

May 15, 2012

Koichiro Watanabe  
President and Representative Director  
The Dai-ichi Life Insurance Company, Limited  
Code: 8750 (TSE First section)

---

## **Operational Plan for Fiscal Year 2012 under the Current Medium-Term Management Plan of the Dai-ichi Life Group and Establishment of “Group Management Headquarters”**

---

The Dai-ichi Life Insurance Company, Limited (the “Company”; President: Koichiro Watanabe) hereby announces its operational plan for the fiscal year 2012 under the current medium-term management plan “Success 110” (the “Plan”) of the Company and its subsidiaries and affiliates (collectively, the “Group”). Additionally, the Company hereby announces the establishment of its “Group Management Headquarters” on May 15, 2012 to accelerate future growth and further enhance group management.

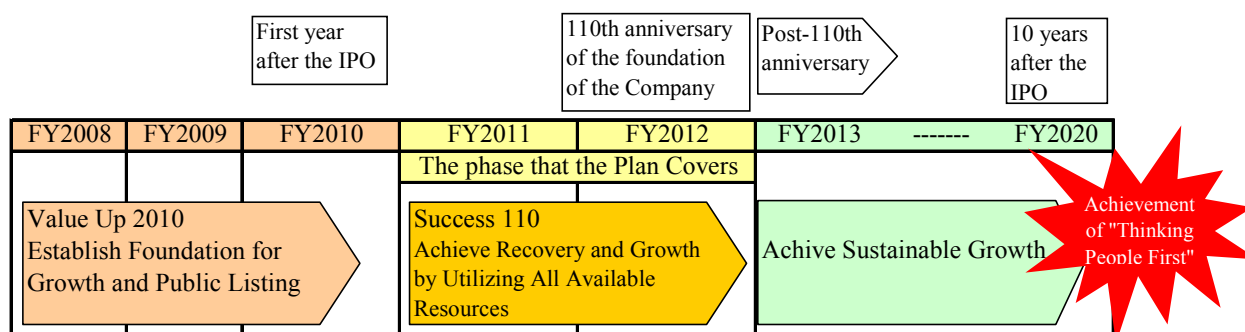
### **1. Progress in FY 2011**

Under the current medium-term management plan “Success 110 – Achieve Recovery and Growth by Utilizing All Available Resources”, in addition to placing top priority on its security function as a life insurer for the customers affected by the Great East Japan Earthquake, the Group has implemented action plans for its sustainable growth.

- The Group has promptly provided special treatment for the policies of the customers affected by the earthquake, and implemented various action plans while utilizing all available resources for appropriately paying claims and benefits, etc. As a result, the Group verified whereabouts for 99.99% of the policies in force in the areas covered by the Disaster Relief Act (approximately 860 thousand policies).
- In the domestic market, due to our efforts to promote consulting sales under the “New Total Life Plan” strategies and the introduction of new products in the third sector and personal saving areas, the Group steadily maintained its sales performance and increased its annualized net premium from policies in force. The Group has also improved the quality of policies and reduced its fixed costs.
- The Group’s overseas businesses in countries already entered have steadily grown their sales and contributed to the Group’s profitability. Also, the Group has acquired a permit for pre-operation of a joint venture life insurance company in China.
- The Group has strived to enhance its capital level through reducing risk assets and extending asset duration, etc.

## 2. Objectives for FY 2012

For fiscal year 2012, while continuously striving to recover from the earthquake damage, the Group will make a leap to the next growth stage.



With this theme, the Group will strive to:

- step up to a higher growth stage, as FY 2012 represents the final year of the Plan and a milestone of the 110th anniversary of the Company's foundation.
- implement action plans under each fundamental strategy, while striving for recovery, and make efforts to produce visible results for sustainable growth, such as the achievement of long-term growth in the domestic and overseas markets, further improvement in efficiency and sophistication of corporate value management.

## 3. Fundamental Strategies under the Plan

- I. Fulfillment of Security Function, Recovery and Renewal
- II. Acceleration of Business Development for Growth
- III. Enforcement of Financial Base and Implementation of Disciplined Capital Strategy to Support Growth Strategies
- IV. Establishment of Internal System for Next Level Group Management
- V. Promotion of Dai-ichi's Social Responsibility (DSR) to Improve Corporate Value

## 4. Details of Each Fundamental Strategy for FY 2012

### I. Fulfillment of Security Function, Recovery and Renewal

- In order to continuously and accurately provide claims and benefits to all customers, we will strive to process filed claims and make necessary payments from the perspective of customers. Also, with the Great East Japan Earthquake as a starting point, all officers and employees in the Group will rediscover the importance of life insurance and our mission as a life insurer to deliver the feeling of security to our customers, and we will continue to share and spread such value.

## **II. Acceleration of Business Development for Growth**

- For domestic businesses, under the “New Total Life Plan” strategies, we will continue to launch third sector and personal saving-type products. The Company, through measures such as introducing tablet PCs (DL Pad), will strive to enhance consulting skills and sales performance of its sales representatives by modifying their grade and compensation system to be linked more closely to the Company’s profitability. Dai-ichi Frontier Life will strive to increase its assets under management by timely launching competitive individual saving-type products.
- For overseas businesses, while leveraging the Group’s know-how accumulated over the years of its history, we will implement growth strategies in the areas the Group has already entered and enhance the management system of overseas businesses, including TAL. We will also make further efforts to expand into new markets, including the early start-up of life insurance business in China. Additionally, we will continue to consider entering into overseas asset management businesses with growth potential.
- In order to promote those growth strategies, we will continue to work on our five existing business reform projects and further reduce fixed costs.

## **III. Enforcement of Financial Base and Implementation of Disciplined Capital Strategy to Support Growth Strategies**

- While carefully monitoring accounting principles and changes in capital regulations, we will strive to further enhance our capital level for accelerating future growth, by accumulating retained earnings from periodic income and controlling risks. We will also implement further measures regarding “Enterprise Risk Management (ERM\*)” by improving the Group’s profitability taking into account the risk profiles of each business line and making disciplined capital allocation to growth areas, and pursue stable growth of corporate value measures such as Embedded Value.

\* ERM: to promote businesses operations while establishing management plans and capital strategies, etc. in conformity with a Company’s capital, risk and profit situation.

## **IV. Establishment of Internal System for Next Level Group Management**

- We established the “Group Management Headquarters” on May 15, 2012, as the best organizational structure for the Group to accelerate future growth and further enhance group management at this time. For details of the Group Management Headquarters, please refer to “5. Establishment of Group Management Headquarters” on page 5.

## **V. Promotion of Dai-ichi's Social Responsibility (DSR) to Improve Corporate Value**

- The Group has defined its own Corporate Social Responsibility (“CSR”) in an effort to improve its corporate value while improving management quality. Further progressing such efforts and evolving CSR into the concept of “DSR” (Dai-ichi’s Social Responsibility), the Group aims to fulfill its social responsibility for each stakeholder and, consequently, improve its corporate value with all employees’ continuous efforts for higher management quality based on the self-directed PDCA (Plan-Do-Check-Action) cycle within each organization.

#### 4. Management objectives

<<Major goals>>

Increase corporate value	8% Average ROEV*	
	Consolidated net income for fiscal year ending Mar-13: 25.0 billion yen	
Growth	Top Line	Approx. 3% growth in annualized net premium of policies in force for individual insurance for fiscal year ending Mar-13 (compared to fiscal year ended Mar-11)
	Profit contribution	The growth businesses (Dai-ichi Frontier / overseas insurance / asset management) are expected to account for over 30% (increased by 10% compared to the initial plan) of consolidated profit in fiscal year ending Mar-16
Efficiency		15% fixed cost reduction from FY2008 to FY2012*
Financial soundness		Reduction of domestic stock exposure/ Extension of asset duration

\*Estimated based on the assumption that the economic environment stays similar to the current levels

<<Shareholder return>>

Payout	20 - 30% payout ratio
--------	-----------------------

## **5. Establishment of “Group Management Headquarters”**

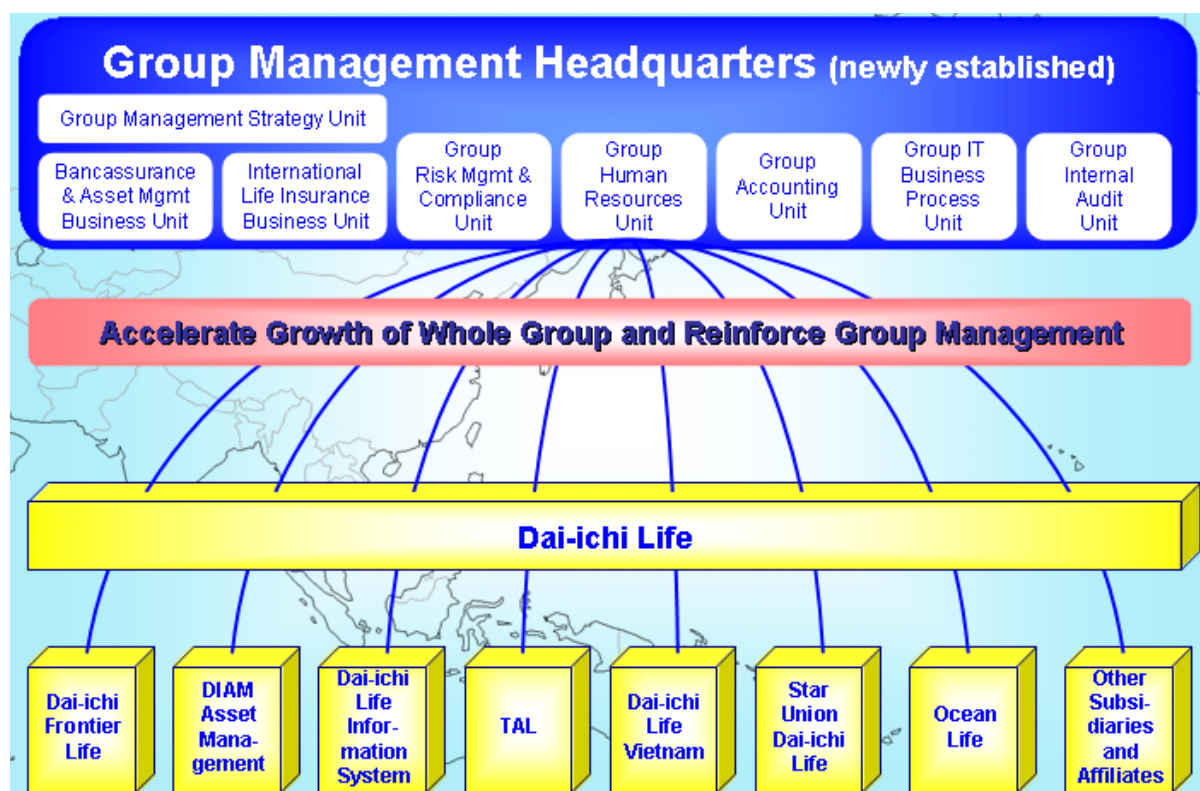
On May 15, 2012, the Company established its “Group Management Headquarters”, the organization which will undertake the next level group management.

Under the Plan, the Company has focused on the acceleration of business development as a pillar of its strategies, and steadily made progress by adding TAL Australia as a wholly-owned subsidiary in May 2011 to our overseas life insurance business lineup, which also includes Vietnam, Thailand and India.

For domestic businesses, under the “New Total Life Plan”, the Company has introduced new products in the third sector and personal saving areas, and Dai-ichi Frontier Life has increased its assets under management by launching new products, etc.

Along with the progress of such growth strategies, the Group’s subsidiaries and affiliates have expanded in both number and scale and it is becoming necessary for the Group to enhance the group management more than ever. We have previously mentioned preparation to establish a holding company around April 2013. Under current circumstances, however, we decided to establish the Group Management Headquarters in order to manage Group operations virtually with the functions of a holding company, leveraging our current organizational resources. We believe that the Group Management Headquarters is the best organizational structure for the Group at this time to accelerate future growth and enhance group management with efficiency and speed.

The Group Management Headquarters, with the Company’s President as its Chief, controls eight business units with designated Executive Officers as their respective heads. Also, certain members of the Group’s existing organizations responsible for corporate planning, international business management, profit management, human resources and risk management, etc., double as members of those units. Under this new group management structure, we will strive to establish multiple business lines through domestic and cross-border M&As, enhance our group management functions and develop internal business infrastructure, promote group ERM, and further accelerate growth to improve the Group’s corporate value.



We recognize that an organizational structure under a holding company is effective in improving corporate value with flexibility in business reorganization, etc. Therefore, we will seek a shift from the Group Management Headquarters to an actual holding company system, when we reach the appropriate time to the stage with well-established and multiple business lines covering costs to establish the holding company.

---

Investor Contact:  
Investor Relations Center  
Corporate Planning Department  
+81 50 3780 6930

This press release may contain statements that are “forward-looking statements” regarding our intent, belief or current expectations of management with respect to our future results of operations and financial condition. Any such forward-looking statements are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. Important factors that could cause actual results to differ from those in specific forward-looking statements include, without limitation, economic and market conditions, consumer sentiment, political events, level and volatility of interest rates, currency exchange rates, security valuations and competitive conditions. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ.