

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Nine Months Ended December 31, 2023

February 14, 2024

Company Name: Dai-ichi Life Holdings, Inc.

Stock exchange listings: Tokyo

Code Number: 8750

URL: <https://www.dai-ichi-life-hd.com/>

Representative: Tetsuya Kikuta, President, Representative Director

For inquiry: Yoichi Sawada, General Manager, Investor Relations Group, Corporate Planning Unit

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Quarterly securities report issue date: February 14, 2024

Dividend payment date: -

Supplementary information for quarterly financial statements: Available

Explanatory meeting to be held: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are truncated.)

1. Consolidated Financial Data for the Nine Months Ended December 31, 2023

(1) Consolidated results of operations

(% represents the change from the same period in the previous fiscal year)

	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company	
	million yen	%	million yen	%	million yen	%
Nine Months Ended						
December 31, 2023	7,767,381	(1.2)	373,926	19.8	217,945	42.1
December 31, 2022	7,857,915	38.5	312,048	(33.2)	153,389	(47.6)

Note. Comprehensive income (loss) for the nine months ended December 31, 2023 and 2022 were 457,925 million yen and (1,750,396) million yen, respectively.

	Net Income per Share	Diluted Net Income per Share
	yen	yen
Nine Months Ended		
December 31, 2023	222.18	222.12
December 31, 2022	149.86	149.81

(2) Consolidated financial condition

	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's Shareholders to Total Assets
	million yen	million yen	%
As of			
December 31, 2023	65,782,663	2,980,395	4.5
March 31, 2023	61,653,699	2,661,764	4.3

(Reference) Net assets attributable to the Company's shareholders as of December 31, 2023 and March 31, 2023 were 2,980,093 million yen and 2,661,278 million yen, respectively.

2. Dividends on Common Stock

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
	yen	yen	yen	yen	yen
Fiscal Year Ended					
March 31, 2023	-	0.00	-	86.00	86.00
March 31, 2024	-	0.00	-		
March 31, 2024 (Forecast)				86.00	86.00

Note. Revision of dividend forecasts on the presentation date of this consolidated summary report: No

3. Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2024

(% represents the change from the previous fiscal year)

	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company		Net Income per Share
	million yen	%	million yen	%	million yen	%	yen
Fiscal Year Ending							
March 31, 2024	10,201,000	7.2	465,000	13.2	273,000	42.0	282.74

Note. Revision of earnings forecasts on the presentation date of this consolidated summary report: Yes

For details of the revision of consolidated earnings forecast, please refer to Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2024 disclosed on February 14, 2024.

"Net income per share" is presented in the Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2024, factoring in the status of total shares outstanding and the Company's own shares as of December 31, 2023.

*** Notes**

(1) Changes in significant subsidiaries during the period : No

(2) Adoption of unique accounting methods applied only to quarterly consolidated financial statements : Yes

For details, please refer to (3) Notes to the Quarterly Consolidated Financial Statements in the Appendix.

(3) Changes in accounting policies, accounting estimates and correction of past errors:

(A) Changes in accounting policies due to revision of accounting standards: Yes

(B) Changes in accounting policies due to reasons other than item (A) above: No

(C) Changes in accounting estimates: No

(D) Correction of past errors: No

For details, please refer to (3) Notes to the Quarterly Consolidated Financial Statements in the Appendix.

(4) Number of shares outstanding (common stock)

	As of December 31, 2023	As of March 31, 2023
(A) Total shares outstanding including treasury stock:	989,888,900	989,888,900
(B) Shares of treasury stock held:	24,331,921	6,699,946
	Nine months ended December 31, 2023	Nine months ended December 31, 2022
(C) Average outstanding shares:	980,953,067	1,023,531,008

Note. The number of treasury stocks includes the shares of the Company (3,809,000 shares as of December 31, 2023 and 3,862,100 shares as of March 31, 2023) held by the Stock Granting Trust (J-ESOP trust).

*This report is exempt from the quarterly review of CPAs or Audit firms.

*Notes for using earnings forecast in this report and others:

This report contains forward-looking statements, such as earnings forecasts, regarding the intent, beliefs and current expectations of the Company and its management with respect to the expected financial condition and results of operations of the Company. These statements necessarily depend upon information currently available to the Company and its management and on assumptions that the Company and its management believe are appropriate. Forward-looking statements are not guarantees of future performance and actual results may differ materially from any future results expressed or implied by forward-looking statements. Forward-looking statements are subject to various risks and uncertainties, such as fluctuations in market conditions, including changes in the value of equity securities and changes in interest rates and forward exchange rates, the occurrence of illegal acts, operational and system risks, risks associated with general economic conditions in Japan and other factors. Important factors which may affect the Company's financial condition, results of operations and business performance are not limited to the factors described above. In light of the risks and uncertainties relating to forward-looking statements, investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this report.

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The Company plans to hold a conference call for institutional investors and analysts regarding its financial results for the nine months ended December 31, 2023 on February 14, 2024. The material for the conference call will be posted on TDnet and the Company's website.

1. Unaudited Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2023	As of December 31, 2023
ASSETS		
Cash and deposits	1,619,087	1,809,161
Call loans	966,900	689,100
Monetary claims bought	246,105	247,947
Money held in trust	911,246	875,930
Securities	46,711,704	50,007,666
Loans	4,348,495	4,808,039
Tangible fixed assets	1,239,953	1,248,533
Intangible fixed assets	736,712	755,021
Reinsurance receivable	1,623,872	1,842,595
Other assets	2,884,851	3,254,754
Deferred tax assets	334,573	254,407
Customers' liabilities for acceptances and guarantees	48,987	16,422
Reserve for possible loan losses	(17,863)	(25,915)
Reserve for possible investment losses	(927)	(1,000)
Total assets	61,653,699	65,782,663
LIABILITIES		
Policy reserves and others	54,276,174	57,027,054
Reserves for outstanding claims	1,353,999	1,458,640
Policy reserves	52,498,770	55,148,510
Reserve for policyholder dividends	423,403	419,903
Reinsurance payable	584,172	501,644
Short-term bonds payable	43,062	50,777
Bonds payable	906,612	934,997
Other liabilities	2,362,537	3,492,399
Payables under repurchase agreements	432,210	1,211,961
Other liabilities	1,930,326	2,280,438
Net defined benefit liabilities	367,808	361,738
Reserve for retirement benefits of directors, executive officers and corporate auditors	794	712
Reserve for possible reimbursement of prescribed claims	800	550
Reserves under the special laws	305,588	319,090
Reserve for price fluctuations	305,588	319,090
Deferred tax liabilities	25,199	26,883
Deferred tax liabilities for land revaluation	70,197	69,998
Acceptances and guarantees	48,987	16,422
Total liabilities	58,991,935	62,802,268

(Unit: million yen)

	As of March 31, 2023	As of December 31, 2023
NET ASSETS		
Capital stock	344,074	344,074
Capital surplus	330,407	330,407
Retained earnings	1,093,232	1,226,864
Treasury stock	(13,918)	(68,254)
Total shareholders' equity	1,753,795	1,833,091
Net unrealized gains (losses) on securities, net of tax	740,292	873,302
Deferred hedge gains (losses)	(38,114)	(73,801)
Reserve for land revaluation	30,369	29,921
Foreign currency translation adjustments	149,749	307,427
Accumulated remeasurements of defined benefit plans	22,778	18,198
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	2,407	(8,046)
Total accumulated other comprehensive income	907,483	1,147,001
Subscription rights to shares	483	302
Non-controlling interests	1	-
Total net assets	2,661,764	2,980,395
Total liabilities and net assets	61,653,699	65,782,663

(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income

[Quarterly Consolidated Statement of Earnings]

(Unit: million yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
ORDINARY REVENUES	7,857,915	7,767,381
Premium and other income	5,052,862	5,704,410
Investment income	1,852,811	1,802,942
Interest and dividends	1,098,029	1,067,588
Gains on money held in trust	-	8,681
Gains on investments in trading securities	-	59,547
Gains on sale of securities	418,741	312,280
Gains on redemption of securities	15,772	5,914
Derivative transaction gains	91,979	-
Foreign exchange gains	225,460	237,158
Reversal of reserve for possible loan losses	1,333	-
Other investment income	1,494	3,415
Gains on investments in separate accounts	-	108,356
Other ordinary revenues	952,241	260,027
ORDINARY EXPENSES	7,545,867	7,393,454
Benefits and claims	5,135,538	4,987,397
Claims	1,335,954	1,407,067
Annuities	592,145	803,849
Benefits	586,396	496,467
Surrender values	1,716,426	1,213,362
Other refunds	904,615	1,066,650
Provision for policy reserves and others	11,838	1,160,107
Provision for reserves for outstanding claims	5,586	27,359
Provision for policy reserves	-	1,126,407
Provision for interest on policyholder dividends	6,252	6,340
Investment expenses	1,195,393	355,273
Interest expenses	24,449	30,764
Losses on money held in trust	13,164	-
Losses on investments in trading securities	575,791	-
Losses on sale of securities	372,314	217,262
Losses on valuation of securities	5,239	6,616
Losses on redemption of securities	5,704	3,122
Derivative transaction losses	-	23,964
Provision for reserve for possible loan losses	-	6,094
Provision for reserve for possible investment losses	398	81
Write-down of loans	1,435	3,873
Depreciation of real estate for rent and others	10,224	10,945
Other investment expenses	58,654	52,548
Losses on investments in separate accounts	128,017	-
Operating expenses	615,793	655,090
Other ordinary expenses	587,304	235,585
Ordinary profit	312,048	373,926

(Unit: million yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
EXTRAORDINARY GAINS	3,739	656
Gains on disposal of fixed assets	3,719	555
Other extraordinary gains	19	100
EXTRAORDINARY LOSSES	32,382	15,457
Losses on disposal of fixed assets	3,899	693
Impairment losses on fixed assets	11,731	1,072
Provision for reserve for price fluctuations	16,751	13,501
Other extraordinary losses	0	188
Provision for reserve for policyholder dividends	66,165	63,859
Income before income taxes	217,239	295,266
Corporate income taxes-current	43,193	82,939
Corporate income taxes-deferred	20,656	(5,633)
Total of corporate income taxes	63,849	77,306
Net income	153,389	217,959
Net income attributable to non-controlling interests	-	14
Net income attributable to shareholders of parent company	153,389	217,945

[Quarterly Consolidated Statement of Comprehensive Income]

(Unit: million yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net income	153,389	217,959
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	(2,110,057)	134,667
Deferred hedge gains (losses)	(38,607)	(35,465)
Foreign currency translation adjustments	238,022	152,385
Remeasurements of defined benefit plans, net of tax	4,508	(4,581)
Net unrealized gains (losses) on total policy reserves and other reserves of foreign subsidiaries, net of tax	5,174	(10,453)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(2,827)	3,413
Total other comprehensive income	(1,903,786)	239,966
Comprehensive income	(1,750,396)	457,925
(Details)		
Attributable to shareholders of parent company	(1,750,396)	457,911
Attributable to non-controlling interests	-	14

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Notes for Material Changes in Shareholders' Equity)

As the Company has been engaged in the purchase of its shares in accordance with the resolution made at the meeting of its board of directors held on May 15, 2023, under the provision of Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of the same, treasury stock increased by ¥54,818 million for the nine months ended December 31, 2023.

As a result, the amount of retained earnings and treasury stock was ¥1,226,864 million and ¥68,254 million as of December 31, 2023, respectively.

(Adoption of Unique Accounting Methods Applied Only to Quarterly Consolidated Financial Statements)

(i) Calculation of Tax

Income taxes of certain consolidated subsidiaries of the Company are calculated by applying a reasonably estimated effective tax rate for the full fiscal year to income before income taxes for the nine months ended December 31, 2023. The effective tax rate is determined by estimating the effective tax rate for the full fiscal year, which includes the nine months ended December 31, 2023, after taking into account the effect of deferred tax accounting.

(Changes in Accounting Policies)

Effective the nine months ended December 31, 2023, certain consolidated overseas subsidiaries have applied Accounting Standards "Insurance Contracts" (AASB 17) (NZ IFRS 17) issued by Australian Accounting Standards Board and New Zealand Accounting Standards Board.

Policy reserves and others is recognized by reflecting the time value of money, the financial risk of cash flows arising from insurance contracts, and the effect of uncertainty of cash flows arising from insurance contracts.

This change in accounting policy has been applied retrospectively, and the new accounting policy was reflected in the consolidated financial statements for the previous fiscal year and for the nine months ended December 31, 2022.

As a result, compared with the figures before the retrospective application, both ordinary profit and income before income taxes for the nine months ended December 31, 2022 increased by ¥12,669 million. Policy reserves and others for the previous fiscal year increased by ¥329,814 million, and other assets for the previous fiscal year increased by ¥50,053 million respectively. In addition, as the cumulative impact was reflected in the net assets at the beginning of the previous fiscal year, the beginning balance of retained earnings decreased by ¥198,165 million.

(Additional Information)

Effective the nine months ended December 31, 2023, the Group has partially revised the calculation methods for Policy reserves and others, as a result, the consolidated balance sheet as of March 31, 2023 disclosed in the consolidated summary report for the three months ended June 30, 2023 was restated. As a result of the restatement, other assets for the previous fiscal year increased by ¥26,497 million, policy reserves and others for the previous fiscal year increased by ¥35,758 million, and retained earnings for the previous fiscal year decreased by ¥6,263 million respectively.