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.

Dai-ichi Life Holdings, Inc.
(Securities Code: 8750)

Convocation Notice of the Annual General Meeting of Shareholders for the 8th Fiscal Year

Date and Time:

10:00 a.m. on Monday, June 25, 2018
(Reception scheduled to open at 9:00 a.m.)

Venue:

Grand Nikko Tokyo Daiba
Palais Royal on the first basement level,
6-1, Daiba 2-chome, Minato-ku, Tokyo

Matters to be Resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of Ten (10) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
Proposal 3: Election of Five (5) Directors Serving as Audit & Supervisory Committee Members
Proposal 4: Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member
Proposal 5: Establishment of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Please note that no souvenir will be prepared for shareholders.

To Our Shareholders

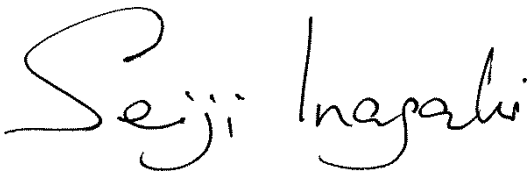
I would like to take this opportunity to thank you, our shareholders, for your support of Dai-ichi Life Holdings, Inc.
During the Medium-term Management Plan “D-Ambitious” ended in fiscal 2017, the Dai-ichi Life Group was able to achieve its business advancement based on a domestic three-company structure as well as substantial expansion mainly in the overseas business, which led to the Group’s great leap such as the accomplishment of our planned goals.

In fiscal 2018, we have launched our New Medium-term Management Plan, “CONNECT 2020”, which aims to raise the Group’s profitability even further based on its global business.

“A secure future for every community we serve. Using the best of our local and global capabilities.” With “CONNECT 2020” we will endeavor to realize the Group’s growth through efforts to increase the value of the relationships (CONNECT) with our customers, communities, diverse business partners, and our group companies in every region we serve.

We look forward to your ongoing support.

June 2018



President and Representative Director
Dai-ichi Life Holdings, Inc.

Group Principles

Dai-ichi Life Holdings, Inc. and its subsidiaries (the “Group”) will contribute to comfortable lives with peace of mind and the development of local communities in their respective regions and countries, providing life insurance and related services by sharing the Group Principles (Mission, Vision, Values and Brand Message). We will strive to maximize the value of the Group and aim for sustainable growth by sharing the Group’s strategies with each company, moving forward together in the same direction.

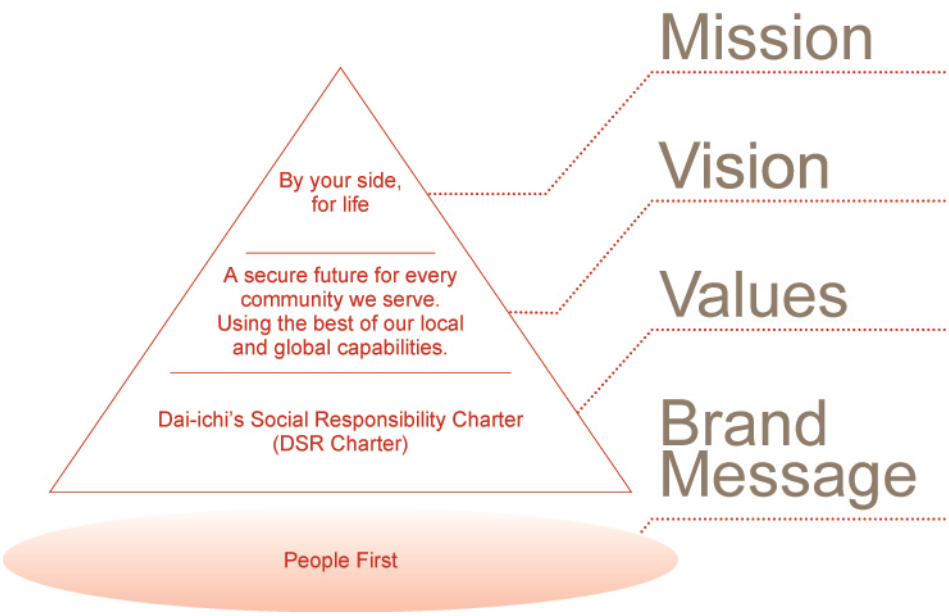




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Overview of the General Meeting of Shareholders to be held for this year.

P. 7 Guidance on the Exercise of Voting Rights

The methods for the exercise of voting rights.

P. 9 — Reference Materials for the General Meeting of Shareholders

The matters to be resolved at the General Meeting of Shareholders for this year, etc.

P. 9	Proposal 1:	Appropriation of Surplus
P. 10	Proposal 2:	Election of Ten (10) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
P. 18	Proposal 3:	Election of Five (5) Directors Serving as Audit & Supervisory Committee Members
P. 24	Proposal 4:	Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member
P. 25	Proposal 5:	Establishment of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
P. 30	Reference	Initiatives for Corporate Governance

P. 33 — Business Report

Our initiatives for fiscal 2017, issues to be addressed, etc.

P. 63 — Consolidated Financial Statements, etc.

Financial information, etc. on both the Group and Dai-ichi Life Holdings.

P. 63 Consolidated Financial Statements / P. 65 Non-Consolidated Financial Statements / P. 67 Audit Reports

Corresponding Table of Corporate Governance Code

Items under the Corporate Governance Code	Description in this Convocation Notice	Reference pages
Principle 2.1, Principle 3.1 (i) Principle 5.2	Business Principles as the Foundation of Corporate Value, Establishing and Disclosing Business Strategy and Business Plan	2, 33-42, 48-53
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Principle 4.8	Effective Use of Independent Directors	31
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Principle 4.11, Supplementary Principle 4.11.3	Analysis and Evaluation of the Effectiveness of the Board of Directors	32

(Note) From the principles of the Corporate Governance Code, those that this convocation notice states relevant initiatives of the Company are extracted.

Indicators of Profitability, Capital Productivity and Financial Soundness

Indicators	Reference pages
Group Adjusted Profit The Company sets the adjusted profit as cash-based profit, calculated by subtracting from net income any insubstantial unrealized holding gains or losses for accounting purposes. The Company also sets group adjusted profit as the total of each of the group companies' adjusted profit.	44
Fundamental Profit Fundamental profit, consisting of both insurance related-income and expenses and investment-related income and expenses, is one of the indicators that show the core profit and loss of a life insurance company during the period under review.	45
ROE, Operating ROE These indicators show the Group's return on equity. Life insurance companies have unique business characteristics and their capital productivity cannot be accurately measured only by using ROE. Accordingly, the Group sets Operating ROE, a proprietary indicator of the Group representing capital productivity as one of the performance indicators for management.	45
Embedded Value (EV) Embedded Value (EV), one of the indicators of corporate value of life insurance companies, is the sum of the accumulated realized profit in the past and the estimated future amount of profit from insurance policies in-force held.	46
RoEV RoEV, an indicator of EV growth, is considered to supplement ROE under the Statutory Accounting Standards. The Group sets RoEV as one of the management indicators relating to enhanced corporate value.	46
Value of New Business Value of new business is an indicator that represents value at the time of underwriting of new insurance policies during the year under review.	46
Solvency Margin Ratio Solvency margin ratio is one of the indicators used by the supervising administrative agency to ascertain the extent to which an insurance company can meet payment obligations in the event risks exceed the normally anticipated level.	47
Economic Solvency Ratio Economic solvency ratio is an indicator that reflects the market value of assets and liabilities by taking into account factors such as recent interest rates and represents capital adequacy against certain levels of stress.	47

(Securities Code: 8750)

June 1, 2018

To our shareholders

Seiji Inagaki
President and Representative Director

Dai-ichi Life Holdings, Inc.
13-1, Yurakucho 1-chome, Chiyoda-ku, Tokyo

Convocation Notice of the Annual General Meeting of Shareholders for the 8th Fiscal Year

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

Notice is hereby given that the Annual General Meeting of Shareholders for the 8th 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 9 through 32), and exercise your voting rights in accordance with the "Guidance on the Exercise of Voting Rights" (pages 7 through 8) no later than 5:00 p.m. on Friday, June 22, 2018.

Disclosures on the Company's website

From among the documents required to be attached hereto, the following matters are posted on the Company's website pursuant to the provisions of laws and regulations, and the provisions under Article 20 of the Articles of Incorporation of the Company.

(1) Assets and Income of the Corporate Group and Insurance Holding Company, Principal Offices of the Corporate Group, Employees of the Corporate Group, Matters regarding Stock Acquisition Rights, etc., Independent Auditor, Basic Policy on the Composition of Persons to Control Decision-Making over the Financial and Business Policies, System for Ensuring Appropriate Operations, Specified Wholly Owned Subsidiaries, Transactions with the Parent Company, Accounting Advisor and Others of the Business Report
(2) Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements
(3) Non-Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements

The Audit & Supervisory Committee has audited the above matters (1), (2), and (3), in addition to the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, which are stated in the attachments to this notice. The Independent Auditor has audited the above matters (2) and (3), in addition to the Consolidated Financial Statements and Non-Consolidated Financial Statements, which are stated in the attachment to this notice.

The Company's website: http://www.dai-ichi-life-hd.com/investor/share/meeting/index.html

Particulars

1	Date and Time:	**10:00 a.m. on Monday, June 25, 2018** (Reception scheduled to open at 9:00 a.m.)
2	Venue:	**Grand Nikko Tokyo Daiba** **Palais Royal on the first basement level,** 6-1, Daiba 2-chome, Minato-ku, Tokyo (Please see the Directions to the Site for the General Meeting of Shareholders on the back cover (translation omitted).)
3	Purpose of the Meeting:	
	Matters to be Reported:	Report on the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, and the Audit Results of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Committee for the Fiscal Year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)
	Matters to be Resolved:	**Proposal 1:** Appropriation of Surplus **Proposal 2:** Election of Ten (10) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members) **Proposal 3:** Election of Five (5) Directors Serving as Audit & Supervisory Committee Members **Proposal 4:** Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member **Proposal 5:** Establishment of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Please note that no souvenir will be prepared for shareholders that attend the Meeting.
We appreciate your understanding.

- 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, please present the document certifying the authority of such proxy with the Voting Right Exercise Form. The proxy shall be limited to one other shareholder who has the voting right at the Meeting.
- 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-hd.com/investor/share/meeting/index.html)

Guidance on the Exercise of Voting Rights

Please be informed that you may exercise your voting rights by any of the following methods.

Attending the Meeting in person

Please present the enclosed Voting Right Exercise Form to reception at the venue without detaching the right side of the form.

Time and date:

10:00 a.m. on Monday, June 25, 2018

Mailing the Voting Right Exercise Form

Please indicate your vote(s) for or against each proposal on the enclosed Voting Right Exercise Form and return the form so that it arrives by the deadline.

Deadline:

Delivery by 5:00 p.m. on Friday, June 22, 2018

Via the Internet

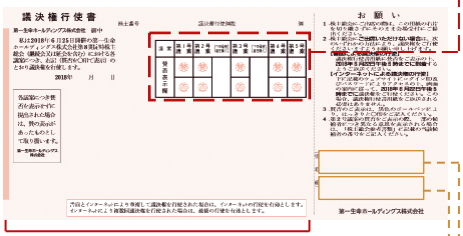
Please visit the website for the exercise of voting rights designated by the Company and enter your approval or disapproval by following the on-screen instructions no later than the deadline.

Deadline:

5:00 p.m. on Friday, June 22, 2018

See the next page for details.

Instructions on filling in the Voting Right Exercise Form



Please detach and mail the above left part of the form.

▶Please indicate your vote for or against each proposal.

Proposals 1, 4 and 5	
To approve:	Circle the “賛” box.
To disapprove:	Circle the “否” box.
Proposal 2 and 3	
To approve all candidates	Circle the “賛” box.
To disapprove all candidates	Circle the “否” box.

* To approve or disapprove specific candidates, please fill in the numbers of the candidates.

If you present the Voting Right Exercise Form without indicating approval or disapproval for any proposal, you will be deemed to have approved the proposal.

Temporary Password

Voting Right Exercise Code

The Voting Right Exercise Code and Temporary Password required for exercise of voting rights via the Internet are indicated.

Please note that if you attend the Meeting in person, you will be deemed to have revoked any votes you have exercised before the Meeting.

Guidance on the Exercise of Voting Rights via the Internet

Procedures for exercising your voting rights

STEP1 Visit the website

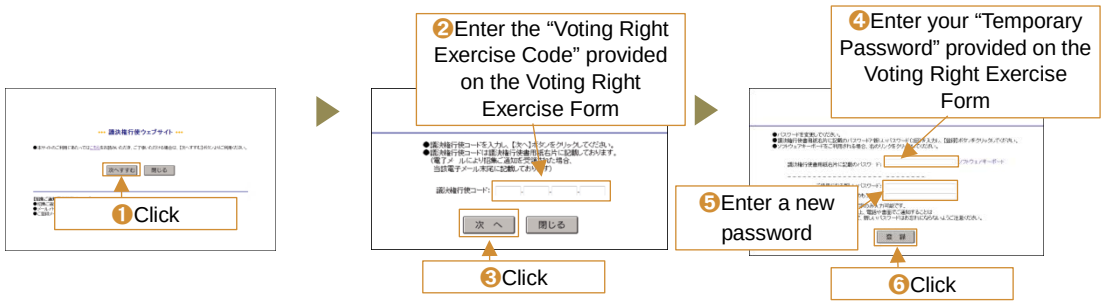
Search for 議決権行使 みずほ at a searching site.	You may also access the site by the QR code on the right (omitted).

* You will be guided to the website (https://soukai.mizuho-tb.co.jp/) for the exercise of voting rights operated by Mizuho Trust & Banking Co., Ltd.
* Depending on your browser or Internet user environment, you may be unable to exercise your voting rights via the website for the exercise of voting rights.

STEP2 Proceed to the log-in screen

STEP3 Log-in

STEP4 Change your password



Upon taking the above steps, please exercise your voting rights by following the instructions on the screen.

Handling when voting rights are exercised two or more times.

* If you exercise your voting rights both in writing and via the Internet, your Internet vote will be counted as the valid vote.
* If you exercise your voting rights more than once via the Internet, the last vote will be counted as the valid vote.

Reference for exercising voting rights via the Internet	Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department: Toll Free only from Japan: **0120-768-524** 9:00 a.m. to 9:00 p.m. Japan time (excluding Saturdays, Sundays and national holidays)

For Institutional Investors

Management trust banks and other nominee shareholders (including standing proxies) may use the “Electronic Voting Platform for Institutional Investors” managed by ICJ Inc. if they send in applications to use the platform in advance.

Proposals and Reference Matters

Proposal 1 Appropriation of Surplus

With regard to the appropriation of surplus, the Company keeps a balance between securing the necessary internal reserves for the Group in order to ensure sound financial standing in case of future changes in the business environment and to take advantage of growth investments and 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

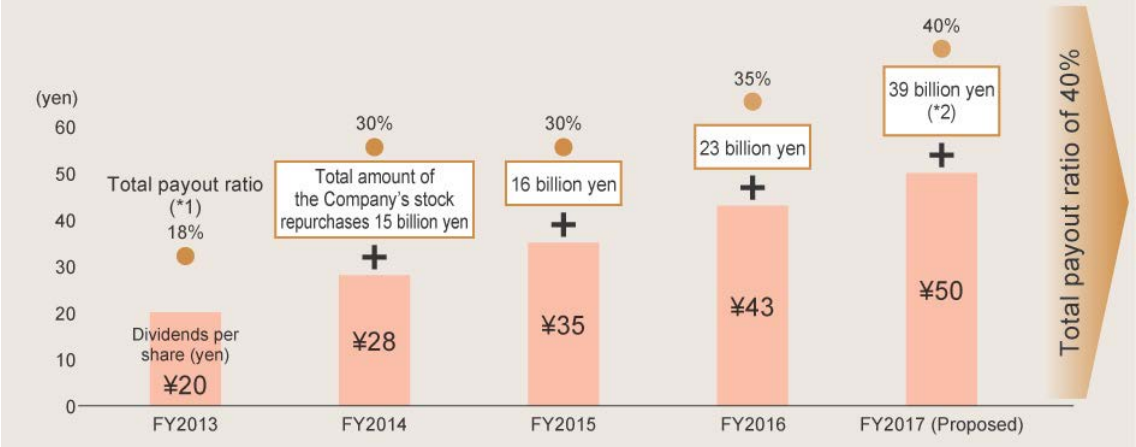
1. **Type of dividend property**
   Cash

2. **Matters related to allotment of dividend property to shareholders and total amount thereof**

Dividends per share of common stock	50 yen
Total amount	58,453,125,000 yen

3. **Effective date of distribution of surplus**
   June 26, 2018

(Reference) Actual results of shareholders return



(*1) The share of total payout ratio on consolidated adjusted net income was used up to FY2015, and group adjusted profit has been used since FY2016

(*2) Shows the upper limit of the Company's stock repurchase amount resolved on May 15, 2018

(Note 1) Total payout ratio = (Total dividends to shareholders + Total amount of the Company's stock repurchases) / Group adjusted profit (Consolidated adjusted net income)

(Note 2) Group adjusted profit is an indicator of the Company representing a source for shareholder returns. See page 44 of this convocation notice for more details.

(Note 3) Consolidated adjusted net income is a proprietary indicator of the Group. It is calculated mainly by adding a provision in excess of the statutory amount (after-tax) of the provision for reserves (*) back to our net income attributable to shareholders of the parent company.

* "Reserves represent contingency reserve," a reserve against risks such as the underwriting of insurance, and "reserve for price fluctuations," a reserve against a potential fall in asset prices

Proposal 2 Election of Ten (10) Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

Director Takashi Kawashima retired as a director on March 31, 2018. The terms of office of all nine (9) directors (excluding directors serving as Audit & Supervisory Committee members) will expire at the conclusion of the Meeting. With a view to further reinforcing the functions of management supervision for the purpose of the Group's sustainable growth and the medium- to long-term increase of its corporate value, the Company proposes the election of ten (10) directors (excluding directors serving as Audit & Supervisory Committee members), including one (1) additional outside director.

The candidates for directors (excluding directors serving as Audit & Supervisory Committee members) are as follows.

If Proposal 2 and Proposal 3 are approved, the number of directors will be fifteen (15) including directors serving as Audit & Supervisory Committee members, of which six (6) are outside directors.

No.		Position	Name/Age			Board of Directors meetings attended
1	Reappointment	Representative Director and Chairman of the Board	Koichiro Watanabe	65		100% (14 / 14)
2	Reappointment	Representative Director and President	Seiji Inagaki	55		100% (14 / 14)
3	Reappointment	Representative Director and Vice Chairman	Shigeo Tsuyuki	63		100% (14 / 14)
4	Reappointment	Representative Director and Vice President	Satoru Tsutsumi	62		100% (14 / 14)
5	Reappointment	Director and Senior Managing Executive Officer	Kazuma Ishii	64		100% (14 / 14)
6	Reappointment	Director and Managing Executive Officer	Masao Taketomi	54		100% (11 / 11)
7	Reappointment	Director	Hideo Teramoto	58		100% (14 / 14)
8	Reappointment	Director	George Olcott	63	Outside Director Independent Director Foreign national	100% (14 / 14)
9	Reappointment	Director	Koichi Maeda	66	Outside Director Independent Director	100% (14 / 14)
10	**New appointment**	—	Yuriko Inoue	55	Outside Director Independent Director Female	-

(Note) The ages of the candidates are as of the conclusion of the Meeting.

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	**Koichiro Watanabe** (Apr. 16, 1953) <Reappointment> Board of Directors meetings attended: (14/14)	Apr. 1976 Joined The Dai-ichi Mutual Life Insurance Company Jul. 2001 Director Apr. 2004 Managing Director Jul. 2004 Managing Executive Officer Jul. 2007 Director and Managing Executive Officer Apr. 2008 Director and Senior Managing Executive Officer Apr. 2010 Representative Director and President, The Dai-ichi Life Insurance Company, Limited Oct. 2016 Representative Director and President, Dai-ichi Life Holdings, Inc. Apr. 2017 Representative Director and Chairman of the Board (to present) **[Significant Concurrent Positions]** Representative Director and Chairman of the Board, The Dai-ichi Life Insurance Company, Limited Outside Director, Japan Tobacco Inc.	Common stock 62,887 shares
	[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, personnel management, public relations and government relations, and he has deep experience and knowledge in the life insurance business. He has duly performed his duties as a member of the Board of Directors since July 2001 by making use of his abundant experience and insight. He has proactively promoted business strategy for the growth of the Group through his service as a representative director and president since 2010. 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>Seiji Inagaki
(May 10, 1963)

<Reappointment>

Board of Directors meetings attended:
(14/14)</td><td>Apr. 1986 Joined The Dai-ichi Mutual Life Insurance Company
Apr. 2012 Executive Officer, The Dai-ichi Life Insurance Company, Limited
Apr. 2015 Managing Executive Officer
Jun. 2016 Director and Managing Executive Officer
Oct. 2016 Director and Managing Executive Officer, Dai-ichi Life Holdings, Inc.
Apr. 2017 Representative Director and President (to present)

[Significant Concurrent Positions]
Representative Director and President, The Dai-ichi Life Insurance Company, Limited</td><td>Common stock
17,343 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 and investment planning, 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 since June 2016 and as a representative director and president since April 2017. 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>

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	**Shigeo Tsuyuki** (Jul. 12, 1954) <Reappointment> Board of Directors meetings attended: (14/14)	Apr. 1977 Joined The Dai-ichi Mutual Life Insurance Company Jul. 2003 Director Jul. 2004 Executive Officer Apr. 2005 Managing Executive Officer Jul. 2008 Director and Managing Executive Officer Apr. 2010 Director and Managing Executive Officer, The Dai-ichi Life Insurance Company, Limited Apr. 2011 Director and Senior Managing Executive Officer Apr. 2014 Representative Director and Vice President Oct. 2016 Representative Director and Vice President, Dai-ichi Life Holdings, Inc. Apr. 2017 Representative Director and Vice Chairman (to present) **[Responsibilities]** **Supervise:** International Life Insurance Business Unit **[Significant Concurrent Positions]** Outside Corporate Auditor, Toyo Wharf & Warehouse Co., Ltd.	Common stock 30,277 shares
	[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 international business management, domestic corporate life insurance business and asset management business, 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 since July 2003. 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">4</td><td>Satoru Tsutsumi
(Dec. 30, 1955)

<Reappointment>

Board of Directors meetings attended:
(14/14)</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 Asset Management One Co., Ltd.)
Apr. 2010 Advisor,
The Dai-ichi Frontier Life Insurance Co., Ltd.
Jun. 2010 Representative Director and President
Apr. 2015 Vice President, The Dai-ichi Life Insurance Company, Limited
Jun. 2015 Representative Director and Vice President
Oct. 2016 Representative Director and Vice President,
Dai-ichi Life Holdings, Inc.
(to present)

[Responsibilities]
In charge of:
Matters regarding Corporate Life Insurance Business of The Dai-ichi Life Insurance Company, Limited

[Significant Concurrent Positions]
Representative Director and Vice President,
The Dai-ichi Life Insurance Company, Limited</td><td>Common stock
17,835 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 asset management business and domestic corporate life insurance business, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties as a representative director and president of The Dai-ichi Frontier Life Insurance Co., Ltd. since June 2010 and as a member of the Board of Directors of the Company since June 2015. 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>

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	**Kazuma Ishii** (Jan. 12, 1954) <Reappointment> Board of Directors meetings attended: (14/14)	Apr. 1977 Joined The Dai-ichi Mutual Life Insurance Company Jul. 2003 Director Jul. 2004 Executive Officer Apr. 2005 Managing Executive Officer Jul. 2008 Director and Managing Executive Officer Apr. 2010 Director and Managing Executive Officer, The Dai-ichi Life Insurance Company, Limited Apr. 2011 Director and Senior Managing Executive Officer Oct. 2016 Director and Senior Managing Executive Officer, Dai-ichi Life Holdings, Inc. (to present) **[Responsibilities]** **In charge of:** Internal Audit Unit **[Significant Concurrent Positions]** Director and Senior Managing Executive Officer, The Dai-ichi Life Insurance Company, Limited	Common stock 22,059 shares
	[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 profit management, financial planning and actuarial accounting and internal audit, 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 since July 2003. 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">6</td><td>Masao Taketomi
(Oct. 22, 1963)

<Reappointment>

Board of Directors meetings attended:
(11/11)</td><td>Apr. 1986 Joined The Dai-ichi Mutual Life Insurance Company
Apr. 2012 Executive Officer, The Dai-ichi Life Insurance Company, Limited
Apr. 2015 Managing Executive Officer
Oct. 2016 Managing Executive Officer, Dai-ichi Life Holdings, Inc.
Jun. 2017 Director and Managing Executive Officer (to present)

[Responsibilities]
In charge of:
Matters regarding The Dai-ichi Frontier Life Insurance Co., Ltd.

[Significant Concurrent Positions]
Representative Director and President, The Dai-ichi Frontier Life Insurance Co., Ltd.</td><td>Common stock
13,631 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 personnel management and underwriting, 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 of the Company since June 2017 and as a representative director and president of The Dai-ichi Frontier Life Insurance Co., Ltd. since April 2018. 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>

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	**Hideo Teramoto** (May 20, 1960) <Reappointment> Board of Directors meetings attended: (14/14)	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. 2011 Managing Executive Officer Jun. 2012 Director and Managing Executive Officer Apr. 2015 Director and Senior Managing Executive Officer Oct. 2016 Director and Senior Managing Executive Officer, Dai-ichi Life Holdings, Inc. Apr. 2017 Director (to present) **[Significant Concurrent Positions]** Representative Director and Vice Chairman, The Dai-ichi Life Insurance Company, Limited	Common stock 17,299 shares
	[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 and marketing planning, 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 since June 2012. 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.		

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	**George Olcott** (May 7, 1955) <Reappointment> <Outside director> <Independent director> < Foreign national > Term of office as outside director (to be reached at the conclusion of the Meeting): 3 years Board of Directors meetings attended: (14/14)	Jul. 1986 Joined S.G. Warburg & Co., Ltd. Nov. 1991 Director Sep. 1993 Executive Director, Equity Capital Market Group, S.G. Warburg Securities London Apr. 1997 Head of Tokyo Office, 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, SBC Warburg Tokyo Sep. 2001 Judge Business School, University of Cambridge Mar. 2005 FME Teaching Fellow Mar. 2008 Senior Fellow 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) Jun. 2015 Director, The Dai-ichi Life Insurance Company, Limited Oct. 2016 Director, Dai-ichi Life Holdings, Inc. (to present) **[Significant Concurrent Positions]** Outside Director, Member of the Board DENSO CORPORATION Outside Director, Hitachi Chemical Company, Ltd.	Common stock 3,429 shares

[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. He has also brought significant benefits to the Company by supervising and advising on various matters of corporate management based on his global and objective viewpoint at the Board of Directors meetings and other occasions. The Company believes he will continuously share his experience and expertise on oversight of management of the Group as before, and therefore proposes him as a candidate for outside director.

[Grounds for Independence]
He is a candidate for outside director. Until May 2015, he served as a member of the Company's Advisory Board, a body established by the Company for the purpose of further reinforcing and enhancing its corporate governance by obtaining extensive advice regarding management matters in general. The Company conducted transactions with him for the payment of remunerations for an Advisory Board member, but the amount of remuneration was 2 million yen per year. Accordingly he meets the “Standards for the Independence of Outside Directors” determined by the Company as stated on page 23. We therefore judge there to be no concern regarding his independence. In addition, we have filed his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	**Koichi Maeda** (July 8, 1951) <Reappointment> <Outside director> <Independent director> Term of office as outside director (to be reached at the conclusion of the Meeting): 1 year and 9 months Board of Directors meetings attended: (14/14)	Apr. 1975 Joined Nippon Telegraph and Telephone Public Corporation Jul. 1999 General Manager, Kagoshima Branch, NIPPON TELEGRAPH AND TELEPHONE WEST CORPORATION Jul. 2000 General Manager, Planning Department, Consumer & Office Division, NTT Communications Corporation Jun. 2002 General Manager, Consumer & Office Division Jun. 2004 Director and Senior Vice President, General Manager, Consumer & Office Division Aug. 2006 Director and Senior Vice President, Deputy General Manager, Net Business Division Jun. 2008 Director and Executive Vice President, Deputy General Manager, Net Business Division Jun. 2009 Representative Director and Senior Executive Vice President, General Manager, Consumer Business Promotion Division, NIPPON TELEGRAPH AND TELEPHONE EAST CORPORATION ; Representative Director and President, NTT EAST PROPERTIES, INC. Jun. 2012 Representative Director and President, NTT FINANCE CORPORATION (retired in June 2016) Jun. 2016 Director and Chief Executive Counselor (retired in June 2017) Oct. 2016 Director, Dai-ichi Life Holdings, Inc. (to present) Jul. 2017 Chief Executive Counselor, NTT FINANCE CORPORATION (to present)	Common stock 1,852 shares
	[Reasons for Selecting the Candidate for Outside Director] He has deep experience and insight gained through acting as business executive of highly public enterprises. He has also brought significant benefits to the Company by supervising and advising on various matters of corporate management based on his global and objective viewpoint at the Board of Directors meetings and other occasions. The Company believes he will continuously share his experience and expertise on oversight of management of the Group as before, and therefore proposes him as a candidate for outside director. **[Grounds for Independence]** He is a candidate for outside director. He served as an executive responsible for the operations of NTT FINANCE CORPORATION until June 2016. The Group conducts transactions with the NTT Group, but the total amount of the transactions was less than 1% of the consolidated net sales of each group. Accordingly he meets the “Standards for the Independence of Outside Directors” determined by the Company as stated on page 23. We therefore judge there to be no concern regarding his independence. In addition, we have filed his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.		

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
10	**Yuriko Inoue** (May 29, 1963) **<New appointment>** <Outside director> <Independent director> < Female>	Nov. 1993 Lecturer, University of Tokyo Graduate Schools for Law and Politics Apr. 1995 Associate Professor, University of Tsukuba Graduate School of Business Administration & Public Policy Apr. 2001 Associate Professor, University of Tsukuba Graduate School of Business Sciences Sep. 2002 Associate Professor, Kobe University Graduate School of Law Apr. 2004 Professor Oct. 2010 Professor, Hitotsubashi University Graduate School of International Corporate Strategy Apr. 2018 Professor, Business Law Department of Graduate School of Law (to present)	Common stock 0 shares
	[Reasons for Selecting the Candidate for Outside Director] She is an experienced and trusted professor specialized in intellectual property laws, and she has had a wide range of knowledge about IT-related systems and policies backed by her expertise. She could bring significant benefits to the Company by supervising management and advising on various legal matters and data governance in IT strategies of the Company based on her objective viewpoint. The Company believes she is qualified to supervise the Group's management, and therefore proposes her as a candidate for outside director. Although she has never been engaged in corporate management, she is expected to duly perform her duties as an outside director for the abovementioned reasons. **[Grounds for Independence]** She is a candidate for outside director. Until May 2018, she served as a member of the Company's Advisory Board, a body established by the Company for the purpose of further reinforcing and enhancing its corporate governance by obtaining extensive advice regarding management matters in general. The Company conducted transactions with her for the payment of remunerations for an Advisory Board member, but the amount of remuneration was 2 million yen per year. Accordingly she meets the "Standards for the Independence of Outside Directors" determined by the Company as stated on page 23. We therefore judge there to be no concern regarding her independence. In addition, we will file her name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.	

(Note 1) No conflict of interest exists between the Company and each of the above candidates.

(Note 2) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. George Olcott and Mr. Koichi Maeda to limit their liabilities stipulated in Article 423, Paragraph 1 of the same Act. The liability limitation based on those agreements shall be either 20 million yen or the amount provided by laws and regulations, whichever is higher. Upon approval of the election of Mr. George Olcott and Mr. Koichi Maeda, the Company will continue the liability limitation agreements with them under the same conditions. Upon approval of the election of Ms. Yuriko Inoue, the Company will enter into an agreement with her to limit her liability stipulated in Article 423, Paragraph 1 of the Companies Act. The liability limitation based on the agreement shall be either 20 million yen or the amount provided by laws and regulations, whichever is higher.

Proposal 3 Election of Five (5) Directors Serving as Audit & Supervisory Committee Members

The terms of office of all five (5) directors serving as Audit & Supervisory Committee members will expire at the conclusion of the Meeting. Accordingly, the Company proposes the election of five (5) directors serving as Audit & Supervisory Committee members.

The proposal has been approved by the Audit & Supervisory Committee.

The candidates for directors serving as Audit & Supervisory Committee members are as follows.

No.		Position	Name/Age			Board of Directors meetings attended	Audit & Supervisory Committee meetings attended
1	Reappointment	Director (Audit & Supervisory Committee Member (Full-Time))	Morinobu Nagahama	61		100% (14/14)	100% (23/23)
2	Reappointment	Director (Audit & Supervisory Committee Member (Full-Time))	Fusakazu Kondo	57		100% (14/14)	100% (23/23)
3	Reappointment	Director (Audit & Supervisory Committee Member)	Rieko Sato	61	Outside Director Independent Director Female	100% (14/14)	100% (23/23)
4	Reappointment	Director (Audit & Supervisory Committee Member)	Ungyong Shu	55	Outside Director Independent Director	100% (14/14)	95.6% (22/23)
5	Reappointment	Director (Audit & Supervisory Committee Member)	Koichi Masuda	74	Outside Director Independent Director	100% (14/14)	100% (23/23)

(Note 1) The ages of the candidates are as of the conclusion of the Meeting.

(Note 2) Ms. Rieko Sato is registered in the family registry under the name of Rieko Kamata.

<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">1</td><td>Morinobu Nagahama
(Dec. 18, 1956)

<Reappointment>

Board of Directors meetings attended:
14/14

Audit & Supervisory Committee meetings attended:
23/23</td><td>Apr. 1979 Joined The Dai-ichi Mutual Life Insurance Company
Sep. 2008 Executive Officer
Apr. 2010 Executive Officer, The Dai-ichi Life Insurance Company, Limited
Apr. 2013 Managing Executive Officer
Jun. 2014 Director and Managing Executive Officer
Apr. 2016 Director and Senior Managing Executive Officer
Oct. 2016 Director (Audit & Supervisory Committee Member (Full-time)), Dai-ichi Life Holdings, Inc. (to present)

[Significant Concurrent Positions]
Director,
The Dai-ichi Life Insurance Company, Limited
Outside Corporate Auditor,
Sekisui Plastics Co., Ltd.</td><td>Common stock
15,666 shares</td></tr>
<tr><td colspan="3">[Reasons for Selecting the Candidate for Director Serving as Audit & Supervisory Committee Member]
His experiences as a member of the Group have covered a wide range of engagements in the Company’s businesses, including compliance, internal audits, legal affairs, secretarial administration and general affairs, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties in the auditing work as an Audit & Supervisory Committee member (Full-time) since October 2016. The Company believes he has the qualifications necessary to strengthen the effectiveness of the supervisory and auditing function over the management of the Group by making use of his experience and knowledge. Therefore, the Company proposes him as a candidate for director serving as Audit & Supervisory Committee member.</td></tr>
</table>

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	**Fusakazu Kondo** (Nov. 17, 1960) <Reappointment> Board of Directors meetings attended: 14/14 Audit & Supervisory Committee meetings attended: 23/23	Apr. 1983 Joined The Dai-ichi Mutual Life Insurance Company Jun. 2012 Senior Audit and Supervisory Board Member (Full-time), The Dai-ichi Life Insurance Company, Limited Oct. 2016 Director (Audit & Supervisory Committee Member (Full-time)), Dai-ichi Life Holdings, Inc. (to present)	Common stock 10,889 shares
	[Reasons for Selecting the Candidate for Director Serving as Audit & Supervisory Committee Member] His experiences as a member of the Group have covered a wide range of engagements in the Company's businesses, including profit management and finance, and he has deep experience and knowledge in the life insurance business. In addition, he has duly performed his duties in the auditing work as a Senior Audit and Supervisory Board member (full-time) of The Dai-ichi Life Insurance Company, Limited from June 2012 to September 2016 and as an Audit & Supervisory Committee member (Full-time) of the Company since October 2016. The Company believes he has the qualifications necessary to strengthen the effectiveness of the supervisory and auditing function over the management of the Group by making use of his experience and knowledge. Therefore, the Company proposes him as a candidate for director serving as Audit & Supervisory Committee member.		

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	**Rieko Sato** (Nov. 28, 1956) <Reappointment> <Outside director> <Independent director> < Female > Term of office as outside director (to be reached at the conclusion of this Meeting): 3 years Board of Directors meetings attended: 14/14 Audit & Supervisory Committee meetings attended: 23/23	Apr. 1984 Registered as Attorney-at-Law Jun. 1989 Shearman & Sterling LLP Jul. 1998 Partner, Ishii Law Office (to present) Jun. 2015 Director, The Dai-ichi Life Insurance Company, Limited Oct. 2016 Director (Audit & Supervisory Committee Member), Dai-ichi Life Holdings, Inc. (to present) **[Significant Concurrent Positions]** Partner, Ishii Law Office Outside Corporate Auditor, NTT DATA CORPORATION	Common stock 3,429 shares

[Reasons for Selecting the Candidate for Outside Director Serving as Audit & Supervisory Committee Member]

She is an experienced and trusted attorney, and she has had a wide range of experiences serving as outside Audit and Supervisory Board member of various corporations. She has also brought significant benefits to the Company by supervising and auditing management as well as advising on various legal matters of the Company based on her objective viewpoint at the Board of Directors meetings and other occasions. The Company believes she could continue to take advantage of her experience in conducting audits and supervision of the Group's management, and therefore proposes her as a candidate for outside director serving as Audit & Supervisory Committee member.

Although she has never been engaged in corporate management except as an outside Audit and Supervisory Board member, she is expected to duly perform her duties as an outside director serving as Audit & Supervisory Committee member for the abovementioned reasons.

[Grounds for Independence]

She is a candidate for outside director. Until May 2015, she served as a member of the Company's Advisory Board, a body established by the Company for the purpose of further reinforcing and enhancing its corporate governance by obtaining extensive advice regarding management matters in general. The Company conducted transactions with her for the payment of remunerations for an Advisory Board member, but the amount of remuneration was 2 million yen per year. Accordingly she meets the "Standards for the Independence of Outside Directors" determined by the Company as stated on page 23. We therefore judge there to be no concern regarding her independence. In addition, we have filed her name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	**Ungyong Shu** (Oct. 19, 1962) <Reappointment> <Outside director> <Independent director> Term of office as outside director (to be reached at the conclusion of this Meeting): 3 years Board of Directors meetings attended: 14/14 Audit & Supervisory Committee meetings attended: 22/23	Apr. 1986 Joined Morgan Guaranty Trust Company of New York, a subsidiary of J.P. Morgan & Company, Inc. May. 2001 Managing Director, JPMorgan Securities Jul. 2005 Head of Financial Institutions Division May. 2007 Managing Director and Chairman of Financial Institutions Group, Merrill Lynch Japan Securities Ltd. Jul. 2010 Co-Head of Investment Banking Division Jul. 2011 Vice Chairman (retired in March 2013) Nov. 2013 President & CEO, Core Value Management, Co., Ltd. (to present) Jun. 2015 Director, The Dai-ichi Life Insurance Company, Limited Oct. 2016 Director (Audit & Supervisory Committee Member), Dai-ichi Life Holdings, Inc. (to present) **[Significant Concurrent Positions]** President & CEO, Core Value Management, Co., Ltd. Outside Director, DESCENTE LTD.	Common stock 1,714 shares

[Reasons for Selecting the Candidate for Outside Director Serving as Audit & Supervisory Committee Member]
He has a wide range of experiences as a managing director of financial institutions. He has also brought significant benefits to the Company by supervising and auditing management as well as advising on various matters of corporate management based on his global and objective viewpoint at the Board of Directors meetings and other occasions. The Company believes he could continue to take advantage of his experience in conducting audits and supervision of the Group's management, and therefore proposes him as a candidate for outside director serving as Audit & Supervisory Committee member.

[Grounds for Independence]
He is a candidate for outside director. Until March 2013, he had served as an executive responsible for the operations of Merrill Lynch Japan Securities Co., Ltd., an entity (business partner) with which the Company conducted transactions, etc., but the total amount of the transactions was less than 1% of the Company's consolidated net sales as well as the entity's sales. Accordingly he meets the "Standards for the Independence of Outside Directors" determined by the Company as stated on page 23. We therefore judge there to be no concern regarding his independence. In addition, we have filed his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

No.	Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	**Koichi Masuda** (Jan. 23, 1944) <Reappointment> <Outside director> <Independent director> Term of office as outside director (to be reached at the conclusion of this Meeting): 1 year and 9 months Board of Directors meetings attended: 14/14 Audit & Supervisory Committee meetings attended: 23/23	Apr. 1966 Yoshiji Tanaka CPA Office Jan. 1970 Otemachi Kaikei Jimusho Audit Corporation Jan. 1975 Shinwa Audit Corporation (*) Sep. 1978 Partner Jul. 1992 Representative Partner, Asahi Shinwa Audit Corporation (*) Oct. 1993 Representative Partner, Asahi Audit Corporation (*) Jan. 2004 Representative Partner, KPMG AZSA & Co. (*) (retired in June 2007) Jul. 2007 Chairman and President, The Japanese Institute of Certified Public Accountants Jul. 2010 Advisor (to present) Oct. 2016 Director (Audit & Supervisory Committee Member), Dai-ichi Life Holdings, Inc. (to present) (*) Presently, KPMG AZSA LLC **[Significant Concurrent Positions]** Director (outside), Audit and Supervisory Committee Member, The Daishi Bank, Ltd. Outside Audit & Supervisory Board Member, Sumitomo Riko Company Limited	Common stock 2,478 shares

[Reasons for Selecting the Candidate for Outside Director Serving as Audit & Supervisory Committee Member]
He is an experienced and trusted certified public accountant, and he has had a wide range of experiences serving as Outside Director (Audit and Supervisory Committee member) and Outside Audit & Supervisory Board member of various corporations. He has also brought significant benefits to the Company by supervising and auditing management and advising on various financial matters of the Company based on his objective viewpoint at the Board of Directors meetings and other occasions. The Company believes he could continue to take advantage of his experience in conducting audits and supervision of the Group's management, and therefore proposes him as a candidate for outside director serving as Audit & Supervisory Committee member.
Although he has never been engaged in corporate management except as an outside director (Audit & Supervisory Committee member), etc., he is expected to duly perform his duties as an outside director serving as Audit & Supervisory Committee member for the aforementioned reasons.

[Grounds for Independence]
He is a candidate for outside director. He served as an executive responsible for the operations of KPMG AZSA & Co., (presently, KPMG AZSA LLC), an independent auditor of the Company, until June 2007, but more than 10 years have passed since he retired from the said corporation. Accordingly he meets the "Standards for the Independence of Outside Directors" determined by the Company as stated on page 23. We therefore judge there to be no concern regarding his independence. In addition, we have filed his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

*Refer to supplementary information on the next page.

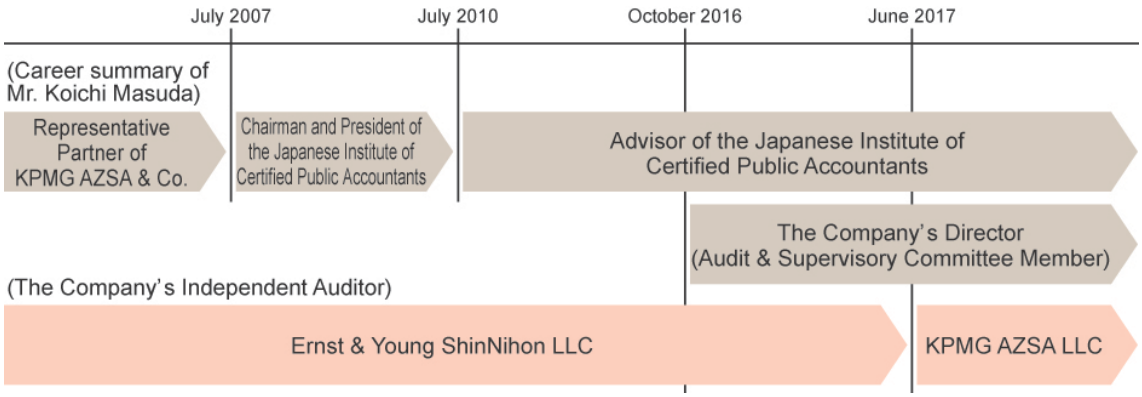
(Note 1) No conflict of interest exists between the Company and each of the above candidates.

(Note 2) Mr. Ungyong Shu is a Non-Executive Director of Protective Life Corporation, a special related party (subsidiary) of the Company.

(Note 3) Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Ms. Rieko Sato, Mr. Ungyong Shu and Mr. Koichi Masuda to limit their liabilities stipulated in Article 423, Paragraph 1 of the same Act. The liability limit based on those agreements shall be either 20 million yen or the amount provided by laws and regulations, whichever is higher. Upon approval of the election of Ms. Rieko Sato, Mr. Ungyong Shu and Mr. Koichi Masuda, the Company will continue the liability limitation agreements with them under the same conditions.

(Reference) Supplemental information on the independence of Mr. Koichi Masuda

KPMG AZSA LLC did not become an independent auditor of the Company until June 2017, and KPMG AZSA LLC did not engage in the accounting audit of the Company during the period he was affiliated with the said audit corporation.



(Note 1) Mr. Koichi Masuda has expressed his will not to participate in, and has abstained from, any resolutions pertaining to the election of KPMG AZSA LLC as an independent auditor of the Company.

(Note 2) The name Ernst & Young ShinNihon LLC is as of April 1, 2018.

(Reference) Standards for the Independence of Outside Directors

When an outside director of Dai-ichi Life Holdings, Inc. (the Company) does not fall under any of the following cases, she or he is judged independent from the Company.

1. An outside director is or was a person responsible for the operations of the Company or any of the Company's subsidiaries or affiliates.
2. An outside director is a spouse or a relative within three degrees of the person responsible for the operations of the Company or any entity that has a special relationship with the Company (other than persons of low importance).
3. An outside director is a person responsible for the operations of a company whose officers include persons responsible for the operations of the Company or any of its subsidiaries.
4. An outside director is a shareholder ranked in the top ten on the Company's latest register of shareholders, or a person responsible for the operations of any entity which is such a major shareholder.
5. An outside director is a person responsible for the operations of a business partner of the Company and the said business partner's consolidated subsidiaries (consolidated subsidiaries specified in its Securities Report) to which the Company and its consolidated subsidiaries (consolidated subsidiaries specified in its Securities Report) annually pays an amount equivalent to 2% or more of the said business partner's consolidated net sales in the last three fiscal years.
6. An outside director is a person responsible for the operations of a business partner of the Company and the said business partner's consolidated subsidiaries (consolidated subsidiaries specified in its Securities Report) from which the Company and its consolidated subsidiaries (consolidated subsidiaries specified in its Securities Report) annually receives an amount equivalent to 2% or more of the Company's consolidated net sales in the last three fiscal years.
7. An outside director is an accounting auditor of the Company or any of its subsidiaries in the last three fiscal years (in the case of a corporation, a partner of the said corporation or other person responsible for its operations).
8. An outside director is 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 or any of its subsidiaries for the last three fiscal years, other than as compensation as a director or an audit and supervisory board member of the Company (a partner or other person responsible for the operations of a corporation, an association or any other organization which falls under any of the preceding professionals).
9. An outside director is a person responsible for the operations of a not-for-profit organization that has received donations equal to 2% or more of its gross revenue or ordinary income from the Company or any of its subsidiaries in the last three fiscal years.
10. If an outside director was formerly a person responsible for the operations of an organization, a company or a business partner stated in the preceding paragraphs 4 through 9, it is within five years since she or he retired from the organization, the company or the business partner.

Proposal 4 Election of One (1) Substitute Director Serving as Audit & Supervisory Committee Member

The effect of the resolution on the election of current substitute director serving as Audit & Supervisory Committee member will expire at the commencement of the Meeting. Accordingly, the Company once again proposes the election of one (1) substitute director serving as Audit & Supervisory Committee member in advance as a substitute for all of the directors serving as Audit & Supervisory Committee members currently in office, in preparation for the event that the number of directors serving as Audit & Supervisory Committee members falls below the required number stipulated by laws and regulations.

The proposal has been approved by the Audit & Supervisory Committee.

The candidate for substitute director serving as Audit & Supervisory Committee member is as follows:

Name (Date of birth)	Brief personal history, position, responsibilities, and significant concurrent positions	Number of shares of the Company held
Fumiaki Tsuchiya (Nov. 3, 1950) <Outside director> <Independent director>	Apr. 1976 Assistant Judge Apr. 1992 Judge, Kyoto District Court Apr. 1995 Professor, Legal Training and Research Institute, Supreme Court Apr. 1999 Chief Judge of Division, Tokyo District Court Apr. 2003 Chief Judge of Division, Yokohama District Court Apr. 2007 Judge, Tokyo High Court Apr. 2009 Professor, The University of Tokyo Graduate Schools for Law and Politics Apr. 2014 Registered as Attorney-at-Law Special Counsel, Torikai Law Office (to present) Apr. 2015 Professor, Hosei University Graduate School of Law (to present) Jun. 2016 Outside Audit and Supervisory Board Member, The Dai-ichi Frontier Life Insurance Co., Ltd. (to present) Outside Audit and Supervisory Board Member, The Neo First Life Insurance Company, Limited. (to present)	Common stock 0 shares

[Reasons for Selecting the Candidate for Substitute Outside Director Serving as Audit & Supervisory Committee Member]

He has garnered rich experience and sophisticated and expert knowledge as a judge and attorney-at-law, as well as wide-ranging experience as a professor of graduate schools of law. The Company believes that, in the event that he assumes office as a director serving as Audit & Supervisory Committee member, he could bring significant benefits to the Company by auditing and supervising management of the Group and advising on various legal matters of the Company based on his objective viewpoint at the Board of Directors meetings and other occasions, and therefore proposes him as a candidate for substitute outside director serving as Audit & Supervisory Committee member.

Although he has never been engaged in corporate management except as an outside Audit and Supervisory Board member, he is expected to duly perform his duties as an outside director serving as Audit & Supervisory Committee member, for the abovementioned reasons.

[Grounds for Independence]

He is a candidate for substitute outside director. He meets the “Standards for the Independence of Outside Directors” determined by the Company as stated on page 23. We therefore judge there to be no concern regarding his independence. In the case where he assumes office as a director serving as Audit & Supervisory Committee member, we will file his name with Tokyo Stock Exchange as an independent director who has no conflict of interest with general shareholders pursuant to the rule of said Exchange.

(Note 1) No conflict of interest exists between the Company and Mr. Fumiaki Tsuchiya.

(Note 2) In the event that Mr. Fumiaki Tsuchiya assumes office as a director serving as Audit & Supervisory Committee member, the Company will, pursuant to Article 427, Paragraph 1 of the Companies Act, enter into an agreement to limit his liability stipulated in Article 423, Paragraph 1 of the same Act. The liability limit based on the agreement shall be either 20 million yen or the amount provided by laws and regulations, whichever is higher.

(Note 3) Mr. Fumiaki Tsuchiya is the outside Audit and Supervisory Board member of The Dai-ichi Frontier Life Insurance Co., Ltd. and The Neo First Life Insurance Company, Limited., special related parties (subsidiaries) of the Company. In the case where he assumes office as a director serving as Audit & Supervisory Committee member of the Company, he will retire from offices as the outside Audit and Supervisory Board member of both companies.

Proposal 5 Establishment of Remuneration for Granting Restricted Stock to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

At the Annual General Meeting of Shareholders for the 6th Fiscal Year held on June 24, 2016, it was approved that the total amount of remuneration for the Company's directors (excluding directors serving as Audit & Supervisory Committee members) shall be set within 840 million yen per annum (including 72 million yen or less for outside directors), of which the limit of 200 million yen per annum shall be set for the amount of remuneration related to stock acquisition rights to be allotted to directors other than outside directors (excluding directors serving as Audit & Supervisory Committee members) as remuneration in the form of stock options. The details of remuneration in the form of stock options were also approved at the meeting.

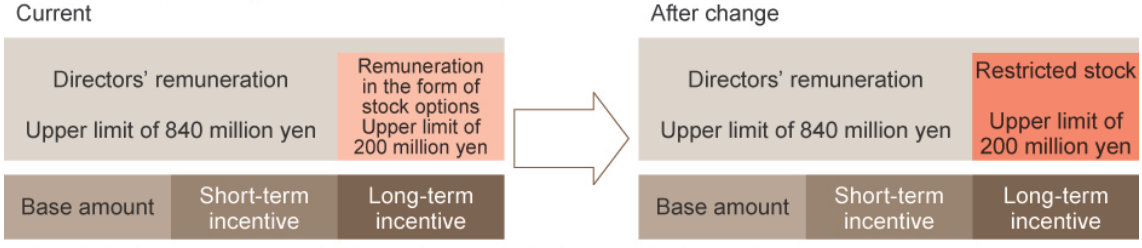
As part of the ongoing revision of the remuneration system for directors and officers, in lieu of the current remuneration in the form of stock options, the Company proposes that a restricted stock remuneration scheme be introduced for directors other than outside directors (excluding directors serving as Audit & Supervisory Committee members), and also proposes that out of the remuneration of up to 840 million yen per annum (including 72 million yen or less for outside directors), the limit of 200 million yen per annum be set for the amount of remuneration related to shares to be allotted to eligible directors as restricted stock remuneration. Upon the approval of this Proposal, new allotments of stock acquisition rights as remuneration in the form of stock options shall cease to be implemented.

When allotting the shares under this remuneration scheme, the Company will pay eligible directors monetary remuneration equivalent to the aggregate amount to be paid in upon allotment of shares, and the monetary remuneration claims will be contributed in kind.

The Company believes that the abovementioned plan conforms to the Company's basic policy and basic principles for the remuneration of directors and officers, and that the introduction of the plan shall be reasonable.

Currently, the number of directors (excluding directors serving as Audit & Supervisory Committee members) is nine (9), of which the number of outside directors is two (2). If Proposal 2 is approved, the number of directors (excluding directors serving as Audit & Supervisory Committee members) shall be ten (10), of which the number of outside directors shall be three (3).

(Diagram of the amount of remuneration, etc. for directors (excluding directors serving as Audit & Supervisory Committee members))



(Note) Only the base amount applies for outside directors both currently and after change

< Details of the Restricted Stock Remuneration Scheme >

The main features of the restricted stock remuneration scheme are as follows. Any other matters concerning this remuneration scheme shall be determined by the Company's Board of Directors.

Eligible persons ("Eligible Directors")	Directors other than outside directors (also excluding directors serving as Audit & Supervisory Committee members)
Amount of monetary remuneration to be paid (upper limit)	200 million yen per annum
Class of stock to be allotted	Common stock (with restriction on transfer in accordance with the allotment agreement)
Total number of shares to be allotted (upper limit)	160,000 shares per annum in total for all Eligible Directors (*1) (*2)
Restriction-on-transfer period	Period of 3 years to 30 years predetermined by the Company's Board of Directors, commencing on the allotment date
Removal of restriction	To be removed upon retirement due to the expiration of her or his term of office or any other reasonable reasons

(*1) Based on the number of shares outstanding as of March 31, 2018 (excluding treasury stock), the dilution rate is approximately 0.014%.

(*2) Total number of shares to be allotted (upper limit) is the same number of shares (160,000 shares) equivalent to the upper limit of stock acquisition rights (1,600 units) of conventional stock remuneration scheme in the form of stock options.

(1) Class and Total Number of Shares to be Allotted

The class of shares to be allotted shall be the Company's common stock and the total number of those shall be up to 160,000 shares per annum. If the total number of shares to be allotted requires adjustment because of a share split, a reverse share split or any other reasons on or after the approval date of this Proposal, the total number shall be adjusted to a reasonable extent.

(2) Method of Allotment and Amount to be Paid in upon Allotment

The allotment shall be made by means of a new issuance or disposal of treasury stock. The amount per share to be paid in upon allotment shall be determined by the Company's Board of Directors to the extent that such amount shall not be particularly advantageous for Eligible Directors.

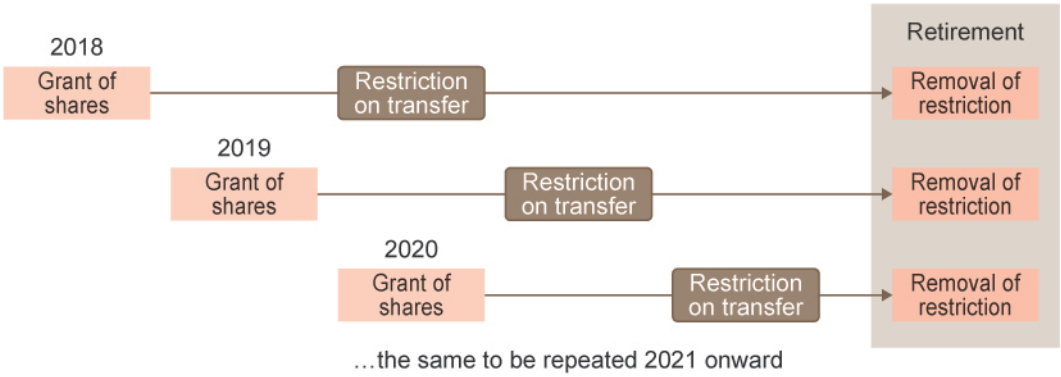
(3) Period and Details of Restriction on Transfer

The restriction-on-transfer period shall be the period of 3 years to 30 years predetermined by the Company's Board of Directors, commencing on the allotment date. During this period, the applicable shares shall not be transferred, pledged, or otherwise disposed of.

(4) Removal of Restriction on Transfer upon Retirement

Even during the aforementioned restriction-on-transfer period, if an Eligible Director retires from office as a director of the Company and any other positions to be determined separately by the Company's Board of Directors for the expiration of her or his term of office or any other reasons deemed reasonable by the Company's Board of Directors, the restriction on transfer shall be removed for the applicable shares held by the Eligible Director.

(Diagram of removal of restriction at the time of retirement)



(5) Acquisition by the Company without Consideration

During the restriction-on-transfer period, if the act of an Eligible Director is subject to a case of a violation of laws and regulations and any other reasons determined by the Company's Board of Directors, the Company may acquire all or part of her or his applicable shares without consideration.

(6) Treatment upon Organizational Restructuring

During the restriction-on-transfer period, if the Company conducts a merger under which the Company is to cease or is involved in any other organizational restructuring, the restriction on transfer may be removed for the applicable shares in advance of the effective date of the organizational restructuring by a resolution of the Company's Board of Directors.

(Reference) Background of the introduction of a restricted stock remuneration scheme and remuneration framework after introduction

In line with the New Medium-term Management Plan “CONNECT 2020” commencing in fiscal 2018, the Company has reviewed its remuneration system for directors and officers after consulting with the Remuneration Advisory Committee, a body in which outside committee members compose the majority of members.

In the course of the review process, we recognized the remuneration system for directors and officers to be a critical component of “fair treatment” for directors and officers responsible for the development of the Group, and set up the basic policy and principles for remuneration of directors and officers as follows.

Basic Policy for Remuneration of Directors and Officers

- Constitutes fair treatment
- Evaluates and rewards directors and officers for their contributions to the achievement of sustainable value creation for the Group.
- Offers remuneration at a proper and competitive content and level

Basic Principles for Remuneration of Directors and Officers

1. Remuneration according to responsibilities and expectations
2. Consistency with strategies on which the Group focuses
3. Links to the performance of the Company and individuals
4. Shares interests with all stakeholders
5. Proper level of remuneration
6. Ensures objectivity and transparency

Stock remuneration is introduced in accordance with the Basic Policy for Remuneration of Directors and Officers, and specifically relates to “4. Shares interests with all stakeholders” in the six Basic Principles for Remuneration of Directors and Officers. Introduction of the restricted stock remuneration scheme allows Eligible Directors to hold shares during their service as directors, and therefore we expect to further boost their morale and desire to contribute to the enhancement of shareholder value through sustainable growth of the Company. Therefore we believe that the remuneration system is consistent with “CONNECT 2020,” a plan that aims at achieving profit growth comparable to that of other global insurance companies and maintaining a level of shareholder returns corresponding thereto, and encourages directors to share their interests with shareholders.

If this Proposal is approved, the remuneration of Eligible Directors shall consist of the base remuneration, the performance-linked remuneration, and the restricted stock remuneration.

(Diagram of remuneration breakdown)



(*) The respective percentages are based on the target level upon achievement of the performance goal for the performance-linked amount, and the standard grant level based on the stock price upon grant for the stock remuneration.

(Note) Above percentages are calculated based on the average of executive directors.

(Remuneration system for directors)

	Directors (excluding directors serving as Audit & Supervisory Committee members)		Directors (Audit & Supervisory Committee members)	Remarks
	Inside	Outside		
Base amount	○	○	○	Remuneration according to duties and responsibilities
Performance-linked amount	○	—	—	Linked to the level of achievement of performance indicators
Restricted stock amount	○	—	—	Set as an incentive to achieve management objectives and enhance corporate value in the medium-to long-term

As to the performance-linked amount, Key Performance Indicators (KPI) were reviewed in order to function as appropriate incentives for achieving the goals set forth in the medium-term management plan.

(Main KPIs for the performance-linked amount)

Category	KPI
Accounting Profit	Group Adjusted Profit
Future Profit (Economic Value)	Group Value of New Business
Capital Efficiency	Average EV Growth (RoEV)
Financial Soundness	Economic Solvency Ratio (ESR)

■Opinion of the Audit & Supervisory Committee and each Audit & Supervisory Committee member

The Committee has verified the details of the Basic Corporate Governance Policy separately provided, the standards for the election of director candidates based on the Policy, deliberation and verification procedures at the Nominations Advisory Committee with respect to application of the standards to each candidate and other factors, concerning the director candidates in Proposal 2. The Committee has also verified the details of the Basic Corporate Governance Policy, the policies for the remuneration of directors based on the Policy, and deliberation and verification procedures at the Remuneration Advisory Committee in light of the Policy, concerning the introduction of the stock remuneration scheme in Proposal 5 as well as the remuneration for directors (excluding directors serving as Audit & Supervisory Committee members). As a result, each status was judged to be appropriate.

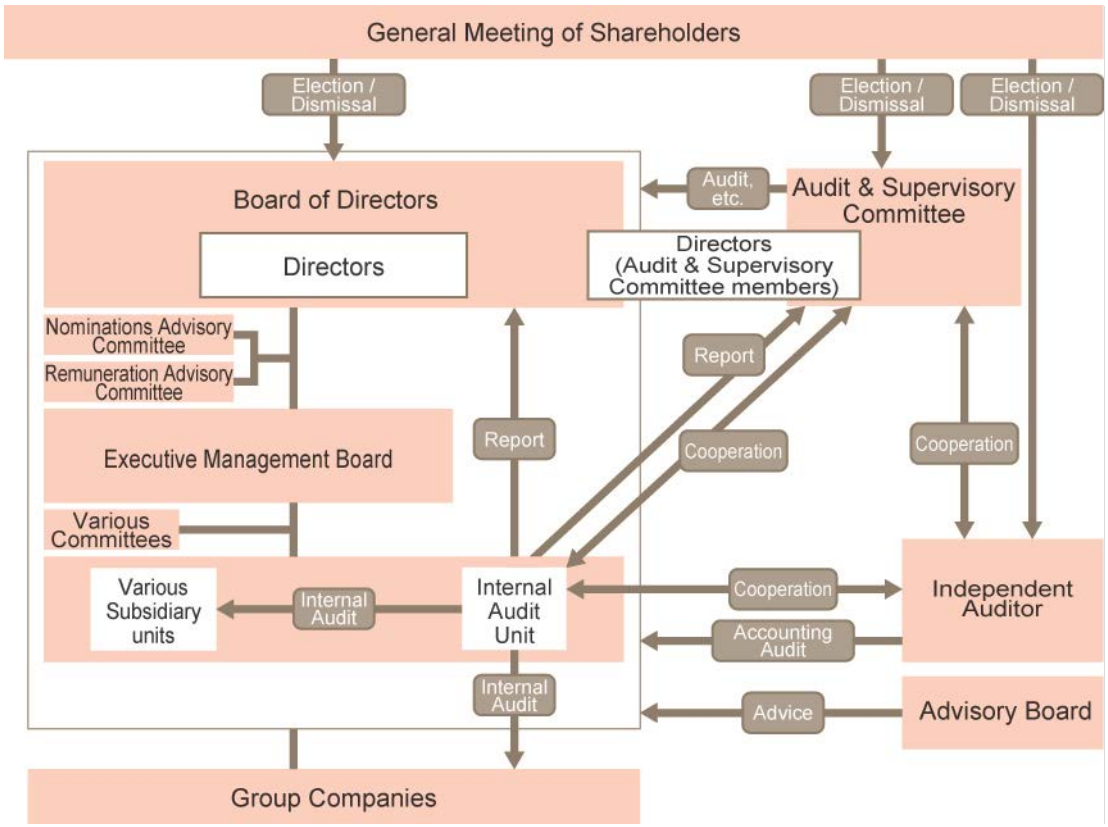
Additionally, with respect to the consent to Proposal 3 and Proposal 4, verification performed by each Audit & Supervisory Committee member led to no matters to be pointed out.

Reference **Initiatives for Corporate Governance**

Basic Views on Corporate Governance

The Company has developed a system of corporate governance as stipulated in the Basic Corporate Governance Policy to ensure transparent, fair, prompt and bold decision-making while balancing supervision over management and business execution, in order to respond to the entrustment of its multi-stakeholders such as customers, shareholders, society and employees, and to achieve sustainable growth and enhancement of corporate value over the medium- to long term.

Corporate Governance System



Board of Directors

(14 meetings held in FY2017)

The Board of Directors is responsible for making important decisions on the Group's management strategy, management plan, etc. and supervises the execution of business operations. The Board of Directors consists of inside directors with knowledge and experience necessary to perform management in an accurate, fair, and efficient manner and outside directors with the deep insight, rich experience, and independence necessary to fully demonstrate supervisory functions. The number of outside directors makes up one-third or more, in principle. The Board of Directors also takes into consideration its diversity.

■Major themes for deliberation

- Formulation and implementation status of a medium-term management plan
- Risk Appetite Policy and investment projects of the entire Group
- Status of improvement of internal control system (internal audit, risk management, compliance, severing relationships with antisocial forces, etc.)

Audit & Supervisory Committee

(23 meetings held in FY2017)

As an organ independent from the Board of Directors, the Audit & Supervisory Committee audits the execution of duties by directors and the development and implementation status of group internal control systems from a viewpoint of legality and appropriateness. It is also responsible for supervisory functions over the Board of Directors by expressing opinions on their appointment and remuneration. The Audit & Supervisory Committee includes at least one person with considerable knowledge about finance and accounting. It consists of internal members with knowledge about the life insurance business and outside members with the deep insight, rich experience, and independence.

■Major themes for deliberation

- Progress, adequacy of planning process and details of a medium-term management plan, etc.
- Appropriateness of business management and internal control system
- Accounting audits including cooperation with the independent auditor
- Formation of opinions on the appointment and remuneration of directors, etc.

□Remarks and advices from outside directors at the Board of Directors meetings (examples)

- In line with the functions of Dai-ichi Life Holdings and Dai-ichi Life, the difference between them should be clarified in a medium-term management plan
- While the respective significance and effects of IT investment including "InsTech" are deemed to be adequate, it is advisable to share the cost effectiveness of IT strategies as a whole and deal with such investment with a high level of awareness
- Globalization of internal control departments such as the internal audit department should be promoted following the Group's expansion

□ Initiatives to facilitate outside directors' understanding of management strategy, etc.

- Prior explanation of important issues to be discussed at the meetings of the Board of Directors
- Inspection of domestic and foreign offices along with opinion exchange at the site
- Discussion of management issues with officers who execute business and implementation of various training programs
- Opinion exchange regarding management policies, etc. with the President

Opinion exchange with outside directors at regional headquarters (Singapore)



Nominations Advisory Committee/ Remuneration Advisory Committee

To further enhance management transparency, these Committees are established as voluntary advisory committees for the Board of Directors to refer proposals to the Board of Directors after deliberating and deciding on items listed below.

- Nominations Advisory Committee: Election and dismissal of directors and executive officers
- Remuneration Advisory Committee: Issues related to remuneration

Committees are made up of the Chairman of the Board, President, and Outside Committee Members who constitute a majority of the Committee.

Furthermore, the Articles of Incorporation stipulate the establishment of the Nominations Advisory Committee and the Remuneration Advisory Committee.

Election Standards for Directors

With respect to the candidates for inside directors, the Company's Board of Directors elects those who have knowledge and experience which enable them to execute the management of the Dai-ichi Life Group appropriately and effectively in a fair manner, as well as those with sufficient social credibility.

In addition, candidates for outside director are elected from those who satisfy the matters below, in principle, to fully demonstrate their supervisory function.

- Candidates shall have superior views and extensive experience in any of the following field; corporate management, risk management, internal control including legal compliance, etc., corporate ethics, management quality control, global management, macro policies, etc.
- In light of the "Standards for the Independence of Outside Directors" described on page 23, candidates shall be judged independent from the management of the Company.

(Composition if Proposal 2 and Proposal 3 are approved)

		Outside, Independent	Female	Foreign national
Directors (excluding directors serving as Audit & Supervisory Committee members)	10 persons	3 persons	1 person	1 person
Directors serving as Audit & Supervisory Committee members	5 persons	3 persons	1 person	0 persons
Total	15 persons	6 persons	2 persons	1 person

Evaluation of the Effectiveness of the Board of Directors

To ensure the validity and the effectiveness of decision-making, each member of the Board of Directors evaluates the operation and issues discussed, etc. at the Board of Directors, the results of which are analyzed by a third party. The evaluation results (summary) of the survey conducted in fiscal 2017 are as follows. The Company will continue to make efforts to improve the validity and the effectiveness of the Board of Directors. In addition, evaluation results are disclosed on the Company's website.

■Evaluation results on effectiveness of the Board of Directors (summary)

- The operation and issues discussed at the Board of Directors are showing a trend of improvement and highly satisfactory as a whole. It is highly evaluated that strategies for the medium-term management plan have been deliberated over sufficient time and steps.
- On the other hand, items such as "clarification of key points for discussion" and "comprehensibility of materials and explanations" are still recognized to be issues to be addressed.
- As a Company with Audit & Supervisory Committee, there is room for further improvement in information sharing between the Board of Directors and the Audit & Supervisory Committee, the voluntary committees, i.e., the Nominations Advisory Committee and the Remuneration Advisory Committee.

Fiscal 2017 Business Report (from April 1, 2017 to March 31, 2018)

1 Matters Concerning the Current Status of the Insurance Holding Company

1. Developments and Results of Business Activities of the Group, etc.

[Principal Business of the Group]

The Dai-ichi Life Group (the Group), which consists of Dai-ichi Life Holdings, Inc. (the Company), 79 subsidiaries, and 27 affiliated companies, mainly engages in the life insurance business.

[Financial and Economic Environment]

The global economy in fiscal 2017 saw growth in both the developed countries and emerging countries on the back of improved business confidence in the manufacturing industry. Amid longstanding economic recovery, although financial markets became unstable at times due to speculation over the US financial and monetary policies, the impact on the real economy was limited, and the global economy has progressed steadily.

The Japanese economy continued to expand, buoyed by increased export and production. The household sector also sustained a moderate recovery and capital expenditure remained on an increasing trend reflecting recovery in domestic and overseas demand and labor shortage, resulting in wide-ranging economic recovery.

Turning to the economies in the areas where the Group operates, the US economy continued to expand mainly due to increased spending. The emerging economies of Asia experienced recovery due to a bottoming-out in the Chinese economy and strength in the global manufacturing sector.

[Developments and Results of Business Activities]

The Group has worked to accelerate its growth and realize a sustainable increase of its corporate value through further evolution of DSR Management, its unique value-creating framework, based on four pillars as basic strategies of “D-Ambitious—Our values, Our future.” a medium-term management plan



covering the period from fiscal 2015 to fiscal 2017.

In fiscal 2017, the last year of the plan, the entire Group made efforts toward achieving the management objectives and strengthened business foundation to support sustainable growth.

I. Dynamism: Achievement of Sustainable Growth to Meet Stakeholders' Expectations

The Group has taken measures to achieve solid and sustainable growth with three growth engines, namely (i) domestic life insurance business, (ii) overseas life insurance business, and (iii) asset management business.

Implementation of a Growth Strategy for a Larger Share in the Domestic Life Insurance Markets

Customer needs are diversifying in association with significant changes in social structures and lifestyles, reflecting factors such as the advancement of aging society and a fall in the average number of persons per household. To respond to these diversified needs quickly and accurately, the Group makes efforts to provide the best-suited products and services through optimum channels by adopting a domestic three-company structure consisting of Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life.

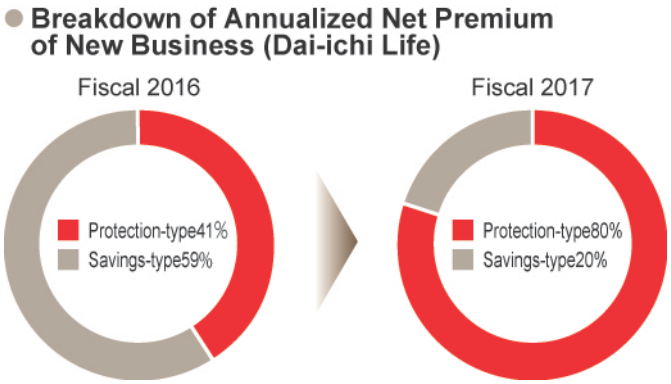
In fiscal 2017, the life insurance industry reviewed premium rates following reductions in standard assumed rate of returns, the criteria for accumulating standard policy reserves, in April 2017. In addition, with regard to insurance policies to be concluded in and after April 2018, a decision was made to revise the standard life table, the other criteria for accumulating standard policy reserves, in August 2017.

In response to these changes in the business environment, the Group's three life insurance companies (hereinafter referred to as the "Three Domestic Companies") worked to enhance their products and services in a manner conducive to improved customer satisfaction and strengthen their sales channels under the "Policy for Customer-First Business Operations" formulated and announced in March 2017.

Dai-ichi Life

Dai-ichi Life provides a variety of products through a consulting service for customers conducted by Total Life Plan Designers, etc.

With regard to products, amid the prolonged low interest rate environment, Dai-ichi Life reviewed savings-type products in response mainly to reductions in standard interest rates in April 2017. On the other hand, in order to provide customers more attractive products, Dai-ichi Life left the premium rates applicable to protection-type products unchanged and revised its product features to enhance their attractiveness.



As a result of these efforts, sales shifts from savings-type products to protection-type products advanced and sales of third sector products (medical and nursing care) and other insurance products increased.

Furthermore, the Group responded to customer needs for savings-type products by demonstrating its group strengths through synergies such as the sale of Dai-ichi Frontier Life's savings-type products by Dai-ichi Life's Total Life Plan Designers.

In March 2018, Dai-ichi Life launched "JUST," a new product conducive to improvements in Quality of Life (*1) and "extending healthy life expectancy" for customers.



A drastic rethinking of product lineups enables customers to flexibly design products to meet their needs. Dai-ichi Life also introduced the industry's first (*2) insurance premium discount system that provides discounts for health check-up result submissions, with a view to supporting health conscious customers.

With regard to its efforts to support the health promotion of customers, Dai-ichi Life has established an information network with national research centers, including the National Cancer Center Japan, in a bid to improve its capacity to provide customers with the latest information on health and medical treatment, etc. In addition, Dai-ichi Life newly entered into a comprehensive alliance agreement with the National Center for Global Health and Medicine in June 2017 for the provision of information on diseases such as infectious diseases, diabetes, and hepatitis.

In addition, Dai-ichi Life promoted “Periodical Insurance Information Checks.” Under the promotion, Total Life Plan Designers visited customers to check the contents of policies as a means to ensure that customers can receive insurance claims and benefits.

With regard to channels, Dai-ichi Life took steps to improve its consulting capabilities and diversify its sales channel, with a view to promoting sales of products that meet customer needs and enhancing points of contact with customers.

<Major initiatives for expanding sales channels>

- Strengthened training system for Total Life Plan Designers mainly by revising the office trainer system.
- Increased the number of Total Consultants specializing in consulting services at company offices, etc. in urban areas and increase the number of commissioned agents.
- Started sales of “TOP PLAN EXCEED U,” an insurance product for business owner, at the alliance partner Japan Post Insurance, in order to expand sales channels in the insurance markets for corporate customers.

The results of operations progressed steadily. Although the annualized net premium of new business (*3) decreased from that of the previous fiscal year in total due to decreased sales of savings-type products, as a result of these efforts, the annualized net premium for new third sector policies, which are protection-type products, significantly increased from the previous fiscal year.

Dai-ichi Life has been taking measures to tackle local issues in collaboration with local governments and other local communities by taking advantage of its nationwide network and community-based activities. In fiscal 2017, Dai-ichi Life promoted activities related to health promotion, monitoring services for the elderly, and childrearing support, and held a “Business Meetings” to support local industry promotion.

(*1) Quality of Life is a concept that reflects not only material wealth and personal independence but also the overall well-being, including emotional aspect and self-realization.
(*2) Based on Dai-ichi Life research (as of February 2018)
(*3) The annualized net premium is calculated by dividing the premium by the duration of the policy. The annualized net premium of new business or annualized net premium in-force is one of the indicators representing the results of operations of life insurance companies, an indicator equivalent to net sales at general companies, together with premium and other income.

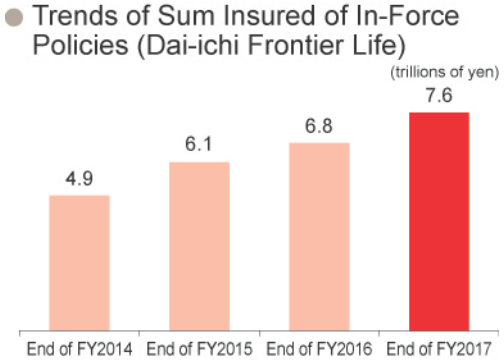
Dai-ichi Frontier Life

Dai-ichi Frontier Life provides savings-type products through financial institution agencies such as banks and securities companies. With regard to products, Dai-ichi Frontier Life strove to expand its product lineup by actively launching new products in order to respond to customers' various needs in areas such as asset-formation and inheritance.

<Timely Launch of Products>

- In order to respond to inheritance and bequest needs, Dai-ichi Frontier Life launched "Premier Present," a yen-denominated or foreign-currency-denominated whole life insurance product that can be entered into without health declaration up to a maximum age of 90 and that guarantees death benefits in an amount exceeding the lump-sum premium after two years from the date of contract for the life of the policyholder.
- In order to respond to various asset-formation needs, Dai-ichi Frontier Life launched "Premier Best," a variable individual annuity with the industry's first (*) functions to guarantee the highest foreign-currency-denominated amount accumulated during the contract term upon the expiration of the investment period.

With regard to channels, Dai-ichi Frontier Life took the initiative to strengthen its relationships with financial institution agencies and increased the number of commissioned agents while providing comprehensive sales support via its sales support staff.



As a result of these efforts, sum insured of in-force policies increased steadily. Dai-ichi Frontier Life has established its position as the top runner in the bancassurance market.

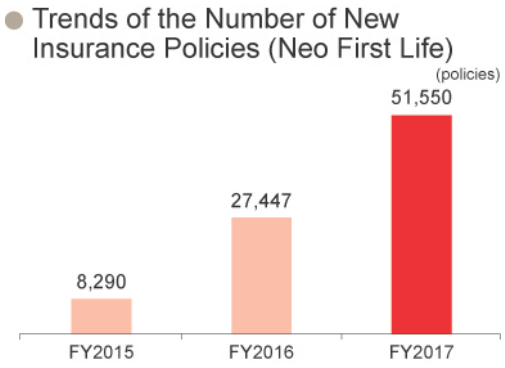
(*) Based on Dai-ichi Frontier Life research (as of September 2017).

Neo First Life

Since August 2015, Neo First Life provides protection-type products mainly at walk-in insurance shops and banks. With regard to products, Neo First Life worked to improve its premium rate, the content of benefits, and product lineup with “health promotion” as a keyword, in order to realize the “creation of new satisfaction for customers.” Neo First Life also launched its first life insurance products for corporate customers in March 2018.

<Launching Distinctive Products>

- Launched “*Neo de Ichijikin* (lump sum benefit),” a medical insurance product with a rider that covers the treatments of lifestyle diseases, diseases specific to women, and stress-related diseases.
- As for medical insurance, its mainstay products, drastically revised its products by, for example, enhancing the coverage in order to respond to various needs and applying lower premium rates when customers satisfy predetermined health conditions.
- Launched “*Neo de Kigyo* (business owner insurance),” a life insurance product for corporate customers, in order to respond to the needs of business owners, such as business succession arrangements and preparations for retirement benefits.



With regard to channels, Neo First Life expanded the number of walk-in insurance shops, commissioned agents such as banks, and promoted cross-industry collaboration. Specifically, Neo First Life launched sales of insurance products at the insurance agents of Nihon Chouzai, a major chain of dispensing pharmacies, in May 2017. Neo First Life also started sales of insurance products through Matsumotokiyoshi Insurance Service, a subsidiary of Matsumoto Kiyoshi Holdings Co., Ltd., from December 2017.

As a result of these efforts, the number of new insurance policies significantly exceeded those for the previous fiscal year, and the number of in-force policies exceeded 100,000 (as of the end of January 2018).

Accelerating Business Expansion and Bringing in a Greater Contribution to Group Profits from Overseas Life Insurance Markets

The economic and business environment surrounding the life insurance markets varies by country. Developed markets such as North America are likely to see stable growth through economic growth and other factors despite high insurance penetration, while emerging markets, particularly in Asia, are expected to see strong growth due to high economic growth and increasing insurance penetration.

In the overseas life insurance business, the Group strove to accelerate growth and increase profits by setting management targets and operating business according to the maturity and growth of the markets and the business environment of each group company.

Developed Markets

The Group endeavored to increase contributions to group profits mainly by expanding business scale in developed markets such as North America. In January 2018, Protective Life (USA) entered into an agreement to acquire substantially all of the individual life and annuity business of Liberty Life (USA) in what was one of the largest investments made by this subsidiary to date.

TAL (Australia) secured its position as the industry leader for the fifth consecutive year (*) in the Australian life insurance (protection-type products) market, gaining momentum mainly from favorable group insurance business.

(*) In terms of annualized net premium in-force as of the end of December 2017.

Emerging Markets

In emerging markets such as Asia, each group company sought to increase market share through diversified and strengthened sales channels.

Dai-ichi Life Vietnam concluded an exclusive bancassurance deal with local leading banks in Vietnam to further increase results of operations, and thereby established a sales network covering the whole of Vietnam.

Dai-ichi Life Vietnam was highly evaluated for the various social contribution activities it has continuously provided so far, such as assistance for cataract patient surgery, support for education, and activities for recovery in disaster areas. Accordingly, Dai-ichi Life Vietnam received the Third Class Labor Medal (*) in Vietnam in January 2018.

The award ceremony of the Third Class Labor Medal in Vietnam



In addition, in March 2018, the Group established a subsidiary to prepare for the commencement of the life insurance business in Cambodia in anticipation of medium- to long-term growth. Going forward, the Group will launch preparation process to start a life insurance business in Cambodia collaborating with the regional headquarters in Singapore and group companies in Southeast Asia.

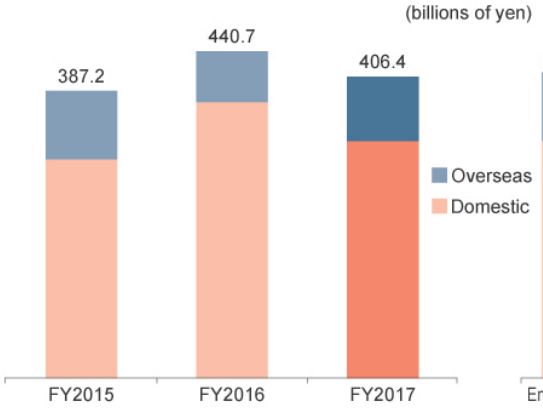
As a result of these efforts, results of operations from the overseas life insurance business exceeded those for the previous fiscal year.

(*) Awarded by the country to organizations and individuals for their contribution to the development of the nation, economy and society.

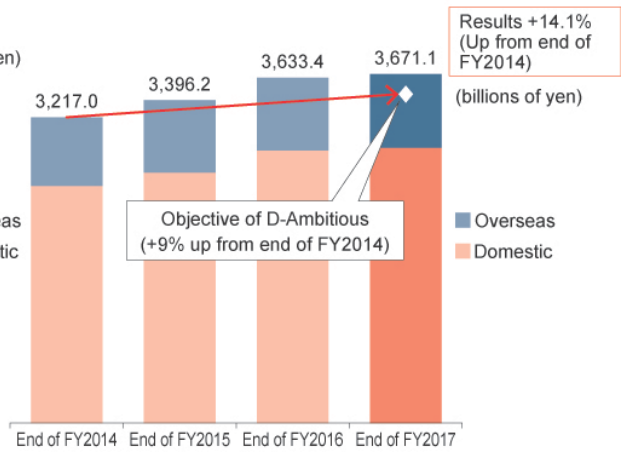
Results of Group Operations

The Group's annualized net premium of new business decreased from that of the previous fiscal year due to controlled sales of savings-type products in Dai-ichi Life, while the annualized net premium in-force exceeded that of the end of the previous fiscal year, leading to achievement of the objectives set in the medium-term management plan.

Trends of Annualized Net Premium of New Business



Trends of Annualized Net Premium In-force



(Note) The annualized net premium of new business and annualized net premium in-force of overseas life insurance companies were calculated based on the Group's criteria.

Bringing in a Greater Contribution to Profits from Asset Management Business

Asset Management of Dai-ichi Life

Amid the persistent low interest rate environment in Japan, considering the nature of life insurance policies as liabilities, Dai-ichi Life mainly invested in fixed-income assets in order to fulfill its obligation to pay out annuities, claims and benefits over a long period in a stable manner. Additionally, it promoted investments for growth sectors and new sectors such as domestic and overseas infrastructure-related projects, as well as strived to enhance profits by active allocation of funds to risk assets depending on market circumstances. On the other hand, Dai-ichi Life decreased its asset management risk by taking measures to prepare for changes in the financial markets, such as the establishment of hedge positions against a hike in interest rate.

<Strengthening Efforts for Responsible Investments>

Dai-ichi Life established a Responsible Investment Committee (with outside members constituting a majority of the Committee) and the Responsible Investment Center, the committee's executive organization, in order to increase the effectiveness and transparency of its stewardship activities. Dai-ichi Life also disclosed its voting records for each investee company on an individual agenda item basis together with its criteria for voting rights, in line with revisions to the Principles for Responsible Institutional Investors (Japan's Stewardship Code).

In addition, Dai-ichi Life proactively promoted ESG investment (*). Specifically, it invested in social contribution bonds issued by multilateral development banks to be mainly appropriated to infrastructure development in emerging countries and empowerment of women, and started impact investment to create an impact on both profitability and society. In March 2018, Dai-ichi Life received the Minister of the Environment Award (overall) in recognition of its initiatives for aggressive ESG investment as best practices under the Principles for Financial Action towards a Sustainable Society (Ministry of the Environment).

(*) ESG is an acronym for "Environment, Society, and Governance." Dai-ichi Life is working toward ESG investment from the viewpoints of not only safety and profitability, but also sociality and publicness (environmental protection, social contribution, diversity initiatives, corporate governance, etc.). Among these things, methods to form investment decisions to create an impact on both profitability and society (changes in social structure, etc.) are defined as "Impact Investment."

Promoting ESG Investments

- Investment in theme-type bonds of multilateral investment banks



Image: Asian Development Bank

- Renewable energy related project finance



Image: EIWA Electric Power Co. Inc

- "Impact Investment" to create an impact on both profitability and society



Image: CureApp, Inc.

- "ESG Integration" to integrate ESG information to investment process

Financial Information × **ESG Information**

Asset Management Business

Janus Capital Group (USA), an investee and alliance partner of the Company since 2012, merged with the Henderson Group, a listed UK asset management company, to create the Janus Henderson Group (hereinafter referred to as "Janus Henderson") in May 2017.

With the addition of Janus Henderson that covers the US and Europe, to Asset Management One, an affiliate and one of the largest asset management companies in Japan, the Group's asset management business has grown to form a trilateral asset management structure with Assets Under Management of approximately 100 trillion yen in total of the two companies.

The Company proactively made efforts to expand group synergy mainly through the mutual utilization of each asset management company's investment products and sales channels and the provision of management know-how to life insurance companies under the Group.

Initiatives to Create Innovation (InsTech)

The Dai-ichi Life Group has deployed group-wide efforts to promote "InsTech," its initiatives to create innovation unique to the life insurance business from both Insurance and Technology perspectives, as a top priority strategic issue.

In fiscal 2017, the Group created new value through various activities using InsTech, including the development of new products based on the results of big data analysis and improved operational efficiency using RPA (*).

When promoting InsTech, the Group proactively made use of the development capabilities and ideas of cross-industry business partners, in addition to utilizing Group resources.

<Creating New Value using InsTech>

- Introduced the industry's first insurance premium discount system that provides discounts for health check-up results submission, based on the results of big data analysis on the over 10 million cases held by the Group.
- Revised medical assessment standards related to insurance underwriting based on the results of analysis of internal and external medical big data. Provided insurance coverage to more customers to enable, for example, the number of new insurance policies to grow approximately by 12,000 over a one-year period.
- Released "*Kenko Daiichi* (health comes first)," a dedicated smartphone application to support customers' health promotion, to the public in March 2017, and added new functions conducive to customers' health promotion in fiscal 2017.
- Started introducing RPA to some operations related to marketing, general affairs and accounting, as well as asset management, in addition to insurance-related clerical works, with a view to expanding RPA to the whole company in order to promote improved productivity and work-style reforms.

(*) RPA (Robotic Process Automation) is a technology that can handle operations which had previously been handled manually, such as technology to identify applications and system screens on computers and operate multiple applications.

II. Discipline: Ensuring Adequate Capital Levels and Improving Capital Efficiency through Disciplined Capital Allocation

The Group practices Enterprise Risk Management (hereinafter referred to as "ERM"). ERM is a means of realizing improved capital efficiency and enhanced corporate value by allocating capital to businesses that promise higher profits, while ensuring financial soundness by appropriately controlling risks.

In fiscal 2017, amid the persistent low interest rate environment in Japan, Dai-ichi Life played a leading role in efforts to reduce interest rate risk using derivative instruments of the Group. To enhance financial soundness, each group company worked to increase its capital level by accumulating profits from business activities and to control risk assets. In addition, in consideration of the new capital regulations for global insurance companies now being

deliberated, the Group refined its risk management indicators on a continual basis. Furthermore, in order to accelerate the enhancement of corporate value, the Group practiced appropriate capital allocations in consideration of capital cost. Specific initiatives included more strictly and carefully selected acquisitions with high capital efficiency by Protective Life, and capital increases in Neo First Life and Dai-ichi Life Vietnam, subsidiaries with promising growth prospects.

III. Dimension: Further Evolution of Group Governance under a Holding Company Structure

The Company has developed a system of corporate governance as stipulated in the Basic Corporate Governance Policy to ensure transparent, fair, prompt and bold decision-making while balancing supervision over management and business execution, in order to achieve the Group's sustainable growth and enhancement of its corporate value over the medium- to long term. The Company has formed a Board of Directors with a well-balanced composition consisting of inside directors who are well versed in the insurance business and outside directors who have accumulated extensive experience and insight outside of the Company, in order to ensure appropriate decision-making in light of the real state of business in each group company.

With regard to our efforts to support corporate governance, the Company endeavored to strengthen its support system for outside directors. Specifically, the Company held discussions on management strategy outside the Board of Directors meetings among the executive officers in charge and outside directors, and held meetings where outside directors exchanged opinions with management members on visits to domestic and overseas offices.

With regard to the global management structure, the Company provided overseas group companies with supervision and support through regional headquarters established in the US and Singapore.

Furthermore, the Company held the "Executive Summit," a meeting for sharing business principles and values with the management members of overseas group companies, and the "Global Management Conference," a gathering of the executives of all of the group companies. Through these efforts, the Company worked to share information and unify strategy and policies at each level in the Group.

With regard to the promotion of compliance, the Company not only provided domestic and overseas group companies with supervision and support for the steady implementation of legal compliance in each country, but also amended the Group's policies and regulations and

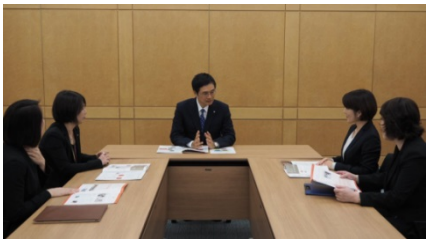
promoted system development in each company considering the risk that overseas regulations on money laundering, etc. could be applied extraterritorially. Moreover, the Company continued to make efforts to reinforce the Group's internal audit structure so as to ensure sound and proper business operations.

IV. Diversity: Ensuring Diversity and Inclusion on a Group and Global Basis

Based on the idea that reciprocal inclusion of diversity of human resources is the driving force for sustainable growth, the Group strove to empower a diverse range of employees and enhance their productivity and competitiveness mainly through work-style reforms, and thereby endeavored to realize creation of new value.

Empowering Women

Shacho-Juku (President's lecture) for women



The Group took steps to "raise awareness and reform corporate culture," "improve ability development system," and "promote work-life-balance" in order to enable female employees to maximize their personalities and abilities in various fields and play a lively part in management by assuming leadership positions such as managerial posts, while respecting the values and work-styles of each female employee. As a result of these efforts, the percentage of women in managerial posts of the Company and Three Domestic Companies in total reached 25%, the goal rate previously set (as of April 2018).

Global Diversity

Global Talent Exchange Program



With the aim of enhancing its international competitiveness, the Group recruited foreign students studying in Japan, conducted exchange programs for managers and senior staff stationed in and outside of Japan, dispatched employees overseas as trainees and students, and offered training programs for globalized management. Through these initiatives, the Group worked to develop global talents.

The Group also strove to generate synergies by holding lecture sessions by executives of overseas group companies with an aim to promote mutual understanding by and among officers and employees.

Empowering Persons with Disabilities

To achieve normalization (*1), the Group made efforts to create a rewarding and fulfilling workplace environment and corporate culture mainly through the revision of personnel affairs and salary systems as well as the offering of indefinite-term employment for employees with disabilities working for Dai-ichi Life, and increased employment and duties to be performed in Dai-ichi Life Challenged, a special subsidiary.

Promoting Understanding of LGBT (*2)

With a view to becoming an LGBT-friendly company, the Group held seminars to increase the number of ALLY members (*3), continued to hold training sessions focusing on the issue as part of human rights enlightenment, and improved systems by various means, including the establishment of an inquiry counter. Through these initiatives, the Group strove to promote the understanding of LGBT issues among employees.

(*1) Normalization is a concept in which a society is considered a “normal society” where people with and without disabilities live together as part of the same community, based on mutual respect and support.

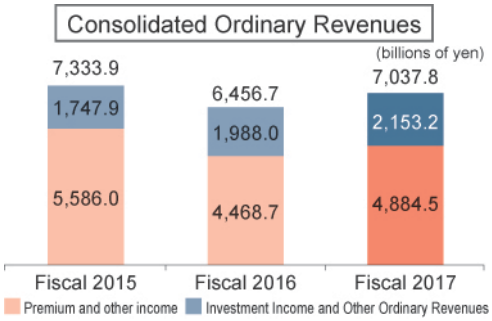
(*2) LGBT is an acronym representing Lesbian, Gay, Bisexual and Transgender persons.

(*3) ALLY represents persons who understand and support LGBT.

[Summary of Consolidated Results]

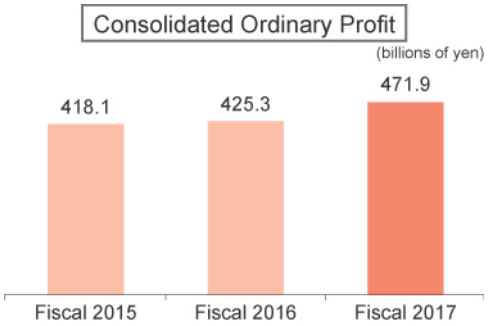
Financial Statements

- **Consolidated Statement of Earnings (Fiscal 2017)**



Consolidated Ordinary Revenues

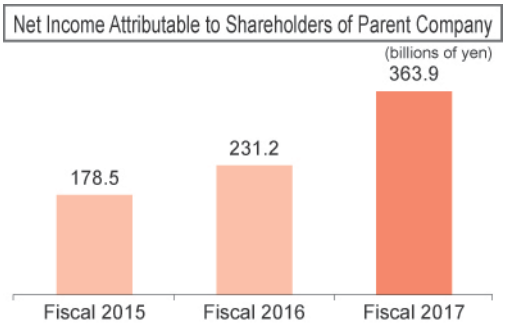
Consolidated ordinary revenues increased to 109.0% of the previous fiscal year, to 7,037.8 billion yen, mainly due to increased sales of foreign-currency-denominated products in Dai-ichi Frontier Life.



Consolidated Ordinary Profit

Consolidated ordinary profit increased to 111.0% of the previous fiscal year to 471.9 billion yen, mainly due to increased fundamental profit in Dai-ichi Life.

Net Income Attributable to Shareholders of Parent Company



Net income attributable to shareholders of parent company increased to 157.4% of the previous fiscal year to 363.9 billion yen, due to increased consolidated ordinary profit, as well as the recording of a one-time profit at Protective Life associated with reduced income taxes in the US and gains on share exchanges in relation to the merger between Janus Capital and the Henderson Group.

<What is One-time Profit at Protective Life?>

It is profit resulting from a re-measurement of deferred tax liabilities associated with the reduced income taxes in the US. Deferred tax liabilities are recorded under tax effect accounting. Mainly with regard to unrealized gains of securities, etc. held by Protective Life, taxes, etc. to be paid upon the realization of a gain attributable to their sales, etc. in the future are recorded in liabilities as expenses to be accrued in the future. Since reduced income tax rates decrease the expenses to be accrued in the future, this subsidiary reversed its liabilities recorded in advance and thereby recorded a profit.

- **Consolidated Balance Sheet (as of March 31, 2018)**

Assets	Liabilities	Net assets
¥53,603.0 billion (103.1% YoY)	**¥49,853.7 billion** (102.1% YoY)	**¥3,749.2 billion** (119.5% YoY)

Indicators of Profitability and Capital Productivity

Due to the unique characteristics of life insurance business, the profitability, capital productivity, corporate value, etc. of a life insurance company cannot always be accurately measured using profits for a single year or other indicators under the accounting standard pursuant to laws and regulations (hereinafter referred to as the “Statutory Accounting Standards”).

Operational conditions of a life insurance company should therefore be understood through comprehensive examinations of indicators such as group adjusted profit, fundamental profit, embedded value (EV), and RoEV (an indicator of EV growth).

- **Group Adjusted Profit**

¥243.2 billion **(115.8% YoY)**

Group adjusted profit increased to 115.8% of the previous fiscal year to 243.2 billion yen, mainly due to an increase in fundamental profit of Dai-ichi Life.

<What is Group Adjusted Profit?>

The Company as a holding company pays shareholder returns primarily derived from cash provided by each group company as dividend payments and pooled together by the holding company. Group adjusted profit is a proprietary indicator of the Group representing the source of shareholder returns and a sum of the adjusted profit of the group companies. This item is seen as an indicator that the Group focuses on the cash-based substantial profit of each group company with an aim to secure a more stable source of shareholder returns.

For a domestic life insurance company, the adjusted profit is calculated by adding a provision in excess of the statutory amount (after-tax) of the provision for reserves that are classified as liabilities (*1) and subtracting “gains and losses related to market value adjustment (after-tax) of fixed insurance (*2),” that is, unrealized holding gains or losses for accounting purposes that are insubstantial, to and from its net income. In addition, consolidation adjustments, such as amortization of goodwill and gains or losses on change in equity upon reorganizing subsidiaries, etc. (*3), shall be excluded.

(*1) Reserves that are classified as liabilities represent “contingency reserve,” a reserve against risks such as the underwriting of insurance, and “reserve for price fluctuations,” a reserve against a potential fall in asset prices.

(*2) Market value adjustment (MVA) is a function which reflects a change in the value of invested assets due to changes in interest rates to the surrender value. Gains or losses from MVA refers to gains or losses arising from the difference in the statement of earnings between the recording of changes in surrender value (an accounting liability) as provisions or reversals of policy reserve, and the non-recording of changes in actual invested asset value (unrealized gains or losses). As they arise from temporary accounting evaluation, they are not considered to be a loss on an economic-value basis involving cash flow.

(*3) Profit resulting from a re-measurement of deferred tax liabilities at Protective Life is not included in adjusted profit, mainly because it is temporary profit with no active cash flow.

- **Fundamental Profit (of the Group)**

¥573.8 billion
(108.5% YoY)

The Group's fundamental profit (*1) increased to 108.5% of the previous fiscal year to 573.8 billion yen.

In addition, the positive spread (*2) increased to 166.7% of the previous year to 147.2 billion yen mainly due to increased income such as interests and dividends.

<What is Fundamental Profit?>

Fundamental profit is one of the indicators that show the core profit and loss situation of a life insurance company during the period under review. It consists of insurance-related income and expenses such as premium income and payment of benefits and claims as well as operating expenses, as well as investment-related income and expenses centering on interests and dividends.

(*1) The value stated as the fundamental profit of the Group is the sum of fundamental profits of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life, pretax operating profit of Protective Life, underlying profit of TAL (on a pretax basis), pretax profit of Dai-ichi Life Vietnam, equity method income of affiliated companies and others, adjusted for certain internal transactions within the Group. Effective from fiscal 2017, the definition of fundamental profit has been changed (after the change, it excludes adjustment, etc. relating to the market value adjustment of single-premium annuity products, etc. YoY change is calculated using the figures in fiscal 2016 recalculated in consideration of the change in the definition.)

(*2) Insurance companies guarantee policyholders a certain level of return from their investments in advance, and calculate premiums discounted with the assumed rate of return. This discount rate is called the assumed rate of return. For this reason, an insurance company needs to secure the sum equivalent to guaranteed investment return from investment returns and other income. If actual investment returns and other income are sufficient for the total assumed rate of return, the state is called a positive spread, and if it is short, the difference is called a negative spread. The positive spread is the combined figure for Dai-ichi Life, Dai-ichi Frontier Life, and Neo First Life.

- **ROE, Operating ROE (of the Group)**

ROE 10.6%
Operating ROE 13.4%

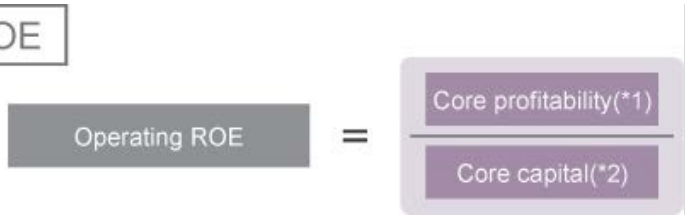
The Group's return on equity (ROE) was 10.6%. The Group's Operating ROE was 13.4%. When compared with figures shown in similar indicators disclosed by life insurance companies in North America, the Group's capital productivity remains at a comparable level.

<What is Operating ROE?>

Life insurance companies have unique business characteristics and accounting profits are understated due to provision for reserves that are classified as liabilities, etc. Therefore, capital productivity cannot be accurately measured using ROE under the Statutory Accounting Standards alone. Accordingly, the Group sets Operating ROE, a proprietary indicator of the Group representing capital productivity partly adjusted in light of the characteristics of the life insurance business, as one of the performance indicators for management.

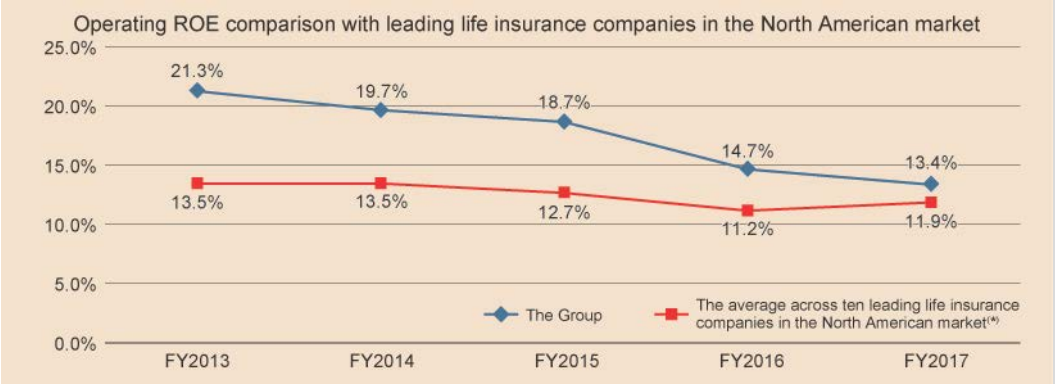
Specifically, to make it an indicator that more appropriately indicates the profit and loss situation of the core insurance business during the period under review, Operating ROE is calculated by dividing (i) the fundamental profit of the Group after various adjustments, such as the deduction of profit and loss, an adjustment that varies due to financial and economic conditions (core profitability; numerator), by (ii) consolidated net assets after various adjustments, such as the addition of reserves that are classified as liabilities and the deduction of net unrealized gains on securities, net of tax (core capital; denominator).

Definition of Operating ROE



(*1) Core profitability = fundamental profit
- provision for/reversal of policy reserves for minimum guarantee risk of variable insurance and benefits and claims, etc.
- hedge costs related to foreign currency-denominated bonds with currency hedges
- provision for reserves for policyholder dividends
- profits and losses due to other special factors − taxes

(*2) Core capital (average of calculation results at the beginning and at the end)
= Consolidated net assets (except subscription rights to shares and minority interest)
+ Amount of reserves that are classified as liabilities
− Total accumulated other comprehensive income (Net unrealized gains on securities, net of tax, etc.)



(*) The average across ten leading life insurance companies in the North American market is the average Operating ROE (or an equivalent indicator) announced by ten leading life insurance companies in terms of market capitalization at the end of March, 2018. The average of Operating ROE (fiscal years ended December 31) is stated in the financial results, etc. for each fiscal year.

- **Embedded Value (of the Group)**

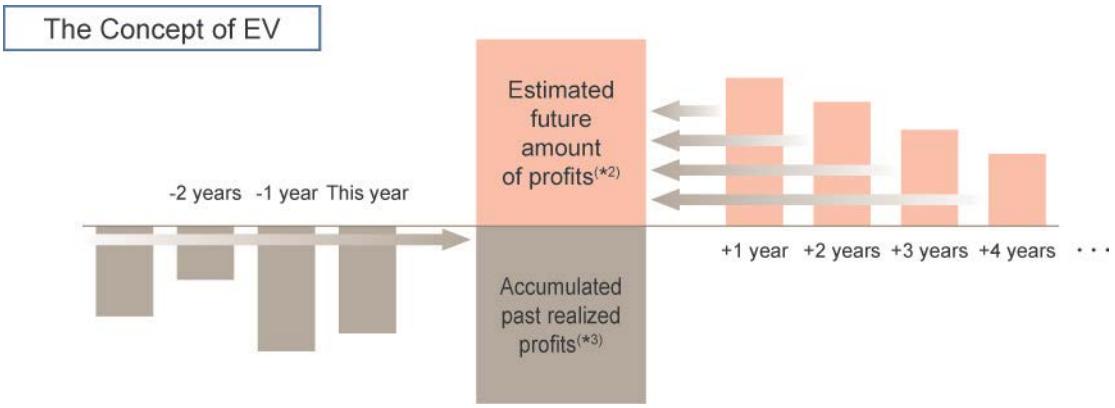
EV ¥6,094.1 billion
RoEV 13.1%

Mainly due to the accumulation of value of new business (*1) and an increase in stock prices, the Group's Embedded Value (hereinafter "EV") increased from the end of the previous fiscal year to 6,094.1 billion yen, and the Group's RoEV was 13.1%.

<What is EV?>

EV, one of the indicators of corporate value of life insurance companies, is the sum of the accumulated "realized" profits in the past and the estimated future amount of profits from insurance policies in-force held. EV not only recognizes the contribution of future profits at the time of acquiring new policies, but also reflects the accumulated provision for reserves that are classified as liabilities. This RoEV, an indicator of EV growth, is considered to supplement ROE under the Statutory Accounting Standards. The Group sets RoEV as one of the management indicators relating to enhanced corporate value.

(*1) Value of new business represents value (the amount remaining after deducting expenses related to the underwriting of new insurance policies) at the time of the underwriting of new insurance policies (for conversions, net increases in value only) during a year under review.



(*2) The estimated future amount of profits is the same resulting from insurance policies in-force already held and does not include profits from new policies in the future.

(*3) The accumulated past realized profits are the sum of total net assets on the balance sheet (except for unrealized gains and losses on securities) and reserves that are classified as liabilities.

Indicator of General Financial Soundness

Consolidated Solvency Margin Ratio

838.3%

(an increase of 89.1 points from the end of the previous fiscal year)

The consolidated solvency margin ratio was 838.3% (an increase of 89.1 points from the end of the previous fiscal year).

<What is Solvency Margin Ratio?>

Solvency margin ratio is one of the indicators used by the supervising administrative agency to ascertain the extent to which an insurance company can meet payment obligations in the event risks exceed the normally anticipated level. Specifically, the ratio is the index that shows how diverse risks are covered by the total of capital and other internal reserves, as well as by unrealized gains and losses on securities and other assets (total solvency margin), when exposed to risks greater than normally anticipated. The diverse risks may include those involved in the payment for claims and other benefits and investment risks.

Economic Solvency Ratio

168% (preliminary calculation (*))

(an increase of 17 points from the end of the previous fiscal year)

Economic Solvency Ratio (preliminary calculation) was 168% (an increase of 17 points from the end of the previous fiscal year) mainly due to accumulation of value of new business and an increase in stock prices.

(*) Ratio presented above is preliminary calculation. In terms of the quality and immediacy of information disclosure, an approximate figure has been disclosed since this fiscal year. Please note that there may be fluctuations in the ratio.

<What is the Economic Solvency Ratio?>

The Group calculates the economic solvency ratio and utilizes it in enterprise risk management. The economic solvency ratio is an indicator that reflects the market value of assets and liabilities by taking into account factors such as recent interest rates and represents capital adequacy against certain levels of stress.

Reflecting on our Medium-term Management Plan “D-Ambitious” Covering Fiscal 2015-2017

Notwithstanding the persistently stringent factors in the external environment such as the impact from the Bank of Japan’s introduction of a negative interest rate policy and increasing political and economic uncertainty on a global scale, the Group made its concerted efforts to work on the medium-term management plan “D-Ambitious” launched in fiscal 2015 and achieved further acceleration of growth by leveraging three growth engines. The Group also established a global governance structure that supports both domestic and overseas growth through a shift to a holding company structure and full-fledged operation of overseas regional headquarters.

As a result, the target set for group adjusted profit for fiscal 2017 was achieved and shareholder returns were steadily reinforced. With respect to the RoEV and economic solvency ratio set by the Group as a Mid- to Long-term Vision, the RoEV achieved an average growth of over 8%, meaning that the average RoEV from the time of listing exceeded cost of capital. The economic solvency ratio, which the Group aims to bring up to the 170%-200% range in the mid- to long-term, has reached 168% (preliminary calculation) as of the end of March 2018.

<What we aimed for during “D-Ambitious”>	<Accomplishments>
■ Accelerate growth with “three growth engines (Domestic Life Insurance Business, Overseas Life Insurance Business, Asset Management Business)”	■ Established a domestic three-company structure to provide a variety of products and services ■ Built a balanced business portfolio in overseas life insurance business, which takes in profit (U.S. and Australia) and growth (Asian markets) ■ Created a foundation for growth with re-organization of Asset Management One and Janus Henderson
■ Enhanced management structure to support sustainable growth ➢ Build a global trilateral structure (Japan, North America and Asia Pacific) by establishing fully operational overseas regional headquarters ➢ Enhance corporate governance through the transition to a holding company structure	■ Shifted to a holding company structure and became a holding company with a Board with an Audit & Supervisory Committee in October 2016 ■ Enhanced the diversity of the board of directors which outside directors occupy 30% (as of March 31, 2018) ■ Overseas regional headquarters support global governance with no time difference. Supports rapid growth in Asian business and M&A in North America ■ Exchange of talent and know-how at various levels within the group
■ Double consolidated profit (*), Secure capital levels anticipating the implementation of global regulations, Higher shareholder returns that meet their expectations of stakeholders	■ Group adjusted profit outperformed objectives ■ (Fiscal 2017 objectives: 180 billion yen, results: 243.2 billion yen) ■ Economic solvency ratio has reached 168% (preliminary calculation) as of the end of March 2018 ■ Shareholder returns enhanced in light of the profit improvement ■ RoEV (since listing) achieved an average growth of over 8%, a rate that exceeded capital cost

(*) This refers to the initial plan (consolidated adjusted net income of 220 billion yen), which doubles the objectives targeted in the FY2013-FY2014 Medium-term Management Plan. In consideration of the persisting low-interest-rate environment as well as the yen's significant appreciation beyond the expectations at the initial formulation of the plan and other factors, we revised the objectives on March 31, 2017. In addition, in order to define substantial profit of each business on a cash basis under a holding company structure as a source of shareholder returns, we have changed the profit objectives from consolidated adjusted net income to group adjusted profit to reflect the revision.

[Issues to Be Addressed]

In fiscal 2018, the Group launched its Medium-term Management Plan “CONNECT 2020” for the next three years with a view to realizing sustainable growth that meets the expectation of stakeholders.



New Medium-term Management Plan “CONNECT 2020”

The Group has achieved its growth by facing and solving various social issues mainly through the life insurance business while continuing to tackle various reforms as a company group that stands “By your side, for life” since its foundation in 1902.

The current environment surrounding life insurance companies has gone through significant changes, including financial and economic conditions with increasing uncertainty, diversifying customer needs due to changes in lifestyles, and the evolution of medical, information and communication technology. There are also many social issues to address irrespective of the border between public and private, such as the increasing social security burden and the outbreak of global-scale threats (environmental destruction, energy issues, etc.).

In order to realize sustainable growth by solving social issues in a rapidly changing environment, it will be necessary for the Group not only to demonstrate the strengths it has accumulated over its history of more than a century, but also to enhance its problem-solving capabilities in anticipation of changes by building even stronger relationships (“CONNECT”) with customers, communities, diverse business partners, and group companies.

In the new medium-term management plan (hereinafter referred to as the “New Mid Plan”), the Group will enhance the value of “CONNECT” in the “Five Core Initiatives” that make up the cornerstone of the Group’s growth strategy, take on the challenges posed by social issues in communities and the world by demonstrating its overall capabilities utilizing the “CONNECT” concept, and realize sustainable growth by contributing to the improvement in quality of life.

<To Achieve Growth>

Strengths of the Group

History of addressing social issues

Spirit of innovation

Strong brand value

Strong business foundation

Diverse talents

Core Initiatives of New Mid Plan

CONNECT 2020

CONNECT better with customers	CONNECT deeper with communities	CONNECT with diverse partners	CONNECT tighter as a group
Deliver products and services that improve quality of life	Address social issues through our business	Expand opportunities with outside partners	Further synergies between group companies

Improve Quality of Life through Social Value We Create



Promote Health



Stability through Insurance

SUSTAINABLE DEVELOPMENT GOALS

The above goals are selected examples from Sustainable Development Goals (SDGs) set forth by the U.N. that the Dai-ichi Life Group addresses by leveraging its strengths.

Growth of the Dai-ichi Life Group

Five Core Initiatives

I. Strengthening the Domestic Life Insurance Business

In the domestic life insurance business, the Group will contribute to improvement in quality of life by offering more sophisticated products and services to a broader range of people.

In the New Mid Plan, the Group will invest in enhanced products, services and distribution channels, etc. in order for customers to be “More secure, in your own way.” Through these initiatives, the Group will increase value of new business while maintaining profit levels even under the low interest rate environment.

With regard to products and services, the Group will offer a wide-ranging product lineup ranging from protection-type products to savings-type products by taking advantage of the strengths of the three domestic companies with varied unique features and offering products and services with new added value such as health-oriented products. Moreover, the Group will expand mutual distribution of products and services among the three domestic companies, while promoting the expansion and improvement of the multi-brand structure with a view to providing products in a new domain.

With regard to distribution channels, in addition to further improvement of the consulting capabilities of Total Life Plan Designers as well as the provision of sales support of higher-quality to existing agents, the Group will accelerate the multi-channel strategy by increasing strategic sales bases to provide face-to-face consulting to more customers, proactive deployment of the agency channel, and entering new business areas.

Moreover, we will also pursue new business development in anticipation of change through cross-industry collaboration.

II. Strengthening Overseas Life Insurance Business

In the overseas life insurance business, the Group will aim to contribute to the stable lives of citizens through expanding insurance penetration in each country where we have our businesses.

During the period of the New Mid Plan, the Group will not only pursue increased profit through sustainable growth in each country, but will also explore inorganic growth opportunities in anticipation of medium- to long-term growth. Specifically, in developed markets where Protective Life and TAL serve customers, the Group will focus on a certain level of growth and the acquisition of stable profit, while in emerging markets such as Asia we will focus on the top line and expand market share through enhancement of sales channels. Furthermore, the Group will move forward towards commencing business in the Mekong region with promising medium- to long-term growth prospects.

III. Strengthening Asset Management Business

Dai-ichi Life will establish a more sophisticated investment architecture to secure stable investment returns and pursue synergies with group life insurers while benefiting from the growth of the global market in the asset management business.

Specifically, with regard to Dai-ichi Life asset management initiatives, with prolonged low interest rate environment in Japan, Dai-ichi Life will promote initiatives toward a sophisticated investment architecture to expand investment returns, including active asset allocation under any market circumstances and continuous investment in new areas such as project finance. Moreover, as a “Responsible Institutional Investor,” Dai-ichi Life will further promote active ESG investments that contribute to sustainable development of society while securing profitability, and improve the effectiveness of stewardship activities mainly by enhancing dialogue in ESG themes.

In the asset management business, the Group will accelerate the profit growth of Asset Management One and Janus Henderson, two companies whose business foundation and competitiveness have been significantly strengthened through the business integration, mainly by harnessing their integration effects. In addition to both companies’ autonomous growth, the Group will expand its initiatives to create global group synergies mainly by further expanding the mutual use of investment products and sales channels, offering competitive investment solutions from both companies to domestic and overseas Group life insurers, or co-developing investment products.

IV. Driving Innovation

The Group will progressively apply cutting-edge technologies to domestic and global operations by taking advantage of changes in the surrounding environment, and will take on challenges to create new value conducive to improvement in customers' quality of life.

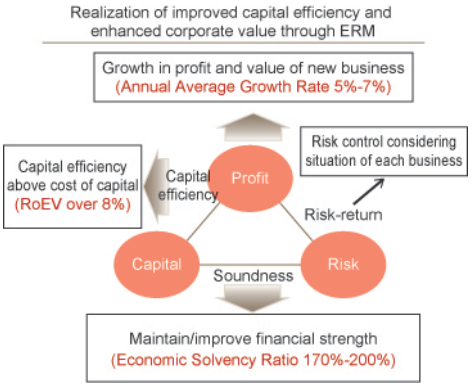
Specifically, while advancing more user-friendly practices related to benefit payments and other procedures through the digitalization of user interface, the Group will shift employees to domestic and global growth areas by improving productivity, etc. through the automation of back office operation with the introduction of RPA and AI technologies.

With regard to the Group structure, the Group established Dai-ichi Life Innovation Lab as a new organization in Tokyo and Silicon Valley to further strengthen global collaboration. We will drive further innovation to create new markets and competitive advantages free from existing business models or price competition by aggressively adopting cutting-edge technologies globally.

V. ERM, Diversity & Inclusion

ERM

To meet stakeholders' expectations, the Group will strive to enhance capital efficiency and corporate value by endeavoring to improve the profitability of each line of business and establish optimal business portfolios. Specifically, the Group will realize growth in group adjusted profit and value of new business, and aim to achieve an average EV growth (RoEV) of over 8%, exceeding cost of capital in the medium- to long-term.



Moreover, the Group will further strengthen our initiatives based on an ERM framework in light of persistent uncertainty of the financial and economic environment, and strive to maintain and enhance our financial soundness through disciplined risk control getting ready for international capital regulations to be implemented. Specifically, the Group will aim to achieve Economic Solvency Ratio of 170%-200% in the medium- to long-term.

With regard to shareholder returns in the New Mid Plan period, the Group will examine the returns with an aim for a total payout ratio of 40% against Group adjusted profit, while

considering balance with growth strategy.

Diversity & Inclusion

The Group will take on challenges to innovate and create new value with diversity & inclusion of talent as the driving force for sustainable growth. The Group will increase the productivity and competitiveness of individuals and organizations by establishing an environment in which the diverse talents throughout the Group can shine and synergize with each other, with an aim to achieve the management objectives and realize sustainable growth.

Management Objectives and Mid- to Long-term Vision

		Indicators	Objectives
Group Management Objectives (Quantitative Targets)	Accounting Profit	Group Adjusted Profit	250 billion yen in FY2020
	Future Profit (Economic Value)	Group Value of New Business	230 billion yen in FY2020
		Indicators	**Targets for the Mid- to Long-term**
Group Mid- to Long-term Vision	Capital Efficiency	Average EV Growth (RoEV)	8% average growth
	Financial Soundness	Economic Solvency Ratio (ESR)	170% to 200% range

The Group will continue to serve customers and their dear ones as a company that stands “By your side, for life.” Under this concept, each group company will contribute to the secure and fulfilling lives of people and local community development in each region.

2. Major Creditors of the Corporate Group

Sector	Company name	Creditors	Balance of loans
Domestic life insurance business	The Dai-ichi Life Insurance Company, Limited	Syndicated loan (Note 2)	millions of yen 283,000
Other businesses	The Company	Mizuho Bank, Ltd.	450,000

(Note 1) The above table includes the Company and its consolidated subsidiaries, etc.
(Note 2) A syndicated loan by 24 financial institutions that is a perpetual subordinated borrowing to the effect that the obligations are junior to other obligations.

3. Financing of the Corporate Group

Sector	Company	Details and amount of financing
Overseas life insurance business	Protective Life Corporation	In August 2017, the Company financed USD 500 million through the issuance of US-dollar-denominated subordinated bonds.

(Note) The above table includes the Company and its consolidated subsidiaries, etc.

4. Capital Expenditure of the Corporate Group

(i) Total amount of capital expenditure

(millions of yen)

Sector	Amount
Domestic life insurance business	60,829
Overseas insurance business	4,424
Other businesses	9
Total	65,263

(Note 1) The above table includes the Company and its consolidated subsidiaries, etc.
(Note 2) Capital expenditure was made for investment and business use.

(ii) Establishment of significant facilities

Not applicable

5. General Description of Significant Parent Company and Subsidiaries, etc.

(i) Parent company

Not applicable

(ii) Subsidiaries, etc.

Company name	Location	Major business	Date of establishment	Capital	Percentage of voting rights of subsidiaries, etc. held by the Company
The Dai-ichi Life Insurance Company, Limited	Chiyoda-ku, Tokyo	Life insurance business	April 1, 2016	¥60,000 million	100.0% (100.0%)
The Dai-ichi Frontier Life Insurance Co., Ltd.	Shinagawa-ku, Tokyo	Life insurance business	December 1, 2006	¥117,500 million	100.0% (100.0%)
The Neo First Life Insurance Company, Limited	Shinagawa-ku, Tokyo	Life insurance business	April 23, 1999	¥27,600 million	100.0% (100.0%)
Protective Life Corporation	Birmingham, U.S.A.	Life insurance and insurance related business	July 24, 1907	US$10	100.0% (100.0%)
TAL Dai-ichi Life Australia Pty Ltd	Sydney, Australia	Life insurance and insurance related business	March 25, 2011	A$1,630 million	100.0% (100.0%)
TAL Dai-ichi Life Group Pty Ltd	Sydney, Australia	Consultation on the management of other business operators	March 25, 2011	A$2,217 million	0% (100.0%)
TAL Life Limited	Sydney, Australia	Life insurance business	October 11, 1990	A$604 million	0% (100.0%)
Dai-ichi Life Insurance Company of Vietnam, Limited	Ho Chi Minh, Vietnam	Life insurance business	January 18, 2007	VND5,407.5 billion	100.0% (100.0%)
Star Union Dai-ichi Life Insurance Company Limited	Navi Mumbai, India	Life insurance business	September 25, 2007	INR2,589 million	45.9% (45.9%)
PT Panin Internasional	Jakarta, Indonesia	Consultation on the management of other business operators	July 24, 1998	IDR1,022.5 billion	36.8% (36.8%)
PT Panin Dai-ichi Life	Jakarta, Indonesia	Life insurance business	July 19, 1974	IDR1,067.3 billion	5.0% (100.0%)
OCEAN LIFE INSURANCE PUBLIC COMPANY LIMITED	Bangkok, Thailand	Life insurance business	January 11, 1949	THB2,360 million	24.0% (24.0%)
Corporate-pension Business Service Co., Ltd.	Shinagawa-ku, Tokyo	Administrative services for corporate pension systems (administrative work, etc. for contracts, the insured, and income and expenses)	October 1, 2001	¥6,000 million	0% (50.0%)
Asset Management One Co., Ltd.	Chiyoda-ku, Tokyo	Investment management services, investment advisory services, and class 2 financial instruments business	July 1, 1985	¥2,000 million	49.0% (49.0%)
NEOSTELLA CAPITAL CO., LTD.	Chuo-ku, Tokyo	Services relating to investment in private equity, etc.	December 1, 1989	¥100 million	0% (50.0%)
Trust & Custody Services Bank, Ltd.	Chuo-ku, Tokyo	Asset administration services for master trust and securities, and asset administration services for defined contribution pensions	January 22, 2001	¥50,000 million	0% (16.0%)
Japan Excellent Asset Management Co., Ltd.	Minato-ku, Tokyo	Investment management services	April 14, 2005	¥450 million	0% (36.0%)

(Note 1) The above table includes, among others, the Company's significant consolidated subsidiaries, etc. and affiliated companies under the equity-method. The following companies are omitted: 44 companies affiliated with Protective Life Corporation; 13 companies other than TAL Dai-ichi Life Group Pty Ltd and TAL Life Limited from among 15 companies affiliated with TAL Dai-ichi Life Australia Pty Ltd; 1 company affiliated with Dai-ichi Life Insurance Company of Vietnam, Limited; 4 companies other than PT Panin Dai-ichi Life from among 5 companies affiliated with PT Panin Internasional; and 5 companies affiliated with Asset Management One Co., Ltd.

(Note 2) Figures in parentheses under "Percentage of voting rights of subsidiaries, etc. held by the Company" represent percentages including the those of indirect voting rights, which in turn include the percentages of "voting rights held by any persons who are found to exercise their voting rights in the same manner as the intent of the subject person due to their close ties with the subject person in terms of contribution, personnel affairs, funds, technology, transactions, etc. and those held by any persons who have given their consent to exercising their voting rights in the same manner as the intent of the subject person."

(Note 3) NEOSTELLA CAPITAL CO., LTD. was dissolved on March 30, 2018 and is under a liquidation proceeding.

6. Transfer and Acquisition of the Business of the Corporate Group

Date of transfer of the business	Status of transfer of the business
May 30, 2017	Janus Capital Group Inc., a former affiliated company of the Company, completed a business integration with Henderson Group plc on May 30, 2017 pursuant to the integration plan announced on October 3, 2016. The new company name is Janus Henderson Group plc (hereinafter referred to as the "new company"), and the Company's voting ratio in the new company became 8.6% as of the same date.

7. Other Important Information Concerning the Corporate Group

Not applicable

2 Corporate Officers

1. Directors and Audit & Supervisory Committee Members

(As of the end of the current fiscal year)

Name	Position and responsibility	Significant concurrent positions	Others
Koichiro Watanabe	Representative Director and Chairman of the Board	Representative Director and Chairman of the Board, The Dai-ichi Life Insurance Company, Limited Outside Director, Japan Tobacco Inc.	
Seiji Inagaki	Representative Director and President	Representative Director and President, The Dai-ichi Life Insurance Company, Limited	
Shigeo Tsuyuki	Representative Director and Vice Chairman Supervise: International Life Insurance Business Unit	Outside Corporate Auditor, Toyo Wharf & Warehouse Co., Ltd.	
Satoru Tsutsumi	Representative Director and Vice President In charge of: Matters regarding Corporate Life Insurance Business of The Dai-ichi Life Insurance Company, Limited	Representative Director and Vice President, The Dai-ichi Life Insurance Company, Limited	
Kazuma Ishii	Director and Senior Managing Executive Officer In charge of: Internal Audit Unit	Director and Senior Managing Executive Officer, The Dai-ichi Life Insurance Company, Limited	
Masao Taketomi	Director and Managing Executive Officer Supervise: Risk Management Unit, Human Resources Unit In charge of: General Affairs Unit (Matters regarding Secretarial Group)	Director and Managing Executive Officer, The Dai-ichi Life Insurance Company, Lmited	
Hideo Teramoto	Director	Representative Director and Vice Chairman, The Dai-ichi Life Insurance Company, Limited Outside Statutory Auditor, TSUGAMI CORPORATION	
Takashi Kawashima	Director	Representative Director and President, The Dai-ichi Frontier Life Insurance Co., Ltd. Audit & Supervisory Board Member (Outside), NSD CO., LTD.	Retired as Director on March 31, 2018

Name	Position and responsibility	Significant concurrent positions	Others
George Olcott	Director (Outside)	Outside Director, Member of the Board, DENSO CORPORATION Outside Director, Hitachi Chemical Company, Ltd.	
Koichi Maeda	Director (Outside)	Chief Executive Counselor, NTT FINANCE CORPORATION	
Morinobu Nagahama	Director (Audit & Supervisory Committee Member (Full-Time))	Director, The Dai-ichi Life Insurance Company, Limited Outside Corporate Auditor, Sekisui Plastics Co., Ltd.	
Fusakazu Kondo	Director (Audit & Supervisory Committee Member (Full-Time))		He has gained the experience as the General Manager of the Profit Management Dept. and possesses considerable knowledge of finance and accounting.
Rieko Sato	Director (Audit & Supervisory Committee Member) (Outside)	Partner, Ishii Law Office Outside Corporate Auditor, NTT DATA CORPORATION	
Ungyong Shu	Director (Audit & Supervisory Committee Member) (Outside)	President & CEO, Core Value Management, Co., Ltd. Outside Director, DESCENTE LTD.	
Koichi Masuda	Director (Audit & Supervisory Committee Member) (Outside)	Director (outside), Audit and Supervisory Committee Member, The Daishi Bank, Ltd. Outside Audit & Supervisory Board Member, Sumitomo Riko Company Limited	He is a certified public accountant and possesses considerable knowledge of finance and accounting.

(Note 1) The names of Mr. George Olcott, Mr. Koichi Maeda, Ms. Rieko Sato, Mr. Ungyong Shu, and Mr. Koichi Masuda, all of whom are outside directors (including directors serving as Audit & Supervisory Committee members) have been filed with Tokyo Stock Exchange as independent directors who have no conflicts of interest with general shareholders pursuant to the rules of said Exchange.

(Note 2) Definition of "Supervise": To provide advice and guidance from an overall standpoint to executive officers in charge of the departments under one's control, promote cooperation between the departments under one's control, and thereby assist the President in the fields under one's control.

(Note 3) Mr. Morinobu Nagahama and Mr. Fusakazu Kondo, both of whom are directors, are full-time Audit & Supervisory Committee members. The reason for electing full-time Audit & Supervisory Committee members, in light of the scale and business features of the Group, is to enhance the effectiveness of auditing and supervisory functions through a structure whereby persons having insight into the relevant business collect information and attend important meetings, and also work in close cooperation with the internal audit department, etc.

2. Remuneration for Directors and Audit & Supervisory Committee Members

(millions of yen)

Category	Number of persons	Remuneration
Directors (excluding directors serving as Audit & Supervisory Committee members)	11 persons	297 (0)
Directors serving as Audit & Supervisory Committee members	5 persons	125 (0)
Total	16 persons	422 (0)

(Note 1) The above figures include one director retired from the Company on June 26, 2017.

(Note 2) From among the various types of remuneration paid to directors (excluding directors serving as Audit & Supervisory Committee members), the amount of remuneration relating to stock-based remuneration in the form of stock options (stock acquisition rights) is 45 million yen. The amount of consideration other than remuneration is shown in parentheses under "Remuneration.

(Note 3) The upper limit on remuneration provided for in the Articles of Incorporation or at a general meeting of shareholders is as follows.

Directors (excluding directors serving as Audit & Supervisory Committee members)	[Annual amount] 840 million yen (the annual amount of remuneration for directors (excluding directors serving as Audit & Supervisory Committee members) relating to stock-based remuneration in the form of stock options (stock acquisition rights), shall be within 200 million yen.)
Directors serving as Audit & Supervisory Committee members	[Annual amount] 200 million yen

3. Liability Limitation Agreement

Name	Summary of liability limitation agreement
George Olcott Koichi Maeda Rieko Sato Ungyong Shu Koichi Masuda	Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company entered into agreements with outside directors (including outside directors serving as Audit & Supervisory Committee members) 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 minimum liability amount provided in Article 425, Paragraph 1 of the same Act, whichever is higher.

3 Outside Officers

1. Concurrent Positions and Other Matters Concerning Outside Officers

Name	Concurrent positions and other matters
George Olcott	Mr. George Olcott is an Outside Director, Member of the Board of DENSO CORPORATION. He is also an Outside Director of Hitachi Chemical Company, Ltd.
Rieko Sato	Ms. Rieko Sato is a Partner of Ishii Law Office. She is also an Outside Corporate Auditor of NTT DATA CORPORATION.
Ungyong Shu	Mr. Ungyong Shu is a President & CEO of Core Value Management, Co., Ltd. He is also an Outside Director of DESCENTE LTD.
Koichi Masuda	Mr. Koichi Masuda is a Director (outside), Audit and Supervisory Committee Member of The Daishi Bank, Ltd. He is also an Outside Audit & Supervisory Board Member of Sumitomo Riko Company Limited.

2. Main Activities of Outside Officers

Name	Term of office	Attendance at the meetings of the Board of Directors	Remarks made at the meetings of the Board of Directors and other activities
George Olcott	Assumed office in June 2015	Attended 14 Board of Directors meetings out of all 14 meetings held	He has appropriately expressed his opinion based mainly on his expertise and career in corporate governance and deep experience as an outside director of other corporations.
Koichi Maeda	Assumed office in October 2016	Attended 14 Board of Directors meetings out of all 14 meetings held	He has appropriately expressed his opinion, based mainly on his deep experience and advanced insight gained through acting as an executive of highly public enterprises.
Rieko Sato	Assumed office in June 2015	Attended 14 Board of Directors meetings out of all 14 meetings held Attended 23 Audit & Supervisory Committee meetings out of all 23 meetings held	She has appropriately expressed her opinion based mainly on her deep experience and advanced expertise as an attorney-at-law and abundant experience as an outside Audit and Supervisory Board member of other corporations.
Ungyong Shu	Assumed office in June 2015	Attended 14 Board of Directors meetings out of all 14 meetings held Attended 22 Audit & Supervisory Committee meetings out of all 23 meetings held	He has appropriately expressed his opinion based mainly on his deep experience and advanced knowledge as a corporate manager of financial institutions and abundant experience as an outside director of other corporations.

Koichi Masuda	Assumed office in October 2016	Attended 14 Board of Directors meetings out of all 14 meetings held Attended 23 Audit & Supervisory Committee meetings out of all 23 meetings held	He has appropriately expressed his opinion based mainly on his deep experience and advanced knowledge as a certified public accountant and abundant experience as an outside director and an outside Audit and Supervisory Board member of other corporations.

3. Remuneration for Outside Officers

(millions of yen)

	Number of persons	Remuneration, etc. from the insurance holding company	Remuneration, etc. from the parent company of the insurance holding company
Total remuneration	6 persons	79 (-)	-

(Note 1) The above figures include one director retired from the Company on June 26, 2017.

(Note 2) The amount other than remuneration is shown in parentheses under “Remuneration, etc. from the insurance holding company.”

(Note 3) The upper limit on remuneration for each outside director (excluding directors serving as Audit & Supervisory Committee members) as determined by the general meeting of shareholders is as follows.

Director (excluding directors serving as Audit & Supervisory Committee members)

[Annual amount] 72 million yen

4. Opinions from Outside Officers

Not applicable

4 Status of Shares

1. Number of Shares

Number of shares authorized to be issued	Common stock	4,000,000 thousand shares
	Class A Preferred Shares	100,000 thousand shares
Number of issued shares	Common stock	1,198,023 thousand shares

(Note) The number of shares authorized to be issued by the Company is 4,000,000 thousand for common stock and class A preferred shares in total.

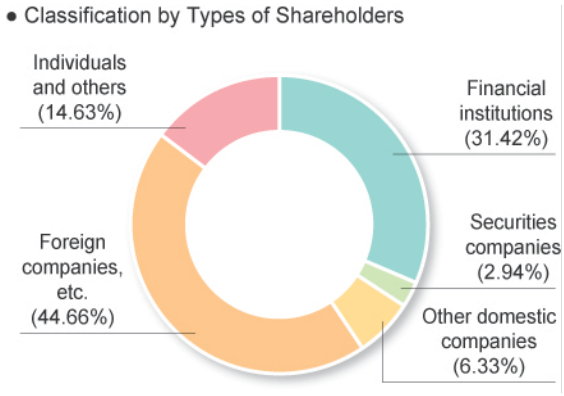
2. Number of Shareholders (as of the Current Fiscal Year-End)

Common stock	774,428 persons

3. Major Shareholders

Name of shareholders	Ownership in the Company	
	Shares held (Common stock)	Percentage
	thousands of shares	%
Japan Trustee Services Bank, Ltd. (Trust Account)	60,853	5.20
The Master Trust Bank of Japan, Ltd. (Trust Account)	51,134	4.37
Mizuho Bank, Ltd.	45,000	3.84
GOLDMAN SACHS INTERNATIONAL	38,203	3.26
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	37,800	3.23
Japan Trustee Services Bank, Ltd. (Trust Account 9)	21,736	1.85
Japan Trustee Services Bank, Ltd. (Trust Account 5)	21,321	1.82
Sompo Japan Nipponkoa Insurance Inc.	20,000	1.71
STATE STREET BANK WEST CLIENT – TREATY 505234	19,947	1.70
Japan Trustee Services Bank, Ltd. (Trust Account 7)	17,923	1.53

(Note) The treasury stock held by the Company (28,960,500 shares) is excluded from the above table. In addition, percentage of ownership is calculated after deducting the number of treasury stock from the number of issued shares.



Consolidated Financial Statements

1 Consolidated Balance Sheet as of March 31, 2018

(Unit: million yen)

(ASSETS)		(LIABILITIES)	
Cash and deposits	**891,285**	**Policy reserves and others**	**45,513,790**
Call loans	**164,600**	Reserves for outstanding claims	517,422
Monetary claims bought	**195,133**	Policy reserves	44,597,717
Money held in trust	**523,828**	Reserve for policyholder dividends	398,650
Securities	**44,916,958**	**Reinsurance payable**	**218,791**
Loans	**3,487,682**	**Bonds payable**	**968,938**
Tangible fixed assets	**1,130,525**	**Other liabilities**	**1,998,151**
Land	773,762	**Net defined benefit liabilities**	**413,189**
Buildings	346,027	**Reserve for retirement benefits of directors, executive officers and corporate auditors**	**1,384**
Leased assets	4,276		
Construction in progress	97		
Other tangible fixed assets	6,362	**Reserve for possible reimbursement of prescribed claims**	**900**
Intangible fixed assets	**414,995**		
Software	86,422	**Reserve for price fluctuations**	**195,797**
Goodwill	51,481	**Deferred tax liabilities**	**357,859**
Other intangible fixed assets	277,091	**Deferred tax liabilities for land revaluation**	**76,438**
Reinsurance receivable	**94,064**		
Other assets	**1,676,172**	**Acceptances and guarantees**	**108,514**
Deferred tax assets	**1,201**	**Total liabilities**	**49,853,756**
Customers' liabilities for acceptances and guarantees	**108,514**	**(NET ASSETS)**	
		Capital stock	**343,146**
Reserve for possible loan losses	**(1,497)**	**Capital surplus**	**329,653**
Reserve for possible investment losses	**(436)**	**Retained earnings**	**976,899**
		Treasury stock	**(60,076)**
		Total shareholders' equity	**1,589,623**
		Net unrealized gains (losses) on securities, net of tax	**2,238,159**
		Deferred hedge gains (losses)	**(9,649)**
		Reserve for land revaluation	**(12,423)**
		Foreign currency translation adjustments	**(49,201)**
		Accumulated remeasurements of defined benefit plans	**(8,584)**
		Total accumulated other comprehensive income	**2,158,300**
		Subscription rights to shares	**1,348**
		Total net assets	**3,749,271**
Total assets	**53,603,028**	**Total liabilities and net assets**	**53,603,028**

2 Consolidated Statement of Earnings for the Fiscal Year Ended March 31, 2018

(Unit: million yen)

ORDINARY REVENUES	**7,037,827**
Premium and other income	**4,884,579**
Investment income	**1,802,626**
Interest and dividends	1,197,362
Gains on investments in trading securities	214,470
Gains on sale of securities	236,702
Gains on redemption of securities	24,835
Reversal of reserve for possible loan losses	343
Other investment income	1,484
Gains on investments in separate accounts	127,428
Other ordinary revenues	**350,621**
ORDINARY EXPENSES	**6,565,833**
Benefits and claims	**3,789,907**
Claims	1,177,487
Annuities	656,046
Benefits	457,515
Surrender values	803,906
Other refunds	694,950
Provision for policy reserves and others	**1,223,870**
Provision for policy reserves	1,215,562
Provision for interest on policyholder dividends	8,308
Investment expenses	**548,957**
Interest expenses	43,866
Losses on money held in trust	1,244
Losses on sale of securities	115,943
Losses on valuation of securities	4,709
Losses on redemption of securities	4,338
Derivative transaction losses	78,917
Foreign exchange losses	245,255
Provision for reserve for possible investment losses	205
Write-down of loans	992
Depreciation of real estate for rent and others	13,286
Other investment expenses	40,199
Operating expenses	**661,110**
Other ordinary expenses	**341,986**
ORDINARY PROFIT	**471,994**
EXTRAORDINARY GAINS	**34,182**
Gains on disposal of fixed assets	651
Gains on exchange of stocks of subsidiaries and affiliated companies	33,507
Other extraordinary gains	23
EXTRAORDINARY LOSSES	**34,416**
Losses on disposal of fixed assets	1,446
Impairment losses on fixed assets	11,589
Provision for reserve for price fluctuations	21,120
Other extraordinary losses	259
Provision for reserve for policyholder dividends	**95,000**
Income before income taxes	**376,760**
Corporate income taxes-current	**113,588**
Corporate income taxes-deferred	**(100,757)**
Total of corporate income taxes	**12,831**
Net income	**363,928**
Net income attributable to shareholders of parent company	**363,928**

Non-Consolidated Financial Statements

1 Non-Consolidated Balance Sheet as of March 31, 2018

(Unit: million yen)

(ASSETS)		(LIABILITIES)	
Current assets	**84,709**	**Current liabilities**	**35,369**
Cash and deposits	62,063	Accrued expenses	2,075
Prepaid expenses	1,068	Accounts payable	2,221
Deferred tax assets	1,327	Deposits received	20
Consumption taxes receivable	1,398	Short-term loans payable to subsidiaries and affiliates	30,000
Income taxes receivable	15,572		
Other	3,280	Other	1,053
Non-current assets	**1,606,466**	**Non-current liabilities**	**450,186**
Tangible fixed assets	**6**	Long-term debt and other borrowings	450,000
Tools, furniture and fixtures	6	Other	186
Intangible fixed assets	**3**	**Total liabilities**	**485,556**
Trademark right	3	(NET ASSETS)	
Investments and other assets	**1,606,456**	**Shareholders' equity**	**1,207,993**
Investment securities	91,594	**Capital stock**	**343,146**
Shares of subsidiaries and affiliates	1,486,281	**Capital surplus**	**343,320**
Investments in capital of subsidiaries and affiliates	27,971	Legal capital surplus	343,146
		Other capital surplus	173
Other	608	**Retained earnings**	**581,602**
		Legal retained earnings	5,600
		Other retained earnings	576,002
		Fund for price fluctuation allowance	65,000
		Retained earnings brought forward	511,002
		Treasury stock	**(60,076)**
		Valuation and translation adjustments	**(3,723)**
		Net unrealized gains (losses) on securities, net of tax	(3,246)
		Deferred hedge gains (losses)	(476)
		Subscription rights to shares	**1,348**
		Total net assets	**1,205,618**
Total assets	**1,691,175**	**Total liabilities and net assets**	**1,691,175**

2 Non-Consolidated Statement of Earnings for the Fiscal Year Ended March 31, 2018

(Unit: million yen)

SALES REVENUES	**58,168**
Dividends from subsidiaries and affiliates	49,456
Commissions from subsidiaries and affiliates	8,711
Other	0
SALES EXPENSES	**9,633**
Selling, general and administrative expenses	9,633
OPERATING PROFIT	**48,535**
NON-OPERATING REVENUES	**2,271**
Interest income	3
Dividend income	1,989
Other	277
NON-OPERATING EXPENSES	**1,966**
Interest expenses	1,725
Other	241
ORDINARY PROFIT	**48,840**
EXTRAORDINARY GAINS	**32,960**
Gains on exchange of shares of subsidiaries and affiliates	32,960
EXTRAORDINARY LOSSES	**25,286**
Losses on valuation of investment securities	2,557
Losses on valuation of shares of subsidiaries and affiliates	22,729
Income before income taxes	**56,513**
Corporate income taxes-current	**33**
Corporate income taxes-deferred	**(1,084)**
Total of corporate income taxes	**(1,051)**
Net income for the year	**57,565**

[Translation]

Audit Reports

1 Copy of Report of Independent Auditor Concerning Consolidated Financial Statements

Independent Auditor's Report

May 14, 2018

The Board of Directors
Dai-ichi Life Holdings, Inc.

KPMG AZSA LLC

Hiroyuki Takanami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takanobu Miwa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Seki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Dai-ichi Life Holdings, Inc. as at March 31, 2018 and for the year from April 1, 2017 to March 31, 2018 in accordance with Article 444-4 of the Companies Act.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of Dai-ichi Life Holdings, Inc. and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

[Translation]

2 Copy of Report of Independent Auditor

Independent Auditor's Report

May 14, 2018

The Board of Directors
Dai-ichi Life Holdings, Inc.

KPMG AZSA LLC

Hiroyuki Takanami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takanobu Miwa
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Seki
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Dai-ichi Life Holdings, Inc. as at March 31, 2018 and for the year from April 1, 2017 to March 31, 2018 in accordance with Article 436-2-1 of the Companies Act.

Management's Responsibility for the Financial Statements and Others

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements and the supplementary schedules based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the supplementary schedules. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements and the supplementary schedules in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Dai-ichi Life Holdings, Inc. for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

[Translation]

3 Audit Report of Audit & Supervisory Committee

Audit Report

The Audit & Supervisory Committee has audited the directors' performance of their duties during the fiscal year 2017 (from April 1, 2017 to March 31, 2018), and hereby reports the methods and results thereof as follows.

1. Methods and Contents of Audit

(1) The Audit & Supervisory Committee periodically received reports from directors, employees, etc., requested explanations as necessary, and expressed opinions on the establishment and the status of operation with respect to (i) the contents of the Board of Directors' resolutions regarding matters set forth in Article 399-13, paragraph 1, items 1 (b) and 1 (c) of the Companies Act, and (ii) the systems (internal control systems) based on such resolutions. With respect to internal control over financial reporting under the Financial Instruments and Exchange Act, the Audit & Supervisory Committee received reports on the evaluation of the relevant internal control and the status of audits from the directors, etc. and KPMG AZSA LLC, and requested explanations as necessary.

(2) In conformity with the audit policies and allocation of audit duties, etc. established by the Audit & Supervisory Committee and in cooperation with the internal audit and internal control departments, Audit & Supervisory Committee members attended important meetings, received reports on the status of performance of duties from the directors and other employees, requested explanations as necessary, examined important documents, and inspected the status of the corporate affairs and assets at the head office and major subsidiaries. Also, with respect to the subsidiaries, the Audit & Supervisory Committee endeavored to facilitate mutual communication and to exchange information with the directors and Audit and Supervisory Board members, etc. of each subsidiary and received reports from these subsidiaries on their respective business as necessary.

(3) The Audit & Supervisory Committee monitored and verified whether the independent auditor maintained its independence and properly conducted its audit, received a report from the independent auditor on the status of its performance of duties, and requested explanations as necessary. Also, the Audit & Supervisory Committee was notified by the independent auditor that it had established a "system to ensure that the performance of the duties of the independent auditor was properly conducted" (the matters listed in the items of Article 131 of the Rules of Corporate Accounting) in accordance with the "Quality Control Standards for Audits" (adopted by the Business Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above-described methods, the Audit & Supervisory Committee examined the Business Report and the Related Supplementary Schedules, the Non-Consolidated Financial Statements (Non-Consolidated Balance Sheet, Non-Consolidated Statement of Earnings, Non-Consolidated Statement of Changes in Net Assets, and Notes to the Non-Consolidated Financial Statements) and the Related Supplementary Schedules as well as the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statement of Earnings, Consolidated Statement of Changes in Net Assets, and Notes to the Consolidated Financial Statements) for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

(i) We acknowledge that the Business Report and the Related Supplementary Schedules fairly represent the status of the Company in conformity with applicable laws and regulations and the articles of incorporation of the Company.

(ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the articles of incorporation of the Company was found with respect to the directors' performance of their duties.

(iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control system are appropriate. We did not find any matter to be mentioned with regard to the description of the Business Report and the directors' performance of their duties concerning internal control, as well as internal control regarding financial reporting.

(2) Results of Audit of Non-Consolidated Financial Statements and the Related Supplementary Schedules

We acknowledge that the methods and results of audit performed by the independent auditor, KPMG AZSA LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the independent auditor, KPMG AZSA LLC, are appropriate.

May 15, 2018

Audit & Supervisory Committee, Dai-ichi Life Holdings, Inc.

Audit & Supervisory Committee member (Full-time)	Morinobu Nagahama
Audit & Supervisory Committee member (Full-time)	Fusakazu Kondo
Audit & Supervisory Committee member	Rieko Sato
Audit & Supervisory Committee member	Ungyong Shu
Audit & Supervisory Committee member	Koichi Masuda

Note: Audit & Supervisory Committee members, Rieko Sato, Ungyong Shu and Koichi Masuda are Outside Directors set forth in Article 2, Item 15 and Article 331, paragraph 6 of the Companies Act.