

DST SYSTEMS INC  
Form 4  
June 11, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
TOWLE STEVEN J

(Last) (First) (Middle)

C/O DST SYSTEMS, 333 W. 11TH ST 5TH FL

(Street)

KANSAS CITY, MO 64105

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DST SYSTEMS INC [DST]

3. Date of Earliest Transaction (Month/Day/Year)  
06/07/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)

President of Subsidiary

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock                    | 06/07/2007                           |  | M                              |   | 20,000  | A  | \$ 39.335   |
| Common Stock                    | 06/07/2007                           |  | F                              |   | 4,349   | D  | \$ 82.74  |
| Common Stock                    | 06/07/2007                           |  | S                              |   | 15,651  | D  | \$ 81.174<br>(1)                                      |
| Common Stock                    |                                      |  |                                |   |   |  | 1,071 (2)   |
| Common Stock                    |                                      |  |                                |   |   |  | 231   |
|                                 |                                      |  |                                |   |   | I  | Deferred Compensation                                 |
|                                 |                                      |  |                                |   |   | I  | 401(k)  |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Option to Purchase                         | \$ 39.335  | 06/07/2007                           |  | M                              | 20,000  | (3) 12/16/2013   | Common Stock  | 20,000                        |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                         |       |
|---|---------------|-----------|-------------------------|-------|
|   | Director      | 10% Owner | Officer                 | Other |
| TOWLE STEVEN J<br>C/O DST SYSTEMS<br>333 W. 11TH ST 5TH FL<br>KANSAS CITY, MO 64105 |               |           | President of Subsidiary |       |

## Signatures

Randall D. Young for Steven J. Towle by power of attorney 06/11/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Price shown is an average of the prices of a vast array of individual sales. The sales prices ranged from \$80.82 to \$81.57.

(2) Held through Boston Financial Services, Inc. Officers Deferred Compensation Plan.

(3) One-third became exercisable on each of 12/16/04, 12/16/05 and 12/16/06.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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