Status of Meiji Yasuda NEXT Challenge Program
(April 2014 – September 2015)

December 2015
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<td>15</td>
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<td>17</td>
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</tbody>
</table>
In April 2014, we launched the Meiji Yasuda NEXT Challenge Program, a three-year plan that entails the implementation of the Medium-Term Business Plan and the Kando Realization Project. Under this program, we will persist with and advance our longstanding efforts to enhance customer satisfaction.

Meiji Yasuda Challenge Plan
Proactively seek to enhance customer satisfaction and achieve stable growth

Medium-Term Business Plan
- Implement drastic reforms in our key distribution channel of agency
- Diversify our sales channels and develop new markets
- Further strengthen core functions and capital and financial base

MOT Project Phase II for Creating a New Corporate Culture
Promote a corporate culture that supports enhanced customer satisfaction

Meiji Yasuda New Development Plan
Achieve stable and long-term growth over the future

Medium-Term Business Plan
- Secure sustainable growth potential in domestic life insurance business
- Actively invest in growth markets, such as the overseas insurance business and the nursing care service business
- Adopt sophisticated risk management and strengthen the capital and financial base

MOT Project Phase III for Further Enhancing Customer Satisfaction
Raise employees' awareness and facilitate their actions toward creating a company that places utmost value on customers

Medium-Term Business Plan
- Become a life insurer capable of providing each customer with inspiring experience that makes an impression
- Steady Improvement of corporate value

Brand Strategy
- Establish an unrivaled brand image based on excellence in face-to-face after-sales service

Growth Strategy
- Enrich the lineup of our products such as medical and nursing care insurance
- Expand the overseas insurance business

Operating Base Reinforcement
- Enhance capital management and sophisticate risk management

Kando Realization Project
Create a new corporate culture that encourages each employee's challenge and support team spirit

* Sales personnel is named MY life plan advisors

Steadily improved customer satisfaction
Achieved growth in premium income for the fourth consecutive year
Initiated the development of the overseas insurance market

Improved customer satisfaction to a record-high level
Achieved an annual increase in profit for the fourth consecutive year and secured a positive spread for the third consecutive year
Expanded into new overseas insurance markets
In addition to our continuous initiatives to pursue customers’ satisfaction, through the “Meiji Yasuda NEXT Challenge Program”, we are taking another step forward to transform ourselves into a life insurer capable of providing impression to customers. With this target we are promoting our initiatives in the growth sector, reinforcing our operating base to allow and support this initiative, and also challenging to create a new corporate culture.

**Meiji Yasuda NEXT Challenge Program**

- **Brand Strategy**
  - Provide active, face-to-face after-sales services and establish an unrivaled brand image based on excellence in such services

- **Growth Strategy**
  - Enrich the lineup of our products and services in the domestic life insurance business, such as those in the areas of medical and nursing care insurance, to accurately address customer needs while proactively expanding the overseas insurance business

- **Operating Base Reinforcement**
  - Maintain financial soundness and secure an even stronger financial base through the maintenance of an adequate level of capital as well as sophisticated enterprise risk management while simultaneously nurturing and securing human resources with a perpetual drive for taking on challenges

**The Kando Realization Project**

Create a new corporate culture that encourages each employee to proactively take on challenges and fosters deep bonds of trust and understanding between employees that, in turn, create team strength

### FY 2016 Targets of the Medium-Term Business Plan

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Value (EEV)</strong>: $5,300 billion</td>
<td>Increased by approximately 25% from the end of FY2013 level</td>
</tr>
<tr>
<td><strong>Individual insurance marketing</strong></td>
<td>Annualized Premiums in Force: $2,198 billion Increased by approximately 5.5% from the end of FY2013 level</td>
</tr>
<tr>
<td><strong>Group insurance marketing</strong></td>
<td>Group life insurance: The maintenance of the No. 1 domestic market share Group pension: The maintenance of and stable increase in assets under management</td>
</tr>
</tbody>
</table>

* Based on the business environment as of the end of FY2013, the year in which the target has been established.
1. Management Targets

We are moving steadily toward the Medium-Term Business Plan goal in all management targets.

<table>
<thead>
<tr>
<th>Management Area</th>
<th>End of FY2015 1H</th>
<th>Change (Compared with the end of FY2013)</th>
<th>Medium-Term Business Plan targets (End of FY2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Value (EEV)*</td>
<td>¥ 4,862.7 bil.</td>
<td>+15.3%</td>
<td>¥ 5,300.0 bil.</td>
</tr>
<tr>
<td>Individual Insurance Marketing</td>
<td>Annualized Premiums in Force</td>
<td>¥ 2,131.3 bil.</td>
<td>+ 2.3%</td>
</tr>
<tr>
<td>Group Insurance Marketing</td>
<td>Group Life Insurance in Force</td>
<td>¥ 111.2 tril.</td>
<td>+ 0.2%</td>
</tr>
<tr>
<td></td>
<td>Group Pension Assets</td>
<td>¥ 7.2 tril.</td>
<td>+ 3.4%</td>
</tr>
</tbody>
</table>

**Corporate Value (EEV)**

- End of FY2013: ¥ 4,218.5
- End of FY2014: ¥ 4,675.5
- End of FY2015 1H: ¥ 4,862.7

**Annualized Premiums in Force (Individual Insurance Marketing)**

- End of FY2012: ¥ 2,025.3
- End of FY2013: ¥ 2,083.8
- End of FY2014: ¥ 2,099.3
- End of FY2015 1H: ¥ 2,131.3

* Based on the business environment as of the end of FY2013, the year in which the target has been established.
2. Business Performance

The overall results of insurance premiums and other income increased due to the strong performance in the Agency distribution channel, despite the decrease in the bancassurance channel due to the purposed tightening of the sales volume of single premium whole life insurance. Base profit increased for the three consecutive half-year.

**Insurance premiums and other income**

<table>
<thead>
<tr>
<th></th>
<th>End of FY2012 1H</th>
<th>End of FY2013 1H</th>
<th>End of FY2014 1H</th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group insurance marketing channel</td>
<td>1,827.1</td>
<td>1,917.3</td>
<td>1,806.8</td>
<td>1,812.1</td>
</tr>
<tr>
<td>Bancassurance channel</td>
<td>684.8</td>
<td>643.4</td>
<td>649.6</td>
<td>727.9</td>
</tr>
<tr>
<td>Agency distribution channel</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>

**Base profit**

<table>
<thead>
<tr>
<th></th>
<th>End of FY2012 1H</th>
<th>End of FY2013 1H</th>
<th>End of FY2014 1H</th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group insurance marketing channel</td>
<td>173.9</td>
<td>220.1</td>
<td>230.3</td>
<td>242.8</td>
</tr>
<tr>
<td>Bancassurance channel</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Agency distribution channel</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
</tbody>
</table>
Progress in the Medium-Term Business Plan

3. Management with an emphasis on balance

Considering the long term business characteristics of life insurance, we put value on the balance of the three point of views, “Growth”, “Profitability”, and “Soundness” and practice business management to pursue sustainable and stable growth.

- **Growth**
  - Annualized New Premiums including Third-sector insurance* steadily increased

- **Profitability**
  - Base profit increased for the three consecutive half-year

- **Soundness**
  - Solvency Margin Ratio maintained high level

Corporate Value (EEV) is making steady progress toward our Medium-Term Business Plan targets

* Medical and nursing care insurance
1. Brand Strategy

“Meiji Yasuda Life = After-Sales-Service”
We are building brand recognition based on excellence in after-sales service.

Promoting checkup of contract

○ Distributing “Anshin Roadmap” booklet to policyholders of “Best Style”, the comprehensive protection product.

○ Through our annual checkup visit to policyholders, we proactively check whether there are policies eligible for claims that can be applied for, and whether there is a gap between their needs and coverage.

Enhancing after-sales service tailored for the Elderly “MY Longevity Policy Checking Scheme”

○ The experience of The Great East Japan Earthquake and the ongoing graying society has reminded and taught us how important it is to adopt more sophisticated systems to ensure the prompt payment of insurance claims and benefits. “MY Longevity Policy Checking Scheme” covers all policyholders who reach the milestone ages celebrated in Japan of 77 (Kiju), 90 (Sotuju), 99 (Hakuju), 108 (Chaju), and 111 (Koju) to check whether they have policies eligible for claims that they need to apply for and reconfirm their latest contact information. Approximately 90,000 policies have been and will be checked during FY2015.

○ “MY Anshin Family Registration Scheme”, a scheme registering a policyholder’s secondary contact, allows to swiftly reestablish communication in case policyholder service notifications sent by the Company are not properly delivered or contact becomes difficult to establish (launched in October 2014, approximately 240,000 policyholders with a total of 400,000 policies, mainly of the elderly, subscribed for this registration scheme as of September 30, 2015)
Our Community Contribution Activities through Meiji Yasuda J. League

- Through the title partner contract with J. League and sponsorship contract with all member clubs, we cheer J. League and local football clubs under the slogan “supporters across-the-board”. By the end of November, Approximately 125,000 employees and customers went to stadiums to watch a game.

- As of early November 2015, we were able to hold football clinics for elementary school students on 147 occasions in areas throughout Japan with the cooperation of J. League and the clubs. A total of around 12,000 children and their parents had participated in the clinics.

- We are a special sponsor of the Meiji Yasuda Life J. League Championship, the year’s final match held in December 2015. We continuously contribute to the vitalization of local society and the sound upbringing of children.

Community Safety Initiative

- Since September 2014, we have been implementing the Community Safety Initiative in tandem with Meiji Yasuda Labor Union. In this way, we contribute to society on local level.

- This community-based initiative is undertaken in collaboration with the National Police Agency while strengthening relationships with local governments through agreements that register the Company in these official partnerships. The initiative was featured on the Annual Health, Labour and Welfare Report 2014-2015.
2. Growth Strategy (Agency distribution channel)

“Best Style” recorded a cumulative total sales of more than 750,000 policies*. “Medical Style F”, a medical insurance product, and “Pioneer Care Plus”, a whole-life nursing care insurance product, are also showing strong sales.

* Sales results from the product release in June 2014 to November 2015

** Sales results from August 2015 to September 2015

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Sales of main products
(Number of policies)

<table>
<thead>
<tr>
<th></th>
<th>Results</th>
<th>Change (year-on-year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical and nursing care insurance</td>
<td>53</td>
<td>44.3%</td>
</tr>
<tr>
<td>Medical Style F</td>
<td>27</td>
<td>-</td>
</tr>
<tr>
<td>Pioneer Care Plus</td>
<td>4</td>
<td>-</td>
</tr>
</tbody>
</table>

* Sales results from June 2015 to September 2015
** Sales results from August 2015 to September 2015

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Sales of medical and nursing care insurance
(Number of policies)

- *Before June 2014, total number of policies include “Life Account L.A” and “Ashita no Mikata”.
- From June 2014, total number of policies include “Best Style”, “Life Account L.A” and “Ashita no Mikata”
Annualized New Premiums and Annualized New Premiums of Third sector insurance* (in Individual insurance marketing) are in good shape due to the strong sales of main, medical and nursing insurance products.

* Medical and nursing care insurance
3. **Growth Strategy** (Group insurance marketing channel)

“Group Life Insurance in Force” and “Group Pension Assets” have been steadily increasing, and we maintain the top marketing share in Group life insurance.

**Group Life Insurance in Force**

<table>
<thead>
<tr>
<th></th>
<th>End of FY2012 1H</th>
<th>End of FY2013 1H</th>
<th>End of FY2014 1H</th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group Life</strong></td>
<td>109.3</td>
<td>109.9</td>
<td>110.7</td>
<td>111.2</td>
</tr>
</tbody>
</table>

**Group Pension Assets**

<table>
<thead>
<tr>
<th></th>
<th>End of FY2012 1H</th>
<th>End of FY2013 1H</th>
<th>End of FY2014 1H</th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pension</strong></td>
<td>6.54</td>
<td>6.89</td>
<td>7.06</td>
<td>7.20</td>
</tr>
</tbody>
</table>
Status of the Medium-Term Business Plan

4. Growth Strategy (Administrative Service)

Improving our underwriting, policy maintenance, and payment services through “Administrative Service Reforms” and “Underwriting Service Reforms” to make the procedures simple and quick

- **Underwriting Service Reforms**
  - Stepping up the underwriting of medical insurance, nursing care insurance and other policies for middle-aged or older customers
  - Introducing electronic forms for new policies to enhance our underwriting service capability

- **Administrative Service Reforms**
  - Promoting the use of electronic forms in policy maintenance procedures, providing cashless services from the payment of the first premium
  - Reviewing our in-house rule to simplify administrative services and application procedures reflecting the needs of the elderly
  - Enhancing sales personnel’s support for the procedure of maturity benefits and annuity payments

- **Payment**

  ≪Average days required for the payments of insurance claims and benefit, counted from the main office’s acceptance date≫

<table>
<thead>
<tr>
<th></th>
<th>End of FY2012 1H</th>
<th>End of FY2013 1H</th>
<th>End of FY2014 1H</th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance claims</td>
<td>1.76</td>
<td>1.45</td>
<td>1.44</td>
<td><strong>1.31</strong></td>
</tr>
<tr>
<td>Benefits</td>
<td>1.79</td>
<td>1.51</td>
<td>1.61</td>
<td><strong>1.42</strong></td>
</tr>
</tbody>
</table>
5. **Growth Strategy (Overseas insurance business)**

In July 2015, the Company entered into a definitive agreement to acquire 100% shares of StanCorp Financial Group, Inc. Through enhancing profits and diversifying the business portfolio (dispersing business risk) of the entire group, the Company aims to further improve value for policyholders.

### (1) Strategic Rationale of the Transaction

**Establish More Stable and Sustainable Profit and Business Base Through Promoting Overseas Business**

- **Enlarge Profit Base**
  - (Improvement of Profitability)

- **Diversify Business Portfolio**
  - (Diversify Business Risk)

**Enhance Policyholder Benefits**

- Further strengthen insurance claims and benefits payment capability
- Secure source of funds to provide stable policyholder dividends going forward
- Further improve insurance products and after-sales services

### (2) Key Strengths of StanCorp

1. **Leading Provider of Group Life and Disability Products**
   - (8th in group life / AD&D insurance, 5th in group long-term disability insurance, 5th in group short-term disability insurance)*
   - *Ratings based on 2013 In-force Premiums

2. **Consistent Long-term Growth and Profitability Generated By Robust Business Model**
   - 2010-14 net income CAGR: 3.1%, 2010-14 average ROE: 8.9%

3. **Solid Financial Strength**
   - (Credit ratings: A+ (S&P) / A2 (Moody’s) / A (A.M.Best) as of June 30, 2015)*
   - *Ratings of insurance subsidiaries

4. **Trusted and Talented Management Team with Culture of Internal Development**
(3) Progress in our Overseas Insurance Business

Before FY2010
- Brokerage of insurance products for Japanese companies abroad, and reinsurance business

Meiji Yasuda New Development Plan (FY2011-FY2013)
- Acquiring minority stakes abroad, considering relationships with the partner and local regulation
- Joint business development
- Search and promote minority investment opportunities in developing countries
- ● Taranx AG (Germany) Alliance formed in FY 2010
- ● Founder Meiji Yasuda Life Insurance Co., Ltd. (China) Made affiliate in FY 2010

Meiji Yasuda NEX Challenge Program (FY2014-FY2016)
- Focusing on majority investments to acquire management rights
- ● StanCorp Financial Group (U.S.A.)
- ● Founder Meiji Yasuda Life Insurance Co., Ltd. (China) Made affiliate in FY 2010
- ● TUIR Warta S.A. (Poland) Made affiliate in FY 2012
- ● TU Europa S.A. (Poland) Made affiliate in FY 2012
- ● TU Europa S.A. (Poland) Made affiliate in FY 2012
- ● StanCorp Financial Group (U.S.A.)
- ● Made affiliate in FY 2012
- ● PT Avrist Assurance (Indonesia) Made affiliate in FY 2012
- ● Thai Life Insurance Public Company Limited (Thailand) Made affiliate in FY 2013
- ● Founder Meiji Yasuda Life Insurance Co., Ltd. (China) Made affiliate in FY 2010
6. Operating Base Reinforcement (Maintaining and enhancing financial soundness)

We have been adapting to the ultra-low interest rate environment, enhancing the surplus management type of asset liability management, reducing risk and increasing own capital to maintain superior financial soundness.

<table>
<thead>
<tr>
<th></th>
<th>End of FY2015 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solvency margin ratio</td>
<td>988.5%</td>
</tr>
<tr>
<td>Real net assets</td>
<td>¥8,429.2 bil.</td>
</tr>
<tr>
<td>Ratio in general account investment assets</td>
<td>23.8%</td>
</tr>
<tr>
<td>Unrealized gains in general account investment assets</td>
<td>¥5,180.7 bil.</td>
</tr>
<tr>
<td>Securities with market price*</td>
<td>¥4,846.7 bil.</td>
</tr>
</tbody>
</table>

* Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act
We promote stewardship initiatives and strengthen corporate governance while corresponding to the Social Security and Tax Number System.

**Stewardship Initiatives**

- We established the Responsible Investment Promotion Committee, which serves as an advisory body to the Management Council and verifies the appropriateness of dialogue with investees through the monitoring of their status to encourage them to achieve sustainable growth.
- We have been engaged in dialogue with 561 investees on 733 occasions between September 2014 and June 2015, and confirmed their initiatives while encouraging them to make improvements.

<table>
<thead>
<tr>
<th>Management issues discussed</th>
<th>Number of companies</th>
<th>Concrete steps or expected improvements</th>
<th>Number of companies that took concrete steps or achieved improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absence of outside directors</td>
<td>307</td>
<td>• Appointed outside directors</td>
<td>247</td>
</tr>
<tr>
<td>Insufficient shareholder returns</td>
<td>44</td>
<td>• Increased dividends and dividend payout ratio</td>
<td>31</td>
</tr>
<tr>
<td>Sluggish business performance (including continuously low ROE or non-payment of dividends)</td>
<td>29</td>
<td>• Improved ROE</td>
<td>12</td>
</tr>
<tr>
<td>Retirement benefit schemes for outside corporate auditors</td>
<td>51</td>
<td>• Abolished the retirement benefit scheme</td>
<td>2</td>
</tr>
<tr>
<td>Installation of problem anti-takeover measures</td>
<td>6</td>
<td>• Improved the content of anti-takeover measures</td>
<td>1</td>
</tr>
</tbody>
</table>

* Companies may be counted multiple times if they are engaged in dialogue on multiple issues.

**Initiatives to Strengthen Corporate Governance**

- Although “Corporate Governance Code” is not directly applied to a mutual company, we comply with this regulation that took effect in June 2015.
  - "Corporate Governance Guidelines” is established and announced in July 2015
  - "Corporate Governance Report” is announced in July 2015

**Corresponding to the Social Security and Tax Number System**

- Developing information management structure
- Distributing our original guidance booklet to customer to assist them understand the system overview
**Main Actions**

- Collect customer feedback to share best practices that made an impression
- Initiatives aimed at providing customer with better hospitality by after-sales service
- Implement organizational and team initiatives to support individuals’ taking on challenges
- Share our vision through direct dialogue between management and employees
- Foster a sense of unity among employees and contribute to society through Meiji Yasuda J.League
- Commend employees who provide particularly excellent customer service

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**Case Approach**

- We place utmost value on hospitality for customer through face-to-face consultations and after sales service.
- We promote “MY Message Activity” nationwide, sending message cards on milestone events like birthday and policy anniversary date through MY life plan advisors.

**Message cards**

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*Moment of Truth Campaign: An initiative carried out in small groups to create more “moments of truth,” in which our services provided customers with an inspiring experience that made them sure that Meiji Yasuda Life really was the best choice for them*