

Message from the President

Peace of mind.
In communities and
around the world.



July 2015
President and Representative Director



I would like to take this opportunity to express my gratitude to our stakeholders for their support of Dai-ichi Life.

Dai-ichi Life, which began operating as Japan's first mutual company in 1902, has been seeking innovation based on its belief that what needs to be changed should be changed, adhering to its philosophy of "Customer First" at all times. At the same time, the Company seeks to preserve the important assets that have been passed down since its foundation, through numerous difficulties over its history of more than a century.

This philosophy remains unchanged even now as our Company continues to expand its business and grow in Japan and overseas after demutualization in 2010. Adopting the management philosophy "By your side, for life" as our Group Mission, we regard it as our *raison d'être* for each company in our Group to contribute to the comfort and peace of mind of our customers and the development of local communities in their region by standing by the side of our stakeholders. The Group Mission is shared by the entire Group.

Value Creation Management of Dai-ichi Life: DSR Management

To continue to stand "By your side, for life," we are working to realize our Group Mission through the practice of DSR Management. DSR stands for Dai-ichi's Social Responsibility, with the "D" in Dai-ichi Life as the initial letter to express Dai-ichi Life's distinct efforts, which extend far beyond the framework of corporate social responsibility (CSR) in general terms. This expresses not only our determination to fulfill our social mission as a life insurance company, but also our Company's commitment to resolutely take on global issues through its primary business.

This concept of DSR Management very much reflects the purport of the Corporate Governance Code for listed companies and the Stewardship Code for institutional investors. We will work to create a sustainable society as a member of society (corporate citizen), in addition to achieving growth as a company by further advancing DSR Management.

Looking back on our medium-term management plan: Action D

In the medium-term management plan “Action D” starting from fiscal 2013, we sought to move to a new level as a Group through DSR Management. As a result of steadily executing our plans for value creation and sustainable growth, the Group's consolidated results saw higher sales and profits, and in the fiscal year ended March 31, 2015 consolidated ordinary revenues, ordinary profit and net income for the year reached new post-listing highs. We were also able to attain almost all management targets a year ahead of schedule. We believe that these achievements, including the financial results of Action D, are the result of our implementation of DSR Management.

Let us introduce some of our efforts, taking the domestic life insurance business as an example.

The first is our initiative as a company that plays a role complementing the social security system of the government. Associated with the aging population and declining birth rate, the reduction of social burdens and maintenance of public health are important tasks for preserving a healthy social security system. As a response to this challenge, our Group has embarked on the “By your side, for life - With You Project.” We have positioned providing security and peace of mind through the further strengthening of our life insurance functions, as well as offering complete health support that contributes to better customer health, as unique value offerings of our Group, and have strengthened this initiative. The provision of both security and peace of mind by leveraging our strengths, such as the new products we launch and the quality consulting services we offer through various points of contact, as well as the provision of complete health support with medical and health information, using our network with all kinds of medical institutions and providing education on cancer prevention and health in cooperation with local governments, have both stimulated customer interest in security and improved satisfaction. This in turn has helped build a foundation to boost our performance in the life insurance market in Japan.

The second initiative is our approach for growth markets. Along with growing needs of senior citizens for saving, the domestic market for savings-type products is expected to continue to grow. In fiscal 2014, Dai-ichi Frontier Life acquired the largest amount of new business since its founding in its sales of savings-type products through financial institutions and maintained the largest market share of new business among bancassurance insurance companies. This result suggests the success of our strategy of continuing to provide timely products that match customer needs in the market for savings-type products, responding with agility by separately establishing Dai-ichi Frontier Life, instead of Dai-ichi Life itself conducting the bancassurance business.

The third initiative is our effort to respond to diversified lifestyles. In recent years, more and more customers are seeking to compare insurance products on their own. To provide products that meet these customer needs, we made Sompo Japan DIY Life Insurance Co., Ltd. a wholly owned subsidiary in 2014 and restarted it as Neo First Life in November 2014. From mid-August 2015, Neo First Life plans to provide attractive new insurance products to prepare for diseases and hospitalization, for instance, through financial institutions and insurance shops.

In the overseas life insurance business, Group companies did well, successfully achieving steady growth in their respective markets. Moreover, support for the profit growth of the Group has been created in the United States by making Protective Life Corporation (“Protective Life”) a wholly owned subsidiary, among other measures. The asset management business also contributed to the growth of the Group by each company operating in accordance with its business strategy, while fulfilling its social responsibility as a company and as an institutional investor based on its unique characteristics.

As just described, we believe that the Daiichi Life Group was able to show growth in Action D through a concerted focus on DSR Management, as well as through its initiatives to create new value for all stakeholders.



Start of a new medium-term management plan “D-Ambitious”

Action D was the medium-term management plan for the period when we built a solid foundation for the continued growth of the Group in Japan and overseas through the execution of our strategies. Going forward, we will enter the stage of accelerating growth based on the foundation we have built.

The Group has revised its medium-term management plan and adopted a new medium-term management plan covering fiscal 2015 to fiscal 2017, “D-Ambitious/ Our values. Our future.”

The word “Ambitious” is used in the name of the plan to express our intention to aggressively seek a further acceleration of growth and an increase in corporate value to an unprecedented level through the further evolution of DSR Management.

Specifically, we will become an insurance group that will remain the insurer of choice for customers and that will be valued by local communities and society. We will do this by strengthening the three engines of our growth strategy, namely the domestic life insurance business, the overseas life insurance business and the asset management business, while exerting synergy through mutual learning by Group companies in Japan and overseas. Consequently, we will achieve our management objectives of making rapid progress in consolidated profits, secure a capital level with our eyes fixed on global regulations, and achieve an even higher level of return to meet the expectations of our stakeholders. In addition, we will also work to develop a framework to support global business development through the transition to a holding company structure*₁ planned for October 2016 and the further promotion of diversity and inclusion*₂ to build a vibrant organization by benefiting from the individuality of each employee.

*1: To make a transition to a holding company structure, the permission and authorization of the authorities and the approval of shareholders at a shareholders meeting are necessary, among other steps.

*2: This is an effort by the Company to respect the diversity of human capital (diversity) and mutually accept diversified human capital (inclusion).

In addition, as the development and growth of society in Japan and other countries where we operate is an essential element for the growth of the Group, we need to contribute to the development of local communities in each country and to the comfort and peace of mind of people living there through our business activities.

Taking Japan for example, we will continue to contribute to solving social challenges including the aging population and declining birth rate through the life insurance business so that Japan can overcome its social challenges and achieve sustainable growth.

Our overseas Group companies also, through sharing the philosophy represented by “By your side, for life” and fulfilling their social responsibility through the life insurance and other businesses, aim to achieve solid growth on their own by contributing to the development of each region and the lives of people.

In D-Ambitious, we will aim to create sustainable value and grow into a global insurance group by further refining DSR Management and expanding that effort globally.

■ Further enhancement of “By your side, for life - With You Project”

As an example of our growth strategies, let us introduce our efforts in the domestic market, our main market.

The Dai-ichi Life Group will work to further strengthen the “By your side, for life - With You Project” to deliver security and peace of mind and complete health support, the value provided by the Group in Japan, to more customers and further improve the quality of this value.

The domestic three life insurance company structure consisting of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life has started in Japan, and a system for each of the three companies to quickly provide customers with competitive products and services will be put in place. We will meet the diverse needs of our customers by delivering the optimum products through the most suitable channels.

We will also step up our efforts to provide more customers with high-quality consulting services. First, we have appointed Customer Consultants as specialists who provide aftersales services and consulting to customers who had difficulty contacting us in the past. Customer Consultants began working in earnest from April 2015. Second, we will increase the number of Total Consultants specializing in consulting services at offices in urban areas and government offices to an industry-leading level of 2,000 persons to expand in major urban areas. Third, with respect to Total Life Plan Designers, we will foster human capital to assist customers with sophisticated consulting capabilities by extending the development period from two years to five years.

In addition to these initiatives, we will continue to make efforts in the Declaration to Support Total Life Plan for the Second Half of Life, which we announced last year, to deliver security and peace of mind and complete health support at a high level to senior customers, whose presence in society is increasing and whose lifestyles are diversifying, and further enhance our initiatives to gain more support from senior customers.

■ Lastly: Peace of mind. In communities and around the world.

In the fiscal year under review, in time with the start of the new medium-term management plan “D-Ambitious,” the Group set a new medium- to long-term vision “Peace of mind. In communities and around the world.” as an objective for 2020. This is a declaration of our aim to become an insurance group that continues to be selected by people around the world as a partner standing “By your side, for

life” who is of the best help and the most trusted by the local community in all countries where we operate business.

To realize this medium- to long-term vision, the Group will continue to provide value to customers, shareholders, investors and all other stakeholders related to the Group with concerted efforts.

As we pursue these initiatives, we hope we can continue to count on our stakeholders' support and patronage.

I Domestic Life Insurance Business

○ Domestic Life Insurance Business

In Japan, customers' needs for life insurance are becoming increasingly diverse. To precisely cater to those needs, we aim to offer our customers the best suited products via the most appropriate sales channels, based on our network of a three domestic life insurance company structure. We also intend to step up existing initiatives, aimed at offering security and peace of mind and complete health support through our core life insurance business, in an effort to provide customers with even greater value.



Representative Director, Deputy President
Norimitsu Horio

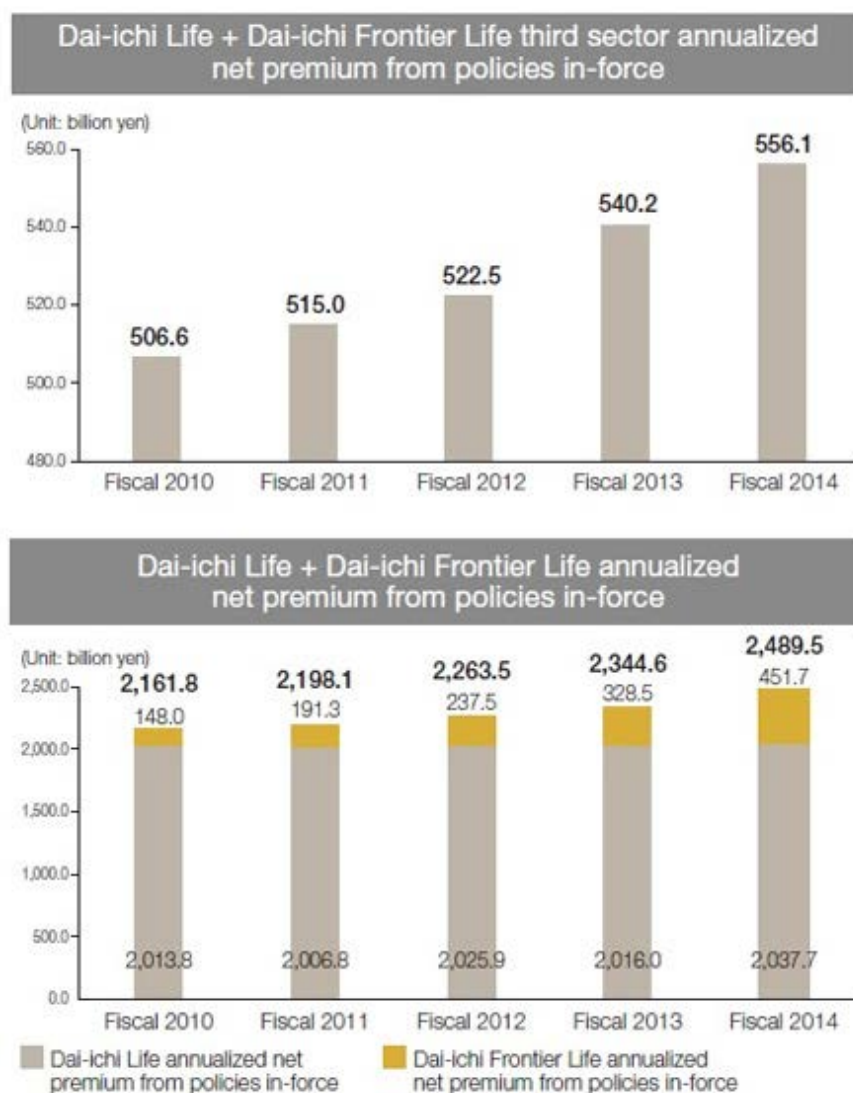
I Our journey so far

The “By your side for life ? With You Project” is our domestic growth strategy for the Dai-ichi Life Group. Based on this strategy, we have provided our products and services best suited for every stage of life, so that we can help our individual customers lead secure and healthy lives.

We regard the third sector market, including medical and nursing care insurance, and the individual savings market as growth areas that are likely to keep on expanding in the future, and have therefore continued to enhance initiatives in the market such as flexibly releasing new products.

In the third sector market, we are doing well with sales such as riders offering cover against seven risks (three major illnesses, physical disorders and serious disabilities requiring nursing care) and nursing care annuity insurance. As a result, we have been able to increase group annualized net premium from policies in-force in the third sector.

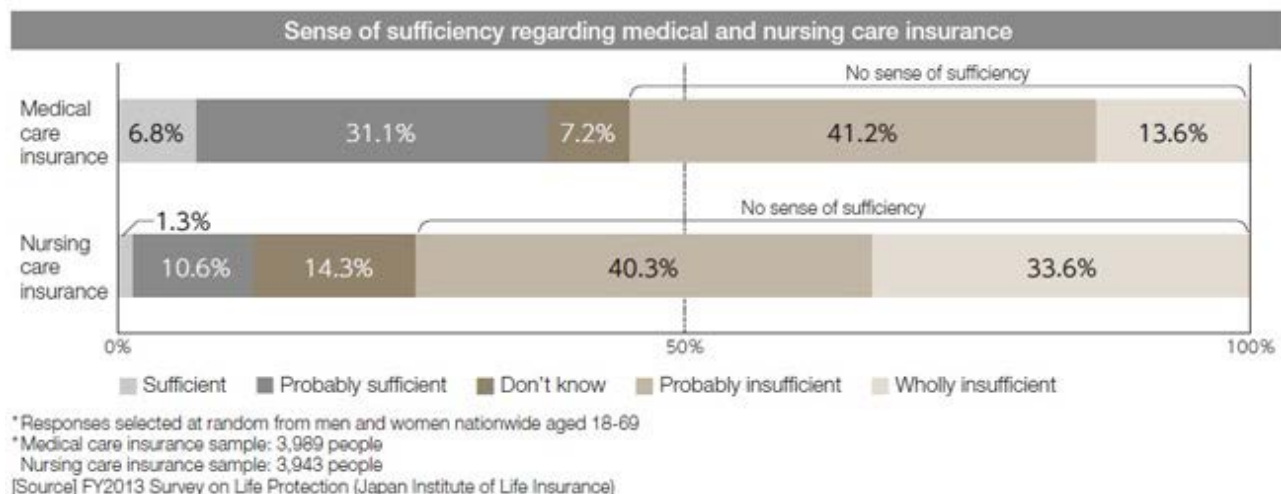
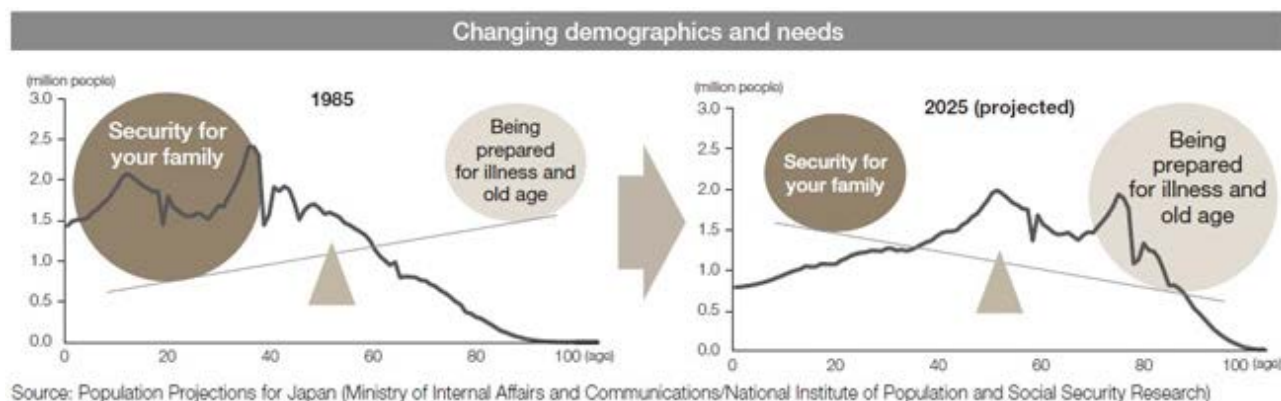
In the individual savings market, we have also continued to increase group annualized net premium from policies in-force, through sales of single premium whole life insurance and individual annuity insurance, and via the bancassurance channel through Dai-ichi Frontier Life.



Outlook for the domestic life insurance business environment

With social security costs expected to increase over the medium to long term due to Japan's dwindling birth rate and aging population, private life insurance companies are set to play an increasingly important role as supplementary capacity for social security in the future. Specifically, there is strong demand for medical, nursing care and inheritance services amongst Japan's growing population of senior citizens. That is why we have earmarked the third sector and individual savings markets as growth markets that are likely to keep on expanding in the future.

Faced with an increasingly diverse range of customer needs, we recognize that it is more important than ever to establish a sales structure that reflects those needs, including walk-in insurance shops as well as sales channels such as Total Life Plan Designers and financial institutions.



Future initiatives

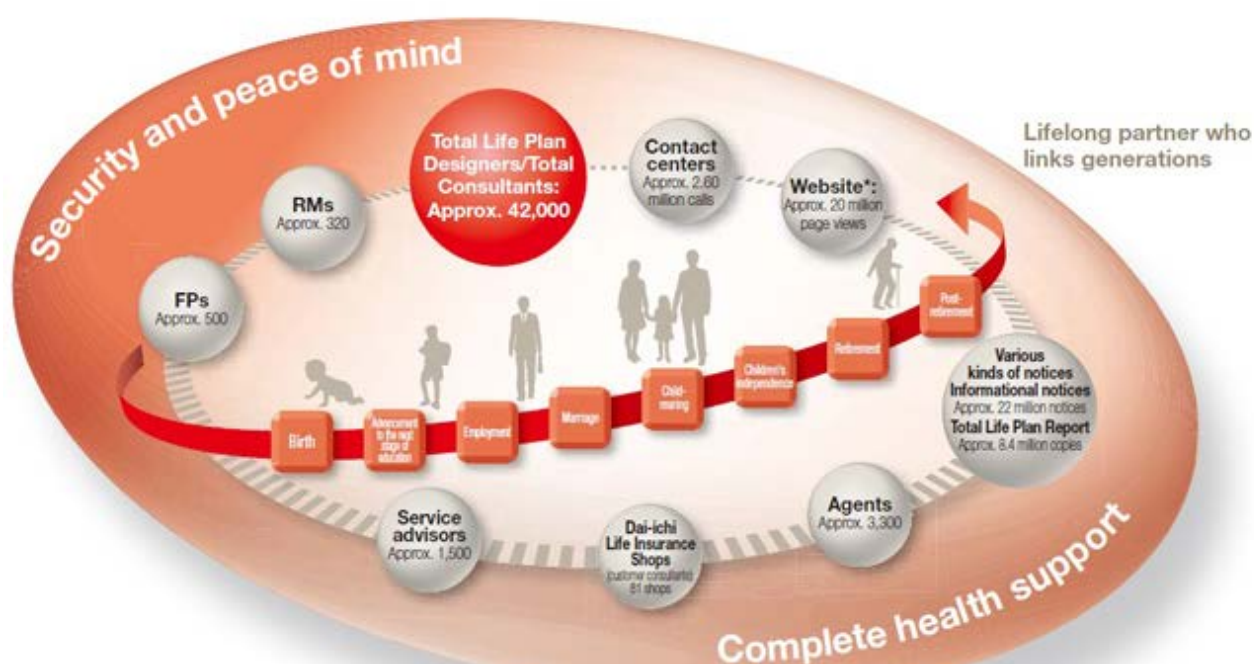
Three domestic life insurance company structure

The Dai-ichi Life Group revolves around the three domestic life insurance company structure - Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life - enabling us to precisely cater to a wide range of customer needs by providing the most suitable products via the most appropriate channels. Operating three separate companies enables us to respond to customers' needs more flexibly and supply products as quickly as possible.



■ Domestic Growth Strategy: By your side, for life - With You Project

Society is going through some major changes at the moment, as individual lifestyles and values becoming increasingly diverse. In order to respond precisely to current changes such as these, all of our employees put themselves in the customer's shoes and are constantly reviewing how they can assist our customers, as they promote the By your side, for life - With You Project as lifelong partners. As well as offering security and peace of mind through our core life insurance business, the aim of this project is to provide individual customers with complete health support based on strong teamwork across all of our expert officers and employees, including Total Life Plan Designers.



*Number of page views from April 2014 to March 2015.

[Initiatives aimed at offering security and peace of mind]

One of the aims of the By your side, for life - With You Project is to offer security and peace of mind. Offering security and peace of mind means ensuring that our customers feel glad that they entered into their insurance policy, and appreciate the importance of insurance, at every stage from checking policy coverage, making claims and receiving benefits.

By your side, for life

DAI-ICHI LIFE

Key Initiatives

Payment of insurance claims and benefits and pursuit of security and peace of mind	We are working to establish a support structure to ensure that customers receive their claims/benefits as quickly as possible and to provide information and consulting services, in order to maximize the value of insurance policies.
Secure after-sale service during the contract period	It is important that customers who have entered into insurance policies are able to carry out procedures without delay when they need to. That is why we take great care to maintain communication on a regular basis, so that policyholders and their families are prepared in the event of a worst case scenario.
Uniform and high-quality consulting suitable to the lifestyle of customers at the time of contract	As society continues to change and values continue to become more diverse, we have introduced DL Pad portable computers, and are making every effort to provide more information on subjects such as the social security system and to offer consulting services that are more useful to our customers.
Product development in line with customers' needs	Customers' needs are becoming increasingly diverse as a result of changes such as Japan's dwindling birth rate and aging society, and an increase in single-person households. We are constantly striving to improve our product lineup so that we can cater to a wider range of needs.

[Initiatives aimed at providing complete health support]

Ever since the Company was first established, we have been working to offer peace of mind through our core life insurance business, as well as providing support to improve our customers' health, in an effort to complement the social security system and contribute to society as a whole. We will continue to provide complete health support unique to Dai-ichi Life.

Key Initiatives

Raising awareness of how to prevent cancer, cardiovascular disease and dementia	We provide accurate information and try to raise awareness of how to prevent conditions such as cancer, cardiovascular disease and dementia.
Medical support service for health, medical, childcare, and nursing care services for policyholders	We provide advice and information on health, medical care, childcare and nursing care for policyholders and members of their families.
Run with You Project	We sponsor public marathons nationwide, organize running classes and do our bit to promote running at the local level, as a major example of a sport that people can enjoy while improving their health on a daily basis.

[Declaration to Support Total Life Plan for the Second Half of Life]

Senior citizens are establishing a greater presence, due to Japan's dwindling birth rate and aging population, and are choosing to live their lives in an increasingly diverse number of ways. Last year, we launched the Declaration to Support Total Life Plan for the Second Half of Life initiative, in our capacity as lifelong partners accompanying our customers through their lives.

**セカンドライフ
生涯設計 応援宣言**

The concept of Declaration to Support Total Life Plan for the Second Half of Life is fulfilling the function of life insurance to industry-leading level and offering security and peace of mind for all of our senior

customers, to ensure that they receive their claims/ benefits. The aim is to provide services that are easier for senior customers to use. For example, we phone senior customers to check how they are progressing and follow up on relevant procedures.

Other initiatives include operating a toll free service exclusively for senior customers, to facilitate direct communication.

▶ Recent example: Launching services in conjunction with Yamato Transport Co., Ltd.

[Providing high quality consulting services]

We are constantly working to increase points of contact with our customers, and to improve the consulting capabilities of our Total Life Plan Designers, so that we can ensure satisfaction for as many customers as possible by offering them security and peace of mind, and providing complete health support.

■Establishing and expanding channels for specific customers and segments, in addition to Total Life Plan Designers

We are looking to increase our number of Total Consultants, who are specializing in consulting for corporate and government offices in major metropolitan areas, to an industry-leading level of 2,000. We have created Customer Consultants, as a team of specialists offering after-sales and consulting services for less accessible customers, and have been operating at full capacity since April 2015.

■Improving the consulting capabilities of Total Life Plan Designers

We have extended training periods from two to five years, in an effort to develop more human capital with high level consulting capabilities, and thereby improve productivity even further.

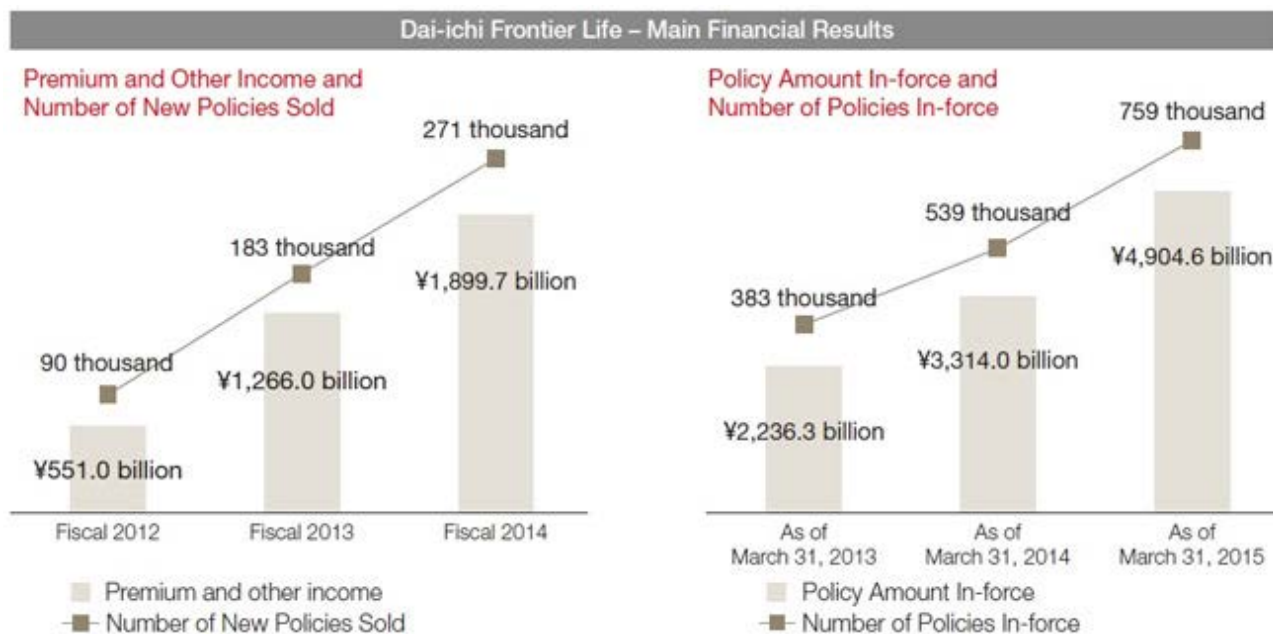


A Total Consultant in action

[Initiative in savings-type product market]

The life insurance market in Japan is being shaped by significant environmental and structural changes, such as demographic shifts associated with the declining birth rate and the aging society. Many baby boomers have retired from supporting their companies and families, and have begun their second lives. Consequently, demand for asset building to maintain a robust retirement and for asset succession to beloved family members has been growing. To bolster our operations in the savings-type product market, which we position as a growth area, our subsidiary Dai-ichi Frontier Life commenced operations in October 2007.

This subsidiary sells single premium savings-type products, such as annuity insurance and whole life insurance, through banks, securities companies and other financial institutions. To effectively meet diversified customer needs we are endeavoring to expand our product lineup. Thanks chiefly to strong sales of foreign currency products, premium and other income reached ¥1,899.7 billion in fiscal 2014, which was the highest since the Company was first established. Policy amount in-force stood at ¥4,904.6 billion. We will continue to provide high-quality products and services responding to customer needs in a timely manner.



[Initiatives aimed at developing new markets (catering to customers wishing to compare products)]

As customers' needs becoming increasingly diverse, sales via financial institutions have started to expand to include protection-type insurance as well as savings-type insurance in recent years. Banks, walk-in insurance shops and other such facilities have also seen an increase in the number of customers wishing to compare and choose insurance products by themselves. In an effort to cater to such kind of needs more effectively, we established Neo First Life, and started providing a series of new products and services from August 2015 onwards, via facilities such as financial institutions and walk-in insurance shops.



Neo First Life has set out “Focusing on what people want” as its corporate slogan and is working to meet the needs of customers wishing to compare products, by selling straight-forward, distinctive products that embody what people want through banks and other financial institutions, and through walk-in insurance shops with simple procedures.

As its first product, Neo First Life is aiming to sell a new third sector product that is designed to ensure satisfaction for new customers.

■ Efforts for Business Alliance

We are committed to forging powerful partnerships between the Dai-ichi Life Group and its business partners, in order to make our operations more competitive in the domestic market.

Mizuho Financial Group	In our full-scale business alliance with Mizuho Financial Group, we have been steadily achieving results primarily in the financial sector by establishing joint ventures such as Mizuho-DL Financial Technology Co., Ltd., which researches and develops advanced financial technologies, and DIAM. As part of our bancassurance business, we also sell Dai-ichi Frontier Life products at banks and securities companies affiliated with the Mizuho Financial Group. We also exchange human capital by sending Dai-ichi Life employee with consulting expertise in life insurance to the Mizuho Financial Group.
Resona Holdings	In our business alliance with Resona Holdings, we plan to strengthen the business competitiveness of both companies by offering better products and services in the insurance field to meet the increasingly sophisticated and diversified needs of our customers. As part of our bancassurance business, we sell individual annuity insurance from Dai-ichi Frontier Life at banks affiliated with Resona Holdings. We also exchange human capital by sending Dai-ichi Life employee with consulting expertise in life insurance to Resona Holdings.
Sompo Japan Nipponkoa Insurance	In our full-scale business alliance with Sompo Japan Nipponkoa, we seek to form the “strongest and most comprehensive life and non-life insurance group” with them as an equal partner, while maintaining the uniqueness of both companies. In non-life insurance we aim to improve customer satisfaction by selling auto insurance products, taking advantage of Sompo Japan Nipponkoa's strong brand and products and its dependable accident response system. In the life insurance area, Sompo Japan Nipponkoa agents sell Dai-ichi Life products (in the First Sector, death protection products) to complement and strengthen the product lineup of the Sompo Japan Nipponkoa Group.

AFLAC	In our business alliance with AFLAC, we seek to form the "strongest partnership in the First and Third Sectors (death protection insurance and medical insurance)' as an equal partner, leveraging the strengths of both companies while maintaining their distinctiveness. In cancer insurance we sell AFLAC's products that are customized for the Total Life Plan of individual customers proposed by Dai-ichi Life.
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I Overseas Life Insurance Business

○ Overseas Life Insurance Business

We have positioned the overseas life insurance business as a growth sector for the Dai-ichi Life Group, and have launched operations in six countries to date. As our operations have expanded across an increasingly wide area, we have established regional headquarters in North America and the Asia Pacific region, in an effort to reinforce our business management and support frameworks based on a Global Trilateral Structure which includes Japan. Given that overseas life insurance markets are expected to grow in the future, we intend to focus on balanced growth across developed and emerging markets.



Representative Director, Deputy President
Chief General Manager, Asia Pacific Business
Shigeo Tsuyuki

I Our journey so far

With the overseas life insurance business positioned as a growth sector for the Dai-ichi Life Group, we acquired a local life insurance company in Vietnam in 2007, after which point we proceeded to expand into the life insurance markets in Thailand, Australia, India and Indonesia. In 2015, we acquired US life insurance group Protective Life as a wholly owned subsidiary, enabling us to expand our business into the United States, the world's largest life insurance market.

Our aim is to enhance the value of group life insurance companies by providing them with our expertise in the life insurance business, built up over more than 110 years (risk management, actuarial work, sales channel development, asset management, etc.) and providing support in areas such as human capital and capital.

As we continue to expand our business over a wider area, in 2015 we established and began operating regional headquarters in North America and the Asia Pacific region, in an effort to reinforce our business management and support frameworks with respect to our overseas group companies, and ensure adequate governance throughout the Group.

As a result of initiatives such as these, we have continued to steadily expand the scale of our overseas life insurance business and increase our profits.

■ Outlook for the overseas life insurance business environment

Although overseas life insurance markets are expected to continue expanding in the future, driven by factors such as economic and population growth, the economic and business environment surrounding the life insurance market varies from one country to the next.

Whereas developed markets in North America and other parts of the world are relatively mature, in terms of the prevalence of insurance, they are nonetheless likely to see stable growth in the future due to steady economic and population growth.

We also expect to see strong growth in emerging markets, particularly in Asia, due to factors such as high economic growth rates, increasing numbers of middle income earners, and a greater awareness of risks which are covered under life and health insurance.

With overseas operations in six different countries, we are aware of just how important it is to provide adequate business management and support in line with factors such as the degree of market maturity and the business environment in each country.

■ Future initiatives

■ Upgrading our business management framework and harnessing group synergy via our Global Trilateral Structure

As the globalization of the Dai-ichi Life Group continues, we have established regional headquarters in North America and the Asia Pacific region, thereby creating an operating framework based on a Global Trilateral Structure, revolving around our Head Office and Group Management Headquarters.

Our regional headquarters enable us to quickly and easily maintain communication with other group life insurance companies without having to worry about time differences. Located at the heart of their respective regions, each headquarters acts as a focal point that enables us to promote exchange between regional group companies to an even greater extent.

In terms of initiatives aimed at generating synergy, we are committed to promoting exchange with management at overseas group companies through measures such as having them to participate in meetings at our Head Office and Group Management Headquarters, and organizing Executive Summits attended by management staff from overseas group companies. We also organize Global Management Conferences based around a variety of topics, including product development, sales, branding and advertising, ERM, and personnel, with the aim of sharing best practice in each country and strengthening the networks between top management at the divisional level. We continue to implement initiatives such as these in an effort to create even greater value as a group. We intend to continue effectively operating our Global Trilateral Structure in the future, so that we can establish and strengthen business management and support for group life insurance companies, and achieve sustainable growth.

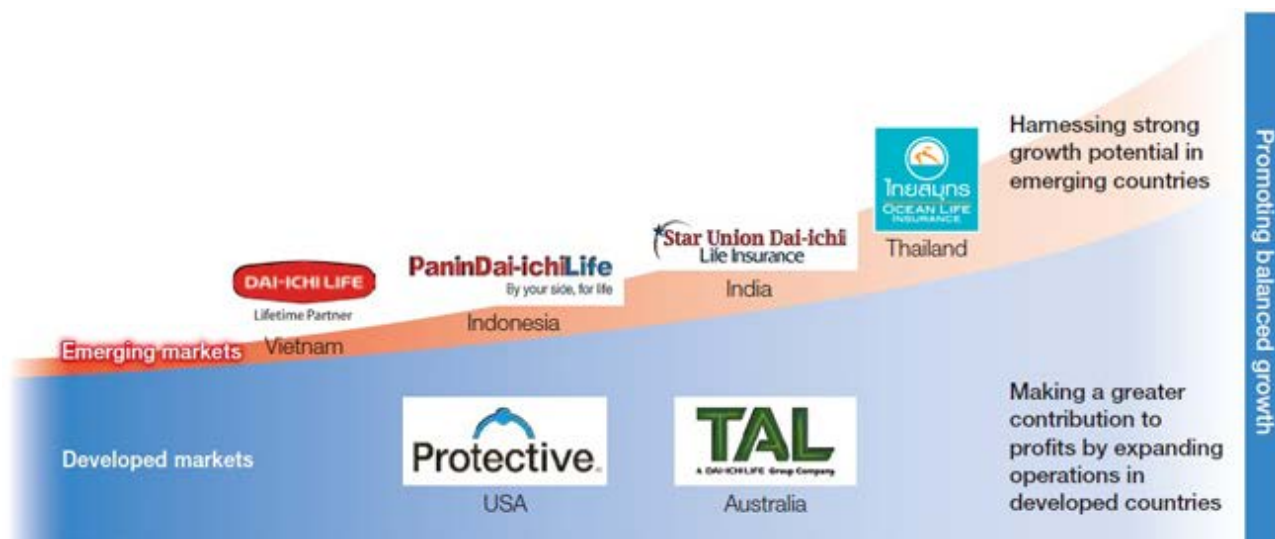


Global Management Conference

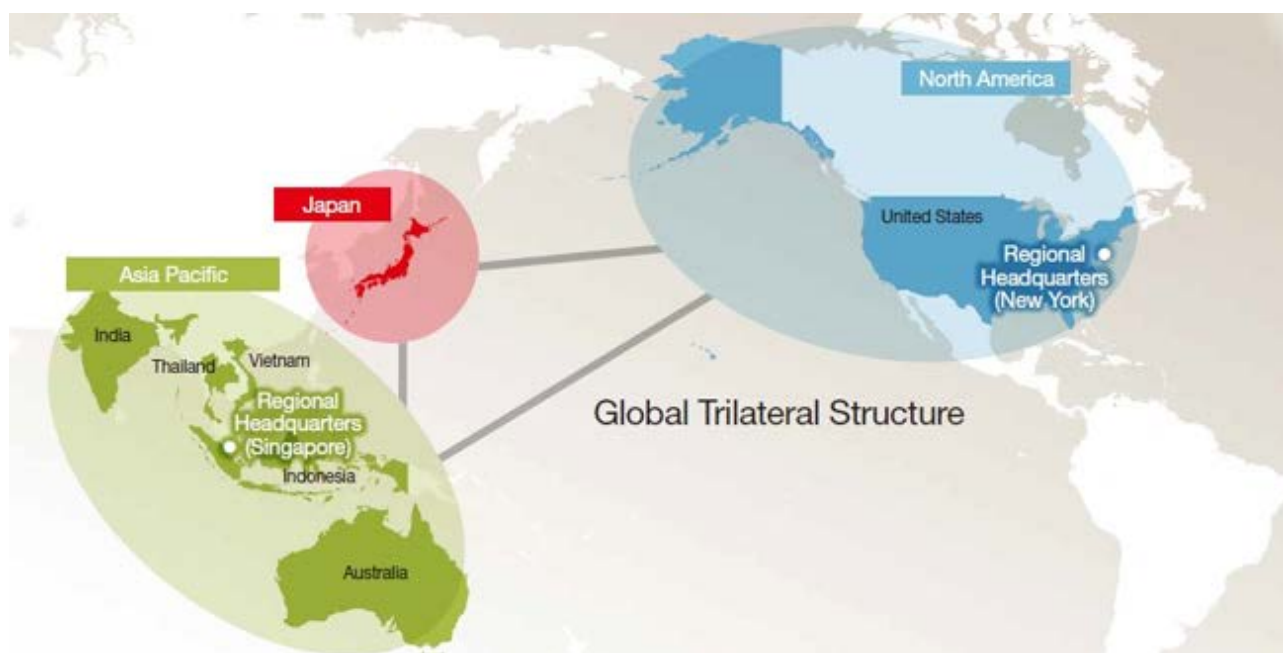
■ Promoting balanced growth

We plan to actively expand the Dai-ichi Life Group's operations in the future, to tap into strong growth in overseas life insurance markets, and intend to maintain balanced growth in both developed and emerging markets.

Specifically, we will be focusing on business management geared towards stable profit growth, in an effort to make an even greater contribution to our profits from developed markets. In Asia and other emerging markets meanwhile, our top priority is to harness strong growth potential and expand the scale of our operations, in order to secure stable profit over the medium to long term. We are also exploring the potential to further expand new businesses in both developed and emerging markets. Based on our shared vision and philosophy throughout the Dai-ichi Life Group, we are determined to keep on spreading the vision "Peace of mind. In communities and around the world.," and to make a global contribution to social and economic development.



Overseas Life Insurance Companies of the Dai-ichi Life Group



Protective Life (USA)

Established in 1907, Protective Life provides life insurance throughout the United States. In addition to traditional life insurance and individual annuities, it has also developed advanced competencies and capabilities in acquisitions, having an industry-leading track record in this area, demonstrated by the completion of 47 acquisition transactions by 2014.^{*5} Its commitment to minimizing costs to ensure efficient operations is one of Protective Life's strengths, which has enabled its corporate growth based on a distinctive business model wherein capital generated through the retail business is utilized for the expansion of acquisition business.

Dai-ichi Life has established DLI NORTH AMERICA INC. in New York as its North America Regional Headquarters at the same time Dai-ichi Life completed the acquisition of Protective Life, which enabled it to achieve a swift and smooth Post Merger Integration, as well as routine monitoring.



John D. Johns, CEO,
Protective Life and Koichiro Watanabe,
President, Dai-ichi Life

Number of employees ^{*1}	2,476
Actual premium income ^{*2, *3}	3,297million US dollars (397.5 billion yen)
Year on year	+10.6%
Market share / ranking ^{*4}	0.8% / 34th

■ TAL (Australia)

As a strategic specialist in protection-type products, TAL became the industry leader in the Australian (protection-type) life insurance market in December 2013 in terms of annualized net premium from policies in-force, thanks to its effective use of retail, group and direct sales channels. Since then, it has continued to increase its share as the leading company in the market.

In fiscal 2014, TAL won awards in a number of different fields, including the “Life Insurance Company of the Year Award ^{*6}” and “Employer of the Year Award ^{*7},” in recognition of its business activities, commitment to diversity and social contributions, etc.



TAL head office building

Number of employees ^{*1}	1,537
Actual premium income ^{*2, *3}	2,745 million Australian dollars (252.7 billion yen)
Year on year	+18.5%
Market share / ranking ^{*4}	15.6% / 1st

■ Dai-ichi Life Vietnam (Vietnam)

In January 2007, Dai-ichi Life became the first Japanese life insurance company to expand its life insurance business into Vietnam. With the Vietnamese life insurance as a whole experiencing rapid growth, Dai-ichi Life Vietnam has managed to expand its business ahead of the market, increasing its share from 4.4% in fiscal 2006 to 9.0% in fiscal 2014. Dai-ichi Life Vietnam has won widespread acclaim for its initiatives. In January 2014, the Vietnamese government presented it with the Vietnam Prime Minister's Award, given to companies or individuals that have made an outstanding effort in areas such as business, social contribution, environmental preservation and education. Dai-ichi Life Vietnam also became the first Vietnamese insurance company (life or non-life) to receive the CSR Award at the 17th Asia Insurance Industry Awards, organized by the Asia Insurance Review, a professional journal for the insurance industry.



Customer counter at the head office

Number of employees ^{*1}	652
Actual premium income ^{*2, *3}	2,546.0 billion dong (14.2 billion yen)
Year on year	+37.1%
Market share / ranking ^{*4}	9.0% / 4th

■ Panin Dai-ichi Life (Indonesia)

In October 2013, Dai-ichi Life made PT Panin Life and PT Panin Internasional, the parent company of PT Panin Life, its associate companies. In November 2013, PT Panin Life changed its corporate name to PT Panin Dai-ichi Life.

A member of the Panin Group, a leading local financial group, Panin Dai-ichi Life is a life insurance company with multiple sales channels, including individual agents, bancassurance and direct sales. It is steadily improving its results by continuing to diversify sales channels. Panin Dai-ichi Life has grown ahead of the market and continues to expand its presence in the Indonesian market, as evidenced by its industry ranking, which jumped from 15th in fiscal 2009 to 10th in fiscal 2014.



Investment ceremony

Number of employees ^{*1}	572
Actual premium income ^{*2, *3}	3,700.5 billion rupiah (35.8 billion yen)
Year on year	+12.3%
Market share / ranking ^{*4}	3.0% / 10th

■ Star Union Dai-ichi Life (India)

Star Union Dai-ichi Life, a joint life insurance company established in conjunction with two local state-owned banks, commenced operations in February 2009. This was the first time a Japanese life insurance company had entered the life insurance business in India.

Focusing on selling insurance through its joint partners, two major state-owned banks, Star Union Dai-ichi Life is ranked 11th out of 23 private life insurance companies in the ranking of annual premium equivalent (individual insurance), with annualized premiums totaling 8,666 million rupees in fiscal 2014, the company's sixth year in business. It is highly acclaimed within the Indian life insurance market, and in February 2015 won the awards for both Best Life Insurance Company in the Private Sector and the Company with Highest Claims Settlement at the Banking Financial Services & Insurance Awards 2015.



Award ceremony for the Banking Financial Services & Insurance Awards 2015

Number of employees ^{*1}	3,009
Actual premium income ^{*2, *3}	8,666 million rupees (16.5 billion yen)
Year on year	+17.5%
Market share / ranking ^{*4, *8}	2.0% / 11th

■ Ocean Life (Thailand)

In July 2008, Dai-ichi Life agreed to invest in and enter into a business alliance with Ocean Life, which subsequently became an affiliate that same year. Since then, Dai-ichi Life have been cooperating with Ocean Life on an ongoing basis, in ways such as improving the sales abilities of individual agents, to increase the corporate value of Ocean Life. In fiscal 2014, its insurance premium income was ranked ninth out of 24 life insurance companies in the industry. In addition, Ocean Life is rated highly in Thailand, and won the Excellent Insurance Company Award, which is given to insurance companies that are operated efficiently and have excellent corporate management.



Sales managers conference

Number of employees ^{*1}	1,998
Actual premium income ^{*2, *3}	14,129 million baht (51.8 billion yen)
Year on year	+8.0%
Market share / ranking ^{*4}	2.9% / 9th

^{*1}: As of the end of March 2015. Excluding staff in sales channels. However, staff involved in direct sales of TAL are included in the number of employees.

^{*2}: Figures refer to the period from January to December 2014, for Protective Life, Dai-ichi Life Vietnam, Panin Dai-ichi Life, Star Union Dai-ichi Life and Ocean Life. Figures for TAL are for the period from April 2014 to March 2015. Actual premium income figures are based on premium and other income for Protective Life, TAL, Dai-ichi Life Vietnam and Panin Dai-ichi Life, and on premium income for Ocean Life. Figures for Star Union Dai-ichi Life refer to annualized premium income.

^{*3}: Currencies are calculated based on the following exchange rates: 1 US dollar = ¥120.55, 1 Australian dollar = ¥92.06, 1 dong = ¥0.0056, 1 Indonesian rupiah = ¥0.0097, 1 rupee = ¥1.91, 1 baht = ¥3.67

^{*4}: Comparisons are based on net premium income for the US market, annualized net premiums from policies in-force (protection-type) for the Australian market, premium and other income for the Vietnamese and Indonesian markets, annual premium equivalent (individual insurance) for the Indian market, and premium income for the Thai market. Comparative periods are from January to December 2013 for the US market, as of the end of December 2014 for the Australian market, and from January to December 2014 for the Vietnamese, Indonesian, Indian and Thai markets.

^{*5}: Includes corporate acquisitions and reinsurance.

^{*6}: Award presented to the best performing life insurance company, based on a survey of life insurance companies selling protection-type products carried out by Plan for Life (consulting company) and the Association of Financial Advisers (AFA)

^{*7}: Award presented by leading Australian financial publications (Money Management, Super Review) to the company making the greatest commitment to issues such as gender equality in the workplace

^{*8}: Based on private life insurance companies, excluding the Life Insurance Corporation of India (LIC), which is 100% owned by the Indian government.

I Asset Management Business

○ Asset Management Business

As well as managing assets for premiums received from our policyholders, to ensure that we can make future benefit payouts, we also operate domestic and overseas asset management businesses that are compatible with our life insurance business.



Representative Director, Deputy President
Satoru Tsutsumi

○ Dai-ichi Life's Asset Management for Our Policyholders

As an institutional investor managing approximately ¥35 trillion in assets, we are constantly working to enhance stability and profitability, while at the same time harnessing our financial intermediary capabilities, by actively catering to new capital demand in the infrastructure sector for instance.

I Our journey so far

We promote ALM (*) operations based on the nature of our insurance policies (insurance liabilities), revolving around long-term and super-long-term domestic bonds, and also flexibly allocate capital to risk assets such as domestic and foreign stocks, and foreign currency-denominated bonds without currency hedges, in an effort to increase profitability.

Amidst low interest rates in recent years, we have reduced purchasing of yen-denominated bonds and have actively engaged in selective investment in foreign currency-denominated bonds with currency hedges, which offer more attractive returns than yendenominated bonds. We have enhanced our investment diversification by investing in emerging market currencies and in middle-risk middlereturn assets which have low correlation with traditional assets such as stocks and bonds. We are also committed to harnessing our financial intermediary capabilities, by actively providing investments and loans for new capital demand in the infrastructure sector for instance.

It is thanks to initiatives such as these that we have achieved a positive spread for two fiscal years in a row, since the year ended March 2014.

* ALM (asset liability management) is a method that involves managing assets in line with the nature of insurance policies (insurance liabilities).

Examples of major investments and loans for new capital demand

Description Date	Investment in the Private Finance Initiative
Promotion Corporation of Japan	Oct. 2013
Investment in corporate bonds of local company in Southeast Asia	Dec. 2013
Overseas project finance initiatives	Sep. 2014
Investment in inclusive business bonds	Dec. 2014
Investment in infrastructure debt funds	Mar. 2015

Outlook for the asset management environment

We expect the Japanese economy will be on track for a modest recovery, supported by positive effects such as (a) a recovery in individual consumption on the back of an improved employment and wage environment, and (b) a recovery in foreign demand. Interest rates meanwhile are expected to remain low for a while as the Bank of Japan maintains or strengthens its quantitative and qualitative monetary easing measures.

We expect to see an underlying recovery in overseas economies on the whole, particularly in the United States, and believe that financial markets will remain stable. We will nonetheless need to keep a close eye on growing expectations that the Federal Reserve Bank will raise interest rates and disruption stemming from factors such as the Chinese stock market, and support for Greece.

Future initiatives

While retaining a focus on core ALM operations based on the nature of life insurance policies, we intend to continue with (a) flexible control of the allocation of the risk assets taking market trends into account and (b) diversified investment, including broadening our scope of currencies and countries as part of overseas investment, and investing in middle-risk middle-return sectors, in both domestic and foreign markets. We are also looking at active investments and loans in sectors that are expected to see new capital demand, in an effort to harness our financial intermediary capabilities as an institutional investor. Initiatives such as these will enable us to maintain a dual focus on both stability and profitability.

Asset management business

On the domestic front, we have established DIAM as an equal joint venture with the Mizuho Financial Group. Overseas, we have formed a strategic business and capital alliance with Janus in the United States. In the future, we intend to generate group synergy to a greater extent through activities such as developing new insurance products as a group by making the most of the business's close affinity with

Dai-ichi Frontier Life, which provides single premium savings-type insurance for the domestic asset management market.

Our journey so far

We entered the asset management business in earnest in fiscal 1999 with the establishment of DIAM. Having steadily increased the balance of assets under management after that point, DIAM has now grown into one of the largest scale asset management companies in Japan, with assets under management of more than ¥17 trillion.

In fiscal 2012, we expanded into the United States, the world's largest asset management market through the business and capital alliance with Janus. Since then, we have continued to carry out initiatives aimed at harnessing group synergy, including selling Janus products on the domestic market via DIAM, and developing the new Separate Account Balanced Fund II and the smart beta model "JSG200" in conjunction with DIAM.

Outlook for the asset management business environment

As of the end of 2014, personal financial assets in Japan stood at just under ¥1,700 trillion, approximately ¥900 trillion of which was in savings. There is also momentum behind measures to encourage individual asset building, as evidenced by the launch of the Nippon Individual Savings Account (NISA) scheme in fiscal 2013. This shift from savings to investment is expected to ensure that the domestic asset management market continues to grow in the future.

Overseas asset management markets, including the United States, are also expected to experience sustained growth in the future.

Future initiatives

We intend to increase the balance of assets under management even further in both domestic and overseas asset management markets by continuing to support the growth of DIAM and Janus, and exploring options such as new M&A in the future.

Specifically, we will continue to promote mutual product sales between DIAM and Janus, whilst also pushing the boundaries of group synergy through initiatives such as stepping up cooperation on asset management with other group life insurance companies, including Dai-ichi Frontier Life, and developing new single premium savings-type insurance products.

As well as increasing our share of both domestic and overseas asset management markets, initiatives such as these will enable us to help customers build assets.

