

SEMIANNUAL

REPORT

2016

February 1 to July 31, 2016



SEKISUI HOUSE

Sekisui House will aim to achieve the highest revenue ever in the final fiscal year of the Medium-Term Management Plan, given the steady growth of the residential-related business.

We will work to achieve efficient market growth that will enhance our advantages, focusing on both profit growth and returns to shareholders.

The FY2014 Medium-Term Management Plan specified the residential-related business as a priority challenge. This clear direction has led to steady growth of the business while broadening its horizons. In the final fiscal year of the plan, we will work hard to tackle more challenging performance targets on the basis of growth and returns, to live up to the expectation of our shareholders. We look forward to your continued support.

In our core businesses, namely the Custom Detached Houses Business in the Built-to-order Business, we have worked to boost the sales of high value-added products by utilizing the advantage of the Sekisui House brand.

The IS SERIES is a mainstay series of our detached steel-framed houses. It symbolizes our commitment to constructing houses that generations will continue to live in. We also added a new pattern to our independently developed original exterior wall, Dyne Concrete. It is still incredibly popular among customers today more than 30 years after its release. Today, Dyne Concrete is used in more than 80% of all detached steel-framed two-story residential buildings. In regards to other products, the IS STAGE is a flagship product that delivers the utmost in quality for the industry's top-ranked housing that seeks the best in design value. In the future, we will advertise its beautiful and dignified exterior look, its high quality, and its stock value in a bid to boost sales of mid-range and high-end products that form the basis of the Sekisui House brand.

Gravis Stage, a new product that will be a flagship model, was launched in August this year under the wooden-frame detached housing brand of SHAWOOD. Intended to be a new residence in Japan, it features a gorgeous and refined look. It is the highest quality product in the SHAWOOD series, providing a premium space with relaxation and comfort in the newly developed Clear View Design, which ensures the clarity of light, wind, and vision. We will advertise this concept of designing the fulfillment of individual customers in order to positively expand sales. The highly competitive BELLBURN original ceramic exterior wall will almost certainly help drive sales.

As for the brisk Rental Housing Business, area marketing centering on urban areas proved to be effective. Orders have been strong especially for three- and four-story buildings. Effectively using the type approval certification and type and member manufacturer certification obtained for the Beta System Method for four-story heavy-duty steel construction, we will step up our proposals on various forms of value for multi-story buildings. In other words, we will strategically combine our long-maintained stance of focusing on mid-range and high-end products with area marketing, and make the most of our unrivalled qualitative competitive edge and sales expertise in order to achieve efficient market growth.

Creating a new business model while maintaining stable growth

In the Supplied Housing Business, the main issue will continue to be the expansion of the Remodeling Business. Sekisui House possesses powerful tools for this endeavor: the Sekisui House Remodeling Group for our detached residences, Sekiwa Real Estate, Ltd. for the SHAMAISON rental housing, and the Sekiwa Construction Group for handling the remodeling of condominiums and other types of buildings and residences. We offer a flexible one-stop service capable of responding to the different needs of customers. Enhancing the level of collaboration within the Group not only brings together the advantages of individual companies in the Group, but also multiplies the opportunities they present. We intend to carry out more flexible sales activities in this area of significant growth potential. In the Real Estate Management Fees Business, we will take measures to keep the occupancy rate high while closely addressing local peculiarities.

One new move in the Development Business was an agreement that was reached with Singapore-based Frasers Hospitality Group regarding the operation of an upscale condominium project in Akasaka, Tokyo, in June 2016. We will propose a luxury served apartment for long-term stays for business and sightseeing purposes to meet the growing needs of high quality hotels. Construction will be started in summer 2017, with the goal of opening it in spring of 2020, ahead of the Olympic Games scheduled to be held in Tokyo later that year. Frasers and Sekisui House have already built up an ample track record in joint projects, including the development of Central Park in Sydney, Australia, which won international architectural awards. In this sense, it is a good example of success in the Development Business in Japan that is the product of the achievements in the Overseas Business. As we work to expand globally, collaboration with overseas companies with which we

enjoy healthy partnerships will present us with new possibilities for our growth strategy.

Our business portfolio consists of the Built-to-Order Business, the Supplied Housing Business, and the Development Business. The Built-to-Order Business contributes to 40% of our sales, while the other two each account for about half of the remainder, indicating that our sales structure is more balanced than it was in the past. Sekisui House is shifting from operations dependent on a single pillar, namely the Build-to-Order Business centered around custom detached houses, to three-pillar operations. This is a major advancement. In addition, more than 50% of the revenue in the Built-to-Order Business come from rental housing, helping us to press ahead with stable growth. We will not only work to solidify these three pillars, but also launch new pillars and new business models based on the residential-related business to make ambitious efforts that anticipate changes in the times.

Social issues and the housing industry are becoming increasingly interconnected.

High marks for us and national policies aid our operations.

Housing is one of the keys to solving the problems society faces. This social background requires us to take a serious approach to the residential-related business. Also, housing and social issues are becoming increasingly interconnected. Housing will serve as a platform for the Internet of Things (IoT), in which everything is connected to the Internet. We will actively work to bring about innovative changes in society, focusing less on how IoT technology is introduced within housing and more on how the housing industry can play a leading role in an IoT-based society.

The policies the government has laid out are helping us to achieve this goal. While endeavors to invigorate the local economy are gathering momentum, regional revitalization is closely associated with improving the housing environment. We can see that our vision shares the same approach as the national government policies, which call for encouraging renovation of residential buildings for energy saving, and constructing high quality houses that can be shared by three-generation families. The residential-related business holds great potential in connection to the rapidly growing demand of inbound visitors.

We were also selected as a *Nadeshiko* brand (the third time) and a Competitive IT Strategy Company (second consecutive year), both of which are jointly defined by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. The *Nadeshiko* brand award recognizes the Company as a firm that promotes the advancement of

women in the workplace, while the Competitive IT Strategy Company award identifies the Company as one which promotes the positive use of IT for enhancing medium- to long-term corporate value and reinforcing competitiveness.

As a company that stands as a leader in the housing industry, we will take pioneering steps to meet the expectations placed on businesses and build an outstanding reputation, while fulfilling our social responsibility. These actions will in turn lead to better financial results.

We will work to unfailingly meet the expectations of our shareholders. We hereby pledge to set a target of maintaining our total return rate at 60% and ROE of at least 10% in the preceding year while improving capital efficiency.

Housing is one of the keys to solving the problems society faces, and we intend to change society through housing. The views of Sekisui House laid out here are very much entering the mainstream. Some people say that the housing industry is in the course of a major change. Keeping a positive mind towards growth that is not swayed by common knowledge of the past, Sekisui House will resolutely strive to further the expansion of its business while playing a leading role in evolution of the housing industry and increasing its value in society. We humbly ask for your continued support.

Financial analysis

During the first six months of the consolidated fiscal year under review, the Japanese economy remained at a standstill, reflecting the impact of economic downside pressure in association with the result of a slowdown in economic growth in Asian emerging countries and the rapid appreciation of the yen. These factors contributed to the lack of strength in corporate capital spending, while consumer spending leveled off. Economic uncertainty also increased, due partially to unstable stock market conditions mainly attributable to the Brexit issue.

On the other hand, in the housing market the increasing number of visitors to model home centers indicated there was a growing number of people interested in acquiring their own homes. This trend reflected declines in mortgage rates primarily as a result of the negative interest measures taken by the Bank of Japan, additional government measures to stimulate the purchases of homes, and the continuing trend of improvements in the employment and income environments. Demand remained solid in the rental housing market, mainly in urban areas, following the revision of the inheritance tax.

In the first six months of the consolidated fiscal year ending January 31, 2017, net sales amounted to ¥949,622 million (\$9,094,254 thousand), up 1.9% year-on-year. Operating income amounted to ¥79,267 million (\$759,117 thousand), down 3.0% year-on-year, and profit attributable to owners of parent to ¥52,071 million (\$498,669 thousand), up 0.0% year-on-year.

In the Custom Detached Houses Business, net sales amounted to ¥188,496 million, down 3.9% year-on-year, and operating income to ¥23,510 million, up 0.7% year-on-year. The decrease in orders in the second half of the preceding year led to a decline in sales. However, the profitability was improved in order to attain income growth. Orders were up 1.8% year-on-year.

In the Rental Housing Business, net sales increased 6.3% year-on-year to ¥206,875 million, and operating income increased 10.5% year-on-year to ¥26,455 million. The sales strategy for three- and four-story building products contributed to the rise in sales and income. Orders increased 9.2% year-on-year, with needs for cutting inheritance tax remaining strong primarily in urban areas.

In the Remodeling Business, net sales decreased 0.2% year-on-year to ¥68,403 million, while operating income to ¥8,767 million, up 13.9% year-on-year. Sales remained flat from the preceding year, but cost cuts led to a rise in the profitability and an income hike. We will continue to focus on winning orders for large-scale remodeling.

In the Real Estate Management Fees Business, net sales amounted 233,625 million, up 4.6% year-on-year, and operating income to ¥16,425 million, up 15.3% year-on-year. There was growth in both sales and income, most of which resulted from an increase in block leased property and the maintenance of a high occupancy rate.

In the Houses for Sale Business, net sales decreased 7.2% year-on-year to ¥68,442 million, and operating income to ¥5,416 million, down 15.0% year-on-year. Sales and income tumbled in the first half of the fiscal year, but orders were brisk because more were received than in the preceding period.

In the Condominium Business, net sales decreased to ¥31,621 million, down 24.6% year-on-year, and operating income to ¥1,869 million, down 49.3% year-on-year. Sales and income dropped because a large project was delivered in the same period a year earlier. Even so, orders were strong, far exceeding the year-ago level.

In the Urban Redevelopment Business, net sales increased to ¥77,296 million, up 20.3% year-on-year, while operating income to ¥12,943 million, down 26.7% year-on-year. A massive sales hike was attained after property sales to REIT. Rental income consistently contributed to the fiscal results.

In the Overseas Business, net sales increased 22.6% year-on-year to ¥33,619 million, and operating income amounted to ¥553 million. Sales and income both rose, driven by the bullishness of business in Australia and in the United States and contribution of the China business to sales.

In the Other Businesses, net sales amounted to ¥41,241 million, down 1.1% year-on-year, and operating income to ¥274 million, down 81.3% year-on-year.

For the financial position, total assets decreased ¥15,353 million to ¥2,014,441 million (\$19,291,716 thousand) at the end of the second quarter of the consolidated fiscal year under review, in part because of the decline in real estate for sale, etc. of overseas subsidiaries due to the currency translation impact of the stronger yen. Liabilities increased mainly due to the issue of bonds payable and an increase in short-term loans payable. Net asset, despite posting net income, decreased mainly due to a decrease in foreign currency translation adjustment, and equity ratio amounted to 50.2%.

The dividend for the interim period under review will be ¥32.00 (\$0.31) per share.

September 2016


Isami Wada
Chairman & CEO


Toshinori Abe
President & COO

CONSOLIDATED BALANCE SHEETS

As of July 31 and January 31, 2016 and July 31, 2015

Assets	Millions of yen			Thousands of U.S. dollars
	July 31 2016	January 31 2016	July 31 2015	July 31 2016
Current assets:				
Cash and cash equivalents.....	¥ 169,656	¥ 192,338	¥ 186,657	\$ 1,624,746
Short-term investments.....	7,899	5,700	4,832	75,646
Notes and accounts receivable:				
Affiliates.....	4,204	2,246	994	27,954
Trade.....	45,145	49,220	48,646	432,341
Other.....	31,435	30,662	33,630	313,350
Less allowance for doubtful accounts.....	(1,205)	(1,226)	(1,240)	(11,540)
	79,579	80,902	82,030	762,105
Inventories.....	913,998	914,911	873,514	8,753,093
Deferred income taxes.....	23,407	31,177	29,911	224,162
Other current assets.....	36,248	39,905	31,780	347,137
Total current assets	1,230,787	1,246,933	1,208,724	11,786,889
Property, plant and equipment, at cost:				
Land.....	326,593	311,431	320,543	3,127,686
Buildings and structures.....	351,937	346,174	354,230	3,370,398
Machinery, equipment and other.....	95,862	94,976	98,144	918,043
Construction in progress.....	8,094	10,330	10,413	77,514
	782,486	762,911	783,330	7,493,641
Less accumulated depreciation.....	(232,285)	(229,736)	(225,300)	(2,224,526)
Property, plant and equipment, net	550,201	533,175	558,030	5,269,115
Investments and other assets:				
Long-term loans receivable.....	42,998	50,627	57,314	411,780
Less allowance for doubtful accounts.....	(511)	(543)	(505)	(4,894)
	42,487	50,084	56,809	406,886
Investments in securities.....	90,173	84,413	95,464	863,561
Investments in affiliates.....	31,060	31,128	20,025	297,453
Goodwill.....	60	106	219	575
Intangible assets.....	13,819	14,674	15,524	132,340
Deferred income taxes.....	2,759	2,292	3,028	26,422
Asset for retirement benefits.....	4,039	3,229	9,164	38,680
Other assets.....	49,056	45,760	45,117	469,795
Total investments and other assets	233,453	231,686	245,350	2,235,712
	¥ 2,014,441	¥ 2,029,794	¥ 2,012,104	\$ 19,291,716

Liabilities and net assets

Millions of yen

Thousands of
U.S. dollars

	July 31 2016	January 31 2016	July 31 2015	July 31 2016
Current liabilities:				
Short-term loans	¥ 169,057	¥ 146,189	¥ 135,413	\$ 1,619,010
Short-term bonds.....	25,000	60,000	65,000	239,418
Current portion of long-term debt and lease obligation.....	74,243	98,651	48,940	711,004
Notes and accounts payable:				
Affiliates.....	3,819	3,567	3,171	36,572
Trade.....	161,408	162,518	153,361	1,545,757
Accrued income taxes.....	15,087	33,009	23,266	144,484
Advances received on construction projects in progress.....	132,756	117,254	118,651	1,271,366
Accrued employees' bonuses	18,161	26,628	17,772	173,923
Accrued directors' and corporate auditors' bonuses.....	—	1,063	—	—
Provision for warranties for completed construction	2,747	2,795	2,844	26,307
Other current liabilities	77,685	83,702	62,858	743,967
Total current liabilities	<u>679,963</u>	<u>735,376</u>	<u>631,276</u>	<u>6,511,808</u>
Long-term liabilities:				
Long-term debt and lease obligation.....	215,704	121,173	180,207	2,065,735
Guarantee deposits received.....	59,771	59,141	60,779	572,409
Accrued retirement benefits for directors and corporate auditors.....	1,136	1,151	1,056	10,879
Liability for retirement benefits.....	20,010	19,293	18,919	191,630
Deferred income taxes.....	573	1,435	6,543	5,487
Other liabilities	16,606	23,797	19,541	159,031
Total long-term liabilities	<u>313,800</u>	<u>225,990</u>	<u>287,045</u>	<u>3,005,171</u>
Contingent liabilities (Note 2)				
Net assets:				
Shareholders' equity				
Common stock:				
Authorized:1,978,281,000 shares				
Issued:709,683,466 shares in July 2016 and 2015, and January 2016.....	202,591	202,591	202,591	1,940,155
Capital surplus.....	253,559	253,559	253,559	2,428,261
Retained earnings.....	530,051	498,094	486,020	5,076,144
Less treasury stock, at cost.....	(33,676)	(17,577)	(20,019)	(322,505)
Total shareholders' equity	<u>952,525</u>	<u>936,667</u>	<u>922,151</u>	<u>9,122,055</u>
Accumulated other comprehensive income:				
Net unrealized holding gain on securities.....	28,935	26,672	33,630	277,102
Deferred loss on hedges.....	(9)	(13)	(23)	(86)
Translation adjustments.....	6,141	68,748	93,041	58,810
Retirement benefits liability adjustments.....	22,900	25,622	34,080	219,307
Total accumulated other comprehensive income.....	<u>57,967</u>	<u>121,029</u>	<u>160,728</u>	<u>555,133</u>
Stock subscription rights	660	623	582	6,321
Non-controlling interests	9,526	10,109	10,322	91,228
Total net assets	<u>1,020,678</u>	<u>1,068,428</u>	<u>1,093,783</u>	<u>9,774,737</u>
	<u>¥ 2,014,441</u>	<u>¥ 2,029,794</u>	<u>¥ 2,012,104</u>	<u>\$ 19,291,716</u>

* See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

Six months ended July 31, 2016 and 2015, and year ended January 31, 2016

	Millions of yen			Thousands of U.S. dollars
	July 31 2016	July 31 2015	January 31 2016	July 31 2016
Net sales	¥ 949,622	¥ 931,572	¥ 1,858,879	\$ 9,094,254
Cost of sales	755,930	739,125	1,485,011	7,239,322
Gross profit	193,692	192,447	373,868	1,854,932
Selling, general and administrative expenses	114,425	110,733	224,223	1,095,815
Operating income	79,267	81,714	149,645	759,117
Other income (expenses):				
Interest and dividend income	1,720	2,096	4,148	16,472
Interest expense	(1,172)	(383)	(1,031)	(11,224)
Loss on sales or disposal of fixed assets	(339)	(302)	(3,189)	(3,247)
Equity in earnings of affiliates	4,648	2,640	9,428	44,513
Foreign exchange (loss) gains, net	(4,588)	1,752	(478)	(43,938)
Gain on sales of investments in securities	-	4,228	8,996	-
Loss on impairment of fixed assets	-	(3,683)	(10,617)	-
Loss on project change	-	-	(4,443)	-
Loss on revaluation of investments in securities	-	(1)	(482)	-
Other, net	(1,262)	(493)	(1,123)	(12,086)
Profit before income taxes	78,274	87,568	150,854	749,607
Income taxes:				
Current	17,887	26,310	54,589	171,299
Deferred	7,970	8,811	10,078	76,326
Total	25,857	35,121	64,667	247,625
Profit	52,417	52,447	86,187	501,982
Profit attributable to:				
Non-controlling interests	(346)	(392)	(1,884)	(3,313)
Owners of parent	¥ 52,071	¥ 52,055	¥ 84,303	\$ 498,669

* See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended July 31, 2016 and 2015, and year ended January 31, 2016

	Millions of yen			Thousands of U.S. dollars
	July 31 2016	July 31 2015	January 31 2016	July 31 2016
Profit	¥ 52,417	¥ 52,447	¥ 86,187	\$ 501,982
Other comprehensive (loss) income:				
Net unrealized holding gain (loss) on securities	2,400	5,416	(1,543)	22,984
Deferred gain (loss) on hedges	7	(22)	(12)	67
Translation adjustments	(61,512)	1,861	(21,830)	(589,083)
Retirement benefits liability adjustments	(2,744)	(2,123)	(10,580)	(26,278)
Share of other comprehensive (loss) income of affiliates accounted for by the equity method	(1,311)	43	(628)	(12,555)
Total other comprehensive (loss) income	(63,160)	5,175	(34,593)	(604,865)
Comprehensive income	¥ (10,743)	¥ 57,622	¥ 51,594	\$ (102,883)
Total comprehensive income attributable to:				
Owners of parent	¥ (10,991)	¥ 57,211	¥ 49,759	\$ (105,258)
Non-controlling interests	248	411	1,835	2,375

CONSOLIDATED STATEMENTS OF CASH FLOWS

Six months ended July 31, 2016 and 2015, and year ended January 31, 2016

	Millions of yen			Thousands of U.S. dollars
	July 31 2016	July 31 2015	January 31 2016	July 31 2016
Cash flows from operating activities				
Profit before income taxes	¥ 78,274	¥ 87,568	¥ 150,854	\$ 749,607
Adjustments for:				
Depreciation and amortization.....	11,370	11,993	24,438	108,887
Loss on impairment of fixed assets.....	-	3,683	10,617	-
Decrease (increase) in asset for retirement benefits.....	429	39	(13,518)	4,109
Increase (decrease) in liability for retirement benefits.....	(5,339)	(7,335)	75	(51,130)
Interest and dividend income.....	(1,720)	(2,096)	(4,148)	(16,472)
Interest expense.....	1,172	383	1,031	11,224
Equity in earnings of affiliates	(4,648)	(2,640)	(9,428)	(44,513)
Gain on sales of investments in securities	-	(4,228)	(8,996)	-
Loss on revaluation of investment in securities	-	1	482	-
Decrease in notes and accounts receivable.....	1,551	5,212	3,600	14,854
Increase in inventories.....	(52,633)	(53,955)	(97,632)	(504,051)
Increase (decrease) in notes and accounts payable	6,814	(9,247)	6,133	65,256
Increase in advances received on construction projects in progress.....	17,954	16,157	15,296	171,940
Other.....	(27,529)	(25,269)	9,314	(263,637)
Subtotal.....	25,695	20,266	88,118	246,074
Interest and dividends received	3,832	2,284	4,152	36,698
Interest paid	(1,068)	(753)	(1,447)	(10,228)
Income taxes paid.....	(36,158)	(26,516)	(44,938)	(346,275)
Net cash (used in) provided by operating activities	(7,699)	(4,719)	45,885	(73,731)
Cash flows from investing activities				
Proceeds from sales of short-term investments.....	1,570	410	440	15,035
Proceeds from sales of property, plant and equipment.....	92	79	144	881
Purchases of property, plant and equipment.....	(57,351)	(55,441)	(77,818)	(549,234)
Proceeds from sales and redemption of investment in securities.....	907	6,060	13,600	8,686
Purchases of investments in securities.....	(4,342)	(1,503)	(9,913)	(41,582)
Increase in loans receivable.....	(58)	(170)	(1,360)	(555)
Collection of loans receivable.....	7,336	2,940	4,851	70,255
Other.....	(7,359)	(4,079)	(6,111)	(70,475)
Net cash used in investing activities	(59,205)	(51,704)	(76,167)	(566,989)
Cash flows from financing activities				
Proceeds from issuance of short-term bonds.....	(35,000)	45,000	40,000	(335,185)
Increase in short-term loans, net.....	43,550	65,785	78,332	417,066
Proceeds from issuance of bonds.....	80,000	30,000	30,000	766,137
Redemption of bonds.....	-	(70,000)	(70,000)	-
Proceeds from long-term debt.....	73,355	30,763	100,991	702,499
Repayment of long-term debt	(73,352)	(15,784)	(89,723)	(702,471)
Cash dividends paid.....	(18,932)	(17,491)	(36,391)	(181,306)
Purchases of treasury stock.....	(18,420)	(20,019)	(20,035)	(176,403)
Other.....	471	26	(1,089)	4,511
Net cash provided by financing activities.....	51,672	48,280	32,085	494,848
Effect of exchange rate changes on cash and cash equivalents.....	(7,451)	(208)	(4,473)	(71,357)
Net decrease in cash and cash equivalents	(22,683)	(8,351)	(2,670)	(217,229)
Cash and cash equivalents at beginning of period.....	192,339	195,008	195,008	1,841,975
Cash and cash equivalents at end of period	¥ 169,656	¥ 186,657	¥ 192,338	\$ 1,624,746

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

July 31, 2016 and 2015

1. Basis of Consolidated Financial Statements

The accompanying consolidated financial statements of Sekisui House, Ltd. (the "Company") and its subsidiaries have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan. In preparing the accompanying consolidated financial statements, certain reclassifications and rearrangements have been made to present them in a form which is familiar to readers outside Japan. In addition, the notes to the accompanying consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information.

Certain reclassifications of previously reported amounts have been made to conform the accompanying consolidated financial statements for the six months ended July 31, 2015 to the 2016 presentation. Such reclassifications had no effect on consolidated profit or net assets.

The translation of Japanese yen amounts into U.S. dollars is included solely for the convenience of the reader and has been made at ¥104.42= U.S. \$1.00, the approximate rate of exchange in effect on July 31, 2016. This translation should not be construed as a representation that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollar amounts at the above or any other rate.

2. Contingent Liabilities

The Company and its subsidiaries had the following contingent liabilities at July 31, 2016.

	Millions of yen	Thousands of U.S. dollars
Guarantees of housing loans to customers.....	¥ 91,082	\$ 872,266
Guarantees of bank loans of a third party.....	227	2,174
	<u>¥ 91,309</u>	<u>\$ 874,440</u>

3. Amounts per Share

	Yen			U.S. dollars
	July 31 2016	July 31 2015	January 31 2016	July 31 2016
Profit attributable to owners of parent :				
Basic	¥ 74.63	¥ 74.09	¥ 120.16	\$ 0.71
Diluted	74.49	73.44	119.41	0.71
Net assets.....	1,459.91	1,547.36	1,508.81	13.98
Cash dividends.....	32.00	27.00	54.00	0.31

Corporate Data

Outline of the Company

(As of July 31, 2016)

Established

August 1, 1960

Capital Stock Issued

¥202,591 million

Employees

23,452 (Consolidated)

Head Office

Tower East Umeda Sky Building
1-88 Oyodonaka 1-chome Kita-ku Osaka
531-0076 Japan
Phone: 81-6-6440-3111
Facsimile: 81-6-6440-3369

Factories

Ibaraki, Shizuoka, Yamaguchi, Miyagi and Hyogo

Laboratory

Comprehensive Housing R & D Institute (Kyoto)

Major Subsidiaries and Affiliates

Sekiwa Real Estate, Ltd.
Sekisui House Remodeling, Ltd.
Sekiwa Construction Higashi-Tokyo, Ltd.
Sekisui House Investment Advisors, Ltd.
Sekisui House SI Asset Management, Ltd.
Sekisui House Australia Holdings Pty Limited
North America Sekisui House, LLC
Sekisui House Changcheng (Suzhou) Real Estate
Development Co. Ltd.

Stock Information

(As of July 31, 2016)

Stock Listing

Tokyo, Nagoya

American Depositary Receipts

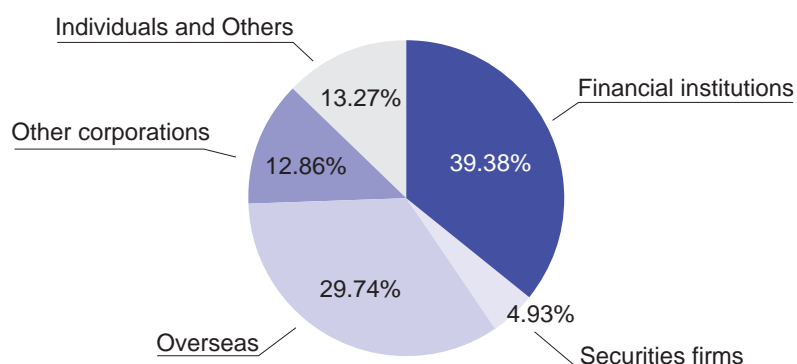
Symbol: SKHSY
CUSIP: 816078307
Ratio: 1:1
Exchange: OTC (Over-The-Counter)
Depository: The Bank of New York Mellon
BNY Mellon Shareowner Services
PO Box 358516
Pittsburgh, PA 15252-8516 U.S.A.
U.S. toll free: (888)269-2377 (888-BNY-ADRS)
International Callers: +1(201)680-6825
<http://www.adrbnymellon.com>

Major Shareholders

	Name	Number of shares	Shareholding ratio (%)
1	The Master Trust Bank of Japan, Ltd. (Trust account)	51,497,200	7.26
2	Sekisui Chemical Co., Ltd.	47,168,727	6.65
3	Japan Trustee Services Bank, Ltd. (Trust account)	38,703,100	5.45
4	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	13,624,515	1.92
5	Employees' Stockholding	12,516,398	1.76
6	The Dai-ichi Life Insurance Company, Limited	12,158,730	1.71
7	Japan Trustee Services Bank, Ltd. (Trust account 9)	10,238,400	1.44
8	THE BANK OF NEW YORK MELLON SA/NV 10	9,780,669	1.37
9	Japan Trustee Services Bank, Ltd. (Trust account 7)	9,310,800	1.31
10	Ueda Yagi Tanshi Co., Ltd.	9,210,000	1.30

Note: 17,340,500 shares of treasury stock are not listed above.

Stock Composition



Directors and Corporate Auditors

(As of July 31, 2016)

Chairman, Representative Director & CEO

Isami Wada

President, Representative Director & COO

Toshinori Abe

Executive Vice President & Director & CFO

Shiro Inagaki

Executive Vice President & Director

Tetsuo Iku

Directors

Teruyuki Saegusa

Shiro Wakui

Takashi Uchida

Fumiyasu Suguro

Kunpei Nishida

Yousuke Horiuchi

Yoshihiro Nakai

Standing Corporate Auditors

Sumio Wada

Kengo Yoshida

Corporate Auditors

Takaharu Dohi

Yoshinori Shinohara

Kouichi Kunisada

Executive Officers

(As of July 31, 2016)

Executive Vice President

Shiro Inagaki

Tetsuo Iku

Senior Managing Officers

Takashi Uchida

Fumiyasu Suguro

Managing Officers

Kunpei Nishida

Yousuke Horiuchi

Yoshihiro Nakai

Motohiko Fujiwara

Koji Nakata

Noboru Ashida

Hiroyuki Sato

Kazushi Mitani

Haruyuki Iwata

Daisuke Akamatsu

Kenichi Ishida

Noriaki Ogata

Kazuchika Uchiyama

Toshiharu Miura

Toru Ishii

Executive Officers

Michio Yoshizaki

Hisao Yamada

Yuichi Matsushima

Akira Kuroda

Osamu Minagawa

Toshikazu Shimanuki

Futoshi Teramura

Hideyuki Kamijo

Hitoshi Kuroyanagi

Takakazu Koi

Yutaka Amemiya

Masayoshi Ishii



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