

August 11, 2010

Financial Results for the Three Months Ended June 30, 2010

The Dai-ichi Life Insurance Company, Limited (the "Company", the "Parent Company", "DL" or "Dai-ichi"; President: Koichiro Watanabe) announces its financial results for the three months ended June 30, 2010.

*The Company reorganized from a mutual life insurance company to a joint stock corporation (demutualized) on April 1, 2010.

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

1. Business Highlights

(1) Sum Insured of Policies in Force and New Policies

Policies in Force

	As of June 30, 2010				As of March 31, 2010	
	Number of policies		Amount		Number of policies (thousands)	Amount (billions of yen)
	(thousands)	% of March 31, 2010 total	(billions of yen)	% of March 31, 2010 total		
Individual insurance	10,985	100.1	149,055.4	99.0	10,970	150,575.1
Individual annuities	1,241	100.6	7,232.3	100.5	1,233	7,196.6
Individual insurance and annuities	12,227	100.2	156,287.7	99.1	12,203	157,771.8
Group insurance	-	-	53,707.5	99.4	-	54,051.1
Group annuities	-	-	6,133.9	99.1	-	6,192.2

- Note: 1. Policy amount in force of individual annuities is equal to (a) the funds to be held at the time annuity payments are to commence for an annuity for which payment has not yet commenced, and (b) the amount of policy reserve for an annuity for which payments have commenced.
 2. Policy amount in force of group annuities is equal to the amount of outstanding corresponding policy reserve.

New Policies

	Number of policies		Amount			
	(thousands)	% of June 30, 2009 total	(billions of yen)	New Business	Net increase by conversion	% of June 30, 2009 total
Three months ended June 30, 2009						
Individual insurance	234		1,253.7	1,315.3	(61.5)	
Individual annuities	12		84.5	87.1	(2.5)	
Individual insurance and annuities	247		1,338.3	1,402.4	(64.1)	
Group insurance	-		23.8	23.8	-	
Group annuities	-		0.4	0.4	-	
Three months ended June 30, 2010						
Individual insurance	263	112.4	1,414.1	1,520.6	(106.5)	112.8
Individual annuities	15	119.7	103.0	105.5	(2.5)	121.8
Individual insurance and annuities	278	112.7	1,517.1	1,626.1	(109.0)	113.4
Group insurance	-	-	172.9	172.9	-	725.2
Group annuities	-	-	0.1	0.1	-	29.4

- Note: 1. Number of new policies is the sum of new business and policies after conversion.
 2. Amount of new policies for individual annuities, both new business and net increase by conversion, is equal to the funds to be held at the time annuity payments are to commence.
 3. Amount of new policies for group annuities is equal to the initial premium payment.

(Reference) Surrenders and lapses in individual insurance and annuities

(billions of yen except percentages)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Amount of surrenders and lapses	2,665.2	1,731.3
Surrender and lapse rate (%)	1.61	1.10

- Note: 1. The amount of lapses is not offset by the amount of lapses which are reinstated.
 2. The table above excludes cases where the sum insured is decreased or riders are surrendered for in-force contracts.

(2) Annualized Net Premiums

Policies in Force

(billions of yen except percentages)

	As of June 30, 2010		As of March 31, 2010
		% of March 31, 2010 total	
Individual insurance	1,717.4	99.7	1,722.8
Individual annuities	300.6	101.0	297.5
Total	2,018.0	99.9	2,020.4
Medical and survival benefits	496.3	100.3	494.8

New Policies

(billions of yen except percentages)

	Three months ended June 30, 2009	Three months ended June 30, 2010	% of June 30, 2009 total
	Individual insurance	21.3	
Individual annuities	3.0	3.7	121.2
Total	24.4	28.4	116.5
Medical and survival benefits	7.6	8.2	108.7

- Note: 1. Annualized net premiums are calculated by using multipliers for various premium payment terms to the premium per payment. In single premium contracts, the amount is calculated by dividing the premium by the duration of the policy.
2. Annualized net premiums for medical and survival benefits include (a) premiums related to medical benefits such as hospitalization and surgery benefits, (b) premiums related to survival benefits such as specific illness and nursing benefits, and (c) premiums related to premium waiver benefits, in which disability cause is excluded but causes such as specific illness and nursing care are included.
3. "New policies" include net increase by conversion.

2. Investment Results of General Account

(1) Asset Composition (General Account)

(millions of yen)

	As of June 30, 2010		As of March 31, 2010	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	310,276	1.1	356,433	1.2
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary receivables purchased	310,983	1.1	289,885	1.0
Trading account securities	-	-	-	-
Money held in trust	20,141	0.1	22,258	0.1
Securities	22,738,538	77.1	22,793,303	77.1
Domestic bonds	13,088,639	44.4	12,989,979	44.0
Domestic stocks	3,034,242	10.3	3,258,143	11.0
Foreign securities	6,408,678	21.7	6,325,956	21.4
Foreign bonds	4,902,307	16.6	4,782,266	16.2
Foreign stocks and other securities	1,506,371	5.1	1,543,689	5.2
Other securities	206,977	0.7	219,225	0.7
Loans	3,765,994	12.8	3,834,365	13.0
Policy loans	559,954	1.9	571,443	1.9
General loans	3,206,039	10.9	3,262,921	11.0
Real estate	1,244,236	4.2	1,238,898	4.2
Real estate for rent	786,773	2.7	782,788	2.6
Deferred tax assets	361,451	1.2	337,687	1.1
Others	765,973	2.6	699,925	2.4
Allowance for doubtful accounts	(20,269)	(0.1)	(21,095)	(0.1)
Total	29,497,326	100.0	29,551,663	100.0
Foreign currency-denominated assets	5,017,768	17.0	5,027,866	17.0

Note: 'Real estate' represents total amount of land, buildings and construction in progress.

(2) Fair Value Information on Securities (General Account)

(securities with fair value except for trading securities)

(millions of yen)

	Book value	Fair value	Gains (losses)	Gains (losses)	
				Gains	Losses
As of June 30, 2010					
Bonds held to maturity	169,068	175,319	6,250	6,250	-
Domestic bonds	124,393	126,575	2,182	2,182	-
Foreign bonds	44,675	48,743	4,067	4,067	-
Policy-reserve-matching bonds	6,107,887	6,559,331	451,443	451,443	-
Domestic bonds	6,107,887	6,559,331	451,443	451,443	-
Stocks of subsidiaries and affiliates	18,520	18,154	(366)	-	366
Securities available for sale	14,634,916	15,249,534	614,617	1,043,476	428,858
Domestic bonds	6,543,161	6,856,359	313,197	313,735	538
Domestic stocks	2,381,092	2,716,249	335,156	564,758	229,601
Foreign securities	5,296,583	5,262,887	(33,695)	149,709	183,404
Foreign bonds	4,819,895	4,857,631	37,736	142,289	104,553
Foreign stocks and other securities	476,688	405,256	(71,431)	7,419	78,851
Other securities	105,269	93,055	(12,214)	2,711	14,925
Monetary receivables purchased	298,809	310,983	12,174	12,562	388
Certificates of deposit	10,000	9,999	(0)	-	0
Others	-	-	-	-	-
Total	20,930,393	22,002,340	1,071,946	1,501,171	429,225
Domestic bonds	12,775,442	13,542,266	766,824	767,362	538
Domestic stocks	2,381,092	2,716,249	335,156	564,758	229,601
Foreign securities	5,359,779	5,329,785	(29,993)	153,777	183,771
Foreign bonds	4,864,570	4,906,374	41,804	146,357	104,553
Foreign stocks and other securities	495,208	423,410	(71,798)	7,419	79,218
Other securities	105,269	93,055	(12,214)	2,711	14,925
Monetary receivables purchased	298,809	310,983	12,174	12,562	388
Certificates of deposit	10,000	9,999	(0)	-	0
Others	-	-	-	-	-
As of March 31, 2010					
Bonds held to maturity	171,263	174,819	3,556	4,904	1,348
Domestic bonds	124,253	124,592	338	1,686	1,348
Foreign bonds	47,009	50,227	3,218	3,218	-
Policy-reserve-matching bonds	5,766,069	5,889,306	123,236	136,732	13,495
Domestic bonds	5,766,069	5,889,306	123,236	136,732	13,495
Stocks of subsidiaries and affiliates	17,209	24,415	7,206	7,206	0
Securities available for sale	14,921,552	15,642,718	721,166	1,016,728	295,562
Domestic bonds	6,957,460	7,099,655	142,195	148,896	6,700
Domestic stocks	2,417,263	2,939,839	522,575	702,945	180,369
Foreign securities	5,126,575	5,179,708	53,133	152,490	99,357
Foreign bonds	4,659,418	4,735,257	75,838	124,257	48,419
Foreign stocks and other securities	467,156	444,451	(22,705)	28,233	50,938
Other securities	111,595	110,630	(965)	7,184	8,150
Monetary receivables purchased	285,657	289,885	4,227	5,211	983
Certificates of deposit	23,000	22,999	(0)	0	0
Others	-	-	-	-	-
Total	20,876,095	21,731,260	855,165	1,165,572	310,406
Domestic bonds	12,847,783	13,113,554	265,770	287,314	21,544
Domestic stocks	2,417,263	2,939,839	522,575	702,945	180,369
Foreign securities	5,189,931	5,253,489	63,558	162,915	99,357
Foreign bonds	4,706,428	4,785,484	79,056	127,475	48,419
Foreign stocks and other securities	483,503	468,005	(15,498)	35,440	50,938
Other securities	112,458	111,492	(966)	7,184	8,151
Monetary receivables purchased	285,657	289,885	4,227	5,211	983
Certificates of deposit	23,000	22,999	(0)	0	0
Others	-	-	-	-	-

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

* Carrying values of securities whose market prices are deemed extremely difficult to obtain are as follows:

	As of June 30, 2010	(millions of yen) As of March 31, 2010
Bonds held to maturity	-	-
Unlisted foreign bonds	-	-
Others	-	-
Policy-reserve-matching bonds	-	-
Stocks of subsidiaries and affiliates	204,165	202,902
Unlisted domestic stocks (except over-the-counter stocks)	182,680	182,680
Unlisted foreign stocks (except over-the-counter stocks)	12,192	12,192
Others	9,292	8,029
Other securities	1,310,344	1,305,728
Unlisted domestic stocks (except over-the-counter stocks)	135,313	135,623
Unlisted foreign stocks (except over-the-counter stocks)	1,063,786	1,063,784
Unlisted foreign bonds	0	0
Others	111,245	106,320
Total	1,514,510	1,508,631

- Note: 1. The table above includes assets which are considered appropriate to handle as securities as defined in the Financial Instruments and Exchange Law.
2. The amounts of foreign exchange valuation gains/losses on foreign securities whose market prices are deemed extremely difficult to obtain and which are listed in the table above are as follows: loss of 4,881 million yen as of June 30, 2010 and loss of 3,714 million yen as of March 31, 2010.

(3) Fair Value Information on Money Held in Trust (General Account)

(millions of yen)

	Carrying value on the balance sheet	Fair value	Gains (losses)	Gains (losses)	
				Gains	Losses
As of June 30, 2010	20,141	20,141	(1,947)	4,101	6,049
As of March 31, 2010	22,258	22,258	3,303	7,288	3,984

Note: Fair value in the table above is based on the valuation conducted by the fiduciary on a reasonable basis.
"Gains (losses)" include gains (losses) from derivative transactions within the trusts.

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

(millions of yen)

	As of June 30, 2010		As of March 31, 2010	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statement of earnings
Money held in trust for investment purpose	20,141	(1,947)	22,258	3,303

Note: "Valuation gains (losses) included in the statement of earnings" include reversal gains (losses) at the beginning of the period.

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

(millions of yen)

	As of June 30, 2010				
	Book Value	Fair Value	Gains (Losses)	Gains	Losses
Held-to-maturity trust	-	-	-	-	-
Policy-reserve-matching trust	-	-	-	-	-
Others	-	-	-	-	-

	As of March 31, 2010				
	Book Value	Fair Value	Gains (Losses)	Gains	Losses
Held-to-maturity trust	-	-	-	-	-
Policy-reserve-matching trust	-	-	-	-	-
Others	-	-	-	-	-

3. Unaudited Quarterly Non-Consolidated Balance Sheets

(millions of yen)

	As of June 30, 2010	As of March 31, 2010 (summarized)
(ASSETS)		
Cash and deposits	175,974	168,804
Call loans	151,900	228,800
Monetary receivables purchased	310,983	289,885
Money held in trust	20,141	22,258
Securities	23,845,997	23,987,934
[Government bonds]	[10,786,680]	[10,688,290]
[Local government bonds]	[320,569]	[324,082]
[Corporate bonds]	[2,349,729]	[2,324,075]
[Stocks]	[3,328,843]	[3,598,019]
[Foreign securities]	[6,706,125]	[6,678,934]
Loans receivables	3,765,994	3,834,365
Policy loans	559,954	571,443
General loans	3,206,039	3,262,921
Tangible assets	1,249,160	1,243,607
Intangible assets	106,091	106,602
Reinsurance accounts receivable	1,662	1,309
Other assets	648,930	605,642
Deferred tax assets	361,451	337,687
Customers' liabilities for acceptances and guarantees	18,458	17,787
Allowance for doubtful accounts	(20,269)	(21,095)
Allowance for investment loss	(1,123)	(1,123)
Total assets	30,635,354	30,822,467
(LIABILITIES)		
Reserve for insurance policy liabilities	27,911,005	27,803,736
Reserve for outstanding claims	139,374	149,682
Policy reserve	27,366,278	27,324,838
Reserve for dividends to policyholders	405,352	329,214
Reinsurance accounts payable	628	525
Bonds payable	44,230	46,510
Other liabilities	1,053,450	1,206,894
Income taxes payable	150	571
Lease obligations	1,003	642
Asset retirement obligations	3,259	-
Rest of the other liabilities	1,049,038	1,205,681
Reserve for employees' retirement benefits	414,896	409,639
Reserve for retirement benefits of directors, executive officers and corporate auditors	3,259	3,307
Reserve for possible reimbursement of prescribed claims	949	1,100
Allowance for policyholder dividends	-	92,500
Reserve for price fluctuations	118,953	115,453
Deferred tax liabilities for land revaluation	124,280	124,706
Acceptances and guarantees	18,458	17,787
Total liabilities	29,690,115	29,822,160
(NET ASSETS)		
Capital stock	210,200	-
Capital surplus	210,200	-
Legal capital surplus	210,200	-
Retained earnings	198,843	-
Legal retained earnings	5,600	-
Other retained earnings	193,243	-
Fund for risk allowance	43,120	-
Fund for price fluctuation allowance	65,000	-
Reserve for reduction entry of real estate	16,399	-
Retained earnings brought forward	68,724	-
Total Shareholders' equity	619,243	-
Valuation difference on available-for-sale securities	392,863	-
Deferred gains or losses on hedges	(2,626)	-
Revaluation reserve for land	(64,241)	-
Total valuation and translation adjustments	325,994	-
Total net assets	945,238	-
(NET ASSETS)		
Accumulated redeemed foundation funds	-	420,000
Revaluation reserve	-	248
Surplus	-	184,448
Reserve for future losses	-	5,600
Other surplus	-	178,848
Fund for risk allowance	-	43,139
Fund for price fluctuation allowance	-	55,000
Reserve for reduction entry of real estate	-	16,420
Other reserves	-	132
Unappropriated net surplus for the period	-	64,157
Total foundation funds and surplus	-	604,697
Valuation difference on available-for-sale securities	-	461,158
Deferred gains or losses on hedges	-	(2,008)
Revaluation reserve for land	-	(63,540)
Total valuation and translation adjustments	-	395,609
Total net assets	-	1,000,307
Total liabilities and net assets	30,635,354	30,822,467

4. Unaudited Quarterly Non-Consolidated Statements of Earnings

(millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
	Amount	Amount
ORDINARY REVENUES	1,123,027	1,079,811
Insurance premiums and other	710,548	772,700
[Insurance premiums]	[710,424]	[772,555]
Investment income	330,948	234,289
[Interest, dividends and other income]	[171,159]	[164,831]
[Gain on trading account securities]	[287]	[-]
[Gain from money held in trust]	[2,038]	[-]
[Gain on sales of securities]	[46,341]	[49,023]
[Net derivative financial instruments gain]	[-]	[19,760]
[Gain on separate accounts]	[107,848]	[-]
Other ordinary revenues	81,530	72,821
[Reversal of reserve for outstanding claims]	[19,435]	[10,307]
ORDINARY EXPENSES	1,051,368	1,014,218
Insurance claims and other	650,768	607,808
[Insurance claims]	[193,139]	[191,500]
[Annuity payments]	[98,267]	[110,110]
[Benefits]	[140,924]	[138,207]
[Surrender benefits]	[190,265]	[136,301]
[Other refunds]	[27,895]	[31,411]
Provision for policy reserve and other	131,336	43,964
Provision for policy reserve	128,698	41,439
Provision for interest portion of reserve for dividends to policyholders	2,637	2,524
Investment expenses	55,790	156,375
[Interest expenses]	[2,914]	[2,890]
[Loss on investments in money held in trust]	[-]	[2,106]
[Loss on sales of securities]	[34,525]	[29,426]
[Loss on valuation of securities]	[3,094]	[5,610]
[Net derivative financial instruments loss]	[317]	[-]
[Loss on separate accounts]	[-]	[98,967]
Operating expenses	102,773	104,311
Other ordinary expenses	110,700	101,758
ORDINARY PROFIT	71,658	65,593
EXTRAORDINARY GAINS	1,171	942
Gain on disposal of noncurrent assets	23	128
Reversal of allowance for doubtful accounts	1,127	803
Gain on bad debts recovered	20	10
EXTRAORDINARY LOSSES	8,148	10,064
Loss on disposal of noncurrent assets	643	261
Impairment loss	3,174	2,228
Provision for reserve for price fluctuation	3,500	3,500
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,074
Other	829	-
Provision for reserve for dividends to policyholders	-	17,873
Net surplus before income taxes	64,682	-
Income before income taxes	-	38,598
Income taxes-current	67	44
Income taxes-deferred	11,779	14,708
Income taxes	11,847	14,753
Net surplus	52,834	-
Net income	-	23,844

NOTES TO UNAUDITED QUARTERLY NON-CONSOLIDATED FINANCIAL STATEMENTS

I. NOTES TO UNAUDITED QUARTERLY CONSOLIDATED BALANCE SHEETS

1. Application of “Accounting Standard for Asset Retirement Obligations”

Effective the three months ended June 30, 2010, the Company applied “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18 issued on March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008). As a result, ordinary profit and income before income taxes for the three months ended June 30, 2010 decreased by 25 million yen and 4,100 million yen, respectively, compared to the figures calculated by the previous method. The amount of change in asset retirement obligations incurred due to the initial application of accounting standard for the period was 3,247 million yen.

2. Change in Presentation on Net Assets

Due to the Company’s demutualization on April 1, 2010, net assets in its balance sheets were reported in a joint stock corporation format from April 1, 2010 onward, while they formerly had been reported in a mutual company format.

3. Allowance for Doubtful Accounts

For loans and claims other than loans to and claims on “bankrupt obligors”, “substantially bankrupt obligors” and obligors that have not yet suffered business failure but are considered highly likely to fail, allowance for doubtful accounts is calculated by using the rate of losses from bad debts as of March 31, 2010, as the Company recognized no material changes in the rate during the three months ended June 30, 2010.

4. Depreciation of Tangible Assets

Depreciation of tangible assets is computed by proportionally allocating the estimated annual depreciation for the fiscal year. Accumulated depreciation of tangible assets as of June 30, 2010 was ¥650,342 million.

5. Securities Lending

Securities lent under lending agreements are included in the non-consolidated balance sheet. The total balance of securities lent as of June 30, 2010 was ¥516,020 million.

6. Changes in Reserve for Dividends to Policyholders

Changes in reserve for dividends to policyholder were as follows:

	(millions of yen)
Balance at the end of previous fiscal year	¥ 329,214
Transfer from allowance for policyholder dividends	92,500
Dividends paid during the three months ended June 30, 2010	(36,759)
Interest accrual during the three months ended June 30, 2010	2,524
Provision for reserve for dividends to policyholders	17,873
Balance as of June 30, 2010	<u>¥ 405,352</u>

7. Assets Pledged as Collateral / Secured Liabilities

The amount of securities and cash/deposits pledged as collateral was as follows:

	(millions of yen)
Securities (Government bonds)	¥ 451,627
Securities (Foreign securities)	9,489
Cash/deposits	86
Total securities and cash/deposits pledged as collateral	<u>¥ 461,203</u>

The amount of secured liabilities was as follows:

	(millions of yen)
Cash collateral for securities lending transactions	¥ 462,173
Loan	<u>14</u>

Total secured liabilities

¥ 462,188

Among the amounts above, “Securities (Government bonds)” for securities lending transactions as of June 30, 2010 were ¥450,090 million.

8. Policy Reserve

For whole life insurance contracts which were acquired on or before March 31, 1996, premium payments for which were already completed (including lump-sum payment), additional policy reserves are provided in accordance with Article 69, Paragraph 5 of the Enforcement Regulation of the Insurance Business Act and will be provided over a period of nine years from the fiscal year ended March 31, 2008. As a result, additional provision for policy reserve for the three month ended June 30, 2010 was ¥22,061 million.

9. Type and Number of Shares Outstanding

Ordinary shares: 10,000,000 shares

10. Dividend on Ordinary Shares

Date of resolution	June 28, 2010 (at the First Ordinary General Meeting of Shareholders)
Type of shares	Ordinary shares
Total dividends	10,000 million yen
Dividends per share	1,000 yen
Record date *1	April 16, 2010
Effective date	June 29, 2010
Dividend resource	Retained earnings

*1: The record date was set on April 16, 2010 in accordance with Article 2, Supplementary Provisions of the Company’s Articles of Incorporation.

11. Amount of Net Assets

DL reorganized from a mutual life insurance company to a joint stock corporation as of April 1, 2010, in accordance with Article 85, Paragraph 1 of the Insurance Business Act. Based on its plan for demutualization, in accordance with Article 86 of the Insurance Business Act, DL realigned its net assets in the non-consolidated balance sheet as follows:

As of March 31, 2010		As of April 1, 2010	
Accumulated redeemed foundation funds	420,000	Capital stock	210,200
Revaluation reserve	248	Capital surplus	210,200
Surplus	184,448	Legal capital surplus	210,200
Reserve for future losses	5,600	Retained earnings	184,297
Other surplus	178,848	Legal retained earnings	5,600
Fund for risk allowance	43,139	Other retained earnings	178,697
Fund for price fluctuation allowance	55,000	Fund for risk allowance	43,120
Reserve for reduction entry of real estate	16,420	Fund for price fluctuation allowance	55,000
Other reserves	132	Reserve for reduction entry of real estate	16,420
Unappropriated net surplus for the period	64,157	Retained earnings bought forward	64,157
Total foundation funds and surplus	604,697	Total Shareholders’ equity	604,697
Valuation difference on available-for-sale securities	461,158	Valuation difference on available-for-sale securities	461,158
Deferred gains or losses on hedges	(2,008)	Deferred gains or losses on hedges	(2,008)
Revaluation reserve for land	(63,540)	Revaluation reserve for land	(63,540)
Total valuation and translation adjustments	395,609	Total valuation and translation adjustments	395,609
Total net assets	1,000,307	Total net assets	1,000,307

II. NOTES TO UNAUDITED QUARTERLY CONSOLIDATED STATEMENTS OF EARNINGS

1. Earnings per share

The earnings per share for the three months ended June 30, 2010 amounted to 2,384.50 yen. The amount of diluted earnings per share is not provided in this report since there were no diluting shares at the end of the period.

5. Breakdown of Ordinary Profit (Fundamental Profit)

(millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Fundamental revenues	1,074,360	1,011,026
Insurance premiums and other	710,548	772,700
Investment income	282,282	165,504
[Interest, dividends and other income]	171,159	164,831
Other ordinary revenues	81,530	72,821
Fundamental expense	988,251	944,098
Insurance claims and other	650,768	607,808
Provision for policy reserve and other	108,790	17,402
Investment expenses	15,219	112,817
Operating expenses	102,773	104,311
Other ordinary expenses	110,700	101,758
Fundamental profit A	86,109	66,928
Capital gains	48,666	68,784
Gain from money held in trust	2,038	-
Gain on trading securities	-	-
Gain on sales of securities	46,341	49,023
Net derivative financial instruments gain	-	19,760
Foreign exchange gains	-	-
Gain on trading account securities	287	-
Others	-	-
Capital losses	40,568	43,424
Loss on investments in money held in trust	-	2,106
Loss on trading securities	-	-
Loss on sales of securities	34,525	29,426
Loss on valuation of securities	3,094	5,610
Net derivative financial instruments loss	317	-
Foreign exchange losses	2,630	6,280
Loss on trading account securities	-	-
Others	-	-
Net capital gains B	8,098	25,359
Fundamental profit plus net capital gains A + B	94,207	92,287
Other one-time gains	-	-
Reinsurance income	-	-
Reversal of contingency reserve	-	-
Others	-	-
Other one-time losses	22,549	26,694
Ceding reinsurance commissions	-	-
Provision for contingency reserve	4,500	4,500
Provision for specific allowance for doubtful accounts	-	-
Provision for specific reserve for loans to refinancing countries	-	-
Loss on disposal of bad loans	3	133
Others	18,046	22,061
Other one-time profits C	(22,549)	(26,694)
Ordinary profit A + B + C	71,658	65,593

Note: "Others" in "Other one-time losses" represents the amount of the additional policy reserve provided in accordance with Article 69, Paragraph 5 of the Enforcement Regulations of the Insurance Business Act (22,061 million yen for the three months ended June 30, 2010 and 18,046 million yen for the three months ended June 30, 2009).

6. Solvency Margin Ratio

(millions of yen)

	As of June 30, 2010	As of March 31, 2010
Total solvency margin (A)	3,486,571	3,525,861
Common stock, etc. (Foundation funds and surplus) *1	613,991	594,697
Reserve for price fluctuations	118,953	115,453
Contingency reserve	531,593	527,093
General allowance for doubtful accounts	4,247	4,853
Net unrealized gains on securities (before tax) × 90% *2	553,155	649,316
Net unrealized gains (losses) on real estate × 85% *2	77,202	77,247
Policy reserves in excess of surrender values	1,266,078	1,245,466
Qualifying subordinated debt	327,538	328,906
Excluded items	(169,881)	(169,881)
Others	163,690	152,707
Total risk $\sqrt{(R_1 + R_8)^2} + (R_2 + R_3 + R_7)^2 + R_4$ (B)	713,069	739,535
Insurance risk R ₁	100,966	102,331
3rd sector insurance risk R ₈	151,170	150,182
Assumed investment yield risk R ₂	129,691	130,566
Investment risk R ₃	511,643	538,537
Business risk R ₄	17,997	18,556
Guaranteed minimum benefit risk R ₇ *3	6,393	6,209
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	977.9%	953.5%

*1: Expected disbursements from capital outside the Company and valuation and translation adjustments are excluded.

*2: Multiplied by 100% if losses.

*3: Calculated by standard method.

Note: The figures as of March 31, 2010 are calculated based on Articles 86 and 87 of the Enforcement Regulations of Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996. The figures as of June 30, 2010 are calculated by using the method which is deemed appropriate taking the regulations and announcement above into account.

2. Effective the fiscal year ended March 31, 2008, 3rd sector insurance risk is included in calculating the ratio.
(The ratios as of March 31, 2007 are based on the former method).

7. Status of Separate Account

(1) Separate Account Assets by Product

(millions of yen)

	As of June 30, 2010	As of March 31, 2010
Individual variable insurance	43,805	48,107
Individual variable annuities	155,061	174,050
Group annuities	962,527	1,070,091
Separate account total	1,161,395	1,292,250

(2) Sum Insured of Individual Variable Insurance and Annuities (Separate Account)

A. Variable insurance

(millions of yen except number of policies)

	As of June 30, 2010		As of March 31, 2010	
	Number of policies	Amount	Number of policies	Amount
Variable insurance (term life)	213	1,055	220	1,107
Variable insurance (whole life)	47,991	298,678	48,160	300,010
Total	48,204	299,733	48,380	301,118

Note: Policies in force include term life riders.

B. Variable annuities

(millions of yen except number of policies)

	As of June 30, 2010		As of March 31, 2010	
	Number of policies	Amount	Number of policies	Amount
Variable annuities	46,192	143,991	46,803	162,411

8. Consolidated Financial Summary

(1) Selected Financial Data and Other Information

(millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
Ordinary revenues	1,351,490	1,183,496
Ordinary profit	71,682	50,823
Net surplus	52,761	-
Net income	-	10,398

	As of June 30, 2010	As of March 31, 2010
Total assets	31,948,138	32,104,248

(2) Scope of Consolidation and Application of Equity Method

	As of June 30, 2010
Number of consolidated subsidiaries	3
Number of non-consolidated subsidiaries accounted for under the equity method	0
Number of affiliates accounted for under the equity method	29

For information regarding changes in subsidiaries and affiliates, please refer to "GUIDELINES FOR PREPARATION OF UNAUDITED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS."

(3) Unaudited Consolidated Balance Sheets

(millions of yen)

	As of	As of March 31, 2010
	June 30, 2010	(summarized)
	Amount	Amount
(ASSETS)		
Cash and deposits	194,269	188,208
Call loans	163,900	249,100
Monetary receivables purchased	310,983	289,885
Money held in trust	76,122	55,685
Securities	25,023,014	25,147,356
Loans receivables	3,766,628	3,834,955
Tangible assets	1,249,533	1,244,006
Intangible assets	104,802	105,381
Reinsurance accounts receivable	46,634	45,828
Other assets	651,697	608,753
Deferred tax assets	363,503	339,534
Customers' liabilities for acceptances and guarantees	18,458	17,787
Allowance for doubtful accounts	(20,287)	(21,111)
Allowance for investment loss	(1,123)	(1,123)
Total assets	31,948,138	32,104,248
(LIABILITIES)		
Reserve for insurance policy liabilities	29,263,469	29,112,220
Reserve for outstanding claims	140,236	150,313
Policy reserve	28,717,880	28,632,692
Reserve for dividends to policyholders	405,352	329,214
Reinsurance accounts payable	1,089	871
Bonds payable	44,230	46,510
Other liabilities	1,059,498	1,213,370
Reserve for employees' retirement benefits	416,709	411,440
Reserve for retirement benefits of directors, executive officers and corporate auditors	3,276	3,336
Reserve for possible reimbursement of prescribed claims	949	1,100
Allowance for policyholder dividends	-	92,500
Reserve for price fluctuation	119,039	115,528
Deferred tax liabilities	1,242	682
Deferred tax liabilities for land revaluation	124,280	124,706
Acceptances and guarantees	18,458	17,787
Total liabilities	31,052,244	31,140,054
(NET ASSETS)		
Capital stock	210,200	-
Capital surplus	210,200	-
Retained earnings	139,423	-
Total shareholders' equity	559,823	-
Valuation difference on available-for-sale securities	394,808	-
Deferred gains or losses on hedges	(2,626)	-
Revaluation reserve for land	(64,241)	-
Foreign currency translation adjustment	(2,330)	-
Total valuation and translation adjustments	325,610	-
Minority interests	10,459	-
Total net assets	895,893	-
Accumulated redeemed foundation funds	-	420,000
Revaluation reserve	-	248
Consolidated surplus	-	138,469
Total foundation funds and surplus	-	558,718
Valuation difference on available-for-sale securities	-	462,289
Deferred gains or losses on hedges	-	(2,008)
Revaluation reserve for land	-	(63,540)
Foreign currency translation adjustment	-	(3,069)
Total valuation and translation adjustments	-	393,671
Minority interests	-	11,804
Total net assets	-	964,193
Total liabilities and net assets	31,948,138	32,104,248

(4) Unaudited Consolidated Statements of Earnings

(millions of yen)

	Three months ended June 30,2009	Three months ended June 30,2010
	Amount	Amount
ORDINARY REVENUES	1,351,490	1,183,496
Insurance premiums and other	908,735	865,576
Investment income	361,039	244,179
[Interest, dividends and other income]	[170,367]	[164,085]
[Gain on trading account securities]	[287]	[-]
[Gain from money held in trust]	[-]	[7,547]
[Gain on trading securities]	[-]	[3,066]
[Gain on sales of securities]	[46,358]	[49,046]
[Net derivative financial instruments gain]	[-]	[19,760]
[Gain on separate accounts]	[140,752]	[-]
Other ordinary revenues	81,715	73,740
ORDINARY EXPENSES	1,279,808	1,132,673
Insurance claims and other	656,448	627,178
[Insurance claims]	[193,211]	[191,633]
[Annuity payments]	[98,291]	[110,214]
[Benefits]	[141,931]	[140,023]
[Surrender benefits]	[191,141]	[141,585]
Provision of policy reserve and other	342,468	87,876
Provision for policy reserve	339,831	85,352
Provision for interest portion of reserve for dividends to policyholders	2,637	2,524
Investment expenses	54,398	207,036
[Interest expenses]	[2,914]	[2,890]
[Loss on investments in money held in trust]	[1,319]	[-]
[Loss on sales of securities]	[34,525]	[29,426]
[Loss on valuation of securities]	[381]	[5,610]
[Net derivative financial instruments loss]	[317]	[-]
[Loss on separate accounts]	[-]	[151,576]
Operating expenses	112,018	107,532
Other ordinary expenses	114,474	103,049
ORDINARY PROFIT	71,682	50,823
EXTRAORDINARY GAINS	1,173	941
Gain on disposal of noncurrent assets	27	128
Reversal of allowance for doubtful accounts	1,124	801
Gain on bad debts recovered	20	10
Other	0	0
EXTRAORDINARY LOSSES	8,168	10,075
Loss on disposal of noncurrent assets	658	261
Impairment loss	3,174	2,228
Provision for reserve for price fluctuation	3,506	3,511
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,074
Other	829	0
Provision for reserve for dividends to policyholders	-	17,873
Net surplus before adjustment for taxes, etc.	64,686	-
Income before income taxes and minority interests	-	23,815
Income taxes-current	321	343
Income taxes-deferred	11,594	14,504
Total income taxes	11,915	14,848
Income before minority interests	-	8,967
Minority interests in income (loss)	9	(1,431)
Net surplus	52,761	-
Net income	-	10,398

(5) Unaudited Consolidated Statements of Cash Flows

(millions of yen)

	Three months ended June 30, 2009	Three months ended June 30, 2010
	Amount	Amount
Net cash provided by (used in) operating activities		
Net surplus before adjustment for taxes, etc.	64,686	-
Income before income taxes and minority interests	-	23,815
Depreciation and amortization	7,590	7,831
Impairment loss	3,174	2,228
Increase (decrease) in reserve for outstanding claims	(19,596)	(10,076)
Increase (decrease) in policy reserve	339,831	85,352
Interest on reserve for dividends to policyholders	2,637	2,524
Provision for (reversal of) reserve for dividends to policyholders	-	17,873
Increase (decrease) in allowance for doubtful accounts	(1,126)	(824)
Gains on collection of loans and claims written off	(20)	(10)
Amortization of loans	3	133
Increase (decrease) in reserve for employees' retirement benefits	4,892	5,269
Increase (decrease) in reserve for retirement benefits of directors, executive officers and corporate auditors	(53)	(60)
Increase (decrease) in reserve for possible reimbursement of prescribed claims	(125)	(150)
Increase (decrease) in allowance for policyholder dividends	-	(92,500)
Transfer from allowance for dividends to policyholders to reserve for dividends to policyholders	-	92,500
Increase (decrease) in reserve for price fluctuation	3,506	3,511
Interest, dividends and other income	(170,367)	(164,085)
Loss (gain) related to securities	(155,055)	134,031
Interest expenses	2,914	2,890
Loss (gain) related to tangible assets	630	133
Decrease (increase) in trading account securities	(6,036)	-
Other, net	(58,470)	(35,680)
Subtotal	19,014	74,706
Interest and dividends income received	174,385	175,704
Interest expenses paid	(224)	(243)
Dividends to policyholders paid	(25,339)	(36,759)
Other, net	(159,833)	(15,549)
Income taxes paid	(4,302)	(5,280)
Net cash provided by (used in) operating activities	3,700	192,576
Net cash provided by (used in) investing activities		
Investment in monetary receivables purchased	(13,341)	(6,701)
Proceeds from sales and redemption of monetary receivables purchased	8,519	3,549
Increase in money held in trust	(9,900)	(12,900)
Purchase of investment securities	(2,831,015)	(3,073,264)
Proceeds from sales and redemption of securities	2,645,914	2,713,098
Payments of loans receivable	(82,359)	(60,635)
Collection of loans receivable	204,165	128,807
Other, net	(3,763)	71,444
Total of net cash provided by (used in) investment transactions	(81,779)	(236,601)
Total of net cash provided by (used in) operating activities and investment transactions	(78,078)	(44,024)
Purchase of tangible assets	(3,018)	(12,043)
Proceeds from sales of tangible assets	(99)	186
Other, net	(5,571)	(5,199)
Net cash provided by (used in) investing activities	(90,468)	(253,657)
Net cash provided by (used in) financing activities		
Repayments of lease obligations	(16)	(47)
Cash dividends paid	-	(7,604)
Other, net	(4)	(12)
Net cash provided by (used in) financing activities	(20)	(7,663)
Effect of exchange rate change on cash and cash equivalents	221	(394)
Net increase (decrease) in cash and cash equivalents	(86,567)	(69,138)
Cash and cash equivalents at the beginning of period	472,975	437,308
Cash and cash equivalents at the end of period	386,408	368,169

NOTES TO THE UNAUDITED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

I. GUIDELINES FOR PREPARATION OF UNAUDITED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

1. Scope of Equity Method

Number of non-consolidated companies that the Parent Company excluded from the scope of the equity method during the three months ended June 30, 2010: 1

The Parent Company excluded one of the affiliated companies of Tower Australia Group Limited from the scope of the equity method during the three months ended June 30, 2010 since Tower Australia Group Limited disposed of its interest in the affiliated company.

II. NOTES TO UNAUDITED QUARTERLY CONSOLIDATED BALANCE SHEETS

1. Application of “Accounting Standard for Asset Retirement Obligations”

Effective the three months ended June 30, 2010, the Company applied “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan (ASBJ) Statement No. 18 issued on March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 issued on March 31, 2008). As a result, ordinary profit and income before income taxes and minority interests for the three months ended June 30, 2010 decreased by 25 million yen and 4,100 million yen, respectively, compared to the figures calculated by the previous method. The amount of change in asset retirement obligations incurred due to the initial application of the accounting standard for the period was 3,247 million yen.

2. Change in Presentation on Net Assets

Due to the Company’s demutualization on April 1, 2010, net assets in its balance sheets were reported in a joint stock corporation format from April 1, 2010 onward, while they formerly had been reported in a mutual company format.

3. Allowance for Doubtful Accounts

For loans and claims other than loans to and claims on “bankrupt obligors”, “substantially bankrupt obligors” and obligors that have not yet suffered business failure but are considered highly likely to fail, allowance for doubtful accounts is calculated by using the rate of losses from bad debts as of March 31, 2010, as the Company recognizes no material changes in the rate during the three months ended June 30, 2010.

4. Depreciation of Tangible Assets

Depreciation of tangible assets is computed by proportionally allocating the estimated depreciation for the fiscal year. Accumulated depreciation of tangible assets was ¥651,065 million.

5. Securities Lending

Securities lent under lending agreements are included in the consolidated balance sheet. The total balance of securities lent as of June 30, 2010 was ¥516,020 million.

6. Changes in Reserve for Dividends to Policyholders

Changes in reserve for policyholder dividends were as follows:

	(millions of yen)
Balance at the end of previous fiscal year	¥ 329,214
Transfer from allowance for policyholder dividends	92,500
Dividends paid during the three months ended June 30, 2010	(36,759)
Interest accrual during the three months ended June 30, 2010	2,524
Provision for reserve for dividends to policyholders	17,873
Balance as of June 30, 2010	<u>¥ 405,352</u>

7. Assets Pledged as Collateral / Secured Liabilities

The amount of securities and cash/deposits pledged as collateral was as follows:

	(millions of yen)
Securities (Government bonds)	¥ 451,627
Securities (Foreign securities)	9,489
Cash/deposits	86
Total securities and cash/deposits pledged as collateral	¥ 461,203

The amount of secured liabilities was as follows:

	(millions of yen)
Cash collateral for securities lending transactions	¥ 462,173
Loan	14
Total secured liabilities	¥ 462,188

Among the amounts above, "Securities (Government bonds)" for securities lending transactions as of June 30, 2010 were ¥450,090 million.

8. Policy Reserve

For whole life insurance contracts acquired on or before March 31, 1996, premium payments for which were already completed (including lump-sum payments), additional policy reserves are provided in accordance with Article 69, Paragraph 5 of the Enforcement Regulation of the Insurance Business Law and will be provided over a period of nine years from the fiscal year ended March 31, 2008. As a result, additional provision for policy reserve for three months ended June 30, 2010 was ¥22,061 million.

9. Net Assets per Share

The amount of net assets per share as of June 30, 2010 was ¥88,543.38.

10. Type and Number of Shares Outstanding

Ordinary shares: 10,000,000 shares

11. Dividend on Ordinary Shares

Date of resolution	June 28, 2010 (at the First Ordinary General Meeting of Shareholders)
Type of shares	Ordinary shares
Total dividends	¥10,000 million
Dividends per share	¥1,000
Record date *1	April 16, 2010
Effective date	June 29, 2010
Dividend resource	Retained earnings

*1: The record date was set on April 16, 2010 in accordance with Article 2, Supplementary Provisions of the Company's Articles of Incorporation.

12. Amount of Net Assets

DL reorganized from a mutual life insurance company to a joint stock corporation as of April 1, 2010, in accordance with Article 85, Paragraph 1 of the Insurance Business Act. Based on its plan for demutualization, in accordance with Article 86 of the Insurance Business Act, DL realigned its net assets in the consolidated balance sheet as follows:

As of March 31, 2010		As of April 1, 2010	
Accumulated redeemed foundation funds	420,000	Capital stock	210,200
Revaluation reserve	248	Capital surplus	210,200
Consolidated surplus	138,469	Retained earnings	138,318
Total foundation funds and surplus	558,718	Total shareholders' equity	558,718
Valuation difference on available-for-sale securities	462,289	Valuation difference on available-for-sale securities	462,289
Deferred gains or losses on hedges	(2,008)	Deferred gains or losses on hedges	(2,008)

Revaluation reserve for land	(63,540)	Revaluation reserve for land	(63,540)
Foreign currency translation adjustment	(3,069)	Foreign currency translation adjustment	(3,069)
Total valuation and translation adjustments	393,671	Total valuation and translation adjustments	393,671
Minority interests	11,804	Minority interests	11,804
Total net assets	964,193	Total net assets	964,193

III. NOTES TO UNAUDITED QUARTERLY CONSOLIDATED STATEMENTS OF EARNINGS

1. Income Before Minority Interests

Following application of “Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No.5, March 24, 2009) based on “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, issued on December 26, 2008), income before minority interests account was newly added to the consolidated statements of earnings effective the three months ended June 30, 2010.

2. Taxes

At some consolidated subsidiaries, income taxes are calculated by applying a reasonably estimated effective tax rate to net surplus before adjustment for taxes, etc. for the three months ended June 30, 2010. The estimated effective tax rate is determined by estimating the effective tax rate after taking into account the effect of deferred tax accounting for the full fiscal year, including the three months ended June 30, 2010.

3. Earnings per share

The earnings per share (EPS) for the three months ended June 30, 2010 amounted to 1,039.84 yen. The amount of diluted EPS is not provided in this report since there were no diluting shares at the end of the period.

IV. NOTES TO UNAUDITED QUARTERLY CONSOLIDATED STATEMENTS OF CASH FLOWS

1. Scope of Cash and Cash Equivalents

Cash and cash equivalents in the consolidated statement of cash flows consist of the following items contained in the consolidated balance sheets: cash and deposits, call loans, commercial paper included in monetary receivables purchased, money market fund included in securities, and overdrafts included in other liabilities.

2. Reconciliation of Cash and Cash Equivalents

Reconciliation of cash and cash equivalents to balance sheet accounts as of June 30, 2010 was as follows:

	(millions of yen)
Cash and cash deposits (a)	¥ 194,269
Call loans (b)	163,900
Commercial papers included in monetary receivables purchased (c)	9,999
Cash and cash equivalents (a + b + c)	<u>¥ 368,169</u>

(6) Status of Insurance Claims Paying Ability of Insurance Subsidiaries
(Solvency Margin Ratio)

The Dai-ichi Frontier Life Insurance Company

(millions of yen)

	As of June 30, 2010	As of March 31, 2010
Total solvency margin (A)	211,319	224,341
Common stock, etc.	102,190	116,239
Reserve for price fluctuations	86	75
Contingency reserve	45,200	44,759
General allowance for doubtful accounts	17	16
Net unrealized gains on securities (before tax) × 90% *1	3,072	1,681
Net unrealized gains (losses) on real estate × 85% *1	-	-
Policy reserves in excess of surrender values	60,752	61,570
Qualifying subordinated debt	-	-
Excluded items	-	-
Others	-	-
Total risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	29,787	37,789
Insurance risk R_1	-	-
3rd sector insurance risk R_8	-	-
Assumed investment yield risk R_2	8	7
Investment risk R_3	(14,324)	(6,175)
Business risk R_4	867	1,100
Guaranteed minimum benefit risk R_7	43,234	42,855
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,418.8%	1,187.3%

*1: Multiplied by 100% if losses.

- Note:
1. The figures as of March 31, 2009 are calculated based on Articles 86 and 87 of the Enforcement Regulations of Insurance Business Act, and Announcement No. 50, Ministry of Finance, 1996. The figures as of June 30, 2010 are calculated by using the method which is deemed appropriate taking the regulations and announcement above into account.
 2. Guaranteed minimum benefit risk is calculated by standard method.
 3. Derivative trades attributable to money held in trust and investments in foreign securities (investment trusts) are used to mitigate guaranteed minimum benefit risk on individual annuities. Derivative transactions reduced guaranteed minimum benefit risk by 9,105 million yen in the year ended March 31, 2010, and this amount is included in "Investment Risk" above.

(7) Segment Information

The Company didn't operate any businesses categorized in other segments than its own core life insurance business during the three months ended June 30, 2010, and therefore segment information was omitted.