(Unofficial Translation)

FY2015 Financial Results Conference Call for Institutional Investors and Analysts

Q&A Summary

Date: May 13, 2016 19:30 - 20:30

Respondent: Seiji Inagaki, Managing Executive Officer

General Manager, Corporate Planning Department

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

< Investment >

Q1: Please explain the breakdown of the net gain on sale of securities of more than 40 billion yen during the fourth quarter?

A1: It was mostly composed of net gains on sale of foreign securities and domestic equities in the ratio of about two to one.

Q2: Please share with us the figures of interest and dividend income related to capital gains in the fiscal year ended March 31, 2016. What is the Company's expectation for the fiscal year ending March 31, 2017?

A2: It was roughly 60 billion yen in the fiscal year ended March 31, 2016. It decreased compared to the previous year due to a tougher financial market environment. The Company holds a conservative view for the fiscal year ending March 31, 2017, but does not expect it to decrease to the point of being halved.

<Earnings Forecast>

Q3: Please explain the Company's assumptions on the financial market environment in relation to the guidance it provided for Dai-ichi Life's financial performance on a non-consolidated basis for the fiscal year ending March 2017.

A3: We assume that the financial market environment that was prevalent at the end of the previous fiscal year will persist during the current fiscal year.

Q4: Please explain why the Company forecasts Dai-ichi Life's fundamental profit on a non-consolidated basis to decline in the fiscal year ending March 31, 2017 compared to the previous year.

A4: We assume that a stronger yen compared to the previous year will reduce interest and dividend income from foreign securities by 15 to 20 billion yen. The Company also expects lower interest and dividend income for Dai-ichi Life on a non-consolidated basis once the holding company starts recording dividend income from its subsidiaries. As for gains from core insurance activities, we assume a more than 10 billion yen negative impact due to lower sales of single premium whole life insurance. Also, we expect about a 13 billion yen higher pension benefit obligation expense due to a reduction of the discount rate used to evaluate the obligation. As the Company shifts to a holding company structure, we expect to incur a one-time expense of 6 billion yen. Finally, we started a number of initiatives to strengthen our sales channels and grow the domestic insurance business that will have a negative impact on gains from core insurance activities.

(Note) Above numbers are stated on a before-tax basis.

Q5: Can we assume that these expenses related to sales channels are justifiable as investments to improve competitiveness?

A5: The Company extended the training period for sales representatives from two years to five years in the fiscal year ended March 31, 2016. This initiative to create competitive sales representatives led to an improved sales force as explained on slide 11. In addition, the Company is considering improving its insurance product lineup and is increasing its investments in information systems, which it expects to result in higher depreciation expenses. We are quite confident that these expenses, while making a negative impact on fundamental profit in the near term, will be recovered over the mid-to-long term.

Q6: Dai-ichi Life's fundamental profit on a non-consolidated basis for the fiscal year ended March 31, 2016 was 465.4 billion yen, exceeding the 420 billion yen projection the Company made at the beginning of the fiscal year. Can we assume that the Company's projection is always conservative and takes into account certain buffers? Or does the Company believe that these one-time expenses will make a meaningful impact in the fiscal year ending March 31, 2017?

A6: There are not really many buffers that are taken into account in our projection of Dai-ichi Life's fundamental profit of 380 billion yen.

Q7: The Company forecasts flat net capital gains in the fiscal year ending March 31, 2017 compared to the previous year, while we understand that an increased cost of hedging of foreign securities will inflate foreign exchange losses. Does the Company assume that meaningful gains from the sales of marketable securities will offset the foreign exchange losses?

A7: You are right in indicating an increased cost of hedging mainly because of higher rates in the United States. However, it will be offset by lower derivative transaction losses. The Company closed its position to hedge against a rise in interest rates in the domestic market, which inflated derivative transaction losses in the fiscal year ended March 31, 2016. We assume net gains from the sale of marketable securities to be flat compared to the previous year.

Q8: Can you comment on the outlook for the gains from core insurance activities in the fiscal year ending March 31, 2018? While the effect of a reduction in provision for additional policy reserves will be reduced, please comment on whether negative factors on the gains from core insurance activities will also be reduced.

A8: We believe that the impact should be smaller in the fiscal year ending March 31, 2018. The impact from the lower sales of single premium whole life in the fiscal year ending March 31, 2017 shouldn't be carried forward to the fiscal year ending March 31, 2018. We believe that the cost of setting up a holding company should be a one-time expense in the fiscal year ending March 31, 2017. The cost of improving the domestic sales channels should stabilize during the course of the medium term management plan.

<Shareholder Return>

Q9: How do you plan to increase the shareholder return to 40% during the medium term management plan? Are you going to continue to use share repurchases as part of regular shareholder return?

A9: We are committed to increase shareholder return to 40% during the medium term management plan. Instead of increasing the percentage gradually over three years, the Company conservatively decided to maintain the previous year's shareholder return policy taking into consideration the negative interest rate environment. The Company still believes interest rates could improve until the end of March 2018, and that the Company will be able to strike a balance between the level of economic solvency and the shareholder return of 40%. Also, the Company is going to use stock repurchases to supplement stable cash dividends in light of the fact that share price hovers below its book value.

Q10: Are you committed to returning 30% of adjusted net income for the fiscal year ending March 31, 2017?

A10: Yes we are. We have a goal to return 40% of adjusted net income to shareholders during the medium term management plan. Barring unexpected events, we do not expect to return less than 30%.

<European Embedded Value>

Q11: Please explain how the ultimate forward rate is applied in calculating the Embedded Value.

A11: We assumed an ultimate forward rate of 3.5% beyond 60 years according to the formula used in the ICS field test in 2015. The forward rate is extrapolated beyond 30 years until 60 years using a statistical method.

Q12: Can you share with us the Embedded Value, value of new business and new business margins before applying the ultimate forward rate?

A12: The rough calculation of Embedded Value without using the ultimate forward rate was 4 trillion yen. We did not calculate value of new business without the ultimate forward rate.

<Economic Solvency Ratio>

Q13: Does the change in valuation model of the Embedded Value affect the calculation process or the level of economic solvency ratio of the Company? Also, can you share with us the economic solvency ratio as of March 31, 2016?

A13: The Company also applied the ultimate forward rate in evaluating economic solvency in its efforts to improve the internal model. You can assume that the ultimate forward rate gives the same effect to economic solvency as it did to the Embedded Value. We are still evaluating the ratio. Let us explain it to you at the analyst conference scheduled on May 23, 2016.

<Assumed Rate of Return>

Q14: Do you think a life insurance company in Japan will underwrite a new policy with a negative assumed rate of return over the medium to long term in the future?

A14: I don’t think we have any option to make a proposition with a negative interest rate to our customers.

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

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