

(Unofficial Translation)
Consolidated Summary Report under Japanese GAAP
for the Fiscal Year Ended March 31, 2023

May 15, 2023

Company Name: Dai-ichi Life Holdings, Inc. Stock exchange listings: Tokyo
Code Number: 8750 URL: <https://www.dai-ichi-life-hd.com/>
Representative: Tetsuya Kikuta, President, Representative Director
For inquiry: Yoichi Sawada, General Manager, Investor Relations Group, Corporate Planning Unit
TEL: (050)3780-6930

General meeting of shareholders: June 26, 2023 Dividend payment date: June 27, 2023

Securities report issue date: June 27, 2023

Supplementary information for financial statements: Available

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

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

1. Consolidated Financial Data for the Fiscal Year Ended March 31, 2023

(1) Consolidated results of operations

(% represents the change from the previous fiscal year)

Fiscal Year Ended	Ordinary Revenues		Ordinary Profit		Net Income attributable to shareholders of Parent Company	
	Unit: million yen	%	Unit: million yen	%	Unit: million yen	%
March 31, 2023	9,519,445	16.0	410,900	(30.5)	192,301	(53.0)
March 31, 2022	8,209,708	4.9	590,897	6.9	409,353	12.5

Note. Comprehensive income (loss) for the fiscal years ended March 31, 2023 and 2022 were (1,330,832) million yen and (130,395) million yen, respectively.

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share	Ratio of Net Income to Shareholders' Equity	Ratio of Ordinary Profits to Total Assets	Ratio of Ordinary Profits to Ordinary Revenues
	yen	yen	%	%	%
March 31, 2023	189.28	189.21	5.3	0.6	4.3
March 31, 2022	383.15	382.96	8.9	0.9	7.2

(Reference) Income (loss) from investment in affiliates (Equity method) March 31, 2023: 6,184 million yen March 31, 2022: 5,529 million yen

(2) Consolidated financial condition

As of	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's shareholders to Total Assets	Total Net Assets per Share
	Unit: million yen	Unit: million yen	%	yen
March 31, 2023	61,578,872	2,873,114	4.7	2,921.75
March 31, 2022	65,881,161	4,408,507	6.7	4,302.56

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2023 and 2022 were 2,872,629 million yen and 4,407,812 million yen, respectively.

(3) Consolidated cash flows

Fiscal Year Ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Unit: million yen	Unit: million yen	Unit: million yen	Unit: million yen
March 31, 2023	(132,468)	310,437	(325,447)	2,517,285
March 31, 2022	(462,076)	963,276	(180,707)	2,616,743

2. Dividends on Common Stock

Fiscal Year Ended	Dividends per share					Total Dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual			
	yen	yen	yen	yen	yen	million yen	%	%
March 31, 2022	-	0.00	-	83.00	83.00	85,030	21.7	1.9
March 31, 2023	-	0.00	-	86.00	86.00	84,554	45.4	2.4
March 31, 2024 (Forecast)	-	0.00	-	86.00	86.00		31.0	

Note. "Total dividends (Annual)" in the above table excludes dividends of 323 million yen for the fiscal year ended March 31, 2022 and dividends of 332 million yen for the fiscal year ended March 31, 2023 to shares held by the Stock Granting Trust (J-ESOP trust).

3. Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2024

(% 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
	Unit: million yen	%	Unit: million yen	%	Unit: million yen	%	yen
March 31, 2024	8,353,000	(12.3)	465,000	13.2	273,000	42.0	277.67

4. Notes

(1) Changes in significant subsidiaries during the fiscal year (changes in specified subsidiaries accompanying changes in scope of consolidation) : Yes

Newly added to the scope of consolidation: TAL Life Insurance Services Limited, Partners Group Holdings Limited, Partners Life Limited

Newly excluded from the scope of the consolidation: TAL Dai-ichi Life Group Pty Ltd, Asteron Life & Superannuation Limited

Note. TAL Life Insurance Services Limited changed its name from Westpac Life Insurance Services Limited.

(2) 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 (Changes in Accounting Policies), (5) Notes to the Consolidated Financial Statements, under [3. Unaudited Consolidated Financial Statements] of the Appendix.

(3) Number of shares outstanding (common stock)

	<u>As of March 31, 2023</u>	<u>As of March 31, 2022</u>
(A) Total shares outstanding including treasury stock:	989,888,900	1,031,348,700
(B) Shares of treasury stock held:	6,699,946	6,886,547
	<u>Year ended March 31, 2023</u>	<u>Year ended March 31, 2022</u>
(C) Average outstanding shares:	1,015,963,828	1,068,380,895

Note.

- For the number of shares used as the basis for the calculation of consolidated net income per share, please refer to (Per-share information), (5) Notes to the Consolidated Financial Statements, under [3. Unaudited Consolidated Financial Statements] of the Appendix.
- The number of treasury stocks includes the shares of the Company (3,862,100 shares as of March 31, 2023 and 3,899,900 shares as of March 31, 2022) held by the Stock Granting Trust (J-ESOP trust).

(Reference) Non-consolidated Financial Data**1. Non-consolidated Financial Data for the Fiscal Year Ended March 31, 2023**

(1) Non-consolidated results of operations

(% represents the change from the previous fiscal year)

Fiscal Year Ended	Sales Revenues		Operating Profit	
	Unit: million yen	%	Unit: million yen	%
March 31, 2023	269,261	31.0	254,326	32.0
March 31, 2022	205,479	7.9	192,682	7.5

Fiscal Year Ended	Ordinary Profit		Net Income	
	Unit: million yen	%	Unit: million yen	%
March 31, 2023	249,258	32.1	249,633	49.3
March 31, 2022	188,635	7.2	167,237	(22.8)

Fiscal Year Ended	Net Income per Share	Diluted Net Income per Share
	yen	yen
March 31, 2023	245.71	245.62
March 31, 2022	156.53	156.46

(2) Non-consolidated financial condition

As of	Total Assets	Total Net Assets	Ratio of Net Assets Attributable to the Company's shareholders to Total Assets	Total Net Assets per Share
	Unit: million yen	Unit: million yen	%	yen
March 31, 2023	2,017,358	1,311,178	65.0	1,333.11
March 31, 2022	1,868,818	1,266,171	67.7	1,235.26

(Reference) Net assets attributable to the Company's shareholders as of March 31, 2023 and 2022 were 1,310,694 million yen and 1,265,476 million yen, respectively.

*This report is exempt from the audits 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 release.

Table of Contents of Appendix

1. Consolidated Results of Operations	2
(1) Results of Operations and Financial Condition	2
(2) Forecasts	3
2. Basic Rationale for Selection of Accounting Standards	4
3. Unaudited Consolidated Financial Statements	5
(1) Consolidated Balance Sheet	5
(2) Consolidated Statement of Earnings and Comprehensive Income	7
Consolidated Statement of Earnings	7
Consolidated Statement of Comprehensive Income	9
(3) Consolidated Statement of Changes in Net Assets	10
(4) Consolidated Statement of Cash Flows	12
(5) Notes to the Consolidated Financial Statements	14
(Notes on Going-Concern Assumptions)	14
(Changes in Accounting Policies)	14
(Segment Information and Others)	14
(Per-share Information)	17
(Subsequent Events)	18

The Company plans to hold a conference call for institutional investors and analysts regarding its financial results for the fiscal year ended March 31, 2023 on May 15, 2023. The material for the conference call will be posted on TDnet and the Company's website.

1. Consolidated Results of Operations

(1) Results of Operations and Financial Condition

(i) Results of Operations for the Fiscal Year Ended March 31, 2023

- Ordinary revenues of Dai-ichi Life Holdings, Inc. (hereinafter the “Company” or the “Parent Company”) and its consolidated subsidiaries (collectively, the “Group”) for the fiscal year ended March 31, 2023 increased by 1,309.7 billion yen, or 16.0%, to 9,519.4 billion yen, consisting of (1) 6,635.4 billion yen (25.4% increase) of premium and other income, (2) 2,280.8 billion yen (10.6% decrease) of investment income, and (3) 603.1 billion yen (64.5% increase) of other ordinary revenues, compared to the prior fiscal year. Premium and other income increased due mainly to an increase in sales at The Dai-ichi Frontier Life Insurance Co., Ltd.
- Meanwhile, the Group’s ordinary expenses for the fiscal year ended March 31, 2023 increased by 19.6%, to 9,108.5 billion yen, consisting of (1) 6,443.9 billion yen (10.0% increase) of benefits and claims, (2) 98.5 billion yen (68.9% decrease) of provision for policy reserves and others, (3) 1,146.2 billion yen (200.8% increase) of investment expenses, (4) 831.3 billion yen (10.5% increase) of operating expenses, and (5) 588.3 billion yen (88.0% increase) of other ordinary expenses, compared to the prior fiscal year.
- Consequently, the Group’s ordinary profit for the fiscal year ended March 31, 2023, compared to the prior fiscal year, decreased by 179.9 billion yen or 30.5%, to 410.9 billion yen. Its net income attributable to shareholders of parent company for the fiscal year, which is ordinary profit after extraordinary gains and losses, provision for reserve for policyholder dividends, and total of corporate income taxes, decreased by 53.0%, to 192.3 billion yen.
- Net income attributable to shareholders of parent company for the fiscal year decreased compared to the prior fiscal year. The decrease was due mainly to the decrease in gains from reversal of policy reserves resulting from MVA at The Dai-ichi Frontier Life Insurance Co., Ltd.

(ii) Financial Condition as of March 31, 2023

(a) Condition of assets, liabilities, and net assets

- The Group’s total assets as of March 31, 2023, compared to March 31, 2022, decreased by 6.5%, to 61,578.8 billion yen, mainly consisting of 46,711.7 billion yen (9.3% decrease) of securities, 4,349.8 billion yen (9.3% increase) of loans and 1,239.9 billion yen (6.9% increase) of tangible fixed assets.
- The Group’s total liabilities as of March 31, 2023 decreased by 4.5% to 58,705.7 billion yen, mainly consisting of 53,946.3 billion yen (2.3% increase) of policy reserves and others, compared to March 31, 2022.
- The Group’s total net assets as of March 31, 2023 decreased by 34.8% to 2,873.1 billion yen. Net unrealized gains on securities, net of tax, as of March 31, 2023, which are included in the Group’s total net assets, decreased by 69.0% to 742.7 billion yen.

(b) Cash flows

- Cash Flows from Operating Activities

The Company's net cash flows used in operating activities for the fiscal year ended March 31, 2023 decreased by 329.6 billion yen to 132.4 billion yen, compared to the prior fiscal year.

- Cash Flows from Investing Activities

The Company's net cash flows provided by investing activities for the fiscal year ended March 31, 2023 decreased by 652.8 billion yen to 310.4 billion yen, compared to the prior fiscal year.

- Cash Flows from Financing Activities

The Company's net cash flows used by financing activities for the fiscal year ended March 31, 2023 increased by 144.7 billion yen to 325.4 billion yen, compared to the prior fiscal year.

- Cash and Cash Equivalents at the End of the Year

As a result, the Company's cash and cash equivalents as of March 31, 2023 decreased by 99.4 billion yen to 2,517.2 billion yen from 2,616.7 billion yen at the end of the prior fiscal year.

(2) Forecasts

- The Company forecasts its consolidated ordinary revenues to decrease compared to the previous fiscal year to 8,353.0 billion yen, mainly due to the decrease in investment income. The Company also forecasts ordinary profit to increase to 465.0 billion yen and net income attributable to shareholders of parent company to increase to 273.0 billion yen both mainly due to the recovery of profit at The Dai-ichi Frontier Life Insurance Co., Ltd. and Protective Life Corporation and the decrease in the benefit payment for COVID-19 infections at The Dai-ichi Life Insurance Company, Limited.
- The above forecasts are based on the Company's current expectations, taking into account factors such as the information currently available and past experience, and assuming that interest rates, forward exchange rates and stock prices do not substantially vary from those as of March 31, 2023. Therefore, actual results may substantially differ from the forecasts.

2. Basic Rationale for Selection of Accounting Standards

The Group is evaluating International Financial Reporting Standards (IFRS), assuming that the Group will adopt IFRS in the future.

Regarding the accounting standards for insurance contracts (IFRS 17), taking into account the potential effect on the method of creating financial statements, we are continuously examining their progress.

3. Unaudited Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: million yen)

	As of March 31, 2022	As of March 31, 2023
ASSETS		
Cash and deposits	2,183,874	1,619,087
Call loans	479,900	966,900
Monetary claims bought	255,902	246,105
Money held in trust	1,106,918	911,246
Securities	51,504,749	46,711,704
Loans	3,978,577	4,349,867
Tangible fixed assets	1,159,741	1,239,953
Land	808,368	883,225
Buildings	332,376	330,802
Leased assets	4,499	3,580
Construction in progress	551	6,352
Other tangible fixed assets	13,944	15,992
Intangible fixed assets	502,795	761,682
Software	124,331	129,394
Goodwill	56,245	119,545
Other intangible fixed assets	322,218	512,742
Reinsurance receivable	1,924,898	1,659,438
Other assets	2,748,965	2,834,798
Deferred tax assets	9,378	247,891
Customers' liabilities for acceptances and guarantees	45,745	48,987
Reserve for possible loan losses	(19,505)	(17,863)
Reserve for possible investment losses	(779)	(927)
Total assets	65,881,161	61,578,872

(Unit: million yen)

	As of March 31, 2022	As of March 31, 2023
LIABILITIES		
Policy reserves and others	52,745,988	53,946,359
Reserves for outstanding claims	925,110	1,016,857
Policy reserves	51,407,655	52,506,098
Reserve for policyholder dividends	413,222	423,403
Reinsurance payable	895,123	597,703
Short-term bonds payable	-	43,062
Bonds payable	870,383	906,612
Other liabilities	5,906,787	2,373,148
Payables under repurchase agreements	3,115,017	432,210
Other liabilities	2,791,770	1,940,937
Net defined benefit liabilities	392,522	367,808
Reserve for retirement benefits of directors, executive officers and corporate auditors	929	794
Reserve for possible reimbursement of prescribed claims	800	800
Reserves under the special laws	287,358	305,588
Reserve for price fluctuations	287,358	305,588
Deferred tax liabilities	256,364	44,694
Deferred tax liabilities for land revaluation	70,652	70,197
Acceptances and guarantees	45,745	48,987
Total liabilities	<u>61,472,654</u>	<u>58,705,757</u>
NET ASSETS		
Capital stock	343,926	344,074
Capital surplus	330,259	330,407
Retained earnings	1,334,834	1,309,963
Treasury stock	(12,718)	(13,918)
Total shareholders' equity	<u>1,996,301</u>	<u>1,970,526</u>
Net unrealized gains (losses) on securities, net of tax	2,397,969	742,700
Deferred hedge gains (losses)	(15,532)	(38,260)
Reserve for land revaluation	16,643	30,369
Foreign currency translation adjustments	4,232	144,515
Accumulated remeasurements of defined benefit plans	8,197	22,778
Total accumulated other comprehensive income	<u>2,411,510</u>	<u>902,102</u>
Subscription rights to shares	694	483
Non-controlling interests	-	1
Total net assets	<u>4,408,507</u>	<u>2,873,114</u>
Total liabilities and net assets	<u>65,881,161</u>	<u>61,578,872</u>

(2) Consolidated Statement of Earnings and Comprehensive Income

[Consolidated Statement of Earnings]

(Unit: million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
ORDINARY REVENUES	8,209,708	9,519,445
Premium and other income	5,291,973	6,635,483
Investment income	2,551,112	2,280,833
Interest and dividends	1,386,792	1,431,356
Gains on investments in trading securities	206,378	-
Gains on sale of securities	393,503	571,788
Gains on redemption of securities	21,230	19,182
Derivative transaction gains	-	27,103
Foreign exchange gains	453,064	227,065
Reversal of reserve for possible loan losses	11,340	100
Other investment income	2,718	4,236
Gains on investments in separate accounts	76,084	-
Other ordinary revenues	366,622	603,127
ORDINARY EXPENSES	7,618,811	9,108,545
Benefits and claims	5,855,703	6,443,986
Claims	1,397,477	1,571,782
Annuities	778,494	866,271
Benefits	653,894	862,291
Surrender values	1,363,354	1,989,215
Other refunds	1,662,483	1,154,425
Provision for policy reserves and others	316,837	98,544
Provision for reserves for outstanding claims	48,203	90,239
Provision for policy reserves	260,369	-
Provision for interest on policyholder dividends	8,264	8,305
Investment expenses	381,136	1,146,275
Interest expenses	26,704	33,000
Losses on money held in trust	1,572	2,303
Losses on investments in trading securities	-	392,938
Losses on sale of securities	234,564	516,578
Losses on valuation of securities	7,817	21,750
Losses on redemption of securities	3,545	5,934
Derivative transaction losses	40,176	-
Provision for reserve for possible investment losses	247	486
Write-down of loans	459	1,513
Depreciation of real estate for rent and others	13,458	13,682
Other investment expenses	52,590	72,725
Losses on investments in separate accounts	-	85,361
Operating expenses	752,160	831,345
Other ordinary expenses	312,973	588,392
Ordinary profit	590,897	410,900

(Unit: million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
EXTRAORDINARY GAINS	10,766	4,584
Gains on disposal of fixed assets	10,404	4,550
Other extraordinary gains	362	34
EXTRAORDINARY LOSSES	39,792	39,805
Losses on disposal of fixed assets	12,966	5,562
Impairment losses on fixed assets	3,850	15,939
Provision for reserve for price fluctuations	22,903	18,202
Other extraordinary losses	72	101
Provision for reserve for policyholder dividends	87,500	95,000
Income before income taxes	474,371	280,679
Corporate income taxes-current	136,131	41,937
Corporate income taxes-deferred	(71,113)	46,440
Total of corporate income taxes	65,018	88,377
Net income	409,353	192,301
Net income attributable to non-controlling interests	-	0
Net income attributable to shareholders of parent company	409,353	192,301

[Consolidated Statement of Comprehensive Income]

(Unit: million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Net income	409,353	192,301
Other comprehensive income		
Net unrealized gains (losses) on securities, net of tax	(653,967)	(1,649,661)
Deferred hedge gains (losses)	(11,381)	(22,034)
Reserve for land revaluation	(25)	-
Foreign currency translation adjustments	110,026	137,354
Remeasurements of defined benefit plans, net of tax	18,185	14,575
Share of other comprehensive income of subsidiaries and affiliates accounted for under the equity method	(2,586)	(3,368)
Total other comprehensive income	(539,749)	(1,523,134)
Comprehensive income	(130,395)	(1,330,832)
(Details)		
Attributable to shareholders of parent company	(130,395)	(1,330,832)
Attributable to non-controlling interests	-	0

(3) Consolidated Statement of Changes in Net Assets

Year ended March 31, 2022

(Unit: million yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)
Balance at the beginning of the year	343,732	330,065	1,375,805	(155,959)	1,893,643	3,056,350	(2,916)
Changes for the year							
Issuance of new shares	194	194			389		
Dividends			(68,833)		(68,833)		
Net income attributable to shareholders of parent company			409,353		409,353		
Purchase of treasury stock				(199,999)	(199,999)		
Disposal of treasury stock		(104)		365	261		
Cancellation of treasury stock		(342,874)		342,874	-		
Transfer from retained earnings to capital surplus		342,979	(342,979)		-		
Transfer from reserve for land revaluation			(38,695)		(38,695)		
Others			182		182		
Net changes of items other than shareholders' equity						(658,381)	(12,615)
Total changes for the year	194	194	(40,971)	143,241	102,658	(658,381)	(12,615)
Balance at the end of the year	343,926	330,259	1,334,834	(12,718)	1,996,301	2,397,969	(15,532)

(Unit: million yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	(22,026)	(108,830)	(10,012)	2,912,564	920	-	4,807,129
Changes for the year							
Issuance of new shares							389
Dividends							(68,833)
Net income attributable to shareholders of parent company							409,353
Purchase of treasury stock							(199,999)
Disposal of treasury stock							261
Cancellation of treasury stock							-
Transfer from retained earnings to capital surplus							-
Transfer from reserve for land revaluation							(38,695)
Others							182
Net changes of items other than shareholders' equity	38,669	113,062	18,210	(501,053)	(225)	-	(501,279)
Total changes for the year	38,669	113,062	18,210	(501,053)	(225)	-	(398,621)
Balance at the end of the year	16,643	4,232	8,197	2,411,510	694	-	4,408,507

Year ended March 31, 2023

(Unit: million yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Net unrealized gains (losses) on securities, net of tax	Deferred hedge gains (losses)
Balance at the beginning of the year	343,926	330,259	1,334,834	(12,718)	1,996,301	2,397,969	(15,532)
Changes for the year							
Issuance of new shares	147	147			295		
Dividends			(85,030)		(85,030)		
Net income attributable to shareholders of parent company			192,301		192,301		
Purchase of treasury stock				(120,000)	(120,000)		
Disposal of treasury stock		(143)		405	262		
Cancellation of treasury stock		(118,394)		118,394	-		
Transfer from retained earnings to capital surplus		118,538	(118,538)		-		
Transfer from reserve for land revaluation			(13,726)		(13,726)		
Others			122		122		
Net changes of items other than shareholders' equity						(1,655,268)	(22,728)
Total changes for the year	147	147	(24,870)	(1,199)	(25,775)	(1,655,268)	(22,728)
Balance at the end of the year	344,074	330,407	1,309,963	(13,918)	1,970,526	742,700	(38,260)

(Unit: million yen)

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Reserve for land revaluation	Foreign currency translation adjustments	Accumulated remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	16,643	4,232	8,197	2,411,510	694	-	4,408,507
Changes for the year							
Issuance of new shares							295
Dividends							(85,030)
Net income attributable to shareholders of parent company							192,301
Purchase of treasury stock							(120,000)
Disposal of treasury stock							262
Cancellation of treasury stock							-
Transfer from retained earnings to capital surplus							-
Transfer from reserve for land revaluation							(13,726)
Others							122
Net changes of items other than shareholders' equity	13,726	140,282	14,580	(1,509,407)	(211)	1	(1,509,617)
Total changes for the year	13,726	140,282	14,580	(1,509,407)	(211)	1	(1,535,392)
Balance at the end of the year	30,369	144,515	22,778	902,102	483	1	2,873,114

(4) Consolidated Statement of Cash Flows

(Unit: million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	474,371	280,679
Depreciation of real estate for rent and others	13,458	13,682
Depreciation	71,352	86,510
Impairment losses on fixed assets	3,850	15,939
Amortization of goodwill	5,154	7,030
Increase (decrease) in reserves for outstanding claims	117,139	47,472
Increase (decrease) in policy reserves	293,034	(722,309)
Provision for interest on policyholder dividends	8,264	8,305
Provision for (reversal of) reserve for policyholder dividends	87,500	95,000
Increase (decrease) in reserve for possible loan losses	(11,595)	(3,643)
Increase (decrease) in reserve for possible investment losses	152	147
Write-down of loans	459	1,513
Increase (decrease) in net defined benefit liabilities	(2,420)	(6,004)
Increase (decrease) in reserve for retirement benefits of directors, executive officers and corporate auditors	(69)	(134)
Increase (decrease) in reserve for price fluctuations	22,903	18,202
Interest and dividends	(1,386,792)	(1,431,356)
Securities related losses (gains)	(451,269)	431,593
Interest expenses	26,704	33,000
Foreign exchange losses (gains)	(453,064)	(227,065)
Losses (gains) on disposal of fixed assets	2,191	498
Equity in losses (income) of affiliates	(5,529)	(6,184)
Decrease (increase) in reinsurance receivable	(78,519)	558,710
Decrease (increase) in other assets unrelated to investing and financing activities	(251,517)	(12,076)
Increase (decrease) in reinsurance payable	76,163	(307,989)
Increase (decrease) in other liabilities unrelated to investing and financing activities	(25,677)	50,448
Others, net	87,547	35,088
Subtotal	(1,376,207)	(1,032,942)
Interest and dividends received	1,554,969	1,621,166
Interest paid	(32,077)	(36,066)
Policyholder dividends paid	(83,541)	(93,123)
Others, net	(383,791)	(436,527)
Corporate income taxes (paid) refund	(141,428)	(154,975)
Net cash flows provided by (used in) operating activities	(462,076)	(132,468)

(Unit: million yen)

	Year ended March 31, 2022	Year ended March 31, 2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Net decrease (increase) in cash and deposits	(19,326)	4,460
Purchases of monetary claims bought	(47,029)	(25,989)
Proceeds from sale and redemption of monetary claims bought	40,290	29,995
Purchases of money held in trust	(69,896)	(92,105)
Proceeds from decrease in money held in trust	92,300	285,464
Purchases of securities	(10,457,617)	(10,719,051)
Proceeds from sale and redemption of securities	10,932,077	14,073,919
Origination of loans	(940,561)	(1,000,871)
Proceeds from collection of loans	863,640	842,473
Net increase (decrease) in short-term investing	672,886	(2,764,354)
Total of net cash provided by (used in) investment transactions	1,066,764	633,940
Total of net cash provided by (used in) operating activities and investment transactions	604,688	501,472
Acquisition of tangible fixed assets	(99,465)	(117,860)
Proceeds from sale of tangible fixed assets	31,910	56,547
Acquisition of intangible fixed assets	(49,547)	(43,821)
Proceeds from sale of intangible fixed assets	694	-
Acquisitions of stock of subsidiaries resulting in change in scope of consolidation	-	(218,369)
Proceeds from acquisitions of stock of subsidiaries resulting in change in scope of consolidation	12,919	-
Net cash flows provided by (used in) investing activities	963,276	310,437
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	330,130	103,673
Repayment of borrowings	(298,308)	(205,632)
Proceeds from issuing bonds	79,453	-
Redemption of bonds	(129,858)	-
Proceeds from issuing common stock	-	147
Repayment of financial lease obligations	(3,302)	(3,147)
Net increase (decrease) in short-term financing	109,976	(13,599)
Purchase of treasury stock	(199,999)	(120,000)
Cash dividends paid	(68,678)	(84,814)
Acquisitions of stock of subsidiaries that do not result in change in scope of consolidation	(120)	(2,075)
Others, net	0	0
Net cash flows provided by (used in) financing activities	(180,707)	(325,447)
Effect of exchange rate changes on cash and cash equivalents	33,341	48,019
Net increase (decrease) in cash and cash equivalents	353,833	(99,458)
Cash and cash equivalents at the beginning of the year	2,262,910	2,616,743
Cash and cash equivalents at the end of the year	2,616,743	2,517,285

(5) Notes to the Consolidated Financial Statements

(Notes on Going-Concern Assumptions)

None

(Changes in Accounting Policies)

Effective the fiscal year ended March 31, 2023, the Company and its domestic consolidated subsidiaries have applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021).

In accordance with the transitional treatment set forth in Item 27-2 of "Implementation Guidance on Accounting Standard for Fair Value Measurement", the Company and its domestic consolidated subsidiaries have applied new accounting policies since the beginning of the fiscal year ended March 31, 2023.

(Segment Information and Others)

[Segment Information]

1 Overview of reportable segments

The reportable segments of the Company are components of the Company about which separate financial information is available. The segments are subject to periodic review to enable the Company's Board of Directors to decide on allocation of business resources and evaluate business performance.

The Company is a holding company which manages life insurance companies in Japan and elsewhere as well as other subsidiaries and affiliated companies. These companies are subject to regulations of the Insurance Business Act.

The Company's operations are therefore segmented based on the operations of its subsidiaries and affiliated companies and the Company's three reportable segments are the Domestic Insurance Business, the Overseas Insurance Business, and Other Business.

The Domestic Insurance Business consists of subsidiaries that engage in the insurance business in Japan. The Overseas Insurance Business consists of subsidiaries and affiliated companies that engage in the insurance business overseas. The Company, subsidiaries and affiliated companies that do not operate either the Domestic Insurance Business or the Overseas Insurance Business are segmented as Other Business and mainly consist of business administration of the group companies and the asset management business.

Effective the fiscal year ended March 31, 2023, the name of the reportable segment previously the Domestic Life Insurance Business has been changed to the Domestic Insurance Business. This change is only a name change and has no impact on segment information.

2 Method of calculating ordinary revenues, income or loss, assets and liabilities and others by reportable segment

Figures for reportable segment income are based on ordinary profit.

Intersegment revenue is based on market prices.

3 Information on ordinary revenues, income or loss, assets and liabilities, and others by reportable segment

For the fiscal year ended March 31, 2023

(Unit: million yen)

	Reportable segment				Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total		
Ordinary revenues (Note 1)	8,237,443	2,592,445	7,226	10,837,115	(1,317,670)	9,519,445
Intersegment transfers	103,615	34,432	287,155	425,204	(425,204)	-
Total	8,341,059	2,626,878	294,381	11,262,319	(1,742,874)	9,519,445
Segment income (loss)	344,147	28,172	268,948	641,268	(230,368)	410,900
Segment assets	43,377,249	18,110,166	3,297,504	64,784,920	(3,206,047)	61,578,872
Segment liabilities	41,028,862	17,369,204	709,488	59,107,554	(401,796)	58,705,757
Other relevant information						
Depreciation of real estate for rent and others	13,660	22	-	13,682	-	13,682
Depreciation	48,307	37,942	259	86,510	-	86,510
Amortization of goodwill	266	6,764	-	7,030	-	7,030
Interest and dividends	981,081	451,248	275,869	1,708,199	(276,842)	1,431,356
Interest expenses	9,772	21,317	4,606	35,695	(2,695)	33,000
Equity in income (loss) of affiliates	-	3,394	2,789	6,184	-	6,184
Extraordinary gains	4,548	36	-	4,584	-	4,584
Extraordinary losses	39,751	53	-	39,805	-	39,805
[Impairment losses]	[15,939]	[-]	[-]	[15,939]	[-]	[15,939]
Taxes	65,156	21,184	2,036	88,377	-	88,377
Investments in affiliated companies	-	47,604	35,481	83,085	-	83,085
Increase in tangible fixed assets and intangible fixed assets	207,316	4,822	146	212,284	-	212,284

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Adjusted amounts were as follows.

(1) Adjustment for ordinary revenues of ¥(1,317,670) million was mainly related to ordinary expenses including provision for policy reserves of ¥1,156,635 million and foreign exchange losses of ¥82,290 million reconciled to ordinary revenues including other ordinary revenues and foreign exchange gains in the Consolidated Statement of Earnings.

(2) Adjustment for segment income (loss) of ¥(230,368) million was mainly related to elimination of dividend income from subsidiaries and affiliated companies.

(3) Adjustment for segment assets of ¥(3,206,047) million was mainly related to elimination of stocks of subsidiaries and affiliated companies.

(4) Adjustment for segment liabilities of ¥(401,796) million was mainly related to elimination of intersegment receivables and payables.

(5) Adjustment for others was mainly related to elimination of intersegment transactions.

3. Segment income (loss) is reconciled with ordinary profit booked in the Consolidated Statement of Earnings.

[Other Related Information]

For the fiscal year ended March 31, 2023

1 Product (Service) Segment Information

(Unit: million yen)

	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total
Premium and other income	5,053,959	1,581,524	-	6,635,483

2 Geographic Segment Information

(1) Ordinary Revenues

(Unit: million yen)

Japan	United States of America	Other Areas	Total
6,380,289	1,726,353	1,412,801	9,519,445

Note: 1. Ordinary revenues, instead of sales, are presented here.

2. Based on the location of customers, ordinary revenues are classified by country or region.

(2) Tangible fixed assets

The geographic segment information has been omitted as more than 90% of the Group's tangible fixed assets derive from its business unit in Japan.

3 Major Customer Information

The major customer information has been omitted as no single customer accounts for 10% or more of the Group's ordinary revenues.

[Impairment Losses on Fixed Assets by Reportable Segment]

For the fiscal year ended March 31, 2023

The information on impairment losses on fixed assets by reportable segment has been omitted as it is explained in [Segment Information].

[Amortization of Goodwill and Unamortized Amount of Goodwill by Reportable Segment]

For the fiscal year ended March 31, 2023

(Unit: million yen)

	Domestic Insurance Business	Overseas Insurance Business	Other Business	Total
Amortization of goodwill	266	6,764	-	7,030
Unamortized amount of goodwill	15,724	103,821	-	119,545

[Gain on Negative Goodwill by Reportable Segment]

For the fiscal year ended March 31, 2023

Not applicable

(Per-share Information)

Net assets per share as of March 31, 2023:	¥ 2,921.75
Net income per share for the year ended March 31, 2023:	¥ 189.28
Diluted net income per share for the year ended March 31, 2023:	¥ 189.21

Note.

1. Reconciliation of net income per share and diluted net income per share was as follows:

<u>Year ended March 31, 2023</u>	<u>(Unit: million yen)</u>
Net income per share	
Net income attributable to shareholders of parent company	¥ 192,301
Net income attributable to other than shareholders of common stock	-
Net income attributable to shareholders of parent company of common stock ...	<u>¥ 192,301</u>
Average number of common stock outstanding: 1,015,963 thousand shares	
Diluted net income per share	
Adjustments to net income attributable to shareholders of parent company	-
Increase in the number of common stock: 363 thousand shares	
(Increase in the number of common stock attributable to subscription rights to shares: 363 thousand shares)	
Outline of the dilutive shares which are not counted in the basis of calculation of diluted net income per share because they do not have dilutive effect: Not applicable	

2. Reconciliation of net assets per share was as follows:

<u>As of March 31, 2023</u>	<u>(Unit: million yen)</u>
Net assets	¥ 2,873,114
Adjustments	¥ 485
Subscription rights to shares	¥ 483
Non-controlling interests.....	¥ 1
Net assets attributable to common stock	<u>¥ 2,872,629</u>
Number of common stock outstanding: 983,188 thousand shares	

3. For the calculation of net income per share, the shares held by "the Stock Granting Trust (J-ESOP)" were included in treasury stock excluded from the average number of common stock outstanding. The average number of the shares held by the J-ESOP during the year ended March 31, 2023 was 3,865 thousand shares. For the calculation of net assets per share, the shares held by the J-ESOP were included in treasury stock excluded from the number of common stock outstanding. The number of the shares held by the J-ESOP as of March 31, 2023 was 3,862 thousand shares.

(Subsequent Events)

First Republic Bank ("FRC") was seized by federal regulators on May 1, 2023.

(1) The Company's policy

The Company will recognize impairment losses associated with securities of FRC held by its foreign subsidiary during the three months ended June 30, 2023.

(2) Estimated losses

Approximately USD 90 million, pre-tax

* Please note that actual losses may be different from the estimated losses.