

*November 21, 2012***Notice Concerning Stock Split, Adoption of Share Trading Unit System and Partial Amendments to the Articles of Incorporation**

Shinoken Group Co., Ltd., at the board of directors meeting held on November 21, 2012, resolved to conduct a stock split, adopt a share-trading unit system and partially amend the Articles of Incorporation. The details are as presented below.

1. Purpose of stock split, adoption of share-trading unit system and partial amendments to the Articles of Incorporation

Taking into consideration the intent of the "Action plan for consolidating Trading Units" as announced by the stock exchanges in Japan on November 27, 2007, Shinoken will conduct a stock split to make the trading unit 100 shares and adopt share-trading unit system making the share-trading unit 100 shares.

The number of investment units will not actually change following the stock split and the adoption of the share-trading unit system.

2. Overview of stock split**(1) Method of stock split**

Shares held by shareholders and beneficial shareholders of record on December 31, 2012 (Monday) (It will substantially be on December 28, 2012 (Friday) as December 31, 2012 will be a holiday for the stock transfer agent) will be eligible for the 100-for-1 stock split.

(2) Increase in the number of shares due to stock split

Total number of shares issued before stock split	87,182 shares
Increase in the number of shares due to the stock split	8,631,018 shares
Total number of shares issued following stock split	8,718,200 shares
Total number of authorized shares following stock split	30,000,000 shares

(3) Schedule of stock split

Public announcement of record date	December 14, 2012 (Friday)
Record date	December 31, 2012 (Monday)
	※Practical record date is December 28, 2012 (Friday)
Effective date	January 1, 2013 (Tuesday)

(4) Adjustment of exercise price of stock acquisition rights

Shares to be issued under stock acquisition rights will be adjusted due to the stock split. Also, the exercise price of the Shinoken's stock acquisition rights per share will be adjusted as follows from January 1, 2013.

Stock acquisition rights	Exercise price before adjustment	Adjusted exercise price
4 th stock acquisition rights	52,434 yen	525 yen
5 th stock acquisition rights	32,400 yen	324 yen

3. Adoption of share-trading unit system**(1) Number of shares in newly-established share-trading unit**

On a condition that the above stock split will become effective, Shinoken will adopt the share-trading unit system and the number of shares constituting a share-trading unit shall be 100 shares.

(2) Schedule for establishment of the new system

Effective date	January 1, 2013 (Tuesday)
(Reference) Effective date	December 26, 2012 (Wednesday), the trading unit for Shinoken's stock at the stock exchange will change from one share to 100 shares.

4. Partial amendments to the Articles of Incorporation

(1) Reason for amendments

In accordance with the above stock split and adoption of share-trading unit system, Shinoken's Articles of Incorporation will be partially amended by resolution of the board of directors pursuant to Paragraph 2 of Article 184 and Article 191 of the Companies Act effective January 1, 2013 (Tuesday).

- ① Shinoken shall make amendments to the current Article 6 to increase the total number of authorized shares in proportion to the stock split ratio.
- ② Shinoken shall newly establish Article 7 to adopt the share-trading unit system at the same time as the stock split in order to make the share trading unit 100 shares.
- ③ The articles following the current Article 7 shall be moved down by one.
- ④ Shinoken shall newly establish a Supplementary Provision to establish the effective date for the amendments to Article 6 and the establishment of Article 7.

(2) Details of amendments

Details of amendments are as follows. (Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
Article 6 (Total number of authorized shares) The total number of authorized shares of the Company shall be <u>300,000</u> shares.	Article 6 (Total number of authorized shares) The total number of authorized shares of the Company shall be <u>30,000,000</u> shares.
(Newly-established)	<u>Article 7 (Share-trading unit)</u> The number of shares constituting a share-trading unit of the Company shall be 100 shares.
Article <u>7</u> through Article <u>42</u> (Provisions omitted)	Article <u>8</u> through Article <u>43</u> (Unchanged)
(Newly-established)	<u>(Supplementary Provision)</u> The effective date for the amendments to Article 6 and the establishment of Article 7 and the renumbering of the related articles shall be <u>January 1, 2013.</u> The Supplementary Provision shall be eliminated <u>after the effective date.</u>

(3) Schedule for amendments

Effective date

January 1, 2013 (Tuesday)

【Reference】

Since the effective date of the stock split is January 1, 2013, Shinoken will pay a year-end dividend for the fiscal year ending December 2012 based on the number of shares before the stock split.