

FINANCIAL SUMMARY

(For the Three Months Ended June 30, 2007)

August 10, 2007

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. Consolidated Operating Results for the Three Months Ended June 30, 2007 (April 1, 2007 – June 30, 2007)

(1) Results of Operations

Note: Amounts of less than one million yen are omitted, and percentages have been rounded to the nearest percent. % changes are presented in comparison with the same term of the previous year.

	Ordinary Revenues	% change	Ordinary Profit	% change	Net Income	% change
Three months ended June 30, 2007	¥635,229 million	0.4	¥66,537 million	15.5	¥28,323 million	5.1
Three months ended June 30, 2006	¥632,878 million	1.2	¥57,591 million	108.1	¥26,944 million	310.9
FY 2006 ended March 31, 2007	¥2,286,034 million	-	¥158,172 million	-	¥38,772 million	-

	Net Income per Share	Net Income per Share (Fully Diluted)
Three months ended June 30, 2007	¥115.02	-
Three months ended June 30, 2006	¥109.41	-
FY2006 ended March 31, 2007	¥157.45	-

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of June 30, 2007	¥14,209,792 million	¥1,163,087 million	8.2%	¥4,715.67
As of June 30, 2006	¥13,726,636 million	¥940,701 million	6.8%	¥3,813.68
As of March 31, 2007	¥14,090,977 million	¥1,090,229 million	7.7%	¥4,419.55

(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, 2007	¥(51,427) million	¥55,839 million	¥(2,261) million	¥1,217,581 million
Three months ended June 30, 2006	¥(26,973) million	¥46,195 million	¥6,199 million	¥858,332 million
FY2006 ended March 31, 2007	¥144,312 million	¥246,362 million	¥(1,648) million	¥1,217,045 million

2. Consolidated Forecasts for the Year Ending March 31, 2008 (April 1, 2007 - March 31, 2008)

Full-year forecasts for the year ending March 31, 2008 have not been changed as originally announced on May 17, 2007.

Note: % changes are presented in comparison with the same term of the previous year.

	Ordinary Revenues	Ordinary Profit	Net Income	Net Income per Share
Half-Year ending Sep.30, 2007	¥1,100,000 million (1.0)%	¥70,000 million (16.0)%	¥22,000 million (20.9)%	¥89.34
Year ending March 31, 2008	¥2,180,000 million (4.6)%	¥130,000 million (17.8)%	¥37,000 million (4.6)%	¥150.25

3. Others

- (1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation): None
- (2) Adoption of Simple Accounting Method: None
- (3) Changes in Method of Accounting: None
- (4) Number of Outstanding Shares (Common Stock)
 1. Number of outstanding shares including treasury stock at the end of the term: as of June 30, 2007: 246,330,000; as of June 30, 2006: 246,330,000; as of March 31, 2007: 246,330,000
 2. Number of treasury stock at the end of the term: as of June 30, 2007: 84,379; as of June 30, 2006: 62,095; as of March 31, 2007: 78,848
 3. Average number of outstanding shares during the term: for the three months ended June 30, 2007: 246,248,809; for the three months ended June 30, 2006: 246,269,402; for the year ended March 31, 2007: 246,261,507

(Reference) Non-Consolidated Financial Summary

1. Non-Consolidated Operating Results for the Three Months Ended June 30, 2007 (April 1, 2007 – June 30, 2007)

(1) Results of Operations

Note: Amounts of less than one million yen are omitted, and percentages have been rounded to the nearest percent. % changes are presented in comparison with the same term of the previous year.

	Operating Income		Operating Profit		Ordinary Profit	
		% change		% change		% change
Three Months ended June 30, 2007	¥16,933 million	18.9	¥16,116 million	19.4	¥16,097 million	19.2
Three Months ended June 30, 2006	¥14,239 million	23.2	¥13,498 million	24.5	¥13,501 million	24.5
FY2006 ended March 31, 2007	¥16,399 million	-	¥13,802 million	-	¥13,829 million	-

	Net Income		Net Income per Share	Net Income per Share (Fully Diluted)
		% change		
Three Months ended June 30, 2007	¥16,058 million	18.8	¥65.21	-
Three Months ended June 30, 2006	¥13,520 million	24.6	¥54.90	-
FY2006 ended March 31, 2007	¥13,588 million	-	¥55.18	-

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of June 30, 2007	¥621,976 million	¥591,537 million	95.1%	¥2,402.22
As of June 30, 2006	¥611,414 million	¥591,605 million	96.8%	¥2,402.29
As of March 31, 2007	¥632,016 million	¥591,530 million	93.6%	¥2,402.14

2. Non-Consolidated Forecasts for the Year Ending March 31, 2008 (April 1, 2007 - March 31, 2008)

Full-year forecasts for the year ending March 31, 2008 have not been changed as originally announced on May 17, 2007.

Note: % changes are presented in comparison with the same term of the previous year.

	Operating Income		Operating Profit		Ordinary Profit		Net Income		Net Income per Share
Half-year ending September 30, 2007	¥17,000 million	13.7%	¥16,000 million	18.3%	¥16,000 million	18.2%	¥16,000 million	18.9%	¥64.97
Year ending March 31, 2008	¥19,000 million	15.9%	¥16,000 million	15.9%	¥16,000 million	15.7%	¥16,000 million	17.7%	¥64.97

The above forecasts for the year ending March 31, 2008 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. Please refer to T&D Holdings' "4. Forecasts for the Year Ending March 31, 2008(April 1, 2007 – March 31, 2008)" section in this material "Financial Summary for the Three Months Ended June 30, 2007" about consolidated forecasts and non-consolidated forecasts.

4. Financial Review

1. Consolidated Results of Operations

For the three months ended June 30, 2007, ordinary revenues increased ¥2.3 billion, or 0.4 percent from the level of the same term of the previous fiscal year, to ¥635.2 billion, which was a total of income from insurance premiums of ¥428.4 billion (down 4.9 percent), investment income of ¥156.1 billion (up 44.8 percent), other ordinary income of ¥50.6 billion (down 31.9 percent) and others.

Ordinary expenses decreased ¥6.5 billion, or 1.1 percent from the level of the same term of the previous fiscal year, to ¥568.6 billion, which was a total of insurance claims and other payments of ¥459.3 billion (up 1.3 percent), investment expenses of ¥39.6 billion (down 24.3 percent), operating expenses of ¥51.6 billion (up 1.0 percent), other ordinary expenses of ¥17.8 billion (down 0.1 percent) and others.

As a result, ordinary profit increased ¥8.9 billion, or 15.5 percent from the level of the same term of the previous fiscal year, to ¥66.5 billion. Ordinary profit increased mainly due to an increase in income from interest and dividends.

Extraordinary gains decreased 10.8 percent, to ¥0.0 billion, and extraordinary losses increased 81.8 percent, to ¥7.9 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥6.9 billion (up 79.4 percent).

After accounting for extraordinary gains and losses, the provision for reserve for policyholder dividends, and income taxes, net income increased ¥1.3 billion, or 5.1 percent, from the level of the same term of the previous fiscal year, to ¥28.3 billion.

2. Consolidated Financial Position

(1) Balance Sheets

As of June 30, 2007, total assets amounted to ¥14,209.7 billion (up 0.8 percent from March 31, 2007), mainly consisting of securities centered on public and corporate bonds amounting to ¥10,205.6 billion (up 3.4 percent), loans of ¥2,430.1 billion (down 0.0 percent), monetary claims purchased of ¥430.7 billion (down 4.4 percent), cash and deposits of ¥373.9 billion (down 10.9 percent) and tangible fixed assets of ¥315.5 billion (down 0.7 percent).

Total liabilities were ¥13,046.7 billion (up 0.4 percent), and policy reserves accounting for a substantial portion of them amounted to ¥12,310.0 billion (down 0.3 percent).

Total net assets were ¥1,163.0 billion (up 6.7 percent), of which net unrealized gains on securities was ¥740.6 billion (up 8.9 percent).

(2) Cash Flows

Cash flows for the three months ended June 30, 2007, were as follows.

Net cash used in operating activities recorded expenditure of ¥51.4 billion, an increase of expenditure of ¥24.4 billion from the level of the same term of the previous fiscal year. This was mainly due to a decrease in income from insurance premiums and an increase in insurance claims and other payments.

Net cash provided by investing activities was ¥55.8 billion in revenue, up ¥9.6 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 the expenditure of ¥2.2 billion, an increase of loss of ¥8.4 billion compared with ¥6.1 billion in revenue recorded in the same term of the previous fiscal year. This was mainly due to an increase of dividend paid and a decrease in income because of the issuance of short-term debenture.

As a result, cash and cash equivalents as of June 30, 2007 totaled ¥1,217.5 billion, up ¥0.5 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, 2007, Taiyo Life's ordinary revenues decreased ¥21.5 billion, or 7.0 percent from the level of the same term of the previous fiscal year, to ¥286.5 billion, which was a total of income from insurance premiums of ¥179.4 billion (down 12.3 percent), investment income of ¥60.2 billion (down 16.5 percent), and other ordinary income of ¥46.7 billion (up 50.5 percent).

Ordinary expenses decreased ¥19.7 billion, or 7.1 percent from the level of the same term of the previous fiscal year, to ¥258.4 billion, which was a total of insurance claims and other payments of ¥215.7 billion (down 5.2 percent), investment expenses of ¥13.9 billion (down 31.5 percent), operating expenses of ¥18.9 billion (down 6.9 percent) and others.

As a result, ordinary profit decreased ¥1.7 billion, or 6.0 percent from the level of the same term of the previous fiscal year, to ¥28.0 billion. Ordinary profit decreased mainly due to an increase in interest, dividends and income from real estate for rent and a decrease in gains on sales of securities.

Extraordinary gains decreased 99.7 percent, to ¥0.0 billion, and extraordinary losses increased 207.8 percent, to ¥5.2 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥5.1 billion (up 207.9 percent).

Net income decreased ¥3.4 billion, or 22.1 percent from the level of the same term of the previous fiscal year, to ¥12.1 billion.

Daido Life Insurance Company:

For the three months ended June 30, 2007, Daido Life's ordinary revenues increased ¥40.9 billion, or 14.9 percent from the level of the same term of the previous fiscal year, to ¥316.0 billion, which was a total of income from insurance premiums of ¥200.5 billion (down 5.1 percent), investment income of ¥77.7 billion (up 101.9 percent), and other ordinary income of ¥37.7 billion (up 49.0 percent).

Ordinary expenses increased ¥31.5 billion, or 12.9 percent from the level of the same term of the previous fiscal year, to ¥275.0 billion, which was a total of insurance claims and other payments of ¥217.1 billion (up 8.2 percent) and investment expenses of ¥25.6 billion (up 139.1 percent), operating expenses of ¥28.4 billion (up 3.1 percent) and others.

As a result, ordinary profit increased ¥9.4 billion, or 29.9 percent from the level of the same term of the previous fiscal year, to ¥40.9 billion. Ordinary profit increased mainly due to an increase in income from interest and dividends.

Extraordinary gains decreased 24.3 percent, to ¥0.0 billion, and extraordinary losses increased 2.1 percent, to ¥2.6 billion. Extraordinary losses mainly consisted of provision for reserve for price fluctuations of ¥1.7 billion (down 19.8 percent).

Net income increased ¥4.4 billion, or 31.4 percent from the level of the same term of the previous fiscal year, to ¥18.6 billion.

T&D Financial Life Insurance Company:

For the three months ended June 30, 2007, T&D Financial Life's ordinary revenues increased ¥23.6 billion, or 47.7 percent from the level of the same term of the previous fiscal year, to ¥73.2 billion, which was a total of income from insurance premiums of ¥48.4 billion (up 39.5 percent), investment income of ¥22.3 billion (up 1,593.4 percent), and other ordinary income of ¥2.5 billion (down 81.5 percent). Investment income significantly increased mainly because gains/losses on separate accounts turned from losses in the same term of the previous fiscal year to gains in the same term of this fiscal year.

Ordinary expenses increased ¥21.5 billion, or 39.9 percent from the level of the same term of the previous fiscal year, to ¥75.4 billion, which was a total of insurance claims and other payments of ¥26.3 billion (up 6.0 percent), provision for policy reserve of ¥42.0 billion (- percent), investment expenses of ¥2.2 billion (down 90.8 percent), and operating expenses of ¥4.0 billion (up 9.5 percent) and others.

As a result, ordinary losses improved by ¥2.1 billion, or 50.0 percent from the level of the same term of the previous fiscal year, to ¥2.1 billion.

Net loss improved by ¥1.5 billion, or 49.6 percent from the same term of the previous fiscal year, to ¥1.5 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, 2007 decreased 44.0 percent compared with the same term of the previous fiscal year, to ¥456.1 billion. This was mainly because Taiyo Life continuously put more focus on the activities to improve the quality of new policies.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 4.1 percent compared with the same term of the previous fiscal year, to ¥370.4 billion.

As a result, the total policy amount in force of individual insurance and annuities as of June 30, 2007 decreased 1.7 percent from the level of the same term of the previous fiscal year, or decreased 0.5 percent from the previous fiscal year-end, to ¥17,553.3 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, 2007 increased 12.3 percent compared with the same term of the previous fiscal year, to ¥1,127.1 billion. This was mainly due to solid sales of

individual term life insurance products.

On the other hand, the amount of surrender and lapse of individual insurance and annuities increased 7.6 percent compared with the same term of the previous fiscal year, to ¥912.7 billion.

As a result, the total policy amount in force of individual insurance and annuities as of June 30, 2007 decreased 0.5 percent from the level of the same term-end of the previous fiscal year, or decreased 0.0 percent from the previous fiscal year-end, to ¥39,723.9 billion.

T&D Financial Life Insurance Company:

The new policy amount of individual insurance and annuities for the three months ended June 30, 2007 (there is no net increase from conversions) increased 95.3 percent compared with the same term of the previous fiscal year, to ¥36.3 billion. This was mainly due to solid sales of individual variable annuities launched in August 2006, such as GMLB Type 2 and GMLB Type 3.

On the other hand, the amount of surrender and lapse of individual insurance and annuities decreased 34.8 percent compared with the same term of the previous fiscal year, to ¥48.4 billion. This was mainly due to a slow down of surrender and lapse amounts for new policies contracted after the reorganization (excluding individual variable annuities).

As a result, the total policy amount in force of individual insurance and annuities as of June 30, 2007, decreased 2.5 percent from the level of the same term of the previous fiscal year, or decreased 0.6 percent from the previous fiscal year-end, to ¥2,509.2 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, 2007, recorded ¥14.7 billion, up 64.5 percent compared with the same term of the previous fiscal year, after compensating for a negative spread of ¥4.3 billion (down 58.2 percent).

As of June 30, 2007, Taiyo Life's solvency margin ratio (a measure of insurance companies' financial soundness) was 1,190.8 percent (1,100.4 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 ¥895.0 billion (¥834.6 billion posted at the previous fiscal year-end).

Daido Life Insurance Company:

Daido Life posted ¥31.1 billion in its core profit for the three months ended June 30, 2007, an increase of 11.8 percent compared with the same term of the previous fiscal year. In addition, a negative spread turned positive spread of ¥3.5 billion (¥3.2 billion of negative spread at the same term of the previous fiscal year).

As of June 30, 2007, Daido Life's solvency margin ratio was 1,344.8 percent. (1,320.6 percent at the end of the previous fiscal year) Furthermore, the value of adjusted net assets amounted to ¥1,139.3 billion (¥1,109.6 billion posted at the previous fiscal year-end).

T&D Financial Life Insurance Company:

T&D Financial Life marked ¥1.1 billion (¥(2.9) billion in the same term of the previous fiscal year) in its core profit for the three months ended June 30, 2007. Furthermore, a negative spread amounted to ¥1.0 billion, down 14.8 percent from the same term of the previous fiscal year.

As of June 30, 2007, T&D Financial Life's solvency margin ratio was 1,136.9 percent (1,189.7 percent at the end of the previous fiscal year). Furthermore, the value of adjusted net assets amounted to ¥62.7 billion (¥63.5 billion posted at the previous fiscal year-end).

(4) Financial Position

Taiyo Life Insurance Company:

As of June 30, 2007, total assets amounted to ¥6,619.6 billion (up 1.0 percent from March 31, 2007), mainly consisting of securities centered on public and corporate bonds amounting to ¥4,593.8 billion (up 2.4 percent), loans of ¥1,507.8 billion (up 0.4 percent), tangible fixed assets of ¥163.6 billion (up 0.1 percent), and monetary claims purchased of ¥154.7 billion (down 0.3 percent).

Total liabilities were ¥6,132.5 billion (up 0.2 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,797.0 billion (down 0.7 percent).

Total net assets were ¥487.0 billion (up 13.1 percent) of which net unrealized gains on securities was ¥368.9 billion (up 15.9 percent).

Daido Life Insurance Company:

As of June 30, 2007, total assets amounted to ¥6,401.9 billion (up 0.1 percent from March 31, 2007), mainly consisting of securities centered on public and corporate bonds amounting to ¥4,597.3 billion (up 4.2 percent), loans of ¥927.4 billion (down 0.6 percent), monetary claims purchased of ¥276.0 billion (down 6.5 percent), cash and deposits of ¥241.6 billion (down 17.3 percent) and tangible fixed assets of ¥145.1 billion (down 1.2 percent).

Total liabilities were ¥5,778.0 billion (down 0.2 percent), and policy reserves accounting for a substantial portion of them amounted to ¥5,438.1 billion (down 0.7 percent).

Total net assets were ¥623.8 billion (up 3.2 percent) of which net unrealized gains on securities was ¥372.5 billion (up 2.7 percent).

T&D Financial Life Insurance Company:

As of June 30, 2007, total assets amounted to ¥1,114.5 billion (up 3.3 percent from March 31, 2007), mainly consisting of securities of ¥1,017.0 billion (up 4.0 percent), call loans of ¥27.0 billion (up 35.0 percent), cash and deposits of ¥25.5 billion (down 16.5 percent) and monetary trust of ¥11.6 billion (down 5.7 percent).

Total liabilities were ¥1,081.9 billion (up 3.6 percent), and policy reserves accounting for a substantial portion of them amounted to ¥1,070.7 billion (up 4.0 percent).

Total net assets were ¥32.6 billion (down 4.6 percent), of which net unrealized gains on securities was ¥ (0.8) billion (up 0.4 percent).

4. Forecasts for the Year Ending March 31, 2008 (April 1, 2007 – March 31, 2008)

(1) Consolidated

Consolidated net income of ¥28.3 billion for the first quarter ended June 30, 2007 surpassed the interim forecast of ¥22.0 billion. This was mainly attributed to the recognition of net gains on the sale of securities (before-tax) of ¥27.4 billion.

The forecasts publicly announced on May 17, 2007, 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, 2008 are as follows:

(Billions of yen)

	Ordinary revenues	Ordinary profit	Net income
Interim	1,100	70	22
Change	(1.0%)	(16.0%)	(20.9%)
Year-end	2,180	130	37
Change	(4.6%)	(17.8%)	(4.6%)

Reference: Forecasts for the Year Ending March 31, 2008, of Three Life Insurance Companies (Non-consolidated Basis)

(Billions of yen)

	Taiyo Life	Daido Life	T&D Financial Life
Ordinary Revenues	900	990	350
Change	(11.1%)	(6.8%)	31.5%
Ordinary Profit (loss)	52	93	(20)
Change	0.7%	(23.3%)	47.8%
Core Profit (loss)	56	115	(11)
Change	3.7%	(8.6%)	70.4%
Net Income (loss)	12	37	(14)
Change	(10.6%)	(14.3%)	30.6%

(2) Non-consolidated

Since the business results for the three months that ended June 30, 2007 are in line with our plan, earnings forecasts for the fiscal year ending March 31, 2008 have not been changed from those announced on May 17, 2007. Projected shareholder dividends per share for the year ending March 31, 2008 is 65 yen, which has not been changed as originally announced on May 17, 2007.

(Billions of yen)

	Operating income	Operating Profit	Ordinary profit	Net income
Interim	17	16	16	16
Change	13.7%	18.3%	18.2%	18.9%
Year-end	19	16	16	16
Change	15.9%	15.9%	15.7%	17.7%

5. Others

- (1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation): None
- (2) Adoption of Simple Accounting Method: None
- (3) Changes in Method of Accounting: None

Unaudited Consolidated Condensed Balance Sheets

(Millions of yen)

	As of June 30, 2006	As of June 30, 2007	Increase (decrease)		As of March 31, 2007
	Amount	Amount	Amount	% change	Amount
Assets:					
Cash and deposits	375,673	373,912	(1,760)	(0.5)	419,874
Call loans	243,800	204,500	(39,300)	(16.1)	340,800
Monetary claims purchased	345,524	430,791	85,266	24.7	450,533
Monetary trusts	219,621	104,066	(115,554)	(52.6)	113,187
Securities	9,567,409	10,205,642	638,233	6.7	9,870,253
Loans	2,509,528	2,430,196	(79,332)	(3.2)	2,430,540
Tangible fixed assets	317,870	315,532	(2,338)	(0.7)	317,603
Intangible fixed assets	21,321	22,405	1,084	5.1	22,921
Due from agencies	1,463	1,380	(83)	(5.7)	1,466
Due from reinsurers	6,852	9,001	2,148	31.4	8,955
Other assets	120,595	115,557	(5,038)	(4.2)	117,719
Deferred tax assets	644	403	(240)	(37.3)	770
Reserve for possible loan losses	(3,669)	(3,597)	71	(1.9)	(3,648)
Total assets	13,726,636	14,209,792	483,155	3.5	14,090,977
Liabilities:					
Policy reserves	12,187,968	12,310,070	122,102	1.0	12,344,781
Reserve for outstanding claims	69,018	72,156	3,137	4.5	73,651
Policy reserve	11,926,813	12,043,689	116,875	1.0	12,073,772
Reserve for policyholder dividends	192,135	194,224	2,089	1.1	197,357
Due to agencies	475	544	68	14.3	1,313
Due to reinsurers	432	383	(48)	(11.3)	529
Short-term debenture	35,000	29,970	(5,029)	(14.4)	20,000
Subordinated bonds	20,000	20,000	-	-	20,000
Other liabilities	197,009	212,705	15,695	8.0	178,750
Reserve for bonus to directors and corporate auditors	-	52	52	-	172
Reserve for employees' retirement benefits	108,336	114,805	6,469	6.0	114,986
Reserve for directors' and corporate auditors' retirement benefits	3,334	3,828	494	14.8	3,707
Reserve for price fluctuations	77,850	111,458	33,608	43.2	104,542
Deferred tax liabilities	144,071	232,098	88,027	61.1	201,178
Deferred tax liabilities on land revaluation	11,456	10,787	(669)	(5.8)	10,787
Total liabilities	12,785,934	13,046,704	260,769	2.0	13,000,748
Net assets:					
Common stock					
Authorized - 966,000,000 shares					
Issued - 246,330,000 shares	118,595	118,595	-	-	118,595
Capital surplus	106,104	106,106	1	0.0	106,106
Retained earnings	219,141	243,995	24,854	11.3	231,678
Treasury stock	(352)	(542)	(190)	54.0	(496)
Total stockholders' equity	443,489	468,154	24,665	5.6	455,883
Net unrealized gains on securities	542,058	740,693	198,634	36.6	680,401
Gains on deferred hedge	1,390	822	(567)	(40.8)	488
Land revaluation	(47,792)	(48,501)	(709)	1.5	(48,501)
Foreign currency translation adjustments	41	43	1	3.9	48
Total valuation and translation adjustments	495,698	693,057	197,359	39.8	632,435
Minority interests	1,514	1,874	360	23.8	1,909
Total net assets	940,701	1,163,087	222,385	23.6	1,090,229
Total liabilities and net assets	13,726,636	14,209,792	483,155	3.5	14,090,977

Unaudited Consolidated Condensed Statements of Operations

(Millions of yen)

	Three months ended	Three months ended	Increase (decrease)		Year ended March
	June 30, 2006	June 30, 2007	Amount	% change	31, 2007
	Amount	Amount	Amount	%	Amount
Ordinary revenues	632,878	635,229	2,351	0.4	2,286,034
Income from insurance premiums	450,719	428,477	(22,241)	(4.9)	1,811,596
Investment income	107,804	156,119	48,315	44.8	407,449
Interest, dividends and income from real estate for rent	60,940	75,117	14,176	23.3	269,689
Gains from monetary trusts, net	1,639	4,861	3,221	196.5	4,767
Gains on investment in trading securities, net	-	14,800	14,800	-	17,824
Gains on sales of securities	44,571	32,606	(11,964)	(26.8)	94,247
Gains on redemption of securities	-	-	-	-	1
Other investment income	652	647	(5)	(0.8)	2,763
Gains on separate accounts, net	-	28,085	28,085	-	18,156
Other ordinary income	74,351	50,621	(23,730)	(31.9)	66,954
Reversal of policy reserve	58,648	30,083	(28,564)	(48.7)	-
Other ordinary income	15,703	20,537	4,833	30.8	66,954
Equity in net income of affiliated companies	3	11	7	223.2	33
Ordinary expenses	575,286	568,692	(6,594)	(1.1)	2,127,862
Insurance claims and other payments	453,315	459,339	6,023	1.3	1,630,683
Insurance claims	206,736	199,212	(7,524)	(3.6)	672,425
Annuity payments	44,511	48,477	3,965	8.9	161,682
Insurance benefits	79,140	84,701	5,561	7.0	296,469
Surrender payments	92,147	99,591	7,444	8.1	389,975
Other payments	30,779	27,357	(3,422)	(11.1)	110,131
Provision for policy and other reserves	588	229	(358)	(60.9)	94,235
Provision for reserve for outstanding claims	344	-	(344)	(100)	4,977
Provision for policy reserve	-	-	-	-	88,310
Interest portion of reserve for policyholder dividends	243	229	(13)	(5.7)	947
Investment expenses	52,392	39,642	(12,750)	(24.3)	115,212
Interest expenses	423	574	151	35.8	1,806
Losses on investment in trading securities, net	1,715	-	(1,715)	(100.0)	-
Losses on sales of securities	15,376	5,131	(10,244)	(66.6)	52,377
Devaluation losses on securities	317	1,168	850	268.0	720
Losses on redemption of securities	-	-	-	-	1
Losses from derivatives, net	311	23,955	23,644	7,593.1	35,992
Foreign exchange losses, net	1,480	1,212	(268)	(18.1)	6,119
Provision for reserve for possible loan losses	-	-	-	-	0
Write-off of loans	0	17	16	1,849.4	12
Depreciation of real estate for rent	1,214	1,418	204	16.8	5,201
Other investment expenses	1,921	6,163	4,241	220.8	12,979
Losses on separate accounts, net	29,631	-	(29,631)	(100.0)	-
Operating expenses	51,109	51,617	508	1.0	208,963
Other ordinary expenses	17,880	17,862	(18)	(0.1)	78,767
Ordinary profit	57,591	66,537	8,945	15.5	158,172
Extraordinary gains	75	67	(8)	(10.8)	2,281
Gains on disposal of fixed assets	11	-	(11)	(100.0)	1,324
Reversal of reserve for possible loan losses	40	50	9	23.8	-
Recoveries of bad debts previously written-off	23	16	(7)	(31.7)	194
Other extraordinary gains	-	0	0	-	763
Extraordinary losses	4,348	7,904	3,555	81.8	35,309
Losses on disposal and devaluation of fixed assets	450	986	536	119.1	1,111
Impairment loss	35	1	(34)	(96.6)	1,899
Provision for reserve for price fluctuations	3,854	6,916	3,061	79.4	30,546
Headquarters removal costs	-	-	-	-	1,257
Other extraordinary losses	8	-	(8)	(100.0)	494
Provision for reserve for policyholder dividends	9,127	12,106	2,978	32.6	56,481
Income before income taxes	44,190	46,594	2,403	5.4	68,663
Current income taxes	17,709	20,534	2,824	15.9	50,665
Deferred income taxes	(501)	(2,289)	(1,787)	356.2	(20,909)
Minority interests	38	26	(11)	(29.3)	134
Net income	26,944	28,323	1,378	5.1	38,772

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
Net changes of items other than stockholders' equity					-
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

(Millions of yen)

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total
Balance as of March 31, 2007	118,595	106,106	231,678	(496)	455,883
Changes in the period					
Dividends			(16,006)		(16,006)
Bonus to directors and corporate auditors					-
Net income			28,323		28,323
Acquisition of treasury stock				(46)	(46)
Disposal of treasury stock		0		0	1
Reversal of land revaluation					-
Net changes of items other than stockholders' equity					-
Total changes in the period	-	0	12,316	(45)	12,271
Balance as of June 30, 2007	118,595	106,106	243,995	(542)	468,154

	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, 2007	680,401	488	(48,501)	48	632,435	1,909	1,090,229
Changes in the period							
Dividends							(16,006)
Bonus to directors and corporate auditors							-
Net income							28,323
Acquisition of treasury stock							(46)
Disposal of treasury stock							1
Reversal of land revaluation							-
Net changes of items other than stockholders' equity	60,292	334	-	(4)	60,621	(35)	60,586
Total changes in the period	60,292	334	-	(4)	60,621	(35)	72,858
Balance as of June 30, 2007	740,693	822	(48,501)	43	693,057	1,874	1,163,087

(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			38,772		38,772
Acquisition of treasury stock				(179)	(179)
Disposal of treasury stock		2		5	8
Reversal of land revaluation			777		777
Net changes of items other than stockholders' equity					-
Total changes in the period	-	2	25,788	(174)	25,616
Balance as of March 31, 2007	118,595	106,106	231,678	(496)	455,883

	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							38,772
Acquisition of treasury stock							(179)
Disposal of treasury stock							8
Reversal of land revaluation							777
Net changes of items other than stockholders' equity	(17,110)	488	(777)	4	(17,395)	394	(17,000)
Total changes in the period	(17,110)	488	(777)	4	(17,395)	394	8,616
Balance as of March 31, 2007	680,401	488	(48,501)	48	632,435	1,909	1,090,229

Unaudited Consolidated Condensed Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2006	Three months ended June 30, 2007	Year ended March 31, 2007
	Amount	Amount	Amount
Net cash provided by (used in) operating activities	(26,973)	(51,427)	144,312
Net cash provided by investing activities	46,195	55,839	246,362
Net cash provided by (used in) financing activities	6,199	(2,261)	(1,648)
Effect of exchange rate changes on cash and cash equivalents	(1,492)	(1,614)	(6,384)
Net increase in cash and cash equivalents	23,929	535	382,642
Cash and cash equivalents at beginning of period	834,403	1,217,045	834,403
Cash and cash equivalents at end of period	858,332	1,217,581	1,217,045

Unaudited Non-Consolidated Condensed Balance Sheet

(Millions of yen)

	As of June 30, 2006	As of June 30, 2007	Increase (decrease)		As of March 31, 2007
	Amount	Amount	Amount	% change	Amount
Assets:					
Current assets:				%	
Cash and deposits	24,268	23,331	(937)	(3.9)	17,477
Others	14,118	13,534	(584)	(4.1)	29,486
Total current assets	38,387	36,865	(1,521)	(4.0)	46,963
Fixed assets:					
Tangible fixed assets	66	131	65	99.2	135
Intangible fixed assets	5	12	6	132.9	12
Investments and other assets	572,955	584,966	12,011	2.1	584,904
Investments in subsidiaries	571,066	583,215	12,149	2.1	583,171
Others	1,889	1,750	(138)	(7.3)	1,733
Total fixed assets	573,026	585,110	12,083	2.1	585,052
Total assets	611,414	621,976	10,562	1.7	632,016
Liabilities:					
Current liabilities:					
Others	18,078	17,905	(173)	(1.0)	27,987
Total current liabilities	18,078	17,905	(173)	(1.0)	27,987
Fixed liabilities:					
Long-term loans	-	10,700	10,700	-	10,700
Reserve for directors' and corporate auditors' retirement benefits	183	288	104	56.9	252
Others	1,545	1,545	-	-	1,545
Total fixed liabilities	1,729	12,533	10,804	624.9	12,498
Total liabilities	19,808	30,439	10,630	53.7	40,485
Net assets:					
Stockholders' equity:					
Common stocks	118,595	118,595	-	-	118,595
Capital surplus	450,905	450,907	1	0.0	450,907
Retained earnings	22,456	22,576	119	0.5	22,524
Treasury stock	(352)	(542)	(190)	54.0	(496)
Total stockholders' equity	591,605	591,537	(68)	(0.0)	591,530
Total net assets	591,605	591,537	(68)	(0.0)	591,530
Total liabilities and net assets	611,414	621,976	10,562	1.7	632,016

Unaudited Non-Consolidated Condensed Statement of Operations

(Millions of yen)

	Three months ended June 30, 2006	Three months ended June 30, 2007	Increase (decrease)		Year ended March 31, 2007
	Amount	Amount	Amount	% change	Amount
Operating income	14,239	16,933	2,693	18.9	16,399
Dividends on investments in subsidiaries	13,546	16,129	2,583	19.1	13,546
Fees and commissions received from subsidiaries	693	803	110	16.0	2,852
Operating expenses	740	817	76	10.3	2,596
General and administrative expenses	740	817	76	10.3	2,596
Operating profit	13,498	16,116	2,617	19.4	13,802
Non-operating income	3	21	18	607.3	43
Non-operating expenses	-	40	40	-	16
Ordinary profit	13,501	16,097	2,595	19.2	13,829
Extraordinary losses	-	-	-	-	127
Income before income taxes	13,501	16,097	2,595	19.2	13,702
Current income taxes	(35)	7	42	-	107
Deferred income taxes	16	31	15	92.5	6
Net income	13,520	16,058	2,537	18.8	13,588

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

(Millions of yen)

	Stockholders' equity					Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total	
Balance as of March 31, 2007	118,595	450,907	22,524	(496)	591,530	591,530
Changes in the period						
Dividends			(16,006)		(16,006)	(16,006)
Bonus to directors and corporate auditors					-	-
Net income			16,058		16,058	16,058
Acquisition of treasury stock				(46)	(46)	(46)
Disposal of treasury stock		0		0	1	1
Total changes in the period	-	0	52	(45)	6	6
Balance as of June 30, 2007	118,595	450,907	22,576	(542)	591,537	591,537

(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			13,588		13,588	13,588
Acquisition of treasury stock				(179)	(179)	(179)
Disposal of treasury stock		2		5	8	8
Total changes in the period	-	2	3	(174)	(167)	(167)
Balance as of March 31, 2007	118,595	450,907	22,524	(496)	591,530	591,530

(Reference)

**Non-Consolidated Financial Data of the Three Life Insurance Companies
for the Three Months Ended June 30, 2007**

1. Sales Results (Individual insurance and annuities)

(Billions of yen)

Three Months Ended June 30, 2007	Total (Sum of three companies)							
	Taiyo Life		Daido Life		T&D Financial Life			
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
New policy amount	1,619.6	(11.8%)	456.1	(44.0%)	1,127.1	12.3%	36.3	95.3%
Surrender and lapse amount	1,331.6	1.7%	370.4	(4.1%)	912.7	7.6%	48.4	(34.8%)
Surrender and lapse rate			2.10%	(0.09points)	2.30%	0.18points	1.92%	(0.86points)
Policy amount in force	59,786.5	(1.0%)	17,553.3	(1.7%)	39,723.9	(0.5%)	2,509.2	(2.5%)
Annualized premiums of new policies	31.9	1.6%	9.4	(12.3%)	17.5	(7.4%)	5.0	178.7%
3rd sector products	3.6	(25.1%)	2.6	(32.2%)	0.9	6.9%	-	(100.0%)
Annualized premiums of total policies	1,441.7	(0.4%)	655.5	(4.6%)	690.4	0.7%	95.7	28.1%
3rd sector products	176.5	(1.1%)	111.9	0.9%	58.0	(3.5%)	6.5	(11.7%)

Notes:

1. New policy amount includes an 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: (0.5%); Daido Life: (0.0%); T&D Financial Life: (0.6%)

2. Summary of Operations

(Billions of yen)

Three Months Ended June 30, 2007	T&D Holdings Consolidated							
	Taiyo Life		Daido Life		T&D Financial Life			
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Ordinary revenues	635.2	0.4%	286.5	(7.0%)	316.0	14.9%	73.2	47.7%
Income from insurance premiums and others	428.4	(4.9%)	179.4	(12.3%)	200.5	(5.1%)	48.4	39.5%
Investment income	156.1	44.8%	60.2	(16.5%)	77.7	101.9%	22.3	1,593.4%
Ordinary expenses	568.6	(1.1%)	258.4	(7.1%)	275.0	12.9%	75.4	39.9%
Insurance claims and other payments	459.3	1.3%	215.7	(5.2%)	217.1	8.2%	26.3	6.0%
Investment expenses	39.6	(24.3%)	13.9	(31.5%)	25.6	139.1%	2.2	(90.8%)
Ordinary profit (losses)	66.5	15.5%	28.0	(6.0%)	40.9	29.9%	(2.1)	(50.0%)
Extraordinary gains	0.0	(10.8%)	0.0	(99.7%)	0.0	(24.3%)	-	(100.0%)
Extraordinary losses	7.9	81.8%	5.2	207.8%	2.6	2.1%	0.0	(89.0%)
Provision for reserve for policyholder dividends	12.1	32.6%	3.6	2.4%	8.3	53.5%	0.0	(23.9%)
Income (loss) before income taxes	46.5	5.4%	19.0	(22.1%)	29.9	27.5%	(2.2)	(49.8%)
Income taxes	18.2	6.0%	6.8	(22.0%)	11.2	21.4%	(0.6)	(50.3%)
Net income (loss)	28.3	5.1%	12.1	(22.1%)	18.6	31.4%	(1.5)	(49.6%)

Notes:

1. Income taxes include current income taxes and deferred income taxes.
2. T&D Holdings' consolidated figures do not always correspond to the sum of the three companies' figures. Simple sum of all three companies' income from insurance premiums and others is 428.4 billion yen.

3. Key Indicators

(Billions of yen)

Three Months Ended June 30, 2007	Total (Sum of Three Companies)							
	Taiyo Life		Daido Life		T&D Financial Life			
	Amount	Change	Amount	Change	Amount	Change	Amount	Change
Core profit	47.0	38.7%	14.7	64.5%	31.1	11.8%	1.1	-
Amount of negative spread			4.3	(6.0)	(Note) -	-	1.0	(0.1)

Note: Daido Life has a positive spread of 3.5 billion yen.

(Billions of yen)

As of June 30, 2007	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			1,190.8%	90.4points	1,344.8%	24.2points	1,136.9%	(52.8points)
Adjusted net asset	2,097.1	89.3	895.0	60.3	1,139.3	29.7	62.7	(0.7)
Net unrealized gains on securities	1,106.3	61.0	550.6	51.0	558.1	11.7	(2.5)	(1.7)
Domestic bonds	(23.4)	(49.2)	(22.6)	(30.8)	2.2	(16.4)	(3.0)	(1.9)
Domestic stocks	740.6	66.4	494.2	68.5	246.4	(2.1)	-	-
Foreign securities	78.8	15.1	69.6	15.8	9.0	(0.8)	0.1	0.0
Other securities	285.8	33.3	12.1	(0.7)	273.3	34.0	0.3	0.0
Monetary trusts	29.0	(0.6)	-	-	29.0	(0.6)	-	-
Net unrealized gains on real estate	30.4	1.6	12.8	1.1	17.6	0.4	-	-

Notes:

1. Regarding net unrealized gains/losses on securities, the figures show only those of securities with market value. Also the figure include those of securities (excluding trading securities) under monetary trusts.
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

(Reference)

Forecasts for the Year Ending March 31, 2008 (April 1, 2007 - March 31, 2008)

Full year forecasts for the year ending March 31, 2008 have not been changed as originally announced on May 17, 2007, being placed below as reference.

1. T&D Holdings (Consolidated)

(Billions of yen)

	Year Ended March 31, 2007	Forecast for the Year Ending March 31, 2008	Percentage of Change (%)
Ordinary revenues	2,286.0	2,180	(4.6%)
Ordinary profit	158.1	130	(17.8%)
Net income	38.7	37	(4.6%)

Projected annual dividend per share for the year ending March 31, 2008 is 65.00 yen.

2. Three Life Insurance Companies (Non-consolidated Basis)

The followings are the three life insurance companies' forecasts for the year ending March 31, 2008.

(Billions of yen)

	Taiyo Life	Daido Life	T&D Financial Life
Ordinary revenues	900	990	350
% change	(11.1%)	(6.8%)	31.5%
Ordinary profit (losses)	52	93	(20)
% change	0.7%	(23.3%)	47.8%
Net income (loss)	12	37	(14)
% change	(10.6%)	(14.3%)	30.6%

Note: "% change" represents the change from the year ended March 31, 2007.

The above forecasts for the year ending March 31, 2008 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.