

NOMURA HOLDINGS INC  
Form 6-K  
November 06, 2013  
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**

**For the month of November 2013**

**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)**

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   X        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):

**Table of Contents**

Information furnished on this form:

**EXHIBIT**

Exhibit Number

1. Supplement for Financial Highlights Six months ended September 30, 2013

The registrant hereby incorporates Exhibit 1 to this report on Form 6-K by reference in the prospectus that is part of the Registration Statement on Form F-3 (Registration No. 333-191250) of the registrant and Nomura America Finance, LLC, filed with the Securities and Exchange Commission on September 19, 2013.

**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: November 6, 2013

By: /s/ Eiji Miura  
Eiji Miura  
Senior Managing Director

---

**Table of Contents**

**Presentation of Financial and Other Information**

As used in this Form 6-K, references to Nomura are to Nomura Holdings, Inc. and its consolidated entities. References to NHI are to Nomura Holdings, Inc.

Unless otherwise stated, references in this Form 6-K to yen are to Japanese yen. Amounts shown in this Form 6-K have been rounded to the nearest indicated digit unless otherwise specified. In tables and paragraphs with rounded figures, sums may not add up due to rounding.

Except as otherwise indicated, all financial information with respect to Nomura presented in this Form 6-K is presented on an unaudited consolidated basis in accordance with U.S. generally accepted accounting principles.

**Supplement for Financial Highlights – Six months ended September 30, 2013**

Nomura reported net revenue of 787.7 billion yen, income before income taxes of 186.2 billion yen, and net income attributable to NHI shareholders of 104.0 billion yen for the six months ended September 30, 2013. Basic-Net income attributable to NHI shareholders per share was 28.07 yen and Diluted-Net income attributable to NHI shareholders per share was 27.20 yen. Annualized return on shareholders' equity was 8.9%.

**i.) Financial Position**

As of September 30, 2013, Nomura's total capital ratio<sup>1</sup> was 14.3% and its Tier 1 capital ratio<sup>2</sup> was 12.2%. Nomura had total assets of 41.9 trillion yen, an increase of 3.9 trillion yen compared to March 31, 2013, primarily due to increase in Trading assets, Securities purchased under agreements to resell, and Securities borrowed. Total liabilities as of September 30, 2013 were 39.5 trillion yen, an increase of 3.8 trillion yen compared to March 31, 2013, primarily due to increases in Securities sold under agreements to repurchase, Trading liabilities, and Payables to other than customers. Total equity as of September 30, 2013 was 2,411.3 billion yen, an increase of 92.3 billion yen compared to March 31, 2013. Leverage ratio as of September 30, 2013 was 17.6 times and net leverage ratio<sup>3</sup> was 10.9 times.

<sup>1</sup> Annualized return on shareholders' equity is a ratio of net income (loss) attributable to NHI shareholders to total NHI shareholders' equity multiplied by two.

<sup>2</sup> These ratios represent preliminary estimates as of the date of this supplement release and may be revised in Nomura's Quarterly Securities Report on Form 6-K for the period ended September 30, 2013.

NHI has been assigned as saishu shitei oyagaisha (a Final Designated Parent Company) who must calculate the consolidated capital adequacy ratio according to the Notice of the Establishment of Standards for Determining Whether the Adequacy of Equity Capital of a Final Designated Parent Company and its Subsidiary Corporations, etc. is Appropriate Compared to the Assets Held by the Final Designated Parent Company and its Subsidiary Corporations, etc. (2010 FSA Regulatory Notice No.130; Capital Adequacy Notice on Final Designated Parent Company hereinafter) in April 2011. Nomura calculates Basel III-based consolidated regulatory capital adequacy ratio in accordance with the Capital Adequacy Notice on Final Designated Parent Company.

<sup>3</sup> Net leverage ratio is a non-GAAP financial measure that Nomura considers to be a useful measure that Nomura and investors use to assess financial position. Net leverage ratio equals total assets less securities purchased under agreements to resell and securities borrowed divided by total NHI shareholders' equity.

**Table of Contents****ii.) Expenses**

Non-interest expenses for the six months ended September 30, 2013 decreased by 16.0% from the same period in the prior year to 601.6 billion yen.

**iii.) Capital and Other Balance Sheet Metrics**

As of September 30, 2013, total NHI shareholders' equity was 2,379.2 billion yen, which represented an increase of 84.8 billion yen compared to March 31, 2013.

Level 3 assets (net)<sup>4</sup> were approximately 0.4 trillion yen as of September 30, 2013.

**iv.) Value at Risk**

Value at risk<sup>5</sup> as of September 30, 2013 was 5.5 billion yen, which represents a 7.2% increase compared to March 31, 2013.

**v.) Cash Dividends**

	2013	For the year ended March 31 2014 (Yen amounts)	2014 (Plan)
Dividends per share			
Dividends record dates			
At June 30			
At September 30	2.00	8.00	
At December 31			
At March 31	6.00		Unconfirmed
For the year	8.00		Unconfirmed

**vi.) Number of Employees**

As of September 30, 2013, Nomura had 28,024 employees globally (Japan: 16,377, Europe: 3,459, Americas: 2,243, Asia-Pacific (including Powai office in India): 5,945).

<sup>4</sup> This amount represents a preliminary estimate as of the date of this supplement release and may be revised in Nomura's Quarterly Securities Report on Form 6-K for the period ended September 30, 2013.

Level 3 assets (net) is a non-GAAP financial measure that Nomura considers to be a useful measure that Nomura and investors use to assess financial position. The level 3 assets (net) equals level 3 assets after netting off derivative assets and liabilities.

<sup>5</sup> Value at risk is defined at 99% confidence level. The time horizon for our outstanding portfolio is 1 day. Inter-product price fluctuations are considered.

**Table of Contents**

**Six months ended September 30, 2013 - Business Highlights**

Net revenue was 787.7 billion yen, an increase of 2.2% from the same period in the prior year. Non-interest expenses were 601.6 billion yen, a decrease of 16.0% compared to the same period in the prior year. Income before income taxes was 186.2 billion yen.

Net revenue in Retail was 286.1 billion yen, an increase of 75.0% from the same period in the prior year.

Net revenue in Asset Management was 38.8 billion yen, an increase of 21.8% compared to the same period in the prior year. Assets under management as of September 30, 2013 were 30.0 trillion yen, an increase of 2.1 trillion yen from 27.9 trillion yen as of March 31, 2013.

Net revenue in Wholesale was 378.0 billion yen, an increase of 45.9% compared to the same period in the prior year.

Nomura maintained Tier 1 capital ratio<sup>6</sup> of 12.2% as of September 30, 2013.

<sup>6</sup> This ratio represents preliminary estimate as of the date of this supplement release and may be revised in Nomura's Quarterly Securities Report on Form 6-K for the period ended September 30, 2013.

NHI has been assigned as a Final Designated Parent Company who must calculate the consolidated capital adequacy ratio according to the Capital Adequacy Notice on Final Designated Parent Company in April 2011. Nomura calculates Basel III-based consolidated regulatory capital adequacy ratio in accordance with the Capital Adequacy Notice on Final Designated Parent Company.

**Table of Contents****Business Segment Information****Retail**

Net revenue for the six months ended September 30, 2013 was 286.1 billion yen, a 75.0% increase from the same period in the prior year primarily due to increased sales performance of equities and investment trusts as a result of active equity markets, particularly in Japan. Non-interest expenses increased by 17.6% to 165.0 billion yen. As a result, income before income taxes increased by 422.9% to 121.1 billion yen.

Retail client assets as of September 30, 2013 were 90.9 trillion yen, comprised of 53.4 trillion yen in equities, 6.1 trillion yen in foreign currency bonds, 12.9 trillion yen in domestic bonds including CBs and Warrants, 8.8 trillion yen in stock investment trusts, 5.6 trillion yen in bond investment trusts, 1.7 trillion yen in overseas mutual funds, and 2.4 trillion yen in other<sup>7</sup>.

**Operating Results of Retail**

	Billions of yen For the six months ended September 30,		% Change (B-A)/(A)
	2012 (A)	September 30, 2013 (B)	
Net revenue	163.5	286.1	75.0
Non-interest expenses	140.3	165.0	17.6
Income (loss) before income taxes	23.2	121.1	422.9

**Asset Management**

Net revenue increased by 21.8% from the same period in the prior year to 38.8 billion yen. Non-interest expenses increased by 18.3% to 25.9 billion yen. As a result, income before income taxes increased by 29.5% to 12.9 billion yen. Assets under management were 30.0 trillion yen as of September 30, 2013, an increase of 2.1 trillion yen from March 31, 2013.

In addition, Nomura Asset Management's share of public investment trust market in Japan as of September 30, 2013 was 22.7%<sup>9</sup>. Market share in Japan for public stock investment trusts was 18%<sup>8,9</sup>, while market share for public bond investment trusts was 42%<sup>8,9</sup>.

**Operating Results of Asset Management**

	Billions of yen For the six months ended September 30,		% Change (B-A)/(A)
	2012 (A)	September 30, 2013 (B)	
Net revenue	31.9	38.8	21.8
Non-interest expenses	21.9	25.9	18.3
Income (loss) before income taxes	9.9	12.9	29.5

<sup>7</sup> Includes annuity insurance.

Edgar Filing: NOMURA HOLDINGS INC - Form 6-K

- <sup>8</sup> Nomura Asset Management Co., Ltd. only.
- <sup>9</sup> Source: The Investment Trusts Association, Japan.



**Table of Contents****Wholesale**

Net revenue increased by 45.9% from the same period in the prior year to 378.0 billion yen (191.3 billion yen from Fixed Income, 133.6 billion yen from Equities, and 53.0 billion yen from Investment Banking). The primary factor for the increase in net revenue was the improved performance of our equity business as well as an increase in the number of capital markets transactions as a result of active equity markets from March 31, 2013. Non-interest expenses increased by 22.5% to 327.4 billion yen. As a result, income before income taxes was 50.5 billion yen.

**Operating Results of Wholesale**

	Billions of yen		% Change
	For the six months ended		
	September 30, 2012 (A)	September 30, 2013 (B)	(B-A)/(A)
Net revenue	259.0	378.0	45.9
Non-interest expenses	267.3	327.4	22.5
Income (loss) before income taxes	(8.4)	50.5	

**Other Operating Results**

Net revenue was 72.7 billion yen. Loss before income taxes was 10.5 billion yen.

**Other Operating Results**

	Billions of yen		% Change
	For the six months ended		
	September 30, 2012 (A)	September 30, 2013 (B)	(B-A)/(A)
Net revenue	310.6	72.7	(76.6)
Non-interest expenses	286.2	83.2	(70.9)
Income (loss) before income taxes	24.3	(10.5)	

**Table of Contents****Segment Information    Operating Segment**

The following table shows business segment information and reconciliation items to the consolidated statements of income.

	Millions of yen For the six months ended		% Change
	September 30, 2012 (A)	September 30, 2013 (B)	(B-A)/(A)
<b>Net revenue</b>			
Business segment information:			
Retail	163,497	286,072	75.0
Asset Management	31,857	38,800	21.8
Wholesale	258,977	377,958	45.9
Subtotal	454,331	702,830	54.7
Other	310,570	72,681	(76.6)
Net revenue	764,901	775,511	1.4
Reconciliation items:			
Unrealized gain (loss) on investments in equity securities held for operating purposes	6,032	12,201	102.3
Net revenue	770,933	787,712	2.2
<b>Non-interest expenses</b>			
Business segment information:			
Retail	140,347	165,011	17.6
Asset Management	21,927	25,937	18.3
Wholesale	267,335	327,435	22.5
Subtotal	429,609	518,383	20.7
Other	286,241	83,176	(70.9)
Non-interest expenses	715,850	601,559	(16.0)
Reconciliation items:			
Unrealized gain (loss) on investments in equity securities held for operating purposes			
Non-interest expenses	715,850	601,559	(16.0)
<b>Income (loss) before income taxes</b>			
Business segment information:			
Retail	23,150	121,061	422.9
Asset Management	9,930	12,863	29.5
Wholesale	(8,358)	50,523	
Subtotal	24,722	184,447	646.1
Other *	24,329	(10,495)	
Income (loss) before income taxes	49,051	173,952	254.6

Edgar Filing: NOMURA HOLDINGS INC - Form 6-K

Reconciliation items:			
Unrealized gain (loss) on investments in equity securities held for operating purposes	6,032	12,201	102.3
Income (loss) before income taxes	55,083	186,153	238.0

\* **Major components**

Transactions between operating segments are recorded within segment results on commercial terms and conditions, and are eliminated in Other .

The following table presents the major components of income (loss) before income taxes in Other .

	Millions of yen		% Change (B-A)/(A)
	For the six months ended September 30, 2012 (A)	September 30, 2013 (B)	
Net gain (loss) related to economic hedging transactions	(267)	5,706	
Realized gain (loss) on investments in equity securities held for operating purposes	(123)	688	
Equity in earnings of affiliates	4,619	14,227	208.0
Corporate items	(420)	(21,045)	
Other	20,520	(10,071)	
Total	24,329	(10,495)	

**Table of Contents****RATIO OF EARNINGS TO FIXED CHARGES AND COMPUTATION THEREOF**

The following table sets forth the ratio of earnings to fixed charges of Nomura for the six months ended September 30, 2013, in accordance with U.S. GAAP.

	<b>Millions of yen</b>	
	<b>For the six months ended</b>	
	<b>September 30, 2013</b>	
<b>Earnings:</b>		
Pre-tax income (loss) from continuing operations before adjustment for income or loss from equity investees	¥	168,535
Add: Fixed charges		145,938
Distributed income of equity investees		4,174
<b>Earnings as defined</b>	<b>¥</b>	<b>318,647</b>
Fixed charges	¥	145,938
Ratio of earnings to fixed charges <sup>10</sup>		2.2

<sup>10</sup> For the purpose of calculating the ratio of earnings to fixed charges, earnings consist of pre-tax income (loss) before adjustment for income or loss from equity investees, plus (i) fixed charges and (ii) distributed income of equity investees. Fixed charges consist of interest expense. Fixed charges exclude premium and discount amortization as well as interest expense, which are included in Net gain (loss) on trading. Fixed charges also exclude interest within rent expense, which is insignificant.

**Table of Contents****CAPITALIZATION AND INDEBTEDNESS<sup>11</sup>**

The following table sets forth, on a U.S. GAAP basis, the consolidated capitalization and indebtedness of Nomura as of September 30, 2013. There has been no material change in Nomura's capitalization and indebtedness since September 30, 2013.

	<b>Millions of yen</b>	
	<b>As of September 30, 2013</b>	
Short-term borrowings	¥	800,966
Long-term borrowings		7,637,759
<b>NHI shareholders' equity:</b>		
<b>Common stock</b>		
Authorized 6,000,000,000 shares at September 30, 2013		
Issued 3,822,562,601 shares at September 30, 2013		
Outstanding 3,706,484,721 shares at September 30, 2013		594,493
Additional paid-in capital		682,048
Retained earnings		1,210,878
Accumulated other comprehensive loss		(28,579)
<b>Total NHI shareholders' equity before treasury stock</b>		<b>2,458,840</b>
Common stock held in treasury, at cost 116,077,880 shares at September 30, 2013		(79,651)
<b>Total NHI shareholders' equity</b>		<b>2,379,189</b>
Noncontrolling interests		32,117
<b>Total equity</b>		<b>2,411,306</b>
<b>Total capitalization and indebtedness</b>	<b>¥</b>	<b>10,850,031</b>

<sup>11</sup> Nomura enters into various guarantee arrangements in the form of standby letters of credit and other guarantees with third parties. The amount of potential future payments under these guarantee contracts outstanding as of September 30, 2013 was ¥8,660 million.

**Table of Contents**

**Disclaimers**

This document is produced by Nomura. Copyright 2013 Nomura Holdings, Inc. All rights reserved.

Nothing in this document shall be considered as an offer to sell or solicitation of an offer to buy any security, commodity or other instrument, including securities issued by Nomura or any affiliate thereof. Offers to sell, sales, solicitations to buy, or purchases of any securities issued by Nomura or any affiliate thereof may only be made or entered into pursuant to appropriate offering materials or a prospectus prepared and distributed according to the laws, regulations, rules and market practices of the jurisdictions in which such offers or sales may be made.

No part of this document shall be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of Nomura.

The information and opinions contained in this document have been obtained from sources believed to be reliable, but no representations or warranty, express or implied, are made that such information is accurate or complete and no responsibility or liability can be accepted by Nomura for errors or omissions or for any losses arising from the use of this information.

This document contains statements that may constitute, and from time to time our management may make forward-looking statements within the meaning of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. Any such statements must be read in the context of the offering materials pursuant to which any securities may be offered or sold in the United States. These forward-looking statements are not historical facts but instead represent only Nomura's belief regarding future events, many of which, by their nature, are inherently uncertain and outside Nomura's control. Important factors that could cause actual results to differ from those in specific forward-looking statements include, without limitation, economic and market conditions, political events and investor sentiments, liquidity of secondary markets, level and volatility of interest rates, currency exchange rates, security valuations, competitive conditions and size, and the number and timing of transactions.

The review process of the quarterly consolidated financial statements for this period has not been completed by the independent auditors at the point of disclosing this Supplement for Financial Highlights. As a result of such review, certain of the information set forth herein could be subject to revision, possibly material, in Nomura's Quarterly Securities Report on Form 6-K for the period ended September 30, 2013.