

Financial Summary for the 3rd Quarter of FY2023 Ended December 31, 2023

February 13, 2024

Meiji Yasuda Life Insurance Company



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**Insurance premium
of the Group
2,516.7 billion yen**

Decreased by 352.0 billion yen (-12.3%) year-on-year

- Mainly due to sales decrease in foreign currency-denominated single premium products at Meiji Yasuda Life.

**Base profit of the Group
350.0 billion yen**

Increased by 64.1 billion yen (+22.4%) year-on-year

- Mainly due to decrease in claim payments related to COVID-19 at Meiji Yasuda Life and the substantial increase in base profit at StanCorp, major U.S. subsidiary.

**On-balance sheet capital
4,275.6 billion yen
Consolidated solvency
margin ratio
1,004.8 %**

Increased by 27.6 billion yen from the end of FY2022

Decreased by 5.9 pts from the end of FY2022

- Maintaining solid financial soundness in both indicators.

Outlook for FY2023

- A decrease in insurance premiums and an increase in base profit on both consolidated and non-consolidated basis year-on-year (No change from the previous report for the 1st half of FY2023).

1. Insurance Premiums of the Group

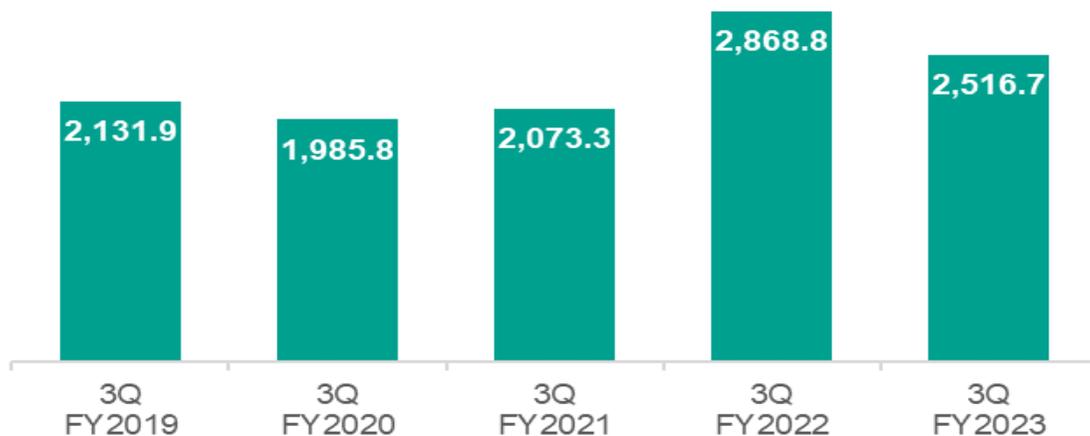
■ Insurance premiums of the Group

(Billions of yen)

	3Q FY2022	3Q FY2023	Change
Insurance premiums of the Group ^{*1}	2,868.8	2,516.7	-12.3%
Meiji Yasuda Life	2,484.8	2,108.9	-15.1%
Overseas insurance business and other businesses ^{*2}	383.9	407.7	+6.2%
StanCorp	349.4	378.1	+8.2%

■ Trend of insurance premiums

(Billions of yen)



- Insurance premiums of the Group decreased by 12.3% year-on-year mainly due to sales decrease in foreign currency-denominated single premium products at Meiji Yasuda Life, while the level exceeded the FY2019 before COVID-19.
- Insurance premiums at StanCorp, major U.S. subsidiary, increased by 8.2% year-on-year due to the favorable persistency rate of group insurance.

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

*2 ‘Overseas insurance business and other businesses’ include consolidated businesses, which are not life insurance business, such as Meiji Yasuda General Insurance Co. Ltd in addition to overseas insurance business. The accounting period for consolidated overseas subsidiaries and affiliates is from January 1 to September 30, 2023.

2. Base Profit of the Group

■ Base profit of the Group

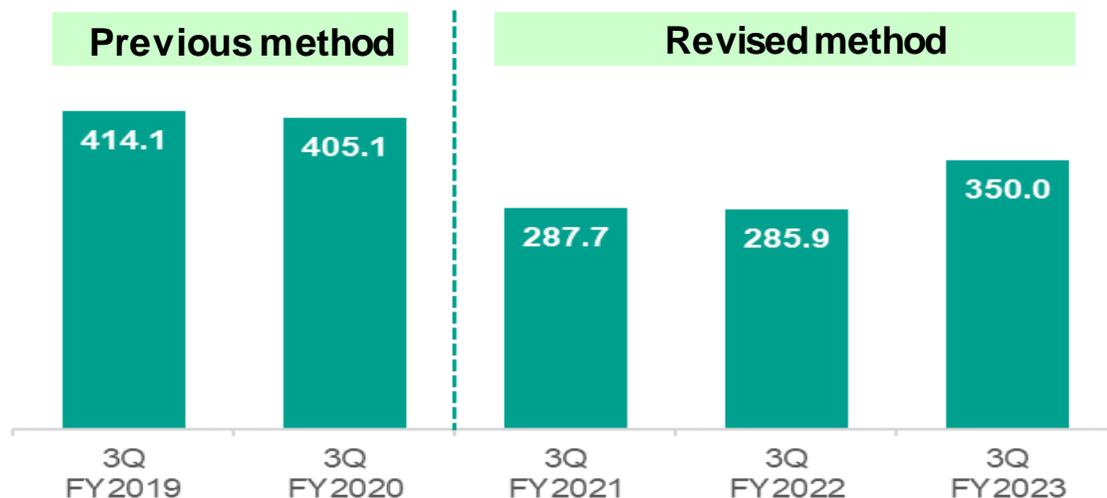
(Billions of yen)

	3Q FY2022	3Q FY2023	Change
Base profit of the Group ^{*1}	285.9	350.0	+22.4%
Meiji Yasuda Life	256.6	288.5	+12.4%
Overseas insurance business and other businesses ^{*2}	36.2	68.0	+87.5%
StanCorp	26.9	53.6	+99.2%

○ Base profit of the Group increased by 22.4% year-on-year due to decrease in claim payments related to COVID-19 at Meiji Yasuda Life and substantial increase in base profit at StanCorp, major U.S. subsidiary.

■ Trend of base profit^{*3}

(Billions of yen)



*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 'Overseas insurance business and other businesses' include consolidated businesses, which are not life insurance business, such as Meiji Yasuda General Insurance Co. Ltd in addition to overseas insurance business. The accounting period for consolidated overseas subsidiaries and affiliates is from January 1 to September 30, 2023.

*3 The calculation method for base profit was revised in FY2022 to include currency hedging 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 3Q FY2021, 3Q FY2022 and 3Q FY2023 are calculated by the revised method.

3. Indicators of Soundness

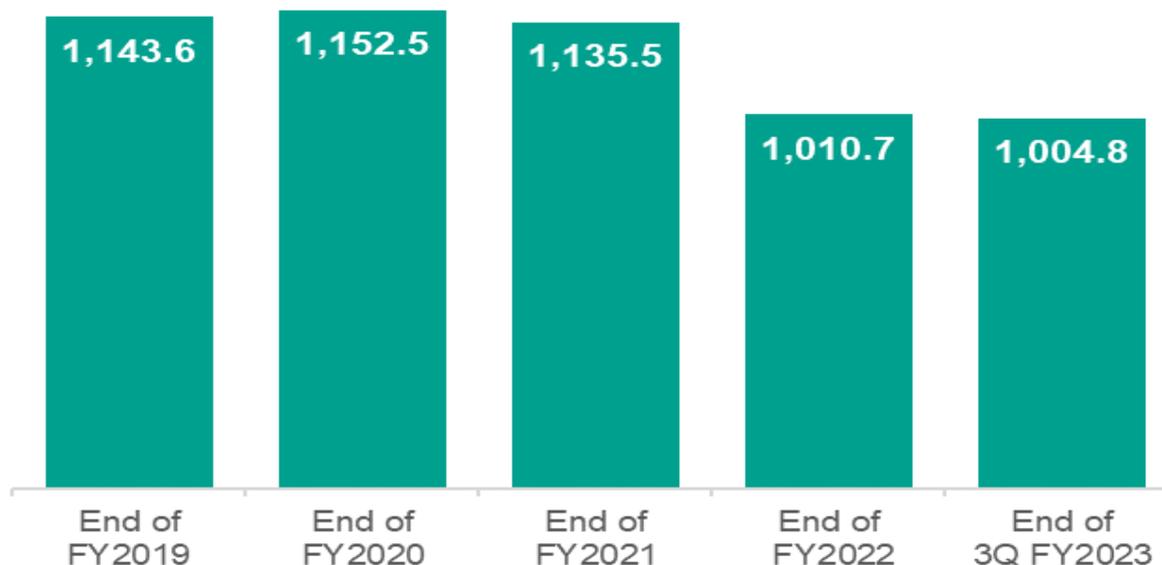
■ Consolidated solvency margin ratio

	End of FY2022	End of 3Q FY2023	Difference
Consolidated solvency margin ratio*	1,010.7%	1,004.8%	-5.9pts

- Consolidated solvency margin ratio remained stable at a high level of 1,004.8% compared to the end of FY2022, demonstrating continued strong financial health.

■ Trend of consolidated solvency margin ratio

(%)



* 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 business improvements or other administrative orders issued by a supervisory authority.

1. Insurance Premiums and Other

■ Insurance premiums and other

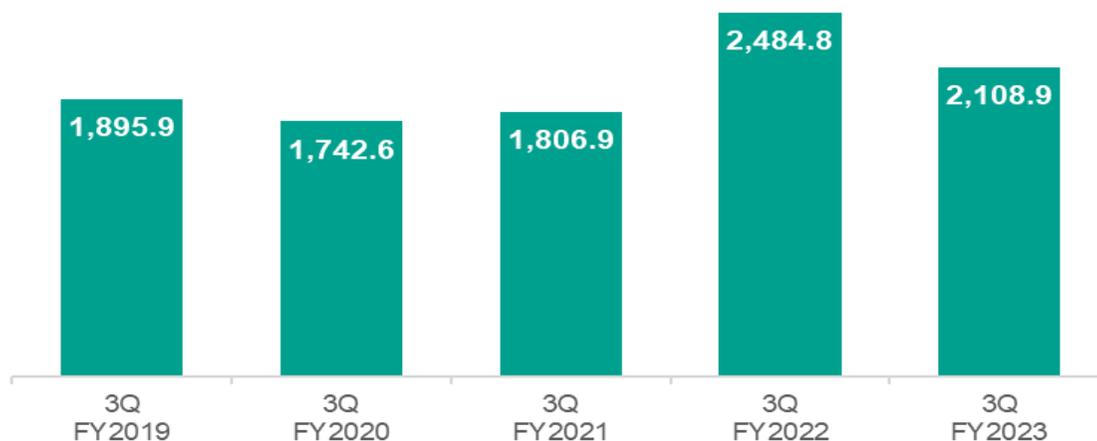
(Billions of yen)

	3Q FY2022	3Q FY2023	Change
Insurance premiums and other	2,484.8	2,108.9	-15.1%
Individual life insurance and annuities	1,841.6	1,508.2	-18.1%
Agency channel	1,307.3	1,190.0	-9.0%
Bancassurance channel	507.6	291.4	-42.6%
Group insurance	219.9	223.2	+1.5%
Group pensions	393.4	345.9	-12.1%

- Insurance premiums and other decreased by 15.1% year-on-year to 2,108.9 billion yen.
- This was mainly due to sales decrease in foreign currency-denominated single premium products of agency channel and bancassurance channel.

■ Trends of insurance premiums and other

(Billions of yen)



2. Annualized New Premiums/Annualized Premiums in Force (Individual Life Insurance and Annuities)

■ Annualized new premiums

(Billions of yen)

	3Q FY2022	3Q FY2023	Change
Annualized new premiums	127.9	96.6	-24.4%
Agency channel	97.3	78.7	-19.0%
Bancassurance channel	29.6	16.8	-43.2%
Protection-type products *1	32.7	34.7	+6.0%
Third-sector insurance premiums*2	35.0	36.5	+4.4%

■ Annualized premiums in force

(Billions of yen)

	End of FY2022	End of 3Q FY2023	Difference
Annualized premiums in force	2,170.5	2,165.3	-0.2%
Protection-type products *1	615.0	621.7	+1.1%
Third-sector insurance premiums*2	488.7	499.8	+2.3%

- Annualized new premiums decreased by 24.4% to 96.6 billion yen from 3Q FY2022 mainly due to sales decrease in foreign currency-denominated single premium products.
- Annualized premiums in force remained at the same level as the end of FY2022.

*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. Base Profit

■ Base profit

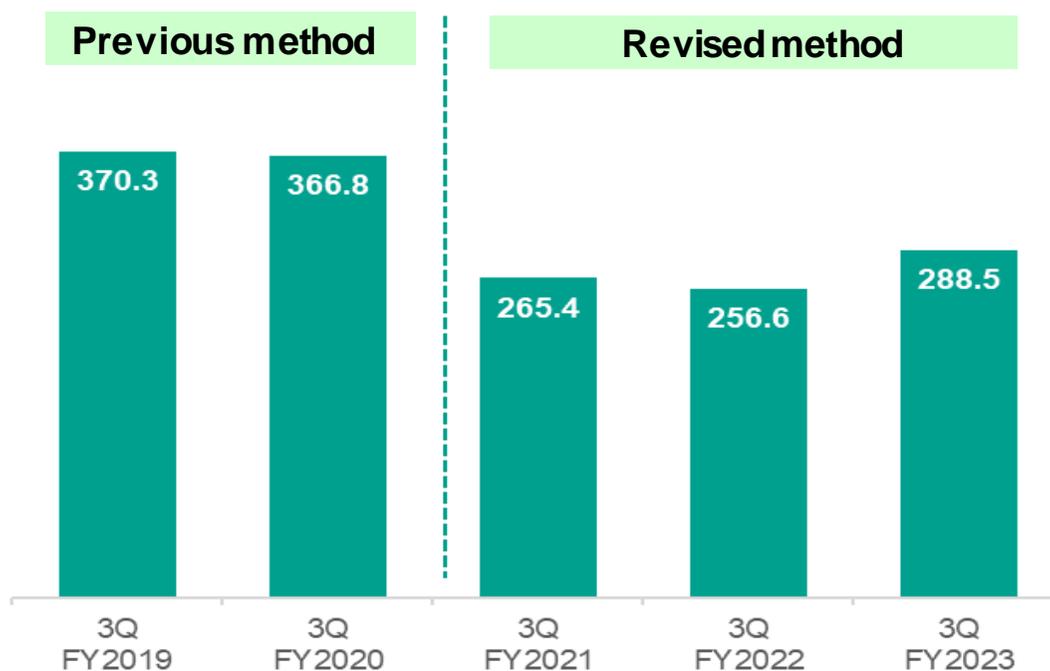
(Billions of yen)

	3Q FY2022	3Q FY2023	Change
Base profit	256.6	288.5	+12.4%

- Base profit increased by 12.4% year-on-year to 288.5 billion yen due to decrease in claim payment related to COVID-19.

■ Trends of base profit *

(Billions of yen)



* 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 3Q FY2021, 3Q FY2022 and 3Q FY2023 are calculated by the revised method.

4. Indicators of Soundness

■ On-balance sheet capital

(Billions of yen)

	End of FY2022	End of 3Q FY2023	Difference
On-balance sheet capital *	4,248.0	4,275.6	+27.6

■ Solvency margin ratio

(Billions of yen)

	End of FY2022	End of 3Q FY2023	Difference
Solvency margin ratio	980.8%	992.5%	+11.7pts
Solvency margin total	8,567.5	9,848.8	+1,281.3
Risk total	1,746.9	1,984.4	+237.5

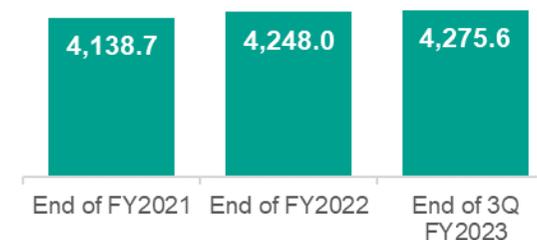
■ Real net assets

(Billions of yen)

	End of FY2022	End of 3Q FY2023	Difference
Real net assets	8,614.8	9,318.3	+703.5
Ratio for general account assets	19.7%	20.8%	+1.1pts

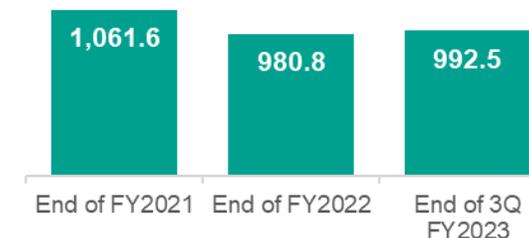
■ Trends of on-balance sheet capital

(Billions of yen)



■ Trends of solvency margin ratio

(%)



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

5. Unrealized Gains and Breakeven Point of Domestic Stocks

■ Unrealized gains in general account investment assets

(Billions of yen)

	End of FY2022	End of 3Q FY2023	Difference
Unrealized gains in general account	4,320.8	5,016.5	+695.6
Securities with market price ^{*1}	3,686.2	4,384.8	+698.5
Domestic bonds	752.7	16.1	-736.5
Domestic stocks	2,958.2	3,904.5	+946.3
Foreign securities	-70.2	365.8	+436.0
Real estate	615.8	620.8	+5.0

■ Breakeven point of domestic stocks

If Meiji Yasuda's portfolio fully correlates with TOPIX.

	End of FY2022	End of 3Q FY2023 ^{*2}
TOPIX	Approx. 690pts	Approx. 670pts

- Unrealized gains in general account increased by 695.6 billion yen to 5,016.5 billion yen.
- The unrealized gains and losses on government bonds worsened due to the increase in domestic interest rates. However, the unrealized gains and losses on domestic stocks and foreign securities improved due to the rise in domestic and foreign stock prices and the weaken yen.

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

^{*2} Breakeven point in Nikkei 225 basis was estimated approximately JPY9,500.

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

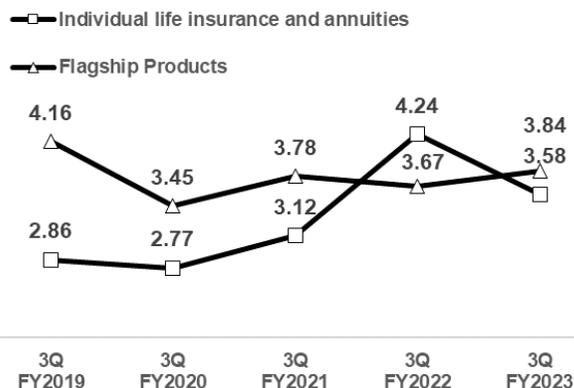
■ Surrender and lapse rate*1 (individual life insurance and annuities)

	3Q FY2022	3Q FY2023	Difference
Individual life insurance and individual annuities	4.24%	3.58%	-0.66pts
Flagship products *2	3.67%	3.84%	+0.17pts

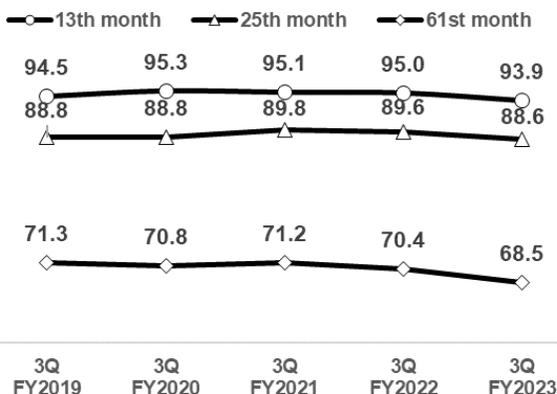
■ Total persistency rate*3 (individual life insurance and annuities)

	3Q FY2022	3Q FY2023	Difference
13th month	95.0%	93.9%	-1.1pts
25th month	89.6%	88.6%	-1.0pts
61st month	70.4%	68.5%	-1.9pts

■ Surrender and lapse rate (%)



■ Total persistency rate (%)



- Surrender and lapse rate improved year-on-year and remained low due to decreasing surrender of foreign currency-denominated single premium products.
- 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 represent “Best Style” and “L.A.”.

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

Insurance Premiums, Base Profit and Net Income of StanCorp

■ Insurance premiums, base profit and net income*1,

(Billions of yen)

	3Q FY2022	3Q FY2023	Change*4
Insurance premiums and other	349.4	378.1	+8.2%
Base profit equivalents*2	26.9	53.6	+99.2%
Net income*3	13.9	14.4	+3.5%

*1 StanCorp's 3Q results from January to September 2023 are reflected in the Group's 3rd results from April to December 2023 because of the difference of accounting period.

*2 Base profit equivalents are based on pretax profit from which capital gains/losses, intangible asset amortization associated with purchase accounting and others are deducted.

*3 Started Amortization of goodwill since FY2023. Net income before amortization of goodwill is 30.4 billion yen.

*4 Change is calculated based on Japanese yen. Change based on USD is +4.8% in insurance premium and other, and +92.9% in base profit equivalents.

* Exchange rates of 144.81 (as of the end of September 2022) and 149.58 (as of the end of September 2023) per USD are applied to 3Q FY2022 and 3Q FY2023, respectively.

- Insurance premiums and other increased year-on-year due to the favorable persistency rate of group insurance and an increase in the number of persons insured in existing groups.
- Base profit equivalents increased significantly year-on-year mainly due to favorable claim payments in the group insurance, individual disability insurance businesses.

Business Outlook for FY2023

■ Outlook for insurance premiums of the Group (Billions of yen)

	FY2023 Outlook ^{*1}	Change	FY2022 actual
Insurance premiums of the Group ^{*2}	Approx. 3,100.0	Decrease (-16%)	3,670.2
Meiji Yasuda Life	Approx. 2,600.0	Decrease (-19%)	3,203.6
StanCorp	Approx. 470.0	Increase (+10%)	426.4

■ Outlook for revised base profit of the Group (Billions of yen)

	FY2023 Outlook ^{*1}	Change	FY2022 actual
Base profit of the Group	Approx. 450.0	Increase (+12%)	401.8
Meiji Yasuda Life	Approx. 400.0	Increase (+8%)	371.6
StanCorp	Approx. 62.0	Increase (+73%)	35.9

*1 Outlook is based on our current information and reasonable assumption. Actual financial results may be different from this outlook due to various factors.

*2 Insurance premiums of the Group represent "Insurance premiums and other" in the consolidated statements of income.

- Business outlook for FY2023 has not changed from the report of the 1st half of FY2023.
- Insurance premiums of the Group are expected to decrease, while exceeding 3 trillion yen.
- Base profit of the Group are expected to increase mainly due to decrease in claim payments related to COVID-19, and the increase in base profit at StanCorp, major U.S. subsidiary.