

April 13, 2022
SMBC Nikko Securities Inc.

Indictment of Our Former Officer, Employee and Our Company

Today, a former executive officer of our company (Since the executive officer delegation contract expired on March 31, 2022, any subsequent renewal has been withheld. The same applies to other indicted officers.) arrested on March 24 of this year by the Tokyo District Public Prosecutors Office on suspicion of violating Article 159, Paragraph 3 (illegal stabilization transaction) of the Financial Instruments and Exchange Act was indicted on the same charge. While at the same time, one of the employees among several other former executive officers and employees of our company indicted on the same day on the same charge, as well as our company also indicted as a legal entity following the dual criminal liability provision, were supplementarily indicted today.

We sincerely apologize for any inconvenience or concern this may have caused our customers and other stakeholders.

We will review the results of the investigations by the Investigation Committee and the details of the disclosure of evidence by the prosecution; however, we cannot deny that there was a shortcoming in the internal control system, and in that sense, we recognize that we are bound to be held responsible as a company. We take the situation very seriously and deeply reflect on what we have done.

We will continue to cooperate fully with the investigations by the relevant authorities. We will strictly deal with the findings of the investigations by the relevant authorities, future court proceedings as well as the outcomes of the Investigation Committee and take all necessary steps to restore the trust of customers and other parties concerned.

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