

April 5, 2013  
SMBC Nikko Securities Inc.

## Announcement of New Medium-term Management Plan

SMBC Nikko Securities Inc. (President & CEO: Tetsuya Kubo, hereafter referred to as “SMBC Nikko”) today announces its new Medium-term Management Plan for the three year period from FY2013 to FY2015 under the new management.

Since becoming a member of the Sumitomo Mitsui Financial Group in October 2009, SMBC Nikko has made steady progress enhancing its corporate structure with a focus on ideals of “Full-line securities company,” “Global,” and “Banking-securities collaboration.” We now define the coming three years as the “growth” stage for further business expansion and are fully committed to persevering toward our goals to realize our vision.

### 1. Management Vision

#### (1) Vision

Leading Japanese full-line securities company capable of offering high quality financial products and services globally

#### (2) Basic concept of the Medium-term Management Plan

Focusing on “Speed & Scale”, we aim to rapidly and fundamentally improve our presence in financial and securities markets globally by promoting growth strategies.

- Pursue high level securities expertise
- Create an innovative banking-securities collaboration model
- Establish a solid market presence and be highly evaluated by our valued clients

### 2. Major Initiatives

#### (1) Retail

- Expand client base and sustain earnings strength by actively injecting resources and enhancing banking-securities collaboration

#### (2) Wholesale

- Establish a competitive front office structure by improving quality of coverage and further promoting banking-securities collaboration
- Improve earnings from sales and trading businesses by enhancing order flow and position control
- Globally expand business selectively and effectively, by leveraging SMBC’s marketing base and alliances

### (3) Headquarters/management departments

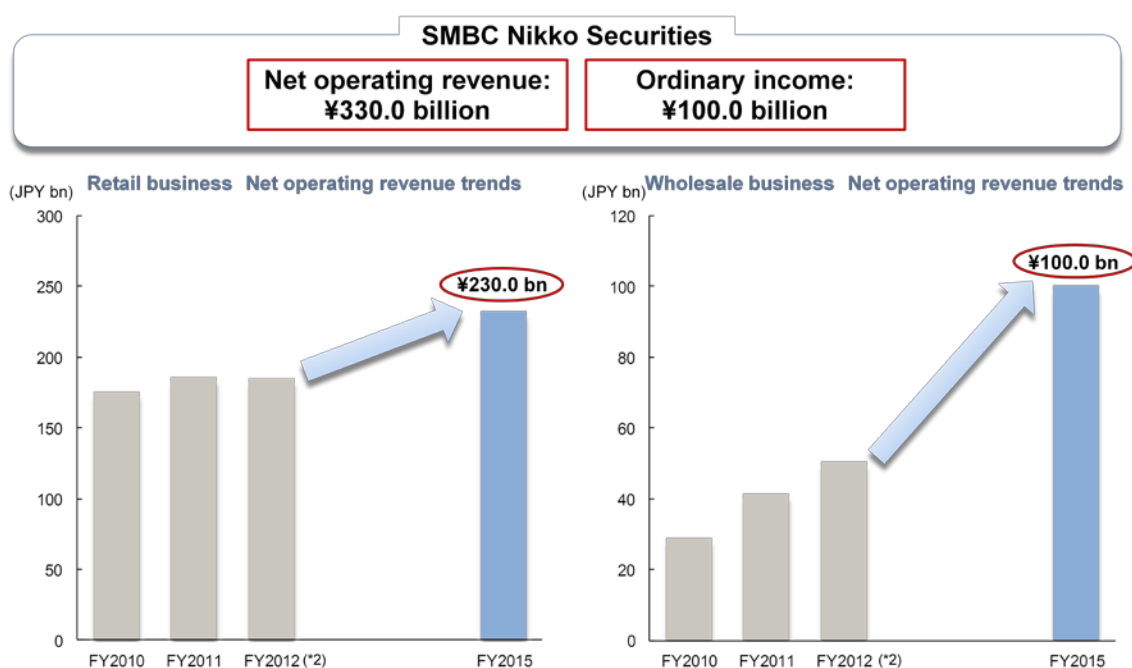
- Create a more sophisticated management infrastructure and strengthen the headquarters / management departments

### (4) All departments

- Strategically inject systems and human resources and accelerate employee training to achieve growth strategies
- Make a JPY50 billion investment in IT systems over the three years from FY2013 to FY2015
- Increase staffing by 600 employees (vs. the headcount as of the end of 2012) to approximately 8,600 employees by the end of FY2015

Total for SMBC Nikko + overseas offices, excluding executive officers, temporary staff, and seconded staff to other Japanese entities

## 3. Earnings goals (FY2015) (\*1)



Notes: 1. Total for SMBC Nikko (non consolidated) + overseas (securities business in London, New York, Hong Kong and Singapore)

2. For FY2012, the cumulative total for 1Q-3Q was converted into an annual basis

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