

SMBC NIKKO SECURITIES INC.

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

URL: <https://www.smbcnikko.co.jp/en/index.html>

Representative: Shuji Yoshioka, President & CEO

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Amounts less than one million yen are rounded down.)

1. Consolidated financial results for the six months ended September 30, 2025

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Net operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	257,797	(0.3)	177,668	(6.8)	25,934	(21.8)	27,323	(28.7)	50,832	25.6
September 30, 2024	258,567	31.8	190,605	27.7	33,168	182.9	38,317	220.7	40,485	—

Note: Comprehensive income For the six months ended September 30, 2025 30,067 million yen <87.7%>

For the six months ended September 30, 2024 16,022 million yen <(51.1)%>

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	254,160.39	—
September 30, 2024	202,427.18	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	20,143,431	1,221,856	6.1
March 31, 2025	21,042,958	1,228,929	5.8

Reference: Equity (i.e. "Shareholders' equity" and "Accumulated other comprehensive income")

As of September 30, 2025 1,221,856 million yen As of March 31, 2025 1,228,929 million yen

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	200,002 shares
As of March 31, 2025	200,002 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025	— shares
As of March 31, 2025	— shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	200,002 shares
Six months ended September 30, 2024	200,002 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Other special matters

Not applicable.

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I. Consolidated Financial Statements and main notes

1. Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	2,911,565	2,909,489
Cash segregated as deposits	622,865	746,313
Trading products	6,484,598	6,095,822
Trading securities and other	4,126,819	3,341,739
Derivatives	2,357,778	2,754,082
Margin transaction assets	166,553	172,992
Loans on margin transactions	158,849	156,812
Cash collateral pledged for securities borrowing on margin transactions	7,703	16,179
Loans secured by securities	9,574,786	9,204,071
Cash collateral pledged for securities borrowed	4,733,612	5,032,749
Loans on Gensaki transactions	4,841,173	4,171,321
Short-term guarantee deposits	592,511	401,044
Short-term loans receivable	136,078	156,299
Accrued income	54,312	52,211
Other	55,522	72,387
Allowance for doubtful accounts	(19)	(22)
Total current assets	20,598,774	19,810,609
Non-current assets		
Property, plant and equipment	22,576	21,673
Intangible assets	22,721	70,929
Investments and other assets	398,886	240,219
Investment securities	196,506	161,777
Long-term loans receivable	182,608	58,097
Long-term guarantee deposits	15,266	15,632
Deferred tax assets	302	191
Other	5,726	6,038
Allowance for doubtful accounts	(1,525)	(1,518)
Total non-current assets	444,184	332,821
Total assets	21,042,958	20,143,431

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Trading products	5,516,517	5,586,161
Trading securities and other	3,366,645	2,924,157
Derivatives	2,149,871	2,662,004
Trade date accrual	230,540	220,487
Margin transaction liabilities	230,422	211,725
Borrowings on margin transactions	2,312	2,453
Cash received for securities lending on margin transactions	228,109	209,272
Loans payable secured by securities	7,686,701	7,162,987
Cash received for securities lending transactions	896,052	1,107,016
Borrowings on Gensaki transaction	6,790,649	6,055,970
Deposits received	514,196	748,352
Guarantee deposits received	230,303	229,169
Short-term loans payable	3,972,700	3,411,800
Current portion of long-term loans payable	1,000	2,500
Commercial papers	468,200	324,400
Current portion of bonds payable	44,875	74,653
Income taxes payable	4,676	7,529
Other	89,496	65,205
Total current liabilities	18,989,629	18,044,972
Non-current liabilities		
Bonds payable	358,049	333,392
Long-term loans payable	435,450	514,350
Lease obligations	991	812
Deferred tax liabilities	16,789	13,718
Net defined benefit liability	2,668	2,500
Asset retirement obligations	3,139	3,068
Other	1,945	2,883
Total non-current liabilities	819,034	870,725
Reserves under special laws		
Reserve for financial products transaction liabilities	5,365	5,877
Total reserves under special laws	5,365	5,877
Total liabilities	19,814,029	18,921,575
Net assets		
Shareholders' equity		
Capital stock	135,000	135,000
Capital surplus	569,889	569,889
Retained earnings	444,327	458,019
Total shareholders' equity	1,149,216	1,162,909
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52,535	31,893
Foreign currency translation adjustment	27,163	27,054
Remeasurements of defined benefit plans	14	—
Total accumulated other comprehensive income	79,712	58,947
Total net assets	1,228,929	1,221,856
Total liabilities and net assets	21,042,958	20,143,431

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Operating revenue		
Commission received	138,321	144,780
Brokerage commissions	27,271	30,245
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	26,940	18,619
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	16,791	17,920
Other fees received	67,317	77,994
Net trading income	34,688	15,707
Financial revenue	85,557	97,309
Total operating revenue	258,567	257,797
Financial expenses	67,961	80,129
Net operating revenue	190,605	177,668
Selling, general and administrative expenses		
Trading related expenses	19,995	20,631
Personnel expenses	73,051	67,459
Real estate expenses	9,953	9,713
Office expenses	33,544	26,973
Depreciation	5,303	9,947
Taxes and dues	3,893	4,189
Other	11,695	12,816
Total selling, general and administrative expenses	157,436	151,733
Operating profit	33,168	25,934
Non-operating income		
Dividend income	1,444	1,102
Equity in earnings of affiliates	3,186	449
Gain on investments in partnerships	1,186	537
Other	229	164
Total non-operating income	6,046	2,253
Non-operating expenses		
Loss on investments in partnerships	684	689
Other	212	175
Total non-operating expenses	897	865
Ordinary profit	38,317	27,323

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Extraordinary income		
Gain on sale of investment securities	16,544	43,891
Gain on sale of shares of subsidiaries and affiliates	—	368
Total extraordinary income	16,544	44,260
Extraordinary losses		
Impairment losses	70	123
Loss on sale of investment securities	—	246
Provision of reserve for financial products transaction liabilities	664	512
Total extraordinary loss	734	882
Income before income taxes	54,127	70,701
Income taxes - current	14,876	13,442
Income taxes - deferred	(1,235)	6,426
Income taxes	13,641	19,869
Profit	40,485	50,832
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	40,485	50,832

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	40,485	50,832
Other comprehensive income		
Valuation difference on available-for-sale securities	(23,689)	(20,654)
Foreign currency translation adjustment	(1,724)	169
Share of other comprehensive income of affiliates accounted for using equity method	950	(280)
Total other comprehensive income	(24,463)	(20,765)
Comprehensive income	16,022	30,067
Comprehensive income attributable to:		
Owners of parent	16,022	30,067
Non-controlling interests	—	—

3. Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

The year-end dividend

On June 16, 2025, the Company resolved the following matter at the ordinary general meeting of shareholders. As a result, retained earnings were reduced by 37,140 million yen and the Company held 458,019 million yen in retained earnings as of September 30, 2025.

(1) Total amount of dividends

37,140 million yen (The dividend per share is calculated by dividing the total dividend amount by the total number of issued shares, 200,002 shares.)

(2) Record date

March 31, 2025

(3) Effective date

June 17, 2025

(4) Source of dividends

Retained earnings

II. Supplementary Information

1. Commission Received

(1) Breakdown by Categories

	Six months ended September 30, 2024	Six months ended September 30, 2025	(Millions of yen) Increase/(Decrease)	
			Amount	Rate(%)
Brokerage commissions	27,271	30,245	2,973	10.9
< Equities >	< 26,210 >	< 29,362 >	< 3,151 >	< 12.0 >
< Bonds >	< 34 >	< 28 >	< (5) >	< (17.4) >
< Investment trusts >	< 1,017 >	< 849 >	< (168) >	< (16.6) >
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	26,940	18,619	(8,321)	(30.9)
< Equities >	< 15,853 >	< 8,895 >	< (6,957) >	< (43.9) >
< Bonds >	< 10,915 >	< 9,171 >	< (1,743) >	< (16.0) >
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	16,791	17,920	1,128	6.7
< Investment trusts >	< 15,824 >	< 17,490 >	< 1,665 >	< 10.5 >
Other fees received	67,317	77,994	10,677	15.9
< Investment trusts >	< 21,777 >	< 23,747 >	< 1,969 >	< 9.0 >
Total	138,321	144,780	6,458	4.7

(2) Breakdown by Products

	Six months ended September 30, 2024	Six months ended September 30, 2025	(Millions of yen) Increase/(Decrease)	
			Amount	Rate(%)
Equities	43,235	39,199	(4,036)	(9.3)
Bonds	14,028	14,115	87	0.6
Investment trusts	38,620	42,086	3,466	9.0
Other	42,437	49,378	6,941	16.4
Total	138,321	144,780	6,458	4.7

2. Net Trading Income

	Six months ended September 30, 2024	Six months ended September 30, 2025	(Millions of yen) Increase/(Decrease)	
			Amount	Rate(%)
Net trading income on equities	3,645	1,382	(2,262)	(62.1)
Net trading income on bonds and others	31,043	14,325	(16,718)	(53.9)
Total	34,688	15,707	(18,980)	(54.7)

3. Quarterly Consolidated Statements of Income

(Millions of yen)

	FY2024 2Q (July 1 to September 30, 2024)	FY2024 3Q (October 1 to December 31, 2024)	FY2024 4Q (January 1 to March 31, 2025)	FY2025 1Q (April 1 to June 30, 2025)	FY2025 2Q (July 1 to September 30, 2025)
Operating revenue					
Commission received	73,787	72,097	61,795	66,725	78,055
Brokerage commissions	13,908	12,739	12,069	13,653	16,591
< Equities >	< 13,303 >	< 12,341 >	< 11,608 >	< 13,131 >	< 16,230 >
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	15,831	12,689	7,600	8,800	9,819
< Equities >	< 11,692 >	< 7,318 >	< 5,194 >	< 3,688 >	< 5,207 >
< Bonds >	< 4,029 >	< 5,356 >	< 2,390 >	< 5,085 >	< 4,085 >
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	8,199	9,751	5,738	7,195	10,725
< Investment trusts >	< 7,439 >	< 9,104 >	< 5,491 >	< 7,034 >	< 10,455 >
Other fees received	35,847	36,916	36,385	37,075	40,919
< Investment trusts >	< 10,781 >	< 11,384 >	< 11,367 >	< 11,112 >	< 12,634 >
Net trading income	15,138	10,156	5,801	7,022	8,685
Financial revenue	44,771	46,838	51,629	45,203	52,106
Total operating revenue	133,697	129,092	119,225	118,951	138,846
Financial expenses	33,805	39,780	39,370	39,503	40,626
Net operating revenue	99,891	89,312	79,855	79,448	98,219
Selling, general and administrative expenses					
Trading related expenses	9,987	10,754	10,240	9,296	11,335
Personnel expenses	38,445	34,118	32,974	31,658	35,801
Real estate expenses	4,886	4,929	4,823	4,920	4,793
Office expenses	16,562	16,678	16,284	13,325	13,648
Depreciation	2,635	2,782	2,673	4,869	5,077
Taxes and dues	1,968	1,502	1,220	2,150	2,039
Other	5,776	5,854	6,354	6,299	6,516
Total selling, general and administrative expenses	80,262	76,619	74,570	72,521	79,211
Operating profit	19,629	12,692	5,285	6,927	19,007
Non-operating income	3,305	793	902	605	1,647
Non-operating expenses	308	351	579	371	494
Ordinary profit	22,626	13,134	5,608	7,161	20,161
Extraordinary income	16,544	12,267	924	7,652	36,607
Extraordinary losses	380	622	207	203	679
Income before income taxes	38,790	24,780	6,325	14,611	56,090
Income taxes	9,931	5,026	(958)	4,112	15,756
Profit	28,858	19,753	7,284	10,499	40,333
Profit attributable to owners of parent	28,858	19,753	7,284	10,499	40,333

III. Non-consolidated Financial Statements

1. Non-consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	2,868,284	2,866,231
Cash segregated as deposits	622,788	746,233
Trading products	6,484,598	6,095,822
Trading securities and other	4,126,819	3,341,739
Derivatives	2,357,778	2,754,082
Margin transaction assets	166,553	172,992
Loans on margin transactions	158,849	156,812
Cash collateral pledged for securities borrowing on margin transactions	7,703	16,179
Loans secured by securities	9,574,786	9,204,071
Cash collateral pledged for securities borrowed	4,733,612	5,032,749
Loans on Gensaki transactions	4,841,173	4,171,321
Short-term guarantee deposits	592,511	401,044
Short-term loans receivable	136,078	156,299
Accrued income	53,776	49,993
Other	52,768	70,055
Allowance for doubtful accounts	(19)	(22)
Total current assets	20,552,125	19,762,722
Non-current assets		
Property, plant and equipment	20,520	19,790
Intangible assets	22,168	70,398
Investments and other assets	405,920	247,439
Investment securities	133,976	103,126
Shares of subsidiaries and affiliates	70,291	66,584
Long-term loans receivable	182,608	58,097
Long-term guarantee deposits	14,481	14,808
Other	6,089	6,341
Allowance for doubtful accounts	(1,525)	(1,518)
Total non-current assets	448,610	337,628
Total assets	21,000,736	20,100,351

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Trading products	5,516,517	5,586,161
Trading securities and other	3,366,645	2,924,157
Derivatives	2,149,871	2,662,004
Trade date accrual	230,540	220,487
Margin transaction liabilities	230,422	211,725
Borrowings on margin transactions	2,312	2,453
Cash received for securities lending on margin transactions	228,109	209,272
Loans payable secured by securities	7,686,701	7,162,987
Cash received for securities lending transactions	896,052	1,107,016
Borrowings on Gensaki transaction	6,790,649	6,055,970
Deposits received	513,962	748,227
Guarantee deposits received	230,303	229,169
Short-term loans payable	3,976,800	3,416,400
Current portion of long-term loans payable	1,000	2,500
Commercial papers	468,200	324,400
Current portion of bonds payable	44,875	74,653
Income taxes payable	4,460	7,328
Other	86,778	63,851
Total current liabilities	18,990,562	18,047,891
Non-current liabilities		
Bonds payable	358,049	333,392
Long-term loans payable	435,450	514,350
Lease obligations	171	127
Deferred tax liabilities	16,456	13,306
Provision for retirement benefits	2,642	2,477
Asset retirement obligations	2,881	2,811
Other	1,957	2,875
Total non-current liabilities	817,608	869,340
Reserves under special laws		
Reserve for financial products transaction liabilities	5,365	5,877
Total reserves under special laws	5,365	5,877
Total liabilities	19,813,537	18,923,109
Net assets		
Shareholders' equity		
Capital stock	135,000	135,000
Capital surplus	569,755	569,755
Legal capital surplus	125,000	125,000
Other capital surplus	444,755	444,755
Retained earnings	429,600	440,341
Legal retained earnings	2,500	2,500
Other retained earnings	427,100	437,841
Retained earnings brought forward	427,100	437,841
Total shareholders' equity	1,134,355	1,145,096
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	52,843	32,144
Total valuation and translation adjustments	52,843	32,144
Total net assets	1,187,198	1,177,241
Total liabilities and net assets	21,000,736	20,100,351

2. Non-consolidated Statements of Income

	(Millions of yen)	
	Six months ended September 30, 2024	Six months ended September 30, 2025
Operating revenue		
Commission received	133,564	138,674
Brokerage commissions	25,770	28,360
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	26,861	18,466
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	16,255	17,920
Other fees received	64,676	73,927
Net trading income	34,706	15,713
Financial revenue	84,947	96,824
Total operating revenue	253,218	251,212
Financial expenses	67,930	80,098
Net operating revenue	185,288	171,113
Selling, general and administrative expenses		
Trading related expenses	20,006	21,283
Personnel expenses	67,425	61,539
Real estate expenses	9,376	9,057
Office expenses	36,892	30,605
Depreciation	4,825	9,457
Taxes and dues	3,847	4,139
Other	11,212	12,214
Total selling, general and administrative expenses	153,586	148,298
Operating profit	31,702	22,815
Non-operating income		
Dividend income	1,474	1,102
Gain on investments in partnerships	1,186	537
Other	191	151
Total non-operating income	2,852	1,791
Non-operating expenses		
Loss on investments in partnerships	684	689
Other	248	152
Total non-operating expenses	933	842
Ordinary profit	33,621	23,764

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Extraordinary income		
Gain on sale of investment securities	16,545	43,936
Gain on sale of shares of subsidiaries and affiliates	—	710
Total extraordinary income	16,545	44,646
Extraordinary losses		
Impairment losses	70	123
Loss on sale of investment securities	—	246
Provision of reserve for financial products transaction liabilities	664	512
Total extraordinary loss	734	882
Income before income taxes	49,431	67,528
Income taxes - current	14,886	13,411
Income taxes - deferred	(1,689)	6,236
Income taxes	13,197	19,647
Profit	36,233	47,881

3. Capital Adequacy Ratio on a stand-alone basis

(Millions of yen)

		As of March 31, 2025	As of September 30, 2025
Basic items (A)		1,097,215	1,145,096
Supplementary items	Valuation difference on available-for-sale securities and others	52,843	32,144
	Reserve for financial products transaction liabilities	5,365	5,877
	Allowance for doubtful accounts	2	3
	Long-term subordinated debt	—	50,000
Total (B)		58,210	88,025
Deductible assets (C)		361,499	299,396
Net capital (A) + (B) - (C) (D)		793,927	933,725
Risk items	Market Risk	79,733	68,198
	Counterparty Risk	94,027	102,573
	Basic Risk	78,403	77,882
Total (E)		252,164	248,654
Capital adequacy ratio (D) / (E)*100		314.8%	375.5%

4. Quarterly Non-consolidated Statements of Income

(Millions of yen)

	FY2024 2Q (July 1 to September 30, 2024)	FY2024 3Q (October 1 to December 31, 2024)	FY2024 4Q (January 1 to March 31, 2025)	FY2025 1Q (April 1 to June 30, 2025)	FY2025 2Q (July 1 to September 30, 2025)
Operating revenue					
Commission received	71,485	68,598	59,718	63,955	74,719
Brokerage commissions	13,208	11,555	11,476	12,766	15,593
< Equities >	< 12,604 >	< 11,157 >	< 11,015 >	< 12,245 >	< 15,231 >
Commission for underwriting, secondary distribution and solicitation for selling and others for professional investors	15,775	12,550	7,528	8,769	9,696
< Equities >	< 11,692 >	< 7,318 >	< 5,194 >	< 3,688 >	< 5,207 >
< Bonds >	< 3,972 >	< 5,216 >	< 2,318 >	< 5,054 >	< 3,963 >
Fees for offering, secondary distribution and solicitation for selling and others for professional investors	7,690	9,382	5,787	7,195	10,725
< Investment trusts >	< 7,439 >	< 9,104 >	< 5,491 >	< 7,034 >	< 10,455 >
Other fees received	34,810	35,110	34,924	35,223	38,704
< Investment trusts >	< 10,589 >	< 11,147 >	< 11,152 >	< 10,889 >	< 12,378 >
Net trading income	15,136	10,160	5,798	7,023	8,689
Financial revenue	44,503	46,463	51,424	44,956	51,867
Total operating revenue	131,125	125,223	116,940	115,936	135,276
Financial expenses	33,791	39,761	39,360	39,484	40,614
Net operating revenue	97,334	85,461	77,580	76,451	94,661
Selling, general and administrative expenses					
Trading related expenses	10,154	10,235	10,275	9,342	11,941
Personnel expenses	35,751	31,042	30,495	28,758	32,781
Real estate expenses	4,631	4,572	4,530	4,608	4,448
Office expenses	18,287	18,217	17,943	15,139	15,466
Depreciation	2,425	2,486	2,460	4,633	4,824
Taxes and dues	1,953	1,481	1,197	2,113	2,026
Other	5,426	5,546	6,083	6,004	6,209
Total selling, general and administrative expenses	78,630	73,582	72,986	70,600	77,697
Operating profit	18,704	11,878	4,593	5,851	16,964
Non-operating income	1,764	379	2,442	426	1,365
Non-operating expenses	545	216	621	371	470
Ordinary profit	19,923	12,041	6,414	5,905	17,858
Extraordinary income	16,545	27,089	939	8,010	36,635
Extraordinary losses	380	622	207	203	679
Income before income taxes	36,087	38,509	7,146	13,713	53,815
Income taxes	9,754	6,212	(1,037)	4,030	15,617
Profit	26,332	32,296	8,183	9,683	38,198