[Unofficial Translation]

August 9, 2018

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Dai-ichi Life Holdings, Inc.
Code: 8750 (TSE First section)

Supplementary Materials for the Three Months Ended June 30, 2018
(The Dai-ichi Frontier Life Insurance Co., Ltd.)

August 9, 2018

Financial Results for the Three Months Ended June 30, 2018

The Dai-ichi Frontier Life Insurance Co., Ltd. (the "Company"; President: Masao Taketomi) announces its financial results for the three months ended June 30, 2018.

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Please note that this is an unofficial translation of the original disclosure in Japanese.

1. Business Highlights

(1) Annualized Net Premiums

Policies in Force

(millions of yen except percentages)

	As of March 31, 2018	As of June 30, 2018	
			% of March 31, 2018 total
Individual insurance	231,579	250,187	108.0
Individual annuities	498,429	502,366	100.8
Total	730,008	752,553	103.1
Medical and survival benefits	-	-	-

New Policies

(millions of yen except percentages)

	Three months ended June 30, 2017	Three months ended June 30, 2018	
			% of June 30, 2017 total
Individual insurance	8,925	20,178	226.1
Individual annuities	31,210	29,025	93.0
Total	40,135	49,203	122.6
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

(2) Policies in Force and New Policies

Policies in Force

	As of March 31, 2018		As of June 30, 2018			
			Number of Policies		Amount	
	Number of Policies (thousands)	Amount (millions of yen)	(thousands)	% of March 31, 2018 total	(millions of yen)	% of March 31, 2018 total
Individual insurance	421	2,914,275	456	108.3	3,142,019	107.8
Individual annuities	844	4,704,366	870	103.1	4,806,931	102.2
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenc paying out.

New Policies

	Number of Policies		Amount			
	(thousands)	% of June 30, 2017 total	(millions of yen)	% of June 30, 2017 total	New Business	Net increase from conversions
Three months ended June 30, 2018						
Individual insurance	38	245.2	247,134	227.8	247,134	-
Individual annuities	39	153.9	182,745	130.9	182,745	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-
Three months ended June 30, 2017						
Individual insurance	15		108,492		108,492	-
Individual annuities	25		139,575		139,575	-
Group insurance	-		-		-	-
Group annuities	-		-		-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments whe they commence.

2. Investment Results of General Account

(1) Asset Composition

(millions of yen except percentages)

	As of March 31, 2018		As of June 30, 2018	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	162,743	3.0	166,946	2.9
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary claims bought	4,024	0.1	4,014	0.1
Trading account securities	-	-	-	-
Money held in trust	464,480	8.5	466,578	8.0
Securities	4,701,518	86.1	5,056,129	86.7
Domestic bonds	1,210,923	22.2	1,249,406	21.4
Domestic stocks	-	-	-	-
Foreign securities	3,291,518	60.3	3,607,136	61.9
Foreign bonds	3,285,168	60.2	3,601,000	61.8
Foreign stocks and other securities	6,349	0.1	6,136	0.1
Other securities	199,077	3.6	199,586	3.4
Loans	-	-	-	-
Real estate	-	-	82	0.0
Deferred tax assets	-	-	-	-
Others	127,435	2.3	135,935	2.3
Reserve for possible loan losses	(5)	(0.0)	(5)	(0.0)
Total	5,460,196	100.0	5,829,681	100.0
Foreign currency-denominated assets	3,552,440	65.1	3,901,972	66.9

Note:“Real estate” represents the value of buildings.

(2) Fair Value Information on Securities (securities with fair value except trading securities)

(millions of yen)

	Book value	Fair value	Gains (losses)		
				Gains	Losses
As of June 30, 2018					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	3,995,120	4,098,466	103,346	135,734	32,388
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	1,028,702	1,058,887	30,184	37,035	6,851
Domestic bonds	308,507	320,800	12,292	13,168	875
Domestic stocks	-	-	-	-	-
Foreign securities	526,895	534,485	7,590	13,473	5,882
Foreign bonds	526,895	534,485	7,590	13,473	5,882
Foreign stocks and other securities	-	-	-	-	-
Other securities	189,300	199,586	10,285	10,378	92
Monetary claims bought	4,000	4,014	14	14	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	5,023,823	5,157,353	133,530	172,769	39,239
Domestic bonds	1,237,113	1,309,256	72,143	76,231	4,088
Domestic stocks	-	-	-	-	-
Foreign securities	3,593,409	3,644,496	51,086	86,144	35,057
Foreign bonds	3,593,409	3,644,496	51,086	86,144	35,057
Foreign stocks and other securities	-	-	-	-	-
Other securities	189,300	199,586	10,285	10,378	92
Monetary claims bought	4,000	4,014	14	14	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
As of March 31, 2018					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	3,654,359	3,769,152	114,792	134,863	20,071
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	1,014,320	1,044,833	30,513	36,623	6,109
Domestic bonds	311,958	325,496	13,537	14,243	706
Domestic stocks	-	-	-	-	-
Foreign securities	509,060	516,235	7,175	12,490	5,315
Foreign bonds	509,060	516,235	7,175	12,490	5,315
Foreign stocks and other securities	-	-	-	-	-
Other securities	189,300	199,077	9,776	9,863	87
Monetary claims bought	4,000	4,024	24	24	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-
Total	4,668,679	4,813,985	145,305	171,486	26,181
Domestic bonds	1,197,386	1,271,024	73,638	76,847	3,208
Domestic stocks	-	-	-	-	-
Foreign securities	3,277,993	3,339,858	61,865	84,750	22,884
Foreign bonds	3,277,993	3,339,858	61,865	84,750	22,884
Foreign stocks and other securities	-	-	-	-	-
Other securities	189,300	199,077	9,776	9,863	87
Monetary claims bought	4,000	4,024	24	24	-
Certificates of deposit	-	-	-	-	-
Others	-	-	-	-	-

Note: The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Law.

*Book values of securities for which it is not practicable to determine fair value are as follows:

Not applicable.

(3) Fair Value Information on Money Held in Trust

(millions of yen)

	Carrying value on the balance sheet	Fair value	Gains (losses)		
				Gains	Losses
As of June 30, 2018	466,578	466,578	(857)	1,393	2,251
As of March 31, 2018	464,480	464,480	(10,467)	3,805	14,272

Note: 1. Fair value equivalents appearing in this table are based on prices calculated using a reasonable method by trustees of money held in trust.

2. Gains (losses) are valuation gains (losses) that were included in the statement of earnings.

*Information on money held in trust for investment purposes is as follows:

(millions of yen)

	As of March 31, 2018		As of June 30, 2018	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings
Money held in trust for investment purposes	464,480	(10,467)	466,578	(857)

*Information on money held in trust classified as held-to-maturity, policy-reserve-matching, or other money held in trust are as follows:

Not applicable.

3. Non-Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2018 (Summarized)	As of June 30, 2018
	Amount	Amount
(ASSETS)		
Cash and deposits	171,963	178,266
Monetary claims bought	4,024	4,014
Money held in trust	464,480	466,578
Securities	6,765,295	7,070,241
[Government bonds]	[561,774]	[553,345]
[Local government bonds]	[11,349]	[11,342]
[Corporate bonds]	[637,799]	[684,719]
[Foreign securities]	[3,305,183]	[3,620,504]
Tangible fixed assets	281	335
Intangible fixed assets	5,503	6,048
Reinsurance receivables	56,274	57,835
Other assets	66,871	75,275
Reserve for possible loan losses	(5)	(5)
Total assets	7,534,687	7,858,591

(millions of yen)

	As of March 31, 2018 (Summarized)	As of June 30, 2018
	Amount	Amount
(LIABILITIES)		
Policy reserves and others	7,110,390	7,413,921
Reserves for outstanding claims	12,524	12,466
Policy reserves	7,097,865	7,401,455
Reinsurance payable	166,033	165,213
Other liabilities	83,312	101,436
Corporate income tax payable	5,692	350
Lease liabilities	127	113
Other liabilities	77,493	100,971
Reserve for employees' retirement benefits	14,340	15,457
Reserve for price fluctuations	8,568	8,477
Total liabilities	7,382,645	7,704,505
(NET ASSETS)		
Capital stock	117,500	117,500
Capital surplus	67,500	67,500
Legal capital surplus	67,500	67,500
Retained earnings	(54,903)	(52,620)
Other retained earnings	(54,903)	(52,620)
Retained earnings brought forward	(54,903)	(52,620)
Total shareholders' equity	130,096	132,379
Net unrealized gains on securities, net of tax	21,944	21,706
Total of valuation and translation adjustments	21,944	21,706
Total net assets	152,041	154,085
Total liabilities and net assets	7,534,687	7,858,591

4. Non-Consolidated Statements of Earnings

(millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
	Amount	Amount
ORDINARY REVENUES	348,802	483,443
Premium and other income	259,196	420,941
[Premium income]	[232,487]	[400,452]
Investment income	89,604	62,441
[Interest and dividends]	[26,593]	[33,026]
[Gains on sale of securities]	[693]	[837]
[Derivative transaction gains]	[4,623]	[-]
[Gains on investment in separate accounts]	[45,239]	[10,464]
Other ordinary revenues	2	61
[Reversal of reserves for outstanding claims]	[-]	[58]
ORDINARY EXPENSES	342,688	478,003
Benefits and claims	120,200	145,174
[Claims]	[9,452]	[14,650]
[Annuities]	[34,150]	[56,557]
[Benefits]	[12,299]	[14,017]
[Surrender values]	[26,540]	[33,477]
[Other refunds]	[1,389]	[1,275]
Provision for policy reserves and others	202,161	303,590
Provision for reserves for outstanding claims	129	-
Provision for policy reserve	202,032	303,590
Investment expenses	8,012	8,866
[Interest expenses]	[0]	[1]
[Losses on money held in trust]	[4,055]	[857]
[Losses on investment in trading securities]	[3,240]	[2,131]
[Losses on sale of securities]	[494]	[74]
[Derivative transaction losses]	[-]	[5,557]
Operating expenses	10,874	17,824
Other ordinary expenses	1,440	2,549
ORDINARY GAIN(LOSS)	6,114	5,439
EXTRAORDINARY LOSSES	902	1,117
Losses on disposal of fixed assets	-	0
Provision for reserve for price fluctuations	902	1,117
Gain(loss) before income taxes	5,212	4,321
Corporate income taxes - current	2,433	2,039
Total of corporate income taxes	2,433	2,039
Net income(loss) for the period	2,779	2,282

Notes to the Non-Consolidated Balance Sheet

As of June 30, 2018

1. Among the derivative transactions, currency swap gains or losses, realized at the time of the settlement, used to be reported as foreign exchange losses or gains. However, these currency swap losses or gains have now been changed to be reported as derivative transaction gains or losses. This change has been made in order to report our operating results in a more appropriate manner by means of changing the main purposes of currency swap transactions so as to better respond to market changes. As a result, 236 million yen reported as "Foreign exchange gains" under the heading of "Investment income" in the quarterly statements of earnings of the Financial Results for the Three Months ended June 30, 2017, has now been restated as "Derivative transaction gains."

2. Securities lent under lending agreements are included in the balance sheets. Total balance of securities lent as of June 30, 2018 was 167,238 million yen.

   Amounts of financial instruments recorded on the balance sheet, their fair values, and differences between the two are as follows:

(millions of yen)

	Carrying amount on balance sheet	Fair value	Difference
(1) Cash and deposits	178,266	178,266	-
(2) Monetary claims bought	4,014	4,014	-
(3) Money held in trust	466,578	466,578	-
(4) Securities	7,070,241	7,173,587	103,346
(a) Trading securities	2,020,248	2,020,248	-
(b) Policy-reserve-matching bonds	3,995,120	4,098,466	103,346
(c) Other securities	1,054,872	1,054,872	-
Assets total	7,719,101	7,822,447	103,346
Derivative transactions			
(a) Derivative transactions to which hedge accounting is not applied	(13,419)	(13,419)	-
Derivative transactions total	(13,419)	(13,419)	-

   Note: Derivative transactions include those attributable to money held in trust and foreign securities (investment trusts). Net derivative assets and liabilities arising from derivative transactions are reported as a net value. A negative total indicates a net liability.

3. Fair values of financial instruments are calculated as follows:

   (a) Cash and deposits

   Deposits are recorded at book value as all deposits have no maturities and their book values approximate their fair values.

   (b) Monetary claims bought

   Fair value of monetary claims bought is based on the reasonably calculated price.

   (c) Money held in trust

   Information on securities and derivative transactions appear below in "(d) Securities" and "(e) Derivative transactions", respectively.

   (d) Securities

   Fair value of bonds is based on the price on stock exchanges. Fair value of mutual funds is based on unit price.

   (e) Derivative transactions

   For foreign exchange forward contracts, futures market prices on the book closing date are used as fair value.
   For currency swap contracts and interest rate swap contracts, amounts discounted to present value are used as fair value.
   For total return swap contracts, amounts calculated by using indices on the book closing date are used as fair value.
   For futures transactions and other market traded instruments, securities exchange market closing prices are used as fair value.

   (Additional Information)

   Effective from the first quarter ended June 30, 2018, the sub-groups of individual insurance and annuities (JP yen-denominated, short term) and individual insurance and annuities (JP yen-denominated, long term) have now been integrated and categorized as individual insurance and annuities (JP yen-denominated). This integration has been conducted for the purpose of carrying out an appropriate duration control in terms of efficient ALM, following the shortened policy reserve duration, in accordance with the sales discontinuation of the insurance product categorized as individual insurance and annuities (JP yen-denominated, short term). As a result, we now have the following sub-groups:

   (a) Individual insurance and annuities (JP yen-denominated);
   (b) Individual insurance and annuities (US dollar-denominated);
   (c) Individual insurance and annuities (AUS dollar-denominated); and
   (d) Individual insurance and annuities (NZ dollar-denominated); with the exception of certain types and policies.

   There is no effect on gains or losses by this change.

Notes to the Non-Consolidated Statements of Earnings

Three months ended June 30, 2018

1. Net gain per share for the three months ended June 30, 2018 was 1,233,672.21 yen. Fully diluted net gain per share is not reported because the Company has no residual shares.

5. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

		Three months ended June 30, 2017	Three months ended June 30, 2018
Fundamental profit	A	22,084	14,780
Capital gains		17,177	18,286
Gains on money held in trust		-	-
Gains on investment in trading securities		-	-
Gains on sale of securities		693	837
Derivative transaction gains		4,623	-
Foreign exchange gains		11,860	17,449
Others		-	-
Capital losses		30,996	24,351
Losses on money held in trust		4,055	857
Losses on investment in trading securities		3,240	2,131
Losses on sale of securities		494	74
Losses on valuation of securities		-	-
Derivative transaction losses		-	5,557
Foreign exchange losses		-	-
Others		23,206	15,731
Net capital gains (losses)	B	(13,818)	(6,065)
Fundamental profit plus net capital gains (losses)	A + B	8,265	8,714
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Reversal of specific reserve for possible loan losses		-	-
Others		-	-
Other one-time losses		2,151	3,275
Ceding reinsurance commissions		-	-
Provision for contingency reserve		2,151	3,275
Provision for specific reserve for possible loan losses		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Others		-	-
Other one-time profits (losses)	C	(2,151)	(3,275)
Ordinary profit(loss)	A + B + C	6,114	5,439

Note: 1. Fundamental profit includes the amount below.

	Three months ended June 30, 2017	Three months ended June 30, 2018
Impact from increase or decrease in surrender values inaccordance with Market Value Adjustment (MVA)	9,353	2,843
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated insurance's liability	13,853	12,888

2. Other capital losses include the amount below.

	Three months ended June 30, 2017	Three months ended June 30, 2018
Impact from increase or decrease in surrender values inaccordance with Market Value Adjustment (MVA)	9,353	2,843
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated insurance's liability	13,853	12,888

3. The Company invests in derivative financial instruments (including investments in money held in trust, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities. These transactions are included in gains (losses) on money held in trust and gains (losses) on investment in trading securities.

4. Among the derivative transactions, currency swap gains or losses, realized at the time of the settlement, used to be reported as foreign exchange losses or gains. These have now been changed to be reported as derivative transaction gains or losses, effective from the fiscal year 2018, ending March 31, 2019. In accordance with this change, 236 million yen reported as “Foreign exchange gains” under the heading of “Capital gains” in the quarterly statements of earnings of the Financial Results for the Three Months ended June 30, 2017, has now been restated as “Derivative transaction gains.”

6. Solvency Margin Ratio

(millions of yen)

		As of March 31, 2018	As of June 30, 2018
Total solvency margin	(A)	472,720	475,249
Common stock, etc		130,096	132,379
Reserve for price fluctuations		14,340	15,457
Contingency reserve		121,982	125,257
General reserve for possible loan losses		5	5
(Net unrealized gains (losses) on securities (before tax) and deferred hedge gains (losses) (before tax)) × 90% *		27,461	27,165
Net unrealized gains (losses) on real estate × 85%*		-	-
Policy reserves in excess of surrender values		183,277	179,238
Qualifying subordinated debt		-	-
Excluded portion of policy reserves in excess of surrender values and qualifying subordinated debt		-	-
Excluded items		(4,443)	(4,253)
Others		-	-
Total Risk	$\sqrt{(R_1+R_8)^2+(R_2+R_3+R_7)^2}+R_4$ (B)	164,541	174,402
Insurance risk	R_1	79	76
3rd sector insurance risk	R_8	-	-
Assumed investment yield risk	R_2	39,633	44,279
Guaranteed minimum benefit risk	R_7	19,145	17,887
Investment risk	R_3	100,967	107,152
Business risk	R_4	4,794	5,081
Solvency margin ratio $\frac{(A)}{(1/2)\times(B)}\times 100$		574.5%	545.0%

* Multiplied by 100% if losses.

Note: 1. The figures as of March 31, 2018 are calculated based on Articles 86 and 87 of the Enforcement Regulations of Insurance Business Act, and Announcement No.50, Ministry of Finance, 1996.

The figures as of June 30, 2018 are calculated by using the method which is deemed appropriate taking the regulations and announcement above into account.

2. Guaranteed minimum benefit risk is calculated by the standard method.

7. Separate Account Status

(1) Separate Account Assets by Product

(millions of yen)

	As of March 31, 2018	As of June 30, 2018
Individual variable insurance	56,994	57,460
Individual variable annuities	2,017,819	1,971,564
Group annuities	-	-
Separate account total	2,074,814	2,029,024

(2) Policies in Force

A. Individual Variable Insurance

(millions of yen except number of policies)

	As of March 31, 2018		As of June 30, 2018	
	Number of policies	Amount	Number of policies	Amount
Variable insurance (defined term type)	-	-	-	-
Variable insurance (whole life type)	54	441,301	54	444,721
Total	54	441,301	54	444,721

Notes: The outstanding policies in force for individual variable insurance include those managed in general account.

B. Individual Variable Annuities

(millions of yen except number of policies)

	As of March 31, 2018		As of June 30, 2018	
	Number of policies	Amount	Number of policies	Amount
Individual variable annuities	624	3,663,591	620	3,629,873

Notes: 1. Total policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

2. The outstanding policies in force for individual variable annuities include those managed in general account.

8. Consolidated Financial Summary

Not applicable.