

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Three Months Ended June 30, 2019

August 9, 2019

Company Name: Dai-ichi Life Holdings, Inc.

Stock exchange listings: Tokyo

Code Number: 8750

URL: <https://www.dai-ichi-life-hd.com/>

Representative: Seiji Inagaki, President, Representative Director

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Quarterly securities report issue date: August 9, 2019

Dividend payment date: -

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 Three Months Ended June 30, 2019

(1) Consolidated results of operations

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

	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company	
	million yen	%	million yen	%	million yen	%
Three Months Ended						
June 30, 2019	1,830,202	8.5	105,088	29.1	51,772	24.9
June 30, 2018	1,687,535	6.0	81,397	(17.1)	41,435	(42.4)

Note. Comprehensive income (loss) for the three months ended June 30, 2019 and 2018 were 223,820 million yen (-%) and 18,402 million yen (92.7% decrease year-on-year), respectively.

	Net Income per Share	Diluted Net Income per Share
Three Months Ended	yen	yen
June 30, 2019	45.26	45.23
June 30, 2018	35.57	35.54

(2) Consolidated financial condition

	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's Shareholders to Total Assets
As of	million yen	million yen	%
June 30, 2019	57,082,301	3,857,697	6.8
March 31, 2019	55,941,261	3,713,592	6.6

(Reference) Net assets attributable to the Company's shareholders as of June 30, 2019 and March 31, 2019 were 3,856,633 million yen and 3,712,430 million yen, respectively.

2. Dividends on Common Stock

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal Year Ended	yen	yen	yen	yen	yen
March 31, 2019	-	0.00	-	58.00	58.00
March 31, 2020	-	-	-	-	-
March 31, 2020 (Forecast)	-	0.00	-	62.00	62.00

Note. Revision of dividend forecasts on the presentation date of this consolidated summary report: No

3. Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2020

(% represents the change from the previous fiscal year)

Fiscal Year Ending	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of parent company		Net Income per Share
	million yen	%	million yen	%	million yen	%	yen
March 31, 2020	6,931,000	(3.5)	417,000	(3.7)	226,000	0.4	197.84

Note. Revision of earnings forecasts on the presentation date of this consolidated summary report: No

“Net income per share” in the forecasts of consolidated results for the fiscal year ending March 31, 2020 is presented, factoring in the status of the total shares outstanding and the Company’s own shares as of June 30, 2019.

* Notes

(1) Changes in significant subsidiaries during the period : No

(2) Adoption of unique accounting methods applied only to quarterly consolidated financial statements : Yes

For details, please refer to (3) Notes to the Quarterly Consolidated Financial Statements in the Appendix.

(3) Changes in accounting policies, accounting estimates and correction of past errors:

(A) Changes in accounting policies due to revision of accounting standards: Yes

(B) Changes in accounting policies due to reasons other than item (A) above: No

(C) Changes in accounting estimates: No

(D) Correction of past errors: No

For details, please refer to (3) Notes to the Quarterly Consolidated Financial Statements in the Appendix.

(4) Number of shares outstanding (common stock)

	As of June 30, 2019	As of March 31, 2019
(A) Total shares outstanding including treasury stock:	1,198,208,200	1,198,208,200
(B) Shares of treasury stock held:	55,877,525	52,650,425
	Three months ended June 30, 2019	Three months ended June 30, 2018
(C) Average outstanding shares:	1,143,972,008	1,164,973,741

Note. The number of treasury stocks includes the shares of the Company (4,118,200 shares as of June 30, 2019 and 4,161,700 shares as of March 31, 2019) held by the Stock Granting Trust (J-ESOP trust).

*This report is exempt from the quarterly review of CPAs or Audit firms.

*Notes for using earnings forecast 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 report.

Table of Contents of Appendix

1. Unaudited Quarterly Consolidated Financial Statements and Notes	2
(1) Quarterly Consolidated Balance Sheet	2
(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income	4
Quarterly Consolidated Statement of Earnings	4
Quarterly Consolidated Statement of Comprehensive Income	6
(3) Notes to the Quarterly Consolidated Financial Statements	7
(Notes on Going-Concern Assumptions)	7
(Notes for Material Changes in Shareholders' Equity)	7
(Adoption of Unique Accounting Methods Applied Only to Quarterly Consolidated Financial Statements) ...	7
(Changes in Accounting Policies)	7

The Company plans to hold a conference call for institutional investors and analysts regarding its financial results for the three months ended June 30, 2019 on August 9, 2019. The material for the conference call will be posted on TDnet and the Company's website.

1. Unaudited Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2019	As of June 30, 2019
ASSETS		
Cash and deposits	920,177	1,030,889
Call loans	335,500	359,500
Monetary claims bought	199,193	199,872
Money held in trust	559,474	567,213
Securities	47,065,031	47,965,586
Loans	3,353,268	3,316,204
Tangible fixed assets	1,145,267	1,155,818
Intangible fixed assets	444,869	436,371
Reinsurance receivable	155,320	151,299
Other assets	1,692,127	1,829,518
Deferred tax assets	17,154	14,273
Customers' liabilities for acceptances and guarantees	55,515	57,470
Reserve for possible loan losses	(1,248)	(1,350)
Reserve for possible investment losses	(390)	(366)
Total assets	55,941,261	57,082,301
LIABILITIES		
Policy reserves and others	48,279,458	48,468,558
Reserves for outstanding claims	555,517	549,190
Policy reserves	47,325,761	47,534,953
Reserve for policyholder dividends	398,178	384,414
Reinsurance payable	379,568	248,840
Bonds payable	1,062,252	1,056,529
Other liabilities	1,420,986	2,315,487
Net defined benefit liabilities	422,346	422,962
Reserve for retirement benefits of directors, executive officers and corporate auditors	1,298	1,262
Reserve for possible reimbursement of prescribed claims	900	805
Reserves under the special laws	218,259	223,905
Reserve for price fluctuations	218,259	223,905
Deferred tax liabilities	311,059	352,832
Deferred tax liabilities for land revaluation	76,023	75,947
Acceptances and guarantees	55,515	57,470
Total liabilities	52,227,668	53,224,604

(Unit: million yen)

	As of March 31, 2019	As of June 30, 2019
NET ASSETS		
Capital stock	343,326	343,326
Capital surplus	329,723	329,678
Retained earnings	1,134,392	1,111,267
Treasury stock	(98,634)	(103,831)
Total shareholders' equity	1,708,808	1,680,441
Net unrealized gains (losses) on securities, net of tax	2,101,587	2,270,015
Deferred hedge gains (losses)	3,803	15,922
Reserve for land revaluation	(13,488)	(13,051)
Foreign currency translation adjustments	(77,457)	(85,723)
Accumulated remeasurements of defined benefit plans	(10,824)	(10,970)
Total accumulated other comprehensive income	2,003,621	2,176,192
Subscription rights to shares	1,162	1,063
Total net assets	3,713,592	3,857,697
Total liabilities and net assets	55,941,261	57,082,301

(2) Quarterly Consolidated Statement of Earnings and Comprehensive Income

[Quarterly Consolidated Statement of Earnings]

(Unit: million yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
ORDINARY REVENUES	1,687,535	1,830,202
Premium and other income	1,245,890	1,246,223
Investment income	377,751	529,926
Interest and dividends	279,702	308,032
Gains on money held in trust	-	1,584
Gains on investments in trading securities	-	122,121
Gains on sale of securities	64,024	63,467
Gains on redemption of securities	6,501	2,595
Reversal of reserve for possible loan losses	371	-
Reversal of reserve for possible investment losses	8	-
Other investment income	675	177
Gains on investments in separate accounts	26,468	31,947
Other ordinary revenues	63,892	54,052
ORDINARY EXPENSES	1,606,138	1,725,114
Benefits and claims	882,146	988,080
Claims	282,847	295,788
Annuities	177,629	254,403
Benefits	127,959	157,991
Surrender values	180,857	158,815
Other refunds	112,853	121,081
Provision for policy reserves and others	354,762	241,407
Provision for reserves for outstanding claims	-	22
Provision for policy reserves	352,700	239,334
Provision for interest on policyholder dividends	2,062	2,050
Investment expenses	116,361	250,843
Interest expenses	10,270	11,179
Losses on money held in trust	1,052	-
Losses on investments in trading securities	24,191	-
Losses on sale of securities	48,823	14,209
Losses on valuation of securities	1,305	5,933
Losses on redemption of securities	258	1,849
Derivative transaction losses	14,481	8,173
Foreign exchange losses	1,533	194,492
Provision for reserve for possible loan losses	-	97
Provision for reserve for possible investment losses	-	52
Write-down of loans	2	83
Depreciation of real estate for rent and others	3,256	3,327
Other investment expenses	11,186	11,445
Operating expenses	165,616	164,228
Other ordinary expenses	87,251	80,555
Ordinary profit	81,397	105,088

(Unit: million yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
EXTRAORDINARY GAINS	1,889	361
Gains on disposal of fixed assets	1,887	361
Other extraordinary gains	1	-
EXTRAORDINARY LOSSES	6,628	5,980
Losses on disposal of fixed assets	1,169	117
Impairment losses on fixed assets	92	215
Provision for reserve for price fluctuations	5,367	5,646
Other extraordinary losses	0	1
Provision for reserve for policyholder dividends	18,793	18,982
Income before income taxes	57,865	80,487
Corporate income taxes-current	18,860	37,675
Corporate income taxes-deferred	(2,430)	(8,960)
Total of corporate income taxes	16,429	28,714
Net income	41,435	51,772
Net income attributable to shareholders of parent company	41,435	51,772

[Quarterly Consolidated Statement of Comprehensive Income]

(Unit: million yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net income	41,435	51,772
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	35,694	166,916
Deferred hedge gains (losses)	(3,888)	12,118
Foreign currency translation adjustments	(45,589)	(9,232)
Remeasurements of defined benefit plans, net of tax	(177)	(154)
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(9,071)	2,399
Total other comprehensive income	(23,032)	172,047
Comprehensive income	18,402	223,820
(Details)		
Attributable to shareholders of the parent company	18,402	223,820

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Notes for Material Changes in Shareholders' Equity)

As the Parent Company has been engaged in the purchase of its shares in accordance with the resolution made at the meeting of its board of directors held on May 15, 2019, under the provision of Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of the same, treasury stock increased by ¥5,399 million for the three months ended June 30, 2019.

As a result, the amount of treasury stock was ¥103,831 million as of June 30, 2019.

(Adoption of Unique Accounting Methods Applied Only to Quarterly Consolidated Financial Statements)

(i) Calculation of Tax

Income taxes of certain consolidated subsidiaries of the Parent Company are calculated by applying a reasonably estimated effective tax rate for the full fiscal year to income before income taxes for the three months ended June 30, 2019. The effective tax rate is determined by estimating the effective tax rate for the full fiscal year, which includes the three months ended June 30, 2019, after taking into account the effect of deferred tax accounting.

(Changes in Accounting Policies)

Effective the three months ended June 30, 2019, certain consolidated overseas subsidiaries adopted Accounting Standards Update No. 2017-08 - Premium Amortization on Purchased Callable Debt Securities issued by the Financial Accounting Standards Board.

The update requires the premiums of callable debt securities to be amortized to the earliest call date.

In accordance with the amendments in this update applied on a modified retrospective basis, a cumulative effect adjustment to retained earnings was recorded at the beginning of the three months ended June 30, 2019.

As a result, retained earnings decreased by ¥5,639 million at the beginning of the three months ended June 30, 2019. There was no significant impact on the figures in the quarterly consolidated statement of earnings for the three months ended June 30, 2019.