

**Disclaimer**

This document is an English-language translation of the non-consolidated financial summary of the financial results for the third quarter of the fiscal year ending March 31, 2012. This summary was prepared originally in Japanese in accordance with generally accepted accounting principles in Japan (Japanese GAAP). If there are discrepancies between the English translation and the original document in Japanese, the Japanese version will take precedence.

kabu.com Securities Co., Ltd.

**Non-Consolidated Financial Summary under Japanese GAAP**  
**For the Nine Months from April 2011 to December 2011 of the Fiscal Year Ending March 2012**

Company name: kabu.com Securities Co., Ltd. URL: <http://kabu.com>  
Listing: 1st section of the Tokyo Stock Exchange  
Code number: 8703  
Representative: Masakatsu Saito, CEO  
Contact: Takeshi Amemiya, CFO E-mail: [ir@kabu.com](mailto:ir@kabu.com)

**1. Financial summary (April 1, 2011 to December 31, 2011)**(1) Operating results (% : change year-on-year)

	Operating revenues		Net operating revenues		Operating income		Ordinary income		Net income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
Nine months ended December 31, 2011	9,407	(8.2)	8,091	(10.9)	2,236	(25.0)	2,343	(21.9)	1,120	(43.8)
Nine months ended December 31, 2010	10,253	(12.3)	9,084	(12.9)	2,984	(24.3)	2,999	(24.3)	1,992	(20.7)

	Earnings per share	Fully diluted earnings per share
	yen	yen
Nine months ended December 31, 2011	6.36	-
Nine months ended December 31, 2010	11.17	11.17

## (2) Financial position

	Total assets	Net Assets	Equity ratio	Capital adequacy ratio
	millions of yen	millions of yen	%	%
December 31, 2011	329,900	32,326	9.8	616.2
March 31, 2011	395,005	32,615	8.3	553.1

**2. Dividends**

	Dividends per share				
	1Q	2Q	3Q	4Q	Total
				yen	yen
Fiscal year ended March 2011	-	-	-	8.00	8.00
Fiscal year ending March 2012	-	-	-		

**3. Forecast for the Business Results of Full Fiscal Year (April 1, 2011 to March 31, 2012)**

The Company's principal business is acting as a broker in transactions in financial instruments, mainly securities. Since this business is strongly influenced by conditions in equity and other securities markets, forecasting future performance is extremely difficult. Accordingly the Company does not disclose forecasts of its performance. In place of such forecasts, the Company discloses its quarterly financial results as quickly as possible. The Company also provides monthly information on fees and commissions, which account for a high percentage of operating revenues, the number of customer accounts, equity trading value, and other operating statistics that have a major impact on the Company's performance.

**(1)Non-Consolidated Balance Sheets**

(Unit : Millions of Yen)

	As of March 31, 2011	As of December 31, 2011
<b>Assets</b>		
Current Assets		
Cash and bank deposits	40,385	14,867
Cash held in trust	222,299	189,919
Margin account assets	95,742	91,841
Loans receivable from customers	80,947	79,776
Cash deposited as collateral for securities borrowed	14,794	12,065
Advances paid	291	133
Amount paid	413	274
Short term guarantee deposits	26,426	24,074
Prepaid expenses	219	285
Accrued income	1,044	1,340
Other	1,228	952
Total current assets	<u>388,051</u>	<u>323,689</u>
Fixed Assets		
Tangible fixed assets	862	847
Intangible fixed assets	1,908	1,749
Investment and others	4,183	3,614
Investment securities	1,484	1,362
Long term guarantee deposits	409	378
Deferred income tax assets	1,851	1,423
Long-term advances paid	4,068	3,190
Other	231	311
Allowance for doubtful accounts	(3,861)	(3,052)
Total fixed assets	<u>6,954</u>	<u>6,211</u>
Total Assets	<u>395,005</u>	<u>329,900</u>

(Unit : Millions of Yen)

	As of March 31, 2011	As of December 31, 2011
<b>Liabilities</b>		
Current liabilities		
Margin account liabilities	61,393	32,369
Loans from securities finance companies	30,201	11,010
Proceeds of securities lent on customers' account	31,192	21,358
Payables on collateralized securities transactions	10,232	11,115
Deposits received	117,107	101,687
Guarantee money received	127,615	120,593
Short-term borrowings	23,000	30,000
Accounts payable	154	103
Accrued expenses	603	391
Accrued income taxes	771	-
Deferred tax liabilities	-	119
Accrued employee bonuses	-	8
Other	332	226
Total current liabilities	341,210	296,616
Long-term liabilities		
Long-term borrowings	20,000	-
Other	370	177
Total long-term liabilities	20,370	177
Statutory reserves		
Reserve for financial product transaction liabilities	809	779
Total statutory reserves	809	779
Total liabilities	362,389	297,573
<b>Net assets</b>		
Shareholders' equity		
Common stock	7,196	7,196
Additional paid in capital	11,913	11,913
Retained earnings	18,024	17,736
Treasury stock	(4,673)	(4,673)
Total shareholders' equity	32,461	32,173
Valuation and translation adjustments		
Net unrealized gain on investment securities	154	153
Total valuation and translation adjustments	154	153
Total net assets	32,615	32,326
Total liabilities and net assets	395,005	329,900

**(2)Non-Consolidated Statements of Income**

(Unit : Millions of Yen)

	Nine months of fiscal year ended March 2011 (April 1 to December 31, 2010)	Nine months of fiscal year ended March 2012 (April 1 to December 31, 2011)
Operating revenues		
Commissions	6,178	5,399
Brokerage commissions	4,655	4,139
Fees for offering, secondary distribution and solicitation for selling and other services for professional investor	124	80
Other	1,398	1,179
Net gain on trading	2	23
Financial income	4,072	3,983
Total operating revenues	10,253	9,407
Financial expenses	1,169	1,316
Net operating revenues	9,084	8,091
Selling, general and administrative expenses		
Transaction related expenses	2,569	2,551
Employment cost	713	679
Facilities and rentals	1,344	1,099
Outsourcing and office supplies	490	452
Depreciation and amortization	750	864
Duties and taxes other than income taxes	109	95
Provision to allowance for doubtful accounts	13	-
Other	109	111
Total selling, general and administrative expenses	6,099	5,854
Operating income	2,984	2,236
Non-operating income	170	326
Non-operating expenses	154	220
Ordinary income	2,999	2,343
Special profits		
Reversal of reserve for financial product transaction	380	29
Reversal of allowance for doubtful accounts	14	-
Total special profits	395	29
Special losses		
Valuation loss on investment securities	6	1
Loss on the effect of the adopting the accounting standard regarding asset retirement obligations	13	-
Loss on from PTS business withdrawal	-	261
Total special losses	19	263
Income before income taxes	3,375	2,109
Income taxes - current	1,304	418
Income taxes - deferred	77	570
Income taxes	1,382	989
Net income	1,992	1,120

**(3)Non-Consolidated Statement of Income by Quarter (Quarterly transition)**

(Unit : Millions of Yen)

	1Q of FY 2011	2Q of FY 2011	3Q of FY 2011	4Q of FY 2011	1Q of FY 2012	2Q of FY 2012	3Q of FY 2012
Operating revenues							
Commissions	2,536	1,752	1,889	2,535	1,841	1,931	1,626
Brokerage commissions	2,006	1,288	1,359	2,080	1,391	1,483	1,264
Fees for offering, secondary distribution and solicitation for selling and others for professional investor:	47	35	40	44	33	29	18
Other	481	427	488	411	417	418	343
Net gain on trading	-	-	2	6	5	10	7
Financial income	1,506	1,225	1,341	1,256	1,445	1,246	1,291
Total operating revenues	4,042	2,977	3,233	3,798	3,293	3,189	2,924
Financial expenses	486	226	456	277	502	349	464
Net operating revenues	3,556	2,751	2,776	3,521	2,791	2,839	2,460
Selling, general and administrative expenses							
Transaction related expenses	926	844	798	908	880	900	770
Employment cost	251	238	223	213	223	227	228
Facilities and rentals	464	438	442	445	393	374	331
Outsourcing and office supplies	184	166	139	159	156	154	141
Depreciation and amortization	237	248	264	300	322	296	245
Duties and taxes other than income taxes	50	23	35	25	45	21	28
Other	47	38	35	43	37	42	32
Total selling, general and administrative expenses	2,162	1,998	1,938	2,095	2,059	2,016	1,778
Operating income	1,394	752	837	1,426	731	823	682
Non-operating income	19	139	11	15	93	214	18
Non-operating expenses	15	138	0	36	4	211	3
Ordinary income	1,397	753	848	1,405	820	826	696
Special profits							
Reversal of reserve for financial product transactions	381	-	-	-	28	-	1
Reversal of allowance for doubtful accounts	3	4	7	29	-	-	-
Profits on sales of investment securities	-	-	-	284	-	-	-
Total special profits	385	4	7	313	28	-	1
Special losses							
Valuation loss on investment securities	5	-	0	286	1	-	-
Provision of reserve for financial product transactions	-	0	1	2	-	0	-
Loss on from PTS business withdrawal	-	-	-	-	-	261	-
Loss on the effect of the adopting the accounting standard regarding asset retirement obligations	13	-	-	-	-	-	-
Provision to allowance for doubtful accounts	-	-	-	3,172	-	-	-
Loss on cancellation of lease contracts	-	-	-	41	-	-	-
Total special losses	19	0	1	3,501	1	261	-
Income before income taxes	1,763	757	854	(1,782)	847	564	697
Income taxes - current	536	385	383	478	259	305	(146)
Income taxes - deferred	186	(75)	(33)	(865)	70	(72)	573
Income taxes	722	310	349	(387)	329	377	719
Net income(lost)	1,040	447	505	(1,395)	517	332	270

**(4)Monthly Business Data**

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Number of customer accounts *1 (at month-end)	742,950	746,126	748,567	750,703	752,831	755,338
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	44,931	45,236	45,429	45,612	45,793	46,000
Number of margin customer accounts *1 (at month-end)	78,091	78,517	78,953	79,210	79,457	79,564
Number of forward and option customer accounts *1 (at month-end)	33,913	34,284	34,596	34,836	35,072	35,323
Number of OTC FX customer accounts *1 (at month-end)	40,169	40,906	41,245	41,516	41,816	41,816
Number of customers using stock lending service	13,980	13,884	13,724	15,261	15,510	15,599
Average daily number of executed equity trades *2	36,705	37,856	34,095	33,396	31,507	30,971
Average daily number of executed cash trades *2, 3	16,160	16,935	14,148	13,107	13,587	13,121
Average daily number of executed margin trades *2	20,544	20,921	19,947	20,289	17,920	17,850
Average value of equity trading (thousands of yen)	922	855	877	843	812	767
Average value of cash trading *3 (thousands of yen)	587	520	512	526	500	485
Average value of margin trading (thousands of yen)	1,185	1,126	1,137	1,048	1,049	974
Monthly trading value of OTC FX (100 millions of yen)	9,261	11,592	9,422	8,158	8,845	5,600
Monthly trading value of Exchange FX*4 (100 millions of yen)	2,871	4,944	3,840	3,393	3,717	2,474
Amount of customer assets *5 (at month-end) (millions of yen)	1,105,965	1,054,295	1,022,889	1,039,631	1,005,741	1,010,064
Margin trading balance *6 (at month-end) (millions of yen)	108,894	108,703	118,538	99,800	95,315	101,134
Amount of stock lending (at month-end) (millions of yen)	67,115	63,220	41,747	67,741	65,219	63,388

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Number of customer accounts *1 (at month-end)	724,548	727,150	731,891	735,029	737,647	740,266
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	42,887	43,122	43,698	44,032	44,320	44,639
Number of margin customer accounts *1 (at month-end)	75,762	76,141	76,832	77,172	77,413	77,814
Number of forward and option customer accounts *1 (at month-end)	31,480	31,776	32,595	33,203	33,464	33,641
Number of OTC FX customer accounts *1 (at month-end)	37,536	37,846	38,460	38,919	39,243	39,534
Number of customers using stock lending service	13,880	13,596	12,119	13,661	13,836	13,862
Average daily number of executed equity trades *2	45,779	47,695	58,101	40,252	37,231	34,663
Average daily number of executed cash trades *2, 3	20,832	22,007	28,804	17,389	16,243	14,792
Average daily number of executed margin trades *2	24,947	25,688	29,297	22,862	20,988	19,871
Average value of equity trading (thousands of yen)	920	1,028	908	884	878	883
Average value of cash trading *3 (thousands of yen)	587	664	590	546	511	514
Average value of margin trading (thousands of yen)	1,198	1,340	1,221	1,141	1,163	1,158
Monthly trading value of OTC FX (100 millions of yen)	8,744	8,500	11,450	10,662	10,475	10,075
Monthly trading value of Exchange FX*4 (100 millions of yen)	-	-	-	2,797	2,087	1,876
Amount of customer assets *5 (at month-end) (millions of yen)	1,133,489	1,180,014	1,109,338	1,107,959	1,096,550	1,103,989
Margin trading balance *6 (at month-end) (millions of yen)	115,048	123,380	112,139	105,185	112,870	113,685
Amount of stock lending (at month-end) (millions of yen)	71,752	72,371	35,456	65,449	65,765	63,969

\*1 : The number of accounts includes corporate accounts.

\*2 : The number of trades includes partially executed trades.

\*3 : Cash trading includes odd-lot stocks ("*Puchi Stock*"®) and transactions through "kabu.comPTS"(until October 31,2011), excluded investors.

\*4 : Exchange FX includes OSE-FX(FX traded in Osaka Securities Exchange) and Click365(FX traded in Tokyo Financial Exchange).

\*5 : Amount of customer assets is the value on a market price basis at month-end.

\*6 : Margin trading balance is the value on a handover basis at month-end.

	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Number of customer accounts (at month-end)	711,118	713,199	715,421	717,366	719,476	721,823
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	41,748	41,881	42,128	42,328	42,565	42,704
Number of margin customer accounts (at month-end)	73,694	74,045	74,406	74,747	75,031	75,354
Number of forward and option customer accounts (at month-end)	29,655	30,082	30,503	30,778	31,041	31,218
Number of OTC FX customer accounts (at month-end)	34,598	35,289	35,927	36,537	36,936	37,199
Number of customer using lending stock service	13,435	13,291	12,657	13,606	13,664	13,651
Average daily number of executed equity trades	28,571	28,276	29,483	30,373	35,648	38,406
Average daily number of executed cash trades	12,843	12,748	13,202	12,660	14,643	17,150
Average daily number of executed margin trades	15,727	15,527	16,280	17,713	21,005	21,255
Average trading value of equity trading	913	879	906	917	880	876
Average trading value of cash trading	516	497	531	507	562	578
Average trading value of margin trading	1,238	1,192	1,210	1,209	1,103	1,117
Monthly trading value of OTC FX (100 millions of yen)	11,703	10,945	11,766	10,556	12,228	8,336
Amount of customer assets (at month-end) (millions of yen)	1,055,660	1,017,304	1,037,481	1,017,255	1,069,484	1,109,805
Margin trading balance (at month-end) (millions of yen)	116,614	115,201	111,166	102,834	97,203	106,214
Amount of lending stock (at month-end) (millions of yen)	66,302	61,644	42,289	62,212	66,980	65,912

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Number of customer accounts (at month-end)	693,240	696,509	700,162	703,038	705,680	708,753
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	70,971	71,508	72,007	40,400	40,838	41,297
Number of forward and option customer accounts (at month-end)	28,059	28,319	28,604	28,852	29,142	29,366
Number of OTC FX customer accounts (at month-end)	31,017	31,609	32,199	32,781	33,524	34,027
Number of customer using lending stock service	13,043	12,933	11,696	13,197	13,243	13,288
Average daily number of executed equity trades	43,936	34,825	39,721	49,246	44,088	32,910
Average daily number of executed cash trades	22,399	16,245	18,802	24,376	21,951	15,215
Average daily number of executed margin trades	21,536	18,580	20,918	24,869	22,137	17,964
Average trading value of equity trading	906	886	889	906	910	912
Average trading value of cash trading	589	543	623	631	587	541
Average trading value of margin trading	1,236	1,186	1,129	1,176	1,230	1,232
Monthly trading value of OTC FX (100 millions of yen)	3,619	7,074	8,001	11,232	16,110	11,431
Amount of customer assets (at month-end) (millions of yen)	1,051,733	1,053,185	1,120,713	1,162,927	1,078,391	1,045,962
Margin trading balance (at month-end) (millions of yen)	110,017	106,832	105,892	114,610	116,069	122,991
Amount of lending stock (at month-end) (millions of yen)	65,341	64,707	40,906	71,724	65,826	63,121