



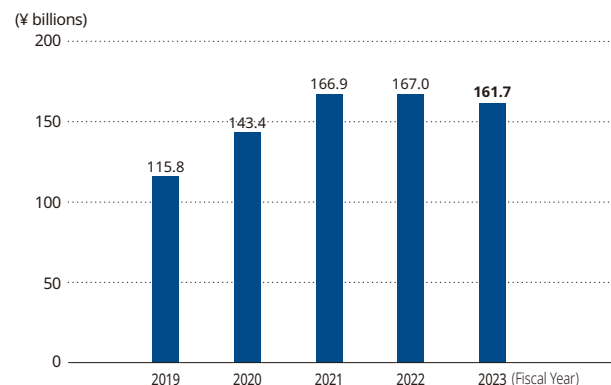
Corporate Data

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Financial Highlights

Key Performance Indicators

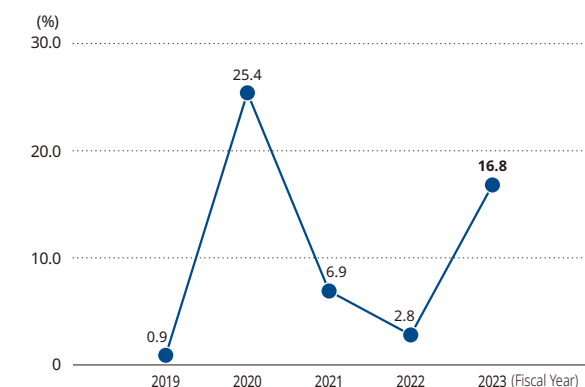
Value of New Business



* The ultimate forward rate (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.

For fiscal 2023, the value of new business decreased year on year to 161.7 billion yen, reflecting a decline in sales via Taiyo Life's agent channel and a decrease in reaction to the rise in medical needs.

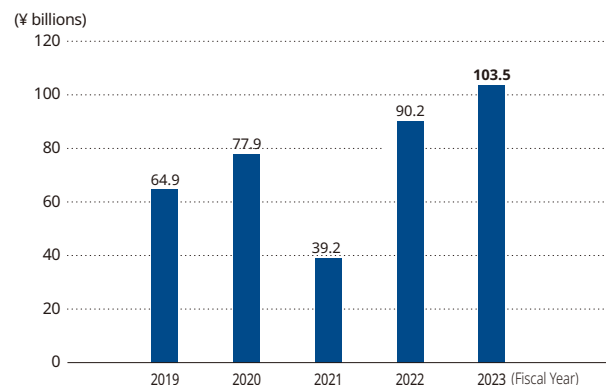
ROEV*



* ROEV = Amount of EV increase or decrease (excluding increases or decreases in capital, etc.) ÷ Average EV balance (Base excluding valuation gains/losses, etc. related to Fortitude)

For fiscal 2023, ROEV stood at 16.8%. While there were changes in economic circumstances, the average during the three-year period of the Long-Term Vision (from fiscal 2021 to fiscal 2023) stood at 8.8%.

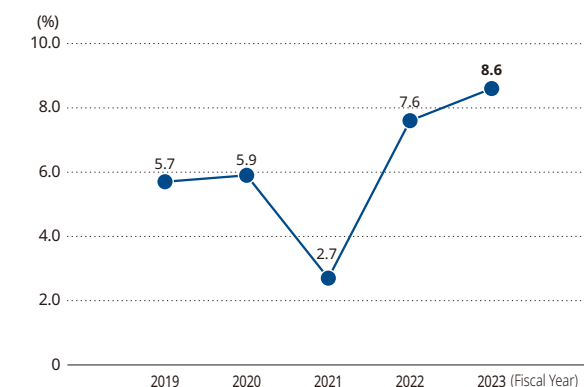
Group Adjusted Profit*



* Group adjusted profit = Net income - gains or losses without the actual business conditions resulting from market fluctuations, etc. on accounting + additional internal reserves in excess of the legal standard requirements

For fiscal 2023, the Group adjusted profit increased year on year to 103.5 billion yen, chiefly following the improvements in the insurance bottom line due mainly to a decrease in payments related to COVID-19 in the life insurance business in Japan.

Adjusted ROE*

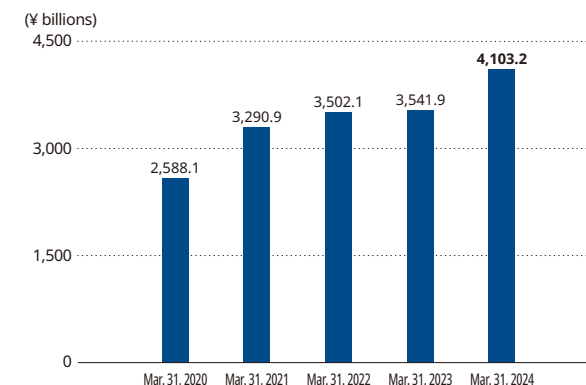


* Adjusted ROE = Group adjusted profit / Average net asset balance

Various initiatives aimed at improving capital efficiency led to an adjusted ROE of 8.6% for FY2023, marking an increase from 5.9% prior to the initiation of the Group Long-term Vision.

Corporate Value

Group MCEV



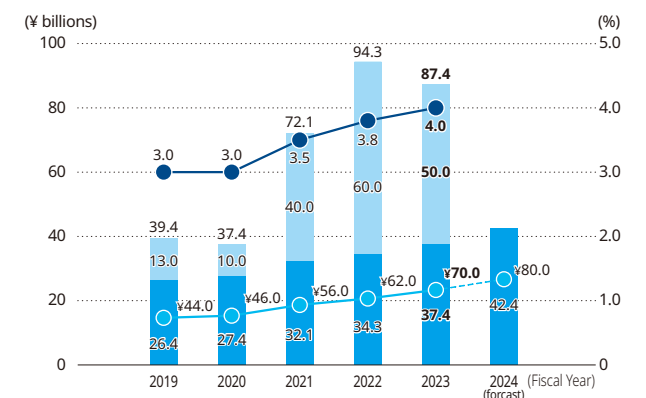
*1 Base excluding valuation gains/losses, etc. related to Fortitude

*2 The ultimate forward rate (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 561.2 billion yen from the end of the previous fiscal year to 4,103.2 billion yen. This is mainly due to an increase in the value of new business, rising stock prices in domestic and foreign markets and the increase of domestic interest rates.

Shareholder Return

Total Shareholder Return + Adjusted DOE*



■ Cash dividend (left) ■ Share buyback (left) ● Dividend per share ● Adjusted DOE (right)

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

We decided to implement a share buyback of 50 billion yen in fiscal 2023. For fiscal 2024, the dividend per share is projected to rise 10 yen to 80 yen. This means that the dividend will increase for the 10th consecutive year.

Financial Highlights

Consolidated Results of Operations

In the fiscal year ended March 31, 2024, ordinary profit and net income jumped hugely year on year. This is due to a reaction to a large temporary valuation loss recorded in the previous fiscal year related to a foreign reinsurance affiliated company ("Fortitude") on accounting resulting from an increase in the U.S. interest rate.

Group adjusted profit surpassed the 100 billion yen mark for the first time since the Group began disclosing this figure in fiscal 2020, hitting a record high. This is due mainly to an increase in investment earnings despite adverse factors such as an increase in currency hedging costs and a decrease in TDUC's adjusted profit.

For the fiscal year ending March 31, 2025, net income is forecast to be 104.0 billion yen and Group adjusted profit is forecast to be 117.0 billion yen.

Fiscal 2024 Full-year Earnings Forecasts* [Consolidated and Three Life Insurance Companies]

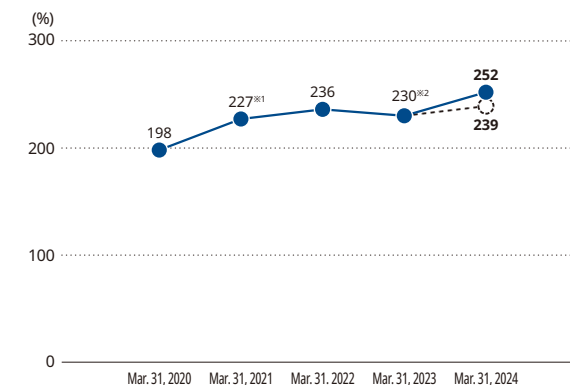
(¥ billions)

	T&D Holdings		Taiyo Life		Daido Life		T&D Financial Life	
	Fiscal 2023 (actual)	Fiscal 2024 (forecasts)	Fiscal 2023 (actual)	Fiscal 2024 (forecasts)	Fiscal 2023 (actual)	Fiscal 2024 (forecasts)	Fiscal 2023 (actual)	Fiscal 2024 (forecasts)
Ordinary revenues	3,207.9	2,560.0	989.2	930.0	1,183.7	1,090.0	1,028.2	660.0
Ordinary profit	159.8	180.0	55.3	78.0	101.6	103.0	7.3	4.0
Net income	98.7	104.0	38.9	43.0	60.9	62.0	4.8	2.0
Group Adjusted Profit	103.5	117.0	38.9	43.0	60.9	62.0	1.3	2.0
Income from insurance premiums			702.8	570.0	843.7	850.0	917.5	630.0
Core profit			40.7	40.0	86.5	81.0	(1.4)	3.0
Positive spread			19.5	23.0	20.9	27.0	(1.0)	1.0

* Disclosed on May 15, 2024.

Financial Soundness

■ ESR



● Former standard ○ New standard

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

*2 The ultimate forward rate (UFR) has been changed 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.

As of the end of March 2024, ESR has risen by 22 percentage points from the end of March 2023, to 252% (under the former standard), due mainly to a rise in domestic and foreign stock prices and acquisition of new contracts. The ESR after the revision of the internal model stood at 239% (under the new standard).

■ Rating / Solvency Margin Ratio

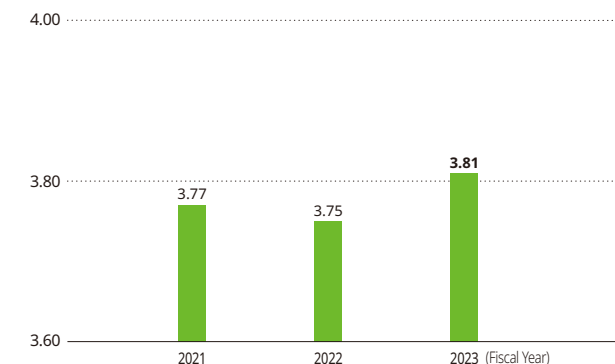
	Rating Agencies			Solvency margin ratio
	Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)	Standard & Poor's (S&P)	
T&D Holdings	AA	—	—	995.7%
Taiyo Life	AA	AA-	A	716.2%
Daido Life	AA	AA-	A	1,193.5%
T&D Financial Life	AA	AA-	—	567.6%

* Rating is as of April 25, 2024. T&D Holdings has a long-term issuer rating. Three life insurance companies have claim-paying ability ratings.

* The solvency margin ratio figures is as of March 31, 2024. The financial soundness of the individual companies is sufficient.

Non-financial Highlights

Employee engagement score



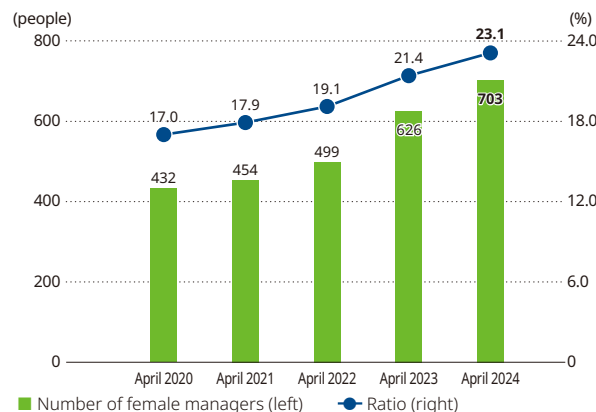
* For fiscal 2021, the scope included T&D Holdings and three life insurance companies. From fiscal 2022 onwards, the scope includes T&D Holdings and its direct subsidiaries (Taiyo Life, Daido Life, TDF, TDAM and P&F).

* Five rated evaluation

The T&D Group conducts an employee engagement score survey once a year. The findings are used to identify issues faced by organizations and to measure the effects of individual human resources measures. The score for fiscal 2023 improved from the previous year.

▶ P. 28

Ratio/number of female managers



*1 Until April 2022, the three life insurance companies were within the scope of this survey. From April 2023 onwards, T&D Holdings and its direct subsidiaries (Taiyo Life, Daido Life, TDF, TDAM and P&F) are within the scope of the survey.

*2 The figure including junior managers is calculated with a view toward the systematic and gradual development of female management executives.

As of April 1, 2024, the ratio of female managers stood at 23.1%. The figure steadily rose towards meeting the goals of 25% or more by 2027 and 30% or more by 2030.

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

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Taiyo Life	91.8%	91.9%	91.6%	91.4%
Daido Life	82.3%	81.1%	79.0%	85.0%
TDF Life	72.8%	75.8%	76.7%	79.2%

*3 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."

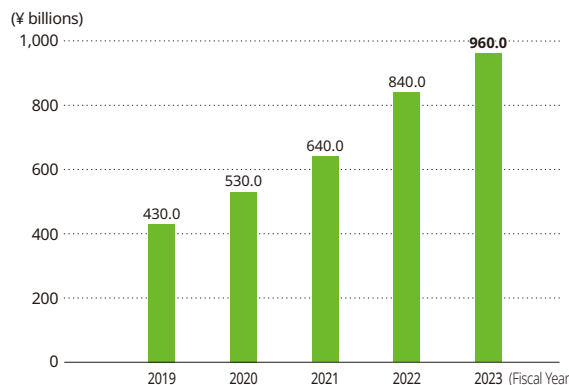
TDF Life: Five levels - "satisfied," "mostly satisfied," "average," "somewhat unsatisfied," and "unsatisfied." Aggregate the total of "satisfied" and "mostly satisfied."

The Group attaches importance to ease of understanding for customers and strives to provide services customers can trust. Taking into account factors such as the results of the customer satisfaction survey and adaptation to changes in the social environment, the Group works tirelessly to provide highly convenient services and improve its business processes, aiming to be a Group that provides customers with peace of mind and earns their trust.

T&D Insurance Group Basic Policy on Customer-oriented Business Operations (Japanese)

https://www.td-holdings.co.jp/information/business_operations.php

ESG-themed investment and financing

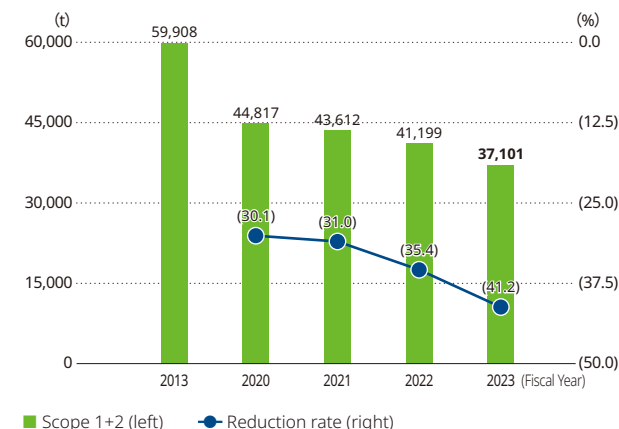


ESG themed investment and financing expanded to 960 billion yen in fiscal 2023. Carry out investment and financing activities that contribute to the creation of a sustainable society in consideration of ESG issues. Steadily build up thematic investments and financing based on an assessment of the profitability and risks of individual investment projects.



For more data including data about initiatives addressing working conditions and the environment, refer to the Sustainability Library at:
<https://www.td-holdings.co.jp/en/csr/library.php>

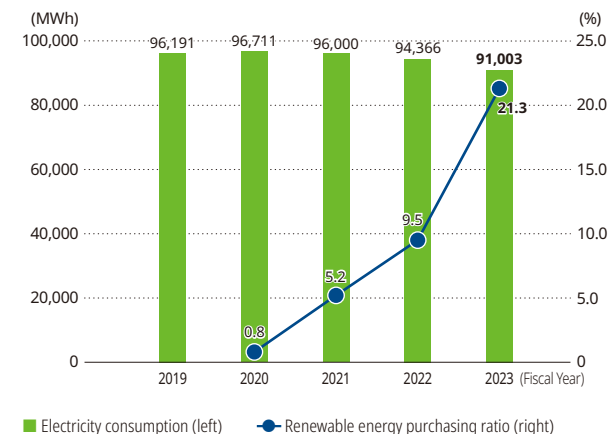
CO₂ emissions volume and reduction rate



■ Scope 1+2 (left) ● Reduction rate (right)

The CO₂ emissions reductions rate vs. the fiscal 2013 level reached 41.2%, already surpassing the fiscal 2025 goal of 40%. We will continue our efforts to reduce CO₂ emissions, including our reduction of electricity consumption, by setting reduction targets and accelerating the introduction of renewable energy with a view toward meeting the fiscal 2030 target of a 70% reduction.

Electricity consumption/renewable energy purchasing ratio



■ Electricity consumption (left) ● Renewable energy purchasing ratio (right)

The renewable energy purchasing ratio in fiscal 2023 was 21.3%. In April 2023, T&D Holdings, Taiyo Life, Daido Life and T&D Financial Life achieved 100% of the power consumed at their head office buildings being electricity derived from renewable sources of energy.

Selected Financial Data

T&D HOLDINGS Consolidated Statements of Income

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021 ^(※2)	2022	2023	2024
Statement of Operation Data											
Ordinary revenues	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	3,207,991
Income from insurance premiums	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	2,474,555
Investment income	397,818	384,223	379,707	402,709	372,753	393,901	369,419	453,706	476,904	500,793	642,076
Other ordinary income	78,146	69,847	71,665	67,838	71,813	70,076	75,001	73,963	338,770	535,113	91,359
Equity in earnings of affiliates	37	38	46	1	72	—	—	49,431	16,749	—	—
Ordinary expenses	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	3,048,182
Insurance claims and other payments	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	2,165,126
Provision for policy and other reserves	22,597	485,139	194,387	259,134	262,894	469,615	431,011	484,929	1,945	2,902	246,726
Investment expenses	86,680	66,427	77,477	130,277	96,288	112,285	164,819	110,235	82,332	191,076	305,210
Operating expenses	197,655	199,435	198,999	197,600	202,366	201,563	212,453	214,509	229,279	251,301	250,726
Other ordinary expenses	71,588	70,686	80,727	71,186	64,159	68,086	70,424	67,988	69,602	77,621	77,994
Equity in losses of affiliates	—	—	—	—	—	24	287	—	—	217,383	2,397
Ordinary profit	186,224	188,943	171,434	157,227	156,475	146,949	125,422	174,649	57,029	(74,144)	159,809
Net extraordinary gains (losses)	(30,736)	(8,105)	(29,274)	(35,067)	(16,485)	(17,890)	(6,055)	(12,591)	(9,816)	(7,449)	320
Provision for reserve for policyholder dividends	31,638	32,555	31,920	25,374	30,331	27,144	21,883	24,429	24,284	22,378	25,050
Income before income taxes	123,849	148,281	110,239	96,786	109,657	101,915	97,483	137,628	22,928	(103,972)	135,080
Income taxes (current)	48,113	44,147	46,075	33,316	34,106	32,383	31,768	28,969	3,730	34,605	34,048
Income taxes (deferred)	(3,402)	9,755	(8,561)	(11,895)	(2,044)	(3,316)	(1,425)	(744)	4,779	(6,806)	990
Total income taxes	44,711	53,903	37,513	21,421	32,061	29,066	30,343	28,224	8,510	27,799	35,038
Profit attributable to non-controlling interests	155	163	179	177	19	22	36	890	237	378	1,264
Profit attributable to owners of parent	78,982	94,215	72,547	75,187	77,577	72,825	67,103	108,512	14,180	(132,150)	98,777

*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

(¥ millions)

As of March 31	2014	2015	2016	2017	2018	2019	2020	2021 ^(※2)	2022	2023	2024
Balance Sheet Data											
(Assets)											
Total assets	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	17,207,110
(Liabilities)											
Policy reserves	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	14,301,729
Total liabilities	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	15,797,184
(Net assets)											
Total shareholders' equity	683,519	749,436	775,208	794,554	833,779	863,933	889,817	960,015	898,301	706,952	714,342
Total accumulated other comprehensive income	333,929	592,301	435,331	298,302	313,645	289,181	226,124	533,641	482,949	279,647	689,220
Total net assets	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	1,409,926

*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

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Policy Results *:											
Policy amount in force	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	62,051,246
New policy amount	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	5,897,881
Surrender and lapse amount	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	4,824,188

* Total of the individual insurance and individual annuities, the insurance amounts of Daido Life's J-type product, T-type product and the nursing-care insurance amounts of Kaigo Relief Alpha and so forth. New policies include net increase from conversion.

Other Data:

Core profit	210,256	182,766	153,097	159,985	148,466	149,638	166,227	161,039	184,059	93,088	125,825
Group MCEV* ¹	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	3,884,400
Value of New Business * ¹	89,100	93,000	56,300	119,500	129,400	140,300	115,800	143,400	166,900	167,000	161,700
Consolidated solvency margin ratio	1115.0%	1220.7%	1155.8%	1105.1%	1061.8%	1093.1%	1107.0%	1094.7%* ³	1026.3%	920.1%	995.7%
ESR* ²		217%	162%	175%	168%	159%	198%	227%* ³	236%	230%	239%

*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

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statement of Operation Data											
Ordinary revenues	857,272	1,061,146	873,887	897,955	738,716	917,610	802,538	797,301	1,439,893	961,343	989,290
Income from insurance premiums	655,233	865,232	657,185	654,379	511,900	715,120	593,679	619,721	598,144	643,308	702,821
Investment income	175,794	176,370	202,909	228,058	189,495	190,444	196,911	165,283	174,377	214,741	233,094
Other ordinary income	26,244	19,544	13,792	15,517	37,319	12,044	11,947	12,296	667,370	103,292	53,374
Ordinary expenses	785,015	993,539	794,763	831,312	675,925	863,413	765,756	765,695	1,526,535	913,198	933,976
Insurance claims and other payments	585,429	566,446	604,261	535,387	522,746	521,457	542,912	569,480	1,381,684	726,570	692,392
Provision for policy and other reserves	52,437	281,973	39,860	99,991	885	183,693	43,421	46,414	1,649	255	917
Investment expenses	29,303	31,893	36,540	83,109	45,292	52,386	76,173	46,919	36,965	71,514	124,570
Operating expenses	77,693	77,606	76,424	77,189	76,698	76,730	75,077	76,509	80,675	88,495	90,562
Other ordinary expenses	40,151	35,619	37,676	35,635	30,301	29,147	28,171	26,371	25,560	26,361	25,533
Ordinary profit (loss)	72,257	67,606	79,124	66,642	62,790	54,196	36,782	31,606	(86,642)	48,144	55,314
Net extraordinary gains (losses)	(12,931)	(5,249)	(20,251)	(18,995)	(4,254)	(5,370)	(1,594)	(4,592)	(3,665)	(2,754)	5,934
Provision for reserve for policyholder dividends	17,688	18,093	18,135	11,738	15,664	13,138	10,197	12,574	12,572	10,847	13,606
Income (loss) before income loss	41,637	44,264	40,736	35,909	42,870	35,687	24,990	14,440	(102,881)	34,542	47,642
Income taxes (current)	17,045	12,827	17,624	11,120	10,238	10,798	10,391	5,956	(23,042)	6,011	7,016
Income taxes (deferred)	(1,763)	3,482	(3,722)	(4,178)	2,151	(657)	(1,218)	(1,800)	(5,691)	1,699	1,641
Total income taxes	15,282	16,309	13,902	6,941	12,390	10,140	9,172	4,156	(28,734)	7,710	8,658
Net income (loss)	26,355	27,954	26,834	28,967	30,480	25,547	15,817	10,284	(74,147)	26,832	38,983

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

TAIYO LIFE

(¥ millions)

As of March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Balance Sheet Data											
(Assets)											
Total assets	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	7,307,852
(Liabilities)											
Policy reserves	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	5,885,922
Total liabilities	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	6,888,630
(Net assets)											
Total shareholders' equity	245,046	259,537	279,336	279,765	290,945	304,203	303,647	302,568	186,925	203,799	187,667
Total valuation and translation adjustment	155,166	299,819	202,382	101,224	117,742	111,109	87,476	223,923	154,538	42,479	231,554
Total net assets	400,213	559,357	481,718	380,989	408,687	415,312	391,123	526,491	341,464	246,278	419,221

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

Selected Financial Data

TAIYO LIFE

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Policy Results *:											
Policy amount in force	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	11,461,851
New policy amount	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	240,923
Surrender and lapse amount	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	920,873
Surrender and lapse rate	5.97%	5.88%	5.67%	5.71%	5.69%	5.86%	5.76%	5.22%	5.62%	5.34%	7.09%

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

Other Data:

Core profit	72,611	68,188	53,812	53,464	48,547	51,859	54,387	52,703	55,122	21,294	40,761
MCEV*	705,100	868,600	725,700	777,500	825,000	856,200	895,800	1,114,600	1,134,500	1,084,200	1,171,800
Solvency margin ratio	981.3%	993.9%	890.6%	848.6%	835.1%	849.7%	805.5%	852.8%	734.2%	580.9%	716.2%
Number of in-house sales representatives	8,603	8,432	8,631	8,902	8,942	8,440	8,071	8,473	8,534	9,016	9,319

* 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

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statement of Operation Data											
Ordinary revenues	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	1,183,799
Income from insurance premiums	712,866	792,715	748,914	766,336	790,852	828,003	818,070	808,161	808,083	810,311	843,749
Investment income	160,483	169,016	165,153	154,066	171,830	191,065	165,137	185,876	191,249	259,241	306,335
Other ordinary income	19,968	19,320	21,671	24,029	25,387	26,492	31,916	28,796	33,357	163,489	33,713
Ordinary expenses	802,008	883,588	845,431	861,736	898,672	956,290	928,967	926,928	909,910	1,148,962	1,082,136
Insurance claims and other payments	522,489	494,272	502,896	484,881	496,329	510,573	522,146	511,604	516,795	887,660	588,397
Provision for policy and other reserves	119,712	231,264	181,357	204,770	232,739	259,032	214,775	221,616	211,578	639	167,477
Investment expenses	46,369	39,128	34,443	48,244	46,233	61,342	61,569	66,440	44,781	114,923	179,117
Operating expenses	99,377	99,152	102,531	103,099	103,602	103,883	107,649	106,644	116,139	121,827	124,068
Other ordinary expenses	14,058	19,770	24,203	20,739	19,767	21,458	22,826	20,622	20,614	23,912	23,076
Ordinary profit	91,309	97,464	90,307	82,695	89,397	89,270	86,157	95,905	122,780	84,079	101,662
Net extraordinary gains (losses)	(17,410)	(2,653)	4,413	(12,450)	(11,698)	(11,956)	(3,703)	(7,123)	(5,267)	(4,313)	(4,966)
Provision for reserve for policyholder dividends	13,951	14,462	13,788	13,636	14,668	14,005	11,687	11,854	11,711	11,530	11,441
Income before income taxes	59,948	80,348	80,932	56,608	63,031	63,308	70,766	76,927	105,800	68,236	85,254
Income taxes (current)	26,644	28,104	29,351	20,777	22,854	21,414	21,646	25,029	29,892	20,962	25,579
Income taxes (deferred)	(2,656)	1,064	(2,896)	(7,286)	(4,396)	(3,634)	(1,330)	(2,965)	(313)	(2,035)	(1,235)
Total income taxes	23,987	29,168	26,455	13,491	18,458	17,779	20,315	22,064	29,578	18,926	24,343
Net income	35,960	51,180	54,476	43,116	44,572	45,528	50,450	54,863	76,222	49,309	60,910

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

DAIDO LIFE

(¥ millions)

As of March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Balance Sheet Data											
(Assets)											
Total assets	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	7,923,413
(Liabilities)											
Policy reserves	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	6,657,107
Total liabilities	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	6,938,360
(Net assets)											
Total shareholders' equity	352,559	388,865	433,499	448,016	466,141	489,267	513,114	541,184	532,210	546,647	543,981
Total valuation and translation adjustment	178,304	291,513	230,323	195,996	194,380	173,165	130,743	311,942	326,517	223,686	441,071
Total net assets	530,863	680,379	663,823	644,013	660,521	662,433	643,858	853,127	858,727	770,334	985,053

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

Selected Financial Data

DAIDO LIFE

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Policy Results *:											
Policy amount in force	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	46,637,618
Individual term life insurance	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	34,041,170
J-type product, T-type product, and Kaigo Relief Alpha, etc.	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	11,633,540
New policy amount	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	4,789,810
Individual term life insurance	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	3,338,986
J-type product, T-type product, and Kaigo Relief Alpha, etc.	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	1,550,549
Surrender and lapse amount	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	3,697,846
Surrender and lapse rate	6.87%	6.38%	6.48%	6.44%	6.30%	7.70%	6.31%	6.06%	6.37%	6.96%	7.92%

* The total of individual insurance, individual annuities and Daido Life's *J-type product, T-type product, Kaigo Relief Alpha*, etc. The new policy amounts include net increases from conversions.

Other Data:

Core profit	110,673	107,654	104,829	105,677	100,781	99,245	116,903	111,604	131,632	75,039	86,551
MCEV *	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	2,636,000
Solvency margin ratio	1156.4%	1363.7%	1341.9%	1252.6%	1206.2%	1271.9%	1335.3%	1293.5%	1203.8%	1116.1%	1193.5%
Number of in-house sales representatives	3,833	3,790	3,867	3,843	3,714	3,786	3,746	3,766	3,699	3,577	3,628
Number of agents	13,432	13,675	13,793	13,878	13,992	14,132	14,413	14,775	15,137	15,406	15,679

* 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

(¥ millions)

Years ended March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statement of Operation Data											
Ordinary revenues	468,669	382,110	218,035	155,834	196,492	150,758	354,495	460,661	485,311	980,991	1,028,260
Income from insurance premiums	239,777	297,755	165,436	80,918	176,474	127,853	335,910	348,020	367,118	714,695	917,540
Investment income	64,948	46,366	14,232	23,041	12,982	17,221	11,924	106,851	113,353	28,023	106,264
Other ordinary income	163,943	37,989	38,365	51,874	7,036	5,683	6,660	5,789	4,839	238,272	4,455
Ordinary expenses	447,758	359,653	216,822	149,634	193,948	148,694	352,249	463,608	479,644	969,937	1,020,955
Insurance claims and other payments	412,275	339,700	194,324	138,311	124,953	106,894	125,135	222,904	270,745	928,437	878,574
Provision for policy and other reserves	7,697	1,440	2	0	50,164	26,791	174,312	216,631	183,641	1,911	109,578
Investment expenses	13,138	1,814	7,950	213	4,888	1,941	30,117	127	840	3,536	2,037
Operating expenses	13,101	14,422	12,705	9,745	12,349	11,453	19,373	20,216	20,543	30,084	24,771
Other ordinary expenses	1,545	2,275	1,840	1,363	1,592	1,612	3,309	3,727	3,873	5,966	5,992
Ordinary profit	20,910	22,457	1,212	6,199	2,543	2,064	2,246	(2,947)	5,667	11,054	7,305
Net extraordinary gains (losses)	(398)	(174)	(621)	(3,612)	(461)	(552)	(756)	(868)	(880)	(713)	(632)
Provision for reserve for policyholder dividends	(2)	(0)	(3)	(1)	(1)	0	(0)	0	(0)	0	1
Income before income taxes	20,514	22,282	593	2,587	2,083	1,511	1,490	(3,816)	4,788	10,340	6,671
Income taxes (current)	3,647	2,411	(1,735)	874	199	(456)	(754)	(2,212)	(3,115)	5,060	530
Income taxes (deferred)	957	5,225	1,837	(427)	295	956	1,178	1,180	4,704	(2,660)	1,328
Total income taxes	4,604	7,636	101	446	494	500	424	(1,031)	1,589	2,399	1,859
Net income	15,909	14,645	492	2,141	1,588	1,011	1,065	(2,784)	3,199	7,940	4,812

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

T&D FINANCIAL LIFE

(¥ millions)

As of March 31	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Balance Sheet Data											
(Assets)											
Total assets	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	1,869,028
(Liabilities)											
Policy reserves	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	1,753,461
Total liabilities	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	1,795,467
(Net assets)											
Total shareholders' equity	52,748	67,394	67,886	70,027	71,616	72,627	73,693	70,909	74,108	82,048	86,860
Total valuation and translation adjustment	349	804	2,373	874	1,306	4,693	7,240	(2,628)	(10,155)	(13,306)	(13,298)
Total net assets	53,098	68,198	70,260	70,901	72,922	77,321	80,934	68,280	63,952	68,742	73,561

* 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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Policy Results *:											
Policy amount in force	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	3,951,777
New policy amount	244,969	322,651	236,231	235,449	354,705	314,183	446,898	426,624	421,257	687,586	867,147
Surrender and lapse amount	174,654	103,902	61,559	56,368	66,174	89,152	79,846	103,847	118,758	305,852	205,468
Surrender and lapse rate	8.56%	5.62%	3.41%	3.12%	3.52%	4.34%	3.67%	4.34%	4.39%	10.20%	6.31%

* The total of individual insurance and individual annuities.

Other Data:

Core profit (loss)	26,971	6,923	(5,545)	843	(863)	(1,466)	(5,063)	(3,268)	(2,694)	(3,245)	(1,487)
MCEV *	92,300	95,800	93,400	97,400	102,600	98,500	66,500	108,100	111,300	126,600	153,400
Solvency margin ratio	1051.2%	1271.9%	1260.7%	1295.6%	1258.3%	1101.7%	1033.6%	826.8%	749.5%	659.4%	567.6%

* 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 2023 was ¥42.9 trillion. After experiencing a moderate upward trend since fiscal 2002, a declining trend started around 2015. However, the situation has been improving since FY2021, especially as the COVID-19 pandemic has abated. (Fig.1)

* There are a total of 41 Japanese life insurance companies. (As of April 1, 2024)

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 ¥790 trillion in fiscal 2023, 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 194.94 million in fiscal 2023, marking the 16th straight year of increase. (Fig.2)

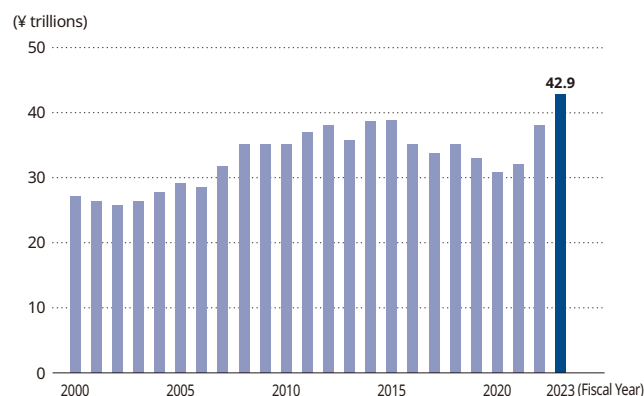
Number of Policies in Force for Individual Insurance by Type

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 2023. The number of policies has also increased 3 times, from 22.79 million to 70.14 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.

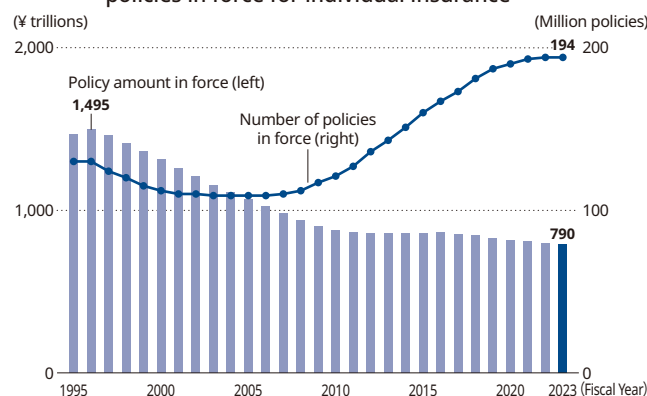
■ (Fig.1) Trend in the income from insurance premiums



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.

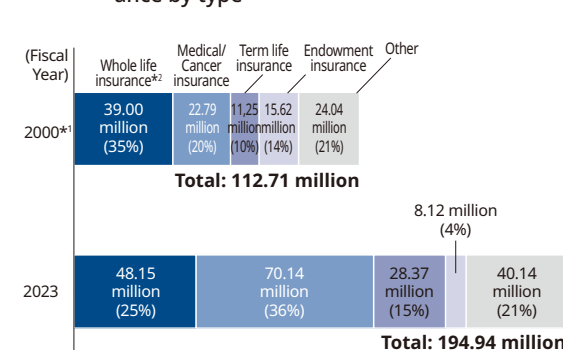
■ (Fig.2) Trend in the policy amount and the number of policies in force for individual insurance



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

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

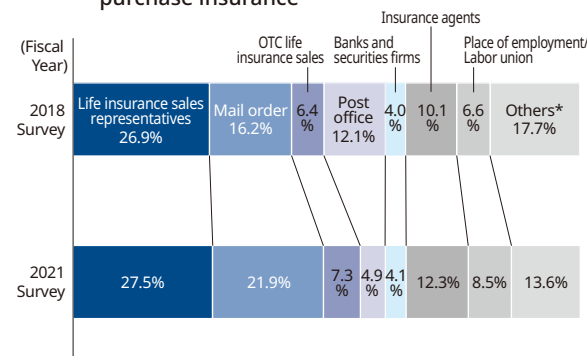
As we proceed, we must continue to make thoughtful insurance proposals that meet the varying coverage needs of our customers, while also incorporating non-face-to-face interactions prompted by the spread of COVID-19.

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.

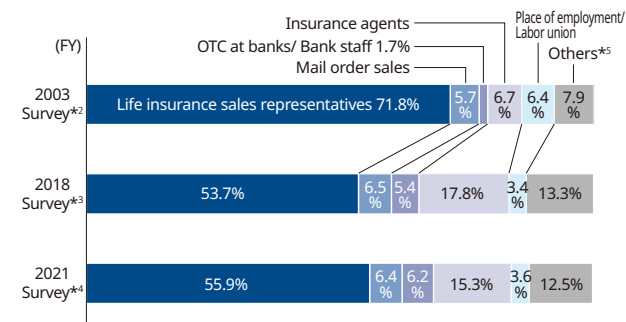
■ (Fig.4) Channels through which customers are likely to purchase insurance



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.

■ (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.

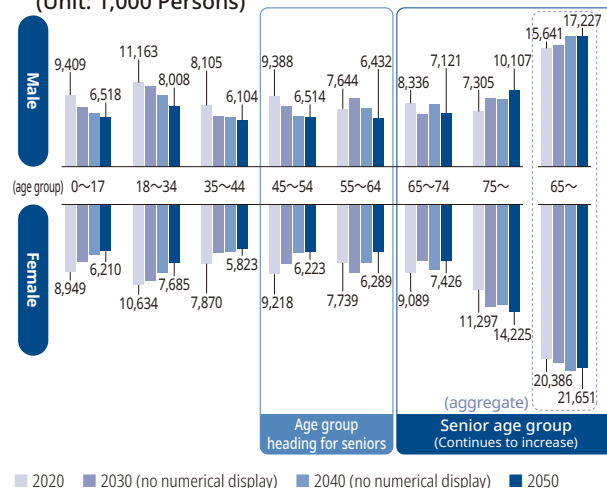
*2 Policies taken out during 1998-2003.

*3 Policies taken out during 2013-2018.

*4 Policies taken out during 2016-2021.

*5 Including those policies through indistinct channels.

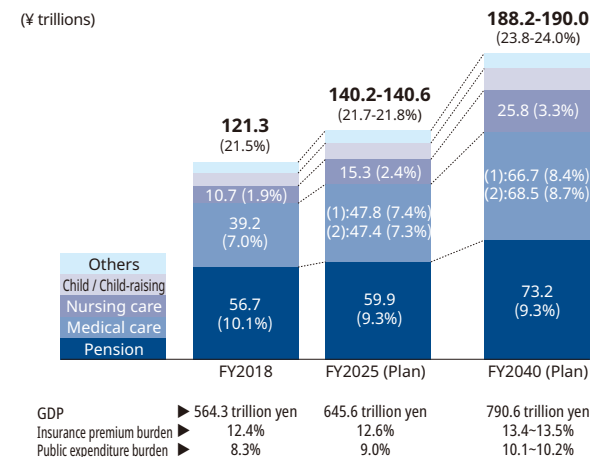
■ Estimated future population by gender and age group (Unit: 1,000 Persons)



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.

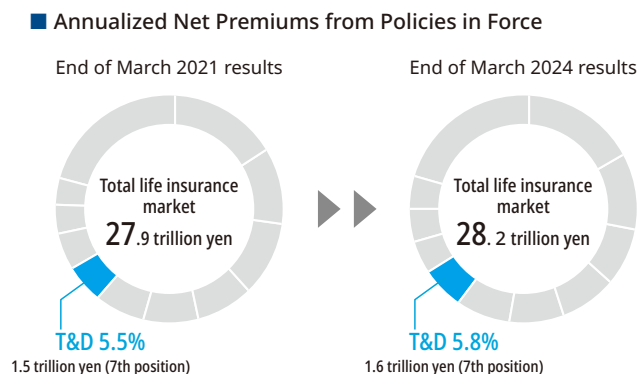
Overview of the Life Insurance Business (Market)

Position of the T&D Insurance Group in the Life Insurance Industry in Japan

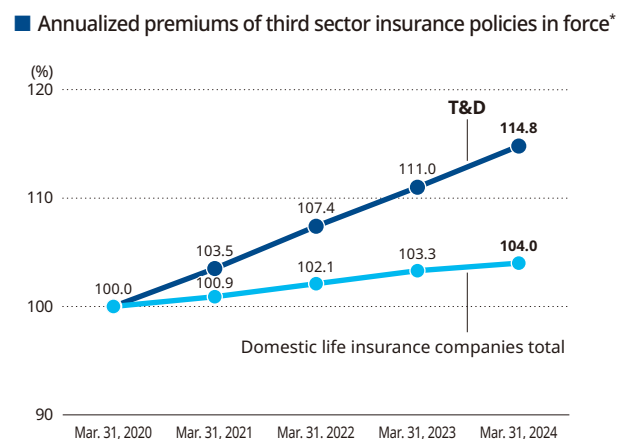
The life insurance business is the core business of the Group. Three life insurance companies with different business models leveraged their originality and expertise in their respective markets.

In fiscal 2023, the T&D Insurance Group (Taiyo Life, Daido Life and T&D Financial Life) held a total market share of 5.8% on an annualized in-force premium basis. This is an expansion of their market share from the end of March 2021, before the Group Long-Term Vision began.

The right diagram compares the T&D Insurance Group (the total of Taiyo Life, Daido Life and T&D Financial Life) and the life insurance industry as a whole in terms of policy results trends (annualized premiums of third sector insurance policies in force). After experiencing the pandemic, the Group is capitalizing on its originality and expertise to maintain its superiority in specialized markets.



Source: Created by T&D Holdings based on the Life Insurance Association of Japan's Monthly Statistics and the financial results materials of individual companies.



Source: Created by T&D Holdings based on the Life Insurance Association of Japan's Monthly Statistics

* The diagram shows an index in which 100 is the annualized premiums of third sector insurance policies in force at the end of March 2020.

Reference: Special characteristics of life insurance accounting

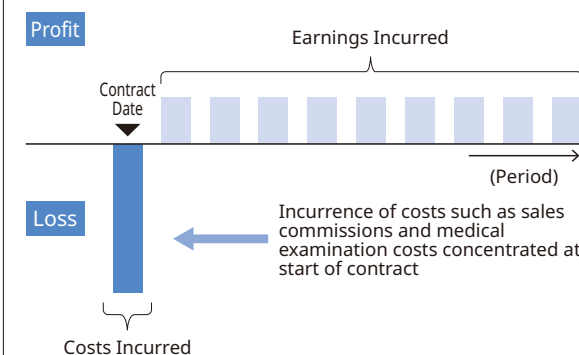
Since life insurance policies are long-term contracts, there is disparity between the recognition of revenue and the incurring of expenses as shown in the diagram below.

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 poor.

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 the future decline of profit.

Due to this peculiarity in life insurance accounting, we use Embedded Value (EV) or other economic value when representing the corporate value of a life insurance company.

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	<p>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.</p> <p>Contingency reserve can be classified into:</p> <p>Contingency reserve I Corresponds to insurance risk</p> <p>Contingency reserve II Corresponds to assumed investment yield risk</p> <p>Contingency reserve III Corresponds to minimum guarantee risk relating to variable annuity and others</p> <p>Contingency reserve IV Corresponds to insurance risk of Third Sector insurance</p>

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.

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.
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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.
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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
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.

Glossary

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 believes 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.

In order to improve capital efficiency, the Group is reducing its strategic shareholdings balance in stages.

In FY2023, the balance of strategic shareholdings has been reduced by approximately ¥27.0 billion (on book value basis, approximately ¥64.0 billion on market value basis) (on book value basis, the balance has been reduced by more than half from the end of FY2020). As a result, the balance of strategic shareholdings as of the end of FY2023 was 17% of net assets, surpassing our target level of 20% or below set out in the Group Long-Term Vision.

From FY2024, the Group will continuously reduce its balance of strategic shareholdings, excluding shares of business alliance partners, collaborators, and the like, with the aim of reaching zero by the end of FY2030.

For investment stocks held for pure investment purpose including those that have been transferred from strategic shareholdings, the Group, as an institutional investor, has a certain level of domestic stocks in its investment portfolio with an aim to maximize the investment efficiency and the asset management division determines whether to continue holding the shares based mainly on factors such as the dividends and stock price outlooks due to medium- to long-term performance growth.

Regardless of the purpose of holding, the asset management division, which is independent of departments such as lending and corporate business, is responsible for decision-making and implementation regarding the exercise of voting rights. We have established a committee involving third parties such as external experts, which verifies the approval or disapproval decisions and processes when exercising voting rights.

We report the results of exercise of voting rights to the board of directors and our management team itself verifies whether voting rights are appropriately exercised. Also, the results are disclosed on the websites of each of our Group companies.

In addition, we will not take any actions to obstruct the sale if a company of which we hold shares as strategic shareholdings proposes to sell its shares of our Company.

Status of Stock Holdings

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 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	6	56,813

(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	1	1,364

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, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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	41,140,000	The purpose of holding the stocks is to collaborate in the insurance business such as over-the-counter sales of individual insurance, etc., to collaborate in a wide range of fields such as enhancing employee welfare benefits, etc. and to reap medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	47,352	25,547	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.	
RAITO KOGYO CO., LTD.	2,734,500	2,734,500	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	5,570	5,335		
Taikisha Ltd.	422,029	422,029	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	1,960	1,553		
Electric Power Development Co., Ltd. (J-POWER)	542,540	542,540	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	1,354	1,156		
Daiwa Motor Transportation Co., Ltd.	375,000	375,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	364	308		

Status of Stock Holdings

Stock	Year ended March 31, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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			
MEIWA INDUSTRY CO., LTD.	210,120	210,120	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	212	206		
Tsubakimoto Chain Co.	—	3,559,663	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	11,444		
MITSUBISHI ESTATE CO., LTD.	—	3,850,000	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	6,069		
TSUBAKIMOTO KOGYO CO., LTD.	—	573,805	Taiyo Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	2,372		

*NOTE 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 2023		Fiscal 2022	
	The number of stocks	Total of balance sheet amount (¥ millions)	The number of stocks	Total of balance sheet amount (¥ millions)
Unlisted stocks	33	3,182	34	5,949
Stocks other than unlisted stocks	39	471,414	42	367,569

	Fiscal 2023 (¥ millions)			
	Total dividends received	Total gains (losses) on sales	Total of valuation gains (losses)	
			Net unrealized gains (losses)	Valuation losses
Unlisted stocks	352	40	156	2,953
Stocks other than unlisted stocks	11,481	25,983	233,777	—

3. Change in investment purpose during fiscal 2023

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)
Tsubakimoto Chain Co.	3,203,663	16,498
Mitsubishi Estate Co., Ltd.	3,850,000	10,720
TSUBAKIMOTO KOGYO CO., LTD. *Note	1,721,415	3,935

*Note The reason of increase in the number of shares is share splitting.

Taiyo Life held the above 3 stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. As the significance of holding them as strategic shareholdings has diminished, the purpose of holding the shares has been changed to a pure investment purpose. Taiyo Life continues to hold them as investment stocks for pure investment purposes, because the asset management division made the judgement of adequacy of continued holdings of them based on dividends and stock price outlook due to medium- to long-term performance growth.

(As for Tsubakimoto Chain Co., the holding purpose has been changed to pure investment after the partial sale.)

Taiyo Life, as an institutional investor, has a certain level of domestic stocks in its investment portfolio with an aim to maximize the investment efficiency and the asset management division determines whether to continue holding the shares or sell, etc. based on factors such as the dividends due to medium- to long-term performance growth and outlook for stock price.

In exercising voting rights for strategic shareholdings, the same standard as for investment stocks for pure investment purposes is used. Therefore, there will be no change in the standard for exercising voting rights due to the change in holding purpose.

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	11,431
Stocks other than unlisted stocks	35	169,715

(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	101	Due to the new acquisition aimed at researching and studying advanced technologies such as AI and strengthening condition of DX promotion framework.
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	1	400
Stocks other than unlisted stocks	14	27,983

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, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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)			
Resona Holdings, Inc.	28,590,000	28,590,000	The purpose of holding the stocks is 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. In 2018, Daido Life concluded "Business partnership agreement in sales field" with Resona Holdings, Inc. To solve management issues of small and medium enterprises, Daido Life provides "products and services to support smooth succession of assets and business to successor" and "overseas expansion services" 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.	N *Note 1
	27,169	18,283		
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 the 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
	22,640	15,570		
NUERNBERGER Beteiligungs-Aktiengesellschaft	1,727,036	1,727,036	The purpose of holding the stocks is 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. In 2013, Daido Life concluded a "Cooperation agreement". Daido Life aims to strengthen the human relations by expatriation of employees and mutual dispatch of trainees, etc. and continues to discuss business alliances in a wide range of fields, such as the possibility of joint business. 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
	18,606	18,748		
TKC Corporation	4,796,492	5,138,092	The purpose of holding the stocks is 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. In 1974, Daido Life started a business partnership with TKC National Federation. Daido Life has been working to promote and expand the insurance guidance for client companies of TKC member offices. 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
	17,866	18,856		
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 the 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
	14,817	11,673		

Status of Stock Holdings

Stock	Year ended March 31, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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)			
FUJI CORPORATION	3,342,000	3,342,000	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	8,919	7,466		
ONO PHARMACEUTICAL CO., LTD.	3,274,800	6,549,500	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	8,037	18,102		
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 the 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
	7,075	4,078		
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 the 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
	5,984	3,811		
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 the 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.	N *Note 2
	5,533	3,636		
MEISEI INDUSTRIAL CO., LTD.	2,632,700	*	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	3,456	*		

Status of Stock Holdings

Stock	Year ended March 31, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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)			
Daishi Hokuetsu Financial Group, Inc.	705,600	*	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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.	N *Note 3
	3,146	*		
TSUKISHIMA HOLDINGS 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 the 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
	3,038	2,301		
MORY INDUSTRIES INC.	440,000	*	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	2,811	*		
Strike Co., Ltd.	498,000	*	The purpose of holding the stocks is 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. In 2015, Daido Life concluded "Agreement regarding M&A support" with Strike Co., Ltd. Daido Life provides "M&A support service" and "Enterprise value assessment service", which contribute to solve management issues of small and medium enterprises. 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.	N
	2,519	*		
Electric Power Development Co., Ltd. (J-POWER)	996,880	1,993,680	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	2,488	4,248		
Central Automotive Products Ltd.	410,000	*	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	2,357	*		

Status of Stock Holdings

Stock	Year ended March 31, 2024	Year ended March 31, 2023	Holding purposes, summary of business partnerships, 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	633,800	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	2,150	2,189		
Value HR Co.,Ltd.	*	1,505,600	The purpose of holding the stocks is 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. In 2016, Daido Life concluded "Business and capital alliance" with Value HR Co.,Ltd. Daido Life provides the "Daido Life KENCO SUPPORT PROGRAM", which contributes to promote health-oriented management of small and medium enterprises. 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.	N
	*	2,378		
KONICA MINOLTA, INC.	*	4,520,518	The purpose of holding the stocks is to maintain and expand long-term and stable business relationships in the 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
	*	2,572		
The Kansai Electric Power Company, Incorporated	—	3,656,550	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	4,720		
Sekisui House, Ltd.	—	1,400,000	Daido Life held the stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth.	Y
	—	3,777		

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

※Note 2 The subsidiary The Shizuoka Bank, Ltd. holds stocks.

※Note 3 The subsidiary Daishi Hokuetsu Bank, Ltd. holds stocks.

※Note 4 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.

※Note 5 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 2023		Fiscal 2022	
	The number of stocks	Total of balance sheet amount (¥ millions)	The number of stocks	Total of balance sheet amount (¥ millions)
Unlisted stocks	8	61	11	323
Stocks other than unlisted stocks	44	119,112	46	95,406

	Fiscal 2023 (¥ millions)			
	Total dividends received	Total gains (losses) on sales	Total of valuation gains (losses)	
			Net unrealized gains (losses)	Valuation losses
Unlisted stocks	—	—	—	88
Stocks other than unlisted stocks	1,869	6,796	63,652	—

3. Change in investment purpose during fiscal 2023

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)
The Kansai Electric Power Company, Incorporated	914,250	2,006
Sekisui Kasei Co., Ltd.	1,418,000	720
GS Yuasa Corporation	218,800	688

Daido Life held the above 3 stocks for the purpose of maintaining and expanding long-term and stable business relationships in the insurance field, and reaping medium- to long-term earnings by an increase in equity value and by receiving dividends and so forth. As the significance of holding them as strategic shareholdings has diminished, the purpose of holding the shares has been changed to a pure investment purpose.

Daido Life, as an institutional investor, has a certain level of domestic stocks in its investment portfolio with an aim to maximize the investment efficiency and the asset management division determines whether to sell the shares, etc. based on the performance and outlook for stock price.

(Daido Life has sold all shares of Kansai Electric Power Co., Inc. and GS Yuasa Corporation by the end of May 2024.)

In exercising voting rights for strategic shareholdings, the same standard as for investment stocks for pure investment purposes is used. Therefore, there will be no change in the standard for exercising voting rights due to the change in holding purpose.

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 2023

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, 2024

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: 544,000,000
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.php 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	203,218

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)	90,320	17.01
Custody Bank of Japan, Ltd. (Trust Account)	29,680	5.59
GOLDMAN,SACHS & CO.REG	13,844	2.61
SSBTC CLIENT OMNIBUS ACCOUNT	13,251	2.50
JP MORGAN CHASE BANK 385632	10,339	1.95
STATE STREET BANK WEST CLIENT - TREATY 505234	9,380	1.77
JP MORGAN CHASE BANK 385781	7,799	1.47
JPMorgan Securities Japan Co., Ltd.	6,222	1.17
THE BANK OF NEW YORK MELLON 140044	6,014	1.13
AIG General Insurance Company, Ltd.	6,000	1.13

* The Company holds 12,906 thousand shares of treasury stock. Percentage of total shares outstanding is calculated after deducting the treasury shares.

COMPOSITION OF SHAREHOLDERS AND SHARES

Proportion of Shares Held

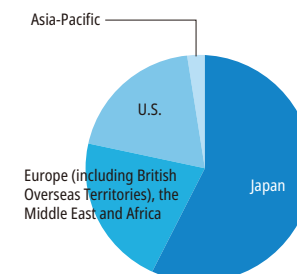
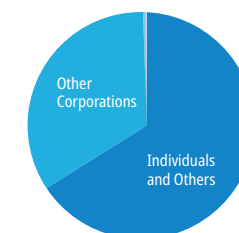
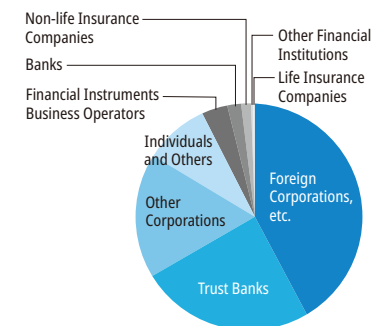
	Number of Shares Held (Thousands of shares)	%
Foreign Corporations, etc.	231,005	42.46
Trust Banks	132,652	24.38
Other Corporations	91,252	16.77
Individuals and Others	48,391	8.89
Financial Instruments Business Operators	20,912	3.84
Banks	10,008	1.84
Non-life Insurance Companies	7,566	1.39
Other Financial Institutions	1,472	0.27
Life Insurance Companies	737	0.14

Composition of Shareholders

	Shareholders	%
Individuals and Others	134,619	66.24
Other Corporations	67,711	33.32
Foreign Corporations, etc.	784	0.39
Financial Instruments Business Operators	37	0.02
Trust Banks	18	0.01
Life Insurance Companies	18	0.01
Other Financial Institutions	16	0.01
Banks	13	0.01
Non-life Insurance Companies	2	0.00

Regional Distribution of Shares Held

	%
Japan	57.54
Europe (including British Overseas Territories), the Middle East and Africa	20.86
U.S.	19.24
Asia-Pacific	2.36
Others	0.00



Group Companies

The T&D Insurance Group comprised the holding company, 20 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)

■ Consolidated subsidiaries ● Affiliated companies accounted for by the equity method

As of August 30, 2024

* Significant consolidated subsidiaries and affiliates accounted for by the equity method are listed.

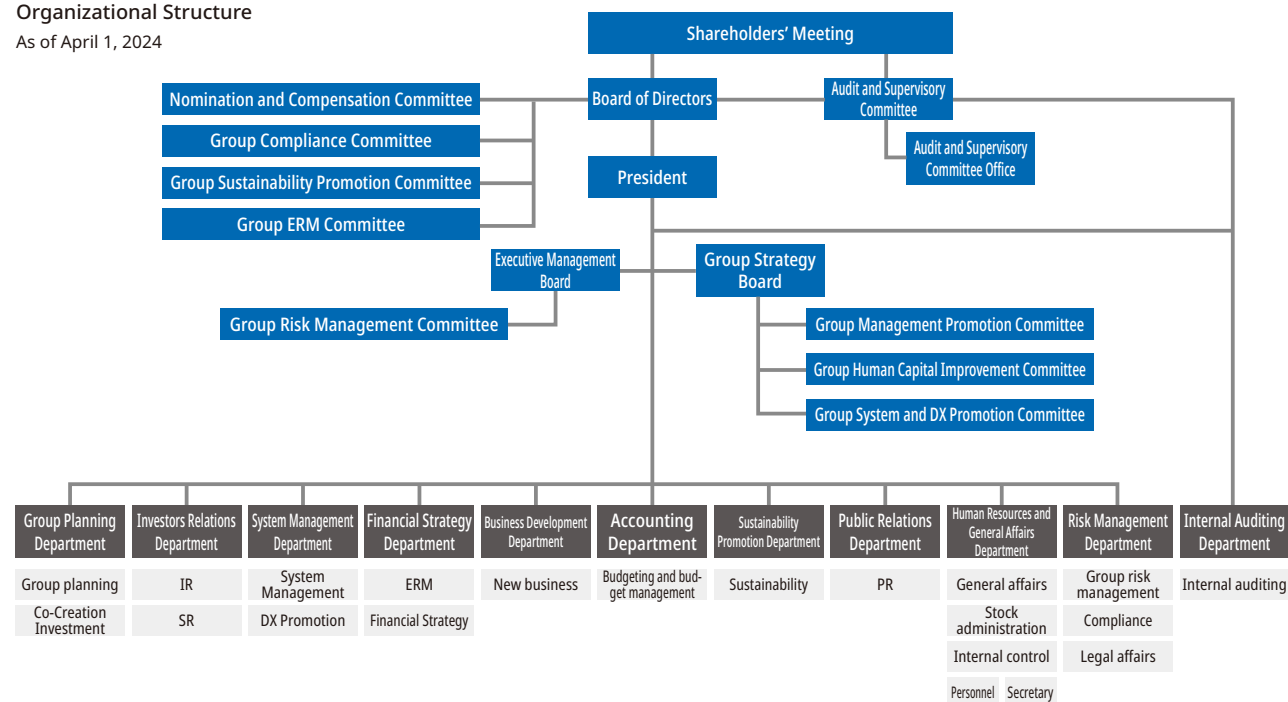
Corporate Overview

As of March 31, 2024

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	Management control of life insurance subsidiaries under the Insurance Business Act of Japan and other laws and regulations Other business incidental to the business listed in the preceding item
Paid-in Capital	207,111.86 million yen
Security Code	8795
Stock Exchange Listings	Tokyo Stock Exchange (Prime Market)
Number of Common Stocks Issued	544,000,000 shares
Number of Employees	129

Organizational Structure

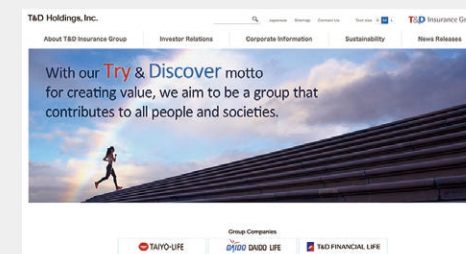
As of April 1, 2024



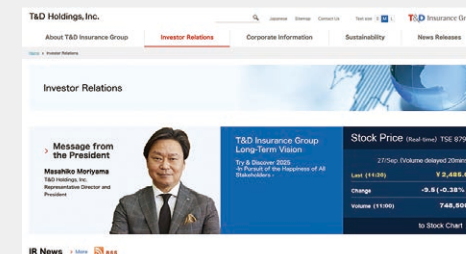
Websites

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

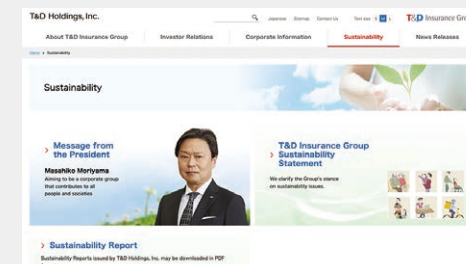
Website of T&D Holdings, Inc.
<https://www.td-holdings.co.jp/en/>



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



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



T&D Holdings, Inc.

2-7-1, Nihonbashi, Chuo-ku, Tokyo 103-6031, Japan

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