

T&D Holdings, Inc.

**Financial Results for the Fiscal Year
Ended March 31, 2008**

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T&D Holdings Financial Highlights

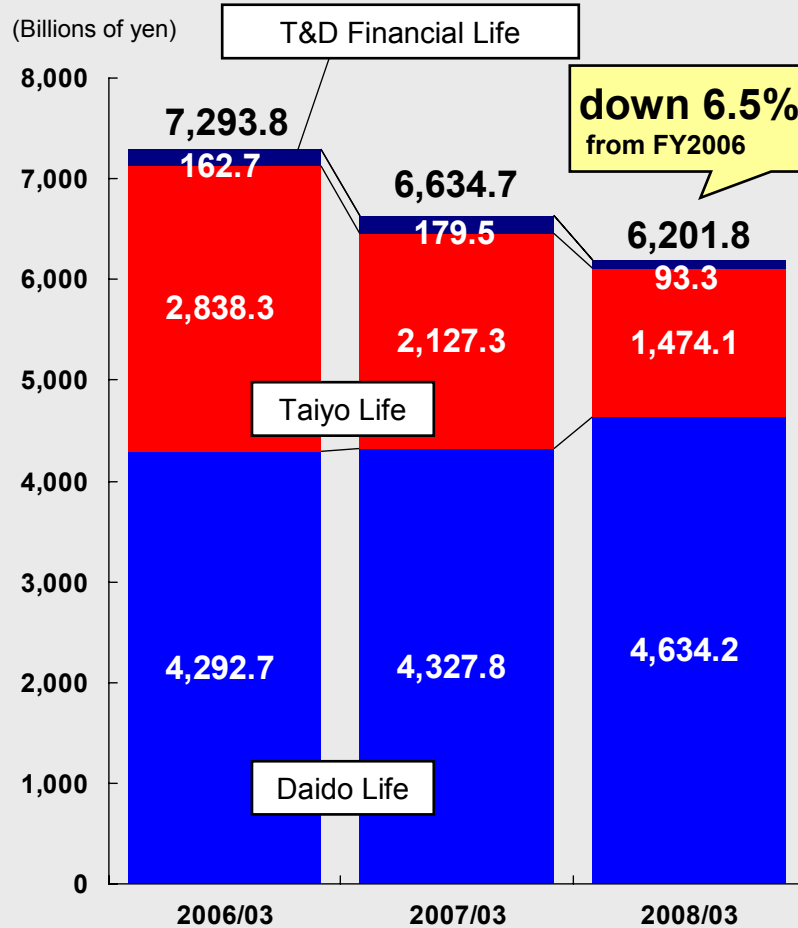
T&D Holdings Financial Highlights



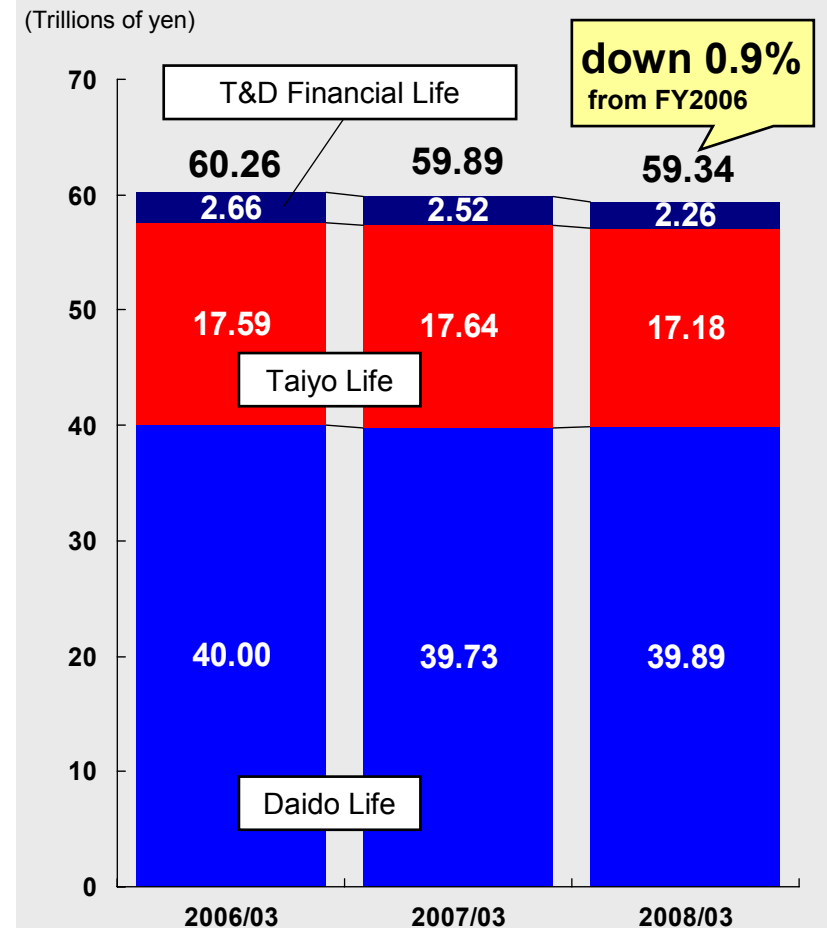
- **The new policy amount for the three life insurance companies decreased from the previous fiscal year while the surrender and lapse amount decreased. The total policy amount in force resulted in stay around the same level from the beginning of fiscal 2007**
- **Core profit decreased from the previous fiscal year mainly because interest and dividend income for Daido Life and Taiyo Life increased while the provision for policy reserve for minimum guarantee risks for T&D Financial Life increased**
- **Total EEV of T&D Life Group came to 1,621.6 billion yen, down 450.4 billion yen year-on-year**

Sales Results

New Policy Amount



Policy Amount in Force



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

Sales Results: Daido Life



(Billions of yen)

	FY2007	FY2006	Changes
New policy amount*			
Individual insurance and annuities total	4,634.2	4,327.8	7.1%
Individual term life insurance	4,489.8	4,141.9	8.4%
Decrease in policy amount**			
Individual insurance and annuities total	4,469.2	4,603.8	(2.9%)
Individual term life insurance	4,132.5	4,257.5	(2.9%)
Surrender and lapse amount	3,550.0	3,615.8	(1.8%)
Surrender and lapse rate***	8.93%	9.04%	(0.11P)
Individual term life insurance	3,366.1	3,425.3	(1.7%)
Policy amount in force			
Individual insurance and annuities total	39,897.1	39,732.0	0.4%
Individual term life insurance	36,175.3	35,818.1	1.0%
Annualized premiums of new policies*	71.9	83.4	(13.7%)
Annualized premiums of total policies	689.1	692.2	(0.4%)

Reflecting favorable sales of the long term life insurance

Mainly because more than a year have passed since we started customer services guiding future trends in surrender payments

Increased by ¥165.0 billion from the beginning of the fiscal year

Increased by ¥357.2 billion from the beginning of the fiscal year

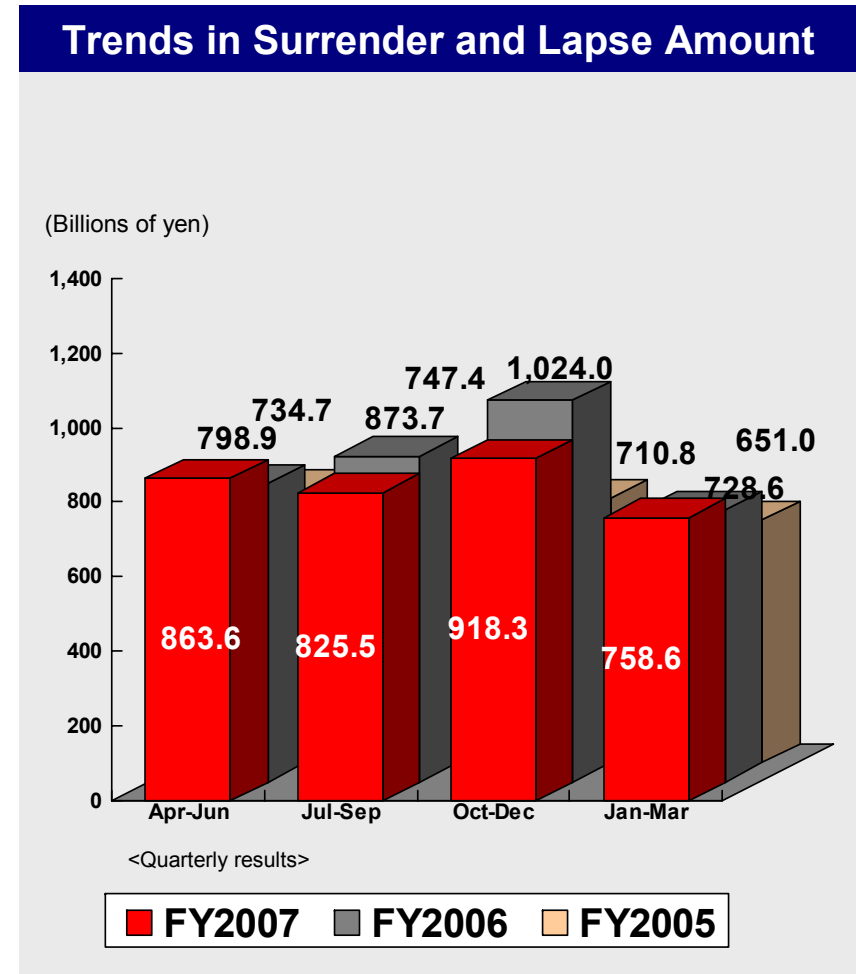
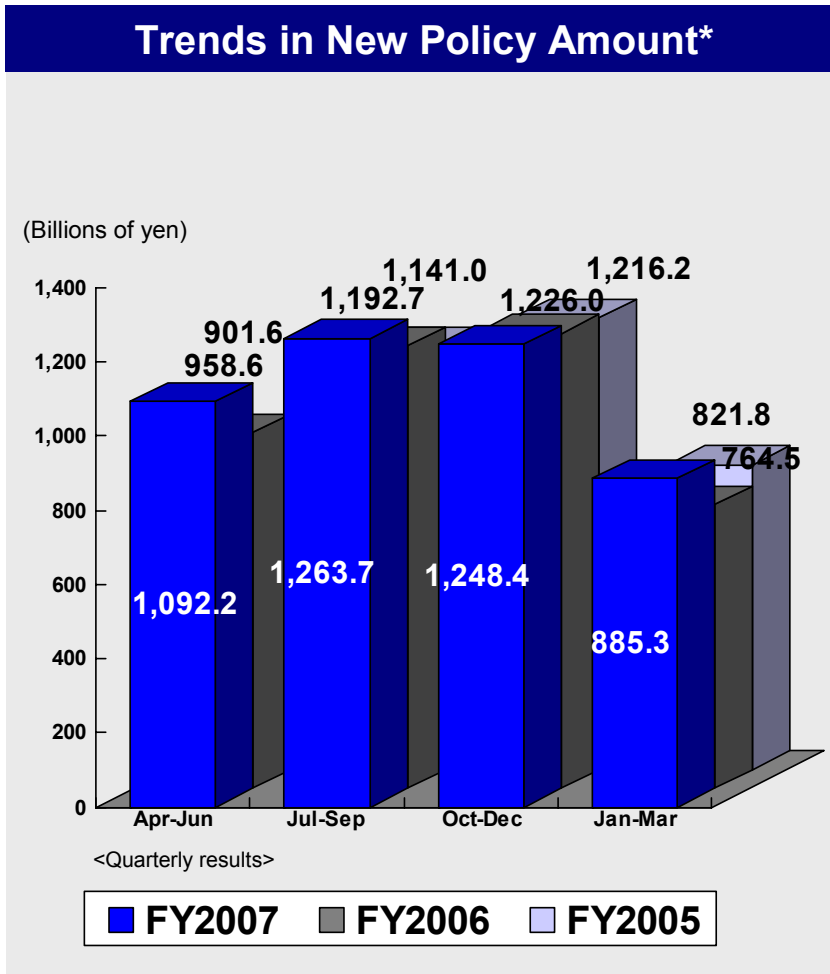
- Mainly due to a reduction in premium rates in April 2007 and an expansion in sales of non-participating policies whose premium rates are relatively low
- Annualized premiums of term life insurance: ¥69.0 billion (down 13.4% y-o-y)

* 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

Quarterly Trends: Daido Life Individual Term Life Insurance



* New policy amount includes net increase from conversion

Sales Results: Taiyo Life



(Billions of yen)

	FY2007	FY2006	Changes
New policy amount*			
Individual insurance and annuities total	1,474.1	2,127.3	(30.7%)
Protection-oriented products	1,310.4	2,057.1	(36.3%)
Net increase from conversion	260.9	546.0	(52.2%)
Decrease in policy amount**			
Individual insurance and annuities total	1,936.4	2,074.3	(6.6%)
Surrender and lapse amount	1,348.6	1,503.8	(10.3%)
Surrender and lapse rate***	7.64%	8.55%	(0.91P)
Policy amount in force			
Individual insurance and annuities total	17,182.2	17,644.5	(2.6%)
Protection-oriented products	12,387.6	12,663.5	(2.2%)
Annualized premiums of new policies*	32.7	36.6	(10.5%)
Annualized premiums of total policies	637.3	662.8	(3.8%)

-Mainly due to a decline in the sales of "Hoken Kumikyoku"
 -"Hoken Kumikyoku" including conversions amounted to ¥1,009.2 bn (down 41.6% y-o-y)

Mainly due to a continued focus on improving persistency rate

-Decreased by ¥462.2 billion from the beginning of the fiscal year
 -The share of the protection products to total policy amount rose to 72.1% (up 0.3 points from the beginning of the fiscal year)

Includes ¥9.5 billion of third sector products (down 27.3% y-o-y)

Includes ¥111.0 billion of 3rd sector products (down 0.9% y-o-y)

* Includes net increase from conversion

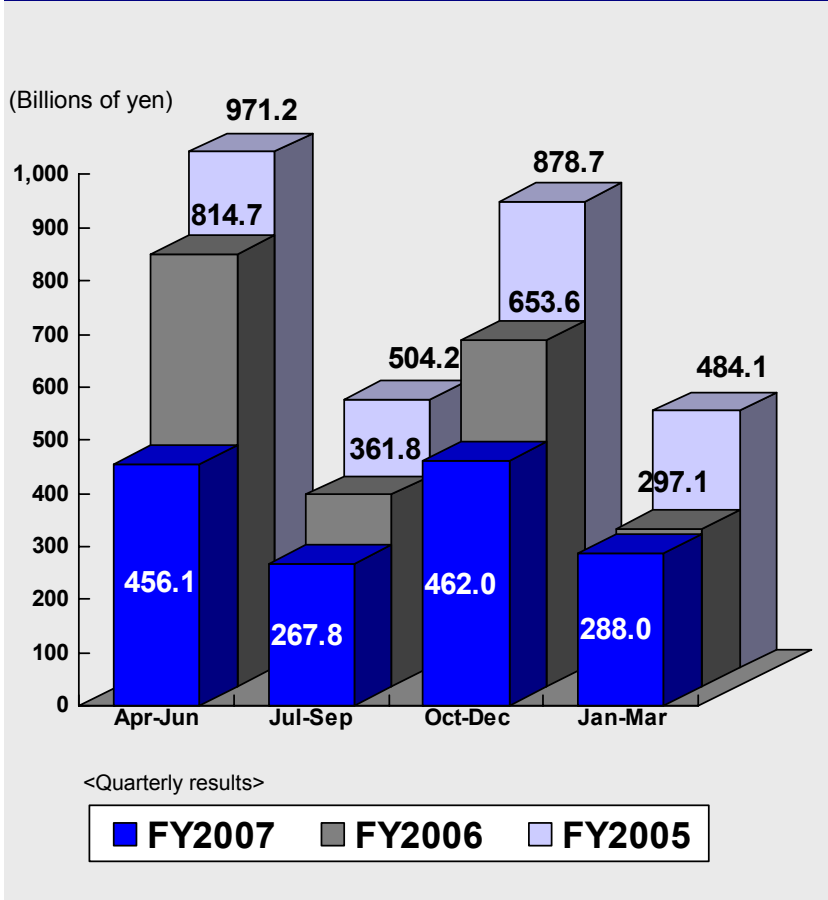
** Decrease in policy amount = New policy amount – Net increase of policy amount in force from previous fiscal year end

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

Quarterly Trends: Taiyo Life Individual Insurance and Annuities

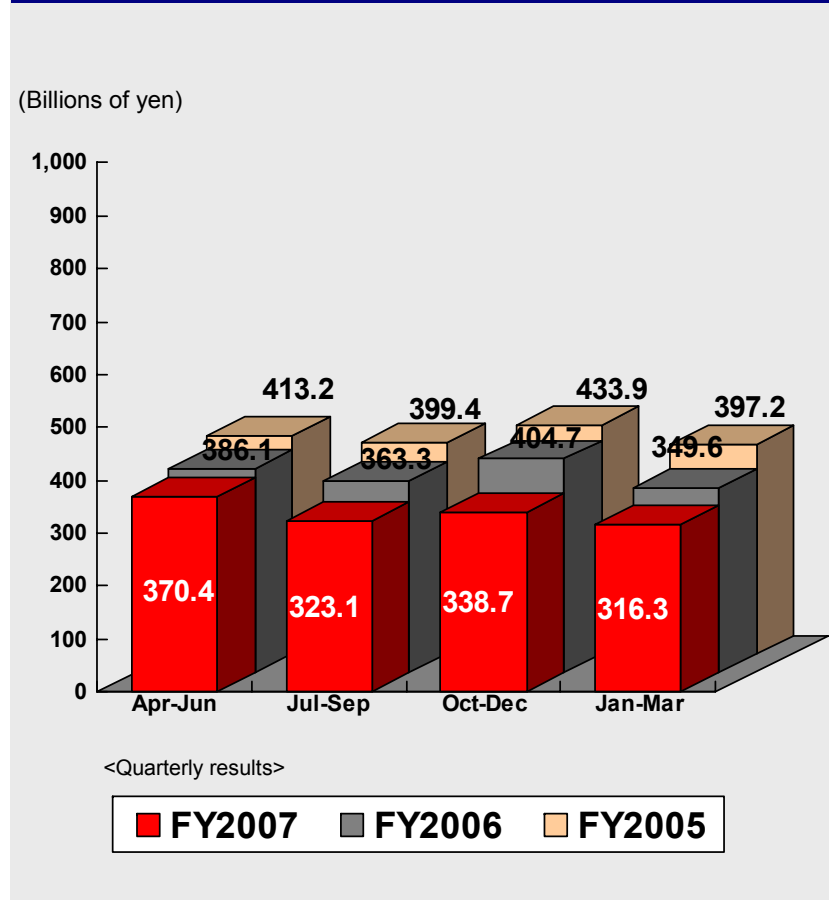


Trends in New Policy Amount*



* New policy amount includes net increase from conversion

Trends in Surrender and Lapse Amount



Sales Results: T&D Financial Life



Individual Variable Annuities Sales Update

	FY2007		FY2006	
	Number of Policies	Insurance premiums	Number of Policies	Insurance premiums
Sales results	12,263	103.7 bn yen	23,319	202.4 bn yen
Over-the-counter sales at banks*	10,840	88.4 bn yen	19,010	163.4 bn yen
Number of financial Institution agents*	54 banks, 3 securities Firms, 2 other agents		43 Banks, 4 Securities Firms, 1 other agent	

Includes an additional ¥10.3 billion insurance premiums paid by existing policyholders on exercise of additional coverage options

* Banks include Shinkin (Credit Association) banks

	FY2007	FY2006	Changes
New Policy Amount*			
Individual variable annuities	93.3	179.5	(48.0%)
Decrease in policy amount**			
Individual insurance and annuities total	355.7	321.6	10.6%
Surrender and lapse amount	165.5	242.7	(31.8%)
Individual variable annuities	27.5	32.7	(15.7%)
Surrender and lapse rate***	4.44%	7.12%	(2.68P)
Policy amount in force			
Individual insurance and annuities total	2,261.0	2,523.3	(10.4%)
Individual variable annuities	596.8	621.5	(4.0%)
Annualized premiums of new policies*	12.7	22.9	(44.6%)
Annualized premiums of total policies	99.3	92.0	7.9%

(Billions of yen)

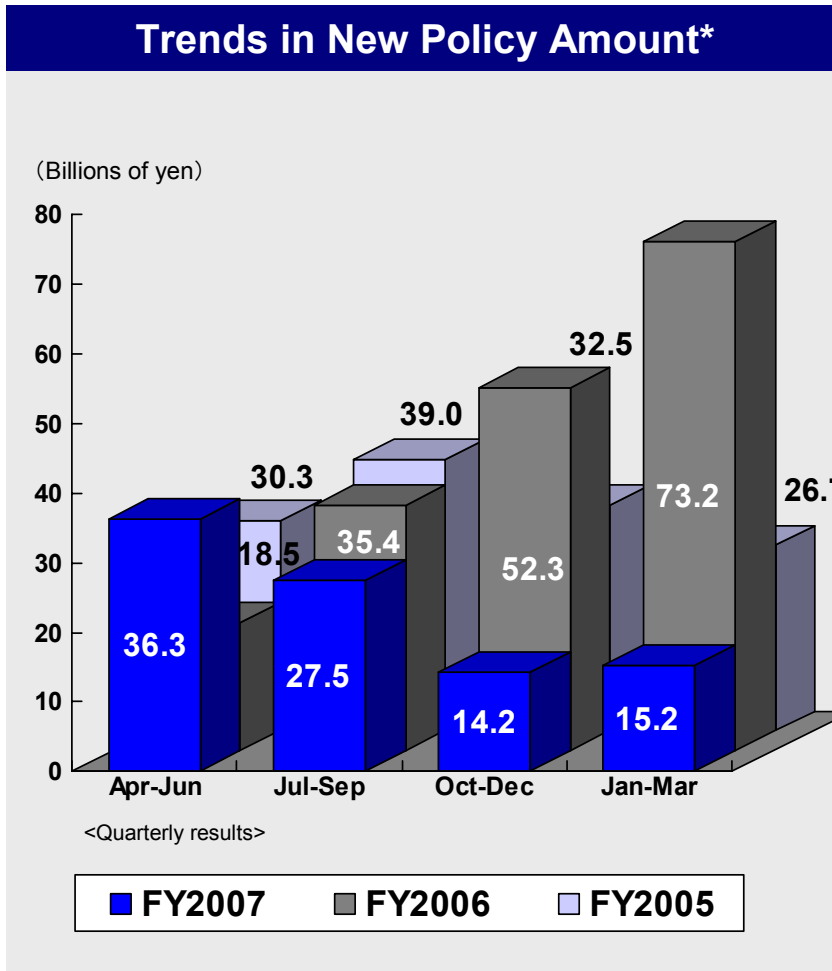
Decreased by ¥86.1 billion y-o-y

The number of policies increased by 9,359 policies, while policy amount in force decreased by ¥24.7 billion y-o-y mainly due to stock prices drop

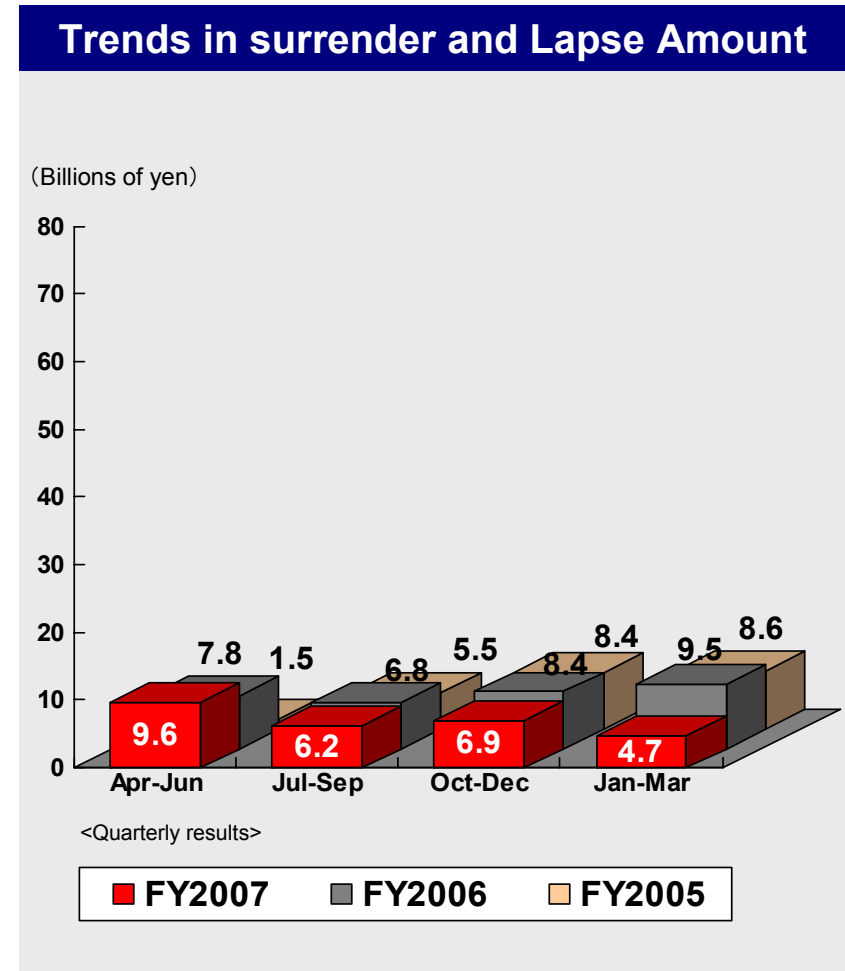
* Includes net increase from conversion ** Decrease in policy amount = New policy amount – Net increase in policy amount in force from previous fiscal year end

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

Quarterly trends : T&D Financial Life Individual Variable Annuities



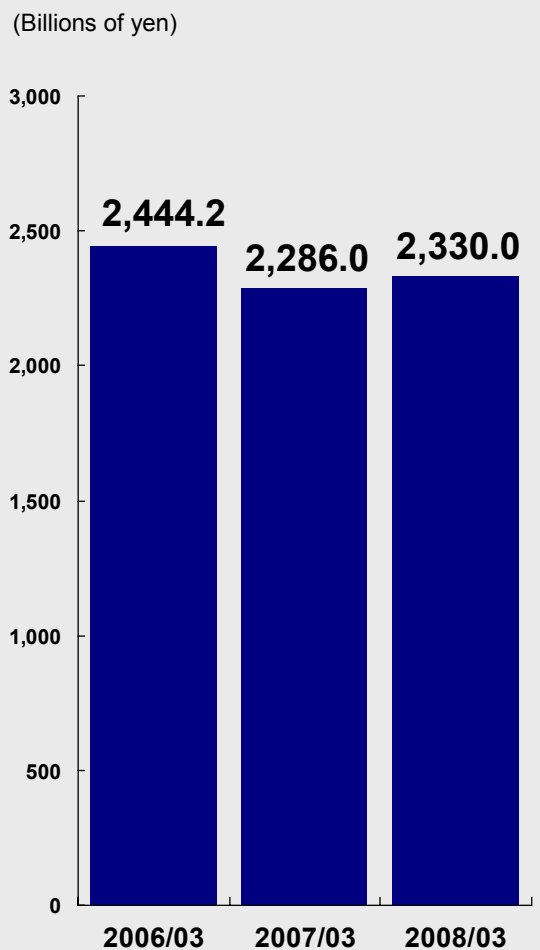
* New policy amount includes net increase from conversion



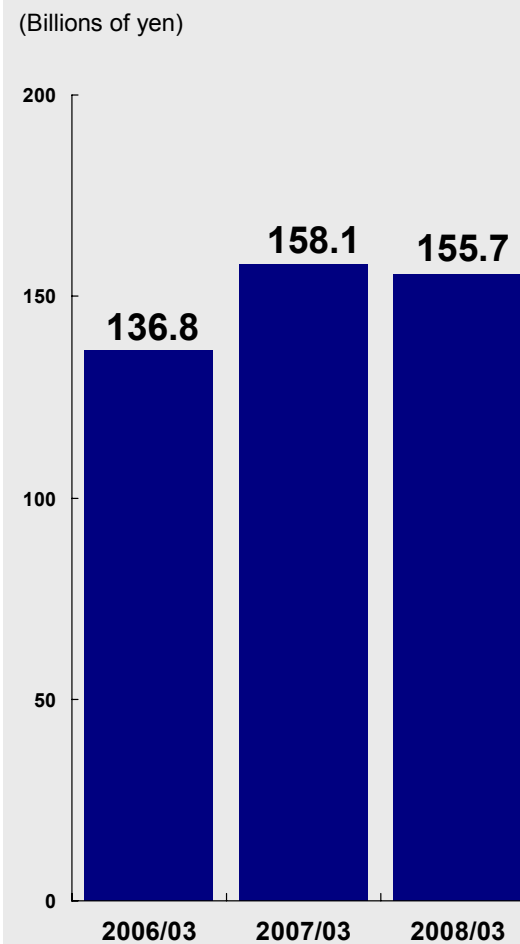
Consolidated Operation Results



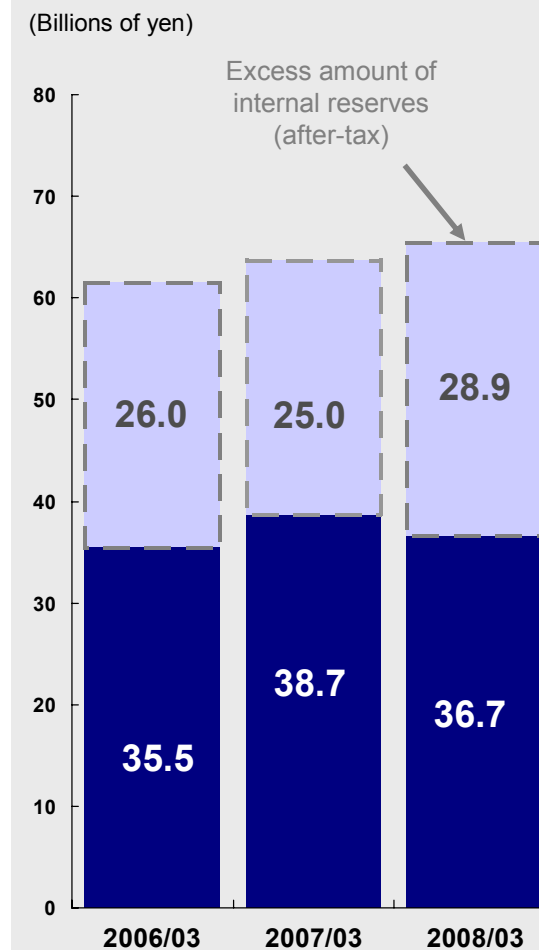
Ordinary Revenues



Ordinary Profit



Net Income



Consolidated Statements of Operations



(Billions of yen)

	FY2007	FY2006	Change
Ordinary revenues	2,330.0	2,286.0	44.0
Income from insurance premiums	1,613.1	1,811.5	(198.4)
Investment income	445.4	407.4	37.9
Interest, dividends and income from real estate for rent	288.3	269.6	18.6
Gains from monetary trust, net	29.3	4.7	24.5
Gains on investment in trading securities, net	-	17.8	(17.8)
Gains on sale of securities	102.4	94.2	8.2
Gains from derivatives, net	22.3	-	22.3
Gains on separate accounts, net	-	18.1	(18.1)
Other ordinary income	271.4	66.9	204.4
Reversal of policy reserve	198.1	-	198.1
Ordinary expenses	2,174.3	2,127.8	46.4
Insurance claims and other payments	1,647.0	1,630.6	16.3
Provision for policy and other reserves	2.5	94.2	(91.7)
Investment expenses	241.9	115.2	126.7
Losses on investment in trading securities, net	25.1	-	25.1
Losses on sale of securities	62.2	52.3	9.8
Devaluation losses on securities	27.1	0.7	26.4
Losses from derivatives, net	-	35.9	(35.9)
Other investment expense	18.0	12.9	5.0
Losses on separate accounts, net	94.7	-	94.7
Operating expenses	205.8	208.9	(3.1)
Other ordinary expenses	76.9	78.7	(1.7)
Ordinary profit	155.7	158.1	(2.4)
Net extraordinary gains (losses)	(31.4)	(33.0)	1.6
Provision for reserve for policyholder dividends	45.3	56.4	(11.0)
Net income before taxes	78.9	68.6	10.2
Income taxes	42.1	29.7	12.4
Net income	36.7	38.7	(2.0)

Breakdown;
-Daido: down ¥21.9 billion
-Taiyo: down ¥69.8 billion
-T&D Financial: down ¥106.6 billion

-Daido: up ¥15.2 billion, mainly due to an increase in dividends from investment trusts and private equity funds
-Taiyo: up ¥4.7 billion, mainly due to an increase in interests from yen-denominated bonds and dividends from stocks

Net gains decreased ¥43.0 billion, as gains on hedge funds for Daido dropped (Net gains based on local currencies were positive)
*Gains/losses from derivatives includes gains/losses from foreign exchange forward contracts relating to hedge funds

Net gains/losses from derivatives:
-Daido: ¥29.3 bn (up ¥49.7 bn y-o-y)
-Taiyo: ¥(7.0) bn (up ¥8.6 bn y-o-y)

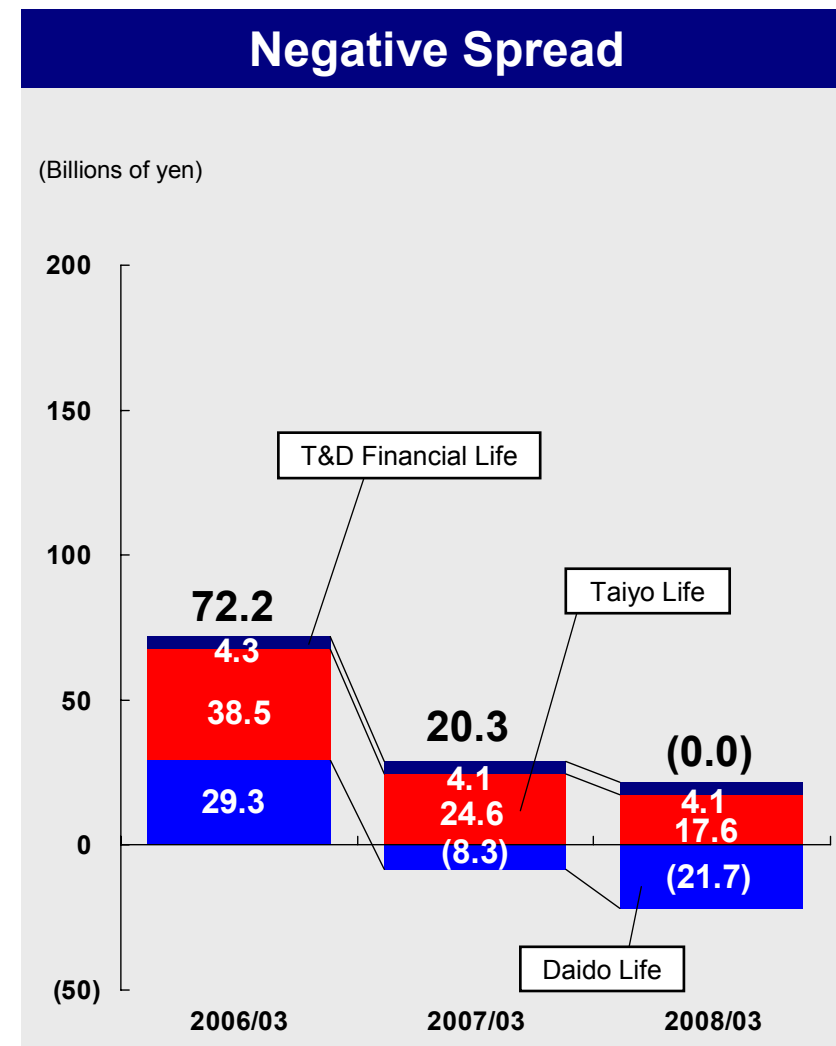
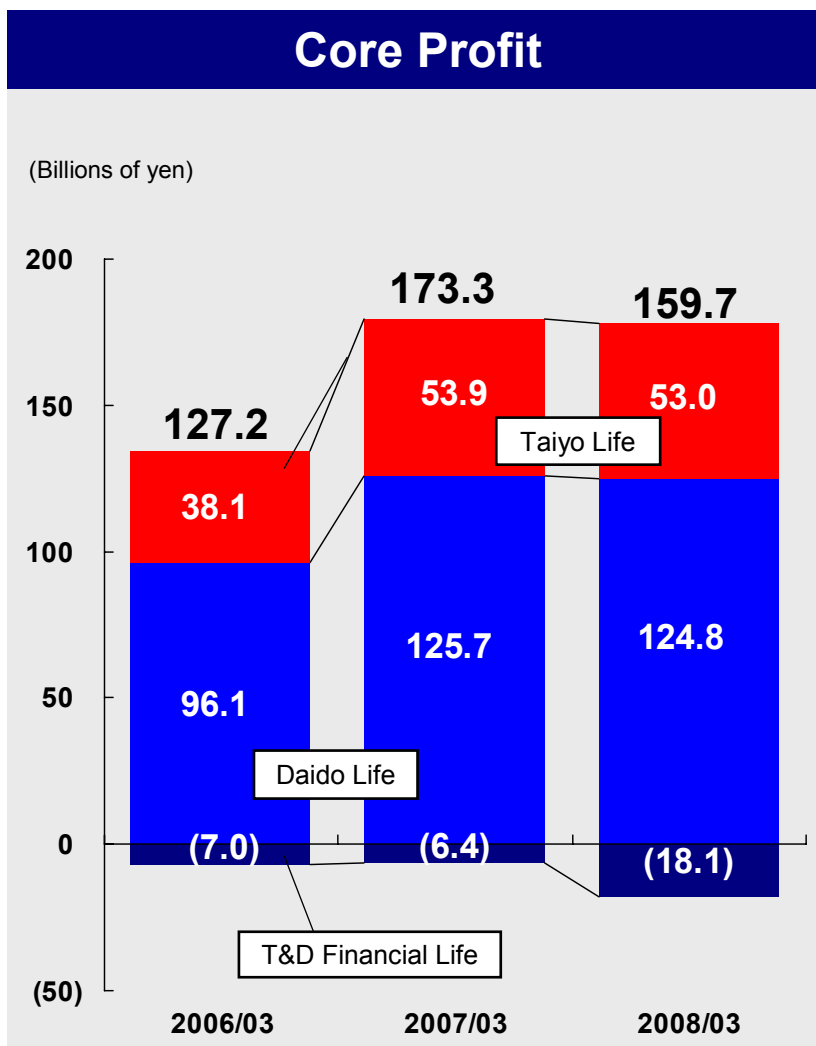
Daido: up ¥18.8 bn, Taiyo: up ¥7.6 bn

Daido: down ¥16.5 bn, Taiyo: up ¥5.3 bn

Set aside ¥32.7 billion (up ¥2.1 billion y-o-y) for reserve for price fluctuations, including excess amount of internal reserves of ¥27.8 billion (up ¥2.0 billion y-o-y)

Mainly due to taxable depreciation of ¥25.4 bn of losses on sale of securities

Core Profit/ Negative Spread

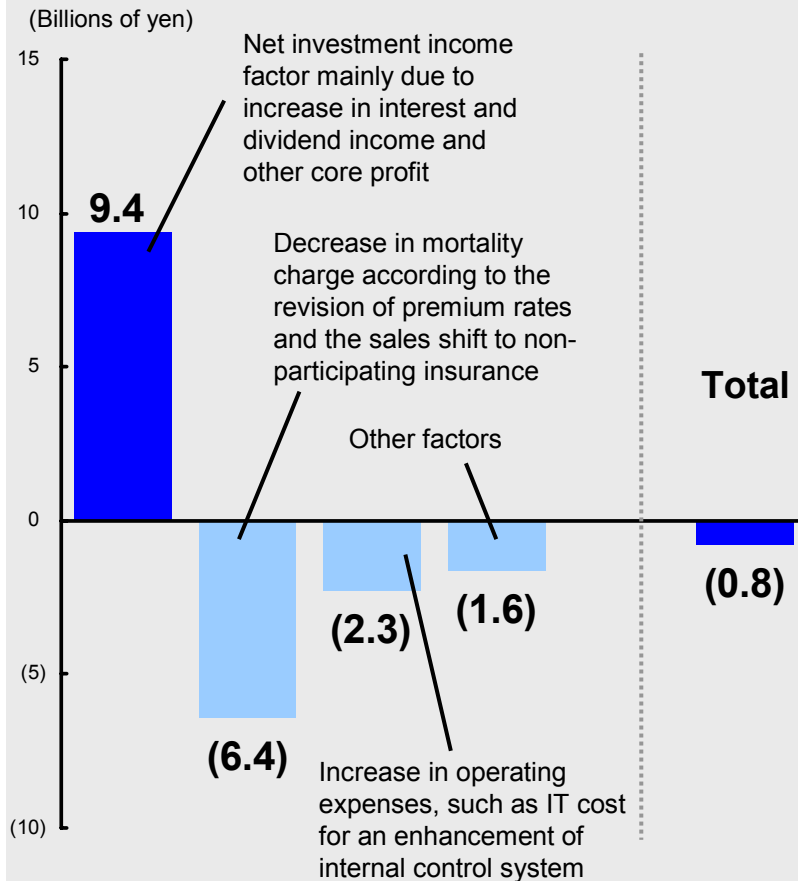


* Daido Life's spread turned positive. (¥8.3 billion for the fiscal year ended March 31, 2007, and ¥21.7 billion for the fiscal year ended March 31, 2008)

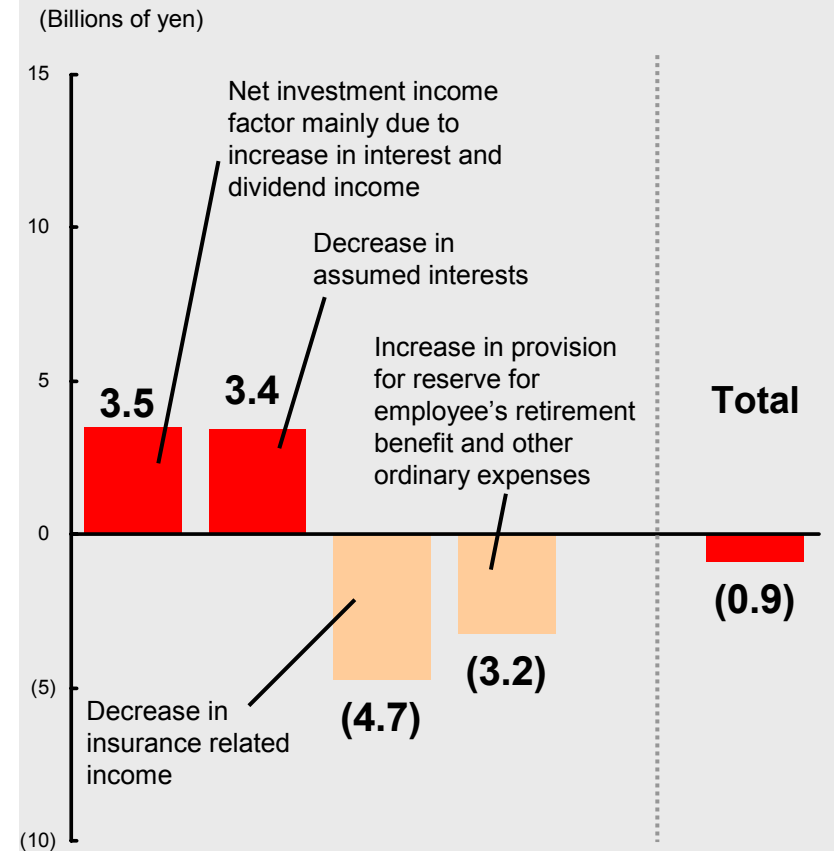
Factors for Increase/ Decrease in Core Profit

Factors for Increase/ Decrease in Core Profit for Year Ended March 31, 2008 (vs. Year Ended March 31, 2007)

Daido Life



Taiyo Life



Consolidated Balance Sheets



(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
Assets			
Cash and deposits, call loans	588.2	760.6	(172.4)
Monetary claims purchased	430.5	450.5	(19.9)
Monetary trusts	134.7	113.1	21.5
Securities	9,244.5	9,870.2	(625.7)
Loans	2,363.4	2,430.5	(67.0)
Tangible fixed assets	309.2	317.6	(8.3)
Other assets	199.0	117.7	81.3
Reserve for possible loan losses	(3.9)	(3.6)	(0.2)
Total assets	13,366.0	14,090.9	(724.9)

Includes ¥17.5 billion of excess amount of additional contingency reserve at Taiyo

Includes excess amount of additional reserve for price fluctuations, ¥9.3 billion at Daido and ¥18.5 billion at Taiyo

(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
Liabilities:			
Total policy reserves	12,137.7	12,344.7	(207.0)
Policy reserve	11,875.6	12,073.7	(198.1)
Contingency reserve	198.2	175.2	22.9
Reserve for price fluctuations	137.2	104.5	32.7
Total liabilities	12,688.7	13,000.7	(311.9)
Net assets:			
Total stockholders' equity	475.9	455.8	20.1
Common stock	118.5	118.5	-
Capital surplus	106.1	106.1	0.0
Retained earnings	251.9	231.6	20.2
Total valuation and translation adjustment	199.4	632.4	(432.9)
Net unrealized gains on securities	246.8	680.4	(433.5)
Land revaluation	(48.0)	(48.5)	0.4
Total net assets	677.2	1,090.2	(412.9)
Total liabilities and net assets	13,366.0	14,090.9	(724.9)

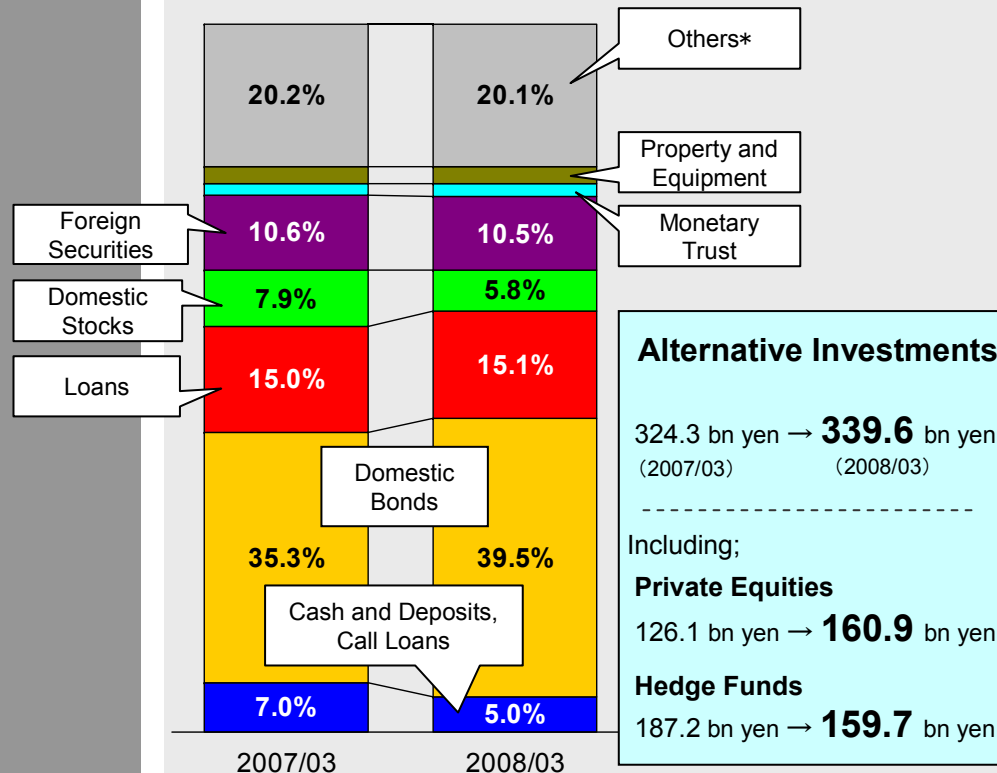
General Account Assets Composition



Daido Life

Net Exposure to Domestic Stocks**
14.5%
(2007/03 18.1%)

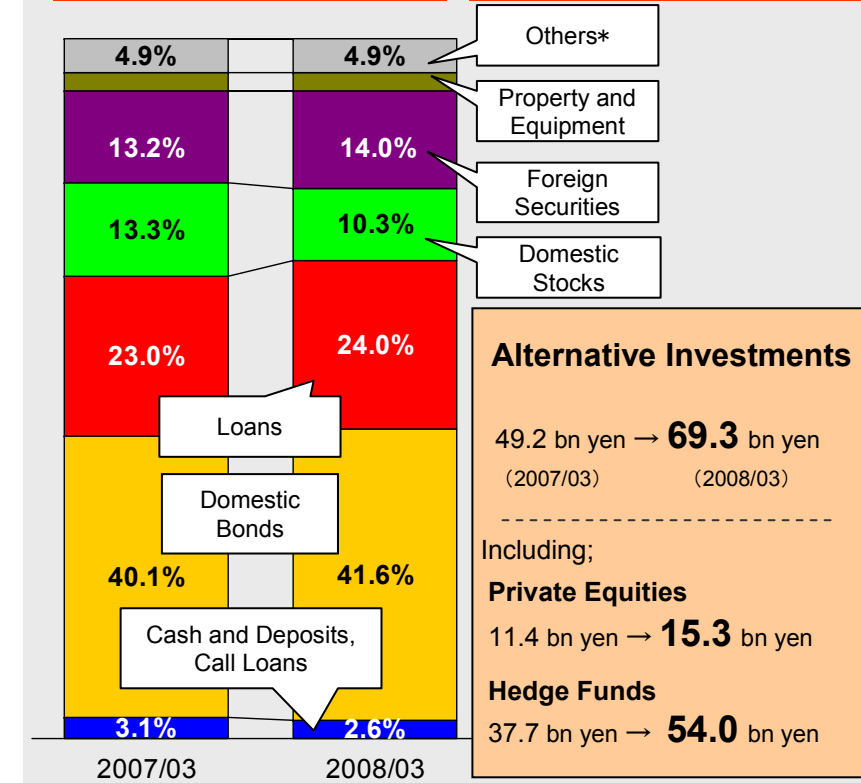
Net Exposure to Foreign Currency***
3.4%
(2007/03 3.4%)



Taiyo Life

Net Exposure to Domestic Stocks**
10.9%
(2007/03 14.5%)

Net Exposure to Foreign Currency***
5.2%
(2007/03 6.1%)



*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. ***** Assets of T&D Financial Life's variable annuities are managed in separate accounts.

Unrealized Gains/ Losses (General Account Assets)



(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life		Total		
	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	Changes
Total	163.8	546.3	266.6	499.6	1.4	(0.7)	432.0	1,045.3	(613.3)
Domestic bonds	30.7	18.6	63.1	8.2	1.5	(1.0)	95.4	25.8	69.5
Domestic stocks	114.7	248.5	210.5	425.6	-	-	325.3	674.2	(348.9)
Foreign securities	(3.8)	9.8	0.7	53.8	(0.0)	0.0	(3.1)	63.7	(66.8)
Other securities	16.4	239.3	(11.0)	12.9	(0.0)	0.2	5.3	252.4	(247.1)
Monetary claims purchased	5.4	0.2	3.2	(1.0)	-	-	8.7	(0.7)	9.4
Certificates of deposit	-	-	0.0	(0.0)	-	-	0.0	(0.0)	0.0
Monetary trusts	0.3	29.7	-	-	-	-	0.3	29.7	(29.4)

*Securities with market value

Net unrealized gains/losses on real	35.2	17.1	35.8	11.6	-	-	71.0	28.8	42.2
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* 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.

Financial Soundness, Adjusted Net Worth on EEV



(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Change
Daido Life			
Solvency margin ratio	1,096.3%	1,320.6%	(224.3P)
Adjusted net assets	777.2	1,109.6	(332.4)
Adjusted net worth on EEV	532.9	728.0	(195.1)
Taiyo Life			
Solvency margin ratio	1,000.6%	1,100.4%	(99.8P)
Adjusted net assets	659.7	834.6	(174.9)
Adjusted net worth on EEV	484.7	574.9	(90.2)
T&D Financial Life			
Solvency margin ratio	912.4%	1,189.7%	(277.3P)
Adjusted net assets	63.7	63.5	0.2
Adjusted net worth on EEV	39.5	41.8	(2.3)
Total of Three Insurance Companies			
Adjusted net assets	1,500.7	2,007.8	(507.1)
Adjusted net worth on EEV	1,057.1	1,344.8	(287.7)

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

Mainly due to an increase in minimum guarantee risks

Forecasts for the Year Ending March 31, 2009



T&D Holdings' Consolidated Forecasts

(Billions of yen)

	Full Year Forecast	Year Ended March 31, 2008	% Change
Ordinary revenues	2,100	2,330.0	(9.9%)
Ordinary profit	115	155.7	(26.1%)
Net income	39	36.7	6.1%

-Ordinary profit: forecast to decrease based on the figures not including the same level of interest and dividend income and net gains on sales of securities in FY2007
 -Net income: forecast to increase as the provision for reserve for price fluctuations and income taxes are expected to decrease while ordinary profit is estimated to decrease by ¥40 bn

Total of Three Life Insurance Companies

(Billions of yen)

	Full Year Forecast	Year Ended March 31, 2008	% Change
New policy amount	6,350	6,201.8	2.4%
Policy amount in force	59,270	59,340.3	(0.1%)
Income from insurance premiums	1,750	1,613.1	8.5%
Core profit	149	159.7	(6.7%)
Negative spread		** -	

<Projected excess amount for internal reserve for FY2008>
 -Reserve for price fluctuations: ¥7.4 bn (¥4.7 bn, after-tax, all for Daido)
 -Contingency reserve: ¥4.3 bn (¥2.7 bn, after-tax, all for Taiyo)
 <Reference: FY2007 result>
 -Reserve for price fluctuations: ¥27.8 bn (¥17.7 bn, after-tax)
 Daido: ¥9.3 bn (¥5.9 bn, after-tax)
 Taiyo: ¥18.5 bn (¥11.8 bn, after-tax)
 -Contingency reserve: ¥17.5 bn (¥11.1 bn, after-tax, all for Taiyo)

* New policy amount and policy amount in force include individual insurance and individual annuities. New policy amount includes net increase from conversion.
 ** Spread turned positive (¥0.5 billion) for the fiscal year ended March 31, 2008.

Forecasts for the Year Ending March 31, 2009



(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life	
	Full Year Forecast	Year Ended March 31, 2008	Full Year Forecast	Year Ended March 31, 2008	Full Year Forecast	Year Ended March 31, 2008
Ordinary revenues	1,020	1,136.3	930	1,000.3	270	180.4
Income from insurance premiums	850	843.3	650	635.7	250	134.0
Ordinary profit	96	104.6	29	57.0	(14)	(9.6)
Core profit	107	124.8	46	53.0	(4)	(18.1)
Net income	34	30.4	13	12.0	(10)	(6.9)
New policy amount	4,320	4,634.2	1,760	1,474.1	270	93.3
Core product	4,170	4,489.8	-	-	** 190	93.3
Policy amount in force	39,910	39,897.1	17,070	17,182.2	2,320	2,261.0
Core product	36,330	36,175.3	-	-	810	596.8
Annualized premiums of total policies	690	689.1	620	637.3	130	99.3
Negative spread	5	*** -	20	17.6	4	4.1
Surrender and lapse rate	8.5%	8.93%	7.5%	7.64%	6.5%	6.56%

* 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.

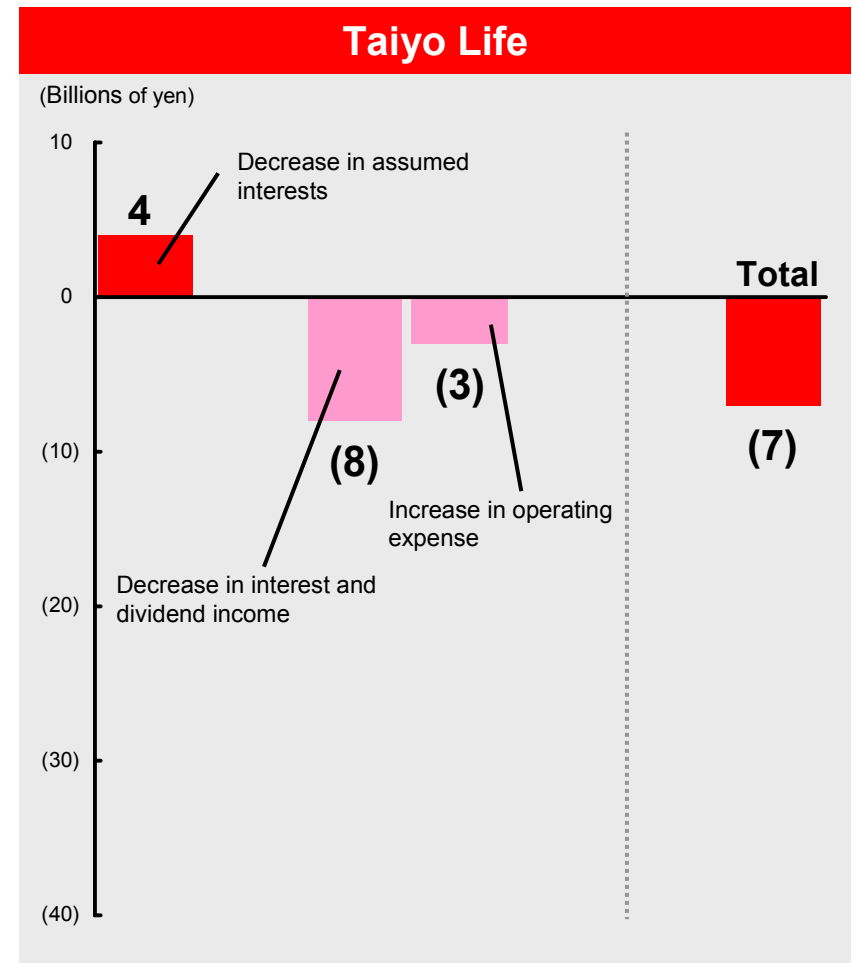
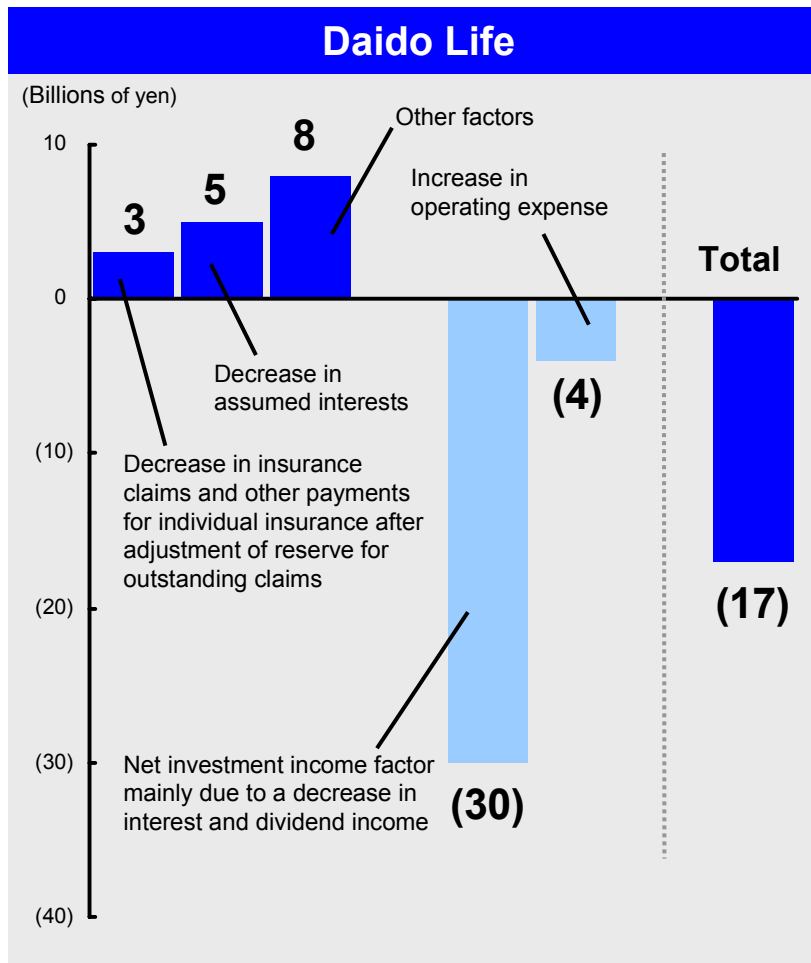
** Not includes an additional income from premiums paid by existing policyholders on exercise of additional coverage options. If includes, these forecasts are revised to ¥200 billion.

*** Daido Life's spread turned positive (¥21.7 billion) for the fiscal year ended March 31, 2008.

T&D Holdings, Inc. Financial Results for the Fiscal Year Ended March 31, 2008

Factors for Increase/ Decrease in Core Profit Forecast

Factors for Increase/ Decrease in Core Profit Forecast for Fiscal Year Ending March 31, 2009 (vs. Fiscal Year Ended March 31, 2008)



Shareholders' Dividends

- Intend to return about 30 percent of adjusted net income* to shareholders in the medium and long term with the dividend policy linked to business performance, while maintaining financial soundness and capital efficiency

** Consolidated net income + excess amount of reserve for price fluctuations + excess amount of contingency reserve*



T&D Life Group European Embedded Value (EEV)

EEV Highlights



- **The Group's EEV as of March 31, 2008 was 1,621.6 billion yen, decreased by 450.4 billion yen from the end of previous fiscal year**
- **The value of new business decreased to 62.0 billion yen, down by 22.8 billion yen from the previous fiscal year**

EEV Results



(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Change
T&D Life Group			
EEV	1,621.6	2,072.1	(450.4)
Adjusted net worth	1,057.1	1,344.8	(287.7)
Value of in-force business	564.4	727.2	(162.7)
Value of new business	62.0	84.8	(22.8)
(Breakdown)			
Daido Life			
EEV	990.7	1,263.0	(272.2)
Adjusted net worth	532.9	728.0	(195.1)
Value of in-force business	457.7	534.9	(77.1)
Value of new business	46.2	55.2	(9.0)
Taiyo Life			
EEV	574.9	738.6	(163.7)
Adjusted net worth	484.7	574.9	(90.2)
Value of in-force business	90.2	163.7	(73.5)
Value of new business	18.2	33.4	(15.1)
T&D Financial Life			
EEV	56.0	70.4	(14.4)
Adjusted net worth	39.5	41.8	(2.3)
Value of in-force business	16.4	28.5	(12.1)
Value of new business	(2.4)	(3.8)	1.3

* Value of new business doesn't include values anticipated from future new business. For conversions, only net increase is included.

(Reference) Breakdown of the Group's EEV



(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Change
EEV	1,621.6	2,072.1	(450.4)
Adjusted net worth	1,057.1	1,344.8	(287.7)
Shareholders' equity on the balance sheet *1	456.2	437.2	19.0
Unrealized gains/losses on securities (after tax)	289.5	687.8	(398.2)
Unrealized gains/losses on loans (after tax)	49.0	24.3	24.6
Unrealized gains/losses on lands (after tax)	21.5	(5.6)	27.2
General reserves for possible loan losses (after tax)	1.1	1.0	0.1
Internal reserves as quasi-equity liabilities (after tax) *2	240.1	201.4	38.6
Unrealized gains/losses on subordinated debts (after tax)	(0.5)	(1.3)	0.7
Value of in-force business	564.4	727.2	(162.7)
Certainty equivalent present value of future profit	768.2	918.1	(149.9)
Time value of financial options and guarantees	(129.0)	(117.0)	(12.0)
Frictional cost of capital	(33.0)	(29.7)	(3.3)
Allowance for non financial risk	(41.5)	(44.1)	2.5
Value of new business *3	62.0	84.8	(22.8)
Adjusted net worth	(54.1)	(60.9)	6.7
Value of in-force business	116.2	145.7	(29.5)
Certainty equivalent present value of future profit	126.1	160.4	(34.2)
Time value of financial options and guarantees	(3.2)	(6.6)	3.3
Frictional cost of capital	(0.1)	(0.3)	0.1
Allowance for non financial risk	(6.4)	(7.6)	1.1
Present value of new business premiums *4	1,137.4	1,258.2	(120.8)
Value of new business/present value of new business premiums	5.5%	6.7%	(1.3P)

*1 Stockholders' equity on the balance sheet: Total net assets – total valuation and translation adjustment *2 Reserve for price fluctuation, contingency reserve, unallocated portion of reserve for policyholder dividends *3 Value of new business doesn't include values anticipated from future new business. For conversions, only net increase is included *4 Single premiums plus present value of regular premiums expected to be paid from the point of sale to the end of the term of the contract

T&D Holdings, Inc. Financial Results for the Fiscal Year Ended March 31, 2008

(Ref.) Breakdown of Each Life Insurance Company's EEV



(Billions of yen)

	As of March 31, 2008			As of March 31, 2007			Change		
	Daido	Taiyo	TDF	Daido	Taiyo	TDF	Daido	Taiyo	TDF
EEV	990.7	574.9	56.0	1,263.0	738.6	70.4	(272.2)	(163.7)	(14.4)
Adjusted net worth	532.9	484.7	39.5	728.0	574.9	41.8	(195.1)	(90.2)	(2.3)
Shareholders' equity on the balance sheet *1	261.8	166.3	28.1	241.2	160.8	35.0	20.5	5.4	(6.9)
Unrealized gains/losses on securities (after tax)	116.6	171.9	1.0	368.3	320.0	(0.5)	(251.7)	(148.0)	1.5
Unrealized gains/losses on loans (after tax)	20.9	27.4	0.5	8.2	15.6	0.5	12.7	11.8	0.0
Unrealized gains/losses on lands (after tax)	22.5	(0.9)	-	10.9	(16.6)	-	11.5	15.6	-
General reserves for possible loan losses (after tax)	0.1	1.0	0.0	0.1	0.9	0.0	(0.0)	0.1	0.0
Internal reserves as quasi-equity liabilities (after tax) *2	110.8	119.4	9.8	99.1	95.5	6.7	11.6	23.9	3.0
Unrealized gains/losses on subordinated debts (after tax)	-	(0.5)	-	-	(1.3)	-	-	0.7	-
Value of in-force business	457.7	90.2	16.4	534.9	163.7	28.5	(77.1)	(73.5)	(12.1)
Certainty equivalent present value of future profit	599.2	144.1	24.8	660.9	218.0	39.1	(61.7)	(73.8)	(14.3)
Time value of financial options and guarantees	(97.1)	(24.6)	(7.3)	(85.8)	(22.4)	(8.7)	(11.2)	(2.2)	1.4
Frictional cost of capital	(15.3)	(16.7)	(0.9)	(10.4)	(18.0)	(1.2)	(4.9)	1.3	0.2
Allowance for non financial risk	(28.9)	(12.4)	(0.1)	(29.7)	(13.7)	(0.5)	0.7	1.3	0.4
Value of new business *3	46.2	18.2	(2.4)	55.2	33.4	(3.8)	(9.0)	(15.1)	1.3
Adjusted net worth	(31.3)	(16.6)	(6.1)	(31.4)	(19.3)	(10.0)	0.0	2.7	3.9
Value of in-force business	77.6	34.9	3.6	86.7	52.8	6.2	(9.1)	(17.8)	(2.5)
Certainty equivalent present value of future profit	83.4	37.5	5.1	94.2	56.4	9.7	(10.7)	(18.8)	(4.6)
Time value of financial options and guarantees	(1.4)	(0.6)	(1.2)	(2.9)	(0.8)	(2.8)	1.4	0.2	1.6
Frictional cost of capital	0.1	(0.1)	(0.1)	0.2	(0.1)	(0.4)	(0.1)	(0.0)	0.3
Allowance for non financial risk	(4.5)	(1.8)	(0.0)	(4.8)	(2.6)	(0.1)	0.3	0.8	0.0

*1 Stockholders' equity on the balance sheet: Total net assets – total valuation and translation adjustment *2 Reserve for price fluctuation, contingency reserve, unallocated portion of reserve for policyholder dividends *3 Value of new business doesn't include values anticipated from future new business. For conversions, only net increase is included

T&D Holdings, Inc. Financial Results for the Fiscal Year Ended March 31, 2008

Economic assumptions

Discount Rates and Investment Yields

- In the certainty equivalent calculation, the discount rates and investment yields are the risk-free rates determined based on swap rates (mid price) at the valuation date

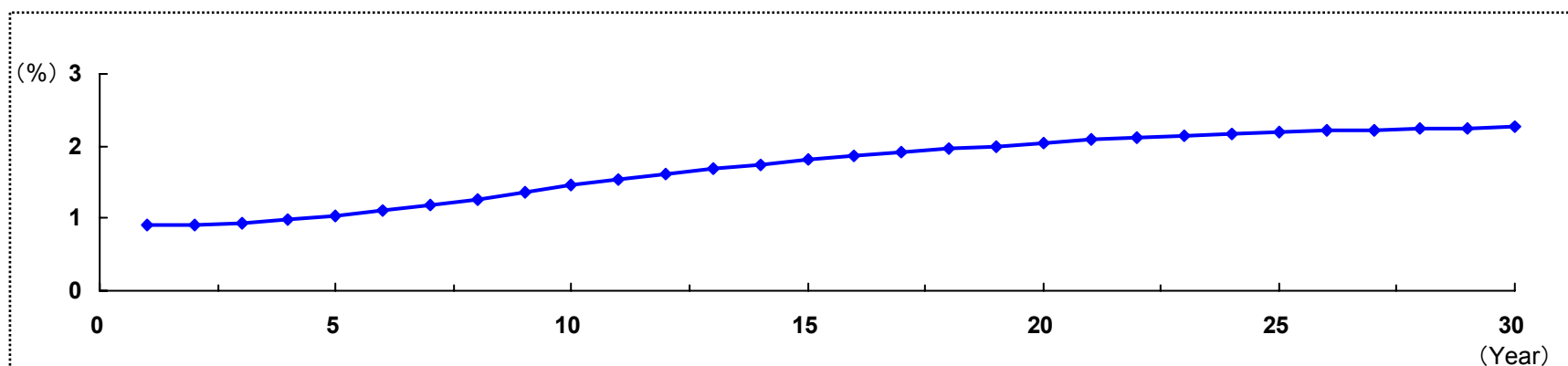
Swap rates

(%)

	1 year	2 year	3 year	4 year	5 year	10 year	15 year	20 year	25 year	30 year
As of March 31, 2008	0.915	0.898	0.939	0.988	1.043	1.462	1.804	2.041	2.184	2.264
As of March 31, 2007	0.781	0.946	1.087	1.221	1.343	1.810	2.118	2.315	2.406	2.476

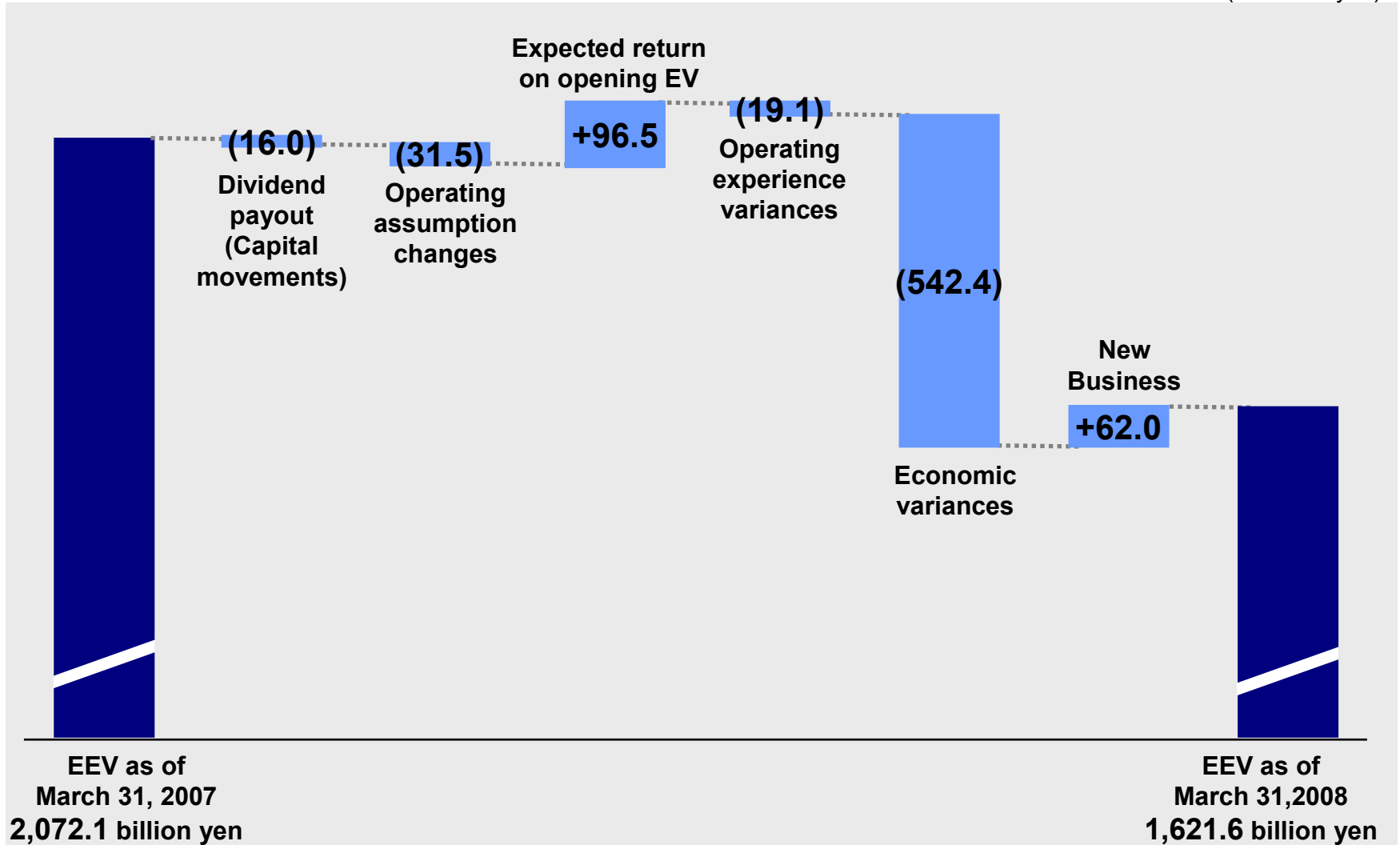
*Source: Bloomberg

<Reference> Yield Carve as of March 31, 2008



Movement Analysis

(Billions of yen)



* The amounts of expected transfer from in-force business to adjusted net worth were 99.5 billion yen.

(Reference) Breakdown of Movement Analysis



(Billions of yen)

	EEV		
		Adjusted net worth	Value of in-force business
EEV as of March 31, 2007	2,072.1	1,344.8	727.2
Dividend payout (Capital movements)	(16.0)	(16.0)	-
Operating assumption changes	(31.5)	-	(31.5)
Expected return on opening EV	96.5	15.8	80.6
Expected transfer from in-force business to adjusted net worth	-	99.5	(99.5)
Operating experience variances	(19.1)	(13.9)	(5.1)
Economic variances	(542.4)	(319.0)	(223.3)
New Business	62.0	(54.1)	116.2
Change in EEV	(450.4)	(287.7)	(162.7)
EEV as of March 31, 2008	1,621.6	1,057.1	564.4

Sensitivities

(Billions of yen)

			EEV	Value of new business
EEV as of March 31, 2008 (base scenario)			1,621.6	62.0
Economic factor ^{*2}	Risk-free rate ^{*1}	+0.5%	164.0	13.1
		-0.5%	(203.6)	(15.8)
	Equity and real estate value	-10%	(157.0)	-
Non-economical factor	Surrender and lapse rate	x 0.9	59.4	9.1
	Operating expenses rate	x 0.9	41.8	3.0
	Claim incidence rate for the life business	x 0.95	76.7	5.7
	Mortality rate for the annuity business	x 0.95	(2.8)	0.0
Change the required capital to 200% (regulatory minimum) solvency margin ratio			33.0	0.1
Change the required capital to 1,000% solvency margin ratio			(59.6)	(2.8)
Implied volatility		x 1.25	(50.6)	(0.6)

*1 Fixed interest assets (bonds, loans, etc.) are revalued according to the change in the interest rate. The value of in-force business is re-calculated according to the change of investment yield and risk discount rate. Policyholder behavior also changes corresponding to these changes.

*2 The sensitivity results on the value of new business exclude the impact on the adjusted net worth, because adjusted net worth in value of new business is less than zero

T&D Holdings, Inc. Financial Results for the Fiscal Year Ended March 31, 2008

Opinion of Actuarial Firm

- To assure fairness, T&D Life Group had requested Tillinghast insurance consulting business of Towers Perrin, an outside specialist (actuarial firm) equipped with expert knowledge relating to actuarial calculations, including EV, to review the calculation methodology, the assumptions, the consistency of methodology among the three companies of T&D Life Group, and the validity of results of EV calculation.
- To see the opinions, please refer to our web site:
URL <http://www.td-holdings.co.jp/e/>

FY2007 Group Management Review and FY2008 Initiative

FY2007 Group Management Review

T&D Life Group

Initiatives at the beginning of FY2007	Results
<ul style="list-style-type: none"> ■ Sales: Increases in both new policy amount and policy amount in force 	<ul style="list-style-type: none"> - New policy amount for Daido Life performed well, while underperforming the revised full-year forecasts for Taiyo Life and T&D Financial Life - Policy amount in force resulted around the full year forecast
<ul style="list-style-type: none"> ■ Asset management: Based on the group investment management policy 	<ul style="list-style-type: none"> - Managed under disciplined investment strategy based on liability-driven ALM and asset allocation within tolerable risk levels - Each life insurance company has not directly invested in sub-prime loans, sub-prime CDO nor U.S. municipal bonds / securitized products guaranteed by Monolines
<ul style="list-style-type: none"> ■ Response to the changing regulatory environment 	<ul style="list-style-type: none"> - Each life insurance company applied the revised premium rates reflecting new standard life table to the new contracts after April 2007 - T&D Life Group had little impact of the privatization of Postal Life in October 2007 and the full deregulation of OTC sales at banks in December 2007

FY2007 Sales Review

	Daido Life	Taiyo Life	T&D Financial Life
Results	<ul style="list-style-type: none"> ■ Enjoyed the favorable sales performance. New policy amount rose to ¥4,634.2 billion from ¥4,327.8 billion of the FY2006 result, exceeding the full year forecast of ¥4,350 billion ■ The number of TA/CPA agents increased to 11,300 	<ul style="list-style-type: none"> ■ Made a downward adjustment to full year forecasts for the new policy amount at the end of 1H2007, and resulted around the revised forecast in 2H2007. As a result, new policy amount totaled to ¥1,474.1 billion ■ Surrender and lapse rate improved by 0.91points to 7.64% ■ Policy amount in force decreased by ¥462.2 billion 	<ul style="list-style-type: none"> ■ New policy amount for individual valuable annuities were ¥93.3 billion, lower than the revised full year forecast of ¥120 billion mainly due to the reinforcement of the Financial Instruments and Exchange Law and the stock market drop ■ The number of financial institutional agents stayed at 63
Issues	<ul style="list-style-type: none"> ■ Strive for stable growth, keeping competitive edge in the SME market 	<ul style="list-style-type: none"> ■ Try to recovery the sales performance by “the quality improvement” ■ Come to the recovery momentum such as hitting the bottom of the number of sales representatives and new contracts 	<ul style="list-style-type: none"> ■ Pursue a recovery of the new policy amount by launching the competitive products

FY2007 Investment Review

Category	Company	Review
Domestic bonds	Daido	-Due to restrained reinvestments of redemptions for group annuities' category, exposure to domestic bonds including loans decreased by 30 billion yen -Bonds duration leveled off
	Taiyo	-Total exposure to bonds and loans leveled off -Bonds duration became longer mainly in the 1Q2007 and 4Q2007
Domestic stocks	Daido	Exposure to domestic stocks increased by about 65 billion yen, as a result of the sales and purchase along with the stock price fluctuation
	Taiyo	Exposure to domestic stocks decreased by 50 billion yen due to the sales based on the market outlook in 1H2007
Foreign securities	Daido	-Foreign bonds decreased by about 110 billion yen, and sales of foreign stocks was about 20 billion yen -Foreign currency leveled off
	Taiyo	-Foreign bonds decreased by about 20 billion yen, and sales of foreign stocks was about 20 billion yen, as a result of purchase in 1H2007 and sell in 2H2007 -Foreign currency exposure decreased by about 75 billion yen
Alternative investments	Daido	Exposure to hedge funds leveled off and exposure to private equity increased by about 70 billion yen*
	Taiyo	Exposure to hedge funds increased by about 30 billion yen, and exposure to private equity increased by about 6 billion yen*

* Commitment base

FY2008 Group Management Initiatives



Initiatives	Points
<ul style="list-style-type: none"> ■ Sales: Rebuild the core businesses of the three life insurance companies 	<p>Target for the total of the three life insurance companies</p> <ul style="list-style-type: none"> - New policy amount: 6,350 billion yen - Policy amount in force: 59,270 billion yen
<ul style="list-style-type: none"> ■ Asset management: Managed under disciplined investment strategy based on liability-driven ALM and asset allocation within tolerable risk levels 	<ul style="list-style-type: none"> -Extend durations along with interest rate rises -Invest in risk assets within tolerable risk levels
<ul style="list-style-type: none"> ■ Response to changing regulatory environment 	<p>Respond to the revision of solvency margin calculation method and the introduction of international accounting standards</p>

FY2008 Sales Measures

	Daido Life	Taiyo Life	T&D Financial Life
Measures	<ul style="list-style-type: none"> ■ Gain the high quality policies by developing new SME customers ■ Aim to expand the TA/CPA agents and increase the core agents ■ Strengthen the partnerships with tie-up groups 	<ul style="list-style-type: none"> ■ Recover the sales performance by improving the consulting capability of sale representatives ■ Increase customer satisfaction and re-establish reliability with customers ■ Improve sales quality in view of customers 	<ul style="list-style-type: none"> ■ Improve the share of the main agents and expand the financial institutional agents by launching the new valuable annuities ■ Launch the new products which respond to the full deregulation of OTC sales at banks
Targets	<ul style="list-style-type: none"> ■ Steadily increase the policy amount in force for individual term life insurance 	<ul style="list-style-type: none"> ■ Expand the new policy amount to ¥1,760 billion (Up 19.4% from FY2007) ■ Make the surrender and lapse rate 7.5% (Improved 0.14 points) 	<ul style="list-style-type: none"> ■ Gain the new policy amount to ¥270 billion (Up 189.1% from FY2007) ■ The number of financial institutional agents : 70

FY2008 Investment Measures

Category	Company	Initiatives
Domestic bonds	Daido	-Level off balance of income generating assets -Extend durations along with interest rate rise
	Taiyo	-Extend durations with interest rate rise considering ALM
Domestic stocks	Daido	-Maintain current asset composition -Possible change according to the market outlook
	Taiyo	-Slightly decrease the exposure -Possible change according to the market outlook
Foreign securities	Daido	-Maintain current asset composition -Possible change according to the market outlook
	Taiyo	-Slightly decrease foreign bonds and level off foreign stocks -Possible change according to the market outlook
Alternative investments	Daido	-Increase net exposure to hedge funds by 10 billion yen and private equity by 40-50 billion yen* -Increase exposure to about 400 billion** yen in the mid-term
	Taiyo	-Increase net exposure to hedge funds by 40 billion yen and private equity by 25 billion yen*

* Commitment base ** Balance base

Response to Changing Regulatory Environment

- Respond to the revision of solvency margin calculation method and the introduction of international accounting standards
 - ✓ Continue appropriate earning and risk management to maintain the sufficient soundness
 - ✓ Consider improving the method of risk management, for example, calculating the economic capital

(Reference) Movement toward the Introduction of International Solvency Standard and International Accounting Standards

Steps toward the revision of solvency margin calculation method (Short-term perspective)

- Extension of the period of measuring risk factor (Records up to March 2007)
- Raising the confidence level of risk factor (From 90% to 95%)
- Measuring the risk reduction effect by diversified investments
- Restricting inclusion future profits and deferred tax assets to solvency margin



Respond to the introduction of international accounting standard (Mid-term perspective)

- Introduction of fair valuation of life insurance liabilities
- Introduction of Solvency II
- Calculating the economic capital

Conclusion

- **The new policy amount for the three life insurance companies decreased from the previous fiscal year while the surrender and lapse amount decreased. The total policy amount in force resulted in stay around the same level from the beginning of fiscal 2007**
- **The Group's EEV as of March 31, 2008, was 1,621.6 billion yen, decreased by 450.4 billion yen from the end of previous fiscal year**
- **The three life insurance companies aim at top-line growth by rebuilding each company's core business**

Appendix



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Non-Consolidated Statements of Operations: Daido Life



	(Billions of yen)		
	FY2007	FY2006	Changes
Ordinary revenues	1,136.3	1,061.8	74.5
Income from insurance premiums	843.3	865.2	(21.9)
Individual insurance and annuities	669.4	673.8	(4.3)
Investment income	205.7	183.3	22.4
Interest, dividends and income from real estate for rent	144.7	129.4	15.2
Gains on investment in trading securities, net	-	17.8	(17.8)
Gains on sale of securities	14.9	18.7	(3.8)
Gains from derivatives, net	29.3	-	29.3
Gains on separate accounts, net	-	6.5	(6.5)
Other ordinary income	87.2	13.2	74.0
Reversal of policy reserve	80.7	9.3	71.4
Ordinary expenses	1,031.6	940.5	91.0
Insurance claims and other payments	804.3	758.2	46.1
Provision for policy and other reserves	2.9	3.5	(0.6)
Investment expenses	94.6	44.1	50.5
Losses on investment in trading securities, net	25.1	-	25.1
Losses on sale of securities	10.0	5.7	4.3
Devaluation losses on securities	19.4	0.6	18.8
Losses from derivatives, net	-	20.3	(20.3)
Losses on separate accounts, net	16.2	-	16.2
Operating expenses	114.1	111.8	2.3
Other ordinary expenses	15.6	22.8	(7.2)
Ordinary profit	104.6	121.2	(16.5)
Net extraordinary gains (losses)	(10.2)	(12.7)	2.4
Provision for reserve for policyholder dividends	31.2	40.0	(8.8)
Net income before taxes	63.1	68.4	(5.2)
Income taxes	32.7	25.2	7.4
Net income	30.4	43.1	(12.7)

Group annuities: down ¥15.0 billion y-o-y

-Dividends from investment trusts: up ¥8.6 billion
-Dividends from private equity funds: up ¥7.0 billion

Net gains decreased as gains on hedge funds dropped (Gains based on local currencies were positive).

*Gains/losses from derivatives includes gains/losses from foreign exchange forward contracts relating to hedge funds

Net gains from derivatives improved by ¥49.7 bn from a ¥20.3 bn of losses for FY2006.

-Net gains on currency-related: ¥27.6 billion (up ¥50.8 billion y-o-y)
-Net gains on stock-related: ¥2.4 billion (down ¥1.2 billion y-o-y)

Group annuities: up ¥70.5 billion

Group annuities: ¥262.1 billion (up ¥38.5 billion y-o-y)

Provision for reserve for employees' retirement benefits decreased by ¥6.8 billion

Includes provision for reserve for price fluctuations of ¥11.9 bn (down ¥2.0 bn y-o-y) including excess amount of internal reserves of ¥9.3 billion (down ¥2.1 bn y-o-y)

Mainly due to taxable depreciation of losses on sale of securities

Non-Consolidated Statements of Operations: Taiyo Life



	(Billions of yen)			
	FY2007	FY2006	Changes	
Ordinary revenues	1,000.3	1,012.0	(11.6)	Includes insurance premiums for individual insurance and annuities of ¥532.0 billion (down ¥44.4 billion y-o-y) and for group annuities of ¥68.1 billion (down ¥24.6 billion y-o-y)
Income from insurance premiums	635.7	705.5	(69.8)	
Investment income	229.6	211.8	17.7	
Interest, dividends and income from real estate for rent	142.0	137.2	4.7	
Gains on sale of securities	87.2	74.2	13.0	
Other ordinary income	134.9	94.5	40.4	
Reversal of policy reserve	99.0	60.0	39.0	
Ordinary expenses	943.3	960.3	(17.0)	-Increase in interests from yen-denominated bonds: ¥2.9 billion -Increase in dividends from domestic investment trusts: ¥0.8 billion -Increase in dividends from domestic stocks: ¥1.0 billion -Increase in interests from foreign currency-denominated bonds: ¥0.7 billion -Decrease in dividends from domestic private equity funds: ¥(2.7) billion
Insurance claims and other payments	747.1	772.8	(25.7)	
Provision for policy and other reserves	0.1	1.7	(1.6)	
Investment expenses	76.1	70.3	5.7	
Losses on sale of securities	51.9	45.3	6.6	
Devaluation losses of securities	7.7	0.0	7.6	
Losses from derivatives, net	7.0	15.6	(8.6)	
Operating expenses	77.0	78.8	(1.7)	-Domestic stocks: ¥47.9 billion (down ¥13.9 billion y-o-y) -Foreign securities: ¥36.3 billion (up ¥24.8 billion y-o-y) -Domestic bonds: ¥3.0 billion (up ¥2.1 billion y-o-y)
Other ordinary expenses	42.8	36.5	6.2	
Ordinary profit	57.0	51.6	5.3	Includes payment for group annuities of ¥107.8 billion (up ¥22.9 billion y-o-y) and maturity benefits for individual insurance of ¥249.5 billion (down ¥58.5 billion y-o-y)
Net extraordinary gains (losses)	(20.9)	(14.6)	(6.3)	
Provision for reserve for policyholder dividends	13.9	15.0	(1.0)	-Domestic stocks: ¥31.1 billion (up ¥11.9 billion y-o-y) -Domestic bonds: ¥7.8 billion (down ¥5.9 billion y-o-y) -Foreign securities: ¥12.9 billion (up ¥0.6 billion y-o-y)
Net income before taxes	22.0	21.9	0.1	
Income taxes	10.0	8.5	1.4	-Currency-related: ¥11.0 billion (down ¥4.4 billion y-o-y), including ¥14.6 billion of hedge accounting applied (up ¥1.9 billion y-o-y) -Stock-related: ¥3.9 billion (up ¥4.1 billion y-o-y)
Net income	12.0	13.4	(1.3)	

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



(Billions of yen)

	FY2007	FY2006	Changes
Ordinary revenues	180.4	266.1	(85.6)
Income from insurance premiums	134.0	240.7	(106.6)
Investment income	19.8	17.1	2.6
Interest, dividends and income from real estate for rent	4.1	4.3	(0.2)
Gains on monetary trusts	15.3	-	15.3
Gains on separate accounts, net	-	11.3	(11.3)
Other ordinary income	26.5	8.1	18.3
Reversal of policy reserve	16.7	-	16.7
Ordinary expenses	190.1	279.6	(89.5)
Insurance claims and other payments	95.5	99.5	(4.0)
Provision for policy and other reserves	0.1	154.5	(154.4)
Investment expenses	77.9	4.7	73.1
Losses from monetary trusts, net	-	3.4	(3.4)
Losses on sales of securities	0.1	1.3	(1.1)
Losses on separate account, net	77.6	-	77.6
Operating expenses	13.6	17.9	(4.3)
Other ordinary expenses	2.8	2.7	0.0
Ordinary profit (losses)	(9.6)	(13.5)	3.8
Net extraordinary gains (losses)	(0.0)	(0.3)	0.3
Provision for reserve for policyholder dividends	0.1	1.3	(1.1)
Net income before taxes	(9.8)	(15.2)	5.3
Income taxes	(2.9)	(4.5)	1.5
Net income (loss)	(6.9)	(10.7)	3.7

Includes ¥103.7 billion of insurance premiums for individual variable annuities, down ¥98.7 billion from a ¥202.4 billion for FY2006

¥24.8 billion of provision for policy reserve for variable annuities (separate accounts)

¥23.3 billion of provision for policy reserve relating to minimum guarantee risks for variable annuities

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



(Millions of yen)

	FY2007	FY2006	Changes
Operating income	714.7	606.7	107.9
Trustee fees	452.6	380.8	71.8
Investment management fees	262.0	225.9	36.1
Operating expenses	281.8	217.6	64.1
Commissions paid	149.6	118.3	31.2
Other operating expenses	132.1	99.2	32.8
General and administrative expenses	266.8	231.7	35.0
Operating profit	166.0	157.3	8.7
Non-operating income	1.4	0.8	0.5
Non-operating expenses	0.3	0.2	0.0
Ordinary profit	167.1	157.9	9.1
Net extraordinary gains (losses)	(0.2)	(18.8)	18.6
Income before income taxes	166.9	139.0	27.8
Income taxes	69.8	70.7	(0.9)
Net income	97.1	68.2	28.8

Non-Consolidated Balance Sheets: Daido Life



(Billions of yen)

(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Assets</u>			
Cash and deposits, call loans	297.2	442.1	(144.8)
Monetary claims purchased	270.0	295.3	(25.2)
Monetary trusts	104.6	100.8	3.7
Securities	4,159.6	4,410.1	(250.4)
Domestic bonds	2,394.0	2,251.5	142.5
Domestic stocks	375.6	550.0	(174.3)
Foreign securities	653.4	707.6	(54.1)
Other securities	736.3	900.8	(164.5)
Loans	890.3	932.9	(42.5)
Tangible fixed assets	140.4	146.9	(6.5)
Other assets	131.5	58.4	73.1
Deferred tax assets	44.1	-	44.1
Total assets	6,047.8	6,397.0	(349.1)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Liabilities</u>			
Total policy reserves	5,392.1	5,474.5	(82.3)
Policy reserve	5,216.5	5,297.2	(80.7)
Contingency reserve	82.6	80.3	2.2
Other liabilities	101.8	53.9	47.8
Reserve for price fluctuations	73.5	61.5	11.9
Deferred tax liabilities	-	105.2	(105.2)
Total liabilities	5,673.4	5,792.2	(118.8)
<u>Net assets</u>			
Total stockholders' equity	261.8	241.2	20.5
Common stock	75.0	75.0	-
Capital surplus	5.4	5.4	-
Retained earnings	186.7	166.2	20.5
Total valuation and translation adjustments	112.5	363.4	(250.9)
Net unrealized gains on securities	111.8	362.7	(250.8)
Total net assets	374.4	604.7	(230.3)
Total liabilities and net assets	6,047.8	6,397.0	(349.1)

-Domestic bonds: Mainly due to purchases of short-term government bonds
 -Domestic stocks: Mainly due to a drop of holding stock prices
 -Foreign Securities: Mainly due to sale of foreign bonds and a decrease in amount of hedge funds
 -Other securities: Mainly due to a decline of fair value of investment trusts

Non-Consolidated Balance Sheets: Taiyo Life



(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Assets</u>			
Cash and deposits, call loans	159.8	201.7	(41.9)
Securities	4,152.4	4,485.2	(332.7)
Domestic bonds	2,575.1	2,628.4	(53.3)
Domestic stocks	638.5	873.2	(234.7)
Foreign securities	867.2	865.9	1.2
Other securities	71.5	117.5	(45.9)
Loans	1,481.8	1,502.2	(20.3)
Tangible fixed assets	162.2	163.4	(1.2)
Reserve for possible loan losses	(2.5)	(2.3)	(0.1)
Total assets	6,185.5	6,552.5	(366.9)

-Domestic bonds: decreased mainly due to a decrease in total assets
 -Domestic stocks: decreased mainly due to a decline in holding stock prices and trades based on market outlook

Includes excess amount of additional reserves: ¥18.5 billion

(Billions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Liabilities</u>			
Total policy reserves	5,731.1	5,836.5	(105.4)
Policy reserve	5,652.0	5,751.1	(99.0)
Contingency reserve	101.9	85.5	16.4
Reserve for price fluctuations	63.2	42.5	20.7
Deferred tax liabilities	-	104.1	(104.1)
Total liabilities	5,931.2	6,121.9	(190.6)
<u>Net assets</u>			
Total stockholders' equity	166.3	160.8	5.4
Common stock	37.5	37.5	-
Capital surplus	37.5	37.5	-
Retained earnings	91.3	85.8	5.4
Total valuation and translation adjustments	87.9	269.7	(181.7)
Net unrealized gains on securities	136.1	318.4	(182.3)
Land revaluation	(48.0)	(48.5)	0.4
Total net assets	254.3	430.5	(176.2)
Total liabilities and net assets	6,185.5	6,552.5	(366.9)

Non-Consolidated Balance Sheets: T&D Financial Life



	(Billions of yen)			(Billions of yen)			
	As of March 31, 2008	As of March 31, 2007	Changes		As of March 31, 2008	As of March 31, 2007	Changes
<u>Assets</u>				<u>Liabilities</u>			
Cash and deposits, call loans	50.1	50.6	(0.5)	Total policy reserves	1,011.5	1,029.1	(17.6)
Monetary trusts	30.1	12.3	17.8	Policy reserve	1,004.1	1,020.8	(16.7)
Securities	934.8	977.5	(42.6)	Contingency reserve	13.5	9.3	4.2
Domestic bonds	360.1	354.5	5.6	Reserve for price fluctuations	0.4	0.3	0.0
Domestic stocks	0.9	1.9	(0.9)	Total liabilities	1,022.0	1,044.2	(22.2)
Foreign securities	2.0	24.8	(22.8)	<u>Net assets</u>			
Other securities	571.7	596.2	(24.5)	Total stockholders' equity	28.1	35.0	(6.9)
Loans	7.2	10.2	(2.9)	Common stock	36.0	36.0	-
Tangible fixed assets	0.3	0.2	0.0	Capital surplus	26.0	26.0	-
Intangible fixed assets	3.3	2.6	0.6	Retained earnings	(33.8)	(26.9)	(6.9)
Other assets	6.5	10.3	(3.8)	Total valuation and translation adjustments	(1.1)	(0.8)	(0.3)
Deferred tax assets	8.7	6.2	2.5	Net unrealized gains on securities	(1.1)	(0.8)	(0.3)
Total assets	1,048.9	1,078.4	(29.4)	Total net assets	26.9	34.2	(7.2)
				Total liabilities and net assets	1,048.9	1,078.4	(29.4)

-Foreign securities: Due to the redumption of foreign bonds and the sales of foreign investment trusts
 -Other securities: Due to a decrease in investment trusts reflecting a decrease in policies for individual variable annuities and a drop of fair value of investment trusts

Non-Consolidated Balance Sheets: T&D Asset Management



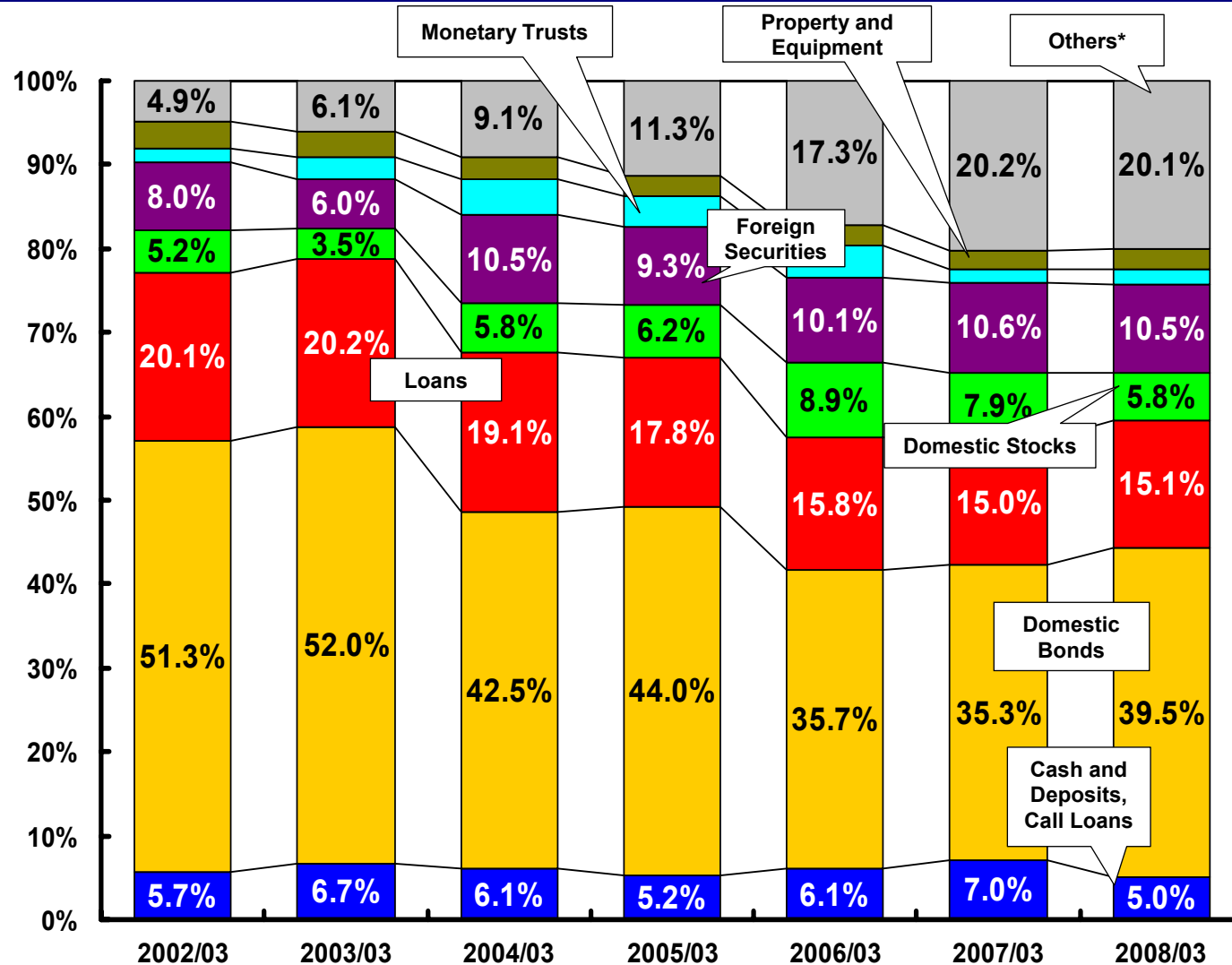
(Millions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Assets</u>			
Current assets	846.1	727.9	118.1
Deposits	672.5	581.0	91.4
Accrued trustee fee	73.6	59.6	14.0
Accrued investment management fees	69.7	56.5	13.1
Other current assets	30.2	30.7	(0.5)
Fixed assets	87.4	83.4	4.0
Tangible fixed assets	16.9	16.9	0.0
Intangible fixed assets	3.3	0.6	2.7
Investments and other assets	67.1	65.8	1.3
Total assets	933.5	811.4	122.1

(Millions of yen)

	As of March 31, 2008	As of March 31, 2007	Changes
<u>Liabilities</u>			
Current liabilities	157.2	123.0	34.2
Accounts payable	67.3	31.4	35.8
Accrued expenses	23.0	16.4	6.5
Other current liabilities	66.9	75.1	(8.2)
Fixed liabilities	20.7	18.0	2.7
Reserve for retirement benefits	20.7	16.2	4.4
Other fixed liabilities	-	1.7	(1.7)
Total liabilities	178.0	141.0	36.9
<u>Net assets</u>			
Total shareholders' equity	755.5	670.3	85.1
Common stock	110.0	110.0	-
Capital surplus	27.7	27.7	-
Retained earnings	617.7	532.5	85.1
Total valuation and translation adjustment	-	0.0	(0.0)
Total net assets	755.5	670.3	85.1
Total liabilities and net assets	933.5	811.4	122.1

General Account Assets Composition: Daido Life



Net Exposure to Domestic Stocks **
14.5%
(2007/03 18.1%)
(2006/03 19.0%)

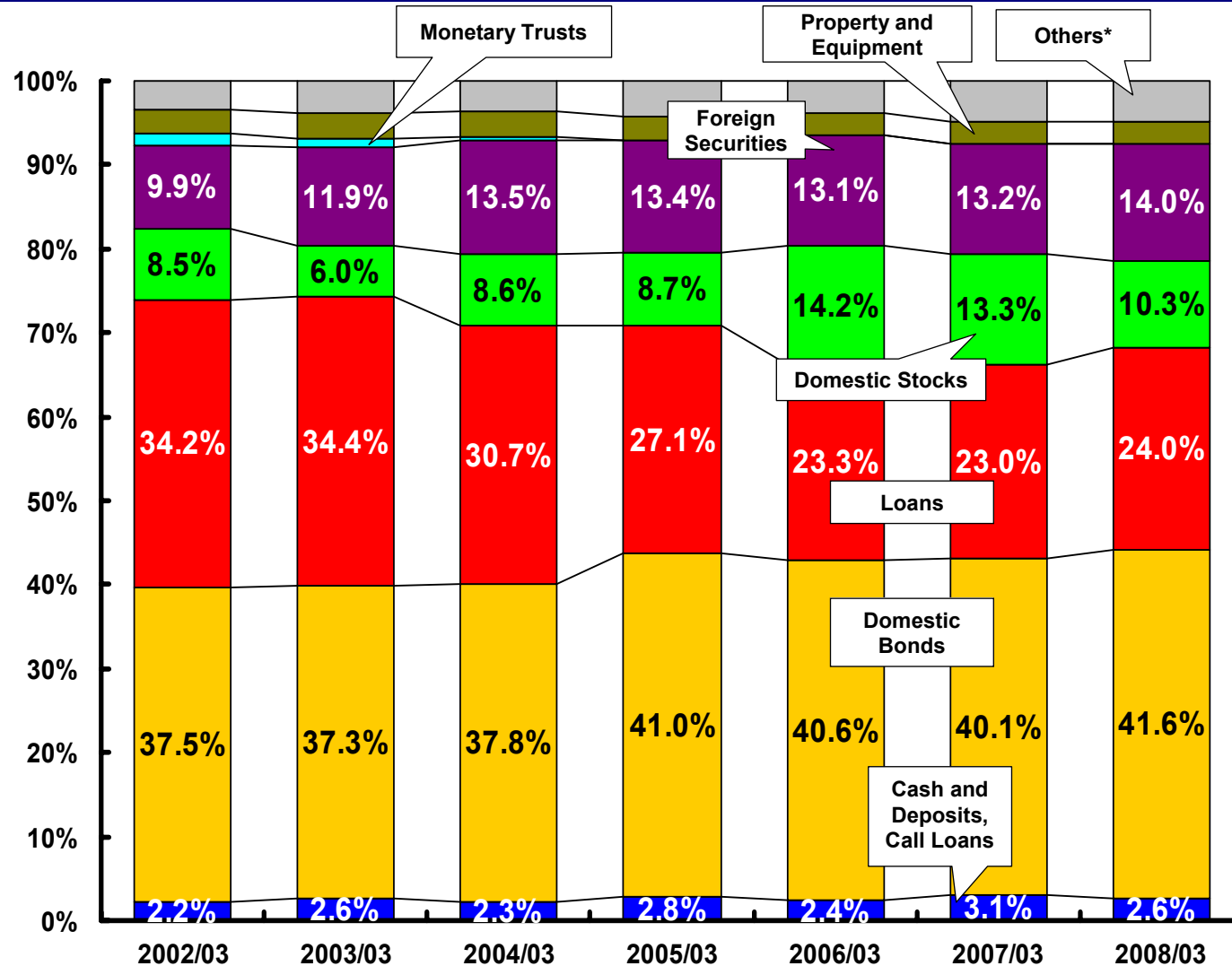
Net Exposure to Foreign Currency ***
3.4%
(2007/03 3.4%)
(2006/03 4.2%)

* Others as of March 31, 2008; Other Securities (mainly investment trusts): 12.4%, Monetary Claims Purchased : 4.6%, 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: Taiyo Life



Net Exposure to Domestic Stocks **
10.9%
(2007/03 14.5%)
(2006/03 14.9%)

Net Exposure to Foreign Currency ***
5.2%
(2007/03 6.1%)
(2006/03 5.5%)

* Others as of March 31, 2008; Monetary Claims Purchased : 2.6%, Other Securities (mainly investment trusts): 1.2%, and other assets

** Net exposure to domestic stocks adjusting the hedging position and including investment trusts

*** Net foreign currency exposure adjusting for hedges

Breakdown of Foreign Securities (Foreign Bonds)



(Billions of yen)

	Daido Life (As of March 31, 2008)		Taiyo Life (As of March 31, 2008)	
Government bonds	68.5	33.4%	511.0	91.2%
BBB and above	68.5	33.4%	511.0	91.2%
Supranational bonds	3.0	1.5%	7.1	1.3%
BBB and above	3.0	1.5%	7.1	1.3%
Government-related organizations' bond and public entities' bond	7.3	3.6%	6.2	1.1%
BBB and above	7.3	3.6%	6.2	1.1%
Municipal bonds	3.0	1.5%	-	-
BBB and above	3.0	1.5%	-	-
Corporate bonds	123.0	60.0%	36.1	6.5%
BBB and above	122.5	59.8%	36.1	6.5%
Total	205.0	100.0%	560.6	100.0%

* BBB and above are categorized according to the each company's standard.

Unrealized Gains/Losses (General Account): Daido Life



(Billions of yen)

	Net Unrealized gains/ losses on Held-to-maturity securities		Net Unrealized gains/ losses on Available-for-sale securities		Total		
	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	Changes
Total	(0.0)	(0.0)	163.9	546.4	163.8	546.3	(382.5)
Domestic Bonds	(0.0)	(0.0)	30.7	18.7	30.7	18.6	12.0
Domestic Stocks	-	-	114.7	248.5	114.7	248.5	(133.7)
Foreign Securities	-	-	(3.8)	9.8	(3.8)	9.8	(13.6)
Other Securities	-	-	16.4	239.3	16.4	239.3	(222.9)
Monetary Claims Purchased	-	-	5.4	0.2	5.4	0.2	5.1
Monetary Trusts	-	-	0.3	29.7	0.3	29.7	(29.4)

*Securities with market value

Net Unrealized Gains/Losses on Real Estate					35.2	17.1	18.1
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*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): Taiyo Life



(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 March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007	Changes
Total	4.4	(3.2)	49.2	5.9	212.9	496.9	266.6	499.6	(232.9)
Domestic Bonds	1.4	(2.5)	49.2	5.9	12.4	4.9	63.1	8.2	54.9
Domestic Stocks	-	-	-	-	210.5	425.6	210.5	425.6	(215.1)
Foreign Securities	-	-	-	-	0.7	53.8	0.7	53.8	(53.0)
Other Securities	-	-	-	-	(11.0)	12.9	(11.0)	12.9	(23.9)
Monetary Claims Purchased	3.0	(0.6)	-	-	0.2	(0.3)	3.2	(1.0)	4.2
Certificates of Deposit	0.0	(0.0)	-	-	-	-	0.0	(0.0)	0.0
Monetary Trusts	-	-	-	-	-	-	-	-	-

*Securities with market value

Net Unrealized Gains/Losses on Real Estate							35.8	11.6	24.1
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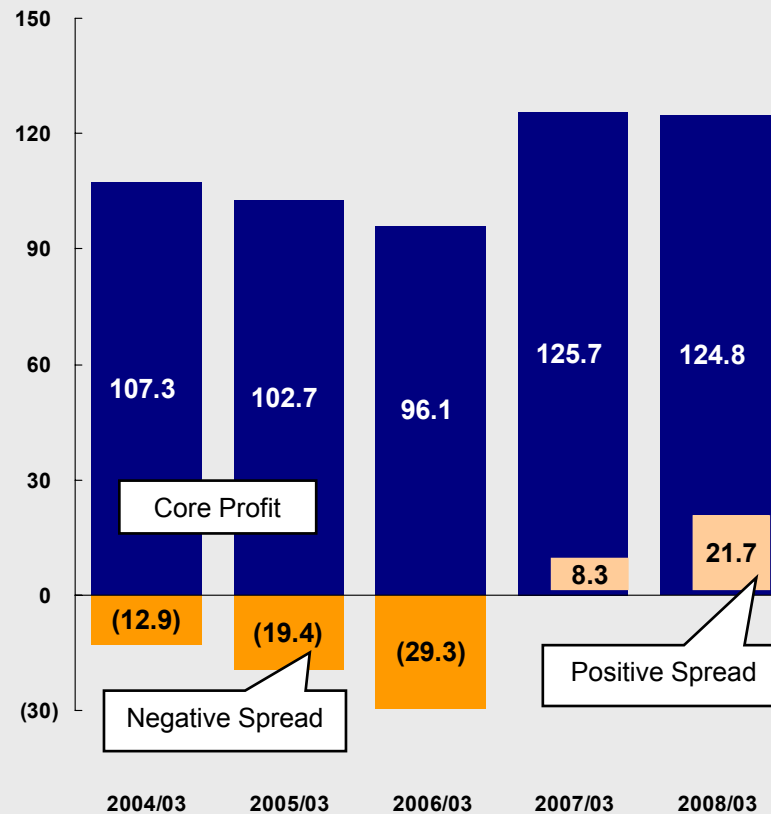
* Net unrealized gains/ losses on real estate are calculated based on the appraisal or posted price.

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

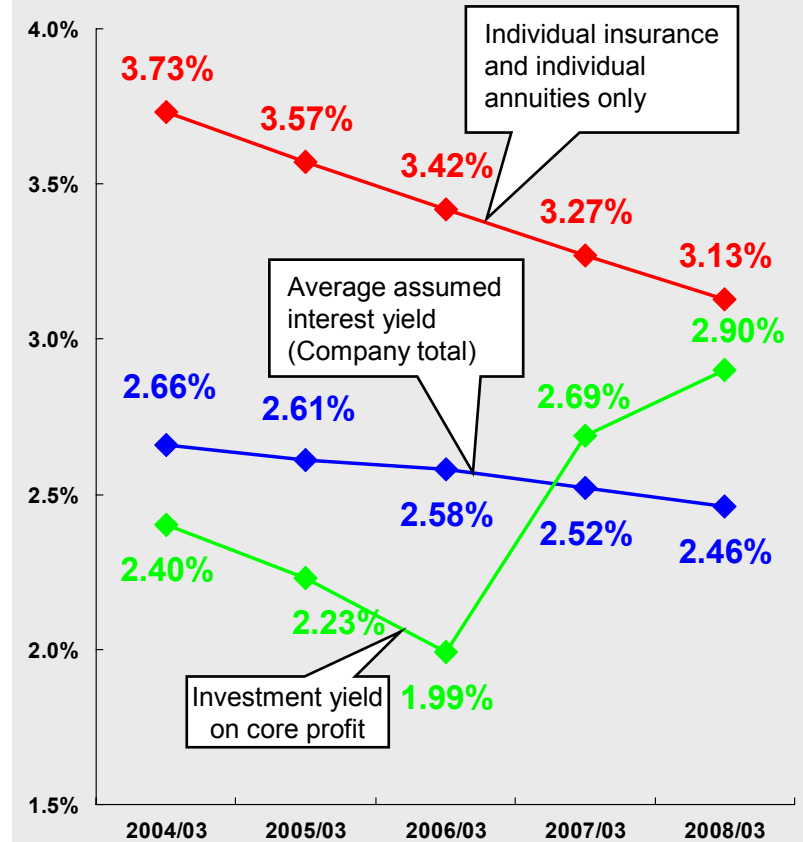


Amount of Core Profit and Negative Spread

(Billions of yen)



Average Assumed Investment Yield

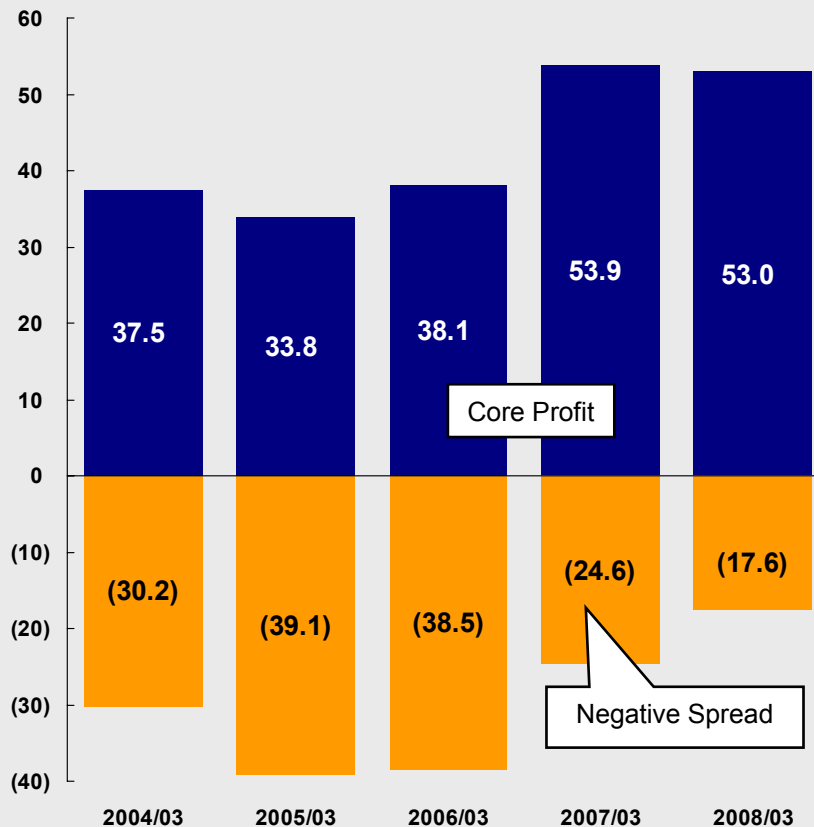


Core Profit/ Negative Spread, Average Assumed Investment Yield: Taiyo Life

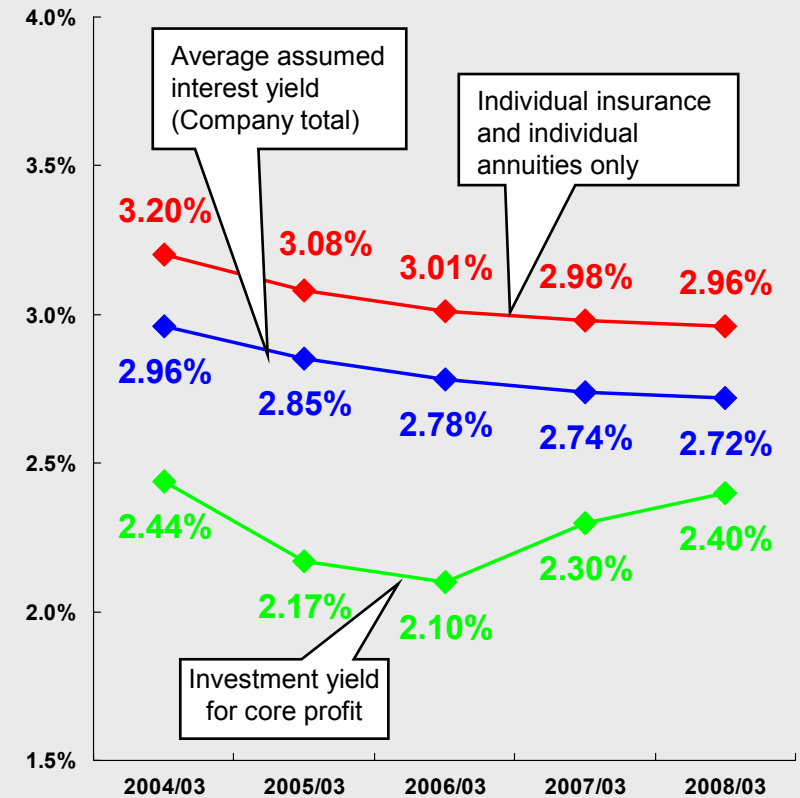


Amount of Core Profit and Negative Spread

(Billions of yen)



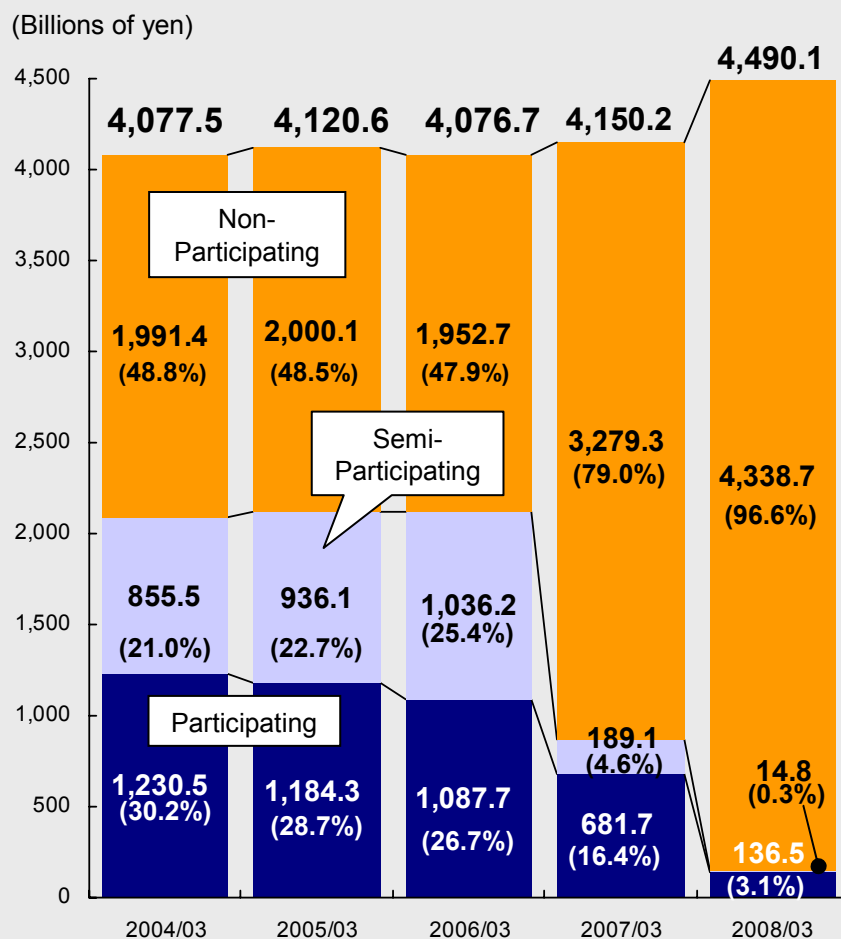
Average Assumed Investment Yield



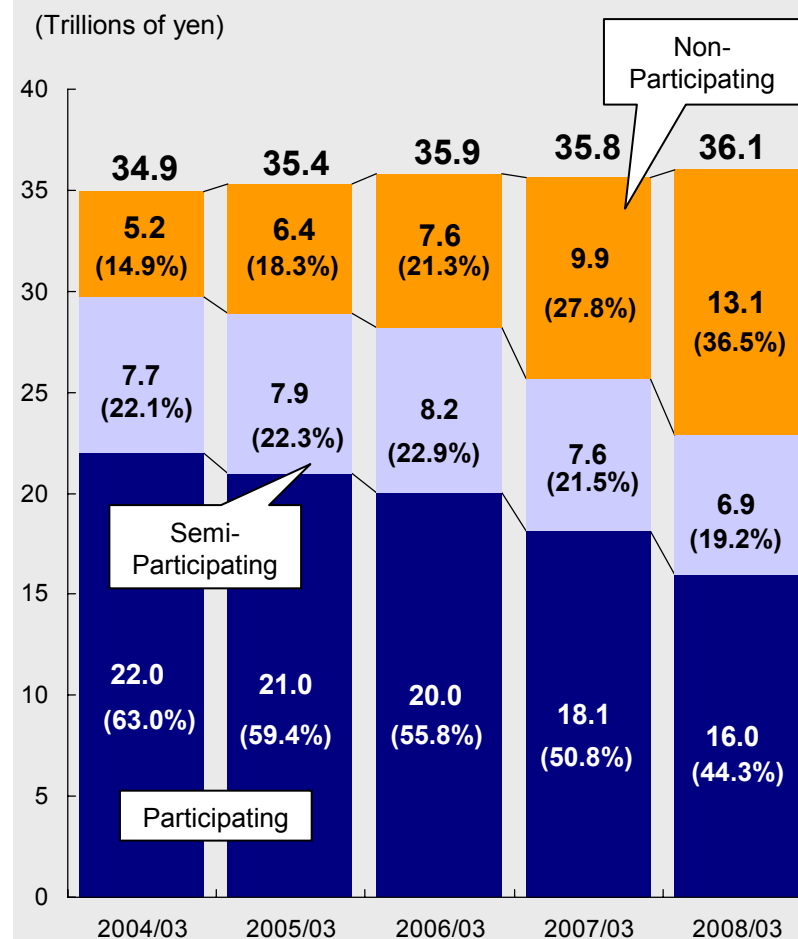
Sales Results by Dividend Type: Daido Life (Individual Term Life Insurance)



New Policy Amount*



Policy Amount in Force

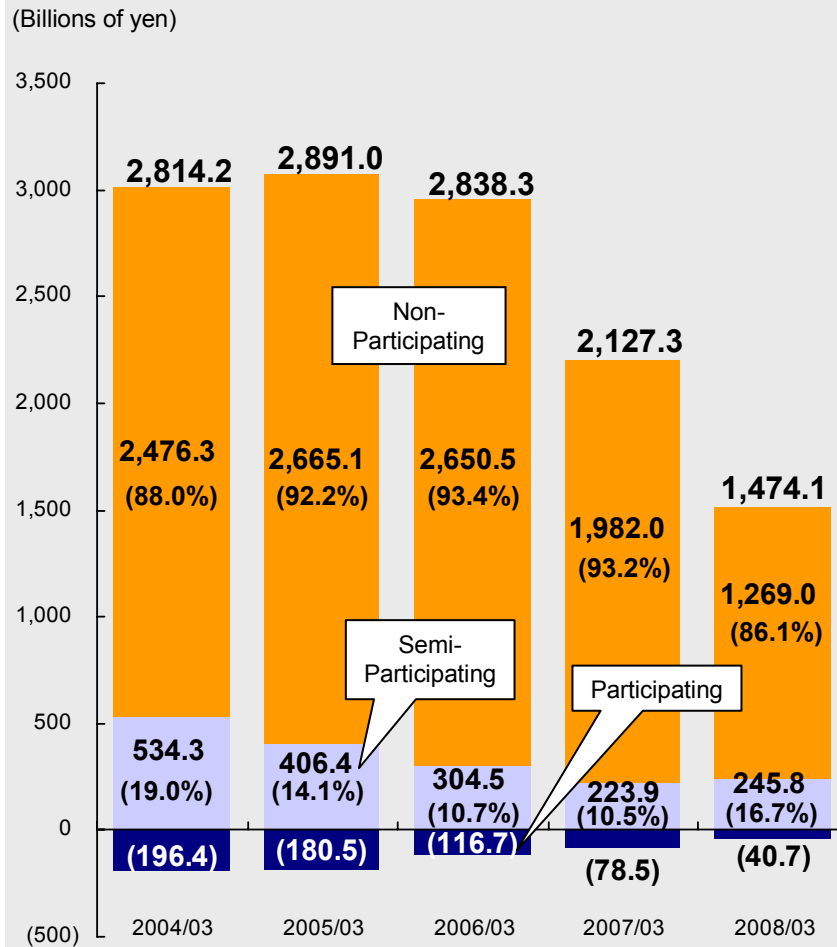


* Net increase from conversion is not included.

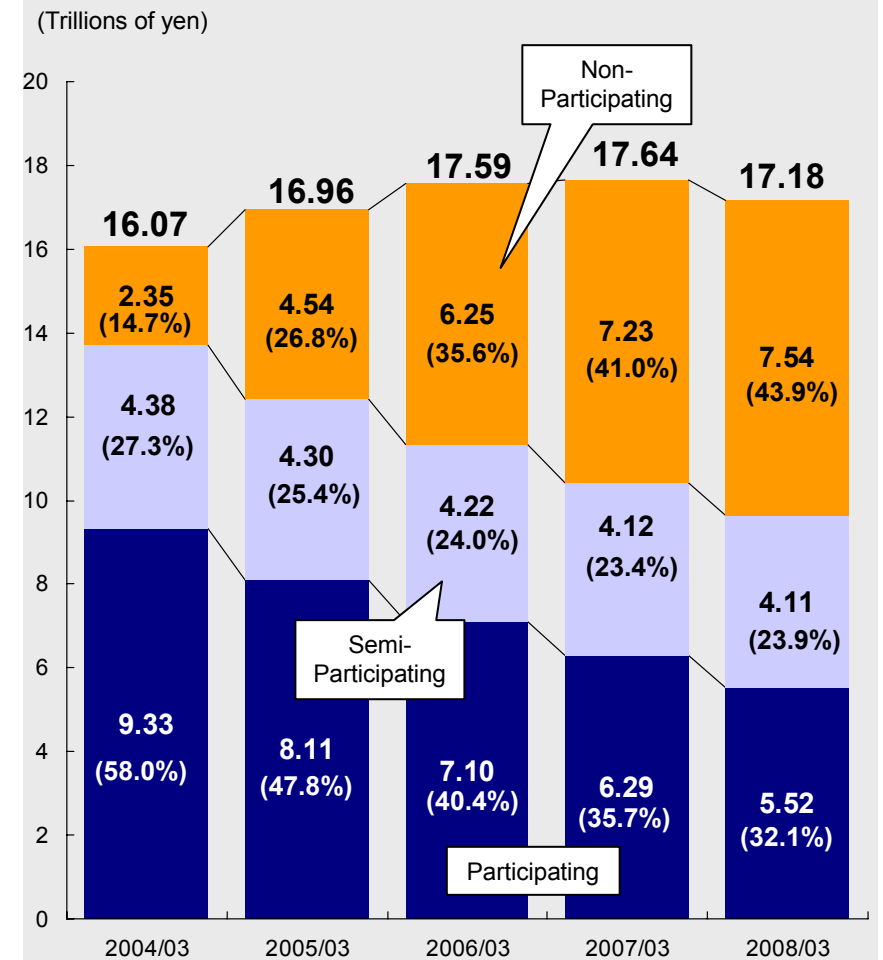
Sales Results by Dividend Type: Taiyo Life (Individual Insurance and Annuities)



New Policy Amount*



Policy Amount in Force



* Net increase from conversion included

Breakdown of Financial Indicator: Daido Life



(Millions of yen)

Category	1. Adjusted Net Worth on EEV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	261,844	261,844	261,844	
Reserve for deferred gain on sale of real estate	-	-	(1,559)	
Estimated appropriation paid in cash	-	-	(8,158)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	111,873	175,103	157,593	1. After-tax 2. Before-tax 3. 90% of before-tax
Unrealized gains (losses) on loans	20,985	-	-	1. After-tax
Deferred valuation gains (losses) on hedge	692	692	-	1.2. After-tax
Net unrealized gains (losses) on real estate	22,529	35,262	29,973	1. After-tax 2. Before-tax 3. 85% of before-tax
Reserve for price fluctuations	73,558	73,558	73,558	
Contingency reserve	82,642	82,642	82,642	
Unallotted portion of reserve for policyholder dividends	17,304	17,304	17,304	
Excess amount of policy reserve based on Zillmer method	-	130,878	130,878	
Future profits	-	-	15,618	
Deferred tax assets for quasi-equity liabilities	(62,652)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.11%)
Deferred tax assets	-	-	92,862	
General reserve for possible loan losses	112	-	175	1. After-tax 3. Before-tax
Subordinated debt	-	-	-	
Net unrealized gains (losses) on subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities, etc.	4,043	(70)	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
Total	532,933	777,216	852,732	

Breakdown of Financial Indicator: Taiyo Life



(Millions of yen)

Category	1. Adjusted Net Worth on EEV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	166,333	166,333	166,333	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	(7,851)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	135,891	212,663	191,396	1. After-tax 2. Before-tax 3. 90% of before-tax
Net unrealized gains (losses) on loans	27,471	-	-	1. After-tax
Deferred valuation gains (losses) on hedge	796	(121)	-	1. After-tax, including net valuation gains/losses on interest rate swaps 2. After-tax
Net unrealized gains (losses) on real estate	(957)	(12,207)	(1,498)	1. After-tax, including net unrealized gains/losses on land revaluation 2. Before-tax, including land revaluation on B/S 3. Before-tax, including net unrealized gains/losses on land revaluation
Reserve for price fluctuations	63,296	63,296	63,296	
Contingency reserve	101,982	101,982	101,982	
Unallotted portion of reserve for policyholder dividends	21,715	21,715	21,715	
Excess amount of policy reserve based on Zillmer method	-	52,370	52,370	
Future profits	-	-	6,982	
Deferred tax assets for quasi-equity liabilities	(67,504)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.1%)
Deferred tax assets	-	-	47,163	
General reserve for possible loan losses	1,045	-	1,636	1. After-tax 3. Before-tax
Subordinated debt	-	-	55,000	
Net unrealized gains (losses) on subordinated debt	(598)	-	-	1. After-tax
Net unrealized gains (losses) on held-to-maturity securities, etc.	35,246	53,693	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
Total	484,718	659,726	698,527	

Breakdown of Financial Indicator: T&D Financial Life



(Millions of yen)

Category	1. Adjusted Net Worth on EEV	2. Adjusted Net Assets	3. Solvency Margin	
Net assets (excluding total valuation and translation adjustment)	28,110	28,110	28,110	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	-	3. Shareholders' dividend + bonus to directors and corporate auditors
Net unrealized gains (losses) on securities	(1,188)	(1,697)	(1,697)	1. Net unrealized gains/losses on securities x (1 - corporate tax rate: 30%) 2. Before-tax 3. 90% of before-tax
Net unrealized gains (losses) on loans	590	-	-	1. After-tax
Deferred valuation gains (losses) on hedge	-	-	-	1. After-tax
Net unrealized gains (losses) on real estate	-	-	-	1. After-tax 2.3. Before-tax
Reserve for price fluctuations	414	414	414	
Contingency reserve	13,587	13,587	13,587	
Unallotted portion of reserve for policyholder dividends	-	-	-	
Excess amount of policy reserve based on Zillmer method	-	20,216	27,851	2. Excludes due from reinsures related to variable annuities 3. Includes due from reinsures related to variable annuities
Future profits	-	-	91	
Deferred tax assets for quasi-equity liabilities	(4,200)	-	-	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 subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities	2,217	3,168	-	1. After-tax 2. Before-tax
Total	39,534	63,798	68,361	

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	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Policy amount in force *1	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	59,340.3
New policy amount *1, *2	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	6,201.8
Income from insurance premiums	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	1,613.1
Surrender and lapse amount *1	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	5,064.2
Core profit	135.4	114.5	96.9	128.1	126.5	114.2	141.7	129.8	127.2	173.3	159.7
Provision for reserve for policyholder dividends *3	55.3	49.9	56.1	44.3	43.6	39.6	43.6	44.9	44.4	56.4	45.3
Number of in-house sales reps.	15,920	16,576	15,567	14,142	15,089	14,942	14,915	14,492	13,872	12,842	11,926
Number of agents	13,454	13,701	13,807	13,888	13,942	13,710	13,877	14,095	14,528	14,748	14,862
Total assets	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	13,282.4

*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: Daido Life



(Billions of yen)

FYE	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Policy amount in force *1	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	39,897.1
Individual term life insurance	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	36,175.3
New policy amount *1,*2	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	4,634.2
Individual term life insurance	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	4,489.8
Income from insurance premiums	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	843.3
Individual insurance and annuities *1	724.9	702.6	684.8	686.7	662.0	684.9	641.0	664.2	667.8	673.8	669.4
Surrender and lapse amount *1	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	3,550.0
Surrender and lapse rate (%)	9.3%	9.9%	9.8%	9.0%	9.0%	8.45%	8.44%	7.70%	7.66%	9.04%	8.93%
Core profit	135.4	114.5	96.9	114.2	109.8	88.7	107.3	102.7	96.1	125.7	124.8
Provision for reserve for policyholder dividends *3	39.9	34.3	39.5	33.2	30.6	26.5	30.5	30.5	27.3	40.0	31.2
Number of in-house sales reps.	6,072	6,126	5,456	4,866	5,154	5,194	5,251	4,888	4,909	4,726	4,307
Number of agents	13,123	13,213	13,135	13,203	13,252	12,970	13,079	13,415	13,963	14,295	14,460
Total assets	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	6,047.8

*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: Taiyo Life



(Billions of yen)

FYE	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Policy amount in force *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	17,182.2
Individual insurance	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	13,468.3
New policy amount *1,*2	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	1,474.1
Individual insurance	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	1,372.1
Income from insurance premiums	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	635.7
Individual insurance and annuities	1,104.0	1,095.0	972.4	914.8	837.8	762.1	680.2	646.6	609.2	576.5	532.0
Surrender and lapse amount *1	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	1,348.6
Surrender and lapse rate (%)	6.78%	6.06%	6.60%	7.91%	7.97%	8.66%	8.92%	8.86%	9.69%	8.55%	7.64%
Core profit	-	-	-	13.9	13.8	28.7	37.5	33.8	38.1	53.9	53.0
Provision for reserve for policyholder dividends *3	15.3	15.5	16.6	11.1	10.8	11.2	11.9	13.4	15.9	15.0	13.9
Number of in-house sales reps.	9,848	10,450	10,111	9,276	8,948	8,808	8,703	9,111	8,963	8,116	7,619
Number of agents	241	488	672	685	690	740	798	680	505	453	402
Total assets	6,825.6	6,969.3	7,081.6	7,266.3	6,834.0	6,528.0	6,409.5	6,276.5	6,591.9	6,552.5	6,185.5

*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: T&D Financial Life



(Billions of yen)

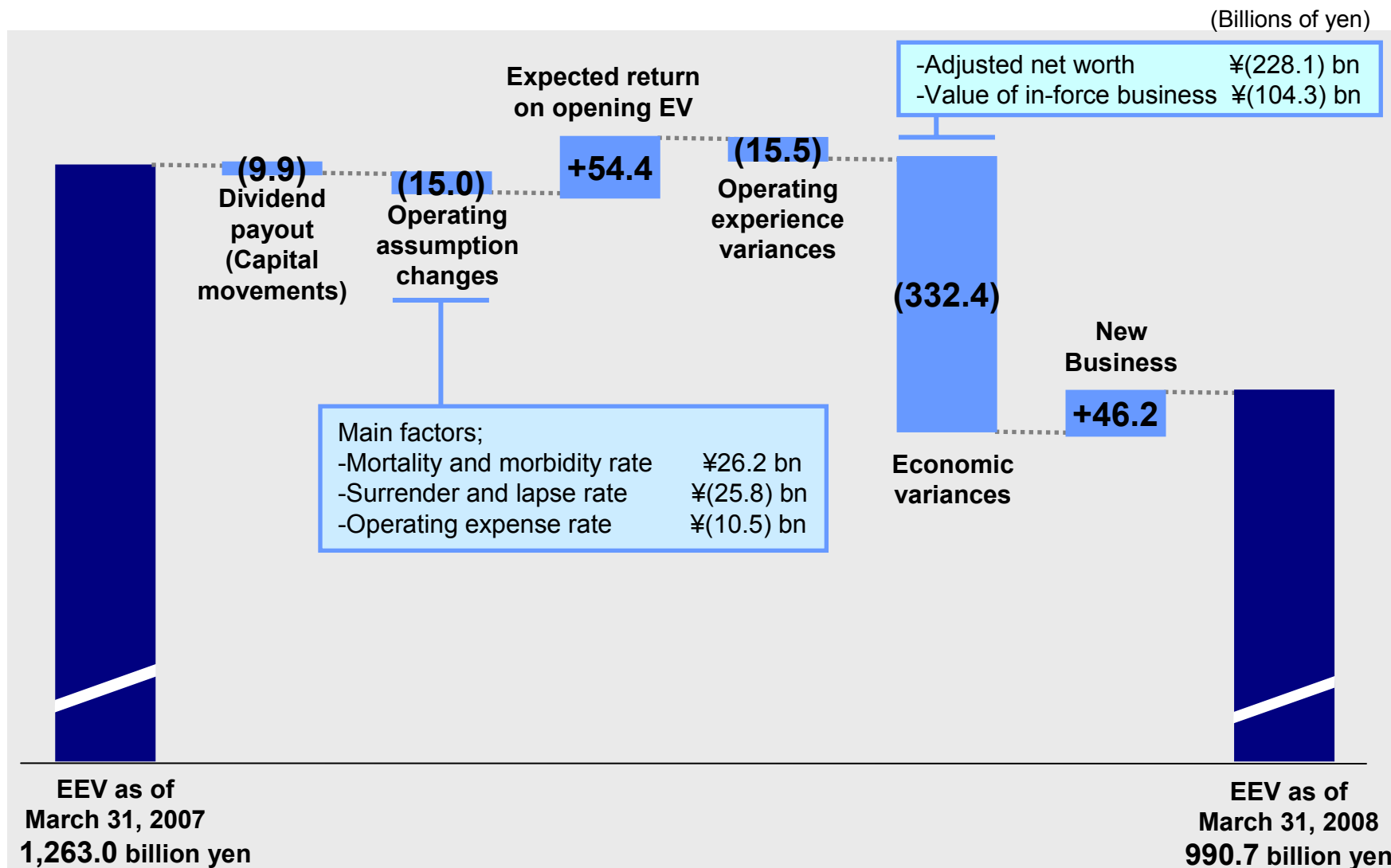
FYE	2002	2003	2004	2005	2006	2007	2008
Policy amount in force *1	3,620.1	3,314.2	3,135.7	2,913.0	2,665.4	2,523.3	2,261.0
Individual variable annuities	1.3	64.1	175.1	245.7	459.5	621.5	596.8
New policy amount *2	174.3	467.5	444.0	299.7	162.7	179.5	93.3
Individual variable annuities	1.2	65.1	90.4	60.8	128.6	179.5	93.3
Income from insurance premiums	35.2	127.4	156.1	126.0	208.1	240.7	134.0
Individual variable annuities	1.2	66.3	100.8	77.2	164.2	202.4	103.7
Surrender and lapse amount *1	722.9	606.2	518.7	425.1	418.6	242.7	165.5
Surrender and lapse rate (%)	17.05%	16.75%	15.65%	13.56%	14.37%	9.11%	6.56%
Core profit	2.7	(3.2)	(3.1)	(6.7)	(7.0)	(6.4)	(18.1)
Provision for reserves for policyholder dividends	2.1	1.8	1.2	1.0	1.2	1.3	0.1
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	1,048.9

*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.

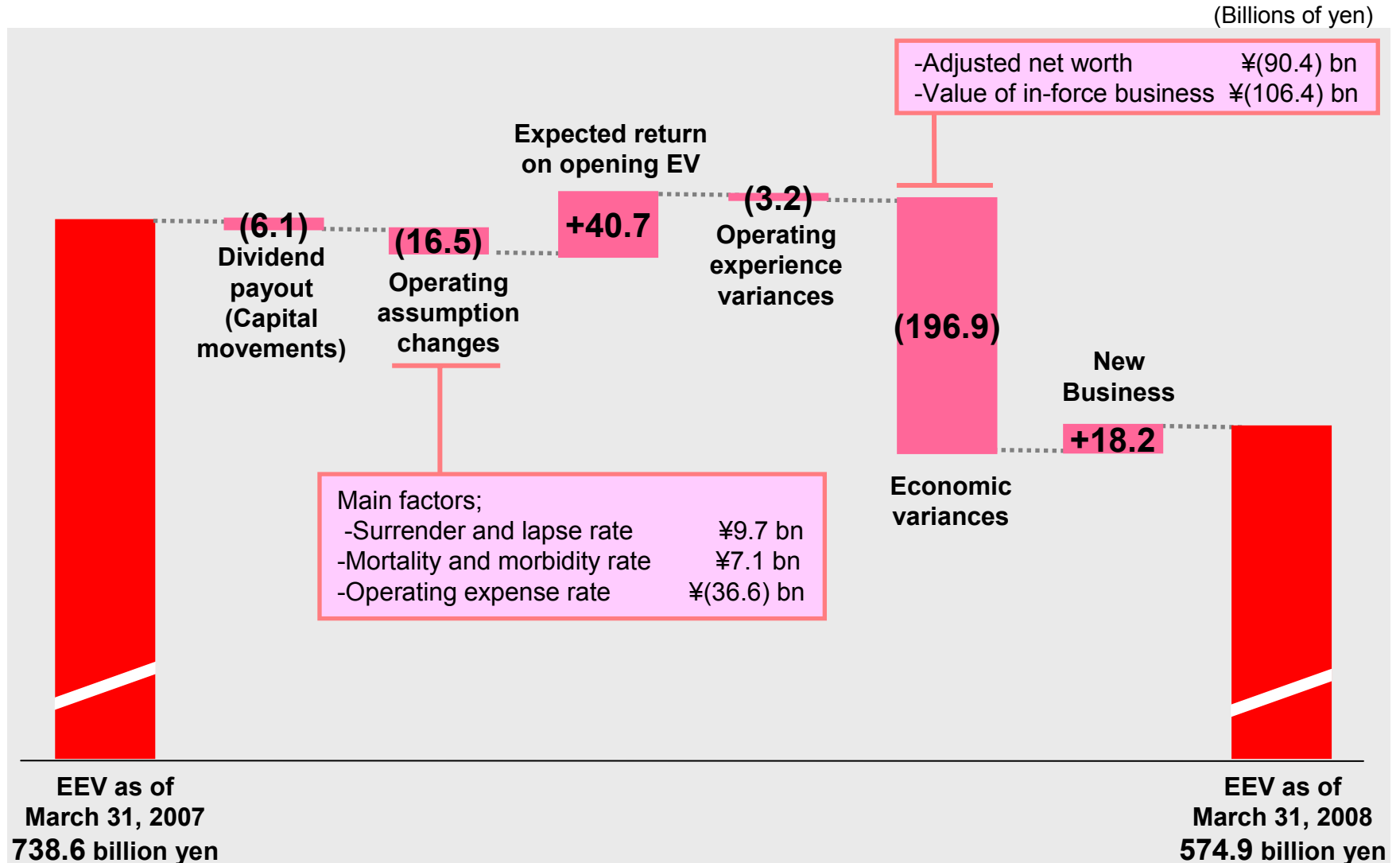
Appendix (EEV)

Movement Analysis: Daido Life



* The amounts of expected transfer from in-force business to adjusted net worth were 73.3 billion yen.

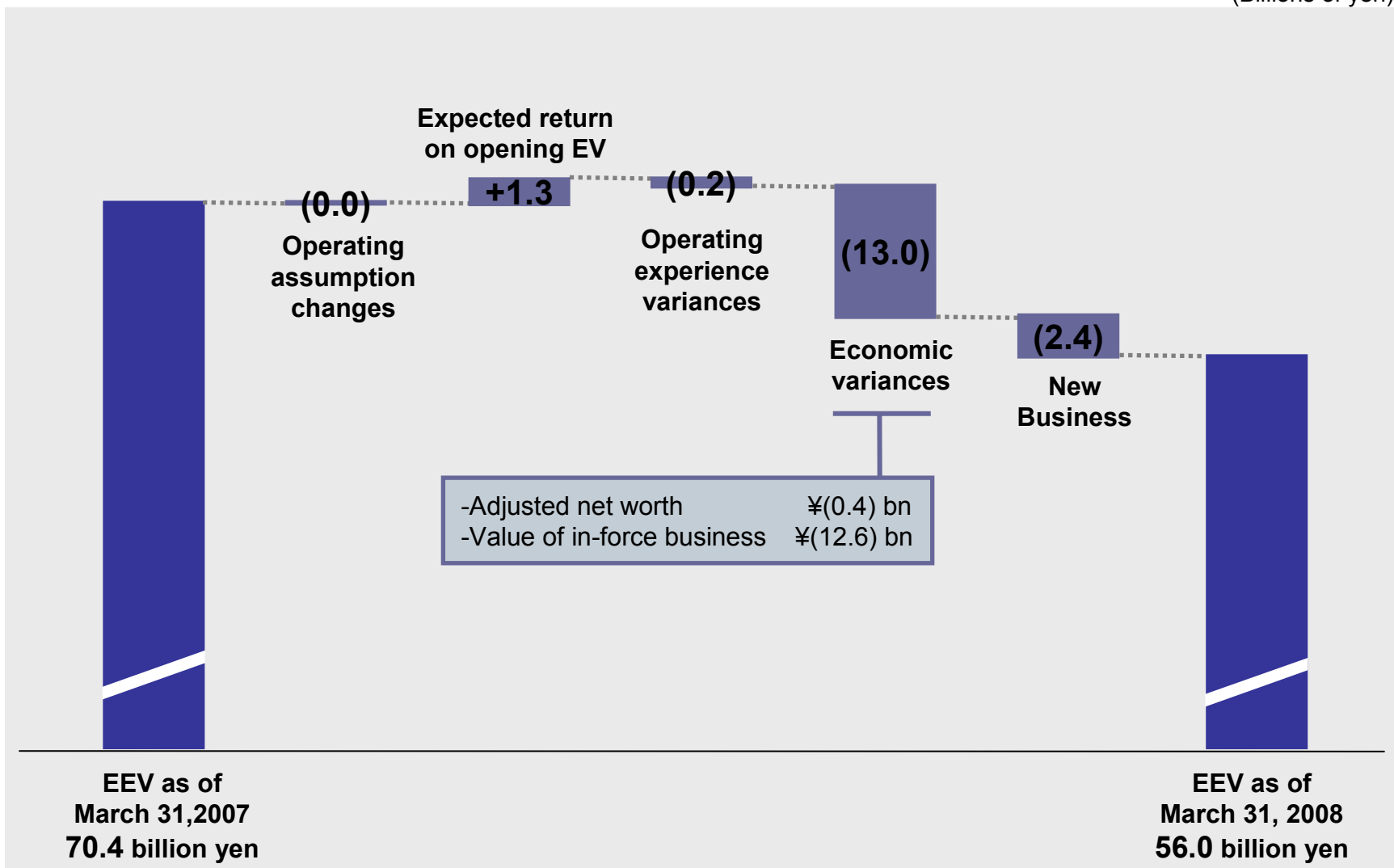
Movement Analysis: Taiyo Life



* The amounts of expected transfer from in-force business to adjusted net worth were 21.2 billion yen.

Movement Analysis: T&D Financial Life

(Billions of yen)



* The amounts of expected transfer from in-force business to adjusted net worth were 4.9 billion yen.

Sensitivities (Three life insurance companies)



(billions of yen)

			Daido Life		Taiyo Life		T&D Financial Life		
			EEV	VNB	EEV	VNB	EEV	VNB	
EEV as of March 31, 2008 (base scenario)			990.7	46.2	574.9	18.2	56.0	(2.4)	
Economical factor *2	Risk-free rate *1	+0.5%	110.6	9.3	45.4	3.3	8.0	0.4	
		-0.5%	(134.5)	(11.3)	(58.3)	(3.9)	(10.6)	(0.5)	
	Equity and real estate value	-10%	(83.5)	-	(65.4)	-	(8.0)	-	
Non-economical factor	Surrender and lapse rate	x 0.9	47.8	6.7	11.4	2.4	0.2	(0.0)	
	Operating expenses rate	x 0.9	18.4	1.6	21.5	1.2	1.8	0.1	
	Claim incidence rate for the life business	x 0.95	58.7	4.7	15.6	1.0	2.3	-	
	Mortality rate for the annuity business	x 0.95	(2.4)	0.0	(0.0)	0.0	(0.3)	0.0	
Change the required capital to 200% (regulatory minimum) solvency margin ratio			15.3	(0.1)	16.7	0.1	0.9	0.1	
Change the required capital to 1,000% solvency margin			(34.5)	(2.0)	(23.9)	(0.6)	(1.1)	(0.1)	
Implied volatility			x 1.25	(40.9)	(0.4)	(10.0)	(0.1)	0.3	(0.0)

*1 Fixed interest assets (bonds, loans, etc.) are revalued according to the change in the interest rate. The value of in-force business is re-calculated according to the change of investment yield and risk discount rate. Policyholder behavior also changes corresponding to these changes.

*2 * The sensitivity results on the value of new business exclude the impact on the adjusted net worth, because adjusted net worth in value of new business is less than zero
T&D Holdings, Inc. Financial Results for the Fiscal Year Ended March 31, 2008

Expected Return on Assets for Movement Analysis



	Expected Return for EEV Movement Analysis (As of March 31, 2008)	(Reference) Basis of assumptions for TEV (As of March 31, 2007)
Cash and deposits, call loans	Risk free rate [SWAP1Y: 0.781%]	Based on year-end interest rates [1 Month LIBOR: 0.665%]
Domestic bonds	Risk free rate (SWAP1Y) + spread based on maturity date and ratings	Based on year-end interest rates + spread based on maturity date and ratings
Loans	Same as Domestic bonds above	Same as Domestic bonds above
Domestic stocks	SWAP1Y [0.781%] + risk premium [5.0%] = 5.781%	JGB10Y [1.66%] + risk premium [5.0%] = 6.66%
Foreign stocks	Same as Domestic stocks above [5.781%]	Same as Domestic stocks [6.66%]
Foreign bonds	All maturity dates: SWAP1Y [0.781%], assuming risk premium is zero	Based on Citigroup BIG index as of March 31, 2007 (excluding hedge costs)
Private equities	Domestic stocks [5.781%] + risk premium [3.0%] = 8.781%	Domestic stocks [6.66%] + risk premium [3.0%] = 9.66%
Hedge funds	SWAP1Y [0.781%] + risk premium [4.0%] = 4.781%	US dollar short-term interest rate [5.25%] + risk premium [4.0%] = 9.25%
Real estate	SWAP1Y [0.781%] + risk premium [3.0%] = 3.781%	JGB10Y [1.66%] + risk premium [3.0%] = 4.66%
Loans to policyholders	SWAP1Y [0.781%] + risk premium [(0.196%)] = 0.585% (Same as JGB1Y)	Average year-end yield

Other Assumptions

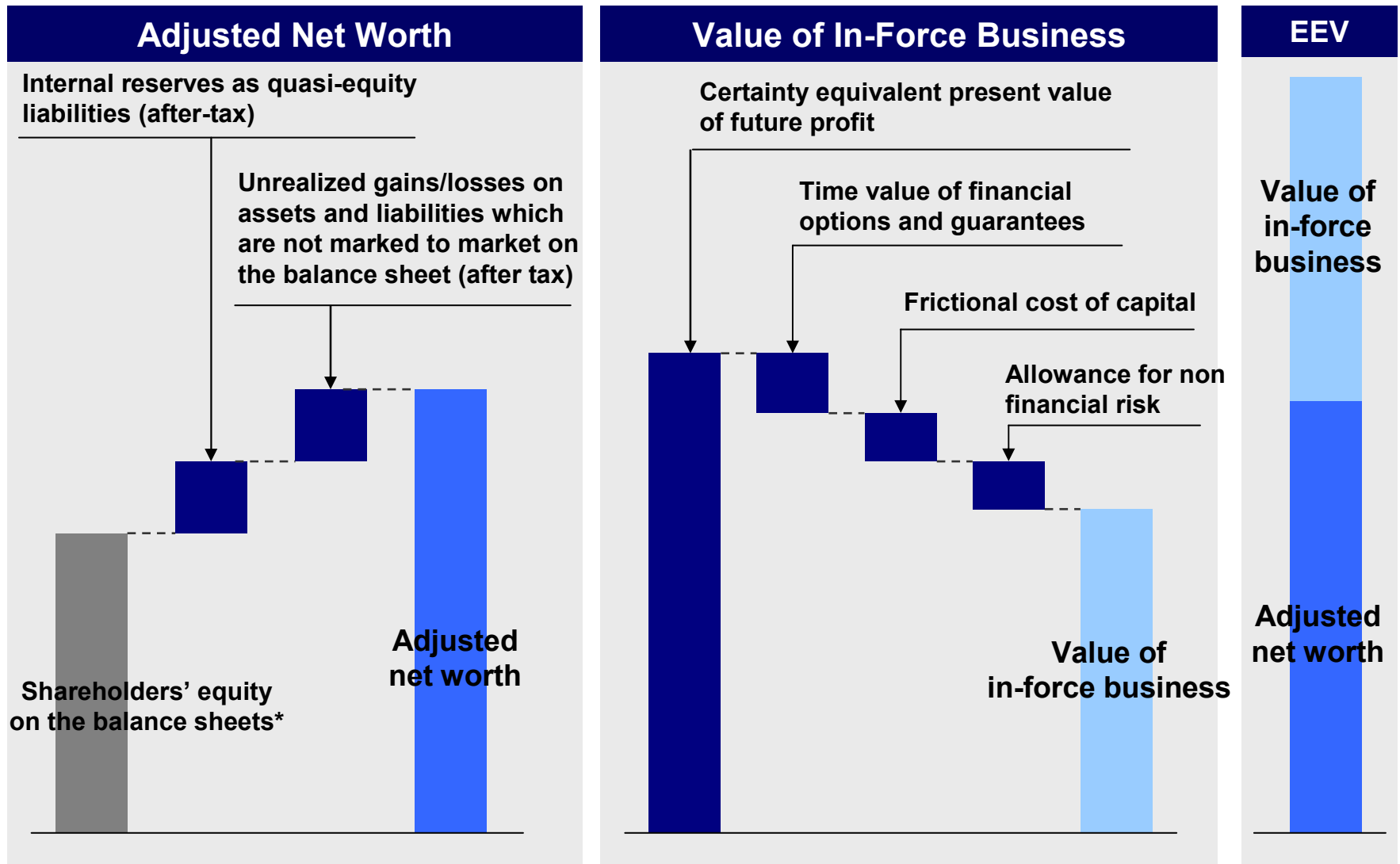
Other Assumptions

- All cash flows (premium, commission, non-commission expense, death benefit, cash surrender value, tax, etc.) :

Projected applying the best estimate assumptions up to the termination of the policies, by product, referring to recent experience, trends and the Group's future views

Assumptions	Referred Experience
Mortality and morbidity rate	The latest 3 years' experience
Surrender and lapse rate	The latest 3 years' experience *Interest-sensitive dynamic lapse assumptions are applied to conventional products. For variable business, dynamic lapse assumptions are related to the ratio of the actual fund value to the level of minimum guarantees
Operating expense rate	The latest year's experience *Some adjustments were made including the elimination of one-off expenses which are not expected to be regularly repeated in the future. The expense inflation assumption was taken to be zero
Tax rate	The latest effective tax rate

EEV Components



Main differences between EEV and TEV

TEV		EEV*1
<p><u>TEV increases if more high-risk assets are assumed to be held</u></p>	<p>Investment Return</p>	<p>Investment return assumptions are <u>set consistently with financial markets</u></p>
<p><u>Applies a single risk discount rate to the cash flows of the entire company. The risk discount rate may be set taking into account in aggregate the various risks the company is exposed to, but <u>deriving a single rate to be applied is subjective</u></u></p>	<p>Discount Rate</p>	<p>Both investment return assumptions and discount rates are <u>set consistently with financial markets, thus improve subjectivity</u></p>
<p><u>Typically uses a single deterministic cash flow projection, and thus does not explicitly capture the cost of options and guarantees, for example, of participating policies</u></p>	<p>Time Value of Financial Options and Guarantees</p>	<p><u>Require stochastic calculations be performed to value explicitly the cost of such financial options and guarantees*2, and such valuations are made on a market-consistent basis</u></p>
<p><u>Subjectivities may be introduced through the risk discount rate and investment yield assumptions</u></p>	<p>Cost of Capital</p>	<p>Redefined as frictional cost of capital. <u>Objectivity is improved, although there may still remain issues in respect of the definition of the amount of required capital.</u></p>

*1 Each explanation includes the features of MCEV approach, because T&D Life Group adopts that approach in calculating EEV as of March 31, 2007.

*2 On TEV basis, valued implicitly by setting higher discount rate

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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.