

Summary of Business Results for the Year Ended December 31, 2013

[Japan GAAP] (Consolidated)

February 14, 2014

Company **Shinoken Group Co., Ltd.** Listed on the TSE
Stock Code 8909 URL: <http://www.shinoken.co.jp>
Representative Hideaki Shinohara, President and CEO
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 Expected date of annual shareholders' meeting: March 27, 2014 Expected starting date of dividend payment: March 28, 2014
 Expected date of filing of annual securities report: March 27, 2014
 Preparation of supplementary financial document: None
 Results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended December 2013

(January 1, 2013 through December 31, 2013)

(1) Consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Dec. 2013	25,970	11.4	2,912	55.4	2,667	66.3	2,026	33.9
Year ended Dec. 2012	23,299	17.5	1,872	43.0	1,603	81.8	1,512	51.0

(Note) Comprehensive income:

Year ended December 2013: 2,110 million yen (38.1%)

Year ended December 2012: 1,534 million yen (53.9%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended Dec. 2013	249.18	-	49.8	12.8	11.2
Year ended Dec. 2012	182.64	-	63.4	9.1	8.0

(Reference) Investment earnings/loss on equity-method:

Year ended December 2013: 222 million yen

Year ended December 2012: 116 million yen

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 2013	22,202	5,060	22.8	621.07
As of Dec. 2012	19,358	3,596	15.9	379.60

(Reference) Shareholders' equity:

As of December 2013: 5,058 million yen

As of December 2012: 3,078 million yen

(3) Consolidated results of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Year ended Dec. 2013	3,745	-2,348	-77	3,529
Year ended Dec. 2012	-261	66	947	2,204

2. Dividends

	Annual dividend					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended Dec. 2012	-	0.00	-	700.00	700.00	56	3.8	2.4
Year ended Dec. 2013	-	3.75	-	4.50	8.25	67	3.3	1.6
Year ending Dec. 2014 (forecast)	-	5.00	-	5.00	10.00		3.9	

The company conducted a 100-for-1 stock split effective January 1, 2014 and the amount of dividend is based on the number of shares before the stock split.

3 . Forecast of consolidated business results for the fiscal year ending December 2014

(January 1, 2014 through December 31, 2014)

(% change from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
For the six months ending Jun. 2014	16,000	11.2	1,500	-13.9	1,400	-16.3	900	-23.2	110.50
Year ending Dec. 2014	35,000	34.8	3,300	13.3	3,100	16.2	2,100	3.6	257.84

*Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatement

Changes in accounting policies associated with revision of accounting standards: : None
 Changes in accounting policies other than : None
 Changes in accounting estimates : None
 Restatement : None

(3) Shares outstanding (common stock)

Number of shares outstanding at the end of period (treasury stock included)

As of December 2013 8,753,300 shares

As of December 2012 8,718,200 shares

Treasury stock at the end of period:

As of December 2013 608,800 shares

As of December 2012 608,800 shares

Average number of stock during period (cumulative period)

Year ended December 2013 8,132,086 shares

Year ended December 2012 8,280,903 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended December 2013

(January 1, 2013 through December 31, 2013)

(1) Non-consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Dec. 2013	606	-11.8	81	45.1	29	-34.8	1,730	36.5
Year ended Dec. 2012	688	43.6	56	-27.9	45	-56.9	1,266	197.7

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended Dec. 2013	212.81	-
Year ended Dec. 2012	152.99	-

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 2013	7,769	4,526	58.2	555.46
As of Dec. 2012	3,443	2,850	82.6	350.69

(Reference) Shareholders' equity:

As of December 2013: 4,523 million yen

As of December 2012: 2,843 million yen

*** Implementation status of auditing procedure**

This financial summary is not subject to auditing procedure pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the auditing procedure of financial statements pursuant to the Financial Instruments and Exchange Act has not been completed.

***Explanation regarding appropriate use of business forecasts and other special instructions**

Forecasts regarding future performance in this material are based on information available at the time this report was announced. Actual results may differ from the forecasts due to various factors.