



November 8, 2017
 Shinoken Group Co., Ltd.
 President and Representative Director
 Hideaki Shinohara
 (TSE JASDAQ 8909)

Reference Materials for 3Q Fiscal Year Ending December 31,2017 (Consolidated)

TOPICS

■Net Sales ¥74,657 million, Ordinary Income ¥8,615 million

⇒ Both Net Sales and All Profits Set Record Highs for Every 3Q

■Real Estate Sales Business Continues to Grow

Total of Apartment Sales and Condominium Sales (Deliveries)

¥55,343 million (YoY 132.4%)

⇒ Set Record Highs for Sales for Every 3Q

1. Consolidated Results for 3Q FY 12/2017

For the 3Q FY 12/2017, in the mainstay Real Estate Sales Business, sales trended smoothly, 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 ¥74,657 million (up 30.3% YoY), Operating Income of ¥9,120 million (up 11.8% YoY), Ordinary Income of ¥8,615 million (up 14.0% YoY) and Profit attributable to owners of parent of ¥5,904 million (up 16.1% YoY), with both net sales and all profits exceeding expectations and setting record highs for every 3Q.

(1). Compared with the Same Period Last Year

(Unit:¥ Million)

	3Q FY 12/2016	3Q FY 12/2017	Change YoY (%)
Net Sales	57,296	74,657	130.3
Operating Income	8,154	9,120	111.8
Ordinary Income	7,551	8,615	114.0
Profit Attributable to Owners of Parent	5,081	5,904	116.1

(2). Compared with Plan

(Unit:¥ Million)

	Full Year Plan Announced February 15, 2017	3Q FY 12/2017	Achievement Rate vs. Plan
Net Sales	105,000	74,657	71.1
Operating Income	11,700	9,120	77.9
Ordinary Income	11,000	8,615	78.3
Profit Attributable to Owners of Parent	7,800	5,904	75.6

2. Consolidated Balance Sheet Summary

Summary of the consolidated balance sheet at the end of 3Q FY 12/2017 is as follows.

(Unit:¥ Million)

	End of FY 12/2016 (as of December 31, 2016)	End of 3Q FY 12/2017 (as of September 30, 2017)	Change YoY
Cash and Deposit	13,524	15,942	2,417
A/R from Completed Construction Contracts	4,530	4,364	△166
Real Estate for Sale	26,624	33,359	6,735
Costs of Real Estate Business	15,336	15,287	△48
Property, Plant and Equipment	6,143	6,586	443
Goodwill	1,424	1,202	△222
Total Assets	72,273	82,051	9,778
Accounts payable - Real Estate	4,782	5,682	899
A/P for Construction Contracts	2,861	2,716	△145
Short-term Loans Payable	15,908	24,905	8,997
Long-term Loans Payable	20,024	16,977	△3,046
Total Liabilities	53,724	58,272	4,547
Net Assets	18,548	23,778	5,230
Total Liabilities and Net Assets	72,273	82,051	9,778
Equity Ratio	25.6%	28.9%	3.3pt

3. Summary of Results by Segments

Results by Segments for the 3Q FY 12/2017 are as follows.

(Unit:¥ Million)

Segment	Item/Term	3Q FY 12/2016	3Q FY 12/2017	Change YoY
Real Estate Sales Business	Net Sales	41,797	55,343	13,545
	Segment Profit	7,079	7,986	907
Real Estate Management Related Business	Net Sales	6,240	7,549	1,308
	Segment Profit	984	1,121	137
General Contractor Business	Net Sales	7,753	9,887	2,133
	Segment Profit	1,138	1,025	△113
Energy Business	Net Sales	628	872	243
	Segment Profit	125	146	21
Elderly Care Business	Net Sales	777	915	137
	Segment Profit	112	54	△58
Other (Overseas)	Net Sales	97	89	△8
	Segment Profit	111	142	31
Total	Net Sales	57,296	74,657	17,360
	Segment Profit	8,154	9,120	965

Note: Adjusted amounts are not shown.

4. Real Estate Sales Business Results

Real Estate Sales Business contracts (orders), 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 3Q. As for condominium sales, it is our policy to keep annual sales at a certain level, and sales figures are proceeding according to our plan.

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

① Contracts (Orders)

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	62,013	102.5%
Apartment Sales	49,710	102.6%
Condominium Sales	12,303	101.9%

② Sales (Deliveries)

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	55,343	132.4%
Apartment Sales	42,128	153.8%
Condominium Sales	13,214	91.6%

※Condominium Sales (Deliveries) declined in YoY comparison, since the previous year has shown results exceeding the initial plan. Current Condominium Sales (Deliveries) are proceeding as planned.

③ Order Backlog

Segment Title	Amount (¥ Million)	YoY
Real Estate Sales Business	60,829	116.9%
Apartment Sales	58,742	116.8%
Condominium Sales	2,087	118.5%

5. Future Outlook

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

<<For Inquiries Regarding this Press Release>>
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