

Company	Shinoken Group Co., Ltd.
TSE JASDAQ Ticker	8909
URL	<a href="https://www.shinoken.co.jp/">https://www.shinoken.co.jp/</a>
Representative	Hideaki Shinohara, President
Contact	Junichi Tsurukawa, Senior Vice President
TEL	+81-92-714-0040

## Notice Regarding the Revision of Financial Forecast and Dividend Forecast

Due to the current business environment, the company revised its Financial Forecast and Dividend Forecast for FY2019, both previously announced on February 15, 2019.

### 1. Revision of FY2019 Financial Forecast

#### (1) Financial Forecast for FY2019 (Jan 1, 2019 to Dec 31, 2019)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to owners of parent	Net Income Per Share
Previous Forecast (A)	JPY Million 90,000	JPY Million 8,600	JPY Million 8,000	JPY Million 5,600	JPY 165.59
<b>Revised Forecast (B)</b>	<b>95,000</b>	<b>10,000</b>	<b>9,000</b>	<b>6,100</b>	<b>179.38</b>
Variance in amount (B-A)	5,000	1,400	1,000	500	—
Variance in percentage (%)	5.5	16.2	12.5	8.9	—
(Ref.) FY2018 Full Year Results	111,390	11,843	10,699	7,415	220.08

※The company has initiated a stock split (1 share to 2 shares) as of Jul 1, 2018.

Net Income Per share is calculated assuming that the split took place on the beginning of FY2018.

#### (2) Reasons for Revision

For the FY2019 financial results, apartment sales (hand-overs) declined YoY partially due to stricter mortgage approval for individuals, but the condominium sales are meeting the expectations, and the general contractor business is also proceeding favorably in receiving orders.

Also, results for Real Estate Service business, Life Care business and Energy business are proceeding favorably, thus resulting in a new forecast of exceeding the previous forecast.

## 2. Revision of Dividend Forecast for FY2019

### (1) Dividend Forecast for FY2019 (Jan 1, 2019 to Dec 31, 2019)

	Annual Dividend				
	End of 1Q	End of 2Q	End of 3Q	End of Fiscal Year	Total
	JPY	JPY	JPY	JPY	JPY
Previous Forecast (Announced on Feb 15,2019)	—		—	15.0	30.0
Revised Forecast	—		—	23.0 (Ordinary Dividend15.0) (Special Dividend 3.0) (Commemorative Dividend 5.0)	38.0 (Ordinary Dividend15.0) (Special Dividend 3.0) (Commemorative Dividend 5.0)
Results for the current Fiscal Year	—	15.0	—		
Results for the previous Fiscal Year (Ended Dec 31, 2019)	—	30.0	—	15.0	—

※The company has initiated a stock split (1 share to 2 shares) as of Jul 1, 2018.

As for the results for the previous fiscal year, actual amount of the Dividend is written, including before the split.

### (2) Reasons for Revision

The Dividend was planned to be JPY 15 per share, but given the Revision of Financial Results written above, the company is planning to add a Special Dividend of JPY 3 per share.

Also, the company will mark its 30<sup>th</sup> anniversary in June 2020. This is only possible through the continuous support from the shareholders and those who are concerned, and the company is planning to add another JPY 5 per share as a Commemorative Dividend, to express its gratitude.

As a result, the total Dividend for FY2019 is planned to be JPY 38, which includes JPY 15 for the midterm (end of 2Q) Dividend, and JPY 23 for the End of Fiscal Year (JPY 15 for the ordinary Dividend, JPY 3 for the Special Dividend and JPY 5 for the Commemorative Dividend).

The Dividend for the End of Fiscal Year will be paid out after being formally decided in the 30<sup>th</sup> annual shareholder's meeting planned to be held in the end of March, 2020.

※The Financial Forecasts for business results and Dividend are based on judgements and estimates made from currently available. Actual results may significantly differ from the mentioned forecasts due to various factors.

-END-