



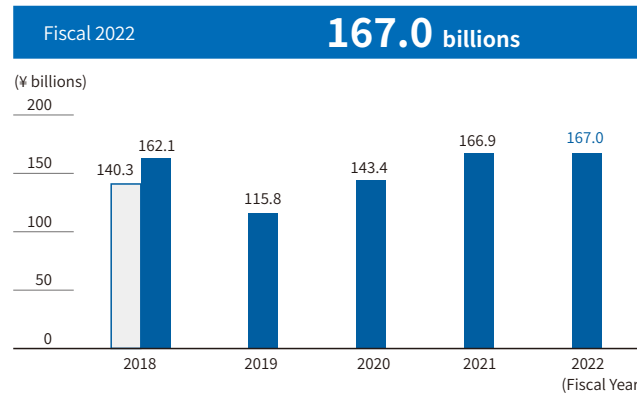
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Financial Highlights

Key Performance Indicators

Value of New Business

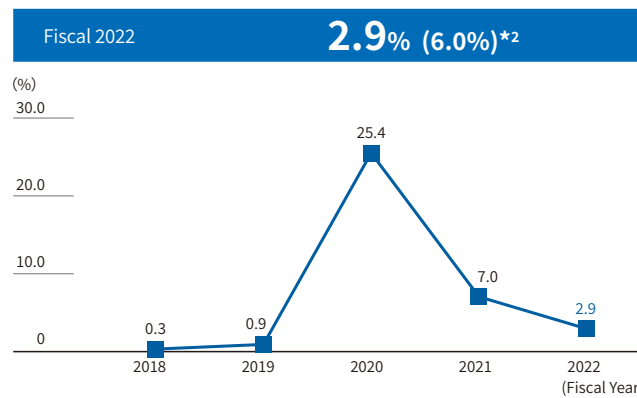


□ Ultimate forward rate not applied ■ Ultimate forward rate applied

* UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

The value of new business remained essentially flat compared to last year at a total of 167 billion yen, due in part to the impact of changes in the UFR. When this impact is excluded, the value of new business is approximately 175 billion yen.

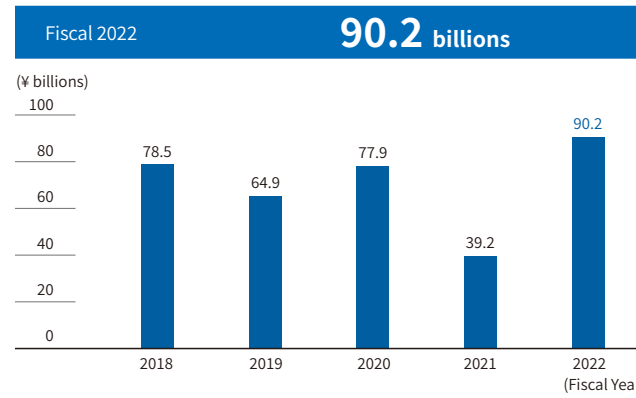
ROEV*1



*1 ROEV = Amount of EV increase (excluding increases or decreases in capital, etc.) ÷ Average EV balance (Group basis)
 Base excluding valuation gains/losses, etc. related to Fortitude, Application of UFR from fiscal 2019.
 *2 Estimated amount calculated by the conventional UFR.

ROEV decreased to 2.9%, primarily due to the change in the terminal interest rate from 3.8% to 2.9%. However, when calculated on the same basis as before, the ROEV stands at 6%.

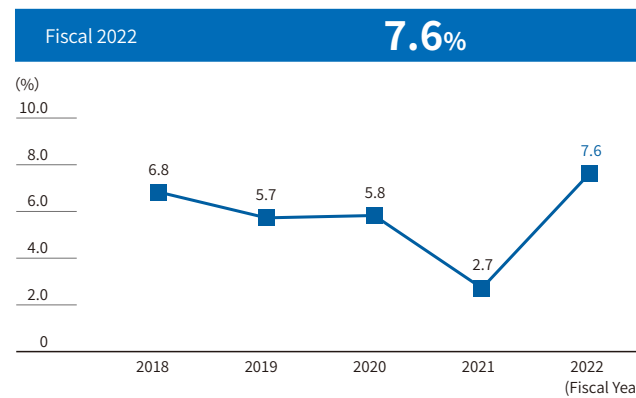
Group Adjusted Profit*



* Group adjusted profit = net income ± valuation gains/losses caused by discrepancy of accounting treatment of assets and liabilities + additional internal reserves in excess of the legal standard requirements.
 Adjusted net income was described in fiscal 2018.

Group adjusted profit increased from the previous fiscal year, largely because of the reversal of losses related to reinsurance transactions at Taiyo Life in the previous year.

Adjusted ROE*

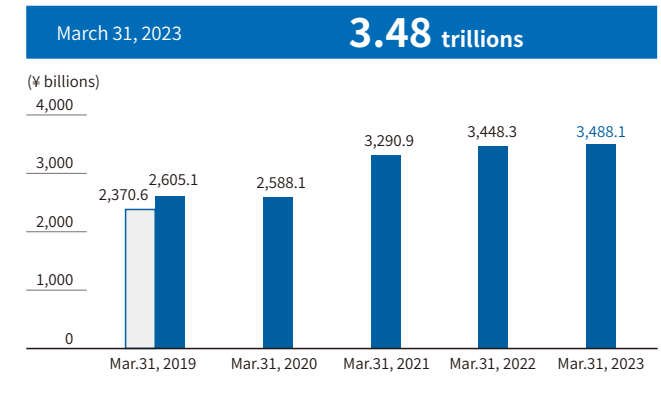


* Adjusted ROE = Group adjusted profit / Average net asset balance.
 Adjusted net income was described in fiscal 2018.

Various initiatives aimed at improving capital efficiency led to an adjusted ROE of 7.6% for FY2022, marking an increase from 5.8% prior to the initiation of the Group Long-term Vision.

Corporate Value

Group MCEV



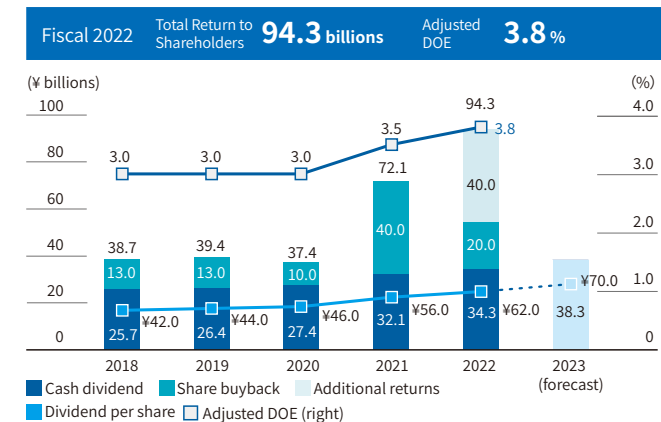
□ Ultimate forward rate not applied ■ Ultimate forward rate applied

*1 Base excluding valuation gains/losses, etc. related to Fortitude
 *2 UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

Group MCEV increased by 39.7 billion yen from the end of the last fiscal year to 3,488.1 billion yen, primarily due to the accumulation of the value of new business. The impact of the change in the terminal interest rate was a reduction of 106.9 billion yen.

Return to Shareholders

Total Return to Shareholders + Adjusted DOE*



* Adjusted DOE = Total dividend value/shareholders' equity (excluding valuation gains/losses caused by discrepancy of accounting treatment of assets and liabilities of Fortitude)

Regarding our share buybacks for FY2022, we decided in May 2023 to allocate an additional 40 billion yen. This, along with the 20 billion yen announced in November 2022, brings the full-year total to a record high of 60 billion yen.

Financial Highlights

Consolidated Results of Operations

For the fiscal year ended March 31, 2023, while our ordinary revenues increased due to factors like higher income from insurance premiums, both ordinary profit and net income for the term declined. This was due to increased insurance claims, higher investment expenses, and temporary valuation losses related to Fortitude.

In terms of full-year earnings forecasts for the fiscal year ending March 31, 2024, despite the expected decrease in positive spread due to higher currency hedging costs, we anticipate a net income of 87 billion yen driven by improvements in underwriting profitability, largely due to a decrease in payment related costs for COVID-19.

Fiscal 2023 Full-year Earnings Forecasts* [Consolidated and Three Life Insurance Companies]

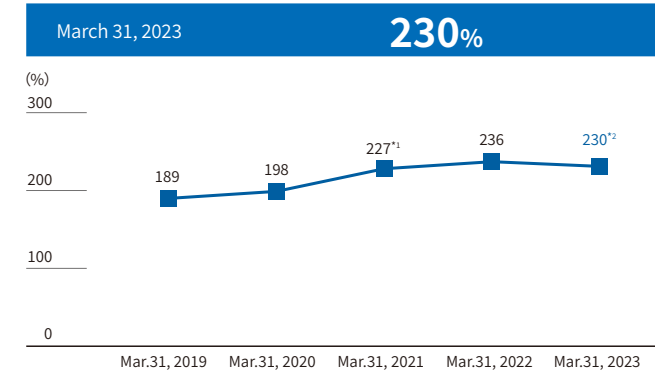
(¥ billions)

	T&D Holdings		Taiyo Life		Daido Life		T&D Financial Life	
	Fiscal 2022 (actual)	Fiscal 2023 (forecasts)	Fiscal 2022 (actual)	Fiscal 2023 (forecasts)	Fiscal 2022 (actual)	Fiscal 2023 (forecasts)	Fiscal 2022 (actual)	Fiscal 2023 (forecasts)
Ordinary revenues	3,214.1	2,560.0	961.3	860.0	1,233.0	1,060.0	980.9	590.0
Ordinary profit	(74.1)	146.0	48.1	60.0	84.0	89.0	11.0	1.0
Net income	(132.1)	87.0	26.8	38.0	49.3	52.0	7.9	0.0
Income from insurance premiums			643.3	670.0	810.3	830.0	714.6	560.0
Core profit			21.2	32.0	75.0	61.0	(3.2)	(1.0)
Positive spread			42.0	15.0	15.6	3.0	(1.9)	(1.0)

* Disclosed on May 15, 2023.

Financial Soundness

ESR



¹ Figures reflect the retroactive application of the accounting treatment of Fortitude's reorganization announced on October 1, 2021.

² From the end of March 2023, we are unifying ESR and core ESR and UFR has been changed (UFR: from 3.8% to 2.9%; year externalization starts: from the 31st year to the 41st year; year of convergence: from the 60th year to the 70th year).

Rating* / Solvency Margin Ratio

	Rating Agencies			Solvency margin ratio
	Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)	Standard & Poor's (S&P)	
T&D Holdings	AA	—	—	920.1%
Taiyo Life	AA	AA-	A	580.9%
Daido Life	AA	AA-	A	1,116.1%
T&D Financial Life	AA	AA-	—	659.4%

Rating is as of January 31, 2023
Solvency margin ratio is as of March 31, 2023

* Long-term issuer rating for T&D Holdings and insurance claims paying ability ratings for the three life insurance companies.

The solvency margin ratio was 920.1% on a consolidated basis, 580.9% for Taiyo Life, 1,116.1% for Daido Life and 659.4% for T&D Financial Life, indicating sufficient financial soundness.

Non-financial Highlights

Creating a Workplace Environment Where Employees Reach Their Potential

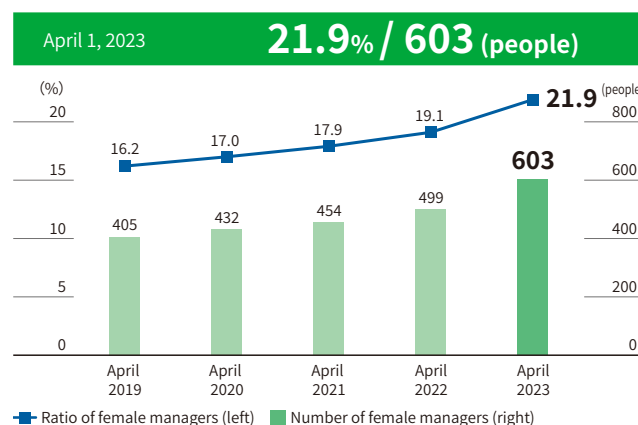
The T&D Insurance Group has been promoting to nurture a corporate culture where diverse human resources can feel job satisfaction and reach their potential. Given that women represent the majority of the Group's employees, the active participation of female employees is recognized as a crucial management priority. To this end, each Group company is introducing various support systems to enhance work-life balance. We are working to increase employment opportunities for people with disabilities by creating workplaces which are comfortable for them to work in.

Employee engagement score

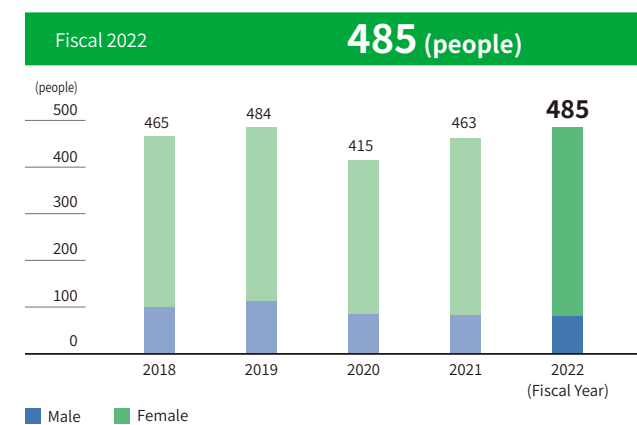
* Five rated evaluation

	Fiscal 2020	Fiscal 2021	Fiscal 2022
T&D Holdings	3.84	4.07	4.03
Taiyo Life	3.61	3.63	3.57
Daido Life	3.75	3.85	3.84
T&D Financial Life	3.55	3.69	3.80

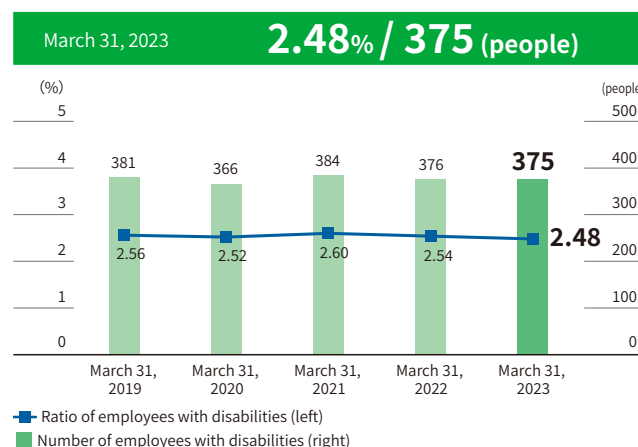
Ratio/number of female managers



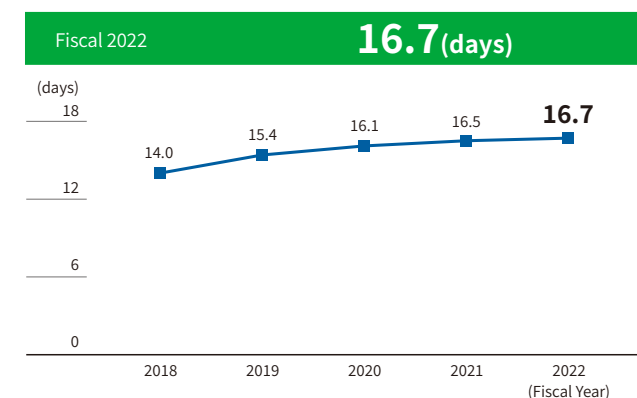
Number of employees taking child care leave



Ratio/number of employees with disabilities



Average number of paid leave days taken



Recognition for health and productivity management initiatives



Certified Health and Productivity Management Organizations - White 500 -

Taiyo Life, Daido Life, and T&D Financial Life have been approved as Certified Health and Productivity Management Organizations (White 500) under a certification system aimed to promote health and productivity management for employees organized by the Ministry of Economy, Trade and Industry (METI). Taiyo Life and Daido Life have earned this certification for seven consecutive years.

Non-financial Highlights

Initiatives on Customer-oriented Services

The T&D Insurance Group emphasizes clarity for the customer and strives to provide services customers can trust.

The T&D Insurance Group takes "customer-oriented" as a shared Group-wide value, and has established the "T&D Insurance Group Basic Policy on Customer-oriented Business Operations." Each Group company is taking steps in accordance with such value.

Customer satisfaction (Assessments of the policies of the three life insurance companies on customer-oriented operations)

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Taiyo Life	91.8%	91.9%	91.6%
Daido Life	82.3%	81.1%	79.0%
T&D Financial Life	72.8%	75.8%	76.7%

* Taiyo Life: Four levels - "satisfied," "mostly satisfied," "somewhat unsatisfied," and "unsatisfied." Aggregate the total of "satisfied" and "mostly satisfied."
 Daido Life: Seven levels - "highly satisfied," "satisfied," "mostly satisfied," "neutral," "somewhat unsatisfied," "unsatisfied," and "highly unsatisfied." Aggregate the total of "highly satisfied," "satisfied," and "mostly satisfied."
 TDF Life: Five levels - "satisfied," "mostly satisfied," "average," "somewhat unsatisfied," and "unsatisfied." Aggregate the total of "satisfied" and "mostly satisfied."

Please refer to our website for "T&D Insurance Group Basic Policy on Customer-oriented Business Operations"

https://www.td-holdings.co.jp/information/business_operations.html
 (Japanese)

Main awards received for initiatives on customer service

Taiyo Life

- Received the UCDA 2022 the "Another Voice" Award at the UCDA Award 2022

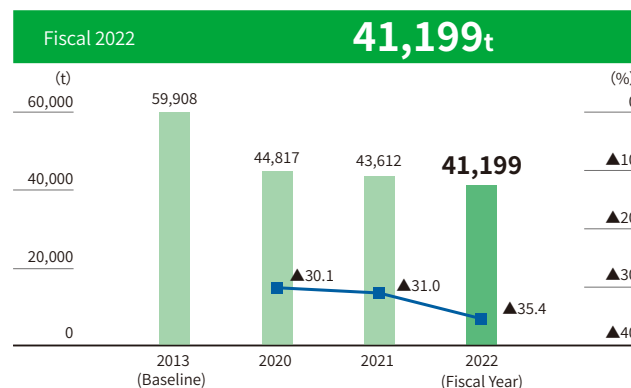
Daido Life

- Received the highest rank of "3 Star" for HDI-Japan's "Quality Service" for three consecutive years

Environmental Initiatives

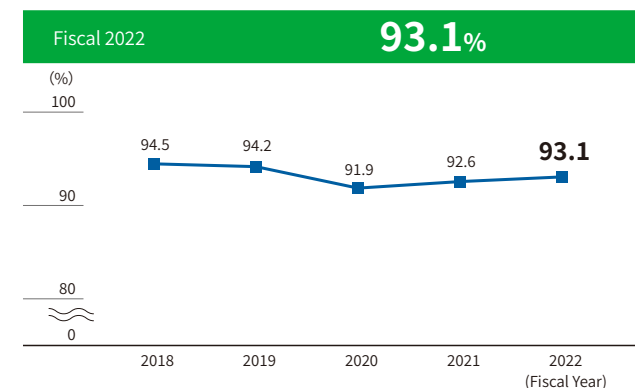
The T&D Insurance Group has enacted "T&D Insurance Group Environmental Policy." Recognizing the environmental burden of resource or energy consumption and waste emissions, we are working toward reducing environmental impact by conserving energy or resources, recycling resources, and promoting green purchasing.

CO₂ emissions volume and Reduction rate

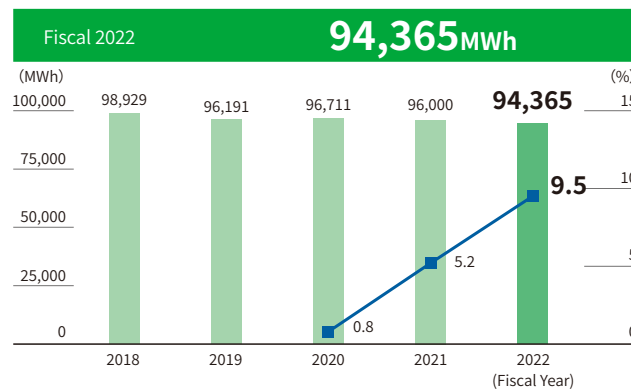


■ Scope1+2 (left) ■ Reduction rate (right)
 * Scope1+2
 * The CO₂ emission reduction rate is per unit of floor space.
 * Our Group has set a goal to reduce CO₂ emissions by 40% by fiscal 2025. (Scope 1+2, compared to fiscal 2013, per unit of floor space)

Green Purchasing Ratio

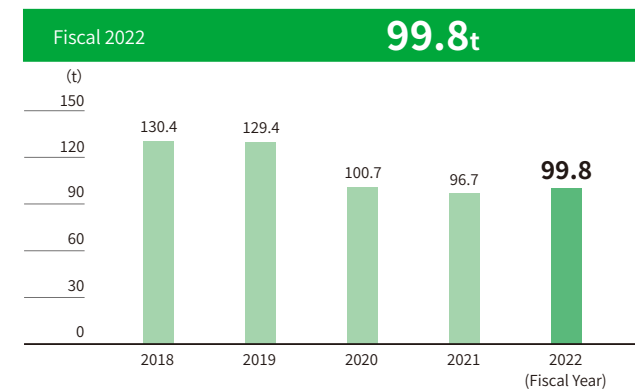


Electricity consumption/Renewable Energy Purchasing Ratio



■ Number of employees with disabilities (left) ■ Renewable Energy Purchase Ratio (right)
 * We have set an interim goal of sourcing 60% of our electricity from renewable energy by fiscal 2030, and are actively promoting the use of renewable energy.

Office paper consumption



Selected Financial Data

T&D HOLDINGS Consolidated Statements of Income

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021*2	2022	2023
¥ millions											
Statement of Operation Data											
Ordinary revenues	2,418,959	2,085,734	2,412,165	2,025,925	1,975,784	1,928,359	2,140,162	2,197,928	2,360,470	2,614,377	3,214,110
Income from insurance premiums	1,940,900	1,609,732	1,958,055	1,574,506	1,505,234	1,483,719	1,676,184	1,753,508	1,783,369	1,781,952	2,178,203
Investment income	402,985	397,818	384,223	379,707	402,709	372,753	393,901	369,419	453,706	476,904	500,793
Other ordinary income	75,043	78,146	69,847	71,665	67,838	71,813	70,076	75,001	73,963	338,770	535,113
Equity in earnings of affiliates	29	37	38	46	1	72	—	—	49,431	16,749	—
Ordinary expenses	2,267,269	1,899,510	2,223,222	1,854,490	1,818,556	1,771,884	1,993,213	2,072,506	2,185,820	2,557,348	3,288,255
Insurance claims and other payments	1,343,556	1,520,988	1,401,534	1,302,899	1,160,357	1,146,175	1,141,636	1,193,510	1,308,157	2,174,187	2,547,969
Provision for policy and other reserves	516,959	22,597	485,139	194,387	259,134	262,894	469,615	431,011	484,929	1,945	2,902
Investment expenses	118,387	86,680	66,427	77,477	130,277	96,288	112,285	164,819	110,235	82,332	191,076
Operating expenses	203,781	197,655	199,435	198,999	197,600	202,366	201,563	212,453	214,509	229,279	251,301
Other ordinary expenses	84,584	71,588	70,686	80,727	71,186	64,159	68,086	70,424	67,988	69,602	77,621
Equity in losses of affiliates	—	—	—	—	—	—	24	287	—	—	217,383
Ordinary profit	151,689	186,224	188,943	171,434	157,227	156,475	146,949	125,422	174,649	57,029	(74,144)
Net extraordinary gains (losses)	(27,483)	(30,736)	(8,105)	(29,274)	(35,067)	(16,485)	(17,890)	(6,055)	(12,591)	(9,816)	(7,449)
Provision for reserve for policyholder dividends	31,197	31,638	32,555	31,920	25,374	30,331	27,144	21,883	24,429	24,284	22,378
Income before income taxes	93,008	123,849	148,281	110,239	96,786	109,657	101,915	97,483	137,628	22,928	(103,972)
Income taxes (current)	27,436	48,113	44,147	46,075	33,316	34,106	32,383	31,768	28,969	3,730	34,605
Income taxes (deferred)	1,644	(3,402)	9,755	(8,561)	(11,895)	(2,044)	(3,316)	(1,425)	(744)	4,779	(6,806)
Total income taxes	29,081	44,711	53,903	37,513	21,421	32,061	29,066	30,343	28,224	8,510	27,799
Profit attributable to non-controlling interests	193	155	163	179	177	19	22	36	890	237	378
Profit attributable to owners of parent	63,733	78,982	94,215	72,547	75,187	77,577	72,825	67,103	108,512	14,180	(132,150)

*1 The above figures are calculated based on the prevailing accounting standards of each fiscal year.

*2 Figures reflect the retroactive application of the accounting treatment of Fortitude's reorganization announced on October 1, 2021.

T&D HOLDINGS Consolidated Balance Sheet

As of March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021*2	2022	2023
¥ millions											
Balance Sheet Data											
(Assets)											
Total assets	13,668,719	13,804,219	14,664,705	14,674,207	14,891,167	15,262,398	15,794,711	16,520,137	17,826,238	17,813,408	16,773,877
(Liabilities)											
Policy reserves	12,209,259	12,226,787	12,707,957	12,892,482	13,139,218	13,395,725	13,859,097	14,282,219	14,765,300	14,505,391	14,055,870
Total liabilities	12,748,972	12,783,895	13,319,755	13,460,145	13,794,395	14,109,362	14,635,123	15,396,987	16,324,441	16,423,901	15,780,196
(Net assets)											
Total shareholders' equity	617,120	683,519	749,436	775,208	794,554	833,779	863,933	889,817	960,015	898,301	706,952
Total accumulated other comprehensive income	299,970	333,929	592,301	435,331	298,302	313,645	289,181	226,124	533,641	482,949	279,647
Total net assets	919,746	1,020,324	1,344,950	1,214,061	1,096,772	1,153,036	1,159,588	1,123,149	1,501,796	1,389,506	993,681

*1 The above figures are calculated based on the prevailing accounting standards of each fiscal year.

*2 Figures reflect the retroactive application of the accounting treatment of Fortitude's reorganization announced on October 1, 2021.

Selected Financial Data

T&D HOLDINGS

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	¥ millions										
Policy Results *:											
Policy amount in force	59,996,511	60,699,818	62,117,777	62,998,174	64,612,813	66,010,749	69,264,639	67,362,978	65,638,037	64,228,285	62,932,694
New policy amount	7,158,927	6,639,823	7,227,221	6,685,973	7,441,437	7,273,000	9,985,762	4,711,892	4,220,821	4,642,915	5,211,950
Surrender and lapse amount	4,071,327	3,967,421	3,752,457	3,789,522	3,837,734	3,884,453	4,625,021	4,206,148	3,891,199	4,007,120	4,333,414
*Total of the individual insurance and individual annuities, the insurance amounts of <i>J-type product</i> , <i>T-type product</i> and the nursing-care insurance amounts of <i>Kaigo Relief Alpha</i> and so forth. New policies include net increase from conversion.											
Other Data:											
Core profit	182,498	210,256	182,766	153,097	159,985	148,466	149,638	166,227	161,039	184,059	93,088
Group MCEV *1	1,664,400	1,970,100	2,298,000	1,893,700	2,290,500	2,406,700	2,370,600	2,588,100	3,377,600	3,508,500	3,331,300
Value of New Business *1	61,600	89,100	93,000	56,300	119,500	129,400	140,300	115,800	143,400	166,900	167,000
Consolidated solvency margin ratio	943.8%	1115.0%	1220.7%	1155.8%	1105.1%	1061.8%	1093.1%	1107.0%	1094.7%*3	1026.3%	920.1%
ESR *2			217%	162%	175%	168%	159%	198%	227%*3	236%	230%

*1 Group MCEV, Value of New Business is shown rounding down to the hundred million yen. Based on Ultimate Forward Rate since fiscal year ended March 31, 2020. UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

*2 In addition to applying the Ultimate Forward Rate, subordinated debt is added to the surplus since the end of March 2020. UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

*3 Figures reflect the retroactive application of the accounting treatment of Fortitude's reorganization announced on October 1, 2021.

Selected Financial Data

TAIYO LIFE

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Statement of Operation Data											
Ordinary revenues	1,229,598	857,272	1,061,146	873,887	897,955	738,716	917,610	802,538	797,301	1,439,893	961,343
Income from insurance premiums	1,018,383	655,233	865,232	657,185	654,379	511,900	715,120	593,679	619,721	598,144	643,308
Investment income	187,629	175,794	176,370	202,909	228,058	189,495	190,444	196,911	165,283	174,377	214,741
Other ordinary income	23,585	26,244	19,544	13,792	15,517	37,319	12,044	11,947	12,296	667,370	103,292
Ordinary expenses	1,160,797	785,015	993,539	794,763	831,312	675,925	863,413	765,756	765,695	1,526,535	913,198
Insurance claims and other payments	654,858	585,429	566,446	604,261	535,387	522,746	521,457	542,912	569,480	1,381,684	726,570
Provision for policy and other reserves	319,781	52,437	281,973	39,860	99,991	885	183,693	43,421	46,414	1,649	255
Investment expenses	47,926	29,303	31,893	36,540	83,109	45,292	52,386	76,173	46,919	36,965	71,514
Operating expenses	85,578	77,693	77,606	76,424	77,189	76,698	76,730	75,077	76,509	80,675	88,495
Other ordinary expenses	52,652	40,151	35,619	37,676	35,635	30,301	29,147	28,171	26,371	25,560	26,361
Ordinary profit (loss)	68,801	72,257	67,606	79,124	66,642	62,790	54,196	36,782	31,606	(86,642)	48,144
Net extraordinary gains (losses)	(14,789)	(12,931)	(5,249)	(20,251)	(18,995)	(4,254)	(5,370)	(1,594)	(4,592)	(3,665)	(2,754)
Provision for reserve for policyholder dividends	16,995	17,688	18,093	18,135	11,738	15,664	13,138	10,197	12,574	12,572	10,847
Income (loss) before income loss	37,017	41,637	44,264	40,736	35,909	42,870	35,687	24,990	14,440	(102,881)	34,542
Income taxes (current)	10,342	17,045	12,827	17,624	11,120	10,238	10,798	10,391	5,956	(23,042)	6,011
Income taxes (deferred)	1,073	(1,763)	3,482	(3,722)	(4,178)	2,151	(657)	(1,218)	(1,800)	(5,691)	1,699
Total income taxes	11,416	15,282	16,309	13,902	6,941	12,390	10,140	9,172	4,156	(28,734)	7,710
Net income (loss)	25,601	26,355	27,954	26,834	28,967	30,480	25,547	15,817	10,284	(74,147)	26,832

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

TAIYO LIFE

As of March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Balance Sheet Data											
(Assets)											
Total assets	6,645,339	6,760,825	7,217,901	7,084,800	7,188,371	7,219,463	7,411,864	7,660,474	8,235,372	7,693,272	7,354,754
(Liabilities)											
Policy reserves	5,951,016	5,998,989	6,279,589	6,318,824	6,410,781	6,389,235	6,569,075	6,608,629	6,654,572	6,001,168	5,915,649
Total liabilities	6,260,697	6,360,611	6,658,543	6,603,082	6,807,381	6,810,776	6,996,551	7,269,351	7,708,881	7,351,808	7,108,475
(Net assets)											
Total shareholders' equity	222,597	245,046	259,537	279,336	279,765	290,945	304,203	303,647	302,568	186,925	203,799
Total valuation and translation adjustment	162,043	155,166	299,819	202,382	101,224	117,742	111,109	87,476	223,923	154,538	42,479
Total net assets	384,641	400,213	559,357	481,718	380,989	408,687	415,312	391,123	526,491	341,464	246,278

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

Selected Financial Data

TAIYO LIFE

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	¥ millions										
Policy Results *:											
Policy amount in force	21,023,223	21,595,680	22,154,564	21,983,504	21,741,191	21,154,486	19,945,620	18,023,246	16,278,405	14,527,568	12,991,974
New policy amount	2,974,307	2,696,671	2,840,754	2,134,199	2,084,818	1,686,796	1,196,690	540,573	243,585	179,669	237,128
Surrender and lapse amount	1,236,211	1,255,419	1,270,225	1,255,956	1,255,824	1,236,078	1,240,097	1,149,490	941,331	915,627	775,953
Surrender and lapse rate	6.11	5.97	5.88	5.67	5.71	5.69	5.86	5.76	5.22	5.62	5.34
Other Data:											
Core profit	67,218	72,611	68,188	53,812	53,464	48,547	51,859	54,387	52,703	55,122	21,294
MCEV *	637,000	705,100	868,600	725,700	777,500	825,000	856,200	895,800	1,114,600	1,134,500	1,084,200
Solvency margin ratio	823.4%	981.3%	993.9%	890.6%	848.6%	835.1%	849.7%	805.5%	852.8%	734.2%	580.9%
Number of in-house sales representatives	8,856	8,603	8,432	8,631	8,902	8,942	8,440	8,071	8,473	8,534	9,016

* The total of individual insurance and individual annuities. The new policy amounts include net increases from conversions.

* MCEV is shown rounding down to the hundred million yen. Based on Ultimate Forward Rate since fiscal year ended March 31, 2020. UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

Selected Financial Data

DAIDO LIFE

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Statement of Operation Data											
Ordinary revenues	884,006	893,318	981,052	935,739	944,431	988,070	1,045,561	1,015,124	1,022,834	1,032,690	1,233,042
Income from insurance premiums	724,517	712,866	792,715	748,914	766,336	790,852	828,003	818,070	808,161	808,083	810,311
Investment income	142,588	160,483	169,016	165,153	154,066	171,830	191,065	165,137	185,876	191,249	259,241
Other ordinary income	16,901	19,968	19,320	21,671	24,029	25,387	26,492	31,916	28,796	33,357	163,489
Ordinary expenses	816,385	802,008	883,588	845,431	861,736	898,672	956,290	928,967	926,928	909,910	1,148,962
Insurance claims and other payments	569,293	522,489	494,272	502,896	484,881	496,329	510,573	522,146	511,604	516,795	887,660
Provision for policy and other reserves	76,097	119,712	231,264	181,357	204,770	232,739	259,032	214,775	221,616	211,578	639
Investment expenses	54,799	46,369	39,128	34,443	48,244	46,233	61,342	61,569	66,440	44,781	114,923
Operating expenses	99,036	99,377	99,152	102,531	103,099	103,602	103,883	107,649	106,644	116,139	121,827
Other ordinary expenses	17,158	14,058	19,770	24,203	20,739	19,767	21,458	22,826	20,622	20,614	23,912
Ordinary profit	67,621	91,309	97,464	90,307	82,695	89,397	89,270	86,157	95,905	122,780	84,079
Net extraordinary gains (losses)	(11,163)	(17,410)	(2,653)	4,413	(12,450)	(11,698)	(11,956)	(3,703)	(7,123)	(5,267)	(4,313)
Provision for reserve for policyholder dividends	14,202	13,951	14,462	13,788	13,636	14,668	14,005	11,687	11,854	11,711	11,530
Income before income taxes	42,255	59,948	80,348	80,932	56,608	63,031	63,308	70,766	76,927	105,800	68,236
Income taxes (current)	12,798	26,644	28,104	29,351	20,777	22,854	21,414	21,646	25,029	29,892	20,962
Income taxes (deferred)	570	(2,656)	1,064	(2,896)	(7,286)	(4,396)	(3,634)	(1,330)	(2,965)	(313)	(2,035)
Total income taxes	13,369	23,987	29,168	26,455	13,491	18,458	17,779	20,315	22,064	29,578	18,926
Net income	28,886	35,960	51,180	54,476	43,116	44,572	45,528	50,450	54,863	76,222	49,309

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

DAIDO LIFE

As of March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Balance Sheet Data											
(Assets)											
Total assets	5,399,189	5,572,800	5,977,975	6,152,026	6,298,188	6,573,924	6,843,179	7,037,507	7,554,346	7,837,366	7,464,151
(Liabilities)											
Policy reserves	4,783,783	4,896,850	5,125,125	5,301,162	5,501,639	5,729,754	5,986,450	6,195,363	6,415,546	6,624,897	6,491,257
Total liabilities	4,936,237	5,041,936	5,297,596	5,488,203	5,654,175	5,913,402	6,180,746	6,393,649	6,701,219	6,978,638	6,693,817
(Net assets)											
Total shareholders' equity	325,329	352,559	388,865	433,499	448,016	466,141	489,267	513,114	541,184	532,210	546,647
Total valuation and translation adjustment	137,622	178,304	291,513	230,323	195,996	194,380	173,165	130,743	311,942	326,517	223,686
Total net assets	462,951	530,863	680,379	663,823	644,013	660,521	662,433	643,858	853,127	858,727	770,334

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

Selected Financial Data

DAIDO LIFE

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Policy Results *:											
Policy amount in force	36,933,235	37,255,621	38,156,747	39,205,952	40,992,241	42,803,504	47,146,055	46,947,214	46,656,071	46,703,372	46,683,895
Individual term life insurance	32,900,930	32,882,207	33,209,130	33,673,604	34,772,475	34,724,011	35,305,536	34,688,890	34,301,814	34,214,918	34,183,001
J-type product, T-type product, and Kaigo Relief Alpha, etc.	775,298	1,192,991	1,764,379	2,415,881	3,166,600	5,426,922	10,057,448	10,514,377	10,633,572	10,821,740	11,466,536
New policy amount	3,992,546	3,698,182	4,063,816	4,315,542	5,121,169	5,231,498	8,474,888	3,724,420	3,550,612	4,041,989	4,287,235
Individual term life insurance	3,374,850	3,108,689	3,228,184	3,426,632	4,088,485	2,944,065	4,128,641	2,460,009	2,474,808	2,844,737	3,088,205
J-type product, T-type product, and Kaigo Relief Alpha, etc.	436,498	472,806	657,003	786,609	934,940	2,523,252	5,085,094	1,224,617	1,039,312	1,192,846	1,394,866
Surrender and lapse amount	2,738,436	2,537,348	2,378,329	2,472,006	2,525,540	2,582,199	3,295,771	2,976,811	2,846,020	2,972,735	3,251,608
Surrender and lapse rate	7.49%	6.87%	6.38%	6.48%	6.44%	6.30%	7.70%	6.31%	6.06%	6.37%	6.96%
* The total of individual insurance, individual annuities and Daido Life's <i>J-type product, T-type product, Kaigo Relief Alpha</i> , etc. The new policy amounts include net increases from conversions.											
Other Data:											
Core profit	84,635	110,673	107,654	104,829	105,677	100,781	99,245	116,903	111,604	131,632	75,039
MCEV *	923,500	1,145,900	1,306,700	1,078,000	1,417,400	1,473,200	1,417,700	1,626,000	2,058,800	2,148,100	2,222,500
Solvency margin ratio	1043.2%	1156.4%	1363.7%	1341.9%	1252.6%	1206.2%	1271.9%	1335.3%	1293.5%	1203.8%	1116.1%
Number of in-house sales representatives	3,943	3,833	3,790	3,867	3,843	3,714	3,786	3,746	3,766	3,699	3,577
Number of agents	13,459	13,432	13,675	13,793	13,878	13,992	14,132	14,413	14,775	15,137	15,406

* MCEV is shown rounding down to the hundred million yen. Based on Ultimate Forward Rate since fiscal year ended March 31, 2020. UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

Selected Financial Data

T&D FINANCIAL LIFE

Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Statement of Operation Data											
Ordinary revenues	288,656	468,669	382,110	218,035	155,834	196,492	150,758	354,495	460,661	485,311	980,991
Income from insurance premiums	196,740	239,777	297,755	165,436	80,918	176,474	127,853	335,910	348,020	367,118	714,695
Investment income	78,986	64,948	46,366	14,232	23,041	12,982	17,221	11,924	106,851	113,353	28,023
Other ordinary income	12,928	163,943	37,989	38,365	51,874	7,036	5,683	6,660	5,789	4,839	238,272
Ordinary expenses	274,873	447,758	359,653	216,822	149,634	193,948	148,694	352,249	463,608	479,644	969,937
Insurance claims and other payments	118,854	412,275	339,700	194,324	138,311	124,953	106,894	125,135	222,904	270,745	928,437
Provision for policy and other reserves	120,876	7,697	1,440	2	0	50,164	26,791	174,312	216,631	183,641	1,911
Investment expenses	20,522	13,138	1,814	7,950	213	4,888	1,941	30,117	127	840	3,536
Operating expenses	13,140	13,101	14,422	12,705	9,745	12,349	11,453	19,373	20,216	20,543	30,084
Other ordinary expenses	1,479	1,545	2,275	1,840	1,363	1,592	1,612	3,309	3,727	3,873	5,966
Ordinary profit	13,783	20,910	22,457	1,212	6,199	2,543	2,064	2,246	(2,947)	5,667	11,054
Net extraordinary gains (losses)	(1,441)	(398)	(174)	(621)	(3,612)	(461)	(552)	(756)	(868)	(880)	(713)
Provision for reserve for policyholder dividends	(0)	(2)	(0)	(3)	(1)	(1)	0	(0)	0	(0)	0
Income before income taxes	12,342	20,514	22,282	593	2,587	2,083	1,511	1,490	(3,816)	4,788	10,340
Income taxes (current)	3,643	3,647	2,411	(1,735)	874	199	(456)	(754)	(2,212)	(3,115)	5,060
Income taxes (deferred)	(154)	957	5,225	1,837	(427)	295	956	1,178	1,180	4,704	(2,660)
Total income taxes	3,489	4,604	7,636	101	446	494	500	424	(1,031)	1,589	2,399
Net income	8,852	15,909	14,645	492	2,141	1,588	1,011	1,065	(2,784)	3,199	7,940

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

T&D FINANCIAL LIFE

As of March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
¥ millions											
Balance Sheet Data											
(Assets)											
Total assets	1,541,553	1,393,592	1,387,624	1,359,879	1,313,747	1,365,878	1,438,819	1,645,401	1,850,918	2,007,568	1,833,544
(Liabilities)											
Policy reserves	1,473,800	1,329,961	1,301,958	1,270,904	1,224,914	1,274,376	1,300,935	1,475,204	1,691,538	1,875,148	1,643,912
Total liabilities	1,504,475	1,340,493	1,319,425	1,289,619	1,242,846	1,292,955	1,361,498	1,564,466	1,782,638	1,943,616	1,764,802
(Net assets)											
Total shareholders' equity	36,798	52,748	67,394	67,886	70,027	71,616	72,627	73,693	70,909	74,108	82,048
Total valuation and translation adjustment	279	349	804	2,373	874	1,306	4,693	7,240	(2,628)	(10,155)	(13,306)
Total net assets	37,077	53,098	68,198	70,260	70,901	72,922	77,321	80,934	68,280	63,952	68,742

* The above figures are calculated based on the prevailing accounting standards of each fiscal year.

Selected Financial Data

T&D FINANCIAL LIFE

												¥ millions
Years ended March 31	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Policy Results*:												
Policy amount in force	2,040,052	1,848,515	1,806,465	1,808,717	1,879,380	2,052,758	2,172,963	2,392,518	2,703,559	2,997,343	3,256,823	
New policy amount	192,072	244,969	322,651	236,231	235,449	354,705	314,183	446,898	426,624	421,257	687,586	
Surrender and lapse amount	96,679	174,654	103,902	61,559	56,368	66,174	89,152	79,846	103,847	118,758	305,852	
Surrender and lapse rate	4.86%	8.56%	5.62%	3.41%	3.12%	3.52%	4.34%	3.67%	4.34%	4.39%	10.20%	

* The total of individual insurance and individual annuities.

Other Data:

Core profit (loss)	30,644	26,971	6,923	(5,545)	843	(863)	(1,466)	(5,063)	(3,268)	(2,694)	(3,245)
MCEV*	77,500	92,300	95,800	93,400	97,400	102,600	98,500	66,500	108,100	111,300	126,600
Solvency margin ratio	648.4%	1051.2%	1271.9%	1260.7%	1295.6%	1258.3%	1101.7%	1033.6%	826.8%	749.5%	659.4%

* MCEV is shown rounding down to the hundred million yen. Based on Ultimate Forward Rate since fiscal year ended March 31, 2020. UFR has been changed from the end of March 2023; UFR: from 3.8% to 2.9%, start year in extrapolation: from 31 year to 41 year, convergence year: from 60 years to 70 years.

Overview of the Life Insurance Business (Market)

Diversification of Customers' Life Insurance Needs

The total income from insurance premiums for Japanese life insurance companies* in fiscal 2022 was ¥38.0 trillion. After experiencing a moderate upward trend since fiscal 2002, a declining trend started around 2015. However, the situation has been improving recently, especially as the COVID-19 pandemic has abated. (Fig.1)

* There are a total of 42 Japanese life insurance companies. (As of April 1, 2023)

Changes in household composition due to such factors as the declining birthrate, aging population, and late marriage have decreased the need for large death benefits aimed at heads of households. Meanwhile, the needs for third sector insurance such as medical and nursing care products are increasing.

Policy Amount in Force and Number of Policies in Force

The policy amount in force, which is the total death benefit amount of individual insurance policies held by life insurance companies, was ¥794 trillion in fiscal 2022, down from the peak of ¥1,495 trillion in fiscal 1996. Meanwhile, the number of policies in force, which is the number of individual insurance policies held by life insurance companies, was 194.58 million in fiscal 2022, marking the 15th straight year of increase. (Fig.2)

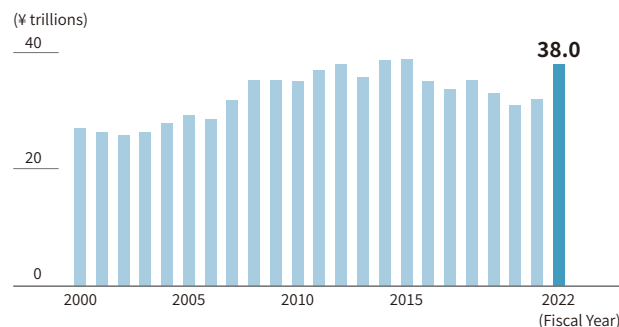
Number of Policies in Force for Individual Insurance by Type

Turning to the breakdown of numbers of policies in force by type, the proportion of policies taken by medical and cancer insurance has increased significantly, from 20% in fiscal 2000 to

36% in fiscal 2022. The number of policies has also increased 3 times, from 22.79 million to 69.75 million, indicating increasing customer needs for third sector products. (Fig.3)

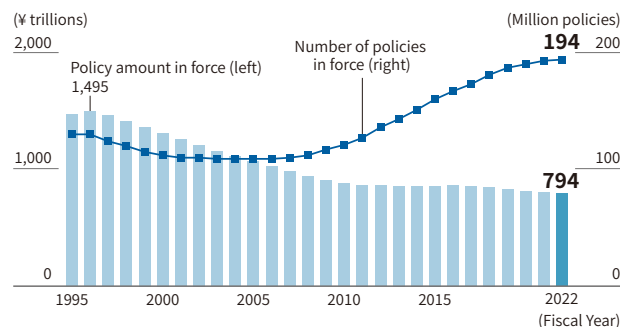
According to a nationwide survey on life insurance conducted in fiscal 2021, the adoption rates for specialized insurance products such as dementia insurance and health-promoting insurance (including additional riders) stand at 6.6% and 4.2%, respectively, indicating that new needs for coverage are consistently emerging. Going forward, life insurance companies will continue to play an important role in introducing new types of coverage that cater to the increasingly diverse needs of customers and addressing social issues.

(Fig.1) Trend in the income from insurance premiums



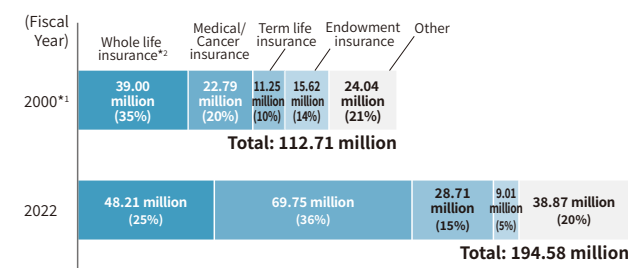
Source: Compiled by T&D Holdings based on "The summary of Life Insurance Business in Japan" published by the Life Insurance Association of Japan.
Note: Excluding the numerical value of former postal life insurance up to fiscal 2007.

(Fig.2) Trend in the policy amount and the number of policies in force for individual insurance



Source: Compiled by T&D Holdings based on "The summary of Life Insurance Business in Japan" published by the Life Insurance Association of Japan.
Note: Excluding the numerical value of former postal life insurance up to fiscal 2007.

(Fig.3) Number of policies in force for individual insurance by type



Source: Compiled by T&D Holdings based on "The summary of Life Insurance Business in Japan" published by the Life Insurance Association of Japan.
*1 Excluding the numerical value for former postal life insurance in fiscal 2000.
*2 Whole life insurance is the sum of whole life insurance, fixed-term whole life insurance and variable interest type savings-type whole life insurance.

Overview of the Life Insurance Business (Market)

Diversification of Sales Channels

The sales channels of life insurance companies are growing more diverse with, in addition to the in-house sales representative channel, a recently increasing presence of OTC insurance sales at banks, and agent channels including insurance shops.

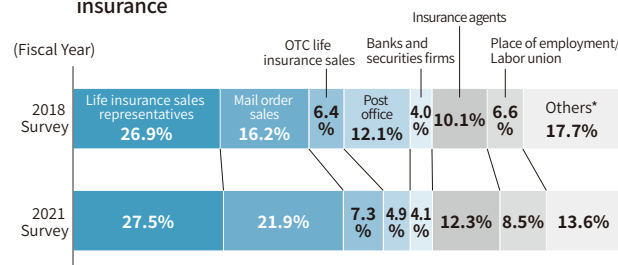
The results of a fiscal 2021 survey also revealed that customers are even more likely to purchase insurance in the future via mail order channels such as insurance sales agents and the internet. (Fig.4)

On the other hand, a significant number of customers feel that they lack sufficient knowledge to determine what types of coverage they need, including considerations such as amounts and terms. Thus, the importance of personal consultations for insurance proposals remains unchanged. Recent survey results concerning the “channels used for the most recent policy enrollments” indicate that more than half of the new enrollments were made through life insurance company sales representa-

tives. Furthermore, this percentage has increased since the last survey. (Fig.5)

As we proceed, we must continue to make thoughtful insurance proposals that meet the varying coverage needs of our

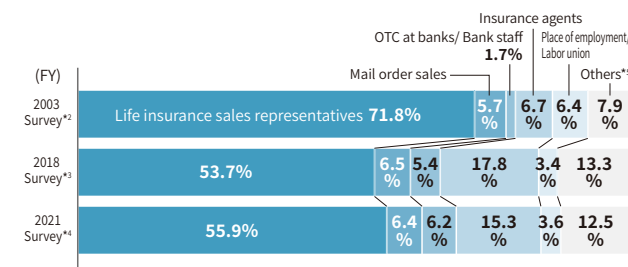
(Fig.4) Channels through which customers are likely to purchase insurance



Source: Compiled by T&D Holdings based on the results of the Corporation Sample Survey on Life Insurance (FY2021) of Japan Institute of Life Insurance.
* Including unknown.

customers, while also incorporating non-face-to-face interactions prompted by the spread of COVID-19.

(Fig.5) Sales channels of private life insurers*1



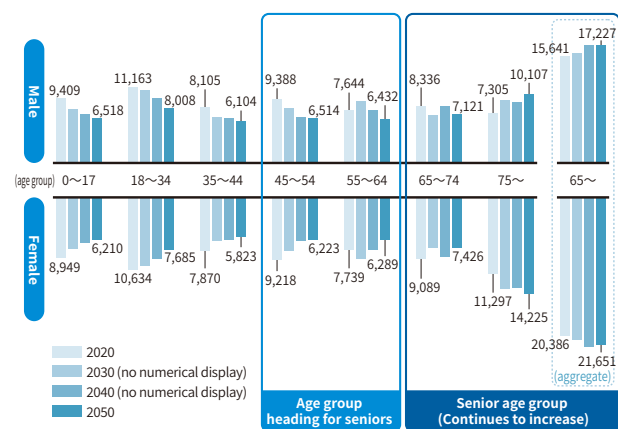
Source: Compiled by T&D Holdings based on the results of the Corporation Sample Survey on Life Insurance (FY2003 and FY2021) of Japan Institute of Life Insurance.
*1 Excluding Japan Post Insurance Co., Ltd.
*2 Policies taken out during 1998-2003.
*3 Policies taken out during 2013-2018.
*4 Policies taken out during 2016-2021.
*5 Including those policies through indistinct channels.

The Future of the Japanese Life Insurance Market

In Japan, it is certain that the declining birthrate and aging population will continue to progress, going forward. As the future financial burden of social security will become even greater, it is possible that the role played by private life insurance will increase further in the future, with a focus on seniors, as private security that complements public security.

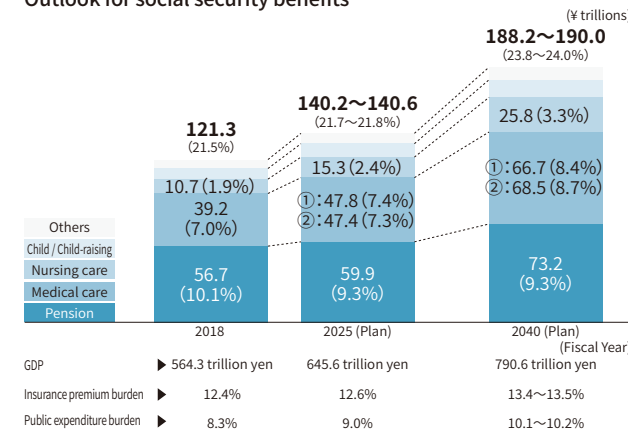
Meanwhile, as the social insurance premium burden is expected to increase as the number of young people declines, the inclusion of young people has become an important issue for life insurance companies.

Estimated future population by gender and age group (Unit: 1,000 Persons)



Source: Compiled by T&D Holdings based on “Estimated Future Population of Japan (2023 Estimates)” (birth median (death median) estimates), by the National Institute of Population and Social Security Research.

Outlook for social security benefits



Note: For medical care, two assumptions regarding unit price growth rates are set, and two benefit costs (1) and (2) are indicated.
* Figures inside () are percentages compared to GDP. Insurance premium and public expenditure burdens are each expressed as a percentage compared to GDP.
Source: Compiled by T&D Holdings based on “Environment Surrounding Social Security around 2040” by the Ministry of Health, Labour and Welfare.

Overview of the Life Insurance Business (Market)

Reference: Types of Life Insurance

There are three main types of life insurance : “death insurance”, “pure endowment insurance”, and “accident and sickness insurance”.

Death insurance	Insurance benefits are paid when the insured individual dies. Typical products include term life insurance and whole life insurance.
Pure endowment insurance	Insurance benefits are paid when the insured individual remains alive after a certain period of time. A typical product is individual annuity insurance.
Accident and sickness insurance	Insurance benefits are paid when the insured individual becomes ill, falls into certain conditions due to diseases or accidents, or dies from an accident. Typical products include medical insurance and cancer insurance.

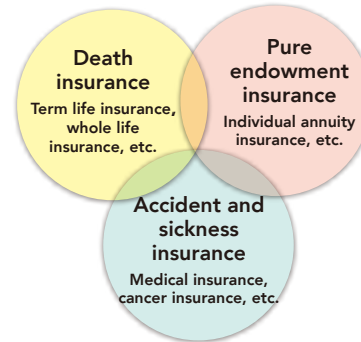
These insurances are sold not only as single products but in various combinations in accordance with customer needs and so forth.

In the Japanese insurance industry, insurance related to a person's life and death are called “First Sector” insurance and only life insurance companies are allowed to sell these products. In contrast, insurance which compensate damages caused by a fortuitous accident are called “Second Sector” insurance and only non-life insurance companies are allowed to sell these products.

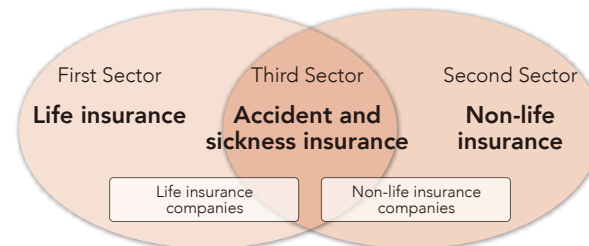
The aforementioned death insurance and pure endowment insurance policies fall under the category of “First Sector” insurance.

Accident and sickness insurance do not belong to either of the “First Sector” and “Second Sector” insurance categories, and are called “Third Sector” insurance. Both life insurance companies and non-life insurance companies can sell Third Sector products. A typical Third Sector insurance product sold by non-life insurance companies is “accident insurance,” which insures against injuries.

Types of life insurance



Types of insurance



Special Characteristics of Life Insurance Accounting

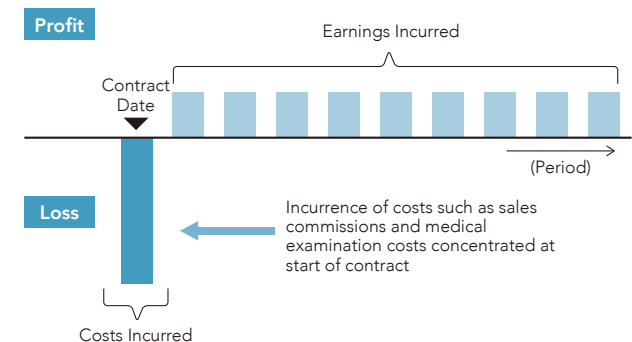
Because life insurance contracts tend to be long-term, there is a disconnect when it comes to recognizing revenues versus the incurrence of expenses, as shown in the figure below.

In single fiscal year accounting, profits decline due to increased costs when sales results are good, while profits increase due to decreased costs when results are not good.

Meanwhile, from a long-term perspective, an increase in the policy amount in force leads to an increase in future revenue sources, while a decrease in the policy amount in force is a factor in future profit decline.

Accordingly, as life insurance accounting has special characteristics, we use economic values such as Embedded Value (EV) when representing life insurance company corporate value.

Typical Life Insurance Earnings Image



Glossary

A

A company with an Audit and Supervisory Committee	A publicly-listed company with an Audit and Supervisory Committee comprised of at least three directors serving as Audit and Supervisory Committee members (and outside directors as the majority of its members). The Board audits and supervises the execution of duties by directors not serving as Audit and Supervisory Committee members.
Adjusted DOE	Calculated by dividing total dividend value by shareholders' equity on the balance sheet which is exempt of an accumulated amount of unrealized gains/losses caused by discrepancy of accounting treatment of assets and liabilities.
Adjusted ROE	Calculated by dividing Group adjusted profit by average net asset balance.
Annualized premiums	An adjusted figure for premiums paid using monthly, annual, or lump-sum payment methods showing total premiums paid on an annual basis.
Assumed business expense rate	One of the forecast rates used in the calculation of insurance premiums. It is the rate used to include business expenses necessary for administering insurance policies.
Assumed investment yield	One of the forecast rates used in the calculation of insurance premiums. It is the predetermined discount rate based on the expected earnings from the investment of insurance premiums.

C

Closed book business	A business model in which an insurance company generates profit by obtaining and consolidating blocks of policies in force for products that are no longer sold (closed book) and enhancing their value. In Western countries, there has been an increase in the number of closed books separated as a part of revisions of the business strategy and the product portfolio according to changes in the business environment.
Contingency reserve	A reserve included as part of the policy reserve to account for the risk of insurance payment events occurring at a higher-than-expected rate due to higher-than-expected mortality and morbidity rates, and the risk of actual investment yields being lower than the assumed investment yields related to outstanding policies. Contingency reserve can be classified into: Contingency reserve I Corresponds to insurance risk Contingency reserve II Corresponds to assumed investment yield risk Contingency reserve III Corresponds to minimum guarantee risk relating to variable annuity and others Contingency reserve IV Corresponds to insurance risk of Third Sector insurance
Core profit	An indicator showing core period earnings of life insurance companies, made up of insurance income and expenses (which include income from insurance premiums and insurance benefits and business expenses), and investment income and expenses (which include mainly interest, dividends and income from real estate for rent). It is not an item on the Company's statement of operation, but is calculated by deducting capital gains, such as gains (losses) on sales of securities and other one-time gains (losses), from ordinary profit.

Cost of shareholder's capital	Of capital raised by a company, costs required to procure funds from investors. Also can be defined as the rate of return anticipated by an investor on an investment.
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E

Economic value-based solvency regulation	The solvency regulation is a rule to enable an insurance company to properly pay insurance benefits in the future. An economic value-based solvency regulation, proposed to be introduced in 2025, stipulates that insurance liabilities shall also be assessed based on the current value.
ERM (Enterprise Risk Management)	A strategic management method used to achieve managerial goals such as raising corporate value and maximizing earnings, through the integrated management of capital, profit and risk.
ESG investment	Selective investments focused on companies that pay adequate attention to the environmental, social and governance factors.
ESR (Economic Solvency Ratio)	An indicator of capital adequacy based on economic value, calculated by dividing net assets based on economic value (surplus), by the risk volume (economic capital (EC)) quantified using the internal model. An ESR of 100% means that capital and risk are equal. The higher the ESR, the greater the amount of capital secured relative to risk. Although ESR is widely used mainly in Europe, there is no standardized calculation method. Each life insurance company calculates ESR individually based on its internal models.
EV (Embedded Value)	Generally, life insurance policies extend over significantly long durations, resulting in a time gap between the recognition of revenues and expenses. EV is a concept used for measuring the corporate value of a life insurance company in consideration of this gap. EV (embedded value) refers to the amount of net assets after tax, which is considered to be attributable to shareholders, and is the sum of adjusted net assets calculated based on balance sheets, etc., and the value of in-force business calculated based on policies in force. <Specific nature of life insurance accounting> From the perspective of financial accounting, a life insurance company successfully acquiring new business in a year apparently shows a decrease in profit for the corresponding period, due to a heavier burden of initial costs, such as sales commissions. While there is a constant inflow of premiums each year, expenses gradually decrease over time, which results in the accumulation of earnings over longer periods.

Glossary

G

General account The aggregate of a life insurer's assets, other than those allocated to separate accounts. General account assets are invested by a company to meet fixed guaranteed rates of return for policyholders, and that company bears the investment risk on such assets.

Group adjusted profit Calculated by subtracting unrealized gains/losses caused by discrepancy of accounting treatment of assets and liabilities from net income, and then adding additional internal reserves in excess of the legal standard requirements to the resulting number.

J

Japan's Corporate Governance Code Guidelines for corporate governance drafted by the Financial Services Agency and the Tokyo Stock Exchange, which indicate a "a structure for transparent, fair, timely and decisive decision-making by companies, with due attention to the needs and perspectives of shareholders and also customers, employees and local communities," in the form of a code of conduct to be observed by a listed company.

Japan's Stewardship Code Code of conduct for behavior for institutional investors setting out the principles as "responsible institutional investors," designed to prompt sustainable growth of corporations through investment and dialogue.

L

Level-premium products A type of insurance where the amount of the premium is constant from inception to the expiry of the premium payment period.

M

MCEV (Market Consistent EV) MCEV refers to Market Consistent EV, which is a method for evaluating EV in consistency with financial markets. MCEV is an EV calculated based on the MCEV Principles established in June 2008 by the CFO Forum (an organization of major European insurance companies), whereby a market consistent evaluation method was applied with a view to further unify the calculation standards.

Mortality rate Rates of death, varying by such parameters as gender, age, and health, used in pricing and computing liabilities for future policyholder benefits for life insurance and annuity products.

N

Non-participating policy Policies under which the policyholder receives no policyholder dividends. Non-participating policies generally feature lower premiums than participating or semi-participating policies.

P

Participating policy Policies under which the policyholder is eligible to share in the divisible surplus of a company—calculated based on the mortality rate margin, investment yield margin, and business expense margin—through the receipt of annual policyholder dividends.

P/EV ratio A ratio calculated by dividing an aggregate market value by EV (Embedded Value). An indicator which compares a company's share price to its per-share EV.

Policy amount Aggregate sum insured by a life insurance company. The total of policy amount at the end of a fiscal year is called the "policy amount in force." The total policy amount of policies (including converted policies) sold in a year is called the "new policy amount."

Policy reserve A reserve established for the fulfillment of insurance claims and other payments related to a company's outstanding policies that are expected to be paid in the future. The policy reserve consists of a premium reserve, an unearned premium reserve, a repayment reserve, and a contingency reserve. A company uses the net level premium method to calculate the amount it sets aside each year as a policy reserve. The policy reserve is one of the three reserves comprising the reserve for policy and other reserves.

**Positive spread/
Negative spread** The state in which actual investment earnings exceed the expected return based on the assumed investment yield is referred to as a "positive spread." A "negative spread" is when actual investment earnings are below the expected return.
Positive spread (Negative spread denoted in bracket) =
(Investment yield on core profit – Average assumed investment yield) × Policy reserve in general account
• "Investment yield on core profit" is calculated by dividing the numerator as investment earnings in general account included in core profit less the provision for interest portion of reserve for dividends to policyholder by the denominator as policy reserve in general account.
• "Average assumed investment yield" is calculated by dividing the numerator as assumed interest by the denominator as policy reserve in general account.
• "Policy reserve in general account" represents the policy reserve in general account less contingency reserve calculated by the following method.
Policy reserve in general account =
(Policy reserve at beginning of fiscal year + Policy reserve at the end of fiscal year – Assumed interest) × 1/2

Glossary

R

Reserve for policyholder dividends A reserve used to fund the payment of policyholder dividends. The reserve for policyholder dividends is one of the three reserves comprising the reserve for policy and other reserves. For a mutual life insurance company, a transfer to reserve for policyholder dividends is treated as a disposition of net surplus. For a joint stock corporation, provision for reserve for policyholder dividends is treated as an expense.

Reserve for price fluctuations Pursuant to provisions of the Insurance Business Act, companies maintain reserves to cover losses due to price fluctuations in assets subject to market price volatility, particularly investments in domestic and foreign stocks, yen-denominated bonds, and foreign currency-denominated bonds. This reserve may be used only to reduce deficits arising from price fluctuations of those assets.

ROEV/Core ROEV ROEV stands for Return on Embedded Value, which is an indicator for measuring capital efficiency by assuming an increase in EV as profit in consideration of the specialty of life insurance accounting. Core ROEV is an indicator using an increase in EV mainly through the acquisition of new business.

S

Separate account Assets related to variable insurance and variable annuity products, as well as some group pension products (including employee pension fund insurance and national pension fund insurance), are managed in a separate account for the purpose of directly returning investment results to policyholders. The investment results, less asset management fees, of the separate account assets are attributable to all policyholders so that the insurance company bears limited or no investment risk on such assets.

Single-premium insurance A type of insurance where the premium is paid in lump-sum at the conclusion of the policy which covers the entire insurance period.

Social bond Bond issued to raise funds for contributing to solutions to global social issues, such as support for emerging countries and measures against global warming.

Solvency margin ratio A risk indicator calculated as the total solvency margin (including net assets, the reserve for price fluctuations, contingency reserve, reserve for possible loan losses, etc.) divided by 1/2 of total risk, which includes such factors as insurance risk due to a major earthquake or other disaster, investment risk, and various other risks. If a life insurance company's solvency margin ratio falls below 200%, the regulatory authorities will require management to introduce corrective measures to quickly return the company to soundness.

Surrender and lapse amount The total amount of money reimbursed on the surrender or lapse of insurance policies in a given fiscal year. Surrender occurs when policyholders choose to discontinue their policies. Lapse occurs when the deadline for payment of premiums that are in arrears is exceeded.

T

Third sector insurance In the Japanese insurance industry, life insurance products and non-life insurance products are called "First Sector" and "Second Sector" insurance products, respectively, and insurance products which have intermediate characteristics of both products are called "Third Sector" insurance products. Examples include medical care, cancer, accident, and nursing care insurance.

Total payout ratio An indicator showing the ratio of return to shareholders. Calculated by dividing the sum of total dividend value and the amount of share buybacks by Group adjusted profit.

Trust-type stock compensation A stock compensation system under which a Trust established by T&D Holdings through entrusting money, acquires the Company's stocks, and through the Trust, the Company provides eligible directors with its stocks corresponding to the number of points granted to them by the Company.

U

Ultimate Forward Rate (UFR) A very long-term interest rate level that is thought to be realized macroeconomically. The Group begins domestic interest rate extrapolation from 41 years and sets the convergence point for the ultimate forward rate level at 70 years.

V

Value of new business The value of distributable earnings to shareholders expected to be generated in the future from insurance policies (including converted policies) sold in a year, converted to a present value as at the valuation date.

Status of Stock Holdings

I. Standards and ways of thinking by category in investments

The Group holds investment stocks for the purpose of pure investment in order to reap earnings by an increase in equity value and by receiving dividends and so forth.

In addition, the Group holds investment stocks for purposes other than pure investment (hereinafter "non-pure investment stocks" or "strategic shareholdings").

The purpose of holding non-pure investment stocks/strategic shareholdings is to maintain and expand long-term, stable business relationships, to maintain and strengthen business partnerships, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.

The Company has set its policies regarding the Group's strategic shareholdings of listed stocks and its standpoint on exercise of the voting rights under the Basic Policy on Corporate Governance, as per below.

1. When holding strategic shareholdings of listed stocks, the Group shall adhere to the following policies:

- a. The purpose of holding strategic shareholdings of listed stocks shall be to maintain and expand long-term, stable business relationships, to maintain and strengthen business partnerships, and to reap medium- to long-term benefits by an increase in equity value and by receiving dividends and so forth.
- b. Every year, the boards of directors of the Company and its Group companies that hold strategic shareholdings shall verify the propriety of holding individual strategic shareholdings by concretely examining the adequacy of the holdings, whether the benefits and risks commensurate with the capital cost, and other factors.
- c. If the continued holdings of individual strategic shareholdings were deemed inadequate as a result of verifying the propriety of the holding, such strategic shareholdings shall be subject to sales and the strategic shareholdings shall be reduced.
- d. The Group shall disclose its details of the verification of above (b) and (c) annually.

2. The Group believes that the appropriate exercise of the voting rights of strategic shareholdings will encourage the establishment of sound corporate governance systems and sustained growth at counterparty companies. At the same time, the Group believe that the appropriate exercise of these voting rights is a crucial means of helping to bolster shareholder interests. Accordingly, the Group shall exercise the voting rights of its strategic shareholdings.

3. In the course of exercising voting rights as stipulated in the preceding item, the Company shall strive to share a common awareness with the counterparty company by engaging in dialogue and other forms of communication from a medium- to long-term perspective, while respecting the counterparty company's management decisions, rather than making judgments based on formal standards. In cases where it is judged that shareholder interests could be impaired, the Company shall express its position through the appropriate exercise of its voting rights.

The Group aims to use assets efficiently and improve capital efficiency by examining the adequacy of the holdings of strategic shareholdings and by reducing strategic shareholdings with low return on risk (ROR) in principle to reallocate capital to growth sectors, etc. with high ROR as part of its capital policy, thereby increasing profitability for the entire Group to improve capital efficiency.

Based on this thinking, we have been working to gradually reduce the balance of strategic shareholdings in accordance with our medium-term goal.

Specifically, we aim to first reduce strategic shareholdings to 20% of consolidated net assets by the end of FY2023 and then to further reduce them by the end of FY2025.

We have been reducing the balance through careful dialogue with the issuing companies and executed approx. ¥125.0 billion on a book value basis (approx. ¥240.0 billion on a market value basis) in reductions during FY2022 (reducing the balance by more than half compared to the end of FY2020 on a book value basis).

The ratio of strategic shareholdings to net assets stood at 23% at the end of FY2022 indicating steady progress toward our goal of reducing the ratio to below 20%.

Excluding the impact of a decrease in net assets due to recording of temporary valuation losses resulting from higher interest rates in the U.S. at Fortitude*, an affiliated company accounted for by the equity method of the Company, the ratio at the end of FY2022 was at a level approx. 19%.

*Fortitude temporarily recorded a large amount of valuation losses due to higher interest rates in the U.S. for FY2022, since mainly changes in market value on the asset side only are reflected for purposes of U.S. accounting (with the liability side recorded at book value).

However, the economic value of the liability side has also similarly decreased through ALM (the method of risk management, managing assets and liabilities comprehensively), and thus the losses are not substantial.

II. Taiyo Life Insurance Company's stock holding status

Of the Company and its consolidated subsidiaries, Taiyo Life is the consolidated subsidiary with the largest balance of investment stock. The status of Taiyo Life's stock holding is as

Status of Stock Holdings

follows:

1. Investment Stocks for which the holding purpose is other than pure investment

a. Policies to hold shares, methods to verify the rationality to hold shares, verification contents at the Board of Directors meetings about the appropriateness to hold individual companies

Every year, the boards of directors of the Company and Taiyo Life Insurance Company shall verify the propriety of holding individual non-pure investment stocks by concretely examining the adequacy of the holdings, whether the benefits and risks are commensurate with the capital cost, and other factors.

b. The number of stocks and the amounts on Balance Sheets

	The number of stocks	Total of balance sheet amount (¥millions)
Unlisted stocks	7	2,897
Stocks other than unlisted stocks	9	53,993

(Stocks with increased number of shares in this fiscal year)

	The number of stocks	Total of acquisition cost related to the increase in the number of shares (¥millions)	The reasons for increasing the number of shares
Unlisted stocks	0	—	—
Stocks other than unlisted stocks	0	—	—

(Stocks with decreased number of shares in this fiscal year)

	The number of stocks	Total of sale price related to the decrease in the number of shares (¥millions)
Unlisted stocks	0	—
Stocks other than unlisted stocks	5	13,479

Status of Stock Holdings

c. The information about the number of the stocks and balance sheet amount for Specified Investment Shares and Regarded as Holding Shares Specified Investment Shares

Stock	Year ended March 31, 2023	Year ended March 31, 2022	Holding purposes, summary of business alliance, etc., quantitative effects to hold stocks, and reasons to increase the number of stocks.	Whether the counterpart com- pany holds the Company's share Y=Yes/N=No
	The number of shares			
	Balance sheet amount ¥millions			
Daiwa Securities Group Inc.	41,140,000 25,547	41,140,000 28,497	The purpose of holding the stocks is to maintain and expand relationships of cooperation in insurance sales and long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, they have been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Tsubakimoto Chain Co.	3,559,663 11,444	3,559,663 10,874	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Mitsubishi Estate Co., Ltd.	3,850,000 6,069	5,775,000 10,504	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
RAITO KOGYO CO., LTD.	2,734,500 5,335	2,734,500 5,340	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Tsubakimoto Kogyo Co., Ltd.	573,805 2,372	573,805 2,100	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Taikisha Ltd.	422,029 1,553	422,029 1,285	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Electric Power Development Co., Ltd. (J-POWER)	542,540 1,156	1,085,040 1,896	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Daiwa Motor Transportation Co., Ltd.	375,000 308	375,000 300	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
MEIWA INDUSTRY CO., LTD.	210,120 206	210,120 214	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
Sompo Holdings, Inc.	— —	998,820 5,374	Taiyo Life held the stocks for the purpose of maintaining and strengthening business partnerships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	N *Note 1

Status of Stock Holdings

Stock	Year ended March 31, 2023	Year ended March 31, 2022	Holding purposes, summary of business alliance, etc., quantitative effects to hold stocks, and reasons to increase the number of stocks.	Whether the counterpart com- pany holds the Company's share Y=Yes/N=No
	The number of shares			
	Balance sheet amount ¥millions			
Sotetsu Holdings Co., Ltd.	—	760,000	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	1,741		
MITSUI & CO., LTD.	—	8,160,800	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	N
	—	27,159		
SHIMADZU CORPORATION	—	7,411,520	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	31,387		
Keio Corporation	—	5,862,032	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	28,049		
Mitsui Fudosan Co., Ltd.	—	8,096,575	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	21,213		
TOKYU CORPORATION	—	9,566,559	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	15,229		
OBAYASHI CORPORATION	—	5,486,400	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	4,937		
Kurimoto, Ltd.	—	1,209,075	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	1,898		
Takasago Thermal Engineering Co., Ltd.	—	678,347	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	1,176		

*Note 1 The subsidiary Sompo Japan Insurance Inc. holds stocks.

*Note 2 The “-” symbol indicates that the relevant stock is not held.

Regarded as Holding Shares

Not applicable.

Status of Stock Holdings

2. Stocks for which the holding purpose is pure investment

	Fiscal 2022		Fiscal 2021	
	The number of stocks	Total of balance sheet amount (¥millions)	The number of stocks	Total of balance sheet amount (¥millions)
Unlisted stocks	34	5,949	34	7,219
Stocks other than unlisted stocks	42	367,569	34	224,348

	Fiscal 2022(¥ millions)			
	Total dividends received	Total gains (losses) on sales	Total of valuation gains (losses)	
			Net unrealized gains (losses)	Valuation losses
Unlisted stocks	28	—	(32)	1,027
Stocks other than unlisted stocks	11,104	3,489	113,619	—

3. Change in investment purpose during fiscal 2022

a. Stocks of which the holding purpose has been changed from pure investment to other than pure investment

Not applicable.

b. Stocks of which the holding purpose has been changed from other than pure investment to pure investment

Stock	The number of shares	Balance sheet amount ¥millions
MITSUI & CO., LTD.	8,160,800	33,589
SHIMADZU CORPORATION	7,411,520	30,683
Keio Corporation	5,862,032	27,229
Mitsui Fudosan Co., Ltd.	8,096,575	20,111
TOKYU CORPORATION	9,566,559	16,856
OBAYASHI CORPORATION	4,389,100	4,446
Kurimoto, Ltd.	1,209,075	2,458
Takasago Thermal Engineering Co., Ltd.	678,347	1,430

Status of Stock Holdings

III. Daido Life Insurance Company's stock holding status

Of the Company and its consolidated subsidiaries, Daido Life is the consolidated subsidiary with the second largest balance of investment stock. The status of Daido Life's stock holding is as follows:

1. Investment Stocks for which the holding purpose is other than pure investment

a. Policies to hold shares, methods to verify the rationality to hold shares, verification contents at the Board of Directors meetings about the appropriateness to hold individual companies

Every year, the boards of directors of the Company and Daido Life Insurance Company shall verify the propriety of holding individual non-pure investment stocks by concretely examining the adequacy of the holdings, whether the benefits and risks are commensurate with the capital cost, and other factors.

b. The number of Stocks and the amounts on Balance Sheets

	The number of stocks	Total of balance sheet amount (¥millions)
Unlisted stocks	95	11,607
Stocks other than unlisted stocks	44	162,350

(Stocks with increased number of shares in this fiscal year)

	The number of stocks	Total of acquisition cost related to the increase in the number of shares (¥millions)	The reasons for increasing the number of shares
Unlisted stocks	1	200	For new purchase as the purpose of social significance by corporation with our customer, SMEs in the future and strengthen customer contacts.
Stocks other than unlisted stocks	0	—	—

(Stocks with decreased number of shares in this fiscal year)

	The number of stocks	Total of sale price related to the decrease in the number of shares (¥millions)
Unlisted stocks	3	14
Stocks other than unlisted stocks	9	70,340

Status of Stock Holdings

c. The information about the number of the stocks and balance sheet amount for Specified Investment Shares and Regarded as Holding Shares
Specified Investment Shares

Stock	Year ended March 31, 2023	Year ended March 31, 2022	Holding purposes, summary of business alliance, etc., quantitative effects to hold stocks, and reasons to increase the number of stocks.	Whether the counterpart com- pany holds the Company's share Y=Yes/N=No
	The number of shares Balance sheet amount ¥millions			
TKC Corporation	5,138,092	5,138,092	The purpose of holding the stocks is to maintain and strengthen partnerships to support the continuation and development of SMEs, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	18,856	17,058		
Nuernberger Beteiligungs- Aktiengesellschaft	1,727,036	1,727,036	The purpose of holding the stocks is to maintain and strengthen business partnerships in insurance products/services, asset management, and technology fields such as information systems, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	18,748	18,768		
Resona Holdings, Inc.	28,590,000	28,590,000	The purpose of holding the stocks is to maintain and strengthen business partnerships in the sales field for solving management issues of small and medium enterprises such as "health and productivity management" and "inheritance and business succession," and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	N *Note 1
	18,283	14,984		
ONO PHARMACEUTICAL CO., LTD.	6,549,500	6,549,500	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	18,102	20,080		
Daiwa House Industry Co., Ltd.	5,000,000	5,000,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	15,570	16,005		
Ezaki Glico Co., Ltd.	3,500,400	3,500,400	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	11,673	13,021		
FUJI CORPORATION	3,342,000	4,811,200	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	7,466	10,695		
The Kansai Electric Power Company, Incorporated	3,656,550	3,656,550	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	4,720	4,201		

Status of Stock Holdings

Stock	Year ended March 31, 2023	Year ended March 31, 2022	Holding purposes, summary of business alliance, etc., quantitative effects to hold stocks, and reasons to increase the number of stocks.	Whether the counterpart com- pany holds the Company's share Y=Yes/N=No
	The number of shares Balance sheet amount ¥millions			
Electric Power Development Co., Ltd. (J-POWER)	1,993,680	1,993,680	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	4,248	3,484		
OKASAN SECURITIES GROUP INC.	8,660,000	8,660,000	The purpose of holding the stocks is to maintain and expand relationships of cooperation in insurance sales and long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, they have been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	4,078	3,204		
Mitsubishi Pencil Co., Ltd.	2,344,000	2,344,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, they have been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	3,811	2,969		
Sekisui House, Ltd.	1,400,000	1,400,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, they have been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	3,777	3,319		
Shizuoka Financial Group, Inc.	3,824,000	3,824,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, they have been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	3,636	3,300		
KONICA MINOLTA, INC.	4,520,518	9,040,518	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	2,572	4,664		
Value HR Co.,Ltd.	1,505,600	*	The purpose of holding the stocks is to maintain and strengthen business partnerships to promote health-oriented management of SMEs, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	N
	2,378	*		
Tsukishima Kikai Co., Ltd.	2,115,700	2,115,700	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	2,301	2,291		

Status of Stock Holdings

Stock	Year ended March 31, 2023	Year ended March 31, 2022	Holding purposes, summary of business alliance, etc., quantitative effects to hold stocks, and reasons to increase the number of stocks.	Whether the counterpart com- pany holds the Company's share Y=Yes/N=No
	The number of shares Balance sheet amount ¥millions			
Keihan Holdings Co., Ltd.	633,800	*	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in insurance field, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	Y
	2,189	*		
Strike Co., Ltd.	*	498,000	The purpose of holding the stocks is to maintain and strengthen partnerships in sales fields such as M & A support service, and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. Regarding the effects to hold stocks, it's been quantitatively and periodically examined whether the effectiveness and risks of holding stocks have been commensurate with the capital costs.	N
	*	2,348		
Mitsubishi UFJ Financial Group, Inc.	—	64,168,770	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in a wide range of fields such as insurance and asset management, and to reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	N
	—	48,787		
SMC Corporation	—	295,200	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	N
	—	20,321		
Kansai Paint Co., Ltd.	—	7,607,000	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	N
	—	15,008		
Mitsui Fudosan Co., Ltd.	—	1,000,000	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	2,620		

*Note 1 The subsidiary Resona Bank, Limited. holds stocks.

Note 2 The "" symbol indicates that the statement is omitted because the amount on the balance sheet of the issue is less than 1/100 of the capital amount.

Regarded as Holding Shares

Not applicable.

Status of Stock Holdings

2. Stocks for which the holding purpose is pure investment

	Fiscal2022		Fiscal2021	
	The number of stocks	Total of balance sheet amount (¥ millions)	The number of stocks	Total of balance sheet amount (¥ millions)
Unlisted stocks	11	323	11	465
Stocks other than unlisted stocks	46	95,406	69	91,151

	Fiscal 2022 (¥millions)			
	Total dividends received	Total gains (losses) on sales	Total of valuation gains (losses)	
			Net unrealized gains (losses)	Valuation losses
Unlisted stocks	34	—	(1)	81
Stocks other than unlisted stocks	1,012	436	37,909	—

3. Change in investment purpose during fiscal 2022

Stocks of which the holding purpose has been changed from pure investment to other than pure investment
Not applicable.

Stocks of which the holding purpose has been changed from other than pure investment to pure investment

Stock	The number of shares	Balance sheet amount ¥millions
Mitsubishi UFJ Financial Group, Inc.	28,823,070	24,439

Status of Stock Holdings

IV. T&D Holdings, Inc.

The status of the Company's stock holding is as follows:

1. Investment Stocks for which the holding purpose is other than pure investment

a. Policies to hold shares, methods to verify the rationality to hold shares, verification contents at the Board of Directors meetings about the appropriateness to hold individual companies
Not applicable.

b. The number of Stocks and the amount on Balance Sheets

Not applicable.

(Stocks with increased number of shares in this fiscal year)

Not applicable.

(Stocks with decreased number of shares in this fiscal year)

Not applicable.

c. The information about the number of the stocks and the balance sheet amount for Specified Investment Shares and Regarded as Holding Shares

Specified Investment Shares

Not applicable.

Regarded as Holding Shares

Not applicable.

2. Stocks for which the holding purpose is pure investment

Not applicable.

3. Change in investment purpose during fiscal 2022

Stocks of which the holding purpose has been changed from pure investment to other than pure investment

Not applicable.

Stocks of which the holding purpose has been changed from other than pure investment to pure investment

Not applicable.

Stock Information

As of March 31, 2023

BASIC INFORMATION

Stock Exchange Listings	Tokyo Stock Exchange
Industry and Security Code	Insurance, 8795
Trading Unit	100 shares
Number of Shares of Common Stock	Authorized: 1,932,000,000 Issued: 589,000,000
Fiscal Year-End	March 31 every year
Ordinary General Meeting of Shareholders	June every year
Date of Record	Ordinary General Meeting of Shareholders March 31 every year Dividends March 31 every year (interim dividend, when paid, on September 30)
Public Notice	<ul style="list-style-type: none"> Electronic public notice (Japanese only) URL: https://www.td-holdings.co.jp/information/public.html/ If the Company is unable to issue an electronic public notice due to an accident or any other unavoidable reason, a public notice will be issued in the Nihon Keizai Shimbun (daily newspaper).
Transfer Agent	Mitsubishi UFJ Trust and Banking Corporation 4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo, Japan URL: https://www.tr.mufg.jp/english/
Number of Shareholders	209,198

PRINCIPAL SHAREHOLDERS

Name of Shareholders	Number of Shares Held (Thousands of shares)	Percentage of Total Shares Outstanding (%)
The Master Trust Bank of Japan Ltd. (Trust Account)	84,605	15.43
Custody Bank of Japan, Ltd. (Trust Account)	35,201	6.42
JP MORGAN CHASE BANK 385632	21,138	3.85
SSBTC CLIENT OMNIBUS ACCOUNT	12,643	2.31
STATE STREET BANK WEST CLIENT – TREATY 505234	9,787	1.78
JPMorgan Securities Japan Co., Ltd.	7,791	1.42
GOLDMAN, SACHS & CO. REG	7,222	1.32
JP MORGAN CHASE BANK 385781	6,757	1.23
AIG General Insurance Company, Ltd.	6,000	1.09
STATE STREET BANK AND TRUST COMPANY 505103	5,829	1.06

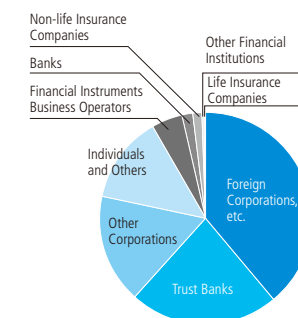
Note: In addition to the above, the Company holds 40,543 thousands of shares in treasury shares, which are excluded from the principal shareholders stated above.

Further, the percentage of total shares outstanding is calculated after deducting the treasury shares.

COMPOSITION OF SHAREHOLDERS AND SHARES

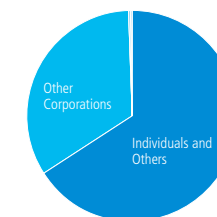
Proportion of Shares Held

	Shares (Thousands of shares)	%
Foreign Corporations, etc.	229,432	38.95
Trust Banks	135,084	22.93
Other Corporations	97,364	16.53
Individuals and Others	78,243	13.28
Financial Instruments	28,078	4.77
Business Operators		
Banks	10,863	1.84
Non-life Insurance Companies	7,566	1.28
Other Financial Institutions	1,637	0.28
Life Insurance Companies	727	0.12



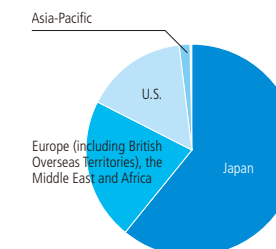
Composition of Shareholders

	Shareholders	%
Individuals and Others	138,185	66.05
Other Corporations	70,192	33.55
Foreign Corporations, etc.	709	0.34
Financial Instruments	44	0.02
Trust Banks	18	0.01
Life Insurance Companies	17	0.01
Banks	15	0.01
Other Financial Institutions	14	0.01
Non-life Insurance Companies	2	0.00
Government and Local Public Bodies	2	0.00



Regional Distribution of Shares Held

	%
Japan	61.05
Europe (including British Overseas Territories), the Middle East and Africa	21.50
U.S.	15.56
Asia-Pacific	1.90
Others	0.00



Group Companies

The T&D Insurance Group comprised the holding company, 21 consolidated subsidiaries, and 5 affiliated companies.

Centered on the life insurance business, the T&D Insurance Group's operations are outlined below:

T&D T&D Holdings, Inc.

Major consolidated subsidiaries, and affiliated companies accounted for by the equity method

Insurance & Insurance-related Businesses

Insurance

- Taiyo Life Insurance Company (Life insurance business)
- Daido Life Insurance Company (Life insurance business)
- T&D Financial Life Insurance Company (Life insurance business)
- Pet & Family Insurance Co., Ltd. (Nonlife insurance business)
- Capital Taiyo Life Insurance Limited (Life insurance business)
- FGH Parent, L.P. (Insurance holding company)

Insurance-related

- All Right Co., Ltd. (Services related to healthcare and fields of health)
- T&D Risk Solutions Co., Ltd. (Insurance brokerage business)
- T&D Confirm Ltd. (Policyholder confirmation services)
- Toyo Insurance Agency Co., Ltd. (Insurance agent)
- Daido Management Service Co., Ltd. (Insurance agent)
- Taiyo Life Aging Society Institute (Survey and research on health and medical care)

Investment-related Businesses

Investment Management and Investment Advisory, etc.

- T&D Asset Management Co., Ltd. (Investment advisory and investment trust services)

Other Investment-related

- T&D United Capital Co., Ltd. (Principal investment, Investment management [administration])
- T&D United Capital North America Inc. (Principal investment, Investment management [administration])
- T&D Lease Co., Ltd. (Leasing)
- Taiyo Credit Guarantee Co., Ltd. (Credit guarantee services)
- Alternative Investment Capital Ltd. (Investment in private equity funds)

Administration-related Businesses

Administration and Calculation-related

- T&D Information Systems, Ltd. (Computer software and system services)
- Nihon System Shuno, Inc. (Premium collection)
- Zenkoku Business Center Co., Ltd. (Premium collection)
- Thuriya Ace Technology Company Limited (Designing and developing information technology, information technology systems, software solutions and business solutions for the insurance industry)

Companies marked by ■ are consolidated subsidiaries, and companies marked by ● are affiliated companies accounted for by the equity method.

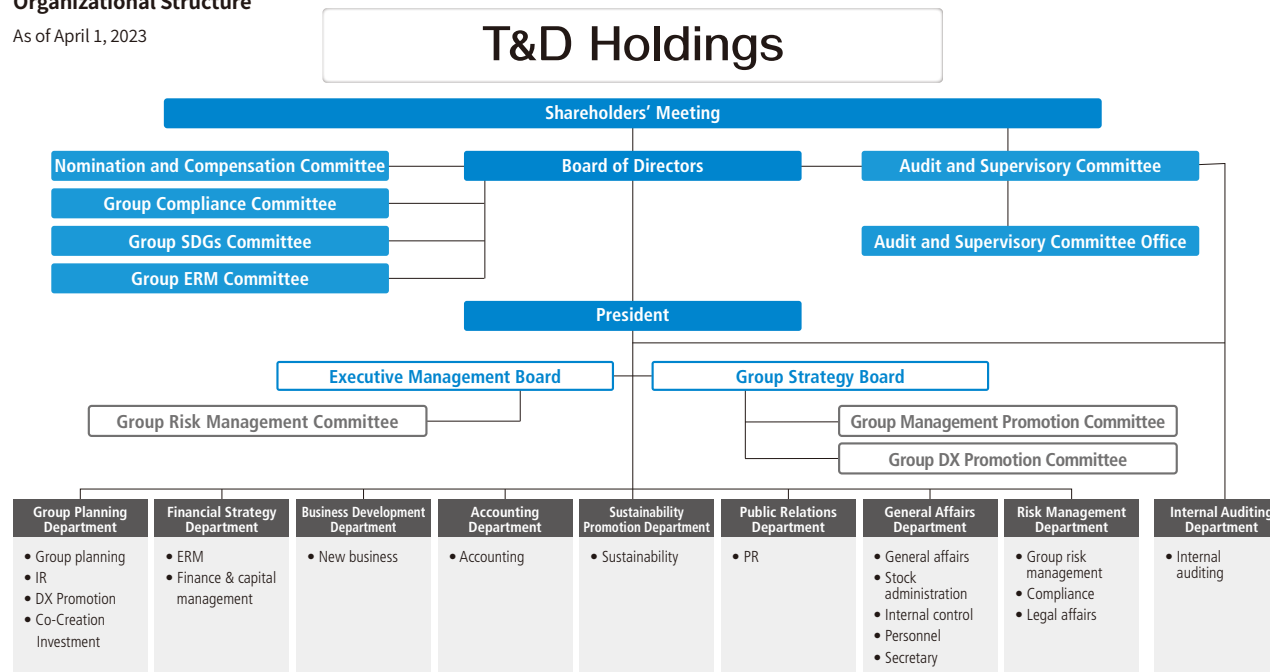
Corporate Overview

As of March 31, 2023

Company Name	T&D Holdings, Inc.
Date of Establishment	April 1, 2004
Location of Headquarters	2-7-1, Nihonbashi, Chuo-ku, Tokyo 103-6031, Japan Tel: +81-(0)3-3272-6110 Fax: +81-(0)3-3272-6552
Type of Business	(1) Management control of life insurance subsidiaries under the Insurance Business Act of Japan and other laws and regulations (2) Other business incidental to the business listed in the preceding item (3) Other business that may be conducted by the insurance holding company pursuant to the Insurance Business Act, in addition to the business listed in the preceding two items
Paid-in Capital	207.1 billion yen
Security Code	8795
Stock Exchange Listings	Tokyo Stock Exchange (Prime Market)
Number of Common Stocks Issued	589,000,000 shares
Number of Employees	123

Organizational Structure

As of April 1, 2023



Websites

For more detailed information on the contents of this report, please see the Company's websites.

Website of T&D Holdings, Inc.
<https://www.td-holdings.co.jp/en/>



Investor Relations
<https://www.td-holdings.co.jp/en/ir/>



Sustainability
<https://www.td-holdings.co.jp/en/csr/>

