

(Unofficial Translation)
FY2015-1Q Financial Results Conference Call for Institutional Investors and Analysts
Q&A Summary

Date: August 10, 2015 18:00 - 19:00
Respondent: Seiji Inagaki, Managing Executive Officer
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The Dai-ichi Life Insurance Company, Limited (the “Company”)

< FY2015-1Q Financial Results >

Q1: Please explain the reason why gains from core insurance activities of Dai-ichi Life on a non-consolidated basis improved year on year.

A1: Although expense margins decreased year on year due to a decrease in premium loading caused by a decline in sales of single premium whole life insurance, gains from core insurance activities increased by 5.8 billion yen year on year due to an improvement in mortality and morbidity gains.

< Investment >

Q2: Please indicate the main assets which contributed to the increase in net capital gains for the quarter.

A2: Foreign-currency bonds and foreign stocks mainly contributed to the increase in capital gains.

Q3: Please indicate the main factors that affected gains/losses on sale of securities, derivative transaction losses and foreign exchange losses of Dai-ichi Life on a non-consolidated basis.

A3: Gains on sale of securities were due mainly to the sale of foreign-currency bonds: we strived to increase the yield by taking opportunities in consideration of rising interest rates. Derivative transaction losses, which were in line with our plan, resulted from our foreign-currency hedge positions due to the weaker yen. Foreign exchange losses were due mainly to the increased position in currency-hedged foreign-currency bonds and an increase in hedging costs on the back of heightened foreign interest rates.

Q4: As presented on page 10 of the presentation material, exposures to domestic stocks and foreign-currency bonds (hedged) have reached a higher level. Please confirm that, even in such a favorable situation, we should not expect favorable net capital gains for the

rest of the year.

A4: We do recognize that the exposure to domestic stocks has increased because of market appreciation, however, we plan to reduce domestic stocks on a book value basis and, accordingly, we do not expect a substantial amount of gains on sale of domestic stock for the rest of the year. As for the foreign-currency bonds (hedged), although we increased our exposure in light of low interest rates in Japan, we do not currently plan to increase our exposure significantly for the rest of the year and, accordingly, gains would be somewhat limited.

< Dai-ichi Frontier Life >

Q5: I understand that reversal of reserves related to market value adjustment (MVA) was as much as 17 billion yen, due to an increase in Australian interest rates. Would you have a plan to control the bottom-line by provisioning for certain reserves towards the fiscal year end?

A5: We do not expect the provision of reserves as you mentioned.

Q6: I would like to obtain more clarification: am I right in thinking that your consolidated adjusted net income, which is the source of shareholder dividends, increased as a result of the reversal of reserve related to MVA, and that there are no plans to adjust it by provisioning for reserves?

A6: Your understanding is correct.

Q7: Do you have any other plans to control such an accounting factor which is influenced by market fluctuations?

A7: We recognize that the bottom-line of Dai-ichi Frontier Life is often impacted by financial market fluctuations, and we are currently thinking of measures to take, including measures that would allow us to control downside volatility. We would like to refrain from commenting on the specific measures.

< Protective Life >

Q8: As explained on page 13 of the presentation material, Annuity and Acquisitions results were strong at Protective Life. Please indicate your view on whether these favorable results are expected to continue for the rest of the year. Also, please tell us which segment was most benefitted by the improved investment income.

A8: Protective recognized a favorable mortality in the first quarter (February and March 2015) in the Acquisition segment, however, mortality tends to fluctuate from quarter to quarter and

therefore we do not expect this trend to recur. As to the investment income, the Annuity segment was benefitted thanks to the increased interest rates.

Q9: Because of the recent series of acquisitions of medium-sized U.S. insurers, I understand that the valuation of those companies is going up. Please indicate whether the valuation of closed blocks, the target of Protective Life's acquisition business, is also going up or not.

A9: It appears that the valuation of closed blocks is not going up. However, even if the valuation of closed blocks were to increase, Protective Life will invest only in profitable deals in accordance with its strict capital control standards.

< Earnings Forecast >

Q10: On page 8 of the presentation material, Dai-ichi Life's fundamental profit on a non-consolidated basis was approximately 120 billion yen, provision for additional policy reserve was approximately 30 billion yen, and provision for reserve for policyholder dividends was approximately 23 billion yen. When provision for contingency reserve and reserve for price fluctuations are also taken into account, is it fair to say that we can expect approximately 30 to 40 billion yen of net income for each quarter?

A10: Yes, your understanding is roughly correct.

Q11: As the consolidated results for the three months progressed favorably, I think it is highly possible that net income for this fiscal year will exceed the company forecast. When you decided to keep the forecast unchanged, did you assume any particular negative factors?

A11: In the first quarter, we recognized a high level of net capital gains due to portfolio rebalancing, and we do not assume that it will recur during the remainder of the year. Although we do not currently assume any negative factors, we kept our forecast unchanged as we need to consider the potential impact of developments in global financial markets.

< European Embedded Value >

Q12: Please indicate how a rise in the U.S. interest rates would impact the EEV of Dai-ichi Life on a non-consolidated basis and that of Protective Life, respectively. Also, please indicate the impact to Protective Life's net income.

A12: As Protective Life matches durations of its assets and liabilities, the impact to its EEV would be limited. EEV of Dai-ichi Life on a non-consolidated basis would be somewhat impacted, as there are exposures to U.S. securities, however, the sensitivity would not be high compared to

that for domestic interest rates. In addition, the rise in U.S. interest rates would impact Protective Life's net income positively.

Q13: Please indicate how significant were the impacts to EEV of Dai-ichi Life on a non-consolidated basis and Protective Life, from changes in interest rates, stock prices and foreign currency exchange rates, respectively.

A13: First of all, please note that we disclose our EEV on the basis of a preliminary calculation for the first quarter. EEV of Dai-ichi Life on a non-consolidated basis was positively impacted by approximately 190 billion yen due to higher domestic interest rates, and approximately 100 billion yen due to the appreciation of domestic stock prices; it was negatively impacted by approximately 200 billion yen due to a decrease in unrealized gains on foreign securities. The increase of Protective Life's EEV was due mainly to recording an accounting profit on a statutory accounting basis, as well as some adjustments made to the assumptions for the valuation of its non-life business.

< Capital Adequacy Ratio >

Q14: Your economic capital adequacy ratio was 136% as of March 2015. Please indicate the ratio as of June 2015.

A14: It increased to above-140%, due mainly to the increase in domestic interest rates and domestic stocks.

< Shareholder Return >

Q15: As net income attributable to shareholders of parent company for the three months progressed favorably against the full-year forecast, is there a possibility that you will change your shareholder return policy? Would you consider declaring interim dividends?

A15: Presently, we are not going to change our shareholder return policy and accordingly there is no plan to declare interim dividends.

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

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