Consolidated Balance Sheets (As of March 31, 2008 and 2009)

	¥ (thousands)		$ (thousands) (Note 5)
	2008	**2009**	**2009**
ASSETS			
Current Assets:			
Cash and deposits	¥ 1,816,676	**¥ 2,355,978**	**$ 23,984**
Accounts receivable – trade	3,072,097	**3,161,085**	**32,180**
Deferred income taxes (Note 12)	156,655	**561,386**	**5,715**
Designated assets for clearing funds (Note 4)	29,884,895	**31,531,872**	**321,000**
Other current assets	356,531	**519,023**	**5,284**
Allowance for doubtful accounts	—	**(6,895)**	**(70)**
Total Current Assets	35,286,855	**38,122,450**	**388,093**
Property and Equipment:			
Buildings and structures	1,125,677	**1,062,907**	**10,820**
Tools and furniture	9,018,616	**5,560,074**	**56,603**
Lease assets	—	**56,023**	**570**
	10,144,293	**6,679,004**	**67,993**
Less: Accumulated depreciation	(6,262,276)	**(4,170,881)**	**(42,460)**
Total Property and Equipment	3,882,017	**2,508,121**	**25,533**
Intangible Assets, Net:			
Software	7,171,014	**19,759,147**	**201,152**
Construction in progress (Software)	6,586,807	**67,821**	**690**
Lease assets	—	**9,517**	**97**
Other intangible assets	14,882	**18,154**	**184**
Total Intangible Assets	13,772,704	**19,854,639**	**202,123**
Investment and Other Assets:			
Investment securities	336,647	**308,418**	**3,140**
Long-term prepaid expenses	109,154	**86,770**	**883**
Deferred income taxes (Note 12)	937,233	**194,434**	**1,979**
Long-term refundable lease deposits	514,775	**514,775**	**5,240**
Claims provable in bankruptcy, rehabilitation and other	—	**41,394**	**421**
Allowance for doubtful accounts	—	**(15,878)**	**(161)**
Total Investment and Other Assets	1,897,811	**1,129,914**	**11,502**
Total Assets	¥54,839,389	**¥61,615,125**	**$627,253**

The accompanying notes are an integral part of these statements.

	¥ (thousands)		$ (thousands) (Note 5)
	2008	**2009**	**2009**
LIABILITIES			
Current Liabilities:			
Accounts payable – trade	¥ 1,556,483	**¥ 868,426**	**$ 8,841**
Short-term borrowings (Note 6 and 9)	2,400,000	**8,400,000**	**85,514**
Lease obligations (Note 9)	—	**13,842**	**141**
Income taxes payable	931,071	**—**	**—**
Allowance for employees' bonuses	178,909	**185,102**	**1,884**
Allowance for executives' bonuses	20,300	**20,300**	**207**
Consumption taxes payable	4,030	**—**	**—**
Deposits received for clearing funds (Note 4)	29,884,895	**31,531,872**	**321,000**
Allowance for loss of business trust agreement Cancellation	—	**940,103**	**9,570**
Allowance for loss of computer center transfer	—	**242,379**	**2,467**
Other current liabilities	629,274	**235,736**	**2,400**
Total Current Liabilities	35,604,964	**42,437,763**	**432,024**
Long-term Liabilities:			
Lease obligations (Note 9)	—	**45,785**	**466**
Allowance for employees' retirement benefits (Note 10)	148,155	**199,422**	**2,030**
Allowance for executives' retirement benefits	41,160	**41,160**	**419**
Allowance for loss of business trust agreement cancellation	827,700	**—**	**—**
Allowance for loss of computer center transfer	320,356	**—**	**—**
Total Long-term Liabilities	1,337,372	**286,367**	**2,915**
Total Liabilities	36,942,336	**42,724,131**	**434,939**
NET ASSETS			
Shareholders' Equity:			
Common stock			
Authorized: 10,000 shares			
Issued: 8,500 shares	4,250,000	**4,250,000**	**43,266**
Capital surplus	4,250,000	**4,250,000**	**43,266**
Retained earnings	9,397,052	**10,390,994**	**105,781**
Total Shareholders' Equity	17,897,052	**18,890,994**	**192,313**
Total Net Assets	17,897,052	**18,890,994**	**192,313**
Total Liabilities and Net Assets	¥54,839,389	**¥61,615,125**	**$627,253**

The accompanying notes are an integral part of these statements.

Consolidated Statements of Income (For the years ended March 31, 2008 and 2009)

	¥ (thousands)		$ (thousands) (Note 5)
	2008	**2009**	**2009**
Operating Income	¥26,022,586	**¥27,163,871**	**$276,533**
Operating Expenses:			
Executives' compensation and bonuses	206,673	**206,738**	**2,105**
Salaries and bonuses	1,822,149	**1,972,209**	**20,077**
Severance costs for employees (Note 10)	81,945	**97,320**	**991**
Maintenance for systems	6,974,215	**8,424,000**	**85,758**
Outside services	2,597,821	**2,463,436**	**25,077**
Registration fees	1,286,788	**1,523,801**	**15,513**
Depreciation and amortization	5,604,745	**6,362,311**	**64,769**
Rent	509,500	**525,941**	**5,354**
Advertisement	720,881	**668,434**	**6,805**
Others	1,925,132	**2,210,250**	**22,501**
Total Operating Expenses	21,729,855	**24,454,444**	**248,950**
Income from Operations	4,292,730	**2,709,427**	**27,582**
Other Income (Expenses):			
Interest income	272	**212**	**2**
Operational revenue on the designated assets for clearing funds	111,385	**75,684**	**770**
Equity in earnings (losses) of the affiliate	21,375	**(28,229)**	**(287)**
Interest expenses (Note 9)	(3,637)	**(93,932)**	**(956)**
Commitment fees	(49,391)	**(43,011)**	**(438)**
Fees for fund operation of designated assets for clearing funds	(7,576)	**(7,558)**	**(77)**
Loss on disposal of fixed assets	(16,041)	**(43,350)**	**(441)**
Non-recurring depreciation of property and equipment (Note 11)	(590,625)	**(78,430)**	**(798)**
Allowance for loss of business trust agreement cancellation	(827,700)	**(112,402)**	**(1,144)**
Allowance for loss of computer center transfer	(320,356)	**(35,835)**	**(364)**
Provision of allowance for doubtful account	—	**(15,878)**	**(161)**
Others, net	3,304	**4,978**	**50**
Total	(1,678,991)	**(377,755)**	**(3,845)**
Income before Income Taxes	2,613,739	**2,331,672**	**23,737**
Income Taxes (Note 12)			
Current	1,781,626	**659,662**	**6,715**
Deferred	(715,589)	**338,068**	**3,442**
Net Income	¥ 1,547,702	**¥ 1,333,941**	**$ 13,579**

	Yen		U.S.Dollars (Note 5)
Per Share (Note 17)			
Net income – primary	¥182,082.62	**¥156,934.33**	**$1,598**
Dividends	40,000	**40,000**	**407**
Weighted-average number of common stock shares outstanding (in shares)	8,500	**8,500**	**—**

The accompanying notes are an integral part of these statements.

Consolidated Statements of Changes in Net Assets (For the years ended March 31, 2008 and 2009)

		¥ (thousands)				
	Number of common stock shares	Common stock	Capital surplus	Retained earnings	Total shareholders' equity	Total net assets
Balance as of March 31, **2007**	8,500	¥4,250,000	¥4,250,000	¥ 8,189,350	¥16,689,350	¥16,689,350
Cash dividends	—	—	—	(340,000)	(340,000)	(340,000)
Net income for the year	—	—	—	1,547,702	1,547,702	1,547,702
Balance as of March 31, **2008**	8,500	¥4,250,000	¥4,250,000	¥ 9,397,052	¥17,897,052	¥17,897,052
Cash dividends	—	—	—	(340,000)	(340,000)	(340,000)
Net income for the year	—	—	—	1,333,941	1,333,941	1,333,941
Balance as of March 31, **2009**	8,500	¥4,250,000	¥4,250,000	¥10,390,994	¥18,890,994	¥18,890,994

		$ (thousands) (Note 5)				
	Number of common stock shares	Common stock	Capital surplus	Retained earnings	Total shareholders' equity	Total net assets
Balance as of March 31, **2008**	8,500	$42,419	$42,419	$ 95,663	$182,195	$182,195
Cash dividends	—	—	—	(3,461)	(3,461)	(3,461)
Net income for the year	—	—	—	13,580	13,579	13,579
Balance as of March 31, **2009**	8,500	$42,419	$42,419	$105,781	$192,313	$192,313

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows (For the years ended March 31, 2008 and 2009)

	¥ (thousands)		$ (thousands) (Note 5)
	2008	**2009**	**2009**
Cash Flows from Operating Activities:			
Income before income taxes	¥ 2,613,739	**¥ 2,331,672**	**$ 23,737**
Depreciation and amortization	5,604,745	**6,362,311**	**64,769**
Non-recurring depreciation of property and equipment	590,625	**78,430**	**798**
Increase in allowance for doubtful accounts	—	**22,774**	**232**
Increase (decrease) in allowance for employees' bonuses	(1,961)	**6,193**	**63**
Increase in allowance for employees' retirement benefits	33,746	**51,267**	**522**
Decrease in allowance for executives' retirement benefits	(6,960)	**—**	**—**
Increase in allowance for loss on cancellation of agreement for entrustment of operations	827,700	**112,402**	**1,144**
Increase (decrease) allowance for loss of computer center transfer	320,356	**(77,977)**	**(794)**
Interest income	(272)	**(212)**	**(2)**
Interest expenses	3,637	**93,932**	**956**
Equity in losses (earnings) of the affiliate	(21,375)	**28,229**	**287**
Foreign exchange loss	556	**666**	**7**
Loss on disposal of property and equipment	9,297	**9,998**	**102**
Loss on disposal of intangible assets	6,744	**33,352**	**339**
Decrease (increase) in accounts receivable-trade	383,014	**(130,383)**	**(1,327)**
Decrease in accounts payable-trade	(367,373)	**(688,057)**	**(7,004)**
Decrease (increase) in other assets	(137,867)	**52,137**	**531**
Decrease in other liabilities	(5,311)	**(20,677)**	**(210)**
Sub-total	9,853,041	**8,266,061**	**84,150**
Interest and dividends received	272	**212**	**2**
Interest paid	(3,101)	**(66,543)**	**(678)**
Income taxes paid	(1,789,007)	**(1,788,073)**	**(18,203)**
Net Cash Provided by Operating Activities	8,061,204	**6,411,657**	**65,271**
Cash Flows from Investing Activities:			
Payments for purchase of investment securities	(315,272)	**—**	**—**
Payments for purchase of property and equipment	(3,975,197)	**(370,597)**	**(3,772)**
Payments for purchase of intangible assets	(6,758,275)	**(11,153,312)**	**(113,543)**
Payments of guarantee money deposits received	(79,273)	**—**	**—**
Net Cash Flows Used in Investing Activities	(11,128,018)	**(11,523,909)**	**(117,315)**
Cash Flows from Financing Activities:			
Short-term borrowings	3,360,000	**20,400,000**	**207,675**
Repayment of short-term borrowings	(960,000)	**(14,400,000)**	**(146,595)**
Repayment of lease obligations	—	**(7,779)**	**(79)**
Cash dividends paid	(340,000)	**(340,000)**	**(3,461)**
Net Cash Flows Provided by Financing Activities	2,060,000	**5,652,220**	**57,540**
Effect of exchange rate changes on cash and cash equivalents	(556)	**(666)**	**(6)**
Net Increase (decrease) in Cash and Cash Equivalents	(1,007,370)	**539,301**	**5,490**
Cash and Cash Equivalents at Beginning of Year	2,824,047	**1,816,676**	**18,494**
Cash and Cash Equivalents at End of Year	¥ 1,816,676	**¥ 2,355,978**	**$ 23,984**

The accompanying notes are an integral part of these statements.

Notes to the Consolidated Financial Statements

1. Basis of Presenting the Consolidated Financial Statements

The accompanying consolidated financial statements have been compiled from the accounts maintained by Japan Securities Depository Center, Inc. ("the Company") and its subsidiary in accordance with the provisions set forth in the Financial Instruments and Exchange Act in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Finance Reporting Standards.

2. Summary of Significant Accounting Principles

(1) Consolidation

The consolidated financial statements include the accounts of Japan Securities Depository Center, Inc. and its wholly-owned subsidiary, JASDEC DVP Clearing Corporation (hereafter, "JDCC") which is the only subsidiary of the Company. JDCC operates under a fiscal year ending March 31, which is the same as that of the Company.

(2) Cash and deposits

Cash and cash equivalents include all highly liquid investments, with original maturities of three months or less, which are readily convertible to known amounts of cash and are so near maturity that they present only an insignificant risk of changes in value because of changes in interest rates. Cash and deposits in the consolidated balance sheets and consolidated statements of cash flows are identical.

(3) Application of equity method

The equity method is applied to shares of Tokyo System Services Co., Ltd. (hereafter, "TSS").

(4) Property and equipment (Except Lease assets)

Depreciation for buildings, excluding improvements, is computed on the straight-line method. Depreciation for other capital assets is computed on the declining-balance method.

The main estimated useful lives are as follows:

Buildings and structures	3-49 years
Tools and furniture	2-15 years

(5) Intangible assets (Except Lease assets)

Costs of software for internal use are capitalized and amortized on the straight-line method over the estimated useful life of 5 years. Other intangible assets are amortized using the straight-line method over the period registered by the Corporate Taxes Law. Software regarding physical stock certificates, which became redundant after dematerialization of stock certificates, was useful until January 2009, the date which all interested parties had set as the target for the commencement of dematerialization.

(6) Lease assets

The straight-line method is applied to leased assets of finance lease without ownership transfer and the residual value is zero. The company applies accounting principle for general methods for operating lease without ownership transfer if the transaction commenced prior to the adoption of the new standards.

(7) Allowance for doubtful accounts

The allowance for doubtful accounts is provided at an amount determined based on the Company's historical average charge-off ratio for ordinary receivables, and estimate of uncollectible amounts determined by reference to specific doubtful receivables from customers which are experiencing financial difficulties.

(8) Allowance for bonuses

Allowance for employees' bonuses and allowance for executives' bonuses are provided for bonuses to employees and executives attributable to each fiscal year based on an amount expected to pay, respectively.

(9) Allowance for loss of business trust agreement cancelation

Allowance is provided for a loss on cancellation of entrusted operations due to dematerialization of stock certificates.

(10) Allowance for loss of computer center transfer

Allowance is provided for estimated restoration costs and other related relocation costs to be paid upon the movement of computer facilities.

(11) Consumption taxes

The consumption taxes withheld by the Company and its subsidiary on sales and the consumption taxes paid by the Company and its subsidiary on purchases of goods and services are not included in the amounts of the relevant accounts in the accompanying statements of income. The consumption taxes withheld and paid are recorded as an asset or a liability, as the case may be, and the net balance is shown in the balance sheets.

3. Changes in Basis of Presenting the Consolidated Financial Statements

Accounting Standards for Lease Transactions

Previously the Company treated finance lease transactions without ownership transfer to lessee as an ordinary method for operational lease. However, since application of “Accounting Standard for Lease transactions” (ASBJ, Accounting Standards Board of Japan-statement No. 13, revised on March 30th, 2007) and “Guidance on Accounting Standard for Lease Transaction (ASBJ Guidance No. 16, revised on March 30th, 2007) from the beginning of reporting term, such leases are accounted for as general sale and purchase.

Depreciation of lease assets is based on zero residual value over the lease contract term.

Meanwhile, for finance lease transactions without ownership transfer, the Company continues to apply accounting principles for ordinary method for operational lease if such transactions commenced prior to the adoption of the new standards.

The impact of this change on the statement of income is immaterial.

4. Assets and Liabilities Held for Sound Settlement System Operation and Management

In order to secure the Delivery Versus Payment (“DVP”) for Non-Exchange Transaction Deliveries (“NETDs”) settlement system, JDCC, a consolidated subsidiary of the Company, receives cash or securities as collateral from the DVP participants whom JDCC officially acknowledge as a party who undertakes securities obligations in accordance with the provisions set forth in JDCC’s general provisions in accordance with Article 156, Paragraph 7-1, of the Financial Instruments and Exchange Act (Law No. 25, 1948).

JDCC manages cash and securities entrusted by the DVP participants as clearing funds defined in Article 156-11 of the Financial Instruments and Exchange Act separately from other assets in accordance with JDSS’s general provisions and Article 7 of the Cabinet Office Ordinance on Financial Instruments Clearing Organization. (Cabinet Office Ordinance No. 76, 2002).

(1) Participant fund specified assets and participant funds under management

Under the DVP for the NETDs settlement system, when JDCC accepts DVP participants’ obligations to counterparties, the DVP participants involved in the transactions shall assume the same obligations to JDCC.

JDCC requires each DVP participant to establish a participant fund in excess of the minimum amount set forth in JDCC’s general provisions to ensure that the respective obligations of DVP participants are covered. The aggregate amount of minimum participant funds required by JDCC’s general provisions as of March 31, 2008 and 2009 was ¥15,000,000 thousand ($152,703 thousand). In the event a DVP participant defaults on the required payment obligations of the DVP for the NETDs settlement system, JDCC shall take deposits from the participant fund of this DVP participant to fulfill its obligations to other DVP participants.

The participant funds entrusted to JDCC will be managed as money trusts, in line with the stated general provisions of JDCC.

These money trusts are evaluated at cost, just as available-for-sale securities with no market value.

Assets and liabilities pertaining to participant funds are presented as designated assets for clearing assets and deposits received for clearing funds, respectively.

(2) Collateral securities

Under the DVP for the NETDs settlement system, DVP participants are able to entrust marketable securities listed in JDCC’s general provisions (hereafter, “collateral securities”) to ensure that obligations to JDCC are met.

When a DVP participant fails to meet its obligations to JDCC, JDCC is authorized to dispose of the entrusted collateral securities by selling them in securities markets or through other methods deemed appropriate by JDCC.

As of March 31, 2008 and 2009, the market value of collateral securities entrusted to JDCC was ¥235,795,655 thousand and ¥99,489,867 thousand ($1,012,826 thousand), respectively.

5. U.S. Dollar Amounts

Amounts in U.S. dollars are included solely for the convenience of readers outside Japan. The rate of ¥98.23=U.S. $1, the rate of exchange as of March 31, 2009, has been used in translation. The inclusion of such amounts is not intended to imply that Japanese yen have been or could be readily converted, realized or settled in U.S. dollars at this or any other rate.

6. Commitment Line and Overdraft Contracts

To ensure agile and stable fund-raising, the Company concludes commitment line agreements (¥12,000,000 thousand ($122,162 thousand) in total) and overdraft contracts (¥5,000,000 thousand ($50,900 thousand) in total) with three banks. To prepare for a possible deficiency of funds due to a default by DVP participants, JDCC has concluded commitment line agreements (¥45,000,000 thousand ($458,108 thousand) in total) with three banks, as part of a liquid fund for completing fund settlement on the required day. ¥2,400,000 thousand and ¥8,400,000 thousand ($85,513 thousand) of the commitment line were utilized by the Company as of March 31, 2008 and 2009, respectively.

7. Net Assets

The Companies Act of Japan provides that an amount equal to 10% of the amount to be distributed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the common stock account. Such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met, but neither the capital reserve nor the legal reserve is available for distributions.

8. Lease Transactions

Finance lease transactions, other than those in which the ownership of the leased asset is transferred to the lessee, that commenced before the first fiscal year in which the new accounting standard is applied, continues to be accounted for as operating lease transactions. The following table shows the amounts which would have been recorded as finance leases as of March 31, 2008 and 2009 and for the years then ended:

	¥ (thousands)		$ (thousands)
	2008	**2009**	**2009**
Tools and furniture:			
Acquisition cost	¥2,497,402	**¥1,882,666**	**$19,165**
Accumulated depreciation	(697,698)	**(558,663)**	**(5,687)**
Net book value	¥1,799,703	**¥1,324,003**	**$13,478**
Software:			
Acquisition cost	¥ 608,081	**¥ 216,774**	**$ 2,206**
Accumulated depreciation	(297,240)	**(65,029)**	**(662)**
Net book value	¥ 310,841	**¥ 151,744**	**$ 1,544**
Lease obligations including interest thereon:			
Due within one year	¥ 565,538	**¥ 422,218**	**$ 4,298**
Due over one year	1,564,035	**1,067,833**	**10,870**
Total	¥2,129,573	**¥1,490,052**	**$15,169**
Finance lease charges	¥ 474,604	**¥ 557,408**	**$ 5,674**
Depreciation expense	468,042	**550,187**	**5,601**
Interest portion	16,477	**11,876**	**120**

(Note) 1. Methods applied in computation of the above data are as follows:
Depreciation: Straight-line method with zero residual value over the lease contract period
Interest: Computed as the difference between the lease obligations and the acquisition cost, allocated over the lease term based on the interest rate method.
2. Finance lease transactions
①Lease assets: Property and Equipment; Hardware of back up system
Intangible assets; Software of back up system
②Depreciation: Based on zero residual value over the lease term

9. Borrowings

Short-term borrowings comprised loans from banks with a weighted average interest rate of 1.2% per annum. The Company had short-term borrowings of ¥8,400,000 thousand ($85,513 thousand). The Company has current portion of lease obligations of ¥13,842 thousand ($140 thousand) and long-term lease obligations of ¥45,785 thousand ($466 thousand). Weighted average interest rate of lease obligations is 2.5% per annum. Total borrowings are ¥8,456,650 thousand ($86,090 thousand) as of March 31, 2009.

10. Allowance for Severance Indemnities for Employees

Allowance for employees' retirement benefits on March 31, 2008 and 2009 represented the amount that would be payable for the Company if all eligible employees voluntarily terminated their employment at the balance sheet dates. Severance costs for employees charged to income for the years ended March 31, 2008 and 2009 amounted to ¥81,945 thousand and ¥97,320 thousand ($991 thousand), respectively.

11. Non-recurring Depreciation of Property and Equipment

Non-recurring depreciation of fixed assets was due to the decision to move computer sites and dematerialization for stock certificates.

	¥ (thousands)		$ (thousands)
	2008	**2009**	**2009**
Buildings	¥ 37,956	**¥19,322**	**$197**
Tools and furniture	308,800	**58,685**	**597**
Software	243,360	**421**	**4**
Long-term prepaid expenses	507	**—**	**—**
Total	¥590,625	**¥78,430**	**$798**

12. Income Taxes

(1) Deferred tax assets

The following table shows the breakdown of deferred tax assets:

	¥ (thousands)		$ (thousands)
	2008	**2009**	**2009**
Deferred tax assets:			
Allowance for employees' bonuses	¥ 72,637	**¥ 75,151**	**$ 765**
Enterprise taxes payable	71,293		
Business facility taxes	4,166	**4,212**	**43**
Accrued social insurance premiums	8,557	**10,489**	**107**
Allowance for loss of business trust agreement cancelation	336,046	**381,681**	**3,885**
Allowance for loss of computer center transfer	130,064	**98,405**	**1,002**
Allowance for doubtful accounts	—	**2,799**	**28**
Allowance for employees' retirement benefits	60,151	**80,965**	**824**
Allowance for executives' retirement benefits	16,710	**—**	**—**
Excess depreciation of fixed assets	377,206	**113,468**	**1,155**
Excess amortization of deferred charges for tax purposes	17,053	**—**	**—**
Total Deferred tax assets	¥1,093,888	**¥767,175**	**$7,579**
Deferred tax liabilities:			
Enterprise taxes payable		**11,354**	**115**
Net deferred tax assets		**¥755,820**	**$7,694**

(2) Reconciliation between the nominal statutory income tax rate and the effective income tax rate

The difference between the statutory tax rate and the effective tax rate for the years ended March 31, 2008 and 2009 is less than 5% of the statutory tax rate, thus the note is omitted.

13. Note to the Consolidated Statements of Changes in Net Assets

(1) Outstanding stock

Type of stocks	March 31, 2007	Increase	Decrease	March 31, 2008
Ordinary share	8,500	—	—	8,500
Type of stocks	**March 31, 2008**	**Increase**	**Decrease**	**March 31, 2009**
Ordinary share	8,500	—	—	8,500

(2) Treasury Stock

Not applicable.

(3) Stock Subscription Rights and Other Securities

Not applicable.

(4) Dividends

1 Payment of the dividends

Resolution	Type of Stocks	Revenue of Dividends	Total of Dividends ¥ (thousands)	Dividend per Share ¥	Record Date	Effective Date
Ordinary General Shareholders Meeting (June 23, 2008)	Ordinary Share	Retained Earnings	¥340,000	¥40,000	March 31, 2008	June 24, 2008

2 Dividends for which record date belongs to the year ended March 31, 2009 and for which effective date will belong to the year ending March 31, 2010

Resolution	Type of Stocks	Revenue of Dividends	Total of Dividends ¥ (thousands)	Dividend per Share ¥	Record Date	Effective Date
Ordinary General Shareholders Meeting (June 22, 2009)	Ordinary Share	Retained Earnings	¥340,000 ($3,461 thousand)	¥ 40,000 ($407)	March 31, 2009	June 23, 2009

14. Stock Option

Not applicable.

15. Segment Information

(1) Business segment

Disclosure is omitted because the Company operates a single business unit, the central securities custody and book-entry transfer system.

(2) Geographic information

Disclosure is omitted because the Company has neither overseas consolidated subsidiaries nor overseas branches for the years ended March 31, 2008 and 2009.

(3) Overseas sales

Disclosure is omitted because the Company does not have any overseas sales for the years ended March 31, 2008 and 2009.

16. Related Party Transactions

The material transactions of the Company with related companies or individuals, excluding transactions with the consolidated subsidiary that are eliminated in the consolidation and those disclosed elsewhere in these financial statements, for the years ended March 31, 2008 and 2009 are as follows:

For the year ended March 31, 2008

(1) Directors

Title	Name	Business	Transactions	Amount ¥ (thousands)	Account	Ending Balance ¥ (thousands)
Director	Koichiro Miyahara (Note 2 (1))	Director of the Company President and CEO of Japan Securities Settlement & Custody, Inc.	Outsourcing	¥639,952 ($6,514 thousands)	—	—
Director	Hironaga Miyama (Note 2 (2))	Director of the Company President and CEO of Japan Securities Settlement & Custody, Inc.	Outsourcing	¥1,730,028 ($17,612 thousands)	Accounts payable-trade	¥33,063 ($336 thousands)

(Note) 1. The transaction amounts above exclude consumption taxes. However, the ending balances include consumption taxes.
2. Terms and conditions
(1) These amounts represent transactions for the period from April 1, 2007 to June 30, 2007 because Koichiro Miyahara resigned from the Board of Directors of the Company on June 21, 2007, and ending balance is the amount as of June 30, 2007.
(2) These amounts represent transactions for the period from July 1, 2007 to March 31, 2008 because Hironaga Miyama was assigned to the Board of Directors of the Company on June 25, 2007.
(3) The terms and conditions of the above transactions are on an arm's-length basis.

(2) Principal shareholder and its subsidiaries

Names of companies	Address	Capital ¥ (thousands)	Principal business	Percentage of ownership with voting right	Relationship: Directors holding concurrent positions	Relationship: Business relationship	Transactions	Amount (Note 1) ¥ (thousands)	Descriptions (Note 2)	Ending Balance ¥ (thousands)
Tokyo Stock Exchange, Inc. (Subsidiary of other affiliates)	Chuo-ku, Tokyo	¥11,500,000 ($117,072 thousands)	Exchange of financial instruments	— (Note 3)	One	Secondment of staffs, lease of computer sites, etc.	Purchase of investment securities	¥315,272 ($3,214 thousands)	—	—
Japan Securities Clearing Corporation (Subsidiary of other affiliates)	Chuo-ku, Tokyo	¥1,700,000 ($17,306 thousands)	Clearing securities	—	One	Commission income	Commission income	¥4,154,800 ($42,205 thousands)	Accounts receivable-trade	¥384,800 ($3,917 thousands)

(Note) 1. These transaction amounts above exclude consumption taxes. However, the ending balances include consumption taxes.
2. The terms and conditions of the above transactions are on an arm's-length basis except for the transaction of the investment securities. Acquisition cost of the investment security was based on book value of net assets.
3. Tokyo Stock Exchange Group, Inc. succeeded the holding of the Company's stocks from Tokyo Stock Exchange, Inc. due to reorganization effective October 1, 2007, and replaced Tokyo Stock Exchange, Inc. as a principal shareholder of the Company. As such, these amounts represent transactions for the period from April 1, 2007 to September 30, 2007. Tokyo Stock Exchange, Inc. held 21.82% of the Company's outstanding shares on September 30, 2007.

(3) Subsidiaries and affiliates

Names of companies	Address	Capital ¥ (thousands)	Principal business	Percentage of ownership with voting right	Relationship: Directors holding concurrent positions	Relationship: Business relationship	Transaction	Amount (Note 1) ¥ (thousands)	Descriptions (Note 2)	Ending Balance ¥ (thousands)
Tosho System Service Co. Ltd. (An affiliate)	Koto-ku, Tokyo	¥100,000 ($1,018 thousands)	Design & development of software	Directly holds 20%	Two	Purchasing software and system maintenance	Purchase of software	¥1,491,226 ($15,180 thousands)	Accounts payable-other	¥240,008 ($2,443 thousands)

(Note) 1. These transaction amounts above exclude consumption taxes. However, ending balance includes consumption taxes.
2. The terms and conditions of the above transactions are on an arm's-length basis.

For the year ended March 31, 2009

(Additional Information)

Commencing with the current fiscal year, the consolidated financial statements confirm to (ASBJ Statement 11) Accounting Standard for Related Party Disclosures and (ASBJ Guidance No.13) Guidance on Accounting Standard for Related Party Disclosures. There are no additional matters to disclose.

(1) Principal shareholder and its subsidiaries

Names of companies	Address	Capital ¥ (thousands)	Principal business	Percentage of ownership with voting right	Relationship: Directors holding concurrent positions	Relationship: Business relationship	Transactions	Amount (Note 1) ¥ (thousands)	Descriptions (Note 2)	Ending Balance ¥ (thousands)
Japan Securities Clearing Corporation (Subsidiary of other affiliates)	Chuo-ku, Tokyo	¥1,700,000 ($17,306 thousands)	Clearing securities	—	Two	Commission income	Commission income	¥3,645,891 ($37,115 thousands)	Accounts receivable-trade	¥297,755 ($3,031 thousands)

(Note) 1. These transaction amounts above exclude consumption taxes. However, the ending balances include consumption taxes.
2. The terms and conditions of the above transactions are on an arm's-length basis.

(2) Subsidiaries and affiliate

Names of companies	Address	Capital ¥ (thousands)	Principal business	Percentage of ownership with voting right	Relationship: Directors holding concurrent positions	Relationship: Business relationship	Transaction	Amount (Note 1) ¥ (thousands)	Descriptions (Note 2)	Ending Balance ¥ (thousands)
Tosho System Service Co. Ltd. (An affiliate)	Koto-ku, Tokyo	¥100,000 ($1,018 thousands)	Design & development of software	Directly holds 20%	Two	Purchasing software and system maintenance	Purchase of software	¥6,188,427 ($62,999 thousands)	—	—

(Note) 1. These transaction amounts above exclude consumption taxes. However, ending balance includes consumption taxes.
2. The terms and conditions of the above transactions are on an arm's-length basis.

17. Earnings Per Share

The basis for calculating earnings per share for the years ended March 31, 2008 and 2009 is as follows:

	¥ (thousands)		$ (thousands)
	2008	**2009**	**2009**
Net income as reported in the consolidated statements of income	¥1,547,702	**¥1,333,941**	**$13,579**
Net income pertaining to common stock shareholders	¥1,547,702	**¥1,333,941**	**$13,579**
Weighted-average number of common stock shares outstanding (in shares)	8,500	**8,500**	**—**

ERNST & YOUNG

Report of Independent Auditors

The Board of Directors and Shareholders of
Japan Securities Depository Center, Inc.

We have audited the accompanying consolidated balance sheets of Japan Securities Depository Center, Inc. and its consolidated subsidiary as of March 31, 2009 and 2008, and the related consolidated statements of income, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of Japan Securities Depository Center, Inc. and its consolidated subsidiary at March 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2009 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 5.

Ernst & Young ShinNihon LLC

June 17, 2009