

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Three Months Ended June 30, 2018

August 9, 2018

Company Name: Dai-ichi Life Holdings, Inc.

Stock exchange listings: Tokyo

Code Number: 8750

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

Representative: Seiji Inagaki, President, Representative Director

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Quarterly securities report issue date: August 9, 2018

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 Three Months Ended June 30, 2018

(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	%
Three Months Ended						
June 30, 2018	1,687,535	6.0	81,397	(17.1)	41,435	(42.4)
June 30, 2017	1,592,502	(5.0)	98,173	(16.5)	71,936	48.5

Note. Comprehensive income (loss) for the three months ended June 30, 2018 and 2017 were 18,402 million yen and 251,372 million yen, respectively.

	Net Income per Share	Diluted Net Income per Share
Three Months Ended	yen	yen
June 30, 2018	35.57	35.54
June 30, 2017	61.20	61.16

(2) Consolidated financial condition

	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's Shareholders to Total Assets
As of	million yen	million yen	%
June 30, 2018	53,279,392	3,699,031	6.9
March 31, 2018	53,603,028	3,749,271	7.0

(Reference) Net assets attributable to the Company's shareholders as of June 30, 2018 and March 31, 2018 were 3,697,868 million yen and 3,747,923 million yen, respectively.

2. Dividends on Common Stock

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal Year Ended	yen	yen	yen	yen	yen
March 31, 2018	-	0.00	-	50.00	50.00
March 31, 2019	-	-	-	-	-
March 31, 2019 (Forecast)	-	0.00	-	53.00	53.00

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, 2019

(% represents the change from the previous fiscal year)

Fiscal Year Ending	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company		Net Income per Share
	million yen	%	million yen	%	million yen	%	yen
March 31, 2019	6,429,000	(8.7)	414,000	(12.3)	220,000	(39.5)	188.87

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

* 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 June 30 2018	As of March 31, 2018
(A) Total shares outstanding including treasury stock:	1,198,023,000	1,198,023,000
(B) Shares of treasury stock held:	33,042,475	33,230,600
	Three months ended June 30, 2018	Three months ended June 30, 2017
(C) Average outstanding shares:	1,164,973,741	1,175,352,033

Note. The 4,232,000 shares and 4,270,100 shares of treasury stock in the above table represent the sum of shares of common stock of the Company owned by the Stock Granting Trust (J-ESOP trust) as of June 30, 2018 and March 31, 2018, respectively.

*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 three months ended June 30, 2018 on August 9, 2018. 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, 2018	As of June 30, 2018
ASSETS		
Cash and deposits	891,285	926,956
Call loans	164,600	263,800
Monetary claims bought	195,133	193,345
Money held in trust	523,828	555,690
Securities	44,916,958	44,699,837
Loans	3,487,682	3,359,105
Tangible fixed assets	1,130,525	1,110,569
Intangible fixed assets	414,995	401,531
Reinsurance receivable	94,064	106,922
Other assets	1,676,172	1,609,536
Deferred tax assets	1,201	998
Customers' liabilities for acceptances and guarantees	108,514	52,646
Reserve for possible loan losses	(1,497)	(1,120)
Reserve for possible investment losses	(436)	(428)
Total assets	53,603,028	53,279,392
LIABILITIES		
Policy reserves and others	45,513,790	45,318,715
Reserves for outstanding claims	517,422	514,593
Policy reserves	44,597,717	44,418,603
Reserve for policyholder dividends	398,650	385,518
Reinsurance payable	218,791	213,018
Bonds payable	968,938	920,124
Other liabilities	1,998,151	2,018,437
Net defined benefit liabilities	413,189	415,622
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,384	1,346
Reserve for possible reimbursement of prescribed claims	900	849
Reserves under the special laws	195,797	201,164
Reserve for price fluctuations	195,797	201,164
Deferred tax liabilities	357,859	362,150
Deferred tax liabilities for land revaluation	76,438	76,284
Acceptances and guarantees	108,514	52,646
Total liabilities	49,853,756	49,580,361

(Unit: million yen)

	As of March 31, 2018	As of June 30, 2018
NET ASSETS		
Capital stock	343,146	343,146
Capital surplus	329,653	329,554
Retained earnings	976,899	951,232
Treasury stock	(60,076)	(59,741)
Total shareholders' equity	<u>1,589,623</u>	<u>1,564,193</u>
Net unrealized gains (losses) on securities, net of tax	2,238,159	2,271,415
Deferred hedge gains (losses)	(9,649)	(13,537)
Reserve for land revaluation	(12,423)	(12,823)
Foreign currency translation adjustments	(49,201)	(102,621)
Accumulated remeasurements of defined benefit plans	(8,584)	(8,757)
Total accumulated other comprehensive income	<u>2,158,300</u>	<u>2,133,675</u>
Subscription rights to shares	1,348	1,162
Total net assets	<u>3,749,271</u>	<u>3,699,031</u>
Total liabilities and net assets	<u>53,603,028</u>	<u>53,279,392</u>

(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income

[Quarterly Consolidated Statement of Earnings]

(Unit: million yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
ORDINARY REVENUES	1,592,502	1,687,535
Premium and other income	1,034,811	1,245,890
Investment income	482,003	377,751
Interest and dividends	290,734	279,702
Gains on investments in trading securities	59,610	-
Gains on sale of securities	55,554	64,024
Gains on redemption of securities	3,845	6,501
Reversal of reserve for possible loan losses	-	371
Reversal of reserve for possible investment losses	65	8
Other investment income	110	675
Gains on investments in separate accounts	72,083	26,468
Other ordinary revenues	75,687	63,892
ORDINARY EXPENSES	1,494,328	1,606,138
Benefits and claims	858,699	882,146
Claims	285,712	282,847
Annuities	150,243	177,629
Benefits	118,367	127,959
Surrender values	161,765	180,857
Other refunds	142,611	112,853
Provision for policy reserves and others	318,690	354,762
Provision for policy reserves	316,616	352,700
Provision for interest on policyholder dividends	2,073	2,062
Investment expenses	80,693	116,361
Interest expenses	10,753	10,270
Losses on money held in trust	1,118	1,052
Losses on investments in trading securities	-	24,191
Losses on sale of securities	21,978	48,823
Losses on valuation of securities	987	1,305
Losses on redemption of securities	97	258
Derivative transaction losses	27,283	14,481
Foreign exchange losses	4,244	1,533
Provision for reserve for possible loan losses	484	-
Write-down of loans	3	2
Depreciation of real estate for rent and others	3,303	3,256
Other investment expenses	10,439	11,186
Operating expenses	155,568	165,616
Other ordinary expenses	80,675	87,251
Ordinary profit	98,173	81,397

(Unit: million yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
EXTRAORDINARY GAINS	33,612	1,889
Gains on disposal of fixed assets	102	1,887
Gains on exchange of stocks of subsidiaries and affiliated companies	33,507	-
Other extraordinary gains	1	1
EXTRAORDINARY LOSSES	5,540	6,628
Losses on disposal of fixed assets	345	1,169
Impairment losses on fixed assets	292	92
Provision for reserve for price fluctuations	4,902	5,367
Other extraordinary losses	0	0
Provision for reserve for policyholder dividends	21,462	18,793
Income before income taxes	104,783	57,865
Corporate income taxes-current	35,927	18,860
Corporate income taxes-deferred	(3,081)	(2,430)
Total of corporate income taxes	32,846	16,429
Net income	71,936	41,435
Net income attributable to shareholders of parent company	71,936	41,435

[Quarterly Consolidated Statement of Comprehensive Income]

(Unit: million yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net income	71,936	41,435
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	224,003	35,694
Deferred hedge gains (losses)	(10,480)	(3,888)
Reserve for land revaluation	(0)	-
Foreign currency translation adjustments	(23,050)	(45,589)
Remeasurements of defined benefit plans, net of tax	536	(177)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(11,572)	(9,071)
Total other comprehensive income	179,435	(23,032)
Comprehensive income	251,372	18,402
(Details)		
Attributable to shareholders of the parent company	251,372	18,402

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Notes for Material Changes in Shareholders' Equity)

None

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

(i) Calculation of Tax

Income taxes of certain consolidated subsidiaries of the Parent Company are calculated by applying a reasonably estimated effective tax rate for the full fiscal year to income before income taxes for the three months ended June 30, 2018. The effective tax rate is determined by estimating the effective tax rate for the full fiscal year, which includes the three months ended June 30, 2018, after taking into account the effect of deferred tax accounting.

(Changes in Accounting Policies)

- (i) Effective the three months ended June 30, 2018, certain consolidated overseas subsidiaries adopted Accounting Standards Update ("ASU") No. 2014-09 - Revenue from Contracts with Customers (Topic 606) issued by the Financial Accounting Standards Board ("FASB").

Under the new guidance principle, entities are required to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

In accordance with the amendments in this update applied on a modified retrospective basis, a cumulative effect adjustment to retained earnings was recorded at the beginning of the three months ended June 30, 2018.

As a result, retained earnings decreased by ¥10,455 million at the beginning of the three months ended June 30, 2018. There was no significant impact on the figures in the quarterly consolidated statement of earnings for the three months ended June 30, 2018.

- (ii) Effective the three months ended June 30, 2018, certain consolidated overseas subsidiaries adopted ASU No. 2016-01 - Financial Instruments - Recognition and Measurement of Financial Assets and Financial Liabilities issued by the FASB.

The update requires that equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) be measured at fair value with changes in fair value recognized in net income.

In accordance with the amendments in this update applied on a modified retrospective basis, a cumulative effect adjustment to both retained earnings and accumulated other comprehensive income was recorded at the beginning of the three months ended June 30, 2018.

As a result, retained earnings increased by ¥1,192 million and net unrealized gains (losses) on securities, net of tax decreased by ¥1,192 million at the beginning of the three months ended June 30, 2018. There was no significant impact on the figures in the quarterly consolidated statement of earnings for the three months ended June 30, 2018.