

Notice of Partial Amendment to the Articles of Incorporation

March 1, 2007 – Sekisui House Ltd. (the “Company”) hereby announces that at the meeting of the Board of Directors held on March 1, 2007 the Company resolved to propose “Partial Amendment to the Articles of Incorporation” at the 56th annual general meeting shareholders scheduled to be held on April 26, 2007.

I. Reasons for the amendment

1. The Company intends to amend its Articles of Incorporation as follows in line with the enforcement of the Corporation Law (Law No. 86 of 2005) on May 1, 2006.

- (1) To specify a reasonable scope of rights entitled to be exercised by shareholders who own shares constituting less than one trading unit, we add a new article (Article 10 “Rights related to Shares Constituting Less Than One Trading Unit”).
- (2) We transfer the provisions on the record date for the voting rights to be exercised at the ordinary general meeting of shareholders to Article 15 “Record Date”. Furthermore, we delete the provisions on other record dates that do not need to be provided for in the Articles of Incorporation.
- (3) To make available to shareholders via the Internet some of the reference documents, etc. for ordinary general meetings of shareholders we add a new article (Article 17 “Disclosure and Deemed Provision of Reference Documents, etc. via the Internet for General Meetings of Shareholders”).
- (4) To provide that the number of proxies who are authorized to exercise voting right at the general meeting of shareholders shall be limited to one (1), we change the provisions of Article 18 (Exercise of Voting Right by Proxy).
- (5) In order that the Board of Directors may adopt resolutions more flexibly, in writing or by an electromagnetic means when the need arises, we add a new article (Article 27 “Omission of Resolution of the Board of Directors”).
- (6) In order that the Company may conclude an “agreement on limitation of liability” with Independent Auditors, we add a new article (Article 34 “Agreement on Limitation of Liability of Outside Corporate Auditors”).
- (7) We replace the articles we quote in the Articles of Incorporation with the corresponding articles of the Corporation Law.
- (8) We replace the terms used in the old Commercial Code with ones used in the Corporation Law and change the wording in accordance with the corresponding provisions of the Corporation Law.

2. Regarding the matters that have been deemed to be provided for in the Articles of Incorporation as of May 1, 2006 in accordance with the provisions on transitional measures provided for in the Law Concerning Coordination, etc. of Associated Laws in Connection with the Enforcement of the Corporation Law (Law No. 87 of 2005), we make required changes in the provisions of the Articles of Incorporation as follows:

- (1) To add Article 4 “Organizational Bodies” to provide that the Company shall have a Board of Directors, Corporate Auditors, a Board of Corporate Auditors, and Accounting Auditors.
- (2) To add Article 7 “Issuance of Share Certificates” to provide that the Company shall issue share certificates.
- (3) To add Article 12 “Administrator of Shareholders’ Register” to provide that the Company shall have an administrator of shareholders’ register.

3. In addition to the changes in the Article numbers as a result of the above amendment, we add the relevant paragraph numbers and change the wording used in the Articles of Incorporation.



II. Content of the amended Articles of Incorporation

For the summary of the content of the amendment, please refer to the appendix.

III. Schedule

The general meeting of shareholders where the Company will submit this resolution is scheduled to be held on Thursday, April 26, 2007. If the resolution is adopted, the amended Articles of Incorporation will take effect on Thursday, April 26, 2007.

(Note) The above amendment is subject to the approval the Company will seek to obtain at the 56th ordinary general meeting of shareholders of the Company to be held on April 26, 2007.

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Appendix

1. Content of the Amendment to the Articles of Incorporation of the Company in line with the Enforcement of the Corporation Law

(1) Rights related to shares constituting less than one trading unit

Article 10 (Rights related to Shares Constituting Less Than One Trading Unit)

Shareholders of the Company who hold shares constituting less than one trading unit (in this Article, shareholders include beneficial shareholders) shall not be entitled to exercise any right other than the following rights.

- (1) Rights provided for in each item of Paragraph 2 of Article 189 of the Corporation Law
- (2) Right to make a request pursuant to the provisions of Paragraph 1 of Article 166 of the Corporation Law
- (3) Right to receive an allotment of offered shares or share warrants in proportion to the number of shares owned by the shareholder.
- (4) Right to make a request provided for in the following Article.

(2) Record Date for Ordinary General Meeting of Shareholder

Article 15 (Record Date)

The record date for the voting rights to be exercised at the ordinary general meeting of shareholders shall be January 31 of each year.

(3) Disclosure and Deemed Provision of Reference Documents, etc. via the Internet for General Meetings of Shareholders

Article 17 (Disclosure and Deemed Provision of Reference Documents, etc. via the Internet for General Meetings of Shareholders)

At the time of convocation of a general meeting of shareholders, it may be deemed that the Company has provided its shareholders with information on items which should be written or shown in its reference documents for the general meeting of shareholders, business reports, non-consolidated and consolidated financial reports if the Company disclosed such information via the Internet in accordance with the provisions of the Ordinance of the Ministry of Justice.

(4) Exercise of Voting Right by Proxy

Article 18 (Exercise of Voting Right by Proxy)

A shareholder may exercise his/her voting right by proxy by appointing one (1) other shareholder who holds a voting right. Provided, however, that the shareholder or his/her proxy shall submit a document evidencing his/her power of representation at each general meeting of shareholders.

(5) Omission of Resolution of the Board of Directors

Article 27 (Omission of Resolution of the Board of Directors)

The Company shall deem that a resolution of the Board of Directors has been adopted to approve a proposal when all Directors give consent to such proposal. Provided, however, that this shall not apply when any Corporate Auditor express their objection thereto.

(6) Agreement with Outside Corporate Auditors on Limitation of Liability

Article 34 (Agreement with Independent Auditors on Limitation of Liability)

With regard to the liability provided for in Paragraph 1 of Article 423 of the Corporation Law, the Company may conclude an agreement with its outside Corporate Auditors on limitation of such liability if such liability meets the requirements under applicable laws and regulations. Provided, however, that the maximum value of such liability provided for in such agreement shall be the minimum value of such liability provided for in the applicable laws and regulations.



2. Required amendment to the provisions on matters to which transitional measures provided for in the Law Concerning Coordination, etc. of Associated Laws in Connection with the Enforcement of the Corporation Law are applied

(1) Organizations

Article 4 (Organizational Bodies)

The Company shall have the following organizational bodies in addition to the general meeting of shareholders and Directors.

- (1) Board of Directors
- (2) Corporate Auditors
- (3) Board of Corporate Auditors
- (4) Accounting Auditors

(2) Issuance of Share Certificates of the Company

Article 7 (Issuance of Share Certificates)

The Company shall issue the share certificates of the Company.

(3) Administrator of Shareholders' Register

Article 12 (Administrator of Shareholder Register)

The Company shall have an administrator of shareholders' register.

- 12.2 The administrator of shareholders' register and its place of business shall be selected by resolution of the Board of Directors, and a public notice thereof shall be given.
- 12.3 The preparation and safekeeping of the shareholders' register (including the register of beneficiary shareholders), the register of lost share certificates, and the register of share warrants of the Company, and any other businesses connected therewith shall be handled by the Administrator of Shareholders' Register and not by the Company.