

SM
ENTERTAINMENT
JAPAN

FY2025 Q2 Financial Results

This document has been translated from the original version in Japanese.
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Content

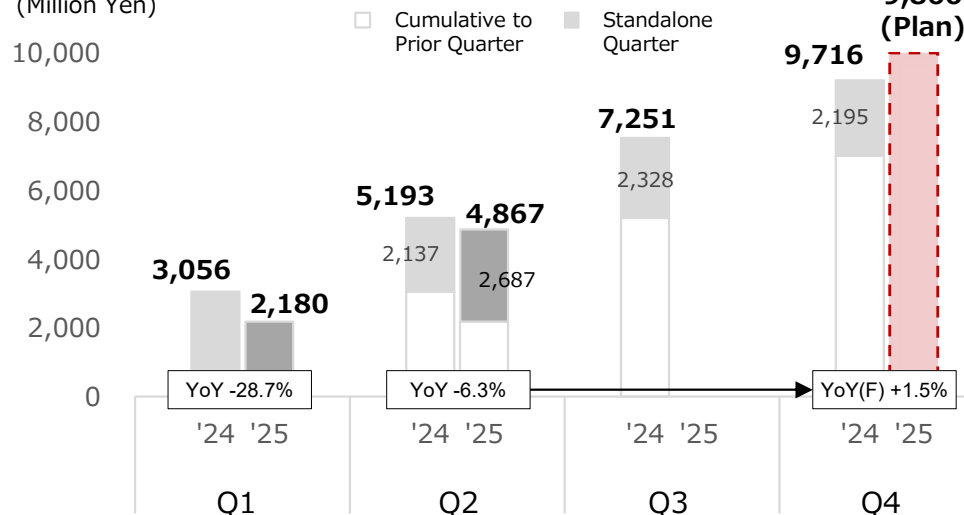
1. FY2025 Q2 Business Results P 3
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1. FY2025 Q2 Business Results

1) FY2025 Q2 Cumulative Performance

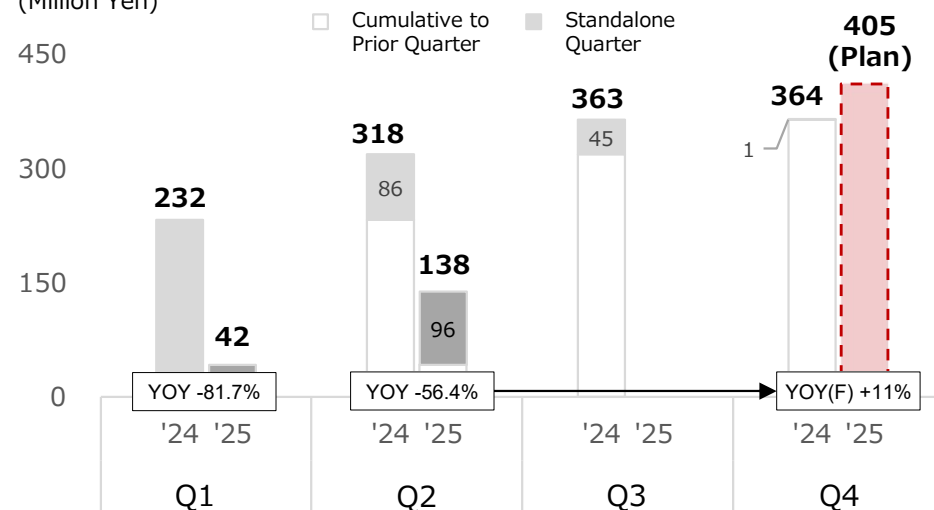
■ Net Sales

(Million Yen)



■ Operating Income

(Million Yen)



■ Business Results by Segment

(Million Yen)

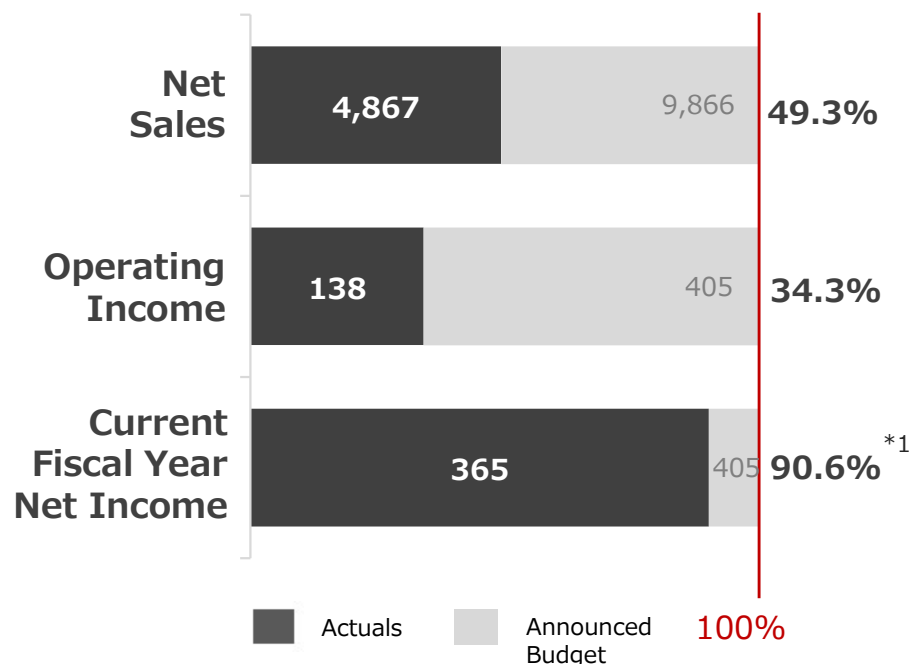
Segments	Net Sales	YoY	Operating Income	YoY	Remarks
FY2025 Q2 Business Results	4,867	-327 (-6.3%)	138	-180 (-56.4%)	Due to a back-loaded schedule , with most concerts planned for the second half of the fiscal year, revenue and profit declined YoY , but Q2 standalone results increased in both revenue and profit .
Entertainment	3,673	-298 (-7.5%)	273	-195 (-41.7%)	Due to the back-loaded schedule, concert attendance declined, and proactive investments in original IP led to lower revenue and profit. However, unplanned concerts and non-concert businesses contributed positively to Q2 standalone results .
Rights & Media	1,193	-28 (-2.3%)	134	-29 (-18.0%)	Amid a challenging environment due to the contraction of the visual content market, we enhanced profitability through new sales formats and continued to improve overall efficiency through rigorous cost control . Q2 standalone results saw both revenue and profit growth . ('24: Revenue 584 / Profit 74, '25: Revenue 637 / Profit 75)

2) Summary of FY2025 Q2

Due to a **back-loaded plan** for the fiscal year, cumulative Q2 results showed **declines in both revenue and profit YoY**. However, both the Entertainment and Rights & Media segments **outperformed their plans**.

■ FY2025 Q2 Financial Forecast and Progress

(Units: Million Yen)



*1 : Impact of Lapsed Stock Options and Reversal Gains (Extraordinary Income)

■ FY2025 Q2 Performance Highlights

Entertainment Segment:

- Held 68 concerts, attracting approx. 640K attendees

	Performances (Dome)		Attendance (10K)	
	Q1	Q2	Q3	Q4
2024	16(10)	15(5)	55	30
2025	25(2)	43(5)	30	34

<Q2 Highlights>

- TVXQ (approx. 150K*2) , NCT 127 (approx. 80K), and others
- 33 small-scale shows held, including solo activities by NCT 127's YUTA

- Strong non-concert performance ※ **Revenue +18% YoY**
 - POP-UP stores and photo exhibitions
 - Strong performance in imported merchandise
 - Increased artist endorsements

Rights & Media Segment:

- Rights Segment: Expanded exclusive early distribution, driving revenue model transformation
- Media Segment: Enhanced premium content leveraging group synergy, with improved efficiency through strict cost control

*2 : TVXQ!'s concerts commenced in Nov 2024, with 22 shows and attracting approx. 350K attendees through June.

2. FY2025 Q2 Topics by Segment

1) Entertainment | Key Schedules and Achievements

In addition to TVXQ!'s additional shows and NCT 127's dome concerts, artist brand value was further enhanced through POP-UP events, imported merchandise sales, and advertising endorsements.



TVXQ!
TVXQ!'s 20th Anniversary
Anniversary LIVE TOUR
~ZONE~



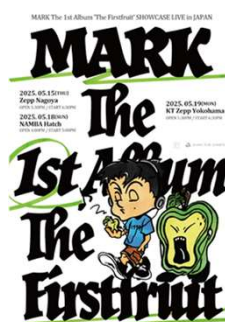
NCT 127
NCT 127 4TH TOUR
'NEO CITY : JAPAN
- THE MOMENTUM'



**SUPER JUNIOR
YESUNG**
『2025YESUNG
CONCERT
[It's Complicated]
In TOKYO』



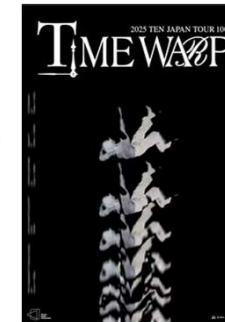
**SUPER JUNIOR
L.S.S.**
『SUPER JUNIOR-L.S.S.
JAPAN FAN CONCERT:
WELCOME』



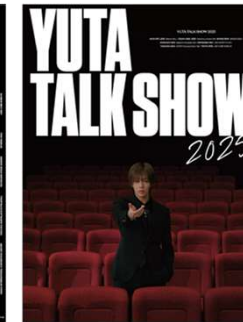
NCT_MARK
『MARK The 1st Album
'The Firstfruit'
SHOWCASE LIVE in
JAPAN』



aespa
『MY-J presents aespa
JAPANFANMEETING
2025 "To MY
WORLD"』



WayV_TEN
『2025 TEN JAPAN
TOUR 1001 'TIME
WARP'』



NCT_YUTA
『YUTA TALK SHOW
2025』

2025 Apr ————— Jun



TVXQ!
TVXQ!'s 20th Anniversary
POP-UP STORE ~ZONE~ at
MIYASHITA PARK



NCT
『2025 NCT CHARACTER POP
UP 'NCT CCOMAZ NATION'』



NCT WISH
『NCT WISH THE 1ST PHOTO
EXHIBITION [ONE SUMMER
WISH] @ TOKYO』



SHINee_KEY
『HELLO KITTY×KEY POP-UP
STORE』



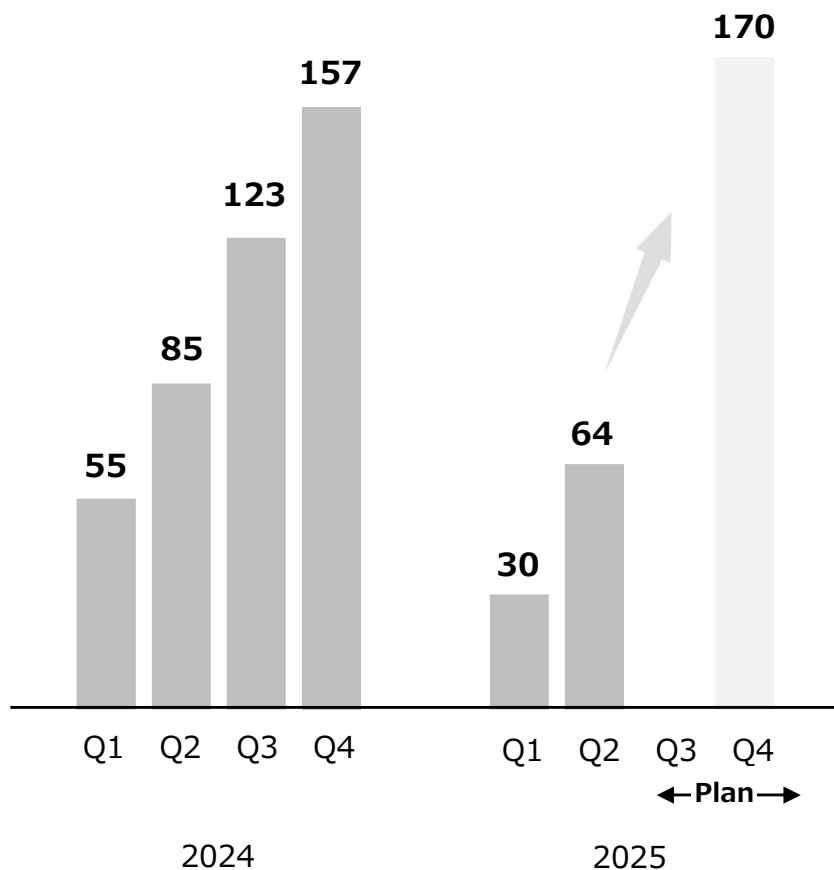
NCT WISH
New Balance 「SUMMER Tee」
New Campaign Ambassador

2) Entertainment | Q2 Results and Progress of Growth Strategy

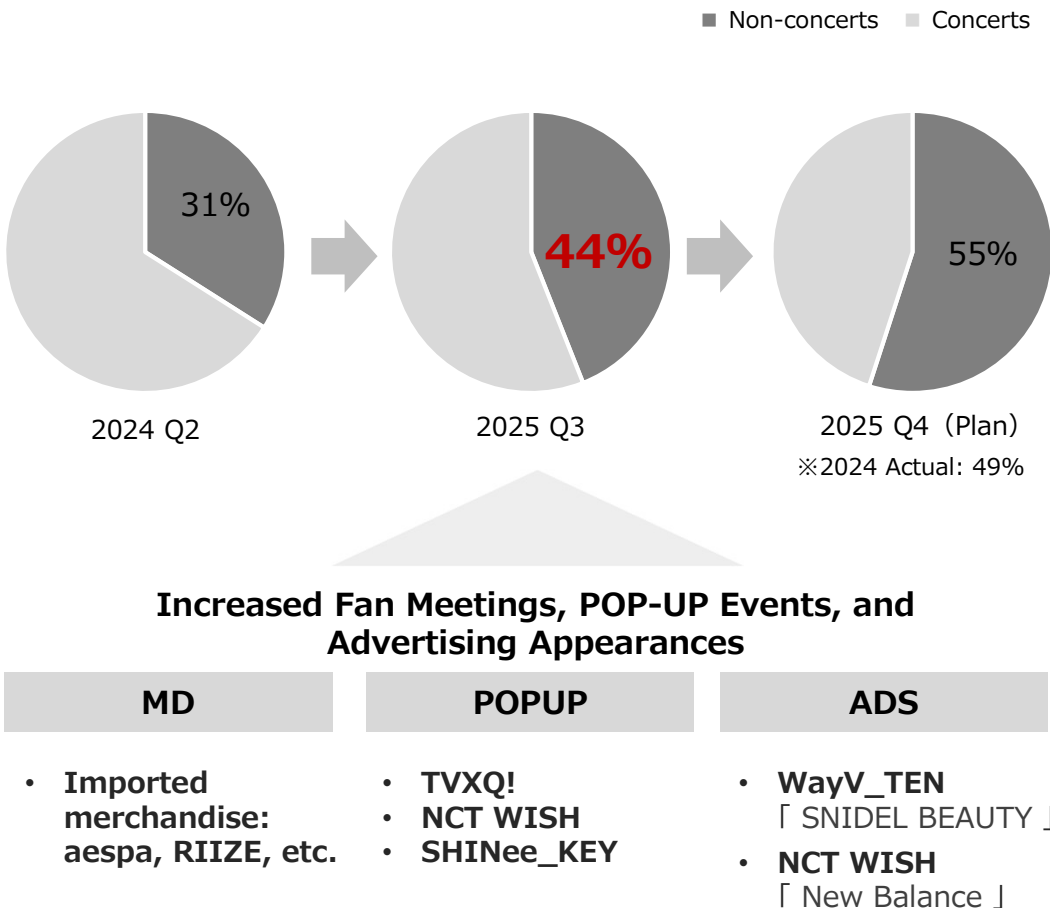
A total of 68 concerts were held, drawing approx. 640K attendees, exceeding plan.
 Business leveraging strong artist IP expanded steadily, with non-concert revenue growing as planned.

■ KPI Performance

Offline Concert Attendance (Cumulative)
 (Unit: 10K)



■ Expansion of Non-Concert Business



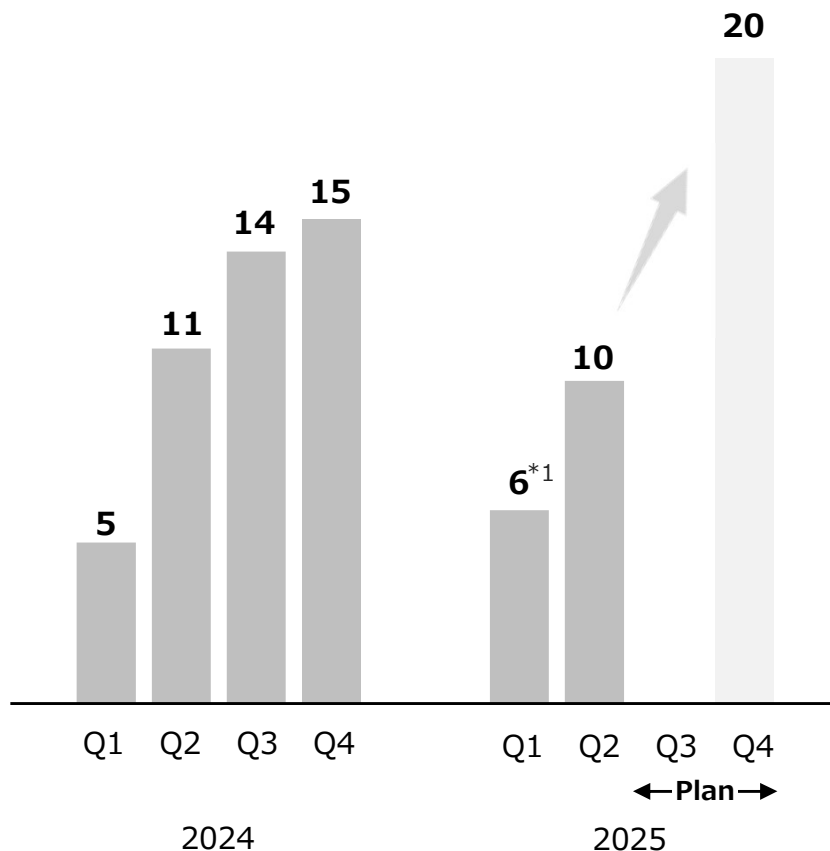
3) Rights & Media | Q2 Results and Progress of Growth Strategy

KNTV broadcast a total of 4 premium titles, contributing to new viewer acquisition and churn prevention. In the Rights business, collaboration with OTT platforms was strengthened, driving a shift in the revenue model through strategic exclusive early streaming.

■ KPI Performance

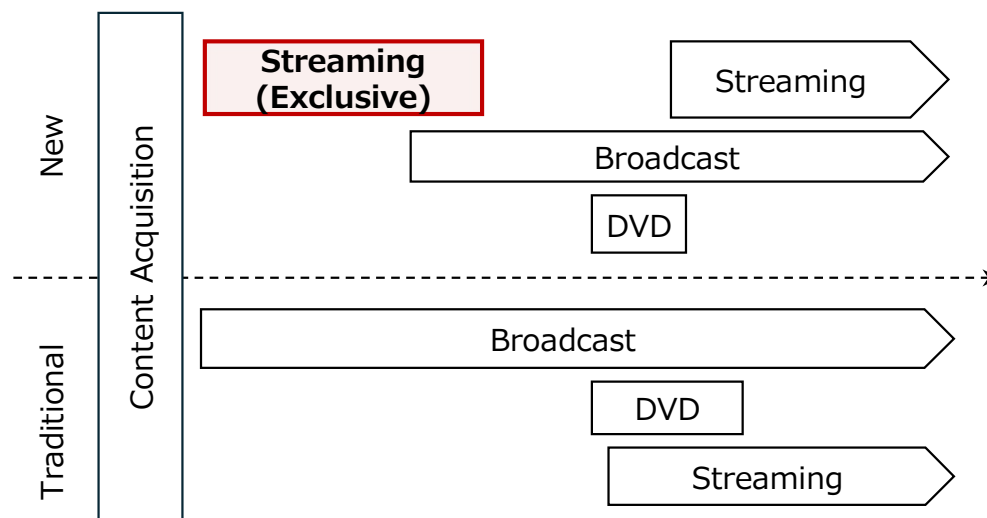
Cumulative Number of Premium Titles on KNTV

(Unit: Titles)



*1: Premium titles were previously reported as "5" in the May 2 Q1 earnings release, correct number is "6."

■ Rights Business Sales Model (Revenue Shift)



■ Newly Acquired Titles



Budding Romance

© (C) Danal Entertainment Co.,
Ltd. / YOGURT STUDIO /
CONTACT MEDIA



Hunter with a Scalpel

©STUDIO X+U



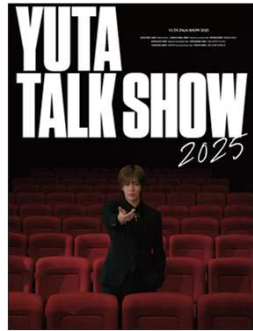
Woke Up to Super TV

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3. FY2025 Q3 and Beyond Topics by Segment

1) Entertainment | Key Schedules for Q3 and Beyond

Alongside concerts such as 「SMTOWN」, and arena tours by aespa and RIIZE, a Japan-originated IP debut is planned within the year.



NCT_YUTA
『YUTA TALK SHOW 2025』



RIIZE
『2025 RIIZE CONCERT TOUT [RIIZING LOUD] IN JAPAN』



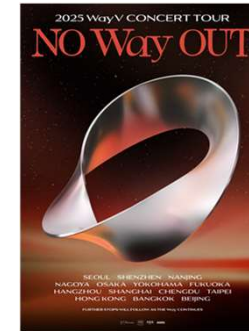
NCT_DOYOUNG
『2025 DOYOUNG CONCERT [Doors] in JAPAN』



NCT WISH
『NCTzen WISH-JAPAN FANMEETING 2025 "WISH Festival"』



EXO_KAI
『2025 KAI SOLO CONCERT TOUR <KAION> IN JAPAN』



WayV
『2025 WayV Concert Tour [NO Way OUT] in JAPAN』



TVXQ!_CHANGMIN
『CHANGMIN from TVXQ! CONCERT TOUR 2025』

2025 Jul



SHINee_MINHO
『MINHO PHOTO EXHIBITION 『MEAN : on sight』 in JAPAN』



『SMTOWN LIVE 2025 in TOKYO』
POP-UP STORE



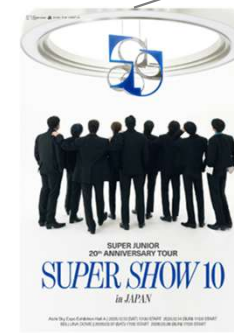
『SMTOWN LIVE 2025 in TOKYO』



Red Velvet-IRENE & SEULGI
『2025 IRENE & SEULGI Concert Tour [BALANCE] in JAPAN』



aespa
『2025 aespa LIVE TOUR - SYNK : aeXIS LINE - in JAPAN』



SUPER JUNIOR
『SUPER JUNIOR 20th Anniversary TOUR <SUPER SHOW 10> in JAPAN』

Our Original IP

Girls-group
&
Virtual-artist

Within 2025

1) Rights & Media | Key Schedules for Q3

The rights business has secured multiple titles, including new dramas “Ahead Coach's Turnover” and “Oh My Ghost Clients.” The media business plans to air several Japan-first broadcasts, including premium content such as SMTOWN.

■ KNTV Key Broadcast Schedule

Premium Content (Live Broadcast)



SUPER JUNIOR 20th Anniversary
TOUR <SUPER SHOW 10> in
SEOUL]
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SMTOWN LIVE 2025 in TOKYO
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■ Rights Business Titles

Newly Acquired Titles



Ahead Coach's Turnover
©2025 MBC



Oh My Ghost Clients
©2025MBC

Korean Drama (Japan Premiere)



Oh My Ghost Clients
©2025MBC



Salon de Holmes
© KT ENA All rights reserved

Archived Content Sales



The World of the Married
© © JTBC studios & Jcontentree corp
All rights reserved Based upon the
original series “Doctor Foster”
produced by Drama Republic for the
BBC, distributed by BBC Worldwide.



Poong, the Joseon
Psychiatrist
© STUDIO
DRAGONCORPORATION



Joseon Attorney : A
Morality (original title)
©2023 MBC

4. Supplement

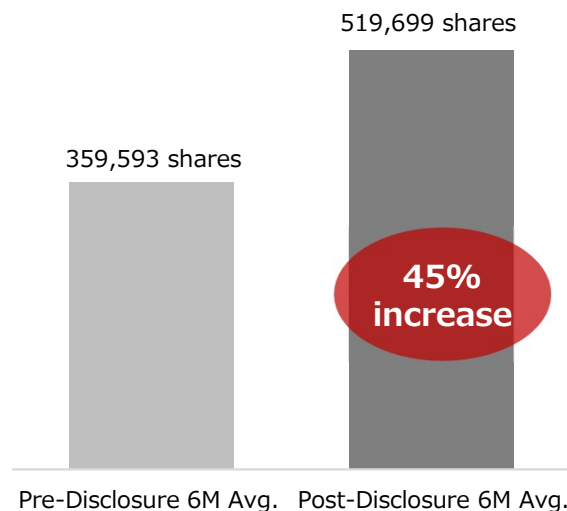
1) Other Reports

■ Change in Company Name

To underscore our affiliation with the SM ENTERTAINMENT Group and drive sustainable, long-term growth and enhanced corporate value, **we have changed our company name to 「株式会社 SM ENTERTAINMENT JAPAN」.**

(Name change disclosed: February 5, 2025; effective: June 1, 2025)

<Volume Before/After Name Change>



- The company has made **enhancing the free-float ratio and trading volume** a key objective of its IR activities, with the aim of achieving **sustainable, long-term corporate value creation**.
- Regarding the free-float ratio, coordinated efforts with the parent company enabled a phased increase, resulting in the **successful achievement of the target level**.
- As part of **initiatives to boost trading volume**, the company **implemented a corporate name change**.
- This change has made a **significant contribution to brand recognition** and has led to **increased trading volume and transaction value**.

■ Expiration of Stock Options (Paid Stock Options) and Recognition of Extraordinary Income

All stock options authorized at the extraordinary shareholders' meeting on July 21, 2020, expired upon completion of the exercise period.

Accordingly, **¥226,000,000 in stock option reversal gains was recognized as extraordinary income in Q2 FY2025.**

2) Performance Status

■ Sales Revenue (Annual Cumulative)

(Units: Million Yen)

Segments	2022				2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q4 (Plan)
Entertainment	277	1,279	2,972	3,712	2,001	3,405	5,507	6,330	2,419	3,971	5,668	7,264	1,623	3,673	7,391
Rights & Media	892	1,810	2,528	3,360	746	1,458	1,992	2,579	637	1,221	1,852	2,451	557	1,193	2,495
Total	1,174	3,094	5,506	7,078	2,747	4,864	7,499	8,910	3,056	5,193	7,521	9,716	2,180	4,867	9,866

■ Operating Profit (Annual Cumulative)

(Units: Million Yen)

Segments	2022				2023				2024				2025		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q4 (Plan)
Entertainment	-55	-12	138	73	235	363	596	541	305	468	599	679	130	273	
Rights & Media	66	146	177	148	115	271	293	328	90	164	227	261	59	134	
Total Expenses	-126	-262	-405	-561	-153	-339	-493	-656	-160	-310	-460	-573	-147	-269	
Total	-124	-147	-118	-381	188	276	366	181	232	318	363	364	42	138	405

※ The difference between the sum of each segment and the 'Total' is attributed to miscellaneous items (Other).

【Disclaimer Regarding These Presentation Materials】

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**Thank you for your time.
We look forward to your continued support and patronage.**