

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

February 1, 2004 – January 31, 2005

Sekiwa Real Estate, Ltd.

March 1, 2005

President & Representative Director: Takaaki Yamabayashi
 Date of the meeting of the board of directors: March 1, 2005
 U.S. GAAP Accounting Principles: Not adopted

Head office: Tokyo, Japan

Effective February 1, 2005, Sekiwa Real Estate, Ltd. became a wholly owned subsidiary of Sekisui House, following which it was de-listed. Accordingly, its statements are presented by Sekisui House.

Ownership in Sekisui House at year end: 57.5%

1. Business Results

*Please note that numbers less than a million yen are rounded down

1) Consolidated Business Results

	Millions of yen			
	Feb. 1, 2004 – Jan. 31, 2005		Feb. 1, 2003 – Jan. 31, 2004	
		Change %		Change %
Net earnings	98,307	9.6	89,659	8.8
Operating income	4,255	4.7	4,065	12.3
Recurring income	4,298	4.7	4,104	12.8
Net income	1,055	(53.3)	2,261	97.8
Net income per share (yen)	50.43		112.98	
Fully diluted net income per share (yen)	--		--	
Return on equity (%)	7.9%		18.9%	
Return on assets (%)	11.0%		11.2%	
Recurring income margin (%)	4.4%		4.6%	

(1) Gain (loss) from investments in subsidiaries and affiliates accounted for by the equity method:

Year ended January 31, 2005 -- million yen Year ended January 31, 2004 -- million yen

(2) Average number of outstanding shares (consolidated) during the period:

Year ended January 31, 2005 19,586,292 shares Year ended January 31, 2004 19,587,668 shares

(3) Changes to accounting principles : Yes

(4) Percentages for net earnings, operating income, recurring income, and net income represent year-on-year changes.

2) Consolidated Financial Position

	Millions of yen	
	Feb. 1, 2004 – Jan. 31, 2005	Feb. 1, 2003 – Jan. 31, 2004
Total assets	39,992	38,322
Shareholders' equity	13,628	12,946
Equity ratio (%)	34.1%	33.8%
Shareholders' equity per share (yen)	692.51	658.41

Outstanding shares (consolidated) at the end of January 31, 2005 19,580,840 shares

Outstanding shares (consolidated) at the end of January 31, 2004 19,589,940 shares

3) Consolidated Cash Flows

	Millions of yen	
	Feb. 1, 2004 – Jan. 31, 2005	Feb. 1, 2003 – Jan. 31, 2004
Net cash provided by operating activities	2,977	4,791
Net cash used in investing activities	(3,920)	(2,418)
Net cash used in financing activities	(347)	(338)
Cash and cash equivalents at end of period	15,862	17,154

4) Consolidated subsidiaries and affiliates accounted for by the equity method

Number of consolidated subsidiaries 2

Number of non-consolidated subsidiaries accounted for by the equity method --

Number of affiliates accounted for by the equity method --

5) Changes in the scope of consolidation and companies accounted for by the equity method

Consolidated subsidiaries (Newly included) -- (Excluded) 1

Companies accounted for by the equity method (Newly included) -- (Excluded) --

2. Consolidated Results Forecast for the Year Ending January 31, 2006

	Millions of yen			
	Net earnings	Recurring income	Net income	Net income per share (yen)
Interim	52,580	2,492	1,600	--
Full year	108,500	4,600	2,750	135.34

Consolidated Balance Sheet			
<i>Millions of yen</i>			
As of January 31, 2005			
(Assets)		(Liabilities)	
Current assets	22,895	Current liabilities	10,271
Cash and deposit	15,662	Accounts payable	630
Notes and accounts receivable	927	Advance received	6,682
Marketable securities	1,235	Tax payable	1,048
Inventories	3,833	Other current liabilities	1,910
Deferred tax assets	723	Fixed liabilities	16,092
Other current assets	637	Accrued retirement benefits	586
Less allowance for doubtful accounts	(125)	Custody deposit and guarantee	15,369
Fixed assets	17,097	Other fixed liabilities	136
Tangible fixed assets	8,170	Total liabilities	26,364
Buildings and structures	3,563	Shareholders' equity	
Land	2,169	Paid-in capital	1,668
Other	2,437	Additional paid-in capital	817
Intangible fixed assets	1,140	Retained earnings	11,538
Investments and other assets	7,785	Unrealized holding on securities	27
Investment in securities	441	Treasury stock	(425)
Long-term loans receivable	876	Total shareholders' equity	13,628
Deposit and guarantee	5,052	Total liabilities and shareholders equity	39,992
Deferred tax assets	1,328		
Other investments	296		
Less allowance for doubtful accounts	(210)		
Total assets	39,992		

Consolidated Statement of Income	
<i>Millions of yen</i>	
February 1, 2004 – January 31, 2005	
Net earnings	98,307
Cost of earnings	94,052
Operating income	4,255
Non-operating income	74
Other expenses	31
Recurring income	4,298
Extraordinary income	1,186
Extraordinary loss	3,031
Income before taxes	2,453
Current income taxes	1,865
Deferred income taxes	(467)
Net income	1,055

Consolidated Statement of Cash Flow	
February 1, 2004 – January 31, 2005	
	<i>Millions of yen</i>
1. Cash flows from operating activities	
Income before income taxes	2,453
Depreciation and amortization	363
Losses on impairment of assets	3,004
Gains on the return of employee pension fund	(1,128)
Increase in accounts received	(110)
Increase in advance receivable	503
Increase in deposit and guarantee	1,316
Other	(1,905)
Subtotal	4,497
Interest and dividends received	35
Income taxes paid	(1,555)
Net cash provided by operating activities	2,977
2. Cash flows from investing activities	
Purchase of property, plant and equipment	(3,671)
Purchase of intangible fixed assets	(205)
Other	(43)
Net cash used in investing activities	(3,920)
3. Cash flows from financing activities	
Cash dividends paid	(336)
Purchase of treasury stock	(11)
Net cash used in financing activities	(347)
4. Net decrease in cash and cash equivalents	(1,291)
5. Cash and cash equivalents at beginning of year	17,154
6. Cash and cash equivalents at end of year	15,862

SUMMARY OF FINANCIAL STATEMENTS (Non-consolidated)

February 1, 2004 – January 31, 2005

Sekiwa Real Estate, Ltd.

March 1, 2005

President & Representative Director: Takaaki Yamabayashi
 Date of the meeting of the board of directors: March 1, 2005
 Date of the annual shareholder's meeting: April 25, 2005
 Interim dividend system: Adopted
 Stock trading unit adopted: 1,000 shares per unit

1. Business Results

*Please note that numbers less than a million yen are rounded down.

1) Non-consolidated Business Results

Millions of yen

	Feb. 1, 2004 – Jan. 31, 2005		Feb. 1, 2003 – Jan. 31, 2004	
		Change %		Change %
Net earnings	92,131	10.1	83,717	9.2
Operating income	3,878	1.0	3,838	15.1
Recurring income	3,957	1.0	3,918	15.4
Net income	871	(59.9)	2,172	112.4
Net income per share (yen)	41.00		108.46	
Fully diluted net income per share (yen)	--		--	
Return on equity (%)	7.1%		19.6%	
Return on assets (%)	10.4%		11.0%	
Recurring income margin (%)	4.3%		4.7%	

(1) Average number of outstanding shares during the period:

Year ended January 31, 2005 19,586,292 shares Year ended January 31, 2004 19,587,668 shares

(2) Changes to accounting principles Yes

(3) Percentages for net earnings, operating income, recurring income, and net income represent year-on-year changes.

2) Dividends

	Dividend per share (yen)			Total dividend payments (Millions of yen)	Payout ratio	Total dividend / shareholders' equity
	Full-year	First-half	Second-half			
Year to Jan. 31, 2005	17.00	7.00	10.00	332	41.5%	2.6%
Year to Jan. 31, 2004	17.00	7.00	10.00	332	15.7%	2.8%

3) Non-consolidated financial position

Millions of yen

	Feb. 1, 2004 – Jan. 31, 2005		Feb. 1, 2003 – Jan. 31, 2004	
	Total assets	38,946		37,385
Shareholders' equity	12,572		11,990	
Equity ratio (%)	32.3%		32.1%	
Shareholders' equity per share (yen)	638.60		609.62	
Outstanding shares at end of January 31, 2005	19,580,840 shares		At end of January 31, 2004	19,589,940 shares
Number of treasury stocks at end of January 31, 2005	738,360 shares		At end of January 31, 2004	729,260 shares

2. Non-consolidated Results Forecast for the Year Ending January 31, 2006

Millions of yen

	Net earnings	Recurring income	Net income	Dividend per share (yen)		
				First-half	Second-half	Full-year
Interim	49,275	2,347	1,537	--	--	--
Full year	102,000	4,350	2,620	--	17.00	17.00

Net income per share 128.94 yen