

SEMIANNUAL
REPORT

2018

February 1 to July 31, 2018



SEKISUI HOUSE

Making Steady Progress toward Building a Foundation for New Growth with a View to Beyond 2020

Business models growing in a balanced manner.

We will further strengthen Custom Detached Houses that support our fundamentals.

The Fourth Mid-Term Management Plan for three years that started in FY2017 has marked its second year. With the aim of creating business by pursuing a growth strategy focused on the residential domain, the basic policy is “building the foundation for the ‘residential’-related business toward BEYOND 2020.” We are pursuing ambitious growth strategies with a view to business development in 2020, which will be a major milestone for us when we will celebrate the 60th anniversary of Sekisui House’s founding, and beyond.

Currently, the business models of the Built-to-Order Business, the Supplied Housing Business, the Development Business and the Overseas Business are growing in a stable and balanced manner. However, the environment surrounding the housing industry is changing rapidly from day to day. Requests for housing from customers and society are also becoming more sophisticated and diversified. What is required is an accurate response to them with a sense of speed. Sekisui House has launched new initiatives from diversified perspectives, including organizational reforms in rapid response to the times and the presentation of innovations that will become solid strategic moves for 2020 and beyond by the new management, and we are advancing these initiatives steadily in their respective domains.

In the Built-to-Order Business, our core business, we have set “restrengthening of the Custom Detached Houses Business” as a priority issue. We will reconfirm our strengths and make them stronger. The expansion of the market share on the back of our technical, design and construction capabilities is still filled with possibilities, including a response to increasing demand for reconstruction to a better-quality house. As a driver for this initiative, we have reformed the organization of the Custom Detached Houses Business and the Rental Housing Business.

The organizational reform has resulted in improved business efficiency, including faster responses to issues in Custom Detached Houses and Rental Housing and the elimination of overlapping operations, in addition to the achievement of the initial goal of enhancing the expertise of the sales staff. We are seeing a good response in the

further deepening of the Rental Housing Business as a result of the market analysis with a focus on urban areas and the full enforcement of area marketing. The original Flexible β system for three- and four-story houses is a new construction method that has significantly increased our design adaptability and strengthened our capability for proposing spaces. It is gaining more support than expected in non-residential fields such as nurseries, medical facilities, commercial facilities and hotels that cater to demand from inbound tourists because of its superior features such as high price competitiveness and a short construction period derived from the use of materials shipped from our factories.

Business development with a strong awareness of capital cost.

Innovations have also been set in motion.

In the Remodeling Business in the Supplied Housing Business, measures to strengthen our design and sales capabilities that will increase our readiness for individual projects by making a shift from conventional maintenance-type services such as repair and upgrading to proposal-type services for large-scale renovations have begun to get on track. We will aim to further expand the business based on broad-ranging ideas including the development of human resources. In the Real Estate Management Fees Business, which is centered on the management of rental housing, we have improved efficiency by effectively utilizing IT in a variety of operations in close cooperation with Sekiwa Real Estate companies. This has led to a higher profit margin. Our strategy for the Development Business is to make it grow steadily as a business that plays a part in the expansion of the ‘residential’-related business based on its development that leverages the strengths of Sekisui House such as the adoption of environmental technology, with a focus on the balance between growth investments and the asset turnover ratio.

The Overseas Business has advanced to a new growth stage in eight years since the launch of a full-fledged development business overseas. Going forward, we will also put our energy into the Supplied Housing Business including property management based on our track record to date. What we are aiming for is the well-balanced growth of the Built-to-Order Business, the Supplied Housing Business and the Development Business overseas, as in Japan. To this end, we need to place more emphasis than ever on partnerships with local

companies. Top executives themselves are taking the lead in going to the scene to shore up confidence and the collaboration base in the aspects of personnel and organization. With regard to the promotion of development projects, we wish to emphasize that we will develop business with a stronger awareness of capital cost.

Our initiatives for innovations that will lead to the next mid-term management plan for 2020 and thereafter have been set in motion one after another. The keyword is the NEXT Sekisui House. We have built a system for creating specific products, thinking about homebuilding that will make the residents happier regarding the software and hardware including the Internet of Things (IoT) of custom detached houses. In August, we established the Human Life R&D Institute to pursue happiness, including health and family bonds, in addition to issues that Sekisui House has been addressing for many years, including safety, security and comfort based on the lifelong housing concept. We will shed light on happiness at home scientifically and theoretically by consolidating elements that we have been connecting with our product proposals, such as the arrangement of the kitchen and closets, for example.

The next initiative is the strengthening of digital marketing. We will deepen our efforts to create contact points with customers for the purpose of attracting more customers and continuous digital communication in different ways from conventional advertising using mass media. We will increase the fans of Sekisui House carefully and efficiently by standing close by our customers, in addition to sending information and creating an image.

**We will aim to become an outstanding company in all senses.
We will force governance reforms through as well.**

Concerning governance reforms such as the strengthening of the functions of the Board of Directors, with which we are proceeding with unwavering determination, we will vigorously proceed with their embodiment while repeating inspections and self-assessments. At the newly established Management Meeting, more active discussions than ever are being held to embody the inherent corporate culture of Sekisui House, including a free spirit and full participation. We will encourage those who are involved in management to take the lead in ensuring that they penetrate every corner of the Sekisui House Group from a perspective of reform

and have the Sekisui House Association and our contractor partners share it. We intend to give top priority to “Integrity,” or a complete figure in the moral and ethical senses, and what it means in all our corporate activities.

In our work style reforms, we have encouraged male employees to take childcare leave for a month or more to back up the creation of an environment where male employees are also able to raise their children. In addition, we have been selected for the fifth time for Nadeshiko Brands 2018 as a leading company in terms of encouraging the empowerment of women in the workplace for the first time in the housing and construction industry. However, what is important is not to be satisfied with individual initiatives and evaluations, but that Sekisui House will become an outstanding company that cares about all its stakeholders including customers, employees and shareholders from all angles. The work style reforms are part of this, and our theme of “creating an exciting workplace” cannot be achieved with institutions and numbers alone. The same is true for ESG management, which places emphasis on environmental, social and governance factors. We will work on understanding and practice from a comprehensive viewpoint.

BEYOND 2020. Going forward, significant changes are anticipated in both society and our business environment from 2020 onward. Sekisui House will push forward vigorously with building a foundation for new growth. The core initiatives for that purpose are “break-even point management,” “cooperation within the Group” and “mid-to high-end lines” into which Sekisui House has been putting a lot of effort in recent years. We promise our shareholders that we will consistently and firmly maintain and fully enforce these three guidelines, which have been the pillars of growth since the first mid-term management plan.

Sekisui House will move forward and create a new history while advancing bold reforms. We would appreciate your continued support.

Financial analysis

During the first six months ended July 31, 2018, the Japanese economy saw a continued moderate economic recovery as consumer spending improved on a steady strengthening of employment and corporate earnings and capital spending increased. Meanwhile, overseas, the U.S. continued to experience a steady economic recovery and Asian economies also showed signs of

growing momentum.

In the housing market, construction of rental housing decreased, mainly due to a changing attitude among financial institutions towards lending. The number of new housing starts continued to decrease from the previous year. Meanwhile, in the overseas housing market, there was continued brisk demand for housing in the United States.

In the first six months ended July 31, 2018, net sales amounted to ¥1,002,621 million (\$9,031,808 thousand), down 0.7% year-on-year. Operating income amounted to ¥78,649 million (\$708,486 thousand), down 11.6% year-on-year, and profit attributable to owners of parent to ¥57,847 million (\$521,097 thousand), down 3.9% year-on-year.

In the Custom Detached Houses, net sales amounted to ¥168,403 million, down 9.3% year-on-year, and operating income to ¥18,565 million, down 23.7% year-on-year, given the decreased orders received. In the meantime, ASP per building continued to rise thanks to sales strategy to promote Green First Zero and other mid- to high-end products.

In the Rental Housing Business, in the urban areas, demands for three- and four-story products were strong and the ASP per building rose. Orders of three- and four-story products and the non-residential fields in urban areas remained strong, but because of longer lead time to construction associated with the increase in the number of larger properties, net sales were ¥203,763 million, down 3.1% year-on-year, and operating income came to ¥23,570 million, down 15.1% year-on-year.

In the Remodeling Business, net sales increased 1.6% year-on-year to ¥71,399 million, and operating income to ¥10,751 million, up 3.3% year-on-year. This was mainly attributable to a steady progress on shift from maintenance-based remodeling to proposal-based remodeling, which offers lifestyle ideas, and environment-based remodeling, such as energy-saving renovation, to owners of detached houses.

In the Real Estate Management Fees Business, net sales amounted ¥256,248 million, up 5.1% year-on-year, and operating income to ¥20,112 million, up 18.4% year-on-year, primarily owing to an increase in the number of units under management and continuously high occupancy rates.

In the Houses for Sale Business, we actively promoted the procurement of quality housing land, however, net sales decreased 7.5% year-on-year to ¥73,960 million, and operating income to ¥5,246 million, down 32.0% year-on-year.

In the Condominium Business, net sales increased to ¥50,320 million, up 74.6% year-on-year, and operating income to ¥6,349 million, up 88.8% year-on-year, led by the handover of large properties including high-rise condominiums.

In the Urban Redevelopment Business, because of a scale difference of the property sales to REITs, net sales were ¥59,120 million, down 7.8% year-on-year, meanwhile, sales of high-margin properties produced operating income of ¥11,523 million, a 20.8% increase from the same period last year.

In the Overseas Business, the business in U.S. progressed steadily, however, net sales came to ¥82,057 million, down 7.4% year-on-year, and operating income was ¥1,992 million, down 66.6% year-on-year, due to the concentration of handovers in Australia and the U.S. planned during the fourth quarter of the fiscal year ending January 2019.

In the Other Businesses, net sales amounted to ¥37,350 million, down 2.1% year-on-year, and operating loss to ¥90 million.

For the financial position, total assets decreased by ¥60,757 million to ¥2,358,256 million (\$21,243,636 thousand) at the end of the second quarter of the consolidated fiscal year ending January 31, 2019. This was primarily attributable to a decrease in cash and deposits in accordance with payments of notes and accounts payable and income taxes. Liabilities decreased following the payments of notes and accounts payable and income taxes. Despite payments of dividends and a decrease in translation adjustments, increased, net assets increased mainly due to posting profit attributable to owners of parent. Equity capital ratio was 50.7%.

The dividend for the interim period under review will be ¥39.00 (\$0.35) per share.

September 2018



Toshinori Abe
Chairman &
Representative Director



Yoshihiro Nakai
President &
Representative Director

CONSOLIDATED BALANCE SHEETS

As of July 31 and January 31, 2018 and July 31, 2017

Assets	Millions of yen			Thousands of U.S. dollars
	July 31 2018	January 31 2018	July 31 2017	July 31 2018
Current assets:				
Cash and cash equivalents.....	¥ 232,744	¥ 324,693	¥ 210,952	\$ 2,096,604
Short-term investments.....	930	1,731	4,325	8,377
Notes and accounts receivable:				
Affiliates.....	659	668	1,384	5,936
Trade.....	44,893	45,715	42,753	404,405
Other.....	33,800	33,036	32,381	304,477
Less allowance for doubtful accounts.....	(1,200)	(1,270)	(1,149)	(10,809)
	78,152	78,149	75,369	704,009
Inventories.....	1,123,490	1,095,161	1,100,972	10,120,620
Deferred income taxes.....	22,835	29,076	23,987	205,702
Other current assets.....	55,134	43,860	43,185	496,658
Total current assets	1,513,285	1,572,670	1,458,790	13,631,970
Property, plant and equipment, at cost:				
Land.....	316,907	322,503	324,106	2,854,761
Buildings and structures.....	358,965	348,783	347,684	3,233,627
Machinery, equipment and other.....	98,458	96,193	95,981	886,929
Construction in progress.....	25,120	26,117	34,281	226,286
	799,450	793,596	802,052	7,201,603
Less accumulated depreciation.....	(246,254)	(240,782)	(239,168)	(2,218,304)
Property, plant and equipment, net	553,196	552,814	562,884	4,983,299
Investments and other assets:				
Long-term loans receivable.....	25,073	25,342	34,089	225,863
Less allowance for doubtful accounts.....	(438)	(431)	(447)	(3,946)
	24,635	24,911	33,642	221,917
Investments in securities.....	105,715	112,487	101,560	952,302
Investments in affiliates.....	63,228	61,315	50,543	569,570
Goodwill.....	5,300	6,167	6,856	47,744
Intangible assets.....	16,095	15,850	13,941	144,987
Deferred income taxes.....	5,624	3,080	2,703	50,662
Asset for retirement benefits.....	15,631	14,725	9,111	140,807
Other assets.....	55,547	54,994	54,485	500,378
Total investments and other assets	291,775	293,529	272,841	2,628,367
	¥ 2,358,256	¥ 2,419,013	¥ 2,294,515	\$ 21,243,636

Liabilities and net assets

Millions of yen

 Thousands of
U.S. dollars

	July 31 2018	January 31 2018	July 31 2017	July 31 2018
Current liabilities:				
Short-term loans.....	¥ 220,393	¥ 209,708	¥ 213,980	\$ 1,985,344
Short-term bonds.....	–	15,000	120,000	–
Current portion of long-term debt and lease obligation.....	27,173	2,761	26,825	244,780
Notes and accounts payable:				
Affiliates.....	4,556	4,235	3,841	41,041
Trade.....	131,083	168,580	160,403	1,180,821
Accrued income taxes.....	15,574	32,200	13,927	140,294
Advances received on construction projects in progress.....	147,019	142,691	131,306	1,324,376
Accrued employees' bonuses.....	19,026	28,901	19,130	171,390
Accrued directors' and corporate auditors' bonuses.....	559	1,560	–	5,036
Provision for warranties for completed construction.....	2,820	2,980	2,907	25,403
Other current liabilities.....	76,953	98,282	79,568	693,208
Total current liabilities	<u>645,156</u>	<u>706,898</u>	<u>771,887</u>	<u>5,811,693</u>
Long-term liabilities:				
Long-term debt and lease obligation.....	396,003	394,616	266,033	3,567,273
Guarantee deposits received.....	61,014	60,508	60,593	549,626
Accrued retirement benefits for directors and corporate auditors.....	960	1,338	1,235	8,648
Liability for retirement benefits.....	21,861	21,505	20,869	196,928
Deferred income taxes.....	10,412	12,500	7,208	93,794
Other liabilities.....	13,329	13,527	22,323	120,070
Total long-term liabilities	<u>503,579</u>	<u>503,994</u>	<u>378,261</u>	<u>4,536,339</u>
Contingent liabilities (Note 2)				
Net assets:				
Shareholders' equity				
Common stock:				
Authorized:1,978,281,000 shares				
Issued:690,683,466 shares in July 2018 and 2017, and January 2018.....				
	202,591	202,591	202,591	1,824,980
Capital surplus.....	251,563	251,563	251,563	2,266,129
Retained earnings.....	657,186	626,961	579,466	5,920,061
Less treasury stock, at cost.....	(934)	(948)	(976)	(8,413)
Total shareholders' equity	<u>1,110,406</u>	<u>1,080,167</u>	<u>1,032,644</u>	<u>10,002,757</u>
Accumulated other comprehensive income:				
Net unrealized holding gain on securities.....	42,837	48,033	39,755	385,884
Deferred gain (loss) on hedges.....	39	(69)	(138)	352
Translation adjustments.....	30,618	50,678	39,736	275,813
Retirement benefits liability adjustments.....	12,091	16,166	17,479	108,918
Total accumulated other comprehensive income	<u>85,585</u>	<u>114,808</u>	<u>96,832</u>	<u>770,967</u>
Stock subscription rights.....	797	762	729	7,179
Non-controlling interests.....	12,733	12,384	14,162	114,701
Total net assets	<u>1,209,521</u>	<u>1,208,121</u>	<u>1,144,367</u>	<u>10,895,604</u>
	<u>¥ 2,358,256</u>	<u>¥ 2,419,013</u>	<u>¥ 2,294,515</u>	<u>\$ 21,243,636</u>

* See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

Six months ended July 31, 2018 and 2017, and year ended January 31, 2018

	Millions of yen			Thousands of U.S. dollars
	July 31 2018	July 31 2017	January 31 2018	July 31 2018
Net sales	¥ 1,002,621	¥ 1,009,484	¥ 2,159,364	\$ 9,031,808
Cost of sales	798,275	800,020	1,714,282	7,191,019
Gross profit	204,346	209,464	445,082	1,840,789
Selling, general and administrative expenses	125,697	120,461	249,542	1,132,303
Operating income	78,649	89,003	195,540	708,486
Other income (expenses):				
Interest and dividend income	2,125	2,010	4,037	19,142
Interest expense	(2,180)	(1,259)	(3,733)	(19,638)
Loss on sales or disposal of fixed assets	(390)	(850)	(1,938)	(3,513)
Equity in earnings of affiliates	4,327	4,187	8,184	38,978
Foreign exchange (loss) gains, net	(390)	422	1,091	(3,513)
Loss on impairment of fixed assets	(380)	(33)	(7,791)	(3,423)
Loss on revaluation of investments in securities	(2)	(2,880)	(2,880)	(18)
Gain on sales of shares of subsidiaries and affiliate	-	-	10,478	-
Bad debt loss	-	(5,559)	(5,559)	-
Other, net	248	812	(1,440)	2,234
Profit before income taxes	82,007	85,853	195,989	738,735
Income taxes:				
Current	18,653	17,009	51,611	168,030
Deferred	5,618	8,159	5,186	50,608
Total	24,271	25,168	56,797	218,638
Profit	57,736	60,685	139,192	520,097
Profit attributable to:				
Non-controlling interests	111	(521)	(5,967)	1,000
Owners of parent	¥ 57,847	¥ 60,164	¥ 133,225	\$ 521,097

* See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended July 31, 2018 and 2017, and year ended January 31, 2018

	Millions of yen			Thousands of U.S. dollars
	July 31 2018	July 31 2017	January 31 2018	July 31 2018
Profit	¥ 57,736	¥ 60,685	¥ 139,192	\$ 520,097
Other comprehensive (loss) income:				
Net unrealized holding (loss) gain on securities	(5,106)	1,496	9,673	(45,996)
Translation adjustments	(19,035)	(7,381)	2,594	(171,471)
Retirement benefits liability adjustments	(4,089)	(4,498)	(5,931)	(36,834)
Share of other comprehensive (loss) income of affiliates accounted for by the equity method	(1,014)	411	1,694	(9,134)
Total other comprehensive (loss) income	(29,244)	(9,972)	8,030	(263,435)
Comprehensive income	¥ 28,492	¥ 50,713	¥ 147,222	\$ 256,662
Total comprehensive income attributable to:				
Owners of parent	¥ 28,624	¥ 50,202	¥ 141,239	\$ 257,851
Non-controlling interests	(132)	511	5,983	(1,189)

CONSOLIDATED STATEMENTS OF CASH FLOWS

Six months ended July 31, 2018 and 2017, and year ended January 31, 2018

	Millions of yen			Thousands of U.S. dollars
	July 31 2018	July 31 2017	January 31 2018	July 31 2018
Cash flows from operating activities				
Profit before income taxes	¥ 82,007	¥ 85,853	¥ 195,989	\$ 738,735
Adjustments for:				
Depreciation and amortization	10,910	10,909	21,983	98,279
Loss on impairment of fixed assets.....	380	33	7,791	3,423
Increase in liability for retirement benefits.....	56	293	376	504
Increase in asset for retirement benefits.....	(6,490)	(7,156)	(14,281)	(58,463)
Interest and dividend income.....	(2,125)	(2,010)	(4,037)	(19,142)
Interest expense.....	2,180	1,259	3,733	19,638
Equity in earnings of affiliates	(4,327)	(4,187)	(8,184)	(38,978)
Gain on sales of shares of subsidiaries and affiliate.....	-	-	(10,478)	-
Loss on revaluation of investment in securities	2	2,880	2,880	18
Decrease in notes and accounts receivable.....	796	7,243	4,407	7,170
(Increase) decrease in inventories.....	(41,769)	(18,434)	19,107	(376,263)
Decrease in notes and accounts payable.....	(40,392)	(19,282)	(13,242)	(363,859)
Increase in advances received on construction projects in progress.....	4,737	1,242	12,260	42,672
Other.....	(36,773)	(23,570)	307	(331,259)
Subtotal.....	(30,808)	35,073	218,611	(277,525)
Interest and dividends received	5,929	2,801	6,547	53,409
Interest paid	(2,727)	(2,585)	(5,336)	(24,565)
Income taxes paid.....	(34,688)	(38,288)	(54,467)	(312,476)
Net cash (used in) provided by operating activities	(62,294)	(2,999)	165,355	(561,157)
Cash flows from investing activities				
Proceeds from sales of short-term investments.....	-	950	1,400	-
Proceeds from sales of property, plant and equipment.....	105	786	2,832	946
Purchases of property, plant and equipment.....	(24,908)	(25,185)	(62,900)	(224,376)
Proceeds from sales and redemption of investment in securities.....	580	2,742	2,886	5,225
Purchases of investments in securities.....	(3,907)	(497)	(5,467)	(35,195)
Increase in loans receivable.....	(98)	(233)	(262)	(883)
Collection of loans receivable	687	7,158	14,732	6,188
Purchase of shares of subsidiary resulting in change in scope of consolidation	-	(47,788)	(47,788)	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation.....	-	-	18,109	-
Other	(2,114)	441	307	(19,043)
Net cash used in investing activities	(29,655)	(61,626)	(76,151)	(267,138)
Cash flows from financing activities				
Proceeds from (repayment of) issuance of short-term bonds.....	-	30,000	(35,000)	-
Increase in short-term loans, net.....	25,783	61,952	55,537	232,258
Proceeds from issuance of bonds.....	-	-	120,000	-
Redemption of bonds.....	(15,000)	(36,212)	(76,015)	(135,123)
Proceeds from long-term debt.....	22,318	49,113	59,385	201,045
Repayment of long-term debt	(2,031)	(8,022)	(36,384)	(18,296)
Cash dividends paid.....	(27,611)	(22,088)	(47,628)	(248,725)
Purchases of treasury stock.....	(6)	(10)	(19)	(54)
Purchase of shares of subsidiary that do not result in change in scope of consolidation.....	-	(2,220)	(2,220)	-
Other	567	25	(7,501)	5,108
Net cash provided by financing activities.....	4,020	72,538	30,155	36,213
Effect of exchange rate changes on cash and cash equivalents.....	(4,020)	(1,662)	633	(36,213)
Net (decrease) increase in cash and cash equivalents.....	(91,949)	6,251	119,992	(828,295)
Cash and cash equivalents at beginning of period.....	324,693	204,701	204,701	2,924,899
Cash and cash equivalents at end of period	¥ 232,744	¥ 210,952	¥ 324,693	\$ 2,096,604

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

July 31, 2018 and 2017

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.

Provisional accounting treatment had been applied to the purchase price allocation in the business combination with Woodside Homes Company, LLC in the six months ended July 31, 2017, and was finalized in the nine months ended October 31, 2017 and therefore retrospective adjustment was made. As a result, "Gross profit", "Operating income", "Profit before income taxes" and "Profit attributable to owners of parent" decreased by ¥1,454 million, ¥1,383 million, ¥1,367 million and ¥844 million, respectively, in the consolidated statements of income for the six months ended July 31, 2017.

The translation of Japanese yen amounts into U.S. dollars is included solely for the convenience of the reader and has been made at ¥111.01= U.S. \$1.00, the approximate rate of exchange in effect on July 31, 2018. 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, 2018.

	Millions of yen	Thousands of U.S. dollars
Guarantees of housing loans to customers.....	¥ 88,663	\$ 798,694
Guarantees of bank loans of a third party.....	255	2,297
	¥ 88,918	\$ 800,991

3. Amounts per Share

	Yen			U.S. dollars
	July 31 2018	July 31 2017	January 31 2018	July 31 2018
Profit attributable to owners of parent :				
Basic	¥ 83.82	¥ 87.18	¥ 193.06	\$ 0.76
Diluted	83.72	87.08	192.82	0.75
Net assets	1,733.06	1,636.73	1,731.60	15.61
Cash dividends.....	39.00	37.00	77.00	0.35

Corporate Data

Outline of the Company

(As of July 31, 2018)

Established

August 1, 1960

Capital Stock Issued

¥202,591 million

Employees

24,857 (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 Central, Ltd.
Sekiwa Construction Higashi-Tokyo, Ltd.
Sekisui House Investment Advisors, Ltd.
Sekisui House Asset Management, Ltd.
Sekisui House Australia Holdings Pty Limited
Sekisui House US Holdings, LLC
Sekisui House Changcheng (Suzhou) Real Estate
Development Co. Ltd.

Stock Information

(As of July 31, 2018)

Stock Listing

Tokyo, Nagoya

American Depositary Receipts

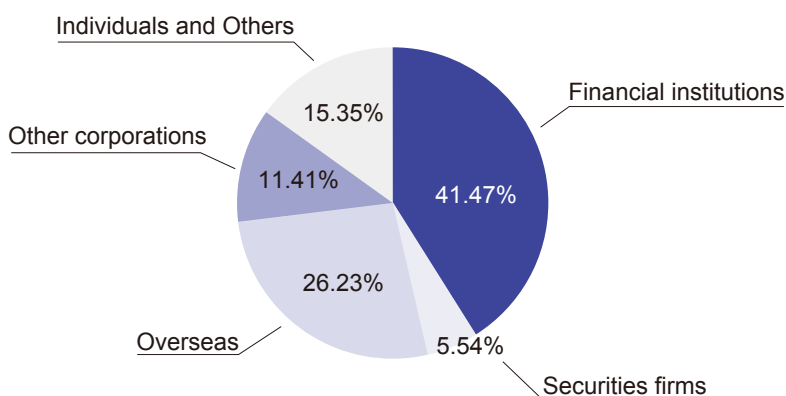
Symbol: SKHSY
CUSIP: 816078307
Ratio: 1:1
Exchange: OTC (Over-the-Counter)
Depository: The Bank of New York Mellon
BNY Mellon
PO Box 505000
Louisville, KY 40233-50000 U.S.A.
U.S. toll free: (888)269-2377 (888-BNY-ADRS)
International Callers: +1(201)680-6825
<http://www.adrbnymellon.com>

Major Shareholders

	Name	Number of shares	Shareholding ratio (%)
1	The Master Trust Bank of Japan, Ltd. (Trust account)	56,156,700	8.13
2	Sekisui Chemical Co., Ltd.	42,168,727	6.11
3	Japan Trustee Services Bank, Ltd. (Trust account)	39,523,500	5.72
4	Sekisui House <i>Ikushikai</i>	15,122,723	2.19
5	Japan Trustee Services Bank, Ltd. (Trust account 5)	14,033,200	2.03
6	MUFG Bank, Ltd.	13,624,515	1.97
7	The Dai-ichi Life Insurance Company, Limited	12,158,730	1.76
8	Japan Trustee Services Bank, Ltd. (Trust account 7)	10,649,900	1.54
9	SMBC Nikko Securities Inc.	10,479,400	1.52
10	Japan Trustee Services Bank, Ltd. (Trust account 1)	10,451,000	1.51

Note: Sekisui House *Ikushikai* is the Company's employee stock holding association.

Stock Composition



Directors and Corporate Auditors

(As of July 31, 2018)

Chairman & Representative Director

Toshinori Abe

Vice Chairman & Representative Director

Shiro Inagaki

President & Representative Director

Yoshihiro Nakai

Executive Vice President & Representative Director

Takashi Uchida

Directors

Teruyuki Saegusa

Shiro Wakui

Yukiko Yoshimaru

Fumiyasu Suguro

Kunpei Nishida

Yosuke Horiuchi

Toshiharu Miura

Standing Corporate Auditors

Haruyuki Iwata

Hisao Yamada

Corporate Auditors

Yoshinori Shinohara

Takashi Kobayashi

Hisako Makimura

Ryuichi Tsuruta

Executive Officers

(As of July 31, 2018)

Senior Managing Officers

Fumiyasu Suguro

Kunpei Nishida

Yosuke Horiuchi

Managing Officers

Toshiharu Miura

Motohiko Fujiwara

Noboru Ashida

Hiroyuki Satoh

Kenichi Ishida

Kazuchika Uchiyama

Toru Ishii

Osamu Minagawa

Toshikazu Shimanuki

Futoshi Teramura

Hideyuki Kamijo

Executive Officers

Michio Yoshizaki

Takakazu Koi

Yutaka Amemiya

Masayoshi Ishii

Midori Ito

Fujio Arai

Masato Kudoh

Sachio Nitta

Haruhiko Toyoda

Kohei Joki

Keizo Yoshimoto



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