

# Update on Medium-Term Management Plan



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President

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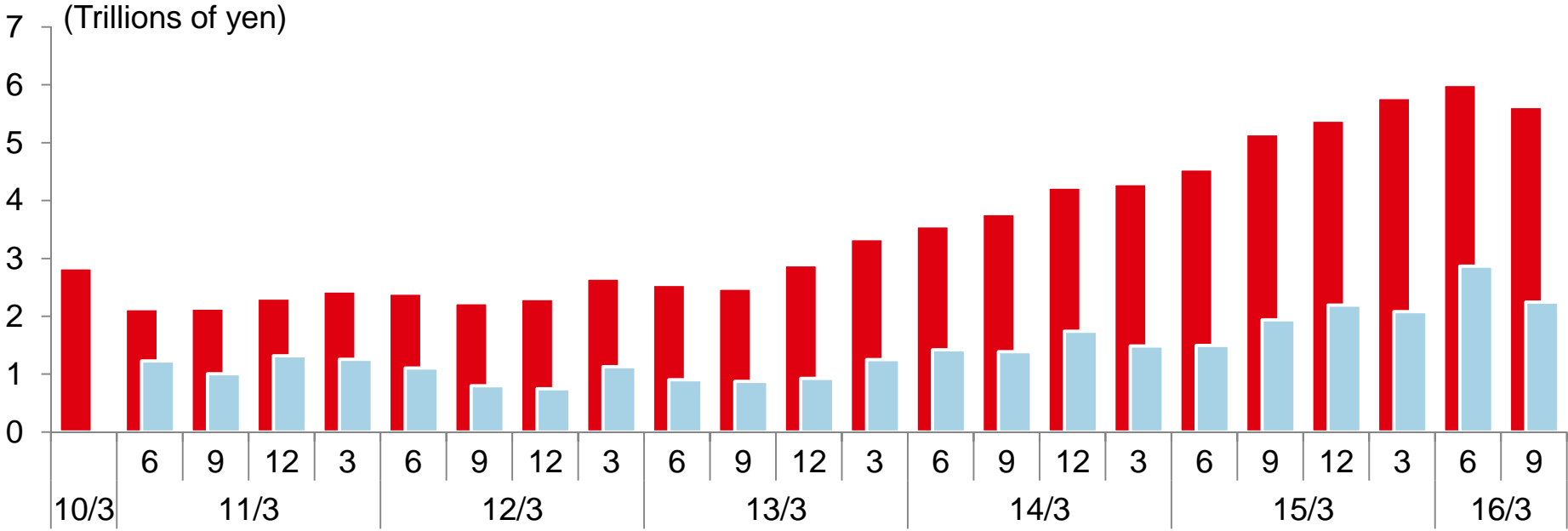
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# Embedded Value of The Dai-ichi Life Group

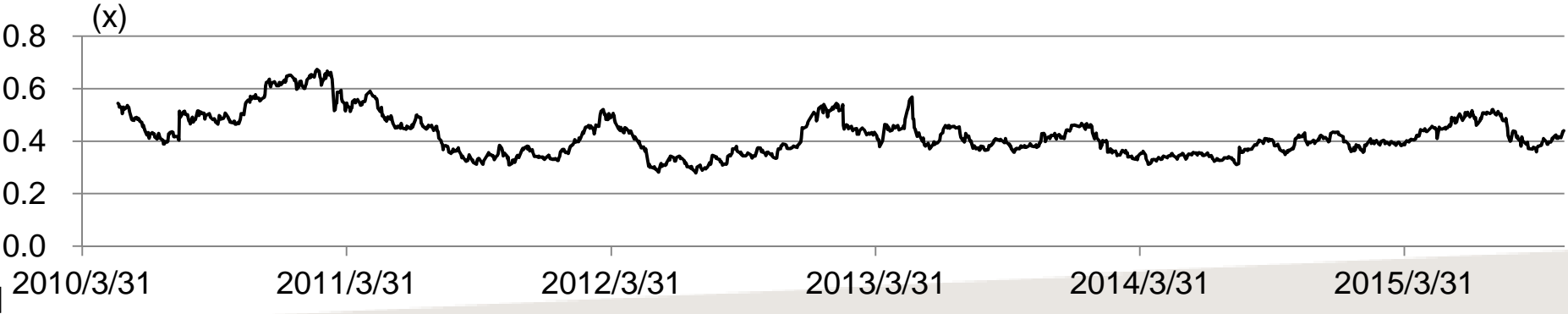
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## Embedded Value and Market Capitalization of The Dai-ichi Life Group

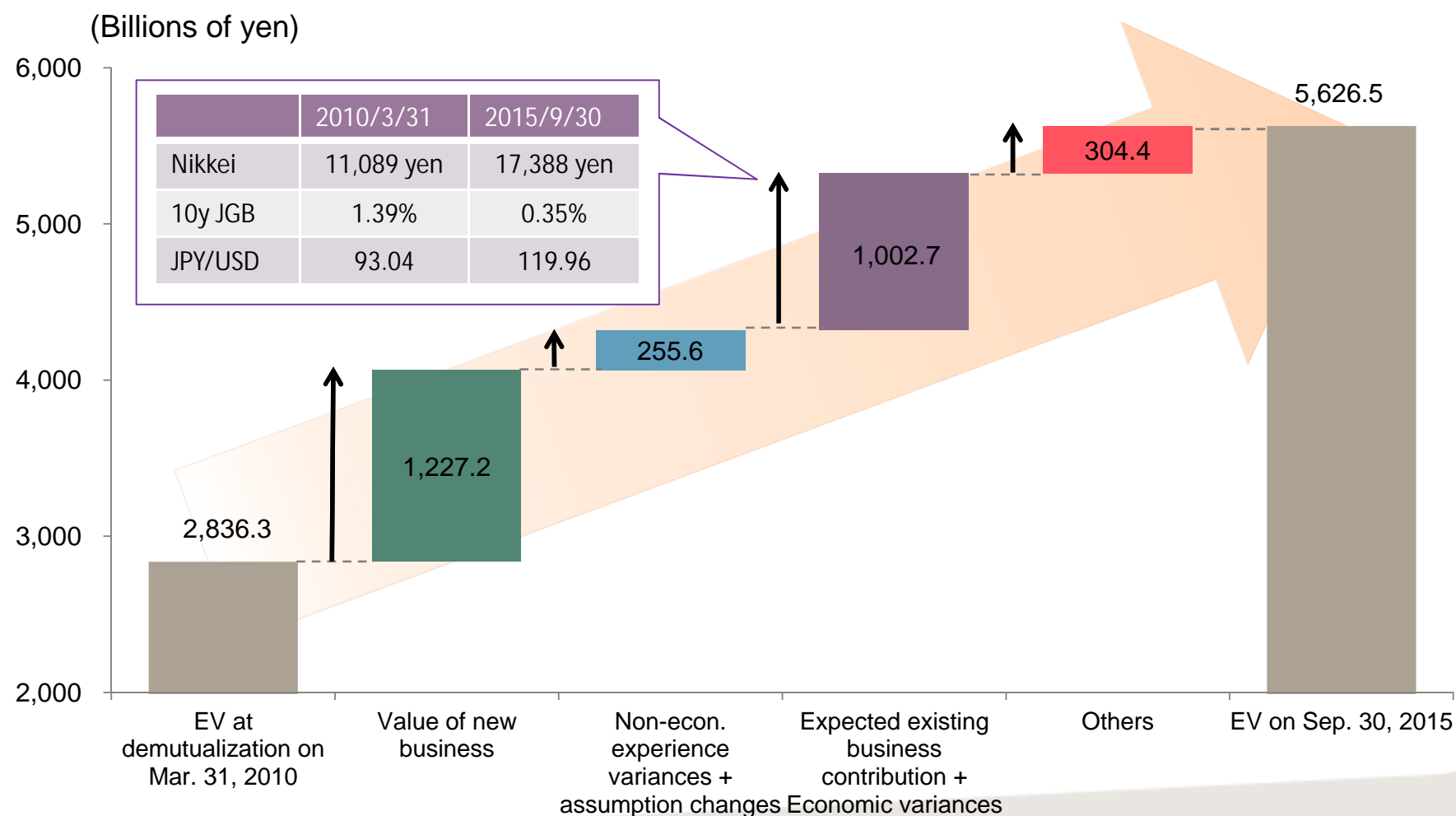


## Trends in EV Multiples



# Value of New Business Supports EEV Growth

## Movement Analysis of Group EEV Since Demutualization (2010/3/31 - 2015/9/30)



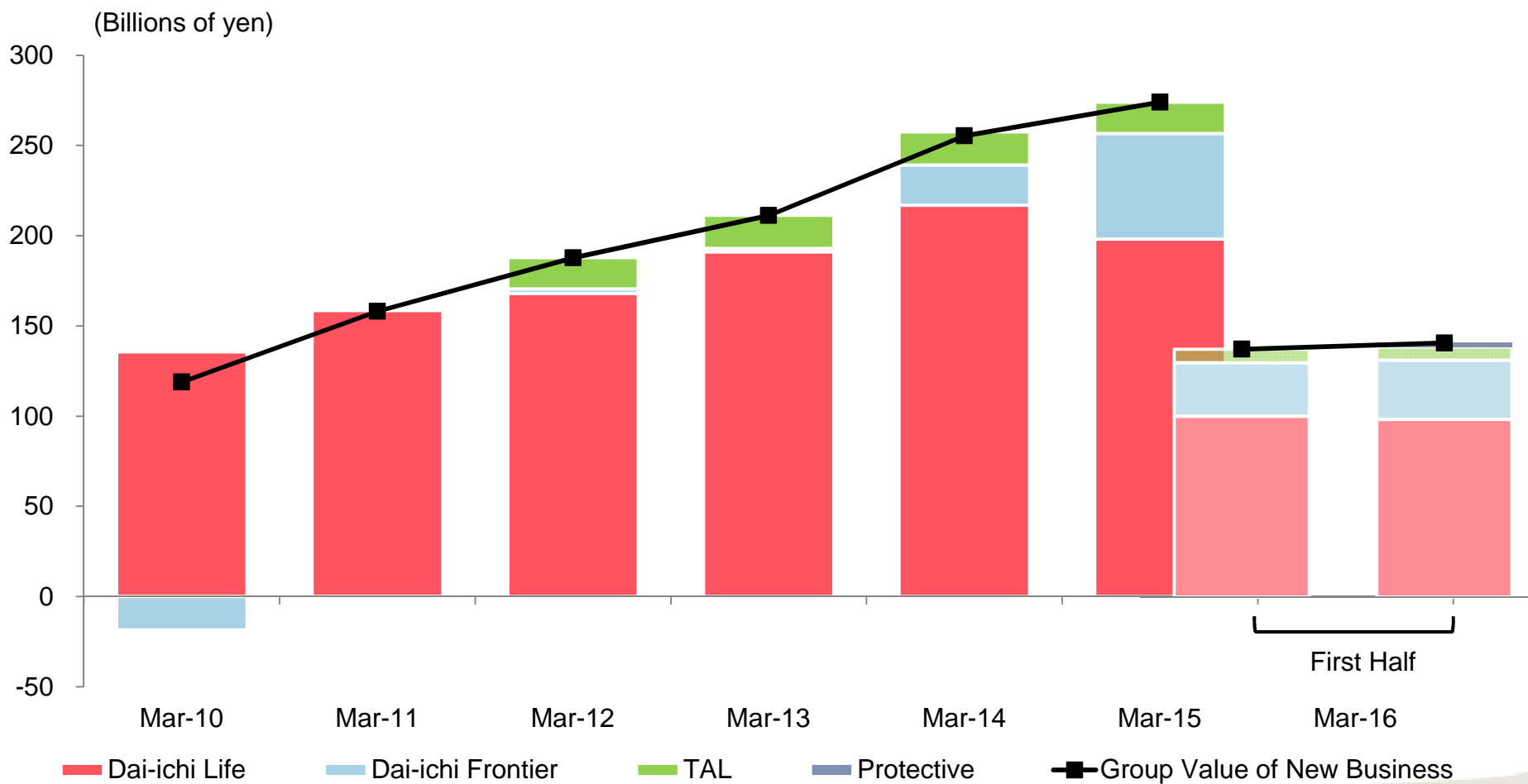
(Note) The figures shown above are simple sums of factors that contributed to the change in embedded value between Mar. 31, 2010 and Sept. 30, 2015

# Group Companies' Contribution Drives VNB Growth

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## Trends in Dai-ichi Life Group Value of New Business



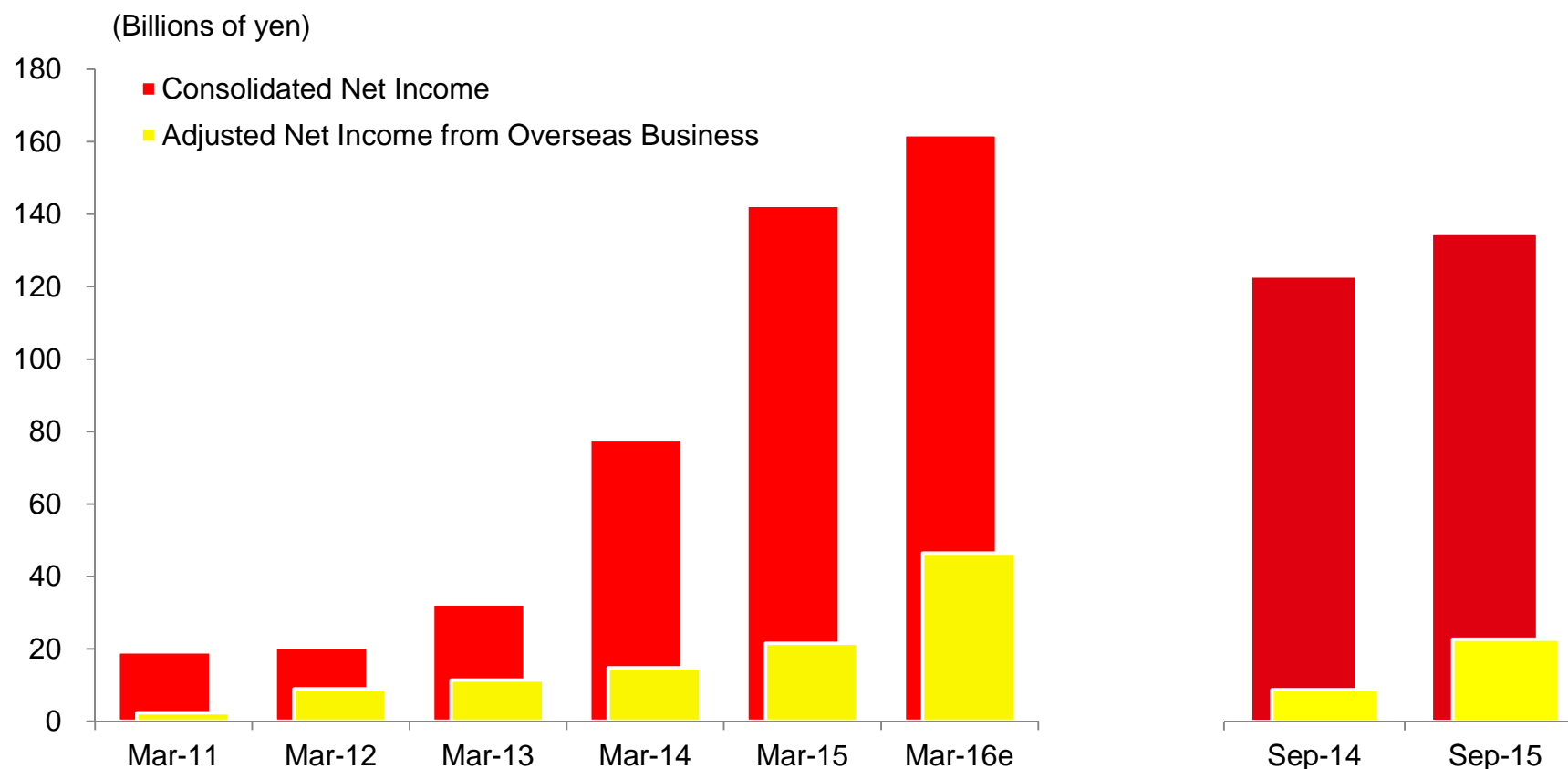
# Robust Growth in Earnings

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## Consolidated Net Income & Adjusted Net Income from Overseas Business

## First Half



(Note) Consolidated net income for the fiscal year ending March 2016 represents net income attributable to shareholders of parent company

(Note) Adjusted net income from overseas business is sums of Protective Life's operating income before tax, TAL's underlying profit before tax and Dai-ichi Life Vietnam's net income before tax (after partial elimination of intra-group transactions).

# Management Objectives under 'D-Ambitious' <sup>1</sup>

## Covering Fiscal Years 2015 to 2017

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Items		Management Objectives
Corporate Value	Average EV Growth (RoEV)	Average RoEV of <u>over 8%</u>
	Consolidated Adjusted Net Income <sup>2</sup>	<u>220 billion yen</u> in FY Mar-2018
Top Line (Growth)	Group In-force Annual Net Premium	<u>9% over Mar-2015</u> as of Mar-2018
Financial Soundness	Economic Capital Adequacy <sup>3</sup>	<u>170% - 200%</u> by Mar-2018
Shareholder Return	Total Payout Ratio	<u>40%</u> during D-Ambitious

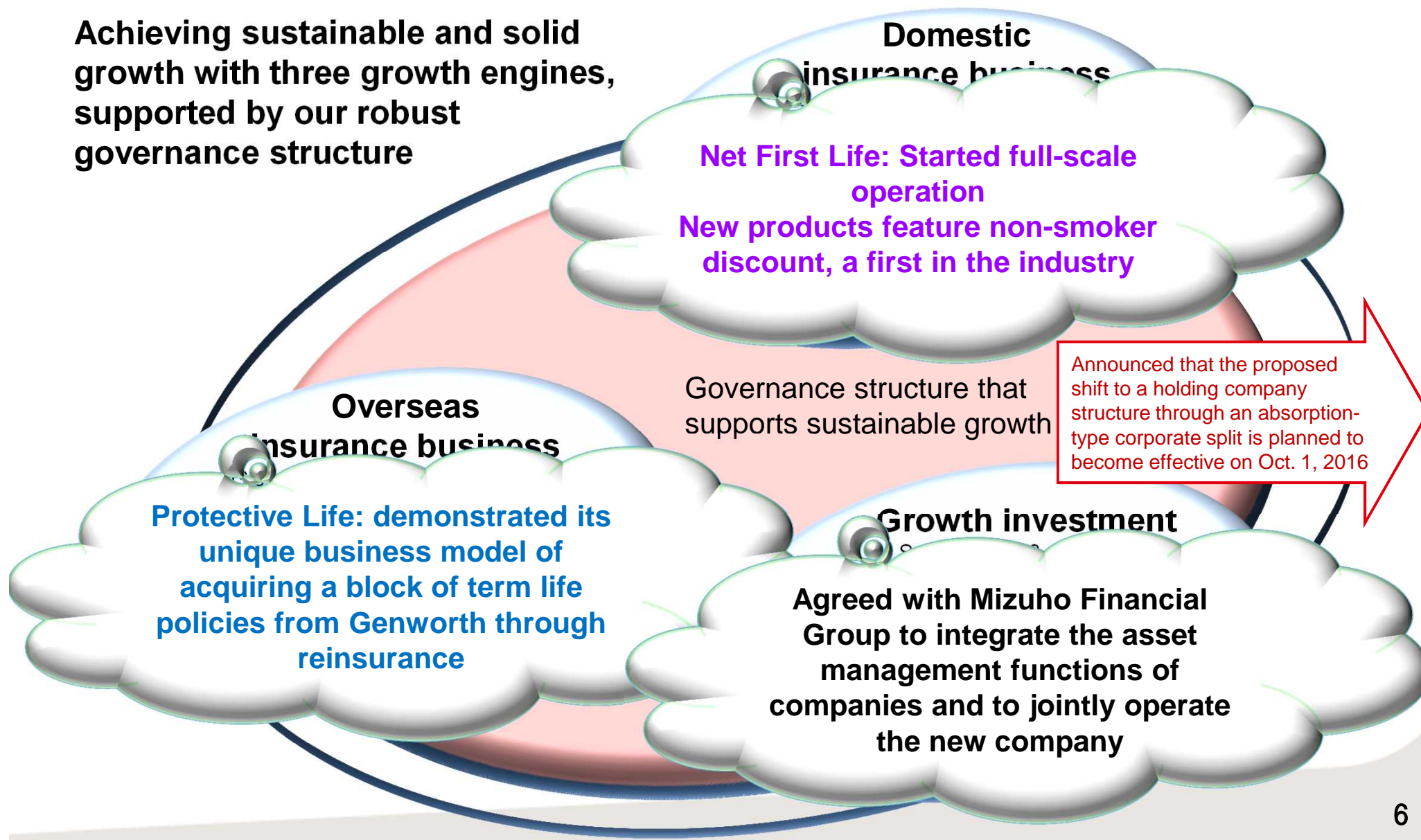
1 Above objectives are based on the assumption that the economic environment remains similar to its current state.

2 Dai-ichi Life Group defines adjusted net income as an indicator which represents the Group's real profitability. It is calculated by adding (subtracting) provision for (reversal of) reserves that are classified as liabilities such as reserve for price fluctuation and contingency reserve, over the statutory minimum, to consolidated net income (after tax).

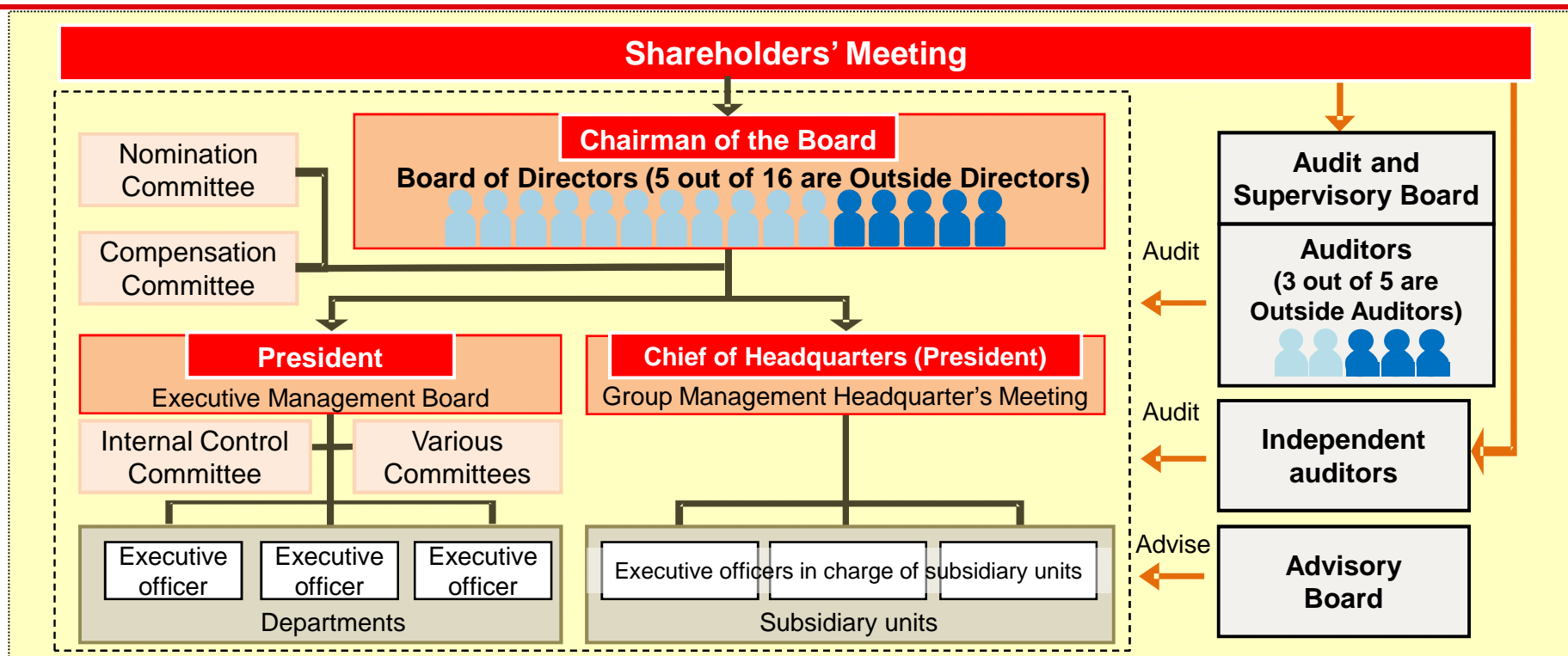
3 Economic capital adequacy is an indicator representing the company's financial soundness. It is calculated by dividing the amount of capital based on economic capital, by the amount of risk based on internal model (after tax, confidence interval of 99.5%).

# Three Growth Engines and Governance

Achieving sustainable and solid growth with three growth engines, supported by our robust governance structure



# Enhanced Governance at Dai-ichi Life



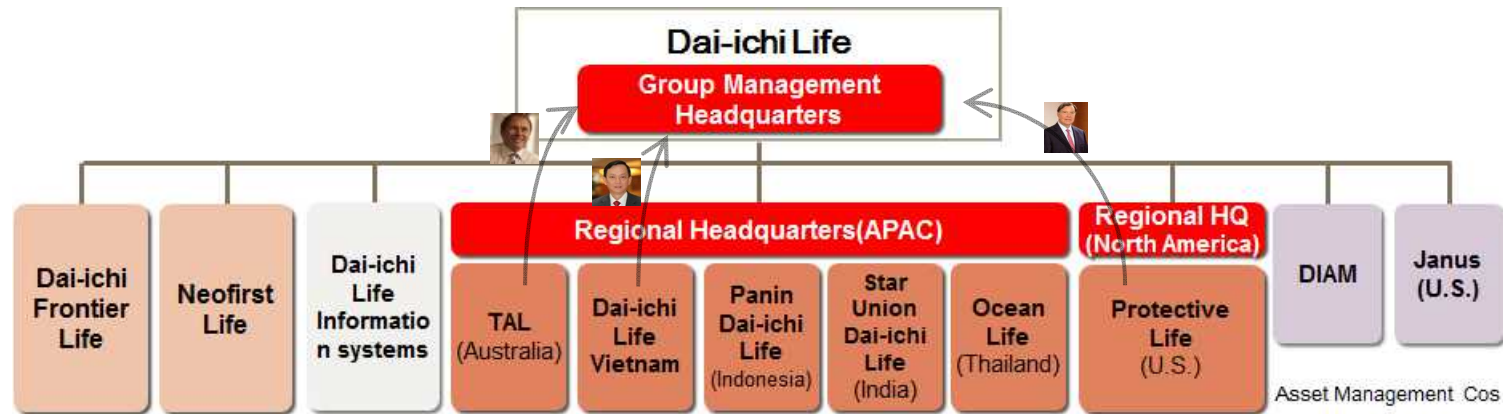
- Increased outside directors from two to five (board members from 12 to 16)
- Released “Standard for Corporate Governance”
- Facilitating meetings among outside directors and feedback to Chairman and President
- Majority of Nomination Committee and Compensation Committee, both statutory organizations, are outside directors
- Discussions with Advisory Board which consists of experts from outside the Group



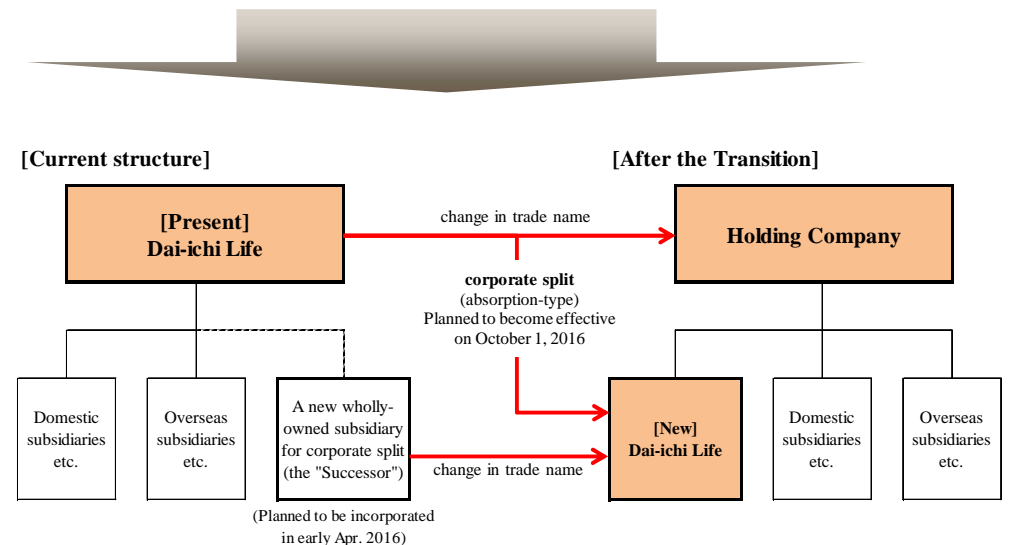
# Enhance Management Capabilities in Preparation for Holding Company Structure

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- Management from overseas subsidiaries join Group Management Headquarters meeting and participate in serious discussions
- Regional Headquarters fully functioning
  - ✓ swift & sophisticated decision-making for M&As in North America
  - ✓ in-depth information collection through globally capable human resources in Asia Pacific
- Organization & business process optimization in preparation for holding company structure



# Medium-Term Management Plan

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		5 <sup>th</sup> anniv. since IPO					10 <sup>th</sup> anniv. since IPO		120 <sup>th</sup> anniv. since creation
Challenges for Further Growth & Achievement of Sustained Growth					Peace of mind. In communities and around the world.				
<b>Action D</b> The Group's Collective Challenges for Achieving Further Growth		<b>D-Ambitious</b> Our values. Our future.			Thinking People First				

Four Pillars of the Plan	
<b>D</b> ynamism	1. Growth Strategy
<b>D</b> iscipline	2. ERM
<b>D</b> imension	3. Group Management
<b>D</b> iversity	4. Human Capital Development

- Achieving sustainable and solid growth with three growth engines, namely (i) Domestic insurance businesses, (ii) Overseas insurance businesses and (iii) Growth investment.
- Establishing management/governance structure to support sustainable growth
  - With two regional headquarters fully operational, we will form a Global Trilateral Structure (Japan, North America and APAC)
  - We aim to strengthen our corporate governance by shifting to a holding company structure.
- (i) Doubling consolidated net income, (ii) securing adequate capital level anticipating global capital regulations, and (iii) realizing further enhancement of return to meet stakeholders' expectations

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