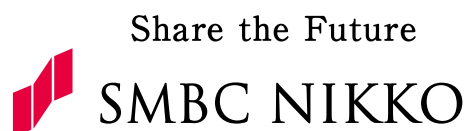


Earnings Announcement for the Second Quarter of FY2021 ending March 31, 2022 (JGAAP)

SMBC Nikko Securities Inc.

October 29, 2021



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Definition

Abbreviations of overseas offices

| | |
|---|---|
| SI ^{*affiliates under equity method} | SMBC Nikko Securities America, Inc. |
| CMLN ^{*affiliates under equity method} | SMBC Nikko Capital Markets Limited |
| CMFRA | SMBC Nikko Capital Markets Europe GmbH |
| LUX | SMBC Nikko Bank (Luxembourg) S.A. |
| HK | SMBC Nikko Securities (Hong Kong) Limited |
| SGP | SMBC Nikko Securities (Singapore) Pte. Ltd. |
| SHA | SMBC Nikko Investment Consulting (Shanghai) Limited |

Overseas Offices

| | |
|----------------|------------------|
| Americas | SI |
| Europe | CMLN, CMFRA, LUX |
| Asia / Oceania | HK, SGP, SHA |

| | |
|-----------------------|---|
| Consolidated | SMBC Nikko Group (Consolidated) |
| Non-consolidated | SMBC Nikko (Non-consolidated) |
| Management Accounting | Sum of SMBC Nikko (Non-consolidated) + Overseas offices* operating profit |
| | *Regarding CMLN, only those of securities business are included |

The information contained in this document is based on data available as of October 29, 2021 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 the document (October 29, 2021) and are subject to change without notice. No guarantees, representations or warranties are made as to the accuracy or completeness of such information.

Executive Summary

【FY2021 1H】

■ Consolidated Financial Statement : Net operating revenue ¥ 178.3 B (+9% Y on Y), SG&A ¥ 138.2 B (+6%), Ordinary profit ¥ 43.8 B (+22%)

■ Management Accounting : Operating profit ¥ 49.1 B (-2%)

Segment : Sales Division ¥ 25.9 B (+49%), GIB Division^(*) ¥ 7.8 B (-26%), GM Division^(**) ¥ 15.1 B (-32%)

Compared to last fiscal year, with restricted sales activities due to COVID-19, Sales Division led the revenue by increase in sales of products and building up of stock earnings. FIST decreased in comparison with the active market environment last year, and quieter overseas primary market of bonds led to decrease in profit as a whole.

【FY2021 2Q】

■ Consolidated Financial Statement : Net operating revenue ¥ 90.0 B (+2% Q on Q), SG&A ¥ 69.2 B (+0%), Ordinary profit ¥ 22.9 B (+10%)

■ Management Accounting : Operating profit ¥ 25.5 B (+8%)

Segment : Sales Division ¥ 12.5 B (-6%), GIB Division ¥ 4.0 B (+7%), GM Division ¥ 8.6 B (+34%)

Due to observation of scaling down quantitative easing in the U.S., and credit risk concerns regarding Chinese major real estate company, domestic market was in adjustment phase. Sales Division decreased compared to last quarter, but GM Division gained profit by increase in equity flows which led to an increase in profit overall.

Consolidated Financial Statement

| | Quarterly | | | Full year | | |
|------------------------------|-----------|-------------|--------|-----------|--------------|--------|
| | 1Q | 2Q | Q on Q | FY2020 1H | FY2021 1H | Y on Y |
| (Billions of Yen) | | | | | | |
| Net operating revenue | 88.2 | 90.0 | +2% | 162.8 | 178.3 | +9% |
| SG&A | 68.9 | 69.2 | +0% | 130.5 | 138.2 | +6% |
| Operating profit / loss | 19.2 | 20.7 | +8% | 32.3 | 40.0 | +24% |
| Ordinary profit / loss | 20.8 | 22.9 | +10% | 35.9 | 43.8 | +22% |
| profit / loss ^(*) | 14.6 | 17.8 | +22% | 28.2 | 32.5 | +15% |

Management Accounting

| | Quarterly | | | Full year | | |
|--------------------------------|-----------|-------------|--------|-----------|-------------|--------|
| | 1Q | 2Q | Q on Q | FY2020 1H | FY2021 1H | Y on Y |
| Billions of Yen | | | | | | |
| Operating profit / loss | 23.6 | 25.5 | +8% | 50.3 | 49.1 | -2% |
| <Office> | | | | | | |
| SMBC Nikko | 18.1 | 19.7 | +9% | 29.2 | 37.8 | +30% |
| Overseas Offices | 5.4 | 5.8 | +6% | 21.1 | 11.3 | -46% |
| <Segment> | | | | | | |
| Sales Division | 13.3 | 12.5 | -6% | 17.4 | 25.9 | +49% |
| GIB Division | 3.8 | 4.0 | +7% | 10.7 | 7.8 | -26% |
| GM Division | 6.4 | 8.6 | +34% | 22.3 | 15.1 | -32% |

Consolidated Statements of Income

| (Billions of Yen) | Quarterly | | | Full year | | |
|---|-----------|-------------|--------|-----------|--------------|--------|
| | 1Q | 2Q | Q on Q | FY2020 1H | FY2021 1H | Y on Y |
| Net operating revenue | 88.2 | 90.0 | +2% | 162.8 | 178.3 | +9% |
| Equity brokerage commissions | 10.9 | 11.3 | +4% | 22.1 | 22.3 | +1% |
| Subscription commissions on investment trusts | 13.1 | 11.1 | -15% | 20.6 | 24.3 | +18% |
| Fund wrap fee and agency commissions on investment trusts | 17.0 | 18.0 | +6% | 26.6 | 35.0 | +32% |
| Underwriting commissions | 9.5 | 11.0 | +16% | 17.5 | 20.5 | +17% |
| Other commissions | 6.3 | 7.4 | +17% | 11.2 | 13.8 | +23% |
| Net trading income | 30.8 | 27.8 | -9% | 60.1 | 58.7 | -2% |
| Net financial income | 0.2 | 3.0 | 10.7x | 4.1 | 3.3 | -20% |
| Net sales(*) | 0.1 | 0.0 | -68% | 0.2 | 0.1 | -47% |
| SG&A | 68.9 | 69.2 | +0% | 130.5 | 138.2 | +6% |
| Trading related expenses | 8.1 | 8.5 | +5% | 14.4 | 16.6 | +16% |
| Personnel expenses | 32.4 | 33.4 | +3% | 64.1 | 65.9 | +3% |
| Real estate expenses | 6.1 | 5.9 | -2% | 12.9 | 12.0 | -7% |
| Office cost | 8.1 | 8.4 | +3% | 14.9 | 16.6 | +11% |
| Depreciation and amortization | 6.0 | 7.1 | +17% | 11.5 | 13.1 | +14% |
| Other | 8.0 | 5.7 | -28% | 12.3 | 13.7 | +11% |
| Operating profit / loss | 19.2 | 20.7 | +8% | 32.3 | 40.0 | +24% |
| Ordinary profit / loss | 20.8 | 22.9 | +10% | 35.9 | 43.8 | +22% |
| SG&A / Net operating revenue | 78% | 77% | -1 pt | 80% | 78% | -3 pt |

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

Consolidated Balance Sheets

| (Billions of Yen) | Mar.21 | | Sep.21 | | |
|------------------------------|-----------------|-----------------|--|---------------------------------|-----------------|
| | Mar.21 | Sep.21 | Mar.21 | Sep.21 | |
| Current assets | 13,028.6 | 13,160.4 | Current liabilities | 11,838.1 11,921.3 | |
| Trading products | 3,258.7 | 4,189.1 | Trading products | 2,565.9 | 2,862.0 |
| Loans secured by securities | 7,081.1 | 6,292.8 | Loans payable secured by securities | 6,002.5 | 5,516.5 |
| Other current assets | 2,688.8 | 2,678.4 | Short-term loans payable / Commercial papers | 1,854.4 | 1,984.4 |
| | | | Other current liabilities | 1,415.2 | 1,558.2 |
| Noncurrent assets | 320.8 | 342.7 | Noncurrent liabilities / Reserves under the special | 594.0 | 656.3 |
| Tangible assets | 32.1 | 30.5 | | | |
| Intangible assets | 73.6 | 76.7 | Total liabilities | 12,432.2 | 12,577.6 |
| Investments and other assets | 215.0 | 235.4 | Total net assets | 917.2 | 925.5 |
| Total assets | 13,349.4 | 13,503.1 | Total liabilities and net assets | 13,349.4 | 13,503.1 |

Capital Adequacy Ratio 【Non-consolidated】

| (Billions of Yen) | Mar.21 | Sep.21 |
|-------------------------------|---------------|---------------|
| Basic items | 824.9 | 825.0 |
| Supplementary items | 45.8 | 48.0 |
| Deductible assets | 207.9 | 223.0 |
| Net capital | 662.8 | 650.1 |
| Risk total | 222.0 | 230.6 |
| (Market Risk) | 68.3 | 84.5 |
| (Counterparty Risk) | 71.5 | 67.8 |
| (Basic Risk) | 82.0 | 78.3 |
| Capital Adequacy Ratio | 298.5% | 281.8% |

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

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

Sales Division_1

Summary

【FY2021 1H】

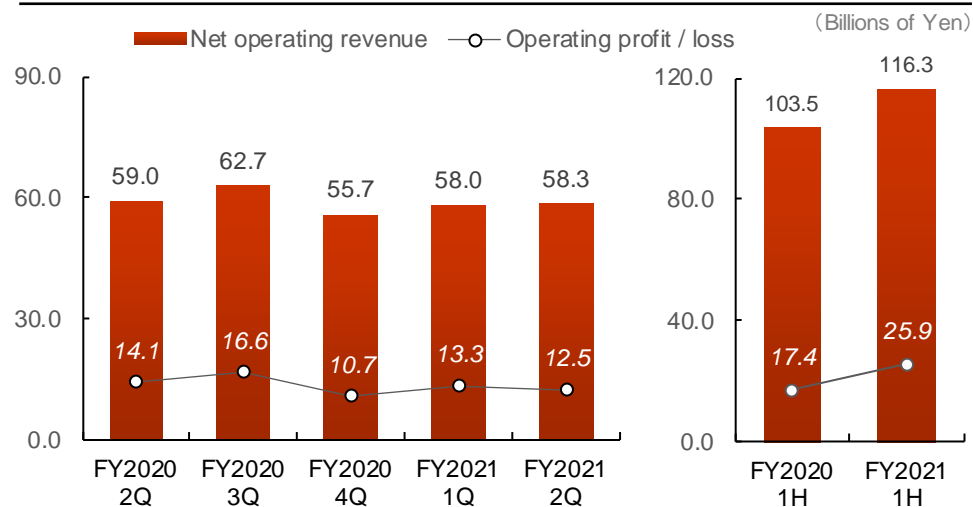
- Net operating revenue ¥ 116.3 B (+12% Y on Y) Operating profit ¥ 25.9 B (+49%)
Sales of bonds recovered from last fiscal year which led to increase in net operating revenue. Due to thorough fiduciary duty asset management in client assets steadily increased.

【FY2021 2Q】

- Net operating revenue ¥ 58.3 B (+1% Q on Q) Operating profit ¥ 12.5 B (-6%)
Although transaction volume of foreign equities decreased, sales of public offering and bonds increased, leading to flat range in revenue. Net inflow of assets recovered from last quarter.

【Management Accounting】

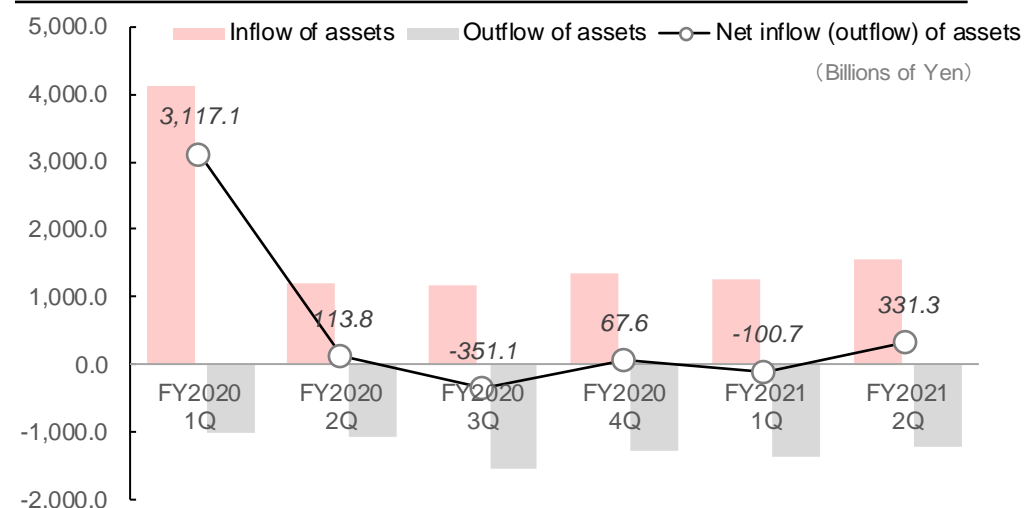
Net operating revenue · Operating profit trend



Sales of Products (Sales Division)

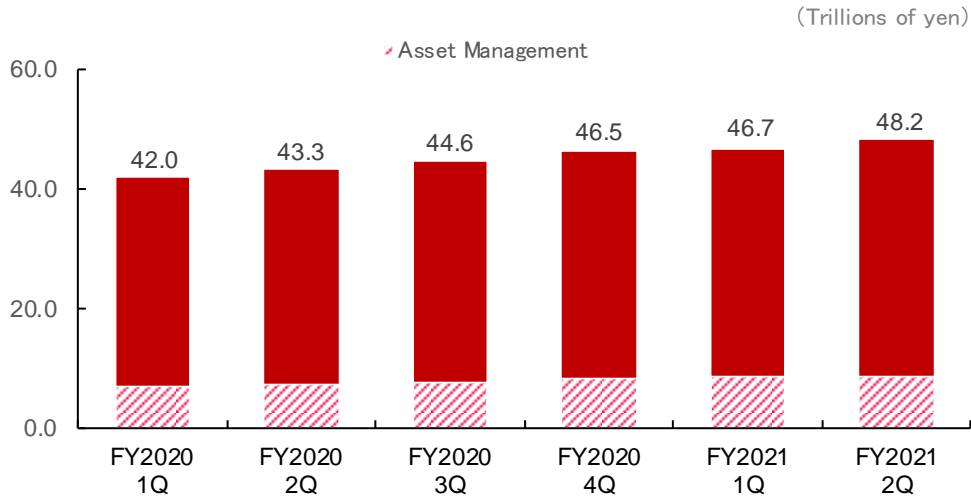
| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Public offering | 177.1 | 148.7 | 31.6 | 18.6 | 75.8 | 177.4 | 94.5 |
| Bonds | 442.5 | 562.0 | 663.3 | 603.2 | 630.2 | 687.4 | 1,233.4 |
| Equity investment trusts | 573.8 | 630.8 | 554.9 | 552.8 | 501.3 | 903.1 | 1,054.1 |
| Total | 1,193.4 | 1,341.5 | 1,249.8 | 1,174.6 | 1,207.3 | 1,768.0 | 2,381.9 |

Net Inflow of Assets (Sales Division)

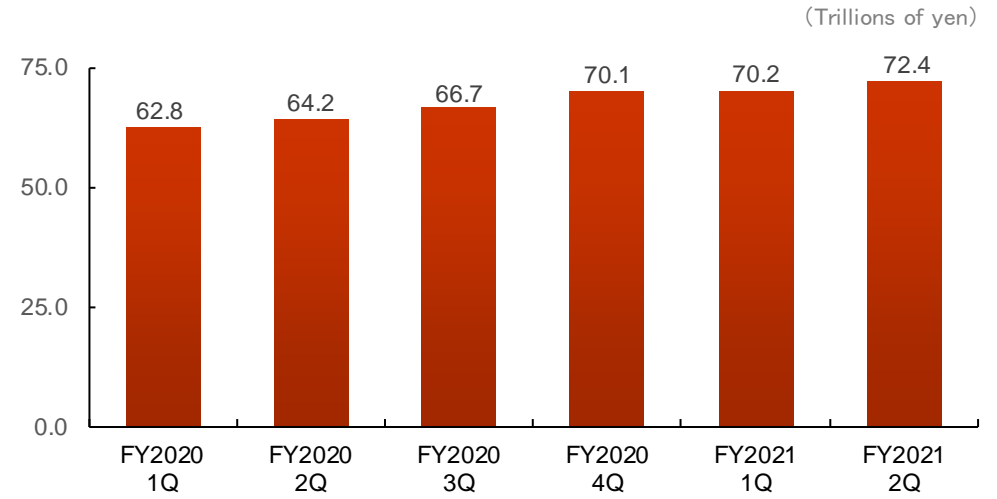


Sales Division_2

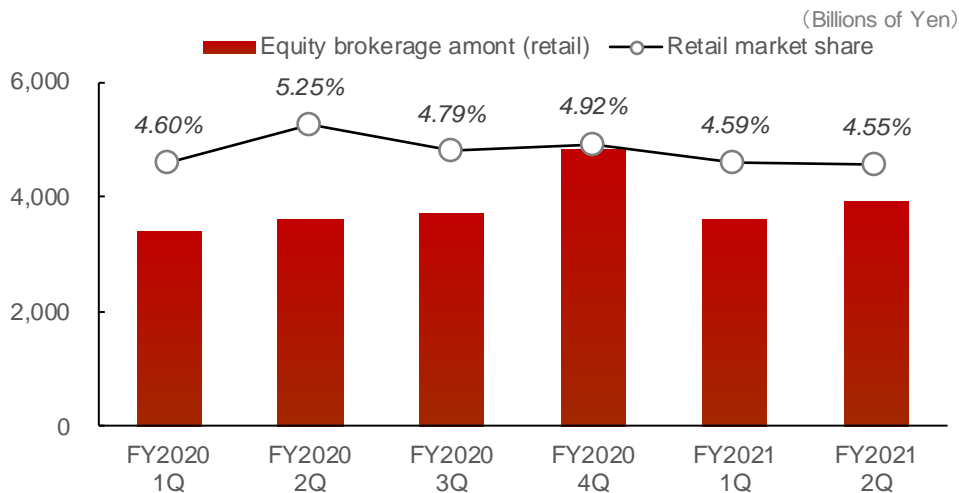
Client Assets (Sales Division)



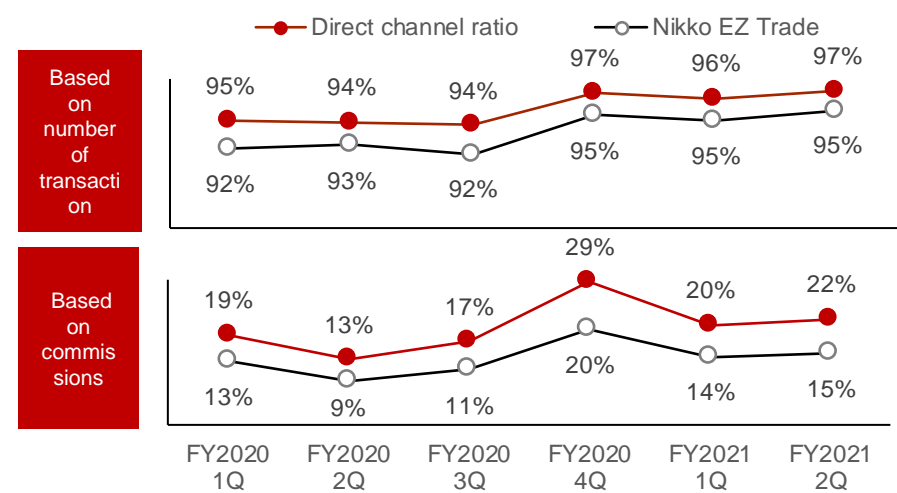
【Reference】 Client Assets (Sales Division)



Retail market share(*1)



Direct channel ratio(*2)



(*1) Total of 1st and 2nd sections of Tokyo and Nagoya stock exchanges

(*2) Percentage of transactions via non-face-to-face channels in equities & CBs (brokerage & subscription) with individual clients

Global Investment Banking Division_1

Summary

【FY2021 1H】

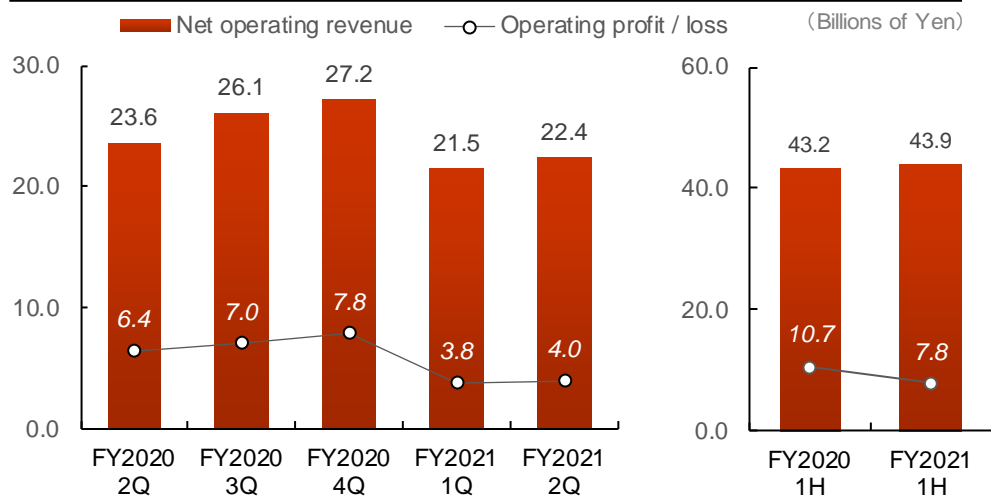
- Net operating revenue ¥ 43.9 B (+2% Y on Y) Operating profit ¥ 7.8 B (-26%)
Compared to low activity in domestic primary market due to COVID-19, revenue increased, however in overseas offices DCM decreased, leading to a slight increase as a whole. Profit decreased due to higher expenses related to business expansion in overseas offices.

【FY2021 2Q】

- Net operating revenue ¥ 22.4 B (+4% Q on Q) Operating profit ¥ 4.0 B (+7%)
In Japan ECM, for overseas offices DCM contributed to the slight increase in revenue and profit.

【Management Accounting】

Net operating revenue · Operating profit trend



【Consolidated】 Underwriting commissions, M&A fee

| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|--------------------------|--------|-------|-------|--------|-------|--------|--------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Underwriting commissions | 13.1 | 14.0 | 8.0 | 9.5 | 11.0 | 17.5 | 20.5 |
| (Equities) | (6.5) | (7.5) | (3.4) | (2.0) | (5.8) | (6.6) | (7.8) |
| (Bonds) | (6.3) | (6.4) | (4.3) | (6.7) | (5.0) | (10.5) | (11.7) |
| M&A fee | 1.8 | 5.1 | 3.5 | 1.9 | 2.8 | 3.6 | 4.8 |

SDGs finance

We are working proactively in promoting sustainable finance.

- Structuring Agent^(*) of domestic SDGs industrial bonds^(**) : 1st place
- Supporting SA of electric power company's green bonds
 - Issuance support of Chubu Electric Power Company's green bond achieving 9 times the application rate
 - Issuance support of TEPCO Renewable Power's green bond achieving 6 times the application rate
- Our first SA deal of railway company's SDGs bond
 - Issuance support of Keihan Holdings' sustainability bond, achieving 41 investment statements which is the largest amount for a railway company

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 | Nomura | 443.8 | 1 | Mizuho | 2,515.1 |
| 2 | Daiwa | 384.4 | 2 | Mitsubishi UFJ Morgan Stanley | 2,324.7 |
| 3 | Mitsubishi UFJ Morgan Stanley | 340.9 | 3 | Nomura | 2,247.3 |
| 4 | Mizuho | 258.3 | 4 | Daiwa | 2,204.1 |
| 5 | SMBC Nikko | 235.1 | 5 | SMBC Nikko | 2,029.6 |

| IPO ^{(*)3} | | | | | |
|---------------------|---------------------------------|-------------------------|------|---------------------------------|-----------|
| Rank | Underwriting | Amount (bill of yen) | Rank | Lead Manager | No. Deals |
| 1 | Nomura | 87.2 | 1 | Nomura | 15 |
| 2 | Sumitomo Mitsui Financial Group | 57.6 | 1 | Mizuho Financial Group | 15 |
| 3 | Mizuho Financial Group | 44.4 | 3 | Sumitomo Mitsui Financial Group | 9 |
| 4 | Morgan Stanley | 39.3 | 3 | SBI | 9 |
| 5 | Daiwa | 22.6 | 5 | Daiwa | 5 |

| Financial Advisory ^{(*)4} | | | | | |
|------------------------------------|---------------------------------|----------------------------|------|---------------------------------|-----------|
| Rank | Advisor | Deal size (bill of yen) | Rank | Advisor | No. Deals |
| 1 | Morgan Stanley | 4,508.1 | 1 | Sumitomo Mitsui Financial Group | 61 |
| 2 | Goldman Sachs | 3,893.3 | 2 | Mizuho Financial Group | 51 |
| 3 | BofA Securities | 3,324.4 | 3 | Nomura | 45 |
| 4 | J.P. Morgan | 1,702.9 | 4 | KPMG | 38 |
| 8 | Sumitomo Mitsui Financial Group | 1,006.2 | 5 | Deloitte | 34 |

Main deals

| ECM | |
|--|--|
| • West Japan Railway Company (global FO) | • Simplex Holdings (global IPO) |
| • Safie (IPO) | • Appier Group (global offering) |
| • CRE Logistics REIT (FO) | • ROUND ONE (global FO) |
| DCM | |
| • SoftBank Group (subordinated bonds) | • Meiji Yasuda Life (subordinated bond) |
| • TEPCO Power Grid | • Mitsubishi Corporation (subordinated bond) |
| • Mitsubishi Heavy industries (green bond) | • Nippon Yusen (transition bond) |
| M&A | |
| • Acquisition of Meiji Seika Pharma's agrochemicals business by Mitsui Chemicals Agro, a wholly owned subsidiary of Mitsui Chemicals | |
| • Acquisition of CastleRock Communities by wholly owned subsidiary of Daiwa House USA Holdings | |
| • A share exchange between Kobelco Eco-Solutions and Kobe Steel, in order to make Kobelco Eco-Solutions a wholly-owned subsidiary | |
| • Acquisition of JTB Benefit Service by Benefit One | |

Market Share

| | FY2020 | | | FY2021 | |
|---------------------|--------|-------|-------|--------|-------|
| | 2Q | 3Q | 4Q | 1Q | 2Q |
| ECM ^{(*)1} | 14.5% | 15.1% | 15.2% | 6.9% | 10.4% |
| DCM ^{(*)2} | 18.0% | 18.3% | 18.3% | 16.6% | 16.7% |
| M&A ^{(*)4} | 15.6% | 14.6% | 13.5% | 7.6% | 7.7% |

(*)1 Source: prepared by SMBC Nikko based on the information published by REFINITIV (including oversea entities)

(*)2 Source: prepared by SMBC Nikko based on the information published by REFINITIV (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 REFINITIV

(*)4 Source: REFINITIV, M&A announced deals with any Japanese involvement

(*)5 Deals in overseas offices (issuers located outside of Japan)

Global Markets Division

Summary

【FY2021 1H】

- Net operating revenue ¥ 43.0 B (-11% Y on Y) Operating profit ¥ 15.1 B (-32%)
Decrease in credit business led to a fall in revenue compared to last fiscal year.

【FY2021 2Q】

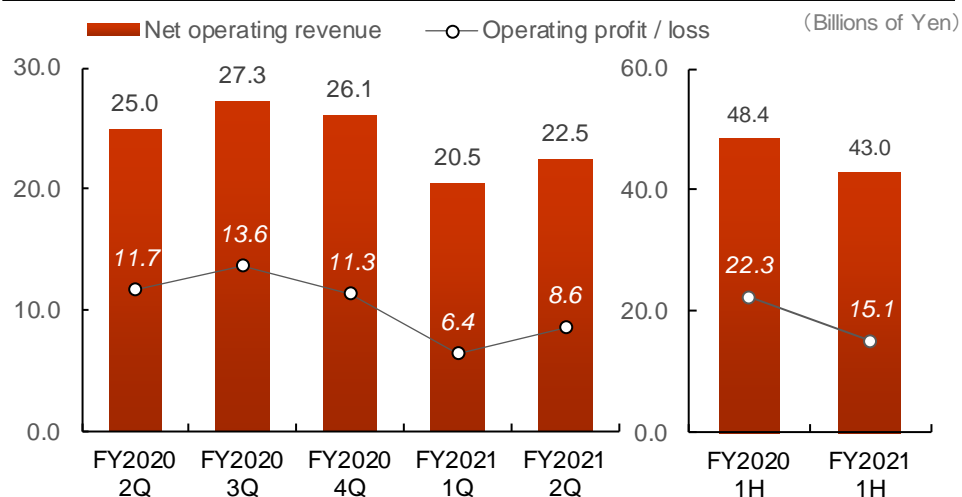
- Net operating revenue ¥ 22.5 B (+10% Q on Q) Operating profit ¥ 8.6 B (+34%)
Although US equity related customer flow increased the EST revenue, due to difficulty in capturing customer flow, FIST revenue decreased. Revenue in primary sales rose in both EST and FIST.

【Consolidated】 Net Trading Income (adjusted Net Financial Income) ^{(*)1}

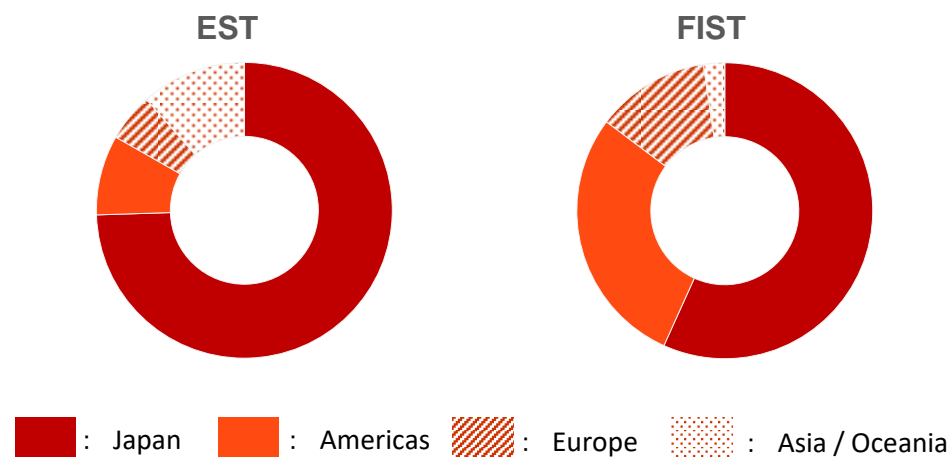
| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Equities, etc. ^{(*)2} | 21.4 | 21.6 | 19.3 | 17.1 | 18.5 | 36.3 | 35.7 |
| (dividend, etc) | (3.7) | (1.5) | (3.4) | (1.9) | (4.8) | (5.2) | (6.7) |
| Bonds, others ^{(*)3} | 13.9 | 15.2 | 12.3 | 14.1 | 12.8 | 27.4 | 27.0 |
| (interest) | (-1.1) | (-1.6) | (-1.7) | (-1.4) | (-1.2) | (-1.6) | (-2.7) |
| Total ^{(*)4} | 35.4 | 36.9 | 31.7 | 31.3 | 31.4 | 63.7 | 62.7 |

【Management Accounting】

Net operating revenue · Operating profit trend



Revenue ratio by region (FY2021 1H)



Overseas Network

SMBC Nikko Capital Markets

- Japanese equity and fixed-income sales and trading
- Equity and bond underwriting
- M&A advisory
- IR arrangements
- Swap-related business

SMBC Nikko Capital Markets Europe GmbH

- Japanese equity and fixed-income sales and trading
- Equity and bond underwriting
- IR arrangements
- Swap-related business

SMBC Nikko Capital Markets Europe GmbH (Paris Branch)

- Coverage of bond underwriting

SMBC Nikko Capital Markets (ADGM Branch)

- Coverage of bond underwriting

SMBC Nikko Securities (Singapore)

- Japanese equity and fixed-income sales and trading
- Coverage of bond underwriting
- M&A advisory
- Private wealth business
- IR arrangements

SMBC Nikko Bank (Luxembourg)

- Fund custody
- Fund administration

SMBC Nikko Investment Fund Management Company

- Fund management

SMBC Nikko Securities Inc., Beijing Representative Office

- Liaise with Chinese authority, local financial institutions and firms
- Conduct research on the Chinese market and local registrations

SMBC Nikko Investment Consulting(Shanghai)

- M&A advisory-related services

SMBC Nikko Securities Canada

- Bond underwriting (Passive*)
* underwriting without mandatory sales responsibility

SMBC Nikko Securities America

- Japanese equity and fixed-income sales and trading
- US equity research and brokerage
- Equity and bond underwriting
- Structured finance
- M&A advisory
- IR arrangements

SMBC Nikko Securities America (San Francisco Branch)

- Japanese equity sales and trading
- US equity research and brokerage
- IR arrangements

SMBC Nikko Securities (Hong Kong)

- Japanese equity and fixed-income sales and trading
- Bond underwriting
- M&A advisory
- IR arrangements

SMBC Nikko Securities (Hong Kong) (Sydney Office)

- Coverage of bond underwriting

Nikko Securities Indonesia

- Indonesian equity brokerage
- Equity and bond underwriting
- M&A advisory
- Market entry consulting for Japanese companies
- Asset management business

Business Partners (Asia)

KB Securities (Seoul)

- Alliance in M&A advisory, DCM and IPO business

First Metro Securities (Manila)

- Alliance in M&A advisory and DCM business

Petro Vietnam Securities (Hanoi)

- Market entry consulting for Japanese companies in Vietnam

Phatra Securities (Bangkok)

- Alliance in M&A advisory and DCM/ECM business

Kotak Mahindra Capital Company (Mumbai)

- Alliance in M&A advisory

Business Partners (Americas)

Citigroup (New York)

- Collaboration in various business worldwide

Jefferies Group LLC (New York)

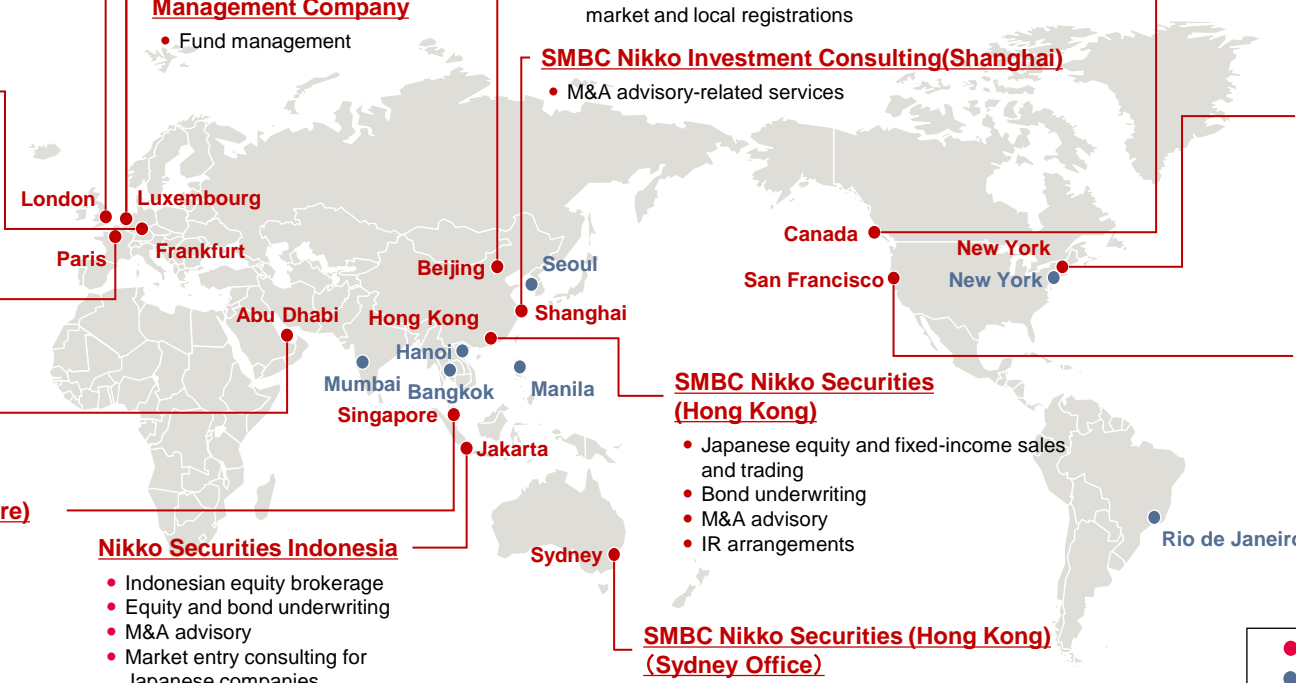
- Strategic alliance in corporate and investment banking business

Moelis & Company (New York)

- Alliance in M&A advisory

BTG Pactual (Rio de Janeiro)

- Alliance in M&A advisory



| | |
|---|-----------------------------|
| ● | SMBC Nikko Group Company |
| ● | SMBC Nikko Business Partner |

Main topics of FY2021 1H

Agreement in considering enhancing asset management service based on “long term, diversification, accumulation” in collaboration with NTT docomo and Money Design

- In July, SMBC Nikko, NTT docomo and Money Design have enhanced its individual collaboration “Point investment”, “THEO^{(*)1}+docomo”, “Nikko froggy+docomo” and agreed to consider providing asset management service based on “long term, diversification, accumulation”. This service will be made by combining each of its highly competitive business basis and knowledge to adjust to changes in life and social environment.
- As a part of this project, functions of “THEO+docomo” has been expanded, and “THEO GREEN”, which can invest in portfolio consisting of ESG related ETFs, has started in September.



System development of digitization procedures with Fujitsu

- In September, with our new developed system with Fujitsu, paper work regarding our individual customers can be now completed inside an iPad.
- Confirmation documents regarding transactions will be online, filling in application documents, stamping seals, sending posts will be unnecessary, which will shorten the procedures and reduce the effort. We will continue to strive to improve user-friendliness and digitization to promote paperless.

Strategic Alliance with Jefferies

- SMFG, SMBC and SMBC Nikko have entered into a strategic alliance with Jefferies, to collaborate on future corporate and investment banking business opportunities.
- Jefferies is the largest independent investment banking firm headquartered in the U.S. strong in M&A and IB^{(*)2} business such as ECM. Also owns strong coverage in healthcare, TMT^{(*)3} and industrial sectors.
- Through the strategic alliance, we will enhance each firm’s ability to support its clients’ needs in specifically 3 areas shown below.

| Alliance | Overview |
|---------------------------|---|
| U.S. Sub-Investment Grade | Co-work in the U.S. leveraged finance business to expand and scale our existing capacity across the Sub-IG client segment |
| Global M&A | Work together to jointly seek cross-border M&A opportunities involving Japanese companies |
| U.S. Healthcare Sector | Jointly pursue investment banking, capital markets and financing opportunities in the U.S. healthcare sector |

Establishment of Chief Investment Office and first issue of “CIO’s View”

- Chief Investment Office (CIO) which supports our customers’ asset management started its business in April.
- CIO provides forecasts of global financial market, investment strategy, information on asset management from a neutral position and practical portfolio strategies.
- In July, we issued our first “CIO’s View”, a quarterly magazine, and in October our Autumn issue has been published. We hope this will be useful for your midterm asset building.



Reference Data



Consolidated Business Results (Quarterly Trend)

| (Millions of yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|--|---------|---------|---------|--------|--------|---------|---------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Operating revenue | 109,963 | 130,785 | 110,688 | 92,596 | 94,603 | 205,682 | 187,200 |
| Commissions received | 57,616 | 66,579 | 59,152 | 57,082 | 59,056 | 98,295 | 116,139 |
| Commissions to consignees | 11,850 | 13,842 | 14,046 | 11,265 | 11,817 | 23,705 | 23,083 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 13,137 | 14,060 | 8,087 | 9,500 | 11,002 | 17,531 | 20,503 |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 13,944 | 15,459 | 13,368 | 13,492 | 11,628 | 21,494 | 25,121 |
| Other fees received | 18,683 | 23,216 | 23,649 | 22,823 | 24,608 | 35,563 | 47,431 |
| Net trading income | 32,779 | 37,068 | 30,028 | 30,805 | 27,895 | 60,161 | 58,701 |
| Equities | 17,670 | 20,192 | 15,863 | 15,235 | 13,707 | 31,014 | 28,943 |
| Bonds / Others | 15,108 | 16,876 | 14,165 | 15,570 | 14,187 | 29,147 | 29,757 |
| Financial revenue | 17,750 | 25,263 | 19,783 | 3,097 | 6,022 | 43,422 | 9,120 |
| Other sales | 1,817 | 1,873 | 1,722 | 1,610 | 1,628 | 3,803 | 3,238 |
| Financial expenses | 14,817 | 24,779 | 18,168 | 2,810 | 2,971 | 39,251 | 5,782 |
| Cost of other sales | 1,683 | 1,778 | 1,699 | 1,505 | 1,595 | 3,542 | 3,101 |
| Net operating revenue | 93,462 | 104,227 | 90,820 | 88,279 | 90,037 | 162,888 | 178,316 |
| SG&A | 68,045 | 72,045 | 70,867 | 68,987 | 69,259 | 130,503 | 138,247 |
| Operating profit / loss | 25,416 | 32,181 | 19,952 | 19,292 | 20,777 | 32,384 | 40,069 |
| Ordinary profit / loss | 28,368 | 32,717 | 22,123 | 20,867 | 22,970 | 35,911 | 43,838 |
| Extraordinary income / loss | 129 | 7,463 | -1,100 | -873 | 12 | 1,789 | -860 |
| Profit before income taxes | 28,498 | 40,180 | 21,023 | 19,994 | 22,983 | 37,700 | 42,978 |
| Income taxes | 6,791 | 12,888 | 4,731 | 5,260 | 5,168 | 9,455 | 10,428 |
| Profit / loss | 21,706 | 27,292 | 16,292 | 14,734 | 17,815 | 28,245 | 32,549 |
| Profit attributable to owners of parent | 21,744 | 27,293 | 16,229 | 14,697 | 17,862 | 28,217 | 32,559 |

Non-consolidated Business Results (Quarterly Trend)

| (Millions of yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|--|---------|---------|---------|--------|--------|---------|---------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Operating revenue | 104,874 | 125,407 | 104,004 | 87,226 | 89,302 | 195,049 | 176,529 |
| Commissions received | 54,422 | 63,185 | 54,492 | 53,536 | 55,748 | 91,779 | 109,284 |
| Commissions to consignees | 11,197 | 13,249 | 13,198 | 10,807 | 11,277 | 22,377 | 22,085 |
| Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors | 12,689 | 13,257 | 6,738 | 8,318 | 10,588 | 16,156 | 18,907 |
| Fee for offering, secondary distribution and solicitation for selling and others for professional investors | 13,355 | 15,133 | 13,007 | 13,359 | 11,283 | 20,823 | 24,642 |
| Other fees received | 17,179 | 21,544 | 21,548 | 21,051 | 22,598 | 32,422 | 43,649 |
| Net trading income | 32,747 | 36,986 | 29,761 | 30,604 | 27,550 | 59,974 | 58,154 |
| Equities | 17,638 | 20,110 | 15,596 | 15,033 | 13,362 | 30,827 | 28,396 |
| Bonds / Others | 15,108 | 16,876 | 14,165 | 15,570 | 14,187 | 29,147 | 29,757 |
| Financial revenue | 17,705 | 25,235 | 19,751 | 3,086 | 6,004 | 43,295 | 9,090 |
| Financial expenses | 14,779 | 24,750 | 18,134 | 2,773 | 2,917 | 39,180 | 5,691 |
| Net operating revenue | 90,095 | 100,656 | 85,870 | 84,453 | 86,385 | 155,869 | 170,838 |
| SG&A | 66,156 | 69,372 | 66,786 | 66,291 | 66,669 | 126,665 | 132,960 |
| Operating profit / loss | 23,938 | 31,284 | 19,083 | 18,161 | 19,716 | 29,203 | 37,878 |
| Ordinary profit / loss | 24,844 | 31,188 | 20,213 | 18,993 | 20,653 | 30,518 | 39,646 |
| Extraordinary income / loss | 138 | 7,362 | -1,012 | -797 | -768 | 8,642 | -1,566 |
| Profit before income taxes | 24,983 | 38,551 | 19,200 | 18,196 | 19,884 | 39,161 | 38,080 |
| Income taxes | 6,315 | 12,544 | 4,689 | 4,859 | 4,760 | 8,660 | 9,620 |
| Profit / loss | 18,667 | 26,007 | 14,510 | 13,336 | 15,124 | 30,501 | 28,460 |

Segment performance trends / Profit of Overseas Offices

Segment performance trends (Net operating revenue)

| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|------------------------------|--------|------|------|--------|------|--------|--------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Sales Division | 59.0 | 62.7 | 55.7 | 58.0 | 58.3 | 103.5 | 116.3 |
| GIB Division ^(*1) | 23.6 | 26.1 | 27.2 | 21.5 | 22.4 | 43.2 | 43.9 |
| GM Division ^(*2) | 25.0 | 27.3 | 26.1 | 20.5 | 22.5 | 48.4 | 43.0 |

Segment performance trends (Operating profit)

| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|-------------------|--------|------|------|--------|------|--------|--------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Sales Division | 14.1 | 16.6 | 10.7 | 13.3 | 12.5 | 17.4 | 25.9 |
| GIB Division | 6.4 | 7.0 | 7.8 | 3.8 | 4.0 | 10.7 | 7.8 |
| GMDivision | 11.7 | 13.6 | 11.3 | 6.4 | 8.6 | 22.3 | 15.1 |

Profit of Overseas Offices (Operating profit)

| (Billions of Yen) | FY2020 | | | FY2021 | | FY2020 | FY2021 |
|-------------------|--------|-----|------|--------|-----|--------|--------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 1H | 1H |
| Americas | 7.4 | 3.3 | 8.4 | 5.1 | 5.2 | 18.5 | 10.3 |
| Europe | 0.1 | 1.8 | 1.2 | 0.3 | 0.0 | 1.7 | 0.3 |
| Asia / Oceania | 0.6 | 0.3 | 0.5 | 0.0 | 0.5 | 0.8 | 0.6 |
| Total | 8.3 | 5.5 | 10.2 | 5.4 | 5.8 | 21.1 | 11.3 |

Operational Indicators -1

Client Assets [Non-consolidated]

| (Trillions of yen) | FY2019 | | | FY2020 | | | FY2021 | | |
|--------------------|--------|------|------|--------|------|------|--------|------|------|
| | Sep. | Dec. | Mar. | Jun. | Sep. | Dec. | Mar. | Jun. | Sep. |
| Equity | 31.7 | 33.5 | 27.7 | 31.1 | 32.5 | 34.8 | 37.6 | 37.4 | 39.4 |
| Bond | 17.5 | 17.3 | 17.0 | 21.0 | 20.7 | 20.4 | 20.5 | 20.3 | 20.5 |
| Investment trust | 10.5 | 10.9 | 9.4 | 10.1 | 10.4 | 10.9 | 11.3 | 11.6 | 11.8 |
| Others | 0.5 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.8 | 0.8 |
| Client assets | 60.1 | 62.3 | 54.8 | 62.8 | 64.2 | 66.7 | 70.1 | 70.2 | 72.4 |

Equity brokerage amount · Equity brokerage commissions · TSE Share ^(*) [Non-consolidated]

| (Billions of yen) | FY2019 | | | FY2020 | | | | FY2021 | |
|---|---------|---------|----------|----------|---------|----------|----------|----------|----------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Equity brokerage amount ^(**) | 8,469.6 | 9,865.9 | 10,620.2 | 10,230.3 | 9,615.8 | 11,700.2 | 13,786.6 | 11,556.9 | 12,457.6 |
| Equity brokerage commissions ^(***) | 7.7 | 9.5 | 10.9 | 10.8 | 11.3 | 13.2 | 13.6 | 10.9 | 11.3 |
| Equity commissions rate | 8.4bp | 9.0bp | 9.5bp | 10.0bp | 11.2bp | 10.9bp | 8.8bp | 8.8bp | 8.3bp |
| TSE share (%) | 2.51% | 2.76% | 2.47% | 2.54% | 2.54% | 2.74% | 2.90% | 2.75% | 2.78% |

(*) "Equity brokerage amount" and "Equity commissions rate" in the table represent the total of cash and margin transactions.

(**) Total of all stock exchanges

(***) on a consolidated basis

Operational Indicators -2

Sales of Products 【Non-consolidated】

| (Billions of yen) | FY2019 | | | FY2020 | | | | FY2021 | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q |
| Investment trusts | 689.3 | 682.4 | 719.0 | 460.4 | 693.0 | 794.4 | 701.6 | 669.3 | 615.9 |
| (Equity investment trusts) | (484.1) | (494.6) | (498.9) | (337.3) | (524.8) | (642.4) | (565.1) | (565.3) | (473.9) |
| (Foreign registered investment trusts) | (160.8) | (151.4) | (217.8) | (90.8) | (144.5) | (127.7) | (121.2) | (90.2) | (127.7) |
| Fund wrap | 61.4 | 93.6 | 58.7 | 26.2 | 43.1 | 77.9 | 63.3 | 82.7 | 58.0 |
| Foreign bonds (*) | 477.5 | 645.4 | 603.1 | 424.1 | 487.7 | 572.9 | 685.5 | 859.9 | 654.1 |
| (Foreign currency bonds) | (228.3) | (179.0) | (200.8) | (112.4) | (168.8) | (179.4) | (210.4) | (248.6) | (245.5) |
| Domestic bonds | 1,652.0 | 1,377.3 | 1,008.1 | 887.0 | 1,549.2 | 2,250.1 | 885.3 | 970.9 | 995.6 |
| (Retail target JGBs) | (289.4) | (271.6) | (324.8) | (1.7) | (71.0) | (165.6) | (149.3) | (84.2) | (56.3) |
| Public offering | 92.4 | 116.4 | 73.4 | 0.4 | 212.3 | 164.7 | 60.4 | 31.7 | 97.7 |
| Annuity / insurance | 30.7 | 29.9 | 18.3 | 6.1 | 15.2 | 22.5 | 16.3 | 19.5 | 21.1 |
| Total | 3,003.4 | 2,945.1 | 2,480.7 | 1,804.1 | 3,000.5 | 3,882.4 | 2,412.4 | 2,634.1 | 2,442.4 |

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

Operational Indicators -3

Number of Accounts [Non-consolidated]

| (Thousands of accounts) | FY2019 | | | FY2020 | | | | FY2021 | |
|--------------------------|--------|-------|-------|--------|-------|-------|-------|--------|-------|
| | Sep. | Dec. | Mar. | Jun. | Sep. | Dec. | Mar. | Jun. | Sep. |
| Total accounts | 3,449 | 3,455 | 3,453 | 3,489 | 3,541 | 3,558 | 3,551 | 3,533 | 3,708 |
| Cash management accounts | 2,949 | 2,959 | 2,974 | 3,007 | 3,051 | 3,082 | 3,099 | 3,159 | 3,184 |
| Newly opened accounts | 31 | 28 | 39 | 39 | 53 | 38 | 52 | 43 | 50 |

Number of Branches [Non-consolidated]

| | FY2019 | | | FY2020 | | | | FY2021 | |
|--------------------|--------|------|------|--------|------|------|------|--------|------|
| | Sep. | Dec. | Mar. | Jun. | Sep. | Dec. | Mar. | Jun. | Sep. |
| Number of branches | 143 | 144 | 141 | 141 | 140 | 140 | 129 | 129 | 118 |

Number of Employees

| | FY2019 | | | FY2020 | | | | FY2021 | |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Sep. | Dec. | Mar. | Jun. | Sep. | Dec. | Mar. | Jun. | Sep. |
| Number of employees | 11,917 | 11,742 | 11,484 | 11,833 | 11,804 | 11,712 | 11,241 | 11,547 | 11,390 |
| Number of employees in overseas offices | 791 | 795 | 802 | 814 | 779 | 805 | 816 | 724 | 741 |



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