

[Unofficial translation]



MY INNOVATION
2020
MEIJI YASUDA
3-year program

Financial Results for the Three Months Ended June 30, 2018 (Summary)

August 9, 2018
Meiji Yasuda Life Insurance Company

I. Summary for the Three Months Ended June 30, 2018

Insurance premiums and base profit increased in both Meiji Yasuda Group and Meiji Yasuda Life. Base profit of both Meiji Yasuda Group and Meiji Yasuda Life hit a record high on the first quarter basis.

Insurance premiums and other

- Insurance premiums of Meiji Yasuda Group (hereafter, the Group) amounted ¥778.5 billion, increased by 8.7% year-on-year due to the increase of insurance premiums and other of Meiji Yasuda Life (hereafter, the Company).
- Insurance premiums and other of the Company amounted ¥704.2 billion, increased by 9.8% year-on-year due to such effects as the contribution of the sales of the foreign currency denominated single premium insurance launched in August 2017.

Base profit

- Base profit of the Group amounted ¥129.6 billion, increased by 24.9% year-on-year due to such effects as the increase of base profit of the Company as well as the increase of equivalent amount of base profit of StanCorp Financial Group, Inc. (hereafter, StanCorp), and hit a record high on the first quarter basis.
- Base profit of the Company amounted ¥122.2 billion, increased by 20.2% year-on-year due to the increase of interest and dividends income as the results of the increased balance of foreign bonds, and hit a record high on the first quarter basis.

Financial soundness

- Consolidated solvency margin ratio stood at 1,004.5%, increased by 14.3pts compared with the end of FY2017.
- Solvency margin ratio of the Company stood at 948.0%, increased by 10.1pts compared with the end of FY2017.

Business outlook

- No change of FY2018 business outlook from the announcement of FY2017 Financial Results.
- Insurance premiums of the Group and the Company are projected to increase year-on-year due to the sales growth of the third-sector insurance and the foreign currency denominated single premium insurance.
- Base profit of the Group and the Company are projected to achieve the similar level with FY2017 which hit a record high.

II. Results of Meiji Yasuda Group

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

- Insurance premiums of the Group amounted ¥778.5 billion, increased by 8.7% year-on-year due to the increase of insurance premiums and other of the Company.
- Base profit of the Group amounted ¥129.6 billion, increased by 24.9% year-on-year due to such effects as the increase of base profit of the Company as well as the increase of equivalent amount of base profit of StanCorp, and hit a record high on the first quarter basis.
- Consolidated solvency margin ratio stood at 1,004.5%, increased by 14.3pts compared with the end of FY2017.

■ Insurance premiums of the Group

(billions of yen)

	Three months ended June 30, 2018		Three months ended June 30, 2017
		Change	
Insurance premiums of the Group ^{*1}	778.5	+8.7%	716.4
Meiji Yasuda Life (non-consolidated)	704.2	+9.8%	641.1
Overseas insurance business and other businesses ^{*2}	74.3	-1.3%	75.3
StanCorp	67.4	-1.3%	68.3

■ Base profit of the Group

(billions of yen)

	Three months ended June 30, 2018		Three months ended June 30, 2017
		Change	
Base profit of the Group ^{*3}	129.6	+24.9%	103.7
Meiji Yasuda Life (non-consolidated)	122.2	+20.2%	101.7
Overseas insurance business and other businesses ^{*2}	12.3	+71.4%	7.2
StanCorp	8.5	+154.0%	3.3

■ Consolidated solvency margin ratio

(%)

	As of June 30, 2018		As of March 31, 2018
		Change	
Consolidated solvency margin ratio	1,004.5	+14.3 ^{pts}	990.2
Meiji Yasuda Life (non-consolidated)	948.0	+10.1 ^{pts}	937.9

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

*2 Excluding domestic life insurance business. The end of period for consolidated overseas subsidiaries and affiliates are March 31, 2018.

*3 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.

III. Results of Meiji Yasuda Life (Non-Consolidated)

1. Insurance Premiums and Other, Annualized New Premiums and Life Insurance from Business in Force

- Insurance premiums and other of the Company amounted ¥704.2 billion, increased by 9.8% year-on-year due to such effects as the contribution of the sales of the foreign currency denominated single premium insurance launched in August 2017.
- Annualized new premiums increased by 31.4% year-on-year due to the increase of the sales growth of the third-sector insurance and the foreign currency denominated single premium insurance.

■ Breakdown of Insurance premiums and other

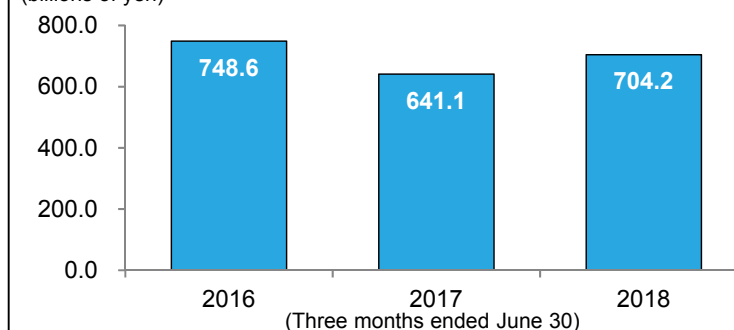
	Three months ended June 30, 2018	Change
Insurance premiums and other	704.2	+9.8%
Individual life insurance and annuities	455.1	+26.3%
Agency distribution channel	353.1	+15.8%
Level premium products	303.1	+1.4%
Bancassurance channel	91.5	+103.3%
Group life insurance and group pensions	239.7	-11.6%

(billions of yen)

Three months ended June 30, 2017
641.1
360.3
304.9
298.9
45.0
271.3

Insurance premiums and other

(billions of yen)



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

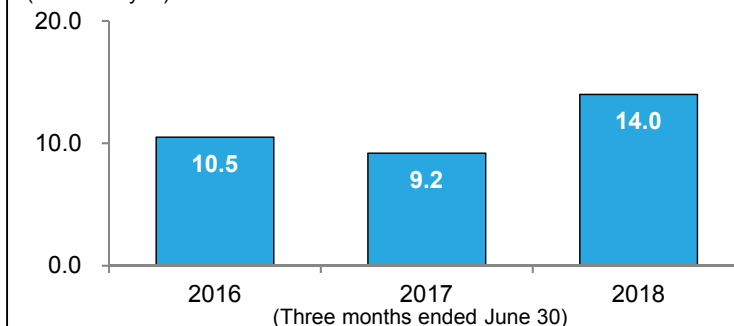
	Three months ended June 30, 2018	Change
Annualized new premiums	35.7	+31.4%
Agency distribution channel	30.7	+25.1%
Bancassurance channel	4.5	+105.3%
Third-sector insurance	14.0	+52.2%

(billions of yen)

Three months ended June 30, 2017
27.2
24.5
2.2
9.2

Annualized new premiums from third-sector insurance

(billions of yen)



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

	As of June 30, 2018	Change
Annualized premiums	2,257.0	+0.3%

(billions of yen)

As of March 31, 2018
2,251.1

III. Results of Meiji Yasuda Life (Non-Consolidated)

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

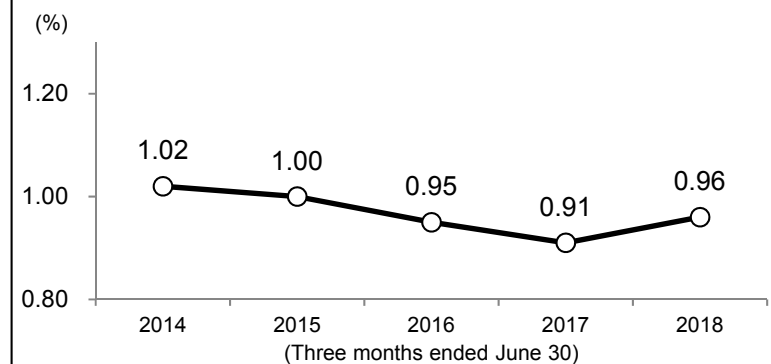
- Quality indicators of policies remain favorable.
- Surrender, lapse and partial surrender rate stood at 0.96% (a year-on-year increase by 0.05pts).
- 13th and 25th month-total persistency rates both maintained high level.

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

	Three months ended June 30, 2018		Three months ended June 30, 2017
		Change	
Surrender, lapse and partial surrender rate	0.96	+0.05 ^{pts}	0.91

^{*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

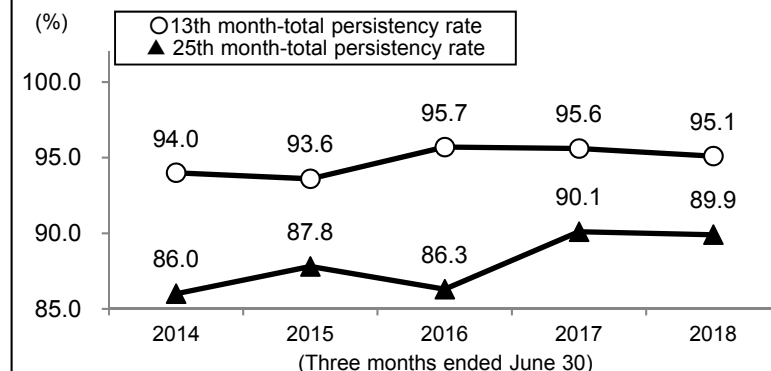


■ Total persistency rate ^{*2} (individual life insurance and individual annuities)

	Three months ended June 30, 2018		Three months ended June 30, 2017
		Change	
13th month-total persistency rate	95.1	-0.5 ^{pts}	95.6
25th month-total persistency rate	89.9	-0.2 ^{pts}	90.1

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

Total persistency rate



III. Results of Meiji Yasuda Life (Non-Consolidated)

3. Base Profit

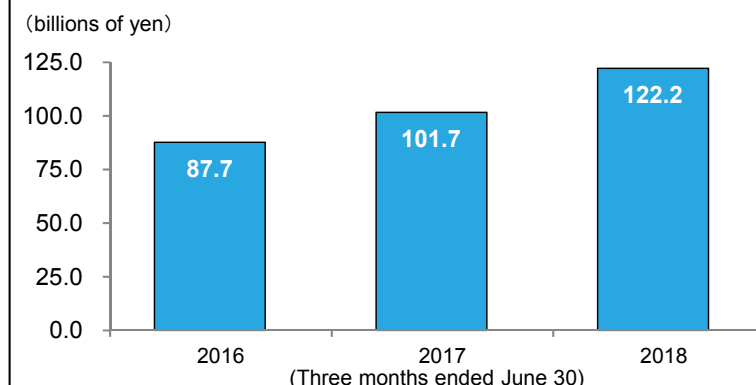
- Base profit of the Company amounted ¥122.2 billion, increased by 20.2% year-on-year due to the increase of interest and dividends income as the results of the increased balance of foreign bonds, and hit a record high on the first quarter basis.

■ Base profit and others

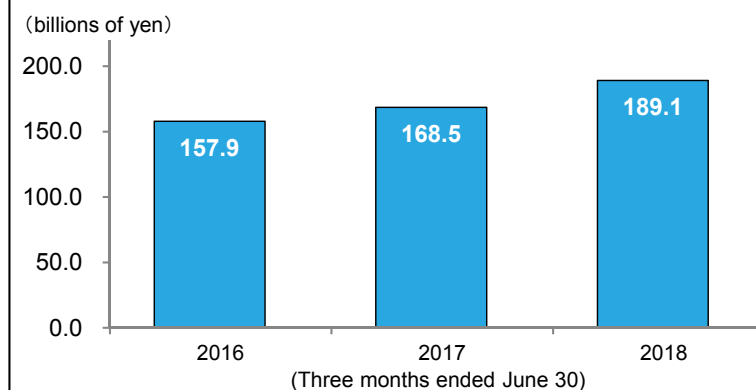
	Three months ended June 30, 2018		Change	Three months ended June 30, 2017
Base profit	122.2	+20.2%		101.7
Interest and dividends income	189.1	+12.2%		168.5

* From FY2017, 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 single premium insurance policies from base profit. The effects of this calculation change for the results of the first quarter of FY2017 are ¥1 million increase for base profit and ¥1 million decrease for capital gains/losses.

Base profit



Interest and dividends income



III. Results of Meiji Yasuda Life (Non-Consolidated)

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

- Solvency margin ratio stood at 948.0%, increased by 10.1pts compared with the end of FY2017.

■ Solvency margin ratio

(billions of yen, %)

	As of June 30, 2018	Change	As of March 31, 2018
Solvency margin ratio ^{*1}	948.0	+10.1 ^{pts}	937.9
Total solvency margin (A)	7,913.6	299.5	7,614.1
Total risk (B)	1,669.3	45.7	1,623.6

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

■ Real net assets

(billions of yen, %)

	As of June 30, 2018	Change	As of March 31, 2018
Real net assets	9,926.1	98.5	9,827.5
Proportion in General account assets	25.6%	-0.5 ^{pts}	26.1%

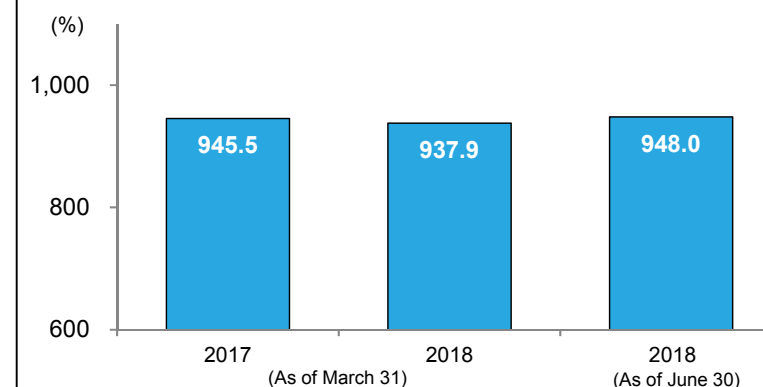
■ On-balance core capital

(billions of yen)

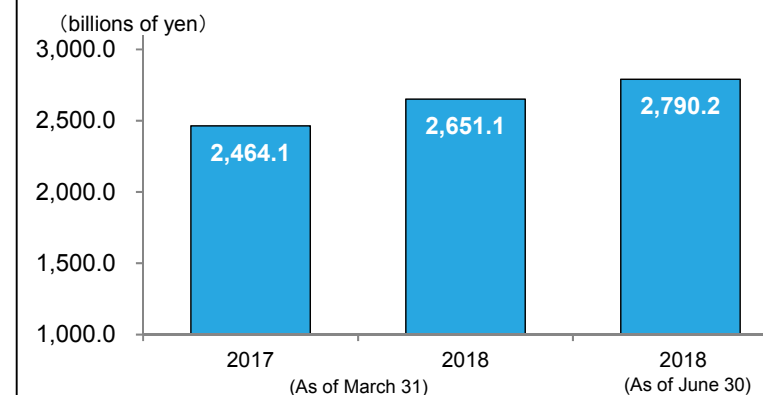
	As of June 30, 2018	Change	As of March 31, 2018
On-balance core capital ^{*2}	2,790.2	139.0	2,651.1

^{*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



III. Results of Meiji Yasuda Life (Non-Consolidated)

5. Unrealized Gains and Breakeven Points of Domestic Stocks

- Unrealized gains in General account investment assets totaled ¥6,384.8 billion (¥202.1 billion increase compared with the year ended March 31, 2018) due to the price hike of domestic stocks and the effects of the depreciation of the yen compared with the end of FY2017.
- Breakeven Points of domestic stocks is estimated approximately ¥8,500 (Nikkei 225).

■ Unrealized gains in General account investment assets

	As of June 30, 2018		Change	(billions of yen)	
	As of June 30, 2018	Change		As of March 31, 2018	
Unrealized gains in General account	6,384.8	202.1		6,182.6	
Securities with market price*	5,972.6	183.9		5,788.6	
Domestic bonds	2,632.6	(9.5)		2,642.1	
Domestic stocks	2,786.1	118.3		2,667.8	
Foreign securities	486.9	76.2		410.6	

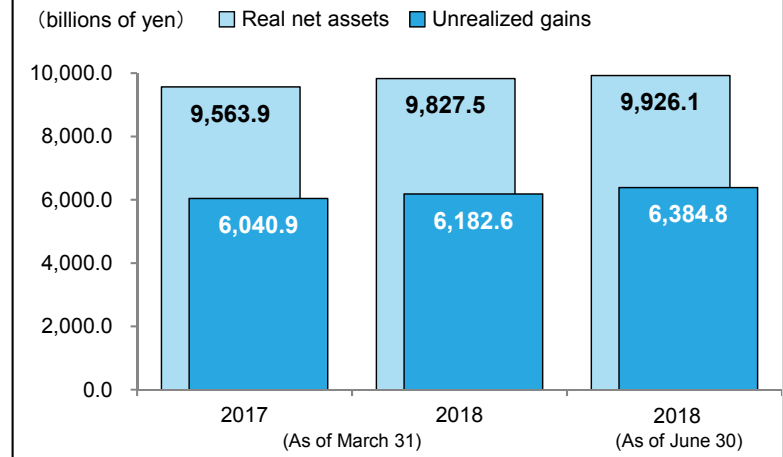
* Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act.

■ 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 June 30, 2018	As of March 31, 2018
Nikkei 225	Approx. 8,500yen	Approx. 8,200yen
TOPIX	Approx. 660 ^{pts}	Approx. 660 ^{pts}

Unrealized gains



IV. Results of StanCorp (Reference)

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

- Though group insurance business which is main business channel of StanCorp progressed steadily, insurance premiums and other of StanCorp stood at the similar level with the corresponding period of FY2017 due to the effects of the appreciation of the yen compared with the end of the corresponding period of FY2017.
- Equivalent amount of Base profit and net income of StanCorp increased greatly due to the significant improvement of claim rate of group insurance business compared with the corresponding period of FY2017.

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

(billions of yen)

	Three months ended June 30, 2018		Three months ended June 30, 2017
		Change	
Insurance premiums and other	67.4	-1.3%	68.3
Equivalent amount of base profit ^{*2}	8.5	+154.0%	3.3
Net income ^{*3}	4.5	+976.9%	0.4

^{*1} The end of the first quarter of StanCorp is March 31, 2018. Business results of StanCorp are added up corresponding to its 3 months results from January to March, 2018.

^{*2} Equivalent amount of base profit of StanCorp is the profit deducted temporary expenses such as capital gains/losses 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 rates are ¥112.19 to U.S. \$1 (the end of the March 2017) for the first quarter of FY2017 and ¥106.24 to U.S. \$1 (the end of March 2018) for the first quarter of FY2018.

Business Outlook for the Year Ending March 31, 2019

- No change of FY2018 business outlook from the announcement of FY2017 Financial Results.
- Insurance premiums of the Group and the Company are projected to increase year-on-year due to the sales growth of the third-sector insurance and the foreign currency denominated single premium insurance.
- Base profit of the Group and the Company are projected to achieve the similar level with FY2017 which hit a record high.

■ Insurance premiums of the Group Outlook

	Year ending March 31, 2019	Change	Year ended March 31, 2018 (Actual)
Insurance premiums of the Group ^{*1 *3}	Approx. 3,200.0 billion yen	Increase	3,024.3 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 2,900.0 billion yen	Increase	2,719.4 billion yen
StanCorp	Approx. 280.0 billion yen	Flat	281.1 billion yen

■ Base profit of the Group Outlook

	Year ending March 31, 2019	Change	Year ended March 31, 2018 (Actual)
Base profit of the Group ^{*2 *3}	Approx. 585.0 billion yen	Flat	585.1 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 545.0 billion yen	Flat	546.7 billion yen
StanCorp	Approx. 35.0 billion yen	Flat	35.9 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, 2019	As of March 31, 2018
Corporate value (EEV)	Approx. +6%	4,940.5 billion yen