

May 23, 2023

Financial Results for the Fiscal Year Ended March 31, 2023

Meiji Yasuda Life Insurance Company (Hideki Nagashima, President and Group CEO)
announces financial results for the fiscal year ended March 31, 2023.

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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	
	2022	2023
ASSETS:		
Cash and deposits	859,231	1,411,205
Call loans	40,004	90,000
Monetary claims bought	182,781	171,153
Money held in trust	175,209	146,733
Securities	39,213,372	39,322,197
Loans	4,936,701	5,060,437
Tangible fixed assets	911,290	914,073
Land	624,917	623,010
Buildings	270,747	267,471
Leased assets	293	276
Construction in progress	8,614	16,762
Other tangible fixed assets	6,717	6,553
Intangible fixed assets	425,274	515,940
Software	63,010	65,625
Goodwill	113,702	126,535
Other intangible fixed assets	248,560	323,778
Due from agents	1,453	1,455
Reinsurance receivables	169,181	191,731
Other assets	1,106,219	730,779
Net defined benefit assets	184,385	219,115
Deferred tax assets	2,494	13,000
Customers' liabilities under acceptances and guarantees	5,473	5,743
Allowance for possible loan losses	(10,518)	(11,732)
Total assets	48,202,554	48,781,836

1. Unaudited Consolidated Balance Sheets (continued)

	(Millions of Yen)	
	As of March 31	
	2022	2023
LIABILITIES:		
Policy reserves and other reserves	37,219,985	38,284,928
Reserve for outstanding claims	795,352	926,059
Policy reserves	36,143,309	37,070,528
Policyholders' dividend reserves	281,323	288,339
Due to agents	5,167	6,866
Reinsurance payables	800	39,038
Bonds payable	669,599	640,735
Total Other liabilities	4,722,358	4,919,319
Payables under securities borrowing transactions	3,469,240	3,804,131
Other liabilities	1,253,117	1,115,188
Net defined benefit liabilities	8,877	7,709
Reserve for price fluctuation	870,721	1,074,039
Deferred tax liabilities	314,918	36,649
Deferred tax liabilities for land revaluation	78,954	78,178
Acceptances and guarantees	5,473	5,743
Total liabilities	43,896,857	45,093,208
NET ASSETS:		
Foundation funds	150,000	100,000
Reserve for redemption of foundation funds	830,000	880,000
Reserve for revaluation	452	452
Surplus	413,961	298,693
Total funds, reserve and surplus	1,394,414	1,279,146
Net unrealized gains (losses) on available-for-sale securities	2,759,564	2,169,500
Deferred unrealized gains (losses) on derivatives under hedge accounting	4,821	(27,077)
Land revaluation differences	121,889	121,544
Foreign currency translation adjustments	(22,534)	82,896
Remeasurements of defined benefit plans	46,850	61,969
Total accumulated other comprehensive income	2,910,591	2,408,833
Non-controlling interests	692	648
Total net assets	4,305,697	3,688,627
Total liabilities and net assets	48,202,554	48,781,836

2. Unaudited Consolidated Statements of Income

(Millions of Yen)

	Years ended March 31	
	2022	2023
ORDINARY INCOME:	4,214,339	5,416,690
Insurance premiums and other	2,809,838	3,670,209
Investment income	1,303,059	1,648,194
Interest, dividends and other income	966,359	1,092,386
Gains on money held in trust	2,816	2,348
Gains on sales of securities	115,088	343,669
Gains on redemption of securities	71,940	171,157
Foreign exchange gains	133,051	33,918
Other investment income	4,144	4,713
Investment gains on separate accounts	9,658	—
Other ordinary income	101,441	98,286
ORDINARY EXPENSES:	3,982,997	5,145,928
Benefits and other payments	2,624,503	3,124,231
Claims paid	679,079	780,675
Annuity payments	628,789	637,897
Benefit payments	550,883	630,584
Surrender benefits	666,735	963,099
Other refunds	99,014	111,975
Provision for policy reserves and other reserves	291,695	472,247
Provision for reserve for outstanding claims	20,696	25,983
Provision for policy reserves	270,941	446,213
Provision for interest on policyholders' dividend reserves	57	50
Investment expenses	389,703	816,750
Interest expenses	52,360	80,672
Losses on trading securities	—	33
Losses on sales of securities	65,987	60,583
Losses on valuation of securities	5,852	4,668
Losses on redemption of securities	9,328	966
Losses on derivative financial instruments	215,416	607,210
Provision for allowance for possible loan losses	2,237	931
Write-down of loans	—	60
Depreciation of real estate for non-insurance business	9,919	9,832
Other investment expenses	28,601	40,158
Investment losses on separate accounts	—	11,630
Operating expenses	513,982	566,231
Other ordinary expenses	163,111	166,467
Ordinary profit	231,341	270,761

2. Unaudited Consolidated Statements of Income (continued)

(Millions of Yen)

	Years ended March 31	
	2022	2023
Extraordinary gains	124	3,263
Gains on disposals of fixed assets	124	2,782
Gains on liquidation of subsidiaries and affiliates	—	480
Extraordinary losses	28,047	208,621
Losses on disposals of fixed assets	6,419	3,044
Impairment losses	556	595
Provision for reserve for price fluctuation	19,484	203,244
Contributions for promotion of social welfare project	1,587	1,725
Other extraordinary losses	—	11
Surplus before income taxes and non-controlling interests	203,418	65,403
Income taxes	21,547	(20,479)
Current	12,157	54,794
Deferred	9,390	(75,273)
Net surplus	181,870	85,882
Net surplus attributable to non-controlling interests	71	27
Net surplus attributable to the Parent Company	181,799	85,855

3. Unaudited Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Years ended March 31	
	2022	2023
Net surplus	181,870	85,882
Other comprehensive income (loss)	(125,206)	(500,949)
Net unrealized gains (losses) on available-for-sale securities	(196,584)	(580,917)
Deferred unrealized gains (losses) on derivatives under hedge accounting	(23,210)	(32,807)
Land revaluation differences	—	462
Foreign currency translation adjustments	64,061	93,612
Remeasurements of defined benefit plans	31,136	15,118
Share of other comprehensive income (loss) of associates accounted for under the equity method	(609)	3,581
Comprehensive income (loss)	56,664	(415,066)
Comprehensive income (loss) attributable to the Parent Company	56,592	(415,094)
Comprehensive income (loss) attributable to non-controlling interests	71	27

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)							
	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	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

4. Unaudited Consolidated Statements of Changes in Net Assets (continued)

(Millions of Yen)

Year ended March 31, 2023

	Funds, reserves and surplus				
	Foundation funds	Reserve for redemption of foundation funds	Reserve for revaluation	Surplus	Total funds, reserves and surplus
Beginning balance	150,000	830,000	452	413,961	1,394,414
Changes in the fiscal year					
Additions to policyholders' dividend reserves				(151,453)	(151,453)
Additions to reserve for redemption of foundation funds		50,000			50,000
Payment of interest on foundation funds				(477)	(477)
Net surplus attributable to the Parent Company				85,855	85,855
Redemption of foundation funds	(50,000)				(50,000)
Reversal of reserve for fund redemption				(50,000)	(50,000)
Reversal of land revaluation differences				807	807
Net changes, excluding funds, reserves and surplus					—
Net changes in the fiscal year	(50,000)	50,000	—	(115,267)	(115,267)
Ending balance	100,000	880,000	452	298,693	1,279,146

	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	2,759,564	4,821	121,889	(22,534)	46,850	2,910,591	692	4,305,697
Changes in the fiscal year								
Additions to policyholders' dividend reserves								(151,453)
Additions to reserve for redemption of foundation funds								50,000
Payment of interest on foundation funds								(477)
Net surplus attributable to the Parent Company								85,855
Redemption of foundation funds								(50,000)
Reversal of reserve for fund redemption								(50,000)
Reversal of land revaluation differences								807
Net changes, excluding funds, reserves and surplus	(590,063)	(31,899)	(344)	105,431	15,118	(501,757)	(43)	(501,801)
Net changes in the fiscal year	(590,063)	(31,899)	(344)	105,431	15,118	(501,757)	(43)	(617,069)
Ending balance	2,169,500	(27,077)	121,544	82,896	61,969	2,408,833	648	3,688,627

5. Unaudited Consolidated Statements of Cash Flows

(Millions of Yen)

	Years ended March 31	
	2022	2023
I. Cash flows from operating activities		
Surplus before income taxes and non-controlling interests	203,418	65,403
Depreciation of real estate for non-insurance business	9,919	9,832
Depreciation	45,749	45,803
Impairment losses	556	595
Amortization of goodwill	8,026	9,259
Increase (Decrease) in reserve for outstanding claims	22,634	30,157
Increase (Decrease) in policy reserves	446,335	624,840
Provision for interest on policyholders' dividend reserves	57	50
Increase (Decrease) in allowance for possible loan losses	3,681	1,214
Increase (Decrease) in net defined benefit liabilities	100	120
Increase (Decrease) in reserve for price fluctuation	19,484	203,244
Interest, dividends, and other income	(966,359)	(1,092,386)
Losses (Gains) on securities	(568,774)	(445,671)
Interest expenses	52,360	80,672
Foreign exchange losses (gains)	(5,925)	(4,461)
Losses (Gains) on tangible fixed assets	6,294	265
Investment losses (gains) on equity method	7,832	4,939
Decrease (Increase) in due from agents	114	6
Decrease (Increase) in reinsurance receivables	(135)	3,288
Decrease (Increase) in other assets (excluding those related to investing and financing activities)	(34,670)	(38,626)
Increase (Decrease) in due to agents	1,134	905
Increase (Decrease) in reinsurance payables	(2)	38,238
Increase (Decrease) in other liabilities (excluding those related to investing and financing activities)	204,560	(385,145)
Others, net	(9,848)	(13,982)
Subtotal	(553,455)	(861,436)
Interest, dividends, and other income received	987,989	1,074,419
Interest paid	(47,928)	(76,374)
Policyholders' dividends paid	(157,424)	(144,508)
Income taxes paid	(65,387)	(3,827)
Net cash provided by (used in) operating activities	163,794	(11,727)

5. Unaudited Consolidated Statements of Cash Flows (continued)

(Millions of Yen)

	Years ended March 31	
	2022	2023
II. Cash flows from investing activities		
Net decrease (increase) in deposits	(60,181)	(89,103)
Proceeds from sales and redemption of monetary claims bought	11,233	11,581
Increase in money held in trust	(5,000)	—
Purchase of securities	(8,416,665)	(7,302,658)
Proceeds from sales and redemption of securities	6,909,007	7,093,570
Loans extended	(994,125)	(1,068,603)
Proceeds from collection of loans	1,099,100	1,100,896
Net increase (decrease) in cash collateral under securities borrowing / lending transactions	715,216	864,203
Total investment activities(IIa)	(741,415)	609,886
[I + IIa]	(577,621)	598,159
Purchase of tangible fixed assets	(22,333)	(27,637)
Proceeds from sales of tangible fixed assets	266	10,566
Purchase of intangible fixed assets	(33,273)	(36,327)
Proceeds from acquisition of business	—	414
Others, net	(4,580)	(1,595)
Net cash provided by (used in) investing activities	(801,335)	555,307
III. Cash flows from financing activities		
Proceeds from borrowings	200,000	71,600
Redemption of bonds payable	—	(33,301)
Redemption of foundation funds	(100,000)	(50,000)
Payment of interest on foundation funds	(757)	(477)
Others, net	(76)	(87)
Net cash provided by (used in) financing activities	99,165	(12,266)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	9,020	(2,929)
V. Net increase (decrease) in cash and cash equivalents	(529,356)	528,382
VI. Cash and cash equivalents at the beginning of the year	1,318,728	789,372
VII. Cash and cash equivalents at the end of the year	789,372	1,317,755