

November 2, 2007
Nikko Cordial Securities Inc.

**Launching Program Trading Information Service for Foreign Exchange Margin Trading
(ezFX)**

Nikko Cordial Securities Inc. (Head office: Chiyoda-ku Tokyo, President: Mikio Kitabayashi, hereafter the “company”), on November 5th, 2007, will launch “TOPSCOLA”, FX Program Trading Information Service, developed and operated by Auspice corporation (Head office: Nakano-ku Tokyo, President: Tetsuya Yamamoto, Paid in Capital: 23 million yen) for customers who use ezFX, a foreign exchange margin trading service under the company’s Nikko ezTrade, online trading service.

Twelve types of trading models for each of 10 currencies pairs, or a total of 120 types, are available in “TOPSCOLA” under ezFX including the ones intended for short-term or medium-to-long term investment. For each model, buying or selling orders are signaled in accordance with specific programmed rules employed by model type. Customers may place trading orders in response to the signals of trading models of their choices.

TOPSCOLA also provides information such as past performances of each model, rankings, current positions, and the activated buying or selling signals. Customers can search a trading model suitable to their investment preferences by providing answers to several questions through a simple investment-style diagnosis function of the system.

Customers can register their choices of trading model(s) on My Page under TOPSCOLA. With the provision of email address, emails will be sent to customers to notify that buying or selling signal for the registered trading model is turned on.

Under ezFX, TOPSCOLA Service is provided free of charge as a part of ezFX Premium Information Service, to customers who have satisfied certain conditions (transaction status and margin deposit balance of previous month).

The company will continue to provide innovative products and services that meet the needs of our customers into the future.

ezFX website URL: <http://forex.nikko.co.jp/>

TOPSCOLA website URL: <https://www.topscola.com/ezfx/index.php>

This material is an English translation of a Japanese announcement made on November 2, 2007. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this translation are not guaranteed.

Remarks on ezFX (Foreign Exchange Margin Trading)

ezFX (Foreign Exchange Margin Trading) is the over-the-counter derivative trading (OTC financial futures trading) specified under Financial Instruments and Exchange Law.

- ezFX (Foreign Exchange Margin Trading) transactions will incur transaction fee, ranging from 400 yen to 800 yen per transaction (one way). *As at September 1, 2007

Computation of transaction fee: unit transaction fee x number of transactions

- Customers are required to deposit guarantee money with the company before starting transactions on ezFX (Foreign Exchange Margin Trading). The amount of guarantee money deposit required for transactions are specified by currency pair for transaction, ranging from 70,000 yen to 200,000 yen per transaction. *As at September 1, 2007

Computation of required guarantee money: unit guarantee money x number of transactions

- ezFX (Foreign Exchange Margin Trading) enables customers to engage in transactions that exceed the amount of their guarantee money.
- The leverage ratio of the guarantee money (fixed amount in Japanese yen per unit of transaction) for transaction amount (quoted in foreign currency) under ezFX (Foreign Exchange Margin Trading) will fluctuate depending on the changes in foreign exchange rates. In case of US dollar/Japanese yen transactions, 100,000 yen of guarantee money is required for transaction of US 10,000 dollars. The leverage ratio is 12 times at the exchange rate of 120 yen to the dollar or 13 times at the exchange rate of 130 yen to the dollar.
- Under ezFX (Foreign Exchange Margin Trading), transactions are available for 10 types of currency pairs (US dollar/yen, euro/yen, Australian dollar/yen, sterling pound/yen, Swiss franc/yen, Canadian dollar/yen, New Zealand dollar/yen, euro/US dollar, sterling pound/US dollar, Australian dollar/ US dollar). Losses may be incurred due to fluctuations in actual foreign exchange rates applied to contracted value of buy or sell orders, as customers place buying or selling orders on the currency pairs. The foreign exchange rates fluctuate due mainly to the changes in financial, political or economic environment or supply-demand situations.
- As ezFX (Foreign Exchange Margin Trading) allows transactions in foreign currencies involving greater amounts than the amounts of guarantee money deposited by customers, the percentages of changes in profits or loss on invested principal amounts are greater than the percentages of changes in foreign exchange rates. Depending on the fluctuations in foreign exchange rates for the transactions, the amounts of losses may exceed the amounts of guarantee money deposited.
- In ezFX (Foreign Exchange Margin Trading), the transaction prices for selling orders indicated by the company are different from transaction prices for buying orders.
- In ezFX (Foreign Exchange Margin Trading), there are cases where transactions may not be executed depending on the situations of currencies markets, even during the opening hours of trading subscribed by the company.
- For further details, please refer to explanatory document on foreign exchange margin trading (*Keiyaku Teiketsu Mae Kofu Shomen*).

Corporate Name: Nikko Cordial Securities Inc.
Financial Instruments Firm Director General of Kanto Local Finance Bureau (Kinsho) No.
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Industry Organization Membership: Japan Securities Dealers Association
The Investment Trusts Association, Japan,
Japan Securities Investment Advisers Association
Financial Futures Association of Japan

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