

June 21, 2012
SMBC Nikko Securities Inc.

Regarding Recent Media Reporting

Some media reported today that The Yokohama District Public Prosecutors Office seemed to have determined to assemble a case for prosecution against the former Executive Officer of SMBC Nikko Securities Inc. for violating the Financial Instruments and Exchange Act of Japan.

As the issue is currently under the investigation by the Securities and Exchange Surveillance Commission, we withhold further comment. However, we will continue to cooperate fully with SESC with respect to the investigation.

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