

Disclaimer

This document is an English-language translation of the non-consolidated financial summary of the financial results for the first quarter of the fiscal year ending March 31, 2013 (from April 2012 to March 2013). 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 1st Quarter(1Q) of the Fiscal Year Ending March 31, 2013**

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, 2012 to Jun 30, 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	%
1Q of fiscal year ending March 2013	2,872	(12.8)	2,324	(16.7)	531	(27.4)	589	(28.2)	402	(22.3)
1Q of fiscal year ending March 2012	3,293	(18.5)	2,791	(21.5)	731	(47.5)	820	(41.3)	517	(50.3)

	Earnings per share	Fully diluted earnings per share	ROE
	yen	yen	%
1Q of fiscal year ending March 2013	2.28	-	5.0
1Q of fiscal year ending March 2012	2.94	-	6.4

(2) Financial position

	Total assets	Net Assets	Equity ratio	Capital adequacy ratio
	millions of yen	millions of yen	%	%
Jun 30, 2012	349,254	31,802	9.1	606.5
March 31, 2012	395,810	32,779	8.3	581.1

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	4Q	Total
				yen	yen
Fiscal year ended March 2012	-	-	-	8.00	8.00
Fiscal year ending March 2013	-				

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, 2012	As of Jun 30, 2012
Assets		
Current Assets		
Cash and bank deposits	25,252	13,714
Cash held in trust	222,027	203,375
Margin account assets	115,271	99,110
Loans receivable from customers	73,408	83,904
Cash deposited as collateral for securities borrowed	41,862	15,205
Advances paid	148	210
Amount paid	481	204
Short term guarantee deposits	24,192	24,373
Prepaid expenses	215	306
Accrued income	1,255	1,338
Other	1,233	1,059
Total current assets	<u>390,079</u>	<u>343,693</u>
Fixed Assets		
Tangible fixed assets	749	674
Intangible fixed assets	1,812	1,852
Investment and others	3,168	3,034
Investment securities	1,337	1,258
Long term guarantee deposits	375	373
Deferred income tax assets	1,036	1,027
Long-term advances paid	2,634	2,520
Other	280	267
Allowance for doubtful accounts	(2,496)	(2,414)
Total fixed assets	<u>5,730</u>	<u>5,560</u>
Total Assets	<u>395,810</u>	<u>349,254</u>

(Unit : Millions of Yen)

	As of March 31, 2012	As of Jun 30, 2012
Liabilities		
Current liabilities		
Margin account liabilities	77,619	39,024
Loans from securities finance companies	19,724	14,932
Proceeds of securities lent on customers' account	57,894	24,092
Payables on collateralized securities transactions	16,784	12,696
Deposits received	118,807	106,081
Guarantee money received	122,029	124,753
Short-term borrowings	6,000	13,000
Current portion of long-term loans payable	17,500	17,500
Current portion of long-term loans payable to subsidiaries and affiliates	2,500	2,500
Accounts payable	112	106
Accrued expenses	475	432
Accrued income taxes	-	215
Deferred tax liabilities	72	95
Reserve for bonuses	-	8
Other	222	205
Total current liabilities	362,124	316,619
Long-term liabilities		
Other	124	84
Total long-term liabilities	124	84
Statutory reserves		
Reserve for financial product transaction liabilities	781	747
Total statutory reserves	781	747
Total liabilities	363,030	317,451
Net assets		
Shareholders' equity		
Common stock	7,196	7,196
Additional paid in capital	11,913	11,913
Retained earnings	18,203	17,196
Treasury stock	(4,673)	(4,673)
Total shareholders' equity	32,640	31,633
Valuation and translation adjustments		
Net unrealized gain on investment securities	138	168
Total valuation and translation adjustments	138	168
Total net assets	32,779	31,802
Total liabilities and net assets	395,810	349,254

(2)Non-Consolidated Statements of Income

(Unit : Millions of Yen)

	1Q of fiscal year ending March 2012 (April 1 to June 30, 2011)	1Q of fiscal year ending March 2013 (April 1 to June 30, 2012)
Operating revenues		
Commissions	1,841	1,499
Brokerage commissions	1,391	1,143
Fees for offering, secondary distribution and solicitation for selling and other services for professional investor	33	28
Other	417	327
Net gain on trading	5	17
Financial income	1,445	1,354
Total operating revenues	3,293	2,872
Financial expenses	502	548
Net operating revenues	2,791	2,324
Selling, general and administrative expenses		
Transaction related expenses	880	794
Employment cost	223	221
Facilities and rentals	393	289
Outsourcing and office supplies	156	159
Depreciation and amortization	322	240
Duties and taxes other than income taxes	45	49
Other	37	38
Total selling, general and administrative expenses	2,059	1,792
Operating income	731	531
Non-operating income	93	58
Non-operating expenses	4	0
Ordinary income	820	589
Special profits		
Reversal of reserve for financial product transaction	28	34
Total special profits	28	34
Special losses		
Valuation loss on investment securities	1	-
Total special losses	1	-
Income before income taxes	847	623
Income taxes - current	259	206
Income taxes - deferred	70	15
Income taxes	329	221
Net income	517	402

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

(Unit : Millions of Yen)

	1Q of FY 2012	2Q of FY 2012	3Q of FY 2012	4Q of FY 2012	1Q of FY 2013
Operating revenues					
Commissions	1,841	1,931	1,626	1,877	1,499
Brokerage commissions	1,391	1,483	1,264	1,490	1,143
Fees for offering, secondary distribution and solicitation for selling and others for professional investor:	33	29	18	21	28
Other	417	418	343	366	327
Net gain on trading	5	10	7	16	17
Financial income	1,445	1,246	1,291	1,067	1,354
Total operating revenues	3,293	3,189	2,924	2,961	2,872
Financial expenses	502	349	464	320	548
Net operating revenues	2,791	2,839	2,460	2,640	2,324
Selling, general and administrative expenses					
Transaction related expenses	880	900	770	874	794
Employment cost	223	227	228	225	221
Facilities and rentals	393	374	331	317	289
Outsourcing and office supplies	156	154	141	176	159
Depreciation and amortization	322	296	245	257	240
Duties and taxes other than income taxes	45	21	28	26	49
Other	37	42	32	29	38
Total selling, general and administrative expenses	2,059	2,016	1,778	1,909	1,792
Operating income	731	823	682	731	531
Non-operating income	93	214	18	137	58
Non-operating expenses	4	211	3	113	0
Ordinary income	820	826	696	754	589
Special profits					
Reversal of reserve for financial product transactions	28	-	1	-	34
Total special profits	28	-	1	-	34
Special losses					
Valuation loss on investment securities	1	-	-	-	-
Provision of reserve for financial product transaction liabilities	-	0	-	1	-
Loss on from PTS business withdrawal	-	261	-	-	-
Total special losses	1	261	-	1	-
Income before income taxes	847	564	697	753	623
Income taxes - current	259	305	(146)	(62)	206
Income taxes - deferred	70	(72)	573	347	15
Net income(lost)	517	332	270	467	402

(4)Monthly Business Data

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Number of customer accounts *1 (at month-end)	758,621	762,955	767,607	770,661	773,362	775,799
Number of new customer accounts (monthly)	3,587	4,758	5,076	3,446	3,017	2,733
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	46,245	46,495	46,754	46,940	47,198	47,392
Number of margin customer accounts *1 (at month-end)	79,336	80,034	81,225	81,744	82,222	82,624
Number of forward and option customer accounts *1 (at month-end)	35,301	35,562	35,839	36,143	36,484	36,733
Number of OTC FX customer accounts *1 (at month-end)	41,565	41,964	42,447	42,734	43,025	43,303
Number of customers using stock lending service	16,004	15,906	14,716	16,824	17,103	17,128
Average daily number of executed equity trades *2	36,228	50,019	50,846	39,602	38,892	38,941
Average daily number of executed cash trades *2, 3	14,824	23,148	24,839	17,884	17,345	17,409
Average daily number of executed margin trades *2	21,403	26,870	26,006	21,718	21,546	21,531
Average value of equity trading (thousands of yen)	768	814	765	776	704	700
Average value of cash trading *3 (thousands of yen)	502	547	478	442	377	409
Average value of margin trading (thousands of yen)	951	1,044	1,039	1,050	967	935
Monthly trading value of OTC FX (100 millions of yen)	6,102	7,193	9,725	7,408	6,224	6,665
Monthly trading value of Exchange FX*4 (100 millions of yen)	3,133	3,514	4,191	3,158	2,253	2,306
Amount of customer assets *5 (at month-end) (millions of yen)	1,045,597	1,131,522	1,145,744	1,115,602	1,033,840	1,085,903
Margin trading balance *6 (at month-end) (millions of yen)	94,448	105,754	131,303	110,753	101,986	107,996
Amount of stock lending (at month-end) (millions of yen)	68,712	73,619	43,250	75,619	69,682	71,436

	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 new customer accounts (monthly)	2,982	3,507	2,829	2,432	2,463	2,798
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

*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.