

# T&D Holdings, Inc.

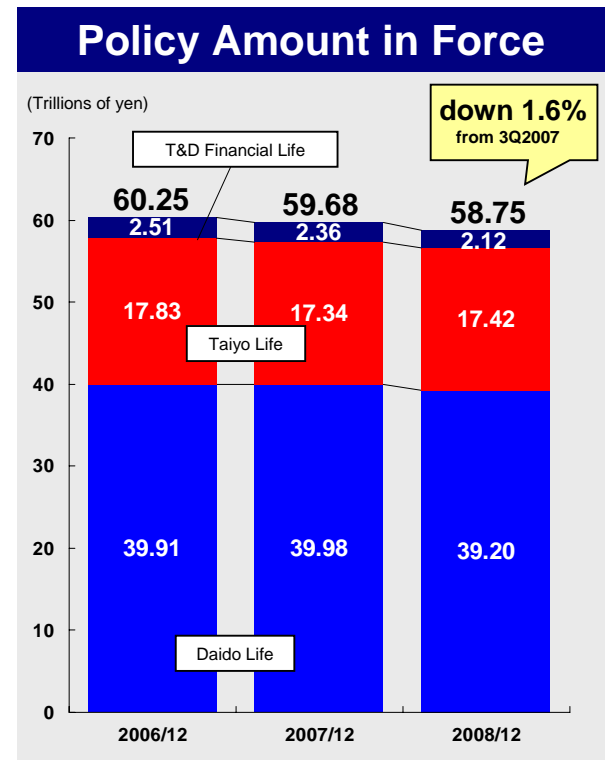
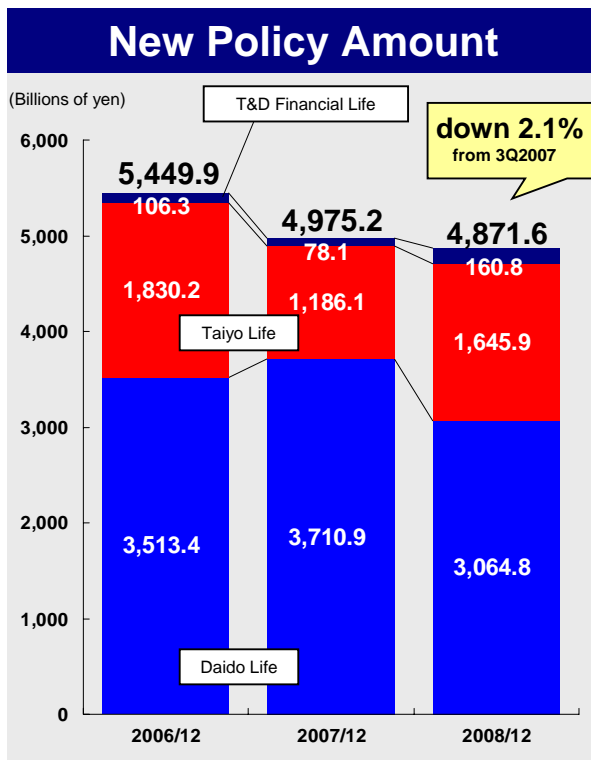
## **Financial Results for the Nine Months Ended December 31, 2008**

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- **The new policy amount for the three life insurance companies declined and the surrender and lapse amount rose from the same term of the previous fiscal year. The total policy amount in force decreased from the beginning of fiscal 2008**
- **Stock market drop and the appreciation of the Japanese yen deteriorated the net investment income, which made the ordinary profit and net income negative as well as the core profit sharply reduced year on year**
- **Revised full year forecasts due to the business results for the nine months ended December 2008**

- We have three points that we would like to explain.
- First, the new policy amount for the three life insurance companies declined and the surrender and lapse amount rose from the same term of the previous fiscal year. The total policy amount in force decreased from the beginning of fiscal 2008.
- Second, stock market drop and the appreciation of the Japanese yen deteriorated the net investment income, which made the ordinary profit and net income negative as well as the core profit sharply reduced year on year.
- Third, we revised full year forecasts due to the business results for the nine months ended December 2008.

# Sales Results



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

- As for the total sales results for individual insurance and individual annuities for the three life insurance companies, the new policy amount came to 4,871.6 billion yen, down 2.1% year-on-year.
- The total policy amount in force for the three life insurance companies totaled to 58,751.0 billion yen, down 1.6% from 59,340.3 billion yen as of the beginning of this fiscal year.
- We would like to go into sales results of the each company in further detail from the following pages.

# Sales Results: Daido Life



(Billions of yen)

	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2007	Changes
<b>New policy amount*</b>			
Individual insurance and annuities total	3,064.8	3,710.9	(17.4%)
Individual term life insurance	2,962.8	3,604.4	(17.8%)
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	3,761.2	3,456.3	8.8%
Individual term life insurance	3,507.0	3,199.1	9.6%
Surrender and lapse amount	2,982.0	2,748.3	8.5%
Surrender and lapse rate***	9.97%	9.22%	0.75P
Individual term life insurance	2,833.3	2,607.4	8.7%
<b>Policy amount in force</b>			
Individual insurance and annuities total	39,200.7	39,986.7	(2.0%)
Individual term life insurance	35,631.2	36,223.4	(1.6%)
<b>Annualized premiums of new policies*</b>	48.5	57.2	(15.1%)
<b>Annualized premiums of total policies</b>	676.1	692.0	(2.3%)

No positive factor such as the revision of premium rate in the previous fiscal year and deteriorating business sentiment

Due to an increase in surrender of products with high cash value such as ultra-long term insurance reflecting deteriorating business sentiment

Decreased by ¥696.3 billion from the beginning of the fiscal year

Decreased by ¥544.1 billion from the beginning of the fiscal year

\* Includes net increase from conversion

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

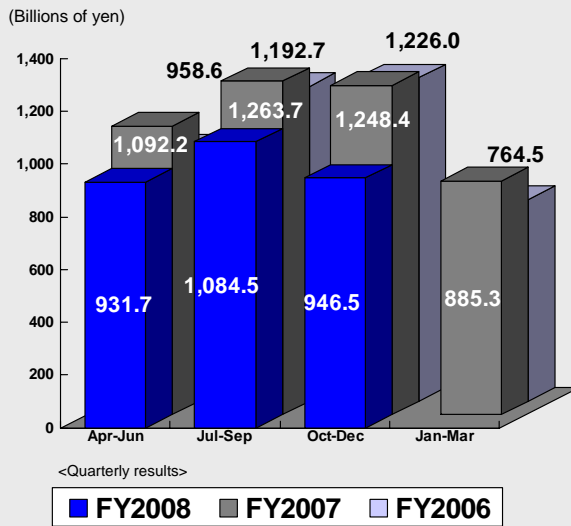
\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4/3

- The total new policy amount for individual insurance and individual annuities decreased by 17.4% year-on-year, to 3,064.8 billion yen, and the new policy amount for individual term life insurance decreased by 17.8% year-on-year, to 2,962.8 billion yen. This was because Daido has no positive factor such as the revision of premium rate in previous fiscal year, and business sentiment has been worsening.
- The surrender and lapse amount increased by 8.5% from the same term of the previous year, to 2,982.0 billion yen. The annualized surrender and lapse rate was 9.97%, rose by 0.75 points year on year. This was mainly because surrender of products with high cash value such as ultra-long term insurance increased against the backdrop of deteriorating business sentiment.
- As a result, the policy amount in force totaled 39,200.7 billion yen, down from 39,897.1 billion yen at the beginning of fiscal 2008.

# Quarterly Trends: Daido Life Individual Term Life Insurance

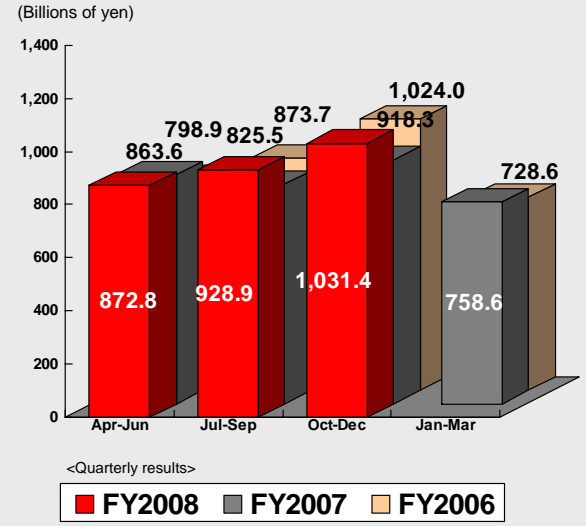


**Trends in New Policy Amount\***



\* New policy amount includes net increase from conversion

**Trends in Surrender and Lapse Amount**



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

# Sales Results: Taiyo Life



(Billions of yen)

	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2007	Changes
<b>New policy amount*</b>			
Individual insurance and annuities total	1,645.9	1,186.1	38.8%
Protection-oriented products	1,521.3	1,058.4	43.7%
Net increase from conversion	501.8	213.8	134.7%
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	1,406.6	1,489.2	(5.5%)
Surrender and lapse amount	949.8	1,032.2	(8.0%)
Surrender and lapse rate***	7.37%	7.80%	(0.43P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	17,421.5	17,341.4	0.5%
Protection-oriented products	12,795.5	12,498.3	2.4%
<b>Annualized premiums of new policies*</b>	26.7	25.7	4.1%
<b>Annualized premiums of total policies</b>	620.0	643.7	(3.7%)

"Taiyo Life's *Hoken Kumikyoku Best*" launched in October 2008 has been sold well

Due to a continued focus on the improvement of persistency rate

-Increased by ¥239.3 billion from the beginning of the fiscal year  
-The proportion of the protection-type products is 73.4%, up 1.3 points from the beginning of FY2008

Includes ¥7.6 billion of 3rd sector products (up 1.7% y-o-y)

Includes ¥110.9 billion of 3rd sector products (down 0.6% 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

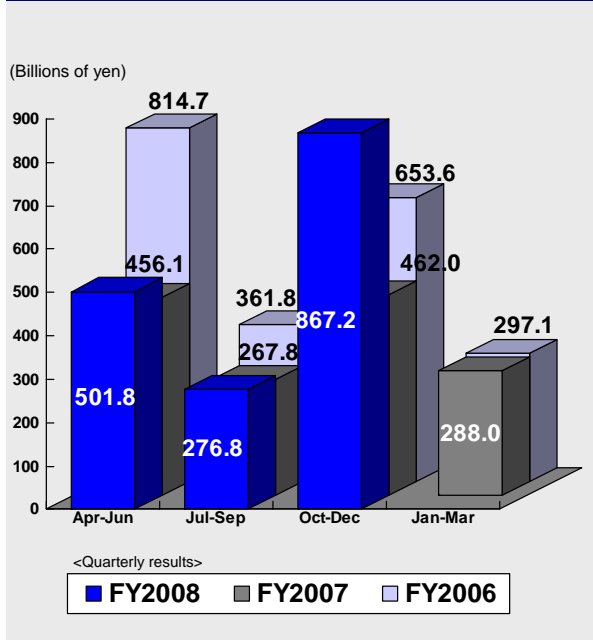
\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4/3

- The total new policy amount for individual insurance and individual annuities increased by 38.8% year-on-year, to 1,645.9 billion yen mainly because "Taiyo Life's *Hoken Kumikyoku Best*" launched in October 2008 has been sold well.
- The surrender and lapse amount improved by 8.0% year-on-year, mainly due to a continued focus on improvement of persistency rate. Surrender and lapse rate improved 0.43 points year on year, to 7.37%.
- Total policy amount in force increased by 239.3 billion yen from the beginning of fiscal 2008, to 17,421.5 billion yen.

# Quarterly Trends: Taiyo Life Individual Insurance and Annuities

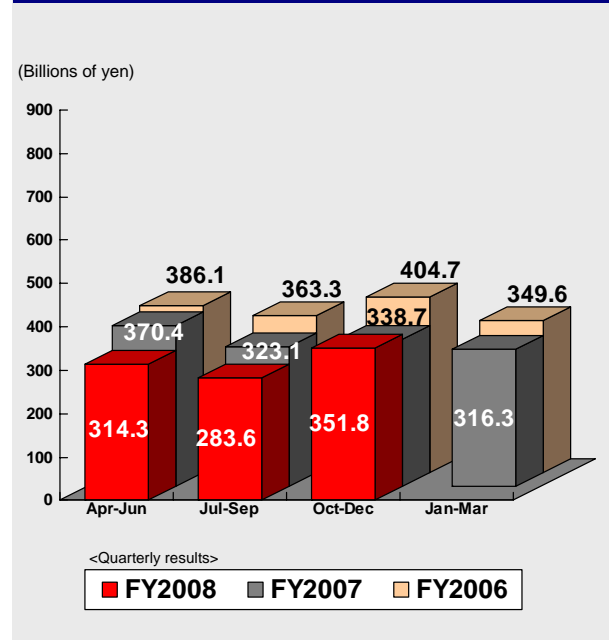


### Trends in New Policy Amount\*



\* New policy amount includes net increase from conversion

### Trends in Surrender and Lapse Amount



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

# Sales Results: T&D Financial Life



## Individual Variable Annuities Sales Update

	Nine Months Ended Dec. 31, 2008		Nine Months Ended Dec. 31, 2007	
	Number of Policies	Insurance premiums	Number of Policies	Insurance premiums
Sales results	26,660	162.6 bn yen	10,058	87.4 bn yen
Over-the-counter sales at banks*	26,558	161.4 bn yen	8,694	72.8 bn yen
Number of financial Institution agents*	57 Banks, 3 Security Firms, 2 other agents		53 Banks, 3 Security Firms, 2 other agents	

\* Banks include Shinkin (Credit Association) banks

(Billions of yen)

Includes an additional ¥1.8 billion insurance premiums paid by existing policyholders on exercise of additional coverage options

	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2007	Changes
<b>New Policy Amount*</b>			
Individual variable annuities	160.8	78.1	105.9%
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	293.1	240.2	22.0%
Surrender and lapse amount	106.3	130.0	(18.2%)
Individual variable annuities	14.0	22.8	(38.4%)
Surrender and lapse rate***	3.14%	4.89%	(1.75P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	2,128.7	2,361.2	(9.8%)
Individual variable annuities	637.8	645.7	(1.2%)
<b>Annualized premiums of new policies*</b>	30.4	10.6	184.3%
<b>Annualized premiums of total policies</b>	125.1	98.7	26.8%

\* 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 4/3

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

Increased by ¥82.7 billion y-o-y, due to the favorable sales of new GMLB-type variable annuity called "Five Ten" launched in the end of June 2008

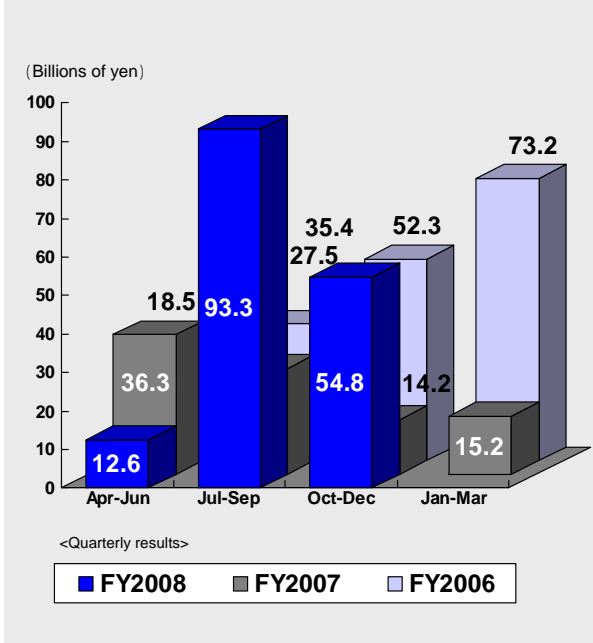
The number of policies and the policy amount in force for the individual variable annuities increased in net by 24,572 policies and ¥41.0 billion from the beginning of this fiscal year

- The new policy amount for individual variable annuities increased by 82.7 billion yen year-on-year, to 160.8 billion yen, due to the favorable sales of new variable annuity product "Five Ten" launched in the end of June 2008.
- As a result, the total policy amount in force for individual variable annuities increased by 41.0 billion yen from 596.8 billion yen of the beginning of this fiscal year, to 637.8 billion yen.
- In addition, the number of financial institution agents came to 67 as of February 12, 2009, including 4 agents which are in preparation toward selling T&D Financial's products.

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

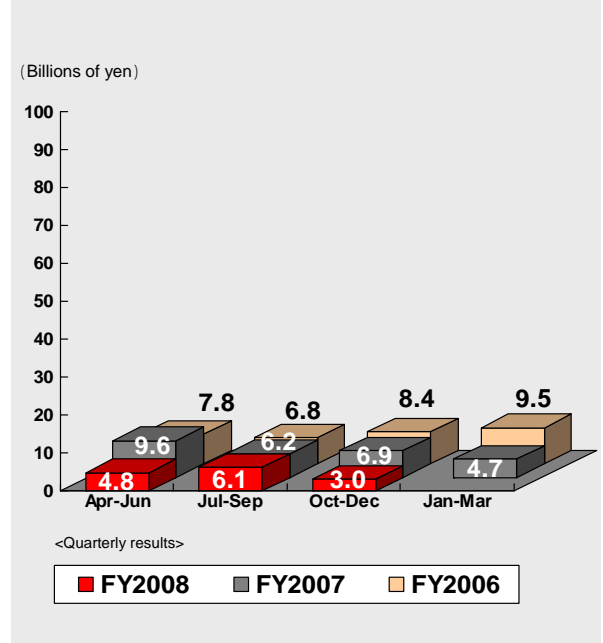


### Trends in New Policy Amount\*



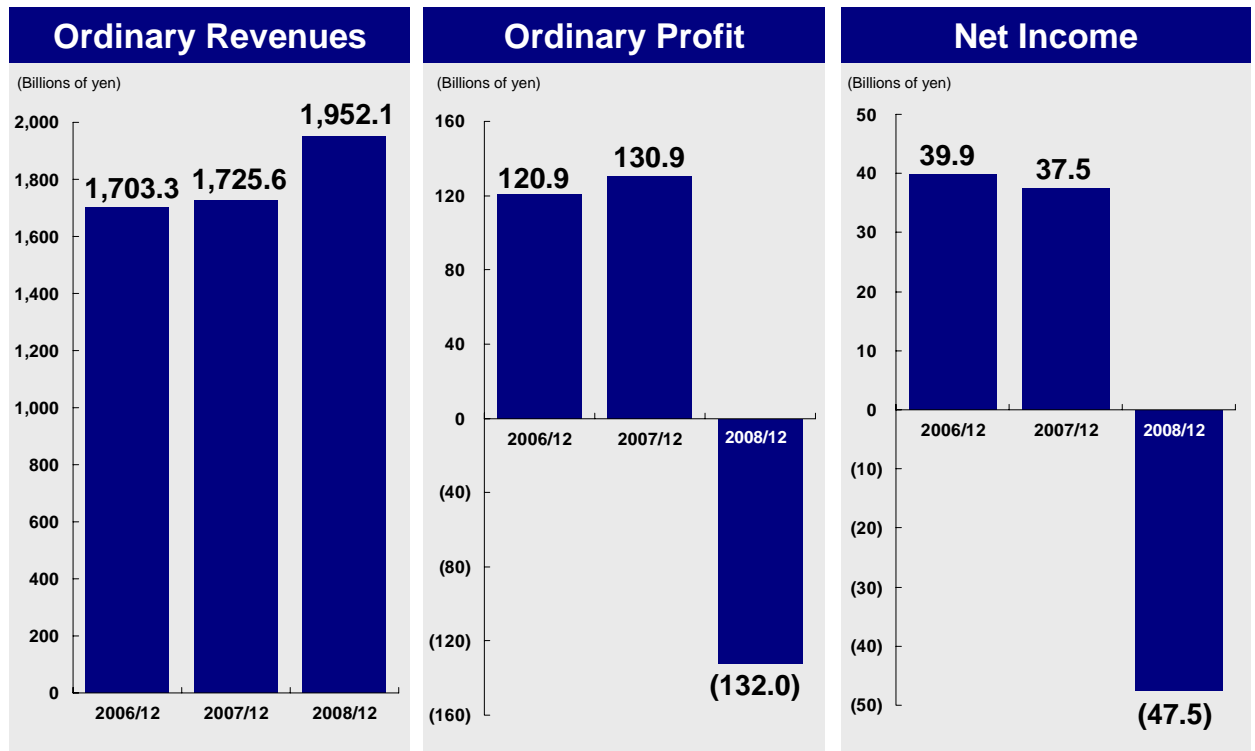
\* New policy amount includes net increase from conversion

### Trends in surrender and Lapse Amount



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

# Consolidated Operation Results



- Consolidated operation results are shown in the graph.
- Stock market drop and the appreciation of the Japanese yen deteriorated the net investment income, which made the ordinary profit and net income negative.
- We would like to explain about consolidated statement of operations in further detail in the following page.

# Consolidated Statements of Operations



	(Billions of yen)		
	Nine Months Ended December 31, 2008	Nine Months Ended December 31, 2007	Changes
<b>Ordinary revenues</b>	<b>1,952.1</b>	<b>1,725.6</b>	<b>226.4</b>
Income from insurance premiums	1,256.8	1,230.9	25.8
Investment income	320.3	296.0	24.2
Interest, dividends and income from real estate for rent	190.6	210.9	(20.3)
Gains on investments in trading securities, net	-	3.6	(3.6)
Gains on sale of securities	90.5	64.9	25.5
Gains from derivatives, net	16.5	-	16.5
Other ordinary income	374.9	198.6	176.3
Reversal of policy reserve	311.2	141.3	169.8
<b>Ordinary expenses</b>	<b>2,084.1</b>	<b>1,594.6</b>	<b>489.4</b>
Insurance claims and other payments	1,394.8	1,270.6	124.2
Provision for policy and other reserves	0.6	0.6	(0.0)
Investment expenses	464.8	112.7	352.1
Losses on investments in trading securities, net	38.1	-	38.1
Losses on sale of securities	181.3	27.1	154.2
Devaluation losses on securities	63.5	18.4	45.1
Losses from derivatives, net	-	18.0	(18.0)
Other investment expenses	69.1	12.2	56.9
Operating expenses	160.3	154.4	5.9
Other ordinary expenses	63.4	56.1	7.2
<b>Ordinary profit (loss)</b>	<b>(132.0)</b>	<b>130.9</b>	<b>(263.0)</b>
<b>Net extraordinary gains (losses)</b>	<b>96.0</b>	<b>(20.5)</b>	<b>116.6</b>
<b>Provision for reserve for policyholder dividends</b>	<b>16.4</b>	<b>37.6</b>	<b>(21.2)</b>
<b>Income (Loss) before income taxes</b>	<b>(52.4)</b>	<b>72.7</b>	<b>(125.1)</b>
<b>Income taxes</b>	<b>(4.9)</b>	<b>35.1</b>	<b>(40.1)</b>
<b>Net income (loss)</b>	<b>(47.5)</b>	<b>37.5</b>	<b>(85.0)</b>

-Daido: down ¥15.8 billion  
-Taiyo: down ¥30.8 billion  
-T&D Financial: up ¥72.4 billion

-Daido: down ¥11.0 bn, mainly due to a drop in dividends from private equity funds  
-Taiyo: Mainly due to a decrease in interests from foreign currency-denominated bonds

Taiyo: ¥73.2 billion

Includes foreign exchange forward contracts-related:  
-Daido: ¥18.1 billion  
-Taiyo: ¥(0.7) billion

Due to a decrease in net gains on hedge funds for Daido

-Daido: up ¥93.2 billion, mainly due to group annuities  
-Taiyo: up ¥38.0 billion, mainly due to group annuities

-Daido: ¥45.6 billion (up ¥41.7 bn y-o-y)  
-Taiyo: ¥135.4 billion (up ¥112.4 bn y-o-y)

-Daido: ¥32.0 billion (up ¥20.6 bn y-o-y)  
-Taiyo: ¥31.3 billion (up ¥24.1 bn y-o-y)

Daido sold the investment trusts with unrealized losses

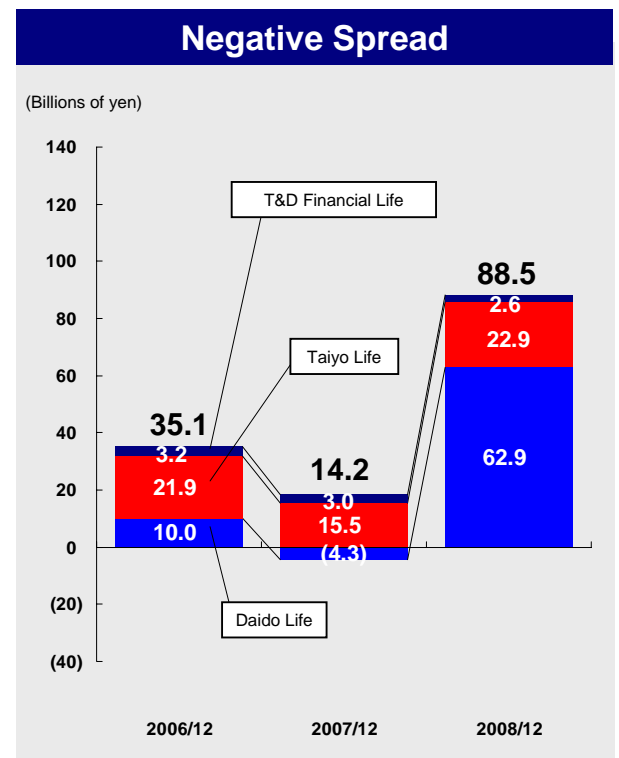
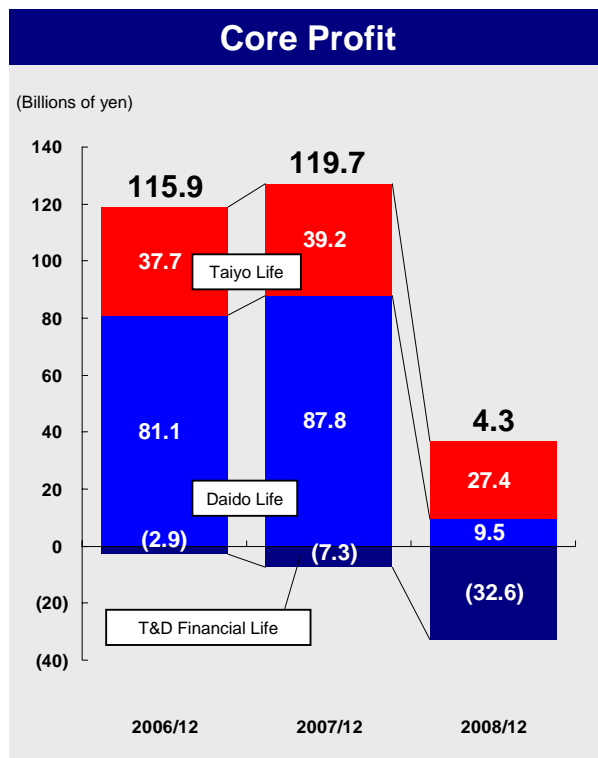
Including ¥95.5 billion yen of reversal of reserve for price fluctuations  
-Daido: ¥33.6 billion  
-Taiyo: ¥61.8 billion

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

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- The Consolidated statements of operations is shown in the table. We would like to explain about ordinary profit and net income.
- Ordinary profit was negative ¥132.0 billion yen, down 263.0 billion yen year-on-year. This was due to a decrease in net gains/losses on sale of securities, net gains/losses on investments in trading securities, and interest and dividend income, as well as an increase in devaluation losses on securities and other investment expenses. Other investment expenses increased because Daido's realized losses expanded by selling the investment trusts with unrealized losses.
- While ordinary profit declined 263.0 billion yen, net income decreased 85.0 billion yen year on year, to negative 47.5 billion yen. This was because Daido and Taiyo reversed 95.5 billion yen of reserve for price fluctuations (22.8 billion yen of provision for the same term of the previous fiscal year) and income taxes decreased.

# Core Profit/ Negative Spread



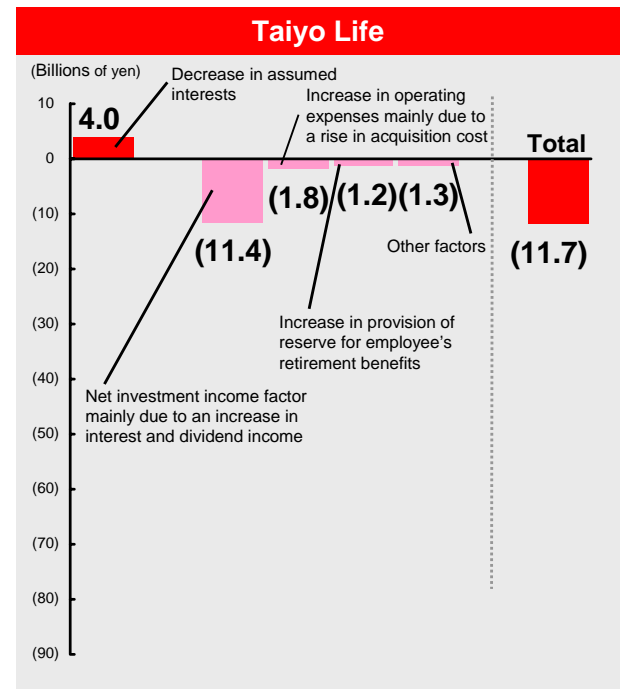
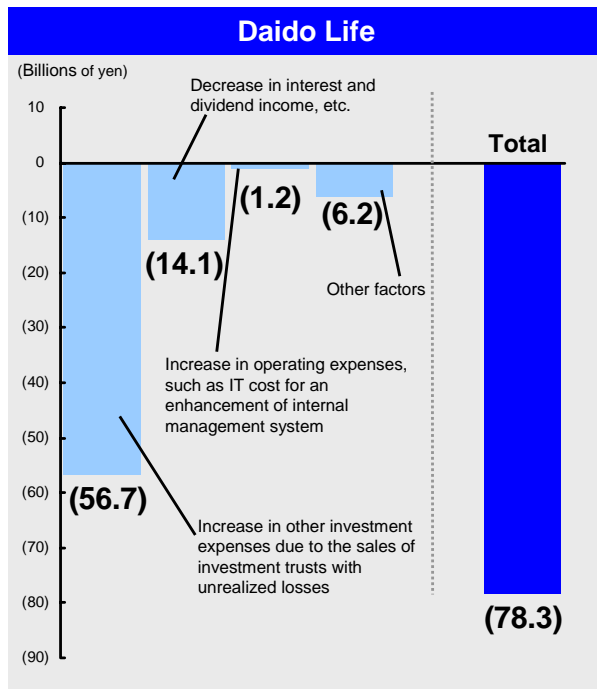
\* Daido Life's spread turned positive (4.3 billion yen) for 3Q2007.

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

- The total core profit decreased 115.4 billion yen from the same term of the previous fiscal year, to 4.3 billion yen. The main factor was a 56.7 billion yen of increase in Daido's other investment expenses due to the sale of the investment trusts with unrealized losses, a 25.3 billion yen of increase in provision for policy reserves relating to minimum guarantee risks at T&D Financial Life, and a 21.5 billion yen of decrease in interest and dividend income for three companies.
- The total negative spread for the three companies increased 74.3 billion yen from the same term of the previous year, to 88.5 billion yen.

# Factors for Increase/Decrease in Core Profit

## Factors for Increase/ Decrease in Core Profit for 3Q2008 (vs. 3Q2007)



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

# Consolidated Balance Sheets



The reversal of reserve for price fluctuations  
 -Daido: down ¥33.6 billion  
 -Taiyo: down ¥61.8 billion

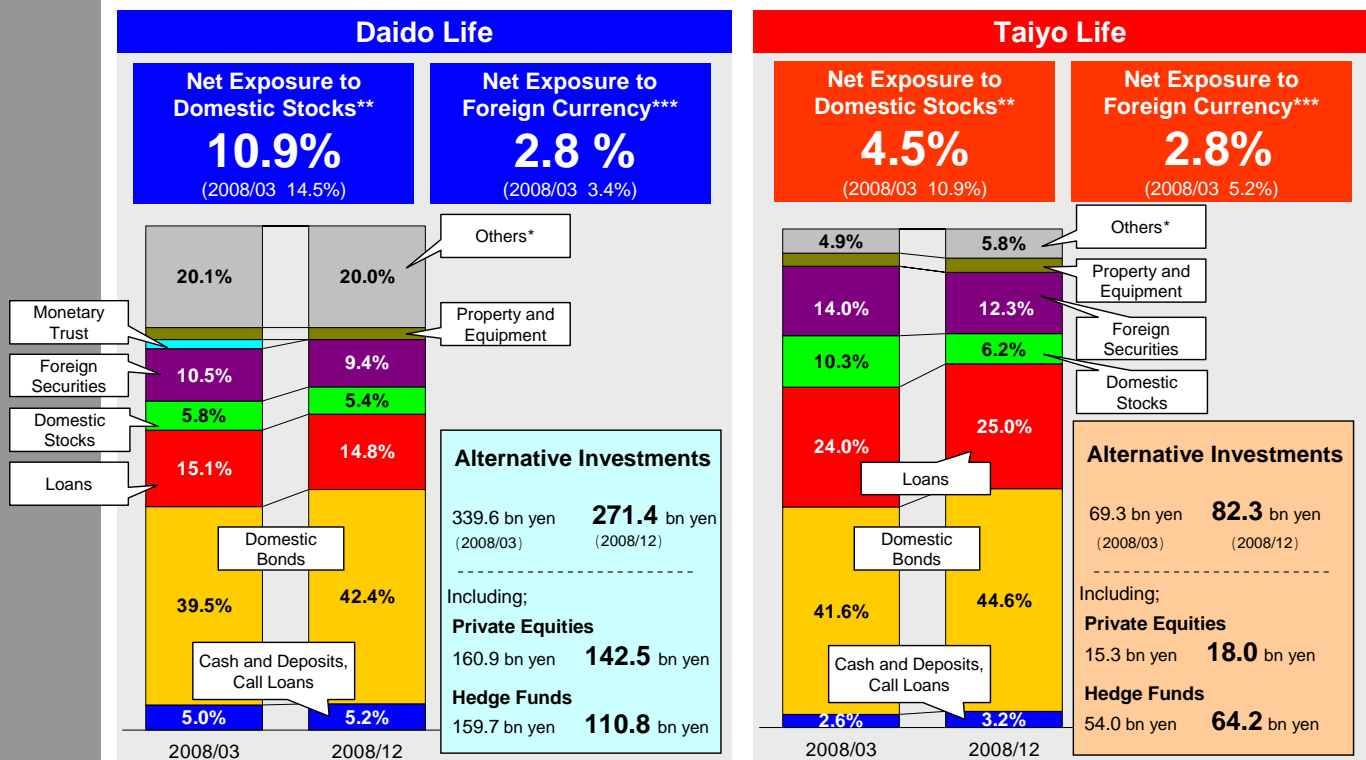
-Taiyo: down ¥26.9 billion, the reversal  
 of contingency reserve

(Billions of yen)				(Billions of yen)			
	As of Dec. 31, 2008	As of March 31, 2008	Changes		As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Assets:</b>				<b>Liabilities:</b>			
Cash and deposits, call loans	621.9	588.2	33.6	Total policy reserves	11,798.8	12,137.7	(338.9)
Monetary claims purchased	516.8	430.5	86.2	Policy reserve	11,564.3	11,875.6	(311.2)
Monetary trusts	82.0	134.7	(52.6)	Contingency reserve	174.1	198.2	(24.0)
Securities	8,319.6	9,244.5	(924.9)	Reserve for price fluctuations	41.7	137.2	(95.5)
Loans	2,236.4	2,363.4	(127.0)	<b>Total liabilities</b>	<b>12,218.7</b>	<b>12,688.7</b>	<b>(470.0)</b>
Tangible fixed assets	306.7	309.2	(2.4)	<b>Net assets:</b>			
Other assets	209.8	199.0	10.8	Total stockholders' equity	412.2	475.9	(63.7)
Defferd tax assets	212.0	66.4	145.6	Common stock	118.5	118.5	-
Reserve for possible loan losses	(2.7)	(3.9)	1.1	Capital surplus	106.1	106.1	(0.0)
<b>Total assets</b>	<b>12,538.5</b>	<b>13,366.0</b>	<b>(827.5)</b>	Retained earnings	188.4	251.9	(63.4)
				Total valuation and translation adjustment	(94.1)	199.4	(293.5)
				Net unrealized gains on securities	(46.4)	246.8	(293.3)
				Land revaluation	(48.0)	(48.0)	(0.0)
				<b>Total net assets</b>	<b>319.8</b>	<b>677.2</b>	<b>(357.4)</b>
				<b>Total liabilities and net assets</b>	<b>12,538.5</b>	<b>13,366.0</b>	<b>(827.5)</b>

-Daido: down ¥167.1 billion  
 -Taiyo: down ¥ 129.3 billion

- The consolidated balance sheets is shown in the table.

# General Account Assets Composition



\*Others; Other Securities (mainly investment trusts), Deferred Tax Assets, Monetary Claims Purchased and Other Assets \*\* Net exposure to domestic stocks adjusting the hedging position and including stocks held in monetary and investment trusts \*\*\* Net foreign currency exposure adjusting for hedges \*\*\*\* Calculation of each net exposure is based on each company's method. T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

- The each general assets compositions are shown in the graphs.
- The net exposure to domestic stocks was 10.9% for Daido, 4.5% for Taiyo. The net exposure declined by 3.6 points for Daido and by 6.4 points for Taiyo year on year, mainly because both Daido and Taiyo cut down these exposures from the view point of risk management and fair value dropped. The net foreign currency exposure for each company was 2.8% for Daido, 2.8% for Taiyo.
- The alternative investments for each company as of December 31, 2008 was 271.4 billion yen for Daido, 82.3 billion yen for Taiyo.
- As for 4Q2008 investment initiatives, Daido basically maintains status quo. For alternative investment, Daido plans to slightly decrease the exposure of hedge funds considering these liquidity, and watch the condition of private equity market carefully. In addition, Daido would cut down the market-risk assets if the market takes a step to drop.
- Taiyo also basically maintains status quo because they sharply reduced the domestic and foreign stocks as well as foreign currency exposure in 3Q2008. However, Taiyo would cut down these exposure according to the market conditions. For alternative investments, Taiyo plans to sell the hedge funds which don't improve the evaluations of investment policy, system, etc.

# Unrealized Gains/Losses (General Account Assets)



(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life		Total		
	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>(33.4)</b>	<b>163.8</b>	<b>86.8</b>	<b>266.6</b>	<b>5.2</b>	<b>1.4</b>	<b>58.6</b>	<b>432.0</b>	<b>(373.3)</b>
Domestic bonds	22.7	30.7	109.3	63.1	5.2	1.5	137.3	95.4	41.9
Domestic stocks	52.6	114.7	17.8	210.5	-	-	70.4	325.3	(254.8)
Foreign securities	(16.8)	(3.8)	(42.0)	0.7	(0.0)	(0.0)	(58.8)	(3.1)	(55.7)
Other securities	(97.3)	16.4	(1.8)	(11.0)	-	(0.0)	(99.1)	5.3	(104.4)
Monetary claims purchased	5.3	5.4	3.4	3.2	-	-	8.8	8.7	0.1
Certificates of deposit	-	-	-	0.0	-	-	-	0.0	(0.0)
Monetary trusts	-	0.3	-	-	-	-	-	0.3	(0.3)

\*Securities with market value

<b>Net unrealized gains/losses on real estate</b>	<b>32.9</b>	<b>35.2</b>	<b>36.0</b>	<b>35.8</b>	<b>-</b>	<b>-</b>	<b>69.0</b>	<b>71.0</b>	<b>(2.0)</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.

- The total net unrealized gains on securities of the three life insurance companies came to 58.6 billion yen, down 373.3 billion yen from the beginning of this fiscal year mainly due to the stock market drop and appreciation of the yen. The net unrealized gains on domestic bonds increased mainly due to the interest rate declined.

# Financial Soundness, Adjusted Net Worth on EEV

(Billions of yen)

	As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Daido Life</b>			
Solvency margin ratio	800.6%	1,096.3%	(295.7P)
Adjusted net assets	458.8	777.2	(318.3)
Adjusted net worth on EEV	311.9	532.9	(220.9)
<b>Taiyo Life</b>			
Solvency margin ratio	820.4%	1,000.6%	(180.2P)
Adjusted net assets	376.1	659.7	(283.5)
Adjusted net worth on EEV	310.7	484.7	(173.9)
<b>T&amp;D Financial Life</b>			
Solvency margin ratio	963.3%	912.4%	50.9P
Adjusted net assets	97.0	63.7	33.2
Adjusted net worth on EEV	73.0	39.5	33.5
<b>Total of Three Insurance Companies</b>			
Adjusted net assets	932.0	1,500.7	(568.7)
Adjusted net worth on EEV	* 655.7	1,057.1	(401.4)

Mainly due to a decrease in unrealized gains on available-for-sale securities and a decrease in internal reserves as quasi-equity liabilities

Mainly due to a 40 billion yen of capital increase in December 2008, while provision for policy reserve for minimum guarantee risks increased

\* Although T&D Financial Life increased its capital by 40.0 billion yen on December 2008 (Share allottee; T&D Holdings), T&D Holdings doesn't increase its capital. Therefore Group's adjusted net worth on EEV is the amount excluding 40.0 billion yen from the sum of three companies.

- The solvency margin ratio, adjusted net assets as well as adjusted net worth used for the calculation of the European Embedded Value (EEV) were shown in the table.

# Forecasts for the Year Ending March 31, 2009



- Revised full year forecasts for FY2008 announced on November 19, 2008 according to the stock market drop and the business result for the nine months ended in December 2008

## T&D Holdings' Consolidated Forecasts

				(Billions of yen)	
	Full Year Forecast	Nine Months Ended December 31, 2008	Progress Rate	Previous forecast on Nov. 19, 2008	(Ref.) Year Ended March 31, 2008
Ordinary revenues	2,400	1,952.1	81.3%	2,340	2,330.0
Ordinary profit (loss)	(155)	(132.0)	-	56	155.7
Net income (loss)	(84)	(47.5)	-	2	36.7

## Total of Three Life Insurance Companies

				(Billions of yen)	
	Full Year Forecast	Nine Months Ended December 31, 2008	Progress Rate	Previous forecast on Nov. 19, 2008	(Ref.) Year Ended March 31, 2008
New policy amount	6,010	4,871.6	81.1%	6,260	6,201.8
Policy amount in force	58,330	58,751.0	-	58,790	59,340.3
Income from insurance premiums	1,710	1,256.7	73.5%	1,780	1,613.1
Core profit	10	4.3	43.0%	98	159.7
Negative spread	107	88.5	82.7%	44	-

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

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

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- The full year forecasts for the year ending March 31, 2009 are shown in the table.
- T&D holdings revised the previous forecasts announced on November 19, 2008 due to the stock market drop and the business results for the nine months ended December 2008.
- Forecast for ordinary profit is negative 155 billion yen, down 211 billion yen from 56 billion yen of the previous forecast. This is because losses on sale of securities and devaluation losses on securities are expected to increase.
- While ordinary profit is forecasted to decrease 211 billion, reserve for price fluctuations are expected to be reversed. As a result, forecast for net income is negative 84 billion yen, down 86 billion yen from 2 billion yen of the previous forecast.
- Forecasts for new policies, policies in force, core profit, and negative spread for three companies total were revised downward reflecting Daido's and T&D Financial's revised forecasts.

# [Reference] Forecasts for the Year Ending March 31, 2009



(Billions of yen)

	Daido Life			Taiyo Life			T&D Financial Life		
	Full Year Forecast	Previous Forecast [2008/11/19]	Year Ended March 31, 2008	Full Year Forecast	Previous Forecast [2008/11/19]	Year Ended March 31, 2008	Full Year Forecast	Previous Forecast [2008/11/19]	Year Ended March 31, 2008
<b>Ordinary revenues</b>	<b>1,170</b>	1,120	1,136.3	<b>1,050</b>	1,080	1,000.3	<b>310</b>	320	180.4
Income from insurance premiums	820	830	843.3	630	640	635.7	260	310	134.0
<b>Ordinary profit (loss)</b>	<b>(69)</b>	37	104.6	<b>(60)</b>	41	57.0	<b>(29)</b>	(25)	(9.6)
Core profit	13	78	124.8	41	41	53.0	(44)	(21)	(18.1)
<b>Net income (loss)</b>	<b>(35)</b>	10	30.4	<b>(30)</b>	8	12.0	<b>(20)</b>	(17)	(6.9)
<b>New policy amount</b>	<b>3,860</b>	4,070	4,634.2	1,920	1,920	1,474.1	<b>230</b>	270	93.3
Core product	3,740	3,920	4,489.8	-	-	-	** 230	270	93.3
<b>Policy amount in force</b>	<b>38,950</b>	39,230	39,897.1	17,240	17,240	17,182.2	<b>2,140</b>	2,320	2,261.0
Core product	35,440	35,680	36,175.3	-	-	-	690	810	596.8
<b>Annualized premiums of total policies</b>	<b>670</b>	670	689.1	620	620	637.3	130	130	99.3
<b>Negative spread</b>	<b>79</b>	16	*** -	25	25	17.6	3	3	4.1
<b>Surrender and lapse rate</b>	<b>9.6%</b>	9.5%	8.93%	7.5%	7.5%	7.64%	<b>6.2%</b>	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 ¥240 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 Nine Months Ended December 31, 2008

- The full year forecasts for each company are shown in the table.
- As for the forecast for the new policy amount, Daido revised downward because the result for nine months ended December 2008 was slumping due to the worsening business sentiment among SMEs.
- T&D Financial also revised downward because the current market of OTC sales at banks are sluggish due to the turmoil of financial markets, although the T&D Financial's sales result for 3Q2008 was good due to the favorable sales of new variable annuities, "Five Ten" launched in the end of June 2008.

# Shareholders' Dividend

- Schedule to distribute 45 yen per share for the year ending March 2009, taking into account of the stable payment of shareholders' dividend, although the forecast for net income is negative 84.0 billion yen**

For the fiscal year ended March 31,	2005	2006	2007	2008	2009 [Scheduled]
Dividends per share	¥45	¥55	¥65	¥65	¥45
Total dividend amount	¥10.8 billion	¥13.5 billion	¥16.0 billion	¥16.0 billion	
Adjusted net income	¥37.1 billion	¥61.5 billion	¥63.8 billion	¥65.7 billion	
Net income in P/L	¥37.1 billion	¥35.5 billion	¥38.7 billion	¥36.7 billion	
Internal reserves as quasi-equity liabilities (after-tax)	-	¥26.0 billion	¥25.0 billion	¥28.9 billion	

- Under the dividend policy, we intend to return about 30 percent of adjusted net income (consolidated net income + excess amount of reserve for price fluctuations + excess amount of contingency reserve) to shareholders in the medium and long term, while maintaining financial soundness and capital efficiency of each subsidiaries.
- The forecasts for the year ending March 2009 were revised downward. The net income is estimated negative 84 billion yen, which will make adjusted net income negative. However, we schedule to distribute 45 yen per share for the year ending March 2009, taking into account of the stable payment of shareholders' dividend.

# Appendix

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# Non-Consolidated Statements of Operations: Daido Life



(Billions of yen)			
	Nine Months ended Dec. 31, 2008	Nine Months ended Dec. 31, 2007	Changes
<b>Ordinary revenues</b>	<b>929.4</b>	<b>832.6</b>	<b>96.8</b>
Income from insurance premiums	612.6	628.4	(15.8)
Individual insurance and annuities	493.4	501.2	(7.8)
Investment income	132.3	131.8	0.4
Interest, dividends and income from real estate for rent	95.6	106.6	(11.0)
Gains on investments in trading securities, net	-	3.6	(3.6)
Gains on sales of securities	17.3	9.8	7.5
Gains from derivatives, net	17.3	-	17.3
Other ordinary income	184.4	72.2	112.1
Reversal of policy reserve	174.6	61.3	113.3
<b>Ordinary expenses</b>	<b>1,007.8</b>	<b>746.3</b>	<b>261.4</b>
Insurance claims and other payments	703.5	610.3	93.2
Provision for policy and other reserves	0.5	0.6	(0.0)
Investment expenses	204.7	37.6	167.1
Losses on investments in trading securities, net	38.1	-	38.1
Losses on sales of securities	45.6	3.9	41.7
Devaluation losses on securities	32.0	11.3	20.6
Losses from derivatives, net	-	1.9	(1.9)
Other investment expenses	66.3	9.6	56.7
Operating expenses	87.1	85.9	1.2
Other ordinary expenses	11.7	11.8	(0.1)
<b>Ordinary profit (loss)</b>	<b>(78.3)</b>	<b>86.2</b>	<b>(164.6)</b>
<b>Net extraordinary gains (losses)</b>	<b>33.7</b>	<b>(4.8)</b>	<b>38.5</b>
Provision for reserve for policyholder dividends	7.9	27.1	(19.1)
<b>Income (Loss) before income taxes</b>	<b>(52.6)</b>	<b>54.2</b>	<b>(106.8)</b>
<b>Income taxes</b>	<b>(14.5)</b>	<b>24.6</b>	<b>(39.2)</b>
<b>Net income (loss)</b>	<b>(38.0)</b>	<b>29.5</b>	<b>(67.6)</b>

Includes remiums for individual term life insurance, a main product line, down by ¥1.6 billion y-o-y

Includes;  
-Dividends from investment trusts: up ¥5.3 bn  
-Dividends from private equity funds: down ¥11.2 bn  
-Dividends from stocks: down ¥1.8 bn  
-Interest from deposits: down ¥1.8 bn

Down ¥41.7 billion due to a decrease in net gains/losses on hedge funds

Includes [y-o-y increase/decrease];  
-Foreign exchange forward contracts-related: ¥18.1 bn [up ¥22.1 bn]  
-Stock-related: ¥(1.6) bn [down ¥4.2 bn]

Includes;  
-Insurance claims for group annuities: up ¥32.0 bn  
-Other payments for group annuities: up ¥30.0 bn  
-Surrender payments for group annuities: up ¥16.6 bn

Includes [y-o-y increase/decrease];  
-Other securities [investment trust]: ¥38.7 bn [up ¥38.6 bn]  
-Foreign securities: ¥6.5 bn [up ¥2.8 bn]

Includes [y-o-y increase/decrease];  
-Domestic stocks: ¥13.6 bn [up ¥2.6 bn]  
-Foreign securities: ¥4.5 bn [up ¥4.3 bn]  
-Other securities: ¥12.2 bn [up ¥12.1 bn], including private equities: ¥7.5 bn [up ¥7.5 bn], investment trusts: ¥4.6 bn [up ¥4.6 bn]

Sold the investment trusts with unrealized losses

Includes ¥33.6 billion of reversal of reserve for price fluctuations

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

- Non-consolidated statements of operations: Daido Life

# Non-Consolidated Statements of Operations: Taiyo Life



	(Billions of yen)		
	Nine Months ended Dec. 31, 2008	Nine Months ended Dec. 31, 2007	Changes
<b>Ordinary revenues</b>	<b>856.0</b>	<b>775.5</b>	<b>80.5</b>
Income from insurance premiums	460.4	491.2	(30.8)
Investment income	166.6	158.6	7.9
Interest, dividends and income from real estate for rent	92.9	103.4	(10.5)
Gains on sales of securities	73.2	54.8	18.3
Other ordinary income	228.9	125.5	103.4
Reversal of policy reserve	199.8	102.3	97.4
<b>Ordinary expenses</b>	<b>895.8</b>	<b>726.6</b>	<b>169.1</b>
Insurance claims and other payments	624.6	586.5	38.0
Provision for policy and other reserves	0.0	0.0	0.0
Investment expenses	174.4	52.2	122.2
Losses on sales of securities	135.4	23.0	112.4
Devaluation losses on securities	31.3	7.1	24.1
Losses from derivatives, net	0.8	16.1	(15.2)
Operating expenses	59.3	57.4	1.8
Other ordinary expenses	37.3	30.3	6.9
<b>Ordinary profit (loss)</b>	<b>(39.7)</b>	<b>48.8</b>	<b>(88.5)</b>
<b>Net extraordinary gains (losses)</b>	<b>62.3</b>	<b>(15.6)</b>	<b>78.0</b>
<b>Provision for reserve for policyholder dividends</b>	<b>8.5</b>	<b>10.4</b>	<b>(1.8)</b>
<b>Income before income taxes</b>	<b>14.0</b>	<b>22.7</b>	<b>(8.6)</b>
<b>Income taxes</b>	<b>13.0</b>	<b>10.5</b>	<b>2.4</b>
<b>Net Income</b>	<b>1.0</b>	<b>12.1</b>	<b>(11.1)</b>

Includes;  
-Individual insurance and annuities: down ¥19.4 bn  
-Group annuities: down ¥13.2 bn

Includes;  
-Interests from yen-denominated bonds: up ¥2.4bn  
-Interests from foreign currency-denominated bonds: down ¥7.6 bn  
-Dividends from other securities: down ¥2.5 bn  
-Dividends from foreign stocks: down ¥1.0 bn

Includes [y-o-y increase/decrease];  
-Domestic stocks: ¥39.5 bn [up ¥19.5 bn]  
-Domestic bonds, etc.: ¥18.4 bn [up ¥17.6 bn]  
-Foreign securities: ¥14.2 bn [down 18.4 bn]

Includes;  
-Individual insurance: up ¥7.4 bn  
-Individual annuities: up ¥14.5 bn  
-Group annuities: up ¥15.7 bn

Includes [y-o-y increase/decrease];  
-Domestic stocks: ¥44.6 bn [up ¥36.4 bn]  
-Domestic bonds, etc.: ¥1.7 bn [down ¥4.8 bn]  
-Foreign securities: ¥69.0 bn [up 61.4 bn]

Includes;  
-Domestic stocks: ¥17.0 bn  
-Foreign securities: ¥7.5 bn  
-Other securities: ¥6.7 bn

Includes foreign exchange forward contracts-related: ¥0.7bn [down ¥13.8 bn y-o-y]

Includes ¥61.8 billion of reversal of reserves for price fluctuations

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

- Non-consolidated statements of operations: Taiyo Life

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



(Billions of yen)

	Nine Months ended Dec. 31, 2008	Nine Months ended Dec. 31, 2007	Changes
<b>Ordinary revenues</b>	<b>220.8</b>	<b>126.7</b>	<b>94.1</b>
Income from insurance premiums	183.6	111.1	72.4
Individual variable annuities	162.6	87.4	75.2
Investment income	28.8	8.1	20.7
Interest, dividends and income from real estate for rent	3.1	3.1	(0.0)
Gains from monetary trusts, net	25.6	4.6	20.9
Other ordinary income	8.4	7.4	1.0
<b>Ordinary expenses</b>	<b>236.8</b>	<b>133.3</b>	<b>103.4</b>
Insurance claims and other payments	66.6	73.8	(7.1)
Provision for policy and other reserves	64.2	23.6	40.5
Provision for policy reserve relating to minimum guarantee risks	40.1	9.8	30.2
Investment expenses	91.6	22.8	68.7
Losses on separate accounts, net	91.1	22.6	68.5
Operating expenses	12.1	10.7	1.4
Other ordinary expenses	2.1	2.3	(0.1)
<b>Ordinary profit (loss)</b>	<b>(15.9)</b>	<b>(6.6)</b>	<b>(9.3)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(0.0)</b>
Provision for reserve for policyholder dividends	0.0	0.1	(0.1)
<b>Income (Loss) before income taxes</b>	<b>(15.9)</b>	<b>(6.7)</b>	<b>(9.1)</b>
Income taxes	(4.6)	(2.0)	(2.6)
<b>Net income (loss)</b>	<b>(11.2)</b>	<b>(4.7)</b>	<b>(6.5)</b>

-Hedge against stock price drop has worked, and this hedging gains were ¥25.6 billion recorded in "gains from monetary trusts, net"  
 -The difference between a ¥33.4 billion of provision arising from worsen investment performance and ¥25.6 billion above mentioned was mainly due to a worsen investment performance of unhedged funds of short-term domestic and foreign bonds

Breakdown by causes;  
 -Worsen investment performance: ¥33.4 billion  
 -Gained new policies: ¥6.7 billion

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

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



(Millions of yen)

	Nine Months ended Dec. 31, 2008	Nine Months ended Dec. 31, 2007	Changes
<b>Operating income</b>	<b>4,484</b>	<b>5,474</b>	<b>(990)</b>
Trustee fees	2,867	3,460	(592)
Investment management fees	1,612	2,014	(401)
Other operating income	3	-	3
<b>Operating expenses</b>	<b>1,949</b>	<b>2,074</b>	<b>(124)</b>
Commissions paid	1,022	1,131	(108)
Other operating expenses	927	942	(15)
<b>General and administrative expenses</b>	<b>2,181</b>	<b>1,831</b>	<b>350</b>
<b>Operating profit</b>	<b>352</b>	<b>1,568</b>	<b>(1,216)</b>
<b>Non-operating income</b>	<b>8</b>	<b>3</b>	<b>4</b>
<b>Non-operating expenses</b>	<b>49</b>	<b>0</b>	<b>48</b>
<b>Ordinary profit</b>	<b>311</b>	<b>1,571</b>	<b>(1,260)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
<b>Income before income taxes</b>	<b>310</b>	<b>1,570</b>	<b>(1,260)</b>
<b>Income taxes</b>	<b>138</b>	<b>651</b>	<b>(512)</b>
<b>Net income</b>	<b>171</b>	<b>919</b>	<b>(747)</b>

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

# Non-Consolidated Balance Sheets: Daido Life



(Billions of yen)

(Billions of yen)

	As of Dec. 31, 2008	As of March 31, 2008	Changes		As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Assets</b>				<b>Liabilities</b>			
Cash and deposits, call loans	288.5	297.2	(8.6)	Total policy reserves	5,195.0	5,392.1	(197.1)
Monetary claims purchased	379.7	270.0	109.6	Policy reserve	5,041.8	5,216.5	(174.6)
Monetary trusts	18.5	104.6	(86.1)	Contingency reserve	82.4	82.6	(0.1)
Securities	3,713.1	4,159.6	(446.5)	Other liabilities	79.2	101.8	(22.5)
Domestic bonds	2,350.0	2,394.0	(44.0)	Reserve for price fluctuations	39.8	73.5	(33.6)
Domestic stocks	310.9	375.6	(64.7)	<b>Total liabilities</b>	<b>5,392.2</b>	<b>5,673.4</b>	<b>(281.2)</b>
Foreign securities	527.3	653.4	(126.1)	<b>Net assets</b>			
Other securities	524.7	736.3	(211.6)	Total stockholders' equity	215.6	261.8	(46.2)
Loans	811.4	890.3	(78.8)	Common stock	75.0	75.0	-
Tangible fixed assets	140.3	140.4	(0.0)	Capital surplus	0.0	0.0	-
Other assets	71.0	131.5	(60.5)	Retained earnings	140.5	186.7	(46.2)
Deferred tax assets	122.2	44.1	78.1	Total valuation and translation adjustments	(54.7)	112.5	(167.3)
<b>Total assets</b>	<b>5,553.0</b>	<b>6,047.8</b>	<b>(494.7)</b>	Net unrealized gains on securities	(55.2)	111.8	(167.1)
				<b>Total net assets</b>	<b>160.8</b>	<b>374.4</b>	<b>(213.5)</b>
				<b>Total liabilities and net assets</b>	<b>5,553.0</b>	<b>6,047.8</b>	<b>(494.7)</b>

-Domestic bonds: due to a decline in reserve for group annuities  
 -Domestic stocks: due to a decline in fair value  
 -Foreign securities: due to selling off the foreign bonds and a drop in fair value of hedge funds  
 -Other securities: due to cancellation of the investment trusts and a decline in fair value

-Domestic securities: ¥(21.3) billion  
 -Foreign securities: ¥(39.2) billion  
 -Monetary claims purchased: ¥5.3 billion

- Non-consolidated balance sheets: Daido Life

# Non-Consolidated Balance Sheets: Taiyo Life



(Billions of yen)				(Billions of yen)			
	As of Dec. 31, 2008	As of March 31, 2008	Changes		As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Assets</b>				<b>Liabilities</b>			
Cash and deposits, call loans	186.4	159.8	26.5	Total policy reserves	5,527.8	5,731.1	(203.2)
Monetary claims purchased	137.1	160.5	(23.3)	Policy reserve	5,452.2	5,652.0	(199.8)
Securities	3,654.3	4,152.4	(498.0)	Contingency reserve	75.0	101.9	(26.9)
Domestic bonds	2,566.2	2,575.1	(8.8)	Reserve for price fluctuations	1.4	63.2	(61.8)
Domestic stocks	357.0	638.5	(281.4)	<b>Total liabilities</b>	<b>5,634.4</b>	<b>5,931.2</b>	<b>(296.8)</b>
Foreign securities	710.9	867.2	(156.2)	<b>Net assets</b>			
Other securities	20.0	71.5	(51.4)	Total stockholders' equity	159.5	166.3	(6.7)
Loans	1,438.8	1,481.8	(43.0)	Common stock	37.5	37.5	-
Tangible fixed assets	160.7	162.2	(1.4)	Capital surplus	37.5	37.5	-
Deferred tax assets	71.6	11.2	60.3	Retained earnings	84.5	91.3	(6.7)
Reserve for possible loan losses	(1.5)	(2.5)	0.9	Total valuation and translation adjustments	(41.3)	87.9	(129.3)
<b>Total assets</b>	<b>5,752.6</b>	<b>6,185.5</b>	<b>(432.9)</b>	Net unrealized gains on securities	6.7	136.1	(129.3)
				Land revaluation	(48.0)	(48.0)	(0.0)
				<b>Total net assets</b>	<b>118.2</b>	<b>254.3</b>	<b>(136.0)</b>
				<b>Total liabilities and net assets</b>	<b>5,752.6</b>	<b>6,185.5</b>	<b>(432.9)</b>

-Domestic bonds: due to a decrease in total funds  
 -Domestic stocks: due to a decline in fair value and selling off  
 -Foreign securities: due to a decrease in fair value and selling off  
 -Other securities: due to selling off

-Domestic securities: ¥35.0 billion  
 -Foreign securities: ¥(28.2) billion  
 -Monetary claims purchased: ¥0.2 billion

- Non-consolidated balance sheets: Taiyo Life

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



(Billions of yen)				(Billions of yen)			
	As of Dec. 31, 2008	As of March 31, 2008	Changes		As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Assets</b>				<b>Liabilities</b>			
Cash and deposits, call loans	84.6	50.1	34.5	Total policy reserves	1,073.9	1,011.5	62.4
Monetary trusts	63.5	30.1	33.4	Policy reserve	1,068.3	1,004.1	64.2
Securities	954.6	934.8	19.7	Contingency reserve	16.6	13.5	3.0
Domestic bonds	348.2	360.1	(11.9)	Reserve for price fluctuations	0.4	0.4	0.0
Domestic stocks	0.7	0.9	(0.2)	<b>Total liabilities</b>	<b>1,084.6</b>	<b>1,022.0</b>	<b>62.6</b>
Foreign securities	1.6	2.0	(0.3)	<b>Net assets</b>			
Other securities	604.0	571.7	32.3	Total stockholders' equity	56.8	28.1	28.7
Loans	6.8	7.2	(0.4)	Common stock	56.0	36.0	20.0
Tangible fixed assets	0.3	0.3	0.0	Capital surplus	46.0	26.0	20.0
Intangible fixed assets	3.4	3.3	0.0	Retained earnings	(45.1)	(33.8)	(11.2)
Deferred tax assets	12.9	8.7	4.1	Total valuation and translation adjustments	(1.6)	(1.1)	(0.4)
<b>Total assets</b>	<b>1,139.8</b>	<b>1,048.9</b>	<b>90.9</b>	Net unrealized gains on securities	(1.6)	(1.1)	(0.4)
				<b>Total net assets</b>	<b>55.2</b>	<b>26.9</b>	<b>28.2</b>
				<b>Total liabilities and net assets</b>	<b>1,139.8</b>	<b>1,048.9</b>	<b>90.9</b>

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

¥40 billion of capital increase in December 2008

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

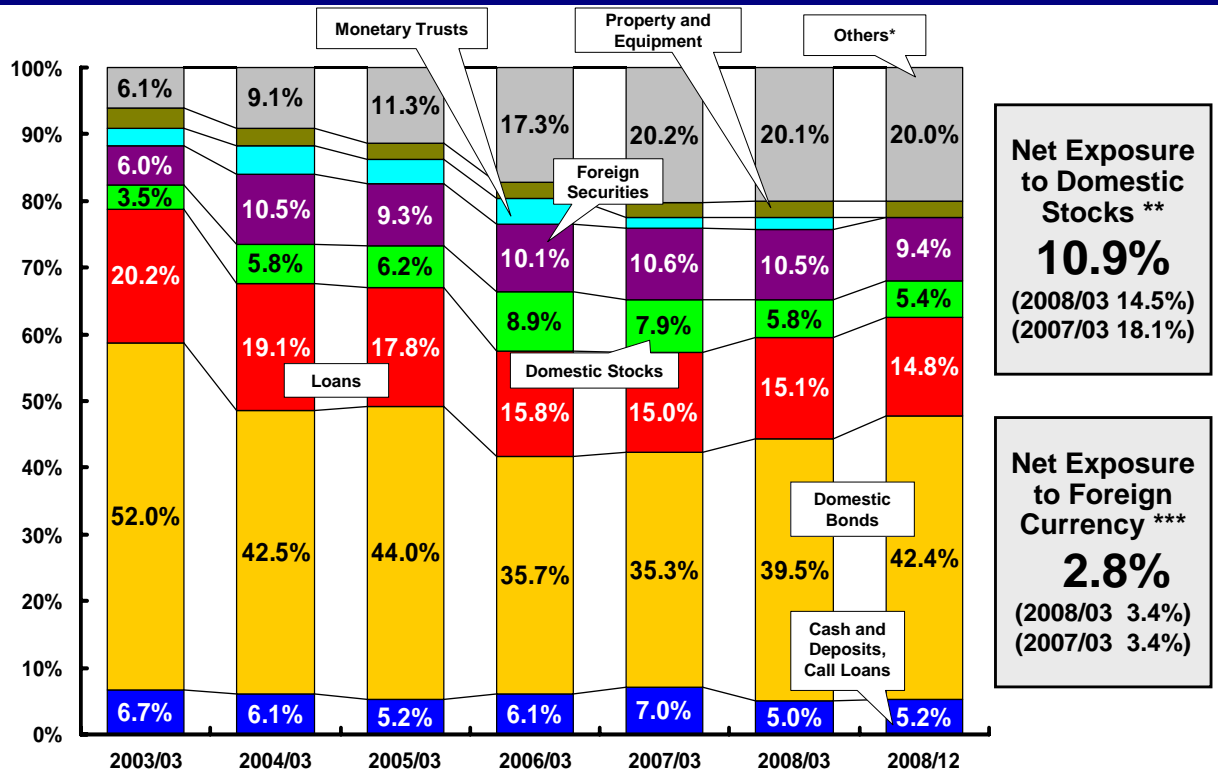
# Non-Consolidated Balance Sheets: T&D Asset Management



(Millions of yen)				(Millions of yen)			
	As of Dec. 31, 2008	As of March 31, 2008	Changes		As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Assets</b>				<b>Liabilities</b>			
Current assets	7,462	8,461	(998)	Current liabilities	880	1,572	(692)
Deposits	5,404	6,725	(1,321)	Accounts payable	429	673	(243)
Accrued trustee fee	1,008	736	272	Accrued expenses	217	230	(12)
Accrued investment management fees	534	697	(163)	Other current liabilities	233	669	(435)
Other current assets	515	302	213	Fixed liabilities	245	207	37
Fixed assets	905	874	30	Reserve for retirement benefits	244	207	36
Tangible fixed assets	189	169	20	Others	0	-	0
Intangible fixed assets	55	33	21	<b>Total liabilities</b>	<b>1,125</b>	<b>1,780</b>	<b>(654)</b>
Investments and other assets	659	671	(11)	<b>Net assets</b>			
<b>Total assets</b>	<b>8,367</b>	<b>9,335</b>	<b>(968)</b>	Total shareholders' equity	7,242	7,555	(313)
				Common stock	1,100	1,100	-
				Capital surplus	277	277	-
				Retained earnings	5,864	6,177	(313)
				Total valuation and translation adjustment	(0)	-	(0)
				<b>Total net assets</b>	<b>7,241</b>	<b>7,555</b>	<b>(313)</b>
				<b>Total liabilities and net assets</b>	<b>8,367</b>	<b>9,335</b>	<b>(968)</b>

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

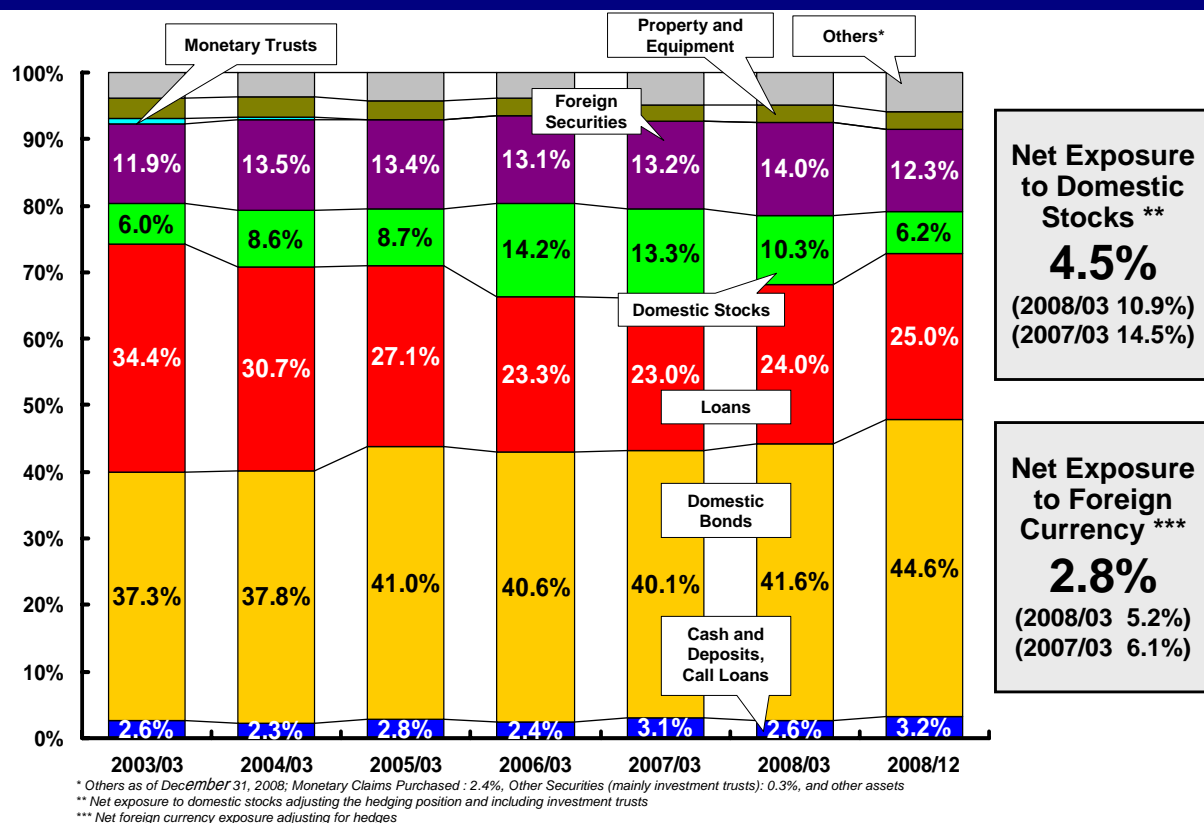
# General Account Assets Composition: Daido Life



\* Others as of December 31, 2008; Other Securities (mainly investment trusts): 9.4%, Monetary Claims Purchased: 6.9%, and other assets  
 \*\* Net exposure to domestic stocks adjusting the hedging position and including stocks held in monetary and investment trusts  
 \*\*\* Net foreign currency exposure adjusting for hedges

- General account assets composition: Daido Life

# General Account Assets Composition: Taiyo Life



- General account assets composition: Taiyo Life

# Breakdown of Foreign Securities and Other Securities

(Billions of yen)

	Daido Life			Taiyo Life		
	As of Dec. 31, 2008	As of March 31, 2008	Changes	As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Foreign securities</b>	<b>516.3</b>	<b>621.3</b>	<b>(104.9)</b>	<b>709.5</b>	<b>865.2</b>	<b>(155.7)</b>
Foreign bonds	149.0	205.0	(56.0)	443.1	560.6	(117.4)
Foreign stocks and others*	367.3	416.2	(48.8)	266.3	304.6	(38.3)
Hedge funds	110.8	159.7	(48.9)	61.6	49.0	12.5
Private equities	125.4	138.1	(12.7)	15.0	12.3	2.6
<b>Other securities</b>	<b>519.4</b>	<b>731.7</b>	<b>(212.2)</b>	<b>20.0</b>	<b>71.5</b>	<b>(51.4)</b>
Domestic investment trusts	490.3	697.6	(207.2)	15.4	66.4	(51.0)
RET	3.9	5.0	(1.1)	-	3.5	(3.5)
Others	29.1	34.1	(4.9)	4.6	5.1	(0.4)
Private Equities	16.8	22.4	(5.5)	3.0	2.9	0.1

\* Foreign stocks and others excluding hedge funds and private equities for Daido and Taiyo are mainly described as below: The domestic bank's preferred securities issued by overseas SPC

- Breakdown of Foreign Securities and Other Securities

# Breakdown of Foreign Securities (Foreign Bonds)



(Billions of yen)

	Daido Life (As of December 31, 2008)		Taiyo Life (As of December 31, 2008)	
<b>Government bonds</b>	<b>23.2</b>	<b>15.6%</b>	<b>402.9</b>	<b>90.9%</b>
BBB and above	23.2	15.6%	402.9	90.9%
<b>Supranational bonds</b>	<b>3.0</b>	<b>2.0%</b>	<b>6.2</b>	<b>1.4%</b>
BBB and above	3.0	2.0%	6.2	1.4%
<b>Government-related organizations' bond and public entities' bond</b>	<b>1.4</b>	<b>0.9%</b>	<b>5.2</b>	<b>1.2%</b>
BBB and above	1.4	0.9%	5.2	1.2%
<b>Municipal bonds</b>	<b>3.0</b>	<b>2.0%</b>	<b>-</b>	<b>-</b>
BBB and above	3.0	2.0%	-	-
<b>Corporate bonds</b>	<b>118.3</b>	<b>79.4%</b>	<b>28.8</b>	<b>6.5%</b>
BBB and above	117.8	79.0%	28.8	6.5%
<b>Total</b>	<b>149.0</b>	<b>100.0%</b>	<b>443.1</b>	<b>100.0%</b>

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

- Breakdown of Foreign Securities (Foreign Bonds)

# Breakdown of Devaluation Losses on Securities



(Billions of yen)

	Daido Life (Nine Months ended Dec. 31, 2008)	Taiyo Life (Nine Months ended Dec. 31, 2008)
Domestic bonds	1.6	-
Domestic stocks	13.6	17.0
Foreign securities	4.5	7.5
Foreign bonds	0.0	-
Foreign stocks and others	4.4	7.5
Private Equities	0.1	0.0
Other securities	12.2	6.7
Domestic investment trusts	4.6	5.9
REIT	-	-
Others	7.5	0.8
Private Equities	7.5	-
<b>Total</b>	<b>32.0</b>	<b>31.3</b>

- Breakdown of Devaluation Losses on Securities

# 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 Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>(33.3)</b>	<b>163.9</b>	<b>(33.4)</b>	<b>163.8</b>	<b>(197.3)</b>
Domestic Bonds	(0.0)	(0.0)	22.8	30.7	22.7	30.7	(7.9)
Domestic Stocks	-	-	52.6	114.7	52.6	114.7	(62.1)
Foreign Securities	-	-	(16.8)	(3.8)	(16.8)	(3.8)	(13.0)
Other Securities	-	-	(97.3)	16.4	(97.3)	16.4	(113.7)
Monetary Claims Purchased	-	-	5.3	5.4	5.3	5.4	(0.0)
Certificates of Deposit	-	-	-	-	-	-	-
Monetary Trusts	-	-	-	0.3	-	0.3	(0.3)

\*Securities with market value

<b>Net Unrealized Gains/Losses on Real Estate</b>					<b>32.9</b>	<b>35.2</b>	<b>(2.2)</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): Daido Life

# 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 Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	As of Dec. 31, 2008	As of March 31, 2008	Changes
<b>Total</b>	<b>10.9</b>	<b>4.4</b>	<b>63.0</b>	<b>49.2</b>	<b>12.8</b>	<b>212.9</b>	<b>86.8</b>	<b>266.6</b>	<b>(179.8)</b>
Domestic Bonds	7.8	1.4	63.0	49.2	38.4	12.4	109.3	63.1	46.2
Domestic Stocks	-	-	-	-	17.8	210.5	17.8	210.5	(192.7)
Foreign Securities	-	-	-	-	(42.0)	0.7	(42.0)	0.7	(42.7)
Other Securities	-	-	-	-	(1.8)	(11.0)	(1.8)	(11.0)	9.1
Monetary Claims Purchased	3.0	3.0	-	-	0.3	0.2	3.4	3.2	0.2
Certificates of Deposit	-	0.0	-	-	-	-	-	0.0	(0.0)
Monetary Trusts	-	-	-	-	-	-	-	-	-

\*Securities with market value

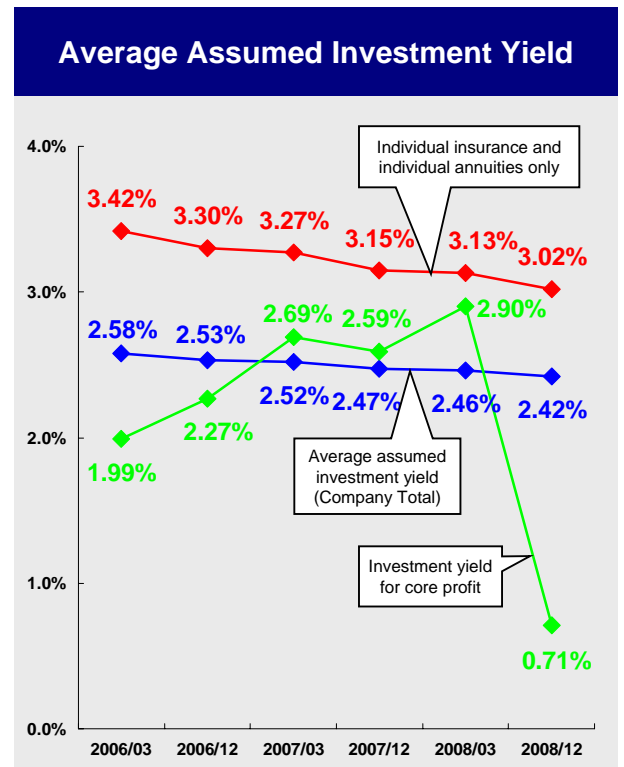
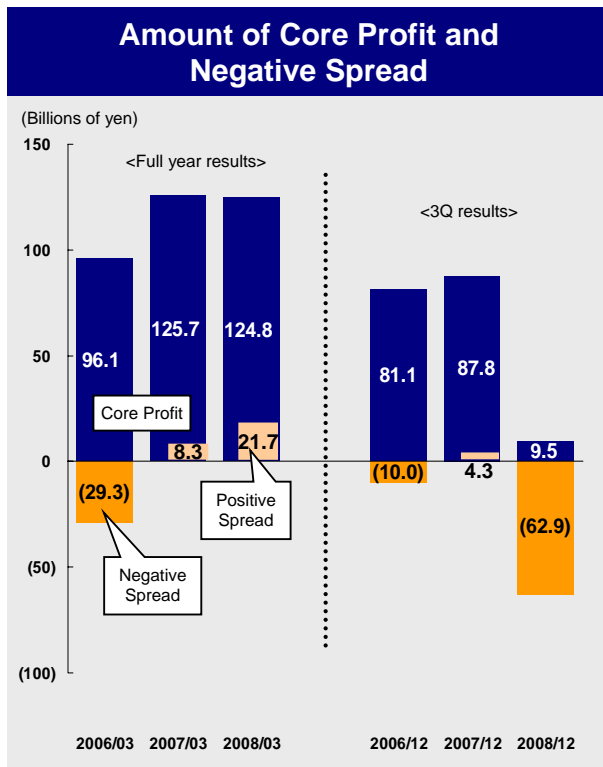
<b>Net Unrealized Gains/Losses on Real Estate</b>							<b>36.0</b>	<b>35.8</b>	<b>0.2</b>
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\*Net unrealized gains/ losses on real estate is basically calculated based on the appraisal price.

\*\*Less important properties are calculated based on the posted price.

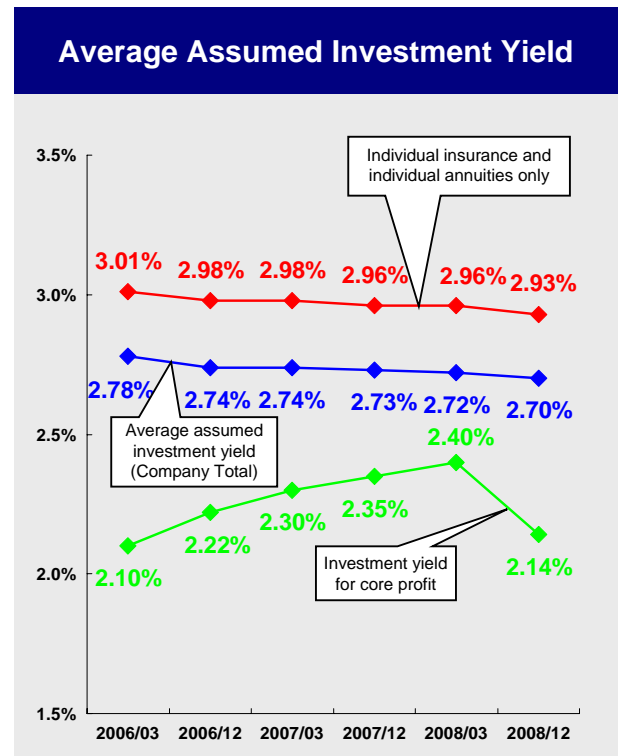
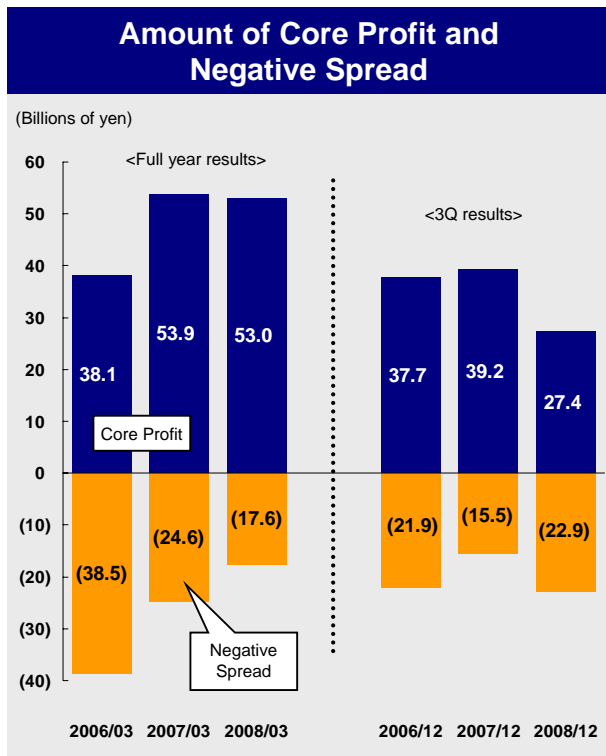
- Unrealized gains/losses (general account): Taiyo Life

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



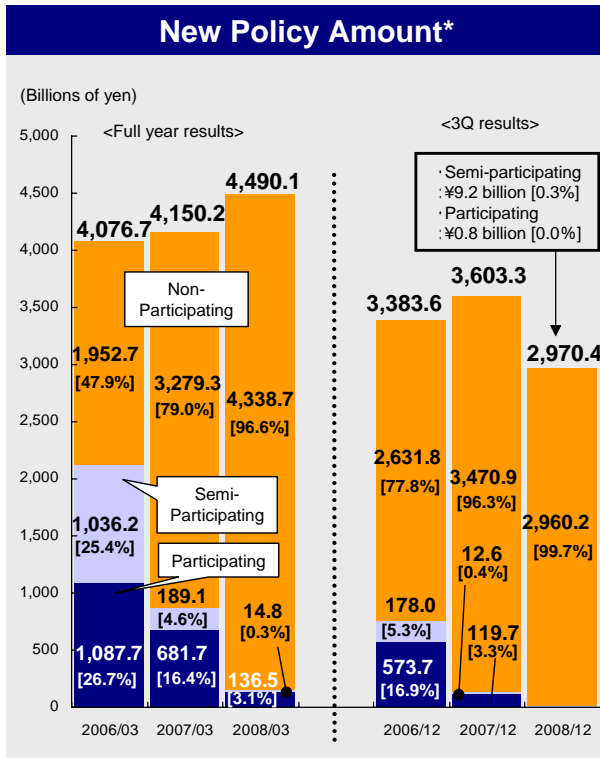
- Core profit/ negative spread, average assumed investment yield: Daido Life

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

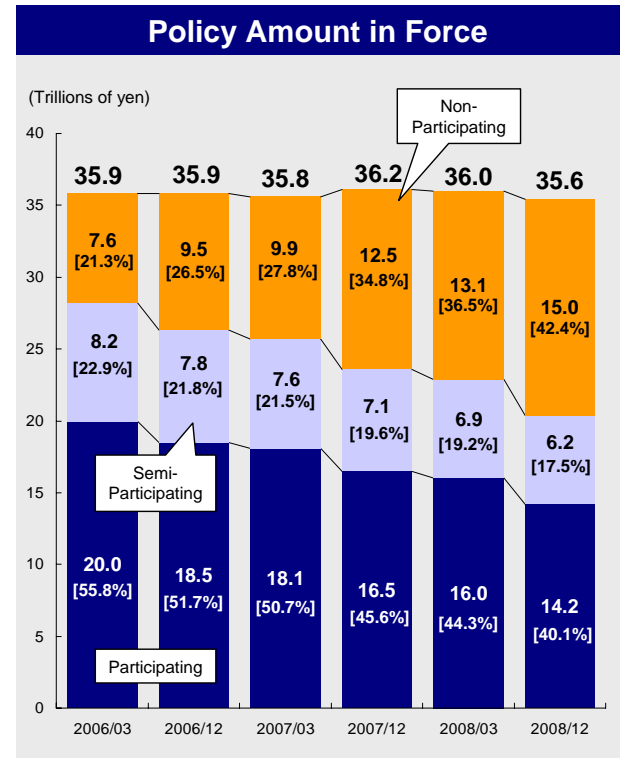


- Core profit/ negative spread, average assumed investment yield: Taiyo Life

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



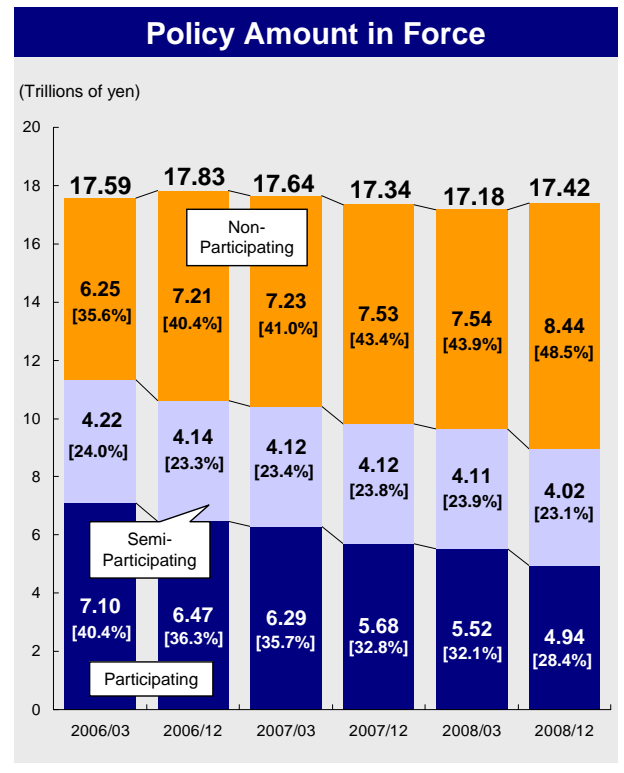
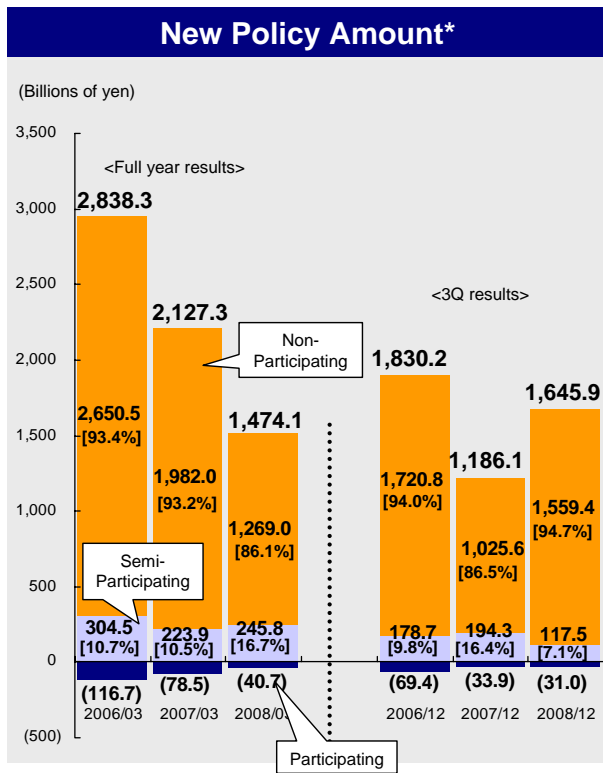
\* Net increase from conversion is not included.



T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

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

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



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

# 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)	215,633	215,633	215,633	
Reserve for deferred gain on sale of real estate	-	-	(1,559)	
Estimated appropriation paid in cash	-	-	(4,650)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	(35,297)	(55,248)	(55,248)	1. After-tax 2. 3. Before-tax
Unrealized gains (losses) on loans	20,244	-	-	1. After-tax
Deferred gains (losses) on hedging instruments	475	475	-	1.2. After-tax
Net unrealized gains (losses) on real estate	21,066	32,972	28,026	1. After-tax 2. Before-tax 3. 85% of before-tax
Reserve for price fluctuations	39,899	39,899	39,899	
Contingency reserve	82,451	82,451	82,451	
Unallotted portion of reserve for policyholder dividends	11,369	11,369	11,369	
Excess amount of policy reserve based on Zillmer method	-	131,340	131,340	
Future profits	-	-	5,298	
Deferred tax assets for quasi-equity liabilities	(48,286)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.11%)
Deferred tax assets	-	-	68,201	
General reserve for possible loan losses	73	-	114	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.	4,322	(66)	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>311,951</b>	<b>458,828</b>	<b>520,878</b>	

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

- Breakdown of Financial Indicator: Daido Life

# 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)	159,586	159,586	159,586	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	-	3. Shareholders' dividends
Net unrealized gains (losses) on securities	6,605	10,337	9,303	1. After-tax 2. Before-tax 3. 90% of before-tax
Net unrealized gains (losses) on loans	35,876	-	-	1. After-tax
Deferred gains (losses) on hedging instruments	1,302	(54)	-	1. After-tax, including net valuation gains/losses on interest rate swaps 2. After-tax
Net unrealized gains (losses) on real estate	(863)	(12,030)	(1,351)	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	1,410	1,410	1,410	
Contingency reserve	75,043	75,043	75,043	
Unallotted portion of reserve for policyholder dividends	21,199	21,199	21,199	
Excess amount of policy reserve based on Zillmer method	-	46,599	46,599	
Future profits	-	-	6,982	
Deferred tax assets for quasi-equity liabilities	(35,253)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.1%)
Deferred tax assets	-	-	47,786	
General reserve for possible loan losses	913	-	1,430	1. After-tax 3. Before-tax
Subordinated debt	-	-	35,000	
Net unrealized gains (losses) on subordinated debt	(3,613)	-	-	1. After-tax
Net unrealized gains (losses) on held-to-maturity securities, etc.	48,578	74,041	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>310,788</b>	<b>376,133</b>	<b>402,991</b>	

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

## - Breakdown of Financial Indicator: Taiyo Life

# 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)	56,814	56,814	56,814	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	-	3. Shareholders' dividend
Net unrealized gains (losses) on securities	(1,127)	(1,610)	(1,610)	1. Net unrealized gains/losses on securities x (1 - corporate tax rate: 30%) 2.3. Before-tax
Net unrealized gains (losses) on loans	587	-	-	1. After-tax
Deferred gains (losses) on hedging instruments	-	-	-	1. After-tax
Net unrealized gains (losses) on real estate	-	-	-	1. After-tax 2.3. Before-tax
Reserve for price fluctuations	430	430	430	
Contingency reserve	16,667	16,667	16,667	
Unallotted portion of reserve for policyholder dividends	-	-	-	
Excess amount of policy reserve based on Zillmer method	-	17,895	27,403	2. Excludes due from reinsures related to variable annuities 3. Includes due from reinsures related to variable annuities
Future profits	-	-	10	
Deferred tax assets for quasi-equity liabilities	(5,129)	-	-	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	4	-	7	1. After-tax 3. Before-tax
Subordinated debt	-	-	-	
Net unrealized gains (losses) on subordinated debt	-	-	-	
Net unrealized gains (losses) on held-to-maturity securities	4,807	6,867	-	1. After-tax 2. Before-tax
<b>Total</b>	<b>73,054</b>	<b>97,064</b>	<b>99,722</b>	

## - Breakdown of Financial Indicator: T&D Financial Life

# Business Results: Aggregate Values for the Three Life Insurance Companies



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

(Billions of yen)

FYE	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	-	-	-	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: Aggregate values for the Three Life Insurance Companies

# 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	-	-	-	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.

T&D Holdings, Inc. Financial Results for the Nine Months Ended December 31, 2008

## - Business Results: Daido Life

# 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: Taiyo Life

# 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.

- Business Results: T&D Financial Life

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

- Inquiries