

[Unofficial translation]



MY INNOVATION
2020
MEIJI YASUDA
3-year program

Financial Results for the Three Months Ended June 30, 2019 (Summary)

August 9, 2019
Meiji Yasuda Life Insurance Company

I. Summary for the Three Months Ended June 30, 2019

Insurance premiums and base profit decreased in both Meiji Yasuda Group and Meiji Yasuda Life. Overseas insurance business and other progressed steadily due to the contribution of StanCorp Financial Group, Inc.

Insurance premiums and other

- Insurance premiums of Meiji Yasuda Group (hereafter, the Group) amounted ¥733.0 billion, decreased by 5.9% year-on-year.
- Overseas insurance business and other increased by 8.6% year-on-year due to the contribution of group insurance business of StanCorp Financial Group, Inc. (hereafter, StanCorp).
- Although there was a contribution of “Best Style Health Cash Back”, due to the decrease of the foreign currency denominated single premium insurance, insurance premiums of Meiji Yasuda Life (hereafter, the Company) amounted ¥652.2 billion, decreased by 7.4% year-on-year.

Base profit

- Base profit of the Group amounted ¥122.1 billion, decreased by 5.7% year-on-year.
- Overseas insurance business and other increased 39.9% due to the significant increase in profit of StanCorp by 50.1% year-on-year.
- Base profit of the Company amounted ¥111.3 billion, decreased by 8.9% year-on-year due to such effects as decrease of interest and dividends income and reduction of group insurance premiums.
- Base profit of the Group and the Company both decreased, however progressed above the plans.

Financial soundness

- Consolidated solvency margin ratio stood at 1,063.8%, increased by 23.7pts compared with the end of FY2018.
- Solvency margin ratio of the Company stood at 1,004.3%, increased by 21.0pts compared with the end of FY2018.

Business outlook

- No change of FY2019 business outlook from the announcement of FY2018 Financial Results.

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 ¥733.0 billion, decreased by 5.9% year-on-year due to the decrease of the foreign currency denominated single premium insurance of the Company.
- Although the profit of StanCorp significantly increased by 50.1% year-on-year, base profit of the Group amounted ¥122.1 billion, decreased by 5.7% year-on-year due to the decrease in profit of the Company.
- Consolidated solvency margin ratio stood at 1,063.8%, increased by 23.7pts compared with the end of FY2018.

■ Insurance premiums of the Group

(billions of yen)

	Three months ended June 30, 2019	Change	Three months ended June 30, 2018
Insurance premiums of the Group ^{*1}	733.0	-5.9%	778.5
Meiji Yasuda Life (non-consolidated)	652.2	-7.4%	704.2
Overseas insurance business and other businesses ^{*2}	80.7	+8.6%	74.3
StanCorp	73.5	+9.2%	67.4

■ Base profit of the Group

(billions of yen)

	Three months ended June 30, 2019	Change	Three months ended June 30, 2018
Base profit of the Group ^{*3}	122.1	-5.7%	129.6
Meiji Yasuda Life (non-consolidated)	111.3	-8.9%	122.2
Overseas insurance business and other businesses ^{*2}	17.3	+39.9%	12.3
StanCorp	12.7	+50.1%	8.5

■ Consolidated solvency margin ratio

(%)

	As of June 30, 2019	Change	As of March 31, 2019
Consolidated solvency margin ratio	1,063.8	+23.7 ^{pts}	1,040.1
Meiji Yasuda Life (non-consolidated)	1,004.3	+21.0 ^{pts}	983.3

^{*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, 2019.

^{*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 are partially eliminated.

※ Due to the change in management method of financial accounting, the calculation method of base profit of StanCorp is changed to the accounting base reflected the effect of purchase accounting from FY2019. Base profit of StanCorp in three months ended March 31, 2018 is ¥8.7 billion if same accounting base of FY2019 is applied. (Base profit of the Group amounted ¥129.8 billion)

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 ¥652.2 billion, decreased by 7.4% year-on-year due to the decrease of the foreign currency denominated single premium insurance.
 - In the agency distribution channel, level premium products amounted ¥307.0 billion increased by 1.3% due to the contribution of “Best Style Health Cash Back”, newly launched in April 2019.

■ Breakdown of Insurance premiums and other

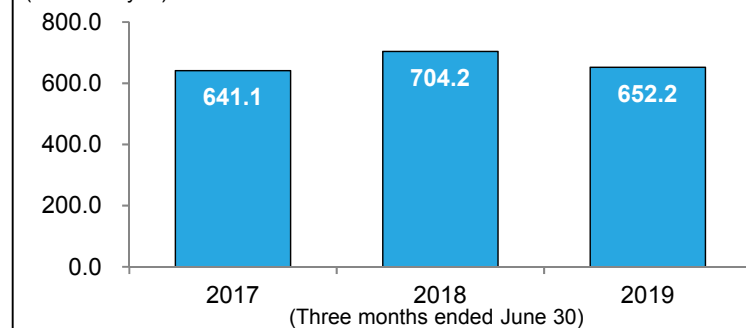
	Three months ended June 30, 2019	Change
Insurance premiums and other	652.2	-7.4%
Individual life insurance and annuities	410.4	-9.8%
Agency distribution channel	339.3	-3.9%
Level premium products	307.0	+1.3%
Bancassurance channel	60.8	-33.5%
Group life insurance and group pensions	232.5	-3.0%

(billions of yen)

Three months ended June 30, 2018
704.2
455.1
353.1
303.1
91.5
239.7

Insurance premiums and other

(billions of yen)



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

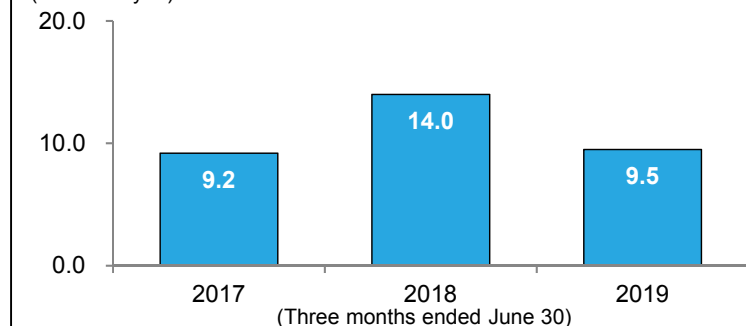
	Three months ended June 30, 2019	Change
Annualized new premiums	24.3	-31.8%
Agency distribution channel	21.2	-30.9%
Main products*1	9.2	+22.7%
Bancassurance channel	2.7	-39.9%
Third-sector insurance	9.5	-32.4%

(billions of yen)

Three months ended June 30, 2018
35.7
30.7
7.5
4.5
14.0

Annualized new premiums from third-sector insurance

(billions of yen)



*1 Including increase due to conversion

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

	As of June 30, 2019	Change
Annualized premiums	2,253.3	-0.5%

(billions of yen)

As of March 31, 2019
2,265.6

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

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

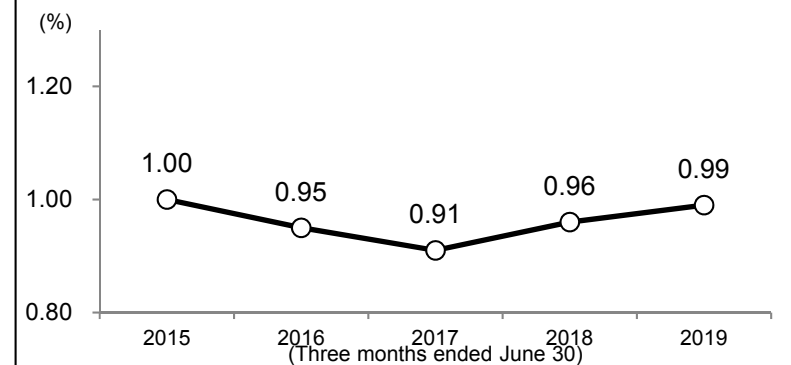
- Surrender, lapse and partial surrender rate stood at 0.99% (a year-on-year increase by 0.03pts).
- 13th and 25th month-total persistency rates both maintained high level.

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

	Three months ended June 30, 2019		Three months ended June 30, 2018
		Change	
Surrender, lapse and partial surrender rate	0.99	+0.03 ^{pts}	0.96

*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

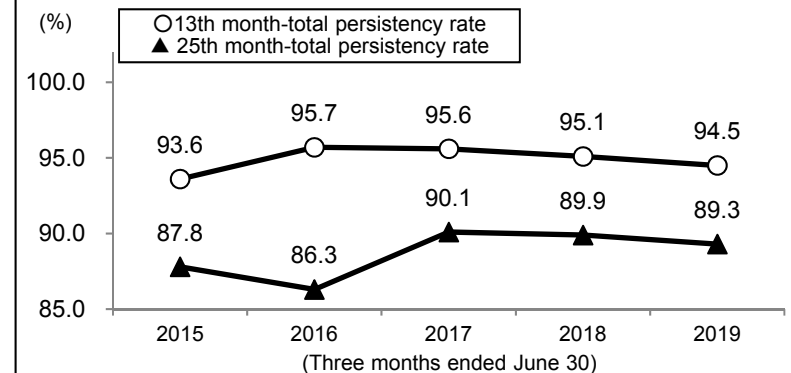


■ Total persistency rate *2 (individual life insurance and individual annuities)

	Three months ended June 30, 2019		Three months ended June 30, 2018
		Change	
13th month-total persistency rate	94.5	-0.6 ^{pts}	95.1
25th month-total persistency rate	89.3	-0.6 ^{pts}	89.9

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

Total persistency rate



3. Base Profit

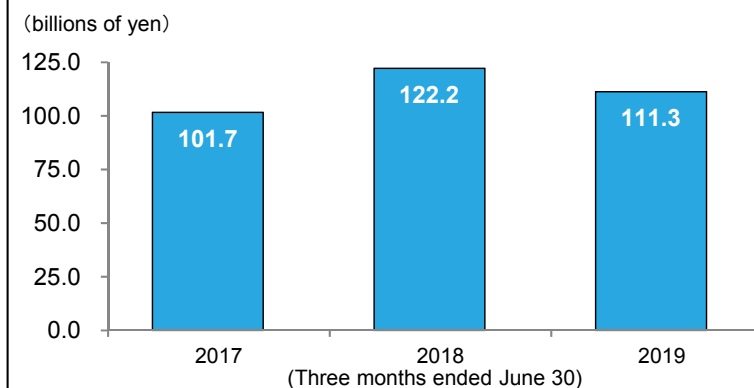
- Base profit of the Company amounted ¥111.3 billion, decreased by 8.9% year-on-year due to such effects as decrease of interest and dividends income and reduction of group insurance premiums.

■ Base profit and others

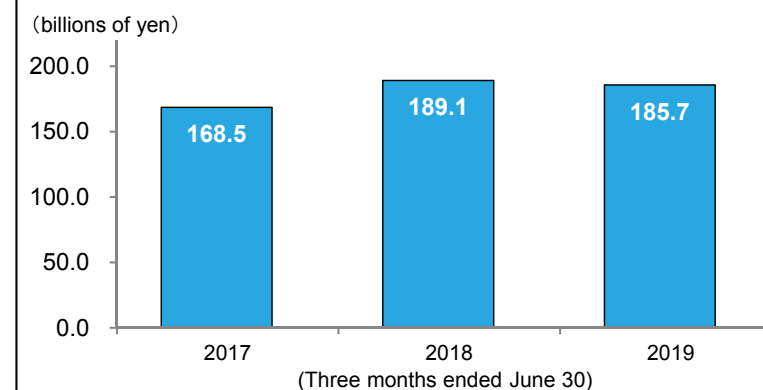
	Three months ended June 30, 2019		Three months ended June 30, 2018
		Change	
Base profit	111.3	-8.9%	122.2
Interest and dividends income	185.7	-1.8%	189.1

(billions of yen)

Base profit



Interest and dividends income



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

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

- Solvency margin ratio stood at 1,004.3%, increased by 21.0pts compared with the end of FY2018.

■ Solvency margin ratio

(billions of yen, %)

	As of June 30, 2019	Change	As of March 31, 2019
Solvency margin ratio ^{*1}	1,004.3	+21.0 ^{pts}	983.3
Total solvency margin (A)	7,634.1	(179.6)	7,813.8
Total risk (B)	1,520.1	(69.0)	1,589.1

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

■ Real net assets

(billions of yen, %)

	As of June 30, 2019	Change	As of March 31, 2019
Real net assets	10,059.6	(133.4)	10,193.0
Proportion in General account assets	26.1	-0.4 ^{pts}	26.5

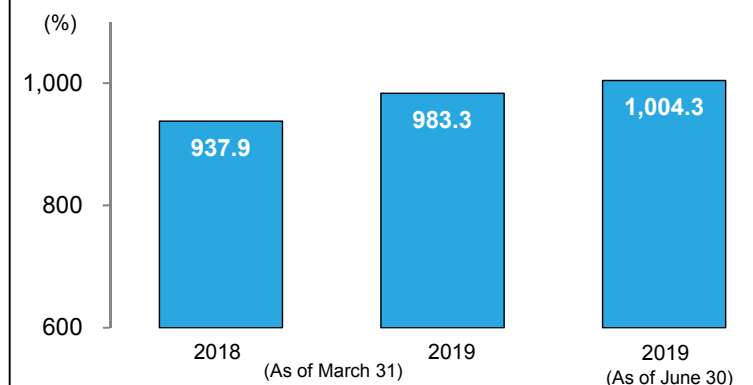
■ On-balance sheet capital

(billions of yen)

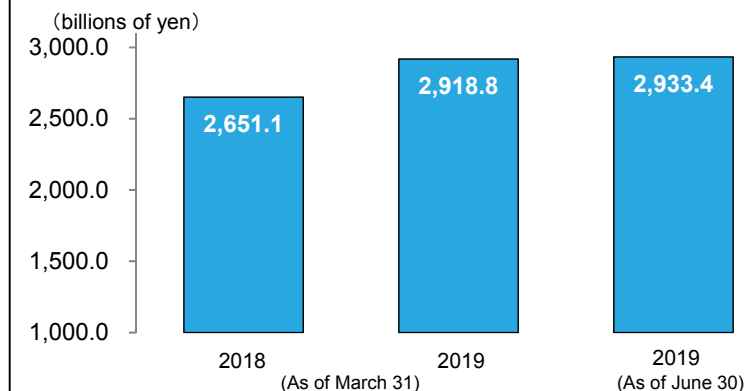
	As of June 30, 2019	Change	As of March 31, 2019
On-balance sheet capital ^{*2}	2,933.4	+14.6	2,918.8

^{*2} The total amount of specified internal reserves and externally financed capital.

Solvency margin ratio



On-balance sheet 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 ¥6,370.9 billion (¥4.0 billion decrease compared with the end of FY2018)
- Among unrealized gains of securities with market price, domestic bonds increased due to the low domestic interest rate (¥184.5 billion increase compared with the end of FY2018), domestic stocks decreased due to the falling in domestic stock price (¥197.2 billion decrease compared with the end of FY2018).
- Breakeven Points of domestic stocks is estimated approximately 670^{pts} (TOPIX).

■ Unrealized gains in General account investment assets

	As of June 30, 2019		Change	As of March 31, 2019	
Unrealized gains in General account	6,370.9	(4.0)		6,374.9	
Securities with market price ^{*1}	5,900.9	10.1		5,890.7	
Domestic bonds	3,074.8	184.5		2,890.3	
Domestic stocks	2,137.8	(197.2)		2,335.1	
Foreign securities	625.0	24.5		600.4	
Real estate	471.1	0		471.1	

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

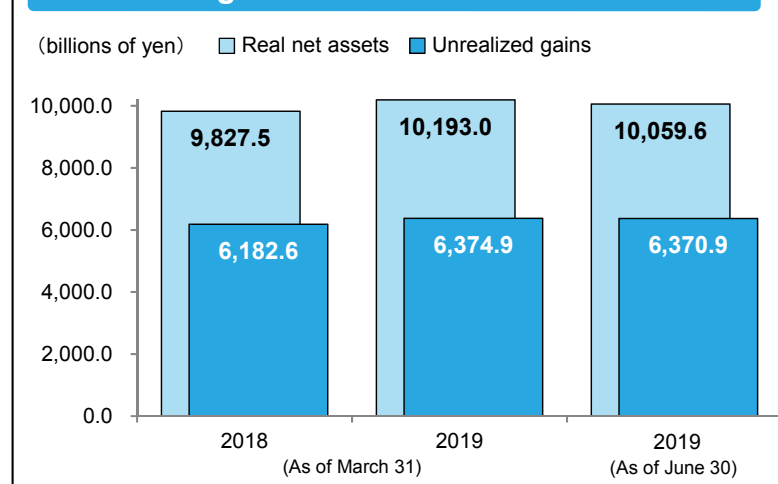
■ Breakeven Points of domestic stocks

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.

	As of June 30, 2019 ^{*2}	As of March 31, 2019
TOPIX	Approx. 670 ^{pts}	Approx. 670 ^{pts}

^{*2} Breakeven point of domestic stocks is estimated approximately ¥9,200 (Nikkei 225 basis).

Unrealized gains



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

- Insurance premiums and other amounted ¥73.5 billion increased by 9.2% year-on-year due to group insurance business which is main business channel of StanCorp progressed steadily.
- Equivalent amount of base profit amounted ¥12.7 billion (a year-on-year increase by 50.1%) and net income amounted ¥8.0 billion (a year-on-year increase by 76.9%) due to the significant improvement of the benefit ratio of group insurance business.

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

(billions of yen)

	Three months ended June 30, 2019	Change	Three months ended June 30, 2018
Insurance premiums and other	73.5	+9.2%	67.4
Equivalent amount of base profit ^{*2}	12.7	+50.1%	8.5
Net income ^{*3}	8.0	+76.9%	4.5

^{*1} The end of the first quarter of StanCorp is March 31, 2019. Business results of StanCorp are added up corresponding to its 3 months results from January to March, 2019.

^{*2} Equivalent amount of base profit of StanCorp is the profit deducted expenses such as expenses for intangible asset amortization associated with purchase accounting and capital gains/losses from pretax profit.

※ Due to the change in management method of financial accounting, the calculation method of base profit of StanCorp is changed to the accounting base reflected the effect of purchase accounting from FY2019. Base profit of StanCorp in three months ended March 31, 2018 is ¥8.7 billion if same accounting base of FY2019 is applied.

^{*3} After applying purchase accounting

※Exchange rates are ¥106.24 to U.S. \$1 (the end of March 2018) for the first quarter of FY2018 and ¥110.99 to U.S. \$1 (the end of March 2019) for the first quarter of FY2019.

Business Outlook for the Year Ending March 31, 2020

- No change of FY2019 business outlook from the announcement of FY2018 Financial Results.
- Insurance premiums and other of the Group and the Company are projected to increase year-on-year due to the contribution of “Best Style Health Cash Back”, newly launched in April 2019.
- Base profit of the Group and the Company are projected to decrease year-on-year due to such effects as decreasing in the group life insurance premiums and decreasing in interest surplus caused by continuous ultra-low-interest-environment.

■ Insurance premiums of the Group Outlook

	Year ending March 31, 2020	Change	Year ended March 31, 2019 (Actual)
Insurance premiums of the Group ^{*1 *3}	Approx. 3,230.0 billion yen	Increase	3,081.3 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 2,920.0 billion yen	Increase	2,770.8 billion yen
StanCorp	Approx. 290.0 billion yen	Increase	286.7 billion yen

■ Base profit of the Group Outlook

	Year ending March 31, 2020	Change	Year ended March 31, 2019 (Actual)
Base profit of the Group ^{*2 *3}	Approx. 585.0 billion yen	Decrease	633.8 billion yen
Meiji Yasuda Life (non-consolidated)	Approx. 550.0 billion yen	Decrease	589.6 billion yen
StanCorp	Approx. 42.0 billion yen	Flat	42.5 billion yen

* Explanation for proper use of business outlook

Business outlook is based on current information and certain assumption that the Group determine reasonable. Actual financial result could be different from the outlook due to various factors.

*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 are partially eliminated.

※ Due to the change in management method of financial accounting, the calculation method of base profit of StanCorp is changed to the accounting base reflected the effect of purchase accounting from FY2019.

Base profit of StanCorp in FY2018 is ¥45.5 billion if same accounting base of FY2019 is applied. (Base profit of the Group amounted ¥636.8 billion)

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

■ Corporate value (EEV) Outlook

	Year ending March 31, 2020	As of March 31, 2019
Corporate value (EEV)	Approx. +6%	5,296.8 billion yen