

(Unofficial Translation)  
 Consolidated Summary Report under Japanese GAAP  
 for the Fiscal Year Ended March 31, 2011

May 13, 2011

Company Name: The Dai-ichi Life Insurance Company, Limited      Stock exchange listings: Tokyo  
 Code Number: 8750      URL: <http://www.dai-ichi-life.co.jp/>  
 Representative Koichiro Watanabe, President, Representative Director  
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General meeting of shareholders: June 27, 2011      Dividend payment date: June 28, 2011

Securities report issuing date: June 27, 2011

Supplementary information for quarterly financial statements: Available

Explanatory meeting to be held: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are truncated.)

### 1. Consolidated Financial Data for the Fiscal Year Ended March 31, 2011

#### (1) Consolidated results of operations

(% represents the change from the same period in the previous fiscal year)

Fiscal Year Ended	Ordinary Revenues		Ordinary Profit		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%
March 31, 2011	4,571,556	(13.6)	81,199	(56.9)	19,139	(65.6)
March 31, 2010	5,294,004	1.3	188,211	197.1	55,665	154.8

Note: Comprehensive income    March 31, 2011: - 201,763 million yen (loss)      March 31, 2010: 562,452 million yen

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share	Ratio of Net Income to Shareholders' Equity	Ratio of Ordinary Profits to Total Assets	Ratio of Ordinary Profits to Ordinary Income
	yen	yen	%	%	%
March 31, 2011	1,917.40	-	2.3	0.3	1.8
March 31, 2010	5,566.50	-	7.3	0.6	3.6

Income from investment in affiliates (Equity method)    March 31, 2011: 4,355 million yen      March 31, 2010: 892 million yen

Note 1. The Company reorganized from a mutual life insurance company to a joint stock corporation as of April 1, 2010. Therefore, the net income shown in or used in the calculation of "Net income", "Net Income per Share", "Diluted Net Income per Share" and "Ratio of Net Income to Shareholders' Equity" represents net surplus for the fiscal year ended March 31, 2010. Moreover, provision for reserve for policyholder dividends equivalent to provision for allowance for policyholder dividends was recorded as an extraordinary loss in the statement of earnings for the fiscal year ended March 31, 2010.

2. Net income per share for the fiscal year ended March 31, 2010 represents net income for the period divided by the 10 million shares outstanding at the Company's demutualization on April 1, 2010.

#### (2) Consolidated financial condition

As of	Total Assets	Total Net Assets	Ratio of Shareholders' Equity to Total Assets	Total Net Assets per Share
	millions of yen	millions of yen	%	yen
March 31, 2011	32,297,862	731,835	2.2	73,027.99
March 31, 2010	32,104,248	964,193	3.0	95,238.94

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2011 and March 31, 2010 were 720,097 million yen and 952,389 million yen, respectively.

Note 1. Total net assets per share represents [net assets less minority interest] divided by the 10 million shares outstanding at the Company's demutualization.

#### (3) Consolidated cash flows

Fiscal Year Ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	millions of yen	millions of yen	millions of yen	millions of yen
March 31, 2011	781,539	(842,218)	126,282	501,904
March 31, 2010	933,254	(851,402)	(117,586)	437,308

## 2. Dividends on Common Stock

	Dividends per Share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual			
Fiscal Year Ended	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2010	-	-	-	-	-	-	-	-
March 31, 2011	-	0.00	-	1,600.00	1,600.00	15,776	83.4	1.9
March 31, 2012 (Forecast)	-	0.00	-	1,600.00	1,600.00		42.6	

Note 1. With respect to the year ended March 31, 2010 and in accordance with Article 2, Supplementary Provisions of its Articles of Incorporation, the Company paid its first shareholder dividend (1,000 yen per share) with a record date as of April 16, 2010.

2. "Total dividends (Annual)" in the above table excludes 223 million yen of dividends to be paid out to shares held by Stock Granting Trust (J-ESOP trust) and Trust-type Employee Shareholding Incentive Plan (E-Ship®).

## 3. Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2011

(% represents the change from the same period in the previous fiscal year)

	Ordinary Revenues		Ordinary Profit		Net Income		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	yen
Six months ending September 30, 2011	2,097,000	(7.3)	78,000	(22.8)	17,000	(42.3)	1,724.04
Fiscal year ending March 31, 2012	4,334,000	(5.2)	168,000	106.9	37,000	93.3	3,752.32

## 4. Others

(1) Changes in significant subsidiaries (changes in "Specified Subsidiaries" (Tokutei Kogaisha) accompanying changes in scope of consolidation) during the period: None

(2) Changes in accounting policies, procedures and presentation rules applied in the preparation of the consolidated financial statements:

(A) There was a change due to revision of accounting standards.

(B) There was a change due to reasons other than item (A) above.

(3) Number of common shares outstanding at the end of the period

	As of March 31, 2011	As of March 31, 2010
(A) Total shares outstanding including treasury shares:	10,000,000	-
(B) Treasury shares:	139,430	-
	Year ended March 31, 2011	Year ended March 31, 2010
(C) Average outstanding shares:	9,981,891	-

Note: The Company issued 10 million shares of common stock upon its demutualization (April 1, 2010).

**(Reference) Non-consolidated financial data****1. Non-consolidated Financial Data for the Fiscal Year Ended March 31, 2011**

## (1) Non-consolidated results of operations

(% represents the change from the same period in the previous fiscal year)

Fiscal Year Ended	Ordinary Revenues		Ordinary Profit		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%
March 31, 2011	4,308,466	(0.5)	78,902	(59.2)	16,936	(72.1)
March 31, 2010	4,331,560	(16.4)	193,620	77.4	60,807	(7.3)

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share
	yen	yen
March 31, 2011	1,696.72	-
March 31, 2010	6,080.74	-

Note 1. The Company reorganized from a mutual life insurance company to a joint stock corporation as of April 1, 2010.

2. Net income per share for the fiscal year ended March 31, 2010 represents net income for the period divided by the 10 million shares outstanding at the Company's demutualization on April 1, 2010.

## (2) Consolidated financial condition

As of	Total Assets	Total Net Assets	Ratio of Shareholders' Equity to Total Assets	Total Net Assets per Share
	millions of yen	millions of yen	%	yen
March 31, 2011	30,869,661	766,437	2.5	77,727.54
March 31, 2010	30,822,467	1,000,307	3.2	100,030.71

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2011 and March 31, 2010 were 766,437 million yen and 1,000,307 million yen, respectively.

Note 1. Total net assets per share represents net assets divided by the 10 million shares outstanding at the Company's demutualization.

**2. Non-consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2011**

(% represents the change from the same period in the previous fiscal year)

	Ordinary Revenues		Ordinary Profit		Net Income		Net Income per Share
	millions of yen	%	millions of yen	%	millions of yen	%	yen
Six months ending September 30, 2011	1,871,000	(10.7)	83,000	(21.9)	5,000	(85.4)	507.07
Fiscal year ending March 31, 2012	3,828,000	(11.2)	178,000	125.6	32,000	88.9	3,245.25

**\*Notes for status on audits:**

This report is exempt from the audits stipulated in the Financial Instruments and Exchange Act. Therefore, the audit stipulated in the act has not been completed with respect to the Company's consolidated financial statements as of and for the fiscal year ended March 31, 2011 as of the time of this report.

**\*Notes for using information in this report and others:**

This report contains forward-looking statements, such as earnings forecasts, regarding the intent, beliefs and current expectations of the Company and its management with respect to the expected financial condition and results of operations of the Company. These statements necessarily depend upon information currently available to the Company and its management and on assumptions that the Company and its management believe are appropriate. Forward-looking statements are not guarantees of future performance and actual results may differ materially from any future results expressed or implied by forward-looking statements. Forward-looking statements are subject to various risks and uncertainties, such as fluctuations in market conditions, including changes in the value of equity securities and changes in interest rates and forward exchange rates, the occurrence of illegal acts, operational and system risks, risks associated with general economic conditions in Japan and other factors. Important factors which may affect the Company's financial condition, results of operations and business performance are not limited to the factors described above. In light of the risks and uncertainties relating to forward-looking statements, investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this release.

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The Company plans to hold a conference call for institutional investors and analysts regarding its financial results for the fiscal year ended March 31, 2011 at 18:30 on May 13, 2011. The material for the conference call will be posted on TDnet and the Company's website.

## 1. Results of Operations and Financial Condition

### (1) Results of Operations

#### (i) Results of Operations for the Fiscal Year Ended March 31, 2011

- Consolidated ordinary revenues of the Dai-ichi Life Insurance Company, Limited (hereinafter the “Company”, “the Parent Company”, or “DL”) and its consolidated subsidiaries (collectively, the “Group” or “Daiichi Group”) for the fiscal year ended March 31, 2011 decreased by 722.4 billion yen, or 13.6%, to 4,571.5 billion yen, consisting of (1) 3,312.4 billion yen (10.6% decrease) of premium and other income, (2) 922.7 billion yen (26.0% decrease) of investment income, and (3) 336.3 billion yen (1.8% decrease) of other ordinary revenues, compared to the prior fiscal year. The decrease in premium and other income was mainly attributable to a decrease in sales of individual annuities of The Dai-ichi Frontier Life Insurance Co., Ltd. (hereinafter “Dai-ichi Frontier” or “DFL”), though the Company on a non-consolidated basis increased its sales of individual insurance and, as a result, premium income.
- Meanwhile, the Company’s consolidated ordinary expenses for the fiscal year ended March 31, 2011 decreased by 615.4 billion yen, or 12.1%, to 4,490.3 billion yen, consisting of (1) 2,711.3 billion yen (2.0% increase) of benefits and claims, (2) 466.4 billion yen (60.9% decrease) of provision for policy reserves and others, (3) 444.6 billion yen (30.7% increase) of investment expenses, (4) 434.8 billion yen (8.6% decrease) of operating expenses, and (5) 433.0 billion yen (1.2% decrease) of other ordinary expenses, compared to the prior fiscal year.
- As the Company’s investment in separate accounts turned negative (losses on investments in separate accounts) as a result of a sluggish investment environment, provision for policy reserves was reduced to match the decreased balance of separate account and corresponding policy reserve. The decrease in provision for policy reserves and others is also attributable to a decline in annuity sales of DFL. On the other hand, the increase in investment expenses was attributable to an increase in losses on valuation of securities as a result of a decline in market values of the Company’s domestic stock.
- Consequently, the Company’s ordinary profit for the fiscal year ended March 31, 2011, compared to the prior fiscal year, decreased by 107.0 billion yen, or 56.9% to 81.1 billion yen. Its net income for the fiscal year, which is ordinary profit after extraordinary gains and losses, corporate income taxes, and minority interest in gain (loss) of subsidiaries, decreased by 19.1 billion yen, or 65.6%.
- Moreover, the Company estimates the total amount of claims and benefits to be incurred in relation to the major earthquake and related tsunami that occurred in northeastern Japan on March 11, 2011 (including claims and benefits to be reported in the future) to be 30.5 billion yen and plans to expense most of the amount in the fiscal year ended March 31, 2011 as a component of provision for policy reserves and others. Also, the Company made a reversal of certain portion of reserve for price fluctuations to mitigate the losses on valuation of domestic equity securities recognized as a consequence of the deterioration of the investment environment following the earthquake.

Note: As the Company was a mutual company as of March 31, 2010, the Company recorded “net surplus” instead of “net income” for the fiscal year ended March 31, 2010. Therefore, the decrease in net income represents net income for the fiscal year ended March 31, 2011 less net surplus for the fiscal year ended March 31, 2010.

## (ii) Earnings forecasts for the fiscal year ending March 31, 2012

	Ordinary revenues		Ordinary profit		Net income	
	billions of yen	%	billions of yen	%	billions of yen	%
Six months ending September 30, 2011	2,097.0	(7.3)	78.0	(22.8)	17.0	(42.3)
Fiscal year ending March 31, 2012	4,334.0	(5.2)	168.0	(106.9)	37.0	(93.3)

Note: % represents the change from the same period in the previous fiscal year.

- The Company made the above forecast taking into account the uncertainty of the financial and capital markets after the major earthquake and related tsunami that occurred in northeastern Japan on March 11, 2011.
- The forecasts contained in this report are made in light of the recent economic environment, details of which include:

Nikkei 225 Index .....	10,000
Yield on ten-year government bonds .....	1.25%
Yen/U.S.dollar .....	¥83
Yen/euro .....	¥117

## (2) Financial Condition

## (i) Condition of assets, liabilities, and net assets

- The Company's consolidated total assets as of March 31, 2011, compared to March, 31, 2010, increased by 0.6%, to 32,297.8 billion yen, mainly consisting of (a) 25,597.7 billion yen (1.8% increase) of securities, (b) 3,627.9 billion yen (5.4% decrease) of loans, 1,296.1 billion yen (4.2% increase) of tangible fixed assets and 257.2 billion yen (36.7% increase) of cash and deposits.
- The balance of securities increased as the Company increased its position in domestic bonds as well as foreign currency-denominated bonds with currency hedges, offsetting a decrease in the balance of domestic stocks as a result of declined stock prices and sales of domestic stocks.
- The Company's consolidated total liabilities as of March 31, 2011 increased by 1.4% to 31,566.0 billion yen, mainly consisting of 29,641.9 billion yen (1.8% increase) of policy reserves and others, compared to March, 31, 2010.
- In October 2010, the Company converted 183 billion yen of outstanding dated syndicated subordinated borrowings entered into in March 2009 and 100 billion yen of other dated subordinated bank borrowings entered into in January 1999 into two perpetual subordinated borrowings (320 billion yen in total). The purpose of the conversion was to enable such borrowings to meet the criteria for specified subordinated debt in calculating our solvency margin ratio following scheduled changes in Japan to the calculation of the solvency margin ratio. The Company also issued USD 1.3 billion of US dollar-denominated perpetual subordinated notes with interest deferral options in March 2011 in order to raise capital necessary for its growth strategies and to strengthen its financial base.
- The Company's consolidated total net assets as of March 31, 2011 decreased by 24.1%, to 731.8 billion yen. Net unrealized gains on securities, net of tax, as of March 31, 2011, which are included in the Company's total net assets, decreased by 48.3% to 238.8 billion yen.

(ii) Consolidated cash flows

- Cash Flows from Operating Activities

The Company's consolidated net cash flows provided by operating activities for the fiscal year ended March 31, 2011 decreased by 151.7 billion yen to 781.5 billion yen, compared to the prior fiscal year, mainly due to a decrease in premium and other income of DFL.

- Cash Flows from Investing Activities

The Company's consolidated net cash flows used in investing activities for the fiscal year ended March 31, 2011 decreased by 9.1 billion yen to 842.2 billion yen, compared to the prior fiscal year, due to a decrease in purchase of securities.

- Cash Flows from Financing Activities

The Company's consolidated net cash flows provided by financing activities increased by 243.8 billion yen to 126.2 billion yen, compared to the prior fiscal year, as the Company issued bonds and loans payable during the fiscal year ended March 31, 2011.

- Cash and Cash Equivalents at the End of the Year

As a result, the Company's cash and cash equivalent as of March 31, 2011 increased by 64.5 billion yen to 501.9 billion yen from 437.3 billion yen at the end of the prior fiscal year.

(3) Basic Policy on profit distribution and dividends

- Our fundamental policy is to enhance our corporate value, balancing payment of policyholder dividends to holders of participating policies and appropriate distribution of profits to shareholders with paying attention to the cost of capital, while securing retained earnings necessary for ensuring financial soundness for future business environment changes and our growth strategy.
- We seek to realize stable returns to shareholders over the mid- to long-term, and attach importance to factors such as a dividend payout ratio. Specifically, we intend to decide a dividend level, seeking to achieve a dividend payout ratio around 20-30% based on our consolidated adjusted net income, while taking into account factors including consolidated and non-consolidated financial results, the general market environment and regulatory changes.
- The Company intends to propose a payment of 1,600 yen per share of common stock of the Company as a year-end cash dividend for the fiscal year ended March 31, 2011. As for the fiscal year ending March 31, 2012, the Company currently expects to pay a dividend of 1,600 yen per share.
- We intend to make a dividend payment annually after approved by our general meeting of shareholders with a record date as of March 31, taking such factors as consolidated financial results into account, although semi-annual interim dividend payment as provided in Article 454-5 of the Japanese Company Law might possibly be made by the resolution of the Board of Directors according to the Articles of Incorporation.

Note: Consolidated adjusted net income is an indicator which represents the Company's real profitability, and is calculated by adding items such as provision of contingency reserve to consolidated net income (after-tax).

## 2. Management Policy

### (1) Our Principal Management Policy

Since its foundation, the company has maintained the management philosophy of “Customer First.” We continue to abide by this philosophy and continue being our policyholders’ life-long partner under this management philosophy we have four basic management policies, which are (1) maximizing policyholders’ satisfaction, (2) pursuing a sustainable growth in shareholder value, (3) being a trusted company and (4) contributing to our employees and society.

To clarify the philosophy and basic management policies described above in the mid- to long-term, the Dai-ichi Group has promulgated our group vision of “Thinking People First.” “Thinking People First” enhances the management philosophy and dictates to us that we sincerely think of our policyholders, shareholders, employees, and all the stakeholders of the company.

To realize this vision, the Company established its “Declaration of Quality Assurance” and “New Total Life Plan” strategies. As a roadmap of the strategies, the Company formulated its medium-term management plan “Success 110!!” covering the two fiscal years ending March 31, 2013.

By pursuing the management philosophy and the group vision, and by continuing to offer the best products and services based on our “Declaration of Quality Assurance,” we will strive to become the most trusted life insurance company.

- Our Management Philosophy:

“Customer First – to Become a Life-Long Partner for Customers”

- Our Basic Management Policy:

Maximizing policyholders’ satisfaction,

Pursuing a sustainable growth in shareholder value,

Being a trusted company, and

Contributing to our employees and society

- Our Group Vision:

“Thinking People first”

- Our “Declaration of Quality Assurance”

We will further pursue the management philosophy of “Customer First” to conduct strict quality control of our products and services,

We will faithfully face each customer and consult on the best way to prepare for various risks based on her/his life stage,

We will explain anything customers want to or should know about products, services and others with plain language,

At any time from the signing of the contract, throughout the policy term, until making payment, we will process filed claims and make fair payments in an accurate and prompt manner from the perspective of customers,

We will listen to all the stakeholders and actively reflect policyholders’ viewpoint to improve our daily business and management system, and

We will maintain and strengthen our financial soundness to fulfill our mission to provide security function for



customers over the long-term

- Concept Phrase of Our “New Total Life Plan” Strategies

All of us, becoming a “life-long partner”, for all customers, at all contacts

(2) Our Management Goals

To meet the commitment in its “Declaration of Quality Assurance” and, finally, create corporate value over the next decade, the Company will strive to (i) substantially improve productivity in each of its existing business domains, (ii) accelerate the allocation of corporate resources to growing areas, and (iii) pursue external growth, as necessary, in accordance with its medium- to long term business strategies established in March 2008. With these action plans, the Group aims to achieve steady growth in Embedded Value (“EV”), one of the indicators of economic value based corporate value of a life insurer.

(Note) EV (Embedded Value) is the sum of "adjusted net worth", which is calculated by making necessary adjustments to total net assets on the balance sheet, and "value of in-force business", which is calculated as present value of future after-tax profits on in-force business less present value of cost of capital. EV is one of the indicators that represent corporate value for shareholders.

Under current statutory accounting practices applicable to life insurance companies in Japan, there is a time lag between the sale of policies and recognition of profits. The use of EV allows the contribution of future profit from new business to be recognized at the time of sale. We believe it therefore serves as a valuable supplement to statutory financial information.

(3) The Mid-term Business Plan and the Challenges We Face

Although the Japanese economy and financial markets are expected to be unstable for a certain period of time due to the damage from the major earthquake and electricity shortages, the Company will be united to achieve the recovery and growth under the medium-term management plan “Success 110!!” covering two fiscal years ending March 31, 2013 (through the 110<sup>th</sup> anniversary year of its foundation).

For details of the “Success 110!!” plan, please refer to our separate news release on May 13, 2011, titled ‘New Medium-Term Management Plan “Success 110!!”’.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

	(millions of yen)	
	As of	As of
	March 31, 2010	March 31, 2011
<b>ASSETS</b>		
Cash and deposits	188,208	257,204
Call loans	249,100	244,700
Monetary claims bought	289,885	291,115
Money held in trust	55,685	62,838
Securities	25,147,356	25,597,752
Loans	3,834,955	3,627,991
Tangible fixed assets	1,244,006	1,296,105
Land	814,807	843,018
Buildings	408,356	445,572
Leased assets	646	1,474
Construction in progress	15,766	2,219
Other tangible fixed assets	4,428	3,821
Intangible fixed assets	105,381	104,173
Software	71,850	70,646
Other intangible fixed assets	33,531	33,527
Reinsurance receivable	45,828	45,764
Other assets	608,753	288,336
Deferred tax assets	339,534	477,206
Customers' liabilities for acceptances and guarantees	17,787	17,826
Reserve for possible loan losses	(21,111)	(12,928)
Reserve for possible investment losses	(1,123)	(223)
<b>Total assets</b>	<b>32,104,248</b>	<b>32,297,862</b>

	As of March 31, 2010	As of March 31, 2011
<b>LIABILITIES</b>		
Policy reserves and others	29,112,220	29,641,967
Reserves for outstanding claims	150,313	198,841
Policy reserves	28,632,692	29,039,453
Reserve for policyholder dividends	329,214	403,671
Reinsurance payable	871	1,278
Subordinated bonds	46,510	149,129
Other liabilities	1,213,370	1,126,459
Reserve for employees' retirement benefits	411,440	420,067
Reserve for retirement benefits of directors, executive officers and corporate auditors	3,336	3,168
Reserve for possible reimbursement of prescribed claims	1,100	1,100
Allowance for policyholder dividends	92,500	-
Reserves under the special laws	115,528	80,596
Reserve for price fluctuations	115,528	80,596
Deferred tax liabilities	682	798
Deferred tax liabilities for land revaluation	124,706	123,635
Acceptances and guarantees	17,787	17,826
Total liabilities	<u>31,140,054</u>	<u>31,566,027</u>
<b>NET ASSETS</b>		
Accumulated redeemed foundation funds	420,000	-
Revaluation reserve	248	-
Consolidated surplus	138,469	-
Total of foundation funds and surplus	<u>558,718</u>	<u>-</u>
Capital stock	-	210,200
Capital surplus	-	210,200
Retained earnings	-	149,007
Treasury stock	-	(20,479)
Total shareholders' equity	<u>-</u>	<u>548,928</u>
Net unrealized gains (losses) on securities, net of tax	462,289	238,886
Deferred hedge gains (losses)	(2,008)	1,243
Reserve for land revaluation	(63,540)	(65,194)
Foreign currency translation adjustments	(3,069)	(3,765)
Total accumulated other comprehensive income	<u>393,671</u>	<u>171,169</u>
Minority interests	11,804	11,737
Total net assets	<u>964,193</u>	<u>731,835</u>
Total liabilities and net assets	<u>32,104,248</u>	<u>32,297,862</u>

(2) Consolidated Statements of Earnings and Consolidated Statements of Comprehensive Income  
 [Consolidated Statements of Earnings]

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>ORDINARY REVENUES</b>	5,294,004	4,571,556
Premium and other income	3,704,259	3,312,456
Investment income	1,247,203	922,787
Interest and dividends	708,453	698,753
Gains on trading account securities	1,336	-
Gains on sale of securities	242,745	212,360
Gains on redemption of securities	4,472	1,533
Derivative transaction gains	-	9,233
Other investment income	561	906
Gains on investment in separate accounts	289,633	-
Other ordinary revenues	342,542	336,313
<b>ORDINARY EXPENSES</b>	5,105,793	4,490,356
Benefits and claims	2,656,900	2,711,314
Claims	777,372	765,792
Annuities	478,855	517,331
Benefits	538,923	514,565
Surrender values	671,927	659,025
Other refunds	189,822	254,599
Provision for policy reserves and others	1,194,284	466,486
Provision for reserves for outstanding claims	-	48,531
Provision for policy reserves	1,183,883	408,071
Provision for interest on policyholder dividends	10,401	9,882
Investment expenses	340,350	444,681
Interest expenses	12,725	13,074
Losses on money held in trust	9,616	5,718
Losses on trading securities	2,930	1,955
Losses on sale of securities	207,894	120,960
Losses on valuation of securities	7,824	179,622
Losses on redemption of securities	2,470	4,168
Derivative transaction losses	16,772	-
Foreign exchange losses	18,510	28,122
Provision for reserve for possible loan losses	10,299	-
Provision for reserve for possible investment losses	1,123	-
Write-down of loans	573	410
Depreciation of rented real estate and others	15,016	15,207
Other investment expenses	34,591	35,320
Losses on investment in separate accounts	-	40,119
Operating expenses	475,835	434,859
Other ordinary expenses	438,423	433,015
Net surplus from operations/ Ordinary profit	188,211	81,199

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>EXTRAORDINARY GAINS</b>	336	40,023
Gains on disposal of fixed assets	166	3,350
Reversal of reserve for possible loan losses	-	1,052
Reversal of reserve for possible investment	-	498
Gains on collection of loans and claims written off	169	189
Reversal of reserve for price fluctuations	-	34,932
Other extraordinary gains	0	1
<b>EXTRAORDINARY LOSSES</b>	116,583	11,526
Losses on disposal of fixed assets	1,857	4,113
Impairment losses on fixed assets	4,897	3,338
Provision for allowance for policyholder dividends	92,500	-
Provision for reserve for price fluctuations	14,050	-
Losses on accelerated redemption of foundation funds	2,372	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	4,074
Other extraordinary losses	906	0
Provision for reserve for policyholder dividends	-	78,500
Net surplus before adjustment for taxes, etc.	71,964	-
Income before income taxes and minority interests	-	31,196
Corporate income taxes-current	911	26,514
Corporate income tax-deferred	16,092	(14,380)
<b>Total of corporate income taxes</b>	<b>17,003</b>	<b>12,133</b>
Income before minority interests	-	19,063
Minority interests in gain (loss) of subsidiaries	(703)	(75)
Net surplus for the year	55,665	-
<b>Net income for the year</b>	<b>-</b>	<b>19,139</b>

[Consolidated Statements of Comprehensive Income]

	(millions of yen)	
	Year ended	Year ended
	March 31, 2010	March 31, 2011
Income before minority interests	-	19,063
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	-	(223,366)
Deferred hedge gains (losses)	-	3,251
Foreign currency translation adjustments	-	(815)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	-	102
Total other comprehensive income	-	(220,826)
Comprehensive income	-	(201,763)
(Details)		
Comprehensive income attributable to shareholders of the parent company	-	(201,708)
Comprehensive income attributable to minority shareholders	-	(54)

## (3) Consolidated Statements of Changes in Net Assets

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>Foundation funds and surplus</b>		
Foundation funds		
Balance at the end of the previous year	120,000	-
Changes for the year		
Redemption of foundation funds	(120,000)	-
Total changes for the year	(120,000)	-
Balance at the end of the year	-	-
Accumulated redeemed foundation funds		
Balance at the end of the previous year	300,000	-
Changes for the year		
Transfer to accumulated redeemed foundation funds	120,000	-
Total changes for the year	120,000	-
Balance at the end of the year	420,000	-
Revaluation reserve		
Balance at the end of the previous year	248	-
Changes for the year		
Total changes for the year	-	-
Balance at the end of the year	248	-
Consolidated surplus		
Balance at the end of the previous year	265,787	-
Changes for the year		
Transfer to reserve for policyholder dividends	(64,963)	-
Transfer to accumulated redeemed foundation funds	(120,000)	-
Interest payment for foundation funds	(2,328)	-
Net surplus for the year	55,665	-
Transfer from reserve for land revaluation	1,242	-
Changes by capital increase of consolidated subsidiaries	2,457	-
Others	607	-
Total changes for the year	(127,317)	-
Balance at the end of the year	138,469	-
Total of foundation funds and surplus		
Balance at the end of the previous year	686,035	-
Changes for the year		
Transfer to reserve for policyholder dividends	(64,963)	-
Transfer to accumulated redeemed foundation funds	-	-
Interest payment for foundation funds	(2,328)	-
Net surplus for the year	55,665	-
Redemption of foundation funds	(120,000)	-
Transfer from reserve for land revaluation	1,242	-
Changes by capital increase of consolidated subsidiaries	2,457	-
Others	607	-
Total changes for the year	(127,317)	-
Balance at the end of the year	558,718	-

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the beginning of the year	-	210,200
Changes for the year		
Total changes for the year	-	-
Balance at the end of the year	-	210,200
<b>Capital surplus</b>		
Balance at the beginning of the year	-	210,200
Changes for the year		
Total changes for the year	-	-
Balance at the end of the year	-	210,200
<b>Retained earnings</b>		
Balance at the beginning of the year	-	138,318
Changes for the year		
Dividends	-	(10,000)
Net income for the year	-	19,139
Transfer from reserve for land revaluation	-	1,653
Others	-	(103)
Total changes for the year	-	10,689
Balance at the end of the year	-	149,007
<b>Treasury stock</b>		
Balance at the beginning of the year	-	-
Changes for the year		
Purchase of treasury stock	-	(20,479)
Total changes for the year	-	(20,479)
Balance at the end of the year	-	(20,479)
<b>Total shareholders' equity</b>		
Balance at the beginning of the year	-	558,718
Changes for the year		
Dividends	-	(10,000)
Net income for the year	-	19,139
Purchase of treasury stock	-	(20,479)
Transfer from reserve for land revaluation	-	1,653
Others	-	(103)
Total changes for the year	-	(9,790)
Balance at the end of the year	-	548,928



(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>Accumulated other comprehensive income</b>		
Net unrealized gains (losses) on securities, net of tax		
Balance at the beginning of the year	(47,349)	462,289
Changes for the year		
Net changes of items other than foundation funds and surplus	509,639	-
Net changes of items other than shareholders' equity	-	(223,403)
Total changes for the year	509,639	(223,403)
Balance at the end of the year	462,289	238,886
<b>Deferred hedge gains (losses)</b>		
Balance at the beginning of the year	(357)	(2,008)
Changes for the year		
Net changes of items other than foundation funds and surplus	(1,651)	-
Net changes of items other than shareholders' equity	-	3,251
Total changes for the year	(1,651)	3,251
Balance at the end of the year	(2,008)	1,243
<b>Reserve for land revaluation</b>		
Balance at the beginning of the year	(62,297)	(63,540)
Changes for the year		
Net changes of items other than foundation funds and surplus	(1,242)	-
Net changes of items other than shareholders' equity	-	(1,653)
Total changes for the year	(1,242)	(1,653)
Balance at the end of the year	(63,540)	(65,194)
<b>Foreign currency translation adjustments</b>		
Balance at the beginning of the year	(2,514)	(3,069)
Changes for the year		
Net changes of items other than foundation funds and surplus	(554)	-
Net changes of items other than shareholders' equity	-	(696)
Total changes for the year	(554)	(696)
Balance at the end of the year	(3,069)	(3,765)

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>Total accumulated other comprehensive income</b>		
Balance at the beginning of the year	(112,519)	393,671
<b>Changes for the year</b>		
Net changes of items other than foundation funds and surplus	506,190	-
Net changes of items other than shareholders' equity	-	(222,501)
Total changes for the year	506,190	(222,501)
Balance at the end of the year	393,671	171,169
<b>Minority interests</b>		
Balance at the beginning of the year	6,412	11,804
<b>Changes for the year</b>		
Net changes of items other than foundation funds and surplus	5,391	-
Net changes of items other than shareholders' equity	-	(66)
Total changes for the year	5,391	(66)
Balance at the end of the year	11,804	11,737
<b>Total net assets</b>		
Balance at the beginning of the year	579,928	964,193
<b>Changes for the year</b>		
Transfer to reserve for policyholder dividends	(64,963)	-
Transfer to accumulated redeemed foundation funds	-	-
Interest payment for foundation funds	(2,328)	-
Net surplus for the year	55,665	-
Redemption of foundation funds	(120,000)	-
Dividends	-	(10,000)
Net income for the year	-	19,139
Purchase of treasury stock	-	(20,479)
Transfer from reserve for land revaluation	1,242	1,653
Changes by capital increase of consolidated subsidiaries	2,457	-
Others	607	(103)
Net changes of items other than foundation funds and surplus	511,582	-
Net changes of items other than shareholders' equity	-	(222,568)
Total changes for the year	384,264	(232,358)
Balance at the end of the year	964,193	731,835

## (4)Consolidated Statements of Cash Flows

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net surplus before adjustment for taxes, etc.	71,964	-
Income before income taxes and minority interests	-	31,196
Depreciation of rented real estate and others	15,016	15,207
Depreciation	31,253	33,774
Impairment losses on fixed assets	4,897	3,338
Increase (decrease) in reserves for outstanding claims	(23,276)	48,531
Increase (decrease) in policy reserves	1,183,883	408,071
Provision for interest on policyholder dividends	10,401	9,882
Provision for (reversal of) reserve for policyholder dividends	-	78,500
Increase (decrease) in reserve for possible loan losses	10,189	(8,182)
Increase (decrease) in reserve for possible investment losses	1,123	(900)
Gains on collection of loans and claims written off	(169)	(189)
Write-down of loans	573	410
Increase (decrease) in reserve for employees' retirement benefits	5,869	8,629
Increase (decrease) in reserve for retirement benefits of directors, executive officers and corporate auditors	(150)	(167)
Increase (decrease) in reserve for possible reimbursement of prescribed claims	100	-
Increase (decrease) in allowance for policyholder dividends	92,500	(92,500)
Transfer from allowance for policyholder dividends to reserve for policyholder dividends	-	92,500
Increase (decrease) in reserve for price fluctuations	14,050	(34,932)
Interest and dividends	(708,453)	(698,753)
Securities related losses (gains)	(317,067)	132,933
Interest expenses	12,725	13,074
Foreign exchange losses (gains)	18,510	28,122
Losses (gains) on disposal of fixed assets	1,690	763
Equity in losses (income) of affiliates	(892)	(4,355)
Decrease (increase) in trading account securities	52,597	-
Decrease (increase) in reinsurance receivable	(31,954)	64
Decrease (increase) in other assets	8,084	(5,688)
Increase (decrease) in reinsurance payable	284	406
Increase (decrease) in other liabilities	(23,951)	(2,150)
Others, net	78,453	41,408
Subtotal	508,252	98,996
Interest and dividends received	732,474	723,309
Interest paid	(11,463)	(9,091)
Policyholder dividends paid	(93,808)	(106,426)
Others, net	(258,298)	78,482
Corporate income taxes paid	56,097	(3,732)
Net cash flows provided by operating activities	933,254	781,539

(millions of yen)

	Year ended March 31, 2010	Year ended March 31, 2011
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of monetary claims bought	(42,135)	(11,851)
Proceeds from sale and redemption of monetary claims bought	17,849	16,502
Purchases of money held in trust	(60,400)	(12,900)
Proceeds from decrease in money held in trust	26,611	-
Purchases of securities	(11,307,321)	(10,021,629)
Proceeds from sale and redemption of securities	10,226,631	9,035,758
Origination of loans	(391,340)	(389,518)
Proceeds from collection of loans	802,825	587,373
Others, net	(70,363)	48,715
Total of net cash provided by (used in) investment transactions	<u>(797,643)</u>	<u>(747,550)</u>
Total of net cash provided by (used in) operating activities and investment transactions	135,611	33,988
Acquisition of tangible fixed assets	(32,962)	(80,181)
Proceeds from sale of tangible fixed assets	653	6,829
Acquisition of intangible fixed assets	(21,454)	(21,165)
Proceeds from sale of intangible fixed assets	3	0
Payments for execution of assets retirement obligations	-	(151)
Net cash flows used in investing activities	<u>(851,402)</u>	<u>(842,218)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowing	-	55,597
Repayment of borrowings	(11)	(5,004)
Proceeds from issuing bonds	-	106,314
Repayment of financial lease obligations	(107)	(252)
Redemption of foundation funds	(120,000)	-
Interest paid on foundation funds	(5,963)	-
Purchase of treasury stock	-	(20,479)
Cash dividends paid	-	(9,881)
Proceeds from stock issuance to minority shareholders	8,500	-
Others, net	(4)	(12)
Net cash flows provided by (used in) financing activities	<u>(117,586)</u>	<u>126,282</u>
Effect of exchange rate changes on cash and cash equivalents	66	(1,006)
Net increase (decrease) in cash and cash equivalents	<u>(35,667)</u>	<u>64,596</u>
Cash and cash equivalents at the beginning of the year	472,975	437,308
Cash and cash equivalents at the end of the year	<u>437,308</u>	<u>501,904</u>

(5) Notes on going-concern assumptions

Not applicable

(6) Changes in accounting policies, procedures and presentation rules applied in the preparation of the consolidated financial statements:

(i) Application of “Accounting Standard for Asset Retirement Obligations”

- Effective the fiscal year ended March 31, 2011, 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 fiscal year ended March 31, 2011 decreased by ¥497 million and ¥4,572 million, respectively, compared to the corresponding 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 fiscal year was ¥3,247 million.

(ii) Other Significant Information in the Preparation of the Consolidated Financial Statements

- Due to the Company’s demutualization on April 1, 2010, net assets in its balance sheet as of March 31, 2011 were reported in a joint corporation format, while those of March 31, 2010 were reported in a mutual company format.

(7) Notes to the Consolidated Financial Statements:

(Notes to the consolidated comprehensive income)

Fiscal year ended March 31, 2011

- Comprehensive income

	(millions of yen)
Comprehensive income attributable to shareholders of the parent company ...	¥ 563,098
Comprehensive income attributable to minority shareholders .....	<u>(645)</u>
Total .....	<u>¥ 562,452</u>

- Other comprehensive income

	(millions of yen)
Net unrealized gains (losses) on securities, net of tax .....	¥ 509,457
Deferred hedge gains (losses) .....	(1,651)
Foreign currency translation adjustments .....	(197)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method .....	<u>(117)</u>
Total .....	<u>¥ 507,491</u>

(Segment Information and Others)

<Segment Information>

For the year ended March 31, 2011

- Overview of the reported segments

The overview of the reported segments has been omitted as the Company's operations consists of only one segment

<Additional Information>

- Effective the fiscal year ended March 31, 2011, the Company applied "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No. 17 issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 issued on March 21, 2008).

<Other Related Information>

For the year ended March 31, 2011

1. Product and/or Service Segment Information

- The product and/or service segment information is omitted as the Company's operations consist of only one product (service) segment.

2. Geographic Segment Information

- The geographic segment information has been omitted as more than 90% of the Company's total ordinary revenues for the year ended March 31, 2011 and tangible fixed assets as of March 31, 2011 derive from its business unit in Japan.

3. Major Customer Information

- The major customer information has been omitted as no single customer accounts for more than 10% of the Company's ordinary profit.

< Impairment Losses on Tangible Fixed Assets by Reported Segment>

For the year ended March 31, 2011

- The information on impairment losses on tangible fixed assets by reported segment has been omitted as the Company's operations consist of only one segment.



(Per-share Information)

1. Net assets per share as of March 31, 2011: ¥ 73,027.99

Notes 1. Net assets per share as of March 31, 2010 was omitted as the Company was a mutual company.

2. Reconciliation of the net assets per share as of March 31, 2011 was as follows:

<u>As of March 31, 2011</u>	<u>(millions of yen)</u>
Net assets.....	¥ 731,835
Adjustments.....	¥ 11,737
Minority interests .....	¥ 11,737
Net assets attributable to common stocks.....	<u>¥ 720,097</u>

Shares of common stock outstanding: 9,860 thousand (\*)

(\*) "Shares of common stock outstanding" in the above table excludes shares held by Stock Granting Trust (J-ESOP) or Trust-type Employee Shareholding Incentive Plan (E-Ship®).

2. Net income per share for the year ended March 31, 2011: ¥ 1,917.40

Notes 1. Net income per share for the year ended March 31, 2010 was omitted as the Company was a mutual company.

2. Information on diluted net income per share is omitted as there were no potential diluting shares of the Company.

3. Reconciliation of the net income per share was as follows:

<u>Year ended March 31, 2011</u>	<u>(millions of yen)</u>
Net income per share .....	¥ 19,139
Net income attributable to other than shareholders of common stocks .....	-
Net income attributable to shareholders of common stocks .....	<u>¥ 19,139</u>

Average number of common shares outstanding: 9,981 thousand (\*)

(\*) "Average number of common shares outstanding" in the above table excludes shares held by Stock Granting Trust (J-ESOP) or Trust-type Employee Shareholding Incentive Plan (E-Ship®).

(Subsequent Event)

For the year ended March 31, 2011

The board of directors of the Parent Company, on December 28, 2010, decided to acquire 100% ownership of Tower Australia Group Limited (“Tower”) and, on the same date, entered into a scheme implementation deed with Tower. In the process of the transaction, the Parent Company established two subsidiaries and completed the acquisition of the rest of shares of common stock of Tower that the Parent Company did not own through one of the two subsidiaries on May 11, 2011. Details of the transaction are as follows. While the Parent Company does not directly own Tower’s shares, taking into account the fact that the Parent Company substantially, though indirectly, owns all of the shares issued by Tower, the following description is subject to Tower instead of the two subsidiaries.

(1) Strategic aim of the transaction

Making Tower a wholly owned subsidiary, the Parent Company aims to (a) strengthen its operating base significantly in Australia, (b) promote geographical diversification of its earnings, etc.

(2) Company profile of Tower

Company name	Tower Australia Group Limited*1
Engaged business	Insurance and insurance-related business*2
Location of headquarters	Milsons Point, New South Wales, Australia
Tower’s consolidated results of operations for the year ended September 30, 2010	Premium income: AUD 942 million (81,738 million yen) Net income: AUD 87 million (7,587 million yen)
Tower’s consolidated financial condition as of September 30, 2010	Total assets: AUD 3,672 million (318,629 million yen) Net assets: AUD 850 million (73,786 million yen) Capital stock: AUD 536 million (46,524 million yen)
Other information	Stock of Tower is delisted from Australian Securities Exchange as of the end of trading hours on April 27, 2011

\*1. The Parent Company directly owns shares of TAL Dai-ichi Life Australia Pty Ltd which owns Tower’s shares.

\*2. Tower Australia Group Limited is a holding company and its subsidiaries operate life insurance businesses, etc.

(3) Date of business combination

May 11, 2011.

(4) Acquisition price and share of voting rights after completion of the transaction

(a) Acquisition price: The Parent Company acquired the rest of the shares of Tower that it did not own (71.04% of Tower’s shares outstanding) for AUD 1,193 million (103,477 million yen) in total – AUD 4.00 (347 yen) per share. Additionally, the Parent Company acquired Tower’s stock options held by Tower’s management for AUD 50 million (4,339 million yen) in total – AUD 4.00 (347 yen) per share. These acquisitions were executed through the two newly established subsidiaries. Moreover, the Parent Company expects to pay expenses other than the price above, such as fees to outside advisors.

(b) The Parent Company’s share of voting rights after completion of the transaction

Share of existing voting rights before the date of business combination:	28.96%
Share of additional voting rights acquired on the date of business combination:	71.04%
Share of voting rights After completion of the transaction:	100%

(5) Financing

The Parent Company financed the transaction by funds on hand.

(6) Other Information

The Parent Company completed the acquisition of Tower by utilizing a friendly acquisition scheme called a “scheme of arrangement”, paying AUD 4.00 per share for Tower’s shareholders, based on the approval of 75% or more of votes cast and the majority of Tower’s shareholders attending a meeting of shareholders (including proxies) and Australian court approval.

(Note) Australian dollars are converted into yen at the rate of JPY86.77 to AUD.