各 位



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<PROVISIONAL TRANSLATION>

*This translation is provisionally prepared and subject to change without notice.

April 9, 2009 kabu.com Securities Co., Ltd

kabu.com starts "automatic best execution order" for private investors

for the first time in Japanese securities companies.

- The new service monitoring two markets' stock price (exchanges and kabu.comPTS)

and sending orders to the market which offers the best price automatically -



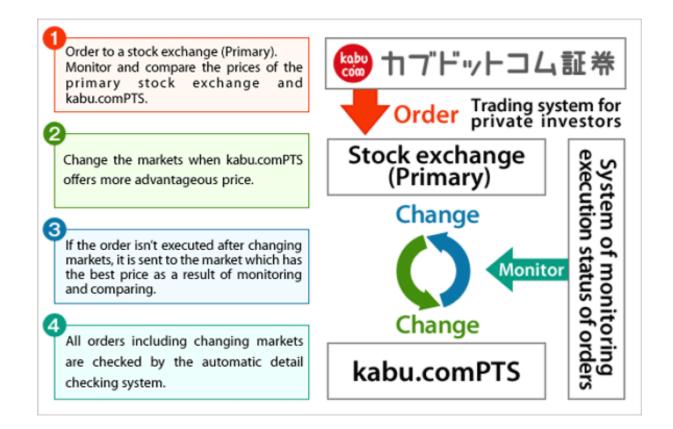


Tokyo - kabu.com Securities Co., Ltd. announces that we will start to provide the new automatic order service, "automatic best execution order", from April 16, 2009. This service monitors the prices of two markets; domestic primary exchange and kabu.comPTS (PTS: Proprietary Trading System) in place of private investors and sends orders to the market which offers the best price. We are the first Japanese online broker which provides sophisticated execution service like this for private investors except for electrical trades for institutional investors.

*What is "automatic best execution order"?

"Automatic best execution order" is one of the methods of automatic orders which compares the prices of primary exchanges with those of kabu.comPTS and sends orders to the market which offers the best price automatically. Furthermore, this service continues to monitor both markets not only at the time of order but also after the order. If the market it didn't select offers the best price, it changes the order from another market into this market. This service can change the markets without limit and respond the market fluctuation flexibly. The order is checked by the system of monitoring execution status of orders whether it is executed in time or not. This monitoring function will enhance customer satisfaction.

■ Diagram of "automatic best execution order"



*Order execution methods becoming sophisticated

The function called SOR (Smart Order Routing) has become widely used in Europe and United States in accordance with diversification of trading markets and liquidity fragmentation. It enables investors to send orders to the markets which offer the best condition. Also, in Japan, system of each exchange is expected to be sophisticated such as TSE "arrowhead" which is scheduled to start on January 4, 2010. At the same time, algorithm trade and programming trade are expected to come into wider use, and SOR is considered to be one of the most important execution conditions. At the moment, we are the first online broker in Japan which provides sophisticated execution service, which monitors two markets and selects the one offering the best price for private investors except for electrical trades for institutional investors.

*The example of buy order

ex.) Order to buy stock "A" listed on TSE1 at \500 by "automatic best execution order"At the order, a price must be offered like a limit order.

At first, the order is sent to primary stock exchanges, and the next step is as below.

After the order, the markets will be changed if the following conditions are satisfied.

*case1) Changing the markets from primary stock exchanges to PTS.

PTS price is "limit order \500-1 and under" and

PTS price is under the primary

*case2) Changing the markets from PTS to primary stock exchanges.

The primary exchange price is "limit order \500-1 and under" and

the primary exchange price is under PTS price.

Otherwise.

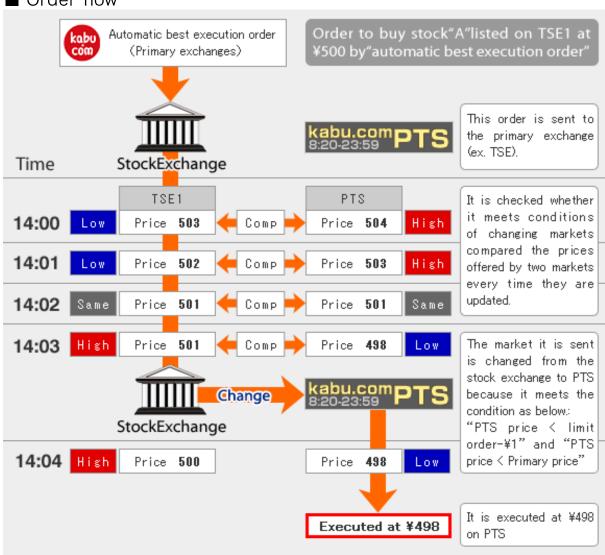
PTS price is "limit order \500+1 and over".

使用取引 25種 投資信託 先物取引 322×12年31 02524 EX 新規公開排(PO) 公第·壳出(PO) 株式公開買付(TOE) 株式買注文 カプドットコム証券(8703) 市場: *東京(夢 💌 保 課 個際路線期 超級金代用 (建設金代用實行可設備 200,000,000円 株(口) 本 (単位: 1株(口) ○ 成行 条件なし 💌 〇 搭値 条件なし 💌 円▲ ▼ (複類循幅: 100,000円~ 140,000円) ○ 連搭値(ストップロス) □ 107,0 wisit 安備 106.0 ○ 土物値 📮 机污染件 自動戦民和行注文(自動市場変更被続付き指面) ※自動器負責行注文は条件を満たした場合にPTS市場へも発注されま 0 2-11-■多様価様エラー時に指値を制持価格内に自動調整 Natura 🔍 注文期限 ⊗ 8日のみ【2008/08/08(金】 ○制砂銀空 2008/03/08(用) ★まで有効 👸 kabultiti 受理方法 ②お預り全または保証金、証明金 ○自動引等 (ジャパンネット 本店営業部 1234123)

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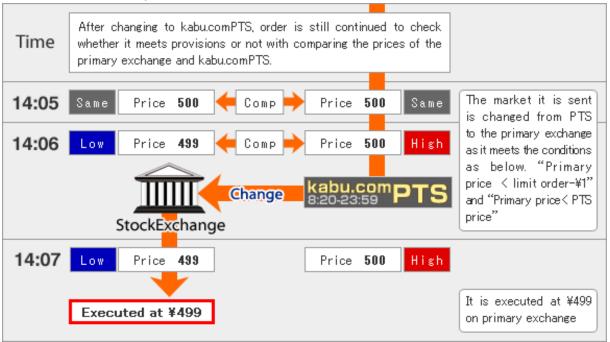
Order flow

exchange price.



After changing to kabu.comPTS, monitoring prices of two venues is continuing as

■ Order flow after changing to kabu.comPTS (The case there is no above execution)



*The perspective of "automatic best execution order"

We don't think "automatic best execution order" will have been the best method for a long time. We will provide best execution service considering commission and execution speed (stock exchanges' system performance) in accordance with market fluctuation and change of market environment

*SLA (Service Level Agreement)

SLA (Service Level Agreement), which guarantees that orders are sent to markets within 5 minutes, applies to all orders including "automatic best execution order" and "stop loss order". If they are sent to markets over 5 minutes, we will restore it to the original state without regard to amount of money as a rule. (If the orders are adversely executed due to the delay, we pay the difference or make it cancel in line with the rule.)

In addition, other automatic trades also have the system of monitoring execution status of orders which confirms whether the responding times of execution, amend and cancel are correct or not comparing with stock exchanges' time and sales. This system will assure that a large number of orders including complicated automatic orders will be checked accurately and after that, we can provide a large number of customers with prompt and fair services.

We consider it is very important for an online broker treating a large amount of orders from the customers to provide such SLA and the monitoring and approving system. We are the only online broker adopting them. In particular, it is necessary for us to give these services with complicated orders like automatic trades.

