
Financial Results for the three Months Ended June 30, 2011

The Dai-ichi Frontier Life Insurance Co., Ltd. (the "Company"; President: Satoru Tsutsumi) announces its financial results for the three months ended June 30, 2011.

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Please note that this is an unofficial translation of the original disclosure in Japanese.

1. Business Highlights

(1) Policies in Force and New Policies

Policies in Force

	As of June 30, 2011				As of March 31, 2011	
	Number of Policies		Amount		Number of Policies (thousands)	Amount (millions of yen)
	(thousands)	% of March 31, 2011 total	(millions of yen)	% of March 31, 2011 total		
Individual insurance	0	166.7	1,885	214.4	0	879
Individual annuities	266	103.0	1,472,295	102.6	258	1,435,273
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payment when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

New Policies

	Number of Policies		Amount			
	(thousands)	% of June 30, 2010 total	(millions of yen)	% of June 30, 2010 total	New Business	Net increase from conversions
Three months ended June 30, 2010						
Individual insurance	-	/	-	/	-	-
Individual annuities	15	/	80,540	/	80,540	-
Group insurance	-	/	-	/	-	-
Group annuities	-	/	-	/	-	-
Three months ended June 30, 2011						
Individual insurance	0	-	1,009	-	1,009	-
Individual annuities	9	59.3	47,340	58.8	47,340	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments when they commence.

(2) Annualized Net Premiums

Policies in Force

(millions of yen except percentages)

	As of June 30, 2011		As of March 31, 2011
		% of March 31, 2011 total	
Individual insurance	155	213.3	72
Individual annuities	152,941	103.4	147,933
Total	153,096	103.4	148,006
Medical and survival benefits	-	-	-

New Policies

(millions of yen except percentages)

	Three months ended	Three months ended	% of June 30, 2010 total
	June 30, 2010	June 30, 2011	
Individual insurance	-	82	-
Individual annuities	8,813	6,038	68.5
Total	8,813	6,121	69.5
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

2. Investment Results of General Account

(1) Asset Composition

(millions of yen except percentages)

	As of June 30, 2011		As of March 31, 2011	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	14,531	4.7	17,228	6.1
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary claims bought	-	-	-	-
Trading account securities	-	-	-	-
Money held in trust	37,548	12.0	41,659	14.8
Securities	213,720	68.6	178,119	63.2
Domestic bonds	147,647	47.4	131,041	46.5
Domestic stocks	-	-	-	-
Foreign securities	66,072	21.2	47,078	16.7
Foreign bonds	59,620	19.1	41,366	14.7
Foreign stocks and other securities	6,451	2.1	5,712	2.0
Other securities	-	-	-	-
Loans	-	-	-	-
Real estate	-	-	-	-
Deferred tax assets	-	-	-	-
Other	45,888	14.7	44,953	15.9
Reserve for possible loan losses	(28)	(0.0)	(28)	(0.0)
Total	311,660	100.0	281,931	100.0
Foreign currency-denominated assets	38,084	12.2	17,164	6.1

(2) Fair Value Information on Securities (securities with fair value except trading securities)

(millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of June 30, 2011					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	204,520	207,268	2,748	3,547	799
Domestic bonds	145,386	147,647	2,261	2,907	645
Domestic stocks	-	-	-	-	-
Foreign securities	59,134	59,620	486	640	153
Foreign bonds	59,134	59,620	486	640	153
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary claims bought	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	204,520	207,268	2,748	3,547	799
Domestic bonds	145,386	147,647	2,261	2,907	645
Domestic stocks	-	-	-	-	-
Foreign securities	59,134	59,620	486	640	153
Foreign bonds	59,134	59,620	486	640	153
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary claims bought	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
As of March 31, 2011					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	170,207	172,407	2,199	2,756	557
Domestic bonds	129,092	131,041	1,948	2,351	403
Domestic stocks	-	-	-	-	-
Foreign securities	41,114	41,366	251	405	154
Foreign bonds	41,114	41,366	251	405	154
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary claims bought	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	170,207	172,407	2,199	2,756	557
Domestic bonds	129,092	131,041	1,948	2,351	403
Domestic stocks	-	-	-	-	-
Foreign securities	41,114	41,366	251	405	154
Foreign bonds	41,114	41,366	251	405	154
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary claims bought	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-

Book values of securities for which it is not practicable to determine fair value

Not applicable.

(3) Fair Value Information on Money Held in Trust

(millions of yen)

	Carrying value on the balance sheet	Fair value	Gains (losses)	
			Gains	Losses
As of June 30, 2011	37,548	37,548	(911)	911
As of March 31, 2011	41,659	41,659	(4,666)	4,666

Note: Market price equivalents appearing in this table are based on prices calculated using a reasonable method by trustees of money held in trust.

Gains(losses) are valuation gains(losses) that were included in the statement of earnings.

*Information on money held in trust for investment purposes is as follows:

(millions of yen)

	As of June 30, 2011		As of March 31, 2011	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings
Money held in trust for investment purposes	37,548	(911)	41,659	(4,666)

*Information on money held in trust classified as held-to-maturity, policy-reserve-matching, or other money held in trust

Not applicable.

3. Non-Consolidated Balance Sheets

(millions of yen)

	As of June 30, 2011	As of March 31, 2011 (Summarized)
	Amount	Amount
(ASSETS)		
Cash and deposits	8,371	16,167
Call loans	9,800	7,800
Money held in trust	37,548	41,659
Securities	1,500,650	1,455,476
[Government bonds]	[65,916]	[57,605]
[Local government bonds]	[2,384]	[2,055]
[Corporate bonds]	[79,347]	[71,380]
[Foreign securities]	[66,072]	[47,078]
Tangible fixed assets	84	95
Intangible fixed assets	2	2
Reinsurance receivable	39,792	41,575
Other assets	7,017	4,039
Reserve for possible loan losses	(28)	(28)
Total assets	1,603,237	1,566,786

(millions of yen)

	As of June 30, 2011	As of March 31, 2011 (Summarized)
	Amount	Amount
(LIABILITIES)		
Policy reserves and others	1,481,347	1,443,051
Reserves for outstanding claims	1,027	1,080
Policy reserves	1,480,320	1,441,971
Reinsurance payable	1,085	678
Other liabilities	10,719	5,326
Corporate income tax payable	2	8
Other liabilities	10,716	5,318
Reserve for employees' retirement benefits	67	56
Reserve for retirement benefits of directors, executive officers and corporate auditors	1	1
Reserve for price fluctuations	166	143
Deferred tax liabilities	995	796
Total liabilities	1,494,382	1,450,054
(NET ASSETS)		
Capital stock	117,500	117,500
Capital surplus	67,500	67,500
Legal capital surplus	67,500	67,500
Retained earnings	(77,897)	(69,670)
Other retained earnings	(77,897)	(69,670)
Retained earnings brought forward	(77,897)	(69,670)
Total shareholders' equity	107,102	115,329
Net unrealized gains on securities, net of tax	1,753	1,403
Total of valuation and translation adjustments	1,753	1,403
Total net assets	108,855	116,732
Total liabilities and net assets	1,603,237	1,566,786

4. Non-Consolidated Statements of Earnings

(millions of yen)

	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
ORDINARY REVENUES	105,228	58,502
Premium and other income	92,067	54,331
[Premium income]	[80,399]	[43,428]
Investment income	13,149	4,117
[Interest and dividends]	[407]	[664]
[Gains on money held in trust]	[9,653]	[-]
[Gains on trading securities]	[3,066]	[-]
[Gains on sales of securities]	[22]	[-]
[Gains on investment in separate accounts]	[-]	[3,452]
Other ordinary revenues	10	53
ORDINARY EXPENSES	119,578	66,702
Benefits and claims	19,144	22,953
[Annuities]	[104]	[97]
[Benefits]	[1,815]	[2,726]
[Surrender values]	[5,195]	[5,811]
[Other refunds]	[263]	[177]
Provision for policy reserves and others	43,805	38,349
Provision for reserves for outstanding claims	226	-
Provision for policy reserve	43,578	38,349
Investment expenses	52,777	2,356
[Losses on money held in trust]	[-]	[911]
[Losses on trading securities]	[-]	[519]
[Derivative transaction losses]	[-]	[510]
[Losses on investment in separate accounts]	[52,609]	[-]
Operating expenses	3,584	2,849
Other ordinary expenses	265	192
ORDINARY LOSS	14,349	8,199
EXTRAORDINARY GAINS	314	-
Other extraordinary gains	314	-
EXTRAORDINARY LOSSES	11	25
Provision for reserve for price fluctuations	11	23
Other extraordinary losses	-	2
Loss before income taxes	14,046	8,224
Corporate income taxes - current	2	2
Total of corporate income taxes	2	2
Net loss for the period	14,049	8,226

Notes to the Non-Consolidated Statements of Earnings

Three months ended June 30, 2011

1. Net loss per share was 4,446,763.73 yen. Fully diluted net loss per share is not reported because the Company has no residual shares.
2. Depreciation for the three months ended June 30, 2011 was 14 million yen.

5. Breakdown of Net Surplus from Operations (Fundamental Profit)

(millions of yen)

		Three months ended June 30, 2010	Three months ended June 30, 2011
Fundamental profit	A	(26,650)	(1,547)
Capital gains		12,742	198
Gains on money held in trust		9,653	-
Gains on investments in trading securities		3,066	-
Gains on sales of securities		22	-
Derivative transaction gains		-	-
Foreign exchange gains		-	-
Others		-	198
Capital losses		-	2,199
Losses on money held in trust		-	911
Losses on investments in trading securities		-	519
Losses on sales of securities		-	-
Losses on valuation of securities		-	-
Derivative transaction losses		-	510
Foreign exchange losses		-	257
Others		-	-
Net capital gains (losses)	B	12,742	(2,000)
Fundamental profit plus net capital gains (losses)	A + B	(13,908)	(3,548)
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Reversal of specific reserve for possible loan losses		-	-
Others		-	-
Other one-time losses		441	4,650
Ceding reinsurance commissions		-	-
Provision for contingency reserve		441	4,650
Provision for specific reserve for possible loan losses		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Others		-	-
Other one-time profits (losses)	C	(441)	(4,650)
Ordinary profit (loss)	A + B + C	(14,349)	(8,199)

Note: 1. Fundamental profit includes the amount below.

	Three months ended June 30, 2010	Three months ended June 30, 2011
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	(198)

2. Other capital gains include the amount below.

	Three months ended June 30, 2010	Three months ended June 30, 2011
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	198

3. Gains (losses) on money held in trust and gains (losses) on investments in trading securities are attributable to investments in derivative financial instruments (including investments in monetary trusts, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities.

6. Solvency Margin Ratio

(millions of yen)

	As of June 30, 2011	As of March 31, 2011
Total solvency margin (A)	211,384	215,850
Common stock, etc.	107,102	115,329
Reserve for price fluctuations	166	143
Contingency reserve	41,054	36,403
General reserve for possible loan losses	28	28
Net unrealized gains on securities (before tax) × 90% *1	2,473	1,979
Net unrealized gains (losses) on real estate × 85% *1	-	-
Policy reserves in excess of surrender values	60,559	61,965
Qualifying subordinated debt	-	-
Excluded items	-	-
Others	-	-
Total Risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	25,529	27,150
Insurance risk R ₁	0	0
3rd sector insurance risk R ₈	-	-
Assumed investment yield risk R ₂	287	111
Investment risk R ₃	(17,530)	(15,964)
Business risk R ₄	743	790
Guaranteed minimum benefit risk R ₇	42,029	42,212
Solvency margin ratio		
$\frac{(A)}{(1/2) \times (B)} \times 100$	1,655.9%	1,590.0%

*1: Multiplied by 100% if losses.

Note: 1. The above figures are calculated based on Articles 86 and 87 of the Enforcement Regulations of Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996. The figures as of June 30, 2011 are calculated by using the method which is deemed appropriate taking the regulations and announcement above into account.

2. Guaranteed minimum benefit risk is calculated by the standard method.

3. Derivative trades attributable to money held in trust and investments in foreign securities (investment trusts) are used to mitigate guaranteed minimum benefit risk on individual variable annuities.

Derivative transactions reduced guaranteed minimum benefit risk by 19,823 million yen in the fiscal year ended March 31, 2011 and 21,445 million yen in the three months ended June 30, 2011 and these amounts are included in "Investment risk" above.

Reference: Solvency Margin Ratio under the New Standards
to Be Officially Applied at the end of Fiscal Year ending March 31, 2012.

(millions of yen)

	As of June 30, 2011	As of March 31, 2011
Total solvency margin (A)	211,384	215,850
Common stock, etc ^{*1}	107,102	115,329
Reserve for price fluctuations	166	143
Contingency reserve	41,054	36,403
General reserve for possible loan losses	28	28
Net unrealized gains on securities (before tax) × 90% ^{*2}	2,473	1,979
Net unrealized gains (losses) on real estate × 85% ^{*2}	-	-
Policy reserves in excess of surrender values ^{*3}	60,559	61,965
Qualifying subordinated debt ^{*3}	-	-
Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt ^{*3}	-	-
Excluded items	-	-
Others	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	47,693	43,847
Insurance risk R ₁	0	0
3rd sector insurance risk R ₈	-	-
Assumed investment yield risk R ₂	686	250
Investment risk R ₃	22,197	20,490
Business risk R ₄	1,389	1,277
Guaranteed minimum benefit risk R ₇ ^{*4}	23,420	21,829
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	886.4%	984.5%

*1: Expected disbursements from capital outside the Company and valuation and translation adjustments are excluded.

*2: Multiplied by 100% if losses.

*3: "Policy reserves in excess of surrender values" represent the amount stipulated under Notification of the Financial Services Agency No. 25, Article 1, paragraph 1-1. "Qualifying subordinated debt" represent the amount stipulated under Notification of the Financial Services Agency No. 25, Article 1, paragraph 1-2. "Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt" represent the amount stipulated under Notification of the Financial Services Agency No. 25, Article 1, paragraph 1-3.

*4: Calculated by standard method.

Note: Under Cabinet Office Ordinance No.23, 2010 and Notification of the Financial Services Agency No. 48, the standards for the calculation of solvency margin ratio is planned to be revised to tighten and refine calculation of total solvency margin and estimation of total risk and others. The revised standards will be officially applied at the end of the fiscal year ending March 31, 2012.

The above figures are calculated by applying the revised standards to the financial results as of March 31, 2011 and June 30, 2011.

7. Separate Account Status

(1) Separate Account Assets by Product

(millions of yen)

	As of June 30, 2011	As of March 31, 2011
Individual variable insurance	1,605	723
Individual variable annuities	1,290,244	1,284,594
Group annuities	-	-
Separate account total	1,291,849	1,285,317

(2) Policies in Force

Individual Variable Insurance

	As of June 30, 2011		As of March 31, 2011	
	Number of policies (thousands)	Amount (millions of yen)	Number of policies (thousands)	Amount (millions of yen)
Variable insurance (defined term type)	-	-	-	-
Variable insurance (whole life type)	0	1,885	0	879
Total	0	1,885	0	879

Notes: Policy amounts not placed into separate accounts as of the end of the fiscal period are included in policies in force.

Individual Variable Annuities

	As of June 30, 2011		As of March 31, 2011	
	Number of policies (thousands)	Amount (millions of yen)	Number of policies (thousands)	Amount (millions of yen)
Individual variable annuities	239	1,340,873	237	1,331,341

Notes: 1. Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

2. Policy amounts not placed into separate accounts as of the end of the fiscal period are included in policies in force.

8. Consolidated Financial Summary

Not applicable.

Reference: Exposure to Securitized Products and Subprime-related Investments

The Company has no securitized products and subprime-related investments as of June 30, 2011.