

May 25, 2022

Financial Results for the Fiscal Year Ended March 31, 2022

Meiji Yasuda Life Insurance Company (Hideki Nagashima, President and Group CEO)
announces financial results for the fiscal year ended March 31, 2022.

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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	
	2021	2022
ASSETS:		
Cash and deposits	1,210,322	859,231
Call loans	90,000	40,004
Monetary claims bought	264,184	182,781
Money held in trust	170,522	175,209
Securities	37,097,578	39,213,372
Loans	4,937,975	4,936,701
Tangible fixed assets	908,371	911,290
Land	624,069	624,917
Buildings	273,028	270,747
Leased assets	315	293
Construction in progress	3,653	8,614
Other tangible fixed assets	7,304	6,717
Intangible fixed assets	402,441	425,274
Software	63,918	63,010
Goodwill	109,536	113,702
Other intangible fixed assets	228,986	248,560
Due from agents	1,560	1,453
Reinsurance receivables	152,211	169,181
Other assets	601,097	1,106,219
Net defined benefit assets	126,976	184,385
Deferred tax assets	2,180	2,494
Customers' liabilities under acceptances and guarantees	19,215	5,473
Allowance for possible loan losses	(6,837)	(10,518)
Total assets	45,977,802	48,202,554

1. Unaudited Consolidated Balance Sheets (continued)

	(Millions of Yen)	
	As of March 31	
	2021	2022
LIABILITIES:		
Policy reserves and other reserves	36,266,398	37,219,985
Reserve for outstanding claims	708,582	795,352
Policy reserves	35,297,785	36,143,309
Policyholders' dividend reserves	260,030	281,323
Due to agents	3,628	5,167
Reinsurance payables	802	800
Bonds payable	666,866	669,599
Total Other liabilities	3,175,679	4,722,358
Payables under securities borrowing transactions	2,514,959	3,469,240
Other liabilities	660,720	1,253,117
Net defined benefit liabilities	8,317	8,877
Reserve for price fluctuation	851,195	870,721
Deferred tax liabilities	378,208	314,918
Deferred tax liabilities for land revaluation	79,003	78,954
Acceptances and guarantees	19,215	5,473
Total liabilities	41,449,317	43,896,857
NET ASSETS:		
Foundation funds	250,000	150,000
Reserve for redemption of foundation funds	730,000	830,000
Reserve for revaluation	452	452
Surplus	515,259	413,961
Total funds, reserve and surplus	1,495,712	1,394,414
Net unrealized gains on available-for-sale securities	2,959,118	2,759,564
Deferred unrealized gains on derivatives under hedge accounting	28,261	4,821
Land revaluation differences	118,183	121,889
Foreign currency translation adjustments	(89,185)	(22,534)
Remeasurements of defined benefit plans	15,714	46,850
Total accumulated other comprehensive income	3,032,091	2,910,591
Non-controlling interests	681	692
Total net assets	4,528,485	4,305,697
Total liabilities and net assets	45,977,802	48,202,554

2. Unaudited Consolidated Statements of Income

(Millions of Yen)

	Years ended March 31	
	2021	2022
ORDINARY INCOME:	4,028,693	4,214,339
Insurance premiums and other	2,669,358	2,809,838
Investment income	1,263,411	1,303,059
Interest, dividends and other income	906,130	966,359
Gains on money held in trust	1,825	2,816
Gains on sales of securities	98,530	115,088
Gains on redemption of securities	133,300	71,940
Foreign exchange gains	44,445	133,051
Other investment income	3,197	4,144
Investment gains on separate accounts	75,981	9,658
Other ordinary income	95,923	101,441
ORDINARY EXPENSES:	3,799,698	3,982,997
Benefits and other payments	2,542,415	2,624,503
Claims paid	642,535	679,079
Annuity payments	663,129	628,789
Benefit payments	515,164	550,883
Surrender benefits	582,654	666,735
Other refunds	138,930	99,014
Provision for policy reserves and other reserves	305,044	291,695
Provision for reserve for outstanding claims	11,014	20,696
Provision for policy reserves	293,947	270,941
Provision for interest on policyholders' dividend reserves	82	57
Investment expenses	306,162	389,703
Interest expenses	43,401	52,360
Losses on sales of securities	63,723	65,987
Losses on valuation of securities	3,583	5,852
Losses on redemption of securities	78,895	9,328
Losses on derivative financial instruments	78,612	215,416
Provision for allowance for possible loan losses	2,867	2,237
Depreciation of real estate for non-insurance business	10,006	9,919
Other investment expenses	25,071	28,601
Operating expenses	489,678	513,982
Other ordinary expenses	156,398	163,111
Ordinary profit	228,994	231,341

2. Unaudited Consolidated Statements of Income (continued)

(Millions of Yen)

	Years ended March 31	
	2021	2022
Extraordinary gains	386	124
Gains on disposals of fixed assets	385	124
Reversal of reserve for contingent liabilities	1	—
Extraordinary losses	31,598	28,047
Losses on disposals of fixed assets	6,361	6,419
Impairment losses	2,262	556
Provision for reserve for price fluctuation	17,604	19,484
Losses on reduction entry of real estate	325	—
Contributions for promotion of social welfare project	661	1,587
Other extraordinary losses	4,383	—
Surplus before income taxes and non-controlling interests	197,782	203,418
Income taxes	8,981	21,547
Current	57,904	12,157
Deferred	(48,923)	9,390
Net surplus	188,801	181,870
Net surplus attributable to non-controlling interests	60	71
Net surplus attributable to the Parent Company	188,740	181,799

3. Unaudited Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Years ended March 31	
	2021	2022
Net surplus	188,801	181,870
Other comprehensive income (loss)	948,034	(125,206)
Net unrealized gains (losses) on available-for-sale securities	965,043	(196,584)
Deferred unrealized gains (losses) on derivatives under hedge accounting	(17,181)	(23,210)
Foreign currency translation adjustments	(33,286)	64,061
Remeasurements of defined benefit plans	38,532	31,136
Share of other comprehensive income (loss) of associates accounted for under the equity method	(5,073)	(609)
Comprehensive income (loss)	1,136,835	56,664
Comprehensive income (loss) attributable to the Parent Company	1,136,774	56,592
Comprehensive income (loss) attributable to non-controlling interests	60	71

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)							
	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	Non-controlling interests	Total net assets
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

4. Unaudited Consolidated Statements of Changes in Net Assets

(Millions of Yen)

Year ended March 31, 2022

	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	515,259	1,495,712
Changes in the fiscal year					
Additions to policyholders' dividend reserves				(178,633)	(178,633)
Additions to reserve for redemption of foundation funds		100,000			100,000
Payment of interest on foundation funds				(757)	(757)
Net surplus attributable to the Parent Company				181,799	181,799
Redemption of foundation funds	(100,000)				(100,000)
Reversal of reserve for fund redemption				(100,000)	(100,000)
Reversal of land revaluation differences				(3,706)	(3,706)
Net changes, excluding funds, reserves and surplus					—
Net changes in the fiscal year	(100,000)	100,000	—	(101,297)	(101,297)
Ending balance	150,000	830,000	452	413,961	1,394,414

	Accumulated other comprehensive income (loss)							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	Non-controlling interests	
Beginning balance	2,959,118	28,261	118,183	(89,185)	15,714	3,032,091	681	4,528,485
Changes in the fiscal year								
Additions to policyholders' dividend reserves								(178,633)
Additions to reserve for redemption of foundation funds								100,000
Payment of interest on foundation funds								(757)
Net surplus attributable to the Parent Company								181,799
Redemption of foundation funds								(100,000)
Reversal of reserve for fund redemption								(100,000)
Reversal of land revaluation differences								(3,706)
Net changes, excluding funds, reserves and surplus	(199,554)	(23,440)	3,706	66,650	31,136	(121,500)	10	(121,489)
Net changes in the fiscal year	(199,554)	(23,440)	3,706	66,650	31,136	(121,500)	10	(222,787)
Ending balance	2,759,564	4,821	121,889	(22,534)	46,850	2,910,591	692	4,305,697

5. Unaudited Consolidated Statements of Cash Flows

(Millions of Yen)

	Years ended March 31	
	2021	2022
I. Cash flows from operating activities		
Surplus before income taxes and non-controlling interests	197,782	203,418
Depreciation of real estate for non-insurance business	10,006	9,919
Depreciation	44,059	45,749
Impairment losses	2,262	556
Amortization of goodwill	7,222	8,026
Increase (Decrease) in reserve for outstanding claims	18,158	22,634
Increase (Decrease) in policy reserves	459,457	446,335
Provision for interest on policyholders' dividend reserves	82	57
Increase (Decrease) in allowance for possible loan losses	82	3,681
Increase (Decrease) in net defined benefit liabilities	159	100
Increase (Decrease) in reserve for contingent liabilities	(1)	—
Increase (Decrease) in reserve for price fluctuation	17,604	19,484
Interest, dividends, and other income	(906,130)	(966,359)
Losses (Gains) on securities	(304,383)	(568,774)
Interest expenses	43,401	52,360
Foreign exchange losses (gains)	(33,266)	(5,925)
Losses (Gains) on tangible fixed assets	5,974	6,294
Investment losses (gains) on equity method	2,796	7,832
Decrease (Increase) in due from agents	48	114
Decrease (Increase) in reinsurance receivables	2	(135)
Decrease (Increase) in other assets (excluding those related to investing and financing activities)	56,968	(34,670)
Increase (Decrease) in due to agents	126	1,134
Increase (Decrease) in reinsurance payables	(162)	(2)
Increase (Decrease) in other liabilities (excluding those related to investing and financing activities)	209,971	204,560
Others, net	(1,947)	(9,848)
Subtotal	(169,721)	(553,455)
Interest, dividends, and other income received	945,305	987,989
Interest paid	(43,242)	(47,928)
Policyholders' dividends paid	(134,950)	(157,424)
Income taxes paid	(47,787)	(65,387)
Net cash provided by operating activities	549,604	163,794

5. Unaudited Consolidated Statements of Cash Flows (continued)

(Millions of Yen)

	Years ended March 31	
	2021	2022
II. Cash flows from investing activities		
Net decrease (increase) in deposits	(22,689)	(60,181)
Purchase of monetary claims bought	(2,500)	—
Proceeds from sales and redemption of monetary claims bought	12,355	11,233
Increase in money held in trust	(131,500)	(5,000)
Purchase of securities	(7,727,693)	(8,416,665)
Proceeds from sales and redemption of securities	6,238,296	6,909,007
Loans extended	(1,034,296)	(994,125)
Proceeds from collection of loans	969,888	1,099,100
Net increase (decrease) in cash collateral under securities borrowing / lending transactions	1,234,854	715,216
Total investment activities(IIa)	(463,284)	(741,415)
[I + IIa]	86,320	(577,621)
Purchase of tangible fixed assets	(32,182)	(22,333)
Proceeds from sales of tangible fixed assets	951	266
Purchase of intangible fixed assets	(26,978)	(33,273)
Others, net	(2,286)	(4,580)
Net cash used in investing activities	(523,779)	(801,335)
III. Cash flows from financing activities		
Proceeds from borrowings	—	200,000
Redemption of foundation funds	—	(100,000)
Payment of interest on foundation funds	(757)	(757)
Others, net	(3,870)	(76)
Net cash provided by financing activities	(4,627)	99,165
IV. Effect of foreign exchange rate changes on cash and cash equivalents	4,434	9,020
V. Net increase (decrease) in cash and cash equivalents	25,631	(529,356)
VI. Cash and cash equivalents at the beginning of the year	1,293,097	1,318,728
VII. Cash and cash equivalents at the end of the year	1,318,728	789,372