Review of Operations in the Most Recent Fiscal Year

Financial and Economic Environment

In fiscal 2013, the Japanese economy maintained a steady recovery led by domestic demand. The supplementary budget passed in fiscal 2012 provided a significant boost in public investment and consumer spending, backed by a strong improvement in employment, to maintain overall economic growth. Capital expenditure remained weak until the summer of 2013 but began recovering in the fall in response to increased corporate earnings and rising business confidence.

The Nikkei Stock Average had risen beyond 16,000 by the end of 2013 as the yen weakened on the Bank of Japan's aggressive monetary easing. Entering 2014, however, the Nikkei began declining in response partly to uncertainties regarding the outlook for the U.S. economy, and generally fluctuated between 14,000 and 15,000. Long-term interest rates in Japan were unstable, with a sharp rise following on from the rapid decline seen after the monetary easing, although they gradually stabilized from June 2013 to settle in the range of 0.5% to 0.8%.

Major Management Indicators

Consolidated Ordinary Revenues

Consolidated ordinary revenues in fiscal 2013 increased 14.4% from the previous fiscal year, to ¥6,044.9 billion. This was as a result of an increase in premium and other income of 19.4% year on year, to ¥4,353.2 billion, a decline in investment income of 1.1% year on year, to ¥1,320.0 billion, and an increase in other ordinary revenues of 23.1%, to ¥371.6 billion. Premium and other income increased from the previous fiscal year, mainly reflecting continued strength in sales in Dai-ichi Frontier Life and TAL, which made efforts in growth areas.

Consolidated Ordinary Profit

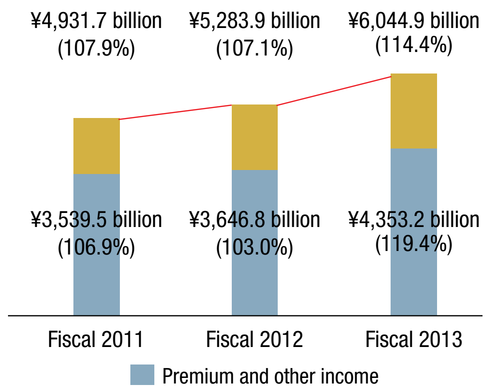
Consolidated ordinary expenses increased 12.0% year on year, to ¥5,740.2 billion, given an increase in benefits and claims of 3.9% from the previous fiscal year, to ¥2,903.5 billion, an increase in provisions for policy reserves and others of 37.2%, to ¥1,634.8 billion, an increase in investment expenses of 6.0% year on year, to ¥234.9 billion, an increase in operating expenses of 6.4%, to ¥517.5 billion, and an increase in other ordinary expenses of 4.2%, to ¥449.2 billion. Consolidated ordinary profit surged 93.7% from the previous fiscal year, to ¥304.7 billion.

Consolidated Net Income

Consolidated net income resulting after accounting for extraordinary gains, extraordinary losses, provision for reserves for policyholder dividends, corporate

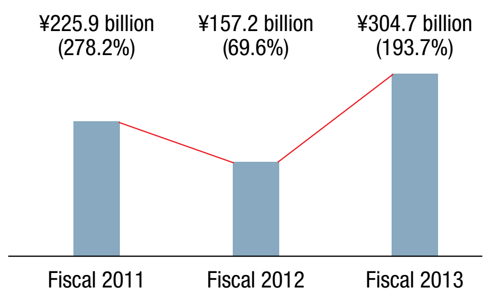
Consolidated Ordinary Revenues

(Figures in parentheses show the year-on-year comparison.)



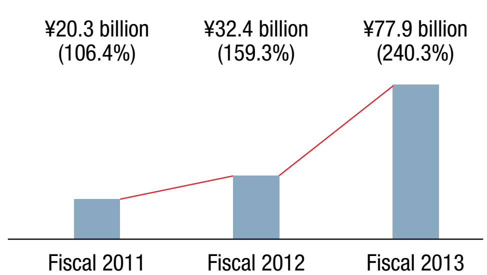
Consolidated Ordinary Profit

(Figures in parentheses show the year-on-year comparison.)



Consolidated Net Income

(Figures in parentheses show the year-on-year comparison.)



* See page 106 for more details on consolidated statements of earnings.

income taxes-current, corporate income taxes-deferred and minority interests in loss of subsidiaries was ¥77.9 billion, representing year-on-year growth of 140.3%. The increase in net income was primarily a result of a rise in interest and dividend income thanks to the favorable financial and economic environment and steady progress in the Group's efforts in growth areas.

Performance of Individual Life Insurance Products and Services

Policy Amount In-force, New Policy Amount, and Decrease in Policy Amount

In fiscal 2013, the new policy amount for individual insurance and individual annuities (the combined figure for Dai-ichi Life and Dai-ichi Frontier Life; the same applies to the policy amount in-force and the decrease in policy amount) decreased 7.9% from the previous fiscal year, to ¥7,675.7 billion. The decrease in policy amount declined 4.6% year on year, to ¥11,566.4 billion. As a result, the policy amount in-force at the end of fiscal 2013 was down 2.7% from the end of the previous fiscal year, to ¥140,207.2 billion.

The new policy amount for Dai-ichi Life on a non-consolidated basis decreased 17.3% year on year, to ¥6,467.5 billion.

Annualized Net Premium from Policies In-force and Annualized Net Premium for New Policies

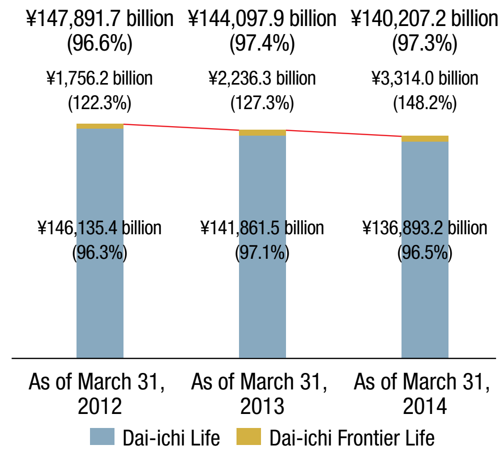
Annualized net premium is calculated by applying multipliers for various payment terms to the premium per payment. In single premium contracts, for domestic business, the amount is calculated by dividing the premium by the duration of the policy.

The Dai-ichi Life Group's annualized net premium from policies in-force for individual insurance and individual annuities rose 3.8% from the end of the previous fiscal year to ¥2,437.4 billion, however, for Dai-ichi Life on a non-consolidated basis this decreased 0.5% year on year, to ¥2,016.0 billion. The annualized net premium from policies in-force in the Third Sector increased 3.4%, to ¥540.2 billion.

The Dai-ichi Life Group's annualized net premium for new policies for individual insurance and individual annuities rose 9.1% from the previous fiscal year, to ¥255.0 billion; however, for Dai-ichi Life on a non-consolidated basis this decreased 20.4% year on year, to ¥119.2 billion. The annualized net premium for new policies in the Third Sector rose 20.5% year on year, to ¥48.8 billion.

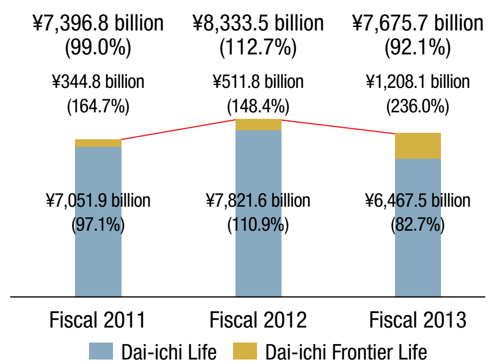
Policy Amount In-force

(Figures in parentheses show the year-on-year comparison.)



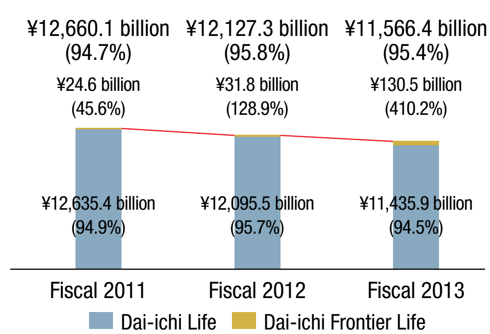
New Policy Amount

(Figures in parentheses show the year-on-year comparison.)



Decrease in Policy Amount

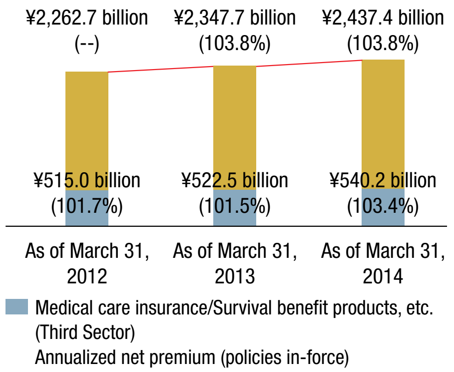
(Figures in parentheses show the year-on-year comparison.)



Notes:
1. For the policy amount in-force, new policy amount, and decrease in policy amount, the combined figures for Dai-ichi Life and Dai-ichi Frontier Life are stated.
2. Policy amounts for individual annuities are equal to the funds to be held at the time annuity payments are to commence for annuities for which annuity payments have not yet commenced and the amount of policy reserve for annuities for which payments have commenced.
3. The new policy amount for individual annuities equates to funds to be held at the time annuity payments are to commence for an annuity.

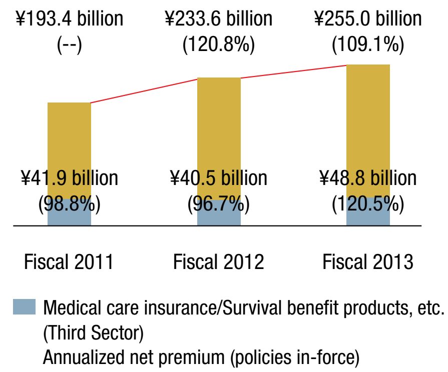
Annualized Net Premium from Policies In-force

(Figures in parentheses show the year-on-year comparison.)



Annualized Net Premium for New Policies

(Figures in parentheses show the year-on-year comparison.)



Notes:

1. The Third Sector represents the annualized net premium for the portion of policies that fall under benefits for hospitalization, surgery, specific illness, nursing care, etc., and the premium waiver benefits resulting from a hospitalization, surgery, specific illness, nursing care, etc.
2. The combined figures for the four companies—namely, Dai-ichi Life, Dai-ichi Frontier Life, TAL, and Dai-ichi Life Vietnam—are stated (the values for TAL and Dai-ichi Life Vietnam are recorded from fiscal 2011).
3. The year-on-year percentage change is not stated for fiscal 2011, as there are no combined figures for fiscal 2010.

Status of Tied Sales

The business partnership with Sompo Japan and AFLAC entered into in fiscal 2000 plays an important role in the product infrastructure.

The Company will continue to conscientiously deal with a wide range of customer needs by selling Sompo Japan's non-life insurance products and AFLAC's cancer insurance.

We also sell our life insurance products (First Sector) through Sompo Japan agents in conjunction with the product lineup of the Sompo Japan Group.

Status of the Company's Sales of Its Partners' Products (actual results in fiscal 2013)

Number of policies (thousands)		Annualized net premium (Unit: billion yen)	
Actual results	Year-on-year	Actual results	Year-on-year
Actual sales of non-life insurance products (new policies)			
490	97.6%	29.82	103.4%
Actual sales of cancer insurance (new policies)			
68	96.1%	2.37	95.6%
AFLAC policies in force (sales by the Company)			
Actual results	Year-on-year	Actual results	Year-on-year
1,208	99.8%	49.44	99.0%

Status of Sompo Japan's Sales of the Company's Products (actual results in fiscal 2013)

	Number of policies		New policy amount (Unit: billion yen)		Number of commissioned agents (stores)
		Year-on-year		Year-on-year	
Individual insurance/ individual annuities	12,527	92.2%	198.5	94.8%	2,253

Sales Results of Products and Services for Corporate Clients

A look at the status of group life insurance as of March 31, 2014 shows that the number of organizations with policies in-force declined, reflecting surrenders in association with changes in employment systems and revisions to benefit programs. As a result, the policy amount in-force of group insurance policies fell 0.8% from the end of the previous fiscal year, to ¥48,357.1 billion.

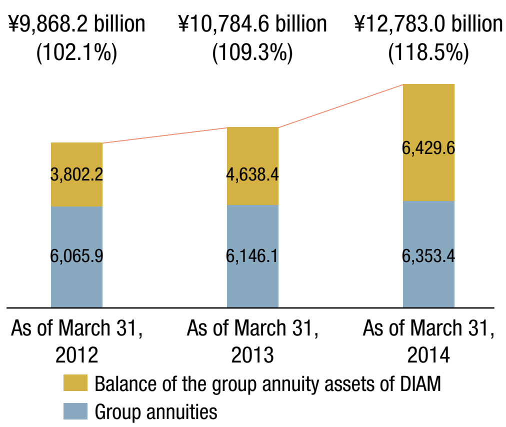
The policy amount in-force of group annuity policies at the end of fiscal 2013 was ¥6,353.4 billion, 3.4% higher than a year earlier, owing mainly to an increase in the separate account balance backed by strong financial and economic markets.

The balance of the group annuity assets of DIAM rose 38.6% from the end of the previous fiscal year, to ¥6,429.6 billion.

As a result, the balance of group annuity assets for the overall Dai-ichi Life Group as of March 31, 2014 increased by 18.5% from the end of the previous fiscal year, to ¥12,783.0 billion.

Balance of the Group Annuity Assets of the Dai-ichi Life Group

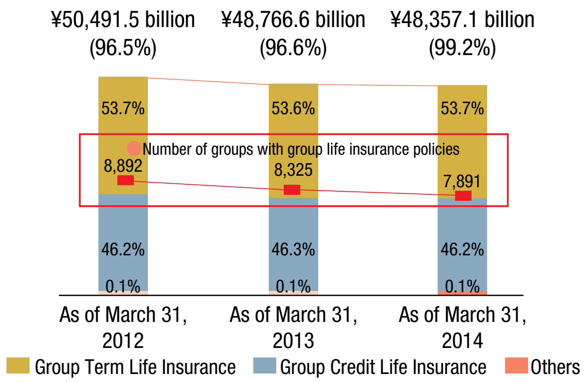
(Figures in parentheses show the year-on-year comparison.)



Notes:
1. Balance of the group annuity assets of DIAM valued at market.
2. For group annuities, the amount of the policy reserves is stated.

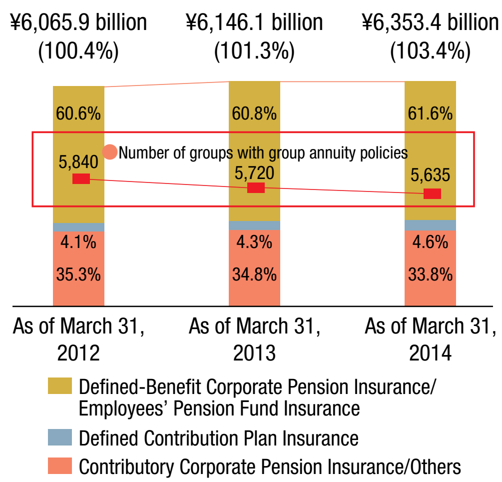
Policy Amount In-force of Group Life Insurance

(Figures in parentheses show the year-on-year comparison.)



Policy Amount In-force of Group Annuities

(Figures in parentheses show the year-on-year comparison.)



Note: The amount of group annuities is the amount of outstanding policy reserves.

Assets and Liabilities

Selected Balance Sheet Items (Consolidated)

(Unit: billion yen)

	As of March 31,		
	2012	2013	**2014**
Assets			
Cash and deposits	315.1	457.5	**698.5**
Call loans	249.2	391.2	**362.8**
Monetary claims bought	294.3	285.0	**281.8**
Money held in trust	48.2	56.2	**66.4**
Securities	27,038.7	29,390.9	**31,203.5**
Loans	3,413.6	3,140.9	**3,024.7**
Tangible fixed assets	1,254.6	1,236.2	**1,215.8**
Intangible fixed assets	211.0	215.4	**210.0**
Reinsurance receivable	41.7	32.8	**33.8**
Other assets	307.9	390.8	**516.4**
Deferred tax assets	284.5	67.6	**5.7**
Customers' liabilities for acceptances and guarantees	20.0	33.4	**88.2**
Reserve for possible loan losses	(10.6)	(4.1)	**(2.7)**
Reserve for possible investment losses	(0.1)	–	**(0.2)**
Total assets	33,468.6	35,694.4	**37,705.1**
Liabilities and Net Assets (Capital)			
Policy reserves and others	30,489.9	31,703.8	**33,327.5**
Reserves for outstanding claims	239.3	298.5	**358.6**
Policy reserves	29,862.7	31,012.5	**32,574.9**
Reserve for policyholder dividends	387.8	392.7	**394.0**
Reinsurance payable	12.6	16.5	**27.6**
Subordinated bonds	148.6	154.5	**107.5**
Other liabilities	1,188.1	1,496.5	**1,593.2**
Reserve for employees' retirement benefits	433.7	439.7	**–**
Net defined benefit liabilities	–	–	**385.4**
Reserve for retirement benefits of directors, executive officers and corporate auditors	2.5	2.3	**2.1**
Reserve for possible reimbursement of prescribed claims	1.0	0.7	**0.8**
Reserve for price fluctuations	74.8	89.2	**118.1**
Deferred tax liabilities	9.7	13.5	**15.1**
Deferred tax liabilities for land revaluation	95.6	94.8	**91.5**
Acceptances and guarantees	20.0	33.4	**88.2**
Total liabilities	32,476.9	34,045.3	**35,757.5**
Capital stock	210.2	210.2	**210.2**
Capital surplus	210.2	210.2	**210.2**
Retained earnings	165.5	156.3	**219.5**
Treasury stock	(16.7)	(13.4)	**(11.5)**
Total shareholders' equity	569.2	563.3	**628.5**
Net unrealized gains (losses) on securities, net of tax	483.4	1,099.3	**1,322.7**
Deferred hedge gains (losses)	(0.0)	(1.8)	**(2.5)**
Reserve for land revaluation	(61.6)	(36.9)	**(38.3)**
Foreign currency translation adjustments	(8.5)	18.2	**19.7**
Accumulated remeasurements of defined benefit plans	–	–	**16.8**
Total accumulated other comprehensive income	413.2	1,078.7	**1,318.4**
Subscription rights to shares	0.1	0.3	**0.5**
Minority interests	9.0	6.5	**0.0**
Total net assets	991.7	1,649.0	**1,947.6**
Total liabilities and net assets	33,468.6	35,694.4	**37,705.1**

Selected Balance Sheet Items (Non-consolidated)

(Unit: billion yen)

	As of March 31,		
	2012	2013	2014
Assets			
Cash and deposits, call loans	440.9	710.0	827.4
Monetary claims bought	294.3	283.1	275.8
Money held in trust	20.6	24.0	34.6
Securities	24,314.6	26,079.8	26,905.4
Domestic bonds	15,541.6	16,427.3	16,120.3
Domestic stocks	2,284.8	2,557.4	2,862.1
Foreign securities	6,298.2	6,816.2	7,535.7
Loans	3,412.5	3,139.6	3,023.1
Policy loans	509.8	480.2	452.9
Ordinary loans	2,902.7	2,659.4	2,570.2
Real estate*1	1,249.1	1,224.4	1,206.1
Deferred tax assets 1	282.6	65.5	11.1
Others	360.0	389.2	538.8
Reserve for possible loan losses	(10.6)	(4.1)	(2.7)
Total general account assets 2	30,364.2	31,911.8	32,820.0
Foreign currency-denominated assets	4,669.6	5,262.6	6,039.8
Total separate account assets*2	1,097.6	1,160.6	1,208.7
Total assets 3	31,461.9	33,072.4	34,028.8
Liabilities and Net Assets (Capital)			
Policy reserves and others 4	28,529.9	29,168.3	29,744.0
Reserves for outstanding claims	130.3	138.5	150.7
Policy reserves	28,011.6	28,637.0	29,199.2
Reserve for policyholder dividends	387.8	392.7	394.0
Reinsurance payable	0.4	0.7	0.6
Subordinated bonds	148.6	154.5	107.5
Other liabilities	1,128.8	1,413.8	1,498.3
Reserve for employees' retirement benefits	432.0	437.5	407.1
Reserve for retirement benefits of directors, executive officers and corporate auditors	2.5	2.3	2.1
Reserve for possible reimbursement of prescribed claims	1.0	0.7	0.8
Reserve for price fluctuations 5	74.4	88.4	116.4
Deferred tax liabilities for land revaluation	95.6	94.8	91.5
Acceptances and guarantees	20.0	33.4	88.2
Total liabilities	30,433.5	31,394.7	32,056.9
Capital stock	210.2	210.2	210.2
Capital surplus	210.2	210.2	210.2
Retained earnings	206.7	216.5	287.2
Treasury stock	(16.7)	(13.4)	(11.5)
Total shareholders' equity	610.3	623.5	696.2
Net unrealized gains on securities, net of tax 6	479.4	1,092.5	1,315.8
Deferred hedge gains (losses)	(0.0)	(1.8)	(2.5)
Reserve for land revaluation 7	(61.6)	(36.9)	(38.3)
Total of valuation and translation adjustments	417.8	1,053.7	1,274.9
Subscription rights to shares	0.1	0.3	0.5
Total net assets	1,028.3	1,677.6	1,971.8
Total liabilities and net assets	31,461.9	33,072.4	34,028.8

*1: The amount of real estate is the sum of the amounts of land, buildings, and construction in progress.
*2: Receivables generated from transactions involving general account assets are deducted under the Insurance Business Act.
Note: See pages 105 (consolidated) and 157 through 158 (non-consolidated) for details of the balance sheets.

Deferred Tax Assets and Liabilities (1)

Some accounting items for which the time periods to recognize revenues/gains and expenses/losses vary between financial accounting and tax accounting, and deferred tax assets (liabilities) are recorded through tax effect accounting in order to adjust the gap between the recognized time periods. Deferred tax assets are added to the balance sheet after subtracting deferred tax liabilities, which were ¥11.1 billion at the end of fiscal 2013.

Status of Assets (2 and 3)

During the fiscal year ended March 31, 2014, Dai-ichi Life continued to position fixed income investments, including domestic bonds, as a core of its asset portfolio, so that they are consistent with its medium to long-term investment policies. Meanwhile, Dai-ichi Life accumulated policy reserve-matching bonds consisting primarily of super-long-term government bonds, taking into account the interest rate level, in an effort to promote asset liability management ("ALM") and increase profitability.

Continuing from fiscal 2012, the Company flexibly changed allocation in risk assets such as domestic stocks and foreign securities primarily to increase earnings strength through diversified investments while paying attention to market trends.

Outstanding general account assets as of March 31, 2014, increased by ¥908.1 billion from the end of the previous fiscal year, to ¥32,820.0 billion, primarily reflecting a rise in unrealized gains on securities. The balance of separate account assets increased by ¥48.1 billion, to ¥1,208.7 billion. As a result, total assets climbed by ¥956.3 billion, to ¥34,028.8 billion.

Policy Reserves and Others (4)

Policy Reserves and Others consist of 1) a reserve established for the fulfillment of insurance claims and other payments related to the Company's outstanding policies that are expected to be paid in the future (Policy Reserves), 2) a reserve for potential claims such as insurance claims, other payments, and benefits that remained outstanding as of the balance sheet date (Reserve for Outstanding Claims), and 3) a reserve used to fund the payment of policyholder dividends (Reserve for Policyholder Dividends).

The Company maintains Policy Reserves based on the standards specified by the Insurance Business Act and other applicable laws in preparation for the future payment of insurance claims and benefits, and adopts the most statutorily sound method (these reserves are referred to as "standard policy reserves" under Japanese regulations). Since fiscal 2007, the Company has been accumulating additional policy reserves for some whole life insurance policies with a high assumed investment yield for which payment is completed in an effort to enhance its financial security.

As part of policy reserves, the Company makes contingency reserves in preparation for risks beyond normal forecasts. Reserves of ¥36.0 billion were reported in the results of fiscal 2013.

Reserve for Price Fluctuations (5)

The Company maintains price fluctuation reserves in preparation for losses due to a fall in the price of assets such as stocks whose prices fluctuate rapidly. Reserves of ¥28.0 billion were accumulated during fiscal 2013, and the closing balance was ¥116.4 billion.

Net Unrealized Gains on Securities, Net of Tax and Reserve for Land Revaluation (6 and 7)

Market value of land, marketable securities, and other assets are valued based on the Act on Revaluation of Land and market-value accounting for financial instruments, and valuation differences (after subtracting the amount equivalent to taxes) are included in the section of net assets.

Revenues and Expenditures

Selected Items on Consolidated Statements of Earnings

(Unit: billion yen)

	Years ended March 31,		
	2012	2013	**2014**
Ordinary revenues	4,931.7	5,283.9	**6,044.9**
Premium and other income ❶	3,539.5	3,646.8	**4,353.2**
Investment income ❷	1,035.6	1,335.1	**1,320.0**
Other ordinary revenues	356.5	302.0	**371.6**
Ordinary expenses	4,705.8	5,126.6	**5,740.2**
Benefits and claims ❸	2,688.4	2,795.3	**2,903.5**
Provision for policy reserves and others	718.6	1,191.9	**1,634.8**
Investment expenses ❹	380.3	221.7	**234.9**
Operating expenses	471.0	486.4	**517.5**
Other ordinary expenses	447.3	431.2	**449.2**
Ordinary profit	225.9	157.2	**304.7**
Extraordinary gains	30.4	8.8	**3.6**
Extraordinary losses	36.3	24.0	**67.3**
Provision for reserve for policyholder dividends	69.0	86.0	**94.0**
Income before income taxes and minority interests	151.0	56.1	**147.0**
Corporate income taxes-current	29.5	80.6	**117.2**
Corporate income taxes-deferred	104.0	(54.0)	**(46.4)**
Total of corporate income taxes	133.6	26.5	**70.7**
Income before minority interests	17.4	29.5	**76.2**
Minority interests in loss of subsidiaries	2.9	2.8	**1.6**
Net income for the year	20.3	32.4	**77.9**

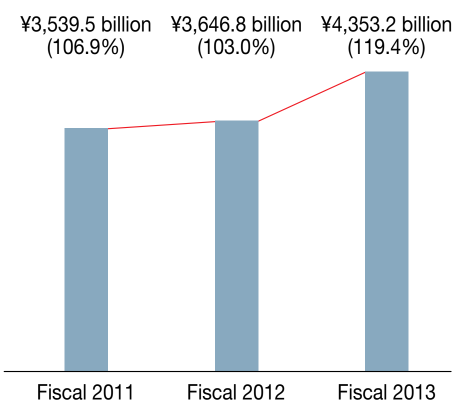
Note: See page 106 for details of the consolidated statements of earnings.

Insurance-Related Income and Expenses (Premium and Other Income, and Benefits and Claims) (❶ and ❸)

Premium and other income for the Dai-ichi Life Group increased by ¥706.3 billion from the previous fiscal year, to ¥4,353.2 billion, mainly attributable to strong sales at Dai-ichi Frontier Life and TAL, which made efforts in growth areas. Benefits and claims rose by ¥108.2 billion year on year, to ¥2,903.5 billion. This was as a result primarily of an increase in refunds through the achievement of target values for annuity products (which are selected by customers) sold by Dai-ichi Frontier Life, thanks to strong financial and economic conditions.

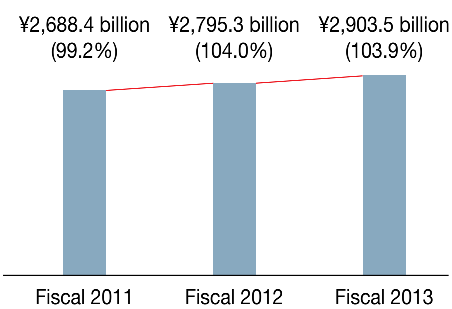
Premium and Other Income

(Figures in parentheses show the year-on-year comparison.)



Benefits and Claims

(Figures in parentheses show the year-on-year comparison.)



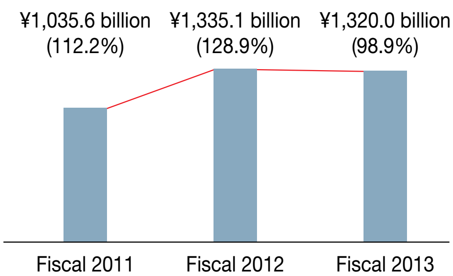
Investment-Related Income and Expenses (2 and 4)

The Dai-ichi Life Group's investment income decreased by ¥15.0 billion from the previous fiscal year, to ¥1,320.0 billion. Meanwhile, investment expenses grew by ¥13.2 billon year on year, to ¥234.9 billion.

Net investment income declined by ¥28.2 billion year on year, to ¥1,085.1 billion, due to factors such as a decrease in gains on investments in separate accounts despite an increase in interest, dividend and other income backed by good financial and economic conditions.

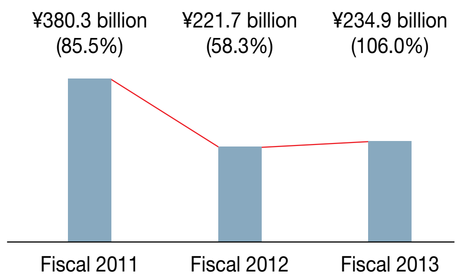
Investment Income

(Figures in parentheses show the year-on-year comparison.)



Investment Expenses

(Figures in parentheses show the year-on-year comparison.)



Provision for Reserve for Policyholder Dividends (5)

The Company accumulated a reserve for policyholder dividends and provided ¥94.0 billion for the reserve in fiscal 2013.

The rate of policyholder dividends for fiscal 2013 was 55.6%. This is the ratio of the amount of the provision for the reserve for policyholder dividends (¥94.0 billion in fiscal 2013) to the surplus attributable to participating policyholders (¥169.0 billion in fiscal 2013), calculated based on earnings related to participating policies defined in the Articles of Incorporation.

Notes:

1. The Company specifies in its Articles of Incorporation that 20% or more of the amount subject to policyholder dividends based on the profit/loss on participating policies is used as the funds for policyholder dividends. Profit and loss in the category of participating policies refers to profit and loss on insurance policies (including participating riders) that pay policyholder dividends.
2. See page 79 for information on the policyholder dividends in fiscal 2014.

Selected Items on Non-Consolidated Statements of Earnings

(Unit: billion yen)

	Years ended March 31,		
	2012	2013	**2014**
Ordinary revenues	4,398.2	4,315.9	**4,384.6**
Premium and other income	3,056.0	2,921.8	**2,868.0**
Investment income	974.0	1,104.4	**1,161.4**
Other ordinary revenues	368.0	289.6	**355.1**
Ordinary expenses	4,154.4	4,142.1	**4,077.0**
Benefits and claims	2,508.7	2,467.7	**2,439.1**
Provision for policy reserves and others	431.6	642.7	**583.3**
Investment expenses	363.3	206.5	**213.9**
Operating expenses	415.6	408.8	**410.5**
Other ordinary expenses	435.0	416.2	**430.1**
Ordinary profit	243.7	173.8	**307.6**
Extraordinary gains	7.5	8.8	**3.6**
Extraordinary losses	35.9	23.5	**66.4**
Provision for reserve for policyholder dividends 5	69.0	86.0	**94.0**
Income before income taxes	146.3	73.1	**150.8**
Corporate income taxes-current	24.7	76.1	**112.7**
Corporate income taxes-deferred	103.9	(54.4)	**(47.4)**
Total of corporate income taxes	128.7	21.7	**65.2**
Net income for the year	17.6	51.4	**85.5**

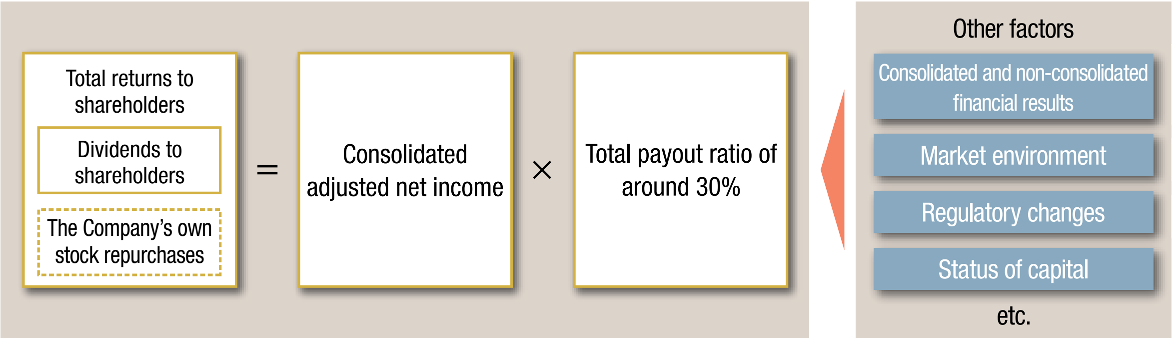
Note: See pages 159 and 160 for details of the non-consolidated statements of earnings.

Dividends to Shareholders

Public life insurance companies pay policyholder dividends and dividends to shareholders.

The policyholders of a mutual life insurance company are owners with the rights to receive policyholder dividends. Those rights are transferred to a public company after its demutualization. Our policy for policyholder dividends is included in the Articles of Incorporation under the Insurance Business Act, so that we aim to protect the rights of policyholders related to dividends.

We aim to increase returns to shareholders in tandem with growth in profits, with our basic policy being to provide stable dividends to shareholders, by setting a total payout ratio of around 30% based on our consolidated adjusted net income as our medium-term target. Specifically, we intend to determine the dividend level each year by taking into account factors such as our consolidated and non-consolidated financial results, the market environment, and regulatory changes.



[Consolidated adjusted net income]
Consolidated adjusted net income is the indicator showing our effective real profitability, which is calculated by adding back to our consolidated net income items such as a provision for a contingency reserve in excess of the statutory amount (after-tax).

[Total payout ratio]
Total payout ratio = (Total dividends to shareholders + Total amount of the Company's own stock repurchases) / Consolidated adjusted net income

Summary of Investment Results

Summary of General Account Assets[*1]

● **Balance of Cash and Deposits Kept Low**

While domestic interest rates remained low, Dai-ichi Life sought to improve investment efficiency by keeping the balance of cash and deposits low.

● **Domestic Bonds: Decrease**

The Company prolonged the duration of bonds while paying attention to the interest rate level and increased its investment mostly in policy reserve-matching bonds to strengthen its ALM. The reduced balance resulted from the replacement of domestic bonds with foreign currency-denominated bonds with currency hedges (which was done to improve the investment efficiency of fixed-income assets) as well as a decline in market value due to increased interest rates. The Company also made efforts to improve investment yields by carefully selecting and diversifying among various credit risk products, including corporate bonds and securitized products, in accordance with its internal guidelines on risk-adjusted credit-spread[*2].

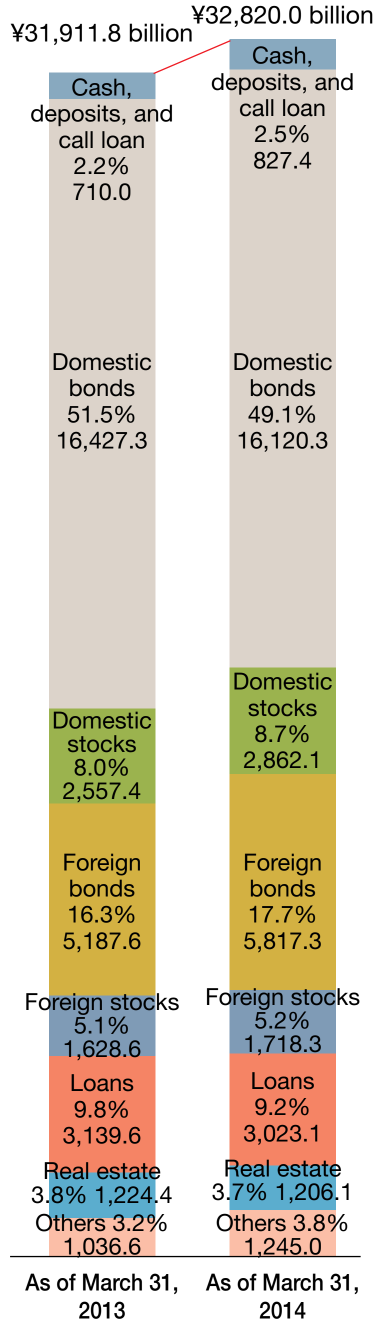
● **Domestic Stocks: Increase**

The market capitalization of domestic stocks in the portfolio increased as a result of an increase in stock prices and flexible asset allocation according to market trends. To improve the profitability of the portfolio, the Company replaced the stocks of certain companies and sectors with more competitive stocks of companies offering greater competitive advantage, growth potential, and a more attractive valuation, based on corporate research by in-house analysts.

● **Foreign Bonds: Increase**

The Company replaced domestic bonds with foreign currency-denominated bonds with currency hedges, aiming for an improved return on investment in the fixed income asset category (focusing on differences in domestic and foreign interest rates), while flexibly changing allocation and increasing its investment in foreign currency-denominated bonds without currency hedges, taking into account market trends, which resulted in an increase in the total balance of foreign bonds. Meanwhile, the Company also made efforts to improve its return on investments and to control risk by diversifying its portfolio by sector and currency.

Breakdown of Assets in General Account



Financial Highlights

- **Foreign Stocks: Increase**

The Company increased the balance of foreign stocks in its portfolio to improve the portfolio's profitability and diversify its investments. The company also worked to strengthen the diversification of its asset management, between in-house management*3 and outside asset management companies, among investment styles, and among regions.

- **Loans: Slight decrease**

While the total balance of loans decreased slightly, due to contract maturities and other factors, active responses to new capital requirements in growth areas including the environment and infrastructure nearly doubled the amount of lending from the previous year. The Company also provided loans to acquire excess returns by setting adequate risk-adjusted spreads, while paying attention to the credit spread trends in the bond market.

- **Real Estate: Slight decrease**

The Company sought to improve the profitability of the portfolio by renegotiating rents and improving occupancy rates in its existing real estate portfolio. The Company also took steps to increase the value of existing real estate by promoting its effective use, such as efforts to invite daycare service providers for children.

Asset Investment Yield (general account)

	Fiscal 2011	Fiscal 2012	**Fiscal 2013**
Rate of return of investment on fundamental profit	2.38%	2.42%	**2.67%**
Investment yield	1.99%	2.42%	**2.59%**

Rate of return of investment on fundamental profit = (Return of investment in fundamental profit – Interest on policyholder dividends) / Policy reserves
Investment yield = Net investment income / Average daily balance of general account assets

*1: Changes in assets are based on the book value on the balance sheets.
*2: Credit spread
Yield in excess of the yield of government bonds
*3: In-house management
The Company manages assets, acquiring stocks and bonds and setting up deposits by itself, without assigning the management to outside investment managers.

Future Policies

The Company will continue to conduct its portfolio management focusing on fixed-income assets such as public and corporate bonds in an effort to ensure stable investment profit based on its medium- and long-term investment policy. Risk assets such as domestic stocks and foreign securities allocated primarily to increase the Company's earnings strength through diversified investment will be flexibly allocated while paying full attention to market trends.

Policyholder Dividends in Fiscal 2014

Policyholder Dividends for Individual Insurance and Individual Annuities in Fiscal 2014

Premiums are calculated based on three predetermined rates (assumed investment yield, assumed operating expense rate, and assumed rate of mortality/morbidity). A profit margin resulting from differences between the schedule or assumptions and actual rates in the annual settlement of accounts will be subject to payment to policyholders as policyholder dividends according to the details of individual policies.

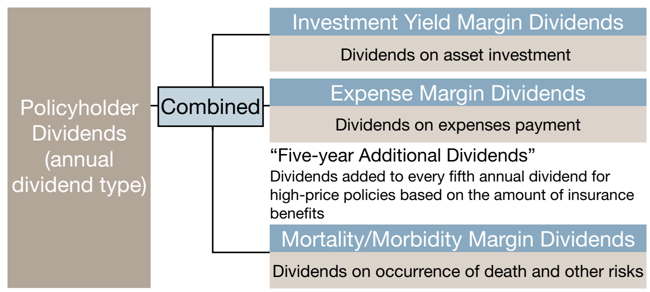
In particular, a certain amount of profit is assumed in advance in asset management, which is deducted as an assumed investment yield when determining a premium. In other words, unlike deposits and savings with specified interest added to the principal, life insurance premiums are determined by assuming in advance part of the investment profit in the form of an assumed investment yield.

If the actual result is below the assumption, policyholder dividends may not be paid. The agreed premiums will not change even when policyholder dividends cannot be paid.

■ Annual dividend type

Policyholder dividends are paid from the third year of the policy (Policyholder dividends are calculated for each policy, including the base policy and riders. Negative dividends are counted as zero).

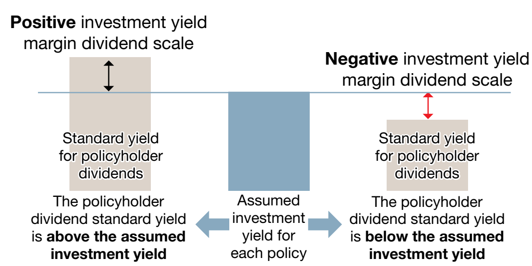
For policyholder dividends for fiscal 2014, the investment yield margin dividend scale has been revised according to the assumed investment yield, taking into account factors such as changes in the investment environment. The expense margin dividend scale and mortality/morbidity margin dividend scale remain unchanged from the standards of the previous year.



Standard Yields for Policyholder Dividends and Investment Yield Margin Dividend Scale

The "investment yield margin dividend scale" is the difference between the standard yield for policyholder dividends determined by the Company based on asset investment condition and the assumed investment yield of each policy (gain on asset management assumed in advance).

The following shows the standard yield of policyholder dividends for dividend-paying policies in the current fiscal year. As a result of this, the investment yield margin dividend scale becomes negative for most policies and policyholder dividends will not be paid for many policies.



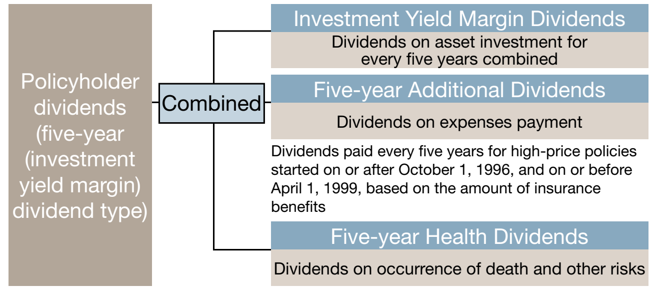
Standard yield of policyholder dividends for fiscal 2014

Policies with the assumed investment yield of 2% or below	1.70%
Policies with the assumed investment yield of more than 2% and up to 3%	1.10%
Policies with the assumed investment yield of more than 3% and up to 4%	1.00%
Policies with the assumed investment yield of more than 4% and up to 5%	0.85%
Policies with the assumed investment yield of more than 5%	0.65%

Some policies such as single premium endowment insurance and single premium whole life insurance may be different from the above.

Five-year (investment yield margin) dividend type

Unlike the policyholder dividend framework of the annual dividend type products, the five-year (investment yield margin) dividend type pays policyholder dividends every five years from the sixth year of the policy. In fiscal 2014, policyholder dividends for policies that started in fiscal 1999, 2004, and 2009 will be paid.



For policyholder dividends for fiscal 2014, the investment yield margin dividend scale has been revised according to the assumed investment yield, taking into account factors such as changes in the investment environment. The standards for the “five-year additional dividends” and “five-year health dividends” remain unchanged from the previous year.

Policyholder Dividends for Group Insurance and Group Annuities in Fiscal 2014

Policyholder dividends for group insurance, including group term insurance, comprehensive welfare group term insurance, and group credit life insurance, remain unchanged from the standards of the previous year.

As a result of applying the investment performance in fiscal 2013 to group annuity insurance, the investment yield margin dividend scale of products with the assumed investment yield of 1.25% and surrender charge will be 0.70%, the investment yield margin dividend scale of products with the assumed investment yield of 0.75% will be 0.15%, and the investment yield margin dividend scale of products with the assumed investment yield of 1.25% and no surrender charge will be 0.26%. Policyholder dividends for guaranteed fixed-term rate defined contribution annuity insurance are zero.

Embedded Value

The Dai-ichi Life Group discloses its embedded value (EV) as an indicator of its corporate value in the market. We strive to improve our EV.

Under current statutory accounting practices applicable to life insurance companies in Japan, there is a time lag between the sale of policies and recognition of accounting profits. Most expenses, such as sales commissions, are incurred in the initial period of each policy. On the other hand, life insurance policy periods are very long (20 years, 30 years, etc.), and revenues are generated over long periods. Since the EV principles allow life insurers to recognize discounted future profits from already-acquired policies in force at the time of sale, the EV measure is considered to complement financial data based on statutory accounting practices.

Embedded value of Dai-ichi Life Group
At the end of fiscal year 2013:

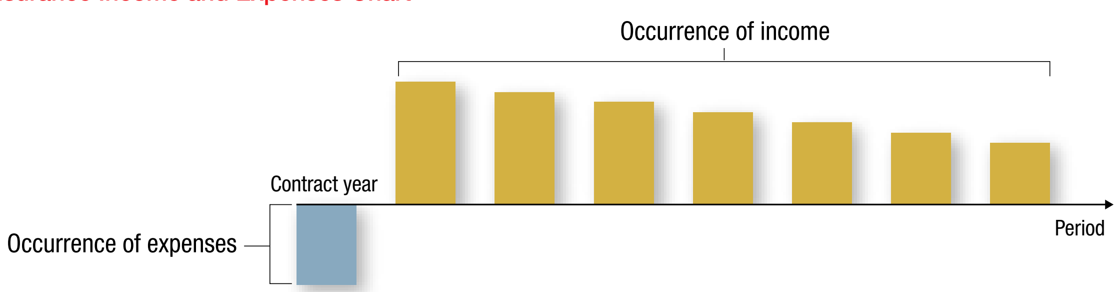
¥4,294.7 billion

(At the end of fiscal year 2012: ¥3,341.9 billion)
(At the end of fiscal year 2011: ¥2,661.5 billion)

Embedded value of Dai-ichi Life (non-consolidated)
At the end of fiscal year 2013: ¥4,268.5 billion

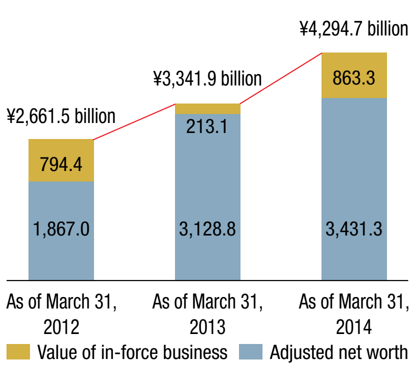
(At the end of fiscal year 2012: ¥3,352.9 billion)
(At the end of fiscal year 2011: ¥2,715.0 billion)

Life Insurance Income and Expenses Chart



The Dai-ichi Life Group has been disclosing EV in accordance with the European Embedded Value (EEV) Principles since the end of fiscal 2007. The EEV at the end of fiscal 2013 increased from the end of the previous fiscal year, to ¥4,294.7 billion, due to an increase in unrealized gains on securities associated with the depreciation of the yen and rising stock prices as well as the acquisition of new policies.

EV



EEV of Dai-ichi Life Group

(Unit: billion yen)

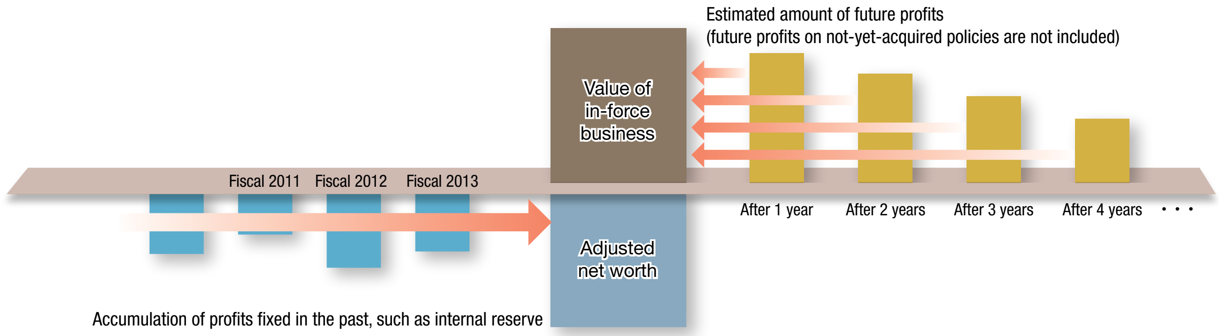
	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014
EEV	2,661.5	3,341.9	**4,294.7**
Adjusted net worth	1,867.0	3,128.8	**3,431.3**
Value of in-force business	794.4	213.1	**863.3**
Value of new business	187.7	211.2	**255.4**

Notes:
1. The Group EEV is calculated as follows: Dai-ichi Life's EEV plus the EEVs of Dai-ichi Frontier Life and TAL attributable to Dai-ichi Life's equity stake in Dai-ichi Frontier Life and TAL less Dai-ichi Life's carrying amount of the equity of Dai-ichi Frontier Life and TAL.
2. Dai-ichi Frontier Life became a wholly owned subsidiary of Dai-ichi Life in March 2014. The Group's value of new business for the year ended March 31, 2014 is calculated based on Dai-ichi Life's 90.0% equity stake in Dai-ichi Frontier Life.

- **Adjusted net worth**
  Adjusted net worth is the accumulation of realized profits and is the sum of net assets on the balance sheet, certain quasi-equity reserves in liabilities, and unrealized gains and losses on assets not accounted for under the marked-to-market methodology.

- **Value of in-force business**
  The value of in-force business is the present value as at the year end of future after-tax profits occurring from already-acquired policies in force in each fiscal year (future profits on not-yet acquired policies are not included.)

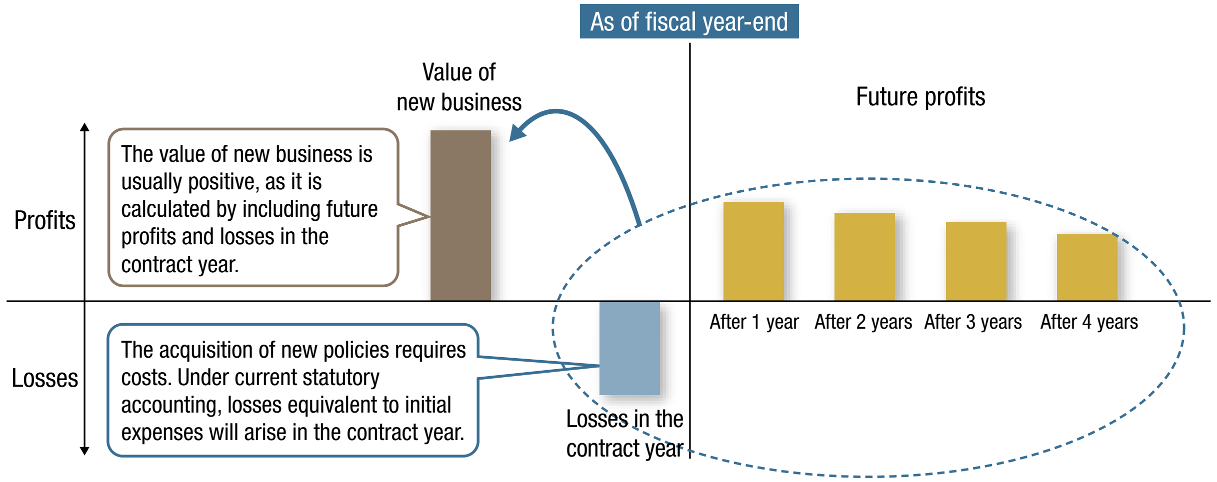
EV Chart



Note: This graph is for illustrative purposes only and does not pertain to actual results, etc.

- **Value of new business**
  The value of new business is the value at the time of sale, after all acquisition-related costs, of the new policies obtained during the fiscal year (one year).

Value of New Business Chart



The Dai-ichi Life Group requested a third party (an actuarial firm) with expertise in actuarial calculations to review the assumptions and calculation method, and provide a written opinion. For information on this written opinion and the details of the EEV of the Dai-ichi Life Group, please refer to the news release posted on the Company's website. (http://www.dai-ichi-life.co.jp/english/investor/ir/financial/results/2013/pdf/index_026.pdf)

The calculation of EV involves certain assumptions regarding future projections that are subject to risks and uncertainties. Actual future results may differ materially from the assumptions used in the EV calculations. Moreover, changes in assumptions might cause significant changes in future results. We therefore ask that full care be exercised when using or analyzing EV figures.

Fundamental Profit

Fundamental profit is one of the indicators that show a profit from the core insurance business during the term under review. Namely, we collect insurance premiums from policyholders and gain investment income, to pay insurance claims and benefits in accordance with the provisions of insurance policies from those premiums and returns, while accumulating policy reserves for future payments and managing them.

Fundamental profit is an indicator of the periodic income or loss of the Company's insurance business. Fundamental profit is not an item on the Company's statements of operations, but is calculated by deducting capital gains, such as gains (losses) on sales of securities and other one-time gains (losses) such as the provision for contingency reserve, from ordinary profit.

The fundamental profit for fiscal 2013 (the combined figure for Dai-ichi Life and Dai-ichi Frontier Life) increased by ¥80.8 billion from the previous fiscal year to ¥428.4 billion, which was primarily attributable to an improvement in net investment income and a decrease in the total assumed investment return due to the accumulation of additional policy reserves.

The Company continues to make an effort to maintain and bolster fundamental profit by strengthening the competitiveness of its core business and investing aggressively in growth markets.

Combined figures of fundamental profit for Dai-ichi Life and Dai-ichi Frontier Life For fiscal year 2013:

¥428.4 billion

(For fiscal year 2012: ¥347.6 billion)
(For fiscal year 2011: ¥319.9 billion)

Fundamental profit of Dai-ichi Life (non-consolidated)
For fiscal year 2013: ¥399.8 billion

(For fiscal year 2012: ¥314.5 billion)
(For fiscal year 2011: ¥302.4 billion)

Positive Spread (Negative Spread)

When calculating the amounts of insurance premiums, an insurance company guarantees policyholders a certain level of return from its investments in advance, and discounts future insurance premiums by the guaranteed rate of return. This discount rate is called the assumed investment yield. 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 investment return, the state is called a positive spread, and if it is short, the difference is called a negative spread.

The Company eliminated negative spread in fiscal 2013, and positive spread for the Company and Dai-ichi Frontier Life combined amounted to ¥32.3 billion (a positive spread of ¥28.0 billion for Dai-ichi Life on a non-consolidated basis).

Combined figures of positive spread for Dai-ichi Life and Dai-ichi Frontier Life For fiscal year 2013:

¥32.3 billion

(Negative spread in fiscal 2012: ¥58.4 billion)
(Negative spread in fiscal 2011: ¥90.7 billion)

Positive spread of Dai-ichi Life (non-consolidated) For fiscal year 2013: ¥28.0 billion

(Negative spread in fiscal 2012: ¥61.1 billion)
(Negative spread in fiscal 2011: ¥91.4 billion)

- **Calculation Formula for Positive (Negative) Spread Amount (For Dai-ichi Life on a non-consolidated basis)**

Positive spread amount (¥28.0 billion) = (Actual rate of investment return on fundamental profit*1 (2.67%) − Average assumed investment yield*2 (2.57%)) × Policy reserves for general account*3 (¥26,865.3 billion)

*1: Actual investment yield on fundamental profit = (return of investment in fundamental profit*4 – interest on policyholder dividends*5) / policy reserves for general accounts

*4: Return of investment in fundamental profit = (interest and dividends + gains on redemption of securities + other investment income) – (interest expenses + losses on redemption of securities + provision for general reserve for possible loan losses + depreciation of real estate for rent and others + other investment expenses)

*5: Interest on policyholder dividends refers to interest on dividends reserved at the insurance company, which is recorded in the income statement as Provision for Interest on Policyholder Dividends.

*2: Average assumed investment yield is calculated by dividing the numerator as assumed interest (general accounts only) by the denominator as policy reserves in general accounts

*3: Policy reserves in general accounts represents the earned policy reserve calculated for policy reserves in general accounts less the contingency reserve, which is calculated as follows:
(policy reserves at the beginning of the period + policy reserves at the end of the period – assumed interest) × 1/2

Accumulation of Policy Reserves (For Dai-ichi Life and Dai-ichi Frontier Life)

Policy reserves are mandatory reserves, the accumulation of which is required by law in preparation for the future payment of claims and benefits. The accumulation level of policy reserves is determined by the accumulation method and actuarial assumptions. The Insurance Business Act that came into force in April 1996 introduced the standard policy reserve rules, in which the accumulation method and actuarial assumptions for policy reserves were set by the Financial Services Agency.

Dai-ichi Life and Dai-ichi Frontier Life have accumulated statutory reserves based on the criteria stipulated by the Insurance Business Act, etc., and have adopted the most conservative method among those required by law. Effective in fiscal 2007, Dai-ichi Life is also accumulating additional policy reserves for whole life insurance policies with a high assumed rate of return after the completion of premium payments to increase its financial stability.

The details of customers' policies will not change as a result of Dai-ichi Life's accumulation of additional policy reserves.

Solvency Margin Ratio

The 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 on securities and other assets (solvency margin total), 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. A solvency margin ratio exceeding 200% is one indication that an insurance company has met the standards for general financial stability.

The non-consolidated solvency margin ratio of the Company at the end of fiscal 2013 was 772.1%, an increase from the level at the end of the previous fiscal year due to an increase in unrealized gains on securities and the growth of retained earnings based on the weaker yen and higher stock price.

Dai-ichi Life views the solvency margin ratio as one of the most important indicators for giving customers a sense of security in Dai-ichi Life. The Company continues its efforts to maintain sufficient ability to meet payments of insurance claims.

For Dai-ichi Life on a non-consolidated basis
At the end of fiscal year 2013:

772.1%

(At the end of fiscal year 2012: 715.2%)
(At the end of fiscal year 2011: 575.9%)

Consolidated
At the end of fiscal year 2013:

756.9%

(At the end of fiscal year 2012: 702.4%)
(At the end of fiscal year 2011: 563.2%)

● **Method for calculating the solvency margin ratio**

$$\text{Solvency margin ratio} = \frac{\text{Total solvency margin amount}}{1/2 \times \text{Total risk amount}} \times 100 \ (\%)$$

Adjusted Net Assets

Adjusted net assets are derived by subtracting non-capital adjusted liabilities from adjusted assets at fair market value. In other words, they refer to real net worth after market price-based valuation, and serve as one of the indicators used by the supervising administrative agency to ascertain the financial soundness of insurance companies.

Adjusted assets represent assets reported in the balance sheet plus unrealized gains/losses and other off-balance sheet assets. Adjusted liabilities are calculated by deducting various reserves and allowances from on-balance sheet liabilities.

The non-consolidated adjusted net assets of the Company at the end of fiscal 2013 were ¥6,019.7 billion, an increase from the level at the end of the previous year due to an increase in unrealized gains on securities and the growth of retained earnings.

For Dai-ichi Life on a non-consolidated basis
At the end of fiscal year 2013:

¥6,019.7 billion

(At the end of fiscal year 2012: ¥5,563.3 billion)
(At the end of fiscal year 2011: ¥3,670.1 billion)

Consolidated
At the end of fiscal year 2013:

¥6,165.7 billion

(At the end of fiscal year 2012: ¥5,671.3 billion)
(At the end of fiscal year 2011: ¥3,751.7 billion)

Note: If adjusted net assets fall into negative territory, the Company could receive a suspension of operations notice from the supervisory authorities.

Unrealized Gains (Losses) on General Account Assets

Unrealized gains and losses represent differences between the fair value of assets (securities, real estate, etc.) held and their book value.

Unrealized gains act as a defense against the different types of risks to which Dai-ichi Life is exposed and leave more room for risk-taking in investments, making a substantial contribution to the increase in profitability.

Of the unrealized gains and losses as of March 31, 2014, unrealized gains on securities increased by ¥191.1 billion from the end of the previous fiscal year, to ¥3,005.6 billion, mainly reflecting rising stock prices and the depreciation of the yen. Unrealized gains on real estate (land, etc.) improved by ¥26.7 billion from a year earlier, to ¥48.2 billion. As a result, total unrealized gains on all general account assets increased by ¥216.5 billion, to ¥3,050.5 billion.

At the end of fiscal year 2013:

¥3,050.5 billion

(At the end of fiscal year 2012: ¥2,833.9 billion)
(At the end of fiscal year 2011: ¥1,179.9 billion)

Total Net Unrealized Gains (Losses) on General Account Assets

(Unit: billion yen)

	As of March 31,		
	2012	2013	**2014**
Securities	1,215.6	2,814.4	**3,005.6**
Domestic bonds	790.6	1,627.5	**1,381.3**
Domestic stocks	297.8	643.3	**931.8**
Foreign securities[*1]	114.4	505.0	**642.2**
Foreign bonds	138.9	416.1	**484.9**
Foreign stocks and other securities	(24.5)	88.9	**157.3**
Other securities	(5.6)	21.3	**36.3**
Others[*2]	18.4	17.1	**13.9**
Real estate[*3]	(36.5)	21.4	**48.2**
Total (including others not listed above)[*4]	1,179.9	2,833.9	**3,050.5**

*1: Foreign exchange valuation gains (losses) only are taken into account for foreign securities whose fair value is deemed extremely difficult to recognize.
*2: "Others" includes assets that are considered appropriate to handle as securities, as defined in the Financial Instruments and Exchange Act.
*3: Difference between the book value before revaluation and fair value is reported as unrealized gains (losses) of land.
*4: Unrealized gains (losses) on loans and buildings are not recorded.

Ratings

As of June 30, 2014

Rating and Investment Information	Japan Credit Rating Agency	Standard & Poor's	Fitch Ratings
A+	A+	A	A+
Rating on Insurance Claims Paying Ability	Rating on Ability to Pay Insurance Claims	Insurer Financial Strength Rating	Insurer Financial Strength Rating

Note: The above ratings represent the opinions of the rating agencies, and do not guarantee the payment of insurance benefits, etc. The ratings may change at the discretion of the rating agencies.

Ratings are given and published by independent third-party agencies primarily as their opinions about the financial soundness of businesses. Ratings for life insurance companies usually represent the degree of certainty with which insurance claims, annuities, etc. are paid in accordance with the policies involved.

As shown above, the Company has received high ratings from all of the rating agencies.

Status of DSR Management Promotion

List of Status of DSR Management Promotion

To enhance the effectiveness of DSR management, we have established the Committee for DSR Promotion headed by the President and four special committees (quality assurance, social contribution and environmental activities, promoting health, and employee satisfaction and Diversity & Inclusion) beneath to focus on each area.

Category	DSR Management Promotion Index	Explanation of the Index	Fiscal 2011	Fiscal 2012	Fiscal 2013	Target
Quality Assurance	Result of total satisfaction in the nationwide customer satisfaction survey (individual customers)	Percentages of responses “satisfied” and “somewhat satisfied” in the questionnaire given to individual customers	86.0%	86.1%	91.1%	–*1
		Percentage of response “very satisfied” in the questionnaire given to individual customers	–	–	–*1	**Fiscal 2014: 14.3%**
	Number of customer complaints	The number of complaints among the customer opinions reported to the Company	78,803	68,174	44,691	**Improvement in fiscal 2014 from fiscal 2013**
Corporate Citizenship and Environmental Activities	Percentage of volunteer activity involvement	Percentage of departmental community contribution involvement (head office and branches)	76.0%	94.0%	100.0%	**Fiscal 2014: 100.0%**
	CO_2 emissions	Total CO_2 emissions*2 from the Company’s investment property, business-use property, and welfare property	153,000 t-CO_2	146,500 t-CO_2	144,000 t-CO_2	**Fiscal 2015: 158,000t-CO_2*3**
	Total paper usage	Total amount of paper used at the Group companies (photocopy paper, pamphlets, insurance design documents, etc.)	9,922t	9,849t	8,116t	**Fiscal 2015: 8,851t*3**
Promoting Health	Percentage of employees maintaining a desirable body weight	Percentage of employees with a BMI* score of less than 25 * BMI (Body Mass Index) is a measure of a person’s body shaped based on their height and weight (BMI 25 and above are categorized as obese)	Men: 68.2% Women: 78.7%	Men: 69.7% Women: 78.2%	Men: 69.8% Women: 77.9%	**Fiscal 2015 Men: 69.1% Women: 79.2%*4**
	Percentage of employees doing regular exercise	Percentage of employees continuing more than 30-minute exercise twice or more per week for one year or more	Men: 24.4% Women: 13.6%	Men: 24.6% Women: 13.9%	Men: 25.8% Women: 14.4%	**Fiscal 2015 Men: 27.3% Women: 18.4%*4**
Employee Satisfaction and Diversity & Inclusion	Results of employee satisfaction survey	Percentages of responses “satisfied” and “somewhat satisfied” in the questionnaire survey given to the Company’s employees	69.4%	69.9%	66.6%	–*5
	Percentage of females in managerial posts	Percentage of women in managerial positions (department head or equivalent, section chief or equivalent, and office chief)	17.6%	18.2%	18.4%	**Fiscal 2016: 20.0% or higher**
	Percentage of employees with disabilities	Percentage of employment as of June 1 of each fiscal year	2.03%	2.06%	2.13%	–*6

*1: Due to change of assessment index in fiscal 2014
*2: Calculated based on the provisions of Article 7, paragraph 3 of the Act on the Rational Use of Energy (“Energy-saving Act”). Total emissions in each fiscal year have been recalculated by applying the fiscal 2009 coefficient.
*3: Targets in the 2013-2015 Medium-term Environmental Effort Plan. The targets were exceeded, and the Company continues to promote the activities for further reduction.
*4: The targets were calculated back from the goals for year 2022 in the Health Japan 21 (2nd) project promoted by the Ministry of Health, Labour and Welfare (MHLW) and determined proportionally for the period.
*5: The employee satisfaction survey is positioned as a tool to help quantitatively understand the current situation and effect of activities and facilitate problem solving.
*6: The percentage of employees with disabilities is one in compliance with the statutory rate of disability employment.

Inclusion in the SRI Indices

Dai-ichi Life is included in domestic and overseas socially responsible investment (SRI) indices (stock price indices) such as FTSE4Good Index Series (UK) and the Morningstar Socially Responsible Investment Index (MS-SRI) (Japan) (as of April 30, 2014).

FTSE4Good

MS-SRI モーニングスター社会的責任投資株価指数 Morningstar Socially Responsible Investment Index

Participation in External Initiatives

Dai-ichi Life promotes activities aiming to achieve a sustainable society through participation in domestic and overseas initiatives.

■ The United Nations Global Compact (UNGC)

The UNGC is a set of principles on the behavior for human rights, labor, the environment, and anti-corruption, proposed by the former UN Secretary General Kofi Annan. It encourages participating companies to behave as good members of society, aiming to achieve sustainable growth. Dai-ichi Life joined the initiative in May 2014.

THE GLOBAL COMPACT
Network Japan
WE SUPPORT

■ Women's Empowerment Principles (WEPs)

The WEPs is a set of principles of corporate behavior created jointly by UN Women, a UN organization working for gender equality and women's empowerment, and the UNGC. The WEPs specify the development of a labor and social environment in which women are able to fulfill their potential and improve their abilities, with their efforts fairly appraised. Dai-ichi Life signed a Statement of Support for the Women's Empowerment Principles in December 2012.

■ Principles for Financial Action Towards a Sustainable Society (Principles for Financial Action for the 21st Century)

The Principles for Financial Action for the 21st Century provide action guidelines for the overall CSR of financial institutions wishing to play a role and take responsibilities necessary for the formation of sustainable society. Dai-ichi Life participated in the development of the principles as a member of the draft committee and signed up in November 2011.

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
	Principle 2: make sure that they are not complicit in human rights abuses.
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
	Principle 4: the elimination of all forms of forced and compulsory labour;
	Principle 5: the effective abolition of child labour; and
	Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;
	Principle 8: undertake initiatives to promote greater environmental responsibility; and
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Fiscal 2013: Assessment of the Dai-ichi Life Group by Society and Major Awards Received

Assessment / Award	Month and year of Assessment / Award	Organizer
Quality assurance		
Ranked 2nd financial institution in CSR Corporate Ranking	March 2014	Toyo Keizai, Inc.
3-star certified and awarded "Fiscal 2013 HDI help desk ranking" (Contact Center Control Dept.)	November 2013	HDI (Help Desk Institute) -Japan
Awarded Best Fund in Alternative & Balanced Fund Division of Morningstar Award "Fund of the Year 2013" (DIAM)	January 2014	Morningstar
Awarded best of Japanese Mid and Small Caps Equity Fund (5-year assessment period) in Lipper Fund Awards Japan 2014 (DIAM) Awarded best of Global Healthcare/Biotechnology Funds in Lipper Fund Awards 2014 (Janus Capital Group Inc.)	March 2014	Lipper
Received "Corporate Social Responsibility Award" (Dai-ichi Life Vietnam)	November 2013	Asia Insurance Review
Received Vietnamese "Prime Minister Award Certificate" (Dai-ichi Life Vietnam)	January 2014	Vietnamese Government
Awarded the "Life Company of the Year" (TAL)	August 2013	Rice Warner
Awarded the "2013 Life Insurance Company of the Year" (TAL)	October 2013	Australian Banking & Finance
Awarded the "Risk Provider of the Year Award" (TAL)	December 2013	Core Data
Received Indian Insurance Award (Technology Maturity) (Star Union Dai-ichi Life)	June 2013	Fintelekt
Received "Excellence in Financial Reporting" (Star Union Dai-ichi Life)	February 2014	Indian Accounting Associations
Received "The Prime Minister's Insurance Awards 2012" (Ocean Life)	September 2013 (3 consecutive years)	Thailand Office of Insurance Commission
Corporate citizenship and environmental activities		
Awarded the Best in the "8th Excellent Material Awards concerning Consumer Education for Companies and Organizations" (Life Cycle Game II—Recommending a Total Life Plan)	May 2013	National Institute on Consumer Education
Selected as Good Practice in insurance category (measures against declining birthrate)	March 2014	Principles for Financial Action for the 21st Century
Corporate ranking in Nikkei Environmental Management Survey 15th financial institution (1st in life insurance industry)	January 2014	Nikkei Inc.
Received 54th BCS Award (Dai-ichi Life Shin-Oi Office)	July 2013	Japan Federation of Construction Contractors
Received Judge's Choice Award in the "5th Sustainable Architecture Award" (office Architecture category) (Toyosu Cubic Garden and Dai-ichi Life Shin-Oi Office)	February 2014	Institute for Building Environment and Energy Conservation
Promoting health		
Fiscal 2013 Minister of Health, Labour and Welfare Award for distinguished service related to nutrition (excellent specified catering facility category)	September 2013	Ministry of Health, Labour and Welfare (MHLW)
2nd "Let's Extend Healthy Life Expectancies!" Award Awarded for excellence by the Director of Health Service Bureau, MHLW	November 2013	MHLW
Employee satisfaction and Diversity & Inclusion		
Received Special Jury Prize in *ikumen* Company Award 2013	October 2013	MHLW
Certified for 2nd *Kaeru-no-Hoshi* (frog's star) (Employee Contribution Pension Center of Group Pension Service Dept.)	February 2014	Gender Equality Bureau, Cabinet Office