

# BASIC DATA FOR STOCK CERTIFICATES BOOK-ENTRY TRANSFER

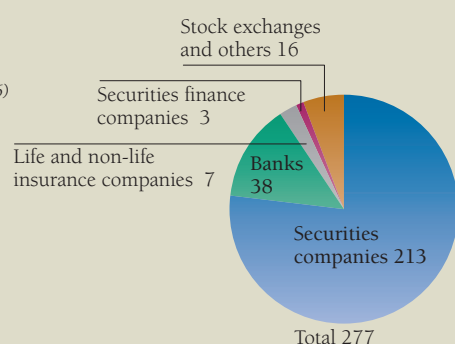
## Participants and Accounts

Participant firms open accounts 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 2006, the number of participants stood at 277, and the number of accounts stood at 471.

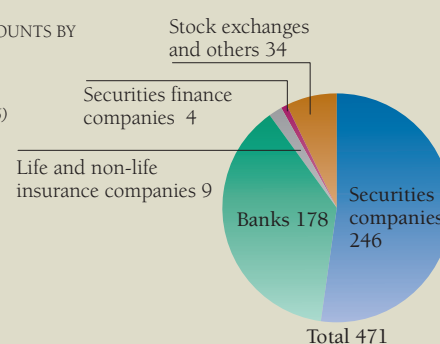
PARTICIPANTS BY  
CATEGORY

(As of March 31, 2006)



NUMBER OF ACCOUNTS BY  
CATEGORY

(As of March 31, 2006)



Note: Clients of participant firms do not deposit certificates directly with JASDEC. Rather, they utilize JASDEC's services through the accounts they establish at participant firms.

## Issuing Companies

As of March 31, 2006, all listed companies in Japan, a total of 3,837 companies, have consented to JASDEC handling their stocks.

## Eligible Securities

ELIGIBLE SECURITIES (As of March 31, 2006)

Stocks	281,914 million shares	3,838 issues
Preferred investment securities	269,255 units	1 issue
Beneficiary certificates of ETFs	1,627,248 thousand units	14 issues
Certificates of REITs	5,177,216 units	34 issues
CBs	1,689,287 million yen	146 issues

Note: JASDEC accepts securities described in the CSD Law. Consent of the issuing company is also a prerequisite. Currently, eligible securities are domestic securities, including stocks, convertible bonds (corporate bonds with subscription warrants to new shares), convertible bond beneficiary certificates of exchange-traded funds (ETFs), certificates of real estate investment trusts (REITs), and preferred investment bonds of financial institutions established by cooperative associations, which are listed on stock exchanges.

# REVENUES BY OPERATION

## Fiscal 2005 Review

Fiscal 2005, ended March 31, 2006, was characterized by brisk stock trading backed by economic recovery. In fiscal 2005 average daily stock trading volume at the Tokyo Stock Exchange exceeded 2 billion shares from September 2005 to February 2006. The JASDEC Group benefited from this environment as heightened stock-trading activity triggered more account transfers through the Group’s securities depository and book-entry transfer systems. As a result, operating income increased 14.4%, to ¥21,745.1 million, operating expenses decreased 1.2%, to ¥16,889.2 million, income from operations increased 154.0%, to ¥4,855.9 million, and net income increased 197.2%, to ¥3,121.3 million.

## Book-Entry Transfer Services for Stock Certificates

### ACCOUNT TRANSFER OPERATIONS

The number of shares in the transfer account—that is, combined exchange trade and non-exchange trade deliveries (NETDs)—averaged 87.7 billion a month, primarily a reflection of stock trading levels that maintained their momentum from the previous year. Consequently, income related to account transfer services, particularly services for stock certificates, corporate bonds with subscription warrants to new shares and ETF beneficiary certificates, increased 33.6%, to ¥16,594.0 million

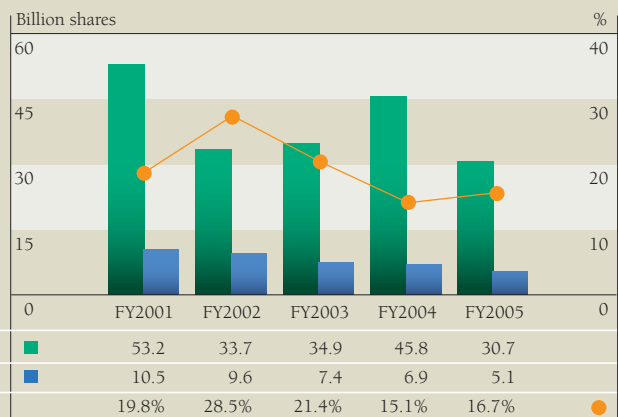
### CUSTODY OPERATIONS

The number of shares in custody as of March 31, 2006, were as follows: stock certificates at 281.9 billion shares, corporate bonds with subscription warrants to new shares at ¥1,689.2 billion, and ETF beneficiary certificates at 1,627 million units. From April 1, 2005, we reduced the basic premiums of custody fees related to stocks. As a result, income related to custody operations, particularly services related to stock certificates, corporate bonds with subscription warrants to new shares and ETF beneficiary certificates, increased 5.5%, to ¥5.1 billion.

## Handling of Shares

### (a) Deposits and Withdrawals

The withdrawals to deposits ratio settled at 16.7%, as of March 31, 2006.



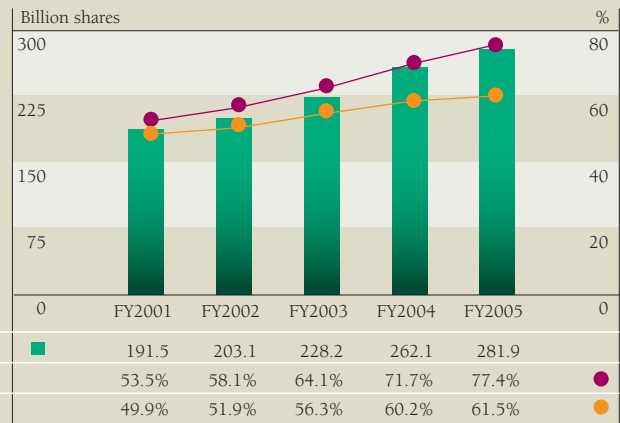
(Years ended March 31)

Number of Shares Deposited  
 Number of Shares Withdrawn  
 Withdrawals to Deposit Ratio

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

**(b) Custody**

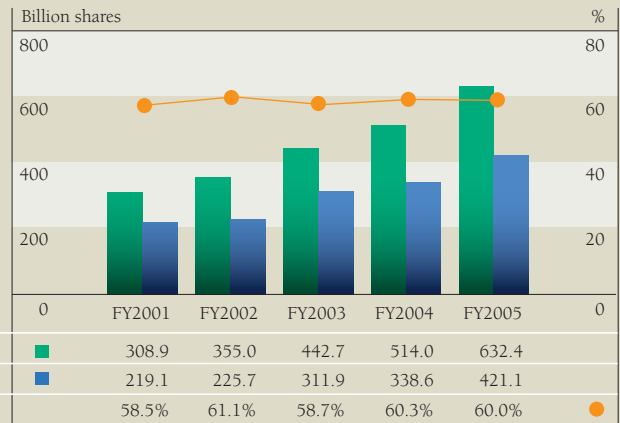
As of March 31, 2006, the number of shares in JASDEC's custody stood at 281,914 million shares and represented 77.4% of all outstanding shares issued by companies listed on stock exchanges in Japan.



Note: Immobilized shares are shares in custody that have been replaced by jumbo certificates, based on set criteria, to reduce administrative costs associated with custody and minimize risks, such as the physical loss of stock certificates.

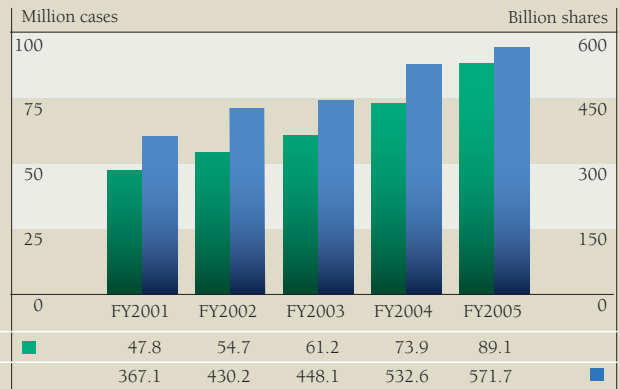
**(c) Book-Entry Transfer**

Of the number of shares transferred between accounts by book-entry transfer in fiscal 2005, the number of shares pertaining to exchange trade transfers represented 421,149 million and the number of shares pertaining to NETDs accounted for 632,401 million.



**(d) Beneficial Shareholder Notification**

In fiscal 2005, beneficial shareholder notification services covered 571,785 million shares and 89,174 thousand cases.



## OTHER SECURITIES OPERATIONS

An overview of other securities operations conducted during fiscal 2005 is presented below.

*(a) Convertible Bonds (CBs) / Corporate Bonds with Subscription Warrants to New Shares*

	(Millions of yen)
Deposits	604,750
Withdrawals	1,519,696
Custody	1,689,287
Book-entry transfer	
Exchange trade transfer	776,663
NETDs	7,125,831
Number of issues	146

*(b) ETFs*

	(Thousands of units)
Deposits	958,135
Withdrawals	1,038,982
Custody	1,627,248
Book-entry transfer	
Exchange trade transfer	2,286,079
NETDs	9,237,727
Number of issues	14

*(c) Preferred Investment Securities of Financial Institutions*

	(Number of units)
Deposits	18,102
Withdrawals	607
Custody	269,255
Book-entry transfer	
Exchange trade transfer	66,588
NETDs	66,344
Number of issues	1

*(d) REITs*

	(Number of units)
Deposits	1,805,869
Withdrawals	78,247
Custody	5,177,216
Book-entry transfer	
Exchange trade transfer	4,394,310
NETDs	7,745,723
Number of issues	34

## Book-Entry Transfer Services for Other Certificates

## BOOK-ENTRY TRANSFER SERVICES FOR CORPORATE BONDS

As of March 31, 2006, book-entry transfers for Corporate Bonds (which commenced on January 10, 2006) had reached 7,055 issues, the account balance stood at ¥6,406.6 billion, and the number of transfers was 23,851. As a result, income related to book-entry transfer services for Corporate Bonds reached ¥269.1 million.

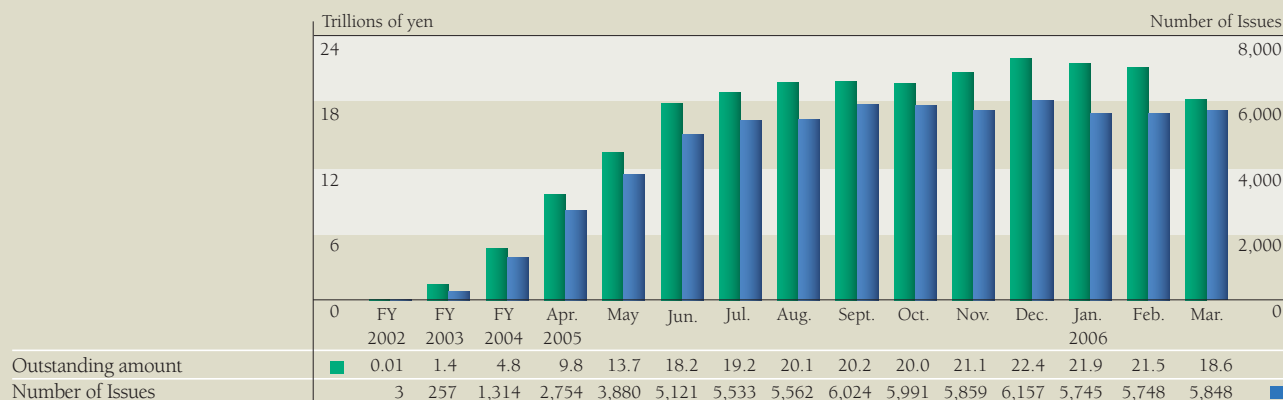
## BOOK-ENTRY TRANSFER SERVICES FOR COMMERCIAL PAPER

On March 31, 2003, JASDEC launched a book-entry transfer system for commercial paper (CP), in accordance with the Law Concerning Book-Entry Transfer of Corporate Bonds, etc. Instead of CP in the conventional paper form—the paper-based certificates that prevailed from issuance to redemption, including transfers—JASDEC's system totally dematerializes the certificates and records CP issuance, transfer and redemption electronically in JASDEC's computer-based transfer account book, by adding issuance, transfer and redemption, respectively.

Since March 2003, the account balance has steadily expanded—a trend given further momentum when preferential tax treatment was terminated at the end of March 2005—and stood at ¥21,766.5 billion as of December 29, 2005. The switch from paper-based CP to dematerialized form is more or less complete.

As of March 31, 2006, book-entry transfer for commercial paper (CP) had been extended to 399 issuers, an increase of 161 companies from a year earlier, and the number of issues reached 5,848, an increase of 4,534. The account balance stood at ¥18,624.0 billion, up ¥13,760.7 billion, and the number of transfers reached 190,996, up 179,224. As a result, income related to book-entry transfer services for CP reached ¥281.7 million, up 406.2%.

### CP Account Balance (Month-end)



### DVP SETTLEMENT SERVICES FOR NETDs

The number of transfers for DVP for NETDs reached an average of about 80,000 a day during fiscal 2005, which far surpassed the approximately 60,000 of the previous fiscal year. As a result, income related to DVP settlement services for NETDs amounted to ¥1,513.2 million, a 45.6% increase from a year earlier.

### PRE-SETTLEMENT MATCHING SERVICES

In fiscal 2005, as in fiscal 2004, stock trading was brisk, spurring use of JASDEC's PSMS. Consequently, income related to pre-settlement matching services amounted to ¥2,007.1 million, a 42.9% increase from a year earlier.

### OTHER SERVICES

Of other services, we made deposit fees related to stocks charge-free from October 2005. Mainly due to this, income related to other services decreased 20.3%, to ¥2,702.5 million, in fiscal 2005

**Pre-Settlement Matching System (PSMS)** This central matching system automatically confirms the contents of trade and settlement, such as trade names/amounts, counterparties and account numbers.

**Delivery versus Payment (DVP)** This system simultaneously attaches specific conditions to the delivery of and payment for securities. International standards, recommended by the Group of 30 and other organizations, require the application of a DVP settlement system to all securities settlements to eliminate settlement risk