

Notice Regarding Transfer (Stock Transfer) of Equity Method Affiliate

May 1, 2024 - Sekisui House, Ltd. (the “Company”) has resolved to transfer all shares of Japan Power Fastening Co., Ltd. (JPF) (Tokyo Stock Exchange Standard Market, Stock Code: 5950), an equity method affiliate of the Company, that the Company owns to Maruenu Co.,Ltd.(Maruenu). We hereby inform you that the Company has signed a stock transfer agreement with Maruenu as detailed below. With the conclusion of this agreement, JPF will no longer be an equity method affiliate of the Company.

1. Reason for Stock Transfer

The Company has held the shares of JPF, a supplier of architectural fasteners, etc., as an equity method affiliate to build a cooperative relationship but upon receiving a request for transferring the stock of JPF from Maruenu, the Company has resolved to sell all shares held over the counter considering the prospect of Maruenu expanding its business by utilizing the global sales network of the corporate group that Maruenu belongs to as well as that this matches the Company’s initiative of improving capital efficiency by reducing stock holdings.

This stock transfer does not affect existing transactions with JPF.

2. Overview of Equity Method Affiliate to be Transferred

(1) Name	Japan Power Fastening Co., Ltd.	
(2) Location	1-8-3, Senbanishi, Minoh, Osaka	
(3) Representative	Masatoshi Yasuda Representative Director President	
(4) Business	Manufacture and sales of architectural fasteners (springs, screws, etc.) Manufacture and sales of tools, machinery, and equipment for fixing architectural fasteners Manufacture and sales of industrial riveting guns and rivets Sales, purchase, rental, and management of real estate	
(5) Capital	100 million yen (as of December 31, 2023)	
(6) Establishment	April 21, 1964	
(7) Major shareholders and shareholding ratios (as of December 31, 2023) (*The ratio of shareholding is calculated deducting shares of treasury stock	Sekisui House, Ltd.	24.41%
	Yuji Dohi	9.47%
	Marubeni-Itochu Steel Inc.	6.30%
	Mizuho Bank, Ltd.	4.83%
	The Senshu Ikeda Bank, Ltd.	4.80%
(8) Relationship with the company	Capital relationships	JPF is an equity method affiliate of the Company. Shareholding ratio is as indicated in (7).
	Personnel relationships	Not applicable
	Business relationships	There are existing transactions of construction material between JPF and the Company.

(9) Operating results and financial position over the last three years (million yen)			
Fiscal year end	December 2021	December 2022	December 2023
Net assets	3,258	3,459	3,367
Total assets	8,079	8,001	7,459
Book value per share(yen)	205.00	217.65	211.85
Net sales	5,331	5,354	5,108
Operating income	93	85	(125)
Ordinary income	167	14	(44)
Net income attributable to owners of parent	2,138	40	(108)
Earnings per share (yen)	132.20	2.53	(6.83)
Dividend per share (yen)	5.00	2.50	0.00

3. Overview of Purchaser

(1) Name	Maruenu Co.,Ltd.	
(2) Location	2-1-40, Sakaecho, Asaka, Saitama	
(3) Representative	Tsutomu Tasai Representative Director President	
(4) Business	Planning, design, manufacture, and sales of wipers Planning, design, manufacture, and sales of other automotive parts and development and sales of car navigation systems. drive recorders, home appliances, etc.	
(5) Capital	30 million yen (as of December 31, 2023)	
(6) Net assets	1,070 million yen (as of December 31, 2023)	
(7) Total assets	1,585 million yen (as of December 31, 2023)	
(8) Establishment	May 4, 1954	
(9) Major shareholders and shareholding ratios	CAP GLOBAL Co.,Ltd. (100%)	
(10) Relationship with the company	Capital relationships	Not applicable
	Personnel relationships	Not applicable
	Business relationships	Not applicable
	Status of a related party	Not applicable

4. Number of Shares Transferred, Price of Transfer, and Number of Shares Held After Transfer

(1) Number of shares held before transfer	3,877,200 shares (Percentage of voting rights held: 24.43%)
(2) Number of shares transferred	3,877,200 shares
(3) Price of transfer	442,000,800 yen
(4) Number of shares held after transfer	0 shares (Percentage of voting rights held: 0.0%)

5. Schedule

(1) Date of determination of transfer	May 1, 2024
(2) Date of agreement	May 1, 2024
(3) Date of transfer	May 9, 2024 (planned)

6. Forecast

The impact of this transfer on the Company's consolidated business results for the current fiscal year (year ending January 2025) is estimated to be minimal.

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For further information, please contact:

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