
Financial Results for the Nine Months Ended December 31, 2010

The Dai-ichi Frontier Life Insurance Co., Ltd. (the "Company"; President: Satoru Tsutsumi) announces its financial results for the nine months ended December 31, 2010.

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

1. Business Highlights

(1) Policies in Force and New Policies

Policies in Force

	As of December 31, 2010				As of March 31, 2010	
	Number of Policies		Amount		Number of Policies (thousands)	Amount (millions of yen)
	(thousands)	% of March 31, 2010 total	(millions of yen)	% of March 31, 2010 total		
Individual insurance	0	-	58	-	-	-
Individual annuities	252	113.4	1,407,688	109.9	222	1,280,943
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

New Policies

	Number of Policies		Amount			
	(thousands)	% of December 31, 2009 total	(millions of yen)	% of December 31, 2009 total	New Business	Net increase from conversions
Nine months ended December 31, 2009						
Individual insurance	-	/	-	/	-	-
Individual annuities	137	/	732,213	/	732,213	-
Group insurance	-	/	-	/	-	-
Group annuities	-	/	-	/	-	-
Nine months ended December 31, 2010						
Individual insurance	0	-	58	-	58	-
Individual annuities	32	24.0	171,381	23.4	171,381	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments when they commence.

(2) Annualized Net Premiums

Policies in Force

(millions of yen except percentages)

	As of December 31, 2010		As of March 31, 2010
		% of March 31, 2010 total	
Individual insurance	3	-	-
Individual annuities	144,251	112.3	128,433
Total	144,254	112.3	128,433
Medical and survival benefits	-	-	-

New Policies

(millions of yen except percentages)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010	% of December 31, 2009 total
Individual annuities	77,130	18,531	24.0
Total	77,130	18,534	24.0
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

2. Investment Results of General Account

(1) Asset Composition (General Account)

(millions of yen)

	As of December 31, 2010		As of March 31, 2010	
	Carrying value	%	Carrying value	%
Cash, deposits, and call loans	11,002	4.0	24,698	10.1
Securities repurchased under resale agreements	-	-	-	-
Deposit paid for securities borrowing transactions	-	-	-	-
Monetary receivable purchased	-	-	-	-
Trading account securities	-	-	-	-
Money held in trust	48,023	17.6	33,426	13.6
Securities	168,006	61.4	142,064	57.8
Domestic bonds	130,245	47.6	114,508	46.6
Domestic stocks	-	-	-	-
Foreign securities	37,760	13.8	27,556	11.2
Foreign bonds	31,128	11.4	21,987	9.0
Foreign stocks and other securities	6,632	2.4	5,569	2.3
Other securities	-	-	-	-
Loans	-	-	-	-
Real estate	-	-	-	-
Deferred tax assets	-	-	-	-
Other	46,543	17.0	45,426	18.5
Allowance for doubtful accounts	(21)	(0.0)	(16)	(0.0)
Total	273,553	100.0	245,599	100.0
Foreign currency-denominated assets	2,978	1.1	-	-

(2) Fair Value Information on Securities (General Account) (securities with fair value except trading securities)

(millions of yen)

	Book value	Fair value	Gains (losses)		
			Gains	Losses	
As of December 31, 2010					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	158,199	161,374	3,175	3,390	214
Domestic bonds	127,382	130,245	2,862	2,955	92
Domestic stocks	-	-	-	-	-
Foreign securities	30,816	31,128	312	434	122
Foreign bonds	30,816	31,128	312	434	122
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	158,199	161,374	3,175	3,390	214
Domestic bonds	127,382	130,245	2,862	2,955	92
Domestic stocks	-	-	-	-	-
Foreign securities	30,816	31,128	312	434	122
Foreign bonds	30,816	31,128	312	434	122
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
As of March 31, 2010					
Bonds held to maturity	-	-	-	-	-
Policy-reserve-matching bonds	-	-	-	-	-
Stocks of subsidiaries and affiliates	-	-	-	-	-
Securities available for sale	134,627	136,495	1,868	1,928	59
Domestic bonds	112,790	114,508	1,717	1,767	49
Domestic stocks	-	-	-	-	-
Foreign securities	21,836	21,987	150	160	10
Foreign bonds	21,836	21,987	150	160	10
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-
Total	134,627	136,495	1,868	1,928	59
Domestic bonds	112,790	114,508	1,717	1,767	49
Domestic stocks	-	-	-	-	-
Foreign securities	21,836	21,987	150	160	10
Foreign bonds	21,836	21,987	150	160	10
Foreign stocks and other securities	-	-	-	-	-
Other securities	-	-	-	-	-
Monetary receivables purchased	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
Other	-	-	-	-	-

Book values of securities for which it is not practicable to determine fair value

Not applicable.

(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
As of December 31, 2010	48,023	48,023	-	-
As of March 31, 2010	33,426	33,426	-	-

*Information on money held in trust for investment purposes

(millions of yen)

	As of December 31, 2010		As of March 31, 2010	
	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings	Carrying value on the balance sheet	Valuation gains (losses) included in the statements of earnings
Money held in trust for investment purposes	48,023	1,697	33,426	(12,911)

*Information on money held in trust classified as held-to-maturity, policy-reserve-matching, or other money held in trust

Not applicable.

3. Non-Consolidated Balance Sheets

(millions of yen)

	As of December 31, 2010	As of March 31, 2010 (Summarized)
	Amount	Amount
(ASSETS)		
Cash and deposits	10,445	9,700
Call loans	7,800	20,300
Money held in trust	48,023	33,426
Securities	1,426,538	1,313,552
[Government bonds]	[58,749]	[45,134]
[Local government bonds]	[1,972]	[2,135]
[Corporate bonds]	[69,524]	[67,237]
[Foreign securities]	[37,760]	[27,556]
Tangible assets	91	126
Intangible assets	1	2
Reinsurance accounts receivable	43,258	44,519
Other assets	3,231	1,561
Allowance for doubtful accounts	(21)	(16)
Total assets	1,539,370	1,423,173

(millions of yen)

	As of December 31, 2010	As of March 31, 2010 (Summarized)
	Amount	Amount
(LIABILITIES)		
Reserve for insurance policy liabilities	1,426,154	1,300,274
Reserves for outstanding claims	720	610
Policy reserves	1,425,434	1,299,664
Reinsurance accounts payable	949	346
Other liabilities	2,150	4,333
Corporate income tax payable	6	4
Other liabilities	2,144	4,329
Reserve for employees' retirement benefits	54	32
Reserve for retirement benefits of directors, executive officers and corporate auditors	2	2
Reserve for price fluctuations	112	75
Deferred tax liabilities	1,149	676
Total liabilities	1,430,572	1,305,742
(NET ASSETS)		
Capital stock	117,500	117,500
Capital surplus	67,500	67,500
Legal capital surplus	67,500	67,500
Retained earnings	(78,227)	(68,760)
Other retained earnings	(78,227)	(68,760)
Retained earnings brought forward	(78,227)	(68,760)
Total shareholders' equity	106,772	116,239
Net unrealized gains on securities, net of tax	2,025	1,191
Total valuation and translation adjustments	2,025	1,191
Total net assets	108,797	117,431
Total liabilities and net assets	1,539,370	1,423,173

4. Non-Consolidated Statements of Earnings

(millions of yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
	Amount	Amount
ORDINARY REVENUES	848,102	208,369
Insurance premiums and other	776,269	205,160
[Insurance premiums]	[729,560]	[171,101]
Investment income	71,607	3,207
[Interest, dividends and other income]	[944]	[1,272]
[Gain on trading account securities]	[-]	[1,697]
[Gain on investments in trading securities]	[-]	[133]
[Gain on sales of securities]	[188]	[104]
[Gain on investment in separate accounts]	[70,474]	[-]
Other ordinary revenues	224	0
ORDINARY EXPENSES	852,033	218,107
Insurance claims and other	26,744	60,752
[Annuities]	[91]	[350]
[Benefits]	[3,392]	[6,075]
[Surrender benefits]	[4,671]	[15,641]
[Other refunds]	[1,279]	[604]
Provision for policy reserve and other	778,452	125,879
Provision for reserves for outstanding claims	-	109
Provision for policy reserve	778,452	125,769
Investment expenses	7,463	22,942
[Interest expenses]	[-]	[0]
[Loss on money held in trust]	[7,181]	[-]
[Loss on sales of securities]	[0]	[-]
[Net derivative financial instruments loss]	[-]	[24]
[Loss on separate accounts]	[-]	[22,289]
Operating expenses	34,906	7,962
Other ordinary expenses	4,466	569
ORDINARY PROFIT (LOSS)	(3,930)	(9,737)
EXTRAORDINARY GAINS	-	314
Other extraordinary gains	-	314
EXTRAORDINARY LOSSES	18	37
Provision for reserve for price fluctuations	18	37
Net income (loss) before income taxes	(3,948)	(9,460)
Corporate income taxes - current	3	6
Income taxes	3	6
Net income (loss)	(3,952)	(9,467)

Notes to the Non-Consolidated Balance Sheet

As of December 31, 2010

- 1 To calculate its allowance for doubtful accounts on loans other than those to bankrupt borrowers, virtually bankrupt borrows, and borrowers not currently bankrupt but with a high probability of bankruptcy, the Company used the historical loan loss rates that were current at the end of the fiscal first half because loss rates were not deemed to have changed substantially between the end of the fiscal first half and the end of the fiscal third quarter.
- 2 Depreciation on assets depreciated with the declining-balance method is calculated by prorating estimated annual depreciation on those assets.
- 3 Assets pledged as collateral by securities are 204 million yen.
- 4 Number of issued and outstanding shares and treasury shares by class

	December 31, 2010
Outstanding shares	
Common stock	1,850

Notes to the Non-Consolidated Statements of Earnings

Nine months ended December 31, 2010

- 1 Net loss per share was 5,117,413.24 yen. Fully diluted net loss per share is not reported because the Company has no residual shares.

5. Breakdown of Net Surplus from Operations (Fundamental Profit)

(millions of yen)

		Nine months ended December 31, 2009	Nine months ended December 31, 2010
Fundamental profit	A	37,324	(10,280)
Capital gains		188	1,955
Gain on money held in trust		-	1,697
Gain on investments in trading securities		-	133
Gain on sales of securities		188	104
Net derivative financial instruments gain		-	-
Foreign exchange gains		-	-
Other		-	20
Capital losses		7,182	152
Loss on money held in trust		7,181	-
Loss on investments in trading securities		-	-
Loss on sales of securities		0	-
Loss on valuation of securities		-	-
Net derivative financial instruments loss		-	24
Foreign exchange losses		-	128
Other		-	-
Net capital gains (losses)	B	(6,993)	1,802
Fundamental profit plus net capital gains (losses)	A + B	30,330	(8,478)
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Other		-	-
Other one-time losses		34,261	1,259
Ceding reinsurance commissions		-	-
Provision for contingency reserve		34,261	1,259
Provision for specific allowance for doubtful accounts		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Other		-	-
Other one-time profits (losses)	C	(34,261)	(1,259)
Ordinary profit (loss)	A + B + C	(3,930)	(9,737)

Note: 1. Fundamental profit includes the amount below.

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	(20)

2. Other capital gains include the amount below.

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	20

3. Gains (losses) on money held in trust and gains (losses) on investments in trading securities are attributable to investments in derivative financial instruments (including investments in monetary trusts, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities.

6. Solvency Margin Ratio

(millions of yen)

	As of December 31, 2010	As of March 31, 2010
Total solvency margin (A)	218,267	224,341
Common stock, etc.	106,772	116,239
Reserve for price fluctuations	112	75
Contingency reserve	46,018	44,759
General allowance for doubtful accounts	21	16
Net unrealized gains on securities (before tax) × 90% *1	2,857	1,681
Net unrealized gains (losses) on real estate × 85% *1	-	-
Policy reserves in excess of surrender values	62,484	61,570
Qualifying subordinated debt	-	-
Excluded items	-	-
Other	-	-
Total Risk $\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	28,998	37,789
Insurance risk R1	0	-
3rd sector insurance risk R8	-	-
Assumed investment yield risk R2	10	7
Investment risk R3	(14,412)	(6,175)
Business risk R4	844	1,100
Guaranteed minimum benefit risk R7	42,555	42,855
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,505.3%	1,187.3%

*1: Multiplied by 100% if losses.

Note: 1. The figure 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 December 31, 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 the standard method.

3. Derivative financial instruments attributable to money held in trust and investments in foreign securities (investment trusts) are used to mitigate guaranteed minimum benefit risk on individual variable annuities. Derivative financial instruments reduced guaranteed minimum benefit risk by 9,105 million yen in the fiscal year ended March 31, 2010, and by 17,842 million yen in the fiscal third quarter, and these amounts are included in "Investment risk" above.

7. Separate Account Status

(1) Separate Account Assets by Product

(millions of yen)

	As of December 31, 2010	As of March 31, 2010
Individual variable insurance	50	-
Individual variable annuities	1,266,327	1,178,615
Group annuities	-	-
Separate account total	1,266,378	1,178,615

(2) Individual Variable Insurance and Annuities (Separate Account)

A. Individual Variable Insurance (Separate Account)

(millions of yen except number of policies)

	As of December 31, 2010		As of March 31, 2010	
	Number of policies (thousands)	Amount	Number of policies (thousands)	Amount
Variable insurance (defined term type)	-	-	-	-
Variable insurance (whole life type)	0	58	-	-
Total	0	58	-	-

B. Individual Variable Annuities (Separate Account)

(millions of yen except number of policies)

	As of December 31, 2010		As of March 31, 2010	
	Number of policies (thousands)	Amount	Number of policies (thousands)	Amount
Individual variable annuities	234	1,319,547	208	1,208,546

Notes: 1. Policy amount in force for individual annuities is equal to the sum of (a) the amount required to fund annuity payments when they commence for annuities that have not yet commenced paying out and (b) policy reserves for annuities that have commenced paying out.

2. Policy amounts not placed into separate accounts as of the end of the fiscal period are included in policies in force.

8. Consolidated Financial Summary

Not applicable.

Reference: Business Highlights for the Three Months Ended December 31, 2010

(1) New Policies

	Number of policies		Amount			
	(thousands)	% of December 31, 2009 total	(millions of yen)	% of December 31, 2009 total	New Business	Net increase from conversions
Three months ended December 31, 2009						
Individual insurance	-		-		-	-
Individual annuities	39		206,226		206,226	-
Group insurance	-		-		-	-
Group annuities	-		-		-	-
Three months ended December 31, 2010						
Individual insurance	0	-	58	-	58	-
Individual annuities	6	16.4	32,751	15.9	32,751	-
Group insurance	-	-	-	-	-	-
Group annuities	-	-	-	-	-	-

Note: Amount of new policies (new business) for individual annuities is equal to the amount required to fund annuity payments when they commence.

(2) Annualized Net Premiums

(millions of yen except percentages)

	Three months ended December 31, 2009	Three months ended December 31, 2010	
			% of December 31, 2009 total
Individual insurance	-	3	-
Individual annuities	22,095	3,535	16.0
Total	22,095	3,538	16.0
Medical and survival benefits	-	-	-

Note: Annualized net premiums are calculated by multiplying the per-premium payments by a multiplier that depends on the premium payment terms. For single-premium contracts, the amount is calculated by dividing the premium by the duration of the policy.

(3) Non-Consolidated Statements of Earnings

(millions of yen)

	Three months ended December 31, 2009	Three months ended December 31, 2010
	Amount	Amount
ORDINARY REVENUES	241,135	44,249
Insurance premiums and other	222,894	43,532
[Insurance premiums]	[205,352]	[32,701]
Investment income	18,240	683
[Interest, dividends and other income]	[356]	[448]
[Gain on sales of securities]	[82]	[51]
[Net derivative financial instruments gain]	[-]	[183]
[Gain on investment in separate accounts]	[17,800]	[-]
Other ordinary revenues	0	33
ORDINARY EXPENSES	242,060	47,529
Insurance claims and other	12,510	21,053
[Annuities]	[38]	[92]
[Benefits]	[1,462]	[2,063]
[Surrender benefits]	[2,221]	[5,414]
[Other refunds]	[533]	[146]
Provision for policy reserve and other	216,052	17,766
Provision for reserves for outstanding claims	69	-
Provision for policy reserve	215,983	17,766
Investment expenses	3,855	6,755
[Loss on money held in trust]	[3,746]	[2,173]
[Loss on investment in trading securities]	[-]	[168]
[Loss on separate accounts]	[-]	[4,170]
Operating expenses	8,461	1,829
Other ordinary expenses	1,181	123
ORDINARY PROFIT (LOSS)	(925)	(3,279)
EXTRAORDINARY LOSSES	6	11
Provision for reserve for price fluctuations	6	11
Net income (loss) before income taxes	(931)	(3,290)
Corporate income taxes - current	1	2
Income taxes	1	2
Net income (loss)	(932)	(3,292)

(4) Breakdown of Net Surplus from Operations (Fundamental Profit)

(millions of yen)

		Three months ended December 31, 2009	Three months ended December 31, 2010
Fundamental profit	A	13,203	(924)
Capital gains		82	254
Gain on money held in trust		-	-
Gain on investments in trading securities		-	-
Gain on sale of securities		82	51
Net derivative financial instruments gain		-	183
Foreign exchange gains		-	-
Other		-	19
Capital losses		3,746	2,422
Loss on money held in trust		3,746	2,173
Loss on investments in trading securities		-	168
Loss on sales of securities		-	-
Loss on valuation of securities		-	-
Net derivative financial instruments loss		-	-
Foreign exchange losses		-	80
Other		-	-
Net capital gains (losses)	B	(3,663)	(2,168)
Fundamental profit plus net capital gains	A+B	9,540	(3,093)
Other one-time gains		-	-
Reinsurance income		-	-
Reversal of contingency reserve		-	-
Other		-	-
Other one-time losses		10,466	186
Ceding reinsurance commissions		-	-
Provision for contingency reserve		10,466	186
Provision for specific allowance for doubtful accounts		-	-
Provision for specific reserve for loans to refinancing countries		-	-
Write-down of loans		-	-
Other		-	-
Other one-time profits (losses)	C	(10,466)	(186)
Ordinary profit (loss)	A+B+C	(925)	(3,279)

Note: 1. Fundamental profit includes the amount below.

	Three months ended December 31, 2009	Three months ended December 31, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	(19)

2. Other includes the amount below.

	Three months ended December 31, 2009	Three months ended December 31, 2010
Adjustment of the portion valued in exchange rate fluctuations of foreign-currency denominated annuities' liability	-	19

3. Gains (losses) on money held in trust and gains (losses) on investments in trading securities are attributable to investments in derivative financial instruments (including investments in monetary trusts, foreign securities (investment trusts)) for the purpose of mitigating the guaranteed minimum benefit risk on individual variable annuities.

(5) Quarterly consolidated Financial Summary

Not applicable.

Reference: Exposure to Securitized Products and Subprime-related Investments

The Company has no securitized products and subprime-related investments as of December 31, 2010.