

Financial Summary for the 1st Quarter of FY2021 Ended In June 30, 2021

August 6, 2021

Meiji Yasuda life Insurance Company



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Insurance Premium
of the Group
691.8 billion JPY

Increased by 44.0 billion JPY (+6.8%) year-on-year

- Mainly due to a sales increase of single premium foreign currency-denominated products

Base Profit
of the Group
127.9 billion JPY

Increased by 13.3 billion JPY (+11.7%) year-on-year

- Mainly due to an increase of interest, dividends and other income

On-balance sheet capital
3,950.9 billion JPY

Increased by 45.4 billion JPY from the end of FY2020

Consolidated Solvency
Margin Ratio
1,130.5%

Decreased by 22.0pts from the end of FY2020

- Maintaining solid financial soundness continuously in both of the indicators

Outlook for FY2021

Increase in insurance premiums and decrease in base profit on both consolidated and non-consolidated basis
(No change from the previous report)

1. Insurance Premiums of the Group

■ Insurance Premiums of the Group

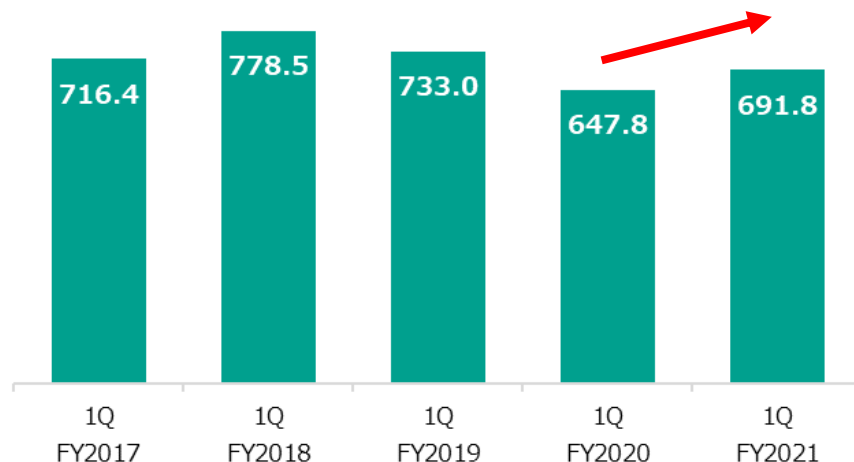
(billions of JPY)

	1Q FY2020	1Q FY2021	Change
Insurance premiums of the Group ^{*1}	647.8	691.8	+6.8%
Meiji Yasuda Life	562.9	603.3	+7.2%
Overseas insurance business and other businesses ^{*2}	84.9	88.5	+4.2%
StanCorp	78.1	82.0	+5.0%

■ Insurance premiums of the Group increased by 6.8% year-on-year to 691.8 billion JPY mainly due to a sales increase of single premium foreign currency-denominated products at Meiji Yasuda Life.

■ Trend of Insurance Premiums

(billions of JPY)



^{*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 is March 31, 2021.

2. Base Profit of the Group

■ Base Profit of the Group

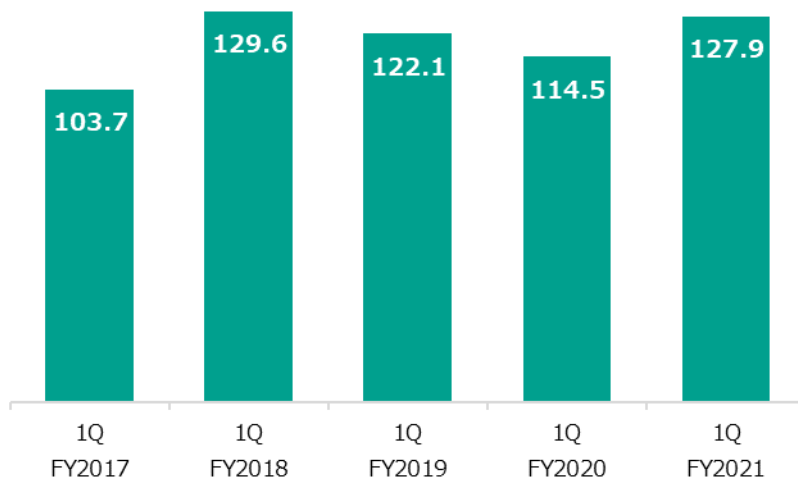
(billions of JPY)

	1Q FY2020	1Q FY2021	Change
Base profit of the Group ^{*1}	114.5	127.9	+11.7%
Meiji Yasuda Life	100.6	126.5	+25.7%
Overseas insurance business and other businesses ^{*2}	16.0	7.4	-53.3%
StanCorp	12.1	3.7	-69.2%

■ Base profit of the Group increased by 11.7% year-on-year to 127.9 billion JPY due to an increase of interest, dividends and other income at Meiji Yasuda Life.

■ Trend of Base Profit

(billions of JPY)



^{*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 is March 31, 2021.

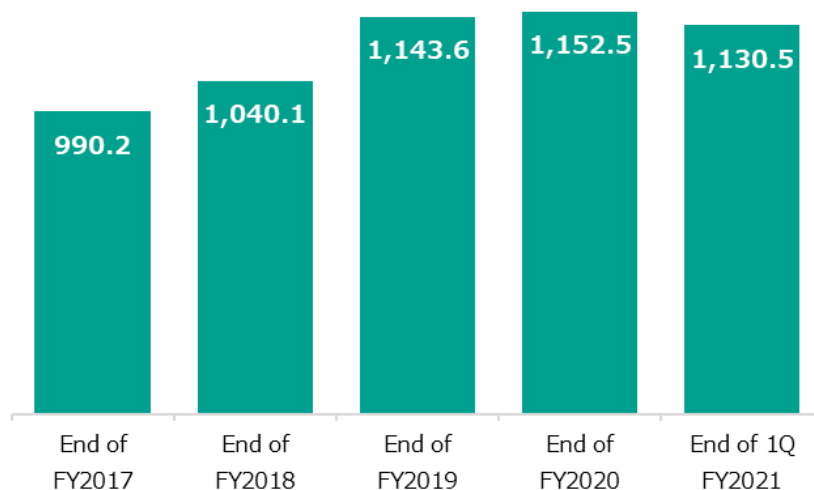
3. Indicators of Soundness

■ Consolidated Solvency Margin Ratio ^{*1}

End of FY2020	End of 1Q FY2021	Change
1,152.5%	1,130.5%	-22.0pts

■ Trend of Consolidated Solvency Margin Ratio

(%)



Consolidated solvency margin ratio decreased by 22.0% from the end of FY2020 to 1,130.5% due to impacts such as changes in financial environment; however, maintaining solid financial soundness continuously.

^{*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.

1. Insurance Premiums and other

■ Insurance Premiums and Other

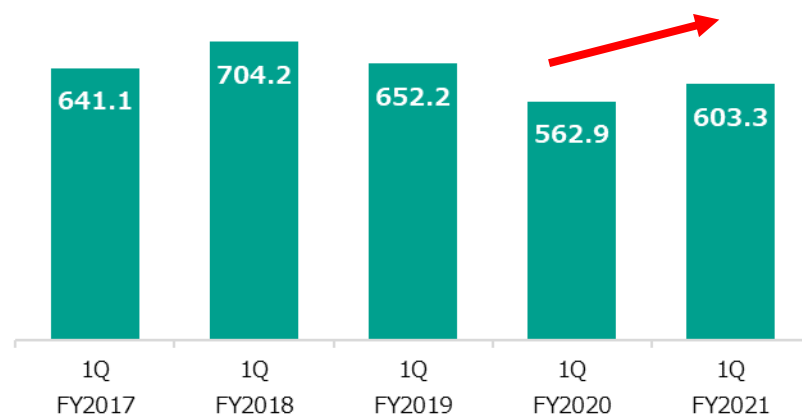
(billions of JPY)

	1Q FY2020	1Q FY2021	Change
Insurance premiums and other	562.9	603.3	+7.2%
Individual life insurance			
Individual annuities	367.0	397.1	+8.2%
Agency distribution channel	308.8	323.6	+4.8%
Bancassurance channel	48.5	63.8	+31.6%
Group life insurance	65.8	71.6	+8.9%
Group pensions	118.4	124.5	+5.2%

■ Insurance premiums and other increased by 7.2% year-on-year to 603.3 billion JPY mainly due to an increase of single premium foreign currency-denominated products.

■ Trend of Change in Insurance Premiums and Other

(billions of JPY)



2. Annualized New Premiums and Annualized Premiums in Force

■ Annualized New Premiums

(billions of JPY)

	FY2019 (Reference)	1Q FY2020	1Q FY2021	Change (compared to 2019)
Annualized new premiums	24.3	15.6	27.1	+73.8% (+11.3%)
Agency distribution channel	21.2	13.2	23.7	+79.0% (+12.0%)
Bancassurance channel	2.7	2.0	3.0	+51.7% (+11.3%)
Protection-type products *1	11.3	8.8	15.5	+75.2% (+36.9%)
Third-sector insurance premiums *2	9.5	5.8	11.1	+90.1% (+16.9%)

Annualized new premiums greatly recovered, increasing by 73.8% from the same period of last year when the voluntary restraint from face-to-face sales were being enforced. There was an increased of 11.3% compared to 2019, the year before COVID-19.

Annualized premiums in force decreased by 0.3% from the end of FY2020. Third-sector insurance premiums increased by 0.8% from the end of FY2020.

■ Annualized Premiums in Force

(billions of JPY)

	End of FY2020	End of 1Q FY2021	Change
Annualized premiums in force	2,195.2	2,189.2	-0.3%
Protection-type products *1	753.4	751.7	-0.2%
Third-sector insurance premiums *2	458.8	462.3	+0.8%

*1 Consist of comprehensive products such as Best Style, medical, long term care, injury or term products.

*2 Third-sector insurance includes medical, critical illness, premium waiver and others.

3. Base Profit

■ Base Profit

(billions of JPY)

1Q FY2020	1Q FY2021	Change
100.6	126.5	+25.7%

■ Trend of Base Profit

(billions of JPY)



■ Base profit increased by 25.7% to 126.5 billion JPY mainly due to an increase of interest, dividends and other income.

4. Indicator of Soundness

■ On-balance sheet capital *1

(billions of JPY)

	End of FY2020	End of 1Q FY2021	Change
On-balance sheet capital*1	3,905.5	3,950.9	+45.4

■ Solvency Margin Ratio *2

(billions of JPY, %)

	End of FY2020	End of 1Q FY2021	Change
Solvency Margin Ratio*2	1,069.1	1,059.5	-9.6pts
Solvency Margin Total (A)	8,822.1	8,915.3	+93.1
Risk sum (B)	1,650.3	1,682.8	+32.4

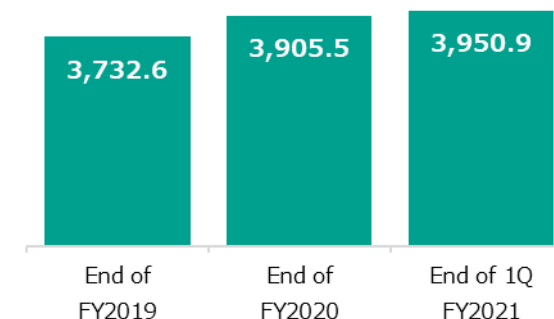
■ Real net assets

(billions of JPY, %)

	End of FY2020	End of 1Q FY2021	Change
Real net assets	10,684.7	10,715.1	+30.4
Ratio in General account assets	25.5	25.5	±0.0pts

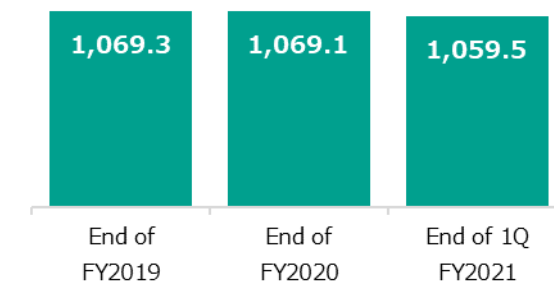
■ Trend of On-balance sheet capital

(billions of JPY)



■ Trend of Solvency Margin Ratio

(%)



*1 The total amount of specified internal reserves and externally financed capital.

*2 Solvency Margin Ratio
= (A) / (1/2 x (B)) x 100.

5. Unrealized Gains/Losses and Breakeven Points of Domestic Stocks

■ Unrealized Gains/Losses in General Account Investment Assets

(billions of JPY)

	End of FY2020	End of 1Q FY2021	Change
Unrealized gains/losses in general account	6,522.4	6,641.7	+ 119.2
Securities with market price ^{*1 *2}	5,953.6	6,065.3	+ 111.7
Domestic bonds	2,260.1	2,291.9	+ 31.8
Domestic stocks	2,979.4	2,939.6	-39.8
Foreign securities	604.5	692.9	+ 88.3
Real estate	575.8	580.1	+ 4.3

■ Unrealized gains in general account investment assets increased by 119.2 billion JPY year-on-year to 6,641.7 billion JPY, mainly due to an increase in unrealized gains of foreign securities driven by decline of U.S interest rate.

■ Breakeven Points of Domestic Stocks

Breakeven points indicate the level of TOPIX at unrealized gains/losses cancel out on domestic stocks held if Company's portfolio and TOPIX fully correlate.

	End of FY2020	End of 1Q FY2021 ^{*3}
TOPIX	Approx.670pts	Approx.680pts

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

*2 In regards to "Domestic stocks": the first quarter of 2021 is calculated based on market price, etc, on the end of term. The end of 2020 is calculated based on the average of market prices 1 month before the end of term.

*3 Breakeven points of domestic stocks is estimated approximately 10,100 JPY (Nikkei 225 basis).

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

■ (Partial) Surrender and Lapse Rate ^{*1}

	1Q FY2020	1Q FY2021	Change
Individual life insurance and individual annuities	0.95	1.06	+0.11pts
Flagship products ^{*2}	1.18	1.44	+0.26pts

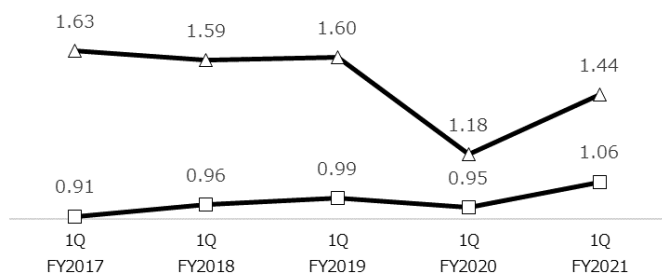
■ Total Persistency Rate ^{*3}

	1Q FY2020	1Q FY2021	Change
13 th month	95.0	95.5	+0.5pts
25 th month	88.7	89.7	+1.0pts
61 st month	71.4	71.1	-0.3pts

■ (Partial) Surrender and Lapse Rate

(%)

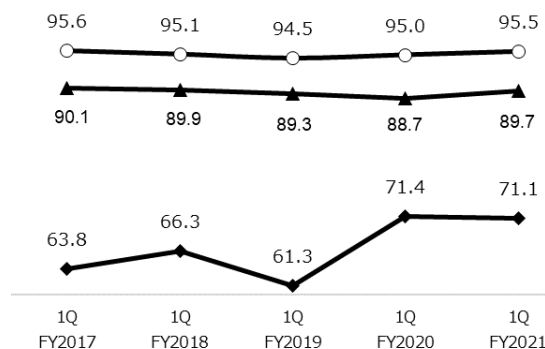
□ Individual life insurance and annuities
△ Flagship products



■ Total Persistency Rate

(%)

○ 13th month-total persistency rate
▲ 25th month-total persistency rate
◆ 61st month-total persistency rate



Quality indicators of policies remained favorable.

(Partial) surrender and lapse rate remained more favorable than the same period of FY2019 (before COVID-19), although the number was higher than 1Q of FY2020.

Each total persistency rate remained at a high level.

^{*1} (Partial) surrender and lapse rate represents the rate of (partial) surrendered and lapsed policies to policies in force at the beginning of the fiscal year. The rate is calculated based on annualized premiums from business in force.

^{*2} Flagship products are "Best Style" and "L.A.".

^{*3} The calculation of total persistency rate is based on the amount of policies in force.

Insurance Premiums, Base Profit and Net Income

■ Insurance Premiums, Base Profit and Net Income ^{*1}

(billions of JPY)

	1Q FY2020	1Q FY2021	Change ^{*2}
Insurance premiums and other	78.1	82.0	+ 5.0%
Base profit equivalents ^{*3}	12.1	3.7	-69.2%
Net income	7.8	-0.1	-

^{*1} The 1Q FY2021 of StanCorp ends on March 31, 2021. Business results of StanCorp are added up corresponding to its 3 months results from January to March.

^{*2} In U.S. dollar terms, insurance premiums and other increased by 3.2%, base profit equivalents decreased by -69.7% year-on-year.

^{*3} Base profit equivalents 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.

※FY2020 results are calculated in exchange rate at U.S \$1 to 108.83 JPY (the end of March 2020), FY2021 results are calculated in exchange rate at U.S \$1 to 110.71 JPY (the end of March 2021)

■ Insurance premiums and other income increased by 5.0% year-on-year to 82.0 billion JPY, due to favorable results of sales and renewals in Group insurance business.

■ Base profit equivalents were decreased by 69.2% year-on-year to 3.7 billion JPY, due to an increase in benefit payments for the COVID-19.

Business Outlook for FY2021

■ Outlook for Insurance Premiums of the Group

(billions of JPY)

	FY2021 Outlook	Change	FY2020 (Actual)
Insurance premiums of the Group ^{*1}	Approx. 2,780.0	Increase (104%)	2,669.3
Meiji Yasuda Life	Approx. 2,440.0	Increase (104%)	2,352.1
StanCorp	Approx. 310.0	Increase (105%)	295.6

■ Outlook for Base Profit of the Group

(billions of JPY)

	FY2021 Outlook	Change	FY2020 (Actual)
Base profit of the Group ^{*2}	Approx. 520.0	Decrease (90%)	579.8
Meiji Yasuda Life	Approx. 500.0	Decrease (91%)	550.2
StanCorp	Approx. 24.0	Decrease (71%)	34.0

- Business Outlook for FY2021 has not changed from the previous report.
- Outlook for insurance premiums of the Group are expected to “increase” due to recovery of sales, including single premium products.
- Base profit of the Group is expected to “decrease” under the continuing condition of the COVID-19 pandemic. Base profit of Meiji Yasuda Life, however, is expected to stay above 500 billion JPY for consecutive years.

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

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^{*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.

Our Main Action, Special Treatments Application and Number of Claim Payments and Amount

■ Our Main Action

Customer

Special treatments

- Extension of the premium grace period and interest rate exemption for new policy loans.
- Special Treatments for death and disability benefits due to the COVID-19.
- In the case of medical treatment at an extraordinary facility, hospitalization benefits, etc. would be paid.

Enhancement of non-face-to-face communication

- Enables customers to access various procedures such as benefit claims and address changes at “anytime and anywhere” via smartphones, PCs and other devices.

COVID-19 vaccination at workplaces

NEW

- Implementation of COVID-19 vaccination at workplaces in certain areas such as Tokyo, Kanagawa, Saitama, and Chiba. In order for our customers’ assurance, staffs who corresponds to customers, such as sales personnel, and staffs who are in charge of core functions such as claim payments are vaccinated with priority.

Employee

Encouraging WFH and implementation of measure preventing infection

- Promoting active use of WFH and staggered work hours, along with the enforcement of measures preventing infection such as wearing masks.

■ Special Treatments Application (by end of June 2021)

	(thousands)		
	~2020	2021	Total
The number of premium grace period extension ^{*1}	13	0.8	13.8
The number of new policy loans without interest ^{*2}	86	-	86

*1 Extension of premium grace period could be 6 months maximally.

*2 The application period was until June 30, 2020.

■ Number of Claim Payments and Amount (by end of June 2021)

		*3 (billions of JPY)		
		~2020	2021	Total
Death benefits	The number of claims	526	329	855
	Amount ^{*3}	3.15	2.09	5.2
Hospitalization benefits	The number of claims	8,060	6,524	14,584
	Amount ^{*3}	0.98	0.75	1.73
Hospitalization at an extraordinary facility	The number of claims	5,145	5,058	10,203
	Amount ^{*3}	0.51	0.5	1.02