

FY2025-Q2 Financial Results Conference Call for Institutional Investors and Analysts Presentation Script

Date: November 14, 2025, 16:55–17:40

Respondent: Taisuke Nishimura, Executive Officer (Group CFO)

[Title slide]

- Thank you for taking time out of your busy schedule today. This is Nishimura, Group CFO. We sincerely appreciate your continued support.
- Today, we have announced our FY2025-Q2 financial results. I will now provide an overview of the contents based on the materials.
- Please turn to page 4.

[Page 4]

- Now, let me explain the key points of this financial results.
- Group adjusted profit for Q2 was ¥231.1 billion. This is 56% of the initial full-year forecast of ¥410 billion, which is ahead of plan. The main factors were that domestically, DL made significant progress in Q2 on selling domestic equities based on its risk reduction policy. Furthermore, capital gains boosted profits as gains from sales exceeded projections due to rising domestic stock prices. In the overseas business, PLC, which has a large profit scale, has been steadily supporting profits, and a one-time gain from the sale of distribution channel under PLC has also driven profits, resulting in the overseas business as a whole exceeding the plan.
- As for the adjusted ROE, starting with this Q2 earnings report, although it is within the current fiscal period, we are also disclosing adjusted ROE on an annualized basis. Adjusted ROE as of Q2 was 11.3% on an annualized basis. With profits remaining robust and the numerator expanding, we believe adjusted ROE is steadily progressing toward our 2026 target of 12%.
- In light of the progress of profits exceeding the plan, we have updated the full-year forecast of group adjusted profit for FY2025, based on the economic environment assumptions as of the end of September, to ¥470 billion, an increase of ¥60 billion from the previous forecast. This is a higher level than last fiscal year, which was the highest profit ever recorded.
- Accordingly, considering the upward revision of the base three-year average profit, we will also revise upward our dividend per share forecast from the previous ¥48 to ¥51, an increase of ¥3.
- Finally, there are two individual topics.
- The first point is DL's plan to sell domestic equities. The domestic stock market has been rising since the beginning of this fiscal year, and as a result, the equity risk for DL has also increased. In light of this situation, we expect to increase the amount of sales for the current fiscal year from our initial forecast in accordance with the risk reduction policy set forth in Mid-Term Management Plan ("MTP"). This detail will be explained later in this presentation.

- The second point is the bolt-on acquisition by PLC, which was released at the end of October. PLC has decided to acquire Portfolio; a US company mainly engaged in the asset protection business. With this acquisition, the scale of PLC's asset protection business will double from the current level, and we expect to increase the business profit level of the asset protection business by \$50 million to \$100 million from the next MTP onward. We will explain this later as well.
- Please refer to the next page.

[Page 5]

- With regard to the progress of the group adjusted profit, I would like to explain the percentage of achievement against the full-year forecast by business segment and the main reasons for the increase or decrease.
- Group adjusted profit for the Q2 cumulative results is ¥231.1 billion, 56% of the full-year forecast.
- Firstly, the domestic business made significant progress from Q1, at 56%. The main reason for the increase was that gains on the sale of domestic equities of DL were boosted by the accelerated sale of equities and the rise in domestic stock prices.
- Regarding DFL, sales of yen-denominated products, blocks that are non-reinsured, have been performing well. As a result, new business costs have increased. While profits are currently behind plan, the balance of assets under management is steadily increasing.
- Next is the overseas business. Overall overseas profit progressed favorably at 55%.
- PLC made a significant progress, exceeding the plan, due to the effects of improved business efficiency, improved investment yields, and a one-off gain from the sale of a subsidiary agency.
- On the other hand, regarding TAL in Australia, while there was a one-time gain from the review of reinsurance contracts, increased claims payments for income protection and severe disability benefits impacted results, leading to profit progress largely in line with plans.
- Lastly, non-insurance business. In the asset management field, Daiichi Life Marubeni Real Estate, which has started to contribute to earnings through equity-method, is steadily increasing its earnings. On the other hand, Canyon Partners in the US made only low progress compared to plan due to weak performance fees.
- As for Benefit One, although the apparent progress of profits remains at a low level, it is almost on-track with the plan, and the profit level is expected to increase in the second half of this fiscal year.
- Please refer to the next page.

[Page 6]

- This shows the year-on-year (“YoY”) comparison of group adjusted profit.
- Domestic, overseas, and non-insurance businesses all exceeded the levels of the same period in the previous year.
- In particular, non-insurance business increased by ¥4.9 billion YoY due to acquisitions and formation of a JV. In the “HD, Others” segment, for DLRB, profits declined due to the absence of the previous

year's one-off gains and the impact of valuation losses resulting from the widening of credit spreads in Q1. More recently, credit spreads have been tightening, and the valuation losses are recovering.

- Please refer to page 8.

[Page 8]

- I would like to provide an update on the projected domestic equity sales at DL for the current fiscal year, based on the economic assumptions as of the end of September.
- Since the end of March, domestic equity prices have been rising. As a result, despite having executed approximately ¥300 billion in equity sales during the first half of the fiscal year, the market value of DL's domestic equities was approximately ¥3.5 trillion, exceeding the ¥3.3 trillion at the end of the previous fiscal year. That resulted in an increase in equity risk amount.
- In MTP, we have set a target to reduce the holdings of domestic equities to ¥2.8 trillion or below by the end of March 2027. For the current fiscal year, we now expect to increase the planned amount of equity disposals from the original estimate of ¥380 billion at the beginning of the year to approximately ¥700 billion. We expect the gain on sales in the current fiscal year to significantly exceed our initial assumptions.
- As a result of an approximately ¥500 billion increase in market value, the resources available for growth investments and shareholder returns have increased by roughly ¥350 billion on an after-tax basis compared with the assumptions at the start of MTP.
- Please refer to the next page.

[Page 9]

- Next, I would like to discuss DL's outlook for the positive spread.
- DL aims to improve positive spread through initiatives such as rebalancing its portfolio of fixed-income assets and reducing the amount of assumed interest payments. In light of the continued rise in domestic interest rates, we have increased the size of our rebalancing yen fixed-income assets to further expand the positive spread. We expect a steady increase in positive spread, as lower interest and dividend income from the sale of equities will be offset by an increase in alternative investments and higher yields from the rebalancing of yen fixed-income assets.
- Specifically, we expect a ¥17 billion improvement from the rebalancing of fixed-income assets through the operations implemented this fiscal year, and including this, we expect a ¥25 billion improvement in positive spread on an annualized basis.
- We will continue to work on expanding positive spread, taking into account the interest rate environment and other factors.
- Please refer to the next page.

[Page 10]

- This is about the upward revision to our full-year forecast.

- Based on the profit progress of each group company up to Q2 and the economic environment assumptions as of the end of September as explained thus far, and taking into account the future outlook, including the increased forecast for the sale of domestic equities, we have revised our forecast for this fiscal year to ¥470 billion, which is ¥60 billion above the ¥410 billion forecast at the beginning of the fiscal year.
- In conjunction with the increase in the group adjusted profit forecast, the dividend per share forecast has also been revised upward by ¥3 to ¥51 per share.
- The decision to raise the profit level was based on the economic environment assumptions as of the end of September, but we will continue to monitor trends in stock prices and interest rates and aim for a higher profit level.
- Please refer to page 12.

[Page 12]

- This is new business performance.
- The Group's new business value is presented as an approximate figure.
- As for the value of new business, we are 56% of the way toward our full-year target of ¥190 billion. DL's growth was driven by increased sales volume and rising interest rates. Overall, we perceive new business performance to have progressed smoothly across the board for companies both domestically and internationally.

[Page 13]

- Next, I would like to explain about the EV and ESR.
- Group EV is estimated to be approximately ¥9.1 trillion, an increase of 11% from the end of the previous fiscal year.
- Group ESR increased by 7%pt from the end of the previous fiscal year, reaching an approximate 217%. Regarding the ESR, although the required capital for mass lapse risks increased due to rising yen interest rates, eligible capital improved more than the increase in required capital. This was driven by the rise in domestic equities and the increase in the value of in-force policies resulting from higher interest rates, leading to an overall improvement in the ESR.
- The economic value metrics presented here, EV, value of new business, and ESR, are shown as provisional figures. We will provide more detailed information on the finalized values, including factors of fluctuation and sensitivity, at the Financial Analyst Meetings to be held on November 27th.
- Please refer to the next page.

[Page 15]

- Finally, I would like to explain the acquisition that PLC has carried out.
- As released at the end of October, we acquired Portfolio, an asset protection business in the US, through PLC.

- We expect to double the size of PLC's asset protection business through this acquisition, which is expected to increase our profit contribution by \$50 to \$100 million in the next MTP and beyond.
- The asset protection business has a lighter capital load than the traditional life insurance business. PLC is oriented toward the acquisition and expansion of capital-light businesses, including ShelterPoint, a group insurance company acquired last year. We expect steady profitable growth over the next few years in the capital-light areas of our asset protection business and ShelterPoint, including the newly acquired Portfolio. In the medium to long term, we expect to contribute approximately \$200 million in profits from these areas. We believe that growth in these business areas with a lighter capital load will contribute to our objective of enhancing ROE.
- With the tailwind from rising interest rates and other favorable economic conditions, group adjusted profit is trending above expectations, in line with our medium-term plan targets. To continue enhancing core earnings, we will focus on expanding DL's positive spread, as well as driving growth across DFL, overseas businesses, and non-insurance businesses including asset management businesses.
- Thank you for your attention. That is all for my explanation.

Note: Some of the above content has been added or modified to make it easier to understand.

[Company name abbreviation] DL: Dai-ichi Life, DFL: Dai-ichi Frontier Life, PLC: Protective, DLRB: Dai-ichi Re Bermuda

[Disclaimer]

In preparing this document, Dai-ichi Life Holdings Co., Ltd. (hereinafter referred to as "the Company"). The Company relies on and assumes the accuracy or completeness of any information available to the Company, but does not make any representations or warranties as to the accuracy or completeness of such information. The information contained in this document is subject to change without prior notice. This material and its contents may not be published or used by any third party without the prior written consent of the Company.

Forward-looking statements made herein are forward-looking statements. Forward-looking statements include, but are not limited to, words such as "believe," "anticipate," "plan," "strategy," "expect," "anticipate," "predict" or "potential" or other similar expressions describing future business activities, performance, events or circumstances. Forward-looking statements are based on the judgment of the Company's management based on currently available information. As a result, these forward-looking statements are subject to a variety of risks and uncertainties, and actual results could differ materially from the expectations expressed or implied in the forward-looking statements. Therefore, you are cautioned not to rely on any forward-looking statements. In light of new information, future events, or other discoveries, we undertake no obligation to change or revise any forward-looking statements.