

Message from the President



CHANGE

JASDEC is accelerating efforts to complete a new book-entry transfer system prior to dematerialization of stock certificates in January 2009.

JASDEC is aggressively working to develop a new book-entry transfer—dematerialization of stock certificates—for securities settlement system reforms. Acknowledging our public role as an organization responsible for market infrastructure, we intend to proactively address fundamental changes in domestic and foreign capital markets, as well as operate the business for the needs of market participants. By providing a highly reliable, convenient, and efficient securities settlement system, we wish to improve the functions of the securities market, thereby contributing to the development of society.

Message from the President

Since the launch of the securities depository and book-entry transfer system for stock certificates issued by listed companies in 1991, we have expanded our services with various products such as corporate bonds, investment trusts and foreign stocks. We have also successively upgraded our business functions, including the commencement of PSMS (Pre-settlement matching system) and DVP settlement systems for NETDs (non-exchange transaction deliveries) to provide highly reliable, user-friendly and efficient settlement services. On top of these developments, we are currently promoting preparations for dematerialization of stock certificates for listed companies toward implementation in January 2009, as a further significant step for the reform of securities clearing and settlement system in Japan. As an infrastructure supporting securities settlement, it is our mission to facilitate the new system smoothly.

In fiscal 2007 ended March 31, 2008, the subcommittee for dematerialization of stock certificates continued to review the practical transition procedures, including administrative transactions after the dematerialization. In November 2007, we preannounced the user fee schedule under the new system. In March 2008, we held briefings for issuers to explain the transition process to the new system. For system development relating to the dematerialization, we began testing of the overall system in March 2008, in advance for preliminary operations regarding the shareholders' data system scheduled to begin in September 2008.

In this fiscal year 2008 ending March 31, 2009, we are completing business regulations for the new book-entry transfer system of stocks following the dematerialization. We will also conduct full-scale testing of the system, and endeavor to ensure that the dematerialization of stock certificates could be implemented smoothly in January 2009.

In April 2007, JASDEC jointly hosted the 9th Conference of Central Securities Depositories (CSD9). CSD conferences are held once every two years. The 1st CSD Interim Meeting was also held in April 2008 in Tokyo. In these meetings, the exchange of information and opinions on international themes pertaining to securities clearing and settlement systems were conducted. We will continue to work for strengthening cooperation with overseas CSDs with a view to establishment of operational linkages, thereby proactively addressing the ongoing globalization of capital markets. As Japan's only central securities depository, we are committed to providing highly reliable, user-friendly, and efficient infrastructure for securities clearing and settlement.

We would like to thank all of our users, participants, and investors for their continuing support and cooperation.



Yoshinobu Takeuchi
President & CEO

