

Earnings Announcement for FY2013 ended March 31, 2014 (JGAAP)

SMBC Nikko Securities Inc.

April 28, 2014



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The information contained in this document is based on data available as of April 28th, 2014 and this document is intended to provide information on the business results of SMBC Nikko Securities Inc. Any information and opinions contained in this document reflect our judgment as of the date of preparation of the document (April 28th, 2014) and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information.

(*) Information in this document is presented on a consolidated basis unless otherwise specified.

Summary of business results for the FY ended Mar. 2014

<p>FY ended Mar 2014</p>	<ul style="list-style-type: none"> ■ Net operating revenue ¥ 327.9 B (+19% Y on Y), Ordinary income ¥ 102.1 B (+35%), Net income ¥ 64.6 B (+41%). Revenue was boosted by equity brokerage commissions ¥ 43.6 B (2.3 times) from the soared Japanese stock market and underwriting commissions ¥ 34.5 (+88%) from the active corporations' fund raising. ■ Equity brokerage amount was ¥ 19.5 trillion (2.5 times). Aggregate sale of products turned to be ¥ 9.0 trillion (+25%) with increases in major products such as investment trusts, foreign bonds, and domestic bonds. ■ League table rankings for Apr.2013-Mar.2014: Underwriting commission on equity expanded to ¥ 22.5 B (2.6 times) due to serving as a lead manager in large issues. 3rd place(*1) in Global Equity & Equity-Related-Japan 5th place(*2) in All Bonds in Yen 4th place(*3) in terms of value and 3rd in terms of number of deals for M&A announced deals ■ SG&A was ¥ 227.8 B (+14%). ■ As of the end of Mar. 2014, total asset was ¥ 7.2 trillion, net assets was ¥ 589.3 B, capital adequacy ratio (on a stand-alone basis) was 482%, reflecting a sound financial base of the company.
<p>FY ended Mar. 2014 4Q</p>	<ul style="list-style-type: none"> ■ Net operating revenue ¥ 70.7 B (-8% Q on Q), Ordinary income ¥ 15.6 B (-26%), Net income ¥ 10.2 B (-22%). ■ Aggregate sale of products was ¥ 1,938.8 B (-4%). Equity brokerage commissions was ¥ 8.0 B (-40%) and net trading income was ¥ 26.4 B (-13%) as the market became stagnant during the quarter.

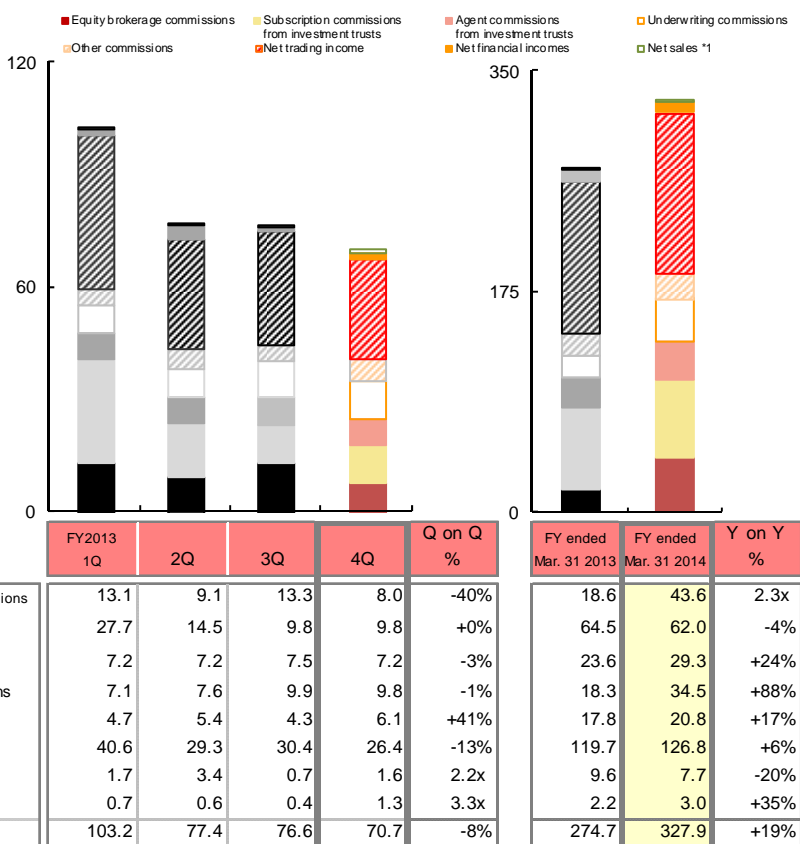
Billions of Yen	FY2013		Q on Q	FY ended Mar. 31 2013	FY ended Mar. 31 2014	Y on Y
	3Q	4Q				
Operating revenue	83.5	75.1	-10%	296.6	351.7	+19%
Net operating revenue	76.6	70.7	-8%	274.7	327.9	+19%
SG&A	55.6	56.0	+1%	200.2	227.8	+14%
Ordinary income / loss	21.1	15.6	-26%	75.7	102.1	+35%
Income before taxes	21.0	15.5	-26%	73.8	101.6	+38%
Net income / loss	13.1	10.2	-22%	45.7	64.6	+41%
	Dec.-end '13	Mar.-end '14	Q on Q	Mar.-end '13	Mar.-end '14	Y on Y
Total assets (Trillions of yen)	7.5	7.2	-0.3	6.7	7.2	+0.4
Total net assets (Billions of yen)	581.9	589.3	+7.3	516.8	589.3	+72.4

Net operating revenue / Product sales

- ◇ Net operating revenue for this quarter was ¥ 70.7 B (-8% Q on Q). Equity commission and net trading income decreased to ¥ 8.0 B (-40%) and ¥ 26.4 B (-13%) respectively while subscription commission on investment trusts ¥ 9.8 B (+0%) and underwriting commission ¥ 9.8 B (-1%) remained at the same level as the previous quarter.
- ◇ For the FY2013 ended Mar. 2014, net operating revenue was ¥ 327.9 B (+19% Y on Y), including significant increases in equity brokerage commissions ¥ 43.6 B (2.3 times) and underwriting commissions ¥ 34.5 B (+88%). Net trading income ¥ 126.8 B (+6%) and subscription commissions on investment trusts ¥ 62.0 B (-4%) kept solid performances. Aggregate sale of the products was up to ¥ 8,984.3B (+25%).

Net operating revenue

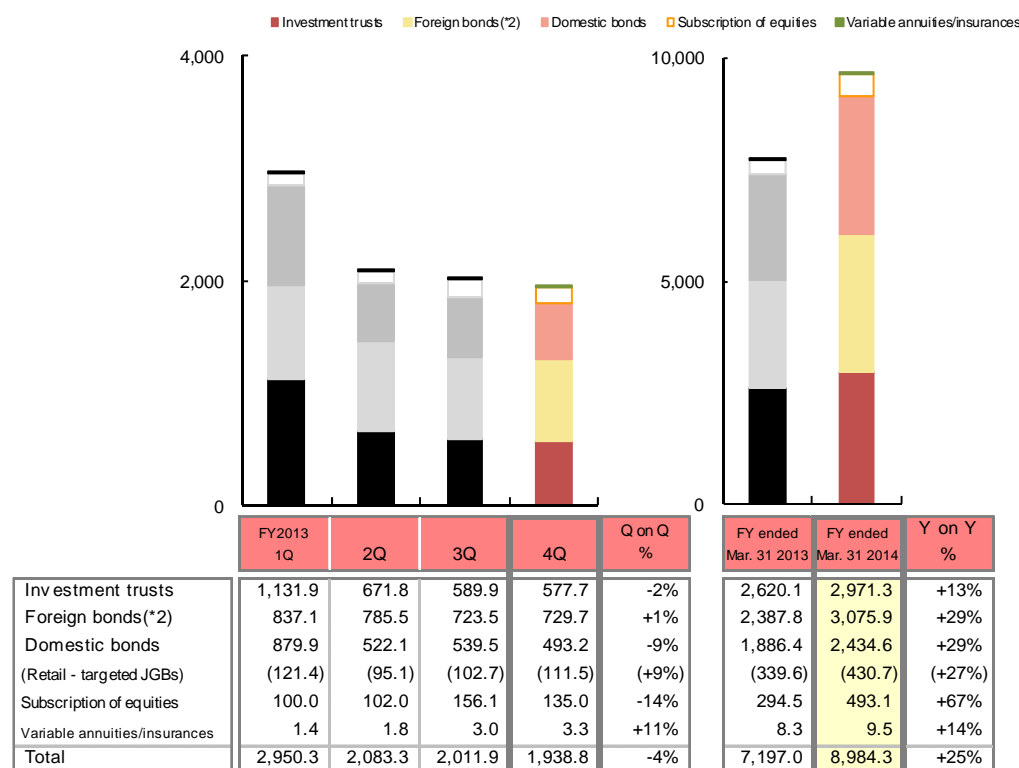
(Billions of yen)



Product Sales

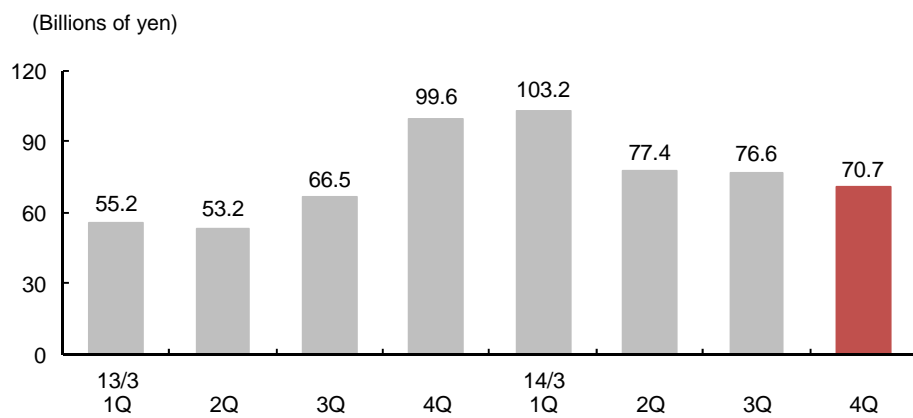
(Billions of yen)

【on a stand-alone basis】

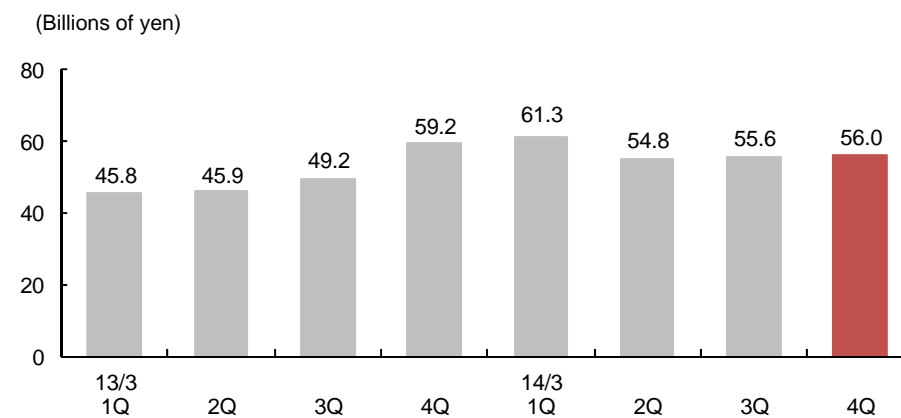


Business Results (Quarterly Trend)

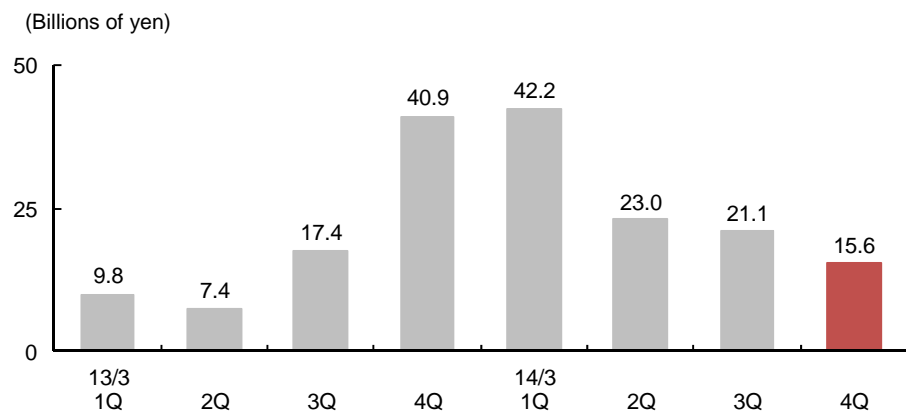
Net operating revenue



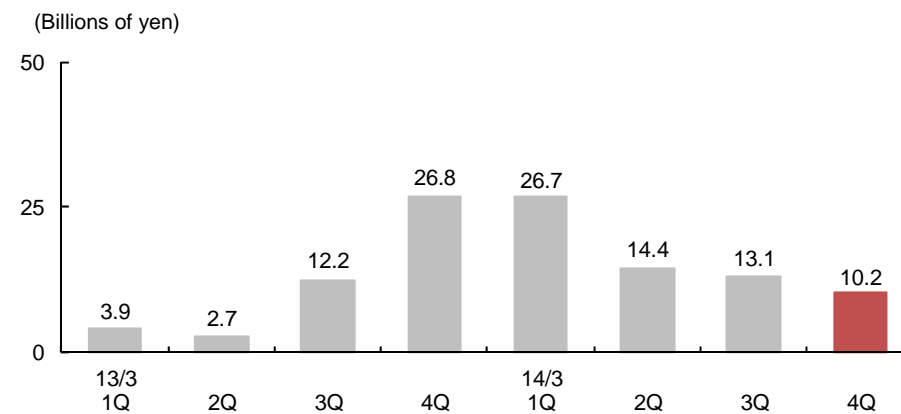
SG&A



Ordinary income



Net income

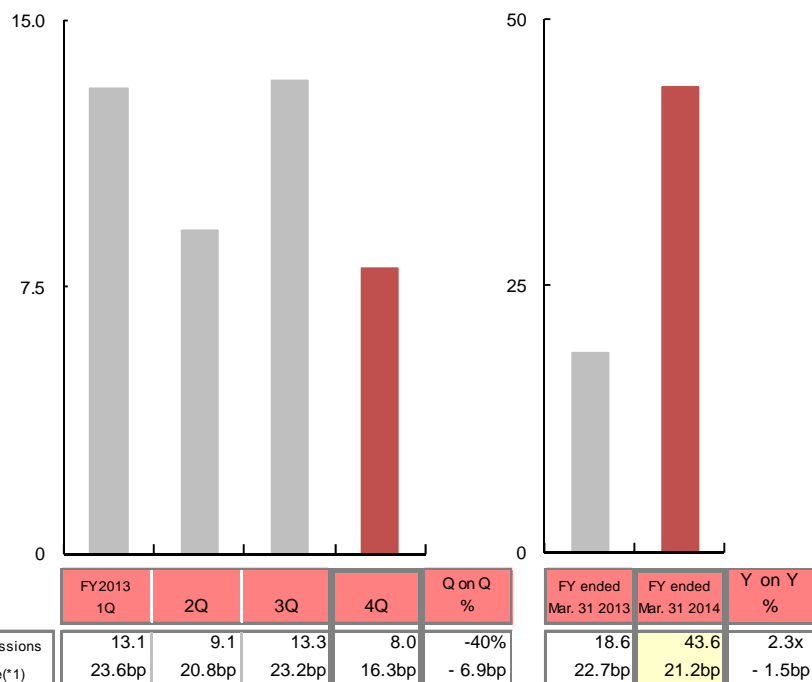


Equity brokerage commissions

- ◇ Equity brokerage commissions for this quarter was ¥ 8.0 B (-40 % Q on Q) due to brokerage order flows diminished to ¥ 4.6 trillion (-16%).
- ◇ Equity brokerage commissions for the FY2013 ended Mar. 2014 expanded to ¥ 43.6 B (2.3 times Y on Y) due to the climbing stock market in Japan. Brokerage share at TSE was up to 1.25 % (+0.33 pts) with brokerage amount we dealt increased greatly to ¥ 19,485.5 B (2.5 times).

Equity brokerage commissions

(Billions of yen)

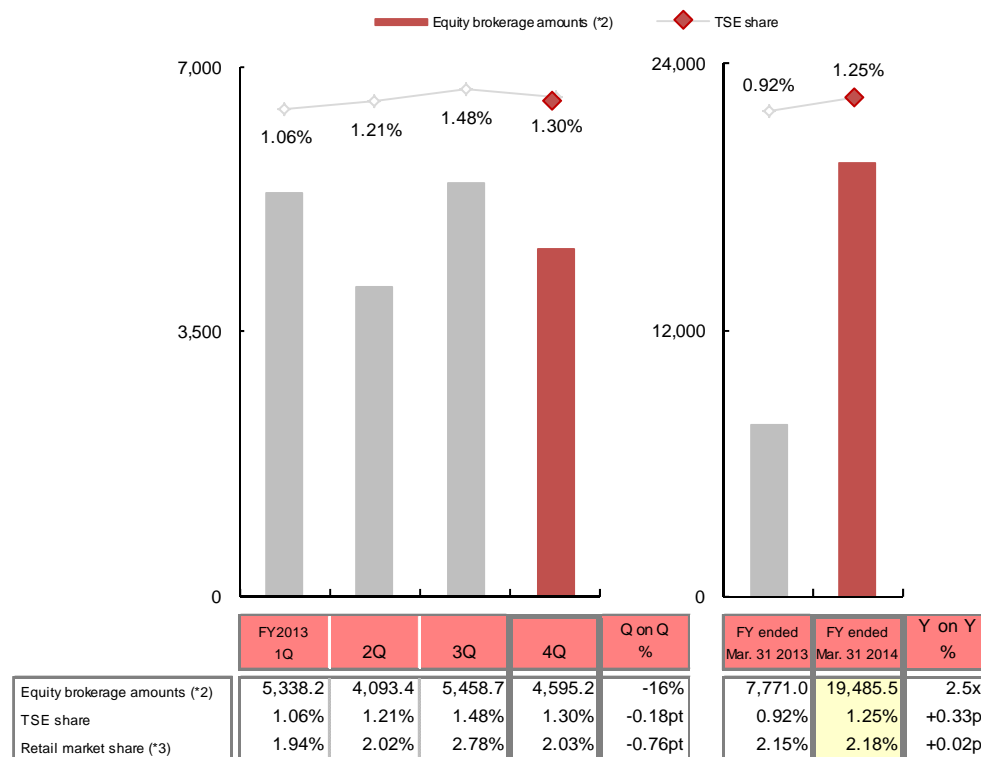


(*1) Adjusted brokerage commissions / brokerage amounts
(Scope: cash and margin transactions)

Equity brokerage amount / TSE share

(Billions of yen)

【on a stand-alone basis】



(*2) All stock exchanges

(*3) Total of 1st and 2nd sections of Tokyo, Osaka and Nagoya stock exchanges

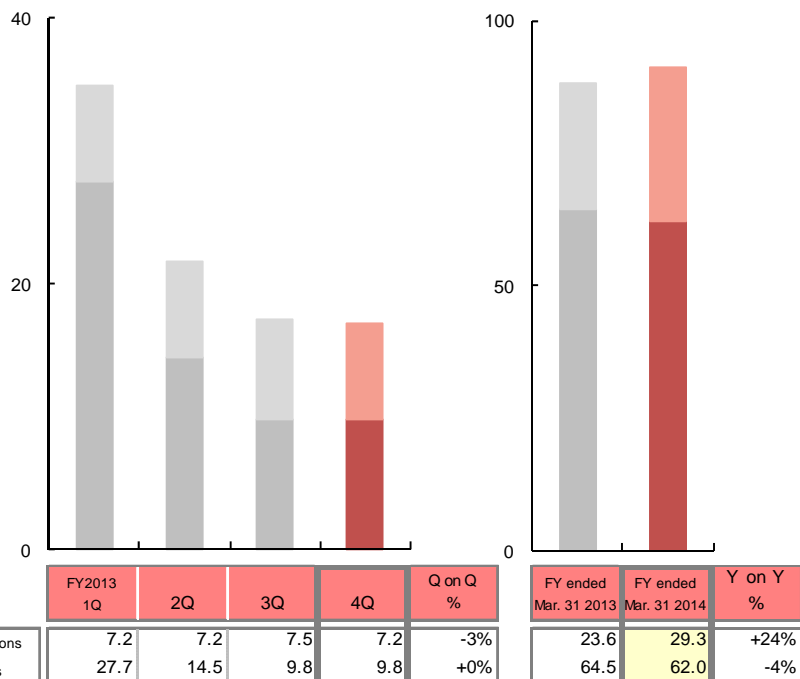
Commissions on investment trusts

- ◇ Sale of investment trusts for this quarter was ¥ 577.7 B (-2% Q on Q); subscription commissions on investment trusts was ¥ 9.8 B (+0%).
- ◇ For the FY2013 ended Mar. 2014 sale of investment trusts, mainly domestic and/or overseas stock funds, was ¥ 2,971.3 B (+13% Y on Y) and subscription commissions on them was a bit down to but still holding high at ¥ 62.0 B (-4%).

Subscription commissions / Agent and other commissions

(Billions of yen)

■ Subscription commissions ■ Agent and other commissions

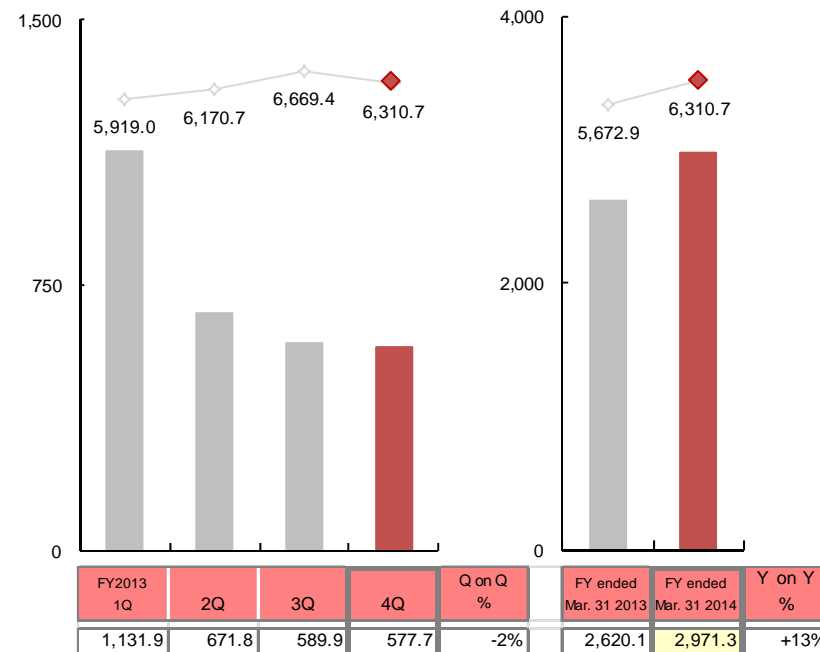


Sales / Client Assets of Invest. trust

(Billions of yen)

【on a stand-alone basis】

■ Sale of investment trusts ◆ Client Assets of Investment trusts

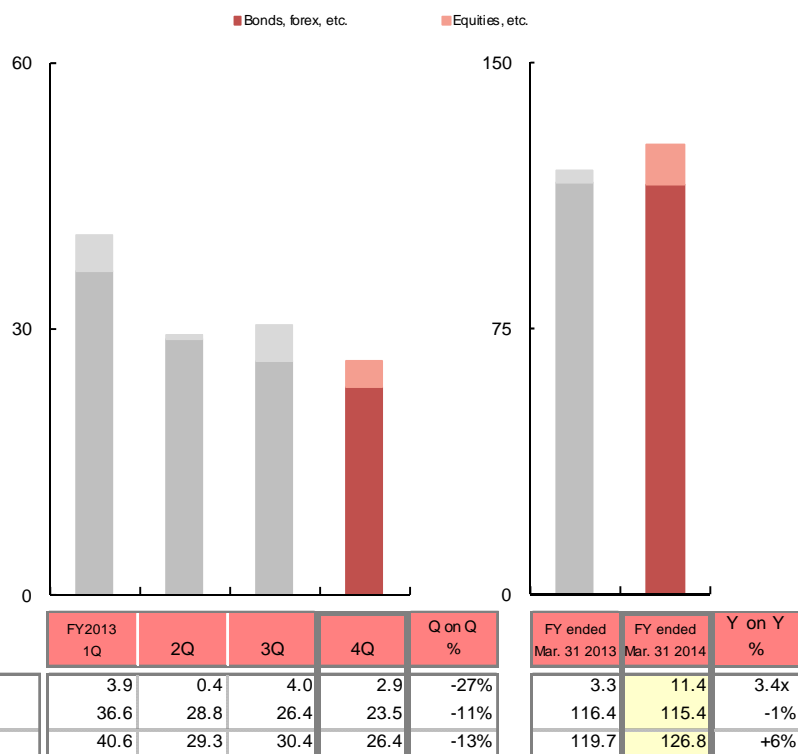


Net trading income

- ◇ Net trading income for the quarter was ¥ 26.4 B (-13% Q on Q) as profit margin diminished.
- ◇ For the FY2013 ended Mar. 2014 net trading income was ¥ 126.8 B (+6% Y on Y), including trading income on equity that was remarkably ¥ 11.4 B (3.4 times) reflecting our progress aimed at a full-line security firm, and that on bond/fx ¥ 115.4 B (-1%). Sale of foreign bonds for the FY2013 was up to ¥ 3,075.9 B (+29%).

Net trading income

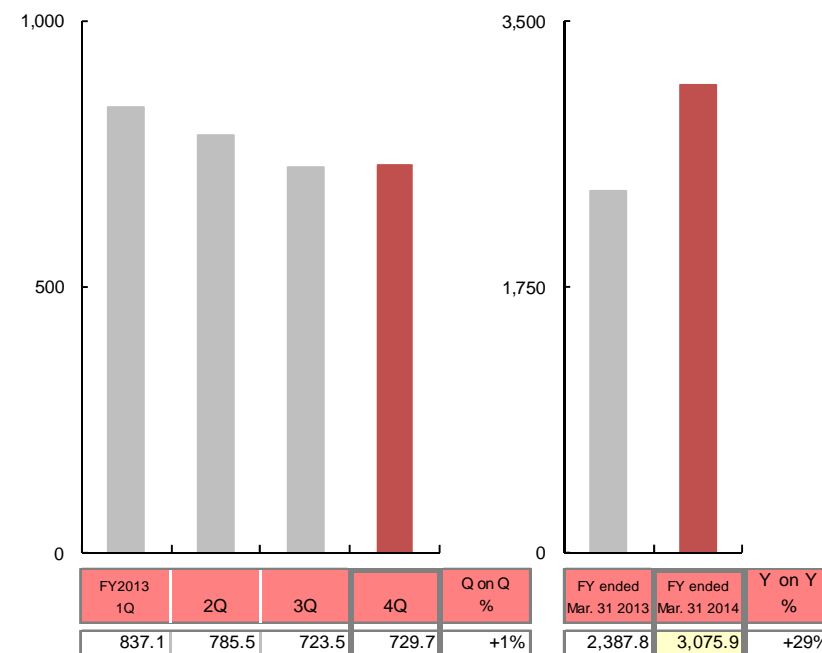
(Billions of yen)



Sale of foreign bonds

(Billions of yen)

【on a stand-alone basis】



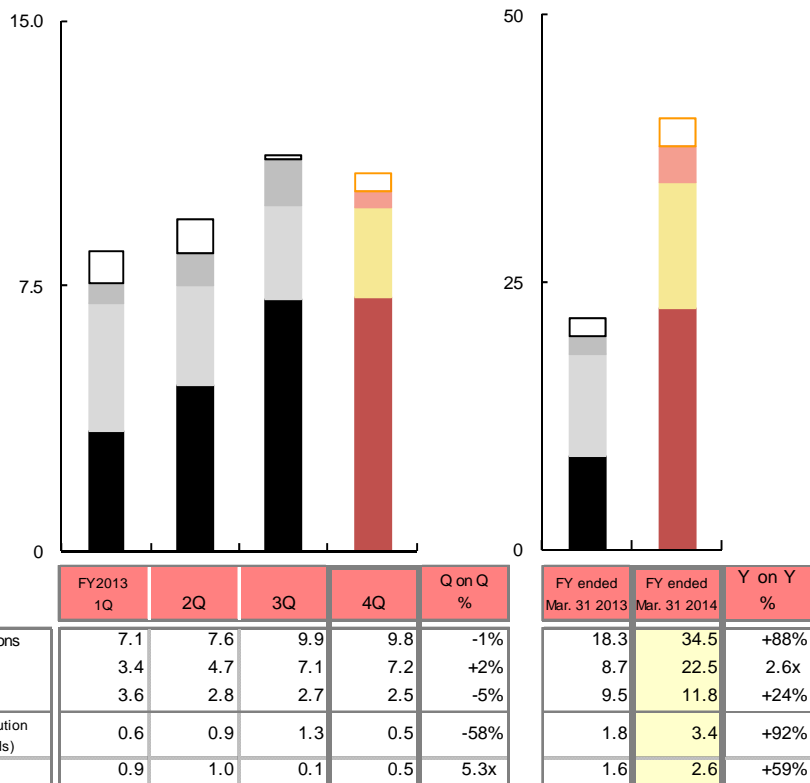
Underwriting commissions (Equities / Bonds)

- ◇ Underwriting commissions for the quarter was ¥ 9.8 B (-1 % Q on Q), while for the FY2013 ended Mar. 2014 being ¥ 34.5 B (+88% Y on Y) with those commissions on equity leaping 2.6 times from the FY2012 as a result of obtaining large mandates in value.
- ◇ For Apr. 2013 - Mar. 2014, book runner in Global Equity & Equity-Related-Japan: share 13.9 % in 3rd place, Lead manager in All Bonds in Yen: share 14.9% in 5th place.

Underwriting commissions (Equities / Bonds)

(Billions of yen)

■ Equities ■ Bonds ■ Subscription and Distribution commissions (EQs/Bonds) ■ Others(*)



Global Equity & Equity-Related-Japan Apr. 2013- Mar. 2014

Rank	Book runner	Proceeds (bill of yen)	Mkt.Share (%)
1	Nomura Securities	1,455.5	32.0%
2	Mitsubishi UFJ Morgan Stanley	753.8	16.6%
3	SMBC Nikko Securities	633.0	13.9%
4	Daiwa Securities	455.3	10.0%
5	Mizuho Securities	424.3	9.3%

Source: prepared by the SMBC Nikko based on the information published by THOMSON REUTERS (including overseas entities)

All Bonds in Yen Apr. 2013- Mar. 2014

【on a stand-alone basis】

Rank	Manager	Proceeds (bill of yen)	Mkt.Share (%)
1	Nomura Securities	3,054.4	19.0%
2	Mitsubishi UFJ Morgan Stanley	3,006.2	18.7%
3	Mizuho Securities	2,949.9	18.4%
4	Daiwa Securities	2,544.0	15.9%
5	SMBC Nikko Securities	2,388.8	14.9%

Source: prepared by SMBC Nikko (corporate bonds, FILP agency/municipality bonds(proportional shares as lead manager) samurai bonds)

(*) Revenues related to securitization arrangements included

- ◇ For Apr. 2013 - Mar. 2014 in the league table of M&A financial advisor for any Japanese involvement announced deals:
With 83 deals acquired in total, ranked 4th or 17.1 % in terms of value, and 3rd or 3.0 % in terms of number of deals.

Financial Advisor Rank value basis Apr. 2013- Mar. 2014

Rank	Advisor	Rank value (bill of yen)	Mkt.Share (%)
1	Mitsubishi UFJ Morgan Stanley	5,201.7	39.0%
2	Nomura Securities	2,653.6	19.9%
3	Goldman Sachs	2,560.1	19.2%
4	SMBC Nikko Securities	2,280.7	17.1%
5	Credit Suisse Group	2,210.6	16.6%

Financial Advisor No. of deals Apr. 2013- Mar. 2014

Rank	Advisor	No. Deals	Mkt.Share (%)
1	Nomura Securities	100	3.6%
2	Mizuho Securities	93	3.4%
3	SMBC Nikko Securities	83	3.0%
4	Sumitomo Mitsui Banking Corporation	67	2.4%
5	Daiwa Securities	61	2.2%

Major announced deals Apr. 2013- Mar. 2014

**Osaka Gas Chemicals Co., Ltd.
/ Jacobi Carbons AB**
Osaka Gas Chemicals Co., Ltd., a wholly owned subsidiary of Osaka Gas Co., Ltd., acquired all the shares of a global leading activated carbon company Jacobi Carbons AB. (SMBC Nikko serves as an advisor for Osaka Gas Chemicals Co., Ltd.)

Yamaha Corporation / Revolabs, Inc.
Yamaha Corporation announced intention to acquire all the share of U.S communications and audio maker Revolabs, Inc. into a wholly owned subsidiary. (SMBC Nikko serves as an advisor for Mitsubishi Heavy Industries, Ltd.)

LIXIL Group Corporation, Development Bank of Japan Inc./ GROHE Group S.à r.l.
LIXIL Group Corporation and DBJ jointly agreed to take over 87.5 % of the issued shares of and all the debts of GROHE Group S.à r.l. (SMBC Nikko serves as an advisor for LIXIL Group Corporation)

**Japan Industrial Partners, Inc.
/ NEC BIGLOBE Inc.**
NEC sold all the shares it had held of NEC BIGLOBE Inc. to Japan Industrial Partners, Inc. (SMBC Nikko served as an advisor for NEC)

**Seiwa Sanko Co., Ltd.
/ Taiyo Co., Ltd.**
Seiwa Sanko Co. Ltd. determined to delist Taiyo Co., Ltd. through MBO (SMBC Nikko serves as an advisor and takeover bid agent for Seiwa Sanko Co. Ltd.)

**a Business Trust
/ Accordia Golf Co, Ltd.**
Accordia Golf Co, Ltd. decided to
1. transfer its business to the Business Trust,
2. issue share warrant,
3. conduct TOB of its own shares
(SMBC Nikko served as an advisor for Accordia Golf Co, Ltd.)

**Kohlberg Kravis Roberts, KKR & Co.
L.P.(KKR)
/ Panasonic Healthcare Co., Ltd.**
KKR and Panasonic Corporation entered into a share purchase agreement and a shareholders' agreement on Panasonic Healthcare Co., Ltd. (SMBC Nikko served as an advisor for KKR)

SEGA Dream (SEGA SAMMY HOLDINGS INC.) / Index Corporation
SEGA Dream which is 100% funded by SEGA, concluded the business takeover agreement with Index Corporation which had applied for civil rehabilitation proceedings, to aim at revitalize Index Corporation. (SMBC Nikko serves as an advisor for SEGA.)

Business collaboration with Sumitomo Mitsui Banking Corporation

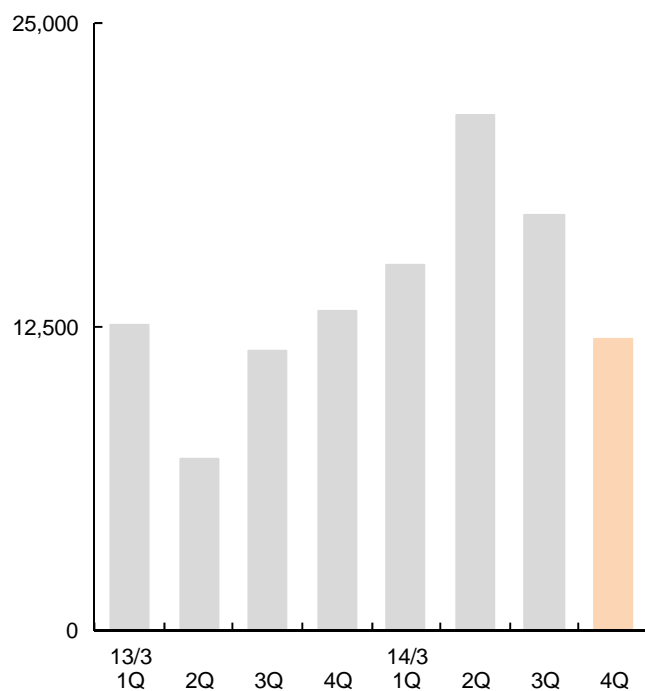
【on a stand-alone basis】

- ◇ Collaboration with SMBC, namely intermediation(*1) and referral services provided by SMBC to us, stays on track.
- ◇ Bank-securities integration strategy for retail customers implemented at some pilot branches has been bearing material fruit, thus in FY2014 being supposed to be spread nationwide to build a platform for delivering both banking and securities services to a greater number of clients across the country.

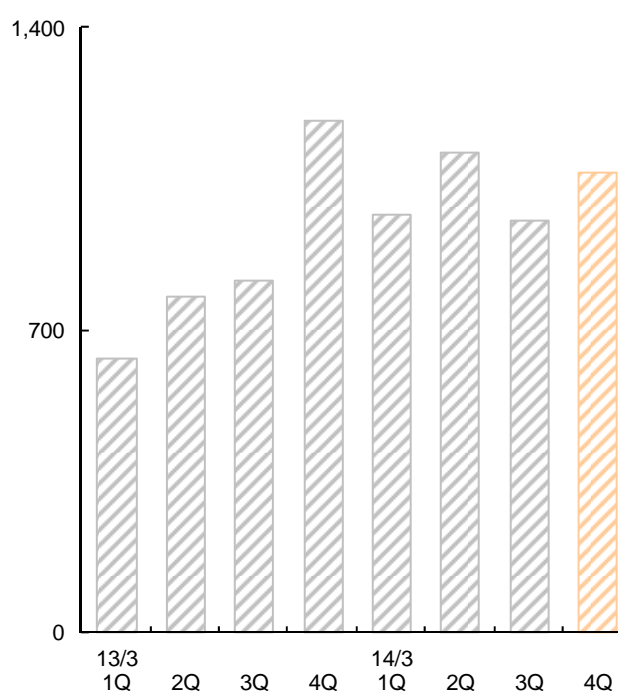
Asset management

Investment banking

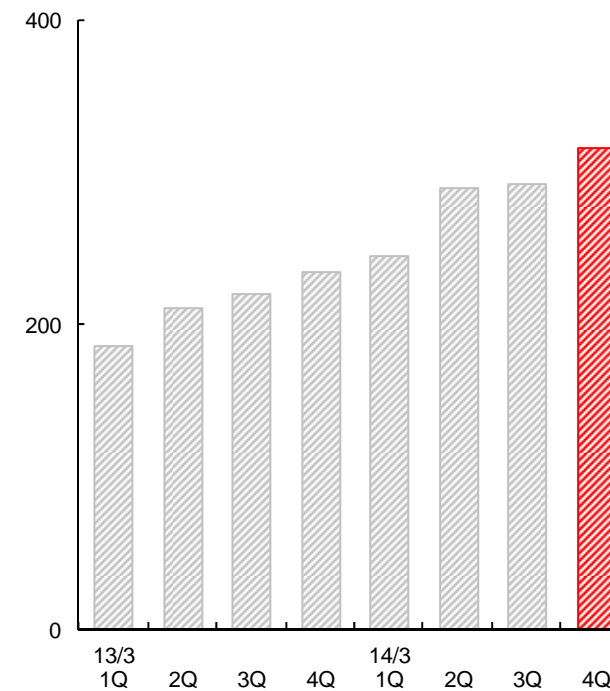
Financial product intermediary service (No. of deals)



Referral service in asset management (No. of deals) (*2)



Referral service in investment banking (No. of deals)



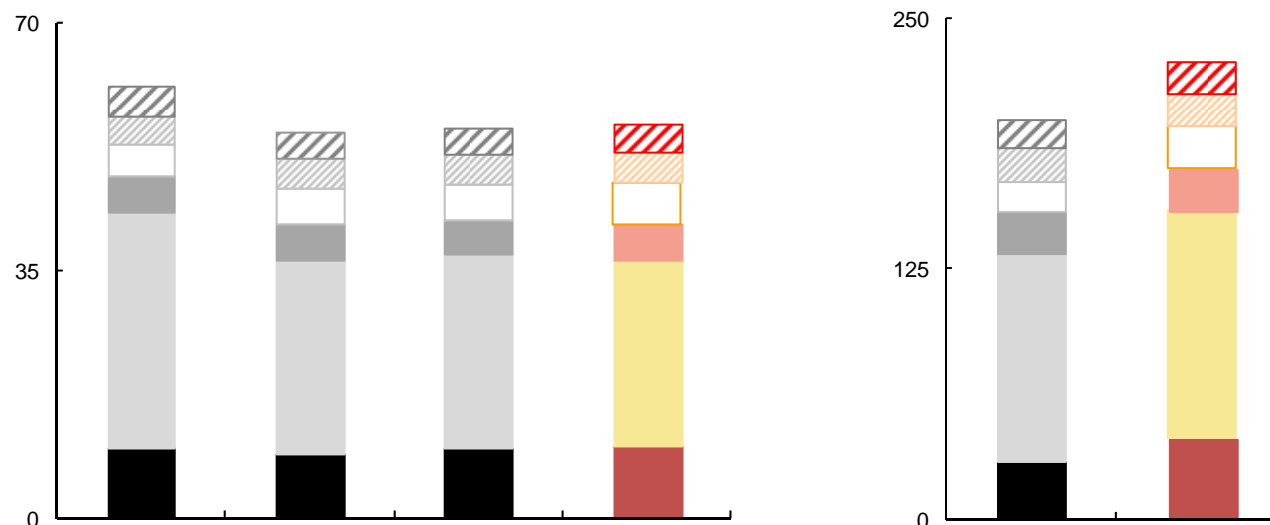
(*1) Intermediary services: SMBC is commissioned by us to invite and/or mediate securities trading with customers.

(*2) Not including referrals conducted between the designated branches of SMBC and us

SG&A

- ◇ SG&A for the quarter was ¥ 56.0 B (+1% Q on Q) including an increase in outsourcing expense due to a temporary IT outlay.
- ◇ SG&A for the FY2013 ended Mar. 2014 was ¥ 227.8 B (+14% Y on Y) due to increases in trade-related, personnel, and outsourcing/stationery expenses from the ongoing work toward a full-line firm and in proportion to high transaction volume and performance.

(Billions of yen) ■ Trading related expenses ■ Personnel expenses ■ Real estate expenses ■ Outsourcing and stationery expenses ■ Depreciation and amortization ■ Other



(Billions of yen)	FY2013 1Q	2Q	3Q	4Q	Q on Q	FY ended Mar. 31 2013	FY ended Mar. 31 2014	Y on Y
Trading related expenses	10.1	9.1	10.1	10.4	+3%	29.8	39.9	+34%
Personnel expenses	33.2	27.4	27.4	26.2	-5%	103.5	114.4	+11%
Real estate expenses	5.1	5.1	4.8	5.1	+6%	20.1	20.3	+1%
Outsourcing and stationery expenses	4.6	5.2	5.1	5.8	+14%	15.7	20.9	+33%
Depreciation and amortization	4.0	4.1	4.1	4.3	+3%	16.2	16.6	+3%
Other	4.0	3.6	3.7	3.9	+6%	14.7	15.4	+5%
SG&A/ Fixed expense	61.3	54.8	55.6	56.0	+1%	200.2	227.8	+14%
SG&A/ Net operating revenue	59%	71%	73%	79%	+7pt	73%	69%	-3pt

Balance sheet / Capital Adequacy Ratio

◇ Capital adequacy ratio as of the end of Mar. 2014 was down to 482 % (-75 pts. Y on Y) due to a decrease of ¥ 116.3 B in supplementary items through partial repayment of subordinated borrowings, however, still keeping a sound level.

(Billions of Yen)	Mar.13	Mar.14	Variance
Current assets	6,561.3	7,001.2	+439.9
Trading products	2,913.5	3,053.6	+140.1
Loans secured by securities	2,752.6	2,864.8	+112.2
Other current assets	895.1	1,082.7	+187.5
Noncurrent assets	191.7	203.6	+11.9
Tangible assets	26.4	25.8	-0.6
Intangible assets	66.4	71.4	+5.0
Investments and other assets	98.8	106.3	+7.5
Total assets	6,753.0	7,204.9	+451.8
Current liabilities	5,936.2	6,128.7	+192.5
Trading products	1,863.0	1,871.3	+8.3
Loans payable secured by securities	2,049.1	2,526.1	+476.9
Short-term loans payable / Commercial papers	1,673.1	1,300.2	-372.9
Other current liabilities	350.9	431.0	+80.1
Noncurrent liabilities / Reserves under the special laws	299.9	486.9	+186.9
Total liabilities	6,236.1	6,615.6	+379.4
Total net assets	516.8	589.3	+72.4
Total liabilities and net assets	6,753.0	7,204.9	+451.8

【on a stand-alone basis】

(Billions of Yen)	Mar.13	Mar.14	Variance
Basic items	500.2	561.7	+61.4
Supplementary items	209.5	93.2	-116.3
Deductible assets	151.4	143.7	-7.7
Net capital	558.3	511.1	-47.1
Risk total	100.1	105.9	+5.8
Market Risk	35.1	36.0	+0.9
Counterparty Risk	17.6	14.8	-2.8
Basic Risk	47.3	55.0	+7.7
Capital Adequacy Ratio	558%	482%	-75pt

【on a stand-alone basis】

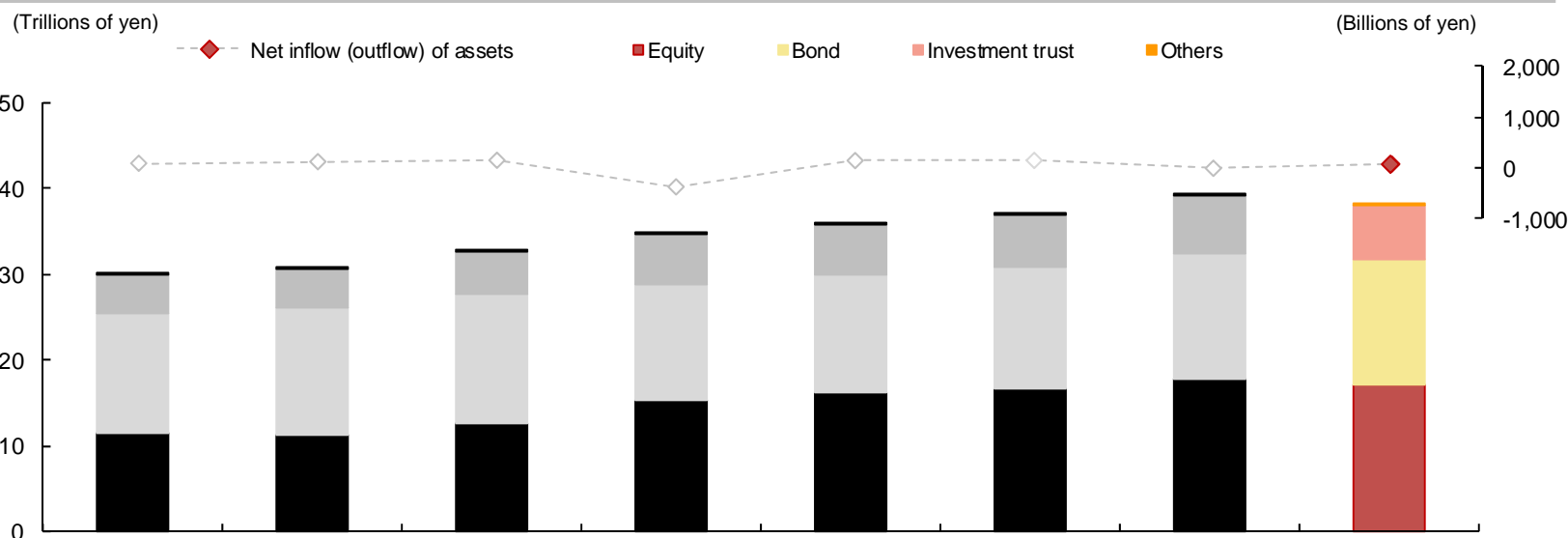
Credit ratings on Long Term (as of April 28th, 2014)

S&P	Moody's	R&I	JCR
A+	A1	AA-	AA
[Negative]	[Stable]	[Stable]	[Stable]

Client Assets / Net Inflow (Outflow) of Assets

[on a stand-alone basis]

- ◇ Overall client assets at the end of Mar. 2014 was ¥ 38.1 trillion (-3% Q on Q).
- ◇ Net inflow of retail client assets for this quarter was ¥ 82.7 B.

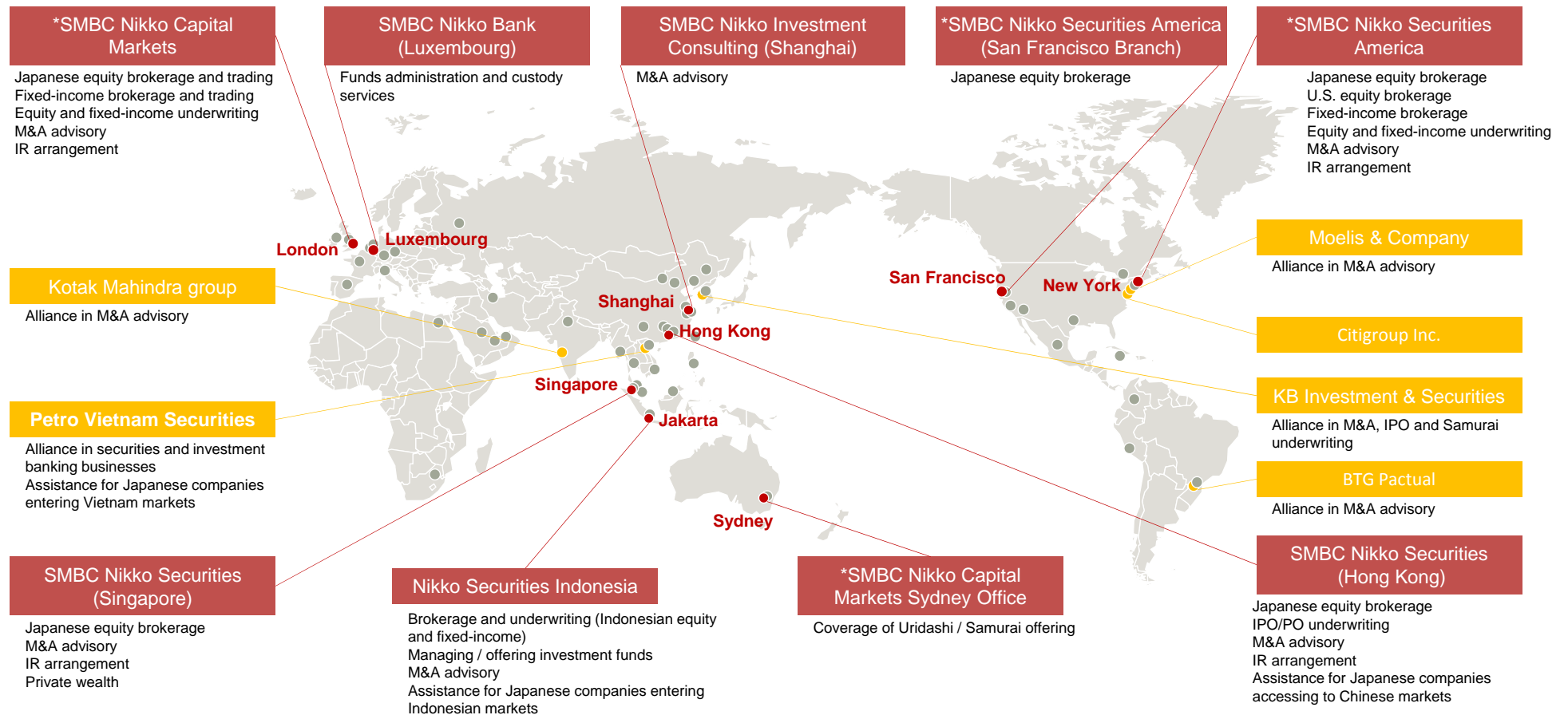


(Trillions of yen)	FY2012 Jun.	Sep.	Dec.	Mar.	FY2013 Jun.	Sep.	Dec.	Mar.
Equity	11.5	11.2	12.7	15.2	16.3	16.6	17.8	17.0
Bond	13.9	14.9	15.1	13.7	13.6	14.1	14.8	14.6
Investment trust	4.5	4.5	4.9	5.7	5.9	6.2	6.7	6.3
Others	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2
Client assets	30.0	30.7	32.8	34.7	36.0	37.1	39.4	38.1

(Billions of yen)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net inflow (outflow) of assets <Retail>	93.2	123.9	152.8	-370.4	145.7	150.1	-5.0	82.7
Inflow of assets	1,084.4	1,191.3	1,188.6	1,433.6	1,781.3	1,673.3	1,790.1	1,751.8
Outflow of assets	-991.2	-1,067.4	-1,035.8	-1,803.9	-1,635.6	-1,523.2	-1,795.0	-1,669.1

Overseas Network Extended

- ◇ Provided Japanese stock brokerage, global offering of new issue, and IR arrangement to institutional investors abroad. Capacity to propose solutions to clients has improved as our product lineup/function enlarged.
- ◇ Advisory fee for cross-border M&A by Japanese firms increased greatly as a result of enhancing the function at the each foothold of Europe, Americas, and Asia.



"NISA Promotion Room" established

- Special unit was established in Mar. 2014 to contribute to the prevalence of NISA as well as the improvement of finance literacy in the domestic market.

[Objectives]

1. Develop policies with regards to NISA promotion
2. Conduct survey on usage of NISA and research on its institutional aspect
3. Plan the activities to improve finance literacy for a generation wishing to accumulate wealth for the future

Received DEAL WATCH AWARDS 2013 "Samurai Bond House of the Year"

- We got awarded "Samurai Bond House of the Year" by THOMSON REUTERS as a broker with the most impressive performance in Samurai Bond market in the year of 2013.

Analyst Rankings

- Ranked 3rd (5th in the last year) as a firm with popular analysts, with 3 sector analysts (2 in the last year) in SMBC Nikko selected as top analyst in the respective industry, in the Institutional Investor analyst ranking.
 - Auto Parts Senior analyst Kunihiro Matsumoto
 - Shipbuilding/Plants Senior analyst Taku Ouchi
 - REITs Senior analyst Hiroshi Torii
- Ranked 3rd (2nd in the last year) as a firm with popular analysts, with 4 analysts (1 in the last year) in SMBC Nikko selected as top analyst in the respective sector in the Nikkei Veritas 26th ranking.
 - Auto Parts Senior analyst Kunihiro Matsumoto
 - Papers/Other materials Senior analyst Hiroyuki Okaseri
 - Shipbuilding/Plants Senior analyst Taku Ouchi
 - Strategist Chief strategist Ryota Sakagami
- Ranked 5th (6th in the last year) as a brokerage house with popular bond analysts/economists in the Nikkei Veritas 19th ranking.

Reference Data



Consolidated Business Results (Quarterly Trend)

(Millions of yen)	FY2012					FY2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Operating revenue	60,584	58,189	72,872	104,977	296,623	110,520	82,614	83,512	75,110	351,757
Commissions received	26,598	26,747	35,528	54,234	143,108	60,085	44,004	45,028	41,226	190,345
Brokerage commissions	2,773	3,191	4,638	8,641	19,244	13,741	9,554	13,955	8,484	45,735
Underwriting and distribution commissions	2,313	5,667	4,849	5,531	18,362	7,173	7,611	9,923	9,842	34,550
Flotation and distribution fees	12,734	9,055	16,787	27,799	66,376	28,370	15,490	11,172	10,450	65,484
Other commissions	8,776	8,833	9,252	12,262	39,125	10,799	11,348	9,977	12,448	44,574
Net trading income	27,177	23,562	28,038	40,985	119,764	40,653	29,303	30,449	26,448	126,854
Equities	664	-859	1,307	2,219	3,332	3,980	497	4,022	2,945	11,445
Bonds / Foreign exchange	26,513	24,421	26,730	38,766	116,432	36,673	28,806	26,427	23,502	115,409
Financial revenue	4,569	5,670	6,583	6,848	23,671	7,071	6,695	5,341	4,612	23,719
Other sales	2,239	2,209	2,721	2,908	10,078	2,710	2,611	2,692	2,823	10,837
Financial expenses	3,640	3,157	4,257	2,993	14,049	5,295	3,203	4,569	2,920	15,989
Cost of sales	1,694	1,752	2,061	2,302	7,811	2,008	2,008	2,277	1,474	7,768
Net operating revenue	55,249	53,279	66,553	99,680	274,762	103,215	77,402	76,664	70,715	327,999
SG&A	45,833	45,990	49,249	59,206	200,279	61,355	54,806	55,625	56,055	227,842
Operating income / loss	9,415	7,288	17,304	40,474	74,483	41,859	22,596	21,039	14,660	100,156
Ordinary income / loss	9,880	7,495	17,457	40,917	75,750	42,277	23,023	21,155	15,661	102,117
Extraordinary income / loss	-2,840	-1,758	1,289	1,370	-1,939	-79	-166	-118	-92	-456
Net income before income taxes	7,039	5,736	18,746	42,288	73,810	42,198	22,856	21,036	15,569	101,661
Income taxes-current	163	242	608	5,574	6,588	7,690	5,667	6,063	1,534	20,956
Income taxes-deferred	2,895	2,781	5,923	9,848	21,448	7,735	2,725	1,788	3,770	16,020
Minority interests in income/(losses)	1	0	6	6	14	-1	6	3	5	14
Net income / loss	3,978	2,711	12,208	26,859	45,759	26,774	14,457	13,181	10,257	64,670

Stand-alone Business Results (Quarterly Trend)

(Millions of yen)	FY2012					FY2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Operating revenue	56,947	54,699	68,478	100,377	280,503	106,114	77,921	78,794	70,599	333,430
Commissions received	25,602	25,842	34,337	52,926	138,709	58,718	42,208	43,374	39,768	184,069
Brokerage commissions	2,679	3,085	4,445	8,323	18,533	13,329	9,132	13,431	8,054	43,948
Underwriting and distribution commissions	2,313	5,663	4,849	5,531	18,357	7,173	7,611	9,921	9,841	34,548
Flotation and distribution fees	12,734	9,041	16,785	27,741	66,303	28,337	15,025	11,120	10,438	64,921
Other commissions	7,874	8,053	8,257	11,330	35,515	9,877	10,439	8,900	11,434	40,651
Net trading income	27,177	23,562	28,038	40,985	119,764	40,653	29,303	30,449	26,448	126,854
Equities	664	-859	1,307	2,219	3,332	3,980	497	4,022	2,945	11,445
Bonds / Foreign exchange	26,513	24,421	26,730	38,766	116,432	36,673	28,806	26,427	23,502	115,409
Financial revenue	4,167	5,294	6,101	6,465	22,029	6,742	6,409	4,970	4,382	22,505
Financial expenses	3,260	2,802	3,801	2,642	12,506	4,982	2,937	4,224	2,714	14,859
Net operating revenue	53,687	51,897	64,676	97,735	267,996	101,131	74,984	74,569	67,885	318,570
SG&A	45,067	44,986	47,993	57,237	195,285	60,131	54,039	54,362	53,361	221,895
Operating income / loss	8,619	6,911	16,682	40,497	72,710	40,999	20,944	20,207	14,523	96,675
Ordinary income / loss	8,895	7,015	16,615	40,910	73,435	41,070	21,245	20,044	14,827	97,188
Extraordinary income / loss	-2,533	-1,696	924	1,414	-1,891	-136	-326	32	-133	-564
Net income before income taxes	6,361	5,318	17,540	42,324	71,544	40,933	20,919	20,076	14,694	96,623
Income taxes-current	23	34	35	5,016	5,109	6,967	4,978	5,531	727	18,205
Income taxes-deferred	2,606	2,711	5,976	10,205	21,498	7,955	2,875	1,867	4,258	16,955
Net income / loss	3,732	2,572	11,528	27,103	44,936	26,011	13,065	12,678	9,708	61,463

Operational Indicators -1

【on a stand-alone basis】

◇ Sales of Products

(Billions of yen)	FY2012					FY2013				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Investment trusts	521.2	395.9	649.7	1,053.2	2,620.1	1,131.9	671.8	589.9	577.7	2,971.3
(Equity investment trusts)	(350.9)	(252.3)	(476.1)	(741.4)	(1,820.6)	(822.6)	(497.9)	(439.8)	(421.2)	(2,181.5)
(Foreign registered investment trusts)	(123.6)	(103.0)	(126.9)	(256.5)	(610.0)	(247.3)	(119.1)	(99.8)	(103.7)	(569.9)
Foreign bonds (*)	622.0	517.9	547.8	700.0	2,387.8	837.1	785.5	723.5	729.7	3,075.9
(Foreign currency bonds)	(224.2)	(218.3)	(223.2)	(239.0)	(904.7)	(250.9)	(200.7)	(187.4)	(198.7)	(837.7)
Domestic bond	460.9	338.0	612.8	474.7	1,886.4	879.9	522.1	539.5	493.2	2,434.6
(Retail target JGBs)	(181.2)	(24.7)	(88.4)	(45.3)	(339.6)	(121.4)	(95.1)	(102.7)	(111.5)	(430.7)
Public offering	11.4	110.3	48.7	124.0	294.5	100.0	102.0	156.1	135.0	493.1
Annuity / insurance	3.0	2.3	1.5	1.5	8.3	1.4	1.8	3.0	3.3	9.5
Total	1,618.5	1,364.4	1,860.7	2,353.5	7,197.0	2,950.3	2,083.3	2,011.9	1,938.8	8,984.3

(*) Foreign bonds sales include already-issued bonds and yen-denominated foreign bonds.

◇ Underwriting Share (Book runner)

	FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
ECM Global Equity (*1)	5.7%	14.6%	24.0%	13.2%	8.4%	12.8%	14.5%	13.9%
DCM All bond in Yen (*2)	6.4%	8.3%	14.3%	8.3%	15.4%	15.6%	14.4%	14.9%
M&A Japan related (*3)	32.6%	22.2%	6.4%	13.2%	12.5%	16.0%	15.3%	17.1%

(*1) Global Equity & Equity-Related-Japan : Book runner

(*2) All Bonds in Yen, Lead manager

(*3) Any Japanese involvement announced excluding real property deals : Rank value

Source: prepared by SMBC Nikko based on the information published by THOMSON REUTERS

Source: prepared by SMBC Nikko

Source: prepared by THOMSON REUTERS

Operational Indicators -2

【on a stand-alone basis】

◇ Direct Channel Ratio (*1)

	FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Based on number of transaction	92.4%	88.4%	90.0%	89.7%	90.0%	89.4%	85.9%	89.0%
(Nikko EZ Trade)	(85.0%)	(81.7%)	(82.9%)	(81.4%)	(81.3%)	(81.9%)	(78.2%)	(82.4%)
Based on commissions	56.4%	28.1%	41.0%	49.8%	54.4%	44.8%	38.9%	36.5%
(Nikko EZ trade)	(34.1%)	(16.6%)	(25.4%)	(32.1%)	(35.0%)	(28.1%)	(25.2%)	(24.1%)

(*1) Percentage of transactions via non-face-to-face channels in equities & CBs (brokerage & subscription) w ith individual clients.

◇ Brokerage Commissions Rate (*2)

(Billions of yen)	FY2012				FY2013			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity brokerage amounts	1,108.4	1,396.0	1,897.3	3,369.3	5,338.2	4,093.4	5,458.7	4,595.2
Equity brokerage commissions (*3)	2.6	3.0	4.5	8.4	13.1	9.1	13.3	8.0
Equity commissions rate	22.5bp	21.0bp	22.4bp	23.7bp	23.6bp	20.8bp	23.2bp	16.3bp

(*2) "Equity brokerage amounts" and "Equity commissions rate" in the table represent the total of cash and margin transactions.

(*3) On a consolidated basis

Operational Indicators -3

◇ Number of Accounts

【on a stand-alone basis】

(Thousands of accounts)	FY2012				FY2013			
	Jun.12	Sep.12	Dec.12	Mar.13	Jun.13	Sep.13	Dec.13	Mar.14
Total accounts	2,461	2,419	2,386	2,390	2,419	2,447	2,472	2,504
Cash management accounts	2,091	2,069	2,053	2,060	2,091	2,120	2,146	2,172
Newly opened accounts	27	22	24	32	47	46	43	50

◇ Number of Branches

【on a stand-alone basis】

	FY2012				FY2013			
	Jun.12	Sep.12	Dec.12	Mar.13	Jun.13	Sep.13	Dec.13	Mar.14
Number of branches	109	109	109	109	109	109	109	112

◇ Number of Employees

	FY2012				FY2013			
	Jun.12	Sep.12	Dec.12	Mar.13	Jun.13	Sep.13	Dec.13	Mar.14
Number of employees	8,872	8,803	8,703	8,634	9,032	8,996	8,948	8,884

