

Financial Results Summary for the Fiscal Year Ended March 31, 2023

May 23, 2023

Meiji Yasuda Life Insurance Company



I .	Financial Results Summary for FY2022	P.2
II .	Results of Meiji Yasuda Group	P.3
III.	Results of Meiji Yasuda Life	P.10
IV.	Results of StanCorp (Reference)	P.21
V .	Policyholder Dividends	P.23
VI.	Business Outlook for FY2023	P.24
VII.	Progress of Management Targets for “MY Mutual Way Phase I ” (FY2021-2023)	P.25

**Insurance Premiums
of the Group
JPY3,670.2 billion**

Increased by JPY860.3 billion (+30.6%) year-on-year

- Mainly due to sales increase of single premium foreign currency-denominated products and increase of insurance premiums at StanCorp.
- Above JPY3 trillion for the first time in four years.

**Base Profit
of the Group
JPY401.8 billion**

Decreased by JPY49.9 billion (-11.1%) year-on-year

- Mainly due to increase of claim payments related to COVID-19, increase of hedge costs for currency exchange, and the incurrence of a burden of establishing a standard policy reserves for foreign currency denominated insurance

**Group ESR
Approx. 205%
(Preliminary Report)**

Decreased by 5 pts from the end of FY2021

**On-Balance Sheet Capital
JPY4,248.0 billion**

Increased by JPY109.2 billion from the end of FY2021

- Maintaining solid financial soundness in both indicators.

Outlook for FY2023

- Decrease in insurance premiums and flat in base profit on both consolidated and non-consolidated basis

1. Insurance Premiums of the Group (1/2)

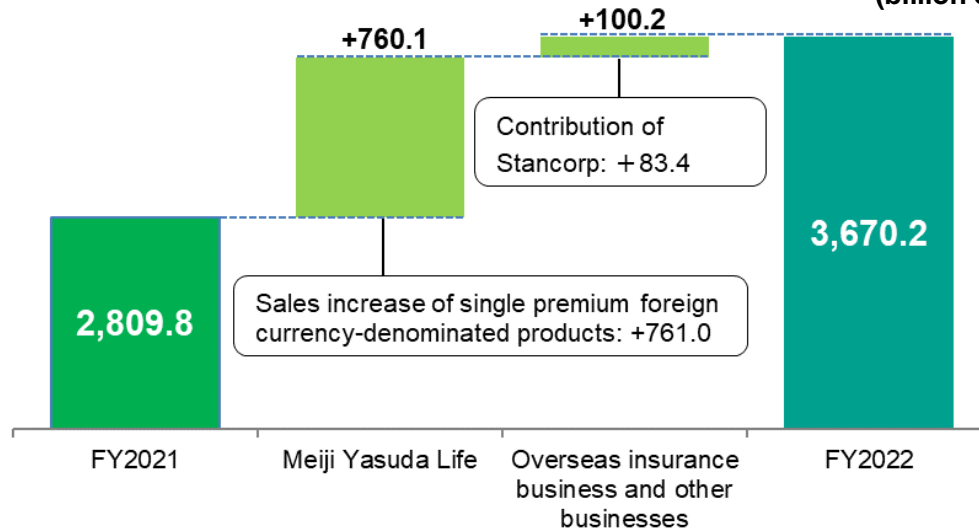
■ Insurance Premiums of the Group

(billion of JPY)

	FY2021	FY2022	Change
Insurance premiums of the Group ^{*1}	2,809.8	3,670.2	+30.6%
Meiji Yasuda Life	2,443.5	3,203.6	+31.1%
Overseas insurance business and other businesses ^{*2}	366.2	466.5	+27.4%
StanCorp	343.0	426.4	+24.3%

■ Main Factors of Change

(billion of JPY)



- Insurance premiums of the Group increased by 30.6% year-on-year to JPY3,670.2 billion.
- Mainly due to sales increase of single premium foreign currency-denominated products at Meiji Yasuda Life and increase of insurance premiums at StanCorp.

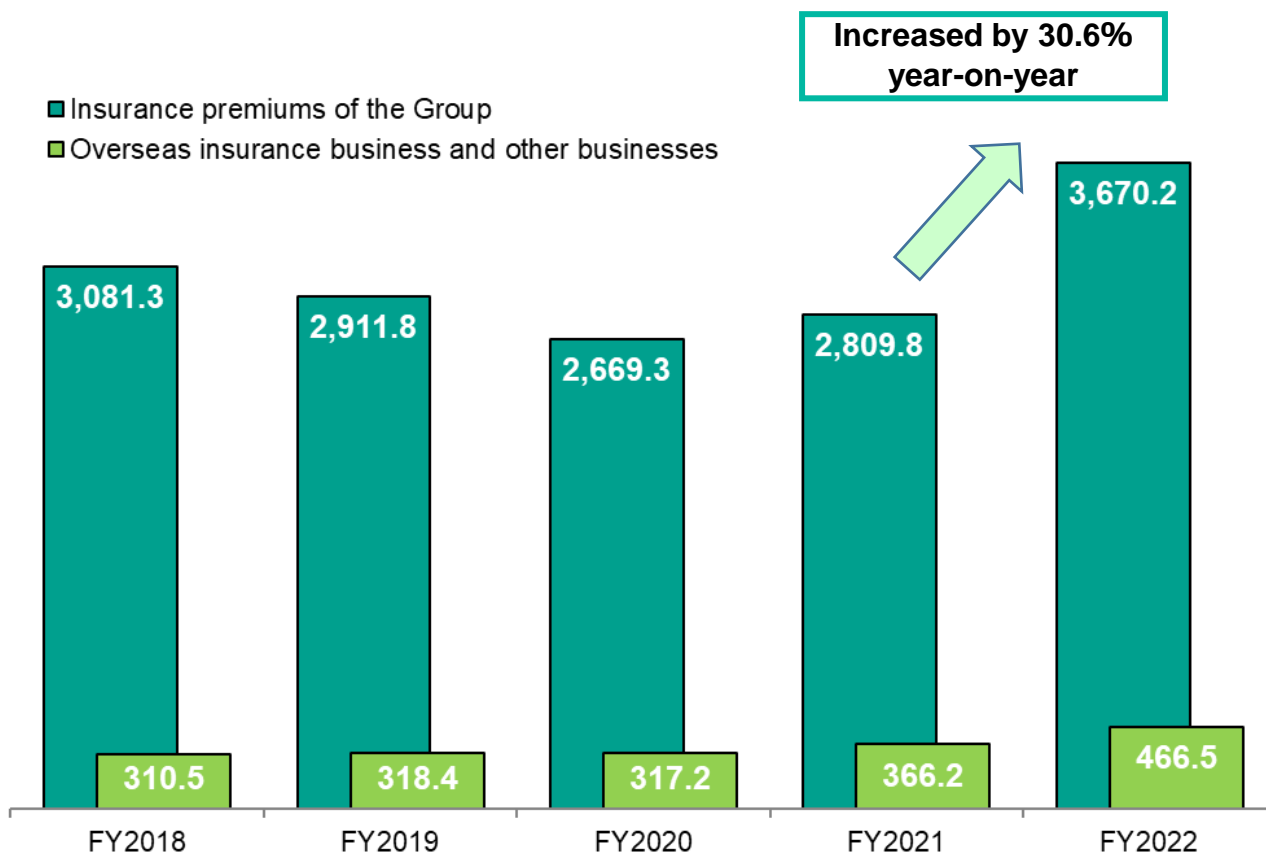
^{*1} Insurance premiums of the Group is “Insurance premiums and other” in the consolidated statements of income.

^{*2} The sum of overseas insurance business and domestic business except for domestic insurance business. The accounting period for consolidated overseas subsidiaries and affiliates is from January 1 to December 31, 2022.

1. Insurance Premiums of the Group (2/2)

■ Trend of Insurance Premiums

(billion of JPY)



- Insurance premiums of the Group increased to a higher level than FY2019, a period prior to COVID-19, and exceeded JPY3 trillion for the first time in four years since FY2018.
- Insurance premiums of overseas insurance business and other businesses increased to more than JPY400 billion for the first time.

2. Base Profit of the Group (1/2)

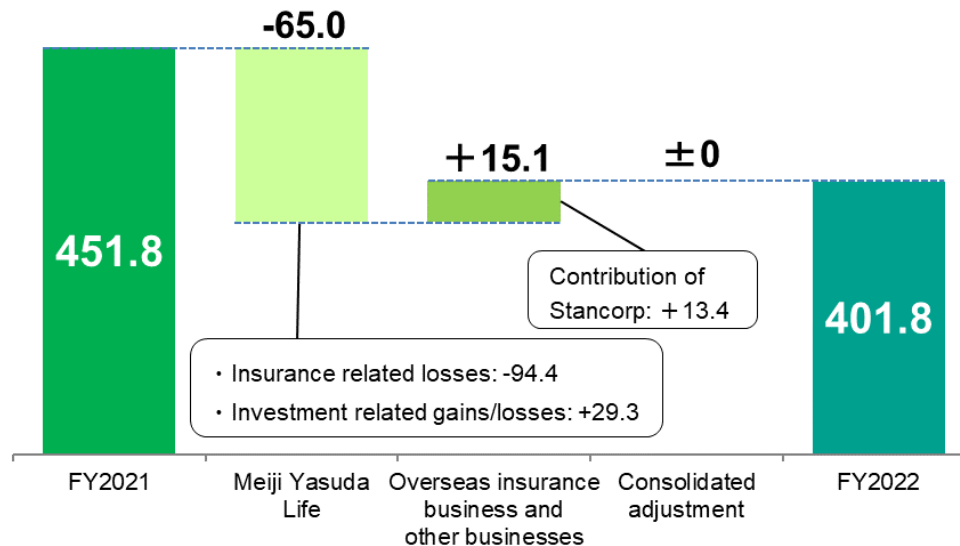
■ Base Profit of the Group

(billion of JPY)

	FY2021	FY2022	Change
Base profit of the Group ^{*1*2}	451.8	401.8	-11.1%
Meiji Yasuda Life	436.6	371.6	-14.9%
Overseas insurance business and other businesses ^{*3}	35.9	51.1	+42.2%
StanCorp	22.5	35.9	+59.5%

■ Main Factors of Change

(billion of JPY)



- Base profit of the Group decreased by 11.1% year-on-year due to increase of claim payment related to COVID-19 at Meiji Yasuda Life, higher hedging costs, and higher reserving costs for standard policy reserves of foreign currency-denominated insurance.
- Base profit of StanCorp increased by 59.5% year-on-year due to decrease in claim payments related to COVID-19.

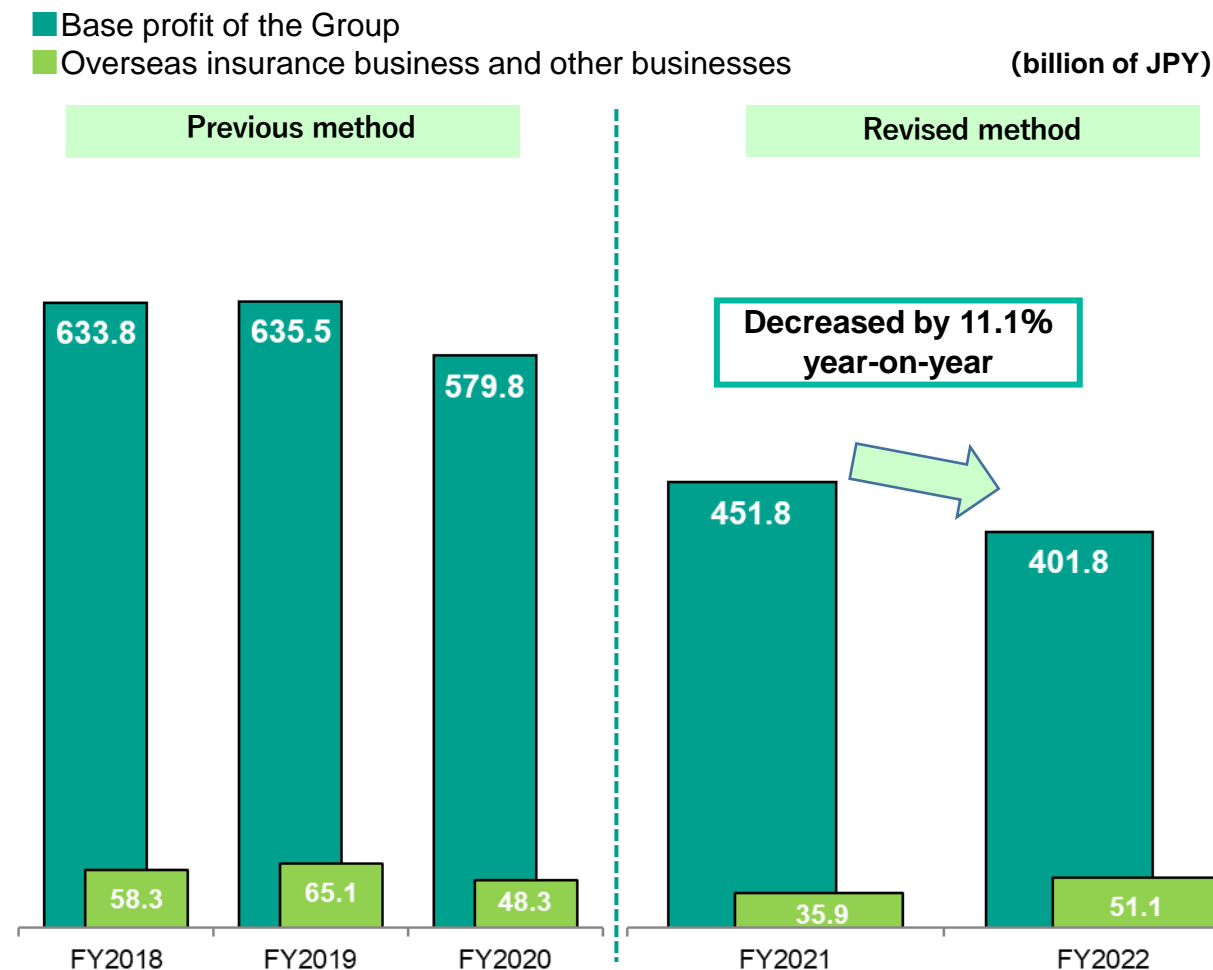
*1 Base profit of the Group is the total of base profit of the Company and pretax profit of the consolidated subsidiaries and affiliates, which capital gains/losses are deducted (for affiliates shares of affiliates accounted for under the equity method), and internal group transactions of the Group are partially eliminated.

*2 The calculation method for base profit was revised in FY2022 to include currency hedge costs and exclude gains/losses on cancellation of investment trusts, gains/losses on currency fluctuations for redemption of securities and gains/losses on reinsurance. Following this change, figures for FY2021 and FY2022 are calculated by the revised method.

*3 The sum of overseas insurance business and domestic business except for domestic insurance business. The accounting period for consolidated overseas subsidiaries and affiliates is from January 1 to December 31, 2022.

2. Base Profit of the Group (2/2)

■ Trend of Base Profit ^{*1}



- Base profit of the Group decreased from FY2021, keeping high profitability.
- Excluding the impact of special factors (claim payments related to COVID-19 and incurrence of a burden of establishing a standard policy reserves for foreign currency denominated insurance), base profit increased from FY 2021. ^{*2}

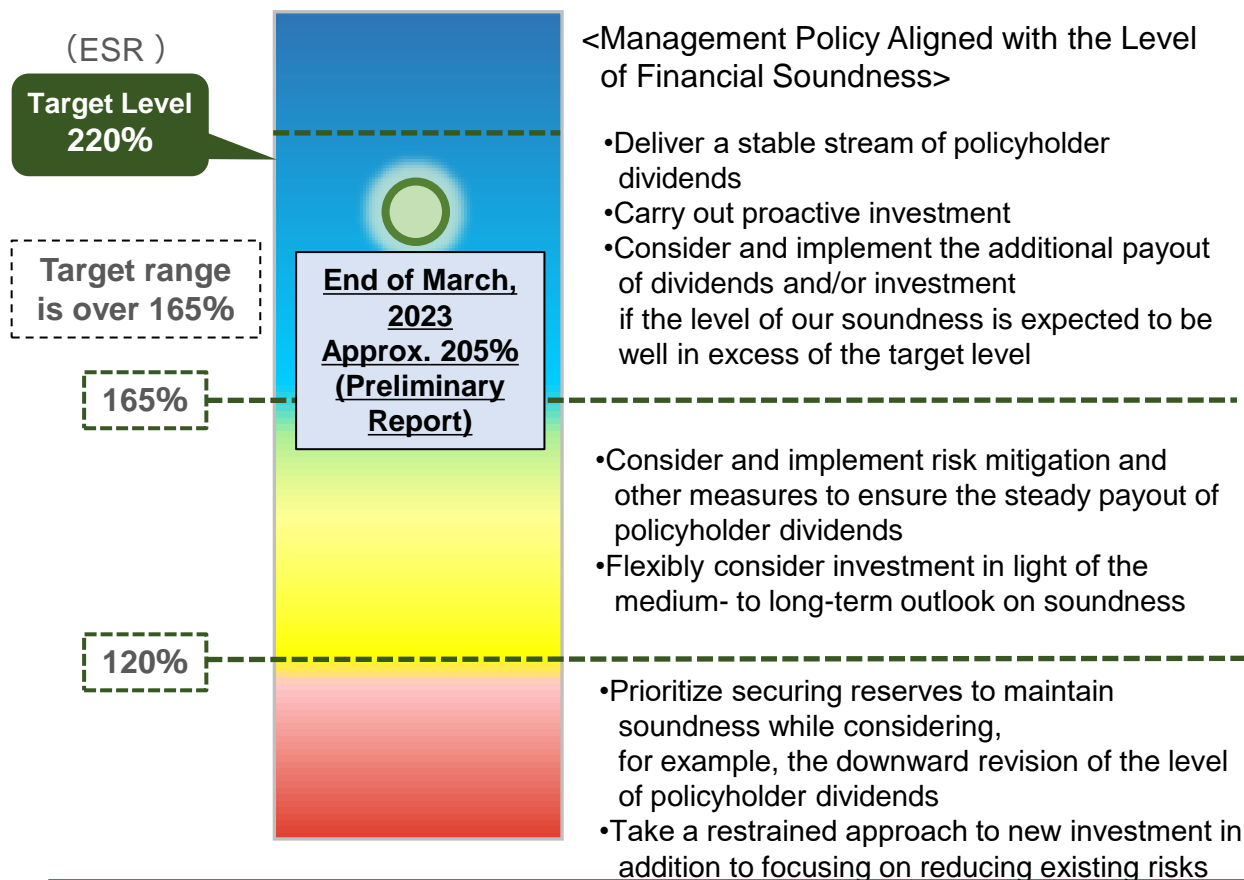
^{*1} The calculation method for base profit was revised in FY2022 to include currency hedge costs and exclude gains/losses on cancellation of investment trusts, gains/losses on currency fluctuations for redemption of securities and gains/losses on reinsurance. Following this change, figures for FY2021 and FY2022 are calculated by the revised method, and figures for FY2018, FY2019 and FY2020 were calculated by the previous method.

^{*2} Base profit of the Group excluding special factors is JPY488.7 billion in FY 2021 and JPY530.1 billion in FY 2022, increase of 8.5% year-on-year in FY 2022.

3. Indicator of Soundness (1/2)

■ Group ESR

We have set Group ESR^{*1} as our management targets in preparation for the expected economic-value based capital regulations. We have implemented policyholder dividends and investments based on ESR levels while maintaining soundness.



- Group ESR decreased by 5 pts to 205% from the end of FY2021, but still maintaining high level of soundness.
- We will stay focused on securing financial soundness and sustainable growth in our corporate value while stably returning surplus to policyholders^{*2}.

^{*1} Indicator of economic value to see if there is enough capital secured in comparison to our overall risk (confidence level 99.5%) . We have clarified that we make management decisions on payment of policyholder dividends and investment based on ESR level in “Management Policy Aligned with the Level of Financial Soundness (Published July 2021).”

^{*2} Please refer to page 23 for details on Policyholder dividends.

3. Indicators of Soundness (2/2)

■ Consolidated Solvency Margin Ratio

	End of FY2021	End of FY2022	Difference
Consolidated Solvency Margin Ratio ^{*1}	1,135.5%	1,010.7%	-124.8pts

■ Corporate Value (Group Surplus)

(billion of JPY)

	End of FY2021	End of FY2022	Difference
Group Surplus ^{*2}	7,730.0	7,970.0	+ 240.0

- Consolidated solvency margin ratio decreased to 1,010.7% from the end of FY2021 due to decrease of unrealized gains by rise in domestic and overseas interest rate, but still maintaining high level of soundness.
- Group surplus increased by JPY240.0 billion from the end of FY2021 due to new sales premiums, increase in domestic interest rates and weaker yen.

^{*1} The solvency margin ratio is one of regulatory indicators displaying the soundness of insurers to determine if insurers have sufficient claims-paying ability at events that go beyond usually predictable risk. In case of failing to maintain the ratio at 200% or more, insurers are subject to a business improvement or other administrative orders issued by a supervisory authority.

^{*2} Group Surplus is the economic-value-based corporate value indicator.

4.Consolidated Statements of Income and Balance Sheets

Consolidated Statements of Income

(billion of JPY)

	FY2022	Change
Ordinary income (A)	5,416.6	+28.5%
Insurance premiums and other	3,670.2	+30.6%
Investment income	1,648.1	+26.5%
Ordinary expenses (B)	5,145.9	+29.2%
Benefits and other payments	3,124.2	+19.0%
Provision for policy reserves and other reserves	472.2	+61.9%
Investment expenses	816.7	+109.6%
Operating expenses	566.2	+10.2%
Ordinary profit (A-B)	270.7	+17.0%
Extraordinary gains / losses	-205.3	—
Income taxes	-20.4	-195.0%
Net surplus attributable to non-controlling interests	0	-61.2%
Net surplus attributable to the parent company	85.8	-52.8%

Consolidated Balance Sheets

(billion of JPY)

	End of FY2022	Difference
Total assets	48,781.8	+579.2
Cash, deposit and call loans	1,501.2	+601.9
Securities	39,322.1	+108.8
Loans	5,060.4	+123.7
Tangible fixed assets	914.0	+2.7
Intangible fixed assets	515.9	+90.6
Total liabilities	45,093.2	+1,196.3
Policy reserves and other reserves	38,284.9	+1,064.9
Policy reserves	37,070.5	+927.2
Bonds	640.7	- 28.8
Other liabilities	4,919.3	+196.9
Reserve for price fluctuation	1,074.0	+203.3
Deferred tax liabilities	36.6	-278.2
Total net assets	3,688.6	-617.0
Foundation funds and reserve for redemption of foundation funds	980.0	—
Surplus	298.6	-115.2
Net unrealized gains on available-for-sales securities	2,169.5	-590.0

1. Insurance Premiums and Other

■ Insurance Premiums and Other

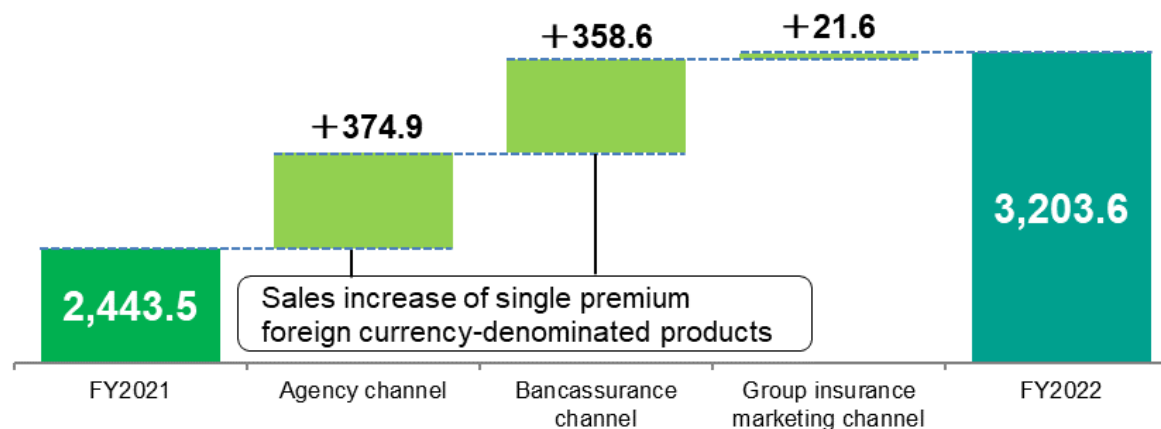
(billion of JPY)

	FY2021	FY2022	Change
Insurance premiums and other	2,443.5	3,203.6	+31.1%
Individual life insurance and annuities	1,620.9	2,354.7	+45.3%
Agency channel	1,331.6	1,706.6	+28.2%
Level premiums	1,230.1	1,195.2	-2.8%
Single payment premiums	101.4	511.3	+404.0%
Bancassurance channel	254.1	612.8	+141.2%
Group insurance	293.1	297.4	+1.5%
Group pensions	493.4	510.5	+3.5%

- Insurance premiums and other increased by 31.1% year-on-year to JPY3,203.6 billion.
- This was mainly due to sales increase of single premium foreign currency-denominated products in the agency channel and the bancassurance channel.

■ Factors of Change by Channels

(billion of JPY)



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

■ Annualized New Premiums

(billion of JPY)

	FY2021	FY2022	Change
Annualized new premiums	103.4	163.1	+57.7%
Agency channel	89.5	126.0	+40.7%
Bancassurance channel	12.2	35.6	+189.5%
Protection-type products premiums*1	38.8	42.8	+10.3%
Third-sector insurance premiums*2	43.6	46.4	+6.4%

- Annualized new premiums increased by 57.7% from FY2021, mainly due to sales increase of single premium foreign currency-denominated products. And it increased by more than 1.5 times compared to FY2019 (JPY105.1 billion) , a period prior to COVID-19.
- Insurance premiums of Protection-type products increased by 10.3% from FY2021, due to favorable sales of the new products “Whole life medical insurance” and “Whole life cancer insurance”. And it increased to a higher level than FY2019 (JPY41.8 billion), a period prior to COVID-19.

*1 Consist of Protection-type products (comprehensive protection insurance such as Best Style and others, medical, nursing care and others) through agency channel such as MY Link Coordinator and corporate marketing channel.

*2 Reflect medical benefit, living needs, premium waiver benefit and others.

3. Annualized Premiums in Force (Individual life insurance and annuities)

■ Annualized Premiums in Force

(billion of JPY)

	End of FY2021	End of FY2022	Change
Annualized premiums in force	2,167.9	2,170.5	+0.1%
Agency channel	1,621.1	1,629.2	+0.5%
Bancassurance channel	501.5	496.3	-1.0%
Protection-type products premiums*1	609.4	615.0	+0.9%
Third-sector insurance premiums*2	475.0	488.7	+2.9%

- Annualized premiums in force increased by 0.1% from the end of FY2021, mainly due to favorable new sales.
- By product, both Protection-type products and Third-sector insurance increased from the end of FY2021.

*1 Consist of Protection-type products (comprehensive protection insurance such as Best Style and others, medical, nursing care and others) through agency channel such as MY Link Coordinator and corporate marketing channel.

*2 Reflect medical benefit, living needs, premium waiver benefit and others.

4. Life Insurance in Force (Group Insurance and Group Pensions)

■ Life Insurance in Force

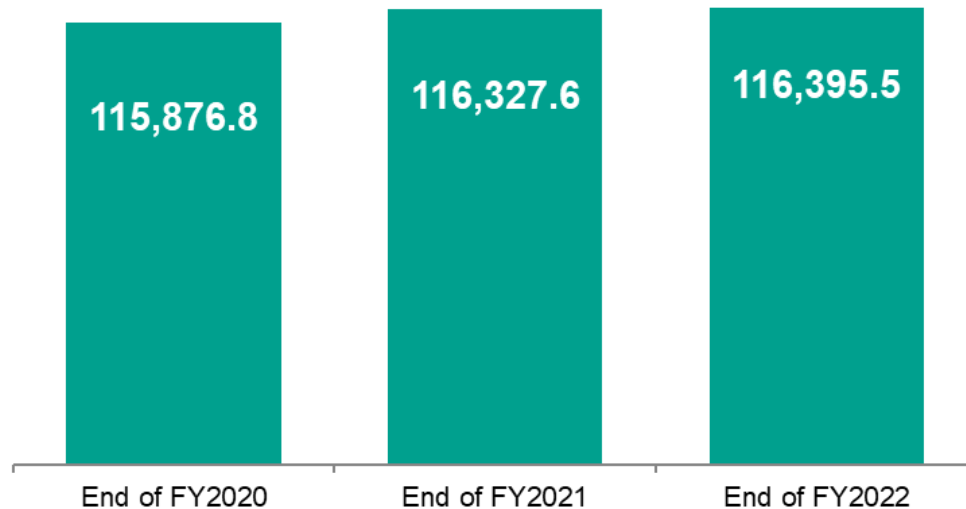
(billion of JPY)

	End of FY2021	End of FY2022	Change
Group insurance	116,327.6	116,395.5	+0.1%
Group pensions	7,904.0	7,908.1	+0.1%
(Domestic only) *	9,223.0	9,143.4	-0.9%

- Group life insurance in force increased by 0.1% from the end of FY2021 to JPY116,395.5 billion. Meiji Yasuda Life maintained the top share in the domestic market.

■ Trend of Group Insurance in Force

(billion of JPY)



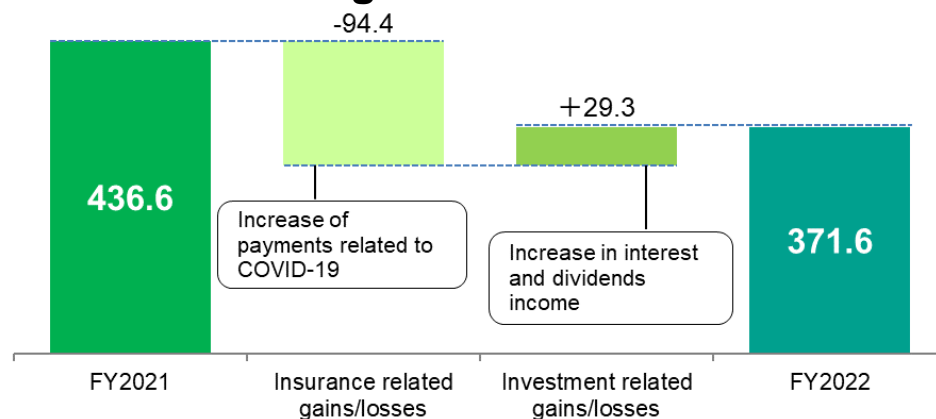
* The sum of Meiji Yasuda Life and Meiji Yasuda Asset Management Company.

5. Base Profit

■ Base Profit

	(billion of JPY)		
	FY2021	FY2022	Change
Base Profit (A) ^{*1}	436.6	371.6	-14.9%
Insurance related gains / losses	251.1	156.6	-37.6%
Mortality profit	223.6	105.7	-52.7%
Expense surplus	20.6	41.9	+103.2%
Investment related gains / losses	185.5	214.9	+15.8%
Interest surplus	193.4	221.9	+14.8%
Capital gains / losses (B)	21.7	-25.1	—
Non-recurring gains / losses (C) [*]	-210.0	-63.4	—
Ordinary profit (A+B+C)	248.3	283.0	+14.0%

■ Main Factors of Change



- Base Profit decreased by 14.9% year-on-year to JPY371.6 billion.
- Insurance related gains/losses decreased by 37.6% due to increase of payments related to COVID-19 and higher reserving costs for standard policy reserves of foreign currency-denominated insurance.
- Investment related gains/losses increased by 15.8% due to increase of “Interest, dividends and other income” from foreign public and corporate bonds by the accumulation of open foreign bonds, despite of an increase in hedging costs.

^{*1} The calculation method for base profit was revised in FY2022 to include currency hedge costs and exclude gains/losses on cancellation of investment trusts, gains/losses on currency fluctuations for redemption of securities and gains/losses on reinsurance. Following this change, figures for FY2021 and FY2022 are calculated by the revised method.

^{*2} Non-recurring gains / losses include reversal / provision of claims fluctuation reserve and reversal / provision of policy reserve.

6. Net Investment Income

■ Net Investment Income

(billion of JPY)

	FY2021	FY2022	Difference
Net investment income (total)	868.6	783.6	-84.9
Net investment income (general account)	859.0	795.3	-63.7
Investment income	1,207.3	1,538.9	+331.5
Interest, dividends and other income	888.3	988.5	+100.1
Gains on sales of securities	113.5	343.0	+229.5
Gains on redemption of securities	69.4	170.7	+101.2
Foreign exchange gains	133.0	33.9	- 99.1
Investment expenses	348.3	743.6	+395.2
Losses on sales of securities	65.7	59.1	- 6.5
Losses on valuation of securities	5.8	4.5	- 1.2
Losses on redemption of securities	9.3	0.9	- 8.4
Losses on derivative financial instruments	217.3	601.6	+384.3

- Net investment income (general account) decreased by JPY 63.7 billion year-on-year to JPY795.3 billion.
- Mainly due to an increase of losses on derivative financial instruments resulting from higher hedging costs.

【Reference】 Investment Environment in FY 2022

	End of FY2022	Difference
TOPIX (pt)	2,003.50	+57.10
Nikkei 225 (Yen)	28,041.48	+220.05
Interest rate of 10-year JGBs (%)	0.320	+0.110
Interest rate of 10-year U.S. Treasury Bonds(%)	3.468	+1.130
Dollar / Yen exchange rate	133.53	+11.14
Euro / Yen exchange rate	145.72	+9.02

7. Indicators of Soundness

■ On-Balance Sheet Capital

(billion of JPY)

	End of FY2021	End of FY2022	Difference
On-balance sheet capital *	4,138.7	4,248.0	+109.2

■ Solvency Margin Ratio

(billion of JPY)

	End of FY2021	End of FY2022	Difference
Solvency margin ratio	1,061.6%	980.8%	- 80.8pts
Solvency margin total	8,895.6	8,567.5	- 328.0
Risk total	1,675.7	1,746.9	+ 71.1

■ Real Net Assets

(billion of JPY)

	End of FY2021	End of FY2022	Difference
Real net assets	9,900.8	8,614.8	- 1,285.9
Ratio for general account assets	22.8%	19.7%	- 3.1pts

- On-balance sheet capital increased by JPY109.2 billion from the end of FY2021 due to an additional internal reserves.
- Solvency Margin Ratio decreased from the end of FY2021 to 980.8% due to decrease of unrealized gains by rise in domestic and overseas interest rate, but still maintained high level of financial soundness.
- Real net assets decreased from the end of FY2021 due to decrease of unrealized gains from bonds by rise in domestic and overseas interest rate.

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

8. Unrealized Gains and Breakeven Point of Domestic Stocks

■ Unrealized Gains in General Account Investment Assets

(billion of JPY)

	End of FY2021	End of FY2022	Difference
Unrealized gains in general account	5,691.5	4,320.8	- 1,370.6
Securities with market price ^{*1}	5,074.2	3,686.2	- 1,387.9
Domestic bonds	1,624.8	752.7	- 872.1
Domestic stocks	2,927.3	2,958.2	+ 30.9
Foreign securities	377.2	- 70.2	- 447.5
Real estate	591.9	615.8	+ 23.8

- Unrealized gains in general account decreased by JPY1,370.6 billion to JPY4,320.8 billion.
- Mainly due to decrease of unrealized gains of domestic bonds and foreign securities by rise in domestic and overseas interest rate.

■ Breakeven Point of Domestic Stocks

Breakeven point indicates the level of TOPIX at which unrealized gains and losses cancel out on domestic stocks if the Meiji Yasuda's portfolio and TOPIX fully correlate.

	End of FY2021	End of FY2022 ^{*2}
TOPIX	Approx. 680pts	Approx. 690pts

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

^{*2} Breakeven point in Nikkei 225 basis is estimated approximately JPY9,600.

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

■ Surrender and lapse rate ^{*1}

(individual life insurance and annuities)

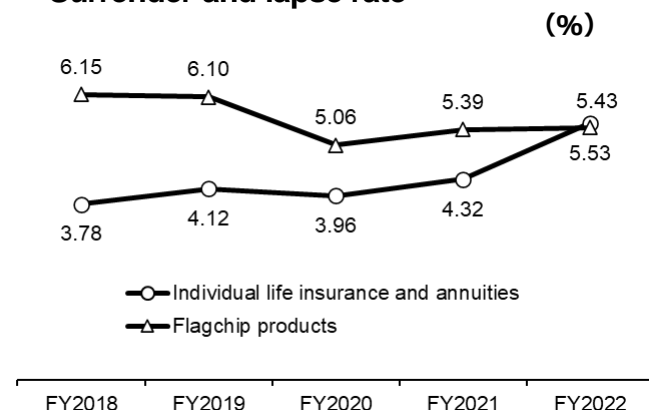
	FY2021	FY2022	Difference
Individual life insurance and individual annuities	4.32%	5.53%	+1.21pts
Flagship products ^{*2}	5.39%	5.43%	+0.04pts

■ Total persistency rate ^{*3}

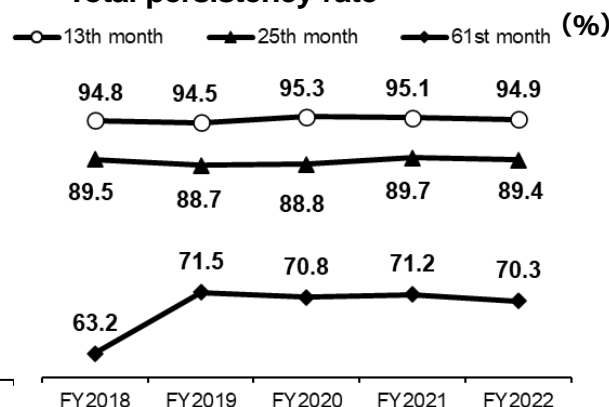
(individual life insurance and annuities)

	FY2021	FY2022	Difference
13th month	95.1%	94.9%	- 0.2pts
25th month	89.7%	89.4%	- 0.3pts
61st month	71.2%	70.3%	- 0.9pts

■ Surrender and lapse rate



■ Total persistency rate



- Surrender and lapse rate of flagship products remained low, while the rate of individual life insurance and annuities got worse in comparison to FY2021 due to increasing surrender of foreign currency denominated insurance following weaker yen.
- The 13th, 25th and 61st total persistency rates remained at a high level, respectively.

^{*1} Surrender and lapse rate represents the rate of annualized premium of surrendered and lapsed policies to annualized premium in force at the beginning of the fiscal year.

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

^{*3} Total persistency rate is calculated based on the amount of policies in force.

10. Claim Payments related to COVID-19

■ Cases of Claim Payments

	(number of cases)			
	FY2020	FY2021	FY2022	Total
Total	8,580	70,856	622,796	702,232
Death benefits	525	1,162	1,788	3,475
Hospitalization benefits*	8,055	69,694	621,008	698,757

■ Amount of Claim Payments

	(billion of JPY)			
	FY2020	FY2021	FY2022	Total
Total	4.14	15.32	59.92	79.39
Death benefits	3.15	8.29	10.09	21.54
Hospitalization benefits*	0.98	7.02	49.83	57.84

- Claim payments related to COVID-19 significantly increased in both number of cases and amount because of the rapid increase of patients under the 7th wave (July to September 2022).

*1 Hospitalization benefits were paid to policyholders who had been diagnosed with COVID-19 infection and undergone treatment at their homes, defining their status as “quasi hospitalization” upon the provision of a certificate issued by a physician or medical institution with regard to the period of said treatment. *2 Those payments were below;
in FY2020: 5,145 cases, JPY0.51 billion
in FY2021: 64,743 cases, JPY6.16 billion
in FY2022: 618,265 cases, JPY49.25 billion

*2 Claims based on “quasi hospitalization” limited to 4 categories regarded as “potentially severe cases” since September 26, 2022.

11. Statements of Income and Balance Sheet

Non-Consolidated Statements of Income

(billion of JPY)

	FY2022	Change
Ordinary income (A)	4,803.4	+ 28.8%
Insurance premiums and other	3,203.6	+ 31.1%
Investment income	1,538.9	+ 26.5%
Ordinary expenses (B)	4,520.3	+ 29.9%
Benefits and other payments	2,805.0	+ 19.2%
Provision for policy reserves and other reserves	432.6	+ 56.9%
Investment expenses	755.3	+ 116.8%
Operating expenses	398.1	+ 5.9%
Ordinary profit (A – B)	283.0	+ 14.0%
Extraordinary gains/losses	- 206.6	—
Income taxes	- 27.7	—
Net surplus	104.1	- 44.0%

Non-Consolidated Balance Sheet

(billion of JPY)

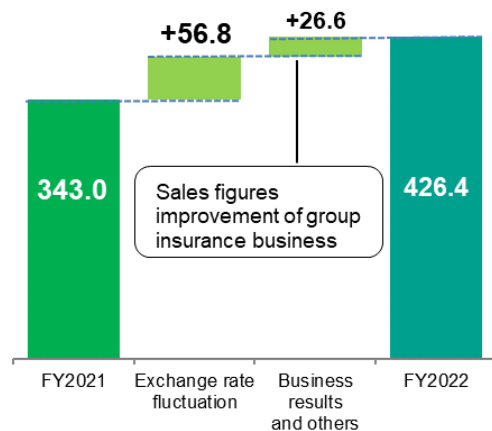
	End of FY2022	Difference
Total assets	44,247.2	+ 86.5
Cash, deposit and call loans	1,395.2	+ 568.7
Securities	37,043.4	- 4.8
Loans	3,897.3	- 36.3
Tangible fixed assets	867.7	- 1.6
Intangible fixed assets	96.8	+ 5.8
Total liabilities	40,537.3	+ 600.7
Policy reserves and other reserves	33,925.6	+ 439.5
Policy reserves	33,497.9	+ 428.4
Bonds	640.7	—
Other liabilities	4,813.6	+ 199.7
Reserve for price fluctuation	1,072.3	+ 202.9
Deferred tax liabilities	0.3	- 241.0
Total net assets	3,709.8	- 514.1
Foundation funds and reserve for redemption of foundation funds	980.0	—
Surplus	315.7	- 96.9
Net unrealized gains on available-for-sales securities	2,320.1	- 384.0

1. Insurance Premiums, Base Profit and Net Income

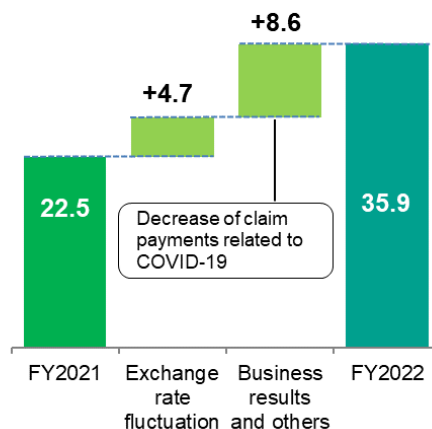
■ Insurance Premiums, Base Profit and Net Income ^{*1} (billion of JPY)

	FY2021	FY2022	Change ^{*3}
Insurance premiums and other	343.0	426.4	24.3%
Base profit equivalents ^{*2}	22.5	35.9	59.5%
Net income	12.8	17.6	37.1%

■ Main Factors of Change in Insurance Premiums (billion of JPY)



■ Main Factors of Change in Base Profit Equivalents (billion of JPY)



- Insurance premiums and other increased by 24.3% to JPY426.4 billion due to the renewal of existing policies in group insurance business and the strong performance of new policies in disability income insurance.
- Base profit equivalents and net income increased due to decrease of claim payments related to COVID-19 and increase in investment income associated with rise in interest rates.

^{*1} The accounting period for StanCorp is from January 1 to December 31, 2022.

^{*2} Base profit equivalents of StanCorp is pretax profit deducted expenses such as expenses for intangible asset amortization associated with purchase accounting and capital gains/losses.

^{*3} Differences based on US dollar were +7.8% in insurance premium and other, and +38.3% in base profit equivalents.

^{*}Exchange rate was JPY115.02 to 1 US dollar at the end of December 2021 in FY2021, and JPY132.70 to 1 US dollar at the end of December 2022 in FY2022.

2. Statements of Income and Balance Sheet (StanCorp) *1

Statements of Income

(billion of JPY)

	FY2022 *2	Change *3
Ordinary Income (A)	571.6	+22.9%
Insurance premiums and other	426.4	+24.3%
Investment income	122.6	+18.6%
Ordinary Expenses (B)	551.8	+22.1%
Benefits and other payments	305.8	+17.4%
Provision for policy reserves and other reserves	23.3	+74.3%
Investment expenses	60.1	+39.2%
Operating expenses	140.3	+22.8%
Ordinary profit (A – B)	19.8	+50.9%
Extraordinary gains / losses	-0	—
Income taxes	2.1	+876.1%
Net Surplus	17.6	+37.1%

*1 Recombinant from financial statements based on USGAAP to JGAAP.

*2 Exchange rate was JPY132.70 to 1 US dollar at the end of December 2022 in FY2022.

*3 Exchange rate was JPY115.02 to 1 US dollar at the end of December 2021 in FY2021

Balance Sheet

(billion of JPY)

	End of FY2022 *2	Difference *3
Total assets	5,069.5	+544.2
Cash, deposit and call loans	84.1	+32.1
Securities	2,894.6	+140.8
Loans	1,172.0	+196.7
Tangible fixed assets	32.9	+3.6
Intangible fixed assets	483.0	+101.4
Deferred tax assets	7.3	+7.3
Total liabilities	4,398.5	+571.6
Policy reserves and other reserves	4,255.0	+600.6
Policy reserves	3,475.3	+474.0
Bonds	46.4	+17.5
Other liabilities	84.1	-2.6
Deferred tax liabilities	—	-44.4
Total net assets	670.9	-27.4
Capital surplus	705.5	+136.2
Earned surplus	101.1	+16.0
Net unrealized gains on available-for-sale securities	-139.6	-186.5

Policyholder Dividends based on the FY2022 Financial Results

■ Dividends for Individual Life Insurance and Annuities

Conventional Policyholder Dividends

- Despite an increase of insurance claims and other payments related to COVID-19, the dividends scale will not be changed from the viewpoints of providing stable dividend returns over the mid-to long-term.

MY Mutual Dividends

- The value of point (JPY300) for FY2023 will not be changed based on Group ESR.*
- Grants a total of approx. 26,170,000 “Mutual Point” in FY2023 (equivalent to approx. JPY7.8 billion when converted at a unit price of JPY300 per point).

■ Dividends for Group Life Insurance and Group Pensions

- The dividends rate for group insurance will not be changed based on insurance profits.
- The interest surplus dividends rate for group pensions will be zero based on the investment performance and risk buffer.

- “MY Mutual Dividends” are a new framework of dividends which are determined on a degree of contribution to internal reserves and paid additionally to the conventional dividends.
- For payout of dividends, we are planning to transfer JPY144.2 billion of surplus for FY2022 to policyholder dividends reserve in approval of the Board of Policyholder Representatives Meeting in July 2023. (JPY9.0 billion will be for “MY Mutual Dividends”.)

* Payment amount of “MY Mutual Dividends” is calculated by multiplying the total of “Mutual points,” which are added every year depending on a degree of contribution to internal reserves by the value of point.

Business Outlook for FY2023

■ Outlook for Insurance premiums of the Group

(billion of JPY)

	FY2023 (Outlook)	Change	FY2022 (Actual)
Insurance premiums of the Group ^{*1}	Approx. 3,350.0	Decrease (- 9%)	3,670.2
Meiji Yasuda Life	Approx. 2,900.0	Decrease (- 9%)	3,203.6
StanCorp	Approx. 420.0	Flat	426.4

■ Outlook for Base Profit of the Group

(billion of JPY)

	FY2023 (Outlook)	Change	FY2022 (Actual)
Base profit of the Group	Approx. 400.0	Flat	401.8
Meiji Yasuda Life	Approx. 370.0	Flat	371.6
StanCorp	Approx. 42.0	Increase (+17%)	35.9

* Outlook is based on our current information and reasonable assumption. Actual financial results 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

- Insurance premiums of the Group is expected to exceed JPY3,000.0 billion the same level as FY2022, despite a decrease sales volume of single premium foreign currency-denominated products in the agency channel and the Bancassurance channel
- Base Profit of the Group is expected to be “flat” level, due to the persistently high hedging costs, despite a decrease of insurance claims related to COVID-19.

VII. Progress of Management Targets for “MY Mutual Way Phase I ” (FY2021-2023)

Progress of Management Targets (FY2022 Actual)

		Mid-term Management Targets	FY2022	Comparison*6
Corporate value	Group surplus*1	13% growth (Yearly average 4%)	+8.1%	-
Financial soundness	Group ESR	Steadily over 165% (Aiming for 220%)	Approx. 205% (Preliminary Report)	Approx. -5pts
	On-Balance Sheet Capital	JPY4.4 trillion	JPY4.2 trillion	JPY+0.1 trillion
Profitability	Base Profit of the Group	Steadily Approx. JPY450.0 billion	JPY401.8 billion	-11.1%
	Group Adjusted surplus	Secure enough surplus to maintain current dividends scale and contribute to the local community	JPY371.2 billion	-22.6%
Growth	Annualized premiums in force (Protection-type products*2)	JPY620.0 billion	JPY615.0 billion	+0.9%
	Group life insurance in force	No.1 in domestic share	No.1 in domestic share	-
	Number of customers	12,350,000	12,180,000	+ 27,000
	Individual insurance marketing*3	7,230,000	7,220,000	+ 50,000
	Group insurance marketing*4	5,130,000	4,950,000	-23,000
	Number of agency*5	38,000	36,649	+14

*1 FY2022 results are cumulative growth rates from the start of the Medium-Term Business Plan(beginning of FY2021).

*2 Protection-type products handled through our agency distribution channel and group insurance marketing channels (comprehensive protection insurance such as Best Style, Medical/Nursing care insurance, etc.)

*3 Life insurance policyholders (including deferral and receiving annuity payments) + Life insurance insured persons + Non-life insurance policy holders(excluding redundant policyholders) through our agency distribution channel and others.

*4 The number of persons insured by voluntary group insurance (insured persons and insured spouses of group insurance contracts underwritten by the Company on a standalone basis or as the leading underwriter).

*5 The number of agency for mid-term management targets is as of April 1, 2024. The achievement of FY2022 is shown as of April 1, 2023.

*6 Figures for “Number of agency” are differences from April 1, 2022. Figures for other indicators are year-on-year changes.