

## Notice of Abolition of Retirement Benefit Plan for Executives

**March 1, 2006** - Sekisui House, Ltd. (“Company”) passed a resolution at the meeting of the Board of Directors held on March 1, 2006 to abolish the retirement benefit plan for directors, auditors, and executive officers by the end of the 55th annual general shareholders’ meeting, scheduled for April 27, 2006. Details are as follows:

### 1. Reasons to abolish the retirement benefit plan for executives

To revise the existing system, which is strongly seniority-based and is not linked to business performance and shareholders value

### 2. Measures associated with the abolition of the retirement benefit plan for executives

(1) A proposal to provide retirement benefits to current directors and auditors who continue to hold office after the 55th annual general shareholders’ meeting of the Company, scheduled for April 27, 2006, at the time of their retirement in the amount corresponding to their tenure of office until the end of the general shareholders’ meeting is submitted to the general shareholders’ meeting.

(2) As to compensation for directors and executive officers, a proposal to introduce stock compensation-type stock options with the aim of strengthening the link between compensation and shareholder value is submitted to the annual general shareholders meeting. In addition, compensation to auditors is to be unified to a monthly compensation structure.

\*For the details of the issuance of share warrants as stock compensation-type stock options, please refer to the announcement made separately today.

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### For further information, please contact:

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