

REPORT OF INDEPENDENT AUDITORS

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF
JAPAN SECURITIES DEPOSITORY CENTER, INC.

We have audited the accompanying non-consolidated balance sheets of Japan Securities Depository Center, Inc. as of March 31, 2002 and 2003, and the related non-consolidated statements of income, shareholders' equity and cash flows for the period from January 4, 2002 (Date of Incorporation) to March 31, 2002 and for the year ended March 31, 2003, all expressed in Japanese Yen. These non-consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these non-consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the non-consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of Japan Securities Depository Center, Inc. as of March 31, 2002 and 2003, and the results of its operations and its cash flows for the period from January 4, 2002 (Date of Incorporation) to March 31, 2002 and for the year ended March 31, 2003 in conformity with accounting principles and practices generally accepted in Japan.

The amounts expressed in U.S. dollars, which are provided solely for the convenience of readers, have been translated on the basis set forth in Note 3 to the accompanying non-consolidated financial statements.



ChuoAoyama Audit Corporation

Tokyo, Japan
June 20, 2003

NOTICE TO READERS:

The accompanying non-consolidated financial statements are not intended to present the financial positions, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in Japan.