

T&D Holdings, Inc.

**Financial Results for the Six Months
Ended September 30, 2007**

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T&D Holdings Financial Highlights



- **The total policy amount in force for the three life insurance companies resulted in stay around the same level from the beginning of fiscal 2007, as the new policy amount decreased from the same term of the previous fiscal year while the surrender and lapse amount decreased**
- **Core profit, ordinary profit and net income increased from the same term of the previous fiscal year mainly due to an increase in interest and dividend income**
- **Consolidated full year forecasts have not been changed, as capital gains or losses might be changed in the second half**

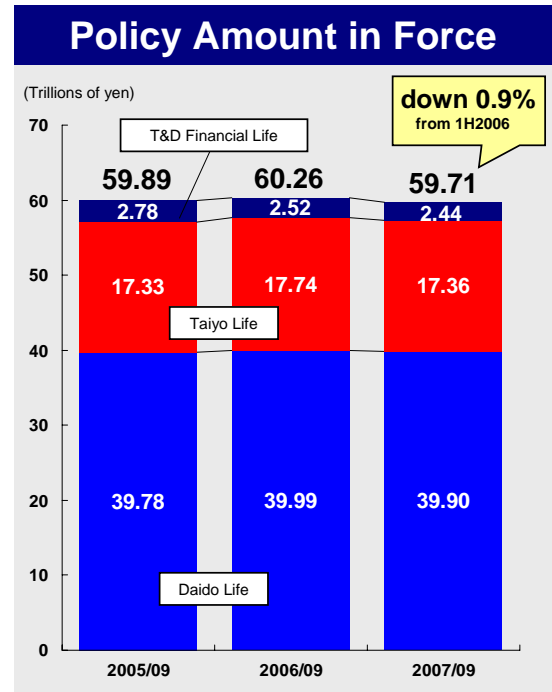
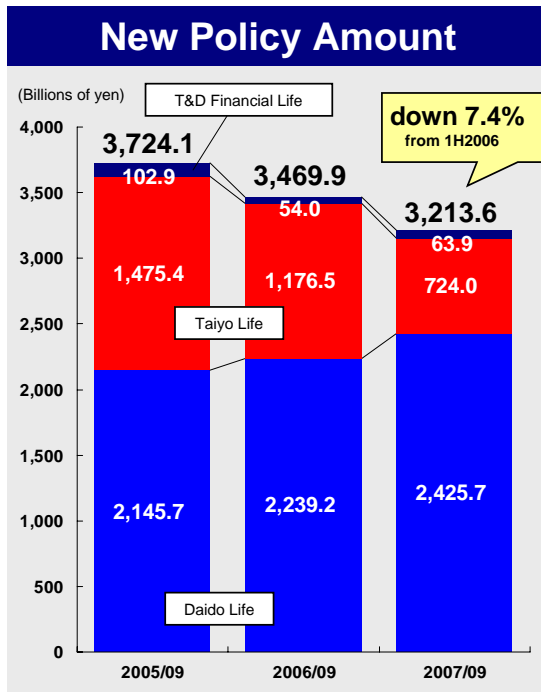
- We have three points that we would like to explain.

- First, the total policy amount in force for the three life insurance companies resulted in stay around the same level from the beginning of fiscal 2007, as the new policy amount decreased from the same term of the previous fiscal year while the surrender and lapse amount decreased.

- Second, core profit, ordinary profit and net income increased from the same term of the previous fiscal year mainly due to an increase in interest and dividend income.

- Third, consolidated full year forecasts have not been changed, as capital gains or losses might be changed in the second half.

Sales Results



*Total amount of individual insurance and individual annuities. New policy amount includes net increase from conversion.

T&D Holdings, Inc. Financial Results for the Six Months Ended September 30, 2007

- As for the total sales results for individual insurance and individual annuities for the three life insurance companies, the new policy amount came to 3,213.6 billion yen, down 7.4% year-on-year.
- The total policy amount in force for the three life insurance companies totaled to 59,719.1 billion yen, down 0.9% from the same term of the previous fiscal year. It resulted in stay around the same level from 59,899.9 billion yen at the beginning of fiscal 2007 (down 0.3%).
- We would like to go into sales results of the each company in further detail from the following pages.

Sales Results: Daido Life



(Billions of yen)

	1H2007	1H2006	Changes
New policy amount*			
Individual insurance and annuities total	2,425.7	2,239.2	8.3%
Individual term life insurance	2,356.0	2,151.4	9.5%
Decrease in policy amount**			
Individual insurance and annuities total	2,251.1	2,257.1	(0.3%)
Individual term life insurance	2,074.9	2,087.8	(0.6%)
Surrender and lapse amount	1,783.1	1,765.4	1.0%
Surrender and lapse rate***	8.98%	8.83%	0.15P
Individual term life insurance	1,689.1	1,672.6	1.0%
Policy amount in force			
Individual insurance and annuities total	39,906.6	39,990.1	(0.2%)
Individual term life insurance	36,099.1	35,997.2	0.3%
Annualized premiums of new policies*	37.5	42.0	(10.7%)
Annualized premiums of total policies	691.9	690.1	0.3%

Reflecting continued favorable sales of the products with high-cash value such as the ultra-long term insurance

Increased by 174.5 billion yen from the beginning of the fiscal year

Increased by 281.0 billion yen from the beginning of the fiscal year

Annualized premiums of term life insurance: 32.6 billion yen (down 9.8% y-o-y)

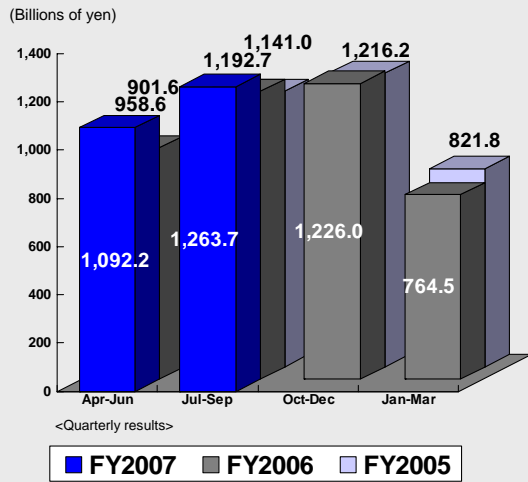
* Includes net increase from conversion
 ** Decrease in policy amount = New policy amount - Net increase in policy amount in force from previous fiscal year end
 *** Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 2

- The total new policy amount for individual insurance and individual annuities increased by 8.3% year-on-year, to 2,425.7 billion yen, and the new policy amount for individual term life insurance increased by 9.5% year-on-year, to 2,356.0 billion yen. The main factor was the continued favorable sales of the products with high-cash value such as the ultra-long term life insurance.
- On the other hand, the surrender and lapse amount increased by 1.0% from the same term of the previous year, to 1,783.1 billion yen. The annualized surrender and lapse rate was 8.98%, which has become worse compared to the 8.83% rate in the same term of the previous fiscal year, but the annualized surrender and lapse rate in 2Q2007 was better than that in 2Q2006 and 1Q2007.
- As a result, the policy amount in force totaled 39,906.6 billion yen, increased by 174.5 billion yen from 39,732.0 billion yen at the beginning of fiscal 2007.
- The annualized premiums of new policies decreased by 10.7% from the same term of the previous year mainly due to a reduction in premium rates in April 2007 and an expansion in sales of non-participating policies whose premium rates are relatively low.

Quarterly Trends: Daido Life Individual Term Life Insurance

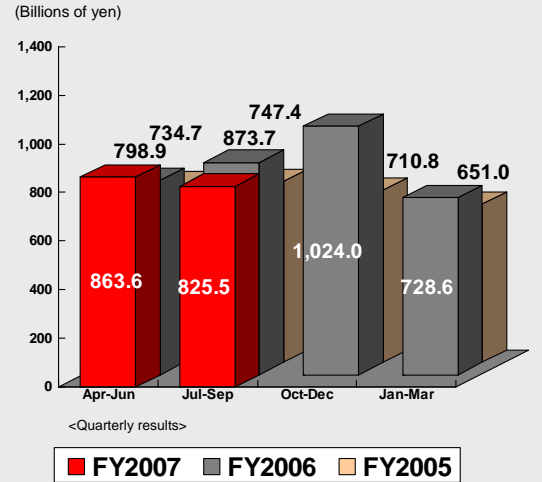


Trends in New Policy Amount*



* New policy amount includes net increase from conversion

Trends in Surrender and Lapse Amount



- The graphs above show quarterly trends of the term life insurance's new policy amount, and surrender and lapse amount.

Sales Results: Taiyo Life



	1H2007	1H2006	Changes	
(Billions of yen)				
New policy amount*				
Individual insurance and annuities total	724.0	1,176.5	(38.5%)	-Mainly affected by not having a sales campaign in 1Q and a decline in the number of policies of "Hoken Kumikyoku" (down 47% y-o-y) -"Hoken Kumikyoku" including conversions amounted to 470.2 billion yen (down 51.6% y-o-y)
Protection-oriented products	642.3	1,146.0	(43.9%)	
Net increase from conversion	119.2	318.8	(62.6%)	
Decrease in policy amount**				
Individual insurance and annuities total	1,001.5	1,018.8	(1.7%)	-Mainly due to a continued focus on "Quality Improvement" of sales activities
Surrender and lapse amount	693.5	749.4	(7.5%)	
Surrender and lapse rate***	7.86%	8.52%	(0.66P)	-Decreased by 277.5 billion yen from the beginning of the fiscal year -The share of the protection products to total policy amount rose to 71.9% (up 0.1 points from the beginning of the fiscal year)
Policy amount in force				
Individual insurance and annuities total	17,367.0	17,749.2	(2.2%)	Includes 4.6 billion yen of 3rd sector products (down 32.4% y-o-y)
Protection-oriented products	12,479.7	12,609.7	(1.0%)	
Annualized premiums of new policies*	16.4	18.7	(12.5%)	Includes 111.4 billion yen of 3rd sector products (down 0.1% y-o-y)
Annualized premiums of total policies	649.3	679.7	(4.5%)	

* Includes net increase from conversion

** Decrease in policy amount = New policy amount - Net increase of policy amount in force from previous fiscal year end

*** Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 2

- The total new policy amount for individual insurance and individual annuities fell by 38.5% year-on-year, to 724.0 billion yen. This result was mainly affected by not having a sales campaign in the first quarter in order to make a visit to existing policyholders preferentially. Another factor was that the number of policies of "Hoken Kumikyoku" was declined.

- On the other hand, the surrender and lapse amount fell by 7.5% and the surrender and lapse rate improved 0.66 points respectively from the same term of the previous fiscal year, mainly due to a continued focus on "Quality Improvement" of sales activities.

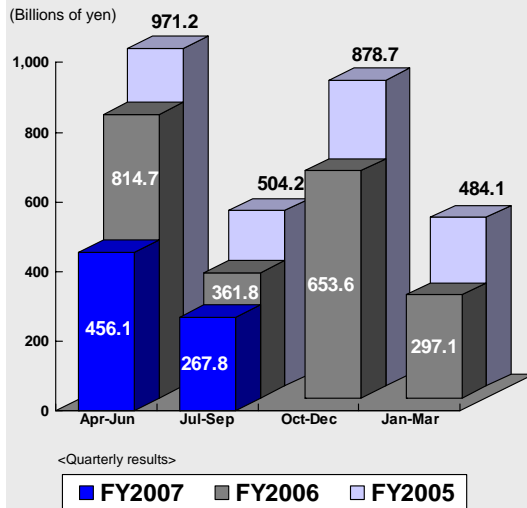
- As a result, the total policy amount in force decreased by 277.5 billion yen from the beginning of fiscal 2007, to 17,367.0 billion yen.

- Following the interim sales results, Taiyo has a downward adjustment to full year forecasts for both the new policy amount and the policy amount in force.

Quarterly Trends: Taiyo Life Individual Insurance and Annuities

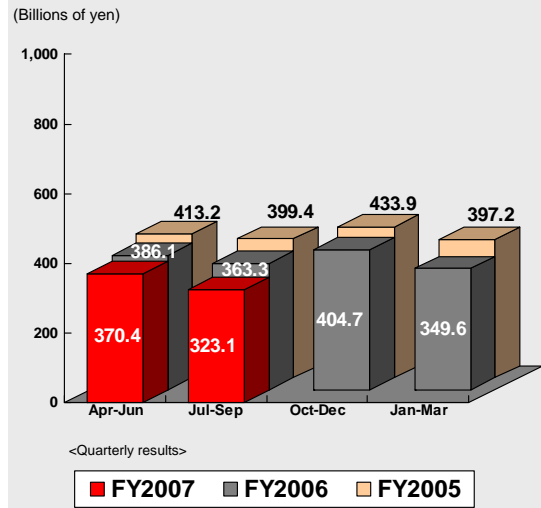


Trends in New Policy Amount*



* New policy amount includes net increase from conversion

Trends in Surrender and Lapse Amount



- The quarterly trends in individual insurance and individual annuities are shown in the graph.

Sales Results: T&D Financial Life



Individual Variable Annuities Sales Update

	1H2007		1H2006	
	Number of Policies	Insurance premiums	Number of Policies	Insurance premiums
Sales results	8,113	71.6 bn yen	7,104	67.2 bn yen
Over-the-counter sales at banks*	6,912	58.7 bn yen	6,115	56.3 bn yen
Number of financial Institution agents*	52 Banks, 3 Security Firms, 1 other agent		37 Banks, 4 Security Firms, 1 other agent	

Includes an additional 7.7 billion yen insurance premiums paid by existing policyholders on exercise of additional coverage options

* Banks include Shinkin (Credit Association) banks

(Billions of yen)

	1H 2007	1H 2006	Changes
New Policy Amount*			
Individual variable annuities	63.9	54.0	18.3%
Decrease in policy amount**			
Individual insurance and annuities total	141.7	190.2	(25.5%)
Surrender and lapse amount	89.2	138.8	(35.7%)
Individual variable annuities	15.8	14.7	7.7%
Surrender and lapse rate***	5.10%	6.40%	(1.30P)
Policy amount in force			
Individual insurance and annuities total	2,445.5	2,529.2	(3.3%)
Individual variable annuities	666.9	492.4	35.4%
Annualized premiums of new policies*	8.7	6.2	39.8%
Annualized premiums of total policies	98.2	78.0	26.0%

Increased by 9.8 billion yen y-o-y

The number of policies and the policy amount in force for the individual variable annuities increased in net by 21,235 policies and 174.4 billion yen y-o-y, respectively

* Includes net increase from conversion

** Decrease in policy amount = New policy amount - Net increase in policy amount in force from previous fiscal year end

*** Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 2

T&D Holdings, Inc. Financial Results for the Six Months Ended September 30, 2007

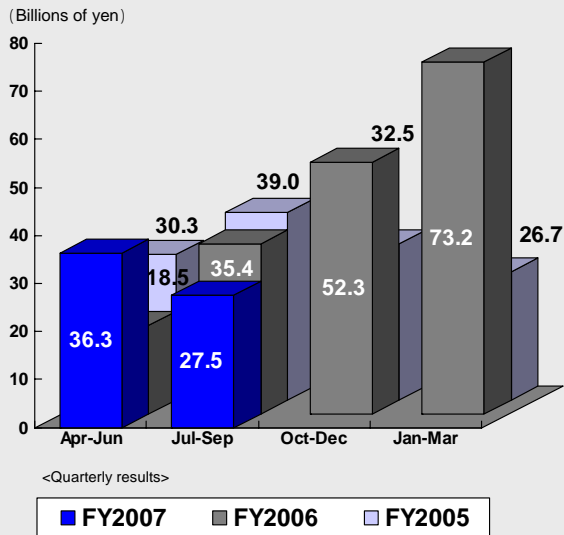
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- The new policy amount for individual variable annuities increased by 9.8 billion yen year-on-year, to 63.9 billion yen, but the progress rate was below the six months forecast. This result was mainly because the sales amount in major financial institution agents declined due to new products launched by other insurers.
- As a result, the total policy amount in force for individual variable annuities increased by 45.4 billion yen from the beginning of fiscal 2007, to 666.9 billion yen.
- Following the interim sales results, T&D Financial has a downward adjustment to full year forecasts for both the new policy amount and the policy amount in force.
- In addition, the number of financial institution agents came to 62 as of November 15, 2007, including 4 agents which are in preparation toward selling T&D Financial's products.

Quarterly trends : T&D Financial Life Individual Variable Annuities

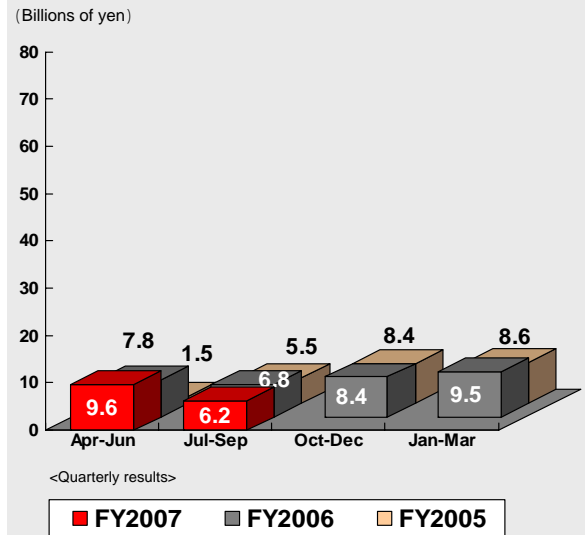


Trends in New Policy Amount*



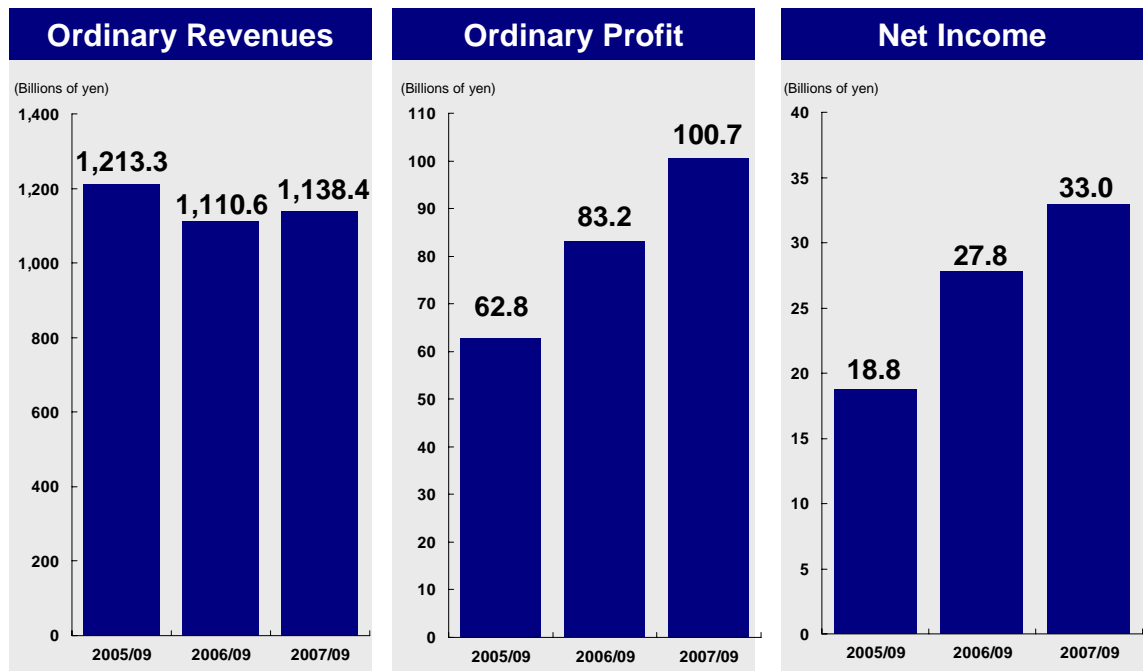
* New policy amount includes net increase from conversion

Trends in surrender and Lapse Amount



- The graphs above show quarterly trends of the individual variable annuities' new policy amount, and surrender and lapse amount.

Consolidated Operation Results



- Consolidated operation results are shown in the graph.
- Ordinary profit and net income increased from the same term of the previous fiscal year mainly due to an increase in interest and dividend income.
- We would like to explain about consolidated statement of operations in further detail in the following page.

Consolidated Statements of Operations



	(Billions of yen)		
	1H2007	1H2006	Changes
Ordinary revenues	1,138.4	1,110.6	27.8
Income from insurance premiums	837.9	881.0	(43.1)
Investment income	217.2	195.9	21.3
Interest, dividends and income from real estate for rent	153.8	133.4	20.3
Gains on sale of securities	45.1	57.9	(12.7)
Other ordinary income	83.2	33.6	49.5
Reversal of policy reserve	44.6	4.6	39.9
Ordinary expenses	1,037.7	1,027.3	10.3
Insurance claims and other payments	834.6	815.6	19.0
Provision for policy and other reserves	0.4	2.2	(1.7)
Investment expenses	62.5	72.5	(9.9)
Losses on sale of securities	20.6	28.0	(7.3)
Devaluation losses on securities	16.2	1.2	15.0
Losses from derivatives, net	9.1	18.7	(9.6)
Operating expenses	103.5	103.0	0.4
Other ordinary expenses	36.5	33.9	2.5
Ordinary profit	100.7	83.2	17.4
Net extraordinary gains (losses)	(11.6)	(14.1)	2.5
Provision for reserve for policyholder dividends	25.6	20.6	5.0
Income before income taxes	63.4	48.4	15.0
Income taxes	30.3	20.6	9.7
Net income	33.0	27.8	5.2

Breakdown;
 -Daido: (12.5) billion yen
 -Taiyo: (33.0) billion yen
 -T&D Financial: 2.4 billion yen

-Daido 17.4 billion yen: Mainly due to an increase in dividends from private equity funds and investment trusts
 -Taiyo 4.1 billion yen: Mainly due to an increase in interests from foreign bonds caused by the depreciation of Yen

Includes a 26.6 billion yen increase for Daido

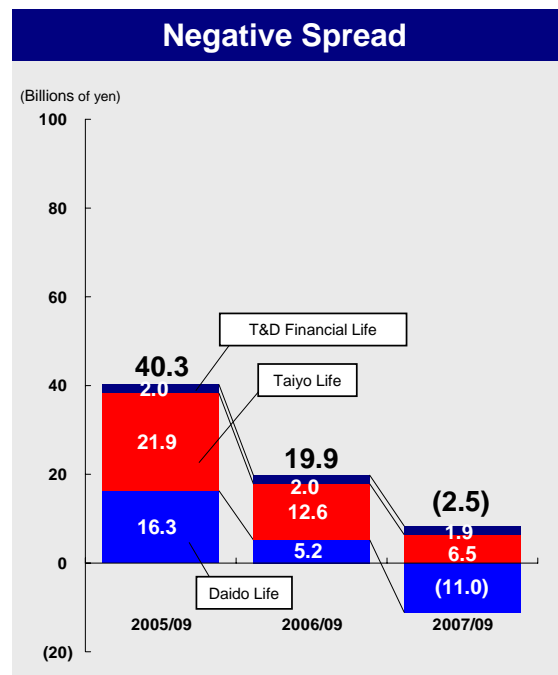
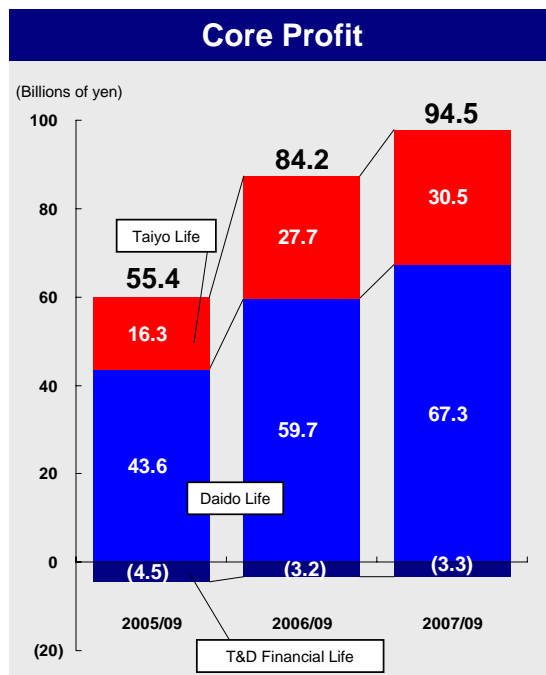
Includes a 10.6 billion yen increase for Daido

Set aside 13.9 billion yen (up 3.1 billion yen y-o-y) for reserve for price fluctuations, including excess amount of 11.5 billion yen (up 3.1 billion yen y-o-y) as additional internal reserves

Includes a 5.8 billion yen increase for Daido

- The Consolidated statements of operations is shown in the table. We would like to explain about ordinary profit and net income.
- Ordinary profit was 100.7 billion yen, up 17.4 billion yen year-on-year. This was due to a 20.3 billion yen increase in interest and dividend income in spite of a 5.3 billion yen decrease in gains on sales of securities, net.
- As a result, net income increased by 5.2 billion yen from the same term of the previous fiscal year, to 33.0 billion yen.
- In terms of extraordinary losses, we set aside 13.9 billion yen as a reserve for price fluctuations, including 2.3 billion yen for Daido and 9.2 billion yen for Taiyo as additional internal reserves in excess of legal requirements.

Core Profit/ Negative Spread

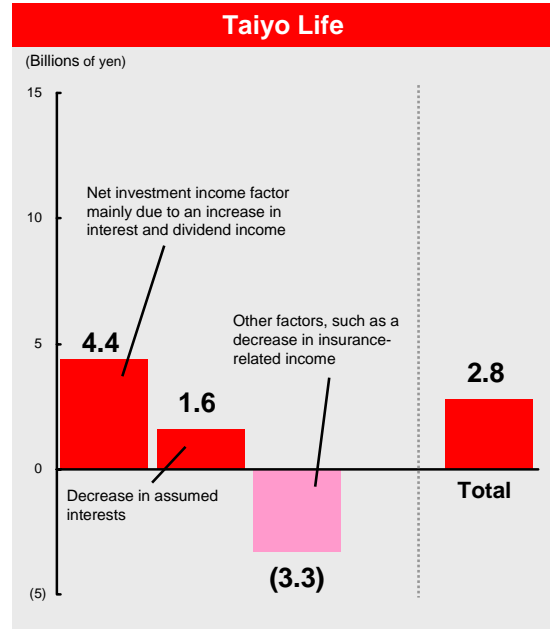
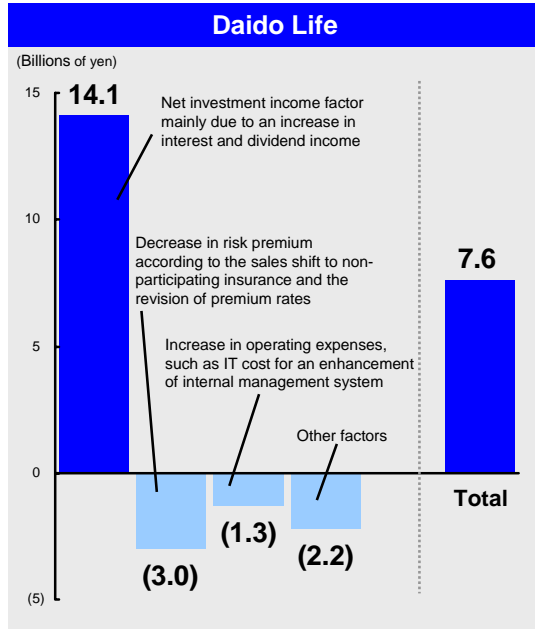


* Daido Life's spread turned positive (11.0 billion yen) for 1H2007.

- The total core profit increased 10.3 billion from the same term of the previous fiscal year, to 94.5 billion yen. The main factor was a 21.5 billion increase in interest and dividend income.
- The total negative spread for the three companies decreased 22.5 billion yen from the same term of the previous year, turned to a positive spread of 2.5 billion yen.

Factors for Increase/ Decrease in Core Profit

Factors for Increase/ Decrease in Core Profit for 1H2007 (vs. 1H2006)



- These graphs show the factors for increase/decrease in core profit for Daido and Taiyo.

Consolidated Balance Sheets



(Billions of yen)

	As of September 30, 2007	As of March 31, 2007	Changes
Assets:			
Cash and deposits, call loans	604.5	760.6	(156.1)
Monetary claims purchased	401.0	450.5	(49.5)
Monetary trusts	112.6	113.1	(0.5)
Securities	10,013.8	9,870.2	143.5
Loans	2,422.8	2,430.5	(7.6)
Tangible fixed assets	310.4	317.6	(7.1)
Other assets	126.5	117.7	8.8
Reserve for possible loan losses	(3.8)	(3.6)	(0.1)
Total assets	14,021.5	14,090.9	(69.4)

(Billions of yen)

	As of September 30, 2007	As of March 31, 2007	Changes
Liabilities:			
Total policy reserves	12,289.6	12,344.7	(55.0)
Policy reserve	12,029.1	12,073.7	(44.6)
Contingency reserve	178.3	175.2	3.1
Reserve for price fluctuations	118.5	104.5	13.9
Total liabilities	12,944.1	13,000.7	(56.5)
Net assets:			
Total stockholders' equity	472.2	455.8	16.3
Common stock	118.5	118.5	-
Capital surplus	106.1	106.1	0.0
Retained earnings	248.1	231.6	16.4
Total valuation and translation adjustment	603.2	632.4	(29.1)
Net unrealized gains on securities	650.5	680.4	(29.8)
Land revaluation	(47.8)	(48.5)	0.6
Total net assets	1,077.4	1,090.2	(12.8)
Total liabilities and net assets	14,021.5	14,090.9	(69.4)

Includes excess amount of additional reserve for price fluctuations, 2.3 billion yen at Daido and 9.2 billion yen at Taiyo

- The consolidated balance sheets is shown in the table.

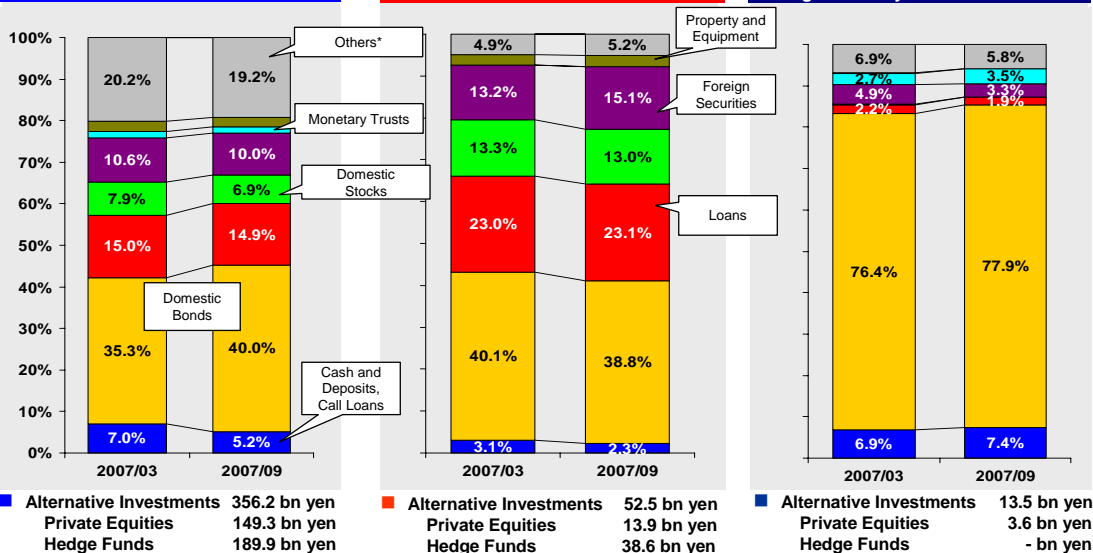
General Account Assets Composition



Daido Life	
Net Exposure to Domestic Stocks **	18.1% 17.2%
Foreign Currency ***	3.4% 4.2%

Taiyo Life	
Net Exposure to Domestic Stocks **	14.5% 14.3%
Foreign Currency ***	6.1% 6.8%

T&D Financial Life	
Net Exposure to Domestic Stocks **	0.2% 0.0%
Foreign Currency ***	0.3% 0.2%



*Others: Other Securities (mainly investment trusts), Deferred Tax Assets, Monetary Claims Purchased and Other Assets ** Net exposure to domestic stocks adjusting the hedging position and including stocks held in monetary and investment trusts *** Net foreign currency exposure adjusting for hedges **** Calculation of each net exposure is based on each company's method.

T&D Holdings, Inc. Financial Results for the Six Months Ended September 30, 2007

- The each assets composition of the three life companies is shown in the graphs.
- The net exposure to domestic stocks for each company was 17.2% for Daido, 14.3% for Taiyo. As for Daido, the net exposure decreased by 0.9 points from the end of fiscal 2006, mainly due to a decline in stock prices. As for Taiyo, the net exposure resulted in stay around the same level from the end of fiscal 2006, mainly due to the buy-back of domestic stocks at the downward phase in the second quarter in spite of the sales of domestic stocks at the upward phase in the first quarter.
- The net foreign currency exposure for each company was 4.2% for Daido, 6.8% for Taiyo. As for Daido, the net foreign currency exposure rose by 0.8 points from the end of fiscal 2006, mainly due to an increase in exposure at the appreciating-yen phase and an increase in foreign-currency assets such as alternative investments. As for Taiyo, the net foreign currency exposure rose by 0.7 points mainly due to the purchases of foreign bonds at the phase of rising interest rates in the first quarter and an increase in foreign stocks.
- The alternative investments for each company as of September 31, 2007 was 356.2 billion yen for Daido, 52.5 billion yen for Taiyo.
- In addition, we have not invested in sub-prime loans or sub-prime CDO directly, and we consider that the indirect impact through hedge-fund investments is so limited.

Unrealized Gains/ Losses (General Account Assets)



(Securities with market value)

(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life		Total		
	As of September 30, 2007	As of March 31, 2007	As of September 30, 2007	As of March 31, 2007	As of September 30, 2007	As of March 31, 2007	As of September 30, 2007	As of March 31, 2007	Changes
Total	450.9	546.3	547.9	499.6	(0.9)	(0.7)	997.9	1,045.3	(47.4)
Domestic Bonds	12.5	18.6	11.8	8.2	(1.0)	(1.0)	23.4	25.8	(2.4)
Domestic Stocks	194.7	248.5	448.6	425.6	-	-	643.4	674.2	(30.8)
Foreign Securities	4.6	9.8	82.4	53.8	(0.0)	0.0	87.0	63.7	23.3
Other Securities	214.4	239.3	5.5	12.9	0.0	0.2	220.0	252.4	(32.4)
Monetary Claims Purchased	0.7	0.2	(0.6)	(1.0)	-	-	0.1	(0.7)	0.8
Certificates of Deposit	-	-	(0.0)	(0.0)	-	-	(0.0)	(0.0)	0.0
Monetary Trusts	23.7	29.7	-	-	-	-	23.7	29.7	(5.9)
Net Unrealized Gains/ Losses on Real Estate	15.0	17.1	12.9	11.6	-	-	27.9	28.8	(0.8)

* Unrealized gains/ losses on real estate for Daido Life is basically calculated based on the appraisal price, and as for less important properties, they are calculated based on the posted price.

** Unrealized gains/ losses on real estate for Taiyo Life is calculated based on the appraisal price or posted price.

- The total net unrealized gains on securities of the three life insurance companies came to 997.9 billion yen, down 47.4 billion yen from March 31, 2007 mainly due to a decline in stock prices.

Financial Soundness, Adjusted Book Value on EV



(Billions of yen)

	As of September 30, 2007	As of March 31, 2007	Changes
Daido Life			
Solvency margin ratio	1,266.1%	1,320.6%	(54.5P)
Adjusted net assets	1,045.1	1,109.6	(64.5)
Adjusted book value on EV	669.3	701.9	(32.6)
Taiyo Life			
Solvency margin ratio	1,153.9%	1,100.4%	53.5P
Adjusted net assets	893.3	834.6	58.6
Adjusted book value on EV	594.1	554.8	39.3
T&D Financial Life			
Solvency margin ratio	1,080.5%	1,189.7%	(109.2P)
Adjusted net assets	64.1	63.5	0.6
Adjusted book value on EV	40.2	42.0	(1.8)
Total of Three Insurance Company			
Adjusted net assets	2,002.5	2,007.8	(5.3)
Adjusted book value on EV	1,303.7	1,298.8	4.8

Mainly due to a decrease in unrealized gains on available-for-sale securities

Mainly due to an increase in unrealized gains on available-for-sale securities and reserve for price fluctuations

Mainly due to an increase in minimum guarantee risks

- The solvency margin ratio, adjusted net assets as well as adjusted book value used for the calculation of the embedded value (TEV) are shown in the table.

Forecasts for the Year Ending March 31, 2008



T&D Holdings' Consolidated Forecasts

(Billions of yen)

	Full Year Forecast	Six Months Ended September 30, 2007	Progress Rate	(Ref.) Year Ended March 31, 2007
Ordinary revenues	2,180	1,138.4	52.2%	2,286.0
Ordinary profit	130	100.7	77.5%	158.1
Net income	37	33.0	89.4%	38.7

Projected additional reserve for price fluctuations for FY2007: 24.7 billion yen (15.8 billion yen after-tax)
 <1H2007 result>
 -Daido: 2.3 billion yen (1.4 billion yen after-tax)
 -Taiyo: 9.2 billion yen (5.9 billion yen after-tax)

Total of Three Life Insurance Companies

(Billions of yen)

	Full Year Forecast	Six Months Ended September 30, 2007	Progress Rate	(Ref.) Year Ended March 31, 2007
New policy amount	6,000	3,213.6	53.6%	6,634.7
Policy amount in force	59,300	59,719.1	** -	59,899.9
Income from insurance premiums	1,660	837.9	50.5%	1,811.5
Core profit	160	94.5	59.1%	173.3
Negative spread	31	(2.5)	-	20.3

Mainly due to an increase in interest and dividend income

* New policy amount and policy amount in force include individual insurance and individual annuities. New policy amount includes net increase from conversion.
 ** Decreased 180.7 billion yen from the beginning of fiscal 2007

- The full year forecasts for the year ending March 31, 2008 are shown in the table.
- The progress rate of ordinary profit and net income in this term were 77.5% and 89.4% respectively. The forecasts publicly announced on May 17, 2007, however, will not be changed at this stage, because it is possible that capital gains and losses on investments may change according to future market trends.
- As for three life insurance companies, the progress rate of sales results, core profit and negative spread are shown in the following table.
- We have made a downward adjustment to our full year forecasts for the new policy amount and the policy amount in force by 9.9% or 660 billion yen, 1.1% or 670 billion yen respectively, following downward adjustments at Taiyo and T&D Financial.

(Ref.) Forecasts for the Year Ending March 31, 2008



(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life	
	Full Year Forecast	Year Ended March 31, 2007	Full Year Forecast	Year Ended March 31, 2007	Full Year Forecast	Year Ended March 31, 2007
Ordinary revenues	990	1,061.8	900	1,012.0	350	266.1
Income from insurance premiums	850	865.2	640	705.5	170	240.7
Ordinary profit	93	121.2	52	51.6	(20)	(13.5)
Core profit	115	125.7	56	53.9	(11)	(6.4)
Net income	37	43.1	12	13.4	(14)	(10.7)
New policy amount	4,350	4,327.8	1,530	2,127.3	120	179.5
Core product	4,200	4,141.9	-	-	** 120	179.5
Policy amount in force	39,770	39,732.0	17,190	17,644.5	2,340	2,523.3
Core product	36,060	35,818.1	-	-	690	621.5
Annualized premiums of total policies	700	692.2	630	662.8	100	92.0
Negative spread	3	*** -	23	24.6	4	4.1
Surrender and lapse rate	8.5%	9.04%	8.0%	8.55%	7.6%	9.11%

* New policy amount and policy amount in force include individual insurance and individual annuities. New policy amount includes net increase from conversion. Individual term life insurance and individual variable annuities are the core product for Daido Life and T&D Financial Life respectively.

** Not includes an additional income from premiums paid by existing policyholders on exercise of additional coverage options. If includes, these forecasts are revised to 138 billion yen.

*** Daido Life's spread turned positive (8.3 billion yen) for the fiscal year ended March 31, 2007.

T&D Holdings, Inc. Financial Results for the Six Months Ended September 30, 2007

- Taiyo has made a downward adjustment to full year forecasts for the new policy amount and the policy amount in force by 24.3% or 490 billion yen, 2.9% or 510 billion yen respectively. T&D Financial has also made a downward adjustment to full year forecasts for the new policy amount and the policy amount in force by 58.6% or 170 billion yen, 6.4% or 160 billion yen respectively.

Life Insurance Business Overview



- Life insurance business environments in Japan have remained tough
- T&D Life Group has made a downward adjustment to the full year forecasts for the total of our three life insurance companies

Daido Life	<ul style="list-style-type: none"> -Sales for individual term life insurance has steadily performed at the full year forecasts' pace -Daido Life continues to strengthen its core business, sales of individual term life insurance in the SME market
Taiyo Life	<ul style="list-style-type: none"> -Surrender and lapse rate has improved due to activities to focus on improving the persistency rate of high-quality policies -New policy amount for the main product, "<i>Hoken Kumikyoku</i>", has decreased -Taiyo Life aims to achieve the revised full year forecast by measures such as strengthening the sales representatives organization
T&D Financial Life	<ul style="list-style-type: none"> -Competition in major financial institution agents has intensified as other insurers launched new products in 1H2007 -Industry-wide sales performance of variable annuities has slowed down -T&D Financial Life has considered developing new products for the full deregulation of OTC bank sales
Life Insurance Industry in Japan	<ul style="list-style-type: none"> -For the five months from April to August (2007), the new policy amount decreased by 18% y-o-y, and the policy amount in force decreased by 4.5% y-o-y

- As for the life insurance industry in Japan, the new policy amount and the policy amount in force for traditional death protection products have been decreasing mainly due to aging population and diversifying customer needs. Besides the insurance claims problem, business environments remain tough.

- Regarding Daido, sales for individual term life insurance has steadily performed at the full year forecasts' pace. Daido continues to strengthen its core business, sales of individual term life insurance in the SME market.

- Surrender and lapse rate of Taiyo has improved due to activities to focus on improving the persistency rate of high-quality policies, but new policy amount for the main product, "*Hoken Kumikyoku*", has decreased. Taiyo aims to achieve the revised full year forecast by measures such as strengthening the sales representatives organization.

- T&D Financial's sales amount in major financial institution agents has declined as other insurers launched new products. Besides OTC sales of risk-oriented products slow down due to the enforcement of the Financial Products Exchange Law. Therefore T&D Financial has made a downward adjustment to full year forecasts. The company aims to expand its agent network and enhance sales support for agents and has also considered developing new products for the full deregulation of OTC bank sales scheduled on December 22.

Investment Measures

Category	Company	Initiatives
Domestic bonds	Daido	-Level off balance of income generating assets including loans
	Taiyo	-Extend durations along with interest rate rise
Domestic Stocks	Daido	-Maintain current asset composition -Possible change according to the market outlook
	Taiyo	
Foreign securities	Daido	
	Taiyo	
Alternative investments	Daido	-Increase net exposure to hedge funds by 10 billion yen and private equity funds by 10 billion yen * -In the mid-term increase net exposure to about 200 billion yen ** on hedge funds and private equity funds respectively
	Taiyo	- Increase net exposure to hedge funds by 25 billion yen and private equity funds by 15 billion yen *

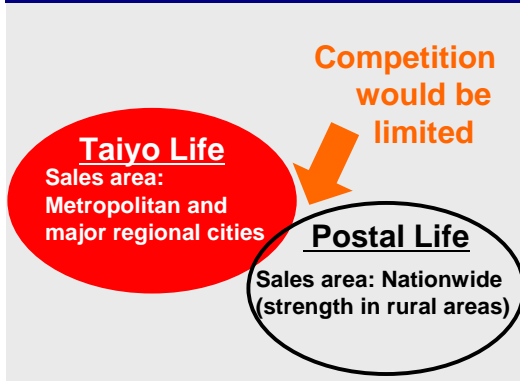
*Commitment base **Balance base

- We would like to explain about the second half 2007 investment measures.
- As for domestic bonds, we expect the interest rates rise in the mid-term. For liability-driven ALM and increasing investment income, we plan to extend the asset durations to cope with rises in interest rates.
- As regards domestic stocks and foreign securities, we will maintain the current asset composition. However, we will raise or reduce that composition along with the market outlook.
- As for alternative investments, Daido will increase net exposure to hedge funds by 10 billion yen, to private equity by 10 billion yen as a commitment basis. In the mid-term, Daido will increase net exposure to hedge funds and private equity to about 200 billion yen respectively. Taiyo will also increase net exposure to hedge funds by 25 billion yen and to private equity by 15 billion yen.

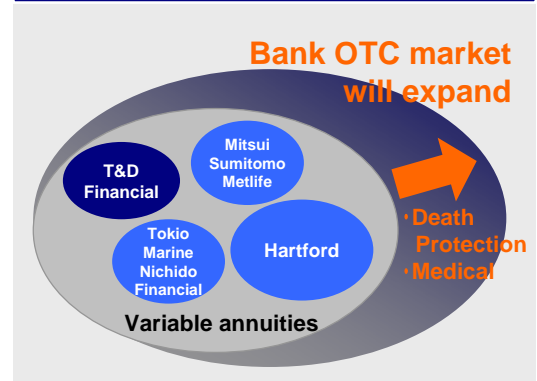
Response to Changing Regulatory Environment

- Impact of privatization of Postal Life on T&D Life Group is limited because of our differentiated markets or products
- In preparation for the full deregulation of OTC sales at banks, strengthen supports to T&D financial, that plays a key role in bank OTC channel in T&D Life Group

Privatization of Postal Life (October 2007)



Full deregulation of OTC sales at banks (December 2007)



- We would like to explain about our response to changing regulatory environment.
- First, Japan Post has privatized in October 2007. However, we believe that this deregulation will have a limited negative impact on us, because of our distinctive business models, which differentiate markets or products.
- Second, the full deregulation of OTC sales at banks is currently expected to take effect from December 22, 2007. We have had T&D Financial specialize in the OTC bank channel, and we continue to support T&D Financial further in the new stage of growth.
- In addition, the introduction of international accounting standards and international solvency standards is considered. We have adopted EEV principles, and will actively respond to changes in the international regulatory environment.

Appendix

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- Appendix

Non-Consolidated Statements of Operations: Daido Life



(Billions of yen)

	1H2007	1H2006	Changes	
Ordinary revenues	570.7	524.4	46.3	Premiums for individual term life insurance, a main product line, rose by 3.6 billion yen y-o-y
Income from insurance premiums	419.5	432.0	(12.5)	Includes; -Dividends from private equity funds: up 11.0 billion yen -Dividends from investment trusts: up 4.1 billion yen
Individual insurance and annuities	335.0	336.3	(1.3)	
Investment income	106.8	79.2	27.5	Includes redemption of a part of monetary trusts focused on domestic stocks of 5.6 billion yen
Interest, dividends and income from real estate for rent	80.5	63.0	17.4	
Gains from monetary trusts, net	8.7	1.3	7.3	Includes (y-o-y increase/decrease); - Stock-related: 2.1 billion yen (down 0.5 billion yen) - Currency-related: (1.1) billion yen (up 10.7 billion yen)
Gains on sales of securities	9.4	10.3	(0.9)	
Gains from derivatives, net	1.2	-	1.2	Includes (y-o-y increase/decrease); -Surrender payment for individual insurance: 108.6 billion yen (up 7.7 billion yen) -Insurance claims etc.: 77.9 billion yen (up 6.7 billion yen) -Insurance benefit for group annuities: 80.8 billion yen (up 2.9 billion yen)
Other ordinary income	44.3	13.0	31.3	
Reversal of policy reserve	34.8	11.1	23.6	Mainly due to price decline of a part of holding stocks
Ordinary expenses	501.2	470.3	30.9	Includes provision for reserve for price fluctuations of 3.5 billion yen including excess amount of additional reserves of 2.3 billion yen (half the amount of full year forecast)
Insurance claims and other payments	407.8	381.2	26.6	
Provision for policy and other reserves	0.4	0.8	(0.4)	
Investment expenses	27.9	25.4	2.4	
Losses on sales of securities	3.6	5.6	(1.9)	
Devaluation losses on securities	11.7	1.1	10.6	
Losses from derivatives, net	-	9.9	(9.9)	
Losses from separate accounts, net	7.5	4.0	3.5	
Operating expenses	57.3	55.9	1.3	
Other ordinary expenses	7.6	6.7	0.9	
Ordinary profit	69.4	54.0	15.4	
Net extraordinary gains (losses)	(1.1)	(8.4)	7.2	
Provision for reserve for policyholder dividends	18.5	12.7	5.8	
Income before income taxes	49.7	32.9	16.8	
Income taxes	22.7	13.4	9.3	
Net income	27.0	19.5	7.5	

- Non-consolidated statements of operations: Daido Life

Non-Consolidated Statements of Operations: Taiyo Life



(Billions of yen)

	1H2007	1H2006	Changes
Ordinary revenues	505.1	518.6	(13.4)
Income from insurance premiums	330.3	363.3	(33.0)
Investment income	108.9	116.3	(7.4)
Interest, dividends and income from real estate for rent	73.1	69.0	4.1
Gains on sales of securities	35.4	47.2	(11.7)
Other ordinary income	65.9	38.9	27.0
Reversal of policy reserve	52.0	25.1	26.9
Ordinary expenses	469.9	478.9	(8.9)
Insurance claims and other payments	376.7	386.5	(9.7)
Provision for policy and other reserves	0.0	0.7	(0.7)
Investment expenses	35.6	34.7	0.9
Losses on sales of securities	16.8	21.5	(4.7)
Devaluation losses on securities	4.4	0.0	4.4
Losses from derivatives, net	10.3	8.8	1.4
Operating expenses	38.2	39.5	(1.2)
Other ordinary expenses	19.2	17.3	1.8
Ordinary profit	35.2	39.7	(4.5)
Net extraordinary gains (losses)	(10.4)	(4.9)	(5.5)
Provision for reserve for policyholder dividends	6.9	7.2	(0.2)
Income before income taxes	17.7	27.5	(9.7)
Income taxes	7.9	10.4	(2.4)
Net Income	9.8	17.1	(7.3)

Includes (y-o-y increase/decrease);
 -Individual insurance and annuities: 271.5 billion yen (down 17.8 billion yen)
 -Group annuities: 41.1 billion yen (down 14.9 billion yen)

Includes interests and dividends from securities of 51.6 billion yen (up 5.9 billion yen y-o-y)

Includes (y-o-y increase/decrease);
 -Domestic stocks: 20.4 billion yen (down 19.8 billion yen)
 -Foreign securities: 14.8 billion yen (up 8.2 billion yen)
 -Domestic bonds: 0.1 billion yen (down 0.2 billion yen)

Includes (y-o-y increase/decrease);
 -Individual insurance and annuities: 149.3 billion yen (down 15.2 billion yen), including maturity benefits of 133.7 billion yen (down 15.8 billion yen)

Includes (y-o-y increase/decrease);
 - Domestic stocks: 4.9 billion yen (down 7.6 billion yen)
 - Foreign securities: 5.2 billion yen (down 1.4 billion yen)
 - Domestic bonds: 6.6 billion yen (up 4.2 billion yen)

Includes (y-o-y increase/decrease);
 - Currency-related: 10.1 billion yen (down 1.4 billion yen)
 - Stock-related: 0.2 billion yen (down 0.0 billion yen)

Includes provision for reserve for price fluctuations of 10.3 billion yen (up 7.0 billion yen y-o-y), including excess amount of additional reserves of 9.2 billion yen

- Non-consolidated statements of operations: Taiyo Life

Non-Consolidated Statements of Operations: T&D Financial Life



(Billions of yen)

	1H2007	1H2006	Changes
Ordinary revenues	97.7	91.3	6.4
Income from insurance premiums	88.0	85.6	2.4
Investment income	4.9	2.6	2.3
Interest, dividends and income from real estate for rent	2.2	2.2	(0.0)
Gains from monetary trusts, net	1.0	-	1.0
Gains on separate accounts, net	1.4	-	1.4
Other ordinary income	4.7	3.1	1.5
Ordinary expenses	102.7	98.1	4.6
Insurance claims and other payments	50.0	47.8	2.1
Provision for policy and other reserves	43.1	27.5	15.5
Investment expenses	0.2	13.7	(13.4)
Losses from monetary trusts, net	-	1.6	(1.6)
Losses on separate accounts, net	-	11.2	(11.2)
Operating expenses	7.5	7.8	(0.2)
Other ordinary expenses	1.8	1.1	0.6
Ordinary profit (losses)	(5.0)	(6.7)	(1.7)
Net extraordinary gains (losses)	(0.0)	(0.8)	0.8
Provision for reserve for policyholder dividends	0.1	0.6	(0.5)
Income before income taxes	(5.1)	(8.3)	3.2
Income taxes	(1.5)	(2.4)	0.9
Net income (loss)	(3.6)	(5.8)	(2.2)

Includes 71.6 billion yen of insurance premiums for individual variable annuities, up 4.3 billion yen from those for 1H2006 of 67.2 billion yen

4.2 billion yen of provision for policy reserve relating to minimum guarantee risks for variable annuities

- Non-consolidated statements of operations: T&D Financial Life

Non-Consolidated Statements of Operations: T&D Asset Management



(Millions of yen)

	1H 2007	1H 2006	Changes
Operating income	3,598	2,912	685
Trustee fees	2,253	1,816	437
Investment management fees	1,344	1,096	248
Operating expenses	1,326	1,029	297
Commissions paid	729	558	170
Other operating expenses	597	470	126
General and administrative expenses	1,213	1,080	133
Operating profit	1,057	803	254
Non-operating income	3	5	(1)
Non-operating expenses	0	0	0
Ordinary profit	1,061	808	252
Net extraordinary gains (losses)	(0)	(210)	210
Income before income taxes	1,060	598	462
Income taxes	440	273	166
Net income	620	324	296

- Non-consolidated statements of operations: T & D Asset Management

Non-Consolidated Balance Sheets: Daido Life



	(Billions of yen)				(Billions of yen)		
	As of Sep 30, 2007	As of March 31, 2007	Changes		As of Sep 30, 2007	As of March 31, 2007	Changes
Assets				Liabilities			
Cash and deposits, Call loans	317.8	442.1	(124.3)	Total policy reserves	5,433.2	5,474.5	(41.2)
Monetary claims purchased	242.7	295.3	(52.5)	Policy reserve	5,262.4	5,297.2	(34.8)
Monetary trusts	96.7	100.8	(4.0)	Contingency reserve	81.5	80.3	1.1
Securities	4,488.5	4,410.1	78.4	Other liabilities	49.8	53.9	(4.1)
Domestic bonds	2,502.0	2,251.5	250.4	Reserve for price fluctuations	65.1	61.5	3.5
Domestic stocks	478.5	550.0	(71.4)	Deferred tax liabilities	68.9	105.2	(36.3)
Foreign securities	654.7	707.6	(52.8)	Total liabilities	5,724.7	5,792.2	(67.5)
Other securities	853.1	900.8	(47.6)	Net assets			
Loans	915.1	932.9	(17.8)	Total stockholders' equity	258.4	241.2	17.1
Tangible fixed assets	141.5	146.9	(5.3)	Common stock	75.0	75.0	-
Reserve for possible loan losses	(1.0)	(1.0)	(0.0)	Capital surplus	0.0	0.0	-
Total assets	6,288.3	6,397.0	(108.6)	Retained earnings	183.3	166.2	17.1
				Total valuation and translation adjustments	305.2	363.4	(58.2)
				Net unrealized gains on securities	304.3	362.7	(58.3)
				Total net assets	563.6	604.7	(41.1)
				Total liabilities and net assets	6,288.3	6,397.0	(108.6)

Domestic bonds: Increased mainly due to the purchases of short-term government bonds

- Non-consolidated balance sheets: Daido Life

Non-Consolidated Balance Sheets: Taiyo Life



(Billions of yen)

(Billions of yen)

	As of Sep 30, 2007	As of March 31, 2007	Changes		As of Sep 30, 2007	As of March 31, 2007	Changes
Assets				Liabilities			
Cash and deposits, call loans	149.4	201.7	(52.2)	Total policy reserves	5,780.9	5,836.5	(55.5)
Securities	4,514.7	4,485.2	29.5	Policy reserve	5,699.0	5,751.1	(52.0)
Domestic bonds	2,542.4	2,628.4	(85.9)	Contingency reserve	84.7	85.5	(0.8)
Domestic stocks	854.5	873.2	(18.7)	Reserve for price fluctuations	52.9	42.5	10.3
Foreign securities	990.2	865.9	124.2	Deferred tax liabilities	116.3	104.1	12.1
Other securities	127.5	117.5	9.9	Total liabilities	6,086.2	6,121.9	(35.6)
Loans	1,513.0	1,502.2	10.7	Net assets			
Tangible fixed assets	162.6	163.4	(0.7)	Total stockholders' equity	163.9	160.8	3.0
Reserve for possible loan losses	(2.5)	(2.3)	(0.2)	Common stock	37.5	37.5	-
Total assets	6,549.1	6,552.5	(3.3)	Capital surplus	37.5	37.5	-
				Retained earnings	88.9	85.8	3.0
				Total valuation and translation adjustments	298.9	269.7	29.2
				Net unrealized gains on securities	347.0	318.4	28.5
				Land revaluation	(47.8)	(48.5)	0.6
				Total net assets	462.8	430.5	32.3
				Total liabilities and net assets	6,549.1	6,552.5	(3.3)

-Domestic bonds: decreased due to a decrease in total assets and an increase in foreign securities
 -Domestic stocks: slightly decreased due to an increase in unrealized gains in spite of net selling based on prospects for stock markets
 -Foreign securities: increased in both foreign bonds and stocks due to trades based on prospects for markets

Includes excess amount of additional reserves: 9.2 billion yen

- Non-consolidated balance sheets: Taiyo Life

Non-Consolidated Balance Sheets: T&D Financial Life



(Billions of yen)

(Billions of yen)

	As of Sep 30, 2007	As of March 31, 2007	Changes		As of Sep 30, 2007	As of March 31, 2007	Changes
Assets				Liabilities			
Cash and deposits, call loans	50.9	50.6	0.2	Total policy reserves	1,071.6	1,029.1	42.5
Monetary trusts	15.8	12.3	3.5	Policy reserve	1,063.8	1,020.8	42.9
Securities	1,013.0	977.5	35.4	Contingency reserve	12.1	9.3	2.7
Domestic bonds	353.8	354.5	(0.6)	Reserve for price fluctuations	0.4	0.3	0.0
Domestic stocks	1.2	1.9	(0.6)	Total liabilities	1,083.1	1,044.2	38.9
Foreign securities	17.3	24.8	(7.4)	Net assets			
Other securities	640.5	596.2	44.2	Total stockholders' equity	31.4	35.0	(3.6)
Loans	8.8	10.2	(1.4)	Common stock	36.0	36.0	-
Tangible fixed assets	0.2	0.2	(0.0)	Capital surplus	26.0	26.0	-
Intangible fixed assets	2.9	2.6	0.2	Retained earnings	(30.5)	(26.9)	(3.6)
Deferred tax assets	7.3	6.2	1.0	Total valuation and translation adjustments	(0.9)	(0.8)	(0.0)
Total assets	1,113.6	1,078.4	35.2	Net unrealized gains on securities	(0.9)	(0.8)	(0.0)
				Total net assets	30.4	34.2	(3.7)
				Total liabilities and net assets	1,113.6	1,078.4	35.2

Due to an increase in investment trusts reflecting a growth of policies for individual variable annuities

- Non-consolidated balance sheets: T&D Financial Life

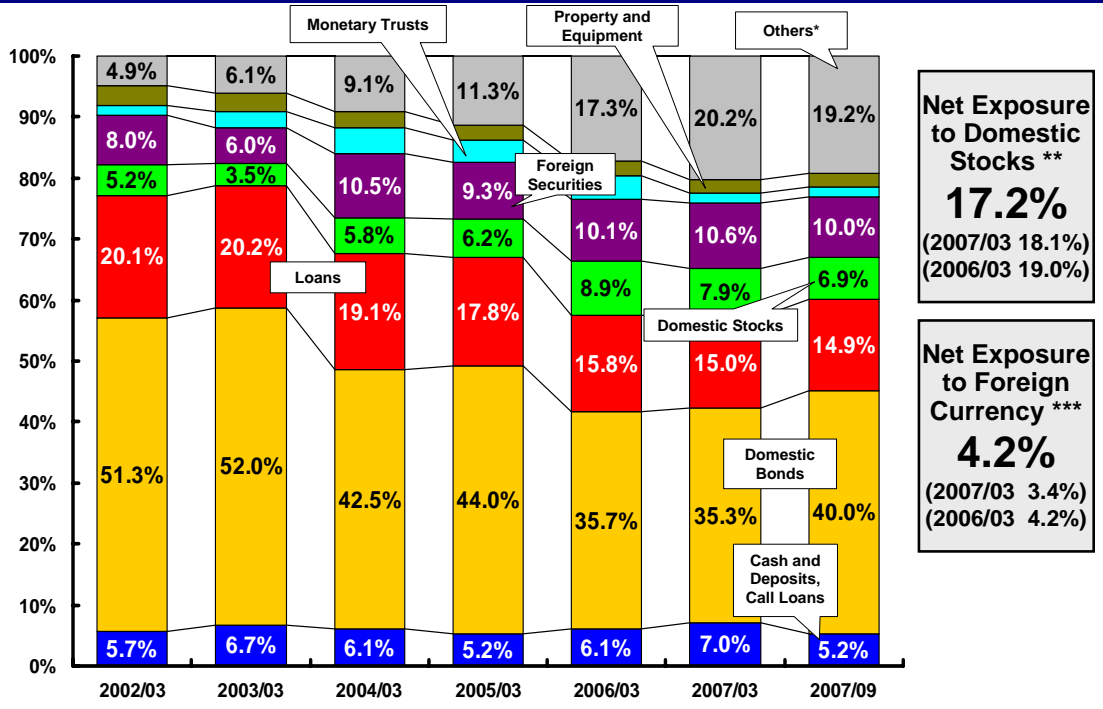
Non-Consolidated Balance Sheets: T&D Asset Management



	(Millions of yen)				(Millions of yen)		
	As of Sep 30, 2007	As of March 31, 2007	Changes		As of Sep 30, 2007	As of March 31, 2007	Changes
<u>Assets</u>				<u>Liabilities</u>			
Current assets	7,720	7,279	440	Current liabilities	1,201	1,230	(29)
Deposits	5,937	5,810	126	Accounts payable	609	314	295
Accrued trustee fee	784	596	188	Accrued expenses	229	164	65
Accrued investment management fees	780	565	215	Other current liabilities	362	751	(389)
Other current assets	217	307	(90)	Fixed liabilities	187	180	6
Fixed assets	872	834	38	Reserve for retirement benefits	187	162	24
Tangible fixed assets	194	169	25	Other fixed liabilities	-	17	(17)
Intangible fixed assets	20	6	13	Total liabilities	1,388	1,410	(22)
Investments and other assets	658	658	0	<u>Net assets</u>			
Total assets	8,593	8,114	479	Total shareholders' equity	7,204	6,703	501
				Common stock	1,100	1,100	-
				Capital surplus	277	277	-
				Retained earnings	5,827	5,325	501
				Total valuation and translation adjustment	0	0	0
				Total net assets	7,204	6,703	501
				Total liabilities and net assets	8,593	8,114	479

- Non-consolidated balance sheets : T & D Asset Management

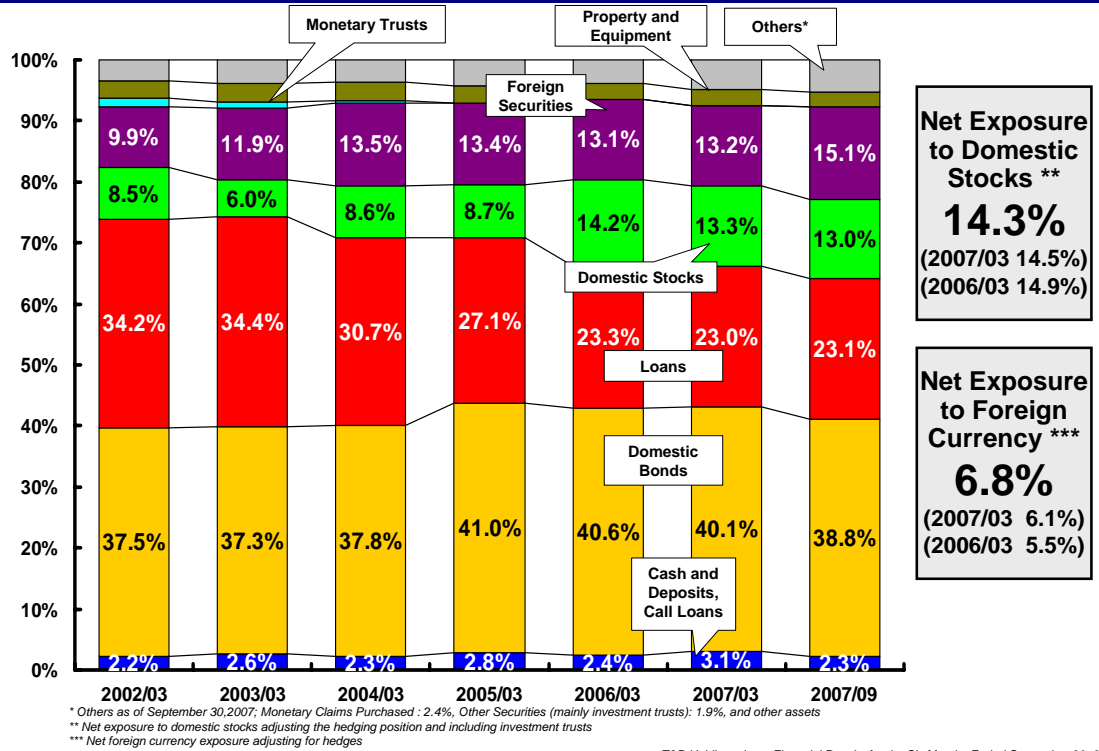
General Account Assets Composition: Daido Life



* Others as of September 30, 2007; Other Securities (mainly investment trusts): 14.4%, Monetary Claims Purchased: 4.7%, and other assets
 ** Net exposure to domestic stocks adjusting the hedging position and including stocks held in monetary and investment trusts
 *** Net foreign currency exposure adjusting for hedges

- General account assets composition: Daido Life

General Account Assets Composition: Taiyo Life



- General account assets composition: Taiyo Life

Unrealized Gains/Losses (General Account): Daido Life



(Securities with market value)

(Billions of yen)

	Net Unrealized gains/losses on Held-to-maturity securities		Net Unrealized gains/losses on Available-for-sale securities		Total		
	As of Sep 30, 2007	As of March 31, 2007	As of Sep 30, 2007	As of March 31, 2007	As of Sep 30, 2007	As of March 31, 2007	Changes
Total	(0.0)	(0.0)	451.0	546.4	450.9	546.3	(95.4)
Domestic Bonds	(0.0)	(0.0)	12.6	18.7	12.5	18.6	(6.1)
Domestic Stocks	-	-	194.7	248.5	194.7	248.5	(53.7)
Foreign Securities	-	-	4.6	9.8	4.6	9.8	(5.1)
Other Securities	-	-	214.4	239.3	214.4	239.3	(24.9)
Monetary Claims Purchased	-	-	0.7	0.2	0.7	0.2	0.4
Monetary Trusts	-	-	23.7	29.7	23.7	29.7	(5.9)
Net Unrealized Gains/Losses on Real Estate					15.0	17.1	(2.1)

* Net unrealized gains/ losses on real estate is basically calculated based on the appraisal price. Less important properties are calculated based on the posted price.

- Unrealized gains/ losses (general account): Daido Life

Unrealized Gains/Losses (General Account): Taiyo Life



(Securities with market value)

(Billions of yen)

	Net Unrealized gains/losses on Held-to-maturity securities		Net Unrealized gains/losses on Policy-reserve-matching bonds		Net Unrealized gains/losses on Available-for-sale securities		Total		
	As of Sep 30, 2007	As of March 31, 2007	As of Sep 30, 2007	As of March 31, 2007	As of Sep 30, 2007	As of March 31, 2007	As of Sep 30, 2007	As of March 31, 2007	Changes
Total	(4.0)	(3.2)	11.3	5.9	540.6	496.9	547.9	499.6	48.2
Domestic Bonds	(3.7)	(2.5)	11.3	5.9	4.2	4.9	11.8	8.2	3.6
Domestic Stocks	-	-	-	-	448.6	425.6	448.6	425.6	22.9
Foreign Securities	-	-	-	-	82.4	53.8	82.4	53.8	28.6
Other Securities	-	-	-	-	5.5	12.9	5.5	12.9	(7.3)
Monetary Claims Purchased	(0.3)	(0.6)	-	-	(0.2)	(0.3)	(0.6)	(1.0)	0.3
Certificates of Deposit	(0.0)	(0.0)	-	-	-	-	(0.0)	(0.0)	0.0
Monetary Trusts	-	-	-	-	-	-	-	-	-
Net Unrealized Gains/Losses on Real Estate							12.9	11.6	1.2

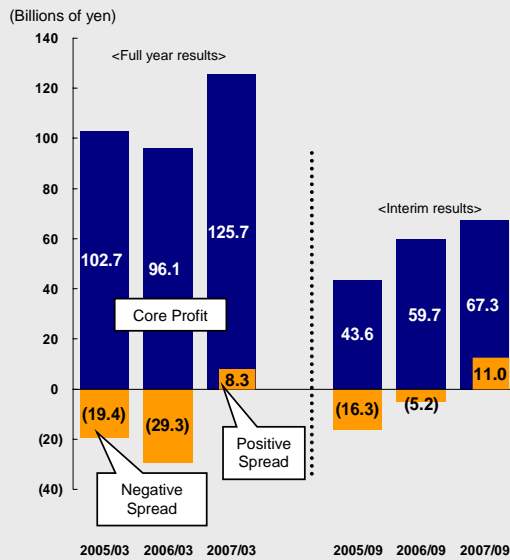
* Net unrealized gains/losses on real estate calculated based on the appraisal price or posted price.

- Unrealized gains/losses (general account): Taiyo Life

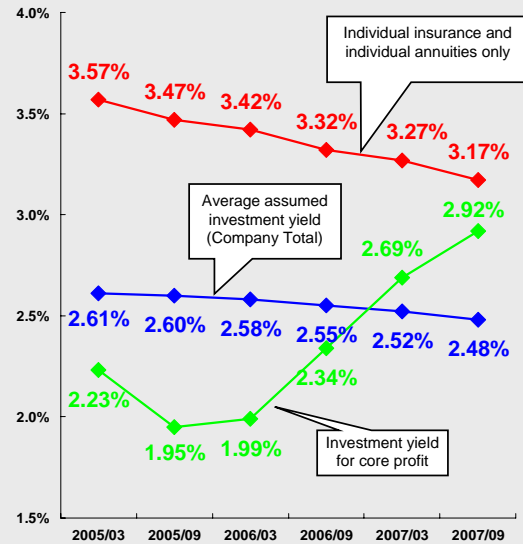
Core Profit/ Negative Spread, Average Assumed Investment Yield: Daido Life



Amount of Core Profit and Negative Spread

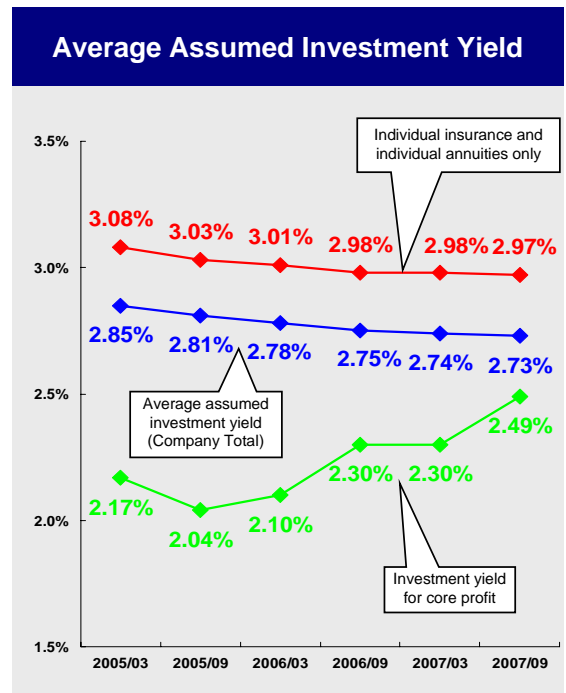
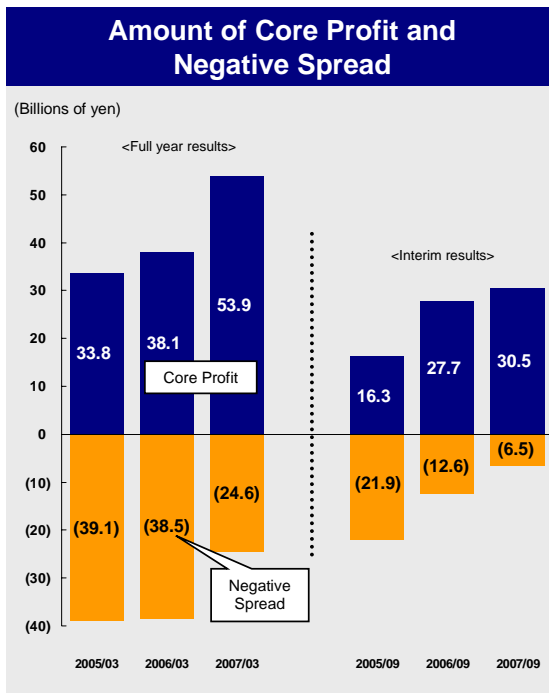


Average Assumed Investment Yield



- Core profit/ negative spread, average assumed investment yield: Daido Life

Core Profit/ Negative Spread, Average Assumed Investment Yield: Taiyo Life

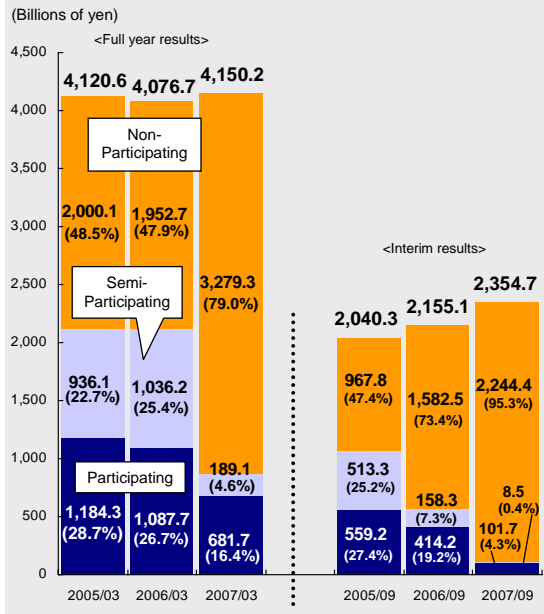


- Core profit/ negative spread, average assumed investment yield: Taiyo Life

Sales Results by Dividend Type: Daido Life (Individual Term Life Insurance)

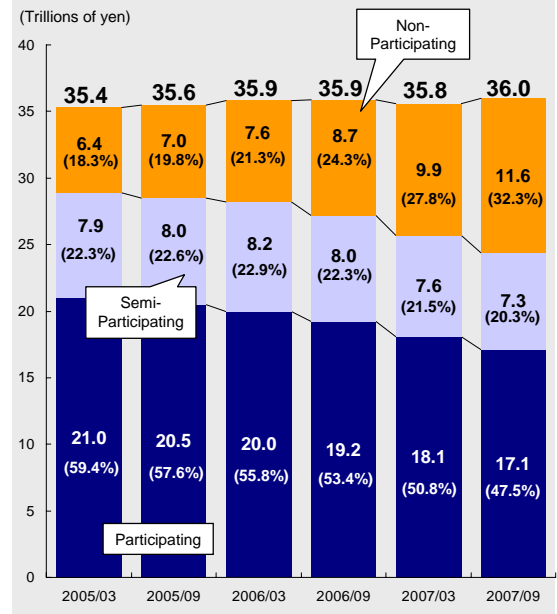


New Policy Amount*



* Net increase from conversion is not included.

Policy Amount in Force

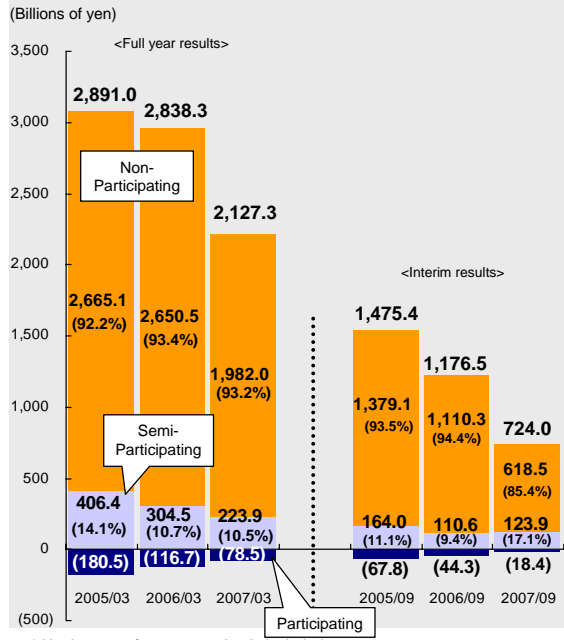


- Sales results by dividend type: Daido Life (individual term life insurance)

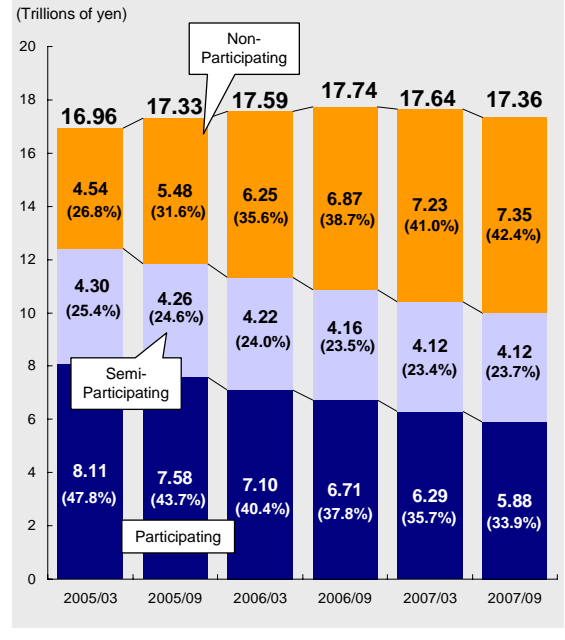
Sales Results by Dividend Type: Taiyo Life (Individual Insurance and Annuities)



New Policy Amount*



Policy Amount in Force



- Sales results by dividend type: Taiyo Life (individual insurance and annuities)

Breakdown of Financial Indicator: Daido Life



(Millions of yen)

Category	1. Adjusted Book Value on EV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	258,404	258,404	258,404	
Reserve for deferred gain on sale of real estate	-	-	(1,559)	
Estimated appropriation paid in cash	-	-	(5,103)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	295,833	476,390	428,752	1. (Net unrealized gains/losses securities - Net unrealized gains/losses on yen denominated bonds) x (1 - effective tax rate:36.11%) 2. Before-tax 3. 90% of before-tax
Deferred valuation gains (losses) on hedge	837	837	-	1.2. After-tax
Net unrealized gains (losses) on real estate	9,587	15,006	12,755	1. After-tax 2. Before-tax 3. 85% of before-tax
Reserve for price fluctuations	65,159	65,159	65,159	
Contingency reserve	81,552	81,552	81,552	
Unallotted portion of reserve for policyholder dividends	16,814	16,814	16,814	
Excess of amount of policy surrender payment	-	131,060	131,060	
Future profits	-	-	16,564	
Deferred tax assets for quasi-equity liabilities	(59,049)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.11%)
Deferred tax assets	-	-	92,990	
General reserve for possible loan losses	160	-	251	1. After-tax 3. Before-tax
Subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities	-	(96)	-	2. Before-tax
Total	669,300	1,045,130	1,097,643	

- Breakdown of financial indicator: Daido Life

Breakdown of Financial Indicator: Taiyo Life



(Millions of yen)

Category	1. Adjusted Book Value on EV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	163,978	163,978	163,978	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	(2,903)	3. Amount of Shareholders' dividends
Net unrealized gains (losses) on securities	343,570	541,288	487,159	1. (Net unrealized gains/losses on securities - Net unrealized gains/losses on yen denominated bonds) x (1 - effective tax rate:36.1%) 2. Before-tax 3. 90% of before-tax
Deferred valuation gains (losses) on hedge	(508)	(302)	-	1. After-tax, including net valuation gains/losses on interest rate swaps 2. After-tax
Net unrealized gains (losses) on real estate	(15,440)	(34,950)	(24,163)	1. After-tax, including net unrealized gains/losses on land revaluation 2. Before-tax, including land revaluation on BS 3. Before-tax, including net unrealized gains/losses on land revaluation
Reserve for price fluctuations	52,959	52,959	52,959	
Contingency reserve	84,718	84,718	84,718	
Unallotted portion of reserve for policyholder dividends	21,527	21,527	21,527	
Excess of amount of policy surrender payment	-	56,857	56,857	
Future profits	-	-	6,757	
Deferred tax assets for quasi-equity liabilities	(57,473)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.1%)
Deferred tax assets	-	-	48,628	
General reserve for possible loan losses	1,068	-	1,672	1. After-tax 3. Before-tax
Subordinated debt	-	-	55,000	
Net unrealized gains (losses) on held-to-maturity securities and policy-reserve-matching bonds	(229)	7,254	-	1. After-tax, including certificate of deposit and monetary claims purchased 2. Before-tax
Total	594,170	893,331	952,193	

- Breakdown of financial indicator: Taiyo Life

Breakdown of Financial Indicator: T&D Financial Life



(Millions of yen)

Category	1. Adjusted Book Value on EV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	31,424	31,424	31,424	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	-	
Net unrealized gains (losses) on securities	59	(1,336)	(1,336)	1. (Net unrealized gains/losses on securities - Net unrealized gains/losses on yen denominated bonds) x (1 - effective tax rate: 30%) 2. Before-tax 3. 90% of before-tax
Deferred valuation gains (losses) on hedge	-	-	-	
Net unrealized gains (losses) on real estate	-	-	-	
Reserve for price fluctuations	404	404	404	
Contingency reserve	12,111	12,111	12,111	
Unallotted portion of reserve for policyholder dividends	-	-	-	
Excess of amount of policy surrender payment	-	21,098	29,094	2. Excludes due from reinsures related to variable annuities 3. Includes due from reinsures related to variable annuities
Future profits	-	-	389	
Deferred tax assets for quasi-equity liabilities	(3,754)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (corporate tax rate: 30%)
Deferred tax assets	-	-	-	
General reserve for possible loan losses	3	-	4	1. After-tax 3. Before-tax
Subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities	-	417	-	2. Before-tax
Total	40,247	64,119	72,091	

- Breakdown of financial indicator: T&D Financial Life

Business Results: Aggregate values for the three life insurance companies



■ Figures for FYE 2001 and earlier have been calculated based on the sum of the non-consolidated financial data for Daido Life and Taiyo Life. Figures from FYE 2002 are calculated based on the sum of all three companies' non-consolidated financial data.

(Billions of yen)

FYE	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Policy amount in force (1)	53,928.6	54,466.0	54,412.9	54,256.1	54,162.2	57,782.1	57,925.5	58,508.4	59,573.5	60,265.0	59,899.9
New policy amount (1,2)	6,870.1	6,708.4	6,630.2	6,467.9	6,333.2	6,932.9	7,316.5	7,568.0	7,544.9	7,293.8	6,634.7
Income from insurance premiums	2,387.0	2,497.3	2,427.5	2,292.1	2,169.6	2,113.7	2,004.7	1,878.5	1,798.9	1,902.3	1,811.5
Amount of surrender and lapse (1)	3,825.2	4,649.2	4,792.7	4,844.0	4,728.0	4,702.8	5,215.7	5,199.1	4,875.7	5,102.7	5,362.5
Core profit	138.8	135.4	114.5	96.9	128.1	126.5	114.2	141.7	129.8	127.2	173.3
Provision for reserve for policyholder dividends (3)	69.1	55.3	49.9	56.1	44.3	43.6	39.6	43.6	44.9	44.4	56.4
Number of in-house sales reps.	16,500	15,920	16,576	15,567	14,142	15,089	14,942	14,915	14,492	13,872	12,842
Number of agents	12,383	13,454	13,701	13,807	13,888	13,942	13,710	13,877	14,095	14,528	14,748
Total assets	11,762.7	12,172.0	12,451.9	12,815.2	13,166.7	13,415.4	13,148.9	13,109.7	12,987.5	13,932.2	14,028.0

(1) Total amount of individual insurance and annuities. (2) Includes net increase from conversion.

(3) Figures for FYE 2002 of Daido Life, and FYE 2003 of Taiyo Life is provision for allowance for policyholder dividends which was treated as an expense.

- Business Results: Aggregate values for the three life insurance companies

Business Results: Daido Life



(Billions of yen)

FYE	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Policy amount in force (1)	38,837.4	39,340.0	39,283.8	39,071.1	38,989.7	38,929.1	39,342.6	39,294.8	39,694.2	40,008.0	39,732.0
Individual term life insurance	33,195.4	33,761.6	33,865.0	33,940.8	34,109.6	34,309.0	34,804.6	34,964.1	35,479.6	35,933.6	35,818.1
New policy amount (1, 2)	4,749.4	4,719.2	4,773.2	4,620.3	4,401.4	4,570.4	4,673.5	4,309.7	4,354.2	4,292.7	4,327.8
Individual term life insurance	4,104.4	4,073.7	4,241.6	4,251.3	4,048.6	4,292.9	4,298.5	4,087.3	4,126.0	4,080.7	4,141.9
Income from insurance premiums	1,106.4	1,168.4	1,192.8	1,136.9	1,072.2	1,059.4	989.4	928.2	884.8	871.1	865.2
Individual insurance and annuities (1)	699.1	724.9	702.6	684.8	686.7	662.0	684.9	641.0	664.2	667.8	673.8
Amount of surrender and lapse (1)	2,997.2	3,625.7	3,876.5	3,845.1	3,526.9	3,493.2	3,290.6	3,317.7	3,026.5	3,040.0	3,615.8
Surrender and lapse rate (%)	8.0%	9.3%	9.9%	9.8%	9.0%	9.0%	8.45%	8.44%	7.70%	7.66%	9.04%
Core profit	138.8	135.4	114.5	96.9	114.2	109.8	88.7	107.3	102.7	96.1	125.7
Provision for reserve for policyholder dividends (3)	54.6	39.9	34.3	39.5	33.2	30.6	26.5	30.5	30.5	27.3	40.0
Number of in-house sales reps.	5,744	6,072	6,126	5,456	4,866	5,154	5,194	5,251	4,888	4,909	4,726
Number of agents	12,383	13,123	13,213	13,135	13,203	13,252	12,970	13,079	13,415	13,963	14,295
Total assets	5,059.1	5,346.3	5,482.6	5,733.5	5,900.3	5,982.7	6,007.1	6,017.9	5,983.7	6,406.1	6,397.0

(1) Total amount of individual insurance and annuities. (2) Includes net increase from conversion.

(3) Figures for FYE 2002 is provision for allowance for policyholder dividends which was treated as an expense.

- Business Results: Daido Life

Business Results: Taiyo Life



(Billions of yen)

FYE	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Policy amount in force (1)	15,091.1	15,126.0	15,129.1	15,185.0	15,172.5	15,232.9	15,268.6	16,077.8	16,966.2	17,591.5	17,644.5
Individual insurance	10,457.4	10,448.1	10,186.7	10,034.0	9,958.8	10,217.3	10,500.2	11,577.9	12,706.5	13,572.0	13,820.3
New policy amount (1,2)	2,120.7	1,989.1	1,857.0	1,847.6	1,931.7	2,188.1	2,175.4	2,814.2	2,891.0	2,838.3	2,127.3
Individual insurance	1,720.9	1,650.6	1,339.8	1,333.2	1,458.1	2,047.9	2,091.0	2,797.2	2,902.4	2,861.5	2,107.0
Income from insurance premiums (2)	1,280.6	1,328.8	1,234.6	1,155.2	1,097.3	1,019.0	887.9	794.1	788.1	823.0	705.5
Individual insurance and annuities	1,136.8	1,104.0	1,095.0	972.4	914.8	837.8	762.1	680.2	646.6	609.2	576.5
Amount of surrender and lapse (1)	827.9	1,023.5	916.1	998.8	1,201.1	1,209.6	1,318.8	1,362.6	1,424.0	1,644.0	1,503.8
Surrender and lapse rate (%)	5.68%	6.78%	6.06%	6.60%	7.91%	7.97%	8.66%	8.92%	8.86%	9.69%	8.55%
Core profit	-	-	-	-	13.9	13.8	28.7	37.5	33.8	38.1	53.9
Provision for reserve for policyholder dividends (3)	14.5	15.3	15.5	16.6	11.1	10.8	11.2	11.9	13.4	15.9	15.0
Number of in-house sales reps.	10,756	9,848	10,450	10,111	9,276	8,948	8,808	8,703	9,111	8,963	8,116
Number of agents	-	241	488	672	685	690	740	798	680	505	453
Total assets	6,703.5	6,825.6	6,969.3	7,081.6	7,266.3	6,834.0	6,528.0	64,095.0	6,276.5	6,591.9	6,552.5

(1) Total amount of individual insurance and annuities. (2) Includes net increase from conversion.

(3) Figures for FYE 2003 is provision for allowance for policyholder dividends which was treated as an expense.

- Business Results: Taiyo Life

Business Results: T&D Financial Life



(Billions of yen)

FYE	2002	2003	2004	2005	2006	2007
Policy amount in force (1)	3,620.1	3,314.2	3,135.7	2,913.0	2,665.4	2,523.3
Individual variable annuities	1.3	64.1	175.1	245.7	459.5	621.5
New policy amount (1)	174.3	467.5	444.0	299.7	162.7	179.5
Individual variable annuities	1.2	65.1	90.4	60.8	128.6	179.5
Income from insurance premiums	35.2	127.4	156.1	126.0	208.1	240.7
Individual variable annuities	1.2	66.3	100.8	77.2	164.2	202.4
Amount of surrender and lapse (1)	722.9	606.2	518.7	425.1	418.6	242.7
Surrender and lapse rate (%)	17.05%	16.75%	15.65%	13.56%	14.37%	9.11%
Core profit	2.7	(3.2)	(3.1)	(6.7)	(7.0)	(6.4)
Provision for reserves for policyholder dividends	2.1	1.8	1.2	1.0	1.2	1.3
Number of in-house sales reps.	987	940	954	493	-	-
Total assets	598.6	613.6	682.2	727.2	934.1	1,078.4

(1) Total amount of individual insurance and annuities.

(2) Pursuant to the Law for Special Regulations Concerning Corporate Rehabilitation, T&D Financial Life's fiscal 2001 started on April 1, 2001, and ended on September 30, 2001. As a consequence, subsequent to reorganization, the Company's fiscal 2002 started October 1, 2001, and ended on March 31, 2002.

- Business Results: T&D Financial Life

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This presentation contains forward-looking statements with respect to the financial conditions, results of operations, and business of the company. These assumptions and forward-looking statements involve certain risks and uncertainties resulting from changes in the managerial environment.

- Inquiries