insurance and group pensions	716.1	+4.7%

(billions of yen)

FY2016 3Q
1,958.4
1,245.2
970.0
893.7
76.2
239.9
684.0

Insurance premiums and other

(billions of yen)



■ Annualized new premiums (individual life insurance and individual annuities)

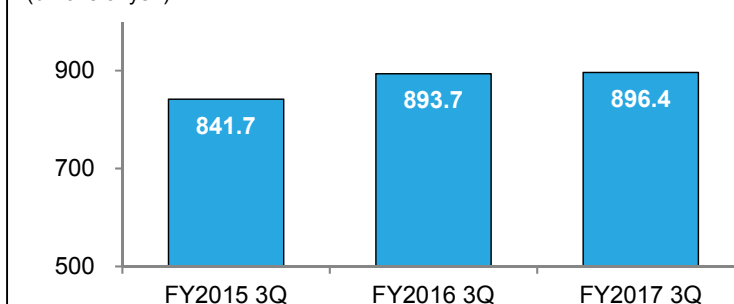
	FY2017 3Q	Change
Annualized new premiums	90.9	-28.0%
Agency distribution channel	76.3	-22.5%
Bancassurance channel	12.8	-50.5%
Third-sector insurance	27.9	-0.6%

(billions of yen)

FY2016 3Q
126.2
98.4
25.8
28.1

Insurance premiums and other from level premium products*

(billions of yen)



■ Annualized premiums in force (individual life insurance and individual annuities)

	End of FY2017 3Q	Change
Annualized premiums	2,248.9	-0.0%

(billions of yen)

End of FY2016
2,250.0

* Agency distribution channel

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

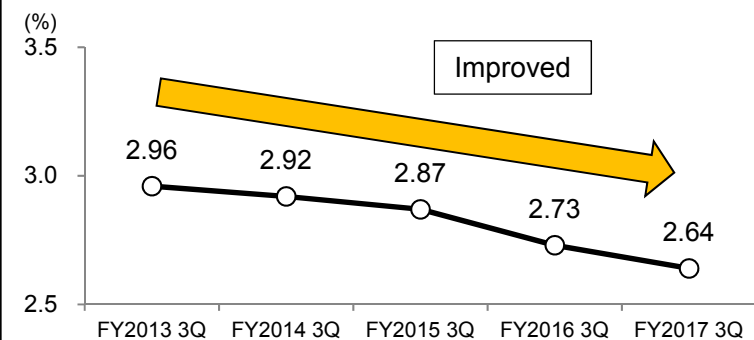
- Quality indicators of policies remain favorable and are reflected by the Company's successful efforts of the proactive after-sales services such as the face-to-face "Periodic Checkup Visit" aiming to check the contract information and whether there are policies eligible for claims.
- Surrender, lapse and partial surrender rate stood at 2.64% (a year-on-year improvement by 0.09pts).
- 13th and 25th month-total persistency rates both maintained high level.

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

	FY2017 3Q		FY2016 3Q
		Change	
Surrender, lapse and partial surrender rate	2.64	-0.09 ^{pts}	2.73

*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.

Surrender, lapse and partial surrender rate

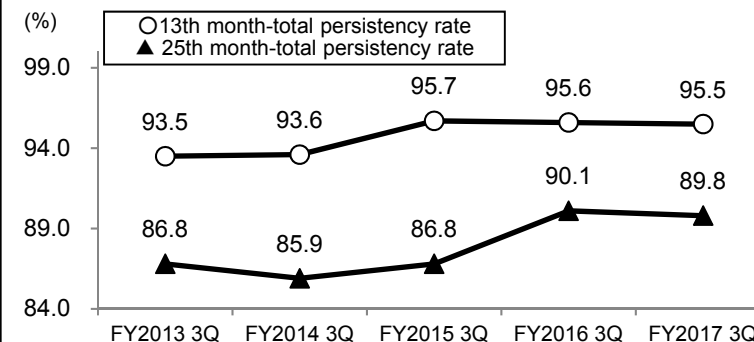


■ Total persistency rate *2 (individual life insurance and individual annuities)

	FY2017 3Q		FY2016 3Q
		Change	
13th month-total persistency rate	95.5	-0.1 ^{pts}	95.6
25th month-total persistency rate	89.8	-0.3 ^{pts}	90.1

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

Total persistency rate



4. Base Profit

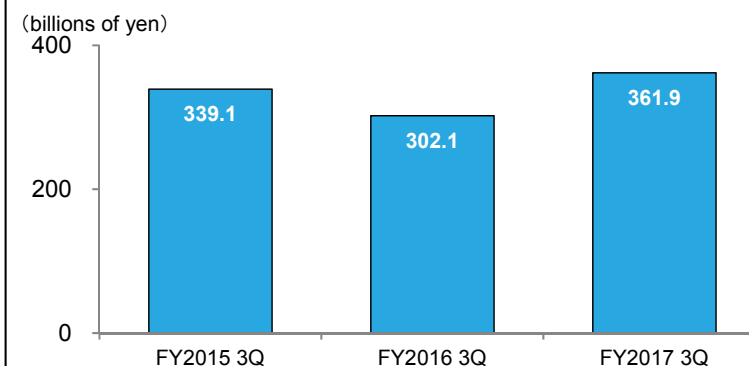
- Base profit of the Company amounted ¥361.9 billion (a year-on-year increase by ¥59.8 billion), increased by 19.8% year-on-year due to the increase of interest income from foreign bonds and dividends income from stocks, and hit a record high on a third quarter basis.

■ Base profit and others

	FY2017 3Q	Change	FY2016 3Q
Base profit*	361.9	59.8	302.1
Interest and dividends income	534.6	34.8	499.7

(billions of yen)

Base profit



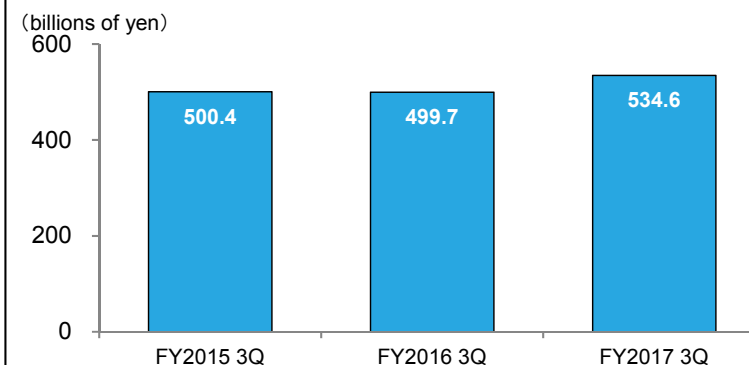
《Reference》

■ Capital gains / losses

	FY2017 3Q	Change	FY2016 3Q
Capital gains / losses*	(81.6)	17.9	(99.5)
Gains / Losses on valuation of securities	(0.1)	17.3	(17.4)

(billions of yen)

Interest and dividends income



* From FY2017 1H, the Company excluded the changes of surrender benefits related to market value adjustment and the changes of exchange rate fluctuation related to foreign currency denominated insurance policies from base profit. The effects of this calculation change for the results of FY 2016 3Q are ¥3.0 billion increase for base profit and ¥3.0 billion decrease for capital gains/losses.

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

○ Solvency margin ratio stood at 957.7% and maintained superior financial soundness.

■ Solvency margin ratio

(billions of yen, %)

	End of FY2017 3Q	Change	End of FY2016
Solvency margin ratio ^{*1}	957.7	+12.2 ^{pts}	945.5
Total solvency margin (A)	8,119.9	791.5	7,328.4
Total risk (B)	1,695.6	145.5	1,550.1

^{*1} Solvency margin ratio = (A)/(1/2x(B))x100

■ Real net assets

(billions of yen, %)

	End of FY2017 3Q	Change	End of FY2016
Real net assets	10,336.5	772.6	9,563.9
Proportion in General account assets	27.4	+1.4 ^{pts}	26.0

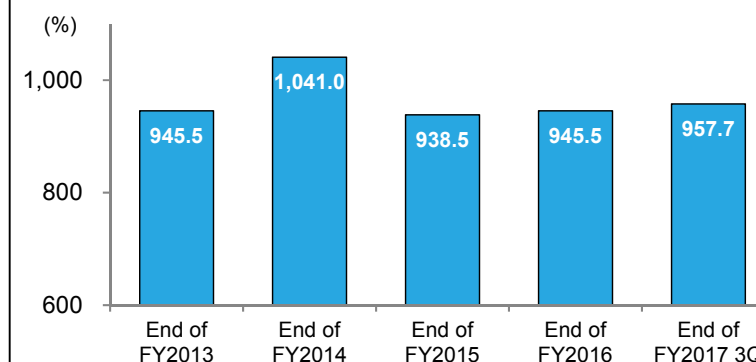
■ On-balance core capital

(billions of yen)

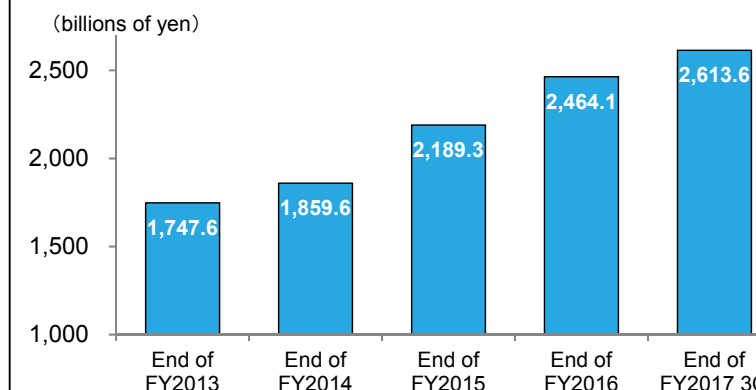
	End of FY2017 3Q	Change	End of FY2016
On-balance core capital ^{*2}	2,613.6	149.5	2,464.1

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

Solvency margin ratio



On-balance core capital



6. Unrealized Gains and Breakeven Points of Domestic Stocks

- Unrealized gains in General account investment assets totaled ¥6,800.1 billion (¥759.2 billion increase compared with the year ended March 31, 2017) due to the rising price of domestic and overseas stocks and the increase of unrealized gains in foreign securities as the results of yen depreciation.
- Breakeven Points of domestic stocks is estimated approximately ¥8,300 (Nikkei 225).

■ Unrealized gains in General account investment assets

	End of FY2017 3Q	Change	(billions of yen) End of FY2016
Unrealized gains in General account	6,800.1	759.2	6,040.9
Securities with market price*	6,392.5	725.6	5,666.9
Domestic bonds	2,597.4	9.6	2,587.7
Domestic stocks	2,938.9	590.7	2,348.2
Foreign securities	760.8	86.7	674.1

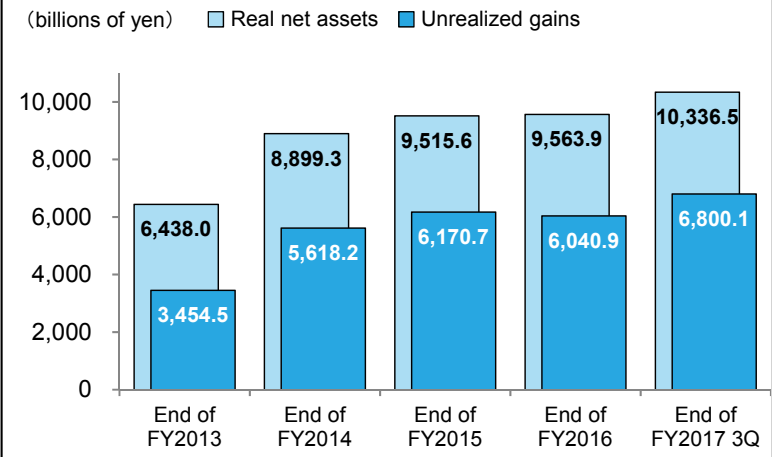
* Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

■ 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.

	End of FY2017 3Q	End of FY2016
Nikkei 225	Approx. 8,300yen	Approx. 8,000yen
TOPIX	Approx. 660 ^{pts}	Approx. 650 ^{pts}

Unrealized gains



7. Insurance Premiums and Other, Equivalent Amount of Base Profit and Net Income of StanCorp

■ Insurance premiums and other, equivalent amount of base profit and net income*1

(billions of yen)

	FY2017 3Q		FY2016 3Q
		Change	
Insurance premiums and other	208.5	+52.2%	136.9
Equivalent amount of base profit *2	25.1	+82.4%	13.7
Net income *3	5.0	+55.5%	3.2

*1 The FY2017 third quarter business results of StanCorp is its nine months results from January to September 2017. The FY2016 third quarter business results of StanCorp are its seven months results from March (the acquisition month) to September 2016.

*2 Equivalent amount of base profit of StanCorp is the profit deducted temporary expenses such as capital gains/losses and increase of policy reserves from pretax profit before deducting amortization expenses of the value of in-force business and others effected by purchase accounting.

*3 After applying purchase accounting.

※ Exchange rate is ¥101.12 to U.S. \$1 (the end of September 2016) in FY2016 3Q and ¥112.73 to U.S. \$1 (the end of September 2017) in FY2017 3Q.

※ Insurance premiums and other amounted ¥226.5 billion, equivalent amount of base profit totaled ¥24.0 billion and net income totaled ¥7.1 billion in FY2016.

- Insurance premiums and other of StanCorp amounted ¥208.5 billion, increased by 52.2% year-on-year due to the favorable sales results centered on group life insurance.
- Equivalent amount of base profit of StanCorp totaled ¥25.1 billion, increased by 82.4% year-on-year. Net income totaled ¥5.0 billion, increased year-on-year although the increase of policy reserves for certain products was implemented in the third quarter of FY2017 due to the change of basic rate of policy reserves based on U.S. statutory accounting.
- In FY2017, insurance premiums and other and equivalent amount of base profit of StanCorp are projected to increase. Net income is projected to achieve substantial increase due to such effects as the reduction of U.S. federal corporate income tax rate.

8. Business Outlook for the Year Ending March 31, 2018

- No change of FY2017 business outlook of insurance premiums of the Group and base profit of the Group from the announcement of FY2017 1H Financial Results.
- Insurance premiums and base profit are projected to increase in FY2017 both the Group and the Company from the viewpoint of the expected sales increase of the foreign currency denominated single premium insurance products launched in August 2017 and third-sector insurance products and the contribution of StanCorp.
- Corporate Value (EEV) is projected to increase compared with the beginning of FY2017.

■ Insurance premiums of the Group Outlook

	Year ending March 31, 2018	Change	Year ended March 31, 2017 (Actual)
Insurance premiums of the Group ^{*1 *3}	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 (Actual)
Base profit of the Group ^{*2 *3}	Approx. 530.0 billion yen	Approx. +6.8%	496.2 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 500.0 billion yen	Approx. +5.8%	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 the Company 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, 2017
Corporate value (EEV)	Increase compared with the beginning of FY2017 ^{*4}	4,713.2 billion yen

^{*4} Revised the outlook due to the improvement of the persistency rate of the policies with high assumed interest rate under the low interest rate environment.