

FINANCIAL SUMMARY

(For the six months ended September 30, 2015)

<under Japanese GAAP>

November 12, 2015

Name of Company: **T&D Holdings, Inc.**
 Stock Listings: Tokyo
 Security Code No.: 8795
 Head Office: Tokyo, Japan
 URL: <http://www.td-holdings.co.jp/en/>
 Projected Filing Date of Quarterly Securities Report: November 27, 2015
 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)

1. Consolidated Operating Results for the Six Months Ended September 30, 2015 (April 1, 2015 - September 30, 2015)

(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 term of the previous year.

	Ordinary Revenues	% change	Ordinary Profit	% change	Profit Attributable to Owners of Parent	% change
Six months ended September 30, 2015	¥1,031,940 million	(15.0)	¥95,565 million	3.1	¥48,404 million	(8.2)
Six months ended September 30, 2014	¥1,214,629 million	14.9	¥92,702 million	(1.4)	¥52,705 million	29.3

Note: Comprehensive income: ¥ (78,916) million (- %) for the six months ended September 30, 2015; ¥146,831 million (up 160.9%) for the six months ended September 30, 2014.

	Net Income per Share	Net Income per Share (Fully Diluted)
Six months ended September 30, 2015	¥73.52	¥72.64
Six months ended September 30, 2014	¥78.87	¥78.78

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of September 30, 2015	¥14,481,088 million	¥1,219,642 million	8.4%
As of March 31, 2015	¥14,664,705 million	¥1,344,950 million	9.1%

Note: Equity: as of September 30, 2015: ¥1,216,210 million; as of March 31, 2015: ¥1,341,738 million.

2. Dividends

	Dividends per Share				
	First Quarter-End	Second Quarter-End	Third Quarter-End	Year-End	Annual
Year ended March 31, 2015	-	-	-	¥25.00	¥25.00
Year ended March 31, 2016	-	-			
Year ended March 31, 2016 (Forecast)			-	¥25.00	¥25.00

Note: Revisions to previously announced dividend forecasts: None.

3. Consolidated Forecasts for the Year Ending March 31, 2016 (April 1, 2015 - March 31, 2016)

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

	Ordinary Revenues	Ordinary Profit	Profit Attributable to Owners of Parent	Net Income per Share
Year ending March 31, 2016	¥1,870,000 million (22.5)%	¥167,000 million (11.6)%	¥78,000 million (17.2)%	¥117.32

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: Applicable
 2. Other changes in accounting policies: 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 stock at the end of the term: as of September 30, 2015: 681,480,000
as of March 31, 2015: 681,480,000
 2. Number of treasury stock at the end of the term: as of September 30, 2015: 32,722,484
as of March 31, 2015: 16,632,735
 3. Average number of outstanding shares during the term: for the six months ended September 30, 2015: 658,354,842
for the six months ended September 30, 2014: 668,223,171

*Information regarding the implementation of interim audit procedure

This “FINANCIAL SUMMARY” (“Tanshin”) is not subject to the interim audit procedure by external auditors that are based on Financial Instruments and Exchange Act. The interim audit procedure has not yet finished at the point of releasing this financial summary.

The forecasts for the year ending March 31, 2016 reflect the Company's current analysis of existing information and trends. T&D Holdings offers no assurance that the forecasts will be realized. Actual results may differ from expectations based on risks and uncertainties that may affect the Company's businesses.

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2015

(1) Consolidated Results of Operation

For the six months ended September 30, 2015, ordinary revenues decreased ¥182.6 billion, or 15.0 percent from the level of the same term of the previous fiscal year, to ¥1,031.9 billion, which was a total of income from insurance premiums of ¥803.4 billion (down 19.5 percent), investment income of ¥189.0 billion (up 4.3 percent), other ordinary income of ¥39.4 billion (up 12.2 percent) and others.

Ordinary expenses decreased ¥185.5 billion, or 16.5 percent from the level of the same term of the previous fiscal year, to ¥936.3 billion, which was a total of insurance claims and other payments of ¥702.6 billion (down 2.5 percent), provision for policy and other reserves of ¥57.9 billion (down 75.6 percent), investment expenses of ¥42.6 billion (up 43.5 percent), operating expenses of ¥98.7 billion (down 0.8 percent), other ordinary expenses of ¥34.4 billion (down 1.2 percent) and others.

As a result, ordinary profit increased ¥2.8 billion, or 3.1 percent, to ¥95.5 billion.

After taking into account of extraordinary gains and losses, the provision for reserve for policyholder dividends, income taxes and others, profit attributable to owners of parent decreased ¥4.3 billion, or 8.2 percent from the level of the same term of the previous fiscal year to ¥48.4 billion.

(i) Ordinary Revenues

(Billions of yen)

	Six Months ended September 30, 2015	Six Months ended September 30, 2014	Increase (decrease)
Consolidated	1,031.9	1,214.6	(182.6)
Taiyo Life	455.6	560.2	(104.5)
Daido Life	469.6	476.4	(6.8)
T&D Financial Life	130.0	198.1	(68.0)

Note: Consolidated amount does not equal to the sum of three companies because the consolidated amount includes the ordinary revenues of its subsidiaries other than three companies as well as consolidation adjustments.

(ii) Ordinary Profit

(Billions of yen)

	Six Months ended September 30, 2015	Six Months ended September 30, 2014	Increase (decrease)
Consolidated	95.5	92.7	2.8
Taiyo Life	43.2	33.0	10.1
Daido Life	50.0	47.5	2.4
T&D Financial Life	2.0	11.3	(9.3)

Note: Consolidated amount does not equal to the sum of three companies because the consolidated amount includes the ordinary profit of its subsidiaries other than three companies as well as consolidation adjustments.

(iii) Profit Attributable to Owners of Parent

(Billions of yen)

	Six Months ended September 30, 2015	Six Months ended September 30, 2014	Increase (decrease)
Consolidated	48.4	52.7	(4.3)
Taiyo Life	17.1	16.5	0.5
Daido Life	39.2	28.0	11.2
T&D Financial Life	1.2	7.8	(6.6)

Note: 1. Consolidated amount does not equal to the sum of three companies because the consolidated amount includes the net income of its subsidiaries other than three companies as well as consolidation adjustments.

2. The amount of the three life insurance companies is net income.

(2) Consolidated Financial Position

Balance Sheet

As of September 30, 2015, total assets amounted to ¥14,481.0 billion (down 1.3 percent from March 31, 2015).

The main components of the total assets were securities of ¥10,640.7 billion (down 1.9 percent) which mainly consists of public and corporate bonds, loans of ¥1,821.9 billion (down 2.2 percent), monetary trusts of ¥480.2 billion (up 9.7 percent), cash and deposits of ¥358.6 billion (up 7.3 percent), and monetary claims purchased of ¥336.1 billion (down 1.1 percent).

Total liabilities were ¥13,261.4 billion (down 0.4 percent), and policy reserves accounting for a substantial portion of them were ¥12,754.0 billion (up 0.4 percent).

Total net assets were ¥1,219.6 billion (down 9.3 percent), of which net unrealized gains on securities were ¥516.9 billion (down 20.4 percent).

As of September 30, 2015, consolidated solvency margin ratio was 1,140.2 percent (1,220.7 percent at the end of the previous fiscal year). The value of consolidated adjusted net assets was ¥2,481.1 billion (¥2,645.5 billion at the end of the previous fiscal year).

(3) Consolidated Forecasts for the Year Ending March 31, 2016 (April 1, 2015 - March 31, 2016)

The consolidated forecasts for the fiscal year ending March 31, 2016 have not been changed from those announced on May 14, 2015.

2. Summary Information (Notes)

(1) Changes in Consolidated Subsidiaries (Changes in Scope of Consolidation)

None

(2) Changes in Accounting Policies, Accounting Estimates and Restatement of Corrections

(Changes in accounting policies)

From this interim consolidated accounting period, T&D Holdings, Inc. (the “Company”) has applied accounting standards such as “Revised Accounting Standard for Business Combinations” (ASBJ Statement No. 21, September 13, 2013, hereafter “Business Combinations Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013, hereafter “Consolidation Accounting Standard”), and “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013, hereafter “Business Divestitures Accounting Standard”), recording as capital surplus the variance on changes in equity interests in subsidiaries where the Company retains control, and changing the method for recording acquisition-related expenses as expenses for the consolidated fiscal year.

Also, for business combinations conducted from this interim consolidated accounting period, the Company has changed to a method to reflect the revisions to the allocated amount of acquisition cost determined by provisional accounting treatment in the consolidated financial statements for the interim consolidated accounting period of the date of the business combination. In addition, the Company has made changes to the presentation of account titles such as net income, and changed the presentation of minority interests to profit attributable to non-controlling interests. The consolidated financial statements for the previous interim consolidated accounting period and previous fiscal year have been reclassified to reflect the subject changes in presentation.

Regarding the Consolidated Statement of Cash Flows for this interim consolidated accounting period, the method has been changed so that the cash flow related to the acquisition or sales of shares in subsidiaries not accompanied by a change in the scope of consolidation is presented in the “Cash flows from financial activities” segment, and cash flows pertaining to expenses related to the acquisition of the shares in subsidiaries accompanied by a change in the scope of consolidation, or the expenses incurred in relation to the acquisition or sales of shares in subsidiaries not accompanied by a change in the scope of consolidation, are presented in the “Cash flow from operating activities” segment.

For the application of the Business Combinations Accounting Standard and other standards, the Company follows the transitional treatment prescribed by Article 58-2 (4) of the Business Combinations Accounting Standard, Article 44-5 (4) of the Consolidation Accounting Standard, and Article 57-4 (4) of the Business Divestitures Accounting Standard, applying such from the

beginning of the first quarter period of the subject fiscal year and going forward.
For this interim consolidated accounting period, there is no effect on the interim consolidated financial statements as a result of these changes.

2. Unaudited Consolidated Financial Statements

(1) Unaudited Consolidated Balance Sheet

	(Millions of yen)	
	As of March 31, 2015	As of September 30, 2015
Assets:		
Cash and deposits	334,191	358,697
Call loans	329,876	318,390
Monetary claims purchased	339,927	336,198
Monetary trusts	437,622	480,230
Securities	10,847,399	10,640,761
Loans	1,863,837	1,821,951
Tangible fixed assets	301,158	307,879
Intangible fixed assets	21,068	22,479
Due from agencies	746	666
Due from reinsurers	405	572
Other assets	190,196	194,869
Deferred tax assets	501	503
Reserve for possible loan losses	(2,225)	(2,110)
Total assets	14,664,705	14,481,088
Liabilities:		
Policy reserves	12,707,957	12,754,058
Reserve for outstanding claims	73,102	64,201
Policy reserve	12,524,934	12,582,863
Reserve for policyholder dividends	109,920	106,993
Due to agencies	1,009	635
Due to reinsurers	554	758
Short-term debenture	2,999	2,999
Bonds	51,100	50,140
Other liabilities	248,940	192,029
Reserve for bonus to directors and audit & supervisory board members	243	152
Net defined benefit liability	50,271	48,753
Reserve for directors' and audit & supervisory board members' retirement benefits	67	69
Reserve for price fluctuations	155,190	165,405
Deferred tax liabilities	95,824	40,849
Deferred tax liabilities on land revaluation	5,598	5,594
Total liabilities	13,319,755	13,261,446
Net assets:		
Common stock		
Authorized - 1,932,000,000 shares		
Issued - 681,480,000 shares	207,111	207,111
Capital surplus	194,586	194,550
Retained earnings	366,747	398,373
Treasury stock	(19,008)	(48,876)
Total stockholders' equity	749,436	751,159
Net unrealized gains (losses) on securities	649,716	516,915
Deferred gains (losses) on hedging instruments	(13,741)	(8,350)
Land revaluation	(43,694)	(43,536)
Foreign currency translation adjustments	21	22
Total accumulated other comprehensive income	592,301	465,051
Subscription rights to shares	746	930
Minority interests	2,465	2,501
Total net assets	1,344,950	1,219,642
Total liabilities and net assets	14,664,705	14,481,088

(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, 2014	Six months ended September 30, 2015
Ordinary revenues	1,214,629	1,031,940
Income from insurance premiums	998,324	803,475
Investment income	181,128	189,002
Interest, dividends and income from real estate for rent	144,086	148,008
Gains from monetary trusts, net	-	1,889
Gains on investment in trading securities, net	8,130	-
Gains on sales of securities	10,565	35,868
Gains on redemption of securities	-	1,965
Reversal of reserve for possible loan losses	128	113
Other investment income	2,554	1,157
Gains on separate accounts, net	15,664	-
Other ordinary income	35,153	39,431
Equity in net income of affiliated companies	22	30
Ordinary expenses	1,121,927	936,374
Insurance claims and other payments	720,504	702,605
Insurance claims	192,075	210,015
Annuity payments	234,009	182,797
Insurance benefits	86,519	81,283
Surrender payments	177,228	188,818
Other payments	30,671	39,690
Provision for policy and other reserves	237,398	57,965
Provision for policy reserve	237,342	57,928
Interest portion of reserve for policyholder dividends	55	37
Investment expenses	29,730	42,670
Interest expenses	1,144	608
Losses from monetary trusts, net	1,291	-
Losses on investment in trading securities, net	-	985
Losses on sales of securities	3,157	5,268
Devaluation losses on securities	267	846
Losses from derivatives, net	14,460	20,318
Foreign exchange losses, net	155	48
Write-off of loans	26	5
Depreciation of real estate for rent	2,466	2,406
Other investment expenses	6,762	6,616
Losses on separate accounts, net	-	5,565
Operating expenses	99,449	98,701
Other ordinary expenses	34,844	34,432
Ordinary profit	92,702	95,565

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Extraordinary gains	135	72
Gains on disposal of fixed assets	15	3
State subsidy	16	68
Compensation for transfer	102	-
Extraordinary losses	2,839	11,099
Losses on disposal of fixed assets	83	464
Impairment losses	276	146
Provision for reserve for price fluctuations	2,463	10,214
Head office transfer cost	-	206
Other extraordinary losses	16	67
Provision for reserve for policyholder dividends	15,923	16,929
Income before income taxes	74,073	67,608
Income taxes:		
Current	21,706	23,623
Deferred	(412)	(4,506)
Total income taxes	21,294	19,116
Profit	52,779	48,492
Profit attributable to non-controlling interests	74	87
Profit attributable to owners of parent	52,705	48,404

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	52,779	48,492
Other comprehensive income	94,051	(127,408)
Net unrealized gains (losses) on securities	96,544	(132,797)
Deferred gains (losses) on hedging instruments	(2,485)	5,391
Foreign currency translation adjustments	(0)	0
Share of other comprehensive income of associates accounted for using the equity method	(6)	(2)
Comprehensive income	146,831	(78,916)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	146,755	(79,003)
Comprehensive income attributable to non-controlling interests	76	86

(3) Unaudited Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2014	(Millions of yen)					Accumulated other comprehensive income	
	Stockholders' equity					Net unrealized gains on securities	Deferred gains(losses) on hedging instruments
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity		
Balance at the beginning of the year	207,111	194,595	290,861	(9,049)	683,519	387,773	(8,263)
Changes in the period							
Dividends			(16,806)		(16,806)		
Profit attributable to owners of parent			52,705		52,705		
Acquisition of treasury stock				(10,005)	(10,005)		
Disposal of treasury stock		(9)		51	41		
Reversal of land revaluation			(251)		(251)		
Net changes of items other than stockholders' equity						96,540	(2,485)
Total changes in the period		(9)	35,646	(9,954)	25,682	96,540	(2,485)
Balance at the end of the year	207,111	194,586	326,508	(19,004)	709,202	484,313	(10,749)

Six months ended September 30, 2014	(Millions of yen)					
	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Land revaluation	Foreign currency translation adjustments	Total accumulated other comprehensive income			
Balance at the beginning of the year	(45,586)	6	333,929	523	2,352	1,020,324
Changes in the period						
Dividends						(16,806)
Profit attributable to owners of parent						52,705
Acquisition of treasury stock						(10,005)
Disposal of treasury stock						41
Reversal of land revaluation						(251)
Net changes of items other than stockholders' equity	251	(4)	94,301	225	24	94,551
Total changes in the period	251	(4)	94,301	225	24	120,234
Balance at the end of the year	(45,335)	2	428,230	749	2,377	1,140,559

(Millions of yen)

Six months ended September 30, 2015	Stockholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity	Net unrealized gains on securities	Deferred gains(losses) on hedging instruments
Balance at the beginning of the year	207,111	194,586	366,747	(19,008)	749,436	649,716	(13,741)
Changes in the period							
Dividends			(16,621)		(16,621)		
Profit attributable to owners of parent			48,404		48,404		
Acquisition of treasury stock				(30,010)	(30,010)		
Disposal of treasury stock		(35)		143	107		
Reversal of land revaluation			(157)		(157)		
Net changes of items other than stockholders' equity						(132,800)	5,391
Total changes in the period		(35)	31,626	(29,867)	1,722	(132,800)	5,391
Balance at the end of the year	207,111	194,550	398,373	(48,876)	751,159	516,915	(8,350)

(Millions of yen)

Six months ended September 30, 2015	Accumulated other comprehensive income						Total net assets
	Land revaluation	Foreign currency translation adjustments	Total accumulated other comprehensive income	Subscription rights to shares	Minority interests		
Balance at the beginning of the year	(43,694)	21	592,301	746	2,465		1,344,950
Changes in the period							
Dividends							(16,621)
Profit attributable to owners of parent							48,404
Acquisition of treasury stock							(30,010)
Disposal of treasury stock							107
Reversal of land revaluation							(157)
Net changes of items other than stockholders' equity	157	1	(127,250)	184	35		(127,030)
Total changes in the period	157	1	(127,250)	184	35		(125,307)
Balance at the end of the year	(43,536)	22	465,051	930	2,501		1,219,642

(4) Notes on Going-Concern Assumption

Not applicable.

3. Others

(Reference) Status of Insurance Claims Paying Ability (Consolidated Solvency Margin Ratio)

(Millions of yen)

Items	As of March 31, 2015	As of September 30, 2015
Total solvency margin (A)	2,290,819	2,123,810
Common stock, etc. (less certain items)	735,975	746,907
Reserve for price fluctuations	155,190	165,405
Contingency reserve	158,597	154,835
Catastrophe loss reserve	-	-
General reserve for possible loan losses	1,655	1,542
Net unrealized gains on available-for-sale securities (before tax) (x 90 per cent, if gains; x 100 per cent, if losses)	810,029	643,123
Net unrealized gains (losses) on real estate (x 85 per cent, if gains; x 100 per cent, if losses)	(707)	1,704
The total amount of unrecognized actuarial gains and losses and unrecognized past service costs (prior to tax effect deduction)	-	-
Excess amount of policy reserve based on Zillmer method	179,177	188,493
Unallotted portion of reserve for policyholder dividends	17,028	17,272
Deferred tax assets	135,333	154,545
Subordinated debt	98,600	50,000
The amount of non-margin portions in excess amount of policy reserve based on Zillmer method and subordinated debts	-	-
Margin of small-amount short-term insurance company	216	258
Deductible items	(278)	(278)
Total risk $[(R_1^2 + R_5^2)^{1/2} + R_8 + R_9]^2 + (R_2 + R_3 + R_7)^2]^{1/2} + R_4 + R_6$ (B)	375,326	372,528
Insurance risk R1	47,399	47,099
General insurance risk R5	-	-
Catastrophe risk R6	-	-
Third Sector insurance risk R8	13,525	13,942
Insurance risk of small-amount short-term insurance company R9	400	432
Assumed investment yield risk R2	73,272	70,641
Minimum guarantee risk R7	5,966	4,272
Investment risk R3	282,464	283,980
Business risk R4	8,460	8,407
Consolidated solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,220.7%	1,140.2%

1. The above ratios are calculated in accordance with the Articles 210.11.3 and 210.11.4 of the Ordinance for Enforcement of the Insurance Business Act as well as the Notification No. 23 issued by the Financial Services Agency in 2011. The ratio as of June 30, 2015 is calculated using a reasonable method based on the regulatory rules described above.
2. "Common stock, etc. (less certain items)" represents net assets on the balance sheet less total accumulated other comprehensive income and estimated appropriation paid in cash.
3. "Margin of small-amount short-term insurance company" represents catastrophe loss reserve of small-amount short-term insurance company.
4. "Minimum guarantee risk R₇" is calculated using the standard method regulated by the FSA.