

Provisional translation of  
the original Japanese version



# Earnings Announcement for the year ended March 2010 (JGAAP)

Nikko Cordial Securities Inc.  
April, 2010

Nikko Cordial Securities Inc., which was established in June 2009, succeeded all of the operations (excluding selected assets and liabilities) of former Nikko Cordial Securities Inc. and certain businesses, including the domestic debt and equity underwriting business, of Nikko Citigroup Ltd (currently Citigroup Global Markets Japan Inc.) through a corporate de-merger effective October 1st, 2009 and started its operation on the same date. This document focuses on providing information on stand-alone Nikko Cordial Securities Inc. It also presents reference information such as business operation figures of the former Nikko Cordial Securities Inc. (for the period before September 2009) and some financial information calculated by simple sum of actual accounting data of both the current and the former Nikko Cordial Securities Inc.

The information contained in this document is based on data available as of April 30th, 2010 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 (April 30th, 2010) and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information.

# Contents

---

Highlights of business results for fiscal year ended March 2010	2
Highlights of business results for the 4Q of fiscal year ended March 2010	3
Business collaboration with Sumitomo Mitsui Banking Corporation	4
Business Results (Quarterly Trend)	5
Net operating revenue / Product sales	6
Equity brokerage commissions	7
Subscription and agent commissions from investment trusts	8
Underwriting commissions (Equities / Bonds)	9
Net gain on trading	10
SG&A	11
Balance sheet / Capital Adequacy Ratio	12
Client Assets / Net Inflow (Outflow) of Assets	13
	[ Reference Data ]
Business Results (Yearly Trend)	15
Business Results (Quarterly Trend)	16
League tables	17
Operational Indicators-1	18
Operational Indicators-2	19
Operational Indicators-3	20

# Highlights of business results for fiscal year ended March 2010

## ■ Overview of business results for fiscal year ended March 2010 (simple combination with former Nikko Cordial Securities Inc.)

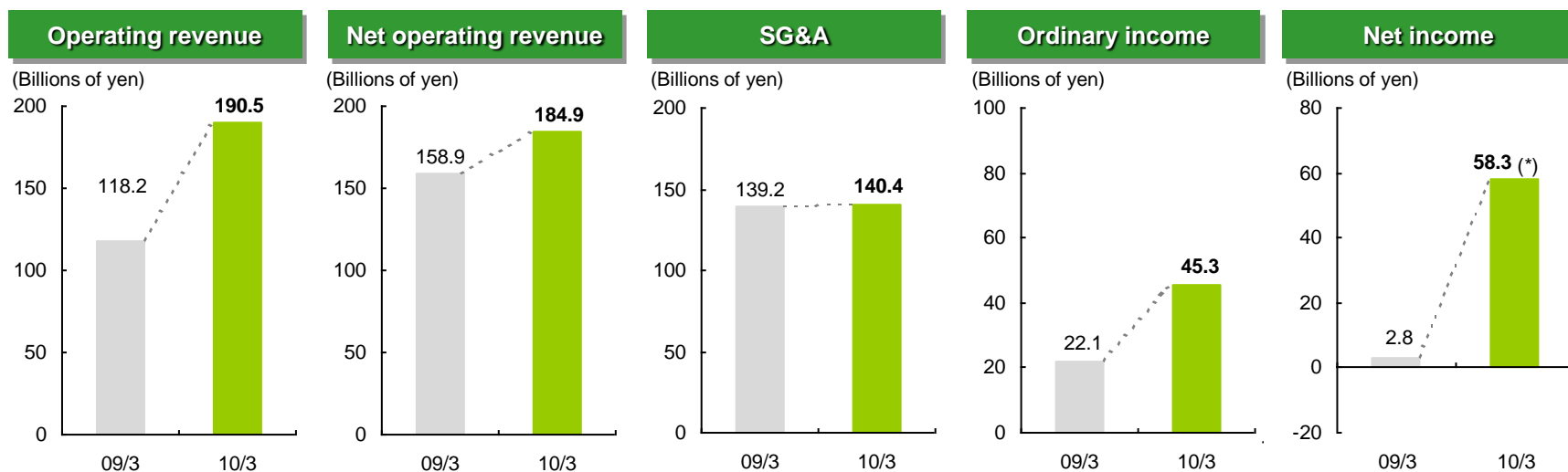
- ◇ Total operating revenue ¥ 190.5 B (up 16% from the previous fiscal year) Net operating revenue ¥ 184.9 B (up 16% from the previous fiscal year) Ordinary income ¥ 45.3 B (doubled from the previous fiscal year)
- ◇ Revenues expanded by steady sales of investment trusts such as the ones jointly launched with SMBC, and by brisk underwriting/offering of equities and bonds.

## ■ Topics

- ◇ In retail business, product sales grew steadily throughout the fiscal year to ¥ 1.1 trillion for the 4th quarter of the fiscal year ended March 2010, recovering to the level which was right before the economic turmoil triggered by the bankruptcy of Lehman Brothers.
- ◇ In wholesale business, which began in the second half of the fiscal year, trading activities have been steadily growing and the trading volume on bond for the 4th quarter of the fiscal year ended March 2010 increased by ¥ 9 trillion to ¥ 41 trillion from the previous quarter. In underwriting business, ranked top\* in the league table of domestic bonds book runners for the 3rd quarter of the fiscal year ended March 2010 and continued business expansion through an increase of underwriting of equities for the 4th quarter of the fiscal year ended March 2010. \* source: THOMSON REUTERS

## ■ Overview of business results for the second half of fiscal year ended March 2010

- ◇ Total operating revenue ¥ 104.9 B (up 60% from the same period of the previous fiscal year) Net operating revenue ¥ 100.5 B (up 57% from the same period of the previous fiscal year) Ordinary income ¥ 24.0 B (21 times more than the same period of the previous fiscal year.)



# Highlights of business results for the 4Q of fiscal year ended March 2010

## ■ Overview of business results for the 4th quarter of the fiscal year ended March 2010

- ◇ Net operating revenue ¥ 55.1 B (up 22% from the previous quarter), Selling, General and administrative expenses ¥ 40.5 B (up 12% from the previous quarter), Ordinary income ¥ 14.6 B (up 54% from the previous quarter).
- ◇ Net operating revenue increased due to underwriting deals such as SMFG public offerings and higher volume of sales of foreign bonds.
- ◇ Ordinary income rose by offsetting an increase in variable expenses such as commission payments linked to an increase in the corresponding revenues.
- ◇ Total assets built up to ¥ 6.8 trillion, up ¥ 2.6trillion from the end of December 2009 due to an increase in trading business.
- ◇ Regulatory capital adequacy ratio was 567 % at the end of fiscal year ended March 2010, improved by introducing ¥ 150 B subordinated borrowing from SMBC to prepare for further business expansion.

(Billions of yen)

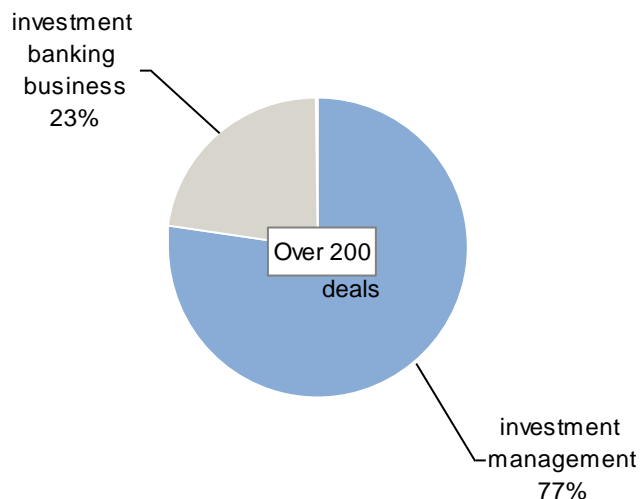
	4Q	3Q (*1)	Variance		Mar.-end '10	Dec-end '09	Variance
Operating revenue	57.7	47.1	+23%	Total Assets	6.8 T	4.1 T	+2.6 T
Net operating revenue	55.1	45.3	+22%	Net Assets	416.3 B	395.3 B	+21.0 B
SG&A	40.5	36.3	+12%	Capital Adequacy Ratio	567%	335%	+232 pt
Ordinary income	14.6	9.4	+54%				
Net income	(*2) 20.6	6.1	x3.4				

(\*2) Net income contains tax effect totaled to 7.2 billion yen as a result of an increase of deferred tax assets by reassessment of an estimate of future taxable income.

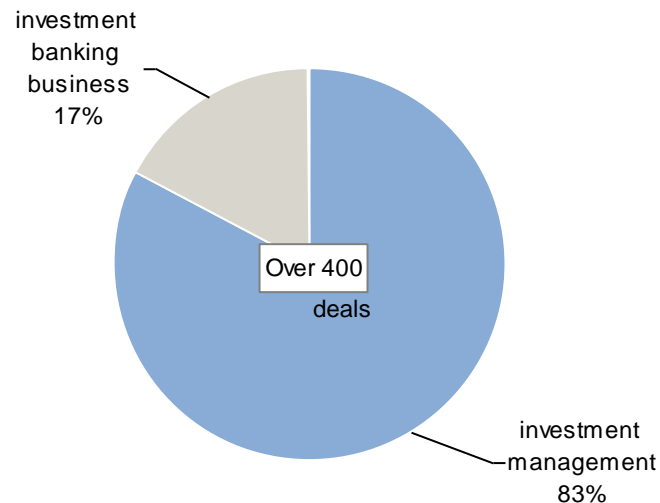
# Business collaboration with Sumitomo Mitsui Banking Corporation

- **In addition to acting as a lead managing underwriter for the public offerings, intermediary services of financial product to corporate clients started from January 2010 and healthy growth in successful deals in referral services for clients/customers have been showing steady progress in the collaboration with SMBC.**
- ◇ Nikko's sales of jointly launched and handled investment trusts with SMBC have totaled to ¥ 420.4 B for the 2nd half of the fiscal year ended March 2010, with their net asset value ¥ 614.0 B at the end of March 2010.
- ◇ Deals engaged through referral services for clients/customers have prevailed in both investment banking business and asset management business, with the number of successful deals more than 600 in total at the end of March 2010, showing steady progress in the collaboration with SMBC.
- ◇ Intermediary services of financial product for corporate clients started from January 2010. (The same service for individual clients has started from April, 2010.)

No. of successful deals in referral service in 3Q

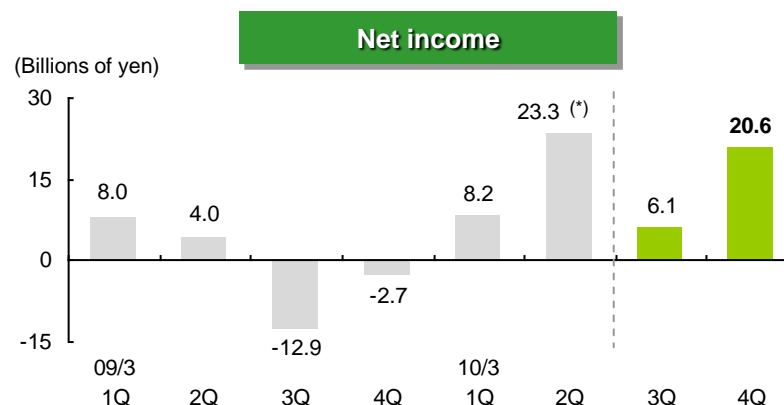
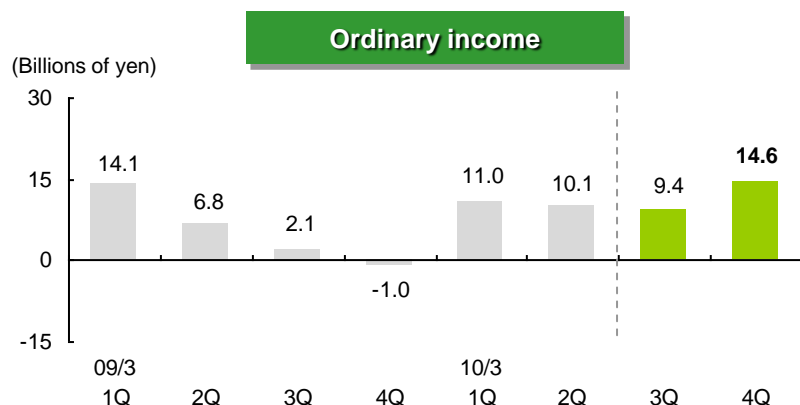
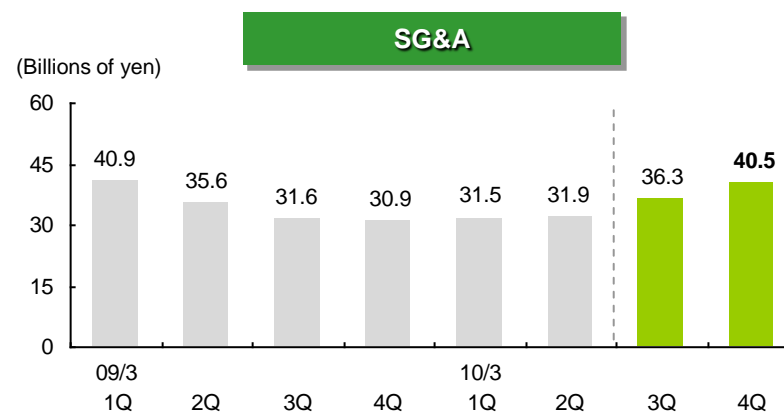
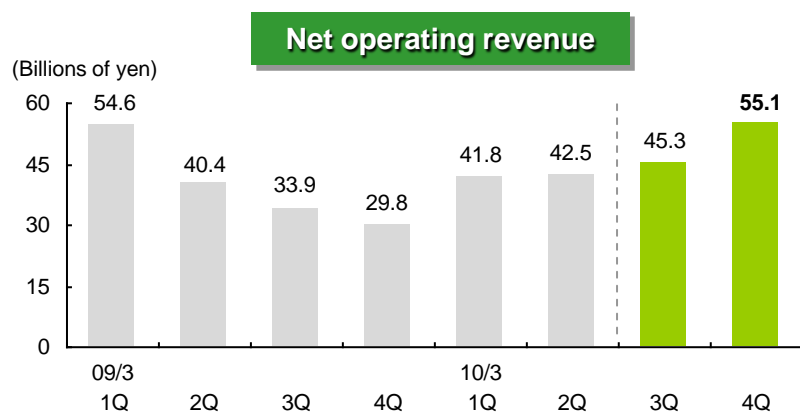


No. of successful deals in referral service in 4Q



# Business Results (Quarterly Trend)

- ◇ Net operating revenue, selling, general and administrative expenses and ordinary income were ¥ 55.1B, ¥ 40.5 B, ¥ 14.6 B respectively, all recovered to the level which was right before the economic turmoil triggered by the bankruptcy of Lehman Brothers.
- ◇ Net income substantially increased compared with the previous quarter due to an increase in revenues and to a decrease (\*) in tax expense.



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

■ Current Nikko (Jun.09.-Mar.10.: Established in Jun.09 Operations started from Oct.10)

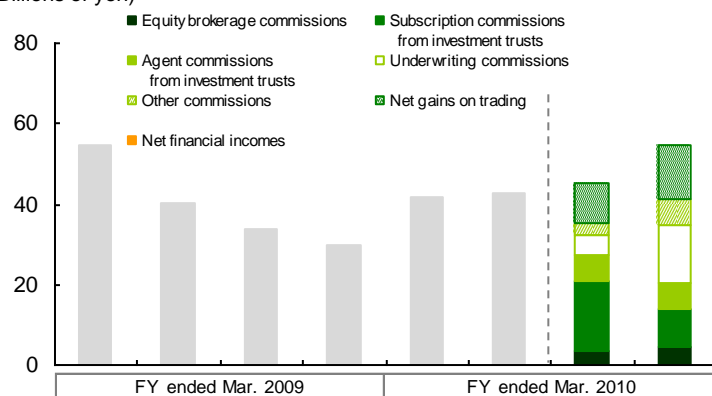
■ Former Nikko

# Net operating revenue / Product sales

- ◇ Increased public offering of equities, higher sales volume of foreign bonds, and well-balanced sales of investment trusts, domestic bonds and others, resulting in a boost of net operating revenue.
- ◇ Sales of major products have surpassed ¥ 1 trillion for the second quarter in a row, with those for this quarter of ¥ 1.4 trillion exceeding the level for the 1st quarter of the fiscal year ended March 2009 .

## Net operating revenue (Billions of yen)

(Billions of yen)

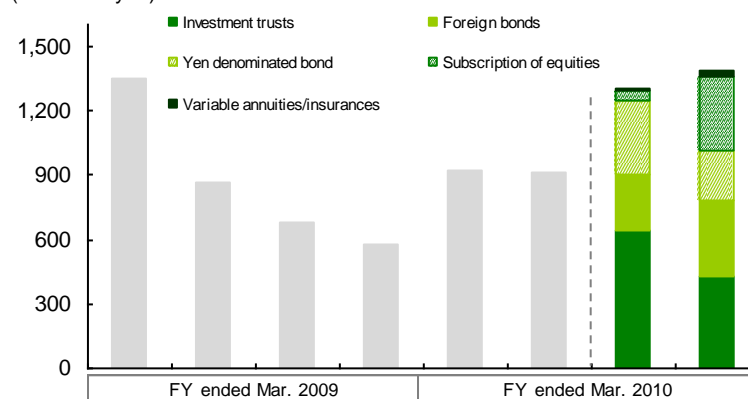


(Billions of yen)

	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity brokerage commissions	6.3	4.5	5.7	3.4	4.8	4.5	3.5	4.6
Subscription commissions from investment trusts	9.5	7.2	2.9	6.0	13.2	15.0	17.5	9.5
Agent commissions from investment trusts	9.0	8.2	5.3	4.6	5.2	5.7	6.1	6.3
Underwriting commissions	-	-	-	-	-	-	5.0	14.4
Other commissions	11.7	9.3	7.9	5.4	5.9	5.4	3.0	6.5
Net gains on trading	17.2	10.4	11.5	10.0	12.1	11.2	10.1	13.6
Net financial incomes	0.6	0.5	0.3	0.2	0.2	0.4	-0.1	-0.0
<b>Net operating revenue</b>	<b>54.6</b>	<b>40.4</b>	<b>33.9</b>	<b>29.8</b>	<b>41.8</b>	<b>42.5</b>	<b>45.3</b>	<b>55.1</b>

## Product Sales (Billions of yen)

(Billions of yen)



(Billions of yen)

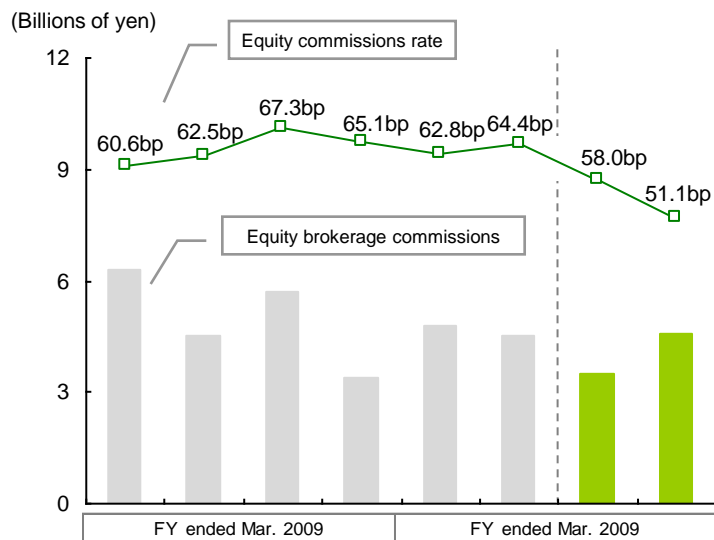
	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Investment trusts	555.2	468.5	269.7	290.4	514.7	549.4	644.1	424.9
Foreign bonds	652.0	275.5	234.5	178.6	293.4	268.9	255.9	360.0
Yen denominated bond	64.2	63.6	150.0	99.0	60.3	54.4	348.9	232.2
Subscription of equities	17.1	30.1	4.8	0.9	45.8	36.0	45.8	344.8
Variable annuities/insurances	60.7	31.9	21.6	10.6	10.9	6.1	12.1	27.6
<b>Total (*)</b>	<b>1,349.2</b>	<b>869.8</b>	<b>680.7</b>	<b>579.5</b>	<b>925.2</b>	<b>914.8</b>	<b>1,306.8</b>	<b>1,389.5</b>

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

# Equity brokerage commissions

- ◇ Brokerage commissions on equity was ¥ 4.6 B (up 30% from the previous quarter) contributed by additional orders derived from brisk underwritings of equities offerings.
- ◇ Equity brokerage amount totaled to ¥ 881.7 B (up 47% from the previous quarter) reflecting an increase in large amount transaction. TSE share accordingly moved up to 0.44%.

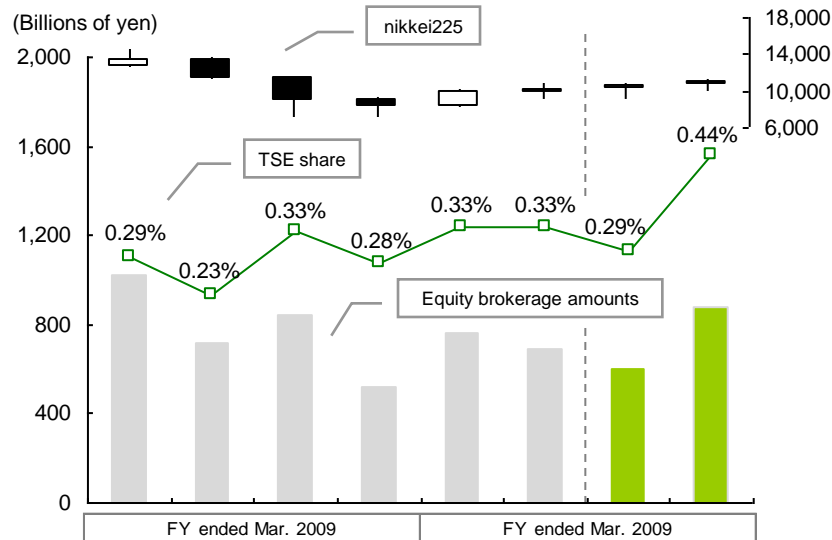
## Equity brokerage commissions



(Billions of yen, bp)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity brokerage commissions	6.3	4.5	5.7	3.4	4.8	4.5	3.5	4.6
Equity commissions rate (*1)	60.6bp	62.5bp	67.3bp	65.1bp	62.8bp	64.4bp	58.0bp	51.1bp

(\*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)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity brokerage amounts (*2)	1,023.8	719.6	846.7	516.0	764.6	693.9	600.1	881.7
TSE share	0.29%	0.23%	0.33%	0.28%	0.33%	0.33%	0.29%	0.44%
Retail market share (*3)	1.6%	1.5%	1.7%	1.4%	1.4%	1.5%	1.5%	2.1%

(\*2) All stock exchanges.

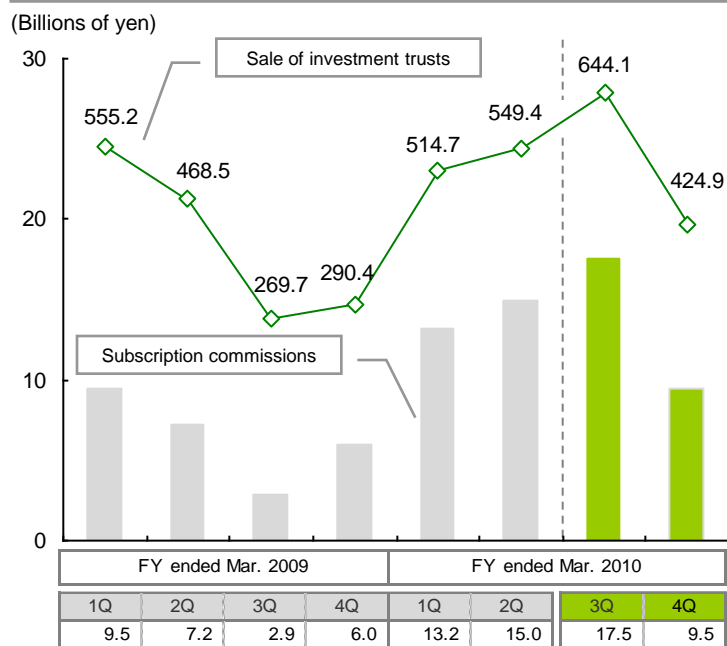
(\*3) Total of 1st and 2nd sections of Tokyo, Osaka and Nagoya a stock exchanges.



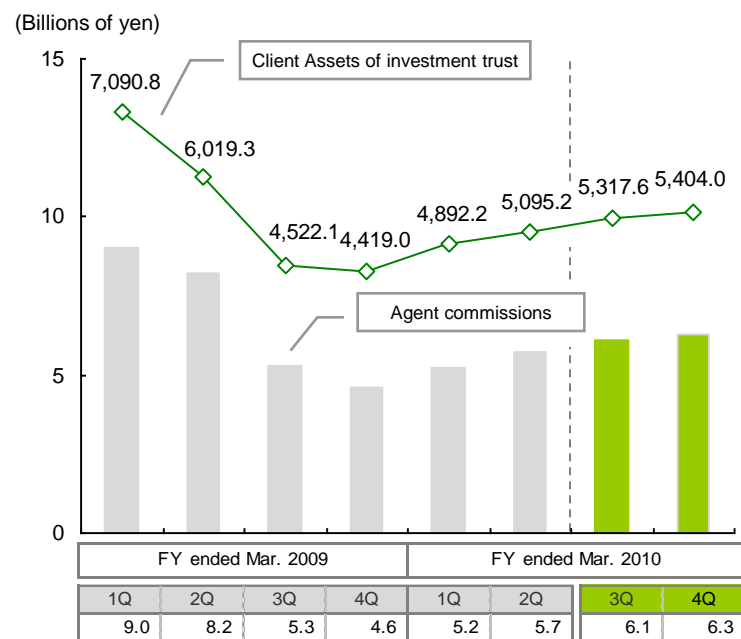
# Subscription and agent commissions from investment trusts

- ◇ Although subscription commission revenue declined from the previous quarter, still sales of SMBC Nikko New World Bond Fund and others have been continuously steady.
- ◇ Agent commission revenue from investment trusts was ¥ 6.3 B, showing a slight increase from the previous quarter and sustaining a recovery trend.

## Subscription commissions / Sales



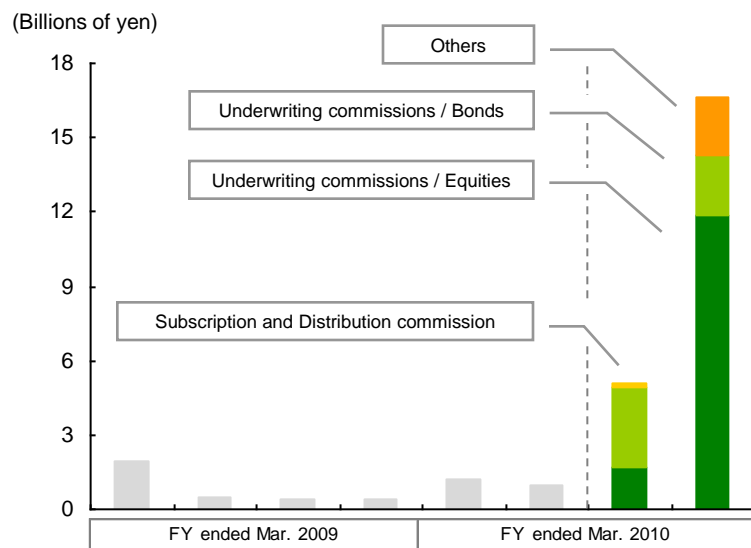
## Agent commissions / Client Assets of Invest. trust



# Underwriting commissions (Equities / Bonds)

- ◇ Underwriting commissions revenue on equity soared due to serving as a lead managing underwriter for SMFG public offerings.
- ◇ Steady expansion of underwriting business backed up by a substantial increase in underwriting value amounted to ¥ 1.1 trillion compared with the previous quarter, although the number of deals declined.

## Underwriting commissions



(Billions of yen)

	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Underwriting commissions	-	-	-	-	-	-	5.0	14.4
Equities	-	-	-	-	-	-	1.7	11.9
Bonds	-	-	-	-	-	-	3.2	2.4
Subscription and Distribution commissions (EQs/Bonds)	1.9	0.5	0.4	0.4	1.2	1.0	0.2	0.0
Others	-	-	-	-	-	-	-	2.3

## Major lead manager deals (incl. joint lead manager)

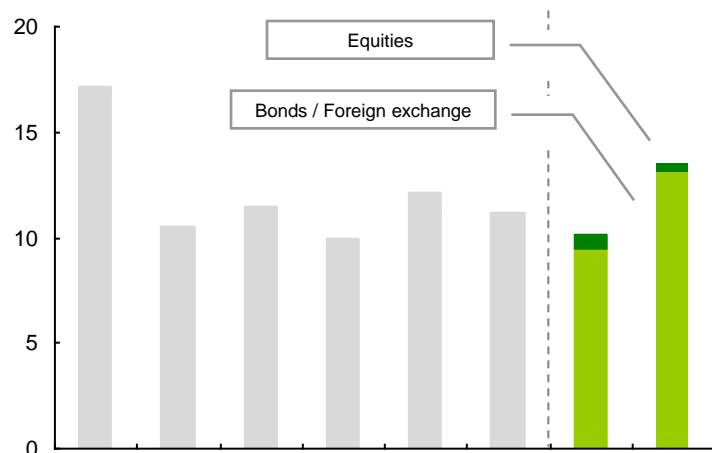
■ PO	Sumitomo Mitsui Financial Group	1,009.4 B yen
	Nippon Meat Packers, Inc	30 B yen
■ SB	ORIX Corporation # 129	50 B yen
	JFE Holdings, Inc. #14	40 B yen
	Sumitomo Realty & Development Co., Ltd. # 72	30 B yen
	Sumitomo Corporation # 39	20 B yen
	ITOCHU Corporation # 53	20 B yen
	Tokyo Broadcasting System Holdings, Inc. # 16	20 B yen
	Kyushu Electric Power Co. Inc. # 410	20 B yen
	Hokkaido Electric Power Co., Inc. # 306	15 B yen
	Central Japan Railway Company # 48	15 B yen
■ Local Governments/Public and corporate bonds	Japan Local Government Bond Association # 5, 8	Total 70 B yen
	Nagoya Expressway Public Corporation # 100,101,102	Total 30 B yen
	Aichi Prefecture # 18	28 B yen
	Tokyo Metropolitan Government # 21	20 B yen
	Osaka City # 11	10 B yen
■ FILP agency bonds	The Japan Expressway Holding and Debt Repayment Agency # 56, 57	Total 72.8 B yen
	Japan Housing Finance Agency # 34	49.4 B yen
	Metropolitan expressway Company Limited # 5	40 B yen
	Hanshin Expressway Company Limited. # 4	25 B yen
	Central Nippon Expressway Company Limited # 13	15 B yen
■ Samurai bond	Credit Suisse Group Finance Ltd # 3, 4	50 B yen

# Net gain on trading

- ◇ Net gain on trading was ¥ 13.6 B (up 34% from the previous quarter), due to an increase in sales of foreign bonds.
- ◇ Trading volume on bond increased by ¥ 9 trillion from the previous quarter, showing trading business for corporate clients has been steadily expanding.

## Net gains on trading

(Billions of yen)

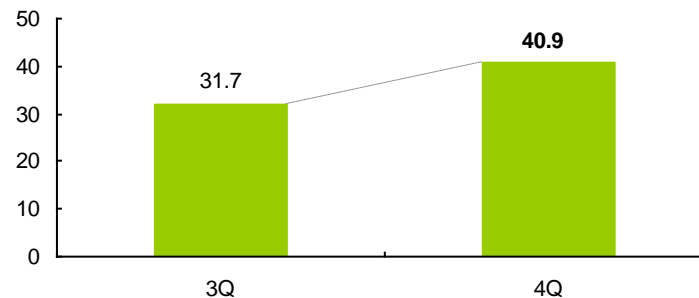


(Billions of yen)

	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equities	0.2	-0.1	0.2	0.2	0.7	0.4	0.6	0.4
Bonds / Foreign exchange	17.0	10.5	11.3	9.8	11.4	10.8	9.5	13.1
Total	17.2	10.4	11.5	10.0	12.1	11.2	10.1	13.6

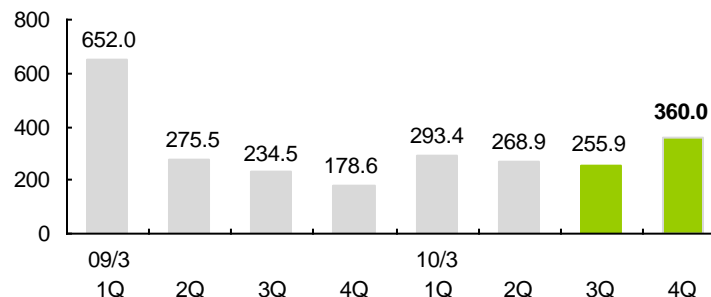
## Trading volume on Bond

(Trillions of yen)



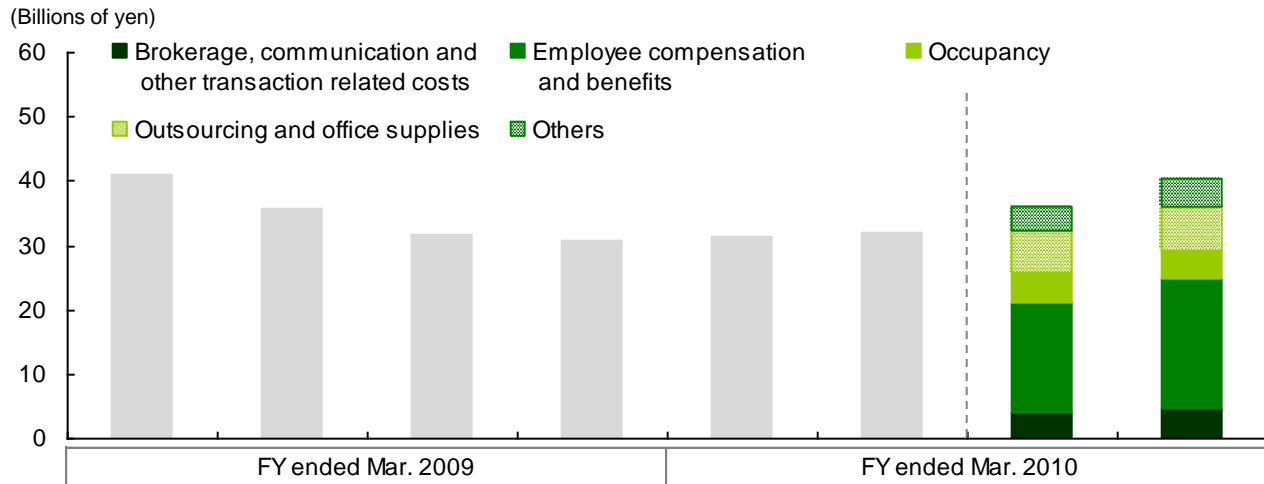
## Sale of foreign bonds

(Billions of yen)



# SG&A

- ◇ Although the total of SG&A increased approx 10% from the previous quarter, the ratio of the total SG&A to net operating revenue has marked the lowest level since the previous fiscal year as an expansion of revenue surpassed the increased expenses.
- ◇ Employee compensation and benefits rose due to increase in personnel for expanding business, and brokerage, communication and other transaction related costs increased due to additional commissions paid linked to the corresponding revenues.



(Billions of yen)

	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Brokerage, communication and other transaction related costs	4.1	4.0	3.2	2.8	2.5	2.9	3.9	4.6
Employee compensation and benefits	19.8	15.9	13.7	14.0	15.6	15.5	17.3	20.3
Occupancy	4.6	4.3	4.1	3.8	3.9	3.8	4.6	4.4
Outsourcing and office supplies	8.5	8.0	7.4	6.9	6.5	6.6	6.6	6.9
Others	3.7	3.2	3.1	3.2	2.8	2.9	3.8	4.2
<b>SG&amp;A Total</b>	<b>40.9</b>	<b>35.6</b>	<b>31.6</b>	<b>30.9</b>	<b>31.5</b>	<b>31.9</b>	<b>36.3</b>	<b>40.5</b>
<b>SG&amp;A/ Net operating revenue</b>	<b>75%</b>	<b>88%</b>	<b>93%</b>	<b>104%</b>	<b>75%</b>	<b>75%</b>	<b>80%</b>	<b>74%</b>

# Balance sheet / Capital Adequacy Ratio

- ◇ Total assets built up to ¥ 6.8 trillion, up ¥ 2.6trillion from the end of December 2009 due to an increase in trading products and collateralized short-term financing agreements, as trading business expanded.
- ◇ Capital adequacy ratio at the end of March 2010 was 567%, up 232 points from the end of December 2009 by introducing a subordinated borrowing to prepare for further business expansion.

(Billion of Yen)	Mar.10	Dec.09	Variance
<b>Current assets</b>	6,607.4	3,927.5	2,679.8
Trading assets	2,420.1	1,932.5	487.5
Collateralized short-term financing agreements	3,710.6	1,608.2	2,102.3
Other current assets	476.5	386.6	89.8
<b>Fixed assets</b>	246.1	252.8	-6.7
Tangible fixed assets	6.7	6.7	-0.0
Intangible fixed assets	50.0	51.2	-1.1
Investments and others	189.3	194.8	-5.5
<b>Total assets</b>	<b>6,853.5</b>	<b>4,180.3</b>	<b>2,673.1</b>
<b>Current liabilities</b>	6,217.1	3,729.6	2,487.4
Trading liabilities	1,553.1	1,244.9	308.1
Collateralized short-term financing agreements	1,454.1	964.7	489.3
Short-term borrowings / Commercial paper	2,913.9	1,288.5	1,625.4
Other current liabilities	295.9	231.4	64.5
<b>Fixed liabilities / Statutory reserves</b>	220.0	55.4	164.6
<b>Total liabilities</b>	<b>6,437.1</b>	<b>3,785.0</b>	<b>2,652.1</b>
<b>Total net assets</b>	<b>416.3</b>	<b>395.3</b>	<b>21.0</b>
<b>Total liabilities and net assets</b>	<b>6,853.5</b>	<b>4,180.3</b>	<b>2,673.1</b>

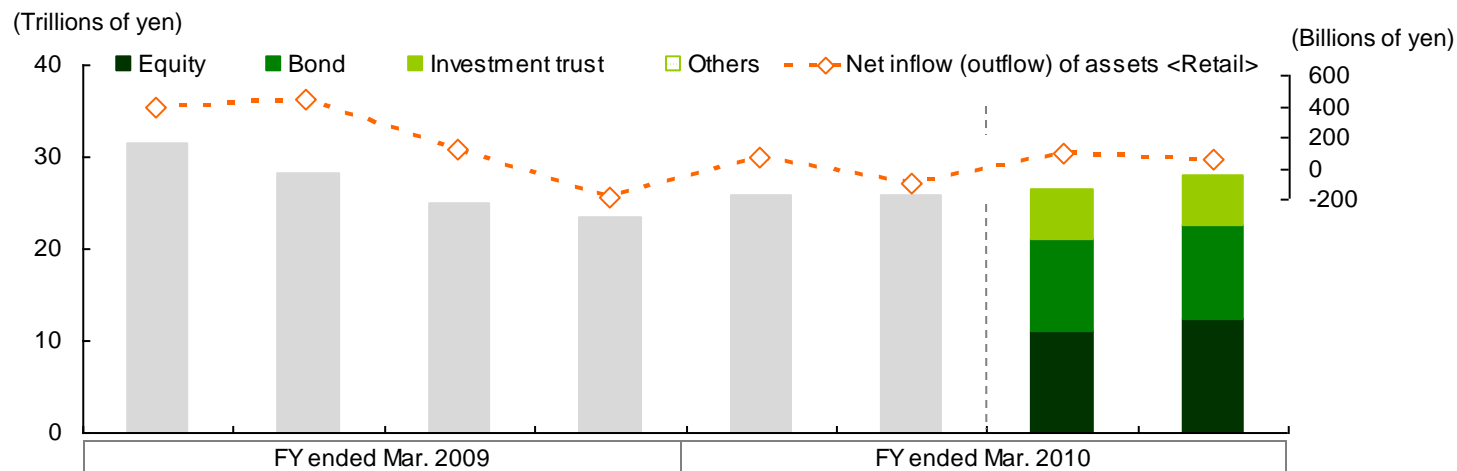
(Billion of Yen)	Mar.10	Dec.09	Variance
<b>Basic items</b>	414.8	394.2	20.6
<b>Supplementary items</b>	201.5	51.1	150.4
<b>Deductible assets</b>	232.2	234.1	-1.8
<b>Net capital</b>	384.2	211.2	172.9
<b>Risk total</b>	67.7	63.0	4.7
Market Risk	21.5	18.9	2.5
Counterparty Risk	12.3	10.2	2.1
Basic Risk	33.8	33.7	0.0
<b>Net capital ratio</b>	<b>567%</b>	<b>335%</b>	<b>232 pt</b>

Credit ratings on Long Term (as of April 30, 2010)

S&P	Moody's	R&I	JCR
<b>A</b>	<b>Aa2</b>	<b>A+</b>	<b>AA-</b>
[ Positive ]	[ Stable ]	[ Stable ]	[ Stable ]

# Client Assets / Net Inflow (Outflow) of Assets

- ◇ Client assets at the end of March 2010 increased by ¥ 1.5 trillion to ¥ 28.1 trillion compared with the end of December 2009.
- ◇ Although net inflow of assets from retail customers declined from the previous quarter, it still remained ¥ 45.3 B.



(Trillions of yen)	FY ended Mar. 2009				FY ended Mar. 2010			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity	14.6	12.2	10.4	9.4	11.1	11.0	11.1	12.5
Bond	9.6	9.8	9.8	9.6	9.7	9.7	10.1	10.1
Investment trust	7.1	6.0	4.5	4.4	4.9	5.1	5.3	5.4
Others	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1
<b>Client assets</b>	<b>31.4</b>	<b>28.2</b>	<b>24.9</b>	<b>23.5</b>	<b>25.9</b>	<b>25.9</b>	<b>26.6</b>	<b>28.1</b>

(Billions of yen)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	Net inflow (outflow) of assets <Retail>	386.3	445.4	116.6	-187.9	73.5	-95.0	92.0
Inflow of assets	1,335.3	1,539.8	1,304.2	1,309.3	875.6	786.3	1,070.0	996.5
Outflow of assets	-949.1	-1,094.4	-1,187.6	-1,497.2	-802.2	-881.4	-978.0	-951.2

---

[ Reference Data ]

# Business Results (Yearly Trend)

(Millions of yen)	05/3	06/3	07/3	08/3	09/3	10/3		
						1st Half	2nd Half	YTD
Operating revenue	172,653	247,748	249,677	222,810	164,135	85,632	104,926	190,558
Commissions	134,218	192,965	195,745	156,737	107,754	60,319	76,935	137,255
Brokerage commissions	43,436	65,195	40,703	31,385	21,034	10,069	8,885	18,955
Commissions for underwriting, secondary distribution and solicitation for selling and others for professional investors	3	5	-	-	-	-	19,485	19,485
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	45,843	71,660	80,877	49,036	29,262	30,653	27,349	58,003
Other commissions	44,934	56,103	74,164	76,315	57,457	19,596	21,214	40,810
Net gain on trading	31,209	47,651	46,187	56,938	49,377	23,398	23,764	47,162
Net gain on other trading	6	1	0	0	0	0	0	0
Interest and dividend income	7,219	7,129	7,744	9,133	7,003	1,914	4,226	6,141
[Net financial income]	[3,691]	[5,740]	[5,038]	[4,201]	[1,810]	[700]	[-188]	[512]
Interest expense	3,528	1,388	2,705	4,932	5,192	1,213	4,415	5,628
Net operating revenue	169,125	246,359	246,972	217,878	158,942	84,418	100,511	184,929
SG&A	137,090	155,060	171,913	166,932	139,256	63,485	76,972	140,457
Operating income / loss	32,034	91,299	75,058	50,945	19,685	20,932	23,539	44,472
Ordinary income / loss	35,826	95,480	76,399	51,182	22,158	21,223	24,089	45,312
Extraordinary gain / loss	-522	7,267	-6,220	-2,343	-22,896	-491	-1,563	-2,054
Income taxes-current	131	22,197	28,374	18,022	-584	9,314	3,054	12,368
Income taxes-deferred	15,171	20,558	1,672	6,926	3,472	-20,157	-7,272	-27,429
Net income / loss	20,001	59,992	40,132	23,890	-3,626	31,574	26,744	58,318



# Business Results (Quarterly Trend)

(Millions of yen)	FY ended Mar. 2009				FY ended Mar. 2010		FY ended Mar. 2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating revenue	56,561	41,871	35,177	30,524	42,496	43,135	47,148	57,777
Commissions	36,733	29,416	22,049	19,554	29,392	30,927	35,379	41,555
Brokerage commissions	6,414	4,653	6,282	3,683	5,224	4,845	3,788	5,097
Commissions for underwriting, secondary distribution and solicitation for selling and others for professional investors	-	-	-	-	-	-	5,052	14,433
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	11,522	7,828	3,402	6,509	14,572	16,081	17,737	9,612
Other commissions	18,797	16,934	12,365	9,361	9,596	9,999	8,801	12,412
Net gain on trading	17,290	10,449	11,562	10,074	12,170	11,227	10,161	13,602
Net gain on other trading	0	0	0	0	0	-	0	0
Interest and dividend income	2,537	2,005	1,565	895	933	980	1,607	2,619
[Net financial income]	[651]	[566]	[378]	[213]	[295]	[404]	[-187]	[-1]
Interest expense	1,886	1,438	1,186	681	637	576	1,794	2,620
Net operating revenue	54,675	40,433	33,990	29,842	41,859	42,559	45,354	55,157
SG&A	40,993	35,621	31,673	30,968	31,563	31,922	36,381	40,590
Operating income / loss	13,682	4,811	2,317	-1,126	10,295	10,637	8,972	14,566
Ordinary income / loss	14,120	6,895	2,177	-1,034	11,031	10,191	9,482	14,607
Extraordinary gain / loss	-37	525	-21,534	-1,850	-346	-145	-2,202	639
Income taxes-current	1,345	2,519	-4,790	341	2,668	6,646	1,160	1,894
Income taxes-deferred	4,691	816	-1,584	-450	-236	-19,920	-	-7,272
Net income / loss	8,045	4,086	-12,981	-2,776	8,253	23,320	6,119	20,624

# League tables

Japan Equity & Equity-Related		(1/1/2010 - 3/31/2010)		
Rank	Book runner	Proceeds (US\$m)	Mkt. Share	No. Deals
1	Nomura	6,016.6	25.7%	17
2	Goldman Sachs & Co	4,037.1	17.2%	2
3	Mizuho Financial Group	3,845.3	16.4%	5
4	Barclays Capital	1,843.1	7.9%	1
5	Citi	1,843.1	7.9%	1
6	Daiwa Securities Group Inc	1,600.2	6.8%	6
7	Bank of America Merrill Lynch	1,204.5	5.1%	2
8	Mitsubishi UFJ Financial Group	799.0	3.4%	4
9	Sumitomo Mitsui Financial Group	507.0	2.2%	4
10	Deutsche Bank AG	338.6	1.4%	1

(\*) excluding SMFG public offerings

All Bonds in Yen		(1/1/2010 - 3/31/2010)		
Rank	Book runner	Proceeds (mill of yen)	Mkt. Share	No. Deals
1	Daiwa Securities Group Inc	830.1	21.3%	61
2	Mitsubishi UFJ Financial Group	817.7	20.9%	58
3	Nomura	810.0	20.8%	46
4	Mizuho Financial Group	752.6	19.3%	56
5	Sumitomo Mitsui Financial Group	268.2	6.9%	20
6	Citi	91.6	2.3%	10
7	Credit Suisse	56.7	1.5%	3
8	Deutsche Bank AG	53.4	1.4%	8
9	Goldman Sachs & Co	52.6	1.4%	7
10	Sumitomo Trust & Banking	30.0	0.8%	1

Japan Equity & Equity-Related -Volume		(1/1/2010 - 3/31/2010)		
Rank	Book runner	Proceeds (US\$m)	Mkt. Share	No. Deals
1	Sumitomo Mitsui Financial Group	4,642.9	19.8%	21
2	Goldman Sachs & Co	3,177.2	13.6%	2
3	Nomura	2,956.3	12.6%	25
4	Citi	1,990.5	8.5%	1
5	Mizuho Financial Group	1,798.7	7.7%	22
6	Daiwa Securities Group Inc	1,673.4	7.1%	20
7	Mitsubishi UFJ Financial Group	907.2	3.9%	23
8	Barclays Capital	857.0	3.7%	1
9	Deutsche Bank AG	754.7	3.2%	3
10	Bank of America Merrill Lynch	725.7	3.1%	3

Japanese Corporate Debt		(1/1/2010 - 3/31/2010)		
Rank	Book runner	Proceeds (mill of yen)	Mkt. Share	No. Deals
1	Daiwa Securities Group Inc	442.5	24.8%	32
2	Mitsubishi UFJ Financial Group	410.1	23.0%	25
3	Mizuho Financial Group	405.8	22.7%	21
4	Nomura	304.3	17.0%	13
5	Sumitomo Mitsui Financial Group	210.0	11.8%	13
6	Goldman Sachs & Co	6.0	0.3%	1
7	Barclays Capital	4.6	0.3%	1
8	Deutsche Bank AG	2.5	0.1%	1

Source: THOMSON REUTERS

# Operational Indicators-1

## Sales of Products

(Billions of yen)	FY ended Mar. 2009				FY ended Mar. 2010		FY ended Mar. 2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Mutual Funds	555.2	468.5	269.7	290.4	514.7	549.4	644.1	424.9
(Equity mutual funds)	( 317.4 )	( 294.4 )	( 113.3 )	( 106.6 )	( 223.5 )	( 346.0 )	( 489.8 )	( 271.5 )
(Foreign registered mutual funds)	( 180.5 )	( 111.1 )	( 111.0 )	( 152.9 )	( 251.6 )	( 164.1 )	( 100.1 )	( 104.9 )
Foreign bonds	652.0	275.5	234.5	178.6	293.4	268.9	255.9	360.0
(Foreign currency bonds)	( 106.2 )	( 63.0 )	( 55.7 )	( 26.9 )	( 69.3 )	( 68.0 )	( 60.8 )	( 88.4 )
Domestic bond	64.2	63.6	150.0	99.0	60.3	54.4	348.9	232.2
(Retail target JGB)	( 18.9 )	( 7.5 )	( 5.0 )	( 2.7 )	( 5.2 )	( 1.9 )	( 1.3 )	( 6.0 )
Public offering	17.1	30.1	4.8	0.9	45.8	36.0	45.8	344.8
Annuity / insurance	60.7	31.9	21.6	10.6	10.9	6.1	12.1	27.6
<b>Total</b>	<b>1,349.2</b>	<b>869.8</b>	<b>680.7</b>	<b>579.5</b>	<b>925.2</b>	<b>914.8</b>	<b>1,306.8</b>	<b>1,389.5</b>

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

## Underwriting Share

	FY ended Mar. 2009				FY ended Mar. 2010		FY ended Mar. 2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Equity    Equity etc	-	-	-	-	-	-	1.3%	2.2%
Bonds    Domestic yen bonds	-	-	-	-	-	-	15.3%	6.9%
(Corporation bond)	-	-	-	-	-	-	( 25.9%)	( 11.8%)

# Operational Indicators-2

## Direct Channel (\*1)

FY ended Mar 2009	FY ended Mar 2009				FY ended Mar 2010		FY ended Mar 2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
(%)								
Based on number of transaction (Nikko EZ Trade)	78.8% ( 55.4%)	78.7% ( 56.4%)	77.1% ( 56.3%)	82.3% ( 63.8%)	82.1% ( 65.8%)	80.1% ( 64.2%)	78.0% ( 61.9%)	72.5% ( 58.2%)
Based on commissions (Nikko EZ trade)	58.4% ( 27.1%)	56.6% ( 30.1%)	52.7% ( 30.2%)	55.6% ( 34.5%)	46.9% ( 30.2%)	45.8% ( 29.2%)	39.9% ( 24.5%)	18.7% ( 12.0%)

(\*1) Percentage of transaction via non-face-to-face channels in equity & CBs (brokerage & subscription) among individual clients.

## Brokerage Commissions Rate (\*2)

FY ended Mar 2009	FY ended Mar 2009				FY ended Mar 2010		FY ended Mar 2010	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
(Billions of yen, bp)								
Equity brokerage amounts	1,023.8	719.6	846.7	516.0	764.6	693.9	600.1	881.7
Equity brokerage commissions	6.2	4.5	5.7	3.3	4.7	4.4	3.4	4.5
Equity commissions rate	60.6bp	62.5bp	67.3bp	65.1bp	62.8bp	64.4bp	58.0bp	51.1bp

(\*2) "Equity brokerage amounts" and "Equity brokerage commissions" 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	
	Jun.08	Sep.08	Dec.08	Mar.09	Jun.09	Sep.09	Dec.09	Mar.10
Total accounts	2,398	2,384	2,440	2,461	2,470	2,481	2,491	2,511
Cash management accounts	1,879	1,853	1,904	1,919	1,927	1,937	1,945	1,952
Newly opened accounts	40	49	62	24	20	22	19	22

## Number of Branches

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

## Number of Employees

	FY ended Mar. 2009				FY ended Mar. 2010		FY ended Mar. 2010	
	Jun.08	Sep.08	Dec.08	Mar.09	Jun.09	Sep.09	Dec.09	Mar.10
Nikko Cordial Securities Inc.				5,939		6,090	6,479	6,533