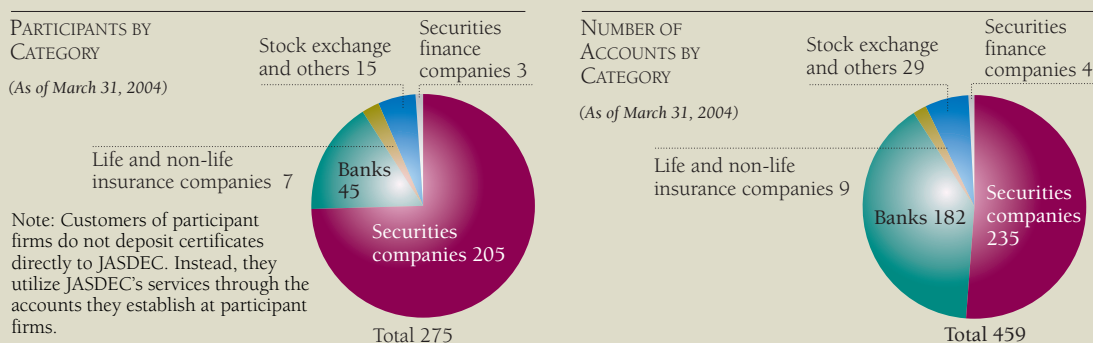


## BUSINESS OVERVIEW

### PARTICIPANTS AND ACCOUNTS

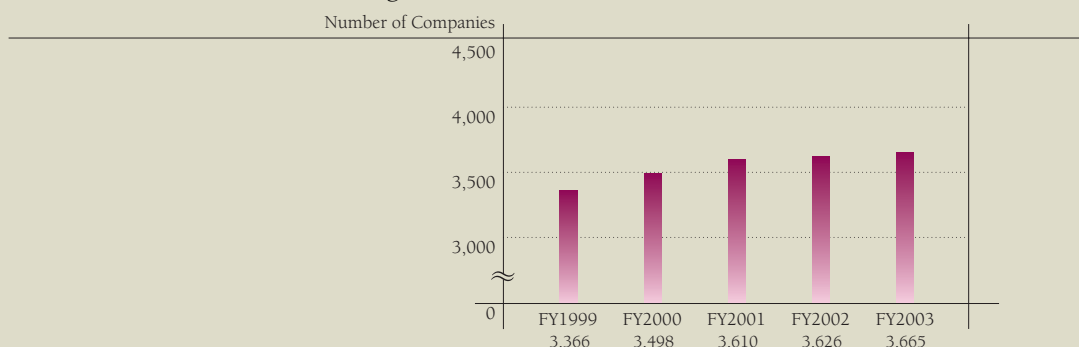
Participant firms open an account at JASDEC and deposit the certificates they wish to consign. Such firms include securities companies, banks, trust banks, insurance companies, securities finance companies and stock exchanges.

As of the end of March 2004, the number of participants stood at 275, and the number of accounts stood at 459.



### ISSUING COMPANIES

As of the end of March 2004, 3,665 companies, representing all publicly traded companies in Japan, have consented to JASDEC handling their stocks.



### ELIGIBLE SECURITIES

JASDEC accepts the securities described in the CSD Law. Consent of the issuing company is also a prerequisite. Currently, securities deemed eligible are domestic securities, including stocks, convertible bonds (CBs; corporate bonds with subscription warrants to new shares), beneficiary certificates of exchange-traded funds (ETFs), certificates of real estate investment trust (REITs), and preferred investment bonds of financial institutions established by cooperative associations, which are listed on stock exchanges or registered with the Japan Securities Dealers Association (JSDA).

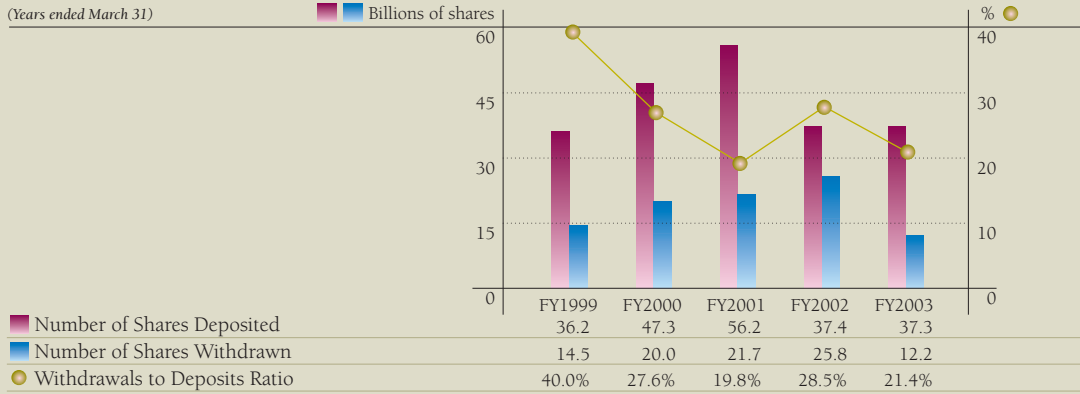
#### ELIGIBLE SECURITIES BY CATEGORY (As of March 31, 2004)

Stocks	228,201 million shares	3,666 issues
Preferred investment securities	243,387 units	1 issue
Beneficiary certificates of ETFs	1,993 million units	18 issues
Certificates of REITs	2,359 thousand units	14 issues
CBs	4,302,455 million yen	207 issues

## HANDLING OF STOCK CERTIFICATES

### (a) Deposits and withdrawals

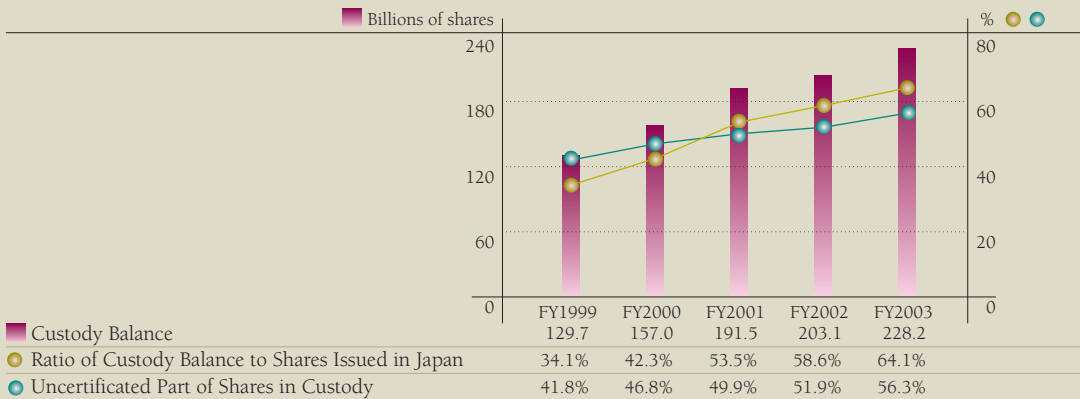
The number of shares deposited is influenced by market trends and corporate actions. On the other hand, the withdrawals to deposits ratio has decreased year by year, and stood at 21.4% as of the end of March 2004.



Note: The above ratios are calculated based on the number of shares deposited, excluding shares deposited by stock splits, and shares withdrawn, excluding the shares by stock transfer and merger.

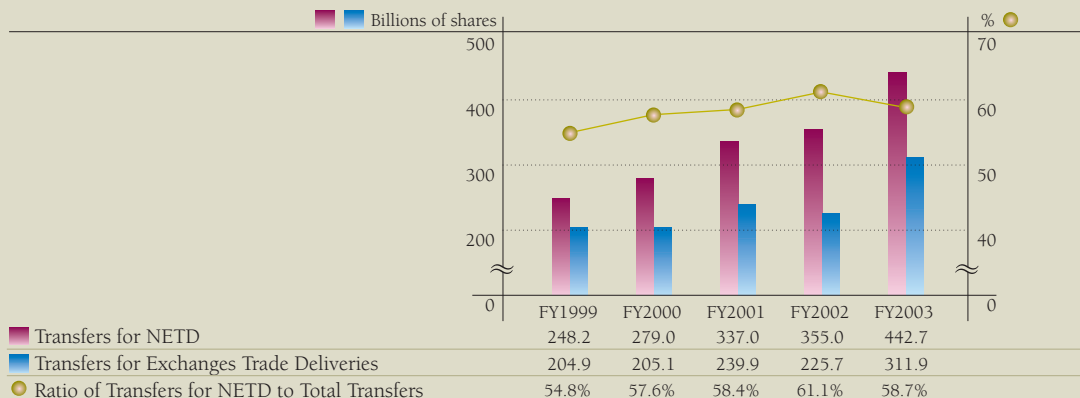
### (b) Custody

As of the end of March 2004, the number of shares held in JASDEC's custody amounted to 228,201 million shares and the balance held accounted for 64.1% of the total outstanding shares issued by publicly owned companies in Japan.



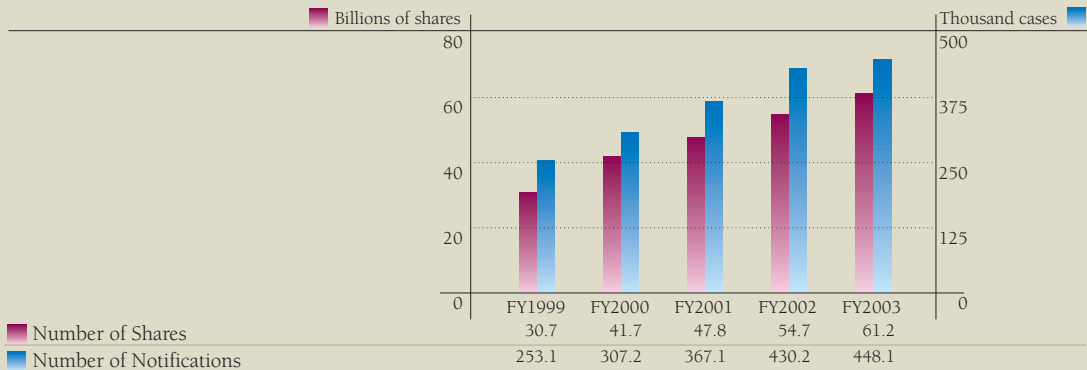
### (c) Book-entry transfer

As of the end March 2004, exchange trade transfers amounted to 311,970 million shares, and transfers for non-exchange trade deliveries (NETD) amounted to 442,739 million shares.



(d) Beneficial shareholder notification

As of the end of March 2004, number of beneficial shareholder notification services amounted to 61,221million shares or 448,199 thousand cases.



OTHER SECURITIES OPERATIONS

As of the end of March 2004, an overview of other securities by category is as follows.

(a) Convertible bonds (CBs)

(Millions of yen)	
Deposits	84,495
Withdrawals	1,245,315
Custody	4,302,455
Book-entry transfers	
Exchange trade transfers	183,501
Non-exchange trade transfers	1,380,759
Number of issues	207

(c) Preferred investment securities of financial institutions

(Number of units)	
Deposits	135
Withdrawals	672
Custody	243,387
Book-entry transfer	
Exchange trade transfer	7,338
Non-exchange trade transfer	4,376
Number of issues	1

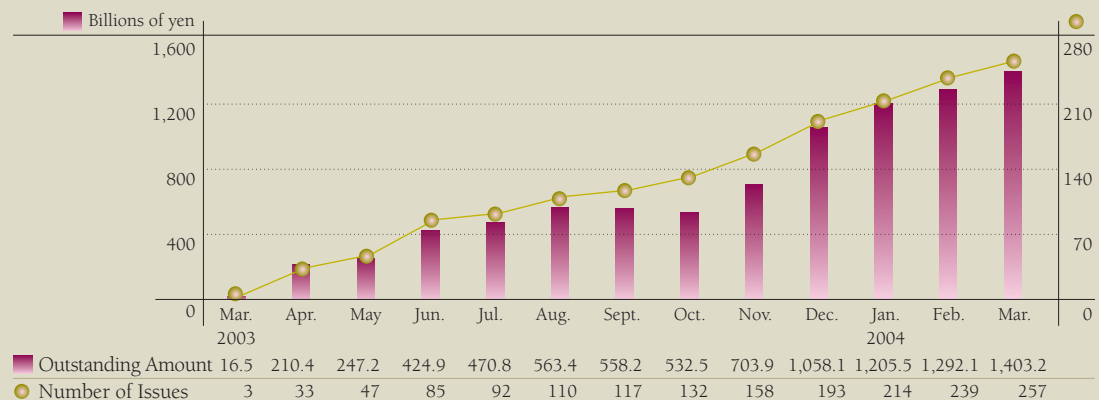
(b) Exchange-traded funds (ETFs)

(Thousands of units)	
Deposits	14,371
Withdrawals	192,752
Custody	1,993,119
Book-entry transfers	
Exchange trade transfers	241,771
Non-exchange trade transfers	1,116,516
Number of issues	18

(d) Real estate investment trusts (REITs)

(Number of units)	
Deposits	244,725
Withdrawals	12,429
Custody	2,359,380
Book-entry transfers	
Exchange-trade transfers	282,670
Non-exchange trade transfers	542,159
Number of issues	14

(e) Electronic CP (End-of-month data)



Note: Electronic CP became eligible to JASDEC in March 2003.