

November 17, 2014

Notice of Stock Split and Partial Change to Articles of Incorporation

Shinoken Group Co., Ltd. at the board of directors meeting held on November 17, 2014 resolved to implement a stock split and partially amend the Articles of Incorporation.

1. Stock split

(1) Purpose of stock split

By conducting the stock split and reducing the amount of the trading unit for investment in its shares, Shinoken aims to increase the liquidity of its shares and broaden its investor base.

1. Outline of stock split

(1) Method of stock split

For each ordinary share registered as belonging to shareholders on the final shareholder register as of December 31, 2014 (Wednesday) (effective record date of December 30, 2014 (Tuesday)), shareholders will receive two shares.

(2) Increase in number of shares resulting from stock split

(1) Total number of shares outstanding before stock split	8,753,300 Shares
(2) Increase in number of shares resulting from this stock split	8,753,300 Shares
(3) Total number of shares outstanding after stock split	17,506,600 Shares
(4) Total number of authorized shares after stock split	60,000,000 Shares

(3) Schedule for the stock split

(1) Date of public announcement of the record date	December 12, 2014 (Friday)
(2) Record date	December 31, 2014 (Wednesday) (Actual :Dec. 30, 2014 (Tuesday))
(3) Effective issuance date	January 1, 2015 (Thursday)

(4) Adjustment to stock acquisition rights

In accordance with the stock split, the exercise price of the Company's stock acquisition rights per share will be adjusted as follows from January 1, 2015 (Thursday).

	Exercise Price Before Adjustment	Exercise Price After Adjustment
5 th Issue of Stock Acquisition Rights	324 yen	162 yen
6 th Issue of Stock Acquisition Rights	1,470 yen	735 yen

3. Partial change to the Articles of Incorporation

(1) Reason for Change

In accordance with the stipulations of Article 184, Paragraph 2 of the Company Act, it was decided by a meeting of the Board of Directors to change partially Articles of Incorporation on January 1, 2015 (Thursday) in connection with this stock split.

(2) Content of change

Content of change is as follows (Part changed is underlined)

Current Articles of Incorporation	After Change
(Total number of authorized shares) Article 6 The total number of authorized shares shall be <u>30,000,000</u> shares.	(Total number of authorized shares) Article 6 The total number of authorized shares shall be <u>60,000,000</u> shares.

(3) Effective issuance date

January 1, 2015 (Thursday)

4. Revision of dividend forecast

(1) Change in capital amount

There will be no change to amount of the Shinoken's capital as a result of the stock split.

(2) Year-end dividend

Shinoken sets January 1, 2015 as the effective date of the stock split, the company will pay the year-end dividend for the fiscal year ending December 2014 with the dividend record date of December 31, 2014, based on the number of shares before the stock split.

(3) Shareholder benefit system

There will be no change to shareholder benefit system as a result of the stock split.

【Reference: Contents of shareholder benefit system】

Shareholder benefit criteria will be applied to shareholders whose names are recorded in the Company's register of shareholders as of March 31 every year and who hold 5 units (500 shares) or more.

Number of shares held	Contents of shareholder benefit system
500 shares but less than 1,000 shares	Quo card worth 1000 yen
1,000 shares or more	Who hold shares for less than 3 years : Quo card worth 2,000 yen Who hold shares for 3 years or more : Quo card worth 5,000 yen

*Regarding "Who hold shares for less than 3 years", shareholders whose share number are recorded in the company's register of shareholders as of December 31 and June 30 every year by 7 consecutive times or more and recorded 1,000 shares or more are applicable.