

Financial Results

First Quarter of FY2025 (JGAAP)

SMBC Nikko Securities Inc.

July 28, 2025



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Definition

Abbreviations of overseas offices	
SI	SMBC Nikko Securities America, Inc.
CMNY	SMBC Capital Markets Limited
CMLN ^{*affiliates under equity method}	SMBC Nikko Capital Markets Limited
SMBC BI ^(*1)	SMBC Bank International plc
SMBC EU ^(*1)	SMBC Bank EU
SNIF ^{*subsidiary}	SMBC Nikko Investment Fund Management Company S.A.
HK ^{*subsidiary}	SMBC Nikko Securities (Hong Kong) Limited
SGP ^{*subsidiary}	SMBC Nikko Securities (Singapore) Pte. Ltd.
Overseas Offices	
Americas	SI, CMNY
Europe	CMLN, SMBC BI, SMBC EU, SNIF
Asia	HK, SGP
Consolidated	SMBC Nikko Group (Consolidated)
Non-consolidated	SMBC Nikko (Non-consolidated)
Management Accounting	Combined figures of SMBC Nikko (Non-consolidated) and overseas offices

The information contained in this document is based on data available as of July 28, 2025 and this document is intended to provide information on the business results of SMBC Nikko Securities Inc. Any information and opinions contained in this document reflect our judgment as of the date of preparation of this document and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information.

In addition, we manage the securities business within the SMBC Group on a global basis. Therefore, we mainly show and explain the management figures according to our management scope in this document, unless otherwise stated.

Executive Summary

【Y on Y】

- Net operating revenue ¥ 122.7 B (-8% Y on Y), SG&A ¥ 104.9 B (-3%), Operating profit ¥ 17.7 B (-27%)
- Operating Profit / Loss by Segment : Sales Division ¥ 10.5 B (+31%), GIB Division^{(*)1} ¥ 11.3 B (2.0x), GM Division^{(*)2} ¥ -5.8 B (-)
 Sales Division : Ongoing efforts to transform the business model led to a steady increase in client assets for equity investment trusts and fund wraps.
 GIB Division : M&A significantly contributed to the division's revenue growth, with additional revenues generated through DCM and the solutions business such as securitization.
 GM Division : Domestic trading in Equity was sluggish due to the unstable market at the beginning of the period, and FICC^{(*)3} faced challenges with position management in a rising interest rate environment.

【Q on Q】

- Net operating revenue +7% Q on Q, SG&A +2%, Operating profit +43%
- Operating Profit / Loss by Segment : Sales Division 2.8x, GIB Division -6%, GM Division -
 Sales Division : In addition to stable asset based revenue, flow revenue recovered through proposals that aligned with customers' investment intentions.
 GIB Division : DCM and M&A remained strong domestically while DCM in the U.S. performed well and securitization revenue increased overseas.
 GM Division : Both Equity and FICC were affected by challenges in domestic position management due to increased uncertainty at the beginning of the period.

(Billions of Yen)	FY2024 1Q	FY2024 4Q	FY2025 1Q	Q on Q	Y on Y
Net operating revenue	133.1	114.8	122.7	+7%	-8%
SG&A	108.6	102.4	104.9	+2%	-3%
Operating profit / loss	24.5	12.4	17.7	+43%	-27%
Ordinary profit / loss	27.4	14.1	20.6	+46%	-25%
Profit / Loss	20.0	-1.6	19.6	-	-2%

(Billions of Yen)	FY2024 1Q	FY2024 4Q	FY2025 1Q	Q on Q	Y on Y
<Segment *>					
Sales Division	8.0	3.7	10.5	2.8x	+31%
GIB Division	5.6	12.0	11.3	-6%	2.0x
GM Division	12.1	0.1	-5.8	-	-
<Region *>					
SMBC Nikko	12.9	4.5	5.8	+27%	-55%
Overseas Offices	11.5	7.8	11.9	+52%	+4%

*Operating profit / loss

Sales Division_1

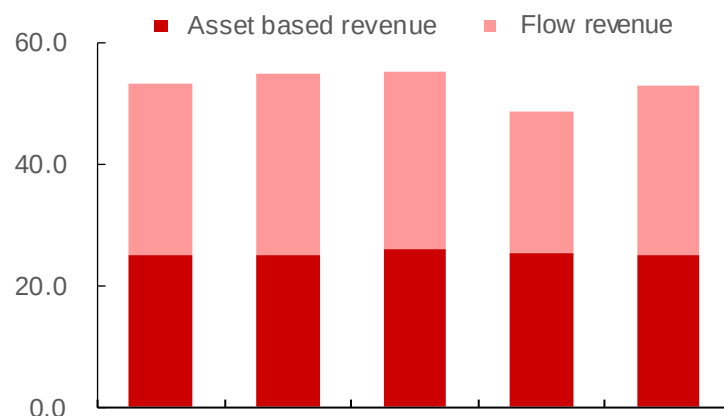
Financial Results

(Billions of Yen)

	FY2024		FY2025	Q on Q	Y on Y
	1Q	4Q	1Q		
Net operating revenue	53.5	48.6	53.1	+9%	-1%
Operating profit / loss	8.0	3.7	10.5	2.8x	+31%

Revenue Composition

(Billions of Yen)



	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Net operating revenue	53.5	55.1	55.3	48.6	53.1
Asset based revenue ^(*)	25.0	25.1	25.9	25.5	25.0
Flow revenue ^(*)	28.4	30.0	29.4	23.1	28.0

Summary

【Y on Y】

Ongoing efforts to transform the business model led to a steady increase in client assets for equity investment trusts and fund wraps, with assets in fund wraps surpassing 5 trillion yen.

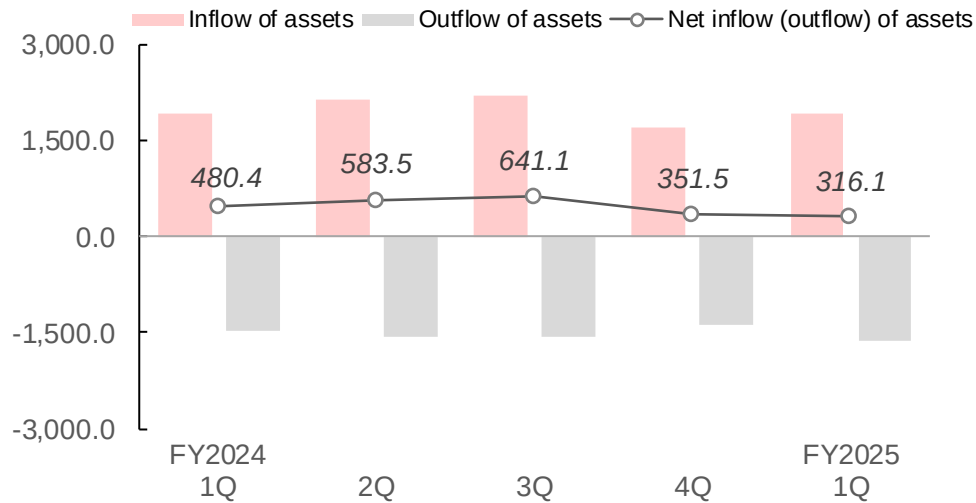
【Q on Q】

During the period of rising stock prices driven by expectations of progress in U.S.-China trade negotiations, product sales increased, leading to a recovery of flow revenue. Additionally, net inflow of assets and asset based revenue remained strong.

Sales Division_2

Net Inflow of Assets

(Billions of Yen)



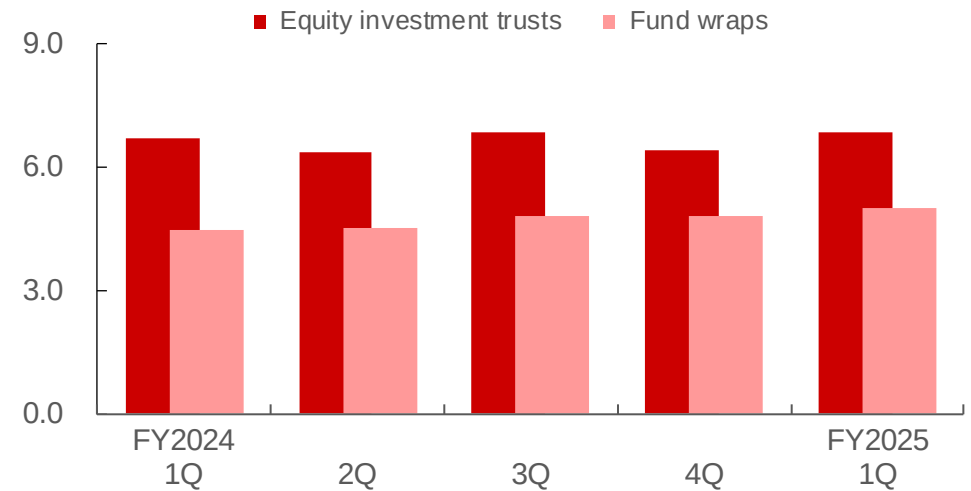
Sales of Products (*2)

(Billions of Yen)

	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Public offering	43.7	265.2	153.9	117.7	50.9
Bonds	606.2	629.7	592.1	400.5	519.7
Investment trusts	504.8	474.5	522.1	467.0	415.5
Fund wraps (*3)	148.2	124.4	124.6	92.0	135.0
Total	1,302.8	1,493.9	1,392.8	1,077.2	1,121.0

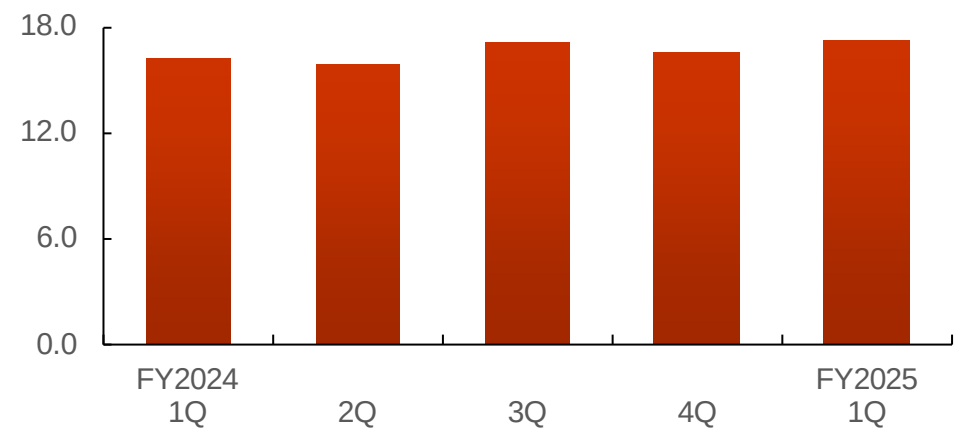
Client Assets for Equity Investment Trusts and Fund Wraps (*1)

(Trillions of Yen)



【Reference】 SMBC Group Asset Management Balances

(Trillions of Yen)



Global Investment Banking Division_1

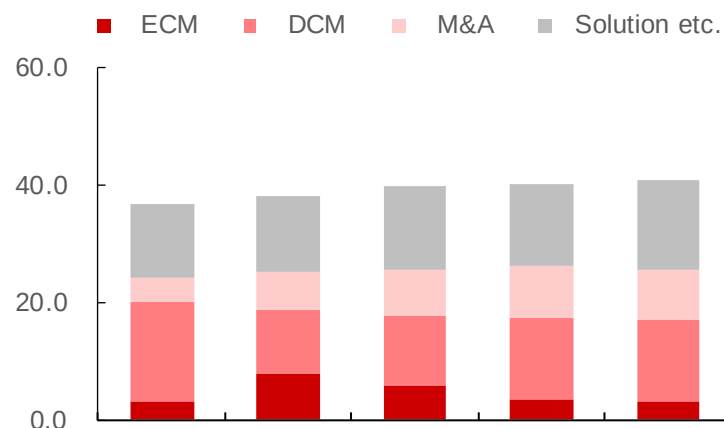
Financial Results

(Billions of Yen)

	FY2024		FY2025	Q on Q	Y on Y
	1Q	4Q	1Q		
Net operating revenue	37.0	40.5	40.9	+1%	+11%
Operating profit / loss	5.6	12.0	11.3	-6%	2.0x

Revenue Composition

(Billions of Yen)



	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Net operating revenue	37.0	38.4	40.2	40.5	40.9
ECM	3.0	7.8	5.8	3.4	3.0
DCM	17.1	11.0	11.9	14.0	14.1
M&A	4.0	6.4	7.9	8.8	8.6
Solution etc. ^(*)	12.7	13.0	14.4	14.2	15.1

(*) Solution etc. : Solution business that utilizes the company's balance sheet and derivatives, securitization, etc.

Summary

【Y on Y】

While DCM did not reach the levels of the same period last year, it still achieved stable revenue. Solution etc. increased revenue mainly through securitization. M&A expanded due to involvement in many deals, greatly contributing to the division's revenue growth.

【Q on Q】

Domestically, DCM continued to achieve stable revenue, and M&A maintained high revenue levels. Overseas, DCM in the U.S. remained strong, and Solution etc. steadily accumulated revenue.

Global Investment Banking Division_2

League Tables

Global Equity & Equity-Related-Japan ^{(*)1}			All Bonds in Yen ^{(*)2} 【non-consolidated】		
Rank	Book runner	Amount (bill of yen)	Rank	Lead Manager	Amount (bill of yen)
1	Mizuho	142.0	1	Nomura	1,280.6
2	J.P. Morgan	134.5	2	Daiwa	1,245.5
3	SMBC Nikko	107.3	3	SMBC Nikko	1,233.6
4	Nomura	85.7	4	Mizuho	1,186.4
5	Daiwa	51.3	5	Mitsubishi UFJ Morgan Stanley	1,146.6

IPO ^{(*)3}					
Rank	Lead Manager	Amount (bill of yen)	Rank	Lead Manager	No. Deals
1	Nomura	19.3	1	Nomura	3
2	SMBC Nikko	16.9	1	Daiwa	3
3	Daiwa	14.0	3	SMBC Nikko	2
4	Mizuho	10.1	3	Mizuho	2
5	Mitsubishi UFJ Morgan Stanley	4.2	3	SBI	2

Financial Advisory ^{(*)4}					
Rank	Advisor	Amount (bill of yen)	Rank	Advisor	No. Deals
1	Nomura	17,021.1	1	Nomura	54
2	Sumitomo Mitsui Financial Group	11,739.1	2	M&A Capital Partners	47
3	Morgan Stanley	10,621.8	3	Sumitomo Mitsui Financial Group	46
4	Plutus Group	6,986.8	4	Mizuho Financial Group	33
5	KPMG	3,517.4	5	Plutus Group	23

Major deals

ECM	
• SUZUKI MOTOR (FO)	• Kitazato Corporation (IPO)
• Primo Global Holdings (IPO)	• PAL GROUP Holdings (FO)
• HEIWA REAL ESTATE REIT (FO)	
DCM etc	
• SoftBank Group	• Honda Motor
• Takeda Pharmaceutical	• Sumitomo Mitsui Financial Group
• SBI Holdings	• JAPAN TOBACCO
• Daiwa House Industry	• Snam (Sustainability-linked bond/Yankee bond)
M&A	
• Take-private of TOYOTA INDUSTRIES	
• Capital and Business Alliance among AEON, TSURUHA HOLDINGS and WELCIA HOLDINGS	
• Acquisition of TORII PHARMACEUTICAL and JT's pharmaceutical business by Shionogi	
• Tender offer for Mitsubishi Shokuhin by Mitsubishi Corporation	
• Acquisition of Sumitomo Mitsui Construction by INFRONEER Holdings	
• Acquisition of ADK Holdings shares by KRAFTON	

US IG Bonds League Tables ^{(*)5}

	Rank	Amount	Share
Corporate (excluding FIG)	8	\$9.7 billion	4.4%
Financial Institutions Group (FIG)	14	\$2.0 billion	1.9%

^{(*)1} Source: prepared by SMBC Nikko based on the information published by LSEG (including oversea entities)

^{(*)2} Source: prepared by SMBC Nikko based on the information published by LSEG (corporate bonds, FILP agency/municipality bonds(proportional shares as lead manager), Samurai bonds)

^{(*)3} Source: prepared by SMBC Nikko based on the information published by LSEG

^{(*)4} Source: announced Japan related M&A deals by LSEG

^{(*)5} Source: prepared by SMBC Nikko based on the information published by Bloomberg (bonds issued in the U.S. markets by investment grade corporates. Excluding self-led deals for FIG)

Global Markets Division

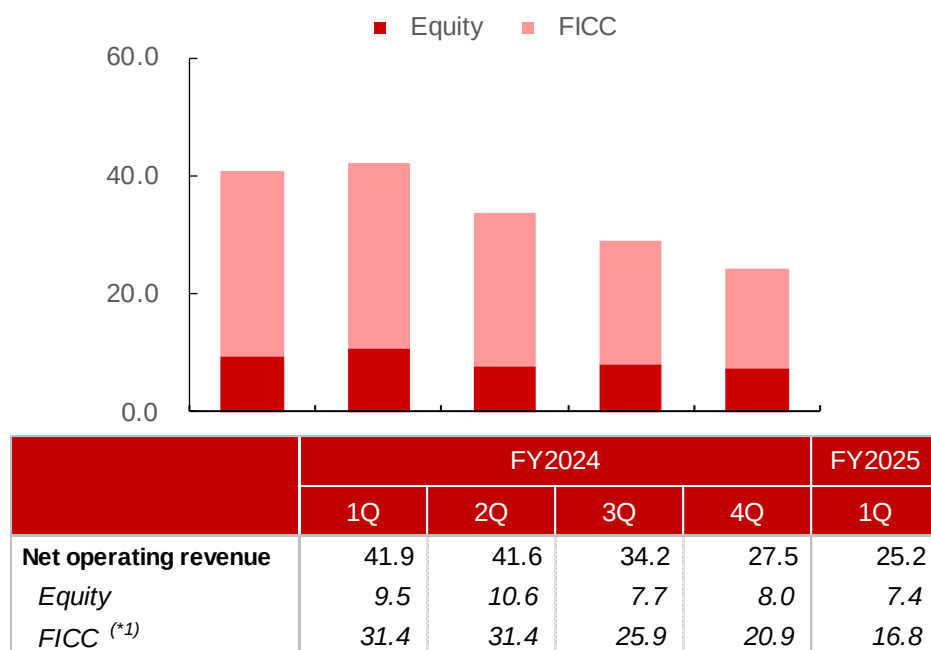
Financial Results

(Billions of Yen)

	FY2024		FY2025	Q on Q	Y on Y
	1Q	4Q	1Q		
Net operating revenue	41.9	27.5	25.2	-8%	-40%
Operating profit / loss	12.1	0.1	-5.8	-	-

Revenue Composition

(Billions of Yen)



Summary

【Y on Y】

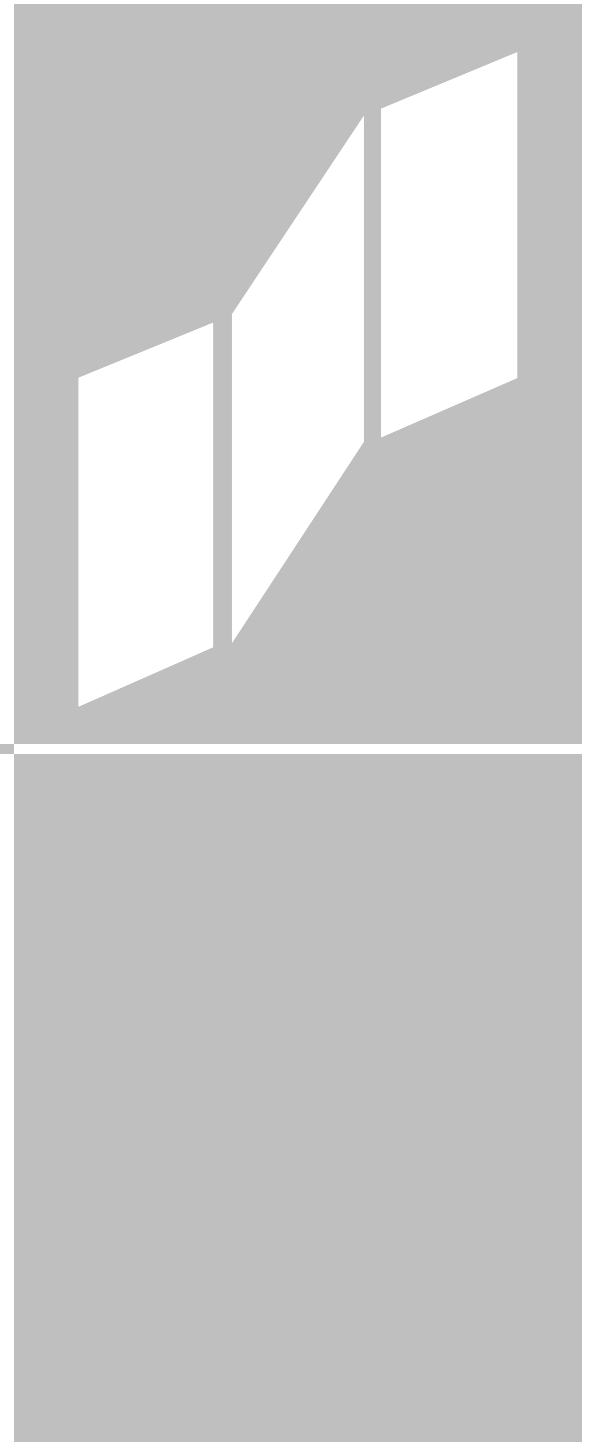
Equity faced a volatile market environment from the end of the previous period to the beginning of the current period, making position management difficult. While commission revenue remained high, trading revenue was sluggish.

FICC domestically struggled with position management at the beginning of the period due to a significant steepening of yen interest rates and a lack of liquidity in JGB and swap benchmark. Overseas, steady revenue was generated mainly from derivatives and credit in the U.S.

【Q on Q】

Both Equity and FICC were impacted by challenges in domestic position management due to increased uncertainty at the beginning of the period. However, revenue was accumulated towards the latter half of the period by capitalizing on the recovery in customer business.

Reference Data



Management Accounting Results (Quarterly Trend)

Management Accounting

(Billions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Net operating revenue	133.1	138.7	134.4	114.8	122.7
SG&A	108.6	106.9	117.3	102.4	104.9
Operating profit / loss	24.5	31.7	17.1	12.4	17.7
Ordinary profit / loss	27.4	30.6	18.9	14.1	20.6
Profit / Loss	20.0	34.4	20.5	-1.6	19.6

Operating Profit / Loss by Segment

(Billions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Sales Division	8.0	7.3	11.0	3.7	10.5
GIB Division	5.6	7.9	5.3	12.0	11.3
GM Division	12.1	14.6	-1.8	0.1	-5.8

Operating Profit / Loss by Region

(Billions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
SMBC Nikko	12.9	18.7	11.8	4.5	5.8
Overseas Offices	11.5	13.0	5.2	7.8	11.9
<i>Americas</i>	10.6	12.3	7.2	6.4	11.1
<i>Europe</i>	0.9	0.2	-2.1	1.1	0.1
<i>Asia</i>	-0.1	0.5	0.1	0.2	0.6

Consolidated Business Results (Quarterly Trend)

(Millions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Operating revenue	124,869	133,697	129,092	119,225	118,951
Commission received	64,534	73,787	72,097	61,795	66,725
Brokerage commissions	13,363	13,908	12,739	12,069	13,653
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	11,108	15,831	12,689	7,600	8,800
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	8,591	8,199	9,751	5,738	7,195
Other fees received	31,469	35,847	36,916	36,385	37,075
Net trading income	19,550	15,138	10,156	5,801	7,022
Equities	4,496	-850	1,940	-4,912	3,780
Bonds / Others	15,054	15,989	8,215	10,713	3,242
Financial revenue	40,785	44,771	46,838	51,629	45,203
Financial expenses	34,156	33,805	39,780	39,370	39,503
Net operating revenue	90,713	99,891	89,312	79,855	79,448
SG&A	77,174	80,262	76,619	74,570	72,521
Operating profit / loss	13,539	19,629	12,692	5,285	6,927
Ordinary profit / loss	15,691	22,626	13,134	5,608	7,161
Extraordinary income / loss	-354	16,163	11,645	717	7,449
Income before income taxes	15,337	38,790	24,780	6,325	14,611
Income taxes	3,709	9,931	5,026	-958	4,112
Profit / Loss	11,627	28,858	19,753	7,284	10,499
Profit attributable to owners of parent	11,627	28,858	19,753	7,284	10,499

Non-consolidated Business Results (Quarterly Trend)

(Millions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Operating revenue	122,092	131,125	125,223	116,940	115,936
Commission received	62,079	71,485	68,598	59,718	63,955
Brokerage commissions	12,561	13,208	11,555	11,476	12,766
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	11,085	15,775	12,550	7,528	8,769
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	8,564	7,690	9,382	5,787	7,195
Other fees received	29,866	34,810	35,110	34,924	35,223
Net trading income	19,569	15,136	10,160	5,798	7,023
Equities	4,496	-850	1,940	-4,912	3,780
Bonds / Others	15,073	15,987	8,219	10,710	3,243
Financial revenue	40,444	44,503	46,463	51,424	44,956
Financial expenses	34,139	33,791	39,761	39,360	39,484
Net operating revenue	87,953	97,334	85,461	77,580	76,451
SG&A	74,955	78,630	73,582	72,986	70,600
Operating profit / loss	12,997	18,704	11,878	4,593	5,851
Ordinary profit / loss	13,697	19,923	12,041	6,414	5,905
Extraordinary income / loss	-354	16,164	26,467	731	7,807
Income before income taxes	13,343	36,087	38,509	7,146	13,713
Income taxes	3,442	9,754	6,212	-1,037	4,030
Profit / Loss	9,901	26,332	32,296	8,183	9,683

Consolidated Commission received / SG&A

Commission received [Consolidated]

(Millions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
Commission received	64,534	73,787	72,097	61,795	66,725
Brokerage commissions	13,363	13,908	12,739	12,069	13,653
Equities	12,907	13,303	12,341	11,608	13,131
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	11,108	15,831	12,689	7,600	8,800
Equities	4,161	11,692	7,318	5,194	3,688
Bonds	6,885	4,029	5,356	2,390	5,085
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	8,591	8,199	9,751	5,738	7,195
Investment trusts	8,385	7,439	9,104	5,491	7,034
Other fees received	31,469	35,847	36,916	36,385	37,075
Fund wrap fee	13,043	13,024	13,428	12,807	12,690
Agency commissions on investment trusts	10,996	10,781	11,384	11,367	11,112
Others	2,591	5,153	6,128	6,617	7,364

SG&A [Consolidated]

(Millions of Yen)	FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q
SG&A	77,174	80,262	76,619	74,570	72,521
Trading related expenses	10,008	9,987	10,754	10,240	9,296
Personnel expenses	34,606	38,445	34,118	32,974	31,658
Real estate expenses	5,066	4,886	4,929	4,823	4,920
Office expenses	16,982	16,562	16,678	16,284	13,325
Depreciation	2,668	2,635	2,782	2,673	4,869
Other	7,842	7,745	7,357	7,574	8,450

Consolidated Balance Sheets / Capital Adequacy Ratio / Credit ratings on Long term

Consolidated Balance Sheets

(Billions of Yen)	Mar.25	Jun.25		Mar.25	Jun.25
Current assets	20,598.7	17,473.6	Current liabilities	18,989.6	15,917.7
Trading products	6,484.5	4,959.8	Trading products	5,516.5	4,700.6
Loans secured by securities	9,574.7	8,488.8	Loans payable secured by securities	7,686.7	7,012.0
Other current assets	4,539.3	4,024.9	Short-term loans payable / Commercial papers	4,441.9	2,996.1
			Other current liabilities	1,344.5	1,209.0
Noncurrent assets	444.1	467.5	Noncurrent liabilities / Reserves	824.3	828.8
Tangible assets	22.5	22.1	Total liabilities	19,814.0	16,746.5
Intangible assets	22.7	65.8			
Investments and other assets	398.8	379.6	Total net assets	1,228.9	1,194.6
Total assets	21,042.9	17,941.2	Total liabilities and net assets	21,042.9	17,941.2

Capital Adequacy Ratio 【Non-consolidated】

(Billions of Yen)	Mar.25	Jun.25
Basic items	1,097.2	1,106.8
Supplementary items	58.2	53.7
Deductible assets	361.4	395.7
Net capital	793.9	764.9
Risk total	252.1	216.4
Market Risk	79.7	65.8
Counterparty Risk	94.0	72.0
Basic Risk	78.4	78.5
Capital Adequacy Ratio	314.8%	353.4%

Credit ratings on Long term ^(*) 【Non-consolidated】

Moody's	S&P	R&I	JCR
A1	A	AA	AA
[Stable]	[Stable]	[Stable]	[Stable]

Operational Indicators -1

Client Assets [Non-consolidated]

(Trillions of Yen)	FY2023				FY2024				FY2025
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Equity	39.5	41.8	41.1	46.5	45.3	43.2	44.5	42.8	44.8
Bond	20.1	20.3	20.8	21.1	21.6	21.8	22.3	22.1	23.0
Investment trust	12.6	12.9	13.3	14.4	15.1	14.7	16.1	15.5	15.9
Others	0.8	0.8	0.8	0.7	0.8	0.7	0.8	0.7	0.7
Client assets	73.0	75.7	75.9	82.7	82.8	80.4	83.6	81.1	84.4

Sales of Products [Non-consolidated]

(Billions of Yen)	FY2023				FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Public offering	85.1	83.0	158.8	66.7	56.5	305.2	168.8	153.5	60.6
Domestic bonds	986.0	1,323.1	669.0	784.0	1,371.3	1,284.9	1,072.0	686.4	1,514.4
<i>Retail target JGBs</i>	68.1	155.9	49.1	85.8	90.8	97.1	52.5	73.8	90.8
Foreign bonds ^(*1)	449.7	415.5	535.3	419.6	440.6	441.4	644.2	272.6	277.2
<i>Foreign currency bonds</i>	303.0	315.5	362.7	202.4	236.0	290.3	195.0	179.1	153.8
Investment trusts	566.0	591.2	412.4	472.2	572.1	746.4	1,095.5	535.4	478.5
<i>Equity investment trusts</i>	463.8	502.4	327.0	380.7	425.2	610.8	987.6	410.0	366.2
<i>Foreign registered investment trusts</i>	92.0	88.7	81.3	91.4	138.8	135.6	107.8	115.2	109.1
Fund wraps ^(*2)	128.9	125.5	135.4	110.1	148.2	124.4	124.6	92.0	135.0
Total	2,215.7	2,538.2	1,911.0	1,852.7	2,588.7	2,902.4	3,105.0	1,739.9	2,465.6

Operational Indicators -2

Equity brokerage amount ・ Equity brokerage commissions ・ TSE Share ^{(*)1} 【Non-consolidated】

(Billions of Yen)	FY2023				FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Equity brokerage amount ^{(*)2}	12,716.4	13,098.4	13,744.2	16,824.8	15,785.6	17,084.2	17,165.5	15,750.4	17,112.0
Equity brokerage commissions	10.2	10.8	9.9	13.7	12.1	12.6	11.1	11.0	12.2
Equity commissions rate ^{(*)3}	7.9bp	7.5bp	6.8bp	7.4bp	7.3bp	7.2bp	6.4bp	6.7bp	6.9bp
TSE share	2.32%	2.36%	2.35%	2.36%	2.30%	2.41%	2.53%	2.34%	2.30%

Direct channel ratio ^{(*)4} 【Non-consolidated】

	FY2023				FY2024				FY2025
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Based on number of transaction	98%	97%	97%	98%	97%	98%	97%	98%	97%
<i>Nikko EZ trade</i>	96%	96%	96%	96%	96%	96%	95%	97%	96%
Based on commissions	43%	44%	37%	45%	41%	34%	36%	41%	41%
<i>Nikko EZ trade</i>	31%	33%	28%	34%	30%	26%	28%	32%	31%

Number of Accounts 【Non-consolidated】

(Thousands of accounts)	FY2023				FY2024				FY2025
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Total accounts	3,876	3,934	3,966	3,970	3,973	3,961	3,973	3,991	4,003
Online trading accounts	2,796	2,852	2,883	2,921	2,947	2,965	2,982	3,002	3,016
NISA accounts	706	718	730	748	755	761	765	768	771
Newly opened accounts	49	80	54	57	47	44	38	41	41

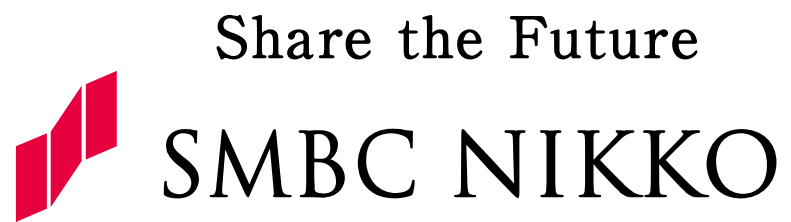
Operational Indicators -3

Number of Branches 【Non-consolidated】

	FY2023				FY2024				FY2025
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Number of branches	110	110	109	107	107	107	107	105	105

Number of Employees 【Management Accounting】

	FY2023				FY2024				FY2025
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Number of employees	10,962	10,855	10,769	10,629	11,016	10,881	10,799	10,678	11,169



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