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Translation of the Japanese press release

August 24, 2009  
Nikko Cordial Securities Inc.

### Organizational Changes

Nikko Cordial Securities Inc. today announces organizational changes as per appendices:

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**Media:**  
Nikko Cordial Securities Inc.  
81-3-6270-9279

## **About Organizational Changes**

Nikko Cordial Securities Inc. will implement the organizational changes effective as of August 27, 2009.

### **[Purpose]**

In order to promptly establish organizational structure of a new company (the corporate name is scheduled to be changed from “Nikko Cordial Securities De-merger Preparatory Company Ltd.” to “Nikko Cordial Securities Inc.”) which will start operations on October 1, 2009, by succeeding all the operations of Nikko Cordial Securities Inc. and part of operations of Nikko Citigroup Limited., subject to relevant authorities’ approvals and registrations, Nikko Cordial Securities Inc. implements the following organizational changes in its institutional business unit to reinforce and develop structures for institutional sales force and trading and to build institutional sales structure based on branch operations for the new company.

### **[Organizational Changes]**

#### **1. Institutional Business Unit**

The institutional business unit will be reorganized into four departments, Eastern Japan, Tokai, Kinki, and Western Japan from the existing two-department-structure in order to build more community-based institutional sales structure principally centered on branch managers.

##### **(1) Institutional Business Eastern Japan**

Engage in promotion of institutional sales as well as operations and management of institutional sales force that belong to Institutional Clients Departments of Sapporo, Sendai, Niigata, Saitama, Kanto, Chiba, Yokohama, and Mito and ten branches (Aomori, Morioka, Akita, Yamagata, Fukushima, Utsunomiya, Takasaki, Nagano, Matsumoto, and Kofu).

##### **(2) Institutional Business Tokai**

Engage in promotion of institutional sales as well as operations and management of institutional sales force that belong to Shizuoka Institutional Clients Department, and three branches (Hamamatsu, Gifu, and Yokkaichi).

##### **(3) Institutional Business Kinki**

Engage in promotion of institutional sales as well as operations and management of institutional sales force that belong to Institutional Clients Departments of Kyoto and Kobe and two branches (Wakayama and Nara).

##### **(4) Institutional Business Western Japan**

Engage in promotion of institutional sales as well as operations and management of institutional sales force that belong to Institutional Clients Department of Okayama, Hiroshima, Fukuoka and Yamaguchi and sixteen branches (Toyama, Kanazawa, Fukui, Yonago, Fukuyama, Takamatsu, Kochi, Matsuyama, Tokushima, Saga, Naha, Oita, Kumamoto, Nagasaki, Miyazaki, and Kagoshima).

#### **2. Establishment and Reorganization of Divisions**

##### **(1) Financial Market Products Trading Preparatory Office**

Set up structures for trading and fund investment proposals and direct trading

for major and regional financial institutions and operating companies in cooperation with relationship managers in charge of institutional sales.

(2) Sales Group for Wholesale Clients

In order to strengthen investment-related business including sales of investment trusts and business to provide solutions on investments and trading techniques for corporate clients such as listed companies, Investment Management Advisory Service Section will be reorganized as Sales Group for Wholesale Clients. The sales bases will be set up in Nagoya and Osaka.

(3) Institutional Business

Thirteen Institutional Clients Departments in Sendai, Niigata, Saitama, Chiba, Yokohama, Shizuoka, Mito, Kyoto, Kobe, Okayama, Hiroshima, Fukuoka, and Yamaguchi were established or reorganized. The current eleven Institutional Clients Departments are reorganized and expanded to fourteen. In addition, sales representatives will be deployed to thirty-one branches.

**Changes in Executive Responsibilities** (Effective as of August 27, 2009)

Hideto Yoshikawa	[New] Senior Executive Managing Director, Head of Institutional Business Unit, Head of IPO Underwriting & Consulting, Head of Institutional Business Tokai and Head of Institutional Business Kinki
	[Previous] Senior Executive Managing Director, Head of Institutional Business Unit and Head of IPO Underwriting & Consulting
Kenichi Shimizu	[New] Executive Managing Director, Head of Institutional Business Western Japan
	[Previous] Executive Managing Director, Head of Institutional Business II
Eiji Yamada	[New] Executive Managing Director, Head of Institutional Business Eastern Japan
	[Previous] Executive Managing Director, Head of Institutional Business I

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