Financial Analyst Conference Call for the Fiscal Year Ended March 2025

June 2, 2025

Dai-ichi Life Holdings, Inc.

Dai-ichi Life Holdings

Agenda

Time	Topic	Speaker	Title
13：00 ～ 13:15	FY2024 Results & Key KPIs	Taisuke Nishimura	Executive Officer Group Chief Financial Officer
13:15 ～ 13:25	Vision for FY2030	Tetsuya Kikuta	President and Representative Director Group Chief Executive Officer
13:25 ～ 13:30	Investment in M&G	Akifumi Kai	Executive Officer Business Head, New Fields of Business
13:30 ～ 14:30	Q&A session		

Copyright © 2025 Dai-ichi Life Holdings, Inc.

FY2024 Results & Key KPIs

Copyright © 2025 Dai-ichi Life Holdings, Inc.

CFO Review (FY2024)

FY Results / Market Evaluation

Results

	FY2024
Group Adj. Profit	¥439.5bn (38% above the full-year forecast)
Group VNB	¥172.4bn (62% above the full-year forecast)

Capital Efficiency

	FY2024
Adj. ROE (Accounting)	10.7% (+2.5%pt YoY)
ROEV (Economic Value)	(1.7)%

Market Evaluation(1)

Relative TSR (Mar. 2022 – Mar. 2025)	vs Global 14 peers 5th (+100% from Mar. 2023)

Strong in profit and VNB of DL, exceeding the revised forecast

Adj. ROE improved YoY

Kept Superiority in the Relative TSR

(1) Calculated by the Company based on Bloomberg data

Copyright © 2025 Dai-ichi Life Holdings, Inc.

CFO Review (FY2024)

Capital Circulation Management / Market Evaluation

Cash Generation / Allocation

Strategic Investment(1)

From Mar. 2025 onward

Ca.¥275.0bn

Shareholder Payouts

FY2024

¥226.7bn

o/w share buybacks ¥100bn

Dividend forecast for FY2025: ¥48 per share, +¥14YoY

Risk Control

ESR
(Economic Solvency Ratio)

Mar. 2025

210%

(vs. Mar. 2024: Down1%pt

Market Risk Reduction(DL)
(Interest rate and equity risks)

Reduction amount in FY2024

Ca. ¥225.0bn

o/w Equity Risk in DL ca. ¥140.0bn

Balancing shareholder payouts and strategic investments

Level above expectations based on new ESR standards

Impairment risk associated with rising interest rates

- ✓ The bonds held to match policy reserves are subject to a unique accounting treatment—valuation based on the amortized cost method—reflecting the financial characteristics of insurance companies.
- ✓ These bonds may incur losses upon sale due to activities such as bond rebalancing aimed at asset-liability duration matching. From the perspective of preventing loss deferral, impairment recognition is required if their market value declines significantly.
- ✓ In the event of a decline in market value, we intend to make careful decisions after thoroughly evaluating the advantages and disadvantages of various response measures, including bond replacement involving realized losses, utilization of reserves, and continued holding to maturity.

Even considering the recent rise in interest rates, there remains a certain buffer before any realized valuation losses occur.

(1) Includes investments decided upon but not yet funded.

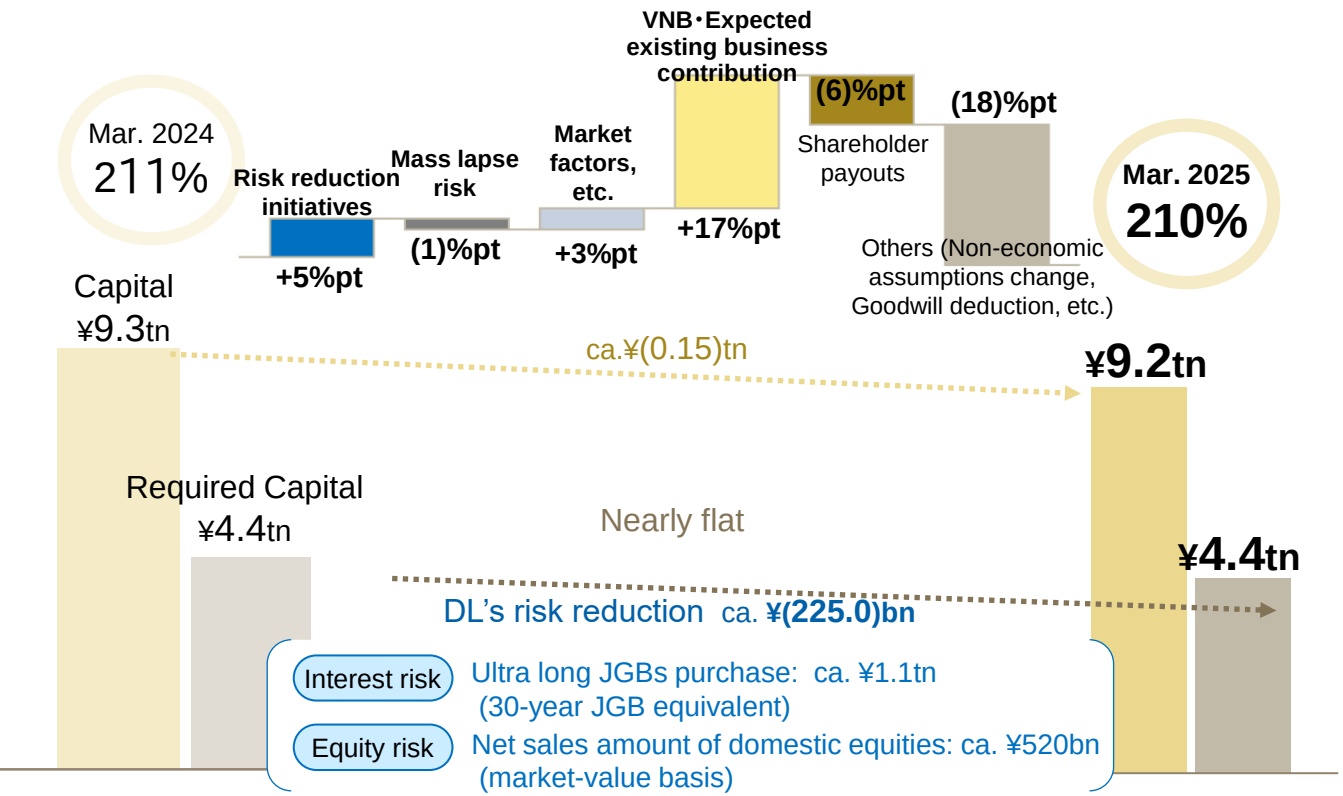
Copyright © 2025 Dai-ichi Life Holdings, Inc.

Economic Solvency Ratio (ESR)

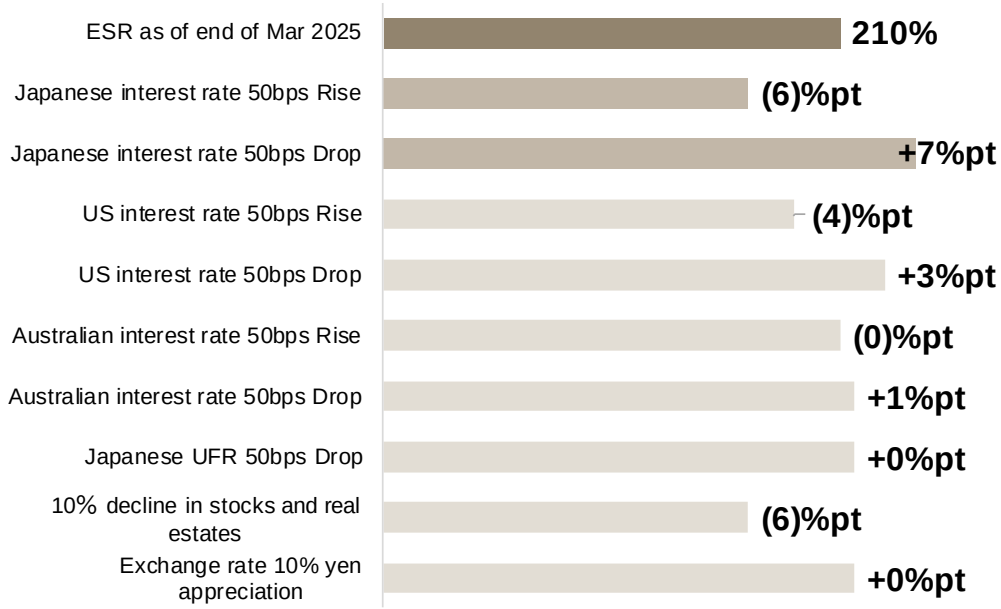
- **Required capital slightly declined, as the increase in surrender risk due to rising interest rates was offset by decreases such as the sale of equities. Capital decreased, mainly due to the goodwill deduction associated with the Benefit One acquisition. As a result, the ESR stood at 210% as of FY2024, down 1%pt on a new standard basis.**
- **Considering future outflows such as shareholder returns and the investment in M&G, the ratio is expected to remain around the current range.**

ESR (Economic Solvency Ratio)

Mar. 2025 **210%** Down 1%pt (vs Mar. 2024)



Financial market sensitivities with ESR



(Reference) Definition of each lapse risk

a. **Normal lapse risk:** Amount of decrease in net assets when a certain level of stress is applied to the surrender rate over the contract period in the measurement model (J-ICS compliant).
b. **Mass lapse risk:** Decrease in net assets in the event of sudden stress on the surrender rate (J-ICS compliant)
c. **Dynamic lapse risk:** Risk of losses incurred due to fluctuations in surrender rates for savings products, such as single-payment whole life insurance, due to switching to other financial products in response to changes in market interest rates, etc.

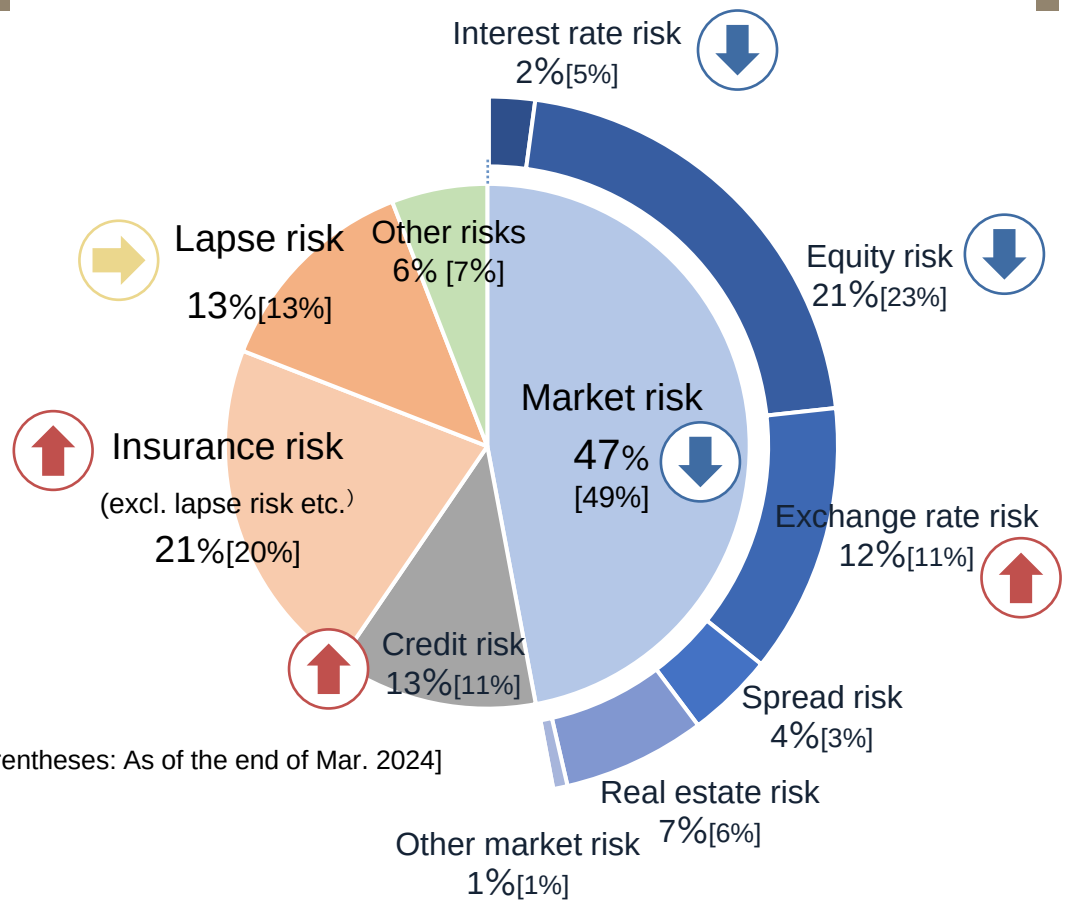
Copyright © 2025 Dai-ichi Life Holdings, Inc.

Group Risk Profile Transformation

- **Interest rate risk continued to decline steadily, and equity risk also decreased compared to FY2023, supported by steady progress in equity sales. While surrender risk increased due to a rise in interest rates—particularly from higher mass surrender risk—the extent of the increase was limited by changes made to the model.**
- **Overall required capital fell slightly compared to the end of the previous fiscal year, as the increase in insurance risk was offset by a decrease in market risk.**

Group Integrated Risk Breakdown(1)

(as of end of Mar. 2025, before diversification effect)

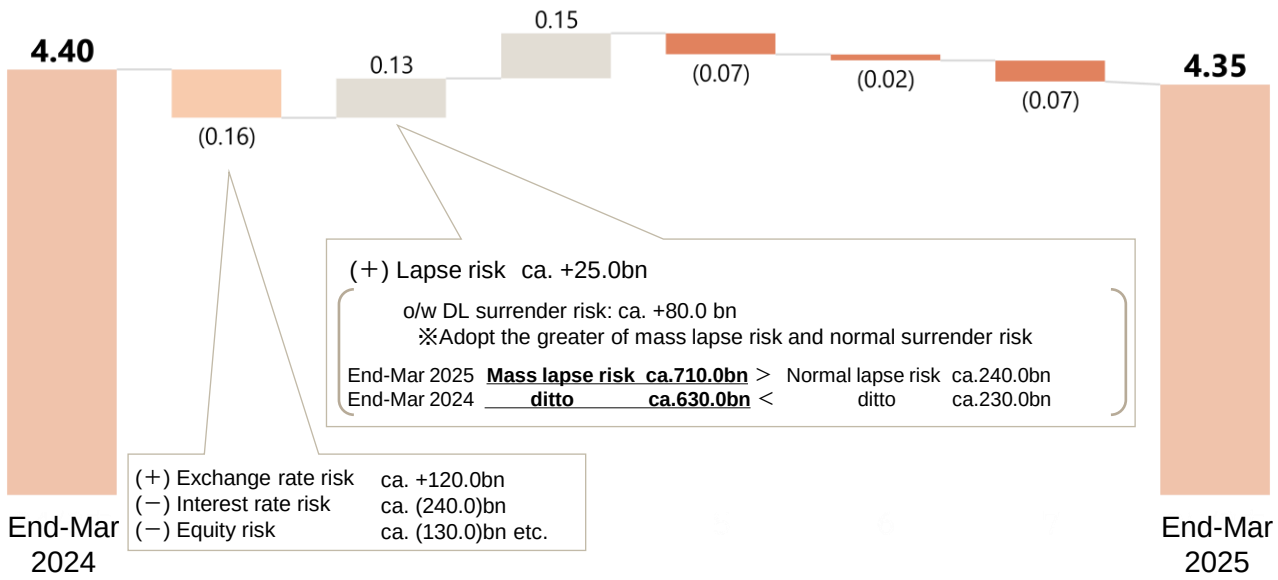


[In parentheses: As of the end of Mar. 2024]

(1) Breakdown excludes the exchange rate risk against JPY, associated with the group consolidation.

Drivers affecting Required Capital (Risk Amount)

(¥ in trillions)



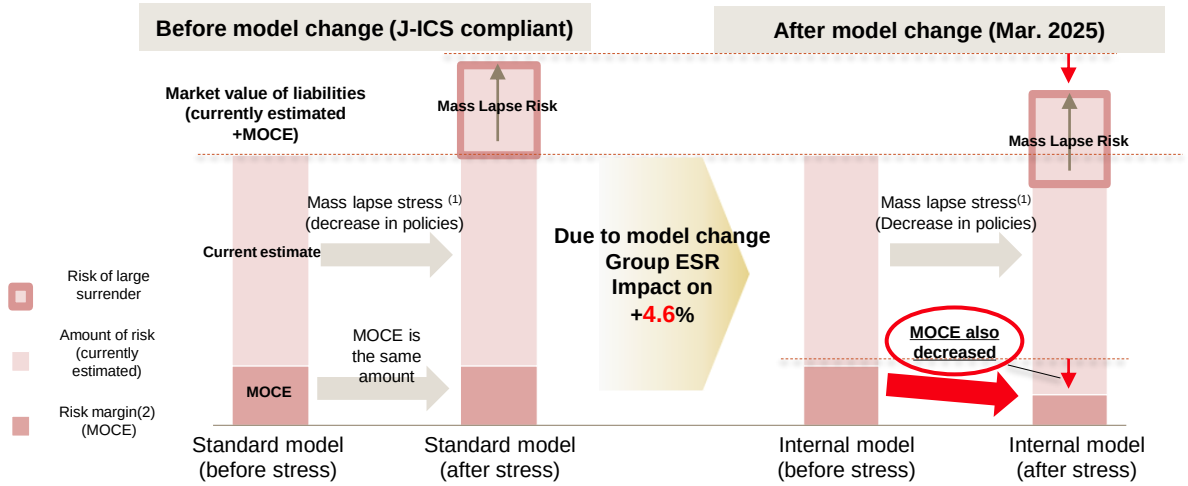
	Market risk	Insurance risk	Credit Risk	Operational risk	Other risks	Diversification effect	Required Capital
End-Mar 2025 (New standard)	3.69	2.71	0.98	0.19	0.27	(3.50)	4.35
End-Mar 2024 (New standard)	3.85	2.58	0.83	0.26	0.30	(3.43)	4.40
End-Mar 2024 (Old standard)	3.92	2.38	0.88	0.19	0.28	(3.40)	4.25

(Ref.) Initiatives on mass lapse risk

- **Regarding the risk margin that is a fixed value for the mass lapse risk under economic value-based solvency regulations (J-ICS), a model change was made to change MOCE(2) when calculating the mass lapse risk in the internal model (impact on ESR +4.6%pt).**
- **With regard to the assumption of the lapse rate that is set uniformly in the regulatory model, an initial study was conducted in collaboration with other companies on the possibility that the lapse assumption in the current regulatory model is an excessive risk perception when compared with the actual results in DL, when referring to past stress events, etc.**

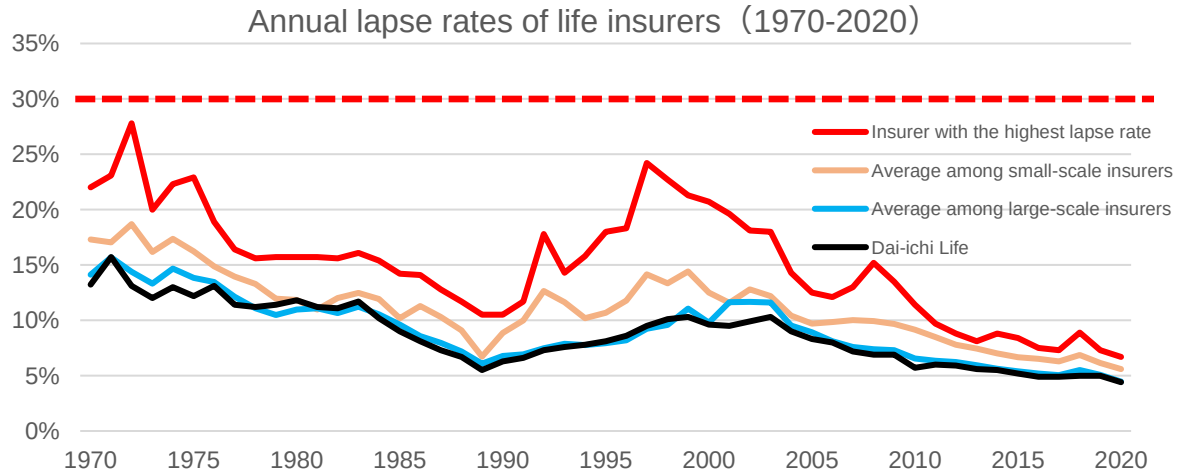
Considering the reduction of MOCE when measuring mass lapse risk

- ✓ In J-ICS, mass lapse risk is measured by the reduction in net assets under Stress Scenario (1)
- ✓ In the regulatory model, the MOCE(2) before and after stress is the same amount in the calculation of each amount of risk.
  Previously, our company ESR was treated in the same way. However, since the risk scenario in the calculation of mass lapse risk is based on the assumption that the contract will cease to exist and it is easy to recalculate the MOCE after stress, we have now changed the model (3)(4) to calculate the mass lapse risk including changes in the MOCE and to enable more precise measurement of the amount of risk.



Study on lapse assumptions in stress scenarios

- ✓ While J-ICS has a policy of using the same stress factor for mass lapse risk as ICS, the ICS documentation (5) does not fully disclose the basis for setting the stress factor. In the J-ICS document(6), it is stated that "the mass lapse rate is set as a scenario in which the lapse rate rises significantly due to credit insecurity"
- ✓ Even when past stress(7) materializes, the lapse rate of DL does not rise steadily. The lapse rate varies from company to company, and large companies have low palse rates.
- ✓ Conducted joint research with other companies on a large lapse model with sufficient quality to be accepted as an internal model in future regulatory ESR.



(1)Surrender of 30% of all policies (50% for group annuity policies), (2)reflects uncertainty arising from estimation of margins exceeding current projections and future benefit payments, (3)for the calculation of other risk components, fluctuations in MOCE are not considered, in line with the standard model, (4)stress levels used are the same as those in the standard model, (5)ICS Calibration Paper (6)deliberations toward the finalization of the standards for economic value-based solvency regulations, etc., (7)based on the Insurance Statistics and Life Insurance Business Statistics (1970–2020), including events such as the collapse of Lehman Brothers and a series of life insurer failures.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

New Business Results (Group Value of New Business)

- **VNB of DL and overseas subsidiaries exceeded the full-year forecast. DL saw an increase in figures driven by stronger activity levels following the launch of new products, while the overseas business also progressed well, supported by factors such as the weaker yen. Total group VNB rose to ¥172.4 bn, up 62% YoY.**

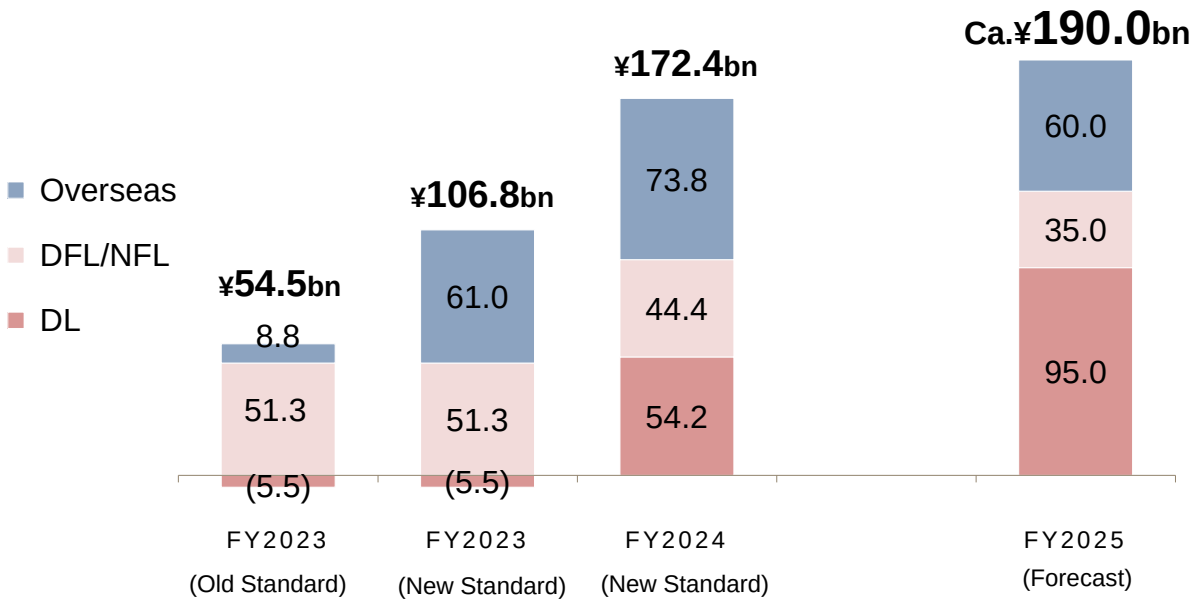
Group VNB

FY2024 **¥172.4bn**

62% above full-year forecast

(¥ in billions)

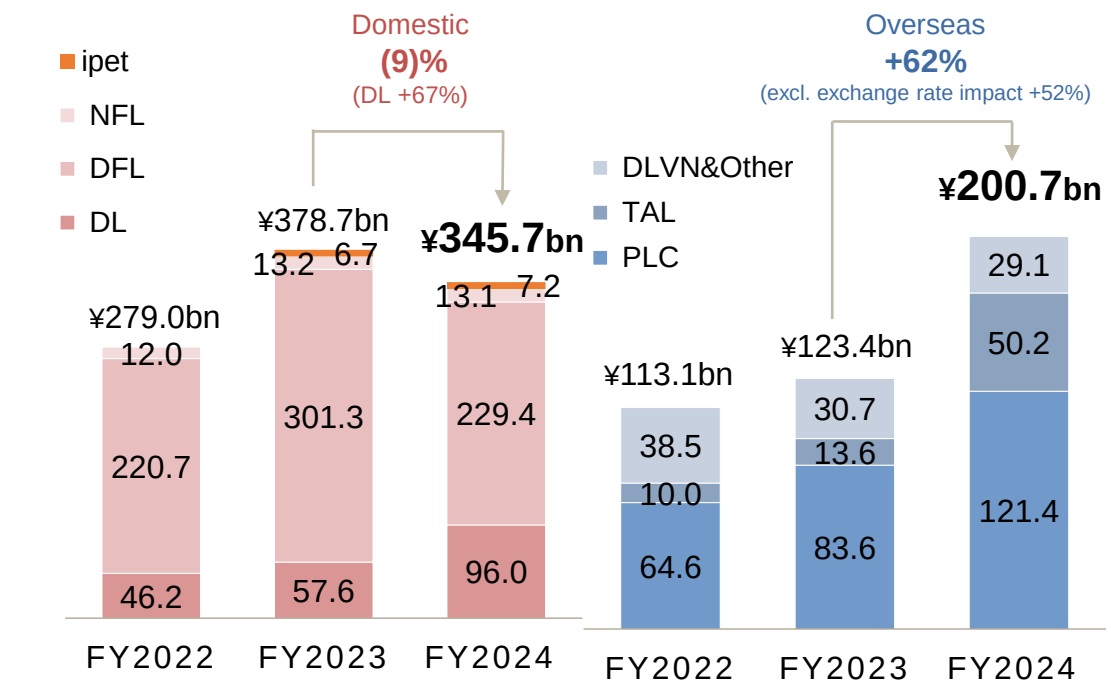
	FY2023 (Old Standard)	FY2023 (New Standard)	FY2024 (New Standard)	FY2025 (Forecast)
New Business Margins	0.2%	1.7%	2.7%	
DL	(0.5)%	(0.5)%	3.4%	



Annualized Premiums from New Policies (ANP)

¥546.4bn YoY+9%
(excl. exchange rate impact: +6%)

(¥ in billions)



Copyright © 2025 Dai-ichi Life Holdings, Inc.

Shareholder Payout Policy and Actual Payouts

- **The sharp increase in Group adjusted profit for FY2024 lifted the dividend per share to ¥137 (up ¥24 YoY).**
- **A share-buyback of up to ¥100 bn has already been announced. The dividend for FY2025 is forecast at ¥48 per share (up ¥15 YoY).**

Shareholder Payout Policy

Considering flexible additional payouts

Rough guide for total payout ratio

Mid-term avg. of **50%**

Considerations for additional payout

- ESR Level
  Status of market risk and sensitivity reduction
- Cash position of holding company
  Group Financial Leverage
- Existence of strategic investment opportunities
  Our stock price, etc.

Image on transition of total payout ratio

Strategical in scale and timing

[Image of Dividend Payout Ratio]

Stable Dividends Based on Profit

[Dividend Payout Ratio]

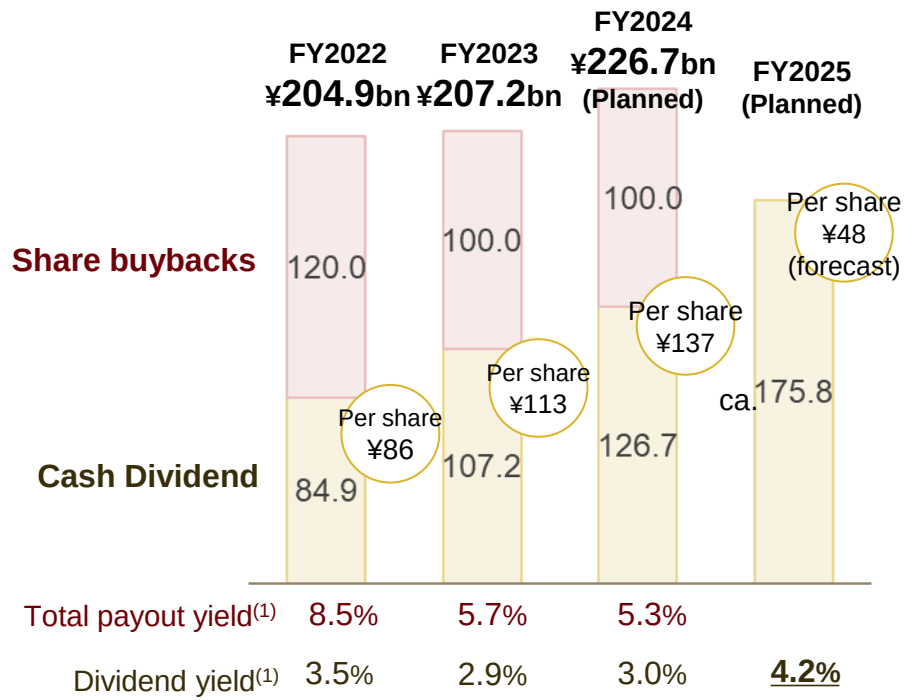
40% or more ➡ **45% or more** each FY

- Avg. of Group adjusted profit for past 3 years
- As a general policy, no reduction of dividend per share

[Policy on cancellation of treasury stock]
The treasury stock is expected to be cancelled at an appropriate timing unless it is held for any specific reason.

Result of shareholder payout since FY2022

Shareholder payout
Total ca. ¥814.0bn



(1) Calculated based on the total number of issued shares exclude treasury stock and stock price at the end of the fiscal year.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Outlook for Cash Positions at HD (Holding Company)

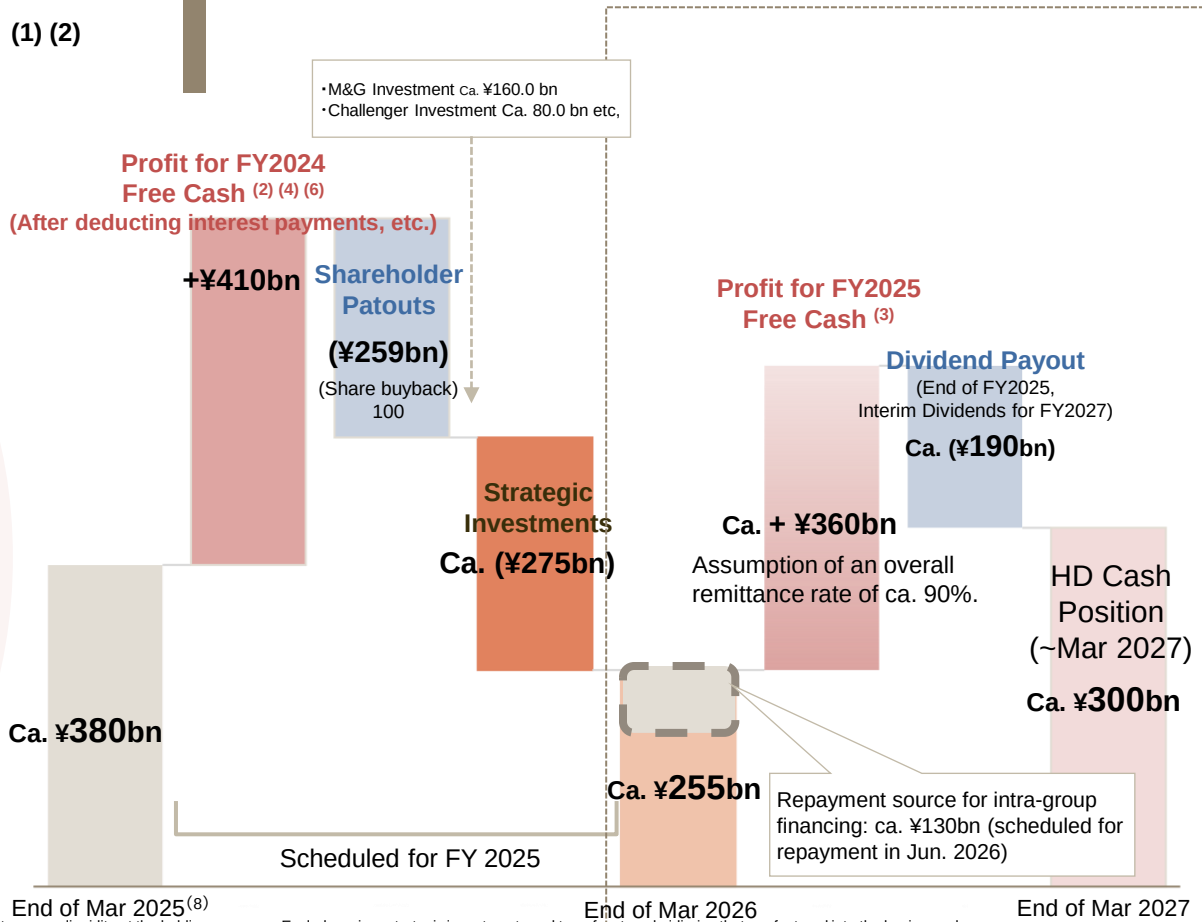
- **The strategic investment limit set forth in the MTP is generally executed as expected**
- **The Group's internal financing borrowed from DL at the time of the acquisition of Benefit One is expected to be repaid in order to prepare funds for emergencies. We will continue to scrutinize investments in the pipeline with investment discipline.**

Changes in HD Cash Position (1) (2)

Profit for FY2024
Cash remittance from subsidiaries and affiliated companies
(Dividend remittance)

Remittance rate (3) Ca. 86%

	Remittance [Adj. profit]	Remittance Ratio	Previous year
DL(4)	¥287.1 bn [¥287.1 bn]	100%	100%
PLC (2)	¥27.3 bn [¥57.4 bn]	50%	50%
TAL(5)	¥49.8 bn [¥37.4 bn]	133%	133%
Group(7)	Ca. ¥375.8 bn [¥439.5 bn]	Ca. 86%	Ca. 93%



HD Cash Position
Basic Approach to Use of Funds

- Ensuring liquidity on hand of the holding company and implementating necessary capital expenditures

[Base cash]
- As subsidiaries and affiliated companies strengthens its management of surplus capital, from the viewpoint of securing a certain amount of liquidity, etc., approximately ¥100 bn is expected.

- Repayment of Group internal financing
- [Shareholder return] Resources for cash dividends
- [Shareholder return] Consideration of flexible and additional returns

and/or

- [Strategic investment] Selective business investment on high-growth, high-capital-efficiency businesses

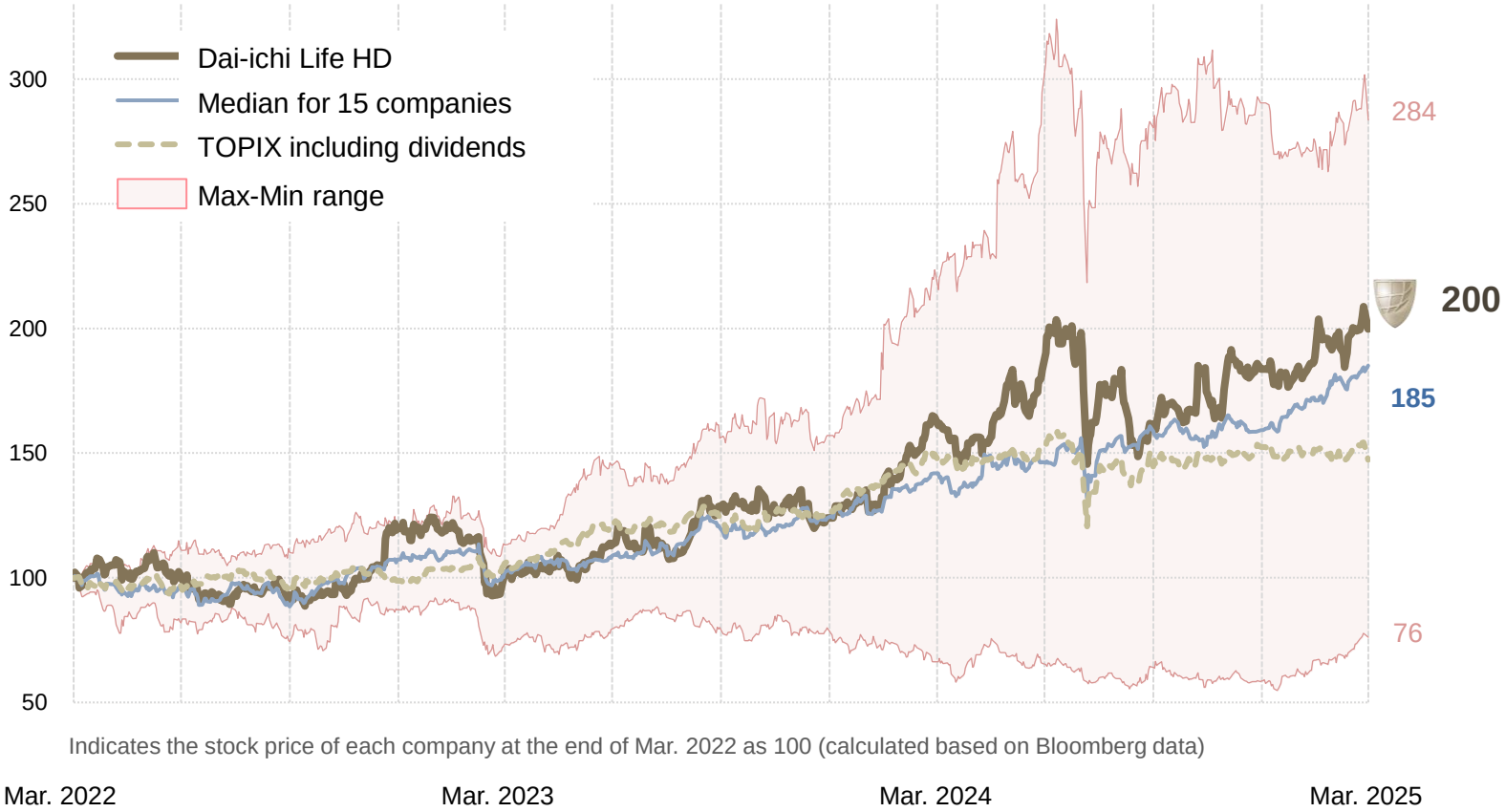
(1) Includes the cash balance and changes thereof at the intermediate holding company, as well as cash held to secure liquidity at the holding company. Excludes minor strategic investments and transfers to subsidiaries that are factored into the business plan.
(2) Transfers from overseas subsidiaries such as the U.S. PLC are partially reclassified as funds received by the holding company in the following fiscal year, similar to domestic subsidiaries.
(3) Calculated using modified profit as the denominator and transfer amounts from each business to the holding company as the numerator.
(4) Includes interim dividends from DL to HD planned in connection with the start of shareholder interim dividends.
(5) Dividends for the fiscal year ending Mar. 2025, the remittance of which is being withheld due to the acquisition of Challenger.
(6) Includes both the retained dividends from the FY2025 earnings and the capital release amount (TAL).
(7) Includes proceeds from the sale of shares in OLI.
(8) Including the financing executed in the second half of FY2024 and various disbursements such as subsidiary remittances and holding costs outlined in the business plan.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Relative TSR

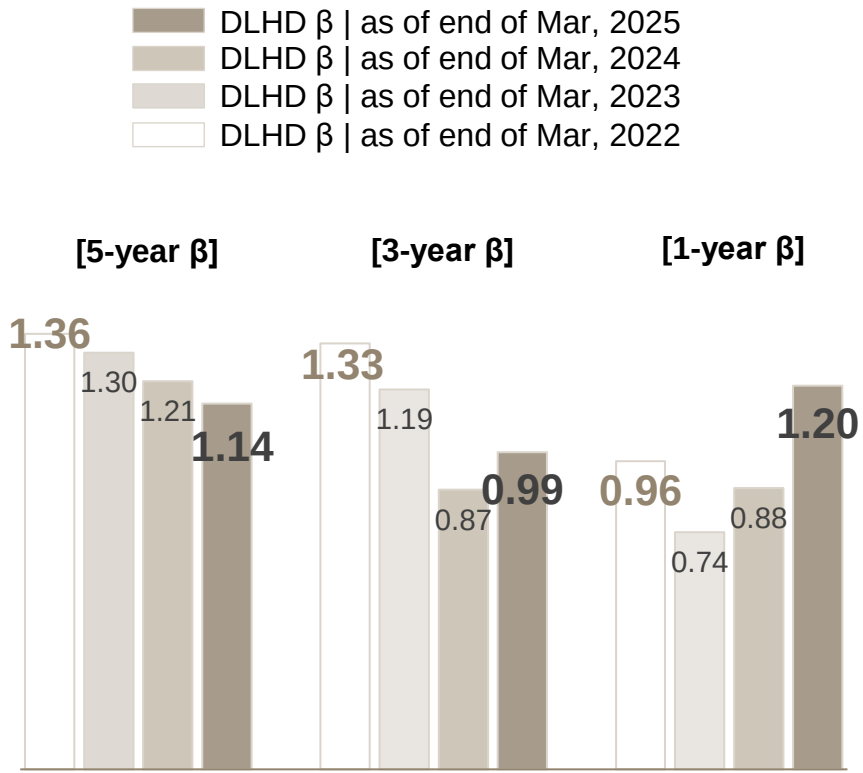
- **Ranked 5th(1) in relative TSR(2) with 14 peers(3) for the period starting from the end of Mar. 2022.**
- **Our stock price β of the 3-year and 5-year periods have continuously declined due in part to our efforts to reduce the market risks.**

TSR | End Mar. 2022- End Mar. 2025



Indicates the stock price of each company at the end of Mar. 2022 as 100 (calculated based on Bloomberg data)

Our stock price β (vs TOPIX, weekly)



(1) As of end of Mar, 2025
(2) Total Shareholder Return(TSR) is a performance measure that indicates the total return an investor receives over a specific period. TSR includes both capital gains and dividends
(3) Five domestic insurance companies (Japan Post Insurance, T&D HD, Tokio Marine HD, MS&AD Insurance Group HD, and SOMPO HD) and nine overseas insurance companies (AIA, Aflac, Allianz, AXA, Manulife, MetLife, Prudential (UK), Prudential (US) and Zurich) are set as 14 comparative peers.

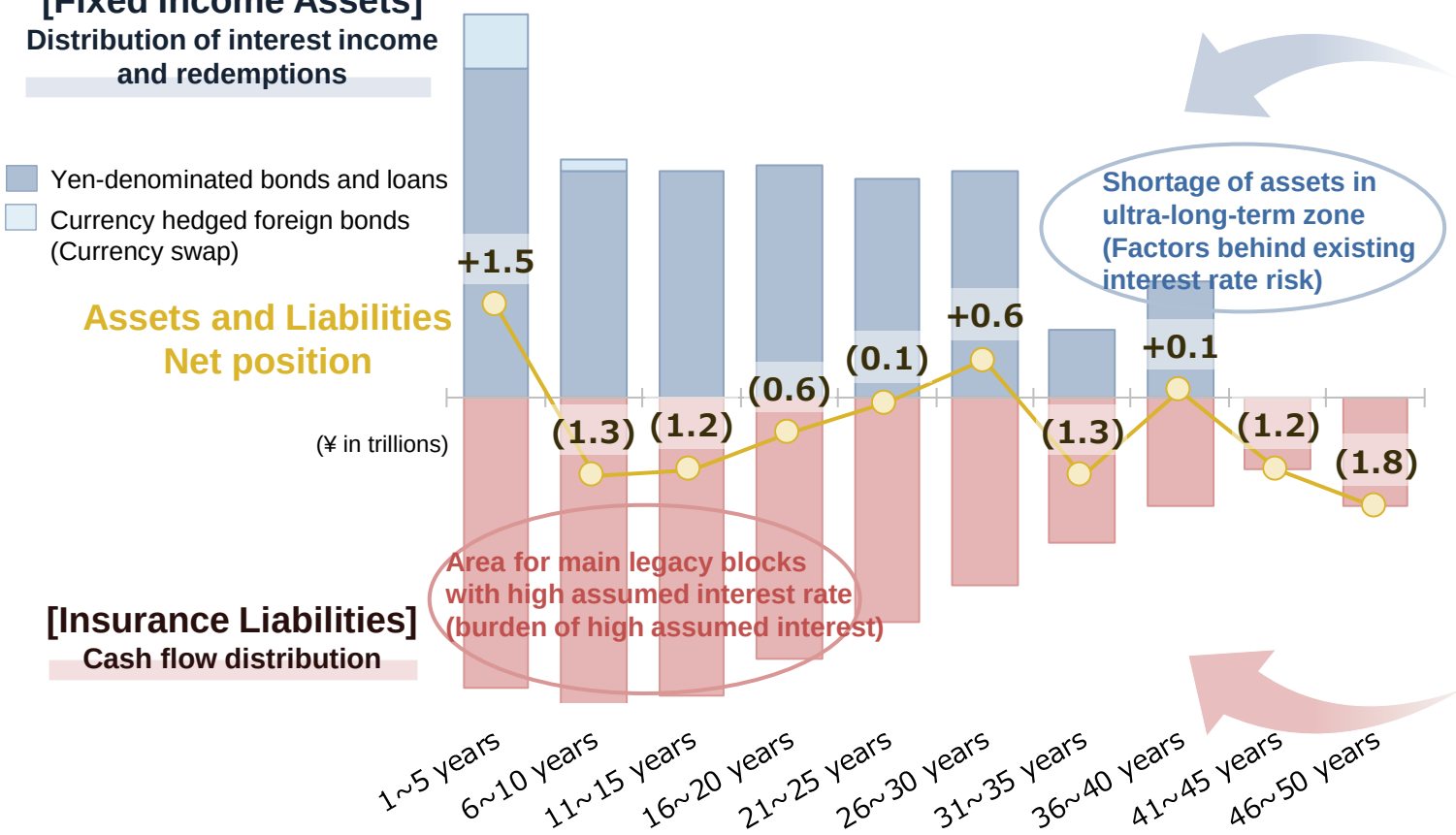
Copyright © 2025 Dai-ichi Life Holdings, Inc.

[Ref.] DL Asset/Liability Cash Flow Structure and Market Risk Reduction

Fixed Income Assets / Insurance Liabilities Cash Flow

(5-year cumulative/estimate)(1)

[Fixed Income Assets]
Distribution of interest income and redemptions



[Interest Rate Risk Reduction]
Purchase of and replacement with ultra-long-term bonds, duration lengthening and hedging

- Steady accumulation of ultra-long-term bonds and replacement for lengthening, considering change in financial markets
- Use of swaptions, etc.

FY2024 additional purchase and replacements

ca. ¥0.9tn

(30-year JGB equivalent)

Using part of gains on sales

[Equity Risk Reduction]
Sale and hedging

- Reduction of equities in line with the plan, hedging with derivatives, etc.

FY2024 domestic equities sold

ca. ¥520.0bn

(market value)

Hedging positions*

ca. ¥560.0bn

*Total hedging positions since FY2020

[Interest Rate Risk Reduction]
Reinsurance ceding of legacy blocks

- Proactive restructuring of liabilities structure through strategic reinsurance ceding

FY2024 policy reserve for ceding

¥150.0bn

(ca. ¥1.2tn from cumulative total since the start of the initiative)

Using gains on sales
(offset with ceding related expenses)

(1) Cash flows for internal management from fixed income assets and insurance liabilities at the end of March 2025.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

(Ref.)Economic Value (Group EV)

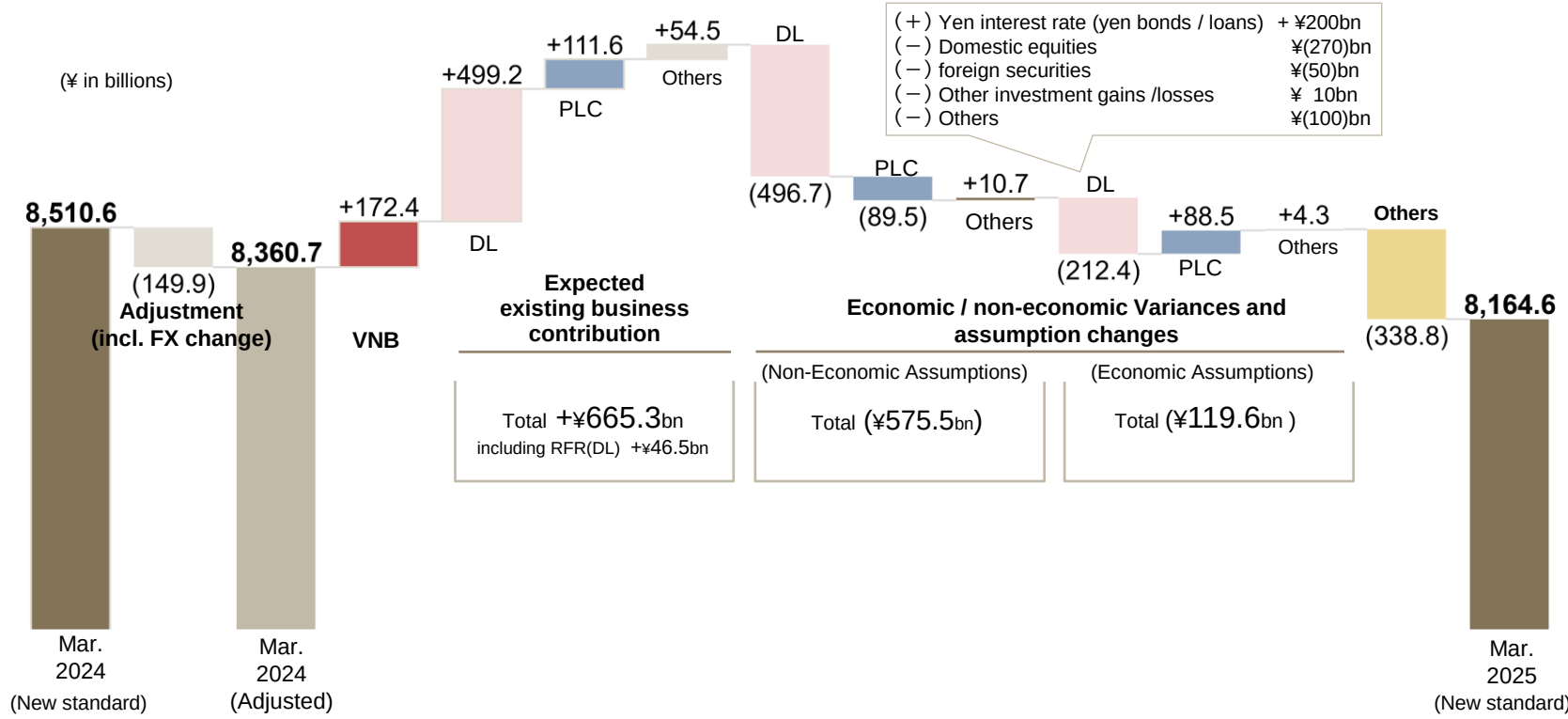
- **Group EV decreased due to the cost increases from inflation and acquisition, partially offset by the increase from new business acquisitions and realization of expected earnings.**
- **EV sensitivities stayed roughly unchanged compared to the end of the previous fiscal year.**

Mar.2025

Group EV

¥8,164.6bn

(vs Mar. 2024)
(¥346.1bn)



EV Sensitivity to Financial Market Fluctuations

Group EV as of end of Mar 2025	8.2 tn
RFR+50bps	(1.6)%
RFR△50bps	+1.5%
Japanese interest rate 50bps Rise	(0.3)%
Japanese interest rate 50bps Drop	+0.6%
US interest rate 50bps Rise	(0.9)%
US interest rate 50bps Drop	+0.5%
Australian interest rate 50bps Rise	(0.3)%
Australian interest rate 50bps Drop	+0.3%
10% decline in stocks	(5.2)%
10% decline in real estates	(2.7)%

DL EV as of end of Mar 2025	**5.7 tn**
RFR+50bps	(1.1)%
RFR△50bps	+1.7%
Japanese interest rate 50bps Rise	(0.7)%
Japanese interest rate 50bps Drop	+1.2%
US interest rate 50bps Rise	(0.4)%
US interest rate 50bps Drop	+0.4%
Australian interest rate 50bps Rise	(0.1)%
Australian interest rate 50bps Drop	+0.1%
10% decline in stocks	(6.8)%
10% decline in real estates	(3.3)%

Vision for FY2030

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Summary of the First Year of the MTP (Business Strategy)

Domestic

- ✓ Market risks (interest rate and equity) were further reduced. With a significant increase in profit, capital efficiency improved substantially.
- ✓ The number of sales reps has increased, contributing to an improving trend in sales performance.

Overseas

- ✓ Each business unit made a steady progress
- ✓ PLC finalized first acquisition deal in two years and executed a large-scale reinsurance. Withdrew from the Thai business(1)

Asset Formation/ Succession

- ✓ Declining overseas interest rates have caused the strong sales performance in DFL to level off, but AUM continues to grow steadily
- ✓ Acquisition and investment deals such as Canyon and Capula(1) have been finalized

New Domains

- ✓ PMI of Benefit One is progressing smoothly. The number of customers has surpassed 10 million

(1) The formal agreement was already concluded in FY2025.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Toward the second year of the mid-term management plan

- **Earnings targets (Group Adj. Profit) and capital efficiency improvements (Adj. ROE) are ahead of schedule (ROE remains above 10% in 2025)**
- **Progress toward the FY2026 target is on track. We will revise the target upward and raise our sights as we further strengthen our efforts.**
- **To achieve the vision for 2030, we will work to further improve capital efficiency and transform our business portfolio**

Expanding our earnings base	■ Achieving Group Adj. Profit of Over ¥400 bn, continued from FY2024 ■ Increasing the Group's Cash Generation Capacity
Portfolio management	■ Balancing speed of revenue contribution and business growth ■ Replacing our business portfolio to improve capital efficiency
Strengthening our management base	■ Further Evolution of Matrix Management to Support Growth ■ Strengthening Corporate Functions and Shifting talents to Growth Fields

Vision for 2026

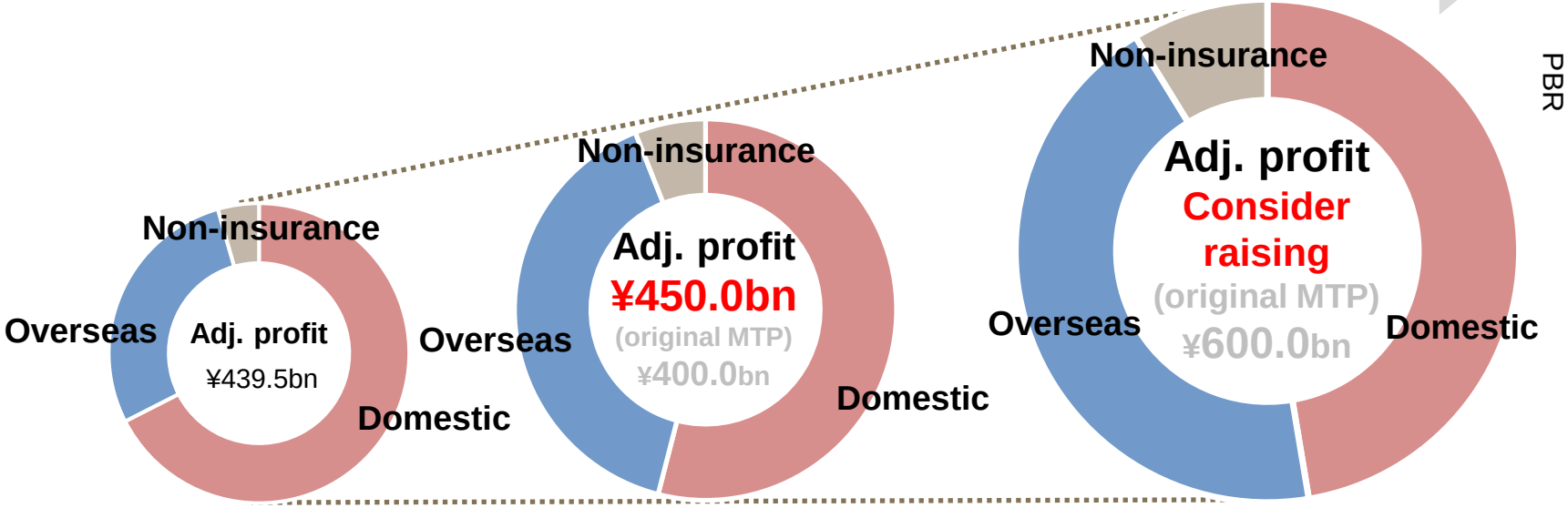
- ✓ **Achieving the ROE steadily exceeding the cost of capital**
- ✓ **Building a foundation to transform into the insurance service provider**
- ✓ **Group adj. profit of ¥450 bn**
- ✓ **Total market value, ¥3 tn at the beginning of fiscal 2023, to be doubled**

Copyright © 2025 Dai-ichi Life Holdings, Inc.

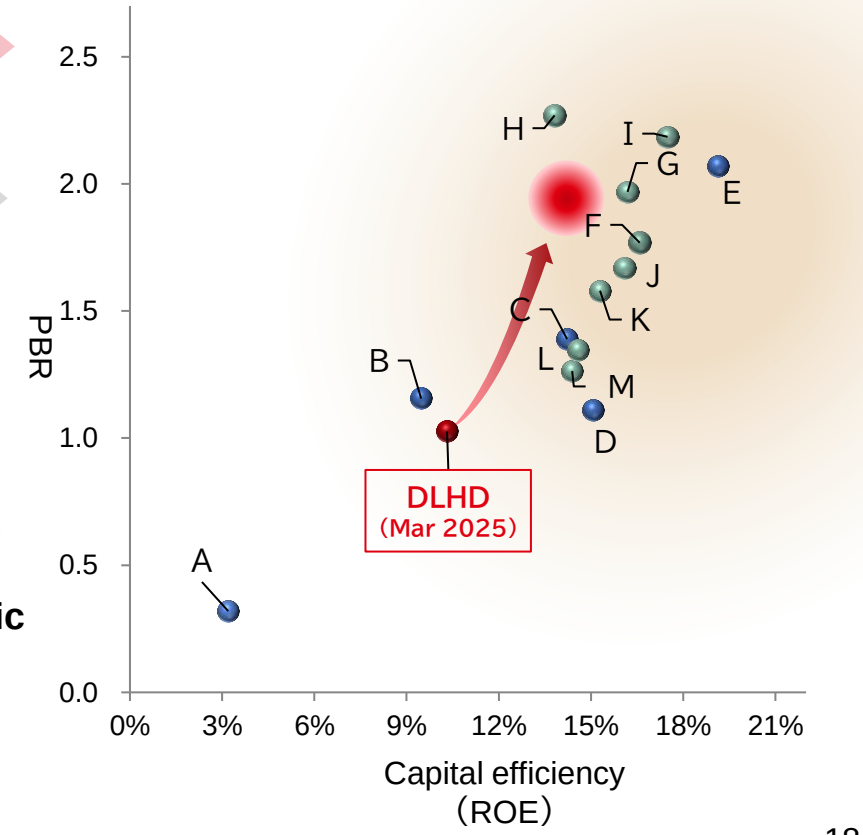
Expansion of group adjusted profit and improvement of capital efficiency

- **The increase in Group adj. profit pushed the adjusted ROE above the 10 % target. Meanwhile, the rise in domestic interest rates offset the benefits of our risk-reduction efforts, causing the cost of capital to level off. We will therefore continue to reduce risk, mainly by selling equities.**
- **Recognizing the gap between our current position and global top-tier competitors, we intend to secure capital-efficiency targets at an earlier stage. Accordingly, we decided to raise the 2026 targets for both Group adj. profit and adj. ROE, and we will consider to lift the profit target for FY 2030.**

	FY2024	～FY2026	～FY2030
Adj. ROE	10.7%	ca.10% ⇒ over **12%**	ca.10% ⇒ over **14%**
Cost of Capital	ca.9%	8%	Maintain a stable rate of 8% or less



Relationship b/w capital efficiency and PBR (1)



(1) Measured based on the Bloomberg consensus as of the end of March 2025

Copyright © 2025 Dai-ichi Life Holdings, Inc.

KPI Targets

Dai-ichi Life Holdings

- **Regarding the targets of the MTP, we have made updates - taking into account the progress of each business strategy and the current economic environment - in order to close the "gap" toward achieving the ¥6 trillion market capitalization we aim for in 2026.**

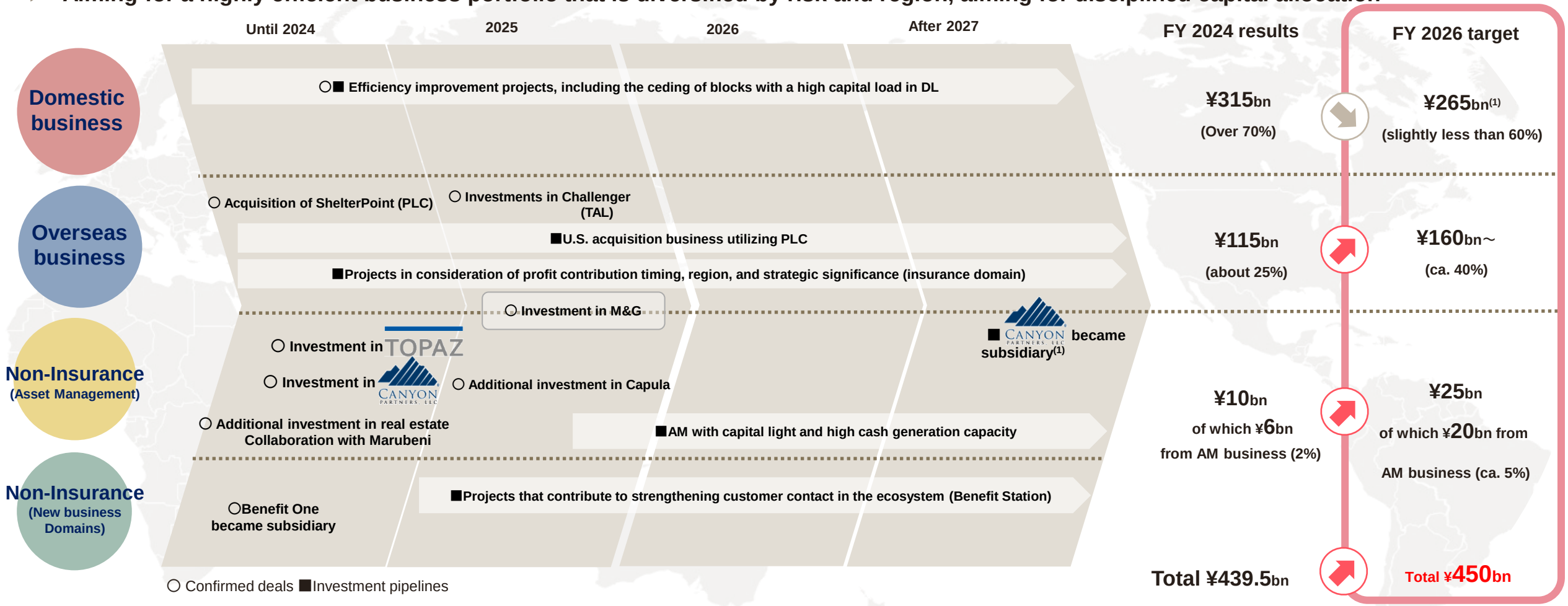
		KPIs	FY2024 Result	MTP Target (FY2026)	Targeted level by around FY2030
Financial Indicators	Economic Indicators	RoEV	-	ca. 8% in the medium-to long term	
		VNB	¥172.4bn	FY2025: ¥190bn *Expecting to exceed the level	—
	Accounting Profits	Adjusted ROE	10.7%	10% → Over 12%	Stably exceeds ca. 10% → Over 14%
		Adjusted Profit	¥439.5bn	¥400bn → ¥450bn～	¥600bn → Consider raising
	Cost of Capital	Cost of Capital	9%	8%	Maintain a stable rate of 8% or less
	Market Valuation	Relative TSR (vs 14 peers)	#5	Relative advantage	
	Financial Soundness	Economic Solvency Ratio(1)	210%	170% - 200%	
Non-Financial Indicators	Customers	Number of Customers	Domestic ca.34.55m ppl Overseas ca.41.00m ppl(2)	Domestic ca.37.50m ppl(1) Overseas ca.45.00m ppl	—
	External Evaluation	ESG Composite Indices	DJSI(3) Asia Pacific Index MSCI(4) AA	Industry-leading evaluation scores in Japan	

(1) With the addition of Benefit One as a subsidiary, the company's target and actual figures were added as the number of domestic customers. (2) As of the end of March 2025 (3) Dow Jones Sustainability Indices (4) MSCI ESG Rating

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Pipeline of capital strategy projects

- **Achieving both speed of revenue contribution and business growth through carefully selected growth investments in insurance and surrounding areas with expertise**
- **Aiming for a highly efficient business portfolio that is diversified by risk and region, aiming for disciplined capital allocation**



(1) Includes amortization and related costs at HD (2) An option to acquire a 51% controlling interest remains unexercised as of the end of May 2025.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Investment in M&G

- We have decided to invest in M&G plc, a leading U.K. player in the European asset management and life insurance markets (investment amount: ca. GBP850mn (ca. ¥160bn))
- Through this transaction, we will be able to secure higher IRR compared to internal hurdle rate targets (return outperforming our own share buybacks), based on M&G's stable earnings generated from its highly cash-generative closed-book life insurance business, which result in earlier recovery of our investment

Deal Overview and Financial Impact on Group

Investment Target	M&G plc
Estimated Investment Amount(1)	ca. GBP850mn (ca. ¥160bn) (full amount to be covered by cash on hand)
Method of acquisition	Acquisition via on-market purchase, etc.
Equity Stake	ca. 15.0%(2) (expected to qualify for the equity-method)
Contribution to HD Cash	**Projected to add roughly ¥16bn per annum**
Impact on ESR	ca. 3-7% decrease

M&G Key Financials

Market Capitalization(1) (LSE-listed)	ca. GBP5.3bn
Dividend Yield(1)	ca. 9.0%

Transaction Rationale

① Cash-flow generation

Investment is expected to be recovered in

ca. **10** yrs(3)

With high dividend yields

② Financial stability and high growth potential

Stable and highly-predictable revenues
from closed life insurance books

+

Growth potential
from Asset Management and BPA (bulk purchase annuity) business

(1) Calculated based on the stock price and exchange rate as of May 28, 2025.
(2) On-market purchase of 10% or less shares initially, followed by another on-market purchase of the remaining ca. 5% upon approval from relevant authorities
(3) estimation as of May 28, 2025

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Investment in M&G – Strategic Rationale

- Through the investment in M&G, we will acquire a certain scale of business platform in Europe and evolve into a more global business portfolio
- Expect to generate high synergy mainly in the asset management business through collaboration with M&G, which has a strong brand and well-established European client base

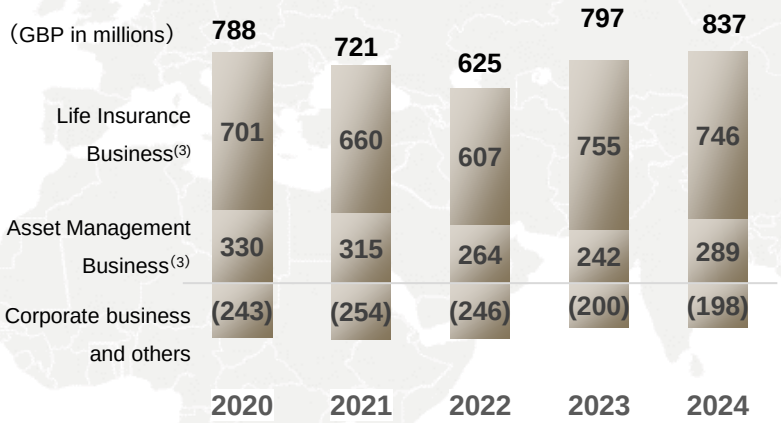
M&G × Dai-ichi Life Holdings

Expanding capital-light business	■ While majority of its earnings is currently from the life insurance business, M&G is shifting toward a more capital-light business model through growth in its asset management business especially in private assets, which aligns with our group's strategy
Leveraging alternative asset management platform	■ Leveraging alternative asset management capabilities of M&G in our group's insurance product development - Alternative AUM in M&G :GBP74bn
Expanding into product distribution network in Europe	■ Creating synergies through product offerings that leverage M&G's well-established customer base in Europe (retail and institutional investors) and the investment capabilities of our group's asset management companies such as Canyon Partners and Capula

Copyright © 2025 Dai-ichi Life Holdings, Inc.

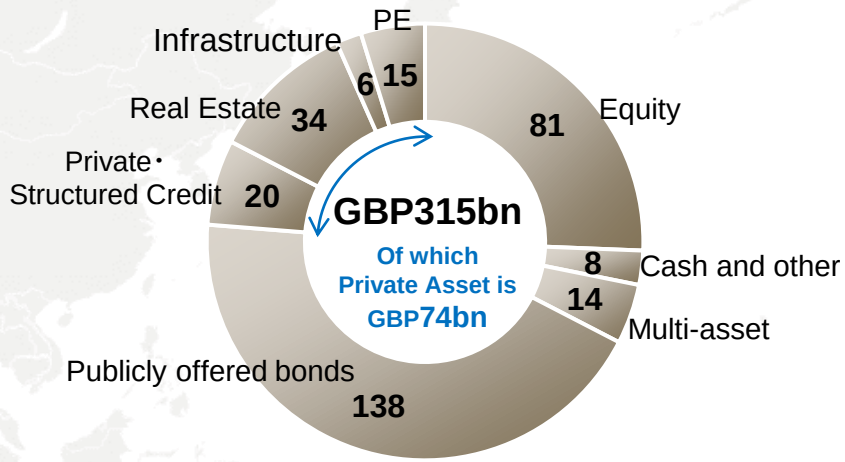
(Ref.)Overview of M&G (1)

Adjusted Operating Profit(2)



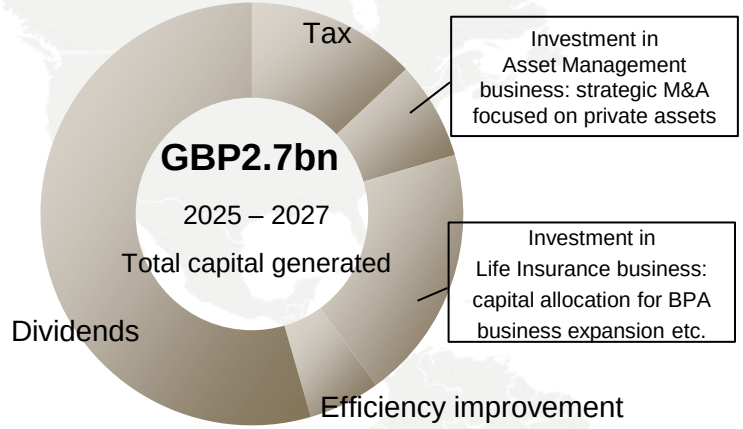
Stable earnings from its closed-book

AUM in Asset Management Business



Ca. 25% is in growth-oriented private assets

Shareholder Return Policy



High shareholder payouts through dividends

(1)Created based on public sources (2) Fiscal years 2020–2021 are based on IFRS4, while fiscal years 2022–2024 are based on IFRS17. This indicator is adjusted from IFRS profit to exclude short-term fair value fluctuations and other factors.
(3) Reporting segments were reclassified to Life & AM in 2023, covering results from 2022-2024. Life Adjusted Operating Profit for 2020-2021 refers to the previous classification of “Retail and Savings”.

Copyright © 2025 Dai-ichi Life Holdings, Inc.

(Ref.) Investment in Challenger Limited through our Australian subsidiary, TAL

- TAL, our subsidiary in Australia, will acquire 15.1% of the issued shares of Challenger Limited (“Challenger”) from MS&AD Insurance Group Holdings, Inc.
- Challenger is a leading company in the Australian individual annuity market. By investing in Challenger, we expect to benefit from the growth potential of the retirement market. (Assuming equity-method accounting, the investment is expected to contribute roughly ¥6–8 bn to annual earnings)

Details

Investment Target	Challenger Limited （An Australian financial group with life insurance and asset management businesses under its umbrella）
Listing Market	Australian Securities Exchange (ASX)
Investment Amount	JPY 80.0bn （Full amount will be covered by TAL's available funds.）
Investment Ratio	15.1%（The equity method is expected to be applied after receiving regulatory approval.）
Estimated Closing Date	Scheduled for the second half of FY2025(1)
Impact on Group ESR	Limited impact expected

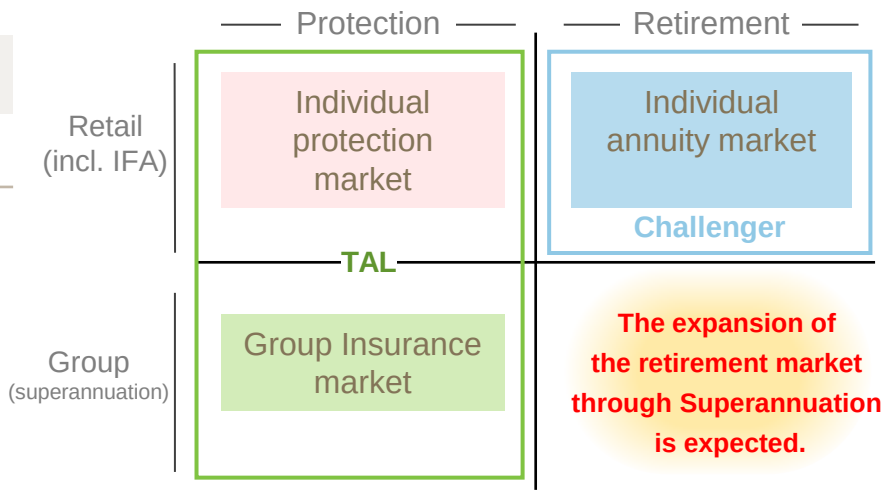
Profile of Challenger

Net Assets	AU$ 3,848m(2)
Number of Employees	566(2)
Adjusted Profit (After Tax)	AU$ 417m (FY2024)
AUM	AU$ 127bn (FY2024)

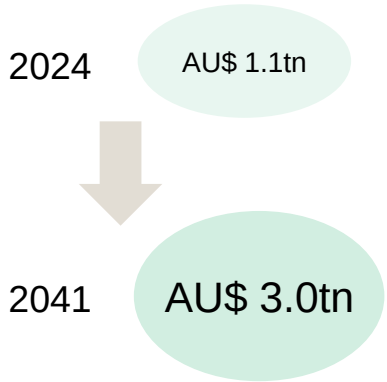
Key Aspects of the Australian Retirement Market

- ✓ Australia has one of the world's leading retirement annuity markets, ranking 4th globally.(3)
- ✓ The asset size of participants aged 65 and over has recently exceeded AU$ 1.1tn (ca. JPY 110tn)
- ✓ The population aged 65 and over is expected to continue increasing, along with their assets, reaching over AU$ 3tn by 2041.

【Life insurance market in AUS】



【Outlook for the retirement market in AUS】



(1) Subject to approval and authorization from relevant authorities (2) As of the end of Dec 2024 (3) Ranking of pension market asset size

Copyright © 2025 Dai-ichi Life Holdings, Inc.

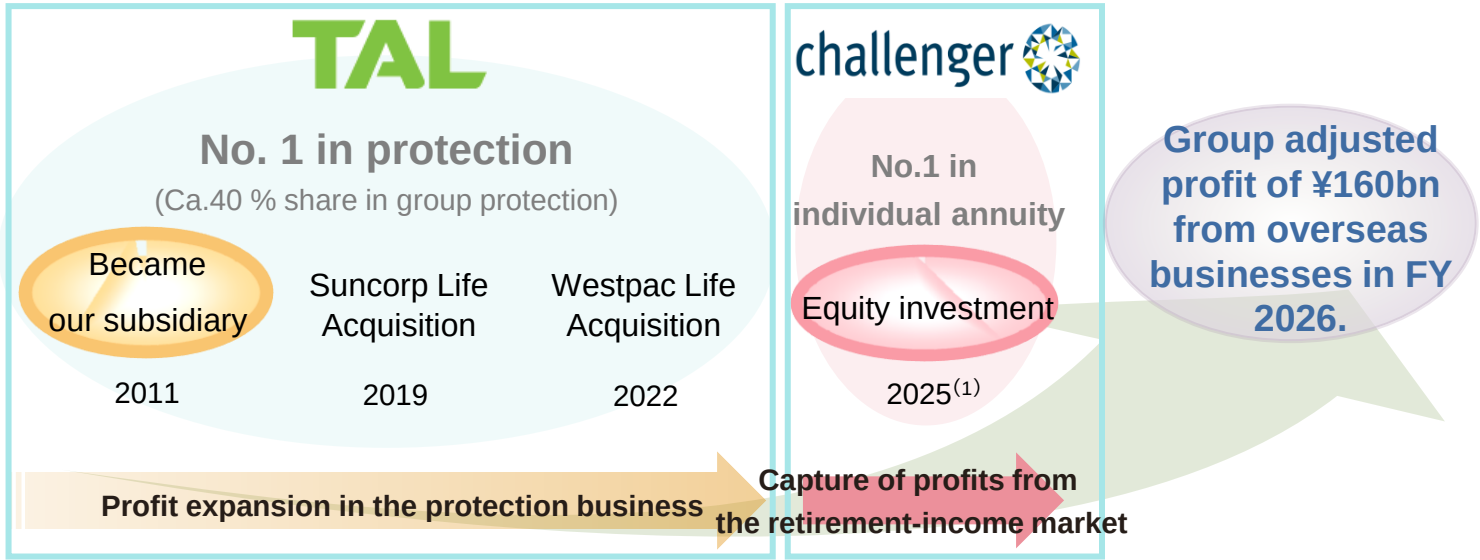
(Ref.) Investment in Challenger Limited through our Australian subsidiary, TAL
Strategic Significance

- By entering the retirement-income business—expected to grow as the population ages—TAL can capitalize on its strong competitive position in group insurance while capturing new earnings opportunities in this market.
- Sharing TAL's strong relationships with pension funds and its administrative expertise with Challenger's capabilities in product development, ALM, and asset management will enable both companies to respond quickly to the anticipated market expansion.

TAL's Growth Trajectory

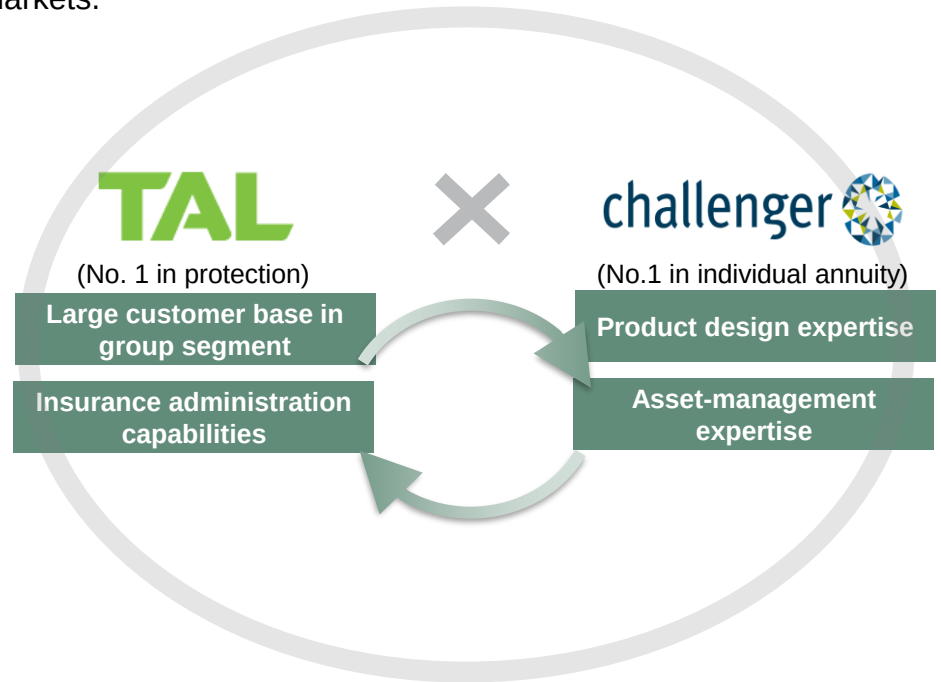
✓ Since joining our Group, TAL has solidified its No. 1 share in Australia's protection market through:
- Offering group insurance within superannuation funds, and
- Two major acquisitions—Suncorp Life and Westpac Life.

✓ To drive the next stage of domestic growth, TAL aims to capture profits from the promising retirement-income market.



Strategic Significance for TAL

✓ By drawing on each other's strengths, the two companies will seek to collaborate on complementary propositions that will result in the growth of both companies in Australia's insurance and retirement markets.



(1) Assume to receive regulatory approval

Copyright © 2025 Dai-ichi Life Holdings, Inc.

(Ref.) Additional Investment in U.K.-based Capula

- We have decided to make an additional investment of about 10.3% in Capula Investment Management LLP and Capula Management Limited (together, “Capula”), a leading U.K.-based alternative asset manager with strengths in global bond investing and derivative-based hedging strategies. (Dai-ichi Life already holds roughly 4.7%.)
- Since Dai-ichi Life’s initial investment in 2014, we have deepened our mutual understanding through fund investments and personnel exchanges. This new stake will foster closer collaboration in product development that leverages Capula’s world-class expertise in hedging strategies, while also positioning us to capture growth in the expanding alternative-assets market.

Deal Overview

Investment Target	Capula Investment Management LLP and Capula Management Limited (a leading U.K. alternative asset manager)
Investment Amount	Undisclosed
Equity Stake	15 %[1] (expected to qualify for the equity-method)
Expected Closing Date	May 2025 (planned)
Contribution to Group Adjusted Profit	Projected to add roughly ¥5 bn in profit per year from the next fiscal year onward[2]
Impact on ESR	Limited

Capula – Company Profile

AUM	$ 31.8bn(3)
Number of employee	408(3)

Capula’s Performance in the Alternative Asset Market

Since its launch in 2005, Capula’s flagship fund (GRV) has never had a negative calendar-year return. Even in a low-interest-rate environment, it has generated an average annual return of 8.28 % (about 4.8 × on a multiple-of-invested-capital basis).

■ Product Performance (Annualized Net Returns as of end-Dec 2024)

	1-year	3-year	5-year	Since Inception
Global Relative Value (GRV)	6.35%	9.19%	6.99%	8.28%
Multi Strategy (MSF)	5.80%	10.28%	-	10.28%

* nothing in this presentation is an offer or invitation to invest in any Capula investment product or service. Any such offer would be made only through the formal offering documents, and only where permitted by applicable law. Data relating to Capula and its funds has not been reviewed or approved by Capula.

Potential Ways Our Group Can Leverage Capula

CAPULA™

Diversifying business risk(low correlation with traditional assets and credit risk)

Collaboration that takes advantage of Capula’s strong affinity with quantitative investing(e.g., joint product development)

一生涯のパートナー 第一生命 Dai-ichi Life Group

Vertex Investment Solutions

(1) Including Dai-ichi Life’s existing stake (2) Based on a 15 % ownership interest (3) As of end-Dec 2024

* Capula is a trademark of Capula Management Limited. All rights reserved. Copyright © 2025 Dai-ichi Life Holdings, Inc.

(Ref.)Initiatives to Enhance Capital Efficiency (Utilizing Reinsurance at PLC and Divesting the Thailand business)

- PLC executed a strategic reinsurance transaction, ceding ca. $9.7bn in policy reserves of in-force blocks acquired both via its historical retail distribution as well as prior insurance block acquisitions. This transaction represents an opportunity for PLC to improve profitability, financial soundness, and capital efficiency.
- We are optimizing our overseas business portfolio to enhance capital efficiency, and—as part of this effort—we have decided to sell our Thai operation (Ocean Life), whose strategic priority has diminished due to factors such as slowing market growth.

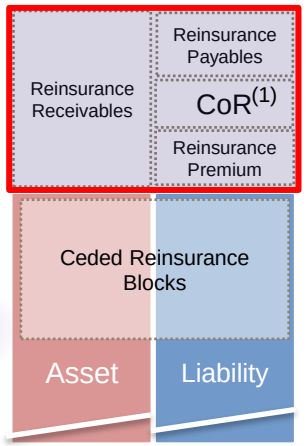
Overview of Reinsurance Transaction by PLC (Released on Mar 7, 2025)

Ceding Blocks	Universal Life Insurance with No-Lapse Guarantee (SGUL), Structured Settlement Annuities (SS). (Equivalent to $9.7bn on a statutory reserves basis)
Reinsurance Arrangement	Modified Co-Insurance Reinsurance（Modco） and Coinsurance Funds Withheld
Transaction Completion Date	Expected by October 2025
Contribution to Group Adj. Profit	Improvement of $30-40m in the medium to long term
Impact on Group ESR	Ca. 2% improvement

Protective

- Improve profits and ROE
- Free up capital for growth investments
- Reduce exposure to market risk

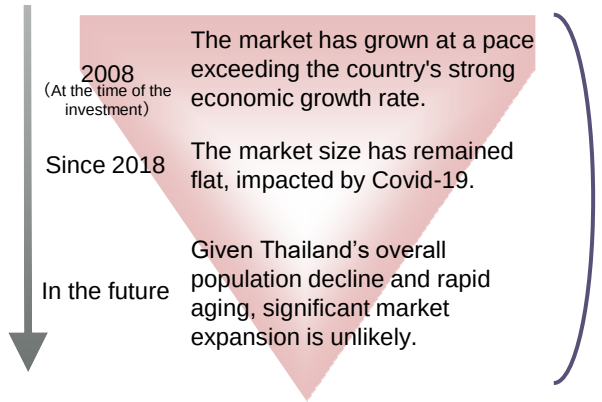
A strategic reinsurance transaction was executed to enhance capital efficiency and lower market risk. The deal covered an in-force policy block—mainly Structured Settlement Annuities (SS) and SGUL - with total reserves of USD 9.7 bn.



Divestiture of Thai Business (Ocean Life）(Released on May 13, 2025)

Company to be Divested	Ocean Life Insurance Public Company Limited
Capital Stock	2,598 million THB
Our Group's Ownership Ratio	24.0% (As of Dec 31, 2024)
Purchaser	Founder’s family of OLI
Others	Expected to recognize extraordinary income in FY2025 (Exclude from adjusted profit)

Changes in the Life Insurance Market in Thailand



Relative priority of efforts has decreased compared to other regions.

Implemented a restructuring of the business portfolio to optimize capital efficiency.

(1) Cost of Reinsurance

Additional amounts to be recognized from this Transaction

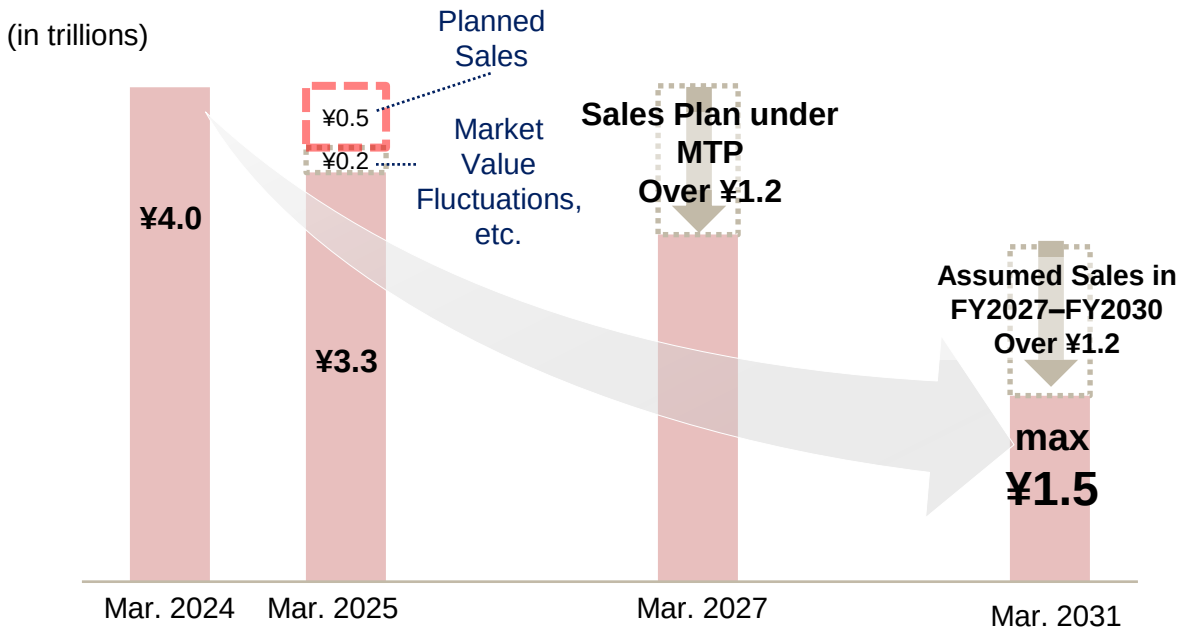
Copyright © 2025 Dai-ichi Life Holdings, Inc.

DL's Domestic Equity Risk Reduction Progress

- Sale of domestic equities for risk reduction is progressing ahead of 2024 original plan (ca. +30% vs. plan) in FY2024.
- Reflecting the revision of Guidelines for the Disclosure of Corporate Affairs, we have clarified our group's policy regarding investments in domestic equities and will disclose it.

Market Value Transition & Outlook of DL's Domestic Equities

- ✓ Based on the risk reduction plan, ca. ¥485bn of domestic equities were sold in FY2024 (progress of +30% against the annual plan).
- ✓ Due to a TOB by an issuing company, the reduction of risk progressed beyond plan, and coupled with the decline in domestic equity prices, the market value as of the end of Mar. 2025 stood at ¥3.3tn, resulting in a decrease in risk amount of ca. ¥200.0bn from the beginning of MTP.



Domestic Equity Management in the Group

"Guidelines for the Disclosure of Corporate Affairs" (revised on Jan. 31, 2025) (excerpt)

"Pure investment purpose" means that the objective is solely to benefit from the change in value of the stock or from dividends related to the stock. It should be noted that **stocks for which circumstances exist that hinder the sale by the filing company in relation to the issuer** — for example, when the issuer of the stock holds shares in the filing company or when the consent of the issuer is required for the sale — **are not considered as being held for pure investment purposes.**

Dai-ichi Life Group's stance on domestic equity investment

- Stockholdings at life insurance subsidiaries are, in principle, held for pure investment purposes as part of long-term asset management corresponding to policy reserves.
- In managing domestic equities, based on ALM operation and using major indices such as TOPIX as benchmarks, we aim to earn excess returns against the benchmark and conduct purchases and sales of stocks for pure investment purposes.
- In buying and selling domestic equities, our Group complies with the above guidelines and makes independent buy/sell decisions based on economic rationality by the division responsible for investment execution to enhance corporate value.

【(Ref.) DL's Stance on Domestic Equity Investment】

- ✓ Stockholdings are for "pure investment purposes" as general account management in life insurance.
- ✓ We aim to earn excess returns relative to major indices such as TOPIX.
- ✓ Sale plans are formulated and disclosed with the aim of ALM policy and capital cost reduction.
- ✓ Transactions are conducted at all times in accordance with investment policy and changes in market environment.
- ✓ We comply with the "Guidelines for the Disclosure of Corporate Affairs" by the Financial Services Agency.

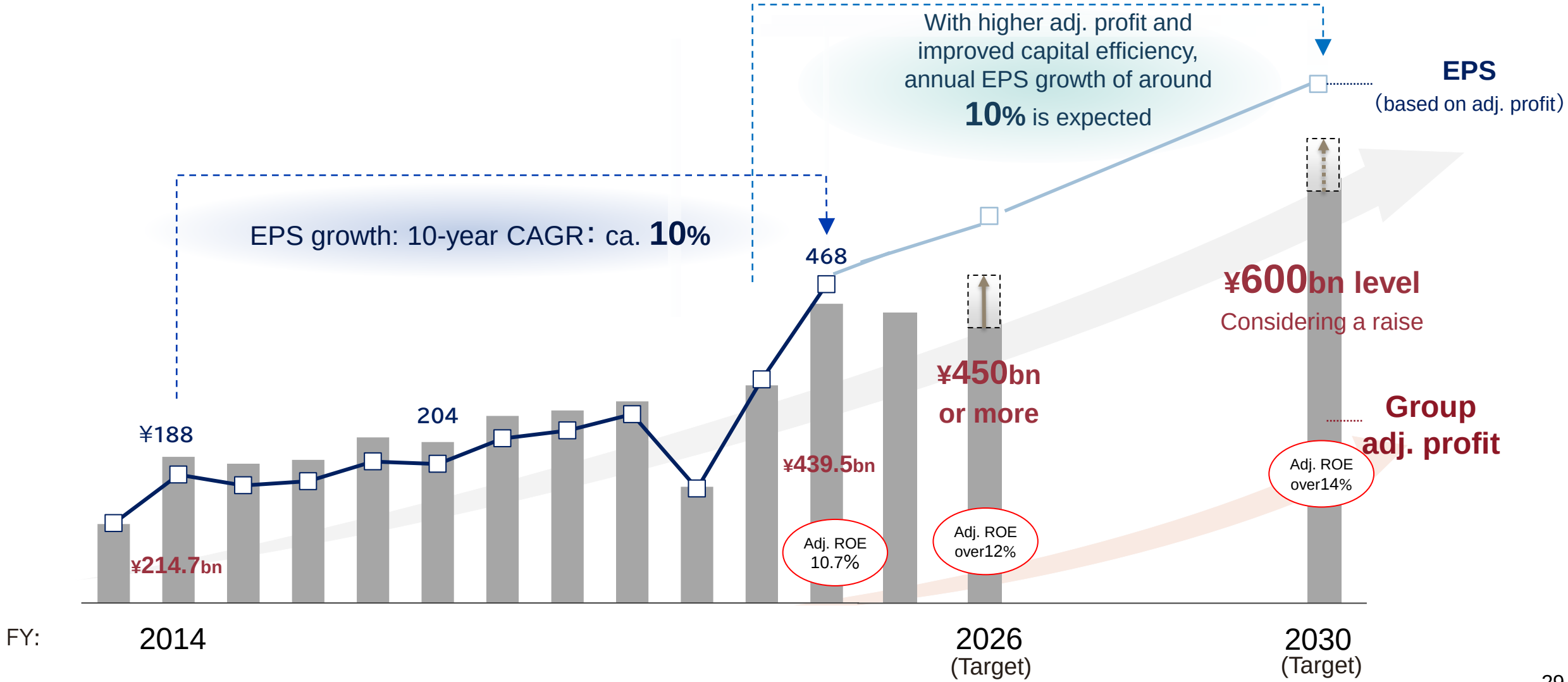
NEW

Thorough information control and other related practices

Copyright © 2025 Dai-ichi Life Holdings, Inc.

Vision for 2026: updates on profit target

- **In light of changes in the economic and business environment, we have raised our profit and capital efficiency target to support our goal of achieving a corporate value (market cap of ¥6 trillion) by FY2026.**



Copyright © 2025 Dai-ichi Life Holdings, Inc.

Group Company Name Abbreviation

Domestic Insurance Business	
DL	Dai-ichi Life
DFL	Dai-ichi Frontier Life
NFL	Neo First Life
ipet	ipet Insurance

Overseas Insurance Business	
PLC	Protective Life Corporation
TAL	TAL Dai-ichi Life Australia
PNZ	Partners Group Holdings
DLVN	Dai-ichi Life Insurance Company of Vietnam
DLKH	Dai-ichi Life Insurance (Cambodia)
DLMM	Dai-ichi Life Insurance Myanmar
SUD	Star Union Dai-ichi Life Insurance Company
PDL	PT Panin Dai-ichi Life
OLI	OCEAN LIFE INSURANCE PUBLIC COMPANY

Non-Insurance Business (Asset Management Business, New Fields of Business)	
BO	Benefit One
AMOne	Asset Management One
VTX	Vertex Investment Solutions

Others	
DLRe	Dai-ichi Life Reinsurance Bermuda

Investor Contact

Dai-ichi Life Holdings, Inc.
Investor Relations Group
Corporate Planning Unit

Disclaimer

The information in this presentation is subject to change without prior notice. Neither this presentation nor any of its contents may be disclosed or used by any other party for any other purpose without the prior written consent of Dai-ichi Life Holdings, Inc. (the “Company”).

Statements contained herein that relate to the future operating performance of the Company are forward-looking statements. Forward-looking statements may include – but are not limited to – words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “forecast,” “predict,” “possibility” and similar words that describe future operating activities, business performance, events or conditions. Forward-looking statements are based on judgments made by the Company’s management based on information that is currently available to it and are subject to significant assumptions. As such, these forward-looking statements are subject to various risks and uncertainties and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, you are cautioned not to place undue reliance on forward-looking statements. The Company disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings.

Copyright © 2025 Dai-ichi Life Holdings, Inc.