NOMURA HOLDINGS INC
Form 6-K
November 27, 2013
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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 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): ______

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Information furnished on this form:

EXHIBITS

Exhibit Number

1. (English Translation) Quarterly Securities Report Pursuant to the Financial Instruments and Exchange Act for the Six Months Ended September 30, 2013

2. (English Translation) Confirmation Letter

3. Capitalization and Indebtedness as of September 30, 2013 and Ratio of Earnings to Fixed Charges and Computation Thereof for the Six Months Ended September 30, 2013

The registrant hereby incorporates Exhibits 1, 2 and 3 to this report on Form 6-K by reference (i) 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 (SEC) on September 19, 2013 and (ii) in the prospectus that is part of the Registration Statement on Form F-3 (Registration No. 333-186755) of the registrant, filed with the SEC on February 20, 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 27, 2013

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

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Exhibit 1

Quarterly Securities Report Pursuant to the Financial Instruments and Exchange Act for the Six Months Ended September 30, 2013

Items included in the Quarterly Securities Report

Note: Translations for the underlined items are attached to this form as below.

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Part I Corporate Information

Item 1. Information on Company and Its Subsidiaries and Affiliates

1. Selected Financial Data

		Six months ended September 30, 2012	Six months ended September 30, 2013	Three months ended September 30, 2012	Three months ended September 30, 2013	Year ended March 31, 2013
Total Revenue	(Mil yen)	900,819	933,650	461,226	428,380	2,079,943
Net revenue	(Mil yen)	770,933	787,712	401,679	356,391	1,813,631
Income (loss) before income taxes	(Mil yen)	55,083	186,153	35,417	72,934	237,730
Net income (loss) attributable to Nomura Holdings, Inc. (NHI) shareholders	(Mil yen)	4,700	104,007	2,809	38,113	107,234
Comprehensive income (loss) attributable to NHI shareholders	(Mil yen)	(14,013)	132,823	(707)	35,344	194,988
Total equity	(Mil yen)	2,387,447	2,411,306			2,318,983
Total assets	(Mil yen)	35,394,322	41,868,413			37,942,439
Net income (loss) attributable to NHI shareholders per share basic	(Yen)	1.28	28.07	0.76	10.29	29.04
Net income (loss) attributable to NHI shareholders per share diluted	(Yen)	1.25	27.20	0.74	9.99	28.37
Total NHI shareholders equity as a percentage of total assets	(%)	5.9	5.7			6.0
Cash flows from operating activities	(Mil yen)	127,244	404,791			549,501
Cash flows from investing activities	(Mil yen)	31,220	(98,109)			(160,486)
Cash flows from financing activities	(Mil yen)	(494,787)	169,034			(701,623)
Cash and cash equivalents at end of the period	(Mil yen)	716,712	1,298,043			805,087

1 The selected financial data of Nomura Holdings, Inc. (the Company) and other entities in which it has a controlling financial interest (collectively referred to as Nomura , we , our , or us) are stated in accordance with the accounting principles generally accepted in the Unite States of America (U.S. GAAP).

2 Taxable transactions do not include consumption taxes and local consumption taxes.

3 As the consolidated financial statements have been prepared, selected financial data on the Company are not disclosed.

2. Business Overview

There was no significant change for the business of the Company and its 762 consolidated subsidiaries for the six months ended September 30, 2013.

There were 16 affiliated companies which were accounted for by the equity method as of September 30, 2013.

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Item 2. Operating and Financial Review

1. Risk Factors

There is no significant change in our Risk Factors for the six months ended September 30, 2013.

2. Significant Contracts

Not applicable.

3. Operating, Financial and Cash Flows Analysis

(1) Operating Results

Nomura reported net revenue of ¥787.7 billion, non-interest expenses of ¥601.6 billion, income before income taxes of ¥186.2 billion, and net income attributable to NHI shareholders of ¥104.0 billion for the six months ended September 30, 2013.

The breakdown of net revenue and non-interest expenses on the consolidated statements of income are as follows:

	Millions of yen Six months ended September 30	
	2012	**2013**
Commissions	¥ 149,646	¥ 263,247
Brokerage commissions	73,023	146,729
Commissions for distribution of investment trust	60,488	100,874
Other	16,135	15,644
Fees from investment banking	27,514	48,378
Underwriting and distribution	14,844	34,756
M&A / financial advisory fees	11,131	12,931
Other	1,539	691
Asset management and portfolio service fees	67,224	83,083
Asset management fees	58,666	74,046
Other	8,558	9,037
Net gain on trading	173,328	238,590
Gain (loss) on private equity investments	(5,088)	753
Net interest	66,417	67,478
Gain (loss) on investments in equity securities	5,909	12,889
Other	285,983	73,294
Net revenue	¥ 770,933	¥ 787,712

	Millions of yen Six months ended September 30	
	2012	**2013**
Compensation and benefits	¥ 258,269	¥ 298,596
Commissions and floor brokerage	43,882	55,180
Information processing and communications	87,669	94,473
Occupancy and related depreciation	46,250	40,614
Business development expenses	22,502	17,332
Other	257,278	95,364
Non-interest expenses	¥ 715,850	¥ 601,559

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Business Segment Information

Results by business segment are noted below.

Reconciliations of *Net revenue* and *Income(loss) before income taxes* on segment results of operations and the consolidated statements of income are set forth in Item 4. Financial Information, 1. Consolidated Financial Statements, Note 17. *Segment and geographic information*.

Net revenue

	Millions of yen Six months ended September 30	
	2012	**2013**
Retail	¥ 163,497	¥ 286,072
Asset Management	31,857	38,800
Wholesale	258,977	377,958
Other (Incl. elimination)	310,570	72,681
Total	¥ 764,901	¥ 775,511

Non-interest expenses

	Millions of yen Six months ended September 30	
	2012	**2013**
Retail	¥ 140,347	¥ 165,011
Asset Management	21,927	25,937
Wholesale	267,335	327,435
Other (Incl. elimination)	286,241	83,176
Total	¥ 715,850	¥ 601,559

Income (loss) before income taxes

	Millions of yen Six months ended September 30	
	2012	**2013**
Retail	¥ 23,150	¥ 121,061
Asset Management	9,930	12,863
Wholesale	(8,358)	50,523
Other (Incl. elimination)	24,329	(10,495)
Total	¥ 49,051	¥ 173,952

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Retail

Net revenue was ¥286.1 billion, primarily due to increased sales performance of equities and investment trusts as a result of active equity markets. Non-interest expenses were ¥165.0 billion and income before income taxes was ¥121.1 billion. Retail client assets were ¥90.9 trillion as of September 30, 2013, a ¥7.1 trillion increase from March 31, 2013.

Asset Management

Net revenue was ¥38.8 billion. Non-interest expenses were ¥25.9 billion and income before income taxes was ¥12.9 billion. Assets under management were ¥30.0 trillion as of September 30, 2013, a ¥2.1 trillion increase from March 31, 2013, primarily due to inflows into our investment trust business and investment advisory business, and stronger market conditions.

Wholesale

Net revenue was ¥378.0 billion. Non-interest expenses were ¥327.4 billion and income before income taxes was ¥50.5 billion.

The breakdown of net revenue for Wholesale is as follows:

	Millions of yen Six months ended September 30 2012	 2013
Fixed Income[(1)]	¥ 158,315	¥ 191,312
Equities[(1)]	70,975	133,616
Investment Banking (Net)	30,908	48,899
Investment Banking (Other)	(1,221)	4,131
Investment Banking	29,687	53,030
Net revenue	¥ 258,977	¥ 377,958
Investment Banking (Gross)	¥ 65,510	¥ 92,968

(1) In accordance with the realignment in April 2013, certain prior period amounts of Fixed Income and Equities have been reclassified to conform to the current presentation.

For Fixed Income, primarily due to the significant achievements in Japan and Asia despite volatile markets, net revenue was ¥191.3 billion. For Equities, net revenue was ¥133.6 billion, primarily due to the solid performances in Japan driven by the strong market environment. For Investment Banking, net revenue was ¥53.0 billion, primarily due to an increase in the number of capital market transactions in Japan.

Other Operating Results

Other operating results include net gain (loss) related to economic hedging transactions, realized gain (loss) on investments in equity securities held for operating purposes, equity in earnings of affiliates, corporate items, and other financial adjustments. Other operating results for the six months ended September 30, 2013 include gains from changes in the fair value of the financial liabilities, for which the fair value option was elected, attributable to the change in Nomura s creditworthiness of ¥2.9 billion; the negative impact of its own creditworthiness on derivative liabilities, which resulted in losses of ¥6.1 billion; and losses from changes in counterparty credit spread of ¥2.5 billion. Net revenue was ¥72.7 billion, non-interest expenses were ¥83.2 billion and loss before income taxes was ¥10.5 billion for the six months ended September 30, 2013.

Geographic Information

Please refer to Item 4. Financial Information, 1. Consolidated Financial Statements, Note 17. *Segment and geographic information* for net revenue and income (loss) before income taxes by geographic allocation.

Cash Flow Information

Please refer to (6) Liquidity and Capital Resources.

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(2) Assets and Liabilities Associated with Investment and Financial Services Business

1) Exposure to Certain Financial Instruments and Counterparties

Challenging market conditions continue to impact numerous products including securitization products and leveraged finance to which we have certain exposures. We also have exposures to Special Purpose Entities (SPEs) and others in the normal course of business.

Securitization Products

Our exposure to securitization products consists of commercial mortgage-backed securities (CMBS), residential mortgage-backed securities (RMBS), commercial real estate-backed securities and other securitization products. We hold these securitization products in connection with securitization, financing, trading and other activities. The following table provides a summary of our exposure to securitization products by geographic region of the underlying collateral as of September 30, 2013.

	Millions of yen September 30, 2013				
	Japan	Europe	Americas	Asia and Oceania	Total[1]
CMBS[2]	¥ 5,525	¥ 15,498	¥ 65,722	¥	¥ 86,745
RMBS[2][3]	11,226	41,295	338,409	859	391,789
Commercial real estate-backed securities					
Other securitization products[4]	213,213	9,072	158,542	1,554	382,381
Total	¥ 229,964	¥ 65,865	¥ 562,673	¥ 2,413	¥ 860,915

(1) The balances shown exclude certain CMBS of ¥19,171 million for which we transferred financial assets to securitization vehicles where such transfers were accounted for as secured financings rather than sales under Accounting Standards Codification (ASC) 860 *Transfers and Servicing* (ASC 860), and in which we have no continuing economic exposure because the beneficial interests in the vehicles have been sold to third parties.

(2) We have ¥10,608 million exposure, as whole loans and commitments, to U.S. CMBS and RMBS-related business as of September 30, 2013.

(3) The RMBS balance for Americas excludes mortgage pass-through securities and U.S. government guaranteed collateralized mortgage obligations (CMO) of ¥2,081,707 million, because their credit risks are considered minimal.

(4) Includes collateralized loan obligations (CLO), collateralized debt obligations (CDO) and asset-backed securities (ABS) such as those secured on credit card loans, auto loans, student loans and home equity loans.

The following table provides our exposure to CMBS by geographic region and the external credit ratings of the underlying collateral as of September 30, 2013. Ratings are based on the lowest ratings given by Standard & Poor s Financial Services LLC, Moody s Investors Service, Inc., Fitch Ratings Ltd., Japan Credit Rating Agency, Ltd. or Rating and Investment Information, Inc. as of September 30, 2013.

	Millions of yen September 30, 2013							
	AAA	AA	A	BBB	BB	B	Others	Total
Japan	¥	¥	¥ 724	¥	¥ 840	¥ 2,235	¥ 1,726	¥ 5,525
Europe			2,882	3,867	2,758	2,303	3,688	15,498
Americas	12,249	3,422	5,017	10,593	9,365	10,109	14,967	65,722
Total	¥ 12,249	¥ 3,422	¥ 8,623	¥ 14,460	¥ 12,963	¥ 14,647	¥ 20,381	¥ 86,745

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Leveraged Finance

We provide loans to clients in connection with leveraged buy-outs and leveraged buy-ins. As this type of financing is usually initially provided through a commitment, we have both funded and unfunded exposures to these transactions.

The following table sets forth our exposure to leveraged finance by geographic region of the target company as of September 30, 2013.

	Millions of yen September 30, 2013		
	Funded	Unfunded	Total
Europe	¥ 33,767	¥ 14,703	¥ 48,470
Americas	6,544	39,256	45,800
Asia and Oceania	340		340
Total	¥ 40,651	¥ 53,959	¥ 94,610

Special Purpose Entities

Our involvement with these entities includes structuring, underwriting, as well as, subject to prevailing market conditions, distributing and selling debt instruments and beneficial interests issued by these entities. In the normal course of securitization and equity derivative activities business, we also act as a transferor of financial assets to, and underwriter, distributor and seller of repackaged financial instruments issued by these entities. We retain, purchase and sell variable interests in SPEs in connection with our market-making, investing and structuring activities. Our other types of involvement with SPEs include guarantee agreements and derivative contracts.

For further discussion on Nomura s involvement with variable interest entities (VIEs), see Item 4. Financial Information, 1. Consolidated Financial Statements, Note 6. *Securitizations and Variable Interest Entities*.

2) Fair Value of Financial Instruments

A significant amount of our financial instruments are carried at fair value, with changes in fair value recognized either through earnings or other comprehensive income (loss) on a recurring basis. Use of fair value is either specifically required under U.S. GAAP or we make an election to use fair value for certain eligible items under the fair value option.

Other financial assets and financial liabilities are carried at fair value on a nonrecurring basis, where the primary measurement basis is not fair value. Fair value is only used in specific circumstances after initial recognition, such as to measure impairment.

In accordance with ASC 820 *Fair Value Measurements and Disclosures* , all financial instruments measured at fair value have been categorized into a three-level hierarchy based on the transparency of inputs used to establish fair value.

Level 3 financial assets excluding derivatives as a proportion of total financial assets excluding derivatives, carried at fair value on a recurring basis was 2% as of September 30, 2013 as listed below:

	Billions of yen September 30, 2013					
	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting	Total	The proportion of Level 3
Financial assets measured at fair value (Excluding derivative assets)	¥ 9,207	¥ 9,084	¥ 426	¥	¥ 18,717	2%
Derivative assets	1,113	24,888	310	(23,818)	2,493	

Derivative liabilities	1,204	24,645	320	(23,883)	2,286

Please refer to Item 4. Financial Information, 1. Consolidated Financial Statements, Note 2. *Fair value measurements* for further information.

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(3) Trading Activities

Assets and liabilities for trading purposes

Please refer to Item 4. Financial Information, 1. Consolidated Financial Statements, Note 2. *Fair value measurements* and Note 3. *Derivative instruments and hedging activities* regarding the balances of assets and liabilities for trading purposes.

Risk management of trading activity

We adopt Value at Risk (VaR) for measurement of market risk arising from trading activity.

1) Assumptions on VaR

Confidence Level: 99%

Holding period: One day

Consideration of price movement among the products

2) Records of VaR

	Billions of yen	
	March 31, 2013	September 30, 2013
Equity	¥ 1.3	¥ 1.9
Interest rate	5.0	5.0
Foreign exchange	1.9	1.8
Subtotal	8.2	8.7
Diversification benefit	(3.1)	(3.2)
VaR	¥ 5.1	¥ 5.5

	Billions of yen Six months ended September 30, 2013		
	Maximum	Minimum	Average
VaR	¥ 9.3	¥ 4.4	¥ 6.4

(4) Deferred Tax Assets Information

1) Details of deferred tax assets and liabilities

Details of deferred tax assets and liabilities reported within *Other assets Other* and *Other liabilities* respectively in the consolidated balance sheets as of September 30, 2013 are as follows:

Millions of yen

	September 30, 2013
Deferred tax assets	
Depreciation, amortization and valuation of fixed assets	¥ 10,289
Investments in subsidiaries and affiliates	173,110
Valuation of financial instruments	109,275
Accrued pension and severance costs	15,331
Other accrued expenses and provisions	108,346
Operating losses	346,871
Other	2,448
Gross deferred tax assets	765,670
Less Valuation allowance	(495,263)
Total deferred tax assets	270,407
Deferred tax liabilities	
Investments in subsidiaries and affiliates	90,551
Valuation of financial instruments	53,393
Undistributed earnings of foreign subsidiaries	697
Valuation of fixed assets	22,028
Other	2,899
Total deferred tax liabilities	169,568
Net deferred tax assets	¥ 100,839

2) Calculation method of deferred tax assets

In accordance with U.S. GAAP, we recognize deferred tax assets to the extent we believe that it is more likely than not that a benefit will be realized. A valuation allowance is provided for tax benefits available to us, which are not deemed more likely than not to be realized.

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(5) Qualitative Disclosures about Market Risk

1) Risk Management

The business activities of the Nomura Group are exposed to various risks such as market risk, credit risk, operational risk and other risks caused by external factors. We have established a risk management framework to provide comprehensive controls, monitoring and reporting of these risks in order to maintain financial soundness and the Company s corporate values.

2) Global Risk Management Structure

The Board of Directors has established the Structure for Ensuring Appropriate Business of Nomura Holdings, Inc. as the Company s basic principle and set up a framework for the management of risk of loss based on this. In addition, they are continuously making efforts to improve, strengthen and build up our risk management capabilities under this framework. Besides this, the Group Integrated Risk Management Committee, upon delegation of the Executive Management Board has established the Integrated Risk Management Policy, describing the overall risk management framework including the fundamental principles concerning risk management and organization and this is under continuous improvement.

Market Risk

Market risk refers to the potential loss from fluctuations in the value of an assets and liabilities due to fluctuations in market factors, e.g. interest rates, foreign exchange rates, equity prices, credit spreads, indices, volatilities, correlations or other market factors. This type of risk primarily impacts our trading activities. Effective management of this risk requires the ability to analyze a complex and constantly changing global market environment, identify problematic trends and ensure that appropriate action is taken in a timely manner.

Nomura uses a variety of complementary tools to measure, model and aggregate market risk. Our principle statistical measurement tool to assess and monitor market risk on an ongoing basis is Value at Risk (VaR). Limits on VaR are set in line with the Nomura Group s risk appetite as expressed through economic capital. In addition to VaR, we use stress testing and sensitivity analysis to measure and analyze our market risk. Sensitivities are measures used to show the potential changes to a portfolio due to standard moves in market risk factors. They are specific to each asset class and cannot usually be aggregated across risk factors. Market risk is monitored against a set of approved limits, with daily reports and other management information provided to the business units and senior management.

Credit Risk

The Nomura Group defines credit risk as the risk of losses arising from an obligor or counterparty s default, insolvency or administrative proceeding which results in the obligor s failure to meet its contractual obligations in accordance with agreed terms. This includes both on and off-balance sheet exposures. It is also the risk of loss arising through a credit valuation adjustment (CVA) associated with deterioration in the credit worthiness of a counterparty.

For controlling credit risk appropriately, the Nomura Group has set out the basic principles in its Credit Risk Management Policy, a policy that balances the various needs of our clients whilst ensuring Nomura is taking appropriate risks and receiving sufficient returns in line with our corporate values. Under these basic principles, we have established a robust and comprehensive credit risk management framework.

The Nomura Group has been applying the Foundation Internal Rating Based Approach in calculating Credit Risk Weighted Asset for regulatory capital calculation since the end of March 2011. However, the Standardized Approach is applied to certain business units or asset types, which are considered immaterial to the calculation of credit risk weighted assets.

The exposure calculation model used for counterparty credit risk management, i.e., credit limit monitoring, has also been used for the Internal Model Method based exposure calculation for regulatory capital reporting purposes since the end of December 2012.

Operational Risk Management

In our Operational Risk Management Policy, we define operational risk as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. It excludes strategic risk (the risk of loss as a result of poor strategic business decisions), but includes the risk of breach of legal and regulatory requirements, and the risk of damage to our reputation if caused by an Operational Risk. As defined by the Regulations for System Risk Management , System Risk is considered to be a component of Operational Risk as defined above.

We have established an Operational Risk Management Framework in order to allow us to identify, assess, manage, monitor and report on Operational Risk. Operational Risk Appetite is defined through a mixture of qualitative appetite statements and quantitative measures utilizing key components of the Operational Risk Management Framework.

The Nomura Group uses The Standardized Approach for calculating regulatory capital for operational risk. This involves using a 3 year average of gross income, allocated to business lines and multiplied by a fixed percentage determined by the Japanese Financial Services Agency (FSA), to establish the amount of required operational risk capital.

(6) Liquidity and Capital Resources

Funding and Liquidity Management

Overview

We define liquidity risk as the potential inability to meet financial obligations as they become due. This risk could arise from an inability to access the secured or unsecured debt markets, a deterioration in our credit ratings, a failure to manage unplanned changes in funding requirements, a failure to liquidate assets quickly and with minimal loss in value, or changes in regulatory capital restrictions which may prevent the free flow of funds between different group entities. Liquidity risk could be due both to Nomura-specific and market-wide events. Liquidity risk management policy is based on liquidity risk appetite which the Group Integrated Risk Management Committee formulates upon delegation by the Executive Management Board (EMB). Nomura seeks to ensure continuous liquidity across market cycles and periods of market stress. The primary objective is to ensure that all funding requirements and unsecured debt obligations that fall due within one year can be met without additional unsecured funding or forced liquidation of assets.

We have in place a number of Liquidity Risk Management frameworks that enable us to achieve our primary liquidity objective. These frameworks include (1) Centralized Control of Residual Cash; (2) Appropriate Funding and Diversification of Funding Sources and Maturities Commensurate with the Composition of Assets; (3) Management of Credit Lines to Nomura Group Entities; (4) Implementation of Liquidity Stress Tests; and (5) Contingency Funding Plan.

Our EMB has the authority to make decisions concerning the group liquidity management. The Chief Financial Officer (CFO) has the operational authority and responsibility over our liquidity management based on decisions made by the EMB.

1. Centralized Control of Residual Cash

We centrally control residual cash held at Nomura Group entities for effective utilization purposes. As for the usage of funds, we manage the overall level of unsecured funding and set internal limits on the additional amount of unsecured funding available across Nomura Group. The limit for unsecured funding is set by the EMB and monitored closely by Global Treasury.

In order to enable us to transfer funds smoothly among group entities, we limit issuance of securities by regulated broker-dealers or banking entities. We actively seek to concentrate in unsecured funding at either Nomura or unregulated issuing entities. The primary benefits of this strategy include cost minimization, wider investor name recognition and greater flexibility in providing funding to various subsidiaries across Nomura Group.

2. Appropriate Funding and Diversification of Funding Sources and Maturities Commensurate with the Composition of Assets

We seek to maintain a surplus of long-term debt and equity above the cash capital requirements of our assets. This enables us to fund our operations for at least one year in a stress event, without needing to raise additional unsecured funding or forcing the liquidation of assets. The amount of liquidity required is based on an internal model which incorporates the following requirements:

(i) Our ability to finance assets using secured funding, including repurchase agreements and securities lending transactions. The cash capital requirements are calculated using conservative estimates of the assets secured borrowing power in stressed scenarios.

(ii) Goodwill and identifiable intangible assets, property, equipment and other illiquid assets.

(iii) Collateral requirements on derivative contracts arising as a result of a two-notch downgrade in our credit rating.

Collateral requirements to support potential increased intraday collateral requirements from our clearers and settlement agents arising as a result of a two-notch downgrade in our credit rating.

In addition, other unencumbered assets held at exchanges for other related requirements are also funded with long-term liquidity.

(iv) Commitments to lend to external counterparties based on the probability of drawdown.

(v) Capital or other forms of financing in our regulated subsidiaries that is in excess of their long-term cash capital requirements.

Our internal model takes into account legal, regulatory and tax restrictions that may impact the ability to freely transfer of liquidity across the entities within the group.

We seek to achieve diversification of our funding by market, instrument type, investors, currency, and maturity in order to reduce our reliance on any one funding source and reduce refinancing risk.

We diversify funding by issuing various types of debt instruments these include both structured loans and notes. Structured notes are debt obligations with returns linked to other interest or equity, indices, currencies or commodities. We issue structured notes in order to increase the diversity of our debt instruments. We typically hedge the returns we are obliged to pay with derivative positions and/or the underlying assets to maintain funding consistency with our unsecured long term debt.

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2.1 Short-Term Unsecured Debt

Our short-term unsecured debt consists primarily of short-term bank borrowings (including long-term bank borrowings maturing within one year), other loans, commercial paper, deposits at banking entities, certificates of deposit and bonds and notes maturing within one year. Deposits at banking entities and certificates of deposit comprise customer deposits and certificates of deposit held by our banking subsidiaries.

The following table presents an analysis of our short-term unsecured debt by type of financial liability as of March 31, 2013 and September 30, 2013.

	Billions of yen	
	March 31, 2013	**September 30, 2013**
Short-term bank borrowings	¥ 621.3	¥ 659.8
Other loans	42.4	64.1
Commercial paper	296.7	273.6
Deposit at banking entities	781.4	751.1
Certificates of deposit	214.5	246.9
Bonds and notes maturing within one year	337.0	528.6
Total short-term unsecured debt[1]	¥ 2,293.3	¥ 2,524.1

(1) Short-term unsecured debt includes the current portion of long-term unsecured debt.

2.2 Long-Term Unsecured Debt

We meet our long-term capital requirements and also achieve both cost-effective funding and an appropriate maturity profile by routinely funding through long-term debt and diversifying across various maturities and currencies.

Our long-term unsecured debt includes senior and subordinated debt issued through U.S. registered shelf offerings and our U.S. registered medium-term note programs, our Euro medium-term note programs, registered shelf offerings in Japan and various other bond programs.

As a globally competitive financial service group in Japan, we have access to multiple markets worldwide and major funding centers. The Company, NSC, Nomura Europe Finance N.V. and Nomura Bank International plc are the main group entities that borrow externally, issue debt instruments and engage in other funding activities. By raising funds to match the currencies and liquidities of our assets or by using foreign exchange swaps as may be necessary, we pursue optimization of our funding structures.

We use a wide range of products and currencies to ensure that our funding is efficient and well diversified across markets and investor types. Our unsecured senior debt is mostly issued without financial covenants, such as covenants related to adverse changes in our credit ratings, cash flows, results of operations or financial ratios, which could trigger an increase in our cost of financing or accelerate the maturity of the debt.

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The following table presents an analysis of our long-term unsecured debt by type of financial liability as of March 31, 2013 and September 30, 2013.

	Billions of yen	
	March 31, 2013	September 30, 2013
Long-term deposit at banking entities	¥ 76.2	¥ 108.0
Long-term bank borrowings	2,173.7	2,165.2
Other loans	133.9	131.2
Bonds and notes[1]	4,073.5	3,953.2
Total long-term unsecured debt	¥ 6,457.3	¥ 6,357.6
NHI shareholders equity	¥ 2,294.4	¥ 2,379.2

(1) Excludes long-term bonds and notes issued by consolidated VIEs that meet the definition of Variable Interest Entities (VIEs) under ASC 810, *Consolidation* and secured financing transactions recognized within long-term borrowings as a result of transfers of financial assets that are accounted for as financings rather than sales in accordance with ASC 860.

2.3 Maturity Profile

We also seek to maintain an average maturity for plain vanilla instruments greater than or equal to three years. A major part of our medium-term notes are structured and linked to interest or equity, indices, currencies or commodities. Conditions for calling notes linked to indices are individually determined. These maturities are evaluated based on our internal model and monitored by Global Treasury. Maturities for plain vanilla debt securities and borrowings are evaluated based on contractual maturities. Where there is a possibility that notes may be called prior to their scheduled maturity date, maturities are based on our internal stress option adjusted model. This model values the embedded optionality under stress market conditions in order to determine when the note is likely to be called.

2.4 Secured Borrowings

We typically fund our trading activities on a secured basis through secured borrowings, repurchase agreements and Japanese Gensaki Repo transactions. Repo transactions involve the selling of government and government agency securities under agreements with clients to repurchase these securities from clients. Japanese Gensaki Repo transactions have no margin requirements or substitution rights. We believe these funding activities in the secured markets are more cost-efficient and less credit-rating sensitive than financing in the unsecured market. Also, repurchase agreements tend to be short-term, often overnight. We manage the liquidity risks arising from secured funding by transacting with a diverse group of global counterparties, delivering various types of securities collateral, and actively seeking for long-term agreements. For more detail of secured borrowings and repurchase agreements, see Note 4 *Collateralized transactions* in our consolidated financial statements.

3. Management of Credit Lines to Nomura Group entities

We maintain committed facility agreements with financial institutions for Nomura Group entities in order to provide contingent financing sources. We have structured facilities to ensure that the maturity dates of these facilities are distributed evenly throughout the year in order to prevent excessive maturities of facilities in any given period. While the ability to borrow under these facilities is subject to customary lending conditions and covenants, we do not believe that any of the covenant requirements will impair our ability to draw on the facilities. We occasionally test the effectiveness of our drawdown procedures.

4. Implementation of Liquidity Stress Tests

We maintain our liquidity portfolio and monitor our sufficiency of liquidity based on an internal model which simulates changes in cash outflow under specified stress scenarios to comply with our above mentioned liquidity management policy.

We assess the liquidity requirements of the Nomura Group under various stress scenarios with differing levels of severity over multiple time horizons. We evaluate these requirements under Nomura-specific and broad market-wide events, including potential credit rating downgrades at our parent company and subsidiary levels that may impact us by loss of access to unsecured capital markets, additional collateral posting requirements, limited or no access to secured funding markets and other events. We call this risk analysis our Maximum Cumulative Outflow (MCO) framework.

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The MCO framework is designed to incorporate the primary liquidity risks for Nomura and models the relevant cash flows in the following two primary scenarios:

Stressed scenario To maintain adequate liquidity during a severe market-wide liquidity event without raising additional funds through unsecured financing or the liquidation of assets for a year; and

Acute stress scenario To maintain adequate liquidity during a severe market-wide liquidity event coupled with credit concerns regarding Nomura s liquidity position, without raising additional funds through unsecured funding or the liquidation of assets for one month.

We assume that Nomura will not be able to liquidate assets or adjust its business model during the time horizons used in each of these scenarios. The MCO framework therefore defines the amount of liquidity required to be held in order to meet our expected liquidity needs in a stress event to a level we believe appropriate based on our liquidity risk appetite.

As of September 30, 2013, our liquidity portfolio exceeded net cash outflows under the stress scenarios described above.

To ensure a readily available source for a potential liquidity requirement, we maintain a liquidity portfolio in the form of cash and highly liquid, unencumbered securities that may be sold or pledged to provide liquidity. As of September 30, 2013, our liquidity portfolio was ¥6,466.4 billion which generated a liquidity surplus taking into account a stress scenario. We recognize that the liquidity standards for financial institutions continue to be the subject of further discussion among the relevant supervisory bodies including the Basel Committee. The existing model and simulations upon which we currently rely may need to be reviewed depending on any new development in this area.

In addition to the liquidity portfolio, we have other unencumbered assets comprising mainly unpledged trading assets that can be used as an additional source of secured funding. This represented enough unsecured debt maturing within one year. The aggregate value of our liquidity portfolios and other unencumbered assets is sufficient against our total unsecured debt maturing within one year.

In the stress test, we assume the cash outflow as shown below and also assume that in certain instances, legal and regulatory requirements can restrict the flow of funds between entities in our consolidated group, and funds or securities may not freely move among us.

The size and structure of our liquidity portfolio takes into account immediate cash requirements arising from

(i) Upcoming maturities of unsecured debt (maturities less than one year)

(ii) Potential buybacks of our outstanding debt

(iii) Loss of secured funding lines particularly for less liquid assets, over and above our cash capital estimates

(iv) Fluctuation of funding needs under normal business circumstances

(v) Cash and collateral outflows in a stress event

We constantly evaluate and modify our liquidity risk assumptions based on regulatory and market changes. The model we use in order to simulate the impact of stress scenarios assumes no liquidation of assets, no ability to issue additional unsecured funding, a widening of haircuts on outstanding repo funding, collateralization of clearing banks and depositories, drawdowns on loan commitments and loss of liquidity from market losses on inventory.

In 2008, the Basel Committee published Principles for Sound Liquidity Risk Management and Supervision (Sound Principles). To complement these principles, the Committee has further strengthened its liquidity framework by developing two minimum standards for funding liquidity. These standards have been developed to achieve two separate but complementary objectives.

The first objective is to promote short-term resilience of a bank s liquidity risk profile by ensuring that it has sufficient high-quality liquid assets to survive a significant stress scenario lasting for one month. The Committee developed the Liquidity Coverage Ratio (LCR) to achieve this objective.

The second objective is to promote resilience over a longer time horizon by creating additional incentives for banks to fund their activities with more stable sources of funding on an ongoing basis. The Net Stable Funding Ratio (NSFR) has a time horizon of one year and has been developed to provide a sustainable maturity structure of assets and liabilities.

These two standards are comprised mainly of specific parameters which are internationally harmonised with prescribed values. Certain parameters, however, contain elements of national discretion to reflect jurisdiction-specific conditions.

After an observation period, the LCR, including any revisions, will be introduced on January 1, 2015. The NSFR, including any revisions, will move to a minimum standard by January 1, 2018.

5. Contingency Funding Plan

We have developed a detailed contingency funding plan to integrate liquidity risk control into our comprehensive risk management strategy and to enhance the quantitative aspects of our liquidity risk control procedures. As a part of our Contingency Funding Plan (CFP), we have developed an approach for analyzing and quantifying the impact of any liquidity crisis. This allows us to estimate the likely impact of both Nomura-specific and market-wide events; and specifies the immediate action to be taken to mitigate any risk. The CFP lists details of key internal and external parties to be contacted and the processes by which information is to be disseminated. This has been developed at a legal entity level in order to capture specific cash requirements at the local level it assumes that our parent company does not have access to cash that may be trapped at a subsidiary level due to regulatory, legal or tax constraints. We periodically test the effectiveness of our funding plans for different Nomura-specific and market-wide events. We also have access to central banks including, but not exclusively, the Bank of Japan, which provide financing against various types of securities. These operations are accessed in the normal course of business and are an important tool in mitigating contingent risk from market disruptions.

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Cash Flows

Cash and cash equivalents balance as of September 30, 2012 and as of September 30, 2013 were ¥716.7 billion and ¥1,298.0 billion, respectively. Cash flows from operating activities for the six months ended September 30, 2012 were inflows of ¥127.2 billion due primarily to a decrease in *Securities borrowed, net of securities loaned* and those for September 30, 2013 were inflows of ¥404.8 billion due primarily to an increase in *Trading liabilities*. Cash flows from investing activities for the six months ended September 30, 2012 were inflows of ¥31.2 billion due primarily to a decrease in *Non-trading debt securities, net* and those for September 30, 2013 were outflows of ¥98.1 billion due primarily to an increase in *Non-trading debt securities, net*. Cash flows from financing activities for the six months ended September 30, 2012 were outflows of ¥494.8 billion due primarily to a decrease in *Borrowings* and those for September 30, 2013 were inflows of ¥169.0 billion due primarily to an increase in *Borrowings*.

Balance Sheet and Financial Leverage

Total assets as of September 30, 2013, were ¥41,868.4 billion, an increase of ¥3,926.0 billion compared with ¥37,942.4 billion as of March 31, 2013, reflecting increases in *Securities purchased under agreements to resell* and *Trading assets*. Total liabilities as of September 30, 2013, were ¥39,457.1 billion, an increase of ¥3,833.6 billion compared with ¥35,623.5 billion as of March 31, 2013, reflecting increases in *Securities sold under agreements to repurchase* and *Trading liabilities*. NHI shareholders equity as of September 30, 2013, was ¥2,379.2 billion, an increase of ¥84.8 billion compared with ¥2,294.4 billion as of March 31, 2013, due to increases in *Retained earnings* and *Accumulated other comprehensive income (loss)*.

We seek to maintain sufficient capital at all times to withstand losses due to extreme market movements. The EMB is responsible for implementing and enforcing capital policies. This includes the determination of our balance sheet size and required capital levels. We continuously review our equity capital base to ensure that it can support the economic risk inherent in our business. There are also regulatory requirements for minimum capital of entities that operate in regulated securities or banking businesses.

As leverage ratios are commonly used by other financial institutions similar to us, we voluntarily provide a Leverage ratio and Adjusted leverage ratio primarily for benchmarking purposes so that users of our annual report can compare our leverage against other financial institutions. Adjusted leverage ratio is a non-GAAP financial measure that Nomura considers to be a useful supplemental measure of leverage. There are currently no regulatory or statutory reporting requirements which require us to disclose leverage ratios.

The following table sets forth NHI shareholders equity, total assets, adjusted assets and leverage ratios:

	Billions of yen, except ratios	
	March 31, 2013	**September 30, 2013**
NHI shareholders equity	¥ 2,294.4	¥ 2,379.2
Total assets	37,942.4	41,868.4
Adjusted assets[(1)]	23,827.1	25,939.6
Leverage ratio[(2)]	16.5x	17.6x
Adjusted leverage ratio[(3)]	10.4x	10.9x

(1) Represents total assets less *Securities purchased under agreements to resell* and *Securities borrowed*. Adjusted assets is a non-GAAP financial measure and is calculated as follows:

	Billions of yen	
	March 31, 2013	**September 30, 2013**
Total assets	¥ 37,942.4	¥ 41,868.4
Less:		
Securities purchased under agreements to resell	8,295.4	9,552.5
Securities borrowed	5,819.9	6,376.3

Adjusted assets	¥ 23,827.1	¥ 25,939.6

(2) Equals total assets divided by NHI shareholders equity.
(3) Equals adjusted assets divided by NHI shareholders equity.

Total assets increased by 10.3% reflecting primarily increases in *Trading assets* and *Securities purchased under agreements to resell*. NHI shareholders equity increased by 3.7%. Our leverage ratio went up from 16.5 times as of March 31, 2013 to 17.6 times as of September 30, 2013.

Adjusted assets increased due primarily to the increase in *Trading assets*. As a result, our adjusted leverage ratio went up from 10.4 times as of March 31, 2013 to 10.9 times as of September 30, 2013.

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Consolidated Regulatory Capital Requirements

The FSA established the Guideline for Financial Conglomerates Supervision (Financial Conglomerates Guideline) in June 2005 and set out the rules on consolidated regulatory capital. We started monitoring our consolidated capital adequacy ratio in accordance with the Financial Conglomerates Guideline from April 2005.

The Company has been assigned as a Final Designated Parent Company who must calculate a consolidated capital adequacy ratio according to the Capital Adequacy Notice on Final Designated Parent Company in April 2011. Since then, we have been calculating our consolidated capital adequacy ratio according to the Capital Adequacy Notice on Final Designated Parent Company. Note that the Capital Adequacy Notice on Final Designated Parent Company has been revised to be in line with Basel 2.5 and Basel III, and we have calculated a Basel III-based consolidated capital adequacy ratio from the end of March 2013. Basel 2.5 includes significant change in calculation method of market risk and Basel III includes redefinition of capital items for the purpose of requiring higher quality of capital and expansion of the scope of credit risk-weighted assets calculation.

In accordance with Article 2 of the Capital Adequacy Notice on Final Designated Parent Company, our consolidated capital adequacy ratio is currently calculated based on the amounts of common equity Tier 1 capital, Tier 1 capital (sum of common equity Tier 1 capital and additional Tier 1 capital), total capital (sum of Tier 1 capital and Tier 2 capital), credit risk-weighted assets, market risk and operational risk. As of September 30 2013, our common equity Tier 1 capital ratio (common equity Tier 1 capital divided by risk-weighted assets) is 12.2%, Tier 1 capital ratio (Tier 1 capital divided by risk-weighted assets) is 12.2% and consolidated capital adequacy ratio (total capital divided by risk-weighted assets) is 14.3% and we were in compliance with the requirement for each ratio set out in the Capital Adequacy Notice on Final Designated Parent Company (required level as of September 30, 2013 is 3.5% for common equity Tier 1 capital ratio, 4.5% for Tier 1 capital ratio and 8% for consolidated capital adequacy ratio).

The following table presents the Company s consolidated capital adequacy ratios as of September 30, 2013.

	Billions of yen, except ratios September 30, 2013
Common equity Tier 1 capital	¥ 2,186.8
Tier 1 capital	2,186.8
Total capital	2,566.6
Risk-Weighted Assets	
Credit risk-weighted assets	9,830.8
Market risk equivalent assets	5,693.3
Operational risk equivalent assets	2,329.9
Total risk-weighted assets	17,854.1
Consolidated Capital Adequacy Ratios	
Common equity Tier 1 capital ratio	12.2%
Tier 1 capital ratio	12.2%
Consolidated capital adequacy ratio	14.3%

(7) Current Challenges

There is no significant change to our current challenges nor new challenges for the six months ended September 30, 2013 and until the submission date of this report.

(8) Major Properties

During the six months ended September 30, 2013, our consolidated subsidiary, Nomura Securities International, Inc. moved premises to Worldwide Plaza in New York, U.S.A.

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Item 3. Company Information

1. Share Capital Information

(1) Total Number of Shares

A. Number of Authorized Share Capital

Type	Authorized Share Capital (shares)
Common stock	6,000,000,000
Class 1 preferred stock	200,000,000
Class 2 preferred stock	200,000,000
Class 3 preferred stock	200,000,000
Class 4 preferred stock	200,000,000
Total	6,000,000,000

The Authorized Share Capital is stated by the type of stock and the Total is the number of authorized share capital as referred in the Articles of Incorporation.

B. Issued Shares

Type	Number of Issued Shares as of September 30, 2013	Number of Issued Shares as of November 14, 2013	Trading Markets	Details
Common stock	3,822,562,601	3,822,562,601	Tokyo Stock Exchange(2)	1 unit is 100 shares
			Nagoya Stock Exchange(2)	
			Singapore Stock Exchange	
			New York Stock Exchange	
Total	3,822,562,601	3,822,562,601		

(1) Shares that may have increased from exercise of stock options between November 1, 2013 and the submission date (November 14, 2013) are not included in the number of issued shares as of the submission date.

(2) Listed on the First Section of each stock/securities exchange.

(2) Stock Options

None

(3) Exercise of Moving Strike Bonds with Subscription Warrant

None

(4) Rights Plan

None

(5) Changes in Issued Shares, Shareholders Equity, etc.

			Millions of yen			
Date	Increase/Decrease of Issued Shares	Total Issued Shares	Increase/Decrease of Shareholders Equity Common stock	Shareholders Equity Common stock	Increase/Decrease of Additional capital reserve	Additional capital reserve
September 30, 2013		3,822,562,601		594,493		559,676

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(6) Major Shareholders

Name	Address	As of September 30, 2013 Shares Held (thousand shares)	Percentage of Issued Shares (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	1-8-11, Harumi, Chuo-ku, Tokyo, Japan	163,086	4.27
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo, Japan	144,378	3.78
Caceis Bank France, Ordinary Account	Place Valhubert, Paris, France	69,821	1.83
The Bank of New York Treaty JASDEC Account	Avenue Des Arts, 35 Kunstlaan, Brussels, Belgium	64,721	1.69
The Chase Manhattan Bank N.A. London S.L. Omnibus Account	Woolgate House, Coleman Street, London, England	52,065	1.36
Japan Trustee Services Bank, Ltd. (Trust Account 9)	1-8-11, Harumi, Chuo-ku, Tokyo, Japan	44,004	1.15
The Bank of New York Mellon as Depository Bank for Depository Receipt Holders	101 Barclays Street, 22nd Floor West, New York, New York, U.S.A.	43,617	1.14
State Street Bank West Client-Treaty	1776 Heritage Drive, North Quincy, Massachusetts, U.S.A.	38,245	1.00
Citibank Hong Kong PBG Clients H.K.	3, Garden Road, Central Hong Kong	37,332	0.98
State Street Bank and Trust Company 505225	Boston, Massachusetts, U.S.A.	36,683	0.96
Total		693,951	18.15

(1) The Company has 114,834 thousand shares of treasury stock as of September 30, 2013 which are not included in the Major Shareholders list above.

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(7) Voting Rights

A. Outstanding Shares

	As of September 30, 2013		
	Number of Shares	Number of Votes	Description
Stock without voting right			
Stock with limited voting right (Treasury stocks, etc.)			
Stock with limited voting right (Others)			
Stock with full voting right (Treasury stocks, etc.)	(Treasury Stocks) Common stock 114,834,200 (Crossholding Stocks) Common stock 4,105,000		
Stock with full voting right (Others)	Common stock 3,701,833,900	37,018,339	
Shares less than 1 unit	Common stock 1,789,501		Shares less than 1 unit (100 shares)
Total Shares Issued	3,822,562,601		
Voting Rights of Total Shareholders		37,018,339	

2,000 shares held by Japan Securities Depository Center, Inc. are included in Stock with full voting right (Others). 7 shares of treasury stocks are included in Shares less than 1 unit.

B. Treasury Stocks

		As of September 30, 2013			
Name	Address	Directly held shares	Indirectly held shares	Total	Percentage of Issued Shares (%)
(Treasury Stocks)					
Nomura Holdings, Inc.	1-9-1, Nihonbashi, Chuo-ku, Tokyo, Japan	114,834,200		114,834,200	3.00
(Crossholding Stocks)					
JAFCO Co., Ltd.	1-5-1, Otemachi, Chiyoda-ku, Tokyo, Japan	2,000,000		2,000,000	0.05
Nomura Research Institute, Ltd.	1-6-5, Marunouchi, Chiyoda-ku, Tokyo, Japan	1,000,000		1,000,000	0.03
Nomura Real Estate Development Co., Ltd.	1-26-2, Nishi Shinjuku, Shinjuku-ku, Tokyo, Japan	1,000,000		1,000,000	0.03
Takagi Securities Co., Ltd.	1-3-1-400, Umeda, Kita-ku, Osaka-shi, Osaka, Japan	100,000		100,000	0.00
Nomura Japan Corporation.	2-1-3 Nihonbashi Horidomecho, Chuo-ku, Tokyo, Japan	5,000		5,000	0.00
Total		118,939,200		118,939,200	3.11

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Item 4. Financial Information

1 Preparation Method of Consolidated Financial Statements

(1) The consolidated financial statements have been prepared in accordance with accounting principles, procedures, and presentations which are required in order to issue American Depositary Shares, i.e., U.S. generally accepted accounting principles, pursuant to Article 95 of Regulations Concerning the Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements (Cabinet Office Ordinance No. 64, 2007).

(2) The consolidated financial statements have been prepared by making necessary adjustments to the financial statements of each consolidated company which were prepared in accordance with the accounting principles generally accepted in each country. Such adjustments have been made to comply with the principles noted in (1) above.

2 Quarterly Review Certificate
Under Article 193-2 Section 1 of the Financial Instruments and Exchange Act, Ernst & Young ShinNihon LLC performed a quarterly review of the consolidated financial statements for the six and three months ended September 30, 2013.

<Note>

Although Ernst & Young ShinNihon LLC reported that they applied limited procedures in accordance with professional standards in Japan on the interim consolidated financial statements, prepared in Japanese for the six and three months ended September 30, 2013, they have not performed any such limited procedures nor have they performed an audit on the English translated version of the consolidated financial statements for the above-mentioned periods which are included in this report on Form 6-K.

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1. Consolidated Financial Statements

(1) Consolidated Balance Sheets (UNAUDITED)

	Notes	Millions of yen March 31, 2013	Millions of yen September 30, 2013
ASSETS			
Cash and cash deposits:			
Cash and cash equivalents		¥ 805,087	¥ 1,298,043
Time deposits		577,921	468,495
Deposits with stock exchanges and other segregated cash		269,744	384,480
Total cash and cash deposits		1,652,752	2,151,018
Loans and receivables:			
Loans receivable (including ¥524,049 million and ¥261,354 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2, 7	1,575,494	1,303,655
Receivables from customers		63,792	52,097
Receivables from other than customers		992,847	1,506,426
Allowance for doubtful accounts	*7	(2,258)	(3,205)
Total loans and receivables		2,629,875	2,858,973
Collateralized agreements:			
Securities purchased under agreements to resell (including ¥997,788 million and ¥1,217,687 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2	8,295,372	9,552,516
Securities borrowed		5,819,885	6,376,335
Total collateralized agreements		14,115,257	15,928,851
Trading assets and private equity investments:			
Trading assets (including securities pledged as collateral of ¥7,707,813 million and ¥8,226,677 million as of March 31, 2013 and September 30, 2013, respectively; including ¥19,970 million and ¥9,152 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2, 3	17,037,191	18,332,966
Private equity investments (including ¥44,134 million and ¥43,913 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2	87,158	84,169
Total trading assets and private equity investments		17,124,349	18,417,135
Other assets:			
Office buildings, land, equipment and facilities (net of accumulated depreciation and amortization of ¥355,831 million as of March 31, 2013 and ¥373,140 million as of September 30, 2013)		428,241	421,042
Non-trading debt securities	*2, 5	920,611	1,003,495
Investments in equity securities	*2	123,490	135,736
Investments in and advances to affiliated companies	*7	345,705	360,348
Other (including ¥1,632 million and ¥1,549 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2, 5, 10	602,159	591,815
Total other assets		2,420,206	2,512,436

Total assets	¥ 37,942,439	¥ 41,868,413

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(1) Consolidated Balance Sheets (Continued) (UNAUDITED)

		Millions of yen			
	Notes		March 31, 2013		September 30, 2013
LIABILITIES AND EQUITY					
Short-term borrowings (including ¥77,036 million and ¥56,394 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2	¥	738,445	¥	800,966
Payables and deposits:					
Payables to customers			476,705		579,148
Payables to other than customers			864,962		1,154,251
Deposits received at banks			1,072,134		1,106,042
Total payables and deposits			2,413,801		2,839,441
Collateralized financing:					
Securities sold under agreements to repurchase (including ¥264,767 million and ¥810,255 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2		12,444,317		14,074,602
Securities loaned			2,158,559		2,431,554
Other secured borrowings			806,507		818,239
Total collateralized financing			15,409,383		17,324,395
Trading liabilities	*2, 3		8,491,296		9,870,444
Other liabilities (including ¥2,360 million and ¥1,815 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2, 10		978,163		984,102
Long-term borrowings (including ¥1,664,536 million and ¥1,707,660 million measured at fair value by applying the fair value option as of March 31, 2013 and September 30, 2013, respectively)	*2		7,592,368		7,637,759
Total liabilities			35,623,456		39,457,107
Commitments and contingencies	*16				
Equity:					
Nomura Holdings, Inc. (NHI) shareholders equity:					
Common stock					
No par value share					
Authorized 6,000,000,000 shares as of March 31, 2013 and September 30, 2013					
Issued 3,822,562,601 shares as of March 31, 2013 and September 30, 2013					
Outstanding 3,710,960,252 shares as of March 31, 2013 and 3,706,484,721 shares as of September 30, 2013			594,493		594,493
Additional paid-in capital			691,264		682,048
Retained earnings			1,136,523		1,210,878
Accumulated other comprehensive income (loss)	*15		(57,395)		(28,579)
Total NHI shareholders equity before treasury stock			2,364,885		2,458,840
Common stock held in treasury, at cost 111,602,349 shares as of March 31, 2013 and 116,077,880 shares as of September 30, 2013			(70,514)		(79,651)
Total NHI shareholders equity			2,294,371		2,379,189
Noncontrolling interests			24,612		32,117
Total equity			2,318,983		2,411,306

Total liabilities and equity	¥ 37,942,439	¥ 41,868,413

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(1) Consolidated Balance Sheets (Continued) (UNAUDITED)

The following table presents the classification of consolidated variable interest entities (VIEs) assets and liabilities. The assets of a consolidated VIE may only be used to settle obligations of that VIE. Creditors do not have any recourse to Nomura beyond the assets held in the VIEs. See Note 6. *Securitizations and Variable Interest Entities* for further information.

	Billions of yen	
	March 31, 2013	September 30, 2013
Cash and cash deposits	¥ 13	¥ 35
Trading assets and private equity investments	695	570
Other assets	93	80
Total assets	¥ 801	¥ 685
Trading liabilities	¥ 21	¥ 19
Other liabilities	11	16
Borrowings	458	381
Total liabilities	¥ 490	¥ 416

The accompanying notes are an integral part of these consolidated financial statements.

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(2) Consolidated Statements of Income (UNAUDITED)

	Notes	Millions of yen Six months ended September 30 2012	 2013
Revenue:			
Commissions		¥ 149,646	¥ 263,247
Fees from investment banking		27,514	48,378
Asset management and portfolio service fees		67,224	83,083
Net gain on trading	*2, 3	173,328	238,590
Gain (loss) on private equity investments		(5,088)	753
Interest and dividends		196,303	213,416
Gain on investments in equity securities		5,909	12,889
Other	*9	285,983	73,294
Total revenue		900,819	933,650
Interest expense		129,886	145,938
Net revenue		770,933	787,712
Non-interest expenses:			
Compensation and benefits		258,269	298,596
Commissions and floor brokerage		43,882	55,180
Information processing and communications		87,669	94,473
Occupancy and related depreciation		46,250	40,614
Business development expenses		22,502	17,332
Other	*9, 10	257,278	95,364
Total non-interest expenses		715,850	601,559
Income before income taxes		55,083	186,153
Income tax expense	*14	43,646	81,505
Net income		¥ 11,437	¥ 104,648
Less: Net income attributable to noncontrolling interests		6,737	641
Net income attributable to NHI shareholders		¥ 4,700	¥ 104,007

	Notes	Yen Six months ended September 30 2012	 2013
Per share of common stock:	*11		
Basic			
Net income attributable to NHI shareholders per share		¥ 1.28	¥ 28.07
Diluted			
Net income attributable to NHI shareholders per share		¥ 1.25	¥ 27.20

The accompanying notes are an integral part of these consolidated financial statements.

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		Millions of yen			
		Three months ended September 30			
	Notes	2012		2013	
Revenue:					
Commissions		¥	72,279	¥	105,613
Fees from investment banking			17,131		22,984
Asset management and portfolio service fees			33,411		40,702
Net gain on trading	*2, 3				