

FINANCIAL SUMMARY

(For the six months ended September 30, 2017)

<under Japanese GAAP>

November 13, 2017

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 28, 2017
 Projected Starting Date of Dividend Distribution: December 5, 2017
 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, 2017 (April 1, 2017 - September 30, 2017)

(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, 2017	¥921,014 million	(3.6)	¥83,564 million	(7.9)	¥44,100 million	(8.5)
Six months ended September 30, 2016	¥955,815 million	(7.4)	¥90,780 million	(5.0)	¥48,210 million	(0.4)

Note: Comprehensive income was ¥120,701 million (- %) for the six months ended September 30, 2017, and ¥(36,484) million (- %) for the six months ended September 30, 2016.

	Net Income per Share	Net Income per Share (Fully Diluted)
Six months ended September 30, 2017	¥70.37	¥69.01
Six months ended September 30, 2016	¥75.16	¥73.76

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of September 30, 2017	¥15,099,450 million	¥1,190,504 million	7.9%
As of March 31, 2017	¥14,891,167 million	¥1,096,772 million	7.3%

Note: Equity was ¥1,185,794 million as of September 30, 2017, and ¥1,092,856 million as of March 31, 2017.

2. Dividends

	Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Year ended March 31, 2017	-	¥15.00	-	¥17.50	¥32.50
Year ending March 31, 2018	-	¥17.50			
Year ending March 31, 2018 (Forecast)			-	¥17.50	¥35.00

Note: Revisions to previously announced dividend forecasts: None.

3. Consolidated Forecasts for the Year Ending March 31, 2018 (April 1, 2017 - March 31, 2018)

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, 2018	¥1,900,000 million (3.8)%	¥150,000 million (4.6)%	¥74,000 million (1.6)%	¥116.99

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, 2017: 655,000,000
 - As of March 31, 2017: 681,480,000
 - 2. Number of treasury shares at the end of the period:
 - As of September 30, 2017: 32,803,953
 - As of March 31, 2017: 48,925,774
 - 3. Average number of outstanding shares during the period:
 - For the six months ended September 30, 2017: 626,730,643
 - For the six months ended September 30, 2016: 641,436,628

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

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

The forward-looking statements made in this document, including the 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, 2017	As of September 30, 2017
Assets:		
Cash and deposits	862,425	664,887
Call loans	11,302	10,582
Monetary claims purchased	141,242	127,369
Monetary trusts	583,476	651,022
Securities	11,001,953	11,399,990
Loans	1,685,118	1,688,570
Tangible fixed assets	319,884	321,473
Intangible fixed assets	23,195	24,803
Due from agencies	756	666
Due from reinsurers	3,535	3,575
Other assets	210,889	188,820
Deferred tax assets	49,143	19,365
Reserve for possible loan losses	(1,755)	(1,676)
Total assets	14,891,167	15,099,450
Liabilities:		
Policy reserves	13,139,218	13,210,785
Reserve for outstanding claims	70,065	66,679
Policy reserve	12,976,211	13,055,764
Reserve for policyholder dividends	92,942	88,341
Due to agencies	334	597
Due to reinsurers	1,781	1,910
Short-term debenture	2,999	6,000
Bonds	50,095	50,080
Other liabilities	332,772	372,698
Provision for bonuses to directors and audit & supervisory board members	263	137
Net defined benefit liability	56,547	49,102
Provision for directors' and audit & supervisory board members' retirement benefits	53	49
Reserves under the special laws	204,894	212,165
Reserve for price fluctuations	204,894	212,165
Deferred tax liabilities	7	13
Deferred tax liabilities on land revaluation	5,426	5,406
Total liabilities	13,794,395	13,908,946
Net assets:		
Capital stock	207,111	207,111
Capital surplus	194,522	156,787
Retained earnings	460,683	493,764
Treasury shares	(67,763)	(46,703)
Total stockholders' equity	794,554	810,960
Valuation difference on available-for-sale securities	338,842	415,277
Deferred gains (losses) on hedging instruments	(5,203)	(5,052)
Land revaluation	(35,354)	(35,404)
Foreign currency translation adjustments	17	13
Total accumulated other comprehensive income	298,302	374,834
Subscription rights to shares	1,178	1,223
Non-controlling interests	2,737	3,485
Total net assets	1,096,772	1,190,504
Total liabilities and net assets	14,891,167	15,099,450

(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, 2016	Six months ended September 30, 2017
Ordinary revenues	955,815	921,014
Income from insurance premiums	733,042	690,263
Investment income	189,293	194,541
Interest, dividends and income from real estate for rent	133,525	140,588
Gains from monetary trusts, net	1,407	12,070
Gains on investments in trading securities, net	-	73
Gains on sales of securities	53,130	35,189
Foreign exchange gains, net	-	302
Reversal of reserve for possible loan losses	47	75
Other investment income	1,182	1,531
Gains on separate accounts, net	-	4,710
Other ordinary income	33,479	36,148
Equity in earnings of affiliates	-	61
Ordinary expenses	865,035	837,450
Insurance claims and other payments	584,834	580,703
Insurance claims	181,849	173,344
Annuity payments	150,004	142,590
Insurance benefits	73,828	71,228
Surrender payments	154,072	167,744
Other payments	25,079	25,795
Provision for policy and other reserves	87,621	79,563
Provision for policy reserve	87,603	79,553
Interest portion of reserve for policyholder dividends	17	9
Investment expenses	58,695	43,279
Interest expenses	289	278
Losses on investment in trading securities, net	3,804	-
Losses on sales of securities	24,501	9,487
Devaluation losses on securities	193	3,726
Losses from derivatives, net	13,385	20,635
Foreign exchange losses, net	4,479	-
Depreciation of real estate for rent	2,403	2,297
Other investment expenses	7,377	6,854
Losses on separate accounts, net	2,261	-
Operating expenses	98,603	102,181
Other ordinary expenses	35,267	31,722
Equity in losses of affiliates	13	-
Ordinary profit	90,780	83,564

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Extraordinary gains	250	10
Gains on disposal of fixed assets	246	6
State subsidy	3	4
Extraordinary losses	15,516	7,463
Losses on disposal of fixed assets	136	45
Impairment losses	735	142
Provision for reserve for price fluctuations	14,351	7,271
Other extraordinary losses	292	4
Provision for reserve for policyholder dividends	15,955	13,789
Income before income taxes	59,558	62,321
Income taxes (current)	18,181	17,633
Income taxes (deferred)	(6,919)	571
Total income taxes	11,261	18,204
Profit	48,297	44,116
Profit attributable to non-controlling interests	87	16
Profit attributable to owners of parent	48,210	44,100

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Profit	48,297	44,116
Other comprehensive income:		
Valuation difference on available-for-sale securities	(86,082)	76,438
Deferred gains (losses) on hedging instruments	1,320	150
Foreign currency translation adjustments	(0)	(0)
Share of other comprehensive income of associates accounted for using the equity method	(18)	(4)
Total other comprehensive income:	(84,781)	76,584
Comprehensive income	(36,484)	120,701
(Breakdown)		
Comprehensive income attributable to owners of parent	(36,571)	120,682
Comprehensive income attributable to non-controlling interests	87	19

(3) Unaudited Consolidated Statement of Changes in Net Assets

Six months ended September 30, 2016	(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	194,550	422,422	(48,876)	775,208	487,200	(8,601)
Changes in the period							
Dividends			(19,462)		(19,462)		
Profit attributable to owners of parent			48,210		48,210		
Purchase of treasury shares				(14,003)	(14,003)		
Disposal of treasury shares		(28)		125	97		
Reversal of land revaluation			(7,615)		(7,615)		
Net changes of items other than stockholders' equity						(86,084)	1,320
Total changes in the period		(28)	21,131	(13,878)	7,224	(86,084)	1,320
Balance at the end of the year	207,111	194,522	443,554	(62,755)	782,433	401,115	(7,281)

Six months ended September 30, 2016	(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 year	(43,288)	21	435,331	926	2,595	1,214,061
Changes in the period						
Dividends						(19,462)
Profit attributable to owners of parent						48,210
Purchase of treasury shares						(14,003)
Disposal of treasury shares						97
Reversal of land revaluation						(7,615)
Net changes of items other than stockholders' equity	7,615	(17)	(77,166)	251	48	(76,866)
Total changes in the period	7,615	(17)	(77,166)	251	48	(69,641)
Balance at the end of the year	(35,672)	4	358,165	1,178	2,643	1,144,420

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 treasury shares of parent arising from transactions with non-controlling shareholders		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			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	(35,354)	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 treasury shares of parent arising from transactions with non-controlling shareholders						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

(4) Notes on Unaudited Consolidated Financial Statements

[Notes on Going-Concern Assumption]

Not applicable.