

# Financial Results for the Three Months Ended June 30, 2020

August 12, 2020

Dai-ichi Life Holdings, Inc.



**Dai-ichi Life**  
Holdings

- This is Taisuke Nishimura, Chief of Corporate Planning Unit, Dai-ichi Life Holdings, Inc.
- Thank you for joining our conference call to discuss the Dai-ichi Life Group's financial results for the three months ended June 30, 2020.
- I will make a general overview of our financial results, followed by a question and answer session.
- Please turn to page 2.

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## Group company abbreviation, Equity share and Fiscal year

Domestic Life		Equity share	Fiscal Year
DL	Dai-ichi Life	100%	
DFL	Dai-ichi Frontier Life	100%	Apr - Mar
NFL	Neo First Life	100%	
Overseas Life			
PLC	[USA] Protective Life Corporation	100%	Jan - Dec
TAL	[Australia] TAL Dai-ichi Life Australia	100%	Apr - Mar
DLVN	[Vietnam] Dai-ichi Life Insurance Company of Vietnam	100%	
DLKH	[Cambodia] Dai-ichi Life Insurance (Cambodia)	100%	Jan - Dec
DLMM	[Myanmar] Dai-ichi Life Insurance Myanmar	100%	
SUD	[India] Star Union Dai-ichi Life Insurance Company	45.9%	Apr - Mar
PDL	[Indonesia] PT Panin Dai-ichi Life	40%	Jan - Dec
OLI	[Thailand] OCEAN LIFE INSURANCE PUBLIC COMPANY	24%	
Asset Management			
AMOne	Asset Management One	49%(Voting rights) 30%(Economic interest)	Apr - Mar
JH	Janus Henderson Group	16.5%	Jan - Dec

## Currency exchange Rates(TTM)

As of end	¥/US\$	¥/Euro	¥/AU\$
June 2020	¥107.74	¥121.08	¥73.88
March 2020	¥108.83	¥119.55	¥66.09
June 2019	¥107.79	¥122.49	¥75.49
March 2019	¥110.99	¥124.56	¥78.64

## 1. Earnings forecast and shareholder returns: Disclosure of FY2020 forecast and share buyback

- Due to the impact related to COVID-19, FY2020 results are expected to fall short of the quantitative targets set in our Group Mid-term Management Plan. Given the financial environment as of the end of June and assuming normalization of sales activities in the second half, Group adjusted profit is expected to be approximately ¥180 billion and the value of new business to be approximately ¥90 billion.
- Decided to conduct up to ¥30 billion in share buyback as shareholder returns with relation to the prior fiscal year. Dividend forecast of ¥62 per share for current fiscal year remains unchanged, maintaining a total payout ratio of around 40%.

## 2. Sales Results for 1Q: New business ANP was down 51% due to restrictions on sales activities because of COVID-19

- In domestic life, new business ANP decreased by 64% YoY. While new business ANP increased by 27% at NFL, it declined at DL and DFL by 65% and 68% respectively.
- In overseas life, new business ANP decreased by 15% YoY. TAL experienced a decrease from a strong previous year with group insurance, partially offset by a 19% increase at PLC for the 1Q (Jan-Mar) period.

## 3. Earnings Results for 1Q: Consolidated profit declined mainly due to financial market impacts at DL and PLC

- Group adjusted profit decreased by 83% to ¥16.2 billion, and consolidated net income decreased by 21% to ¥40.8 billion.
- Adjusted profit at DL fell by 67% YoY due to derivative losses unfavorably impacted by reversal of financial markets since end of March.
- PLC posted a net loss due to unrealized losses impacted by financial markets fluctuations in March and provision of allowance for expected credit losses due to newly adopted accounting standard.  
(Note that the market reversal after March drove 2Q profit and PLC is expected to be profitable for the full year.)

COVID-19 related insurance claims payment

	Death Benefit (Payment)		Hospitalization Benefit	
	Cases	Amount	Cases	Amount
Japan	55	¥380 million	520	¥73 million
Overseas	1,078	¥5.8 billion	41	¥10 million

\* Identified as of June 30, 2020  
Exchange rate as of end of June 2020 applied to foreign currencies, after accounting for reinsurance.

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- I will begin financial results overview with three key highlights.
- First, regarding our earnings forecast and shareholder returns. We announced our earnings forecast for the current fiscal year, that had been withheld from disclosure at our annual financial results announcement back in May. As for our mid-term management plan targets, considering the significant impact of COVID-19 on our sales activities and the financial environment, group adjusted profit is expected to be about ¥180 billion and the value of new business is expected to fall to about ¥90 billion.
- Regarding shareholder returns for the previous fiscal year, considering the business outlook and financial condition of group companies, we have decided to conduct share buyback of up to ¥30 billion for share buyback. Our dividends per share forecast for the current fiscal year remains unchanged at ¥62 per share.
- The next highlight is our sales results for the first quarter. Due to self-imposed restrictions on sales activities and other factors associated with the COVID-19 pandemic, new business ANP for the group decreased by 51% year-on-year. In the domestic life insurance business, the decline in new business ANP at DL and DFL was relatively larger, while new business ANP at NFL increased.
- The last highlight is our consolidated earnings for the first quarter. Group adjusted profit decreased by 83% to ¥16.2 billion, and net income decreased by 21% to ¥40.8 billion. In FY2019, DL recorded an unrealized gains on the market risk hedging position due to a significant deterioration of the financial markets in March, 2020. Thereafter, in the first quarter, a significant unrealized losses was recorded due to subsequent market recovery.
- Moreover, in our overseas businesses PLC incurred net loss due to a significant deterioration of financial markets in March and provision of allowance for expected credit losses due to newly adopted accounting standard. PLC results for the January to March period are taken into account for the group first quarter results. PLC is scheduled to release its financial results for the April to June quarter in the afternoon of August 13 (CDT) and it is expected that profit will improve significantly due to market recovery from the end of March, 2020 and expected to be profitable for the full year.
- At the bottom of the page, we have updated COVID-19 related claims payment status. Such claims payment in Japan remains limited. For overseas, the majority comes from the United States, but the trend is in line with the situation of the entire U.S. market.
- Please see the next page.

# FY2020 Group Earnings Forecast and Assumptions

- ▶ Group adjusted profit is expected to decrease to approximately ¥180 billion, a 34% decrease YoY, mainly due to profit decline at overseas life impacted by COVID-19. Consolidated net income is expected to improve significantly YoY, due to a recovery from the impact related to market value adjustment (MVA) losses incurred at DFL in the previous period.
- ▶ Given the financial environment at the end of June, domestic new business is expected to be at the level of 60-70% of the previous period for DL and DFL and about 80-90% for NFL. Group value of new business is expected to decrease by 41% to approximately ¥90 billion, significantly impacted by a hold back from sales activities and a sharp decline in domestic and overseas interest rates.

## Earnings Forecasts and Assumptions

(¥ in billions unless otherwise noted)	Year ended Mar-20	Year ending Mar-21	Change YoY	(%)
<b>Ordinary revenues</b>	<b>7,114.0</b>	<b>6,487.0</b>	<b>(627.0)</b>	<b>(9%)</b>
Dai-ichi Life	3,680.6	3,523.0	(157.6)	(4%)
Dai-ichi Frontier Life	2,065.0	1,376.0	(689.0)	(33%)
Protective (US\$ in millions)	12,744	9,820	(2,924)	(23%)
TAL (AU\$ in millions)	5,808	5,760	(48)	(1%)
<b>Ordinary profit</b>	<b>218.3</b>	<b>358.0</b>	<b>+ 139.7</b>	<b>+ 64%</b>
Dai-ichi Life	290.6	297.0	+ 6.4	+ 2%
Dai-ichi Frontier Life	(94.4)	40.0	+ 134.4	-
Protective (US\$ in millions)	577	220	(357)	(62%)
TAL (AU\$ in millions)	207	110	(97)	(47%)
<b>Net income<sup>(1)</sup></b>	<b>32.4</b>	<b>184.0</b>	<b>+ 151.6</b>	<b>+ 468%</b>
Dai-ichi Life	128.6	145.0	+ 16.4	+ 13%
Dai-ichi Frontier Life	(100.0)	28.0	+ 128.0	-
Protective (US\$ in millions)	463	180	(283)	(61%)
TAL (AU\$ in millions)	154	70	(84)	(55%)
<b>Group Adjusted Profit</b>	<b>274.5</b>	<b>approx.180.0</b>	<b>(94.5)</b>	<b>(34%)</b>
<b>Group VNB<sup>(2)</sup></b>	<b>151.9</b>	<b>approx.90.0</b>	<b>(61.9)</b>	<b>(41%)</b>
<b>Dividends per share (¥)</b>	<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>
(Reference) Fundamental Profit	534.9	approx.480.0	(54.9)	(10%)
Dai-ichi Life	422.1	approx.400.0	(22.1)	(5%)

## Assumptions for FY2020 Earnings Forecast

	Financial environment	Sales activities Insurance claims	Other assumptions
Domestic Life		<ul style="list-style-type: none"> <li>Recovery of sales activities close to normal levels in the second half [Assumptions for new business]                             <ul style="list-style-type: none"> <li>(2Q) 40-50% YoY</li> <li>(2nd half) 70-90% YoY</li> <li>(Annual) DL/DFL: 60-70% YoY</li> <li>NFL: 80-90% YoY</li> </ul> </li> <li>Impact of COVID-19 related claims is limited</li> </ul>	[DL] Assuming to conduct reinsurance ceding with non-recurrent losses of around ¥16 billion
Overseas Life	End of June environment remains "Flat"	<ul style="list-style-type: none"> <li>For both PLC and TAL, it is assumed that sales to individuals will remain at the same level as the previous period.</li> <li>[PLC] Consider the impact of up to 240,000 fatalities due to COVID-19 in U.S.</li> <li>[TAL] The impact of COVID-19 related insurance claims is limited, but the increase in income protection claims due to the economic slowdown is considered</li> </ul>	

(1) Net income attributable to shareholders of parent company. (2) Including 3 Asian affiliated companies (SUD, PDL, OLI).

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- Here are details on FY2020 group earnings forecast and related assumptions.
- While consolidated ordinary revenue is expected to decrease due to a hold back from sales activities amid the COVID-19 pandemic, consolidated ordinary profit and consolidated net income are expected to significantly increase mainly due to market value adjustment (MVA) related valuation losses recovering to gains at DFL.
- On the other hand, since MVA related gains (losses) are excluded from calculation, group adjusted profit is expected to decline to around ¥180 billion mainly due to lower profits expected at group overseas life companies.
- Though the business environment still remains uncertain with the COVID-19 pandemic and so does the financial markets, we made assumptions given in the table on the right when forecasting business results.
- Regarding the financial markets, we assume that the environment observed at the end of June will remain roughly unchanged, based on the economic outlook by the Dai-ichi Life Research Institute.
- Assuming that domestic sales will normalize in the second half, new business results for the full year are expected to be at 60-70% of the previous year for DL and DFL, and approximately 80-90% for NFL. We also assume that the impact of COVID-19 related insurance claims in Japan will remain limited.
- On the other hand, for overseas markets we assume that sales activities will be at same levels compare to the previous year. Regarding claims assumption, the number of fatalities in the United States is currently about 160,000 and we assume it will increase to 240,000.
- Based on these assumptions, value of new business for the group is expected to be around ¥90 billion.
- As for other assumptions, DL ceded out certain insurance blocks for the past 2 years and we assume that DL will engage in such reinsurance transaction again this fiscal year with an expected extraordinary loss of approximately ¥16 billion. The transaction is considered as one of the assumptions for our earnings forecast based on our strategic risk reduction policy.
- Please turn to the next page.

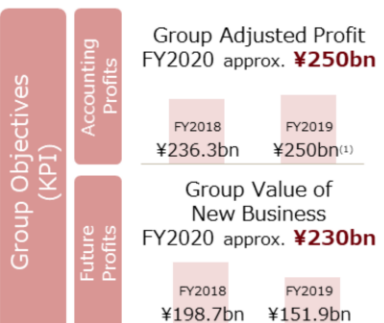


# "CONNECT 2020" Medium-term Management Plan KPIs

Mid- to long-term objectives achievement levels in past 2 years

Current Environment

FY2020 Forecast

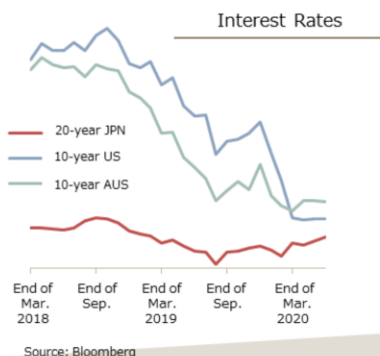
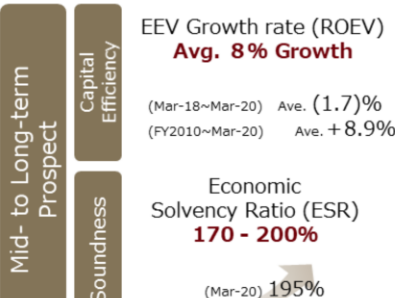


- ✓ Impact from COVID-19
- ① Changes in financial market environment
    - Declining global market interest rates and rising financial market volatility
  - ② Restriction on global economic activity
    - Decrease in new business due to restraint on sales activities and recession
  - ③ Changes in customer (individual/corporate) behavior
    - Changes in customers contact points due to social distancing

Group Adjusted Profit approx. **¥180bn**  
 Group Value of New Business approx. **¥90bn**

► The business environment has changed significantly since the current medium-term management plan was formulated, it is expected that the FY2020 results will fall short of the quantitative targets set in the medium-term management plan.

- Aiming to secure stable earnings for the next mid-term plan with initiatives aimed at improving group business efficiency by adapting to the COVID-19 environment.



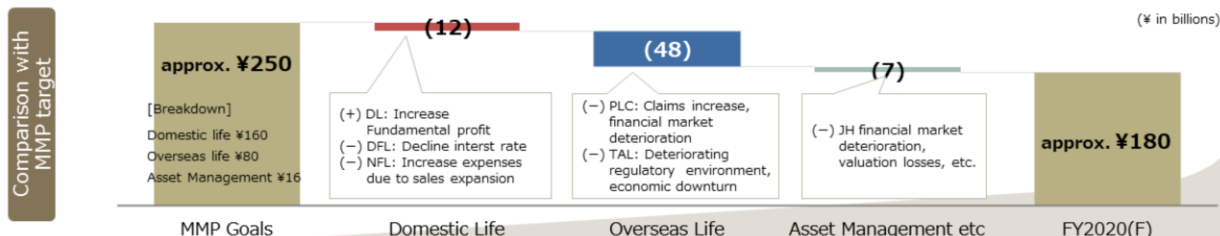
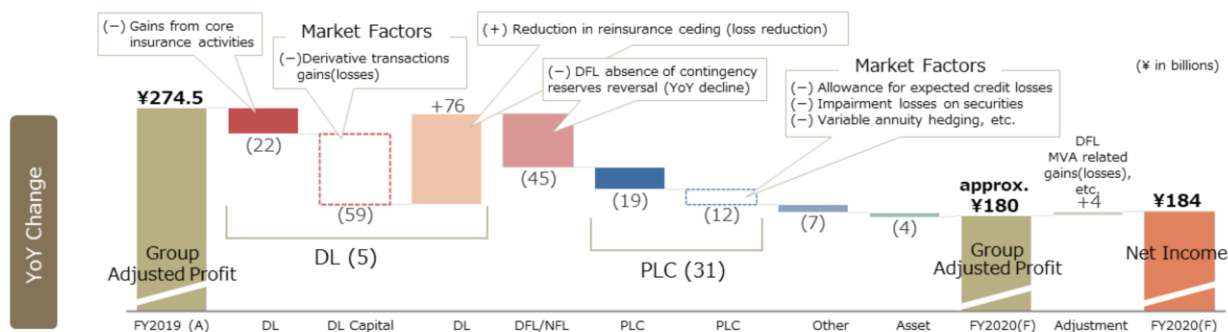
- Preliminary calculated ESR value as of the end of June 2020 expected to be higher than mid-to-long term prospect.
- Continue efforts to ensure stability by reducing market-related risks.

(1) Actual profit level, reported number was ¥274.5 billion including unrealized gains in derivative transactions due to the rapid financial market fluctuations in March at DL.

- Here are the details of the medium-term management plan targets and mid- to long-term prospects.
- We had steady group adjusted profits for the past two years aiming at ¥250 billion for the final year of medium-term management plan. But the business environment has changed significantly from the time when the plan was formulated, due to COVID-19 pandemic. As a result, as explained earlier, both group adjusted profit and group value of new business for the current fiscal year are expected to fall short of the planned targets.
- For the next medium-term management plan, which will start from the next fiscal year, we aim to secure stable earnings by promptly responding to such significant changes in the business environment and promote initiatives to improve group business efficiency while coping with the impacts of COVID-19.
- On the other hand, in such an environment, ESR has been maintained at a level that exceeds our mid- to long-term prospect and we will continue efforts based on our market-related risk reduction policy.
- Please see the next page.

## FY2020 Group Adjusted Profit Forecast - Change Drivers (YoY Change and Comparison with Medium-term Management Plan (MMP) Targets)

- ▶ On a YoY basis, impact from financial market fluctuations on DL and PLC are expected to put significant downward pressure on profit.
- ▶ Compared to MMP targets, domestic life is expected to be in line, while overseas life to largely fall short mainly due to COVID-19 related increase in insurance claims and the impact of financial market fluctuations.



(1) DL and PLC breakdown figures are net of tax.

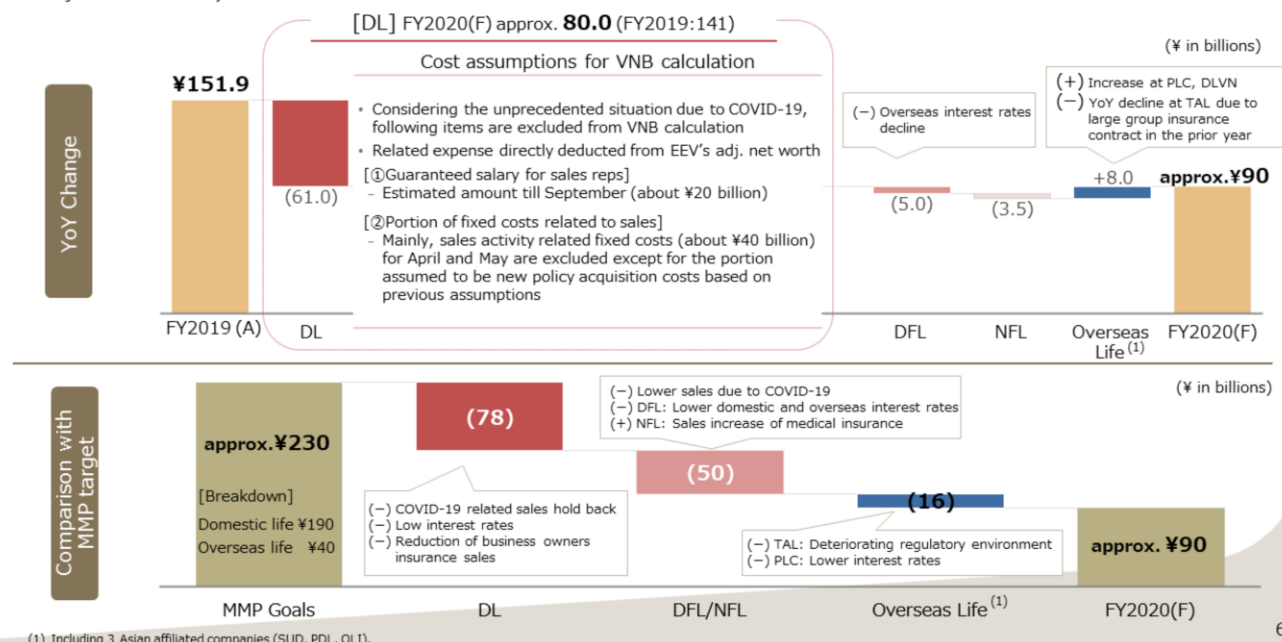
- This section shows the factors that affect group adjusted profit forecast compared to actual results for FY2019 and medium-term management plan targets.
- On a YoY basis, financial market fluctuations associated with COVID-19 are expected to put significant downward pressure on profit at DL and PLC. In addition, with an expected decline in profit at PLC due to higher claims, etc., the overall negative impact of COVID-19 totals to approximately a few tens of billion yen.
- When compared to our medium-term management plan target of ¥250 billion, shown in the lower graph, we are forecasting a decrease of approximately ¥12 billion in the domestic life insurance business due to an increase in operating costs associated with the expansion of new contracts for NFL, etc. Overseas life adjusted profit is expected to fall short of the target by ¥48 billion impacted by a decline in profit at PLC as mentioned earlier.
- Please go to the next page.

## FY2020 Group Value of New Business – Change Drivers

### (YoY Change and Comparison with Mid-term Management Plan (MMP) Targets)



- Both YoY change and comparison with MMP targets are expected to be significantly affected by self-imposed restrictions on sales activities associated with COVID-19 and in addition, MMP targets expected to be impacted by sharp decline in domestic and overseas interest rates.
- DL value of new business (VNB) is expected to be approximately ¥80 billion, excluding guaranteed compensation and fixed costs (except new policy acquisition costs) related to COVID-19, totaling about ¥60 billion. (excluded cost will be deducted from EEV's adjusted net worth).

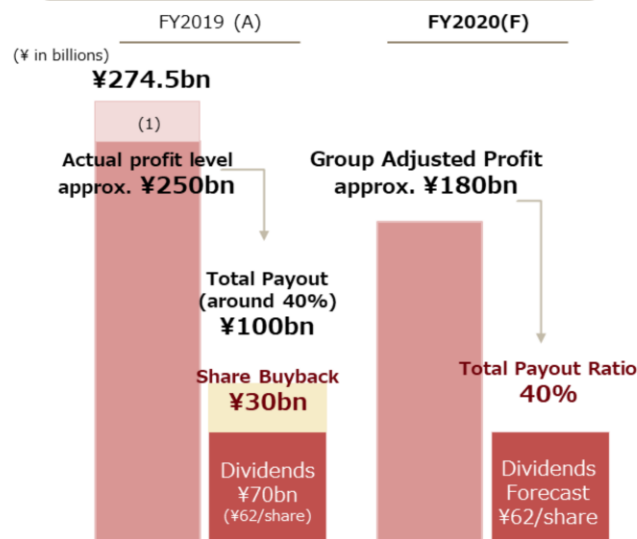


- This page explains the factors that affect the expected value of new business for the group.
- On a YoY basis, we expect that self-imposed restrictions on sales activities associated with COVID-19 will have a significant impact. Compared to our mid-term management plan targets, in addition to the impact from restriction on sales activities, a significant impact will come from a sharp decline in domestic and overseas interest rates.
- DL non-consolidated value of new business is expected to be around ¥80 billion due to unprecedented self-imposed restrictions on sales activities associated with COVID-19. The handling of certain expenses for the calculation of value of new business for the current fiscal year is described in the middle box of upper graph.
- At DL, self-imposed restriction on sales activities were applied from April to May when an emergency declaration was issued in Japan. During this period, a new policy was issued only when there was a request from a customer. We still have certain restrictions on sales activities in place to minimize the risk related to COVID-19. In light of this situation, we have guaranteed compensation to our sales representatives from April to September. In addition, we account for the portion of fixed costs related to new policy acquisition for the first half. Total cost of approximately ¥60 billion, including salary compensation, will be excluded from the calculation of value of new business. The excluded cost will be deducted directly from the adjusted net worth of EEV.
- As for the mid-term management plan target of ¥230 billion, in addition to DL, DFL is also expected to fall far short of the target. This is mainly due to restricted sales activities at insurance agencies and a sharp decline in the domestic and foreign interest rates.
- Please see next page.

# Share Buyback and Shareholder Returns for FY2020

- ▶ Considering our earnings forecast, ESR, regulatory capital level for each group company and cash flow, etc. conducting share buyback have been resolved. Together with shareholder dividends, up to ¥30 billion in share buyback represents a total payout ratio of around 40% against actual group adjusted profit level of ¥250 billion in FY2019.
- ▶ Dividend forecast of ¥62 per share for FY2020 remains unchanged, continue to consider total payout ratio at around 40%.

## Group Adjusted Profit and Shareholder Returns



### Share Buyback

- ▶ Together with shareholder dividends, secure up to ¥30 billion for share buyback representing a total payout ratio of around 40% against actual group adjusted profit level of ¥250 billion in FY2019.  
(Total payout ratio is 36.5% against ¥274.5 billion)

### FY2020 Shareholder Dividends

- ▶ Aim to maintain stable shareholder dividends with a dividend forecast of ¥62 per share
- ▶ Continue to consider total payout ratio at around 40%

(1) DL unrealized gains and losses on financial derivative transactions due to drastic financial market fluctuations in March.

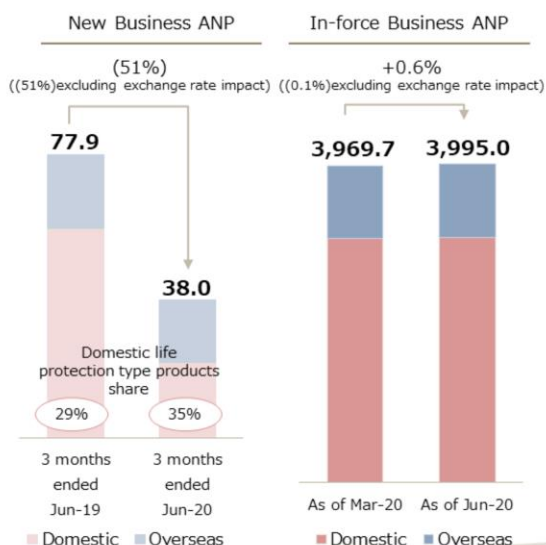
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- This section describes our position on share buyback and shareholder returns.
- Although we had withheld the decision on share buyback for the previous fiscal year, today we made the decision to secure up to ¥30 billion for share buyback. This decision is made considering the group earnings forecast, financial soundness, cash flow status, etc. The share buyback of up to ¥30 billion together with already paid dividends of approximately ¥70 billion is equivalent to a total payout ratio of approximately 40% against actual group adjusted profit of approximately ¥250 billion in FY2019.
- Please see the press release issued today for more information on the share buyback.
- The forecast for dividends for the current fiscal year remains unchanged from the previously announced ¥62 per share, although group adjusted profit is expected to decline significantly YoY. We will continue to aim for a total payout ratio of 40% and maintain stable shareholder dividends.
- Please turn to the next page.

# 1Q Highlights: Sales Performance

- In domestic life, self-imposed restraining of sales activities at DL and a decrease in sales of foreign currency products at DFL due to sharp decline in overseas interest rates resulted in YoY decrease of new business ANP by 65% at DL and 68% at DFL. On the other hand, NFL's medical insurance, distributed mainly through agency channel, increased by 27% due to increased demand due to COVID-19.
- In overseas life, new business ANP decreased by 15% due to a decrease at TAL compared to a strong previous year with group insurance, partially offset by stable sales during the January to March period at PLC and DLVN.

## New Business and In-force Business ANP



	New Business ANP			ANP from Policies In-force		
	3 months ended Jun-19	3 months ended Jun-20	Change	As of Mar-20	As of Jun-20	Change
<b>Domestic Life</b>	<b>57.7</b>	<b>20.9</b>	<b>(63.8%)</b>	<b>3,057.8</b>	<b>3,066.3</b>	<b>+0.3%</b>
DL	20.8	7.2	(65.3%)	2,110.4	2,096.1	(0.7%)
Third sector	13.8	4.1	(69.9%)	694.7	691.5	(0.5%)
DFL	34.9	11.1	(68.0%)	807.8	830.5	+2.8%
o/w DL channel	9.0	2.1	(76.1%)			
NFL	1.9	2.4	+26.6%	139.5	139.6	+0.1%
o/w DL channel	0.7	1.2	+67.9%			
<b>Overseas Life</b>	<b>20.1</b>	<b>17.0</b>	<b>(15.3%)</b>	<b>911.9</b>	<b>928.7</b>	<b>+1.8%</b>
PLC	8.7	10.4	+19.1%	545.7	542.4	(0.6%)
TAL <sup>(1)</sup>	6.9	2.2	(66.8%)	302.4	322.6	+6.7%
DLVN	4.5	4.3	(3.2%)	63.6	63.5	(0.2%)
DLKH	0.0	0.01	-	0.03	0.04	+28.3%
<b>Dai-ichi Life Group</b>	<b>77.9</b>	<b>38.0</b>	<b>(51.2%)</b>	<b>3,969.7</b>	<b>3,995.0</b>	<b>+0.6%</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) New business ANP calculation standard was revised with retrospective adjustment as from the first quarter of FY2020.

- This page and the next explains highlights of financial results for the first quarter.
- First, in terms of sales performance. In the domestic life insurance business, self-imposed restraining of sales activities at DL and a decrease in sales of foreign currency denominated products at DFL due to a sharp decline in overseas interest rates resulted in a YoY decrease of new business ANP by 65% at DL and 68% at DFL.
- On the other hand, NFL's medical insurance, distributed mainly through agency channel and walk-in insurance shops, increased by 27% due to increased demand amid the COVID-19 pandemic.
- We remain cautious in terms of sales activities at DL for the first half, but we expect normalization in the second half.
- For the overseas life insurance business, there is a three month time lag in reflecting the impact of COVID-19 to our reporting because the first quarter for PLC and DLVN is January to March. Both companies experienced an increase in new business ANP YoY for the January the March period (local currency basis for DLVN). Based on latest sales results up to June, we have not seen a significant slowdown. Likewise for TAL, during the April to June period, the individual insurance segment, excluding the highly volatile new business for group insurance segment, maintained at similar levels YoY.
- As a result, new business ANP for the group decreased by 51% YoY to ¥38 billion. The ANP from policies in-force remained almost flat.
- Please go to the next page.

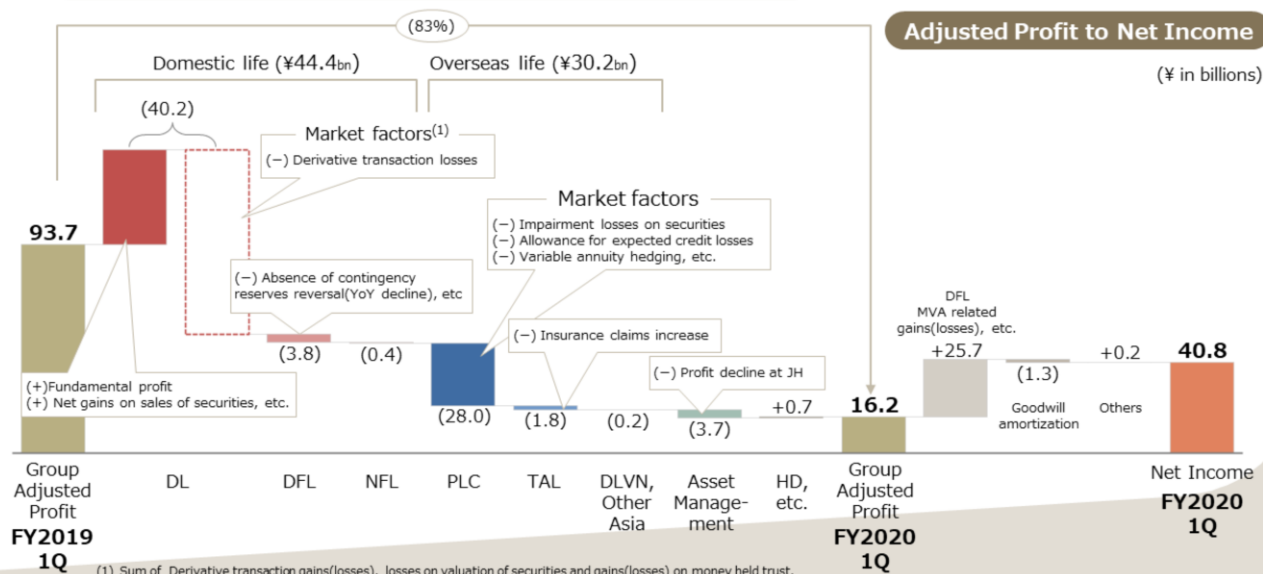




# 1Q Highlights: Group Adjusted Profit and Net Income

- ▶ Group adjusted profit decreased to ¥16.2 billion, a 83% decrease YoY, and net income was down to ¥40.8 billion, a 21% decrease YoY.
- ▶ Group adjusted profit decreased mainly due to derivative transaction losses on market risk hedging positions as opposed to gains recorded in FY2019 and unfavorable impact of financial market fluctuations at PLC, partially offset by an improvement in fundamental profit at DL.

## Drivers affecting Group Adjusted Profit



- Finally, I will explain the status of Group Adjusted Profit and Net Income.
- Group adjusted profit decreased by 83% YoY dropping to ¥16.2 billion due to factors such as the impact of fluctuations in financial markets at DL and PLC.
- At DL, fundamental profit increased due to a decrease in average assumed rate of return as a result of the ceding of legacy blocks and an increase in interest and dividend income from foreign securities, in addition to gains on sales of securities. On the other hand, in the previous fiscal year, with a market risk hedging position, a sizable unrealized gains was recorded due to a significant deterioration of financial markets in March, 2020. The recovery of financial markets in the first quarter resulted in an unrealized losses and, therefore, derivative transaction losses decreased significantly. DL's profit decreased by ¥40.2 billion YoY, also reflecting losses on derivative transaction as opposed to gains in the previous first quarter.
- As for the overseas life insurance business, there was a negative impact on PLC performance for January to March quarter from a sharp deterioration in financial markets in March requiring a provision of allowance for expected credit loss due to newly adopted accounting standard, etc. PLC profit decreased by ¥28 billion YoY and recorded loss on a non-consolidated basis.
- In terms of other group companies, gains on the reversal of contingency reserves for variable annuities at maturity recorded last year at DFL is absent. At TAL, an increase in certain group insurance claims unrelated to COVID-19 put downward pressure on profit. In the asset management business, Janus Henderson incurred loss for the January to March period due to impairment losses on intangible assets.
- Consolidated net income decreased by 21% YoY to ¥40.8 billion. While DFL incurred MVA related losses in the previous year, the impact of MVA was positive for the first quarter.
- Both DL and PLC have been affected by unrealized losses from short-term financial market fluctuations and it may fluctuate going forward depending on the future market environment. PLC is scheduled to announce its financial results for the April to June quarter on August 13 (afternoon, CDT). Earnings are expected to improve significantly for the second quarter due to market recovery since the end of March and profit for the full-year is expected.
- This ends my presentation. Thank you.



# Overview of Group Financial Results/Group Earnings Forecast

(¥ in billions unless otherwise noted)	FY2019 1Q	FY2020 1Q	Change YoY (%)		Progress vs. Forecast	FY2019 Actual	FY2020 Forecast	Change YoY (%)	
<b>Ordinary revenues</b>	<b>1,830.2</b>	<b>1,791.3</b>	<b>(38.8)</b>	<b>(2%)</b>	<b>28%</b>	<b>7,114.0</b>	<b>6,487.0</b>	<b>(627.0)</b>	<b>(9%)</b>
Dai-ichi Life	908.6	945.1	+ 36.5	+ 4%	27%	3,680.6	3,523.0	(157.6)	(4%)
Dai-ichi Frontier Life	428.2	486.4	+ 58.2	+ 14%	35%	2,065.0	1,376.0	(689.0)	(33%)
Protective (US\$ in millions) <sup>(1)</sup>	3,308	5,272	+ 1,963	+ 59%	54%	12,744	9,820	(2,924)	(23%)
TAL (AU\$ in millions) <sup>(1)</sup>	1,397	1,647	+ 250	+ 18%	29%	5,808	5,760	(48)	(1%)
<b>Ordinary profit</b>	<b>105.0</b>	<b>76.7</b>	<b>(28.3)</b>	<b>(27%)</b>	<b>21%</b>	<b>218.3</b>	<b>358.0</b>	<b>+ 139.7</b>	<b>+ 64%</b>
Dai-ichi Life	105.9	48.7	(57.2)	(54%)	16%	290.6	297.0	+ 6.4	+ 2%
Dai-ichi Frontier Life	(24.0)	45.5	+ 69.6	-	111%	(94.4)	40.0	+ 134.4	-
Protective (US\$ in millions) <sup>(1)</sup>	174	(144)	(319)	-	-	577	220	(357)	(62%)
TAL (AU\$ in millions) <sup>(1)</sup>	87	58	(28)	(33%)	53%	207	110	(97)	(47%)
<b>Net income<sup>(2)</sup></b>	<b>51.7</b>	<b>40.8</b>	<b>(10.9)</b>	<b>(21%)</b>	<b>22%</b>	<b>32.4</b>	<b>184.0</b>	<b>+ 151.6</b>	<b>+ 468%</b>
Dai-ichi Life	59.6	19.4	(40.2)	(67%)	13%	128.6	145.0	+ 16.4	+ 13%
Dai-ichi Frontier Life	(25.4)	36.5	+ 62.0	-	128%	(100.0)	28.0	+ 128.0	-
Protective (US\$ in millions) <sup>(1)</sup>	138	(117)	(255)	-	-	463	180	(283)	(61%)
TAL (AU\$ in millions) <sup>(1)</sup>	60	37	(22)	(38%)	49%	154	70	(84)	(55%)
<b>Group Adjusted Profit</b>	<b>93.7</b>	<b>16.2</b>	<b>(77.5)</b>	<b>(83%)</b>	<b>9%</b>	<b>274.5</b>	<b>approx.180.0</b>	<b>(94.5)</b>	<b>(34%)</b>
<b>Dividends per share (¥)</b>						<b>62</b>	<b>62</b>	<b>-</b>	<b>-</b>
(Reference) Fundamental Profit	126.5	136.9	+ 10.3	+ 8%	29%	534.9	approx.480.0	(54.9)	(10%)
Dai-ichi Life	94.5	117.8	+ 23.3	+ 25%	29%	422.1	approx.400.0	(22.1)	(5%)

(1) Figures for Protective and TAL are disclosed after re-classifying items from Protective and TAL's financial statements under US and Australian accounting standards, respectively to conform to Dai-ichi Life Holdings' disclosure standards. (Currency rate) Protective Life 1USD=110.99yen (1Q FY2019), 109.56yen (FY2019 Actual) and 108.83yen (1Q FY2020 and Forecast), TAL 1AUD=75.49yen (1Q FY2019), 66.09yen (FY2019 Actual) and 73.88yen (1Q FY2020 and Forecast)

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

## Group companies performance overview

## [Group Companies Performance Overview]

### Domestic Life Insurance Business: Dai-ichi Life



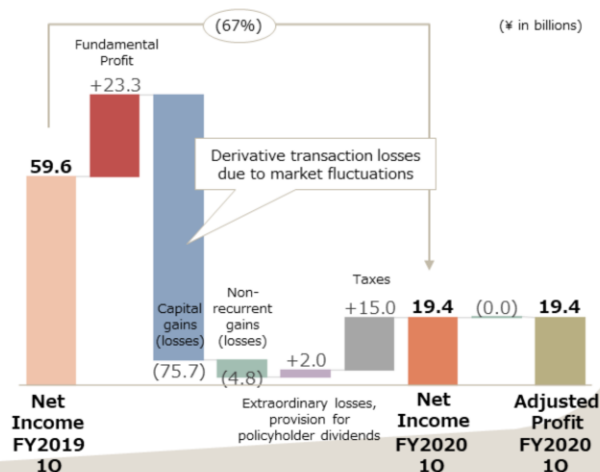
- Fundamental profit increased to ¥117.8 billion, a 25% increase YoY, mainly due to higher positive spread.
- Adjusted profit dropped to ¥19.4 billion, a 67% decline YoY, due to derivative transaction losses unfavorably impacted by recovery of financial markets since end of March.

#### Performance Results

	FY2019	FY2020		
(¥ in billions)	1Q	1Q	Change	(%)
Premium and other income	581.9	543.7	(38.2)	(7%)
<b>Fundamental profit</b>	<b>94.5</b>	<b>117.8</b>	<b>+ 23.3</b>	<b>+ 25%</b>
positive spread	13.6	43.4	+ 29.8	+ 218%
gains from core insurance activities	80.8	74.3	(6.5)	(8%)
<b>Net capital gains (losses)</b>	<b>26.7</b>	<b>(48.9)</b>	<b>(75.7)</b>	
net gains (losses) on sales of securities	48.6	84.4	+ 35.8	
derivative transaction gains(losses)	7.1	(115.0)	(122.1)	
foreign exchange gains(losses)	(22.7)	(18.9)	+ 3.7	
loss on valuation of securities	(5.5)	(1.1)	+ 4.3	
<b>Non-recurrent gains (losses)</b>	<b>(15.3)</b>	<b>(20.1)</b>	<b>(4.8)</b>	
provision for additional policy reserve	(15.2)	(15.5)	(0.3)	
provision for contingency reserve	-	(4.2)	(4.2)	
<b>Ordinary profit/loss</b>	<b>105.9</b>	<b>48.7</b>	<b>(57.2)</b>	<b>(54%)</b>
<b>Extraordinary gains/losses</b>	<b>(4.2)</b>	<b>(4.6)</b>	<b>(0.4)</b>	
Provision for price fluctuation reserve	(4.2)	(4.2)	-	
Provision for reserve for PH dividends	(18.9)	(16.5)	+ 2.4	
Total of corporate income taxes	(23.1)	(8.1)	+ 15.0	
<b>Net income/loss</b>	<b>59.6</b>	<b>19.4</b>	<b>(40.2)</b>	<b>(67%)</b>

(¥ in billions)	FY2019 1Q	FY2020 1Q	YoY	(%)
Adjusted Profit	59.6	19.4	(40.2)	(67%)

Net Income YoY change and Adjusted Net Profit



## [Group Companies Performance Overview]

### Dai-ichi Life – Initiatives for financial market risk reduction

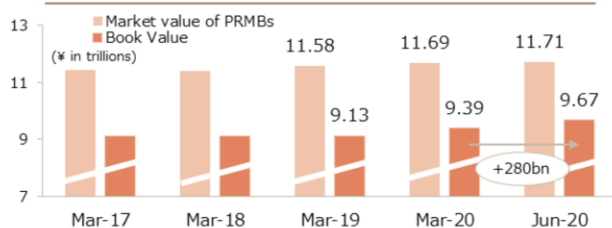


Dai-ichi Life  
Holdings

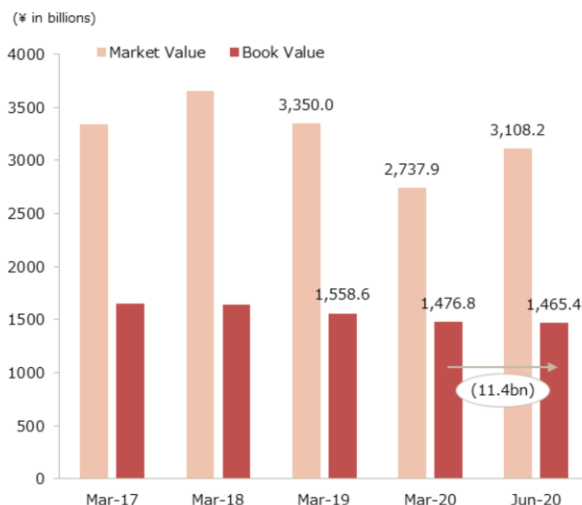
#### Duration and purchase of policy-reserve-matching bonds<sup>(1)</sup>



#### Balance of policy-reserve-matching bonds and derivatives



#### Domestic Equity (Market value/Book value)<sup>(2)</sup>



Domestic equity hedging positions (futures sold and put options bought)	¥150.0bn	¥264.2bn	¥288.3bn
Foreign equity hedging positions	¥59.0bn	¥110.4bn	¥20.1bn

(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) and the balance of policy-reserve-matching bonds (PRMB) and derivatives. PRMB is a unique category for bonds, accepted under Japanese GAAP. PRMB is reported at amortized cost if the bonds meet certain requirements.

(2) Within domestic equity (excluding stocks of subsidiaries, affiliates and not-listed domestic stocks) the book value of equity held for purposes other than pure investment as of end of June, 2020 was ¥103.4 billion.

## [Group Companies Performance Overview]

### Domestic Life Insurance Business: Dai-ichi Frontier Life



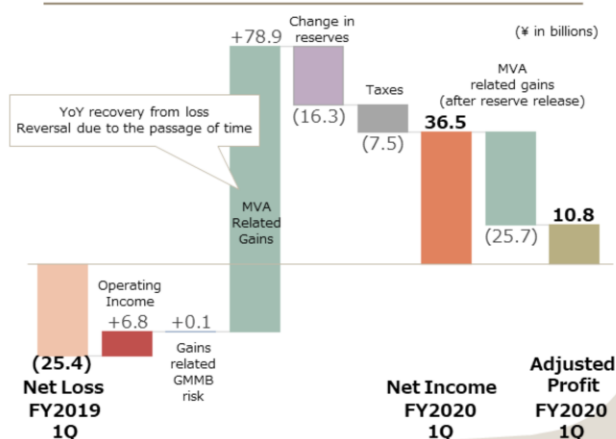
- Operating income increased to ¥20.5 billion, a 50% increase YoY, due to higher gains on sale of bonds and net income was ¥36.5 billion due to the MVA related gains.
- Adjusted profit decreased by 26% to ¥10.8 billion due to the absence of reversal of contingency reserves for matured variable annuities.

#### Performance Results

(¥ in billions)	FY2019 1Q	FY2020 1Q	Change	(%)
Premium and other income	367.9	154.7	(213.2)	(58%)
<b>Fundamental profit<sup>(1)</sup></b>	<b>11.3</b>	<b>14.6</b>	<b>+ 3.2</b>	<b>+ 29%</b>
Positive spread and gains from core insurance	11.5	11.7	+ 0.1	
Gains (losses) related to MVA	(0.2)	2.9	+ 3.1	
<b>Net capital gains (losses)</b>	<b>(42.3)</b>	<b>40.3</b>	<b>+ 82.6</b>	
gains (losses) related to GMMB risk	(0.7)	(3.7)	(2.9)	
gains (losses) related to MVA	(43.6)	35.3	+ 78.9	
other operating capital gains	2.0	8.7	+ 6.7	
<b>Non-recurrent gains (losses)</b>	<b>6.9</b>	<b>(9.3)</b>	<b>(16.3)</b>	
provision for contingency reserve	6.9	(9.3)	(16.3)	
<b>Ordinary profit/loss</b>	<b>(24.0)</b>	<b>45.5</b>	<b>+ 69.6</b>	<b>-</b>
<b>Extraordinary gains/losses</b>	<b>(1.3)</b>	<b>(1.4)</b>	<b>+ 0.0</b>	
Provision for price fluctuation reserve	(1.3)	(1.4)	+ 0.0	
Total of corporate income taxes	-	(7.5)	(7.5)	
<b>Net income/loss</b>	<b>(25.4)</b>	<b>36.5</b>	<b>+ 62.0</b>	<b>-</b>
Operating income <sup>(2)</sup>	13.6	20.5	+ 6.8	+ 50%
Gains (losses) related to GMMB risk	(1.0)	(0.8)	+ 0.1	
Gains (losses) related to MVA	(43.6)	35.3	+ 78.9	
Provision for contingency reserves and price fluctuation reserves, and tax	5.5	(18.3)	(23.9)	

(¥ in billions)	FY2019 1Q	FY2020 1Q	YoY	(%)
Adjusted Profit	14.6	10.8	(3.8)	(26%)

#### Net Income YoY change and Adjusted Net Profit



(1) Interest received(paid) related to currency swap and interest rate swap contracts covering foreign-currency denominated insurance policies, along with impact from assets held in money trusts and others related to reinsurance dealings, are reclassified from capital gains(losses), effective from the first quarter ended June 30, 2020.

(2) 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.

# [Group Companies Performance Overview]

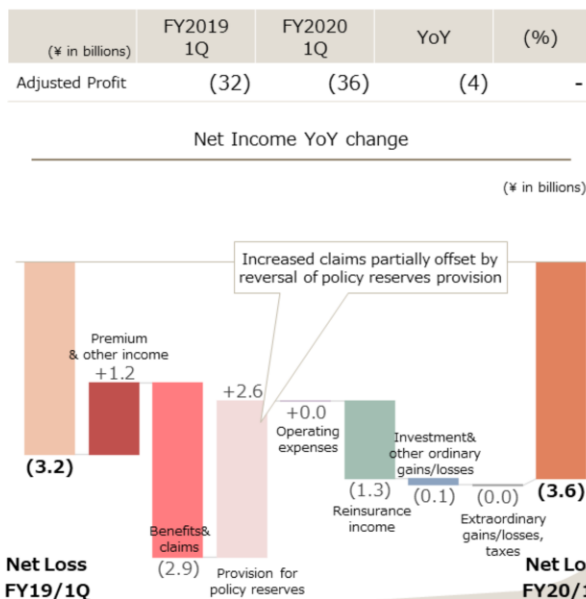
## Domestic Life Insurance Business: Neo First Life

- Premium and other income increased 5% YoY with the increase of new business.
- Net loss was ¥3.6 billion due to an increase in claims partially offset by the reversal of provisions for policy reserves.

### Performance Results

(¥ in billions)	FY2019 1Q	FY2020 1Q	Change	(%)
Premium and other income <sup>(1)</sup>	27.3	28.5	+ 1.2	+ 5%
Benefits and claims <sup>(1)</sup>	(1.2)	(4.1)	(2.9)	
Claims, annuities, benefits	(0.7)	(1.3)	(0.5)	
Surrender value, other refunds	(0.4)	(2.8)	(2.3)	
Provision for policy reserves, etc.	(20.4)	(17.7)	+ 2.6	
Provision/reversal for contingency reserve	(0.1)	(0.0)	+ 0.0	
Operating expenses	(6.2)	(6.1)	+ 0.0	
Reinsurance income	(2.5)	(3.9)	(1.3)	
Investment and Other ordinary	(0.1)	(0.2)	(0.1)	
Investment gains/losses	0.0	0.0	+ 0.0	
Other ordinary gains/losses	(0.1)	(0.3)	(0.1)	
Ordinary profit/loss	(3.2)	(3.6)	(0.4)	-
Extraordinary gains/losses	-	(0.0)	(0.0)	
Total of corporate income taxes	(0.0)	(0.0)	(0.0)	
<b>Net income/loss</b>	<b>(3.2)</b>	<b>(3.6)</b>	<b>(0.4)</b>	<b>-</b>
<b>Fundamental profit</b>	<b>(3.1)</b>	<b>(3.5)</b>	<b>(0.4)</b>	<b>-</b>

(1) Excluding reinsurance income





## [Group Companies Performance Overview]

### Overseas Life Business – Protective, USA

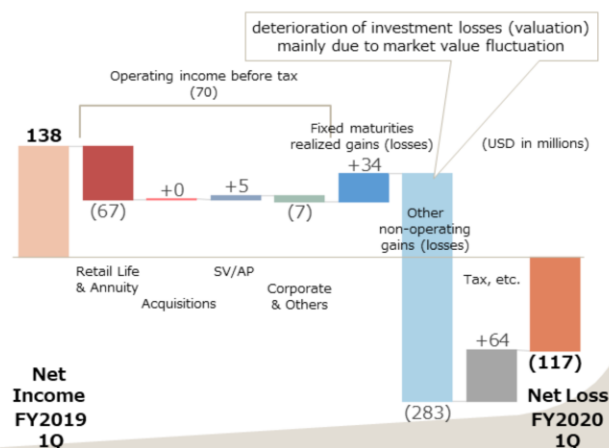
- Pre-tax adjusted operating income decreased to \$72 million, a 49% decrease YoY mainly due to unfavorable impact of an interest rate decline and financial market fluctuation on the Retail Life & Annuity segment.
- Net loss of \$117 million was mainly due to valuation losses on equity and bonds impacted by financial markets fluctuations in March and provision of allowance for expected credit losses due to adoption of new accounting standard. (Note that the market reversal after March significantly improved 2Q profit. PLC is scheduled release its financial results for the April to June quarter on August 13 (CDT) )

#### Performance Results

(USD in millions)	FY2019 Q1	FY2020 Q1	Change YoY	(%)
Premiums and policy fees	1,454	1,661	+ 207	+ 14%
<b>Pre-tax adj. Operating Income<sup>(1)</sup></b>	<b>142</b>	<b>72</b>	<b>(70)</b>	<b>(49%)</b>
Retail Life & Annuity <sup>(2)</sup>	55	(12)	(67)	-
Acquisitions	74	75	+ 0	+ 0%
Stable Value Products	22	25	+ 3	+ 14%
Asset Protection	9	11	+ 1	+ 20%
Corporate & Other	(19)	(27)	(7)	-
<b>Realized Gains (Losses) and adj.</b>	<b>32</b>	<b>(217)</b>	<b>(249)</b>	
Fixed maturities - realized gains (losses)	5	39	+ 34	
Credit losses and Realized gain (losses) on equity, Other	26	(95)	(121)	
Commercial mortgage loans	-	(95)	(95)	
Modco - net realized gains and losses	9	(48)	(58)	
Derivatives related VA, FIA, IUL and STRANN	(13)	(75)	(62)	
Related DAC/VOBA amortization	4	58	+ 54	
Income tax expense	(36)	27	+ 64	
<b>Net Income (Loss)</b>	<b>138</b>	<b>(117)</b>	<b>(255)</b>	
Net Income (Loss) ¥ in billions	153	(127)	(280)	
Exchange rate (¥/USD)	110.99	108.83	(2.16)	(2%)

(¥ in billions)	FY2019 1Q	FY2020 1Q	YoY	(%)
Adjusted Profit	15.3	(12.7)	(28.0)	-

#### Net Income YoY change



(1) Derived from net income by excluding realized gains and losses on investments and derivatives, etc.  
(2) From Q1 FY2020, PLC combined Life Marketing and Annuities segments into one "Retail Life & Annuity" segment.

## [Group Companies Performance Overview] Overseas Life Business – TAL, Australia

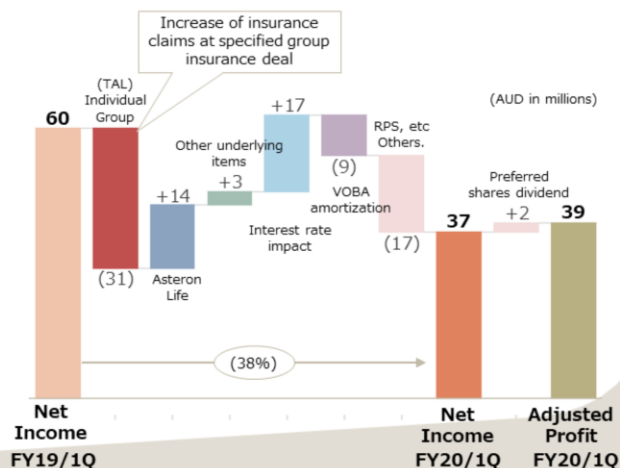
- Underlying profit decreased to AU\$25m, a 36% decrease YoY, mainly due to adverse claims experience in Group insurance.
- Net income decreased to AU\$37m, a 38% decrease YoY, due to burden of integration cost at Asteron Life partially offset by favorable interest rates movements.

### Performance Results

(AUD in millions)	FY2019 1Q	FY2020 1Q	Change YoY	(%)
Premium and other income	1,235	1,439	+ 204	+ 17%
<b>Underlying Profit (after tax)</b>	<b>39</b>	<b>25</b>	<b>(14)</b>	<b>(36%)</b>
Individual	40	27	(12)	(31%)
Group	14	(5)	(19)	-
Asteron Life	(1)	12	+ 14	-
Other underlying items	(13)	(9)	+ 3	-
<b>Non-underlying items (after tax)</b>	<b>20</b>	<b>12</b>	<b>(8)</b>	
Interest rate impact on A&L	15	33	+ 17	
VOBA amortization, etc.	15	6	(9)	
RPS, etc.	(4)	(4)	+ 0	
Others	(6)	(23)	(17)	
<b>Net Income</b>	<b>60</b>	<b>37</b>	<b>(22)</b>	<b>(38%)</b>
Net Income (loss) ¥ in billions	45	27	(17)	(39%)
Exchange rate (¥/AUD)	75.49	73.88	(1.61)	(2%)

(¥ in billions)	FY2019 1Q	FY2020 1Q	YoY	(%)
Adjusted Profit	4.8	2.9	(1.8)	(38%)

### Net Income YoY change and Adjusted Net Profit

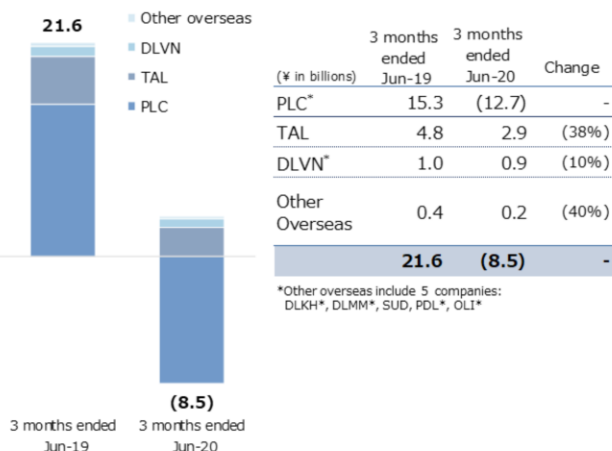


## [Group Companies Performance Overview]

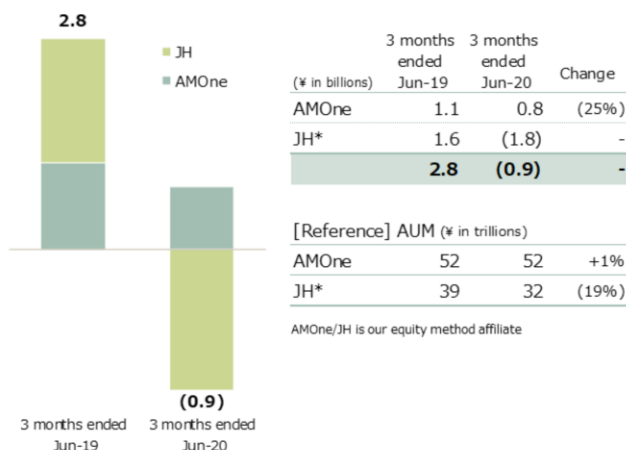
### Overseas Life Insurance and Asset Management Businesses

- ▶ Including overseas life group companies other than PLC and TAL, net adjusted loss was ¥8.5 billion due to establishment costs at DLKH (Cambodia) and DLMM (Myanmar) in addition to a decrease in profit at DLVN (Vietnam).
- ▶ Asset management business incurred loss of ¥0.9 billion mainly due to goodwill and intangible asset impairment losses at JH recorded in March.

#### Overseas Life Insurance Business Adjusted Profit



#### Asset Management Business Adjusted Profit



\*Fiscal year ends on December 31, for PLC, DLVN, DLKH, DLMM, PDL, OLI, JH.

## Group EEV (European Embedded Value)

## EEV – European Embedded Value

- Since the end of March, 2020 Group EEV increased by ¥620 billion, reaching approximately ¥6,240 billion. The increase is explained by an improvement in financial markets leading to higher unrealized gains on securities at DL and a decline in valuation losses related to bond spread fluctuations at DFL.

(¥ in billions)	Mar-20	Jun-20 Est.	Change
<b>EEV of the Group</b>	<b>5,621.9</b>	<b>ca. 6,240.0</b>	<b>ca. +620.0</b>
EEV for Covered Businesses <sup>(1)</sup>	5,761.3	ca. 6,340.0	ca. +580.0
Adjusted net worth	6,629.3	ca. 6,870.0	ca. +240.0
Value of in-force business	(868.0)	ca. (530.0)	ca. +340.0
Adjustments to net worth etc. of non-covered businesses <sup>(2)</sup>	(139.3)	ca. (100.0)	ca. +40.0

<Outstanding in local currency>

(¥ in billions)	Mar-20	Jun-20 Est.	Change	(¥ in billions)	Dec-19	Mar-20 Est.	Change	(¥ in billions)	Dec-19	Mar-20 Est.	Change
<b>DL</b>	<b>4,296.4</b>	<b>ca. 4,770.0</b>	<b>ca. +470.0</b>	<b>PLC</b>	<b>765.3</b>	<b>ca. 690.0</b>	<b>ca. (70.0)</b>	<b>PLC</b>	<b>6,986</b>	<b>ca. 6,400</b>	<b>ca. (600)</b>
ANW	5,631.0	ca. 5,630.0	ca. (0.0)	ANW	410.4	ca. 450.0	ca. +40.0	ANW	3,746	ca. 4,100	ca. +400
VIF	(1,334.6)	ca. (860.0)	ca. +470.0	VIF	354.9	ca. 240.0	ca. (110.0)	VIF	3,239	ca. 2,200	ca. (1,000)
<b>DFL</b>	<b>191.2</b>	<b>ca. +340.0</b>	<b>ca. +150.0</b>	<b>TAL</b>	<b>317.2</b>	<b>ca. 350.0</b>	<b>ca. +30.0</b>	<b>TAL</b>	<b>4,801</b>	<b>ca. 4,700</b>	<b>ca. (100)</b>
ANW	378.2	ca. +570.0	ca. +190.0	ANW	178.8	ca. 200.0	ca. +20.0	ANW	2,706	ca. 2,700	ca. +0
VIF	(187.0)	ca. (220.0)	ca. (40.0)	VIF	138.4	ca. 150.0	ca. +10.0	VIF	2,094	ca. 2,000	ca. (100)

PLC: US\$ in millions, TAL: AU\$ in millions

(1) "Covered businesses" are the business areas that are to be covered by the EEV methodology set forth by the EEV principle. Our 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.

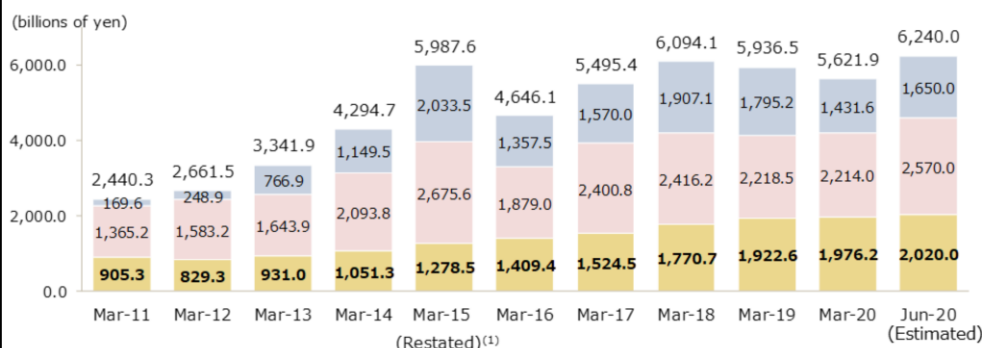
(2) "Adjustments related to non-covered businesses" include net worth (as of Mar-20: 1,250.2 billion yen, Jun-20: 1,285.8 billion yen) of non-consolidated Dai-ichi Life Holdings, adjustments related to interest (as of Mar-20: minus 1,446.2 billion yen, Jun-20: ca. minus 1,440.5 billion yen) in six subsidiaries of Dai-ichi Life Holdings that are engaged in the insurance business, and fair value adjustments to assets and liabilities of Dai-ichi Life Holdings.

# EEV of Dai-ichi Life Group after reclassification

## Reclassification of EEV from ALM point of view

(¥ in billions)	Mar-20	Jun-20 Est.	Change	(¥ in billions)	Mar-20	Jun-20 Est.	Change
<b>Group EEV</b>	<b>5,621.9</b>	<b>ca. 6,240.0</b>	<b>ca. + 620.0</b>	<b>Group EEV</b>	<b>5,621.9</b>	<b>ca. 6,240.0</b>	<b>ca. + 620.0</b>
Covered Businesses	5,761.3	ca. 6,340.0	ca. + 580.0	Unrealized gains on other assets <sup>(2)</sup>	1,431.6	ca. 1,650.0	ca. + 220.0
Adjusted net worth	6,629.3	ca. 6,870.0	ca. + 240.0	VIF plus unrealized gains on yen-denominated fixed income assets <sup>(3)</sup>	2,214.0	ca. 2,570.0	ca. + 360.0
Value of in-force business	(868.0)	ca. (530.0)	ca. + 340.0	Net worth, etc. plus retained earnings in liabilities <sup>(4)</sup>	1,976.2	ca. 2,020.0	ca. + 40.0
Adjustment related to non-covered businesses	(139.3)	ca. (100.0)	ca. + 40.0				

## EEV of Dai-ichi Life Group after reclassification



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

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

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

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

**Accumulated realized gain**

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

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

(3) VIF of the Group plus unrealized gains on Dai-ichi Life's yen-denominated fixed assets as well as Dai-ichi Frontier Life's and Neo First Life's assets etc. (after some adjustments). This item is mainly affected by interest 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.



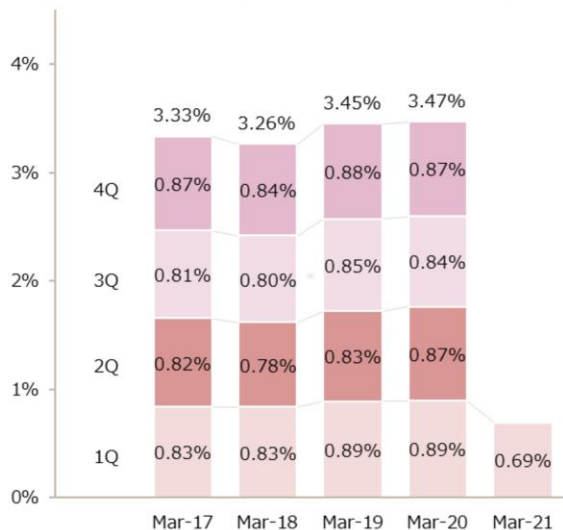
## Reference Data

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

## ANP based Surrender & Lapse (individual insurance & annuities)

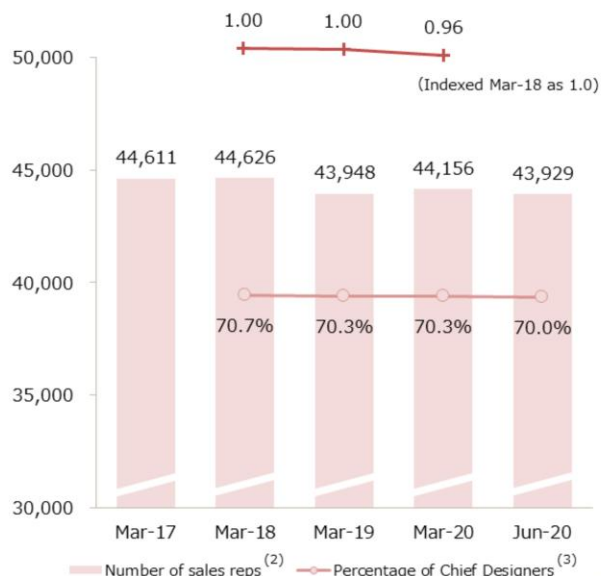
### Surrender & Lapse Rate

(ANP based Surrender & Lapse / in-force business ANP at fiscal year start)



## Number of Sales Reps and Productivity

### VNB per sales rep <sup>(1)</sup>



(1) Calculated by dividing the number of Value of new business by the average number of sales representatives in each period.

(2) The number of sales representatives does not include employees who have licenses to sell insurance products but are engaged mainly in sales supportive functions.

(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. Current standards applied as from Mar-18.

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

## [1] Breakdown of Investment Income and Expenses

### Interest and Dividends

(¥ in billions)	As of Jun-19	As of Jun-20	Change	(%)
<b>Interest and dividends</b>	<b>186.1</b>	<b>209.1</b>	<b>23.0</b>	<b>+ 12%</b>
Domestic bonds	70.3	68.1	(2.1)	(3%)
Domestic stocks	8.6	6.2	(2.4)	(28%)
Foreign securities	66.6	82.5	15.8	+ 24%
Other securities	9.3	22.6	13.2	+ 142%
Loans	10.4	9.6	(0.7)	(7%)
Real estate	18.4	18.3	(0.1)	(1%)

[Reference] Rates of return as of FY2019

(¥ in billions)	Interest and dividends	Average daily balance	Return <sup>(1)</sup>
<b>General account total</b>	<b>786.5</b>	<b>33,232.5</b>	<b>2.37%</b>
Domestic bonds	278.8	15,423.7	1.81%
Domestic stocks	73.5	1,574.0	4.68%
Foreign securities	287.2	9,758.0	2.94%
Other securities	22.2	776.9	2.87%
Loans	40.8	2,399.6	1.70%
Real estate <sup>(2)</sup>	75.3	804.9	9.36%

### Gains/losses on Sale and Valuation of Securities

(¥ in billions)	As of Jun-19	As of Jun-20	Change	(%)
<b>Gains on sale of securities</b>	<b>62.1</b>	<b>105.8</b>	<b>43.7</b>	<b>+ 70%</b>
Domestic bonds	23.0	39.8	16.7	+ 73%
Domestic stocks	25.6	20.9	(4.7)	(18%)
Foreign securities	13.1	44.4	31.3	+ 239%
Other securities	0.2	0.5	0.3	+ 168%
<b>Losses on sale of securities</b>	<b>13.4</b>	<b>21.3</b>	<b>7.9</b>	<b>+ 59%</b>
Domestic bonds	0.0	0.1	+0.0	+ 214%
Domestic stocks	1.0	0.3	(0.7)	(66%)
Foreign securities	11.7	15.4	3.7	+ 32%
Other securities	0.6	5.4	4.8	+ 755%
<b>Net gains or losses</b>	<b>48.6</b>	<b>84.4</b>	<b>35.8</b>	<b>+ 74%</b>
<b>Losses on valuation of securities</b>	<b>5.5</b>	<b>1.1</b>	<b>(4.3)</b>	<b>(79%)</b>
Domestic bonds	-	-	-	-
Domestic stocks	2.6	0.8	(1.8)	(69%)
Foreign securities	2.9	0.3	(2.5)	(88%)
Other securities	-	0.0	+0.0	-

(1) Ratio of interest and dividends to the average daily balance.

(2) The daily balance of real estate held with investment purpose is used.

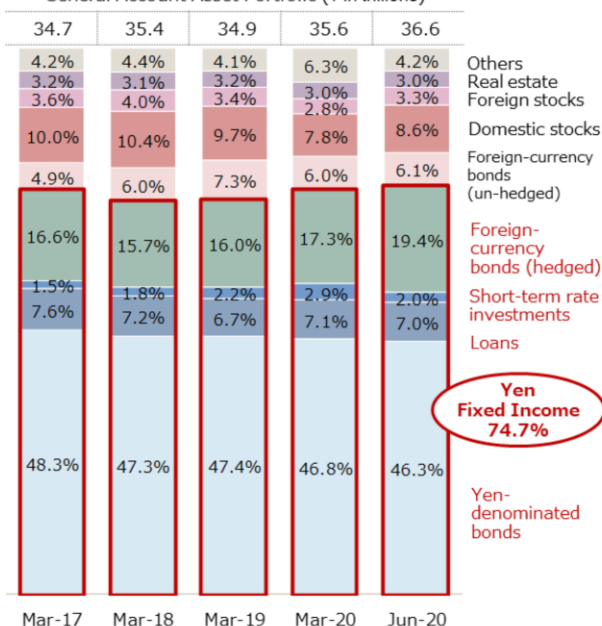
# Dai-ichi Life's Results – General Account Assets

## [2] Investment Portfolio, Return and Average Assumed Rate of Return

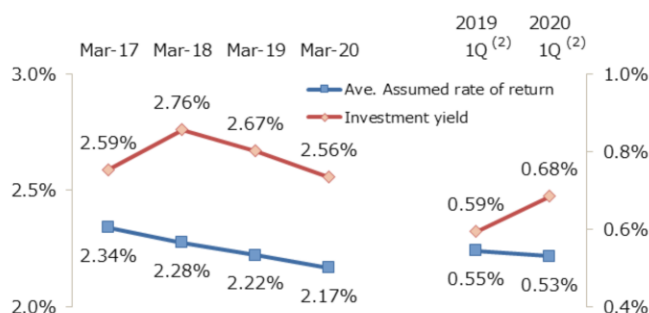


### Investment Portfolio (General Account) <sup>(1)</sup>

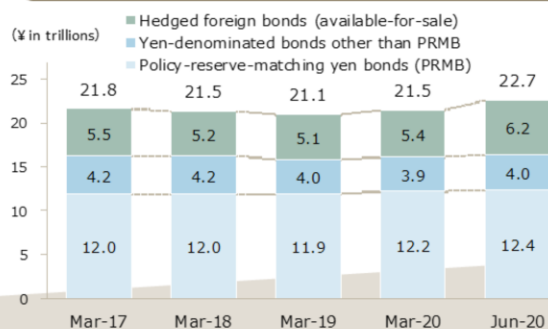
General Account Asset Portfolio (¥ in trillions)



### Investment Yield & Ave. Assumed Rate of Return



### Yen and Currency-hedged Foreign Bonds <sup>(3)</sup>



(1) Carrying amount – basis.

(2) Investment yield for fundamental profit and assumed interest income return for the covered period.

(3) Book value basis.

# Dai-ichi Life's Results General Account Assets

## [3] Yen-denominated Bonds•Foreign Currency Bonds

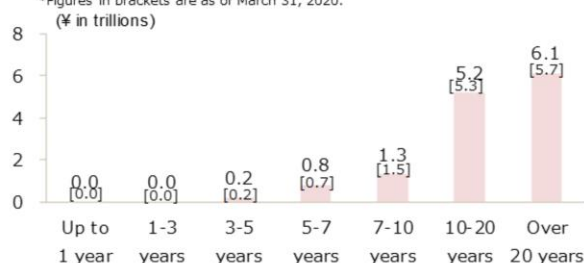


### Yen-denominated Bonds <sup>(1)</sup>



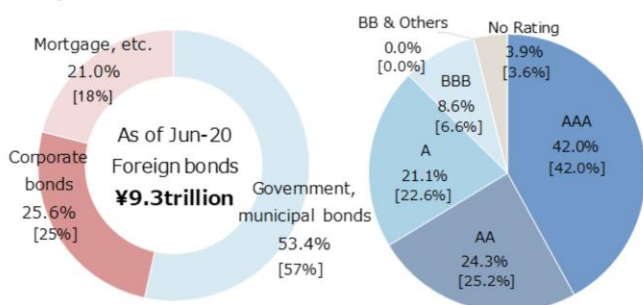
### Domestic Government Bonds <sup>(2)</sup> by Maturity (Jun-20)

\*Figures in brackets are as of March 31, 2020.

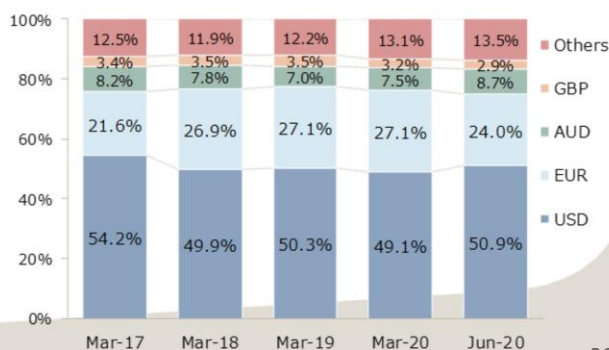


### Foreign Currency Bond Portfolio <sup>(2)(3)</sup> (Jun-20)

\*Figures in brackets are as of March 31, 2020.



### 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.

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

## – Unrealized Gains/Losses & Solvency Margin Ratio –

### Unrealized Gains/Losses (General Account)

(¥ in billions)	As of Mar-20	As of Jun-20	Change	(%)
<b>Securities</b>	<b>5,423.8</b>	<b>5,695.8</b>	<b>+ 271.9</b>	<b>+ 5%</b>
Domestic bonds	3,221.6	2,912.4	(309.2)	△ 10%
Domestic stocks	1,261.1	1,642.7	+ 381.6	+ 30%
Foreign bonds	864.3	1,043.4	+ 179.1	+ 21%
Foreign stocks	52.3	87.8	+ 35.5	+ 68%
Real estate	332.6	338.4	+ 5.7	+ 2%
General Account total	5,802.1	6,063.6	+ 261.5	+ 5%

#### Sensitivities<sup>(1)</sup>

10-year JGB Yield 10bp change:  
June 2020: ± ¥270bn\*  
(March 2020: ± ¥270bn)  
\* Available-for-sale securities:  
June 2020: ± ¥30bn  
(March 2020: ± ¥30bn)

Nikkei 225 1,000 yen change:  
June 2020: ± ¥130bn  
(March 2020: ± ¥140bn)

JPY / USD 1 yen change:  
June 2020: ± ¥27bn  
(March 2020: ± ¥25bn)

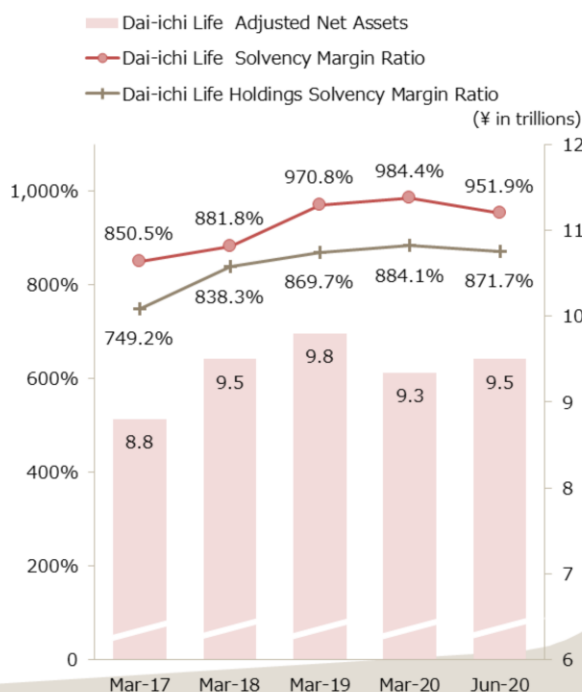
#### Breakeven Points<sup>(2)</sup>

10-year JGB Yield  
June 2020: 1.1%\*  
(March 2020: 1.2%)  
\* Available-for-sale securities:  
June 2020: 1.5%  
(March 2020: 1.5%)

Nikkei 225  
June 2020: ¥10,600  
(March 2020: ¥10,200)

JPY / USD  
June 2020: \$1 = ¥108  
(March 2020: ¥111)

### Solvency Margin Ratio & Adjusted Net Assets



(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/US exchange rate (assuming all are in USD).



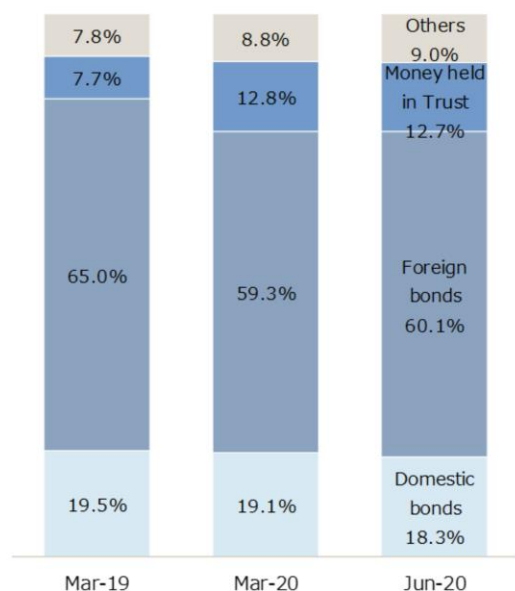
# [Dai-ichi Frontier Life] Investment Portfolio



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

General Account Asset Portfolio (¥ in trillions)

6.9      7.8      8.1

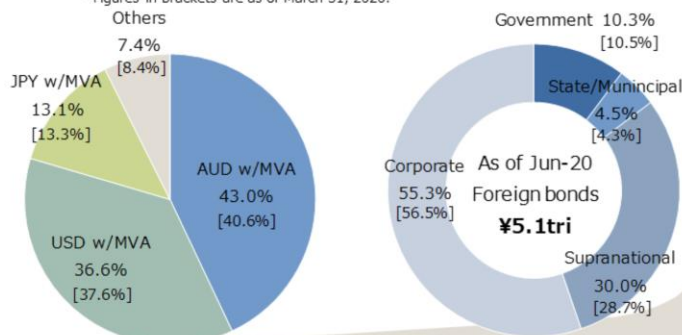


## Book Value / Market Value Information on Securities (Jun-20)

(¥ in billion)	Book Value	Market Value	Unrealized Gains/Losses
<b>Policy-reserve matching bonds</b>	<b>3,136.6</b>	<b>3,476.4</b>	<b>+339.8</b>
<b>Securities available for sale</b>	<b>3,066.7</b>	<b>3,405.9</b>	<b>+339.2</b>
Domestic bonds	411.8	429.7	+17.8
Foreign securities	2,484.1	2,789.0	+304.9
Other securities	170.6	187.1	+16.5

## Investment amounts by product fund & Foreign currency bonds

\*Figures in brackets are as of March 31, 2020.



(1) Carrying amount - basis.

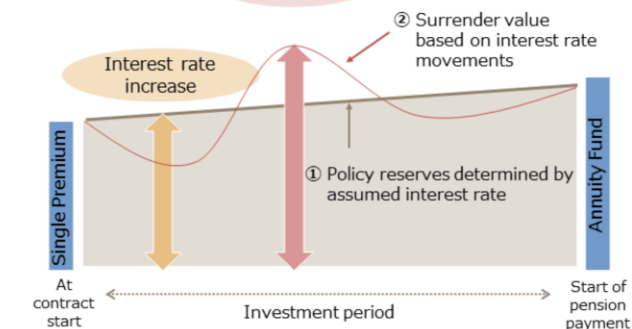


## Gains and Losses on Market Value Adjustment (MVA)

- For products with MVA option, the J-GAAP liabilities are recognized as the greater of surrender value or the value of policy reserves determined by assumed interest rate. When interest rate decreases, the surrender value will be higher than the value of policy reserves, resulting in an accrual of MVA related policy reserves.
- Gains/losses on MVA are offset on an accounting basis over time, therefore excluded from group adjusted profit.

### Policy Reserves Accrual on MVA

Interest rate decrease  
≡ Accrue MVA related reserves



J-GAAP liabilities at the end of each period are based on the higher of ① or ②. When interest rate decline and ② > ①, additional policy reserves are accrued.

### Reversal of Policy Reserves Accrued on MVA

Assuming flat interest rate after booking MVA related policy reserves, the amount of reserves is recalculated according to the market interest rate.



Over the investment period, accrued MVA policy reserves are reversed.  
(in case of surrender prior to maturity the gain on sales of corresponding bonds is recorded)

Accounting loss  
at time of booking reserves

# [Protective & TAL] Sales – Segment Sales Performance

## PLC Sales Performance

(USD in millions)	FY2019 Q1	FY2020 Q1	Change YoY	Change (%)
<b>Retail Life &amp; Annuity</b>	<b>420</b>	<b>749</b>	<b>+329</b>	<b>+78%</b>
Traditional life	14	69	+55	+392%
Universal life	28	11	(16)	(58%)
Fixed annuity	332	612	+280	+84%
Variable Annuity	45	55	+9	+22%
<b>Stable Value Products</b>	<b>650</b>	<b>503</b>	<b>(147)</b>	<b>(23%)</b>
<b>Asset Protection</b>	<b>111</b>	<b>120</b>	<b>+8</b>	<b>+8%</b>

## TAL Sales Performance<sup>(1)</sup>

(AUD in millions)	FY2019 Q1	FY2020 Q1	Change YoY	Change (%)
<b>New Business ANP</b>	<b>91</b>	<b>31</b>	<b>(60)</b>	<b>(66%)</b>
(TAL) Individual	18	21	+2	+13%
Group	67	8	(58)	(87%)
Asteron Life	5	1	(3)	(79%)
<b>Change in in-force</b>	<b>97</b>	<b>(163)</b>	<b>(261)</b>	<b>-</b>
(TAL) Individual	32	28	(4)	(13%)
Group	44	(222)	(267)	-
Asteron Life	20	30	+9	+48%

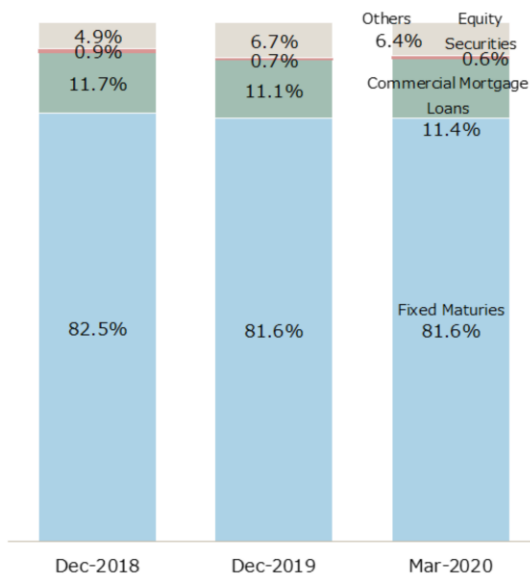
\* Change in in-force is due to renewal of insurance contract and premium adjustment etc.

(1) New business ANP calculation standard was revised with retrospective adjustment.

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

Total Investments (USD in billions)

66.1	84.6	81.9
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(1) Carrying amount - basis

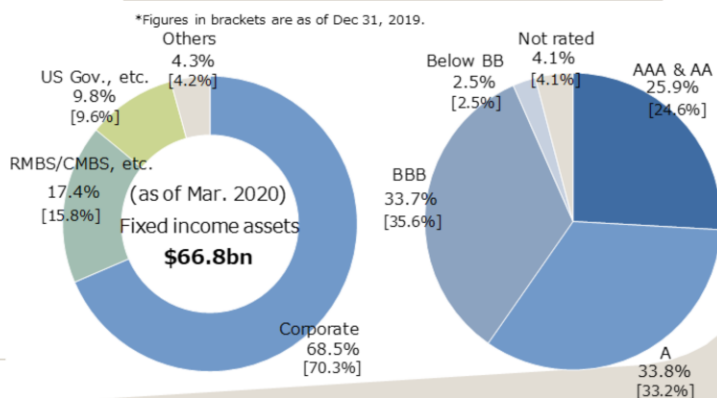
(2) Allowance currently expected credit losses adopted from January 2020, balance for December-2019 shows related allowance as of January 1, 2020.

(3) Non-rated securities mainly relate to financing of captive insurance subsidiaries of PLC.

## Commercial Mortgage Loans

(USD in millions)	Dec-2019	Mar-2020	Change
<b>Mortgage Loans (Gross)</b>	<b>9,464</b>	<b>9,504</b>	<b>+39</b>
o/w Non-performing	3	-	(3)
<b>Allowance for credit losses<sup>(2)</sup></b>	<b>85</b>	<b>171</b>	<b>+86</b>
(% of Mortgage loans)	0.9%	1.8%	+ 0.90pts

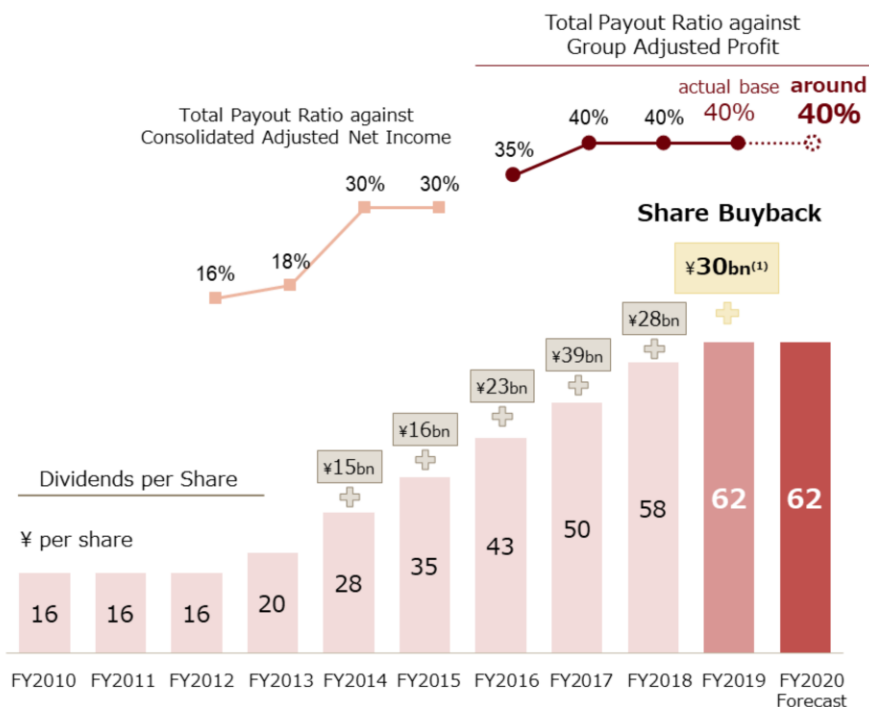
## Fixed Income Allocation and Credit Quality<sup>(3)</sup>



# Group Adjusted Net Profit

(\$ in billion)		Items	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 1Q	FY2019	FY2020 1Q
<b>Domestic Life Insurance Business</b>												
Dai-ichi Life	Net income	1	51.4	85.5	152.1	129.1	117.1	169.9	172.9	59.6	128.6	19.4
	Adjustment (1) Provision for contingency reserve (in excess of statutory amount, net of tax)	2	49.9	24.9	19.2	12.9	12.9	-	-	-	21.6	-
	Adjustment (2) Provision for price fluctuation reserve (in excess of statutory amount, net of tax)	3	-	9.7	-	-	-	-	-	-	-	-
	Adjustment (3) Gains or losses on accounting for market value adjustment, net of tax	4	0.0	(0.6)	(0.2)	(0.4)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
	Adjustment (4) Gains on change in equity	5	-	-	-	-	-	-	(1.4)	-	-	-
	Sub-total	6	49.9	34.0	18.9	12.5	12.7	(0.0)	(1.4)	(0.0)	21.6	(0.0)
	Adjusted net profit	7	101.3	119.5	171.1	141.6	129.9	169.8	171.4	59.6	150.2	19.4
Dai-ichi Frontier Life	Net income	8	(26.5)	(15.2)	(21.9)	24.3	50.2	37.0	19.9	(25.4)	(100.0)	36.5
	Adjustment (1) Provision for contingency reserve (in excess of statutory amount, net of tax)	9	15.3	-	-	-	-	-	-	-	(30.0)	7.5
	Adjustment (2) Provision for price fluctuation reserve (in excess of statutory amount, net of tax)	10	-	-	-	-	-	-	-	-	-	-
	Adjustment (3) Gains or losses on accounting for market value adjustment, net of tax	11	0.1	(0.9)	46.9	7.5	(27.0)	(7.9)	0.7	40.1	193.5	(33.2)
	Sub-total	12	15.4	(0.9)	46.9	7.5	(27.0)	(7.9)	0.7	40.1	163.5	(25.7)
	Adjusted net profit	13	(11.1)	(16.1)	24.9	31.8	23.2	29.1	20.7	14.6	63.4	10.8
Neo First Life	Net income	14	-	-	0.4	(7.1)	(5.9)	(8.3)	(8.5)	(3.2)	(16.3)	(3.6)
	Adjusted net profit	15	-	-	0.4	(7.1)	(5.9)	(8.3)	(8.5)	(3.2)	(16.3)	(3.6)
<b>Adjusted profits of domestic life insurance business</b>		<b>16</b>	<b>90.2</b>	<b>103.4</b>	<b>196.6</b>	<b>166.4</b>	<b>147.1</b>	<b>190.6</b>	<b>183.6</b>	<b>71.0</b>	<b>197.4</b>	<b>26.6</b>
<b>Overseas Insurance Business</b>												
Protective Life	Adjusted net profit	17	-	-	-	32.3	45.7	34.9	33.5	15.3	50.7	(12.7)
TAL	Adjusted net profit	18	8.9	8.6	12.1	10.3	12.7	10.5	9.8	4.8	11.0	2.9
<b>Adjusted profits of overseas insurance business</b>		<b>19</b>	<b>9.8</b>	<b>10.8</b>	<b>15.7</b>	<b>45.7</b>	<b>61.5</b>	<b>46.8</b>	<b>46.9</b>	<b>21.6</b>	<b>70.3</b>	<b>(8.5)</b>
<b>Asset Management Business</b>		<b>20</b>	<b>1.8</b>	<b>4.4</b>	<b>6.1</b>	<b>5.9</b>	<b>5.8</b>	<b>5.3</b>	<b>10.4</b>	<b>2.8</b>	<b>12.0</b>	<b>(0.9)</b>
Holding company	Adjusted net profit	21	-	-	-	-	0.0	0.3	(3.5)	(1.4)	(4.4)	(0.7)
Consolidation adjustment	Adjustment (1) Dividends from subsidiaries and affiliates	22	1.7	2.7	3.6	13.5	4.4	-	-	-	-	-
	Adjustment (2) Redeemable preference shares dividend from TAL	23	-	-	-	-	-	-	1.0	0.2	0.8	0.1
	Adjustment (3) Amortization of goodwill	24	3.8	5.1	8.6	6.3	5.6	7.0	8.2	2.1	56.4	1.3
	Adjustment (4) Gains on change in equity (Dai-ichi Life)	25	-	-	-	-	-	-	1.4	-	-	-
	Adjustment (5) Gains on change in equity (Holding company)	26	-	-	-	-	(12.4)	(33.5)	-	-	-	-
	Adjustment (6) Impact of U.S. Tax change	27	-	-	-	-	-	(90.1)	-	-	-	-
	Adjustment (7) Others	28	(1.4)	(0.1)	(2.2)	(0.3)	0.0	3.9	2.3	(0.2)	0.5	(0.2)
<b>Group Adjusted Profits (Items 29=16+19+20+21-22-23)</b>		<b>29</b>	<b>100.0</b>	<b>116.0</b>	<b>214.7</b>	<b>204.6</b>	<b>210.1</b>	<b>243.2</b>	<b>236.3</b>	<b>93.7</b>	<b>274.5</b>	<b>16.2</b>
<b>Consolidated net income (Items 30=29-6-12-24-25-26-27-28)</b>		<b>30</b>	<b>32.4</b>	<b>77.9</b>	<b>142.4</b>	<b>178.5</b>	<b>231.2</b>	<b>363.9</b>	<b>225.0</b>	<b>51.7</b>	<b>32.4</b>	<b>40.8</b>

# Shareholder Returns: Dividends per Share/Share Buyback/Total Payout Ratio



## Share Buyback

- ▶ Together with shareholder dividends, secure up to ¥30 billion for share buyback representing a total payout ratio of 40% against actual group adjusted profit level of ¥250 billion in FY2019. (Total payout ratio is 36.5% against ¥274.5 billion)

## Returns for FY2020

- ▶ Intend to maintain stable dividends at ¥62 per share.
- ▶ Total payout ratio expected to be around 40%.

(1) 30 billion yen share buyback for FY 2019 represents maximum amount resolved by the Board of Directors on Aug 12, 2020.

# Group's Results – Summary of Consolidated Financial Statements



## Statement of Earnings

(¥ in billions)	3 months ended Jun-19	3 months ended Jun-20	Change
<b>Ordinary revenues</b>	<b>1,830.2</b>	<b>1,791.3</b>	<b>(38.8)</b>
Premium and other income	1,246.2	1,023.0	(223.2)
Investment income	529.9	710.0	+180.1
Interest and dividends	308.0	341.8	+33.7
Gains on sale of securities	63.4	123.3	+59.9
Derivative transaction gains	-	-	-
Foreign exchange gains	-	144.4	+144.4
Gains on investments in separate accounts	31.9	82.5	+50.6
Other ordinary revenues	54.0	58.2	+4.1
<b>Ordinary expenses</b>	<b>1,725.1</b>	<b>1,714.5</b>	<b>(10.5)</b>
Benefits and claims	988.0	992.6	+4.5
Provision for policy reserves and others	241.4	20.9	(220.4)
Investment expenses	250.8	360.9	+110.0
Losses on sale of securities	14.2	21.6	+7.4
Losses on valuation of securities	5.9	6.8	+0.8
Derivative transaction losses	8.1	53.1	+44.9
Foreign exchange losses	194.4	-	(194.4)
Losses on investments in separate accounts	-	-	-
Operating expenses	164.2	159.6	(4.6)
<b>Ordinary profit</b>	<b>105.0</b>	<b>76.7</b>	<b>(28.3)</b>
<b>Extraordinary gains</b>	<b>0.3</b>	<b>0.4</b>	<b>+0.0</b>
<b>Extraordinary losses</b>	<b>5.9</b>	<b>6.5</b>	<b>+0.5</b>
<b>Provision for reserve for policyholder dividends</b>	<b>18.9</b>	<b>16.5</b>	<b>(2.4)</b>
<b>Income before income taxes, etc.</b>	<b>80.4</b>	<b>54.1</b>	<b>(26.3)</b>
<b>Total of corporate income taxes</b>	<b>28.7</b>	<b>13.3</b>	<b>(15.3)</b>
<b>Net income attributable to non-controlling interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income attributable to shareholders of parent company</b>	<b>51.7</b>	<b>40.8</b>	<b>(10.9)</b>

## Balance Sheet

(¥ in billions)	As of Mar-20	As of Jun-20	Change
<b>Total assets</b>	<b>60,011.9</b>	<b>60,781.2</b>	<b>+769.2</b>
Cash, deposits and call loans	1,719.3	1,581.7	(137.5)
Monetary claims bought	221.1	233.8	+12.6
Securities	47,734.4	49,100.6	+1,366.2
Loans	3,715.7	3,752.1	+36.4
Tangible fixed assets	1,126.2	1,125.9	(0.3)
Deferred tax assets	11.8	10.8	(0.9)
<b>Total liabilities</b>	<b>56,235.0</b>	<b>56,759.6</b>	<b>+524.6</b>
Policy reserves and others	50,494.5	50,391.5	(102.9)
Policy reserves	49,520.8	49,352.7	(168.0)
Bonds payable	1,135.3	1,128.7	(6.6)
Other liabilities	2,723.1	3,323.6	+600.4
Net defined benefit liabilities	440.8	441.8	+1.0
Reserve for price fluctuations	240.7	246.4	+5.6
Deferred tax liabilities	296.1	415.6	+119.5
<b>Total net assets</b>	<b>3,776.9</b>	<b>4,021.5</b>	<b>+244.6</b>
Total shareholders' equity	1,641.5	1,597.9	(43.5)
Total accumulated other comprehensive income	2,134.3	2,422.6	+288.2
Net unrealized gains on securities, net of tax	2,283.1	2,571.6	+288.4
Reserve for land revaluation	(17.9)	(18.5)	(0.5)

The following items include items that are offset by provision for (reversal of) policy reserves and unrealized gains (losses) on investments.  
(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)	3 months ended Jun-19	3 months ended Jun-20	Change
<b>Ordinary revenues</b>	<b>908.6</b>	<b>945.1</b>	<b>+36.5</b>
Premium and other income	581.9	543.7	(38.2)
Investment income	275.6	368.1	+92.5
Interest and dividends	186.1	209.1	+23.0
Gains on sale of securities	62.1	105.8	+43.7
Derivative transaction gains	7.1	-	(7.1)
Gains on investments in separate accounts	17.5	46.8	+29.3
Other ordinary revenues	51.0	33.2	(17.7)
<b>Ordinary expenses</b>	<b>802.6</b>	<b>896.4</b>	<b>+93.7</b>
Benefits and claims	549.3	465.8	(83.4)
Provision for policy reserves and others	27.9	105.3	+77.3
Investment expenses	62.0	175.8	+113.8
Losses on sale of securities	13.4	21.3	+7.9
Losses on valuation of securities	5.5	1.1	(4.3)
Derivative transaction losses	-	115.0	+115.0
Foreign exchange losses	22.7	18.9	(3.7)
Losses on investments in separate accounts	-	-	-
Operating expenses	93.7	95.6	+1.9
<b>Ordinary profit</b>	<b>105.9</b>	<b>48.7</b>	<b>(57.2)</b>
<b>Extraordinary gains</b>	<b>0.3</b>	<b>0.4</b>	<b>+0.0</b>
<b>Extraordinary losses</b>	<b>4.5</b>	<b>5.1</b>	<b>+0.5</b>
<b>Provision for reserve for policyholder dividends</b>	<b>18.9</b>	<b>16.5</b>	<b>(2.4)</b>
<b>Income before income taxes</b>	<b>82.7</b>	<b>27.5</b>	<b>(55.2)</b>
<b>Total of corporate income taxes</b>	<b>23.1</b>	<b>8.1</b>	<b>(15.0)</b>
<b>Net income</b>	<b>59.6</b>	<b>19.4</b>	<b>(40.2)</b>

## Balance Sheet

(¥ in billions)	As of Mar-20	As of Jun-20	Change
<b>Total assets</b>	<b>36,493.5</b>	<b>37,477.5</b>	<b>+983.9</b>
Cash, deposits and call loans	1,056.9	763.9	(292.9)
Monetary claims bought	221.1	233.8	+12.6
Securities	30,283.7	32,030.1	+1,746.3
Loans	2,542.0	2,573.3	+31.3
Tangible fixed assets	1,097.4	1,096.9	(0.4)
Deferred tax assets	-	-	-
<b>Total liabilities</b>	<b>33,943.6</b>	<b>34,611.3</b>	<b>+667.7</b>
Policy reserves and others	30,823.4	30,916.1	+92.7
Policy reserves	30,296.2	30,394.1	+97.8
Contingency reserve	628.4	632.6	+4.2
Bonds payable	476.2	476.2	-
Other liabilities	1,693.1	2,246.4	+553.2
Reserve for employees' retirement benefits	398.0	400.6	+2.6
Reserve for price fluctuations	215.4	219.7	+4.2
Deferred tax liabilities	79.5	225.4	+145.8
<b>Total net assets</b>	<b>2,549.9</b>	<b>2,866.1</b>	<b>+316.2</b>
Total shareholders' equity	630.1	549.0	(81.0)
Total of valuation and translation adjustments	1,919.7	2,317.0	+397.3
Net unrealized gains(losses) on securities net of tax	1,916.4	2,326.0	+409.5
Reserve for land revaluation	(17.9)	(18.5)	(0.5)

The following items include items that are offset by provision for (reversal of) policy reserves and unrealized gains (losses) on investments.  
(Gains(losses) on investments in separate accounts, foreign exchange gains(losses), derivative transaction gains(losses))

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



## Statement of Earnings

(¥ in billions)	3 months ended Jun-19	3 months ended Jun-20	Change
<b>Ordinary revenues</b>	<b>428.2</b>	<b>486.4</b>	<b>+58.2</b>
Premium and other income	367.9	154.7	(213.2)
Investment income	60.2	331.7	+271.5
Hedge gains related to GMMB risk	-	-	-
Foreign exchange gains	-	163.1	+163.1
<b>Ordinary expenses</b>	<b>452.2</b>	<b>440.8</b>	<b>(11.3)</b>
Benefits and claims	208.5	268.1	+59.5
Provision for policy reserves and others (negative for reversal)	49.2	162.1	+112.8
Related to GMMB risk	(2.1)	(3.2)	(1.0)
Contingency reserve	(6.9)	9.3	+16.3
Investment expenses	174.8	0.3	(174.5)
Hedge losses related to GMMB risk	0.7	3.7	+2.9
Foreign exchange losses	171.6	-	(171.6)
Operating expenses	17.0	8.7	(8.2)
<b>Ordinary profit (losses)</b>	<b>(24.0)</b>	<b>45.5</b>	<b>+69.6</b>
<b>Extraordinary gains</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Extraordinary losses</b>	<b>1.3</b>	<b>1.4</b>	<b>+0.0</b>
<b>Total of corporate income taxes</b>	<b>0.0</b>	<b>7.5</b>	<b>+7.5</b>
<b>Net income (losses)</b>	<b>(25.4)</b>	<b>36.5</b>	<b>+62.0</b>

[Additional reconciliation items for net income]

<b>Net income (losses)</b>	<b>(25.4)</b>	<b>36.5</b>	<b>+62.0</b>
Gains (losses) related to GMMB risk <sup>(1)</sup>	(1.0)	(0.8)	+0.1
Gains (losses) related to market value adjustment <sup>(2)</sup>	(43.6)	35.3	+78.9
Operating Income	13.6	20.5	+6.8
Provision of contingency and price fluctuation reserves, and tax	5.5	(18.3)	(23.9)

## Balance Sheet

(¥ in billions)	As of Mar-20	As of Jun-20	Change
<b>Total assets</b>	<b>8,947.1</b>	<b>9,195.1</b>	<b>+247.9</b>
Cash, deposits and call loans	272.7	335.9	+63.2
Securities	7,427.8	7,613.1	+185.2
<b>Total liabilities</b>	<b>8,694.1</b>	<b>8,864.2</b>	<b>+170.1</b>
Policy reserves and others	7,779.9	7,942.0	+162.1
Policy reserves	7,759.8	7,920.2	+160.3
Contingency reserve	63.2	72.6	+9.3
<b>Total net assets</b>	<b>252.9</b>	<b>330.8</b>	<b>+77.8</b>
Total shareholders' equity	49.9	86.5	+36.5
Capital stock	117.5	117.5	-
Capital surplus	67.5	67.5	-
Retained earnings	(135.0)	(98.4)	+36.5
Net unrealized gains on securities, net of tax	202.9	244.2	+41.2

- (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 3months ended Jun.2019 : ¥(2.3) billion. For 3months ended Jun.2020 : ¥(0.3) 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.  
(Gains(losses) on investments in separate accounts, foreign exchange gains(losses), derivative transaction gains(losses))

# Protective Life's Results - Summary Financial Statements<sup>(1)</sup>



## Statement of Earnings

(US\$ in millions)	3 months ended Mar-19	3 months ended Mar-20	Change
<b>Ordinary revenues</b>	<b>3,308</b>	<b>5,272</b>	<b>+1,963</b>
Premium and other income	1,454	1,661	+207
Investment income	1,729	839	(890)
Other ordinary revenues	124	2,771	+2,646
<b>Ordinary expenses</b>	<b>3,134</b>	<b>5,416</b>	<b>+2,282</b>
Benefits and claims	1,388	1,556	+167
Provision for policy reserves and others	1,288	-	(1,288)
Investment expenses	186	2,526	+2,339
Operating expenses	226	230	+4
Other ordinary expenses	43	1,103	+1,060
<b>Ordinary profit (Loss)</b>	<b>174</b>	<b>(144)</b>	<b>(319)</b>
<b>Extraordinary profits</b>	<b>0</b>	<b>-</b>	<b>(0)</b>
<b>Extraordinary losses</b>	<b>0</b>	<b>0</b>	<b>+0</b>
<b>Total of corporate income taxes</b>	<b>36</b>	<b>(27)</b>	<b>(64)</b>
<b>Net income (Loss)</b>	<b>138</b>	<b>(117)</b>	<b>(255)</b>

## Balance Sheet

(US\$ in millions)	As of Dec-19	As of Mar-20	Change
<b>Total assets</b>	<b>121,080</b>	<b>116,005</b>	<b>(5,075)</b>
Cash and deposits	310	618	+307
Securities	85,011	79,855	(5,156)
Loans	11,066	11,168	+101
Tangible fixed assets	227	226	(0)
Intangible fixed assets	3,449	3,533	+83
Goodwill	825	825	-
Other intangible fixed assets	2,596	2,677	+81
Reinsurance receivable	12,836	12,046	(789)
<b>Total liabilities</b>	<b>111,840</b>	<b>108,732</b>	<b>(3,107)</b>
Policy reserves and other	101,128	97,608	(3,519)
Reinsurance payables	306	410	+103
Bonds payable	4,496	4,448	(48)
Other liabilities	4,514	5,240	+726
<b>Total net assets</b>	<b>9,239</b>	<b>7,272</b>	<b>(1,967)</b>
Total shareholders' equity	7,856	7,369	(487)
Total accumulated other comprehensive income	1,383	(96)	(1,480)

(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.

# TAL's Results - Summary Financial Statements<sup>(1)</sup>

## Statement of Earnings

(AU\$ in millions)	3 months ended Jun-19	3 months ended Jun-20	Change
<b>Ordinary revenues</b>	<b>1,397</b>	<b>1,647</b>	<b>+250</b>
Premium and other income	1,235	1,439	+204
Investment income	132	120	(12)
Other ordinary revenues	29	88	+59
<b>Ordinary expenses</b>	<b>1,309</b>	<b>1,589</b>	<b>+279</b>
Benefits and claims	913	1,128	+215
Provision for policy reserves and others	93	173	+80
Investment expenses	17	9	(7)
Operating expenses	243	227	(15)
Other ordinary expenses	41	49	+7
<b>Ordinary profit</b>	<b>87</b>	<b>58</b>	<b>(28)</b>
<b>Extraordinary gains (losses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total of corporate income taxes</b>	<b>26</b>	<b>20</b>	<b>(5)</b>
<b>Net income</b>	<b>60</b>	<b>37</b>	<b>(22)</b>
<b>Underlying profit</b>	<b>39</b>	<b>25</b>	<b>(14)</b>

## Balance Sheet

(AU\$ in millions)	As of Mar-20	As of Jun-20	Change
<b>Total assets</b>	<b>12,155</b>	<b>12,484</b>	<b>+329</b>
Cash and deposits	854	776	(77)
Securities	6,864	7,082	+218
Tangible fixed assets	41	38	(2)
Intangible fixed assets	1,094	1,087	(6)
Goodwill	786	786	-
Other intangible fixed assets	308	301	(6)
Reinsurance receivable	293	296	+3
Other assets	2,830	3,059	+228
Deferred tax assets	176	143	(33)
<b>Total liabilities</b>	<b>9,049</b>	<b>9,341</b>	<b>+291</b>
Policy reserves and others	7,406	7,687	+281
Reinsurance payables	434	463	+29
Bonds payable	248	248	(0)
Other liabilities	959	941	(18)
Deferred tax liabilities	-	-	-
<b>Total net assets</b>	<b>3,105</b>	<b>3,143</b>	<b>+37</b>
Total shareholders' equity	3,105	3,143	+37
Capital stock	2,130	2,130	-
Retained earnings	974	1,012	+37

(1) 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 Summary Statement of Earnings Matrix



Dai-ichi Life  
Holdings

	Dai-ichi Life			Dai-ichi Frontier Life			Neo First Life			Protective			TAL			Consolidated		
(¥ in billions)	3 months ended Jun-19	3 months ended Jun-20	Change	3 months ended Jun-19	3 months ended Jun-20	Change	3 months ended Jun-19	3 months ended Jun-20	Change	3 months ended Mar-19	3 months ended Mar-20	Change	3 months ended Jun-19	3 months ended Jun-20	Change	3 months ended Jun-19	3 months ended Jun-20	Change
<b>Ordinary revenues</b>	<b>908.6</b>	<b>945.1</b>	<b>+36.5</b>	<b>428.2</b>	<b>486.4</b>	<b>+58.2</b>	<b>28.9</b>	<b>31.3</b>	<b>+2.3</b>	<b>367.2</b>	<b>573.7</b>	<b>+206.5</b>	<b>105.4</b>	<b>121.7</b>	<b>+16.2</b>	<b>1,830.2</b>	<b>1,791.3</b>	<b>(38.8)</b>
Premium and other income	581.9	543.7	(38.2)	367.9	154.7	(213.2)	28.9	31.3	+2.3	161.4	180.8	+19.4	93.2	106.3	+13.0	1,246.2	1,023.0	(223.2)
Investment income	275.6	368.1	+92.5	60.2	331.7	+271.5	0.0	0.0	+0.0	192.0	91.3	(100.6)	9.9	8.8	(1.1)	529.9	710.0	+180.1
Interest and dividends	186.1	209.1	+23.0	42.8	43.8	+0.9	0.0	0.0	+0.0	76.9	86.8	+9.8	1.5	0.3	(1.1)	308.0	341.8	+33.7
Gains on sale of securities	62.1	105.8	+43.7	0.4	13.1	+12.6	-	-	-	0.8	4.3	+3.5	-	-	-	63.4	123.3	+59.9
Derivative transaction gains	7.1	-	(7.1)	-	64.4	+64.4	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains	-	-	-	-	191.2	+191.2	-	-	-	-	-	-	-	0.4	+0.4	-	144.4	+144.4
Gains on investments in separate accounts	17.5	46.8	+29.3	14.4	35.7	+21.2	-	-	-	-	-	-	-	-	-	31.9	82.5	+50.6
Other ordinary revenues	51.0	33.2	(17.7)	0.0	0.0	(0.0)	0.0	0.0	(0.0)	13.8	301.5	+287.7	2.2	6.5	+4.3	54.0	58.2	+4.1
<b>Ordinary expenses</b>	<b>802.6</b>	<b>896.4</b>	<b>+93.7</b>	<b>452.2</b>	<b>440.8</b>	<b>(11.3)</b>	<b>32.2</b>	<b>35.0</b>	<b>+2.8</b>	<b>347.8</b>	<b>589.5</b>	<b>+241.6</b>	<b>98.8</b>	<b>117.4</b>	<b>+18.5</b>	<b>1,725.1</b>	<b>1,714.5</b>	<b>(10.5)</b>
Benefits and claims	549.3	465.8	(83.4)	208.5	268.1	+59.5	5.4	10.8	+5.4	154.1	169.3	+15.2	68.9	83.4	+14.4	988.0	992.6	+4.5
Provision for policy reserves and others	27.9	105.3	+77.3	49.2	162.1	+112.8	20.4	17.7	(2.6)	143.0	-	(143.0)	7.0	12.8	+5.7	241.4	20.9	(220.4)
Investment expenses	62.0	175.8	+113.8	174.8	0.3	(174.5)	0.0	0.0	+0.0	20.7	274.9	+254.2	1.3	0.7	(0.5)	250.8	360.9	+110.0
Losses on sale of securities	13.4	21.3	+7.9	0.4	0.1	(0.2)	-	-	-	0.3	0.0	(0.2)	-	-	-	14.2	21.6	+7.4
Losses on valuation of securities	5.5	1.1	(4.3)	-	-	-	-	-	-	0.3	5.6	+5.2	-	-	-	5.9	6.8	+0.8
Derivative transaction losses	-	115.0	+115.0	2.0	-	(2.0)	-	-	-	13.2	2.5	(10.7)	-	-	-	8.1	53.1	+44.9
Foreign exchange losses	22.7	18.9	(3.7)	171.6	-	(171.6)	-	-	-	0.0	0.0	+0.0	0.0	-	(0.0)	194.4	-	(194.4)
Losses on investments in separate accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating expenses	93.7	95.6	+1.9	17.0	8.7	(8.2)	6.2	6.1	(0.0)	25.1	25.1	(0.0)	18.3	16.8	(1.5)	164.2	159.6	(4.6)
<b>Ordinary profit (Losses)</b>	<b>105.9</b>	<b>48.7</b>	<b>(57.2)</b>	<b>(24.0)</b>	<b>45.5</b>	<b>+69.6</b>	<b>(3.2)</b>	<b>(3.6)</b>	<b>(0.4)</b>	<b>19.4</b>	<b>(15.7)</b>	<b>(35.1)</b>	<b>6.5</b>	<b>4.3</b>	<b>(2.2)</b>	<b>105.0</b>	<b>76.7</b>	<b>(28.3)</b>
Extraordinary gains	0.3	0.4	+0.0	-	-	-	-	-	-	0.0	-	(0.0)	-	-	-	0.3	0.4	+0.0
Extraordinary losses	4.5	5.1	+0.5	1.3	1.4	+0.0	0.0	0.0	+0.0	0.0	0.0	+0.0	-	-	-	5.9	6.5	+0.5
Provision for reserve for policyholder dividends	18.9	16.5	(2.4)	-	-	-	-	-	-	-	-	-	-	-	-	18.9	16.5	(2.4)
Income before income taxes, etc.	82.7	27.5	(55.2)	(25.4)	44.1	+69.6	(3.2)	(3.6)	(0.4)	19.4	(15.7)	(35.1)	6.5	4.3	(2.2)	80.4	54.1	(26.3)
Total of corporate income taxes	23.1	8.1	(15.0)	0.0	7.5	+7.5	0.0	0.0	-	4.0	(3.0)	(7.0)	2.0	1.5	(0.4)	28.7	13.3	(15.3)
Net income attributable to non-controlling inte	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income (Losses)</b>	<b>59.6</b>	<b>19.4</b>	<b>(40.2)</b>	<b>(25.4)</b>	<b>36.5</b>	<b>+62.0</b>	<b>(3.2)</b>	<b>(3.6)</b>	<b>(0.4)</b>	<b>15.3</b>	<b>(12.7)</b>	<b>(28.0)</b>	<b>4.5</b>	<b>2.7</b>	<b>(1.7)</b>	<b>51.7</b>	<b>40.8</b>	<b>(10.9)</b>

# Group Summary Balance Sheet Matrix



Dai-ichi Life  
Holdings

(¥ in billions)	Dai-ichi Life			Dai-ichi Frontier Life			Neo First Life			Protective			TAL			Consolidated		
	As of Mar-20	As of Jun-20	Change	As of Mar-20	As of Jun-20	Change	As of Mar-20	As of Jun-20	Change	As of Dec-19	As of Mar-20	Change	As of Mar-20	As of Jun-20	Change	As of Mar-20	As of Jun-20	Change
<b>Total assets</b>	<b>36,493.5</b>	<b>37,477.5</b>	<b>+983.9</b>	<b>8,947.1</b>	<b>9,195.1</b>	<b>+247.9</b>	<b>244.3</b>	<b>277.5</b>	<b>+33.1</b>	<b>13,265.5</b>	<b>12,624.8</b>	<b>(640.7)</b>	<b>803.3</b>	<b>922.3</b>	<b>+119.0</b>	<b>60,011.9</b>	<b>60,781.2</b>	<b>+769.2</b>
Cash, deposits and call loans	1,056.9	763.9	(292.9)	272.7	335.9	+63.2	159.5	190.7	+31.2	34.0	67.3	+33.2	56.4	57.3	+0.8	1,719.3	1,581.7	(137.5)
Monetary claims bought	221.1	233.8	+12.6	-	-	-	-	-	-	-	-	-	-	-	-	221.1	233.8	+12.6
Securities	30,283.7	32,030.1	+1,746.3	7,427.8	7,613.1	+185.2	35.8	40.2	+4.4	9,313.9	8,690.6	(623.2)	453.6	523.2	+69.5	47,734.4	49,100.6	+1,366.2
Loans	2,542.0	2,573.3	+31.3	-	-	-	0.7	2.5	+1.7	1,212.4	1,215.5	+3.0	1.1	1.2	+0.1	3,715.7	3,752.1	+36.4
Tangible fixed assets	1,097.4	1,096.9	(0.4)	0.3	0.3	(0.0)	0.2	0.2	(0.0)	24.8	24.6	(0.2)	2.7	2.8	+0.1	1,126.2	1,125.9	(0.3)
Intangible fixed assets	114.3	114.5	+0.2	9.2	9.6	+0.3	1.7	2.1	+0.3	377.9	384.5	+6.6	72.3	80.3	+8.0	472.9	485.6	+12.6
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	11.6	10.6	(1.0)	11.8	10.8	(0.9)
<b>Total liabilities</b>	<b>33,943.6</b>	<b>34,611.3</b>	<b>+667.7</b>	<b>8,694.1</b>	<b>8,864.2</b>	<b>+170.1</b>	<b>241.1</b>	<b>257.8</b>	<b>+16.6</b>	<b>12,253.2</b>	<b>11,833.4</b>	<b>(419.8)</b>	<b>582.2</b>	<b>672.4</b>	<b>+90.1</b>	<b>56,235.0</b>	<b>56,759.6</b>	<b>+524.6</b>
Policy reserves and others	30,823.4	30,916.1	+92.7	7,779.9	7,942.0	+162.1	236.0	253.8	+17.7	11,079.6	10,622.7	(456.8)	489.5	567.9	+78.4	50,494.5	50,391.5	(102.9)
Policy reserves	30,296.2	30,394.1	+97.8	7,759.8	7,920.2	+160.3	234.5	252.1	+17.5	10,983.0	10,522.1	(460.9)	163.7	178.1	+14.3	49,520.8	49,352.7	(168.0)
Bonds payable	476.2	476.2	-	-	-	-	-	-	-	492.6	484.0	(8.5)	16.4	18.3	+1.8	1,135.3	1,128.7	(6.6)
Other liabilities	1,693.1	2,246.4	+553.2	220.5	184.2	(36.3)	4.7	3.6	(1.0)	494.5	570.3	+75.7	47.5	51.8	+4.2	2,723.1	3,323.6	+600.4
Net defined benefit liabilities	398.0	400.6	+2.6	-	-	-	-	-	-	9.7	9.4	(0.2)	-	-	-	440.8	441.8	+1.0
Reserve for price fluctuations	215.4	219.7	+4.2	25.3	26.7	+1.4	0.0	0.0	+0.0	-	-	-	-	-	-	240.7	246.4	+5.6
Deferred tax liabilities	79.5	225.4	+145.8	78.9	95.0	+16.0	-	0.0	+0.0	143.1	102.1	(40.9)	-	-	-	296.1	415.6	+119.5
<b>Total net assets</b>	<b>2,549.9</b>	<b>2,866.1</b>	<b>+316.2</b>	<b>252.9</b>	<b>330.8</b>	<b>+77.8</b>	<b>3.2</b>	<b>19.7</b>	<b>+16.5</b>	<b>1,012.3</b>	<b>791.4</b>	<b>(220.8)</b>	<b>221.1</b>	<b>249.9</b>	<b>+28.8</b>	<b>3,776.9</b>	<b>4,021.5</b>	<b>+244.6</b>
Total shareholders' equity	630.1	549.0	(81.0)	49.9	86.5	+36.5	3.2	19.6	+16.3	918.0	864.4	(53.5)	287.9	290.7	+2.7	1,641.5	1,597.9	(43.5)
Total accumulated other comprehensive income	1,919.7	2,317.0	+397.3	202.9	244.2	+41.2	(0.0)	0.1	+0.1	94.2	(73.0)	(167.3)	(66.8)	(40.8)	+26.0	2,134.3	2,422.6	+288.2
Net unrealized gains on securities, net of tax	1,916.4	2,326.0	+409.5	202.9	244.2	+41.2	(0.0)	0.1	+0.1	155.9	(5.8)	(161.8)	-	-	-	2,283.1	2,571.6	+288.4
Reserve for land revaluation	(17.9)	(18.5)	(0.5)	-	-	-	-	-	-	-	-	-	-	-	-	(17.9)	(18.5)	(0.5)



# Group– Consolidated Solvency Margin Ratio

(¥ in billions)	As of Mar-20	As of Jun-20	Change	
<b>Total solvency margin (A)</b>	<b>7,446.6</b>	<b>7,883.7</b>	<b>+ 437.1</b>	
Common stock, etc. <sup>(1)</sup>	1,226.0	1,238.0	+ 11.9	
Reserve for price fluctuations	240.7	246.4	+ 5.6	
Contingency reserve	693.1	706.8	+ 13.6	
General reserve for possible loan losses	0.1	0.3	+ 0.1	
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax) ) × 90% <sup>(2)</sup>	2,826.1	3,199.0	+ 372.9	
Net unrealized gains (losses) on real estate × 85% <sup>(2)</sup>	243.8	247.8	+ 3.9	
Sum of (before tax) unrecognized actuarial differences and unrecognized past service cost	(37.7)	(36.2)	+ 1.4	
Policy reserves in excess of surrender values	2,270.7	2,284.2	+ 13.5	
Qualifying subordinated debt	909.2	909.2	-	
Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt	(762.0)	(735.9)	+ 26.1	
Excluded items	(241.1)	(241.5)	(0.4)	
Others	77.4	65.4	(11.9)	
<b>Total risk (B)</b> $\sqrt{ \{ ( R_1^2 + R_5^2 ) + R_8 + R_9 \}^2 + ( R_2 + R_3 + R_7 )^2 } + R_4 + R_6}$	<b>1,684.4</b>	<b>1,808.6</b>	<b>+ 124.2</b>	
Insurance risk	R <sub>1</sub>	132.4	139.1	+ 6.7
General insurance risk	R <sub>5</sub>	4.8	4.8	(0.0)
Catastrophe risk	R <sub>6</sub>	1.4	1.4	(0.0)
3rd sector insurance risk	R <sub>8</sub>	192.3	194.6	+ 2.2
Small amount and short-term insurance risk	R <sub>9</sub>	0.0	0.0	-
Assumed investment yield risk	R <sub>2</sub>	245.7	245.7	+ 0.0
Guaranteed minimum benefit risk	R <sub>7</sub> <sup>(3)</sup>	70.6	64.9	(5.7)
Investment risk	R <sub>3</sub>	1,295.2	1,423.2	+ 127.9
Business risk	R <sub>4</sub>	38.8	41.4	+ 2.6
<b>Solvency margin ratio (A) / { (1/2) × (B) }</b>	<b>884.1%</b>	<b>871.7%</b>	<b>(12.4%)</b>	

(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.



## Investor Contact

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

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