

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, 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
Fiscal Year Ended 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 March 31, 2013)

(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, 2013	13,132	6.2	11,472	6.9	3,882	30.8	3,950	27.5	2,290	44.3
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

	Earnings per share	Fully diluted earnings per share	ROE
	yen	yen	%
Fiscal year ended March 31, 2013	13.01	-	6.7
Fiscal year ended March 31, 2012	9.02	-	4.9

(2) Financial position

	Total assets	Net Assets	Equity ratio	Capital adequacy ratio
	millions of yen	millions of yen	%	%
March 31, 2013	573,306	35,937	6.3	478.0
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 ended March 2013	-	-	-	8.00	8.00

3. Forecast for the Business Results of Full Fiscal Year (April 1, 2013 to March 31, 2014)

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 March 31, 2013
Assets		
Current Assets		
Cash and bank deposits	25,252	55,041
Cash held in trust	222,027	284,488
Margin account assets	115,271	188,971
Loans receivable from customers	73,408	142,820
Cash deposited as collateral for securities borrowed	41,862	46,151
Advances paid	148	152
Amount paid	481	975
Short term guarantee deposits	24,192	34,027
Prepaid expenses	215	195
Accrued income	1,255	1,237
Other	1,233	262
Total current assets	<u>390,079</u>	<u>565,352</u>
Fixed Assets		
Tangible fixed assets	749	761
Intangible fixed assets	1,812	2,236
Investment and others	3,168	4,956
Investment securities	1,337	4,199
Long term guarantee deposits	375	362
Deferred income tax assets	1,036	-
Long-term advances paid	2,634	1,566
Other	280	316
Allowance for doubtful accounts	(2,496)	(1,488)
Total fixed assets	<u>5,730</u>	<u>7,954</u>
Total Assets	<u>395,810</u>	<u>573,306</u>

(Unit : Millions of Yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Margin account liabilities	77,619	124,921
Loans from securities finance companies	19,724	64,458
Proceeds of securities lent on customers' account	57,894	60,463
Payables on collateralized securities transactions	16,784	30,976
Deposits received	118,807	152,651
Guarantee money received	122,029	154,500
Short-term borrowings	6,000	17,000
Short-term loans payable to subsidiaries and affiliate	-	33,000
Current portion of long-term loans payable	17,500	-
Current portion of long-term loans payable to subsidiaries and affiliates	2,500	-
Accounts payable	112	450
Accrued expenses	475	575
Accrued income taxes	-	882
Deferred tax liabilities	72	79
Other	222	701
Total current liabilities	<u>362,124</u>	<u>515,737</u>
Long-term liabilities		
Long-term borrowings	-	13,100
Long-term loans payable to subsidiaries and affiliate:	-	6,900
Other	124	684
Total long-term liabilities	<u>124</u>	<u>20,684</u>
Statutory reserves		
Reserve for financial product transaction liabilities	781	948
Total statutory reserves	<u>781</u>	<u>948</u>
Total liabilities	<u>363,030</u>	<u>537,369</u>
Net assets		
Shareholders' equity		
Common stock	7,196	7,196
Additional paid in capital	11,913	11,913
Retained earnings	18,203	14,412
Treasury stock	(4,673)	-
Total shareholders' equity	<u>32,640</u>	<u>33,522</u>
Valuation and translation adjustments		
Net unrealized gain on investment securities	138	2,414
Total valuation and translation adjustments	<u>138</u>	<u>2,414</u>
Total net assets	<u>32,779</u>	<u>35,937</u>
Total liabilities and net assets	<u>395,810</u>	<u>573,306</u>

(2)Non-Consolidated Statements of Income

(Unit : Millions of Yen)

	Fiscal year ended March 2012 (April 2011 to March 2012)	Fiscal year ended March 2013 (April 2012 to March 2013)
Operating revenues		
Commissions	7,276	7,806
Brokerage commissions	5,629	6,211
Fees for offering, secondary distribution and solicitation for selling and other services for professional investor	101	205
Other	1,545	1,389
Net gain on trading	40	159
Financial income	5,051	5,166
Total operating revenues	12,368	13,132
Financial expenses	1,637	1,660
Net operating revenues	10,731	11,472
Selling, general and administrative expenses		
Transaction related expenses	3,426	3,458
Employment cost	905	920
Facilities and rentals	1,417	1,289
Outsourcing and office supplies	628	615
Depreciation and amortization	1,121	1,027
Duties and taxes other than income taxes	122	133
Other	141	144
Total selling, general and administrative expenses	7,763	7,589
Operating income	2,968	3,882
Non-operating income	463	284
Non-operating expenses	333	216
Ordinary income	3,098	3,950
Special profits		
Reversal of reserve for financial product transaction	27	-
Total special profits	27	-
Special losses		
Valuation loss on investment securities	1	0
Loss on from PTS business withdrawal	261	-
Provision of reserve for financial product transaction liabilities	-	166
Total special losses	263	167
Income before income taxes	2,862	3,783
Income taxes - current	355	1,035
Income taxes - deferred	918	457
Income taxes	1,274	1,492
Net income	1,587	2,290

(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	2Q of FY 2013	3Q of FY 2013	4Q of FY 2013
Operating revenues								
Commissions	1,841	1,931	1,626	1,877	1,499	1,348	1,775	3,182
Brokerage commissions	1,391	1,483	1,264	1,490	1,143	1,031	1,367	2,668
Fees for offering, secondary distribution and solicitation for selling and others for professional investor:	33	29	18	21	28	45	47	84
Other	417	418	343	366	327	271	361	429
Net gain on trading	5	10	7	16	17	11	24	106
Financial income	1,445	1,246	1,291	1,067	1,354	1,092	1,317	1,401
Total operating revenues	3,293	3,189	2,924	2,961	2,872	2,452	3,117	4,689
Financial expenses	502	349	464	320	548	303	519	288
Net operating revenues	2,791	2,839	2,460	2,640	2,324	2,149	2,598	4,400
Selling, general and administrative expenses								
Transaction related expenses	880	900	770	874	794	774	778	1,110
Employment cost	223	227	228	225	221	222	217	260
Facilities and rentals	393	374	331	317	289	312	329	357
Outsourcing and office supplies	156	154	141	176	159	155	130	170
Depreciation and amortization	322	296	245	257	240	244	259	281
Duties and taxes other than income taxes	45	21	28	26	49	30	25	27
Other	37	42	32	29	38	36	36	34
Total selling, general and administrative expenses	2,059	2,016	1,778	1,909	1,792	1,776	1,777	2,242
Operating income	731	823	682	731	531	373	820	2,157
Non-operating income	93	214	18	137	58	62	88	74
Non-operating expenses	4	211	3	113	0	64	58	92
Ordinary income	820	826	696	754	589	370	851	2,139
Special profits								
Reversal of reserve for financial product transactions	28	-	1	-	34	2	-	-
Total special profits	28	-	1	-	34	2	-	-
Special losses								
Valuation loss on investment securities	1	-	-	-	-	-	0	-
Provision of reserve for financial product transaction liabilities	-	0	-	1	-	-	1	202
Loss on from PTS business withdrawal	-	261	-	-	-	-	-	-
Total special losses	1	261	-	1	-	-	2	202
Income before income taxes	847	564	697	753	623	373	848	1,937
Income taxes - current	259	305	(146)	(62)	206	112	291	424
Income taxes - deferred	70	(72)	573	347	15	32	34	375
Net income	517	332	270	467	402	228	522	1,137

(4)Monthly Business Data

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Number of customer accounts *1 (at month-end)	786,506	788,954	791,688	797,354	803,531	810,069
Number of new customer accounts (monthly)	2,882	2,736	2,995	5,949	6,468	6,855
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	48,438	48,599	48,889	50,106	51,303	52,816
Number of margin customer accounts *1 (at month-end)	84,349	84,468	85,097	86,242	87,461	89,096
Number of forward and option customer accounts *1 (at month-end)	37,478	37,668	37,888	38,236	38,592	38,970
Number of OTC FX customer accounts *1 (at month-end)	44,078	44,304	45,126	46,824	48,460	49,877
Number of customers using stock lending service	17,885	17,990	17,836	18,063	17,699	16,114
Average daily number of executed equity trades *2	39,492	45,766	60,192	87,228	90,794	101,197
Average daily number of executed cash trades *2, 3	17,770	21,469	30,181	42,140	44,193	48,974
Average daily number of executed margin trades *2	21,722	24,296	30,011	45,088	46,601	52,223
Average value of equity trading (thousands of yen)	723	718	813	979	1,042	1,026
Average value of cash trading *3 (thousands of yen)	396	426	504	560	591	589
Average value of margin trading (thousands of yen)	990	975	1,123	1,370	1,469	1,436
Monthly trading value of OTC FX (100 millions of yen)	7,123	11,962	14,834	39,960	61,662	40,680
Monthly trading value of Exchange FX*4 (100 millions of yen)	1,410	1,799	2,282	4,789	3,727	3,222
Amount of customer assets *5 (at month-end) (millions of yen)	1,078,942	1,123,431	1,217,003	1,336,930	1,399,071	1,472,046
Margin trading balance *6 (at month-end) (millions of yen)	95,367	96,722	107,923	130,328	155,677	203,283
Amount of stock lending (at month-end) (millions of yen)	76,584	80,308	81,087	93,157	91,895	55,783

	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12
Number of customer accounts *1 (at month-end)	770,661	773,362	775,799	778,481	780,932	784,022
Number of new customer accounts (monthly)	3,446	3,017	2,733	2,965	2,832	3,425
Number of customer accounts from Bank of Tokyo-Mitsubishi UFJ and other partners (at month-end)	46,940	47,198	47,392	47,609	47,852	48,169
Number of margin customer accounts *1 (at month-end)	81,744	82,222	82,624	83,137	83,721	84,447
Number of forward and option customer accounts *1 (at month-end)	36,143	36,484	36,733	36,931	37,114	37,300
Number of OTC FX customer accounts *1 (at month-end)	42,734	43,025	43,303	43,524	43,683	43,890
Number of customers using stock lending service	16,824	17,103	17,128	17,502	17,414	16,482
Average daily number of executed equity trades *2	39,602	38,892	38,941	37,457	34,633	38,941
Average daily number of executed cash trades *2, 3	17,884	17,345	17,409	17,021	15,539	17,855
Average daily number of executed margin trades *2	21,718	21,546	21,531	20,436	19,093	21,086
Average value of equity trading (thousands of yen)	776	704	700	706	738	759
Average value of cash trading *3 (thousands of yen)	442	377	409	387	399	423
Average value of margin trading (thousands of yen)	1,050	967	935	973	1,014	1,042
Monthly trading value of OTC FX (100 millions of yen)	7,408	6,224	6,665	4,462	4,415	4,143
Monthly trading value of Exchange FX*4 (100 millions of yen)	3,158	2,253	2,306	1,261	1,077	1,308
Amount of customer assets *5 (at month-end) (millions of yen)	1,115,602	1,033,840	1,085,903	1,061,797	1,058,937	1,059,203
Margin trading balance *6 (at month-end) (millions of yen)	110,753	101,986	107,996	102,759	106,382	118,633
Amount of stock lending (at month-end) (millions of yen)	75,619	69,682	71,436	72,585	71,673	47,984

*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"®).

*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.