

Management Policy

Management Policy for the Fiscal Year Ending March 31, 2010

Declaration of Quality Assurance

The Company has made a Declaration of Quality Assurance in its resolution to pursue policies that value customers most.

We believe that quality means providing a high level of satisfaction to customers in our products and services at each stage of insurance, including the point when an insurance policy is concluded, throughout the policy term, and the point when claims are paid. We will continue to take steps to improve and strengthen our systems by first taking into account the opinions of customers. Our aim is to improve our quality to the point at which we have the highest reputation with customers.

Value Up 2010, the Medium-term Management Plan for Fiscal Years 2008 through 2010

Dai-ichi has adopted a number of initiatives under Value Up 2010, its medium-term management plan for the fiscal years 2008 through 2010.

Simultaneously Pursuing Quality Assurance and Higher Productivity

■ Strengthening Competitiveness in Core Businesses

In our core life insurance business via sales representatives, we seek to bolster customer satisfaction in our products and services by refining systems for developing competent sales representatives. We will also strive to improve our productivity by developing an efficient organizational management system and reviewing the workflow.

■ Proactive Investments in Growth Markets

Targeting markets with growth potential, namely the overseas life insurance market and the market for individual savings products via sales through bank branches, we will continue to focus on initiatives that will contribute to the Company's profit growth in the medium to long term, while practicing comprehensive risk management.

Demutualization and Public Listing

To execute the above strategies, Dai-ichi is taking steps to demutualize and list its shares on the stock exchange. We believe this will enable us to adopt more flexible management strategies. We will also be establishing systems suitable for a listed company.

Strengthening Competitiveness in Core Businesses

We have been endeavoring to strengthen our competitiveness by improving quality.

The life insurance business is the Company's core business, and is managed by the total life plan designers (sales representatives). To introduce the Declaration of Quality Assurance to this business, we have adopted a system that evaluates those activities which focus on customers under a sales promotion plan named "Success 110!!"

Under Success 110!!, we have set out missions for developing sales representatives, maintaining existing policies, and promoting compliance, and we strive to improve operational performance by pursuing quality assurance.

Our sales activities mainly focus on face-to-face consultation with the assistance of eNavit portable personal computers, so that our total life plan designers can obtain opinions directly from customers.

We have initiated a practice of visiting all policyholders in person. Our total life plan designers visit customers to explain policy details, to coincide with the arrival of the annual Total Life Plan Report. We examine surveys and customer opinions obtained through these activities, and use them to improve our activities and the quality of our services.

■ Launch of *Jinsei* (Life) Series

In October 2008, to create a lineup of products that are simple and easy to understand, we consolidated our thirteen existing core products—each of which had different names in accordance with gender, age, and applicable riders—into three products in the *Jinsei* series, namely: *Dodo Jinsei* (Dignified Life, renewable type whole life transferable term life insurance), *Junpu Jinsei* (Favorable Life, whole life insurance) and *Shuyaku Jinsei* (Starring Life, whole life medical insurance).

■ Services for policyholders

With Partner

In October 2008, we began offering our *With Partner* service, a new point program for all individual insurance and individual annuity insurance policyholders (Note). Policyholders can enjoy the special benefits offered under this program by using points that are accumulated based on the details of transactions.

(Note) This service is not available for corporate or financial insurance policyholders.

■ Portable Personal Computer

eNavit

Functioning as an explanation navigator, eNavit enables our sales representatives to propose insurance products in a way that helps customers understand the need for insurance, using visual presentations. In addition, through eNavit, our sales representatives can access the headquarters' computer system even when they are out of the office, enabling them to promptly respond to customer inquiries.

International Life Insurance Business

Dai-ichi has also been actively developing its overseas businesses.

We have also been developing our overseas businesses by using the expertise in life insurance we have developed over the past one hundred years.

We aim to contribute to the growth of life insurance and the development of a life insurance market in countries where we have begun operating, and will seek to generate earnings in line with local economic growth.

■ Vietnam

In January 2007, Dai-ichi acquired Bao Minh CMG, which recommenced operations as Dai-ichi Life Insurance Company of Vietnam, Ltd. This was the first instance of a Japanese life insurer doing business in Vietnam.

Since the business commenced, results have been improving in line with the steady expansion of our product lineup. We will continue to contribute to the development of the Vietnamese life insurance market by providing more sophisticated products and services.

■ India

Star Union Dai-ichi Life Insurance Company Limited, a joint life insurance company established together with the Bank of India and Union Bank of India, commenced operations in February 2009 after obtaining a registration certificate of business approval and product approval. It was the first instance of a Japanese life insurance company launching a life insurance business in India.

Using the extensive sales network and the customer base of our two partner banks, as well as Dai-ichi's expertise in life insurance management, we aspire to contribute to the development of the Indian life insurance market.

■ Thailand

In July 2008, Dai-ichi agreed to take an equity stake in Ocean Life Insurance Co., Ltd. and form a strategic business alliance. Ocean Life Insurance subsequently became Dai-ichi's affiliate in the same year.

Under this alliance, Dai-ichi will strive to enhance the corporate value of Ocean Life Insurance by providing its expertise in a broad array of operations, including individual insurance, group insurance, asset management, and information technologies, and will aim to contribute to the development of the Thai life insurance market in the future.



■ Taiwan

In June 2006, Dai-ichi agreed to take an equity stake in Shin Kong Financial Holding Co., Ltd. and form an operating alliance.

At present, Dai-ichi is taking steps to advance this alliance by offering support to develop businesses in the group insurance market for Japanese companies and other support.

■ Australia

In August 2008, Dai-ichi agreed to take an equity stake in Tower Australia Group Limited and form a strategic business alliance. Tower Australia Group subsequently became a Dai-ichi affiliate in the same year.

Based on this alliance, Dai-ichi will seek to enhance the corporate value of Tower Australia Group by providing its know-how in a wide range of operations, including individual insurance, reinsurance, and asset management, and will aim to contribute to the development of the Australian life insurance market.

Services for Japanese Companies Operating Overseas

To support Japanese companies operating overseas, Dai-ichi manages a group reinsurance business, through which it introduces Japanese companies to its partner insurance companies in countries that have concluded a reinsurance agreement. Dai-ichi also provides group insurance services to Japanese companies through the partner insurance company. At present, Dai-ichi has 15 partner insurance companies and underwrote 141 reinsurance policies (as at the end of March 2009).

To improve services provided by our partner insurance companies, we dispatch staff to provide support in the form of sophisticated services that meet the needs of customers.

Services for International Companies Operating in Japan

Dai-ichi provides comprehensive welfare services to international companies operating in Japan through its International Corporate Relations Department. We have concluded transactions with more than 400 international companies in terms of corporate insurance alone.

Services provided to international companies cover a broad array of products. These include the planning of bereaved families' compensation through group term insurance, management of corporate pension assets, and consultation on the introduction of the defined contribution pension. Moreover, business alliances with Sompo Japan and AFLAC have enabled Dai-ichi to provide an even more extensive product lineup, including long-term disability insurance and accident insurance.

As a representative of Japanese insurance companies, Dai-ichi has become a member of the International Group Program (IGP), the international group insurance network created at the initiative of John Hancock Life Insurance Company, a major U.S. insurer. IGP is now an international group insurance network with members from 54 major insurance companies from around the world.

Our group term insurance business takes advantage of the IGP system, in which global member companies cooperate in providing support to multinational companies. The number of companies adopting IGP has been rising steadily.

Individual Reinsurance

Dai-ichi also operates an individual reinsurance business. We focus especially on the Asian region, where we have developed strong relationships with Asian life insurance companies by providing them with the management expertise we have developed. We are currently conducting reinsurance transactions with thirteen companies in five countries in Asia.

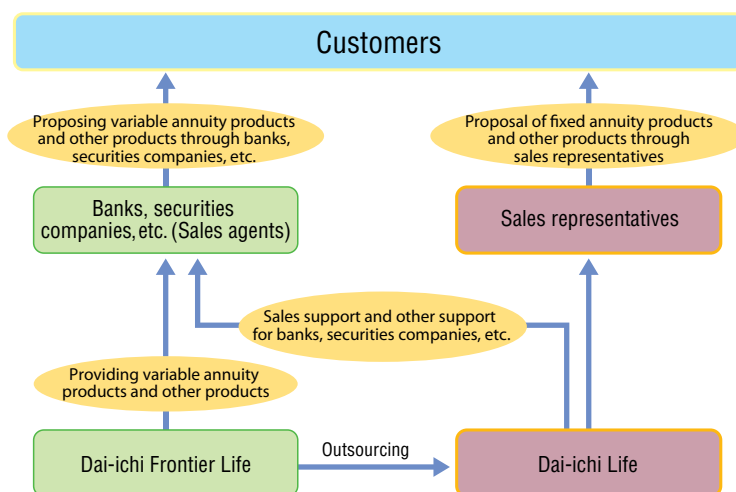
Saving-Type Product Business

Aiming to Expand Savings Market Share

The life insurance market in Japan is being shaped by significant environmental and structural changes, such as demographic shifts associated with the declining birth rate and the aging society. Most baby boomers have retired from supporting their companies and families, and have started their second lives. Consequently, demand in the

individual savings market for assets necessary to maintain a robust retirement life and to enjoy long lives has been growing.

To bolster the individual annuity insurance segment, which we position as a growth business, our subsidiary The Dai-ichi Frontier Life Insurance Co., Ltd. commenced operations in October 2007. The new subsidiary provides products tailored to customer needs for sale through banks and other financial institutions, and is enjoying a steady increase in sales.



Establishment of The Dai-ichi Frontier Life Insurance Co., Ltd.

The bancassurance business model, in which life insurance companies provide products to banks and securities companies and pay commissions based on their sales, is significantly different in character from the consultancy-style sales of insurance products conducted by Dai-ichi's designated total life plan designers (sales representatives), which are based on a total life plan. As part of its initiatives to enter new markets, Dai-ichi established The Dai-ichi Frontier Life Insurance Co., Ltd., which commenced operations in October 2007 as a specialist in providing products to sales agents, with a business model geared to the division between production and sales.

<Basic Management Policy of Dai-ichi Frontier Life>
As a group company of Dai-ichi, whose management philosophy has been "Policyholder First" from its foundation, Dai-ichi Frontier Life follows the concept of the basic management policies of Dai-ichi and positions the following policies as the base of its management:

- To become a company that has the very strong trust and support of its customers, business partners, and many other stakeholders, Dai-ichi Frontier Life will fully develop internal control systems, including a compliance system, and aim for sound and sustainable development.
- Dai-ichi Frontier Life will go ahead of changes in the business environment and the evolution of customers' needs and will continue to provide the most appropriate products and services that will satisfy customers.
- Dai-ichi Frontier Life will comprehensively pursue prompt, secure, and low-cost business operations and will seek to improve business efficiency.
- Employees will continue to perform challenging tasks to realize both their own dreams and the dreams of the Company.