

February 13, 2023
SMBC Nikko Securities Inc.

Tokyo District Court Decision
for Violation of Financial Instruments and Exchange Act

In the case prosecuted by the Tokyo District Public Prosecutors Office on March 24 and April 13 last year for violation of the Financial Instruments and Exchange Act, SMBC Nikko Securities Inc. was convicted today by the Tokyo District Court to a fine of 700,000,000 yen and a surcharge of 4,471,142,420 yen.

We take this decision very seriously and would like to express our deepest apologies for any inconvenience or concern this may have caused our customers and other stakeholders.

We will steadily implement measures to make improvements and prevent recurrence announced in the press release on November 4 last year* and restore the trust of customers and other parties concerned.

Although this judgment has not become final and binding at this time, a fine of 1,000,000,000 yen and a surcharge of 4,440,946,070 yen, which are the amount demanded by the prosecution, have been recorded as extraordinary losses in the third quarter of the fiscal year ending March 2023.

*November 4, 2022 press release titled "Submission of Report Based on Administrative Actions Imposed by the Financial Services Agency"

-> https://www.smbcnikko.co.jp/en/news/2022/pdf/221104_01e.pdf

This translation is based on the press release in Japanese announced on February 13, 2023. The content of the translation may not be coincident with the original.