

**(Unofficial Translation)**  
**Institutional Investors and Financial Analysts Meeting**  
**for the Six Months Ended September 30, 2014**  
**Q&A Summary**

Date: November 20, 2014, 10:00 a.m. – 11:00 a.m.

Attendees: Koichiro Watanabe, President and Representative Director

Seiji Inagaki, Executive Officer, General Manager, Corporate Planning Department

The Dai-ichi Life Insurance Company, Limited (the “Company”)

**[Questions and Answers]**

The name of the respondent is mentioned at the end of each answer.

**< Medium-Term Management Plan >**

**Q1. You explained that you are considering the launch of a new medium-term management plan starting from April 2015. Please explain how many years the new medium-term management plan will cover.**

A1. As the further increase in consumption tax will be postponed and the corporate tax cut is unclear, the assumptions for the external environment are different from our original forecast. In addition, the introduction of global capital regulations for insurance companies by around 2018 and 2019 was also taken into consideration, and if we are recognized as an Internationally Active Insurance Group, it is possible that such regulations will have an effect on us. Consequently, taking in account the various conditions surrounding us, we think it is appropriate that the new medium-term management plan will cover around three years from the fiscal year 2015. Please note that the renewal of our medium-term management plan will be officially determined after internal discussions and that we will need more time to disclose it. (Watanabe)

**Q2. It seems that Dai-ichi’s profit level will increase significantly during the upcoming three years, due to the completion of the intensive provision of additional policy reserves and the consolidation of Protective, etc. If so, please discuss how we can expect the increase in profit compared to the 100 billion yen in consolidated adjusted net income that was set as the goal in the current medium-term management plan.**

A2. Our profit level has increased significantly compared to our original forecast. On the other hand, the timing of the introduction of and the scope of the corporate tax cut will materially impact our earnings forecasts. Therefore, we intend to show you our goals under our new medium-term management plan after analyzing the potential impacts in detail. In addition, as we have achieved our goals set in the past medium-term management plans, we intend to

strive to achieve the goals in the new medium-term management plan which will be announced in the future. (Watanabe)

**< Group Management Framework >**

**Q3. You indicated that you are considering the establishment of regional headquarters companies and a shift to a holding company (HD) structure. Please explain the timeframe of shifting to the HD structure, etc.**

A3. As an organization which already has some functions similar to that of an HD, we have already established the Group Management Headquarters and started operating it. When considering the shift to the HD structure, we will transfer the functions of the Group Management Headquarters to the HD. Regarding the timeframe, as we are taking into account changes in the external environment, including regulatory trends, we would like to make a decision during the new medium-term management plan period. (Watanabe)

As a supplementary comment to page 26 in the presentation material, this chart indicates the reporting lines, not the organizational chart. The regional headquarters companies provide managerial direction and governance to the other overseas insurance group companies, and are not intermediate holding companies. If we shift to an HD structure in the future, both the overseas insurance companies and the regional headquarters entities will become subsidiaries of the HD. (Inagaki)

**< Shareholder Return >**

**Q4. As the economic value-based capital adequacy ratio as of September 30, 2014 already exceeds the target for March 31, 2015, we can see that Dai-ichi's capital level has improved. In addition, it seems that the consolidated adjusted net income will increase going forward. Given that, please give us an indication of the level of shareholder return to be expected in the new medium-term management plan.**

A4. Regarding the profit level in the future, we need to carefully examine the impact of external factors, including the corporate tax cut, on our financial results. While we would like to enhance shareholder return going forward, we intend to disclose specific levels and the time frame as part of the new medium-term management plan, taking into consideration such external factors. (Watanabe)

**Q5. It seems that profits will increase significantly due to the consolidation of Protective and the completion of the intensive provision period of the additional policy reserves. Please discuss whether we can expect that shareholder dividends will increase in line with the increase in profits. In addition, please explain the possibility of raising shareholder dividends in the event that profits increase as a result of the postponement of the corporate tax cut.**

A5. As you pointed out, the idea that, on or after the fiscal year 2015, the consolidation of Protective and the completion of the intensive provision of the additional policy reserves will boost the profit level and a certain part of the increased profit will be distributed to our shareholders, is unchanged. Whether we will raise shareholder dividends in relation to the increase in profits when the corporate tax cut is postponed is a decision that we intend to take by considering the trend in the corporate tax cut on or after the fiscal year 2015. (Inagaki)

< Quasi US-GAAP based Earnings Indicators >

**Q6. I think the most significant difference between J-GAAP and US-GAAP is that the evaluation method of policy reserves is different. Specifically, while under J-GAAP the policy reserve is discounted by the statutory interest rate determined by the country, under US-GAAP the policy reserve is discounted by the assumed interest rate set for each product. Taking into account the difference of the evaluation method of policy reserves, please discuss how much Dai-ichi's profit level will increase based on US-GAAP.**

A6. Given the significant workload, we do not conduct a re-evaluation of policy reserves based on US-GAAP. In Japan, on or after 1996, an insurance company accumulates its policy reserves according to the statutory interest rate. The difference between the interest rate of the individual policy and the statutory rate can be regarded as the difference between J-GAAP and US-GAAP. As the assumed interest rate of our core products is more than 1% different from the statutory rate, it can be said that we have conservatively accumulated more policy reserves based on J-GAAP. However, even by changing to US-GAAP-based figures, I don't think this would result in a significant difference. (Inagaki)

**Q7. Given the magnitude of mortality and morbidity gains and expense margins generated from policies acquired in the past, when changing from J-GAAP to US-GAAP, it seems that profits will increase significantly due to the release of over-accumulated policy reserves based on J-GAAP. Please explain how much the increase will be.**

A7. As the figure we disclosed is a simple adjustment, we do not precisely re-calculate the policy reserves based on US-GAAP. In addition, in order to compare the policy reserves based on J-GAAP and US-GAAP, please analyze the difference between the value of in-force business in EV calculation and the policy reserves based on J-GAAP. Moreover, as explained before, it is forecasted that the Japanese accounting standards will be integrated to IFRS, and we are considering to change our disclosure to IFRS going forward. (Inagaki)

Note: We made partial additions and alterations for clarity in preparing the above summary.

**【Disclaimer】**

The information in this material is subject to change without prior notice. Neither this material nor any of its contents may be disclosed or used by any other party for any other purpose, without the prior written consent of the Company.

Statements contained herein that relate to the future operating performance of the Company are forward-looking statements. Forward-looking statements may include – but are not limited to – words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “forecast,” “predict,” “possibility” and similar words that describe future operating activities, business performance, events or conditions. Forward-looking statements are based on judgments made by the Company’s management based on information that is currently available to it and are subject to significant assumptions. As such, these forward-looking statements are subject to various risks and uncertainties and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. The Company disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.