【NEWS RELEASE】

September 29, 2026

Sumitomo Mitsui Financial Group, Inc.
SMBC Nikko Securities Holdings Establishment Preparatory Company, Inc.
SMBC Nikko Securities Inc.

(Follow-up Disclosure) SMBC Group Announces Decision to Execute a Share Exchange Agreement regarding Change of Subsidiary (Sub-Subsidiary) in connection with the Transition to an Intermediate Holding Company Structure in Japan

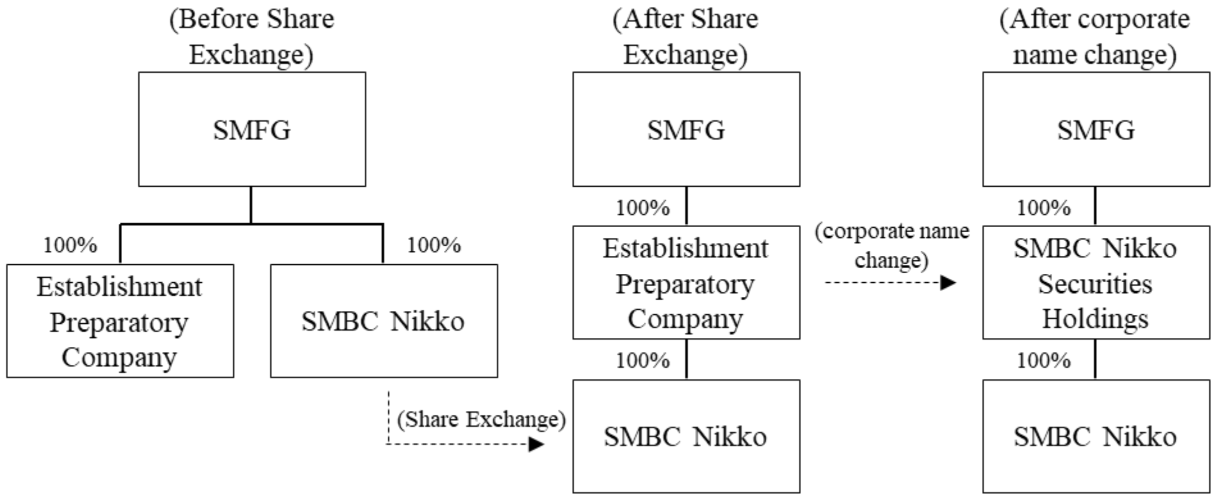
TOKYO, September 29, 2026 -- Sumitomo Mitsui Financial Group, Inc. (President & Group CEO: Toru Nakashima; hereinafter, "SMFG") announced in its press release dated May 12, 2026, entitled "SMBC Group Announces Change of Subsidiary (Sub-Subsidiary) in connection with the Transition to an Intermediate Holding Company Structure in Japan and Progress on the Establishment of a Japanese Equities Joint Venture with Jefferies," that, as part of the integrated operation of the wholesale Japanese equities business through SMBC Nikko Jefferies Securities Inc. (hereinafter, “SMBC Nikko Jefferies Securities”), a joint venture between SMBC Nikko Securities Inc. (President & CEO: Shuji Yoshioka; hereinafter, "SMBC Nikko"), a wholly owned subsidiary of SMFG, and Jefferies Financial Group Inc., it planned to establish "SMBC Nikko Securities Holdings Inc." as an intermediate holding company in Japan around October 2026 to oversee the governance of SMBC Nikko and SMBC Nikko Jefferies Securities.

SMFG hereby announces that it decided today that SMBC Nikko and SMBC Nikko Securities Holdings Establishment Preparatory Company, Inc. (hereinafter, the "Preparatory Company"), a wholly owned subsidiary of SMFG, will enter into a share exchange agreement on September 30, 2026, in connection with a share exchange to be effected on October 1, 2026 between the two companies (hereinafter, the "Share Exchange").

1. Summary of the Share Exchange

The Share Exchange will be implemented through a statutory share exchange in which the Preparatory Company will become the parent company of SMBC Nikko and SMBC Nikko will become the wholly owned subsidiary of the Preparatory Company. As a result, SMBC Nikko will become an indirect subsidiary of SMFG, while the Preparatory Company will remain a wholly owned subsidiary of SMFG. Upon the effectiveness of the Share Exchange, the Preparatory Company will change its corporate name to SMBC Nikko Securities Holdings Inc. (President & CEO: Shuji Yoshioka; hereinafter, “SMBC Nikko Securities Holdings”).

Scheme of the Share Exchange



2. Overview of the Share Exchange

Details of Allotment in the Share Exchange	One (1) share of common stock of the Preparatory Company will be issued and delivered to SMFG in exchange for the transfer by SMFG to the Preparatory Company of 200,002 shares of common stock of SMBC Nikko.	
Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of SMBC Nikko	Not applicable.	
Total Number of Issued Shares of the Preparatory Company after the Share Exchange	Before the Share Exchange	10,000 shares
	Newly Issued in the Share Exchange	1 share
	After the Share Exchange	10,001 shares
Expected Date of Approval at Shareholders' Meeting (SMBC Nikko)	September 30, 2026	
Expected Date of Approval at Shareholders' Meeting (Preparatory Company)	September 30, 2026	
Expected Execution Date of the Share Exchange Agreement	September 30, 2026	
Expected Effective Date of the Share Exchange	October 1, 2026	

Overview of the Company to Become a Sub-subsidiary (Wholly Owned Subsidiary in the Share Exchange (SMBC Nikko Securities Inc.))

Corporate Name	SMBC Nikko Securities Inc.	
Location of Head Office	3-3-1 Marunouchi, Chiyoda-ku, Tokyo	
Title and Name of Representative	President and CEO (Representative Director): Shuji Yoshioka	
Business Description	Primarily engaged in financial instruments business (Type I Financial Instruments Business, Type II Financial Instruments Business, securities-related administrative agency services, investment advisory and agency services, and investment management business).	
Capital	JPY 135.0 billion	
Date of Establishment	June 15, 2009	
Major Shareholder and Shareholding Ratio	SMFG 100%	
Relationship with SMFG	Capital Relationship	A wholly owned subsidiary of SMFG
	Personnel Relationship	One director of SMFG concurrently serves as a director of SMBC Nikko.
	Business Relationship	There are transactions between SMFG and SMBC Nikko, including management oversight and related matters.

Financial Position and Operating Results for the Last Three Fiscal Years (Unit: JPY millions)

Fiscal Year End	2024/3	2025/3	2026/3
Net Assets	1,164,252	1,187,198	1,225,779
Total Assets	19,739,506	21,000,736	21,663,175
Net Assets per Share (JPY)	5,821,204.29	5,935,935.58	6,128,837.54
Operating Revenue	403,315	495,382	551,827
Operating Profit	24,630	48,174	75,536
Ordinary Profit	36,158	52,076	77,565
Net Profit	26,832	76,713	88,933
Net Profit per Share (JPY)	134,162.12	383,564.51	444,663.86

Overview of the Wholly Owning Parent Company in the Share Exchange (the Preparatory Company)

<table>
<tr><td>Corporate Name</td><td colspan="2">SMBC Nikko Securities Holdings Establishment Preparatory Company, Inc.</td></tr>
<tr><td>Location of Head Office</td><td colspan="2">1-5-1 Marunouchi, Chiyoda-ku, Tokyo</td></tr>
<tr><td>Title and Name of Representative</td><td colspan="2">President (Representative Director): Shuji Yoshioka</td></tr>
<tr><td>Business Description</td><td colspan="2">Preparation and research for establishing an intermediate holding company</td></tr>
<tr><td>Capital</td><td colspan="2">JPY 10 million</td></tr>
<tr><td>Net Assets</td><td colspan="2">JPY 400 million</td></tr>
<tr><td>Total Assets</td><td colspan="2">JPY 500 million</td></tr>
<tr><td>Date of Establishment</td><td colspan="2">April 1, 2005
(Expected transition date to an intermediate holding company structure: October 1, 2026)</td></tr>
<tr><td>Fiscal Year End</td><td colspan="2">March 31</td></tr>
<tr><td>Major Shareholder and Shareholding Ratio</td><td colspan="2">SMFG 100%</td></tr>
<tr><td rowspan="3">Relationship with SMFG</td><td>Capital Relationship</td><td>A wholly owned subsidiary of SMFG</td></tr>
<tr><td>Personnel Relationship</td><td>None</td></tr>
<tr><td>Business Relationship</td><td>There are transactions between SMFG and the Preparatory Company, including management oversight and related matters.</td></tr>
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Overview of the Wholly Owning Parent Company after the Share Exchange

Corporate Name	SMBC Nikko Securities Holdings Inc.
Location of Head Office	1-5-1 Marunouchi, Chiyoda-ku, Tokyo
Title and Name of Representative	President and CEO (Representative Director): Shuji Yoshioka
Business Description	Formulation and implementation of management strategies for group companies, management oversight and related matters
Capital	JPY 100 million

SMBC Nikko Securities Holdings Inc. Logo

SMBC日興証券ホールディングス Japanese-language corporate logo

SMBC NIKKO Securities Holdings English-language corporate logo