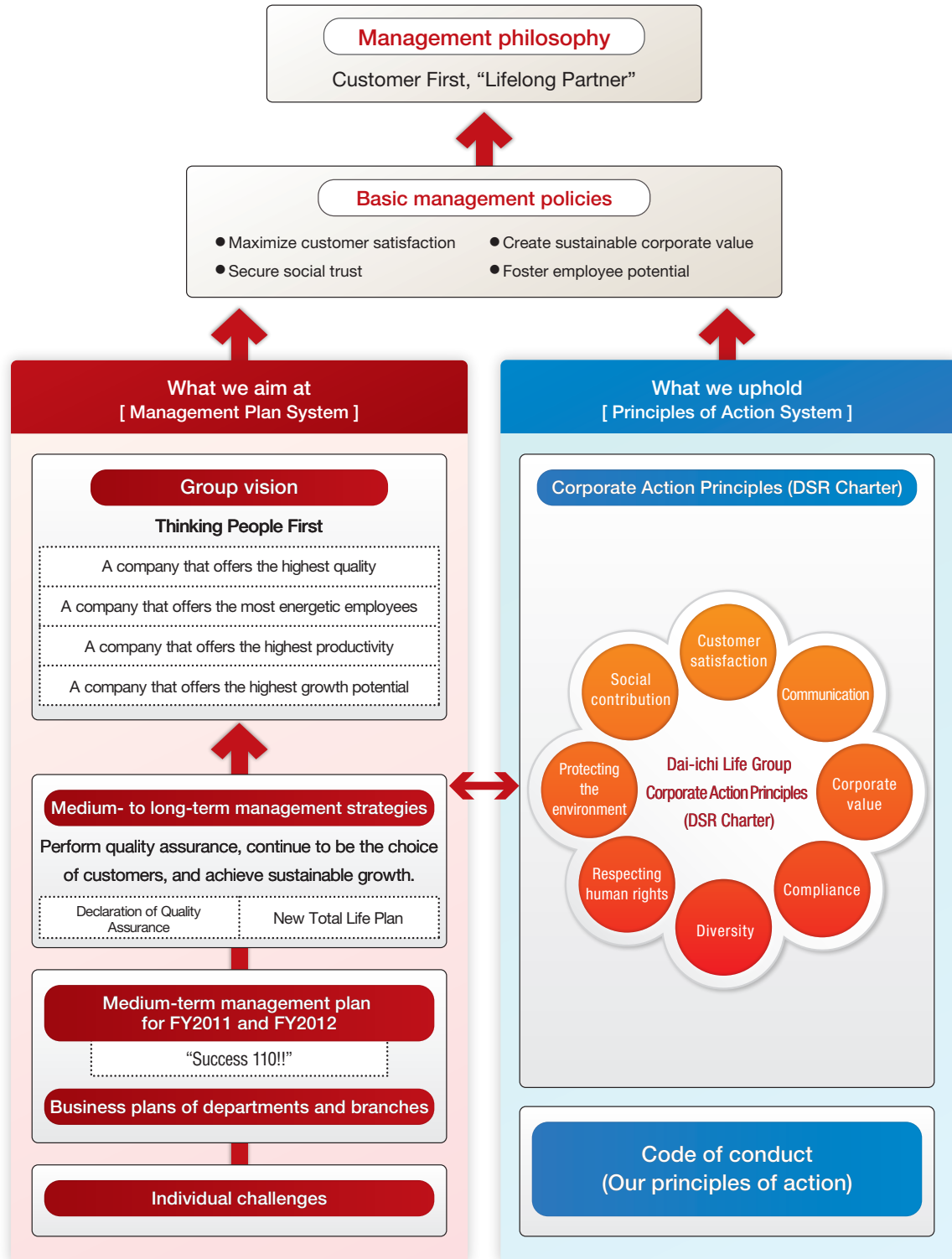


Management Policy

Management Philosophy

For more than 100 years since our foundation in 1902, we have endeavored to embody our “Customer First” principle. We will continue to position this management philosophy as our permanent raison d’être and we will seek to be a lifelong partner of our customers. Our basic management policies are the pillars of the management approach we take to realize our philosophy.



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 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.

Medium-term management plan “Success 110!!” for FY2011 and FY2012

We selected the name “Success 110!!” and the underlying theme of “Achieve a Recovery and Growth by Utilizing All Available Resources,” to be promoted over the two year-period looking forward to the 110th anniversary of our foundation in the year ending March 31, 2013.

<With the theme, We will:>

- fulfill our security function as a life insurer for customers affected by the major earthquake and related tsunami that occurred in northeastern Japan and make a maximum effort to help customers and local communities recover from the disaster and,
- at the same time, continue efforts under our medium- to long-term management strategies to (1) consolidate growth in the domestic and international markets, (2) improve operating efficiency and (3) strengthen management of our corporate value, as an extension of the underlying theme “Establish the Foundations for Growth and Public Listing” of the last medium-term management plan “Value Up 2010.”

■ Fulfillment of Security Function, Recovery and Renewal

It is not only our role as a life insurer but also our primary mission to support our customers affected by the earthquake, namely by processing filed claims and making the necessary payments quickly and accurately, from the perspective of customers. We will make every effort to provide services such as the payment of claims to customers affected by the earthquake quickly and smoothly.

■ Acceleration of Business Operation for Growth

Under the “New Total Life Plan,” an expanded and evolved form of the concept of the “Total Life Plan” which we had been promoting since 1997, Dai-ichi will aim to grow its top line at a pace that outperforms the market by (1) developing and introducing competitive products in the Third Sector (medical and survival) and the individual saving markets where growth in Japan can be expected and (2) strengthening the consulting capability of its sales forces.

With respect to the overseas life insurance business, we will increase our contribution to the profit of the Dai-ichi Life Group by focusing our efforts on the Asia-Pacific region, where the life insurance market is expected to grow. We will also consider moving into the life insurance business in developed countries where market growth is likely, to achieve growth in income at the earliest possible stage.

With the aim of changing our business model in existing operations, we will undertake five business reform projects: “Cost-mind Reform” project, “Business Operation Reform” project, “Business Formation Reform” project, “Office Infrastructure Reform” project, and “Work-Style Reform” project. With the five projects, we intend to reduce fixed costs, widen customer contacts, and strengthen our overall competitiveness.

■ Enforcing the Financial Base and Adopting a Disciplined Capital Strategy to Support Growth

We aim to achieve steady growth in Embedded Value (“EV”), a major indicator of economic value based on the corporate value of a life insurer. We will also optimize our portfolio and increase the corporate value of the Group by improving capital efficiency in each business area through risk control measures, promoting disciplined capital allocation (including capital injection in M&As) in growth areas by using excess capital arising from the efforts described above.

■ Establishment of Internal System for Next Level Group Management

We will set out a framework for shifting to the holding company system for the purpose of building a management system that can (1) accelerate our operations in growth areas in Japan and overseas, and (2) improve flexibility in the allocation of

corporate resources. In addition, in light of global trends in regulations and accounting, we will seek to establish fully consolidated management by upgrading infrastructure to manage profitability, and risks for each company and each business unit within the Group.

Promotion of Dai-ichi’s Social Responsibility (DSR) to Improve Corporate Value

All employees of the Dai-ichi Life Group will fulfill their social responsibilities to each stakeholder and strive to increase corporate value, consistently working to improve management quality by autonomously working through the self-directed PDCA (Plan-Do-Check-Action) cycle at each organization.

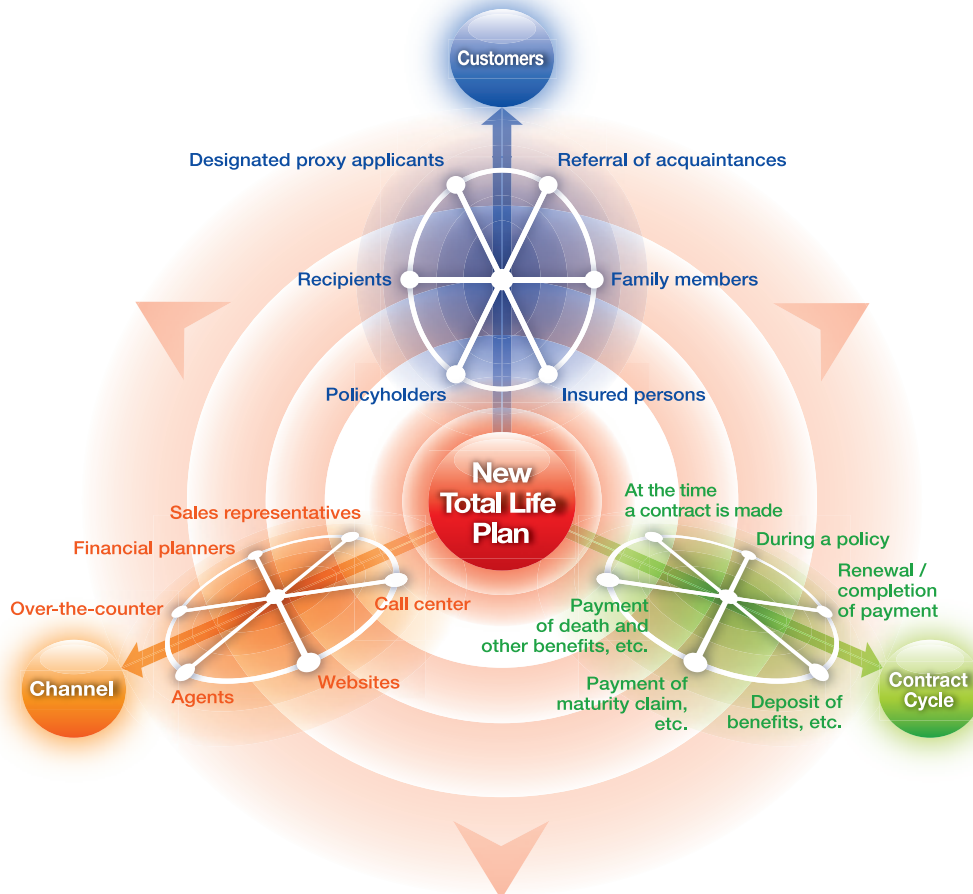
*For the DSR management, please refer to page 13.

New Total Life Plan

“New Total Life Plan” –
 For all customers,
 Everyone of us
 Will be their lifelong partner
 At all points of contact

Based on this concept, Dai-ichi will deliver better quality products, proposals, and services to all customers including policyholders, leveraging the comprehensive strength of the Dai-ichi Life Group by mobilizing all communication functions with customers, centering on Total Life Plan Designers (sales representatives), and strengthening points of contact with customers in all settings of all cycles of a contract, such as before and when a contract is made, during the policy, and when the payout is made.

Overview of "New Total Life Plan"



Strengthening Competitiveness in Core Businesses

We aim to strengthen competitiveness in our core business by improving quality. As a result of our customer-focused activities, overall customer satisfaction reached a record high of 84.6% in a nationwide customer survey in FY2010.

Promoting Consulting by Total Life Plan Designers

To act on our Declaration of Quality Assurance, we have introduced a system that evaluates customer-oriented activities by our Total Life Plan Designers (sales representatives), who operate our core business, under a sales promotion plan named Success 110!!. Our priority challenges in Success 110!! include training sales representatives, maintaining the existing policies, and promoting compliance. Under Success 110!!, we seek to improve operational performance, pursuing quality assurance.

Our Total Life Plan Designers visit customers each year when Total Life Plan Reports are sent to customers and explain the details of customers' policies. While customers check their policies, the Total Life Plan Designers seek feedback from them to improve the quality of their activities and services.

Using eNavit portable personal computers, the Total Life Plan Designers will focus on listening to the opinions of customers directly through face-to-face consultation and will thereby continue to strive to enhance customer satisfaction.

The Total Life Plan Report Informs Policyholders of the Contents of Their Policies

The Total Life Plan Report informs policyholders each year of the contents of their policies and the performance and financial statements of the Company.

The reports include not only the contents of life insurance policies of the Company but also the contents of nonlife insurance policies of Sampo Japan and the cancer insurance policies of AFLAC, which the Company has handled as an insurance agency, so that policyholders can confirm all their policies. Moreover, to ensure that policyholders can claim insurance benefits, the report also includes an eligibility list for the payment of claims for each main policy and a rider, a check sheet for the necessary procedures. Starting with the fiscal 2010 edition, policyholders have been able to access

more detailed information about their claims, as the Report has begun posting the payment history of claims and benefits related to hospitalization and operation by policy over the past 10 years in the eligibility list page.

We also try to improve readability and understandability, paying attention to how to use colors and design and acquiring color universal design (CUD) certification, to communicate information accurately to as many policyholders as possible.

Nationwide Customer Survey

Nationwide Customer Survey in FY2010*
Overall satisfaction
84.6%

* [Purpose]	To clarify the reasons for customer satisfaction and dissatisfaction and to identify the steps required to improve customer satisfaction, through feedback from customers.
[Survey period]	September 1 to September 30, 2010
[Research agency]	Research and Development, Inc.

Each year, we calculate customer satisfaction as an indicator to measure the degree to which we are attaining our goal of "Maximize Customer Satisfaction," as set forth in our basic management policy. We use the opinions from customers we receive from the survey to improve customer satisfaction.

The overall satisfaction in the Nationwide Customer Survey in FY2010 was 84.6%, the highest level ever.

We are taking steps to further improve the "information provision and service areas," in which customer satisfaction is relatively low, particularly in recent years.

■ Payment of Insurance Claims, Benefits, and Annuities

Payments in FY2010
¥1,786.4 billion

The total amount of insurance claims, benefits, and annuities paid in FY2010 stood at 1,786.4 billion yen. As a lifelong partner of our customers, we will continue to support their total life plans through the payment of insurance claims, benefits, and annuities.

	(billions of yen)		Changes (%, YoY)
	FY2009	FY2010	
Death, disability, and sickness benefits	468.4	453.0	96.7%
Hospitalization and operation benefits	112.0	115.6	103.3%
Maturity claims, survival benefits, and annuities	1,209.0	1,217.6	100.7%
Total	1,789.5	1,786.4	99.8%

Proactive Investments in Growth Markets

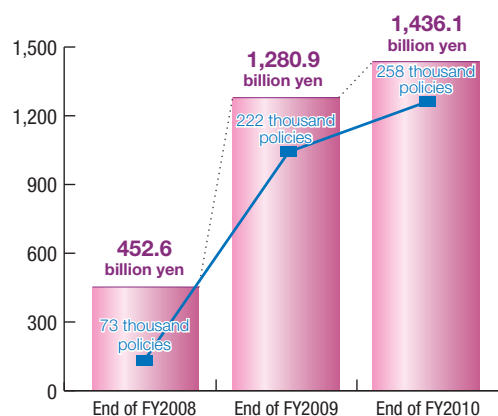
With changes in the social environment, the life insurance market is evolving. To respond to the changes and achieve sustainable growth, we position the individual savings product business and overseas life insurance business as growth businesses.

Initiative in Savings-type Product Market

The life insurance market in Japan is being shaped by significant environmental and structural changes, such as demographic shifts associated with the declining birth rate and the aging society. Most baby boomers have retired from supporting their companies and families, and have started their second lives. Consequently, demand in the individual savings market to maintain a robust retirement lives and to enjoy long lives has been growing. To bolster our operations in the savings-type product market, including the individual annuity insurance business, which we position as a growth field, our subsidiary The Dai-ichi Frontier Life Insurance Co., Ltd. commenced operations in

October 2007. The subsidiary provides products tailored to customer needs for banks, securities firms, and other financial institutions and is enjoying steady sales growth. Its sum insured of policies in force at the end of March 2011 was 1,436.1 billion yen.

The Dai-ichi Frontier Life Insurance Sum insured and number of insurance policies in force



<Basic Management Policy of Dai-ichi Frontier Life>

As a group company of Dai-ichi, whose management philosophy has been “Customer First (Lifelong Partner)” since its foundation, Dai-ichi Frontier Life follows the concepts included in the basic management policies of Dai-ichi, positioning the following policies as the foundation of its management:

- To become a company with 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 aspirations of Dai-ichi Frontier Life.

Initiatives for Overseas Businesses

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

We are aiming to increase the earnings of the Dai-ichi Life Group by encouraging the use of life insurance and the development of the life insurance market, while securing income according to the economic development in each country through our overseas subsidiaries and affiliates.

■ Vietnam

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

With the life insurance market in Vietnam growing rapidly, premium income of Dai-ichi Life Insurance Company of Vietnam stood at 4.18 billion yen in FY2010, about 2.69 times the pre-acquisition level in FY2006. The company's market share also expanded from 5.0% in FY2007 to 7.2% in FY2010.

■ Australia

In May 2011, TOWER Australia Group Limited, an affiliate of Dai-ichi, became a wholly owned subsidiary of Dai-ichi through a friendly takeover. TOWER Australia Group is a competitive player in the insurance product market in Australia, specializing in a promising market with high growth potential, and continues to expand its market share. Although we have been building an alliance with this affiliate in a wide range of operations, including reinsurance, we will support the growth of TOWER Australia Group more strongly than ever now that it has become a wholly owned subsidiary.

In June 2011, TOWER Australia Group changed its corporate name to TAL Limited.

■ 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.

In FY2010, premium income from new business significantly exceeded the level of the previous fiscal year and made solid progress.

■ 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.

Dai-ichi has been cooperating with Ocean Life Insurance in developing new products and building a staff training system to bolster the corporate value of Ocean Life Insurance. As a result, insurance premium income in FY2010 increased from the year-ago result.



International Insurance Business

Services for Japanese Companies Operating Overseas

To support the overseas expansion and operations of Japanese companies, Dai-ichi manages a group reinsurance business through which it introduces Japanese companies to its partner insurance companies in countries and regions that have concluded a reinsurance agreement. Dai-ichi also provides group insurance services to Japanese companies through its partner insurance companies. At present, Dai-ichi has 14 partner insurance companies and underwrote 287 reinsurance policies (as at the end of March 2011).

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.

Group reinsurance agreements by country and region

(As of March 31, 2011)

Country/region	Company name	Date of conclusion*
U.K.	AXA PPP healthcare	Apr. 1994
Czech Republic	Cooperativa	Mar. 2009
France	Quatrem	June 1991
Singapore	AVIVA	Dec. 1988
Thailand	Ocean Life	July 2006
	Muang Thai Life	Mar. 1994
China	Ping An Life Insurance	June 2010
Hong Kong	Pacific Century	Oct. 1997
	AXA China Region	Mar. 1987
Taiwan	Shin Kong Life	June 2006
Malaysia	ING	July 1994
Philippines	First Life	Feb. 1997
Australia	AMP	Jan. 1988
	TOWER (current TAL Life)	Oct. 2009

* Months and years that agreements were concluded

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 500 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. In principle, one representative life insurance company for each country or region becomes a member of the IGP. Currently, insurance companies in more than 65 countries and regions have become members and have formed an international group insurance network that spans the globe.

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. Today, Dai-ichi conducts a reinsurance business with 13 life insurance companies in 5 countries and regions in Asia.