

MARKETAXESS HOLDINGS INC
Form 10-Q
July 26, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2018

or

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-34091

MARKETAXESS HOLDINGS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

52-2230784
(IRS Employer
Identification No.)

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299 Park Avenue, 10th Floor New York, New York 10171
(Address of principal executive offices) (Zip Code)

(212) 813-6000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 24, 2018, the number of shares of the Registrant's voting common stock outstanding was 37,570,970.

MARKETAXESS HOLDINGS INC.

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2018

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PART I — Financial Information

Item 1. Financial Statements

MARKETAXESS HOLDINGS INC.

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Unaudited)

	As of	
	June 30, 2018	December 31, 2017
	(In thousands, except share	
	and per share amounts)	
ASSETS		
Cash and cash equivalents	\$ 170,686	\$ 167,014
Investments, at fair value	249,591	239,521
Accounts receivable, net of allowance of \$74 and \$178 as of		
June 30, 2018 and December 31, 2017, respectively	61,883	52,636
Goodwill and intangible assets, net of accumulated amortization	62,867	63,059
Furniture, equipment, leasehold improvements and capitalized		
software, net of accumulated depreciation and amortization	50,088	38,548
Prepaid expenses and other assets	21,030	18,717
Deferred tax assets, net	1,453	1,737
Total assets	\$ 617,598	\$ 581,232
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accrued employee compensation	\$ 23,612	\$ 36,502
Income and other tax liabilities	12,972	13,061
Deferred revenue	3,595	2,660
Accounts payable, accrued expenses and other liabilities	20,041	14,241
Total liabilities	60,220	66,464
Commitments and Contingencies (Note 10)		
Stockholders' equity		&nb