

(Unofficial Translation)

**FY2012-1Q Financial Results Conference Call for Institutional Investors and Analysts
Q&A Summary**

Date: August 10, 2012 18:00 – 19:00
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< Sales Results >

Q1. While it seems annualized net premium (ANP) from new business has continued to increase, there was an explanation that the number of new policies of medical products (3rd sector), which is likely to contribute to ANP, has decreased recently. Please explain the trend of ANP from new business.

A1. From this fiscal year, we have focused on the sales of our leading package products such as “Junpu Life” a little more than ever before. On the other hand, sales of stand-alone 3rd sector products such as “Medical Yell” slightly slowed down. Thanks to the increase in sales of leading products, the overall ANP from new business shows an increase.

Q2. Did the effect of new business which has higher unit pricing result in the increasing trend of ANP from new business?

A2. While the number of new policies of individual insurance and individual annuities slightly decreased year-on-year, ANP from new business increased. Therefore, your understanding is correct.

Q3. Why did ANP from new business of individual annuities sharply increase year-on-year?

A3. From this fiscal year, we have revised our commission system for sales representative to be more closely linked to the economic value-based profitability. Along with the revision, the commission of certain individual annuity products increased in response to the contribution to economic value-based profits and therefore the sales of such products increased.

< Capital and Business Alliance with Janus >

Q4. Relating to your investment in Janus, do you expect that Dai-ichi will entrust some of Dai-ichi’s funds to Janus? Also, is it possible that Dai-ichi will invest in other asset management companies in order to strengthen its asset management business?

A4. Associated with our investment in Janus, we would like to increase the corporate value of Janus

by supporting their mid-to long-term strategies and we expect the entrustment of some of our funds to Janus. In particular, because of the limited liquidity of the Japanese corporate bond market, our main focus of entrustment is to improve our investment return by appropriately evaluating overseas credit risk by leveraging Janus' know-how.

For the longer term, we will think about investment in other asset management companies. However, in the shorter term, we are putting top priority on the success of this initiative. Since this is the first time for us to access an overseas top-tier asset management company, after developing our management structure and accumulating know-how, we would like to think about our next step.

Q5. In case you acquire up to 15% of the outstanding shares of Janus stock, it appears Dai-ichi Life needs ¥25 billion to ¥30 billion at a maximum, after taking into share price increase. Would it be reasonable to deem that the increase in Dai-ichi Life's risk exposure does not match the actual investment amount, since the asset management business does not have high risk profile?

A5. The current stock price of Janus is approximately \$7 per share and given that we will purchase Janus shares with a certain premium, the expected investment amount is close to your expectation.

We have not calculated precisely the economic value-based risks of Janus. However, as you pointed out, we believe its risk exposure is smaller than the investment amount, as compared to directly investing in a life insurance business.

Q6. Will you allocate \$20 billion of Dai-ichi's general account assets entrusted to Janus to the existing foreign stock/bond portfolio, or to a newly established investment portfolio?

A6. We expect \$20 billion of funds for Janus will be allocated to a foreign bond portfolio, not to foreign stocks. We would like to accumulate know-how from Janus' corporate bond investment which takes credit risks based on their bottom-up approach, although it will take some time for us to achieve this.

Regarding the allocation, we do not believe all of the \$20 billion will be new allocation. We will think about where and how to allocate, but we will not entrust all money in the shorter term. Taking into consideration the fund launching process of Janus and our asset allocation policies, it is likely that certain money will be new allocation, and we may also shift amounts from some existing outsourced funds.

Q7. Given the current interest rate, stock market and internally calculated capital, do you recognize that there is some remaining capital to be used for additional M&As?

A7. Under our capital management framework based on the current economic environment, even after acquiring share of Janus, there is still some room for additional investment. Of course, in order to achieve a large M&A, the investment amount will exceed current capital size, but we believe we will conduct various investments while considering our current available funds.

Q8. Please explain the background to this deal; did you choose Janus from several candidates, or did you initially approach Janus with which you had some relationship from the past?

A8. Three years have passed since we started approaching Janus. With our demutualization, we have established a plan to grasp growth opportunities in the asset management business which is synergistic with a life insurance business. Along with our planning, we have made a detailed analysis of asset management companies in the U.S. market, and Janus was one of our targets which met factors such as size or competitive advantages.

Q9. Please explain how many shares you will purchase from the market and how many new shares you will purchase from Janus. Next, compared to the money to be invested, it seems that Dai-ichi will not enjoy the fruits of this investment very much. Is the accumulation of know-how the primary objective for Dai-ichi Life? Please explain the rationale with respect to the acquisition of shares of Janus including the expected return.

A9. Basically, we would like to purchase Janus shares from the market. It is possible that we may acquire new Janus shares through an option issued by Janus. However, it is supposed to be used as a supplement which constrains stock price surges beyond our expectations.

Regarding the rationale of the acquisition, if we make Janus which earned ¥10 billion of net income recently a company accounted for under the equity method, 20% of profit of Janus will be reflected in the Group's consolidated accounts. Therefore, we will steadily incorporate this portion to our consolidated income.

Additionally, given that we will acquire share of Janus with a certain premium, we think we have to add value to this investment. Previously, Janus had sold products to retail investors in the U.S., based on the bottom-up research of U.S. stocks. However, few years ago Janus brought in a new CEO from PIMCO and started to implement various initiatives to realize its growth strategies such as diversifying investment assets including bonds, enhancing sales to institutional investors and diversifying its global customer base and distribution areas, including Asian emerging countries.

For each growth strategy of Janus, we believe that Dai-ichi Life's mandate to Janus for fixed income investment and synergy effects on Dai-ichi Life group's customer base including DIAM (an asset management company jointly-owned by Mizuho Financial Group and Dai-ichi Life) for the access to overseas markets will enable us to add value to the investment.

Additionally, acquiring know-how of the overseas asset management business is one of our objectives.

Q10. Does your decision to acquire shares of Janus mean that Dai-ichi Life gave up acquiring ING's business operations in Asia?

A10. We decline to comment on a specific deal.

Q11. When considering fixed income investment or expansion in the Asian market, I have an impression that selecting a fixed income investment boutique or Asian manager would be a better way for smooth expansion. Didn't you think about such alternatives?

A11. Rather than acquiring growth opportunity directly, our objective is to provide our Asian customer base to Janus by leveraging our resources, from a perspective of supporting the strategies of Janus in order to acquire profits of Janus as our equity method company. Whether to directly access Asian boutique funds is another story.

Q12. Relating to the capital and business alliance with Janus, it is said that Dai-ichi will not acquire more than 20% of shares of Janus. However, I think it would be fine for Dai-ichi to acquire 100% of the shares. Please explain the background that Dai-ichi set a limit of 20% of shares for the acquisition.

A12. The reasons why we would like to set an upper limit of 20% are as follows:

- a) Unlike a life insurance business, it is much more likely that an asset management business depends on its human resources like a portfolio manager as its business resource, and we believe there is high risk of losing talented persons as a result of a change in management entity. In order to prevent the loss of talented persons and not to spoil Janus' original corporate value, our basic policy is to limit to a minority shareholding.
- b) Since we do not yet possess enough human resources and know-how to manage and control a U.S. asset management business, in terms of solidifying our foundation, minority shareholding would be the appropriate way for us.

Q13. Associated with the initiatives to Janus, do you think the positioning of DIAM for Dai-ichi Life will change?

A13. Our view about DIAM does not change. For example, Dai-ichi Life's entrustment to DIAM is mainly related to its separate account and even if we entrust funds to Janus there will be no conflict. In terms of customer base, though there will be synergy effect, no cannibalization will occur between DIAM and Janus. From the perspective of our business management, we don't believe our relationship with DIAM will change.

< Investment >

Q14. It seems that Dai-ichi Life did not sell domestic stocks very much in the 1st quarter, as page 9 of the presentation material shows that most of the decrease in book value of domestic stocks is attributable to losses on valuation of securities. On the other hand, it is said that Dai-ichi Life shifts to a lengthening of its asset duration. However, I believe that substantial sales of stocks like selling ¥200 to ¥300 billion per year like Dai-ichi Life did in the past will be the most effective way to reduce risks, whereas lengthening of duration has a limited impact on the risk reduction, unless purchasing a large amount of super long-term bonds. Please indicate the size of purchasing super long-term bonds in case you shift to the lengthening of duration.

A14. We do not think our stock selling operation is completed. Compared to around ¥300 billion of annual stock selling in the past, the pace of selling will slow down slightly, but we would like to continue to sell stocks for several years going forward.

Additionally, it is true that we need to accumulate a substantial amount of super long-term bonds in order to lengthen asset duration, given the size of the assets attributable to individual insurance and annuities exceeds ¥20 trillion. Roughly speaking, it is supposed that the duration of assets would be lengthened by approximately 0.5 year by purchasing ¥1 trillion of super long-term bonds. Over this fiscal year, we hope to accumulate slightly more than ¥2 trillion of super long-term bonds.

While it is possible that we will utilize a certain time frame for the accumulation and that the timing of the operation will be diversified, taking into account interest rate conditions, we intend to lengthen the duration more speedily than ever.

Q15. For the next five years, do you think you will be satisfied with the lengthening of the asset duration by approximately 1 year annually? If so, how much will the current interest rate risks reduce?

A15. While it is difficult to quantify the degree of reducing interest rate risks, for individual insurance and annuities there is more than slightly 4 years of duration gap between the duration of liability which is slightly less than 18 years, and that of assets which is in the middle of 13 years. When accumulating ¥2 trillion of super long-term bonds annually, it is calculated that it would take more than 4 years for reducing the duration gap. At the moment we expect the pace of accumulating ¥2 trillion yen annually, but for how to implement the lengthening of the duration while taking into account the asset mix with stocks, we will re-examine it when formulating our new medium-term management plan starting from the next fiscal year.

Q16. It seems that the purchase of policy-reserve-matching bonds for the 1st quarter amounted to slightly less than ¥600 billion. While the interest rates stayed low during the 1st quarter, I feel that the pace of the purchase exceeds 25% of the annual plan of purchasing ¥2 trillion. Given the interest rates remain at a low level similar to that for the 1st quarter, will you continue to accumulate more than ¥500 billion of super long-term bonds for the 2nd quarter as well?

A16. As you mentioned, we have accumulated policy-reserve-matching bonds by slightly less than ¥600 billion. We think our plan of accumulating such bonds for the full year will be less than four times of the accumulation for the 1st quarter, slightly more than ¥2 trillion. Assuming that we continue the accumulation evenly for the remaining three quarters, the amount per quarter would be ¥500 billion.

While it is true that current interest rates stay low, we would like to accumulate super long-term bonds evenly going forward, taking into account interest rate levels. It is possible that we will change the pace of the accumulation depending on the interest rate levels, but basically we would like to steadily lengthen the asset duration.

Q17. It seems that gains on sale of securities amounted to a high level. Please indicate how much of such gains are attributable to those on sale of domestic bonds. Would it be reasonable to assume gains four times of those for the 1st quarter when forecasting gains on sale of securities for the full year?

A17. Close to 60 percent of ¥70 billion of total gains on sales of securities are attributable to those on sale of domestic bonds. Basically, gains on sale of domestic bonds were realized when shifting from available-for-sale securities with shorter duration to policy-reserve-matching bonds with longer duration. However, whether we will be able to record such gains similar to those for the 1st quarter will depend on the interest rate level when conducting actual selling operations.

Q18. Whereas gains on sale of securities are high, a decrease in interest and dividends still negatively affects fundamental profit. Isn't it true that interest and dividends are decreasing more significantly than Dai-ichi Life expected?

A18. As described in page 7 of the presentation material, movement analysis of adjusted fundamental profit (sum of Dai-ichi Life and Dai-ichi Frontier Life), negative ¥6.5 billion of decrease in investment income, etc. is broken down into factors of Dai-ichi Life, negative ¥8.2 billion, and those of Dai-ichi Frontier Life, positive ¥1.6 billion. Most of Dai-ichi Life's decrease is attributable to the decrease in interest and dividends. Of those amounts, Dai-ichi

Life has taken into account approximately negative ¥5.0 billion when establishing its earnings forecast, mainly attributable to the decreasing effect on the investment yield associated with the reduction of foreign bond exposure, mainly euro-denominated bonds. The remaining negative ¥3.0 billion would be attributable to the decrease in interest and dividends of foreign currency-denominated bonds along with the appreciation of yen from this fiscal year, which resulted in the downward shift from the original forecast.

< Earnings Forecast for the Fiscal Year ending March, 2013 >

Q19. You explained that Dai-ichi Life made no revision to the original earnings forecast as you expect an improvement in investment gains to some degree for the full fiscal year. Please explain about the factors specifically.

A19. From the 2nd quarter, we assume various selling and purchasing operations of assets and unless the current financial environment drastically changes, we believe we can expect a certain amount of capital gains to be continually occurred along with the operations.

< TAL >

Q20. Please indicate TAL's current situation and future outlook.

A20. TAL's business is comprised of three business lines. Individual business line sells insurance products through the independent advisor channel and direct sales channel through a call center. Also, TAL sells group insurance by wholesale. While the Australian economy remains in an adjustment phase and TAL faces a severe competitive environment, each business line is steadily growing in terms of both top-line and bottom-line. The worsening trend of the surrender, cyclically worsening up to last year, seems to have bottomed out, although at a little bit high level. Additionally, TAL has strived to gradually refine insurance payment assessment process which contributes to its profit.

Note: we made partial additions and alterations in preparing the above summary, for better understanding.

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