



February 16, 2006

T&D Holdings, Inc.  
Representative: Naoteru Miyato, President  
Security Code: 8795

## **Notice Concerning the Issuance of New Shares and Secondary Offering of Issued Shares**

At a meeting held on February 16, 2006, the Board of Directors of T&D Holdings, Inc. (the "Company") resolved as follows with respect to the issuance of new shares and a secondary offering of shares of common stock of the Company in Japan.

### **1. Issuance of new shares by way of public offering**

- (1) Number of shares to be issued:  
4,200,000 shares of common stock of the Company
- (2) Issue price:  
Issue price is to be determined on any day between Monday, March 6, 2006 and Wednesday, March 8, 2006 (the "Issue Price Determination Date"), according to the method prescribed in Article 7-2 of the Fair Business Practice Regulations No. 14 set forth by the Japan Securities Dealers Association.
- (3) Portion of the issue price which will not be transferred to stated capital:  
The amount of a portion of the issue price which will not be transferred to stated capital shall be the amount of the issue price to be decided in accordance with (2) above after deduction of the amount to be transferred to stated capital. The amount to be transferred to stated capital shall be the issue price multiplied by 0.5, with any fraction less than one yen being rounded up to the nearest full yen.
- (4) Method of offering:  
The offering is to be made to the public in Japan and the Company will cause several underwriters to jointly and severally subscribe and purchase all shares to be issued for that purpose.  
The issue price is to be determined, based on the provisional price, which is equal to the closing share price of the Company at the Tokyo Stock Exchange, Inc. on the Issue Price Determination Date (if the closing price is not available on such day, the closing price of the nearest preceding day will apply) multiplied by a number between 0.90 and 1.00, with any fraction less than one yen being disregarded, taking into consideration market demand, according to the method prescribed in Article 7-2 of the Fair Business Practice Regulations No. 14 set forth by the Japan Securities Dealers Association.
- (5) Commission to the underwriters:  
The Company will pay no commission fee to the underwriters, and in lieu of a commission fee, the difference between the issue price to be paid to the Company and the offer price in the public offering will be retained by the underwriters.

- (6) Offering period:  
From Thursday, March 9, 2006 to Monday, March 13, 2006. The period is subject to acceleration, based on market demand, and the earliest period shall be from Tuesday, March 7, 2006 to Thursday, March 9, 2006.
- (7) Payment date:  
Any day from Tuesday, March 14, 2006 to Thursday, March 16, 2006. Specifically, as mentioned in (6) above, the offering period is subject to acceleration based on market demand, and, in the event of acceleration the earliest payment date will be March 14, 2006.
- (8) Initial date for dividend accrual:  
Saturday, October 1, 2005
- (9) Unit of offering:  
50 shares
- (10) The Company authorizes Naoteru Miyato, its President, to determine any matter necessary for the issuance of new shares by way of public offering described above, including the issue price and the portion of the issue price which will not be transferred to stated capital.
- (11) The issuance of new shares by way of public offering described above is conditional upon the effectiveness of the registration made under a Securities Registration Statement filed by the Company pursuant to the Securities and Exchange Law of Japan.

**2. Secondary offering by way of over-allotment (See “(Reference) 1. Secondary offering by way of over-allotment”)**

- (1) Number of shares to be offered and sold:  
630,000 shares  
The number of shares mentioned above is the maximum number of shares to be sold through secondary offering by way of over-allotment. This number may decrease or the offering of shares by way of over-allotment itself may be cancelled based on market demand. The number of shares to be sold shall be determined on the Issue Price Determination Date.
- (2) Selling shareholder:  
Nomura Securities Co., Ltd.
- (3) Offer price:  
Undetermined (the offer price shall be equal to the offer price in the public offering of new shares mentioned above and determined on the Issue Price Determination Date).
- (4) Method of secondary offering:  
Taking account of market demand for the public offering of new shares, Nomura Securities Co., Ltd. shall make the secondary offering of shares which it will borrow from a shareholder of the Company.
- (5) Subscription period:

The subscription period shall be the same as that for the public offering of new shares set forth above.

- (6) Delivery date:  
The delivery date shall be the next business day following the payment date of the issuance of new shares by way of public offering set forth above.
- (7) Unit of offering:  
50 shares
- (8) The Company authorizes Naoteru Miyato, its President, to determine any matter necessary for the secondary offering, including the offer price.
- (9) The sale of the shares under this secondary offering is conditional upon the effectiveness of the registration made under a Securities Registration Statement filed by the Company pursuant to the Securities and Exchange Law of Japan.

**3. Issue of new shares by way of third party allotment (See “(Reference) 1. Secondary offering by way of over-allotment”)**

- (1) Number of shares to be issued:  
630,000 shares
- (2) Issue price:  
Issue price shall be equal to the issue price in the public offering of new shares set forth above, and determined on the Issue Price Determination Date.
- (3) Portion of the issue price which will not be transferred to stated capital:  
The amount of a portion of the issue price which will not be transferred to stated capital shall be the amount of the issue price to be decided in accordance with (2) above after deduction of the amount to be transferred to stated capital. The amount to be transferred to stated capital shall be the issue price multiplied by 0.5, with any fraction less than one yen being rounded up to the nearest full yen.
- (4) Number of shares and party to receive allocation:  
Nomura Securities Co., Ltd. 630,000 shares
- (5) Offering date:  
Tuesday, March 28, 2006
- (6) Payment date:  
Tuesday, March 28, 2006
- (7) Initial date for dividend accrual:  
Saturday, October 1, 2005
- (8) Unit of offering  
50 shares
- (9) Shares which are not subscribed by the offering date set forth in 3. (5) above will not be issued.

- (10) The Company authorizes Naoteru Miyato, its President, to determine any matter necessary for the issuance of new shares by way of third party allotment described above, including the issue price and the portion of the issue price which will not be transferred to stated capital.
- (11) The issuance of new shares by way of third party allotment described above is conditional upon the effectiveness of the registration made under a Securities Registration Statement filed by the Company pursuant to the Securities and Exchange Law of Japan.

## **(Reference)**

### **1. Secondary offering by way of over-allotment**

The secondary offering by way of over-allotment will be made by Nomura Securities Co., Ltd. along with, and taking into account market demand for, the public offering of new shares set out in "1. Issuance of new shares by way of public offering" above, by utilizing shares to be borrowed by Nomura Securities Co., Ltd. from Nomura Holdings, Inc., a shareholder of the Company. The number of shares to be offered and sold through secondary offering by way of over-allotment mentioned above is the maximum number of shares to be sold. This number may decrease or the offering of shares by way of over-allotment itself may be cancelled based on market demand.

In connection with this offering, at a meeting held on February 16, 2006 the Board of Directors of the Company resolved to issue of new shares to Nomura Securities Co., Ltd. by way of third party allotment in order for Nomura Securities Co., Ltd. to return such shares to Nomura Holdings, Inc. The payment date of this issuance of new shares by way of third party allotment is Tuesday, March 28, 2006.

Nomura Securities Co., Ltd. may purchase shares ("Syndicate Cover Transactions") on the Tokyo Stock Exchange, Inc., up to the number of shares offered in the offering by way of over-allotment. Such purchase would be made between the day immediately following the last day of the subscription period for the secondary offering by way of over-allotment and Monday, March 20, 2006 (the "Syndicate Cover Transaction Period"). Shares purchased through the Syndicate Cover Transactions will be used to return borrowed shares.

During the Syndicate Cover Transaction Period, there may be no Syndicate Cover Transactions at all, or the transactions may be ceased before the maximum number of shares to be purchased, at the discretion of Nomura Securities Co., Ltd.

Nomura Securities Co., Ltd. may also conduct stabilizing transactions with regard to shares during the subscription period for the public offering of new shares and the secondary offering by way of over-allotment. Shares purchased through such stabilizing transactions may be used to return borrowed shares.

Nomura Securities Co., Ltd. will subscribe new shares to be issued by way of third party allotment of such number of residual borrowed shares after the Syndicate Cover Transactions and stabilizing transactions. Therefore, some or all of the new shares to be issued by way of third party allotment may not be subscribed by Nomura Securities Co., Ltd. and, consequently, the number of new shares to be issued by way of third party allotment may be decreased or the issuance of new shares by way of third party allotment may be canceled.

## 2. Change in number of issued shares as a result of the public offering and third-party allotment

Number of current issued shares	241,500,000 shares
Number of shares resulting from the issuance of new shares by way of public offering	4,200,000 shares
Number of issued shares after the issuance of new shares by way of public offering	245,700,000 shares
Number of shares resulting from the issuance of new shares by way of third-party allotment	630,000 shares (1)
Number of issued shares after the issuance of new shares by way of third-party allotment	246,330,000 shares (1)

Note:

(1) These numbers assume that the maximum number of shares to be issued by way of third party allotment described above are subscribed for by, and issued to, Nomura Securities Co., Ltd.

## 3. Use of proceeds

We expect to receive net proceeds of approximately ¥ 31,746 million from the issuance of new shares by way of public offering. Out of such ¥ 31,746 million, we will invest ¥ 31,000 million in the equity of our wholly-owned subsidiary, T&D Financial Life Insurance Company, to strengthen its financial soundness to achieve medium-term growth. The balance, together with the amount raised by the issuance of new shares by way of third party allotment, will be utilized as working capital of the Company. T&D Financial Life Insurance Company intends to use the net proceeds to invest in its business corresponding to the expansion of sales of insurance products through banks.

The Company intends to use the net proceeds mainly to strengthen T&D Financial Life Insurance Company's financial soundness to achieve medium-term growth. We anticipate that this will contribute to the increase of Group corporate value.

### Attention

**This document is a translation of a press release that was announced on the Tokyo Stock Exchange, Inc. on February 16, 2006 by T&D Holdings, Inc. The purpose of this press release is to make a general public announcement of the public offering of new shares and the secondary offering of the shares. It has not been prepared for the purpose of soliciting investments in the shares.**

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