

# T&D Holdings, Inc.

**Financial Results for the Three  
Months Ended June 30, 2009**

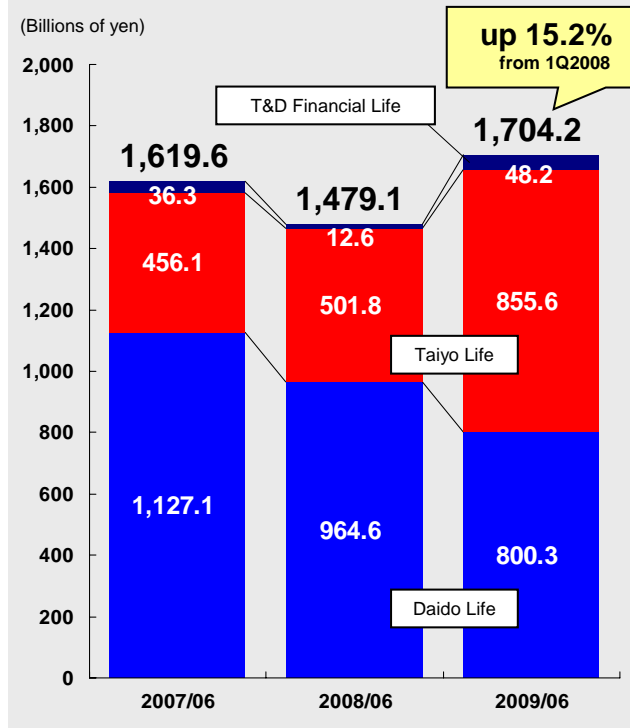
# T&D Holdings Financial Highlights



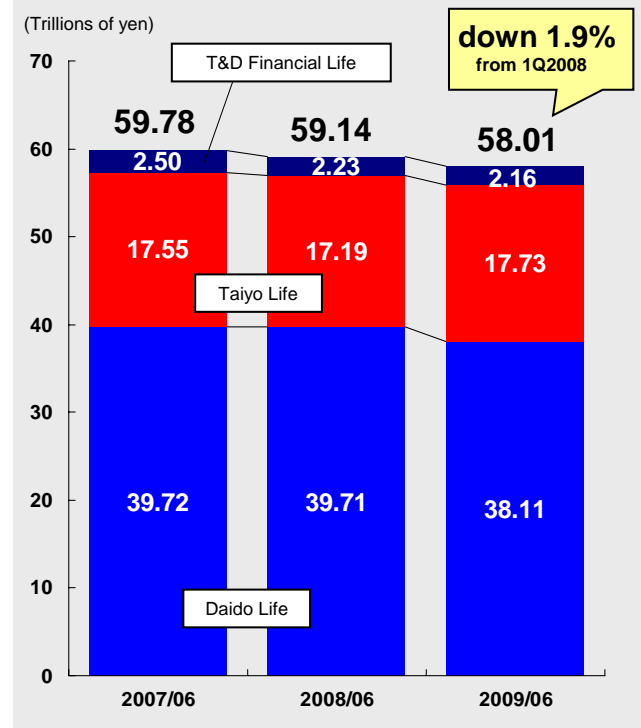
- **The new policy amount for the three life insurance companies increased from the same term of the previous fiscal year while the surrender and lapse amount increased. The total policy amount in force resulted in stay around from the beginning of fiscal 2009**
- **Ordinary profit decreased from the same term of the previous fiscal year while net income increased**

# 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)

	1Q2009	1Q2008	Changes	
<b>New policy amount*</b>				
Individual insurance and annuities total	800.3	964.6	(17.0%)	Due to continuance of economic recession
Individual term life insurance	768.0	931.7	(17.6%)	
<b>Decrease in policy amount**</b>				
Individual insurance and annuities total	1,305.5	1,148.6	13.7%	Due to an increase in surrender of products with high cash value such as long term insurance
Individual term life insurance	1,229.6	1,065.8	15.4%	
Surrender and lapse amount	1,048.4	920.6	13.9%	Decreased by ¥505.1 billion from the beginning of the fiscal year
Surrender and lapse rate***	10.86%	9.23%	1.63P	
Individual term life insurance	1,003.1	872.8	14.9%	
<b>Policy amount in force</b>				
Individual insurance and annuities total	38,116.7	39,713.1	(4.0%)	Decreased by ¥461.5 billion from the beginning of the fiscal year
Individual term life insurance	34,644.0	36,041.2	(3.9%)	
<b>Annualized premiums of new policies*</b>	16.9	15.2	10.8%	
<b>Annualized premiums of total policies</b>	659.4	685.4	(3.8%)	

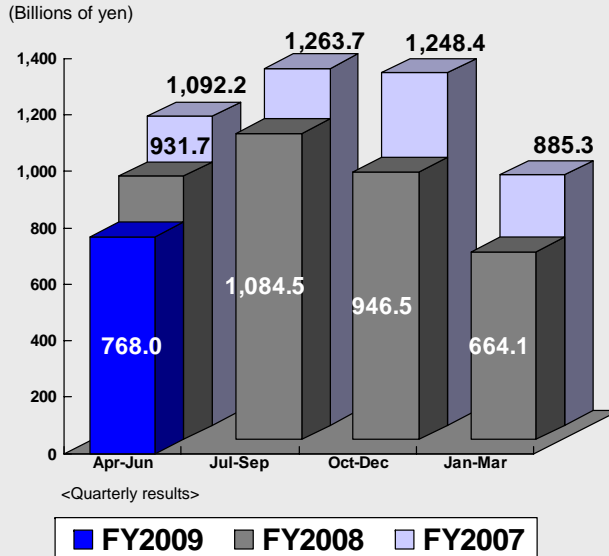
\* Includes net increase from conversion

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

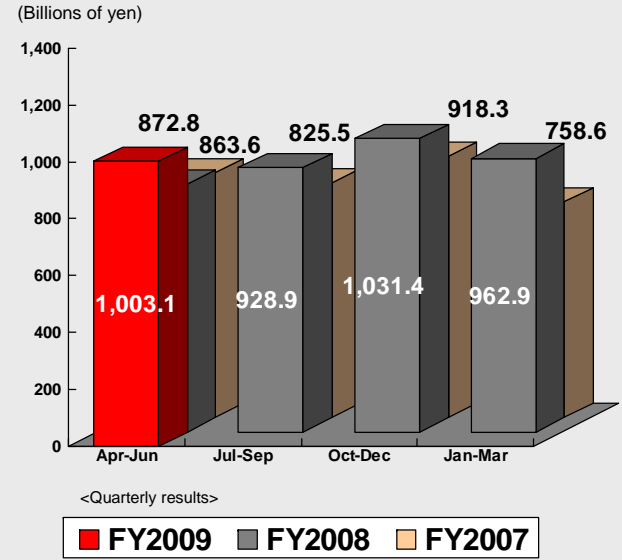
\*\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4

# Quarterly Trends: Daido Life Individual Term Life Insurance

## Trends in New Policy Amount\*



## Trends in Surrender and Lapse Amount



\* New policy amount includes net increase from conversion

# Sales Results: Taiyo Life

(Billions of yen)

	1Q2009	1Q2008	Changes
<b>New policy amount*</b>			
Individual insurance and annuities total	855.6	501.8	70.5%
Protection-oriented products	816.6	450.2	81.4%
Net increase from conversion	428.2	79.0	441.4%
<b>Decrease in policy amount**</b>			
Individual insurance and annuities total	473.6	485.2	(2.4%)
Surrender and lapse amount	297.2	314.3	(5.4%)
Surrender and lapse rate***	6.85%	7.32%	(0.47P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	17,737.1	17,198.8	3.1%
Protection-oriented products	13,242.6	12,463.0	6.3%
<b>Annualized premiums of new policies*</b>	<b>10.2</b>	<b>9.8</b>	<b>3.8%</b>
Third sector products	2.9	2.5	14.9%
<b>Annualized premiums of total policies</b>	<b>608.8</b>	<b>631.1</b>	<b>(3.5%)</b>
Third sector products	110.7	110.9	(0.2%)

-“Taiyo Life’s *Hoken Kumikyoku Best*” has been sold well  
 -The proportion of new policy amount in net increase from conversion was an approx. 50%

Due to a continued focus on the improvement of persistency rate

-Increased ¥381.9 billion from the beginning of FY2009  
 -The proportion of the protection-type products was 74.7%, up 1.0 points from the beginning of FY2009

Maturities of saving-type products sold in past years made the difference between total and third sector products

\* Includes net increase from conversion

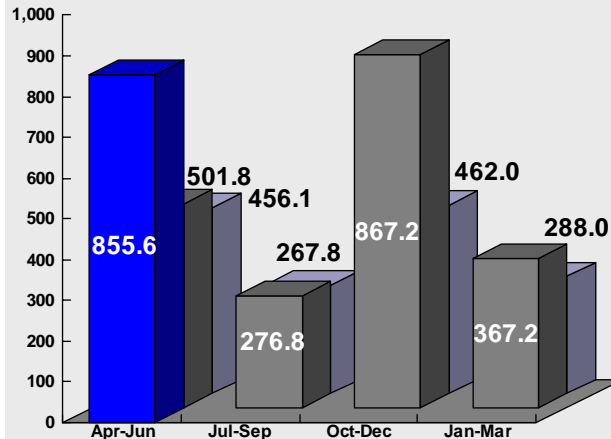
\*\* Decrease in policy amount = New policy amount – Net increase of policy amount in force from previous fiscal year end

\*\*\* 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\*

(Billions of yen)



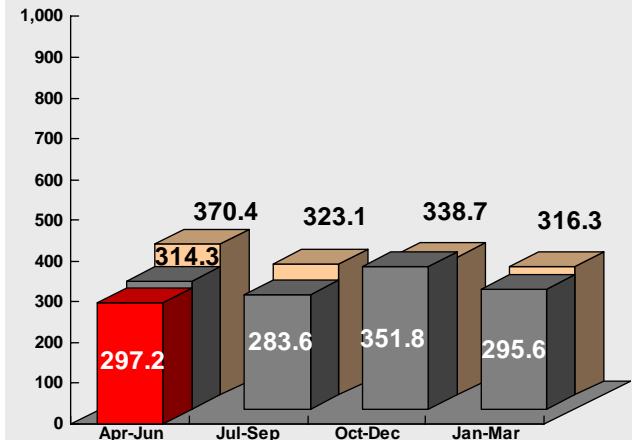
<Quarterly results>

■ FY2009   ■ FY2008   ■ FY2007

\* New policy amount includes net increase from conversion

## Trends in Surrender and Lapse Amount

(Billions of yen)



<Quarterly results>

■ FY2009   ■ FY2008   ■ FY2007

# Sales Results: T&D Financial Life

## Individual Variable Annuities Sales Update

	1Q2009		1Q2008	
	Number of Policies	Insurance premiums**	Number of Policies	Insurance premiums**
<b>Sales results</b>	<b>8,637</b>	<b>48.3 bn yen</b>	<b>1,769</b>	<b>13.5 bn yen</b>
Over-the-counter sales at banks*	7,959	45.2 bn yen	1,719	12.9 bn yen
Number of financial Institution agents*	<b>57 Banks, 5 Security Firms, 2 other agents</b>		<b>54 Banks, 3 Security Firms, 2 other agents</b>	

\* Banks include Shinkin (Credit Association) banks

\*\*Includes an additional insurance premiums paid by existing policyholders on exercise of additional coverage options

(Billions of yen)

	1Q2009	1Q2008	Changes
<b>New Policy Amount</b>			
Individual variable annuities	48.2	12.6	281.9%
<b>Decrease in policy amount*</b>			
Individual insurance and annuities total	6.2	42.4	(85.2%)
Surrender and lapse amount	28.6	36.9	(22.3%)
Individual variable annuities	1.6	4.8	(66.9%)
Surrender and lapse rate**	0.95%	3.25%	(2.30P)
<b>Policy amount in force</b>			
Individual insurance and annuities total	2,161.9	2,231.1	(3.1%)
Individual variable annuities	761.6	618.2	23.2%
<b>Annualized premiums of new policies</b>	<b>9.3</b>	<b>1.7</b>	<b>444.1%</b>
<b>Annualized premiums of total policies</b>	<b>142.7</b>	<b>99.6</b>	<b>43.2%</b>

-Increased by ¥35.6 billion y-o-y, due to favorable sale of new GMLB-type variable annuity called "Five Ten"

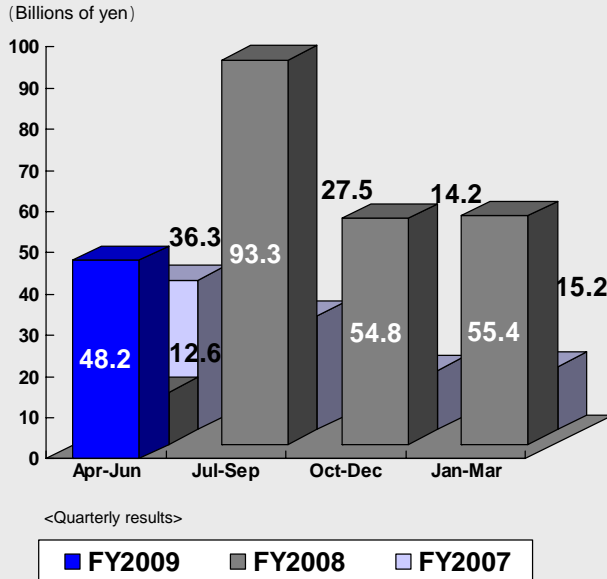
The number of policies and the policy amount in force for the individual variable annuities increased by 8,139 policies and ¥86.7 billion from the beginning of FY2009, respectively

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

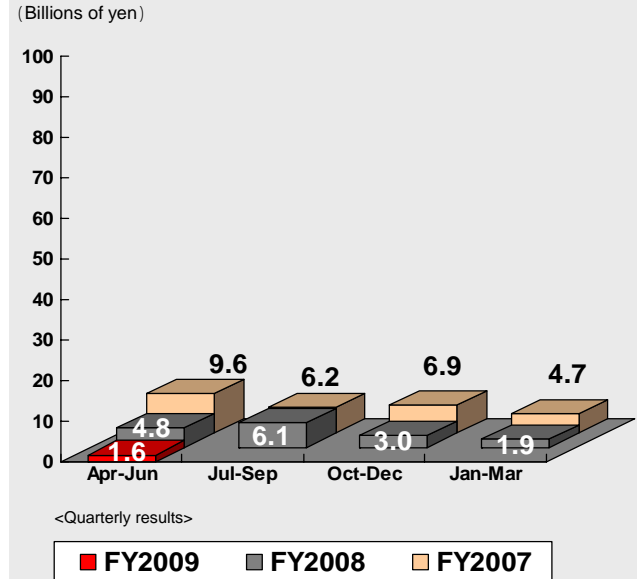
\*\* Surrender and lapse rate = Surrender and lapse amount / Policy amount in force at the beginning of the fiscal year x 4

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

## Trends in New Policy Amount\*



## Trends in surrender and Lapse Amount

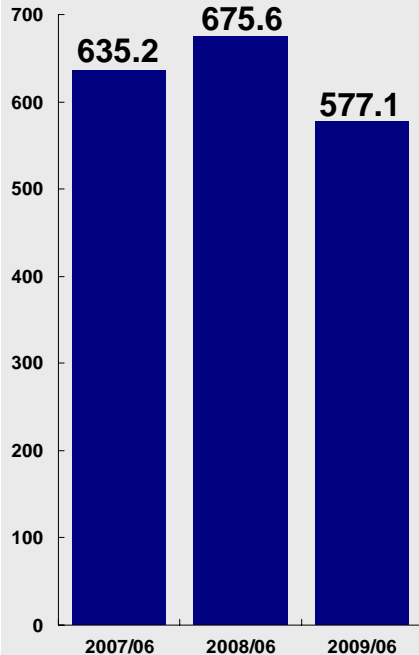


# Consolidated Operation Results



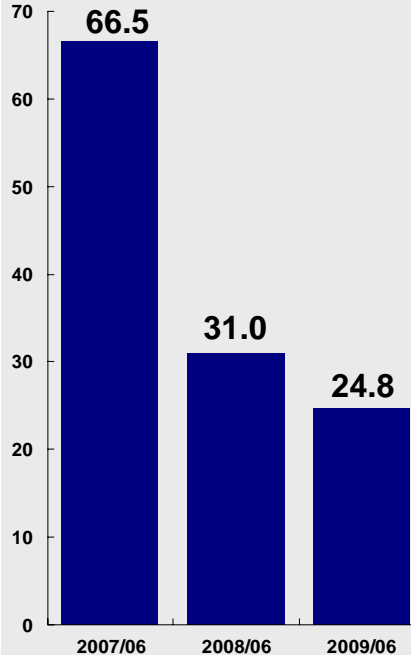
## Ordinary Revenues

(Billions of yen)



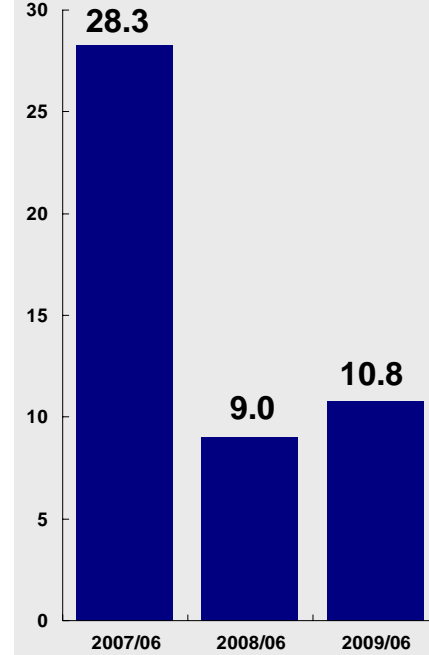
## Ordinary Profit

(Billions of yen)



## Net Income

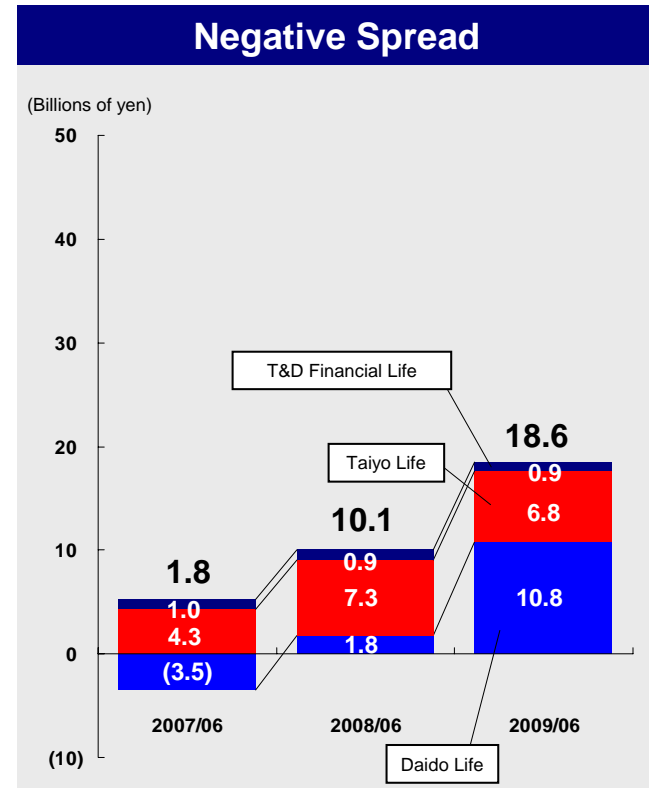
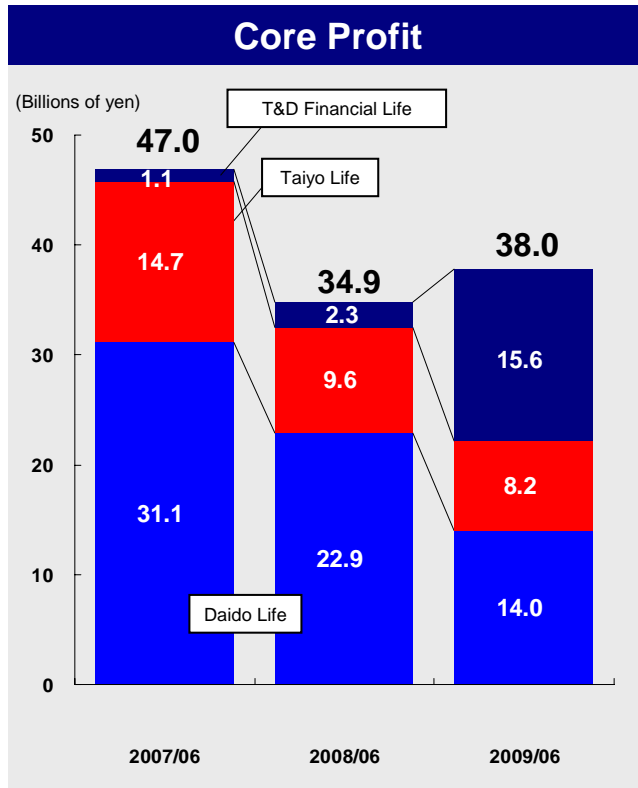
(Billions of yen)



# Consolidated Statements of Operations

	1Q2009	1Q2008	Changes	
				(Billions of yen)
<b>Ordinary revenues</b>	<b>577.1</b>	<b>675.6</b>	<b>(98.5)</b>	-Daido: down ¥16.9 bn -Taiyo: up ¥17.0 bn -T&D Financial: up ¥34.9 bn
Income from insurance premiums	429.9	394.8	35.0	-Daido: down ¥9.7 bn, mainly due to a decrease in dividends from investment trusts and private equity funds
Investment income	123.6	132.0	(8.3)	-Taiyo: down ¥1.4 bn, mainly due to a drop in dividends from foreign stocks and investment trusts
Interest, dividends and income from real estate for rent	50.9	62.5	(11.5)	
Gains on investments in trading securities, net	2.1	13.4	(11.3)	
Gains on sale of securities	20.3	32.6	(12.2)	
Gains on separate accounts, net	49.5	22.7	26.8	
Other ordinary income	23.5	148.7	(125.2)	-Daido: ¥2.6 bn [down ¥10.7 bn y-o-y] -Taiyo: ¥17.7 bn [down ¥1.5 bn y-o-y]
Reversal of policy reserve	4.8	123.9	(119.1)	
<b>Ordinary expenses</b>	<b>552.2</b>	<b>644.5</b>	<b>(92.2)</b>	-Daido: down ¥85.2 billion, mainly due to group annuities
Insurance claims and other payments	436.3	514.8	(78.5)	-Taiyo: up ¥10.2 billion, mainly due to group annuities
Provision for policy and other reserves	0.4	0.2	0.2	
Investment expenses	41.5	54.0	(12.5)	
Losses from monetary trust, net	15.2	5.0	10.2	
Losses on sale of securities	5.0	7.7	(2.7)	-Daido: ¥0.4 bn [up ¥0.2 bn y-o-y] -Taiyo: ¥4.5 bn [down ¥2.9 bn y-o-y]
Devaluation losses on securities	1.9	10.6	(8.7)	
Losses from derivatives, net	13.0	23.9	(10.9)	-Daido: ¥1.5 bn [down ¥7.1 bn y-o-y] -Taiyo: ¥0.3 bn [down ¥1.6 bn y-o-y]
Other investment expenses	3.5	3.7	(0.1)	
Operating expenses	51.8	52.4	(0.6)	
Other ordinary expenses	22.0	22.9	(0.8)	-Daido: ¥6.1 bn [down ¥10.5 bn y-o-y] -Taiyo: ¥6.8 bn [down ¥0.4 bn y-o-y]
<b>Ordinary profit</b>	<b>24.8</b>	<b>31.0</b>	<b>(6.2)</b>	
<b>Net extraordinary gains (losses)</b>	<b>(3.2)</b>	<b>(1.2)</b>	<b>(2.0)</b>	Including ¥3.5 bn for reserve for price fluctuations
Provision for reserve for policyholder dividends	4.7	10.5	(5.7)	-Daido: ¥0.5 bn [down ¥1.1 bn y-o-y] -Taiyo: ¥3.0 bn [up ¥2.9 bn y-o-y] including excess amount of ¥2.5 bn as additional internal reserves
<b>Income before income taxes</b>	<b>16.7</b>	<b>19.3</b>	<b>(2.5)</b>	
<b>Total income taxes</b>	<b>5.9</b>	<b>10.2</b>	<b>(4.3)</b>	
<b>Net income</b>	<b>10.8</b>	<b>9.0</b>	<b>1.7</b>	

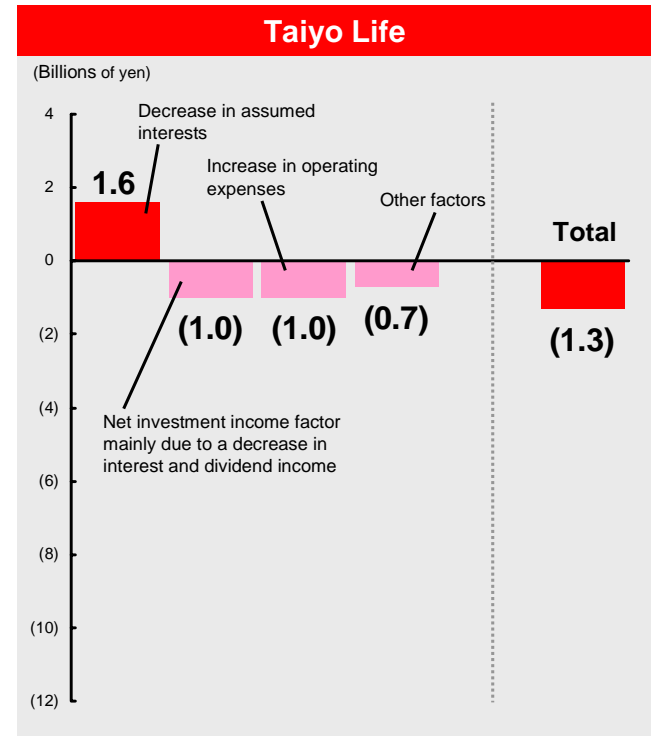
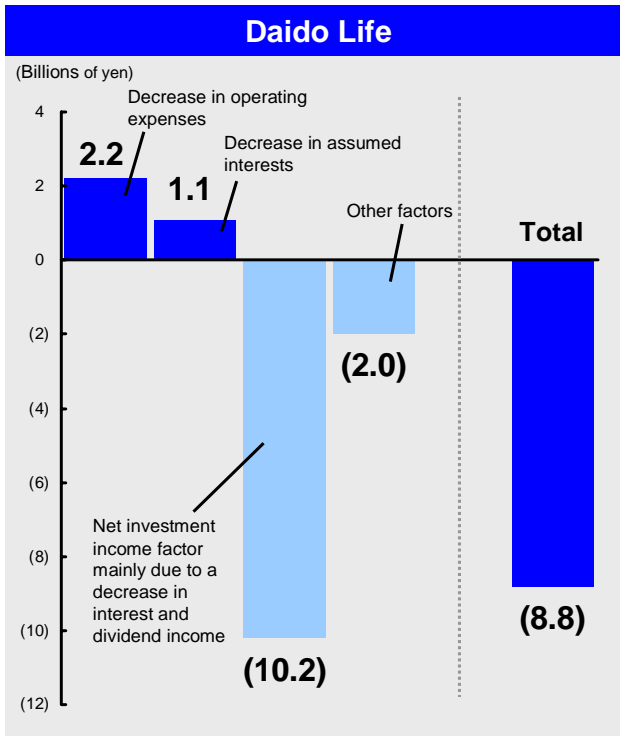
# Core Profit/Negative Spread



\* 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 1Q2009 (vs. 1Q2008)



# Consolidated Balance Sheets

-T&D Holdings: ¥112.7 bn of senior loan  
[no change from FYE 2008]  
-Taiyo: ¥35.0 bn of subordinated loans  
[no change from FYE 2008]

Includes ¥2.5 billion of excess amount of  
additional reserve for price fluctuations at  
Taiyo

(Billions of yen)				(Billions of yen)			
	As of June 30, 2009	As of March 31, 2009	Changes		As of June 30, 2009	As of March 31, 2009	Changes
<b><u>Assets:</u></b>				<b><u>Liabilities:</u></b>			
Cash and deposits, call loans	558.1	717.1	(158.9)	Total policy reserves	11,689.0	11,699.0	(9.9)
Monetary claims purchased	347.0	443.2	(96.1)	Policy reserve	11,475.5	11,480.4	(4.8)
Monetary trusts	61.2	78.1	(16.8)	Contingency reserve	149.5	147.6	1.9
Securities	8,605.0	8,218.5	386.5	Other liabilities	269.3	306.6	(37.2)
Loans	2,273.1	2,280.7	(7.5)	Debts	170.2	170.4	(0.2)
Tangible fixed assets	306.3	308.6	(2.2)	Reserve for price fluctuations	55.9	52.4	3.5
Intangible fixed assets	23.0	23.4	(0.4)	<b>Total liabilities</b>	<b>12,157.9</b>	<b>12,202.1</b>	<b>(44.2)</b>
Other assets	190.2	191.7	(1.5)	<b><u>Net assets:</u></b>			
Defferd tax assets	216.1	227.9	(11.8)	Total stockholders' equity	427.0	428.4	(1.3)
Reserve for possible loan losses	(2.5)	(2.6)	0.1	Common stock	147.6	147.6	-
<b>Total assets</b>	<b>12,589.6</b>	<b>12,498.5</b>	<b>91.0</b>	Capital surplus	135.1	135.1	-
				Retained earnings	145.2	146.6	(1.3)
				Total valuation and translation adjustment	2.8	(133.8)	136.6
				Net unrealized gains on securities	50.5	(86.2)	136.8
				Land revaluation	(47.9)	(47.8)	(0.1)
				<b>Total net assets</b>	<b>431.7</b>	<b>296.3</b>	<b>135.3</b>
				<b>Total liabilities and net assets</b>	<b>12,589.6</b>	<b>12,498.5</b>	<b>91.0</b>

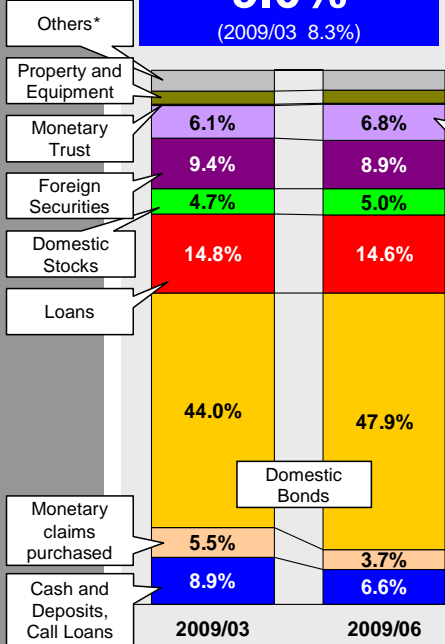
-Daido: up ¥276.7 bn  
-Taiyo: up ¥23.6 bn  
-T&D Financial: up ¥86.1 bn

# General Account Assets Composition

## Daido Life

**Net Exposure to Domestic Stocks\*\***  
**9.0%**  
 (2009/03 8.3%)

**Net Exposure to Foreign Currency\*\*\***  
**2.7%**  
 (2009/03 2.5%)



Other securities (mainly investment trusts)

**Alternative Investments**

238.2 bn yen (2009/03)    **227.1** bn yen (2009/06)

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Including:

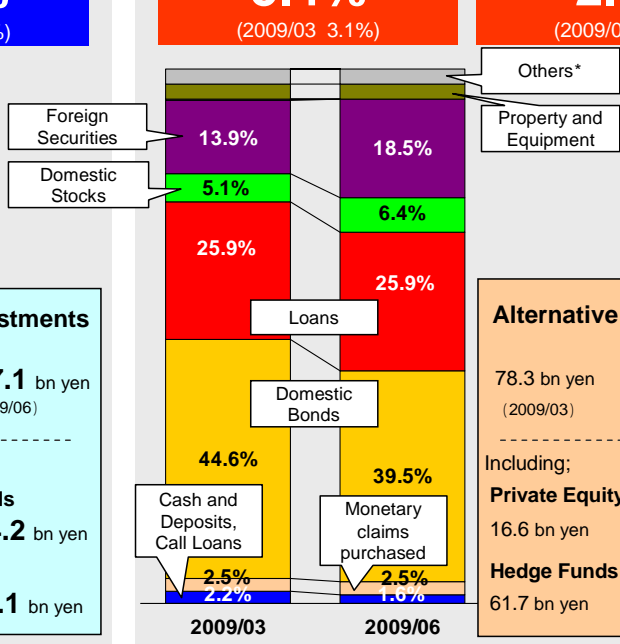
**Private Equity Funds**  
 128.3 bn yen    **124.2** bn yen

**Hedge Funds**  
 93.3 bn yen    **84.1** bn yen

## Taiyo Life

**Net Exposure to Domestic Stocks\*\***  
**5.4%**  
 (2009/03 3.1%)

**Net Exposure to Foreign Currency\*\*\***  
**2.6%**  
 (2009/03 2.6%)



**Alternative Investments**

78.3 bn yen (2009/03)    **75.7** bn yen (2009/06)

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Including:

**Private Equity Funds**  
 16.6 bn yen    **15.8** bn yen

**Hedge Funds**  
 61.7 bn yen    **59.9** bn yen

\*Others: Deferred Tax Assets, etc. \*\* 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

# 1Q2009 Investment Review

	Daido Life	Taiyo Life
Domestic bonds	Maintain the exposure as of FY2008-end	Decreased due to a shift to foreign bonds
Foreign bonds	-Increased domestic bonds due to the purchase of TB as a part of short-term investment -Sold a part of domestic stocks when stock prices rose in June	Increased due to a rise of overseas long-term interest rates and a decrease in hedge costs relating to foreign currency exchange contract
Domestic stocks		Slightly increased net exposure to domestic stocks mainly due to the buyback of domestic stocks index futures at the beginning of 1Q2009
Foreign stocks		
Alternative Investment	-Sold a part of hedge funds as previously scheduled -No new commitments for private equity funds	No new investment for neither hedge funds nor private equity funds

# Unrealized Gains/Losses [General Account Assets]

Securities with market value

(Billions of yen)

	Daido Life		Taiyo Life		T&D Financial Life		Total		
	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	Changes
<b>Total</b>	<b>50.0</b>	<b>(52.6)</b>	<b>76.2</b>	<b>24.1</b>	<b>3.3</b>	<b>2.9</b>	<b>129.5</b>	<b>(25.4)</b>	<b>155.0</b>
Domestic bonds	20.6	7.0	37.7	38.4	3.2	2.9	61.6	48.5	13.1
Domestic stocks	64.4	35.9	64.4	8.6	-	-	128.8	44.6	84.2
Foreign securities	(12.3)	(18.5)	(26.9)	(23.2)	(0.0)	-	(39.3)	(41.7)	2.4
Bonds	(3.5)	(9.3)	(15.3)	(4.1)	-	-	(18.9)	(13.4)	(5.4)
Stocks, etc.	(8.7)	(9.1)	(11.6)	(19.1)	(0.0)	-	(20.4)	(28.3)	7.9
Other securities	(22.4)	(76.8)	0.1	(0.1)	0.0	-	(22.2)	(76.9)	54.6
Monetary claims purchased	(0.2)	(0.3)	0.9	0.3	-	-	0.6	(0.0)	0.6
Certificates of deposit	-	-	-	-	-	-	-	-	-
Monetary trusts	-	-	-	-	-	-	-	-	-
<b>Net unrealized gains/losses on real estate</b>	<b>30.3</b>	<b>30.3</b>	<b>21.6</b>	<b>22.3</b>	<b>-</b>	<b>-</b>	<b>51.9</b>	<b>52.7</b>	<b>(0.7)</b>

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

# Financial Soundness, Adjusted Net Worth on EEV

(Billions of yen)

	As of June 30, 2009	As of March 31, 2009	Change
<b>Daido Life</b>			
Solvency margin ratio	975.5%	823.4%	152.1P
Adjusted net assets	541.7	447.9	93.7
Adjusted net worth on EEV	365.2	304.3	60.9
<b>Taiyo Life</b>			
Solvency margin ratio	931.7%	866.4%	65.3P
Adjusted net assets	381.4	330.4	51.0
Adjusted net worth on EEV	306.9	270.0	36.9
<b>T&amp;D Financial Life</b>			
Solvency margin ratio	823.6%	832.0%	(8.4P)
Adjusted net assets	91.7	87.1	4.5
Adjusted net worth on EEV	65.6	63.5	2.1

Due to an increase in unrealized gains as stock prices rose

<b>Total of Three Insurance Companies</b>			
Adjusted net assets	1,014.8	865.5	149.3
Adjusted net worth on EEV	* 635.0	535.3	99.7

\* Eliminated 102.8 billion yen of the difference between T&D Holdings' capital increase and the capital injection to the three life insurance companies

# Forecasts for the Year Ending March 31, 2010

- Full year forecasts have not been changed as originally announced on May 19, 2009

## T&D Holdings' Consolidated Forecasts

(Billions of yen)

	Full Year Forecast	Three Months Ended June 30, 2009	Progress Rate	(Ref.) Year Ended March 31, 2009
Ordinary revenues	2,010	577.1	28.7%	2,539.8
Ordinary profit	78	24.8	31.9%	(183.8)
Net income	18	10.8	60.2%	(89.0)

## Total of Three Life Insurance Companies

(Billions of yen)

	Full Year Forecast	Three Months Ended June 30, 2009	Progress Rate	(Ref.) Year Ended March 31, 2009
New policy amount	6,300	1,704.2	27.1%	5,991.0
Policy amount in force	57,550	58,015.8	** -	58,097.1
Income from insurance premiums	1,690	429.8	25.4%	1,654.3
Core profit	101	38.0	37.6%	(27.0)
Negative spread	50	18.6		153.7

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

\*\* Decreased 81.2 billion yen from the beginning of fiscal 2009

# Forecasts for the Year Ending March 31, 2010

(Billions of yen)

	Daido Life			Taiyo Life			T&D Financial Life		
	Full Year Forecast	Three Months Ended June 30, 2009	Year Ended March 31, 2009	Full Year Forecast	Three Months Ended June 30, 2009	Year Ended March 31, 2009	Full Year Forecast	Three Months Ended June 30, 2009	Year Ended March 31, 2009
Ordinary revenues	970	243.8	1,250.5	910	291.1	1,112.1	270	103.7	285.3
Income from insurance premiums	780	186.1	811.9	660	189.3	596.6	250	54.4	245.7
Ordinary profit	50	10.6	(93.3)	41	13.5	(63.6)	(14)	0.8	(26.8)
Core profit	55	14.0	(31.2)	50	8.2	45.0	(4)	15.6	(40.8)
Net income	17	4.8	(52.0)	11	5.8	(15.5)	(10)	0.5	(19.8)
New policy amount	3,860	800.3	3,761.6	2,200	855.6	2,013.1	240	48.2	216.2
Core product	3,720	768.0	3,627.0	-	-	-	180	48.2	216.2
Policy amount in force	37,740	38,116.7	38,621.8	17,680	17,737.1	17,355.2	2,130	2,161.9	2,120.0
Core product	34,420	34,644.0	35,105.5	-	-	-	820	761.6	674.9
Annualized premiums of total policies	640	659.4	664.8	600	608.8	613.0	170	142.7	134.6
Negative spread	30	10.8	129.8	17	6.8	20.2	3	0.9	3.6
Surrender and lapse rate	9.8%	10.86%	10.01%	7.5%	6.85%	7.25%	5.7%	5.41%	5.98%

\* 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.

# Appendix

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# Non-Consolidated Statements of Operations: Daido Life

(Billions of yen)

	1Q2009	1Q2008	Changes
<b>Ordinary revenues</b>	<b>243.8</b>	<b>360.4</b>	<b>(116.5)</b>
Income from insurance premiums	186.1	203.0	(16.9)
Individual term life insurance	127.9	133.4	(5.4)
Investment income	29.8	62.5	(32.7)
Interest, dividends and income from real estate for rent	21.3	31.0	(9.7)
Gains on investment in trading securities, net	2.1	13.4	(11.3)
Gains on sales of securities	2.6	13.3	(10.7)
Other ordinary income	27.9	94.7	(66.7)
Reversal of policy reserve	25.1	90.6	(65.5)
<b>Ordinary expenses</b>	<b>233.2</b>	<b>338.3</b>	<b>(105.0)</b>
Insurance claims and other payments	188.3	273.6	(85.2)
Provision for policy and other reserves	0.6	0.1	0.4
Investment expenses	12.0	30.6	(18.5)
Losses on sales of securities	0.4	0.2	0.2
Devaluation losses on securities	1.5	8.6	(7.1)
Losses from derivatives, net	6.1	16.6	(10.5)
Other investment expenses	2.8	2.9	(0.1)
Operating expenses	26.9	29.2	(2.2)
Other ordinary expenses	5.1	4.6	0.5
<b>Ordinary profit</b>	<b>10.6</b>	<b>22.0</b>	<b>(11.4)</b>
<b>Net extraordinary gains (losses)</b>	<b>(0.5)</b>	<b>(1.1)</b>	<b>0.6</b>
<b>Provision for reserve for policyholder dividends</b>	<b>3.1</b>	<b>7.2</b>	<b>(4.0)</b>
<b>Income (Loss) before income taxes</b>	<b>6.9</b>	<b>13.6</b>	<b>(6.7)</b>
<b>Total income taxes</b>	<b>2.0</b>	<b>6.7</b>	<b>(4.6)</b>
<b>Net income</b>	<b>4.8</b>	<b>6.9</b>	<b>(2.0)</b>

Group annuities: down ¥12.9 bn

Includes;

- Dividends from investment trusts: down ¥5.4 bn
- Dividends from private equity funds: down ¥2.3 bn
- Interest from deposit: down ¥1.0 billion

Decrease in income from hedge funds

Includes;

- Surrender payments for individual insurance and annuities: up ¥12.7 bn
- Insurance claims for group annuities: down ¥57.6 bn
- Surrender payments for group annuities: down ¥18.7 bn
- Other payments for group annuities: down ¥12.6 bn

Includes [y-o-y increase/decrease];

- Stock-related: ¥7.3 bn [up ¥6.5 bn]
- Foreign exchange forward contracts-related: ¥(1.1) bn [down ¥18.1 bn]

Provision for reserve for price fluctuations: ¥0.5 bn

# Non-Consolidated Statements of Operations: Taiyo Life

(Billions of yen)

	1Q2009	1Q2008	Changes
<b>Ordinary revenues</b>	<b>291.1</b>	<b>283.6</b>	<b>7.5</b>
Income from insurance premiums	189.3	172.2	17.0
Investment income	47.7	50.5	(2.7)
Interest, dividends and income from real estate for rent	29.5	30.9	(1.4)
Gains on sales of securities	17.7	19.3	(1.5)
Other ordinary income	54.1	60.7	(6.6)
Reversal of policy reserve	45.7	48.5	(2.8)
<b>Ordinary expenses</b>	<b>277.5</b>	<b>272.4</b>	<b>5.1</b>
Insurance claims and other payments	230.8	220.6	10.2
Provision for policy and other reserves	0.0	0.0	(0.0)
Investment expenses	13.7	18.5	(4.8)
Losses on sales of securities	4.5	7.5	(2.9)
Devaluation losses on securities	0.3	2.0	(1.6)
Losses from derivatives, net	6.8	7.3	(0.4)
Operating expenses	20.7	19.7	1.0
Other ordinary expenses	12.1	13.4	(1.3)
<b>Ordinary profit</b>	<b>13.5</b>	<b>11.1</b>	<b>2.4</b>
<b>Net extraordinary gains (losses)</b>	<b>(2.7)</b>	<b>(0.0)</b>	<b>(2.6)</b>
<b>Provision for reserve for policyholder dividends</b>	<b>1.6</b>	<b>3.2</b>	<b>(1.6)</b>
<b>Income before income taxes</b>	<b>9.2</b>	<b>7.8</b>	<b>1.4</b>
<b>Total income taxes</b>	<b>3.4</b>	<b>3.9</b>	<b>(0.5)</b>
<b>Net Income</b>	<b>5.8</b>	<b>3.9</b>	<b>1.9</b>

Includes;  
-Individual insurance and annuities: down ¥7.8 bn  
-Group annuities: up ¥24.7 bn

Includes;  
-Dividends from foreign stocks and investment trusts: down ¥1.0 bn  
-Interests from domestic bonds: down ¥0.7 bn  
-Interests from foreign bonds: up ¥0.4 bn

Includes [y-o-y increase/decrease];  
-Domestic stocks: ¥6.6 bn [down ¥6.1 bn]  
-Foreign securities: ¥5.9 bn [up 0.3 bn]

Includes group annuities: up ¥14.0 bn

Includes [y-o-y increase/decrease];  
- Foreign securities: ¥2.0 bn (down ¥1.5 bn)  
- Domestic bonds, etc.: ¥1.9 bn (up ¥0.8 bn)

Includes [y-o-y increase/decrease];  
-Foreign exchange forward contracts-related: ¥2.3 bn (down ¥4.8 bn)  
-Stock-related: ¥4.5 bn (up ¥4.4 bn)

Includes provision for reserve for price fluctuations of ¥3.0 bn (up ¥2.9 bn) including excess amount of additional reserves of ¥2.5 bn

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



(Billions of yen)

	1Q2009	1Q2008	Changes
<b>Ordinary revenues</b>	<b>103.7</b>	<b>41.8</b>	<b>61.9</b>
Income from insurance premiums	54.4	19.4	34.9
Individual variable annuities	48.3	13.5	34.8
Investment income	47.0	19.5	27.5
Interest, dividends and income from real estate for rent	0.9	1.0	(0.0)
Gains on separate accounts, net	46.0	18.5	27.5
Other ordinary income	2.2	2.7	(0.5)
<b>Ordinary expenses</b>	<b>102.9</b>	<b>44.5</b>	<b>58.3</b>
Insurance claims and other payments	17.0	20.6	(3.5)
Provision for policy and other reserves	66.3	15.6	50.7
Provision (reversal) for policy reserve relating to minimum guarantee risks	(17.3)	(1.9)	(15.4)
Investment expenses	15.3	4.8	10.4
Losses from monetary trusts, net	15.2	4.7	10.5
Operating expenses	3.5	2.9	0.6
Other ordinary expenses	0.6	0.5	0.0
<b>Ordinary profit (losses)</b>	<b>0.8</b>	<b>(2.7)</b>	<b>3.5</b>
<b>Net extraordinary gains (losses)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.0</b>
<b>Provision (reversal) for reserve for policyholder dividends</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>
<b>Income (Loss) before income taxes</b>	<b>0.8</b>	<b>(2.7)</b>	<b>3.5</b>
<b>Total income taxes</b>	<b>0.2</b>	<b>(0.8)</b>	<b>1.0</b>
<b>Net income (loss)</b>	<b>0.5</b>	<b>(1.9)</b>	<b>2.4</b>

-Reversal for policy reserve relating to minimum guarantee risks amounted to ¥19.2 bn (up ¥16.8 bn y-o-y) due to a recovery of stock market, which exceeded a ¥15.2 bn of hedging losses against stock price rise recorded as monetary trust, net.  
 -Provision for policy reserve relating to minimum guarantee risks amounted to ¥1.9 bn (up ¥1.3 bn y-o-y) due to gained new policies

# Non-Consolidated Balance Sheets: Daido Life



(Billions of yen)

	As of June 30, 2009	As of March 31, 2009	Changes
<b><u>Assets</u></b>			
Cash and deposits, call loans	364.0	489.0	(125.0)
Monetary claims purchased	204.0	297.8	(93.7)
Monetary trusts	9.4	13.5	(4.0)
Securities	3,798.0	3,521.2	276.7
Domestic bonds	2,636.5	2,401.9	234.5
Domestic stocks	284.1	262.8	21.3
Foreign securities	497.7	519.4	(21.7)
Other securities	379.6	336.9	42.6
Loans	801.3	801.7	(0.3)
Tangible fixed assets	139.7	140.7	(0.9)
Intangible fixed assets	6.9	7.4	(0.4)
Other assets	73.8	75.1	(1.3)
Deferred tax assets	120.6	123.7	(3.0)
Reserve for possible loan losses	(0.8)	(0.8)	0.0
<b>Total assets</b>	<b>5,518.7</b>	<b>5,471.1</b>	<b>47.5</b>

(Billions of yen)

	As of June 30, 2009	As of March 31, 2009	Changes
<b><u>Liabilities</u></b>			
Total policy reserves	5,078.7	5,106.8	(28.1)
Policy reserve	4,933.9	4,959.1	(25.1)
Contingency reserve	52.8	53.2	(0.3)
Reserve for price fluctuations	42.5	42.0	0.5
<b>Total liabilities</b>	<b>5,237.6</b>	<b>5,285.2</b>	<b>(47.5)</b>
<b><u>Net assets</u></b>			
Total stockholders' equity	270.2	271.5	(1.3)
Common stock	110.0	110.0	-
Capital surplus	35.0	35.0	-
Retained earnings	125.2	126.5	(1.3)
Total valuation and translation adjustments	10.7	(85.6)	96.4
Net unrealized gains on securities	10.4	(86.0)	96.5
<b>Total net assets</b>	<b>281.0</b>	<b>185.9</b>	<b>95.1</b>
<b>Total liabilities and net assets</b>	<b>5,518.7</b>	<b>5,471.1</b>	<b>47.5</b>

-Domestic bonds: mainly due to increase in TB (Treasury Discount Bills)  
 -Domestic stocks: due to a rise in fair value  
 -Foreign securities: due to selling off the investment trusts and hedge funds, and redemptions of yen-denominated preferred securities  
 -Other securities: due to a rise in fair value

# Non-Consolidated Balance Sheets: Taiyo Life

	(Billions of yen)				(Billions of yen)		
	As of June 30, 2009	As of March 31, 2009	Changes		As of June 30, 2009	As of March 31, 2009	Changes
<b><u>Assets</u></b>				<b><u>Liabilities</u></b>			
Cash and deposits, call loans	90.0	126.2	(36.1)	Total policy reserves	5,429.4	5,477.3	(47.8)
Monetary claims purchased	142.9	145.3	(2.4)	Policy reserve	5,366.1	5,411.8	(45.7)
Securities	3,699.3	3,675.6	23.6	Contingency reserve	77.1	76.8	0.2
Domestic bonds	2,264.1	2,572.5	(308.4)	Other liabilities	69.5	90.4	(20.9)
Domestic stocks	367.9	292.8	75.1	Subordinated payable	35.0	35.0	-
Foreign securities	1,062.6	805.5	257.0	Reserve for price fluctuations	13.0	10.0	3.0
Other securities	4.5	4.7	(0.1)	<b>Total liabilities</b>	<b>5,559.7</b>	<b>5,625.4</b>	<b>(65.6)</b>
Loans	1,485.9	1,493.8	(7.8)	<b><u>Net assets</u></b>			
Tangible fixed assets	161.4	162.4	(0.9)	Total stockholders' equity	192.4	192.6	(0.1)
Intangible fixed assets	12.3	12.4	(0.1)	Common stock	62.5	62.5	-
Other assets	76.8	71.0	5.7	Capital surplus	62.5	62.5	-
Deferred tax assets	70.3	85.5	(15.2)	Retained earnings	67.4	67.6	(0.1)
Reserve for possible loan losses	(1.5)	(1.6)	0.1	Total valuation and translation adjustments	(14.4)	(46.9)	32.4
<b>Total assets</b>	<b>5,737.7</b>	<b>5,771.1</b>	<b>(33.4)</b>	Net unrealized gains on securities	33.4	0.9	32.5
				Land revaluation	(47.9)	(47.8)	(0.1)
				<b>Total net assets</b>	<b>177.9</b>	<b>145.7</b>	<b>32.2</b>
				<b>Total liabilities and net assets</b>	<b>5,737.7</b>	<b>5,771.1</b>	<b>(33.4)</b>

Perpetual subordinated loans

- Domestic bonds: mainly due to the shift to foreign bonds
- Domestic stocks: mainly due to a rise in fair value
- Foreign securities: mainly due to increase in foreign bonds

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



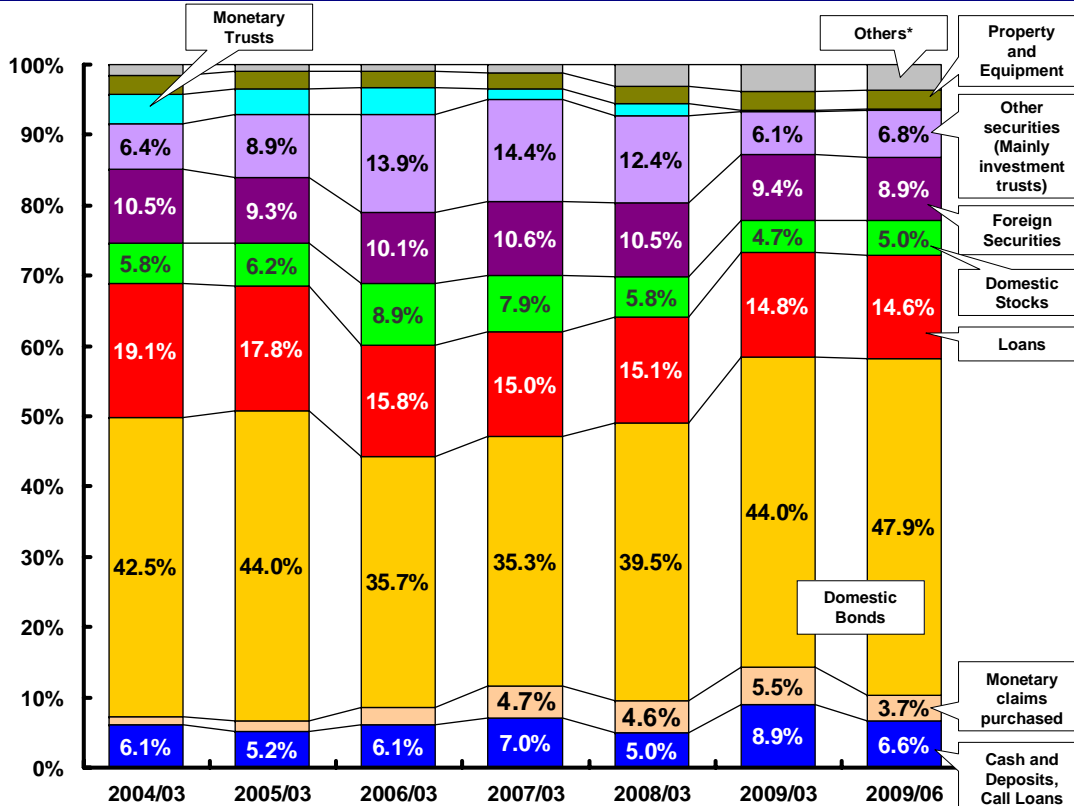
(Billions of yen)

(Billions of yen)

	As of June 30, 2009	As of March 31, 2009	Changes		As of June 30, 2009	As of March 31, 2009	Changes
<b><u>Assets</u></b>				<b><u>Liabilities</u></b>			
Cash and deposits, call loans	36.7	43.0	(6.3)	Total policy reserves	1,179.3	1,113.0	66.2
Monetary trusts	51.8	64.6	(12.7)	Policy reserve	1,174.0	1,107.6	66.3
Securities	1,110.6	1,024.4	86.1	Contingency reserve	19.5	17.5	2.0
Domestic bonds	376.8	378.5	(1.7)	Reserve for price fluctuations	0.4	0.4	0.0
Domestic stocks	0.8	0.6	0.2	<b>Total liabilities</b>	<b>1,190.6</b>	<b>1,124.0</b>	<b>66.5</b>
Foreign securities	1.7	1.7	0.0	<b><u>Net assets</u></b>			
Other securities	731.2	643.5	87.6	Total stockholders' equity	48.8	48.2	0.5
Loans	6.5	6.6	(0.1)	Common stock	56.0	56.0	-
Tangible fixed assets	0.2	0.2	(0.0)	Capital surplus	46.0	46.0	-
Intangible fixed assets	2.1	2.0	0.0	Retained earnings	(53.1)	(53.7)	0.5
Other assets	4.1	3.4	0.6	Total valuation and translation adjustments	(0.9)	(1.2)	0.2
Deferred tax assets	15.9	16.5	(0.5)	Net unrealized gains on securities	(0.9)	(1.2)	0.2
Reserve for possible loan losses	(0.0)	(0.0)	0.0	<b>Total net assets</b>	<b>47.9</b>	<b>47.0</b>	<b>0.8</b>
<b>Total assets</b>	<b>1,238.5</b>	<b>1,171.1</b>	<b>67.3</b>	<b>Total liabilities and net assets</b>	<b>1,238.5</b>	<b>1,171.1</b>	<b>67.3</b>

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

# General Account Assets Composition: Daido Life

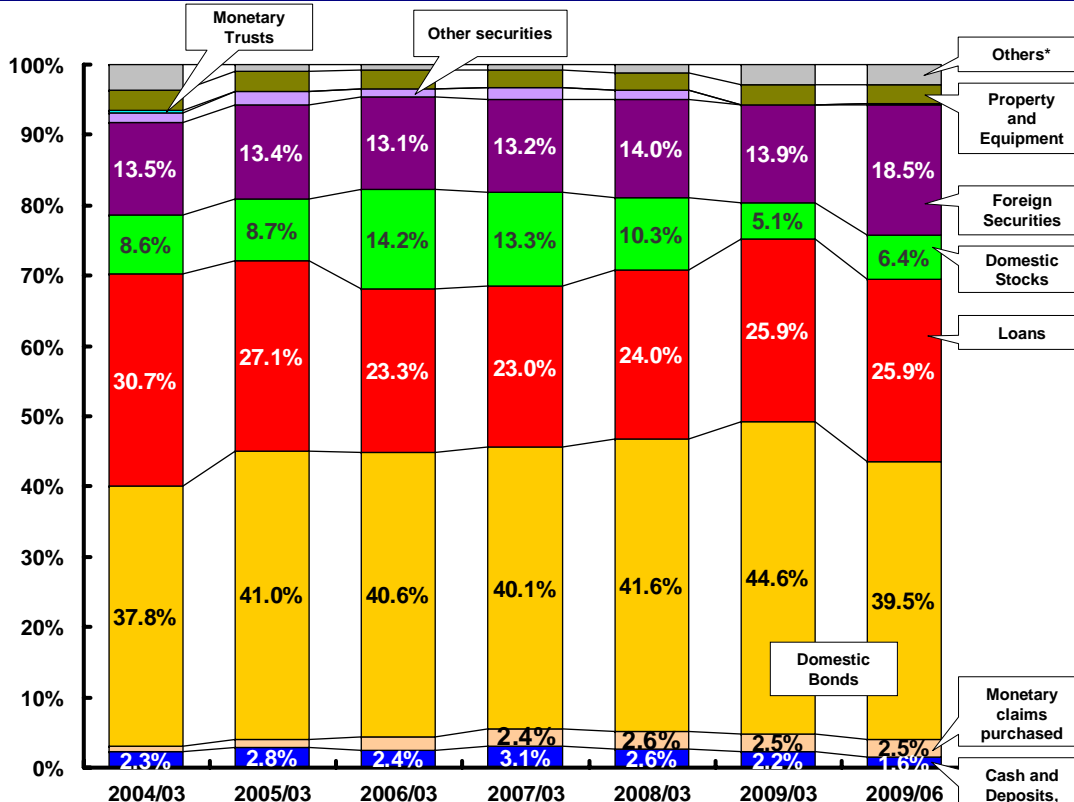


**Net Exposure to Domestic Stocks \*\***  
**9.0%**  
 (2009/03 8.3%)  
 (2008/03 14.5%)

**Net Exposure to Foreign Currency \*\*\***  
**2.7%**  
 (2009/03 2.5%)  
 (2008/03 3.4%)

\* Others includes deferred tax assets, tangible fixed assets, intangible fixed assets and others.  
 \*\* Net exposure to domestic stocks adjusting the hedging position and including investment trusts  
 \*\*\* Net foreign currency exposure adjusting for hedges

# General Account Assets Composition: Taiyo Life



**Net Exposure to Domestic Stocks \*\***  
**5.4%**  
 (2009/03 3.1%)  
 (2008/03 10.9%)

**Net Exposure to Foreign Currency \*\*\***  
**2.6%**  
 (2009/03 2.6%)  
 (2008/03 5.2%)

\* Others includes deferred tax assets, tangible fixed assets, intangible fixed assets and others.  
 \*\* Net exposure to domestic stocks adjusting the hedging position and including investment trusts  
 \*\*\* Net foreign currency exposure adjusting for hedges

# Breakdown of Foreign Securities and Other Securities

(Billions of yen)

	Daido Life			Taiyo Life		
	As of June 30, 2009	As of March 31, 2009	Changes	As of June 30, 2009	As of March 31, 2009	Changes
<b>Foreign securities</b>	<b>489.8</b>	<b>512.5</b>	<b>(22.7)</b>	<b>1,060.7</b>	<b>804.1</b>	<b>256.6</b>
Foreign bonds	166.5	158.7	7.7	808.9	575.9	232.9
Foreign stocks and others*	323.2	353.7	(30.4)	251.8	228.1	23.6
Hedge funds	84.1	93.3	(9.2)	59.9	61.7	(1.8)
Private equity funds	109.7	113.7	(4.0)	13.6	14.0	(0.4)
<b>Other securities</b>	<b>373.1</b>	<b>331.3</b>	<b>41.7</b>	<b>4.5</b>	<b>4.7</b>	<b>(0.1)</b>
Domestic investment trusts	347.4	305.4	42.0	1.1	0.9	0.2
REIT	3.3	3.3	(0.0)	-	-	-
Others	25.6	25.8	(0.2)	3.4	3.7	(0.3)
Private equity funds	14.1	14.3	(0.1)	2.1	2.5	(0.3)

\* 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 (Foreign Bonds)

(Billions of yen)

	<b>Daido Life</b> (As of June 30, 2009)		<b>Taiyo Life</b> (As of June 30, 2009)	
<b>Government bonds</b>	<b>25.5</b>	<b>15.3%</b>	<b>702.7</b>	<b>86.9%</b>
BBB and above	25.5	15.3%	702.7	86.9%
<b>Supranational bonds</b>	<b>3.0</b>	<b>1.8%</b>	<b>46.0</b>	<b>5.7%</b>
BBB and above	3.0	1.8%	46.0	5.7%
<b>Government-related organizations' bond and public entities' bond</b>	<b>0.9</b>	<b>0.6%</b>	<b>40.9</b>	<b>5.1%</b>
BBB and above	0.9	0.6%	40.9	5.1%
<b>Municipal bonds</b>	<b>3.0</b>	<b>1.8%</b>	-	-
BBB and above	3.0	1.8%	-	-
<b>Corporate bonds</b>	<b>133.9</b>	<b>80.5%</b>	<b>19.2</b>	<b>2.4%</b>
BBB and above	133.6	80.2%	19.2	2.4%
<b>Total</b>	<b>166.5</b>	<b>100.0%</b>	<b>808.9</b>	<b>100.0%</b>

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

# Breakdown of Devaluation Losses on Securities

(Billions of yen)

	Daido Life (Three months ended June 30, 2009)	Taiyo Life (Three months ended June 30, 2009)
<b>Domestic bonds</b>	<b>0.3</b>	-
<b>Domestic stocks</b>	<b>0.3</b>	<b>0.2</b>
<b>Foreign securities</b>	<b>0.6</b>	<b>0.1</b>
Foreign bonds	-	-
Foreign stocks and others	<b>0.6</b>	<b>0.1</b>
Private equity funds	<b>0.6</b>	<b>0.1</b>
<b>Other securities</b>	-	-
Domestic investment trusts	-	-
REIT	-	-
Others	-	-
Private equity funds	-	-
<b>Total</b>	<b>1.5</b>	<b>0.3</b>

\* Total for Daido includes devaluation losses of monetary claims purchased: 0.1 billion

# Unrealized Gains/Losses (General Account): Daido Life



\*Securities with market value

(Billions of yen)

	Net Unrealized gains/ losses on Held-to-maturity securities		Net Unrealized gains/ losses on Available-for-sale securities		Total		
	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	Changes
<b>Total</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>50.0</b>	<b>(52.5)</b>	<b>50.0</b>	<b>(52.6)</b>	<b>102.6</b>
Domestic Bonds	(0.0)	(0.0)	20.7	7.1	20.6	7.0	13.5
Domestic Stocks	-	-	64.4	35.9	64.4	35.9	28.4
Foreign Securities	-	-	(12.3)	(18.5)	(12.3)	(18.5)	6.1
Bonds	-	-	(3.5)	(9.3)	(3.5)	(9.3)	5.7
Stocks, etc.	-	-	(8.7)	(9.1)	(8.7)	(9.1)	0.4
Other Securities	-	-	(22.4)	(76.8)	(22.4)	(76.8)	54.3
Monetary Claims Purchased	-	-	(0.2)	(0.3)	(0.2)	(0.3)	0.0
Monetary Trusts	-	-	-	-	-	-	-
<b>Net Unrealized Gains/Losses on Real Estate</b>					<b>30.3</b>	<b>30.3</b>	<b>(0.0)</b>

\*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

\*Securities with market value

(Billions of yen)

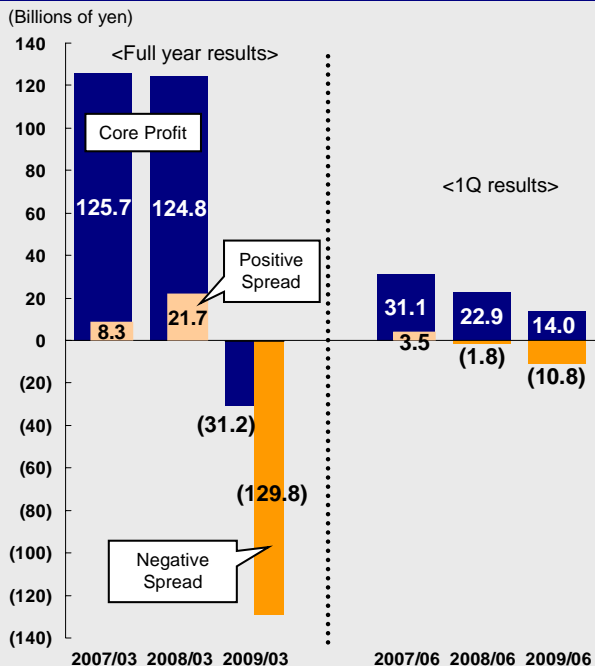
	Net Unrealized gains/losses on Held-to-maturity securities		Net Unrealized gains/losses on Policy-reserve-matching bonds		Net Unrealized gains/losses on Available-for-sale securities		Total		
	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	As of June 30, 2009	As of March 31, 2009	Changes
<b>Total</b>	<b>3.7</b>	<b>2.5</b>	<b>21.8</b>	<b>16.9</b>	<b>50.6</b>	<b>4.6</b>	<b>76.2</b>	<b>24.1</b>	<b>52.0</b>
Domestic Bonds	2.8	2.0	21.8	16.9	13.0	19.4	37.7	38.4	(0.7)
Domestic Stocks	-	-	-	-	64.4	8.6	64.4	8.6	55.7
Foreign Securities	-	-	-	-	(26.9)	(23.2)	(26.9)	(23.2)	(3.7)
Bonds	-	-	-	-	(15.3)	(4.1)	(15.3)	(4.1)	(11.2)
Stocks, etc.	-	-	-	-	(11.6)	(19.1)	(11.6)	(19.1)	7.4
Other Securities	-	-	-	-	0.1	(0.1)	0.1	(0.1)	0.2
Monetary Claims Purchased	0.9	0.4	-	-	0.0	(0.1)	0.9	0.3	0.5
Monetary Trusts	-	-	-	-	-	-	-	-	-
<b>Net Unrealized Gains/Losses on Real Estate</b>							<b>21.6</b>	<b>22.3</b>	<b>(0.7)</b>

\*Net unrealized gains/ losses on real estate is basically calculated based on the appraisal price.

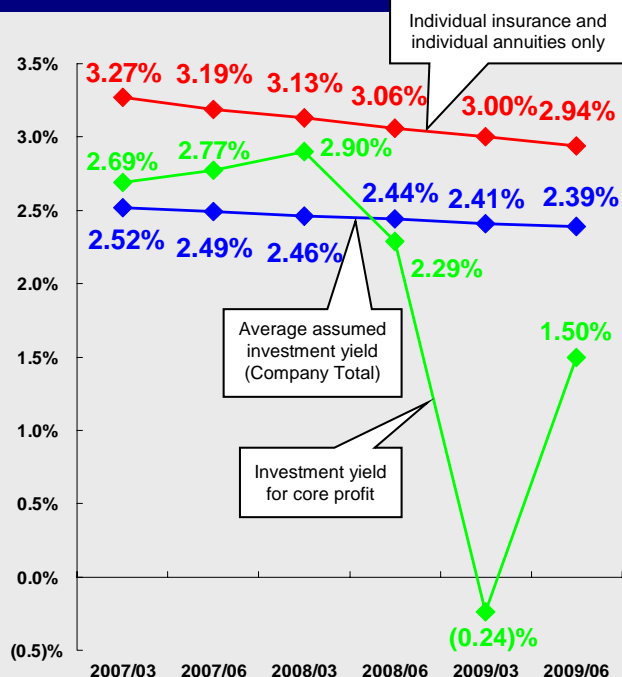
\*\*Less important properties are calculated based on the posted price.

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

## Amount of Core Profit and Negative Spread



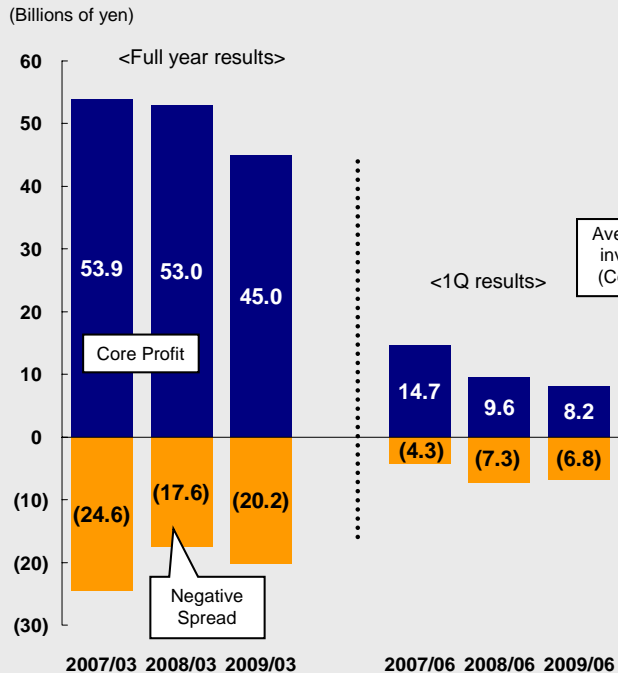
## Average Assumed Investment Yield



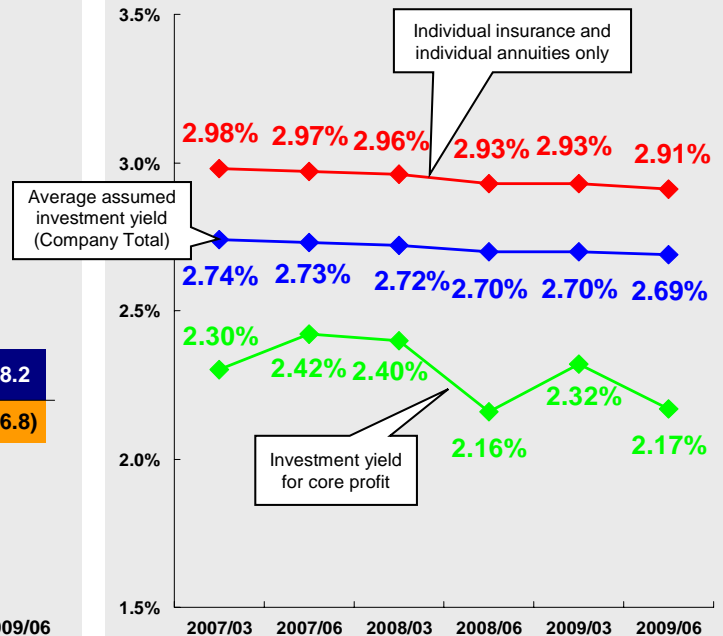
# Core Profit/Negative Spread, Average Assumed Investment Yield: Taiyo Life



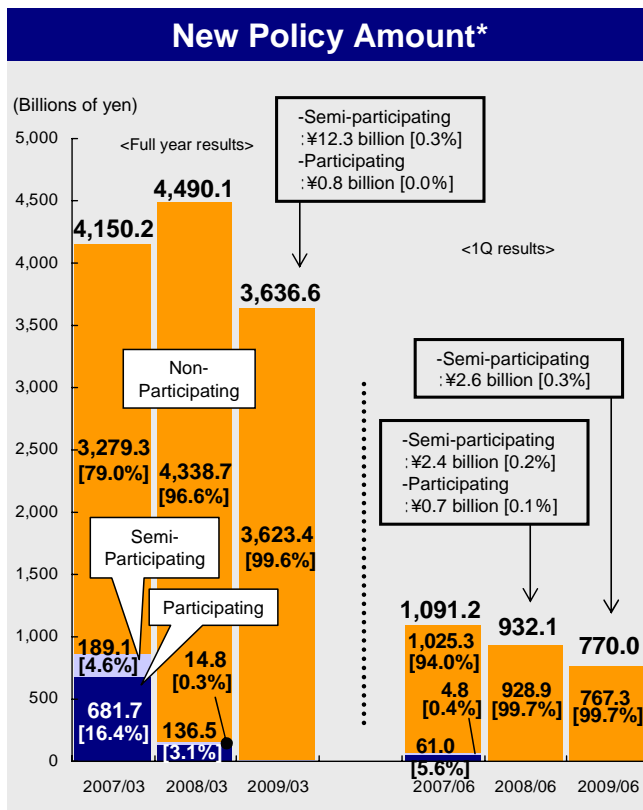
## Amount of Core Profit and Negative Spread



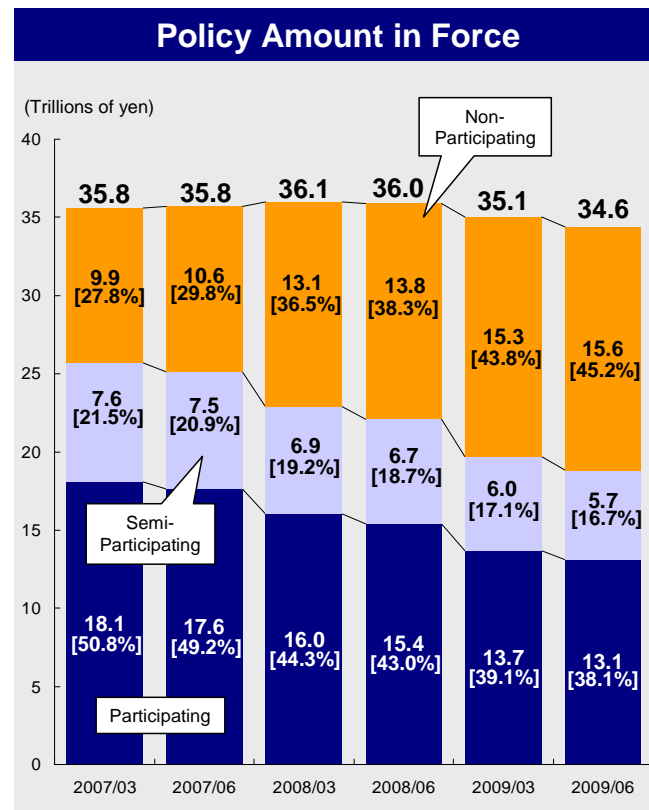
## Average Assumed Investment Yield



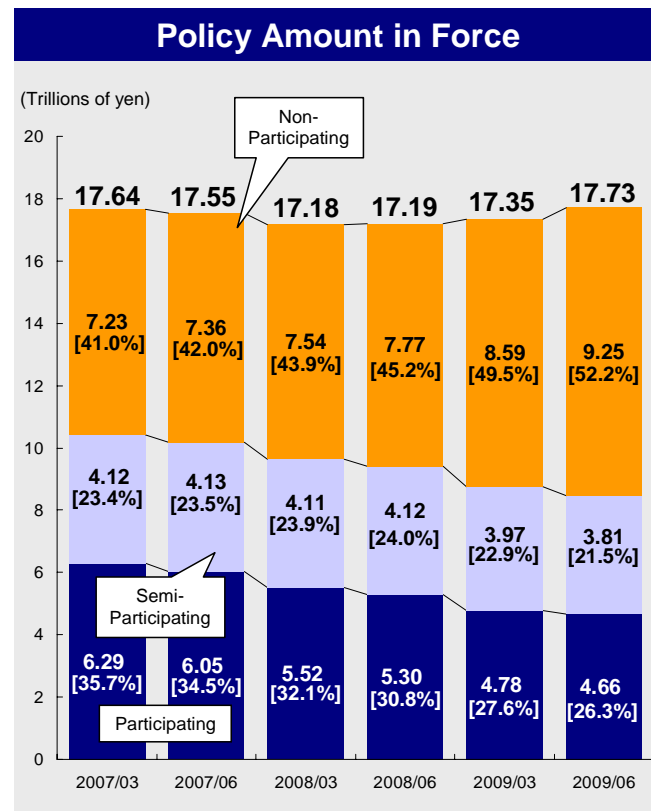
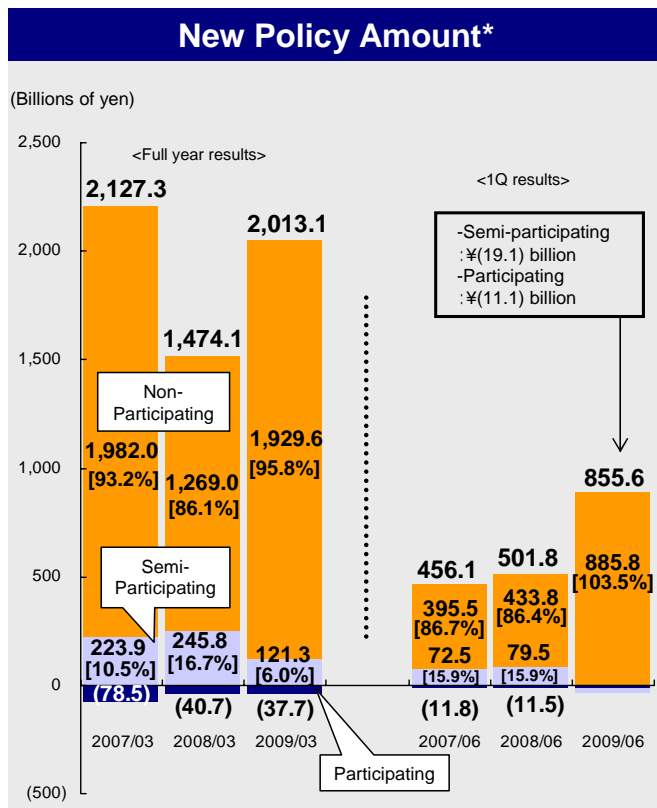
# Sales Results by Dividend Type: Daido Life (Individual Term Life Insurance)



\* 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)	270,281	270,281	270,281	
Reserve for deferred gain on sale of real estate	-	-	(1,559)	
Estimated appropriation paid in cash	-	-	(1,693)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	7,470	10,896	9,806	1. After-tax, including real estate funds 2. Before-tax 3. 90% of before-tax (100% of before-tax, if losses)
Unrealized gains (losses) on loans	5,729	-	-	1. After-tax
Deferred gains (losses) on hedging instruments	331	331	-	1.2. After-tax
Net unrealized gains (losses) on real estate	13,819	30,331	25,781	1. After-tax 2. Before-tax 3. 85% of before-tax
Reserve for price fluctuations	42,540	42,540	42,540	
Contingency reserve	52,881	52,881	52,881	
Unallotted portion of reserve for policyholder dividends	7,309	7,309	7,309	
Excess amount of policy reserve based on Zillmer method	-	127,204	127,204	
Future profits	-	-	6,328	
Deferred tax assets for quasi-equity liabilities	(37,096)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.11%)
Deferred tax assets	-	-	60,833	
General reserve for possible loan losses	82	-	129	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.	1,943	(47)	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>365,293</b>	<b>541,729</b>	<b>599,845</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)	192,485	192,485	192,485	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	(1,615)	3. Shareholders' dividends
Net unrealized gains (losses) on securities	29,803	46,640	41,976	1. After-tax 2. Before-tax 3. 90% of before-tax (100% of before-tax, if losses)
Net unrealized gains (losses) on loans	13,609	-	-	1. After-tax
Deferred gains (losses) on hedging instruments	1,291	(31)	-	1. After-tax, including net valuation gains/losses on interest rate swaps 2. After-tax
Net unrealized gains (losses) on real estate	(12,782)	(26,317)	(15,707)	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	13,017	13,017	13,017	
Contingency reserve	77,172	77,172	77,172	
Unallotted portion of reserve for policyholder dividends	10,045	10,045	10,045	
Excess amount of policy reserve based on Zillmer method	-	42,871	42,871	
Future profits	-	-	1,377	
Deferred tax assets for quasi-equity liabilities	(36,184)	-	-	1. (Reserve for price fluctuations + Contingency Reserve + Unallotted portion of reserve for policyholder dividends) x (effective tax rate:36.1%)
Deferred tax assets	-	-	37,213	
General reserve for possible loan losses	919	-	1,439	1. After-tax 3. Before-tax
Subordinated debt	-	-	35,000	
Net unrealized gains (losses) on subordinated debt	0	-	-	1. After-tax
Net unrealized gains (losses) on held-to-maturity securities, etc.	17,613	25,555	-	1. After-tax, including net unrealized gains (losses) on stocks of affiliated companies 2. Before-tax
<b>Total</b>	<b>306,989</b>	<b>381,439</b>	<b>435,275</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>48,868</b>	<b>48,868</b>	<b>48,868</b>	
Reserve for deferred gain on sale of real estate	-	-	-	
Estimated appropriation paid in cash	-	-	-	3. Shareholders' dividend
Net unrealized gains (losses) on securities	<b>(671)</b>	<b>(958)</b>	<b>(958)</b>	1. After-tax 2. Before-tax 3. 90% of before-tax (100% of before-tax, if losses)
Net unrealized gains (losses) on loans	<b>455</b>	-	-	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	<b>439</b>	<b>439</b>	<b>439</b>	
Contingency reserve	<b>19,530</b>	<b>19,530</b>	<b>19,530</b>	
Unallotted portion of reserve for policyholder dividends	-	-	-	
Excess amount of policy reserve based on Zillmer method	-	<b>19,561</b>	<b>29,790</b>	2. Excludes due from reinsures related to variable annuities 3. Includes due from reinsures related to variable annuities
Future profits	-	-	-	
Deferred tax assets for quasi-equity liabilities	<b>(5,990)</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>2</b>	-	<b>3</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>2,999</b>	<b>4,284</b>	-	1. After-tax 2. Before-tax
<b>Total</b>	<b>65,633</b>	<b>91,726</b>	<b>97,673</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	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Policy amount in force *1	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	58,097.1
New policy amount *1, *2	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	5,991.0
Income from insurance premiums	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	1,654.3
Surrender and lapse amount *1	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	5,373.2
Core profit	114.5	96.9	128.1	126.5	114.2	141.7	129.8	127.2	173.3	159.7	(27.0)
Total assets	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	12,413.5

\*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	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Policy amount in force *1	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	38,621.8
Individual term life insurance	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	35,105.5
New policy amount *1,*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	3,761.6
Individual term life insurance	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	3,627.0
Income from insurance premiums	1,192.8	1,136.9	1,072.2	1,059.4	989.4	928.2	884.8	871.1	865.2	843.3	811.9
Individual insurance and annuities *1	702.6	684.8	686.7	662.0	684.9	641.0	664.2	667.8	673.8	669.4	653.4
Surrender and lapse amount *1	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	3,992.4
Surrender and lapse rate (%)	9.9%	9.8%	9.0%	9.0%	8.45%	8.44%	7.70%	7.66%	9.04%	8.93%	10.01%
Core profit	-	-	114.2	109.8	88.7	107.3	102.7	96.1	125.7	124.8	(31.2)
Number of in-house sales reps.	6,126	5,456	4,866	5,154	5,194	5,251	4,888	4,909	4,726	4,307	4,156
Number of agents	13,213	13,135	13,203	13,252	12,970	13,079	13,415	13,963	14,295	14,460	14,321
Total assets	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	5,471.1

\*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	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Policy amount in force *1	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	17,355.2
Individual insurance	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	13,761.7
New policy amount *1,*2	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	2,013.1
Individual insurance	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	1,906.6
Income from insurance premiums	1,234.6	1,155.2	1,097.3	1,019.0	887.9	794.1	788.1	823.0	705.5	635.7	596.6
Individual insurance and annuities	1,095.0	972.4	914.8	837.8	762.1	680.2	646.6	609.2	576.5	532.0	508.6
Surrender and lapse amount *1	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	1,245.5
Surrender and lapse rate (%)	6.06%	6.60%	7.91%	7.97%	8.66%	8.92%	8.86%	9.69%	8.55%	7.64%	7.25%
Core profit	-	-	13.9	13.8	28.7	37.5	33.8	38.1	53.9	53.0	45.0
Number of in-house sales reps.	10,450	10,111	9,276	8,948	8,808	8,703	9,111	8,963	8,116	7,619	8,226
Total assets	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	5,771.1

\*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	2009
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	2,120.0
Individual variable annuities	1.3	64.1	175.1	245.7	459.5	621.5	596.8	674.9
New policy amount *2	174.3	467.5	444.0	299.7	162.7	179.5	93.3	216.2
Individual variable annuities	1.2	65.1	90.4	60.8	128.6	179.5	93.3	216.2
Income from insurance premiums	35.2	127.4	156.1	126.0	208.1	240.7	134.0	245.7
Individual variable annuities	1.2	66.3	100.8	77.2	164.2	202.4	103.7	218.2
Surrender and lapse amount *1	722.9	606.2	518.7	425.1	418.6	242.7	165.5	135.3
Surrender and lapse rate (%)	17.05%	16.75%	15.65%	13.56%	14.37%	9.11%	6.56%	5.98%
Core profit	2.7	(3.2)	(3.1)	(6.7)	(7.0)	(6.4)	(18.1)	(40.8)
Total assets	598.6	613.6	682.2	727.2	934.1	1,078.4	1,048.9	1,171.1

\*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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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.