



November 9, 2015
 Shinoken Group Co., Ltd.
 President and Representative Director
 Hideaki Shinohara
 (JASDAQ 8909)

Reference Materials for the First Nine Months of FY 12/2015 (Consolidated)

TOPICS

■ Exceeded Results for the Previous Full-year and Achieved Record Net Sales / Profits

Net Sales	¥41,785 million (Up 37.5% YoY)
Operating Income	¥5,507 million (Up 42.2% YoY)
Ordinary Income	¥5,375 million (Up 45.9% YoY)
Net Income	¥3,553 million (Up 50.6% YoY)

■ Delivered 243 Apartment Buildings (Up 96% YoY)

⇒ Set a Record High for Deliveries for the First Nine Months of a Fiscal Year

■ Achieved Results Exceeding Plan and Upwardly Revised Full-year Forecast

1. Consolidated Results for the First Nine Months of FY12/2015

For the first nine months of FY12/2015, both sales and profits exceeded plan as selling conditions in the mainstay Flow Businesses (Sales of Apartment Business, Sales of Condominium Business and General Contractor Business) were favorable, and results in the Stock Businesses (Property Management Business, Finance and Guarantee Business, Long-term Care Business, and Other Businesses) trended steadily. In addition, net sales and profits achieved record highs for the first nine months of a fiscal year and exceeded the results for the previous full-year.

(Unit: JPY Million)

	First Nine Months of FY12/2014	First Nine Months of FY12/2015	Change YoY
Net Sales	30,368	41,785	11,416
Cost of Sales	23,005	32,042	9,037
Gross Profit	7,363	9,742	2,379
SG&A Expenses	3,490	4,234	743
Operating Income	3,872	5,507	1,635
Ordinary Income	3,683	5,375	1,692
Net Income	2,358	3,553	1,194

2. Consolidated Balance Sheet Summary

A summary of the consolidated balance sheet at the end of 3Q FY12/2015 is shown below.

(Unit: JPY Million)

	End of FY12/2014 (as of December 31, 2014)	End of 3Q FY12/2015 (as of September 30, 2015)	Change YoY
Cash and Deposits	6,230	9,399	3,168
A/R from Completed Construction Contracts	2,316	2,083	△233
Real Estate for Sale	11,832	14,271	2,438
Costs of Real Estate Business	8,339	8,213	△126
Property, Plant and Equipment	4,756	5,654	897
Total Assets	38,625	44,691	6,065
A/P for Construction Contracts	1,704	1,914	209
Short-term Loans Payable	7,949	7,622	△327
Long-term Loans Payable	13,781	15,273	1,492
Total Liabilities	30,623	33,275	2,651
Net Assets	8,001	11,415	3,414
Total Liabilities and Net Assets	38,625	44,691	6,065
Equity Ratio	20.7%	25.5%	4.8pt

3. Summary of Results by Segment

A summary of consolidated results by segment for the first nine months of FY12/2015 is shown below.

(Unit: JPY Million)

Segment	Item/Term	First Nine Months of FY12/2014	First Nine Months of FY12/2015	Change YoY
Sales of Apartment Business	Net Sales	7,534	17,701	10,167
	Segment Profit	715	2,158	1,442
Sales of Condominium Business	Net Sales	11,749	11,327	△422
	Segment Profit	2,768	2,744	△23
General Contractor Business	Net Sales	6,074	6,697	622
	Segment Profit	365	758	393
Property Management Business	Net Sales	3,987	4,736	749
	Segment Profit	436	466	29
Finance and Guarantee Business	Net Sales	317	410	93
	Segment Profit	115	160	44
Long-term Care Business	Net Sales	156	317	160
	Segment Profit	△12	86	98
Other Business	Net Sales	548	593	45
	Segment Profit	81	108	26
Total	Net Sales	30,368	41,785	11,416
	Segment Profit	3,872	5,507	1,635

Note: Adjusted amounts are not shown.

4. Flow business Sales Results and Sales Plan for FY12/2105

Consolidated sales and backlog in the Flow Business (apartment and condominium sales) in the first nine months of FY12/2015 are shown below.

The Sales of Apartment Business, continuing the trend in 2Q, set a record high for deliveries for the first nine months of a fiscal year with a large increase in orders compared to the previous nine month period.

In addition, the Sales of Condominium Business trended in line with plan.

(Note) In the case of apartments the time lag between orders and the recognition of revenue is six months (since construction begins well after the order is placed) and in the case of condominiums it is one month.

◆Sales of Apartment Business

	Deliveries	Backlog	Total
First Nine Months of FY12/2015	243 Buildings	308 Buildings	551 Buildings
First Nine Months of FY12/2014	124 Buildings	204 Buildings	328 Buildings
Change YoY	196.0%	151.0%	168.0%

◆Sales of Condominium Business

	Deliveries	Backlog	Total
First Nine Months of FY12/2015	440 Units	91 Units	531 Units
First Nine Months of FY12/2014	457 Units	60 Units	517 Units
Change YoY	96.3%	151.7%	102.7%

5. Revisions to Business Forecasts for FY12/2015

In view of recent trends in business results, the Company revised its full-year business forecasts for FY12/2015 as shown below. These forecasts replace those that were announced on June 8, 2015.

(1) Consolidated Business Forecasts for FY12/2015

(January 1, 2015 – December 31, 2015)

(Unit: JPY Million)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Previous Forecasts (A)	52,000	5,800	5,500	3,700	225.38
Revised Forecasts (B)	54,000	6,600	6,400	4,200	253.16
Increase/Decrease (B-A)	2,000	800	900	500	—
Percentage Change (%)	3.8	13.7	16.3	13.5	—
(Reference) Previous Results (FY12/2014)	39,724	4,740	4,302	2,886	177.23

(Note) The Company conducted a 2-for-1 stock split effective January 1, 2015. Net income per share for FY 12/2014 is calculated based on the number of shares before the stock split.

(2) Reasons for Revisions

Consolidated business forecasts for FY12/2015 are expected to exceed the previously announced forecasts. In the Flow Business, sales (deliveries) in the Sales of Apartment Business are trending more favorable than the original forecast, and sales in the Sales of Condominium Business and General Contractor Business are trending in line with plan. In the Stock Businesses (Property Management Business, Finance and Guarantee Business, Long-term Care Business, and other Businesses), sales are trending steadily.

<<For Inquiries Regarding this Press Release>>
 Please call Shinoken Group Investor Relations at:
 +81-3-5777-0089