



JASDEC, Japan's central securities depository, opened a new chapter in its business history in the fiscal year ended March 31, 2003, by taking its place as a stock corporation.

The Japan Securities Depository Center, Inc. (JASDEC), is the only central securities depository in Japan, designated under the Law Concerning Central Securities Depository and Book-Entry Transfer of Stock Certificates and Other Securities (CSD Law). JASDEC provides depository and book-entry transfer services for marketable securities, in accordance with the CSD Law.

In June 2002, JASDEC assumed all businesses previously undertaken by the Japan Securities Depository Center—its predecessor organization, which was established in December 1984 under the CSD law as a not-for-profit foundation—and began operations as a stock company.

JASDEC aims to contribute to the formation of a Japanese financial market that is highly competitive on an international basis. Toward this end, the Company will utilize its status as a stock company to make its operations more transparent and strengthen its financial position, while working to improve the safety, efficiency and convenience of securities settlement systems.

Established

DECEMBER 6, 1984

The Japan Securities Depository Center established as a not-for-profit foundation in line with the November 1984 enforcement of the CSD Law.

Commenced business

OCTOBER 9, 1991

Commenced business as Japan's only central securities depository for stock certificates.

Expansion

NOVEMBER 26, 2001

Began handling convertible bonds.

MARCH 31, 2003

Began handling commercial paper in dematerialized form, in accordance with the Law Concerning Book-Entry Transfer of Corporate and Other Debt Securities.

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Cover:
The character on the cover—pronounced “sou”—means creation. To JASDEC, this character is not merely a part of language but a true symbol of the creativity that infuses the Company, in the activities it undertakes today and those that it plans for tomorrow.

SHARES IN CUSTODY

203 billion shares

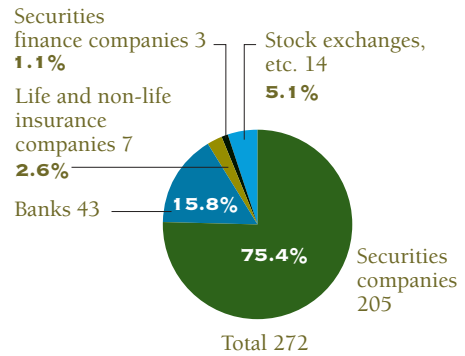
The number of shares in custody exceeded 200 billion in September 2002 and reached 203.1 billion by the end of March 2003.

SHARES TRANSFERRED BY BOOK ENTRY

580 billion shares

Of the 580.8 billion shares transferred by book entry, non-exchange trade transfers accounted for 355.0 billion shares, or 61.1% of the total.

PARTICIPANTS BY CATEGORY
(As of March 31, 2003)



New corporate structure

JANUARY 4, 2002

The Japan Securities Depository Center, Inc. incorporated as a stock company.

JUNE 17, 2002

Assumed all the businesses of the Japan Securities Depository Center, in accordance with the CSD Law.

Our mission

In view of our duty to serve the public, our mission is to provide a highly secure, efficient and convenient securities clearing and settlement infrastructure, which in turn contributes to functional improvement of the securities market. Toward this end, we place a special focus on reducing settlement risks, promoting straight-through processing (STP), and encouraging greater use of depository services for further immobilization of securities amid progress in the dematerialization of securities certificates.

NUMBER OF ELIGIBLE ISSUING COMPANIES

3,626 companies

We handle the share certificates of nearly all publicly traded companies in Japan.

CUSTODY RATIO

59 %

Shares in custody represents 59.1% of the entire domestic stock market. Our custody ratio for convertible bonds reached 93.5% as of the end of March 2003.