Financial Analyst Meeting for the Six Months Ended September 2018

November 22, 2018

Dai-ichi Life Holdings, Inc.

Dai-ichi Life Holdings

- Hello, everyone. My name is Seiji Inagaki of Dai-ichi Life Holdings.
- Thank you for attending Dai-ichi Life Holdings' Financial Analyst Meeting today.
- Let me start the presentation.
- Please turn to page 3.

Dai-ichi Life Group
Medium-term Management Plan

CONNECT 2020

Update

Dai-ichi Life
Holdings

Update on Medium-term Management Plan

Dai-ichi Life Holdings

- Strategies under "CONNECT 2020" Medium Term Management Plan
- Progress during the first six months to September
  - Group Management Objectives and Group Mid- to Long-term Vision both progressed in line with expectations
  - Successful Multi-brand, multi-channel strategy proving
- Maintaining sustainable growth in Group Adjusted Profit, shareholder payout in line with growth

- Here are the topics I would like to talk about today.
- First of all, I will review the basic concept of our medium-term management plan "CONNECT 2020," which started this fiscal year. Then, though we are only six months into the plan, I would like to update on accounting based and economic based key performance indicators of the plan. Additionally, I will explain about synergies through connection among group companies and through connection with various business partners. I would like to sum up with our solid equity story that Group Adjusted Profit will grow at 5 to 7 percent CAGR to 250 billion yen for the final fiscal year of the current medium-term management plan ending in March 2021. At the same time, the Group is committed to raise dividends in line with profit growth for medium to long-term value creation.
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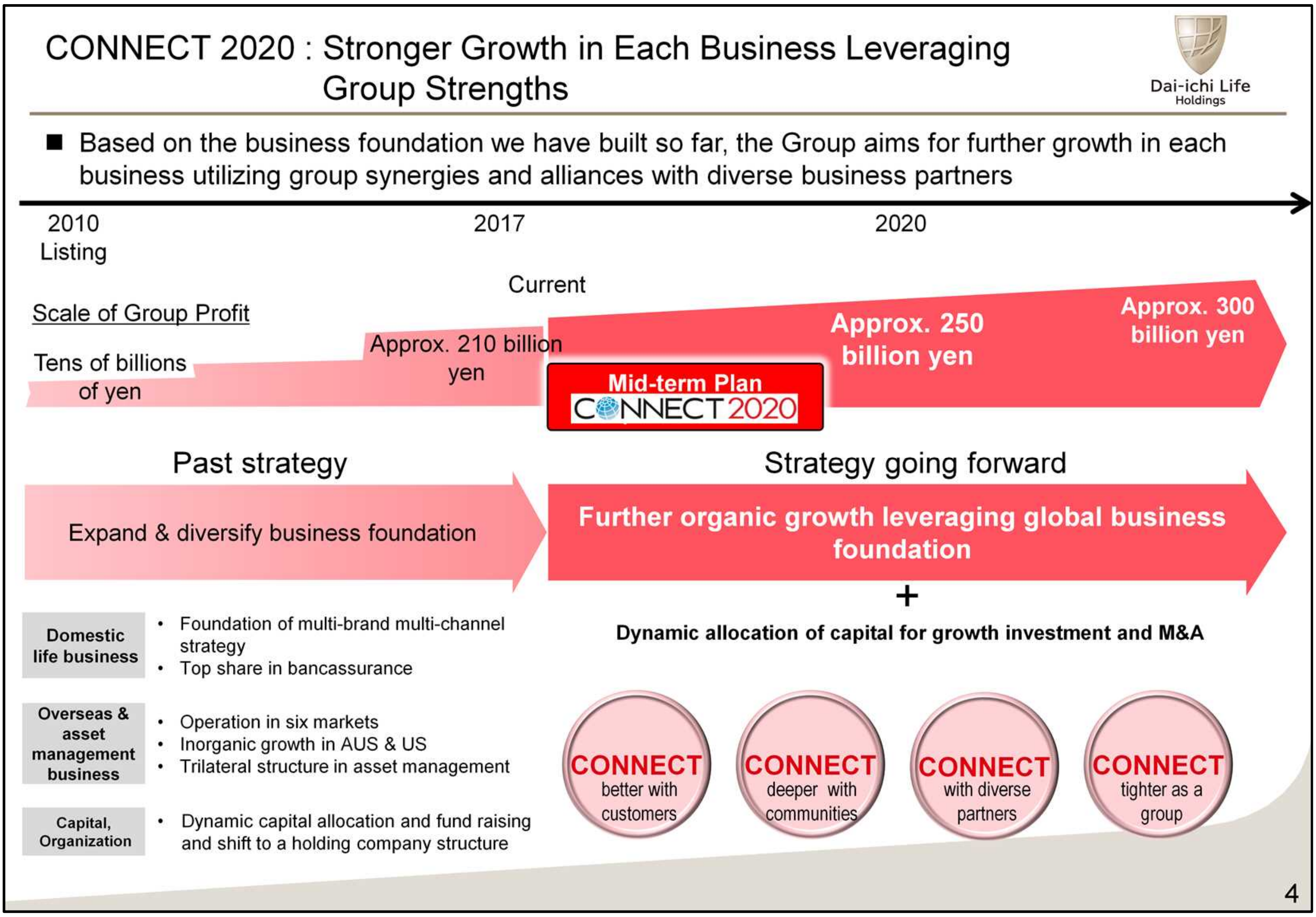

- This slide explains basic concept of current medium term management plan "CONNECT 2020."
- Dai-ichi Life Group has accelerated business and geographic diversification during the past ten years. In the domestic life insurance business, the Group established three brands to cater to the changing need of our customers, and for that purpose, Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life developed new products and services. In the overseas life insurance business, we have expanded business into six markets; the United States, Australia, Vietnam, India, Indonesia and Thailand. In asset management business, Asset Management One and Janus Henderson have established a trilateral asset management structure in the United States, Europe and Japan. The Group also strengthened its enterprise risk management framework within the Group reallocating capital from matured businesses to growing businesses, and at times went to capital markets to secure funds in order to support this transformation of the Group business. Originally, Dai-ichi Life contributed funds through prudent control of risk. Since the Group shifted to a holding company structure in 2016, the Group established a clear structure to generate cash through dividend from subsidiaries in order to support growing businesses. Meanwhile, our Group companies in the United States and Australia have established themselves to grow through reinvestment of cash generated from their businesses.
- Based on the business foundation the Group has constructed so far, the current medium term management plan targets Group Adjusted Profit of 250 billion yen by the final fiscal year under the current medium-term management plan by growing the three growth engines, namely the domestic life insurance business, the overseas life insurance business and the asset management business through Group synergies and connection with various business partners beyond boundaries of life insurance business.
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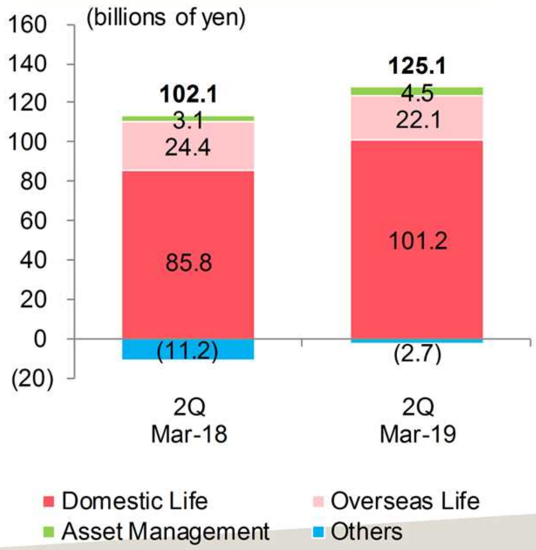
Management Objectives: Progress in the First Six Months

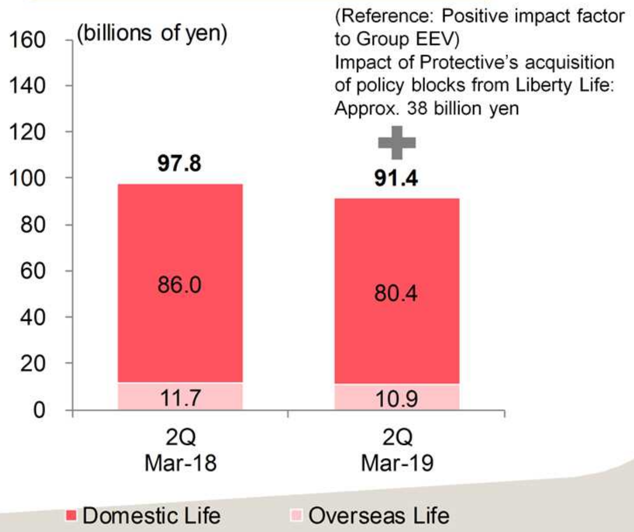
Dai-ichi Life Holdings

- Group adjusted profit and value of new business in line with expectation
- Dai-ichi Life's value of new business (VoNB) was down in the first half because the majority of sales were from contract renewals by existing customers. Sales activities towards new customers will be enhanced in the second half. Group EEV increased due to the impact from acquisitions in the U.S., in addition to VoNB.

Group Adjusted Profit



Value of New Business & other



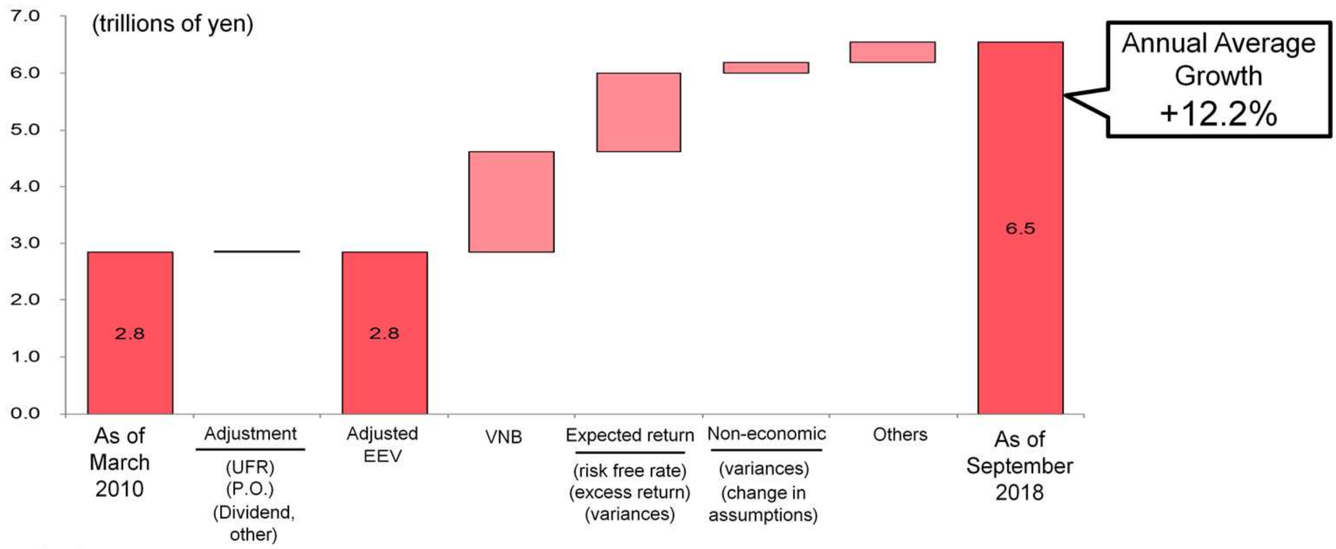
- For the first six months of the first fiscal year under the plan, everything is proceeding in line with the expectation.
- Let me provide an update on numbers.
- Group Adjusted Profit increased by more than twenty percent to 125.1 billion yen from 102.1 billion yen in the previous year period. The improvement is attributable to Dai-ichi Life, which increased gains from core insurance activities due to smaller provision for policy reserves. In addition, Janus Henderson Group became an equity-method affiliate in May this year, providing a sizable contribution from the asset management business.
- Value of new business, the economic value based indicator, decreased to 91.4 billion yen from 97.8 billion yen. When Dai-ichi Life started offering new products "JUST" and health check-up discount in March, the company sold the new products mainly to existing customers who reviewed their policies, rather than acquiring new customers. That was the main reason why value of new business fell short compared to the previous year. The Company already adjusted its marketing strategy to acquire young-age new customers during the second half of this year. So I believe we are in line with our plan to grow value of new business between the range of 5 to 7 percent CAGR.
- Meanwhile, Protective has closed a transaction to acquire closed blocks of business from Liberty Life in May. As of September 2018, that transaction contributed to a 38.0 billion yen increase in Group embedded value.
- Please turn to the next page.

Mid- to long-term Vision: Group RoEV

Dai-ichi Life Holdings

- The Group targets over 8% average EV growth (RoEV) mid- to long-term; achieved 12.2% annual average growth since listing

Analysis of Changes to Group EEV



(Notes)

- The chart shows simple sum of the past movement analysis of Group Embedded Value.
- Includes, among other adjustments listed above, adjustment to opening EEV and closing EEV.
- Value of new business includes value added through acquisitions by Protective Life.
- Expected return includes expected existing business contribution (market-consistent approach, and top-down approach) and economic variances.
- Non-economic assumptions are the sum of changes in non-economic experience variances and assumptions.
- Others include impact of transition to a holding company structure, changes in value on non-covered business.

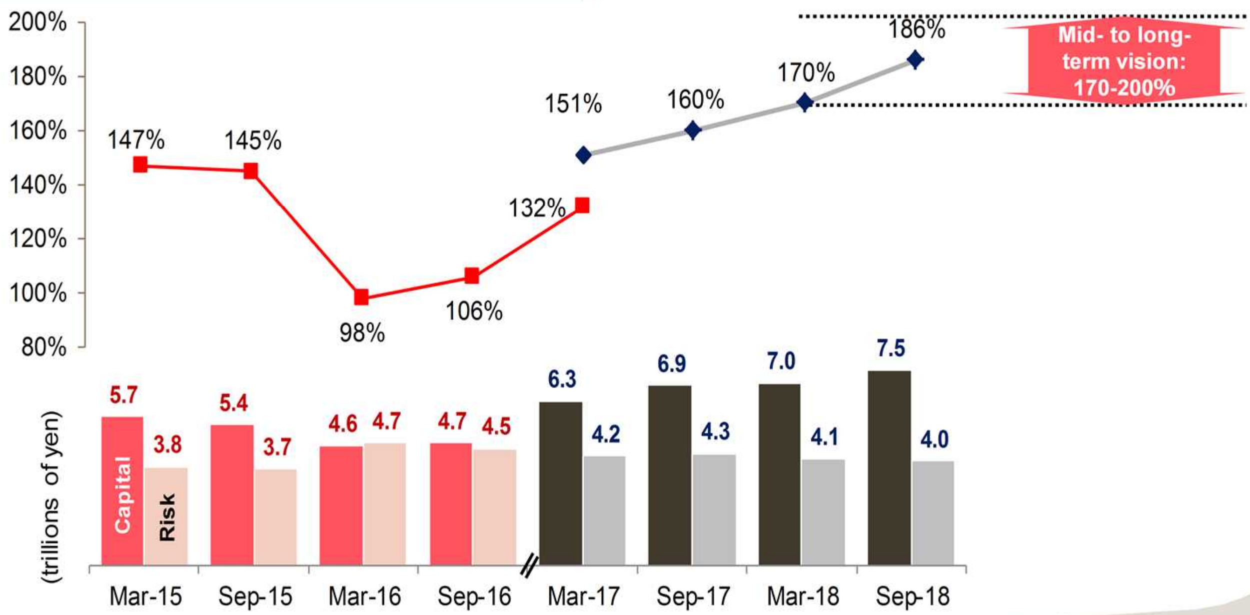
- This slide shows an analysis of accumulated contribution to the change in Group embedded value as of September 2018 since March 2010.
- For the past eight and half years Group EEV grew 12.2% on average, reaching the medium- to long-term target of 8% and exceeding cost of capital.
- Each year, EEV could grow or decline depending on the financial environment, but on an aggregate basis, value of new business contributes to almost half of the growth in embedded value.
- This value of new business of the Group actually includes the impact of Protective's acquisition of policy blocks of Genworth and Liberty Life. The acquisitions business model is unique to Protective. We believe that the Dai-ichi Life Group's strength lies in its ability to grow with factors other than underwriting of new policies.
- Please turn to the next page.

Mid- to long-term Vison: Group Economic Solvency Ratio

Dai-ichi Life Holdings

- Aim for ESR of 170-200% in the mid- to long-term; 186% as of September 2018
- Value of new business, risk control and market factor contributed to the improvement

Trends in Economic Solvency Ratio (ESR)



(Note) Based on economic value basis, using Dai-ichi Life's internal capital model with a holding period of one year. Group basis, after-tax basis, confidence interval of 99.5%. For the calculation of capital/risk amounts, we used the ultimate forward rate as a premise for the last liquid data point.

- Economic solvency ratio as of September improved to 186% from 170% in the end of previous fiscal year. The main reasons for the improvement were underwriting of new business, risk control and improvements in market condition such as interest rates and stock prices.
- The implementation of international capital regulations have been postponed to 2020 or later. During this period, we aim for ESR between the range of 170% and 200% through risk control based on the business environment of each market and financial situation of each business.
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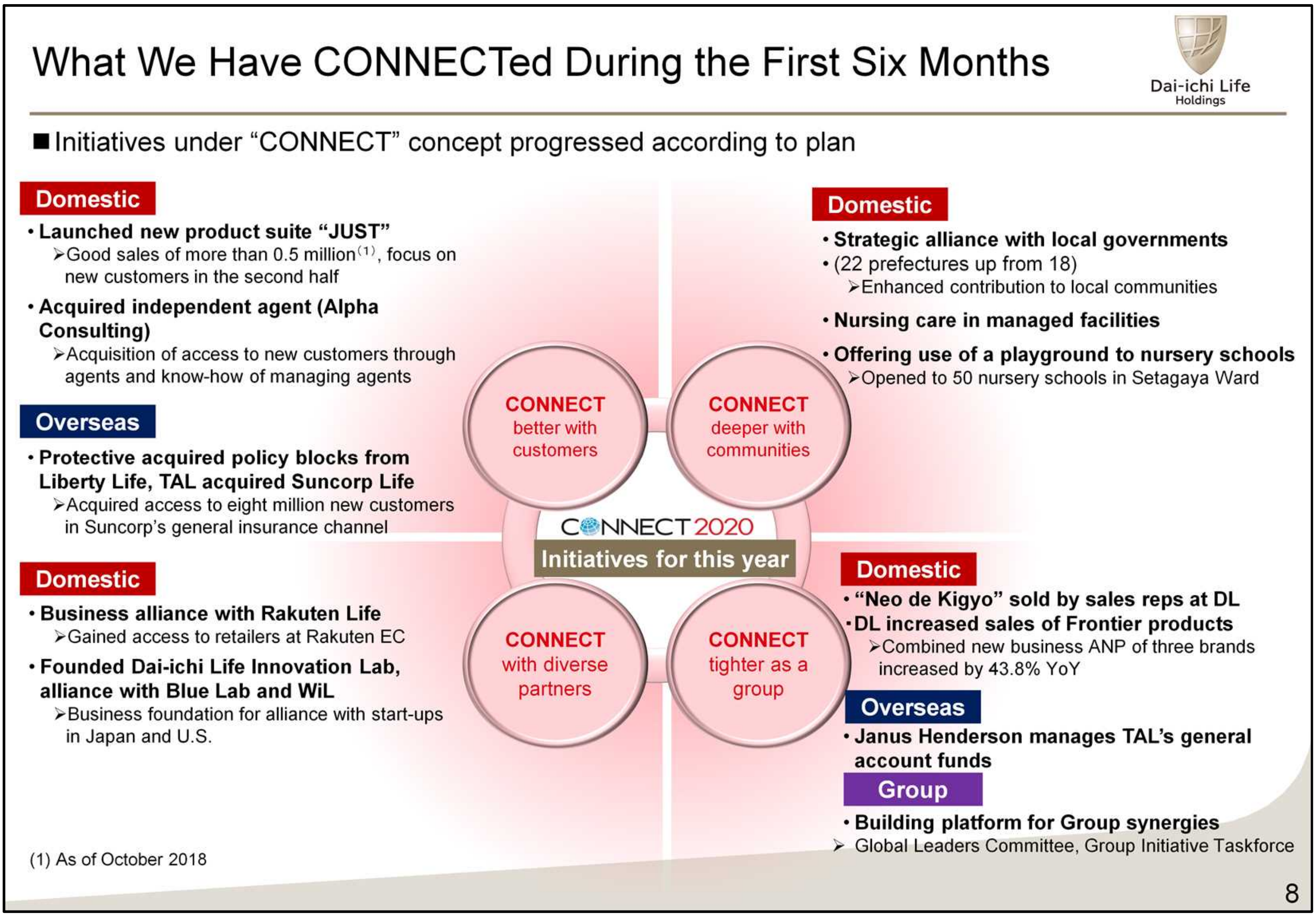

- This slide summarizes the steady progress of various CONNECT 2020 initiatives.
- In Japan, the Group's multi-brand, multi-channel strategy helped boost the Group's new business annualized net premiums by 43% over the same period a year earlier as described on the bottom-right of the slide. Operating results exceeded expectations. The launch of Dai-ichi Life's flagship product "JUST," Dai-ichi Frontier Life's foreign currency-denominated insurance and Neo First Life's insurance for business owners met the diverse needs of customers. In addition, the collaboration (CONNECT) of sales channels of each company catered to the needs of customers.
- In terms of establishing relationships with new customers and new partners, we acquired Alpha Consulting and formed a partnership with Rakuten Life.
- As described on the middle-left of the slide, in our overseas business, Protective completed the acquisition of blocks of business from Liberty Life in May and began contributing to earnings in the second quarter. As for the acquisition of Suncorp Life by TAL, we are in the process of closing the deal after an agreement was reached in September.
- In the asset management business, in addition to the synergy effect from integration, insurance companies within the Group outsource part of the asset management of general accounts and separate accounts to Janus Henderson, which is leading to the creation of group synergies.
- As described on the top-right of the slide, We are also steadily strengthening our ties with local communities and society. We have concluded a comprehensive contract with prefectures, and are promoting activities to look after senior citizens, promote women's advancement, support for raising children and encourage people to undergo medical examinations.
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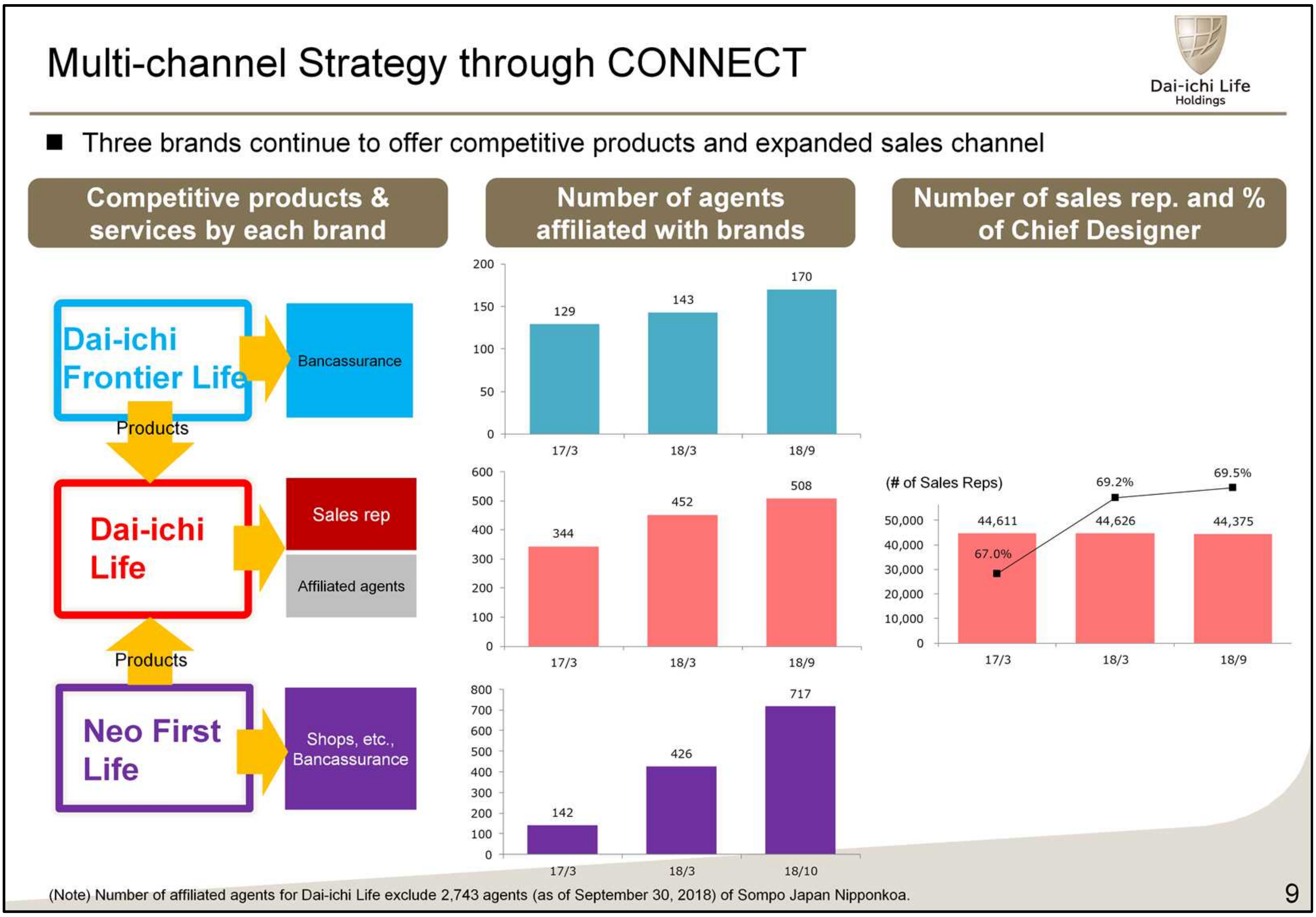

- The left side of this slide shows that our three life insurance companies in Japan have developed highly competitive products. These products were sold to our customers through optimal channels within the Group and not simply through their respective channels. This type of partnership within the Group is unprecedented. For example, we are selling Dai-ichi Frontier Life's savings-type insurance products and Neo First Life's insurance products for business owners through Dai-ichi Life's sales representatives and agencies. As you can see in the middle of this slide, the number of agents for Dai-ichi Frontier Life and Neo First Life expanded in addition to Dai-ichi Life’s agents.
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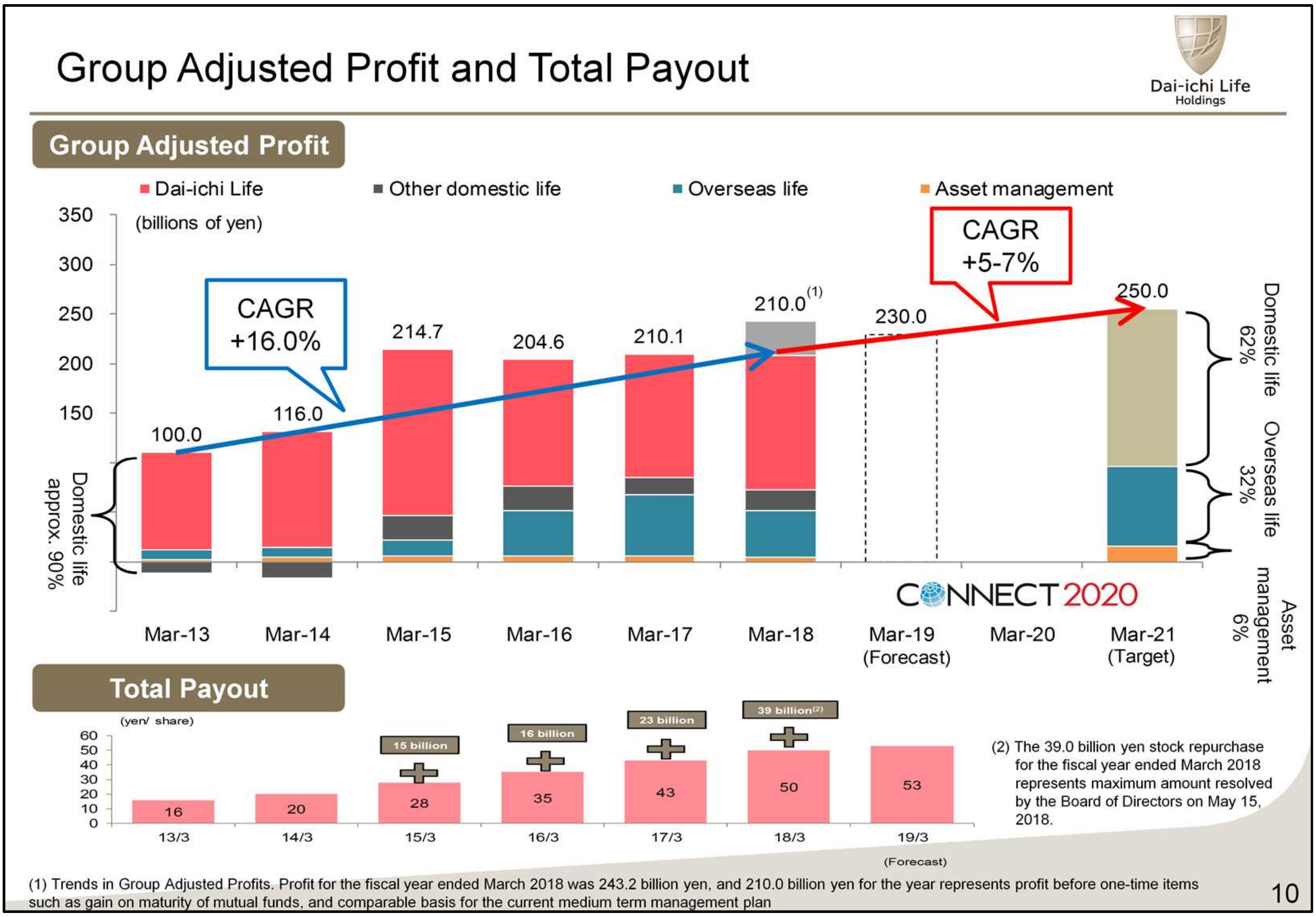

- In the past, 90% of the Group Adjusted Profit, which is the basis for shareholder returns, came from the domestic life insurance business. Going forward, by achieving profit growth through business diversification and regional diversification, we expect the overseas life insurance business and the asset management business to increase their presence in the final fiscal year under current medium-term management plan by advancing the initiatives described so far.
- Total payout ratio of the Dai-ichi Life Group is currently set at 40%, and we believe that we will be able to enhance returns with the growth of Group Adjusted Profit.
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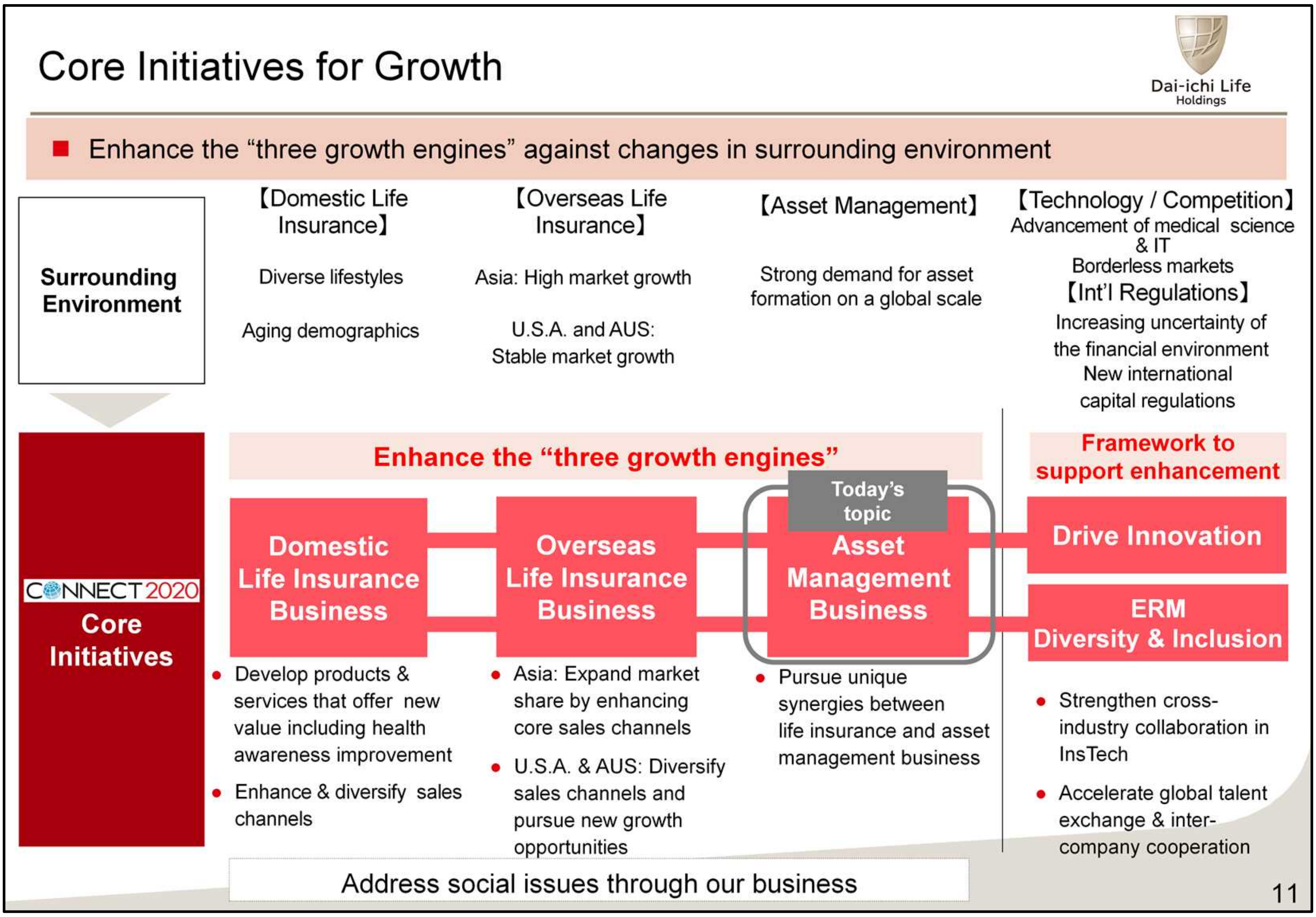

- The final slide outlines priority initiatives in each of the three growth engines; the domestic life insurance business, the overseas life insurance business and the asset management business. Current changes in the external environment and changes in the future that we anticipate are also shown here. We recognize that the creation of innovation, the strengthening of ERM and the promotion of diversity and inclusion are important initiatives to support the three growth engines.
- We have had opportunities in the past to explain important initiatives in each business. Today, we would like to share details on our asset management business.
- Tetsuya Kikuta, Director and Managing Executive Officer of The Dai-ichi Life Insurance Company, Limited will now explain Dai-ichi Life's asset management.

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Dai-ichi Life's Investment Strategy

- Investment Strategy in a Low Interest Rate Environment
- Responding to Rising Interest Rates

By your side, for life

DAI-ICHI LIFE

Dai-ichi Life Group

November 22, 2018

The Dai-ichi Life Insurance Company, Limited

- My name is Tetsuya Kikuta, Director and Managing Executive Officer. I am in charge of asset management at The Dai-ichi Life Insurance Company, Limited.
- Thank you for joining us today.

Topics

- ✓ Overview of our investment strategy and understanding of the current financial market environment
- ✓ Investment strategy in a low domestic interest rate environment
- ✓ Responding to rising interest rates

- Today, I would like to explain these three topics.
- In addition to our investment strategy under the prolonged low interest rate environment in Japan, I will also provide an overview of asset allocation following the normalization of interest rates.

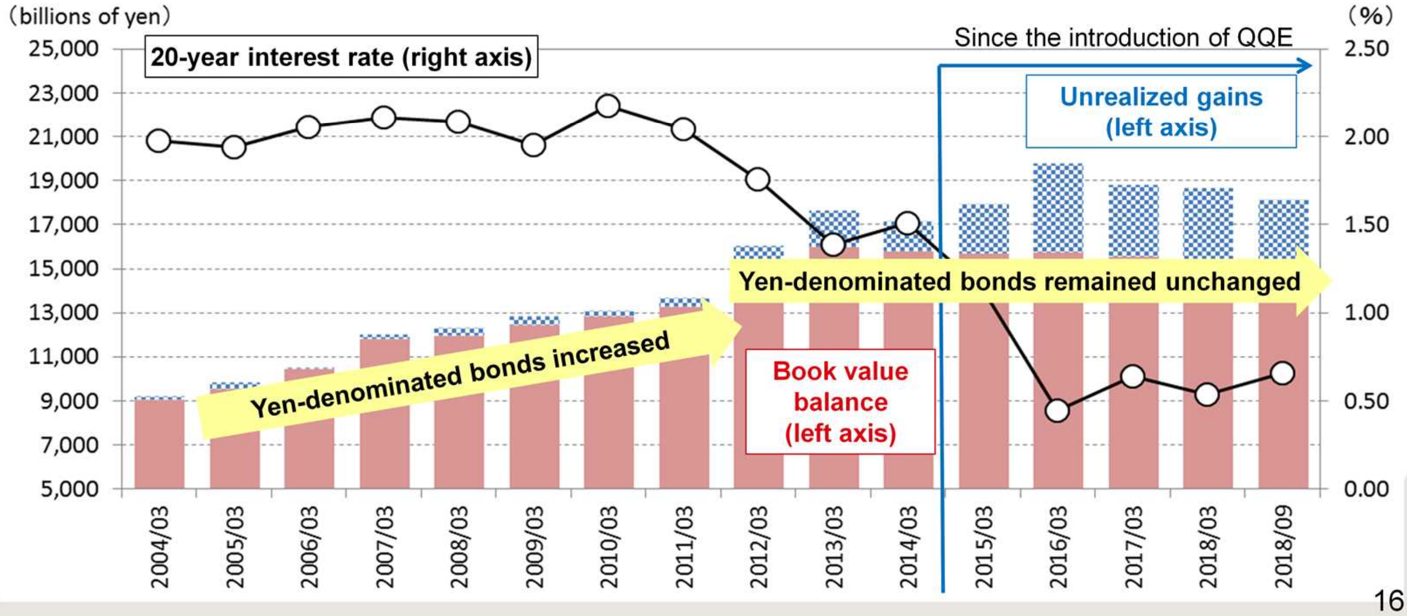
Overview of Our Investment Strategy and Understanding of the Current Financial Market Environment

- First of all, I will present our understanding of the current environment and the outline of our future investment strategy.

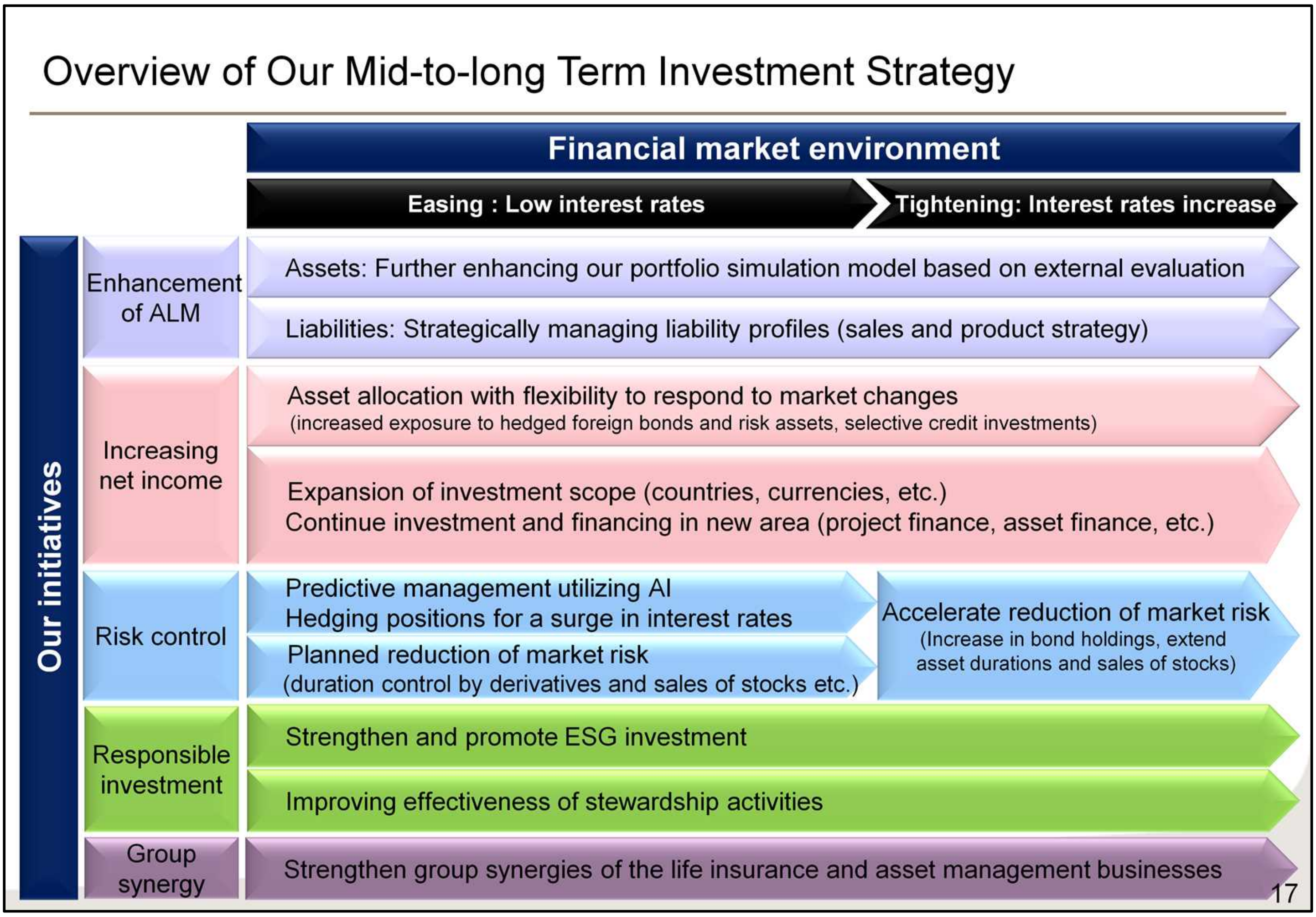
Investment Environment

- Since 2003, we have been promoting and strengthening ALM by increasing the amount outstanding of yen-denominated bonds.
- Since the introduction of quantitative-qualitative easing (QQE), investment in yen-denominated bonds has been limited due to low interest rates. On the other hand, unrealized gains on yen-denominated bonds have been increasing.

20-year JGB yield and Yen-denominated bonds outstanding



- Recently, we are holding down investments in yen-denominated bonds due to the low interest rate environment. However, our initiatives related to life insurance assets investments are remained to be based on asset liability management (ALM). Currently, in broad terms, approximately 80% of our general account assets are based on fixed income assets. The rest are risk assets, which include domestic and foreign stocks, foreign-currency bonds (un-hedged), alternative investments and real estate.

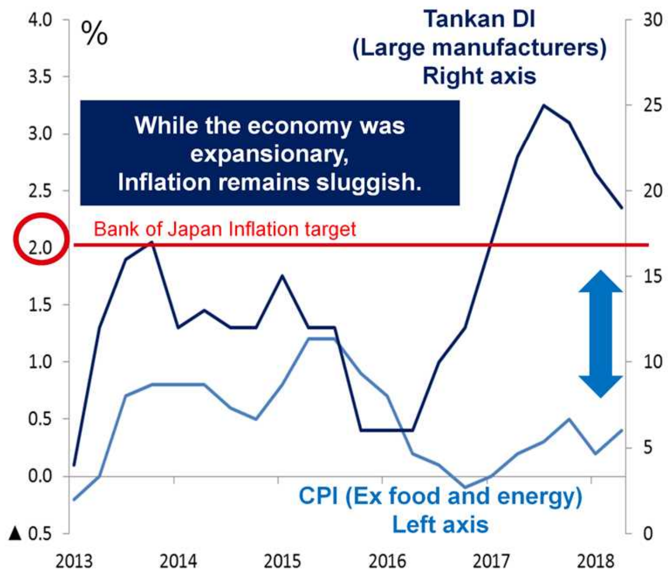


- This provides an overview of our medium-to-long term investment strategy amid the current low interest rate environment and how we view the post-normalization stage.
- Our portfolio simulation model, which is the core of ALM, was upgraded in 2014 and will be upgraded in 2018 from a global best practice perspective in corporation with external consulting firms. We have verified the adequacy of the model and our basic portfolio.
- In order to strengthen profitability amid the current low interest rate environment, we are diversifying our investments by promoting flexible allocation according to market fluctuations and investments in project finance.
- In addition to controlling asset durations through derivatives and other means, we reduce equities as a means of controlling the risk of fluctuations on an economic value basis.
- We plan to accelerate the accumulation of fixed income assets and compress risk assets when interest rates rise.

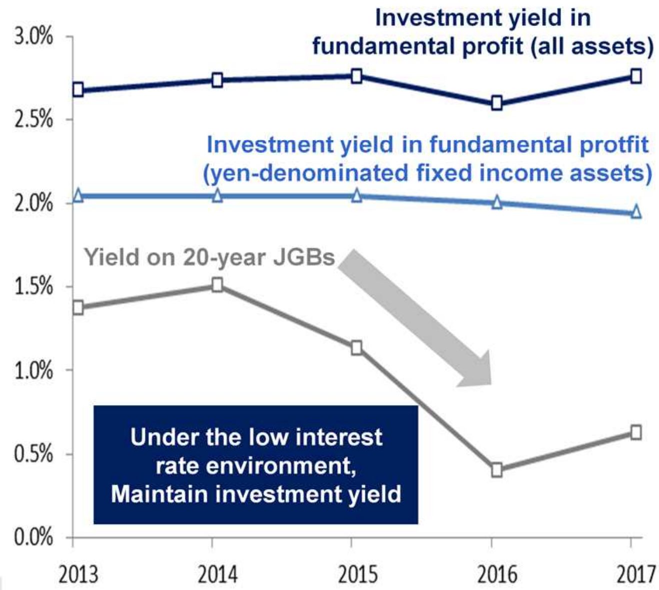
Financial and Economic Environment and Asset Performance

- Business conditions have been improving due to recovery of the global economy; inflation remains low
- We have maintained the investment yield of yen-denominated fixed income assets and total assets in a low interest rate environment

Tankan DI and Inflation Rate (Japan)



Trends in investment yield based on fundamental profit

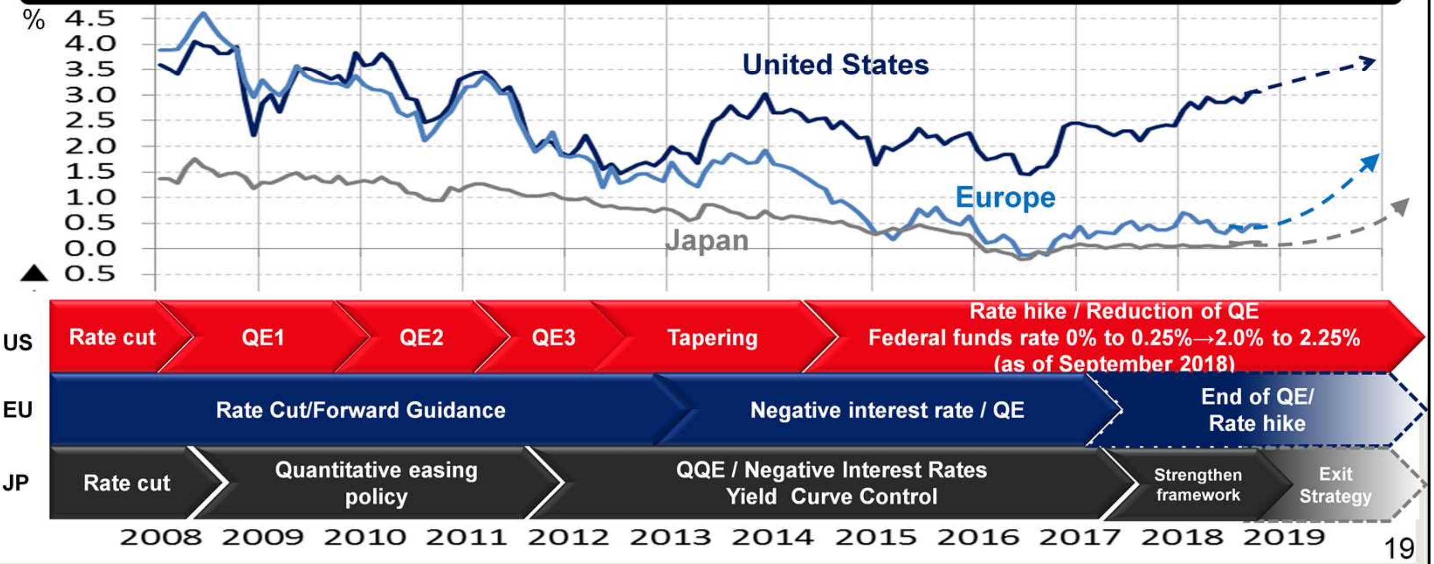


- Here is the current investment environment.
- Even with low inflation and continuous monetary easing, our investment yield is maintained at higher levels compared to market rates as we carry out our investment strategy amid low interest rates described in the previous page.

Our View of the Future Investment Environment

- A low interest rate environment has persisted over a long time due to the unconventional monetary easing by central banks in Japan, the United States, and Europe.
- Global central banks, starting with the United States, have moved away from the monetary easing policy and have begun the process of normalization.
- We are concerned about increasing market volatility to the extent normalization by Europe and Japan lags behind the U.S.

10-year JGB yields and changes in monetary policy in The U.S., Europe and Japan



- However, we are facing growing concerns about the adverse effects of monetary easing in Japan.
- Given the shift to monetary tightening in the U.S. and Europe, we need to be ready for future rate increases, but it is also true that many market participants expect the low interest rate environment to continue for the time being.

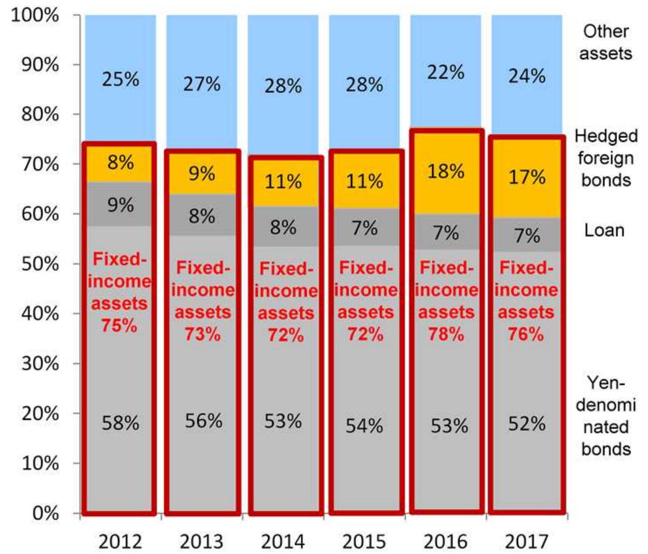
Investment Strategy in a Low Domestic Interest Rate Environment

- Now, let me move on to our investment strategy in a low domestic interest rate environment.

Investment Strategy – 1:
Enhancing Profitability and Diversification by Relative Value Strategy in Global Markets

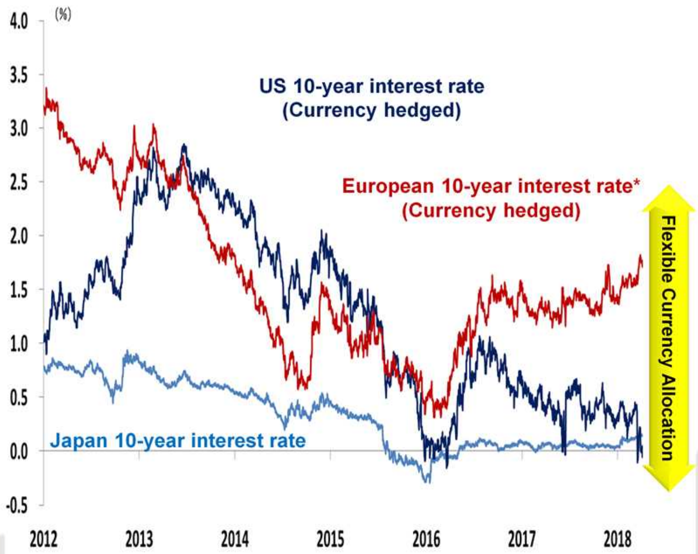
- We shifted the money from yen-denominated fixed income assets to currency hedged foreign bonds that have relatively higher yields given the low interest rate environment in Japan
- From the perspective of "enhancing profitability" and "risk diversification," we have increased the number of countries and currencies in which we invest (40 countries and 25 currencies), and changed our currency allocation for foreign assets to respond to rising hedge costs in USD-denominated assets

Trends in the weight of general account assets



(Note) Weighting is based on internal fund allocation (book value basis)

Rate differentials between Japan, U.S. and Europe



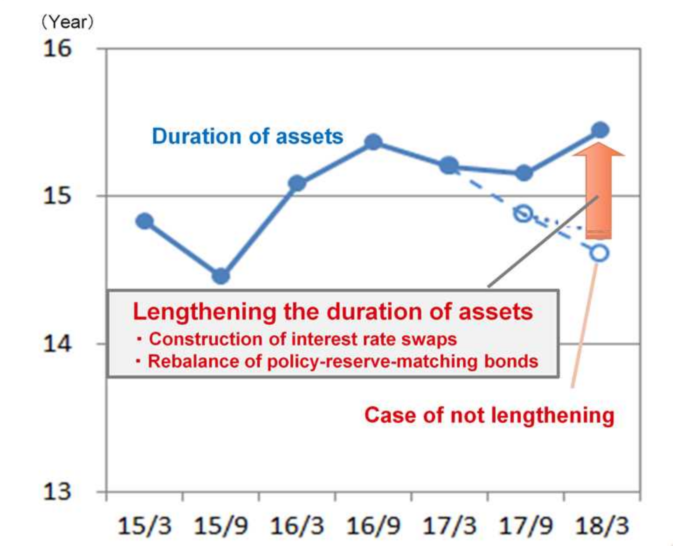
* Ten-year European interest rates are simple averages for Germany, France, and Italy.

- The first investment strategy under the low interest rate environment is to strengthen diversification through relative value strategy in global markets.
- We have established an in-house asset management structure that allows us to invest in foreign bonds in 40 countries and 25 currencies.
- Therefore, we can strengthen earnings and diversification by flexibly allocating funds between hedged foreign bonds and yen-denominated bonds considering domestic and foreign interest rates. Current U.S. dollar/yen hedging costs are at more than 3%. In making investment decisions, we of course prioritize the total return after currency hedging costs.

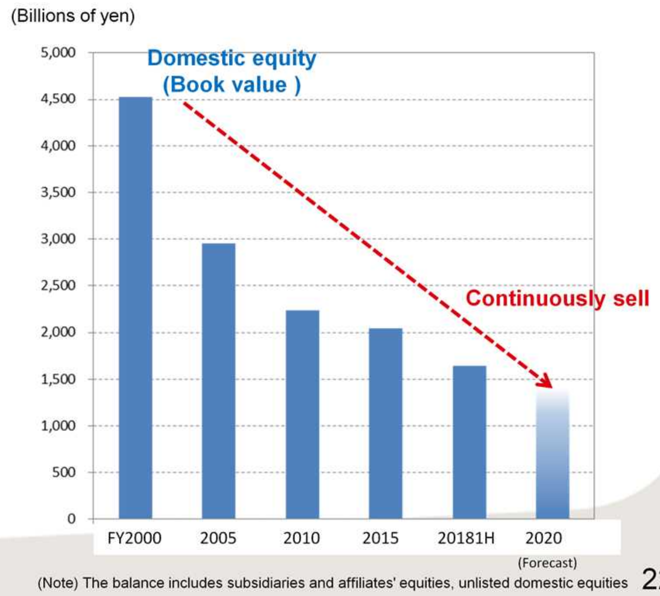
Investment Strategy – 2:
Planned Reduction of Market Risk

- Controlling duration by constructing interest rate swaps (700 billion yen, as of the end of FY2017) and rebalance of bonds. In FY2017, the duration of fixed income assets (denominated in yen) was extended through the combination of the two methods and interest rate risk was systematically reduced.
- Reduction of domestic equities to decrease market risk

Reducing interest rate risk through duration control



Reduction of domestic equity



(Note) The balance includes subsidiaries and affiliates' equities, unlisted domestic equities

- The second investment strategy is to systematically reduce market risk on an economic value basis.
- As for interest rate risk, we intentionally maintain a certain duration gap between assets and liabilities, but will control the gap mainly through rebalance of policy-reserve-matching bonds and construction of interest rate swaps.
- In addition, we plan to continue to sell our domestic equities during the term of the current medium-term management plan.

Investment Strategy – 3: Risk Control through Use of Derivatives

- Flexible risk control is implemented for risk assets and fixed-income assets through the use of hedge positions*, while taking into account market outlook and risk tolerance.
- At present (as of the end of September), we have a hedge position for downside risk of ¥610 billion in risk assets and ¥1.3 trillion in fixed income assets, to prepare for sudden changes in the market.
- As for tail hedging of risk assets, we are assessing various financial methods.

Hedging position for fixed–income assets*

	Assets	Amount outstanding (As of Sep. 30, 2018)	Hedging position
Fixed-income assets	Yen-denominated bond (Hedging the risk of domestic rate increase)	¥16,352.9 bn	(¥1,110.0 bn)
Fixed-income assets	Hedged foreign bond (Hedging the risk of global rates increase)	¥5,862.7 bn	(¥200.0 bn)

Hedging position for risk assets*

	Assets	Amount outstanding (As of Sep. 30, 2018)	Hedging position
Risk assets	Domestic equity (Hedging downside risk of domestic equity)	¥1,725.1 bn	(¥150.0 bn)
Risk assets	Foreign bond (Hedging the risk of yen appreciation)	¥2,346.3 bn	(¥400.0 bn)
Risk assets	Foreign equity (Hedging downside risk of foreign equity)	¥571.7 bn	(¥60.0 bn)

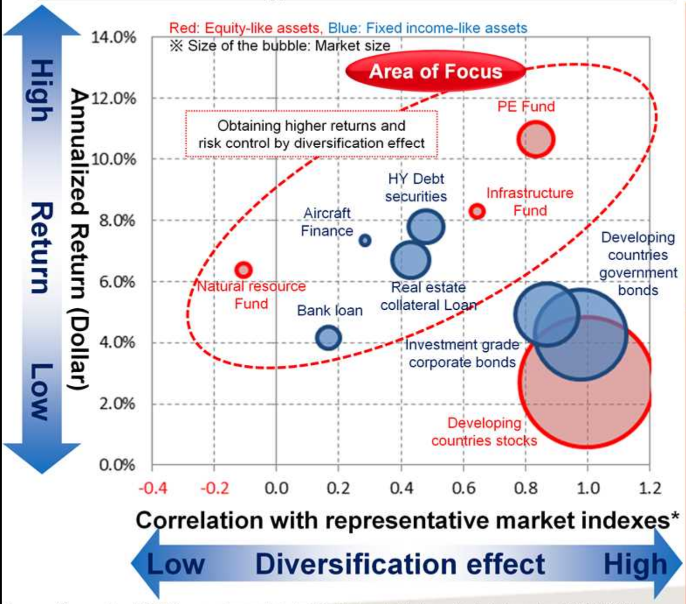
* Position to reduce future price fluctuation risk of assets,such as selling futures and buying put options

- The third investment strategy is to respond to market volatility by utilizing derivatives.
- We are primarily prepared for a sudden decline in asset prices.
- As for fixed-income assets, we hedge the risk of rate increases with swaptions and interest rate futures.
- As for risk asset hedging, we mainly utilize put options. With respect to our current hedging position, by taking advantage of favorable market conditions during the first half, we managed to settle contracts with strike prices at high levels with relatively low cost. With a hedging position in equities of 210 billion yen and a dollar/yen hedging position of 400 billion yen, we are able to control volatility in asset value and investment returns to a certain extent in the risk-off phase.
- We plan to increase our position depending on market outlook. As for tail hedging of risk assets, we are assessing various financial methods.

Investment strategy – 4: Enhancing Asset Diversification (Investment in Growth Fields)

- In addition to traditional assets such as developed country stocks/bonds and investment grade corporate bonds, we have been enhancing profitability by investments in emerging countries and private equity funds.
- From the same perspective, in recent years, we have actively expanded investment in the field of real assets such as infrastructure which has different risk characteristics.

Diversification effect from investments in growth areas



Sources: Prepared by FISCO from various materials. * Typical market indices: Equity is based on MSCI ACWI (excluding Japan), Bonds are based on Bloomberg Barclays Global Aggregate Bond Index (excluding JPY).

Major Initiatives in Growth areas

Infrastructure

Promoting investments by broadening areas/projects

- **Diversifying Regions and Projects**
  - Project for Development of Hospital in Turkey (¥10 billion)
  - Concession Project on High-Speed Railway Lines in the UK (mezzanine, approx. ¥4.5 billion)
  - Desalination Project in Australia (approx. ¥4.4 billion)
  - Infrastructure debt fund centered on Europe (approx. ¥10 billion)
  - Fukuoka Airport Concession Project

Real asset

Diversifying investments to enhance diversification

- **Promoting investment in real assets such as aircraft finance and real estate finance**
- **Promoting diversification of real estate investments (Commercial Facilities, Overseas Real Estate)**
  - Overseas real estate (FY2017, for the first time in 26 years)
    (Fund of Funds: ¥10 billion)
  - Supermarkets and other daily-life related commercial facilities

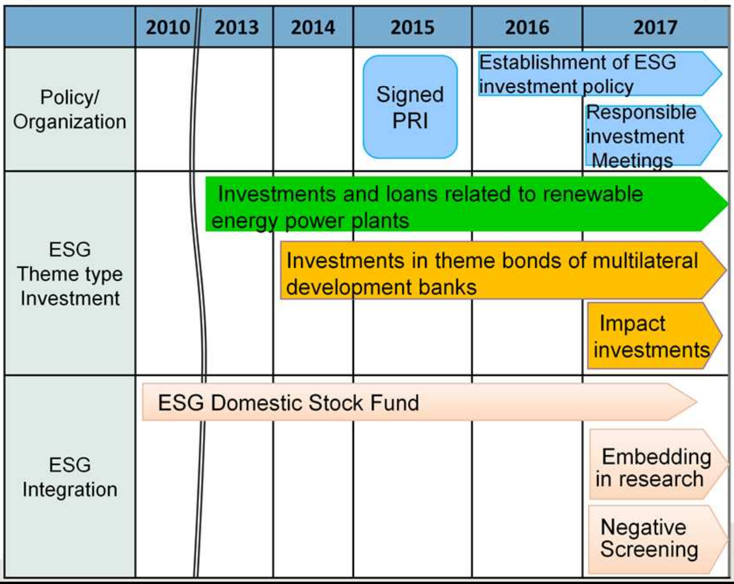
- The fourth investment strategy is to strengthen asset diversification.
- We carry out a strategy that is not only for enhancing profitability amid low interest rates, but also to diversify risk and profit sources in the event of future changes in financial markets.
- Specifically, as shown on the right, we are investing in overseas infrastructure funds and concession projects in Japan.

Investment Strategy – 5: Promotion of ESG Investment

- We have been actively promoting ESG investments, such as ESG funds and renewable energy investments. In 2015 we signed the PRI and began systematic ESG initiatives. In FY2017, in addition to establishing a framework for promotion of ESG, we expanded the scope of activities, including the commencement of impact investment.

  ⇒Won award for 2017 Best Practices for the Principles for Financial Action for the 21st Century
- In FY2018, we will further deepen ESG integration and aggressively promote ESG themed investments including impact investments and regional revitalization.

Promotion of ESG investment



Key initiatives for FY2018

1. Deepening ESG integration

- Further upgrading ESG Research which was systemized in the previous fiscal year
- Consideration of engagement as a corporate bond investor

2. Aggressive promotion of ESG themed investment

Impact Investment(*)	Aim to earn investment income and apply it to Instech by supplying funds for innovation that contributes to solving social issues
Regional revitalization	As a universal owner with policyholders throughout Japan, aiming to earn investment income and improve the quality of life of policyholders by investing in regional revitalization

(*) Investment method which aimed at achieving both investment income and social impact creation

- The final investment strategy amid low interest rates is to promote ESG investment.
- We have been making investments and loans for renewable energy projects since the past, but in 2015, when we signed the PRI, we have started systematic efforts and received the 2017 Minister of the Environment Award as the best practice.
- At present, we are actively promoting impact investment to provide funds for innovation that contributes to solving social issues.
- Please refer to the next page for specific investment examples.

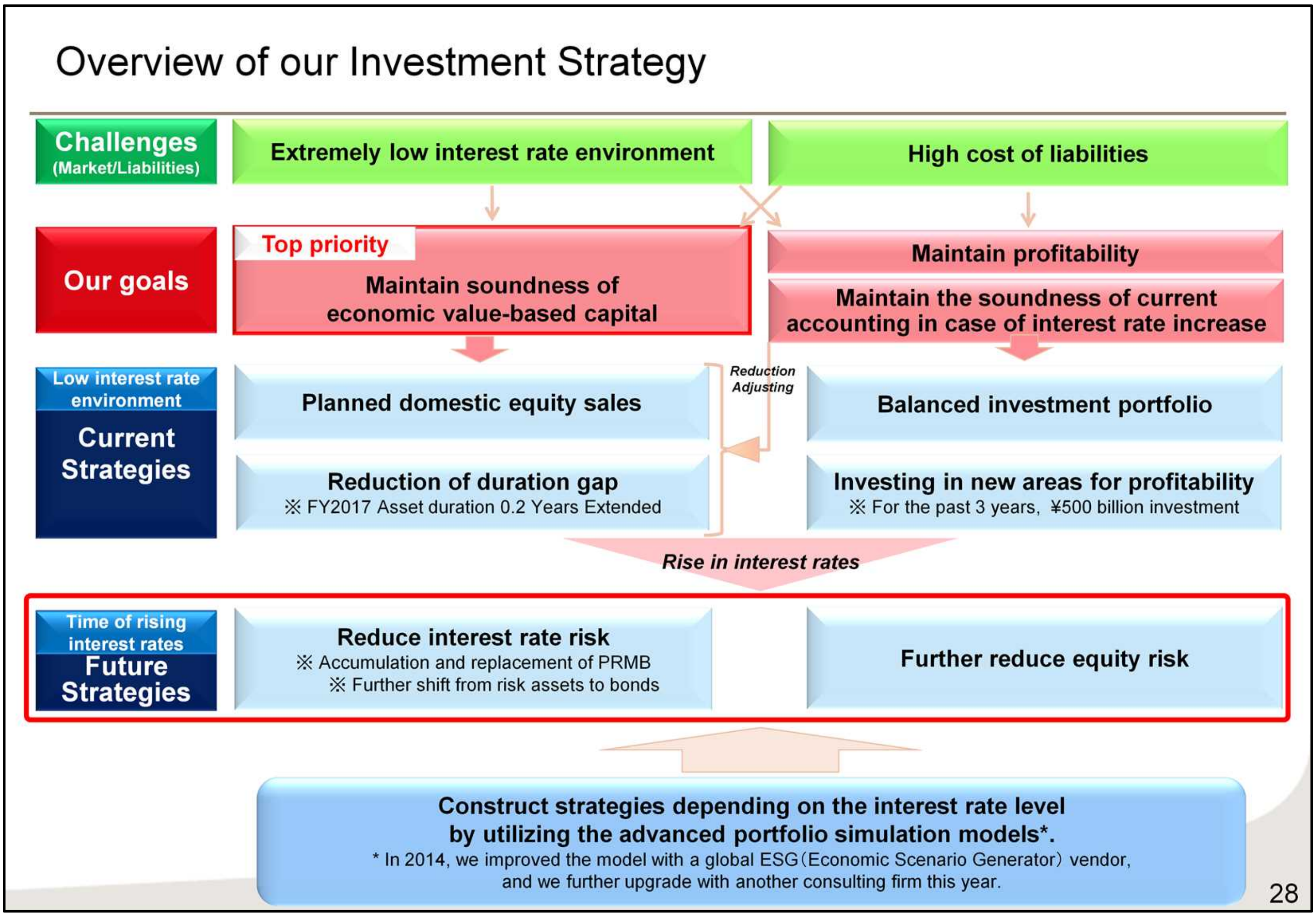
(Reference) Impact Investment Results

	Amount (Date)	Company profile	Societal impact
Gojo & Company, Inc.	¥400 million (2017/10)	Microfinance projects in developing countries 	Improving financial access in developing countries
Spiber	¥1 billion (2017/10)	Research and production of new-generation protein materials (such as artificial spider silk) 	Reduction of environmental impact (reduction of greenhouse gas emissions, etc.)
CureApp	¥200 million (2018/2)	R&D and provision of therapeutic apps for smoking cessation treatment 	Reducing the number of patients, extending healthy life expectancy, and reducing medical expenses
CROWD CREDIT	¥100 million (2018/4)	Financing for businesses in developing countries through a crowdfunding service 	Promotion of business activities and job creation in developing countries
SUSMED Sustainable Medicine	¥100 million (2018/5)	Research and development of apps for treatment of insomnia by smartphone	Reducing the risk of adverse reactions and medical costs in the treatment of insomnia
MELTIN	¥300 million (2018/10)	Research and development of the world's first avatar robot that is closest to human hands 	Reducing the risk of accidents in dangerous environments

- Spiber is a venture company developed by the Institute for Advanced Biosciences, Keio University in Tsuruoka City, Yamagata Prefecture.
- Dai-ichi Life concluded a comprehensive partnership agreement with this institution in August 2018.
- With this agreement, Dai-ichi Life will accelerate implementation of cutting-edge technology to society through InsTech.
- We promote “Regional Revitalization” through the creation of a sustainable regional economy ecosystem.

Responding to Rising Interest Rates

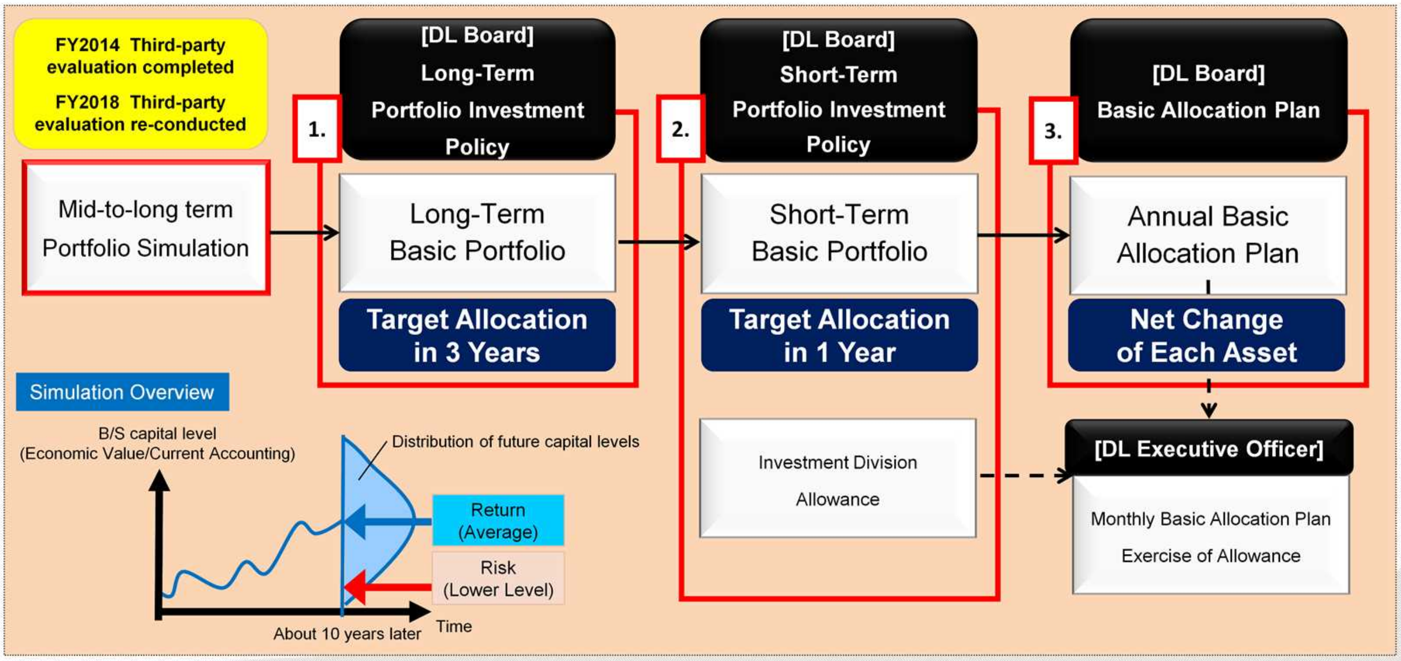
- Next, I would like to explain our actions against changes in the business environment, such as rising interest rates.



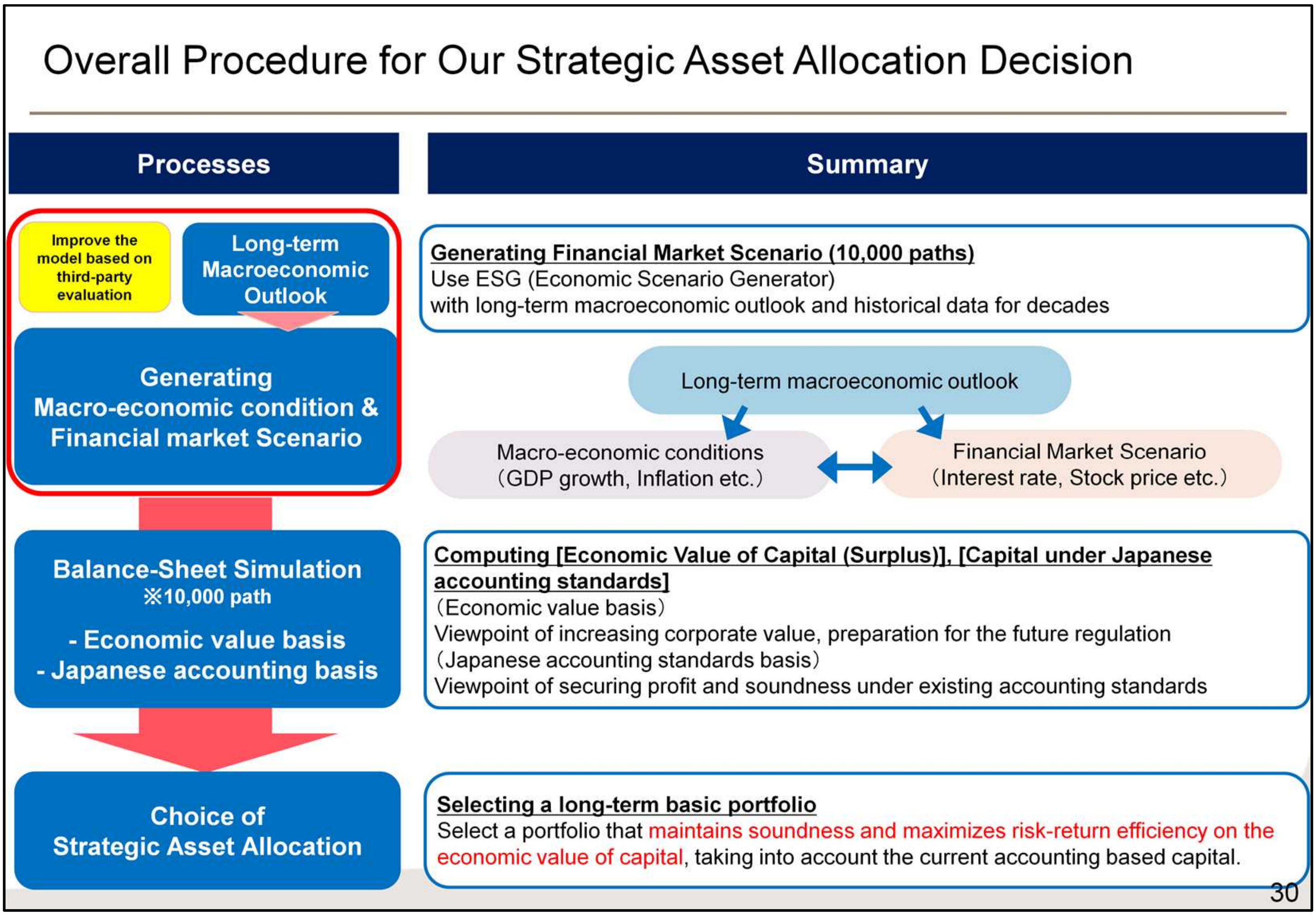
- This provides an overview of our investment strategy.
- In formulating investment strategies, we must consider the low interest rate environment and high liability costs.
- The average guaranteed rate on our insurance liabilities is about 2.3% (as of March 31, 2018), while the current 20-year interest rate that is close to liability duration is about 0.60%.
- Liability costs gradually decrease but due to the characteristics of life insurance liabilities, a significant improvement in the short-term is difficult to achieve. We believe that engaging in various initiatives on the asset-side and liability-side in the medium to long-term is how we should resolve the situation.
- Based on this understanding, we have formulated a portfolio that prioritizes on ensuring the soundness of economic value-based capital. While we have relatively high liability costs, we have also formulated investment strategies and action plans for each interest rate phase to maintain profitability of our portfolio and ensuring soundness of accounting capital when interest rates rise.

Overall Process of Investment Strategy Formulation

- Determine long-term and short-term basic portfolios and basic allocation plans (net change for each asset toward achieving short-term basic portfolio) based on mid-to-long term portfolio simulation.
- Portfolio is determined for each fund by maintaining soundness and maximizing risk-return efficiency on the economic value of capital, taking into account the current accounting based capital.



- From here on, we will look at our investment strategy in more detail.
- First, the formulation process.
- The diagram on the bottom-left of the slide shows the quantitative analysis based on mid-to-long term portfolio simulations calculated from a mathematical statistics model, which is the starting point of the formulation process.
- Based on the results, the Dai-ichi Life Board annually determines and reports to Dai-ichi Life Holdings Board, the long-term basic portfolio, which is the target portfolio in three years, and the short-term basic portfolio, which is the target portfolio in one year. This short-term basic portfolio has an allowance that allows the portfolio to be adjusted flexibly in response to market changes.
- Our model for mid-to-long term portfolio simulations are regularly assessed by external consulting firms and constantly improved with reference to global practices.
- As for the outcome of the assessments, in addition to the validity of the simulation model and strategy development process, considering the financial environment in Japan and the insurance liability characteristics of our company, our current portfolio has also been evaluated as reasonable.



- Next, an overview of the mid-to-long term portfolio simulation.

- The scenarios underlying the simulation are based on long-term economic outlook, such as the equilibrium inflation rate and the potential growth rate. Economic scenario generator, which has been evaluated by a third party, generates 10,000 paths of financial scenarios that are linked to macroeconomic indicators.
- The future distribution of economic value-based capital and accounting-based capital are calculated based on the scenarios generated. We select the optimal portfolio from the perspective of enhancing corporate value and securing soundness.

ALM for Each Insurance Products

- Select an investment strategy appropriate to liability characteristics (Duration, Guaranteed rate, etc.) based on mid-to-long term portfolio simulation.
- Apply balanced investment for liabilities with long duration and high cost under the low interest rate environment.

Investment strategy depending on liability characteristics

Liability	Duration	Long	Short-Long	Short
Liability	Guaranteed rate (dividend)	High (mainly with profit products)	Medium (without profit products)	Low (without profit products)
Liability	Stability of CF	Low-Medium	Medium	High
Investment Strategy		Balanced Investment※ Fixed Income + Risky Assets	Duration Matching Fixed Income	Cash Flow Matching Fixed Income matching liability CF
Long-term Port	Fixed Income Bond・Loan・Hedged foreign bond etc.	78%	100%	
Long-term Port	Risky Asset Equity・Unhedged foreign bond etc.	22% (including 5% domestic equity)	-	

※ 87% of our policy reserves are included in balanced funds
※ Long-term basic port is a target market share (based on book value) in three years' time

- In formulating investment strategies, we construct long-term basic portfolios according to the liability characteristics of each insurance product.
- As a result of the simulation described earlier, insurance products with long liability duration and high guaranteed rate are managed with balanced investment, including risk assets. For other products, investments are made in fixed income assets.

Overview of Simulation Results

- In a financial environment in which the 20-year interest rate is close to zero (risk scenario of economic value basis), the risk of decline in economic value of capital into negative values increases. Therefore, we have formulated an investment strategy aimed at improving soundness on current economic value basis.
- On the other hand, we develop an optimal portfolio that takes into account the risk of undercapitalization on a current accounting basis.

[Economic Value Basis] Capital Simulation

[Current Accounting Basis] Capital Simulation

※ The expected value of capital and the lower level of capital in the 10,000 simulation paths of the fund for individual insurance and individual annuities in the general account assets of Dai-ichi Life.
※ "Accounting capital" includes retained earnings for available-for-sale securities and reserve for price fluctuations and contingency, etc.)

- Based on the process described above, we have formulated a long-term basic portfolio. Here are some of the simulation results.
- The left-hand chart shows changes in economic value-based capital. The bar chart shows the expected value (average value), and the line chart shows the lower-level value of the simulation. In other words, it represents capital levels when financial markets deteriorate. Similarly, the figures on the right-hand side show changes on an accounting basis.
- Portfolios are determined by examining how they change when the asset mix is changed. For example, by looking at the long-term transition in the lower-value level line chart, sustainability of the business and regulatory capital to be secured can be verified.

Impact of Selling Risk Assets Amid Low Interest Rates

		Current strategy (Asset allocation depending on interest rate levels)	Case study (Shifting from risk assets to fixed income※ amid low rate)
Asset allocation	Low rate	**Keep balanced investment(fixed income+risk assets)** ・Diversification ・Maintaining the investment yield ・Extending the asset duration ・Planned sales of domestic equity	**Complete ALM(significant reduction of market risks)** ・Reduction of duration gap ・Shifting from risk assets to fixed income
	Rise in rate	**Complete ALM(significant reduction of market risks)** ・Reduction of duration gap ・Shifting to fixed income from risk assets	Maintaining asset allocation above

		Current strategy: Capital (Economic value)	Current strategy: Regulatory capital	Current strategy: Income	Case study: Capital (Economic value)	Case study: Regulatory capital	Case study: Income
Impact on financial statement	Low rate	△ Duration gap remains amid low interest rates	○ Ensuring soundness	△ Keep the profitability that exceeds the liability cost	○ Significant reduction of market risks	△ Decrease in unrealized loss due to reduction of high risk assets	× Investment yield falls below liability cost
	Rise in rate	○ Significant reduction of market risks	○ Ensuring soundness in case of interest rates rise	○ Aquire the profitability that exceeds liability cost	○ Low market risk	× Deterioration of soundness when interest rates rise	× Difficult to imporove the investment yield due to the realized loss

※ Yen-denominated bond (other securities)

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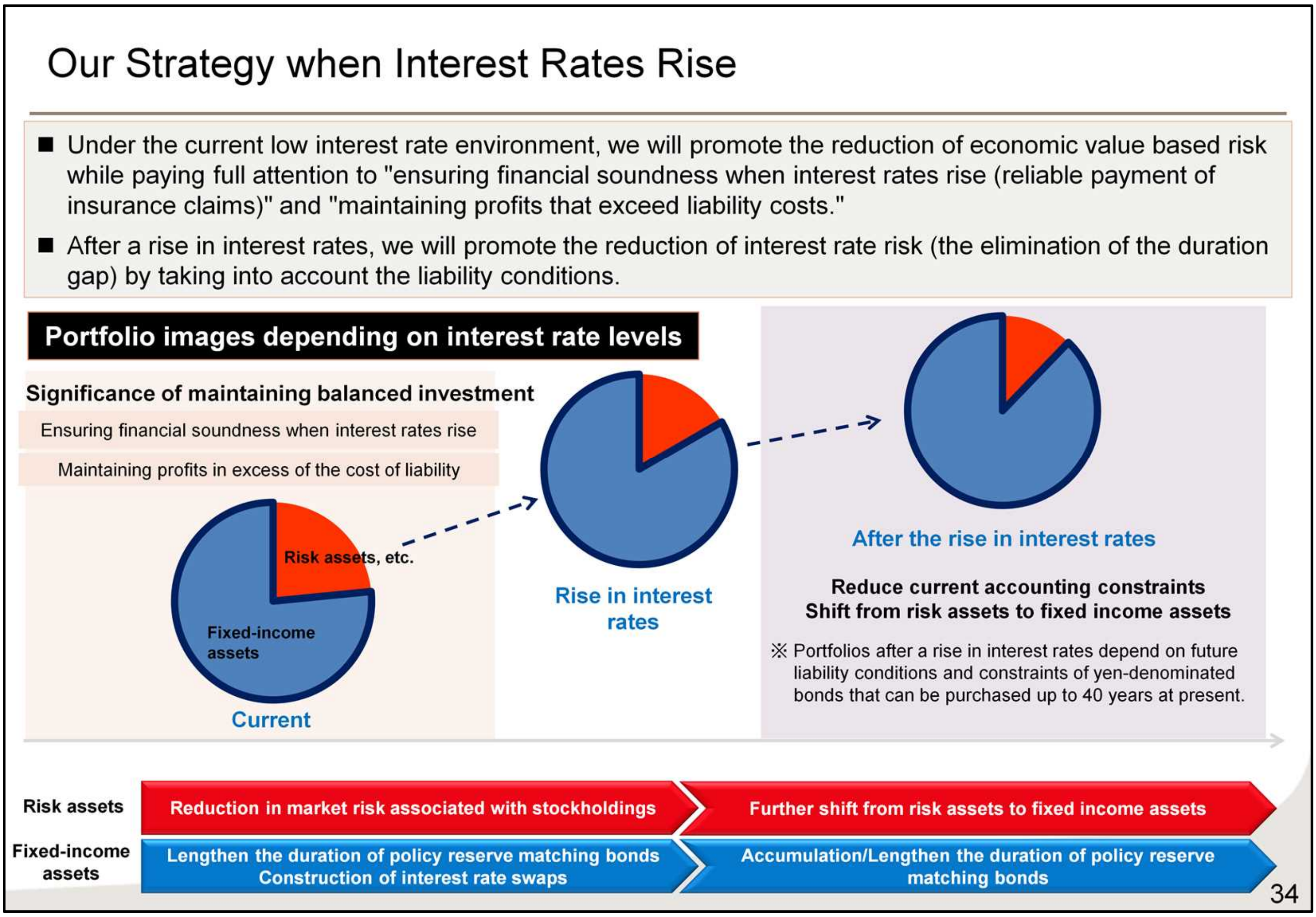
- Our investment strategy is to change the allocation of assets according to interest rate levels.
- In other words, under a low-interest-rate environment that we have never experienced, we manage a balanced investment portfolio that includes risk assets. When interest rates rise, we will promote ALM while significantly reducing market risk.

- On the other hand, regarding the point on why it is necessary to hold risk assets, as a case study, the effects of shifting from risk assets to fixed income assets under the current low interest rate environment in order to swiftly improve soundness of economic value based capital as a top priority, are summarized below.
- The issue with this strategy is that, first of all, the investment yield falls below the cost of liability with the purchase of bonds at low interest rates.
- In addition, if interest rates rise in a portfolio centered on fixed income assets, unrealized losses on bonds will increase, and regulatory capital such as adjusted net asset value will be severely impaired. Looking at our current yen bonds, we have unrealized gains of just under 3 trillion yen. If 10-year interest rates increase 1%, we will lose most of the unrealized gains.
- We have adopted an investment strategy based on the level of interest rates in order to ensure steady payment of insurance benefits to policyholders over the long term.

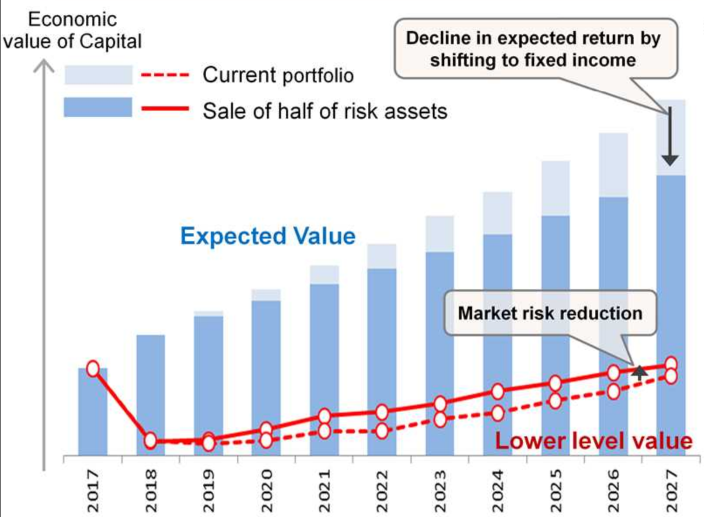


- As mentioned above, we believe that our investment strategy is reasonable in accordance with the level of interest rates.
- Under an unprecedented super low interest rate environment, in other words, in a market environment where yen interest assets are considerably high, we believe it is ration to base our investments on interest rate levels.
- This means that we shall manage a balanced investment portfolio, including risk assets, from the perspective of ensuring financial soundness and profits that exceed liability costs in case of an interest rate increase. As interest rates rise, we will gradually shift from risk assets to fixed income assets, thereby reducing market risk and accelerating ALM.
- In the past, when interest rates rose and economic value based capital levels improved, there were times when we slowed down the pace of compressing risk assets. Going forward, we have a plan already put in place to ensure that if interest rates rise, we are able to balance investments.

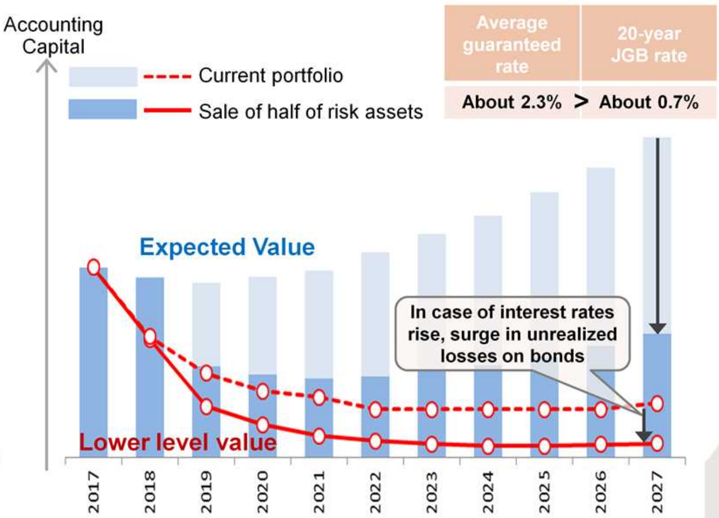
(Reference) Changes in Mid-to-long Term Portfolio Simulation Results

- A significant reduction in risk assets under a low interest rate environment would increase the risk of undercapitalization based on current accounting, which would be a constraint.

[Economic Value Basis] Capital Simulation



[Current Accounting Basis] Capital Simulation



※ The expected value of capital and the lower level of capital in the 10,000 simulation paths of the fund for individual insurance and individual annuities in the general account assets of Dai-ichi Life.
※ "Accounting capital" includes retained earnings for available-for-sale securities and reserve for price fluctuations and contingency, etc.)
※ Average guaranteed rate is the value of Dai-ichi Life's general account.

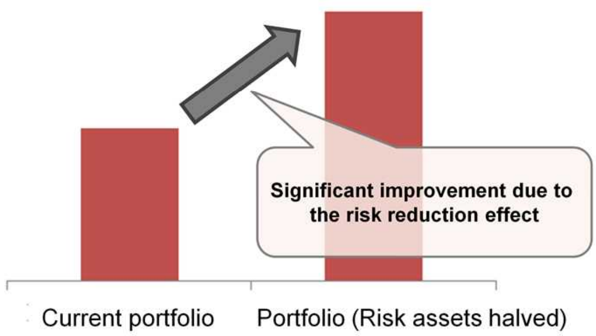
- For your reference, here are the changes if we halved the risk assets under the low interest rate environment.
- As for economic value capital shown on the left, the lower level value improves, while accounting capital on the right, the lower level value declines. In other words, there is an increased risk that accounting capital will be impaired due to deterioration of interest margins and an increase in unrealized losses on bonds when interest rates rise.
- Our current portfolio reflects this balance of risk.

Impact of Selling Risk Assets Amid Low Interest Rates

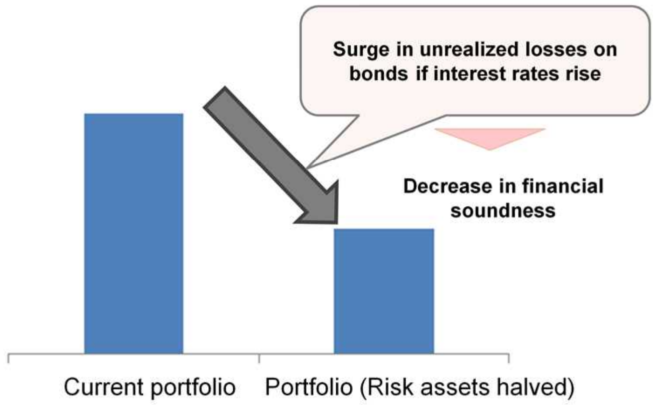
(Reference) Estimated Effects of Deterioration in the Financial Indicators

- If risk assets were halved under the current low interest rate environment, the capital adequacy ratio would improve in the financial environment (see table below), but the adjusted net asset would decrease significantly in surge in interest rates under the current accounting basis.

[Economic Value Basis] Capital adequacy ratio



[Regulation] Adjusted Net Assets



(Reference) Deterioration scenario of financial environment in mid-to long term portfolio simulation

	Nikkei	20-year JGB rate	NY Dow	10-year Treasury rate	Dollar yen
End of FY2017	21,454	0.5%	24,103	2.7%	106
Portfolio/Half of risky assets (Lower-level scenario path)	23,745	2.5%	25,818	4.4%	105

※ Lower-level scenario of capital simulation results after 3 years for both the current portfolio and the case of selling half of risk assets
※ The adjusted net asset value is the market value of assets minus real liabilities (excluding reserve for price fluctuations and contingency reserve, etc.) and is a negative administrative supervisory indicator that is subject to business suspension orders, etc.

- When we look at specific indicators, if risk assets are halved under low interest rates and a scenario of deterioration in the financial environment as shown in the table on the bottom of the slide is realized, while the economic value-based capital adequacy ratio shown on the left chart improves compared with the current portfolio, adjusted net assets, which are regulatory indicators shown on the right chart, will decline significantly.
- In this way, we formulate an optimal portfolio while looking at the impact of asset allocation on both economic value and accounting.

- As described above, we formulate a portfolio from a multifaceted and objective perspective to increase corporate value and ensure long-term insurance payments.
- Looking ahead, we expect changes in the financial environment, such as the global trend toward tighter monetary policy and the shift to accounting and capital regulations based on economic value.
- Based on a long-term perspective that takes these changes into account, we will formulate a sustainable investment strategy for all stakeholders.

- Thank you very much for your kind attention.

References

Dai-ichi Life Group

Medium-term Management Plan

CONNECT 2020

Covering FY2018-2020

Dai-ichi Life
Holdings

Core Initiatives for Growth

Dai-ichi Life Holdings

■ Enhance the “three growth engines” against changes in surrounding environment

Surrounding Environment

【Domestic Life Insurance】
- Diverse lifestyles
- Aging demographics

【Overseas Life Insurance】
- Asia: High market growth
- U.S.A. and AUS: Stable market growth

【Asset Management】
- Strong demand for asset formation on a global scale

【Technology / Competition】
- Advancement of medical science & IT Borderless markets

【Int’l Regulations】
- Increasing uncertainty of the financial environment
- New international capital regulations

CONNECT 2020 Core Initiatives

Enhance the “three growth engines”

Domestic Life Insurance Business
- Develop products & services that offer new value including health awareness improvement
- Enhance & diversify sales channels

Overseas Life Insurance Business
- Asia: Expand market share by enhancing core sales channels
- U.S.A. & AUS: Diversify sales channels and pursue new growth opportunities

Asset Management Business
- Pursue unique synergies between life insurance and asset management business

Framework to support enhancement

Drive Innovation

ERM
Diversity & Inclusion
- Strengthen cross-industry collaboration in InsTech
- Accelerate global talent exchange & inter-company cooperation

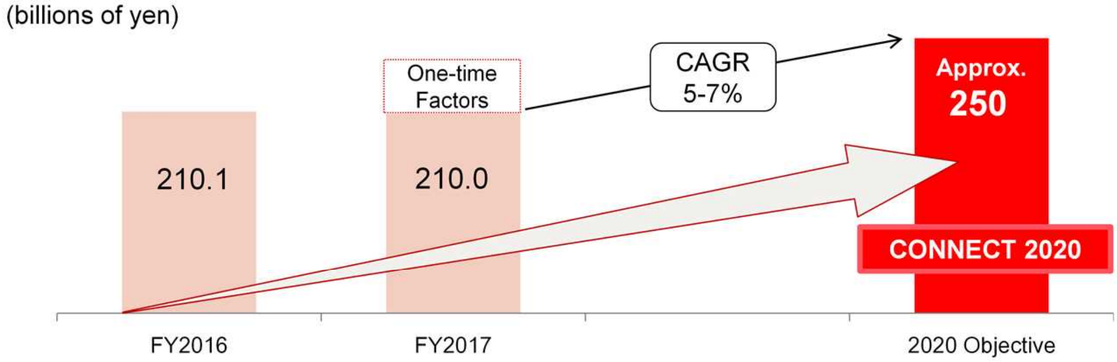
Address social issues through our business

Growth of Adjusted Profit & Value of New Business

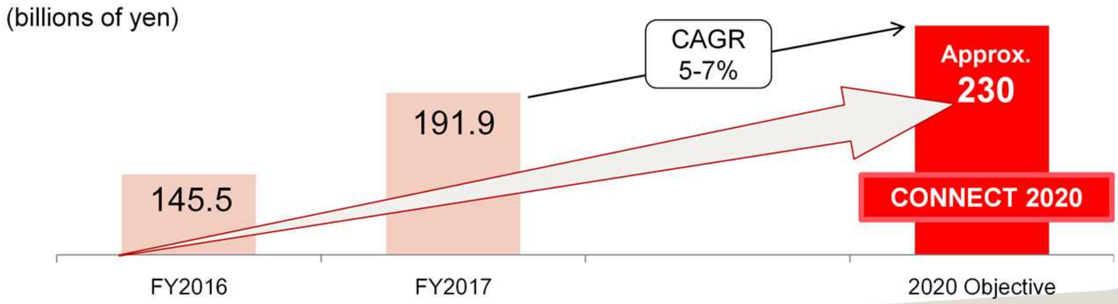
Dai-ichi Life Holdings

- Aim for **Group adjusted profit** of **250 billion yen** from the current level of 210 billion yen (excluding one-time factors)
- Maintain CAGR of 5-7% to aim for **Group value of new business** of **230 billion yen**

Group Adjusted Profit



Group Value of New Business (Note)



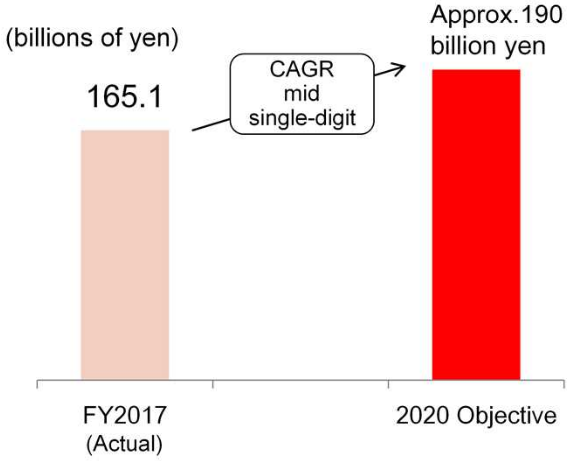
(Note) Figures of Dai-ichi Life Vietnam, Star Union Dai-ichi Life (India) and Panin Dai-ichi Life (Indonesia) are accounted for in the calculations for our mid-term objective. The handling of figures for Ocean Life (Thailand) is under consideration. However, because of the limited effect to the entire group, we maintain our 2020 objective regardless of the handling of Ocean Life figures.

Domestic Life Insurance Business

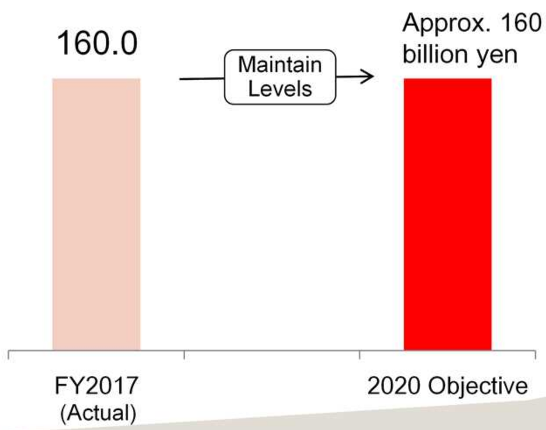
Increase value of new business by investing in products, services and distribution channels while maintaining profit levels

- Three brands enter a new dimension with **more mutual distribution of products and services**
- **Improve consulting capabilities of Total Life Plan Designers** and **expand the agency channel** to accelerate the multi-channel strategy
- Carry out a **product strategy to improve quality of life** and **expand partnerships** ahead of anticipated changes in social and customer needs

Value of New Business



Adjusted Profit



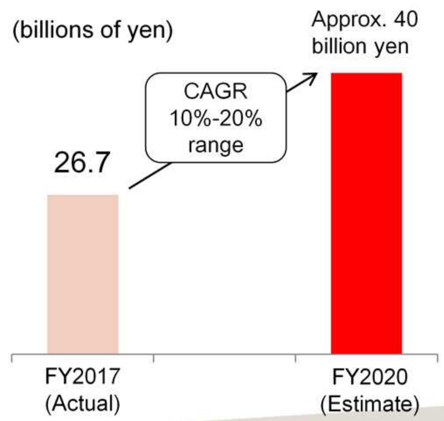
(Excluding one-time factors)

Overseas Life and Asset Management business

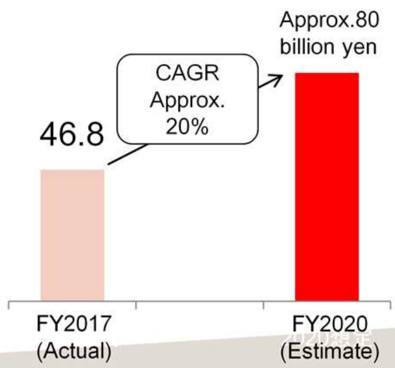
Implement custom strategy reflecting each region's growth stage while exploring new growth opportunities
Pursue synergies with group life insurers while benefiting from the growth of the global asset management market

- In developed countries, sustainable growth will **drive profit growth of our overseas life insurers**. In emerging countries, focus on the top line and expand market share through enhancement of sales channels
- Move forward towards realization of business opportunities in **Mekong region** including other growth opportunities that are abundant in Early Stage* markets
- Strengthened competitiveness through business integration of our two asset managers, accelerate **profit growth** with AUM scale
- Addition to synergies between the two asset managers, pursue **global synergies** with group life insurance companies

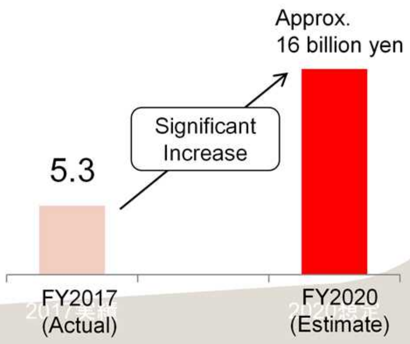
Overseas life insurance value of new business



Overseas life insurance adjusted profit



Asset management business adjusted profit

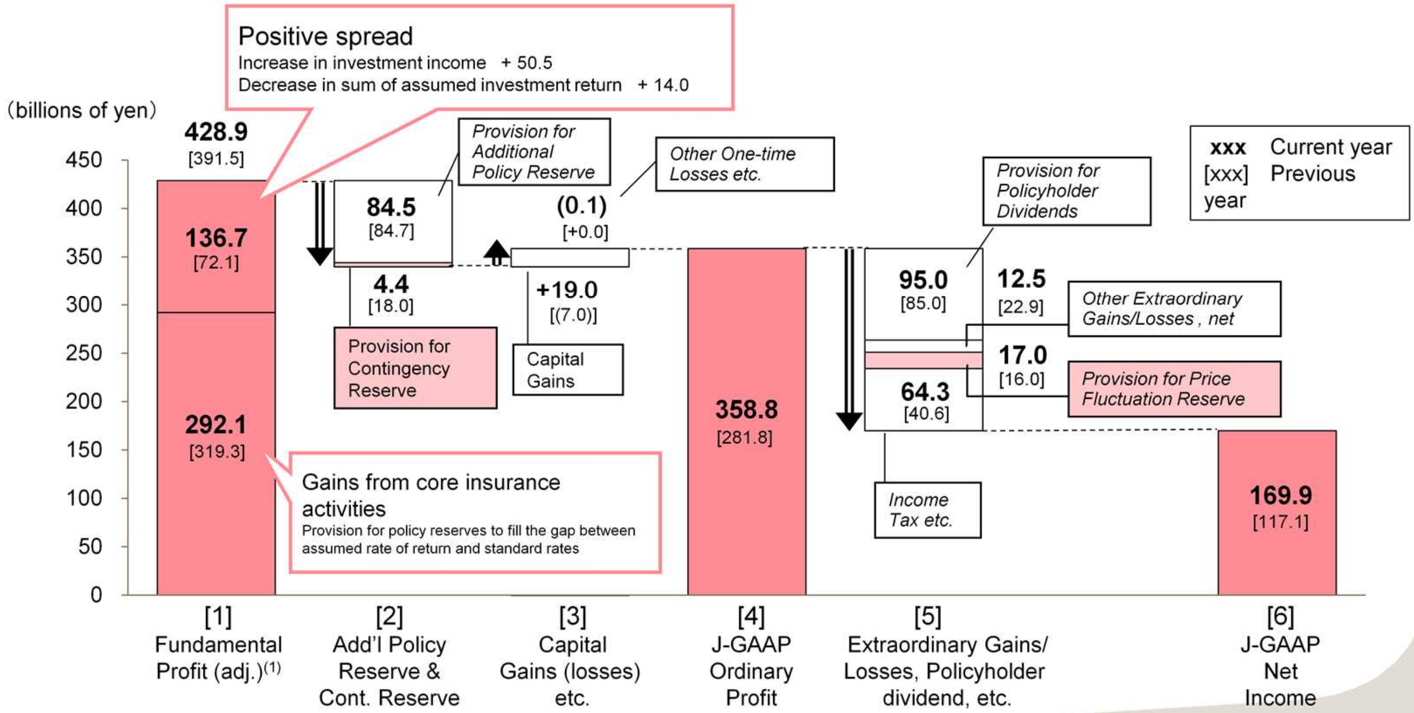


Dai-ichi Life's Financial Condition, Investment and Asset Management Business

Dai-ichi Life
Holdings

Dai-ichi Life's Earnings from Fundamental Profit to Net Income (FY 2017)

■ Significant improvement in positive spread due to favorable impacts from market conditions

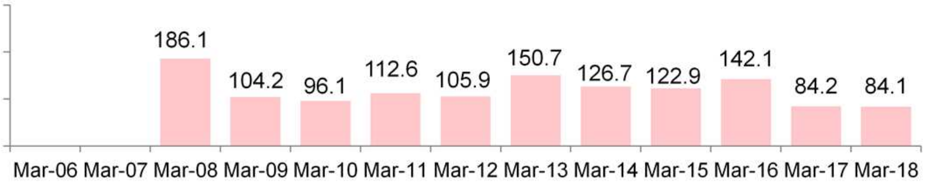


(1) Adjusted fundamental profit = (fundamental profit) ± (provision for (reversal of) policy reserve associated with minimum guarantee benefit risk of variable insurance). From the fiscal year ending March 2018, fundamental profit before adjustment does not include the effect of provision for (reversal 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.

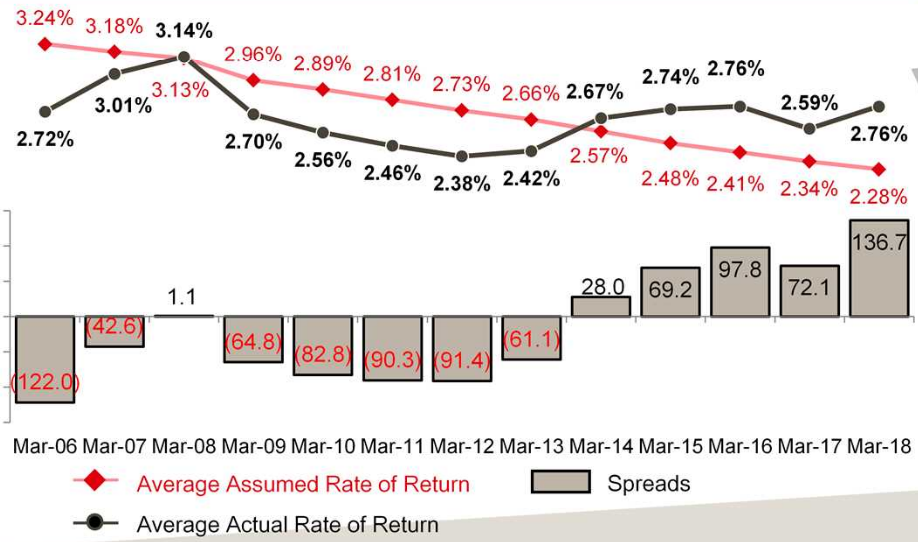
Dai-ichi Life: Negative/Positive Spread and Additional Policy Reserve

Dai-ichi Life Holdings

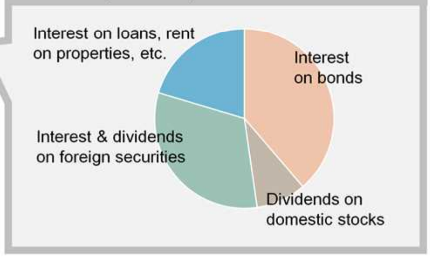
Provision for Additional Policy Reserve (billions of yen)



Rate of Return (%) / Spread (billions of yen)



Component of Interest and Dividend Income (Mar-18)



Dai-ichi Life: Additional Policy Reserve

Dai-ichi Life Holdings

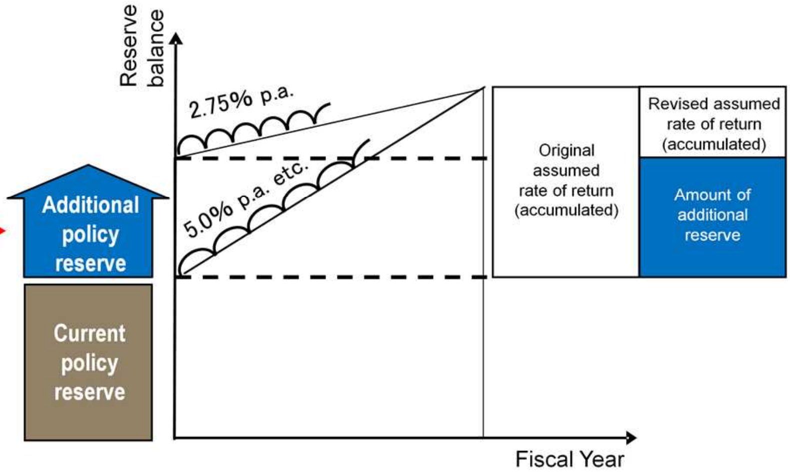
Policy Reserve Outstanding by Year Signed [1]

Dai-ichi Life is providing additional policy reserve against: Whole life insurance signed before March 1996 and paid in full

(billions of yen)

Year signed	Policy Reserve Outstanding	Average assumed rate of return
～ Mar-81	648.6	2.75% ～ 5.50%
Mar-82 ～ Mar-86	1,179.6	2.75% ～ 5.50%
Mar-87 ～ Mar-91	4,596.3	2.75% ～ 5.50%
Mar-92 ～ Mar-96	4,268.5	2.75% ～ 5.50%
Mar-97 ～ Mar-01	1,482.2	2.00% ～ 2.75%
Mar-02 ～ Mar-06	1,626.4	1.50%
Mar-07 ～ Mar-11	3,049.1	1.50%
Mar-12 ～ Mar-16	4,878.2	1.00% ～ 1.50%
Mar-17 ～ Mar-18	1,448.7	0.25% ～ 1.00%

Accumulation of Additional Policy Reserve [1]

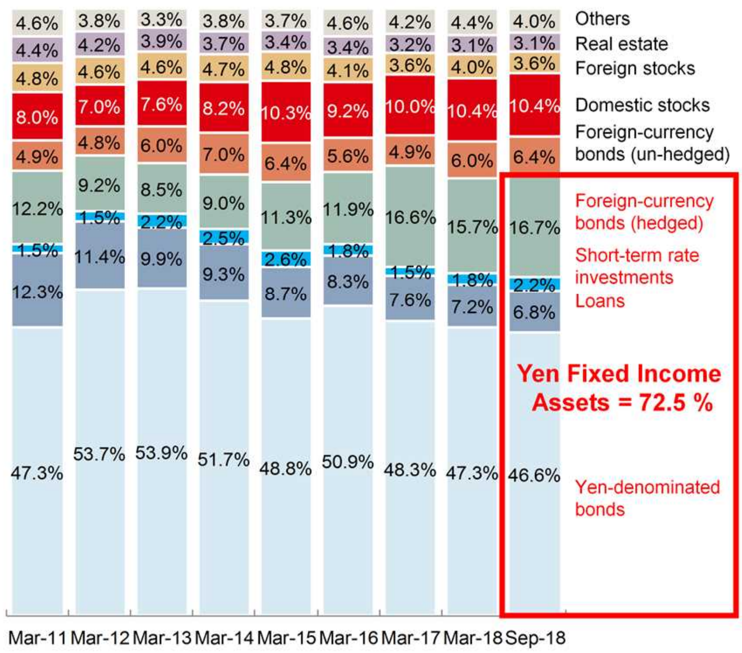


(1) *Dai-ichi Life non-consolidated basis.*
Policy reserve amount include those for individual insurance and annuity products but excludes reserve for separate account and contingency reserve.
Certain policies are divided based on actuarially appropriate method into several fiscal years.
Assumed rate of returns indicate representative rates against each year's policy reserves.

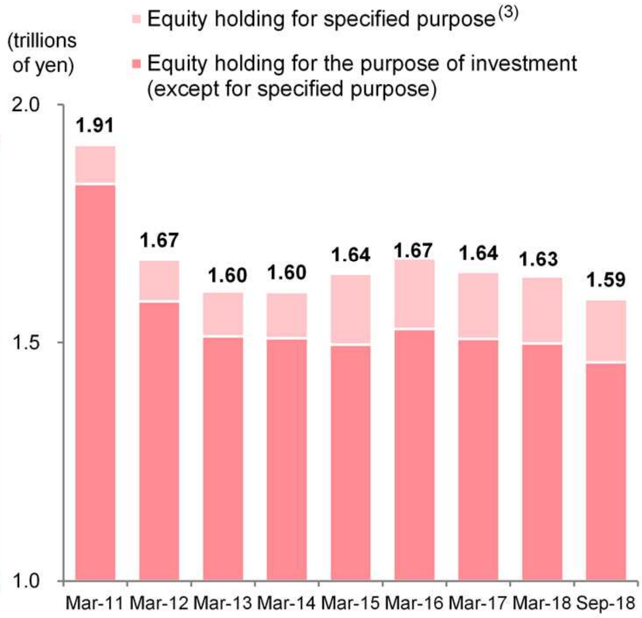
Dai-ichi Life: General Account Assets (1)

Dai-ichi Life Holdings

Asset Portfolio (General Account) (1)



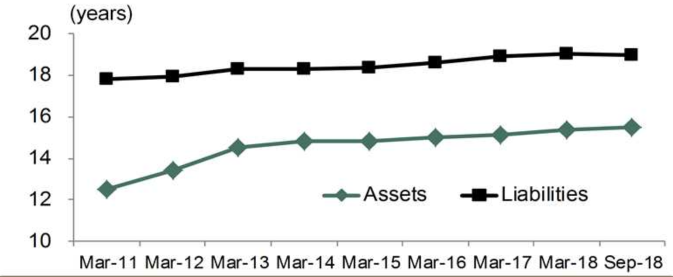
Book Value of Domestic Stocks (2)



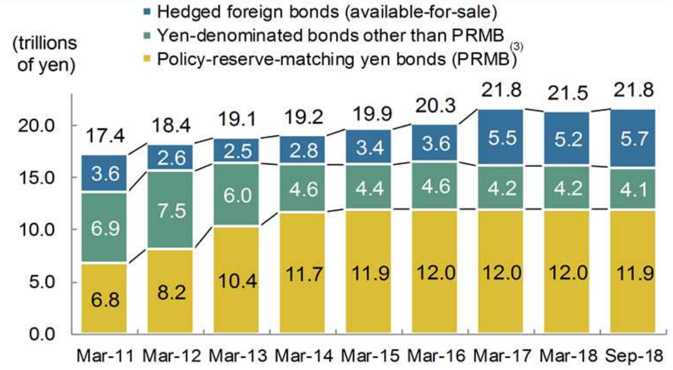
(1) Carrying amount - basis
(2) Book value of domestic stocks with fair value (excluding stocks of subsidiaries / affiliated companies and unlisted companies)
(3) Equity holdings excluding those held solely for the purpose of investment (excluding stocks of unlisted companies and contributed to the retirement benefit trust)

Dai-ichi Life: General Account Assets (2)

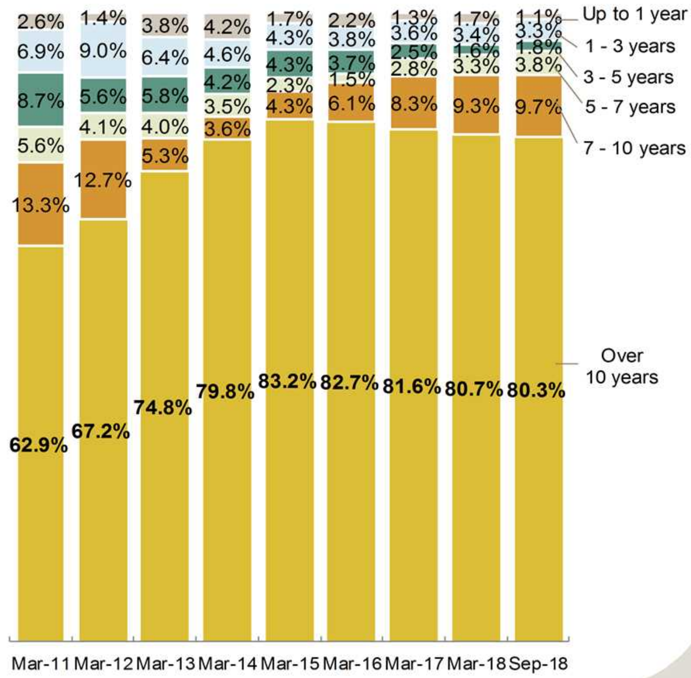
Duration of Fixed Income Assets (1)



Yen and Currency-hedged Foreign Bonds (2)



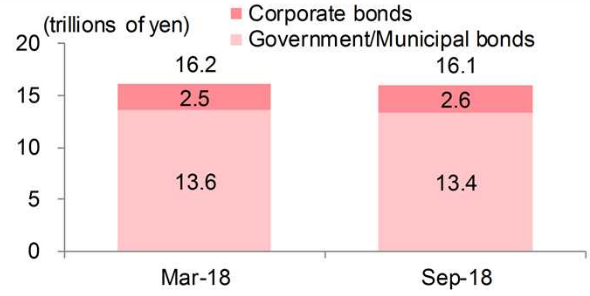
Maturity Profile of Domestic Bonds (4)



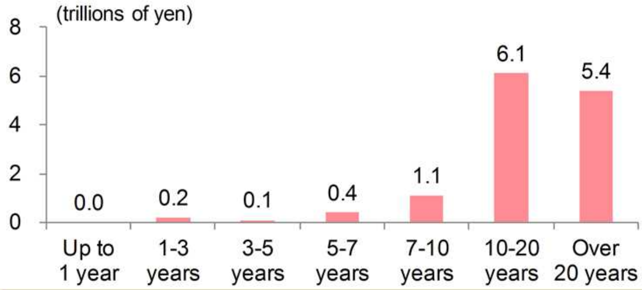
(1) Represents insurance liabilities associated with individual insurance and annuities in the company's general account and duration of yen-based fixed income assets (including derivatives)
(2) Represents yen-denominated bonds and foreign bonds with currency hedges in the company's general account. The balance is shown on an amortized cost basis.
(3) PRMB is a unique category for bonds, accepted under Japanese GAAP. PRMB is reported at amortized cost if the bonds meet certain requirements.
(4) Represents domestic bonds in the company's general account. The balance is shown on a carrying amount basis.

Dai-ichi Life: General Account Assets (3) Profile of Bonds

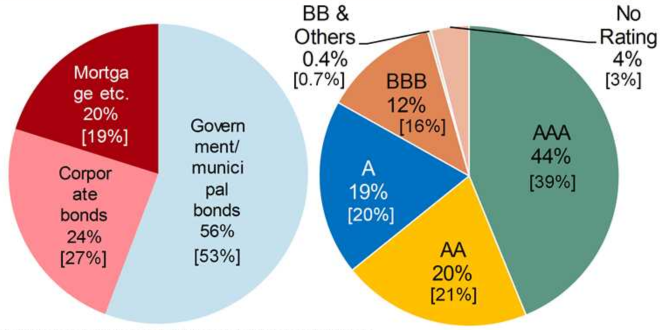
Yen-denominated Bonds (1)



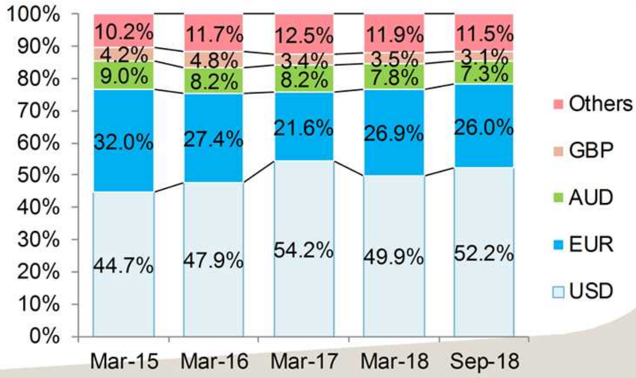
Domestic Government Bonds (2) by Maturity (Sep-18)



Foreign Currency Bond Portfolio (2)(3)(4) (Sep-18)



Foreign Currency Bonds by Currency (2)



(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 brackets are as of March 31, 2018.

Dai-ichi Life: Sensitivities to Financial Markets (As of Sep. 2018)

Dai-ichi Life Holdings

	Sensitivities (1)	Breakeven Points (2)
Domestic stocks	Nikkei 225 1,000 yen change: September 2018: ±150 billion yen (March 2018: ±170 billion yen)	Nikkei 225 September 2018: 10,000 yen (March 2018: 9,500 yen)
Domestic bonds	10-year JGB Yield 10bp change: September 2018: ±250 billion yen* (March 2018: ±260 billion yen) * Available-for-sale securities: September 2018: ± 30 billion yen (March 2018: ± 30 billion yen)	10-year JGB Yield September 2018: 1.2%* (March 2018: 1.2%) * Available-for-sale securities: September 2018: 1.4% (March 2018: 1.4%)
Foreign securities	JPY / USD 1 yen change: September 2018: ± 27 billion yen (March 2018: ± 27 billion yen)	JPY / USD September 2018: $1 = 107 yen (March 2018: 103 yen)

(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).

Asset Management Business

Dai-ichi Life
Holdings

Overview of Group Asset Management Companies

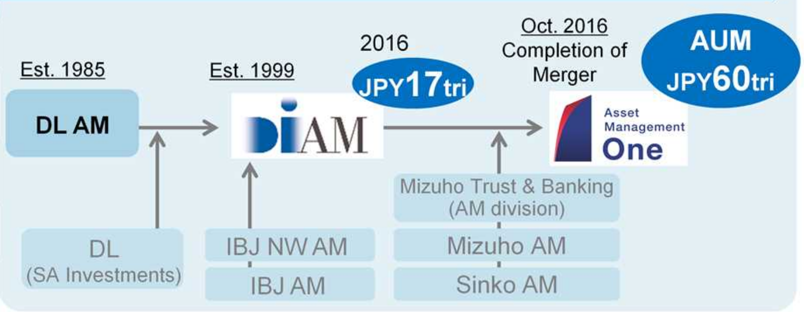
*AUM: Assets Under Management as of September 2018

Domestic Business

Asset Management One Co., Ltd.

Formulation	Oct. 2016 (Completion of Merger)
DL Ownership	49% (Economic interest:30%) *Joint venture with Mizuho FG
HQ / Offices	Tokyo / 4 overseas offices (4 countries)
Employees	Approx. 1,000
AUM	JPY 60tri (Mutual fund: 16 / Investment advisory: 44)

Reinforce domestic AM business foundation by mergers

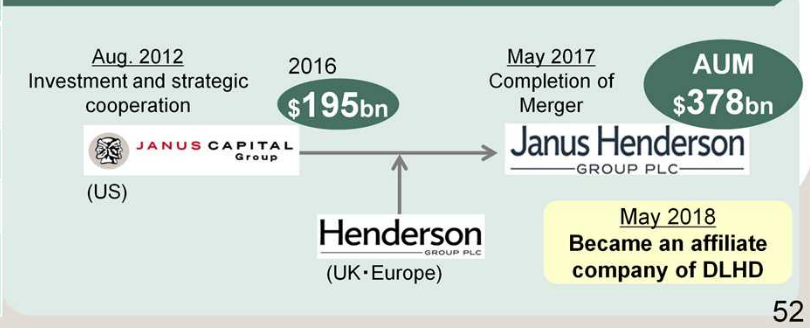


Overseas Business

Janus Henderson GROUP PLC Listed on NYSE & ASX

Formulation	May 2017 (Completion of Merger)
DL Ownership	15.4%
HQ / Offices	London / 27 offices (14 countries)
Employees	More than 2,000
AUM	$ 378bn (Americas: 202 / EMEA: 116 / Asia Pacific: 60)

Expand overseas business through strategic cooperation



Group Synergies Between Asset Management and Life Insurance

Dai-ichi Life Holdings

Total Investment Amounts | **Over $50bn**

Group Companies	Group Synergies
Cross-selling between Asset Management One and Janus Henderson	
Asset Management One × Janus Henderson Group PLC	• Selling Janus Henderson's products in the Japanese market through Asset Management One's distribution network • Considering co-development of products for mutual sales in the global market
Providing optimal solutions to domestic life insurance group GA / SA investments	
Asset Management One, Janus Henderson Group PLC × By your side, for life DAI-ICHI LIFE, 第一フロンティア生命 第一生命グループ Dai-ichi Frontier Life	• Entrusted with certain general account investments of domestic life insurance group to enhance risk-return profile of the portfolio • Providing competitive investment products for separate account investments
Expanding synergies with overseas life insurance groups	
Janus Henderson Group PLC × Protective, TAL	• Providing competitive investment products to Protective Life variable annuity contracts and general account investments of TAL

*Total investment amounts include investments from Japan Post Insurance to group asset management companies' products and other business collaboration within the group

Overseas Life Insurance Business

Dai-ichi Life
Holdings

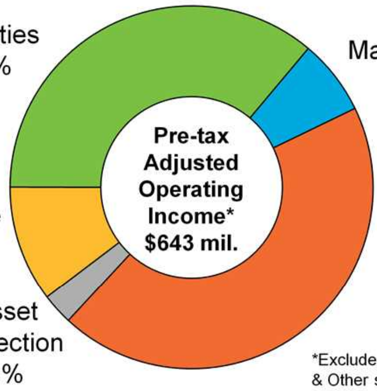
Protective Life: At a Glance

Dai-ichi Life Holdings

About Protective

- Established in 1907
- Became a wholly owned subsidiary in 2015
- No. of Employees: 2,763 (Mar-2018)
- $862B life insurance in force
- 8.3M policies and contracts in force (including non-life contracts)
- Market share: 0.5%(Dec-2017, Net Premium income basis)
- Market rank: No. 48 (Dec-2016, Net Premium income basis)
- 56 acquisition transactions (including Asset protection business)

Business Mix (2017 results)



*Excludes the Corporate & Other segment

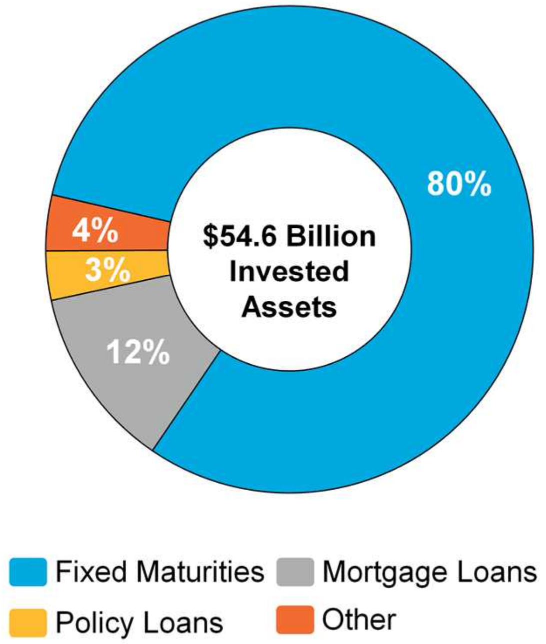
Main Product and Channels

Distribution / Products	Life Insurance: Universal Life and Traditional	Annuities: Fixed and Variable Annuities	Stable Value Products: Wholesale Funding Agreements	Asset Protection: Vehicle Service Contracts	Acquisitions: Acquired Business
Agents	○	○			Primarily life and annuity
Banks	○	○			
Stockbrokers	○	○			
P&C Agents	○	○			
Institutional Investors			○		
Auto Dealers				○	
Affinity Partners	○				
Direct to Consumers	○				

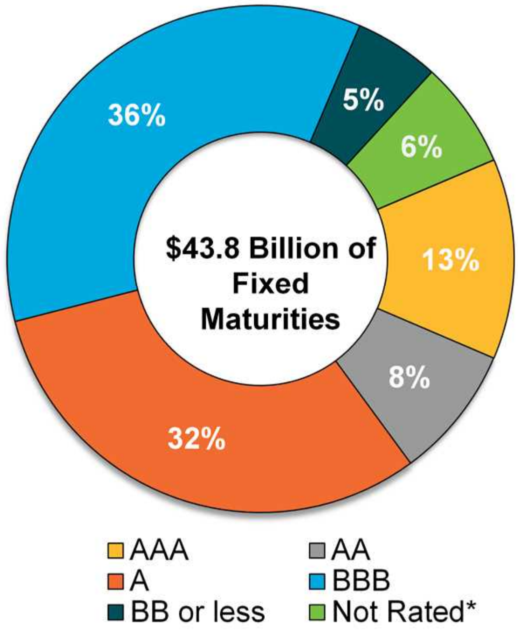
Protective Life: Investment Portfolio

Dai-ichi Life Holdings

Investment Portfolio Overview



Fixed Maturities Portfolio by Credit Quality



As of December 31, 2017

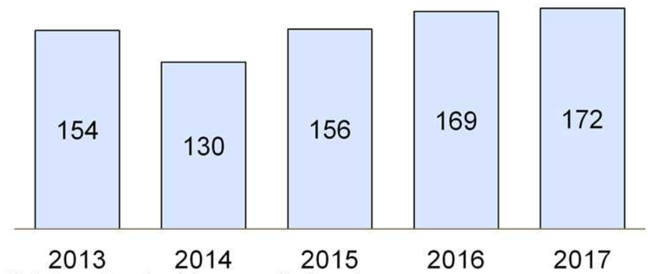
*Not rated securities are primarily comprised of notes related to the Company's captive reserve financings.

Protective Life: Sales Trends

Dai-ichi Life Holdings

Life Marketing

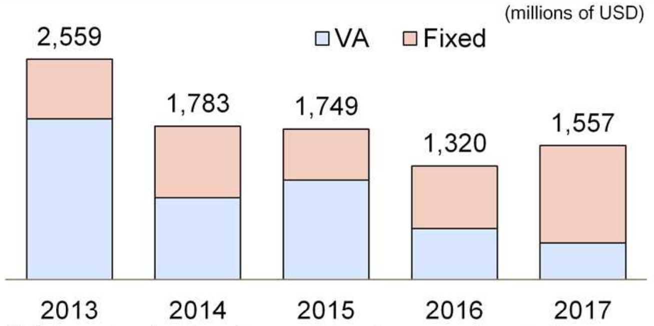
(millions of USD)



(1) Sales are based mainly on annualized premiums.

Annuities

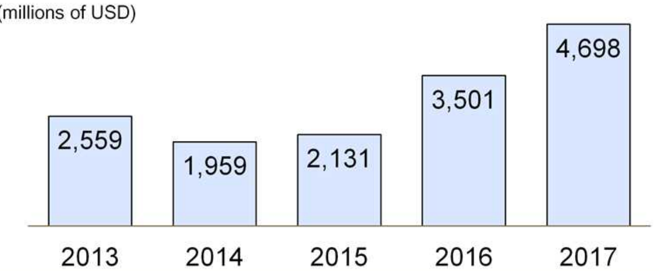
(millions of USD)



(1) Sales are based mainly on the amount of purchase payments received.

Stable Value Products (Ending Account Balances)

(millions of USD)



Sales	494	91	814	1,856	1,765

(1) Sales are measured at the time the purchase payments are received

Asset Protection

(millions of USD)

(1) Sales are based on the amount of single premiums and fees received.

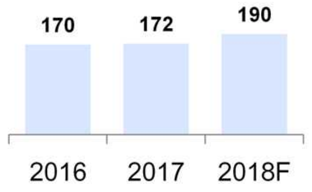
Protective Business Plans for FY 2018

Dai-ichi Life Holdings

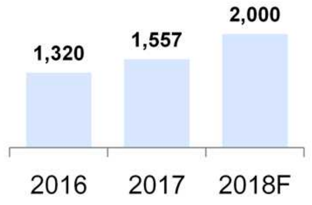
Sales Estimates

(millions of USD)

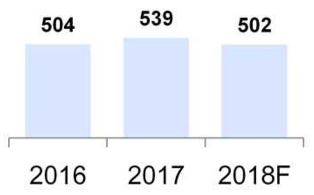
Life Marketing



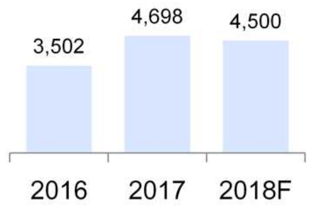
Annuities



Asset Protection



Stable Value



Ending Account Balance

Financial Plan

(millions of USD unless otherwise noted)

	2018 Plan
After-Tax Adjusted Operating Income	417
Net Income	376
RBC Ratio (%)	474 %
Debt to Capital Ratio (%)	17 %
Dividend to Dai-ichi	140
Capital >400% RBC (billions of USD)	0.7

Overseas Life Business: Protective

■ Stable profit contribution through both the retail and acquisition businesses

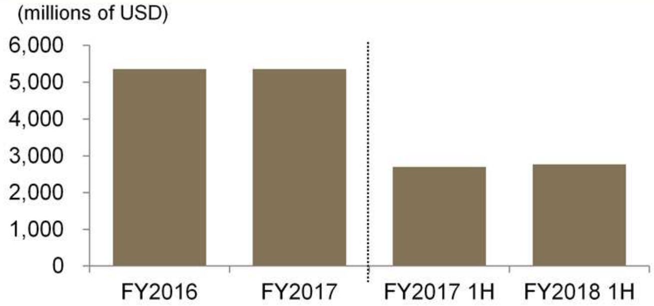
About Protective

- Established in 1907
- Became a wholly owned subsidiary in 2015
- No. of Employees: 2,763 (Mar-2018)
- Based in Birmingham, Alabama
- Sales Channel: Independent Agents, Securities Companies, P&C Agents, Banks, Direct Channel, etc.
- Products: Universal insurance, Fixed and Variable Annuities, Index type Annuities, Auto Insurance, Expense Insurance
- Market share: 0.5%(Dec-2017, Net Premium income basis)
- Market rank: No. 48 (Dec-2017, Net Premium income basis)

US Market Overview

- Market size (2017):
  [Population 327 million people, GDP 19,407 billion USD, Life insurance penetration 2.82%]
  Source: Swiss Re, sigma No 3/2018
- Main players：Metlife, Prudential, AIG, etc.

Protective Revenue Progress (1)



- **Initiatives in FY 2017**
  In addition to strengthening existing sales channels, promote the growth of life insurance business through affinity sales with Costco and major financial institutions. In the acquisition business, PLC realized acquisition of individual life and annuity business of Liberty Life Assurance Company of Boston, which is the largest acquisition so far.
- **Initiatives going forward**
  In addition to strengthening and expanding new affinity partnerships, strengthen the foundation for organic growth by leveraging InsTech. In the acquisition business, aim to contribute further profits through new acquisitions.

(1) The fiscal year is from January to December.

Overseas Life Business: TAL

■ Steady increase in premium income. Strive for further growth with multiple initiatives.

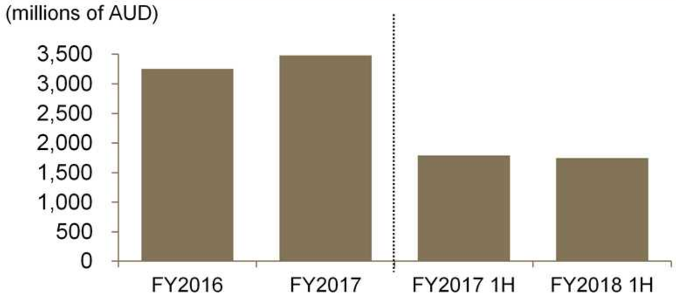
About TAL

- Established in 1869
  (Started as a government life insurance office in New Zealand in 1869; then separated)
- Became an affiliate of Dai-ichi in 2008; then became a subsidiary in 2011
- No. of Employees: 1,588 (Mar-2018)
- Main office: Sydney, Australia
- Main channel: Individual financial advisor, Direct, and Group (superannuation)
- Main products: Risk products (death, income protection & TPD)
- Market share: 17.5%(Dec-2017, In-force ANP basis)
- Market rank: No.1 (Dec-2017, In-force ANP basis)

Insurance Market in Australia

- Market size (2017):
  [Population 25 million people, GDP 1,378 billion USD, Penetration (Life) 2.33%]
  (Source) Swiss Re, sigma No 3/2018
- An oligopolistic market: each top-5 company holds more than 10% market share (collectively almost 70%).
- Other major players: AIA, AMP, NAB/MLC (Nippon), CommInsure, etc.

Premium Income of TAL (1)



- **Initiatives in FY 2017**
  In addition to enhancing sales through the IFA channel and superannuation funds, TAL expanded business alliances in order to reinforce its sales channels.
- **Initiatives going forward**
  In a challenging business environment, TAL continues to strive for steady growth by building a solid business foundation through enhancement of sales channels, improvement of cost efficiency, diversification of product line-up and improvements in customer services.

(1) Fiscal year ends March 31. Figures are disclosed after re-classifying items from TAL's financial statements under Australian accounting standards to conform to Dai-ichi Life's disclosure standards.

Overseas Life Business: Dai-ichi Life Vietnam

■ Premium income continues to grow as the business foundation enhances.

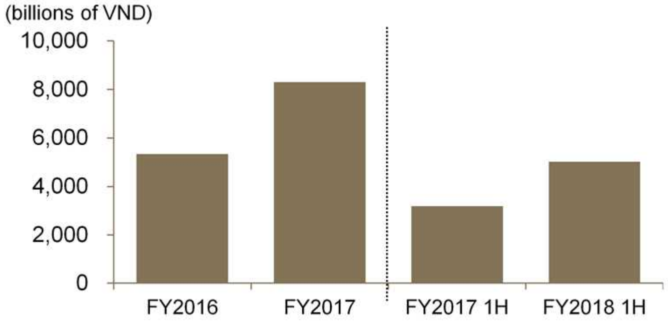
About Dai-ichi Life Vietnam

- Established in 1999
  (Started as Bao Minh CMG, a JV of local company and Australian CMG)
- Became subsidiary of Dai-ichi in 2007
- No. of Employees: 1,253 (Mar-2018)
  75 thousand agents (part-time)
- Main office: Ho Chi Minh, Vietnam
- Main channel: Individual insurance agent
- Main products: Universal, Endowment
- Market share: 12.2% (Dec-2017, premium income basis)
- Market rank: No. 4 (Dec-2017, premium income basis)

Insurance Market in Vietnam

- Market size (2017):
  [Population 95 million people,
  GDP 222 billion USD, Penetration (Life) 1.29%]
  (Source) Swiss Re, sigma No 3/2018
- An oligopolistic market: top 7 companies have 92% market share.
- Other major players: Bao Viet (Sumitomo), Prudential (UK), Manulife

Premium Income of DL Vietnam (1)



- **Initiatives in FY 2017**
  Expanded market share through the enhancement of the individual insurance agent channel, launch of strategic products, and expansion to alternative channels.
- **Initiatives going forward**
  We aim for sustainable growth in premium income by strengthening and diversifying sales channels (including strategic business alliance with Vietnam Post and several banks) and developing products catering to market needs.

(1) Fiscal year ends December 31.

Overseas Life Business: Star Union Dai-ichi Life

- Dai-ichi has increased its shareholding in SUD. SUD strengthening the bancassurance channel and individual insurance agents.

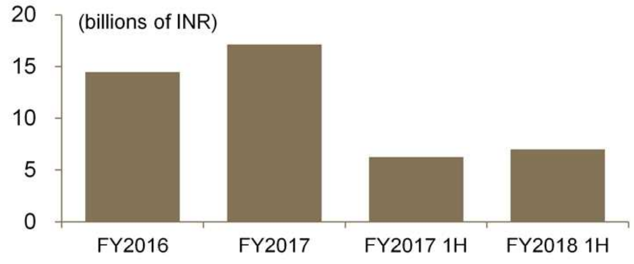
About Star Union Dai-ichi Life

- Established in 2009
- Became affiliate of Dai-ichi in 2009
  (Started operation as a JV with Dai-ichi, Bank of India and Union Bank of India)
- Ownership: 45.94%
- No. of Employees: 2,600 (Mar-2018)
- Main office: Mumbai, India
- Main channel: Bancassurance, individual insurance agents, sales reps(fixed salary)
- Main products: Endowment, Annuity
- Market share: 1.8% (Dec-2017, EPI basis, excl. LIC, a government company)
- Market rank: No. 12 (Dec-2017, EPI basis, excl. LIC, a government company)

Insurance Market in India

- Market size (2017):
  [Population 1,341 million people,
  GDP 2,655 billion USD, Penetration (Life) 2.76%]
  (Source) Swiss Re, sigma No 3/2018
- A new market to foreign players: LIC has market share of 44% (Dec-2017, EPI basis)
- Other major players: ICICI Prudential (Pru-UK), SBI Life (Cardif), HDFC Life (Standard Life)

Effective Premium Income of SUD (1)(2)



- **Initiatives in FY 2017**
  Enhanced the management of the bancassurance channel with JV partners, started new sales channel (fixed salary sales reps), and strategically shifted the product portfolio for more stable premium income and increased profitability.
- **Initiatives going forward**
  We plan to expand our premium income base by (a) strengthening relationships with JV partners, (b) introducing a new sales channel, (c) improving the efficiency of individual agents, and (d) introducing measures to improve persistency rate.

(1) Fiscal year ends December 31. Figures are not adjusted to Dai-ichi's interest in the company.
(2) Effective premium income accounts only one tenth of individual single premium insurance products and excludes premium income from lower margin group annuity.

Overseas Life Business: Panin Dai-ichi Life

Dai-ichi Life Holdings

■ Became an affiliate in 2013, now strengthening its infrastructure and channel.

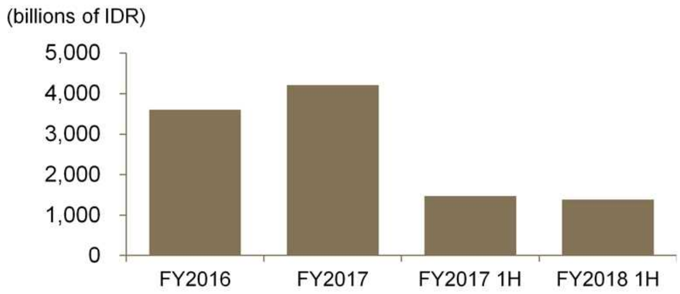
About Panin Dai-ichi Life (PDL)

- Established in 1974
- Became affiliate of Dai-ichi in 2013
- Ownership: 40%
- No. of Employees: 377 (Mar-2018)
  5,700 agents (part-time)
- Main office: Jakarta, Indonesia
- Main channel: Bancassurance (mainly with Panin bank), individual insurance agents
- Main products: Investment-linked, unit-linked
- Market share: 2.2% (Dec-2016, premium income basis)
- Market rank: No. 13 (Dec-2016, premium income basis)

Insurance Market in Indonesia

- Market size (2017):
  [Population 264 million people,
  GDP 1,016 billion USD, Penetration (Life) 1.90%]
  (Source) Swiss Re, sigma No 3/2018
- A relatively oligopolistic market: top 10 companies have about 70% market share.
- Other major players: Prudential (UK), INDOLIFE, JIWASRAYA, AIA

Premium Income of Panin Dai-ichi Life (1)



- **Initiatives in FY 2017**
  In order to achieve sustainable growth, PDL worked on structural reform of its marketing base and on improving sales channel efficiency through strengthening sales support for group banks and training for agents.
- **Initiatives going forward**
  We aim for structural reform to increase profitability by enhancing both the bancassurance business and individual agents channels through improved recruitment and training programs.

(1) Fiscal year ends December 31. Figures are not adjusted to Dai-ichi's interest in the company.

Overseas Life Business: Ocean Life

Dai-ichi Life Holdings

■ Strengthening its core individual agency channel for sustainable growth.

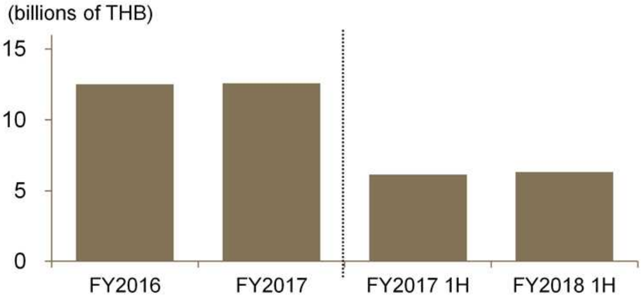
About Ocean Life

- Established in 1949 (Started as P&C company, entered into Life business in 1951, unbundled business in 1992)
- Became an affiliate of Dai-ichi in 2008
- Ownership: 24%
- No. of Employees: 1,889 (Mar-2018)
  14 thousand agents (part-time)
- Main office: Bangkok, Thailand
- Main channel: Individual insurance agen
- Main products: Endowment, Whole Life, Annuity
- Market share: 2.2% (Dec-2016, Premium income)
- Market rank: No. 10 (Dec-2016, Premium income)

Insurance Market in Thailand

- Market size (2017):
  [Population 69 million people,
  GDP 455 billion USD, Penetration (Life) 3.59%]
  (Source) Swiss Re, sigma No 3/2018
- An oligopolistic market : Top 10 companies occupy most of the market.
- Other major players: AIA, Muang Thai Life (Ageas), Thai Life (Meiji Yasuda), Bangkok Life (Nippon)

Premium Income of Ocean Life [1]



- **Initiatives in FY 2017**
  Maintaining a strong recruitment performance since the second half of 2016, strengthening new employee development efforts, establishing basis for future growth (development of job areas, affinity sales with Thai Post Office, investment product development).
- **Initiatives going forward**
  We will continue to recruit talented personnel with leadership potential for the individual agency channel, strengthen our foundation for future growth in order to achieve sustainable growth.

(1) Fiscal year ends December 31. Figures are not adjusted to Dai-ichi's interest in the company.

Towards a Sustainable Society

ESG initiatives at Dai-ichi Life Group

Dai-ichi Life
Holdings

Initiatives Towards a Sustainable Society

Dai-ichi Life Holdings

- Life insurance is a business with high levels of public and social responsibilities, and complements the social security system. At the same time, it is expected that the business maintains stable growth, while taking flexible actions against various changes in the business environment.
- In order to meet these expectations and demands, we identified a number of priority issues to address as a group. We will contribute more than ever to solving social issues by improving quality of life, benefiting the sustainable development of society. At the same time, we will enhance the growth and sustainability of the Group.

Theme	Related Material Issues	Corresponding Pages
1. Promoting Health	Promote health for all	–
	Development of cutting-edge technology	–
2. Improving Products and Services	Stability through insurance	–
	Sense of security in later life	–
3. Resolving Community Issues	Building a safe and secure community	67
	Revitalizing communities	
4. Responsibility as Institutional Investor	Contribute to society	68-71
5. Creating Friendly Work Environment	Empowerment of women	72
	Protect rights of workers	
6. Protecting the Global Environment	Tackling climate change	73
	Promoting clean energy Improving energy efficiency	
7. Strengthening Governance	Improving corporate governance and risk management	74

(Note) Please refer to our website for details on our initiatives for each material issue.

Initiatives for Local Communities and Society

- Dai-ichi Life Group makes efforts to build a better society and offer more enriched and comfortable lives through the life insurance business, which has a high social and public profile. Also, we aim to achieve sustainable development together with local communities and society, as a good corporate citizen.
- We will contribute to resolving social issues by providing unique value, such as utilizing our know-how and capabilities, based on the core theme that is compatible with the life insurance business.

Key Initiatives

● Contribute to solve local issues through cooperation with Local Governments

The Group Leverages its strength of having approximately 1,400 unit offices and approximately 40,000 Total Life Plan Designers in all 47 prefectures across Japan to solve issues facing each region.

Partnerships with **all 47 prefectures**

● Providing information by partnering with national institutions

In cooperation with all national centers, we provide customers a wide range of medical information, including correct knowledge and prevention methods of diseases.

● Attraction of daycare centers to real estate properties owned by the Dai-ichi Life Group

Since 2011, Dai-ichi Life Group has been working to attract daycare and nursing facilities to open in the real estate properties it owns to expand acceptance of children waiting for enrollment in daycare and nursing facilities.

As of April 2018
21 facilities
1,224 children

● Continuous support activities at overseas group companies

Through its overseas group companies, we continuously provide support to developing countries, helping them tackle issues such as building infrastructure and raising living standards

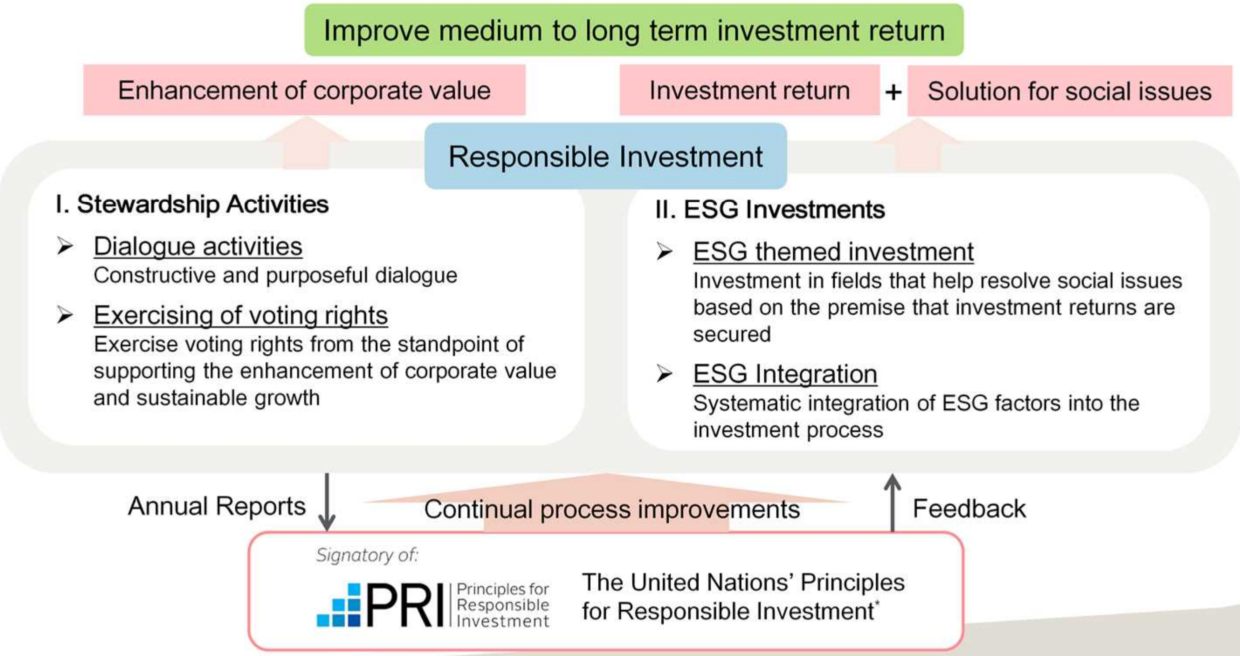
Bridge construction site
(Dai-ichi Life Vietnam)

Irrigation Project Support
(Star Union Dai-ichi Life)

Dai-ichi Life's Investments: Structure for promoting responsible investment

Dai-ichi Life Holdings

- Dai-ichi Life actively promotes socially responsible investment (SRI) based on its social responsibility as an institutional investor. Dai-ichi Life's responsible investment consists of "Stewardship activities," which aim to continuously increase the corporate value of the investee companies, and "ESG investments," which contributes to the sustainable development of society while ensuring profitability of investments.
- Also, we aim to continually improve the process of responsible investment through the UN PRI annual review.

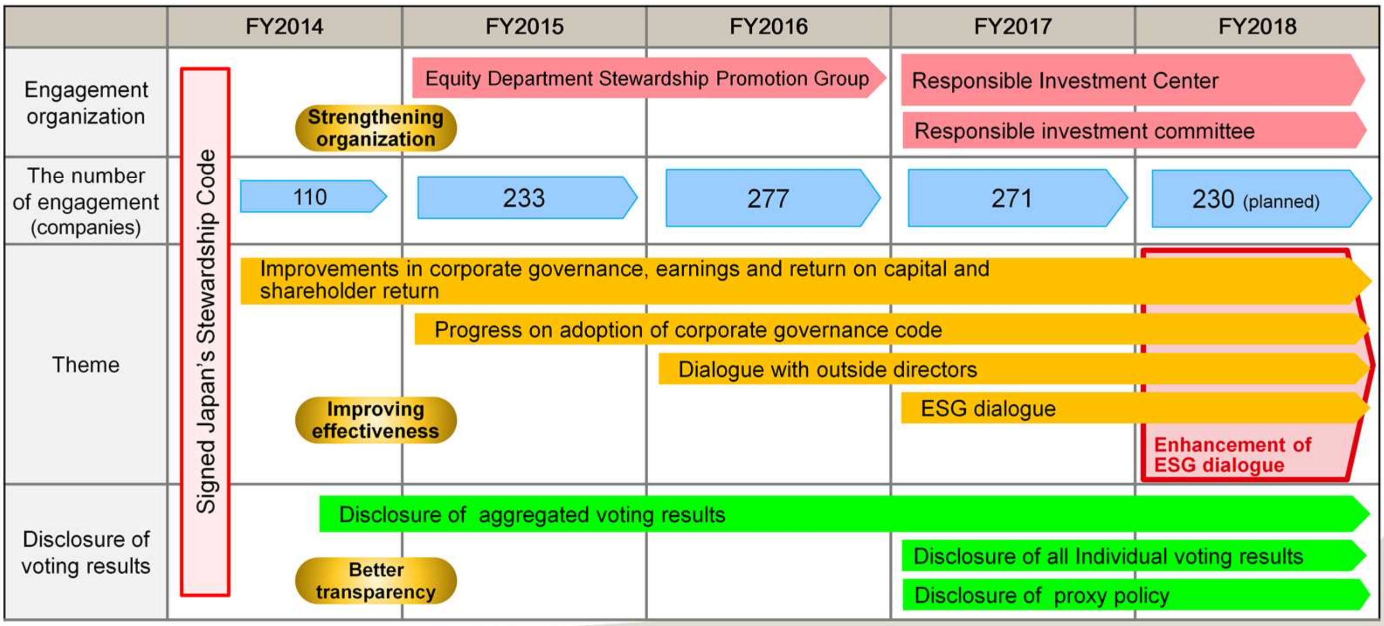


(*) Dai-ichi Life had signed the United Nations Principles of Responsible Investment in 2015

Dai-ichi Life's Investments: Stewardship Activities

Dai-ichi Life
Holdings

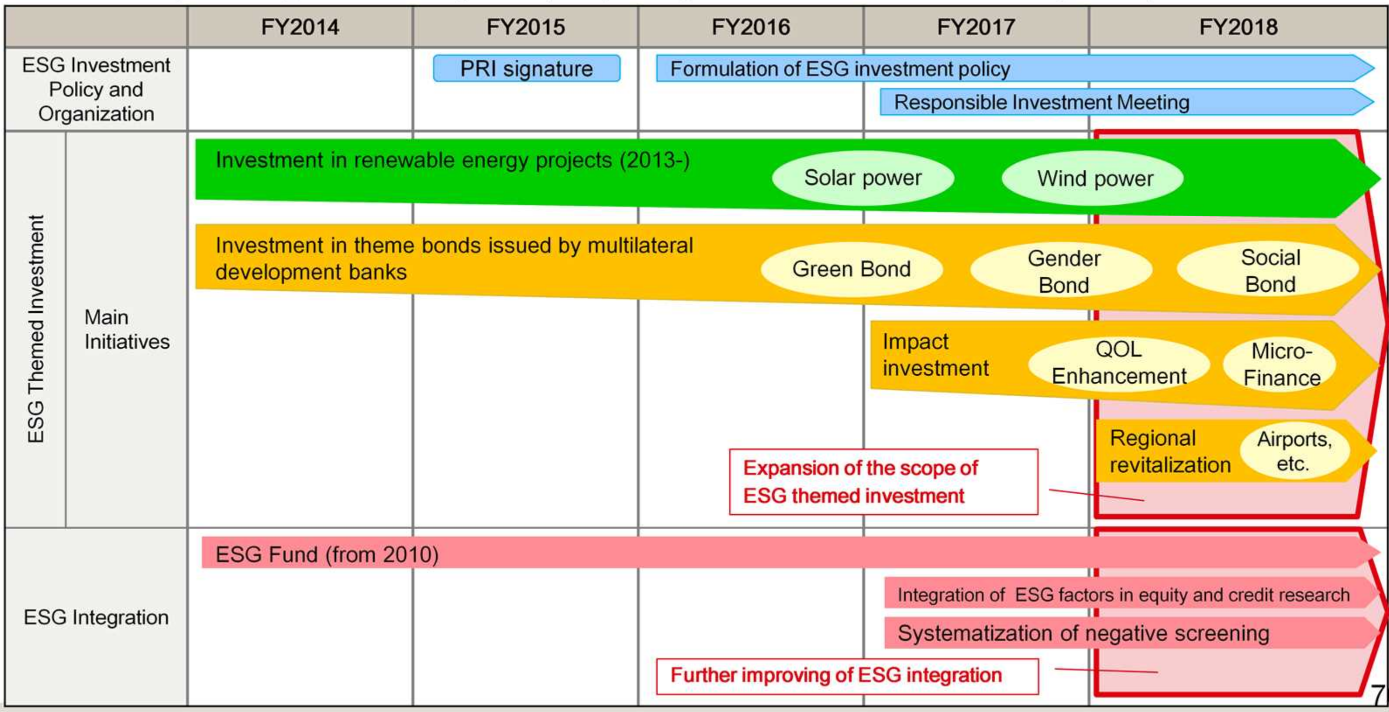
- Dai-ichi Life engages actively in stewardship activities that include dialogue with the companies it invests in and the exercising of voting rights. We encourage the companies we invest in to aim for sustainable growth, which helps to increase our equity investment return over the medium to long term.
- We have strengthened our organization by establishing a dedicated organization for stewardship activities, and have worked to improve the effectiveness and transparency of stewardship activities by disclosing the results of exercising voting rights individually.



4. Responsibility as Institutional Investor
Dai-ichi Life's Investment Strategy: ESG Investments

Dai-ichi Life
Holdings

- Dai-ichi Life conducts asset management considering profitability, safety, liquidity, and public aspect, and Dai-ichi Life has long been actively promoting ESG investment.
- Since the signing of the PRI in 2015, we have strengthened our system for promoting ESG investment, and are working to improve our processes of ESG themed investment (investment that leads to the resolution of social issues based on profitability) and ESG integration (incorporating ESG factors into the investment process).



Dai-ichi Life's Investment Strategy: [Reference] Major ESG Investment Cases in FY2018

Dai-ichi Life Holdings

Released date	Summary	Amount invested
2018/4	[Impact Investment] Investment in Crowdcredit, Inc. • Investments in a start-up company which finances businesses in developing countries using crowdfunding services 	JPY 100 million
2018/5	[Impact Investment] Investment in SUSMED, Inc. • Investments in a start-up company which researches and develops application for treatment of insomnia using smartphones	JPY 100 million
2018/6	Concluded an agreement with Setagaya Ward on the provision of shared garden space • During unused hours, we offer the "Dai-ichi Life playground", which we own in Setagaya, Tokyo, as a shared playground for local nursery centers. 	-
2018/8	Investment in Metcela, Inc. • Investments in a start-up company engaged in research and development of regenerative medicine and other products for heart diseases. (Signed the comprehensive partnership agreement with Institute for Advanced Biosciences, Keio University, aimed at contributing to resolve social issues and develop the society, using advanced science and technology. As part of this partnership, we invested in Metcela.)	JPY 100 million
2018/10	[Impact Investment] Investment in MELTIN MMI • Investments in a start-up company which developed avatar robots with hands that are most closest to humans in the world. 	JPY 300 million
2018/10	Participate in a Syndicated Loan Concerning the Privatization and Expansion Project of Fukuoka Airport • Participated in a project finance syndicated loan for one of the largest airport concession projects in Japan conducted by Fukuoka International Airport.	Non-disclosure

5. Creating Friendly Work Environment
Promotion of Diversity & Inclusion

- We are promoting a variety of initiatives based on the belief that inclusion of human capital is the driving force for sustainable growth.
- To create new value, we will accelerate the creation of synergies by leveraging the collective strengths of the Group's human capital, based on the concept of "respecting each other, learning together, and growing together."

Percentage of Female Managers*

April 2018
25.2%

* Total for the Company, including three domestic life insurance companies

Percentage of women in managerial positions reached 25% in Apr. 2018
Aiming for 30% in 2020

- Further expand global talent exchange
- Participation of overseas CEOs in group management

Maximize expertise & experience

Incorporate values and ideas of the younger generation

Certified "Company Empowering the Disabled" (Dai-ichi Life Challenged) (2017)

Top Gold Rating on PRIDE Index Evaluation of LGBT Initiatives (2017)

Health & Productivity Stock Selection (2015)

Achieve Management Objectives

Realize Sustainable Growth

6. Protecting the Global Environment
Initiatives for Protecting the Global Environment

- Dai-ichi Life Group has its sights on environmental protection by adopting "Dai-ichi's Social Responsibility Charter[(1)]".
- We have established the Group Action Principles for Environmental Initiatives[(2)] and collectively working on protecting environment, contributing to social and economic development, achieving harmony with the global environment and the building sustainable society.

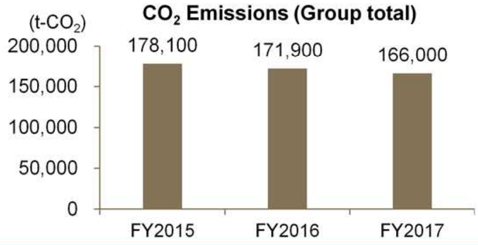
Key Initiatives

- **Reducing CO_2 Emissions**

To help prevent global warming, Dai-ichi Life Group is taking steps to cut its greenhouse gas emissions that include reducing energy use in its business activities. We have set a target of a 1% year-on-year reduction in total emissions as the Group, and also have set medium to long term targets as the Dai-ichi Life non-consolidated. We are working as a united group to achieve these targets.

Targets	
Dai-ichi Life Group	1% reduction (YoY)
Dai-ichi Life	Medium term: 40% reduction* (FY2030) Long term: 70% reduction* (FY2050) *compared to FY2013 level

CO_2 Emissions (Group total)



✓ **Support Recommendations of the Task Force on Climate-related Financial Disclosure (TCFD)**

We support the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD")[(3)] which has been established by the Financial Stability Board (FSB).
In addition to reducing environmental impact and ESG investment, the Dai-ichi Life Group will deepen the analysis of the risks and opportunities that influence life insurance and asset management businesses. Namely, impacts of natural disasters as a result of climate change and influence of infectious diseases on human life and health as well as the impact on economy and society due to policy changes accompanying the transition to a low-carbon society. Additionally, we will share more disclosures based on the recommendations proposed by TCFD.

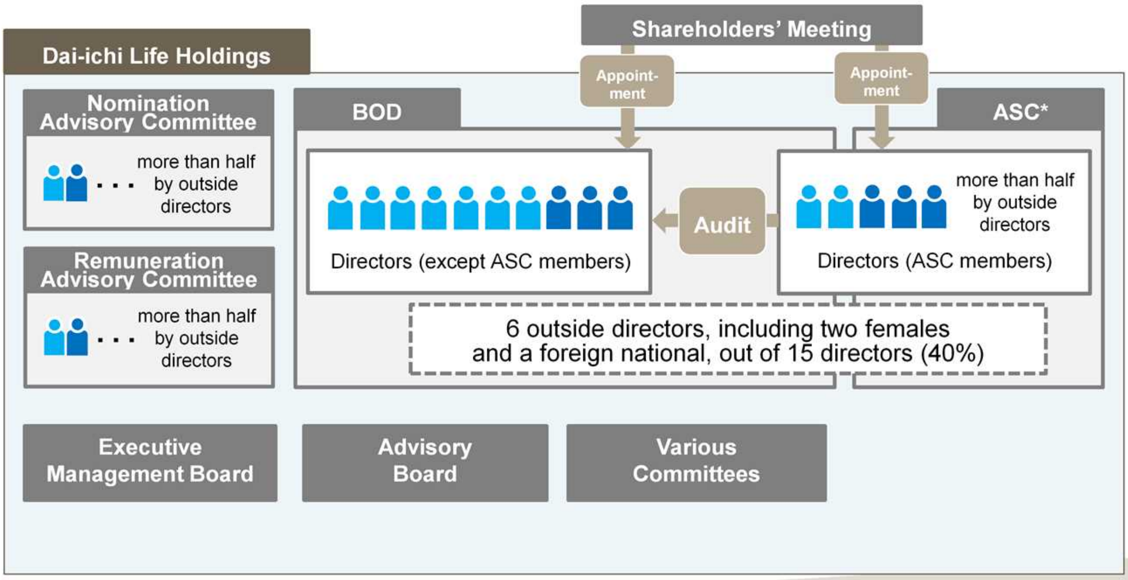
(3) TCFD proposed recommendations on voluntary climate-related financial information disclosures.

(1) Important values that serve as a guide to employee behavior. For details, please refer to our website.
(2) For information on the Group Action Principles for Environmental Initiatives, please refer to our website.

Governance Structure at Dai-ichi Life Holdings

Dai-ichi Life Holdings

- The Group has evolved into a diversified life insurance group which requires a high degree of professionalism in management. The Board will strike a balance between inside directors who are well versed in the business and outside directors with extensive experience and insights. The Audit & Supervisory Committee will act from a highly independent standpoint, engaging in realistic, appropriate decision-making
- Ensures transparency of the decision-making through the Nomination Advisory Committee and the Remuneration Advisory Committee stipulated in the Articles of Incorporation



*Audit & Supervisory Committee

[Reference] Equity Holdings for Specific Purpose

Equity Holdings Other Than for the Purpose of Investment

- The Company holds shares held for strategic purposes, not for pure investment purposes, that carry other important purposes in terms of the Group's business strategies, such as strengthening relations through business alliances.
- Group companies examine their individual listed shares held for strategic purposes and review the appropriateness of purposes of holding such shares at their Board of Directors meetings every fiscal year. The shareholdings for strategic purposes shall be sold in case the appropriateness or rationale of holding such shares, either in terms of strategic holding or for investment purposes, is not confirmed.
  - Equity holdings other than for the purpose of investment (as of March 2018)
    Number of companies 10
    Carrying Amount 138.1 billion yen
  - Equity Holdings for Specific Purpose

Company	Shares (thousand)	Carrying amount (billions of yen)
Resona Holdings, Inc.	125,241	72.6
Mizuho Financial Group, Inc.	255,691	49.6
Sompo Holdings, Inc.	3,688	15.1

RESONA

We entered into a business alliance with Resona Holdings in 2007. We plan to strengthen our competitiveness by offering better products and services to meet the increasingly sophisticated and diversified needs of our customers. We sell insurance products of Dai-ichi Frontier Life and Neo First Life at companies affiliated with Resona Holdings. We also exchange human resources.

MIZUHO

In our full-scale business alliance with Mizuho Financial Group in 1998, we have been steadily achieving results through various joint ventures, such as Asset Management One Co., Ltd. In the bancassurance business, we sell insurance products of Dai-ichi Frontier Life and Neo First Life at companies affiliated with Mizuho Financial Group. We also exchange human resources.

SOMPO HOLDINGS

In our full-scale business alliance in 2000 with Sompo Japan Insurance ("Sompo Japan"), we seek to form the "strongest and most comprehensive life and nonlife insurance group." In non-life insurance we take advantage of Sompo Japan's strong brand and products and its dependable accident response system. In the life insurance area, Sompo Japan agents sell Dai-ichi Life products.

Accounting practice comparison

Dai-ichi Life
Holdings

Comparison of Accounting Standards

Dai-ichi Life Holdings

	Accounting items	IFRS General accounting	IFRS Variable fee	J-GAAP	US-GAAP
BS	Policy reserve matching bond	Fair value	Fair value	Book value	Fair value
	Unlisted stocks	Fluctuates net assets	Limited fluctuation in net assets (Note 1)	Book value	
	Insurance liabilities			Locked at underwriting	
PL	Insurance revenue	Consideration for insurance coverage (Deposit components are excluded)		Premium and other income	Premium (Deposit components are excluded)
	Gain or loss from sales of stocks	Reported in other comprehensive income		Reported in PL	Reported in PL
	Unrealized gain or loss due to forex	Reported in PL	Reported in PL	Reported in OCI	Reported in OCI
	Unrealized gain or loss on investment funds and mutual funds	Fluctuates net assets	Limited fluctuation in net assets (Note 1)	Reported in OCI	Reported in PL
	Unrealized gain or loss on stocks	Reported in OCI		Reported in OCI	Reported in PL

(Note 1) Under the variable fee model, any change in value of balance sheet items due to fluctuations in interest rates or foreign exchange shall be reflected in insurance liabilities., while investment gain or loss on income statement shall be accounted in same installment as insurance contracts.

Comparison of Accounting for Policy Reserves

Dai-ichi Life Holdings

	IFRS		J-GAAP	US-GAAP
	General accounting	Variable fee		
Assumptions	**Updated in every term** Reflected in Contractual Service Margin	**Updated in every term** Reflected in Contractual Service Margin	Fixed at underwriting	Locked-in (Updated if there is possible unfavorable changes in assumptions)
Discount rates	**Updated in every term** Reflected in cash flows		None	Expected yield on assets
Acquisition costs	No (included in the measurement of the cash flows)		Expensed as incurred	Deferred and amortized
Risk	None (Explicit adjustment)		Contingent reserves	Risk margin (implicit)
Policyholder dividends	Included in cash flow ※dividend based on company's discretion shall be reflected in contractual service margin	Included in cash flow ※Shall be reflected in contractual service margin	Recorded in income statement as policyholder dividend reserve as reviewed by actuaries	
Price fluctuation reserve	None		Included in liabilities	None

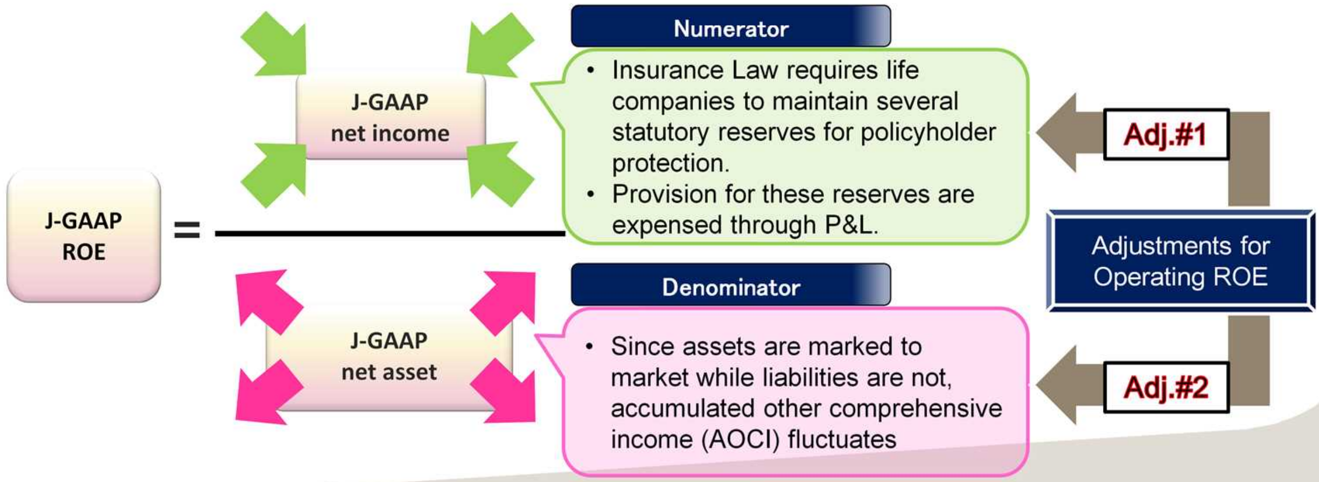
Operating ROE

Dai-ichi Life Holdings

Our recognition of capital efficiency indicators

- We believe ROEV is the best indicator to understand life insurers' capital efficiency. ROE does not always convey a true picture of long term cash flows.
- However, we understand that many investors focus on ROE. Therefore we started disclosing our 'Operating ROE', which takes into account the unique business characteristics of life insurance.

Issues with J-GAAP ROE



Operating ROE - Definition

Dai-ichi Life Holdings

Definition - conceptual

	J-GAAP ROE		Adj.#1		Adj.#2		
Operating ROE =	J-GAAP net income	+	Provisions for/ reversals of Retained earnings in liabilities	-	Capital gains/losses	⇨	Core profitability
	J-GAAP net asset	+	Retained earnings in liabilities	-	AOCI from available for sale securities	⇨	Core capital

(In each row above, the upper line is the numerator and the lower line the denominator.)

Detailed definition

Core profitability	=	Adjusted fundamental profit*1	-	Hedge cost for foreign currency bonds*2	-	Provision for Policyholder Dividends*3
Core capital (average of FY beginning & end)		J-GAAP net asset *4	+	Retained earnings in liabilities, net of Tax	-	AOCI

*1: Provision for (reversal of) policy reserve associated with minimum guarantee benefit risk of variable insurance ± provision for (reversal of) policy reserve associated with market value adjustments of fixed life insurance products, at Dai-ichi Life (non-consolidated) and Dai-ichi Frontier Life, net of tax.
*2: Dai-ichi's foreign exchange losses, net of tax
*3: Provision for policyholder dividends for Dai-ichi Life (non-consolidated), net of tax
*4: Consolidated net assets (except subscription rights to shares and minority interest)

Operating ROE - Trends

Dai-ichi Life Holdings

(Fiscal years, billions of yen)

	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
Fundamental Profit (Group)	451.1	531.1	557.2	528.6	573.8
(-) Provision for (reversal of) reserve associated with GMMB and others	(6.4)	(1.7)	(31.7)	(2.8)	4.7
Adjusted Fundamental Profit (Group)	457.5	532.8	589.0	531.4	569.0
(-) Foreign exchange losses	19.9	38.0	53.8	81.0	75.0
(-) Provision for policyholder dividends	94.0	112.2	97.5	85.0	95.0
(-) Provision for (reversal of) reserve not associated with GMMB and others	-	-	(0.1)	(0.4)	(0.2)
(-) Others	-	-	(2.1)	(11.5)	(0.5)
(-) Tax effect equivalent of above items and others	105.2	103.0	121.0	102.4	114.7
[NUMERATOR] Core profitability	**238.4**	**279.6**	**318.9**	**274.9**	**285.0**

	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
Total Net Assets (FY end)	1,947.6	3,589.9	2,932.9	3,137.2	3,749.2
(-) Subscription rights to shares	0.5	0.7	0.9	1.2	1.3
(-) Minority interest	-	-	-	-	-
(-) Total accumulated other comprehensive income	1,318.4	2,559.4	1,802.6	1,835.2	2,158.3
Total Net Assets (after above items)	628.5	1,029.6	1,129.2	1,300.7	1,589.6
(+) Retained earnings in liabilities, net of tax	557.8	616.5	644.1	672.4	699.1
Core capital (FY end)	**1,186.4**	**1,646.1**	**1,773.3**	**1,973.2**	**2,288.8**
[DENOMINATOR] Core capital (average of FY beginning & end)	**1,119.0**	**1,416.2**	**1,709.7**	**1,873.2**	**2,131.0**

	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
Operating ROE	**21.3%**	**19.7%**	**18.7%**	**14.7%**	**13.4%**

(Note) Core profitability is an indicator after adjustments to reflect some issues with the numerator of J-GAAP ROE, and are different from profit attributable to shareholders. Figures of "Fundamental Profit" represent those based on the previous disclosure format.

About Dai-ichi Life

Dai-ichi Life
Holdings

The Dai-ichi Group at a Glance

Dai-ichi Life Holdings

1st mutual life insurance company established in Japan (1902) and **1st** major Japanese life insurance company to go public (2010)

2nd largest life insurance company in Japan in terms of premium and other income: US$45bn[1] for the fiscal year ended March 2018

Sustainable and strong growth of net income: US$3,425mm[1] for the fiscal year ended March 2018

Three growth engines: Domestic Life Insurance, Overseas Life Insurance and Asset Management

Solid strategy and operating performance in growth areas of Domestic Life Insurance

First mover in global expansion: Large geographical footprint in 7 countries

First-class asset management and ERM capability

Strong credit fundamentals and ratings:
S&P: A+
Moody's: A1
Fitch: A+

(Note) Ratings of Dai-ichi Life as of the end of April 2018.

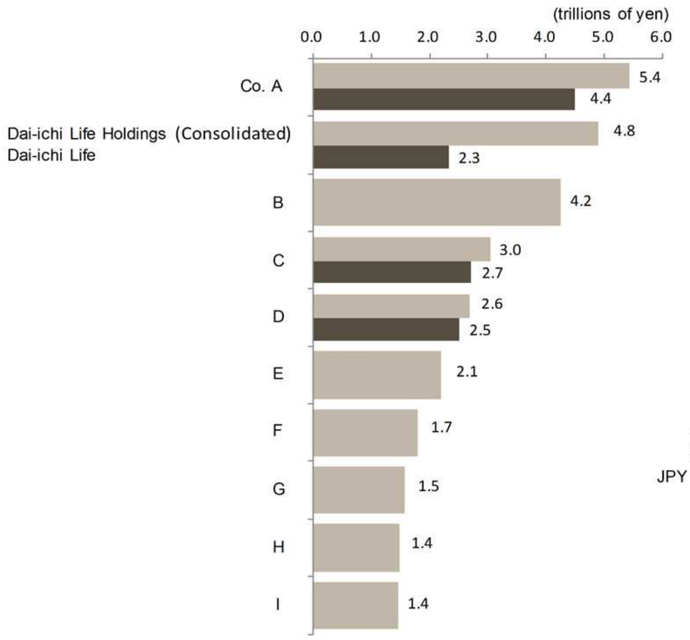
Transition to a holding company structure to promote our multi-brand strategy and maximize our group's capabilities

[1] *JPY/USD=106.24*

Dai-ichi Group Overview

Dai-ichi Life Holdings

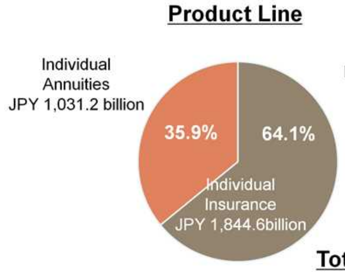
Life Insurance Premium and Other Income(1)

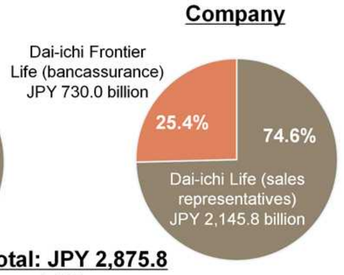


Key Statistics(2)

Premium and Other Income (Consolidated, JPY in Billions)	4,884.5
Total Assets (Consolidated, JPY in Billions)	53,603.0
Group European Embedded Value (JPY in Billions)	6,094.1
Sales Representatives (Dai-ichi Life)(3)	44,626
Solvency Margin Ratio (Dai-ichi Life)	881.8%
Insurer Financial Strength Rating(4) (S&P / Moody's / Fitch)	A+ / A1 / A+

Annualized Net Premium (ANP) from Policies in Force(5)





Total: JPY 2,875.8 billion

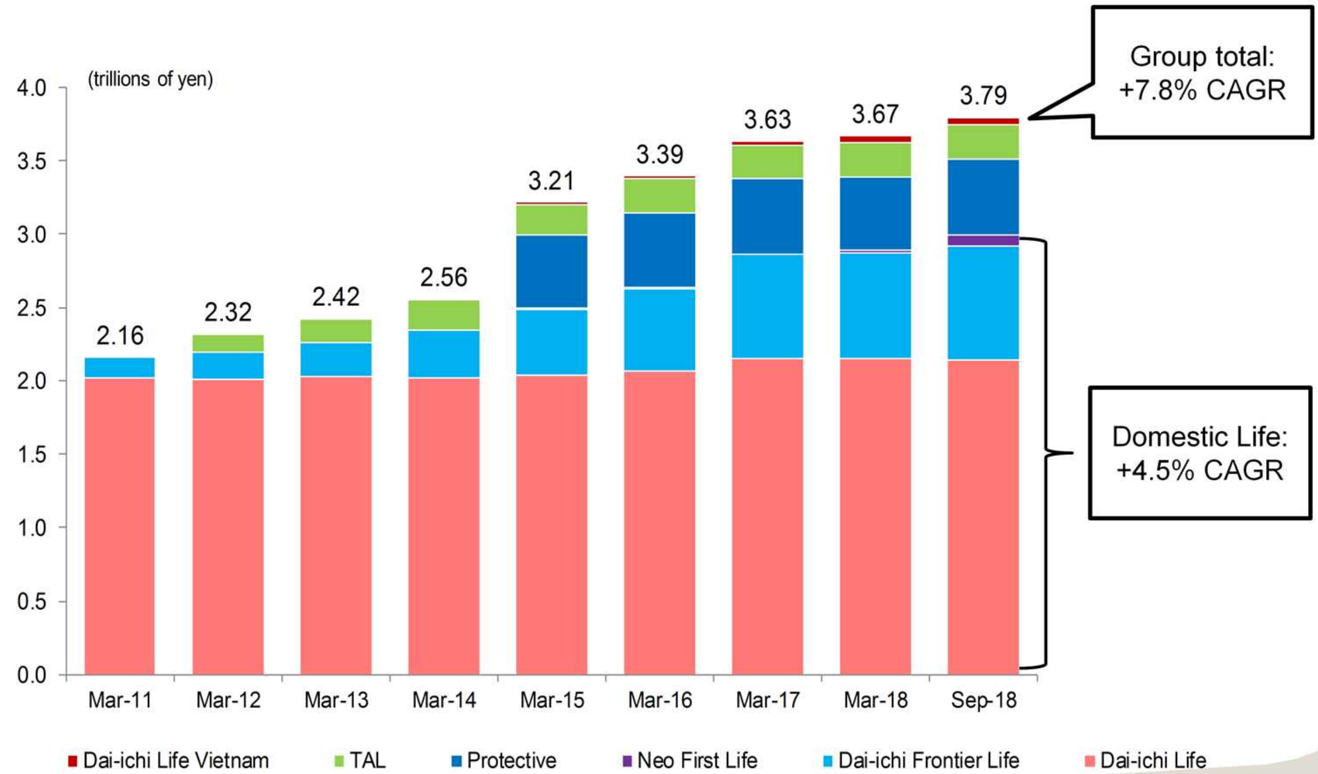
Source: Public disclosures of each company
(1) For the fiscal year ended March 31, 2018.
(2) As of or for the fiscal year ended March 31, 2018 unless otherwise noted.
(3) The number of sales representatives does not include employees who have licenses to sell insurance products but are engaged mainly in sales supportive functions. .
(4) Ratings of Dai-ichi Life as of end of April 2018.
(5) As of March 31, 2018. Individual business only. Dai-ichi Life + Dai-ichi Frontier Life.

Dai-ichi Life Holdings: Group Structure

Dai-ichi Life Holdings

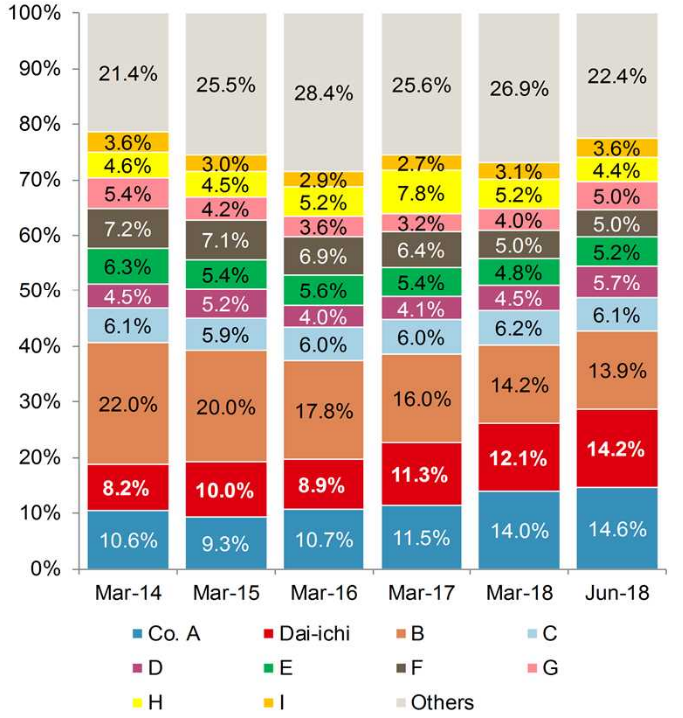
- **Domestic Life Insurance Business and other related business**
  - Dai-ichi Life (By your side, for life / DAI-ICHI LIFE)
    - Dai-ichi Life Information System
  - Dai-ichi Frontier Life (The Dai-ichi Frontier Life Insurance Co., Ltd.)
  - Neo First Life (ネオファースト生命 第一生命グループ / Neo First Life)
  - etc.
- **Overseas Life Insurance Business and other related business**
  - Protective Life [U.S.A.] (Protective)
  - Star Union Dai-ichi Life [India] (Star Union Dai-ichi Life Insurance)
  - TAL [Australia] (TAL)
  - Panin Dai-ichi Life [Indonesia] (PaninDai-ichiLife By your side, for life)
  - Dai-ichi Life Vietnam [Vietnam] (DAI-ICHI LIFE Gắn bó dài lâu.)
  - Ocean Life [Thailand]
  - Regional Headquarters
    - DLI North America [U.S.A.]
    - DLI Asia Pacific [Singapore]
- **Asset Management Business**
  - Asset Management One (Asset Management One)
  - Janus Henderson [U.K.] (Janus Henderson GROUP PLC)
- **Other Business**
  - Dai-ichi Life Research Institute
  - Dai-ichi Life International (Europe) [U.K.]

Trends in In-force Annualized Net Premium

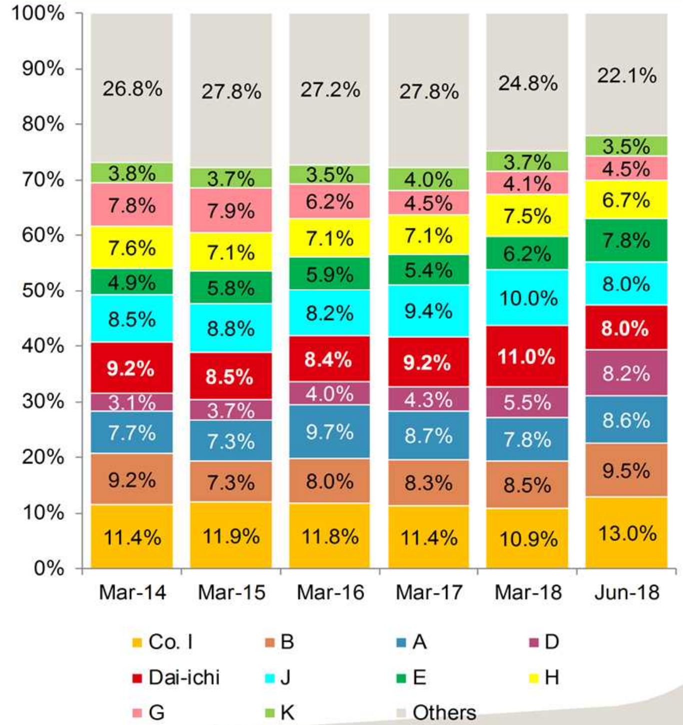


Market Share in New Business Annualized Net Premium

Share in New Business ANP



Share in Third Sector (Medical, etc.) New Business ANP

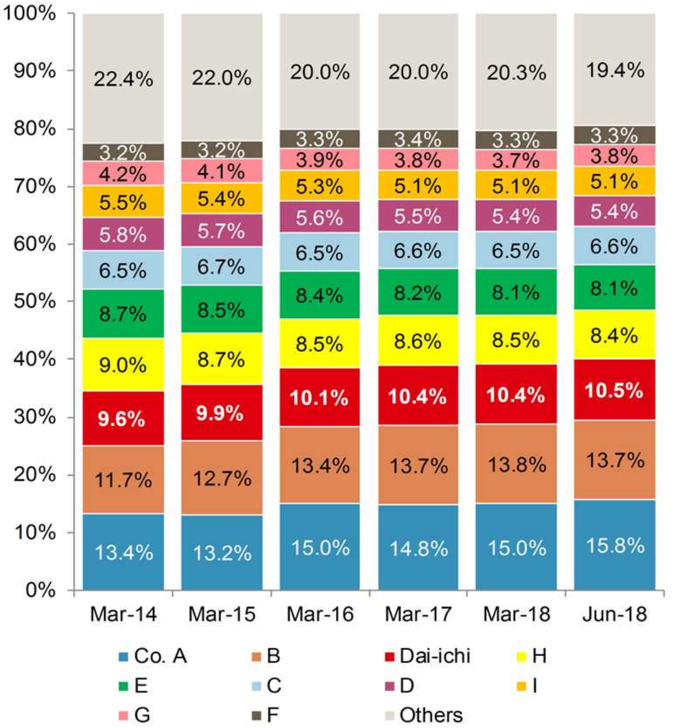


(Source) Company disclosures and Life Insurance Association of Japan.

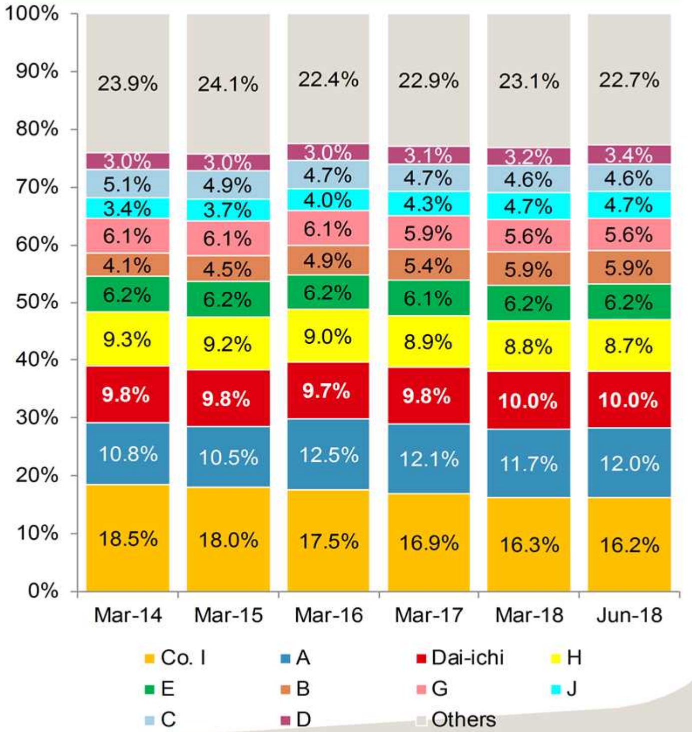
Market Share in In-Force Annualized Net Premium

Dai-ichi Life Holdings

Share in In-force ANP



Share in Third Sector (Medical, etc.) In-force ANP



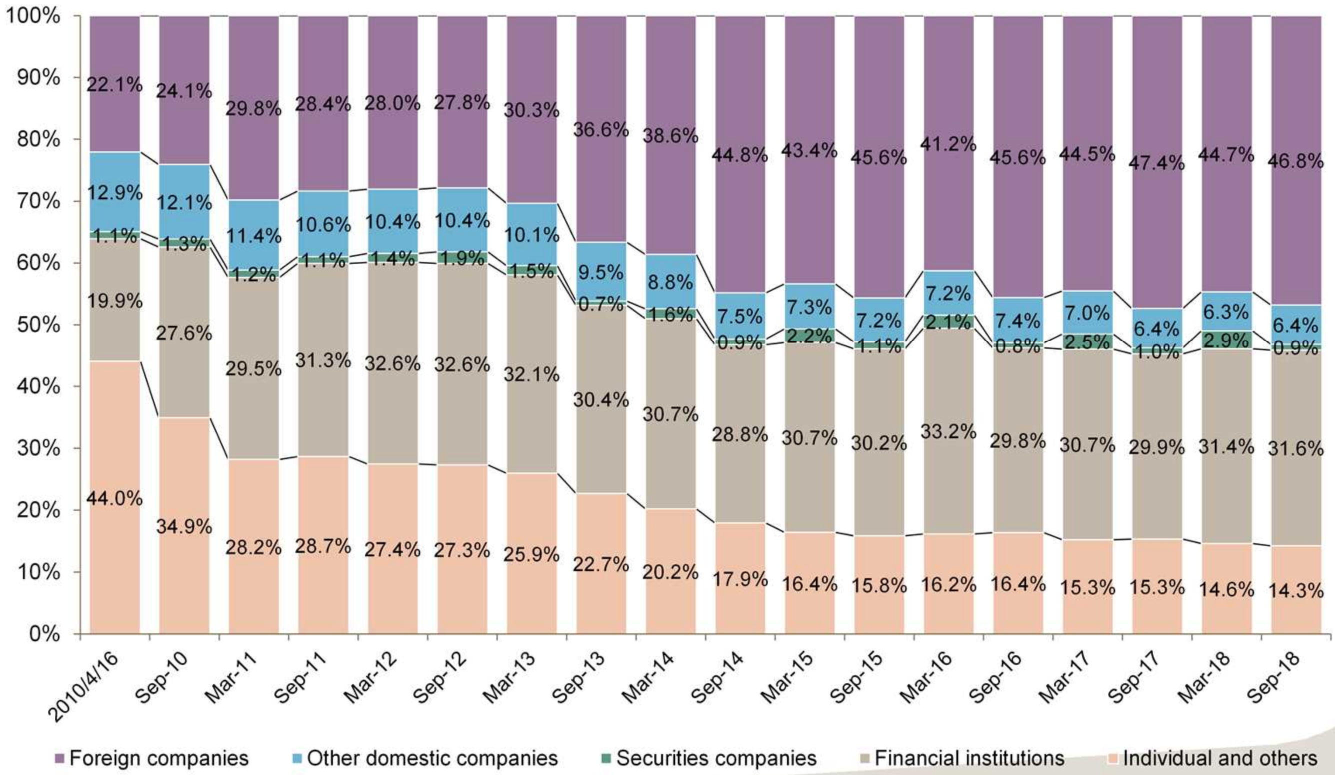
(Source) Company disclosures and Life Insurance Association of Japan.

Group Adjusted Profit

(billions of yen)

Items				Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Mar-18
	Domestic Life Insurance Business								
1	Dai-ichi Life	Net income		51.4	85.5	152.1	129.1	117.1	169.9
2		Adjustment (1)	Provision for contingency reserve (in excess of statutory amount, net of tax)	49.9	24.9	19.2	12.9	12.9	—
3		Adjustment (2)	Provision for price fluctuation reserve (in excess of statutory amount, net of tax)	—	9.7	—	—	—	—
4		Adjustment (3)	Gains or losses on accounting for market value adjustment, net of tax	0.0	(0.6)	(0.2)	(0.4)	(0.2)	(0.0)
5		Sub-total		49.9	34.0	18.9	12.5	12.7	(0.0)
6		Adjusted net profit		101.3	119.5	171.1	141.6	129.9	169.8
7	Dai-ichi Frontier Life	Net income		(26.5)	(15.2)	(21.9)	24.3	50.2	37.0
8		Adjustment (1)	Provision for contingency reserve (in excess of statutory amount, net of tax)	15.3	—	—	—	—	—
9		Adjustment (2)	Provision for price fluctuation reserve (in excess of statutory amount, net of tax)	—	—	—	—	—	—
10		Adjustment (3)	Gains or losses on accounting for market value adjustment, net of tax	0.1	(0.9)	46.9	7.5	(27.0)	(7.9)
11		Sub-total		15.4	(0.9)	46.9	7.5	(27.0)	(7.9)
12		Adjusted net profit		(11.1)	(16.1)	24.9	31.8	23.2	29.1
13	Neo First Life	Net income		—	—	0.4	(7.1)	(5.9)	(8.3)
14		Adjusted net profit		—	—	0.4	(7.1)	(5.9)	(8.3)
15	Adjusted profits of domesctic life insurance business			90.2	103.4	196.6	166.4	147.1	190.6
	Overseas Insurance Business								
16	Protective Life	Adjusted net profit		—	—	—	32.3	45.7	34.9
17	TAL	Adjusted net profit		8.9	8.6	12.1	10.3	12.7	10.5
18	Adjusted profits of overseas insurance business			9.8	10.8	15.7	45.7	61.5	46.8
19	Asset Management Business	Adjusted net profit		1.8	4.4	6.1	5.9	5.8	5.3
20	Holding company	Adjusted net profit		—	—	—	—	0.0	0.3
21	Consolidation adjustment	Adjustment (1)	Dividends from subsidiaries and affiliates	1.7	2.7	3.6	13.5	4.4	—
22		Adjustment (2)	Amortization of goodwill	3.8	5.1	8.6	6.3	5.6	7.0
23		Adjustment (3)	Gains on change in equity	—	—	—	—	(12.4)	(33.5)
24		Adjustment (4)	Impact of U.S. Tax change	—	—	—	—	—	(90.1)
25		Adjustment (5)	Others	(1.4)	(0.1)	(2.2)	(0.3)	0.0	3.9
26	**Group Adjusted Profits (Items 26＝15＋18＋19＋20－21)**			100.0	116.0	214.7	204.6	210.1	243.2
27	**Consolidated net income (Items 27＝26－5－11－22－23－24－25)**			32.4	77.9	142.4	178.5	231.2	363.9

Shareholder Structure



Dai-ichi Life Holdings

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