FY2025-Q3 Financial Results Conference Call for Institutional Investors and Analysts
Presentation Script

Date: February 13, 2026, 16:55–17:40
Respondent: Taisuke Nishimura, Executive Officer (Group CFO)

[Title slide]

- Thank you for taking the time to join us today. We sincerely appreciate your continued support.
- I would also like to express my sincere apologies regarding the matter disclosed yesterday concerning the unauthorized taking of information at our group insurance companies. We deeply regret the significant concern and inconvenience caused to all parties involved. We will thoroughly implement measures to prevent any recurrence and work to restore trust.
- Today, we announced our Q3 results, and I will walk you through the key highlights using the presentation materials.

[Page 3]

- Please turn to page 3. There are three key points.
- First, group results. Group-adjusted profit for Q3 FY2025 came to ¥422.2 billion, representing progress of 90% against our full-year forecast. Profit progressed strongly, mainly reflecting higher-than-expected interest and dividend income at DL.
- Second, our ESR (Economic Solvency Ratio) on an economic value basis, as of the end of December, was approximately 213%. The increased mass lapse risk associated with rising yen interest rates was offset by an increase in eligible capital, driven by higher equity prices, resulting in an improvement of 3 percentage points compared with the previous fiscal year-end. We continue to maintain a sufficiently strong capital position.
- Third, our upward revision to full-year forecast. With profits progressing ahead of expectations, particularly at DL and PLC, we are raising our full-year group-adjusted profit forecast to ¥500 billion, which would mark a record high. We are also raising our full-year DPS forecast by ¥1 to ¥52.

[Page 4]

- Turning to the next page, I will explain progress by business segment.
- In the domestic business, progress reached 85%, representing a high level of achievement. At DL, interest and dividend income from alternative assets, such as PE and hedge funds, as well as investment trusts, exceeded expectations, resulting in strong progress above adjusted profit forecast.
- At DFL, while progress is in the 60% range and may appear low, this is in line with expectations, as we anticipate a release of contingency reserves in Q4 following changes in reserving standards.
- The overseas business also recorded strong progress of 81%.
- PLC continues to deliver profit growth above plan.

- At TAL, claim payments were offset by one-time gains, resulting in progress broadly in line with plan.
- At DLVN, in light of recent developments in the bancassurance channel, we reviewed the long-term prepaid fee that had been recorded as an asset in connection with the exclusive bancassurance agreement. As a result, we recognized an impairment loss of approximately ¥8 billion in Q3.
- Non-insurance business is generally progressing steadily.
- At CP, performance fees were weak in H1, resulting in progress below budget.

[Page 5]

- On the next page, you will see the YoY comparison of group-adjusted profit.
- On a YoY basis, profit increased by 17%, marking a new record high for Q3 YTD.
- The main drivers of the increase from the previous year were DL and PLC.

[Page 7]

- Page 7 summarizes the impact of the recent rise in yen interest rates on our group.
- Higher interest rates significantly improve DL's portfolio yield through bond rebalancing. Looking at the combined contribution for this fiscal year and the next, we expect an annualized increase of approximately ¥24 billion in positive spread from this year's rebalancing operations.
- DL's yen fixed-income portfolio is rebalanced flexibly in line with liability movements. The dollar duration ratio was 91% at the end of December, indicating that duration is appropriately controlled.
- We are also monitoring surrender trends for DL's yen-denominated single-premium products without MVA. The increase in surrender rates has been very limited, and overall surrender rates, including protection products, have remained broadly flat. Please refer to page 25 for further details.
- EV increased as the yield curve steepened.
- While ESR is affected by an increased mass lapse risk, this has been offset by higher eligible capital, and ESR has remained stable.

[Page 8]

- This is an update on our sales of domestic equities. Reflecting the rise in domestic equity prices, we increased our planned sales to ¥700 billion as of Q2.
- Domestic equity prices continued to rise after November, and the balance at the end of December stood at ¥3.5 trillion, exceeding the level at the end of March 2025. Reflecting higher market valuations, we now expect total sales for this fiscal year to increase to approximately ¥800 billion.
- Depending on future market developments, the balance at the fiscal year-end could exceed the level at the end of the previous fiscal year. In that case, we would incorporate the excess into next fiscal year's sales plan and proceed with sales ahead of schedule.
- We expect domestic equity sales in the next fiscal year to be approximately the same level as this fiscal year, aiming to achieve a domestic equity market value balance of ¥2.8 trillion by the end of the next fiscal year.

[Page 9]

- This shows our outlook for the positive spread.
- We have revised this upward from the previous update in November. We added approximately ¥200 billion to the scale of bond rebalancing operations, and the expected improvement in the positive spread has increased to ¥24 billion.
- We expect steady expansion of the positive spread beyond next fiscal year through continued bond rebalancing.
- For DL’s policy reserve-matching yen bonds, as of today, we maintain a certain distance and buffer from the impairment threshold that would require declaration as held-to-maturity.

[Page 10]

- Next, I will explain our duration-matching status and the update to our duration measurement.
- DL’s liability duration fluctuates on an ongoing basis due to interest rate movements, including changes in the shape of the yield curve, as well as the passage of time affecting liabilities. Accordingly, we primarily hold assets as policy reserve-matching bonds that can be rebalanced flexibly, and we manage the dollar duration ratio accordingly.
- Following the rebalancing of policy reserve-matching bonds in Q3, the matching ratio declined to the 90% range. We will continue to manage it within 100%.
- Previously disclosed asset duration figures were calculated using simplified methods, such as measuring and calculating the duration of each asset and then deriving a weighted average. This indicator is important and closely followed by investors. Internally, we also plan to use this indicator to manage the dollar duration ratio within 100% as part of our ALM operations.
- To support this, we revised the definition and now calculate duration more precisely based on ESR-standard asset cash flow projections, replacing the simplified elements used previously. Under the revised definition, the dollar duration ratio at the end of September changes to 99% from 104% under the previous definition.
- Both definitions are shown in the materials, which may make the page a bit complex, but from Q4 onward, we plan to unify our disclosures under the new definition.

[Page 11]

- Next, we outline our upward revision to full-year forecast.
- Reflecting the profit progress at each group company, the economic environment at the end of December and recent market conditions, we have raised our full-year outlook from the ¥470 billion announced in November by an additional ¥30 billion to ¥500 billion.
- With this upward revision to group-adjusted profit, DPS will be raised by ¥1 to ¥52.
- As mentioned in November, we have been considering an earlier application of a higher dividend payout ratio. Given that our adjusted ROE outlook for this fiscal year remains around 12%, we are

reviewing internally with plans to raise the payout ratio to 50% starting with the interim dividend for the fiscal year ending March 2027.

- We will continue to monitor equity and interest rate trends as we work toward a higher level of profitability and shareholder payouts.

[Page 13]

- This slide shows approximate figures of value of new business (VNB) for our three domestic companies.
- VNB for the three companies increased 27% YoY to approximately ¥105 billion.
- Sales trends at each company showed no major changes in Q3, and progress toward full-year forecast remains broadly on track.

[Page 14]

- ESR stood at 213%, maintaining a level above the previous fiscal year-end, as explained earlier.

[Page 15]

- Page 15 and 16 present data as of the end of September. I would like to explain the breakdown of foreign exchange risk and credit risk, which have become relatively larger as interest rate risk has declined.
- At the end of September, FX risk accounted for about 13% of total risk, making it the second-largest category in the market risk. This reflects the expansion of our overseas business investments in recent years. Roughly half of the current risk relates to business investments, while the other half arises from investing in currencies different from the insurance liabilities, mainly at DL.
- FX risk is not something for which we seek returns by taking risk, but the amount of risk is expected to increase as our overseas business grows.
- That said, as previously disclosed, FX sensitivity of ESR is around 0%, meaning that yen appreciation or depreciation does not affect ESR soundness.
- With respect to the foreign exchange risk associated with the operation of DL's risk assets, investment decisions are made based not only on foreign exchange risk but also from overall risk–return perspective. We will continue to examine how best to manage FX risk at the Group level going forward.

[Page 16]

- On page 16, we show the breakdown of credit risk.
- Regarding credit risk, we revised our framework last fiscal year to align with the J-ICS calculation standards and classifications. Under this approach, credit risk is treated outside the market risk category, and spread risk is calculated separately.
- That said, from the perspective of our integrated internal risk management, we continue to monitor credit risk, and there has been no change in our fundamental approach to taking credit risk.

- Looking at the breakdown, about 91% of credit risk arises from investments, while the remaining 9% arises from business operations, such as reinsurance transactions.
- Within the investment portion, roughly 97% is investment-grade, resulting in a credit portfolio centered on high-quality issuers.
- We will continue to manage credit risk with strong discipline, verifying its impact on economic value and capital soundness on an ongoing basis.

[Page 18]

- Turning to page 18, this is about the capital reduction at DFL.
- As previously communicated, with the introduction of J-ICS at fiscal year-end, we expect that DFL will be able to release a certain amount of capital.
- We are currently progressing through the application and related processes with the relevant authorities.
- Taking into account DFL's financial position and capital soundness at the end of March, we will determine the dividend amount, including proceeds from the capital reduction.

[Page 19]

- Lastly, today's announcement.
- Today, we announced our investment in Infomart Corporation, an electronic transaction services provider with the largest market share in a digital order and procurement platforms for the FOOD industry.
- Through collaboration with Infomart's corporate services that contribute to productivity improvement for small and medium-sized enterprises (SMEs), we expect to expand our group's SME customer base, including through Benefit One. In the B2B services domain, where Benefit One has provided services to corporate clients, we will further expand the value we deliver to SMEs across our group.
- That concludes my presentation. Thank you for your attention.

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, DLVN: Dai-ichi Life Insurance Company of Vietnam, CP: Canyon Partners

[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.