(Unofficial Translation)

Financial Analyst Meeting for the Year Ended March 31, 2017

Q&A Summary

Date:	May 25, 2017 10:00 - 11:00
Respondents:	Seiji Inagaki, President and Representative Director
	Tatsusaburo Yamamoto, Managing Executive Officer
	Toshiaki Sumino, Executive Officer, Chief of Corporate Planning Unit
	Dai-ichi Life Holdings, Inc. (the "Company")

[Questions and Answers]

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

<Domestic Life Insurance Business>

Q1. Your competitors have strengthened their business operations by acquiring independent agents, forming partnerships with major mobile phone companies or with furniture retailers. Do you have the intention on fully engaging in such initiatives and why are you currently not?

A1. We are not completely denying any possibility of acquisitions of independent agents or forming partnerships with companies in different industries. In making acquisitions, besides factors including the effectiveness of such acquisitions, we should consider how to approach insurance agents that operate from a neutral standpoint. As for tie-ins with companies in different industries, we believe that partnerships with companies that share the direction of strategy of building business around peoples' health and lifestyle can be effective. To that end, recently, we agreed with Nihon Chouzai Co., Ltd. (a Japanese company engaged in the pharmacy business) on a partnership that includes the sales of our insurance products at their insurance agents. (Inagaki)

Q2. Dai-ichi Life has reduced the assumed rate of return effective from this April by the smallest margin among your peers. It seems this is an aggressive product strategy and I am concerned that it may trigger a pricing competition. Are you going to maintain this strategy moving forward? Or will you revise the assumed rate of return when the standard life table is revised sometime next year?

A2. Coinciding with the revision of standard assumed rate of return, Dai-ichi Life did lower its assumed rate of return on savings-type products but also considered the nature of savings-type products and set the rate so that marketability is maintained. Insurance premium can also be adjusted with loading so we do not believe there is a significant difference in premium levels compared to our peers. Our premium is based on the various considerations, such as balance of premium and benefit, current interest rate levels, and life time of the policies. Since current savings-type products are mainly level-premium products, we believe it is possible to spread the risk. We always make sure that profitability is based on economic value and we do not intend to sell products that could lead to damaging shareholder value. (Inagaki)

Q3. I believe that if you reduced the assumed rate of return further and maintained price levels by making adjustments through loading, you could have controlled the increase in provision for policy reserves and the impact on adjusted profit which is your base for shareholder returns could have been smaller. What are your thoughts on this?

A3. Indeed there is an effect on adjusted profit because the assumed rate of return was reduced by a small margin. However, only level-premium products are affected by this so we expect the impact to be manageable. The biggest impact should be in the case where there is a one-time increase in policy reserves related to the conversion of existing policies. (Inagaki)

Q4. How do you expect the forthcoming revision to the standard life table would affect your business? Are you ready for a mark-up on your third-sector products?

A4. A revision to the standard life table is not definitive yet. We are considering various options including third-sector products. I will refrain from commenting on details at this point in time. (Inagaki)

<Overseas Life Insurance Business>

Q5. The remittance ratio from Protective to Dai-ichi Life Holdings is 37%. This means that around 60% are held as internal reserves. What is Protective's current capacity for acquisition?

A5. If you refer to page 50 in the presentation material, you can see that Protective has capital in excess of 400% RBC ratio of around 2.3 billion USD. We believe that this is Protective's acquisition capacity. (Inagaki)

Q6. You explained that Protective's annuity sales have decreased. In terms of when the fiduciary rule will take effect in the United States, there was confusion since President Trump put a halt to the implementation of the rule originally scheduled to take effect in April, while the Labor Department Secretary insisted that there will be no more delay. Under these circumstances, how do you expect Protective's annuity sales to perform?

A6. Protective and Dai-ichi are both observing the possible outcome of the fiduciary rule. At the time where there were talks regarding the implementation of the fiduciary rule, we saw a hold off of sales of mainly variable annuities at independent agents. However, like Dai-ichi Frontier Life, Protective has a strong annuity product lineup and sales of fixed annuities were steady. We cannot say that the fiduciary rule will have no effect on our business whatsoever but we will pay attention to trends in regulations and build a plan based on a strategy that satisfies customer needs by not only offering investment products but mainly offering fixed products. (Sumino)

<Asset Management Business>

Q7. Following the merger between Janus Capital Group and Henderson Group, which entity will have the initiative to decide when Dai-ichi Life increases its stake in the new company, Janus Henderson or Dai-ichi Life? Also, what is your future strategy for the overseas asset management business?

A7. Regarding the increase in equity, the Company will make the decision based on how the integration will progress post-merger. We believe that this merger serves to supplement products and operating regions within our asset management business. There are about a dozen companies in the world with AUM of more than 10 trillion yen in both the United States and Europe. Janus Henderson will become one of these companies. In Japan, Asset Management One has AUM of over 50 trillion yen. There are not many corporate groups that manage assets of this size. In the asset management business, high quality products can be sold anywhere in the world. The terms agreed between both parties allow us to mutually market each other's products in each other's operating regions. In other words, our products can be sold overseas and Janus Henderson products can be sold in Japan. Moving forward, we will effectively utilize our trilateral structure covering the United States, Europe, and Japan to further expand our asset management business. (Yamamoto)

<Capital Policy>

Q8. Regarding ESR (Economic Solvency Ratio), I understand that you will base your monitoring on the updated ESR model. Is my understanding correct that the updated ESR model does not only raise the ESR level but also reduces sensitivities to changes in economic conditions?

A8. The important message of the updated ESR model is the inclusion of spreads, which represents the weighted average market yield of the invested assets in excess of risk free rates with a certain cap, on discount rates. We believe sensitivities to changes in market conditions will be immaterial. In the previous fiscal year, we introduced the ultimate forward rate (UFR) as a means to extrapolate the discount rate. As a result, such sensitivities were reduced. (Inagaki)

Q9. With the updated ESR model, what effect does it have on your capital policy such as shareholder returns, investment in growth business, and funding strategy?

A9. When we consider our capital policy, we will take the new, updated ESR model into account. The Company is structuring its capital policy based on the assumption that in the future, a global capital regulation will be applied to the Company. Although we changed the schedule of economic value-based targets as a "mid- to long-term vision," in terms of ESR, we will continue to aim between the range of 170% and 200%. (Inagaki)

Q10. How do you strike the balance between shareholder returns, ESR, and M&A? Also, do you consider issuing shares when you go ahead with M&A?

A10. Since we consider ESR when drafting our capital policy, ESR levels indeed affect our M&A activity. On the other hand, shareholder returns are based on accounting-based profit so it is not directly linked to ESR. As for M&A, we do not completely deny the possibility of issuing shares but we are not considering it at this point. (Inagaki)

Q11. Are the percentages fixed for the remittance ratio of 60% from subsidiaries to the holding company and payout cover of 60% on page 12 of the presentation material? In addition, how long do you plan on the holding company to accumulate the transferred cash?

A11. We would like to increase the remittance ratio from 60%. For example, Dai-ichi Frontier Life, which currently does not pay dividends, could start paying dividend payments in the future. Payout cover of 60% can fluctuate. Internal cash reserves are meant for investing in future growth. When we see an opportunity, we would invest with the accumulated cash. Of course only the investments that generate returns above the cost of capital are viable and we believe there are sufficient investment opportunities. (Inagaki)

(Supplemental information) Dai-ichi Life's shareholder returns policy is based on the total payout ratio of 40% of Group Adjusted Profit. Payout Cover represents the result of Dai-ichi Life Group's capital policy and does not affect our shareholder returns policy.

<European Embedded Value>

Q12. Regarding the movement of EEV, "non-economic experience variances" and "non-economic assumptions change" had a negative impact of over 90 billion yen to entire group EEV. Could you explain why?

A12. One of the factors for the negative impact was that we changed our assumption for surrender and lapse rates for Dai-ichi Life. Valuation of the value of in-force business is based on the assumption that the risk-free rate will be applied. Thus, for certain policies, the decrease in surrender and lapse rates had a negative impact on EEV. This applies to group annuities as well. In addition, we revised the assumption for operating expenses of subsidiaries which also had a negative impact on EEV. (Sumino)

<Next Medium Term Management Plan>

Q13. For your next medium term management plan, what KPI's are you planning to set at this point in time? My impression is that you are conservative on economic value based indicators and proactive on accounting-based indicators.

A13. Regarding our next medium term management plan, the big picture will not change. We will make sure the economic value indicators such as ESR levels that we changed to a "mid- to long-term vision" are achieved. Going forward, we will set KPI's by considering the balance between economic value indicators and accounting-based indicators. (Inagaki)

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

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