



Translation of the Japanese press release

March 26, 2010
Nikko Cordial Securities Inc.

**Summary of Remarks by Eiji Watanabe (President & CEO)
at the General Managers' Meeting, Nikko Cordial Securities Inc., in FY2010**

1. "Three Key Phrases" for Nikko Cordial Securities Inc.

(1) Further promoting the ideas of three key phrases announced at launch of new structure in October 2009

- a) "Integration of banking and securities business"
Steady progress in various areas of work where we cooperate with Sumitomo Mitsui Banking Corporation
Financial product intermediary service for individual customers to be started in April
- b) "General securities company"
Producing synergies as facilitating the creation of a single firm operating in both the retail and wholesale divisions
- c) "Global"
Alliance with Citigroup
Strengthening product-related functions including overseas expansion

(2) Creation of an operating structure congruent with the above three key phrases

Strengthening system investment, recruitment of skilled personnel, personnel management system and personnel development program
As a member of Sumitomo Mitsui Financial Group, we will continue to improve the quality of our securities service in a wide range of areas to earn the highest degree of trust from as many customers as possible

2. Mid-Term Management Plan (FY ending March 2011 to FY ending March 2013)

(1) Future prospect (10-year goal)

To be the No.1 general securities company in Japan, outstanding in terms of both quality and in quantity. To be competitive in the global arena

(2) Basic policy

- To become one of the leading and most trusted general securities companies in Japan, offering customers a full line-up of services and gaining their full confidence
- Responding to society, the economy and markets in a more responsible manner as a major financial institution in Japan and aiming at improving both our reliability and presence

- Establishing a growth strategy as a general securities company that conducts both retail and wholesale business

(3) Numerical targets

	FY ending March 2010 3Q (annualized) (billions of yen)		<u>FY ending March</u> <u>2013</u> <u>planned targets</u> (billions of yen)
Net operating revenue	181.4		300
- Retail business	167.4		200
- Wholesale business	14.0		100
Ordinary income	37.9		100

* The business results for the 3Q (October to December) of the fiscal year ending March 2010 are quadrupled to show them on an annual basis.

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