

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Six Months Ended September 30, 2020

November 13, 2020

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

For inquiry: Atsushi Nakamura, General Manager, Investor Relations Group, Corporate Planning Unit

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Quarterly securities report issue date: November 27, 2020

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 Six Months Ended September 30, 2020

(1) Consolidated results of operations

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

	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company	
	million yen	%	million yen	%	million yen	%
Six Months Ended						
September 30, 2020	3,363,159	(8.0)	162,838	(15.9)	83,329	(9.2)
September 30, 2019	3,656,188	1.6	193,724	(10.4)	91,794	(21.1)

Note. Comprehensive income (loss) for the six months ended September 30, 2020 and 2019 were 684,623 million yen (2.2% decrease year-on-year) and 699,762 million yen (-%), respectively.

	Net Income per Share	Diluted Net Income per Share
Six Months Ended	yen	yen
September 30, 2020	74.12	74.07
September 30, 2019	80.39	80.34

(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	%
September 30, 2020	62,804,851	4,348,536	6.9
March 31, 2020	60,011,999	3,776,918	6.3

(Reference) Net assets attributable to the Company's shareholders as of September 30, 2020 and March 31, 2020 were 4,347,602 million yen and 3,775,854 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, 2020	-	0.00	-	62.00	62.00
March 31, 2021	-	0.00	-	62.00	62.00
March 31, 2021 (Forecast)	-	-	-	62.00	62.00

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, 2021

(% 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, 2021	6,487,000	(8.8)	358,000	63.9	184,000	467.3	165.74

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

"Net income per share" in the forecasts of consolidated results for the fiscal year ending March 31, 2021 is presented, factoring in the status of the total shares outstanding and the Company's own shares as of September 30, 2020.

4. Notes

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

(2) 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 (4) Notes to the Consolidated Financial Statements in the Appendix.

(3) Number of shares outstanding (common stock)

	<u>As of September 30, 2020</u>	<u>As of March 31, 2020</u>
(A) Total shares outstanding including treasury stock:	1,198,755,800	1,198,443,000
(B) Shares of treasury stock held:	88,600,325	69,378,825
	<u>Six months ended</u> <u>September 30, 2020</u>	<u>Six months ended</u> <u>September 30, 2019</u>
(C) Average outstanding shares:	1,124,232,308	1,141,853,925

Note. The number of treasury stocks includes the shares of the Company (3,998,400 shares as of September 30, 2020 and 4,068,000 shares as of March 31, 2020) held by the Stock Granting Trust (J-ESOP trust).

(Non-consolidated financial data)**1. Non-Consolidated Financial Data for the Six Months Ended September 30, 2020****(1) Non-consolidated results of operations**

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

Six Months Ended	Sales Revenues		Operating Profit	
	million yen	%	million yen	%
September 30, 2020	164,460	7.8	158,040	7.9
September 30, 2019	152,520	1.4	146,452	1.2

Six Months Ended	Ordinary Profit		Net Income	
	million yen	%	million yen	%
September 30, 2020	156,652	8.0	156,082	8.1
September 30, 2019	144,982	0.7	144,452	0.8

Six Months Ended	Net Income per Share
	yen
September 30, 2020	138.83
September 30, 2019	126.51

(2) Non-consolidated financial condition

As of	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's shareholders to Total Assets
	million yen	million yen	%
September 30, 2020	1,755,563	1,306,548	74.4
March 31, 2020	1,698,789	1,249,959	73.5

(Reference) Net assets attributable to the Company's shareholders as of September 30, 2020 and March 31, 2020 were 1,305,614 million yen and 1,248,895 million yen, respectively.

*This report is exempt from the interim audits 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 six months ended September 30, 2020 on November 13, 2020. The material for the conference call will be posted on TDnet and the Company's website.

1. Unaudited Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2020	As of September 30, 2020
ASSETS		
Cash and deposits	1,205,507	1,406,218
Call loans	513,800	559,400
Monetary claims bought	221,147	246,153
Money held in trust	1,039,062	1,262,631
Securities	47,734,406	50,412,290
Loans	3,715,750	3,781,223
Tangible fixed assets	1,126,269	1,130,578
Intangible fixed assets	472,990	469,322
Reinsurance receivable	1,523,297	1,532,651
Other assets	2,403,292	1,967,938
Deferred tax assets	11,859	8,399
Customers' liabilities for acceptances and guarantees	47,065	51,310
Reserve for possible loan losses	(1,641)	(22,386)
Reserve for possible investment losses	(807)	(880)
Total assets	60,011,999	62,804,851
LIABILITIES		
Policy reserves and others	50,494,544	50,703,597
Reserves for outstanding claims	573,984	674,764
Policy reserves	49,520,817	49,633,511
Reserve for policyholder dividends	399,742	395,320
Reinsurance payable	781,980	877,764
Bonds payable	1,135,336	1,119,155
Other liabilities	2,723,157	4,438,862
Net defined benefit liabilities	440,874	443,205
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,188	1,120
Reserve for possible reimbursement of prescribed claims	800	668
Reserves under the special laws	240,796	252,102
Reserve for price fluctuations	240,796	252,102
Deferred tax liabilities	296,142	495,630
Deferred tax liabilities for land revaluation	73,195	72,897
Acceptances and guarantees	47,065	51,310
Total liabilities	56,235,081	58,456,314

(Unit: million yen)

	As of March 31, 2020	As of September 30, 2020
NET ASSETS		
Capital stock	343,517	343,732
Capital surplus	329,860	330,065
Retained earnings	1,094,483	1,092,931
Treasury stock	(126,356)	(156,061)
Total shareholders' equity	<u>1,641,506</u>	<u>1,610,667</u>
Net unrealized gains (losses) on securities, net of tax	2,283,198	2,880,434
Deferred hedge gains (losses)	20,437	13,749
Reserve for land revaluation	(17,978)	(18,746)
Foreign currency translation adjustments	(123,850)	(113,187)
Accumulated remeasurements of defined benefit plans	(27,458)	(25,315)
Total accumulated other comprehensive income	<u>2,134,348</u>	<u>2,736,934</u>
Subscription rights to shares	1,063	934
Total net assets	<u>3,776,918</u>	<u>4,348,536</u>
Total liabilities and net assets	<u>60,011,999</u>	<u>62,804,851</u>

(2) Consolidated Statement of Earnings and Comprehensive Income
 [Consolidated Statement of Earnings]

(Unit: million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
ORDINARY REVENUES	3,656,188	3,363,159
Premium and other income	2,458,834	2,101,284
Investment income	1,053,859	1,152,636
Interest and dividends	636,579	678,886
Gains on money held in trust	4,397	19,997
Gains on investments in trading securities	173,793	-
Gains on sale of securities	169,838	190,042
Gains on redemption of securities	4,829	7,724
Foreign exchange gains	-	127,694
Other investment income	1,279	729
Gains on investments in separate accounts	63,141	127,561
Other ordinary revenues	143,494	109,238
ORDINARY EXPENSES	3,462,464	3,200,321
Benefits and claims	2,472,471	2,187,955
Claims	583,302	615,247
Annuities	591,206	389,468
Benefits	292,325	277,982
Surrender values	318,578	401,855
Other refunds	687,057	503,402
Provision for policy reserves and others	80,197	301,868
Provision for reserves for outstanding claims	17,669	19,454
Provision for policy reserves	58,404	278,298
Provision for interest on policyholder dividends	4,123	4,114
Investment expenses	417,294	247,930
Interest expenses	21,752	22,199
Losses on investments in trading securities	-	60,969
Losses on sale of securities	26,848	43,727
Losses on valuation of securities	14,660	16,761
Losses on redemption of securities	3,544	2,419
Derivative transaction losses	19,204	60,266
Foreign exchange losses	302,630	-
Provision for reserve for possible loan losses	177	10,959
Provision for reserve for possible investment losses	51	503
Write-down of loans	92	228
Depreciation of real estate for rent and others	6,688	6,664
Other investment expenses	21,643	23,231
Operating expenses	334,966	327,129
Other ordinary expenses	157,534	135,436
Ordinary profit	193,724	162,838

(Unit: million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
EXTRAORDINARY GAINS	385	440
Gains on disposal of fixed assets	383	433
Other extraordinary gains	1	6
EXTRAORDINARY LOSSES	11,933	13,451
Losses on disposal of fixed assets	187	1,556
Impairment losses on fixed assets	416	588
Provision for reserve for price fluctuations	11,328	11,306
Other extraordinary losses	0	0
Provision for reserve for policyholder dividends	40,931	36,812
Income before income taxes	141,245	113,015
Corporate income taxes-current	75,661	38,338
Corporate income taxes-deferred	(26,210)	(8,652)
Total of corporate income taxes	49,451	29,685
Net income	91,794	83,329
Net income attributable to shareholders of parent company	91,794	83,329

[Consolidated Statement of Comprehensive Income]

(Unit: million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net income	91,794	83,329
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	631,715	597,367
Deferred hedge gains (losses)	17,324	(7,937)
Foreign currency translation adjustments	(39,159)	15,624
Remeasurements of defined benefit plans, net of tax	(259)	2,128
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(1,651)	(5,889)
Total other comprehensive income	607,968	601,293
Comprehensive income	699,762	684,623
(Details)		
Attributable to shareholders of parent company	699,762	684,623

(3) Consolidated Statement of Changes in Net Assets

Six Months ended September 30, 2019

(Unit: million yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)
Balance at the beginning of the year	343,326	329,723	1,134,392	(98,634)	1,708,808	2,101,587	3,803
Cumulative effect of changes in accounting policies			(5,639)		(5,639)		
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	343,326	329,723	1,128,753	(98,634)	1,703,168	2,101,587	3,803
Changes for the period							
Issuance of new shares	190	190			381		
Dividends			(66,442)		(66,442)		
Net income attributable to shareholders of parent company			91,794		91,794		
Purchase of treasury stock				(12,598)	(12,598)		
Disposal of treasury stock		(48)		234	186		
Change in scope of equity method			(146)		(146)		
Transfer from retained earnings to capital surplus					-		
Transfer from reserve for land revaluation			(370)		(370)		
Others			(3,442)		(3,442)		
Net changes of items other than shareholders' equity						633,526	17,324
Total changes for the period	190	142	21,393	(12,364)	9,362	633,526	17,324
Balance at the end of the period	343,517	329,865	1,150,146	(110,998)	1,712,530	2,735,114	21,128

(Unit: million yen)

	Accumulated other comprehensive income				Subscription rights to shares	Total net assets
	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	(13,488)	(77,457)	(10,824)	2,003,621	1,162	3,713,592
Cumulative effect of changes in accounting policies						(5,639)
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	(13,488)	(77,457)	(10,824)	2,003,621	1,162	3,707,952
Changes for the period						
Issuance of new shares						381
Dividends						(66,442)
Net income attributable to shareholders of parent company						91,794
Purchase of treasury stock						(12,598)
Disposal of treasury stock						186
Change in scope of equity method						(146)
Transfer from retained earnings to capital surplus						-
Transfer from reserve for land revaluation						(370)
Others						(3,442)
Net changes of items other than shareholders' equity	370	(42,545)	(250)	608,424	(99)	608,325
Total changes for the period	370	(42,545)	(250)	608,424	(99)	617,687
Balance at the end of the period	(13,117)	(120,002)	(11,075)	2,612,046	1,063	4,325,640

Six Months ended September 30, 2020

(Unit: million yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)
Balance at the beginning of the year	343,517	329,860	1,094,483	(126,356)	1,641,506	2,283,198	20,437
Cumulative effect of changes in accounting policies			(15,150)		(15,150)		
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	343,517	329,860	1,079,333	(126,356)	1,626,355	2,283,198	20,437
Changes for the period							
Issuance of new shares	214	214			429		
Dividends			(70,001)		(70,001)		
Net income attributable to shareholders of parent company			83,329		83,329		
Purchase of treasury stock				(29,999)	(29,999)		
Disposal of treasury stock		(72)		294	222		
Change in scope of equity method					-		
Transfer from retained earnings to capital surplus		62	(62)		-		
Transfer from reserve for land revaluation			768		768		
Others			(435)		(435)		
Net changes of items other than shareholders' equity						597,236	(6,688)
Total changes for the period	214	204	13,597	(29,704)	(15,688)	597,236	(6,688)
Balance at the end of the period	343,732	330,065	1,092,931	(156,061)	1,610,667	2,880,434	13,749

(Unit: million yen)

	Accumulated other comprehensive income				Subscription rights to shares	Total net assets
	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	(17,978)	(123,850)	(27,458)	2,134,348	1,063	3,776,918
Cumulative effect of changes in accounting policies						(15,150)
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	(17,978)	(123,850)	(27,458)	2,134,348	1,063	3,761,768
Changes for the period						
Issuance of new shares						429
Dividends						(70,001)
Net income attributable to shareholders of parent company						83,329
Purchase of treasury stock						(29,999)
Disposal of treasury stock						222
Change in scope of equity method						-
Transfer from retained earnings to capital surplus						-
Transfer from reserve for land revaluation						768
Others						(435)
Net changes of items other than shareholders' equity	(768)	10,663	2,142	602,585	(128)	602,457
Total changes for the period	(768)	10,663	2,142	602,585	(128)	586,768
Balance at the end of the period	(18,746)	(113,187)	(25,315)	2,736,934	934	4,348,536

(4) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Changes in Accounting Policies)

Effective the six months ended September 30, 2020, certain consolidated overseas subsidiaries adopted Accounting Standards Update ("ASU") No. 2016-13 - Financial Instruments - Measurement of Credit Losses on Financial Instruments issued by the Financial Accounting Standards Board.

The update is mainly applied to financial instruments valued at amortized cost and introduce a new current expected credit loss model. This model requires that an entity recognize as an allowance its estimate of contractual cash flows not expected to be collected on day one of the asset's acquisition.

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 six months ended September 30, 2020.

As a result, reserve for possible loan losses increased by ¥9,953 million and retained earnings decreased by ¥15,150 million at the beginning of the six months ended September 30, 2020. In addition, both ordinary profit and income before income taxes for the six months ended September 30, 2020 decreased by ¥11,197 million.