

Provisional translation of
the original Japanese version



Earnings Announcement for Third Quarter of FY ending March 2011 (JGAAP)

Nikko Cordial Securities Inc.
January, 2011

The information contained in this document is based on data available as of January 28th, 2011 and this document is intended to provide information on the business results of new Nikko Cordial Securities Inc. Any information and opinions contained in this document reflect our judgment as of the date of preparation of the document and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information. Reference information contained and shown in this document for the period before September 2009 are based on the former Nikko Cordial Securities Inc.

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Highlights of business results for 3Q of FY ending March 2011

■ Overview of business results for 3Q of FY ending March 2011

- ◇ Net operating revenue ¥ 53.2 B (+7% Q on Q), SG&A expenses ¥ 41.8 B (+2%) , Ordinary income ¥ 10.7 B (+15%)
- ◇ Total revenue expanded mainly driven by increases in sales of investment trusts ¥ 618.4 B (+5%), underwriting amount of equities ¥ 74.1 B (doubled) and brokerage amount of equity ¥ 857.5 B (+53%)

■ Overview of business results for YTD(1Q-3Q)

- ◇ Net operating revenue ¥ 157.9 B (+22% Y on Y), SG&A expenses ¥ 123.4 B (+24%), Ordinary income ¥ 33.3 B (+9 %)
- ◇ Continued trend of expansion in sales of investment trusts, foreign and domestic bonds totaled ¥ 1.9 trillion (+ ¥0.2 trillion) and ¥ 2.8 trillion (+ ¥ 1.5trillion).
- ◇ The market share of Japanese Corporate Debts was 16.5% (*), representing an established presence in the market. (*Source: THOMSON REUTERS)

■ Topics

- ◇ Business commenced at the following 4 overseas locations: London (Commencement: October 2010), New York (December 2010), Hong Kong and Shanghai (January 2011)
- ◇ Integrated services such as financial instruments intermediary services being offered by SMBC Friend Securities Co., Ltd. in collaboration with SMBC, through a corporate de-merger effective on January 1st, 2011.

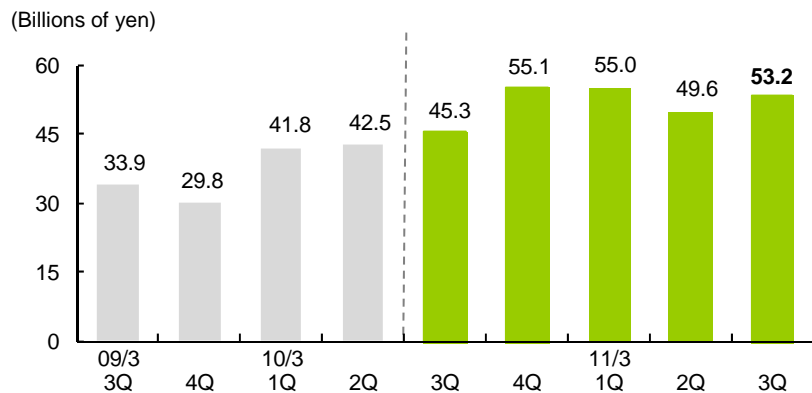
(Billions of yen)	FY ending	FY ending	Q on Q (%)	FY ended Mar.	FY ending Mar.	Y on Y (%)
	Mar. 2011 2Q	Mar. 2011 3Q		2010 1-3Q (*1)	2011 1-3Q	
Operating revenue	53.1	56.6	7%	132.7	168.0	27%
Net operating revenue	49.6	53.2	7%	129.7	157.9	22%
SG&A	41.0	41.8	2%	99.8	123.4	24%
Ordinary income / loss	9.3	10.7	15%	30.7	33.3	9%
Net income / loss	5.8	5.8	-1%	37.6 ^(*2)	21.9	-
	Sep.-end '10	Dec.-end '10	Variance	Mar.-end '10	Dec.-end '10	Variance
Total assets	7.9 T	7.7 T	-0.1 T	6.8 T	7.7 T	0.9 T
Total net assets	430.2 B	437.5 B	+7.3 B	416.3 B	437.5 B	+21.1 B
Capital Adequacy Ratio	515%	537%	+22 pt	567%	537%	-29 pt

(*1) Simple combination with former Nikko Cordial Securities Inc

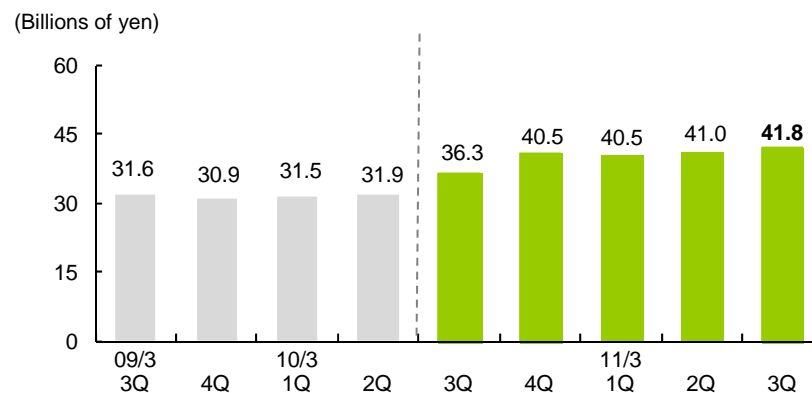
(*2) Tax expenses decreased due to additional deferred tax assets for taxable temporary difference caused by the re-organization. 2

Business Results (Quarterly Trend)

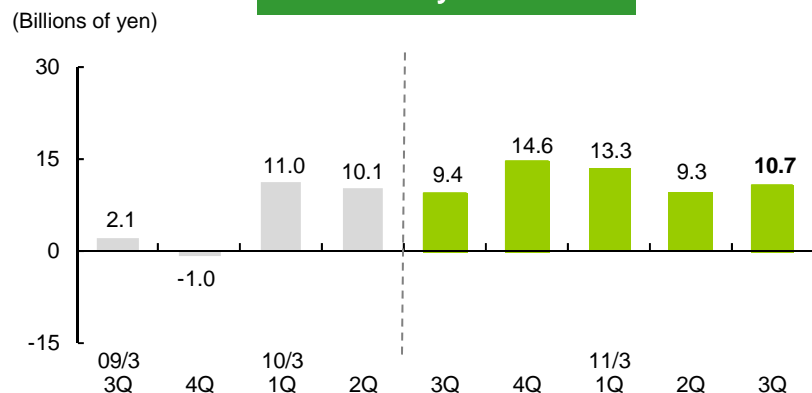
Net operating revenue



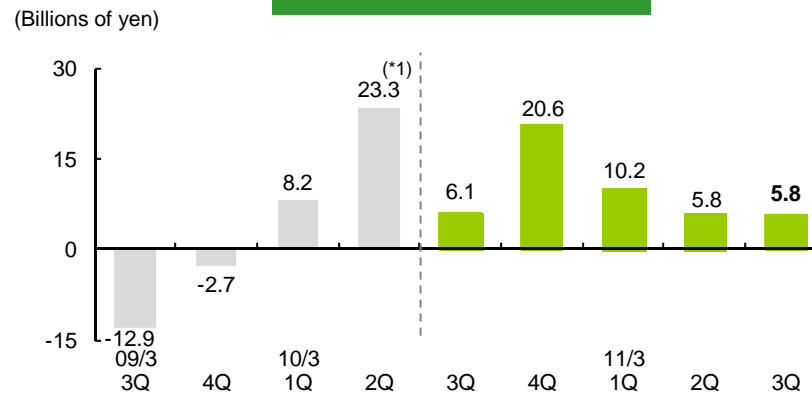
SG&A



Ordinary income



Net income



(*) Tax expenses decreased due to additional deferred tax assets for taxable temporary difference caused by the re-organization.

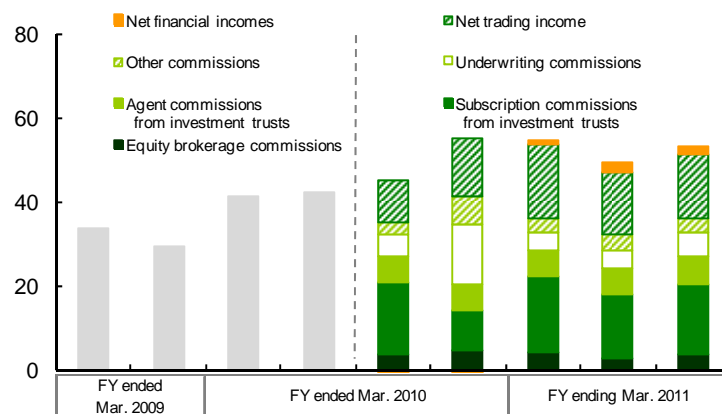
■ Current Nikko (Established in Jun.09, Operations started from Oct.09)
 ■ Former Nikko

Net operating revenue / Product sales

- ◇ Net operating revenue increased due to equity brokerage commissions (+40% Q on Q), underwriting commissions (+38%) and subscription commissions on investment trusts (+9%).
- ◇ Steady growth in product sales: investment trusts ¥ 618.4 B (+5%), domestic bonds ¥ 494.6 B (+7%) and subscription of equities ¥ 71.9 B (2.2 times).

Net operating revenue

(Billions of yen)

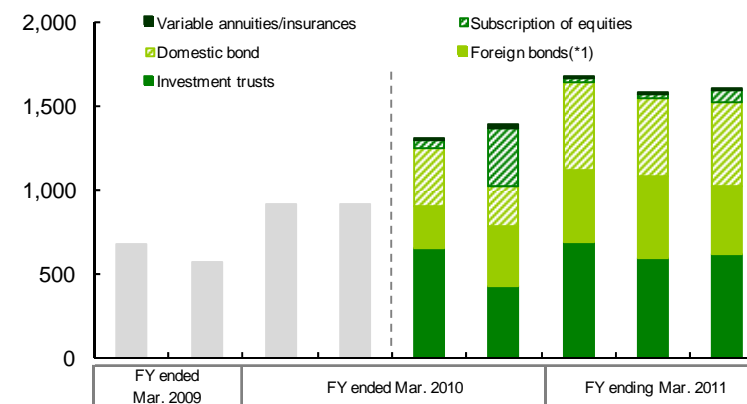


(Billions of yen)

	FY ended Mar. 2009		FY ended Mar. 2010		FY ending Mar. 2011				
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity brokerage commissions	5.7	3.4	4.8	4.5	3.5	4.6	4.3	2.8	3.9
Subscription commissions from investment trusts	2.9	6.0	13.2	15.0	17.5	9.5	17.8	15.2	16.5
Agent commissions from investment trusts	5.3	4.6	5.2	5.7	6.1	6.3	6.3	6.1	6.4
Underwriting commissions	-	-	-	-	5.0	14.4	4.5	4.4	6.1
Other commissions	7.9	5.4	5.9	5.4	3.0	6.5	3.1	3.6	3.0
Net trading income	11.5	10.0	12.1	11.2	10.1	13.6	17.6	14.8	15.4
Net financial incomes	0.3	0.2	0.2	0.4	-0.1	-0.0	1.1	2.5	1.6
Total	33.9	29.8	41.8	42.5	45.3	55.1	55.0	49.6	53.2

Product Sales

(Billions of yen)



(Billions of yen)

	FY ended Mar. 2009		FY ended Mar. 2010		FY ending Mar. 2011				
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Investment trusts	269.7	290.4	514.7	549.4	644.1	424.9	682.9	590.0	618.4
Foreign bonds(*1)	234.5	178.6	293.4	268.9	255.9	360.0	433.2	483.3	405.0
Domestic bond	150.0	99.0	60.3	54.4	348.9	232.2	515.4	462.7	494.6
(Retail - targeted JGBs)	(5.0)	(2.7)	(5.2)	(1.9)	(1.3)	(6.0)	(51.2)	(6.7)	(3.3)
Subscription of equities	4.8	0.9	45.8	36.0	45.8	344.8	34.3	33.1	71.9
Variable annuities/insurances	21.6	10.6	10.9	6.1	12.1	27.6	1.1	1.8	0.9
Total	680.7	579.5	925.2	914.8	1,306.8	1,389.5	1,666.8	1,571.0	1,590.9

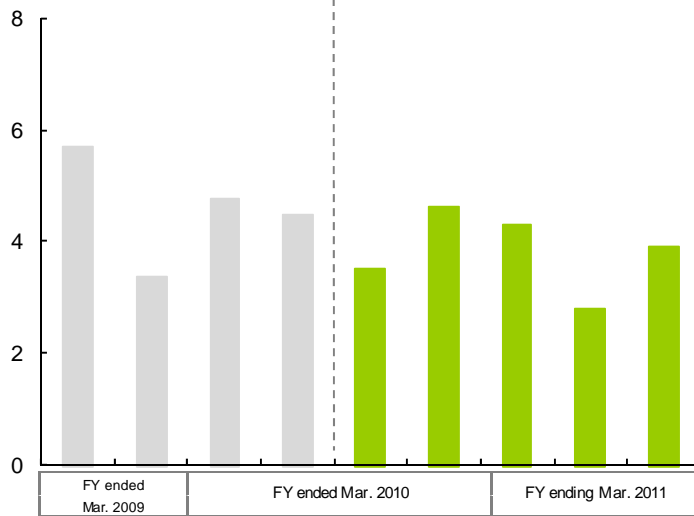
(*1) Foreign bonds sales include already-issued bonds and yen-denominated foreign bonds.

Equity brokerage commissions

- ◇ Equity brokerage commissions ¥ 3.9 B (+40% Q on Q)
- ◇ Equity brokerage amount increased to ¥ 857.5 B (+53%)

Equity brokerage commissions

(Billions of yen)



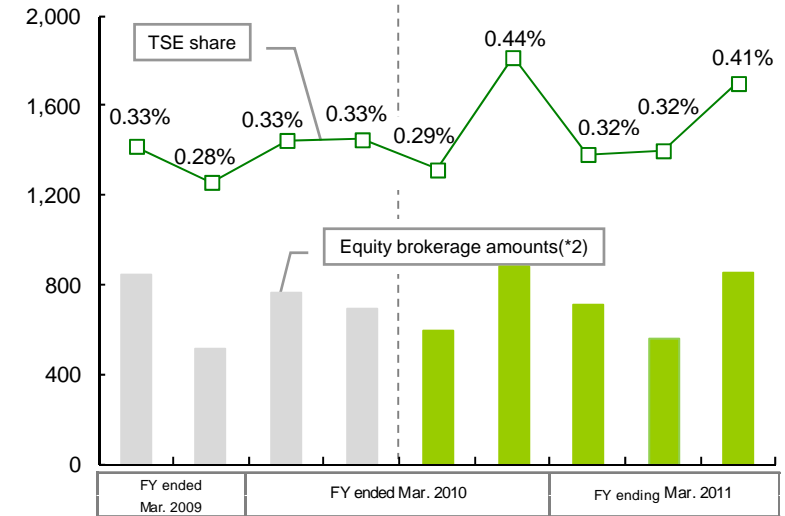
(Billions of yen, bp)

	FY ended Mar. 2009		FY ended Mar. 2010		FY ending Mar. 2011				
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity brokerage commissions	5.7	3.4	4.8	4.5	3.5	4.6	4.3	2.8	3.9
Equity commissions rate (*1)	67.3bp	65.1bp	62.8bp	64.4bp	58.0bp	51.1bp	59.1bp	48.9bp	44.8bp

(*1) "Equity brokerage commissions"/"Equity brokerage amounts"
(in the table represent the total of cash and margin transactions)

Equity brokerage amount / TSE share

(Billions of yen)



(Billions of yen)

	FY ended Mar. 2009		FY ended Mar. 2010		FY ending Mar. 2011				
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity brokerage amounts (*2)	846.7	516.0	764.6	693.9	600.1	881.7	718.3	558.9	857.5
TSE share	0.33%	0.28%	0.33%	0.33%	0.29%	0.44%	0.32%	0.32%	0.41%
Retail market share (*3)	1.7%	1.4%	1.4%	1.5%	1.5%	2.1%	1.6%	1.4%	1.9%

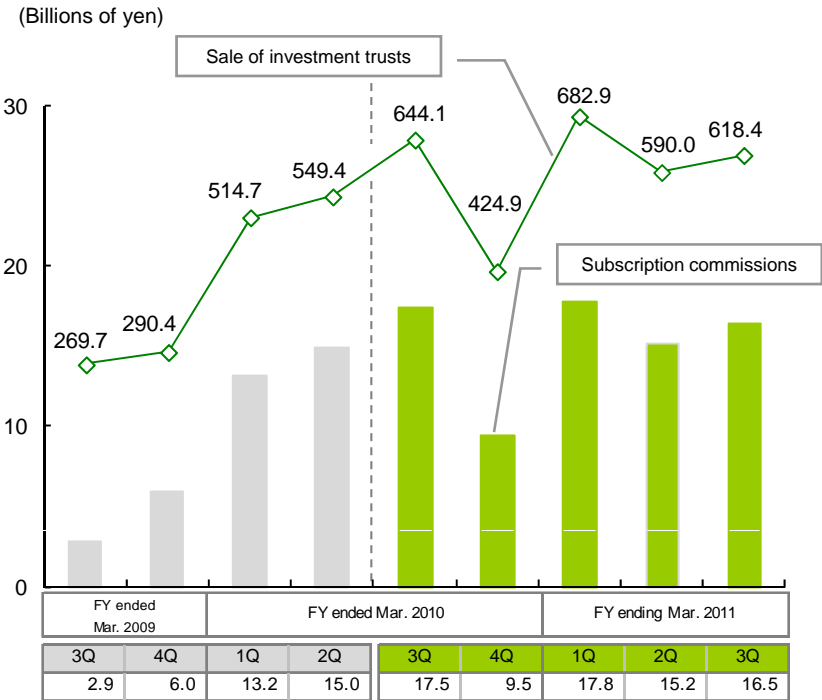
(*2) All stock exchanges.

(*3) Total of 1st and 2nd sections of Tokyo, Osaka and Nagoya stock exchanges.

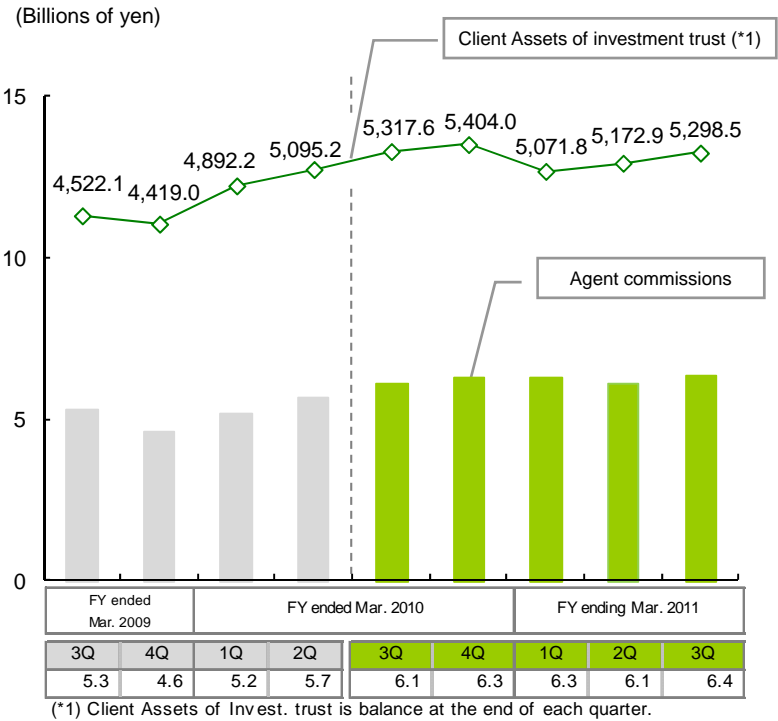
Subscription and agent commissions from investment trusts

- ◇ Subscription commission revenue for this quarter posted ¥ 16.5 B (+9% Q on Q); client assets increased to ¥ 5.3 trillion (+2%)
- ◇ Sales of investment trusts totaled ¥ 618.4 B (+5%), comprised of Nikko Ashmore Emerging Markets Tri-Asset Fund (all currencies totaled) of ¥ 255.6 B, Sumishin J-REIT Research Open of ¥ 28.6 B, Fidelity US REIT Fund of ¥ 25.9 B and others.

Subscription commissions / Sales



Agent commissions / Client Assets of Invest. trust

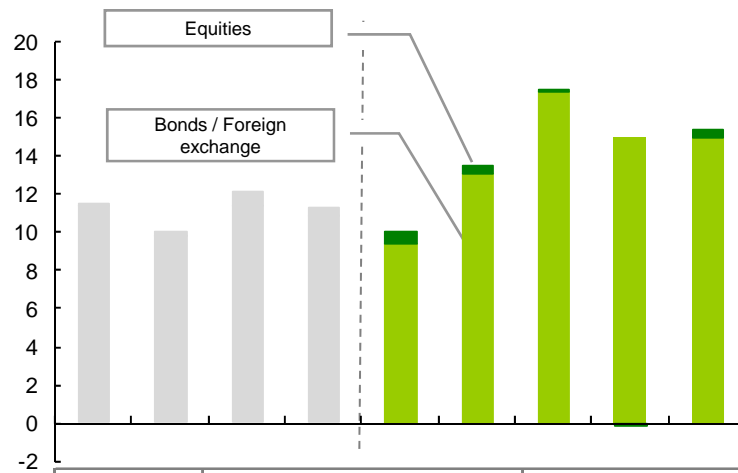


Net trading income

◇ Net trading income for the quarter ¥ 15.4 B (+4% Q on Q)

Net trading income

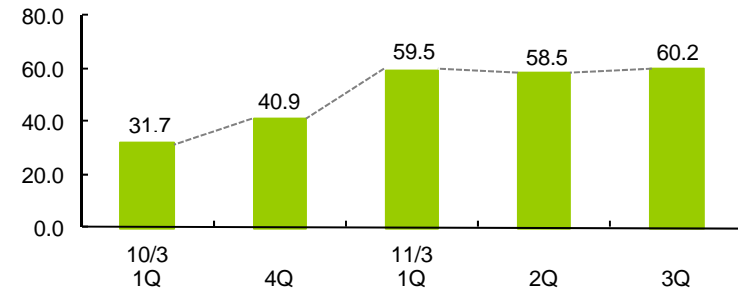
(Billions of yen)



(Billions of yen)	FY ended Mar. 2009		FY ended Mar. 2010				FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equities	0.2	0.2	0.7	0.4	0.6	0.4	0.1	-0.1	0.4
Bonds / Foreign exchange	11.3	9.8	11.4	10.8	9.5	13.1	17.4	15.0	15.0
Total	11.5	10.0	12.1	11.2	10.1	13.6	17.6	14.8	15.4

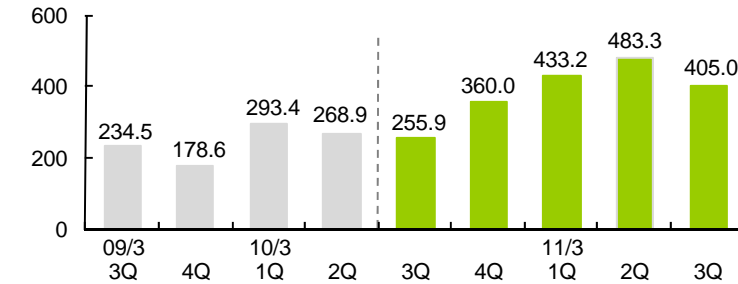
Trading volume on Bond

(Trillions of yen)



Sale of foreign bonds

(Billions of yen)

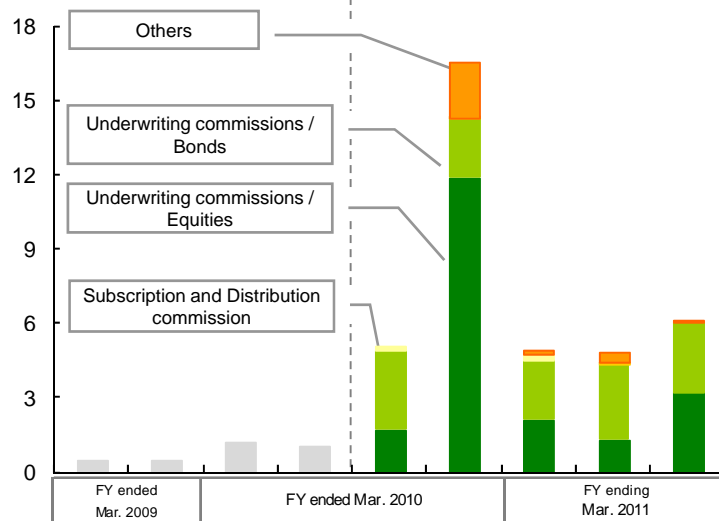


Underwriting commissions (Equities / Bonds)

- ◇ Underwriting commission revenue on equity for the quarter was ¥ 3.2 B (+2.5 times Q on Q), succeeded in serving: a manager of The Tokyo Electric Power Company, Incorporated, a sole managing underwriter of Sotetsu Holdings, Inc. and MEDINET Co., Ltd. and a co-lead managing underwriter of Monex Group Inc.
- ◇ Underwriting commission revenue on bond ¥ 2.8 B (-8%)

Underwriting commissions (Equities / Bonds)

(Billions of yen)



(Billions of yen)

	FY ended Mar. 2009				FY ended Mar. 2010				FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Underwriting commissions	-	-	-	-	5.0	14.4	4.5	4.4	6.1		
Equities	-	-	-	-	1.7	11.9	2.1	1.3	3.2		
Bonds	-	-	-	-	3.2	2.4	2.4	3.1	2.8		
Subscription and Distribution commissions (EQs/Bonds)	0.4	0.4	1.2	1.0	0.2	0.0	0.3	0.0	0.0		
Others(*1)	-	-	-	-	-	2.3	0.1	0.4	0.0		

(*1) Revenues related to securitization arrangements included

Major lead manager deals / Market share

Equities

- Market share (*2): 3.3% (+2.4 pts Q on Q)
- Lead managing underwriter (incl. joint lead manager)
 - Monex Group, Inc • Sotetsu Holdings, Inc • MEDINET Co.,Ltd

Bonds

- Market share (*3): 14.7% (+4.5 pts)
- Lead managing underwriter (incl. joint lead manager)
 - Domestic Bonds
 - Sumitomo Mitsui Banking Co • Nissan Financial Services Co.,Ltd
 - NEC Co • Kyushu Electric Power Co., INC
 - The Chuo Mitsui Trust and Banking Co., Ltd
 - West Nippon Expressway Co.,Ltd • THE KANSAI Electric Power CO.,INC
 - KONICA MINOLTA HOLDINGS,INC
 - FUJITSU LIMITED • Tohoku Electric Power CO.,INC • Nippon Sheet Glass Co.,Ltd.
 - Local Governments/Public bonds
 - Japan Finance Organization for Municipalities
 - Japan Expressway Holding and Debt Repayment Agency
 - City of Yokohama • Tokyo Metropolitan Government • Aichi Prefecture
 - FILP agency bonds
 - Japan Housing Finance Agency • Japan Finance Corporation
 - Kansai International Airport Co., Ltd
 - Urban Renaissance Agency
 - The Okinawa Development Finance Corporation

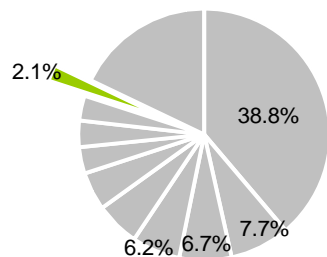
Please refer to P9 and P19 for league tables. More detailed lead underwriting deals on P22

(*2) Global equity & equity related book runner Oct.-December 2010 (Source : THOMSON REUTERS)

(*3) All bonds in Yen book runner July-September 2010 (Source : THOMSON REUTERS)

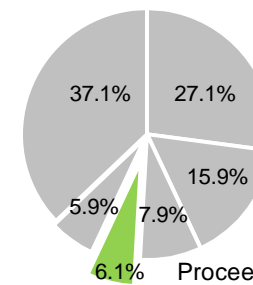
League tables for 1Q-3Q of FY ending March 2011

Global Equity & Equity-Related - Japan



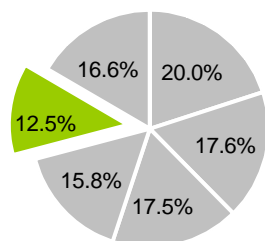
Rank	Book runner	Proceeds (bill of yen)	Mkt.Share (%)	No.Deals
1	Nomura	1,166.5	38.8%	33
2	Mizuho Securities	233.2	7.7%	8
3	JP Morgan Securities Ltd	200.6	6.7%	3
4	Goldman Sachs International	187.9	6.2%	2
10	Nikko Cordial Securities Inc	62.4	2.1%	9

Global Equity & Equity-Related – Volume - Japan



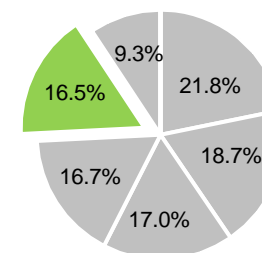
Rank	Manager	Proceeds (bill of yen)	Mkt.Share (%)	No.Deals
1	Nomura	816.1	27.1%	50
2	Mizuho Securities	478.4	15.9%	32
3	Daiwa Capital Markets	239.2	7.9%	36
4	Nikko Cordial Securities Inc	183.4	6.1%	38
5	JP Morgan Securities Ltd	178.5	5.9%	4

All Bonds in Yen



Rank	Book runner	Proceeds (bill of yen)	Mkt.Share (%)	No.Deals
1	Mizuho Securities	2,964.9	20.0%	212
2	Nomura	2,614.8	17.6%	179
3	Mitsubishi UFJ Morgan Stanley	2,593.3	17.5%	162
4	Daiwa Capital Markets	2,342.9	15.8%	151
5	Nikko Cordial Securities Inc	1,858.7	12.5%	125

Japanese Corporate Debt



Rank	Manager	Proceeds (bill of yen)	Mkt.Share (%)	No.Deals
1	Mizuho Securities	1,664.7	21.8%	257
2	Mitsubishi UFJ Morgan Stanley	1,428.4	18.7%	231
3	Nomura	1,294.6	17.0%	234
4	Daiwa Capital Markets	1,276.4	16.7%	244
5	Nikko Cordial Securities Inc	1,260.9	16.5%	216

Source: THOMSON REUTERS

M&A

◇ Market share and ranking on M&A financial advisor for any Japanese involvement announced(April -December 2010), No. of deals basis 53 deals, ranked in the 3rd, Transaction value basis 11.1%. ranked in the 7th.

(Source: THOMSON REUTERS)

Financial Advisor No. of deals Apr.-Dec. 2010

Rank	Advisor	No.Deals	Mkt.Share (%)
1	Nomura	83	4.2%
2	Mizuho Securities	54	2.7%
3	Nikko Cordial Securities Inc	53	2.7%
4	Mitsubishi UFJ Morgan Stanley	36	1.8%
5	Daiwa Capital Markets	35	1.6%

Financial Advisor Rank value basis Apr.-Dec. 2010

Rank	Advisor	Rank value (bill of yen)	Mkt.Share (%)
1	Nomura	36,630.7	53.6%
2	JP Morgan Securities Ltd	18,499.2	27.1%
3	Mitsubishi UFJ Morgan Stanley	14,836.6	21.7%
4	Bank of America .Merrill Lynch	10,523.8	15.4%
7	Nikko Cordial Securities Inc	7,565.6	11.1%

Major announced deals Apr.-Dec. 2010

Cross-border deals

SANYO Electric Co./
ON Semiconductor Co.

RENOWN INCORPORATED/
Shandong Ruyi Science &
Technology Group Co., Ltd

Domestic deals

SANYO Electric Co./
NIDEC Corporation

TPG Capital TOB

Corporation reconstruction

Anabuki Construction Inc/
J-Will Partners /
Daikyo Inc

REIT deal

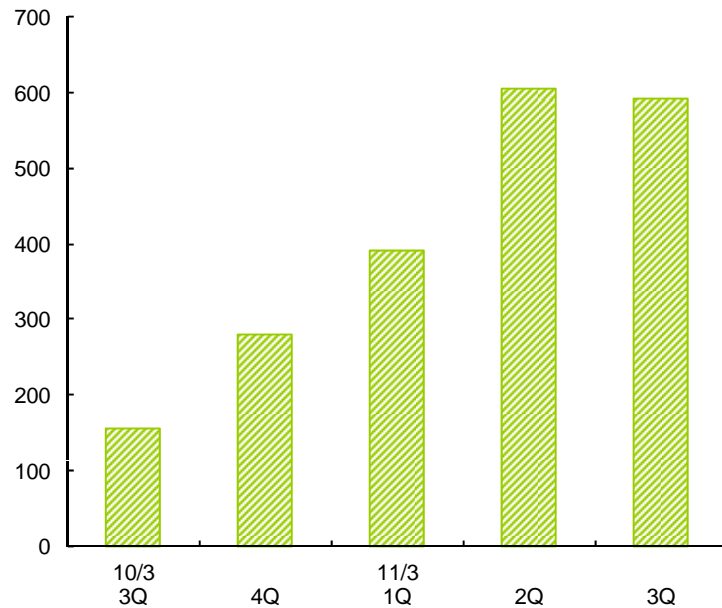
CRESCENDO Investment
Corporation/
Japan Single-residence REIT Inc

Business collaboration with Sumitomo Mitsui Banking Corporation

◇ The number of deals referred by SMBC for the bank's customers requesting asset management in bonds remained at the same level as in the previous quarter, while the number of those requesting Nikko's investment banking services expanded by 15% from the prior quarter.

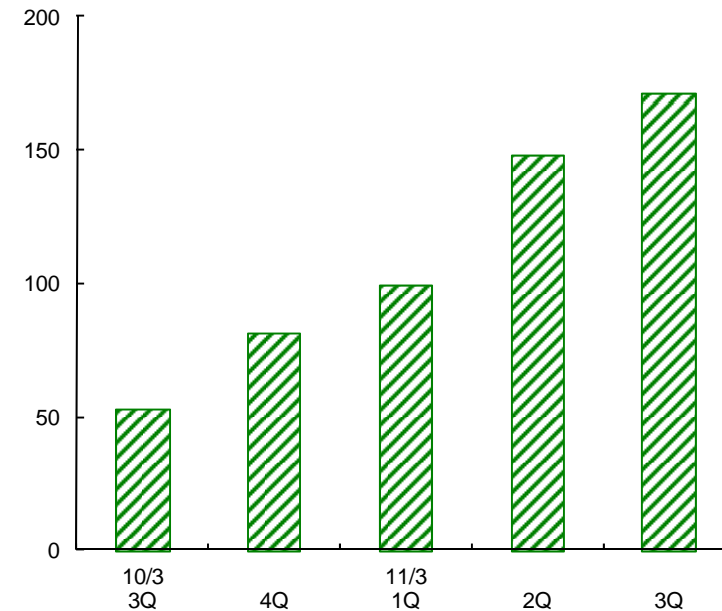
Asset management in bonds

(No. of deals)



Investment banking services

(No. of deals)



SG&A

- ◇ SG&A for the quarter ¥ 41.8 B(+2% Q on Q)
- ◇ Hiring additional employees in wholesale business while continued low-cost operation in retail business.

(Billions of yen)



(Billions of yen)

	FY ended Mar. 2009		FY ended Mar. 2010				FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Trading related expenses	3.2	2.8	2.5	2.9	3.9	4.6	4.5	5.6	5.7
Personal expenses	13.7	14.0	15.6	15.5	17.3	20.3	20.0	18.8	20.4
Real estate expenses	4.1	3.8	3.9	3.8	4.6	4.4	4.4	4.4	4.4
Office cost	7.4	6.9	6.5	6.6	6.6	6.9	7.0	7.3	6.8
Others	3.1	3.2	2.8	2.9	3.8	4.2	4.3	4.7	4.2
SG&A Total	31.6	30.9	31.5	31.9	36.3	40.5	40.5	41.0	41.8
SG&A / Net operating revenue	93%	104%	75%	75%	80%	74%	74%	83%	79%

Balance sheet / Capital Adequacy Ratio

(Billion of Yen)	Sep.10	Dec.10	Variance
Current assets	7,724.2	7,563.7	-160.5
Trading products	3,281.9	3,081.1	-200.8
Loans secured by securities	3,945.7	4,098.4	152.6
Other current assets	496.5	384.1	-112.3
Noncurrent assets	235.7	235.0	-0.6
Property, plant and equipment	7.5	7.9	0.3
Intangible assets	47.7	46.7	-0.9
Investments and other assets	180.4	180.3	-0.0
Total assets	7,959.9	7,798.7	-161.1
Current liabilities	7,267.3	7,123.3	-144.0
Trading products	2,141.8	2,019.0	-122.8
Loans payable secured by securities	1,038.4	1,143.0	104.5
Short-term loans payable / Commercial papers	3,916.9	3,783.1	-133.8
Other current liabilities	170.1	178.1	8.0
Noncurrent liabilities / Reserves under the special laws	262.3	237.9	-24.4
Total liabilities	7,529.7	7,361.2	-168.4
Total net assets	430.2	437.5	7.3
Total liabilities and net assets	7,959.9	7,798.7	-161.1

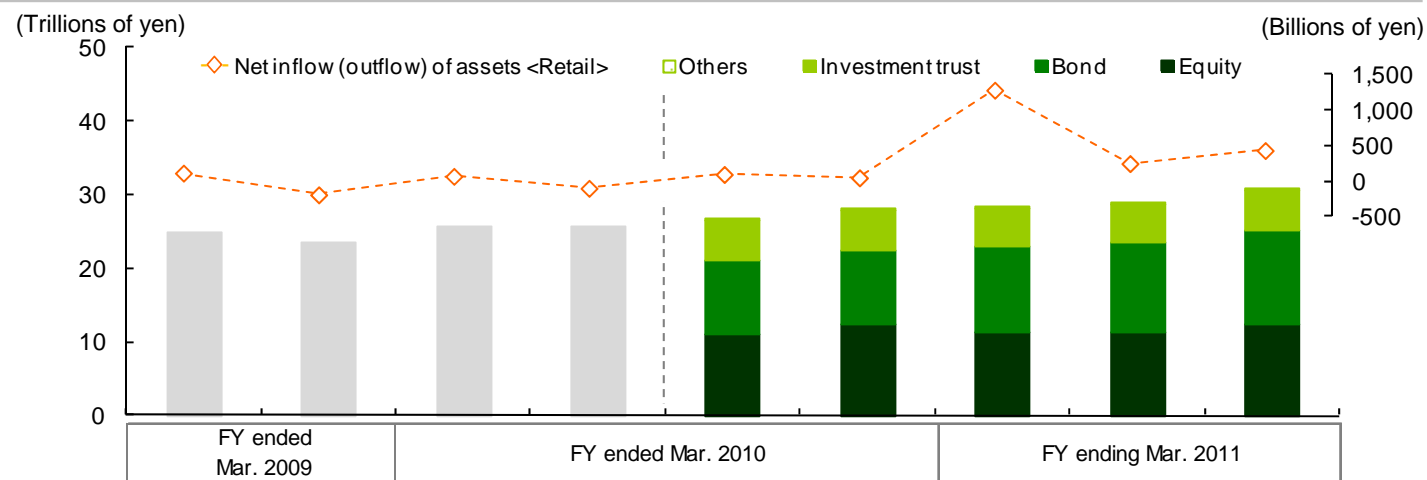
(Billion of Yen)	Sep.10	Dec.10	Variance
Basic items	430.2	436.8	6.6
Supplementary items	200.0	200.7	0.6
Deductible assets	220.6	218.7	-1.9
Net capital	409.6	418.8	9.2
Risk total	79.4	77.9	-1.5
Market Risk	29.2	26.9	-2.3
Counterparty Risk	12.2	12.5	0.3
Basic Risk	37.9	38.4	0.4
Capital Adequacy Ratio	515%	537%	22 pt

Credit ratings on Long Term

S&P	Moody's	R&I	JCR
A [Positive]	Aa3 [Stable]	A+ [Positive]	AA- [Stable]

Client Assets / Net Inflow (Outflow) of Assets

- ◇ Overall client assets at the end of December 2010 increased by ¥ 1.8 trillion to ¥ 30.6 trillion from the end of 2Q, due to additional net inflow of assets and recovery of market conditions.
- ◇ Net inflow of assets in retail amounted to ¥ 432.7 B through expansion of both client base and product sales.

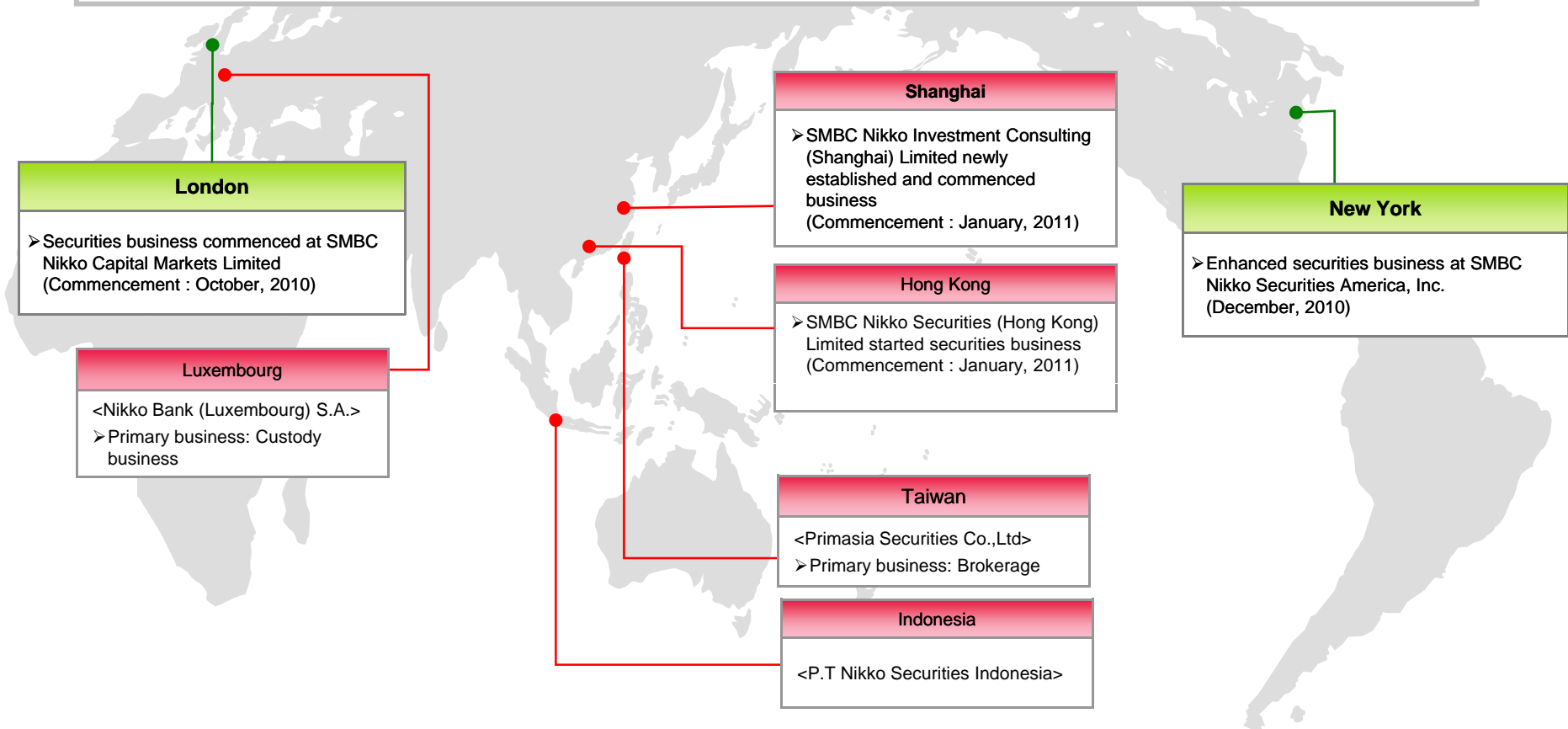


(Trillions of yen)	FY ended Mar. 2009		FY ended Mar. 2010				FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity	10.4	9.4	11.1	11.0	11.1	12.5	11.3	11.2	12.4
Bond	9.8	9.6	9.7	9.7	10.1	10.1	11.7	12.3	12.8
Investment trust	4.5	4.4	4.9	5.1	5.3	5.4	5.1	5.2	5.3
Others	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Client assets	24.9	23.5	25.9	25.9	26.6	28.1	28.1	28.8	30.6

(Billions of yen)	FY ended Mar. 2009		FY ended Mar. 2010				FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net inflow (outflow) of assets <Retail>	116.6	-187.9	73.5	-95.0	92.0	45.3	1,293.1	252.8	432.7
Inflow of assets	1,304.2	1,309.3	875.6	786.3	1,070.0	996.5	2,123.6	1,227.0	1,521.9
Outflow of assets	-1,187.6	-1,497.2	-802.2	-881.4	-978.0	-951.2	-830.4	-974.2	-1,089.2

Expansion of overseas network

- ◇ Enhanced overseas securities operation in collaboration with Sumitomo Mitsui Banking Corporation commenced at SMBC Nikko Securities America, Inc. in December 2010.
- ◇ In January 2011, SMBC Nikko Securities (Hong Kong) Limited started securities business as a part of business expansion in Asia
- ◇ In January 2011, SMBC Nikko Investment Consulting (Shanghai) Limited, a newly-established company in Shanghai, started advisory related services, mainly M&A advisory services for deals related to China to meet increasing needs of clients.



Topics

- ◇ Integrated services such as financial instruments intermediary services being offered by SMBC Friend Securities Co., Ltd. in collaboration with SMBC effective on January 1st, 2011.
- ◇ Awarded the highest rating of 3 stars in HDI Benchmarking conducted by HDI-Japan for customer service ratings in 5 consecutive years from 2006 to 2010
- ◇ Hiring analysts to upgrade and expand research coverage of industry sectors

Integration of services offered by SMBC Friend Securities in collaboration with SMBC

The following services for retail clients being offered by SMBC Friend Securities in collaboration with SMBC were transferred effective on January 1st, 2011

- Financial instruments intermediary services
- Operation related to SMBC Fund Wrap
- Equity consulting services and others

Honor of the 5th straight year of 3 stars(top) rating by HDI-Japan

In January, 2011, Nikko's call center operation was awarded the top rating of 3 stars in HDI Benchmarking conducted by HDI-Japan for customer service ratings in five consecutive years from 2006 to 2010. The 5th straight year of obtaining 3 stars has been the very first honor since HDI-Japan has launched HDI Benchmarking of customer service since 2006.

Upgrading and expanding research coverage of industry sectors

- ◆ Hiring senior analysts to upgrade and expand research coverage of industry sectors to strengthen Sales & Trading business
14 analysts (October, 2010) to 32 analysts (January, 2011)

Research coverage of industry sectors (Jan-28)

(1)	Industrial Electronics / Semiconductor	(13)	Retailing
(2)	Consumer Electronics / Precision Instruments	(14)	Banks
(3)	Electronic components	(15)	REITs
(4)	Pulp and Paper / Glasses	(16)	Construction / Real Estate
(5)	Autos	(17)	Energy & Utilities
(6)	Auto Parts	(18)	Transportation
(7)	Pharmaceuticals & Health Care	(19)	Telecommunications
(8)	Chemicals & Textiles	(20)	Telecommunications / Software Business
(9)	Steel & Non-ferrous metals	(21)	Entertainment / Broadcasting
(10)	Machinery / Plant & Shipbuilding	(22)	OTC & Small Companies
(11)	Trading Companies	(23)	Quantitative Research
(12)	Beverage, Food & Tobacco		

[Reference Data]

Business Results (Quarterly Trend)

(Millions of yen)	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Operating revenue	35,177	30,524	42,496	43,135	47,148	57,777	58,251	53,119	56,697
Commissions received	22,049	19,554	29,392	30,927	35,379	41,555	36,236	32,277	36,165
Brokerage commissions	6,282	3,683	5,224	4,845	3,788	5,097	4,612	2,928	4,110
Commissions for underwriting, secondary distribution and solicitation for selling and others for professional investors	-	-	-	-	5,052	14,433	4,595	4,469	6,187
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	3,402	6,509	14,572	16,081	17,737	9,612	18,137	15,299	16,645
Other commissions	12,365	9,361	9,596	9,999	8,801	12,412	8,891	9,580	9,222
Net trading income	11,562	10,074	12,170	11,227	10,161	13,602	17,605	14,853	15,466
Other net gain on goods trading	0	0	0	-	0	0	0	0	0
Financial revenue	1,565	895	933	980	1,607	2,619	4,408	5,988	5,065
[Net financial income]	[378]	[213]	[295]	[404]	[-187]	[-1]	[1,170]	[2,517]	[1,612]
Financial expenses	1,186	681	637	576	1,794	2,620	3,237	3,471	3,453
Net operating revenue	33,990	29,842	41,859	42,559	45,354	55,157	55,013	49,647	53,244
SG&A	31,673	30,968	31,563	31,922	36,381	40,590	40,543	41,069	41,814
Operating income / loss	2,317	-1,126	10,295	10,637	8,972	14,566	14,470	8,578	11,430
Ordinary income / loss	2,177	-1,034	11,031	10,191	9,482	14,607	13,344	9,311	10,739
Extraordinary income / loss	-21,534	-1,850	-346	-145	-2,202	639	-2,328	-430	29
Income taxes-current	-4,790	341	2,668	6,646	1,160	1,894	371	40	40
Income taxes-deferred	-1,584	-450	-236	-19,920	-	-7,272	399	2,947	4,884
Net income / loss	-12,981	-2,776	8,253	23,320	6,119	20,624	10,245	5,893	5,844

Operational Indicators -1

Sales of Products (Billions of yen)	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Investment trusts	269.7	290.4	514.7	549.4	644.1	424.9	682.9	590.0	618.4
(Equity investment trusts)	(113.3)	(106.6)	(223.5)	(346.0)	(489.8)	(271.5)	(253.0)	(455.7)	(494.0)
(Foreign registered investment trusts)	(111.0)	(152.9)	(251.6)	(164.1)	(100.1)	(104.9)	(388.6)	(97.2)	(88.3)
Foreign bonds	234.5	178.6	293.4	268.9	255.9	360.0	433.2	483.3	405.0
(Foreign currency bonds)	(55.7)	(26.9)	(69.3)	(68.0)	(60.8)	(88.4)	(70.2)	(79.2)	(81.3)
Domestic bond	150.0	99.0	60.3	54.4	348.9	232.2	515.4	462.7	494.6
(Retail target JGBs)	(5.0)	(2.7)	(5.2)	(1.9)	(1.3)	(6.0)	(51.2)	(6.7)	(3.3)
Public offering	4.8	0.9	45.8	36.0	45.8	344.8	34.3	33.1	71.9
Annuity / insurance	21.6	10.6	10.9	6.1	12.1	27.6	1.1	1.8	0.9
Total	680.7	579.5	925.2	914.8	1,306.8	1,389.5	1,666.8	1,571.0	1,590.9

* Foreign bonds sales include already-issued bonds and yen-denominated foreign bonds.

Underwriting Share (Book runner)	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
ECM Global Equity (*1)	-	-	-	-	1.2%	2.2%	4.2%	0.9%	3.3%
DCM All bond in Yen (*2)	-	-	-	-	15.3%	6.7%	12.6%	10.2%	14.7%
Japanese Corporate bond(*3)	-	-	-	-	(17.0%)	(12.5%)	(16.2%)	(18.1%)	(15.4%)
M&A Japan related (*4)	-	-	-	-	5.2%	2.7%	10.9%	13.6%	4.6%

(*1) Global Equity & Equity-Related - Japan : Book runner

(*2) All Bonds in Yen : Book runner

(*3) Japanese Corporate Debt : Manager

(*4) Any Japanese involvement announced excluding real property deals : Rank value

Source: THOMSON REUTERS

Operational Indicators -2

Direct Channel (*1)

FY ended Mar 2009	FY ended Mar 2009		FY ended Mar 2010		FY ended Mar 2010		FY ending Mar. 2011			
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	
(%)										
Based on number of transaction	77.1%	82.3%	82.1%	80.1%	78.0%	72.5%	81.0%	78.8%	74.9%	
(Nikko EZ Trade)	(56.3%)	(63.8%)	(65.8%)	(64.2%)	(61.9%)	(58.2%)	(65.2%)	(62.9%)	(60.1%)	
Based on commissions	52.7%	55.6%	46.9%	45.8%	39.9%	18.7%	47.1%	41.0%	34.6%	
(Nikko EZ trade)	(30.2%)	(34.5%)	(30.2%)	(29.2%)	(24.5%)	(12.0%)	(29.2%)	(24.8%)	(20.2%)	

(*1) Percentage of transactions via non-face-to-face channels in equities & CBs (brokerage & subscription) with individual clients.

Brokerage Commissions Rate (*2)

FY ended Mar 2009	FY ended Mar 2009		FY ended Mar 2010		FY ended Mar 2010		FY ending Mar. 2011		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
(Billions of yen, bp)									
Equity brokerage amounts	846.7	516.0	764.6	693.9	600.1	881.7	718.3	558.9	857.5
Equity brokerage commissions	5.7	3.4	4.8	4.5	3.5	4.6	4.3	2.8	3.9
Equity commissions rate	67.3bp	65.1bp	62.8bp	64.4bp	58.0bp	51.1bp	59.1bp	48.9bp	44.8bp

(*2) "Equity brokerage amounts" and "Equity commissions rate" in the table represent the total of cash and margin transactions.

Operational Indicators -3

Number of Accounts

(Thousands of accounts)	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	Dec.08	Mar.09	Jun.09	Sep.09	Dec.09	Mar.10	Jun.10	Sep.10	Dec.10
Total accounts	2,440	2,461	2,470	2,481	2,491	2,511	2,524	2,533	2,548
Cash management accounts	1,904	1,919	1,927	1,937	1,945	1,952	1,963	1,971	1,978
Newly opened accounts	62	24	20	22	19	22	20	16	20

Number of Branches

	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	Dec.08	Mar.09	Jun.09	Sep.09	Dec.09	Mar.10	Jun.10	Sep.10	Dec.10
Number of branches	111	109	109	109	109	109	109	109	109

Number of Employees

	FY ended Mar. 2009		FY ended Mar. 2010		FY ended Mar. 2010		FY ending Mar. 2011		
	Dec.08	Mar.09	Jun.09	Sep.09	Dec.09	Mar.10	Jun.10	Sep.10	Dec.10
Number of Employees		5,939		6,090	6,479	6,533	6,831	6,903	6,917

Operational Indicators -4

Sales of investment trusts (Oct.-Dec.2010)

	Sales
➤ Nikko Ashmore Emerging Markets Tri-Asset Fund/all currencies totaled	255.6 B yen
➤ Sumishin J-REIT Research Open	28.6 B yen
➤ Fidelity US REIT Fund	25.9 B yen
➤ Nikko Hybrid Tri-Asset Fund	24.4 B yen
➤ Nikko BNY Mellon Tri-Sector High Income Bond Fund	21.4 B yen

M&A (Apr.-Dec. 2010)

- Cross-border deals
 - Acquisition of SANYO Semiconductor Co., Ltd, a subsidiary of SANYO Electric Co., Ltd, by ON Semiconductor Corporation
(Acted as an adviser for SANYO Electric Co., Ltd)
 - Allocation of new shares to a major Chinese textile company, Shandong Ruyi Science & Technology Group Co., Ltd by RENOWN INCORPORATED
(Acted as an adviser for RENOWN INCORPORATED)
- Domestic deals
 - Acquisition of SANYO Seimitsu Co., Ltd, a subsidiary of SANYO Electric Co., Ltd, by NIDEC Corporation.
(Acted as an adviser for SANYO Electric Co., Ltd)
 - Acquisition of Avon Products Company Limited by Devon Holdings K.K., a wholly-owned subsidiary of TPG Capital in Japan by way of TOB.
(Acted as an adviser for TPG Capital)
- Corporate reconstruction
 - Financial support of Anabuki Construction Inc by J-Will Partners and business alliance between Anabuki Construction Inc and Daijyo Inc
(Acted as an adviser for Anabuki Construction Inc)
- REIT deal
 - Absorption-type merger of Japan Single-residence REIT Inc by CRESCENDO Investment Corporation
(Acted as an adviser for CRESCENDO Investment Corporation)

Major lead Underwriting Equity (Oct.-Dec.2010)

PO	Amount of issue
➤ Monex, Inc	16.9 B yen
➤ Sotetsu Holdings, Inc	15.9 B yen
➤ MEDINET Co., Ltd	3.3 B yen

Major lead Underwriting Bonds (Oct.-Dec.2010)

Domestic Straight Bonds	Amount of issue
➤ Sumitomo Mitsui Banking Co # 23, 51	Total 120.0 B yen
➤ Nissan Financial Services Co.,Ltd. # 15, 16	Total 50.0 B yen
➤ NEC Co # 43, 44	Total 50.0 B yen
➤ Kyushu Electric Power Co., Inc # 414, 415	Total 40.0 B yen
➤ The Chuo Mitsui Trust and Banking Co.,Ltd # 10, 11	Total 40.0 B yen
➤ West Nippon Expressway Company Limited. # 9	30.0 B yen
➤ The Kansai Electric Power CO.,INC. # 484	30.0 B yen
➤ KONICA MINOLTA HOLDINGS,INC. # 1, 2	Total 30.0 B yen
➤ FUJITSU LIMITED # 27	30.0 B yen
➤ Tohoku Electric Power CO.,INC. # 456	30.0 B yen
➤ Nippon Sheet Glass Co.,Inc # 10	24.0 B yen
➤ Mori Building Co.,Ltd. # 3, 4	Total 20.0 B yen
➤ Takata Corporation # 1	10.0 B yen
➤ The Japan Steel Works,Ltd. # 13	10.0 B yen
➤ Saibu Gas Co.,Ltd. # 9	10.0 B yen
■ Local Governments/Public bonds	
➤ Japan Finance Organization for Municipalities # 12, 19, F41, F45	Total 78.5 B yen
➤ Japan Expressway Holding and Debt Repayment Agency # 121,125	Total 60.0 B yen
➤ City of Yokohama # 4, 5, 9, 31	Total 60.0 B yen
➤ Tokyo Metropolitan Government # 688	60.0B yen
➤ Aichi Prefecture # 13	10.0B yen
■ FILP agency bonds	
➤ Japan Housing Finance Agency # 44, 57, 58, 59, 60, 61, 62	Total 330.8 B yen
➤ Japan Finance Corporation # 13, 14, 15,	Total 110.0 B yen
➤ Kansai International Airport Co., Ltd # 26	20.0 B yen
➤ Urban Renaissance Agency # 42	15.0 B yen
➤ The Okinawa Development Finance Corporation # 16	10.0B yen