

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Nine Months Ended December 31, 2018

February 14, 2019

Company Name: Dai-ichi Life Holdings, Inc.

Stock exchange listings: Tokyo

Code Number: 8750

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

Representative: Seiji Inagaki, President, Representative Director

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Quarterly securities report issue date: February 14, 2019

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, 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	
Nine Months Ended	million yen	%	million yen	%	million yen	%
December 31, 2018	5,289,316	1.6	293,553	(14.9)	150,850	(24.3)
December 31, 2017	5,205,736	10.1	345,126	5.7	199,218	8.6

Note. Comprehensive income (loss) for the nine months ended December 31, 2018 and 2017 were (294,366) million yen and 889,317 million yen, respectively.

	Net Income per Share	Diluted Net Income per Share
Nine Months Ended	yen	yen
December 31, 2018	129.92	129.83
December 31, 2017	169.79	169.66

(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	%
December 31, 2018	55,887,133	3,359,117	6.0
March 31, 2018	53,603,028	3,749,271	7.0

(Reference) Net assets attributable to the Company's shareholders as of December 31, 2018 and March 31, 2018 were 3,357,954 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	-	0.00	-	-	-
March 31, 2019 (Forecast)				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)

	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company		Net Income per Share
Fiscal Year Ending March 31, 2019	million yen	%	million yen	%	million yen	%	yen
	7,007,000	(0.4)	414,000	(12.3)	220,000	(39.5)	190.90

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, 2019 disclosed on February 14, 2019.

“Net income per share” in the forecasts of consolidated results for the fiscal year ending March 31, 2019 is presented, factoring in the status of the total shares outstanding and the Company’s own shares as of December 31, 2018.

* 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, 2018	As of March 31, 2018
(A) Total shares outstanding including treasury stock:	1,198,208,200	1,198,023,000
(B) Shares of treasury stock held:	45,762,525	33,230,600
	Nine months ended December 31, 2018	Nine months ended December 31, 2017
(C) Average outstanding shares:	1,161,061,219	1,173,326,377

Note. The number of treasury stocks includes the shares of the Company (4,182,500 shares as of December 31, 2018 and 4,270,100 shares as of March 31, 2018) 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, 2018 on February 14, 2019. 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 December 31, 2018
ASSETS		
Cash and deposits	891,285	993,636
Call loans	164,600	610,500
Monetary claims bought	195,133	196,434
Money held in trust	523,828	604,731
Securities	44,916,958	46,524,147
Loans	3,487,682	3,450,760
Tangible fixed assets	1,130,525	1,129,672
Intangible fixed assets	414,995	451,809
Reinsurance receivable	94,064	137,506
Other assets	1,676,172	1,733,679
Deferred tax assets	1,201	727
Customers' liabilities for acceptances and guarantees	108,514	55,222
Reserve for possible loan losses	(1,497)	(1,356)
Reserve for possible investment losses	(436)	(338)
Total assets	53,603,028	55,887,133
LIABILITIES		
Policy reserves and others	45,513,790	47,914,241
Reserves for outstanding claims	517,422	525,967
Policy reserves	44,597,717	46,992,620
Reserve for policyholder dividends	398,650	395,653
Reinsurance payable	218,791	264,731
Bonds payable	968,938	990,759
Other liabilities	1,998,151	2,400,212
Net defined benefit liabilities	413,189	422,408
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,384	1,271
Reserve for possible reimbursement of prescribed claims	900	722
Reserves under the special laws	195,797	212,353
Reserve for price fluctuations	195,797	212,353
Deferred tax liabilities	357,859	189,979
Deferred tax liabilities for land revaluation	76,438	76,111
Acceptances and guarantees	108,514	55,222
Total liabilities	49,853,756	52,528,015

(Unit: million yen)

	As of March 31, 2018	As of December 31, 2018
NET ASSETS		
Capital stock	343,146	343,326
Capital surplus	329,653	329,726
Retained earnings	976,899	1,060,511
Treasury stock	(60,076)	(86,664)
Total shareholders' equity	1,589,623	1,646,900
Net unrealized gains (losses) on securities, net of tax	2,238,159	1,796,937
Deferred hedge gains (losses)	(9,649)	(4,886)
Reserve for land revaluation	(12,423)	(13,260)
Foreign currency translation adjustments	(49,201)	(58,370)
Accumulated remeasurements of defined benefit plans	(8,584)	(9,365)
Total accumulated other comprehensive income	2,158,300	1,711,054
Subscription rights to shares	1,348	1,162
Total net assets	3,749,271	3,359,117
Total liabilities and net assets	53,603,028	55,887,133

(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income

[Quarterly Consolidated Statement of Earnings]

(Unit: million yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
ORDINARY REVENUES	5,205,736	5,289,316
Premium and other income	3,490,840	3,944,438
Investment income	1,479,438	1,168,777
Interest and dividends	884,661	916,708
Gains on money held in trust	1,318	-
Gains on investments in trading securities	155,217	50,616
Gains on sale of securities	151,344	188,499
Gains on redemption of securities	19,936	11,282
Foreign exchange gains	22,128	-
Reversal of reserve for possible loan losses	121	172
Reversal of reserve for possible investment losses	-	11
Other investment income	925	1,486
Gains on investments in separate accounts	243,784	-
Other ordinary revenues	235,457	176,101
ORDINARY EXPENSES	4,860,609	4,995,763
Benefits and claims	2,712,252	2,745,237
Claims	888,188	874,036
Annuities	466,596	597,956
Benefits	338,233	367,200
Surrender values	519,925	492,211
Other refunds	499,308	413,832
Provision for policy reserves and others	1,221,487	988,476
Provision for reserves for outstanding claims	-	3,981
Provision for policy reserves	1,215,230	978,273
Provision for interest on policyholder dividends	6,256	6,221
Investment expenses	201,597	479,627
Interest expenses	32,995	32,586
Losses on money held in trust	-	2,877
Losses on sale of securities	71,760	126,301
Losses on valuation of securities	1,605	3,374
Losses on redemption of securities	3,661	2,016
Derivative transaction losses	50,133	27,608
Foreign exchange losses	-	150,421
Provision for reserve for possible investment losses	241	-
Write-down of loans	759	7
Depreciation of real estate for rent and others	10,086	9,866
Other investment expenses	30,353	30,203
Losses on investments in separate accounts	-	94,363
Operating expenses	477,079	519,513
Other ordinary expenses	248,192	262,908
Ordinary profit	345,126	293,553

(Unit: million yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
EXTRAORDINARY GAINS	33,824	2,213
Gains on disposal of fixed assets	302	2,194
Gains on exchange of stocks of subsidiaries and affiliated companies	33,507	-
Other extraordinary gains	14	18
EXTRAORDINARY LOSSES	17,121	21,359
Losses on disposal of fixed assets	792	3,502
Impairment losses on fixed assets	1,283	1,300
Provision for reserve for price fluctuations	15,045	16,556
Other extraordinary losses	0	0
Provision for reserve for policyholder dividends	69,953	61,169
Income before income taxes	291,876	213,238
Corporate income taxes-current	96,007	73,658
Corporate income taxes-deferred	(3,349)	(11,270)
Total of corporate income taxes	92,657	62,387
Net income	199,218	150,850
Net income attributable to shareholders of parent company	199,218	150,850

[Quarterly Consolidated Statement of Comprehensive Income]

	(Unit: million yen)	
	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net income	199,218	150,850
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	717,388	(439,221)
Deferred hedge gains (losses)	(2,316)	4,762
Reserve for land revaluation	0	-
Foreign currency translation adjustments	(15,181)	(5,734)
Remeasurements of defined benefit plans, net of tax	1,618	(823)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(11,410)	(4,200)
Total other comprehensive income	690,099	(445,216)
Comprehensive income	889,317	(294,366)
(Details)		
Attributable to shareholders of the parent company	889,317	(294,366)

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Notes for Material Changes in Shareholders' Equity)

As the Parent 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, 2018, 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 ¥26,998 million for the nine months ended December 31, 2018.

As a result, the amount of treasury stock was ¥86,664 million as of December 31, 2018.

(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 nine months ended December 31, 2018. 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, 2018, after taking into account the effect of deferred tax accounting.

(Changes in Accounting Policies)

- (i) Effective the nine months ended December 31, 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 nine months ended December 31, 2018.

As a result, retained earnings decreased by ¥10,455 million at the beginning of the nine months ended December 31, 2018. There was no significant impact on the figures in the quarterly consolidated statement of earnings for the nine months ended December 31, 2018.

- (ii) Effective the nine months ended December 31, 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 nine months ended December 31, 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 nine months ended December 31, 2018. There was no

significant impact on the figures in the quarterly consolidated statement of earnings for the nine months ended December 31, 2018.