

May 21, 2021

Financial Results for the Fiscal Year Ended March 31, 2021

Meiji Yasuda Life Insurance Company (President: Akio Negishi) announces financial results for the fiscal year ended March 31, 2021.

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Notes:

1. The Financial Results are summarized English translations of the original disclosure in Japanese.
2. Notes to the Unaudited Consolidated Financial Statements are not included in these translations.
The Financial Results with Notes to the Unaudited Consolidated Financial Statements are scheduled to be announced later.

1. Unaudited Consolidated Balance Sheets

	(Millions of Yen)	
	As of March 31	
	2020	2021
ASSETS:		
Cash and deposits	1,246,447	1,210,322
Call loans	90,000	90,000
Monetary claims bought	204,335	264,184
Money held in trust	15,166	170,522
Securities	34,023,049	37,097,578
Loans	4,913,456	4,937,975
Tangible fixed assets	905,204	908,371
Land	617,250	624,069
Buildings	274,919	273,028
Leased assets	469	315
Construction in progress	4,828	3,653
Other tangible fixed assets	7,737	7,304
Intangible fixed assets	442,229	402,441
Software	69,106	63,918
Goodwill	123,595	109,536
Other intangible fixed assets	249,527	228,986
Due from agents	1,612	1,560
Reinsurance receivables	161,038	152,211
Other assets	529,429	601,097
Net defined benefit assets	66,029	126,976
Deferred tax assets	2,762	2,180
Customers' liabilities under acceptances and guarantees	19,888	19,215
Allowance for possible loan losses	(6,754)	(6,837)
Total assets	42,613,896	45,977,802

1. Unaudited Consolidated Balance Sheets (continued)

	(Millions of Yen)	
	As of March 31	
	2020	2021
LIABILITIES:		
Policy reserves and other reserves	35,817,626	36,266,398
Reserve for outstanding claims	723,195	708,582
Policy reserves	34,848,442	35,297,785
Policyholders' dividend reserves	245,988	260,030
Due to agents	3,707	3,628
Reinsurance payables	964	802
Bonds payable	668,563	666,866
Total Other liabilities	1,584,263	3,175,679
Payables under securities borrowing transactions	1,133,523	2,514,959
Other liabilities	450,740	660,720
Net defined benefit liabilities	8,229	8,317
Reserve for contingent liabilities	1	—
Reserve for price fluctuation	833,615	851,195
Deferred tax liabilities	56,462	378,208
Deferred tax liabilities for land revaluation	79,210	79,003
Acceptances and guarantees	19,888	19,215
Total liabilities	39,072,534	41,449,317
NET ASSETS:		
Foundation funds	250,000	250,000
Reserve for redemption of foundation funds	730,000	730,000
Reserve for revaluation	452	452
Surplus	475,912	515,259
Total funds, reserve and surplus	1,456,365	1,495,712
Net unrealized gains on available-for-sale securities	1,993,002	2,959,118
Deferred unrealized gains on derivatives under hedge accounting	45,187	28,261
Land revaluation differences	118,421	118,183
Foreign currency translation adjustments	(49,497)	(89,185)
Remeasurements of defined benefit plans	(22,818)	15,714
Total accumulated other comprehensive income	2,084,295	3,032,091
Non-controlling interests	700	681
Total net assets	3,541,362	4,528,485
Total liabilities and net assets	42,613,896	45,977,802

2. Unaudited Consolidated Statements of Income

(Millions of Yen)

	Years ended March 31	
	2020	2021
ORDINARY INCOME:	4,073,384	4,028,693
Insurance premiums and other	2,911,826	2,669,358
Investment income	1,051,103	1,263,411
Interest, dividends and other income	936,932	906,130
Gains on money held in trust	47	1,825
Gains on sales of securities	20,486	98,530
Gains on redemption of securities	90,742	133,300
Foreign exchange gains	—	44,445
Other investment income	2,895	3,197
Investment gains on separate accounts	—	75,981
Other ordinary income	110,454	95,923
ORDINARY EXPENSES:	3,819,847	3,799,698
Benefits and other payments	2,515,851	2,542,415
Claims paid	694,334	642,535
Annuity payments	629,047	663,129
Benefit payments	532,584	515,164
Surrender benefits	549,892	582,654
Other refunds	109,991	138,930
Provision for policy reserves and other reserves	264,233	305,044
Provision for reserve for outstanding claims	—	11,014
Provision for policy reserves	264,143	293,947
Provision for interest on policyholders' dividend reserves	89	82
Investment expenses	397,021	306,162
Interest expenses	44,740	43,401
Losses on sales of securities	6,983	63,723
Losses on valuation of securities	104,319	3,583
Losses on redemption of securities	32,140	78,895
Losses on derivative financial instruments	133,638	78,612
Foreign exchange losses	18,187	—
Provision for allowance for possible loan losses	1,818	2,867
Write-down of loans	393	—
Depreciation of real estate for non-insurance business	10,226	10,006
Other investment expenses	24,624	25,071
Investment losses on separate accounts	19,948	—
Operating expenses	476,964	489,678
Other ordinary expenses	165,776	156,398
Ordinary profit	253,536	228,994

2. Unaudited Consolidated Statements of Income (continued)

(Millions of Yen)

	Years ended March 31	
	2020	2021
Extraordinary gains	46	386
Gains on disposals of fixed assets	45	385
Reversal of reserve for contingent liabilities	0	1
Extraordinary losses	21,326	31,598
Losses on disposals of fixed assets	1,723	6,361
Impairment losses	2,428	2,262
Provision for reserve for price fluctuation	16,658	17,604
Losses on reduction entry of real estate	4	325
Contributions for promotion of social welfare project	510	661
Other extraordinary losses	—	4,383
Surplus before income taxes and non-controlling interests	232,256	197,782
Income taxes	24,327	8,981
Current	56,111	57,904
Deferred	(31,784)	(48,923)
Net surplus	207,929	188,801
Net surplus attributable to non-controlling interests	80	60
Net surplus attributable to the Parent Company	207,848	188,740

3. Unaudited Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Years ended March 31	
	2020	2021
Net surplus	207,929	188,801
Other comprehensive income (loss)	(472,354)	948,034
Net unrealized gains (losses) on available-for-sale securities	(452,092)	965,043
Deferred unrealized gains (losses) on derivatives under hedge accounting	3,933	(17,181)
Foreign currency translation adjustments	(8,446)	(33,286)
Remeasurements of defined benefit plans	(22,545)	38,532
Share of other comprehensive income (loss) of associates accounted for under the equity method	6,795	(5,073)
Comprehensive income (loss)	(264,425)	1,136,835
Comprehensive income (loss) attributable to the Parent Company	(264,505)	1,136,774
Comprehensive income (loss) attributable to non-controlling interests	80	60

4. Unaudited Consolidated Statements of Changes in Net Assets

(Millions of Yen)

Year ended March 31, 2020

	Funds, reserves and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserves and surplus
Beginning balance	260,000	670,000	452	499,135	1,429,588
Changes in the fiscal year					
Issuance of foundation funds	50,000				50,000
Additions to policyholders' dividend reserves				(169,630)	(169,630)
Additions to reserve for redemption of foundation funds		60,000			60,000
Payment of interest on foundation funds				(918)	(918)
Net surplus attributable to the Parent Company				207,848	207,848
Redemption of foundation funds	(60,000)				(60,000)
Reversal of reserve for fund redemption				(60,000)	(60,000)
Reversal of land revaluation differences				(522)	(522)
Net changes, excluding funds, reserves and surplus					
Net changes in the fiscal year	(10,000)	60,000	—	(23,222)	26,777
Ending balance	250,000	730,000	452	475,912	1,456,365

	Accumulated other comprehensive income (loss)						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred unrealized gains (losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance	2,442,225	41,253	117,898	(44,976)	(273)	2,556,127	705	3,986,421
Changes in the fiscal year								
Issuance of foundation funds								50,000
Additions to policyholders' dividend reserves								(169,630)
Additions to reserve for redemption of foundation funds								60,000
Payment of interest on foundation funds								(918)
Net surplus attributable to the Parent Company								207,848
Redemption of foundation funds								(60,000)
Reversal of reserve for fund redemption								(60,000)
Reversal of land revaluation differences								(522)
Net changes, excluding funds, reserves and surplus	(449,222)	3,933	522	(4,520)	(22,545)	(471,831)	(4)	(471,836)
Net changes in the fiscal year	(449,222)	3,933	522	(4,520)	(22,545)	(471,831)	(4)	(445,059)
Ending balance	1,993,002	45,187	118,421	(49,497)	(22,818)	2,084,295	700	3,541,362

4. Unaudited Consolidated Statements of Changes in Net Assets

(Millions of Yen)

Year ended March 31, 2021

	Funds, reserves and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserves and surplus
Beginning balance	250,000	730,000	452	475,912	1,456,365
Changes in the fiscal year					
Additions to policyholders' dividend reserves				(148,874)	(148,874)
Payment of interest on foundation funds				(757)	(757)
Net surplus attributable to the Parent Company				188,740	188,740
Reversal of land revaluation differences				238	238
Net changes, excluding funds, reserves and surplus					
Net changes in the fiscal year	—	—	—	39,346	39,346
Ending balance	250,000	730,000	452	515,259	1,495,712

	Accumulated other comprehensive income (loss)						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Deferred unrealized gains (losses) on derivatives under hedge accounting	Land revaluation differences	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance	1,993,002	45,187	118,421	(49,497)	(22,818)	2,084,295	700	3,541,362
Changes in the fiscal year								
Additions to policyholders' dividend reserves								(148,874)
Payment of interest on foundation funds								(757)
Net surplus attributable to the Parent Company								188,740
Reversal of land revaluation differences								238
Net changes, excluding funds, reserves and surplus	966,115	(16,926)	(238)	(39,687)	38,532	947,795	(19)	947,776
Net changes in the fiscal year	966,115	(16,926)	(238)	(39,687)	38,532	947,795	(19)	987,122
Ending balance	2,959,118	28,261	118,183	(89,185)	15,714	3,032,091	681	4,528,485

5. Unaudited Consolidated Statements of Cash Flows

(Millions of Yen)

	Years ended March 31	
	2020	2021
I. Cash flows from operating activities		
Surplus before income taxes and non-controlling interests	232,256	197,782
Depreciation of real estate for non-insurance business	10,226	10,006
Depreciation	43,525	44,059
Impairment losses	2,428	2,262
Amortization of goodwill	7,645	7,222
Increase (Decrease) in reserve for outstanding claims	(7,617)	18,158
Increase (Decrease) in policy reserves	361,070	459,457
Provision for interest on policyholders' dividend reserves	89	82
Increase (Decrease) in allowance for possible loan losses	1,392	82
Increase (Decrease) in net defined benefit liabilities	177	159
Increase (Decrease) in reserve for contingent liabilities	(0)	(1)
Increase (Decrease) in reserve for price fluctuation	16,658	17,604
Interest, dividends, and other income	(936,932)	(906,130)
Losses (Gains) on securities	177,238	(304,383)
Interest expenses	44,740	43,401
Foreign exchange losses (gains)	5,498	(33,266)
Losses (Gains) on tangible fixed assets	1,678	5,974
Investment losses (gains) on equity method	(4,249)	2,796
Decrease (Increase) in due from agents	(35)	48
Decrease (Increase) in reinsurance receivables	1,154	2
Decrease (Increase) in other assets (excluding those related to investing and financing activities)	(56,814)	56,968
Increase (Decrease) in due to agents	808	126
Increase (Decrease) in reinsurance payables	(222)	(162)
Increase (Decrease) in other liabilities (excluding those related to investing and financing activities)	65,339	209,971
Others, net	(220)	(1,947)
Subtotal	(34,161)	(169,721)
Interest, dividends, and other income received	983,116	945,305
Interest paid	(41,895)	(43,242)
Policyholders' dividends paid	(166,720)	(134,950)
Income taxes paid	(63,203)	(47,787)
Net cash provided by operating activities	677,135	549,604

5. Unaudited Consolidated Statements of Cash Flows (continued)

(Millions of Yen)

	Years ended March 31	
	2020	2021
II. Cash flows from investing activities		
Net decrease (increase) in deposits	(9,422)	(22,689)
Purchase of monetary claims bought	(5,500)	(2,500)
Proceeds from sales and redemption of monetary claims bought	13,261	12,355
Increase in money held in trust	—	(131,500)
Purchase of securities	(5,552,359)	(7,727,693)
Proceeds from sales and redemption of securities	4,243,843	6,238,296
Loans extended	(1,157,755)	(1,034,296)
Proceeds from collection of loans	1,246,619	969,888
Net increase (decrease) in cash collateral under securities borrowing / lending transactions	535,699	1,234,854
Total investment activities(IIa)	(685,613)	(463,284)
[I + IIa]	(8,477)	86,320
Purchase of tangible fixed assets	(17,129)	(32,182)
Proceeds from sales of tangible fixed assets	47	951
Purchase of intangible fixed assets	(27,694)	(26,978)
Others, net	(1,082)	(2,286)
Net cash used in investing activities	(731,470)	(523,779)
III. Cash flows from financing activities		
Proceeds from issuance of bonds payable	79,460	—
Proceeds from issuance of foundation funds	50,000	—
Redemption of foundation funds	(60,000)	—
Payment of interest on foundation funds	(918)	(757)
Others, net	3,498	(3,870)
Net cash provided by financing activities	72,040	(4,627)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	(1,496)	4,434
V. Net increase (decrease) in cash and cash equivalents	16,207	25,631
VI. Cash and cash equivalents at the beginning of the year	1,347,470	1,293,097
VII. Increase (decrease) in cash and cash equivalents due to split with subsidiaries	(70,580)	—
VIII. Cash and cash equivalents at the end of the year	1,293,097	1,318,728