

NON-CONSOLIDATED FINANCIAL SUMMARY

(For the nine months ended December 31, 2008)

February 12, 2009

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

1. Non-Consolidated Operating Results for the Nine Months Ended December 31, 2008 (April 1, 2008 - December 31, 2008)

(1) Results of Operations

Note: Amounts of less than one million yen have been eliminated, 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			Net Income	% change	
			% change	Core Profit	% change			
Nine months ended December 31, 2008	¥856,071 million	-	¥(39,746) million	-	¥27,479 million	-	¥1,050 million	-
Nine months ended December 31, 2007	¥775,521 million	(0.9)	¥48,830 million	1.9	¥39,265 million	4.1	¥12,187 million	(29.0)

	Net Income per Share
Nine months ended December 31, 2008	¥700.59
Nine months ended December 31, 2007	¥8,125.01

Note: Core Profit is a measure of a life insurance company's underlying profitability from core insurance operations on a non-consolidated basis, defined as ordinary profit excluding "capital gains and losses" such as gains and losses on sale of securities and devaluation losses on securities and "other one-time gains and losses" such as provision for (reversal of) contingency reserve and write-off of loans.

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of December 31, 2008	¥5,752,680 million	¥118,254 million	2.1%	¥78,836.37
As of March 31, 2008	¥6,185,591 million	¥254,331 million	4.1%	¥169,554.13

Note: Shareholder's equity: as of December 31, 2008: ¥118,254 million; as of March 31, 2008: ¥254,331 million.

2. Forecast for the Year Ending March 31, 2009 (April 1, 2008 - March 31, 2009)

Taiyo Life's forecast is omitted. Please refer to T&D Holdings' "Forecast for the Year Ending March 31, 2009" section in "Financial Summary for the Nine Months Ended December 31, 2008".

3. Others

- (1) Adoption of Simple Accounting Method or Accounting Method Specific to Preparation for Quarterly Financial Statements: None
- (2) Significant Changes in Accounting Principle and Procedure and Changes in Presentation Method for Quarterly Financial Statements
 1. Changes due to the revision of accounting standards: Applicable
 2. Changes due to other factors: Applicable

Note: Please refer to T&D Holdings' "Financial Review 5. Others" section in "Financial Summary for the Nine Months ended December 31, 2008".

(3) Number of Outstanding Shares (Common Stock)

1. Number of outstanding shares including treasury stock at the end of the term: as of December 31, 2008 : 1,500,000
as of March 31, 2008 : 1,500,000
2. Number of treasury stock at the end of the term: None
3. Average number of outstanding shares during the term: for the nine months ended December 31, 2008 : 1,500,000
for the nine months ended December 31, 2007 : 1,500,000

Taiyo Life Unaudited Non-Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2008	As of March 31, 2008
Assets:		
Cash and deposits	67,633	37,364
Cash	643	654
Deposit	66,990	36,709
Call loans	118,800	122,500
Monetary claims purchased	137,137	160,503
Securities	3,654,362	4,152,424
Government bonds	1,353,407	1,161,894
Municipal bonds	366,413	443,854
Corporate bonds	846,455	969,354
Domestic stocks	357,050	638,532
Foreign securities	710,940	867,227
Other securities	20,096	71,560
Loans	1,438,825	1,481,880
Policy loans	97,682	101,868
Commercial loans	1,341,143	1,380,012
Tangible fixed assets	160,763	162,216
Land	98,277	98,424
Buildings	61,434	63,287
Lease assets	69	-
Construction in progress	541	2
Other tangible fixed assets	441	501
Intangible fixed assets	12,217	10,429
Software	11,794	10,004
Other intangible fixed assets	423	425
Due from reinsurers	47	93
Other assets	92,837	49,438
Accounts receivable	14,294	5,056
Prepaid expenses	1,935	911
Accrued income	22,284	24,684
Deposit for rent	8,289	921
Margin for futures contracts	924	-
Derivatives	40,389	12,837
Suspense payable	1,603	1,916
Other assets	3,115	3,111
Deferred tax assets	71,644	11,299
Reserve for possible loan losses	(1,589)	(2,558)
Total assets	5,752,680	6,185,591

(Millions of yen)

	As of December 31, 2008	As of March 31, 2008
Liabilities:		
Policy reserves	5,527,813	5,731,104
Reserve for outstanding claims	19,898	21,542
Policy reserve	5,452,215	5,652,015
Reserve for policyholder dividends	55,699	57,546
Due to reinsurers	88	36
Subordinated bond	-	20,000
Other liabilities	58,077	71,121
Subordinated payable	35,000	35,000
Income taxes payable	-	2,466
Accounts payable	745	13,450
Accrued expenses	7,412	9,655
Unearned income	610	630
Deposit received	1,838	522
Guarantee deposits	6,314	6,445
Derivatives	4,882	2,027
Lease obligations	73	-
Suspense receipt	1,198	919
Other liabilities	3	3
Reserve for bonus to directors and corporate auditors	32	41
Reserve for employees' retirement benefits	34,870	33,250
Reserve for directors' and corporate auditors' retirement benefits	1,453	1,700
Reserve for price fluctuations	1,410	63,296
Deferred tax liabilities on land revaluation	10,678	10,708
Total liabilities	5,634,425	5,931,259
Net Assets:		
Common stock	37,500	37,500
Capital surplus	37,500	37,500
Retained earnings	84,586	91,333
Other retained earnings	84,586	91,333
Provision for advanced depreciation on real estate	586	596
General reserve	40,000	40,000
Unappropriated retained earnings	44,000	50,737
Total stockholders' equity	159,586	166,333
Net unrealized gains on securities	6,790	136,133
Deferred gains on hedging instruments	(54)	(121)
Land revaluation	(48,067)	(48,014)
Total valuation and translation adjustments	(41,332)	87,997
Total net assets	118,254	254,331
Total liabilities and net assets	5,752,680	6,185,591

Taiyo Life Unaudited Non-Consolidated Statements of Operations

(Millions of yen)

Nine months ended
December 31, 2008

Ordinary revenues	856,071
Income from insurance premiums	460,433
Insurance premiums	460,369
Ceded reinsurance recoveries	64
Investment income	166,641
Interest, dividends and income from real estate for rent	92,908
Interest income from deposits	76
Interest income and dividends from securities	61,776
Interest income from loans	22,530
Interest from real estate for rent	5,822
Other income from interest and dividends	2,702
Gains on sales of securities	73,201
Foreign exchange gains, net	413
Other investment income	117
Other ordinary income	228,996
Income related to withheld insurance claims and other payments for future annuity payments	215
Income due to withheld insurance payments	25,714
Reversal of reserve for outstanding claims	1,643
Reversal of policy reserve	199,800
Other ordinary income	1,621
Ordinary expenses	895,817
Insurance claims and other payments	624,624
Insurance claims	246,395
Annuity payments	119,494
Insurance benefits	79,950
Surrender payments	76,076
Other payments	102,508
Reinsurance premiums	199
Provision for policy and other reserves	79
Interest portion of reserve for policyholder dividends	79
Investment expenses	174,431
Interest expenses	1,186
Losses on sales of securities	135,497
Devaluation losses on securities	31,334
Losses from derivatives, net	863
Write-off of loans	83
Depreciation of real estate for rent	1,759
Other investment expenses	2,730
Losses on separate accounts, net	975
Operating expenses	59,331
Other ordinary expenses	37,350
Payments related to withheld insurance claims	26,837
Taxes	3,601
Depreciation	3,613
Provision of reserve for employees' retirement benefits	1,620
Other ordinary losses	1,677
Ordinary loss	<u>39,746</u>

(Millions of yen)

Nine months ended
December 31, 2008

Extraordinary gains	62,848
Reversal for reserve for price fluctuations	61,885
Reversal of reserve for possible loan losses	962
Recoveries of bad debts previously written-off	0
Extraordinary losses	501
Losses on disposal of fixed assets	501
Provision for reserve for policyholder dividends	8,510
Income before income taxes	<u>14,089</u>
Current income taxes	469
Deferred income taxes	<u>12,569</u>
Net income	<u>1,050</u>

[Reference]

**Taiyo Life Unaudited Non-Consolidated Statements of Operations
for the nine months ended December 31, 2007**

(Millions of yen)

	Nine months ended December 31, 2007
Ordinary revenues	775,521
Income from insurance premiums	491,269
Insurance premiums	491,161
Ceded reinsurance recoveries	108
Investment income	158,683
Interest, dividends and income from real estate for rent	103,419
Interest income from deposits	156
Interest income and dividends from securities	71,270
Interest income from loans	22,947
Interest from real estate for rent	5,882
Other income from interest and dividends	3,162
Gains on sales of securities	54,861
Foreign exchange gains, net	141
Other investment income	261
Other ordinary income	125,568
Income related to withheld insurance claims and other payments for future annuity payments	199
Income due to withheld insurance payments	20,131
Reversal of reserve for outstanding claims	1,206
Reversal of policy reserve	102,307
Other ordinary income	1,723
Ordinary expenses	726,690
Insurance claims and other payments	586,533
Insurance claims	253,076
Annuity payments	109,682
Insurance benefits	75,914
Surrender payments	76,262
Other payments	71,383
Reinsurance premiums	213
Provision for policy and other reserves	78
Interest portion of reserve for policyholder dividends	78
Investment expenses	52,220
Interest expenses	1,271
Losses on sales of securities	23,046
Devaluation losses on securities	7,152
Losses from derivatives, net	16,155
Provision for reserve for possible loan losses	198
Write-off of loans	15
Depreciation of real estate for rent	1,817
Other investment expenses	2,481
Losses on separate accounts, net	84
Operating expenses	57,492
Other ordinary expenses	30,365
Payments related to withheld insurance claims	20,256
Taxes	3,545
Depreciation	3,709
Provision for reserve for employees' retirement benefits	389
Other ordinary losses	2,465
Ordinary profit	48,830

(Millions of yen)

	Nine months ended December 31, 2007
Extraordinary gains	282
Reversal of reserve for possible loan losses	282
Recoveries of bad debts previously written-off	0
Extraordinary losses	15,977
Losses on disposal of fixed assets	101
Impairment loss	302
Provision for reserve for price fluctuations	15,573
Provision for reserve for policyholder dividends	10,403
Income before income taxes	22,732
Current income taxes	16,001
Deferred income taxes	(5,456)
Net income	12,187