

# T&D Holdings, Inc.

**Financial Results for the Three  
Months Ended June 30, 2008**

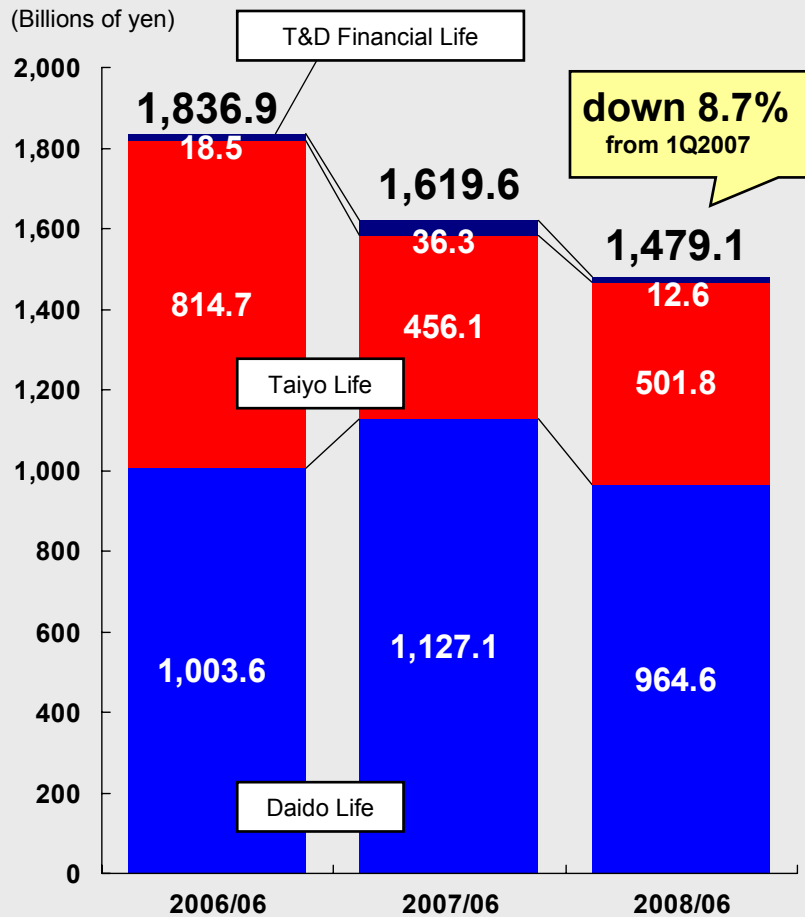
# T&D Holdings Financial Highlights



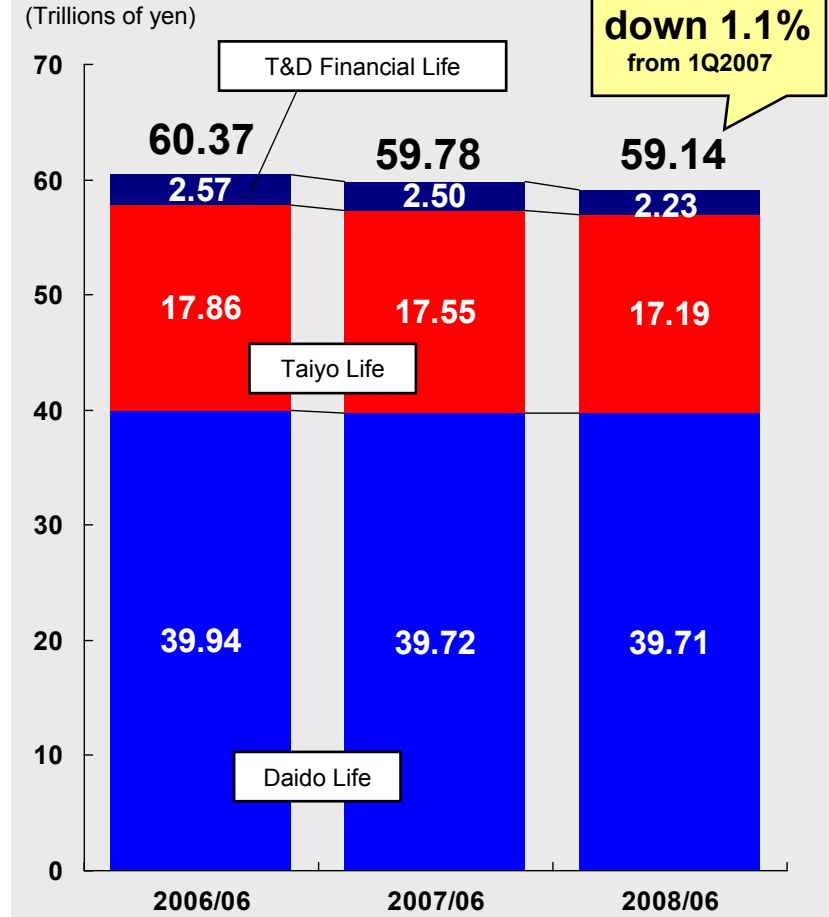
- **The new policy amount for the three life insurance companies declined from the same term of the previous fiscal year while the surrender and lapse amount decreased. The total policy amount in force slightly decreased from the beginning of fiscal 2008**
- **Core profit, ordinary profit and net income decreased from the same term of the previous fiscal year mainly due to a decrease in interest and dividend income**

# 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)

	1Q2008	1Q2007	Changes	
<b>New policy amount*</b>				
Individual insurance and annuities total	964.6	1,127.1	(14.4%)	Mainly due to no such a positive factor that lower premiums according to the revision of premium rate in the same term of previous fiscal year
Individual term life insurance	931.7	1,092.2	(14.7%)	
<b>Decrease in policy amount**</b>				
Individual insurance and annuities total	1,148.6	1,135.2	1.2%	Decreased by ¥184.0 billion from the beginning of the fiscal year
Individual term life insurance	1,065.8	1,050.4	1.5%	
Surrender and lapse amount	920.6	912.7	0.9%	
Surrender and lapse rate***	9.23%	9.19%	0.04P	
Individual term life insurance	872.8	863.6	1.1%	
<b>Policy amount in force</b>				
Individual insurance and annuities total	39,713.1	39,723.9	(0.0%)	Decreased by ¥134.1 billion from the beginning of the fiscal year
Individual term life insurance	36,041.2	35,859.9	0.5%	
<b>Annualized premiums of new policies*</b>	15.2	17.5	(13.0%)	Mainly due to a decline in new policy amount
<b>Annualized premiums of total policies</b>	685.4	690.4	(0.7%)	

\* Includes net increase from conversion

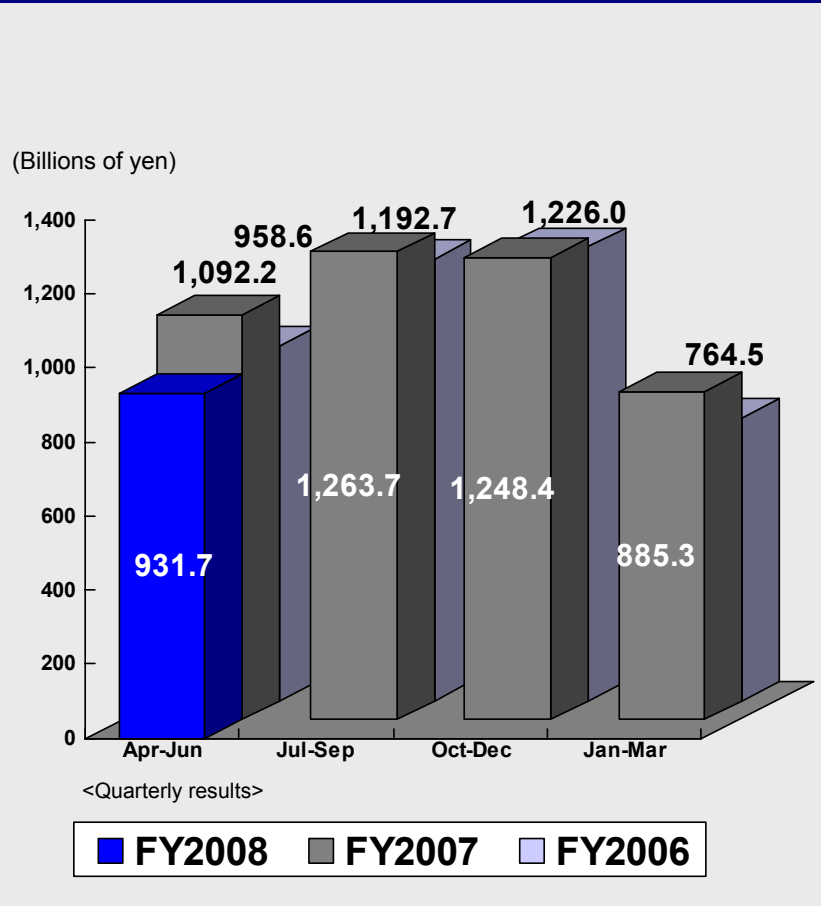
\*\* Decrease in policy amount = New policy amount – Net increase in policy amount in force from previous fiscal year end

\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4

# Quarterly Trends: Daido Life Individual Term Life Insurance

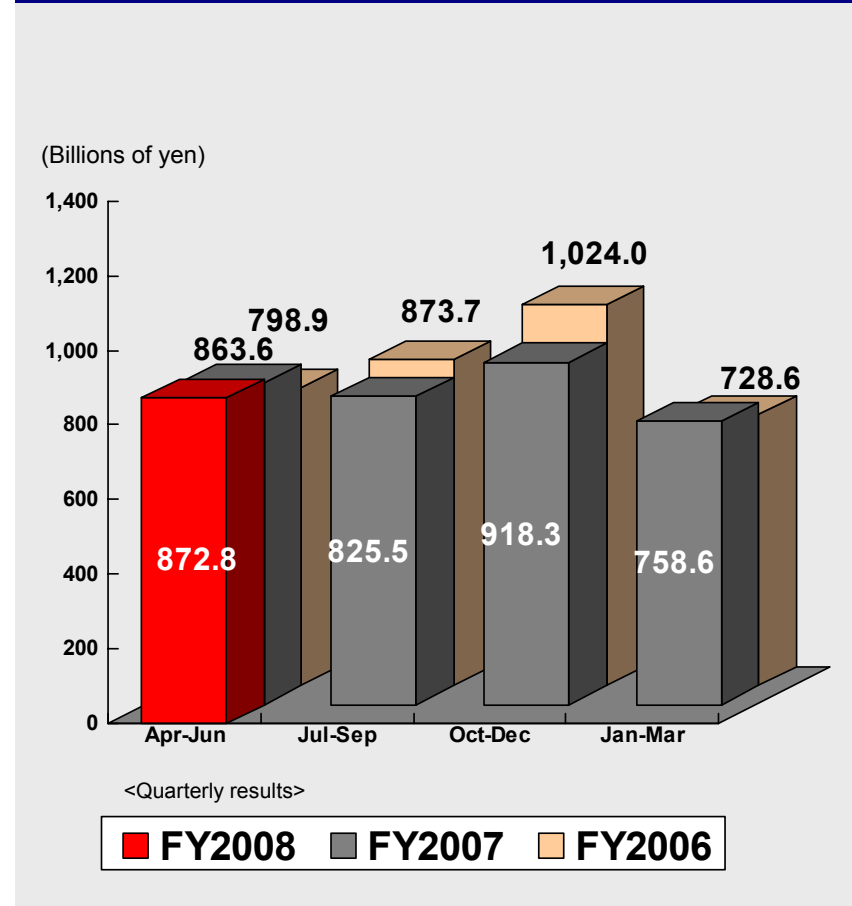


## Trends in New Policy Amount\*



\* New policy amount includes net increase from conversion

## Trends in Surrender and Lapse Amount



# Sales Results: Taiyo Life



(Billions of yen)

	1Q2008	1Q2007	Changes
<b>New policy amount*</b>			
Individual insurance and annuities total	501.8	456.1	10.0%
Protection-oriented products	450.2	409.8	9.8%
Net increase from conversion	79.0	79.1	(0.1%)
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	485.2	547.3	(11.3%)
Surrender and lapse amount	314.3	370.4	(15.1%)
Surrender and lapse rate***	7.32%	8.40%	(1.08P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	17,198.8	17,553.3	(2.0%)
Protection-oriented products	12,463.0	12,630.5	(1.3%)
<b>Annualized premiums of new policies*</b>	9.8	9.4	4.8%
<b>Annualized premiums of total policies</b>	631.1	655.5	(3.7%)

-Due to an increase in new policy amount for the main product, "Taiyo Life's Hoken Kumikyoku"  
 -"Taiyo Life's Hoken Kumikyoku" including conversions amounted to ¥355.0 billion (up 14.0% y-o-y)

Due to a continued focus on the improvement of persistency rate

-Increased ¥16.6 billion from the beginning of FY2008  
 -The proportion of the protection-type products is 72.5%, up 0.4 points from the beginning of FY2008

Includes ¥2.5 billion of 3rd sector products (down 4.9% y-o-y)

Includes ¥110.9 billion of 3rd sector products (down 0.9% y-o-y)

\* Includes net increase from conversion

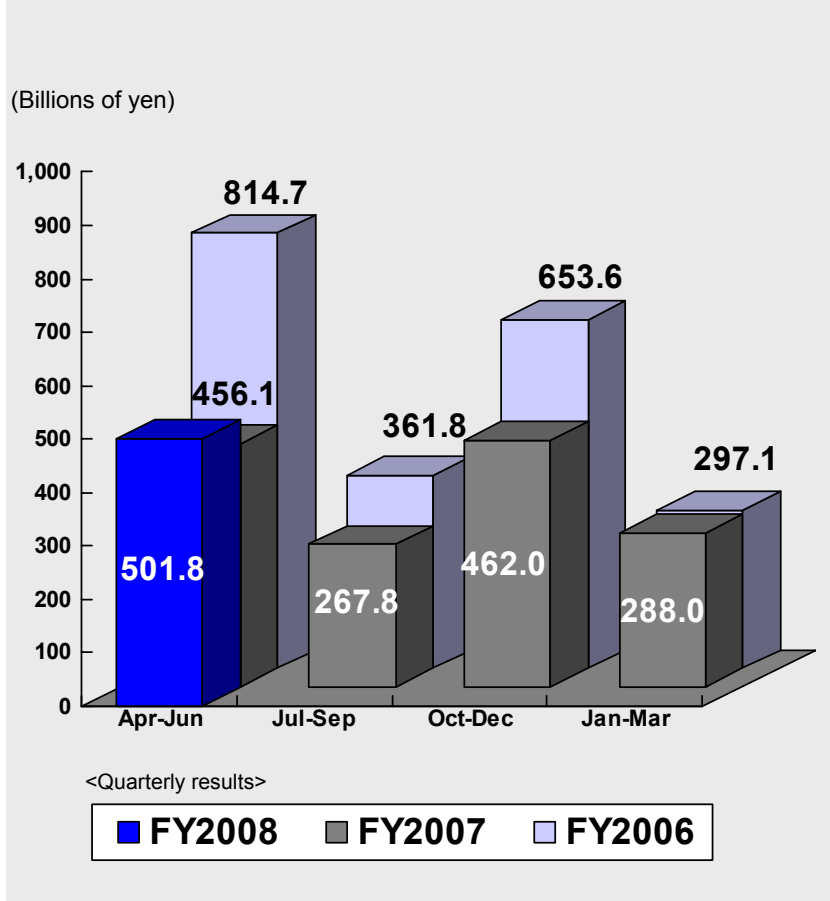
\*\* Decrease in policy amount = New policy amount – Net increase of policy amount in force from previous fiscal year end

\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4

# Quarterly Trends: Taiyo Life Individual Insurance and Annuities

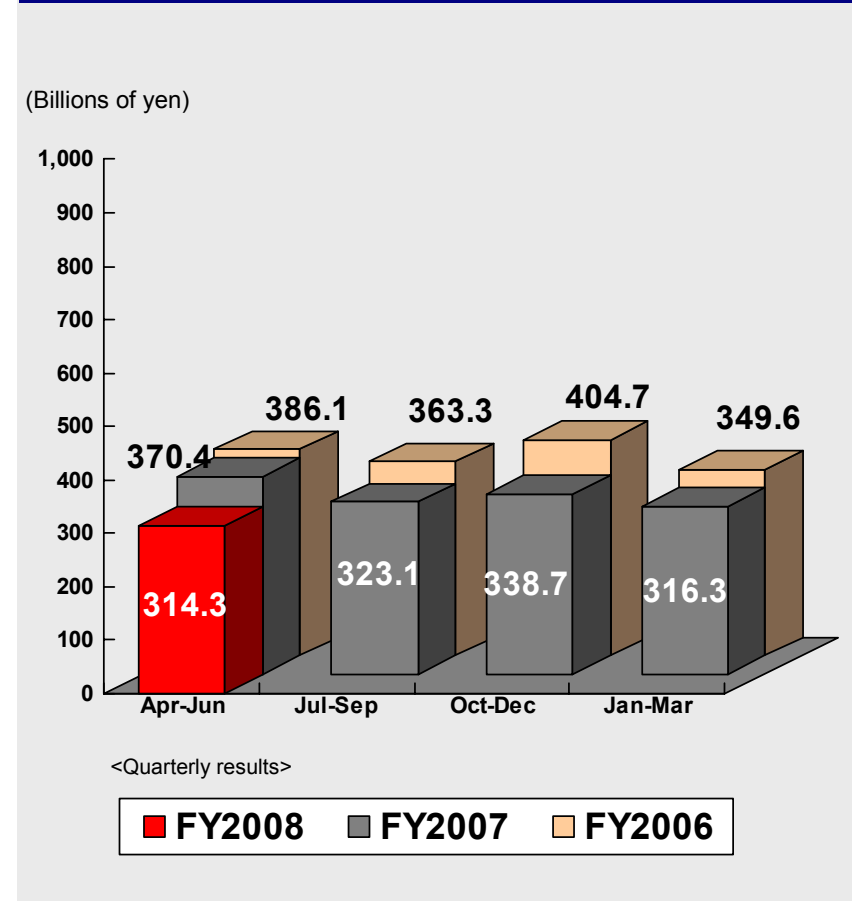


## Trends in New Policy Amount\*



\* 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

	1Q2008		1Q2007	
	Number of Policies	Insurance premiums	Number of Policies	Insurance premiums
Sales results	1,769	13.5 bn yen	4,625	40.2 bn yen
Over-the-counter sales at banks*	1,719	12.9 bn yen	3,900	32.7 bn yen
Number of financial Institution agents*	54 Banks, 3 Security Firms, 2 other agents		50 Banks, 3 Security Firms, 1 other agent	

Includes an additional ¥0.9 billion insurance premiums paid by existing policyholders on exercise of additional coverage options

\* Banks include Shinkin (Credit Association) banks

(Billions of yen)

	1Q2008	1Q2007	Changes
<b>New Policy Amount*</b>			
Individual variable annuities	12.6	36.3	(65.2%)
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	42.4	50.3	(15.7%)
Surrender and lapse amount	36.9	48.4	(23.7%)
Individual variable annuities	4.8	9.6	(49.5%)
Surrender and lapse rate***	3.25%	6.19%	(2.94P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	2,231.1	2,509.2	(11.1%)
Individual variable annuities	618.2	667.5	(7.4%)
<b>Annualized premiums of new policies*</b>	1.7	5.0	(65.7%)
<b>Annualized premiums of total policies</b>	99.6	95.7	4.1%

-Decreased due to the delay of launching new variable annuity  
-Launched new variable annuity, "FiveTen" at the end of June 2008

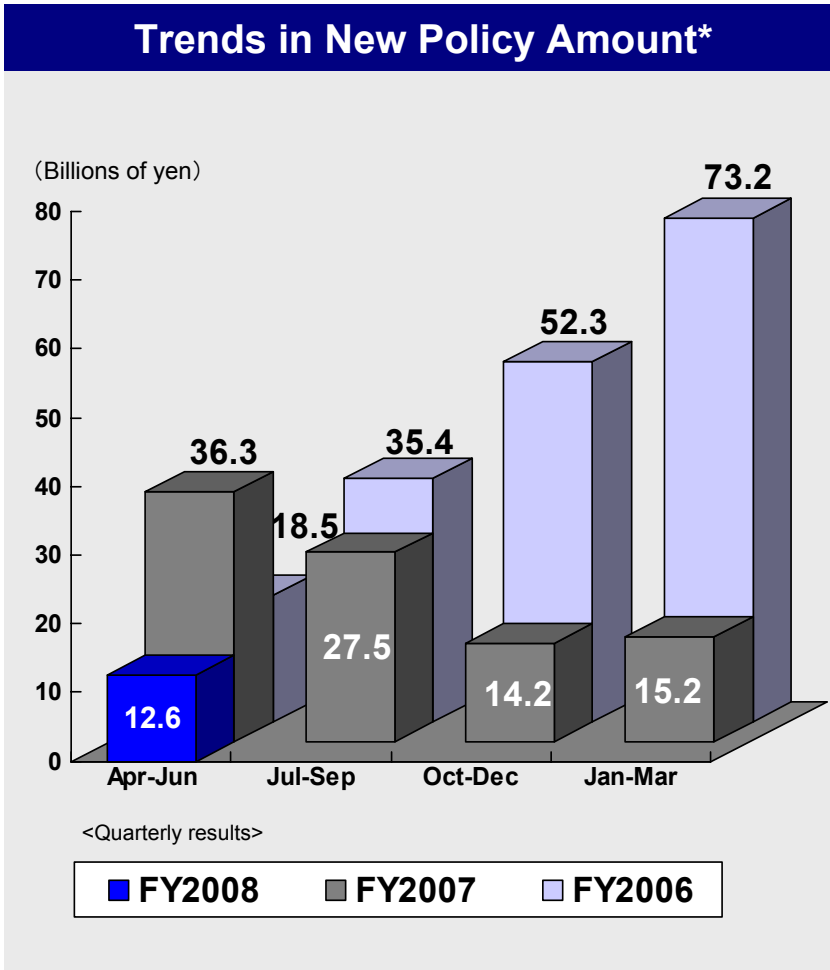
The number of policies and the policy amount in force for the individual variable annuities increased by 1,141 policies and ¥21.4 billion from the beginning of FY2008, respectively

\* Includes net increase from conversion

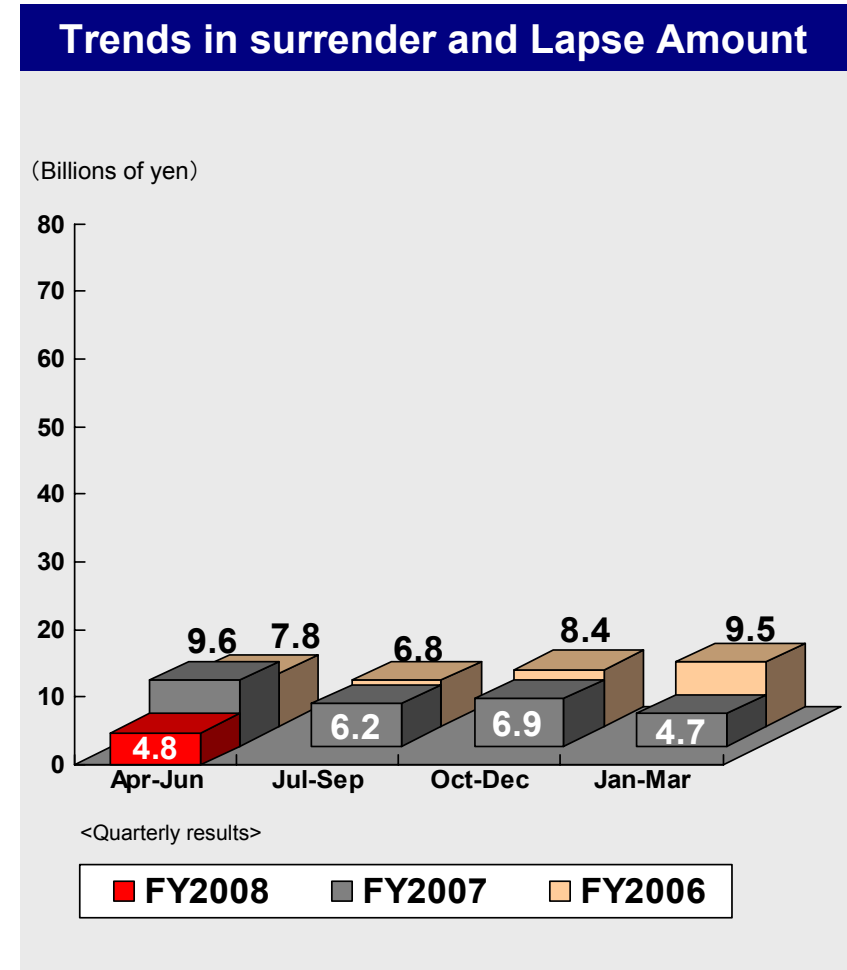
\*\* Decrease in policy amount = New policy amount – Net increase in policy amount in force from previous fiscal year end

\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4

# Quarterly trends : T&D Financial Life Individual Variable Annuities



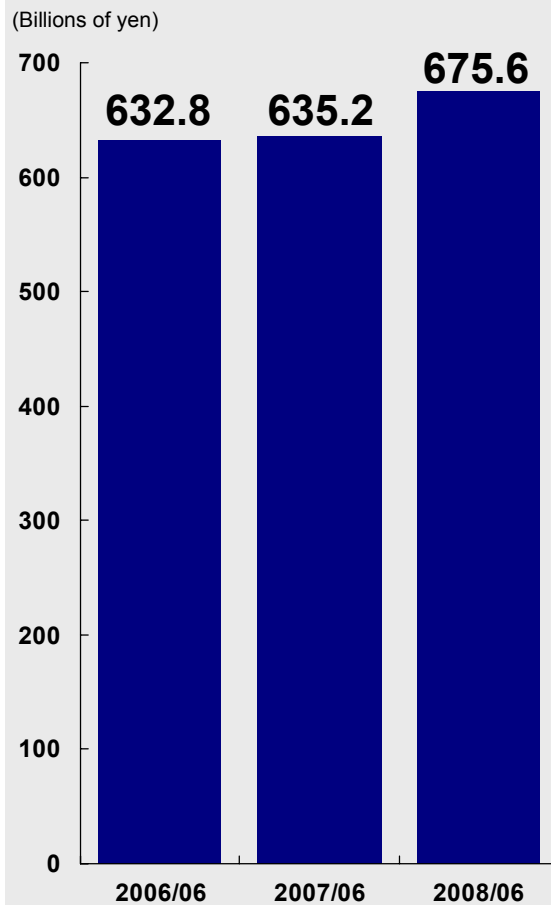
\* New policy amount includes net increase from conversion



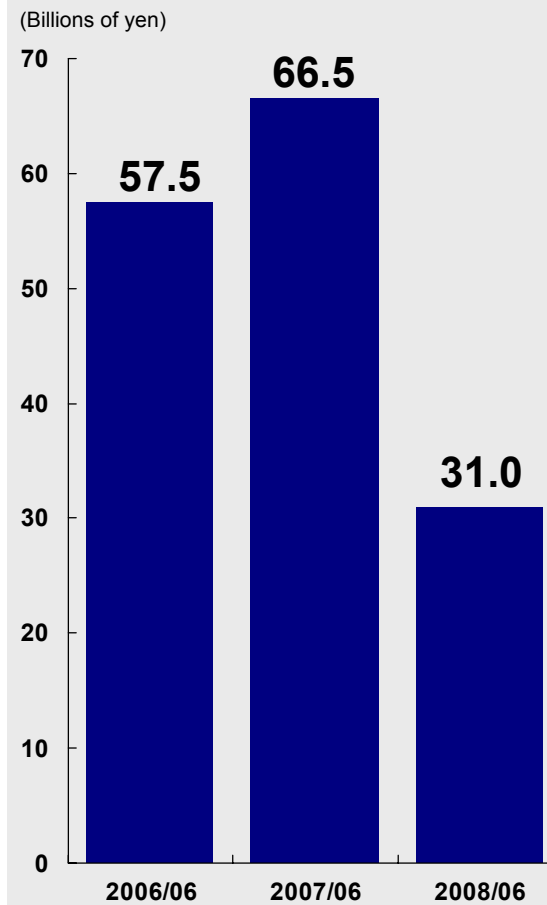
# Consolidated Operation Results



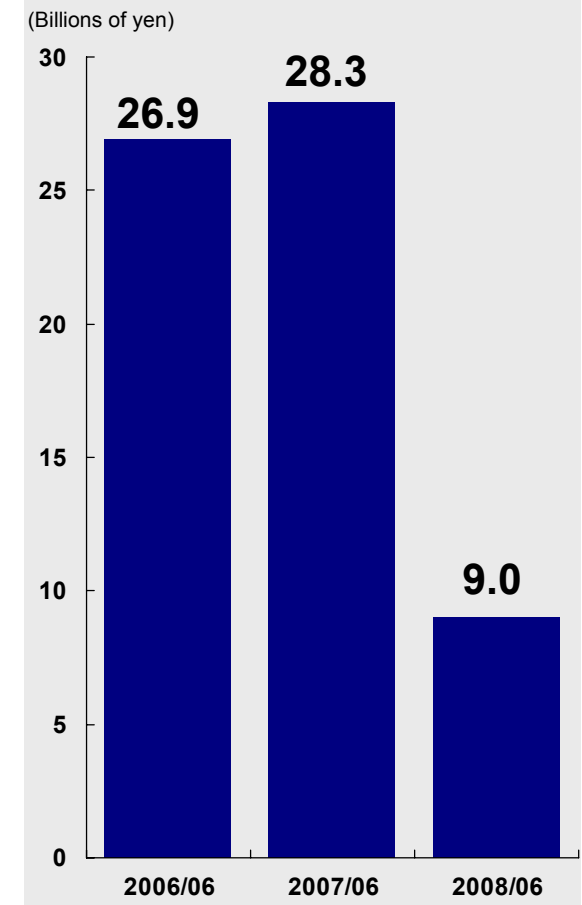
## Ordinary Revenues



## Ordinary Profit



## Net Income



# Consolidated Statements of Operations



(Billions of yen)

	1Q2008	1Q2007	Changes
<b>Ordinary revenues</b>	<b>675.6</b>	<b>635.2</b>	<b>40.4</b>
Income from insurance premiums	394.8	428.4	(33.6)
Investment income	132.0	156.1	(24.0)
Interest, dividends and income from real estate for rent	62.5	75.1	(12.5)
Gains from monetary trust, net	-	4.8	(4.8)
Gains on investments in trading securities, net	13.4	14.8	(1.3)
Gains on sale of securities	32.6	32.6	0.0
Gains on separate accounts, net	22.7	28.0	(5.3)
Other ordinary income	148.7	50.6	98.1
Reversal of policy reserve	123.9	30.0	93.9
<b>Ordinary expenses</b>	<b>644.5</b>	<b>568.6</b>	<b>75.8</b>
Insurance claims and other payments	514.8	459.3	55.5
Provision for policy and other reserves	0.2	0.2	(0.0)
Investment expenses	54.0	39.6	14.4
Losses from monetary trust, net	5.0	-	5.0
Losses on sale of securities	7.7	5.1	2.6
Devaluation losses on securities	10.6	1.1	9.5
Losses from derivatives, net	23.9	23.9	0.0
Operating expenses	52.4	51.6	0.8
Other ordinary expenses	22.9	17.8	5.0
<b>Ordinary profit</b>	<b>31.0</b>	<b>66.5</b>	<b>(35.4)</b>
<b>Net extraordinary gains (losses)</b>	<b>(1.2)</b>	<b>(7.8)</b>	<b>6.5</b>
<b>Provision for reserve for policyholder dividends</b>	<b>10.5</b>	<b>12.1</b>	<b>(1.5)</b>
<b>Income before income taxes</b>	<b>19.3</b>	<b>46.5</b>	<b>(27.2)</b>
<b>Income taxes</b>	<b>10.2</b>	<b>18.2</b>	<b>(8.0)</b>
<b>Net income</b>	<b>9.0</b>	<b>28.3</b>	<b>(19.2)</b>

Breakdown;  
 -Daido: up ¥2.5 billion  
 -Taiyo: down ¥7.1 billion  
 -T&D Financial: down ¥28.9 billion

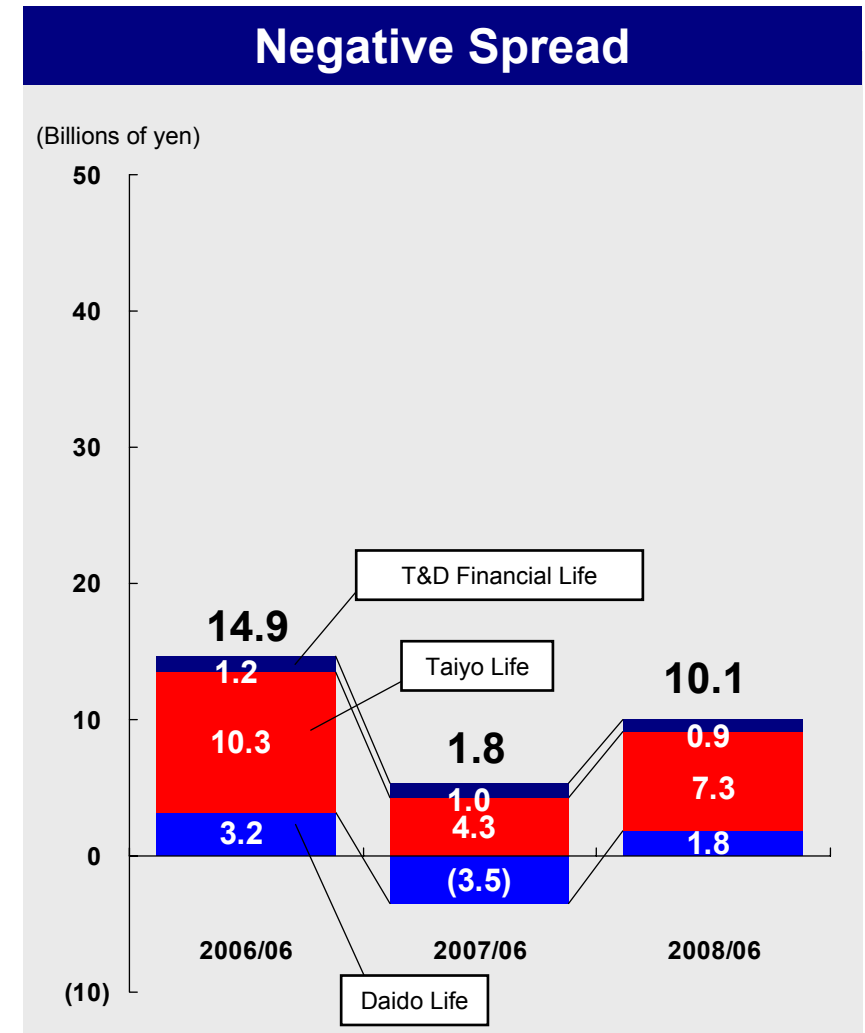
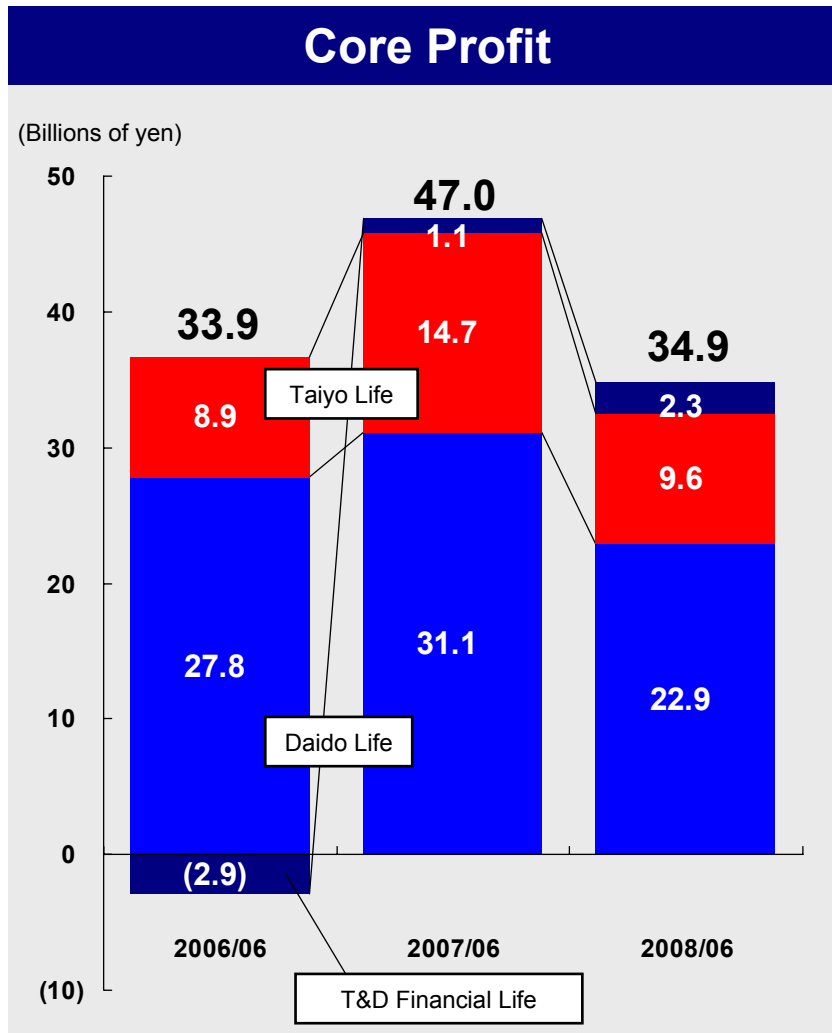
-Daido: Mainly due to a decrease in dividends from private equity funds and investment trusts  
 -Taiyo: Mainly due to a decrease in interests from foreign currency-denominated bonds and dividends from domestic investment trusts

Breakdown;  
 -Daido: up ¥56.4 billion  
 -Taiyo: up ¥4.8 billion  
 -T&D Financial: down ¥5.7 billion

Daido: up ¥8.2 billion, mainly due to the devaluation losses on domestic unlisted stocks

Set aside ¥1.7 billion (down ¥5.1 billion y-o-y) for reserve for price fluctuations, including excess amount of ¥1.0 billion (down ¥4.7 billion) as additional internal reserves

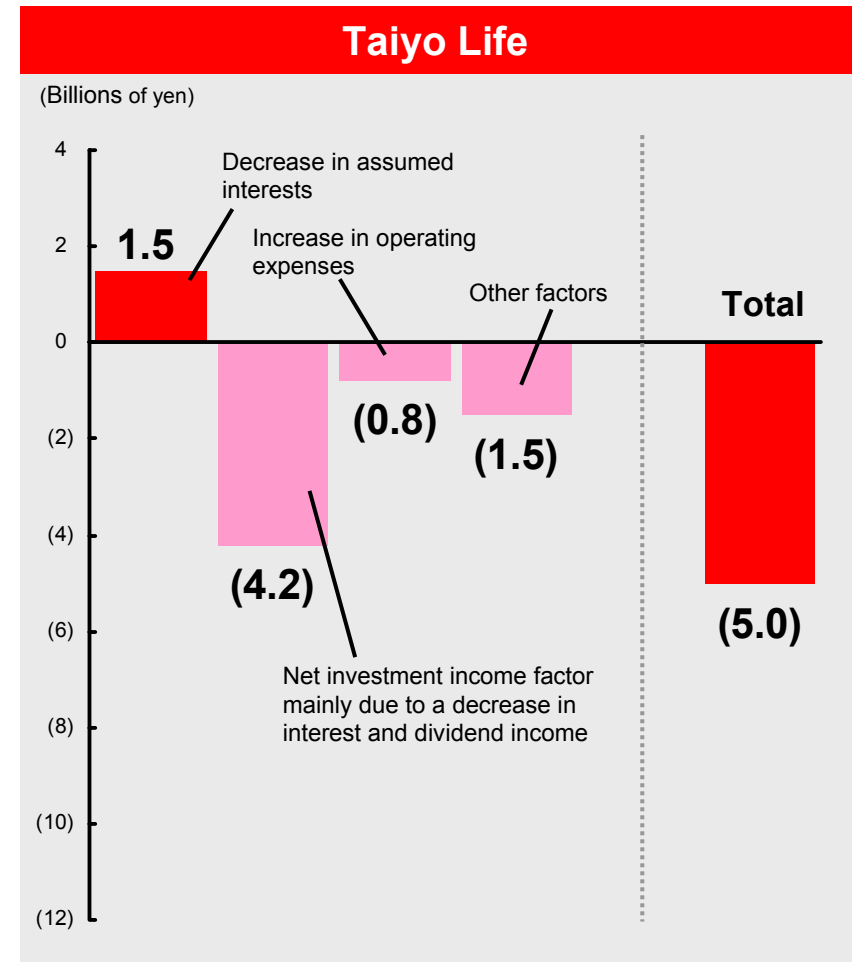
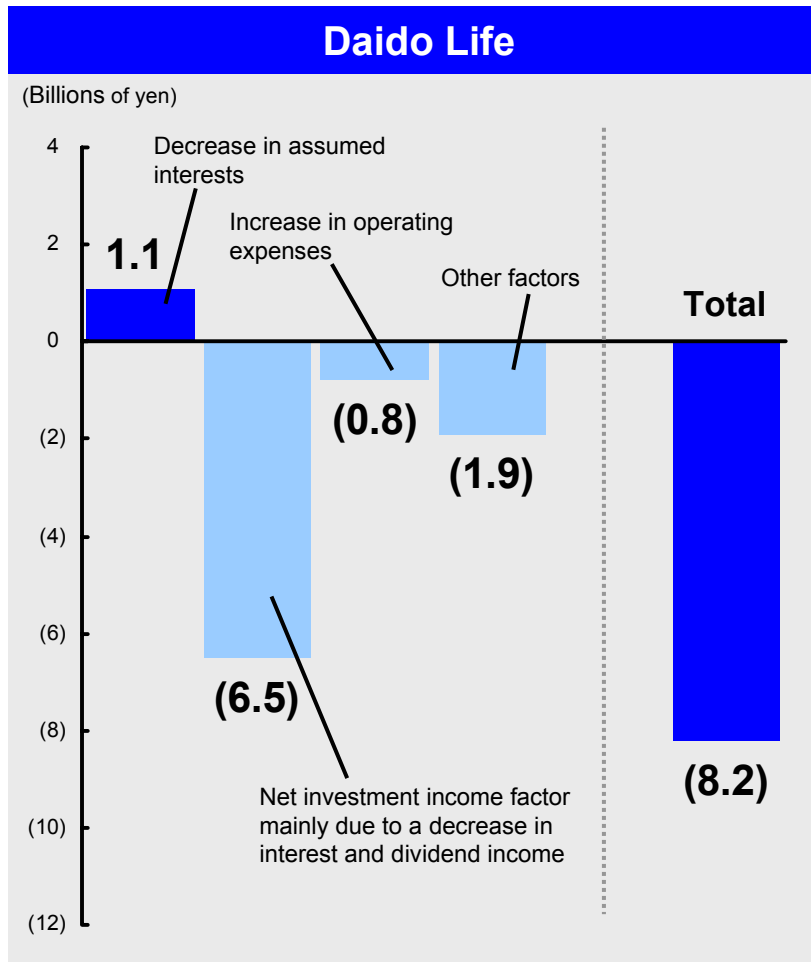
# Core Profit/Negative Spread



\* Daido Life's spread for 1Q2007 turned positive (3.5 billion yen).

# Factors for Increase/Decrease in Core Profit

## Factors for Increase/ Decrease in Core Profit for 1Q2008 (vs. 1Q2007)



# Consolidated Balance Sheets



(Billions of yen)

(Billions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b>Assets:</b>			
Cash and deposits, call loans	468.6	588.2	(119.5)
Monetary claims purchased	512.4	430.5	81.8
Monetary trusts	124.2	134.7	(10.4)
Securities	9,293.5	9,244.5	49.0
Loans	2,356.1	2,363.4	(7.3)
Tangible fixed assets	306.3	309.2	(2.8)
Other assets	141.8	199.0	(57.2)
Defferd tax assets	38.3	66.4	(28.0)
Reserve for possible loan losses	(3.8)	(3.9)	0.0
<b>Total assets</b>	<b>13,270.4</b>	<b>13,366.0</b>	<b>(95.6)</b>

	As of June 30, 2008	As of March 31, 2008	Changes
<b>Liabilities:</b>			
Total policy reserves	12,007.9	12,137.7	(129.8)
Policy reserve	11,751.6	11,875.6	(123.9)
Contingency reserve	200.4	198.2	2.2
Reserve for price fluctuations	139.0	137.2	1.7
<b>Total liabilities</b>	<b>12,544.7</b>	<b>12,688.7</b>	<b>(144.0)</b>
<b>Net assets:</b>			
Total stockholders' equity	469.0	475.9	(6.9)
Common stock	118.5	118.5	-
Capital surplus	106.1	106.1	-
Retained earnings	245.0	251.9	(6.8)
Total valuation and translation adjustment	254.7	199.4	55.3
Net unrealized gains on securities	302.4	246.8	55.6
Land revaluation	(48.0)	(48.0)	(0.0)
<b>Total net assets</b>	<b>725.6</b>	<b>677.2</b>	<b>48.3</b>
<b>Total liabilities and net assets</b>	<b>13,270.4</b>	<b>13,366.0</b>	<b>(95.6)</b>

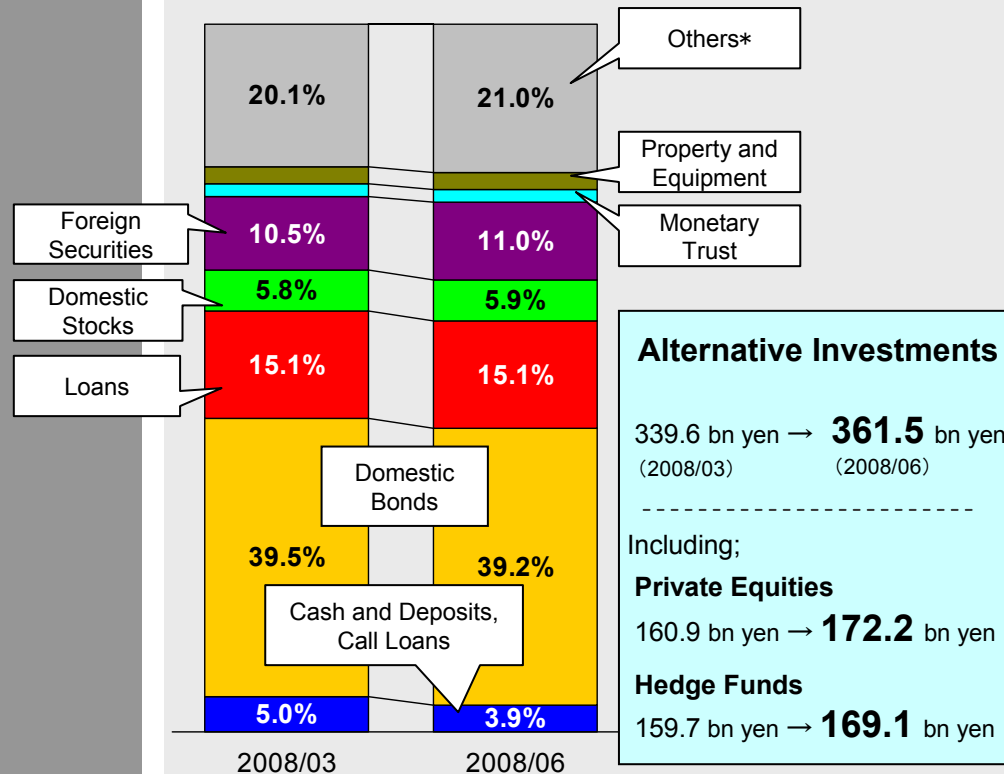
Includes ¥1.0 billion of excess amount of additional contingency reserve at Taiyo

Includes ¥1.0 billion of excess amount of additional reserve for price fluctuations at Daido

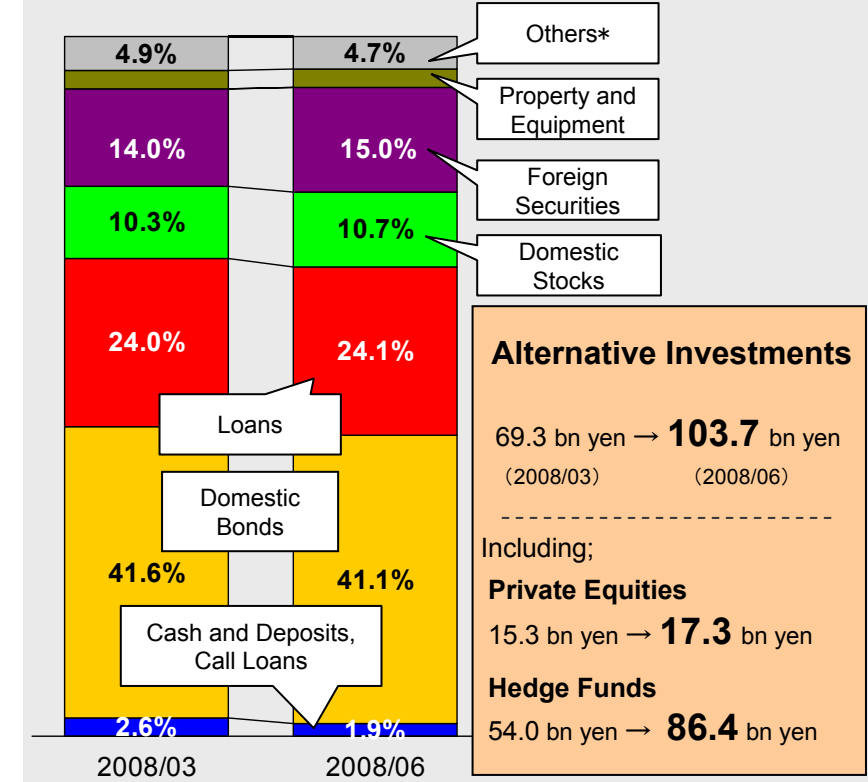
# General Account Assets Composition



## Daido Life



## Taiyo Life



\*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 June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>201.1</b>	<b>163.8</b>	<b>267.0</b>	<b>266.6</b>	<b>(1.1)</b>	<b>1.4</b>	<b>467.1</b>	<b>432.0</b>	<b>35.1</b>
Domestic bonds	7.7	30.7	20.0	63.1	(1.1)	1.5	26.7	95.4	(68.7)
Domestic stocks	133.4	114.7	258.3	210.5	-	-	391.8	325.3	66.4
Foreign securities	(4.4)	(3.8)	(3.3)	0.7	0.0	(0.0)	(7.7)	(3.1)	(4.6)
Other securities	60.3	16.4	(7.6)	(11.0)	(0.0)	(0.0)	52.6	5.3	47.3
Monetary claims purchased	0.6	5.4	(0.3)	3.2	-	-	0.2	8.7	(8.4)
Certificates of deposit	-	-	-	0.0	-	-	-	0.0	(0.0)
Monetary trusts	3.4	0.3	-	-	-	-	3.4	0.3	3.1

\*Securities with market value

<b>Net unrealized gains/losses on real</b>	<b>34.9</b>	<b>35.2</b>	<b>35.9</b>	<b>35.8</b>	<b>-</b>	<b>-</b>	<b>70.8</b>	<b>71.0</b>	<b>(0.1)</b>
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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 June 30, 2008	As of March 31, 2008	Change
<b>Daido Life</b>			
Solvency margin ratio	1,103.8%	1,096.3%	7.5P
Adjusted net assets	823.2	777.2	46.0
Adjusted net worth on EEV	555.2	532.9	22.2
<b>Taiyo Life</b>			
Solvency margin ratio	999.0%	1,000.6%	(1.6P)
Adjusted net assets	656.9	659.7	(2.8)
Adjusted net worth on EEV	470.4	484.7	(14.2)
<b>T&amp;D Financial Life</b>			
Solvency margin ratio	891.2%	912.4%	(21.2P)
Adjusted net assets	60.4	63.7	(3.3)
Adjusted net worth on EEV	36.5	39.5	(2.9)
<b>Total of Three Insurance Companies</b>			
Adjusted net assets	1,540.6	1,500.7	39.8
Adjusted net worth on EEV	1,062.2	1,057.1	5.0

Mainly due to an increase in unrealized gains on available-for-sale securities

Mainly due to a decrease in unrealized gains on policy-reserve-matching bonds and held-to-maturity bonds, while increasing in unrealized gains on available-for-sale securities

Due to a net loss for 1Q2008

# Forecasts for the Year Ending March 31, 2009



- Full year forecasts have not been changed as originally announced on May 19, 2008

## T&D Holdings' Consolidated Forecasts

(Billions of yen)

	Full Year Forecast	Three Months Ended June 30, 2008	Progress Rate	(Ref.) Year Ended March 31, 2008
Ordinary revenues	2,100	675.6	32.2%	2,330.0
Ordinary profit	115	31.0	27.0%	155.7
Net income	39	9.0	23.3%	36.7

[Reference] Projected additional reserve for price fluctuations for FY2008: ¥7.4 billion (¥4.7 billion after-tax) , all for Daido -1Q2008 result: ¥1.0 billion (¥0.6 billion after-tax) for Daido

## Total of Three Life Insurance Companies

(Billions of yen)

	Full Year Forecast	Three Months Ended June 30, 2008	Progress Rate	(Ref.) Year Ended March 31, 2008
New policy amount	6,350	1,479.1	23.3%	6,201.8
Policy amount in force	59,270	59,143.1	** -	59,340.3
Income from insurance premiums	1,750	394.8	22.6%	1,613.1
Core profit	149	34.9	23.4%	159.7
Negative spread		10.1		-

\* New policy amount and policy amount in force include individual insurance and individual annuities. New policy amount Includes net increase from conversion.

\*\* Decreased 197.2 billion yen from the beginning of fiscal 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
<b>Ordinary revenues</b>	<b>1,020</b>	<b>1,136.3</b>	<b>930</b>	<b>1,000.3</b>	<b>270</b>	<b>180.4</b>
Income from insurance premiums	850	843.3	650	635.7	250	134.0
<b>Ordinary profit</b>	<b>96</b>	<b>104.6</b>	<b>29</b>	<b>57.0</b>	<b>(14)</b>	<b>(9.6)</b>
Core profit	107	124.8	46	53.0	(4)	(18.1)
<b>Net income</b>	<b>34</b>	<b>30.4</b>	<b>13</b>	<b>12.0</b>	<b>(10)</b>	<b>(6.9)</b>
<b>New policy amount</b>	<b>4,320</b>	<b>4,634.2</b>	<b>1,760</b>	<b>1,474.1</b>	<b>270</b>	<b>93.3</b>
Core product	4,170	4,489.8	-	-	** 190	93.3
<b>Policy amount in force</b>	<b>39,910</b>	<b>39,897.1</b>	<b>17,070</b>	<b>17,182.2</b>	<b>2,320</b>	<b>2,261.0</b>
Core product	36,330	36,175.3	-	-	810	596.8
<b>Annualized premiums of total policies</b>	<b>690</b>	<b>689.1</b>	<b>620</b>	<b>637.3</b>	<b>130</b>	<b>99.3</b>
<b>Negative spread</b>	<b>5</b>	<b>*** -</b>	<b>20</b>	<b>17.6</b>	<b>4</b>	<b>4.1</b>
<b>Surrender and lapse rate</b>	<b>8.5%</b>	<b>8.93%</b>	<b>7.5%</b>	<b>7.64%</b>	<b>6.5%</b>	<b>6.56%</b>

\* 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 Three Months Ended June 30, 2008

# Appendix



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# Non-Consolidated Statements of Operations: Daido Life



(Billions of yen)

	1Q2008	1Q2007	Changes
<b>Ordinary revenues</b>	<b>360.4</b>	<b>316.0</b>	<b>44.4</b>
Income from insurance premiums	203.0	200.5	2.5
Individual insurance and annuities	160.2	161.1	(0.9)
Investment income	62.5	77.7	(15.1)
Interest, dividends and income from real estate for rent	31.0	40.6	(9.5)
Gains from monetary trusts, net	-	7.0	(7.0)
Gains on investment in trading securities, net	13.4	14.8	(1.3)
Gains on sales of securities	13.3	7.9	5.4
Gains on separate accounts, net	4.0	6.6	(2.5)
Other ordinary income	94.7	37.7	57.0
Reversal of policy reserve	90.6	33.6	57.0
<b>Ordinary expenses</b>	<b>338.3</b>	<b>275.0</b>	<b>63.2</b>
Insurance claims and other payments	273.6	217.1	56.4
Provision for policy and other reserves	0.1	0.2	(0.0)
Investment expenses	30.6	25.6	4.9
Losses from monetary trusts, net	0.2	-	0.2
Losses on sales of securities	0.2	0.0	0.1
Devaluation losses on securities	8.6	0.3	8.2
Losses from derivatives, net	16.6	17.6	(0.9)
Foreign exchange losses, net	1.0	1.3	(0.2)
Operating expenses	29.2	28.4	0.8
Other ordinary expenses	4.6	3.5	1.0
<b>Ordinary profit</b>	<b>22.0</b>	<b>40.9</b>	<b>(18.8)</b>
<b>Net extraordinary gains (losses)</b>	<b>(1.1)</b>	<b>(2.6)</b>	<b>1.4</b>
<b>Provision for reserve for policyholder dividends</b>	<b>7.2</b>	<b>8.3</b>	<b>(1.1)</b>
<b>Income taxes</b>	<b>6.7</b>	<b>11.2</b>	<b>(4.5)</b>
<b>Net income</b>	<b>6.9</b>	<b>18.6</b>	<b>(11.7)</b>

Includes ¥133.4 billion of premiums for individual term life insurance, a main product line (up ¥0.4 billion y-o-y)

Includes;  
 -Dividends from private equity funds: down ¥4.3 billion  
 -Dividends from investment trusts: down ¥2.7 billion  
 -Stock dividends: down ¥1.4 billion

Includes;  
 -Insurance claims for group annuities: up ¥33.3 billion y-o-y  
 -Surrender payments for group annuities: up ¥19.8 billion y-o-y  
 -Other payments for group annuities: up ¥11.0 billion

Includes;  
 -Other securities (domestic unlisted stocks): ¥7.2 billion  
 -Foreign securities: ¥0.9 billion  
 -Domestic stocks and monetary trusts: ¥0.4 billion

Includes (y-o-y increase/decrease);  
 -Foreign exchange forward contracts of ¥16.9 billion (down ¥0.9 billion)  
 -Stock futures contracts of ¥0.8 billion (up 0.5 billion)  
 -Interest-rate swap: ¥(1.1) billion (down ¥0.8 billion)

Includes provision for reserve for price fluctuations of ¥1.7 billion including excess amount of additional reserves of ¥1.0 billion

# Non-Consolidated Statements of Operations: Taiyo Life



(Billions of yen)

	1Q2008	1Q2007	Changes
<b>Ordinary revenues</b>	<b>283.6</b>	<b>286.5</b>	<b>(2.9)</b>
Income from insurance premiums	172.2	179.4	(7.1)
Investment income	50.5	60.2	(9.7)
Interest, dividends and income from real estate for rent	30.9	35.2	(4.2)
Gains on sales of securities	19.3	24.5	(5.2)
Other ordinary income	60.7	46.7	14.0
Reversal of policy reserve	48.5	38.1	10.4
<b>Ordinary expenses</b>	<b>272.4</b>	<b>258.4</b>	<b>13.9</b>
Insurance claims and other payments	220.6	215.7	4.8
Provision for policy and other reserves	0.0	0.0	0.0
Investment expenses	18.5	13.9	4.6
Losses on sales of securities	7.5	4.9	2.5
Devaluation losses on securities	2.0	0.7	1.2
Losses from derivatives, net	7.3	6.3	0.9
Operating expenses	19.7	18.9	0.8
Other ordinary expenses	13.4	9.7	3.6
<b>Ordinary profit</b>	<b>11.1</b>	<b>28.0</b>	<b>(16.8)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0.0)</b>	<b>(5.2)</b>	<b>5.1</b>
<b>Provision for reserve for policyholder dividends</b>	<b>3.2</b>	<b>3.6</b>	<b>(0.4)</b>
<b>Income taxes</b>	<b>3.9</b>	<b>6.8</b>	<b>(2.9)</b>
<b>Net Income</b>	<b>3.9</b>	<b>12.1</b>	<b>(8.2)</b>

Includes (y-o-y increase/decrease);  
 -Individual insurance and annuities: ¥139.9 billion (down ¥4.0 billion)  
 -Group annuities: ¥24.2 billion (down ¥2.5 billion)

-Interests from yen-denominated bonds: up ¥1.3 billion  
 -Interests from foreign currency-denominated bonds: down ¥2.6 billion  
 -Dividends from domestic investment trusts: down ¥1.8 billion  
 -Dividends from domestic and foreign stocks: down ¥0.8 billion

Includes (y-o-y increase/decrease);  
 -Domestic stocks: ¥12.8 billion (down ¥3.0 billion)  
 -Foreign securities: ¥5.5 billion yen (down ¥3.1 billion)  
 -Domestic bonds, etc.: ¥0.9 billion (up ¥0.9 billion)

Includes (y-o-y increase/decrease);  
 -Individual insurance and annuities: ¥178.5 billion (up ¥0.5 billion), including maturity benefits of ¥71.4 billion (down ¥7.3 billion)  
 -Group annuities: ¥36.6 billion (up ¥3.9 billion)

Includes (y-o-y increase/decrease);  
 - Domestic stocks: ¥2.8 billion (up ¥1.5 billion)  
 - Foreign securities: ¥3.5 billion (up ¥3.2 billion)  
 - Domestic bonds, etc.: ¥1.0 billion (down ¥2.3 billion)

Includes (y-o-y increase/decrease);  
 -Foreign exchange forward contracts: ¥(7.2) billion (down ¥0.8 billion), including ¥(2.7) billion of hedge accounting applied (up ¥0.8 billion)  
 -Stock-related: ¥(0.1) billion (down ¥0.1 billion)

Includes provision for reserve for price fluctuations of ¥0.08 billion only (down ¥5.1 billion y-o-y)

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



(Billions of yen)

	1Q2008	1Q2007	Changes
<b>Ordinary revenues</b>	<b>41.8</b>	<b>73.2</b>	<b>(31.4)</b>
Income from insurance premiums	19.4	48.4	(28.9)
Investment income	19.5	22.3	(2.7)
Interest, dividends and income from real estate for rent	1.0	1.0	(0.0)
Gains on separate accounts, net	18.5	21.1	(2.6)
Other ordinary income	2.7	2.5	0.2
<b>Ordinary expenses</b>	<b>44.5</b>	<b>75.4</b>	<b>(30.9)</b>
Insurance claims and other payments	20.6	26.3	(5.7)
Provision for policy and other reserves	15.6	42.0	(26.4)
Investment expenses	4.8	2.2	2.5
Losses from monetary trusts, net	4.7	2.2	2.5
Operating expenses	2.9	4.0	(1.1)
Other ordinary expenses	0.5	0.6	(0.1)
<b>Ordinary profit (losses)</b>	<b>(2.7)</b>	<b>(2.1)</b>	<b>(0.5)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
<b>Provision for reserve for policyholder dividends</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>
<b>Income taxes</b>	<b>(0.8)</b>	<b>(0.6)</b>	<b>(0.1)</b>
<b>Net income (loss)</b>	<b>(1.9)</b>	<b>(1.5)</b>	<b>(0.3)</b>

Includes ¥13.5 billion of insurance premiums for individual variable annuities, down ¥26.7 billion y-o-y

¥1.9 billion of reversal for policy reserve relating to minimum guarantee risks for variable annuities

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



(Millions of yen)

	1Q2008	1Q2007	Changes
<b>Operating income</b>	<b>1,694</b>	<b>1,754</b>	<b>(60)</b>
Trustee fees	1,094	1,101	(6)
Investment management fees	600	653	(53)
<b>Operating expenses</b>	<b>724</b>	<b>643</b>	<b>80</b>
Commissions paid	390	354	36
Other operating expenses	334	289	44
<b>General and administrative expenses</b>	<b>675</b>	<b>567</b>	<b>108</b>
<b>Operating profit</b>	<b>293</b>	<b>543</b>	<b>(249)</b>
<b>Non-operating income</b>	<b>4</b>	<b>3</b>	<b>0</b>
<b>Non-operating expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ordinary profit</b>	<b>298</b>	<b>547</b>	<b>(249)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>
<b>Income before income taxes</b>	<b>297</b>	<b>547</b>	<b>(249)</b>
<b>Income taxes</b>	<b>133</b>	<b>224</b>	<b>(91)</b>
<b>Net income</b>	<b>164</b>	<b>323</b>	<b>(158)</b>

# Non-Consolidated Balance Sheets: Daido Life



(Billions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b>Assets</b>			
Cash and deposits, call loans	229.3	297.2	(67.9)
Monetary claims purchased	356.0	270.0	86.0
Monetary trusts	97.0	104.6	(7.5)
Securities	4,143.7	4,159.6	(15.8)
Domestic bonds	2,328.2	2,394.0	(65.8)
Domestic stocks	377.9	375.6	2.3
Foreign securities	667.9	653.4	14.4
Other securities	769.5	736.3	33.1
Loans	880.1	890.3	(10.2)
Tangible fixed assets	138.8	140.4	(1.6)
Other assets	63.1	131.5	(68.4)
Deferred tax assets	29.7	44.1	(14.4)
<b>Total assets</b>	<b>5,946.8</b>	<b>6,047.8</b>	<b>(101.0)</b>

(Billions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b>Liabilities</b>			
Total policy reserves	5,297.4	5,392.1	(94.7)
Policy reserve	5,125.8	5,216.5	(90.6)
Contingency reserve	82.7	82.6	0.0
Other liabilities	64.8	101.8	(36.9)
Reserve for price fluctuations	75.2	73.5	1.6
<b>Total liabilities</b>	<b>5,545.1</b>	<b>5,673.4</b>	<b>(128.3)</b>
<b>Net assets</b>			
Total stockholders' equity	260.6	261.8	(1.2)
Common stock	75.0	75.0	-
Capital surplus	0.0	0.0	-
Retained earnings	185.5	186.7	(1.2)
Total valuation and translation adjustments	141.0	112.5	28.4
Net unrealized gains on securities	140.4	111.8	28.5
<b>Total net assets</b>	<b>401.6</b>	<b>374.4</b>	<b>27.2</b>
<b>Total liabilities and net assets</b>	<b>5,946.8</b>	<b>6,047.8</b>	<b>(101.0)</b>

-Domestic bonds: decreased mainly due to a decline in unrealized gains as well as redemption of municipal bonds and short-term government bonds  
 -Foreign Securities: increased mainly due to depreciation of the yen and an increase in private equity funds  
 -Other securities: increased mainly due to a rise in fair value of investment trusts for domestic stocks

# Non-Consolidated Balance Sheets: Taiyo Life



(Billions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b><u>Assets</u></b>			
Cash and deposits, call loans	114.8	159.8	(45.0)
Securities	4,199.0	4,152.4	46.6
Domestic bonds	2,536.0	2,575.1	(39.0)
Domestic stocks	663.5	638.5	25.0
Foreign securities	929.0	867.2	61.8
Other securities	70.4	71.5	(1.1)
Loans	1,485.0	1,481.8	3.1
Tangible fixed assets	161.3	162.2	(0.8)
Deferred tax assets	-	11.2	(11.2)
Reserve for possible loan losses	(2.5)	(2.5)	0.0
<b>Total assets</b>	<b>6,174.6</b>	<b>6,185.5</b>	<b>(10.9)</b>

-Domestic bonds: decreased mainly due to a decrease in total balance  
 -Domestic stocks: increased mainly due to a rise in fair value  
 -Foreign securities: increased mainly due to an increase in hedge funds and equity-indexed products

(Billions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b><u>Liabilities</u></b>			
Total policy reserves	5,681.6	5,731.1	(49.4)
Policy reserve	5,603.4	5,652.0	(48.5)
Contingency reserve	102.8	101.9	0.9
Reserve for price fluctuations	63.3	63.2	0.0
Deferred tax liabilities	2.4	-	2.4
<b>Total liabilities</b>	<b>5,897.2</b>	<b>5,931.2</b>	<b>(34.0)</b>
<b><u>Net assets</u></b>			
Total stockholders' equity	162.4	166.3	(3.9)
Common stock	37.5	37.5	-
Capital surplus	37.5	37.5	-
Retained earnings	87.4	91.3	(3.9)
Total valuation and translation adjustments	115.0	87.9	27.0
Net unrealized gains on securities	163.3	136.1	27.1
Land revaluation	(48.0)	(48.0)	(0.0)
<b>Total net assets</b>	<b>277.4</b>	<b>254.3</b>	<b>23.1</b>
<b>Total liabilities and net assets</b>	<b>6,174.6</b>	<b>6,185.5</b>	<b>(10.9)</b>

# Non-Consolidated Balance Sheets: T&D Financial Life



	(Billions of yen)				(Billions of yen)		
	As of June 30, 2008	As of March 31, 2008	Changes		As of June 30, 2008	As of March 31, 2008	Changes
<b><u>Assets</u></b>				<b><u>Liabilities</u></b>			
Cash and deposits, call loans	49.1	50.1	(0.9)	Total policy reserves	1,026.2	1,011.5	14.6
Monetary trusts	27.2	30.1	(2.9)	Policy reserve	1,019.7	1,004.1	15.6
Securities	953.0	934.8	18.2	Contingency reserve	14.8	13.5	1.2
Domestic bonds	355.2	360.1	(4.9)	Reserve for price fluctuations	0.4	0.4	0.0
Domestic stocks	1.0	0.9	0.0	<b>Total liabilities</b>	<b>1,036.3</b>	<b>1,022.0</b>	<b>14.3</b>
Foreign securities	2.0	2.0	0.0	<b><u>Net assets</u></b>			
Other securities	594.7	571.7	23.0	Total stockholders' equity	26.1	28.1	(1.9)
Loans	7.0	7.2	(0.2)	Common stock	36.0	36.0	-
Tangible fixed assets	0.3	0.3	0.0	Capital surplus	26.0	26.0	-
Intangible fixed assets	3.3	3.3	0.0	Retained earnings	(35.8)	(33.8)	(1.9)
Other assets	5.0	6.5	(1.4)	Total valuation and translation adjustments	(1.3)	(1.1)	(0.1)
Deferred tax assets	8.8	8.7	0.0	Net unrealized gains on securities	(1.3)	(1.1)	(0.1)
<b>Total assets</b>	<b>1,061.2</b>	<b>1,048.9</b>	<b>12.3</b>	<b>Total net assets</b>	<b>24.8</b>	<b>26.9</b>	<b>(2.0)</b>
				<b>Total liabilities and net assets</b>	<b>1,061.2</b>	<b>1,048.9</b>	<b>12.3</b>

Increased mainly due to a rise in fair value of investment trusts

# Non-Consolidated Balance Sheets: T&D Asset Management



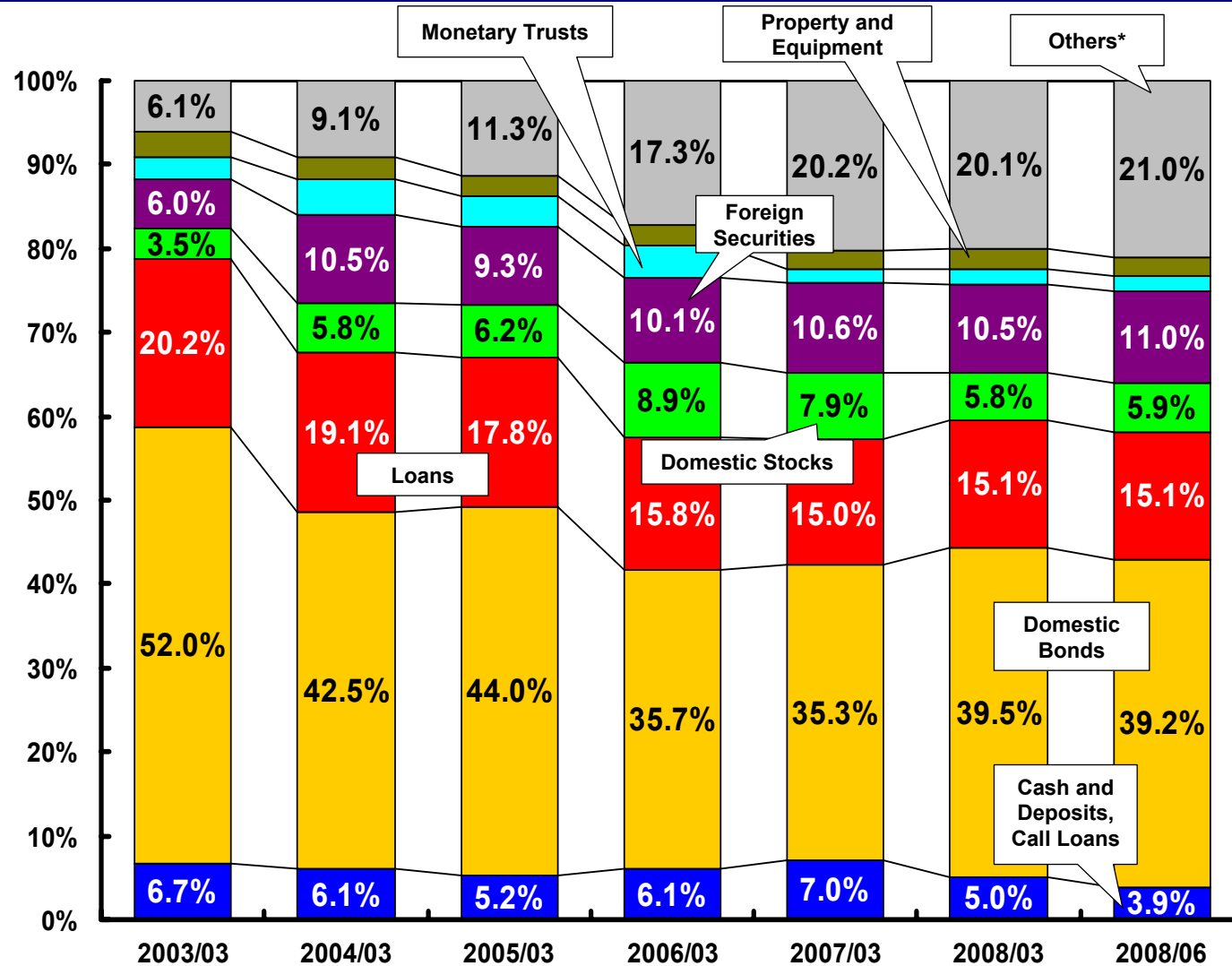
(Millions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b><u>Assets</u></b>			
Current assets	7,516	8,461	(944)
Deposits	5,320	6,725	(1,405)
Accrued trustee fee	1,392	736	656
Accrued investment management fees	615	697	(82)
Other current assets	188	302	(113)
Fixed assets	888	874	14
Tangible fixed assets	167	169	(1)
Intangible fixed assets	45	33	11
Investments and other assets	674	671	3
<b>Total assets</b>	<b>8,405</b>	<b>9,335</b>	<b>(930)</b>

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008	Changes
<b><u>Liabilities</u></b>			
Current liabilities	950	1,572	(621)
Accounts payable	569	673	(103)
Accrued expenses	245	230	15
Other current liabilities	135	669	(533)
Fixed liabilities	219	207	11
Reserve for retirement benefits	219	207	11
<b>Total liabilities</b>	<b>1,170</b>	<b>1,780</b>	<b>(609)</b>
<b><u>Net assets</u></b>			
Total shareholders' equity	7,234	7,555	(320)
Common stock	1,100	1,100	-
Capital surplus	277	277	-
Retained earnings	5,857	6,177	(320)
Total valuation and translation adjustment	(0)	-	(0)
<b>Total net assets</b>	<b>7,234</b>	<b>7,555</b>	<b>(320)</b>
<b>Total liabilities and net assets</b>	<b>8,405</b>	<b>9,335</b>	<b>(930)</b>

# General Account Assets Composition: Daido Life



**Net Exposure to Domestic Stocks \*\***  
**16.2%**  
(2008/03 14.5%)  
(2007/03 18.1%)

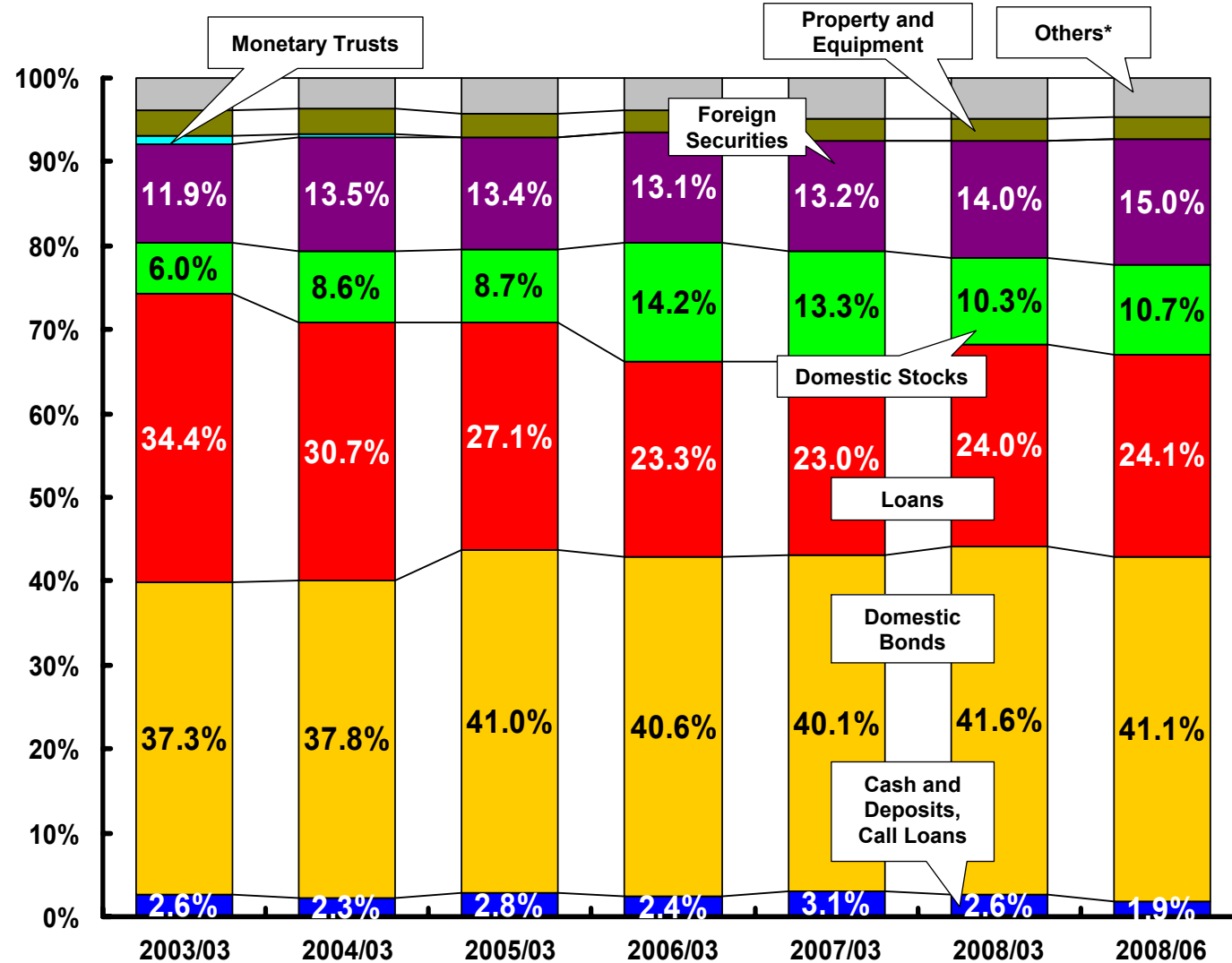
**Net Exposure to Foreign Currency \*\*\***  
**4.3%**  
(2008/03 3.4%)  
(2007/03 3.4%)

\* Others as of June 30, 2008; Other Securities (mainly investment trusts): 13.2%, Monetary Claims Purchased : 6.1%, 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 \*\***  
**11.9%**  
(2008/03 10.9%)  
(2007/03 14.5%)

**Net Exposure to Foreign Currency \*\*\***  
**5.6%**  
(2008/03 5.2%)  
(2007/03 6.1%)

\* Others as of June 30, 2008; Monetary Claims Purchased : 2.5%, Other Securities (mainly investment trusts): 1.1%, 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 June 30, 2008)		Taiyo Life (As of June 30, 2008)	
Government bonds	62.0	30.0%	482.5	90.7%
BBB and above	62.0	30.0%	482.5	90.7%
Supranational bonds	3.0	1.5%	7.1	1.4%
BBB and above	3.0	1.5%	7.1	1.4%
Government-related organizations' bond and public entities' bond	5.6	2.7%	6.4	1.2%
BBB and above	5.6	2.7%	6.4	1.2%
Municipal bonds	3.0	1.5%	-	-
BBB and above	3.0	1.5%	-	-
Corporate bonds	133.2	64.4%	35.7	6.7%
BBB and above	132.7	64.1%	35.7	6.7%
<b>Total</b>	<b>207.0</b>	<b>100.0%</b>	<b>531.8</b>	<b>100.0%</b>

\* 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 June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>201.2</b>	<b>163.9</b>	<b>201.1</b>	<b>163.8</b>	<b>37.3</b>
Domestic Bonds	(0.0)	(0.0)	7.8	30.7	7.7	30.7	(22.9)
Domestic Stocks	-	-	133.4	114.7	133.4	114.7	18.6
Foreign Securities	-	-	(4.4)	(3.8)	(4.4)	(3.8)	(0.5)
Other Securities	-	-	60.3	16.4	60.3	16.4	43.9
Monetary Claims Purchased	-	-	0.6	5.4	0.6	5.4	(4.8)
Monetary Trusts	-	-	3.4	0.3	3.4	0.3	3.1

\*Securities with market value

<b>Net Unrealized Gains/Losses on Real Estate</b>					<b>34.9</b>	<b>35.2</b>	<b>(0.2)</b>
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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)

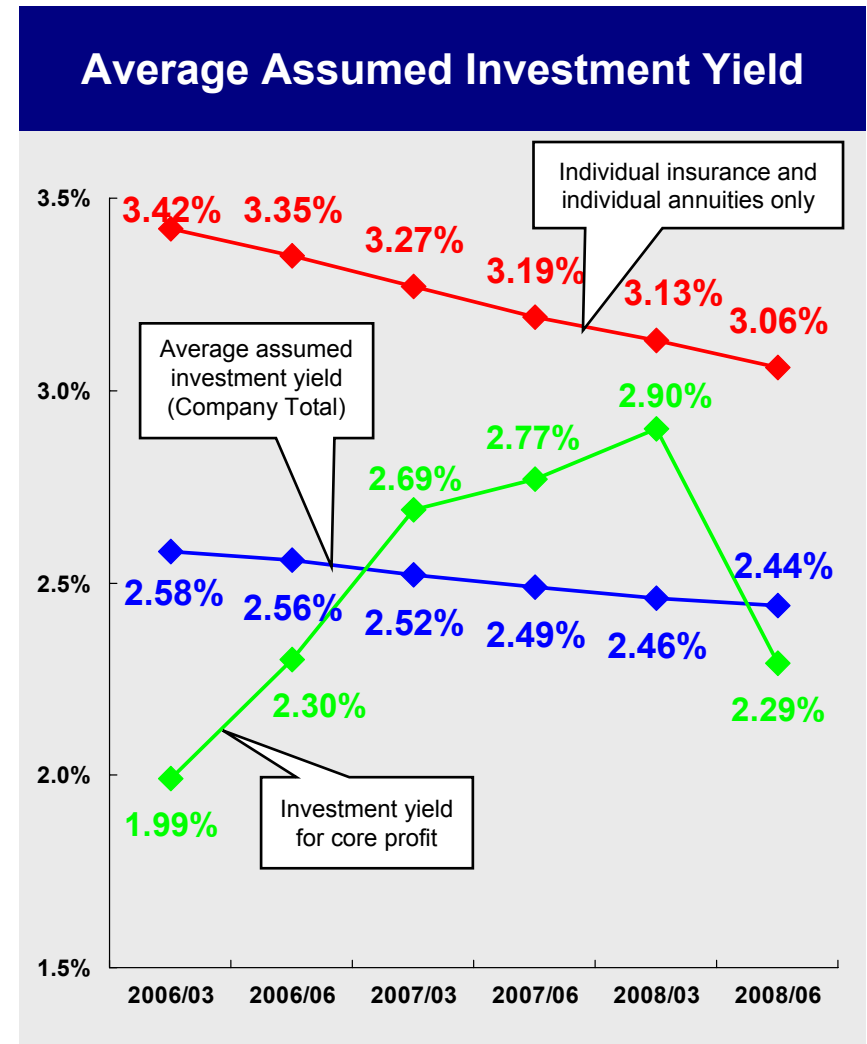
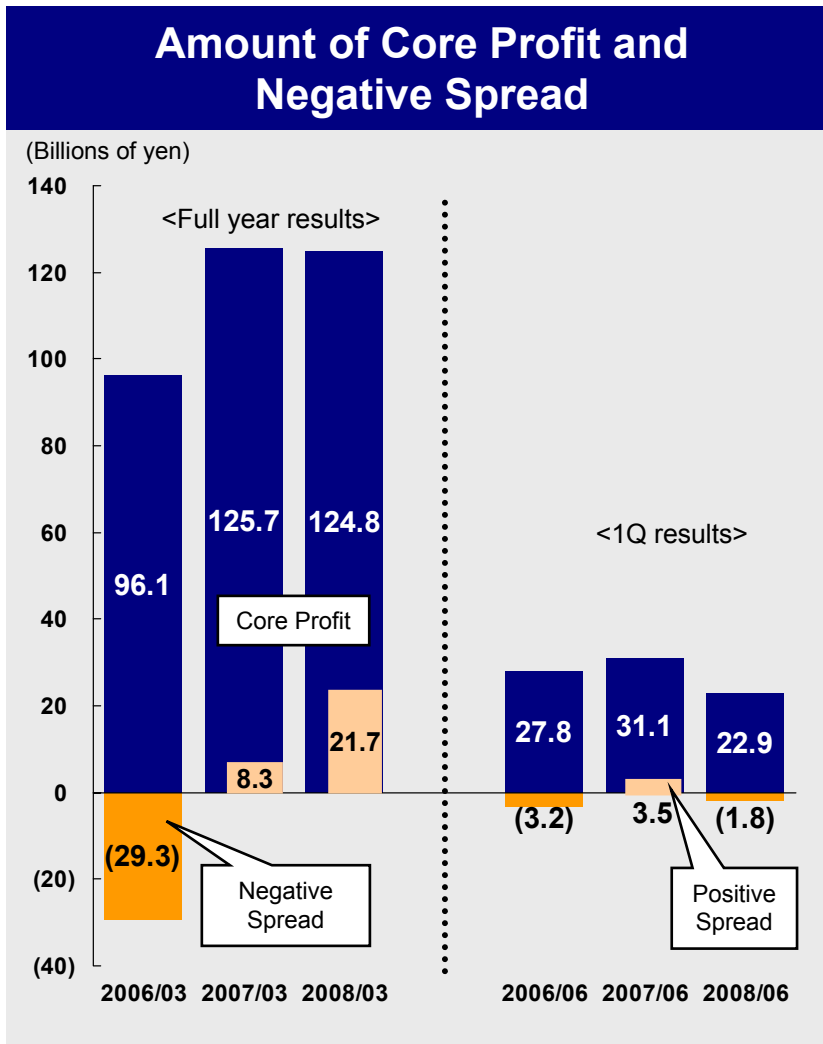
	Net Unrealized gains/losses on Held-to-maturity securities		Net Unrealized gains/losses on Policy-reserve-matching bonds		Net Unrealized gains/losses on Available-for-sale securities		Total		
	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	As of June 30, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>(3.0)</b>	<b>4.4</b>	<b>16.0</b>	<b>49.2</b>	<b>254.0</b>	<b>212.9</b>	<b>267.0</b>	<b>266.6</b>	<b>0.3</b>
Domestic Bonds	(3.0)	1.4	16.0	49.2	7.0	12.4	20.0	63.1	(43.1)
Domestic Stocks	-	-	-	-	258.3	210.5	258.3	210.5	47.8
Foreign Securities	-	-	-	-	(3.3)	0.7	(3.3)	0.7	(4.0)
Other Securities	-	-	-	-	(7.6)	(11.0)	(7.6)	(11.0)	3.3
Monetary Claims Purchased	(0.0)	3.0	-	-	(0.3)	0.2	(0.3)	3.2	(3.5)
Certificates of Deposit	-	0.0	-	-	-	-	-	0.0	(0.0)
Monetary Trusts	-	-	-	-	-	-	-	-	-

\*Securities with market value

<b>Net Unrealized Gains/Losses on Real Estate</b>							<b>35.9</b>	<b>35.8</b>	<b>0.1</b>
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\* Net unrealized gains/ losses on real estate are calculated based on the appraisal or posted price.

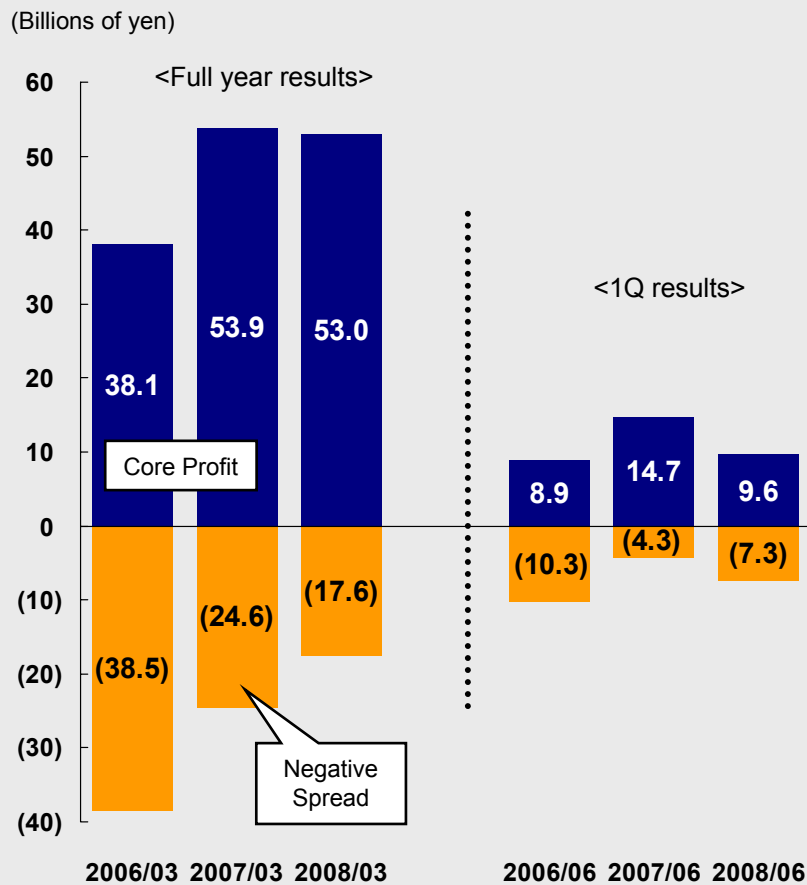
# Core Profit/Negative Spread, Average Assumed Investment Yield: Daido Life



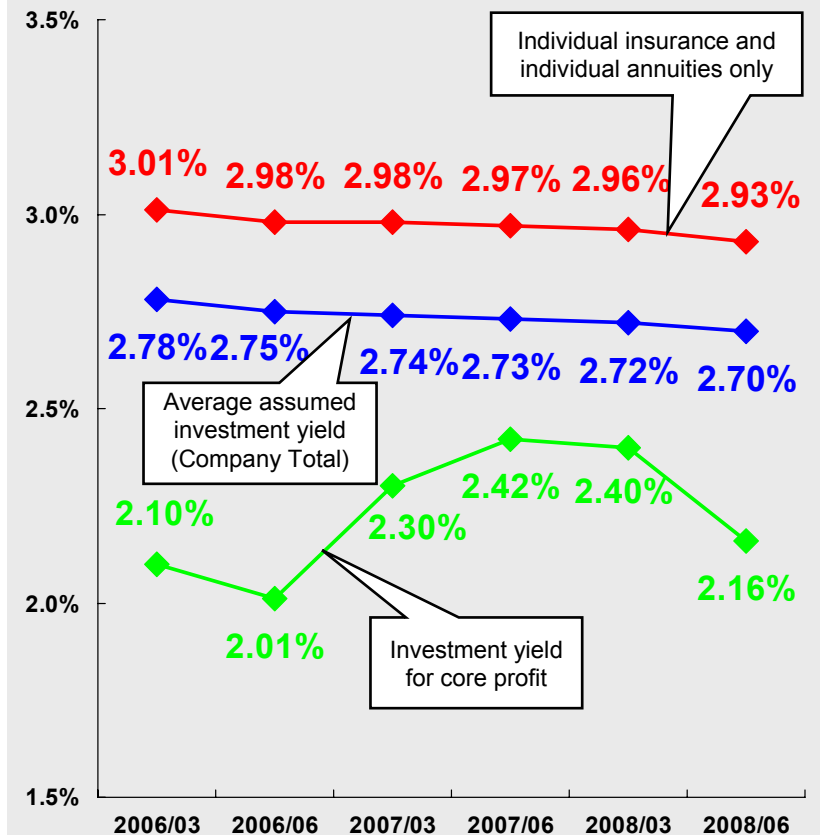
# Core Profit/Negative Spread, Average Assumed Investment Yield: Taiyo Life



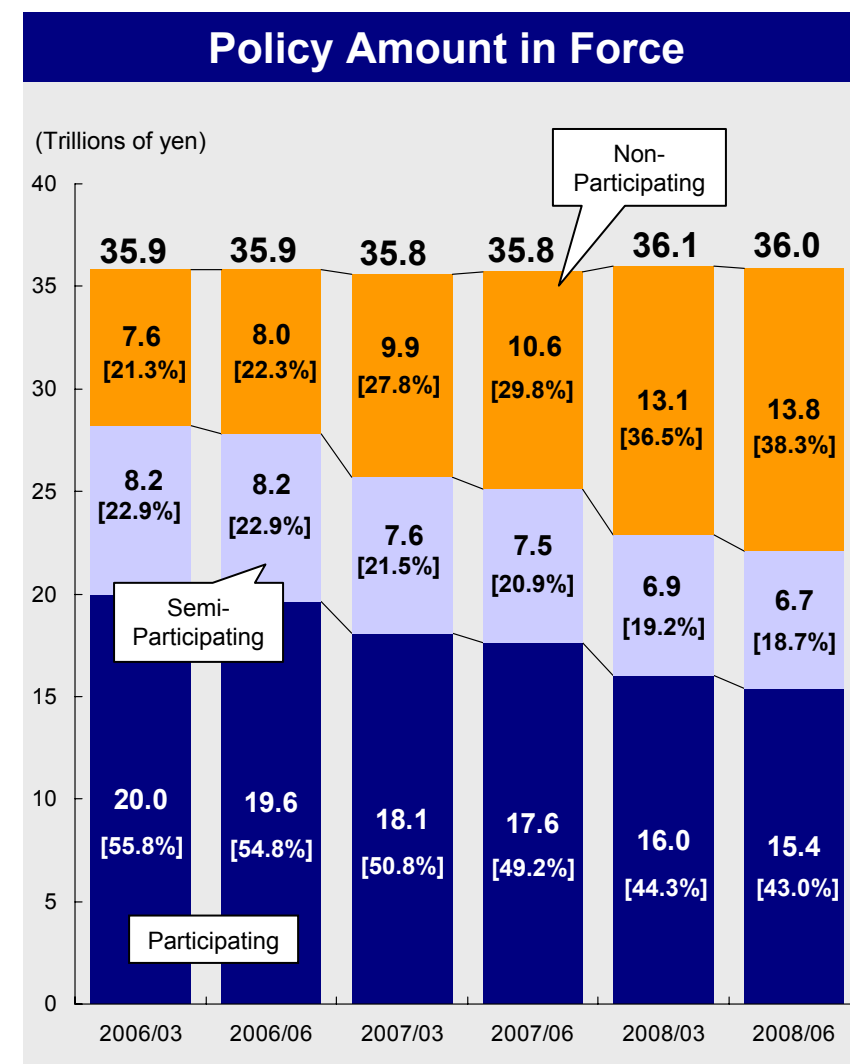
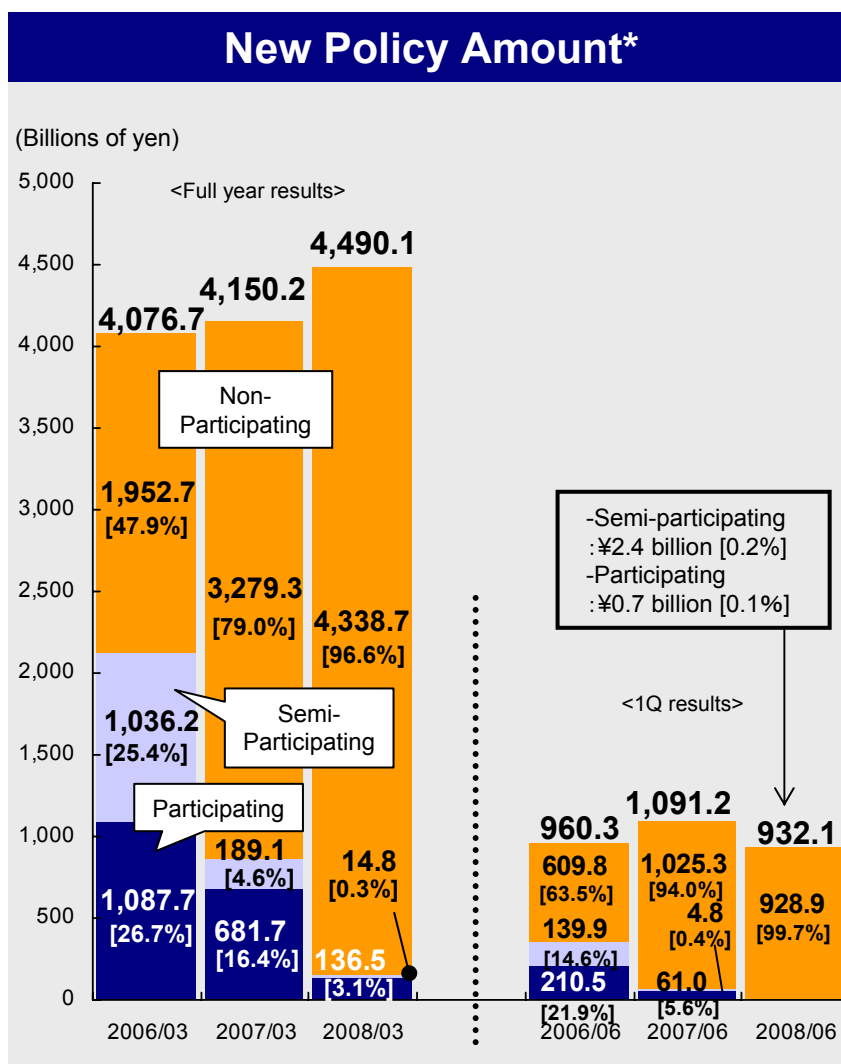
## Amount of Core Profit and Negative Spread



## Average Assumed Investment Yield

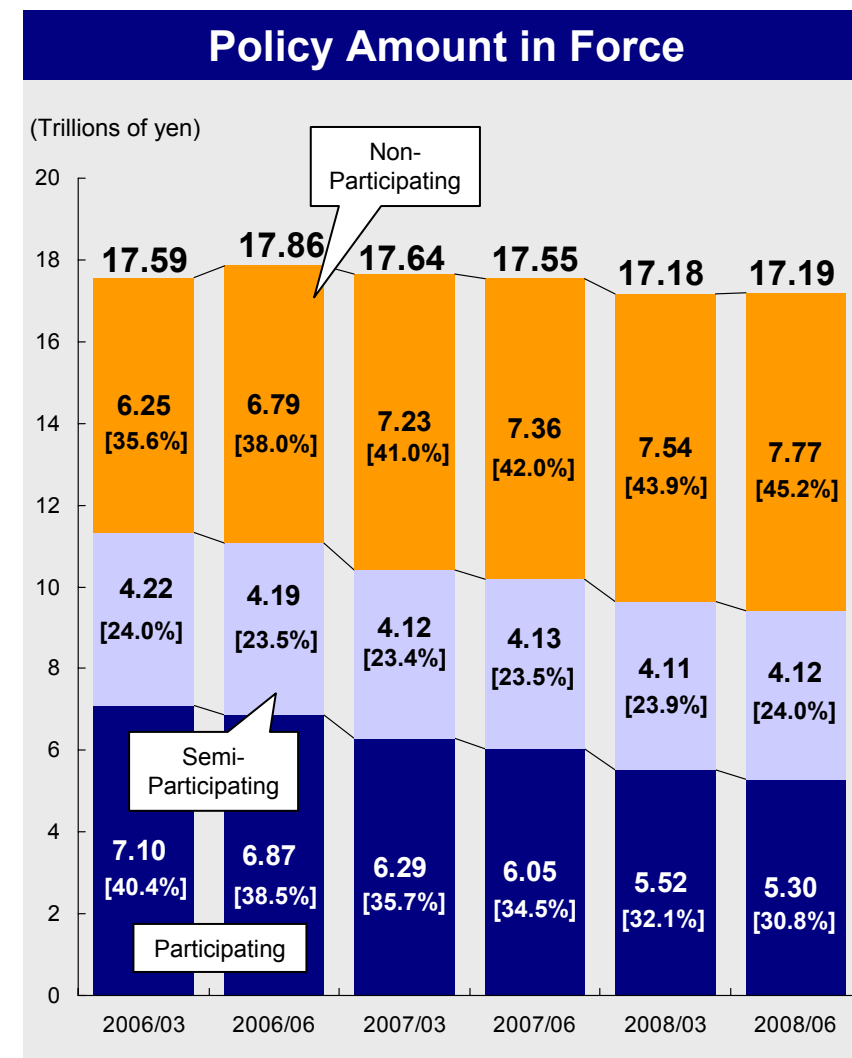
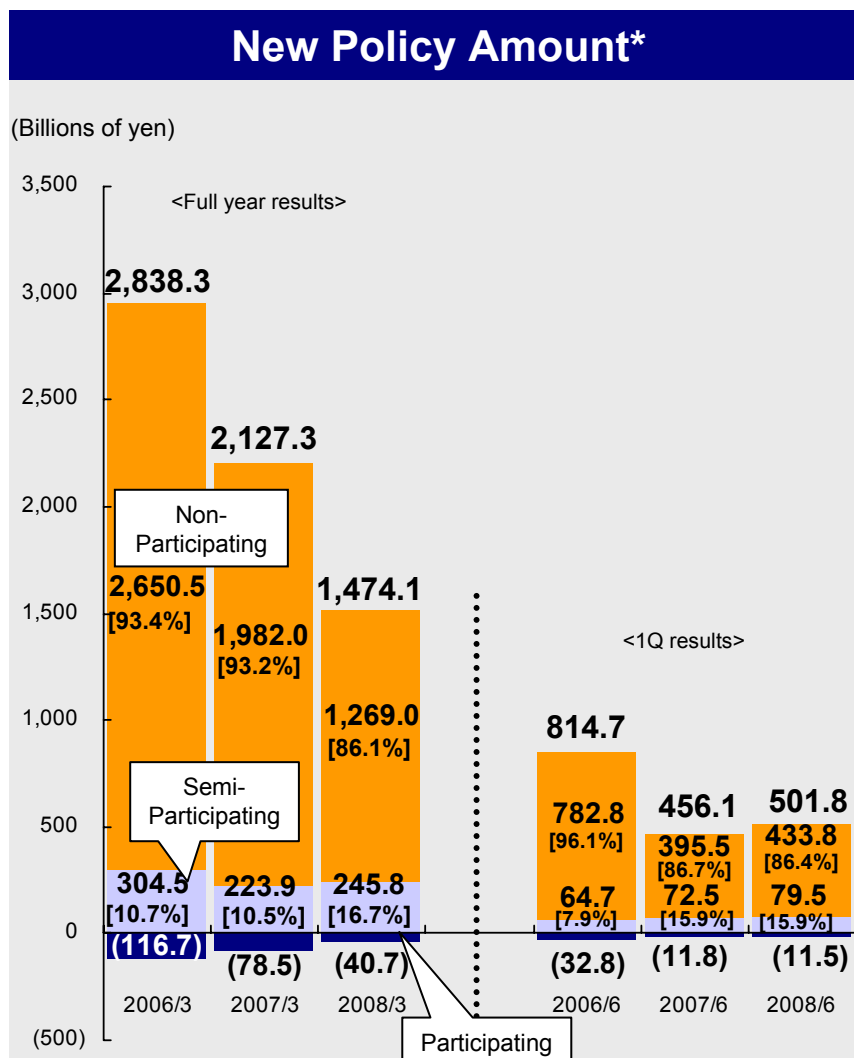


# Sales Results by Dividend Type: Daido Life (Individual Term Life Insurance)



\* Net increase from conversion is not included.

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



\* Net increase from conversion is 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)	260,615	260,615	260,615	
Reserve for deferred gain on sale of real estate	-	-	(1,559)	
Estimated appropriation paid in cash	-	-	(2,853)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	140,436	219,810	197,829	1. After-tax 2. Before-tax 3. 90% of before-tax
Unrealized gains (losses) on loans	14,384	-	-	1. After-tax
Deferred valuation gains (losses) on hedge	620	620	-	1.2. After-tax
Net unrealized gains (losses) on real estate	22,350	34,982	29,734	1. After-tax 2. Before-tax 3. 85% of before-tax
Reserve for price fluctuations	75,213	75,213	75,213	
Contingency reserve	82,729	82,729	82,729	
Unallotted portion of reserve for policyholder dividends	18,605	18,605	18,605	
Excess amount of policy reserve based on Zillmer method	-	130,758	130,758	
Future profits	-	-	14,486	
Deferred tax assets for quasi-equity liabilities	(63,751)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.11%)
Deferred tax assets	-	-	94,844	
General reserve for possible loan losses	110	-	172	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.	3,909	(94)	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>555,224</b>	<b>823,241</b>	<b>900,578</b>	

# 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)	162,400	162,400	162,400	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	(1,150)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	162,814	254,795	229,315	1. After-tax 2. Before-tax 3. 90% of before-tax
Net unrealized gains (losses) on loans	16,373	-	-	1. After-tax
Deferred valuation gains (losses) on hedge	(526)	(257)	-	1. After-tax, including net valuation gains/losses on interest rate swaps 2. After-tax
Net unrealized gains (losses) on real estate	(908)	(12,121)	(1,421)	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	63,384	63,384	63,384	
Contingency reserve	102,892	102,892	102,892	
Unallotted portion of reserve for policyholder dividends	22,154	22,154	22,154	
Excess amount of policy reserve based on Zillmer method	-	50,640	50,640	
Future profits	-	-	6,982	
Deferred tax assets for quasi-equity liabilities	(68,023)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.1%)
Deferred tax assets	-	-	48,726	
General reserve for possible loan losses	1,033	-	1,616	1. After-tax 3. Before-tax
Subordinated debt	-	-	55,000	
Net unrealized gains (losses) on subordinated debt	(351)	-	-	1. After-tax
Net unrealized gains (losses) on held-to-maturity securities, etc.	9,223	13,017	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>470,466</b>	<b>656,906</b>	<b>740,542</b>	

# 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)	<b>26,185</b>	<b>26,185</b>	<b>26,185</b>	
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	<b>(1,308)</b>	<b>(1,869)</b>	<b>(1,869)</b>	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	<b>489</b>	-	-	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	<b>420</b>	<b>420</b>	<b>420</b>	
Contingency reserve	<b>14,822</b>	<b>14,822</b>	<b>14,822</b>	
Unallotted portion of reserve for policyholder dividends	-	-	-	
Excess amount of policy reserve based on Zillmer method	-	<b>20,197</b>	<b>27,488</b>	2. Excludes due from reinsures related to variable annuities 3. Includes due from reinsures related to variable annuities
Future profits	-	-	<b>91</b>	
Deferred tax assets for quasi-equity liabilities	<b>(4,572)</b>	-	-	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	<b>3</b>	-	<b>4</b>	1. After-tax 3. Before-tax
Subordinated debt	-	-	-	
Net unrealized gains (losses) on subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities	<b>502</b>	<b>718</b>	-	1. After-tax 2. Before-tax
<b>Total</b>	<b>36,541</b>	<b>60,474</b>	<b>67,143</b>	

# 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.

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