

FINANCIAL SUMMARY

(For the six months ended September 30, 2009)

November 19, 2009

Name of Company: **T&D Holdings, Inc.**
 Stock Listings: Tokyo, Osaka
 Security Code No.: 8795
 Head Office: Tokyo, Japan
 URL: <http://www.td-holdings.co.jp/e/>

1. Consolidated Operating Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

(1) Results of Operations

Note: Amounts of less than one million yen are omitted, and percentages have been rounded to the nearest percent. % changes are presented in comparison with the same term of the previous year.

	Ordinary Revenues	% change	Ordinary Profit	% change	Net Income	% change
Six months ended September 30, 2009	¥1,139,243 million	(10.3)	¥46,852 million	36.2	¥14,429 million	290.4
Six months ended September 30, 2008	¥1,269,891 million	11.5	¥34,388 million	(65.9)	¥3,696 million	(88.8)

	Net Income per Share	Net Income per Share (Fully Diluted)
Six months ended September 30, 2009	¥52.71	-
Six months ended September 30, 2008	¥15.01	-

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of September 30, 2009	¥12,693,352 million	¥433,558 million	3.4%	¥1,577.29
As of March 31, 2009	¥12,498,562 million	¥296,393 million	2.4%	¥1,076.35

Note: Equity: as of September 30, 2009: ¥431,784 million; as of March 31, 2009: ¥294,656 million

2. Dividends

	Dividends per Share				
	First Quarter-End	Second Quarter-End	Third Quarter-End	Year-End	Annual
Year Ended March 31, 2009	-	-	-	¥45.00	¥45.00
Year Ending March 31, 2010	-	-	-	-	-
Year Ending March 31, 2010 (Forecast)	-	-	-	¥45.00	¥45.00

Note: Revisions to dividend forecasts in this term: None

3. Consolidated Forecasts for the Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

Note: % changes are presented in comparison with the same term of the previous year.

	Ordinary Revenues	Ordinary Profit	Net Income	Net Income per Share
Year ending March 31, 2010	¥2,010,000 million (20.9)%	¥78,000 million -	¥18,000 million -	¥65.75

Note: Revisions to financial forecasts in this term: None

4. Others

- (1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation): None
- (2) Changes in Accounting Principles, Procedures and Presentation Methods for Interim Consolidated Financial Statements:
 1. Changes due to the revision of accounting standards: None
 2. Changes due to other factors: None
- (3) Number of Outstanding Shares (Common Stock)
 1. Number of outstanding shares including treasury stock at the end of the term:

	as of September 30, 2009: 273,930,000
	as of March 31, 2009: 273,930,000
 2. Number of treasury stock at the end of the term:

	as of September 30, 2009: 178,345
	as of March 31, 2009: 175,434
 3. Average number of outstanding shares during the term:

	for the six months ended September 30, 2009: 273,752,750
	for the six months ended September 30, 2008: 246,226,310

(Reference) Non-Consolidated Financial Summary

1. Non-Consolidated Operating Results for the Six Months Ended September 30, 2009 (April 1, 2009 – September 30, 2009)

(1) Results of Operations

Note: % changes are presented in comparison with the same term of the previous year.

	Operating Income	% change	Operating Profit	% change	Ordinary Profit	% change	Net Income	% change
Six months ended September 30, 2009	¥14,124 million	(22.7)	¥12,376 million	(25.3)	¥11,691 million	(29.3)	¥11,879 million	(28.0)
Six months ended September 30, 2008	¥18,265 million	3.1	¥16,566 million	2.5	¥16,534 million	2.5	¥16,494 million	2.7

	Net Income per Share
Six months ended September 30, 2009	¥43.40
Six months ended September 30, 2008	¥66.99

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of September 30, 2009	¥769,263 million	¥648,910 million	84.4%	¥2,370.43
As of March 31, 2009	¥792,334 million	¥649,357 million	82.0%	¥2,372.04

Note: Equity: as of September 30, 2009: ¥648,910 million; as of March 31, 2009: ¥649,357 million.

2. Non-Consolidated Forecasts for the Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

Note: % changes are presented in comparison with the same term of the previous year.

	Operating Income	Operating Profit	Ordinary Profit	Net Income	Net Income per Share
Year ending March 31, 2010	¥16,000 million (20.1)%	¥12,000 million (28.8)%	¥11,000 million (31.3)%	¥11,000 million (31.4)%	¥40.18

The above forecasts for the year ending March 31, 2010 reflect the Company's current analysis of existing information and trends. Actual results may differ from expectations based on risks and uncertainties that may affect the Company's businesses. Please refer to T&D Holdings' "Financial Review 4. Forecasts for the Year Ending March 31, 2010(April 1, 2009 – March 31, 2010)" section in this material "Financial Summary for the Six Months Ended September 30, 2009" about consolidated forecasts and non-consolidated forecasts.

Financial Review

1. Consolidated Results of Operations

For the six months ended September 30, 2009, ordinary revenues decreased ¥130.6 billion, or 10.3 percent from the level of the same term of the previous fiscal year, to ¥1,139.2 billion, which was a total of income from insurance premiums of ¥894.5 billion (up 5.0 percent), investment income of ¥209.0 billion (down 0.1 percent), other ordinary income of ¥35.6 billion (down 82.9 percent) and others.

Ordinary expenses decreased ¥143.1 billion, or 11.6 percent from the level of the same term of the previous fiscal year, to ¥1,092.3 billion, which was a total of insurance claims and other payments of ¥803.1 billion (down 15.0 percent), provision for policy and other reserves of ¥75.2 billion, investment expenses of ¥70.2 billion (down 50.8 percent), operating expenses of ¥104.2 billion (down 1.7 percent), other ordinary expenses of ¥39.4 billion (down 4.9 percent) and others.

As a result, ordinary profit increased ¥12.4 billion, or 36.2 percent, to ¥46.8 billion. Ordinary profit increased mainly due to a decrease in income from interest and dividends and gains on sales of securities, while losses on sales of securities and devaluation losses on securities decreased.

Extraordinary gains decreased 79.2 percent, to ¥0.4 billion, and extraordinary losses increased 247.4 percent, to ¥7.6 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥6.9 billion (up 377.0 percent).

After accounting for extraordinary gains and losses, the provision for reserve for policyholder dividends, and income taxes, net income increased ¥10.7 billion, or 290.4 percent from the level of the same term of the previous fiscal year, to ¥14.4 billion.

2. Consolidated Financial Position

(1) Balance Sheets

As of September 30, 2009, total assets amounted to ¥12,693.3 billion (up 1.6 percent from March 31, 2009), mainly consisting of securities centered on public and corporate bonds amounting to ¥8,804.7 billion (up 7.1 percent), loans of ¥2,251.5 billion (down 1.3 percent), monetary claims purchased of ¥346.2 billion (down 21.9 percent), tangible fixed assets of ¥304.7 billion (down 1.3 percent) and call loans of ¥271.5 billion (down 31.7 percent).

Total liabilities were ¥12,259.7 billion (up 0.5 percent), and policy reserves accounting for a substantial portion of them amounted to ¥11,762.0 billion (up 0.5 percent).

Total net assets were ¥433.5 billion (up 46.3 percent), of which net unrealized gains on securities was ¥48.8 billion (a loss of ¥86.2 billion posted at the previous fiscal year-end).

(2) Cash Flows

Cash flows for the six months ended September 30, 2009, were as follows.

Net cash provided by operating activities was ¥111.3 billion, up ¥244.4 billion in revenue compared with the expenditure of ¥133.0 billion recorded in the same term of the previous fiscal year. This was mainly due to an increase in income from insurance premiums and a decrease in insurance claims and other payments.

Net cash used in investing activities was ¥237.5 billion, up ¥446.2 billion in expenditure compared with the revenue of ¥208.6 billion recorded in the same term of the previous fiscal year. This was mainly due to an increase in purchase of securities and a decrease in sale and redemption of securities.

Net cash provided by financing activities was ¥21.4 billion, up ¥41.6 billion in revenue compared with the expenditure of ¥20.1 billion recorded in the same term of the previous fiscal year. This was mainly due to an increase in proceeds from debt and income from issuance of short-term debenture.

As a result, cash and cash equivalents as of September 30, 2009 totaled ¥1,215.2 billion, down ¥105.0 billion from the beginning of the fiscal year.

3. Operations of Three Life Insurance Companies (Non-consolidated Basis)

(1) Results of Operations

Taiyo Life Insurance Company:

For the six months ended September 30, 2009, Taiyo Life's ordinary revenues decreased ¥61.4 billion, or 11.0 percent from the level of the same term of the previous fiscal year, to ¥495.9 billion, which was a total of income from insurance premiums of ¥356.9 billion (up 12.9 percent), investment income of ¥90.1 billion (down 20.4 percent), and other ordinary income of ¥48.8 billion (down 61.8 percent).

Ordinary expenses decreased ¥67.6 billion, or 12.6 percent from the level of the same term of the previous fiscal year, to ¥468.3 billion, which was a total of insurance claims and other payments of ¥381.8 billion (down 8.9 percent), investment expenses of ¥24.1 billion (down 55.6 percent), operating expenses of ¥40.2 billion (up 4.7 percent) and others.

As a result, ordinary profit increased ¥6.2 billion, or 29.1 percent from the level of the same term of the previous fiscal year, to ¥27.6 billion. Ordinary profit increased mainly due to a decrease in gains on sales of securities, while losses on sales of securities and devaluation losses on securities decreased.

Extraordinary gains decreased 66.0 percent, to ¥0.3 billion, and extraordinary losses increased to ¥6.5 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥5.9 billion.

Net income increased ¥2.4 billion, or 28.3 percent from the level of the same term of the previous fiscal year, to ¥10.9 billion.

Core profit (a measure of underlying profitability from core insurance operations on a non-consolidated basis) for the six months ended September 30, 2009, recorded ¥23.5 billion, down 0.0 percent compared with the same term of the previous fiscal year, after compensating for a negative spread of ¥8.8 billion (down 26.8 percent).

Daido Life Insurance Company:

For the six months ended September 30, 2009, Daido Life's ordinary revenues decreased ¥132.0 billion, or 21.0 percent from the level of the same term of the previous fiscal year, to ¥497.7 billion, which was a total of income from insurance premiums of ¥392.3 billion (down 5.3 percent), investment income of ¥60.8 billion (down 33.6 percent), and other ordinary income of

¥44.5 billion (down 64.0 percent).

Ordinary expenses decreased ¥128.4 billion, or 21.2 percent from the level of the same term of the previous fiscal year, to ¥476.0 billion, which was a total of insurance claims and other payments of ¥385.7 billion (down 19.9 percent), investment expenses of ¥26.8 billion (down 51.7 percent), operating expenses of ¥54.7 billion (down 6.3 percent) and others.

As a result, ordinary profit decreased ¥3.6 billion, or 14.2 percent from the level of the same term of the previous fiscal year, to ¥21.7 billion. Ordinary profit decreased mainly due to a decrease in devaluation losses on securities and an improvement in net gains/losses on investment in trading securities, while income from interest and dividends decreased.

Extraordinary gains decreased 98.0 percent, to ¥0.0 billion, and extraordinary losses decreased 41.6 percent, to ¥1.0 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥0.9 billion (down 25.5 percent).

Net income increased ¥1.5 billion, or 36.7 percent from the level of the same term of the previous fiscal year, to ¥5.6 billion.

Core profit was ¥26.3 billion, a decrease of 51.1 percent compared with the same term of the previous fiscal year, after compensating for a negative spread of ¥22.3 billion (a positive spread of ¥7.0 billion recorded in the same term of the previous fiscal year).

T&D Financial Life Insurance Company:

For the six months ended September 30, 2009, T&D Financial Life's ordinary revenues increased ¥76.8 billion, or 58.2 percent from the level of the same term of the previous fiscal year, to ¥208.7 billion, which was a total of income from insurance premiums of ¥145.0 billion (up 19.5 percent), investment income of ¥59.4 billion and other ordinary income of ¥4.1 billion (down 19.0 percent).

Ordinary expenses increased ¥65.3 billion, or 44.8 percent from the level of the same term of the previous fiscal year, to ¥211.3 billion, which was a total of insurance claims and other payments of ¥35.4 billion (down 18.1 percent), provision for policy reserve of ¥147.8 billion (up 145.0 percent), investment expenses of ¥18.5 billion (down 43.6 percent), operating expenses of ¥8.1 billion (up 0.7 percent) and others.

As a result, ordinary losses decreased ¥11.4 billion, or 81.2 percent from the level of the same term of the previous fiscal year, to ¥2.6 billion.

Net loss decreased ¥8.0 billion, or 81.0 percent from the same term of the previous fiscal year, to ¥1.8 billion.

Core profit was ¥17.3 billion (a loss of ¥13.1 billion recorded in the same term of the previous fiscal year). A negative spread was ¥1.8 billion (down 0.4 percent).

(2) Financial Position

Taiyo Life Insurance Company:

As of September 30, 2009, total assets amounted to ¥5,769.5 billion (down 0.0 percent from March 31, 2009), mainly consisting of securities centered on public and corporate bonds amounting to ¥3,692.6 billion (up 0.5 percent), loans of ¥1,475.3 billion (down 1.2 percent), tangible fixed assets of ¥160.8 billion (down 1.0 percent), monetary claims purchased of ¥144.0

billion (down 0.9 percent) and call loans of ¥124.8 billion (up 26.6 percent).

Total liabilities were ¥5,583.1 billion (down 0.8 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,440.1 billion (down 0.7 percent).

Total net assets were ¥186.4 billion (up 27.9 percent) of which net unrealized gains on securities was ¥36.6 billion.

As of September 30, 2009, solvency margin ratio (a measure of insurance companies' financial soundness) was 987.6 percent (866.4 percent at the end of the previous fiscal year). Furthermore, the value of adjusted net assets (adjusted assets at fair value less liabilities, excluding quasi-equity liabilities) amounted to ¥408.1 billion (¥330.4 billion posted at the previous fiscal year-end).

Daido Life Insurance Company:

As of September 30, 2009, total assets amounted to ¥5,514.1 billion (up 0.8 percent from March 31, 2009), mainly consisting of securities centered on public and corporate bonds amounting to ¥3,926.5 billion (up 11.5 percent), loans of ¥789.2 billion (down 1.6 percent), monetary claims purchased of ¥202.1 billion (down 32.1 percent), tangible fixed assets of ¥139.0 billion (down 1.2 percent) and call loans of ¥129.7 billion (down 52.8 percent).

Total liabilities were ¥5,230.3 billion (down 1.0 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,059.9 billion (down 0.9 percent).

Total net assets were ¥283.8 billion (up 52.6 percent) of which net unrealized gains on securities was ¥12.4 billion (a loss of ¥86.0 billion posted at the previous fiscal year-end).

As of September 30, 2009, solvency margin ratio was 1,012.3 percent (823.4 percent at the end of the previous fiscal year). Furthermore, the value of adjusted net assets amounted to ¥550.9 billion (¥447.9 billion posted at the previous fiscal year-end).

T&D Financial Life Insurance Company:

As of September 30, 2009, total assets amounted to ¥1,317.5 billion (up 12.5 percent from March 31, 2009), mainly consisting of securities of ¥1,184.5 billion (up 15.6 percent), monetary trust of ¥53.1 billion (down 17.8 percent), cash and deposits of ¥21.6 billion (up 13.8 percent) and call loans of ¥17.0 billion (down 29.2 percent).

Total liabilities were ¥1,271.8 billion (up 13.1 percent), and policy reserves accounting for a substantial portion of them amounted to ¥1,260.8 billion (up 13.3 percent).

Total net assets were ¥45.7 billion (down 2.8 percent), of which net unrealized gains on securities was a loss of ¥0.6 billion (down 44.2 percent).

As of September 30, 2009, solvency margin ratio was 760.9 percent (832.0 percent at the end of the previous fiscal year). Furthermore, the value of adjusted net assets amounted to ¥93.1 billion (¥87.1 billion posted at the previous fiscal year-end).

(Reference) Sales Results

Taiyo Life Insurance Company:

The new policy amount of individual insurance and annuities (including the net increase from conversions) for the six months ended September 30, 2009, increased 59.0 percent compared with the same term of the previous fiscal year, to ¥1,238.0 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 5.9 percent compared with the same term of the previous fiscal year, to ¥562.9 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of September 30, 2009, increased 3.9 percent from the level of the same term-end of the previous fiscal year, or increased 2.2 percent from the previous fiscal year-end, to ¥17,733.1 billion.

Daido Life Insurance Company:

The new policy amount of individual insurance and annuities (including the net increase from conversions) for the six months ended September 30, 2009, decreased 15.0 percent compared with the same term of the previous fiscal year, to ¥1,772.6 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities increased 8.1 percent compared with the same term of the previous fiscal year, to ¥2,051.0 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of September 30, 2009, decreased 4.5 percent from the level of the same term-end of the previous fiscal year, or decreased 2.1 percent from the previous fiscal year-end, to ¥37,796.6 billion.

T&D Financial Life Insurance Company:

The new policy amount of individual insurance and annuities (not including the net increase from conversions) for the six months ended September 30, 2009, increased 24.2 percent compared with the same term of the previous fiscal year, to ¥131.6 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 20.8 percent compared with the same term of the previous fiscal year, to ¥56.8 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of September 30, 2009, decreased 0.0 percent from the level of the same term-end of the previous fiscal year, or increased 3.7 percent from the previous fiscal year-end, to ¥2,199.3 billion.

4. Forecasts for the Year Ending March 31, 2010 (April 1, 2009 - March 31, 2010)

(1) Consolidated

The forecasts for the fiscal year ending March 31, 2010 have not been changed from those announced on May 19, 2009, as follows.

(Billions of yen)

	Ordinary revenues	Ordinary profit	Net income
Year-end	2,010	78	18
Change	(20.9%)	-	-

Note: "Change" represents the amount change from the year ended March 31, 2009.

Reference: Forecasts for the Year Ending March 31, 2010, of Three Life Insurance Companies (Non-consolidated Basis)

(Billions of yen)

	Taiyo Life	Daido Life	T&D Financial Life
Ordinary revenues	910	970	270
Change	(18.2%)	(22.4%)	(5.4%)
Ordinary profit (loss)	41	50	(14)
Change	-	-	(47.8%)
Core profit (loss)	50	55	(4)
Change	11.1%	-	(90.2%)
Net income (loss)	11	17	(10)
Change	-	-	(49.5%)

Note: "Change" represents the amount change from the year ended March 31, 2009. The decreased amount shown in "loss" means an improvement in its loss.

(2) Non-consolidated

The forecasts for the fiscal year ending March 31, 2010 have not been changed from those announced on May 19, 2009, as follows. The projected shareholders' dividend for the fiscal year ending March 31, 2010 remains unchanged.

(Billions of yen)

	Operating income	Operating profit	Ordinary profit	Net income
Year-end	16	12	11	11

5. Others

(1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation)

None

(2) Changes in Accounting Principles and Procedures and Presentation Methods for Interim Consolidated Financial Statements

None

6. Unaudited Consolidated Financial Statements
(1) Unaudited Consolidated Balance Sheets

	(Millions of yen)	
	As of September 30, 2009	As of March 31, 2009
	Amount	Amount
Assets:		
Cash and deposits	244,241	319,643
Call loans	271,500	397,500
Monetary claims purchased	346,254	443,212
Monetary trust	72,962	78,112
Securities	8,804,722	8,218,502
Loans	2,251,557	2,280,772
Tangible fixed assets	304,718	308,604
Intangible fixed assets	22,605	23,444
Due from agencies	1,129	1,233
Due from reinsurers	11,582	10,422
Other assets	180,165	191,792
Deferred tax assets	192,694	227,992
Reserve for possible loan losses	(10,782)	(2,671)
Total assets	12,693,352	12,498,562
Liabilities:		
Policy reserves	11,762,092	11,699,006
Reserve for outstanding claims	68,630	71,474
Policy reserve	11,555,231	11,480,401
Reserve for policyholder dividends	138,229	147,129
Due to agencies	994	604
Due to reinsurers	376	450
Short-term debenture	19,994	9,994
Other liabilities	283,758	306,659
Reserve for bonus to directors and corporate auditors	126	160
Reserve for employees' retirement benefits	118,005	118,040
Reserve for directors' and corporate auditors' retirement benefits	4,430	4,123
Reserve for price fluctuations	59,419	52,453
Deferred tax liabilities	11	-
Deferred tax liabilities on land revaluation	10,583	10,674
Total liabilities	12,259,794	12,202,169
Net assets:		
Common stock		
Authorized - 966,000,000 shares		
Issued - 273,930,000 shares	147,637	147,637
Capital surplus	135,145	135,145
Retained earnings	148,860	146,616
Treasury stock	(933)	(927)
Total stockholders' equity	430,709	428,471
Net unrealized gains (losses) on securities	48,834	(86,246)
Deferred gains on hedging instruments	246	348
Land revaluation	(47,926)	(47,805)
Foreign currency translation adjustments	(79)	(110)
Total valuation and translation adjustments	1,075	(133,814)
Minority interests	1,773	1,736
Total net assets	433,558	296,393
Total liabilities and net assets	12,693,352	12,498,562

(2) Unaudited Consolidated Statements of Operations

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Ordinary revenues	1,269,891	1,139,243
Income from insurance premiums	852,033	894,550
Investment income	209,257	209,040
Interest, dividends and income from real estate for rent	140,018	109,957
Gains from monetary trusts, net	3,355	-
Gains on investment in trading securities, net	-	967
Gains on sales of securities	64,485	35,283
Other investment income	1,398	1,265
Gains on separate accounts, net	-	61,566
Other ordinary income	208,577	35,645
Reversal of policy reserve	168,968	-
Other ordinary income	39,608	35,645
Equity in net income of affiliated companies	23	7
Ordinary expenses	1,235,503	1,092,390
Insurance claims and other payments	944,566	803,134
Insurance claims	344,111	287,485
Annuity payments	94,125	98,399
Insurance benefits	149,432	140,225
Surrender payments	216,027	211,338
Other payments	140,870	65,685
Provision for policy and other reserves	450	75,251
Provision for reserve for outstanding claims	-	74,830
Interest portion of reserve for policyholder dividends	450	421
Investment expenses	142,954	70,285
Interest expenses	1,004	1,465
Losses from monetary trusts, net	-	18,458
Losses on investment in trading securities, net	8,052	-
Losses on sales of securities	28,072	10,693
Devaluation losses on securities	41,686	7,825
Losses from derivatives, net	14,010	9,525
Foreign exchange losses, net	2,540	1,261
Provision for reserve for possible loan losses	-	8,137
Write-off of loans	6	33
Depreciation of real estate for rent	2,752	2,679
Other investment expenses	8,208	10,203
Losses on separate accounts, net	36,620	-
Operating expenses	106,024	104,237
Other ordinary expenses	41,508	39,482
Ordinary profit	34,388	46,852
Extraordinary gains	1,935	402
Gains on disposal of fixed assets	647	343
Reversal of reserve for possible loan losses	1,190	-
Recoveries of bad debts previously written-off	49	28
Other extraordinary gains	47	30
Extraordinary losses	2,195	7,627
Losses on disposal of fixed assets	654	459
Impairment loss	-	184
Provision for reserve for price fluctuations	1,460	6,965
Other extraordinary losses	81	17
Provision for reserve for policyholder dividends	17,206	12,609
Income before income taxes	16,920	27,018
Income taxes:		
Current	22,689	516
Deferred	(9,482)	11,981
Total income taxes	13,206	12,497
Minority interests	18	91
Net income	3,696	14,429

(3) Unaudited Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Stockholders' equity:		
Common stock:		
Balance as of previous fiscal year-end	118,595	147,637
Balance as of the end of the period	118,595	147,637
Capital surplus:		
Balance as of previous fiscal year-end	106,106	135,145
Changes in the period:		
Disposal of treasury stock	(0)	-
Total changes in the period	(0)	-
Balance as of the end of the period	106,106	135,145
Retained earnings:		
Balance as of previous fiscal year-end	251,934	146,616
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	3,696	14,429
Disposal of treasury stock	-	(1)
Reversal of land revaluation	14	135
Total changes in the period	(12,294)	2,244
Balance as of the end of the period	239,640	148,860
Treasury stock:		
Balance as of previous fiscal year-end	(638)	(927)
Changes in the period:		
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	3
Total changes in the period	(74)	(6)
Balance as of the end of the period	(712)	(933)
Total		
Balance as of previous fiscal year-end	475,998	428,471
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	3,696	14,429
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	2
Reversal of land revaluation	14	135
Total changes in the period	(12,368)	2,238
Balance as of the end of the period	463,630	430,709

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Valuation and translation adjustments:		
Net unrealized gains on securities:		
Balance as of previous fiscal year-end	246,874	(86,246)
Changes in the period:		
Net changes of items other than stockholders' equity	(191,566)	135,081
Total changes in the period	(191,566)	135,081
Balance as of the end of the period	55,307	48,834
Deferred gains on hedging instruments:		
Balance as of previous fiscal year-end	571	348
Changes in the period:		
Net changes of items other than stockholders' equity	(202)	(102)
Total changes in the period	(202)	(102)
Balance as of the end of the period	368	246
Land revaluation:		
Balance as of previous fiscal year-end	(48,014)	(47,805)
Changes in the period:		
Net changes of items other than stockholders' equity	(14)	(121)
Total changes in the period	(14)	(121)
Balance as of the end of the period	(48,029)	(47,926)
Foreign currency translation adjustments:		
Balance as of previous fiscal year-end	24	(110)
Changes in the period:		
Net changes of items other than stockholders' equity	(45)	31
Total changes in the period	(45)	31
Balance as of the end of the period	(20)	(79)
Total		
Balance as of previous fiscal year-end	199,455	(133,814)
Changes in the period:		
Net changes of items other than stockholders' equity	(191,829)	134,889
Total changes in the period	(191,829)	134,889
Balance as of the end of the period	7,625	1,075
Minority interest:		
Balance as of previous fiscal year-end	1,820	1,736
Changes in the period:		
Net changes of items other than stockholders' equity	(11)	37
Total changes in the period	(11)	37
Balance as of the end of the period	1,808	1,773
Total net assets:		
Balance as of previous fiscal year-end	677,273	296,393
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	3,696	14,429
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	2
Reversal of land fluctuation	14	135
Net changes of items other than stockholders' equity	(191,840)	134,927
Total changes in the period	(204,209)	137,165
Balance as of the end of the period	473,064	433,558

(4) Unaudited Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Cash flows from operating activities:		
Income before income taxes	16,920	27,018
Depreciation of real estate for rent	2,752	2,679
Other depreciation and amortization	6,226	6,116
Impairment loss	-	184
Decrease in reserve for outstanding claims	(1,725)	(2,844)
Increase (decrease) in policy reserve	(168,968)	74,830
Increase in interest portion of reserve for policyholder dividends	450	421
Increase in provision for reserve for policyholder dividends	17,206	12,609
Increase (decrease) in reserve for possible loan losses	(1,192)	8,111
Decrease in reserve for bonus to directors and corporate auditors	(103)	(34)
Increase (decrease) in reserve for employees' retirement benefits	1,027	(35)
Increase (decrease) in reserve for directors' and corporate auditors' retirement benefits	(258)	307
Increase in reserve for price fluctuations	1,460	6,965
Interest, dividends and income from real estate for rent	(140,018)	(109,957)
(Gains) losses on investment securities	49,945	(79,298)
Interest expense	1,004	1,465
Exchange losses	2,401	1,445
Gains on disposal of tangible fixed assets	(421)	(116)
Equity in net income of affiliated companies	(23)	(7)
Decrease in amount due from agencies	132	103
Increase in amount due from reinsurers	(815)	(1,159)
(Increase) decrease in other assets (excluding investment activities-related and financing activities-related)	(6,337)	10,567
Increase in amount due to agencies	765	390
Decrease in amount due to reinsurers	(92)	(74)
Increase (decrease) in other liabilities (excluding investment activities-related and financing activities-related)	(3,565)	1,056
Others, net	17,686	37,092
Subtotal	(205,541)	(2,160)
Interest, dividends and income from real estate for rent received	141,660	108,700
Interest paid	(984)	(1,504)
Policyholder dividends	(26,711)	(22,017)
Others, net	(1,288)	(1,345)
Income taxes received (paid)	(40,212)	29,723
Net cash provided by (used in) operating activities	(133,079)	111,396

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Cash flows from investing activities:		
Net (increase) decrease in short-term investments	(1,420)	500
Investments in monetary claims purchased	(36,290)	(4,497)
Proceeds from sale and redemption of monetary claims purchased	34,378	7,296
Investments in monetary trusts	(8,600)	(18,100)
Proceeds from monetary trusts	40,879	4,750
Purchase of securities	(1,779,815)	(1,888,510)
Sale and redemption of securities	1,942,662	1,685,950
Investments in loans	(259,305)	(236,225)
Collection of loans	289,145	266,943
Others, net	(10,997)	(54,200)
Subtotal	210,636	(236,092)
Total of net cash provided by (used in) operating activities and investment transactions as above	77,557	(124,696)
Purchase of tangible fixed assets	(3,359)	(1,999)
Proceeds from disposal of tangible fixed assets	1,400	533
Net cash provided by (used in) investing activities	208,677	(237,558)
Cash flows from financing activities:		
Income from issuance of short-term debenture	-	9,997
Redemption of short-term debenture	(8,005)	-
Proceeds from debt	7,300	27,800
Repayments of debt	(3,717)	(4,134)
Payment of lease obligations	(10)	(46)
Purchase of treasury stock	(83)	(10)
Sale of treasury stock	9	2
Dividends paid	(15,618)	(12,058)
Dividends paid to minority interests	(31)	(58)
Net cash provided by (used in) financing activities	(20,158)	21,491
Effect of exchange rate changes on cash and cash equivalents	(2,286)	(339)
Net increase (decrease) in cash and cash equivalents	53,154	(105,010)
Cash and cash equivalents at the beginning of the fiscal year	982,596	1,320,251
Cash and cash equivalents at the end of the period	1,035,750	1,215,240

(5) Notes on Going-Concern Assumption

Not applicable.

(6) Segment Information

Segment information is not required to be disclosed, as ordinary revenues and total assets related to the Company and its consolidated subsidiaries' insurance business in Japan exceed 90% of the total amounts of both ordinary revenues and total assets.

7. Unaudited Non-Consolidated Financial Statements

(1) Unaudited Non-Consolidated Balance Sheets

	(Millions of yen)	
	As of September 30, 2009	As of March 31, 2009
	Amount	Amount
Assets:		
Current assets:		
Cash and deposits	1,207	796
Securities	18,000	16,000
Other current assets	4,400	29,853
Total current assets	23,607	46,649
Fixed assets:		
Tangible fixed assets	103	109
Intangible fixed assets	7	8
Investments and other assets:		
Investments in subsidiaries	743,709	743,709
Other fixed assets	1,834	1,857
Total investments and other assets	745,544	745,566
Total fixed assets	745,655	745,684
Total assets	769,263	792,334
Liabilities:		
Current liabilities:		
Income tax payable	36	10
Other liabilities	5,547	28,244
Total current liabilities	5,583	28,255
Fixed liabilities:		
Long-term debt	112,700	112,700
Reserve for directors' and corporate auditors' retirement benefits	523	476
Other fixed liabilities	1,545	1,545
Total fixed liabilities	114,768	114,721
Total liabilities	120,352	142,976
Net assets:		
Stockholders' equity:		
Common stock:		
Authorized - 966,000,000 shares		
Issued - 273,930,000 shares	147,637	147,637
Capital surplus:		
Additional paid-in capital	479,945	479,945
Total capital surplus	479,945	479,945
Retained earnings:		
Unappropriated retained earnings	22,260	22,701
Total retained earnings	22,260	22,701
Treasury stock	(933)	(927)
Total stockholders' equity	648,910	649,357
Total net assets	648,910	649,357
Total liabilities and net assets	769,263	792,334

(2) Unaudited Non-Consolidated Statements of Operations

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Operating income:		
Dividends on investments in subsidiaries	16,494	12,360
Fees and commissions received from subsidiaries	1,771	1,763
Total operating income	18,265	14,124
Operating expenses:		
General and administrative expenses	1,698	1,747
Operating profit	16,566	12,376
Non-operating income	49	33
Non-operating expenses	81	718
Ordinary profit	16,534	11,691
Extraordinary gains	-	12
Income before income taxes	16,534	11,704
Current	17	(197)
Deferred	22	21
Total income taxes	40	(175)
Net income	16,494	11,879

(3) Unaudited Non-Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Stockholders' equity:		
Common stock:		
Balance as of previous fiscal year-end	118,595	147,637
Balance as of the end of the period	118,595	147,637
Capital surplus:		
Additional paid-in capital:		
Balance as of previous fiscal year-end	450,903	479,945
Balance as of the end of the period	450,903	479,945
Other capital surplus:		
Balance as of previous fiscal year-end	3	-
Changes in the period:		
Disposal of treasury stock	(0)	-
Total changes in the period	(0)	-
Balance as of the end of the period	3	-
Total capital surplus:		
Balance as of previous fiscal year-end	450,907	479,945
Changes in the period:		
Disposal of treasury stock	(0)	-
Total changes in the period	(0)	-
Balance as of the end of the period	450,907	479,945
Retained earnings:		
Other retained earnings:		
Unappropriated retained earnings:		
Balance as of previous fiscal year-end	22,684	22,701
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	16,494	11,879
Disposal of treasury stock	-	(1)
Total changes in the period	489	(440)
Balance as of the end of the period	23,174	22,260
Total retained earnings:		
Balance as of previous fiscal year-end	22,684	22,701
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	16,494	11,879
Disposal of treasury stock	-	(1)
Total changes in the period	489	(440)
Balance as of the end of the period	23,174	22,260

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
	Amount	Amount
Treasury Stock:		
Balance as of previous fiscal year-end	(638)	(927)
Changes in the period:		
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	3
Total changes in the period	(74)	(6)
Balance as of the end of the period	(712)	(933)
Total stockholders' equity:		
Balance as of previous fiscal year-end	591,549	649,357
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	16,494	11,879
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	2
Total changes in the period	415	(447)
Balance as of the end of the period	591,964	648,910
Total net assets:		
Balance as of previous fiscal year-end	591,549	649,357
Changes in the period:		
Dividends	(16,005)	(12,318)
Net income	16,494	11,879
Acquisition of treasury stock	(83)	(10)
Disposal of treasury stock	9	2
Total changes in the period	415	(447)
Balance as of the end of the period	591,964	648,910

(4) Notes on Going-Concern Assumption

Not applicable.