

【NEWS RELEASE】

September 26, 2025
SMBC Nikko Securities Inc.

**Summary of remarks made by President & CEO Yoshioka
in the Autumn 2025 Meeting of Department Heads and Branch Managers**

In the first half of the year, amidst a global environment where uncertainty is being strongly recognized, particularly due to tariff policies implemented by the Trump administration, the effective lifespan of information became extremely short. While the renewed rise in the stock market—driven by heightened expectations from both domestic and international investors toward the capital market—served as a significant tailwind, there were structural changes in the interest rate market, such as a rapid steepening of the yield curve.

Looking ahead to the next decade, with the expectation that both customer changes and technological advancements will accelerate significantly, we have made a decisive shift toward executing differentiated strategies for both retail and wholesale businesses, and has already made decisions and begun concrete actions.

In the retail business, the SMBC Group, including our company, and the SBI Group have jointly established a new company Olive Consulting as a new approach to digital affluent clients. However, our position as the core of the group's wealth management business remains unchanged, and this is the fundamental premise. I hope all of you will understand the importance of this role and responsibility and do your business with determination. While taking full advantage of the favorable market conditions, we should focus on goal-based approaches and portfolio consulting as our main strategies to meet our clients' expectations.

Regarding the wholesale business, we recently announced the strengthening of our strategic capital and business alliance with Jefferies. In Japan, we have decided to establish SMBC Nikko Jefferies Securities, a joint venture led by our company, while overseas, we will consolidate our Japanese equity business at Jefferies' overseas locations, thereby integrating the Japanese equity operations of both companies in the wholesale sector. Many challenges lie ahead; but let us work together as one to overcome them.

Additionally, in order to execute strategies with a ten-year outlook and ensure sustainable growth, it is essential for the entire company to further improve productivity. We will continue initiatives centered on utilizing AI, improving engagement, and enhancing defense. Through these, we will strategically combine the strengths of people and AI to improve operational efficiency and maximize overall value, foster an environment where diverse human resources can fully demonstrate their individuality and take on challenges without fear of failure, and continuously improve our defense framework and embed this in the mindset of all employees.

Our business is built on our on-site capability. This refers to the knowledge, action, and judgement required every day in the field, and they are what serves as the source of our sustainable competitive advantage and also constitutes our unique strength.

Precisely because we are in an era of rapid change, we must "Lead the change, now." Let us aim higher together.