

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

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SMBC Nikko Securities Inc.

January 28, 2022



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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	
Consolidated	SMBC Nikko Group (Consolidated)
Non-consolidated	
Non-consolidated	SMBC Nikko (Non-consolidated)
Management Accounting	
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 January 28, 2022 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 (January 28, 2022) 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 3Q Total】

- Consolidated Financial Statement : Net operating revenue ¥ 270.0 B (+1% Y on Y), SG&A ¥ 208.9 B (+3%), Ordinary profit ¥ 65.9 B (-4%)
- Management Accounting : Operating profit ¥ 71.5 B (-18%)  
Segment : Sales Division ¥ 37.9 B (+12%), GIB Division<sup>(\*)</sup> ¥ 12.6 B (-28%), GM Division<sup>(\*)</sup> ¥ 21.0 B (-41%)

Sales Division continued to build up stock earnings through portfolio proposals. Continuous concern towards credit risk of Chinese major real estate company and spread of Omicron variant decreased the revenue of FIST for both domestic and overseas offices. Higher expenses related to business expansion in overseas offices led the profit to decrease as a whole.

## 【FY2021 3Q】

- Consolidated Financial Statement : Net operating revenue ¥ 91.7 B (+2% Q on Q), SG&A ¥ 70.6 B (+2%), Ordinary profit ¥ 22.1 B (-4%)
- Management Accounting : Operating profit ¥ 22.3 B (-12%)  
Segment : Sales Division ¥ 12.0 B (-4%), GIB Division ¥ 4.8 B (+18%), GM Division ¥ 5.9 B (-31%)

As well as the decrease in customer flow, fluctuations in overseas market environment led to revenue decrease in GM Division. GIB Division increased its' revenue by acquisition of large underwriting deals. However higher expenses related to business expansion in overseas offices led to a decrease in profit.

## Consolidated Financial Statement

(Billions of Yen)	Quarterly			Full year		
	2Q	3Q	Q on Q	FY2020 3Q Total	FY2021 3Q Total	Y on Y
Net operating revenue	90.0	<b>91.7</b>	+2%	267.1	<b>270.0</b>	+1%
SG&A	69.2	<b>70.6</b>	+2%	202.5	<b>208.9</b>	+3%
Operating profit / loss	20.7	<b>21.0</b>	+1%	64.5	<b>61.1</b>	-5%
Ordinary profit / loss	22.9	<b>22.1</b>	-4%	68.6	<b>65.9</b>	-4%
profit / loss <sup>(*)</sup>	17.8	<b>15.2</b>	-14%	55.5	<b>47.8</b>	-14%

## Management Accounting

(Billions of Yen)	Quarterly			Full year		
	2Q	3Q	Q on Q	FY2020 3Q Total	FY2021 3Q Total	Y on Y
<b>Operating profit / loss</b>	25.5	<b>22.3</b>	-12%	87.2	<b>71.5</b>	-18%
<Office>						
SMBC Nikko	19.7	<b>20.1</b>	+2%	60.4	<b>58.0</b>	-4%
Overseas Offices	5.8	<b>2.1</b>	-63%	26.7	<b>13.4</b>	-50%
<Segment>						
Sales Division	12.5	<b>12.0</b>	-4%	34.0	<b>37.9</b>	+12%
GIB Division	4.0	<b>4.8</b>	+18%	17.7	<b>12.6</b>	-28%
GM Division	8.6	<b>5.9</b>	-31%	36.0	<b>21.0</b>	-41%

# Consolidated Statements of Income

(Billions of Yen)	Quarterly			Full year		
	2Q	3Q	Q on Q	FY2020 3Q Total	FY2021 3Q Total	Y on Y
<b>Net operating revenue</b>	90.0	<b>91.7</b>	+2%	267.1	<b>270.0</b>	+1%
Equity brokerage commissions	11.3	<b>10.8</b>	-4%	35.4	<b>33.2</b>	-6%
Subscription commissions on investment trusts	11.1	<b>10.8</b>	-3%	35.3	<b>35.1</b>	-1%
Fund wrap fee and agency commissions on investment trusts	18.0	<b>18.2</b>	+1%	41.4	<b>53.3</b>	+29%
Underwriting commissions	11.0	<b>13.0</b>	+19%	31.5	<b>33.5</b>	+6%
Other commissions	7.4	<b>8.2</b>	+10%	21.0	<b>22.1</b>	+5%
Net trading income	27.8	<b>29.9</b>	+7%	97.2	<b>88.6</b>	-9%
Net financial income	3.0	<b>0.4</b>	-84%	4.6	<b>3.8</b>	-18%
Net sales(*)	0.0	<b>0.0</b>	2.5X	0.3	<b>0.2</b>	-38%
<b>SG&amp;A</b>	69.2	<b>70.6</b>	+2%	202.5	<b>208.9</b>	+3%
Trading related expenses	8.5	<b>9.7</b>	+14%	23.3	<b>26.4</b>	+13%
Personnel expenses	33.4	<b>33.1</b>	-1%	100.4	<b>99.0</b>	-1%
Real estate expenses	5.9	<b>5.9</b>	-1%	19.3	<b>17.9</b>	-7%
Office cost	8.4	<b>8.3</b>	-1%	22.5	<b>24.9</b>	+11%
Depreciation and amortization	7.1	<b>6.3</b>	-10%	17.4	<b>19.5</b>	+12%
Other	5.7	<b>7.0</b>	+23%	19.3	<b>20.8</b>	+8%
<b>Operating profit / loss</b>	20.7	<b>21.0</b>	+1%	64.5	<b>61.1</b>	-5%
<b>Ordinary profit / loss</b>	22.9	<b>22.1</b>	-4%	68.6	<b>65.9</b>	-4%
<b>SG&amp;A / Net operating revenue</b>	77%	<b>77%</b>	+0 pt	76%	<b>77%</b>	+2 pt

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

## Consolidated Balance Sheets

(Billions of Yen)	Mar.21	Dec.21		Mar.21	Dec.21
<b>Current assets</b>	<b>13,028.6</b>	<b>12,935.3</b>	<b>Current liabilities</b>	<b>11,838.1</b>	<b>11,675.6</b>
Trading products	3,258.7	4,591.7	Trading products	2,565.9	3,156.7
Loans secured by securities	7,081.1	6,258.7	Loans payable secured by securities	6,002.5	5,662.1
Other current assets	2,688.8	2,084.8	Short-term loans payable / Commercial papers	1,854.4	1,365.2
			Other current liabilities	1,415.2	1,491.4
<b>Noncurrent assets</b>	<b>320.8</b>	<b>374.9</b>	<b>Noncurrent liabilities / Reserves under the special</b>	<b>594.0</b>	<b>693.8</b>
Tangible assets	32.1	30.0			
Intangible assets	73.6	78.1	<b>Total liabilities</b>	<b>12,432.2</b>	<b>12,369.4</b>
Investments and other assets	215.0	266.8	<b>Total net assets</b>	<b>917.2</b>	<b>940.8</b>
<b>Total assets</b>	<b>13,349.4</b>	<b>13,310.3</b>	<b>Total liabilities and net assets</b>	<b>13,349.4</b>	<b>13,310.3</b>

## Capital Adequacy Ratio 【Non-consolidated】

(Billions of Yen)	Mar.21	Dec.21
Basic items	824.9	838.6
Supplementary items	45.8	45.4
Deductible assets	207.9	250.0
<b>Net capital</b>	<b>662.8</b>	<b>634.1</b>
<b>Risk total</b>	<b>222.0</b>	<b>216.6</b>
(Market Risk)	(68.3)	(76.8)
(Counterparty Risk)	(71.5)	(64.4)
(Basic Risk)	(82.0)	(75.3)
<b>Capital Adequacy Ratio</b>	<b>298.5%</b>	<b>292.7%</b>

## Credit ratings on Long term<sup>(\*)</sup> 【Non-consolidated】

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

# Sales Division\_1

## Summary

### 【FY2021 3Q Total】

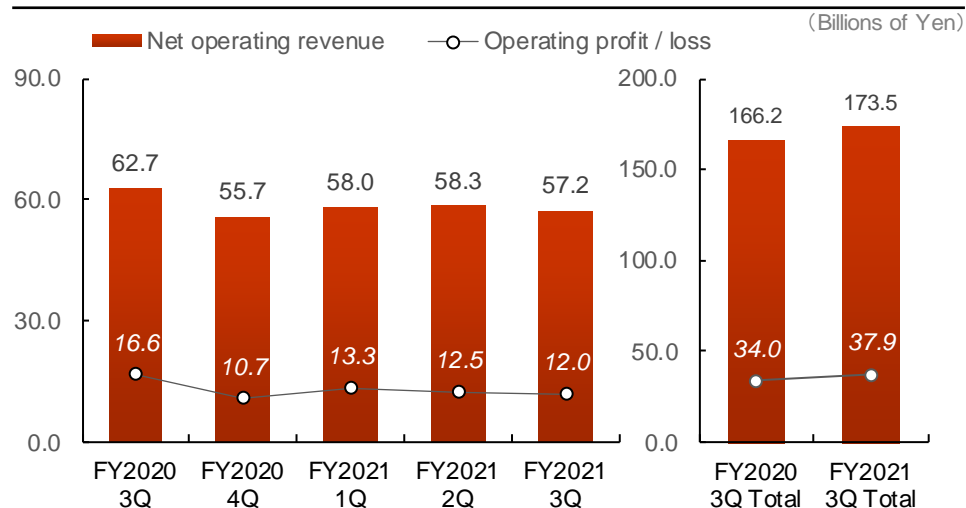
- Net operating revenue ¥ 173.5 B (+4% Y on Y) Operating profit ¥ 37.9 B (+12%)  
Due to favorable market environment, clients' intentions to purchase products were vigorous, leading to a continuous strong sales in equity investment trusts from last fiscal year. Thorough fiduciary duty asset management in client assets and stock earnings recorded a high level.

### 【FY2021 3Q】

- Net operating revenue ¥ 57.2 B (-2% Q on Q) Operating profit ¥ 12.0 B (-4%)  
Although transaction volume of bonds decreased, sales of public offering increased.  
Due to favorable market environment, sales of equity investment trusts are continuously strong.

## 【Management Accounting】

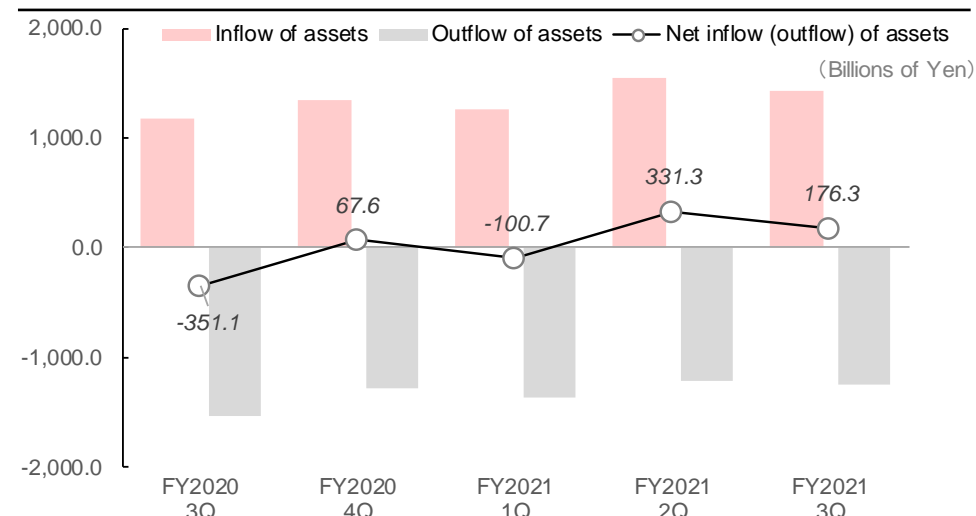
### Net operating revenue - Operating profit trend



## Sales of Products (Sales Division)

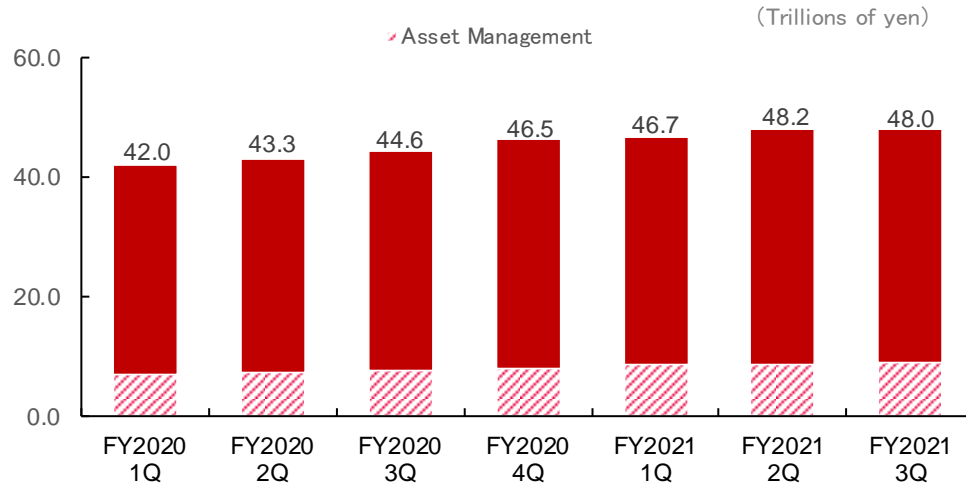
(Billions of Yen)	FY2020		FY2021			FY2020	FY2021
	3Q	4Q	1Q	2Q	3Q	3Q Total	3Q Total
Public offering	148.7	31.6	18.6	75.8	200.9	326.1	295.4
Bonds	562.0	663.3	603.2	630.2	490.5	1,249.4	1,723.8
Equity investment trusts	630.8	554.9	552.8	501.3	493.5	1,533.9	1,547.5
Fund wrap	77.9	63.3	82.7	58.0	133.7	147.2	274.5
<b>Total</b>	<b>1,419.4</b>	<b>1,313.2</b>	<b>1,257.3</b>	<b>1,265.3</b>	<b>1,318.6</b>	<b>3,256.7</b>	<b>3,841.2</b>

## Net Inflow of Assets (Sales Division)

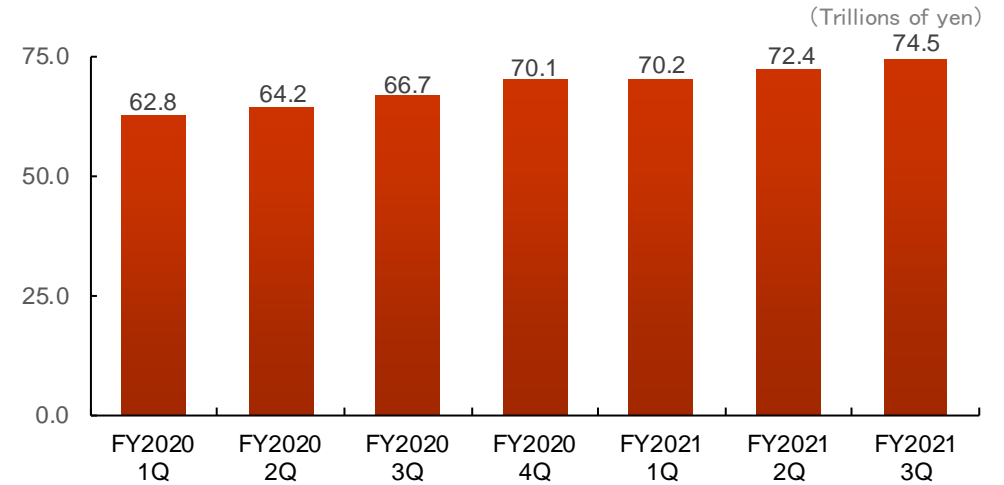


# Sales Division\_2

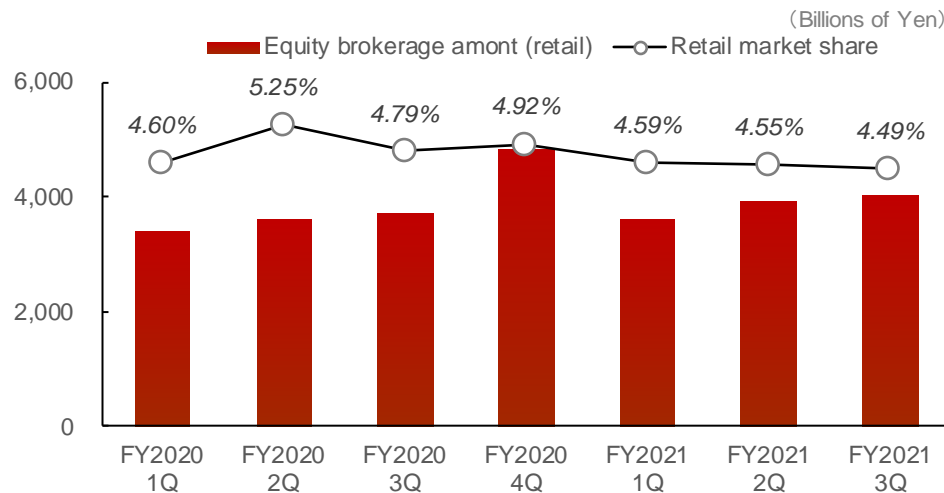
## Client Assets (Sales Division)



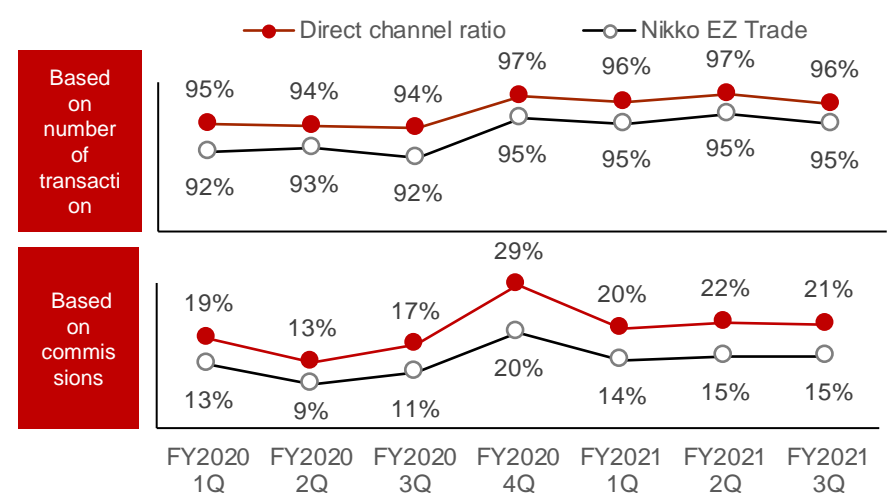
## [Reference] Client Assets (Sales Division)



## Retail market share(\*1)



## Direct channel ratio(\*2)



(\*1) Total of 1<sup>st</sup> and 2<sup>nd</sup> 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 3Q Total】

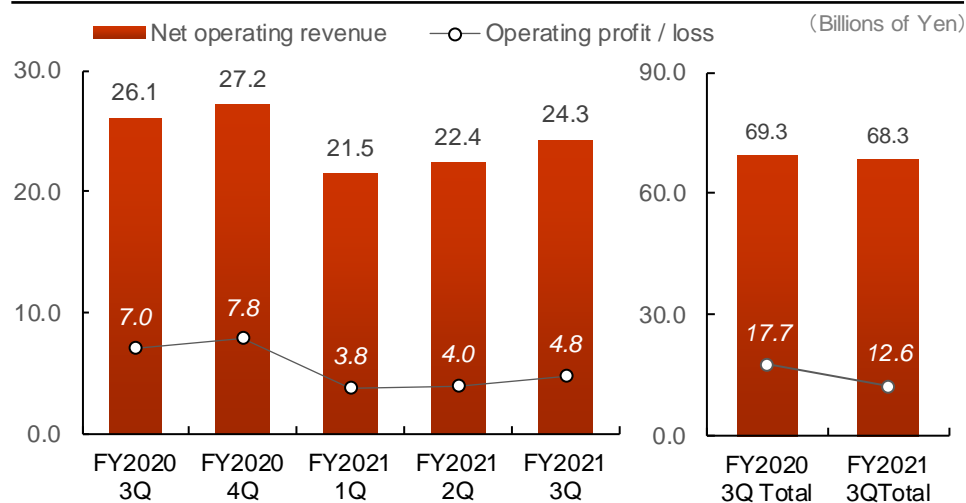
- Net operating revenue ¥ 68.3 B (-1% Y on Y) Operating profit ¥12.6 B (-28%)  
Although there are differences in each quarter, the revenue of each domestic, overseas and product as of 3Q total are at the same level as last fiscal year.  
Profit decreased due to higher expenses related to business expansion in overseas offices.

### 【FY2021 3Q】

- Net operating revenue ¥ 24.3 B (+9% Q on Q) Operating profit ¥ 4.8 B (+18%)  
Strong primary market of equities in both domestic and overseas pushed the ECM revenue. Although expenses continue to increase, managed to gain profit.

## 【Management Accounting】

### Net operating revenue · Operating profit trend



## 【Consolidated】 Underwriting commissions, M&A fee

(Billions of Yen)	FY2020		FY2021			FY2020	FY2021
	3Q	4Q	1Q	2Q	3Q	3Q Total	3Q Total
Underwriting commissions	14.0	8.0	9.5	11.0	13.0	31.5	33.5
(Equities)	(7.5)	(3.4)	(2.0)	(5.8)	(7.6)	(14.1)	(15.5)
(Bonds)	(6.4)	(4.3)	(6.7)	(5.0)	(5.3)	(16.9)	(17.0)
M&A fee	5.1	3.5	1.9	2.8	3.4	8.7	8.3

## SDGs finance

We are working proactively in promoting sustainable finance.

- Structuring Agent<sup>(\*)</sup> of domestic SDGs industrial bonds<sup>(\*)</sup> : 1<sup>st</sup> place
- INPEX green bond
  - Issuance support of the first green bond by upstream specialized company of domestic oil and gas sector
- SA of Tokyo Metro's sustainability bond
  - Support of framework expansion as it was their second issuance of a sustainability bond
- TDK's sustainability-linked bond
  - Our second time in composing a sustainability-linked bond



# Global Investment Banking Division\_2

## League Tables

Global Equity & Equity-Related-Japan <sup>(*)1</sup>			All Bonds in Yen <sup>(*)2</sup> 【non-consolidated】		
Rank	Book runner	Amount (bill of yen)	Rank	Lead Manager	Amount (bill of yen)
1	Daiwa	735.1	1	Mizuho	3,932.2
2	Nomura	662.5	2	Nomura	3,810.8
3	Mizuho	539.4	3	Mitsubishi UFJ Morgan Stanley	3,539.7
4	SMBC Nikko	528.2	4	Daiwa	3,410.3
5	Goldman Sachs	485.7	5	SMBC Nikko	3,117.7

IPO <sup>(*)3</sup>					
Rank	Underwriting	Amount (bill of yen)	Rank	Lead Manager	No. Deals
1	Sumitomo Mitsui Financial Group	139.5	1	Mizuho Financial Group	26
2	Nomura	124.9	2	Nomura	23
3	Daiwa	87.4	3	Sumitomo Mitsui Financial Group	22
4	Morgan Stanley	71.1	4	SBI	18
5	Mizuho Financial Group	69.5	5	Daiwa	13

Financial Advisory <sup>(*)4</sup>					
Rank	Advisor	Deal size (bill of yen)	Rank	Advisor	No. Deals
1	Goldman Sachs	4,535.1	1	Sumitomo Mitsui Financial Group	100
2	Morgan Stanley	4,515.1	2	Mizuho Financial Group	90
3	BofA Securities	3,907.3	3	Nomura	80
4	Nomura	2,370.4	4	KPMG	74
8	Sumitomo Mitsui Financial Group	1,350.3	5	Deloitte	67

## Main deals

ECM	
• Nippon Yusei (global FO)	• SUMCO (global FO)
• Net Protections Holdings (global IPO)	• PHC Holdings (global IPO)
• ExaWizards (IPO)	• Nippon Prologis REIT (global FO)
DCM	
• Panasonic (subordinated bonds)	• NTT FINANCE (green bond)
• Rakuten Group	• Takeda Pharmaceutical
• Japan Airlines (subordinated bonds)	• Mitsui Sumitomo Insurance
M&A	
• A tender offer for repurchase of its own shares by Z holdings	
• A tender offer for the shares of TOPPAN FORMS by Toppan Printing	
• Acquisition of Sunsho Pharmaceutical, owned by an investment fund managed by Carlyle Group, by TOWA PHARMACEUTICAL	
• A tender offer for the shares of SPACE VALUE HOLDINGS by Polaris Capital Group	

## Market Share

	FY2020		FY2021		
	3Q	4Q	1Q	2Q	3Q
ECM <sup>(*)1</sup>	15.1%	15.2%	6.9%	10.4%	12.5%
DCM <sup>(*)2</sup>	18.3%	18.3%	16.6%	16.7%	16.2%
M&A <sup>(*)4</sup>	14.6%	13.5%	7.6%	7.7%	7.9%

(\*)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 3Q Total】

- Net operating revenue ¥ 65.0 B (-14% Y on Y) Operating profit ¥ 21.0 B (-41%)  
Although flow in EST decreased, managed to keep its high level.  
Revenue in FIST both domestic and overseas decreased.

### 【FY2021 3Q】

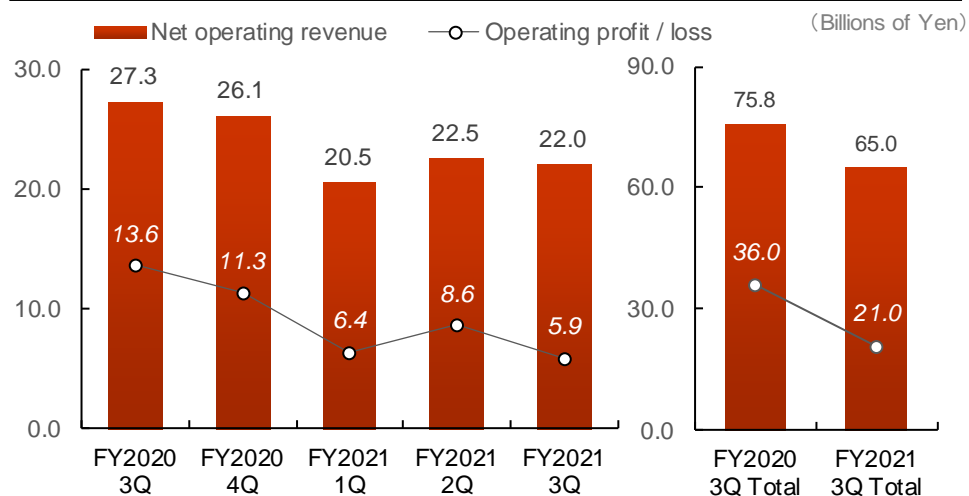
- Net operating revenue ¥ 22.0 B (-2% Q on Q) Operating profit ¥ 5.9 B (-31%)  
US equity related customer flow decreased the EST revenue, due to market uncertainty driven by the spread of Omicron variant. Difficulty in capturing customer flow for FIST continued.

## 【Consolidated】 Net Trading Income (adjusted Net Financial Income) <sup>(\*)</sup>

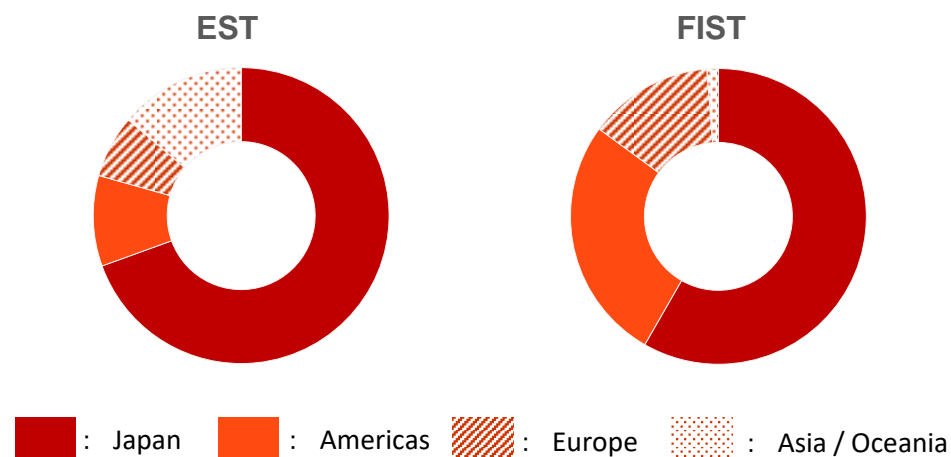
(Billions of Yen)	FY2020		FY2021			FY2020	FY2021
	3Q	4Q	1Q	2Q	3Q	3Q Total	3Q Total
Equities, etc. <sup>(*)2</sup>	21.6	19.3	17.1	18.5	19.3	57.9	55.1
(dividend, etc)	(1.5)	(3.4)	(1.9)	(4.8)	(3.3)	(6.7)	(10.1)
Bonds, others <sup>(*)3</sup>	15.2	12.3	14.1	12.8	11.1	42.7	38.2
(interest)	(-1.6)	(-1.7)	(-1.4)	(-1.2)	(-2.7)	(-3.2)	(-5.4)
Total <sup>(*)4</sup>	36.9	31.7	31.3	31.4	30.5	100.7	93.3

## 【Management Accounting】

### Net operating revenue · Operating profit trend



## Revenue ratio by region (FY2021 Total)



(\*) Net trading income (adjusted net financial income) is supplemented with the ex dividend, etc.  
 (\*)2 including dividend from trading position, etc.  
 (\*)3 including interest income from trading position, etc.  
 (\*)4 excluding funding costs

# 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)

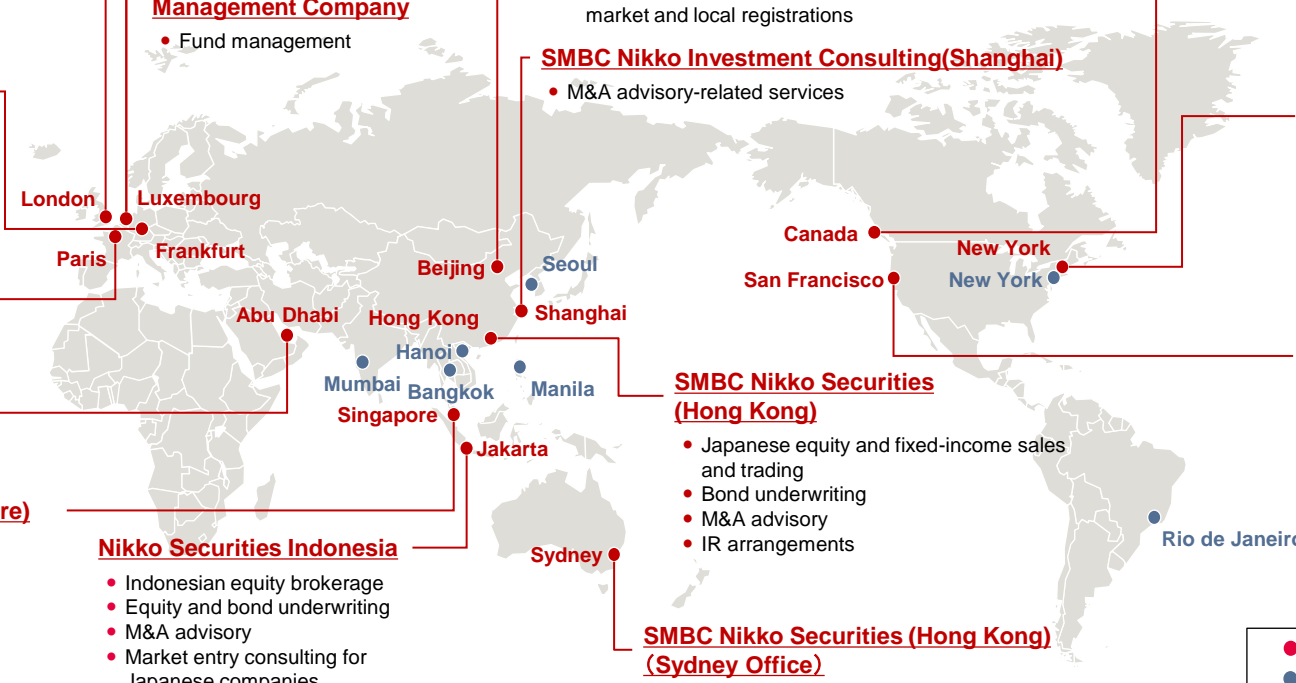
- Collaboration in various business worldwide

#### Jefferies Group LLC (New York)

- Strategic alliance in corporate and investment banking business

#### BTG Pactual (Rio de Janeiro)

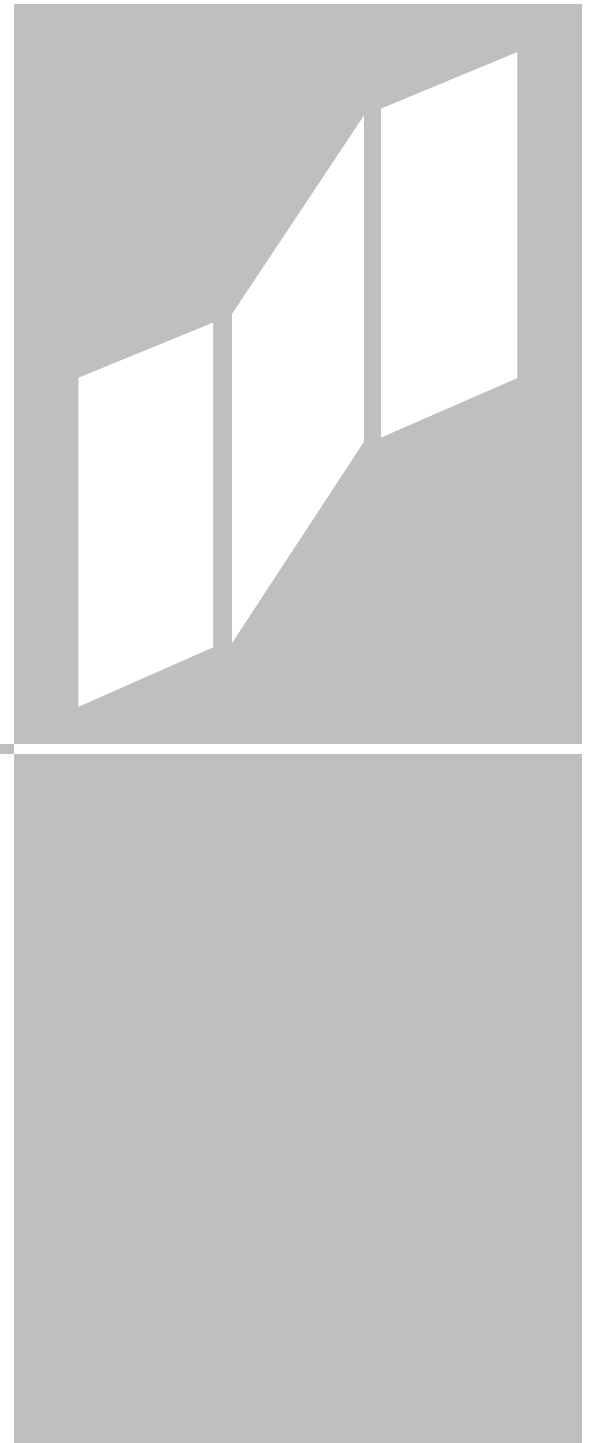
- Alliance in M&A advisory



●	SMBC Nikko Group Company
●	SMBC Nikko Business Partner

# Reference Data

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## Consolidated Business Results (Quarterly Trend)

(Millions of yen)	FY2020		FY2021			FY2020	FY2021
	3Q	4Q	1Q	2Q	3Q	3Q Total	3Q Total
Operating revenue	130,785	110,688	92,596	94,603	97,325	336,467	284,525
Commissions received	66,579	59,152	57,082	59,056	61,281	164,874	177,420
Commissions to consignees	13,842	14,046	11,265	11,817	10,820	37,548	33,903
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	14,060	8,087	9,500	11,002	13,090	31,592	33,593
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	15,459	13,368	13,492	11,628	11,943	36,953	37,065
Other fees received	23,216	23,649	22,823	24,608	25,426	58,779	72,857
Net trading income	37,068	30,028	30,805	27,895	29,903	97,230	88,605
Equities	20,192	15,863	15,235	13,707	16,026	51,206	44,969
Bonds / Others	16,876	14,165	15,570	14,187	13,877	46,023	43,635
Financial revenue	25,263	19,783	3,097	6,022	4,540	68,686	13,660
Other sales	1,873	1,722	1,610	1,628	1,600	5,676	4,839
Financial expenses	24,779	18,168	2,810	2,971	4,063	64,031	9,845
Cost of other sales	1,778	1,699	1,505	1,595	1,518	5,320	4,619
Net operating revenue	104,227	90,820	88,279	90,037	91,743	267,115	270,060
SG&A	72,045	70,867	68,987	69,259	70,666	202,548	208,913
Operating profit / loss	32,181	19,952	19,292	20,777	21,076	64,566	61,146
Ordinary profit / loss	32,717	22,123	20,867	22,970	22,134	68,628	65,973
Extraordinary income / loss	7,463	-1,100	-873	12	-121	9,252	-982
Profit before income taxes	40,180	21,023	19,994	22,983	22,013	77,881	64,991
Income taxes	12,888	4,731	5,260	5,168	6,704	22,343	17,132
Profit / loss	27,292	16,292	14,734	17,815	15,309	55,537	47,858
Profit attributable to owners of parent	27,293	16,229	14,697	17,862	15,272	55,510	47,832

## Non-consolidated Business Results (Quarterly Trend)

(Millions of yen)	FY2020		FY2021			FY2020	FY2021
	3Q	4Q	1Q	2Q	3Q	3Q Total	3Q Total
Operating revenue	125,407	104,004	87,226	89,302	91,791	320,457	268,321
Commissions received	63,185	54,492	53,536	55,748	58,135	154,965	167,419
Commissions to consignees	13,249	13,198	10,807	11,277	10,963	35,626	33,048
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	13,257	6,738	8,318	10,588	11,794	29,414	30,701
Fee for offering, secondary distribution and solicitation for selling and others for professional investors	15,133	13,007	13,359	11,283	11,119	35,957	35,761
Other fees received	21,544	21,548	21,051	22,598	24,258	53,966	67,908
Net trading income	36,986	29,761	30,604	27,550	29,122	96,960	87,276
Equities	20,110	15,596	15,033	13,362	15,182	50,937	43,578
Bonds / Others	16,876	14,165	15,570	14,187	13,939	46,023	43,697
Financial revenue	25,235	19,751	3,086	6,004	4,534	68,531	13,625
Financial expenses	24,750	18,134	2,773	2,917	4,032	63,931	9,723
Net operating revenue	100,656	85,870	84,453	86,385	87,759	256,525	258,598
SG&A	69,372	66,786	66,291	66,669	67,565	196,038	200,525
Operating profit / loss	31,284	19,083	18,161	19,716	20,194	60,487	58,072
Ordinary profit / loss	31,188	20,213	18,993	20,653	20,143	61,707	59,790
Extraordinary income / loss	7,362	-1,012	-797	-768	-110	16,005	-1,676
Profit before income taxes	38,551	19,200	18,196	19,884	20,033	77,712	58,114
Income taxes	12,544	4,689	4,859	4,760	6,411	21,204	16,031
Profit / loss	26,007	14,510	13,336	15,124	13,622	56,508	42,082

# Segment performance trends / Profit of Overseas Offices

## Segment performance trends (Net operating revenue)

(Billions of Yen)	FY2020		FY2021			FY2020 3Q Total	FY2021 3Q Total
	3Q	4Q	1Q	2Q	3Q		
Sales Division	62.7	55.7	58.0	58.3	57.2	166.2	173.5
GIB Division(*1)	26.1	27.2	21.5	22.4	24.3	69.3	68.3
GM Division(*2)	27.3	26.1	20.5	22.5	22.0	75.8	65.0

## Segment performance trends (Operating profit)

(Billions of Yen)	FY2020		FY2021			FY2020 3Q Total	FY2021 3Q Total
	3Q	4Q	1Q	2Q	3Q		
Sales Division	16.6	10.7	13.3	12.5	12.0	34.0	37.9
GIB Division	7.0	7.8	3.8	4.0	4.8	17.7	12.6
GM Division	13.6	11.3	6.4	8.6	5.9	36.0	21.0

## Profit of Overseas Offices (Operating profit)

(Billions of Yen)	FY2020		FY2021			FY2020 3Q Total	FY2021 3Q Total
	3Q	4Q	1Q	2Q	3Q		
Americas	3.3	8.4	5.1	5.2	1.7	21.9	12.0
Europe	1.8	1.2	0.3	0.0	0.4	3.5	0.7
Asia / Oceania	0.3	0.5	0.0	0.5	-0.0	1.2	0.5
Total	5.5	10.2	5.4	5.8	2.1	26.7	13.4

# Operational Indicators -1

## Client Assets [Non-consolidated]

(Trillions of yen)	FY2019		FY2020				FY2021		
	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Equity	33.5	27.7	31.1	32.5	34.8	37.6	37.4	39.4	41.3
Bond	17.3	17.0	21.0	20.7	20.4	20.5	20.3	20.5	20.3
Investment trust	10.9	9.4	10.1	10.4	10.9	11.3	11.6	11.8	12.1
Others	0.6	0.6	0.6	0.6	0.7	0.7	0.8	0.8	0.8
Client assets	62.3	54.8	62.8	64.2	66.7	70.1	70.2	72.4	74.5

## Equity brokerage amount · Equity brokerage commissions · TSE Share <sup>(\*)</sup> [Non-consolidated]

(Billions of yen)	FY2019		FY2020				FY2021		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Equity brokerage amount <sup>(*)2</sup>	9,865.9	10,620.2	10,230.3	9,615.8	11,700.2	13,786.6	11,556.9	12,457.6	11,197.8
Equity brokerage commissions <sup>(*)3</sup>	9.5	10.9	10.8	11.3	13.2	13.6	10.9	11.3	10.8
Equity commissions rate	9.0bp	9.5bp	10.0bp	11.2bp	10.9bp	8.8bp	8.8bp	8.3bp	9.0bp
TSE share (%)	2.76%	2.47%	2.54%	2.54%	2.74%	2.90%	2.75%	2.78%	2.35%

(\*)1 "Equity brokerage amount" and "Equity commissions rate" in the table represent the total of cash and margin transactions.

(\*)2 Total of all stock exchanges

(\*)3 on a consolidated basis



# Operational Indicators -2

## Sales of Products 【Non-consolidated】

(Billions of yen)	FY2019		FY2020				FY2021		
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Investment trusts	682.4	719.0	460.4	693.0	794.4	701.6	669.3	615.9	588.4
(Equity investment trusts)	(494.6)	(498.9)	(337.3)	(524.8)	(642.4)	(565.1)	(565.3)	(473.9)	(481.5)
(Foreign registered investment trusts)	(151.4)	(217.8)	(90.8)	(144.5)	(127.7)	(121.2)	(90.2)	(127.7)	(96.3)
Fund wrap	93.6	58.7	26.2	43.1	77.9	63.3	82.7	58.0	133.8
Foreign bonds <sup>(*)</sup>	645.4	603.1	424.1	487.7	572.9	685.5	859.9	654.1	552.3
(Foreign currency bonds)	(179.0)	(200.8)	(112.4)	(168.8)	(179.4)	(210.4)	(248.6)	(245.5)	(169.4)
Domestic bonds	1,377.3	1,008.1	887.0	1,549.2	2,250.1	885.3	970.9	995.6	1,139.7
(Retail target JGBs)	(271.6)	(324.8)	(1.7)	(71.0)	(165.6)	(149.3)	(84.2)	(56.3)	(123.6)
Public offering	116.4	73.4	0.4	212.3	164.7	60.4	31.7	97.7	232.1
Annuity / insurance	29.9	18.3	6.1	15.2	22.5	16.3	19.5	21.1	23.6
Total	2,945.1	2,480.7	1,804.1	3,000.5	3,882.4	2,412.4	2,634.1	2,442.4	2,670.0

(\*) 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		
	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Total accounts	3,455	3,453	3,489	3,541	3,558	3,551	3,533	3,708	3,738
Cash management accounts	2,959	2,974	3,007	3,051	3,082	3,099	3,159	3,184	3,203
Newly opened accounts	28	39	39	53	38	52	43	50	49

## Number of Branches [Non-consolidated]

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

## Number of Employees

	FY2019		FY2020				FY2021		
	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Number of employees	11,742	11,484	11,833	11,804	11,712	11,241	11,547	11,390	11,251
Number of employees in overseas offices	795	802	814	779	805	816	724	741	763



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