

May 11, 2011

Notice Regarding Extraordinary Loss

The Shinoken Group has recorded the following extraordinary loss. Details are as follows.

1. Recording of extraordinary loss

The Shinoken Group has recorded the following extraordinary loss for the under mentioned asset group in first quarter of the fiscal year ending in December 2011.

Description	Location	Classification	Impairment loss
Asset to be removed	Tokyo	Tangible fixed assets - Others	¥ 32,656 thousand

2. Background

The Shinoken Group classifies its assets into groups that represent the smallest unit of cash flow and assets to be removed are grouped by individual property.

The Shinoken Group in the first quarter of the current fiscal year decided to move its Tokyo office and related structures. The relevant assets are being written down to their maximum recoverable amount since they will have to be removed.

3. Outlook

The Shinoken Group has consolidated its two Tokyo offices at one location in preparation for expanding its business operations. Although this move is expected to yield operating efficiencies, its effect on our business results will not be significant.