

FINANCIAL SUMMARY

(For the nine months ended December 31, 2017)

<under Japanese GAAP>

February 14, 2018

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: February 14, 2018
 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 Nine Months Ended December 31, 2017 (April 1, 2017 - December 31, 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
Nine months ended December 31, 2017	¥1,432,364 million	(0.5)	¥114,602 million	(13.7)	¥58,172 million	(11.7)
Nine months ended December 31, 2016	¥1,439,051 million	(4.1)	¥132,867 million	(1.5)	¥65,888 million	6.2

Note: Comprehensive income was ¥ 192,392 million (- %) for the nine months ended December 31, 2017, and ¥ (51,927) million (- %) for the nine months ended December 31, 2016.

	Net Income per Share	Net Income per Share (Fully Diluted)
Nine months ended December 31, 2017	¥93.04	¥91.24
Nine months ended December 31, 2016	¥103.05	¥101.12

(2) Financial Conditions

	Total Assets	Net Assets	Equity Ratio
As of December 31, 2017	¥15,269,482 million	¥1,251,720 million	8.2%
As of March 31, 2017	¥14,891,167 million	¥1,096,772 million	7.3%

Reference: Equity was ¥ 1,246,561 million as of December 31, 2017, and ¥1,092,856 million as of March 31, 2017.

2. Dividends

	Annual Dividends				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Year ended March 31, 2017	-	¥15.00	-	¥17.50	¥32.50
Year ending March 31, 2018	-	¥17.50	-		
Year ending March 31, 2018 (Forecast)				¥20.00	¥37.50

Note: Revisions to previously announced dividend forecasts: Yes

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) Adoption of special accounting method for quarterly 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 stock at the end of the period:
 - As of December 31, 2017: 655,000,000
 - As of March 31, 2017: 681,480,000
 - 2. Number of treasury stock at the end of the period:
 - As of December 31, 2017: 32,806,668
 - As of March 31, 2017: 48,925,774
 - 3. Average number of outstanding shares during the period:
 - For the nine months ended December 31, 2017: 625,213,188
 - For the nine months ended December 31, 2016: 639,388,134

* This “FINANCIAL SUMMARY” (Quarterly “TANSHIN”) is not subject to the quarterly 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 December 31, 2017
Assets:		
Cash and deposits	862,425	690,305
Call loans	11,302	10,534
Monetary claims purchased	141,242	117,889
Monetary trusts	583,476	676,368
Securities	11,001,953	11,580,548
Loans	1,685,118	1,678,370
Tangible fixed assets	319,884	320,962
Intangible fixed assets	23,195	25,517
Due from agencies	756	709
Due from reinsurers	3,535	3,089
Other assets	210,889	166,403
Deferred tax assets	49,143	365
Reserve for possible loan losses	(1,755)	(1,584)
Total assets	14,891,167	15,269,482
Liabilities:		
Policy reserves	13,139,218	13,311,653
Reserve for outstanding claims	70,065	64,207
Policy reserve	12,976,211	13,158,285
Reserve for policyholder dividends	92,942	89,159
Due to agencies	334	534
Due to reinsurers	1,781	2,039
Short-term debentures	2,999	6,000
Bonds	50,095	87,072
Other liabilities	332,772	336,847
Provision for bonuses to directors and audit & supervisory board members	263	201
Net defined benefit liability	56,547	49,160
Provision for directors' and audit & supervisory board members' retirement benefits	53	52
Reserves under the special laws	204,894	215,919
Reserve for price fluctuations	204,894	215,919
Deferred tax liabilities	7	2,873
Deferred tax liabilities on land revaluation	5,426	5,406
Total liabilities	13,794,395	14,017,761
Net assets:		
Capital stock	207,111	207,111
Capital surplus	194,522	156,787
Retained earnings	460,683	496,947
Treasury shares	(67,763)	(46,708)
Total shareholders' equity	794,554	814,139
Valuation difference on available-for-sale securities	338,842	472,194
Deferred gains (losses) on hedging instruments	(5,203)	(4,382)
Land revaluation	(35,354)	(35,404)
Foreign currency translation adjustment	17	14
Total accumulated other comprehensive income	298,302	432,421
Subscription rights to shares	1,178	1,223
Non-controlling interests	2,737	3,936
Total net assets	1,096,772	1,251,720
Total liabilities and net assets	14,891,167	15,269,482

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

Unaudited Consolidated Statement of Operation

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Ordinary revenues	1,439,051	1,432,364
Income from insurance premiums	1,076,280	1,087,413
Investment income	307,933	289,007
Interest, dividends and income from real estate for rent	203,783	209,705
Gains from monetary trusts, net	4,650	14,087
Gains on investment in trading securities, net	-	101
Gains on sales of securities	91,935	54,360
Foreign exchange gains, net	663	274
Reversal of reserve for possible loan losses	109	109
Other investment income	1,729	2,178
Gains on separate accounts, net	5,061	8,189
Other ordinary income	54,837	55,879
Equity in earnings of affiliates	-	64
Ordinary expenses	1,306,184	1,317,762
Insurance claims and other payments	878,413	870,052
Insurance claims	269,160	256,772
Annuity payments	230,144	217,197
Insurance benefits	107,583	104,167
Surrender payments	233,178	252,201
Other payments	38,347	39,714
Provision for policy and other reserves	137,573	182,089
Provision for policy reserve	137,550	182,074
Interest portion of reserve for policyholder dividends	22	14
Investment expenses	90,863	65,835
Interest expenses	428	424
Losses on investment in trading securities, net	162	-
Losses on sales of securities	39,787	13,049
Devaluation losses on securities	626	4,952
Losses from derivatives, net	35,002	34,559
Depreciation of real estate for rent	3,608	3,543
Other investment expenses	11,248	9,306
Operating expenses	147,103	152,020
Other ordinary expenses	52,220	47,763
Equity in losses of affiliates	8	-
Ordinary profit	132,867	114,602

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Extraordinary gains	279	16
Gains on disposal of fixed assets	239	6
State subsidy	39	9
Extraordinary losses	24,259	11,713
Losses on disposal of fixed assets	655	536
Impairment losses	1,365	142
Provision for reserve for price fluctuations	21,904	11,024
Other extraordinary losses	332	9
Provision for reserve for policyholder dividends	24,306	20,509
Income before income taxes	84,581	82,395
Income taxes (current)	27,499	24,246
Income taxes (deferred)	(8,940)	(70)
Total income taxes	18,558	24,176
Profit	66,023	58,218
Profit attributable to non-controlling interests	134	46
Profit attributable to owners of parent	65,888	58,172

Unaudited Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	66,023	58,218
Other comprehensive income		
Valuation difference on available-for-sale securities	(119,375)	133,356
Deferred gains (losses) on hedging instruments	1,445	821
Foreign currency translation adjustments	(0)	(0)
Share of other comprehensive income of associates accounted for using the equity method	(20)	(3)
Total other comprehensive income	(117,951)	134,173
Comprehensive income	(51,927)	192,392
(Breakdown)		
Comprehensive income attributable to owners of the parent	(52,063)	192,341
Comprehensive income attributable to non-controlling interests	135	50

(3) Notes on Unaudited Consolidated Financial Statements

[Notes on Going-Concern Assumption]

Not applicable.

[Notes for Material Changes in Shareholders' Equity]

Not applicable.