

*February 14, 2011***Notice of Difference in Non-consolidated Business Results**

Shinoken Group Co., Ltd. hereby announces the reason why there was a difference between non-consolidated business results for the year ended December 2010 and non-consolidated business results for the year ended December 2009.

1. Difference from the previous non-consolidated business results*(Yen in millions)*

	Net sales	Operating income	Ordinary income	Net income
Year ended Dec. 2009 (A)	275	(20)	45	19
Year ended Dec. 2010 (B)	407	55	83	121
Increase/decrease (B-A)	132	75	38	102
Percentage change (%)	48.0		84.4	536.8

2. Reason for difference from the previous non-consolidated business results

The previous fiscal year was a transitional 9-month accounting period due to a change in the fiscal year end. Because this fiscal year is a 12-month accounting period, net sales, operating income and ordinary income increased compared with the previous fiscal year, respectively.

In addition, the performance and financial conditions of Shinoken subsidiaries will strongly influence Shinoken's performance because the company is a holding company. This fiscal year, Shinoken posted a 334,999 thousand yen write-down of investment securities and 142,177 thousand yen provision of allowance for investment loss for Shinoken subsidiaries as an extraordinary loss.

However, mainly because the performance of Shinoken subsidiaries that posted allowance for doubtful accounts are on a recovery trend and the companies' financial conditions are also improving, Shinoken posted 409,423 thousand yen reversal of allowance for doubtful accounts of affiliated companies as an extraordinary profit in accordance with the review of the reserve amount. As a result, net income was 121,134 thousand yen showing a large increase compared with the previous fiscal year.