

Financial Highlights

Indicators Showing Major Business Performance Over the Past Five Years

(Unit: billion yen)

Item	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
No. of employees	56,908	56,852	56,976	55,603	54,090
Total assets	30,869.6	31,461.9	33,072.4	34,028.8	36,828.7
Separate account assets	1,176.1	1,115.6	1,230.7	1,243.4	1,259.4
Policy reserves and others	28,190.8	28,529.9	29,168.3	29,744.0	30,449.6
Balance of policy reserves	27,589.5	28,011.6	28,637.0	29,199.2	29,840.9
Amount of capital stock ¹	420.4	420.4	420.4	420.4	686.2
Total number of shares outstanding ²	10 million shares	10 million shares	10 million shares	1,000 million shares	1,197 million shares
Premium and other income	3,056.5	3,056.0	2,921.8	2,868.0	3,266.3
Benefits and claims	2,625.0	2,508.7	2,467.7	2,439.1	2,718.1
Policy amount in-force ³	204,055.6	196,627.0	190,628.2	185,250.3	179,039.5
Individual insurance	144,361.3	138,597.9	133,344.7	128,094.8	121,655.7
Individual annuity insurance	7,357.6	7,537.5	8,516.8	8,798.3	9,291.5
Group insurance	52,336.6	50,491.5	48,766.6	48,357.1	48,092.2
Policy amount in-force for group annuity insurance ⁴	6,041.7	6,065.9	6,146.1	6,353.4	6,397.4
Ordinary revenues	4,308.4	4,398.2	4,315.9	4,384.6	4,798.4
Fundamental profit	275.9	302.4	314.5	399.8	458.2
Ordinary profit	78.9	243.7	173.8	307.6	408.7
Net income for the year	16.9	17.6	51.4	85.5	152.1
Balance of loans	3,627.4	3,412.5	3,139.6	3,023.1	3,029.2
Balance of securities	24,294.5	25,333.4	27,161.9	28,005.1	30,673.3
Solvency margin ratio ⁵	983.9% (547.7%)	575.9%	715.2%	772.1%	913.2%

*1: The amount of capital stock includes legal capital surplus.

*2: The Company conducted a 1:100 share split on October 1, 2013.

*3: The policy amount in-force is the total policy amount in-force for individual insurance, individual annuity insurance, and group insurance. For individual annuity insurance, the policy amount in-force is equal to the funds to be held at the time annuity payments are to commence for an annuity for which annuity payments have not yet commenced and the amount of policy reserves for an annuity for which payments have commenced.

*4: The policy amount in-force for group annuity insurance is equal to the amount of outstanding policy reserves.

*5: The figures for fiscal 2011 through fiscal 2014 are calculated based on the provisions of Article 86 and Article 87 of the Ordinance for Enforcement of the Insurance Business Act and the Ministry of Finance Official Notification No. 50 of 1996. Some of the calculation standards for the total amount of the solvency margin and the sum of risks have been changed (tightening the margin calculation, tightening and refining risk measurements, etc.) in accordance with the Cabinet Office Ordinance No. 23 of 2010 and the Financial Services Agency Notification No. 48 of 2010. The figures in parentheses for fiscal 2010 are calculated on the assumption that the standards in fiscal 2011 were applied to the figures at the end of fiscal 2010.

Review of Operations in the Most Recent Fiscal Year

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Review of Operations in the Most Recent Fiscal Year

Financial and Economic Environment

In fiscal 2014, the Japanese economy weakened in the first half, as indicated by a significant fall in consumption and housing investment as a reaction to the last-minute surge in demand before the consumption tax hike. However, the economy recovered, and GDP growth moved into positive territory in the second half of the fiscal year, reflecting a moderate recovery in consumption backed by an improvement in employment conditions and the rebound of exports following the expansion of the U.S. economy.

Stock prices continued to rise with the depreciation of the yen based on differences in the monetary policies of Japan and the United States and expectations for an improvement in corporate earnings. In March 2015, the Nikkei Stock Average rose to the 19,000 level, the

highest since 2000 as stock prices were boosted by the depreciation of the yen associated with additional monetary easing by the Bank of Japan in October 2014 and rising expectations for an early rate hike in the United States. Long-term interest rates continued to follow a downward trend against a backdrop of prolonged low interest rates worldwide and the purchase of Japanese government bonds by the Bank of Japan.

The life insurance industry acted to develop a system to protect customers as an industry-wide initiative. This followed a revision of the Insurance Business Act which stipulated an obligation to understand the intention of customers and provide them with information when selling insurance products, following changes in the environment such as more diversified life insurance sales channels.

Major Management Indicators

Consolidated Ordinary Revenues

Consolidated ordinary revenues in fiscal 2014 increased 20.0% from the previous fiscal year, to ¥7,252.2 billion. This was as a result of an increase in premium and other income of 24.8% year on year, to ¥5,432.7 billion, an increase in investment income of 9.4% year on year, to ¥1,444.0 billion, and an increase in other ordinary revenues of 1.0%, to ¥375.5 billion. Premium and other income increased from the previous fiscal year, mainly reflecting continued strength in sales in Dai-ichi Life and Dai-ichi Frontier Life.

Consolidated Ordinary Profit

Ordinary profit is the amount remaining after subtracting expenses (ordinary expenses) from revenues (ordinary revenues) that arise on a continuous basis every year from original operating activities of the life insurance business.

Consolidated ordinary expenses increased 19.3% from the previous fiscal year, to ¥6,845.4 billion as a result of the following factors: an increase in benefits and claims by 16.4% year on year, to ¥3,380.8 billion, an increase in provisions for policy reserves and others by 38.9%, to ¥2,271.2 billion, a decrease in investment expenses by 28.1%, to ¥168.9 billion, an increase in operating expenses by 8.1%, to ¥559.3 billion and an increase in other ordinary expenses by 3.5%, to ¥465.0 billion.

The increase in provisions for policy reserves and others was due to strong sales at Dai-ichi Frontier Life.

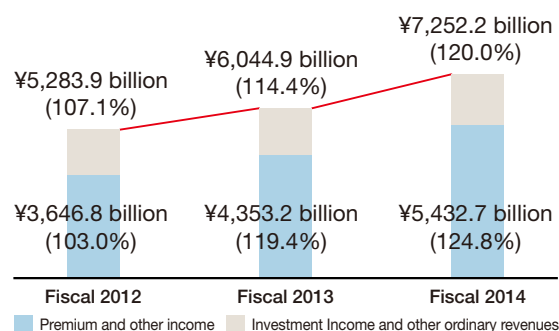
Consolidated ordinary profit rose 33.5% from the previous fiscal year, to ¥406.8 billion.

Consolidated Net Income

Consolidated net income resulting after accounting for extraordinary gains, extraordinary losses, provision for reserves for policyholder dividends, corporate income taxes-current, corporate income taxes-deferred and minority interests in income of subsidiaries was ¥142.4 billion, representing year-on-year growth of 82.8%. The increase in consolidated 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.

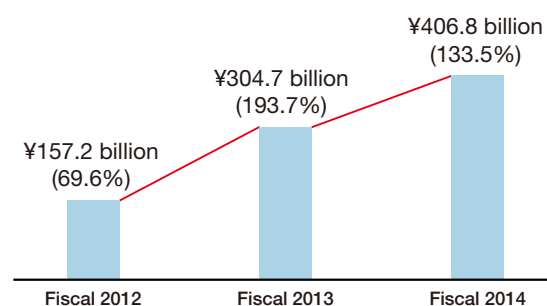
Consolidated Ordinary Revenues

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



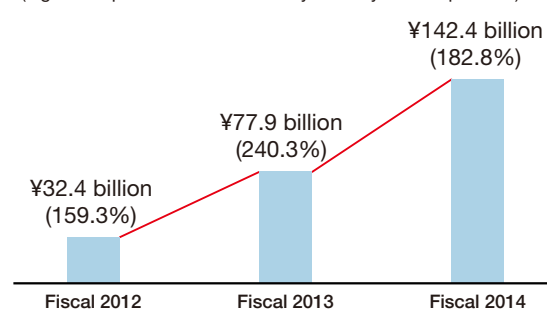
Consolidated Ordinary Profit

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



Consolidated Net Income

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



*See page 110 for more details on consolidated statements of earnings.

Performance of Individual Life Insurance Products and Services

■ Annualized Net Premium from Policies In-force

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 27.0% from the end of the previous fiscal year to ¥3,095.0 billion. The rise in annualized net premium from policies in-force was due to Dai-ichi Life's action of making Protective Life and Neo First Life its wholly-owned subsidiaries and an increase in sales of savings-type products at Dai-ichi Life and Dai-ichi Frontier Life.

■ Annualized Net Premium for New Policies

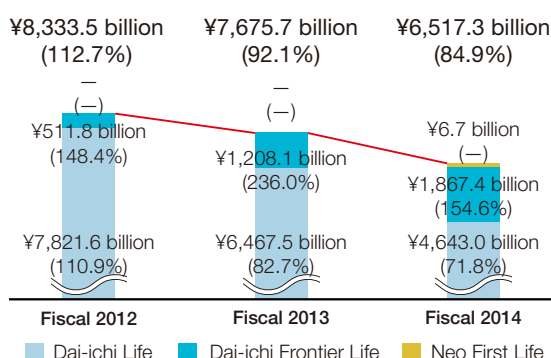
The Dai-ichi Life Group's annualized net premium for new policies for individual insurance and individual annuities rose 31.3% from the previous fiscal year, to ¥334.9 billion. The increase in annualized net premium for new policies was due to an increase in sales of savings-type products at Dai-ichi Life and Dai-ichi Frontier Life.

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

New policy amount for individual insurance and individual annuities in fiscal 2014 (the sum of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life. The same for policy amount in-force and decrease in policy amount) declined 15.1% from the previous fiscal year, to ¥6,517.3 billion. The decrease in policy amount declined 5.7% year on year, to ¥10,908.8 billion. As a result, the policy amount in-force at the end of fiscal 2014 was down 2.6% from the end of the previous fiscal year, to ¥136,500.7 billion.

■ New Policy Amount

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

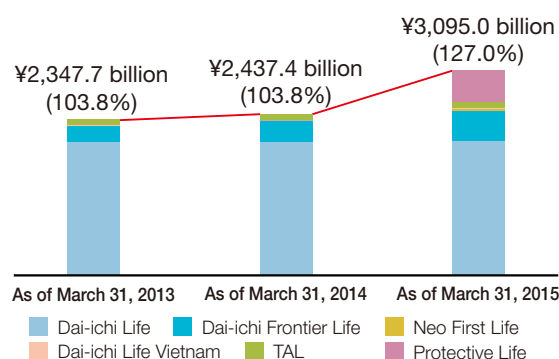


*For the policy amount in-force of Neo First Life, actual results after making it a wholly owned subsidiary are stated.

*For the new policy amount and the decrease in policy amount of Neo First Life, actual results for July-March of fiscal 2014 are stated.

■ Annualized Net Premium from Policies In-force

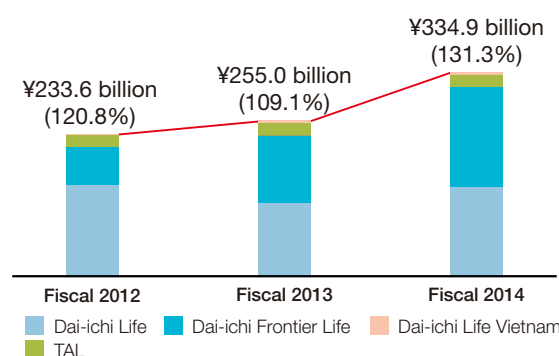
(Figures in parentheses show the year-on-year comparison.)



*For the annualized net premium from policies in-force of Neo First Life and Protective Life, actual results after making them wholly owned subsidiaries are stated.

■ Annualized Net Premium for New Policies

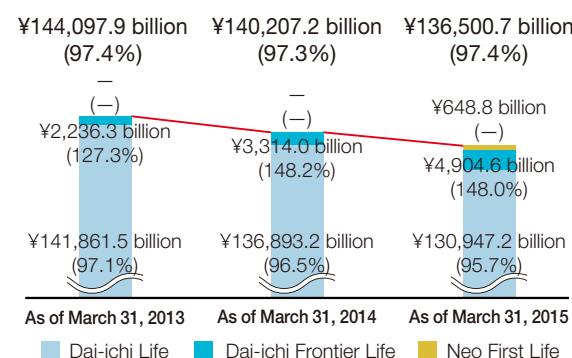
(Figures in parentheses show the year-on-year comparison.)



*For the annualized net premium for new policies of Neo First Life, actual results for July-March of fiscal 2014 are stated.

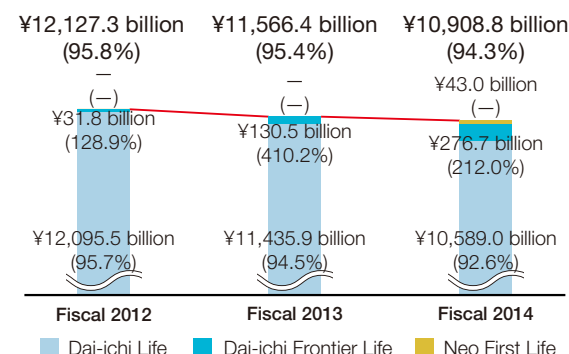
■ Policy Amount In-force

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



■ Decrease in Policy Amount

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



Status of Tied Sales

The business alliance with Sampo Japan Nipponkoa 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 Sampo Japan Nipponkoa's non-life insurance products and AFLAC's cancer insurance.

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

Status of the Company's Sales of Its Partners' Products (actual results in fiscal 2014)

Number of policies (thousands)		Annualized net premium (billion yen)	
Actual results	Year-on-year	Actual results	Year-on-year
Actual sales of non-life insurance products (new policies)			
481	98.1%	30.84	103.4%
Actual sales of cancer insurance (new policies)			
75	111.4%	2.71	114.7%
AFLAC policies in force (sales by the Company)			
1,217	100.7%	49.46	100.0%

Status of Sampo Japan Nipponkoa's Sales of the Company's Products (actual results in fiscal 2014)

	Number of policies		New policy amount (billion yen)		Number of commissioned agents (stores)
	Year-on-year		Year-on-year		
Individual insurance/individual annuities	14,479	115.6%	216.0	108.8%	2,489

Sales Results of Products and Services for Corporate Clients

A look at the status of group life insurance as of March 31, 2015 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 0.5% from the end of the previous fiscal year, to ¥48,092.2 billion.

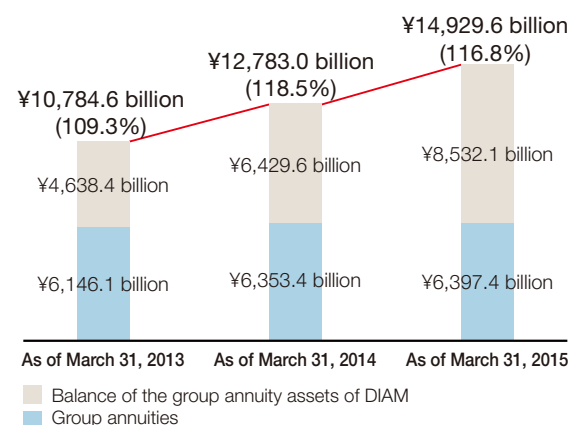
The policy amount in-force of group annuity policies at the end of fiscal 2014 was ¥6,397.4 billion, 0.7% higher than a year earlier, owing mainly to an increase in the separate account balance backed by strong financial and economic markets.

The balance of the group annuity assets of DIAM increased by 32.7% from the end of the previous fiscal year, to ¥8,532.1 billion.

As a result, the balance of group annuity assets for the overall Dai-ichi Life Group as of March 31, 2015 increased by 16.8% from the end of the previous fiscal year, to ¥14,929.6 billion.

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

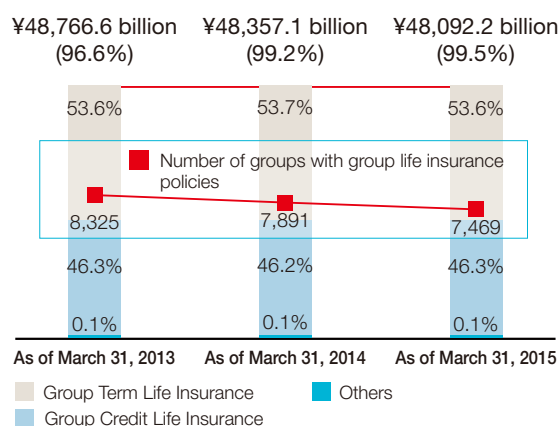
(Figures in parentheses show the year-on-year comparison.)



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.

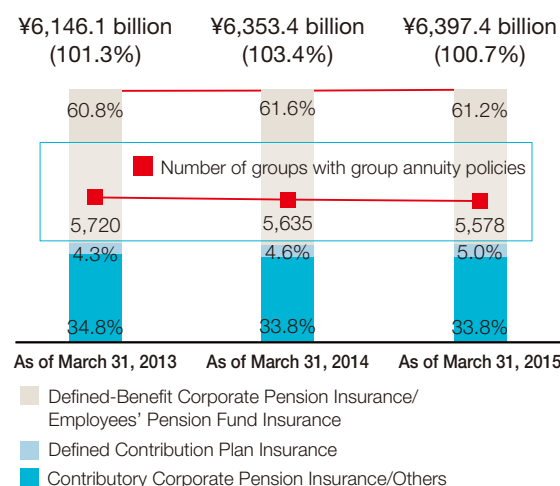
Policy Amount In-force of Group Life Insurance

(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)

Item	As of March 31, 2013	As of March 31, 2014	As of March 31, 2015
Assets			
Cash and deposits	457.5	698.5	873.4
Call loans	391.2	362.8	380.4
Monetary claims bought	285.0	281.8	265.8
Money held in trust	56.2	66.4	65.2
Securities	29,390.9	31,203.5	41,105.4
Loans	3,140.9	3,024.7	3,898.1
Tangible fixed assets	1,236.2	1,215.8	1,217.0
Intangible fixed assets	215.4	210.0	437.6
Reinsurance receivable	32.8	33.8	101.2
Other assets	390.8	516.4	1,401.0
Net defined benefit asset	—	—	0.7
Deferred tax assets	67.6	5.7	1.3
Customers' liabilities for acceptances and guarantees	33.4	88.2	91.6
Reserve for possible loan losses	(4.1)	(2.7)	(2.1)
Reserve for possible investment losses	—	(0.2)	—
Total assets	35,694.4	37,705.1	49,837.2
Liabilities and Net Assets (Capital)			
Policy reserves and others	31,703.8	33,327.5	42,547.0
Reserves for outstanding claims	298.5	358.6	506.7
Policy reserves	31,012.5	32,574.9	41,634.7
Reserve for policyholder dividends	392.7	394.0	405.5
Reinsurance payable	16.5	27.6	56.2
Bonds payable	154.5	107.5	489.0
Other liabilities	1,496.5	1,593.2	1,864.7
Reserve for employees' retirement benefits	439.7	—	—
Net defined benefit liabilities	—	385.4	331.3
Reserve for retirement benefits of directors, executive officers and corporate auditors	2.3	2.1	2.0
Reserve for possible reimbursement of prescribed claims	0.7	0.8	0.7
Reserve for price fluctuations	89.2	118.1	136.2
Deferred tax liabilities	13.5	15.1	643.3
Deferred tax liabilities for land revaluation	94.8	91.5	84.9
Acceptances and guarantees	33.4	88.2	91.6
Total liabilities	34,045.3	35,757.5	46,247.2
Capital stock	210.2	210.2	343.1
Capital surplus	210.2	210.2	343.2
Retained earnings	156.3	219.5	352.9
Treasury stock	(13.4)	(11.5)	(9.7)
Total shareholders' equity	563.3	628.5	1,029.6
Net unrealized gains (losses) on securities, net of tax	1,099.3	1,322.7	2,528.2
Deferred hedge gains (losses)	(1.8)	(2.5)	(12.0)
Reserve for land revaluation	(36.9)	(38.3)	(33.4)
Foreign currency translation adjustments	18.2	19.7	22.6
Accumulated remeasurements of defined benefit plans	—	16.8	54.0
Total accumulated other comprehensive income	1,078.7	1,318.4	2,559.4
Subscription rights to shares	0.3	0.5	0.7
Minority interests	6.5	0.0	0.0
Total net assets	1,649.0	1,947.6	3,589.9
Total liabilities and net assets	35,694.4	37,705.1	49,837.2

Selected Balance Sheet Items (Non-consolidated)

(Unit: billion yen)

Item	As of March 31, 2013	As of March 31, 2014	As of March 31, 2015
Assets			
Cash, deposits, and call loans	710.0	827.4	901.8
Monetary claims bought	283.1	275.8	259.7
Money held in trust	24.0	34.6	36.1
Securities	26,079.8	26,905.4	29,670.2
Domestic bonds	16,427.3	16,120.3	16,088.9
Domestic stocks	2,557.4	2,862.1	3,754.7
Foreign securities	6,816.2	7,535.7	9,392.5
Loans	3,139.6	3,023.1	3,029.2
Policy loans	480.2	452.9	428.5
Ordinary loans	2,659.4	2,570.2	2,600.7
Real estate ^{*1}	1,224.4	1,206.1	1,196.0
Deferred tax assets	65.5	11.1	—
Others	389.2	538.8	564.5
Reserve for possible loan losses	(4.1)	(2.7)	(2.1)
Total general account assets	31,911.8	32,820.0	35,655.7
Foreign currency-denominated assets	5,262.6	6,039.8	7,780.8
Total separate account assets^{*2}	1,160.6	1,208.7	1,173.0
Total assets	33,072.4	34,028.8	36,828.7
Liabilities and Net Assets (Capital)			
Policy reserves and others	29,168.3	29,744.0	30,449.6
Reserves for outstanding claims	138.5	150.7	203.0
Policy reserves	28,637.0	29,199.2	29,840.9
Reserve for policyholder dividends	392.7	394.0	405.5
Reinsurance payable	0.7	0.6	0.6
Subordinated bonds	154.5	107.5	215.7
Other liabilities	1,413.8	1,498.3	1,496.4
Reserve for employees' retirement benefits	437.5	407.1	389.4
Reserve for retirement benefits of directors, executive officers and corporate auditors	2.3	2.1	1.9
Reserve for possible reimbursement of prescribed claims	0.7	0.8	0.7
Reserve for price fluctuations	88.4	116.4	132.4
Deferred tax liabilities	—	—	413.8
Deferred tax liabilities for land revaluation	94.8	91.5	84.9
Acceptances and guarantees	33.4	88.2	91.6
Total liabilities	31,394.7	32,056.9	33,277.4
Capital stock	210.2	210.2	343.1
Capital surplus	210.2	210.2	343.2
Retained earnings	216.5	287.2	430.7
Treasury stock	(13.4)	(11.5)	(9.7)
Total shareholders' equity	623.5	696.2	1,107.3
Net unrealized gains (losses) on securities, net of tax	1,092.5	1,315.8	2,488.6
Deferred hedge gains (losses)	(1.8)	(2.5)	(12.0)
Reserve for land revaluation	(36.9)	(38.3)	(33.4)
Total of valuation and translation adjustments	1,053.7	1,274.9	2,443.2
Subscription rights to shares	0.3	0.5	0.7
Total net assets	1,677.6	1,971.8	3,551.3
Total liabilities and net assets	33,072.4	34,028.8	36,828.7

*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 109 (consolidated) and 169 through 170 (non-consolidated) for details of the balance sheets.

■ Deferred Tax Assets and Liabilities (① and ②)

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. At the end of fiscal 2014, deferred tax liabilities of ¥413.8 billion were recorded, as deferred tax liabilities for the marking to market of available-for-sale securities at the end of the year exceeded deferred tax assets.

■ Status of Assets (③ and ④)

During fiscal 2014, Dai-ichi Life continued to position fixed income investments, including domestic bonds, as the core of its asset portfolio, so that they are consistent with its medium to long-term investment policies. Meanwhile, Dai-ichi Life curbed the accumulation of policy reserve matching bonds consisting primarily of super-long term government bonds, reflecting the continuation of the low interest rate environment. The Company also activated the replacement of domestic bonds with foreign bonds with currency hedges to improve the return on investment in the fixed income asset category in an effort to promote asset liability management ("ALM") and increase profitability.

In addition, 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, 2015, increased by ¥2,835.6 billion from the end of the previous fiscal year, to ¥35,655.7 billion, primarily reflecting a rise in unrealized gains on securities. The balance of separate account assets decreased by ¥35.7 billion, to ¥1,173.0 billion. As a result, total assets climbed by ¥2,799.9 billion, to ¥36,828.7 billion.

■ Policy Reserves and Others (⑤)

Policy reserves and others consist of policy reserves, reserve for outstanding claims, and reserve for policyholder dividends.

Policy reserves are 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. The reserve for outstanding claims is a reserve for potential claims such as insurance claims, other payments, and benefits that remained outstanding as of the balance sheet date. The reserve for policyholder dividends is a reserve used to fund the payment of policyholder dividends.

■ Reserve for Price Fluctuations (⑥)

Reserve for price fluctuations is a reserve the Company maintains in preparation for losses due to a fall in the price of assets such as stocks whose prices fluctuate rapidly.

■ Net Unrealized Gains on Securities, Net of Tax and Reserve for Land Revaluation (⑦ and ⑧)

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)

Item	Fiscal 2012	Fiscal 2013	Fiscal 2014
Ordinary revenues	5,283.9	6,044.9	7,252.2
Premium and other income ①	3,646.8	4,353.2	5,432.7
Investment income ②	1,335.1	1,320.0	1,444.0
Other ordinary revenues	302.0	371.6	375.5
Ordinary expenses	5,126.6	5,740.2	6,845.4
Benefits and claims ③	2,795.3	2,903.5	3,380.8
Provision for policy reserves and others	1,191.9	1,634.8	2,271.2
Investment expenses ④	221.7	234.9	168.9
Operating expenses	486.4	517.5	559.3
Other ordinary expenses	431.2	449.2	465.0
Ordinary profit	157.2	304.7	406.8
Extraordinary gains	8.8	3.6	3.3
Extraordinary losses	24.0	67.3	29.4
Provision for reserve for policyholder dividends	86.0	94.0	112.2
Income before income taxes and minority interests	56.1	147.0	268.5
Corporate income taxes-current	80.6	117.2	125.5
Corporate income taxes-deferred	(54.0)	(46.4)	0.5
Total of corporate income taxes	26.5	70.7	126.0
Income before minority interests	29.5	76.2	142.4
Minority interests in income (loss)	(2.8)	(1.6)	0.0
Net income for the year	32.4	77.9	142.4

Note: See page 110 for details of the consolidated statements of earnings.

Insurance-Related Income and Expenses (Premium and Other Income, and Benefits and Claims) (① and ③)

Premium and other income for the Dai-ichi Life Group increased by ¥1,079.4 billion from the previous fiscal year, to ¥5,432.7 billion, mainly attributable to strong sales at Dai-ichi Life and Dai-ichi Frontier Life. Benefits and claims rose by ¥477.2 billion year on year, to ¥3,380.8 billion. This was 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.

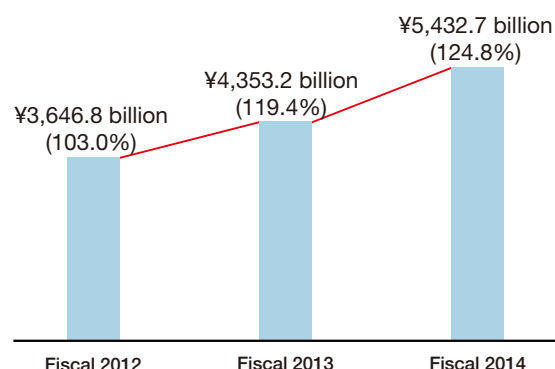
Investment-Related Income and Expenses (② and ④)

The Dai-ichi Life Group's investment income increased by ¥123.9 billion from the previous fiscal year, to ¥1,444.0 billion. Meanwhile, investment expenses decreased by ¥66.0 billion year on year, to ¥168.9 billion.

Net investment income increased by ¥189.9 billion year on year, to ¥1,275.0 billion, mainly due to an increase in interest, dividend and other income backed by good financial and economic conditions.

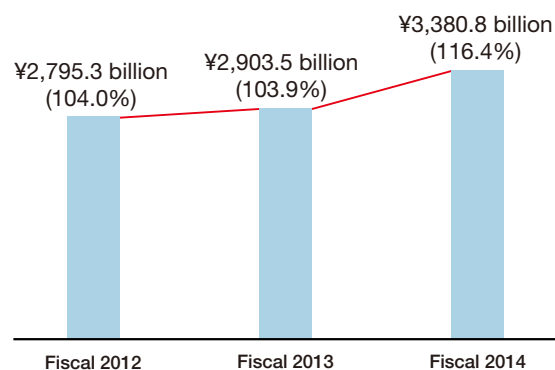
Premium and Other Income

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



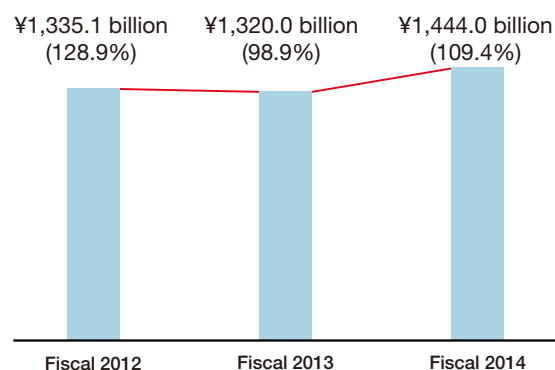
Benefits and Claims

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



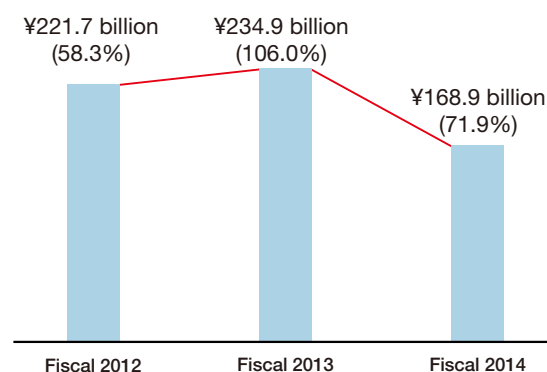
Investment Income

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



Investment Expenses

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



Selected Items on Non-Consolidated Statements of Earnings

(Unit: billion yen)

Item	Fiscal 2012	Fiscal 2013	Fiscal 2014
Ordinary revenues	4,315.9	4,384.6	4,798.4
Premium and other income	2,921.8	2,868.0	3,266.3
Investment income	1,104.4	1,161.4	1,174.4
Other ordinary revenues	289.6	355.1	357.6
Ordinary expenses	4,142.1	4,077.0	4,389.7
Benefits and claims	2,467.7	2,439.1	2,718.1
Provision for policy reserves and others	642.7	583.3	702.8
Investment expenses	206.5	213.9	131.2
Operating expenses	408.8	410.5	398.5
Other ordinary expenses	416.2	430.1	438.8
Ordinary profit	173.8	307.6	408.7
Extraordinary gains	8.8	3.6	3.0
Extraordinary losses	23.5	66.4	27.2
Provision for reserve for policyholder dividends ⑤	86.0	94.0	112.2
Income before income taxes	73.1	150.8	272.3
Corporate income taxes-current	76.1	112.7	119.3
Corporate income taxes-deferred	(54.4)	(47.4)	0.8
Total of corporate income taxes	21.7	65.2	120.1
Net income for the year	51.4	85.5	152.1

Note: See pages 171 and 172 for details of the non-consolidated statements of earnings.

Provision for Reserve for Policyholder Dividends ⑤

The Company accumulated a reserve for policyholder dividends and provided ¥112.2 billion for the reserve in fiscal 2014.

The Company specified in its Articles of Incorporation that the rate of policyholder dividends shall be 20% or more. The rate of policyholder dividends for fiscal 2014 was 46.6%.

Notes: 1. The rate of policyholder dividends is the ratio of provision for reserve for policyholder dividends (¥112.2 billion for fiscal 2014) to the amount (¥240.6 billion for fiscal 2014) equivalent to net income for the year (the amount before recording a provision for reserve for policyholder dividends) calculated by segmenting policies that pay policyholder dividends from profits and losses of policies.

2. See page 97 for information on the policyholder dividends in fiscal 2015.

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

Taking the low interest rate environment into consideration, the Company curbed the accumulation of investments in policy reserve-matching bonds consisting primarily of super-long term government bonds. As the Company also replaced domestic bonds with foreign bonds with currency hedges to improve return on investment in the fixed income asset category, the balance of domestic bonds decreased. 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 balance of domestic stocks increased as a result of a rise in stock prices. 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: Significant Increase

The Company activated the replacement of 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.

Foreign Stocks: Significant Increase

The Company increased the balance of foreign stocks in its portfolio throughout the year to improve the portfolio's profitability and strengthen the diversification of its asset management, in addition to an increase in the balance associated with the Company's action of making Protective Life a wholly owned subsidiary. 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: Unchanged

While the total balance of loans decreased due to contract maturities and other factors, the balance remained flat from the previous year, reflecting active responses to new capital requirements in growth areas including the environment and infrastructure. 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: Unchanged

The Company sought to improve the profitability of the portfolio by renegotiating rents and improving occupancy rates in its existing real estate portfolio, in addition to investments in new properties including housing and the sale of unprofitable properties. The Company also took steps to increase the value of existing real estate by promoting its effective use through renovation and remodeling, etc.

■ Asset Investment Yield (general account)

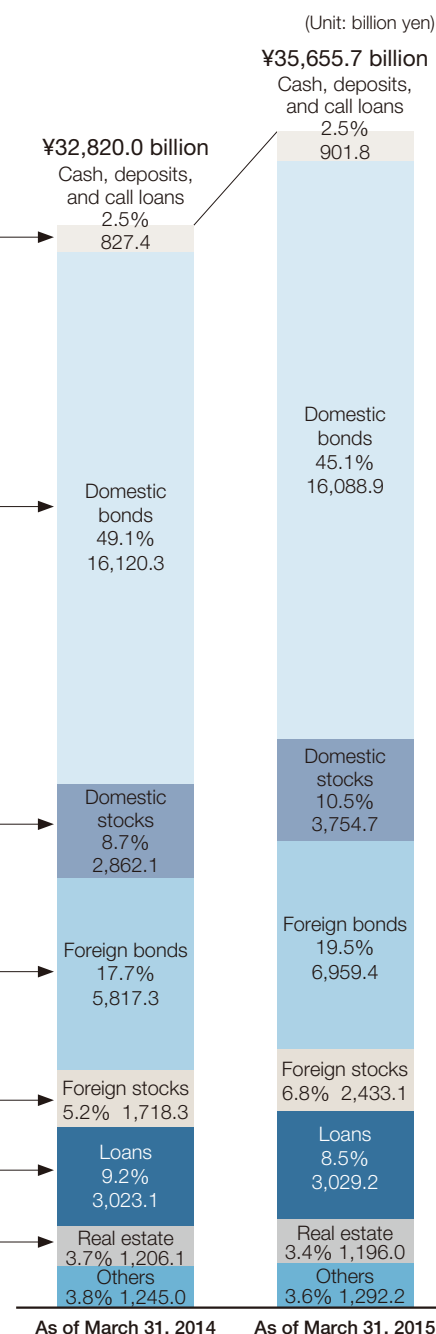
	Fiscal 2012	Fiscal 2013	Fiscal 2014
Rate of return of investment on fundamental profit	2.42%	2.67%	2.74%
Investment yield	2.42%	2.59%	2.71%

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

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.



As of March 31, 2014 As of March 31, 2015

^{*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.

Policyholder Dividends in Fiscal 2015

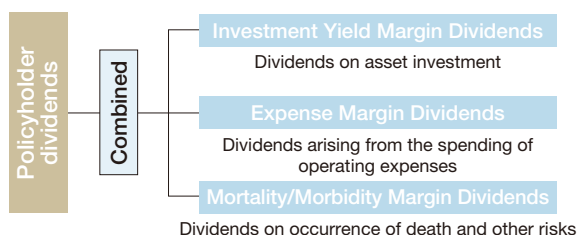
Overview of Policyholder Dividends in Fiscal 2015

Individual insurance/ individual annuities	The Company raised some of the investment yield margin dividend scale. The expense margin dividend scale and mortality/morbidity margin dividend scale remain unchanged from the standards of the previous year.
Group insurance	Policyholder dividends, including group term insurance, comprehensive welfare group term insurance, and group credit life insurance, remain unchanged from the standards of the previous year.
Group annuities	As a result of applying the investment performance in fiscal 2014, the investment yield margin dividend scale of products with the assumed investment yield of 1.25% and surrender charge will be 1.00%, the investment yield margin dividend scale of products with the assumed investment yield of 0.75% will be 0.27%, and the investment yield margin dividend scale of products with the assumed investment yield of 1.25% and no surrender charge will be 0.43%. Policyholder dividends for guaranteed fixed-term rate defined contribution annuity insurance are zero.

Scheme of policyholder dividends in individual insurance and individual annuities

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. Policyholder dividends are calculated for each policy, taking into account both the base policy and riders. Negative dividends are counted as zero.

Scheme of policyholder dividends

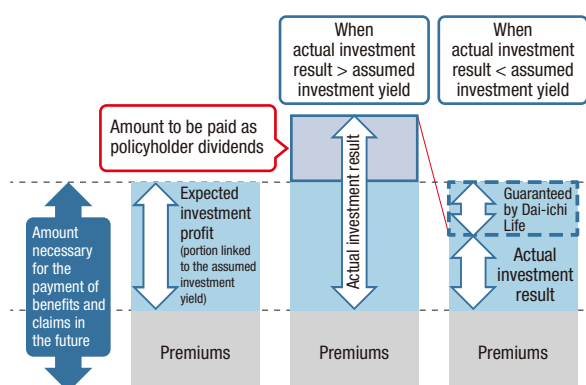


Dividend types

- **Annual dividend type**
Policyholder dividends will be paid from the third year of the policy.
- **Five-year (investment yield margin) dividend type**
Policyholder dividends will be paid every five years starting from the sixth year of the policy. In fiscal 2015, policyholder dividends for policies that started in fiscal 2000, 2005, and 2010 will be paid.

A certain amount of profit is assumed in advance in asset management, and life insurance premiums are determined by deducting the assumed amount of 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.

Chart (example when considering only the assumed investment yield)



Investment yield margin dividend scale in fiscal 2015

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).

Investment yield margin dividend scale in fiscal 2015 is as follows.

Investment yield margin dividend scale by assumed investment yield (example)

Assumed investment yield	5.5%	4.75%	3.75%	2.75%	2.15%	1.65%	1.15%
Investment yield margin dividend scale	(4.85%)	(3.9%)	(2.75%)	(1.65%)	(1.05%)	0.1%	0.6%

Investment yield margin dividends in the five-year (investment yield margin) dividend type are calculated by summing up those for five years, using the investment yield margin dividend scale from fiscal 2011 to fiscal 2015.

(Reference) Standard yields for policyholder dividends in fiscal 2015

Policies with the assumed investment yield of 2% or less:	1.75%
Policies with the assumed investment yield of more than 2% and not more than 3%:	1.10%
Policies with the assumed investment yield of more than 3% and not more than 4%:	1.00%
Policies with the assumed investment yield of more than 4% and not more than 5%:	0.85%
Policies with the assumed investment yield of more than 5%:	0.65%

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

Embedded Value

At the end of fiscal 2014 (The Dai-ichi Life Group)

¥5,779.6 billion

(At the end of fiscal year 2013: ¥4,294.7 billion)

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

Embedded value of Dai-ichi Life
(non-consolidated)

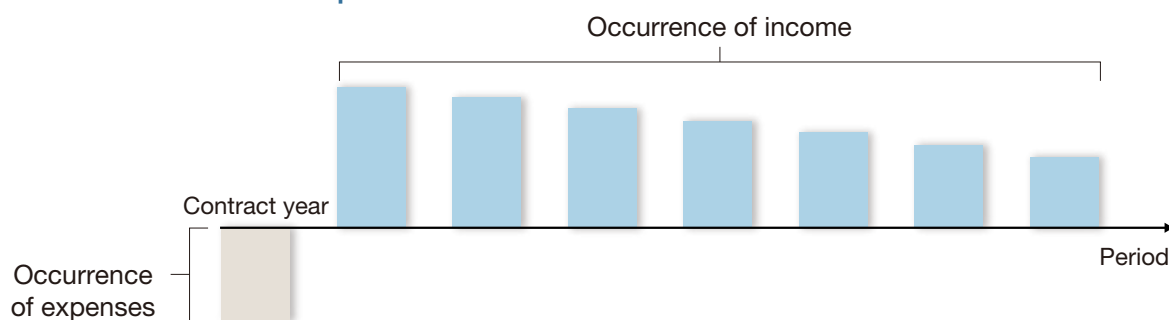
At the end of fiscal year 2014: ¥5,700.8 billion

(At the end of fiscal year 2013: ¥4,268.5 billion)

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

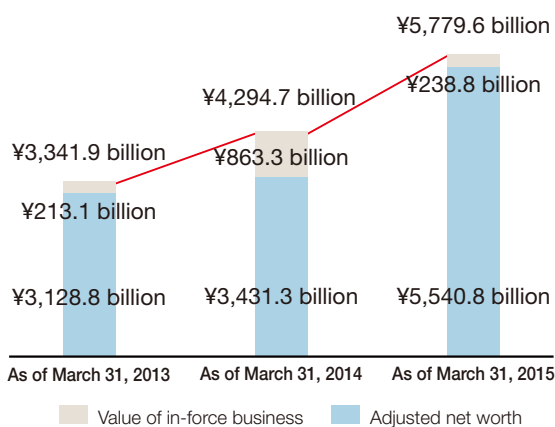
The embedded value (EV) is one of the indicators representing the corporate value of life insurance companies. While it takes time to realize accounting profits under the existing statutory accounting for life insurance companies, it is believed that EV is able to reinforce financial information in statutory accounting as EV recognizes the contribution of future profits at the time of acquiring new policies.

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 2014 increased from the end of the previous fiscal year, to ¥5,779.6 billion due to an increase in unrealized gains on securities associated with the depreciation of yen and rising stock prices, as well as the acquisition of new policies.

EV



EEV of the Dai-ichi Life Group

(Unit: billion yen)

	As of March 31, 2013	As of March 31, 2014	As of March 31, 2015
EEV	3,341.9	4,294.7	5,779.6
Adjusted net worth	3,128.8	3,431.3	5,540.8
Value of in-force business	213.1	863.3	238.8
Value of new business	211.2	255.4	274.0

Notes: 1. The Group EEV is calculated as follows: Dai-ichi Life's EEV plus the EEVs of Dai-ichi Frontier Life, TAL and Protective Life attributable to Dai-ichi Life's equity stake in each of these three companies less Dai-ichi Life's carrying amount of the equity of Dai-ichi Frontier Life, TAL and Protective Life.
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 fiscal 2012 and fiscal 2013 is calculated based on Dai-ichi Life's 90.0% equity stake in Dai-ichi Frontier Life before making it a wholly owned subsidiary.
3. Protective Life became a wholly owned subsidiary of Dai-ichi Life on February 1, 2015. The Group EEV at the end of fiscal 2012 and fiscal 2013 does not include Protective Life's EEV. The Group EEV at the end of fiscal 2014 includes Protective Life's EEV at the beginning of February 2015, which is the base date for the settlement of accounts of Protective Life on the consolidated financial statements of the Dai-ichi Life Group at the end of fiscal 2014. The Group's value of new business for fiscal 2012, fiscal 2013 and fiscal 2014 does not include Protective Life's value of new business.

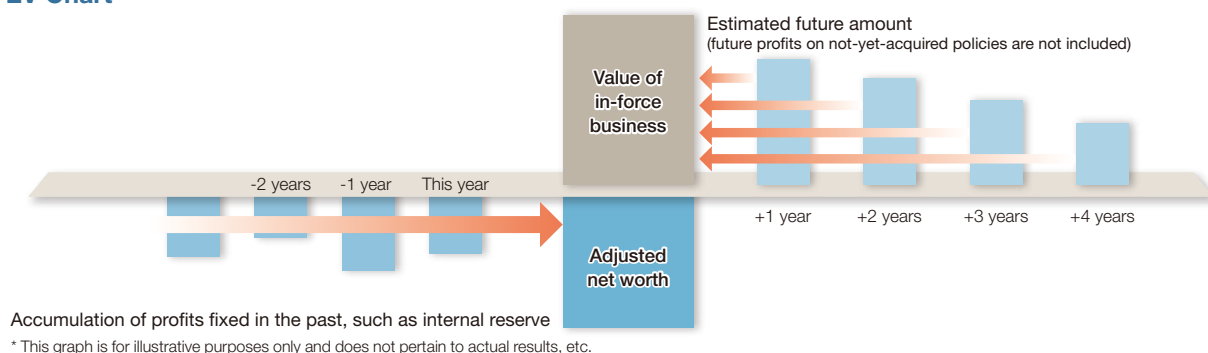
● Adjusted net worth

Adjusted net worth is calculated by adjusting the total net assets on the balance sheet mainly by adding retained earnings in liabilities, and unrealized gains and losses in assets not accounted for under the mark-to-market methodology.

● Value of in-force business

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.

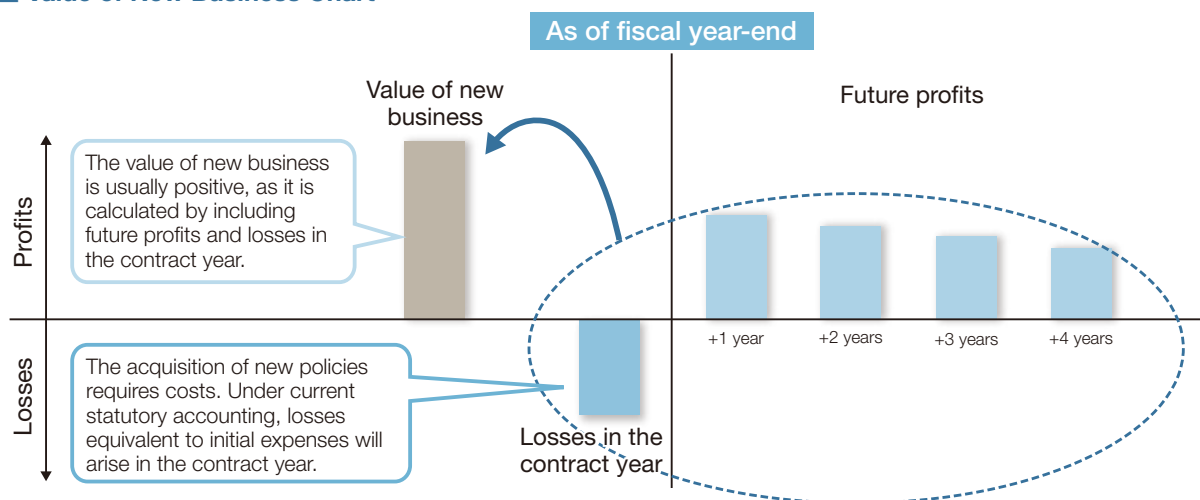
■ EV Chart



● 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 “Disclosure of European Embedded Value as of March 31, 2015” (http://www.dai-ichi-life.co.jp/english/investor/financial/results/2014/pdf/index_022.pdf) and the “European Embedded Value as of March 31, 2015: Additional Disclosure on Sensitivity Analysis of Protective Life” (http://www.dai-ichi-life.co.jp/english/investor/financial/results/2014/pdf/index_023.pdf) posted on the Company’s website.

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

For fiscal year 2014: (the Dai-ichi Life Group)

¥472.0 billion

(For fiscal year 2013: ¥446.1 billion)

(For fiscal year 2012: ¥364.2 billion)

**Fundamental profit of Dai-ichi Life
(non-consolidated)**

For fiscal year 2014: ¥458.2 billion

(For fiscal year 2013: ¥399.8 billion)

(For fiscal year 2012: ¥314.5 billion)

Note: The value stated as the fundamental profit (the Dai-ichi Life Group) is obtained by offsetting the sum of fundamental profits of Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life, adjusted profit of TAL (on a pretax basis), and pretax profit of Dai-ichi Life Vietnam by certain internal transactions inside the Group.

Fundamental profit is an indicator that shows the profit and loss situation of the core insurance business of a life insurance company during the term under review. It consists of insurance-related income and expenditures such as premium income and payment of insurance claims and benefits and operating expenses, as well as investment-related income and expenditures centering on interests and dividends.

The fundamental profit for fiscal 2014 (the Dai-ichi Life Group) increased by ¥25.8 billion from the previous fiscal year, to ¥472.0 billion, which was primarily attributable to an improvement in investment income and a decrease in the total assumed investment return due to the accumulation of additional policy reserves.

Positive Spread (Negative Spread)

**Combined figures of positive spread for Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life
For fiscal year 2014:**

¥74.3 billion

(Positive spread in fiscal 2013: ¥32.3 billion)

(Negative spread in fiscal 2012: ¥58.4 billion)

**Positive spread of Dai-ichi Life
(non-consolidated)**

For fiscal year 2014: ¥69.2 billion

(Positive spread in fiscal 2013: ¥28.0 billion)

(Negative spread in fiscal 2012: ¥61.1 billion)

Insurance companies guarantee policyholders a certain level of return from their investments in advance, and calculate premiums by discounting the assumed investment income. 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.

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

**Positive spread
amount
(¥69.2 billion)**

$$= \left(\frac{\text{Actual rate of investment return on fundamental profit}^1}{(2.74\%)} - \frac{\text{Average assumed investment yield}^2}{(2.48\%)} \right) \times \left(\frac{\text{Policy reserves for general account}^3}{(¥27,411.6 \text{ billion})} \right)$$

*1: Actual investment yield on fundamental profit = (return of investment in fundamental profit⁴ – interest on policyholder dividends⁵) / 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) × $\frac{1}{2}$

Accumulation of Policy Reserves

(For Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life)

Policy reserves are mandatory reserves, the accumulation of which is required by the Insurance Business Act, etc. 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.

Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life have accumulated standard policy 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.

Solvency Margin Ratio

For Dai-ichi Life on a non-consolidated basis
At the end of fiscal year 2014:

913.2%

(At the end of fiscal year 2013: 772.1%)

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

Consolidated
At the end of fiscal year 2014:

818.2%

(At the end of fiscal year 2013: 756.9%)

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

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 2014 was 913.2%, an increase from the level at the end of the previous fiscal year due to the growth of retained earnings and an increase in unrealized gains on securities based on the weaker yen and higher stock prices.

● Method for calculating the solvency margin ratio

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

Adjusted Net Assets

For Dai-ichi Life on a non-consolidated basis
At the end of fiscal year 2014:

¥9,101.2 billion

(At the end of fiscal year 2013: ¥6,019.7 billion)

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

Consolidated
At the end of fiscal year 2014:

¥9,430.7 billion

(At the end of fiscal year 2013: ¥6,165.7 billion)

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

Adjusted net assets are real net worth derived by subtracting non-capital adjusted liabilities^{*2} from adjusted assets at fair market value^{*1}. They serve as one of the indicators used by the supervising administrative agency to ascertain the financial soundness of insurance companies.

The non-consolidated adjusted net assets of the Company at the end of fiscal 2014 were ¥9,101.2 billion, an increase from the level at the end of the previous year due to the growth of retained earnings, an increase in unrealized gains on securities associated with higher stock prices and the weaker yen, and a capital increase.

^{*1}. Adjusted assets represent assets reported in the balance sheet plus unrealized gains/losses and other off-balance-sheet assets.

^{*2}. Adjusted liabilities are calculated by deducting various reserves and allowances from on-balance-sheet liabilities.

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

At the end of fiscal year 2014:

¥5,550.7 billion

(At the end of fiscal year 2013: ¥3,050.5 billion)

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

■ Total Net Unrealized Gains (Losses) on General Account Assets

(Unit: billion yen)

Item	As of March 31, 2013	As of March 31, 2014	As of March 31, 2015
Securities	2,814.4	3,005.6	5,491.7
Domestic bonds	1,627.5	1,381.3	2,236.8
Domestic stocks	643.3	931.8	1,785.6
Foreign securities ^{*1}	505.0	642.2	1,400.8
Foreign bonds	416.1	484.9	1,011.6
Foreign stocks and other securities	88.9	157.3	389.2
Other securities	21.3	36.3	54.4
Others ^{*2}	17.1	13.9	13.8
Real estate ^{*3}	21.4	48.2	75.5
Total (including others not listed above) ^{*4}	2,833.9	3,050.5	5,550.7

*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.

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, 2015, unrealized gains and losses on securities increased by ¥2,486.0 billion from the end of the previous fiscal year, to ¥5,491.7 billion, mainly reflecting lower interest rates in Japan and overseas, rising stock prices and the depreciation of the yen. Unrealized gains on real estate (land, etc.) increased by ¥27.3 billion from a year earlier, to ¥75.5 billion. As a result, total unrealized gains on all general account assets increased by ¥2,500.1 billion, to ¥5,550.7 billion.

Ratings

As of June 30, 2015

Rating and Investment Information

A+

Rating on Insurance Claims Paying Ability

Japan Credit Rating Agency

A+

Rating on Ability to Pay Insurance Claims

Standard & Poor's

A+

Insurer Financial Strength Rating

Fitch Ratings

A

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.

DSR Management Promotion System

Our DSR management initiatives are promoted by the “Committee for Dai-ichi’s Social Responsibility Promotion,” chaired by the president. Under the committee’s umbrella, four special committees are established to address core challenges in DSR Management to increase the effectiveness of each initiative. Furthermore, as part of efforts to improve management quality and create value continuously through the PDCA cycle, we have set up Branch DSR Committees at each of our branch offices, and Unit Office DSR Committees at each of our unit offices.



List of Status of DSR Management Promotion

Category	DSR Management Promotion Index	Explanation of the Index	Fiscal 2012	Fiscal 2013	Fiscal 2014	Target
Quality Assurance	Result of total satisfaction in the customer satisfaction survey (individual customers)	Percentages of responses “very satisfied”, “satisfied” and “somewhat satisfied” in the questionnaire given to individual customers	— ^{*1}	67.2%	75.8%	Fiscal 2015 77.0%
	Customer feedback (customer complaints)	—	68,174	44,691	51,253	— ^{*2}
Corporate Citizenship and Environmental Activities	Percentage of volunteer activity involvement	Percentage of departmental community contribution involvement (head office and branches)	94.0%	100.0%	100.0%	Fiscal 2015 100%
	CO ₂ emissions	Total CO ₂ emissions ^{*3} from the Company’s investment property, business-use property, and welfare property ^{*3}	146,500 t-CO ₂	144,000 t-CO ₂	141,000 t-CO ₂	Fiscal 2017 154,560 t-CO ₂ ^{*4}
	Total paper usage	Total amount of paper used at the Group companies (photocopy paper, pamphlets, policy illustration (policy overview), etc.)	9,849t	8,116t	6,509 t	Fiscal 2017 6,388t ^{*4}
Promoting Health	Percentage of employees maintaining a desirable body weight	Percentage of employees with a BMI ^{*5} score of less than 25	Men: 69.7% Women: 78.2%	Men: 69.8% Women: 77.9%	Men: 70.6% Women: 77.9%	Fiscal 2017 ^{*6} Men: 71.1% Women: 79.2%
	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: 24.6% Women: 13.9%	Men: 25.8% Women: 14.4%	Men: 34.7% Women: 27.1%	Fiscal 2017 ^{*6} Men: 35.1% Women: 29.1%
	Smoking rate	Percentage of smokers	Men: 33.0% Women: 27.9%	Men: 31.9% Women: 27.7%	Men: 31.0% Women: 27.6%	Fiscal 2017 ^{*6} Men: 24.7% Women: 22.4%
Employee Satisfaction and Diversity & Inclusion	Results of employee satisfaction survey	The average of major items (5 points in full marks) in a questionnaire sent to employees of the Company	—	3.48	3.51	Fiscal 2017 ^{*7} 3.57
	Percentage of females in managerial posts	Percentage of women in managerial positions (department head or equivalent and section chief or equivalent)	18.2%	18.4%	22.5% ^{*8}	April 2018 ^{*8} 25% or more
	Percentage of employees with disabilities	Percentage of employees as of June 1 in the following year	2.06%	2.16%	2.25%	— ^{*9}

*1: Due to change of assessment index in fiscal 2014

*2: Customer feedback (customer complaints) is used for the Company to strive to improve its business.

*3: 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.

*4: Targets in the 2015-2017 Medium-term Environmental Effort Plan. The target for CO₂ emissions was exceeded, and the Company continues to take steps to achieve further reductions.

*5: BMI is the degree of obesity calculated from height and weight (BMI of 25 or more is classified as obesity).

*6: The target in the Medium-Term Management Plan for fiscal 2015 to fiscal 2017. (A new target has been adopted, as the target for fiscal 2015 was exceeded.) The target is set by counting backward and dividing the target for 2022 in the Healthy Japan 21 (second campaign) of the Ministry of Health, Labour and Welfare proportionally into the relevant periods.

*7: The employee satisfaction survey is positioned as a tool to help quantitatively understand the current situation and effect of activities and facilitate problem solving. As the index was changed in fiscal 2013, values after fiscal 2013 are stated.

*8: Includes Dai-ichi Life, Dai-ichi Frontier Life and Neo First Life

*9: The percentage of employees with disabilities is one in compliance with the statutory rate of disability employment.

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)



Network Japan
WE SUPPORT

The UNGC is a set of principles on the behavior for human rights, labour, 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.

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.

Women's Empowerment Principles (WEPs)



The Women's Empowerment Principles (WEPs), a joint initiative of United Nations Global Compact (UNGC) and UN Women, are a set of comprehensive principles that offer guidance to business on how to empower women in the workplace, marketplace and community. The 7 principles were developed from real life business practice and seek to elaborate

the gender dimension of good corporate citizenship, the UNGC's 10 principles, and businesses' role in sustainable development. Dai-ichi Life signed the CEO 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.

■ Fiscal 2014: Assessment of the Dai-ichi Life Group by Society and Major Awards Received

Organizer	Recipient	Assessment / Award	Month and year of Assessment / Award
Quality assurance			
Thomson Reuters	Dai-ichi Life	DealWatch Award 2014 Issuer of the Year Equity Deal of the Year	Mar. 2015
Toyo Keizai, Inc.	Dai-ichi Life	CSR Corporate Ranking 3rd among financial institutions	Mar. 2015
R&I	DIAM	R&I Fund Award 2015 Japanese REIT Fund The First Prize	Apr. 2015
Lipper	DIAM	Lipper Fund Awards Japan 2015 Equity Japan Small and Mid Caps (5 year assessment period) Bond Japanese Yen (10 year assessment period) Awards For Excellence	Mar. 2015
	Janus	Lipper Fund Awards 2015 Mixed-Asset Target Allocation Moderate Funds (10 year assessment period) Awards For Excellence	
Morningstar	DIAM	Morningstar Award Fund of the Year 2014 Flexible Allocation Fund Division High Yield Bond Fund Division	Jan. 2015
Plan for Life/ Association of Financial Advisers (AFA)	TAL	Association of Financial Advisers (AFA)/ Plan for Life Awards Winner - Life Company of the Year	Mar. 2015
Interactive Intelligence	TAL	Interactive Intelligence Annual Awards Innovation Award	Oct. 2014
Vietnam Economic Times	Dai-ichi Life Vietnam	Golden Dragon Award 2014	Mar. 2015 (7 consecutive years)
Infobank	Panin Dai-ichi Life	Excellence Rating in 3 Categories : Very Good (2nd) among joint venture companies, Very Good (4th) among companies with assets greater than 1 trillion IDR, Very Good (4th) among companies with capital larger than 100 billion IDR	Jul. 2014
ABP News	Star Union Dai-ichi Life	Banking Financial Services & Insurance Awards 2015 Best Life Insurance Co. (Private Sector) Company with Highest Claim Settlement	Feb. 2015
Office of The Consumer Protection Board	Ocean Life	Outstanding Consumer Protection Contact Center 2014	May 2014

Organizer	Recipient	Assessment / Award	Month and year of Assessment / Award
Corporate Citizenship and Environmental Activities			
Principles for Financial Action Towards a Sustainable Society (Principles for Financial Action for the 21st Century)	Dai-ichi Life	Good Practices of Signatories (FY 2014) : Insurance Category (Countermeasures for the falling birth rate)	Mar. 2015 (3 consecutive years)
Nikkei Inc.	Dai-ichi Life	Corporate ranking in Nikkei Environmental Management Survey : 12th among financial institutions (1st among life insurance industry)	Jan. 2015
Vietnamese Government	Dai-ichi Life Vietnam	Prime Minister Award Certificate	Jan. 2014
Promoting Health			
Ministry of Economy, Trade and Industry and Tokyo Stock Exchange	Dai-ichi Life	FY2014 Health & Productivity Stock Selection	Mar. 2015
American Heart Association	Protective Life	Fit-Friendly Worksite	Nov. 2014 (5 consecutive years)
Birmingham Business Journal	Protective Life	Healthiest Employers	Aug. 2014 (5 consecutive years)
Employee Satisfaction and Diversity & Inclusion			
Nikkei Business Publications, Inc.	Dai-ichi Life	Survey on Female Worker's Workplace Opportunities : 1st among insurance, securities and other financial industries, 5th in overall ranking	May 2015
Ministry of Economy, Trade and Industry and Tokyo Stock Exchange	Dai-ichi Life	FY2014 Nadeshiko Brand	Mar. 2015
Money Management/Super Review	TAL	Women in Financial Services Awards Winner — Employer of the Year	Oct. 2014

Inclusion in the SRI Indices

Dai-ichi Life is incorporated into the “FTSE4Good Index Series” (UK) and the “Morningstar Socially Responsible Investment Index” (Japan), which are socially responsible investment (SRI) indexes in Japan and overseas (as of July 31, 2015).

