

Thinking People First

Create Sustainable Corporate Value

We are endeavoring to strengthen our earning capacity by accelerating business deployment in the overseas life insurance market, as well as the Japanese market, while at the same time using business model transformations to increase productivity and enhance our competitive power. We are also dedicated to strengthening our financial foundation, carrying out disciplined capital policy, and improving our sustainable corporate value.



SPECIAL TOPIC

Acceleration of Business Development for Growth

1. Realizing domestic market growth with our “New Total Life Plan”

We have carried out initiatives based on the “Total Life Plan” concept since 1997. Based on the experience we gained through the demutualization and listing process, we are striving to realize market growth in Japan, led by our “New Total Life Plan,” an expansion and evolution of our “Total Life Plan.”

Specifically, we are working to achieve top line growth that surpasses market growth, through our launching of highly competitive products in our third sector insurance (medical, etc.) and individual savings markets, which are expected to exhibit growth domestically, and our enhancement of our consulting services. Dai-ichi Frontier Life, one of our group companies, is contributing to group top line growth by launching dynamic and competitive individual saving products to be sold over the counter by institutions such as banks.

We are also leveraging resources such as our customer infrastructure, personnel, physical assets, and systems, organically strengthening our contacts with our customers in order to expand the breadth of our consulting customer base and improve channel productivity.

2. Steady growth of overseas business

We are advancing the roll-out of overseas life

insurance business, primarily in the Asia Pacific region. Specifically, we are utilizing our own group know-how built up over many years as well as the management know-how of the TOWER Australia Group (now known as TAL), which became a fully owned subsidiary in May 2011, and continuing to focus on the Asia Pacific region, whose life insurance market is expected to experience growth. At the same time, we are considering moving into the life insurance business in developed countries in which some degree of market expansion is expected, in order to enjoy faster profit growth, and working to improve the degree to which our overseas life insurance businesses contribute to group profits.

We are also considering participation in the overseas asset management business, which shares a high affinity with life insurance. The overseas asset management field is expected to exhibit a high level of growth, backed by rising populations and increased retirement funding.

3. Promoting business transformations that support our growth strategy

We are engaged in initiatives for achieving the “five business reform projects” below in order to transform the business models of existing business fields through promoting fixed cost efficiency improvements, customer contact field reinforcement, and other group competitiveness enhancements.

Five Business Reform Projects Supporting Our Growth Strategy

“Cost-mind Reform” project	Efforts by all group employees to ensure the group is “first in quality and productivity” by supplying higher quality products and services at lower cost.
“Business Operation Reform” project	Simultaneous quest for transformation of clerical work procedures based on improving ease of understanding and convenience for customers, and utilization of a manufacturing industry approach in our clerical work focused divisions.
“Business Formation Reform” project	Efficiency improvements in our head office and branch organizations and personnel, including the shifting of human resources to customer contact points.
“Office Infrastructure Reform” project	Construction of office and site system in alignment with a wide range of customer needs, including business hours, locations, and services offered. Improvement of operational efficiency and productivity through universal layout in head office.
“Work-style Reform” project	Transformation in mental approach and behavior of each and every group employee in order to support and promote the transformations above.

SPECIAL TOPIC

Expanding Life Insurance Business Overseas

Asian countries such as Vietnam and India are experiencing steady population growth and economic development and show high potential for future life insurance market expansion. The societal role of life insurance is expected to continue to grow in the future. We are leveraging our extensive life insurance know-how built up over our 100+ year history as we roll out business operations to these Asian nations. We are contributing to the stability of peoples' lives through our market development and popularization of life insurance, as well as contributing to the development of society itself by creating local career opportunities and through our social contribution activities.

India

Star Union Dai-ichi Life Insurance Company



We are the first Japanese life insurer to enter the Indian market. We have teamed up our life insurance business management know-how with the sales network and customer infrastructure of two major nationally owned Indian banks, who serve as joint partners in this company. In FY2010, premium income from new business grew by 46% versus the previous year. Our business deployment is progressing steadily: as of the end of March, 2011, we were ranked 12th out of 22 private life insurance companies.

Thailand

Ocean Life Insurance Company



Ocean Life Insurance Company is a Dai-ichi Life affiliate that supplies the Thai life insurance market, with an individual agent sales network that spans the country. It is collaborating with us in a wide range of fields, including individual insurance, group insurance, and risk management system fortification, working together with us to increase its corporate value. In FY2010, its insurance premium revenue rose by 8% versus the previous year.

Vietnam

Dai-ichi Life Insurance Company of Vietnam



In January 2007, we became the first Japanese life insurer to move into the Vietnamese market. With the life insurance market in Vietnam growing rapidly, premium income of Dai-ichi Life Insurance Company of Vietnam stood at 4.18 billion yen in FY2010, about 2.7 times the pre-acquisition level in FY2006. Its market share also expanded from 5.0% in FY2007 to 7.2% in FY2010.

It is dedicating efforts not only to life insurance business deployment, but also to social contribution activities. Its high level of contribution to Vietnam's economy and society has been highly regarded, and it is a 3-year consecutive winner (2009–2011) of the "Golden Dragon Award" for foreign-owned businesses which have contributed to economic development. In September, 2009, it also won the "First Vietnam

Golden FDI" (Foreign Direct Investment Award) for foreign companies which have contributed to Vietnam's economy and society through investment, and in December of the same year, was selected by the Vietnamese Ministry of Finance as a "Company Which Has Contributed to the Development of the Vietnamese Insurance Industry between 1999 and 2009."

Through Dai-ichi Life Insurance Company of Vietnam, we will continue to contribute to Vietnam's economy and society.



"Golden Dragon Award" Announcement Ceremony

Australia

TAL Limited



In May 2011, TOWER Australia Group Limited, one of our affiliates, became a wholly owned subsidiary (its name was changed to TAL Limited, (hereinafter referred to as "TAL") in June of the same year).

The Australian life insurance market is steadily expanding, led by sound economic growth. Faced with Australia's low per-capita insurance amounts,



TAL Subsidiary Acquisition Ceremony

TAL has worked to promote customer awareness, and provide insurance products that fit customer needs. As

a result of these efforts, TAL has shown a high level of competitiveness, taking the second place in the protection product market (as of December, 2010).

TAL is also dedicated to social contribution activities, donating historically valuable watercolor paintings, previously kept in the U.K., to the State Library of New South Wales. These paintings show the flora, fauna, and natural scenery of Australia at the time of British settlement. TAL has also collaborated with local NPOs in donating food to the needy.

Through TAL, we will continue to contribute to the development of Australia's economy and society.

VOICES

Resonating with Dai-ichi Life's Vision, and Working Hand-in-Hand

We are very pleased to be part of the Dai-ichi Life group.

We at TAL are looking forward to playing an important role in the future success of Dai-ichi Life. We are really closely aligned in a Values sense. We believe in the Dai-ichi Life saying "Customer First" and we also believe that in the way we manage we must always put our "People first". Our companies have from 2008 been a close fit and will no doubt move forward together.

What has especially delighted me has been the strong support of our customers and business partners since Dai-ichi Life first bought its investment in TOWER Australia in 2008. They have also supported Dai-ichi Life moving to 100% ownership.

Looking to the future I am very positive about our prospects and excited about making TAL and Dai-ichi Life even more successful in the future.

TAL Managing Director **Jim Minto**



SPECIAL TOPIC

Japanese Growth Market Initiatives

Momentum is gathering behind the readjustment of the Japanese social security system, against the backdrop of a falling birth rate and aging society. With this has come an increasing interest in ways to reduce life risks, such as preparing living expenses for one's old age, or arranging for expenses resulting from illness. Presented with this environment, Dai-ichi is endeavoring to further strengthen its consulting capabilities, led by the "New Total Life Plan" concept, in order to propose solutions optimized for each individual customer. At the same time, in addition to death benefits, we are also offering high quality products and services in the medical, nursing care, and old age fields.

Specifically, in order to respond to the needs of the senior demographic, whose size is expected to continue to grow in the future, we are enhancing our medical care insurance product and individual saving product lineups. In September 2010, we launched new medical compensation riders such as "I no Ichiban (Medical Compensation Number One) NEO," which offers payments aligned with actual medical conditions. In January 2011, we began sales of "Medical Yell," a nonparticipating medical insurance product. In August 2011, we began sales of "Grand Road," a nonparticipating single premium whole life insurance

which does not require notifications.

Dai-ichi Frontier Life Initiatives

Dai-ichi Life established the Dai-ichi Frontier Life Insurance Company (hereafter referred to as "Dai-ichi Frontier Life"), which began operating in October 2007. Dai-ichi Frontier Life specializes in supplying over-the-counter sale business oriented products, in order to fully establish the new business sector of assisting customers with personalized asset building. It does this through the sale of products such as savings insurance by banks and securities companies.

Dai-ichi Frontier Life sells, in addition to guarantee of annuity resources, products suited to customers' varied needs, such as variable individual annuity insurance with guaranteed minimum payment step-up functions, and fixed annuity insurance, whose term end annuity resource amounts are decided at the point of policy formation. In FY2010 they added foreign currency annuity insurance, which allows customers to select the currency of the insurance, from US dollars, Euros, and Australian dollars, and variable amount whole life insurance, which provides for both asset management and inheritance needs. Through these additions to their product lineup, they have created a product range even more perfectly suited to the diverse needs of customers.

The sum insured of policies in force of Dai-ichi Frontier Life is growing steadily, reaching 1,436.1 billion yen as of the end of March 2011. As a member of the Dai-ichi Life Group, Dai-ichi Frontier Life will continue to maximally leverage the combined power of the group, providing products and services matched to customer needs in a timely fashion.

VOICES

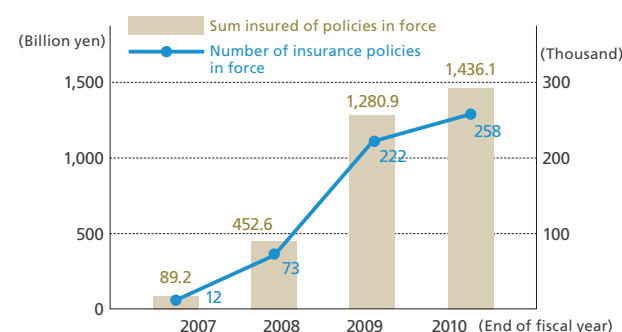
Working Hard to Create Relationships of Trust with Customers and Agents

We offer support for the sale of Dai-ichi Frontier Life products by agents such as banks and securities companies. We strive to build relationships of trust by always thinking about what customers truly need, offering related information follow-up to agents, and engaging in consultation to solve the problems encountered by customers and agents. We are still a new company, founded only four years ago, and the allure of our company is our trial-and-error approach to innovation. While societal and economic environmental changes may have an impact on us, we wish to pool the strengths of all of our employees, contributing to the growth of our company.

Noriko Nakazawa
Dai-ichi Frontier Life



Dai-ichi Frontier Life Results



Corporate Governance

Fundamental Approach to Corporate Governance

We are led by our management philosophy of "Customer First," and consider our customers, society, shareholders and investors, and employees to be our stakeholders. We have defined our basic management policies to be "Maximize Customer Satisfaction," "Secure Social Trust," "Create Sustainable Corporate Value,"

and "Foster Employee Potential." By increasing the satisfaction of our stakeholders, we are working to increase our corporate value.

We have established a Basic Internal Control Policy, which sets out our basic approach and policy concerning internal control. This basic policy defines basic items related to the

preparation and operation of internal controls used as we embody our basic management policies. By defining these items, we strive to ensure that our business activities are appropriate, thus contributing to our carrying out of our social responsibilities as a life insurance company.

Corporate Governance System (1)

Execution of Operations

■ Board of Directors

Our Board of Directors makes important management decisions and supervises the execution of operations. To further strengthen its decision making functions, outside directors, whose positions are not related to operation execution, are appointed. In principle, the Board of Directors meets each month, with additional meetings as necessary.

To enhance management transparency, Dai-ichi Life has established a Nomination Committee and a Compensation Committee, each

of which consists of the chairman of the board, the president, and outside members, as independent advisory committees to the Board of Directors. The Nomination Committee confirms the eligibility of candidate directors. The Compensation Committee deliberates on the compensation systems for directors and executive officers, and other related matters.

■ Execution of Operations

To separate and thereby strengthen our functions of decision making and supervision on the one hand and operational execution on the other, we have introduced an executive officer system. Executive officers are elected

by the Board of Directors and carry out duties assigned by the Board of Directors. Dai-ichi Life also has an Executive Management Board that meets twice a month, in principle, and consists of the president and executive officers appointed by the president. The Board considers important management and executive issues.

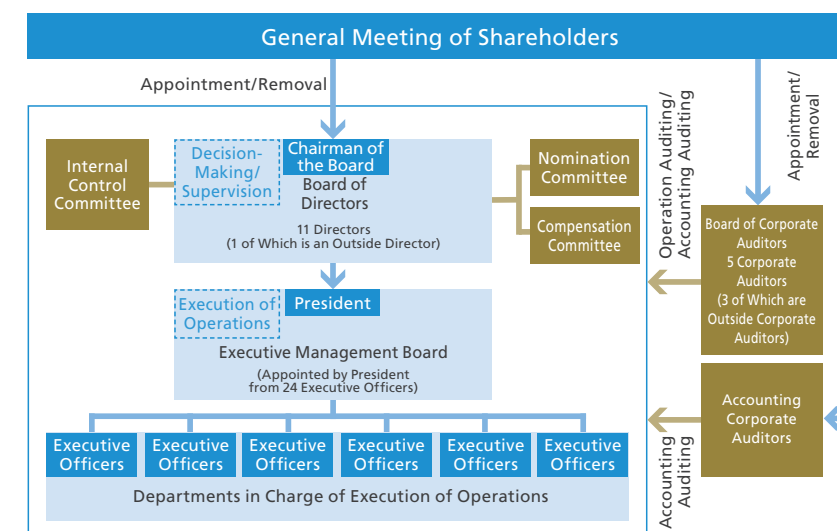
Auditing

■ Auditing by Corporate Auditors

Dai-ichi Life has a Board of Corporate Auditors. It performs auditing of the job performance of directors and executive officers by attending meetings of the Board of Directors and the Executive Management Board and conducting interviews with directors, executive officers, and departments. It also performs auditing of the compliance of Dai-ichi Life and our subsidiaries, of overall operational risk management, and operational and financial conditions. The Board of Corporate Auditors deliberates regarding important items related to auditing.

Assistants to corporate auditors are assigned to the "Corporate Auditors Center," ensuring independence from directors through consultation with corporate auditors regarding personnel issues and evaluations of those assistants.

① Corporate Governance System (As of July 1, 2011)



Internal Auditing

The Internal Audit Department has been established to perform auditing of departments responsible for the execution of operations and insurance

agents from the perspective of compliance and risk management. The Internal Audit Department is a separate organization, isolated from departments responsible for the execution of

operations and insurance agents, in order to ensure its checking functions and the effectiveness of its operation auditing.

to identify risks in each business and develop and introduce countermeasures in order of priority in order to mitigate risks and improve operations (2).

Our CSA initiative methods are being constantly improved and enriched, and CSA is carried out in all head office departments and all branches

nationwide each year as a regular part of company-wide efforts to promote operation improvements.

Information Disclosure

We consider the timely and appropriate disclosure of company information to customers, society, and shareholders and investors, the increasing of management

transparency, and the ensuring of accurate awareness and evaluation of our company to be important corporate governance strengthening measures. We have established a Basic

Information Disclosure Policy and defined internal rules regarding the disclosure of information in the event of inappropriate occurrences.

Internal Control
Internal Control Policy

We have established a “Basic Internal Control Policy,” which sets out our basic approach and policy concerning internal control (1), and set up an Internal Control Committee as part of the establishment of our internal control system. The Committee is a special organization assisting the Board of Directors and the Executive Management Board and is responsible

for driving the establishment and operation of an internal control system; checking the appropriateness of financial reports and the effectiveness of internal audits. And as an organization overseeing the Compliance Committee, Risk Management Committees, and Antisocial Forces Handling Committee, it also checks and discusses issues of compliance, the

protection of information property, risk management, and the handling of antisocial forces as an organization. The Internal Control Committee consists of representative directors and the executive officers in charge of the departments responsible for internal control, and in principle holds a meeting every month.

Risk Management

Self-Assessment

To enhance the effectiveness of internal controls with regards to

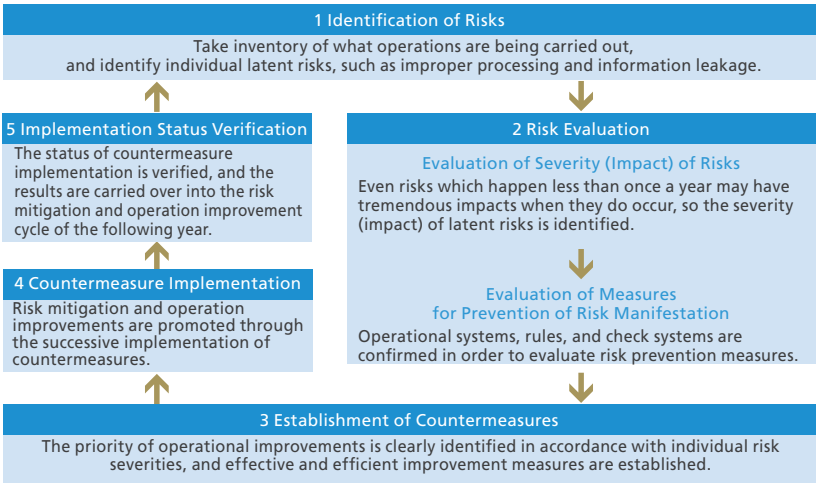
operational risks, we also carry out internal control self-assessment (CSA), a systematized and standardized set of risk assessment and evaluation

methods, in all operations. CSA targets “operational risks,” such as “clerical work risks” and “system risks” lurking in day-to-day operations. It is used

1 Basic Internal Control Policy

- 1. Conduct business activities in compliance with laws and regulations, the Articles of Incorporation, social standards, and rules in the market
- 2. Protect and manage information assets appropriately, including customer information, shareholder information, important facts, and other unique information
- 3. Manage risks effectively in accordance with the characteristics of those risks
- 4. Block any relationships with antisocial forces to prevent any damage that might occur
- 5. Ensure appropriate operations at subsidiaries
- 6. Ensure the reliability of financial reports and disclose them appropriately on a timely basis
- 7. Check the appropriateness and effectiveness of internal control through operational audits

2 Risk Mitigation and Operation Improvement Cycle



Regulatory Compliance Initiatives

Status of Compliance Promotion

We understand that business activities in compliance with laws and regulations and social standards are the foundation for carrying out our social responsibility. Compliance has been positioned as one of our most important management issues, and the entire company is working together to promote compliance.

Specifically, we establish a Compliance Program in accordance with the issues identified for each fiscal year. Based on this Program, our departments and branches work to promote compliance.

The company management—in the form of groups such as the Compliance Committee and Executive Management Board—checks progress conditions regularly, making Program revisions as necessary.

In FY2010, in order to achieve greater legal and regulatory compliance in conjunction with our demutualization and listing, we carried out successive enhancements to our management of company information such as important facts and shareholder information, and our insurance solicitation management systems, as critical compliance initiatives.

Information Property Protection and Management

In order to further enhance our protection and management of information property, in FY2010, we instituted stronger controls on Internet e-mail usage, reduced external storage media usage, and enhanced our systematic checks, in order to prevent the leakage of important information. We also carried out supervision and inspection of contractors, including subcontractors, as well as regularly performing training and inspections company-wide in order to ensure the protection of information property by officers and employees.

Relations with Shareholders and Investors

Communication with Shareholders and Investors, and Corporate Dividend Policy

Dialog with Shareholders and Investors

We place importance on dialog with our shareholders and investors. In FY2010, in addition to 4 results briefings and 2 management briefings, executives attended over 350 meetings with institutional investors (108 of which were overseas). They also proactively participated in IR events and company information sessions for individual investors, held by third parties, in order to deepen investor understanding of our company. Presentation materials are posted on our website, and have been widely viewed by shareholders and investors.

General Meeting of Shareholders

On June 27, 2011, we held our

first ordinary general meeting of shareholders (attended by 1,655 shareholders, and lasting for 3 hours and 6 minutes).

At this general meeting of shareholders, we further visualized the content of our FY2010 business report and the explanation of our “FY2011 to 2012 Medium-Term Management Plan,” striving to create even clearer and easier to understand presentations.

We used color and styles creatively in our general meeting of shareholders convocation notice for greater clarity, and sent these notices at an early stage.

After the general meeting of shareholders, we posted video of these presentations, an overview of the meeting records, and voting results, taking an active approach to information disclosure.

Corporate Dividend Policy

We aim to realize medium and long-term stable shareholder returns, striking a balance between financial soundness improvements and policyholder dividends. Specifically, we target a dividend payout ratio equal to between 20% and 30% of consolidated adjusted net income*, deciding each period’s dividends after a comprehensive assessment that includes consolidated and non-consolidated financial result trends, the market environment, and regulatory trends.

* Consolidated adjusted net income is a unique Dai-ichi Life indicator that shows effective probability, calculated by adding items such as provisions for contingency reserves in excess of the legal amount (after tax) to consolidated net income.