

# A History of Development Extending over 120 Years

T&D Life Group was launched through the announcement of a broad business alliance between Taiyo Life Insurance Company and Daido Life Insurance Company, both founded over 100 years ago, in January 1999.

Since T&D Financial Life Insurance Company joined the Group in October 2001, the three life insurance companies have continued to grow creating group synergies between the three different markets of households, SMEs, and independent insurance agents.



## Broad business alliance between Taiyo Life and Daido Life

In January 1999, Taiyo Life and Daido Life announced a broad business alliance and decided the Group name to be the "T&D Life Group" in June of the same year.

From left, President Kazuo Hirano of Daido Life (at the time, and the same for other captions) and President Masahiro Yoshiike of Taiyo Life

## T&D Financial Life joined T&D Life Group

Taiyo Life and Daido Life jointly acquired shares of T&D Financial Life (former Tokyo Life Insurance Company), which started operations as a member of the T&D Life Group.



From left, President Masahiro Yoshiike of Taiyo Life, President Osamu Mizuyama of T&D Financial Life, and President Naoteru Miyato of Daido Life



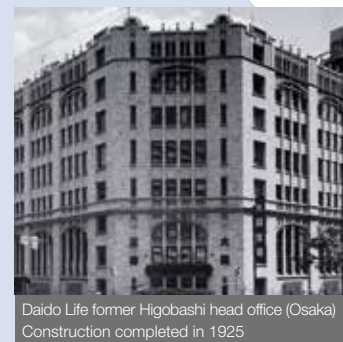
## Taiyo Life founded

Taiyo Life's predecessor company, Nagoya Life Insurance Co., Ltd., was established in fourth of the existing life insurance companies in Japan.

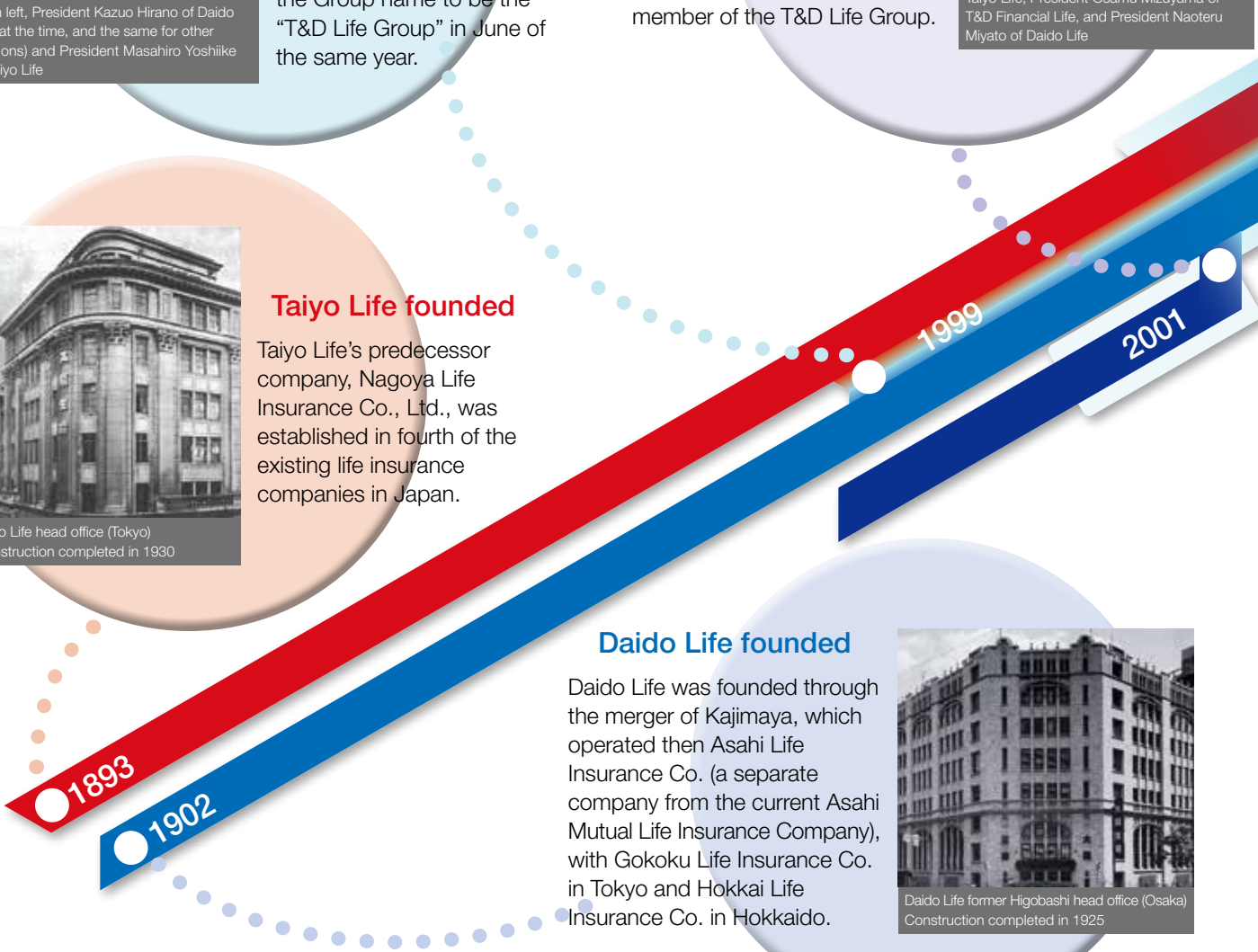
Taiyo Life head office (Tokyo)  
Construction completed in 1930

## Daido Life founded

Daido Life was founded through the merger of Kajimaya, which operated then Asahi Life Insurance Co. (a separate company from the current Asahi Mutual Life Insurance Company), with Gokoku Life Insurance Co. in Tokyo and Hokkai Life Insurance Co. in Hokkaido.



Daido Life former Higobashi head office (Osaka)  
Construction completed in 1925



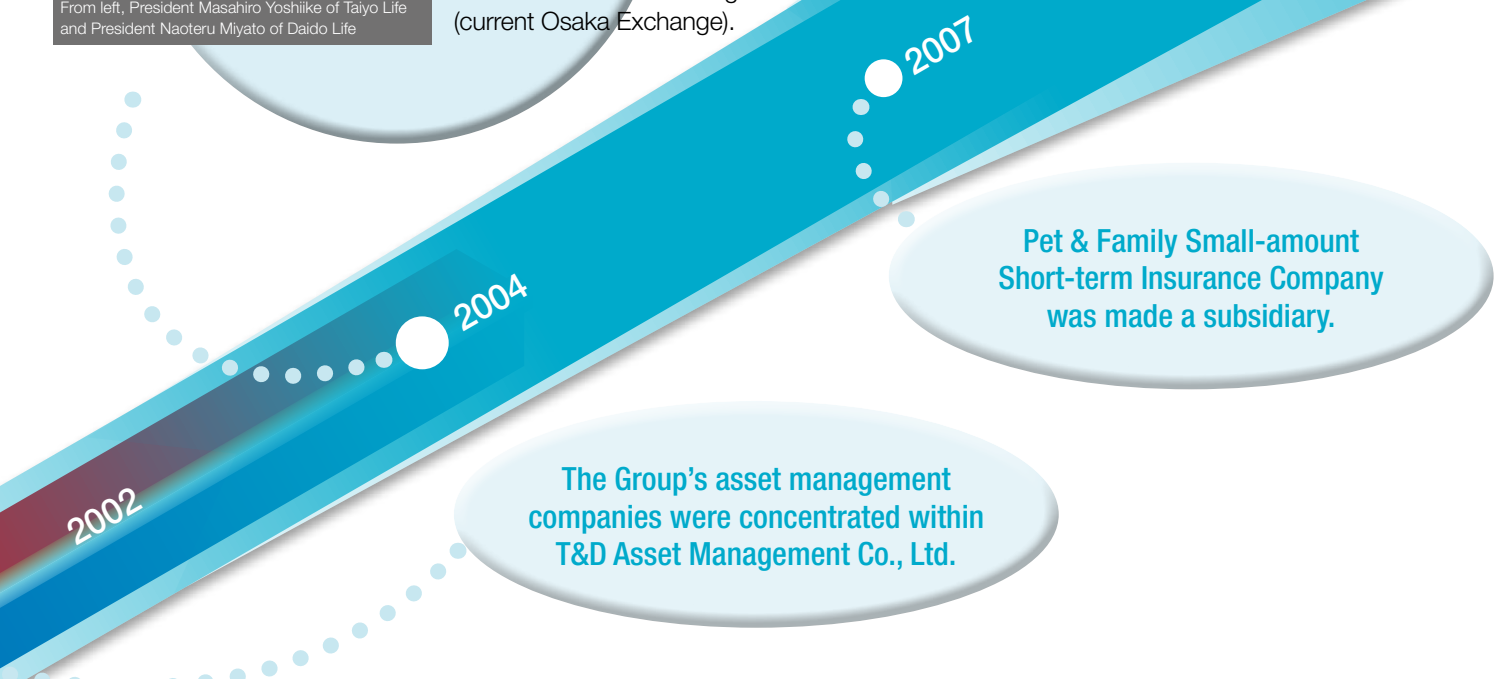
# Next Stage



From left, President Masahiro Yoshiike of Taiyo Life and President Naoteru Miyato of Daido Life

## Establishment of T&D Holdings, Inc.

In April 2004, T&D Holdings, Inc. was established as Japan's first holding company centered on the life insurance business. It was listed on the Tokyo Stock Exchange and Osaka Securities Exchange (current Osaka Exchange).



The Group's asset management companies were concentrated within T&D Asset Management Co., Ltd.

Pet & Family Small-amount Short-term Insurance Company was made a subsidiary.

## Try & Discover for the Next Stage

Business development in the household market



Delivering Optimal Comprehensive Coverage to Households

Business development in the "small and medium enterprise (SME)" market



Protecting SMEs and Their Employees from a Wide Range of Risks

Business development in the independent insurance agent market



Expanding the Group's Presence in the Independent Insurance Agent Market

Corporate Value (EV\*1)

¥2,290.5 billion\*2

\*1 EV (Embedded Value): The sum of adjusted net worth and value of in-force business. EV serves as a measure of corporate value and a performance indicator for life insurance companies.  
\*2 As of March 31, 2017

# Businesses Handled by the Three Core Life Insurance Companies

The three core life insurance companies, Taiyo Life, Daido Life, and T&D Financial Life, each possesses different “markets,” “sales channels,” and “products,” and operates highly unique and specialized businesses.

Business for the household market

 TAIYO-LIFE



In-house sales representatives sell products which include comprehensive coverage centered on death benefit and medical/nursing care products.

Business for the small and medium-sized enterprise (SME) market

 DAIDO LIFE



In-house sales representatives and agents (tax accountants, etc.) sell products which include term life insurance (death protection) and disability benefit, etc.

Business for the independent insurance agent market

 T&D FINANCIAL LIFE



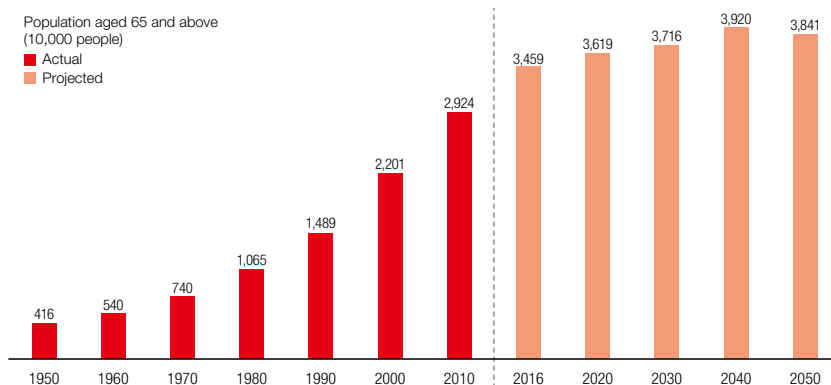
Independent insurance agents (financial institutions and insurance shops) sell products which include single-premium insurance (foreign currency-reference type, etc.) and income protection insurance.

# Business for the Household Market



## Market

Trends in Aging and Future Projections



Source: Until 2010, "Population Census," Ministry of Internal Affairs and Communications, and from 2016 onward based on National Institute of Population and Social Security Research, Results of projection with medium-fertility assumptions/medium-mortality assumptions of "Population Projection for Japan (2017)."

Increase in the senior population  
Diversification of insurance needs

## Our Solution



Develop the top brand in the senior market by delivering the best products and services, which preempt the changes of the times, to households.

- In-house sales representatives work in pairs to make individual home visits, listen to customers' needs and provide the necessary coverage
- Promote triune sales of "strengthening of face-to-face services through visits," "product development which preempts the changes of the times," and "further enhancement of the in-house sales representative channel"



# Business for the Small and Medium Enterprise (SME) Market

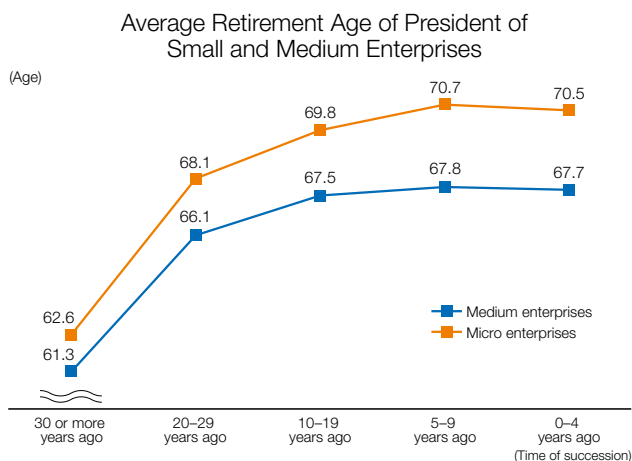


## Market

Approximately  
2 million  
enterprises in Japan

Approximately  
2 million  
individual proprietors

Source: "2014 Economic Census for Business Frame,"  
Statistics Bureau, Ministry of Internal Affairs and  
Communications



Source: Nomura Research Institute, Ltd., "Questionnaire Survey on SMEs' Business Succession,"  
November 2012, commissioned by the Small and Medium Enterprise Agency.

Aging of SME owners,  
prolonged tenure

## Our Solution

**DAIDO DAIDO LIFE**

Aims to bring the greatest peace of mind and the utmost satisfaction to small and medium enterprise (SME) customers.

- Provide rational coverage responding to the various risks and necessary funding preparations encompassing SMEs
- Build a solid sales structure through business tie-ups with SME-related organizations and CPTA organizations

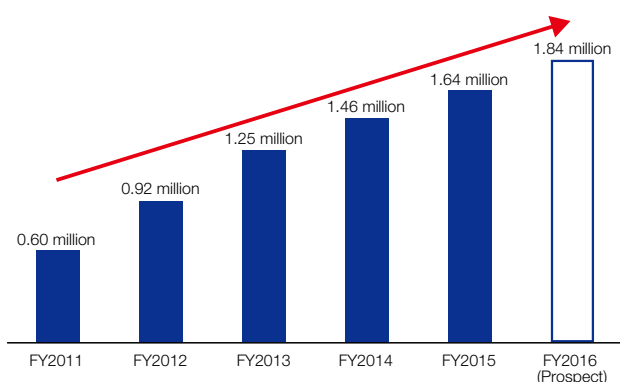


# Business for the Independent Insurance Agent Market



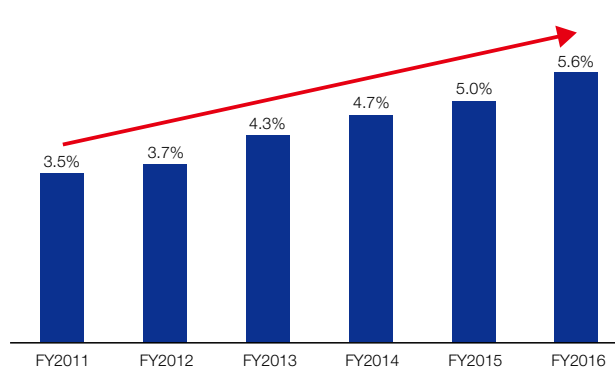
## Market

Number of New Contracts at Insurance Shops



Source: Yano Research Institute Ltd.

Ratios of Taking Out Life Insurance at Banks in Past Five Years



Source: Japan Bankers Association, "Results of Consumer Survey on Bank OTC Insurance," February 2017

Expansion of the independent insurance agent market  
Diversification of sales channels

## Our Solution



# T&D FINANCIAL LIFE

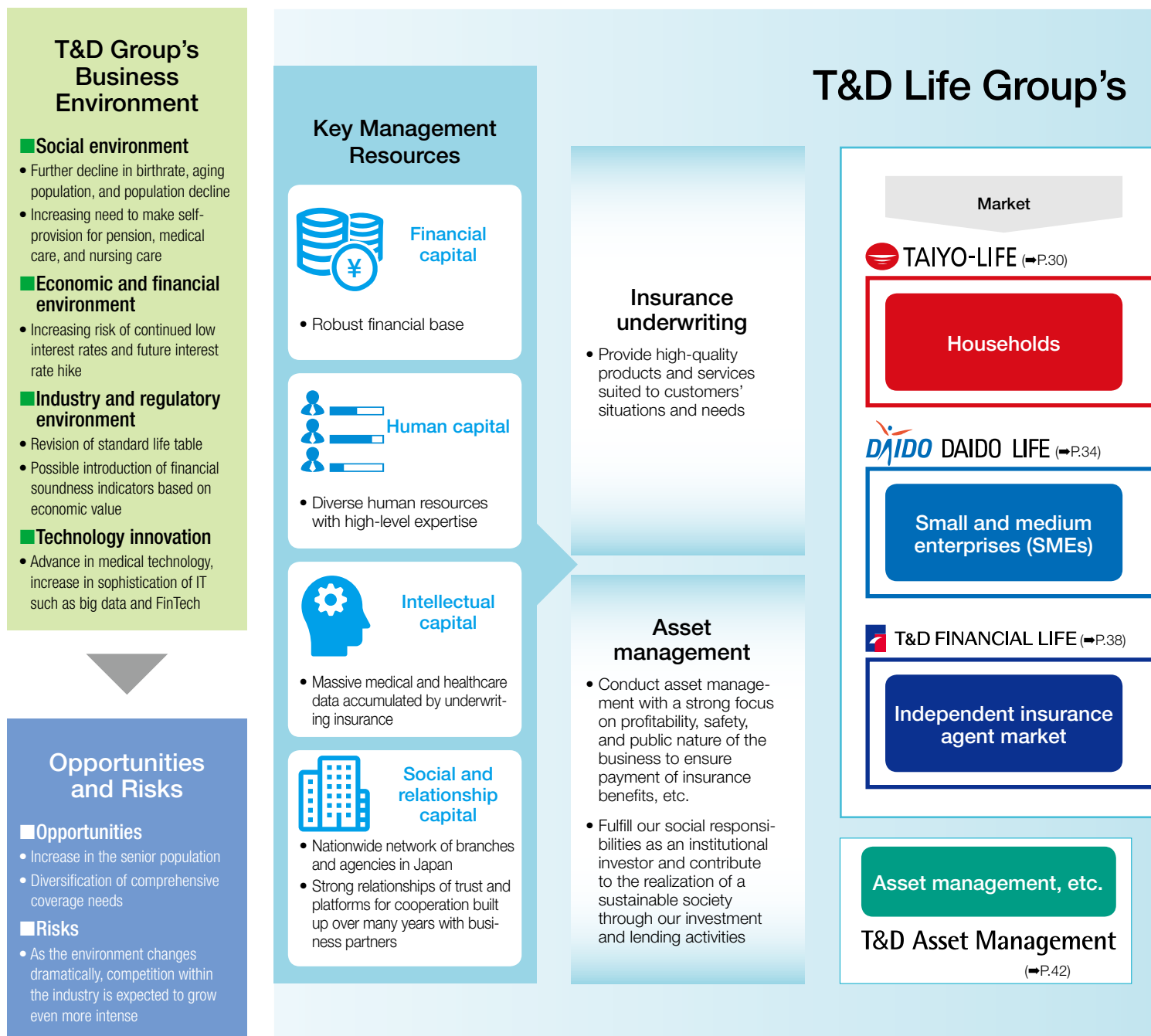
Offers distinctive products which meet the wide-ranging needs of its customers.

- Providing single-premium wealth-accumulation products differentiated by types of benefit and level-premium protection-type products with competitive pricing, etc.
- Expand the sales network of insurance agents through financial institutions and insurance shops



# T&D Life Group's Value Creation

T&D Life Group will contribute to solutions for social issues through the life insurance business in pursuing maximization of “satisfaction of all stakeholders.”



# Value Created by T&D Insurance Group

(⇒P.17)

## Business Activities

Sales channel

Products

**In-house sales representatives**

Comprehensive coverage including death benefit and medical/nursing care products

**In-house sales representatives, Agents**  
(tax accountants, etc.)

Term life insurance (death benefit), disability benefit, etc.

**Independent insurance agents** (financial institutions and insurance shops)

Single-premium insurance (foreign currency-reference type, etc.) Income protection insurance, etc.

**Pet insurance**

Pet & Family Small-amount Short-term Insurance Company  
(⇒P.43)

and Other Group Companies

**Robust Corporate Governance**

(⇒P.46)



Tie-up Organizations



Customers



Shareholders

- Providing Peace of Mind through Insurance Products and Services
- Creation of Employment and Job Satisfaction
- Contribution to Communities and Societies
- Sustainable Growth of Shareholders' Interests



Business Partners



Regional Communities/  
Society



Employees



# Key Business Performance

Years ended March 31

					¥ billions	%	US\$ billions*1
	2013	2014	2015	2016	2017	YoY Change	2017
<b>Sales Results*2</b>							
Annualized premium basis							
Annualized premiums of new policies	¥ 164.2	¥ 127.9	¥ 161.3	¥ 132.6	¥ 137.0	3.3	\$ 1.2
Third Sector products	15.6	16.5	20.8	24.6	28.6	16.5	0.2
Annualized premiums of total policies	1,447.7	1,420.5	1,446.4	1,468.9	1,498.4	2.0	13.3
Third Sector products	160.9	163.4	169.8	179.1	191.1	6.7	1.7
Policy amount basis							
New policy amount	¥ 7,158.9	¥ 6,639.8	¥ 7,227.2	¥ 6,685.9	¥ 7,441.4	11.3	\$ 66.3
Policy amount in force	59,996.5	60,699.8	62,117.7	62,998.1	64,612.8	2.6	575.9
<b>Status of Profit and Loss</b>							
Ordinary revenues	¥ 2,418.9	¥ 2,085.7	¥ 2,412.1	¥ 2,025.9	¥ 1,975.7	(2.5)	\$ 17.6
Income from insurance premiums	1,940.9	1,609.7	1,958.0	1,574.5	1,505.2	(4.4)	13.4
Core profit	182.4	210.2	182.7	153.0	159.9	4.5	1.4
Ordinary profit	151.6	186.2	188.9	171.4	157.2	(8.3)	1.4
Profit attributable to owners of parent	63.7	78.9	94.2	72.5	75.1	3.6	0.6
Adjusted net income	78.0	92.4	94.2	83.3	91.7	10.1	0.8
<b>EV (Embedded Value)*3</b>							
EV	¥ 1,664.4	¥ 1,970.1	¥ 2,298.0	¥ 1,893.7	¥ 2,290.5	¥396.8	\$ 20.4
Value of new business	61.6	89.1	93.0	56.3	119.5	63.1	1.0
<b>Shareholder Return</b>							
Dividends per share (¥, US\$)	¥ 22.5	¥ 25.0	¥ 25.0	¥ 30.0	¥ 32.5	¥ 2.5	\$ 0.28
Share buybacks	approx. 3.0	approx. 10.0	approx. 30.0	approx. 19.0	approx. 17.0	approx. (2.0)	0.1
Total return to shareholders	approx. 18.1	approx. 26.8	approx. 46.6	approx. 38.4	approx. 37.5	approx. (0.9)	0.3
<b>Financial Soundness</b>							
Consolidated solvency margin ratio	943.8%	1,115.0%	1,220.7%	1,155.8%	1,105.1%	(50.7) pt	—
ESR	150%	196%	217%	162%	175%	13 pt	—
<b>Stock Price Information (Fiscal year-end)</b>							
Stock price (¥, US\$)	¥ 1,136.0	¥ 1,227.0	¥ 1,654.5	¥ 1,049.5	¥ 1,616.0	54.0	\$ 14.40
Market capitalization	774.1	836.1	1,127.5	715.2	1,101.2	54.0	9.8
<b>Social/Environmental Data</b>							
Number of employees*4	19,455	18,806	18,319	18,409	18,543		
Male	3,991	3,852	3,702	3,622	3,564		
Female	15,464	14,954	14,617	14,787	14,979		
Ratio of female managers*4, *5	11.1%	11.7%	13.0%	14.5%	14.9%		
Ratio of employees with disabilities*4	2.04%	2.15%	2.20%	2.27%	2.22%		
Electricity consumption (MWh=1,000 kWh)	106,440	99,302	95,866	96,348	97,705		
Office paper consumption (t)	162	163	160	151	123		
Green purchasing ratio (%)	95.7%	95.4%	96.0%	95.9%	96.0%		

## Notes

\*1 U.S. dollar figures have been calculated for convenience only, at the rate of U.S.\$1 = ¥112.19.

\*2 The total of the three life insurance companies (Taiyo Life, Daido Life, and T&amp;D Financial Life) which comprises individual insurance, individual annuities and Daido Life's J-type product, T-type product and Kaigo Relief. The new policy amount includes the net increase from conversions.

\*3 Figures are MCEV (Group MCEV) data.

\*4 The data is the total of the three life insurance companies.

\*5 The data is as of April 1, in the month following the fiscal year-end.

# Fiscal 2016 Management Review

## Sales Results

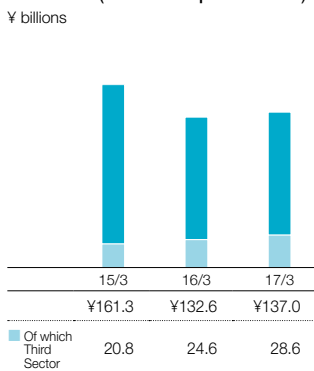
### Annualized Premiums

In fiscal 2016, annualized premiums of new policies for the three life insurance companies were ¥137.0 billion, up 3.3% from the previous fiscal year. Of this, the annualized premiums of new policies for medical benefits, living benefits and others (Third Sector products) rose substantially by 16.5% from the previous fiscal year to ¥28.6 billion. As a result, annualized premiums of total policies were ¥1,498.4 billion, up 2.0% from the previous fiscal year-end. (Of this, annualized premiums of Third Sector

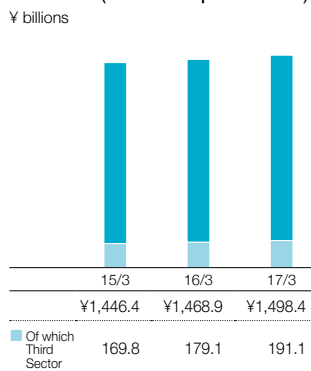
products were ¥191.1 billion, up 6.7% from the previous fiscal year-end.)

Taiyo Life is focusing on protection-type annualized premiums of new policies, which represent the protection portion of the annualized premiums of new policies, mainly excluding savings-type products. Protection-type annualized premiums of new policies increased 10.1% year on year to ¥17.0 billion, owing to solid sales of relaxed-underwriting type products. As a result, protection-type annualized premiums of total policies were ¥152.7 billion.

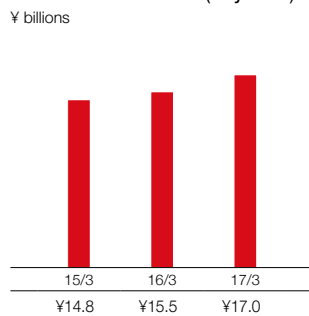
#### Annualized Premiums of New Policies (Three companies total)



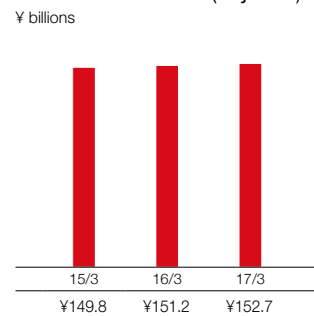
#### Annualized Premiums of Total Policies (Three companies total)



#### Protection-type Annualized Premiums of New Policies (Taiyo Life)



#### Protection-type Annualized Premiums of Total Policies (Taiyo Life)



### New Policy Amount and Policy Amount in Force\*

The new policy amount of the three life insurance companies was ¥7,441.4 billion, up 11.3% from the previous fiscal year. The total policy amount in force of the three life insurance companies was ¥64,612.8 billion, up 2.6% from the previous fiscal year-end.

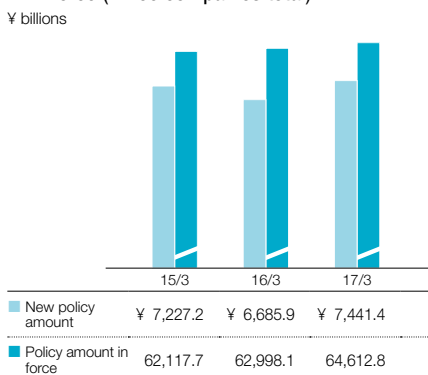
Daido Life's new policy amount was up 18.7% year on year to ¥5,121.1 billion, due to growth in sales of individual term life insurance and disability benefit products (*J-type product* (non-participating critical illness insurance) and *T-type product* (non-participating disability protection insurance)), which are Daido Life's core products. The surrender and lapse rate improved by 0.04 percentage points from the

previous fiscal year to 6.44%.

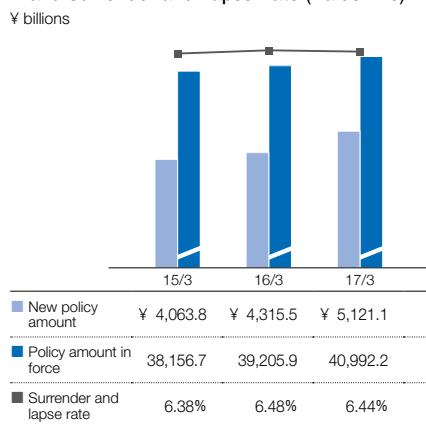
As a result, the policy amount in force reached an all-time high of ¥40,992.2 billion, up 4.6% from the previous fiscal year-end.

T&D Financial Life's new policy amount was down 0.3% from the previous fiscal year to ¥235.4 billion, due to the suspension of sales of yen-denominated single-premium whole life insurance products under the low interest rate environment. The surrender and lapse rate improved by 0.29 percentage points from the previous fiscal year to 3.12%. As a result, the policy amount in force was ¥1,879.3 billion, up 3.9% from the previous fiscal year-end.

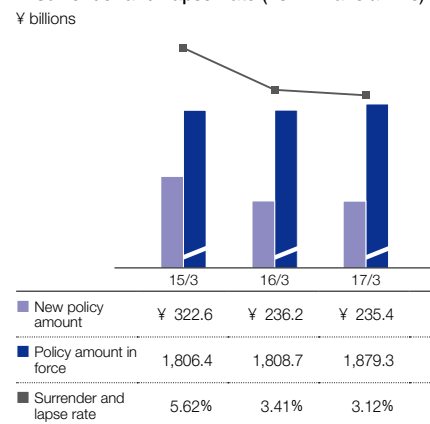
#### New Policy Amount and Policy Amount in Force (Three companies total)



#### New Policy Amount, Policy Amount in Force, and Surrender and Lapse Rate (Daido Life)



#### New Policy Amount, Policy Amount in Force, and Surrender and Lapse Rate (T&D Financial Life)



\* The total of individual insurance, individual annuities, and Daido Life's *J-type product*, *T-type product* and *Kaigo Relief*. The new policy amount includes the net increase from conversions.

## Fiscal 2016 Management Review

## Status of Profit and Loss

## Ordinary Profit/Profit Attributable to Owners of Parent (Consolidated)

Ordinary profit decreased ¥14.2 billion year on year to ¥157.2 billion, mainly due to an increase in losses from derivatives, net.

Profit attributable to owners of parent increased ¥2.6 billion year on year to ¥75.1 billion. This increase was mainly due to a decrease in total income taxes owing to the impact of tax effects and other factors.

## Core Profit

Core profit for the three life insurance companies increased ¥6.8 billion year on year to ¥159.9 billion.

Core profit of Taiyo Life decreased by ¥0.3 billion to ¥53.4 billion while that of Daido Life increased by ¥0.8 billion to ¥105.6 billion. The main factor decreasing core profit was the decrease in interest, dividends and income from real estate for rent, while the main factors increasing core profit included the decrease in provision for reserve for employees' retirement benefits. With these factors mostly cancelling each other out, core profit for both Taiyo Life and Daido Life were mostly unchanged year on year.

Core profit of T&D Financial Life was ¥0.8 billion, turning positive following an increase of ¥6.3 billion from the previous fiscal year. This was mainly due to an increase in the reversal of policy reserves related to accumulation-rate type whole life insurance in line with the rise in domestic interest rates.

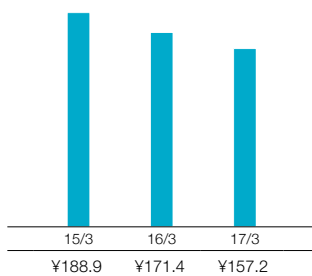
Positive spread for the three life insurance companies decreased by ¥10.3 billion year on year to ¥29.8 billion.

## Fiscal 2017 Earnings Forecasts

Ordinary profit is projected to decrease by 4.6% to ¥150.0 billion, mainly based on an anticipated decline in interest, dividends and income from real estate for rent. Profit attributable to owners of parent is projected to decline by 1.6% to ¥74.0 billion. Further, considering the decline in provisions of additional reserves in excess of the legal standard requirements for the reserve for price fluctuations, adjusted net income, which represents profit available for shareholder returns, is forecast to decrease 13.9% to ¥79.0 billion.

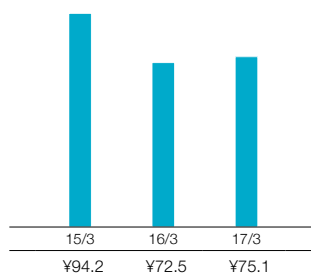
## Ordinary Profit

¥ billions



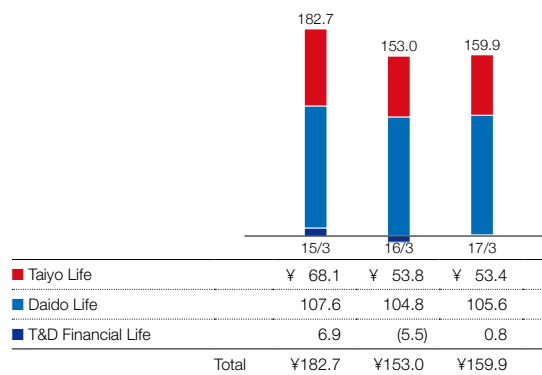
## Profit Attributable to Owners of Parent

¥ billions



## Core Profit

¥ billions



## Fiscal 2017 Full-year Earnings Forecasts (Consolidated)

¥ billions

	Fiscal 2017 full-year forecasts	Fiscal 2016 (actual)	Percent change	Fiscal 2015 (for reference)
Ordinary revenues	¥1,900.0	¥1,975.7	(3.8)%	¥2,025.9
Ordinary profit	150.0	157.2	(4.6)%	171.4
Net income*1	74.0	75.1	(1.6)%	72.5
Adjusted net income*2	79.0	91.7	(13.9)%	83.3

\*1 Profit attributable to owners of parent

\*2 Figures are disclosed for reference.

## Fiscal 2017 Full-year Earnings Forecasts (Three Life Insurance Companies)

¥ billions

	Taiyo Life		Daido Life		T&D Financial Life	
	Fiscal 2017 (forecasts)	Fiscal 2016 (actual)	Fiscal 2017 (forecasts)	Fiscal 2016 (actual)	Fiscal 2017 (forecasts)	Fiscal 2016 (actual)
Ordinary revenues	¥770.0	¥897.9	¥970.0	¥944.4	¥220.0	¥155.8
Ordinary profit	62.0	66.6	86.0	82.6	1.0	6.1
Net income	29.0	28.9	44.0	43.1	0.0	2.1
Sales performance indicators	Protection-type annualized premiums*1		Policy amount*2		Policy amount*2	
New policy sales results	16.0	17.0	4,350.0	5,121.1	370.0	235.4
Policy in force sales results	154.0	152.7	41,780.0	40,992.2	2,060.0	1,879.3
Income from insurance premiums	500.0	654.3	800.0	766.3	200.0	80.9
Core profit	53.0	53.4	95.0	105.6	(2.0)	0.8
Positive spread	8.0	7.7	25.0	25.0	(2.0)	(2.9)

\*1 A performance indicator of Taiyo Life, which is the sum of the protection portion of the annualized premiums of policies, mainly excluding savings-type products.

\*2 New policy amount and policy amount in force are the sum of individual insurance and annuities. New policy amount includes net increase from conversions.

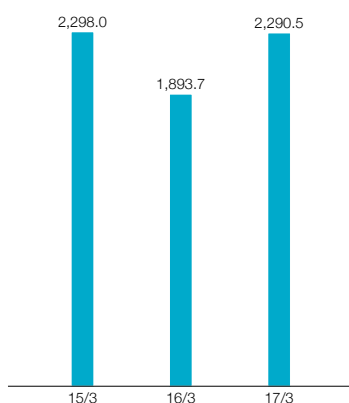
For Daido Life, new policy amount and policy amount in force in the above table includes J-type product, T-type product and Kaigo Relief.

## EV (Embedded Value)

The Group MCEV as of March 31, 2017 was ¥2,290.5 billion, an increase of ¥396.8 billion from the previous fiscal year-end. This increase was mainly due to new sales of insurance policies, improvement in insurance assumptions and the rise in domestic interest rates. The value of new business increased by ¥63.1 billion year on year to ¥119.5 billion, mainly due to favorable sales results as well as improvement in insurance assumptions and the rise in domestic interest rates.

### Group MCEV

¥ billions

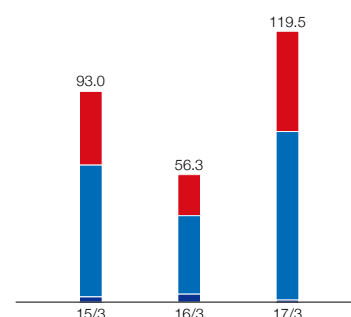


	15/3	16/3	17/3
Group MCEV (①+②)	¥2,298.0	¥1,893.7	¥2,290.5*
MCEV (①)	2,271.2	1,867.2	2,262.4
Taiyo Life	868.6	725.7	777.5
Daido Life	1,306.7	1,078.0	1,417.4
T&D Financial Life	95.8	93.4	97.4
Net asset value of non-covered business (②)	26.7	26.4	28.1

\* The Group MCEV applying the ultimate forward rate (UFR) was approximately ¥2.41 trillion as of March 31, 2017.

### Value of New Business

¥ billions



	15/3	16/3	17/3
■ Taiyo Life	¥32.5	¥18.1	¥44.2
■ Daido Life	58.1	34.6	74.3
■ T&D Financial Life	2.3	3.5	0.9
Three companies total	93.0	56.3	119.5 <sup>*1</sup>
New business margin <sup>*2</sup>	5.1%	3.5%	6.3%

\*1 The value of new business applying the ultimate forward rate (UFR) was approximately ¥142.9 billion as of March 31, 2017.

\*2 New business margin = Value of new business ÷ Present value of new business premiums

## Return to Shareholders

In fiscal 2016, the Company provided a total return to shareholders of approximately ¥37.5 billion, comprising a cash dividend of ¥32.5 per share, an increase of ¥2.5 from the previous fiscal year, and a share buyback of around 10.6 million shares at a total cost of approximately ¥17.0 billion.

From fiscal 2016, the Company has implemented interim dividends in order to increase opportunities to return profits to shareholders.

The Company plans to pay an annual dividend of ¥35 per share for fiscal 2017, including an interim dividend of ¥17.5.

### Return to Shareholders and Adjusted Net Income

	15/3	16/3	17/3
Total return to shareholders (¥ billions)	approx. 46.6	approx. 38.4	approx. 37.5
Total dividends (¥ billions)	16.6	19.4	20.5
Dividends per share (¥)	25.0	30.0	32.5
Share buybacks (¥ billions)	approx. 30.0 <sup>*1</sup>	approx. 19.0 <sup>*2</sup>	approx. 17.0 <sup>*3</sup>
Adjusted net income (¥ billions)	94.2	83.3	91.7
Profit attributable to owners of parent (¥ billions)	94.2	72.5	75.1
Excess amount of reserve for contingency and price fluctuations, after taxes (¥ billions)	—	10.8	16.5

1 The Company implemented a share buyback from May to July 2015 as a shareholder return for the FY2014 earnings.

2 The Company implemented a share buyback from May to July 2016 (approx. ¥14.0 billion) and from February to March 2017 (approx. ¥5.0 billion) as a shareholder return for the FY2015 earnings.

3 The Company implemented a share buyback from May to June 2017 as a shareholder return for the FY2016 earnings.

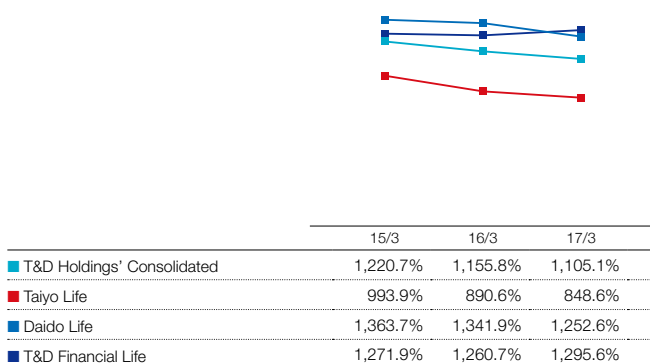
## Fiscal 2016 Management Review

### Financial Soundness

#### Solvency Margin Ratio

The solvency margin ratios in fiscal 2016 were 1,105.1% for T&D Holdings on a consolidated basis, 848.6% at Taiyo Life, 1,252.6% at Daido Life, and 1,295.6% at T&D Financial Life, indicating sufficient financial soundness.

#### ◆ Solvency Margin Ratio

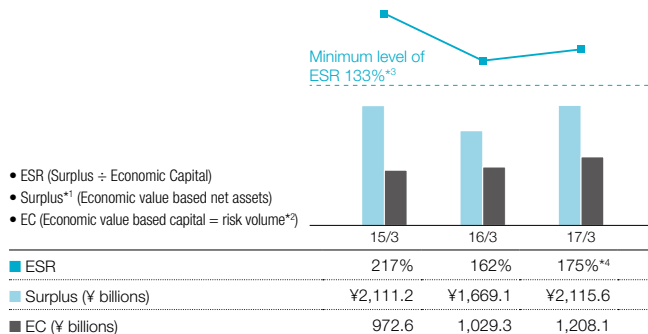


#### ESR

The economic solvency ratio, which represents economic value based capital adequacy, increased by 13 percentage points from the previous fiscal year-end to 175%.

The main reason for this increase was an increase in the surplus, which represents economic value based net assets, due to new sales of insurance policies, improvement in insurance assumptions, and the rise in domestic interest rates. This was despite an increase in the amount of asset management risk, primarily reflecting the rise in domestic interest rates.

#### ◆ ESR



- ESR (Surplus ÷ Economic Capital)
- Surplus\*1 (Economic value based net assets)
- EC (Economic value based capital = risk volume\*2)

\*1 The difference between assets and liabilities evaluated based on economic value. The evaluation of both assets and liabilities is calculated basically based on the same assumptions of MCEV. The cost of capital for risk margin has been set at 5% from the end of March 2017. It has been set referring to the Insurance Capital Standard (ICS) which the International Association of Insurance Supervisors (IAIS) is considering. The cost of capital for risk margin had been set at 6% on and before the end of March 2016.

\*2 Risk volume represents the economic value based risk volume, calculated using an internal model (99.5% VaR, 1-year) after diversification effects.

Required capital for MCEV is calculated using the same internal model.

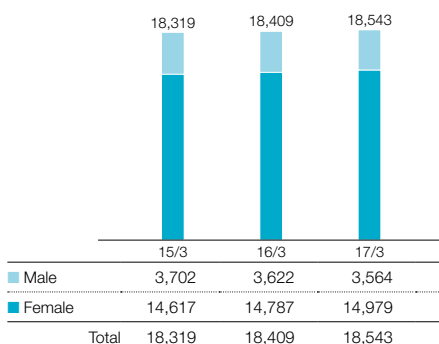
\*3 Represents the capital level needed to cover a risk amount with VaR 99.93% assuming the current risk profile.

\*4 ESR as of the end of March 2017 applying UFR was approximately 192%.

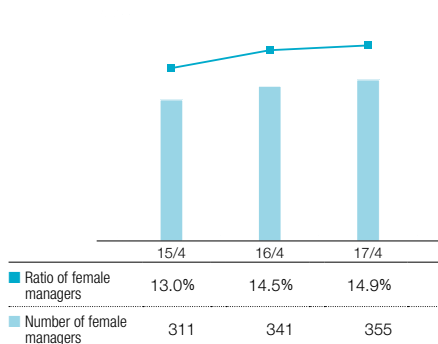
### Social/Environmental Data

The T&D Life Group has been promoting to nurture a corporate culture where diverse human resources can feel job satisfaction and reach their potential.

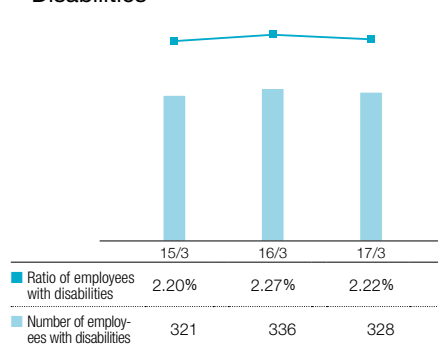
#### ◆ Number of Employees\*1



#### ◆ Ratio/Number of Female Managers\*1,2



#### ◆ Ratio/Number of Employees with Disabilities\*1



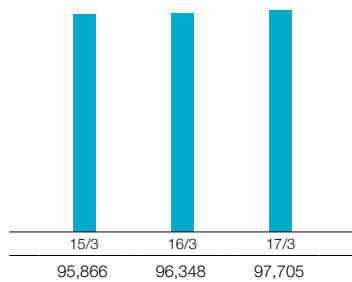
\*1 The data is the sum of the three insurance companies.

\*2 The data is as of April 1, in the month following the fiscal year-end.

In cooperation with Group companies, the T&D Life Group has set Group-wide targets related to environmental protection, and is working to achieve these targets in the course of its daily business activities.

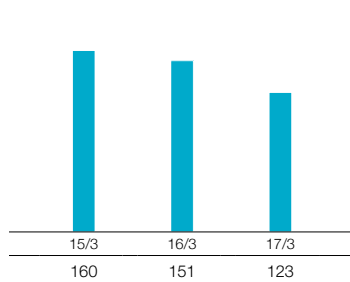
### Electricity Consumption

MWh=1,000kWh

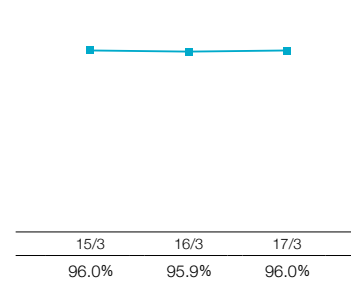


### Office Paper Consumption

t



### Green Purchasing Ratio



## Inclusion in SRI Indexes

T&D Holdings is included in various socially responsible investment (SRI) indexes. SRI is an investment approach to select investment targets not only on the basis of financial considerations but also corporate responsibility performance, including contributions to the global environment and society.

### T&D Holdings Is a Member of the Following SRI Indexes (as of August 1, 2017)

#### FTSE4Good Index Series



The FTSE4Good Index Series is an index developed by FTSE Russell of the U.K., which is a socially responsible investment index designed to select excellent companies from around the world.

#### FTSE Blossom Japan



The FTSE Blossom Japan Index is an index developed by FTSE Russell of the U.K., which is designed to select companies with an outstanding ability to address ESG (Environmental, Social and Governance) issues.

#### Morningstar Socially Responsible Investment Index



The Morningstar Socially Responsible Investment Index is Japan's first socially responsible investment index. It comprises the indexed stock prices of 150 companies selected by Morningstar Japan K.K. based on an evaluation of their outstanding social responsibility performance from among listed companies in Japan.

#### MSCI ESG Leaders Indexes



The MSCI ESG Leaders Indexes are indexes developed by MSCI of the U.S., which are designed to select companies with particularly outstanding ESG (Environmental, Social and Governance) performance.

#### MSCI Japan ESG Select Leaders Index



The MSCI Japan ESG Select Leaders Index is constructed by selecting companies with outstanding ESG evaluations from among the constituents of the MSCI Japan IMI Top 500 Index, which comprises the top 500 securities of the MSCI JAPAN Investable Market Index (IMI) in terms of market capitalization.

#### MSCI Japan Empowering Women Index (WIN)



The MSCI Japan Empowering Women Index (WIN) is constructed by selecting companies with excellent records of promoting women's participation in the workforce from among the constituents of the MSCI Japan IMI Top 500 Index, which comprises the top 500 securities of the MSCI JAPAN Investable Market Index (IMI) in terms of market capitalization.

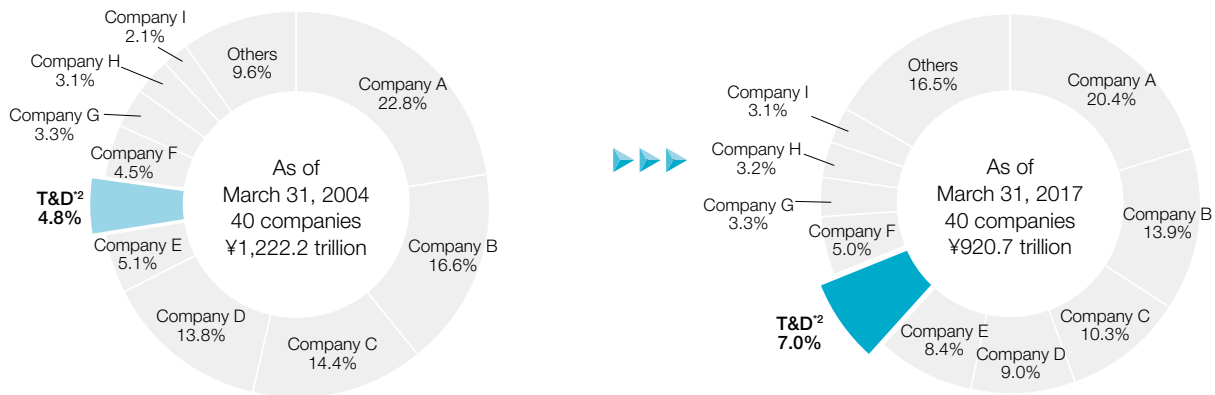
#### MSCI ESG Research logo disclaimer:

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# T&D Life Group's Industry Position

## Changes in Market Share

The T&D Life Group's market share based on policy amount in force\*1 was 7.0% as of March 31, 2017. The Group's market share has steadily expanded compared with the combined share of Taiyo Life, Daido Life and T&D Financial Life as of March 31, 2004, prior to the establishment of T&D Holdings, Inc. in April 2004.



Source: Compiled by T&D Holdings based on Summary of Life Insurance Business in Japan, Life Insurance Association of Japan, and the financial reports of each company.

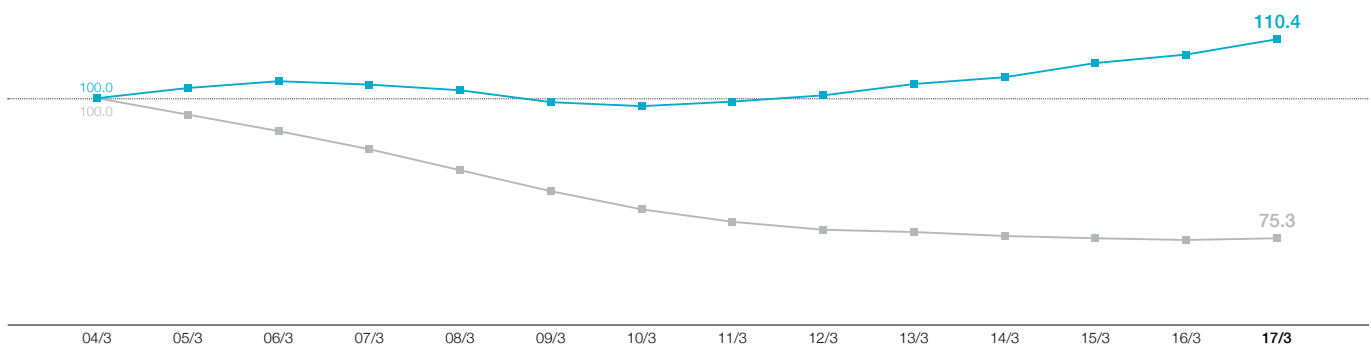
\*1 The policy amount in force is the total of individual insurance, individual annuities, and Daido Life's *J-type product*, *T-type product* and *Kaigo Relief*.  
 Figures do not include Japan Post Insurance.

\*2 Three life insurance companies total of Taiyo Life, Daido Life, and T&D Financial Life.

## Trend in the Policy Amount in Force\*1

Base (As of March 31, 2004) = 100.0

This graph compares the trend in the combined policy amount in force of Taiyo Life, Daido Life and T&D Financial Life, and the policy amount in force of the life insurance industry as a whole, beginning with the respective policy amounts in force as of March 31, 2004 indexed at 100. The three core life insurance companies have maintained their respective competitive advantages based on unique business models designed to supply optimal integrated products and services via ideal sales channels according to the needs of each company's specialty market. As a result, sales performance has been trending firmly.



■ T&D ■ Japanese life insurance industry (excluding Japan Post Insurance) plus *J-type product*, *T-type product* and *Kaigo Relief*.

Source: Compiled by T&D Holdings based on Summary of Life Insurance Business in Japan, Life Insurance Association of Japan, and the financial reports of each company.

\*1 The policy amount in force is the total of individual insurance, individual annuities, and Daido Life's *J-type product*, *T-type product* and *Kaigo Relief*.

Figures do not include Japan Post Insurance.