



FALIA Invitation Seminar in Japan
Individual Life Insurance Marketing Course

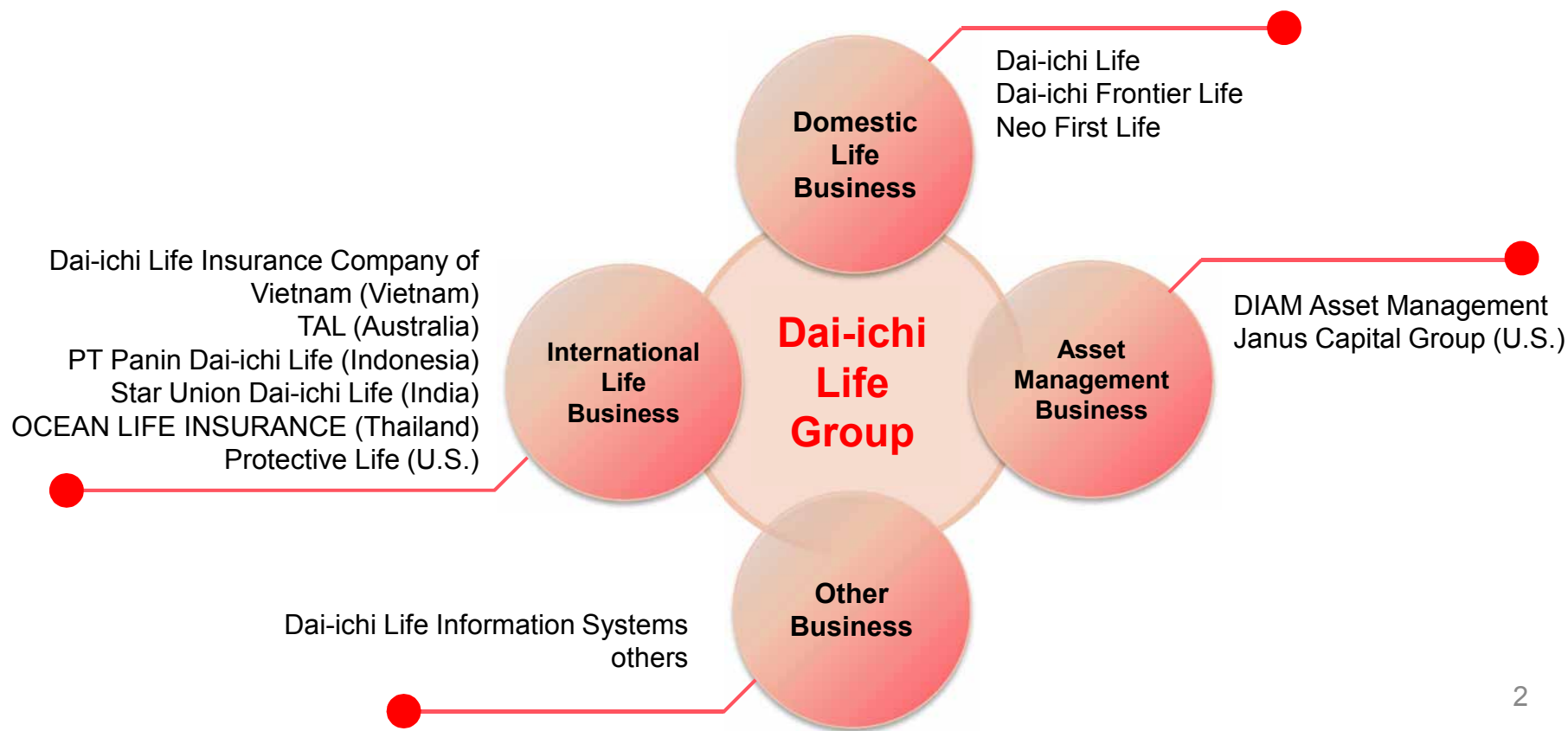
Corporate Management Strategy of a Life Insurance Company

**Kenji Nishimura,
General Manager,
Corporate Planning Department,
The Dai-ichi Life Insurance Company Limited**

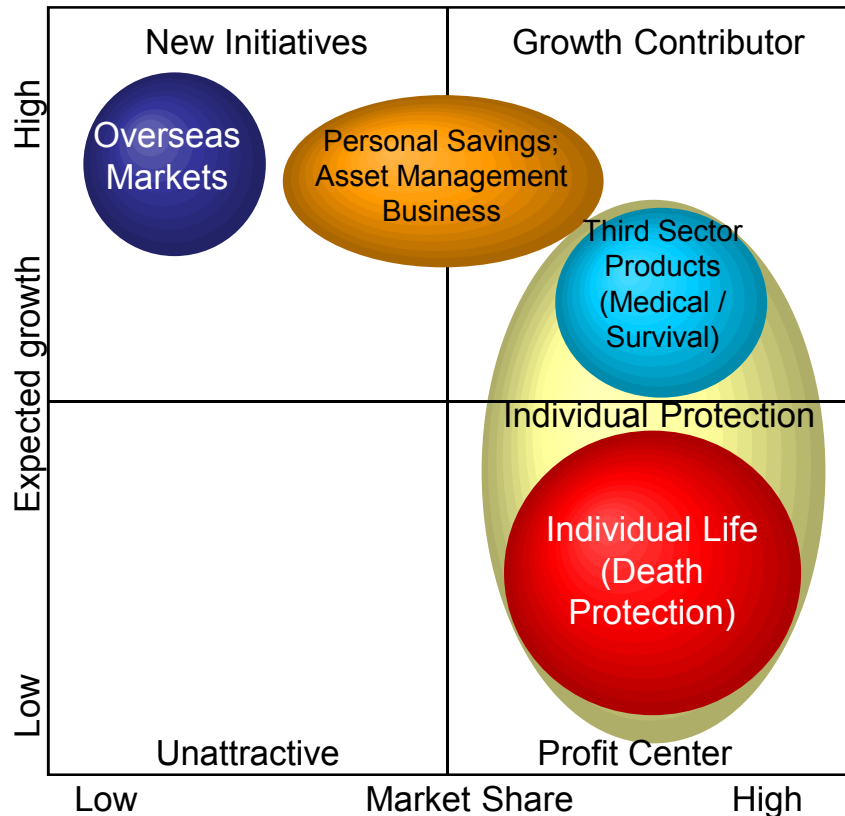
Overview of Life Insurance Industry in Japan

Dai-ichi Life at a glance

Founded	September 1902	Employees	59,512 (cons. Mar 2014) (sales representatives 43,366)
Listed	April 2010 (TSE 1st Sec)	SMR	756.9% (consolidated, Mar 2014)
Headquarters	1-13-1 Yuraku-cho, Chiyoda-ku, Tokyo		
OP revenue	7,252.2bil. yen (FY Mar 2015)		
Total assets	49,837.2bil. yen (Mar 2015)		



Business Portfolio of Dai-ichi Life



Domestic insurance business

Traditional Death Benefit Market

- Aim to increase market share
- Take initiatives for improvement of cost efficiency

Growth Market

- Third sector products (medical and survival benefits)
- Savings-type products for individuals

Overseas life insurance business

- Construct geographically diverse business portfolio, taking growth potential & profitability into account
- Pursue organic growth in our existing overseas businesses

Asset management business

- Operate through DIAM, a leading asset management company in Japan
- Seek domestic and international growth

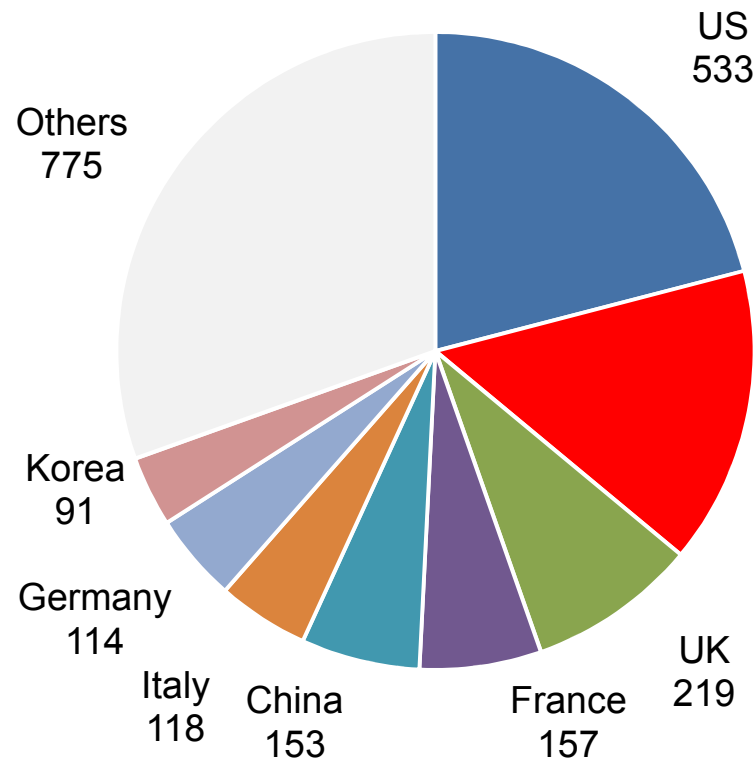
- Pursuing external growth including through M&A to supplement organic growth

2nd Largest Life Insurance Market in the World

Life Insurance Market ⁽¹⁾ by Country (2013)

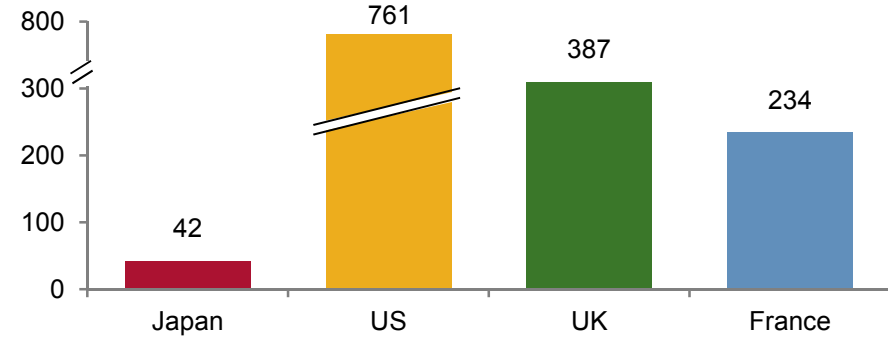
Global Life Insurance Market
Total \$2,546bn

(billions of USD)

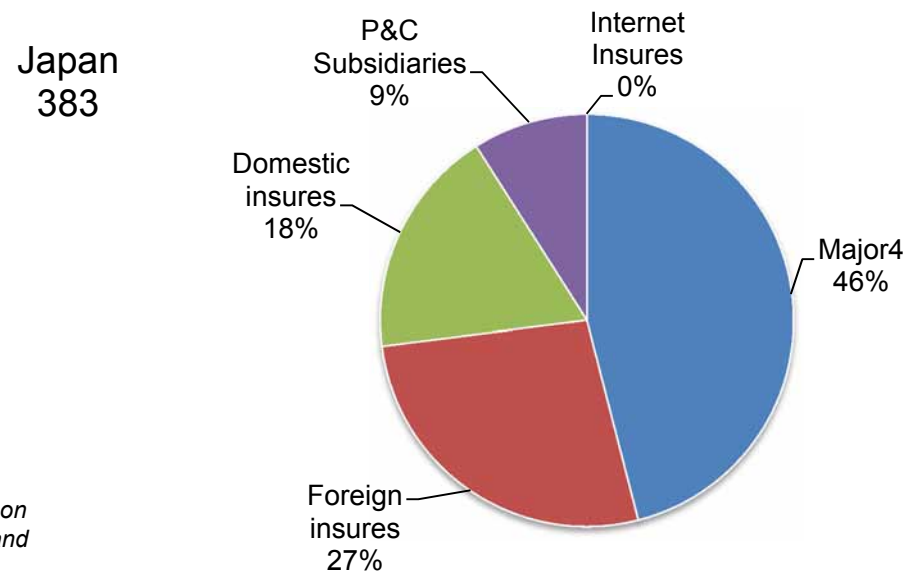


Number of Life Insurance Companies ⁽²⁾

(companies)



Share in In-force ANP (As of Dec-14) ⁽³⁾



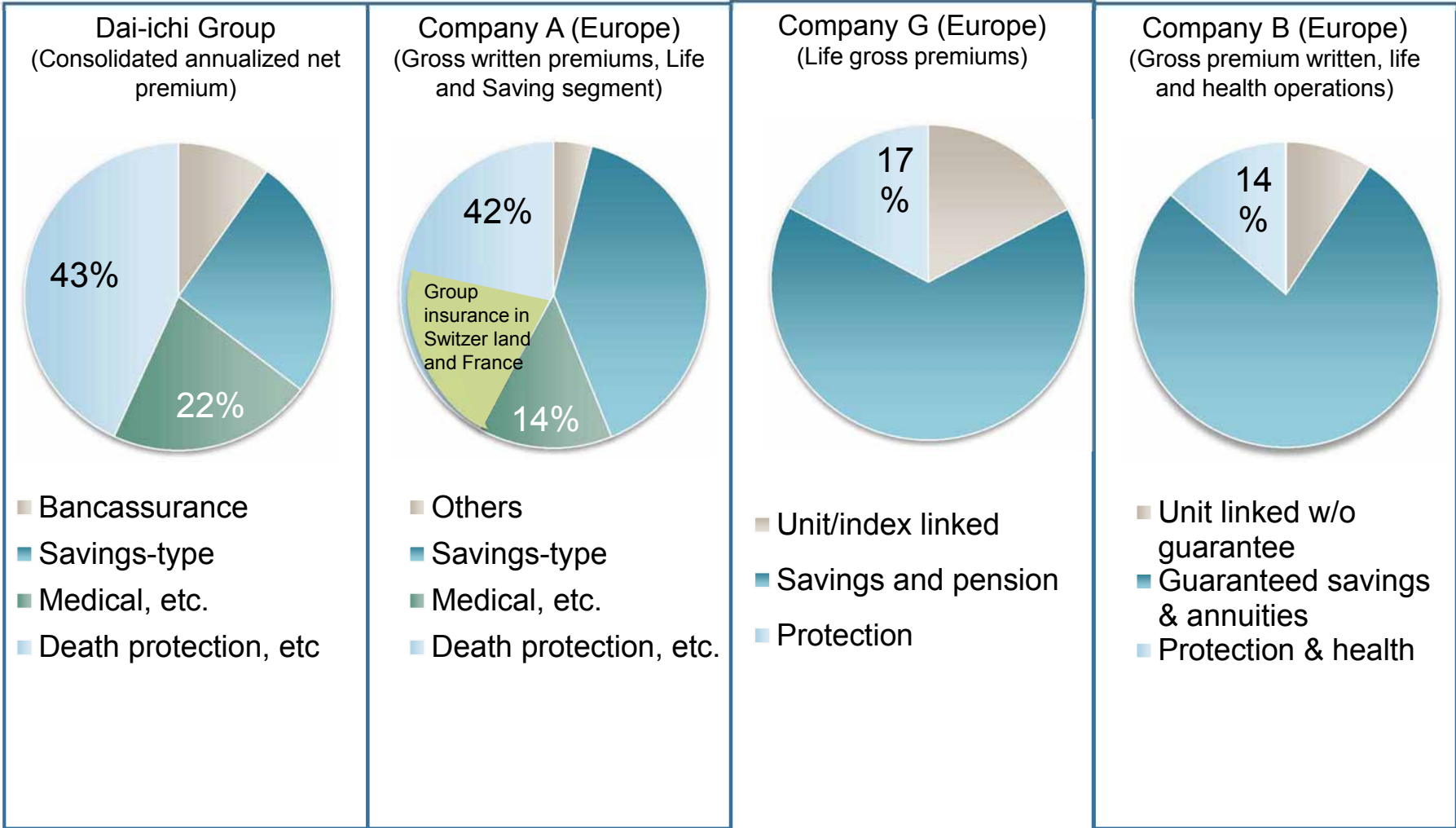
(1) Source: Swiss Re, Life Premium volume.

(2) Japan figure is based on data as of December 2014, US figure is based on data as of December 2013, UK figure is based on data as of July 2014, and France figure are based on data as of December 2010.

(3) Source: Company disclosure

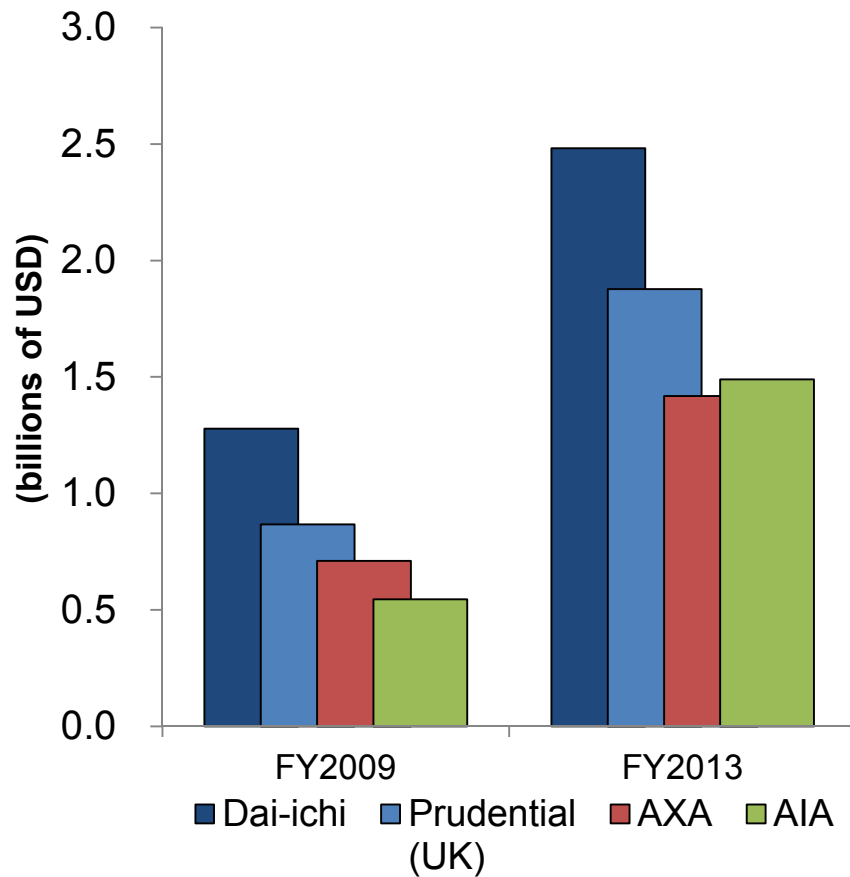
COMPS: Major Life Insurance Companies

Product Portfolios

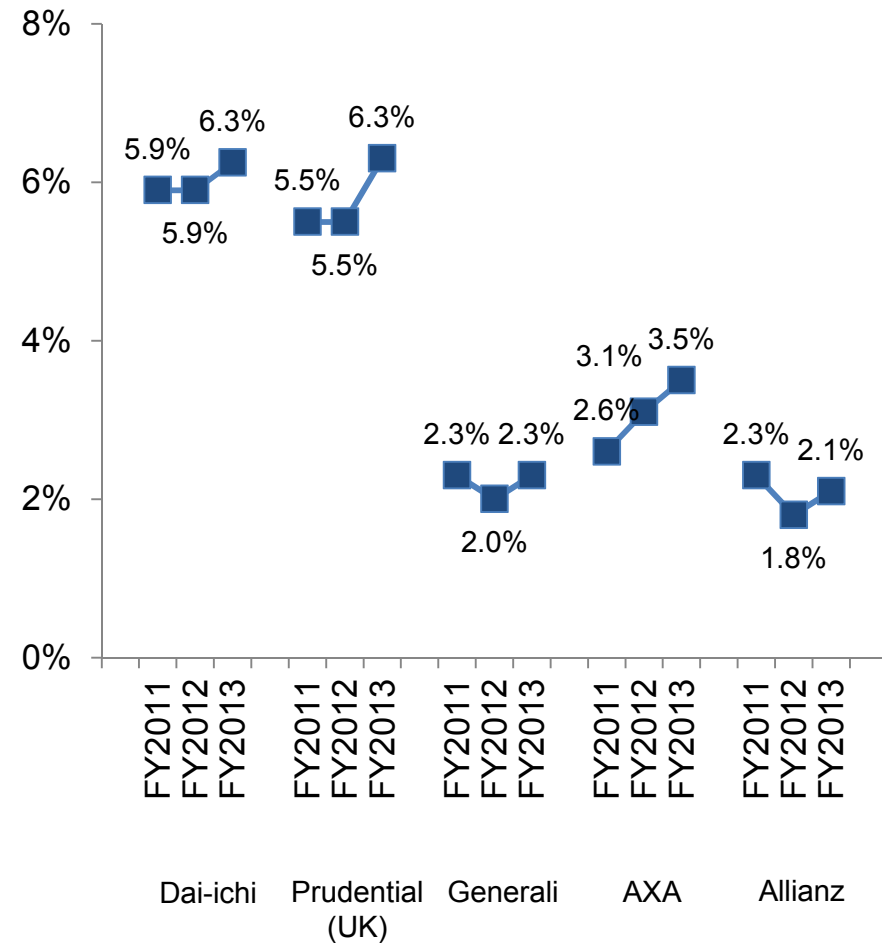


Value of New Business and NB Margins

VNB of Asia Business

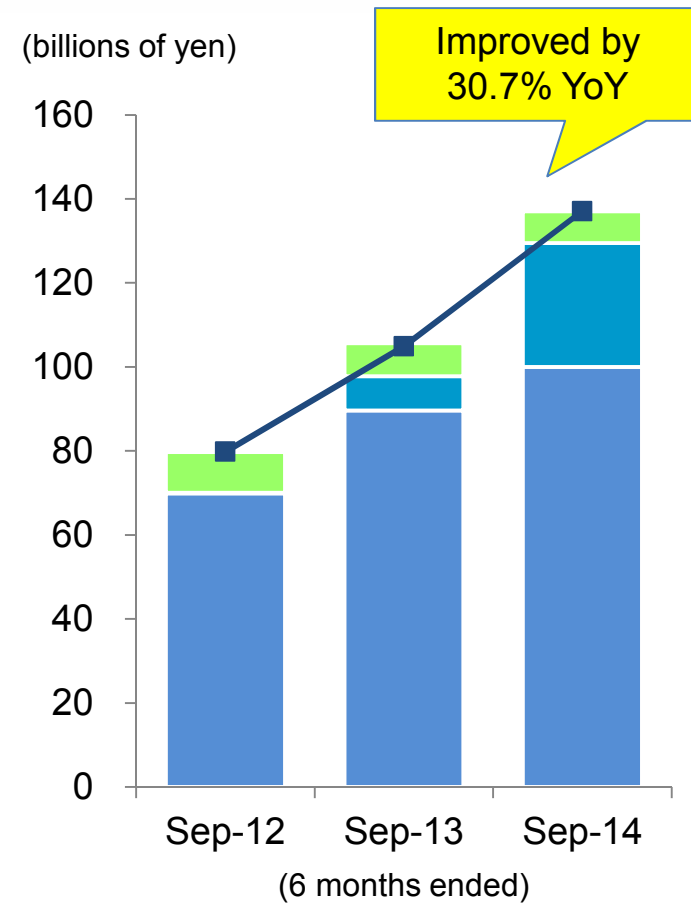
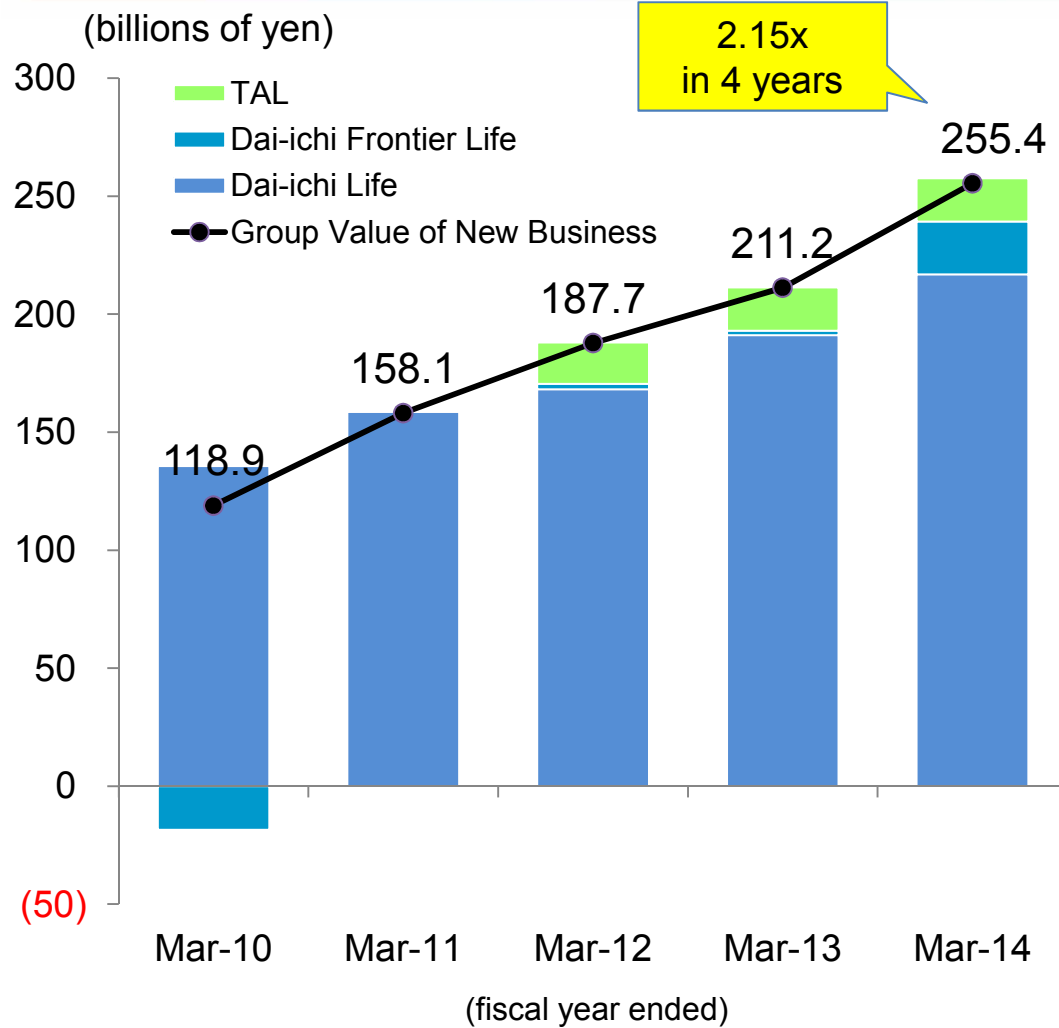


New Business Margin of Leading Life Insurers



Continued Growth in VNB

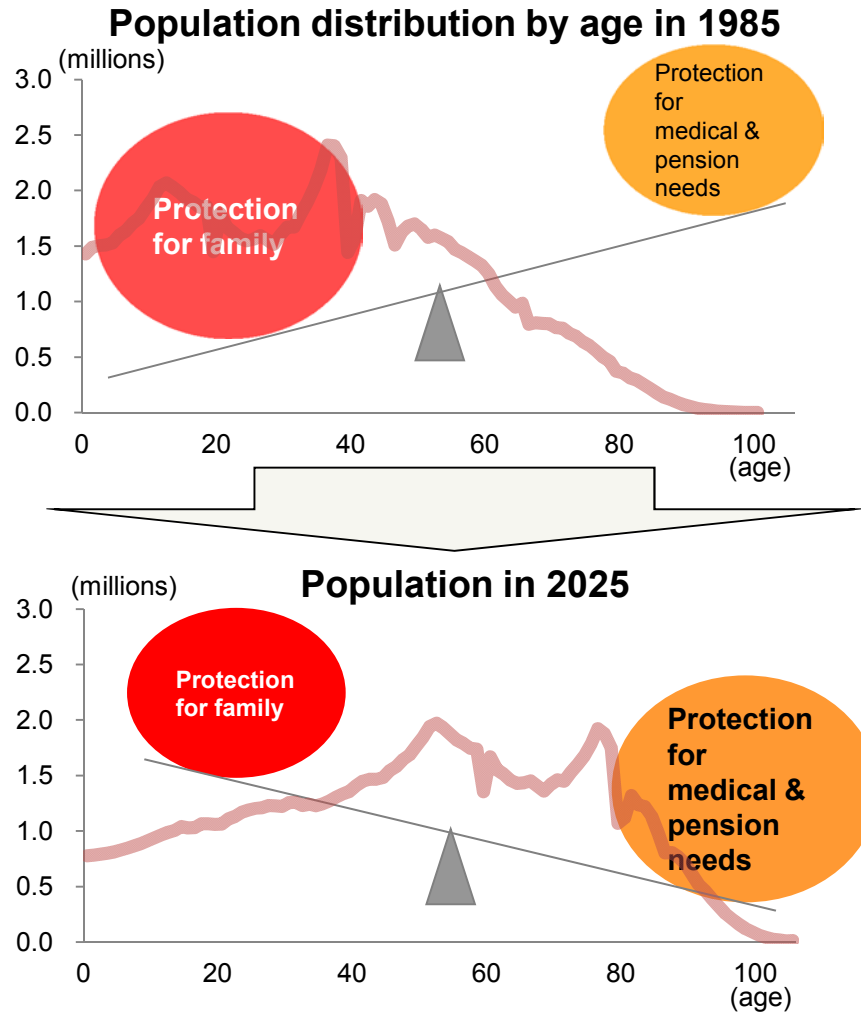
Trends in Dai-ichi Life Group Value of New Business



Domestic Life Insurance Businesses

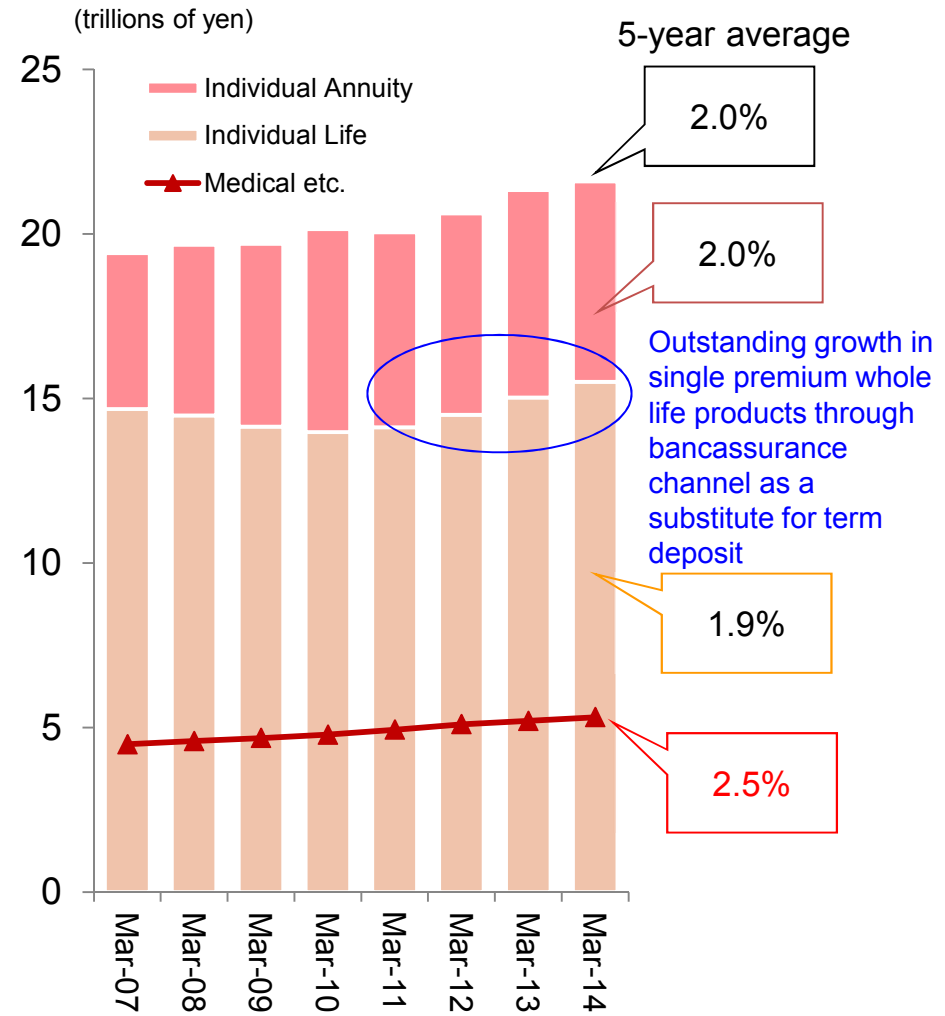
Life Insurance Industry in Japan (ii)

Change in Population and Protection Needs



(Source) National Institute of Population and Social Security Research

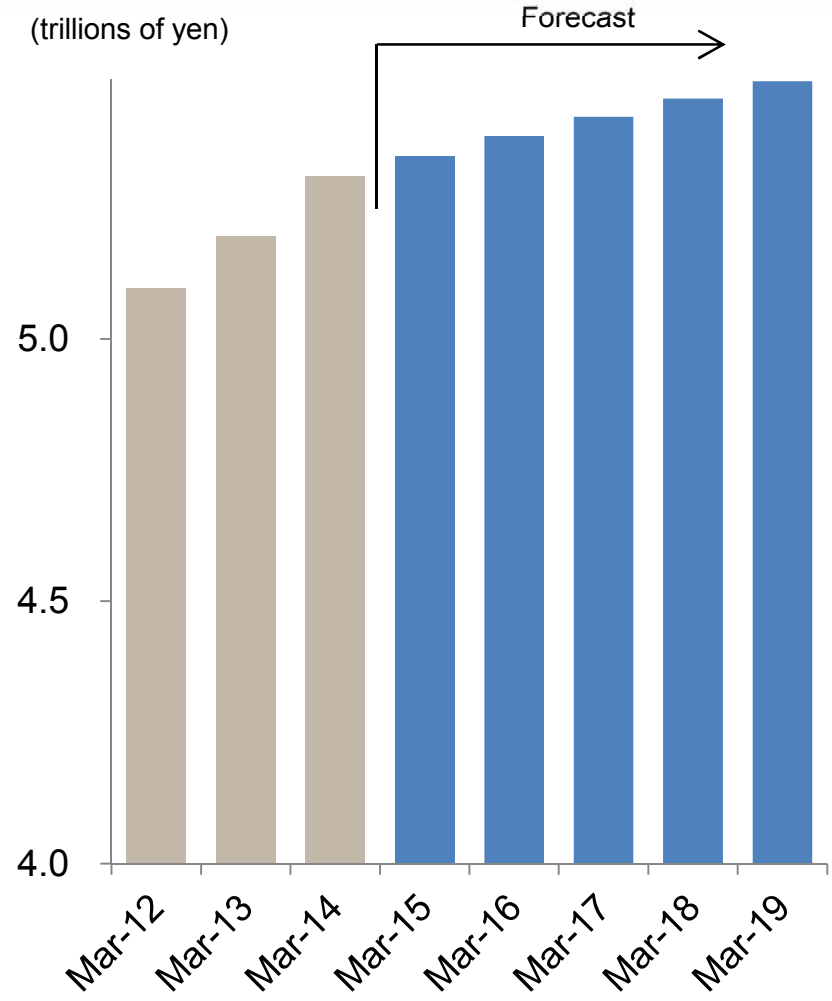
In-force ANP of Japanese Life Companies



(Source) Company disclosure, Life Insurance Laboratory, Life Insurance Association of Japan

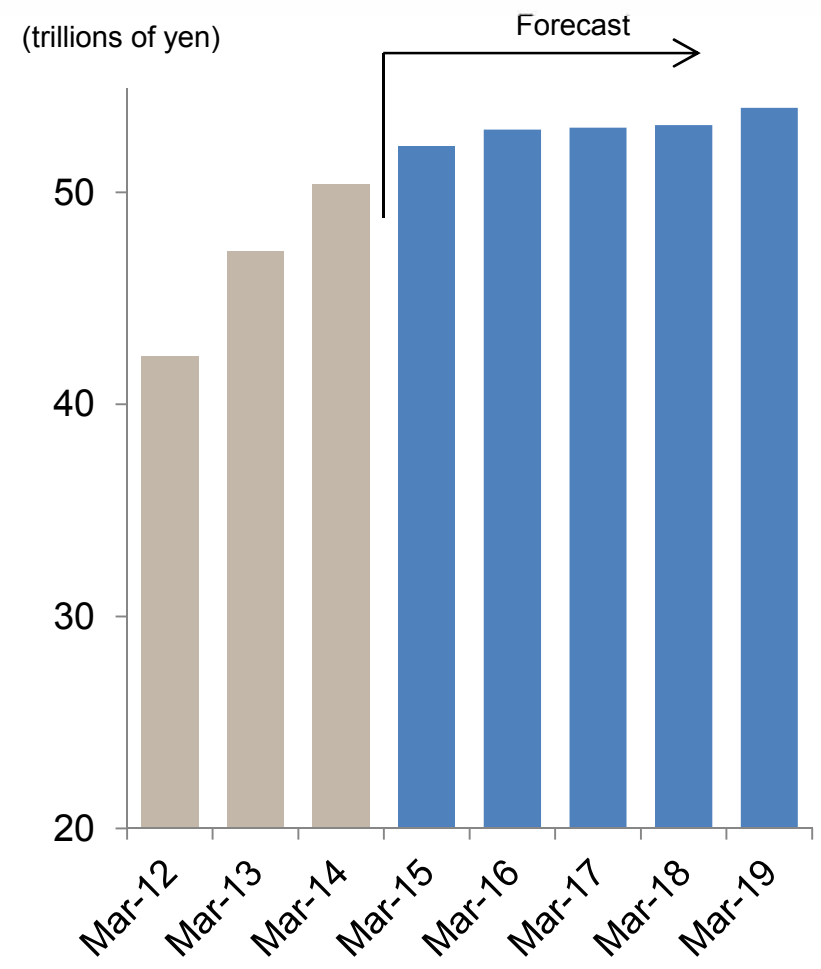
Life Insurance Industry in Japan (iii)

Annualized net premium of medical and other products



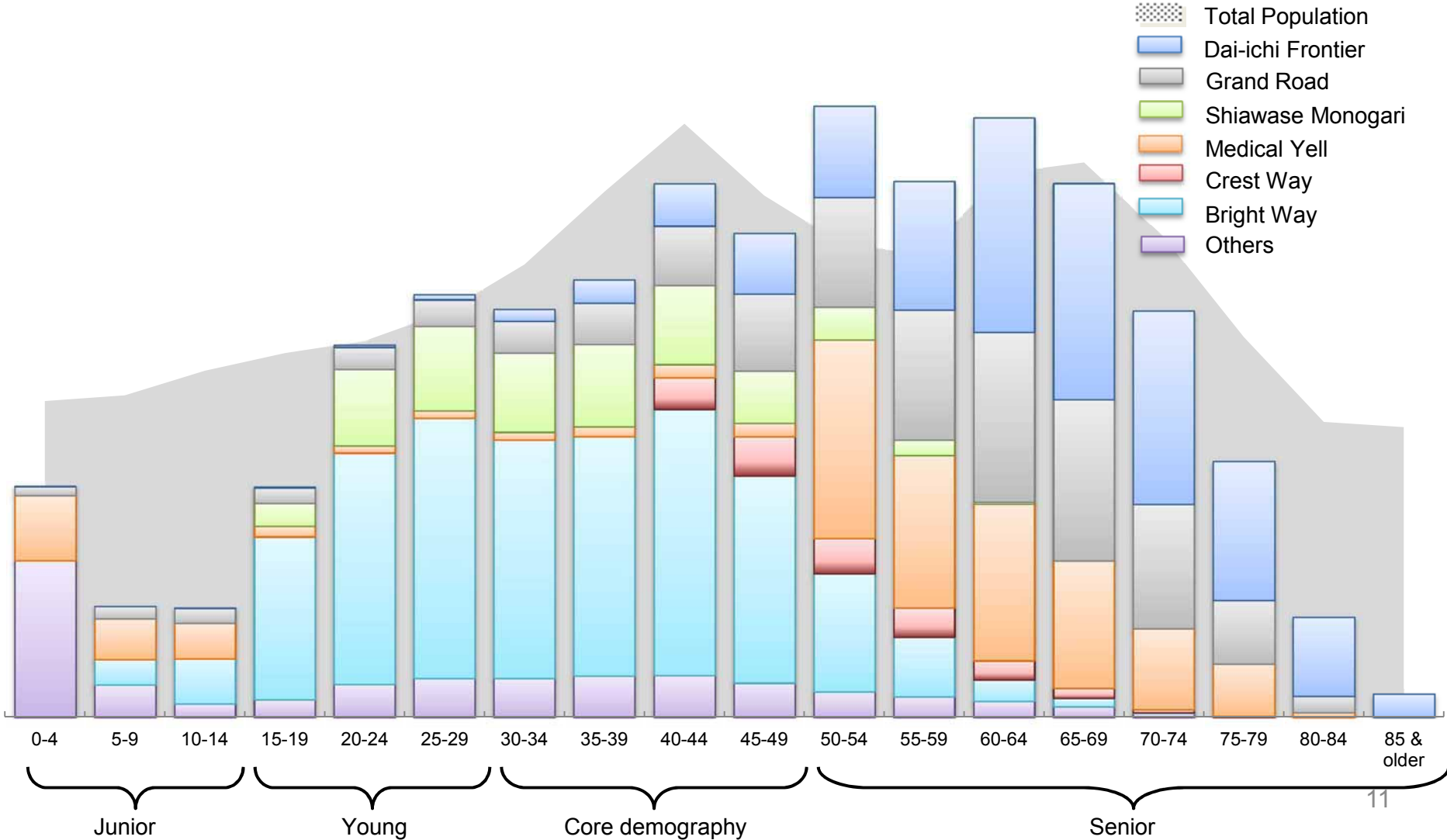
(Source) Company projection

Asset Outstanding of Single Premium Individual Annuities Products



Portfolio of Products Capturing Customer Needs

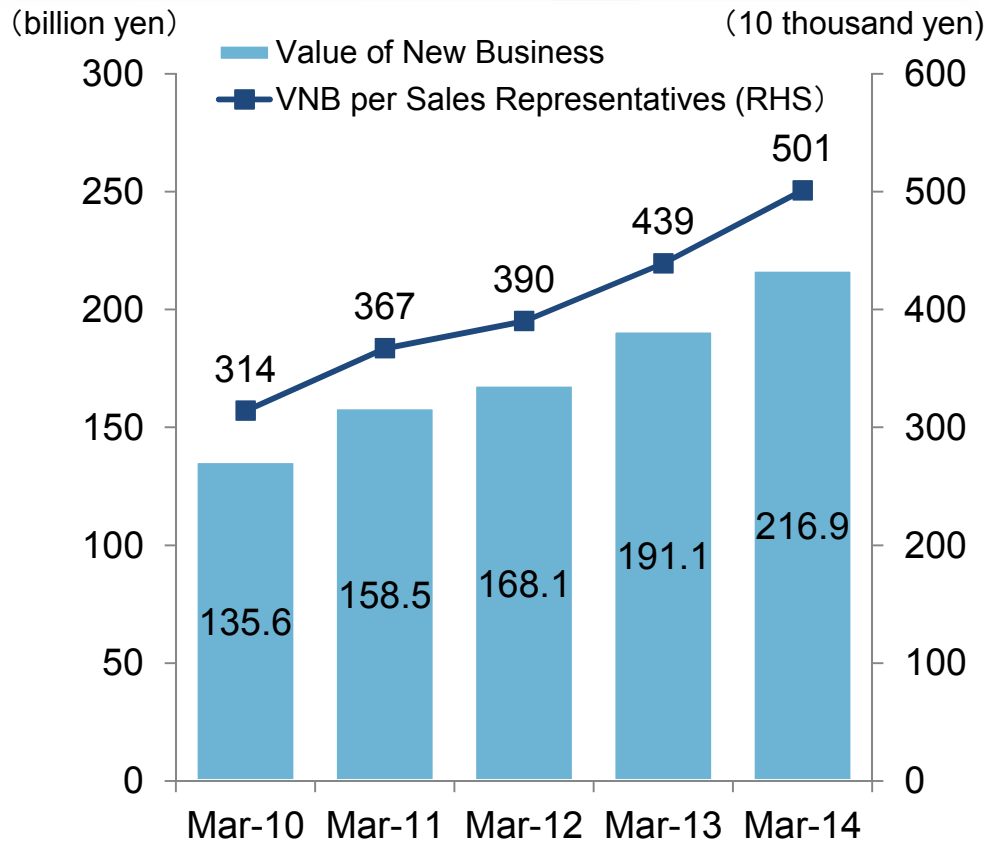
Distribution of Number of New Contracts by Age of Insured Persons (for the Year Ended March 2015)



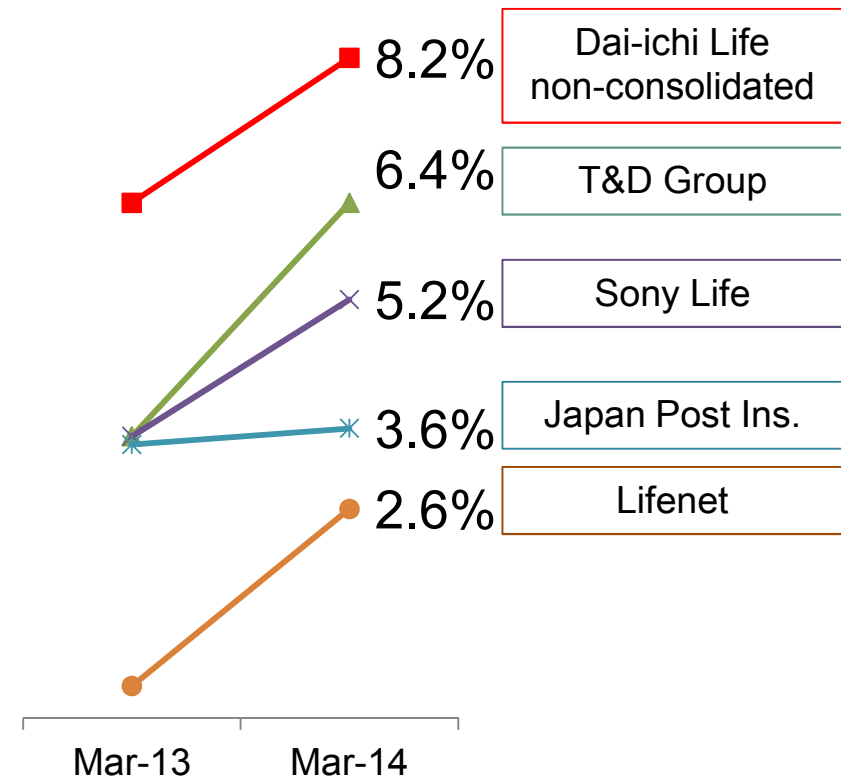
Improvements in productivity

- Productivity of sales reps has been steadily improving, mainly as a result of selective recruitment, high quality training and the launch of new products.
- Dai-ichi Life has achieved higher VNB margins through improvements in policy persistency driven by customer-centered initiatives.

Productivity (VNB per Sales Rep) ⁽¹⁾



New Business Margins of Japanese Life Insurers ⁽²⁾



(1) Calculated by dividing the value of new business by the average number of sales representatives in each period.

(2) Source: Each company's EV Report. T&D, Sony Life are based on MCEV and Dai-ichi, Japan Post Ins., Lifenet are based on EEV.

Medium Term Business Plan

Renewal of Mid-Term Management Plan

Review of Previous Plan ‘Action D’

During the ‘Action D’ period, the Group took actions for further growth, achieving its management objectives one year ahead of schedule. The group also made significant structural reforms through M&A etc.

Considering Dai-ichi Life Group has taken a step forward to accelerated growth, we decided to renew our current plan starting from fiscal year 2015 with a new plan ‘D-Ambitious’ covering fiscal years 2015 to 2017.

The name ‘D-Ambitious’ is derived from our strong ambition to realize accelerated growth towards a higher level of value creation by leveraging the establishments in the ‘Action D’ period, under our mid-to-long term vision; ‘Peace of mind. In communities and around the world.’

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
		5 th anniv. since IPO					10 th anniv. since IPO		120 th anniv. since creation
Challenges for Further Growth & Achievement of Sustained Growth					Peace of mind. In communities and around the world.				
Action D The Group's Collective Challenges for Achieving Further Growth		D-Ambitious Our values. Our future.			Thinking People First				
Action D original term (3 years)									

What we aim at in the 3 years of **D-Ambitious**

Realizing sustainable value creation through dynamic and agile business development with further evolution of DSR management*

Base strategies (4 'D's)

D ynamism	1. Growth Strategy
D iscipline	2. ERM **
D imension	3. Group Management
D iversity	4. Human Capital Development

- Achieving sustainable and solid growth with three growth engines, namely (i) Domestic insurance businesses, (ii) Overseas insurance businesses and (iii) Growth investment.
- Establishing management/governance structure to support sustainable growth
 - With two regional headquarters fully in operation, we will form a Global Trilateral Structure (Japan, North America and APAC)
 - We aim to strengthen our corporate governance by shifting to a holding company structure etc. ***
- (i) Doubling consolidated net income****, (ii) securing adequate capital level anticipating global capital regulations, and (iii) realizing further enhancement of return to meet stakeholders' expectations

* The word 'DSR' means Dai-ichi's Social Responsibility that goes beyond general concept of CSR (corporate social responsibility). DSR Management is our unique value-creating framework wherein all employees, under the Group mission 'By your side, for life', continuously run the PDCA cycle to improve management quality and enhance corporate values and, as a result, fulfill our social responsibility for each stakeholder.

** ERM (Enterprise Risk Management) are activities maximizing the capital efficiency and corporate value, by developing / executing strategies for optimizing the three key factors: (i) Profitability; (ii) Capital; and (iii) Risk.

*** Dai-ichi Life Insurance Co., Ltd. (the "Company") is conducting a necessary study for a possible shift to a holding company structure during the period of medium-term management plan ('D-ambitious'). However, there is no resolution by the Company on this matter at this time. The Company will promptly announce any matters that require disclosure.

**** We aim to double our consolidated adjusted net income compared to the Action D objective.

Three growth engines

– big picture of our growth strategies –

Achieving sustainable and solid growth with three growth engines

Domestic insurance businesses

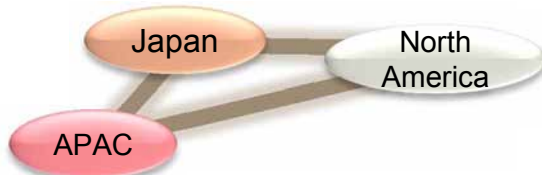
3 domestic insurance companies
for a larger share



Three growth engines

Overseas insurance businesses

Global Trilateral Structure
supports profit growth



Growth investment



Synergies of 3 companies
for an enhanced profit contribution


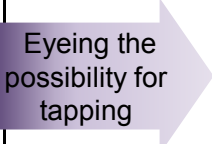


(1) Domestic insurance businesses

3 domestic insurance companies for a larger share

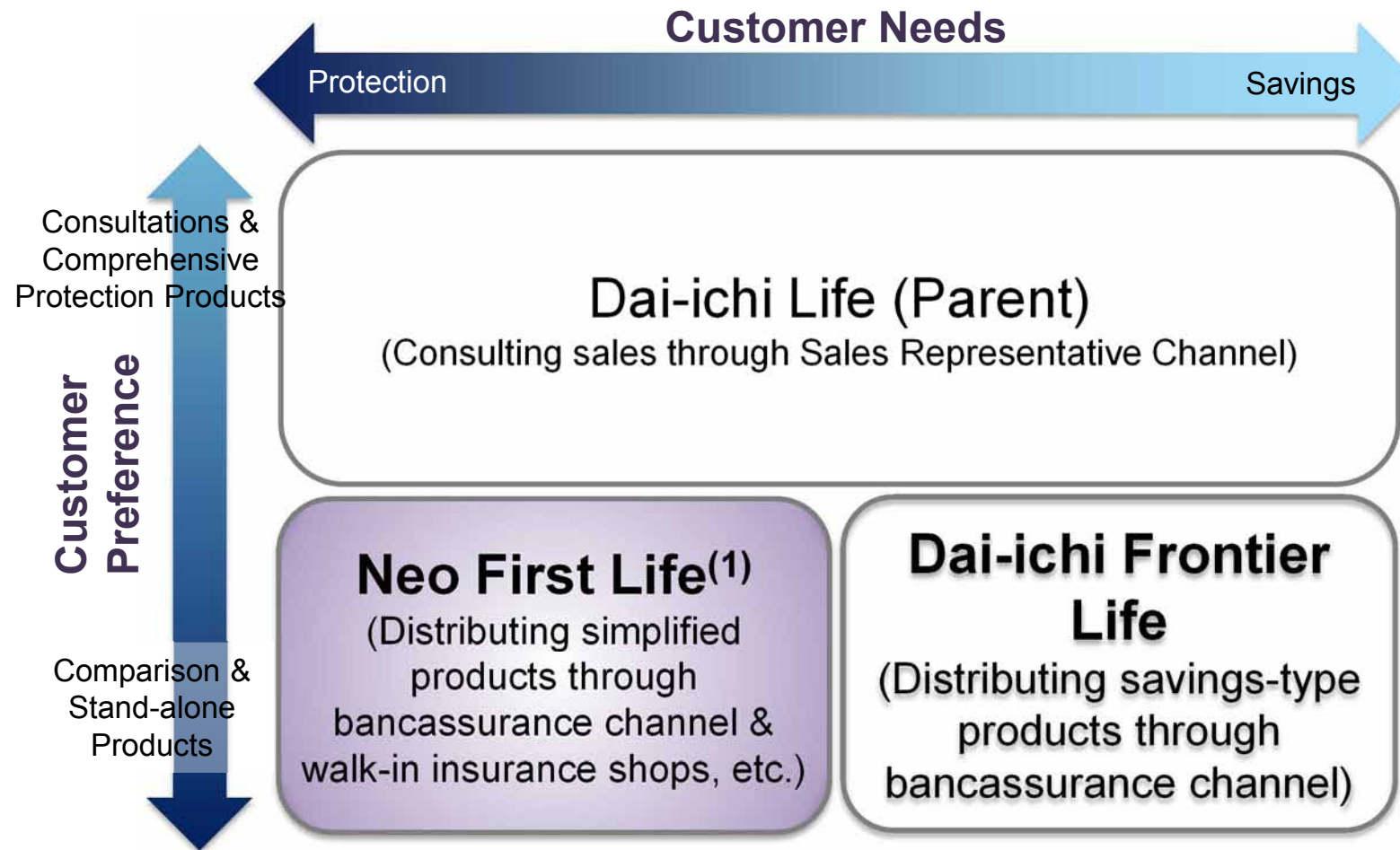
- **With 3 domestic insurance companies**, we will be able to provide competitive products swiftly.
- We will create the best mix of products and channels to better cater to the various needs of our customers.

Customer characteristics	Prefers consulting for services with high value added		
Distribution channels	Sales representatives	Agents	Bancassurance (single premium) (savings-type)
Products	Relatively comprehensive products		
Main Players	Major players	P&C and foreign players	Bancassurance specialists and major players
Dai-ichi Life Group's presence	By your side, for life 		 Dai-ichi Frontier Life
Market Maturity and Size	Mature Large-size	Relatively mature Medium-size	

1) tends to compare products, 2) prefers simple products and procedures, and 3) active in seeking information		
Bancassurance (level premium) (protection-type)	Walk-in insurance shops etc.	Direct, internet, Internet, Leaflet, direct mails etc.
Relatively simple products		
Foreign & P&C insurers	Foreign, P&C & other new players	Internet & Foreign players/ Mutual associations
 「あったらいいな」をいちばんに。 ネオファースト生命 第一生命グループ Neo First Life		Eyeing the possibility for tapping 
Immature Small-size		

Triple-Tier-Branding

Customer Classification within Group Companies in Japan



(1) Sampo Japan DIY Life Insurance Co., Ltd. changed its name to The Neo First Life Insurance Company, Limited on November 25, 2014.

‘By your side, for life - With You’ Project

Dai-ichi Life Group strives to ensure customers’ peace of mind through our core life insurance business and to offer Dai-ichi’s own excellent health support services by leveraging the strong teamwork of all our staff with specialized expertise, including Total Life Plan Designers (sales representatives).



Entry: proposal / underwriting

- Providing products focusing on comprehensive cover / living needs benefit. High value-added consulting and quick procedures with DL Pad



- Dai-ichi Frontier Life provides attractive savings-type products in sequence
- Neo First Life to provide protection-type insurance products that answers customers’ ‘I wish if....’



Exit: claim and maturity

- Consulting service incl. inheritance tax amendment (inheritance tax consultants at every branch)
- Procedures support through adult guardianship support
- Various payment avenues using life insurance trust
- Quick and accurate benefit payment



*Life insurance trust is a service offered by Mizuho Trust & Banking Co., Ltd. Dai-ichi Life acts as trust agreement agency.


In-force period: policy maintenance

- Periodic contact with customers “安心の定期点検”
- Offering excellent health support services



‘By your side, for life - With You’ Project

In furtherance of “Ensuring customers’ Peace of mind” and “Offering excellent health support services”, we started various initiatives to treat senior customers with greater care and upgraded information network that supports society’s health advancement.

Treating senior customers with greater care	For society’s health advancement										
<p>Taking initiatives to realize “Ensuring customers’ Peace of mind” for each senior customer</p>  <p>Enhanced service lines for senior customers health counseling, home hair-cutting, untenanted property management, keepsake management, end-of-life planning etc.</p> <p>Exclusive toll free number for seniors</p> <p>Written communications made easily viewable and comprehensible</p> <p>Exclusive seminars for seniors on ‘life planning for the second half of life’</p> <p>Allied with Yamato Transport Co., Ltd. to increase accessibility to senior customers in some remote areas</p>	<p>In addition to our information network on cancer and cardiovascular conditions, we upgraded it to cover gerontology (such as dementia), the first in the industry -- No.1 network in the industry --</p> <table border="1"> <tbody> <tr> <td data-bbox="1171 699 1404 849">Cancer</td> <td data-bbox="1413 699 1973 762">National Cancer Center (from Jan 2012)</td> </tr> <tr> <td data-bbox="1171 855 1404 935">Stroke</td> <td data-bbox="1413 769 1973 849">Japanese Foundation for Cancer Research (from Feb 2013)</td> </tr> <tr> <td data-bbox="1171 941 1404 1046">Myocardial Infraction</td> <td data-bbox="1413 855 1973 951">National Cerebral and Cardiovascular Center (from May 2014)</td> </tr> <tr> <td data-bbox="1171 1053 1404 1133">Gerontology</td> <td data-bbox="1413 954 1973 1046">The Cardiovascular Institute (The Dai-ichi Life Group organization)</td> </tr> <tr> <td data-bbox="1171 1139 1404 1219"></td> <td data-bbox="1413 1053 1973 1133">National Center for Geriatrics and Gerontology(from Feb. 2015)</td> </tr> </tbody> </table> <p>Conducting community-based educational activities on cancer prevention / treatment along with local government</p> <ul style="list-style-type: none"> The Group signed “Cancer Information Awareness Agreement” with 36 prefectures and 14 cities nationwide 	Cancer	National Cancer Center (from Jan 2012)	Stroke	Japanese Foundation for Cancer Research (from Feb 2013)	Myocardial Infraction	National Cerebral and Cardiovascular Center (from May 2014)	Gerontology	The Cardiovascular Institute (The Dai-ichi Life Group organization)		National Center for Geriatrics and Gerontology (from Feb. 2015)
Cancer	National Cancer Center (from Jan 2012)										
Stroke	Japanese Foundation for Cancer Research (from Feb 2013)										
Myocardial Infraction	National Cerebral and Cardiovascular Center (from May 2014)										
Gerontology	The Cardiovascular Institute (The Dai-ichi Life Group organization)										
	National Center for Geriatrics and Gerontology (from Feb. 2015)										

(1) Domestic insurance businesses

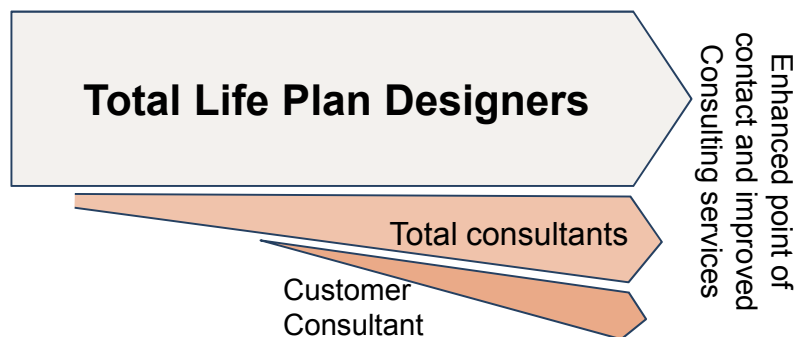
Providing high quality consulting services

Dai-ichi Life's initiative

We enhance point of contact with customers and improve consulting skills/knowledge of Total Life Plan Designers, in order to enhance customer satisfaction by delivering “Ensuring customers’ Peace of mind” and “Offering excellent health support services”.

Establishing specialized sales rep. channel for particular customer segments

- **‘Customer Consultants’**, a new sales rep. channel takes care after-sales services and consultation to those policyholders who are less accessible through existing sales representatives. Customer Consultants will be fully in operation from April 2015.
- **‘Total Consultants’**, another new sales rep. channel specializes in worksite marketing in Metropolitan areas and public offices. We aim to scale up the channel to 2,000, an industry-leading level.

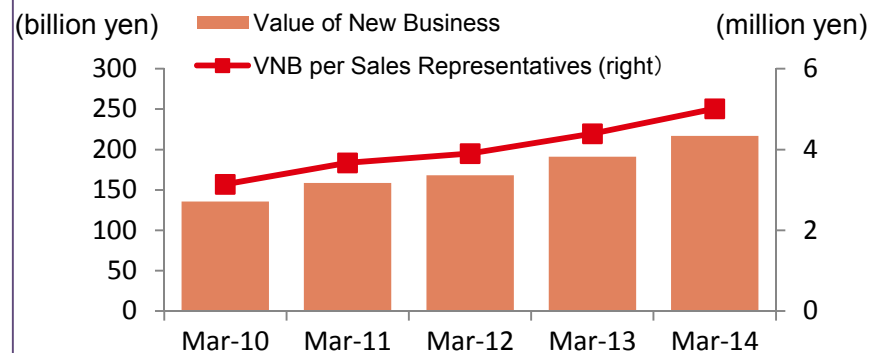


Improving consulting skills/knowledge of Total Life Plan Designers

- For further improvement in productivity, we extended nurturing training period for Total Life Plan Designers from 2 years to 5 years. We aim to have more sales reps with high consulting skills.

[Productivity of Total Life Plan Designers]

We improved productivity by selective recruitment to hire persons with aptitude and by company-wide nurturing.

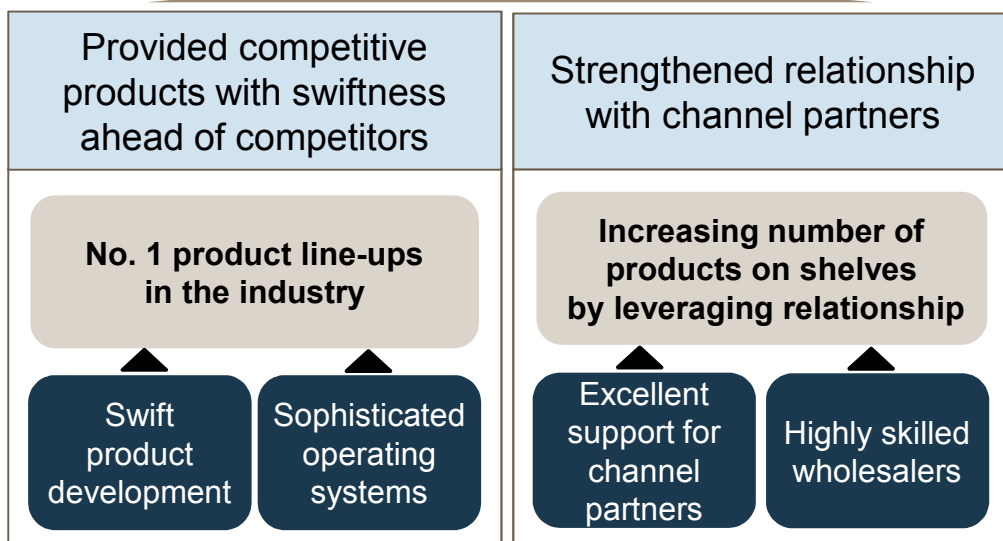


Remain as Number 1 bancassurance supplier of choice

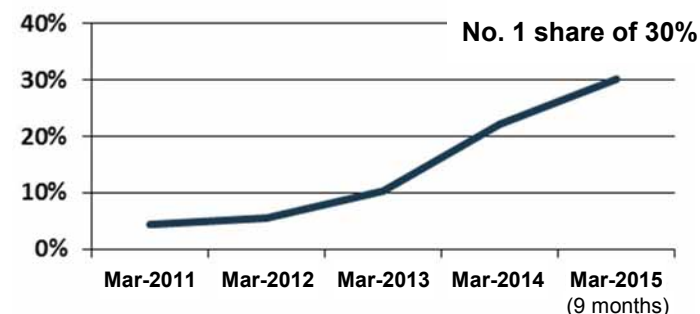
Dai-ichi Frontier Life's initiative

- With its favorable sales, Dai-ichi Frontier Life (DFL) has been contributing to the Group's topline.
- During the 'D-Ambitious' period, it aims to become profitable and start contributing to the Group's net income.
- DFL strives to outperform the market average by providing savings-type products (such as annuity and whole life) through financial institutions, to cater to the growing asset management needs of senior citizens.

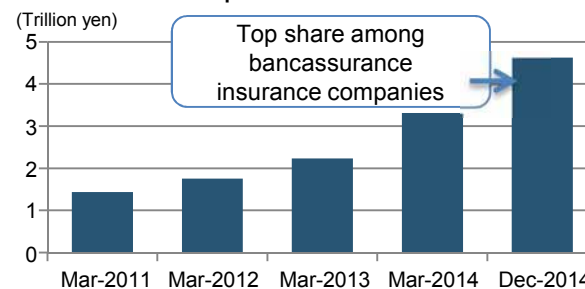
- Achieved top market share (new business) *
- Achieved top market share (sum insured of policies in force) among bancassurance insurance companies **



■ Market share (new business) *



■ Sum insured of policies in force **



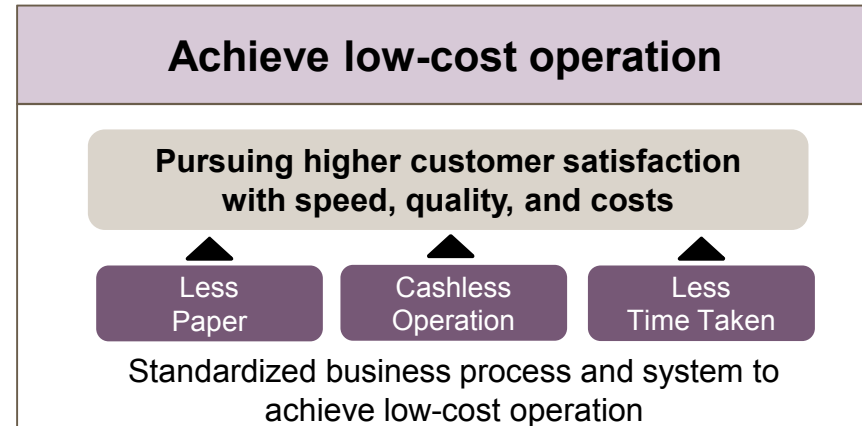
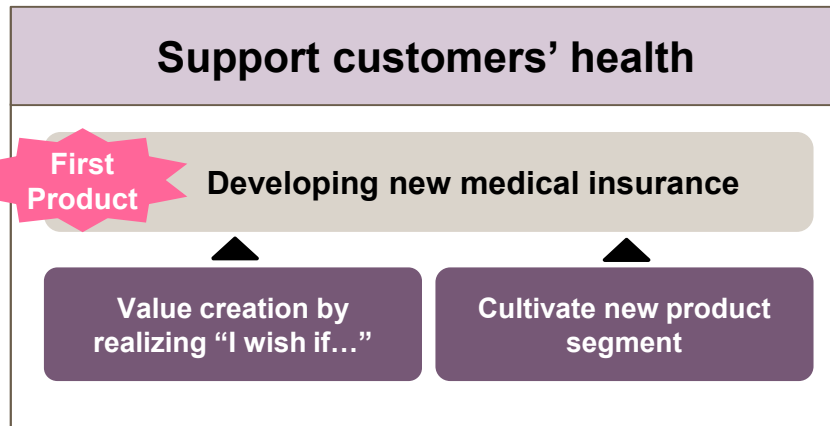
* Company estimate. Market share in terms of premium income from savings-type single premium policies.

** Company disclosure for the nine months ended December 31, 2014. Bancassurance insurance companies compose following 10 companies. Dai-ichi Frontier Life, Credit Agricole Life, AEGON Sony Life, T&D Financial Life, Prudential Gibraltar Financial Life, Fukokushinrai Life, MassMutual Life, Mitsui Sumitomo Primary Life, Hartford Life, Allianz Life.

Cultivating customers who prefer comparison

Neo First Life's initiative

Neo First Life caters to the growing needs of customers who prefer comparison before signing Neo First Life, with its simple procedure and low-cost operation, differentiates itself by developing products that best answer customers' "I wish if...". It will provide products through financial institutions and consignment agents



いい保険って何だろう？
保険に求める安心や満足は、きっと、一人ひとりの暮らし方やその時代によって変わっていくはずで
私たちがいちばん大切にしたいこと。
それはお客さま自身でさえ気づいていない「あったらいいな」を敏感に感じとって、新しい発想で保険を創り出していくことです。
あった。よかった。たすかった。
新しい保険で、みんなをもっと笑顔にできますように。
「あったらいいな」をいちばんに。

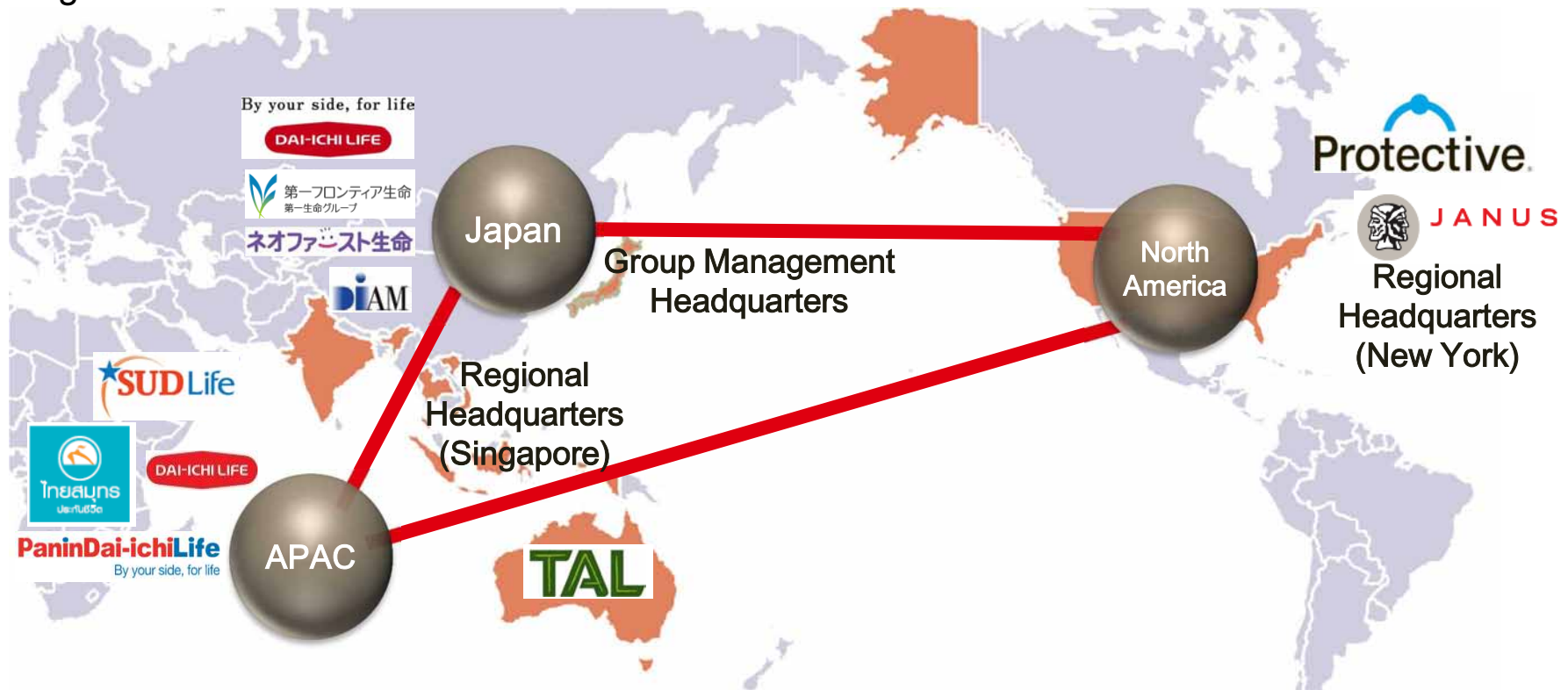
ネオファースト生命

International Life Insurance Businesses

(2) Overseas insurance businesses

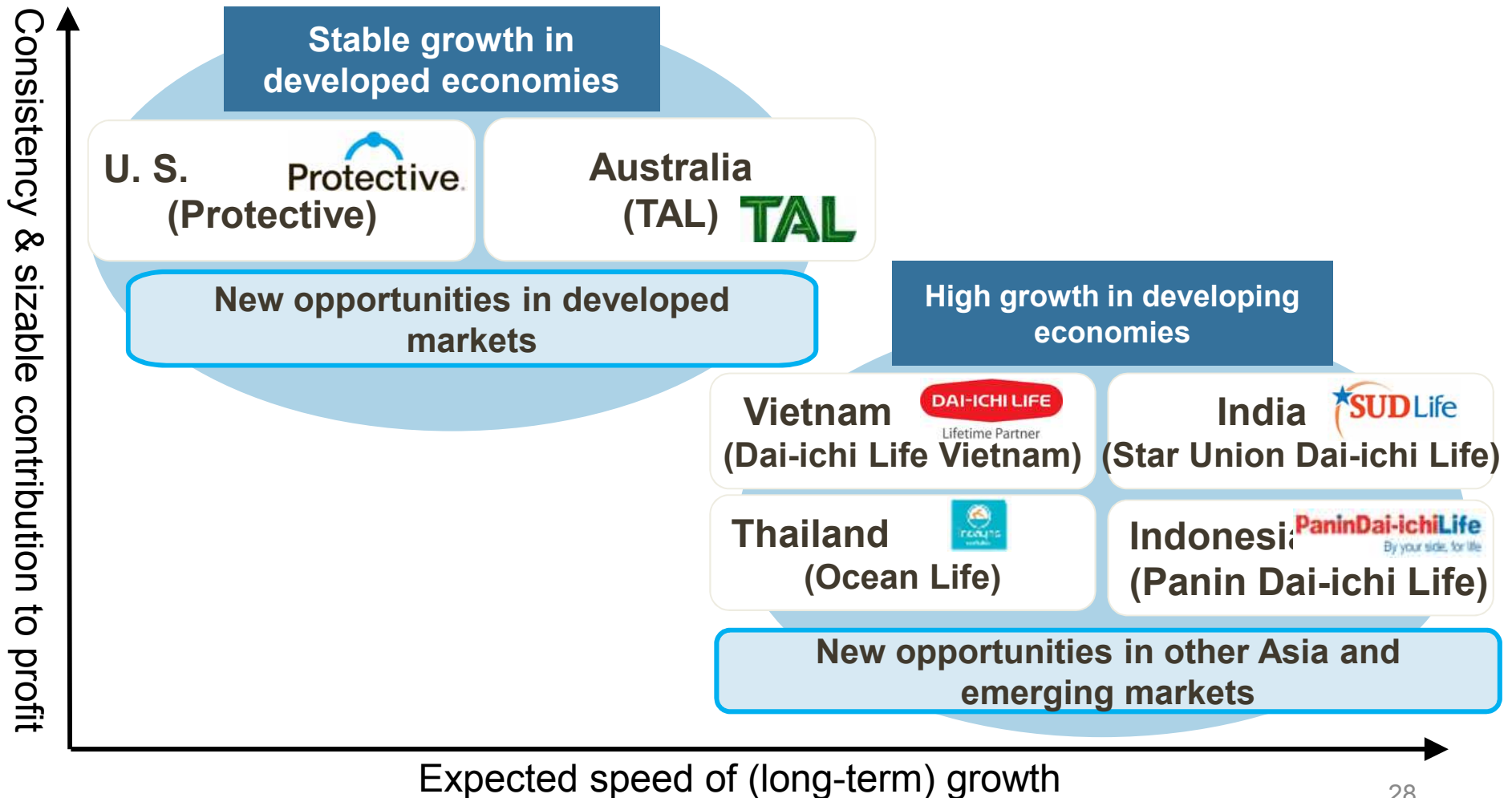
Driving Group's profit growth with a Global Trilateral Structure

- Overseas insurance businesses continue to be one of the growth drivers of the Group on the back of high market growth.
- We will form a Global Trilateral Structure through functional enhancement of 'Group Management Headquarters' and two regional headquarters in North America and APAC, and we will strive to create synergies and achieve growth both at Group level and each regional level.

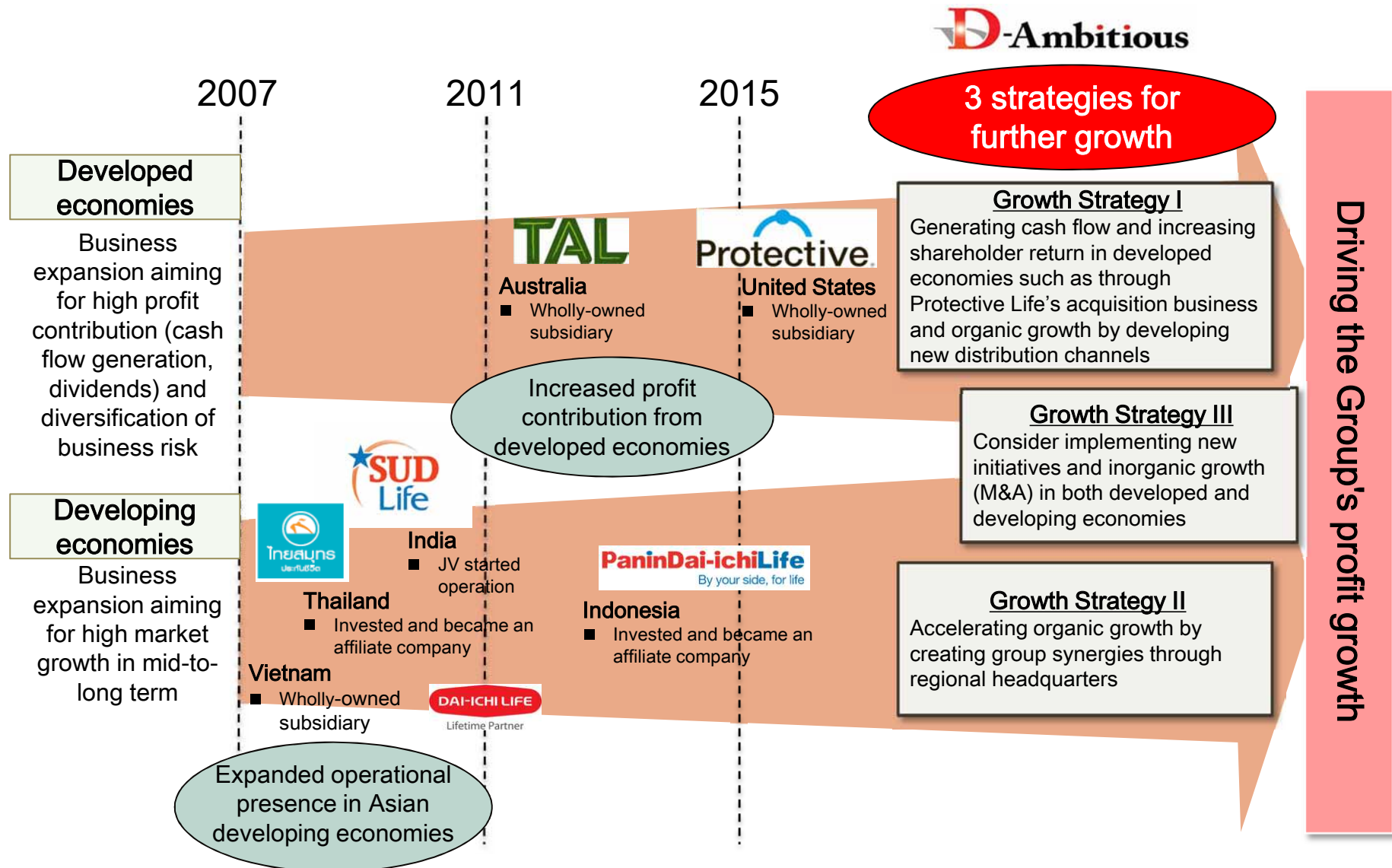


International business: Regional selection

- Pursuing both growth and profitability in developed and developing markets
- Proceed with the project only after investment rationale has been determined



A balanced portfolio for growth



Asset Management Business

We aim to increase the profit contribution of DIAM and Janus on the back of robust expected growth in the asset management market. Dai-ichi Life strives to increase its net investment gains by investing in emerging opportunities.

Asset Management

On the back of robust growth of asset management market which is expected to grow for some time, we aim to expand value of our businesses by creating synergies such as sharing products etc.

■ DIAM Asset Management



In domestic market where a shift from deposits to investments is accelerating, we intend to increase its competitiveness by enhancing product line-ups (foreign currency denominated, ETF etc.) as well as restructuring our mid-term growth strategy.

■ Janus Capital Group



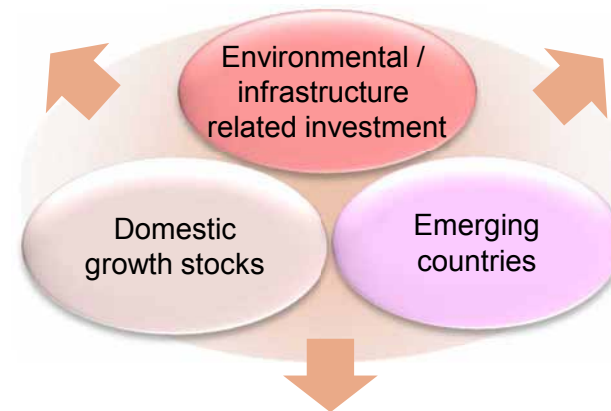
Through expansion of its investment capabilities and diversified products, we intend to realize full-scale growth of Janus, in the U.S. asset management industry

Growth investment of Dai-ichi Life

We strive to increase revenue by exercising agile asset allocation, and actively expanding our investment opportunities.

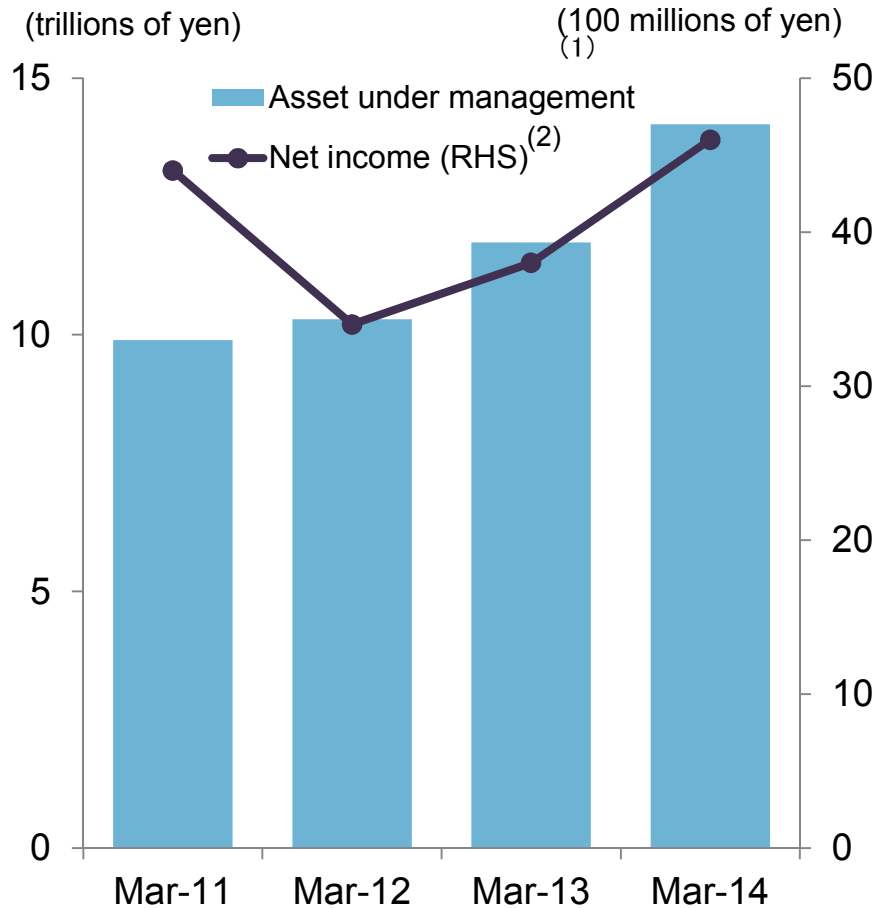
■ Growth investment

We continue to seek opportunities in (i) environmental / infrastructure related investment, (ii) domestic growth stocks, and (iii) emerging countries, and even consider to expand our investment opportunities.

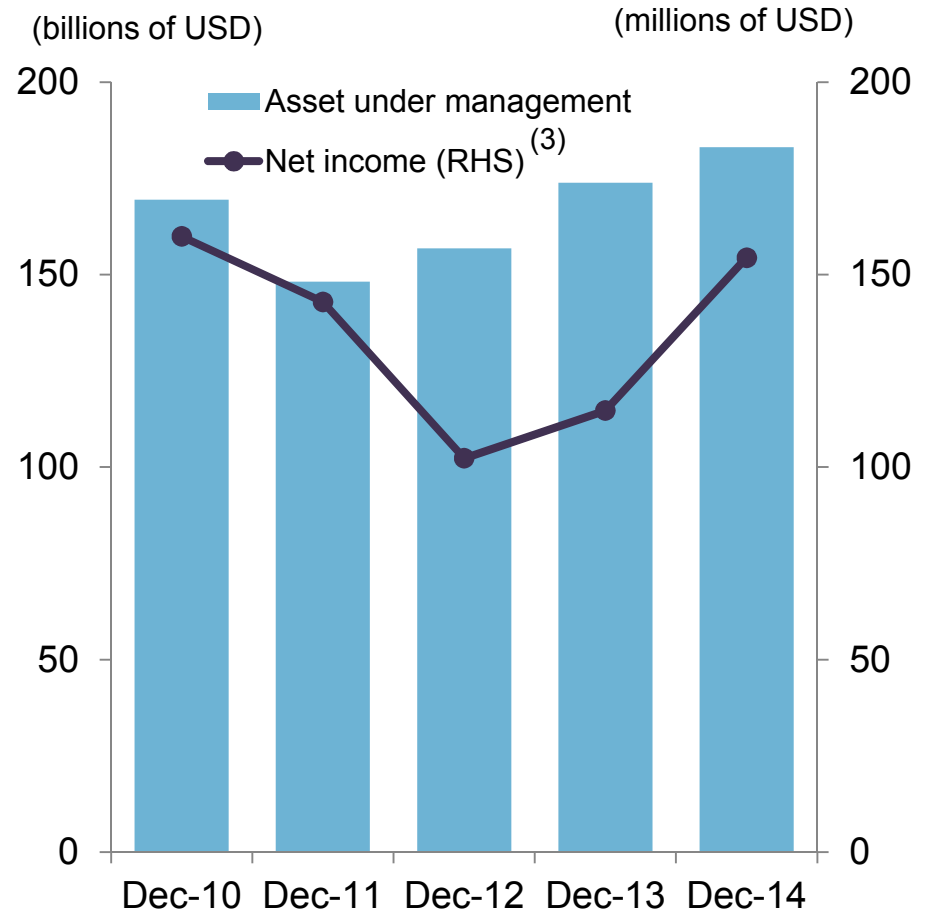


Asset Management Business

DIAM Asset Management's AUM⁽¹⁾ and Net Income⁽²⁾



Janus Capital's AUM and Net Income⁽³⁾



(1) DIAM's assets under management are the sum of asset under management in the investment advisory business and the investment trust business

(2) DIAM stand-alone basis before adjusted for Dai-ichi's interest. Fiscal year ends December.

(3) Consolidated basis before adjusted for Dai-ichi's interest. Fiscal year ends December.

Enterprise Risk Management

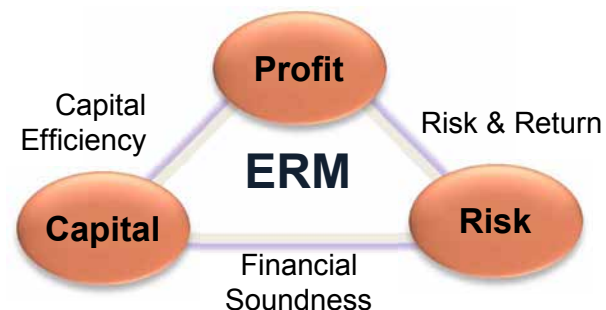
We strive to (i) increase our consolidated profit, (ii) ensure adequate capital level anticipating global capital regulations and (iii) further enhance shareholder return.

Increase in consolidated profit, further improvement in corporate values

- We strive to double our consolidated profit*, on the back of the Protective Life acquisition and Dai-ichi Frontier Life's becoming profitable etc.
- We strive to improve corporate values by investing capital in domestic & overseas insurance markets, utilizing M&A and other methods

Securing adequate capital level anticipating global capital regulations

- To secure adequate capital level to be required as an Internationally Active Insurance Group, we continue to take actions such as adding value of new business and controlling risks based on market environment.



ERM (Enterprise Risk Management) are activities maximizing the capital efficiency and corporate value, by developing / executing strategies for optimizing the three key factors: (i) Profitability; (ii) Capital; and (iii) Risk.

Further enhancement of Shareholder Return

- In the previous mid-term management plan, we set the total payout ratio to be around 30% on consolidated adjusted net income as a medium-term objective. In the new plan we aim to realize a higher level of shareholder return taking into account financial soundness and earnings level

* We aim to double our consolidated adjusted net income compared to the Action D objective

Promoting diversity and inclusion

We think 'diversity & inclusion' is the key factor for sustainable growth. We are committed to (i) create a work environment wherein all diversified employees regardless of nationality, gender, whether challenged or not, or different lifestyles, include each other to perform their best, and (ii) develop/nurture human resources to support our global business expansion.

Empowering female employees

- Selected as one of the Nadeshiko Brand enterprises 2015 *
- We continue to empower female employees for the Group's leap forward



Employing persons with disabilities

- Our specified subsidiary, Dai-ichi Life Challenged was awarded the Ministry of Health, Labour and Welfare's highest prize for its initiatives towards improvement of work environment for the disabled persons
- We aim to create the right environment for disabled persons to enliven their work



Award for Dai-ichi Life Challenged Co., Ltd.

Advancement of health

- Selected as one of the Health and Productivity enterprises.* We recognize that contributing to the sustainability of Japan's social security system through the national health advancement is one of our social responsibilities.
- We continue to conduct business with initiatives that contributes to the mental & physical health advancement of society and our employees



Human resource development

- We convened GMC (Global Management Conference, a human exchange program among the Group) and shared case-based knowledge
- We aim to increase global talent pool by (a) keep on recruiting globally-competent human resources at regional headquarters, and (b) introduce global standard personnel system to Group Management Headquarters

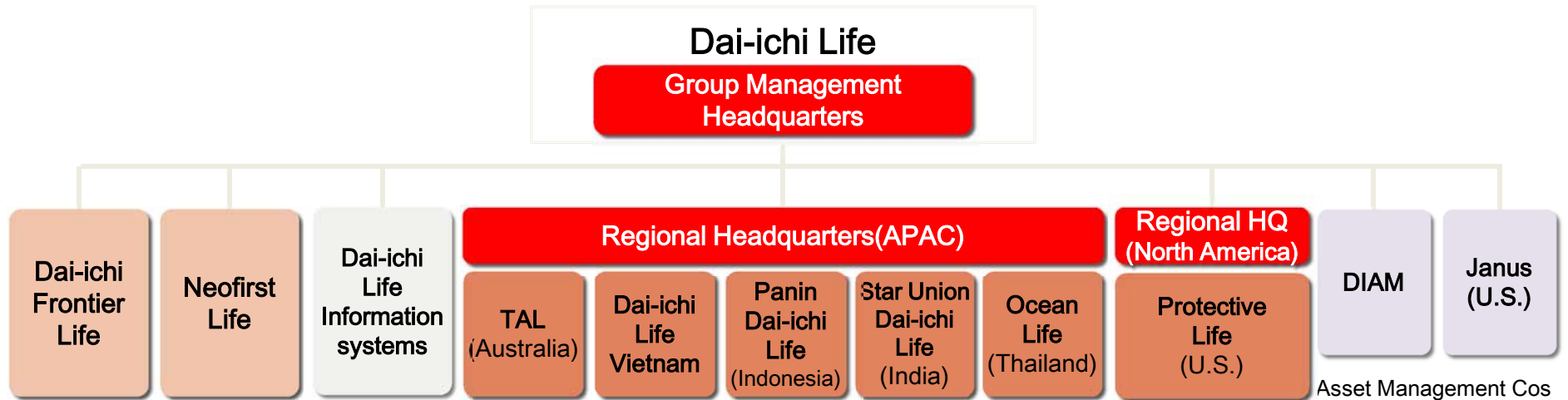


[Discussion during GMC]

* Both Nadeshiko Brand and Health Conscious Brand were jointly selected by Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE), from those listed on the TSE. Nadeshiko Brand enterprises are exceptional in encouraging women's success in the workplace with growth potential, in terms of capability on management of diversified employees and adaptivity to environment changes. Health Conscious Brand enterprises are those who take managerial view on employees' health condition and take strategic actions to it and, accordingly engender organizational vigor and enhance operational efficiency resulting in better performance and higher stock prices. Dai-ichi Life was selected as both brands

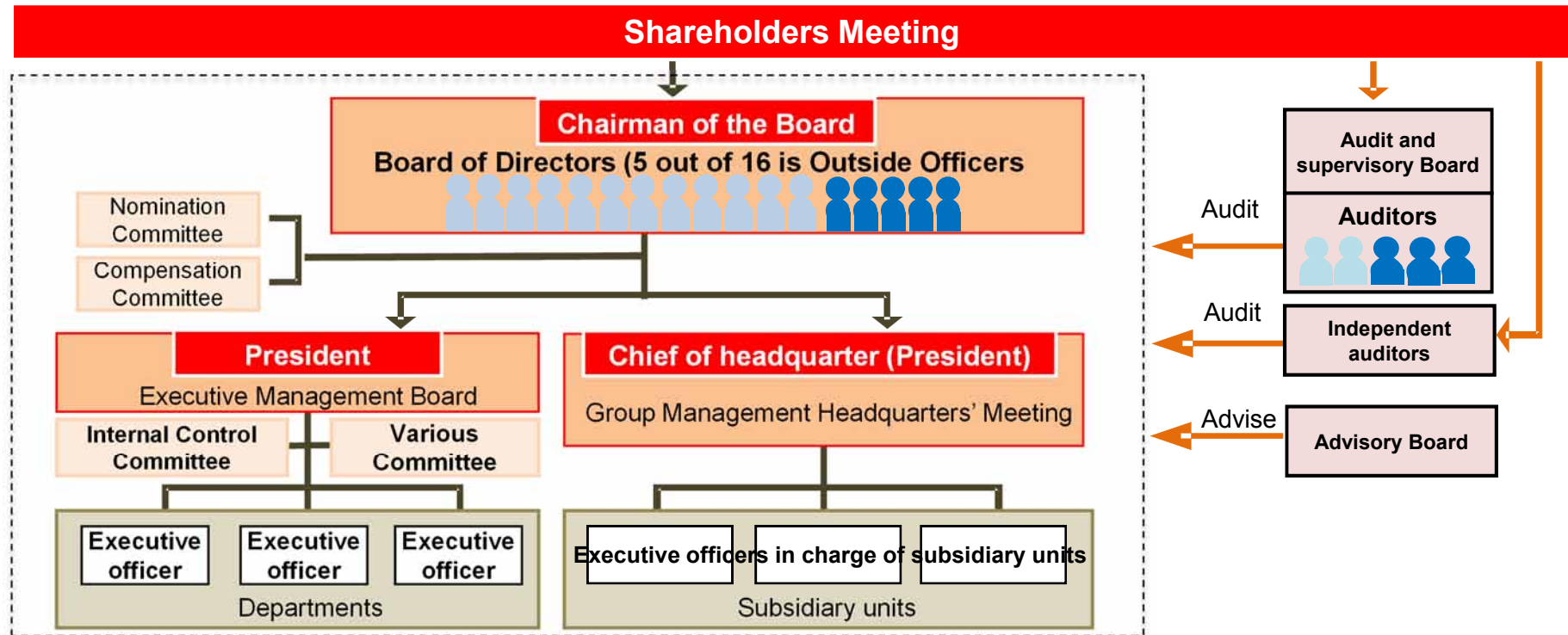
Enhancement of Group Management/Governance

- We aim to enhance group management capabilities through functional enhancement of Group Management Headquarters and through regional headquarters. We also aim to shift to a holding company structure sometime in October 2016.
- As a listed company, we aim to strengthen our corporate governance structure and become a model in the industry, on the basis of the spirit of the Corporate Governance Code.



Strengthening group management/governance structure eyeing a shift to a holding company structure during the period of D-Ambitious

Governance at Dai-ichi Life



- Facilitate the system open to outside
 - Five outside directors (30%+ of the board)
 - Three outside auditors (majority of the board)
 - Founded "Advisory board"
 - Nomination and compensation (voluntary) committees are chaired by, or outnumbered by, outside officers
 - "Standards for the independence of outside officers" established

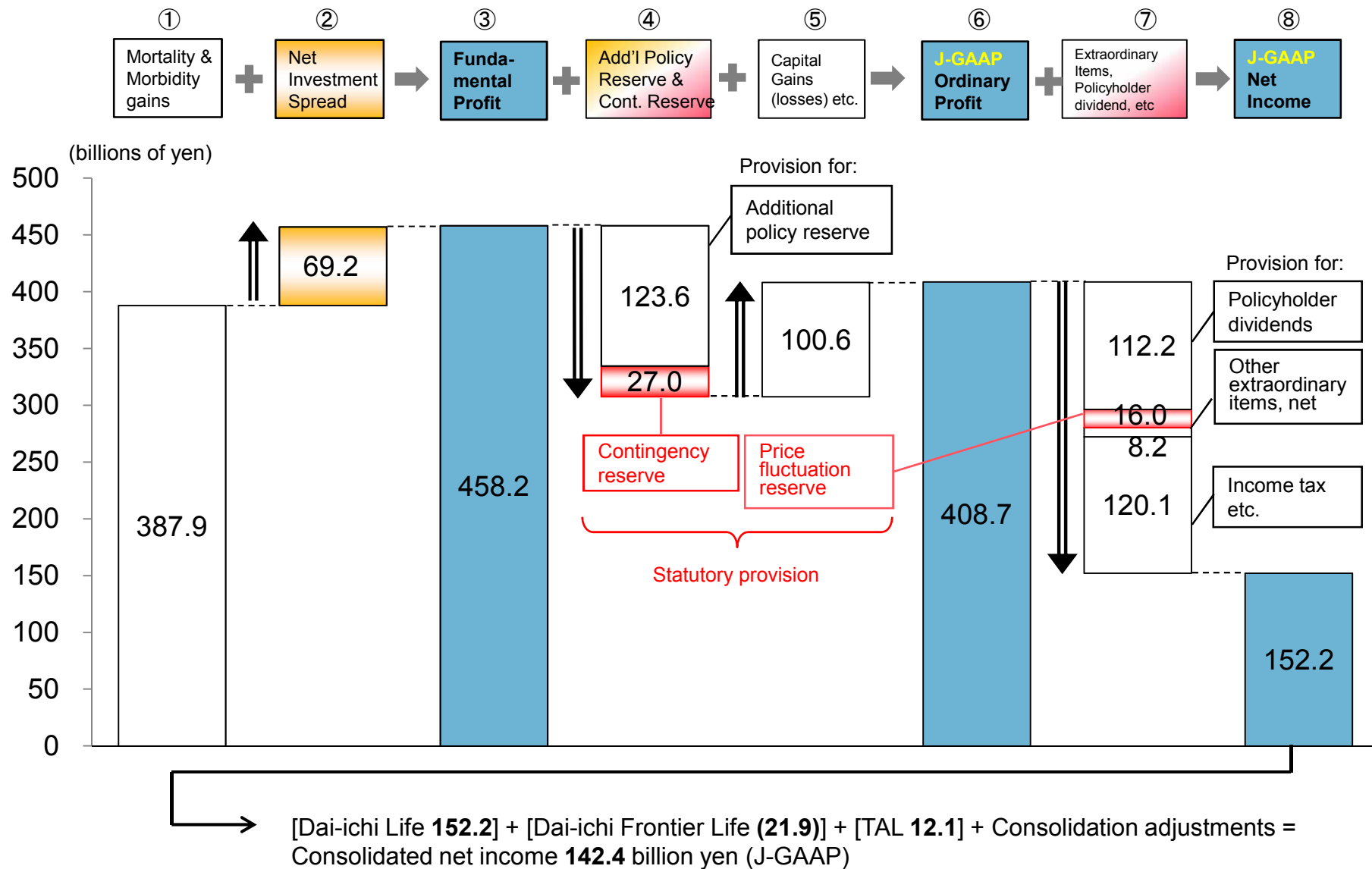
- Responding to Corporate Governance Code
 - Releasing "Standard for Corporate Governance" on June 1, 2015
 - New "IR Policy" will be released, too
 - Facilitate "Standards for stocks held for specified purpose", and the board of directors will review rationality of the holdings.

- Performance based remuneration
 - Stock options grant accounted more than 20% of total remuneration for directors (excluding outside directors, for March 2014)



Steering Through Low Interest Rate Environment

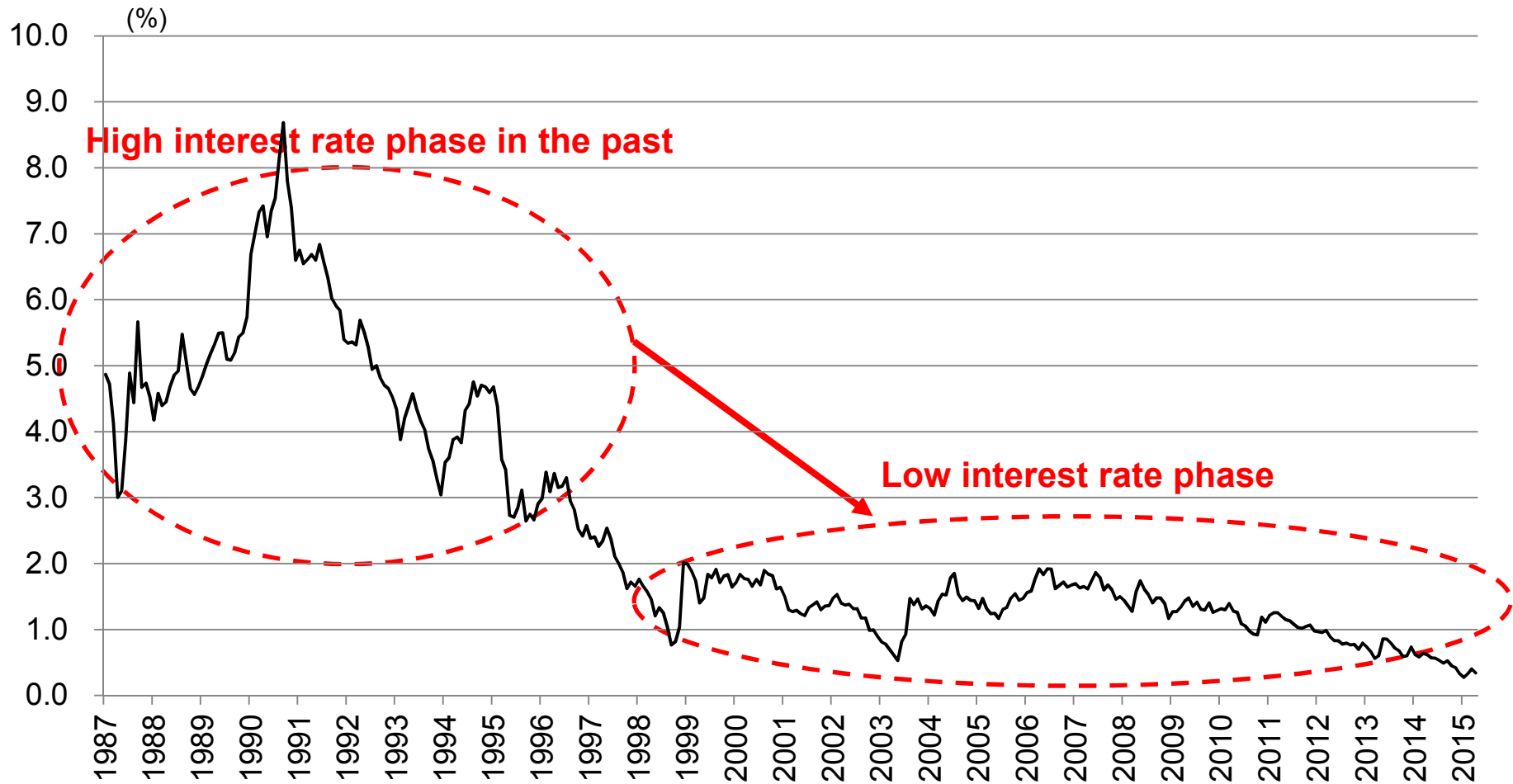
Profit Structure of Dai-ichi Life for FY Mar 2015



Note: Additional Policy Reserve provided for whole life policies which were signed before March 1996 and paid in full = 126.7 billion yen.

Negative Spread: Background

- During the 90's, Life insurers in Japan underwrote policies with high assumed rate of returns (premium was determined after discounting with guaranteed assumed rate of return).
- Those past policies have put pressure on investment spread once Japan entered in deflationary period



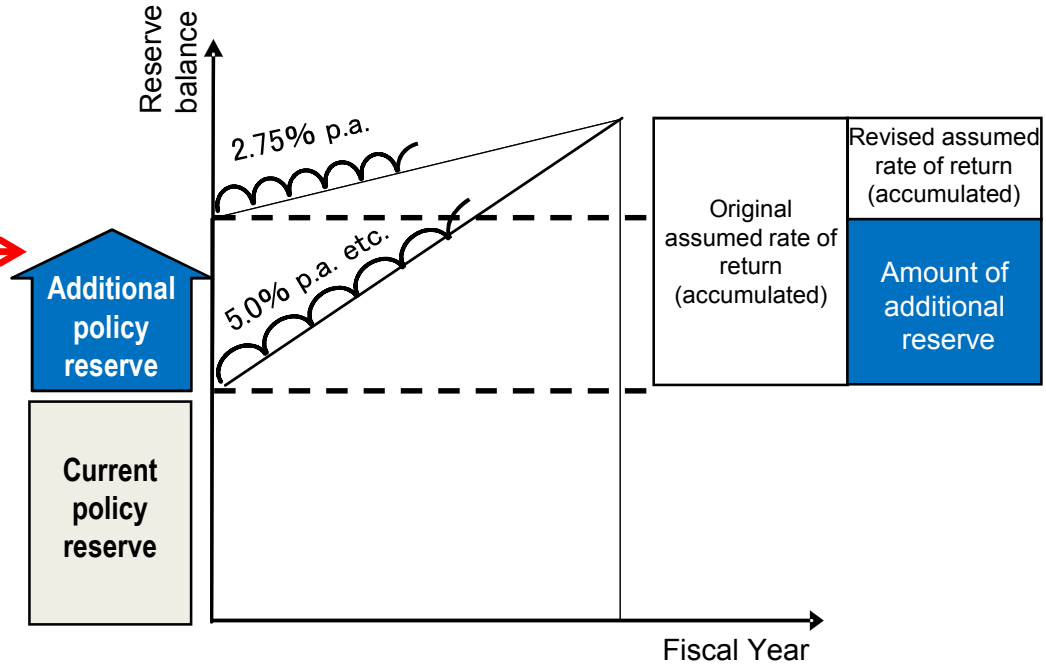
Legacy block and additional reserving

Policy Reserve Outstanding by Year Underwritten^{(1) - (4)}

Accumulation of Additional Policy Reserve⁽¹⁾

The Company is providing additional policy reserve against:
Whole life insurance signed before March 1996 and paid in full

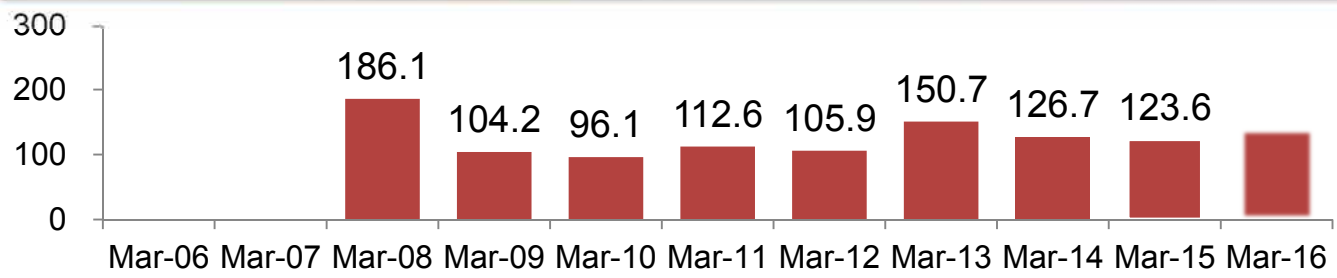
Year signed		Policy Reserve Outstanding	Avg. assumed rate of return
~ Mar-81		809.7	2.75% ~ 5.50%
Mar-82	~ Mar-86	1,402.4	2.75% ~ 5.50%
Mar-87	~ Mar-91	4,779.3	2.75% ~ 6.00%
Mar-92	~ Mar-96	4,087.6	2.75% ~ 5.50%
Mar-97	~ Mar-01	1,614.1	2.00% ~ 2.75%
Mar-02	~ Mar-06	2,214.4	1.50%
Mar-07	~ Mar-11	3,881.6	1.50%
Mar-12		1,042.0	1.50%
Mar-13		1,020.1	1.50%
Mar-14		909.3	1.00%



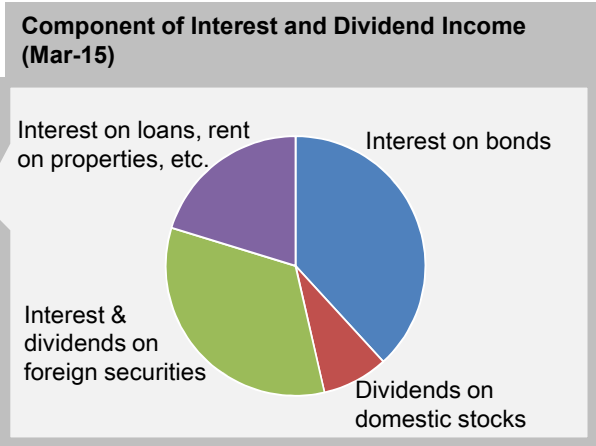
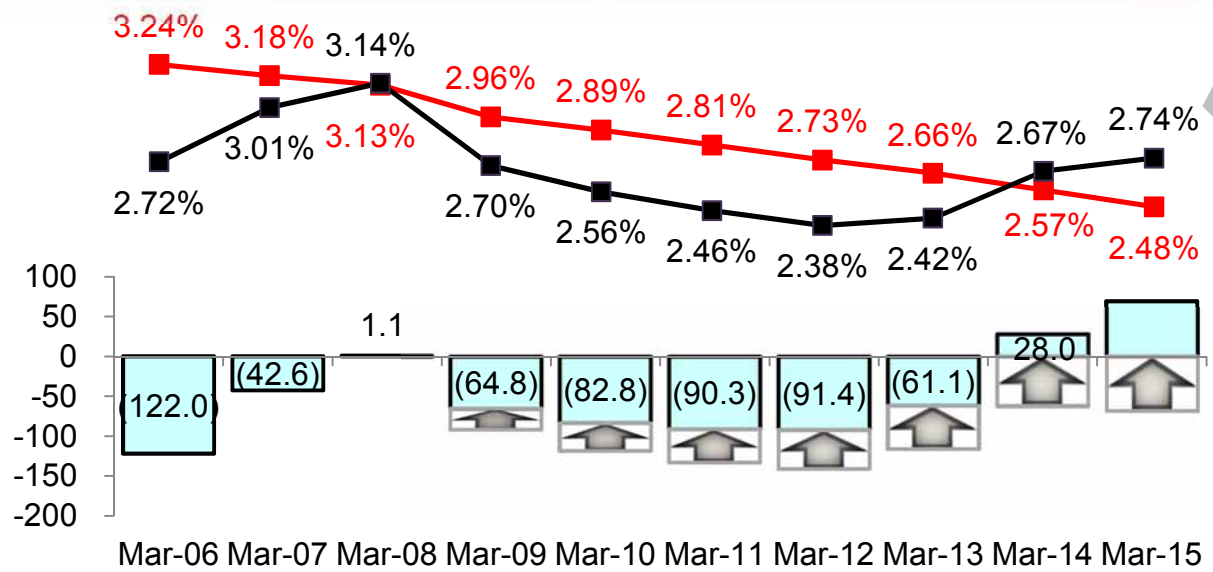
- (1) Dai-ichi Life non-consolidated basis.
- (2) Policy reserve amount include those for individual insurance and annuity products but excludes reserve for separate account and contingency reserve
- (3) Certain policies are divided based on actuarially appropriate method into several fiscal years
- (4) Assumed rate of returns indicate representative rates against each year's policy reserves

Negative Spread and Additional Policy Reserve

Provision for Additional Policy Reserve (billions of yen)



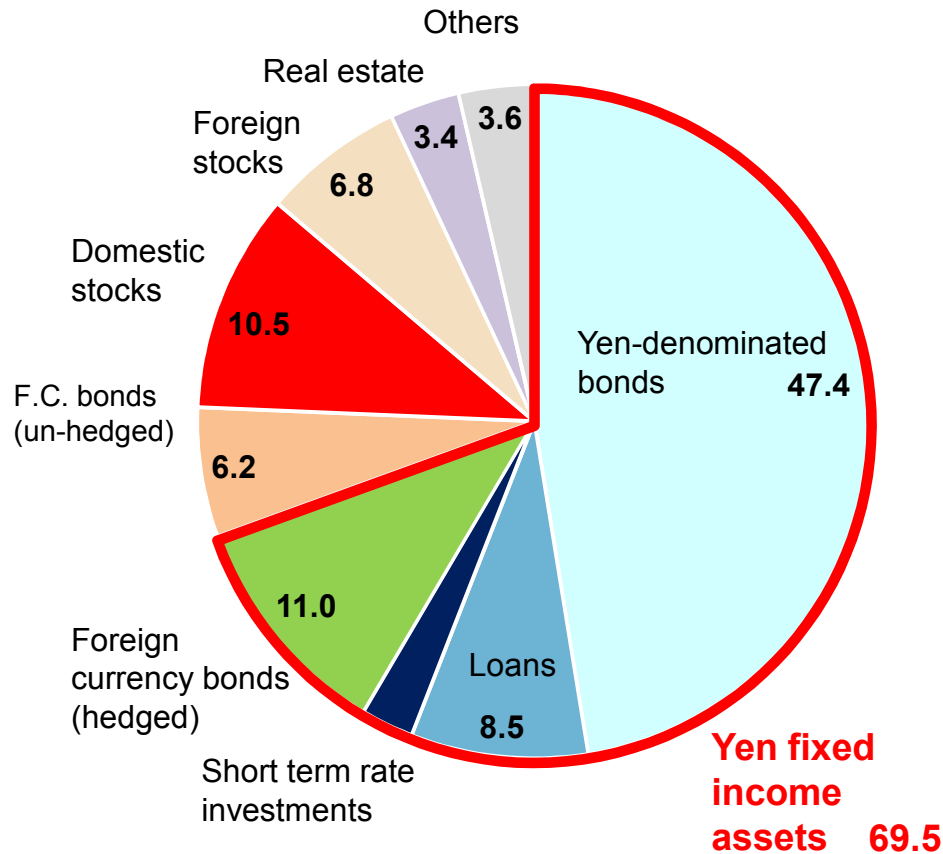
Rate of returns (%) / Spreads (billions of yen)



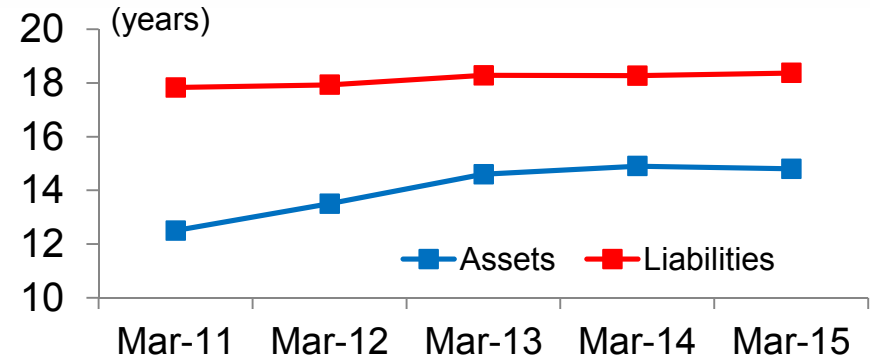
◆ Average Assumed Rate of Return Negative Spreads
■ Average Actual Rate of Return Reduced Negative Spreads

Dai-ichi Life General Account Assets

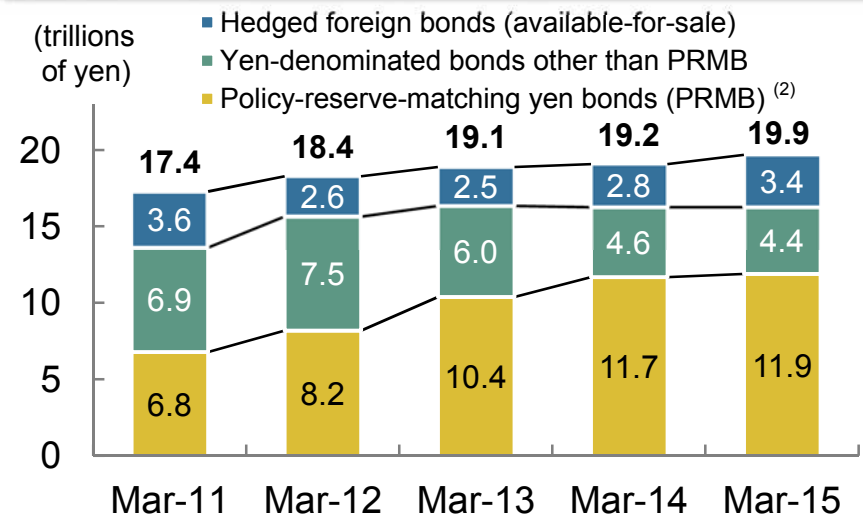
Asset Portfolio (General Account) ⁽¹⁾



Duration of Fixed Income Assets and Liabilities



Yen and Currency-hedged Foreign Bonds ⁽¹⁾



(1) Carrying amount - basis

(2) Book value of domestic stocks with fair value (exclude stocks of subsidiaries / affiliated companies and unlisted companies)

Thank you
Any questions?