



May 10, 2017
 Shinoken Group Co., Ltd.
 President and Representative Director
 Hideaki Shinohara
 (TSE JASDAQ 8909)

Reference Materials for 1Q of Fiscal Year Ending December 31,2017 (Consolidated)

TOPICS

■ Net Sales ¥27,113 million, Ordinary Income ¥3,600 million

⇒ Both Net Sales and All Profits Set Record Highs for Every 1Q

■ Real Estate Sales Business Continues to Grow

Apartment Sales (Deliveries) ¥14,425 million (YoY 171.4%)

⇒ Set Record Highs for Sales for Every 1Q

1. Consolidated Results for 1Q FY 12/2017

For the 1Q FY 12/2017, in the mainstay Real Estate Sales Business, sales trended smoothly compared to the original expectations, and Real Estate Management Related, General Contractor, Energy, Elderly Care and Other Businesses have increased steadily. As a result, our Group recorded net sales of ¥27,113 million (up 33.3% YoY), operating income of ¥3,936 million (up 25.9% YoY), ordinary income of ¥3,600 million (up 26.1% YoY) and profit attributable to owners of parent of ¥2,415 million (up 29.9% YoY), with both net sales and all profits exceeding expectations and setting record highs for every 1Q.

(1). Compared with the Same Period Last Year

(Unit: ¥ Million)

	1Q FY 12/2016	1Q FY 12/2017	Change YoY (%)
Net Sales	20,330	27,113	133.3
Operating Income	3,125	3,936	125.9
Ordinary Income	2,855	3,600	126.1
Profit Attributable to Owners of Parent	1,859	2,415	129.9

(2). Compared with Plan

(Unit: ¥ Million)

	Full Year Plan Announced February 15, 2017	1Q FY 12/2017	Achievement Rate vs. Plan
Net Sales	105,000	27,113	25.8
Operating Income	11,700	3,936	33.6
Ordinary Income	11,000	3,600	32.7
Profit Attributable to Owners of Parent	7,800	2,415	30.9

2. Consolidated Balance Sheet Summary

A summary of the consolidated balance sheet at the end of 1Q FY 12/2017 is shown below.

(Unit:¥ Million)

	End of FY 12/2016 (as of December 31, 2016)	End of 1Q FY 12/2017 (as of March 31, 2017)	Change YoY
Cash and Deposit	13,524	15,091	1,566
A/R from Completed Construction Contracts	4,530	3,950	△ 579
Real Estate for Sale	26,624	26,887	263
Costs of Real Estate Business	15,336	15,696	359
Property, Plant and Equipment	6,143	6,340	197
Goodwill	1,424	1,350	△ 74
Total Assets	72,273	74,111	1,838
Accounts payable - Real Estate	4,782	4,166	△ 616
A/P for Construction Contracts	2,861	2,814	△ 47
Short-term Loans Payable	15,908	19,051	3,143
Long-term Loans Payable	20,024	19,180	△ 843
Total Liabilities	53,724	53,491	△ 233
Net Assets	18,548	20,619	2,071
Total Liabilities and Net Assets	72,273	74,111	1,838
Equity Ratio	25.6%	27.8%	2.2pt

3. Summary of Results by Segment

For the 1Q FY 12/2017, all segments set record highs in net sales and all profits.

(Unit:¥ Million)

Segment	Item/Term	1Q FY 12/2016	1Q FY 12/2017	Change YoY
Real Estate Sales Business	Net Sales	14,686	20,407	5,721
	Segment Profit	2,683	3,436	753
Real Estate Management Related Business	Net Sales	2,069	2,546	476
	Segment Profit	318	414	95
General Contractor Business	Net Sales	3,075	3,522	447
	Segment Profit	404	438	33
Energy Business	Net Sales	231	311	79
	Segment Profit	62	63	1
Elderly Care Business	Net Sales	229	285	56
	Segment Profit	33	33	0
Other (Overseas)	Net Sales	36	39	2
	Segment Profit	32	42	10
Total	Net Sales	20,330	27,113	6,783
	Segment Profit	3,125	3,936	810

Note: Adjusted amounts are not shown.

4. Real Estate Sales Business Results

Real Estate Sales Business contracts, sales (deliveries) and contract backlog are shown below. Apartment sales continued to see sales (deliveries) increase from the previous term and renewed record high levels for every 1Q. As for condominium sales, annual sales are to keep a certain level as our policy, and sales figures are proceeding according to our plan.

(Note) In the case of apartment sales, net sales are recorded 6-8 months after orders are placed since construction begins well afterwards.

① Contracts

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	20,806	105.6%
Apartment Sales	15,747	106.9%
Condominium Sales	5,059	101.7%

② Sales (Deliveries)

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	20,407	138.9%
Apartment Sales	14,425	171.4%
Condominium Sales	5,982	95.3%

③ Order Backlog

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	54,558	142.2%
Apartment Sales	52,481	147.6%
Condominium Sales	2,076	73.9%

5. Future Outlook

Regarding the forecast for the fiscal year ending December 2017, an announcement will be made promptly once it is possible to disclose information upon a detailed examination of Apartment Sales, Condominium Sales and progress in construction contracts.

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