

FINANCIAL SUMMARY

(For the six months ended September 30, 2018)

<under Japanese GAAP>

November 14, 2018

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, 2018
 Projected Starting Date of Dividend Distribution: December 7, 2018
 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, 2018 (April 1, 2018 - September 30, 2018)

(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, 2018	¥1,100,377 million	19.5	¥85,214 million	2.0	¥45,509 million	3.2
Six months ended September 30, 2017	¥921,014 million	(3.6)	¥83,564 million	(7.9)	¥44,100 million	(8.5)

Note: Comprehensive income was ¥54,718 [(54.7)%] for the six months ended September 30, 2018, and ¥120,701 million [- %] for the six months ended September 30, 2017.

	Net Income per Share	Net Income per Share (Fully Diluted)
Six months ended September 30, 2018	¥73.74	¥72.29
Six months ended September 30, 2017	¥70.37	¥69.01

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of September 30, 2018	¥15,602,002 million	¥1,177,450 million	7.5%
As of March 31, 2018	¥15,262,398 million	¥1,153,036 million	7.5%

Reference: Equity was ¥1,171,467 million as of September 30, 2018, and ¥1,147,424 million as of March 31, 2018.

2. Dividends

	Annual Dividends				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Year Ended March 31, 2018	-	¥17.50	-	¥20.00	¥37.50
Year ending March 31, 2019	-	¥20.00			
Year ending March 31, 2019 (Forecast)			-	¥20.00	¥40.00

Note: Revisions to previously announced dividend forecasts: None

3. Consolidated Forecasts for the Year Ending March 31, 2019 (April 1, 2018 - March 31, 2019)

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, 2019	¥2,130,000 million 10.5%	¥156,000 million (0.3)%	¥79,000 million 1.8%	¥126.97

Note: Revisions to previously announced financial forecasts: None

4. Notes

- (1) Changes in Consolidated Subsidiaries (Change in Scope of Consolidation): 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, 2018: 655,000,000
 - As of March 31, 2018: 655,000,000
 - 2. Number of treasury shares at the end of the period:
 - As of September 30, 2018: 43,041,551
 - As of March 31, 2018: 32,802,460
 - 3. Average number of outstanding shares during the period:
 - For the six months ended September 30, 2018: 617,193,099
 - For the six months ended September 30, 2017: 626,730,643
- Note: Regarding the company's shares remaining in BIP (Board Incentive Plan) Trust which were recorded as treasury shares in shareholders' equity, 832,700 shares were included in the number of treasury shares as of September 30, 2018, and 127,407 shares were deducted from the average number of outstanding 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, 2018	As of September 30, 2018
Assets:		
Cash and deposits	776,510	654,035
Call loans	10,539	597
Monetary claims purchased	117,578	116,878
Monetary trusts	685,819	723,338
Securities	11,377,032	11,818,980
Loans	1,648,600	1,658,774
Tangible fixed assets	363,245	367,442
Intangible fixed assets	26,862	28,287
Due from agencies	740	631
Due from reinsurers	3,136	2,840
Other assets	209,171	188,838
Deferred tax assets	44,753	42,947
Reserve for possible loan losses	(1,591)	(1,587)
Total assets	15,262,398	15,602,002
Liabilities:		
Policy reserves	13,395,725	13,645,052
Reserve for outstanding claims	67,749	70,595
Policy reserve	13,239,086	13,489,914
Reserve for policyholder dividends	88,889	84,542
Due to agencies	658	476
Due to reinsurers	1,539	1,673
Short-term debenture	6,000	6,000
Bonds	87,065	117,050
Other liabilities	342,252	372,861
Provision for bonuses to directors and audit & supervisory board members	276	138
Provision for stock grant	-	336
Net defined benefit liability	50,764	48,290
Provision for directors' and audit & supervisory board members' retirement benefits	56	57
Reserves under the special laws	219,695	227,348
Reserve for price fluctuations	219,695	227,348
Deferred tax liabilities	13	10
Deferred tax liabilities on land revaluation	5,316	5,256
Total liabilities	14,109,362	14,424,552
Net assets:		
Capital stock	207,111	207,111
Capital surplus	156,785	156,740
Retained earnings	516,585	549,500
Treasury shares	(46,703)	(64,863)
Total shareholders' equity	833,779	848,488
Valuation difference on available-for-sale securities	353,590	362,639
Deferred gains (losses) on hedging instruments	(4,320)	(4,195)
Land revaluation	(35,637)	(35,485)
Foreign currency translation adjustments	11	20
Total accumulated other comprehensive income	313,645	322,978
Subscription rights to shares	1,216	1,081
Non-controlling interests	4,395	4,901
Total net assets	1,153,036	1,177,450
Total liabilities and net assets	15,262,398	15,602,002

(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, 2017	Six months ended September 30, 2018
Ordinary revenues	921,014	1,100,377
Income from insurance premiums	690,263	854,543
Investment income	194,541	213,465
Interest, dividends and income from real estate for rent	140,588	151,764
Gains from monetary trusts, net	12,070	9,827
Gains on investments in trading securities, net	73	181
Gains on sales of securities	35,189	44,634
Gains on redemption of securities	-	1,168
Foreign exchange gains, net	302	1570
Reversal of reserve for possible loan losses	75	0
Other investment income	1,531	1,282
Gains on separate accounts, net	4,710	3,035
Other ordinary income	36,148	32,368
Equity in earnings of affiliates	61	-
Ordinary expenses	837,450	1,015,163
Insurance claims and other payments	580,703	577,174
Insurance claims	173,344	170,764
Annuity payments	142,590	137,469
Insurance benefits	71,228	70,895
Surrender payments	167,744	167,464
Other payments	25,795	30,580
Provision for policy and other reserves	79,563	253,683
Provision of outstanding claims	-	2,846
Provision for policy reserve	79,553	250,828
Interest portion of reserve for policyholder dividends	9	9
Investment expenses	43,279	51,383
Interest expenses	278	444
Losses on sales of securities	9,487	8,761
Devaluation losses on securities	3,726	1,714
Losses from derivatives, net	20,635	28,698
Write-off of loans	-	4
Depreciation of real estate for rent	2,297	3,094
Other investment expenses	6,854	8,665
Operating expenses	102,181	100,850
Other ordinary expenses	31,722	32,020
Equity in losses of affiliates	-	50
Ordinary profit	83,564	85,214

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Extraordinary gains	10	95
Gains on disposal of fixed assets	6	90
State subsidy	4	4
Extraordinary losses	7,463	8,591
Losses on disposal of fixed assets	45	141
Impairment losses	142	685
Provision for reserve for price fluctuations	7,271	7,653
Other extraordinary losses	4	111
Provision for reserve for policyholder dividends	13,789	13,083
Income before income taxes	62,321	63,633
Income taxes (current)	17,633	19,612
Income taxes (deferred)	571	(1,526)
Total income taxes	18,204	18,085
Profit	44,116	45,547
Profit attributable to non-controlling interests	16	37
Profit attributable to owners of parent	44,100	45,509

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Profit	44,116	45,547
Other comprehensive income:		
Valuation difference on available-for-sale securities	76,438	9,038
Deferred gains (losses) on hedging instruments	150	124
Foreign currency translation adjustments	(0)	(0)
Share of other comprehensive income of associates accounted for using the equity method	(4)	8
Total other comprehensive income:	76,584	9,170
Comprehensive income	120,701	54,718
(Breakdown)		
Comprehensive income attributable to owners of parent	120,682	54,691
Comprehensive income attributable to non-controlling interests	19	26

(3) Unaudited Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2017						(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 year	207,111	194,522	460,683	(67,763)	794,554	338,842	(5,203)
Changes in the period							
Dividends			(11,069)		(11,069)		
Profit attributable to owners of parent			44,100		44,100		
Purchase of treasury shares				(17,008)	(17,008)		
Disposal of treasury shares		(104)		368	264		
Cancellation of treasury shares		(37,700)		37,700	-		
Change in ownership interest of parent due to transactions with non-controlling interests		70			70		
Reversal of land revaluation			50		50		
Net changes of items other than stockholders' equity						76,435	150
Total changes in the period		(37,734)	33,081	21,059	16,406	76,435	150
Balance at the end of the year	207,111	156,787	493,764	(46,703)	810,960	415,277	(5,052)

Six months ended September 30, 2017							(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 year	(35,354)	17	298,302	1,178	2,737	1,096,772	
Changes in the period							
Dividends							(11,069)
Profit attributable to owners of parent							44,100
Purchase of treasury shares							(17,008)
Disposal of treasury shares							264
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							70
Reversal of land revaluation							50
Net changes of items other than stockholders' equity	(50)	(3)	76,531	45	747	77,325	
Total changes in the period	(50)	(3)	76,531	45	747	93,731	
Balance at the end of the year	(35,404)	13	374,834	1,223	3,485	1,190,504	

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	Deferred gains (losses) on hedging instruments
Balance at the beginning of the year	207,111	156,785	516,585	(46,703)	833,779	353,590	(4,320)
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	124
Total changes in the period		(45)	32,914	(18,159)	14,709	9,048	124
Balance at the end of the year	207,111	156,740	549,500	(64,863)	848,488	362,639	(4,195)

Six months ended September 30, 2018	(Millions of yen)					
	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Land revaluation	Foreign currency translation adjustments	Total accumulated other comprehensive income			
Balance at the beginning of the year	(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 year	(35,485)	20	322,978	1,081	4,901	1,177,450

(4) Notes on Unaudited Consolidated Financial Statements

[Notes on Going-Concern Assumption]

Not applicable.