

Financial Summary for the 3rd Quarter of FY 2021 Ended December 31, 2021

February 10, 2022

Meiji Yasuda Life Insurance Company



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**Insurance Premium
of the Group
2,073.3 billion JPY**

Increased by 87.5 billion JPY (+4.4%) year-on-year

- Mainly due to a sales increase of single premium products.

**Base Profit of the Group
408.2 billion JPY**

Increased by 3.0 billion JPY (+0.8%) year-on-year

- Mainly due to increase in interest and dividends income at Meiji Yasuda Life.

**Consolidated Solvency
Margin Ratio
1,142.4%
On Balance Sheet Capital
4,132.2 billion JPY**

Decreased by 10.1 pts from the end of FY2020

Increased by 226.7 billion JPY from the end of FY2020

- Maintaining solid financial soundness continuously in both indicators.

Outlook for FY2021

**“Increase in insurance premiums and base profit” on both consolidated and non-consolidated basis
(Improved from the previous financial report)**

1. Insurance Premiums of the Group

■ Insurance Premiums of the Group

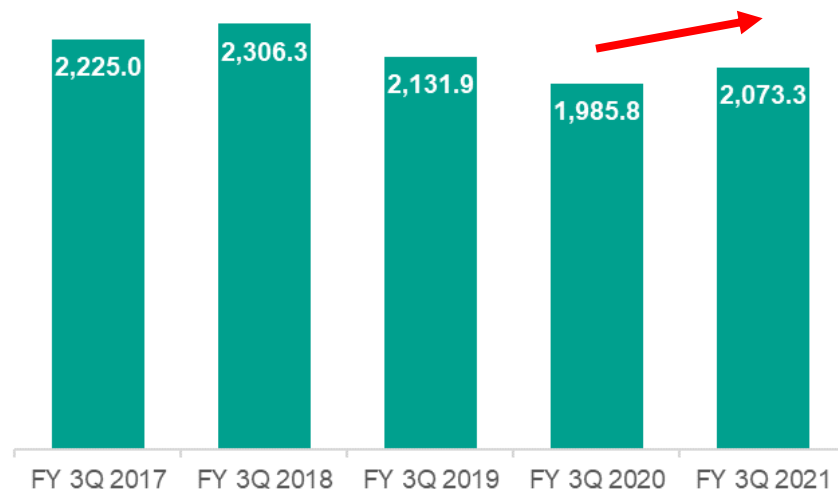
(billions of JPY)

	FY 3Q 2020	FY 3Q 2021	Change
Insurance premiums of the Group ^{*1}	1,985.8	2,073.3	+4.4%
Meiji Yasuda Life	1,742.6	1,806.9	+3.7%
Overseas insurance business and other businesses ^{*2}	243.1	266.3	+9.5%
StanCorp	226.2	249.3	+10.2%

- Insurance premiums of the Group increased by 4.4% year-on-year to 2,073.3 billion JPY mainly due to restart of selling single premium whole life insurance products from June 2021, and a sales increase of single premium foreign currency-denominated products at Meiji Yasuda Life.

■ Trends of Insurance Premiums

(billions of JPY)



^{*1} Insurance premiums of the Group is “Insurance premiums and other” in the consolidate statements of income.

^{*2} Excluding domestic life insurance business. The end of period for consolidated overseas subsidiaries and affiliates are September 31, 2021.

2. Base Profit of the Group

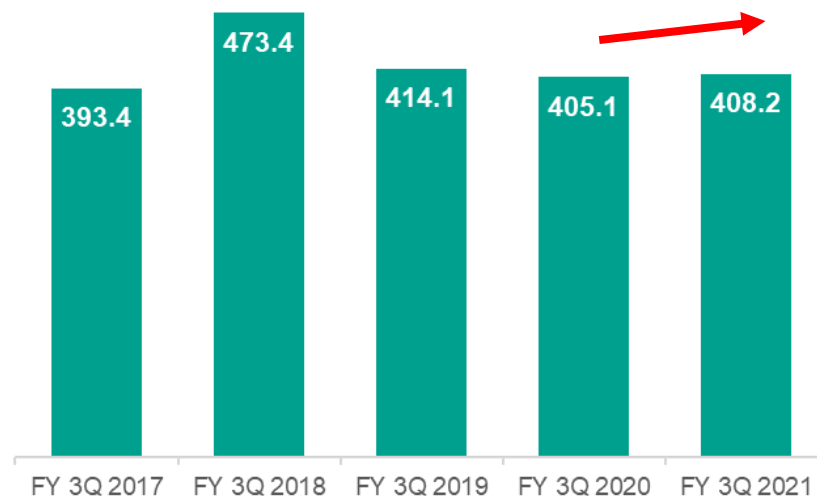
■ Base Profit of the Group

(billions of JPY)

	FY 3Q 2020	FY 3Q 2021	Change
Base profit of the Group ^{*1}	405.1	408.2	+0.8%
Meiji Yasuda Life	366.8	385.9	+5.2%
Overseas insurance business and other businesses ^{*2}	41.1	29.8	-27.5%
StanCorp	28.6	19.5	-31.8%

■ Trends of Base Profit

(billions of JPY)



- Base profit of the Group increased by 0.8% to ¥408.2 billion JPY mainly due to increase in interest and dividends income at Meiji Yasuda Life.
- Base profit of StanCorp decreased by 31.8% year-on-year due to COVID-19 related claim payments.

^{*1} Base profit of the Group is the total of base profit of the Company and pretax of the consolidate subsidiaries and affiliates, which capital gains/losses are deducted (for affiliates shares of affiliates accounted for under the equality 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 September 31, 2021.

3. Indicators of Soundness

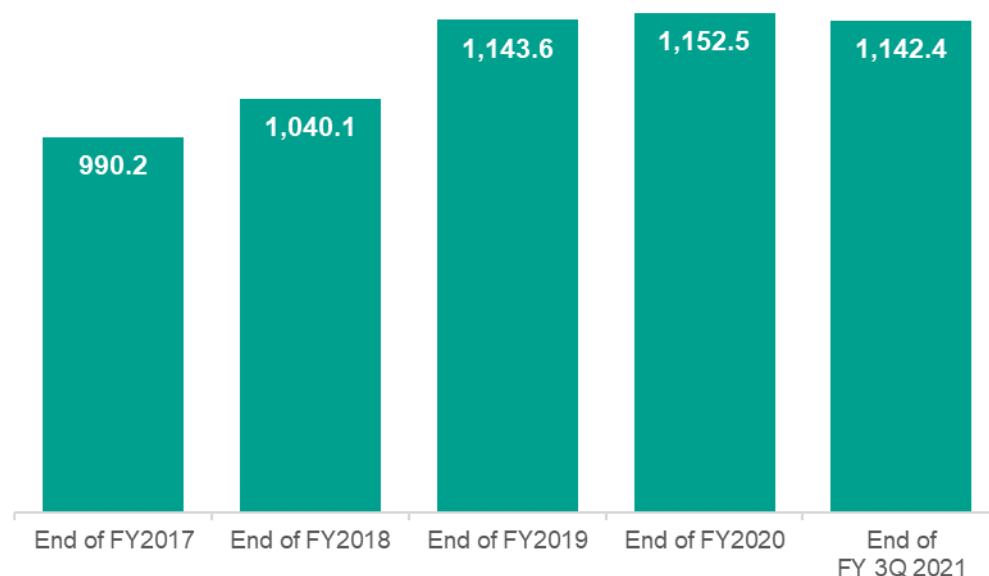
■ Consolidated Solvency Margin Ratio

	End of FY2020	End of FY 3Q 2021	Difference
Consolidated Solvency Margin Ratio*1	1,152.5%	1,142.4%	-10.1pts

- Although Consolidated solvency margin ratio decreased due to change in the financial environment, it still maintained high level of soundness at 1,142.4%.

■ Trends of Consolidated Solvency Margin Ratio

(%)



*1 The solvency margin ratio is one of regulatory indicators showing 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

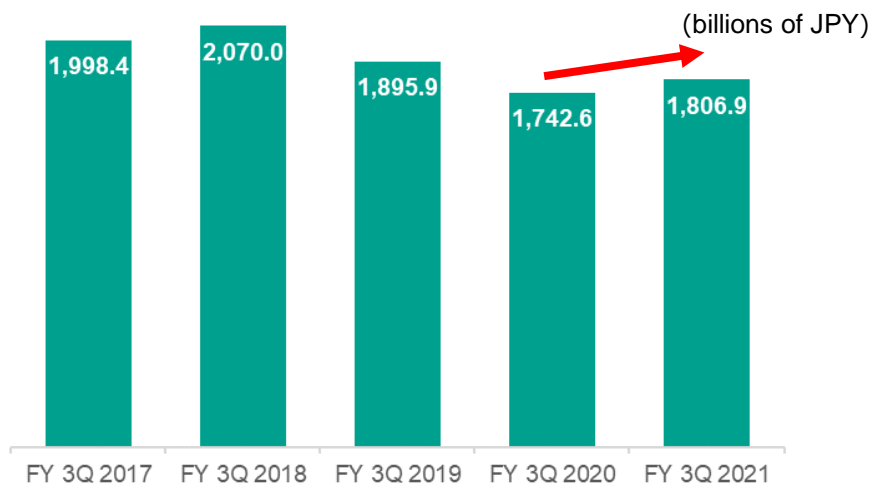
■ Insurance Premiums and other

(billions of JPY)

	FY 3Q 2020	FY 3Q 2021	Change
Insurance premiums and other	1,742.6	1,806.9	+3.7%
Individual life insurance and annuities	1,137.9	1,198.5	+5.3%
Agency distribution channel	956.8	980.2	+2.5%
Bancassurance channel	154.6	191.7	+24.0%
Group life insurance	213.0	216.6	+1.7%
Group pensions	356.2	363.8	+2.1%

- Insurance premiums and other increased by 3.7% to 1,806.9 billion JPY mainly due to a sales increase of single premiums products and AUM of group pensions.

■ Trends of change of Insurance Premiums and other



2. Annualized New Premiums/Annualized Premiums in force (Individual life insurance and annuities)

■ Annualized New Premiums

(billions of JPY)

	FY 3Q 2019 (Reference)	FY 3Q 2020	FY 3Q 2021	Change (FY2019 year-on-year)
Annualized new premiums	76.0	67.3	77.8	+15.7% (+2.3%)
Agency channel	66.7	59.5	67.4	+13.2% (+1.0%)
Bancassurance channel	7.8	6.5	9.3	+42.9% (+19.8%)
Protection-type products*1	38.7	40.2	43.5	+8.0% (+12.2%)
Third-sector insurance premiums*2	29.6	25.4	33.2	+30.7% (+12.3%)

■ Annualized Premiums in force

(billions of JPY)

	End of FY2020	End of FY 3Q 2021	Difference
Annualized premiums in force	2,195.2	2,173.7	-1.0%
Protection-type products *1	753.4	751.5	-0.3%
Third-sector insurance premiums*2	458.8	471.5	+2.8%

*1 Consist of comprehensive products such as Best Style, medical, nursing care, injury, term products and others.

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

*3 From April 2020 to June 2020.

- Annualized new premiums increased by 15.7%, from the same period of last year when the voluntary restraint from face-to-face sales were being enforced*3. Compared to FY2019, annualized new premiums increased by 2.3% year-on-year, securing a level before COVID-19.
- Although annualized premiums in force decreased by 1.0% from the end of FY2021, third-sector insurance premiums increased by 2.8% from the end of FY2021.

3. Base Profit

■ Base Profit

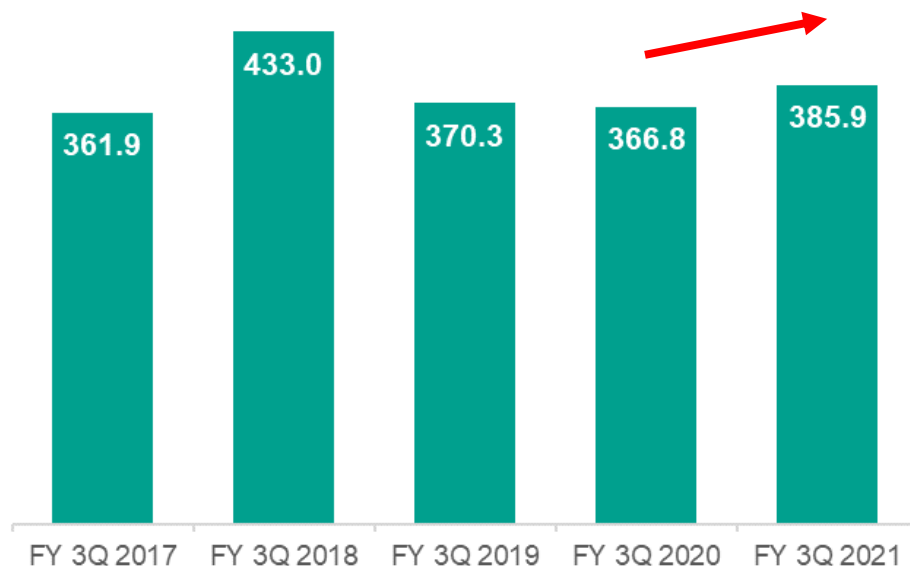
(billions of JPY)

	FY 3Q 2020	FY 3Q 2021	Change
Base profit	366.8	385.9	+5.2%

- Base profit increased by 5.2% to 385.9 billion JPY year-on-year mainly due to increase in interest and dividends income.

■ Trends of Base Profit

(billions of JPY)



4. Indicators of Soundness

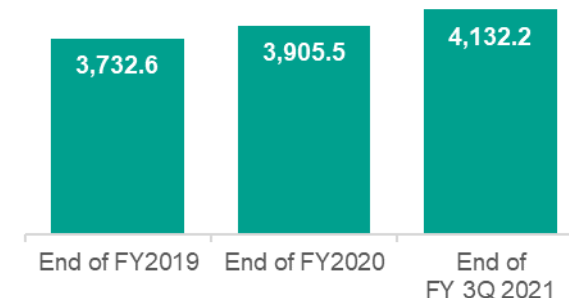
■ On-balance sheet capital

(billions of JPY)

	End of FY2020	End of FY 3Q 2021	Difference
On-balance sheet capital ^{*1}	3,905.5	4,132.2	+226.7

■ Trends of On-balance sheet capital

(billions of yen)



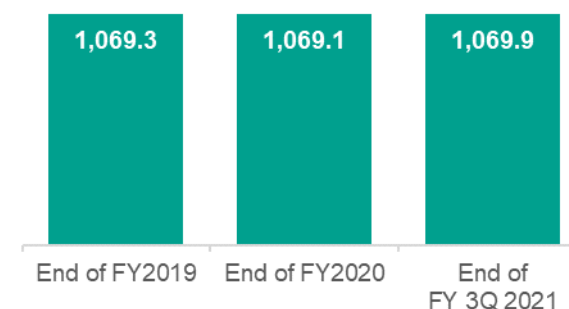
■ Solvency Margin Ratio

(billions of JPY)

	End of FY2020	End of FY 3Q 2021	Difference
Solvency Margin Ratio ^{*2}	1,069.1%	1,069.9%	+0.8pts
Total amount (A)	8,822.1	9,233.2	+411.0
Risk Total (B)	1,650.3	1,725.8	+75.4

■ Trends of Solvency Margin Ratio

(%)



■ Real net assets

(billions of JPY)

	End of FY2020	End of FY 3Q 2021	Difference
Real net assets	10,684.7	10,846.8	+162.1
Ratio in General account assets	25.5%	25.5%	±0.0pts

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

^{*2} Solvency Margin Ratio = (A) / (1/2x (B)) x100

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

■ Unrealized Gains/Losses in General account investment assets

(billions of JPY)

	End of FY2020	End of FY 3Q 2021	Difference
Unrealized gains in General account	6,522.4	6,692.5	+170.0
Securities with market price ^{*1 *2}	5,953.6	6,096.3	+142.6
Domestic bonds	2,260.1	2,160.7	-99.3
Domestic stocks	2,979.4	3,036.9	+57.5
Foreign securities	604.5	724.9	+120.3
Real estate	575.8	582.1	+6.2

- Unrealized Gains in General account increased by 170.0 billion JPY year-on-year to 6,692.5 billion JPY.
- Mainly due to unrealized gains in foreign securities and domestic stocks driven by stock price hike.

■ Breakeven points in 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 TOPIX fully correlate.

	End of FY2020	End of FY 3Q 2021 ^{*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 regard to "Domestic stocks" FY 3Q 2021 is calculated based on market price, etc. on the end of term. The end of FY2020 is calculated based on the average of market prices 1 month before the end of term.

^{*3} Breakeven points stocks is estimated approximately 9,800JPY (Nikkei 225 basis)

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

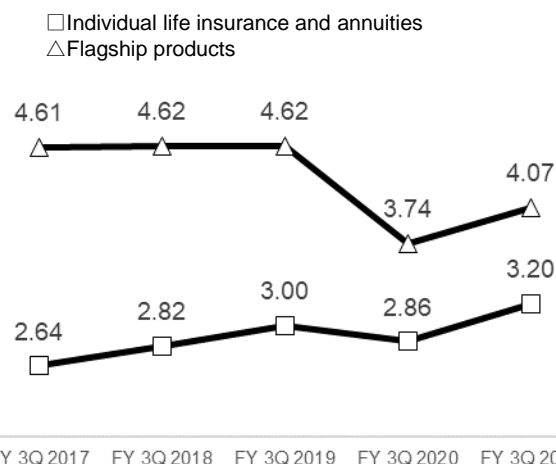
■ (Partial) surrender and lapse rate ^{*1}

	FY 3Q 2020	FY 3Q 2021	Change
Individual life insurance and individual annuities	2.86%	3.20%	+0.34pts
Flagship products ^{*2}	3.74%	4.07%	+0.33pts

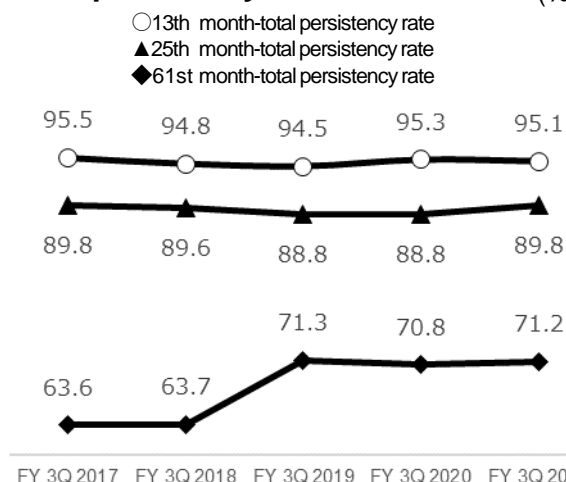
■ Total persistency rate ^{*3} (individual life insurance and individual annuities)

	FY 3Q 2020	FY 3Q 2021	Change
13 th month	95.3%	95.1%	-0.2pts
25 th month	88.8%	89.8%	+1.0pts
61 st month	70.8%	71.2%	+0.4pts

■ Partial surrender and lapse rate (%)



■ Total persistency rate (%)



- Quality indicators of policies remained favorable.
- Although (Partial) surrender and lapse rate increased year-on-year, level of flagship products increased compared to FY 3Q 2019 before COVID-19 and maintained a low level.
- Total persistency rate remained at a high level in every targeted timing.

^{*1} (Partial) surrender and lapse rate represents the rate of (partial) surrendered and lapsed 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.

1. Insurance Premiums, Base Profit and Net Income

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

(billions of JPY)

	FY 3Q 2020	FY 3Q 2021	Change ^{*2}
Insurance premiums and other	226.2	249.3	+10.2%
Base profit equivalents ^{*3}	28.6	19.5	-31.8%
Net Income	15.6	11.0	-29.7%

*Exchange rate was ¥105.80 to U.S.\$1 (the end of September) in FY 3Q 2020, and ¥111.92 to U.S \$1 (the end of September) FY 3Q 2021.

*1 The FY 3Q 2021 of StanCorp ends on September 31.2021. Business results of StanCorp are added up corresponding to its 9 months results from January to September

*2 Comparison year-on-year based on local currency were Insurance premium income and other +4.2%, base profit equivalents -35.5%

*3 Base profit equivalents of StanCorp is the profit deducted expenses such as expenses of intangible asset amortization associated with purchase accounting and capital gains/losses from pretax profit.

- Premiums and other income increased by 10.2% year-on-year to 249.3 billion JPY due to favorable new business and solid renewal of existing premiums.
- Base profit equivalents decreased by 31.8% to 19.5 billion JPY mainly due to COVID-19 related claim payments.

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. 2,820.0	Increase (106%)	2,669.3
Meiji Yasuda Life	Approx. 2,450.0	Increase (104%)	2,352.1
StanCorp	Approx. 340.0	Increase (115%)	295.6

■ Outlook for Base profit of the Group

(billions of JPY)

	FY2021 Outlook	Change	FY2020 (Actual)
Base profit of the Group ^{*2}	Approx. 590.0	Increase (102%)	579.8
Meiji Yasuda Life	Approx. 580.0	Increase (105%)	550.2
StanCorp	Approx. 20.0	Decrease (59%)	34.0

* Outlook is based on current information and certain assumption that 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 excluded (for affiliates shares of affiliates accounted for under equity method), and internal group transactions of the Group partially eliminated.

- Outlook for FY2021 has changed to “Increase in insurance premiums and base profit” from “increase in insurance premiums and decrease in base profit”, the previous financial report.
- Insurance premium of the Group is expected to increase due to recovery of sales including single premium products.
- Outlook of base profit of the Group has changed from decrease to increase due to increase of interest and dividends in Meiji Yasuda Life’s stocks and investment trust.

Our Main Actions

Customer

Special Treatments

- In the case of medical treatment at an extraordinary facility, hospitalization benefits, etc. would be paid

Enhancement of non-face-to-face communication

- Utilizing the online interview system, we provide insurance consultation and support for various procedures.
- “MY *hoken* Page” which is our customer web service enables customers to access various procedures such as enrollment and benefit claims at “anytime and anywhere”.

Employee

COVID-19 vaccination at workplaces

- Considering the current situation of infection, we began the 3rd vaccination at workplace from late February. As same as the 1st and 2nd vaccination, sales personnel and core business employees will be prioritized for vaccination from the viewpoint of having our customer’s safety and relief as our top priority.

Encouraging WFH and implementation of measures preventing infection

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

■ Special Treatments Application (by the end of December 2021)

	~FY2020	FY2021	Total
The number of premium grace period extension ^{*1}	13,000	1,700	14,700
The number of new policy loans without interest ^{*2}	86,000	—	86,000

^{*1} Extension of the 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 December 2021)

		~FY2020	FY2021	Total
Death benefits	The number of claims	526	915	1,441
	Amount (billions of JPY)	3.15	6.59	9.75
Hospitalization benefits	The number of claims	8,060	33,040	41,100
	Amount (billions of JPY)	0.98	3.74	4.73
Hospitalization at an extraordinary facility	The number of claims	5,145	28,748	33,893
	Amount (billions of JPY)	0.51	2.98	3.50