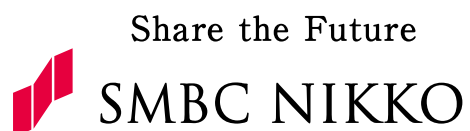


Earnings Announcement for FY2014 ended March 31, 2015 (JGAAP)

SMBC Nikko Securities Inc.

April 27, 2015



		[Reference Data]	
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The information contained in this document is based on data available as of April 27th, 2015 and this document is intended to provide information on the business results of SMBC Nikko Securities Inc. Any information and opinions contained in this document reflect our judgment as of the date of preparation of the document (April 27th, 2015) and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information.

(*) Information in this document is presented on a consolidated basis unless otherwise specified.

Summary of business results for the FY ended Mar. 2015

FY ended
Mar. 2015

- **Net operating revenue ¥ 329.2 B (+0% Y on Y), Ordinary income ¥ 96.2 B (-6%), Net income ¥ 64.7 B (+0%).**
- Increases in both revenue and net income were secured by the growth in incomes on trading and the cut in tax rate, while ordinary income was pushed downward by increased expenses commensurate with business advancement.
- Aggregate sales of products hit a new record ¥ 9.1 trillion (+1%), including investment trust ¥ 2.9 trillion (-2%), foreign bonds ¥ 3.1 trillion (+0%), domestic bonds ¥ 2.6 trillion (+6%), and equity brokerage amount ¥ 21.1 trillion (+9%).
- League table rankings for Apr.2014-Mar.2015: Underwriting commissions was ¥32.7 B (-5%), the second highest to the previous fiscal year.
2nd place(*1) in Global Equity & Equity-Related-Japan
5th place(*2) in All Bonds in Yen
14th place(*3) in terms of values and 3rd in terms of number of deals for M&A announced deals
- SG&A was ¥ 235.2 B (+3%). Enhancing operations especially in equity businesses increased personnel and IT-related expenses.
- Net income was ¥ 64.7 B (+0%), showing a nominal increase reflecting reduction in tax rate.
- As of the end of Mar. 2015, total asset was ¥ 9.3 trillion, net assets was ¥ 666.6 B, capital adequacy ratio (on a stand-alone basis) was 478 %, reflecting a sound financial base of the company.

FY ended
Mar. 2015 4Q

- **Net operating revenue ¥ 89.6 B (-5% Q on Q), Ordinary income ¥ 26.5 B (-20%), Net income ¥ 18.7 B (-15%).**
- Aggregate sale of products was up to ¥ 2,322.8 B (+3%), including investment trust ¥ 855.3 B (+14%), foreign bonds ¥ 771.3 B (-4%), domestic bonds ¥ 550.5 B (-7%), and equity brokerage amount ¥ 6.1 trillion (-3%).

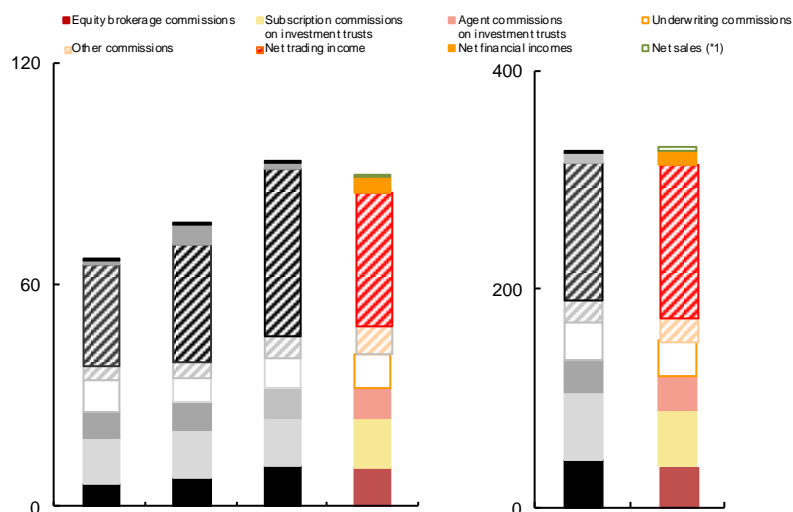
Billions of Yen	FY2014		Q on Q	FY ended Mar. 31 2014	FY ended Mar. 31 2015	Y on Y
	3Q	4Q				
Operating revenue	101.0	95.0	-6%	351.7	352.6	+0%
Net operating revenue	94.2	89.6	-5%	327.9	329.2	+0%
SG&A	61.2	63.9	+4%	227.8	235.2	+3%
Ordinary income / loss	33.1	26.5	-20%	102.1	96.2	-6%
Income before taxes	33.0	26.3	-20%	101.6	95.6	-6%
Net income / loss	22.0	18.7	-15%	64.6	64.7	+0%
	Dec.-end '14	Mar.-end '15	Q on Q	Mar.-end '14	Mar.-end '15	Y on Y
Total assets (Trillions of yen)	9.5	9.3	-0.1	7.2	9.3	+2.1
Total net assets (Billions of yen)	645.3	666.6	+21.3	589.3	666.6	+77.2

Net operating revenue / Product sales

- ◇ Net operating revenue for this quarter was ¥ 89.6 B (-5% Q on Q). Aggregate sales of products was ¥ 2,322.8 B (+3%). Underwriting commission was up to ¥ 9.5 B (+21%). Net trading income was down to ¥ 35.7 B (-21%) but still high level compared to the past quarters.
- ◇ For the FY2014 ended Mar. 2015, net operating revenue was ¥ 329.2 B (+0% Y on Y). Aggregate sales of products was ¥ 9,056.1 B (+1%); Foreign bonds ¥ 3,090.6 B (+0%) and record-high domestic bonds ¥ 2,589.8 B (+6%) shored up an increase in overall revenue.

Net operating revenue

(Billions of yen)

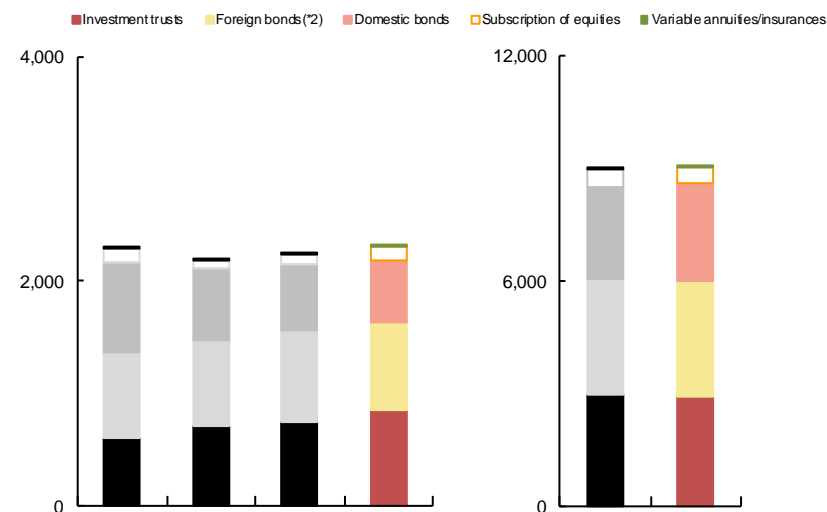


	FY2014 1Q	2Q	3Q	4Q	Q on Q	FY ended Mar. 31 2014	FY ended Mar. 31 2015	Y on Y
Equity brokerage commissions	6.5	8.2	11.4	10.2	-10%	43.6	36.4	-16%
Subscription commissions on investment trusts	12.1	12.6	13.0	13.5	+4%	62.0	51.4	-17%
Agent commissions on investment trusts	7.4	7.6	8.0	8.0	+0%	29.3	31.1	+6%
Underwriting commissions	8.6	6.6	7.9	9.5	+21%	34.5	32.7	-5%
Other commissions	3.5	4.3	6.2	8.0	+29%	20.8	22.1	+6%
Net trading income	27.4	31.6	45.3	35.7	-21%	126.8	140.2	+11%
Net financial incomes	1.2	5.6	1.4	3.9	2.7x	7.7	12.2	+59%
Net sales (*1)	0.6	0.7	0.7	0.5	-29%	3.0	2.7	-10%
Total	67.6	77.6	94.2	89.6	-5%	327.9	329.2	+0%

Product Sales

(Billions of yen)

【on a stand-alone basis】



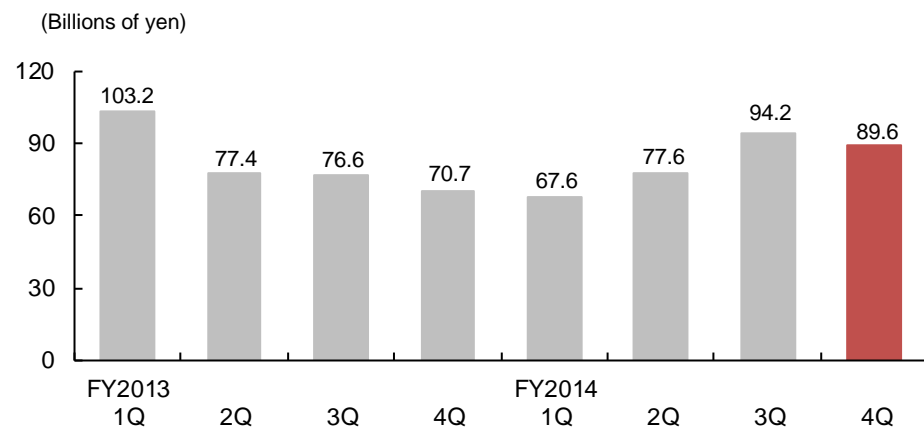
	FY2014 1Q	2Q	3Q	4Q	Q on Q	FY ended Mar. 31 2014	FY ended Mar. 31 2015	Y on Y
Investment trusts	605.5	705.3	749.5	855.3	+14%	2,971.3	2,915.5	-2%
Foreign bonds (*2)	758.3	758.9	802.0	771.3	-4%	3,075.9	3,090.6	+0%
Domestic bonds	798.9	649.5	590.9	550.5	-7%	2,434.6	2,589.8	+6%
(Retail - targeted JGBs)	(102.8)	(92.2)	(76.5)	(136.5)	(+78%)	(430.7)	(408.0)	(-5%)
Subscription of equities	117.9	70.1	94.7	128.4	+36%	493.1	411.2	-17%
Variable annuities/insurances	4.1	12.3	15.4	17.2	+12%	9.5	49.0	5.2x
Total	2,284.8	2,196.1	2,252.5	2,322.8	+3%	8,984.3	9,056.1	+1%

(*1) Other sales minus cost of the sales

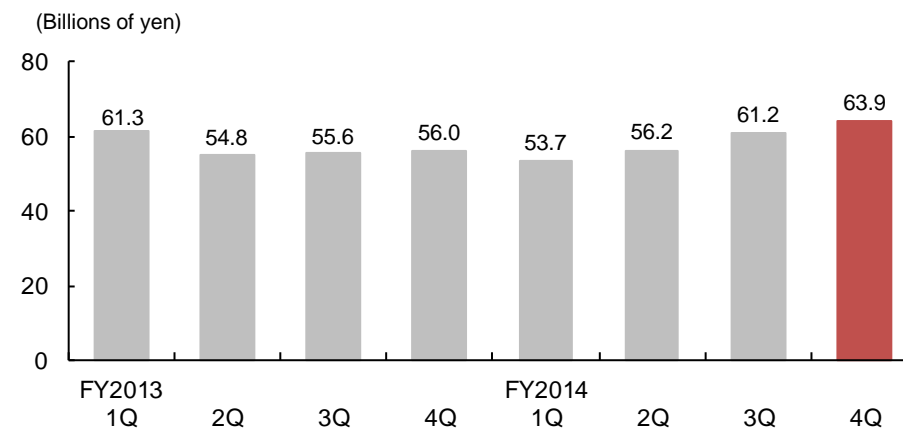
(*2) Foreign bonds sales include already-issued bonds and yen-denominated foreign bonds.

Business Results (Quarterly Trend)

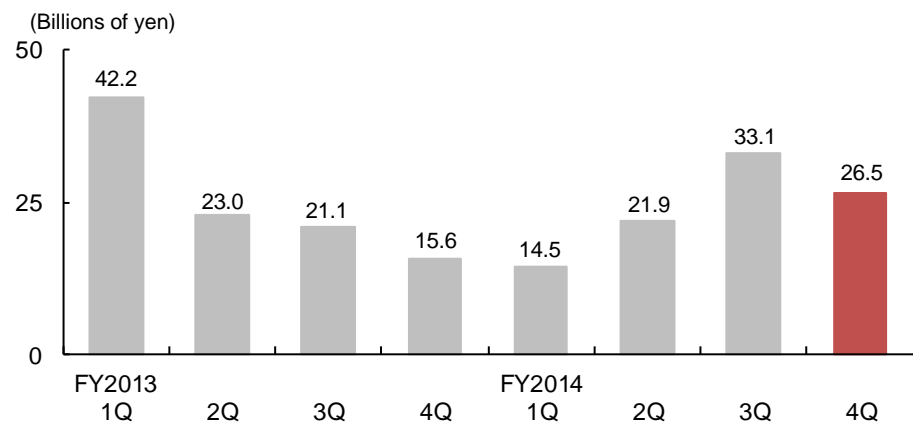
Net operating revenue



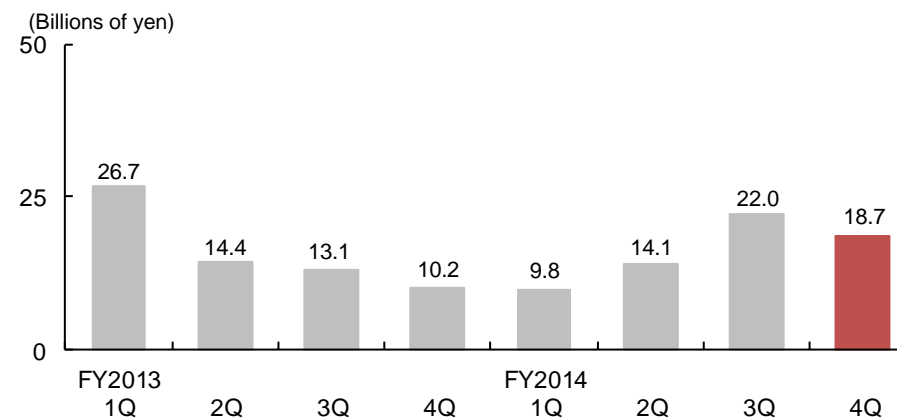
SG&A



Ordinary income



Net income

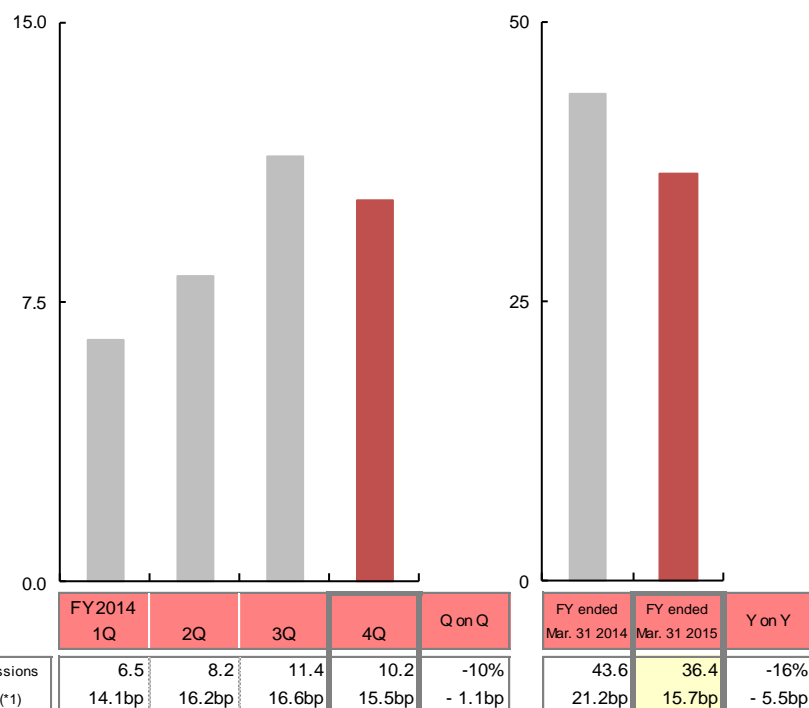


Equity brokerage commissions

- ◇ Equity brokerage amount for this quarter was ¥ 6.1 trillion (-3% Q on Q), continuing a favorable result due to the brisk stock market started in the middle of the 3rd quarter. Its brokerage commissions, however, was down to ¥ 10.2 B (-10%) due to the increased large orders with thinner commission.
- ◇ Equity brokerage amount for the FY2014 ended Mar. 2015 increased to ¥21.1 trillion (+9% Y on Y). Brokerage share at TSE was up to 1.50 % (+0.25 pts) , while equity brokerage commissions was down to ¥ 36.4 B (-16%).

Equity brokerage commissions

(Billions of yen)



(*1) Adjusted brokerage commissions / brokerage amounts
(Scope: cash and margin transactions)

Equity brokerage amount / TSE share

(Billions of yen)

Equity brokerage amounts (*2) TSE share

【on a stand-alone basis】



(*2) All stock exchanges

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

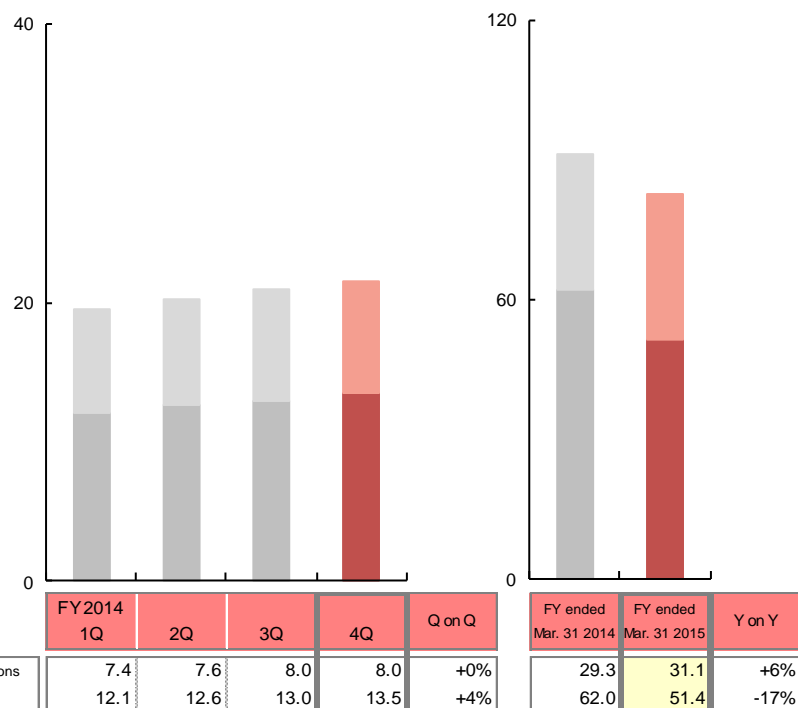
Commissions on investment trusts

- ◇ Sale of investment trusts for this quarter was ¥ 855.3 B (+14% Q on Q); subscription commissions on investment trusts was ¥ 13.5 B (+4%), offering mainly the funds investing in Asian markets and REITs.
- ◇ For the FY2014 ended Mar. 2015 sale of investment trusts was ¥ 2,915.5 B (-2% Y on Y). Subscription commissions on them was ¥ 51.4 B (-17%) reflecting an increased sales of no-load funds throughout the FY2014.

Subscription commissions / Agent and other commissions

(Billions of yen)

■ Subscription commissions ■ Agent and other commissions

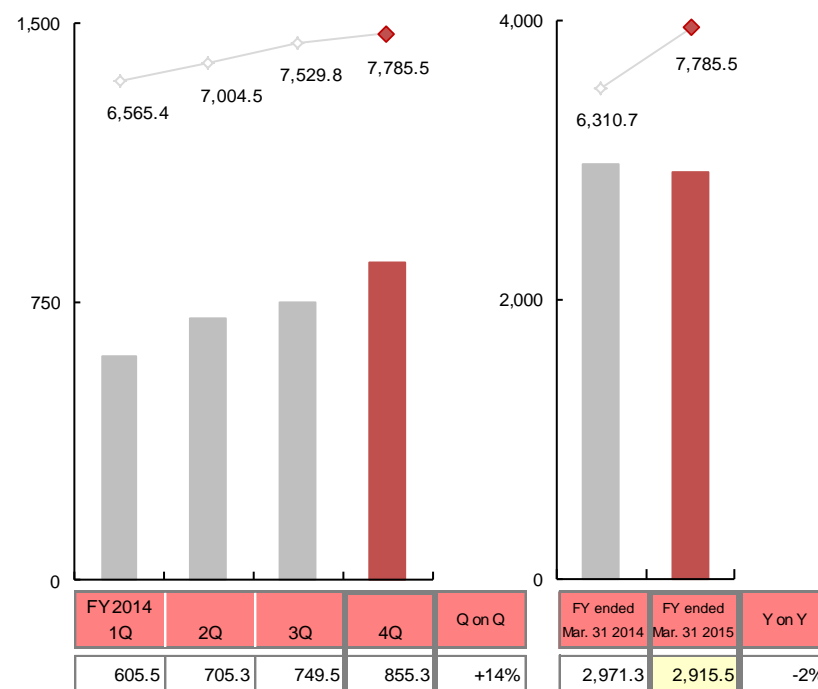


Sales / Client Assets of Invest. trust

(Billions of yen)

【on a stand-alone basis】

■ Sale of investment trusts ◆ Client Assets of Investment trusts

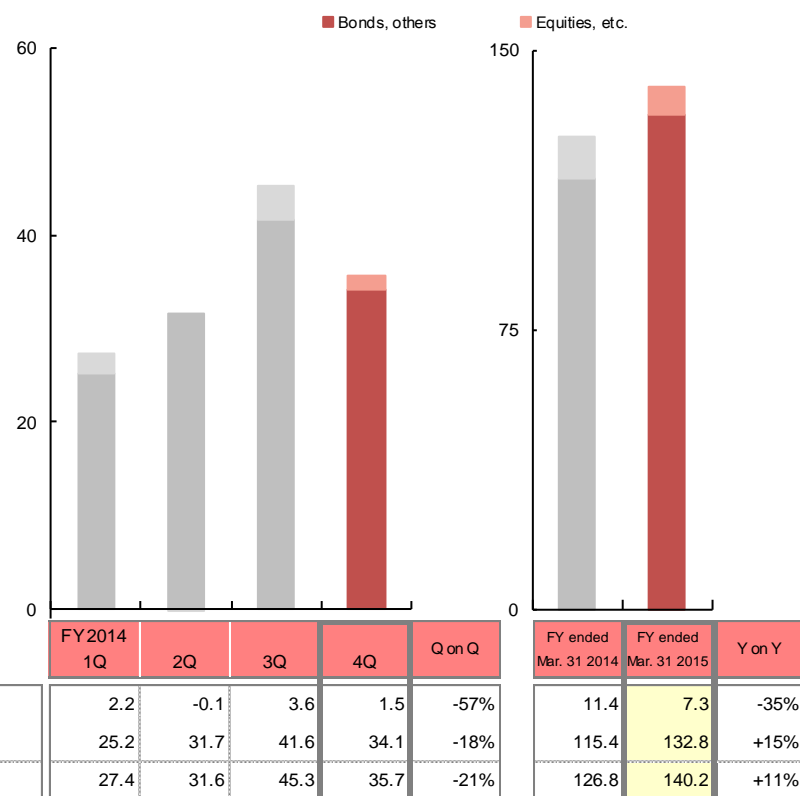


Net trading income

- ◇ Net trading income for the quarter was ¥ 35.7 B (-21% Q on Q) due to a letup in acceleration of yen depreciation and other factors, showing a decrease but still high level compared to the past quarters.
- ◇ Throughout the FY2014 ended Mar. 2015 trading income on bonds and others performed well under the conditions of high stock prices, accelerated yen-depreciation, and low-stuck interest rates. As a result, net trading income for FY2014 hit a record high ¥ 140.2 B (+11% Y on Y).

Net trading income

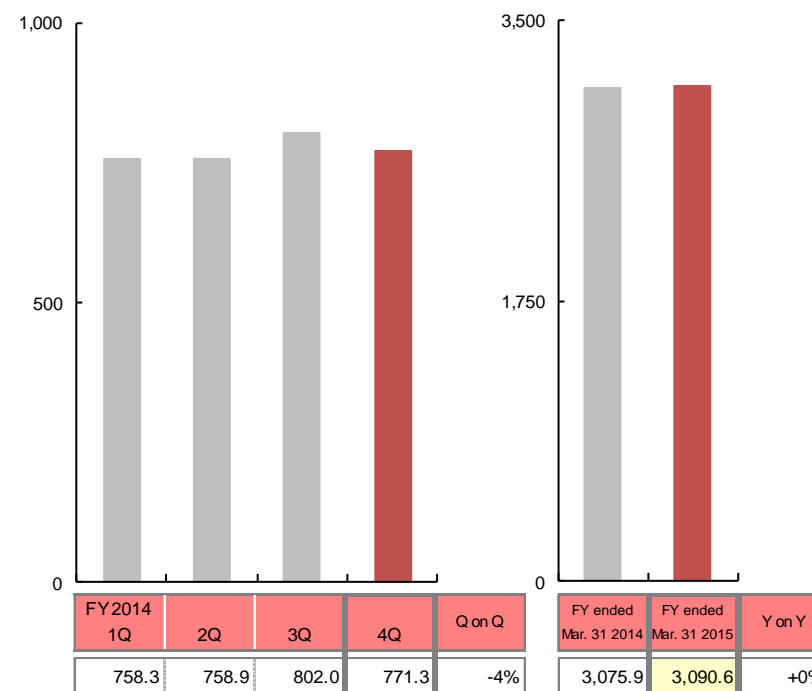
(Billions of yen)



Sale of foreign bonds

(Billions of yen)

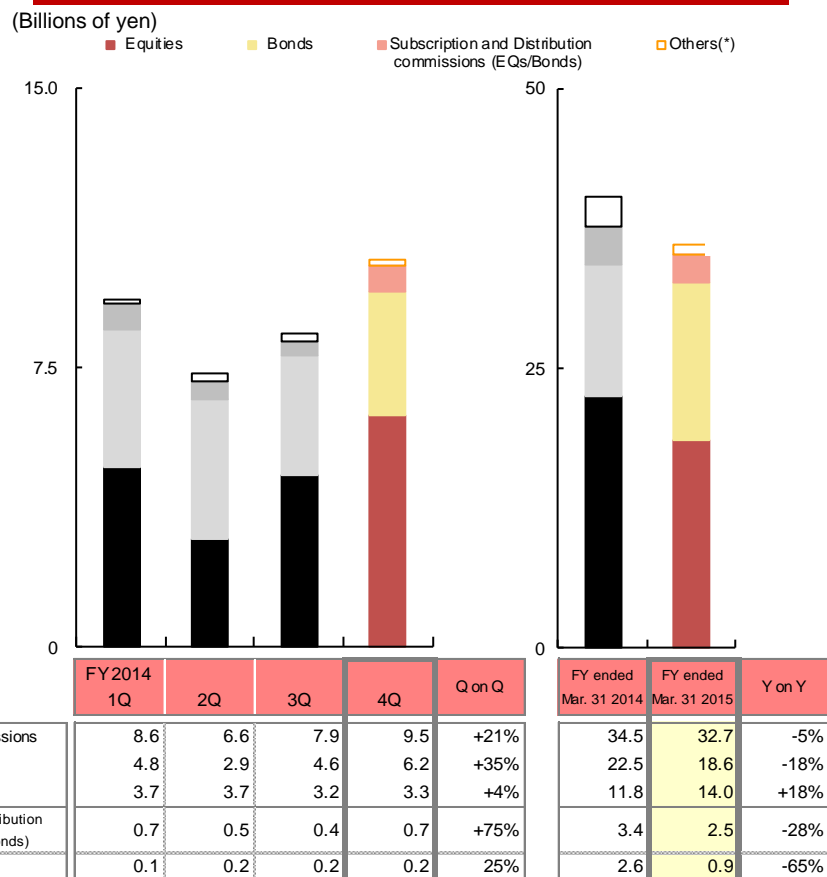
【on a stand-alone basis】



Underwriting commissions (Equities / Bonds)

- ◇ Underwriting commissions for the quarter was up to ¥ 9.5 B (+21% Q on Q) despite shrinking of the market from the previous quarter.
- ◇ For Apr. 2014 - Mar. 2015, book runner in Global Equity & Equity-Related-Japan: share 17.0% in 2nd place, lead manager in All Bonds in Yen: share 15.6% in 5th place.

Underwriting commissions (Equities / Bonds)



Global Equity & Equity-Related-Japan Apr. 2014 - Mar. 2015

Rank	Book runner	Proceeds (bill of yen)	Mkt.Share (%)
1	Nomura Securities	1,454.2	38.1%
2	SMBC Nikko Securities	648.4	17.0%
3	Daiwa Securities	502.5	13.2%
4	Mizuho Securities	400.0	10.5%
5	Mitsubishi UFJ Morgan Stanley	299.9	7.9%

Source: prepared by SMBC Nikko based on the information published by THOMSON REUTERS (including overseas entities)

All Bonds in Yen Apr. 2014 - Mar. 2015

【on a stand-alone basis】

Rank	Manager	Proceeds (bill of yen)	Mkt.Share (%)
1	Mizuho Securities	3,163.1	19.6%
2	Nomura Securities	3,072.5	19.0%
3	Mitsubishi UFJ Morgan Stanley	2,913.5	18.1%
4	Daiwa Securities	2,712.1	16.8%
5	SMBC Nikko Securities	2,511.7	15.6%

Source: prepared by SMBC Nikko based on the information published by THOMSON REUTERS (corporate bonds, FILP agency/municipality bonds(proportional shares as lead manager) samurai bonds)

(*) Revenues related to securitization arrangements included

◇ For Apr. 2014 - Mar. 2015 in the league table of M&A financial advisor for any Japanese involvement announced deals:
With 79 deals acquired in total, ranked 14th or 7.6% in terms of value, and 3rd or 2.8 % in terms of number of deals.

Financial Advisor Rank value basis Apr. 2014 - Mar. 2015

Rank	Advisor	Rank value (bill of yen)	Mkt.Share (%)
1	Nomura Securities	3,785.0	27.2%
2	Goldman Sachs	2,118.6	15.2%
3	Mitsubishi UFJ Morgan Stanley	2,062.7	14.8%
4	Mizuho Securities	2,031.4	14.6%
14	SMBC Nikko Securities	1,052.8	7.6%

Financial Advisor No. of deals Apr. 2014 - Mar. 2015

Rank	Advisor	No. Deals	Mkt.Share (%)
1	Nomura Securities	112	4.0%
2	Mizuho Securities	99	3.5%
3	SMBC Nikko Securities	79	2.8%
4	Daiwa Securities	62	2.2%
5	Sumitomo Mitsui Banking Corporation	60	2.1%

Major announced deals Apr. 2014. - Mar. 2015

Kato Sangyo Co., Ltd. / Naspac Marketing Pte.Ltd.

Kato Sangyo Co., Ltd. acquired all the shares of Naspac Marketing Pte. Ltd.
(SMBC Nikko serves as an advisor for Kato Sangyo Co., Ltd.)

The Longreach Group / Primo Japan Inc.

Investment firm The Longreach Group acquired 100% shares of Primo Japan Inc. from a fund affiliated with Baring Private Equity Asia.
(SMBC Nikko serves as an advisor for The Longreach Group)

Nabtesco Corporation / Hiest Corporation

(TOSHIBA MACHINE CO., LTD.)
TOSHIBA MACHINE CO., LTD. entered into the agreement to transfer all the shares of its wholly owned subsidiary Hiest Corporation to Nabtesco Corporation.
(SMBC Nikko serves as an advisor for TOSHIBA MACHINE CO., LTD.)

Tempstaff Co., Ltd. (Temp Holdings Co., Ltd.) / Panasonic Excel Staff Co., Ltd. (Panasonic Corporation)

Panasonic Corporation is to sell 66.61% shares of its subsidiary Panasonic Excel Staff Co., Ltd. to Tempstaff Co., Ltd.
(SMBC Nikko serves as an advisor for Panasonic Corporation)

Bourns, Inc. / KOMATSULITE MFG. CO., LTD. (TRY HARD INVESTMENTS Co., Ltd.)

All the ordinary shares of KOMATSULITE MFG. CO., LTD. held in the fund managed by TRY HARD INVESTMENTS Co., Ltd. were sold to U.S.-based Bourns, Inc.
(SMBC Nikko serves as an advisor for TRY HARD INVESTMENTS Co., Ltd.)

Inui Warehouse Co., Ltd. / Inui Steamship Co., Ltd.

The two companies decided on management integration(merger) and entered an agreement to absorb Inui Steamship Co., Ltd. into Inui Warehouse Co., Ltd.
(SMBC Nikko serves as an advisor for Inui Steamship Co., Ltd.)

LIXIL Group Corporation / GROHE Group S.à r.l. (Cai GmbH)

A subsidiary of LIXIL Group Corporation, LIXIL, decided to purchase 12.5% shares of GROHE Group S.à r.l. from Cai GmbH to make GROHE Group S.à r.l. and Joyou AG as consolidated subsidiaries.
(SMBC Nikko serves as an advisor for LIXIL Group Corporation)

Solar Japan Holdings (Starbucks Corporation) / Starbucks Coffee Japan, Ltd.

Starbucks Corporation (the U.S) decided to launch a two-staged takeover bid through Solar Japan Holdings to make Starbucks Coffee Japan, Ltd. a wholly owned subsidiary.
(SMBC Nikko serves as an advisor and TOB agent for Solar Japan Holdings)

Business collaboration with Sumitomo Mitsui Banking Corporation

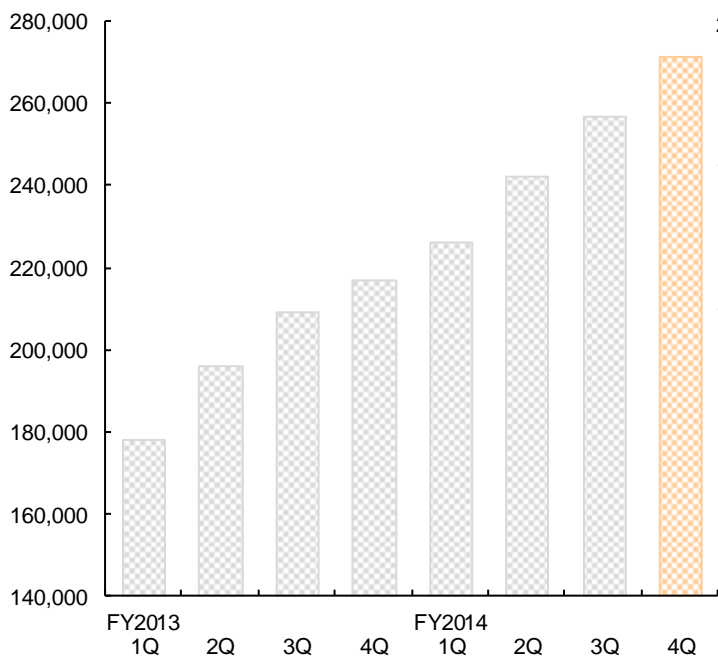
【on a stand-alone basis】

- ◇ Bank-securities retail integration strategy has been pursued: Nationwide cross-referral of individual customers between all branches of SMBC and SMBC Nikko was performed with a seamless service in asset management.
- ◇ Collaboration with SMBC keeps on track as the number of individual customer's accounts and the referral of corporate clients are growing.

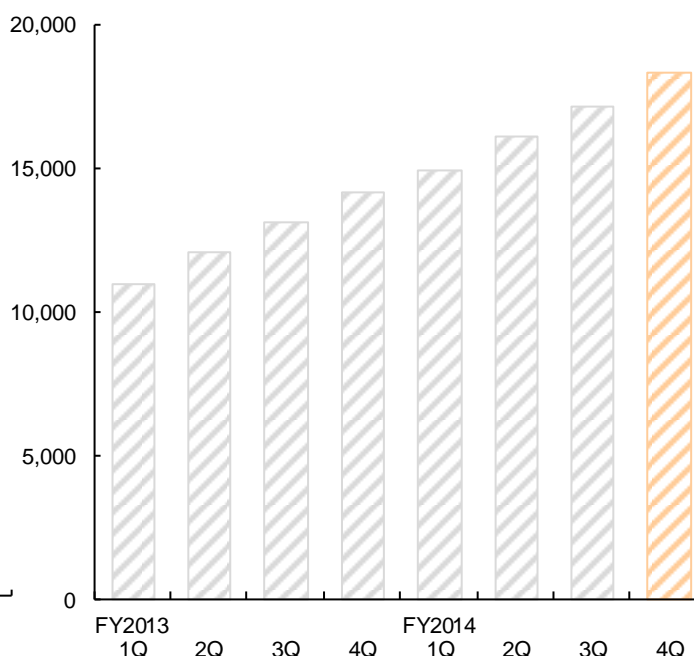
Asset management (Referral service and financial instruments intermediary service (*1))

Investment banking (Referral service)

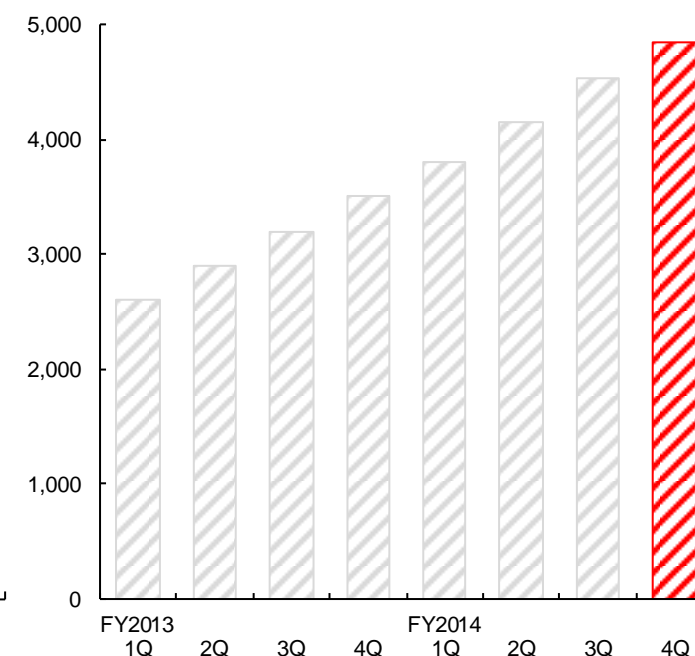
Individual customer (No. of accounts) (*2)



Corporate clients (No. of deals) (*3)



Corporate clients (No. of deals)



Note) No. of account shows the number of the accounts existed at the end of respective quarters. No. of deals shows accumulated acquired deals in either asset management or investment banking since its inception.

(*1) Financial instruments intermediary services by SMBC: SMBC Nikko commissions SMBC to solicit and intermediate securities transactions to customers.

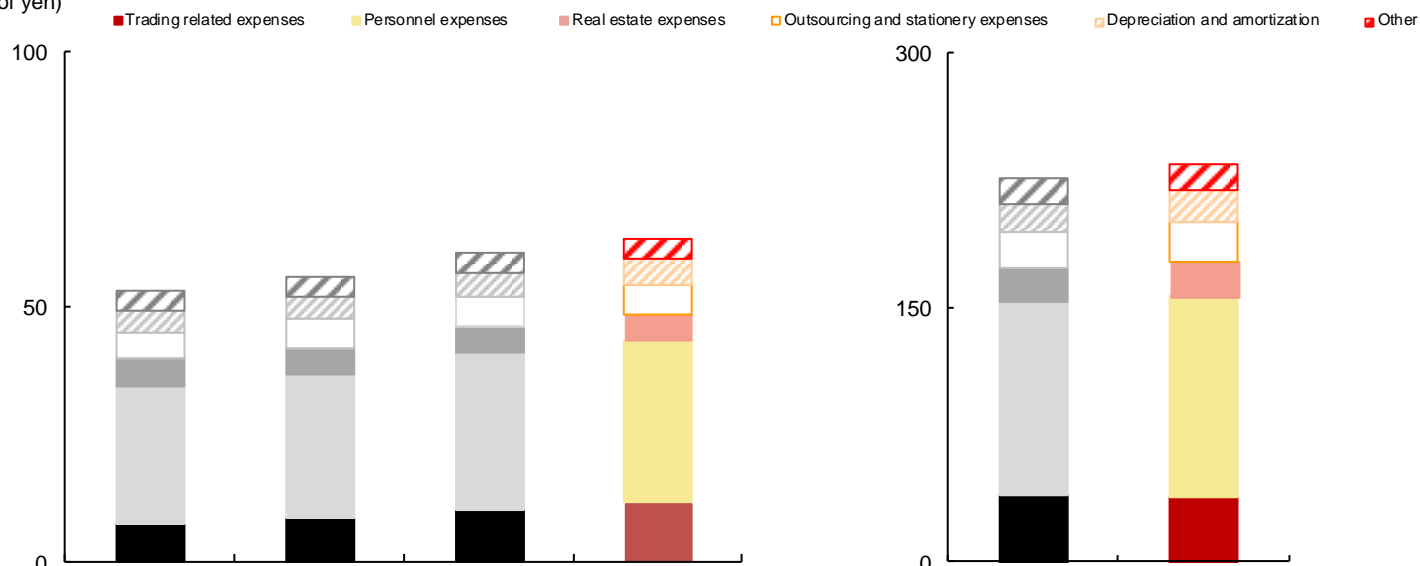
(*2) The number of accounts at the end of each quarter with regards to individual customer who either was referred by SMBC to SMBC Nikko or opened an account with SMBC Nikko via SMBC's financial instruments intermediary service.

(*3) The number of the accumulated acquired deals on asset management with corporate clients via SMBC's referral services and financial instruments intermediary services on behalf of SMBC Nikko since the inception of respective services.

SG&A

- ◇ SG&A for the quarter was ¥ 63.9 B (+4% Q on Q).
- ◇ SG&A for the FY2014 ended Mar. 2015 was ¥ 235.2 B (+3% Y on Y) due to increases in personnel and IT-related expenses along with the growth of the company's operations.

(Billions of yen)



(Billions of yen)

	FY2014 1Q	2Q	3Q	4Q	Q on Q	FY ended Mar. 31 2014	FY ended Mar. 31 2015	Y on Y
Trading related expenses	7.5	8.7	10.5	11.6	+10%	39.9	38.5	-3%
Personnel expenses	27.1	28.3	30.7	31.8	+3%	114.4	118.0	+3%
Real estate expenses	5.3	5.1	5.0	5.1	+2%	20.3	20.7	+2%
Outsourcing and stationery expenses	5.4	5.6	5.8	6.1	+5%	20.9	23.0	+10%
Depreciation and amortization	4.3	4.5	4.7	4.9	+6%	16.6	18.6	+11%
Other	3.9	3.8	4.2	4.1	-3%	15.4	16.2	+6%
SG&A/ Fixed expense	53.7	56.2	61.2	63.9	+4%	227.8	235.2	+3%
SG&A/ Net operating revenue	79%	73%	65%	71%	+6pt	69%	71%	+2pt

Balance sheet / Capital Adequacy Ratio

(Billions of Yen)	Mar.14	Mar.15	Variance
Current assets	7,001.2	9,124.9	+2,123.7
Trading products	3,053.6	3,079.6	+25.9
Loans secured by securities	2,864.8	4,165.3	+1,300.5
Other current assets	1,082.7	1,879.9	+797.2
Noncurrent assets	203.6	227.9	+24.2
Tangible assets	25.8	26.4	+0.5
Intangible assets	71.4	77.5	+6.1
Investments and other assets	106.3	123.9	+17.5
Total assets	7,204.9	9,352.9	+2,147.9
Current liabilities	6,128.7	8,144.1	+2,015.3
Trading products	1,871.3	2,324.3	+453.0
Loans payable secured by securities	2,526.1	3,336.2	+810.1
Short-term loans payable / Commercial papers	1,300.2	1,996.3	+696.1
Other current liabilities	431.0	487.0	+55.9
Noncurrent liabilities / Reserves under the special laws	486.9	542.1	+55.2
Total liabilities	6,615.6	8,686.3	+2,070.6
Total net assets	589.3	666.6	+77.2
Total liabilities and net assets	7,204.9	9,352.9	+2,147.9

【on a stand-alone basis】

(Billions of Yen)	Mar.14	Mar.15	Variance
Basic items	561.7	623.5	+61.8
Supplementary items	93.2	105.1	+11.9
Deductible assets	143.7	139.2	-4.5
Net capital	511.1	589.4	+78.3
Risk total	105.9	123.2	+17.2
Market Risk	36.0	44.9	+8.8
Counterparty Risk	14.8	21.7	+6.9
Basic Risk	55.0	56.5	+1.4
Capital Adequacy Ratio	482%	478%	-4pt

【on a stand-alone basis】

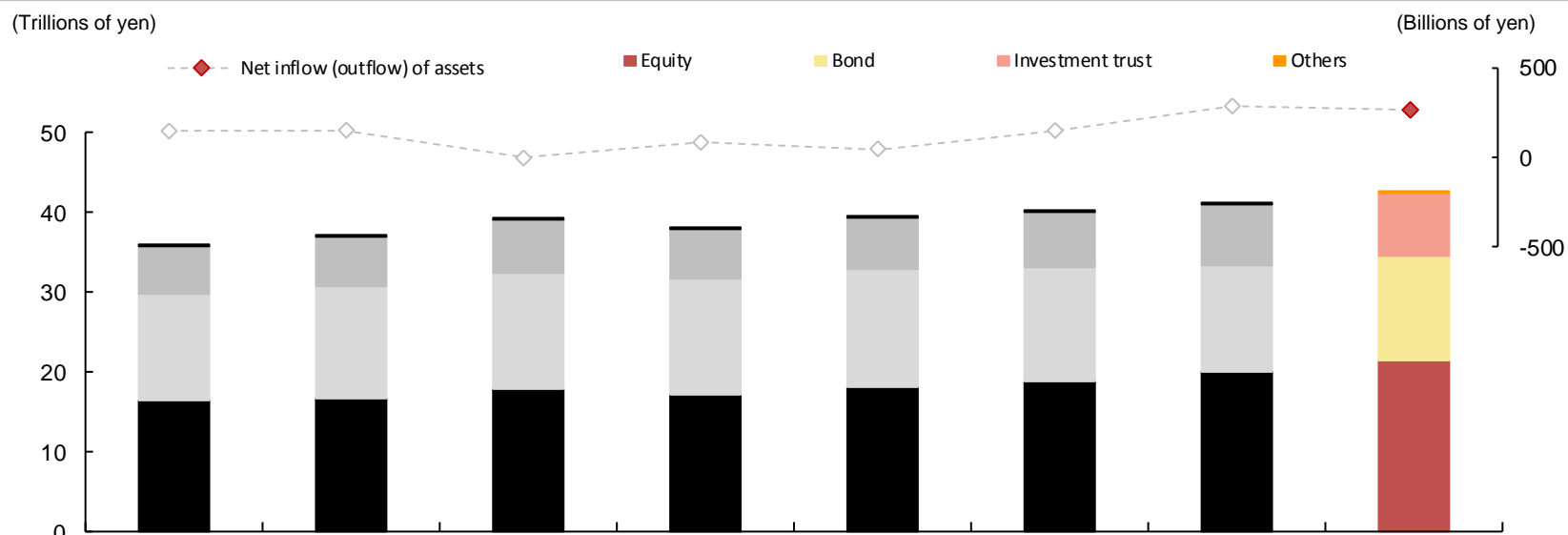
Credit ratings on Long Term (as of April 27th, 2015)

S&P	Moody's	R&I	JCR
A+	A1	AA-	AA
[Negative]	[Stable]	[Stable]	[Stable]

Client Assets / Net Inflow (Outflow) of Assets

【on a stand-alone basis】

- ◇ Overall client assets at the end of Mar. 2015 was ¥ 42.6 trillion (+3% Q on Q).
- ◇ Net inflow of retail client assets for this quarter was ¥ 265.7 B.



(Trillions of yen)

	FY2013				FY2014			
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.
Equity	16.3	16.6	17.8	17.0	18.0	18.8	20.0	21.5
Bond	13.6	14.1	14.8	14.6	14.9	14.3	13.4	13.1
Investment trust	5.9	6.2	6.7	6.3	6.6	7.0	7.5	7.8
Others	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Client assets	36.0	37.1	39.4	38.1	39.6	40.3	41.2	42.6

(Billions of yen)

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net inflow (outflow) of assets <Retail>	145.7	150.1	-5.0	82.7	46.0	148.6	285.0	265.7
Inflow of assets	1,781.3	1,673.3	1,790.1	1,751.8	1,507.1	1,597.4	1,991.2	1,919.2
Outflow of assets	-1,635.6	-1,523.2	-1,795.0	-1,669.1	-1,461.1	-1,448.8	-1,706.3	-1,653.5

Company slogan "Share the future" adopted

- Adopted the slogan "Share the future" as a measure of improving the company brand in order to get closer to "the No.1 full line securities company in the country", and newly hired Yuuki Amami, an Japanese actress who are playing a vivid role in various arenas such as TV drama, film, and commercial, as the company brand partner, in addition to Ichiro, a major-league baseball player who has already been the one for years.

Share the Future



Significant Cut in online brokerage equity commission

- On and after April 1st 2015, equity brokerage commission was reduced significantly in response to the needs from online customers ("Direct Course" customers), considering that a wide range of increasing potential investors is expected to pour into the securities market. Newly revised commission charges flat sum according to trade amount bracket, instead of on a pro-rata basis.

Started delivering "SMBC Nikko Application" for smart phone users

- Launched the company's original application for smart phones "SMBS Nikko Application" operating on iPhone as well as Android, offering a comfortable environment to enable online customers to browse smoothly, either by tapping or swiping, the hefty market information and the screen with multiple favorite stock names registered on.

Analyst Rankings

- At Institutional Investor "2015 All-Japan Research Team", got ranked 3rd two years in a row in the category of firm, and 6 (3 in previous year) analysts selected as top analysts in the category of industry.

•Software	: Satoru Kikuchi
•Auto Parts	: Kunihiro Matsumoto
•Shipbuilding/Plant	: Taku Ouchi
•Strategist	: Ryota Sakagami
•Chemical	: Shinobu Takeuchi
•REIT	: Hiroshi Torii

- At Nikkei Veritas "The 27th Popular Analyst Ranking", got ranked 3rd two years in a row in the category of firm, and 5 (4 in previous year) analysts selected as top analysts in the category of industry.

•Auto Parts	: Kunihiro Matsumoto
•Chemical/Textile	: Shinobu Takeuchi
•Shipbuilding/Plant	: Taku Ouchi
•Business Solution	: Satoru Kikuchi
•Strategist	: Ryota Sakagami

- Ranked 4th (up from 5th in the previous year) as a firm/group at the Nikkei Veritas "20th Popularity Survey of Bond/Currency Analysts and Economists.

Reference Data



Consolidated Business Results (Quarterly Trend)

(Millions of yen)	FY2013					FY2014				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Operating revenue	110,520	82,614	83,512	75,110	351,757	73,804	82,671	101,066	95,065	352,607
Commissions received	60,085	44,004	45,028	41,226	190,345	38,176	39,580	46,668	49,492	173,918
Brokerage commissions	13,741	9,554	13,955	8,484	45,735	6,815	8,589	12,326	11,146	38,877
Underwriting and distribution commissions	7,173	7,611	9,923	9,842	34,550	8,611	6,650	7,908	9,571	32,741
Flotation and distribution fees	28,370	15,490	11,172	10,450	65,484	12,858	13,234	13,493	14,364	53,950
Other commissions	10,799	11,348	9,977	12,448	44,574	9,890	11,106	12,940	14,410	48,347
Net trading income	40,653	29,303	30,449	26,448	126,854	27,499	31,645	45,367	35,759	140,272
Equities	3,980	497	4,022	2,945	11,445	2,236	-117	3,691	1,574	7,384
Bonds / Others	36,673	28,806	26,427	23,502	115,409	25,263	31,763	41,675	34,185	132,888
Financial revenue	7,071	6,695	5,341	4,612	23,719	5,593	8,636	6,181	7,151	27,563
Other sales	2,710	2,611	2,692	2,823	10,837	2,534	2,808	2,847	2,660	10,852
Financial expenses	5,295	3,203	4,569	2,920	15,989	4,302	3,014	4,708	3,249	15,274
Cost of sales	2,008	2,008	2,277	1,474	7,768	1,839	2,042	2,093	2,123	8,097
Net operating revenue	103,215	77,402	76,664	70,715	327,999	67,662	77,614	94,264	89,692	329,234
SG&A	61,355	54,806	55,625	56,055	227,842	53,744	56,295	61,275	63,953	235,268
Operating income / loss	41,859	22,596	21,039	14,660	100,156	13,918	21,319	32,989	25,738	93,966
Ordinary income / loss	42,277	23,023	21,155	15,661	102,117	14,549	21,995	33,193	26,503	96,242
Extraordinary income / loss	-79	-166	-118	-92	-456	-118	-140	-123	-184	-567
Net income before income taxes	42,198	22,856	21,036	15,569	101,661	14,431	21,854	33,070	26,318	95,675
Income taxes-current	7,690	5,667	6,063	1,534	20,956	123	604	9,496	12,502	22,727
Income taxes-deferred	7,735	2,725	1,788	3,770	16,020	4,475	7,074	1,537	-4,903	8,184
Minority interests in income/(losses)	-1	6	3	5	14	0	4	7	2	15
Net income / loss	26,774	14,457	13,181	10,257	64,670	9,831	14,170	22,028	18,716	64,747

Stand-alone Business Results (Quarterly Trend)

(Millions of yen)	FY2013					FY2014				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Operating revenue	106,114	77,921	78,794	70,599	333,430	69,191	77,694	95,547	90,181	332,615
Commissions received	58,718	42,208	43,374	39,768	184,069	36,395	37,722	44,317	47,473	165,908
Brokerage commissions	13,329	9,132	13,431	8,054	43,948	6,300	7,944	11,442	10,361	36,050
Underwriting and distribution commissions	7,173	7,611	9,921	9,841	34,548	8,611	6,650	7,906	9,571	32,740
Flotation and distribution fees	28,337	15,025	11,120	10,438	64,921	12,628	13,128	13,465	14,308	53,530
Other commissions	9,877	10,439	8,900	11,434	40,651	8,854	9,998	11,502	13,232	43,587
Net trading income	40,653	29,303	30,449	26,448	126,854	27,499	31,645	45,367	35,759	140,272
Equities	3,980	497	4,022	2,945	11,445	2,236	-117	3,691	1,574	7,384
Bonds / Others	36,673	28,806	26,427	23,502	115,409	25,263	31,763	41,675	34,185	132,888
Financial revenue	6,742	6,409	4,970	4,382	22,505	5,295	8,327	5,862	6,947	26,433
Financial expenses	4,982	2,937	4,224	2,714	14,859	4,031	2,732	4,418	3,066	14,249
Net operating revenue	101,131	74,984	74,569	67,885	318,570	65,159	74,962	91,129	87,114	318,365
SG&A	60,131	54,039	54,362	53,361	221,895	52,970	54,878	59,398	61,945	229,191
Operating income / loss	40,999	20,944	20,207	14,523	96,675	12,189	20,084	31,730	25,169	89,174
Ordinary income / loss	41,070	21,245	20,044	14,827	97,188	12,490	20,502	31,684	28,600	93,278
Extraordinary income / loss	-136	-326	32	-133	-564	-206	-140	-123	-413	-884
Net income before income taxes	40,933	20,919	20,076	14,694	96,623	12,283	20,362	31,561	28,186	92,393
Income taxes-current	6,967	4,978	5,531	727	18,205	19	39	9,005	12,113	21,177
Income taxes-deferred	7,955	2,875	1,867	4,258	16,955	4,052	7,174	1,583	-4,150	8,659
Net income / loss	26,011	13,065	12,678	9,708	61,463	8,212	13,148	20,973	20,222	62,557

Operational Indicators -1

【on a stand-alone basis】

◇ Sales of Products

(Billions of yen)	FY2013					FY2014				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Investment trusts	1,131.9	671.8	589.9	577.7	2,971.3	605.5	705.3	749.5	855.3	2,915.5
(Equity investment trusts)	(822.6)	(497.9)	(439.8)	(421.2)	(2,181.5)	(436.1)	(522.2)	(556.3)	(608.0)	(2,122.6)
(Foreign registered investment trusts)	(247.3)	(119.1)	(99.8)	(103.7)	(569.9)	(116.4)	(129.5)	(143.0)	(144.0)	(532.9)
Foreign bonds (*)	837.1	785.5	723.5	729.7	3,075.9	758.3	758.9	802.0	771.3	3,090.6
(Foreign currency bonds)	(250.9)	(200.7)	(187.4)	(198.7)	(837.7)	(202.5)	(193.6)	(287.5)	(216.8)	(900.4)
Domestic bond	879.9	522.1	539.5	493.2	2,434.6	798.9	649.5	590.9	550.5	2,589.8
(Retail target JGBs)	(121.4)	(95.1)	(102.7)	(111.5)	(430.7)	(102.8)	(92.2)	(76.5)	(136.5)	(408.0)
Public offering	100.0	102.0	156.1	135.0	493.1	117.9	70.1	94.7	128.4	411.2
Annuity / insurance	1.4	1.8	3.0	3.3	9.5	4.1	12.3	15.4	17.2	49.0
Total	2,950.3	2,083.3	2,011.9	1,938.8	8,984.3	2,284.8	2,196.1	2,252.5	2,322.8	9,056.1

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

◇ Underwriting Share (Book runner)

	FY2013				FY2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
ECM Global Equity (*1)	8.4%	12.8%	14.5%	13.9%	23.1%	17.8%	17.2%	17.0%
DCM All bond in Yen (*2)	15.4%	15.6%	14.4%	14.9%	15.5%	16.1%	15.5%	15.6%
M&A Japan related (*3)	12.5%	16.0%	15.3%	17.1%	1.8%	6.4%	6.3%	7.6%

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

(*2) All Bonds in Yen, Lead manager

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

Source: prepared by SMBC Nikko based on the information published by THOMSON REUTERS

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Source: prepared by THOMSON REUTERS

Operational Indicators -2

【on a stand-alone basis】

◇ Direct Channel Ratio (*1)

	FY2013				FY2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Based on number of transaction (Nikko EZ Trade)	90.0% (81.3%)	89.4% (81.9%)	85.9% (78.2%)	89.0% (82.4%)	91.3% (85.7%)	91.1% (84.5%)	88.5% (81.7%)	89.6% (83.1%)
Based on commissions (Nikko EZ trade)	54.4% (35.0%)	44.8% (28.1%)	38.9% (25.2%)	36.5% (24.1%)	38.5% (26.3%)	45.7% (30.5%)	45.2% (31.0%)	45.4% (31.5%)

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

◇ Brokerage Commissions Rate (*2)

(Billions of yen)	FY2013				FY2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity brokerage amounts	5,338.2	4,093.4	5,458.7	4,595.2	4,189.6	4,644.1	6,247.5	6,075.4
Equity brokerage commissions (*3)	13.1	9.1	13.3	8.0	6.5	8.2	11.4	10.2
Equity commissions rate	23.6bp	20.8bp	23.2bp	16.3bp	14.1bp	16.2bp	16.6bp	15.5bp

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

(*3) On a consolidated basis

Operational Indicators -3

◇ Number of Accounts

【on a stand-alone basis】

(Thousands of accounts)	FY2013				FY2014			
	Jun. 13	Sep. 13	Dec. 13	Mar. 14	Jun. 14	Sep. 14	Dec. 14	Mar. 15
Total accounts	2,419	2,447	2,472	2,504	2,517	2,546	2,575	2,605
Cash management accounts	2,091	2,120	2,146	2,172	2,186	2,215	2,243	2,271
Newly opened accounts	47	46	43	50	31	45	48	51

◇ Number of Branches

【on a stand-alone basis】

	FY2013				FY2014			
	Jun. 13	Sep. 13	Dec. 13	Mar. 14	Jun. 14	Sep. 14	Dec. 14	Mar. 15
Number of branches	109	109	109	112	112	116	121	123

◇ Number of Employees

	FY2013				FY2014			
	Jun. 13	Sep. 13	Dec. 13	Mar. 14	Jun. 14	Sep. 14	Dec. 14	Mar. 15
Number of employees	9,032	8,996	8,948	8,884	9,586	9,528	9,464	9,367

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