【NEWS RELEASE】

January 6, 2020
SMBC Nikko Securities Inc.

New Year Message from CEO Yoshihiko Shimizu

Best wishes for the New Year. I am delighted that we can together celebrate the start of a New Year.

Last year marked the end of the Heisei era and the new era Reiwa has started in Japan. Global politics and economics were defined by chaotic events including the US-China trade conflict and escalating demonstrations in Hong Kong, and the three "un" – unstable, uncertain, and unforeseeable – probably best describes our environment today. I would like to express my sincere gratitude to all of you for giving your best effort despite this challenging business environment.

This year, the Olympics and Paralympics will be held in Tokyo for the second time. Back in 1964, Tokyo hosted its first Olympics and it became a symbol of the historic changes that Japan's high economic growth era brought about. The 2020 games will be held at a time Japan's social and industrial structures are once again significantly changing; as such, the Games will likely be remembered as a sprout of "growth" in the new era.

FinTech, corporate governance, and market reforms are a few of the drastic changes the securities industry is experiencing, impacting both investors and issuers. In order for our firm to "grow" together with our clients in this environment, it is important for each one of us to stay close to our clients, proactively adapt to the changes and continue to "grow" as individuals.

This April marks the start of a new Medium-term Management Plan and we are currently looking into various strategies focusing on "growth" as the core theme. In order to realize the next level of "growth", I believe it is essential to instill a corporate culture that actively embraces changes while unwaveringly upholding "client-oriented operations".

To ensure each of us and SMBC Nikko group take a great leap forward in this memorable year 2020, let's all embrace change and "grow" together. Thank you.

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