

Disclaimer

This document is an English-language translation of the non-consolidated financial summary of the financial results for the fiscal year ended March 31, 2012(from April 2011 to March 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
Fiscal Year Ended March 31, 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

1. Financial summary (April 1, 2011 to March 31, 2012)(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	%
Fiscal year ended March 31, 2012	12,368	(12.0)	10,731	(14.9)	2,968	(32.7)	3,098	(29.7)	1,587	165.8
Fiscal year ended March 31, 2011	14,052	(6.8)	12,605	(7.0)	4,410	(10.6)	4,404	(10.2)	597	(80.7)

	Earnings per share	Fully diluted earnings per share	ROE
	yen	yen	%
Fiscal year ended March 31, 2012	9.02	-	4.9
Fiscal year ended March 31, 2011	3.35	3.35	1.7

(2) Financial position

	Total assets	Net Assets	Equity ratio	Book-value per share	Capital adequacy ratio
	millions of yen	millions of yen	%	yen	%
March 31, 2012	395,810	32,779	8.3	186.13	581.1
March 31, 2011	395,005	32,615	8.3	185.20	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	-	-	-	8.00	8.00

3. Forecast for the Business Results of Full Fiscal Year (April 1, 2012 to March 31, 2013)

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 financial 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 March 31, 2012
Assets		
Current Assets		
Cash and bank deposits	40,385	25,252
Cash held in trust	222,299	222,027
Margin account assets	95,742	115,271
Loans receivable from customers	80,947	73,408
Cash deposited as collateral for securities borrowed	14,794	41,862
Advances paid	291	148
Amount paid	413	481
Short term guarantee deposits	26,426	24,192
Prepaid expenses	219	215
Accrued income	1,044	1,255
Other	1,228	1,233
Total current assets	<u>388,051</u>	<u>390,079</u>
Fixed Assets		
Tangible fixed assets	862	749
Intangible fixed assets	1,908	1,812
Investment and others	4,183	3,168
Investment securities	1,484	1,337
Long term guarantee deposits	409	375
Deferred income tax assets	1,851	1,036
Long-term advances paid	4,068	2,634
Other	231	280
Allowance for doubtful accounts	(3,861)	(2,496)
Total fixed assets	<u>6,954</u>	<u>5,730</u>
Total Assets	<u>395,005</u>	<u>395,810</u>

(Unit : Millions of Yen)

	As of March 31, 2011	As of March 31, 2012
Liabilities		
Current liabilities		
Margin account liabilities	61,393	77,619
Loans from securities finance companies	30,201	19,724
Proceeds of securities lent on customers' account	31,192	57,894
Payables on collateralized securities transactions	10,232	16,784
Deposits received	117,107	118,807
Guarantee money received	127,615	122,029
Short-term borrowings	23,000	6,000
Current portion of long-term loans payable	-	17,500
Current portion of long-term loans payable to subsidiaries and affiliates	-	2,500
Accounts payable	154	112
Accrued expenses	603	475
Accrued income taxes	771	-
Deferred tax liabilities	-	72
Other	332	222
Total current liabilities	341,210	362,124
Long-term liabilities		
Long-term borrowings	20,000	-
Other	370	124
Total long-term liabilities	20,370	124
Statutory reserves		
Reserve for financial product transaction liabilities	809	781
Total statutory reserves	809	781
Total liabilities	362,389	363,030
Net assets		
Shareholders' equity		
Common stock	7,196	7,196
Additional paid in capital	11,913	11,913
Retained earnings	18,024	18,203
Treasury stock	(4,673)	(4,673)
Total shareholders' equity	32,461	32,640
Valuation and translation adjustments		
Net unrealized gain on investment securities	154	138
Total valuation and translation adjustments	154	138
Total net assets	32,615	32,779
Total liabilities and net assets	395,005	395,810

(2)Non-Consolidated Statements of Income

(Unit : Millions of Yen)

	Fiscal year ended March 2011 (April 2010 to March 2011)	Fiscal year ended March 2012 (April 2011 to March 2012)
Operating revenues		
Commissions	8,713	7,276
Brokerage commissions	6,735	5,629
Fees for offering, secondary distribution and solicitation for selling and other services for professional investor	168	101
Other	1,809	1,545
Net gain on trading	9	40
Financial income	5,329	5,051
Total operating revenues	14,052	12,368
Financial expenses	1,446	1,637
Net operating revenues	12,605	10,731
Selling, general and administrative expenses		
Transaction related expenses	3,477	3,426
Employment cost	927	905
Facilities and rentals	1,789	1,417
Outsourcing and office supplies	649	628
Depreciation and amortization	1,050	1,121
Duties and taxes other than income taxes	134	122
Provision to allowance for doubtful accounts	13	-
Other	152	141
Total selling, general and administrative expenses	8,195	7,763
Operating income	4,410	2,968
Non-operating income	185	463
Non-operating expenses	191	333
Ordinary income	4,404	3,098
Special profits		
Reversal of reserve for financial product transaction	378	27
Reversal of allowance for doubtful accounts	44	-
Profits on sales of investment securities	284	-
Total special profits	706	27
Special losses		
Valuation loss on investment securities	292	1
Provision to allowance for doubtful account	3,172	-
Loss on cancellation of lease contracts	41	-
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	3,519	263
Income before income taxes	1,592	2,862
Income taxes - current	1,783	355
Income taxes - deferred	(788)	918
Income taxes	994	1,274
Net income	597	1,587

(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	4Q of FY 2012
Operating revenues								
Commissions	2,536	1,752	1,889	2,535	1,841	1,931	1,626	1,877
Brokerage commissions	2,006	1,288	1,359	2,080	1,391	1,483	1,264	1,490
Fees for offering, secondary distribution and solicitation for selling and others for professional investor:	47	35	40	44	33	29	18	21
Other	481	427	488	411	417	418	343	366
Net gain on trading	-	-	2	6	5	10	7	16
Financial income	1,506	1,225	1,341	1,256	1,445	1,246	1,291	1,067
Total operating revenues	4,042	2,977	3,233	3,798	3,293	3,189	2,924	2,961
Financial expenses	486	226	456	277	502	349	464	320
Net operating revenues	3,556	2,751	2,776	3,521	2,791	2,839	2,460	2,640
Selling, general and administrative expenses								
Transaction related expenses	926	844	798	908	880	900	770	874
Employment cost	251	238	223	213	223	227	228	225
Facilities and rentals	464	438	442	445	393	374	331	317
Outsourcing and office supplies	184	166	139	159	156	154	141	176
Depreciation and amortization	237	248	264	300	322	296	245	257
Duties and taxes other than income taxes	50	23	35	25	45	21	28	26
Other	47	38	35	43	37	42	32	29
Total selling, general and administrative expenses	2,162	1,998	1,938	2,095	2,059	2,016	1,778	1,909
Operating income	1,394	752	837	1,426	731	823	682	731
Non-operating income	19	139	11	15	93	214	18	137
Non-operating expenses	15	138	0	36	4	211	3	113
Ordinary income	1,397	753	848	1,405	820	826	696	754
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	-	1
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	-	1
Income before income taxes	1,763	757	854	(1,782)	847	564	697	753
Income taxes - current	536	385	383	478	259	305	(146)	(62)
Income taxes - deferred	186	(75)	(33)	(865)	70	(72)	573	347
Income taxes	722	310	349	(387)	329	377	719	410
Net income(lost)	1,040	447	505	(1,395)	517	332	270	467

(4)Monthly Business Data

	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12
Number of customer accounts *1 (at month-end)	750,703	752,831	755,338	758,621	762,955	767,607
Number of new customer accounts (monthly)	2,432	2,463	2,798	3,587	4,758	5,076
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	45,612	45,793	46,000	46,245	46,495	46,754
Number of margin customer accounts *1 (at month-end)	79,210	79,457	79,564	79,336	80,034	81,225
Number of forward and option customer accounts *1 (at month-end)	34,836	35,072	35,323	35,301	35,562	35,839
Number of OTC FX customer accounts *1 (at month-end)	41,516	41,816	41,816	41,565	41,964	42,447
Number of customers using stock lending service	15,261	15,510	15,599	16,004	15,906	14,716
Average daily number of executed equity trades *2	33,396	31,507	30,971	36,228	50,019	50,846
Average daily number of executed cash trades *2, 3	13,107	13,587	13,121	14,824	23,148	24,839
Average daily number of executed margin trades *2	20,289	17,920	17,850	21,403	26,870	26,006
Average value of equity trading (thousands of yen)	843	812	767	768	814	765
Average value of cash trading *3 (thousands of yen)	526	500	485	502	547	478
Average value of margin trading (thousands of yen)	1,048	1,049	974	951	1,044	1,039
Monthly trading value of OTC FX (100 millions of yen)	8,158	8,845	5,600	6,102	7,193	9,725
Monthly trading value of Exchange FX*4 (100 millions of yen)	3,393	3,717	2,474	3,133	3,514	4,191
Amount of customer assets *5 (at month-end) (millions of yen)	1,039,631	1,005,741	1,010,064	1,045,597	1,131,522	1,145,744
Margin trading balance *6 (at month-end) (millions of yen)	99,800	95,315	101,134	94,448	105,754	131,303
Amount of stock lending (at month-end) (millions of yen)	67,741	65,219	63,388	68,712	73,619	43,250

	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11
Number of customer accounts *1 (at month-end)	735,029	737,647	740,266	742,950	746,126	748,567
Number of new customer accounts (monthly)	3,462	3,060	2,910	2,982	3,507	2,829
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	44,032	44,320	44,639	44,931	45,236	45,429
Number of margin customer accounts *1 (at month-end)	77,172	77,413	77,814	78,091	78,517	78,953
Number of forward and option customer accounts *1 (at month-end)	33,203	33,464	33,641	33,913	34,284	34,596
Number of OTC FX customer accounts *1 (at month-end)	38,919	39,243	39,534	40,169	40,906	41,245
Number of customers using stock lending service	13,661	13,836	13,862	13,980	13,884	13,724
Average daily number of executed equity trades *2	40,252	37,231	34,663	36,705	37,856	34,095
Average daily number of executed cash trades *2, 3	17,389	16,243	14,792	16,160	16,935	14,148
Average daily number of executed margin trades *2	22,862	20,988	19,871	20,544	20,921	19,947
Average value of equity trading (thousands of yen)	884	878	883	922	855	877
Average value of cash trading *3 (thousands of yen)	546	511	514	587	520	512
Average value of margin trading (thousands of yen)	1,141	1,163	1,158	1,185	1,126	1,137
Monthly trading value of OTC FX (100 millions of yen)	10,662	10,475	10,075	9,261	11,592	9,422
Monthly trading value of Exchange FX*4 (100 millions of yen)	2,797	2,087	1,876	2,871	4,944	3,840
Amount of customer assets *5 (at month-end) (millions of yen)	1,107,959	1,096,550	1,103,989	1,105,965	1,054,295	1,022,889
Margin trading balance *6 (at month-end) (millions of yen)	105,185	112,870	113,685	108,894	108,703	118,538
Amount of stock lending (at month-end) (millions of yen)	65,449	65,765	63,969	67,115	63,220	41,747

*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), exclude 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.

	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
Number of customer accounts (at month-end)	717,366	719,476	721,823	724,548	727,150	731,891
Number of customer accounts from Bank of Tokyo-Mitsubishi UF and other partners (at month-end)	42,328	42,565	42,704	42,887	43,122	43,698
Number of margin customer accounts (at month-end)	74,747	75,031	75,354	75,762	76,141	76,832
Number of forward and option customer accounts (at month-end)	30,778	31,041	31,218	31,480	31,776	32,595
Number of OTC FX customer accounts (at month-end)	36,537	36,936	37,199	37,536	37,846	38,460
Number of customer using lending stock service	13,606	13,664	13,651	13,880	13,596	12,119
Average daily number of executed equity trades	30,373	35,648	38,406	45,779	47,695	58,101
Average daily number of executed cash trades	12,660	14,643	17,150	20,832	22,007	28,804
Average daily number of executed margin trades	17,713	21,005	21,255	24,947	25,688	29,297
Average trading value of equity trading	917	880	876	920	1,028	908
Average trading value of cash trading	507	562	578	587	664	590
Average trading value of margin trading	1,209	1,103	1,117	1,198	1,340	1,221
Monthly trading value of OTC FX (100 millions of yen)	10,556	12,228	8,336	8,744	8,500	11,450
Amount of customer assets (at month-end) (millions of yen)	1,017,255	1,069,484	1,109,805	1,133,489	1,180,014	1,109,338
Margin trading balance (at month-end) (millions of yen)	102,834	97,203	106,214	115,048	123,380	112,139
Amount of lending stock (at month-end) (millions of yen)	62,212	66,980	65,912	71,752	72,371	35,456

	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10
Number of customer accounts (at month-end)	703,038	705,680	708,753	711,118	713,199	715,421
Number of customer accounts from Bank of Tokyo-Mitsubishi UF and other partners (at month-end)	40,400	40,838	41,297	41,748	41,881	42,128
Number of margin customer accounts (at month-end)	-	-	-	73,694	74,045	74,406
Number of forward and option customer accounts (at month-end)	28,852	29,142	29,366	29,655	30,082	30,503
Number of OTC FX customer accounts (at month-end)	32,781	33,524	34,027	34,598	35,289	35,927
Number of customer using lending stock service	13,197	13,243	13,288	13,435	13,291	12,657
Average daily number of executed equity trades	49,246	44,088	32,910	28,571	28,276	29,483
Average daily number of executed cash trades	24,376	21,951	15,215	12,843	12,748	13,202
Average daily number of executed margin trades	24,869	22,137	17,964	15,727	15,527	16,280
Average trading value of equity trading	906	910	912	913	879	906
Average trading value of cash trading	631	587	541	516	497	531
Average trading value of margin trading	1,176	1,230	1,232	1,238	1,192	1,210
Monthly trading value of OTC FX (100 millions of yen)	11,232	16,110	11,431	11,703	10,945	11,766
Amount of customer assets (at month-end) (millions of yen)	1,162,927	1,078,391	1,045,962	1,055,660	1,017,304	1,037,481
Margin trading balance (at month-end) (millions of yen)	114,610	116,069	122,991	116,614	115,201	111,166
Amount of lending stock (at month-end) (millions of yen)	71,724	65,826	63,121	66,302	61,644	42,289