

FINANCIAL SUMMARY

(For the six months ended September 30, 2019)

<under Japanese GAAP>

November 14, 2019

Name of Company: **T&D Holdings, Inc.**
 Stock Listings: Tokyo
 Security Code No.: 8795
 Head Office: Tokyo, Japan
 URL: <https://www.td-holdings.co.jp/en/>
 Projected Filing Date of Quarterly Securities Report: November 28, 2019
 Projected Starting Date of Dividend Distribution: December 6, 2019
 Supplemental Information for Quarterly Financial Statements: Available
 Holding of Quarterly Financial Results Meeting: Yes (for institutional investors and analysts)

1. Consolidated Operating Results for the Six Months Ended September 30, 2019 (April 1, 2019 - September 30, 2019)

(1) Results of Operations

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

	Ordinary Revenues	% change	Ordinary Profit	% change	Profit Attributable to Owners of Parent	% change
Six months ended September 30, 2019	¥1,088,979 million	(1.0)	¥67,702 million	(20.6)	¥36,240 million	(20.4)
Six months ended September 30, 2018	¥1,100,377 million	19.5	¥85,214 million	2.0	¥45,509 million	3.2

Note: Comprehensive income was ¥98,152 million [79.4 %] for the six months ended September 30, 2019, and ¥54,718 million [(54.7) %] for the six months ended September 30, 2018.

	Net Income per Share	Net Income per Share (Fully Diluted)
Six months ended September 30, 2019	¥59.90	¥58.70
Six months ended September 30, 2018	¥73.74	¥72.29

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of September 30, 2019	¥16,117,463 million	¥1,231,680 million	7.6%
As of March 31, 2019	¥15,794,711 million	¥1,159,588 million	7.3%

Reference: Equity was ¥1,224,999 million as of September 30, 2019, and ¥1,153,115 million as of March 31, 2019.

2. Dividends

	Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Year ended March 31, 2019	-	¥20.00	-	¥22.00	¥42.00
Year ending March 31, 2020	-	¥22.00			
Year ending March 31, 2020 (Forecast)			-	¥22.00	¥44.00

Note: Revisions to previously announced dividend forecasts: None

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2020 (April 1, 2019 - March 31, 2020)

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

	Ordinary Revenues	Ordinary Profit	Profit Attributable to Owners of Parent	Net Income per Share
Year ending March 31, 2020	¥2,110,000 million (1.4)%	¥122,000 million (17.0)%	¥64,000 million (12.1)%	¥104.58

Note: Revisions to previously announced financial forecasts: None

4. Notes

- (1) Changes in Significant Subsidiaries During the Consolidated Cumulative Quarter : None
- (2) Changes in Accounting Policies, Accounting Estimates and Restatement of Corrections
 - 1. Changes in accounting policies due to the revision of accounting standards and other regulations: None
 - 2. Changes in accounting policies other than 1. above: None
 - 3. Changes in accounting estimates: None
 - 4. Restatement of corrections: None

- (3) Number of Outstanding Shares (Common Stock)
 - 1. Number of outstanding shares including treasury shares at the end of the period:
 - As of September 30, 2019: 655,000,000
 - As of March 31, 2019: 655,000,000
 - 2. Number of treasury shares at the end of the period:
 - As of September 30, 2019: 54,310,272
 - As of March 31, 2019: 43,041,691
 - 3. Average number of outstanding shares during the period:
 - For the six months ended September 30, 2019: 605,022,767
 - For the six months ended September 30, 2018: 617,193,099

Note: Regarding the company's shares remaining in BIP (Board Incentive Plan) Trust which were recorded as treasury shares in shareholders' equity, 802,800 shares were included in the number of treasury shares as of September 30, 2019 (827,900 shares as of March 31, 2019), and 812,007 shares were deducted from the average number of outstanding shares for the six months ended September 30, 2019 (127,407 shares for the six months ended September 30, 2018).

* This "FINANCIAL SUMMARY" (Interim "TANSHIN") is not subject to the interim review.

* Explanation for the proper use of earnings forecasts and other special remarks.

Forward-looking statements made in this document, including earnings forecasts, are based on current obtained information and certain assumptions which are deemed rational by the Company. The Company offers no assurance that these statements will be realized. Actual results may differ substantially due to various factors.

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*Supplementary materials for financial statements are available on T&D Holdings' website.

1. Unaudited Consolidated Financial Statements and Main Notes

(1) Unaudited Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2019	As of September 30, 2019
Assets:		
Cash and deposits	824,241	768,315
Call loans	1,037	764
Monetary claims purchased	126,905	125,927
Monetary trusts	765,481	849,961
Securities	11,735,384	12,069,223
Loans	1,669,989	1,668,749
Tangible fixed assets	369,465	369,616
Intangible fixed assets	28,467	29,133
Due from agencies	691	596
Due from reinsurers	2,271	6,551
Other assets	217,452	199,183
Deferred tax assets	54,925	31,240
Reserve for possible loan losses	(1,599)	(1,798)
Total assets	15,794,711	16,117,463
Liabilities:		
Policy reserves	13,859,097	14,081,435
Reserve for outstanding claims	69,554	69,482
Policy reserve	13,706,879	13,932,583
Reserve for policyholder dividends	82,663	79,370
Due to agencies	408	1,537
Due to reinsurers	1,432	1,562
Short-term debentures	6,000	6,000
Bonds	117,035	117,020
Other liabilities	359,214	386,593
Provision for bonuses to directors and audit & supervisory board members	273	146
Provision for share-based remuneration	336	633
Net defined benefit liability	51,038	47,443
Provision for retirement benefits to directors and audit & supervisory board members	65	48
Reserves under the special laws	235,098	238,947
Reserve for price fluctuations	235,098	238,947
Deferred tax liabilities	15	60
Deferred tax liabilities on land revaluation	5,106	4,354
Total liabilities	14,635,123	14,885,783
Net assets:		
Capital stock	207,111	207,111
Capital surplus	156,740	156,679
Retained earnings	564,944	588,008
Treasury shares	(64,863)	(77,564)
Total shareholders' equity	863,933	874,235
Valuation difference on available-for-sale securities	328,020	389,203
Deferred gains (losses) on hedging instruments	(2,987)	(2,911)
Land revaluation	(35,869)	(35,540)
Foreign currency translation adjustments	18	12
Total accumulated other comprehensive income	289,181	350,764
Subscription rights to shares	1,081	876
Non-controlling interests	5,391	5,803
Total net assets	1,159,588	1,231,680
Total liabilities and net assets	15,794,711	16,117,463

(2) Unaudited Consolidated Statement of Operation and Unaudited Consolidated Statement of Comprehensive Income

Unaudited Consolidated Statement of Operation

	(Millions of yen)	
	Six months ended September 30, 2018	Six months ended September 30, 2019
Ordinary revenues	1,100,377	1,088,979
Income from insurance premiums	854,543	875,250
Investment income	213,465	179,289
Interest, dividends and income from real estate for rent	151,764	152,927
Gains from monetary trusts, net	9,827	-
Gains on investments in trading securities, net	181	-
Gains on sales of securities	44,634	24,477
Gains on redemption of securities	1,168	-
Foreign exchange gains, net	1,570	-
Reversal of reserve for possible loan losses	0	-
Other investment income	1,282	1,280
Gains on separate accounts, net	3,035	603
Other ordinary income	32,368	34,398
Equity in earnings of affiliates	-	40
Ordinary expenses	1,015,163	1,021,277
Insurance claims and other payments	577,174	585,355
Insurance claims	170,764	180,264
Annuity payments	137,469	135,311
Insurance benefits	70,895	72,005
Surrender payments	167,464	167,113
Other payments	30,580	30,660
Provision for policy and other reserves	253,683	225,712
Provision for reserve for outstanding claims	2,846	-
Provision for policy reserve	250,828	225,703
Interest portion of reserve for policyholder dividends	9	8
Investment expenses	51,383	69,969
Interest expenses	444	456
Losses from monetary trusts, net	-	11,911
Losses on investments in trading securities, net	-	151
Losses on sales of securities	8,761	6,163
Devaluation losses on securities	1,714	4,395
Losses from derivatives, net	28,698	28,587
Foreign exchange losses, net	-	7,761
Provision for reserve for possible loan losses	-	200
Write-off of loans	4	5
Depreciation of real estate for rent	3,094	3,041
Other investment expenses	8,665	7,295
Operating expenses	100,850	107,221
Other ordinary expenses	32,020	33,018
Equity in losses of affiliates	50	-
Ordinary profit	85,214	67,702

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Extraordinary gains	95	383
Gains on disposal of fixed assets	90	368
State subsidy	4	15
Extraordinary losses	8,591	4,461
Losses on disposal of fixed assets	141	240
Impairment losses	685	356
Provision of reserve for price fluctuations	7,653	3,849
Other extraordinary losses	111	15
Provision of reserve for policyholder dividends	13,083	12,534
Income before income taxes	63,633	51,089
Income taxes (current)	19,612	16,041
Income taxes (deferred)	(1,526)	(1,209)
Total income taxes	18,085	14,831
Profit	45,547	36,258
Profit attributable to non-controlling interests	37	17
Profit attributable to owners of parent	45,509	36,240

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Profit	45,547	36,258
Other comprehensive income:		
Valuation difference on available-for-sale securities	9,038	61,188
Deferred gains (losses) on hedging instruments	124	76
Land revaluation	-	634
Foreign currency translation adjustments	(0)	(0)
Share of other comprehensive income of associates accounted for using the equity method	8	(5)
Total other comprehensive income:	9,170	61,894
Comprehensive income	54,718	98,152
(Breakdown)		
Comprehensive income attributable to owners of parent	54,691	98,127
Comprehensive income attributable to non-controlling interests	26	24

(3) Unaudited Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2018	(Millions of yen)					
	Stockholders' equity					Accumulated other comprehensive income
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total stockholders' equity	Valuation difference on available-for-sale securities
Balance at the beginning of the period	207,111	156,785	516,585	(46,703)	833,779	353,590
Changes in the period						
Dividends			(12,443)		(12,443)	
Profit attributable to owners of parent			45,509		45,509	
Purchase of treasury shares				(18,340)	(18,340)	
Disposal of treasury shares		(45)		180	135	
Reversal of land revaluation			(151)		(151)	
Net changes of items other than stockholders' equity						9,048
Total changes in the period	-	(45)	32,914	(18,159)	14,709	9,048
Balance at the end of the period	207,111	156,740	549,500	(64,863)	848,488	362,639

Six months ended September 30, 2018	(Millions of yen)					
	Accumulated other comprehensive income					Total net assets
	Land revaluation	Foreign currency translation adjustments	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	
Balance at the beginning of the period	(35,637)	11	313,645	1,216	4,395	1,153,036
Changes in the period						
Dividends						(12,443)
Profit attributable to owners of parent						45,509
Purchase of treasury shares						(18,340)
Disposal of treasury shares						135
Reversal of land revaluation						(151)
Net changes of items other than stockholders' equity	151	8	9,333	(135)	506	9,704
Total changes in the period	151	8	9,333	(135)	506	24,414
Balance at the end of the period	(35,485)	20	322,978	1,081	4,901	1,177,450

Six months ended September 30, 2019						(Millions of yen)	
	Stockholders' equity					Accumulated other comprehensive income	
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total stockholders' equity	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedging instruments
Balance at the beginning of the period	207,111	156,740	564,944	(64,863)	863,933	328,020	(2,987)
Changes in the period							
Dividends			(13,481)		(13,481)		
Profit attributable to owners of parent			36,240		36,240		
Purchase of treasury shares				(13,007)	(13,007)		
Disposal of treasury shares		(60)		306	245		
Reversal of land revaluation			304		304		
Net changes of items other than stockholders' equity						61,182	76
Total changes in the period	-	(60)	23,064	(12,700)	10,302	61,182	76
Balance at the end of the period	207,111	156,679	588,008	(77,564)	874,235	389,203	(2,911)

Six months ended September 30, 2019							(Millions of yen)
	Accumulated other comprehensive income						
	Land revaluation	Foreign currency translation adjustments	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	Total net assets	
Balance at the beginning of the period	(35,869)	18	289,181	1,081	5,391	1,159,588	
Changes in the period							
Dividends							(13,481)
Profit attributable to owners of parent							36,240
Purchase of treasury shares							(13,007)
Disposal of treasury shares							245
Reversal of land revaluation							304
Net changes of items other than stockholders' equity	329	(6)	61,582	(204)	412	61,789	
Total changes in the period	329	(6)	61,582	(204)	412	72,091	
Balance at the end of the period	(35,540)	12	350,764	876	5,803	1,231,680	

(4) Notes on Unaudited Consolidated Financial Statements

[Notes on Going-Concern Assumption]

Not applicable.

[Significant Subsequent Events]

The Company, at its board of directors meeting held on November 14, 2019, resolved the retirement of treasury shares pursuant to Article 178 of the Companies Act of Japan.

- (1) Type of shares to be retired : Common stock
- (2) Total number of shares to be retired : 22,000,000 shares (3.36% of total shares outstanding before retirement)
- (3) Scheduled date to be retired : November 29, 2019
- (4) Total number of outstanding shares after retirement : 633,000,000 shares