

August 10, 2016  
Meiji Yasuda Life Insurance Company

## Financial Results for the Three Months Ended June 30, 2016 (Summary)

### 1. Business Performance

- ◇ Due to controlling the sales of saving products through changing the assumed interest rate and suspending the sales of single premium whole life insurance in the low interest rate environment, insurance premiums and other income amounted ¥748.6 billion as planned. Decreased by 23.0% year-on-year.
- ◇ Annualized new premiums of third-sector insurance increased by 21.7% year-on-year due to the continuing strong sales of the comprehensive protection product "Best Style" and other protection products.
- ◇ Annualized premiums from business in force amounted ¥2,210.9 billion, increased by 0.7% compared with the end of fiscal 2015.

#### ○ Breakdown of insurance premiums income

(billions of yen)

	Three months ended		Three months ended June 30, 2015
	June 30, 2016	Change	
Insurance premiums and other	748.6	-23.0%	971.9
Individual life insurance and annuities	499.7	-20.8%	631.1
Agency Distribution Channel	348.1	-10.9%	390.8
Bancassurance Channel	135.2	-39.2%	222.5
Group life insurance and group pensions	239.3	-27.6%	330.8

#### ○ Annualized new premiums

(individual life insurance and annuities)

(billions of yen)

	Three months ended		Three months ended June 30, 2015
	June 30, 2016	Change	
Annualized new premiums	44.2	-9.6%	49.0
Third-sector insurance* premiums	10.5	+21.7%	8.6

\*Third-sector insurance includes benefits related to medical insurance, living benefits and premium payment waiver

#### ○ Annualized premiums from business in force

(individual life insurance and annuities)

(billions of yen)

	As of June 30, 2016		As of March 31, 2016
		Change	
Annualized premiums	2,210.9	+0.7%	2,196.6

«Reference» Quality indicators of policies

○ Surrender, lapse and partial surrender (individual life insurance and annuities) (billions of yen, %)

	Three months ended June 30, 2016		Three months ended June 30, 2015
		Change	
Annualized premiums of surrendered, lapsed and partial surrendered	20.9	-2.2%	21.4
Surrender, lapse and partial surrender rate	0.95	-0.05 pts	1.00

Note: The calculation of surrender, lapse and partial surrender rate is the ratio of annualized premiums of surrendered, lapsed and partial surrendered policies against annualized premiums from business in force at the beginning of the fiscal year.

○ Persistency rate (individual life insurance and annuities) (%)

	Three months ended June 30, 2016		Three months ended June 30, 2015
		Change	
13th month persistency rate	95.7	+2.0 pts	93.6
25th month persistency rate	86.3	-1.6 pts	87.8

Note: The calculation of persistency rate is based on the policy amounts.

## 2. Indicators of profitability

◇ Base profit totaled ¥87.7 billion, decreased ¥27.8 billion year-on-year. Interest and dividends income, and gains on redemption of securities decreased due to the appreciation of the yen.

○ Base profit (billions of yen)

	Three months ended June 30, 2016		Three months ended June 30, 2015
		Change	
Base profit	87.7	(27.8)	115.5

«Reference»

○ Capital gains/losses (billions of yen)

	Three months ended June 30, 2016		Three months ended June 30, 2015
		Change	
Capital gains/losses	(137.3)	(98.9)	(38.4)
Gains/Losses on valuation of securities	(125.4)	(119.2)	(6.2)
Domestic stocks	(6.3)	(0.1)	(6.2)
Foreign securities	(119.1)	(119.1)	-

### 3. Indicators of financial soundness

- ◇ Solvency margin ratio decreased compared with the end of fiscal 2015 due to the decrease of net unrealized gains on available-for-sale securities. However, the ratio continues to show superior financial soundness.
- ◇ Unrealized gains in general account investment assets totaled ¥6,508.0 billion, increased ¥337.2 billion compared with the end of fiscal 2015.

#### ○ Solvency margin ratio

(billions of yen, %)

	As of June 30, 2016		As of March 31, 2016
		Change	
Solvency margin ratio	891.1	-47.4 pts	938.5
Total solvency margin (A)	6,286.1	(519.3)	6,805.4
Total risk (B)	1,410.7	(39.4)	1,450.2

Note: Solvency margin ratio = (A)/(1/2x(B))x100

Calculated by the method deemed to be reasonable in accordance with the laws and regulations

#### ○ Real net assets

(billions of yen, %)

	As of June 30, 2016		As of March 31, 2016
		Change	
Real net assets	9,634.4	118.8	9,515.6
Ratio in general account investment assets	27.2	+0.6 pts	26.6

Note: Calculated by the method deemed to be reasonable in accordance with the laws and regulations

#### ○ Internal reserves

(billions of yen)

	As of June 30, 2016		As of March 31, 2016
		Change	
Internal reserves	2,195.1	(94.4)	2,289.5

#### ○ Unrealized gains in general account investment assets

(billions of yen)

	As of June 30, 2016		As of March 31, 2016
		Change	
Unrealized gains in general account investment assets	6,508.0	337.2	6,170.7
Securities with market price*	6,200.3	379.8	5,820.4
Domestic bonds	3,953.7	792.7	3,161.0
Domestic stocks	1,606.8	(180.9)	1,787.7
Foreign securities	608.3	(220.3)	828.7

\*Including securities that are deemed appropriate to handle under the Financial Instruments and Exchange Act

#### ○ Breakeven Points

Breakeven Points indicate the level of Nikkei 225/TOPIX at which unrealized gains and losses cancel out on domestic stocks held if the Company's portfolio and the market indices fully correlate

	As of June 30, 2016	As of March 31, 2016
Nikkei 225	Approx. 8,100 yen	Approx. 8,100 yen
TOPIX	Approx. 650 pts	Approx. 650 pts

Note: The approximate breakeven points are ¥8,200 for Nikkei 225 and 660 pts for TOPIX as calculated based on the historical correlation coefficient between the Company's portfolio and stock market indices.

## 4. Results of the Group

- ◇ Business results of StanCorp are added up corresponding to their results of March, 2016, when the acquisition was completed.
- ◇ Base profit of the Group amounted the same level of base profit of Meiji Yasuda Life, due to the elimination of dividend to Meiji Yasuda Life from the Group companies.

(billions of yen)

	Three months ended June 30, 2016
Insurance premiums of the Group*1	777.4
Base profit of the Group*2, *3	86.9

\*1 Insurance premiums of the Group is "Insurance premiums and other" in the Consolidated Statements of Income.

\*2 Base profit of the Group is the total of Base profit of Meiji Yasuda Life 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 is partially eliminated. Business results of StanCorp are added up before deducting amortization expenses of the value of in-force business and others effected by purchase accounting.

\*3 Business results of StanCorp are added up corresponding to their results during March, 2016 (the acquisition month).

## (Reference) FY2016 Business Outlook

◇ No changes of FY2016 business outlook from the announcement of FY2015 Financial Results

○ Non-Consolidated Business Outlook

(billions of yen)

	FY2016	FY2015 (Actual)
Insurance premiums and other	Approx. 2,620.0	3,357.8
Base profit	Approx. 430.0	459.9

(billions of yen)

	End of FY2016	End of FY2015 (Actual)
Corporate value (EEV)	Approx. 5,300.0	5,059.9

<Reference> Meiji Yasuda Group Business Outlook

(billions of yen)

	FY2016	FY2015 (Actual)
Insurance premiums of the Group*1	decrease	3,381.6
Base profit of the Group*2	flat	466.0

\*1 Insurance premiums of the Group is "Insurance premiums and other" in the Consolidated Statements of Income. Outlook for FY2016 include insurance premiums of StanCorp.

\*2 Base profit of the Group is the total of Base profit of Meiji Yasuda Life 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 is partially eliminated. Outlook of base profit of the Group for FY2016 include profits of StanCorp, which is calculated before deducting amortization expenses of the value of in-force business and others effected by purchase accounting.