

CONSOLIDATED FINANCIAL SUMMARY

(For the three months ended June 30, 2006)

August 11, 2006

Name of Company: **T&D Holdings, Inc.**
 Stock Listings: Tokyo, Osaka
 Security Code No.: 8795
 Head Office: Tokyo, Japan
 URL: <http://www.td-holdings.co.jp/e/>

1. Premises

- (1) Adoption of Simple Accounting Method: None
 (2) Changes in Method of Accounting: Applicable. Accounting standard for presentation of net assets in the balance sheet and its implementation has been applied since the three months ended June 30, 2006.
 (3) Scope of Consolidation and Application of Equity Method:
 Number of consolidated subsidiaries: 16
 Number of non-consolidated subsidiaries accounted for by the equity method: 0
 Number of affiliates accounted for by the equity method: 2
 (4) Changes in Scope of Consolidation and Application of Equity Method: None

2. Consolidated Operating Results for the Three Months Ended June 30, 2006 (April 1, 2006 - June 30, 2006)

(1) Results of Operations

Note: Amounts of less than one million yen are omitted, and percentages have been rounded to the nearest percent.

	Ordinary Revenues	% change	Ordinary Profit	% change	Net Income	% change
Three months ended June 30, 2006	¥632,878 million	1.2	¥57,591 million	108.1	¥26,944 million	310.9
Three months ended June 30, 2005	¥625,381 million	(9.6)	¥27,674 million	(23.7)	¥ 6,558 million	(79.0)
Year Ended March 31, 2006	¥2,444,295 million	5.5	¥136,846 million	25.7	¥35,545 million	(4.3)

	Net Income per Share	Net Income per Share (Fully Diluted)
Three months ended June 30, 2006	¥109.41	-
Three months ended June 30, 2005	¥27.16	-
Year Ended March 31, 2006	¥146.19	-

Notes:

- Equity in net gain of affiliated companies: ¥3 million for the three months ended June 30, 2006; ¥6 million for the three months ended June 30, 2005; ¥22 million for the year ended March 31, 2006
- Average number of outstanding shares during the term (consolidated): three months ended June 30, 2006: 246,269,402; three months ended June 30, 2005: 241,458,788; year ended March 31, 2006: 241,664,575
- % change for ordinary revenues and ordinary profit, etc. are presented in comparison with the same term of the previous fiscal year.

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of June 30, 2006	¥13,726,636 million	¥940,701 million	6.8%	¥3,813.68
As of June 30, 2005	¥13,015,991 million	¥589,785 million	4.5%	¥2,442.62
As of March 31, 2006	¥13,986,233 million	¥1,080,098 million	7.7%	¥4,384.93

Note: Number of outstanding shares at the end of the term (consolidated): as of June 30, 2006: 246,267,905; as of June 30, 2005: 241,455,938; as of March 31, 2006: 246,271,247

(3) Results of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Term
Three months ended June 30, 2006	¥(26,973) million	¥46,195 million	¥6,199 million	¥858,332 million
Three months ended June 30, 2005	¥(22,275) million	¥35,324 million	¥(14,042) million	¥867,881 million
Year Ended March 31, 2006	¥138,640 million	¥(196,333) million	¥27,346 million	¥834,403 million

3. Consolidated Forecasts for the Year Ending March 31, 2007 (April 1, 2006 - March 31, 2007)

	Ordinary Revenues	Ordinary Profit	Net Income
Half-year ending Sep. 30, 2006	¥1,150,000 million	¥53,000 million	¥13,000 million
Year ending March 31, 2007	¥2,280,000 million	¥105,000 million	¥26,000 million

Notes:

- The above forecasts have not been changed from the previous forecasts announced on May 17, 2006.
- Projected net income per share for the year ending March 31, 2007 is ¥105.57.

The above forecasts for the year ending March 31, 2007 reflect the Company's current analysis of existing information and trends. Actual results may differ from expectations based on risks and uncertainties that may affect the Company's businesses.

4. Financial Review

1. Consolidated Results of Operations

For the three months ended June 30, 2006, ordinary revenues increased ¥7.4 billion, or 1.2 percent from the level of the same term of the previous fiscal year, to ¥632.8 billion, which was a total of income from insurance premiums of ¥450.7 billion (down 10.1 percent), investment income of ¥107.8 billion (up 31.2 percent), other ordinary income of ¥74.3 billion (up 77.6 percent) and others.

Ordinary expenses decreased ¥22.4 billion, or 3.8 percent from the level of the same term of the previous fiscal year, to ¥575.2 billion, which were a total of insurance claims and other payments of ¥453.3 billion (down 10.1 percent), investment expenses of ¥52.3 billion (up 147.5 percent), operating expenses of ¥51.1 billion (down 2.3 percent), other ordinary expenses of ¥17.8 billion (down 8.5 percent) and others.

As a result, ordinary profit increased ¥29.9 billion, or 108.1 percent, to ¥57.5 billion. Ordinary profit increased mainly due to an increase in income from interest and dividends, and an improvement in capital gains and losses including gains and losses on sales of securities.

Extraordinary gains decreased 53.6 percent, to ¥0.0 billion, and extraordinary losses decreased 37.8 percent, to ¥4.3 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥3.8 billion.

After accounting for extraordinary gains and losses, the provision for reserve for policyholder dividends, and income taxes, net income increased ¥20.3 billion, or 310.9 percent, from the level of the same term of the previous fiscal year, to ¥26.9 billion.

2. Consolidated Financial Position

(1) Balance Sheets

As of June 30, 2006, total assets amounted to ¥13,726.6 billion (down 1.9 percent from March 31, 2006), mainly consisting of securities centered on public and corporate bonds amounting to ¥9,567.4 billion (down 2.7 percent), loans of ¥2,509.5 billion (down 0.4 percent), cash and deposits of ¥375.6 billion (down 16.0 percent) and monetary claims purchased of ¥345.5 billion (up 23.1 percent).

Total liabilities were ¥12,785.9 billion (down 0.9 percent), and policy reserves accounting for a substantial portion of them amounted to ¥12,187.9 billion (down 0.5 percent).

Total net assets were ¥940.7 billion (total shareholders' equity as of March 31, 2006 was ¥1,080.0 billion), of which net unrealized gains on securities was ¥542.0 billion (down 22.3 percent).

(2) Cash Flows

Cash flows for the three months ended June 30, 2006, were as follows.

Net cash used in operating activities recorded expenditure of ¥26.9 billion, an increase of expenditure of ¥4.6 billion from the level of the same term of the previous fiscal year. This was mainly due to an increase in income taxes paid.

Net cash provided by investing activities was ¥46.1 billion in revenue, up ¥10.8 billion from the level of the same term of the previous fiscal year. This was mainly due to an increase in investment income such as gains on sales and redemption of securities.

Net cash provided by financing activities was ¥6.1 billion in revenue, an increase of gain of ¥20.2 billion compared with the expenditure of ¥14.0 billion recorded in the same term of the previous fiscal year. This was mainly due to the issuance of commercial paper.

As a result, cash and cash equivalents as of June 30, 2006 totaled ¥858.3 billion, up ¥23.9 billion from the beginning of the fiscal year.

3. Operations of Three Life Insurance Companies (Non-consolidated Basis)

(1) Results of Operations

Taiyo Life Insurance Company:

For the three months ended June 30, 2006, Taiyo Life's ordinary revenues decreased ¥24.5 billion, or 7.4 percent from the level of the same term of the previous fiscal year, to ¥308.0 billion, which was a total of income from insurance premiums of ¥204.7 billion (down 17.2 percent), investment income of ¥72.2 billion (up 54.4 percent), and other ordinary income of ¥31.0 billion (down 19.5 percent).

Ordinary expenses decreased ¥42.1 billion, or 13.2 percent from the level of the same term of the previous fiscal year, to ¥278.2 billion, which was a total of insurance claims and other payments of ¥227.6 billion (down 18.1 percent), investment expenses of ¥20.3 billion (up 85.0 percent), operating expenses of ¥20.3 billion (down 2.9 percent) and others.

As a result, ordinary profit increased ¥17.5 billion, or 143.9 percent, to ¥29.7 billion. Ordinary profit increased mainly due to an improvement in capital gains and losses, including gains and losses on sales of securities.

Extraordinary gains decreased 79.6 percent, to ¥0.0 billion, and extraordinary losses decreased 65.7 percent, to ¥1.6 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥1.6 billion.

Net income increased ¥14.0 billion, or 895.2 percent from the level of the same term of the previous fiscal year, to ¥15.6 billion.

Daido Life Insurance Company:

For the three months ended June 30, 2006, Daido Life's ordinary revenues increased ¥7.9 billion, or 3.0 percent from the level of the same term of the previous fiscal year, to ¥275.0 billion, which was a total of income from insurance premiums of ¥211.2 billion (up 2.2 percent), investment income of ¥38.4 billion (up 17.2 percent), and other ordinary income of ¥25.3 billion (down 8.2 percent).

Ordinary expenses decreased ¥4.3 billion, or 1.8 percent from the level of the same term of the previous fiscal year, to ¥243.5 billion, which was a total of insurance claims and other payments of ¥200.7 billion (down 3.2 percent) and investment expenses of ¥10.7 billion (up 7.9 percent), operating expenses of ¥27.5 billion (up 1.4 percent) and others.

As a result, ordinary profit increased ¥12.2 billion, or 64.0 percent, to ¥31.5 billion. Ordinary

profit increased mainly due to an increase in income from interest and dividends, and net gains from derivatives.

Extraordinary gains decreased 40.1 percent, to ¥0.0 billion, and extraordinary losses increased 29.7 percent, to ¥2.6 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥2.1 billion.

Net income increased ¥6.1 billion, or 75.8 percent from the level of the same term of the previous fiscal year, to ¥14.2 billion.

T&D Financial Life Insurance Company:

For the three months ended June 30, 2006, T&D Financial Life's ordinary revenues decreased ¥3.7 billion, or 7.0 percent from the level of the same term of the previous fiscal year, to ¥49.6 billion, which was a total of income from insurance premiums of ¥34.7 billion (down 26.8 percent), investment income of ¥1.3 billion (down 65.6 percent), and other ordinary income of ¥13.5 billion (up 551.1 percent).

Ordinary expenses decreased ¥3.4 billion, or 6.0 percent from the level of the same term of the previous fiscal year, to ¥53.9 billion, which was a total of insurance claims and other payments of ¥24.8 billion (up 32.3 percent), investment expenses of ¥24.8 billion (up 3,013.2 percent), and operating expenses of ¥3.7 billion (down 21.8 percent) and others. Investment expenses increased mainly due to net gains on separate accounts, which were turned negative from the positive figures recorded in the same term of the previous fiscal year.

As a consequence, ordinary losses increased by ¥0.3 billion, or 7.6 percent, to ¥4.3 billion.

Extraordinary gains were ¥0.0 billion (down 14.7 percent), and extraordinary losses were ¥0.0 billion (down 2.2 percent).

Net loss increased by 1.3% from the same term of the previous fiscal year, to ¥3.1 billion.

(2) Sales Results

Taiyo Life Insurance Company:

The new policy amount of individual insurance and annuities (including the net increase from conversions) for the three months ended June 30, 2006, decreased 16.1 percent compared with the same term of the previous fiscal year, to ¥814.7 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 6.6 percent compared with the same term of the previous fiscal year, to ¥386.1 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of June 30, 2006, increased 2.9 percent from the level of the same term-end of the previous fiscal year (increased 1.5 percent from the previous fiscal year-end), to ¥17,864.0 billion.

Daido Life Insurance Company:

The new policy amount of individual insurance and annuities (including the net increase from conversions) for the three months ended June 30, 2006 increased 6.0 percent compared with the same term of the previous fiscal year, to ¥1,003.6 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities increased 9.0 percent compared with the same term of the previous fiscal year, to ¥848.6 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of June 30, 2006 increased 0.7 percent from the level of the same term-end of the previous fiscal year (decreased 0.2 percent from the previous fiscal year-end), to ¥39,940.9 billion.

T&D Financial Life Insurance Company:

The new policy amount of individual insurance and annuities for the three months ended June 30, 2006 decreased 65.4 percent compared with the same term of the previous fiscal year, to ¥18.5 billion.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 23.1 percent compared with the same term of the previous fiscal year, to ¥74.2 billion.

As a consequence, the total policy amount in force of individual insurance and annuities as of June 30, 2006, decreased 9.8 percent from the level of the same term-end of the previous fiscal year (decreased 3.4 percent from the previous fiscal year-end), to ¥2,574.2 billion.

(3) Other Material Items

Taiyo Life Insurance Company:

Taiyo Life's core profit (a measure of underlying profitability from core insurance operations on a non-consolidated basis) for the three months ended June 30, 2006, recorded ¥8.9 billion, up 128.3 percent compared with the same term of the previous fiscal year, after compensating for a negative spread of ¥10.3 billion (down 26.2 percent).

As of June 30, 2006, Taiyo Life's solvency margin ratio (a measure of insurance companies' financial soundness) was 990.7 percent, down 54.5 points from the 1,045.2 percent at the end of the previous fiscal year. Furthermore, the value of adjusted net assets (adjusted assets at fair value less liabilities, excluding quasi-equity liabilities) amounted to ¥620.8 billion, down ¥136.7 billion from the ¥757.5 billion posted at the previous fiscal year-end.

Daido Life Insurance Company:

Daido Life posted ¥27.8 billion in its core profit for the three months ended June 30, 2006, an increase of 27.2 percent compared with the same term of the previous fiscal year, after compensating for a negative spread of ¥3.2 billion (down 67.6 percent).

As of June 30, 2006, Daido Life's solvency margin ratio was 1,206.5 percent, down 47.9 points from the 1,254.4 percent at the end of the previous fiscal year. Furthermore, the value of adjusted net assets amounted to ¥937.0 billion, down ¥125.3 billion from the ¥1,062.3 billion posted at the previous fiscal year-end.

T&D Financial Life Insurance Company:

T&D Financial Life marked a loss of ¥2.9 billion (down 3.6 percent) in its core profit for the three months ended June 30, 2006, after compensating for a negative spread of ¥1.2 billion (down 15.7 percent).

As of June 30, 2006, T&D Financial Life's solvency margin ratio was 1,646.6 percent, down 265.2 points from the 1,911.8 percent at the end of the previous fiscal year. Furthermore, the value of adjusted net assets amounted to ¥60.8 billion, down ¥3.6 billion from the ¥64.5 billion posted at the end of the previous fiscal year.

(4) Financial Position

Taiyo Life Insurance Company:

As of June 30, 2006, total assets amounted to ¥6,470.6 billion (down 1.8 percent from March 31, 2006), mainly consisting of securities centered on public and corporate bonds amounting to ¥4,421.9 billion (down 3.0 percent), loans of ¥1,531.2 billion (down 0.3 percent), tangible fixed assets of ¥168.0 billion (down 0.5 percent), call loans of ¥133.8 billion (up 18.9 percent) and monetary claims purchased of ¥132.4 billion (up 6.5 percent).

Total liabilities were ¥6,118.3 billion (down 0.9 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,875.1 billion (down 0.4 percent).

Total net assets were ¥352.3 billion (total shareholders' equity as of March 31, 2006 was ¥418.5 billion), of which net unrealized gains on securities was ¥238.1 billion (down 24.4 percent).

Daido Life Insurance Company:

As of June 30, 2006, total assets amounted to ¥6,274.0 billion (down 2.1 percent from March 31, 2006), mainly consisting of securities centered on public and corporate bonds amounting to ¥4,330.2 billion (down 2.4 percent), loans of ¥981.3 billion (down 0.5 percent), cash and deposits of ¥233.4 billion (down 23.3 percent), monetary claims purchased of ¥213.0 billion (up 36.4 percent), monetary trusts of ¥210.0 billion (down 13.4 percent) and tangible fixed assets of ¥143.7 billion (up 0.5 percent).

Total liabilities were ¥5,755.3 billion (down 1.0 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,449.5 billion (down 0.5 percent).

Total net assets were ¥518.7 billion (total shareholders' equity as of March 31, 2006 was ¥590.2 billion), of which net unrealized gains on securities was ¥304.5 billion (down 20.5 percent).

T&D Financial Life Insurance Company:

As of June 30, 2006, total assets amounted to ¥916.0 billion (down 1.9 percent from March 31, 2006), mainly consisting of securities centered on public and corporate bonds amounting to ¥821.4 billion (down 2.7 percent), cash and deposits of ¥52.2 billion (up 25.5 percent) and loans of ¥13.2 billion (down 0.9 percent).

Total liabilities were ¥874.0 billion (down 1.7 percent), and policy reserves accounting for a substantial portion of them amounted to ¥862.5 billion (down 1.4 percent).

Total net assets were ¥41.9 billion (total shareholders' equity as of March 31, 2006 was ¥45.2 billion), of which net unrealized gains on securities was ¥ (0.6) billion (up 26.0 percent).

4. Forecasts for the Year Ending March 31, 2007 (Apr. 1, 2006 – Mar. 31, 2007)

(1) Consolidated

Consolidated net income of ¥26.9 billion for the first quarter ended June 30, 2006 surpassed the interim forecast of ¥13.0 billion and the full-year forecast of ¥26.0 billion. This was mainly attributed to the recognition of net gains on the sale of securities (before-tax) of ¥29.1 billion, which were not initially expected.

The forecasts publicly announced on May 17, 2006, however, will not be amended at this stage, since it is possible that capital gains and losses on investments may substantially change according to future market trends.

The consolidated forecasts for the year ending March 31, 2007 are as follows:

(Billions of yen)

	Ordinary revenues	Ordinary profit	Net income
Interim	1,150	53	13
Year-end	2,280	105	26

Reference: Forecasts for the Year Ending March 31, 2007, of Three Life Insurance Companies (Non-consolidated Basis)

(Billions of yen)

	Taiyo Life	Daido Life	T&D Financial Life
Ordinary Revenues	940	1,010	310
Ordinary Profit	30	86	(14)
Core Profit	38	88	(8)
Net Income	4	32	(12)

(2) Non-consolidated

Since the business results for the three months that ended June 30, 2006, are in line with our plan, earnings forecasts for the fiscal year ending March 31, 2007, have not changed from those announced on May 17, 2006, as follows:

(Billions of yen)

	Operating income	Ordinary profit	Net income	Annual Dividends per Share		
				Interim	Year-End	
Interim	15	13	13	-	-	-
Year-end	16	13	13	-	¥55.00	¥55.00

Unaudited Consolidated Condensed Balance Sheets

(Millions of yen)

	As of June 30, 2005	As of June 30, 2006	Increase (decrease)		As of March 31, 2006
	Amount	Amount	Amount	% change	Amount
Assets:					
Cash and deposits	415,938	375,673	(40,265)	(9.7)	447,376
Call loans	213,612	243,800	30,188	14.1	192,534
Monetary claims purchased	256,243	345,524	89,281	34.8	280,577
Monetary trusts	161,342	219,621	58,278	36.1	250,472
Securities	8,768,269	9,567,409	799,140	9.1	9,830,655
Loans	2,688,074	2,509,528	(178,545)	(6.6)	2,518,726
Property and equipment	327,182	-	-	-	318,610
Tangible fixed assets	-	317,870	-	-	-
Intangible fixed assets	-	21,321	-	-	-
Due from agencies	1,467	1,463	(3)	(0.3)	1,548
Due from reinsurers	6,647	6,852	205	3.1	7,196
Other assets	177,957	120,595	(57,361)	(32.2)	141,437
Deferred tax assets	1,209	644	(565)	(46.8)	830
Deferred tax assets on land revaluation	3,231	-	(3,231)	(100.0)	-
Reserve for possible loan losses	(5,184)	(3,669)	1,514	(29.2)	(3,732)
Total assets	13,015,991	13,726,636	710,644	5.5	13,986,233
Liabilities:					
Policy reserves	12,062,788	12,187,968	125,179	1.0	12,250,835
Reserve for outstanding claims	70,618	69,018	(1,599)	(2.3)	68,674
Policy reserve	11,793,449	11,926,813	133,364	1.1	11,985,462
Reserve for policyholder dividends	198,721	192,135	(6,585)	(3.3)	196,698
Due to agencies	802	475	(326)	(40.7)	849
Due to reinsurers	488	432	(56)	(11.6)	549
Commercial paper	15,000	35,000	20,000	133.3	20,000
Subordinated bonds	20,000	20,000	-	-	20,000
Other liabilities	166,259	197,009	30,749	18.5	183,379
Reserve for employees' retirement benefits	110,363	108,336	(2,027)	(1.8)	108,382
Reserve for directors' and corporate auditors' retirement benefits	3,007	3,334	326	10.9	3,368
Reserve for price fluctuations	46,080	77,850	31,770	68.9	73,995
Deferred tax liabilities	15	144,071	144,055	913,832.8	231,764
Deferred tax liabilities on land revaluations	-	11,456	11,456	-	11,494
Total liabilities	12,424,807	12,785,934	361,127	2.9	12,904,619
Minority interests	1,398	-	-	-	1,514
Stockholders' equity:					
Common stock					
Authorized - 966,000,000 shares					
Issued - 246,330,000 shares	100,000	-	-	-	118,595
Capital surplus	87,515	-	-	-	106,104
Retained earnings	176,699	-	-	-	205,889
Land revaluation	(32,680)	-	-	-	(47,724)
Net unrealized gains on securities	258,465	-	-	-	697,511
Transaction adjustment	5	-	-	-	44
Treasury stock	(219)	-	-	-	(322)
Total stockholders' equity	589,785	-	-	-	1,080,098
Total liabilities, minority interests and stockholders' equity	13,015,991	-	-	-	13,986,233
Net assets:					
Common stock					
Authorized - 966,000,000 shares					
Issued - 246,330,000 shares	-	118,595	-	-	-
Capital surplus	-	106,104	-	-	-
Retained earnings	-	219,141	-	-	-
Treasury stock	-	(352)	-	-	-
Total stockholders' equity	-	443,489	-	-	-
Net unrealized gains on securities	-	542,058	-	-	-
Gains on deferred hedge	-	1,390	-	-	-
Land revaluation	-	(47,792)	-	-	-
Foreign currency translation adjustments	-	41	-	-	-
Total valuation and translation adjustments	-	495,698	-	-	-
Minority interests	-	1,514	-	-	-
Total net assets	-	940,701	-	-	-
Total liabilities and net assets	-	13,726,636	-	-	-

Unaudited Consolidated Condensed Statements of Operations

(Millions of yen)

	Three months ended	Three months ended	Increase (decrease)		Year ended March
	June 30, 2005	June 30, 2006			31, 2006
	Amount	Amount	Amount	% change	Amount
Ordinary revenues	625,381	632,878	7,496	1.2	2,444,295
Income from insurance premiums	501,344	450,719	(50,625)	(10.1)	1,902,318
Investment income	82,163	107,804	25,640	31.2	465,671
Interest, dividends and income from real estate for rent	51,646	60,940	9,293	18.0	236,154
Gains from monetary trust, net	126	1,639	1,512	1,193.4	-
Gains on investment in trading securities, net	2,792	-	(2,792)	(100.0)	22,157
Gains on sales of securities	21,305	44,571	23,265	109.2	87,559
Gains on redemption of securities	467	-	(467)	(100.0)	467
Other investment income	614	652	37	6.2	2,762
Gains on separate accounts, net	5,209	-	(5,209)	(100.0)	116,568
Other ordinary income	41,867	74,351	32,484	77.6	76,282
Reversal of policy reserve	19,843	58,648	38,804	195.6	-
Other ordinary income	22,024	15,703	(6,320)	(28.7)	76,282
Equity in net income of affiliated companies	6	3	(2)	(43.7)	22
Ordinary expenses	597,707	575,286	(22,420)	(3.8)	2,307,448
Insurance claims and other payments	504,424	453,315	(51,108)	(10.1)	1,746,057
Insurance claims	274,544	206,736	(67,807)	(24.7)	790,900
Annuity payments	41,067	44,511	3,444	8.4	148,093
Insurance benefits	83,579	79,140	(4,439)	(5.3)	298,774
Surrender payments	81,005	92,147	11,141	13.8	369,103
Other payments	24,226	30,779	6,552	27.0	139,185
Provision for policy and other reserves	256	588	331	129.1	173,171
Provision for reserve for outstanding claims	-	344	344	-	-
Provision for policy reserve	-	-	-	-	172,169
Interest portion of reserve for policyholder dividends	256	243	(13)	(5.1)	1,001
Investment expenses	21,167	52,392	31,225	147.5	103,132
Interest expenses	412	423	11	2.7	1,663
Losses from monetary trust, net	-	-	-	-	1,055
Losses on investment in trading securities, net	-	1,715	1,715	-	-
Losses on sales of securities	4,313	15,376	11,063	256.5	26,833
Devaluation losses on securities	205	317	111	54.4	873
Losses on redemption of securities	1	-	(1)	(100.0)	1
Losses from derivatives, net	11,657	311	(11,346)	(97.3)	52,295
Foreign exchange losses, net	1,262	1,480	217	17.2	5,147
Write-off of loans	30	0	(29)	(97.0)	23
Depreciation of real estate for rent	1,361	1,214	(146)	(10.8)	5,391
Other investment expenses	1,922	1,921	(0)	(0.0)	9,846
Losses on separate accounts, net	-	29,631	29,631	-	-
Operating expenses	52,312	51,109	(1,203)	(2.3)	209,728
Other ordinary expenses	19,547	17,880	(1,666)	(8.5)	75,358
Ordinary profit	27,674	57,591	29,917	108.1	136,846
Extraordinary gains	162	75	(87)	(53.6)	1,883
Gains on sales of property and equipment	-	-	-	-	908
Gains on sales of fixed assets	-	11	-	-	-
Reversal of reserve for possible loan losses	138	40	(97)	(70.4)	606
Recoveries of bad debts previously written-off	24	23	(0)	(3.8)	224
Other extraordinary gains	-	-	-	-	143
Extraordinary losses	6,993	4,348	(2,644)	(37.8)	39,316
Losses on sales, disposal and devaluation of property and equipment	198	-	-	-	1,962
Losses on sales, disposal and devaluation of fixed assets	-	450	-	-	-
Impairment loss	3,370	35	(3,334)	(99.0)	3,593
Provision for reserve for price fluctuations	3,410	3,854	444	13.0	31,325
Other extraordinary losses	14	8	(6)	(41.4)	2,434
Provision for reserve for policyholder dividends	8,650	9,127	477	5.5	44,476
Income before income taxes	12,193	44,190	31,997	262.4	54,936
Current income taxes	860	17,709	16,849	1,958.4	30,696
Deferred income taxes	4,741	(501)	(5,242)	-	(11,428)
Minority interests	33	38	4	13.3	123
Net income	6,558	26,944	20,386	310.9	35,545

Unaudited Consolidated Condensed Statements of Surplus

(Millions of yen)

	Three months ended June 30, 2005	Year ended March 31, 2006
	Amount	Amount
Capital surplus:		
Balance at beginning of period	87,515	87,515
Total additions	-	18,589
Issuance of new shares for capital increase	-	18,587
Gains on sale of treasury stock	-	1
Balance at end of period	87,515	106,104
Retained earnings:		
Balance at beginning of period	180,592	180,592
Total additions	7,200	36,391
Net income	6,558	35,545
Increase in retained earnings due to reversal of land revaluation	642	845
Total deductions	11,093	11,093
Dividends	10,865	10,865
Bonus to directors and corporate auditors	227	227
Balance at end of period	176,699	205,889

Unaudited Consolidated Condensed Statements of Changes in Net Assets

(Millions of yen)

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance as of March 31, 2006	118,595	106,104	205,889	(322)	430,266
Changes in the period					
Dividends			(13,544)		(13,544)
Bonus to directors and corporate auditors			(216)		(216)
Net income			26,944		26,944
Acquisition of treasury stock				(30)	(30)
Disposal of treasury stock		0		1	1
Reversal of land revaluation			67		67
Total changes in the period	-	0	13,251	(29)	13,222
Balance as of June 30, 2006	118,595	106,104	219,141	(352)	443,489

	Valuation and translation adjustments					Minority interests	Total net assets
	Net unrealized gains on securities	Gains on deferred hedge	Land revaluation	Foreign currency translation adjustments	Total		
Balance as of March 31, 2006	697,511	-	(47,724)	44	649,831	1,514	1,081,613
Changes in the period							
Dividends							(13,544)
Bonus to directors and corporate auditors							(216)
Net income							26,944
Acquisition of treasury stock							(30)
Disposal of treasury stock							1
Reversal of land revaluation							67
Net changes of items other than stockholders' equity	(155,453)	1,390	(67)	(2)	(154,132)	(0)	(154,133)
Total changes in the period	(155,453)	1,390	(67)	(2)	(154,132)	(0)	(140,911)
Balance as of June 30, 2006	542,058	1,390	(47,792)	41	495,698	1,514	940,701

Unaudited Consolidated Condensed Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2005	Three months ended June 30, 2006	Year ended March 31, 2006
	Amount	Amount	Amount
Net cash provided by (used in) operating activities	(22,275)	(26,973)	138,640
Net cash provided by (used in) investing activities	35,324	46,195	(196,333)
Net cash provided by (used in) financing activities	(14,042)	6,199	27,346
Effect of exchange rate changes on cash and cash equivalents	(1,188)	(1,492)	(5,312)
Net increase (decrease) in cash and cash equivalents	(2,180)	23,929	(35,659)
Cash and cash equivalents at beginning of period	870,062	834,403	870,062
Cash and cash equivalents at end of period	867,881	858,332	834,403

NON-CONSOLIDATED FINANCIAL SUMMARY

(For the three months ended June 30, 2006)

August 11, 2006

Name of Company: **T&D Holdings, Inc.**
 Stock Listings: Tokyo, Osaka
 Security Code No.: 8795
 Head Office: Tokyo, Japan
 URL: <http://www.td-holdings.co.jp/e/>

1. Premises

- (1) Adoption of Simple Accounting Method: None
- (2) Changes in Method of Accounting: Applicable. Accounting standard for presentation of net assets in the balance sheet and its implementation has been applied since the three months ended June 30, 2006.

2. Non-Consolidated Operating Results for the Three Months Ended June 30, 2006 (April 1, 2006 - June 30, 2006)

(1) Results of Operations

Note: Amounts of less than one million yen are omitted, and percentages have been rounded to the nearest percent.

	Operating Income	% change	Operating Profit	% change	Ordinary Profit	% change
Three months ended June 30, 2006	¥14,239 million	23.2	¥13,498 million	24.5	¥13,501 million	24.5
Three months ended June 30, 2005	¥11,561 million	54.3	¥10,842 million	73.4	¥10,842 million	95.4
Year Ended March 31, 2006	¥13,643 million	(47.6)	¥11,216 million	(51.5)	¥10,994 million	(50.8)

	Net Income	% change	Net Income per Share	Net Income per Share (Fully Diluted)
Three months ended June 30, 2006	¥13,520 million	24.6	¥54.90	-
Three months ended June 30, 2005	¥10,852 million	80.8	¥44.95	-
Year Ended March 31, 2006	¥10,930 million	(51.4)	¥45.07	-

Notes:

1. Average number of outstanding shares during the term: three months ended June 30, 2006: 246,269,402; three months ended June 30, 2005: 241,458,788; year ended March 31, 2006: 241,664,575.
2. % change for operating income and operating profit, etc. are presented in comparison with the same term of the previous fiscal year.

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of June 30, 2006	¥611,414 million	¥591,605 million	96.8%	¥2,402.29
As of June 30, 2005	¥578,831 million	¥554,539 million	95.8%	¥2,296.65
As of March 31, 2006	¥619,277 million	¥591,698 million	95.5%	¥2,402.47

Notes:

1. Number of outstanding shares at the end of the term: as of June 30, 2006: 246,267,905; as of June 30, 2005: 241,455,938; as of March 31, 2006: 246,271,247.
2. Number of treasury stock at the end of the term: as of June 30, 2006: 62,095; as of June 30, 2005: 44,062; as of March 31, 2006: 58,753.

3. Non-Consolidated Forecasts for the Year Ending March 31, 2007 (April 1, 2006 - March 31, 2007)

	Operating Income	Ordinary Profit	Net Income	Annual Dividends per Share		
				Interim	Year-End	
Half-year ending Sep. 30, 2006	¥15,000 million	¥13,000 million	¥13,000 million	-	-	-
Year ending March 31, 2007	¥16,000 million	¥13,000 million	¥13,000 million	-	¥55.00	¥55.00

Notes:

1. The forecasts have not been changed from the previous forecasts announced on May 17, 2006.
2. Projected net income per share for the year ending March 31, 2007 is ¥52.79.

The above forecasts for the year ending March 31, 2007 reflect the Company's current analysis of existing information and trends. Actual results may differ from expectations based on risks and uncertainties that may affect the Company's businesses.

Unaudited Non-Consolidated Condensed Balance Sheet

(Millions of yen)

	As of June 30, 2005	As of June 30, 2006	Increase (decrease)		As of March 31, 2006
	Amount	Amount	Amount	% change	Amount
Assets:					
Current assets:				%	
Cash and deposits	15,643	24,268	8,625	55.1	19,056
Others	23,747	14,118	(9,629)	(40.5)	27,209
Total current assets	39,390	38,387	(1,003)	(2.5)	46,266
Fixed assets:					
Tangible fixed assets	123	66	(57)	(46.4)	68
Intangible fixed assets	6	5	(1)	(16.8)	5
Investments and other assets	539,311	572,955	33,644	6.2	572,937
Investments in subsidiaries	539,066	571,066	32,000	5.9	571,066
Others	245	1,889	1,644	671.1	1,871
Total fixed assets	539,440	573,026	33,586	6.2	573,011
Total assets	578,831	611,414	32,582	5.6	619,277
Liabilities:					
Current liabilities:					
Others	24,190	18,078	(6,111)	(25.3)	25,873
Total current liabilities	24,190	18,078	(6,111)	(25.3)	25,873
Fixed liabilities:					
Reserve for directors' and corporate auditors' retirement benefits	102	183	81	79.4	160
Deposits received	-	1,545	1,545	-	1,545
Total fixed liabilities	102	1,729	1,626	1,586.3	1,705
Total liabilities	24,292	19,808	(4,484)	(18.5)	27,579
Stockholders' equity:					
Common stock	100,000	-	-	-	118,595
Capital surplus	432,316	-	-	-	450,905
Retained earnings	22,442	-	-	-	22,520
Treasury stock	(219)	-	-	-	(322)
Total stockholders' equity	554,539	-	-	-	591,698
Total liabilities and stockholders' equity	578,831	-	-	-	619,277
Net assets:					
Stockholders' equity:					
Common stocks	-	118,595	-	-	-
Capital surplus	-	450,905	-	-	-
Retained earnings	-	22,456	-	-	-
Treasury stock	-	(352)	-	-	-
Total stockholders' equity	-	591,605	-	-	-
Total net assets	-	591,605	-	-	-
Total liabilities and net assets	-	611,414	-	-	-

Unaudited Non-Consolidated Condensed Statement of Operations

(Millions of yen)

	Three months ended	Three months ended	Increase (decrease)		Year ended March
	June 30, 2005	June 30, 2006	Amount	% change	31, 2006
	Amount	Amount	Amount	%	Amount
Operating income	11,561	14,239	2,678	23.2	13,643
Dividends on investments in subsidiaries	10,867	13,546	2,679	24.7	10,867
Fees and commissions received from subsidiaries	694	693	(0)	(0.1)	2,776
Operating expenses	718	740	22	3.1	2,427
General and administrative expenses	718	740	22	3.1	2,427
Operating profit	10,842	13,498	2,655	24.5	11,216
Non-operating income	0	3	2	2,098.5	17
Non-operating expenses	-	-	-	-	239
Ordinary profit	10,842	13,501	2,658	24.5	10,994
Income before income taxes	10,842	13,501	2,658	24.5	10,994
Current income taxes	(37)	(35)	1	(4.8)	105
Deferred income taxes	27	16	(10)	(40.1)	(41)
Net income	10,852	13,520	2,667	24.6	10,930
Unappropriated retained earnings at beginning of period	11,589	-	-	-	11,589
Unappropriated retained earnings at end of period	22,442	-	-	-	22,520

Unaudited Non-Consolidated Condensed Statements of Changes in Net Assets

(Millions of yen)

	Stockholders' equity					Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	
Balance as of March 31, 2006	118,595	450,905	22,520	(322)	591,698	591,698
Changes in the period						
Dividends			(13,544)		(13,544)	(13,544)
Bonus to directors and corporate auditors			(39)		(39)	(39)
Net income			13,520		13,520	13,520
Acquisition of treasury stock				(30)	(30)	(30)
Disposal of treasury stock		0		1	1	1
Total changes in the period	-	0	(63)	(29)	(92)	(92)
Balance as of June 30, 2006	118,595	450,905	22,456	(352)	591,605	591,605

(Reference)

**Non-Consolidated Financial Data of the Three Life Insurance Companies
for the Three Months Ended June 30, 2006**

1. Sales Results (Individual insurance and annuities)

(Billions of yen)

Three Months Ended June 30, 2006	Total (Sum of three companies)		Taiyo Life		Daido Life		T&D Financial Life	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
	New policy amount	1,836.9	(6.8%)	814.7	(16.1%)	1,003.6	6.0%	18.5
Surrender and lapse amount	1,308.9	1.6%	386.1	(6.6%)	848.6	9.0%	74.2	(23.1%)
Surrender and lapse rate	-	-	2.19%	(0.25points)	2.12%	0.16points	2.78%	(0.53points)
Policy amount in force	60,379.2	0.9%	17,864.0	2.9%	39,940.9	0.7%	2,574.2	(9.8%)
Annualized premiums of new policies	31.4	(9.2%)	10.7	(17.1%)	18.9	2.7%	1.7	(45.0%)
3rd sector products	4.8	(7.3%)	3.9	(3.0%)	0.8	(6.0%)	0.0	(100.0%)
Annualized premiums of total policies	1,447.5	(1.2%)	686.9	(4.9%)	685.8	1.9%	74.7	6.1%
3rd sector products	178.4	0.6%	110.8	3.5%	60.1	(1.9%)	7.4	(16.3%)

Notes:

1. New policy amount includes increase from conversion.
2. Surrender and lapse rate is not annualized.
3. % Change is presented in comparison with the same term of the previous fiscal year (hereinafter, same if not mentioned otherwise).
4. Changes in policy amount in force from the previous fiscal year-end: Total: 0.2%; Taiyo Life: 1.5%; Daido Life: (0.2%); T&D Financial Life: (3.4%)

2. Summary of Operations

(Billions of yen)

Three Months Ended June 30, 2006	T&D Holdings Consolidated		Taiyo Life		Daido Life		T&D Financial Life	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Ordinary revenues	632.8	1.2%	308.0	(7.4%)	275.0	3.0%	49.6	(7.0%)
Income from insurance premiums and others	450.7	(10.1%)	204.7	(17.2%)	211.2	2.2%	34.7	(26.8%)
Investment income	107.8	31.2%	72.2	54.4%	38.4	17.2%	1.3	(65.6%)
Ordinary expenses	575.2	(3.8%)	278.2	(13.2%)	243.5	(1.8%)	53.9	(6.0%)
Insurance claims and other payments	453.3	(10.1%)	227.6	(18.1%)	200.7	(3.2%)	24.8	32.3%
Investment expenses	52.3	147.5%	20.3	85.0%	10.7	7.9%	24.8	3,013.2%
Ordinary profit (losses)	57.5	108.1%	29.7	143.9%	31.5	64.0%	(4.3)	7.6%
Extraordinary gains	0.0	(53.6%)	0.0	(79.6%)	0.0	(40.1%)	0.0	(14.7%)
Extraordinary losses	4.3	(37.8%)	1.6	(65.7%)	2.6	29.7%	0.0	(2.2%)
Provision for reserve for policyholder dividends	9.1	5.5%	3.6	8.5%	5.4	7.8%	0.0	(72.1%)
Income before income taxes	44.1	262.4%	24.5	510.8%	23.5	92.2%	(4.4)	2.5%
Income taxes	17.2	207.2%	8.8	262.7%	9.3	123.8%	(1.3)	5.2%
Net income (loss)	26.9	310.9%	15.6	895.2%	14.2	75.8%	(3.1)	1.3%

Notes:

1. T&D Holdings' consolidated figures do not always correspond to the sum of the three companies' figures.
2. Income taxes include current income taxes and deferred income taxes.

3. Key Indicators

(Billions of yen)

Three Months Ended June 30, 2006	Total (Sum of Three Companies)		Taiyo Life		Daido Life		T&D Financial Life	
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Core profit	33.9	48.6%	8.9	128.3%	27.8	27.2%	(2.9)	(3.6%)
Amount of negative spread	14.9	(10.7)	10.3	(3.6)	3.2	(6.8)	1.2	(0.2)

As of June 30, 2006	Total (Sum of Three Companies)		Taiyo Life		Daido Life		T&D Financial Life	
	Amount	Change from previous FYE	Amount	Change from previous FYE	Amount	Change from previous FYE	Amount	Change from previous FYE
Solvency margin ratio	-	-	990.7%	(54.5points)	1,206.5%	(47.9points)	1,646.6%	(265.2points)
Adjusted net asset	1,618.7	(265.7)	620.8	(136.7)	937.0	(125.3)	60.8	(3.6)
Net unrealized gains on securities	765.5	(287.4)	317.4	(149.2)	451.4	(136.3)	(3.3)	(1.9)
Domestic bonds	(64.6)	(52.1)	(57.0)	(33.7)	(3.3)	(16.8)	(4.2)	(1.5)
Domestic stocks	602.6	(144.6)	353.2	(95.5)	249.1	(48.9)	0.1	(0.0)
Foreign securities	18.1	(14.9)	13.5	(10.9)	4.5	(3.9)	0.0	(0.0)
Other securities	187.1	(63.8)	11.1	(7.8)	175.2	(55.6)	0.6	(0.3)
Monetary trusts	27.6	(10.1)	-	-	27.6	(10.1)	-	-
Net unrealized gains on real estate	(8.9)	0.6	(4.6)	(0.0)	(4.2)	0.7	-	-

Notes:

1. These figures include securities held in monetary trusts and do not include securities without readily obtainable fair value.
2. Taiyo Life's net unrealized gains on real estate is calculated based on the appraisal price and the posted price.
3. Daido Life's net unrealized gains on real estate is basically calculated based on the appraisal price. Less important properties are calculated based on the posted price.