

【NEWS RELEASE】

March 28, 2019

SMBC Nikko Securities Inc.

**Summary of the Announcement by President Shimizu**  
**at the Spring 2019 Meeting of Department Heads and Branch Managers**

Dear department heads, branch managers, directors and employees, I am very grateful for your hard work in your respective areas. Before we start the new Fiscal Year 2019, I would like to share three points with you.

The first is to ensure we run our business in line with our Management Philosophy. Does our everyday conduct further our role as a “sound financial intermediary”? Do we contribute to the “development of markets and society”? These are questions we need to continue asking ourselves.

The second is our growth strategy for the future. The next fiscal year is an important year to sow the seeds for mid- to long-term growth. Thus in the organization reform this spring, Financial Service Planning for The 100-Year Life was set up as a new team under Sales Planning. We also assigned to the Sales Unit an Executive Officer for Special Missions in charge of digital strategy, tasked to develop a new framework for leveraging advances in digitalization for the delivery of financial services.

The third is work-style reform, which is about redefining the value we create through work, what we can achieve by leveraging the organization as opposed to working as individuals, and how to secure sufficient time to focus on our jobs. I would like all department heads and branch managers to take the lead in reviewing how you spend your working day so as to increase the time spent on value creating activities.

Finally, this coming fiscal year is the final year of the current Medium-term Management Plan (MTMP) and we will therefore work on drafting the next MTMP. As a member of Team SMBC Group, it is important to finish what we have agreed to do in the current MTMP in order to realize sustainable growth. Ichiro, who has been our brand partner since 2001, made some impressive comments in announcing his retirement as a professional baseball player: According to him, the countless records he set were a result of setting targets slightly above his limits and then repeatedly working on them. I believe the same applies to our world. I ask all department heads and branch managers to go out of your way and accomplish your mission, so as to take our growth to the next stage. Let us all do our best!

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