

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Nine Months Ended December 31, 2020

February 12, 2021

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: February 12, 2021

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, 2021

(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, 2020	5,085,037	(5.2)	301,202	15.0	165,210	29.6
December 31, 2019	5,366,611	1.5	261,959	(10.8)	127,436	(15.5)

Note. Comprehensive income (loss) for the nine months ended December 31, 2020 and 2019 were 1,039,900 million yen (15.5%) and 900,162 million yen (-%), respectively.

	Net Income per Share	Diluted Net Income per Share
Nine Months Ended	yen	yen
December 31, 2020	147.57	147.48
December 31, 2019	111.87	111.79

(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, 2020	63,553,904	4,703,226	7.4
March 31, 2020	60,011,999	3,776,918	6.3

(Reference) Net assets attributable to the Company's shareholders as of December 31, 2020 and March 31, 2020 were 4,702,291 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	-		
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
Fiscal Year Ending	million yen	%	million yen	%	million yen	%	yen
March 31, 2021	6,487,000	(8.8)	415,000	90.0	262,000	707.8	236.00

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, 2021 disclosed on February 12, 2021.

"Net income per share" is presented in the Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2021, factoring in the status of total shares outstanding and the Company's own shares as of December 31, 2020.

*** 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, 2020	As of March 31, 2020
(A) Total shares outstanding including treasury stock:	1,198,755,800	1,198,443,000
(B) Shares of treasury stock held:	88,572,425	69,378,825
	Nine months ended December 31, 2020	Nine months ended December 31, 2019
(C) Average outstanding shares:	1,119,547,130	1,139,130,719

Note. The number of treasury stocks includes the shares of the Company (3,970,500 shares as of December 31, 2020 and 4,068,000 shares as of March 31, 2020) 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, 2020 on February 12, 2021. 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, 2020	As of December 31, 2020
ASSETS		
Cash and deposits	1,205,507	1,365,020
Call loans	513,800	590,600
Monetary claims bought	221,147	245,594
Money held in trust	1,039,062	1,250,553
Securities	47,734,406	51,157,537
Loans	3,715,750	3,775,376
Tangible fixed assets	1,126,269	1,122,618
Intangible fixed assets	472,990	454,804
Reinsurance receivable	1,523,297	1,554,657
Other assets	2,403,292	1,998,200
Deferred tax assets	11,859	9,373
Customers' liabilities for acceptances and guarantees	47,065	52,887
Reserve for possible loan losses	(1,641)	(22,579)
Reserve for possible investment losses	(807)	(741)
Total assets	60,011,999	63,553,904
LIABILITIES		
Policy reserves and others	50,494,544	50,902,755
Reserves for outstanding claims	573,984	695,435
Policy reserves	49,520,817	49,806,033
Reserve for policyholder dividends	399,742	401,286
Reinsurance payable	781,980	885,333
Bonds payable	1,135,336	1,106,250
Other liabilities	2,723,157	4,537,930
Net defined benefit liabilities	440,874	444,192
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,188	1,087
Reserve for possible reimbursement of prescribed claims	800	620
Reserves under the special laws	240,796	257,837
Reserve for price fluctuations	240,796	257,837
Deferred tax liabilities	296,142	589,408
Deferred tax liabilities for land revaluation	73,195	72,375
Acceptances and guarantees	47,065	52,887
Total liabilities	56,235,081	58,850,677

(Unit: million yen)

	As of March 31, 2020	As of December 31, 2020
NET ASSETS		
Capital stock	343,517	343,732
Capital surplus	329,860	330,065
Retained earnings	1,094,483	1,175,477
Treasury stock	(126,356)	(156,019)
Total shareholders' equity	1,641,506	1,693,256
Net unrealized gains (losses) on securities, net of tax	2,283,198	3,159,294
Deferred hedge gains (losses)	20,437	11,753
Reserve for land revaluation	(17,978)	(20,041)
Foreign currency translation adjustments	(123,850)	(117,755)
Accumulated remeasurements of defined benefit plans	(27,458)	(24,215)
Total accumulated other comprehensive income	2,134,348	3,009,035
Subscription rights to shares	1,063	934
Total net assets	3,776,918	4,703,226
Total liabilities and net assets	60,011,999	63,553,904

(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income

[Quarterly Consolidated Statement of Earnings]

(Unit: million yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
ORDINARY REVENUES	5,366,611	5,085,037
Premium and other income	3,653,561	3,245,163
Investment income	1,499,110	1,630,238
Interest and dividends	951,973	992,194
Gains on money held in trust	-	24,905
Gains on investments in trading securities	185,635	-
Gains on sale of securities	222,066	269,345
Gains on redemption of securities	6,959	10,639
Foreign exchange gains	-	126,813
Other investment income	1,705	1,026
Gains on investments in separate accounts	130,771	205,313
Other ordinary revenues	213,939	209,635
ORDINARY EXPENSES	5,104,652	4,783,834
Benefits and claims	3,516,827	3,173,514
Claims	888,828	942,778
Annuities	898,422	577,784
Benefits	425,259	416,723
Surrender values	485,863	573,051
Other refunds	818,451	663,175
Provision for policy reserves and others	445,629	665,326
Provision for reserves for outstanding claims	29,543	40,444
Provision for policy reserves	409,890	618,694
Provision for interest on policyholder dividends	6,194	6,187
Investment expenses	397,941	236,065
Interest expenses	32,775	32,738
Losses on money held in trust	3,890	-
Losses on investments in trading securities	-	3,407
Losses on sale of securities	36,505	89,767
Losses on valuation of securities	6,513	18,828
Losses on redemption of securities	5,299	4,894
Derivative transaction losses	77,380	29,952
Foreign exchange losses	192,873	-
Provision for reserve for possible loan losses	352	11,331
Provision for reserve for possible investment losses	68	364
Write-down of loans	98	235
Depreciation of real estate for rent and others	9,977	9,990
Other investment expenses	32,204	34,554
Operating expenses	503,781	495,777
Other ordinary expenses	240,472	213,150
Ordinary profit	261,959	301,202

(Unit: million yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
EXTRAORDINARY GAINS	396	672
Gains on disposal of fixed assets	393	661
Other extraordinary gains	2	10
EXTRAORDINARY LOSSES	19,346	23,769
Losses on disposal of fixed assets	261	5,693
Impairment losses on fixed assets	2,008	1,034
Provision for reserve for price fluctuations	17,076	17,041
Other extraordinary losses	0	0
Provision for reserve for policyholder dividends	60,652	56,450
Income before income taxes	182,356	221,654
Corporate income taxes-current	89,934	71,498
Corporate income taxes-deferred	(35,014)	(15,054)
Total of corporate income taxes	54,920	56,444
Net income	127,436	165,210
Net income attributable to shareholders of parent company	127,436	165,210

[Quarterly Consolidated Statement of Comprehensive Income]

	(Unit: million yen)	
	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net income	127,436	165,210
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	795,548	875,464
Deferred hedge gains (losses)	6,194	(9,731)
Foreign currency translation adjustments	(27,028)	12,469
Remeasurements of defined benefit plans, net of tax	(416)	3,222
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(1,573)	(6,734)
Total other comprehensive income	772,725	874,690
Comprehensive income	900,162	1,039,900
(Details)		
Attributable to shareholders of parent company	900,162	1,039,900

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Notes for Material Changes in Shareholders' Equity)

The Parent Company purchased its shares in accordance with the resolution made at the meeting of its board of directors held on August 12, 2020, under the provision of Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of the same.

As a result, treasury stock increased by ¥29,999 million for the nine months ended December 31, 2020 and the amount of treasury stock was ¥156,019 million as of December 31, 2020

(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, 2020. 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, 2020, after taking into account the effect of deferred tax accounting.

(Changes in Accounting Policies)

Effective the nine months ended December 31, 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 nine months ended December 31, 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 nine months ended December 31, 2020. In addition, both ordinary profit and income before income taxes for the nine months ended December 31, 2020 decreased by ¥11,749 million.