

NOMURA HOLDINGS INC  
Form 6-K  
November 05, 2014  
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## 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 2014

## 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  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):

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Information furnished on this form:

**EXHIBIT**

Exhibit Number

1. Supplement for Financial Highlights Six months ended September 30, 2014

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.

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**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 5, 2014

By: /s/ Hajime Ikeda  
Hajime Ikeda  
Managing Director

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**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, 2014**

Nomura reported net revenue of 744.7 billion yen, income before income taxes of 125.7 billion yen, and net income attributable to NHI shareholders of 72.7 billion yen for the six months ended September 30, 2014. Basic-Net income attributable to NHI shareholders per share was 19.87 yen and Diluted-Net income attributable to NHI shareholders per share was 19.34 yen. Annualized return on shareholders' equity was 5.7%.

**i.) Financial Position**

As of September 30, 2014, Nomura's total capital ratio<sup>1</sup> was 14.7% and its Tier 1 capital ratio<sup>2</sup> and Tier 1 common ratio<sup>2</sup> were both 12.7%. Nomura had total assets of 43,802.1 billion yen, an increase of 281.8 billion yen compared to March 31, 2014, primarily due to increase in Trading assets. Total liabilities as of September 30, 2014 were 41,186.9 billion yen, an increase of 219.8 billion yen compared to March 31, 2014, primarily due to increases in Securities loaned. Total equity as of September 30, 2014 was 2,615.2 billion yen, an increase of 62.0 billion yen compared to March 31, 2014. Leverage ratio as of September 30, 2014 was 17.1 and net leverage ratio<sup>3</sup> was 10.7.

<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, 2014.

NHI has been assigned as *saishu shitei oyagaisha* (a Final Designated Parent Company) which 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 ratios 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.

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**ii.) Expenses**

Non-interest expenses for the six months ended September 30, 2014 increased by 2.9% from the same period in the prior year to 619.0 billion yen.

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

As of September 30, 2014, total NHI shareholders' equity was 2,561.1 billion yen, which represented an increase of 47.4 billion yen compared to March 31, 2014.

Level 3 assets (net)<sup>4</sup> were approximately 0.3 trillion yen as of September 30, 2014.

**iv.) Value at Risk**

Value at risk<sup>5</sup> as of September 30, 2014 was 6.8 billion yen, which represents a 32.4% increase compared to March 31, 2014.

**v.) Cash Dividends**

	2014	For the year ended March 31	
		2015	2015 (Plan)
		(Yen amounts)	
Dividends per share			
Dividends record dates			
At June 30			
At September 30	8.00	6.00	
At December 31			
At March 31	9.00		Unconfirmed
For the year	17.00		Unconfirmed

**vi.) Number of Employees**

As of September 30, 2014, Nomura had 28,939 employees globally (Japan: 16,244, Europe: 3,530, Americas: 2,421, Asia-Pacific (including the Powai office in India): 6,744).

<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, 2014.

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 Nomura's outstanding portfolio is 1 day. Inter-product price fluctuations are considered.

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**Six months ended September 30, 2014 - Business Highlights**

Net revenue was 744.7 billion yen, a decrease of 5.5% from the same period in the prior year. Non-interest expenses were 619.0 billion yen, an increase of 2.9% compared to the same period in the prior year. Income before income taxes was 125.7 billion yen, a decrease of 32.5% from the same period in the prior year.

Net revenue in Retail was 224.8 billion yen, a decrease of 21.4% from the same period in the prior year.

Net revenue in Asset Management was 45.0 billion yen, an increase of 16.1% compared to the same period in the prior year.

Net revenue in Wholesale was 379.5 billion yen, an increase of 0.4% compared to the same period in the prior year.

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

Net revenue for the six months ended September 30, 2014 was 224.8 billion yen, a 21.4% decrease from the same period in the prior year primarily due to decreasing commissions from distribution of investment trusts and brokerage. Non-interest expenses decreased by 6.5% to 154.3 billion yen. As a result, income before income taxes decreased by 41.8% to 70.5 billion yen.

Retail client assets as of September 30, 2014 were 99.3 trillion yen, comprised of 58.1 trillion yen in equities, 6.5 trillion yen in foreign currency bonds, 13.0 trillion yen in domestic bonds including CBs and warrants, 9.9 trillion yen in stock investment trusts, 6.5 trillion yen in bond investment trusts, 1.8 trillion yen in overseas mutual funds, and 3.5 trillion yen in other<sup>6</sup>.

**Operating Results of Retail**

	Billions of yen		% Change (B-A)/(A)
	For the six months ended		
	September 30, 2013 (A)	September 30, 2014 (B)	
Net revenue	286.1	224.8	(21.4)
Non-interest expenses	165.0	154.3	(6.5)
Income (loss) before income taxes	121.1	70.5	(41.8)

**Asset Management**

Net revenue increased by 16.1% from the same period in the prior year to 45.0 billion yen. Non-interest expenses increased by 11.6% to 28.9 billion yen. As a result, income before income taxes increased by 25.0% to 16.1 billion yen. Assets under management were 34.8 trillion yen as of September 30, 2014, an increase of 4.0 trillion yen from March 31, 2014.

In addition, Nomura's share of the public investment trust market in Japan as of September 30, 2014 was 23.1%<sup>8</sup>. Also as of September 30, 2014, Nomura's share in Japan of public stock investment trusts was 19%<sup>8</sup>, while Nomura's share of public bond investment trusts was 43%<sup>8</sup>.

**Operating Results of Asset Management**

	Billions of yen		% Change (B-A)/(A)
	For the six months ended		
	September 30, 2013 (A)	September 30, 2014 (B)	
Net revenue	38.8	45.0	16.1
Non-interest expenses	25.9	28.9	11.6
Income (loss) before income taxes	12.9	16.1	25.0

<sup>6</sup> Includes annuity insurance.

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<sup>7</sup> Nomura Asset Management Co., Ltd. only.  
<sup>8</sup> Source: The Investment Trusts Association, Japan.



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

Net revenue increased by 0.4% from the same period in the prior year to 379.5 billion yen (208.6 billion yen from Fixed Income, 126.0 billion yen from Equities, and 44.8 billion yen from Investment Banking). Non-interest expenses increased by 7.4% to 351.5 billion yen. As a result, income before income taxes was 27.9 billion yen, a decrease of 44.7% from the same period in the prior year.

**Operating Results of Wholesale**

	Billions of yen For the six months ended		% Change
	September 30, 2013 (A)	September 30, 2014 (B)	(B-A)/(A)
Net revenue	378.0	379.5	0.4
Non-interest expenses	327.4	351.5	7.4
Income (loss) before income taxes	50.5	27.9	(44.7)

**Other Operating Results**

Net revenue was 89.3 billion yen. Income before income taxes was 5.1 billion yen.

**Other Operating Results**

	Billions of yen For the six months ended		% Change
	September 30, 2013 (A)	September 30, 2014 (B)	(B-A)/(A)
Net revenue	72.7	89.3	22.9
Non-interest expenses	83.2	84.2	1.2
Income (loss) before income taxes	(10.5)	5.1	

**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, 2013 (A)	September 30, 2014 (B)	(B-A)/(A)
<b>Net revenue</b>			
Business segment information:			
Retail	286,072	224,803	(21.4)
Asset Management	38,800	45,029	16.1
Wholesale	377,957	379,456	0.4
Subtotal	702,829	649,288	(7.6)
Other	72,681	89,294	22.9
Net revenue	775,510	738,582	(4.8)
Reconciliation items:			
Unrealized gain (loss) on investments in equity securities held for operating purposes	12,201	6,089	(50.1)
Net revenue	787,711	744,671	(5.5)
<b>Non-interest expenses</b>			
Business segment information:			
Retail	165,011	154,332	(6.5)
Asset Management	25,937	28,946	11.6
Wholesale	327,435	351,508	7.4
Subtotal	518,383	534,786	3.2
Other	83,176	84,206	1.2
Non-interest expenses	601,559	618,992	2.9
Reconciliation items:			
Unrealized gain (loss) on investments in equity securities held for operating purposes			
Non-interest expenses	601,559	618,992	2.9
<b>Income (loss) before income taxes</b>			
Business segment information:			
Retail	121,061	70,471	(41.8)
Asset Management	12,863	16,083	25.0
Wholesale	50,522	27,948	(44.7)
Subtotal	184,446	114,502	(37.9)
Other *	(10,495)	5,088	
Income (loss) before income taxes	173,951	119,590	(31.3)

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<b>Reconciliation items:</b>			
Unrealized gain (loss) on investments in equity securities held for operating purposes	12,201	6,089	(50.1)
Income (loss) before income taxes	186,152	125,679	(32.5)

\* **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, 2013 (A)	September 30, 2014 (B)	
Net gain (loss) related to economic hedging transactions	5,706	9,088	59.3
Realized gain (loss) on investments in equity securities held for operating purposes	688	3,145	357.1
Equity in earnings of affiliates	14,227	11,462	(19.4)
Corporate items	(21,045)	(11,482)	
Other	(10,071)	(7,125)	
Total	(10,495)	5,088	

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The following table sets forth the ratio of earnings to fixed charges of Nomura for the six months ended September 30, 2014, in accordance with U.S. GAAP.

	<b>Millions of yen</b>	
	<b>For the six months ended</b>	
	<b>September 30, 2014</b>	
<b>Earnings:</b>		
Pre-tax income from continuing operations before adjustment for income or loss from equity investees	¥	114,083
Add: Fixed charges		168,303
Distributed income of equity investees		4,273
<b>Earnings as defined</b>	<b>¥</b>	<b>286,659</b>
Fixed charges	¥	168,303
Ratio of earnings to fixed charges <sup>9</sup>		1.7

<sup>9</sup> For the purpose of calculating the ratio of earnings to fixed charges, earnings consist of pre-tax income 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.

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The following table sets forth, on a U.S. GAAP basis, the consolidated capitalization and indebtedness of Nomura as of September 30, 2014. There has been no material change in Nomura's capitalization and indebtedness since September 30, 2014.

	<b>Millions of yen</b>
	<b>As of September 30, 2014</b>
Short-term borrowings	¥ 609,481
Long-term borrowings	8,412,012
NHI shareholders' equity:	
Common stock	
Authorized 6,000,000,000 shares at September 30, 2014	
Issued 3,822,562,601 shares at September 30, 2014	
Outstanding 3,640,236,853 shares at September 30, 2014	594,493
Additional paid-in capital	683,112
Retained earnings	1,335,236
Accumulated other comprehensive income (loss)	70,533
<b>Total NHI shareholders' equity before treasury stock</b>	<b>2,683,374</b>
Common stock held in treasury, at cost 182,325,748 shares at September 30, 2014	(122,286)
<b>Total NHI shareholders' equity</b>	<b>2,561,088</b>
Noncontrolling interests	54,130
<b>Total equity</b>	<b>2,615,218</b>
<b>Total capitalization and indebtedness</b>	<b>¥ 11,636,711</b>

<sup>10</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 was ¥12,130 million as of September 30, 2014.

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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, 2014.