JASDEC Medium-term Management Plan (FY2017-FY2021)

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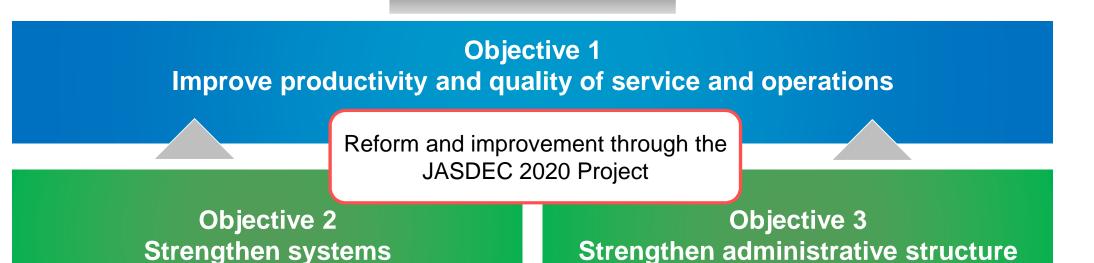




1. Three Objectives

JASDEC has identified **Three Objectives** in the medium-term to contribute to the development of a revitalized and competitive Japanese market, aiming to **improve productivity and quality of service and operations**, **strengthen systems**, and **strengthen administrative structure** through efforts centered on the JASDEC 2020 Project.*

Contribute to the development of a revitalized and competitive Japanese market



^{*}The JASDEC 2020 Project is being implemented until the year 2020 to promote the overall optimization of operations and systems in connection with the replacement of JASDEC's book-entry transfer and other systems.



2. Six Initiatives

The following Six Initiatives have been designated key measures for the achievement of the Three Objectives

Objective 1 – Improve productivity and quality of service and operations

Initiative 1 – Improve efficiency and quality of operations in a cross-sectional manner groupwide

- ✓ Improve overall efficiency and quality of operations through cross-sectional restructuring and integration of operations groupwide.
- ✓ Prepare and implement a groupwide scheme for the expeditious / low-cost development and operation of a high-quality system.

Initiative 2 – Respond swiftly and flexibly to changes in capital market environment and structure

- Maintain an ongoing grasp of changes in the environment and structure of capital markets to ensure a swift and flexible response.
- ✓ Continue efforts to contribute to the revitalization and maintenance of financial and capital markets, especially on issues such as shortening the settlement cycle.

Initiative 3 – Reduce operation costs as a step to achieve lower usage cost

✓ Aim to further reduce operating costs as a step to achieve lower usage costs by optimizing systems and operations.

Objective 2 – Strengthen systems

Objective 3 – Strengthen administrative structure

Initiative 4 – Optimize system structure

✓ Achieve overall optimization of systems that have been individually optimized to each Book-Entry Transfer System through the JASDEC 2020 Project, such as by centralizing master data management, standardizing and integrating system infrastructure, and to looking ahead to the standardization of data and capabilities among all book-entry transfer operations.

Initiative 5 – Further advance risk response capabilities

✓ Improve response capabilities in cybersecurity and large-scale disasters, through efforts including structuring a secure and highly reliable system based on Japanese and global regulations as well as market-wide activities.

Initiative 6 – Strengthen human resources and financial base

- ✓ Promote working-style reform groupwide and strengthen human resources to foster corporate culture and achieve sustained improvement in productivity.
- ✓ Further enhance the financial base by increasing capital.