

## Introduction of Shareholder Special Benefit Program

**Osaka, March 1, 2005** - At a board meeting held today, Sekisui House, Ltd. decided to introduce a shareholder special benefit program. As part of measures to improve shareholder satisfaction based on the medium-term management vision of the Sekisui House Group, the program is aimed at making the Company's shares sufficiently attractive to motivate shareholders to retain them over longer periods.

Under the program, the Company's shareholders can accumulate special benefit points relative to the shareholding period, and can use their point's totals to qualify for proportionate discounts on transactions with Sekisui House Group companies. The details are as follows:

### 1. Objective

The objective of this program is to increase the attractiveness of the Company's shares by awarding its shareholders special benefit points according to the number of shares held and the shareholding period. Accumulated points can be used to obtain discounts on transactions with Sekisui House Group companies.

### 2. Target shareholders

Shareholders listed or registered in the list of shareholders, etc. as of January 31 (fiscal year-end) and as of July 31 (1<sup>st</sup> half year-end), every year

### 3. Implementation schedule

Shareholders listed or registered in the list of shareholders, etc. as of January 31, 2005 and thereafter are eligible for the program, and points can be applied from the date on which they are awarded.

Points will be awarded on April 30, 2005 to shareholders who were entered or registered in the list of shareholders, etc. as of January 31, 2005. Those entered or registered as of July 31, 2005 will receive their initial points allocation on September 30, 2005. Subsequently, points will be awarded every six months based on the same rule.

### 4. Conditions for allocation of points

#### 1. Content

Stockholders holding 100 or more shares will receive one point per 100 shares in each half-year period.

However, a ceiling has been set of 100 points per half-year period for those holding 10,000 or more shares.

#### 2. Validity period

Points become effective as of the date on which they are awarded to the shareholder, and will remain in effect until the day before the 5<sup>th</sup> anniversary date of allocation.

## 5. How to use points

If the shareholder makes an application to use his/her points in advance of the closing of a contract for the transaction for which the points will be used, and the contract is closed at a discount price, points used will be deducted from the shareholder's total accumulated points. Shareholders can take advantage of this benefit as many times as they wish, as long as they have sufficient applicable points.

## 6. Transactions to which special benefit points are applicable

Special benefit points can be used to obtain a discount on a building construction contract or on any other transaction with the Company, or with any of the companies specified under corporate bylaws as a member of the Sekisui House Group. However, there are some restrictions, including limitations on the types of transactions to which points are applicable, and ceilings on discount rates.

[Terms and conditions for applying points to a building construction contract]

Type of transaction	Maximum discount	Conversion per point
Construction of a new-detached house or condominium built of materials shipped from the Company's factories, including exterior and demolition work specified in the contract package.	5% off the regular contract price (excluding consumption tax)	20,000 yen
Construction of a new building other than the above, e.g. RC building	3% off the regular contract price (excluding consumption tax)	
Remodeling work to the contract value of 500,000 yen or more (including exterior and demolition work, etc.) *Orders for remodeling work can only be accepted on buildings constructed and/or sold by a member company of the Sekisui House Group.		

[Terms and conditions for applying points to a real estate sales contract]

Type of transaction	Maximum discount	Conversion per point
Real estate sale contract for a condominium or built-for-sale house*	3% off the selling price of the building portion (excluding consumption tax)	20,000 yen

\*Points are not applicable to any land sale contract.

[Terms and conditions for applying points to a real estate intermediary contract]

Type of transaction	Maximum discount	Conversion per point
Commission on a real estate sale or replacement intermediary (or agency) contract*	30% off the intermediary commission (excluding consumption tax)	5,000 yen

\*Points are not applicable to any real estate rental intermediary or agency contract.



[Terms and conditions for applying points to a building rental contract]

Type of transaction	Maximum discount	Conversion per point
Initial rent for a building rental contract*	Amount equivalent to the first month's rent	2,000 yen

\*In order to utilize his/her points, the shareholder must sign a contract directly with the company that is leasing the building.

#### 7. Restrictions, etc. on using points

- Points cannot be used in combination with any other discount programs, and are only valid if the contract is made under the name of the shareholder.
- Points may not be inherited, transferred, lent or pledged.

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