

FINANCIAL SUMMARY

(For the three months ended June 30, 2019)

<under Japanese GAAP>

August 9, 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: August 9, 2019
 Projected Starting Date of Dividend Distribution: -
 Supplemental Information for Quarterly Financial Statements: Available
 Holding of Quarterly Financial Results Meeting: Yes (for institutional investors and analysts) IR Conference Call

1. Consolidated Operating Results for the Three Months Ended June 30, 2019 (April 1, 2019 - June 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
Three months ended June 30, 2019	¥512,344 million	(6.5)	¥29,962 million	(19.6)	¥15,679 million	(19.6)
Three months ended June 30, 2018	¥547,732 million	19.8	¥37,273 million	(0.7)	¥19,499 million	0.2

Note: Comprehensive income was ¥29,368 million [104.1 %] for the three months ended June 30, 2019, and ¥14,386 million [(80.1) %] for the three months ended June 30, 2018.

	Net Income per Share	Net Income per Share (Fully Diluted)
Three months ended June 30, 2019	¥25.73	¥25.21
Three months ended June 30, 2018	¥31.35	¥30.74

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of June 30, 2019	¥15,898,040 million	¥1,162,929 million	7.3%
As of March 31, 2019	¥15,794,711 million	¥1,159,588 million	7.3%

Reference: Equity was ¥1,156,189 million as of June 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	-				
Year ending March 31, 2020 (Forecast)		¥22.00	-	¥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) Adoption of Special Accounting Method for the Quarterly Consolidated Financial Reporting: None
- (3) 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
- (4) Number of Outstanding Shares (Common Stock)
 - 1. Number of outstanding shares including treasury shares at the end of the period:
 - As of June 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 June 30, 2019: 54,317,292
 - As of March 31, 2019: 43,041,691
 - 3. Average number of outstanding shares during the period:
 - For the three months ended June 30, 2019: 609,403,631
 - For the three months ended June 30, 2018: 621,898,474

Note: Regarding the company's shares remaining in BIP (Board Incentive Plan) Trust which were recorded as treasury shares in shareholders' equity, 813,200 shares were included in the number of treasury shares as of June 30, 2019, and 819,373 shares were deducted from the average number of outstanding shares for the three months ended June 30, 2019.

* This "FINANCIAL SUMMARY" (Quarterly "TANSHIN") is not subject to the quarterly 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

(1) Unaudited Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets:		
Cash and deposits	824,241	919,430
Call loans	1,037	743
Monetary claims purchased	126,905	129,033
Monetary trusts	765,481	772,865
Securities	11,735,384	11,760,204
Loans	1,669,989	1,653,002
Tangible fixed assets	369,465	367,343
Intangible fixed assets	28,467	28,545
Due from agencies	691	654
Due from reinsurers	2,271	2,519
Other assets	217,452	216,282
Deferred tax assets	54,925	49,085
Reserve for possible loan losses	(1,599)	(1,668)
Total assets	15,794,711	15,898,040
Liabilities:		
Policy reserves	13,859,097	13,917,190
Reserve for outstanding claims	69,554	68,700
Policy reserve	13,706,879	13,768,276
Reserve for policyholder dividends	82,663	80,213
Due to agencies	408	364
Due to reinsurers	1,432	1,474
Short-term debentures	6,000	5,999
Bonds	117,035	117,027
Other liabilities	359,214	399,100
Provision for bonuses to directors and audit & supervisory board members	273	72
Provision for stock grant	336	313
Net defined benefit liability	51,038	51,446
Provision for directors' and audit & supervisory board members' retirement benefits	65	49
Reserves under the special laws	235,098	236,954
Reserve for price fluctuations	235,098	236,954
Deferred tax liabilities	15	17
Deferred tax liabilities on land revaluation	5,106	5,100
Total liabilities	14,635,123	14,735,110
Net assets:		
Capital stock	207,111	207,111
Capital surplus	156,740	156,679
Retained earnings	564,944	567,159
Treasury shares	(64,863)	(77,577)
Total shareholders' equity	863,933	853,374
Valuation difference on available-for-sale securities	328,020	341,634
Deferred gains (losses) on hedging instruments	(2,987)	(2,949)
Land revaluation	(35,869)	(35,886)
Foreign currency translation adjustment	18	16
Total accumulated other comprehensive income	289,181	302,815
Subscription rights to shares	1,081	876
Non-controlling interests	5,391	5,863
Total net assets	1,159,588	1,162,929
Total liabilities and net assets	15,794,711	15,898,040

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

Unaudited Consolidated Statement of Operation

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Ordinary revenues	547,732	512,344
Income from insurance premiums and other	429,946	406,792
Investment income	99,731	86,113
Interest, dividends and income from real estate for rent	70,041	71,254
Gains from monetary trusts, net	3,412	-
Gains on investment in trading securities, net	111	-
Gains on sales of securities	23,170	14,201
Gains on redemption of securities	1,168	-
Foreign exchange gains, net	344	-
Reversal of reserve for possible loan losses	14	-
Other investment income	629	658
Gains on separate accounts, net	838	-
Other ordinary income	18,054	19,426
Equity in earnings of affiliates	-	10
Ordinary expenses	510,458	482,381
Insurance claims and other payments	322,248	313,021
Insurance claims	103,446	98,531
Annuity payments	75,104	73,375
Insurance benefits	39,208	38,556
Surrender payments	85,456	83,473
Other payments	19,032	19,084
Provision for policy and other reserves	94,998	61,401
Provision for policy reserve	94,993	61,397
Interest portion of reserve for policyholder dividends	4	4
Investment expenses	26,318	38,555
Interest expenses	303	227
Losses from monetary trusts, net	-	8,527
Losses on investment in trading securities, net	-	147
Losses on sales of securities	6,382	1,707
Devaluation losses on securities	1,013	1,794
Losses from derivatives, net	13,418	16,201
Foreign exchange losses, net	-	4,807
Provision for reserve for possible loan losses	-	69
Write-off of loans	1	4
Depreciation of real estate for rent	1,545	1,506
Other investment expenses	3,653	3,527
Losses on separate accounts, net	-	34
Operating expenses	50,738	52,707
Other ordinary expenses	16,075	16,695
Equity in losses of affiliates	78	-
Ordinary profit	37,273	29,962

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Extraordinary gains	22	0
Gains on disposal of fixed assets	22	-
State subsidy	0	0
Extraordinary losses	3,845	2,024
Losses on disposal of fixed assets	37	120
Impairment losses	39	47
Provision for reserve for price fluctuations	3,767	1,855
Other extraordinary losses	0	0
Provision for reserve for policyholder dividends	5,960	6,113
Income before income taxes	27,490	21,824
Income taxes (current)	9,065	7,020
Income taxes (deferred)	(1,115)	(914)
Total income taxes	7,949	6,105
Profit	19,540	15,719
Profit attributable to non-controlling interests	41	39
Profit attributable to owners of parent	19,499	15,679

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	19,540	15,719
Other comprehensive income:		
Valuation difference on available-for-sale securities	(5,216)	13,613
Deferred gains (losses) on hedging instruments	62	38
Foreign currency translation adjustments	(0)	(0)
Share of other comprehensive income of associates accounted for using the equity method	0	(2)
Total other comprehensive income	(5,153)	13,649
Comprehensive income	14,386	29,368
(Breakdown)		
Comprehensive income attributable to owners of parent	14,345	29,329
Comprehensive income attributable to non-controlling interests	41	38

(3) Notes on Unaudited Consolidated Financial Statements

[Notes on Going-Concern Assumption]

Not applicable.

[Notes on Material Changes in Shareholders' Equity]

Not applicable.