



Seventh Mid-Term Management Plan

2026-2028

Sekisui House Group

Table of Contents

1. Review of the Sixth Mid-Term Management Plan

2. Seventh Mid-Term Management Plan

2-1 Management Policy

2-2 Business Strategy

2-3 Corporate Strategy

1 Review of the Sixth Mid-Term Management Plan



Earnings Plan and Results

- Steadily implemented strategies in each business and achieved Stable Growth in Japan and Proactive Growth Overseas

Sixth Mid-Term Management Plan's earnings plan (when announced in March 2023)

(Billions of yen)

	FY2023	FY2024	FY2025	Total in three years
Net sales	3,080.0	3,270.0	3,676.0	10,026.0
Operating profit	265.0	275.0	318.0	858.0
Ordinary profit	259.0	269.0	311.0	839.0
Profit attributable to owners of parent	193.0	196.0	214.0	603.0
ROE	11.6%	Stably maintained at 11% or higher (around 12% in the final year of FY2025)		

Three-year results

(Billions of yen)

	FY2023	FY2024	FY2025	Total in three years	Compared to the initial plan
Net sales	3,107.2	4,058.5	4,197.9	11,363.7	+1,337.7
Operating profit	270.9	331.3	341.4	943.7	+85.7
Ordinary profit	268.2	301.6	327.8	897.6	+58.6
Profit attributable to owners of parent	202.3	217.7	232.0	652.1	+49.1
ROE	11.9%	11.7%	11.3%	-	-

2 Seventh Mid-Term Management Plan

2-1 Management Policy

2-2 Business Strategy

2-3 Corporate Strategy



2-1 Management Policy



Fundamental Policy under the Seventh Mid-Term Management Plan

The Sekisui House Global Vision

Make home the happiest place in the world



Propose happiness through
the integration of technologies,
lifestyle design and services



Become a leading company
in ESG management



Make Sekisui House technologies
the global de facto standard

Japan

Cultivating the Sekisui House Economic Sphere through
Group-wide Capabilities

Overseas

Building a Growth Platform to Drive a Game-Changing
Transformation

Our core competencies

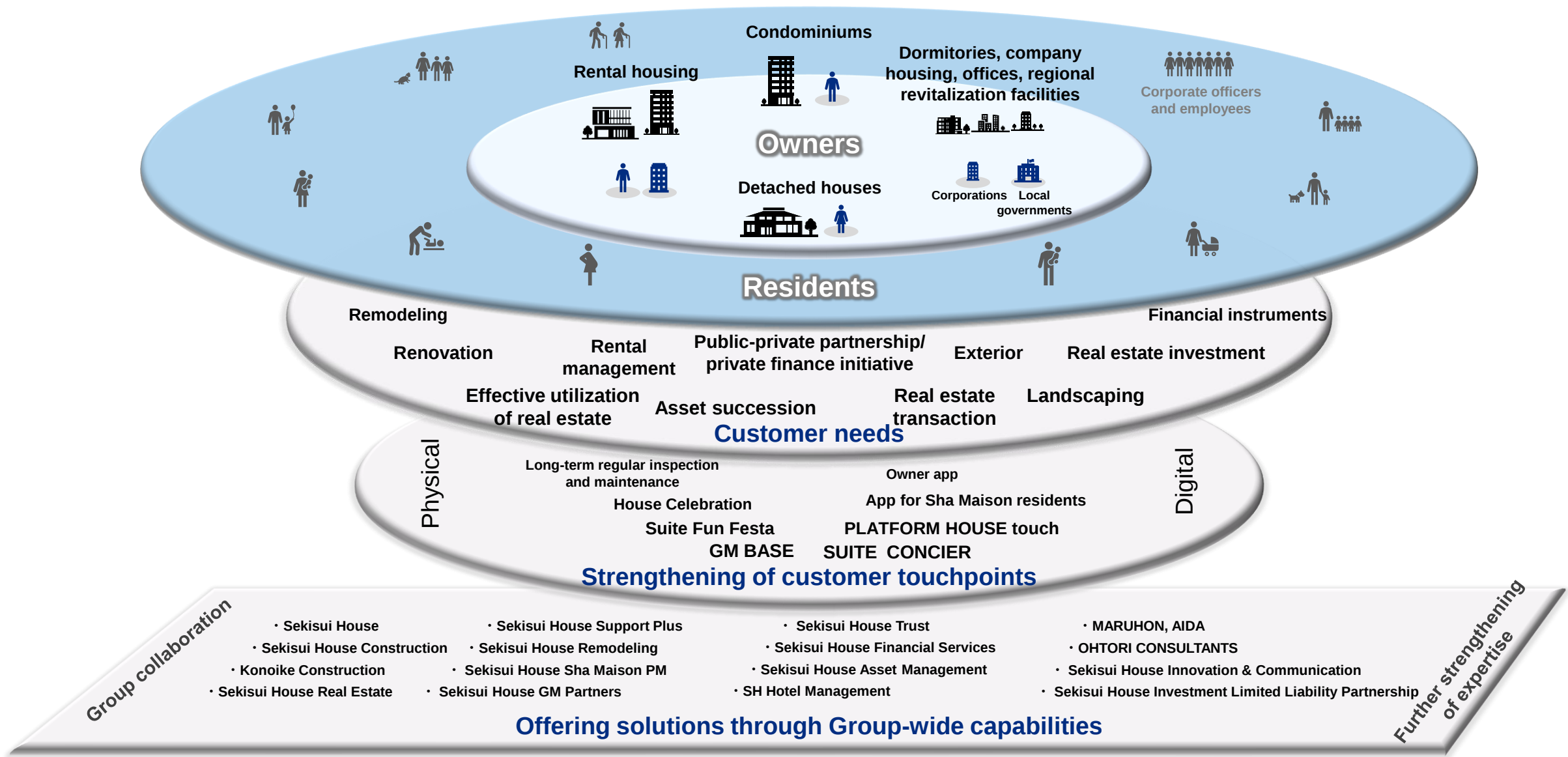
Technical expertise

Construction expertise

Customer base

Cultivating the Sekisui House Economic Sphere

- Maximize Group-wide capabilities to provide one-stop solutions centered on *housing* through customer touchpoints



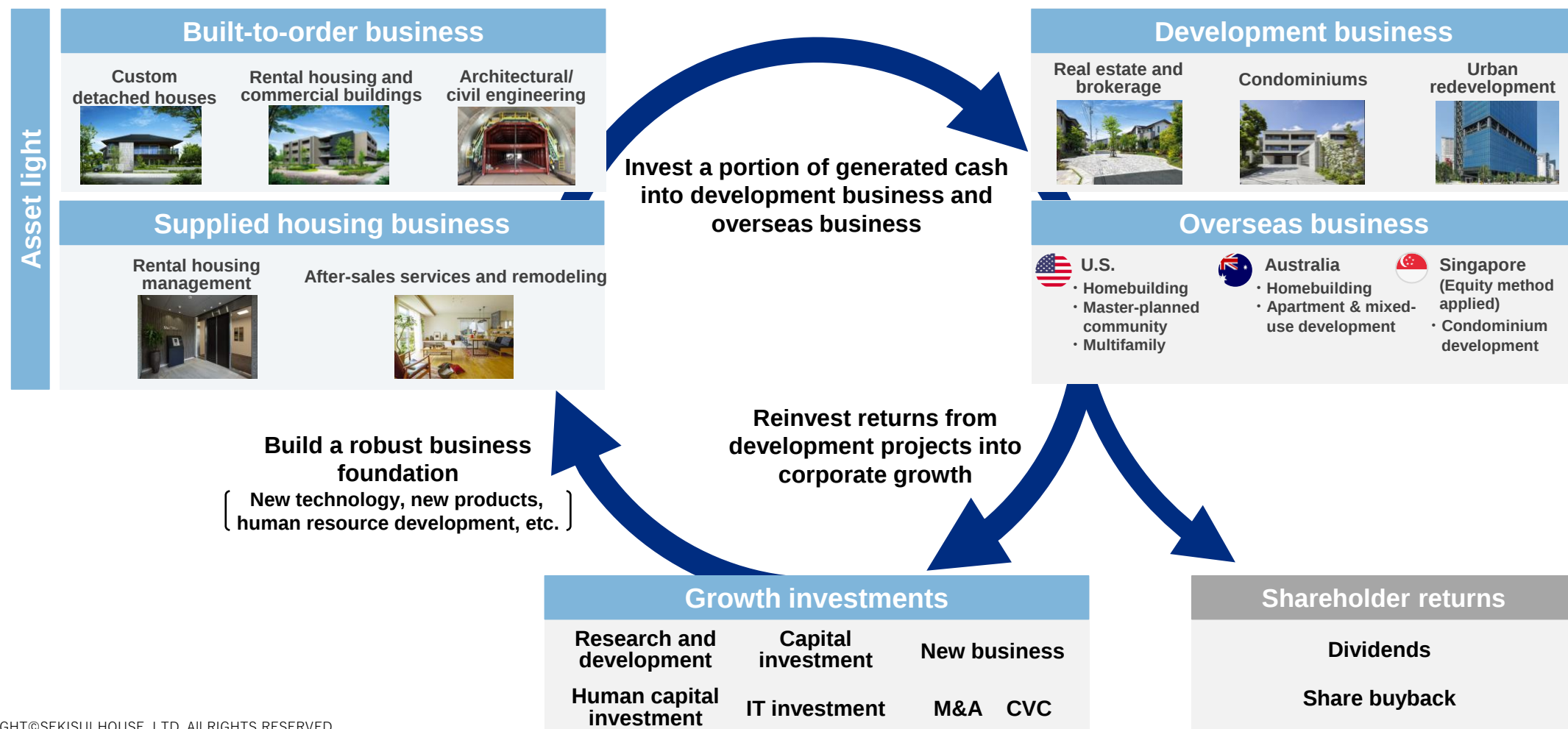
Building a Growth Platform to Drive a Game-Changing Transformation SEKISUI HOUSE

- Accelerating technology transfer and promoting two brands of Sekisui House quality in the U.S. homebuilding business



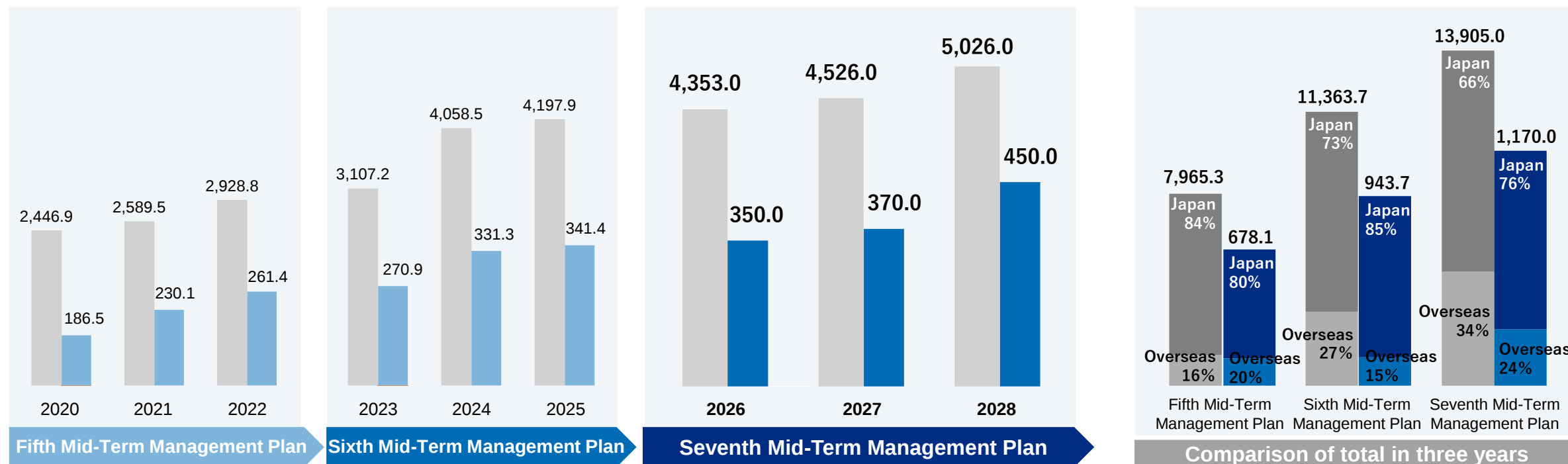
Business Models

- Built-to-order business and supplied housing business are closely interlinked, enabling asset-light operations with stable cash generation capabilities
- By investing this cash in development business and overseas business initiatives, we establish a circular business model that builds a robust business foundation



Earnings Plan

■ Net sales ■ Operating profit



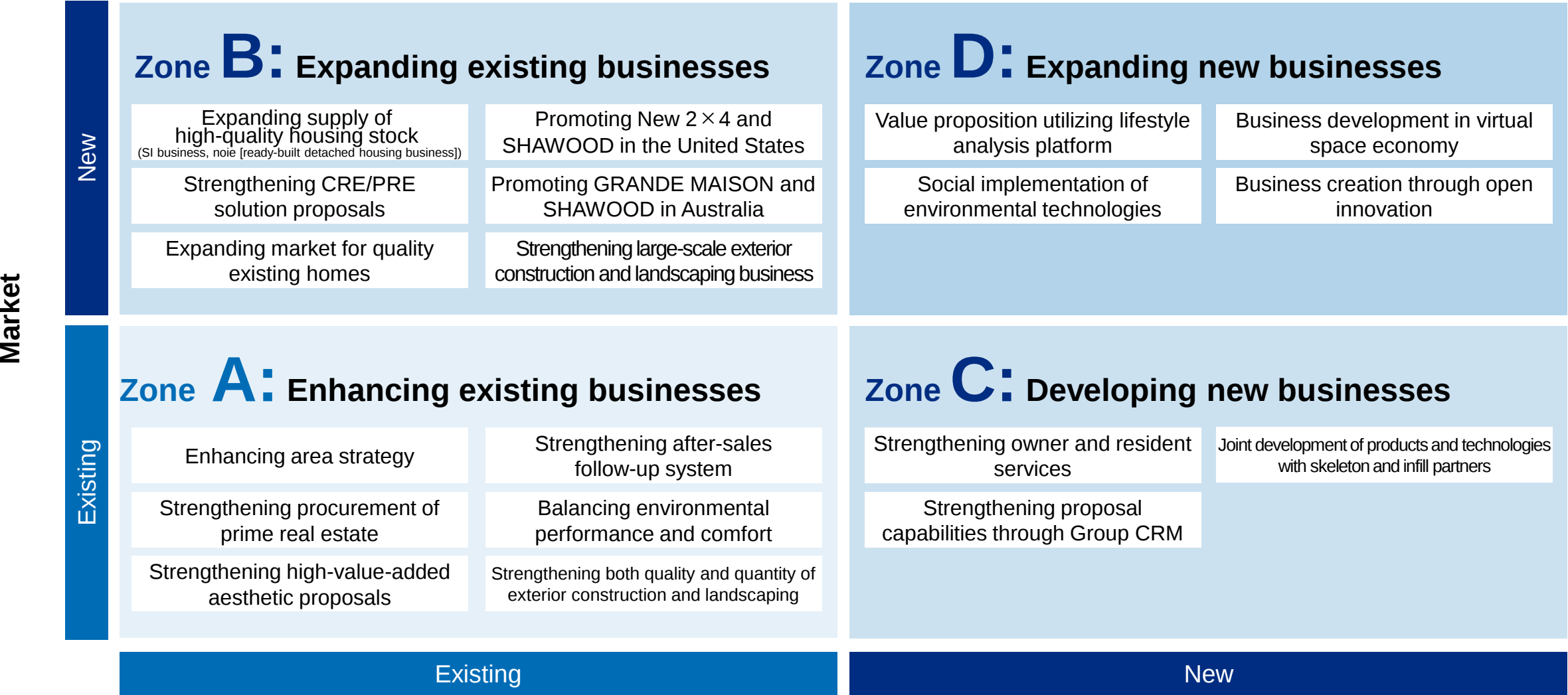
	FY2026	FY2027	FY2028	Total in three years
Net sales	¥4,353.0 billion	¥4,526.0 billion	¥5,026.0 billion	¥13,905.0 billion
Operating profit	¥350.0 billion	¥370.0 billion	¥450.0 billion	¥1,170.0 billion
Ordinary profit	¥314.0 billion	¥345.0 billion	¥434.0 billion	¥1,093.0 billion
Profit attributable to owners of parent	¥218.0 billion	¥240.0 billion	¥300.0 billion	¥758.0 billion
ROE	10.1%	High 12% range in the final fiscal year		-

Breakdown by Business Segment

(Billions of yen)

Business Segment	FY2026			FY2027			FY2028		
	Net sales	Operating profit	Operating profit margin	Net sales	Operating profit	Operating profit margin	Net sales	Operating profit	Operating profit margin
Built-to-order business	1,391.0	149.0	10.7%	1,425.0	150.0	10.5%	1,459.0	153.5	10.5%
Custom detached houses	500.0	51.0	10.2%	505.0	52.0	10.3%	514.0	53.0	10.3%
Rental housing and commercial buildings	575.0	79.5	13.8%	588.0	81.0	13.8%	600.0	83.0	13.8%
Architectural/civil engineering	316.0	18.5	5.9%	332.0	17.0	5.1%	345.0	17.5	5.1%
Supplied housing business	936.0	99.5	10.6%	975.0	105.5	10.8%	1,012.0	111.5	11.0%
Rental housing management	736.0	71.5	9.7%	765.0	75.5	9.9%	792.0	79.5	10.0%
Remodeling	200.0	28.0	14.0%	210.0	30.0	14.3%	220.0	32.0	14.5%
Development business	634.0	70.0	11.0%	672.0	63.5	9.4%	739.0	77.0	10.4%
Real estate and brokerage	430.0	32.0	7.4%	462.0	34.0	7.4%	492.0	37.5	7.6%
Condominiums	111.0	23.0	20.7%	144.0	21.5	14.9%	164.0	29.5	18.0%
Urban redevelopment	93.0	15.0	16.1%	66.0	8.0	12.1%	83.0	10.0	12.0%
Overseas business	1,428.0	56.5	4.0%	1,496.0	89.0	5.9%	1,855.0	165.0	8.9%
Other businesses	7.0	1.0	14.3%	8.0	1.0	12.5%	9.0	1.5	16.7%
Eliminations and back office	(43.0)	(26.0)	-	(50.0)	(39.0)	-	(48.0)	(58.5)	-
Total	4,353.0	350.0	8.0%	4,526.0	370.0	8.2%	5,026.0	450.0	9.0%

Priority Issues



Organizational Capabilities/Technologies

SI: Skeleton and Infill Business

2-2 Business Strategy



Built-to-Order Business | Custom Detached Houses

Business Policy and Strategy

Establishing our custom detached house brands through the highest technology and advancement of proposal capabilities

Enhancing our three-brand strategy

Strengthening targeting by range

- 3rd Range
 - Strengthening high-value-added proposals
 - Relocating human resources to metropolitan areas
- 2nd Range
 - Strengthening real estate proposal capabilities through Group collaboration
 - Further enhancing Family Suite, spacious living
- 1st Range
 - Expanding customer base through noie (ready-built detached housing business)
 - Supplying highly earthquake-resistant housing through skeleton and infill business (joint construction)

Expanding CRM strategy

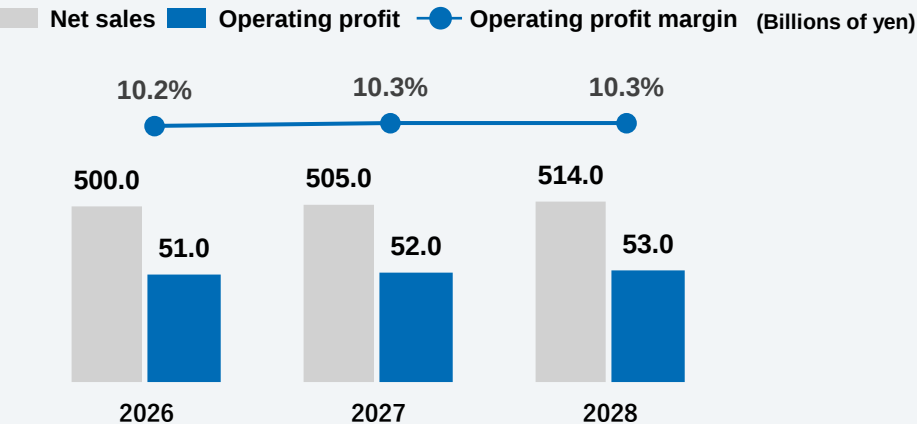
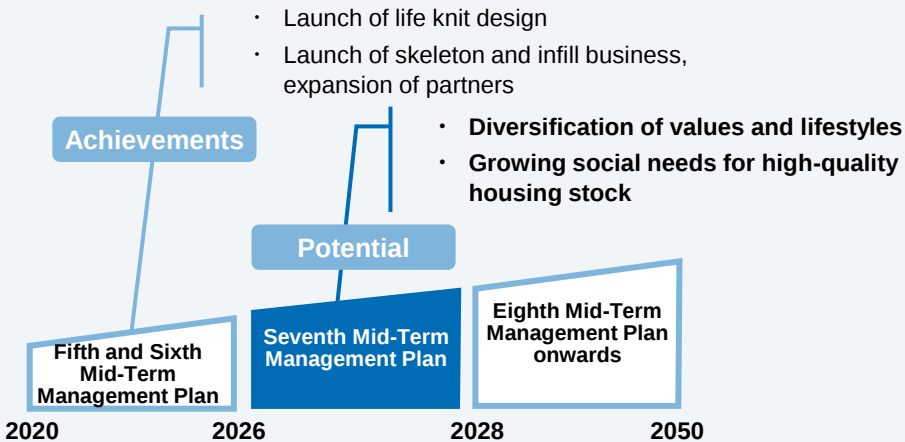
Scientific approach to sales through DX

- Optimizing sales activities through Group CRM
- Analyzing the aesthetic preferences of customers and proposing optimal space

Integrating our technologies, lifestyle design and services

Maximizing customer value through homes built with advanced technology

- Further advancing housing performance and space proposals
- Developing lifestyle design and services utilizing resident data



ESG

- Promoting decarbonization through the spread of ZEH and renewable energy utilization
- Providing housing and services leading to health, connectedness, and learning
- Expanding scope of high-quality housing stock

Building detached house brands that continue to be chosen, with high-value-added housing positioned as the source of competitiveness

Technologies



- Over 60 years of housing research, development, and technological innovation
- One of the world's largest housing research facilities
- Safety, peace of mind, comfort, and eco-friendly technologies supporting cutting-edge housing performance



Lifestyle design



- Proposal of special housing by DESIGN OFFICE
- Development of top design talent (Chief Architects)
- Proposal of design based on analysis of aesthetic preferences (life knit design)
- Exterior proposals leveraging the Group's expertise



Services



- PLATFORM HOUSE leveraging lifestyle data to provide services for health, connectedness, and learning
- Suite Concier providing select products, experiences, and services to enhance quality of life



Evolving daily to build detached house brands that continue to be chosen

Expanding scope of high-quality housing stock

Making Japanese homes more resilient with the direct joint construction method, our proprietary seismic resistance technology

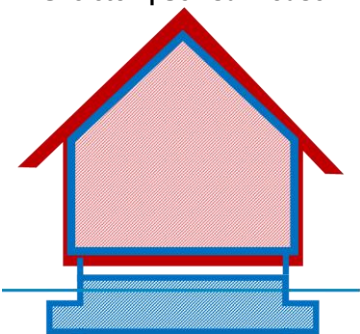
- Seismic Grade 3 and the direct joint construction method for housing that offers safety and peace of mind
- High design flexibility (large spaces, expansive openings)
- High-precision construction by Sekisui House Construction



Nationwide expansion of skeleton and infill business (joint construction) Sekisui House

SI - COLLABORATION

- Infill | Partner companies
- Skeleton | Sekisui House



Expanding our coverage area with a network of 10 partner companies
Moving into a new phase, including joint development of products and technologies

Expansion of noie (ready-built detached housing business) Sekisui House Real Estate

Carefully selected areas with high convenience
Lifestyle proposals tailored to the needs of families with young children



Bringing Sekisui House quality ready-built detached houses
to more residents

Business Policy and Strategy

Expanding orders in central urban areas through enhancing area strategy and overwhelming strength of Sha Maison brand

Enhancing area strategy

Expanding orders in key strategic areas (S areas)

- Area selection based on our own market analysis
- Promoting competitive four-story Sha Maison
- Fully utilizing Group construction expertise

High-value-added Sha Maison

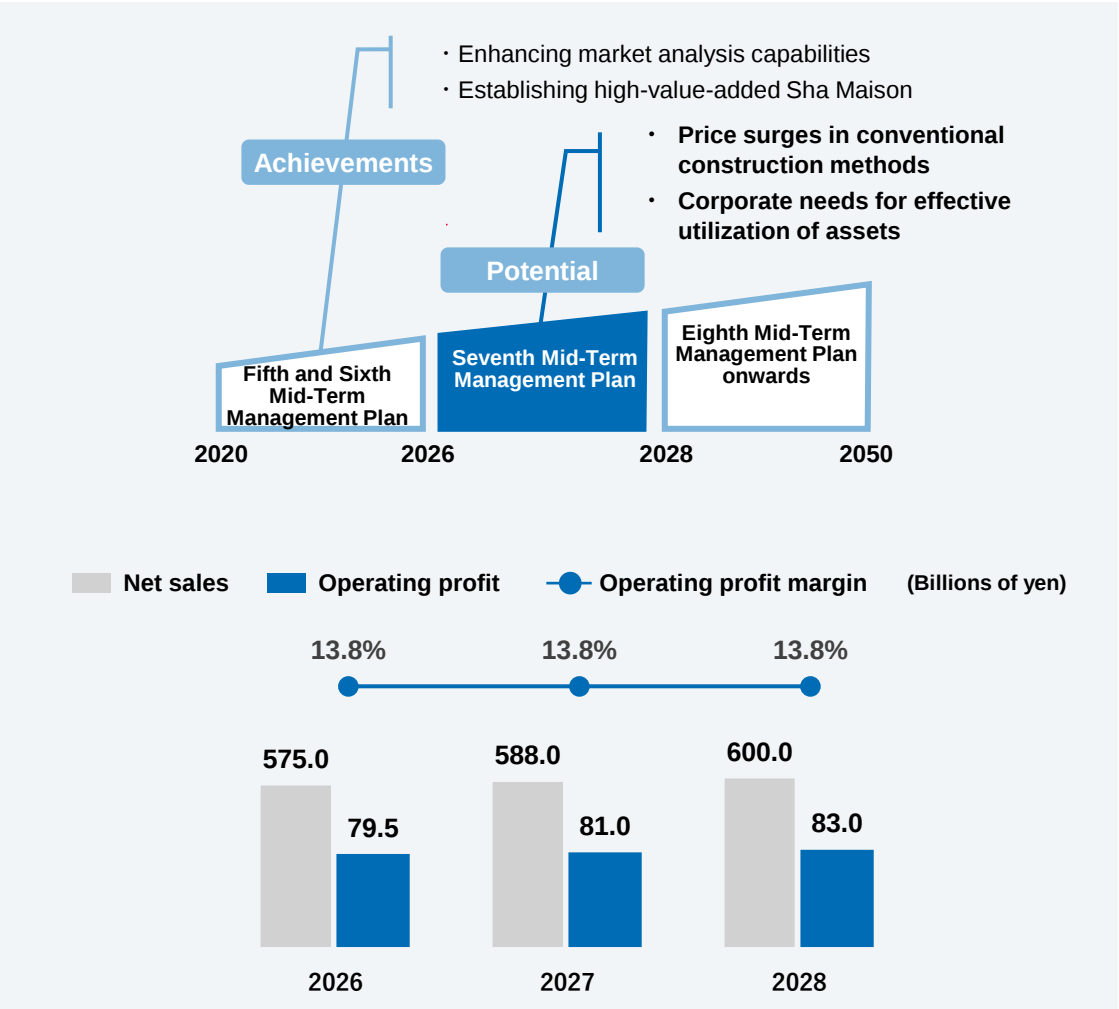
Realizing customers' desire to build and live in Sha Maison

- Expanding our system enabling residents to sell excess electricity, which benefits owners, residents, and society
- Supplying beautiful buildings that enhance the value of the city
- Promoting long-life quality housing

Expanding CRE/PRE business

Strengthening sales capabilities for corporations and local governments

- Strengthening our sales structure to meet diverse needs
- Accumulating and utilizing proposal know-how contributing to problem solving
- Strengthening the building of relationships as a unified group



ESG

- Promoting Sha Maison ZEH
- Asset succession solutions by Sekisui House Trust

Overwhelming strength of Sha Maison brand supporting growth

Area marketing

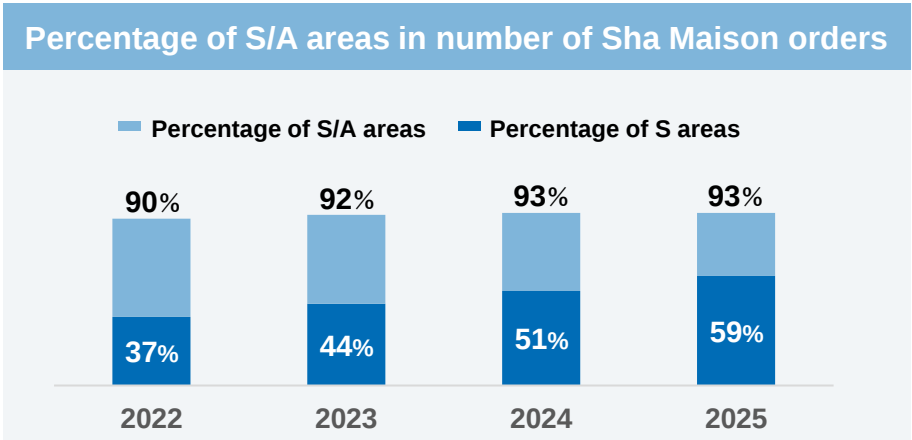
Area selection based on market analysis
Prioritizing supply to S/A areas

Product appeal, proposal capabilities

High-level proposal capabilities centered around Chief Architects, in addition to Sekisui House's quality

Property management

Providing a high-quality living environment through Sekisui House Sha Maison PM



Note: S/A areas: Areas within approximately a 10-minute walk from stations, based on our own marketing criteria. Among these, key strategic areas are designated as S areas.

High occupancy rate and ZEH rate

Sha Maison occupancy rate: 98%

Sha Maison ZEH rate: 77%

Note: Occupancy rate: Occupancy rate of 649 thousand units leased by Sekisui House Sha Maison PM (as of January 2026)

Business Policy and Strategy

Delivering sustainable value to customers and society, leveraging our environmental technologies and construction expertise

Architectural construction

Stable expansion of orders

- Balancing growth areas and priority areas to achieve both stabilization of incoming orders and the maintenance and enhancement of technical expertise
 - Growth areas
Logistics (frozen and refrigerated warehouses), data centers, defense-related facilities, etc.
 - Priority areas
Educational and medical facilities, factories, office buildings, high-rise condominiums, hotels, etc.

Civil engineering

Differentiation through environmental solutions

- Addressing needs to renew infrastructure such as roads, bridges, and tunnels
- Undertaking reconstruction and environment-related construction projects
- Social implementation of newly developed environmental technologies

Strengthening construction expertise

Strengthening on-site human resources

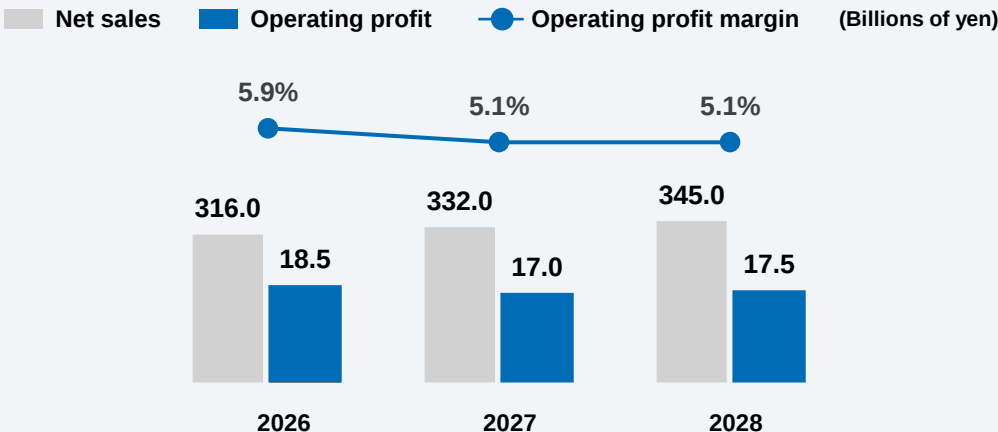
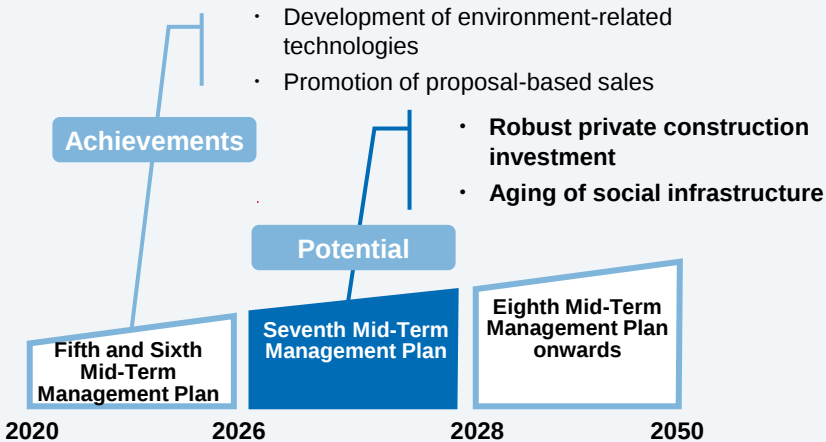
- Enhancing the technical expertise of young engineers, training construction personnel at partner companies

Collaboration within the Sekisui House Group

- Developing construction engineers through mutual exchange of human resources

Improving productivity

- Upgrading construction sites through utilization of construction DX



ESG

- Contributing to a decarbonized society through development of environmental technologies
- Improving on-site environments and resolving the shortage of engineers through construction DX

Environmental technologies

Contributing to solving social issues through technical proposal capabilities

Social implementation of unique environmental technologies



Tunnel lining rehabilitation method “Relining method”



PFAS degradation treatment technology



CO₂ capture and utilization (CCU) material “Kcal®”

Ratio of sales from environment-related construction projects to net sales

Results during the Sixth Mid-Term Management Plan: 20%

FY2030: 30%

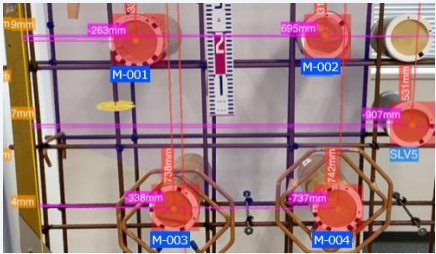
Construction DX

Driving evolution across the entire construction industry through DX

Introduction of new technologies utilizing AI and robotics



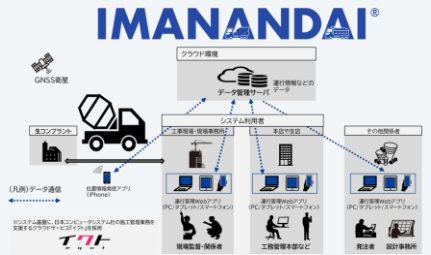
Quadruped on-site inspection robot “KOCORo”



Construction accuracy management using AR (Penetrating sleeve inspection system)



Construction automation using robots (Surface treatment work for seismic reinforcement of bridge piers)



GPS-based ready-mix concrete truck operation management system IMANANDAI®

Business Policy and Strategy

Making Sekisui House Sha Maison PM Japan's premier property management company

Maximizing owner's asset value

Maximizing profit through high occupancy rates and appropriate rent

- Optimal rent setting leveraging the Group's expertise and data
- Increasing profit and extending useful life through remodeling and renovation

Further improving resident satisfaction

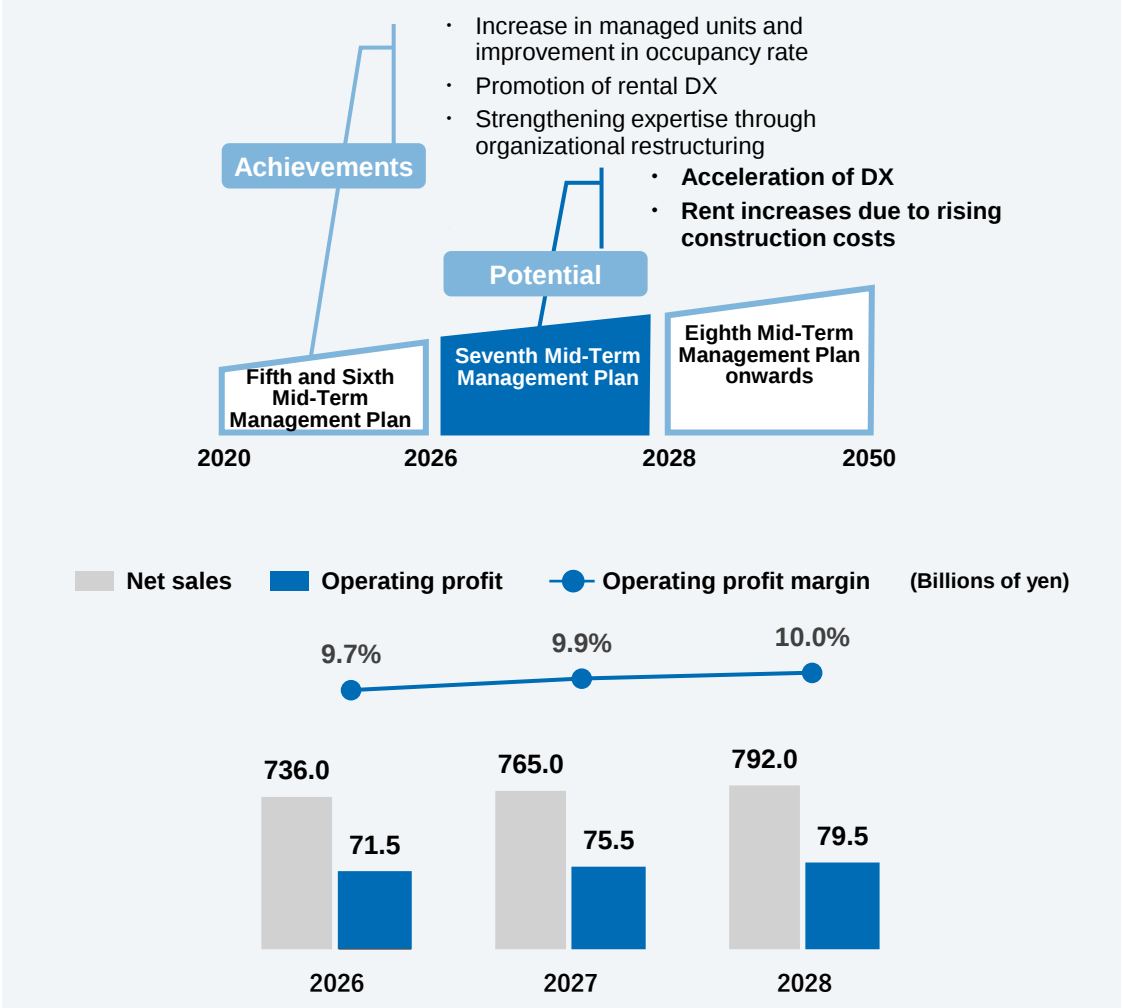
Enhancing convenience and expanding services

- Stress-free move-in process (online application and contract, self-guided property tours)
- Blockchain-based procedures for daily life infrastructure services
- Providing diverse services including residents being able to sell excess electricity

Improving profitability

Brand utilization and DX promotion

- Strengthening finding residents in-house by leveraging the Sha Maison brand
- DX-driven labor-saving of management operations



ESG

- Creating and maintaining a comfortable living environment through optimal management services
- Extending building life through proper maintenance

Maximizing profit of managed properties, efficient management through cutting-edge rental management models

Operating profit

(Billions of yen)

- Providing a new home-search service through self-guided property tours
- Providing services for residents using blockchain
- Smartphone-based electronic agreement service for completing rental agreements

49.9

2023

56.5

2024

68.7

2025

79.5

2028

Number of units under management

①

②

Occupancy rate

③

Improvement of efficiency

Sixth Mid-Term Management Plan

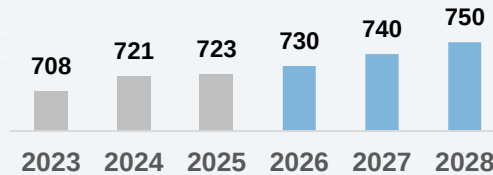
Seventh Mid-Term Management Plan

① Number of units under management

- Further increase in the number of managed units
 - Expanding the supply of high-value-added SHM in S/A areas
 - Maintaining and expanding the SHM leasing ratio for newly built properties

Number of units under management

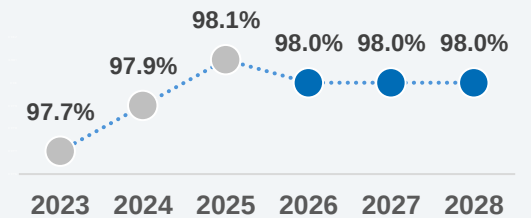
(Thousands of units)



② Occupancy rate

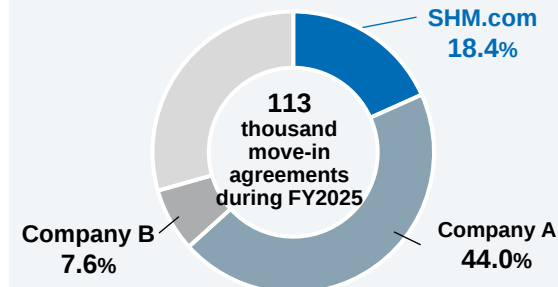
- Maintaining a high occupancy rate at 98%
 - Expanding SHM housing stock in prime locations through area strategy
 - Continuing thorough after-sales maintenance

Occupancy rate



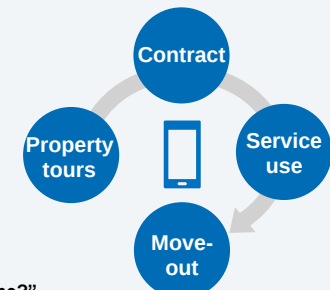
③ Improvement of efficiency

- Cost reduction through increased occupancy via SHM.com



Note: Survey "Which website was the most helpful when searching for a home?"

- Operational efficiency through digital technology
 - Labor reduction, significant reduction in paper documents



Business Policy and Strategy

Further enhancing the value of high-quality housing stock

Detached houses

Further strengthening customer base through expansion of touchpoints

- Strengthening long-term inspection system by a dedicated after-sales service organization
- Expanding maintenance, equipment replacement, and new installation projects

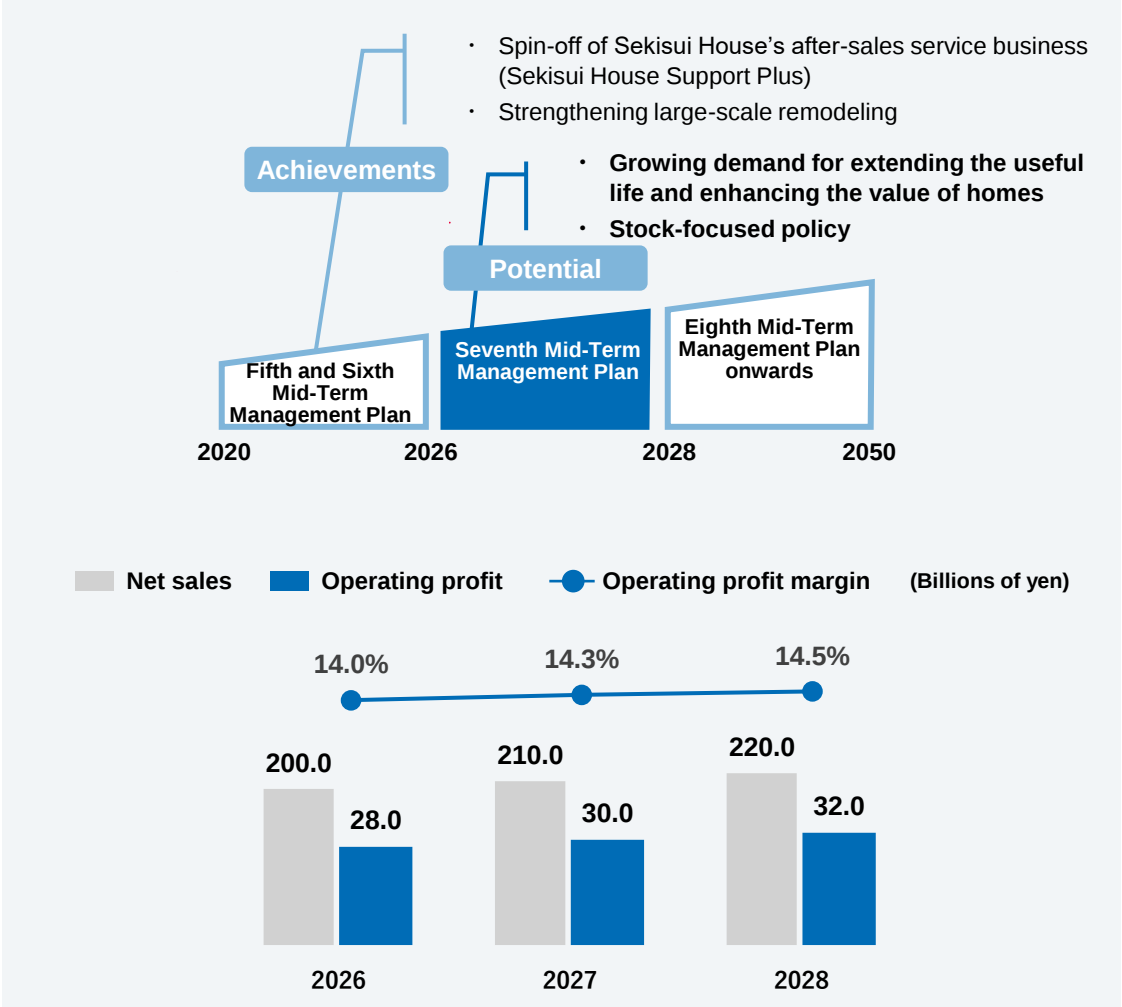
Enhancing housing stock value through proposal-based and environmentally friendly remodeling

- Promoting renovations tailored to changing lifestyles
- Providing environmentally friendly, healthy, and comfortable living spaces

Rental housing

Promoting value-enhancing renovations

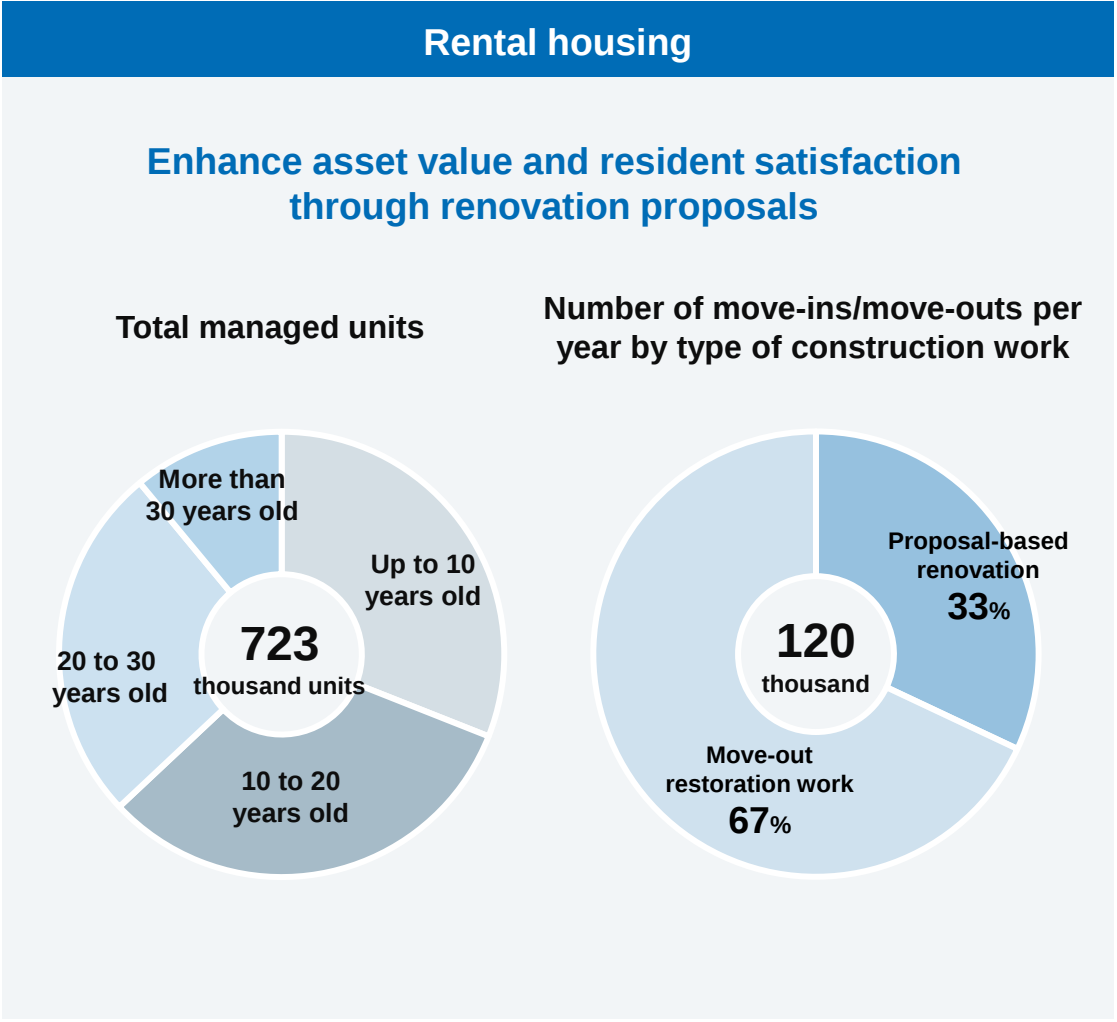
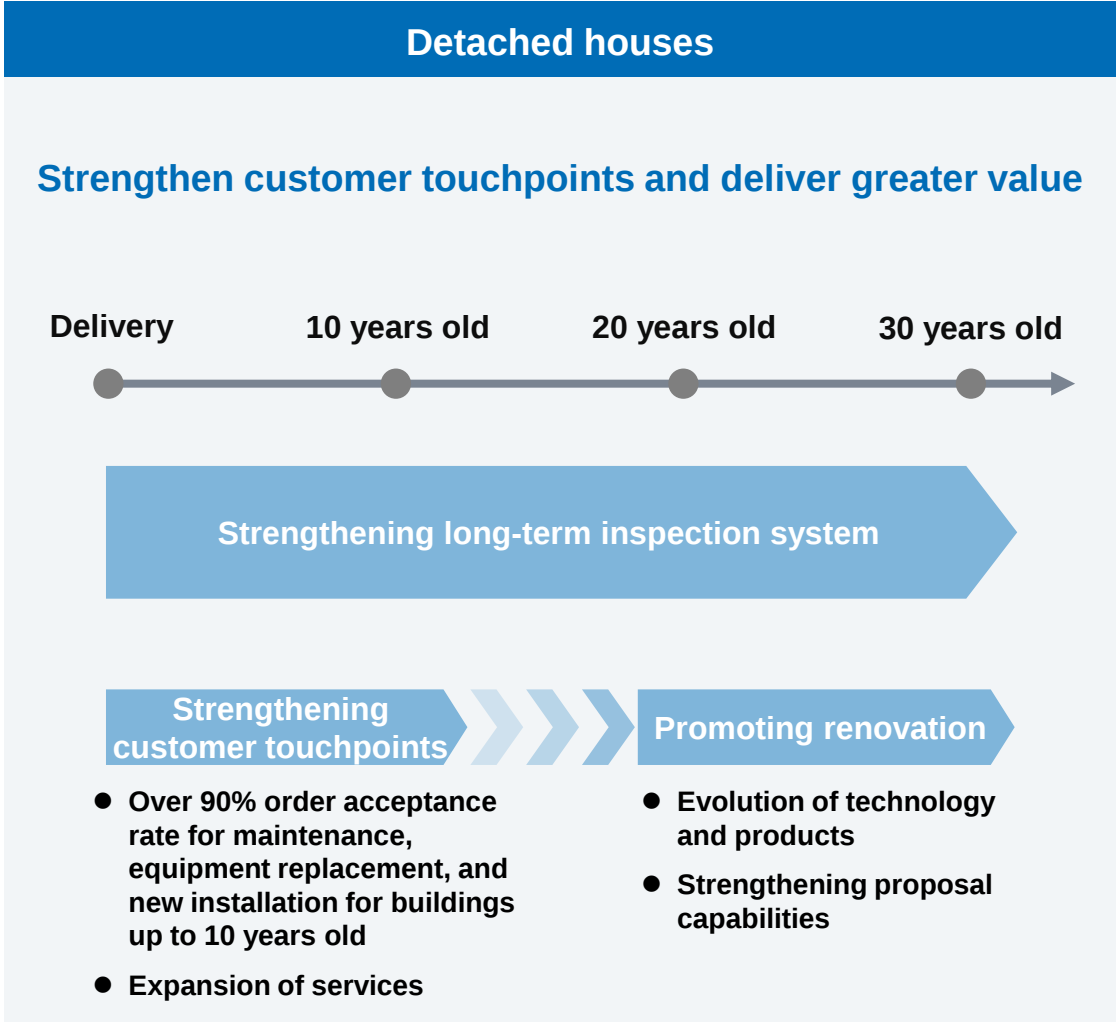
- Working to increase rents and maintain high occupancy rates by creating high-quality housing environments through proposals that reflect trends
- Proposing full renovations (interior, exterior, exterior construction) aimed at maximizing asset value and extending the useful life of the entire building



ESG

- Contributing to supplied housing society by extending the useful life of existing houses
- Reducing environmental impact through energy-saving renovations
- Proposals contributing to improvement of quality of life according to each life stage

Promotion of renovation



Development Business | Real Estate and Brokerage

Business Policy and Strategy

Providing a broad range of real estate solutions that leverage our strengths in housing

Strengthening procurement and sales of residential land

Strengthening procurement and expanding sales of prime real estate in key strategic areas

- Precise property selection based on discernment cultivated through extensive experience
- Strengthening land sales for the Company's prospective homeowners
- Meeting diverse needs with a wide variety of properties using our nationwide network

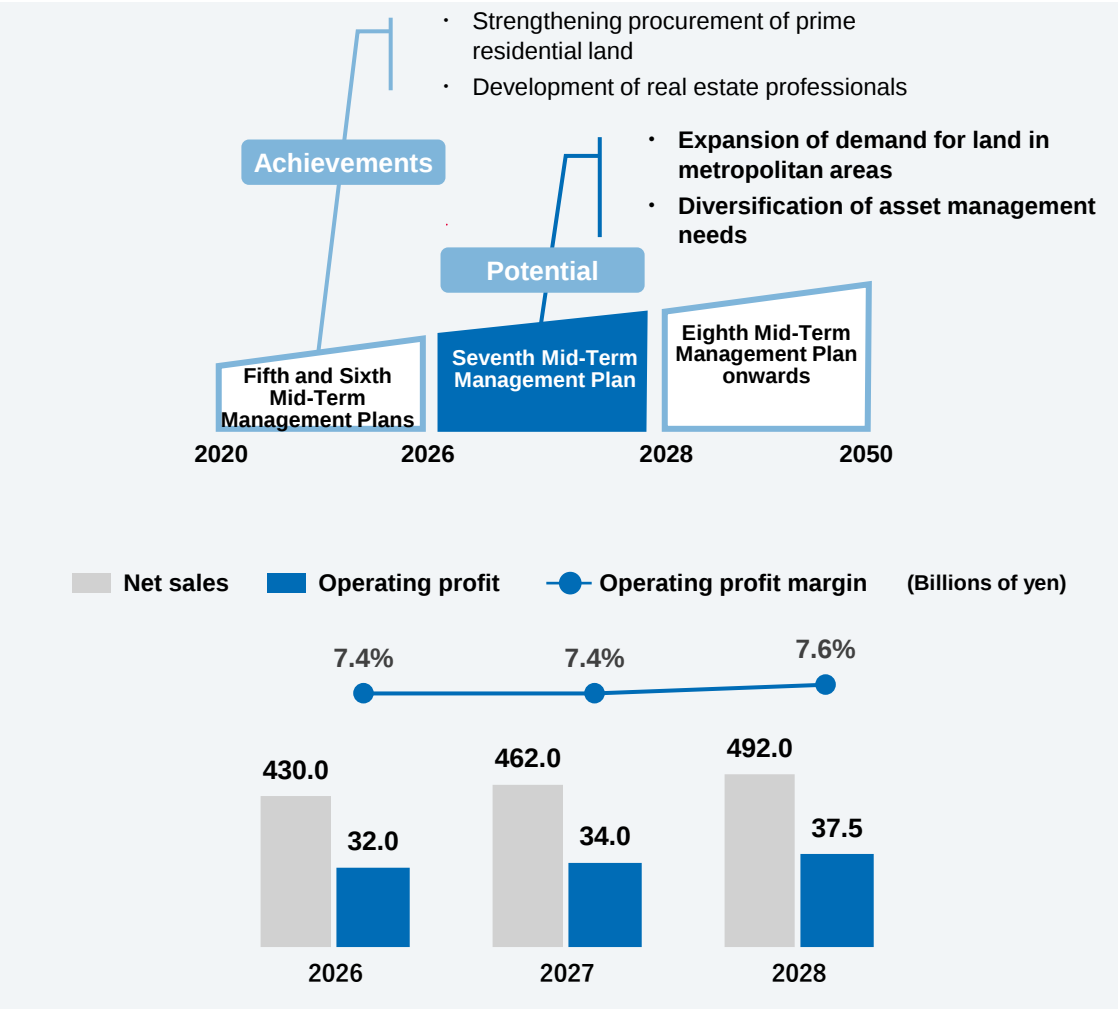
Strengthening corporate sales

- Enhancing the ability to uncover needs through the development of corporate sales human resources
- Pooling Group-wide capabilities to strengthen our ability to provide corporate real estate solutions

Strengthening noie
ready-built detached housing business

Supplying Sekisui House quality ready-built detached houses in carefully selected locations

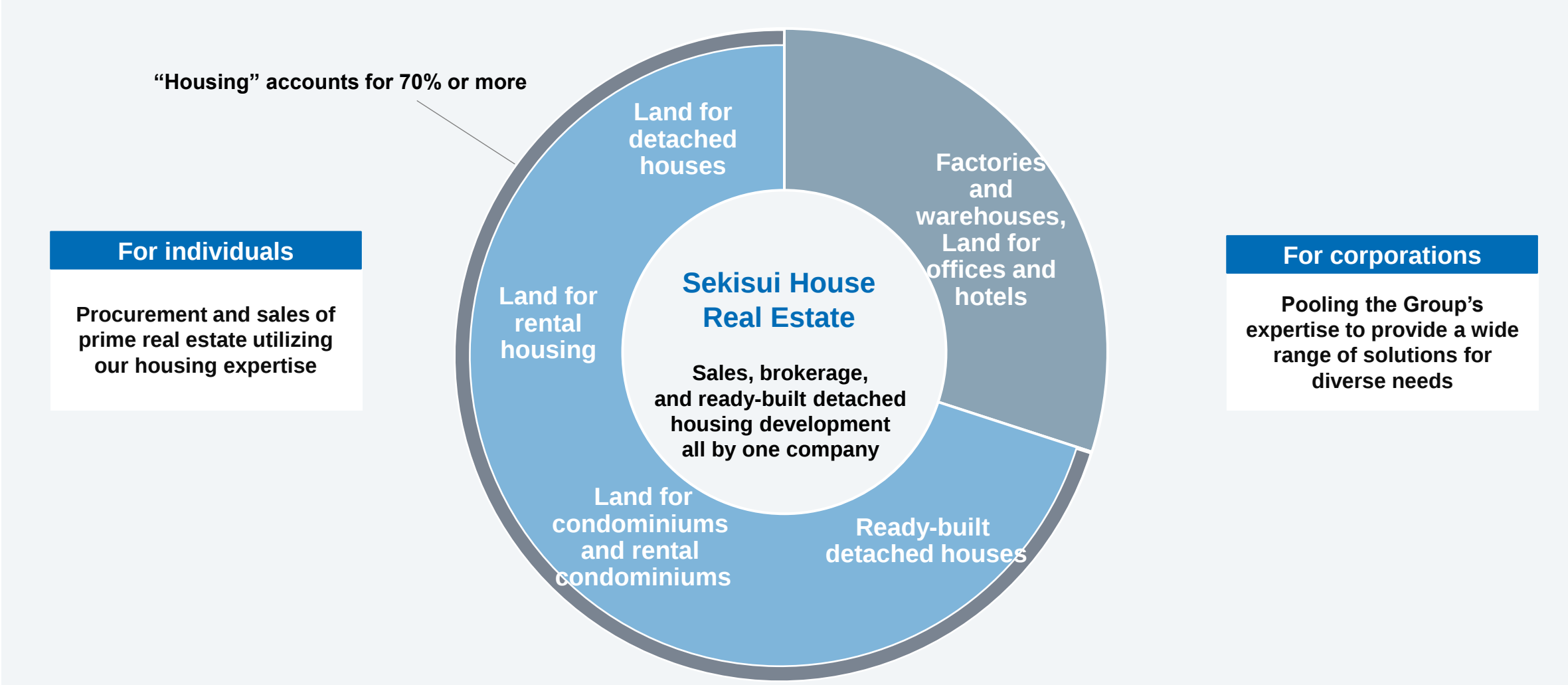
- Direct joint construction method for housing that offers safety and peace of mind
- Carefully selected locations offering safety, superior convenience, and high asset value
- Lifestyle proposals tailored to the needs of families with young children



ESG

- Providing a happy lifestyle through prime land and comfortable housing
- Promoting the circulation of existing housing using housing history information

Providing optimal real estate solutions for diverse demands centered on housing



Business Policy and Strategy

Building value connecting to the future of cities and rural areas as a living environment design company

Urban redevelopment of four main metro areas

Residential (short-term turnover assets)

- Expansion of pipeline (GRANDE MAISON and Prime Maison)
- Further improvement of brand value
 - Supplying high-asset-value properties in select areas
 - Expanding Sekisui House's fan base through the new base (GM BASE)
 - Promoting the development of unparalleled, high-value-added housing suitable for the area

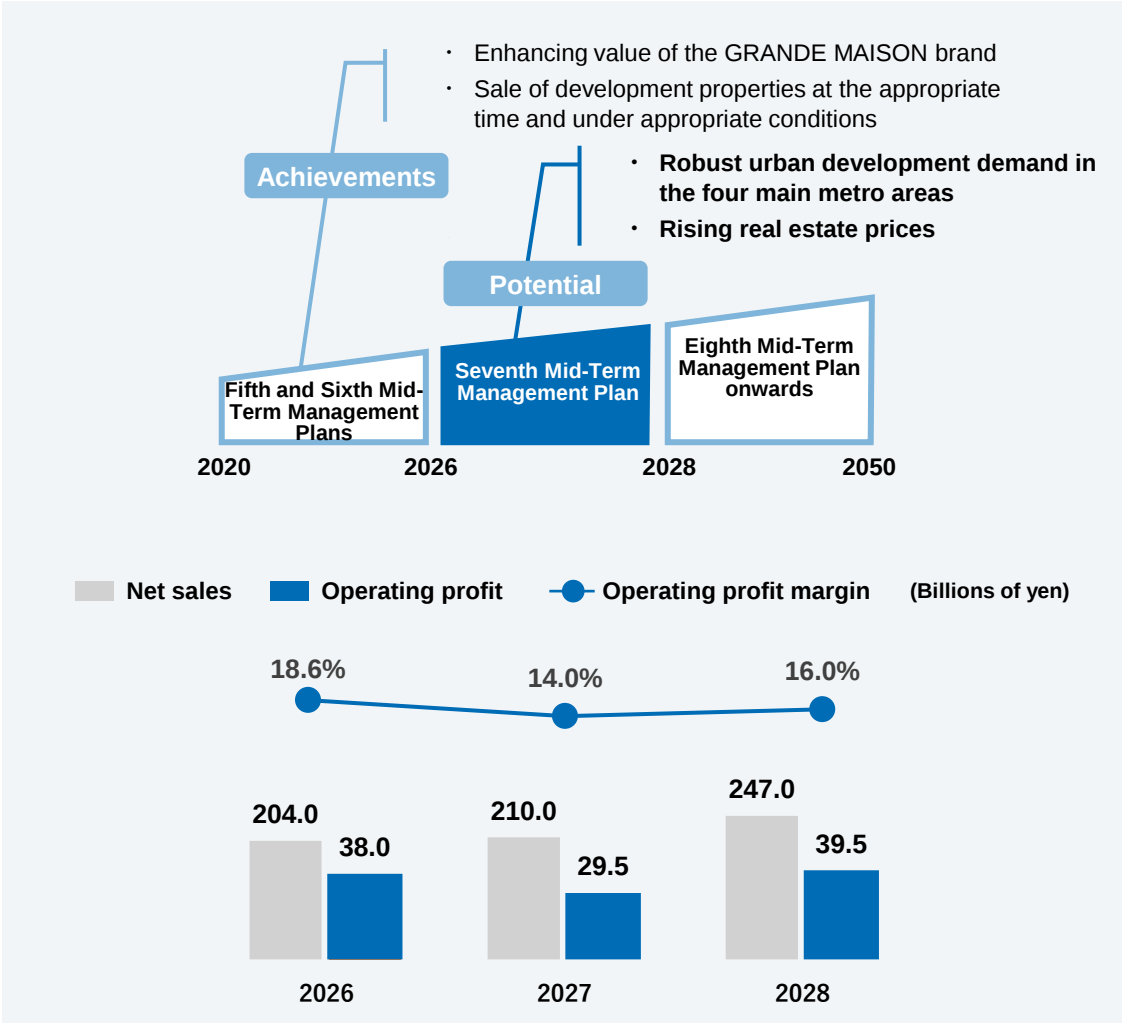
Non-residential (medium- to long-term turnover assets)

- Enhancing asset value by improving the profitability of owned office and hotel properties

Regional revitalization facilities

- Promoting regional revitalization hotel business centered on the Trip Base Michi-no-Eki Stations Project (development of accommodation facilities at roadside stations)
- Improving the living environment through collaboration with local governments, etc.
 - Housing to promote relocation and permanent residency, public housing, police boxes and substations, government dormitories, university dormitories
 - Hospitals and clinics, nursing and welfare facilities, parks, community development

Development that contributes to regional revitalization



ESG

- Promoting decarbonization and strengthening disaster resilience through ZEH-M and renewable energy adoption
- Energizing regional economies through the regional revitalization business

Further improvement of brand value

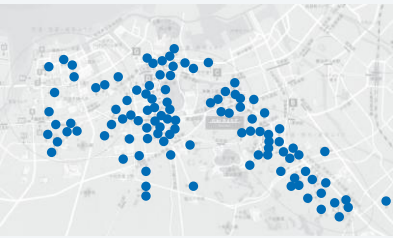
Area marketing

Supplying high-asset-value properties connecting to the future in select areas

Examples of areas

Osaka: Uemachi Daichi

Fukuoka: Area around Ohori Park
Momochi area
Josui area



● GRANDE MAISON

New base: GM BASE

Expanding Sekisui House's fan base with GM BASE as the hub



A place for new encounters in the community and for further deepening bonds

Touchpoints with existing customers

Homeowner events

GM BASE

(Tokyo, Nagoya, Osaka, Fukuoka)

Brand communication

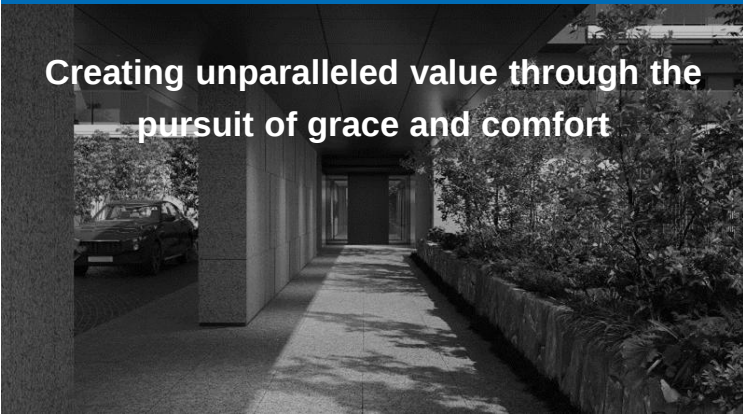
GRANDE MAISON
experience at permanent
model rooms

Local community

- Interaction through facility use
- Promoting regional culture and arts

High-value-added housing

Creating unparalleled value through the pursuit of grace and comfort



Long-life quality housing / ZEH

Measures against deterioration

Living environment
(insulation, power-saving)

Variability

Ease of maintenance and updates

Barrier free

Disaster preparedness (resilience)

GRANDE MAISON

The Philosophy of Craftsmanship

Reading the land

Respect for the history of the land and town

Reflecting feelings

Deep empathy for residents

New value creation

Creation of unparalleled homes

Overseas Business | Strategies for Each Business



MDC acquisition & platform development

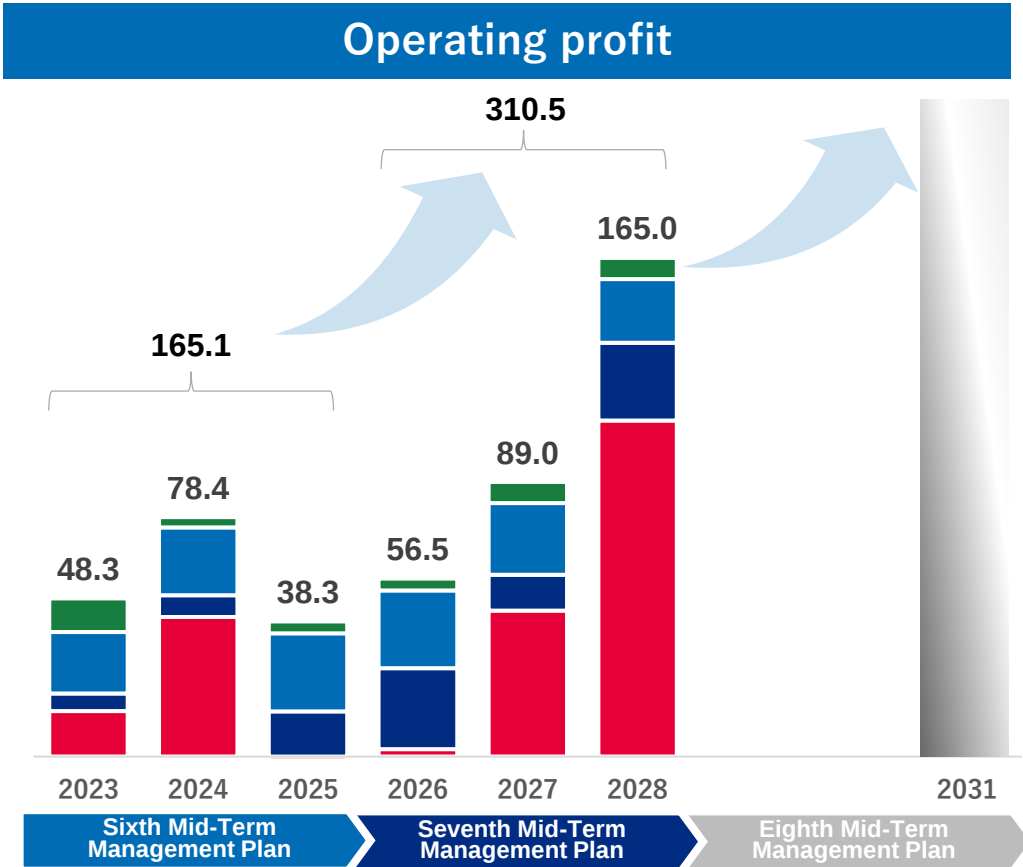
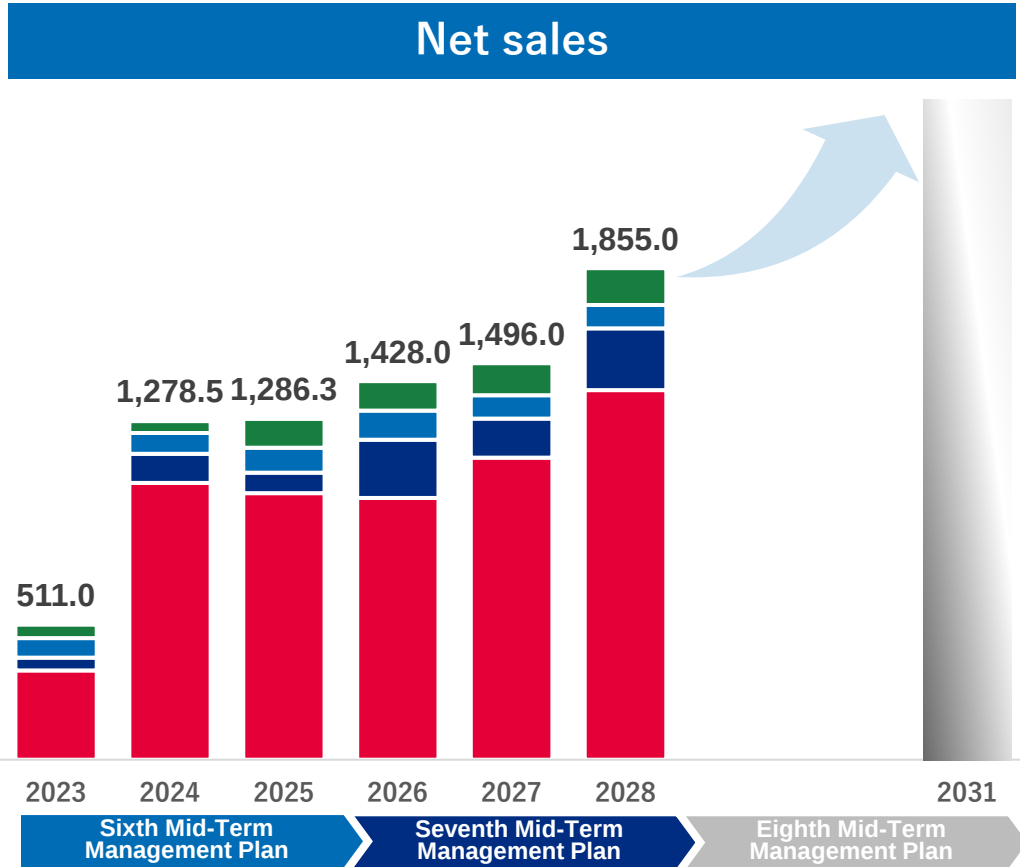


U.S.			Australia	Singapore
Homebuilding	Master-planned community (MPC)	Multifamily (MF)	Homebuilding / apartment & mixed-use development	Condominium development
Two-brand strategy - Develop New 2×4 and SHAWOOD products - Transfer Sekisui House’s quality standards and value-based sales approach 	Maintaining asset scale and profitability Build high-quality MPCs with partners and transfer them to SHUS 	Portfolio rebalancing - Sell properties held - Reinvest in high-turnover properties 	Establishment of product brands - Establish the SHAWOOD brand by launching the KOKAGE LOUNGE flagship model - Launch GRANDE MAISON branded project  (Sample image)	Investment in high-quality projects Strengthen collaboration with existing partners and develop new partnerships 

Strengthening earnings

Accelerating the transfer of Sekisui House technologies in the U.S. homebuilding business

■ U.S. homebuilding business ■ U.S. multifamily business ■ U.S. master-planned community business ■ Australia business (Billions of yen)



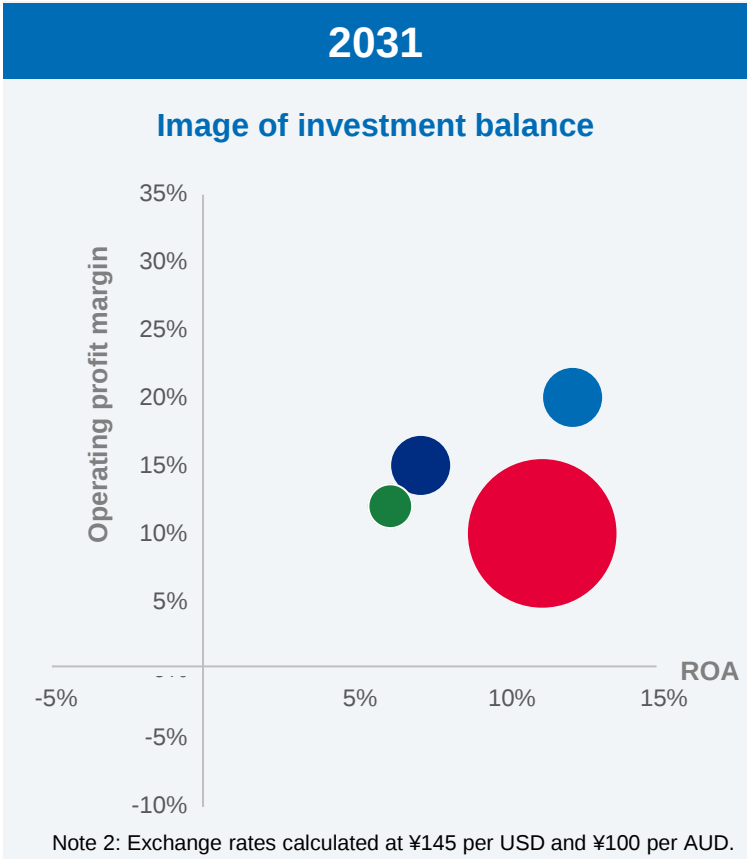
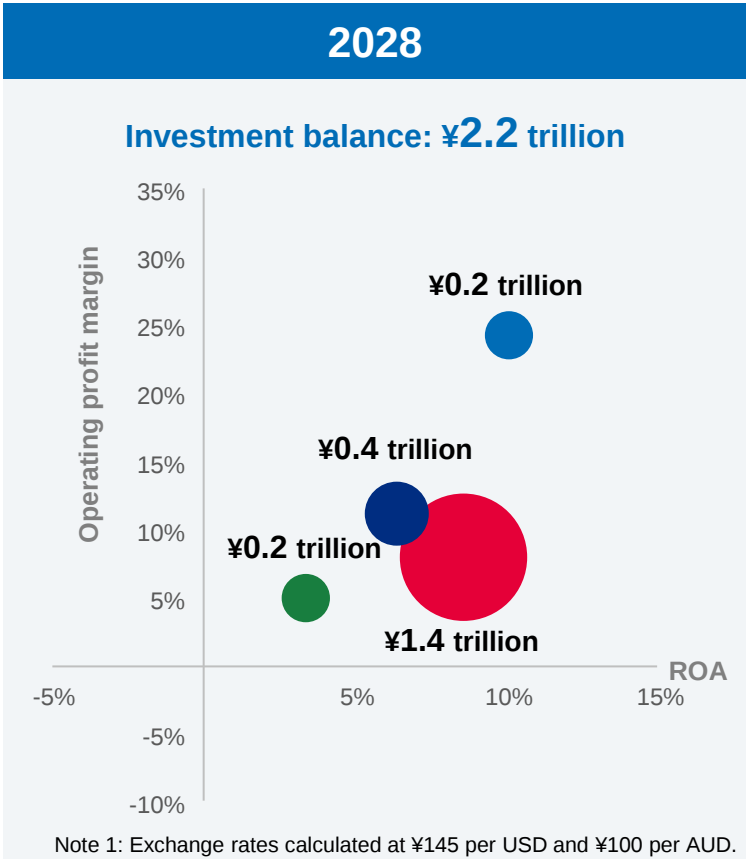
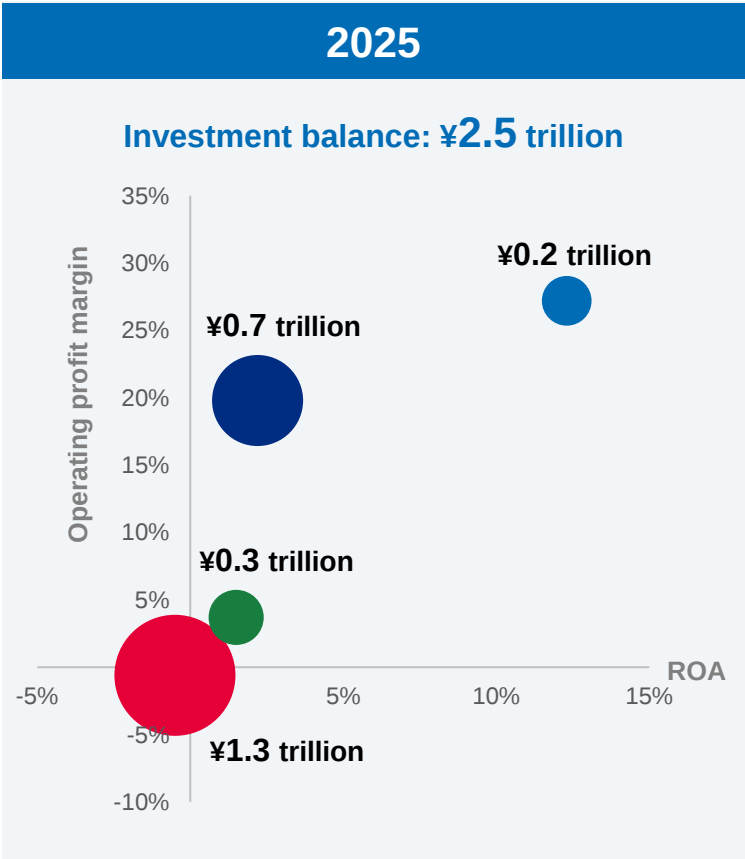
Note 1: Beginning in FY2026, a portion of head office expenses previously recorded under “Eliminations and back office” will be allocated to the respective businesses to which they belong. The above figures are presented after the reclassification.
Note 2: From 2026 onwards, exchange rates will be calculated at ¥145 per USD and ¥100 per AUD.

Rebuilding the business portfolio

Reduce U.S. MPC, U.S. MF, and Australia business assets to build a lean portfolio centered on the U.S. homebuilding business

■ U.S. homebuilding business ■ U.S. multifamily business ■ U.S. master-planned community business ■ Australia business

(Size of circle represents investment balance)



Overseas Business | U.S. (Homebuilding Business)

Business Policy and Strategy

Launch of Sekisui House US as “One Company”

Product

Price

Place

Promotion

People

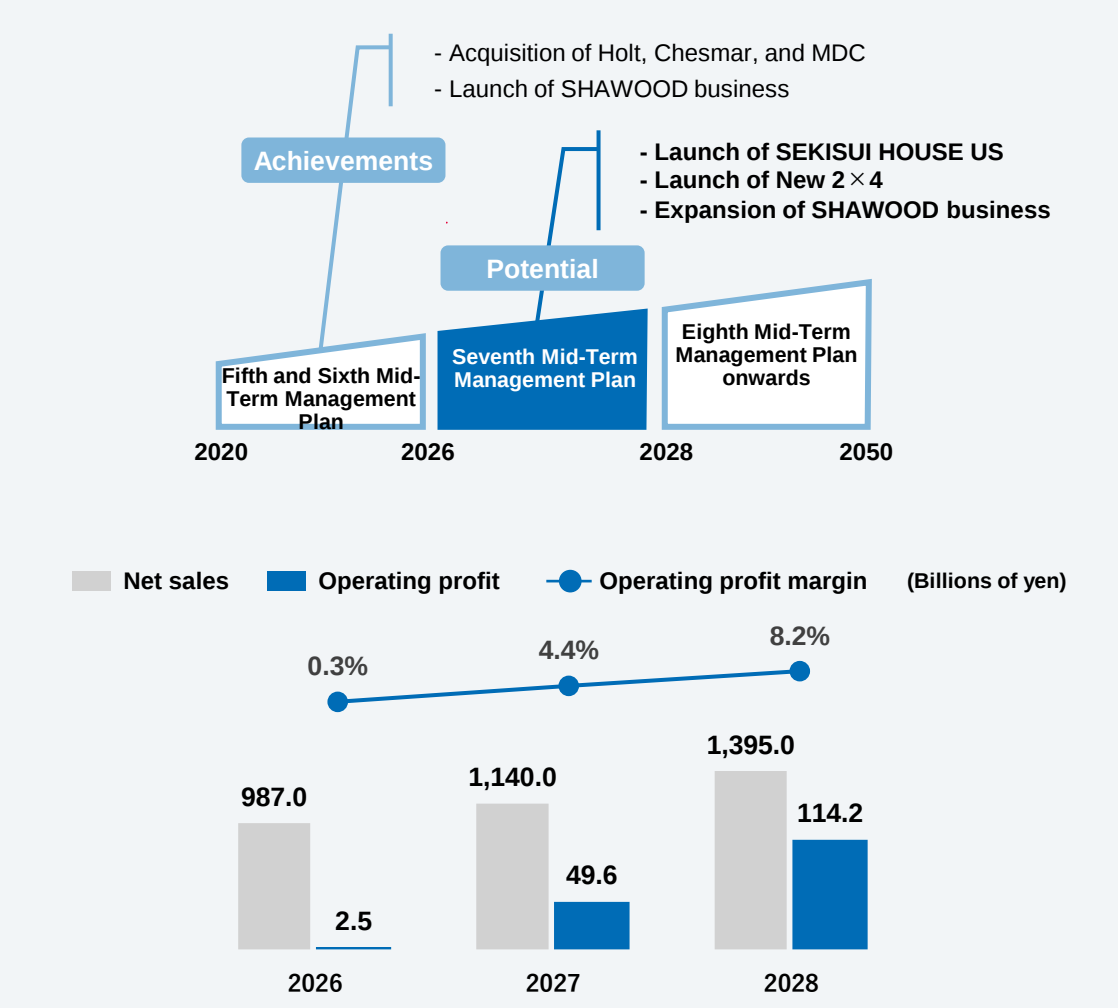
- Technology transfer (design, construction, component quality)
- New 2 × 4 and SHAWOOD product development

- Shift toward mid-range to high-end lines
- Lifetime value-based pricing

- Acquisition of land suitable for the two brands
- Land acquisition methods to enhance ROA

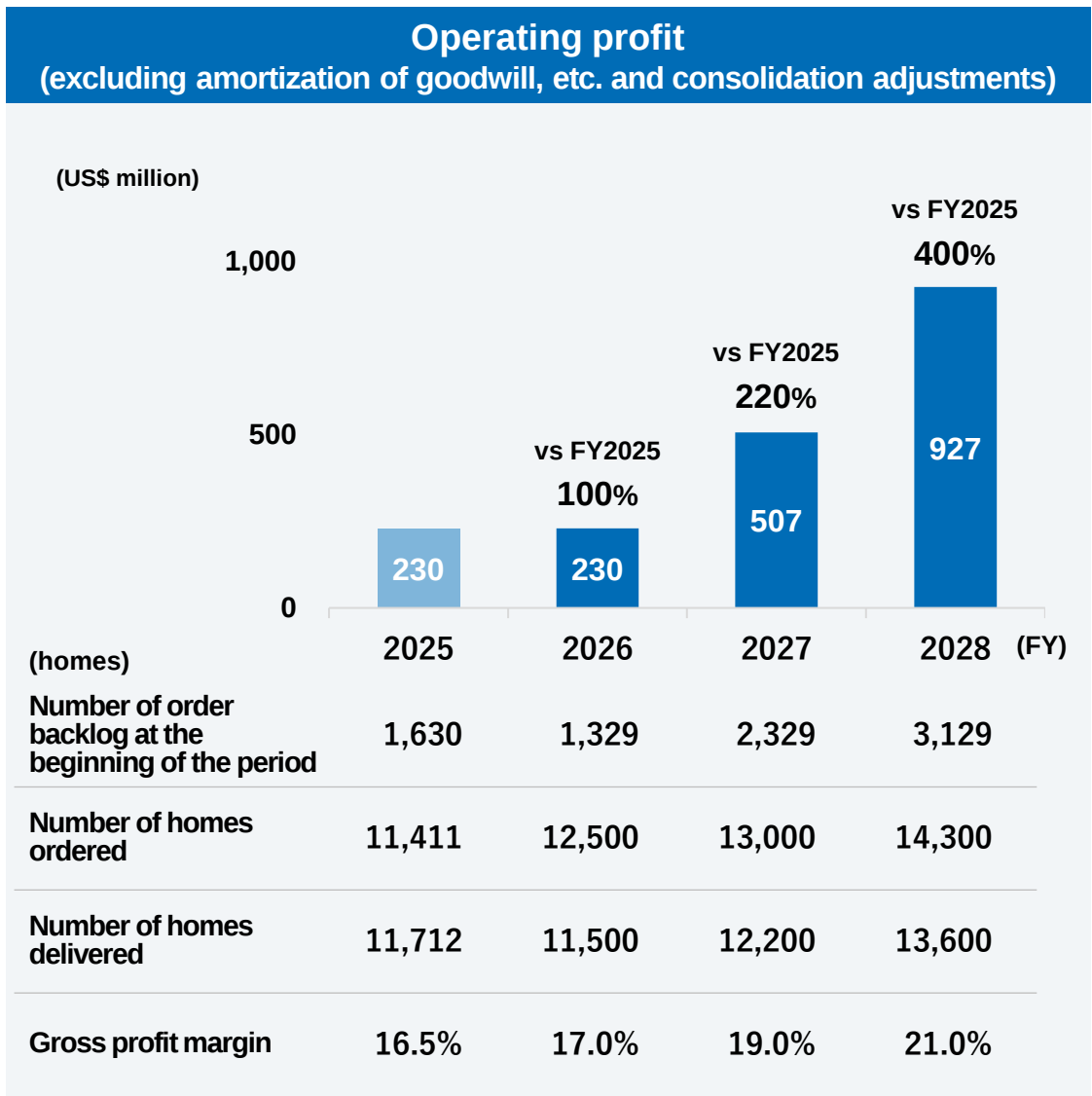
- Building a foundation for CRM strategy
- Renewing promotion strategies to deepen product brand penetration

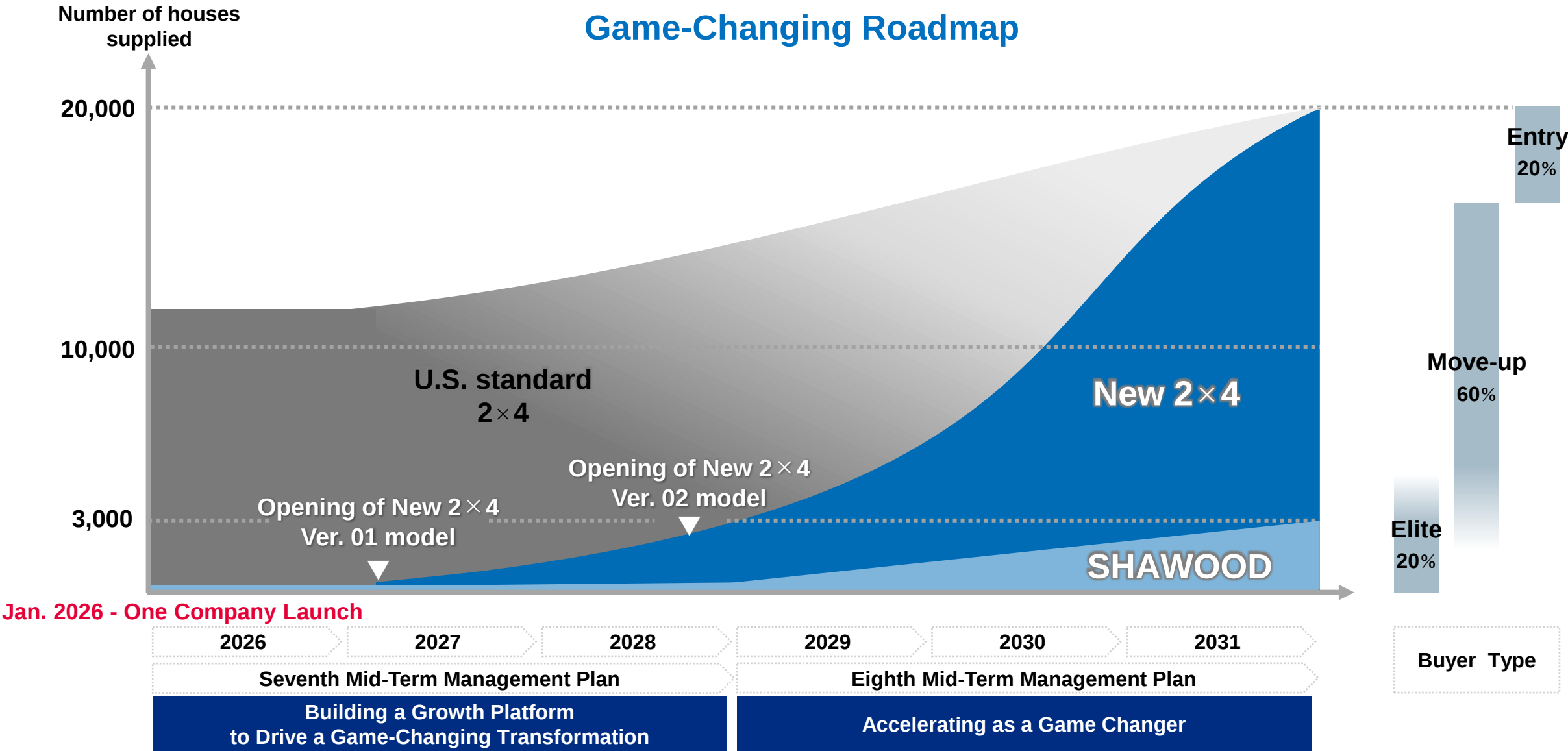
- Instilling our corporate philosophy
- Establishing employee development systems and award systems

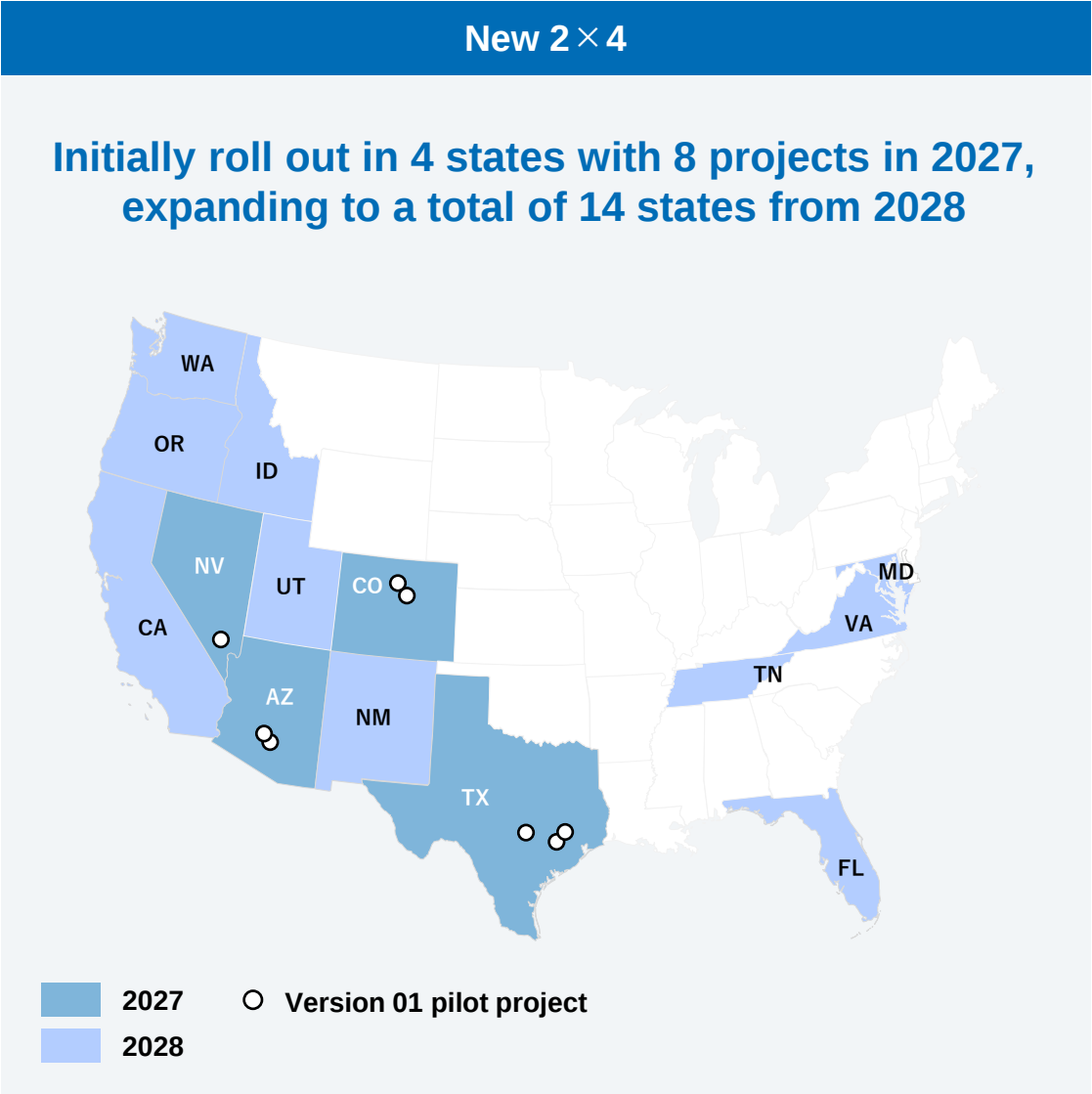


ESG

- Improving housing quality through the promotion of highly durable, high-performance homes
- Addressing housing shortages and supporting diverse lifestyles
- Technology transfer through hiring and training local human resources







Business Policy and Strategy

Reinvest in high-turnover master-planned community and multifamily projects to build a robust portfolio

Master-planned community (MPC)

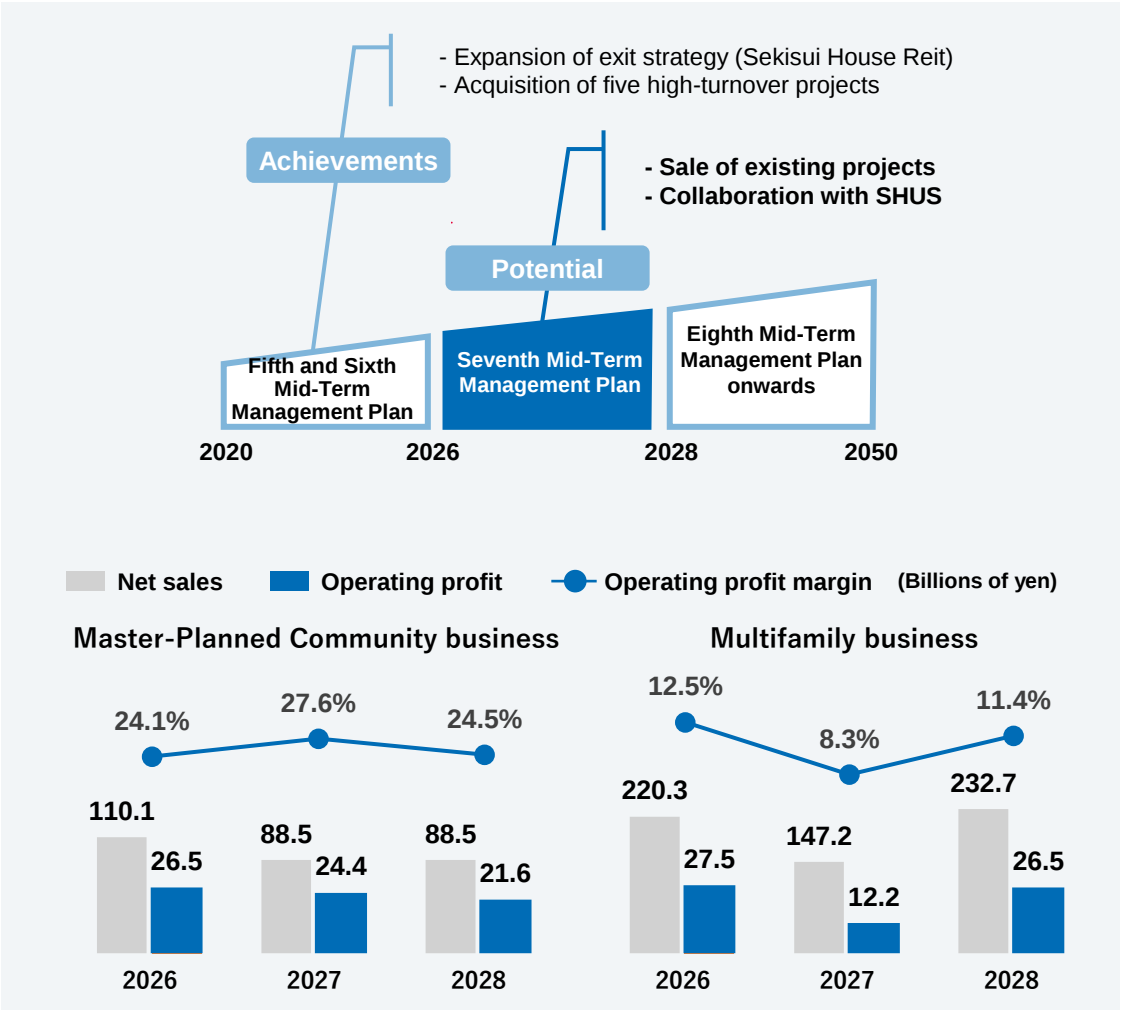
Securing high profitability by maintaining asset balance and strengthening Group collaboration

- Expanding investment in high-quality projects and maintaining asset balance at ¥200 billion
- Strengthening SHUS detached housing sales in MPCs held by NASH

Multifamily (MF)

Reducing asset balance through sale of projects held and investment shift to high-turnover properties

- Strengthening exit strategies
- Shift toward high-turnover properties, primarily low- to mid-rise properties

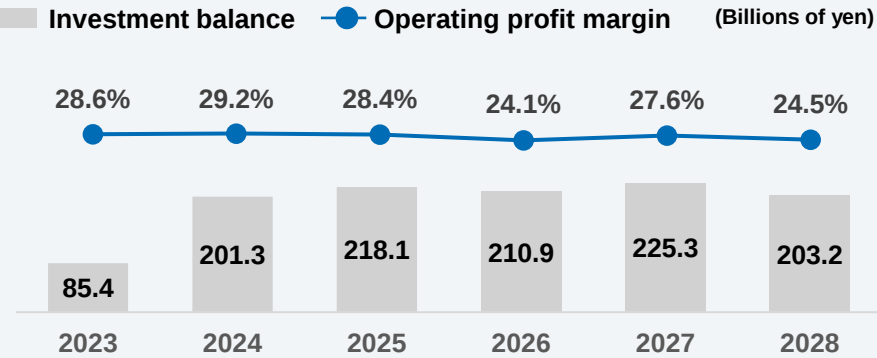


ESG

- Promoting low-environmental-impact urban living through the provision of high-quality housing
- Building communities in harmony with local landscapes and cultures

MPC Business

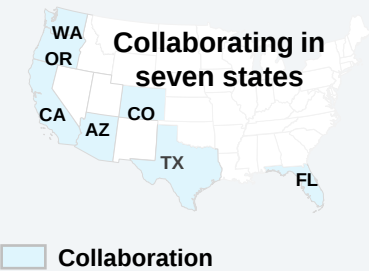
Maintaining high profitability while maintaining asset balance



Strengthening collaboration between NASH and SHUS

SHUS detached housing sales in MPCs held by NASH

Collaboration status (as of March 2026)



Collaboration percentage

Target for the Seventh Mid-Term Management Plan

20%

[Results during the Sixth Mid-Term Management Plan: 13%]

MF Business

Examples of owned properties



② The Lark Uptown



③ West



④ The Kingsman

Overseas Business | Australia and Singapore

Business Policy and Strategy

Australia: Establishment of product brands
Singapore: Continued investment in high-quality projects

Australia Homebuilding business

Establishment of range-based strategy

- Launch KOKAGE LOUNGE as the SHAWOOD flagship within the premium range, and implement promotional activities
- Aim to secure volume in the standard range, and highlight SHAWOOD's value (construction, component, and design quality)

Australia Apartment & mixed-use development business

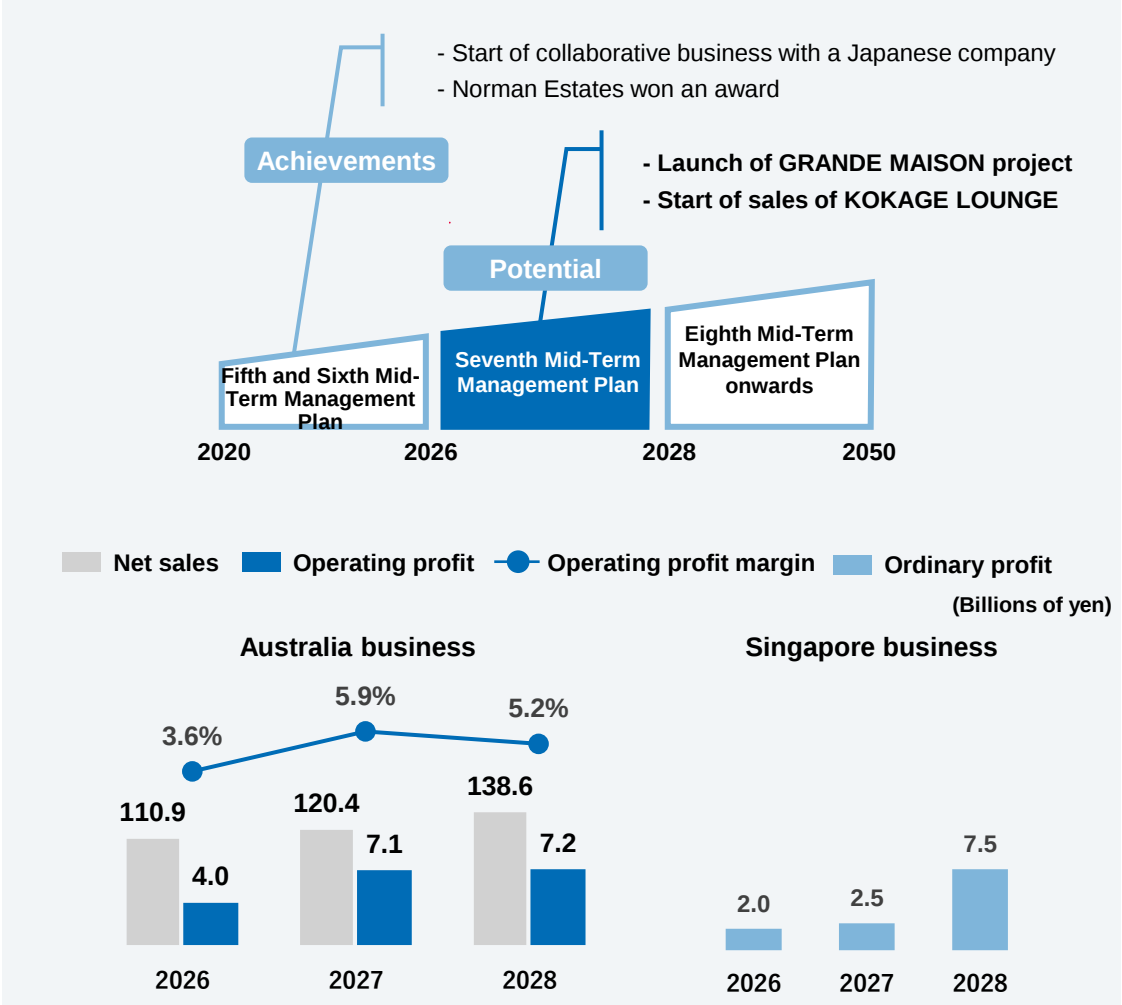
Start of GRANDE MAISON (GM) project

- Products: Redevelop design and construction guidelines to ensure quality
- Land: Select and acquire appropriate areas
- Sales: Plan sales locations and systems that convey GM's value

Singapore Condominium development business

Strengthening partnerships and ensuring stable earnings

- Strengthening collaboration with existing partners and exploring new partnerships
- Promoting steady progress of existing projects and examining new high-quality projects



ESG

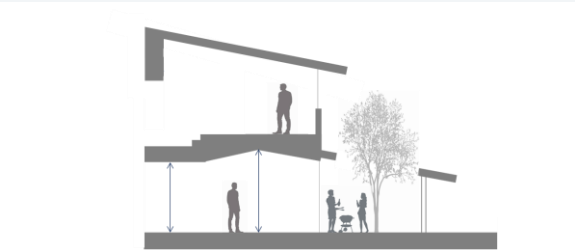
- Supply of high-quality, high-performance housing and urban development
- Ecosystem conservation and greening for urban development in harmony with nature
- Value co-creation through strengthening of partnerships

Australia Homebuilding Business

**Providing KOKAGE LOUNGE as the
flagship of the premium range**
- Opening of model home in 2027 -



**Section plan utilizing the site's feature of
receiving direct sunlight**



**The interior and exterior connect seamlessly
on the first floor under a large roof**

Australia Apartment & Mixed-Use Development Business

Start of GRANDE MAISON project

- Implement the philosophy of GRANDE MAISON in property design, development, and sales methods to differentiate from competitors
- Revise design and construction guidelines to achieve GRANDE MAISON quality



Singapore Condominium Development Business

Strengthening partnerships and ensuring stable earnings

- Continue close partnerships with prominent partners
- Search for partners with understanding of our investment policy and explore new projects



2-3 Corporate Strategy



Become a leading company in ESG management creating new value

Quality First

Creating beautiful, high-quality housing stock

Green First

Contributing to a sustainable society

Kids First

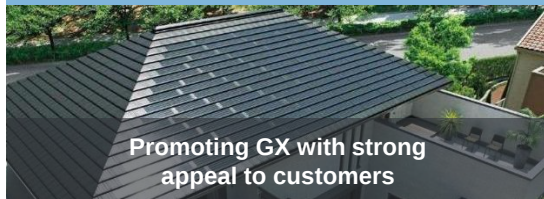
Fostering children's rich emotional and sensory development and sense of happiness



Creating environmental impact and global expansion through collaboration with stakeholders

Green First

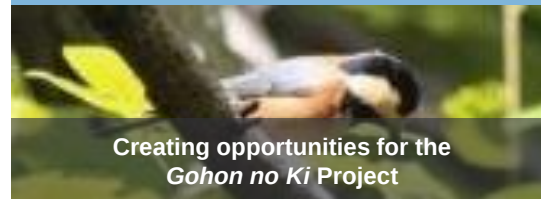
Decarbonization



Promoting GX with strong appeal to customers

- Further promoting Sha Maison ZEH where residents can sell excess electricity
- Creating customer value with ZEH to lead green transformation (GX)
- Reducing whole-life carbon emissions through collaboration with suppliers

Biodiversity



Creating opportunities for the Gohon no Ki Project

- Landscape planting proposals for customers and social advocacy utilizing evaluation results of nature-positive and well-being effects

Circular economy



Building sustainable supply chains and a circular economy foundation

- Risk analysis-based due diligence of procurement sources and promotion of supplier engagement
- Promoting DCF (deforestation- and conversion-free) timber
- House to House Project: Industry-academia research and promotion structure, establishment of evaluation guidelines and metrics

Global



Promoting energy efficiency and energy generation in U.S. and Australian homes (Detached houses)

- Business growth through synergy creation between sales strategy and environmental technology transfer
- Building a proposal process to optimize regional energy-saving and energy-generating value propositions and to facilitate customer buy-in

Leading initiatives in the Fifth and Sixth Mid-Term Management Plans



ZEH for detached house and Sha Maison



Developing foundations for promoting ZEB



Procuring renewable energy from customers



Gohon no Ki Project nature-positive quantitative assessment



Launch of House to House project

Creating value that nurtures a happy future

Quality First

Kids First

Co-creation and preservation of residential environment value



- Making technologies available and proactively expanding the skeleton and infill business
- Training and creating employment for housing construction workers

Enhancing community value and appeal



- PRE business contributing to solving community issues
- Promoting tourism and interaction through the Trip Base Michi-no-Eki Stations Project

Global



- Global transfer of Sekisui House technologies
- Lifestyle proposal design utilizing PSS

Support for emotional and sensory development



- Research and development of housing proposals that nurture emotional and sensory development
- Housing and urban development from a child's perspective
- Expansion of opportunities for children to engage in meaningful experience

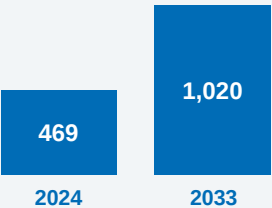
Kids First co-creation



- Immersive experiences at JUNOPARK housing "edutainment" facility
- Startup co-creation and social outreach

Crafters system

Started strengthening recruitment and training



Sekisui House Carpentry Competition (WAZA)



Creating children's happiness together with society



Kids design research



2018 Paternity leave



2019 Paternity Leave Forum



2025 JUNOPARK

Maximizing value creation by enhancing human capital value

Autonomy of employees

Supporting self-directed career development

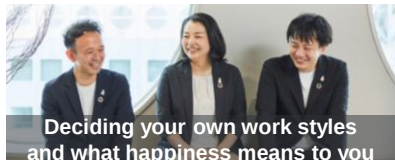
- Strengthening support for self-directed career development
- Creating opportunities for learning and experience
- Group human resource recruitment
- Global challenge support



Choosing your own career path

Building a foundation for well-being

- Supporting work styles and family happiness according to life stages
- Supporting mental and physical well-being and health improvement efforts
- Performance-based evaluation and compensation system



Deciding your own work styles and what happiness means to you

Creating touchpoints with diverse sensibilities

- Understanding diverse perspectives based on communication
- Cross-departmental dialogue and co-creation culture
- Ensuring diversity in decision-making



Keeping an ear out and engaging in repeated dialogue

Creating places for value creation

- Hosting the Sekisui House Innovation & Performance (SHIP) Awards Program
- Promoting participation in social contribution programs
- Expanding business creation opportunities and support in collaboration with InnoCom



Nurturing the seeds of ideas



Alignment of efforts



Japan

- Developing leaders to drive strategy and transformation
- Recruiting and optimally allocating human resources in line with strategies
- Enhancing leadership pipeline

Global

- Sharing philosophy and values through dialogue and empathy
- Global integration of technology transfer and human resource development

Human capital value

The Sekisui House Group is brimming with innovation and communication

The Sekisui House Group's support for employee autonomy, deciding for oneself and taking responsibility to the end



2003 Self-directed career development training



2005 Actively recruiting female sales representatives



2021 HR program reforms (evaluation, compensation, and promotion based on ability and merit)



2021 Sekisui House Innovation & Performance Awards (SHIP)



2022 Internal job posting system



2024 InnoCom Square



2024 SEKISUI HOUSE_SHIP

Strengthening corporate governance through senior management, business management, and global management

Senior management

Further enhancing Board of Directors functions

- Continuing third-party effectiveness evaluations and establishing improvement processes
- Enhancing discussions on risk-taking in Group global strategy

Enhancing management talent pipeline

- Rolling out succession plans to Group companies
- Clarifying the process for appointing for Group company management and determining compensation

Linking sustainability disclosure and governance

- Building a framework to address changes in disclosure standards
- Integrally strengthening governance through group-wide disclosures

Business management

Further strengthening Group governance

- Designing and strengthening governance structure aligned with Group companies

Enhancing risk management

- Enhancing management framework for critical risks such as information security

Global advancement of corporate culture centered on integrity and respect for human rights

- Instilling an Integrity Code aligned with corporate philosophy
- Identifying critical human rights issues and establishing response and consultation systems

Global management

Rolling out Group governance systems on a global basis

- Enhancing corporate functions in place at overseas Group companies

Strengthening global risk management

- Establishing and strengthening risk asset management framework on a global level

Evolution of strengthening governance

- Introduction of a mandatory retirement age of 70 for Representative Directors of the Board
- Appointment of women as outside officers
- Establishment of Management Meetings
- Clarification of departments under the control of Directors of the Board
- Evaluation of the effectiveness of the Board of Directors
- Reform of the approval system
- Confirmation of the independence and strengthening of the check-and-balance functions of the heads of general affairs of headquarters and branches
- Increase in the integrity of branch heads
- Review of the term of office for Directors
- Abolition of the advisor and consultant system

2018 First year of corporate governance reforms

- Increasing the independence and diversity of the Board of Directors
- Appointment of an Outside Director as the Chairperson of the Personnel Affairs and Remuneration Committee
- Appointment of an Outside Director as Chairperson of the Board of Directors
- Appointment of an Outside Director as Chairperson of the Audit & Supervisory Board
- Reform of executive officer system, reform of executive compensation system
- Establishing CEO successor requirements and an education framework for CEO successors
- Enhancement of disclosure of non-financial information (Annual Securities Report)
- Strengthening of Group governance (Promotion of PMI of U.S. homebuilding business, reorganization of domestic Group companies)
- Strengthening the development and appropriate placement of governance personnel, revitalizing the internal reporting and consultation system

2020-2025 Fifth and Sixth Mid-Term Management Plans

New data-driven value creation

- Creating advanced value unique to Sekisui House by combining unparalleled data assets centered on *housing* with cutting-edge IT

Topics

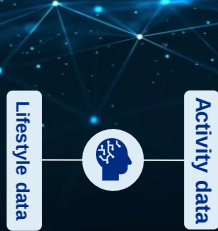
① Group CRM

Creating new experience and value by combining customer data with cutting-edge IT



② PLATFORM HOUSE

Proposing a new vision of “life with personal data”



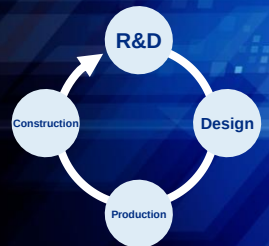
③ Rental housing DX

Improving customer experience value and operational efficiency through digital technology

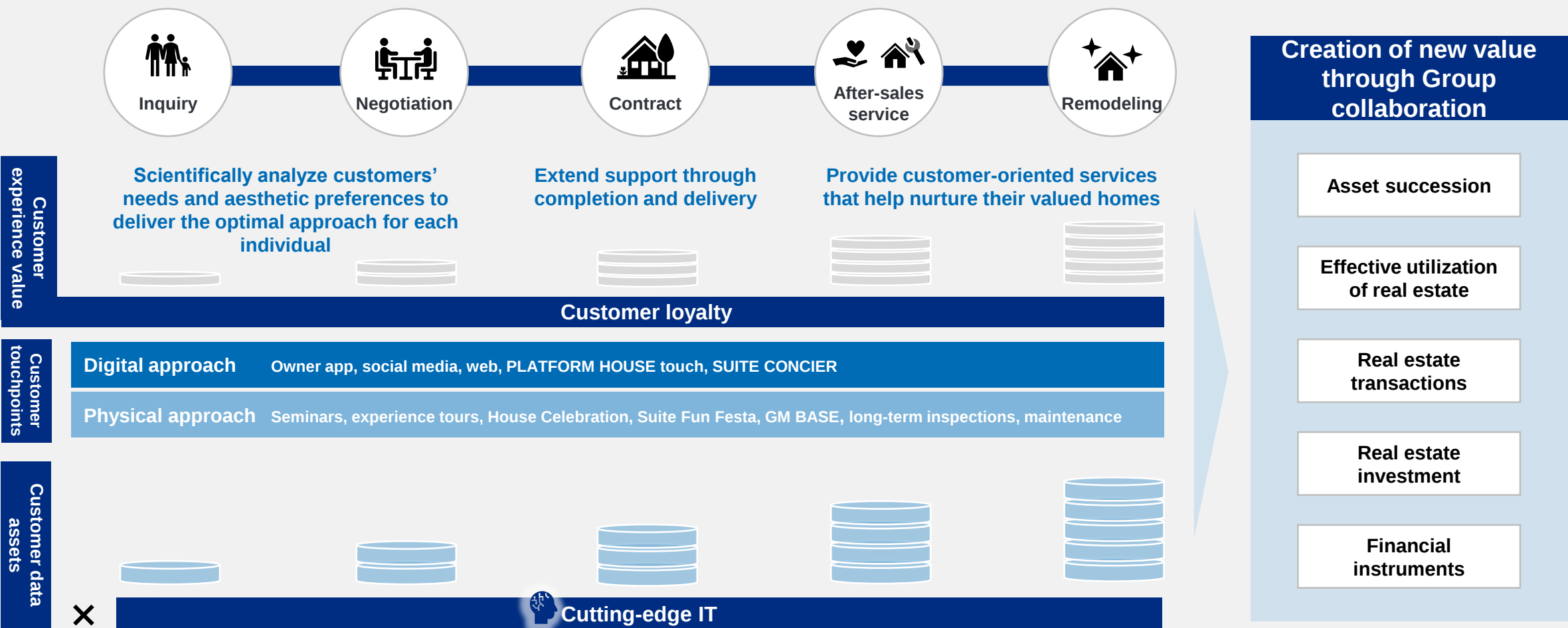


④ Research and development, design, production, construction

Strengthening “technical expertise” and “construction expertise” through the utilization of digital technology



Creating new experience and value by combining Group customer data with cutting-edge IT

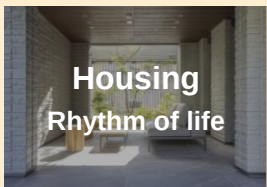


Proposing a new vision of “life with personal data”

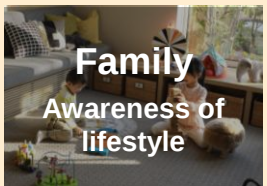
Transforming unique, personalized value for individuals and families into happiness

Lifestyle data

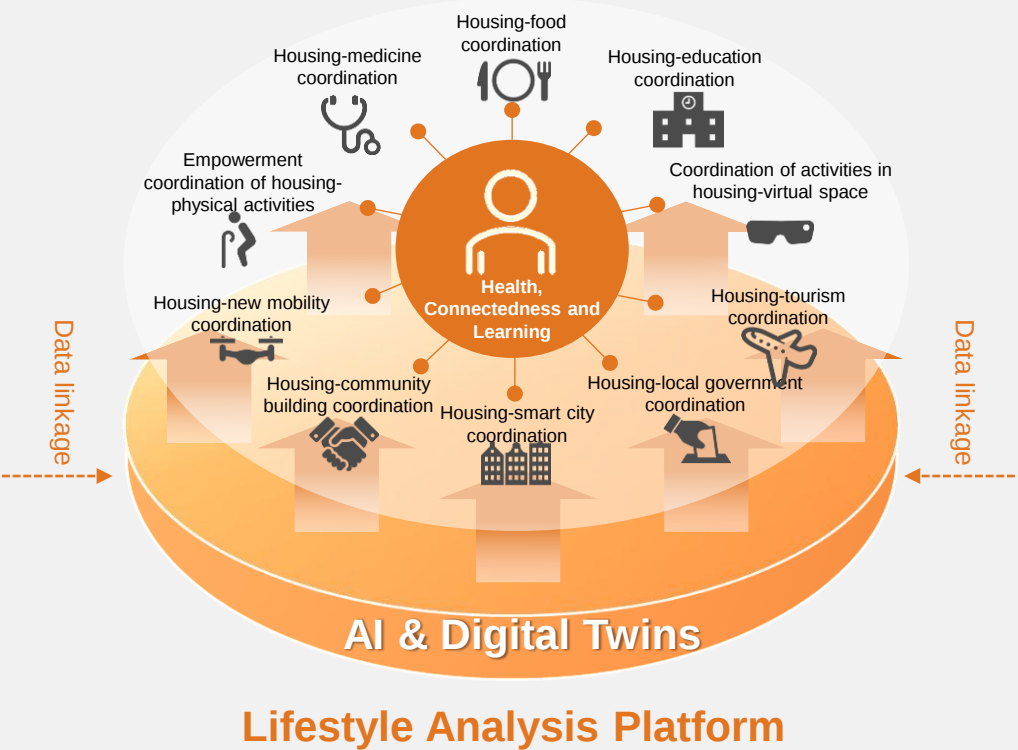
Integrating intentional and unconscious data, which are essential foundational information associated with living



- Return/departure
- Sleep
- Meals
- Vitals etc.



- Health awareness
- Environmental awareness
- Crime prevention awareness
- Family awareness
- Work-life balance etc.



Lifestyle Analysis Platform

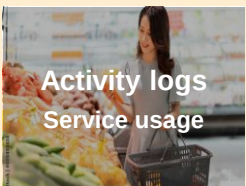
System for cultivating new value through co-creation

Activity data

Visualizing behavior through activity histories centered on “social life,” including services, facilities, and infrastructure usage

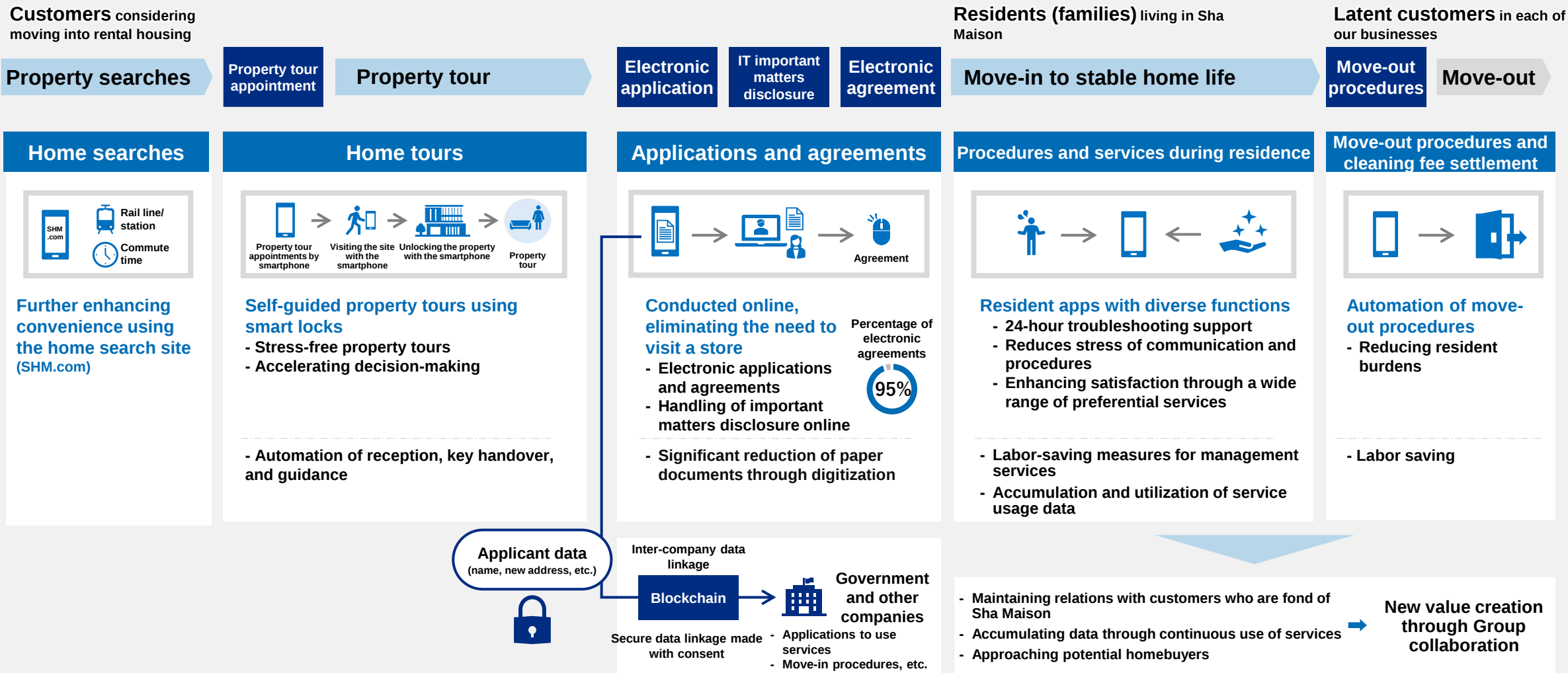


- Local government information
- Traffic information
- Weather information
- Event information
- Facility and store information etc.



- Purchase history
- Destinations (restaurants, tourist spots)
- Means of transportation
- Exercise history (steps/heart rate) etc.

Improving customer experience value and operational efficiency through digital technology



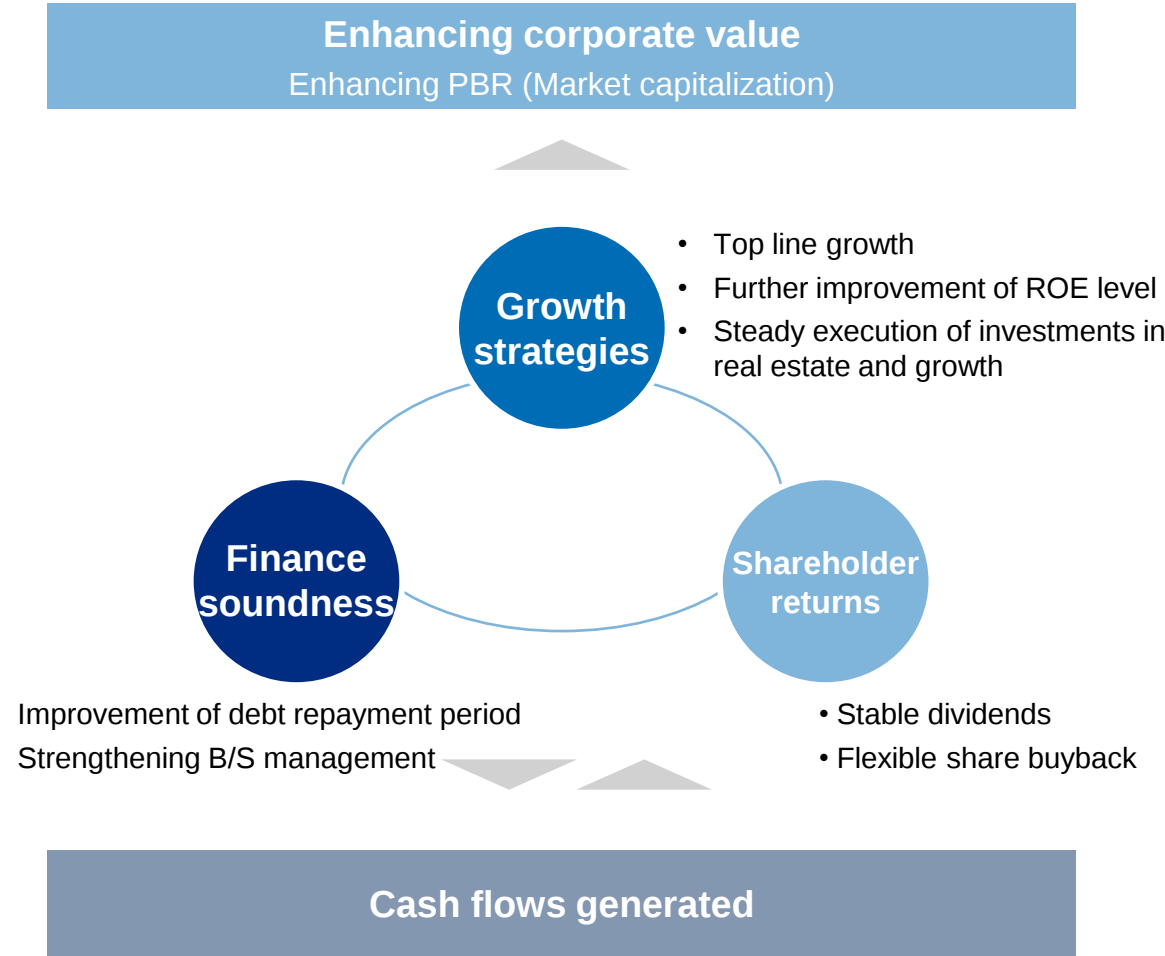
Strengthening “technical expertise” and “construction expertise” through the utilization of digital technology



Financial Strategy | Further Enhancement of Corporate Value

- Seize every opportunity for business expansion and aim to further enhance corporate value while maintaining a balanced approach to executing growth strategies, restoring financial soundness, and appropriate shareholder returns

Our approach to enhancement of corporate value



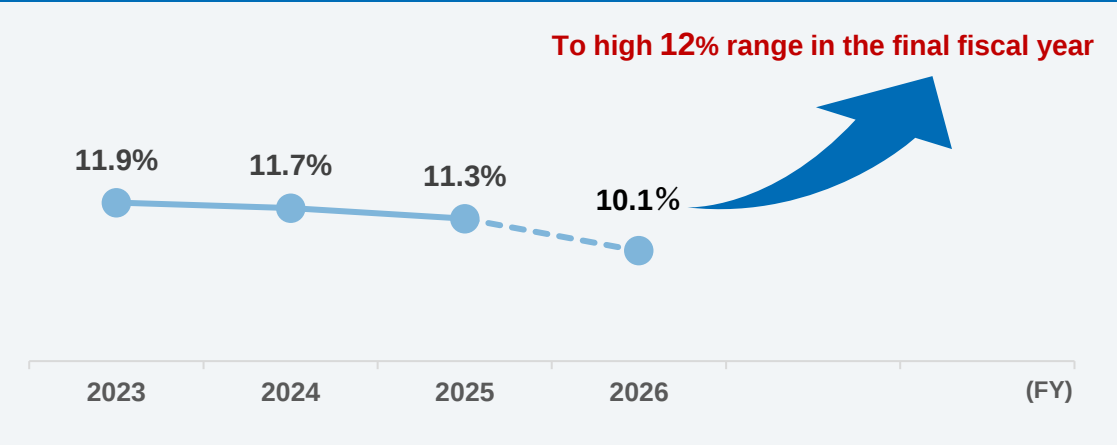
Enhancing ROE

ROE	Sixth Mid-Term Management Plan Stably creating 11% or more (approx. 12% in the final fiscal year)	Seventh Mid-Term Management Plan High 12% range in the final fiscal year
-----	---	---

Seventh Mid-Term Management Plan (Final FY2028)	ROE High 12% range	Profit margin Around 6% (5.5%)	Turnover rate × 1 times or more (0.86 times)	Leverage × Around 2 times (2.39 times)
--	-----------------------	--------------------------------------	--	--

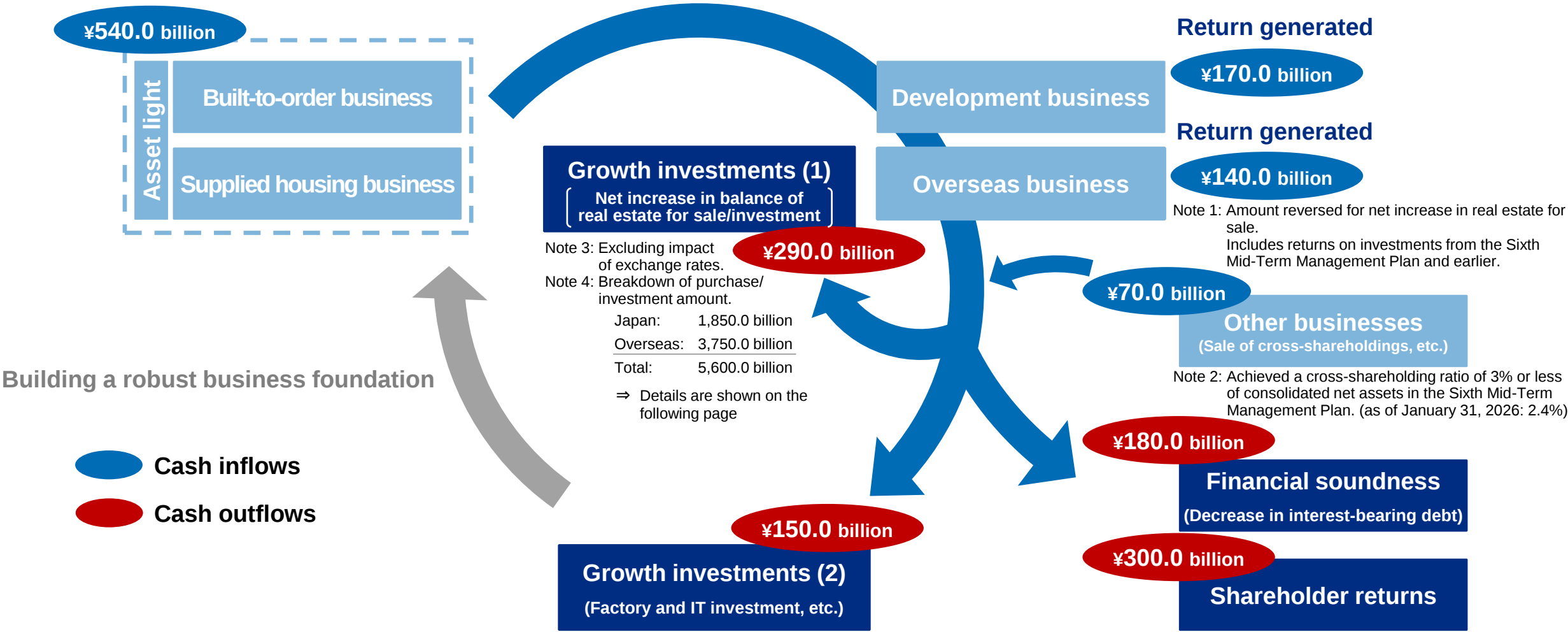
FY2025 results shown in parentheses

ROE level



Financial Strategy | Cash Allocation

- Using the ability to stably generate cash through Built-to-Order and Supplied Housing, and the expansion of investment returns on the Development and the Overseas Business as sources, we will allocate approximately ¥440.0 billion [(1)+(2)] to investment in the realization of our growth strategy, ¥180.0 billion to restoring financial soundness, and ¥300.0 billion to shareholder returns.



Financial Strategy | Execution of Growth Strategy and Restoration of Financial Soundness

- Steadily advance growth strategies while maintaining a balance with financial soundness
- Aim for a debt repayment period of approximately 2 years in the final fiscal year of the Seventh Mid-Term Management Plan

Enhancing ROA and promoting growth investments

- Purchase/investment and sales/recoupment results and plan for properties for sale/investment

Sixth Mid-Term Management Plan results (three years)

(Billions of yen)	Japan	Overseas	Total
Purchases/investments	1,453.5	3,139.2	4,592.8
Sales/recoupment	1,629.5	3,105.1	4,734.7
Final fiscal year balance	1,016.5	2,415.1	3,431.5

Seventh Mid-Term Management Plan (three years)

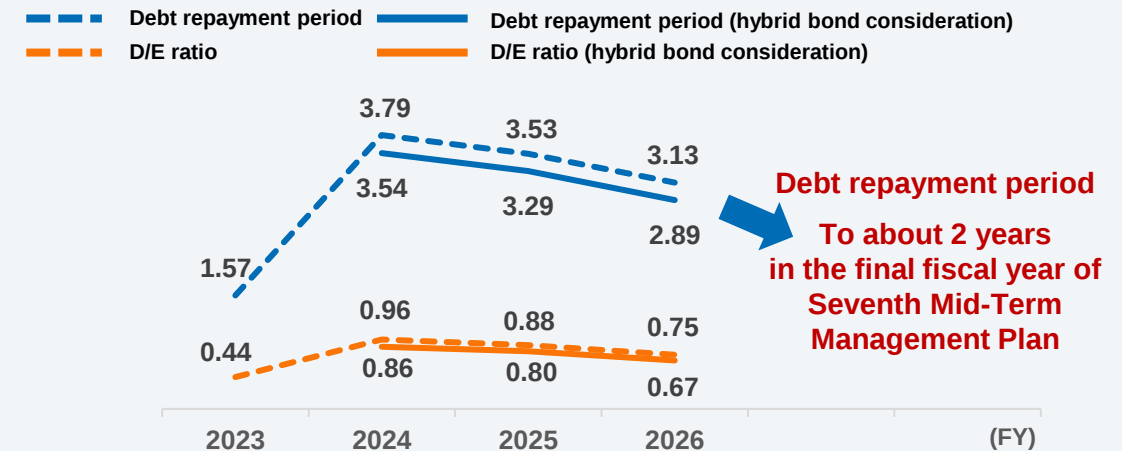
(Billions of yen)	Japan	Overseas	Total
Purchases/investments	1,850.0	3,750.0	5,600.0
Sales/recoupment	1,850.0	4,800.0	6,650.0
Final fiscal year balance	1,370.0	2,180.0	3,550.0
[Compared to the sixth mid-term management plan]	(approx. +350.0)	(approx. -230.0)	(approx. +120.0*)

* +¥290 billion when excluding the impact of exchange rates.

Note: The above "Overseas" includes investments in certain companies accounted for using the equity method.

Appropriate financial leverage levels

Debt repayment period and D/E Ratio



(Billions of yen)	2023	2024	2025	2026
Net Debt	481.8	1,486.8	1,446.5	1,300.0
EBITDA	307.5	392.0	409.9	415.0

Status of long-term credit ratings

- Japan Credit Rating Agency (JCR) AA
- Rating and Investment Information (R&I) AA-
- S&P Global Ratings (S&P) BBB+

Financial Strategy | Appropriate Shareholder Returns

- With regard to shareholder returns, maintain a medium-term average dividend payout ratio of 40% or higher and raise the minimum amount per share
- Perform flexible share buyback based on the status of cash flow allocation and restoration of financial soundness

Shareholder return measures

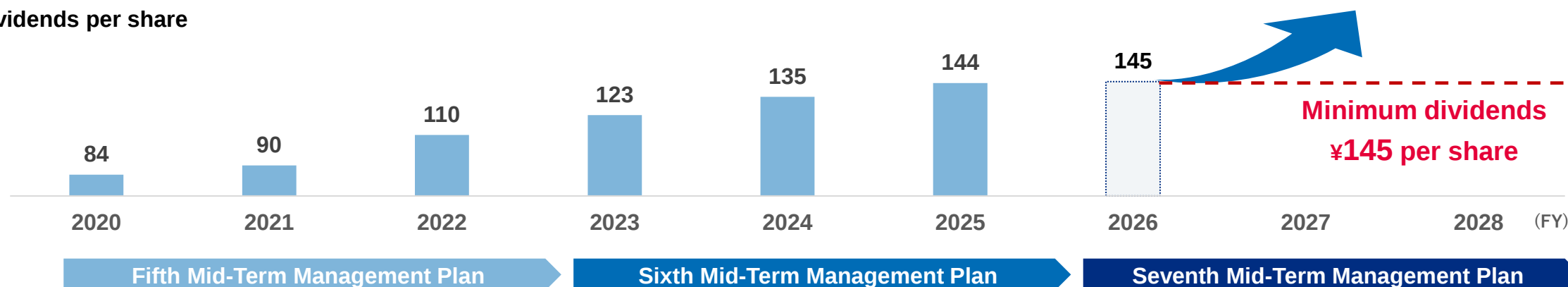
● Shareholder returns policy

Dividend payout ratio	Medium-term average dividend payout ratio of 40% or higher
Minimum dividends (per share)	Minimum of ¥145 per share
Share buyback	Flexibly implement

	2020	2021	2022	2023	2024	2025	2026 (plan)	2027 (plan)	2028 (plan)
EPS (¥)	181.18	227.37	276.58	309.29	335.95	358.07	336.30	370.23	462.79
Dividends (¥)	84	90	110	123	135	144	145	Medium-term average dividend payout ratio of 40% or higher	
Dividend payout ratio	46.4%	39.6%	39.8%	39.8%	40.2%	40.2%	43.1%		

Note: EPS for FY2027 and FY2028 is calculated based on the number of outstanding shares issued as of FY2026.

● Dividends per share



Disclaimer

Although the document is prepared on the information believed to be credible, Sekisui House does not guarantee the accuracy or the completeness of such information. Also, the information herein contains forward-looking statements regarding the Company's plan, outlook, strategies and results for the future.

The Company undertakes no obligation to publicly update or modify any forward-looking statements. All the forward-looking statements are based on judgments derived from information available to the Company at the time for this release. Certain risks and uncertainties could cause the Company's actual results to differ materially from any projections presented here.

