



# **SM ENTERTAINMENT EARNINGS RELEASE**

**2Q25**

**SM ENTERTAINMENT GROUP**

# DISCLAIMER

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The information herein is intended solely to provide guidance for our investors. The financial information included in this presentation is preliminary, unaudited and subject to revision upon completion of the Company's closing and audit processes.

The Company undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the ultimate financial results.

The Company undertakes no obligation to provide promises or hold responsibilities with respect to forward-looking statements attributable to the Company. All investors should exercise their own independent and professional judgment in making any investment decisions.

The financial information is prepared in accordance with IFRS and includes both standalone and consolidated financial statements.

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# 1-1. Consolidated Business Results

- **Revenue increased by 19.3% YoY to KRW 302.9bn**
  - Driven by higher sales from HQ and major subsidiaries, and consolidation of DEARU
- **Operating Profit increased by 92.4% YoY to KRW 47.6bn**
  - Effected by HQ revenue growth and turnaround of major subsidiaries.
- **Net Profit increased by 276.2% YoY to KRW 309bn**

(Unit: KRW bn)	2Q25	2Q24	YoY	1Q25	QoQ
<b>Revenue</b>	302.9	253.9	19.3%	231.4	30.9%
Gross Profit	114.5	77.7	47.3%	83.4	37.4%
SG&A	66.9	53.0	26.3%	50.8	31.7%
<b>Operating Profit</b>	47.6	24.7	92.4%	32.6	46.1%
OP Margin	15.7%	9.7%	6.0%p	14.1%	1.6%p
Income before Income Tax	39.3	21.1	85.7%	261.9	-85.0%
Income Tax	8.4	12.7	-34.4%	9.1	-8.4%
<b>Net Income</b>	30.9	8.4	267.2%	252.7	-87.8%

# 1-2. SM ENTERTAINMENT Business Results (Parent)

(Unit: KRW bn)	2Q25	2Q24	YoY	1Q25	QoQ
<b>Revenue</b>	220.3	174.1	26.5%	165.5	33.1%
Physical Album/ Digital Music	99.0	71.8	37.9%	67.8	46.0%
Appearance (TV/advertising/event)	23.2	21.2	9.8%	18.8	23.5%
Concert	33.6	34.3	-1.9%	39.0	-13.7%
MD/licensing	63.9	45.8	39.6%	39.4	62.3%
Other	0.6	1.1	-46.8%	0.5	12.5%
Gross Profit	75.6	54.5	38.9%	64.9	16.6%
SG&A	29.7	25.2	17.9%	23.6	25.8%
<b>Operating Profit</b>	46.0	29.3	56.9%	41.3	11.4%
OP Margin	20.9%	16.8%	4.0%p	24.9%	-4.1%p
<b>Net Income</b>	29.5	13.5	118.2%	32.2	-8.3%

- **Revenue increased by 26.5% YoY to KRW 220.3bn**
  - **Strong new album and digital music sales growth**  
: New album sales 3.86 mn in 2Q24 → 5.79 mn in 2Q25  
(2Q25, RIIZE 1.93 mn, NCT WISH 1.34 mn, aespa 0.9 mn, etc.)
  - **Concert revenue remained flat YoY**  
: TVXQ! (3), NCT127 (6), TAEYEON (8), SMTOWN (3), TEN (15),  
NCT WISH (10), SHINee(3), KAI (6), etc.
  - **MD/Licensing revenue grew driven by strong planning and concert MD sales**  
: NCT WISH exhibition pop-up, RIIZE character pop-up event, etc.
- **Operating profit increased by 56.9% YoY to KRW 46.0bn**
  - **Driven by double-digit revenue growth and improved sales mix**
- **Net Income increased by 118.2% YoY to KRW 29.5bn**

# 1-3. Major Subsidiaries

(Unit: KRW bn)	2Q25	2Q24	YoY	1Q25	QoQ
<b>Revenue <sup>1)</sup></b>	141.5	112.8	25.4%	104.5	35.4%
SM C&C <sup>2)</sup>	21.1	27.9	-24.2%	17.7	19.3%
SM ENT JAPAN(SMC) <sup>3)</sup>	26.0	18.7	38.6%	20.8	24.6%
KEYEAST	3.0	16.1	-81.7%	4.5	-34.4%
SM BM	19.5	14.1	38.2%	10.4	87.5%
SMLDG	16.9	8.7	94.0%	7.2	134.2%
DREAM MAKER	14.9	7.5	99.0%	23.0	-35.1%
DEARU <sup>4)</sup>	20.2	-	-	-	-
Others <sup>5)</sup>	20.0	19.8	1.0%	20.9	-4.2%
<b>Operating Profit <sup>1)</sup></b>	8.1	-2.2	TB	-8.2	TB
SM C&C <sup>2)</sup>	-1.3	2.6	TR	-2.9	RL
SM ENT JAPAN(SMC) <sup>3)</sup>	2.9	-0.2	TB	-1.3	TB
KEYEAST	-1.3	0.4	TR	-1.1	RL
SM BM	0.8	-0.9	TB	-0.7	TB
SMLDG	2.2	0.8	160.1%	0.6	292.6%
DREAM MAKER	0.4	-1.8	TB	1.3	-73.3%
DEARU <sup>4)</sup>	7.4	-	-	-	-
Others <sup>5)</sup>	-3.2	-3.2	RL	-4.1	RL
<b>Net Income <sup>1)</sup></b>	7.0	-6.5	TB	-3.3	TB
SM C&C <sup>2)</sup>	-1.0	3.1	TR	-1.8	RL
SM ENT JAPAN(SMC) <sup>3)</sup>	2.9	-0.2	TB	-1.4	TB
KEYEAST	-1.4	-1.2	RL	-0.5	RL
SM BM	0.9	-1.7	TB	-0.4	TB
SMLDG	2.7	1.0	176.6%	0.7	295.6%
DREAM MAKER	0.5	-1.3	TB	1.4	-67.4%
DEARU <sup>4)</sup>	5.3	-	-	-	-
Others <sup>5)</sup>	-2.9	-6.2	RL	-1.3	RL

## ■ Revenue increased by 25.4% YoY to KRW 141.5bn

- SM C&C, continued decline in advertising revenue
- SM ENT JAPAN(SMC), larger-scale concerts in Japan
- KEYEAST, decrease in the number of dramas aired
- SM BM, strong album and MD sales
- SM LDG, album printing sales increased
- DREAM MAKER, expanded concerts including SHINee and NCT 127

## ■ Operating Profit turned into profit YoY

- Turnarounds at SM ENT JAPAN(SMC), SM BM, and DREAM MAKER due to revenue growth and consolidation of DEARU.
- Operating losses at SM C&C and KEYEAST due to revenue decline.

## ■ Net income turned into profit YoY

<sup>1)</sup> Simple aggregation of the performances of subsidiaries subject to consolidation

<sup>2)</sup> Consolidation basis

<sup>3)</sup> As of June 1, 2025, 'Stream Media Corporation (SMC)' changed its name to 'SM ENTERTAINMENT JAPAN'.

<sup>4)</sup> Consolidated from Q2 2025.

<sup>5)</sup> The amount represents the simple sum of consolidated subsidiaries, excluding six separately disclosed entities. Offset accounts have been netted out

## 2-1. Music LINE-UP Preview

Release	Artist	Album Type
7/8	SUPER JUNIOR	Full Album
7/14	NCT DREAM	Full Album
7/16	HYO	Single
7/18	WayV	Mini
7/20	TVXQ!	Single(JPN)
7/31	XngHan&Xoul	Single CD
8/4	BoA	Full Album
8/7	naevis	Single
8/11	KEY	Full Album
8/18	JOY	Mini
3Q	HAECHAN	Full Album
	SUHO	Mini
	CHANYEOL	Mini
	aespa	Mini
	NCT WISH	Mini

Release	Artist	Album Type
4Q	U-KNOW	Full Album
	TAEYEON	Full Album
	YUTA	Full Album (JPN)
	CHANYEOL	Mini(JPN)
	NCT DREAM	Mini
	WayV	Mini
	Hearts2Hearts	Mini
	MAX CHANGMIN	Single CD(JPN)
	RIIZE	Single CD
	MINHO	Single
	JUNGWOO	Single

## 2-2. Concert LINE-UP Preview

Date	Country and Region	Artist	Title	No. of Concerts
7/4 ~ 9/25	Singapore, Macao, Thailand, Taiwan, Malaysia, Japan	IRENE & SEULGI	2025 IRENE & SEULGI Concert Tour [ BALANCE ] in	7
7/4 ~ 9/21	Republic of Korea, Japan, Hong Kong, Malaysia, Taiwan, Thailand	RIIZE	2025 RIIZE CONCERT TOUR [RIIZING LOUD] in	20
7/6	Japan	YUTA	YUTA TALK SHOW 2025	2
7/10 ~ 9/28	Republic of Korea, Thailand, Hong Kong, Indonesia	NCT DREAM	2025 NCT DREAM TOUR <THE DREAM SHOW 4 : DREAM THE FUTURE> in	8
7/12 ~ 9/9	Taiwan, Philippines, Thailand, Japan, Hong Kong, North America, Mexico City	KAI	2025 KAI SOLO CONCERT TOUR <KAION> in	12
9/26~28	Republic of Korea	KAI	2025 KAI SOLO CONCERT TOUR <KAION> ENCORE IN SEOUL	3
7/12 ~ 9/20	Japan, Singapore, Macao, Bangkok, Taiwan	DOYOUNG	2025 DOYOUNG CONCERT [ Doors ] in ASIA	10
7/20 ~ 7/21	Japan	NCT WISH	NCTzen WISH-JAPAN FANMEETING 2025 "WISH祭"	2
8/2 ~ 9/27	Republic of Korea, Japan, China	WayV	2025 WayV Concert Tour [NO Way OUT] in	13
8/9 ~ 8/10	Japan	SMTOWN	SMTOWN LIVE 2025 [THE CULTURE, THE FUTURE]	2
8/22 ~ 9/13	Republic of Korea, Hong Kong, Indonesia	SUPER JUNIOR	SUPER JUNIOR 20th Anniversary Tour ‘SUPER SHOW 10’	6
8/29 ~ 8/31	Republic of Korea	aespa	2025 aespa LIVE TOUR - SYNK : aeXIS LINE	3
9/3 ~ 9/29	Japan	CHANGMIN	CHANGMIN from 東方神起 CONCERT TOUR 2025	9
9/26~9/28	Republic of Korea	KEY	2025 KEYLAND : Uncanny Valley	3
4Q25	Taiwan, Japan	KEY	2025 KEYLAND : Uncanny Valley	3
	U.S.A, Mexico	RIIZE	2025 RIIZE CONCERT TOUR [RIIZING LOUD] in	8
	Philippines, South America, Taiwan, Thailand, Japan	SUPER JUNIOR	SUPER JUNIOR 20th Anniversary Tour ‘SUPER SHOW 10’	11
	대한민국, Japan	NCT WISH	NCT WISH 1st CONCERT TOUR 'INTO THE WISH : Our WISH'	15
	China, Hong Kong, Taiwan, Thailand	WayV	2025 WayV Concert Tour [NO Way OUT] in	6
	Republic of Korea	DOYOUNG	2025 DOYOUNG CONCERT [ Doors ] ENCORE	2
	Singapore, Japan, Taiwan, Malaysia	NCT DREAM	2025 NCT DREAM TOUR <THE DREAM SHOW 4 : DREAM THE FUTURE>	7
	Japan	YUTA	YUTA LIVE TOUR 2025	13
	Japan, Thailand	aespa	2025 aespa LIVE TOUR - SYNK : aeXIS LINE -	12
	Japan	CHANGMIN	CHANGMIN from 東方神起 CONCERT TOUR 2025	9

1) The above is the main line-up as of August 6<sup>th</sup> and may change later.



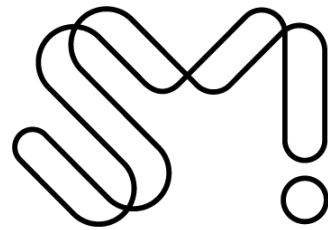
# APPENDIX – Summary of Financial Statements Summary

## Consolidated P/L

(Unit: KRW bn)	2Q24	3Q24	4Q24	1Q25	2Q25
<b>Revenue</b>	<b>253.9</b>	<b>242.2</b>	<b>273.6</b>	<b>231.4</b>	<b>302.9</b>
Cost of Revenues	176.1	168.9	188.6	148.0	188.4
<b>Gross Profit</b>	<b>77.7</b>	<b>73.4</b>	<b>85.0</b>	<b>83.4</b>	<b>114.5</b>
SG&A	53.0	60.0	51.3	50.8	66.9
<b>Operating Profit</b>	<b>24.7</b>	<b>13.3</b>	<b>33.7</b>	<b>32.6</b>	<b>47.6</b>
Other Non-operating Income	2.8	2.8	7.3	3.9	1.6
Other Non-operating Expenses	9.5	2.5	73.7	2.8	7.5
Financial Income	3.2	3.1	9.2	3.5	3.7
Financial Expenses	1.9	1.9	-0.6	1.5	7.4
Share of Profit(Loss) of Associates and JVs	1.9	1.6	-8	226	1.2
<b>Income before Income Tax</b>	<b>21.1</b>	<b>16.5</b>	<b>-30.8</b>	<b>262</b>	<b>39.3</b>
Income Tax	12.7	12.8	-7.1	9.1	8.4
<b>Net Income</b>	<b>8.4</b>	<b>3.7</b>	<b>-23.7</b>	<b>253</b>	<b>30.9</b>

## Consolidated B/S

(Unit: KRW bn)	2023	2024	2Q25
Tangible Assets	858.3	814.0	904.0
Intangible Assets	682.7	605.1	995.1
<b>Total Assets</b>	<b>1,541.0</b>	<b>1,419.1</b>	<b>1,899.1</b>
Current Liabilities	519.3	484.6	521.3
Non-current Liabilities	112.3	105.5	131.6
<b>Total Liabilities</b>	<b>631.6</b>	<b>590.0</b>	<b>652.9</b>
Controlling Interest Equity	722.5	664.8	933.2
Capital Stock	11.9	11.9	11.9
Minority Interest	186.9	164.3	312.9
<b>Total Shareholder's Equity</b>	<b>909.4</b>	<b>829.1</b>	<b>1,246.2</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>1,541.0</b>	<b>1,419.1</b>	<b>1,899.1</b>



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