

[Unofficial translation]



MY INNOVATION
2020
MEIJI YASUDA
3-year program

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Financial Results

for the Nine Months Ended December 31, 2018

(Summary)

February 14, 2019
Meiji Yasuda Life Insurance Company

Insurance premiums and base profit increased in both Meiji Yasuda Group and Meiji Yasuda Life. Base profit of Meiji Yasuda Group and Meiji Yasuda Life hit a record high for the two consecutive years.

Insurance premiums and other

- Insurance premiums of Meiji Yasuda Group (hereafter, the Group) amounted ¥2,306.3 billion, increased by 3.7% 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 ¥2,070.0 billion, increased by 3.6% 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 ¥473.4 billion, increased by 20.3% year-on-year due to such effects as the increase of base profit of the Company and StanCorp, and hit a record high on a third quarter basis for the two consecutive years.
- Base profit of the Company amounted ¥433.0 billion, increased by 19.7% 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 a third quarter basis for the two consecutive years.

Financial soundness

- Consolidated solvency margin ratio stood at 1,005.6%, maintained superior financial soundness.
- Solvency margin ratio of the Company stood at 950.5%, increased by 12.6pts compared with the end of FY2017.

Business outlook

Business outlook of insurance premiums and base profit are projected to increase in both the Company and the Group, base profit of the Company and the Group are projected to hit a record high for the two consecutive years.

- No change of FY2018 business outlook of insurance premiums of the Group and base profit of the Group from the announcement of FY2018 1H Financial Results.
- Insurance premiums and base profit of the Group and the Company are projected to increase from the viewpoint of the expected sales increase of the foreign currency denominated single premium insurance and third-sector insurance products.
- Base profit of the Group and the Company are projected to increase due to the increase of interest and dividends income of the Company, and hit a record high for the two consecutive years.

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 and base profit of the Group increased on a third quarter basis for the two consecutive years due to the increased business results of the Company and contribution of StanCorp. Base profit of the Group hit a record high for the two consecutive years.
- Consolidated solvency margin ratio stood at 1,005.6% and maintained superior financial soundness.

■ Insurance premiums of the Group

(billions of yen)

	FY2018 3Q		FY2017 3Q
		Change	
Insurance premiums of the Group ^{*1}	2,306.3	+3.7%	2,225.0
Meiji Yasuda Life (non-consolidated)	2,070.0	+3.6%	1,998.4
Overseas insurance business and other businesses ^{*2}	236.3	+4.3%	226.6
StanCorp	217.9	+4.5%	208.5

■ Base profit of the Group

(billions of yen)

	FY2018 3Q		FY2017 3Q
		Change	
Base profit of the Group ^{*3}	473.4	+20.3%	393.4
Meiji Yasuda Life (non-consolidated)	433.0	+19.7%	361.9
Overseas insurance business and other businesses ^{*2}	47.0	+28.4%	36.6
StanCorp	34.5	+37.6%	25.1

■ Consolidated solvency margin ratio

(%)

	End of FY2018 3Q		End of FY2017
		Change	
Consolidated solvency margin ratio	1,005.6	+15.4 ^{pts}	990.2
Meiji Yasuda Life (non-consolidated)	950.5	+12.6 ^{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 third quarter business results of consolidated overseas subsidiaries and affiliates are their nine months results from January to September.

*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 Annualized Premiums in Force

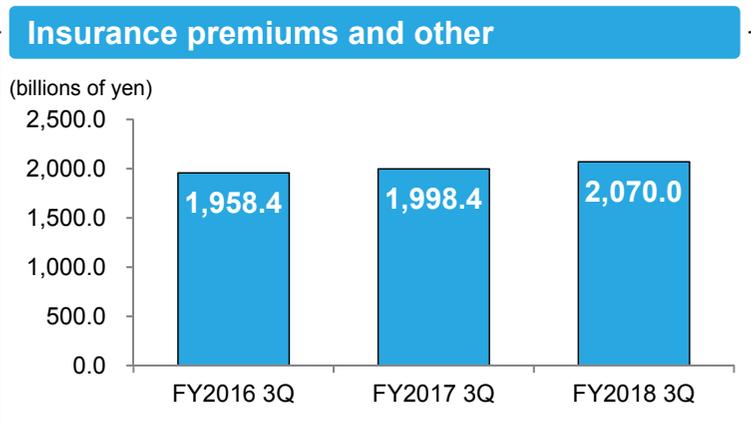
- Insurance premiums and other of the Company amounted ¥2,070.0 billion, increased by 3.6% year-on-year due to such contribution as the sales of the foreign currency denominated single premium insurance products launched in August 2017.
- Annualized new premiums increased by 16.5% year-on-year due to such effects as the favorable sales of the foreign currency denominated single premium insurance products and third-sector insurance products.

■ Breakdown of Insurance premiums and other

	FY2018 3Q	Change
Insurance premiums and other	2,070.0	+3.6%
Individual life insurance and annuities	1,394.0	+11.2%
Agency distribution channel	1,059.9	+7.5%
Level premium products	911.6	+1.7%
Single premium products	148.3	+65.8%
Bancassurance channel	306.3	+27.4%
Group life insurance and group pensions	647.7	-9.5%

(billions of yen)

	FY2017 3Q
Insurance premiums and other	1,998.4
Individual life insurance and annuities	1,253.8
Agency distribution channel	985.9
Level premium products	896.4
Single premium products	89.4
Bancassurance channel	240.5
Group life insurance and group pensions	716.1

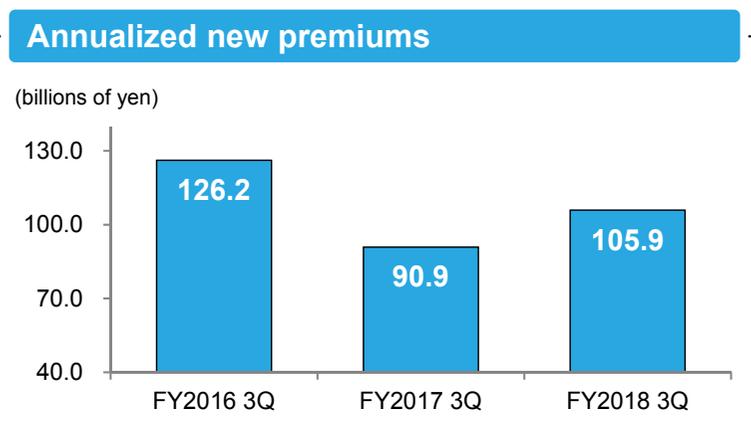


■ Annualized new premiums (individual life insurance and individual annuities)

	FY2018 3Q	Change
Annualized new premiums	105.9	+16.5%
Agency distribution channel	89.1	+16.8%
Bancassurance channel	15.0	+17.8%
Third-sector insurance	41.9	+50.2%

(billions of yen)

	FY2017 3Q
Annualized new premiums	90.9
Agency distribution channel	76.3
Bancassurance channel	12.8
Third-sector insurance	27.9



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

	End of FY2018 3Q	Change
Annualized premiums	2,265.2	+0.6%

(billions of yen)

	End of FY2017
Annualized premiums	2,251.1

* Agency distribution channel

2. Base Profit

- Base profit of the Company amounted ¥433.0 billion, increased by 19.7% 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 a third quarter basis for the two consecutive years.

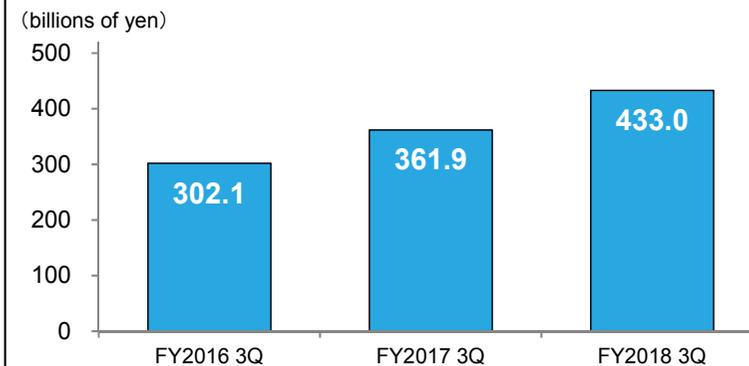
■ Base profit and others

	FY2018 3Q		FY2017 3Q
		Change	
Base profit	433.0	+19.7%	361.9
Interest and dividends income	580.3	+8.5%	534.6

(billions of yen)

	FY2017 3Q
Base profit	361.9
Interest and dividends income	534.6

Base profit



Interest and dividends income



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

○ Solvency margin ratio stood at 950.5%, improved by 12.6pts compared with the end of FY2017.

■ Solvency margin ratio

(billions of yen,%)

	End of FY2018 3Q		End of FY2017
		Change	
Solvency margin ratio ^{*1}	950.5	+12.6 ^{pts}	937.9
Total solvency margin (A)	7,458.7	(155.3)	7,614.1
Total risk (B)	1,569.4	(54.2)	1,623.6

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

■ Real net assets

(billions of yen,%)

	End of FY2018 3Q		End of FY2017
		Change	
Real net assets	9,486.4	(341.0)	9,827.5
Proportion in General account assets	24.7	-1.3 ^{pts}	26.1

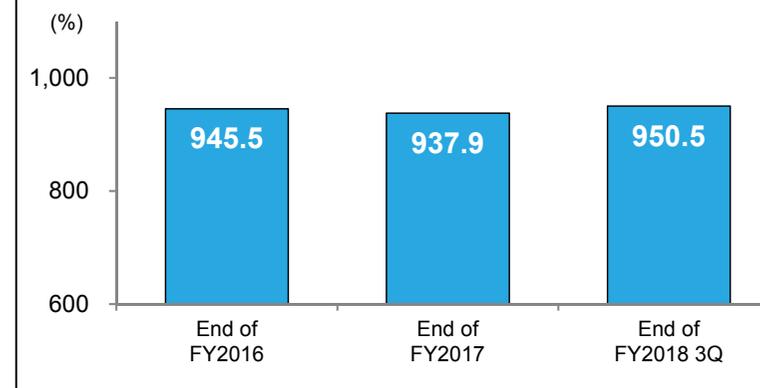
■ On-balance core capital

(billions of yen)

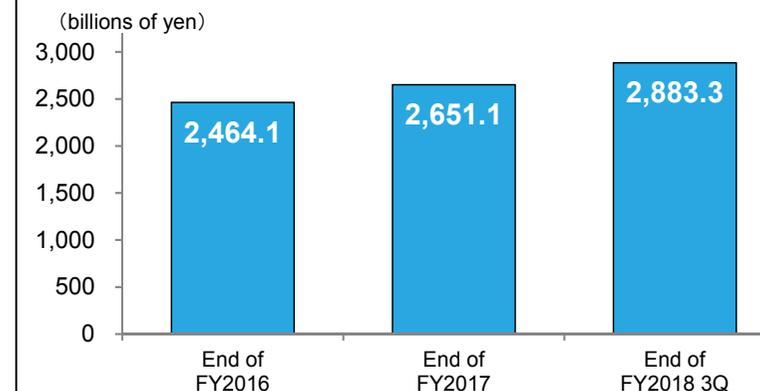
	End of FY2018 3Q		End of FY2017
		Change	
On-balance core capital ^{*2}	2,883.3	232.1	2,651.1

*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)

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

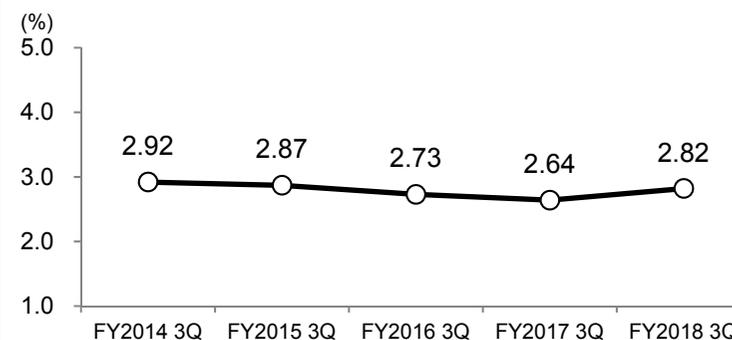
- Quality indicators of policies remain favorable.
- Surrender, lapse and partial surrender rate stood at 2.82% (a year-on-year increase by 0.18pts).
- 13th and 25th month-total persistency rates both maintained high level.

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

	FY2018 3Q		FY2017 3Q
		Change	
Surrender, lapse and partial surrender rate	2.82	+0.18 ^{pts}	2.64

*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

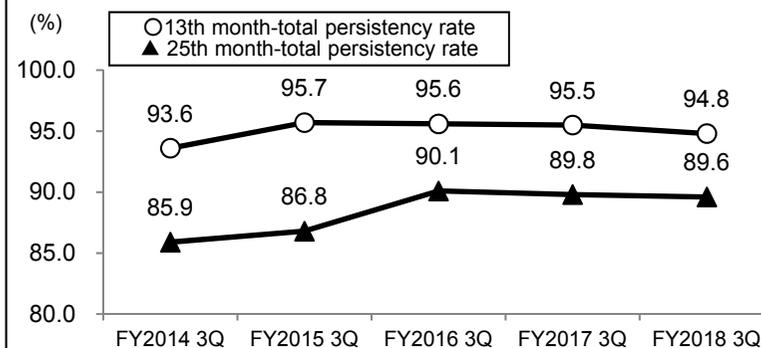


■ Total persistency rate *2 (individual life insurance and individual annuities)

	FY2018 3Q		FY2017 3Q
		Change	
13th month-total persistency rate	94.8	-0.7 ^{pts}	95.5
25th month-total persistency rate	89.6	-0.2 ^{pts}	89.8

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

Total persistency rate



5. Unrealized Gains and Breakeven Points of Domestic Stocks

- Unrealized gains in General account investment assets totaled ¥5,756.9 billion (¥425.6 billion decrease compared with the end of FY2017) due to the decline in domestic stock prices.
- Breakeven Points of domestic stocks is estimated approximately 670pts on the TOPIX basis.

■ Unrealized gains in General account investment assets

	End of FY2018 3Q		Change	(billions of yen)	
	End of FY2018 3Q	Change		End of FY2017	
Unrealized gains in General account	5,756.9	(425.6)		6,182.6	
Securities with market price* ¹	5,323.8	(464.8)		5,788.6	
Domestic bonds	2,596.0	(46.1)		2,642.1	
Domestic stocks	2,258.1	(409.7)		2,667.8	
Foreign securities	440.4	29.7		410.6	
Real estate	425.6	15.3		410.3	

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

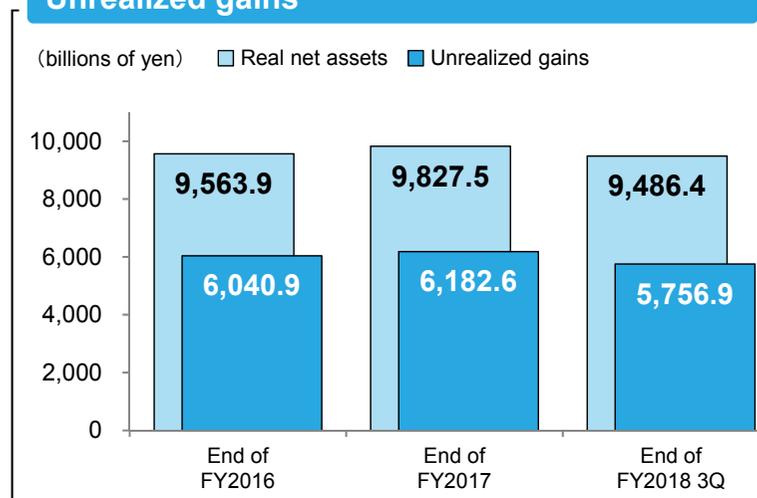
■ Breakeven Points of domestic stocks

Breakeven Points indicate the level of 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 FY2018 3Q* ²	End of FY2017
TOPIX	Approx. 670 ^{pts}	Approx. 660 ^{pts}

*2 Breakeven point of domestic stocks is estimated approximately ¥9,000 (Nikkei 225 basis).

Unrealized gains



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

- Insurance premiums and other of StanCorp amounted ¥217.9 billion, increased by 4.5% year-on-year, due to the steady results of the group insurance business which is main business channel of StanCorp.
- Equivalent amount of base profit and net income of StanCorp amounted ¥34.5 billion, increased by 37.6% compared with the corresponding period of FY2017, due to the improvement of claim rate of group insurance business.

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

(billions of yen)

	FY2018 3Q		FY2017 3Q
		Change	
Insurance premiums and other	217.9	+4.5%	208.5
Equivalent amount of base profit ^{*2}	34.5	+37.6%	25.1
Net income ^{*3}	20.8	+311.1%	5.0

*1 The end of the third quarter of StanCorp is September 30, 2018. Business results of StanCorp are added up corresponding to its 9 months results from January to September, 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 ¥112.73 to U.S. \$1 (the end of September 2017) in FY2017 3Q and ¥113.57 to U.S. \$1 (the end of September 2018) in FY2018 3Q.

Business Outlook for the Year Ending March 31, 2019

- No change of FY2018 business outlook of insurance premiums of the Group and base profit of the Group from the announcement of FY2018 1H Financial Results.
- Insurance premiums of the Group and the Company are projected to increase 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.
- Base profit of the Group and the Company are projected to increase due to the increase of interest and dividends income of the Company, and hit a record high for the two consecutive years.

■ 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. 610.0 billion yen	Increase	585.1 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 570.0 billion yen	Increase	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% (Annual Average)	4,940.5 billion yen