

# Financial Results for the Fiscal Year Ended March 31, 2020

May 15, 2020

Dai-ichi Life Holdings, Inc.



**Dai-ichi Life**  
Holdings

# Confronting the COVID-19 Crisis

- With the priority on the wellbeing of customers, business partners and employees, we continued business activities that include insurance benefit payments.
- Group companies implemented special measures as a life insurance provider.

## Primary Initiatives of the Group

\*Mainly at group companies based in Japan

### Employees

- Promoting work from home to prevent further spread of the COVID-19.
- Dai-ichi Life sales representatives work from home / visits to customers are suspended.

### Our Customers • Society

- Extended grace period for insurance premium payment and interest exemption on policyholder loans.
- Expanded extra benefit rider coverage for death and severe disability resulting from COVID-19.
- Paying benefits for COVID-19 cases with physician instructed hospitalization, including home treatment.
- Shifted some policy related procedures to handling online or mailing.
- Enhanced contact center functions and admin offices upon implementation of safety measures.
- Established COVID-19 related consultation services to policyholders.
- Donated masks to designated medical institutions.
- Donated face shields and established relief funds (overseas group companies).

[Reference]  
Payment of  
Insurance  
Claims

|          | Death Benefit (Payment) |               | Hospitalization Benefit |              |
|----------|-------------------------|---------------|-------------------------|--------------|
|          | Cases                   | Amount        | Cases                   | Amount       |
| Japan    | 5                       | ¥19.7 million | 66                      | ¥6.5 million |
| Overseas | 313                     | ¥1.7 billion  | 8                       | ¥2.1 million |

\* Identified as of May 8, 2020  
Exchange rate as of end of April 2020 applied to foreign currencies, after accounting for reinsurance.

# Overview of Group Financial Results - Highlights

## 1. <Sales Performance>

### Group adjusted profit up, exceeding our initial forecast

- Sales significantly decreased due to sales suspension of business owners insurance and low overseas interest rates.
- ¥274.5 billion in group adjusted profit exceeded initial forecast due to favorable DFL and overseas life business performance, including one-time derivatives gains at DL from rapid financial market fluctuations in March.

## 2. <Shareholder Returns>

### Dividends per share to be ¥62, a ¥4 increase YoY

- As group adjusted profit account for one-time valuation gains due to market fluctuations, actual profit level is considered to be around ¥250 billion. Based on a total payout ratio of 40%, total payout to shareholders is estimated at around ¥100 billion.
- Dividends to be ¥62 per share (total of ¥70 billion) for the fiscal year ended March 31, 2020, as initially planned
- Potential share buyback of ¥30 billion withheld until the impact of the COVID-19 crisis is carefully assessed. To be determined by the end of current calendar year.

## 3. <Annual Forecast>

### Financial forecast withheld due to uncertainties, but expecting ¥62 per share dividends

- Our financial forecast for the fiscal year ending March 2021 is withheld at this time. To be disclosed by the end of this calendar year as the impact of the COVID-19 crisis becomes more evident.
- KPI (group adjusted profit and value of new business) targets for the final year of the medium term management plan “CONNECT 2020” is also withheld.
- Shareholder dividends for the fiscal year ending March 31, 2021 are expected to be ¥62 per share, maintaining the previous fiscal year dividends level.

# Highlights (Sales Performance)

- New business ANP decreased due to suspension of business owners insurance sales and low overseas interest rates, more than offsetting solid sales of third-sector products at DL and NFL, and large-scale group insurance deal at TAL.
- Value of new business decreased by 24% due to suspension of sales of certain products, lower interest rates, and factors specific to DFL despite favorable factors including an increase in third sector products at DL.

## New Business ANP and VNB

\*BOI stands for "Business Owners Insurance"

|                  | DL  | DFL                    | NFL   | Overseas Life Total                   | Group Total  |
|------------------|---|------------------------|---|---------------------------------------|--|
| New Business ANP | ¥89.6bn<br>(-6% YoY)<br>Excl. BOI* +6% <sup>(1)</sup> | ¥119.8bn<br>(-42% YoY) | ¥10.9bn<br>(-91% YoY)<br>Excl. BOI* +68% <sup>(1)</sup> | ¥131.2bn<br>(+62% YoY) <sup>(2)</sup> | ¥351.6bn<br>(-28% YoY) <sup>(2)</sup><br>Excl. BOI* -6% <sup>(1) (2)</sup> |

(¥ in billions)

Favorable impact from third-sector products under low interest rates

Technical factors involving spread expansion

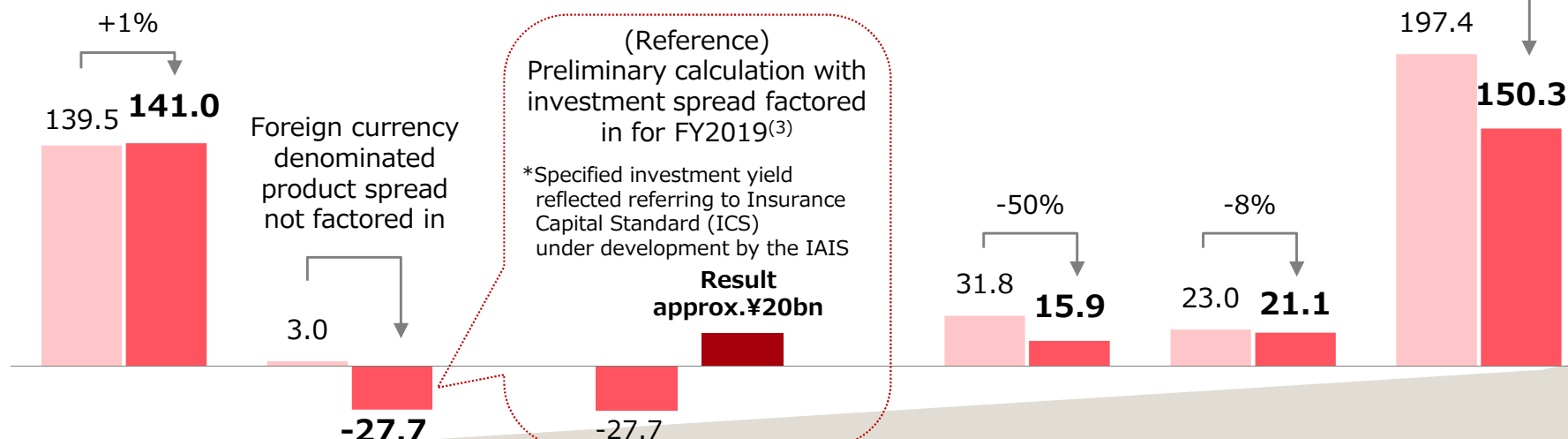
Significant increase excluding BOI

Large-scale deal at TAL

Value of New Business

Mar. 2019

Mar. 2020

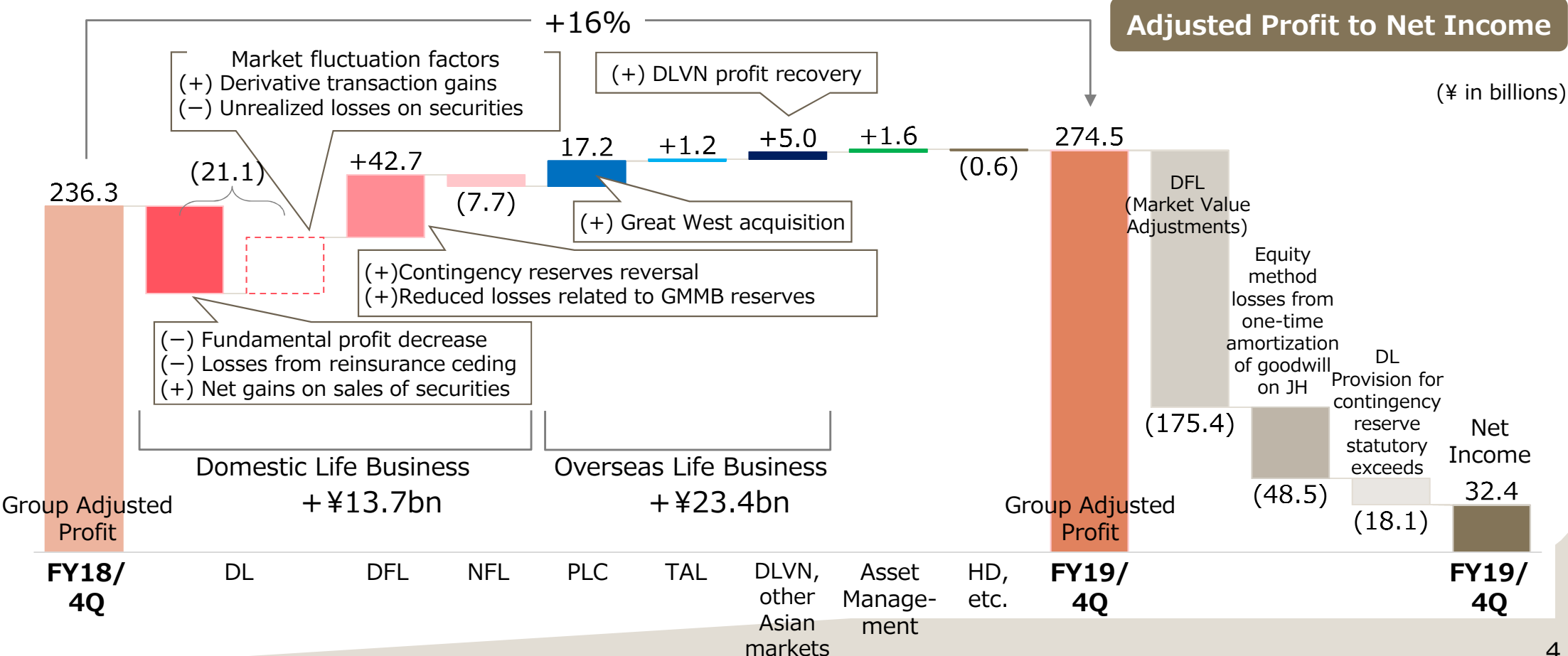


(1) Excludes sales of business owners insurance suspended in February 2019. Sales were resumed at the DL dedicated channel from August and at the Agency channel from September 2019. 3  
(2) Year-on-year comparison excluding foreign exchange rate impact. (3) Preliminary calculation without verification by actuary firm.

# Highlights (Consolidated Profit)

- Group adjusted profit increased significantly due to substantial increase at DFL as well as overseas life business driven by PLC and DLVN, in addition to one-time derivative transaction gains and net gains on sales of securities at DL, offset the decrease in fundamental profit and losses from strategic risk reduction by reinsurance ceding of closed blocks of business (policy reserves totaling ¥200 billion) at DL.
- Net income decreased due to valuation losses on market value adjustments (MVA) at DFL and losses from one-time amortization of goodwill on Janus Henderson.

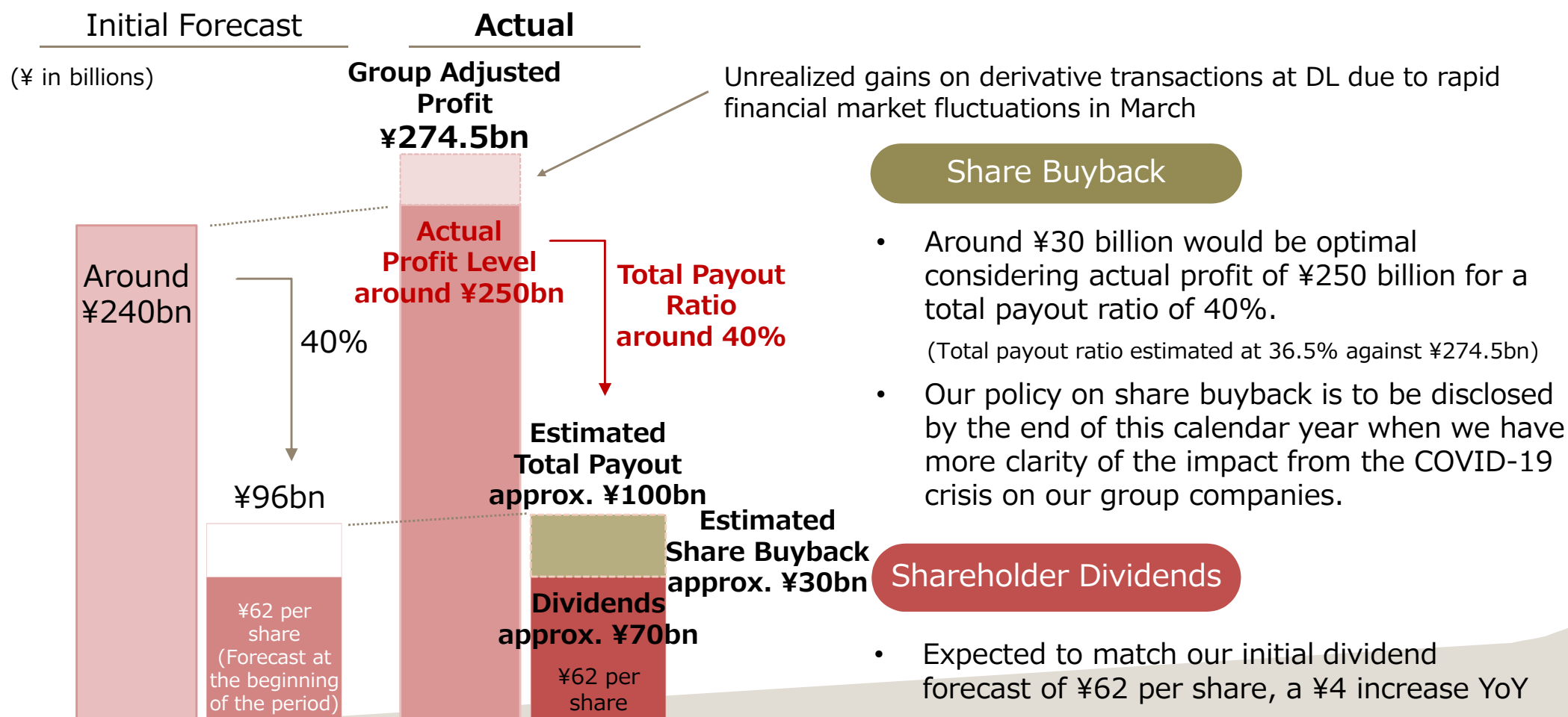
## Factors Affecting Group Adjusted Profit



# Shareholder Returns for Fiscal Year Ended March 31, 2020

- To match our initial dividend forecast of ¥62 per share, share buyback of around ¥30 billion would be optimal considering actual profit of ¥250 billion at a total payout ratio of 40%.
- We will disclose our policy on share buyback by the end of this calendar year as the impact of the COVID-19 crisis on our group companies becomes more evident.

## Group Adjusted Profit and Shareholder Returns



# Group Earnings Forecast – Fiscal Year Ending March 31, 2021

- Currently, unable to reasonably assess the impact of the COVID-19 crisis on our life insurance sales activities, payments of insurance claims and investment returns.
- Shareholder dividends for the fiscal year ending March 31, 2021 are expected to be ¥62 per share, maintaining the previous fiscal year dividends level. Earnings forecast to be disclosed by the end of this calendar year as the impact of the COVID-19 crisis becomes more evident.

(¥ in billions unless otherwise noted)

|                                    | Year ended<br>Mar-20 | Year ending<br>Mar-21  | Change   |
|------------------------------------|----------------------|--|----------|
| <b>Ordinary revenues</b>           | <b>7,114.0</b>       | We expect to disclose our annual forecast upon completion of the revised planning by the end of this calendar year |          |
| Dai-ichi Life                      | 3,680.6              |  |          |
| Dai-ichi Frontier Life             | 2,065.0              |  |          |
| Protective Life (US\$ in millions) | 12,744               |  |          |
| TAL (AU\$ in millions)             | 5,808                |  |          |
| <b>Ordinary profit</b>             | <b>218.3</b>         |  |          |
| Dai-ichi Life                      | 290.6                |  |          |
| Dai-ichi Frontier Life             | (94.4)               |  |          |
| Protective Life (US\$ in millions) | 577                  |  |          |
| TAL (AU\$ in millions)             | 207                  |  |          |
| <b>Net income<sup>(1)</sup></b>    | <b>32.4</b>          |  |          |
| Dai-ichi Life                      | 128.6                |  |          |
| Dai-ichi Frontier Life             | (100.0)              |  |          |
| Protective Life (US\$ in millions) | 463                  |  |          |
| TAL (AU\$ in millions)             | 154                  |  |          |
| <b>Dividends per share (¥)</b>     | <b>62</b>            | <b>62</b>  | <b>-</b> |
| <b>Group Adjusted Profit</b>       | <b>274.5</b>         |  |          |

## Uncertainties

### Regarding Group Companies

- State of emergency declarations, city lockdowns, and the impact of decline in economic activity on our life insurance sales activities
- COVID-19 effect on payments on insurance claims
- Effect on investment and loan counterparties from sudden changes in global financial markets or decline in economic activity due to COVID-19

(Reference) Fundamental Profit

|                     |       |  |
|---------------------|-------|--|
| Dai-ichi Life Group | 534.9 |  |
| Dai-ichi Life       | 422.1 |  |

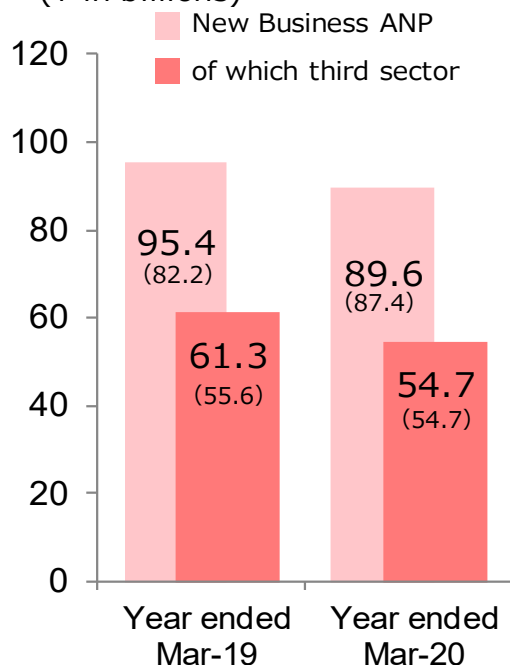
(1) Figures of "Net income" represent those of "Net income attributable to shareholders of parent company."

# Domestic Life Insurance Business: Dai-ichi Life

- New business ANP decreased (increased without accounting for sales of business owners insurance), but income support insurance sales were steady.
- Net income and adjusted profit down due to a decrease in fundamental profit and loss from strategic risk reduction by reinsurance ceding, partially offset by realized gains from sale of securities and one-time derivative gains.

## New Business ANP

(¥ in billions)



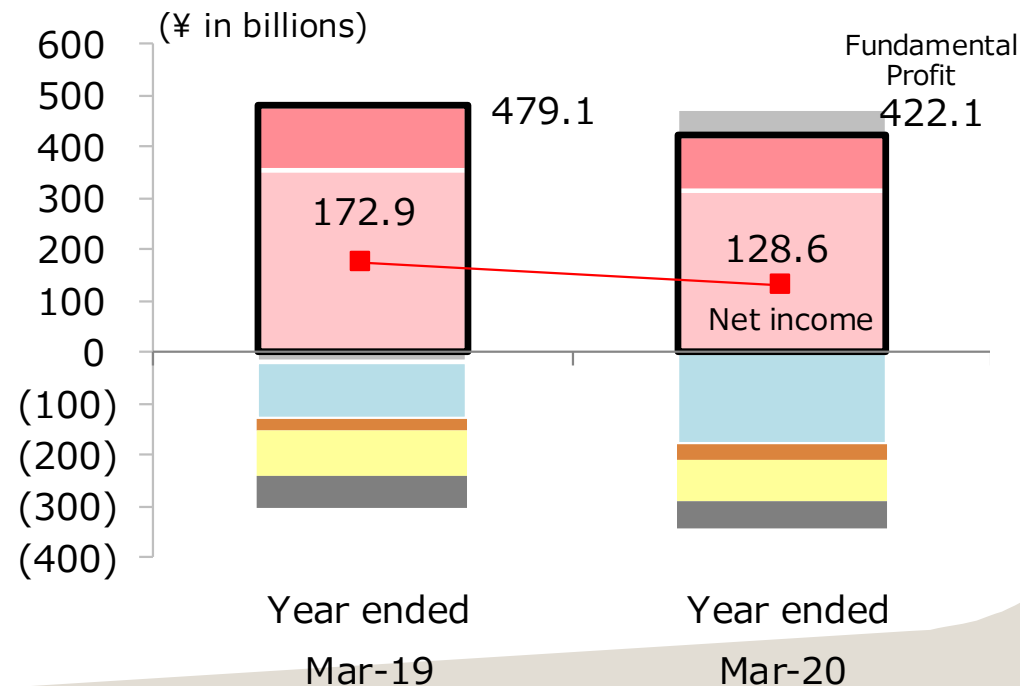
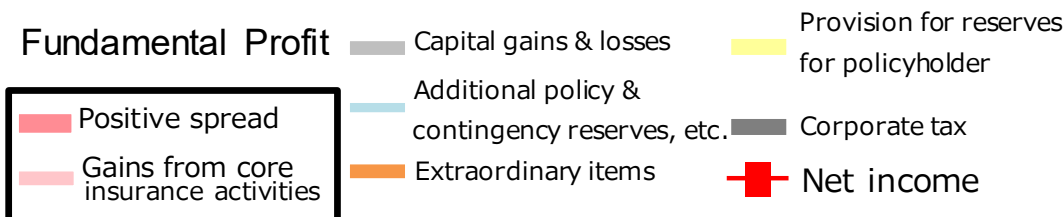
## In-force Policies ANP

(¥ in trillions)



## Fundamental Profit and Net Income

### Fundamental Profit



Figures in brackets exclude business owner insurance <sup>(1)</sup>

|                 | Year ended Mar-19 | Year ended Mar-20 | Change |
|-----------------|-------------------|-------------------|--------|
| Net Income      | 172.9             | 128.6             | (44.2) |
| Adjusted Profit | 171.4             | 150.2             | (21.1) |

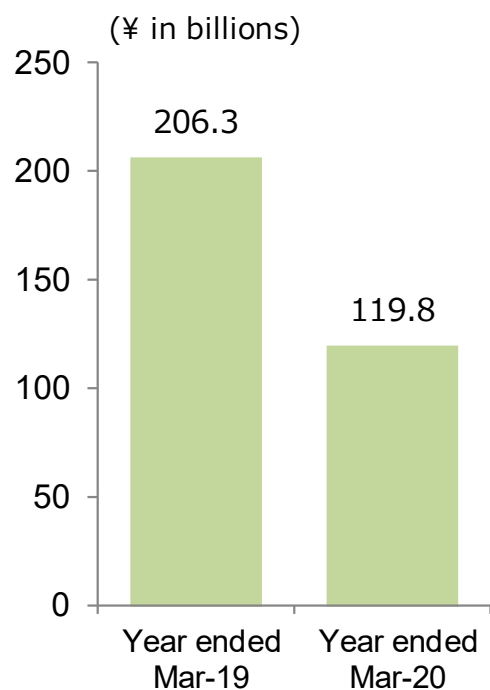
(1) Excluding sales of business owners insurance suspended in Feb. 2019. Sales were resumed at the DL dedicated channel from August and at the Agency channel from September 2019.



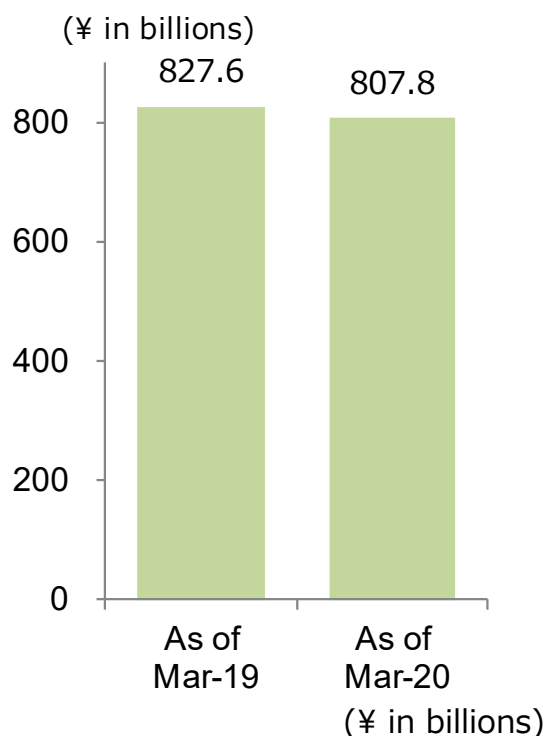
# Domestic Life Insurance Business: Dai-ichi Frontier Life

- New business ANP significantly decreased after a particularly strong previous period for sales of foreign-currency-denominated products due to a fall in overseas interest rates.
- Net loss due to a significant deterioration in valuation losses from market value adjustments (MVA), while adjusted profit significantly increased due to reversal of contingency reserves on matured variable annuities.

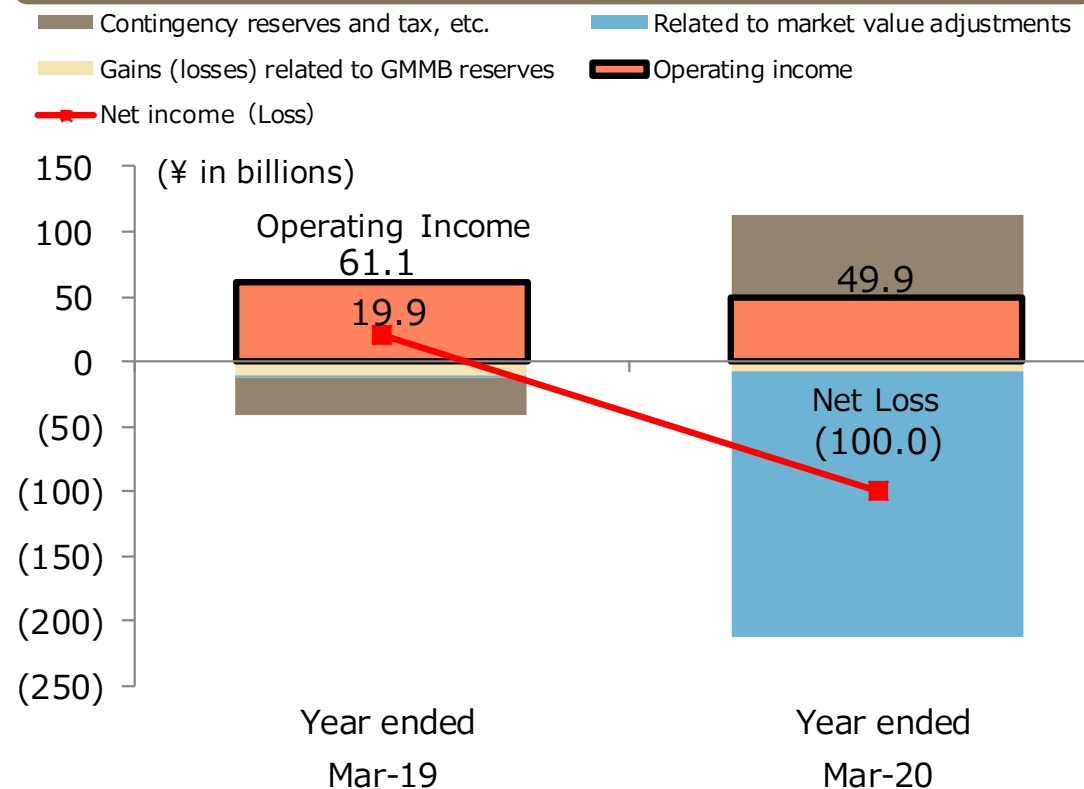
## New Business ANP



## In-force Policies ANP



## Operating Income and Net Income (Loss)



|                   | Year ended Mar-19 | Year ended Mar-20 | Change  |
|-------------------|-------------------|-------------------|---------|
| Net Income (Loss) | 19.9              | (100.0)           | (120.0) |
| Adjusted Profit   | 20.7              | 63.4              | +42.7   |

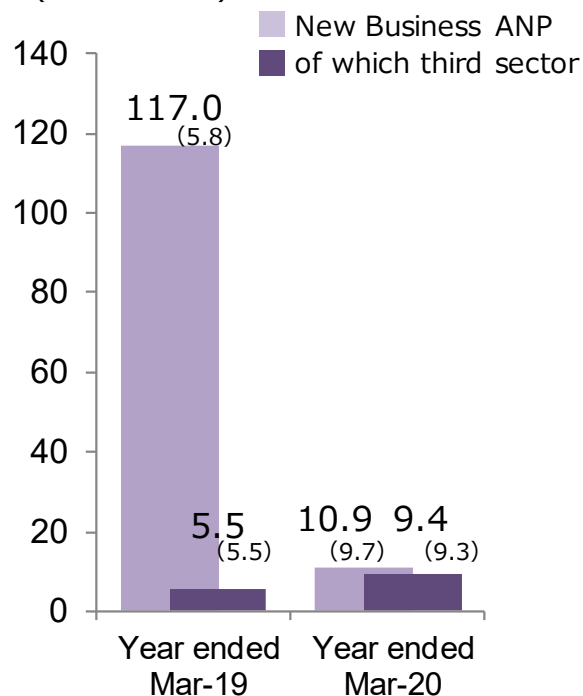
Note: Operating income is an internal KPI that represents basic profitability by excluding gains (losses) related to guaranteed minimum maturity benefits (GMMB) reserves and gains (losses) related to MVA and provision for contingency reserves, etc. from net income.

# Domestic Life Insurance Business: Neo First Life

- New business ANP decreased significantly due to suspension of business owners insurance sales. Flagship third sector medical insurance products maintained favorable sales, in-force ANP on a stable upward trend.
- Adjusted profit and net income down but primarily due to higher operating costs associated with favorable sales expansion of medical products.

## New Business ANP

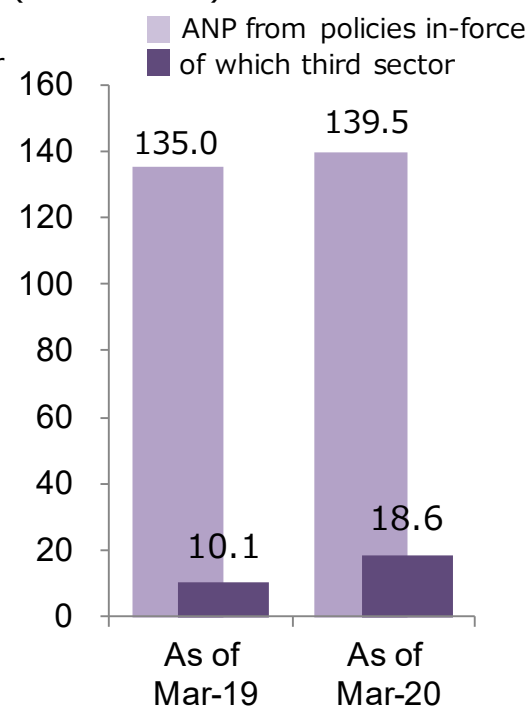
(¥ in billions)



Figures in brackets exclude business owner insurance <sup>(1)</sup>

## In-force Policies ANP

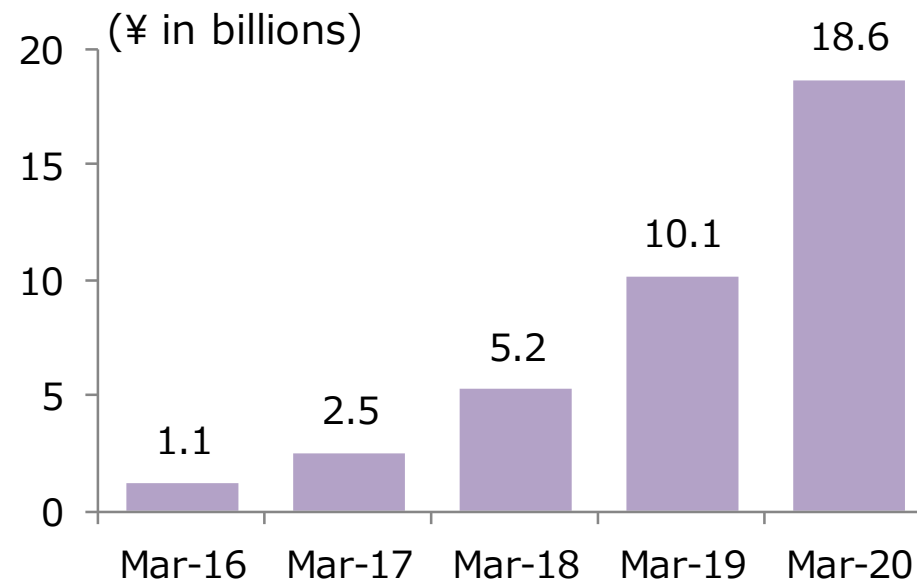
(¥ in billions)



(¥ in billions)

## In-force Policies Third Sector ANP

(¥ in billions)



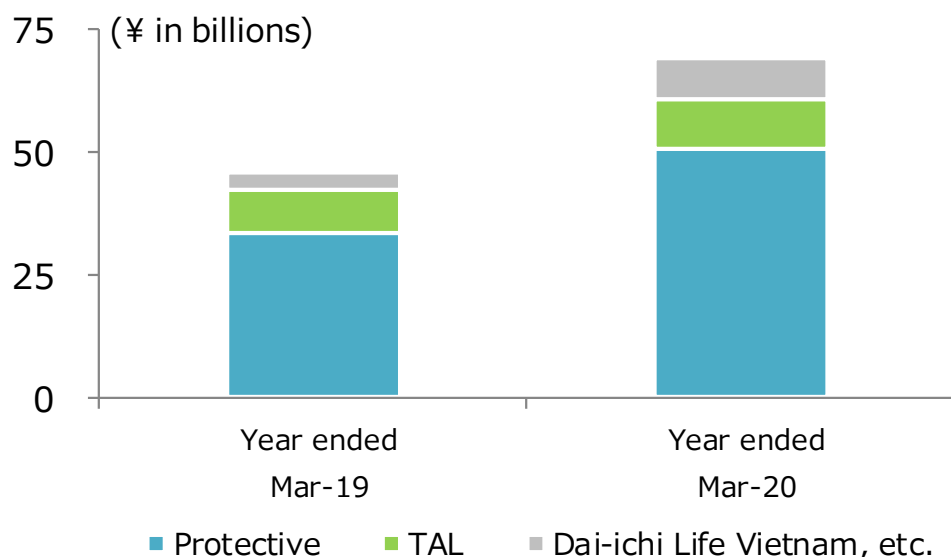
|                 | Year ended Mar-19 | Year ended Mar-20 | Change |
|-----------------|-------------------|-------------------|--------|
| Net income      | (8.5)             | (16.3)            | (7.7)  |
| Adjusted Profit | (8.5)             | (16.3)            | (7.7)  |

(1) On Feb.2019 sales of business owners insurance were suspended. Sales were resumed at the DL dedicated channel from August and at the Agency channel from September 2019.

# Overseas Life Insurance and Asset Management Businesses

- Overseas life business up significantly due to the impact of in-force block acquisitions at PLC, favorable performance of DLVN and the impact of the Asteron Life acquisition at TAL.
- Asset management business up due to JH equity-method affiliate gains accounted for from the second quarter of the previous fiscal year.

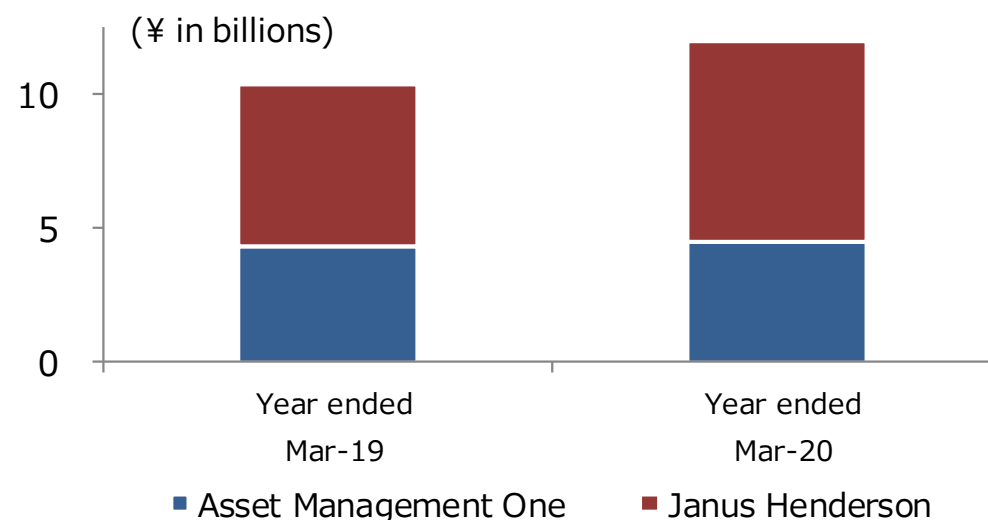
## Net Income from Overseas Life Insurance Business



(¥ in billions)

|   | Year ended Mar-19 | Year ended Mar-20 | Change       |
|---|-------------------|-------------------|--------------|
| Protective                              | 33.5              | 50.7              | +17.2        |
| TAL                                     | 8.7               | 10.2              | +1.4         |
| Dai-ichi Life Vietnam, etc.             | 3.5               | 8.5               | +5.0         |
| <b>Overseas Life Insurance Business</b> | <b>45.8</b>       | <b>69.5</b>       | <b>+23.6</b> |

## Net Income from Asset Management Business



(¥ in billions)

|                                  | Year ended Mar-19 | Year ended Mar-20 | Change      |
|----------------------------------|-------------------|-------------------|-------------|
| Asset Management One             | 4.3               | 4.5               | +0.1        |
| Janus Henderson                  | 6.1               | 7.5               | +1.4        |
| <b>Asset Management Business</b> | <b>10.4</b>       | <b>12.0</b>       | <b>+1.6</b> |

# Overseas Life Insurance Business: Protective Life Corporation<sup>(1)</sup>

- Profit increased due to the impact of large scale acquisitions of in-force blocks of business.

## Life Marketing

- The decrease was primarily due to an increase in amortization of deferred acquisition costs under low interest rates.

## Acquisitions

- The increase was primarily due to the additions of the Liberty and Great West reinsurance transactions.

## Annuities

- The increase was primarily due to higher variable annuities account values, partially offset by lower fixed annuities income.

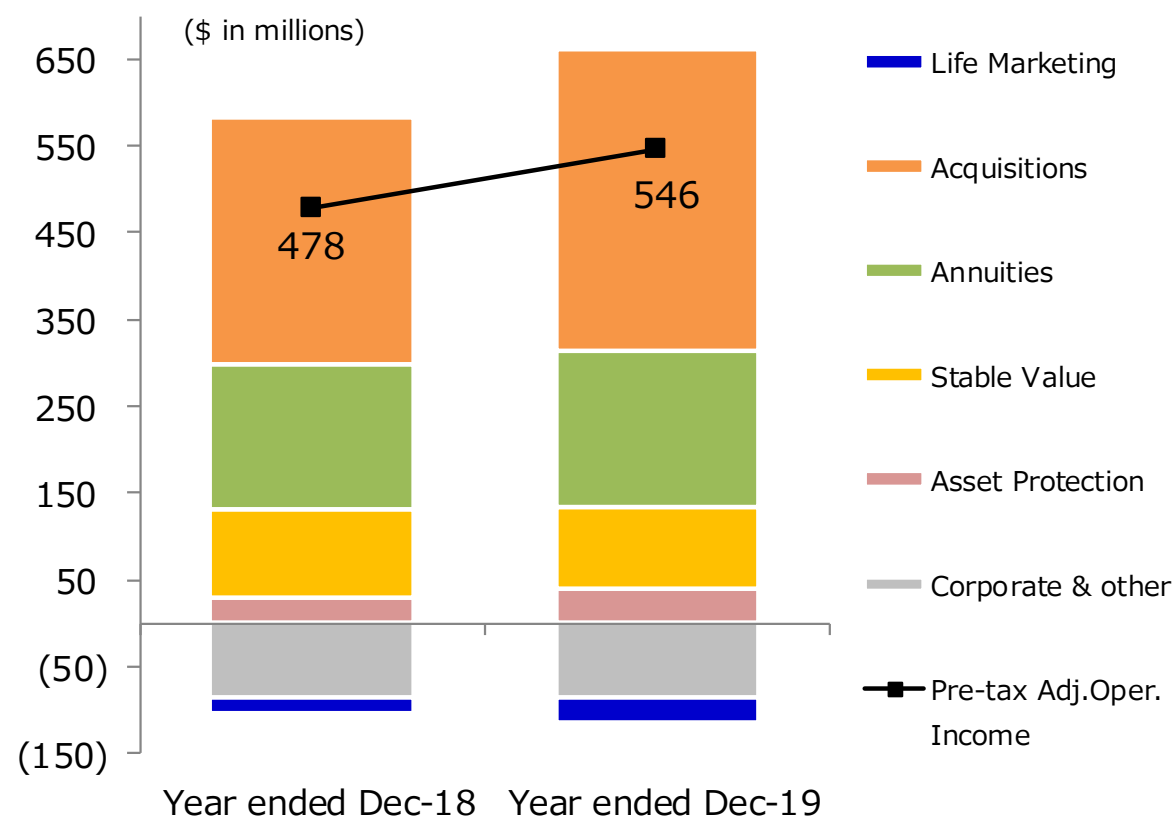
## Stable Value

- The decrease was primarily resulted from lower interest spreads.

## Asset Protection

- The increase was primarily due to lower loss ratios and higher service contracts earnings.

## Segment Pre-tax Adjusted Operating Income <sup>(2)</sup>



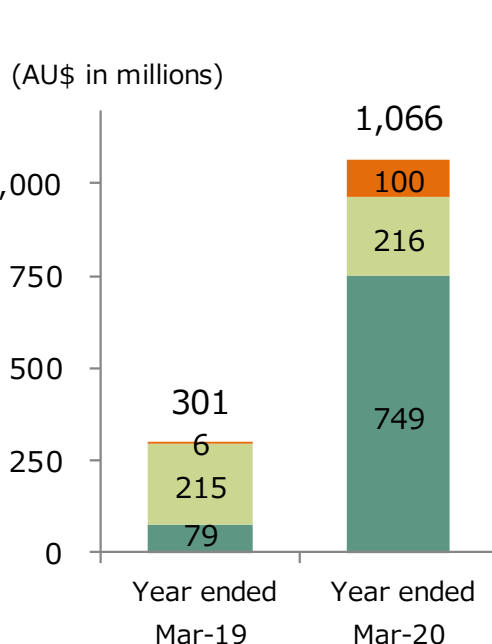
|                                    | Year ended<br>Dec-18 | Year ended<br>Dec-19 | Change |
|------------------------------------|----------------------|----------------------|--------|
| Net income (¥ in billions)         | 33.5                 | 50.7                 | +17.2  |
| Adjusted Profit<br>(¥ in billions) | 33.5                 | 50.7                 | +17.2  |

- (1) Protective's fiscal year ends on December 31.  
 (2) Pre-tax adjusted operating income is income before income tax, excluding realized gains and losses on investments and derivatives etc.

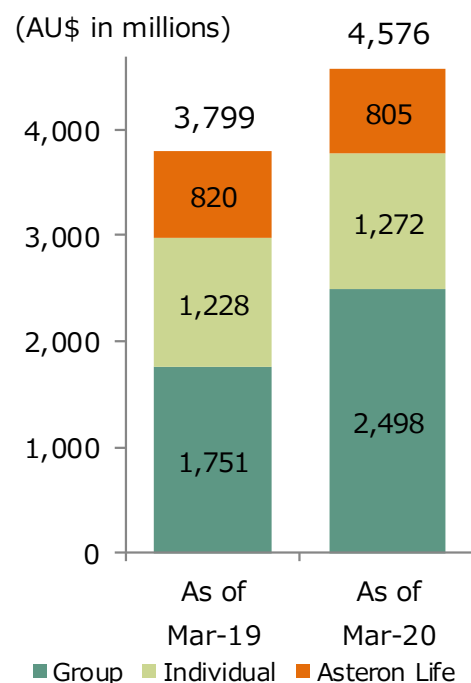
# Overseas Life Insurance Business: TAL<sup>(1)</sup>

- New business ANP and in-force ANP increased significantly due to a large scale group insurance deal.
- Net income increased due to favorable impact of the Asteron Life acquisition more than offset an increase in claims payment due to legislative changes.

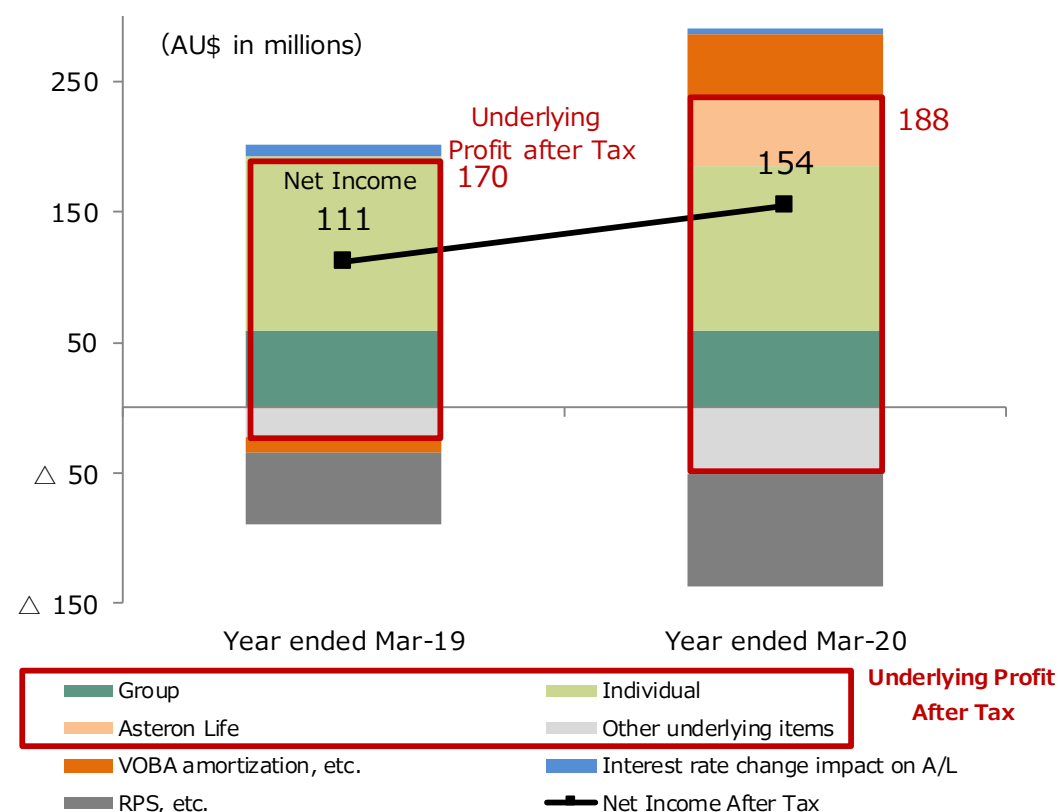
## New Business ANP



## In-force Policies ANP



## Breakdown of Net Income After Tax



|                                 | Year ended Mar-19 | Year ended Mar-20 | Change |
|---------------------------------|-------------------|-------------------|--------|
| Net Income (¥ in billions)      | 8.7               | 10.2              | +1.4   |
| Adjusted Profit (¥ in billions) | 9.8               | 11.0              | +1.2   |

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



# Group European Embedded Value (EEV)

# EEV – European Embedded Value – 1

- Group EEV decreased due to deterioration in unrealized gains on securities at DL and lower valuation due to technical factors involving expansion of corporate bond spread at DFL.
- Group value of new business decreased due to the impact of the suspension of business owners insurance sales and the impact at DFL described above.

## Dai-ichi Life Group

(¥ in billions)

|  | As of<br>Mar-19 | As of<br>Mar-20 | Change  |
|--|-----------------|-----------------|---------|
| EEV of the Group   | 5,936.5         | 5,621.9         | (314.5) |
| EEV for Covered Businesses <sup>(1)</sup>                    | 6,128.7         | 5,761.3         | (367.4) |
| Adjusted net worth   | 7,127.8         | 6,629.3         | (498.4) |
| Value of in-force business                                   | (999.1)         | (868.0)         | +131.0  |
| Adjustments related to non-covered businesses <sup>(2)</sup> | (192.2)         | (139.3)         | +52.8   |

|                                     | Year ended<br>Mar-19 | Year ended<br>Mar-20 | Change    |
|-------------------------------------|----------------------|----------------------|-----------|
| Value of new business (A)           | 197.4                | 150.3                | (47.1)    |
| Present value of premium income (B) | 5,219.8              | 4,524.7              | (695.0)   |
| New business margin (A/B)           | 3.78%                | 3.32%                | (0.46)pts |

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

(2) "Adjustments relating to net worth of non-covered businesses" include net worth (as of Mar-19: ¥1,257.1 billion, Mar-20: ¥1,250.2 billion) of non-consolidated Dai-ichi Life Holdings, adjustments related to interest (as of Mar-19: minus ¥1,466.6 billion, Mar-20: minus ¥1,446.2 billion) in six subsidiaries of Dai-ichi Life Holdings that are engaged in the insurance business, and fair value adjustments to assets and liabilities of Dai-ichi Life Holdings.

# EEV – European Embedded Value – 2

## Domestic Group Companies

| (¥ in billions)  |               |               |                | (¥ in billions)  |                   |                   |           |
|--|---------------|---------------|----------------|--|-------------------|-------------------|-----------|
| Dai-ichi Life  | As of Mar-19  | As of Mar-20  | Change         |  | Year ended Mar-19 | Year ended Mar-20 | Change    |
| EEV  | 4,550.5       | 4,296.4       | (254.0)        | Value of new business  | 139.5             | 141.0             | +1.5      |
| Adjusted net worth   | 6,059.0       | 5,631.0       | (427.9)        | Present value of premium income  | 1,888.2           | 2,061.4           | +173.1    |
| Value of in-force business   | (1,508.5)     | (1,334.6)     | +173.9         | New business margin  | 7.39%             | 6.84%             | (0.55)pts |
| (¥ in billions)  |               |               |                | (¥ in billions)  |                   |                   |           |
| Dai-ichi Frontier Life   | As of Mar-19  | As of Mar-20  | Change         |  | Year ended Mar-19 | Year ended Mar-20 | Change    |
| EEV  | 416.8         | 191.2         | (225.6)        | Value of new business  | 3.0               | (27.7)            | (30.8)    |
| Adjusted net worth   | 429.4         | 378.2         | (51.1)         | Present value of premium income  | 1,773.4           | 1,166.1           | (607.2)   |
| Value of in-force business   | (12.6)        | (187.0)       | (174.4)        | New business margin  | 0.17%             | (2.38%)           | (2.55)pts |
| Preliminary calculation with specified investment yield reflected in EEV (*) | approx. 520.0 | approx. 470.0 | approx. (60.0) | Preliminary calculation with specified investment yield reflected in value of new business (*) | -                 | approx. 20.0      | -         |
| (¥ in billions)  |               |               |                | (¥ in billions)  |                   |                   |           |
| Neo First Life   | As of Mar-19  | As of Mar-20  | Change         |  | Year ended Mar-19 | Year ended Mar-20 | Change    |
| EEV  | 93.7          | 114.7         | +20.9          | Value of new business  | 31.8              | 15.9              | (15.9)    |
| Adjusted net worth   | 20.7          | 4.5           | (16.2)         | Present value of premium income  | 649.3             | 156.1             | (493.2)   |
| Value of in-force business   | 73.0          | 110.2         | +37.1          | New business margin  | 4.90%             | 10.19%            | + 5.29pts |
|  |               |               |                | Value of new business (ultimate unit cost base)  | 32.4              | 21.0              | (11.4)    |
|  |               |               |                | New business margin (ultimate unit cost base)  | 5.00%             | 13.46%            | + 8.46pts |

(\*) Regarding Dai-ichi Frontier Life figures, referring to Insurance Capital Standard (ICS) under development by the International Association of Insurance Supervisors (IAIS), preliminary calculation with specified investment yield reflected is shown.  
Figures may change, depending on verification by actuary firm.



# EEV – European Embedded Value – 3

## Overseas Group Companies

(¥ in billions)

| Protective                 | As of<br>Dec-18 | As of<br>Dec-19 | Change |
|----------------------------|-----------------|-----------------|--------|
| EEV                        | 662.7           | 765.3           | +102.5 |
| Adjusted net worth         | 424.1           | 410.4           | (13.6) |
| Value of in-force business | 238.6           | 354.9           | +116.2 |
| Exchange rate (¥/US\$)     | 111.00          | 109.56          |        |

(¥ in billions)

| TAL                        | As of<br>Mar-19 | As of<br>Mar-20 | Change |
|----------------------------|-----------------|-----------------|--------|
| EEV                        | 339.9           | 317.2           | (22.6) |
| Adjusted net worth         | 175.9           | 178.8           | +2.9   |
| Value of in-force business | 164.0           | 138.4           | (25.5) |
| Exchange rate (¥/AU\$)     | 78.64           | 66.09           |        |

(¥ in billions)

| Dai-ichi Life Vietnam      | As of<br>Dec-18 | As of<br>Dec-19 | Change |
|----------------------------|-----------------|-----------------|--------|
| EEV                        | 85.3            | 94.4            | +9.0   |
| Adjusted net worth         | 39.0            | 44.3            | +5.3   |
| Value of in-force business | 46.3            | 50.0            | +3.7   |
| Exchange rate (¥/VND)      | 0.0048          | 0.0047          |        |

(¥ in billions)

|                                 | Year ended<br>Dec-18 | Year ended<br>Dec-19 | Change    |
|---------------------------------|----------------------|----------------------|-----------|
| Value of new business           | 3.5                  | (3.8)                | (7.4)     |
| Present value of premium income | 599.7                | 625.8                | +26.1     |
| New business margin             | 0.59%                | (0.62%)              | (1.21)pts |
| Exchange rate (¥/US\$)          | 111.00               | 109.56               |           |

(¥ in billions)

|                                 | Year ended<br>Mar-19 | Year ended<br>Mar-20 | Change    |
|---------------------------------|----------------------|----------------------|-----------|
| Value of new business           | 10.8                 | 15.0                 | +4.1      |
| Present value of premium income | 207.0                | 565.3                | +358.2    |
| New business margin             | 5.24%                | 2.65%                | (2.59)pts |
| Exchange rate (¥/AU\$)          | 78.64                | 66.09                |           |

(¥ in billions)

|                                 | Year ended<br>Dec-18 | Year ended<br>Dec-19 | Change    |
|---------------------------------|----------------------|----------------------|-----------|
| Value of new business           | 8.7                  | 10.0                 | +1.3      |
| Present value of premium income | 102.0                | 94.8                 | (7.2)     |
| New business margin             | 8.54%                | 10.57%               | + 2.02pts |
| Exchange rate (¥/VND)           | 0.0048               | 0.0047               |           |

# EEV Sensitivity Analysis (as of Mar-2020)

## Dai-ichi Life Group

(¥ in billions, upper: change in value, lower: percentage to EEV)

| Assumptions   | Sensitivities   | EEV for covered business |                       |                               | Adjustments to net worth<br>etc. of non-covered<br>businesses | Value of<br>New<br>Business |
|---|-----------------|--------------------------|-----------------------|-------------------------------|---|-----------------------------|
|   |                 |                          | Adjusted<br>net worth | Value of in-force<br>business |   |                             |
| 50bp upward parallel shift in risk-free yield curve   | 420.0<br>7%     | 413.6<br>7%              | (1,510.8)<br>(27%)    | 1,924.5<br>34%                | 6.3<br>0%   | 11.4<br>8%                  |
| 50bp downward parallel shift in risk-free yield curve | (521.3)<br>(9%) | (514.7)<br>(9%)          | 1,688.9<br>30%        | (2,203.7)<br>(39%)            | (6.5)<br>(0%)   | (14.7)<br>(10%)             |
| 10% decline in equity and real estate values          | (394.2)<br>(7%) | (379.2)<br>(7%)          | (357.3)<br>(6%)       | (21.8)<br>(0%)                | (15.0)<br>(0%)  | 0.0<br>0%                   |
| Dai-ichi Life Group EEV                               | 5,621.9         | 5,761.3                  |                       |                               | (139.3)   | 150.3                       |

## Dai-ichi Life

(¥ in billions, upper: change in value, lower: percentage to EEV)

| Assumptions   | Sensitivities    |                    |                               | Value of<br>New<br>Business |
|---|------------------|--------------------|-------------------------------|-----------------------------|
|   |                  | Adjusted net worth | Value of in-force<br>business |                             |
| 50bp upward parallel shift in risk-free yield curve   | 395.6<br>9%      | (1,329.5)<br>(31%) | 1,725.1<br>40%                | 9.4<br>7%                   |
| 50bp downward parallel shift in risk-free yield curve | (482.9)<br>(11%) | 1,494.9<br>35%     | (1,977.8)<br>(46%)            | (12.8)<br>(9%)              |
| 10% decline in equity and real estate values          | (367.2)<br>(9%)  | (369.0)<br>(9%)    | 1.7<br>0%                     | 0.1<br>0%                   |
| Dai-ichi Life EEV                                     | 4,296.4          |                    |                               | 141.0                       |

# EEV of Dai-ichi Life Group after reclassification

Reclassification of EEV from ALM point of view

## EEV of the Group

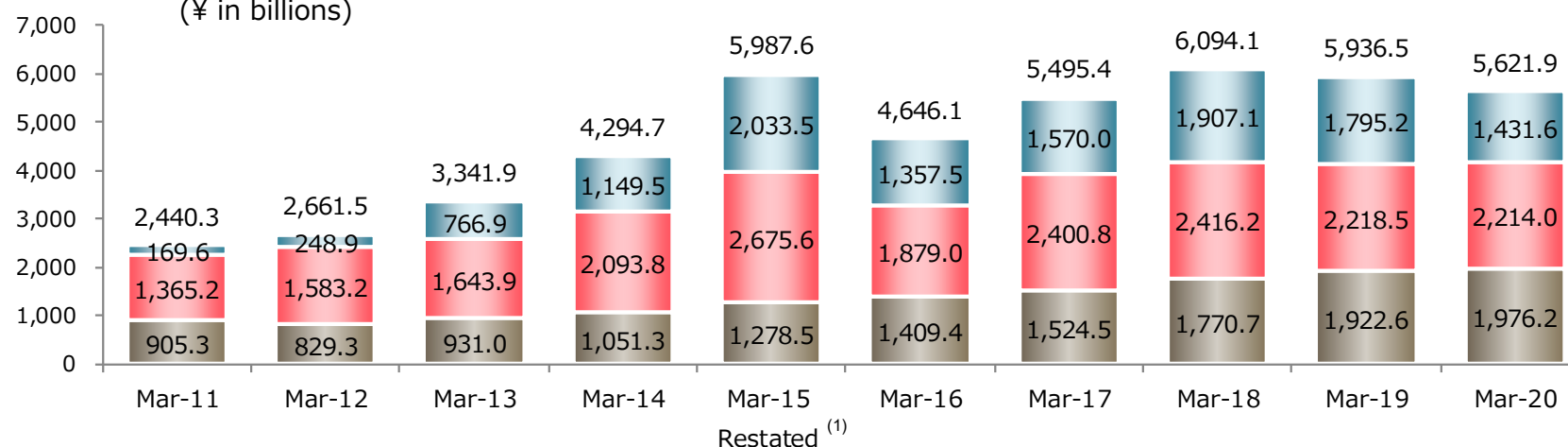
(¥ in billions)

|   | As of<br>Mar-19 | As of<br>Mar-20 | Change  |
|---|-----------------|-----------------|---------|
| Group EEV                                       | 5,936.5         | 5,621.9         | (314.5) |
| Covered Businesses                              | 6,128.7         | 5,761.3         | (367.4) |
| Adjusted net worth                              | 7,127.8         | 6,629.3         | (498.4) |
| Value of in-force business                      | (999.1)         | (868.0)         | +131.0  |
| Adjustment related<br>to non-covered businesses | (192.2)         | (139.3)         | +52.8   |

|   | As of<br>Mar-19 | As of<br>Mar-20 |
|---|-----------------|-----------------|
| Group EEV   | 5,936.5         | 5,621.9         |
| Unrealized gains on other assets <sup>(2)</sup>                         | 1,795.2         | 1,431.6         |
| VIF plus unrealized gains on<br>yen-denominated fixed income            | 2,218.5         | 2,214.0         |
| Net worth, etc.<br>plus retained earnings in liabilities <sup>(4)</sup> | 1,922.6         | 1,976.2         |

## EEV of Dai-ichi Life Group after reclassification

(¥ in billions)



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

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

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

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

- (1) EEV of Dai-ichi Life Group as of Mar-15 is restated using the ultimate forward rate.
- (2) Dai-ichi Life's unrealized gains excluding those on yen-denominated fixed income assets (i.e. stocks, foreign bonds (excluding hedged bonds) and real estate etc.).
- (3) VIF of the Group plus unrealized gains on Dai-ichi Life's yen-denominated fixed assets as well as Dai-ichi Frontier Life's and Neo First Life's assets etc. (after some adjustments). This item is mainly affected by interests rates thus the amount changes in VIF and unrealized gains on yen-denominated fixed income assets etc. based on changes in interest rate levels offset each other.
- (4) The sum of adjusted net worth of EEV for covered businesses and adjustments relating to net worth of non-covered businesses excluding unrealized gains.



# Appendix

# KPIs of the Medium Term Management Plan “CONNECT 2020”

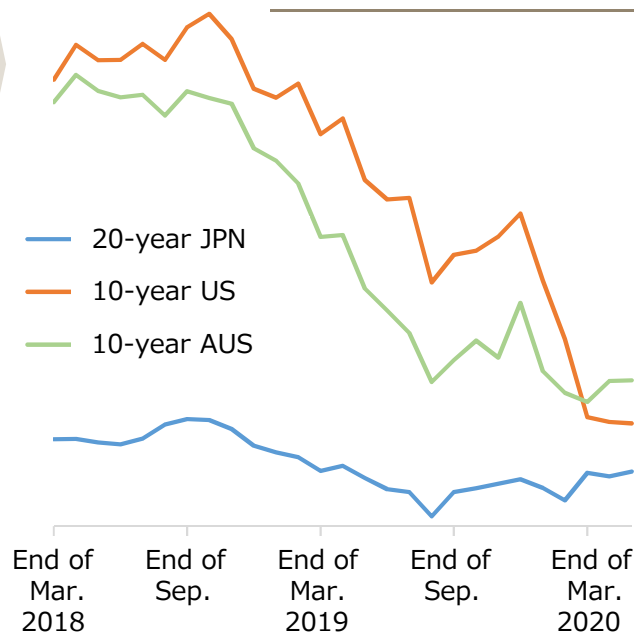
## Mid- to Long-term Objectives

|                               |                    |  |
|-------------------------------|--------------------|--|
| Group Objectives<br>(KPI)     | Accounting Basis   | Adjusted Profit<br>FY2020<br><b>¥250bn</b>         |
|                               | Future Profits     | Value of New Business<br>FY2020<br><b>¥230bn</b>   |
| Mid- to Long-term<br>Prospect | Capital Efficiency | ROEV<br><b>Avg. 8% Growth</b>                      |
|                               | Soundness          | Economic Solvency Ratio (ESR)<br><b>170 - 200%</b> |

## Current Environment

- ✓ Uncertainties concerning the long-term impact from the COVID-19 crisis
- Increase insurance payments
  - Decrease in new business due to restrictions on sales activities or global economic slowdown
  - Deterioration in investment gains

Interest Rates



## Objectives for final year of “CONNECT” 2020 FY2020

► Withheld at this time  
To be disclosed by the end of this calendar year

► Continue implementation of initiatives to secure our prospected level

# Overview of Group Financial Results - Consolidated Financial Results Highlights

■ Annual forecast for net income and group adjusted profit remains unchanged.

(¥ in billions unless otherwise noted)

|  | Year ended<br>Mar-19 | Year ended<br>Mar-20 (a) | Change         |              | Forecast for<br>year ending<br>Mar-21 (b) | (a/b)       |
|--|----------------------|--------------------------|----------------|--------------|---|-------------|
| <b>Ordinary revenues</b>               | <b>7,184.0</b>       | <b>7,114.0</b>           | <b>(69.9)</b>  | <b>(1%)</b>  | <b>7,114.0</b>                            | <b>100%</b> |
| Dai-ichi Life                          | 3,739.5              | 3,680.6                  | (58.9)         | (2%)         |   |             |
| Dai-ichi Frontier Life                 | 2,036.9              | 2,065.0                  | + 28.0         | + 1%         |   |             |
| Protective Life (US\$ in millions) (1) | 8,717                | 12,744                   | + 4,027        | + 46%        |   |             |
| TAL (AU\$ in millions) (1)             | 3,917                | 5,808                    | + 1,891        | + 48%        |   |             |
| <b>Ordinary profit</b>                 | <b>432.9</b>         | <b>218.3</b>             | <b>(214.5)</b> | <b>(50%)</b> | <b>218.0</b>                              | <b>100%</b> |
| Dai-ichi Life                          | 346.6                | 290.6                    | (55.9)         | (16%)        |   |             |
| Dai-ichi Frontier Life                 | 39.1                 | (94.4)                   | (133.6)        | --           |   |             |
| Protective Life (US\$ in millions)     | 383                  | 577                      | + 193          | + 50%        |   |             |
| TAL (AU\$ in millions)                 | 153                  | 207                      | + 53           | + 35%        |   |             |
| <b>Net income <sup>(2)</sup></b>       | <b>225.0</b>         | <b>32.4</b>              | <b>(192.6)</b> | <b>(86%)</b> | <b>32.0</b>                               | <b>101%</b> |
| Dai-ichi Life                          | 172.9                | 128.6                    | (44.2)         | (26%)        |   |             |
| Dai-ichi Frontier Life                 | 19.9                 | (100.0)                  | (120.0)        | --           |   |             |
| Protective Life (US\$ in millions)     | 302                  | 463                      | + 161          | + 53%        |   |             |
| TAL (AU\$ in millions)                 | 111                  | 154                      | + 43           | + 39%        |   |             |
| <b>Group Adjusted Profit</b>           | <b>236.3</b>         | <b>274.5</b>             | <b>+ 38.2</b>  | <b>+ 16%</b> | <b>approx. 274.0</b>                      | <b>100%</b> |

(1) Figures for Protective Life and TAL are disclosed after re-classifying items from Protective Life and TAL's financial statements under US and Australian accounting standards, respectively, to conform to Dai-ichi Life Holdings' disclosure standards. For consolidation, these financial statements are translated into Japanese yen at rates of 1USD=¥111.00 (FY2019) and ¥109.56 (FY2020), 1 AUD=¥78.64 (FY2019) and ¥66.09 (FY2020), respectively.

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

# Group Sales Trends (Annualized Net Premium Basis)

## New Business ANP

## ANP from Policies In-force

(¥ in billions)

<Reference>

Channel based New Business ANP

(¥ in billions)

|                            | Year ended Mar-19 | Year ended Mar-20 | Change                     |
|----------------------------|-------------------|-------------------|----------------------------|
| Domestic Life              | 418.9             | 220.4             | (47.4%)                    |
| Dai-ichi Life              | 95.4              | 89.6              | (6.0%)                     |
| Third sector               | 61.3              | 54.7              | (10.8%)                    |
| Dai-ichi Frontier Life     | 206.3             | 119.8             | (41.9%)                    |
| Neo First Life             | 117.0             | 10.9              | (90.6%)                    |
| Overseas Life              | 89.8              | 131.2             | +46.1%<br>+62.1%           |
| Protective <sup>(1)</sup>  | 41.3              | 39.0              | (5.5%)<br>(4.3%)           |
| TAL                        | 23.6              | 70.5              | +197.7%<br>+254.2%         |
| Dai-ichi Life Vietnam(1)   | 24.8              | 21.6              | (12.8%)<br>(10.9%)         |
| Dai-ichi Life Cambodia (1) | -                 | 0.03              | -<br>-                     |
| <b>Dai-ichi Life Group</b> | <b>508.7</b>      | <b>351.6</b>      | <b>(30.9%)<br/>(28.0%)</b> |

|  | As of Mar-19   | As of Mar-20   | Change                 |
|--|----------------|----------------|------------------------|
|  | 3,092.4        | 3,057.8        | (1.1%)                 |
|  | 2,129.7        | 2,110.4        | (0.9%)                 |
|  | 675.2          | 694.7          | +2.9%                  |
|  | 827.6          | 807.8          | (2.4%)                 |
|  | 135.0          | 139.5          | +3.3%                  |
|  | 863.4          | 911.9          | +5.6%<br>+13.3%        |
|  | 507.0          | 545.7          | +7.6%<br>+9.1%         |
|  | 298.8          | 302.4          | +1.2%<br>+20.5%        |
|  | 57.5           | 63.6           | +10.6%<br>+12.9%       |
|  | -              | 0.03           | -<br>-                 |
|  | <b>3,955.8</b> | <b>3,969.7</b> | <b>+0.4%<br/>+2.0%</b> |

|                                | Year ended Mar-19 | Year ended Mar-20 | Change         |
|--------------------------------|-------------------|-------------------|----------------|
| Dai-ichi Life                  | 95.4              | 89.6              | (5.7)          |
| Affiliated agents              | 7.4               | 3.5               | (3.8)          |
| Dai-ichi Frontier Life         | 206.3             | 119.8             | (86.5)         |
| Sales representatives          | 33.4              | 26.6              | (6.7)          |
| Affiliated agents              | 1.6               | 2.5               | + 0.8          |
| Neo First Life                 | 117.0             | 10.9              | (106.1)        |
| Sales representatives          | 20.7              | 0.4               | (20.2)         |
| Affiliated agents              | 89.6              | 3.2               | (86.3)         |
| <b>Domestic Life Insurance</b> | <b>418.9</b>      | <b>220.4</b>      | <b>(198.4)</b> |

- For overseas companies, % change shown in yen(upper) and local currency(lower).
- % changes for Overseas Life(lower) and Dai-ichi Life Group(lower) excludes effect from currency fluctuation.

(1) The fiscal year of Protective Life and Dai-ichi Life Vietnam and Dai-ichi Life Cambodia ends on December 31.

# Dai-ichi Life's Results – Fundamental Profit

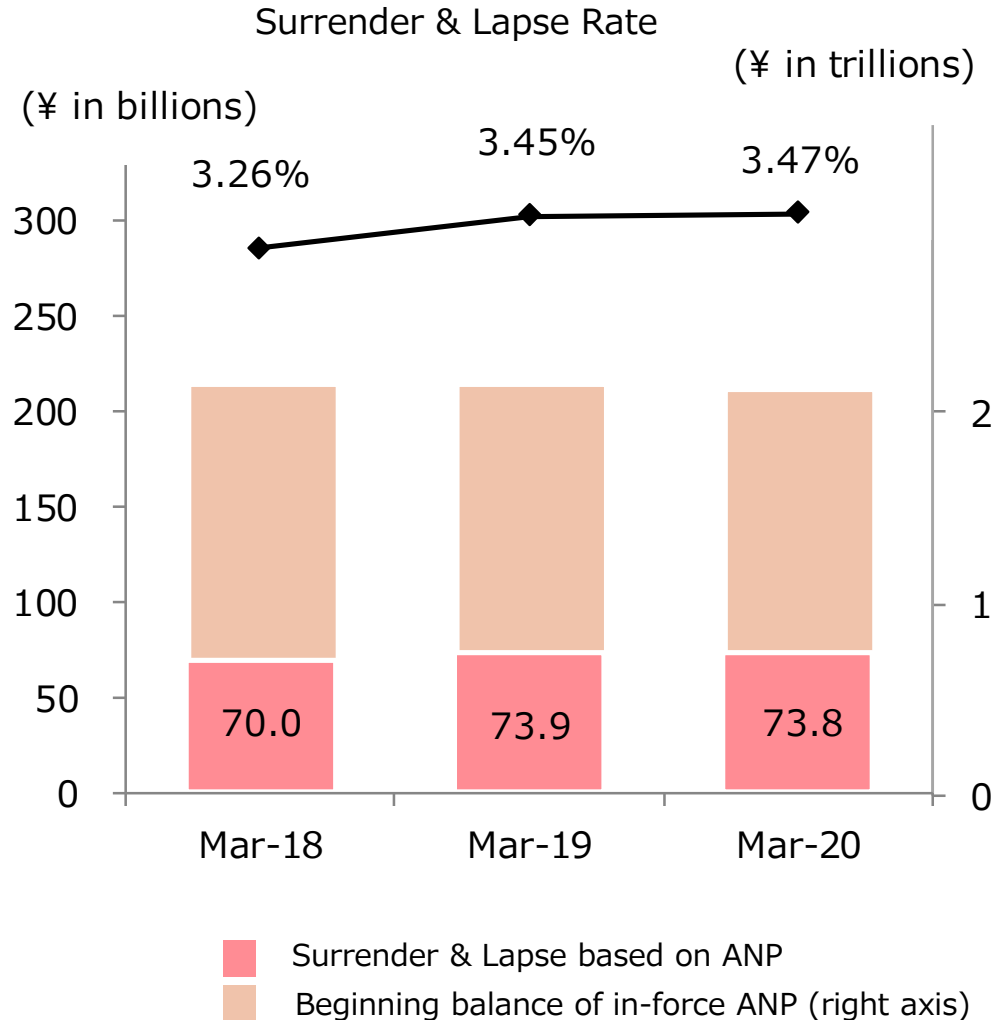
(¥ in billions)

|   | Year<br>ended<br>Mar-19 | Year<br>ended<br>Mar-20 | Change  |
|---|-------------------------|-------------------------|---------|
| Fundamental profit  | 479.1                   | 422.1                   | (57.0)  |
| of which positive spread                                    | 126.3                   | 109.5                   | (16.7)  |
| of which gains from core insurance activities               | 352.8                   | 312.6                   | (40.2)  |
| Net capital gains (losses)                                  | (20.2)                  | 49.4                    | +69.7   |
| of which net gains or losses on sales of securities         | 136.3                   | 150.4                   | +14.1   |
| of which derivative transaction gains or losses             | (48.2)                  | 51.9                    | +100.2  |
| of which foreign exchange gains or losses                   | (95.9)                  | (93.8)                  | +2.0    |
| Non-recurrent gains (losses)                                | (112.2)                 | (180.9)                 | (68.6)  |
| of which provision for additional policy reserve            | (81.8)                  | (79.5)                  | 2.3     |
| of which provision for contingency reserve                  | -                       | (30.0)                  | (30.0)  |
| of which reinsurance premium related to new deal            | (128.9)                 | (270.2)                 | (141.3) |
| of which reversal of policy reserves related to reinsurance | 98.6                    | 199.4                   | 100.8   |
| Ordinary income   | 346.6                   | 290.6                   | (55.9)  |

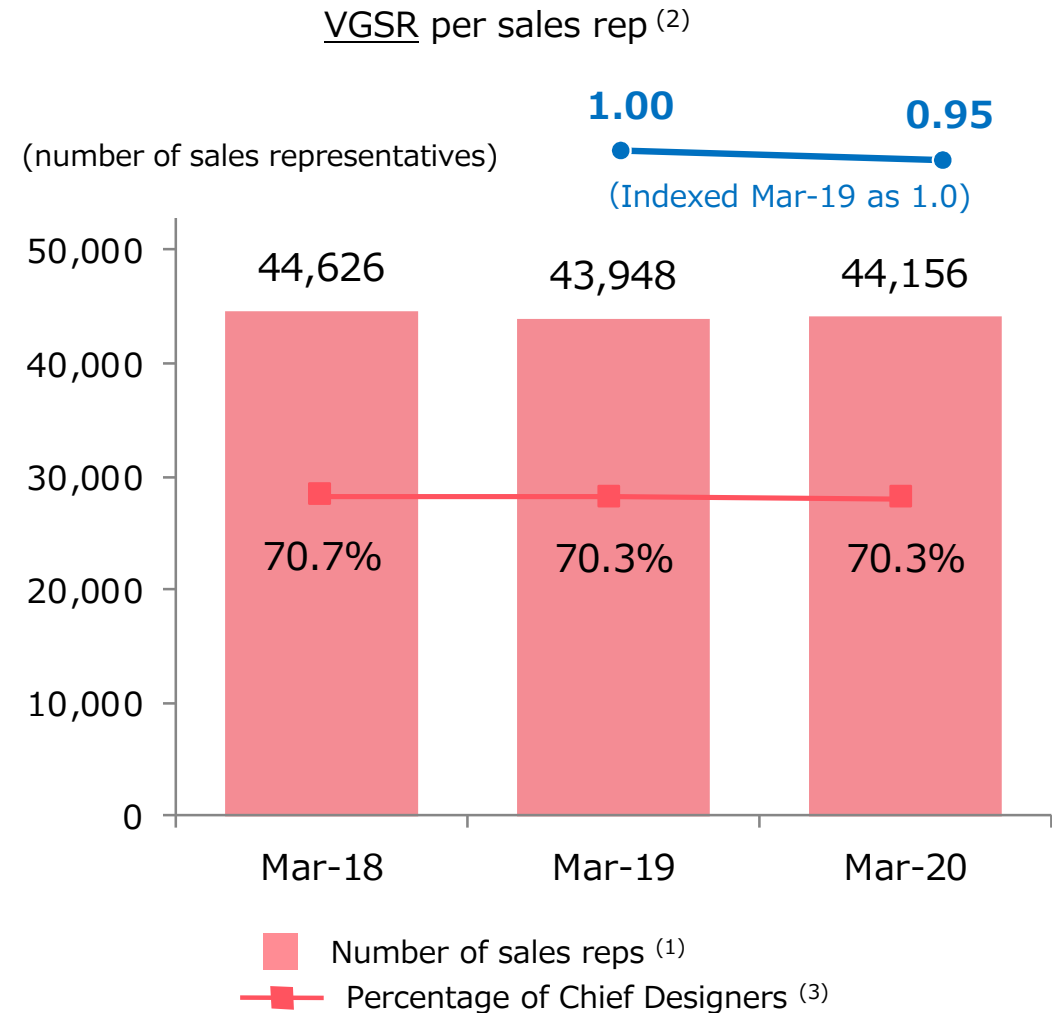


# Dai-ichi Life's Results – Quality of In-force Business, Sales Force & Productivity

## ANP based Surrender & Lapse (Individual Insurance & Annuities)



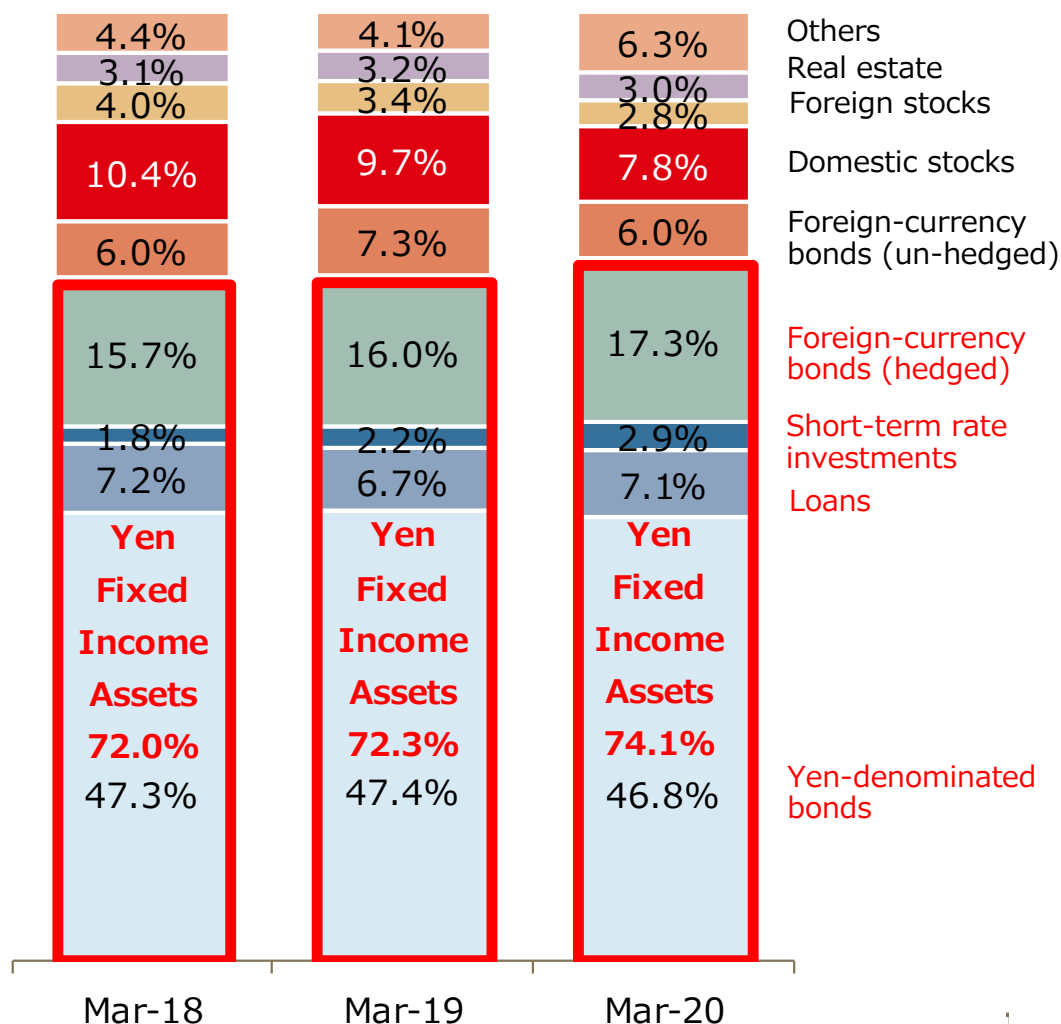
## Number of Sales Reps and Productivity



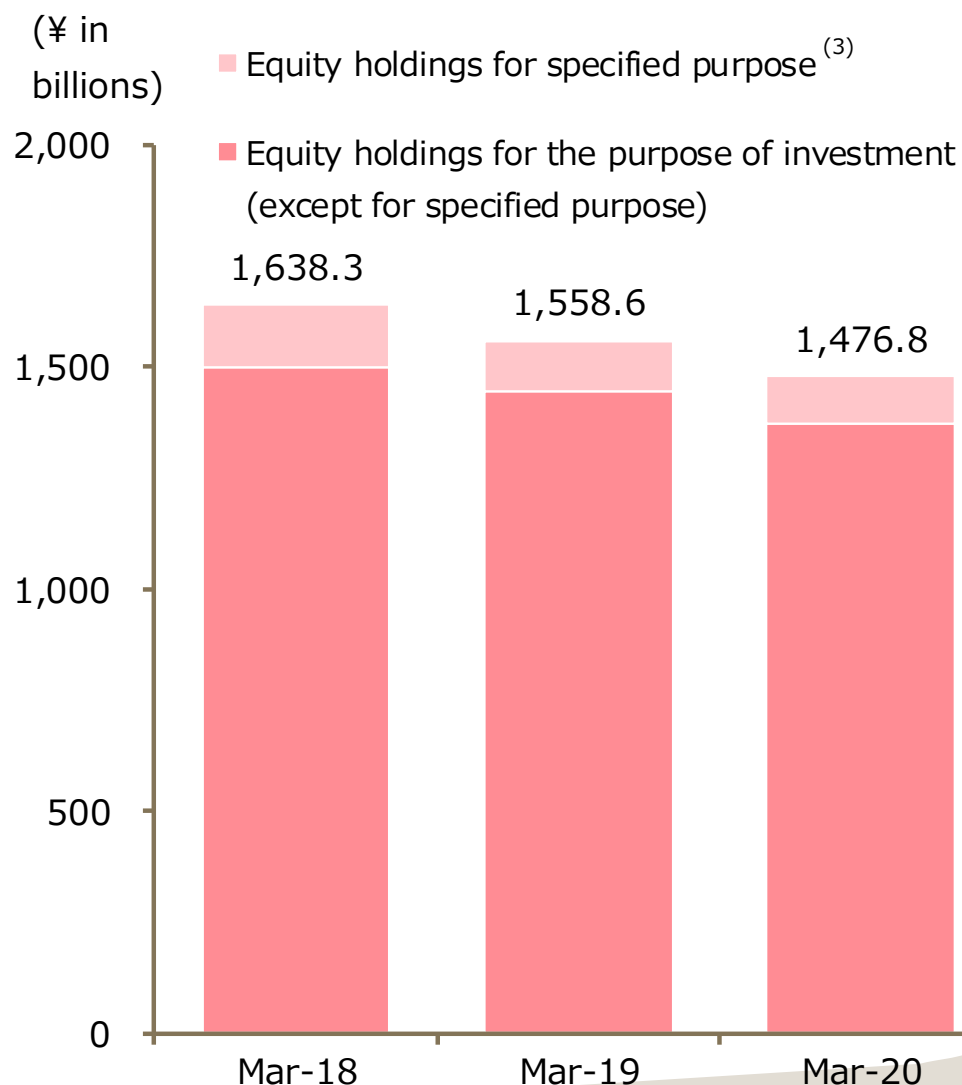
- (1) The number of sales representatives does not include employees who have licenses to sell insurance products but are engaged mainly in sales supportive functions.  
 (2) Calculated by dividing the number of new policy and VGSR (value of gross sales revenue) respectively, by the average number of sales representatives in each period. VGSR is an internal index of revenue of the sales force and is the value of new business before deduction of operating expenses etc. excluding the effect associated with environmental changes.  
 (3) Chief Designers are the core group of sales force that meet Dai-ichi Life sales performance standards and include Total Life Plan Designers and Life Professionals.

# Dai-ichi Life's Results - General Account Assets – 1

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



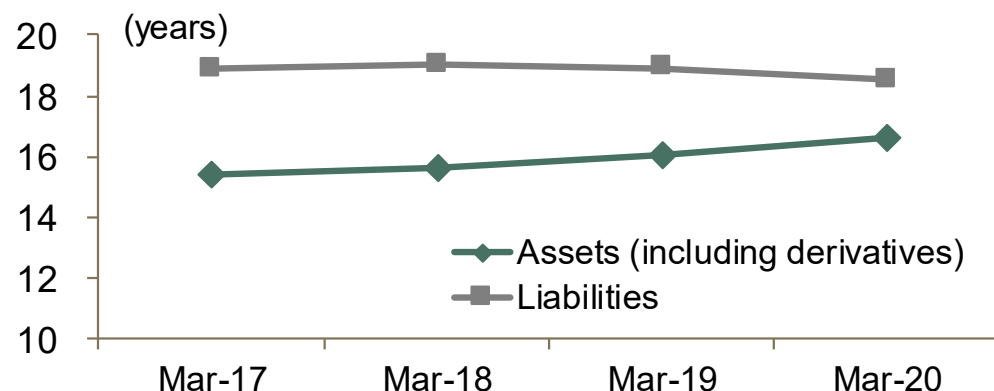
## Book Value of Domestic Stocks <sup>(2)</sup>



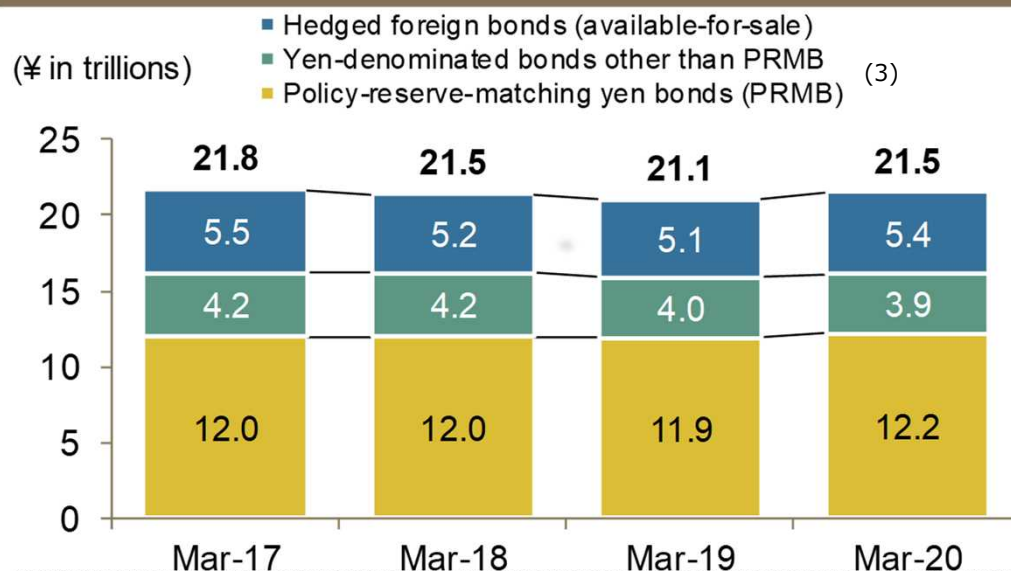
(1) Carrying amount - basis  
 (2) Book value of domestic stocks with fair value (excluding stocks of subsidiaries / affiliated companies and unlisted companies)  
 (3) Equity holdings other than those held solely for the purpose of investment (excluding stocks of unlisted companies and equity holdings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

# Dai-ichi Life's Results - General Account Assets – 2

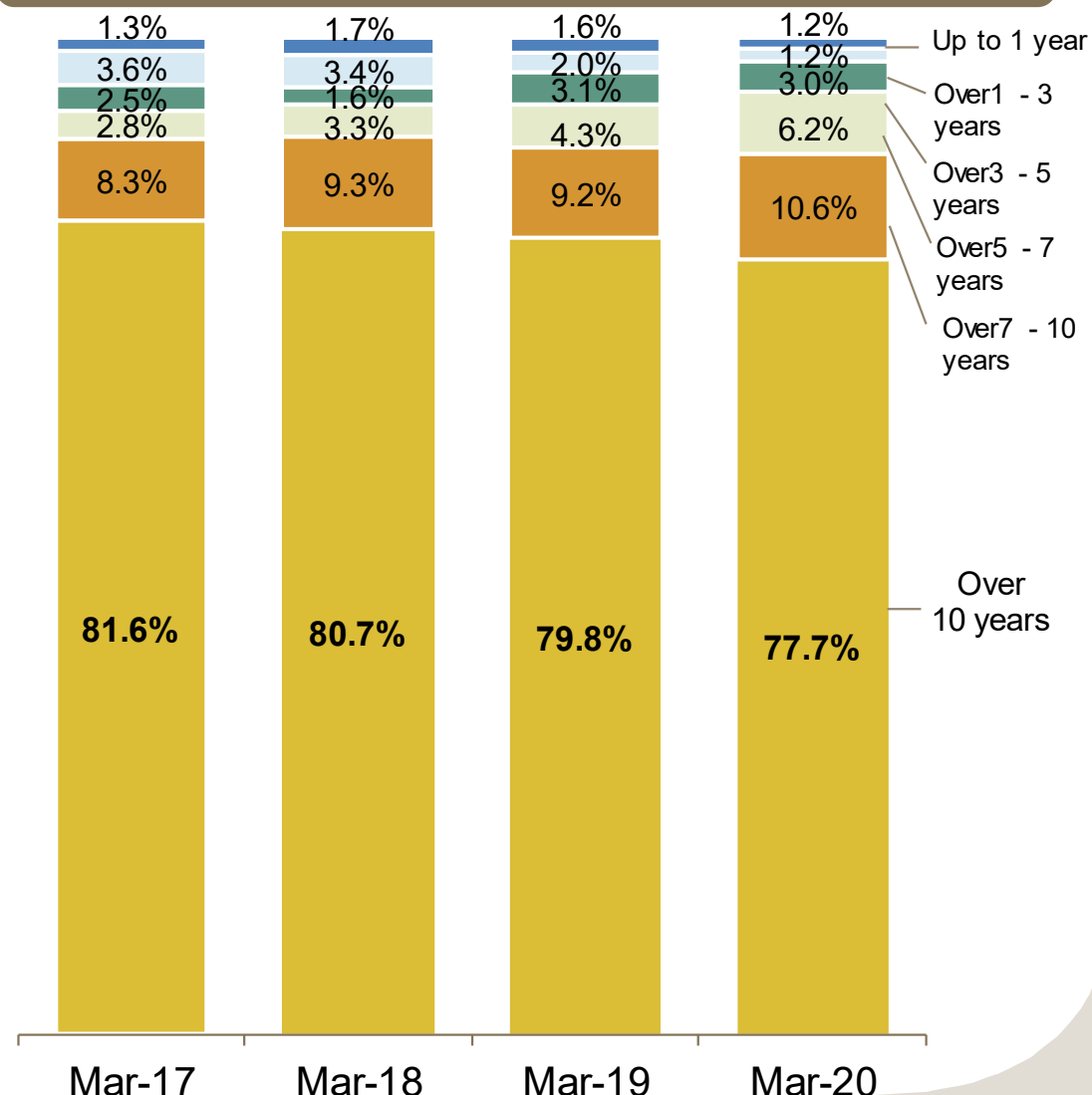
## Duration of Fixed Income Assets and Liabilities <sup>(1)</sup>



## Yen and Currency-hedged Foreign Bonds <sup>(2)</sup>



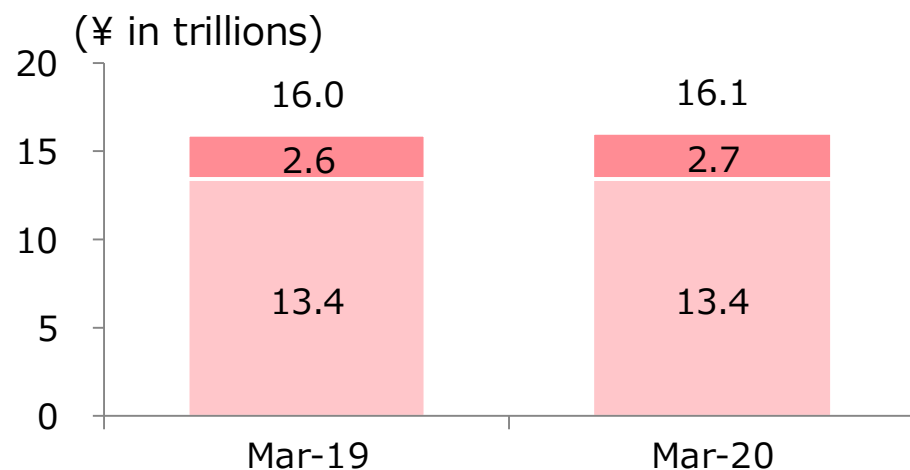
## Maturity Profile of Domestic Bonds <sup>(4)</sup>



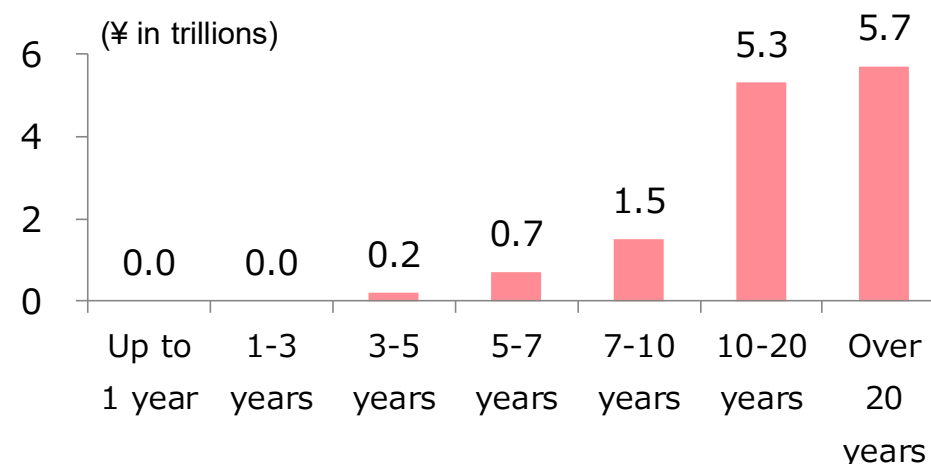
- (1) Represents insurance liabilities associated with individual insurance and annuities in the company's general account and duration of yen-based fixed income assets (including interest rate swaps)
- (2) Represents yen-denominated bonds and foreign bonds with currency hedges in the company's general 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's Results - General Account Assets – 3

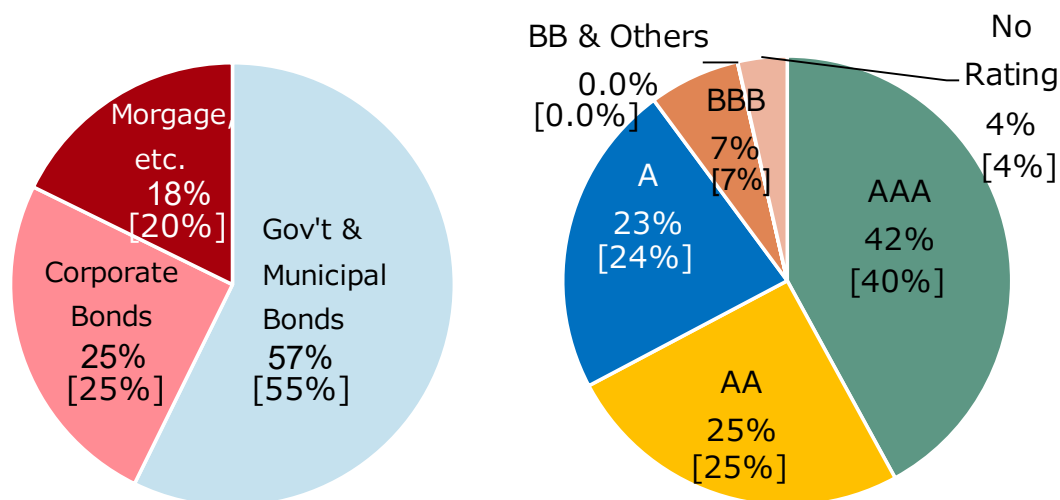
## Yen-denominated Bonds <sup>(1)</sup>



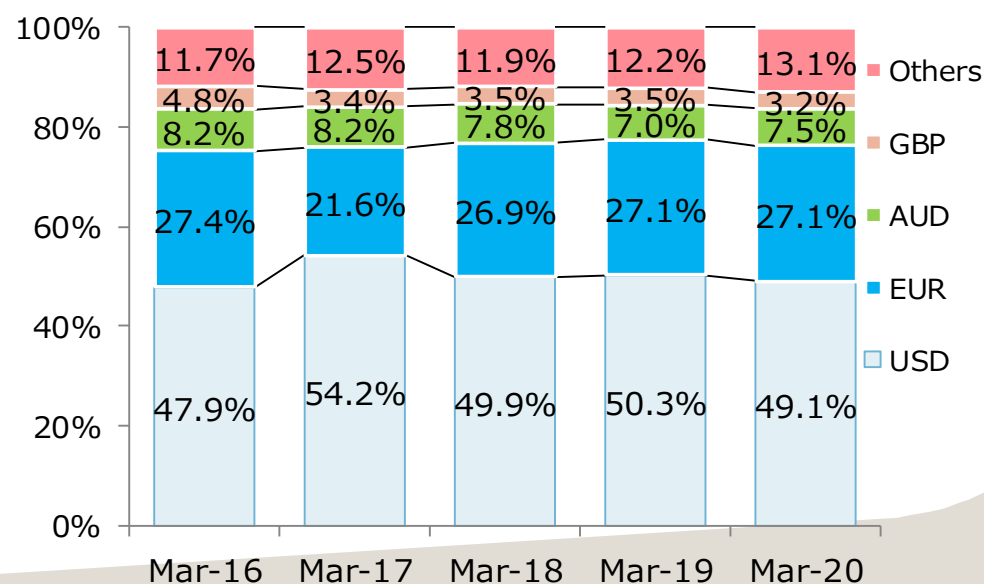
## Domestic Government Bonds <sup>(2)</sup> by Maturity (Mar-20)



## Foreign Currency Bond Portfolio <sup>(2)(3)(4)</sup> (Mar-20)



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



- (1) Book value - basis  
 (2) Carrying amount - basis  
 (3) Rating breakdown based on ratings from S&P & Moody's, excluding mortgage etc.  
 (4) Figures in brackets are as of March 31, 2019.

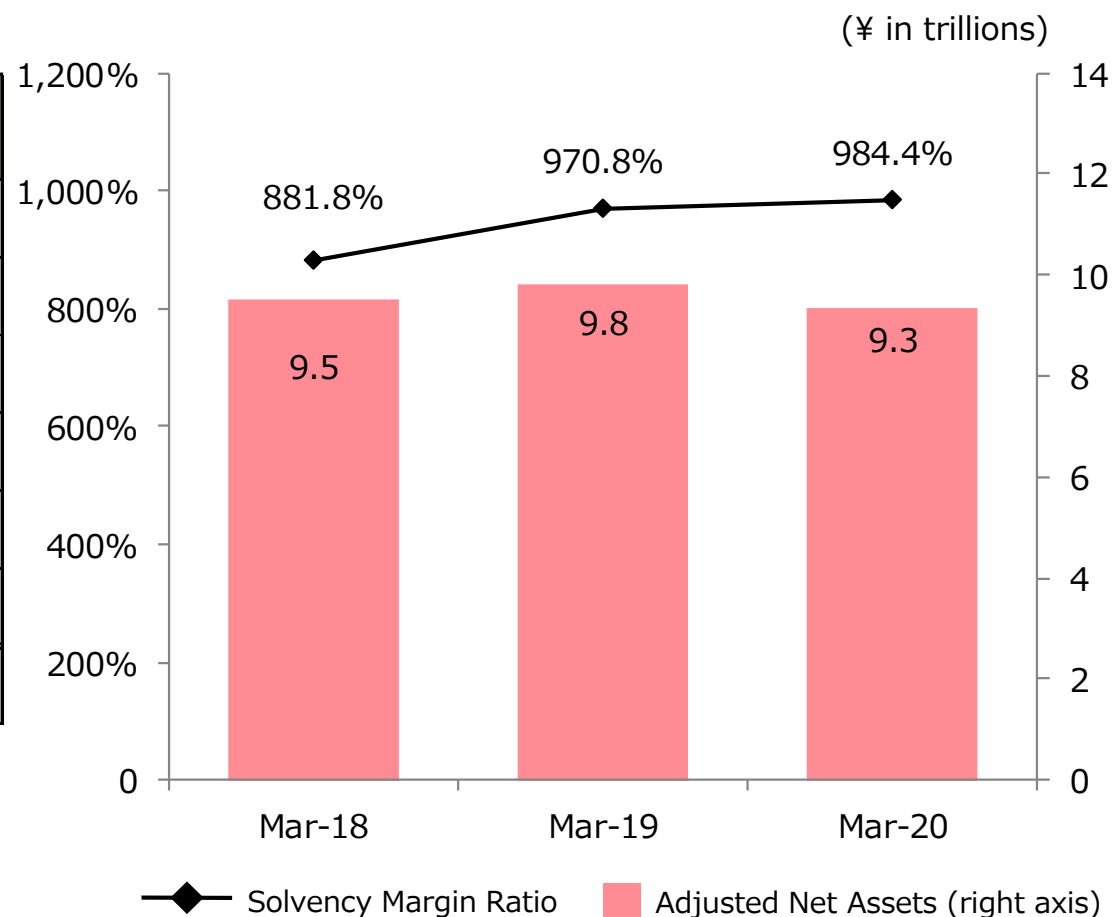
# Dai-ichi Life's Results - Measures of Financial Soundness

## Unrealized Gains/Losses (General Account)

(¥ in billions)

|                       | As of<br>Mar-19 | As of<br>Mar-20 | Change  |
|-----------------------|-----------------|-----------------|---------|
| Securities            | 6,038.6         | 5,423.8         | (614.8) |
| Domestic bonds        | 3,477.6         | 3,221.6         | (255.9) |
| Domestic stocks       | 1,791.3         | 1,261.1         | (530.2) |
| Foreign bonds         | 602.6           | 864.3           | +261.6  |
| Foreign stocks        | 133.6           | 52.3            | (81.2)  |
| Real estate           | 274.2           | 332.6           | +58.4   |
| General Account total | 6,333.9         | 5,802.1         | (531.8) |

## Solvency Margin Ratio & Adjusted Net Assets



<Reference> Consolidated Solvency Margin Ratio  
of Dai-ichi Life Holdings  
as of the end of March, 2020: 884.1%

# Dai-ichi Life's Results - Sensitivities to Financial Markets

|                           | Sensitivities <sup>(1)</sup>  | Breakeven Points <sup>(2)</sup>  |
|---------------------------|---|--|
| <b>Domestic stocks</b>    | Nikkei 225 1,000 yen change:<br>March 2020: ± ¥140bn<br>(March 2019: ± ¥150bn)  | Nikkei 225<br>March 2020: ¥10,200<br>(March 2019: ¥9,900)  |
| <b>Domestic bonds</b>     | 10-year JGB Yield 10bp change:<br>March 2020: ± ¥270bn*<br>(March 2019: ± ¥270bn)<br><br>* Available-for-sale securities:<br>March 2020: ± ¥30bn<br>(March 2019: ± ¥30bn) | 10-year JGB Yield<br>March 2020: 1.2%*<br>(March 2019: 1.2%)<br><br>* Available-for-sale securities:<br>March 2020: 1.5%<br>(March 2019: 1.4%) |
| <b>Foreign securities</b> | JPY / USD 1 yen change:<br>March 2020: ± ¥25bn<br>(March 2019: ± ¥29bn)   | JPY / USD<br>March 2020: \$1 = ¥111<br>(March 2019: ¥108)  |

(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).

# Protective Life Corporation's Results

## Results Highlights<sup>(1)</sup>

(\$ in millions)

|  | Year ended<br>Dec-18 | Year ended<br>Dec-19 | Change |
|--|----------------------|----------------------|--------|
| Life Marketing                                   | (19)                 | (29)                 | (9)    |
| Acquisitions                                     | 282                  | 346                  | +64    |
| Annuities  | 167                  | 179                  | +12    |
| Stable Value                                     | 102                  | 93                   | (9)    |
| Asset Protection                                 | 29                   | 40                   | +10    |
| Corporate & other                                | (84)                 | (84)                 | +0     |
| Pre-tax Adjusted Operating Income <sup>(2)</sup> | 478                  | 546                  | +68    |
| Realized Gain (Loss) on investments              | (241)                | 334                  | +575   |
| Realized Gain (Loss) on derivatives              | 146                  | (304)                | (450)  |
| Tax  | 80                   | 112                  | +32    |
| Net Income                                       | 302                  | 463                  | +161   |

<Reference>

(Yen)

|                         | Dec-18 | Dec-19 |
|-------------------------|--------|--------|
| JPY / USD exchange rate | 111.00 | 109.56 |

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

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

# TAL's Results<sup>(1)</sup>

## New Business ANP

(AU\$ in millions)

|              |                                   | Year ended Mar-19 | Year ended Mar-20 | Change |
|--------------|-----------------------------------|-------------------|-------------------|--------|
| Individual   | New sales                         | 106               | 83                | (23)   |
|              | Change in in-force <sup>(*)</sup> | 108               | 133               | + 24   |
|              | Sub-total                         | 215               | 216               | + 1    |
| Group        | New sales                         | 21                | 733               | + 711  |
|              | Change in in-force <sup>(*)</sup> | 57                | 16                | (41)   |
|              | Sub-total                         | 79                | 749               | + 669  |
| Asteron Life | New sales                         | 1                 | 13                | + 11   |
|              | Change in in-force <sup>(*)</sup> | 4                 | 87                | + 82   |
|              | Sub-total                         | 6                 | 100               | + 94   |
| Total        |                                   | 301               | 1,066             | + 765  |

\* Change in in-force ANP due to renewal of insurance contract and premium adjustment etc.

## Reconciliation of Net income to Underlying Profit

(AU\$ in millions)

|                        | Year ended Mar-19 | Year ended Mar-20 | Change |
|------------------------|-------------------|-------------------|--------|
| Underlying profit (A)  | 170               | 188               | +18    |
| Individual             | 134               | 126               |        |
| Group                  | 59                | 59                |        |
| Asteron Life           | (1)               | 53                |        |
| Other underlying items | (21)              | (51)              |        |

|   |      |      |
|---|------|------|
| Adjustments after tax (B)                             | (58) | (33) |
| Interest rate change impact on assets and liabilities | 8    | 5    |
| VOBA amortization, etc.                               | (12) | 48   |
| RPS, etc.   | (24) | (18) |
| Others  | (31) | (68) |

|                                   |     |     |     |
|-----------------------------------|-----|-----|-----|
| Net income (A + B) <sup>(2)</sup> | 111 | 154 | +43 |
|-----------------------------------|-----|-----|-----|

<Reference>

|                       | As of Mar-19 | As of Mar-20 |
|-----------------------|--------------|--------------|
| JPY/AUD exchange rate | ¥78.64       | ¥66.09       |

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

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



# Group's Results – Summary Financial Statements

## Statement of Earnings

(¥ in billions)

|   | Year ended Mar-19 | Year ended Mar-20 | Change    |
|---|-------------------|-------------------|-----------|
| Ordinary revenues   | 7,184.0           | 7,114.0           | (69.9)    |
| Premium and other income                                  | 5,344.0           | 4,885.4           | (458.6)   |
| Investment income   | 1,583.2           | 1,876.6           | +293.4    |
| Interest and dividends                                    | 1,244.2           | 1,302.8           | +58.5     |
| Gains on sale of securities                               | 279.2             | 300.7             | +21.5     |
| Derivative transaction gains                              | -                 | -                 | -         |
| Foreign exchange gains                                    | -                 | -                 | -         |
| Gains on investments in separate accounts                 | 36.6              | -                 | (36.6)    |
| Other ordinary revenues                                   | 256.8             | 352.0             | +95.2     |
| Ordinary expenses   | 6,751.1           | 6,895.7           | +144.5    |
| Benefits and claims                                       | 3,839.1           | 4,870.7           | +1,031.6  |
| Provision for policy reserves and others                  | 1,309.2           | 164.4             | (1,144.7) |
| Investment expenses                                       | 541.5             | 821.9             | +280.4    |
| Losses on sale of securities                              | 141.7             | 74.9              | (66.8)    |
| Losses on valuation of securities                         | 11.1              | 60.9              | +49.7     |
| Derivative transaction losses                             | 41.5              | 24.8              | (16.7)    |
| Foreign exchange losses                                   | 162.3             | 491.1             | +328.7    |
| Losses on investments in separate accounts                | -                 | 40.3              | +40.3     |
| Operating expenses  | 703.5             | 680.1             | (23.4)    |
| Ordinary profit   | 432.9             | 218.3             | (214.5)   |
| Extraordinary gains                                       | 2.5               | 4.9               | +2.4      |
| Extraordinary losses                                      | 28.6              | 39.5              | +10.9     |
| Provision for reserve for policyholder dividends          | 87.5              | 82.5              | (5.0)     |
| Income before income taxes, etc.                          | 319.3             | 101.2             | (218.0)   |
| Total of corporate income taxes                           | 94.3              | 68.8              | (25.4)    |
| Net income attributable to non-controlling interests      | -                 | -                 | -         |
| Net income attributable to shareholders of parent company | 225.0             | 32.4              | (192.6)   |

## Balance Sheet

(¥ in billions)

|  | As of Mar-19 | As of Mar-20 | Change   |
|--|--------------|--------------|----------|
| Total assets                                   | 55,941.2     | 60,011.9     | +4,070.7 |
| Cash, deposits and call loans                  | 1,255.6      | 1,719.3      | +463.6   |
| Monetary claims bought                         | 199.1        | 221.1        | +21.9    |
| Securities                                     | 47,065.0     | 47,734.4     | +669.3   |
| Loans  | 3,353.2      | 3,715.7      | +362.4   |
| Tangible fixed assets                          | 1,145.2      | 1,126.2      | (18.9)   |
| Deferred tax assets                            | 17.1         | 11.8         | (5.2)    |
| Total liabilities                              | 52,227.6     | 56,235.0     | +4,007.4 |
| Policy reserves and others                     | 48,279.4     | 50,494.5     | +2,215.0 |
| Policy reserves                                | 47,325.7     | 49,520.8     | +2,195.0 |
| Bonds payable                                  | 1,062.2      | 1,135.3      | +73.0    |
| Other liabilities                              | 1,420.9      | 2,723.1      | +1,302.1 |
| Net defined benefit liabilities                | 422.3        | 440.8        | +18.5    |
| Reserve for price fluctuations                 | 218.2        | 240.7        | +22.5    |
| Deferred tax liabilities                       | 311.0        | 296.1        | (14.9)   |
| Total net assets                               | 3,713.5      | 3,776.9      | +63.3    |
| Total shareholders' equity                     | 1,708.8      | 1,641.5      | (67.3)   |
| Total accumulated other comprehensive income   | 2,003.6      | 2,134.3      | +130.7   |
| Net unrealized gains on securities, net of tax | 2,101.5      | 2,283.1      | +181.6   |
| Reserve for land revaluation                   | (13.4)       | (17.9)       | (4.4)    |

The following items include items that are offset by provision for (reversal of ) policy reserves and unrealized gains (losses) on investments. There is impact of gains (losses) but they do not have a significant impact on business results:

- Gains(losses) on investments in separate accounts, foreign exchange gains(losses), derivative transaction gains(losses).

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

## Statement of Earnings

(¥ in billions)

|  | Year ended Mar-19 | Year ended Mar-20 | Change |
|--|-------------------|-------------------|--------|
| Ordinary revenues                                | 3,739.5           | 3,680.6           | (58.9) |
| Premium and other income                         | 2,314.9           | 2,350.1           | +35.2  |
| Investment income                                | 1,140.4           | 1,074.3           | (66.0) |
| Interest and dividends                           | 805.1             | 786.5             | (18.6) |
| Gains on sale of securities                      | 274.7             | 223.2             | (51.4) |
| Derivative transaction gains                     | -                 | 51.9              | 51.9   |
| Gains on investments in separate accounts        | 37.1              | -                 | (37.1) |
| Other ordinary revenues                          | 284.2             | 256.1             | (28.0) |
| Ordinary expenses                                | 3,392.9           | 3,389.9           | (2.9)  |
| Benefits and claims                              | 2,328.4           | 2,397.4           | +69.0  |
| Provision for policy reserves and others         | 8.2               | 8.2               | (0.0)  |
| Investment expenses                              | 360.7             | 309.4             | (51.2) |
| Losses on sale of securities                     | 138.4             | 72.7              | (65.6) |
| Losses on valuation of securities                | 7.8               | 57.1              | +49.3  |
| Derivative transaction losses                    | 48.2              | -                 | (48.2) |
| Foreign exchange losses                          | 95.9              | 93.8              | (2.0)  |
| Losses on investments in separate accounts       | -                 | 11.3              | +11.3  |
| Operating expenses                               | 390.2             | 398.5             | +8.2   |
| Ordinary profit                                  | 346.6             | 290.6             | (55.9) |
| Extraordinary gains                              | 2.4               | 4.9               | +2.4   |
| Extraordinary losses                             | 23.0              | 33.8              | +10.8  |
| Provision for reserve for policyholder dividends | 87.5              | 82.5              | (5.0)  |
| Income before income taxes                       | 238.5             | 179.2             | (59.3) |
| Total of corporate income taxes                  | 65.6              | 50.5              | (15.1) |
| Net income                                       | 172.9             | 128.6             | (44.2) |

## Balance Sheet

(¥ in billions)

|   | As of Mar-19 | As of Mar-20 | Change   |
|---|--------------|--------------|----------|
| Total assets  | 35,947.1     | 36,493.5     | +546.4   |
| Cash, deposits and call loans                         | 797.0        | 1,056.9      | +259.8   |
| Monetary claims bought                                | 199.1        | 221.1        | +21.9    |
| Securities  | 30,755.5     | 30,283.7     | (471.7)  |
| Loans   | 2,348.2      | 2,542.0      | +193.8   |
| Tangible fixed assets                                 | 1,122.8      | 1,097.4      | (25.3)   |
| Deferred tax assets                                   | -            | -            | -        |
| Total liabilities                                     | 33,061.8     | 33,943.6     | +881.7   |
| Policy reserves and others                            | 30,882.6     | 30,823.4     | (59.1)   |
| Policy reserves                                       | 30,353.7     | 30,296.2     | (57.4)   |
| Contingency reserve                                   | 598.4        | 628.4        | +30.0    |
| Bonds payable   | 476.2        | 476.2        | -        |
| Other liabilities                                     | 639.4        | 1,693.1      | +1,053.6 |
| Reserve for employees' retirement benefits            | 400.6        | 398.0        | (2.6)    |
| Reserve for price fluctuations                        | 198.4        | 215.4        | +17.0    |
| Deferred tax liabilities                              | 201.1        | 79.5         | (121.5)  |
| Total net assets                                      | 2,885.2      | 2,549.9      | (335.3)  |
| Total shareholders' equity                            | 684.1        | 630.1        | (53.9)   |
| Total of valuation and translation adjustments        | 2,201.1      | 1,919.7      | (281.3)  |
| Net unrealized gains(losses) on securities net of tax | 2,211.1      | 1,916.4      | (294.7)  |
| Reserve for land revaluation                          | (13.4)       | (17.9)       | (4.4)    |

The following items include items that are offset by provision for (reversal of ) policy reserves and unrealized gains (losses) on investments. There is impact of gains (losses) but they do not have a significant impact on business results:

- Gains(losses) on investments in separate accounts, foreign exchange gains(losses), derivative transaction gains(losses).

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

## Profit and Loss Statement

(¥ in billions)

|  | Year ended Mar-19 | Year ended Mar-20 | Change   |
|--|-------------------|-------------------|----------|
| Ordinary revenues  | 2,036.9           | 2,065.0           | +28.0    |
| Premium and other income   | 1,876.0           | 1,355.4           | (520.5)  |
| Investment income  | 160.9             | 247.6             | +86.7    |
| Hedge gains related to GMMB risk   | -                 | -                 | -        |
| Foreign exchange gains   | -                 | -                 | -        |
| Ordinary expenses  | 1,997.8           | 2,159.5           | +161.6   |
| Benefits and claims  | 702.8             | 1,600.3           | +897.4   |
| Provision for policy reserves and others (negative indicates a reversal) | 1,131.0           | 0.3               | (1130.7) |
| Related to GMMB risk   | (5.2)             | (14.6)            | (9.4)    |
| Contingency reserve  | 9.4               | (68.2)            | (77.7)   |
| Investment expenses  | 74.3              | 486.9             | +412.5   |
| Hedge losses related to GMMB risk  | 15.6              | 4.7               | (10.9)   |
| Foreign exchange losses  | 66.5              | 396.9             | +330.3   |
| Operating expenses   | 78.0              | 61.3              | (16.6)   |
| Ordinary profit (losses)   | 39.1              | (94.4)            | (133.6)  |
| Extraordinary gains  | -                 | -                 | -        |
| Extraordinary losses   | 5.4               | 5.5               | +0.0     |
| Total of corporate income taxes  | 13.6              | 0.0               | (13.6)   |
| Net income (losses)  | 19.9              | (100.0)           | (120.0)  |

[Additional reconciliation items for net income]

|  |        |         |         |
|--|--------|---------|---------|
| Net income (losses)  | 19.9   | (100.0) | (120.0) |
| Gains (losses) related to GMMB risk <sup>(1)</sup>                         | (11.4) | (7.2)   | +4.2    |
| Gains (losses) related to market value adjustment <sup>(2)</sup>           | (1.0)  | (205.4) | (204.4) |
| Operating Income   | 61.1   | 49.9    | (11.1)  |
| Provision for contingency reserves and price fluctuation reserves, and tax | (28.6) | 62.6    | +91.3   |

## Balance Sheet

(¥ in billions)

|  | As of Mar-19 | As of Mar-20 | Change  |
|--|--------------|--------------|---------|
| Total assets                                   | 8,755.4      | 8,947.1      | +191.7  |
| Cash, deposits and call loans                  | 209.9        | 272.7        | +62.7   |
| Securities                                     | 7,858.0      | 7,427.8      | (430.1) |
| Total liabilities                              | 8,560.7      | 8,694.1      | +133.4  |
| Policy reserves and others                     | 8,241.4      | 7,779.9      | (461.5) |
| Policy reserves                                | 8,221.7      | 7,759.8      | (461.8) |
| Contingency reserve                            | 131.4        | 63.2         | (68.2)  |
| Total net assets                               | 194.7        | 252.9        | +58.2   |
| Total shareholders' equity                     | 150.0        | 49.9         | (100.0) |
| Capital stock                                  | 117.5        | 117.5        | -       |
| Capital surplus                                | 67.5         | 67.5         | -       |
| Retained earnings                              | (34.9)       | (135.0)      | (100.0) |
| Net unrealized gains on securities, net of tax | 44.6         | 202.9        | +158.3  |

- (1) Together with provision for policy reserves related to GMMB risk and related hedge gains (losses), risk charge included in premium for variable products, payments related to minimum guarantee and reinsurance account balance are accounted for in "Gains (losses) related to GMMB risk" (For Year ended Mar.2019 : ¥8.1 billion. For Year ended Mar.2020 : ¥(17.1) billion).
- (2) Provision or reversal of policy reserve related to market value adjustment excludes those parts that have no impact on ordinary profit.

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

# Protective Life's Results - Summary Financial Statements

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

(US\$ in millions)

|  | Year ended Dec-19 | Year ended Dec-20 | Change |
|--|-------------------|-------------------|--------|
| Ordinary revenues                        | 8,717             | 12,744            | +4,027 |
| Premium and other income                 | 5,654             | 5,761             | +107   |
| Investment income                        | 2,604             | 5,430             | +2,826 |
| Other ordinary revenues                  | 458               | 1,552             | +1,093 |
| Ordinary expenses                        | 8,333             | 12,167            | +3,833 |
| Benefits and claims                      | 5,270             | 5,455             | +184   |
| Provision for policy reserves and others | 793               | 4,809             | +4,016 |
| Investment expenses                      | 1,118             | 697               | (421)  |
| Operating expenses                       | 879               | 995               | +115   |
| Other ordinary expenses                  | 272               | 210               | (61)   |
| Ordinary profit                          | 383               | 577               | +193   |
| Extraordinary profits                    | -                 | -                 | -      |
| Extraordinary losses                     | 0                 | 0                 | +0     |
| Total of corporate income taxes          | 80                | 112               | +32    |
| Net income                               | 302               | 463               | +161   |

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

(US\$ in millions)

|  | As of Dec-19 | As of Dec-20 | Change  |
|--|--------------|--------------|---------|
| Total assets                                 | 89,928       | 121,080      | +31,151 |
| Cash and deposits                            | 251          | 310          | +59     |
| Securities                                   | 69,105       | 85,011       | +15,905 |
| Loans  | 9,426        | 11,066       | +1,640  |
| Tangible fixed assets                        | 191          | 227          | +35     |
| Intangible fixed assets                      | 3,117        | 3,449        | +332    |
| Goodwill                                     | 825          | 825          | -       |
| Other intangible fixed assets                | 2,259        | 2,596        | +336    |
| Reinsurance receivable                       | 188          | 12,836       | +12,647 |
| Total liabilities                            | 84,161       | 111,840      | +27,679 |
| Policy reserves and other                    | 75,919       | 101,128      | +25,208 |
| Reinsurance payables                         | 279          | 306          | +27     |
| Bonds payable                                | 4,338        | 4,496        | +157    |
| Other liabilities                            | 2,702        | 4,514        | +1,811  |
| Total net assets                             | 5,767        | 9,239        | +3,472  |
| Total shareholders' equity                   | 7,193        | 7,856        | +662    |
| Total accumulated other comprehensive income | (1,425)      | 1,383        | +2,809  |

- (1) Disclosed after re-classifying items from Protective Life's financial statements under U.S. accounting standards to conform to Dai-ichi Life Holdings' disclosure standards.  
 (2) The fiscal year of Protective Life ends on December 31.

# TAL's Results – Summary Financial Statements

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

(AU\$ in millions)

|  | Year ended Mar-19 | Year ended Mar-20 | Change |
|--|-------------------|-------------------|--------|
| Ordinary revenues                        | 3,917             | 5,808             | +1,891 |
| Premium and other income                 | 3,656             | 5,230             | +1,573 |
| Investment income                        | 158               | 155               | (3)    |
| Other ordinary revenues                  | 101               | 423               | +321   |
| Ordinary expenses                        | 3,763             | 5,601             | +1,837 |
| Benefits and claims                      | 2,599             | 3,671             | +1,071 |
| Provision for policy reserves and others | 276               | 733               | +456   |
| Investment expenses                      | 44                | 58                | +14    |
| Operating expenses                       | 725               | 970               | +245   |
| Other ordinary expenses                  | 118               | 168               | +50    |
| Ordinary profit                          | 153               | 207               | +53    |
| Extraordinary gains (losses)             | -                 | -                 | -      |
| Total of corporate income taxes          | 42                | 52                | +10    |
| Net income                               | 111               | 154               | +43    |
| Underlying profit                        | 170               | 188               | +18    |

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

(AU\$ in millions)

|                               | As of Mar-19 | As of Mar-20 | Change |
|-------------------------------|--------------|--------------|--------|
| Total assets                  | 11,341       | 12,155       | +813   |
| Cash and deposits             | 933          | 854          | (79)   |
| Securities                    | 6,543        | 6,864        | +321   |
| Tangible fixed assets         | 0            | 41           | +40    |
| Intangible fixed assets       | 1,122        | 1,094        | (27)   |
| Goodwill                      | 786          | 786          | -      |
| Other intangible fixed assets | 335          | 308          | (27)   |
| Reinsurance receivable        | 285          | 293          | +7     |
| Other assets                  | 2,242        | 2,830        | +588   |
| Deferred tax assets           | 213          | 176          | (37)   |
| Total liabilities             | 8,354        | 9,049        | +694   |
| Policy reserves and others    | 6,736        | 7,406        | +669   |
| Reinsurance payables          | 363          | 434          | +71    |
| Bonds payable                 | 246          | 248          | +2     |
| Other liabilities             | 1,008        | 959          | (48)   |
| Deferred tax liabilities      | -            | -            | -      |
| Total net assets              | 2,986        | 3,105        | +118   |
| Total shareholders' equity    | 2,986        | 3,105        | +118   |
| Capital stock                 | 2,130        | 2,130        | -      |
| Retained earnings             | 855          | 974          | +118   |

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

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

# Group Adjusted Net Profit

(¥ in billion)

(4 in Billion)

| Items |   |  | Mar-13 | Mar-14 | Mar-15 | Mar-16 | Mar-17 | Mar-18 | Mar-19 | Mar-20  |
|-------|---|--|--------|--------|--------|--------|--------|--------|--------|---------|
|       | Domestic Life Insurance Business  |  |        |        |        |        |        |        |        |         |
| 1     | Dai-ichi Life   | Net income   | 51.4   | 85.5   | 152.1  | 129.1  | 117.1  | 169.9  | 172.9  | 128.6   |
| 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   | —      | —      | 21.6    |
| 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)  | (0.0)  | (0.0)   |
| 5     |   | Adjustment (4) Gains on change in equity   | —      | —      | —      | —      | —      | —      | (1.4)  | —       |
| 6     |   | Sub-total  | 49.9   | 34.0   | 18.9   | 12.5   | 12.7   | (0.0)  | (1.4)  | 21.6    |
| 7     |   | Adjusted net profit  | 101.3  | 119.5  | 171.1  | 141.6  | 129.9  | 169.8  | 171.4  | 150.2   |
| 8     | Dai-ichi Frontier Life  | Net income   | (26.5) | (15.2) | (21.9) | 24.3   | 50.2   | 37.0   | 19.9   | (100.0) |
| 9     |   | Adjustment (1) Provision for contingency reserve (in excess of statutory amount, net of tax)       | 15.3   | —      | —      | —      | —      | —      | —      | (30.0)  |
| 10    |   | Adjustment (2) Provision for price fluctuation reserve (in excess of statutory amount, net of tax) | —      | —      | —      | —      | —      | —      | —      | —       |
| 11    |   | 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)  | 0.7    | 193.5   |
| 12    |   | Sub-total  | 15.4   | (0.9)  | 46.9   | 7.5    | (27.0) | (7.9)  | 0.7    | 163.5   |
| 13    |   | Adjusted net profit  | (11.1) | (16.1) | 24.9   | 31.8   | 23.2   | 29.1   | 20.7   | 63.4    |
| 14    | Neo First Life  | Net income   | —      | —      | 0.4    | (7.1)  | (5.9)  | (8.3)  | (8.5)  | (16.3)  |
| 15    |   | Adjusted net profit  | —      | —      | 0.4    | (7.1)  | (5.9)  | (8.3)  | (8.5)  | (16.3)  |
| 16    | Adjusted profits of domestic life insurance business                      |  | 90.2   | 103.4  | 196.6  | 166.4  | 147.1  | 190.6  | 183.6  | 197.4   |
|       | Overseas Insurance Business   |  |        |        |        |        |        |        |        |         |
| 17    | Protective Life   | Adjusted net profit  | —      | —      | —      | 32.3   | 45.7   | 34.9   | 33.5   | 50.7    |
| 18    | TAL   | Adjusted net profit  | 8.9    | 8.6    | 12.1   | 10.3   | 12.7   | 10.5   | 9.8    | 11.0    |
| 19    | Adjusted profits of overseas insurance business                           |  | 9.8    | 10.8   | 15.7   | 45.7   | 61.5   | 46.8   | 46.9   | 70.3    |
| 20    | Asset Management Business   | Adjusted net profit  | 1.8    | 4.4    | 6.1    | 5.9    | 5.8    | 5.3    | 10.4   | 12.0    |
| 21    | Holding company   | Adjusted net profit  | —      | —      | —      | —      | 0.0    | 0.3    | (3.5)  | (4.4)   |
| 22    | Consolidation adjustment  | Adjustment (1) Dividends from subsidiaries and affiliates  | 1.7    | 2.7    | 3.6    | 13.5   | 4.4    | —      | —      | —       |
| 23    |   | Adjustment (2) Redeemable preference shares dividend from TAL                                      | —      | —      | —      | —      | —      | —      | 1.0    | 0.8     |
| 24    |   | Adjustment (3) Amortization of goodwill  | 3.8    | 5.1    | 8.6    | 6.3    | 5.6    | 7.0    | 8.2    | 56.4    |
| 25    |   | Adjustment (4) Gains on change in equity (Dai-ichi Life)   | —      | —      | —      | —      | —      | —      | 1.4    | —       |
| 26    |   | Adjustment (5) Gains on change in equity (Holding company)   | —      | —      | —      | —      | (12.4) | (33.5) | —      | —       |
| 27    |   | Adjustment (6) Impact of U.S. Tax change   | —      | —      | —      | —      | —      | (90.1) | —      | —       |
| 28    |   | Adjustment (7) Others  | (1.4)  | (0.1)  | (2.2)  | (0.3)  | 0.0    | 3.9    | 2.3    | 0.5     |
| 29    | Group Adjusted Profits (Items 29 = 16 + 19 + 20 + 21 – 22 – 23)           |  | 100.0  | 116.0  | 214.7  | 204.6  | 210.1  | 243.2  | 236.3  | 274.5   |
| 30    | Consolidated net income (Items 30 = 29 – 6 – 12 – 24 – 25 – 26 – 27 – 28) |  | 32.4   | 77.9   | 142.4  | 178.5  | 231.2  | 363.9  | 225.0  | 32.4    |

# Group Summary Statement of Earnings Matrix

(¥ in billions)

|   | Dai-ichi Life     |                   |        | Dai-ichi Frontier Life |                   |           | Neo First Life    |                   |        | Protective        |                   |        | TAL               |                   |        | Consolidated      |                   |           |
|---|-------------------|-------------------|--------|------------------------|-------------------|-----------|-------------------|-------------------|--------|-------------------|-------------------|--------|-------------------|-------------------|--------|-------------------|-------------------|-----------|
|   | Year ended Mar-19 | Year ended Mar-20 | Change | Year ended Mar-19      | Year ended Mar-20 | Change    | Year ended Mar-19 | Year ended Mar-20 | Change | Year ended Dec-18 | Year ended Dec-19 | Change | Year ended Mar-19 | Year ended Mar-20 | Change | Year ended Mar-19 | Year ended Mar-20 | Change    |
| Ordinary revenues   | 3,739.5           | 3,680.6           | (58.9) | 2,036.9                | 2,065.0           | +28.0     | 181.2             | 144.5             | (36.6) | 967.6             | 1,396.2           | +428.6 | 308.0             | 383.9             | +75.8  | 7,184.0           | 7,114.0           | (69.9)    |
| Premium and other income                                  | 2,314.9           | 2,350.1           | +35.2  | 1,876.0                | 1,355.4           | (520.5)   | 181.1             | 144.3             | (36.7) | 627.6             | 631.2             | +3.6   | 287.5             | 345.6             | +58.0  | 5,344.0           | 4,885.4           | (458.6)   |
| Investment income   | 1,140.4           | 1,074.3           | (66.0) | 160.9                  | 247.6             | +86.7     | 0.0               | 0.1               | +0.0   | 289.0             | 594.9             | +305.9 | 12.4              | 10.2              | (2.2)  | 1,583.2           | 1,876.6           | +293.4    |
| Interest and dividends                                    | 805.1             | 786.5             | (18.6) | 154.4                  | 176.8             | +22.3     | 0.0               | 0.1               | +0.0   | 278.9             | 331.7             | +52.7  | 1.7               | 1.7               | +0.0   | 1,244.2           | 1,302.8           | +58.5     |
| Gains on sale of securities                               | 274.7             | 223.2             | (51.4) | 1.5                    | 70.7              | +69.2     | -                 | -                 | -      | 2.7               | 6.7               | +4.0   | -                 | -                 | -      | 279.2             | 300.7             | +21.5     |
| Derivative transaction gains                              | -                 | 51.9              | +51.9  | -                      | -                 | -         | -                 | -                 | -      | 6.7               | -                 | (6.7)  | -                 | -                 | -      | -                 | -                 | -         |
| Foreign exchange gains                                    | -                 | -                 | -      | -                      | -                 | -         | -                 | -                 | -      | 0.0               | -                 | (0.0)  | 0.0               | -                 | (0.0)  | -                 | -                 | -         |
| Gains on investments in separate accounts                 | 37.1              | -                 | (37.1) | -                      | -                 | -         | -                 | -                 | -      | -                 | -                 | -      | -                 | -                 | -      | 36.6              | -                 | (36.6)    |
| Other ordinary revenues                                   | 284.2             | 256.1             | (28.0) | 0.0                    | 461.9             | +461.8    | 0.0               | 0.0               | +0.0   | 50.9              | 170.0             | +119.1 | 8.0               | 27.9              | +19.9  | 256.8             | 352.0             | +95.2     |
| Ordinary expenses   | 3,392.9           | 3,389.9           | (2.9)  | 1,997.8                | 2,159.5           | +161.6    | 189.7             | 160.8             | (28.8) | 925.0             | 1,333.0           | +408.0 | 295.9             | 370.2             | +74.2  | 6,751.1           | 6,895.7           | +144.5    |
| Benefits and claims                                       | 2,328.4           | 2,397.4           | +69.0  | 702.8                  | 1,600.3           | +897.4    | 10.7              | 28.1              | +17.3  | 584.9             | 597.6             | +12.6  | 204.4             | 242.6             | +38.1  | 3,839.1           | 4,870.7           | +1,031.6  |
| Provision for policy reserves and others                  | 8.2               | 8.2               | (0.0)  | 1,131.0                | 0.3               | (1,130.7) | 114.7             | 105.2             | (9.4)  | 88.0              | 526.9             | +438.8 | 21.7              | 48.4              | +26.6  | 1,309.2           | 164.4             | (1,144.7) |
| Investment expenses                                       | 360.7             | 309.4             | (51.2) | 74.3                   | 486.9             | +412.5    | 0.0               | 0.0               | +0.0   | 124.1             | 76.3              | (47.7) | 3.4               | 3.8               | +0.3   | 541.5             | 821.9             | +280.4    |
| Losses on sale of securities                              | 138.4             | 72.7              | (65.6) | 1.7                    | 0.6               | (1.0)     | -                 | -                 | -      | 1.6               | 1.5               | (0.0)  | -                 | -                 | -      | 141.7             | 74.9              | (66.8)    |
| Losses on valuation of securities                         | 7.8               | 57.1              | +49.3  | -                      | -                 | -         | -                 | -                 | -      | 3.2               | 3.7               | +0.4   | -                 | 0.0               | +0.0   | 11.1              | 60.9              | +49.7     |
| Derivative transaction losses                             | 48.2              | -                 | (48.2) | 0.0                    | 33.5              | +33.4     | -                 | -                 | -      | -                 | 43.2              | +43.2  | -                 | -                 | -      | 41.5              | 24.8              | (16.7)    |
| Foreign exchange losses                                   | 95.9              | 93.8              | (2.0)  | 66.5                   | 396.9             | +330.3    | -                 | -                 | -      | -                 | 0.0               | +0.0   | -                 | 0.1               | +0.1   | 162.3             | 491.1             | +328.7    |
| Losses on investments in separate accounts                | -                 | 11.3              | +11.3  | 0.4                    | 28.9              | +28.5     | -                 | -                 | -      | -                 | -                 | -      | -                 | -                 | -      | -                 | 40.3              | +40.3     |
| Operating expenses  | 390.2             | 398.5             | +8.2   | 78.0                   | 61.3              | (16.6)    | 63.6              | 26.7              | (36.8) | 97.6              | 109.0             | +11.4  | 57.0              | 64.1              | +7.1   | 703.5             | 680.1             | (23.4)    |
| Ordinary profit   | 346.6             | 290.6             | (55.9) | 39.1                   | (94.4)            | (133.6)   | (8.5)             | (16.3)            | (7.8)  | 42.5              | 63.2              | +20.6  | 12.0              | 13.6              | +1.6   | 432.9             | 218.3             | (214.5)   |
| Extraordinary gains                                       | 2.4               | 4.9               | +2.4   | -                      | -                 | -         | -                 | 0.0               | +0.0   | -                 | 0.0               | +0.0   | -                 | -                 | -      | 2.5               | 4.9               | +2.4      |
| Extraordinary losses                                      | 23.0              | 33.8              | +10.8  | 5.4                    | 5.5               | +0.0      | 0.0               | 0.0               | (0.0)  | 0.0               | 0.0               | +0.0   | -                 | -                 | -      | 28.6              | 39.5              | +10.9     |
| Provision for reserve for policyholder dividends          | 87.5              | 82.5              | (5.0)  | -                      | -                 | -         | -                 | -                 | -      | -                 | -                 | -      | -                 | -                 | -      | 87.5              | 82.5              | (5.0)     |
| Income before income taxes, etc.                          | 238.5             | 179.2             | (59.3) | 33.6                   | (100.0)           | (133.6)   | (8.5)             | (16.3)            | (7.7)  | 42.5              | 63.1              | +20.6  | 12.0              | 13.6              | +1.6   | 319.3             | 101.2             | (218.0)   |
| Total of corporate income taxes                           | 65.6              | 50.5              | (15.1) | 13.6                   | 0.0               | (13.6)    | 0.0               | 0.0               | +0.0   | 8.9               | 12.3              | +3.4   | 3.3               | 3.4               | +0.1   | 94.3              | 68.8              | (25.4)    |
| Net income attributable to non-controlling interests      | -                 | -                 | -      | -                      | -                 | -         | -                 | -                 | -      | -                 | -                 | -      | -                 | -                 | -      | -                 | -                 | -         |
| Net income attributable to shareholders of parent company | 172.9             | 128.6             | (44.2) | 19.9                   | (100.0)           | (120.0)   | (8.5)             | (16.3)            | (7.7)  | 33.5              | 50.7              | +17.2  | 8.7               | 10.2              | +1.4   | 225.0             | 32.4              | (192.6)   |



# Group Summary Balance Sheet Matrix

(¥ in billions)

|  | Dai-ichi Life |              |          | Dai-ichi Frontier Life |              |         | Neo First Life |              |        | Protective   |              |          | TAL          |              |        | Consolidated |              |          |
|--|---------------|--------------|----------|------------------------|--------------|---------|----------------|--------------|--------|--------------|--------------|----------|--------------|--------------|--------|--------------|--------------|----------|
|  | As of Mar-19  | As of Mar-20 | Change   | As of Mar-19           | As of Mar-20 | Change  | As of Mar-19   | As of Mar-20 | Change | As of Dec-18 | As of Dec-19 | Change   | As of Mar-19 | As of Mar-20 | Change | As of Mar-19 | As of Mar-20 | Change   |
| Total assets                                   | 35,947.1      | 36,493.5     | +546.4   | 8,755.4                | 8,947.1      | +191.7  | 157.4          | 244.3        | +86.9  | 9,982.0      | 13,265.5     | +3,283.4 | 891.8        | 803.3        | (88.5) | 55,941.2     | 60,011.9     | +4,070.7 |
| Cash, deposits and call loans                  | 797.0         | 1,056.9      | +259.8   | 209.9                  | 272.7        | +62.7   | 86.1           | 159.5        | +73.3  | 27.9         | 34.0         | +6.1     | 73.3         | 56.4         | (16.9) | 1,255.6      | 1,719.3      | +463.6   |
| Monetary claims bought                         | 199.1         | 221.1        | +21.9    | -                      | -            | -       | -              | -            | -      | -            | -            | -        | -            | -            | -      | 199.1        | 221.1        | +21.9    |
| Securities                                     | 30,755.5      | 30,283.7     | (471.7)  | 7,858.0                | 7,427.8      | (430.1) | 15.2           | 35.8         | +20.5  | 7,670.7      | 9,313.9      | +1,643.1 | 514.5        | 453.6        | (60.8) | 47,065.0     | 47,734.4     | +669.3   |
| Loans  | 2,348.2       | 2,542.0      | +193.8   | -                      | -            | -       | 0.0            | 0.7          | +0.6   | 1,046.3      | 1,212.4      | +166.1   | 1.4          | 1.1          | (0.2)  | 3,353.2      | 3,715.7      | +362.4   |
| Tangible fixed assets                          | 1,122.8       | 1,097.4      | (25.3)   | 0.3                    | 0.3          | +0.0    | 0.2            | 0.2          | (0.0)  | 21.2         | 24.8         | +3.6     | 0.0          | 2.7          | +2.6   | 1,145.2      | 1,126.2      | (18.9)   |
| Intangible fixed assets                        | 106.9         | 114.3        | +7.3     | 7.6                    | 9.2          | +1.5    | 0.3            | 1.7          | +1.3   | 346.0        | 377.9        | +31.9    | 88.2         | 72.3         | (15.9) | 444.8        | 472.9        | +28.1    |
| Total liabilities                              | 33,061.8      | 33,943.6     | +881.7   | 8,560.7                | 8,694.1      | +133.4  | 137.7          | 241.1        | +103.3 | 9,341.8      | 12,253.2     | +2,911.3 | 638.1        | 582.2        | (55.9) | 52,227.6     | 56,235.0     | +4,007.4 |
| Policy reserves and others                     | 30,882.6      | 30,823.4     | (59.1)   | 8,241.4                | 7,779.9      | (461.5) | 130.8          | 236.0        | +105.2 | 8,427.0      | 11,079.6     | +2,652.5 | 529.7        | 489.5        | (40.2) | 48,279.4     | 50,494.5     | +2,215.0 |
| Policy reserves                                | 30,353.7      | 30,296.2     | (57.4)   | 8,221.7                | 7,759.8      | (461.8) | 130.3          | 234.5        | +104.1 | 8,349.1      | 10,983.0     | +2,633.9 | 205.0        | 163.7        | (41.3) | 47,325.7     | 49,520.8     | +2,195.0 |
| Bonds payable                                  | 476.2         | 476.2        | -        | -                      | -            | -       | -              | -            | -      | 481.5        | 492.6        | +11.0    | 19.4         | 16.4         | (2.9)  | 1,062.2      | 1,135.3      | +73.0    |
| Other liabilities                              | 639.4         | 1,693.1      | +1,053.6 | 90.2                   | 220.5        | +130.3  | 6.7            | 4.7          | (2.0)  | 300.0        | 494.5        | +194.5   | 60.4         | 47.5         | (12.8) | 1,420.9      | 2,723.1      | +1,302.1 |
| Net defined benefit liabilities                | 400.6         | 398.0        | (2.6)    | -                      | -            | -       | -              | -            | -      | 9.0          | 9.7          | +0.6     | -            | -            | -      | 422.3        | 440.8        | +18.5    |
| Reserve for price fluctuations                 | 198.4         | 215.4        | +17.0    | 19.8                   | 25.3         | +5.5    | 0.0            | 0.0          | +0.0   | -            | -            | -        | -            | -            | -      | 218.2        | 240.7        | +22.5    |
| Deferred tax liabilities                       | 201.1         | 79.5         | (121.5)  | 17.3                   | 78.9         | +61.5   | 0.0            | -            | (0.0)  | 93.1         | 143.1        | +49.9    | -            | -            | -      | 311.0        | 296.1        | (14.9)   |
| Total net assets                               | 2,885.2       | 2,549.9      | (335.3)  | 194.7                  | 252.9        | +58.2   | 19.6           | 3.2          | (16.3) | 640.2        | 1,012.3      | +372.1   | 253.7        | 221.1        | (32.6) | 3,713.5      | 3,776.9      | +63.3    |
| Total shareholders' equity                     | 684.1         | 630.1        | (53.9)   | 150.0                  | 49.9         | (100.0) | 19.5           | 3.2          | (16.3) | 845.7        | 918.0        | +72.2    | 280.4        | 287.9        | +7.4   | 1,708.8      | 1,641.5      | (67.3)   |
| Total accumulated other comprehensive income   | 2,201.1       | 1,919.7      | (281.3)  | 44.6                   | 202.9        | +158.3  | 0.0            | (0.0)        | (0.0)  | (205.5)      | 94.2         | +299.8   | (26.7)       | (66.8)       | (40.1) | 2,003.6      | 2,134.3      | +130.7   |
| Net unrealized gains on securities, net of tax | 2,211.1       | 1,916.4      | (294.7)  | 44.6                   | 202.9        | +158.3  | 0.0            | (0.0)        | (0.0)  | (156.5)      | 155.9        | +312.5   | -            | -            | -      | 2,101.5      | 2,283.1      | +181.6   |
| Reserve for land revaluation                   | (13.4)        | (17.9)       | (4.4)    | -                      | -            | -       | -              | -            | -      | -            | -            | -        | -            | -            | -      | (13.4)       | (17.9)       | (4.4)    |



# Group– Consolidated Solvency Margin Ratio

(¥ in billions)

|   | As of<br>Mar-19 | As of<br>Mar-20 | Change  |
|---|-----------------|-----------------|---------|
| Total solvency margin (A)   | 7,334.4         | 7,446.6         | +112.1  |
| Common stock, etc. <sup>(1)</sup>   | 1,314.7         | 1,226.0         | (88.6)  |
| Reserve for price fluctuations  | 218.2           | 240.7           | +22.5   |
| Contingency reserve   | 730.9           | 693.1           | (37.7)  |
| General reserve for possible loan losses  | 0.1             | 0.1             | +0.0    |
| (Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax) ) × 90% <sup>(2)</sup> | 2,639.3         | 2,826.1         | +186.7  |
| Net unrealized gains (losses) on real estate × 85% <sup>(2)</sup>   | 199.8           | 243.8           | +44.0   |
| Sum of unrecognized actuarial differences and unrecognized past service cost  | (15.1)          | (37.7)          | (22.6)  |
| Policy reserves in excess of surrender values   | 2,334.5         | 2,270.7         | (63.8)  |
| Qualifying subordinated debt  | 844.2           | 909.2           | +65.0   |
| Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt                              | (728.7)         | (762.0)         | (33.3)  |
| Excluded items  | (265.0)         | (241.1)         | +23.9   |
| Others  | 61.3            | 77.4            | +16.1   |
| Total risk (B) $\sqrt{(\sqrt{R_1^2 + R_5^2 + R_8 + R_9})^2 + (R_2 + R_3 + R_7)^2 + R_4 + R_6}$                                  | 1,686.4         | 1,684.4         | (2.0)   |
| Insurance risk $R_1$  | 123.2           | 132.4           | +9.2    |
| General insurance risk $R_5$  | +5.9            | +4.8            | (1.0)   |
| Catastrophe risk $R_6$  | +1.5            | +1.4            | (0.1)   |
| 3rd sector insurance risk $R_8$   | 194.4           | 192.3           | (2.0)   |
| Small amount and short-term insurance risk $R_9$  | -               | -               | -       |
| Assumed investment yield risk $R_2$   | 261.8           | 245.7           | (16.1)  |
| Guaranteed minimum benefit risk $R_7$ <sup>(3)</sup>  | 72.8            | 70.6            | (2.1)   |
| Investment risk $R_3$   | 1,280.3         | 1,295.2         | +14.8   |
| Business risk $R_4$   | 38.8            | 38.8            | +0.0    |
| Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$   | 869.7%          | 884.1%          | + 14.4% |

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

(2) Multiplied by 100% if losses.

(3) Calculated by standard method.

# Establishment of an Intermediate Holding Company

## 1. Purpose of Establishing an Intermediate Holding Company

The overseas life insurance business is one of the Dai-ichi Life Group's (hereinafter Group) growth strategy pillars, with presence in eight overseas countries. Insurance premium income from overseas life insurance subsidiaries and affiliates (hereinafter overseas life companies) is ¥1 trillion (21% share of total Group insurance premium income) and adjusted profit is estimated at ¥70.3 billion (26% share of total Group adjusted profit).

The Intermediate Holding Company to be established in Japan, would provide management support to overseas life companies in cooperation with overseas regional headquarters. By incorporating overseas management capabilities at Intermediate Holding Company, the Company aims to accelerate growth of the overseas life insurance business and enhance further the global governance system.

The Intermediate Holding Company will be established as a subsidiary of the Company, and a portion of the overseas life companies' shares held by the Company will be transferred to the Intermediate Holding Company (\*).

(\*) Transfer is subject to an approval by the supervisory authority of each country.

Under the supervision of the Financial Services Agency (FSA), the Company has obtained an approval as an "Insurance Holding Company" under the Insurance Business Act and has been subject to stricter regulations compared to "major shareholder of insurance company". Under the Insurance Business Act, a parent company is classified as an "Insurance Holding Company" if the total amount of acquired domestic subsidiaries' and affiliates' shares exceeds 50% of the total assets of such parent company of the insurance company. Although the Company does not meet this condition at this time, the FSA as a regulatory agency, has expressed that our "Insurance Holding Company" status is valid. As a result of the establishment of an Intermediate Holding Company and completing related transactions, it is expected that the total amount of acquired shares of our domestic subsidiaries will exceed 50% of the Company's total assets fulfilling the condition for "Insurance Holding Company."

## 2. Next Steps

- |   |   |
|---|---|
| June 2020 (planned):  | Establishment of an Intermediate Holding Company  |
| October 2020 (planned):   | Transfer a portion of the shares of overseas life companies to the Intermediate Holding Company |
| - Subject to approval from FSA  |   |
| - Further details of the Intermediate Holding Company will be announced once resolved |   |

## Investor Contact

Dai-ichi Life Holdings, Inc.  
Investor Relations Group  
Corporate Planning Unit  
+81 50 3780 6930

## Disclaimer

The information in this presentation is subject to change without prior notice. Neither this presentation nor any of its contents may be disclosed or used by any other party for any other purpose without the prior written consent of Dai-ichi Life Holdings, Inc. (the “Company”).

Statements contained herein that relate to the future operating performance of the Company are forward-looking statements. Forward-looking statements may include – but are not limited to – words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “forecast,” “predict,” “possibility” and similar words that describe future operating activities, business performance, events or conditions. Forward-looking statements are based on judgments made by the Company’s management based on information that is currently available to it and are subject to significant assumptions. As such, these forward-looking statements are subject to various risks and uncertainties and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. The Company disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.