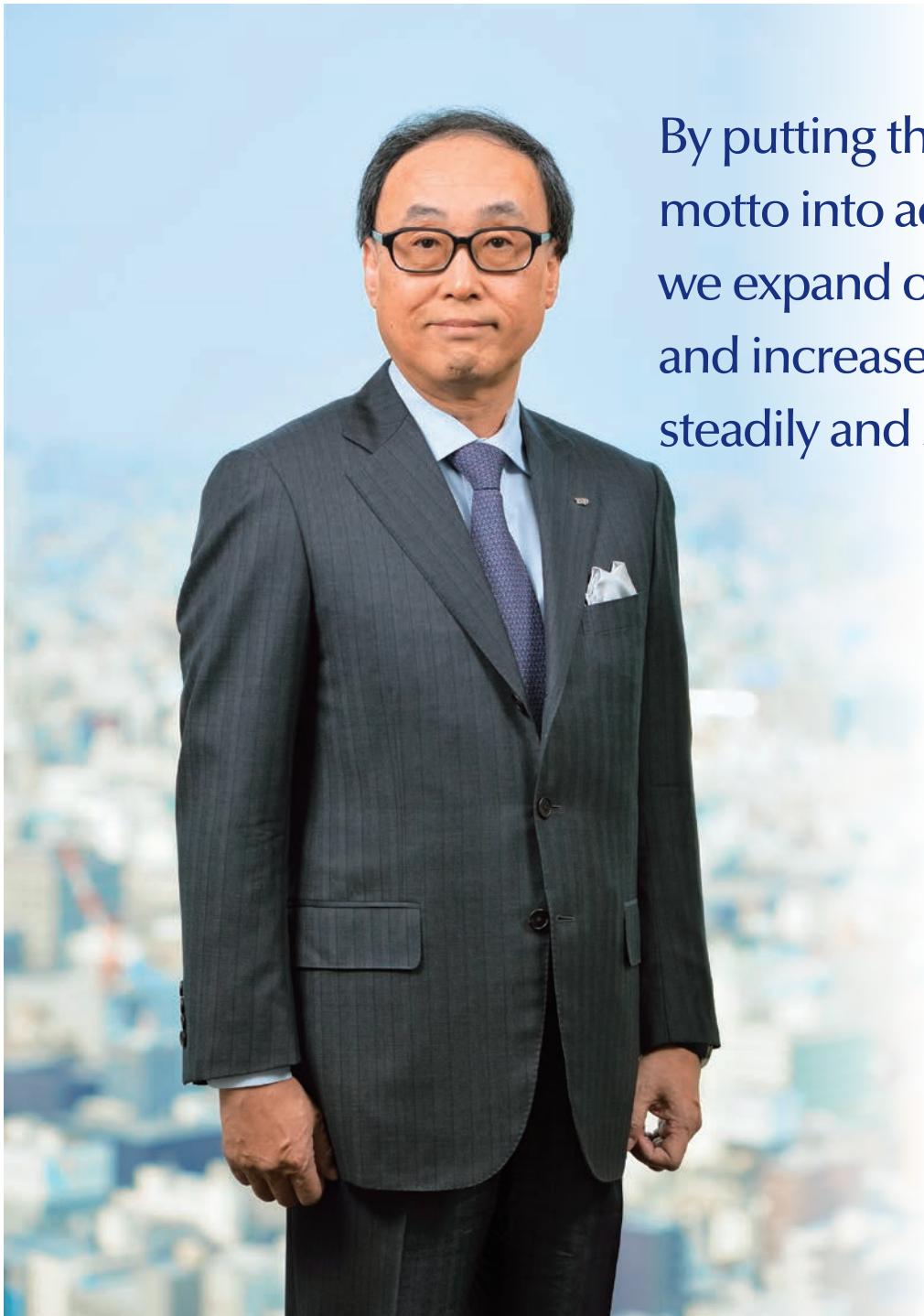


Top Message



By putting the “Try & Discover” motto into action continuously, we expand our growth areas and increase corporate value steadily and sustainably.

Review of Fiscal 2015

In fiscal 2015, the year ended March 31, 2016, the Japanese economy followed a gradual recovery path against the backdrop of strong corporate earnings, despite some signs of softness including concerns about economic slowdown in China and other newly emerging countries. However, significant changes were seen in conditions in the life insurance industry, including domestic interest rates turning negative for certain maturities following the decision by the Bank of Japan in the second half of the fiscal year to adopt

negative interest rates. Under these circumstances, the Group's three life insurance companies each followed their own separate business model to address a specific market sector and bolstered their core business, while also pursuing new opportunities that could generate additional growth. We promoted Enterprise Risk Management (ERM) to integrally manage profit, risk and capital for the whole T&D Life Group on an economic value basis, with the aim of improving profitability while maintaining financial soundness.

Expand Growth Areas Foreseeing the Next 10 Years

While pushing ahead with these initiatives, the Group embarked on a new three-year management plan entitled "T&D Life Group Medium-Term Management Plan – Try & Discover for the Next Stage – A Three-Year Period for Expanding Our Growth Areas."

The plan views the domestic life insurance business as the continuing core of operations, but will seek to identify new opportunities for growth. Specifically, under the holding company structure, the three life insurance companies will increase corporate value by maximizing their uniqueness and specialization in their specialty markets based on the business platform strengthened through the previous medium-term management plan. In addition, we have developed the following plans that target several businesses likely to become growth sectors over the next decade:

1) Strengthen initiatives for the senior market

The growth in the senior population and the increase and diversification of comprehensive coverage needs present opportunities for promoting development of the senior market as an area for strengthening Group-wide initiatives.

2) Strategically strengthen T&D Financial Life

In order to expand the presence of the T&D Life Group in the independent insurance agent market which is expected to grow, the Group will work as one to strategically strengthen T&D Financial Life.

The Japanese financial markets have come under significant pressure as a result of a large decline in domestic interest rates and other factors.

Nevertheless, the new management plan reflects the T&D Life Group's commitment to the "Try & Discover" motto. By putting this principle into action continuously, we aim to further expand our growth areas and continue to increase our corporate value steadily and sustainably.

In closing, I would appreciate the continued support and cooperation of our shareholders and other investors and analysts.

September 2016

Tetsuhiro Kida

Representative Director
and President