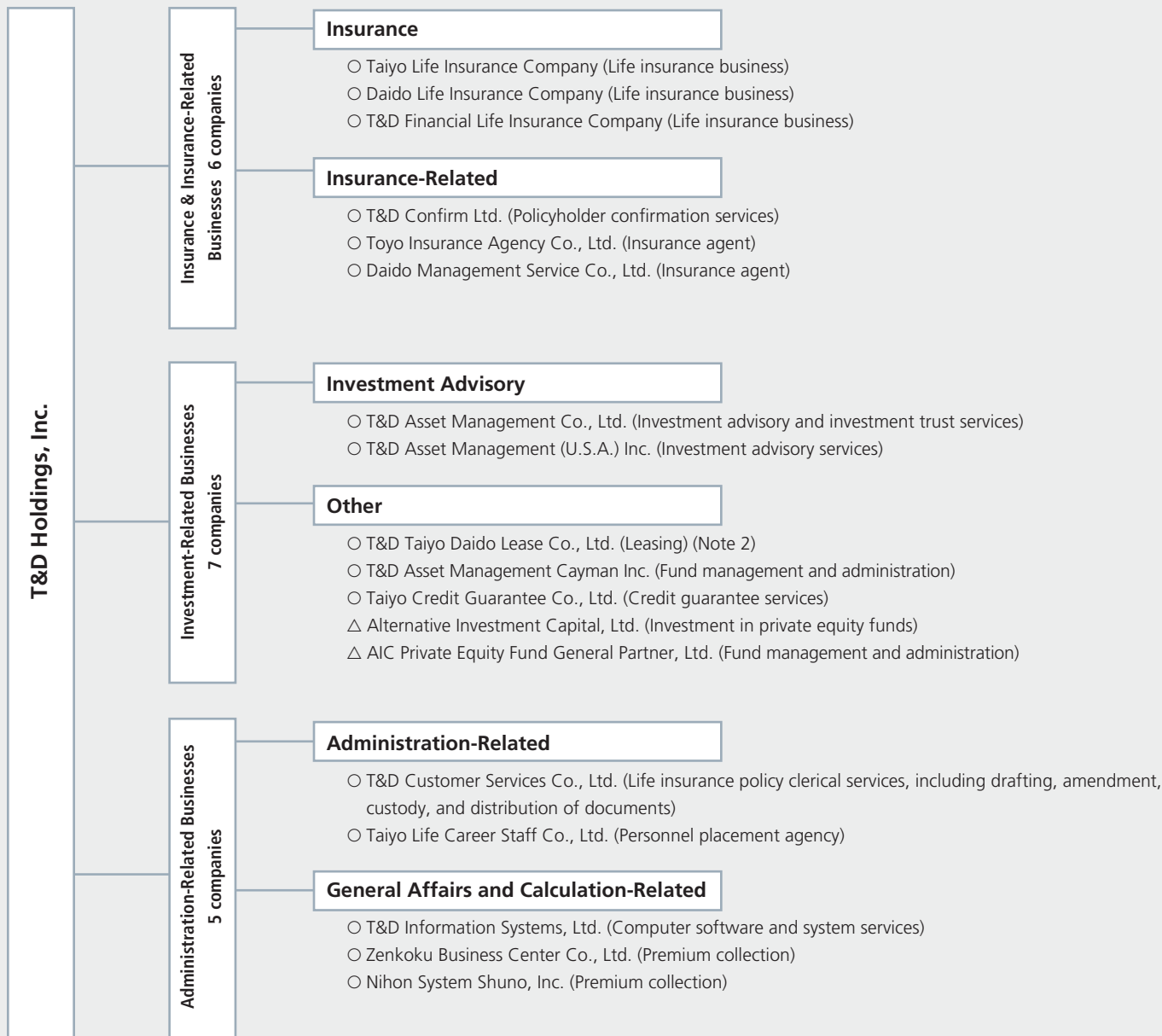


■ SUBSIDIARIES AND AFFILIATES

T&D Holdings and its subsidiaries comprise the holding company, 16 consolidated subsidiaries, and 2 affiliated companies as of March 31, 2006. Centered on the life insurance business, the T&D Life Group's operations are outlined below:

(As of March 31, 2006)



Notes: 1. Companies marked by ○ are consolidated subsidiaries, and companies marked by △ are affiliated companies accounted for by the equity method.

2. As of August 1, 2006, the corporate name of T&D Taiyo Daido Lease Co., Ltd., was changed to T&D Lease Co., Ltd.

T&D HOLDINGS STOCK INFORMATION

Stock Price

Since being listed on April 1, 2004, T&D Holdings' shares have maintained a robust performance superior to that of TOPIX as well as to the stock prices of other domestic insurance companies.

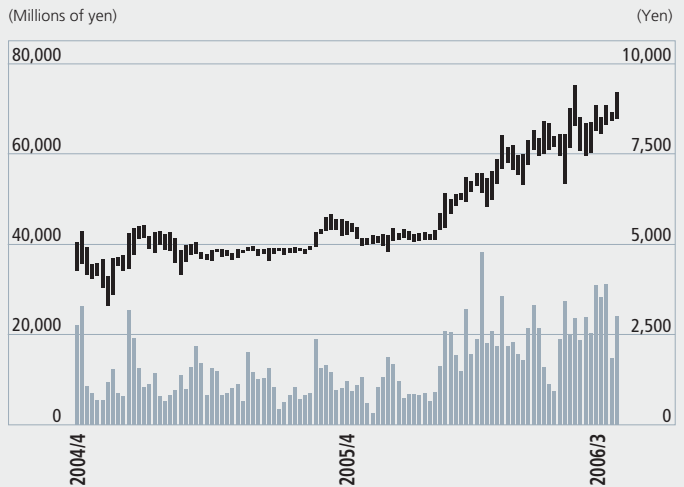
T&D Holdings' Stock Price Relative to TOPIX and the TOPIX Insurance Index (April 1, 2004, to March 31, 2006)



— T&D Holdings' stock price
— TOPIX
— TOPIX insurance index

Note: The T&D Holdings' stock price, TOPIX, and the TOPIX insurance index are all set at 100 as of April 1, 2004.

Stock Price and Trading Value (April 1, 2004, to March 31, 2006)



■ Stock price (right scale)
■ Trading value (left scale)

Component of Stock Price Indices

In September 2005, T&D Holdings became a component of the Nikkei 225 average, one of Japan's leading stock price indexes.

	July 31, 2005	July 31, 2006
TOPIX	○	○
Nikkei average (Nikkei 225)	×	○
MSCI Japan	○	○

Net Income per Share

Net income per share amounted to ¥146.19 in fiscal 2005. This represents a decline from ¥155.41 in fiscal 2004. This was mainly due to measures taken by Taiyo Life and Daido Life to increase their additional internal reserves to levels exceeding legal requirements (before-tax provisions totaling ¥40.7 billion).

Stockholder Dividends

T&D Holdings' basic dividend policy is to put emphasis on stockholder value while maintaining the financial stability of the three life insurance companies. The Company's definition of adjusted net income to be returned to stockholders includes net income as well as the after-tax value of additional internal reserves exceeding legal requirements, and plans call for the Company's dividends to be linked to business performance.

For fiscal 2005, T&D Holdings paid a dividend of ¥55 per share, for a total payout of ¥13.54 billion. This represented an effective dividend increase of approximately 20% compared with the payout of ¥10.86 billion in fiscal 2004.

T&D Holdings plans to pay an annual dividend of ¥55 per share in fiscal 2006, unchanged from fiscal 2005.

Free-Float Weight (FFW)

The inclusion of stocks with low liquidity in a stock index could distort supply and demand for listed shares. As such, TOPIX has been incrementally adjusted to reflect the FFW since the end of October 2005. The index was fully adjusted for the FFW at the end of June 2006.

Since carrying out a secondary offering in September 2004, T&D Holdings has worked to improve liquidity and stockholder distribution. As of June 30, 2006, the stock's FFW relative to the TSE's FFW was 0.85.

Basic Information

(As of March 31, 2006)

Stock Exchange Listings	Tokyo Stock Exchange and Osaka Securities Exchange	
Security Code	8795	
Trading Unit	50	
Number of Shares of Common Stock	Authorized: 966,000,000 Issued: 246,330,000	
Fiscal Year-End	March 31 every year	
Ordinary Shareholders' Meeting	Late June every year in Tokyo	
Date of Record	Ordinary Shareholders' Meeting	March 31 every year
	Term-end dividends	March 31 every year
	Interim dividends	September 30 every year
Public Notice	Electronic Public Notice URL: http://www.td-holdings.co.jp/public/ If the Company is unable to issue an electronic public notice due to an accident or any other unavoidable reason, a public notice will be issued in the <i>Nihon Keizai Shimbun</i> (daily newspaper)	
Transfer Agent	1-4-5 Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan Mitsubishi UFJ Trust and Banking Corporation URL: http://www.tr.mufg.jp/	
Number of Shareholders	344,292	

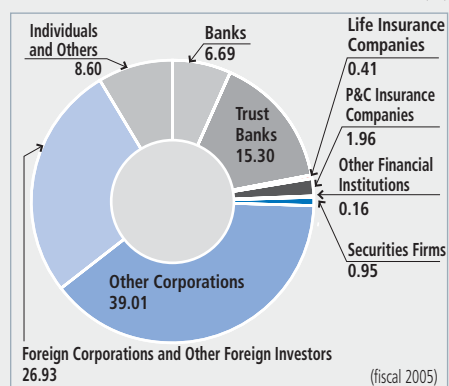
Principal Shareholders

(Number, %)

Principal Shareholders	Number of Shares Held	Ratio of Voting Rights
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,524,725	4.27
The Master Trust Bank of Japan Ltd. (Trust Account)	10,465,050	4.25
Japan Trustee Services Bank, Ltd. (Trust Account)	10,115,300	4.11
The Chase Manhattan Bank 385036	5,130,950	2.08
NIPPONKOA Insurance Company, Ltd.	4,819,405	1.96
Komatsu Ltd.	4,083,750	1.66
Obayashi Corporation	3,530,155	1.43
The Chase Manhattan Bank N.A. London	3,061,140	1.24
State Street Bank and Trust Company 505103	3,032,824	1.23
AIU Insurance Company ORD-4	3,000,000	1.22

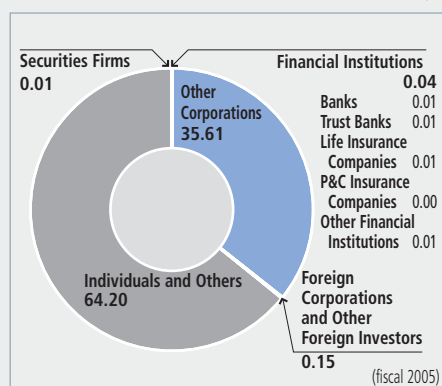
Proportion of Shares Held

(%)



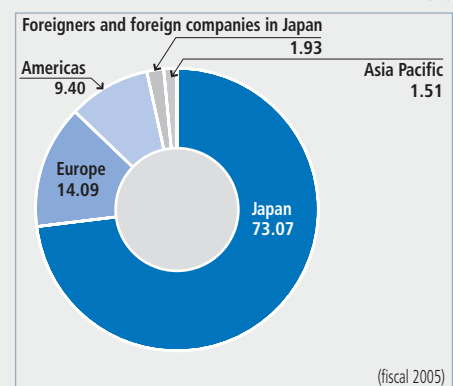
Composition of Shareholders

(%)



Regional Distribution of Shares Held

(%)



■ GLOSSARY

Administrative expense margin	The administrative expense margin is the difference between the administrative expenses related to the relevant policy assumed by a company with respect to a given year in calculating premiums and the actual administrative expenses for that year.
Assumed investment yield	The rate of investment yield assumed by the insurer, with respect to a given policy, in calculating the amount to be set aside as a policy reserve.
Contingency reserve	A reserve included as part of the policy reserve to account for (1) the risk of insurance payment events occurring at a higher than expected rate due to higher than expected mortality and morbidity rates and (2) the risk of actual investment yields being lower than the assumed investment yields related to outstanding policies.
Core profit (<i>kiso rieki</i>)	The ordinary profit of a life insurance company, as indicated in its statements of operations, includes profit from its investment activities as well as profit from its insurance business. Therefore, profit from the insurance business is not readily ascertainable from the statements of operations. For purposes of disclosing the profit from the insurance business, commencing with the fiscal year ended March 31, 2001, life insurance companies in Japan are required under the disclosure standards set by the Life Insurance Association of Japan to disclose “core profit,” a measure of an insurance company’s profit from the insurance business.
General account	The aggregate of a life insurer’s assets, other than those allocated to separate accounts. General account assets are invested by a company to meet fixed guaranteed rates of return for policyholders, and that company bears the investment risk on such assets.
Investment yield margin	The investment yield margin is the difference, with respect to a given year, between the actual investment yield for that year and the guaranteed rate of return used in calculating premiums.
Lapse	The termination or temporary discontinuance of an insurance policy due to non-payment of premiums within a specified time period.
Morbidity	The relative incidence of disability due to disease or physical impairment.
Mortality rate	Rates of death, varying by such parameters as age, gender, and health, used in pricing and computing liabilities for future policyholder benefits for life insurance and annuity products.
Mortality rate margin	The mortality rate margin is the difference between the mortality rate assumed by a company with respect to a given year in calculating premiums and the actual mortality rate for that year.
Negative spread	<p>Negative spread = (Average assumed investment yield – Yield on investment income included in base profit) x General account policy reserve</p> <p>In the above formula: “Average assumed investment yield” is the assumed investment yield on general account assets divided by the general account policy reserve. “Yield on investment income included in core profit” is investment income included in core profit, excluding the amount of transfer of yields on the reserve for policyholder dividends divided by the general account policy reserve. “General account policy reserve” is the general account policy reserve, excluding the contingency reserve, and is an accrued policy reserve calculated as follows in accordance with the Hardy method: (policy reserve at the beginning of the relevant fiscal year + policy reserve at the end of the relevant fiscal year – the assumed investment yield) x 1/2.</p> <p>The calculation of negative spread was standardized beginning in fiscal 2001 pursuant to an official announcement issued by the Second Subcommittee of the Financial System Council of the FSA.</p>

Net level premium method	Under the net level premium method, insurers must set aside policy reserves assuming that the ratio of pure insurance premiums to total annual premiums paid remains constant over the term of the policy. The net level premium method increases an insurer's administrative expense burden in the early years of a policy, when actual administrative expenses exceed the portion of the premium received in such early years covering administrative expenses. Under an alternate method of calculating policy reserves, known as the Zillmer method, the pure insurance premium portion is reduced in the first few years of the policy, allowing, in effect, policy acquisition costs to be deferred.
Non-participating policy	Policies under which the policyholder receives no policyholder dividends. Non-participating policies generally feature lower premiums than participating policies and semi-participating policies.
Participating policy	Policies under which the policyholder is eligible to share in the divisible surplus of a company—calculated based on mortality rate margin, investment yield margin, and administrative expense margin—through the receipt of annual policyholder dividends.
Policy reserve	A reserve established for the fulfillment of insurance claims and other payments related to a company's outstanding policies that are expected to be paid in the future. The policy reserve consists of a premium reserve (other than unearned premiums), an unearned premium reserve, and a contingency reserve. A company uses the net level premium method to calculate the amount it sets aside each year as a policy reserve. The policy reserve is one of the three reserves comprising the reserve for policy and other reserves.
Reserve for policyholder dividends	A reserve used to fund the payment of policyholder dividends. The reserve for policyholder dividends is one of the three reserves comprising the reserve for policy and other reserves. For a mutual life insurance company, a transfer to reserve for policyholder dividends is treated as a disposition of net surplus. For a joint stock corporation, provision for reserve for policyholder dividends is treated as an expense.
Reserve for price fluctuation	Pursuant to provisions of the Insurance Business Law, companies maintain reserves to cover losses due to price fluctuations in assets subject to market price volatility, particularly investments in stocks, bonds, and foreign currency-denominated investments. This reserve may be used only to reduce deficits arising from price fluctuations of those assets.
Semi-participating policy	Policies under which a company does not distribute yearly policyholder dividends to its policyholders, but instead distributes a portion of the net positive return on investments in excess of the guaranteed rate of return as calculated at the end of every five-year period. Semi-participating policies generally feature lower premiums than participating policies and generally distribute smaller distributions relative to participating policies.
Separate account	Assets related to a company's individual variable insurance and group variable annuity products, including group employee pension fund insurance and national pension fund insurance, are allocated to the company's separate account. Separate account assets and liabilities represent funds that are administered and invested by the company to meet specific investment objectives of policyholders. The investments in each separate account are maintained separately from those in other separate accounts and an insurer's general account and generally not subject to the general liabilities of the insurer. The investment results of the separate account assets generally pass through to the separate account policyholders, less management fees, so that an insurer bears limited or no investment risk on such assets.

Solvency margin ratio

The solvency margin ratio is calculated on a non-consolidated basis pursuant to the following formula: Solvency margin ratio = Total amount of solvency margin x 100 ÷ total amount of risk x 1/2.

In the above formula:

“Total amount of solvency margin” represents the sum of the following:

- equity (less certain items),
- reserve for price fluctuations,
- contingency reserve,
- reserve for possible loan losses,
- net unrealized gains/losses on securities and real estate (multiplied by a certain percentage set forth in a guideline issued by the FSA and the Ministry of Finance), and
- certain other items (such as subordinated debt).

“Total amount of risk” is a quantified measure of the total unforeseeable risk borne by the insurance company, which consists of the following:

- increase in payment of insurance claims as a result of a natural disaster or other unforeseeable event,
- decrease in investment yields to below the assumed investment yield as a result of a decline in interest rates or other deterioration in the investment environment,
- decrease in the value of assets held by the insurance company as a result of (i) a stock market crash or other rapid change in market conditions, (ii) increase in problem loan losses due to bankruptcy of debtors and (iii) other change in the company’s assets, and
- other change in the company’s assets, other events which cannot be foreseen in the ordinary course of the company’s business.

Surrender

The cancellation of a policy by a policyholder. The policyholder generally receives the “cash value” of the policy, an amount available in cash upon surrender of a policy before it becomes payable upon death or maturity, minus a surrender fee reflecting expenses incurred by the insurer in placing the policy on its books. After a “surrender period” (usually several years) has elapsed, there is generally no charge for ending the contract.

Third-sector insurance (also known as supplemental insurance)

In the Japanese insurance industry, life insurance products and non-life insurance products are called “first-sector” and “second-sector” insurance products, respectively, and insurance products which have intermediate characteristics of both products are called “third-sector” insurance products.

Third-sector insurance products consist of “third-sector life insurance products,” which are similar in nature to first-sector insurance products and include medical insurance, cancer insurance and nursing care insurance, and “third-sector non-life insurance products,” which are similar in nature to second-sector insurance products and include personal accident insurance and insurance for medical expenses.

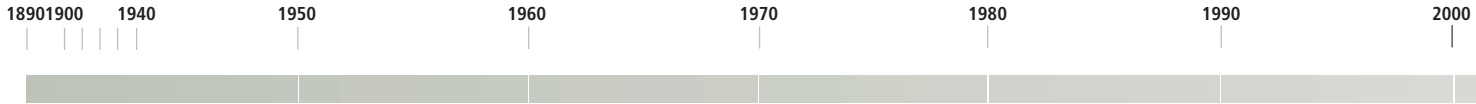
Variable annuity

An annuity in which the return to the holder is variable, rather than fixed, and reflects the results of investments made in the company’s separate accounts.

Zillmer method

A method by which insurers may calculate policy reserves, which, in effect, allows policy acquisition costs to be deferred. Under this method, the pure insurance premium portion used in the calculation of policy reserves is reduced during the first year of the policy. This reduction makes the policy reserve provisions smaller than those under the net level premium method. In years following the first year, the reduction in reserve provisions is gradually adjusted to eliminate the difference between the net level premium method and the Zillmer method over a predetermined term of, for example, five or ten years.

HISTORY



T&D Holdings

January 1999
Taiyo Life and Daido Life announced broad business alliance.

June 1999
The group name "T&D Life Group" was announced.

October 1999
Launched T&D Taiyo Daido Asset Management Co., Ltd., through a merger of domestic investment advisory companies.
Launched T&D Confirm Ltd. by integrating the operations of policy confirmation.

Taiyo Life

May 1893
Founded Taiyo Life as the Nagoya Life Insurance Co., Ltd.



February 1948
Established The Taiyo Mutual Life Insurance Company.

April 1951
Monthly payment savings-type insurance with five-year maturity launched. Adopted marketing style of concentrating on large urban areas and major regional cities.

May 1968
Launched "Himawari," a special endowment insurance with five-year maturity.



September 1974
Started selling "10-year Kenko Himawari," a special 10-year maturity endowment with medical protection.

October 1986
Launched "Kenko Himawari Lady," a special endowment providing substantial coverage for illnesses specific to women.



Daido Life

July 1902
Founded Daido Life Insurance Company as a joint stock company through the merger of Asahi Life Insurance Co., Gokoku Life Insurance Co., and Hokkai Life Insurance Co.



July 1947
Established Daido Life as a mutual company.

May 1954
Established alliance with Sanwa Bank, Limited (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.).

April 1971
Forged business alliance with AIU Insurance Company, a member company of American International Group, Inc.

June 1971
Started handling the "Ohgata Hoshō Plan" implemented by the NFCTA. Established current business model of selling individual term life insurance in the SME market through alliances with tie-up partners.

November 1971
Started handling the "Ohgata Hoshō Plan" implemented by TPAs.

March 1976
Started handling the "TKC Corporate Defense Plan" implemented by TKC National Federation.



April 1991
Adopted new investment strategy involving a reduction in domestic stocks and a shift to an investment portfolio centered on yen-denominated fixed income assets.

October 1993
Head Office (Osaka) moved to 1-2-1 Edobori, Nishi-ku, Osaka, returning to the place of its founding.

2001

2002

2003

2004

2005

2006

October 2001

Taiyo Life and Daido Life jointly completed the acquisition of former Tokyo Life Insurance Company, renamed T&D Financial Life Insurance Company. Launched T&D Information Systems, Ltd., through a merger of the Group system divisions.

July 2002

Launched T&D Asset Management Co., Ltd., through a merger of T&D Taiyo Daido Asset Management and Daido Life Investment Trust Management Co., Ltd.

August 2002

Launched T&D Taiyo Daido Lease Co., Ltd., through a merger of Group leasing business.

October 2002

T&D Financial Life started OTC sales of individual variable annuities through banks and securities firms.



April 2004

Established T&D Holdings, Inc., and listed on the Tokyo Stock Exchange and the Osaka Securities Exchange. (Taiyo Life, Daido Life, and T&D Financial Life became wholly owned subsidiaries of T&D Holdings, Inc.). Launched T&D Customer Services Co., Ltd., through a merger of Group administrative services.

August 2004

T&D Holdings carried out the secondary offering of those of its shares held by Taiyo Life and Daido Life.

September 2005

Reorganized in-house sales representative channel of T&D Financial Life.

April 2001

Shifted to marketing strategy centered on sales of protection-oriented products and equipped sales representatives with advanced portable computers.



August 2001

Forged business alliance with NIP-PONKOA Insurance Company Ltd. in the field of P&C insurance (agency sales).

April 2003

Demutualized Taiyo Life to a joint stock company and listed its shares on the Tokyo Stock Exchange.



March 2004

Delisted Taiyo Life from the Tokyo Stock Exchange.

April 2002

Demutualized Daido Life to a joint stock company and listed its shares on the Tokyo Stock Exchange and the Osaka Securities Exchange.



March 2004

Delisted Daido Life from the Tokyo Stock Exchange and the Osaka Securities Exchange.

December 2004

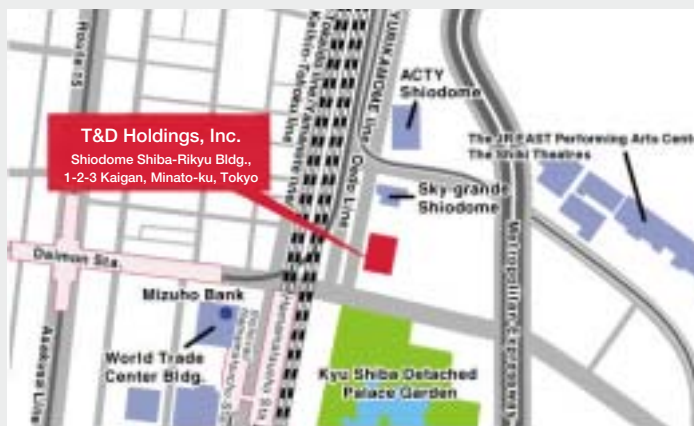
Daido Life won prestigious Porter Prize.



■ CORPORATE DATA

(As of March 31, 2006)

Company Name	T&D Holdings, Inc.
Date of Establishment	April 1, 2004
Location of Headquarters (from July 18, 2006)	Shiodome Shiba-Rikyu Bldg., 1-2-3 Kaigan, Minato-ku, Tokyo 105-0022, Japan Tel: +81 (3) 3434-9111 Fax: +81 (3) 3434-9055



Type of Business	Management of the T&D Life Group and its subsidiaries and all duties incidental to that role
Paid-in Capital	¥118,595.5 million
Number of Employees	79
Independent Auditors	Ernst & Young ShinNihon
Contact	T&D Holdings, Inc., Investor Relations Tel: +81 (3) 3434-9142 Fax: +81 (3) 3434-9055 E-mail: ir.request@td-holdings.co.jp
URL	http://www.td-holdings.co.jp/e/