

NOMURA HOLDINGS INC
Form 6-K
May 15, 2008
Table of Contents

FORM 6-K

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

Commission File Number: 1-15270

Supplement for the month of May 2008.

NOMURA HOLDINGS, INC.

(Translation of registrant's name into English)

9-1, Nihonbashi 1-chome

Chuo-ku, Tokyo 103-8645

Japan

(Address of principal executive offices)

Edgar Filing: NOMURA HOLDINGS INC - Form 6-K

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- .

Table of Contents

Information furnished on this form:

EXHIBIT

**Exhibit
Number**

1. (English Translation) Amendment to Interim Report Pursuant to the Financial Instruments and Exchange Act for The Six Months Ended September 30, 2007

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NOMURA HOLDINGS, INC.

Date: May 15, 2008

By: /s/ Toshio Hirota
Toshio Hirota
Executive Managing Director

Table of Contents

1. Grounds for Amendment to the Interim Report

This submission is due to the new accounting standard which the company decided to apply after submission of Interim Report Pursuant to the Financial Instruments and Exchange Act for The Six Months Ended September 30, 2007 and which requires retrospective application to the previous interim periods.

The American Institute of Certified Public Accountants (AICPA) issued Statement of Position 07-1, Clarification of the Scope of the Audit and Accounting Guide Investment Companies and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies (SOP 07-1) in June 2007. SOP 07-1 addresses whether the accounting principles of the Audit and Accounting Guide for Investment Companies should be applied to an entity by clarifying the definition of an investment company, and whether those accounting principles should be retained by a parent company in consolidation or by an investor in the application of the equity method of accounting. All investments made by investment companies within the scope of the guide are carried at fair value, with changes in fair value recognized through earnings.

Despite that SOP 07-1 was aimed to be effective for fiscal years beginning on or after December 15, 2007, the Financial Accounting Standards Board (FASB) issued Staff Position No. SOP 07-1-1, Effective Date of AICPA Statement of Position 07-1 (FSP SOP 07-1-1), which indefinitely deferred SOP 07-1. However, FSP SOP 07-1-1 permits continuous application of SOP 07-1 for entities that early adopted SOP 07-1.

Nomura decided early adoption of SOP 07-1 on December 14, 2007 and designated certain entities, including Nomura Principal Finance Co., Ltd. and Terra Firma Capital Partners I as investment companies. As our adoption of SOP 07-1 was made in other than the first interim period of the year of change, the change is reported by retrospective application to the previous interim periods of the year pursuant to SOP 07-1. And the adjusted amount due to the initial adoption was recorded in the retained earnings as of the beginning of the year.

In addition, the financial statements after retrospective application has been audited by Ernst & Young ShinNihon in accordance with semiannual auditing standards applied in Japan and the Semiannual Audit Report of Independent Auditors is attached to this report.

2. Amendment item

PART I Corporate Information

Item 1. Information on the Company and Its Subsidiaries and Affiliates

1. Selected Financial Data*

2. Business Overview*

4. Employees

Item 2. Operating and Financial Review

1. Operating Results*

Item 5. Financial Information

1. Consolidated Financial Statements and Other*

* Translations are attached to this form.

3. Amendment detail

Amendment details are shown as underlined parts.

Table of Contents**Part I Corporate Information****Item 1. Information on the Company and Its Subsidiaries and Affiliates**

1. Selected Financial Data

(1) Selected consolidated financial data

<Before retrospective application>

		Six months ended September 30, 2005	Six months ended September 30, 2006	Six months ended September 30, 2007	Year ended March 31, 2006	Year ended March 31, 2007
Revenue	(Mil yen)	734,471	870,944	<u>1,147,160</u>	1,792,840	2,049,101
Net revenue	(Mil yen)	460,150	456,912	<u>600,937</u>	1,145,650	1,091,101
Income before income taxes	(Mil yen)	141,368	106,491	<u>96,374</u>	445,600	321,758
Net income	(Mil yen)	69,202	63,665	<u>66,226</u>	304,328	175,828
Shareholders' equity	(Mil yen)	1,869,148	2,125,028	<u>2,233,928</u>	2,063,327	2,185,919
Total assets	(Mil yen)	36,069,965	32,682,845	<u>29,333,718</u>	35,026,035	35,873,374
Shareholders' equity per share	(Yen)	981.51	1,114.88	<u>1,170.31</u>	1,083.19	1,146.23
Net income per share - basic	(Yen)	36.01	33.41	<u>34.70</u>	159.02	92.25
Net income per share - diluted	(Yen)	35.95	33.33	<u>34.59</u>	158.78	92.00
Shareholders' equity as a percentage of total assets	(%)	5.2	6.5	<u>7.6</u>	5.9	6.1
Cash flows from operating activities	(Mil yen)	(377,425)	(1,389,799)	<u>(666,068)</u>	(565,214)	(1,627,156)
Cash flows from investing activities	(Mil yen)	(1,111)	(144,285)	<u>(145,438)</u>	(4,678)	(533,813)
Cash flows from financing activities	(Mil yen)	558,055	868,178	<u>1,072,523</u>	829,219	1,568,703
Cash and cash equivalents at end of the period	(Mil yen)	768,303	330,804	<u>660,404</u>	991,961	410,028
Number of staffs		15,086	16,029	17,916	14,932	16,854
[Average number of temporary staffs, excluded from above]		[3,396]	[3,588]	[4,447]	[3,498]	[3,766]

(Notes) (Omitted)

- 9 In addition to the numbers presented above, the number of staffs in investee companies of private equity investments that were consolidated as subsidiaries on the consolidated financial statements as of September 30, 2007 was 6,227 and the average number of temporary staffs in those investee companies was 1,728.

<After retrospective application>

		Six months ended September 30, 2005	Six months ended September 30, 2006	Six months ended September 30, 2007	Year ended March 31, 2006	Year ended March 31, 2007
Revenue	(Mil yen)	734,471	870,944	<u>1,067,371</u>	1,792,840	2,049,101
Net revenue	(Mil yen)	460,150	456,912	<u>521,502</u>	1,145,650	1,091,101
Income before income taxes	(Mil yen)	141,368	106,491	<u>89,352</u>	445,600	321,758
Net income	(Mil yen)	69,202	63,665	<u>64,231</u>	304,328	175,828
Shareholders' equity	(Mil yen)	1,869,148	2,125,028	<u>2,232,556</u>	2,063,327	2,185,919
Total assets	(Mil yen)	36,069,965	32,682,845	<u>29,171,303</u>	35,026,035	35,873,374
Shareholders' equity per share	(Yen)	981.51	1,114.88	<u>1,169.59</u>	1,083.19	1,146.23

Edgar Filing: NOMURA HOLDINGS INC - Form 6-K

Net income per share basic	(Yen)	36.01	33.41	<u>33.66</u>	159.02	92.25
Net income per share diluted	(Yen)	35.95	33.33	<u>33.55</u>	158.78	92.00
Shareholders' equity as a percentage of total assets	(%)	5.2	6.5	<u>7.7</u>	5.9	6.1
Cash flows from operating activities	(Mil yen)	(377,425)	(1,389,799)	<u>(600,257)</u>	(565,214)	(1,627,156)
Cash flows from investing activities	(Mil yen)	(1,111)	(144,285)	<u>(167,574)</u>	(4,678)	(533,813)
Cash flows from financing activities	(Mil yen)	558,055	868,178	<u>1,029,181</u>	829,219	1,568,703
Cash and cash equivalents at end of the period	(Mil yen)	768,303	330,804	<u>622,310</u>	991,961	410,028
Number of staffs		15,086	16,029	17,916	14,932	16,854
[Average number of temporary staffs, excluded from above]		[3,396]	[3,588]	[4,447]	[3,498]	[3,766]

(Notes) (Omitted)

9 (Deleted)

10 With the application of Statement of Position 07-1, Clarification of the Scope of the Audit and Accounting Guide Investment Companies and Accounting by Parent Companies and Equity Method Investors for Investments in Investment Companies, all investments made by investment companies within the scope of the guide are carried at fair value, with changes in fair value recognized through earnings for the six month ended September 30, 2007.

Table of Contents

2. Business Overview

<Before retrospective application>

There was no significant change for the business of Nomura Holdings, Inc. and its 338 consolidated subsidiaries and variable interest entities for the six months ended September 30, 2007. There are 45 affiliated companies which were accounted for by the equity method at September 30, 2007.

<After retrospective application>

There was no significant change for the business of Nomura Holdings, Inc. and its 285 consolidated subsidiaries and variable interest entities for the six months ended September 30, 2007. There are 20 affiliated companies which were accounted for by the equity method at September 30, 2007.

Item 2. Operating and Financial Review

1. Operating Results

(1) Summary

<Before retrospective application>

Nomura Holdings, Inc. and its consolidated subsidiaries (Nomura) reported net revenue of ¥600.9 billion for the six months ended September 30, 2007, an increase of 32% from the same period in the prior year. Non-interest expenses were ¥504.6 billion for the six months ended September 30, 2007, an increase of 44% from the same period in the prior year. As a result, income before income taxes was ¥96.4 billion for the six months ended September 30, 2007, a decrease of 10% from the same period in the prior year and net income for the six months ended September 30, 2007 was ¥66.2 billion, an increase of 4% from the same period in the prior year.

Cash and cash equivalents at September 30, 2007 increased by ¥250.4 billion compared with March 31, 2007 (an decrease of ¥661.2 billion for the same period in the prior year). Net cash used in operating activities was ¥666.1 billion (net cash used in operating activities for the same period in the prior year was ¥1,389.8 billion), mainly due to an increase in Securities purchased under agreements to resell, net of securities sold under agreements to repurchase, and an increase in Securities borrowed, net of securities loaned. Net cash used in investing activities was ¥145.4 billion (net cash used in investing activities for the same period in the prior year was ¥144.3 billion) mainly due to Payments for purchase of office buildings, land, equipment and facilities, Increase in loans receivables at banks and Increase in non-trading debt securities. Net cash provided by financing activities was ¥1,072.5 billion (net cash provided by financing activities for the same period in the prior year was ¥868.2 billion) mainly due to an increase in borrowings.

Table of Contents

The breakdown of Net revenue and Non-interest expenses on the consolidated income statements are as follows.

	Six months ended September 30, 2006 (Mil Yen)	Six months ended September 30, 2007 (Mil Yen)
Commissions	145,642	<u>219,849</u>
Brokerage commissions	77,153	128,824
Commissions for distribution of investment trust	48,972	73,395
Other	19,517	<u>17,630</u>
Fees from investment banking	41,252	46,066
Underwriting and distribution	29,511	20,903
M&A / financial advisory fees	11,538	23,878
Other	203	1,285
Asset management and portfolio service fees	65,208	98,221
Asset management fees	57,937	89,054
Other	7,271	9,167
Net gain on trading	103,312	<u>107,215</u>
Merchant banking	(2,198)	<u>1,044</u>
Equity trading	44,408	79,885
Fixed income and other trading	61,102	26,286
(Loss) gain on private equity investments	37,295	<u>63,652</u>
Net interest	26,139	<u>(5,492)</u>
Gain (loss) on investments in equity securities	(20,553)	(24,756)
Private equity entities product sales	42,705	<u>70,827</u>
Other	15,912	<u>25,355</u>
Net revenue	456,912	<u>600,937</u>

	Six months ended September 30, 2006 (Mil Yen)	Six months ended September 30, 2007 (Mil Yen)
Compensation and benefits	161,828	<u>203,223</u>
Commissions and floor brokerage	20,590	<u>46,351</u>
Information processing and communications	50,601	<u>64,204</u>
Occupancy and related depreciation	28,185	33,879
Business development expenses	17,658	<u>20,061</u>
Private equity entities cost of goods sold	23,208	<u>44,118</u>
Other	48,351	<u>92,727</u>
Non-interest expenses	350,421	<u>504,563</u>

Table of Contents

<After retrospective application>

Nomura Holdings, Inc. and its consolidated subsidiaries (Nomura) reported net revenue of ¥521.5 billion for the six months ended September 30, 2007, an increase of 14% from the same period in the prior year. Non-interest expenses were ¥432.2 billion for the six months ended September 30, 2007, an increase of 23% from the same period in the prior year. As a result, income before income taxes was ¥89.4 billion for the six months ended September 30, 2007, a decrease of 16% from the same period in the prior year and net income for the six months ended September 30, 2007 was ¥64.2 billion, an increase of 1% from the same period in the prior year.

Cash and cash equivalents at September 30, 2007 increased by ¥212.3 billion compared with March 31, 2007 (an decrease of ¥661.2 billion for the same period in the prior year). Net cash used in operating activities was ¥600.3 billion (net cash used in operating activities for the same period in the prior year was ¥1,389.8 billion), mainly due to an increase in Securities purchased under agreements to resell, net of securities sold under agreements to repurchase, and an increase in Securities borrowed, net of securities loaned. Net cash used in investing activities was ¥167.6 billion (net cash used in investing activities for the same period in the prior year was ¥144.3 billion) mainly due to Payments for purchase of office buildings, land, equipment and facilities, Increase in loans receivables at banks and Increase in non-trading debt securities. Net cash provided by financing activities was ¥1,029.2 billion (net cash provided by financing activities for the same period in the prior year was ¥868.2 billion) mainly due to an increase in borrowings.

Table of Contents

The breakdown of Net revenue and Non-interest expenses on the consolidated income statements are as follows.

	Six months ended September 30, 2006 (Mil Yen)	Six months ended September 30, 2007 (Mil Yen)
Commissions	145,642	<u>219,836</u>
Brokerage commissions	77,153	128,824
Commissions for distribution of investment trust	48,972	73,395
Other	19,517	<u>17,617</u>
Fees from investment banking	41,252	46,066
Underwriting and distribution	29,511	20,903
M&A / financial advisory fees	11,538	23,878
Other	203	1,285
Asset management and portfolio service fees	65,208	98,221
Asset management fees	57,937	89,054
Other	7,271	9,167
Net gain on trading	103,312	<u>108,436</u>
Merchant banking	(2,198)	<u>2,265</u>
Equity trading	44,408	79,885
Fixed income and other trading	61,102	26,286
(Loss) gain on private equity investments	37,295	<u>52,933</u>
Net interest	26,139	<u>(5,174)</u>
Gain (loss) on investments in equity securities	(20,553)	(24,756)
Private equity entities product sales	42,705	-
Other	15,912	<u>25,940</u>
Net revenue	456,912	<u>521,502</u>

	Six months ended September 30, 2006 (Mil Yen)	Six months ended September 30, 2007 (Mil Yen)
Compensation and benefits	161,828	<u>195,023</u>
Commissions and floor brokerage	20,590	<u>45,263</u>
Information processing and communications	50,601	<u>63,907</u>