Note: This Convocation Notice is a translation of the Japanese language original for convenience purposes only, and in the event of any discrepancy, the Japanese language original shall prevail.

[Translation]

(Securities Code: 8750)
June 1, 2015

To our shareholders

Koichiro Watanabe
President and Representative Director
The Dai-ichi Life Insurance Company, Limited
13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo

Convocation Notice of the Annual General Meeting of Shareholders for the 5th Fiscal Year

I would like to take this opportunity to thank you, our shareholders, for your support of The Dai-ichi Life Insurance Company, Limited (the "Company").

Notice is hereby given that the Annual General Meeting of Shareholders for the 5th Fiscal Year (the "Meeting") of the Company will be held as set forth below. You are cordially invited to attend the Meeting.

If you are not able to attend the Meeting, you may exercise your voting rights in writing (using the Voting Right Exercise Form) or by electromagnetic method (via the Internet). Please review the Reference Materials for the Meeting described below (pages 4 through 10), and exercise your voting rights in accordance with the "Guidance Notes on the Exercise of the Voting Rights" (pages 11 through 12) no later than 5:00 p.m. on Monday, June 22, 2015.

Particulars

1. Date and Time: 10:00 a.m. on Tuesday, June 23, 2015
(Reception scheduled to open at 9:00 a.m.)

2. Venue: GRAND PACIFIC LE DAIBA
Palais Royal on the first basement level, at 6-1, Daiba 2-chome, Minato-ku, Tokyo
(Please see the map at the end of this document.)

3. Purpose of the Meeting:
Matters to be Reported: Report on the Business Report, Consolidated Financial Statements and Financial Statements, and the Audit Results of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Board for the Fiscal Year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

Matters to be Resolved: Proposal 1: Appropriation of Surplus
Proposal 2: Election of Six (6) Directors
Proposal 3: Revision of Remuneration for Outside Directors

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1. If you attend the Meeting in person, please present the enclosed Voting Right Exercise Form to reception at the venue. In case of attendance by proxy, you may arrange to do so by appointing as a proxy only one of the shareholders who is entitled to vote at the Meeting and by presenting a document that evidences his or her proxy.
2. Details of the Business Report, Consolidated Financial Statements, Financial Statements, Accounting Audit Report and Audit Report, which are required to be attached hereto, are as stated on pages 13 through 56. The following matters, however, are posted on the Company's website (http://www.dai-ichi-life.co.jp/investor/share/meeting/index.html) pursuant to the provisions of laws and regulations, and the provisions under Article 20 of the Articles of Incorporation of the Company, and are therefore not stated in this notice or the attachments hereto.
(1) Notes to Consolidated Financial Statements
(2) Notes to Financial Statements

3. Corrections, if any, to the Reference Materials for the Meeting or the attachments will be posted on the Company's website (http://www.dai-ichi-life.co.jp/investor/share/meeting/index.html).

<Extracts from the "Guidance Notes on the Exercise of the Voting Rights">

- Failure to indicate on the Voting Right Exercise Form your approval or disapproval for any proposal shall be treated as an indication of approval.
- If voting rights have been exercised redundantly in writing and via the Internet, voting via the Internet shall be deemed effective.
- If voting rights have been exercised more than once via the Internet, the last exercise shall be deemed effective.

[Translation]

Reference Materials for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Appropriation of Surplus

With regard to the appropriation of surplus, the Company keeps a balance between (i) securing the necessary internal reserves for the Company group in order to ensure sound financial standing in case of future changes in the business environment and to take advantage of growth investments, (ii) payment of policyholder dividends to holders of participating policies, and (iii) appropriate distribution of profits to shareholders taking into account cost of capital. Considering the above, the Company proposes that the appropriation of surplus be as follows:

Matters relating to year-end dividends

(1) Type of dividends

Cash

(2) Matters related to allotment of dividends to shareholders and total amount thereof

Dividends per share of common stock	28 yen
Total amount	33,542,283,600 yen

(3) Effective date of distribution of surplus

June 24, 2015

Proposal 2: Election of Six (6) Directors

Hiroshi Kanai resigned as a director on March 31, 2015. In addition, the terms of office of two directors, Norimitsu Horio and Takashi Kawashima, will expire at the conclusion of the Meeting. In order to further reinforce the board of directors' supervisory function over management for the purpose of the Company's sustainable growth and the medium- to long-term improvement of its corporate value, the Company proposes the election of six directors, including three additional outside directors.

The candidates for directors are as follows:

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Norimitsu Horio (Jan. 9, 1954) <Reappointment>	Apr. 1978 Joined The Dai-ichi Mutual Life Insurance Company Apr. 2005 Executive Officer Apr. 2008 Managing Executive Officer Apr. 2010 Managing Executive Officer, The Dai-ichi Life Insurance Company, Limited Apr. 2013 Senior Managing Executive Officer Jun. 2013 Director and Senior Managing Executive Officer Apr. 2014 Representative Director and Senior Managing Executive Officer Apr. 2015 Representative Director and Deputy President (to present) [Responsibilities] Assistant to President (Domestic Insurance Business) Supervise: Retail Management Dept., Sales Personnel Dept., Sales Office Manager Training Dept., Sales Management Dept., Chubu Sales Management Dept., Kansai Sales Management Dept. In charge of: Quality Management Promotion Dept., Alliance Business Promotion Dept., Agency Sales Promotion Dept. [Significant Concurrent Position] Director, Hakuyosha Company, Ltd.	Common stock 13,969 shares
	[Reasons for Selecting the Candidate for Director] His experiences as a member of the Company and its subsidiaries and affiliates (collectively, the "Group") have covered a wide range of engagements in the Company's businesses, including the domestic life insurance businesses (both individual and corporate) and the customer care-related businesses, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties as a member of the board of directors for two years since June 2013. The Company believes he is qualified to be a director of the board of the Company, and therefore proposes him as a candidate for director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief personal history, position, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>Takashi Kawashima
(Aug. 8, 1960)

<Reappointment></td><td>Apr. 1983 Joined The Dai-ichi Mutual Life Insurance Company
Apr. 2009 Executive Officer
Apr. 2010 Executive Officer, The Dai-ichi Life Insurance Company, Limited
Apr. 2012 Managing Executive Officer
Jun. 2013 Director and Managing Executive Officer
Apr. 2015 Director and Senior Managing Executive Officer, Chief General Manager for DSR Management Promotion, Deputy Chief General Manager for Group Management Headquarters (to present)

[Responsibilities]
Supervise:
Corporate Planning Dept.
In charge of:
Dai-ichi's Social Responsibility Promotion Center,
Government Relations Dept.,
Public Relations Dept.</td><td>Common stock
9,379 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Director]
His experiences as a member of the Group have covered a wide range of engagements in the Company’s businesses, including DSR management promotion, asset management, personnel management, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties as a member of the board of directors for two years since June 2013. The Company believes he is qualified to be a director of the board of the Company, and therefore proposes him as a candidate for director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief personal history, position, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>Satoru Tsutsumi
(Dec. 30, 1955)

<New appointment></td><td>Apr. 1978 Joined The Dai-ichi Mutual Life Insurance Company
Apr. 2005 Executive Officer
Jul. 2005 Senior Managing Executive Director,
DLIBJ Asset Management Co., Ltd. (presently DIAM Asset Management)
Apr. 2010 Advisor,
The Dai-ichi Frontier Life Insurance Company
Jun. 2010 President and Representative Director
Apr. 2015 Deputy President,
The Dai-ichi Life Insurance Company, Limited (to present)

[Responsibilities]
Assistant to President
(Asset Management Business)
Supervise:
Investment Planning Dept.,
Fixed Income Investment Dept.,
Global Fixed Income Investment Dept.,
Equity Investment Dept.
In charge of:
Separate Account Management Dept.,
Loan Dept., Real Estate Dept.</td><td>Common stock
12,238 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Director]
His experiences as a member of the Group have covered a wide range of engagements in the Company’s businesses, including corporate planning, marketing strategy, asset management businesses, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties as a senior managing executive director at DLIBJ Asset Management Co., Ltd. (presently DIAM Asset Management), and also as president of The Dai-ichi Frontier Life Insurance Company. The Company believes he is qualified to be a director of the board of the Company, and therefore proposes him as a candidate for director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief personal history, position, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">4</td><td>George Olcott
(May 7, 1955)

<New appointment>
<Outside director>
<Independent director></td><td>Jul. 1986 Joined S.G. Warburg & Co. Ltd.
Nov. 1991 Director, S.G. Warburg & Co. Ltd.
Sep. 1993 Executive Director, Equity Capital Market Group, S.G. Warburg Securities London
Apr. 1997 Head of Tokyo Branch, SBC Warburg
Apr. 1998 Vice President, LTCB-UBS-Brinson Asset Management
Feb. 1999 President, UBS Asset Management (Japan)
President, Japan UBS Brinson
Jun. 2000 Managing Director, Equity Capital Market, UBS Warburg Tokyo
Sep. 2001 Judge Business School, University of Cambridge
Mar. 2005 FME Teaching Fellow, Judge Business School, University of Cambridge
Mar. 2008 Senior Fellow, Judge Business School, University of Cambridge
Sep. 2010 Project Professor, Research Center for Advanced Science and Technology, The University of Tokyo
Apr. 2014 Guest Professor, Keio University, Faculty of Business and Commerce (to present)

[Significant Concurrent Positions]
Director, DENSO CORPORATION
Director, Hitachi Chemical Company, Ltd.</td><td>Common stock
0 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Outside Director]
He is an expert on human resources management and corporate governance of global companies, based on the knowledge he gained through a wide range of experiences, such as acting as managing director of financial institutions and as outside director of other corporations. The Company believes he could bring significant benefits to the Company by supervising and advising on various matters of corporate management based on his global and objective viewpoint, and therefore proposes him as a candidate for outside director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Brief personal history, position, responsibilities,
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Rieko Sato
(Nov. 28, 1956)

<New appointment>
<Outside director>
<Independent director></td><td>Apr. 1984 Registered Attorney-at-Law
Jun. 1989 Shearman & Sterling LLP
Jul. 1998 Partner,
Ishii Law Office (to present)

[Significant Concurrent Positions]
Partner, Ishii Law Office
Corporate Auditor, Ajinomoto Co., Inc.
Corporate Auditor, NTT DATA CORPORATION</td><td>Common stock
0 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Outside Director]
She is an experienced and trusted attorney, and she has had a wide range of experiences serving as an outside corporate auditor of various corporations. The Company believes that she could bring significant benefits to the Company by supervising management and advising on various legal matters of the Company based on her objective viewpoint, and therefore proposes her as a candidate for outside director.
Although she has never been directly engaged in corporate management except as an outside corporate auditor, she is expected to properly perform her duties as an outside director for the abovementioned reasons.</td></tr>
<tr><td rowspan="2">6</td><td>Shu Ungyong
(Oct. 19, 1962)

<New appointment>
<Outside director></td><td>Apr. 1986 Joined the Morgan Bank
Jan. 1999 Head of Financial Institutions Group and Investment Bank, J.P. Morgan Securities, Tokyo Branch (presently J.P. Morgan Securities Japan Co., Ltd.)
Jan. 2001 Managing Director
Sep. 2004 Head of Financial Institutions Group
May 2007 Managing Director, Financial Institutions Group, Investment Bank Dept., Merrill Lynch Japan Securities Co., Ltd.
Jul. 2010 Co-Head of Investment Banking Division
Jul. 2011 Vice Chairman
Oct. 2013 President & CEO, Core Value Management Co., Ltd. (to present)

[Significant Concurrent Position]
President & CEO, Core Value Management Co., Ltd.</td><td>Common stock
0 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Outside Director]
He has a wide range of experiences as managing director of financial institutions. The Company believes he could bring significant benefits to the Company by supervising and advising on various matters of corporate management based on his global and objective viewpoint, and therefore proposes him as a candidate for outside director.</td></tr>
</table>

Notes:

1. No conflicts of interest exist between the Company and the above candidates for directors. Mr. George Olcott and Ms. Rieko Sato are currently members of the Company's Advisory Board (the Company's voluntary body with the purpose of obtaining extensive advice from outside experts regarding management matters in general). If the election of two candidates is approved, both of them will resign from the Advisory Board.
2. Mr. George Olcott, Ms. Rieko Sato, and Mr. Shu Ungyong are candidates for outside directors. The names of Mr. George Olcott and Ms. Rieko Sato will be filed with Tokyo Stock Exchange, Inc. as independent directors who have no conflicts of interest with general shareholders pursuant to the rules of Tokyo Stock Exchange, Inc.
3. Mr. George Olcott and Ms. Rieko Sato meet the "Standards for the Independence of Outside Directors and Outside Audit and Supervisory Board Members" determined by the Company as stated below. We therefore judge there to be no concern regarding their independence. The Company entrusted Core Value Management Co., Ltd., a company where Mr. Shu Ungyong serves as Representative Director and President, with advisory services for capital-raising relating to the acquisition of Protective Life Corporation as a wholly-owned subsidiary of the Company.
4. Mr. Shu Ungyong is an executive (director) of Protective Life Corporation, a special related party (subsidiary) of the Company.
5. The Company has established in its Articles of Incorporation a provision in which, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with outside directors to limit their liabilities stipulated in Article 423, Paragraph 1 of the same Act. The liability limit based on those agreements is 20 million yen or the amount provided by laws and regulations, whichever is higher. Upon approval of the election of Mr. George Olcott, Ms. Rieko Sato, and Mr. Shu Ungyong, the Company will conclude the liability limitation agreements with them under the same conditions.

(Reference) Standards for the Independence of Outside Directors and Outside Audit and Supervisory Board Members

As a step towards strengthened corporate governance, the Company has established standards by which it judges the independence of its outside directors and outside audit and supervisory board members, as follows.

1. An outside director/audit and supervisory board member who is judged independent from the Company (an "Independent Director/Auditor") shall not be or shall not have been a person responsible for the operations of the Company or any of the Company's subsidiaries or affiliates.
2. An Independent Director/Auditor shall not be a shareholder ranked in the top ten on the Company's latest register of shareholders, or shall not belong to any entity which is such a major shareholder.
3. An Independent Director/Auditor shall not belong to a business partner (or its consolidated subsidiaries specified in its Securities Report) wherein the total amount of transactions between that business partner's group and the Company group equaled 2% or more of that business partner's consolidated net sales, or 2% or more of the Company's consolidated net sales in the last three (3) fiscal years.
4. An Independent Director/Auditor shall not be (i) a consultant, an accounting professional or a legal professional who received economic benefits equal to 10 million yen or more per year on average from the Company for the last three (3) fiscal years, other than compensation as a director or an audit and supervisory board member of the Company, (ii) an accounting auditor, (iii) a person with whom the Company has concluded an advisory agreement or (iv) a person belonging to a corporation, an association or any other organization which falls under any one of the preceding three items.
5. An Independent Director/Auditor shall not belong to a not-for-profit organization that has received donations equal to 2% or more of its gross revenue or ordinary income from the Company in the last three (3) fiscal years.
6. If an Independent Director/Auditor used to belong to an organization or a company stated in the preceding paragraphs 2 through 5, at least five years must have passed since he or she retired from the organization or the company.
7. An Independent Director/Auditor shall not be a spouse or a relative within three (3) degrees of the person responsible for the operations (unless the position is an unimportant position) of the Company or any of its Special Related Parties (*Tokutei Kankei Jigyosha*).

Proposal 3: Revision of Remuneration for Outside Directors

With regard to the amount of remuneration for directors, the Annual General Meeting of Shareholders for the 1st Fiscal Year held on June 27, 2011 resolved and approved (i) the annual remuneration of directors within 840 million yen (including 21.6 million yen for outside directors), (ii) an allocation of remuneration to directors (except outside directors) in the form of stock acquisition rights of not exceeding 200 million yen annually under the Company's stock option scheme as a stock-linked compensation plan as part of their annual remuneration, and (iii) the details of the stock option scheme as a stock-linked compensation plan. The Annual General Meeting of Shareholders for the 3rd Fiscal Year held on June 24, 2013 resolved and approved amendments to the stock option scheme as a stock-linked compensation plan, as described in the reference below.

As described in Proposal 2, the Company decided to increase the number of outside directors in order to further reinforce the supervisory function of the board of directors over management for the purpose of the Company's sustainable growth and the medium- to long-term increase of its corporate value.

Accordingly, the Company proposes to revise the annual remuneration for outside directors as follows: with regard to the current annual remuneration for directors within 840 million yen (including 21.6 million yen for outside directors), while the total annual remuneration within 840 million yen shall remain unchanged, the portion of that amount payable as annual remuneration for outside directors will be changed to 72 million yen or less, subject to the resolution and approval of Proposal 2.

The number of directors is 12 (including 2 outside directors) at present but will become 16 (including 5 outside directors), if Proposal 2 is resolved and approved.

(Reference) Details of the Stock Option Scheme as a Stock-linked Compensation Plan

1. Total number of stock acquisition rights
   Total number of stock acquisition rights to be issued within one year from the date of the Annual General Meeting of Shareholders with regard to each fiscal year shall not exceed the number obtained by dividing the annual amount of 200 million yen by the fair value of one stock acquisition right, as calculated upon the allotment of the stock acquisition rights by using the Black-Scholes model or other reasonable calculation method (The fraction less than the integer will be rounded down).
2. Class and number of shares to be issued upon exercise of stock acquisition rights
   The class of shares to be issued upon exercise of each respective stock acquisition rights shall be common stock of the Company and the number of shares to be issued upon exercise of each respective stock acquisition right (hereinafter, the "Number of Issued Shares") shall be one share*. However, if the Company implements a stock split

or stock consolidation with respect to its shares, the Number of Issued Shares will be adjusted by using the following formula, and any fractions less than one share generated as a result of the adjustment will be rounded down.

$$\text{Number of Issued Shares after adjustment} = \text{Number of Issued Shares before adjustment} \times \text{Ratio of stock split or stock consolidation}$$

In addition, the Number of Issued Shares will be properly adjusted to the extent necessary and reasonable if the Company merges, engages in a company split, or effects share exchanges, share transfers, or allotments of shares without contribution, or otherwise requires the adjustment of the Number of Issued Shares.

3. Amount to be paid in upon allotment of stock acquisition rights

   The amount to be paid in upon allotment of one stock acquisition right will be determined at the meeting of the board of directors of the Company which determines the matters regarding an offer for subscription of the stock acquisition rights, based on the fair value of the stock acquisition rights to be calculated upon the allotment of the stock acquisition rights by using the Black-Scholes model or other reasonable calculation method.

4. Value of assets to be contributed upon exercise of stock acquisition rights

   The value of assets to be contributed upon exercise of each stock acquisition right will be an amount obtained by multiplying “A” by “B”; where “A” means one yen, which is the per share value of assets corresponding to each share to be issued upon exercise of the respective stock acquisition right, and “B” means the Number of Issued Shares.

5. Period in which stock acquisition rights may be exercised

   The period in which stock acquisition rights may be exercised will be determined by the board of directors of the Company, to be equal to or less than 30 years from the day immediately following the date of allotment.

6. Restriction on acquisition of stock acquisition rights by assignment

   The acquisition of stock acquisition rights by way of assignment will require the approval of the board of directors of the Company.

7. Conditions for the exercise of stock acquisition rights

   The meeting of the board of directors, which determines matters regarding offers for subscription of the stock acquisition rights, will determine the conditions for the exercise of the stock acquisition rights, including the condition that those who are allotted the stock acquisition rights may exercise the stock acquisition rights only within 10 days from the day immediately following the date on which an allottee loses status as both a director and an executive officer of the Company.

* The Company implemented a stock split on October 1, 2013 whereby one share of common stock of the Company was split into 100 shares. Accordingly, the number of shares to be issued upon exercise of each respective stock acquisition right after the stock split shall be 100 shares.

(Reference)

Consolidated Balance Sheet

(millions of yen)

	As of March 31, 2015
(ASSETS)	
Cash and deposits	873,444
Call loans	380,400
Monetary claims bought	265,813
Money held in trust	65,283
Securities	41,105,413
Loans	3,898,148
Tangible fixed assets	1,217,070
Land	804,035
Buildings	402,693
Leased assets	4,687
Construction in progress	850
Other tangible fixed assets	4,804
Intangible fixed assets	437,677
Software	63,364
Goodwill	79,293
Other intangible fixed assets	295,019
Reinsurance receivable	101,290
Other assets	1,401,047
Net defined benefit assets	705
Deferred tax assets	1,379
Customers' liabilities for acceptances and guarantees	91,648
Reserve for possible loan losses	(2,120)
Total assets	**49,837,202**

	As of March 31, 2015
(LIABILITIES)	
Policy reserves and others	42,547,013
Reserves for outstanding claims	506,735
Policy reserves	41,634,712
Reserve for policyholder dividends	405,566
Reinsurance payable	56,248
Bonds payable	489,045
Other liabilities	1,864,717
Net defined benefit liabilities	331,322
Reserve for retirement benefits of directors, executive officers and corporate auditors	2,017
Reserve for possible reimbursement of prescribed claims	700
Reserve for price fluctuations	136,254
Deferred tax liabilities	643,398
Deferred tax liabilities for land revaluation	84,908
Acceptances and guarantees	91,648
Total liabilities	**46,247,274**
(NET ASSETS)	
Capital stock	343,104
Capital surplus	343,255
Retained earnings	352,985
Treasury stock	(9,723)
Total shareholders' equity	1,029,622
Net unrealized gains (losses) on securities, net of tax	2,528,262
Deferred hedge gains (losses)	(12,036)
Reserve for land revaluation	(33,424)
Foreign currency translation adjustments	22,654
Accumulated remeasurements of defined benefit plans	54,027
Total accumulated other comprehensive income	2,559,484
Subscription rights to shares	753
Minority interests	67
Total net assets	**3,589,927**
Total liabilities and net assets	**49,837,202**

(Reference)

Consolidated Statement of Earnings

(millions of yen)

	Year ended March 31, 2015
ORDINARY REVENUES	**7,252,242**
Premium and other income	5,432,717
Investment income	1,444,012
Interest and dividends	856,550
Gains on money held in trust	3,228
Gains on investments in trading securities	26,405
Gains on sale of securities	162,163
Gains on redemption of securities	24,652
Reversal of reserve for possible loan losses	460
Reversal of reserve for possible investment losses	214
Other investment income	623
Gains on investments in separate accounts	369,713
Other ordinary revenues	375,513
ORDINARY EXPENSES	**6,845,400**
Benefits and claims	3,380,827
Claims	829,650
Annuities	672,898
Benefits	472,705
Surrender values	790,234
Other refunds	615,339
Provision for policy reserves and others	2,271,268
Provision for reserves for outstanding claims	87,946
Provision for policy reserves	2,174,573
Provision for interest on policyholder dividends	8,748
Investment expenses	168,935
Interest expenses	16,934
Losses on sale of securities	24,221
Losses on valuation of securities	469
Losses on redemption of securities	305
Derivative transaction losses	5,551
Foreign exchange losses	68,177
Write-down of loans	43
Depreciation of real estate for rent and others	14,633
Other investment expenses	38,599
Operating expenses	559,344
Other ordinary expenses	465,022
ORDINARY PROFIT	**406,842**
EXTRAORDINARY GAINS	**3,310**
Gains on disposal of fixed assets	3,030
Gain on step acquisition	273
Other extraordinary gains	7
EXTRAORDINARY LOSSES	**29,451**
Losses on disposal of fixed assets	5,396
Impairment losses on fixed assets	5,472
Provision for reserve for price fluctuations	18,067
Other extraordinary losses	514
Provision for reserve for policyholder dividends	**112,200**
Income before income taxes and minority interests	**268,502**
Corporate income taxes-current	**125,503**
Corporate income taxes-deferred	**509**
Total of corporate income taxes	**126,013**
Income before minority interests	**142,489**
Minority interests in gain (loss) of subsidiaries	**12**
Net income for the year	**142,476**

(Reference)

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2015

(millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)
Balance at the beginning of the year	210,224	210,262	219,552	(11,500)	628,538	1,322,731	(2,586)
Cumulative effect of changes in accounting policies			11,272		11,272		
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	210,224	210,262	230,824	(11,500)	639,810	1,322,731	(2,586)
Changes for the year							
Issuance of new shares	132,842	132,842			265,684		
Issuance of new shares - exercise of subscription rights to shares	37	37			74		
Dividends			(19,846)		(19,846)		
Net income for the year			142,476		142,476		
Disposal of treasury stock		113		1,776	1,890		
Transfer from reserve for land revaluation			771		771		
Others			(1,239)		(1,239)		
Net changes of items other than shareholders' equity						1,205,531	(9,450)
Total changes for the year	132,879	132,993	122,161	1,776	389,811	1,205,531	(9,450)
Balance at the end of the year	343,104	343,255	352,985	(9,723)	1,029,622	2,528,262	(12,036)

(millions of yen)

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	(38,320)	19,756	16,854	1,318,435	583	55	1,947,613
Cumulative effect of changes in accounting policies							11,272
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	(38,320)	19,756	16,854	1,318,435	583	55	1,958,885
Changes for the year							
Issuance of new shares							265,684
Issuance of new shares - exercise of subscription rights to shares							74
Dividends							(19,846)
Net income for the year							142,476
Disposal of treasury stock							1,890
Transfer from reserve for land revaluation							771
Others							(1,239)
Net changes of items other than shareholders' equity	4,896	2,898	37,172	1,241,048	170	11	1,241,230
Total changes for the year	4,896	2,898	37,172	1,241,048	170	11	1,631,042
Balance at the end of the year	(33,424)	22,654	54,027	2,559,484	753	67	3,589,927

(Reference)

Balance Sheet

(millions of yen)

	As of March 31, 2015
(ASSETS)	
Cash and deposits	663,427
Cash	217
Bank deposits	663,209
Call loans	355,300
Monetary claims bought	259,735
Money held in trust	36,122
Securities	30,673,366
Government bonds	14,531,309
Local government bonds	135,572
Corporate bonds	1,675,152
Stocks	4,007,030
Foreign securities	9,799,414
Other securities	524,887
Loans	3,029,295
Policy loans	428,555
Ordinary loans	2,600,740
Tangible fixed assets	1,203,289
Land	801,088
Buildings	394,089
Leased assets	4,658
Construction in progress	850
Other tangible fixed assets	2,602
Intangible fixed assets	83,719
Software	61,602
Other intangible fixed assets	22,116
Reinsurance receivable	7,916
Other assets	427,053
Accounts receivable	58,176
Prepaid expenses	13,009
Accrued revenue	156,983
Deposits	42,217
Margin money for futures trading	56,390
Derivatives	82,448
Suspense payment	6,172
Other assets	11,655
Customers' liabilities for acceptances and guarantees	91,648
Reserve for possible loan losses	(2,105)
Total assets	**36,828,768**

	As of March 31, 2015
(LIABILITIES)	
Policy reserves and others	30,449,617
Reserves for outstanding claims	203,076
Policy reserves	29,840,974
Reserve for policyholder dividends	405,566
Reinsurance payable	609
Subordinated bonds	215,727
Other liabilities	1,496,483
Collateral for securities lending transactions	731,505
Long-term debt and other borrowings	325,198
Corporate income tax payable	52,296
Accounts payable	83,212
Accrued expenses	51,619
Unearned revenue	785
Deposits received	53,105
Guarantee deposits received	51,008
Differential account for futures trading	17
Derivatives	124,556
Lease liabilities	4,552
Asset retirement obligations	2,789
Suspense receipt	15,345
Other liabilities	490
Reserve for employees' retirement benefits	389,480
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,990
Reserve for possible reimbursement of prescribed claims	700
Reserve for price fluctuations	132,453
Deferred tax liabilities	413,815
Deferred tax liabilities for land revaluation	84,908
Acceptances and guarantees	91,648
Total liabilities	**33,277,434**
(NET ASSETS)	
Capital stock	343,104
Capital surplus	343,255
Legal capital surplus	343,104
Other capital surplus	151
Retained earnings	430,738
Legal retained earnings	5,600
Other retained earnings	425,138
Fund for risk allowance	43,120
Fund for price fluctuation allowance	65,000
Reserve for tax basis adjustments of real estate	24,875
Retained earnings brought forward	292,143
Treasury stock	(9,723)
Total shareholders' equity	1,107,375
Net unrealized gains (losses) on securities, net of tax	2,488,665
Deferred hedge gains (losses)	(12,036)
Reserve for land revaluation	(33,424)
Total of valuation and translation adjustments	2,443,204
Subscription rights to shares	753
Total net assets	**3,551,333**
Total liabilities and net assets	**36,828,768**

(Reference)

Statement of Earnings

(millions of yen)

	Year ended March 31, 2015
ORDINARY REVENUES	**4,798,467**
Premium and other income	3,266,361
Premium income	3,265,798
Reinsurance income	563
Investment income	1,174,430
Interest and dividends	802,330
Interest from bank deposits	11,973
Interest and dividends from securities	645,467
Interest from loans	66,896
Rental income	68,030
Other interest and dividends	9,962
Gains on money held in trust	7,668
Gains on sale of securities	146,542
Gains on redemption of securities	23,906
Derivative transaction gains	9,411
Reversal of reserve for possible loan losses	468
Reversal of reserve for possible investment losses	214
Other investment income	623
Gains on investments in separate accounts	183,263
Other ordinary revenues	357,675
Fund receipt for annuity rider of group insurance	674
Fund receipt for claim deposit payment	323,932
Reversal of reserve for employees' retirement benefits	3,287
Other ordinary revenues	29,781
ORDINARY EXPENSES	**4,389,702**
Benefits and claims	2,718,186
Claims	749,138
Annuities	629,874
Benefits	412,439
Surrender values	532,807
Other refunds	392,652
Ceding reinsurance commissions	1,272
Provision for policy reserves and others	702,820
Provision for reserves for outstanding claims	52,367
Provision for policy reserves	641,704
Provision for interest on policyholder dividends	8,748
Investment expenses	131,253
Interest expenses	16,024
Losses on sale of securities	24,412
Losses on valuation of securities	469
Losses on redemption of securities	305
Foreign exchange losses	38,047
Write-down of loans	43
Depreciation of real estate for rent and others	14,633
Other investment expenses	37,317
Operating expenses	398,588
Other ordinary expenses	438,854
Claim deposit payments	365,251
National and local taxes	28,611
Depreciation	35,210
Other ordinary expenses	9,781
ORDINARY PROFIT	**408,764**
EXTRAORDINARY GAINS	**3,029**
Gains on disposal of fixed assets	3,029
EXTRAORDINARY LOSSES	**27,252**
Losses on disposal of fixed assets	5,279
Impairment losses on fixed assets	5,472
Provision for reserve for price fluctuations	16,000
Other extraordinary losses	501
Provision for reserve for policyholder dividends	**112,200**
Income before income taxes	**272,341**
Corporate income taxes-current	**119,336**
Corporate income taxes-deferred	**808**
Total of corporate income taxes	**120,145**
Net income for the year	**152,196**

(Reference)

Statement of Changes in Net Assets

Year ended March 31, 2015

(millions of yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Fund for risk allowance	Fund for price fluctuation allowance	Reserve for tax basis adjustments of real estate	Retained earnings brought forward
Balance at the beginning of the year	210,224	210,224	37	210,262	5,600	43,120	65,000	23,534	150,031
Cumulative effect of changes in accounting policies				-					10,330
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	210,224	210,224	37	210,262	5,600	43,120	65,000	23,534	160,362
Changes for the year									
Issuance of new shares	132,842	132,842		132,842					
Issuance of new shares - exercise of subscription rights to shares	37	37		37					
Dividends				-					(19,846)
Net income for the year				-					152,196
Disposal of treasury stock			113	113					
Increase in reserve for tax basis adjustments of real estate resulting from changes in tax rate				-				670	(670)
Transfer to reserve for tax basis adjustments of real estate				-				796	(796)
Transfer from reserve for tax basis adjustments of real estate				-				(125)	125
Transfer from reserve for land revaluation				-					771
Net changes of items other than shareholders' equity									
Total changes for the year	132,879	132,879	113	132,993	-	-	-	1,340	131,780
Balance at the end of the year	343,104	343,104	151	343,255	5,600	43,120	65,000	24,875	292,143

(millions of yen)

	Shareholders' equity			Valuation and translation adjustments				Subscription rights to shares	Total net assets
	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)	Reserve for land revaluation	Total of valuation and translation adjustments		
	Total retained earnings								
Balance at the beginning of the year	287,286	(11,500)	696,272	1,315,890	(2,586)	(38,320)	1,274,983	583	1,971,839
Cumulative effect of changes in accounting policies	10,330		10,330						10,330
Balance at the beginning of the year after reflecting the effect of changes in accounting policies	297,617	(11,500)	706,603	1,315,890	(2,586)	(38,320)	1,274,983	583	1,982,170
Changes for the year									
Issuance of new shares	-		265,684						265,684
Issuance of new shares - exercise of subscription rights to shares	-		74						74
Dividends	(19,846)		(19,846)						(19,846)
Net income for the year	152,196		152,196						152,196
Disposal of treasury stock	-	1,776	1,890						1,890
Increase in reserve for tax basis adjustments of real estate resulting from changes in tax rate	-		-						-
Transfer to reserve for tax basis adjustments of real estate	-		-						-
Transfer from reserve for tax basis adjustments of real estate	-		-						-
Transfer from reserve for land revaluation	771		771						771
Net changes of items other than shareholders' equity				1,172,775	(9,450)	4,896	1,168,221	170	1,168,391
Total changes for the year	133,121	1,776	400,771	1,172,775	(9,450)	4,896	1,168,221	170	1,569,163
Balance at the end of the year	430,738	(9,723)	1,107,375	2,488,665	(12,036)	(33,424)	2,443,204	753	3,551,333

(Reference)

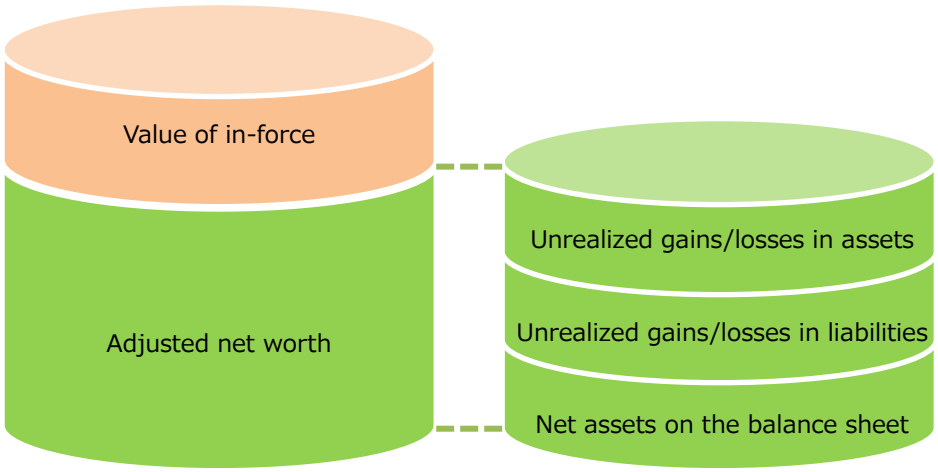
1. Outline of Embedded Value

When a life insurance company underwrites insurance policies, it would incur a bulk of expenses in the initial year of the policy term. It would realize profits while investing the paid premiums in preparation for the payment of benefits and claims throughout the term of the policies. Because of this business practice, profitability, capital efficiency, corporate value cannot be properly measured with single-year financial statements or ROE.
Life insurance companies use Embedded Value (EV) as a measurement of life insurance business. EV is composed of "adjusted net worth", which represent stock of realized earnings up to date, and "value of in-force business", which represents expected future earnings from the insurance policies. Since EV recognizes expected earnings throughout the life of the policies at the time of underwriting, it is considered it supplements the statutory accounting profits.
As such, EV is generally considered one of the investment indicators for listed life insurance companies. The Company considers ROEV, a growth of EV adjusted for capital movements and dividends etc., as one of management KPIs representing growth in corporate value and targets an average of 8% growth in medium term.

(Illustrative Chart of Embedded Value)

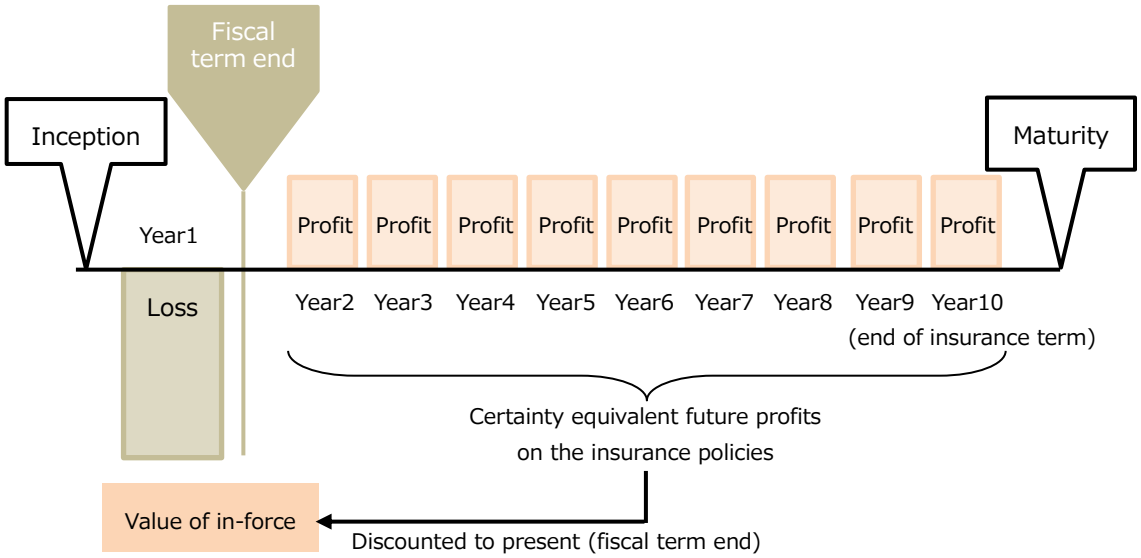
- What is "Adjusted net worth"

  Adjusted net worth represents a stock of realized earnings from insurance policies. It is calculated by adjusting the total net assets on the balance sheet for the retained earnings in liabilities, unrealized gains or losses in assets or liabilities not accounted for under the mark to market methodology, etc.



- What is “Value of in-force business”

  Value of In-force business represents certainty equivalent present value of future profits on the insurance policies (see chart below).



(Note) The chart above illustrates how a conceptual 10-year level-payment term insurance yields profits and does not represent actual profit and loss.

(Dai-ichi Life Group’s EV and ROEV)

The Company group’s EV at the end of fiscal year 2014 increased by 1 trillion 484.9 billion yen to 5 trillion 779.6 billion yen. While lower interest rates reduced value of in-force business, weaker yen and strong equities prices increased adjusted net worth. The EV also saw an initial consolidation from Protective Life.

ROEV (excluding the impact of the acquisition of Protective Life) for the fiscal year 2014 was 28.8% and for the five years to fiscal 2014 ROEV was on average at 16.1%

	End of FY 2013	End of FY 2014
EV	4,294.7 billion yen	5,779.6 billion yen

	FY 2013	FY 2014	FY 2010 to FY 2014 Five-year average
ROEV	29.4%	28.8%	16.1%

(Note) In calculation of EV, the Company group has adopted the European Embedded Value Principles or EEV Principles. The EEV Principles and related guidance were published in May 2004 by the CFO Forum, an organization comprising the chief financial officers of Europe’s leading insurers in order to improve consistency and transparency in EV reporting.

2. Establishment of the Corporate Governance Policy

The Company established and released the “Corporate Governance Policy” on June 1, 2015, which is based on the idea of the Japan’s Corporate Governance Code.
In the Corporate Governance Policy, policies regarding “Corporate Governance System and the Duties of the Board of Directors, etc”, “Securing the Rights and Equal Treatment of Shareholders”, “Dialogue with Shareholders” and “Cooperation with Stakeholders” are written.
The Company shall develop a system of corporate governance to ensure transparent, fair, prompt and bold decision-making while balancing the ownership and management, in order to discharge responsibility to its multi-stakeholders such as customers, shareholders, society and employees, and to achieve sustainable growth and enhancement of corporate value over the mid-to long term.

You can find the details about the Corporate Governance Policy at the Company’s website.