

Nicholas Money Market Fund (NICXX)

Style: Money Market

March 31, 2012

Portfolio Manager: Jeffrey T. May, CPA

Investment Philosophy:

The advisor invests in money market securities of issuers with some of the following characteristics:

- Manageable debt levels
- Access to credit markets
- A strong ability to meet financial commitments
- Competitive yields
- Lower risk factors
- Substantial liquidity
- Cash flow protection

Investment Approach:

Nicholas Money Market Fund seeks to generate a high level of current income as is consistent with the preservation of capital and providing liquidity. The Fund is typically benchmarked against the Consumer Price Index (CPI) over a market cycle.

Portfolio Information:

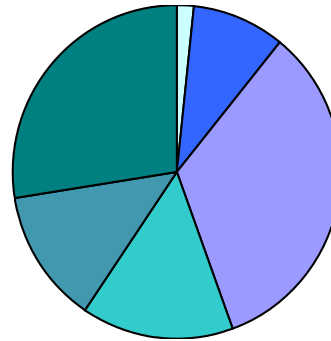
| | |
|----------------------------|----------------------|
| Net Assets: | \$75.6 million |
| Number of Holdings: | 66 |
| Weighted Average Maturity: | 49 Days |
| Current Yield: | 0.00% ⁽¹⁾ |
| 7 – Day Yield: | 0.00% ⁽¹⁾ |
| 7 – Day Effective Yield: | 0.00% ⁽¹⁾ |

Top 10 Holdings:

| | % of Net Assets |
|---|-----------------|
| U.S. Government | 13.25% |
| Federal Farm Credit Banks | 5.95% |
| Philip Morris International Inc. | 4.66% |
| Baxter International Inc. | 4.59% |
| ConocoPhillips Qatar Funding Ltd. | 4.59% |
| Coca-Cola Company (The) | 4.46% |
| Sherwin-Williams Company (The) | 4.43% |
| Nordea North America Inc. | 4.43% |
| Bank of Nova Scotia New York Agency (The) | 4.36% |
| Prudential plc | 4.35% |
| | <u>55.07%</u> |

Maturity Schedule:

% of Portfolio



| | |
|--------------|--------|
| 1 Day | 1.59% |
| 2 - 7 Days | 9.28% |
| 8 - 30 Days | 33.53% |
| 31 - 60 Days | 15.07% |
| 61 - 90 Days | 12.99% |
| Over 90 Days | 27.54% |

Maturity schedules are subject to change at any time.

The above chart is based on actual days to maturity. The Fund's minimum daily and weekly liquidity percentages, as defined by the Securities and Exchange Commission, were 14.94% and 34.62%, respectively.

Performance History: as of March 31, 2012

| | <u>Quarter</u> | <u>1 Year</u> | <u>3 Year</u> | <u>5 Year</u> | <u>10 Year</u> |
|------------------------------|----------------|---------------|---------------|---------------|----------------|
| Nicholas Money Market | 0.00% | 0.00% | 0.04% | 1.20% | 1.72% |
| CPI | 0.91% | 2.65% | 2.53% | 2.22% | 2.53% |
| | <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| Nicholas Money Market | 0.00% | 0.05% | 0.16% | 2.26% | 4.83% |
| CPI | 2.98% | 1.39% | 2.82% | -0.09% | 4.12% |

Expense Ratio: (Absent Reimbursement): 0.49%

Expense Ratio: 0.19%

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.nicholasfunds.com/returns.html or by calling 1-800-544-6547.

The Adviser has agreed to voluntarily absorb management fees which are 0.30% of Nicholas Money Market Fund's average net assets on an annual basis during the fiscal year ending December 31, 2012. In addition, the Adviser has absorbed the accounting and administration fee. These absorptions continue today; however, the Adviser may decrease or discontinue them at any time.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by visiting www.nicholasfunds.com. Read it carefully before investing.

Fund holdings are subject to change at any time and are not recommendations to buy or sell any security.

Nicholas Money Market Fund has fee waivers in effect. Investment performance reflects these fee waivers. In the absence of such waivers, total returns would be reduced.

Please refer to Page 2 for additional disclosures.



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⁽¹⁾The current yield is the annualized historical yield for a one day period. The 7-day yield is the annualized historical yield for the 7-day period. The 7-day effective yield is based on the 7-day yield and is then compounded.

Consumer Price Index represents changes in prices of all goods and services purchased for consumption by urban households. User fees (such as water and sewer service) and sales and excise taxes paid by the consumer are also included. Income taxes and investment items (i.e. stocks, bonds, and life insurance) are not included. CPI for urban consumers, includes expenditures by urban wage earners and clerical workers, professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, retirees and others not in the labor force. This represents about 80% of the total U.S. population.