

# Presentation of Financial Results for the Three Months Ended June 30, 2017

August 9, 2017

Dai-ichi Life Holdings, Inc.



**Dai-ichi Life**  
Holdings

- This is Toshiaki Sumino of Dai-ichi Life Holdings, Inc.
- Thank you for joining our conference call to discuss the Dai-ichi Life Group's financial results for the three months ended June 2017.
- I will go over the presentation material, followed by a question and answer session.
- Please turn to page 2.



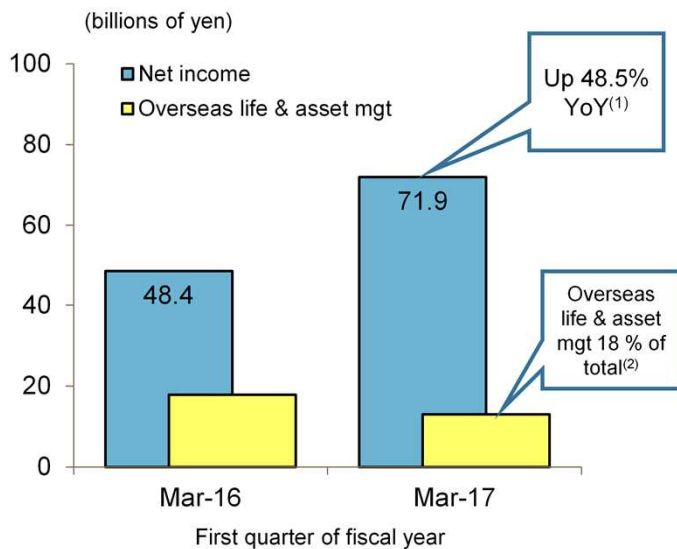
# Overview of the Group's Financial Results

## Financial Results Highlights



Dai-ichi Life  
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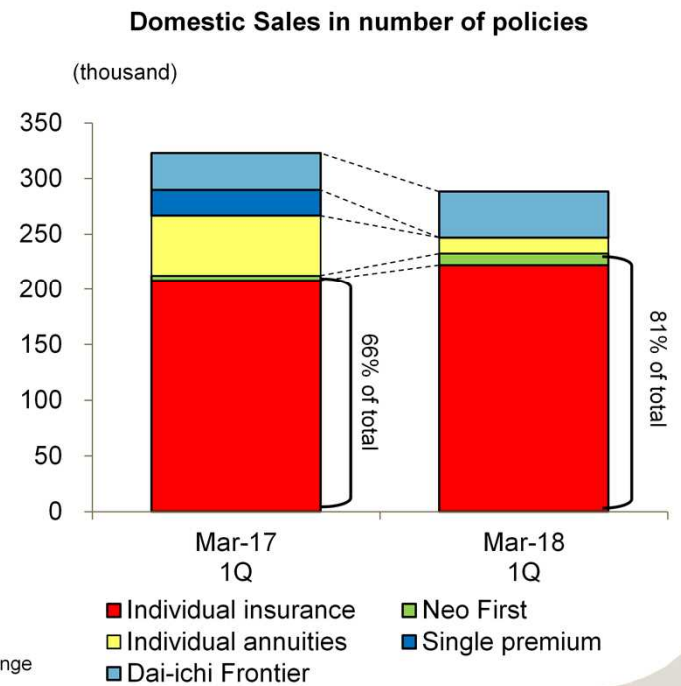
### Results in line with the expectation



(Note 1) Net income for the quarter ended June 30, 2017 includes share exchange gain of 23.3 billion yen.

(Note 2) Overseas business accounted for 27% before extra gain of 23.3 billion yen.

### Domestic Product mix shifted to optimal level



- Here are the highlights of the Dai-ichi Life Group's financial results.
- Please turn to page 3 for more details.

## Overview of the Group's Financial Results - Financial Results Highlights

- Sales grew in line with the Group's expectation. In domestic life insurance business, Dai-ichi Life successfully shifted its product portfolio to protection type, while sales of Dai-ichi Frontier's foreign currency single premium products went up in light of strong saving needs in Japan. In overseas life insurance business Group Life business in Australia added a number of new clients.
- Net income went up on reduced revenues. While Dai-ichi Life net income declined due to the hedge-related investment gains recorded during Q1 of last year, Dai-ichi Life and other Group companies' core results exceeded Group expectation as the financial environment in domestic and overseas markets improved. Net income increased significantly as the Group recorded a share exchange gain related to the Janus Henderson merger.
- Group embedded value (based on preliminary calculations) at the end of June 2017 increased from the end of March 2017 to approximately 5.8 trillion yen due to improvements in economic conditions such as stock market levels.

- I would like to highlight the following three points for the Group's financial results.
- Firstly, the quarter was characterized by favorable sales activities across the business. Dai-ichi Life adjusted product features to better reflect customer demand when the company revised assumed rates of return in April. The company also adjusted the compensation level of the sales representatives. These actions contributed to the growth in protection-type products. Dai-ichi Frontier Life also adjusted product features and grew the sale of foreign currency single premium products. Sales went favorably in Overseas Life Insurance Business, too. Particularly, Group Business in Australia signed a number of new partners and increased new sales significantly.
- Secondly, earnings for the quarter were in line with our expectation. Ordinary revenue went down as Dai-ichi Life shifted its product mix to protection-type products. Ordinary profit also went down because the company recorded gains on hedge-related investment transactions during the first quarter last year. Excluding the gains, improvement in financial markets elsewhere led the earnings, including at Dai-ichi Life, to a level better than the Group's expectation. The Group also recorded share exchange gain as Janus Capital and Henderson Group merged at the end of May, leading to a significant increase in consolidated net income for the quarter.
- Thirdly, group's embedded value at June 30, 2017 increased from the end of March 31, 2017 to approximately 5.8 trillion yen due to improvements in economic conditions, mainly stock prices. Value of new business was in line reflecting favorable sales activities by the Group companies.
- Please turn to page 4.

# Overview of the Group's Financial Results - Consolidated Financial Information



Dai-ichi Life Holdings

## Statement of Earnings (summarized)

(billions of yen)

	3 months ended Jun-16	3 months ended Jun-17	Change
Ordinary revenues	1,676.0	1,592.5	(83.5)
Premium and other income	1,092.3	1,034.8	(57.5)
Investment income	382.6	482.0	+99.3
Interest and dividends	255.9	290.7	+34.7
Gains on sale of securities	56.9	55.5	(1.3)
Derivative transaction gains	39.5	-	(39.5)
Gains on investments in separate accounts	-	72.0	+72.0
Other ordinary revenues	201.0	75.6	(125.3)
Ordinary expenses	1,558.4	1,494.3	(64.1)
Benefits and claims	892.2	858.6	(33.5)
Provision for policy reserves and others	2.1	318.6	+316.5
Investment expenses	412.1	80.6	(331.4)
Losses on sale of securities	18.7	21.9	+3.2
Losses on valuation of securities	9.4	0.9	(8.4)
Derivative transaction losses	-	27.2	+27.2
Foreign exchange losses	280.1	4.2	(275.8)
Losses on investments in separate accounts	78.8	-	(78.8)
Operating expenses	150.3	155.5	+5.1
Ordinary profit	117.6	98.1	(19.4)
Extraordinary gains	1.4	33.6	+32.1
Extraordinary losses	15.9	5.5	(10.4)
Provision for reserve for policyholder dividends	25.9	21.4	(4.5)
Income before income taxes, etc.	77.1	104.7	+27.6
Total of corporate income taxes	28.6	32.8	+4.1
Net income attributable to non-controlling interests	0.0	-	(0.0)
Net income attributable to shareholders of parent company	48.4	71.9	+23.4

## Balance Sheet (summarized)

(billions of yen)

	As of Mar-17	As of Jun-17	Change
Total assets	51,985.8	52,644.2	+658.3
Cash, deposits and call loans	980.4	1,002.6	+22.2
Monetary claims bought	198.2	194.8	(3.4)
Securities	43,650.9	44,266.9	+616.0
Loans	3,566.6	3,544.6	(21.9)
Tangible fixed assets	1,138.4	1,134.3	(4.1)
Deferred tax assets	0.1	0.1	(0.0)
Total liabilities	48,848.5	49,305.7	+457.1
Policy reserves and others	44,694.1	44,697.9	+3.8
Policy reserves	43,740.2	43,748.6	+8.3
Bonds payable	989.7	967.0	(22.7)
Other liabilities	1,852.0	2,227.2	+375.2
Net defined benefit liabilities	421.5	424.1	+2.5
Reserve for price fluctuations	174.6	179.5	+4.9
Deferred tax liabilities	324.4	401.7	+77.2
Total net assets	3,137.2	3,338.5	+201.2
Total shareholders' equity	1,300.7	1,322.8	+22.1
Total accumulated other comprehensive income	1,835.2	2,014.5	+179.3
Net unrealized gains on securities, net of tax	1,906.0	2,130.7	+224.7
Reserve for land revaluation	(17.5)	(17.6)	(0.1)

The following items include items that are offset by provision for (reversal of) policy reserves and unrealized gains (losses) on investments. There is impact of Gains (losses) but they do not have a significant impact on business results. (Gains or losses on investments in separate accounts, foreign exchange gains or losses, derivative transaction gains or losses)

- Here are the consolidated statement of earnings and consolidated balance sheet.
- Please turn to page 5.



## Overview of the Group's Financial Results - Consolidated Financial Results Highlights

- Ordinary revenues in line with expectations as we strategically shift our product portfolio
- Significant increase in net income. On top of better than expected results from Group companies, the Group recorded a share exchange gain in connection with the Janus Henderson merger

(billions of yen unless otherwise noted)

(Reference)

	3 months ended Jun-16	3 months ended Jun-17 (a)	Change		Year ending Mar-18 (B) *Disclosed on May 15, 2017	(a/b)
<b>Ordinary revenues</b>	<b>1,676.0</b>	<b>1,592.5</b>	<b>Δ 83.5</b>	<b>Δ 5%</b>	<b>6,004.0</b>	<b>27%</b>
Dai-ichi Life	1,022.1	905.1	Δ 117.0	Δ 11%	3,663.0	25%
Dai-ichi Frontier	451.3	348.8	Δ 102.5	Δ 23%	1,012.0	34%
Protective Life (millions of USD) <sup>(1)</sup>	2,069	2,513	444	+ 21%	8,710	29%
TAL (millions of AUD) <sup>(1)</sup>	913	921	+ 8	+ 1%	3,760	25%
<b>Ordinary profit</b>	<b>117.6</b>	<b>98.1</b>	<b>Δ 19.4</b>	<b>Δ 17%</b>	<b>363.0</b>	<b>27%</b>
Dai-ichi Life	120.2	80.7	Δ 39.5	Δ 33%	272.0	30%
Dai-ichi Frontier	(20.9)	6.1	+ 27.1	-	29.0	21%
Protective Life (millions of USD)	172	112	Δ 59	Δ 35%	460	24%
TAL (millions of AUD)	64	41	Δ 22	Δ 35%	180	23%
<b>Net income<sup>(2)</sup></b>	<b>48.4</b>	<b>71.9</b>	<b>+ 23.4</b>	<b>+ 48%</b>	<b>179.0</b>	<b>40%</b>
Dai-ichi Life	59.3	38.6	Δ 20.7	Δ 35%	111.0	35%
Dai-ichi Frontier	(21.7)	2.7	+ 24.5	-	17.0	16%
Protective Life (millions of USD)	115	75	Δ 39	Δ 35%	310	24%
TAL (millions of AUD)	44	31	Δ 12	Δ 28%	130	25%

(1) Figures of Protective Life and TAL are disclosed after re-classifying items from Protective Life and TAL's financial statements under United States' and Australian accounting standards, respectively, to conform to Dai-ichi Life Holdings' disclosure standards. For consolidation, these financial statements are translated into Japanese yen at rates of 1USD=112.68 yen (Jun-16) and 112.19 yen (Jun-17), 1 AUD=76.74 yen (Mar-16) and 86.18 yen (Mar-17), respectively.

(2) Figures of "Consol. Net Income" represent those of "Net income attributable to shareholders of parent company".

- Here are the financial results of the Group and its major subsidiaries.
- Consolidated ordinary revenues declined by 80 billion yen year on year. During the quarter, Dai-ichi Life continued to control sales of savings-type products, leading to a decline in sales of single premium whole life and individual annuities. On the other hand, sales of protection-type products of Dai-ichi Life and savings-type products at Dai-ichi Frontier Life increased and overall sales were in line with the Group's expectation.
- Ordinary profit declined by 20 billion yen. The decline was due to a difficult comparison as Dai-ichi Life recorded hedge-related investment gains during the first quarter of the previous year, and overseas life insurance companies' earnings were higher due to one-time factors, partly offset by an improvement in Dai-ichi Frontier Life.
- Net income attributable to shareholders of parent company or consolidated net income increased by 20 billion yen. Dai-ichi Life recorded lower extraordinary losses and the Group recorded a share exchange gain on the Janus Henderson merger.
- Please turn to page 6.

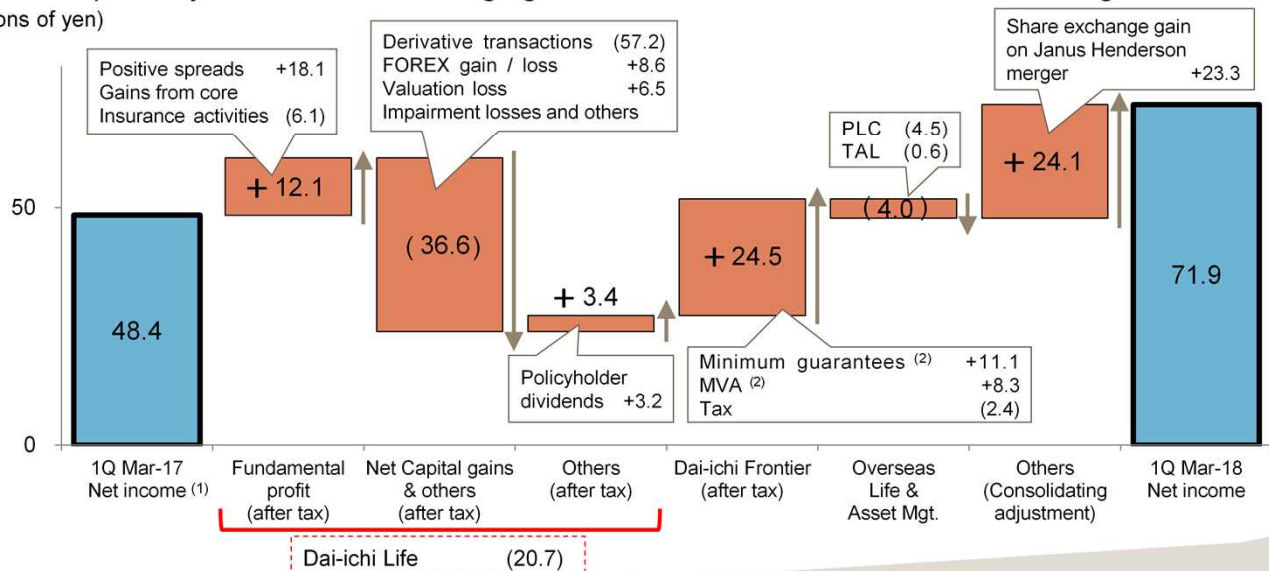
## Dai-ichi Life Group Results – Principle Consolidated Results



Dai-ichi Life  
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- Excluding derivative transaction gains at Dai-ichi Life last year in the face of Brexit uncertainties, favorable financial markets improved positive spread and results were in line with the plan. This also reduced reserve requirement related to minimum guarantees and MVA at Dai-ichi Frontier Life.
- Overseas life profit was down due to the absence of one-time profits during the previous period, but overall business performance was above expectation.
- Profit up mainly due to share exchange gain in relation to the Janus Henderson merger.

(billions of yen)



(1) "Net income" represent those of "Net income attributable to shareholders of parent company".

(2) Pre tax.

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- This page explains major items that contributed to the change in net income for the quarter against the previous year.
- During the first quarter last year, Dai-ichi Life recorded significant gains on derivative transactions due to the strong yen when financial markets around the globe were clouded by uncertainty in the UK in light of the referendum in late June asking whether the country should exit the EU or not. Financial markets regained stability and the yen weakened during the first quarter of the current year, leading to an improvement in investment spreads at Dai-ichi Life. The improvement in financial markets also reduced reserve requirements related to minimum guarantee and market value adjustment at Dai-ichi Frontier Life.
- When Janus Capital and Henderson Group merged on May 30, the Group recognized the difference between its book value of shares in Janus and market value of shares in the new company as a share exchange gain totaling 33.5 billion yen. The Group tentatively recorded the gain as a taxable transaction while the Group waits for clarification of the appropriate treatment.
- Please turn to page 7.

## Overview of the Group's Financial Results - Financial Results of each Group Company



	【Dai-ichi Life】 <sup>(1)</sup>			【Dai-ichi Frontier Life】			【Protective Life (USA)】 <sup>(2)</sup>			【TAL (Australia)】 <sup>(2)</sup>			【Consolidated】		
	billions of yen			billions of yen			millions of USD			millions of AUD			billions of yen		
	3 months ended Jun-16	3 months ended Jun-17	Change	3 months ended Jun-16	3 months ended Jun-17	Change	3 months ended Mar-16	3 months ended Mar-17	Change	3 months ended Jun-16	3 months ended Jun-17	Change	3 months ended Jun-16	3 months ended Jun-17	Change
Ordinary revenues	1,022.1	905.1	(11%)	451.3	348.8	(23%)	2,069	2,513	+21%	913	921	+1%	1,676.0	1,592.5	(5%)
Premium and other income	637.1	543.2	(15%)	233.2	259.1	+11%	1,366	1,337	(2%)	825	867	+5%	1,092.3	1,034.8	(5%)
Investment income	299.7	293.8	(2%)	32.1	89.6	+179%	598	1,066	+78%	66	34	(49%)	382.6	482.0	+26%
Ordinary expenses	901.9	824.3	(9%)	472.3	342.6	(27%)	1,897	2,401	+27%	848	880	+4%	1,558.4	1,494.3	(4%)
Benefits and claims	571.1	554.3	(3%)	143.2	120.2	(16%)	1,196	1,160	(3%)	554	618	+11%	892.2	858.6	(4%)
Provision for policy reserves and others	43.5	19.3	(55%)	--	202.1	--	317	849	+167%	91	62	(31%)	2.1	318.6	+14,863%
Investment expenses	99.6	78.4	(21%)	313.4	8.0	(97%)	135	140	+4%	10	10	(1%)	412.1	80.6	(80%)
Operating expenses	97.6	101.3	+4%	14.0	10.8	(23%)	189	207	+9%	165	157	(4%)	150.3	155.5	+3%
Ordinary profit	120.2	80.7	(33%)	(20.9)	6.1	--	172	112	(35%)	64	41	(35%)	117.6	98.1	(17%)
Extraordinary gains	1.4	0.1	(93%)	--	--	--	--	--	--	--	--	--	1.4	33.6	+2,155%
Extraordinary losses	15.2	4.6	(70%)	0.7	0.9	+23%	0	0	(73%)	0	--	(100%)	15.9	5.5	(65%)
Net income <sup>(3)</sup>	59.3	38.6	(35%)	(21.7)	2.7	--	115	75	(35%)	44	31	(28%)	48.4	71.9	+48%

(1) In relation to the shift to a holding company structure, results of Dai-ichi Life for the three months ended June 2016 presented in this presentation are the results of former Dai-ichi Life.

(2) Figures of Protective Life and TAL are disclosed after re-classifying items from Protective Life and TAL's financial statements under United States' and Australian accounting standards, respectively, to conform to Dai-ichi Life Holdings' disclosure standards. For consolidation, these financial statements are translated into Japanese yen at rates of 1USD=112.68 yen (Mar-16) and 112.19 yen (Mar-17), 1 AUD=76.74 yen (Jun-16) and 86.18 yen (Jun-17), respectively.

(3) Figures of "Consolidated Net income" represent those of "Net income attributable to shareholders of parent company".

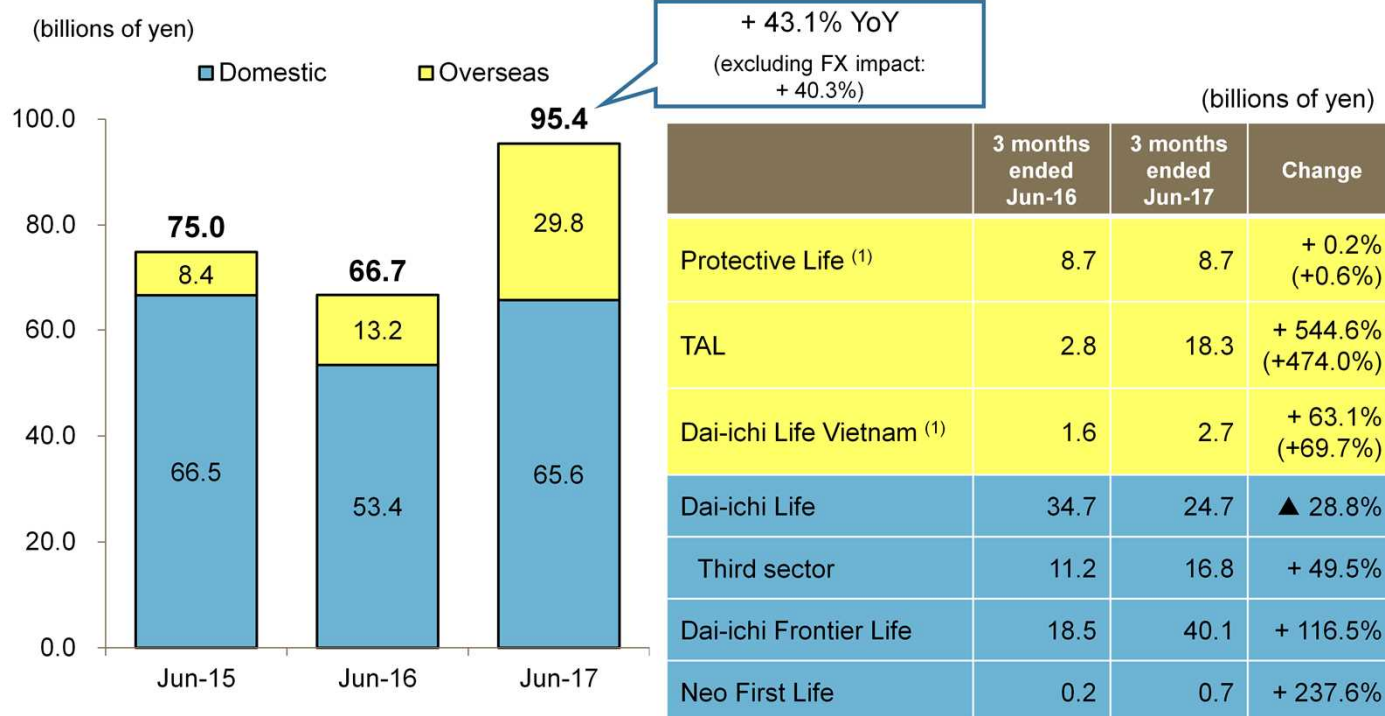
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- These are the financial results of each major group company.
- Premium and other income at Dai-ichi Life declined as the company continued to control the sale of savings-type products. Investment income and expenses includes a number of items. Results of separate accounts, which is always neutralized by a reverse movement in policy reserves, turned to gains in the quarter ended June 2017 versus losses in the previous year. The company recorded derivative transaction losses this quarter against gains last year, which we explained earlier. With this effect excluded, investment performance improved significantly as the financial markets were favorable. Lower sales of single premium whole life reduced provision for policy reserve.
- Ordinary revenues of Dai-ichi Frontier Life declined as the company recorded reversal of policy reserve during the first quarter last year to offset foreign exchange losses due to the strong yen.
- As for the overseas life insurance business, favorable sales and investment activities led to an increase in ordinary revenues, while net income declined due to one-time factors recorded in 1Q of last year.
- Extraordinary gains at the consolidated level included share exchange gain on the Janus Henderson merger of 33.5 billion yen.
- Please turn to page 8.



## Overview of the Group's Financial Results - Trends in New Business (Annualized Net Premium basis)

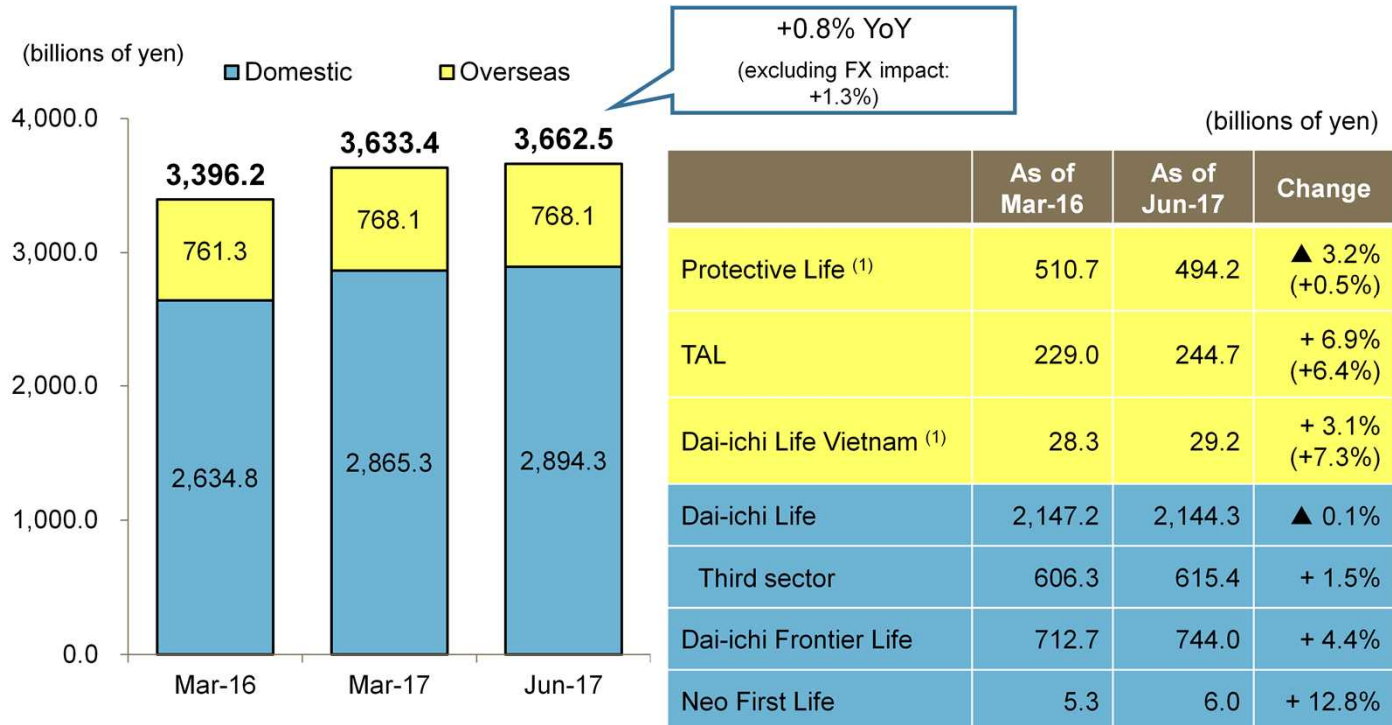
### Dai-ichi Group's New Business ANP



- I will explain the trends in annualized net premium (ANP) of our new business.
- As for the domestic life insurance business, Dai-ichi Life introduced new product features reflecting customer needs when the company changed the assumed rates of return in April, and made an adjustment in its compensation system for sales representatives to promote sales of protection products. That resulted in growth in sales of flagship products such as Bright Way and Crest Way. The sale of protection-type nursing insurance for business owners remained strong, leading to the high growth in sales of third sector products. For Dai-ichi Frontier Life, a high growth in sales was related to volume sales of short maturity annuity products. The company restarted the limited sale of yen-denominated annuities and introduced a new foreign currency annuity that can be converted to whole life once the investment period is over, all contributing to a popularity of products in the market. Strong sales of products based on medical big data at Neo First continued and contributed to a growth in sales of third sector products.
- In overseas life insurance business, TAL in Australia demonstrated a strong growth in new sales as the company gained a number of new contracts in Group Life business. Growth of sales at Dai-ichi Life Vietnam exceeded 60% year on year as strong sales at independent agents continued, as well as increases from the concession channels. Protective Life's insurance business grew on increased sale of universal life insurance, while sale of variable annuities continued to struggle.
- As a result, the Group's overall new business increased by 43.1% year on year.
- Please turn to page 9.

## Overview of the Group's Financial Results - Trends in Policies in Force (Annualized Net Premium basis)

### Dai-ichi Group's ANP from Policies in Force



- The Group's policies in force maintained positive growth with an increase of 0.8% year to date. In force policies remained somewhat flattish, as a stronger yen at March-end reduced the yen equivalent contribution from Protective, and new sales at Dai-ichi Life were smaller than the maturities, surrender and lapse of existing policies.
- Please turn to page 11.



# Domestic Life Insurance Business

# Dai-ichi Life's Results – Summary Financial Statements



Dai-ichi Life  
Holdings

## Statement of Earnings <sup>(1)</sup>

(billions of yen)

	3 months ended Jun-16	3 months ended Jun-17	Change
Ordinary revenues	1,022.1	905.1	(117.0)
Premium and other income	637.1	543.2	(93.8)
Investment income	299.7	293.8	(5.8)
Interest and dividends	184.8	207.0	+22.1
Gains on sale of securities	54.0	53.6	(0.4)
Derivative transaction gains	55.5	-	(55.5)
Gains on investments in separate accounts	-	26.8	+26.8
Other ordinary revenues	85.3	67.9	(17.3)
Ordinary expenses	901.9	824.3	(77.5)
Benefits and claims	571.1	554.3	(16.8)
Provision for policy reserves and others	43.5	19.3	(24.1)
Investment expenses	99.6	78.4	(21.1)
Losses on sale of securities	17.1	21.3	+4.2
Losses on valuation of securities	9.1	0.1	(9.0)
Derivative transaction losses	-	23.8	+23.8
Foreign exchange losses	28.2	16.2	(11.9)
Losses on investments in separate accounts	26.3	-	(26.3)
Operating expenses	97.6	101.3	+3.7
Ordinary profit	120.2	80.7	(39.5)
Extraordinary gains	1.4	0.1	(1.3)
Extraordinary losses	15.2	4.6	(10.5)
Provision for reserve for policyholder dividends	25.9	21.4	(4.5)
Income before income taxes	80.5	54.7	(25.7)
Total of corporate income taxes	21.1	16.0	(5.0)
Net income	59.3	38.6	(20.7)

## Balance Sheet

(billions of yen)

	As of Mar-17	As of Jun-17	Change
Total assets	35,686.6	36,295.2	+608.5
Cash, deposits and call loans	536.9	583.1	+46.2
Monetary claims bought	192.2	188.7	(3.4)
Securities	30,498.1	31,055.3	+557.2
Loans	2,657.8	2,650.4	(7.3)
Tangible fixed assets	1,124.4	1,120.9	(3.4)
Total liabilities	33,205.0	33,621.3	+416.3
Policy reserves and others	30,864.7	30,858.6	(6.0)
Policy reserves	30,249.1	30,266.4	+17.3
Contingency reserve	594.0	595.0	+1.0
Bonds payable	476.2	476.2	-
Other liabilities	1,004.7	1,337.3	+332.5
Reserve for employees' retirement benefits	380.8	384.8	+3.9
Reserve for price fluctuations	164.4	168.4	+4.0
Deferred tax liabilities	129.8	196.6	+66.8
Total net assets	2,481.6	2,673.8	+192.2
Total shareholders' equity	561.2	570.0	+8.7
Total of valuation and translation adjustments	1,920.3	2,103.8	+183.4
Net unrealized gains (losses) on securities, net of tax	1,963.2	2,157.2	+193.9
Reserve for land revaluation	(17.5)	(17.6)	(0.1)

(1) In relation to the shift to a holding company structure, results of Dai-ichi Life for three months ended June 2016 presented in this presentation are the results of former Dai-ichi Life.

- Here are the summary financial statements for Dai-ichi Life. The adjustment process for adjusted net profit is shown on the bottom left.
- Please turn to page 12.

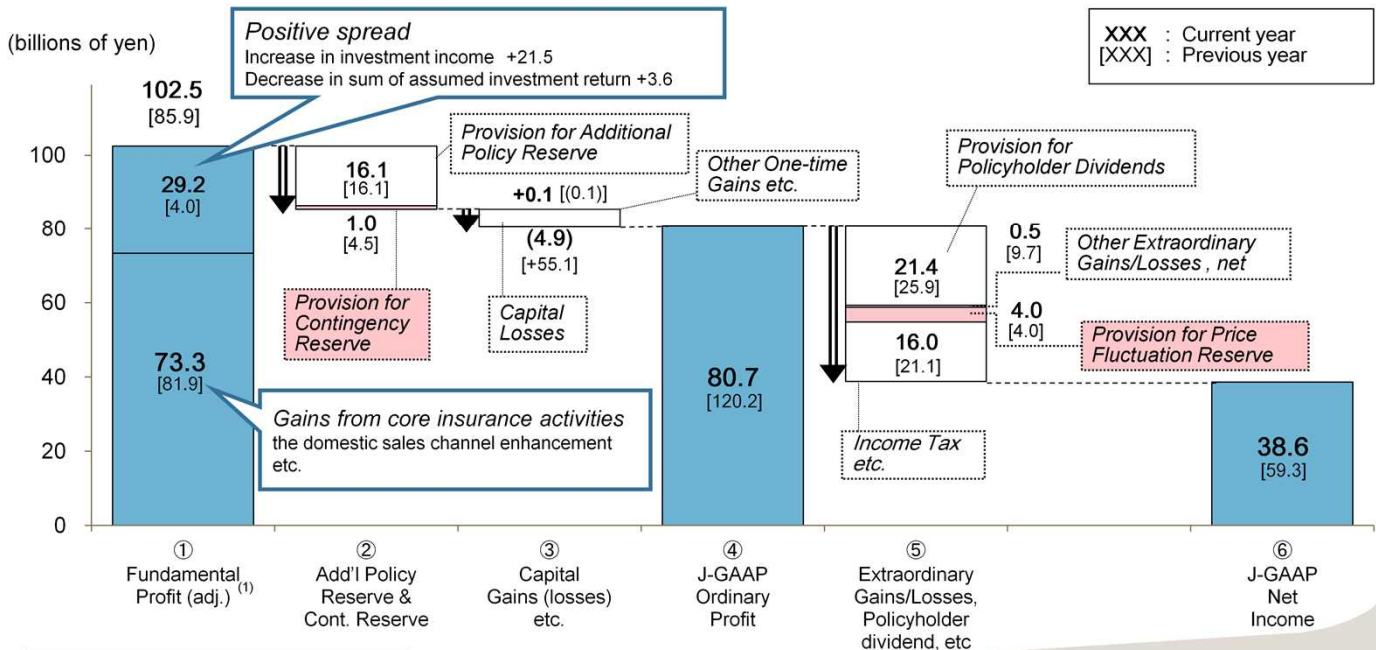


## Dai-ichi Life's Results – From Fundamental profit to Net income



Dai-ichi Life  
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- Positive spread improved due to the favorable financial market environment
- Ordinary profit declined as the company recorded derivative transaction gains in the face of Brexit last year
- The company started providing contingency reserve for insurance risk in light of growth in sales of protection-type products



(1) Adjusted fundamental profit = (fundamental profit) ± (provision for (reversal of) policy reserve associated with minimum guarantee benefit risk of variable insurance). From the fiscal year ending March 2018, fundamental profit before adjustment does not include the effect of provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance and the effect of change in the exchange rates related to foreign currency denominated insurance contracts.

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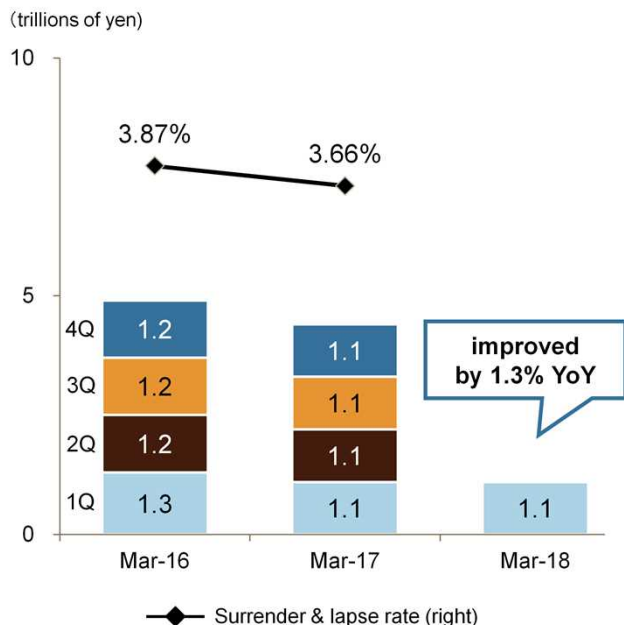
- This slide shows the reconciliation of Dai-ichi Life's fundamental profit to net income. Adjustments related to provision for (reversal of) policy reserve associated with minimum guarantee are made to fundamental profit.
- The industry is preparing for a minor change in the definition of fundamental profit in fiscal year ending March 2019, and the Group introduced the new format this quarter. Please refer to page 35 for details.
- Adjusted fundamental profit increased from the previous year, as improvement in positive spread was in part offset by a decline in gains from core insurance activities. Positive spread increased due to a weaker yen during the period and the company recorded gains on distribution from mutual funds and others ahead of schedule. Gains from core insurance activities declined year-on-year due to an increase in expenses related to strategic investments in our sales representative channel. Higher expenses were also as a result of provision for policy reserves to fill the gap between company's assumed rate of return and standard rates.
- Provision for additional policy reserve remained flat year on year. In the past, the company has been providing reserves for contingency reserve in excess of the statutory level. However, the company started to reduce provision for contingency reserve from this quarter to the statutory level that reflects the high growth of new business for third sector products that we've seen since the previous fiscal year.
- All in all, the decline in capital gains we discussed earlier was partly offset by an improvement in positive spread and an improvement in extraordinary losses, but net income for the company declined against the first quarter of the previous year.
- Please turn to page 13.

## Dai-ichi Life's Results – Quality of in-force, Sales Force & Productivity

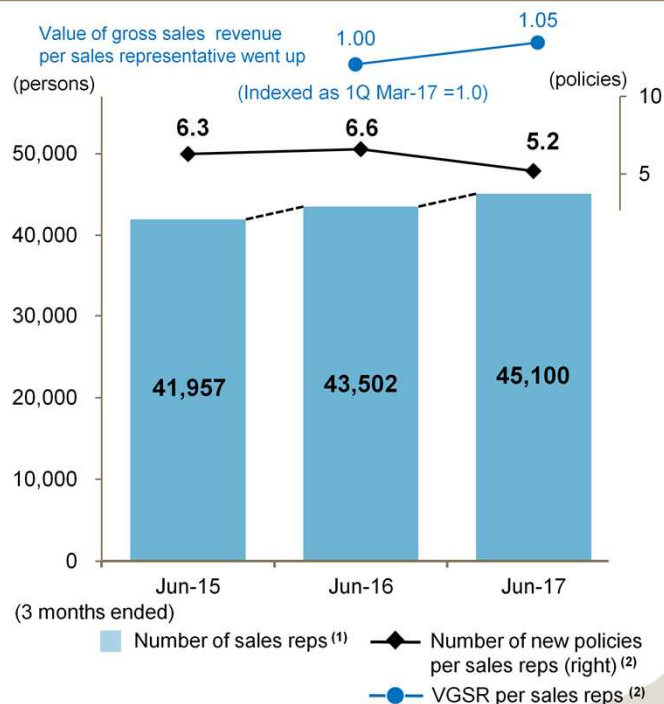


Dai-ichi Life  
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### Surrender & Lapse (Individual Insurance & Annuities)



### Number of Sales Reps and Productivity



(1) The number of sales representatives does not include those who are not full-time employees of Dai-ichi Life and are engaged mainly in ancillary work.

(2) Calculated by dividing the number of new policy and VGSR (value of gross sales revenue) respectively, by the average number of sales representatives in each period. VGSR is an internal index of sales and is the value of new business before deduction of operating expenses etc. excluding the effect associated with environmental changes, treating the figure for the three months ended June 2016 as 1.00.

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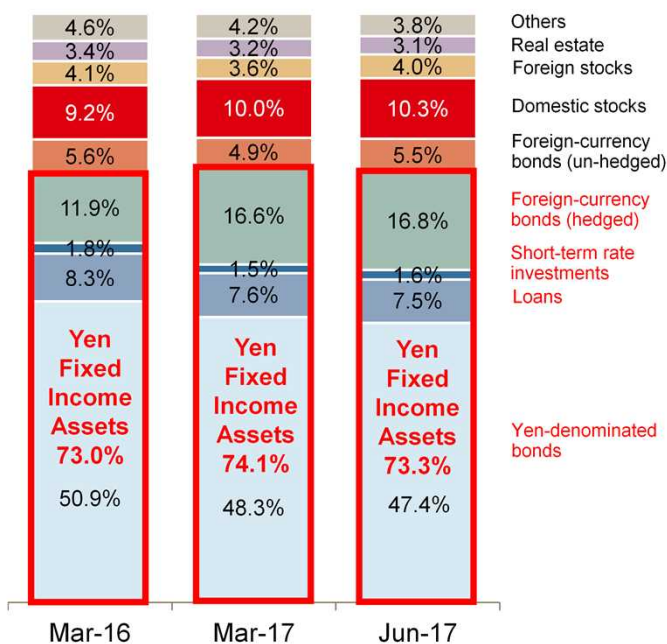
- This slide shows the quality of in-force business and trends in the size and productivity of Dai-ichi Life's sales representative channel.
- The surrender and lapse rate continue to improve over the previous year.
- Sale of policies per sales representatives declined as the company controlled sales of certain annuities but the value of gross sales revenues of new policies per sales representatives were up against last year.
- Please turn to page 14.

## Dai-ichi Life's Results - General Account Assets (i)



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### Asset Portfolio (General Account) <sup>(1)(2)</sup>



### Book Value of Domestic Stocks <sup>(3)</sup>



(1) On October 1, 2016, the Group shifted to a holding company structure and stocks of certain subsidiaries and affiliates of former Dai-ichi Life have been held by Dai-ichi Life Holdings. Figures for March 2016 is restated as if the shift to a holding company structure had been completed at the beginning of the period.

(2) Carrying amount - basis

(3) Book value of domestic stocks with fair value (excluding stocks of subsidiaries / affiliated companies and unlisted companies)

(4) Equity holdings other than those held solely for the purpose of investment (excluding stocks of unlisted companies and contributed to the retirement benefit trust)

14

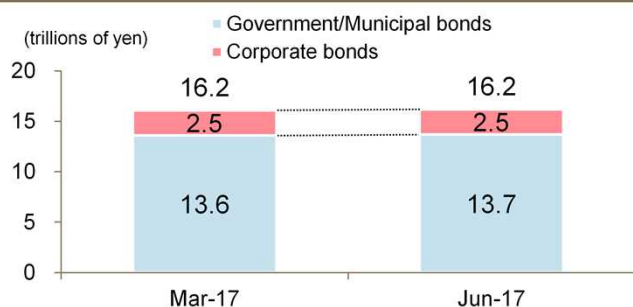
- I will explain our investment portfolio.
- The graph on the left shows the breakdown of Dai-ichi Life's general account portfolio.
- Upon observing the trends in interest rates, hedging costs and foreign currency exchange rates, we increased the allocation to un-hedged foreign currency-denominated bonds as of June 2017.
- The percentage of domestic stocks increased mainly because of market value fluctuations. On the right side, the book value of domestic listed stocks is divided between two categories: equity holdings for specified purpose and equity holdings for the purpose of investment. The book value of domestic stocks compared to the previous fiscal year-end increased because we invested more in stocks in growth areas than we sold. Sale of domestic stocks in order to reduce market risks should increase towards the end of the fiscal year.
- Please turn to page 15.

## Dai-ichi Life's Results – General Account Assets (ii) Profile of Bonds

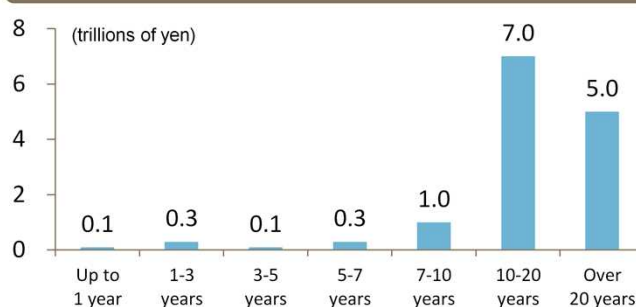


Dai-ichi Life  
Holdings

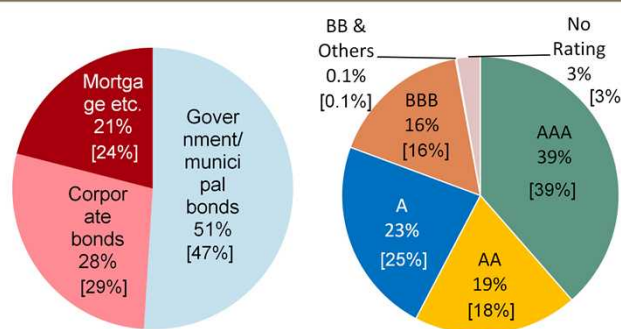
### Yen-denominated Bonds <sup>(1)</sup>



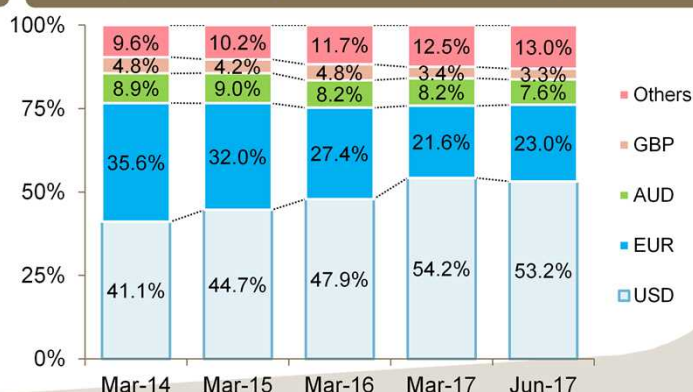
### Domestic Government Bonds <sup>(2)</sup> by Maturity (Jun-17)



### Foreign Currency Bond Portfolio <sup>(2)(3)(4)</sup> (Jun-17)



### Foreign Currency Bonds by Currency <sup>(2)</sup>



(1) Book value - basis  
(2) Carrying amount - basis  
(3) Rating breakdown based on ratings from S&P & Moody's, excluding mortgage etc.  
(4) Figures in [ ] are as of March 31, 2017.

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- I will explain about the profile of our bond portfolio in more detail.
- As for foreign currency bonds, we continue to invest mainly in bonds with high credit ratings. Compared to the previous fiscal year-end, we increased our investment in government securities.
- The graph on the bottom right shows the breakdown of foreign currency bonds by currency. We increased investment in Euro-denominated securities as markets return to normal in these markets after the presidential election in France.
- Please turn to page 16.



## Dai-ichi Life's Results - Status of Financial Soundness

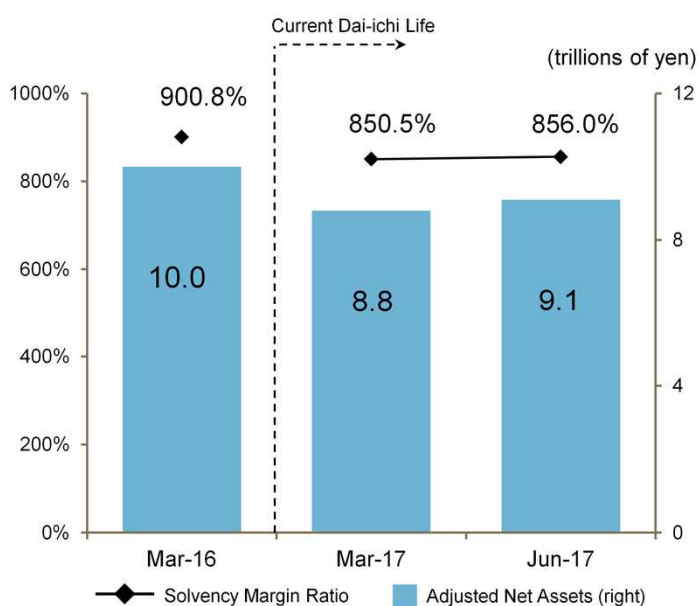


### Unrealized Gains/Losses (General Account)

(billions of yen)

	As of Mar-17	As of June-17	Change
Securities	5,491.0	5,730.8	+239.8
Domestic bonds	3,243.9	3,211.7	(32.2)
Domestic stocks	1,687.8	1,823.5	+135.6
Foreign bonds	394.7	515.4	+120.6
Foreign stocks	125.2	139.4	+14.2
Real estate	166.7	175.0	+8.2
General Account total	5,637.0	5,882.9	+245.8

### Solvency Margin Ratio & Adjusted Net Assets



<Reference> Consolidated Solvency Margin Ratio  
of Dai-ichi Life Holdings  
as of June 30, 2017: 772.7%

- I will explain the financial soundness of Dai-ichi Life.
- The chart on the left shows the change in unrealized gains in the company's general account assets.
- The yen remained weaker against major currencies and lower interest rates in overseas markets increased unrealized gains on foreign currency securities. Favorable stock markets also contributed to the increase in unrealized gain on stocks. Unrealized gain on domestic bonds declined as the company realized the gains during the quarter. As a result, unrealized gains in the company's general account assets increased by 20 billion yen against the previous fiscal year end.
- The solvency margin ratio of current Dai-ichi Life shown on the graph on the right remained at a high level of 856.0% at the end of June 2017.
- Please turn to page 18.

	Sensitivities <sup>(1)</sup>	Breakeven Points <sup>(2)</sup>
Domestic stocks	<p>Nikkei 225 1,000 yen change:</p> <p>June 2017: ±170 billion yen (March 2017: ±170 billion yen)</p>	<p>Nikkei 225</p> <p>June 2017: 9,400 yen (March 2017: 9,400 yen)</p>
Domestic bonds	<p>10-year JGB Yield 10bp change:</p> <p>June 2017: ± 260 billion yen* (March 2017: ±260 billion yen)</p> <p>* Available-for-sale securities: June 2017: ± 30 billion yen (March 2017: ±30 billion yen)</p>	<p>10-year JGB Yield</p> <p>June 2017: 1.3%* (March 2017: 1.3%)</p> <p>* Available-for-sale securities: June 2017: 1.4% (March 2017: 1.4%)</p>
Foreign securities	<p>JPY / USD 1 yen change:</p> <p>June 2017: ± 23 billion yen (March 2017: ±21 billion yen)</p>	<p>JPY / USD</p> <p>June 2017: \$1 = 104 yen (March 2017: 105 yen)</p>

(1) Sensitivities indicate the impact of fluctuations in the market value of related assets.

(2) Breakeven points indicate assumptions when unrealized gains or losses of the related assets would be zero. Figures for foreign securities are calculated for foreign exchange factors only, based on the JPY/USD exchange rate (assuming all are in USD).

# Dai-ichi Frontier Life's Results – Summary Financial Statements



Dai-ichi Life  
Holdings

## Profit and Loss Statement

(billions of yen)

	3 months ended Jun-16	3 months ended Jun-17	Change
Ordinary revenues	451.3	348.8	(102.5)
Premium and other income	233.2	259.1	+25.9
Investment income	32.1	89.6	+57.4
Hedge gains related to GMMB risk (A)	17.6	-	(17.6)
Foreign exchange gains	-	12.0	+12.0
Ordinary expenses	472.3	342.6	(129.6)
Benefits and claims	143.2	120.2	(23.0)
Provision for policy reserves and others (negative indicates a reversal) <sup>(1)</sup>	(185.9)	202.1	+388.1
Related to GMMB risk (B)	31.6	(7.9)	(39.6)
Contingency reserve (C)	(0.2)	2.1	+2.4
Investment expenses	313.4	8.0	(305.4)
Hedge losses related to GMMB risk (D)	-	10.8	+10.8
Foreign exchange losses	251.8	-	(251.8)
Operating expenses	14.0	10.8	(3.1)
Ordinary profit (losses)	(20.9)	6.1	+27.1
Related to market value adjustment (E) <sup>(2)</sup>	(14.9)	(6.5)	+8.3
Extraordinary gains (losses)	(0.7)	(0.9)	(0.1)
Income (losses) before income taxes	(21.7)	5.2	+26.9
Total of corporate income taxes	0.0	2.4	+2.4
Net income (losses)	(21.7)	2.7	+24.5
Net income - (A) + (B) + (C) + (D) - (E)	6.9	14.3	+7.4

## Balance Sheet

(billions of yen)

	As of Mar-17	As of Jun-17	Change
Total assets	6,742.4	6,973.4	+230.9
Cash and deposits	109.8	106.5	(3.2)
Securities	6,214.9	6,412.4	+197.4
Total liabilities	6,632.1	6,854.1	+221.9
Policy reserves and others	6,419.0	6,621.2	+202.1
Policy reserves	6,409.8	6,611.9	+202.0
Contingency reserve	114.9	117.1	+2.1
Total net assets	110.3	119.3	+9.0
Total shareholders' equity	93.0	95.7	+2.7
Capital stock	117.5	117.5	-
Capital surplus	67.5	67.5	-
Retained earnings	(91.9)	(89.2)	+2.7

(1) Figures in 'Provision for policy reserves and others (negative indicates a reversal)' include figures of reversal of reserves for outstanding claims and reversal of policy reserves which are showed in other ordinary revenues on the statement of earnings.

(2) Provision or reversal of policy reserve related to market value adjustment excludes those parts that have no impact on the ordinary profit.

The following items include items that are offset by provision for (reversal of) policy reserves and unrealized gains (losses) on investments. There is impact of Gains (losses) but they do not have a significant impact on business results. (Gains or losses on investments in separate accounts, foreign exchange gains or losses, derivative transaction gains or losses)

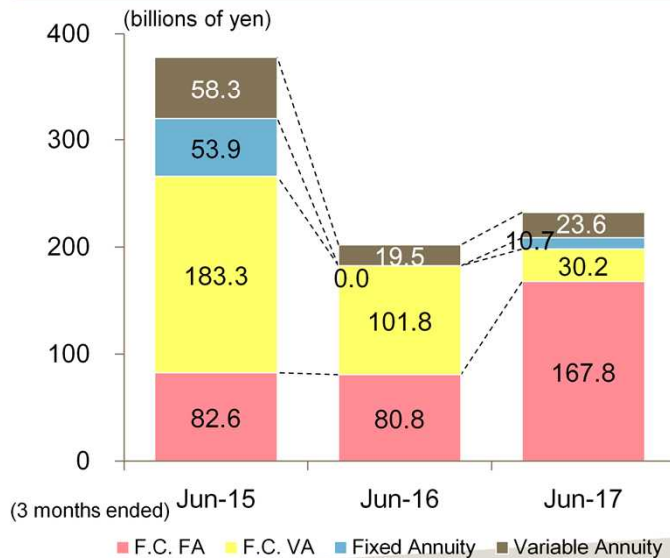
- Here are the summary financial statements for Dai-ichi Frontier Life. Guaranteed minimum maturity benefit (GMMB) risk that fluctuates based on the financial environment and gains (losses) related to market value adjustment are shown here.

- Please turn to page 19.

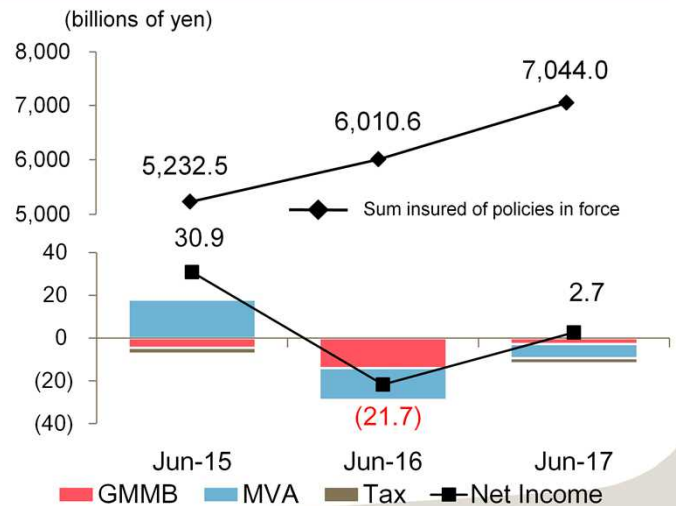
## Results Highlights

- Backed by strong saving needs, DFL was able to improve sales of yen-denominated whole life and the new foreign currency fixed annuity that DFL introduced to reflect customer demand proved popular.
- DFL returned to profitability on improvement in sales and lower reserving due to improved financial markets.

## Premium Income by Products Type



## Sum insured of policies in force and Net income



- I will explain the results of Dai-ichi Frontier Life (DFL).
- We have discussed the sales results on page 8. The charts on this page describe the details of the sales, and the company's sum of in force policies now exceeds seven trillion yen.
- During the quarter DFL regained profitability. Improvement in the stock markets helped DFL to reverse its provision for policy reserves related to GMMB risk, against a huge provision last year, and hedge transactions to minimize the risk produced minimum noise during the quarter, leading to a significant improvement in GMMB balance.
- DFL made provision for reserves related to market value adjustment as interest rates declined, but the level improved to half the amount provided during previous year
- Lower burden of reserve requirements due to improved financial conditions improved the results of DFL from a loss in the previous year to profit this year.
- Next I will discuss our major subsidiaries in the overseas life insurance business. Please turn to page 21.





# Overseas Life Insurance Business

# Protective Life Results - Summary Financial Statements



Dai-ichi Life  
Holdings

## Statement of Earnings <sup>(1)(2)</sup>

	(millions of USD)		
	3 months ended Mar-16	3 months ended Mar-17	Change
Ordinary revenues	2,069	2,513	+444
Premium and other income	1,366	1,337	(29)
Investment income	598	1,066	+467
Other ordinary revenues	104	109	+5
Ordinary expenses	1,897	2,401	+504
Benefits and claims	1,196	1,160	(36)
Provision for policy reserves and others	317	849	+531
Investment expenses	135	140	+4
Operating expenses	189	207	+17
Other ordinary expenses	57	43	(13)
Ordinary profit	172	112	(59)
Total of corporate income taxes	56	36	(19)
Net income	115	75	(39)

## Balance Sheet <sup>(1) (2)</sup>

	(millions of USD)		
	As of Dec-16	As of Mar-17	Change
Total assets	75,005	76,010	+1,005
Cash and deposits	350	450	+100
Securities	56,237	56,903	+665
Loans	7,784	7,953	+168
Tangible fixed assets	114	112	(1)
Intangible fixed assets	2,937	2,910	(26)
Goodwill	793	793	-
Other intangible fixed assets	2,122	2,090	(31)
Reinsurance receivable	161	188	+27
Total liabilities	69,533	70,445	+912
Policy reserves and others	60,702	61,250	+547
Reinsurance payables	247	249	+2
Bonds payable	4,230	4,189	(41)
Other liabilities	2,641	2,929	+288
Total net assets	5,471	5,564	+93
Total shareholders' equity	6,126	6,057	(68)
Total accumulated other comprehensive income	(654)	(492)	+161

(1) Disclosed after re-classifying items from Protective Life's financial statements under U.S. accounting standards to conform to Dai-ichi Life Holdings' disclosure standards.

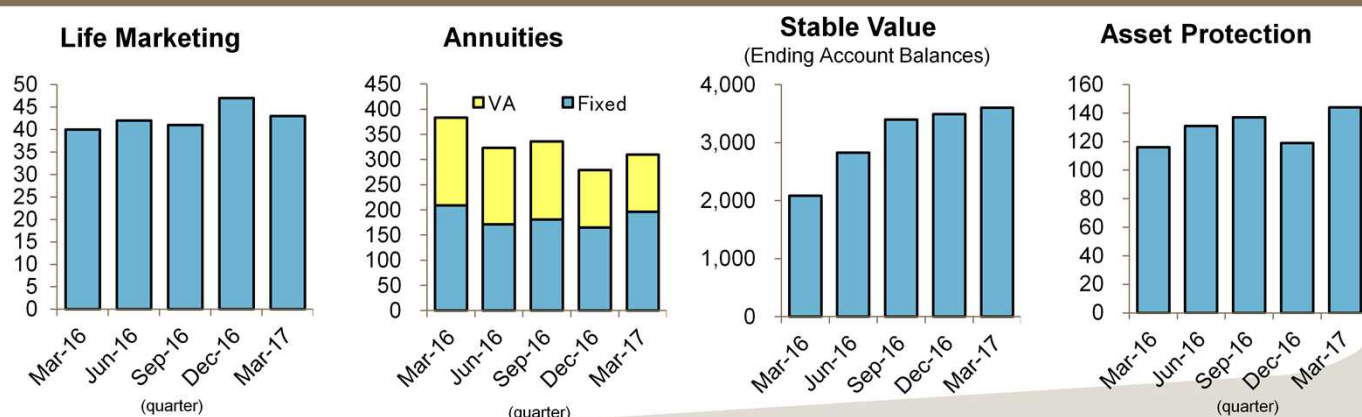
(2) The fiscal year of Protective Life ends on December 31.

- Here are the summary financial statements for Protective Life. Accounting items were calculated based on local accounting policies and then re-classified to conform with Japanese accounting standards.
- Please turn to page 22.

## Overview

- Universal life product sales remain favorable in Life Marketing, while Annuities product sales remained weak impacted by regulatory change
- Pre-tax Adjusted Operating Income declined slightly against previous year due to unfavorable mortality in the Acquisition segment. Net income declined further due to lower realized gain related to modified coinsurance contracts
- USWC (United States Warranty Corp) delivered a positive contribution

## Sales results (millions of USD)



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- I will provide an overview of Protective Life's business.
- Sale of universal life insurance in the Life Marketing segment was favorable during the quarter ended March 2017. In the Annuities segment, sale of variable annuities remained weak as independent agents reduced activities due to regulatory changes, but the sale of fixed annuities remained favorable.
- Favorable sales and an improvement in the investment balance improved the pre-tax operating profit from the Life Marketing segment. Consolidating the results of United States Warranty Corporation provided a positive contribution to Asset Protection segment. However, an increase in claims from policies in the Acquisition segment reduced the earning of the segment and pre-tax operating income of the company. Net income of the company declined further compared to the prior year as there were recorded capital gains related to modified co-insurance contracts during the previous year.
- Please refer to page 23 for the details of segment and consolidated pre-tax operating income. I will explain the results of TAL in Australia.
- Please turn to page 24.

## Pre-tax Adjusted Operating Earnings <sup>(1)</sup>

(millions of USD)

	3 month ended Mar-16	3 months ended Mar-17	Change	
Life Marketing	13.7	18.9	+ 5.2	+ 38.3%
Acquisitions	68.6	53.6	Δ 14.9	Δ21.8%
Annuities	53.6	53.0	Δ 0.6	Δ1.2%
Stable Value	14.4	23.8	+ 9.4	+ 65.4%
Asset Protection	5.3	5.5	+ 0.2	+ 5.6%
Corporate & other	(13.7)	(19.7)	Δ 6.0	+ 43.8%
Pre-tax Adjusted Operating Earnings <sup>(2)</sup>	142.0	135.3	Δ 6.6	Δ4.7%
Realized Gain (Loss) on investments	83.1	25.7	Δ 57.4	Δ69.0%
Realized Gain (Loss) on derivatives	(53.3)	(48.7)	+ 4.5	Δ8.5%
Tax	(56.4)	(36.9)	+ 19.5	Δ34.6%
Net Income	115.3	75.4	Δ 39.9	Δ34.6%

<Reference>

	Mar-16	Mar-17
JPY / USD exchange rate	112.68	112.19

### [Life Marketing]

- Favorable new sales and improved investment income

### [Acquisitions]

- Unfavorable mortality and runoff of older in-force blocks

### [Annuities]

- Unfavorable mortality and expenses were offset by higher fee income

### [Stable Value]

- Higher average account balance, participating mortgage income

### [Asset Protection]

- Favorable contribution from US Warranty Corporation

(1) Protective's fiscal year ends on December 31.

(2) Pre-tax Adjusted Operating Earnings are income before income tax, excluding realized gains and losses on investments and derivatives etc.



# TAL's Results – Summary Financial Statements



## Statement of Earnings <sup>(1)(2)</sup>

	(millions of AUD)		
	3 months ended Jun-16	3 months ended Jun-17	Change
Ordinary revenues	913	921	+8
Premium and other income	825	867	+42
Investment income	66	34	(32)
Other ordinary revenues	21	20	(1)
Ordinary expenses	848	880	+31
Benefits and claims	554	618	+63
Provision for policy reserves and others	91	62	(28)
Investment expenses	10	10	(0)
Operating expenses	165	157	(7)
Other ordinary expenses	27	31	+3
Ordinary profit	64	41	(22)
Total of corporate income taxes	20	10	(10)
Net income	44	31	(12)
Underlying profit	40	41	+0

## Balance Sheet <sup>(1)(2)</sup>

	(millions of AUD)		
	As of Mar-17	As of Jun-17	Change
Total assets	7,178	7,220	+42
Cash and deposits	1,559	1,540	(18)
Securities	2,830	2,797	(32)
Tangible fixed assets	0	0	+0
Intangible fixed assets	1,178	1,171	(7)
Goodwill	786	786	-
Other intangible fixed assets	392	384	(7)
Reinsurance receivable	131	154	+23
Other assets	1,478	1,556	+77
Total liabilities	4,887	4,917	+30
Policy reserves and others	3,525	3,578	+52
Reinsurance payables	290	286	(3)
Bonds payable	240	240	+0
Other liabilities	734	704	(30)
Deferred tax liabilities	95	107	+12
Total net assets	2,291	2,303	+11
Total shareholders' equity	2,291	2,303	+11
Capital stock	1,630	1,630	-
Retained earnings	660	672	+11

(1) Figures for consolidated holding company (i.e., TAL Dai-ichi Life Australia Pty Ltd).

(2) Figures for TAL (excluding underlying profit) are disclosed after re-classifying items from TAL's financial statements under Australian accounting standards to conform to Dai-ichi Life Holdings' disclosure standards.

- Here are the summary financial statements for TAL.
- Please turn to page 25.

## Overview

- A number of new clients at Group segment led to a steady growth in in-force ANP.
- Improved sales and claims against previous year contributed to an 1.4% growth in underlying profit
- Including the impact of interest rate change, net income declined by 28% yoy

	(millions of AUD)		
	3 months ended Jun-16	3 months ended Jun-17	% Change
Net income (A) <sup>(2)</sup>	44	31	(28%)
Adjustments after tax (B)	(3)	9	
Discount rate changes	(9)	(1)	
Amortization charges	5	5	
Others	1	5	
Underlying profit (A + B)	40	41	+ 1%

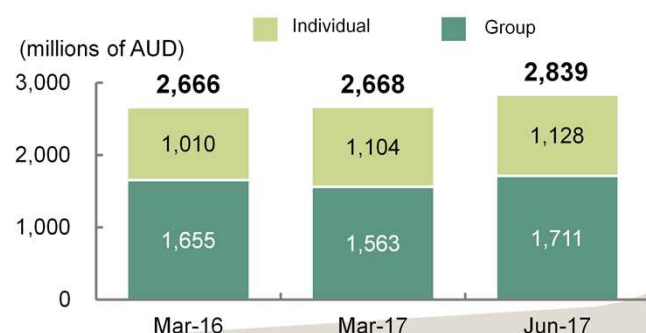
(1) Figures for the consolidated holding company (i.e., TAL Dai-ichi Life Australia Pty Ltd).

(2) Disclosed after re-classifying items from TAL's financial statements under Australian accounting standards to conform to Dai-ichi Life Holdings' disclosure standards.

## New Business ANP

		(millions of AUD)			
		Jun-15	Jun-16	Jun-17	Change
Individual	New sales	37	36	36	(0)
	Change in in-force	22	25	29	+3
	Sub-total	60	62	65	+2
Group	New sales	0	0	160	+159
	Change in in-force	(43)	(25)	(12)	+13
	Sub-total	(42)	(25)	147	+172
Total		17	37	212	+175

## ANP from Policies in-Force



- I will explain the results of TAL. As we discussed earlier on page 8, TAL signed with a number of new partners in Group business during the quarter. Sales at Individual business remained favorable, and TAL's ANP from policies in force increased by 6.4% year to date in AUD terms.
- Revenues increased as policies in force grew. Claims remained unfavorable compared to the company's expectation affected by a weaker economy, but the insurance balance improved somewhat during the quarter against the previous year and together with the cost controls, the company reported a 1.4% improvement in underlying profit. During the quarter last year, interest rates declined faster, making the year on year comparison difficult and contributed to the 28% decline in net income.
- Next, I will move on to our consolidated earnings guidance. Please turn to page 27.



# Earnings Guidance

## Earnings Guidance - Guidance for the Year Ending March 2018

- The Group maintains its guidance for the fiscal year ending March 2018.
- Cash dividend of 45 yen per share representing total shareholder payment of 40% also maintained

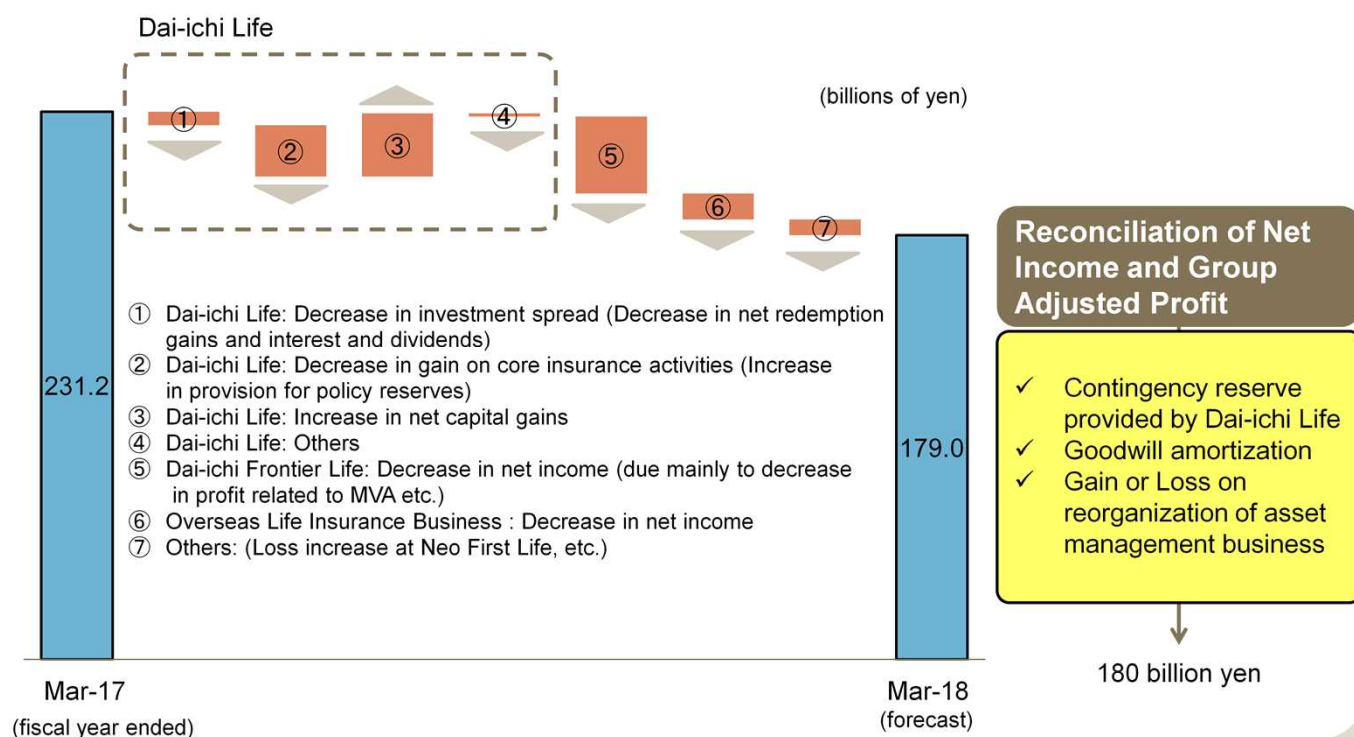
(billions of yen unless otherwise noted)

	Year ended Mar-17	Year ending Mar-18	Change
<b>Ordinary revenues</b>	<b>6,456.7</b>	<b>6,004.0</b>	<b>(452.7)</b>
Dai-ichi Life	3,946.7	3,663.0	(283.7)
Dai-ichi Frontier Life	1,183.2	1,012.0	(171.2)
Protective Life (millions of USD)	8,873	8,710	(163)
TAL (millions of AUD)	3,574	3,760	+185
<b>Ordinary profit</b>	<b>425.3</b>	<b>363.0</b>	<b>(62.3)</b>
Dai-ichi Life	281.8	272.0	(9.8)
Dai-ichi Frontier Life	63.7	29.0	(34.7)
Protective Life (millions of USD)	594	460	(134)
TAL (millions of AUD)	211	180	(31)
<b>Net income<sup>(1)</sup></b>	<b>231.2</b>	<b>179.0</b>	<b>(52.2)</b>
Dai-ichi Life	117.1	111.0	(6.1)
Dai-ichi Frontier Life	50.2	17.0	(33.2)
Protective Life (millions of USD)	393	310	(83)
TAL (millions of AUD)	148	130	(18)
<b>Dividends per share (yen)</b>	<b>43</b>	<b>45</b>	<b>+2</b>
(Reference) Fundamental Profit			
Dai-ichi Life Group	558.4	around 480.0	(78.4)
Dai-ichi Life	392.1	around 340.0	(52.1)

(1) Figures of "Consol. Net Income" represent those of "Net income attributable to shareholders of parent company".

- The Group maintains its earnings guidance for the year ending March 31, 2018. Net income for the quarter represented 40% of the annual target, but it was mainly because the Group recorded a stock exchange gain related to the Janus Henderson merger in May. Business in each segment progressed better than expected, but it is still only the results of the first quarter and the Group would like to observe how sales and the investment environment develop for the remainder of the fiscal year.
- The guidance on Group Adjusted Profit on next page also is maintained.
- Please turn to page 30.

# Analysis of Change in Net Income <sup>(1)</sup>



(1) Figures of "Consol. Net Income" represent those of "Net income attributable to shareholders of parent company".





## Group Embedded Value

- **European Embedded Value (EEV) at the end of June 2017 increased from the end of the last fiscal year mainly due to improvements in economic conditions**

## EEV of the Group

(preliminary calculation, billions of yen)

	Mar-17	Jun-17	Change
EEV of the Group	5,495.4	ca. 5,810	ca. +320
EEV for Covered Businesses <sup>(1)</sup>	5,690.1	ca. 6,000	ca. +310
Adjusted net worth	6,073.5	ca. 6,320	ca. +240
Value of in-force business	(383.4)	ca. (310)	ca. +70
Adjustments to net worth etc. of non-covered businesses <sup>(2)</sup>	(194.6)	ca. (190)	ca. +0

(1) "Covered businesses" are the business areas that are to be covered by the EEV methodology set forth by the EEV principle. The EEV principle requires covered businesses to be disclosed. In the past, Dai-ichi Group categorized all of its businesses as covered businesses. However, following the shift to a holding company structure on October 1, 2016, subsidiaries engaged in the life insurance business (Dai-ichi Life, Dai-ichi Frontier Life, Neo First Life, Protective, TAL, Dai-ichi Life Vietnam and its subsidiaries) are categorized as covered businesses.

(2) "Adjustments relating to net worth of non-covered businesses" include net worth (ca. 1,230.0 billion yen) of non-consolidated Dai-ichi Life Holdings as of June 30, 2017, adjustments related to interest (ca. minus 1,460.0 billion yen) in six subsidiaries of Dai-ichi Life Holdings that are engaged in the insurance business, and fair value adjustments to assets and liabilities of Dai-ichi Life Holdings

- This slide shows a preliminary calculation of our European Embedded Value (EEV) at the end of June 2017. This disclosure is summarized because, as of today, we have not yet obtained an actuarial opinion from the actuarial firm regarding the EEV calculation.
- Group EEV as of June 30, 2017 increased to 5.8 trillion yen. Product mix shift at Dai-ichi Life, together with growth in new business in other Group companies contributed to the value of new business progress in line with the Group's original expectation. And improvements in economic conditions, such as high stock prices, contributed to the improvement in Group EEV.
- Please turn to page 31.

## EEV – European Embedded Value (ii)

### EEV of Group Companies

(preliminary calculation, billions of yen)

	Mar-17	Jun-17	Change
<b>Dai-ichi Life</b>	4,427.6	ca. 4,710	ca. +280
Adjusted net worth	5,351.9	ca. 5,580	ca. +230
Value of in-force business	(924.2)	ca. (870)	ca. +50
<b>Dai-ichi Frontier Life</b>	353.7	ca. 370	ca. +20
Adjusted net worth	156.6	ca. 180	ca. +30
Value of in-force business	197.1	ca. 190	ca. (10)

(Reference) Outstanding in local currency

(Protective: million USD, TAL: million AUD)

	Dec-16	Mar-17	Change	Dec-16	Mar-17	Change
<b>Protective Life</b>	589.8	ca. 590	ca. (0)	5,063	ca. 5,200	ca. +200
Adjusted net worth	421.4	ca. 400	ca. (20)	3,618	ca. 3,500	ca. (100)
Value of in-force business	168.3	ca. 190	ca. +20	1,444	ca. 1,700	ca. +200
	Mar-17	Jun-17	Change	Mar-17	Jun-17	Change
<b>TAL</b>	268.9	ca. 280	ca. +10	3,132	ca. 3,200	ca. +100
Adjusted net worth	128.4	ca. 130	ca. +0	1,496	ca. 1,500	ca. +0
Value of in-force business	140.4	ca. 150	ca. +10	1,636	ca. 1,700	ca. +100

Note 1: EEV was not re-measured for Neo First Life. EEV as of the end of March is applied.

Note 2: EV was not re-measured for Dai-ichi Life Vietnam. Local currency based EEV as of the end of December is applied.

- This slide shows the EEV of each group company. Dai-ichi Life, Dai-ichi Frontier Life and TAL each increased its EEV.
- Protective's EEV decreased slightly because the yen was stronger towards March when the Group consolidate the number. In domestic currency, Protective's EEV increased.
- This concludes my presentation.



## EEV of Dai-ichi Life Group after reclassification (iii)

### Reclassification of EEV from ALM point of view

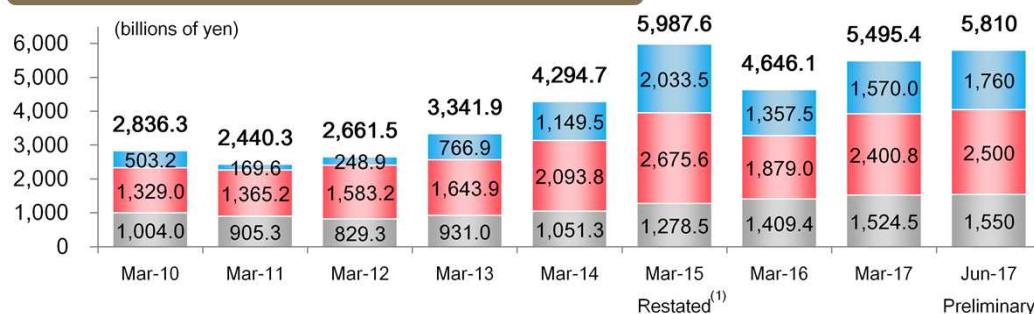
#### EEV of the Group

(preliminary calculation, billions of yen)

	Mar-17	Jun-17	Change
Group EEV	5,495.4	ca. 5,810	ca. +320
Covered Businesses	5,690.1	ca. 6,000	ca. +310
Adjusted net worth	6,073.5	ca. 6,320	ca. +240
Value of in-force business	(383.4)	ca. (310)	ca. +70
Adjustment for non-covered businesses	(194.6)	ca. (190)	ca. +0

	Mar-17	Jun-17
Group EEV	5,495.4	ca. 5,810
Unrealized gains on other assets <sup>(2)</sup>	1,570.0	ca. 1,760
VIF <i>plus</i> unrealized gains on Yen-denominated fixed income assets <sup>(3)</sup>	2,400.8	ca. 2,500
Net worth, etc. <i>plus</i> retained earnings in liabilities <sup>(4)</sup>	1,524.5	ca. 1,550

#### EEV of Dai-ichi Life Group after reclassification



VIF + unrealized gains:  
**Future profit from in-force business**

Unrealized gains on other assets<sup>(2)</sup>

VIF *plus* unrealized gains on yen-denominated fixed income assets<sup>(3)</sup>

Net worth, etc. *plus* retained earnings in liabilities<sup>(4)</sup>

**Accumulated realized gain**

(1) EEV of Dai-ichi Life Group as of Mar-15 is restated using the ultimate forward rate.

(2) Dai-ichi Life's unrealized gains excluding those on yen-denominated fixed income assets (i.e. stocks, foreign bonds (excluding hedged bonds) and real estate etc.).

(3) VIF of the Group *plus* unrealized gains on Dai-ichi Life's yen-denominated fixed assets as well as Dai-ichi Frontier Life's and Neo First Life's assets etc. (after some adjustments). This item is mainly affected by interests rates thus the amount changes in VIF and unrealized gains on yen-denominated fixed income assets etc. based on changes in interest rate levels offset each other.

(4) The sum of adjusted net worth of EEV for covered businesses and adjustments relating to net worth of non-covered businesses excluding unrealized gains.



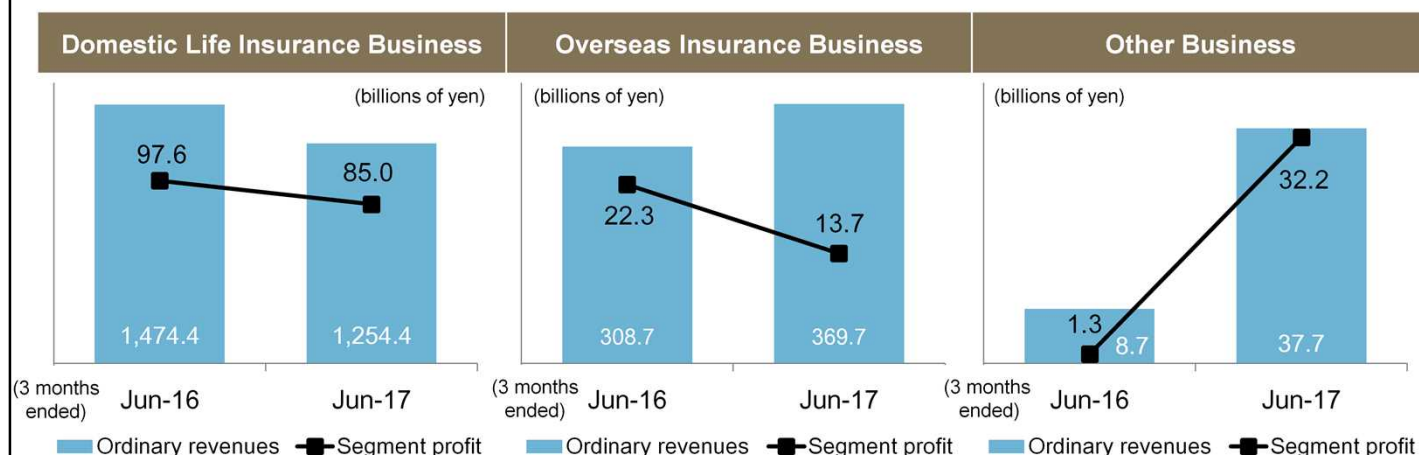
# Appendix



## Overview of the Group's Financial Results – Segment Results



Dai-ichi Life  
Holdings



- Ordinary revenues: Decrease in premium and other income due to decrease in sales of investment type products despite each company's good sales performance and a shift of Dai-ichi Life's product portfolio to protection type.
- Segment profit: A lack of positive impact of Dai-ichi Life's derivative transaction gains in previous comparable period.

- Ordinary revenues: Improvements in investment income at Protective's separate account, which was offset by provision of policy reserve and thus made no impact on segment profit
- Segment profit: Positive impact of Protective's capital gains related to modified coinsurance contracts in previous comparable period did not reoccur in this period.

- Both ordinary revenues and segment profit increased mainly because Dai-ichi Life Holdings received dividends from its subsidiaries.

## Reference – Group Fundamental Profit



Dai-ichi Life  
Holdings

(billions of yen)

	Fiscal year ended Mar-17	Fiscal Year ending Mar-18		Change
		3 months ended Jun-16	3 months ended Jun-17	
Dai-ichi Life Group <sup>(1)</sup>	528.6	78.1	144.1	+65.9
Domestic Life Insurance	443.0	60.4	123.0	+62.5
Dai-ichi Life	391.6	85.7	102.6	+16.8
Dai-ichi Frontier Life	57.2	(23.7)	22.0	+45.7
Overseas Life Insurance	84.1	21.2	21.2	+0.0
Protective	58.6	16.0	15.1	(0.8)
TAL	22.1	4.4	5.1	+0.6
Asset Management	8.8	2.0	3.2	+1.2
Consolidation adjustment and others	(7.3)	(5.5)	(3.3)	+2.1

The formula to describe details of current income (fundamental profit) will be based on new format removing two line items listed below to include in capital gains and losses starting in fiscal year ending March 2018.

- Foreign exchange gains (losses) ....adjustment 1
- Market value adjustment for single premium annuities... adjustment2

The impact of the change in format for the Dai-ichi Life Group, Dai-ichi Life and Dai-ichi Frontier Life was as follows.

Dai-ichi Life Group (billions of yen)

	Fiscal year ended Mar-17		3 months ended Jun-17
Previous format	558.4		59.3
adjustment 1	(0.1)		(0.4)
adjustment 2	(29.6)		19.2
New format	528.6		78.1

Dai-ichi Life (billions of yen)

Barclays Life		(billions of yen)	
Previous format	392.1		86.3
adjustment 1	(0.1)		(0.4)
adjustment 2	(0.3)		(0.1)
New format	391.6		85.7

Dai-ichi Frontier Life (billions of yen)

Previous format		86.5	(43.0)
adjustment 1		—	—
adjustment 2		(29.2)	19.3
New format		57.2	(23.7)

(1) Sum of fundamental profit of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life, Protective's adjusted operating income before tax, TAL's underlying profit before tax, Dai-ichi Life Vietnam's net income before tax and equity in net income of affiliated companies before tax (after partial elimination of intra-group transactions).

## Reference – Consolidated Solvency Margin Ratio of Dai-ichi Life Holdings

(billions of yen)

	As of Mar-17	As of Jun-17	Change
Total solvency margin (A)	6,374.0	6,840.8	+466.8
Common stock, etc. <sup>(1)</sup>	909.6	996.8	+87.1
Reserve for price fluctuations	174.6	179.5	+4.9
Contingency reserve	709.5	712.7	+3.1
General reserve for possible loan losses	0.7	0.7	+0.0
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax) ) × 90% <sup>(2)</sup>	2,362.5	2,637.4	+274.8
Net unrealized gains (losses) on real estate × 85% <sup>(2)</sup>	113.8	119.8	+5.9
Sum of unrecognized actuarial differences and unrecognized past service cost	(27.3)	(26.6)	+0.7
Policy reserves in excess of surrender values	2,226.9	2,241.9	+15.0
Qualifying subordinated debt	759.2	759.2	—
Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt	(708.4)	(669.0)	+39.4
Excluded items	(171.8)	(152.4)	+19.3
Others	24.4	40.5	+16.0
Total risk (B) $\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2} + R_4 + R_6$	1,701.4	1,770.6	+69.1
Insurance risk $R_1$	122.0	120.0	(2.0)
General insurance risk $R_5$	4.9	4.7	(0.1)
Catastrophe risk $R_6$	2.0	2.1	+0.0
3rd sector insurance risk $R_8$	192.0	194.0	+2.0
Small amount and short-term insurance risk $R_9$	—	—	—
Assumed investment yield risk $R_2$	255.0	255.1	+0.1
Guaranteed minimum benefit risk $R_7$ <sup>(3)</sup>	84.4	82.5	(1.8)
Investment risk $R_3$	1,290.9	1,361.4	+70.5
Business risk $R_4$	39.0	40.4	+1.3
Solvency margins ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	749.2%	772.7%	+23.5%

(1) Expected disbursements from capital outside the Company and accumulated other comprehensive income, etc. are excluded.

(2) Multiplied by 100% if losses.

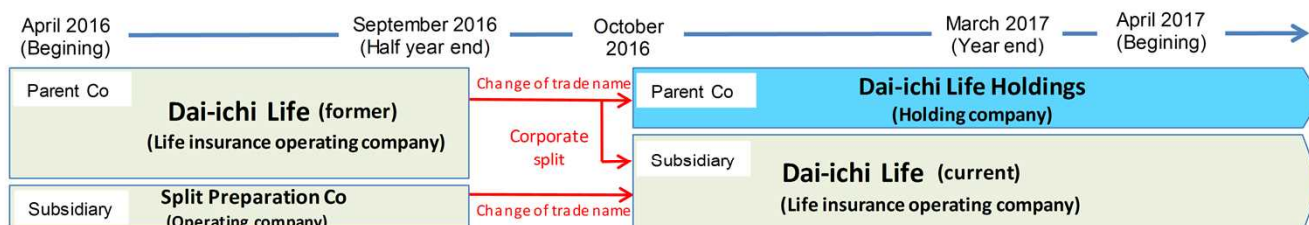
(3) Calculated by standard method.

## Reference – Guidance for the Listed Entity



Dai-ichi Life  
Holdings

- Dai-ichi Life shifted to a holding company structure on October 1, 2016 by means of a corporate split. Prior to the split, Dai-ichi Life, as the parent company of the Group, reported its consolidated results as a listed entity. On and after the split, Dai-ichi Life Holdings, as the successor company, is the listed entity and reports the consolidated results.
- Dai-ichi Life Holdings recognizes dividend income from its subsidiaries and affiliates, management fees, and incurs holding company operating expenses. The guidance for Dai-ichi Life Holdings for the year ending March 31, 2018 is indicated in the tables below.



### Dai-ichi Life Holdings

(billions of yen)

	Year ended Mar-17 From October 1, 2016 to March 31, 2017	Year ending Mar-18
Sales Revenues	21.8	59.0
Ordinary profit	16.2	45.0
Net income	17.1	41.0



## Investor Contact

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