

# **Financial Results Summary for the 1<sup>st</sup> Half of FY2020 Ended In September 30, 2020**

**November 24, 2020  
Meiji Yasuda Life Insurance Company**

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# I. Our responses to the COVID-19 (1/2)

## We continue to respond to the wide spread of COVID-19 in various ways

### Customer

- Introduction to special treatments such as extension of the grace period of insurance premiums and interest rate exemption for new policy loans
- Special treatment for death and disability benefit due to the COVID-19
- ※ Refer to page 3 for the status of applications for special treatment and insurance claims payments for the COVID-19.

### Local Community

“Donation to my home town”  
¥520 million to 1,210 organizations

- Conducted "Donation to my home town" which employees donate their money matched by the company for local governments, medical institutions, welfare facilities, etc. that need support due to the COVID-19.

Signed a special sponsorship agreement with J. League

- Collaborating with the J. League to help local communities overcome the COVID-19, the company deployed information website to introduce the attractiveness of local communities and provided the live-streaming of exercise to allow viewers to join remotely.

Promotion of “roadside station” wellness for all project

- Supporting measures to prevent the outbreak of the COVID-19 at "Roadside Station"

### Employee

Efforts to prevent COVID-19 infection

- Installing the COVID-19 contact-confirming App (COCOA) to company smartphones (MY Phone) lent to all sales-advisors and recommending the App installation to executives and staffs

Implementation of infection prevention measures

- As preventive measures against infections, we are promoting temperature measurement before coming to the office, visiting customers based on the appointment in advance, and wearing masks, etc.

Promotion of WFH

- Promote active use of remote work and staggered work hours. In addition, from FY2021, we will conduct a trial run of the "remote type employees" living in rural areas to engage in head office duties without relocation.

## Reschedule management plan

In FY2020, through the single-year management plan “Always by Your Side !”, we prioritize the certain execution of essential businesses such as payment of insurance benefits, and the establishment of a system that can provide after-sales follow-up services to customers even in the COVID-19.

### Management Targets

Setting KPIs measuring progress of follow-up services as management targets with no performance targets. Also, operating through confirmation indicators measuring those processes and verification indicators measuring management quality, etc.

### Essential Policies

Promotion of Customer-Oriented Initiatives

- Secure and careful execution of paying claims benefit
- Dedicated follow-up services to customers

Additional efforts under the COVID-19

- Establishing no-physical-contact infrastructure
- Initiatives regarding two major projects and contribution to society

Implementation of Four Major Reforms in Advance

- Partial implementation of Four Major Reforms in Advance planned during “MY Mutual Way Phase I”

## The status of applications and claim payments for special treatment

### ■ The application status for special treatment

	Until the end of April	May	June	July	August	September	Total
The number of extension of the premium grace period *1	Approx. 4,000	Approx. 4,000	Approx. 2,000	Approx. 1,000	Approx. 600	Approx. 400	Approx. 12,000
The number of new policy loans with interest rate exemption *2	Approx. 42,000	Approx. 25,000	Approx. 18,000	-	-	-	Approx. 86,000

\*1 The extension period was until September 30, 2020

\*2 The reception period was until June 30, 2020

### ■ The status of claim payment

\*3 (millions of yen)

		Until the end of April	May	June	July	August	September	Total
Death benefits	The number of claims	2	19	27	18	7	18	91
	Amount *3	Approx. 5.8	Approx. 100	Approx. 160	Approx. 110	Approx. 40	Approx. 40	Approx. 480
Accidental death benefits	The number of claims	-	3	6	6	2	4	21
	Amount *3	-	Approx. 3.05	Approx. 20	Approx. 10	Approx. 1.13	Approx. 2.03	Approx. 30
Hospitalization benefits	The number of claims	16	92	264	104	219	362	1,057
	Amount *3	Approx. 2.92	Approx. 10	Approx. 80	Approx. 20	Approx. 20	Approx. 50	Approx. 200

### **1** Management targets of the Special After-Sales Service Program “Always by Your Side!” progress steadily

- Steady progress on the management targets in this special program such as Number of customer contacts (Individual Market and Corporate Market) and Number of Sales advisors

### **2** Insurance premiums decreased, and base profit remained flat on both consolidated and non-consolidated basis

- Insurance premiums of the Group decreased by 7.9% year-on-year to ¥1,343.1 billion due to a decrease in Meiji Yasuda Life, mainly due to a decrease in the sales volume of foreign currency denominated single premium insurance. StanCorp increased by 7.1% year on year to ¥155.4 billion due to solid performance in the group insurance business.
- Base profit of the group and non-consolidated basis remained the same level of the 1st half of FY2019, keeping the historical high level.

### **3** Maintain high level of soundness through strengthening the financial base

- Solvency margin ratio exceeds 1,000% on both consolidated and non-consolidated basis. Continued to maintain a high level of soundness at 1,124.7% on a consolidated basis

### **4** Outlook "Decrease in insurance premiums and base profit" on both consolidated and non-consolidated basis in FY2020

- In FY2020, insurance premiums and base profit on both consolidated and non-consolidated basis are expected to decrease, reflecting the impacts such as the unstable financial environment.

### III. Progress of the Special After-Sales Service Program “Always by Your Side!”

Item		Target In FY2020	Actual results	Target achievement rate
Number of Customer Contacts (Individual Market) <sup>*1</sup>		5.0 million	3.830 million	76.6%
Number of Customer Contacts (Corporate Market)	Insureds	2.5 million	0.876 million	35.1%
	Corporations	6,800	5,146	75.7%
Number of Sales-advisors <sup>*2</sup>		34,500 (+1,000 from last year)	35,066 (+1,599 from the beginning of FY2020)	101.6%

- Number of Customer Contacts (Individual Market) was steadily increasing to 3.830 million (target achievement rate 76.6%).
- Number of Customer Contacts (Corporate Market) started access on a full-scale from July, and both items were progressing smoothly.
- Number of Sales-advisors was steadily increasing with a target achievement rate 101.6%.

<sup>\*1</sup> Including online communication

<sup>\*2</sup> Target on April 1<sup>st</sup>, 2021

## 1. Insurance Premiums of the Group

### ■ Insurance premiums of the Group

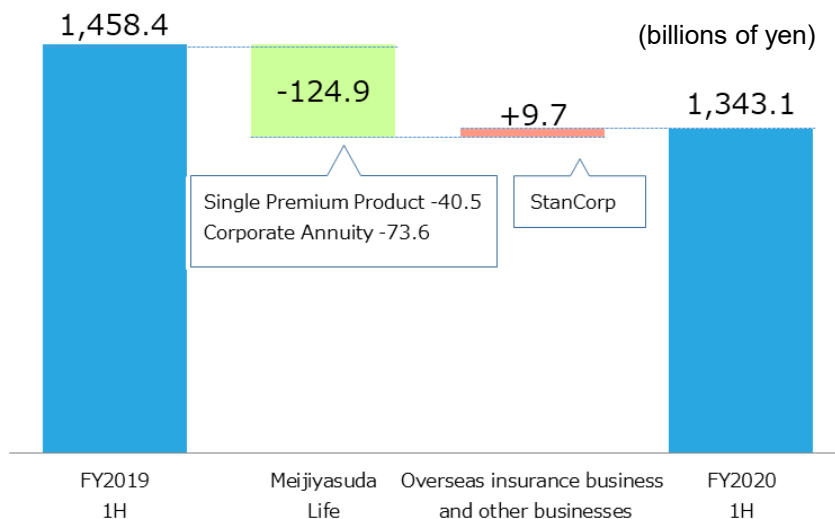
(billions of yen)

	FY2020 1H	Change	Proportion	FY2019 1H
Insurance premiums of the Group* <sup>1</sup>	1,343.1	-7.9%	100.0%	1,458.4
Meiji Yasuda Life (non-consolidated)	1,175.8	-9.6%	87.5%	1,300.8
Overseas insurance business and other businesses* <sup>2</sup>	167.3	+6.2%	12.5%	157.6
StanCorp	155.4	+7.1%	11.6%	145.1

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

\*<sup>2</sup> Excluding domestic life insurance business. The end of period for consolidated overseas subsidiaries and affiliates are June 30, 2020.

### ■ Factors of change in insurance premiums of the Group



- Insurance premiums of the Group amounted ¥1,343.1 billion, decreased by 7.9% year-on-year.

- Insurance premiums of Meiji Yasuda Life (non-consolidated) decreased due to sales decline of foreign currency denominated product with a single premium and corporate annuity product under the low interest rate environment.

- Insurance premiums from overseas insurance business and other businesses amounted ¥167.3 billion, increased by 6.2% year-on-year.

- Insurance premiums of StanCorp increased by 7.1% due to stable growth on group insurance business

- Ratio of the overseas insurance business and other businesses in the Group stood at 12.5%.

## 2. Base Profit of the Group

### ■ Base profit of the Group

(billions of yen)

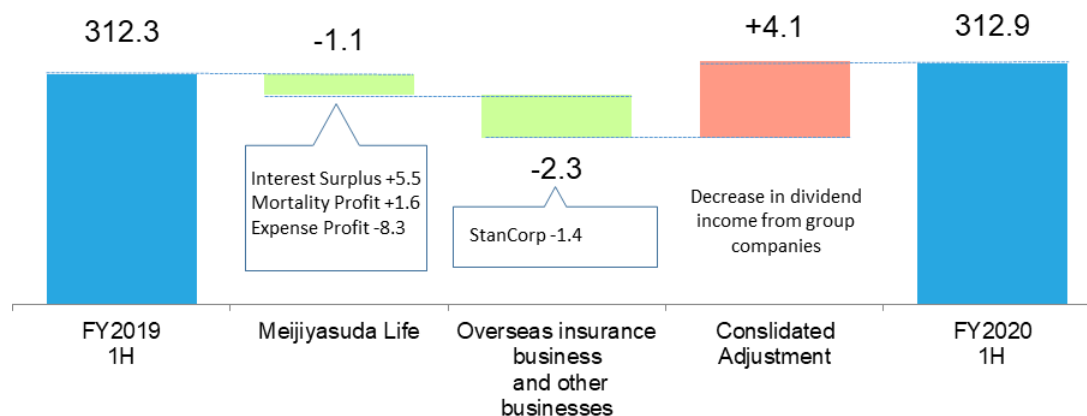
	FY2020 1H	Change	Proportion	FY2019 1H
Base profit of the Group <sup>*1</sup>	312.9	+0.2%	100.0%	312.3
Meiji Yasuda Life (non-consolidated)	284.3	-0.4%	90.9%	285.4
Overseas insurance business and other businesses <sup>*2</sup>	31.4	-7.0%	10.0%	33.7
StanCorp	23.0	-5.8%	7.4%	24.4

\*1 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.

\*2 Excluding domestic life insurance business. The end of period for consolidated overseas subsidiaries and affiliates are June 30, 2020.

### ■ Factors of change in base profit of the Group

(billions of yen)



- Base profit of the Group amounted ¥312.9 billion, keeping the historical high level.

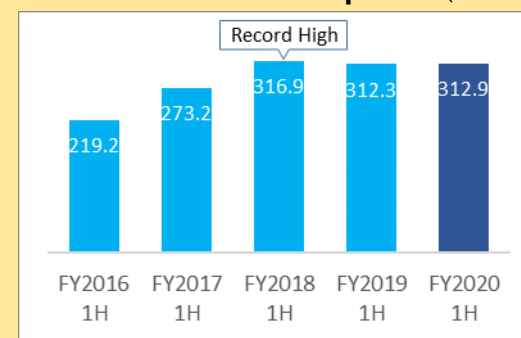
- Base profit decreased in both Meiji Yasuda Life (non-consolidated) and StanCorp, however, decrease in dividend income from group companies, which was subtracted from the Base profit of the Group, contributed to the same level of the 1<sup>st</sup> half of FY2019.

- Base profit of the Group from overseas insurance business and other businesses amounted ¥31.4 billion, decreased by 7.0% year-on-year.

- Ratio of overseas insurance business and other businesses in the Group stood at 10.0%

### ■ Base Profit of the Group

(billions of yen)





## 3. Consolidated Statements of Income, Balance Sheet and Solvency Margin Ratio

### ■ Consolidated Statements of Income (Summary) (billions of yen)

	FY2020 1H	Change	FY2019 1H
Ordinary income (A)	1,988.6	-2.3%	2,035.1
Insurance premiums and other	1,343.1	-7.9%	1,458.4
Investment income	600.8	+15.9%	518.3
Ordinary expenses (B)	1,825.0	-2.8%	1,876.6
Benefits and other payments	1,219.0	-0.6%	1,226.7
Provision for policy reserves and other reserves	147.5	-12.0%	167.7
Investment expenses	145.3	-14.3%	169.6
Operating expenses	236.9	+1.7%	232.9
Ordinary profit (A-B)	163.6	+3.2%	158.4
Extraordinary gains / losses	-15.8	-	-14.6
Income taxes	14.8	-4.1%	15.4
Net surplus attributable to non-controlling interests	0.0	-13.8%	0.0
Net surplus attributable to the Parent Company	132.8	+3.5%	128.3

### ■ Consolidated solvency margin ratio (% , billions of yen)

	End of FY2020 1H	Difference	End of FY2019
Consolidated solvency margin ratio *1	1,124.7%	-18.9 <sup>pts</sup>	1,143.6%
Group EEV *2	5,175.0	+638.0	4,537.0

### ■ Consolidated Balance Sheet (Summary) (billions of yen)

	End of FY2020 1H	Difference	End of FY2019
Total assets	43,551.0	+937.1	42,613.8
Cash, deposit and call loans	1,265.3	-71.1	1,336.4
Securities	34,926.0	+903.0	34,023.0
Loans	4,953.4	+40.0	4,913.4
Tangible fixed assets	901.8	-3.3	905.2
Intangible fixed assets	421.4	-20.7	442.2
Total liabilities	39,608.7	+536.2	39,072.5
Policy reserves and other reserves	36,048.8	+231.2	35,817.6
Policy reserves	35,013.3	+164.9	34,848.4
Bonds	668.0	-0.5	668.5
Other liabilities	1,746.7	+162.4	1,584.2
Reserve for price fluctuation	842.0	+8.4	833.6
Deferred tax liabilities	190.4	+133.9	56.4
Total net assets	3,942.2	+400.9	3,541.3
Foundation funds and reserve for redemption of foundation funds	980.0	-	980.0
Surplus	459.3	-16.5	475.9
Net unrealized gains on available-for-sale securities	2,432.2	+439.2	1,993.0

- Total assets amounted ¥43,551.0 billion (2.2% increase compared with the end of FY2019). Main components were securities ¥34,926.0 billion (2.7% increase) and loans ¥4,953.4 billion (0.8% increase).
- Total liabilities amounted ¥39,608.7 billion (1.4% increase). Most of the liabilities were policy reserves and other reserves, amounted ¥36,048.8 billion (0.6% increase).
- Total net assets amounted ¥3,942.2 billion (11.3% increase). Foundation funds and reserve for redemption of foundation funds amounted ¥980.0 billion (no change) and net unrealized gains on available-for-sale securities amounted ¥2,432.2 billion (22.0% increase).

\*1 The solvency margin ratio is one of regulatory indicators displaying the soundness of insurers and presented to determine if the insurer has sufficient claims-paying ability at an occurrence of an event that goes beyond usually predictable risk. Failed to maintain the ratio at 200% or more, the insurer is subject to a business improvement or other administrative orders issued by a supervisory authority.

\*2 An European Embedded Value (EEV) is an indicator that shows the corporate value of insurance companies. EEV comprises the total value of in-force business and adjusted net worth.

## 1. Insurance Premiums and Annualized Premiums (Individual Life Insurance and Individual Annuities)

### ■ Breakdown of insurance premiums

(billions of yen)

	FY2020 1H	Change	FY2019 1H
Insurance premiums and other	1,175.8	-9.6%	1,300.8
Individual life insurance and annuities	762.7	-7.0%	820.0
Agency distribution channel	631.2	-6.5%	675.4
Level premium products	602.6	-2.2%	616.3
Single premium products	28.5	-51.7%	59.0
Bancassurance channel	113.5	-9.5%	125.4
Group life insurance	142.4	+0.4%	141.8
Group pensions	247.4	-22.9%	321.1

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

(billions of yen)

	FY2020 1H	Change	FY2019 1H
Annualized new premiums	40.9	-18.5%	50.2
Agency channel	35.1	-19.5%	43.6
Bancassurance channel	5.0	-9.7%	5.5
Third-sector insurance*1	15.3	-21.1%	19.4

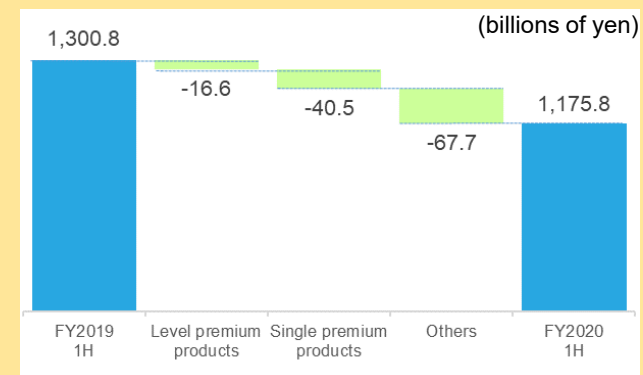
### ■ Annualized premiums in force (individual life insurance and individual annuities)

(billions of yen)

	End of FY2020 1H	Change	End of FY2019
Annualized premiums in force	2,203.2	-1.1%	2,226.7
Agency channel	1,623.6	-0.8%	1,635.9
Bancassurance channel	534.2	-1.9%	544.7
Third-sector insurance*1	448.5	+0.7%	445.2

- Insurance premiums amounted ¥1,175.8 billion, decreased by 9.6% year-on-year.
  - Individual life insurance and annuities decreased by 7.0% due to sales decline of foreign currency denominated product with a single premium. On the other hand, sales of level premium product in Agency distribution channel decreased only by 2.2%.
  - Group pension decreased by 22.9% due to the large contract issued last year.
- Annualized new premiums decreased by 18.5% year-on-year due to the self-restraint of business activity. We restarted our face-to-face business activity by sales agents in July and sales have been recovering gradually.

### ■ Factors of change in annualized new premiums (individual life insurance and individual annuities)



\*1 Third-sector insurance includes medical insurance, serious disease benefits and premium waiver coverage.

## 2. Life Insurance in Force (Group Life Insurance and Group Pension)

### ■ Group life insurance in force and group pension assets managed

	End of FY2020 1H		End of FY2019
		Change	
Group life insurance in force	115,981.8	-0.3%	116,334.8
Group pension assets managed (domestic group)*	7,835.3	+0.6%	7,786.4
	9,104.9	+0.9%	9,022.8

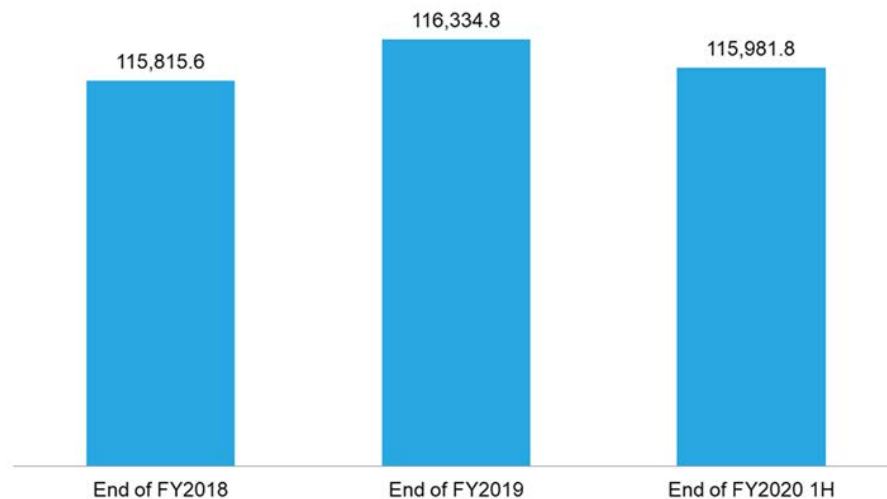
(billions of yen)

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

- Group life insurance in-force amounted **¥115,981.8 billion**, decreased by **0.3%**, compared with the end of FY2019.
  - Maintained the top share in the domestic market.
- Group pension assets managed totaled **¥7,835.3 billion**, increased by **0.6%**, compared with the end of FY2019.

### ■ Group life insurance in force

(billions of yen)



### 3. Base Profit

#### ■ Base profit

(billions of yen)

	FY2020 1H	Difference	FY2019 1H
Base profit (A)	284.3	-1.1	285.4
Interest surplus	145.9	+5.5	140.4
Mortality profit	134.6	+1.6	133.0
Expense profit	3.6	-8.3	11.9
Capital gains / losses (B)	-46.2	+66.8	-113.0
Temporary gains / losses (C) *	-89.7	-62.3	-27.4
Ordinary profit (A+B+C)	148.4	+3.4	144.9

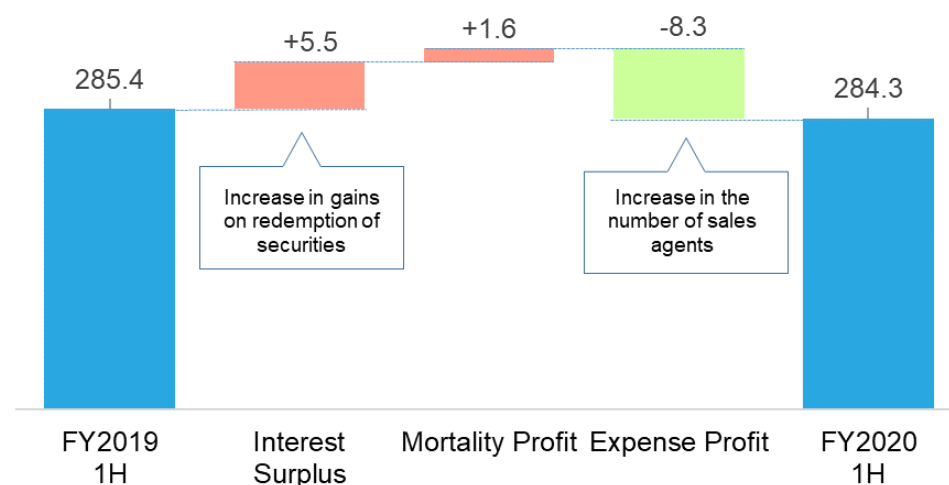
\* Including provision for / reversal of contingency reserves and provision for additional policy reserves and other reserves.

- Base profit totaled ¥284.3 billion, decreased by ¥1.1 billion year-on-year, keeping the historical high level.

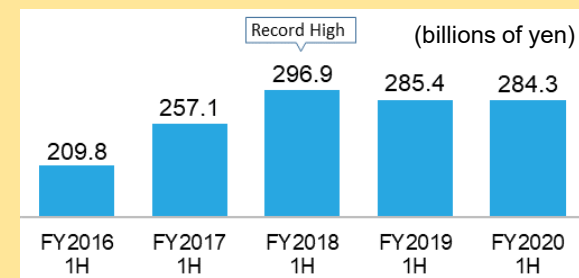
- Interest surplus increased by ¥5.5 billion due to gains on redemption of securities
- Expense profit decreased by ¥8.3 billion due to increase in the number of sales agents

#### ■ Increase/decrease factors of base profit

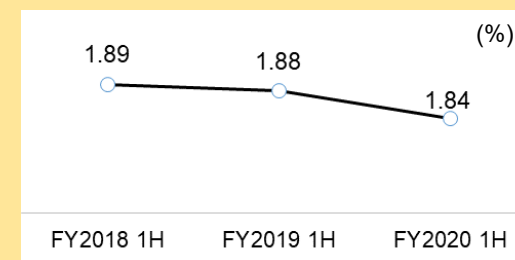
(billions of yen)



#### ■ Base profit



#### ■ Average assumed interest rate



## 4. Net Investment Income

## ■ Net investment income

(billions of yen)

	FY2020 1H	Difference	FY2019 1H
Net investment income (Total)	432.7	+102.5	330.2
Net investment income (General account)	397.4	+75.9	321.5
Investment income	523.0	+50.3	472.7
Interest, dividends and other income	418.0	-6.9	425.0
Gains on sales of securities	38.7	+26.4	12.2
Gains on redemption of securities	66.0	+31.0	34.9
Foreign exchange gains	125.6	-25.6	151.2
Investment expenses	7.9	+6.9	1.0
Losses on sales of securities	21.5	-4.2	25.8
Losses on valuation of securities	33.0	+22.0	11.0
Losses on derivative financial instruments	22.0	-47.5	69.6
Foreign exchange losses	17.1	-2.7	19.9

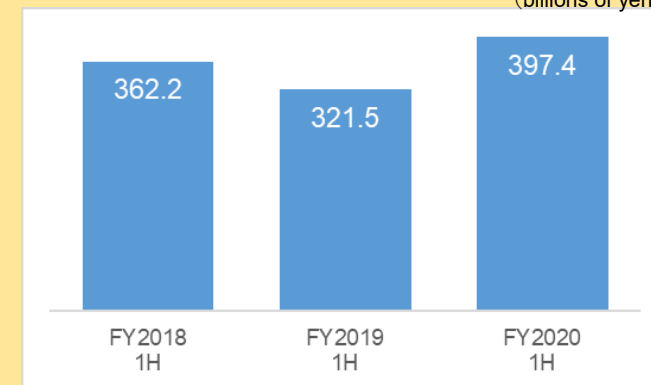
- Net investment income (General account) amounted ¥397.4 billion, increased by ¥75.9 billion year-on-year, due to gains on sales of stocks, gains on redemption of foreign bonds and decrease in the cost for derivative financial instruments such as improvement in the hedge cost
- Interest, dividends and other income amounted ¥418.0 billion, decreased by ¥6.9 billion year-on-year, due to decrease in dividends from domestic and foreign shares and foreign securities.

## 【Reference】 Investment environment for FY2019

	End of FY2020 1H	Difference	End of FY2019 1H	End of FY2019
TOPIX	1,625.49	+37.69	1,587.80	1,403.04
Nikkei 225 (yen)	23,185.12	+1,429.28	21,755.84	18,917.01
10-year JGBs (%)	0.015	+0.230	-0.215	0.005
10-year U.S. Treasury Bonds (%)	0.684	-0.981	1.665	0.670
Dollar / Yen exchange rate	105.80	-2.12	107.92	108.83
Euro / Yen exchange rate	124.17	+6.15	118.02	119.55

## ■ Net investment income (General account)

(billions of yen)



## 5. Indicators of Soundness

### ■ Solvency Margin Ratio

(%)

	End of FY2020 1H		End of FY2019
		Change	
Solvency margin ratio	1,051.5	-17.8 <sup>pts</sup>	1,069.3

- The solvency margin ratio was 1,051.5%, decreased by 17.8pts from the end of FY2019 due to the changes in the financial environment but exceeded 1,000%, maintaining a high level.

### ■ On-balance sheet capital

(billions of yen)

	End of FY2020 1H		End of FY2019
		Change	
On-balance sheet capital (*)	3,813.2	+80.6	3,732.6

- On-balance-sheet capital was ¥3,813.2 billion, an increase of ¥80.6 billion from the end of FY2019, mainly due to an increase in internal reserves.

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

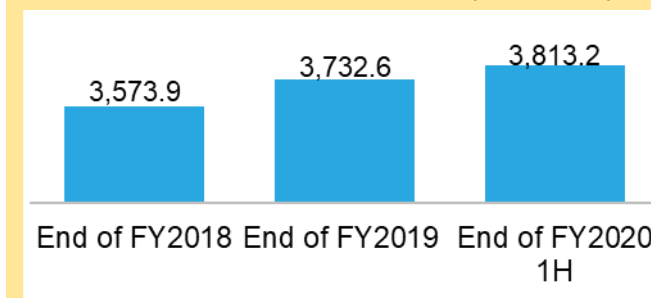
### ■ Real net assets

(billions of yen, %)

	End of FY2020 1H		End of FY2019
		Change	
Real net assets	9,980.6	+483.9	9,496.6
Proportion in General account assets	25.2	+0.7 <sup>pts</sup>	24.5

### ■ Trends in on-balance-sheet

(billions of yen)



- Real net assets continued to maintain a high level of financial soundness at ¥9,980.6 billion

## 6. Unrealized Gains and Breakeven Points of Domestic Stocks (Non-Consolidated)

### ■ Unrealized gains in General account investment assets

(billions of yen)

	End of FY2020 1H	Change	End of FY2019
Unrealized gains in General account	6,028.9	+426.7	5,602.1
Securities with market price <sup>*1</sup>	5,506.1	+443.0	5,063.1
Domestic bonds	2,461.2	-171.1	2,632.4
Domestic stocks	2,288.4	+532.3	1,756.1
Foreign securities	691.5	+35.8	655.7
Real estate	545.8	+2.9	542.8

<sup>\*1</sup> 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 FY2020 1H <sup>*2</sup>	End of FY2019
TOPIX	Approx. 660 <sup>pts</sup>	Approx. 660 <sup>pts</sup>

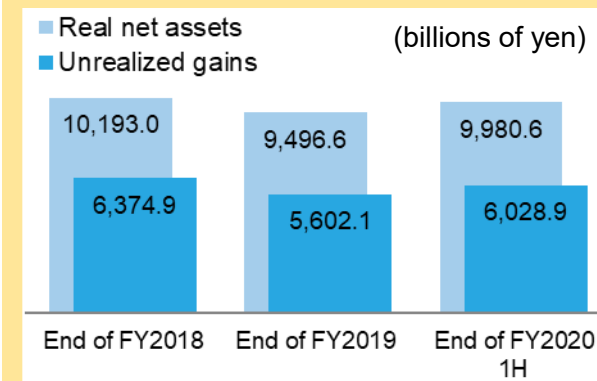
<sup>\*2</sup> Breakeven point of domestic stocks is estimated approximately ¥9,500 (Nikkei 225 basis).

- Unrealized gains in General account investment assets amounted ¥6,028.9 billion, increased by ¥426.7 billion compared with the end of FY2019.

- Unrealized gains on public and corporate bonds decreased due to a rise in domestic interest rates, while unrealized gains on stocks increased due to a rise in stock prices.

- Unrealized gains (losses) on stocks were ¥2,288.4 billion on a monthly average price basis, an increase of ¥532.3 billion from the end of FY2019.

### ■ Changes in Unrealized Gains/Losses



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

### ■ (Partial) Surrender and lapse rate \*1 (individual life insurance and individual annuities)

	FY2020 1H	Difference	FY2019 1H
(Partial) Surrender and lapse rate	1.93	-0.06 <sup>pts</sup>	1.99

\*1 (Partial) Surrender and lapse 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. Insurance policies extending the grace period of insurance premiums are calculated as valid contracts.

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

	As of Sep 30, 2020	Change	As of Sep 30, 2019
13th month-total persistency rate	95.0	+0.5 <sup>pts</sup>	94.5
25th month-total persistency rate	88.5	-0.4 <sup>pts</sup>	88.9
61th month-total persistency rate	70.8	+1.3 <sup>pts</sup>	69.5

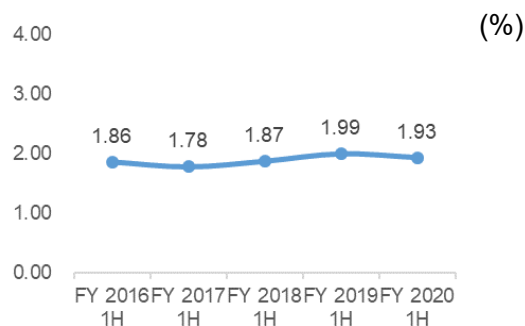
\*2 The calculation of total persistency rate is based on the amount of policies in force.  
Insurance policies extending the grace period of insurance premiums are calculated as valid contracts..

● Indicators of contract quality remain favorable.

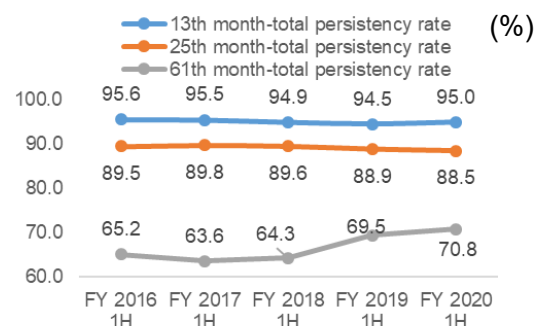
▪ (Partial) Surrender and lapse rate were 1.93%, an improvement of 0.06 points year-on-year

▪ The overall renewal rate remained at a high level in both the 13th and 25th months, and improved in the 61st month year-on-year.

### ■ (Partial) Surrender and lapse rate



### ■ Total persistency rate





## 8. Statements of Income and Balance Sheet

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

(billions of yen)

	FY2020 1H	Change	FY2019 1H
Ordinary income (A)	1,763.5	-3.1%	1,820.7
Insurance premiums and other	1,175.8	-9.6%	1,300.8
Investment income	558.4	+16.0%	481.4
Ordinary expenses (B)	1,615.1	-3.6%	1,675.7
Benefits and other payments※	1,104.8	-1.0%	1,116.0
Provision for policy reserves and other reserves	143.6	-13.5%	166.0
Investment expenses	125.6	-16.9%	151.2
Operating expenses	178.3	+0.5%	177.4
Ordinary profit (A-B)	148.4	+2.4%	144.9
Extraordinary gains / losses	-15.9	-	-14.5
Income taxes	9.6	-9.1%	10.5
Net surplus	122.8	+2.6%	119.7

### ■ Breakdown of Benefits and Other Payments

(billions of yen)

	FY2020 1H	Change	FY2019 1H
Benefits and other payments	1,104.8	-1.0%	1,116.0
Claims and benefit payments	470.1	-11.8%	532.7
Annuity payments	315.9	+8.6%	291.0
Surrender benefits and other refunds	316.9	+9.3%	290.1

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

(billions of yen)

	End of FY2020 1H	Difference	End of FY2019
Total assets	40,421.8	+891.0	39,530.8
Cash, deposit and call loans	1,205.3	-90.1	1,295.4
Securities	33,341.1	+899.9	32,441.2
Loans	4,119.4	+14.0	4,105.4
Tangible fixed assets	862.1	-2.4	864.6
Intangible fixed assets	83.1	-5.7	88.9
Total liabilities	36,481.0	+505.7	35,975.2
Policy reserves and other reserves	33,095.4	+214.7	32,880.7
Policy reserves	32,653.8	+143.6	32,510.2
Bonds payable	640.7	-	640.7
Other liabilities	1,660.6	+152.9	1,507.6
Reserve for price fluctuation	840.9	+8.4	832.4
Deferred tax liabilities	141.4	+127.7	13.6
Total net assets	3,940.8	+385.2	3,555.6
Foundation funds and reserve for redemption of foundation funds	980.0	-	980.0
Surplus	434.1	-26.6	460.7
Net unrealized gains on available-for-sale securities	2,367.7	+416.9	1,950.8

※ Total assets amounted ¥40,421.8 billion (2.3% increase compared with the end of FY2019). Main components were securities ¥33,341.1 billion (2.8% increase) and loans ¥4,119.4 billion (0.3% increase).  
 Total liabilities amounted ¥36,481.0 billion (1.4% increase). Most of the liabilities were policy reserves and other reserves, amounted ¥33,095.4 billion (0.7% increase).  
 Total net assets amounted ¥3,940.8 billion (10.8% increase). Foundation funds and reserve for redemption of foundation funds amounted ¥980.0 billion (no change) and net unrealized gains on available-for-sale securities amounted ¥2,367.7 billion (21.4% increase).

## 1. Insurance Premiums, Base Profit and Net Income of StanCorp

### ■ Insurance premiums, Base profit and Net Income\*1

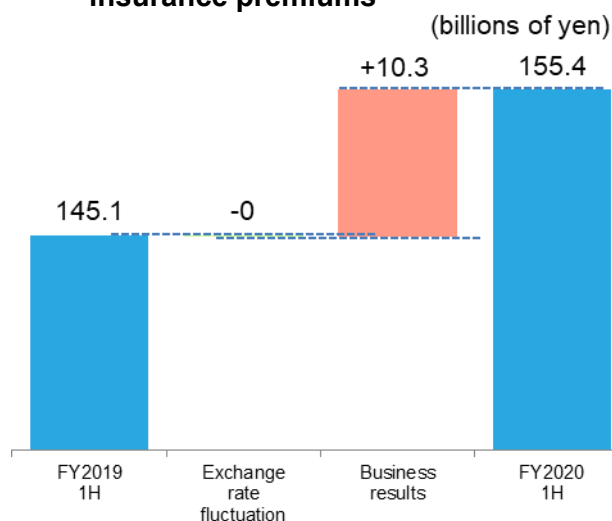
	(billions of yen)		
	FY2020 1H	Change	FY2019 1H
Insurance premiums and other	155.4	+7.1%	145.1
Equivalent amount of base profit *2	23.0	-5.8%	24.4
Net income	14.0	-9.5%	15.5

\*1 The FY2020 1H-ends of StanCorp is June 30, 2020. Business results of StanCorp were added up corresponding to its 6 months results from January to June, 2020.

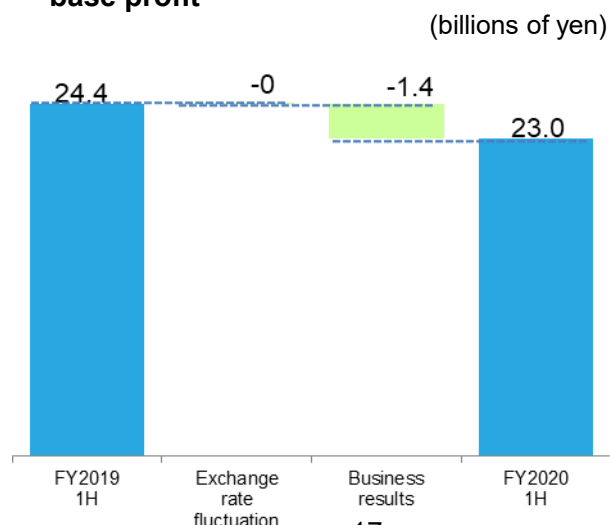
\*2 Equivalent amount of base profit of StanCorp is the profit deducted temporary expenses such as capital gains/losses and increase of policy reserves from pretax profit before deducting amortization expenses of the value of in-force business and others effected by purchase accounting.

※ Exchange rate is ¥107.79 to U.S. \$1 (the end of June 2019) in FY2019 1H and ¥107.74 to U.S. \$1 (the end of June 2020) in FY2020 1H.

### ■ Increase/decrease factors of insurance premiums

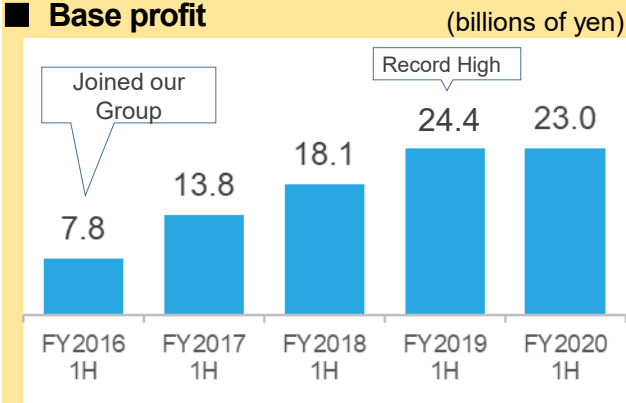


### ■ Increase/decrease factors of base profit



- Insurance premiums of StanCorp amounted ¥155.4 billion, increased by 7.1% year-on-year due to steady growth in new business and good renewal rate.
- Base profit decreased by 5.8%, compared with the 1<sup>st</sup> half of FY2019 which was historical high, and amounted ¥23.0 billion.
- Net income decreased 9.5% year on year to ¥14.0 billion

### ■ Base profit



\* In the 1st half of FY2016, four months from March (the month acquiring StanCorp) to June are included.

\* Exchange rates for each fiscal year are ¥102.91 to the U.S. dollar at the end of June 2016, ¥112.00 at the end of June 2017, ¥110.54 at the end of June 2018, ¥107.79 at the end of June 2019, and ¥107.74 at the end of June 2020.

## 2. Statements of Income and Balance Sheet (StanCorp)

### ■ Statements of Income (Summary) \*1

(billions of yen)

	FY2020 1H *2	Change	FY2019 1H *3
Ordinary income (A)	206.0	+4.6%	196.8
Insurance premiums and other	155.4	+7.1%	145.1
Investment income	43.1	+3.0%	41.8
Ordinary expenses (B)	188.6	+6.2%	177.7
Benefits and other payments	108.5	+3.4%	105.0
Provision for policy reserves and other reserves	3.4	—	0
Investment expenses	19.6	+6.9%	18.3
Operating expenses	47.8	+6.7%	44.8
Ordinary profit (A-B)	17.3	-9.4%	19.1
Extraordinary gains / losses	-0	—	-0
Income taxes	3.2	-8.5%	3.6
Net surplus	14.0	-9.5%	15.5

### ■ Balance Sheet (Summary) \*1

(billions of yen)

	End of FY2020 1H *2	Difference	End of FY2019 *4
Total assets	3,695.3	+26.2	3,669.0
Cash, deposit and call loans	36.5	+2.3	34.2
Securities	2,180.9	+9.5	2,171.4
Loans	808.3	+26.8	781.5
Tangible fixed assets	28.5	-0.6	29.2
Intangible fixed assets	370.5	-11.8	382.3
Total liabilities	3,030.6	+14.4	3,016.2
Policy reserves and other reserves	2,880.1	+16.3	2,863.7
Policy reserves	2,292.7	+20.7	2,272.0
Bonds payable	27.2	-0.5	27.8
Other liabilities	65.8	-4.9	70.8
Deferred tax liabilities	48.1	+4.9	43.2
Total net assets	664.6	+11.8	652.8
Capital surplus	533.3	-9.0	542.3
Earned surplus	78.9	-1.8	80.8
Net unrealized gains on available-for-sale securities	56.3	+22.6	33.7

\*1 Recombinant from balance sheet based on USGAAP to balance sheet based on JGAAP. The FY2019 1H-ends of StanCorp is June 30, 2019. Business results FY2019 1H of StanCorp are added up corresponding to its 6 months results from January to June, 2019.

\*2 Exchange rate is ¥ 107.74 to U.S. \$1 (the end of June 2020).

\*3 Exchange rate is ¥ 107.79 to U.S. \$1 (the end of June 2019).

\*4 Exchange rate is ¥ 109.56 to U.S. \$1 (the end of December 2019).

## Business Outlook for FY2020

### ■ Insurance premiums of the Group Outlook

(billions of yen)

	At the time of FY2020 1H financial report	Change	FY2019 (Actual)
Insurance premiums of the Group*1	Approx. 2,640.0	Decrease(91%)	2,911.8
Meiji Yasuda Life (non-consolidated)	Approx. 2,310.0	Decrease(89%)	2,593.3
StanCorp	Approx. 302.0	Flat(103%)	294.4

- Insurance premiums and Base profit are expected to decrease both for consolidated and non-consolidated basis due to the impact of the unstable financial environment and others.

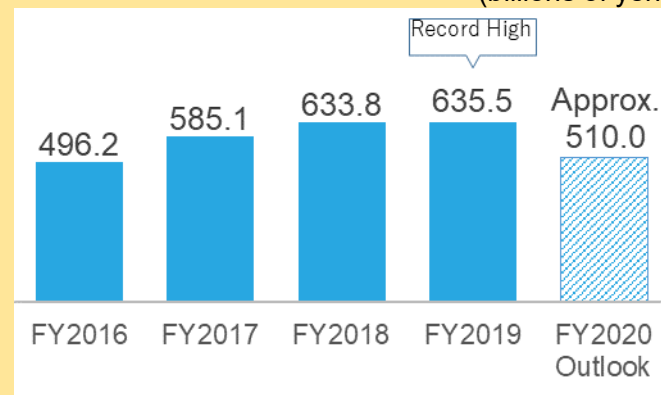
### ■ Base profit of the Group Outlook

(billions of yen)

	At the time of FY2020 1H financial report	Change	FY2019 (Actual)
Base profit of the Group*2	Approx. 510.0	Decrease(80%)	635.5
Meiji Yasuda Life (non-consolidated)	Approx. 480.0	Decrease(81%)	591.6
StanCorp	Approx. 35.0	Decrease(71%)	49.3

### ■ Trends in Base profit of the Group

(billions of yen)



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 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.