



Translation of the Japanese press release

August 29, 2008
Nikko Cordial Securities Inc.

Nikko Cordial Securities to Roll-Out Direct Course (Nickname: Nikko Direct)

Nikko Cordial Securities Inc. (“Nikko Cordial Securities”) will roll out a direct course (nickname: Nikko Direct) from October 6, 2008.

Under “Nikko Direct”, customers will enjoy discounted brokerage fees when transactions are being made online (“Nikko EZ Trade”) compared with those transactions made at branches; 70% discount for cash transactions and 85% discount for margin transactions. In addition, through Nikko Contact Center and branches, products such as domestic equities, IPO equities, mutual funds, various bonds and certain products only offered via online, as well as investment information via internet and mobile phone will be made available to customers.

Nikko Direct aims to respond to diverse needs of investors on securities transactions against the backdrop of expanding investor base that dare not require investment advices and diversifying investment styles.

Customers will have options to choose from two courses; “General Course” the conventional service for transactions with advices and information provisions from NCS representatives and “Nikko Direct”, which centered on Nikko EZ Trade.

Along with the roll out of “Nikko Direct”, Nikko Cordial Securities will offer “Margin Trade Campaign” from September 10, 2008 to December 26, 2008, in which 4,000 yen revenue stamp charge required for opening Nikko EZ Trade margin trade account will be waived.

“By offering two types of trading courses, we build a structure to quickly respond to diverse needs and changing investment style of customers. We will keep offering better products and services for our customers into the future.” , said Eiji Watanabe, President & CEO of Nikko Cordial Securities.

Media:

Citi Japan
Media Relations
81-3-5644-4543

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[Attachment]

Outline of the Service

"Direct Course" (Nickname: Nikko Direct) will be launched on October 6, 2008. The brokerage charges described below will be applied to the transactions executed on October 6, 2008 and onward. For those customers who have accounts with Nikko Cordial Securities, application to change the service to "Direct Course" will be accepted starting September 1, 2008.

	↓ Direct Course	↓ General Course*1										
Feature	Transactions are made via online and contact center with discount brokerage fee at your own pace.	Transactions can be made upon receiving advices and investment information from sales representatives. All transaction channels are available.										
Available products	Products available via online*2	Products available via online and at branches										
Transaction	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="background-color: #e91e63; color: white; text-align: center;">Online trade</th> <th style="background-color: #e91e63; color: white; text-align: center;">Nikko Contact Center</th> </tr> <tr> <td style="text-align: center;">  Nikko EZ Trade </td> <td style="text-align: center;">  Tele-Trade Instructions via telephone Operator </td> </tr> </table>	Online trade	Nikko Contact Center	 Nikko EZ Trade	 Tele-Trade Instructions via telephone Operator	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="background-color: #8bc34a; color: white; text-align: center;">Branch</th> <th style="background-color: #8bc34a; color: white; text-align: center;">Online Trade*3</th> <th style="background-color: #8bc34a; color: white; text-align: center;">Nikko Contact Center</th> </tr> <tr> <td style="text-align: center;">  Your branch </td> <td style="text-align: center;">  Nikko EZ Trade </td> <td style="text-align: center;">  Tele-Trade Instructions via telephone Operator </td> </tr> </table>	Branch	Online Trade*3	Nikko Contact Center	 Your branch	 Nikko EZ Trade	 Tele-Trade Instructions via telephone Operator
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 Your branch	 Nikko EZ Trade	 Tele-Trade Instructions via telephone Operator										
Brokerage fee (cash transaction)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">  30 70% discount </td> <td style="text-align: center;">  30 70% discount </td> <td style="text-align: center;">  85 15% discount </td> </tr> </table>	 30 70% discount	 30 70% discount	 85 15% discount	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">  100 </td> <td style="text-align: center;">  70 30% discount </td> <td style="text-align: center;">  70 30% discount </td> <td style="text-align: center;">  85 15% discount </td> </tr> </table>	 100	 70 30% discount	 70 30% discount	 85 15% discount			
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Nikko EZ Trade Margin Transaction Charges	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">  15 85% discount </td> <td style="background-color: #e91e63; color: white;"></td> </tr> </table>	 15 85% discount		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #8bc34a; color: white;"></td> <td style="text-align: center;">  35 65% discount </td> </tr> </table>		 35 65% discount						
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Inquiries and administrative procedures	Inquiries can be made to Nikko Contact Center or at branches.											
Investment advices	Not available	At your branch										

* Tele-Trade offers equities and small-lot stock trading and execution inquiry services via automated voice.

* The above discount rates indicate rates when brokerage fee at branches (cash transactions) is 100.

- Prior to use "Direct Course", all the following procedures must be completed: Setting up cash management account, setting up foreign securities trading account, filing notice regarding beneficial shareholder (custody at JASDEC), Nikko card application, Nikko EZ Trade application and bank transfer designation registration. There may be certain cases where customers may not switch their services to "Direct Course".
- Please note that under "Direct Course", prior to the execution of transactions, deposit equivalent to the transaction amount must be made into your account or the transaction amount must be available in your Nikko MRF account.

*1: Customers who have opened account on or before October 3, 2008 will be considered to have selected "General Course".

*2: Certain products may not be available under "Direct Course". Please contact your branch or "Direct Support Dial" of Nikko Contact Center, or visit our website for details.

*3: For online trade, application to Nikko EZ Trade is required.

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Nikko EZ Trade Margin Trade Campaign

For those customers who have opened "Nikko EZ Trade Margin Trade" during the campaign period from September 10, 2008 to December 26, 2008, revenue stamp charge of 4,000 yen required for "Margin Trade Account Set-up Agreement" will be waived. (paid by Nikko Cordial Securities). When applying for the account, applicants may mail back "Margin Trade Account Set-up Agreement" to us without placing the revenue stamp.

The eligible customers for this campaign are those who have applied "Nikko EZ Trade Margin Trade" and Nikko Cordial Securities received "Margin Trade Account Set-up Agreement" during the campaign period.

Inquiries on Direct Course/Nikko EZ Trade

Nikko Contact Center "Direct Support Dial"

0120-250-987 Hours: 8:00 a.m. - 19:00 p.m. on weekdays

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