

PRESS RELEASE



JGBCC

JSCC & JGBCC sign Memorandum of Understanding (MOU) for Business Collaboration

FOR RELEASE

June 11, 2004 –Japan Securities Clearing Corporation (JSCC) and Japan Government Bond Clearing Corporation (JGBCC) today are pleased to announce that they signed a Memorandum of Understanding (MOU) for business collaboration.

JSCC and JGBCC agree that (1) after JGBCC's clearing operations start following approval by the competent authorities, JSCC will provide JGBCC with clearing-related services, including monitoring the financial status of JGBCC participants, which JSCC also started providing to JASDEC DVP Clearing Corporation; and that (2) JSCC and JGBCC will join forces to examine possibilities for further collaborations aimed at increasing market users' operational convenience with CCPs and also at improving efficiency in CCP operations.

Regarding collaboration (1), both clearing organizations will proceed to finalize the details of the contract. Regarding collaboration (2), both clearing organizations will start a feasibility study on expectations of market users.

About JSCC (Japan Securities Clearing Corporation):

JSCC, the first licensed clearing organization (CCP) under the Securities and Exchange Act in Japan, has been providing clearing and related services for securities traded on all Japanese Stock exchanges since January 2003 and for derivatives traded on Tokyo Stock Exchange since February 2004. As the leading clearing organization in Japan, JSCC continues to make every effort possible to further improve Japanese clearing and settlement infrastructures.

About JGBCC (Japan Government Bond Clearing Corporation):

JGBCC, the clearing organization (CCP) for JGBs traded on the OTC market, was established in October 2003 and has been in developments for the operations planned in May 2005, subject to approval by the competent authorities.

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