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March 5, 2026

## Consolidated Financial Results for the Fiscal Year Ended January 31, 2026 (Under Japanese GAAP)

Company name: Sekisui House, Ltd.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 1928

URL: <https://www.sekisuihouse.co.jp/english/>

Representative: Yoshihiro Nakai

Representative Director of the Board, CEO, President, Executive Officer

Inquiries: Hiroyuki Kawabata

Operating officer, Head of Investor Relations Department

Telephone: +81-6-6440-3111

Scheduled date of annual general meeting of shareholders: April 23, 2026

Scheduled date to commence dividend payments: April 24, 2026

Scheduled date to file annual securities report: April 16, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes –for institutional investors and analysts, in Japanese

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended January 31, 2026 (from February 1, 2025 to January 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended January 31, 2026	4,197,922	3.4	341,402	3.0	327,800	8.7	232,095	6.6
January 31, 2025	4,058,583	30.6	331,366	22.3	301,627	12.4	217,705	7.6

Note: Comprehensive income For the fiscal year ended January 31, 2026: ¥ 275,462 million [ (6.2)%]  
For the fiscal year ended January 31, 2025: ¥ 293,815 million [ 20.6%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended January 31, 2026	358.07	357.98	11.3	6.7	8.1
January 31, 2025	335.95	335.84	11.7	7.4	8.2

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended January 31, 2026: ¥ 26,105 million

For the fiscal year ended January 31, 2025: ¥ (3,085) million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
January 31, 2026	5,006,637	2,188,237	42.7	3,300.57
January 31, 2025	4,808,848	2,018,599	40.8	3,027.64

Reference: Equity

As of January 31, 2026: ¥ 2,139,555 million

As of January 31, 2025: ¥ 1,962,199 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2026	216,325	(73,172)	(93,255)	434,925
January 31, 2025	62,885	(697,687)	720,967	390,307

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended January 31, 2025	-	64.00	-	71.00	135.00	87,515	40.2	4.7
Fiscal year ended January 31, 2026	-	72.00	-	72.00	144.00	93,371	40.2	4.6
Fiscal year ending January 31, 2027 (Forecast)	-	72.00	-	73.00	145.00		43.1	

## 3. Consolidated financial result forecasts for the fiscal year ending January 31, 2027 (from February 1, 2026 to January 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	4,353,000	3.7	350,000	2.5	314,000	(4.2)	218,000	(6.1)	336.30

### \* Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	companies(	)
Excluded:	-	companies(	)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of January 31, 2026	663,122,166 shares
As of January 31, 2025	662,996,866 shares

(ii) Number of treasury shares at the end of the period

As of January 31, 2026	14,884,740 shares
As of January 31, 2025	14,902,212 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended January 31, 2026	648,185,430 shares
Fiscal Year ended January 31, 2025	648,036,335 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended January 31, 2026 (from February 1, 2025 to January 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
January 31, 2026	1,397,221	6.5	126,474	23.8	205,648	11.9	173,279	(2.3)
January 31, 2025	1,312,172	2.2	102,181	13.8	183,771	16.7	177,347	35.0

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
January 31, 2026	267.26	267.20
January 31, 2025	273.60	273.51

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
January 31, 2026	2,417,460	1,103,182	45.6	1,701.28
January 31, 2025	2,340,322	1,023,993	43.8	1,579.45

Reference: Equity

As of January 31, 2026:	¥	1,103,123	million
As of January 31, 2025:	¥	1,023,905	million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

Descriptions regarding forward looking statements, etc. contained in these materials are based on information currently available to the Company and certain assumptions judged reasonable. The Company makes no warranty as to the feasibility of its projections. Future results may differ materially from projections due to various factors. Please refer to “1. Overview of Consolidated Business Results, etc.,

(4) Future Outlook” on page 11 of the Attached Materials for information on the conditions underlying the earnings forecasts.

(Obtaining supplementary explanatory documents)

The Company plans to hold a briefing for institutional investors and analysts on March 5, 2026. Relevant financial explanatory documents to be handed out at the briefing will be posted on our official website on the same day.

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**Appendix 1: Results summary for the year ended January 31, 2026**

(Millions of Yen)

<b>Consolidated</b>	FY2024	FY2025	YOY (%)	FY2026 forecast	YOY (%)
Net sales	4,058,583	4,197,922	3.4	4,353,000	3.7
Gross profit	785,993	839,819	6.8	871,000	3.7
Operating profit	331,366	341,402	3.0	350,000	2.5
Ordinary profit	301,627	327,800	8.7	314,000	(4.2)
Profit attributable to owners of parent	217,705	232,095	6.6	218,000	(6.1)
Total orders	4,052,604	4,247,762	4.8	4,493,037	5.8
Total order backlog	1,754,577	1,804,417	2.8	1,944,454	7.8

**Key management indicators**

<b>Consolidated</b>	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 forecast
Earnings per share (¥)	227.37	276.58	309.29	335.95	358.07	336.30
Net assets per share (¥)	2,184.36	2,466.04	2,707.90	3,027.64	3,300.57	3,330.35
Dividends per share (¥)	90.00	110.00	123.00	135.00	144.00	145.00
Operating profit margin	8.89%	8.93%	8.72%	8.16%	8.13%	8.0%
ROE	10.99%	11.88%	11.95%	11.71%	11.32%	10.1%
ROA *	8.60%	9.08%	8.74%	8.33%	7.65%	7.4%

\* ROA: Return on Assets = (Operating profit + Interest and Dividends received + Equity in earnings of affiliates) / Total assets

**Appendix 2: Segment breakdown for the fiscal year ended January 31, 2026****Consolidated** (reference page 21)

## (1) Net Sales

(Millions of Yen)

		FY2024	FY2025	YOY(%)
Built-to-order Business	Custom detached houses	479,091	478,952	(0.0)
	Rental housing and commercial buildings	544,934	564,813	3.6
	Architectural/civil engineering	325,024	302,293	(7.0)
	Subtotal	1,349,050	1,346,059	(0.2)
Supplied Housing Business	Rental housing management	687,119	712,621	3.7
	Remodeling	183,868	187,958	2.2
	Subtotal	870,988	900,580	3.4
Development Business	Real estate and brokerage	356,060	394,509	10.8
	Condominiums	102,494	122,844	19.9
	Urban redevelopment	124,021	164,634	32.7
	Subtotal	582,576	681,989	17.1
Overseas Business		1,278,511	1,286,358	0.6
Other		14,066	16,451	17.0
Eliminations and back office		(36,610)	(33,516)	—
Consolidated		4,058,583	4,197,922	3.4

## (2) Operating profit and Operating profit margin

(Millions of Yen)

		FY2024	FY2025	YOY(%)
Built-to-order Business	Custom detached houses	46,069 9.6%	48,035 10.0%	4.3
	Rental housing and commercial buildings	81,796 15.0%	87,826 15.5%	7.4
	Architectural/civil engineering	15,218 4.7%	22,049 7.3%	44.9
	Subtotal	143,084 10.6%	157,911 11.7%	10.4
Supplied Housing Business	Rental housing management	56,804 8.3%	68,996 9.7%	21.5
	Remodeling	26,624 14.5%	27,966 14.9%	5.0
	Subtotal	83,429 9.6%	96,962 10.8%	16.2
Development Business	Real estate and brokerage	28,971 8.1%	30,915 7.8%	6.7
	Condominiums	14,648 14.3%	18,062 14.7%	23.3
	Urban redevelopment	26,665 21.5%	45,992 27.9%	72.5
	Subtotal	70,285 12.1%	94,970 13.9	35.1
Overseas Business		78,945 6.2%	39,102 3.0%	(50.5)
Other		2,466 17.5%	3,203 19.5%	29.9
Eliminations and back office		(46,844)	(50,747)	—
Consolidated		331,366 8.2%	341,402 8.1%	3.0

The bottom row indicates the operating profit margin.

## (3) Orders

(Millions of Yen)

		FY2024	FY2025	YOY(%)
Built-to-order Business	Custom detached houses	479,113	481,599	0.5
	Rental housing and commercial buildings	592,370	608,715	2.8
	Architectural/civil engineering	324,732	318,248	(2.0)
	Subtotal	1,396,217	1,408,563	0.9
Supplied Housing Business	Rental housing management	687,119	712,621	3.7
	Remodeling	186,012	193,137	3.8
	Subtotal	873,131	905,759	3.7
Development Business	Real estate and brokerage	367,617	411,127	11.8
	Condominiums	136,075	116,136	(14.7)
	Urban redevelopment	133,471	176,597	32.3
	Subtotal	637,165	703,862	10.5
Overseas Business		1,172,423	1,243,387	6.1
Other		14,007	16,444	17.4
Eliminations and back office		(40,340)	(30,255)	—
Consolidated		4,052,604	4,247,762	4.8

## (4) Order backlog

(Millions of Yen)

		As of January 31, 2025	As of January 31, 2026	YOY(%)
Built-to-order Business	Custom detached houses	230,018	232,665	1.2
	Rental housing and commercial buildings	563,887	607,789	7.8
	Architectural/civil engineering	401,005	416,960	4.0
	Subtotal	1,194,911	1,257,415	5.2
Supplied Housing Business	Rental housing management	—	—	—
	Remodeling	36,749	41,929	14.1
	Subtotal	36,749	41,929	14.1
Development Business	Real estate and brokerage	72,376	88,994	23.0
	Condominiums	122,570	115,863	(5.5)
	Urban redevelopment	12,000	23,963	99.7
	Subtotal	206,947	228,820	10.6
Overseas Business		338,070	295,099	(12.7)
Other		1,037	1,030	(0.7)
Eliminations and back office		(23,138)	(19,878)	—
Consolidated		1,754,577	1,804,417	2.8

**Consolidated Forecast**

Effective from the fiscal year ending January 31, 2027, following a partial review of the management reporting classifications within the Group, certain segments of consolidated subsidiaries previously included in “Other” will be reclassified into the “Urban redevelopment business” segment, and the allocation method for corporate expenses will be reviewed. Accordingly, the breakdown by segment for the fiscal year ended January 31, 2026 is presented based on the reclassified figures.

## (1) Net Sales

(Millions of Yen)

		FY2025	FY2026 Forecast	YOY(%)
Built-to-order Business	Custom detached houses	496,477	500,000	0.7
	Rental housing and commercial buildings	547,288	575,000	5.1
	Architectural/civil engineering	302,293	316,000	4.5
	Subtotal	1,346,059	1,391,000	3.3
Supplied Housing Business	Rental housing management	712,621	736,000	3.3
	Remodeling	187,958	200,000	6.4
	Subtotal	900,580	936,000	3.9
Development Business	Real estate and brokerage	394,509	430,000	9.0
	Condominiums	122,844	111,000	(9.6)
	Urban redevelopment	180,335	93,000	(48.4)
	Subtotal	697,689	634,000	(9.1)
Overseas Business		1,286,358	1,428,000	11.0
Other		5,944	7,000	17.8
Eliminations and back office		(38,709)	(43,000)	—
Consolidated		4,197,922	4,353,000	3.7

## (2) Operating profit and Operating profit margin

(Millions of Yen)

		FY2025	FY2026 Forecast	YOY(%)
Built-to-order Business	Custom detached houses	48,856 9.8%	51,000 10.2%	4.4
	Rental housing and commercial buildings	74,850 13.7%	79,500 13.8%	6.2
	Architectural/civil engineering	22,049 7.3%	18,500 5.9%	(16.1)
	Subtotal	145,755 10.8%	149,000 10.7%	2.2
Supplied Housing Business	Rental housing management	68,702 9.6%	71,500 9.7%	4.1
	Remodeling	25,903 13.8%	28,000 14.0%	8.1
	Subtotal	94,605 10.5%	99,500 10.6%	5.2
Development Business	Real estate and brokerage	28,435 7.2%	32,000 7.4%	12.5
	Condominiums	17,528 14.3%	23,000 20.7%	31.2
	Urban redevelopment	48,104 26.7%	15,000 16.1%	(68.8)
	Subtotal	94,068 13.5%	70,000 11.0%	(25.6)
Overseas Business		38,348 3.0%	56,500 4.0%	47.3
Other		595 10.0%	1,000 14.3%	68.0
Eliminations and back office		(31,970)	(26,000)	—
Consolidated		341,402 8.1%	350,000 8.0%	2.5

## (3) Orders

(Millions of Yen)

		FY2025	FY2026 Forecast	YOY(%)
Built-to-order Business	Custom detached houses	506,871	515,000	1.6
	Rental housing and commercial buildings	583,443	610,000	4.6
	Architectural/civil engineering	318,248	323,000	1.5
	Subtotal	1,408,563	1,448,000	2.8
Supplied Housing Business	Rental housing management	712,621	736,000	3.3
	Remodeling	193,137	204,000	5.6
	Subtotal	905,759	940,000	3.8
Development Business	Real estate and brokerage	411,127	430,000	4.6
	Condominiums	116,136	143,000	23.1
	Urban redevelopment	192,297	69,037	(64.1)
	Subtotal	719,562	642,037	(10.8)
Overseas Business		1,243,387	1,499,000	20.6
Other		5,937	7,000	17.9
Eliminations and back office		(35,448)	(43,000)	—
Consolidated		4,247,762	4,493,037	5.8

## (4) Order backlog

(Millions of Yen)

		As of January 31, 2026	As of January 31, 2027 forecast	YOY(%)
Built-to-order Business	Custom detached houses	240,413	258,413	6.2
	Rental housing and commercial buildings	600,041	635,041	5.8
	Architectural /civil engineering	416,960	423,960	1.7
	Subtotal	1,257,415	1,317,415	4.5
Supplied Housing Business	Rental housing management	—	—	—
	Remodeling	41,929	45,929	9.5
	Subtotal	41,929	45,929	9.5
Development Business	Real estate and brokerage	88,994	88,994	—
	Condominiums	115,863	147,863	27.6
	Urban redevelopment	23,963	—	—
	Subtotal	228,820	236,857	3.5
Overseas Business		295,099	366,099	24.1
Other		1,030	1,030	—
Eliminations and back office		(19,878)	(19,878)	—
Consolidated		1,804,417	1,944,454	7.8

## 1. Overview of Consolidated Business Results, etc.

### (1) Overview of Consolidated Business Results for the Fiscal Year Under Review

During the fiscal year under review, the outlook for the global economy became increasingly uncertain due to factors including developments surrounding the tariff policies of the United States. This, together with persistent geopolitical risks, made it necessary to continue to closely monitor the price situation, as influenced by the monetary and trade policies of various countries, as well as fluctuations in international financial and capital markets. In Japan, while it was necessary to keep in mind the risk of a downturn in business conditions due to factors such as the impact of the tariff policies of the United States, and although an impact on consumer sentiment was seen due to price hikes and other factors, the Japanese economy showed signs of a pickup in personal consumption, supported by ongoing improvements in the employment and income environment.

In Japan's housing market, despite indications of a rush in demand in anticipation of the revision of the Building Energy Efficiency Act, the number of new housing starts of owner-occupied houses and rental houses weakened, partly due to a pullback from the rush in demand and the impact of soaring construction costs. On the other hand, in the United States, although there remains strong latent demand for new housing against the backdrop of a chronic shortage of housing supply, new housing starts lacked confidence due to rising construction costs and other factors in addition to a slowdown in demand caused by customers continuing to take a wait-and-see attitude because of the uncertain outlook from factors such as falling mortgage rates and tariff policies.

In such a business environment, to achieve the Group's Global Vision for 2050 "Make Home the Happiest Place in the World," we have actively promoted various high-value-added proposals and other initiatives that integrate technologies, lifestyle design and service, based on the Sixth Mid-Term Management Plan (FY2023 to FY2025), which sets "Stable Growth in Japan and Proactive Growth Overseas" as its fundamental policy.

In the consolidated fiscal year under review, which is the final year of the Sixth Mid-Term Management Plan (FY2023 to FY2025), net sales were ¥4,197,922 million (up 3.4% year on year), operating profit was ¥341,402 million (up 3.0% year on year), ordinary profit was ¥327,800 million (up 8.7% year on year), and profit attributable to owners of parent was ¥232,095 million (up 6.6% year on year).

In addition, results over the three years of the Sixth Mid-Term Management Plan exceeded the plan formulated at the time of its establishment.

Results by business segment are as follows.

#### **Built-to-Order Business**

(Custom detached houses)

During the fiscal year under review, net sales were ¥478,952 million (down 0.0% year on year) and operating profit was ¥48,035 million (up 4.3% year on year).

We worked on initiatives such as utilizing "life knit design," a system for proposing designs that reflect each customer's sense of beauty in housing, enhancing proposal capabilities through Group cooperation, and strengthening our production system on a house-by-house basis that extends from production to shipment. Our efforts were also boosted by Japanese government measures such as the Green Housing for Child-rearing Support Project. As a result, orders remained steady.

As part of our strategy by price range, we focused on expanding the sale of mid- to high-end products, including integrated proposals combining land and 2nd-range products, as well as branding initiatives for 3rd-range products led by our DESIGN OFFICE team. In 1st-range products, we have contributed to the creation of high-quality housing stock in Japan by actively promoting the SI\*<sup>1</sup> Business, a joint construction business where the Group companies undertake the construction of the foundations and structural frame-work of wooden houses built by partner companies.

Through proposals for high-value-added houses and services such as "Green First ZERO" net zero energy houses (ZEH), which achieved a record-high 96% ratio of detached ZEH homes\*<sup>2</sup> in FY2024, the Family Suite large living room, "PLATFORM HOUSE touch" smart home service linked to floor plans, and furniture and interior design, we promoted the enhancement of the custom detached housing brand.

\*<sup>1</sup> SI: "S" refers to skeleton or structural frame-work and "I" refers to infill or exterior and interior.

\*<sup>2</sup> Ratio of detached homes ZEH: This indicator shows the portion of custom detached houses (excluding contracted and for-sale housing in Hokkaido) that the Company built during the fiscal year that were ZEH (Net Zero Energy House). Period was from April 1, 2024 to March 31, 2025.

**(Rental housing and commercial buildings)**

During the fiscal year under review, net sales were ¥564,813 million (up 3.6% year on year) and operating profit was ¥87,826 million (up 7.4% year on year).

We promoted business expansion in strategically chosen urban areas (S and A areas) where occupancy demand is expected to increase over the long term, and within these areas, especially in highly convenient areas proximate to stations (S areas), we focused on expanding the sale of three- to four-story rental housing builds created using our original construction method and adoption of net zero energy rental housing Sha Maison ZEH. Through our price leader strategies based on these area marketing initiatives and proposals for long-term stable management backed by high occupancy rates and rent levels, orders for rental housing remained solid. In particular, in Sha Maison ZEH, residents appreciate being able to realize the benefits of savings in utility costs thanks to the system of selling excess electricity by residents, which is enabled by photovoltaic panels connected to each residential unit. This has led to high occupancy rates. As a result, the proportion of orders for ZEH residential units across all of our rental housing orders reached 77%.

Orders in corporate and public real estate (CRE and PRE) businesses also remained strong due to the enhancement of proposals for ESG solutions and strengthened efforts to address corporate business succession needs. We promoted the enhancement of proposals in non-residential construction such as “Green First Office” zero energy building (ZEB), which leverages our expertise and technologies developed in the custom detached houses business for office spaces, etc.

**(Architectural/civil engineering)**

During the fiscal year under review, net sales were ¥302,293 million (down 7.0% year on year), and operating profit was ¥22,049 million (up 44.9% year on year).

Both architectural and civil engineering businesses saw improved profitability due to solid progress in large-scale construction projects and the acquisition of additional and modified projects, etc. In the architectural business, especially, profitability improved for large-scale government buildings, in addition to the progress in passing on soaring materials costs and rising personnel expenses in order prices. The environment for order volumes also remained favorable and orders were strong for large-scale government buildings in the architectural business and private-sector projects in the civil engineering business.

**Supplied Housing Business****(Rental housing management)**

During the fiscal year under review, net sales were ¥712,621 million (up 3.7% year on year), and operating profit was ¥68,996 million (up 21.5% year on year).

The number of housing units under management increased due to continued orders for Sha Maison rental housing supplied in prime locations, mainly in the S and A areas, as well as progress in establishing systems to enable the provision of more detailed services to owners and residents by Sekisui House Sha Maison PM companies, which began offering its services this fiscal year as group companies specializing in the rental business. For existing managed properties, we are maintaining a high occupancy rate through strategic leasing activities aimed at shortening the duration of vacancies, such as the time required for restoration work after move-outs and the period between new applications and actual move-ins. At the same time, we are focusing on increasing the rent by implementing value-enhancing renovations and other measures at the time of tenant change. We also worked to enhance customer satisfaction and the “Sha Maison” brand value by promoting DX, including one-stop handling of move-in and move-out procedures using apps and blockchain technology, as well as expanding post-move-in troubleshooting services, etc.

**(Remodeling)**

During the fiscal year under review, net sales were ¥187,958 million (up 2.2% year on year), and operating profit was ¥27,966 million (up 5.0% year on year).

In the custom detached houses business, Sekisui House Support Plus, Ltd., which is responsible for the Group’s after-sale service business, began offering its services this fiscal year. This has further strengthened collaboration within the Group and improved communication with owners. In particular, we strengthened our large-scale renovation proposals incorporating the “life knit design” concept in lifestyle proposal remodeling that meets changes in family structure and lifestyles. We also strengthened our proposals for environment friendly remodeling, such as insulation renovations and the introduction of the latest energy-saving, energy-generating, and energy-storing equipment, by utilizing

government and other subsidies. These efforts focused on Idocoro Dan-netsu thermal insulation upgrades, which target the areas of the home where customers spend the most time, as well as insulation improvements around doors and windows. For rental housing, we focus on conducting market analysis by area, layout, and building age, and on providing proposals for full renovations, such as layout alterations, which contribute to enhancing owners' asset value. As a result of these efforts, overall orders in our remodeling business remained strong.

### **Development Business**

(Real estate and brokerage)

During the fiscal year under review, net sales were ¥394,509 million (up 10.8% year on year), and operating profit was ¥30,915 million (up 6.7% year on year).

In particular, at Sekisui House Real Estate, Ltd., which began offering its services this fiscal year as a group company specializing in the real estate and brokerage business, the integration of the business, aiming to become “the top regional real estate company specializing in housing,” which had been divided among six companies until the previous fiscal year, into a single entity led to the development of an enhanced organizational structure that enabled faster sharing of information and issues necessary to strengthen the purchase of high-quality real estate for sale and the development of sales channels. In the real estate business, the sale of real estate for sale, particularly land for housing, progressed solidly as a result of efforts to expand and deepen channels for inquiries from business corporations, financial institutions, and other organizations.

The brokerage business also remained steady through the use of the Group's nationwide network and diverse sales channels, in addition to collaboration within the Group.

(Condominiums)

During the fiscal year under review, net sales were ¥122,844 million (up 19.9% year on year), and operating profit was ¥18,062 million (up 23.3% year on year).

The delivery of properties sold progressed as planned, with smooth progress in the delivery of Grande Maison Musashi-kosugi no Mori (Nakahara-ku, Kawasaki City) and Grande Maison Fukuoka The Central Luxe (Chuo-ku, Fukuoka City).

For the Grande Maison condominiums, stable demand has continued, supported by our focus on and intensive development in the central areas of Tokyo, Nagoya, Osaka, and Fukuoka. In addition, we adopted ZEH specifications for all units to contribute to the decarbonization of the residential sector, and steadily accumulated achievements in obtaining “Long-Life Quality Housing” certifications, as part of our efforts to prolong the longevity of buildings. Furthermore, we formulated plans that make the most of the attractiveness of each rental housing property, and sequentially opened GM BASE as information hubs rooted in each strategic area. Through these efforts, the presence of Grande Maison has been steadily advancing. These efforts proved effective, and the sale of Grande Maison One Ohori Park (Chuo-ku, Fukuoka City) and Grande Maison THE Shirokanedai (Minato-ku, Tokyo), among others, remained strong.

(Urban Redevelopment)

During the fiscal year under review, net sales were ¥164,634 million (up 32.7% year on year), and operating profit was ¥45,992 million (up 72.5% year on year).

As our strategy of focusing on the central areas of Tokyo, Nagoya, Osaka, and Fukuoka as areas for urban development proved effective, and under the resulting favorable sales environment, the sale of several properties, including our ownership interest in large-scale properties, progressed beyond the plan. Furthermore, the occupancy rate remained steady for Prime Maison and other properties that we continue to own.

In addition, special purpose companies in which we have a partial equity interest completed delivery of real estate holdings, from which we recorded a share of profit of entities accounted for using equity method.

**Overseas Business**

(Overseas business)

During the fiscal year under review, net sales were ¥1,286,358 million (up 0.6% year on year), and operating profit was ¥39,102 million (down 50.5% year on year).

In our U.S. homebuilding business, although the performance of M.D.C. Holdings, Inc.,\* which we acquired in April 2024, contributed from the beginning of the current fiscal year, we increased incentives as customers continued to take a wait-and-see attitude due to uncertainty over the outlook for the U.S. economy, and our profit decreased together with the recording of a loss on valuation of inventory assets, etc., resulting in decreased operating profit. In our U.S. master-planned community business, newly acquired properties contributed to earnings, and performed steadily. In our U.S. multifamily business, we completed the additional sale of “City Ridge” (Washington D.C.) to SPCs organized by Sekisui House Reit, Inc., as well as the delivery of the “San Diego Court House Middle Wing” (San Diego).

In Australia, deliveries of the “Orchards Lumia Wing,” “Sanctuary Laguna Wing and Glade Wing,” “Melrose Park Village Wing” in Sydney, and the “West Village Allere Wing” in Brisbane progressed.

\* In September 2025, the business name of “M.D.C. Holdings, Inc.” was changed to “SEKISUI HOUSE U.S., Inc.”

**Other**

During the fiscal year under review, net sales were ¥16,451 million (up 17.0% year on year), and operating profit was ¥3,203 million (up 29.9% year on year).

**(2) Overview of Consolidated Financial Conditions for the Fiscal Year Under Review**

Total assets increased by ¥197,789 million to ¥5,006,637 million at the end of the consolidated fiscal year under review, mainly due to the increases in real estate for sale. Liabilities increased by ¥28,151 million to ¥2,818,400 million mainly due to the increase in income taxes payable and interest-bearing debt. Net assets increased by ¥169,637 million to ¥2,188,237 million, mainly due to the recording of profit attributable to owners of parent.

**(3) Overview of Cash Flows for the Fiscal Year Under Review**

Cash and cash equivalents (hereinafter “cash”) for the consolidated fiscal year under review increased by ¥44,618 million yen from the end of the previous fiscal year to ¥434,925 million yen at the end of the current consolidated fiscal year as a result of net cash provided by operating activities of ¥216,325 million yen, net cash used in investing activities of ¥73,172 million yen, and net cash used in financing activities of ¥93,255 million yen.

Cash flows from each activity for the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥216,325 million (a year-on-year increase of ¥153,440 million), mainly due to the posting of profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥73,172 million (a year-on-year decrease of ¥624,514 million), mainly due to the purchase of property.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to ¥93,255 million (a year-on-year increase of ¥814,222 million), mainly due to payment of dividends.

#### **(4) Future Outlook**

The global economy is expected to remain in a situation requiring close monitoring of price trends and fluctuations in international financial and capital markets on the back of monetary and trade policies in various countries, amid increased uncertainty over the outlook due to U.S. tariff increases and persistent geopolitical risks.

In the domestic housing market, the diversification of lifestyles and values associated with the advent of the era of the 100-year lifespan, the increasing severity of natural disasters due to climate change, and revisions to the Building Energy Efficiency Act (including the mandatory compliance with energy efficiency standards for all newly constructed houses) and the Long-life Quality Housing Certification Program have further heightened the need to respond to increasingly diverse customer needs.

In the U.S. housing market, the situation requires close monitoring of the impact of tariff policies, inflation, and interest rate trends. On the other hand, latent demand remains strong against the backdrop of a shortage of supply of high-quality housing, and demand is expected to recover in line with the stabilization of the economic environment and falling mortgage rates. In preparation for the materialization of such demand, it is necessary to establish a system capable of stably supplying high-quality housing.

In such a business environment, to achieve the Group's Global Vision "Make Home the Happiest Place in the World," we formulated the Seventh Mid-Term Management Plan (FY2026 to FY2028), with the fundamental policies of "Cultivating the Sekisui House Economic Sphere through Group-wide Capabilities" in Japan and "Building a Growth Platform to Drive a Game-changing Transformation" overseas.

In Japan, we will pursue sustainable growth by fully leveraging the Group-wide capabilities to deliver one-stop, housing-based solutions to homeowners and residents through strengthened customer touchpoints. Overseas, in pursuit of transformative growth in the U.S. homebuilding business, we will accelerate the transfer of Sekisui House technologies developed in Japan and brand building under "Sekisui House U.S., Inc.," which launched in January 2026 under a "One Company" structure through the integration of four Group builders.

Under our financial strategy, we will pursue further enhancement of corporate value by maximizing opportunities for business expansion while balancing "execution of growth strategies," "restoration of financial soundness," and "appropriate shareholder returns." We target ROE in the high 12% range in FY2028, the final year of the plan. Looking at shareholder returns, we will maintain our conventional dividend policy of a medium-term average dividend payout ratio of 40% or higher and aim to increase dividends through profit growth. At the same time, the minimum annual dividend per share during the period of the Seventh Mid-Term Management Plan has been set at 145 yen, which exceeds the result for the fiscal year ended January 31, 2026 (144 yen). In addition, with respect to share buybacks of Company stock, we intend to implement them flexibly, taking into account cash allocation and the status of financial soundness recovery.

Looking at our consolidated financial results forecast for the fiscal year ending in January 2027, we expect net sales of ¥4,353,000 million yen (up 3.7 % year on year), operating profit of ¥350,000 million yen (up 2.5 % year on year), ordinary profit of ¥314,000 million yen (down 4.2 % year on year), and profit attributable to owners of parent of ¥218,000 million yen (down 6.1 % year on year). Dividends are planned to be set at 72 yen for the interim and a year-end dividend of 73 yen, totaling 145 yen for the full year.

## **2. Basic Approach to the Selection of Accounting Standards**

The Group prepares its consolidated financial statements in accordance with Japanese GAAP. The Group will take into consideration the domestic and international situations for appropriate adoption of International Financial Reporting Standards in the future.

## 3. Consolidated Financial Statements and Primary Notes

## (1) Consolidated Balance Sheet

(Millions of yen)

	As of January 31, 2025	As of January 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	390,559	435,177
Notes receivable, accounts receivable from completed construction contracts and other	211,114	203,890
Costs on construction contracts in progress	14,127	13,405
Bulidings for sale	1,068,926	1,093,574
Land for sale in lots	1,374,237	1,507,781
Undeveloped land for sale	396,123	433,304
Other inventories	12,164	11,930
Other	245,867	209,387
Allowance for doubtful accounts	(1,013)	(1,000)
Total current assets	3,712,106	3,907,449
Non-current assets		
Property, plant and equipment		
Buildings and structures	346,487	352,613
Machinery, equipment and vehicles	76,430	81,626
Tools, furniture and fixtures	47,408	55,925
Land	258,559	214,036
Leased assets	27,826	38,759
Construction in progress	45,976	12,168
Other	5,855	3,604
Accumulated depreciation	(274,304)	(292,588)
Total property, plant and equipment	534,240	466,146
Intangible assets		
Goodwill	134,217	114,581
Industrial property	57,903	50,478
Leasehold interests in land	2,986	3,003
Software	25,198	45,677
Right to use facilities	130	108
Telephone subscription right	238	237
Other	1,199	1,087
Total intangible assets	221,873	215,174
Investments and other assets		
Investment securities	205,632	202,295
Long-term loans receivable	13,656	23,266
Retirement benefit asset	46,749	112,861
Deferred tax assets	10,643	18,934
Other	64,994	60,823
Allowance for doubtful accounts	(1,047)	(313)
Total investments and other assets	340,628	417,867
Total non-current assets	1,096,742	1,099,188
Total assets	4,808,848	5,006,637

(Millions of yen)

	As of January 31, 2025	As of January 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts	195,028	162,376
Electronically recorded obligations - operating	79,360	67,638
Short-term bonds payable	40,000	-
Short-term borrowings	477,840	414,332
Current portion of bonds payable	8	20,000
Current portion of long-term borrowings	252,793	161,032
Income taxes payable	44,652	67,868
Advances received on construction contracts in progress	220,645	236,744
Provision for bonuses	39,706	46,734
Provision for bonuses for directors (and other officers)	6,675	4,901
Provision for warranties for completed construction	14,073	15,575
Other	184,863	200,968
<b>Total current liabilities</b>	<b>1,555,648</b>	<b>1,398,171</b>
Non-current liabilities		
Bonds payable	620,121	738,811
Long-term borrowings	456,321	514,714
Long-term leasehold and guarantee deposits received	52,626	44,785
Deferred tax liabilities	13,443	24,634
Provision for retirement benefits for directors (and other officers)	862	823
Retirement benefit liability	31,632	27,517
Other	59,593	68,941
<b>Total non-current liabilities</b>	<b>1,234,601</b>	<b>1,420,228</b>
<b>Total liabilities</b>	<b>2,790,249</b>	<b>2,818,400</b>
Net assets		
Shareholders' equity		
Share capital	203,094	203,300
Capital surplus	260,297	259,595
Retained earnings	1,266,985	1,407,164
Treasury shares	(40,957)	(40,905)
<b>Total shareholders' equity</b>	<b>1,689,420</b>	<b>1,829,156</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,610	36,079
Deferred gains or losses on hedges	(123)	(442)
Foreign currency translation adjustment	215,217	213,570
Remeasurements of defined benefit plans	22,075	61,192
<b>Total accumulated other comprehensive income</b>	<b>272,779</b>	<b>310,399</b>
Share acquisition rights	87	58
Non-controlling interests	56,311	48,622
<b>Total net assets</b>	<b>2,018,599</b>	<b>2,188,237</b>
<b>Total liabilities and net assets</b>	<b>4,808,848</b>	<b>5,006,637</b>

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended January 31, 2025	For the fiscal year ended January 31, 2026
Net sales	4,058,583	4,197,922
Cost of sales	3,272,590	3,358,103
Gross profit	785,993	839,819
Selling, general and administrative expenses		
Selling expenses	87,903	89,292
General and administrative expenses	366,723	409,123
Total selling, general and administrative expenses	454,626	498,416
Operating profit	331,366	341,402
Non-operating income		
Interest income	9,287	5,999
Dividend income	2,163	2,151
Foreign exchange gains	3,578	1,289
Share of profit of entities accounted for using equity method	-	26,105
Other	2,839	3,957
Total non-operating income	17,869	39,503
Non-operating expenses		
Interest expenses	33,634	39,183
Share of loss of entities accounted for using equity method	3,085	-
Other	10,887	13,921
Total non-operating expenses	47,607	53,105
Ordinary profit	301,627	327,800
Extraordinary income		
Gain on sale of investment securities	19,312	12,409
Gain on liquidation of subsidiaries and associates	3,456	-
Gain on sale of shares of subsidiaries and associates	1,540	-
Total extraordinary income	24,309	12,409
Extraordinary losses		
Loss on sale and retirement of non-current assets	1,584	1,473
Acquisition related expenses	18,232	-
Loss on sale of shares of subsidiaries and associates	386	-
Impairment losses	147	-
Total extraordinary losses	20,351	1,473
Profit before income taxes	305,586	338,737
Income taxes - current	84,687	117,412
Income taxes - deferred	(358)	(15,254)
Total income taxes	84,328	102,157
Profit	221,257	236,579
Profit attributable to non-controlling interests	3,552	4,484
Profit attributable to owners of parent	217,705	232,095

## Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended January 31, 2025	For the fiscal year ended January 31, 2026
Profit	221,257	236,579
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,900)	1,663
Foreign currency translation adjustment	84,007	(4,131)
Remeasurements of defined benefit plans, net of tax	(723)	39,170
Share of other comprehensive income of entities accounted for using equity method	(1,824)	2,179
Total other comprehensive income	72,558	38,882
Comprehensive income	293,815	275,462
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	290,175	270,548
Comprehensive income attributable to non-controlling interests	3,640	4,913

## (3) Consolidated Statement of Changes in Equity

For the fiscal year ended January 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	202,854	260,126	1,132,275	(40,979)	1,554,276
Cumulative effects of changes in accounting policies	-	-	-	-	-
Restated balance	202,854	260,126	1,132,275	(40,979)	1,554,276
Changes during period					
Issuance of new shares	239	239	-	-	479
Dividends of surplus	-	-	(82,968)	-	(82,968)
Profit attributable to owners of parent	-	-	217,705	-	217,705
Purchase of treasury shares	-	-	-	(18)	(18)
Disposal of treasury shares	-	-	(26)	38	12
Purchase of shares of consolidated subsidiaries	-	(68)	-	-	(68)
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	1	1
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	239	171	134,710	21	135,143
Balance at end of period	203,094	260,297	1,266,985	(40,957)	1,689,420

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	44,597	-	132,895	22,816	200,309	100	39,366	1,794,052
Cumulative effects of changes in accounting policies	-	-	-	-	-	-	-	-
Restated balance	44,597	-	132,895	22,816	200,309	100	39,366	1,794,052
Changes during period								
Issuance of new shares	-	-	-	-	-	-	-	479
Dividends of surplus	-	-	-	-	-	-	-	(82,968)
Profit attributable to owners of parent	-	-	-	-	-	-	-	217,705
Purchase of treasury shares	-	-	-	-	-	-	-	(18)
Disposal of treasury shares	-	-	-	-	-	-	-	12

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Purchase of shares of consolidated subsidiaries	-	-	-	-	-	-	-	(68)
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	-	-	-	-	1
Net changes in items other than shareholders' equity	(8,987)	(123)	82,322	(740)	72,470	(12)	16,945	89,403
Total changes during period	(8,987)	(123)	82,322	(740)	72,470	(12)	16,945	224,546
Balance at end of period	35,610	(123)	215,217	22,075	272,779	87	56,311	2,018,599

For the fiscal year ended January 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	203,094	260,297	1,266,985	(40,957)	1,689,420
Cumulative effects of changes in accounting policies	-	-	833	-	833
Restated balance	203,094	260,297	1,267,819	(40,957)	1,690,253
Changes during period					
Issuance of new shares	206	206	-	-	412
Dividends of surplus	-	-	(92,712)	-	(92,712)
Profit attributable to owners of parent	-	-	232,095	-	232,095
Purchase of treasury shares	-	-	-	(14)	(14)
Disposal of treasury shares	-	-	(37)	66	29
Purchase of shares of consolidated subsidiaries	-	(908)	-	-	(908)
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	-	-
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	206	(701)	139,345	52	138,902
Balance at end of period	203,300	259,595	1,407,164	(40,905)	1,829,156

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	35,610	(123)	215,217	22,075	272,779	87	56,311	2,018,599
Cumulative effects of changes in accounting policies	(833)	-	-	-	(833)	-	-	-
Restated balance	34,776	(123)	215,217	22,075	271,945	87	56,311	2,018,599
Changes during period								
Issuance of new shares	-	-	-	-	-	-	-	412
Dividends of surplus	-	-	-	-	-	-	-	(92,712)
Profit attributable to owners of parent	-	-	-	-	-	-	-	232,095
Purchase of treasury shares	-	-	-	-	-	-	-	(14)
Disposal of treasury shares	-	-	-	-	-	-	-	29
Purchase of shares of consolidated subsidiaries	-	-	-	-	-	-	-	(908)

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	-	-	-	-	-
Net changes in items other than shareholders' equity	1,302	(318)	(1,646)	39,116	38,453	(29)	(7,689)	30,735
Total changes during period	1,302	(318)	(1,646)	39,116	38,453	(29)	(7,689)	169,637
Balance at end of period	36,079	(442)	213,570	61,192	310,399	58	48,622	2,188,237

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended January 31, 2025	For the fiscal year ended January 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	305,586	338,737
Depreciation	35,235	42,761
Impairment losses	147	-
Increase (decrease) in retirement benefit liability	588	(571)
Decrease (increase) in retirement benefit asset	(12,086)	(13,558)
Interest and dividend income	(11,451)	(8,150)
Interest expenses	33,634	39,183
Share of loss (profit) of entities accounted for using equity method	3,085	(26,105)
Loss (gain) on sale of investment securities	(19,312)	(12,409)
Loss (gain) on liquidation of subsidiaries and associates	(3,456)	-
Loss (gain) on sale of shares of subsidiaries and associates	(1,154)	-
Decrease (increase) in trade receivables	(32,741)	7,899
Decrease (increase) in inventories	(101,081)	(98,963)
Increase (decrease) in trade payables	(11,562)	(26,818)
Increase (decrease) in advances received on construction contracts in progress	5,048	16,078
Other, net	(21,494)	76,536
Subtotal	168,986	334,620
Interest and dividends received	10,680	7,659
Interest paid	(32,756)	(38,632)
Income taxes paid	(84,053)	(87,324)
Income taxes refund	28	2
Net cash provided by (used in) operating activities	62,885	216,325
<b>Cash flows from investing activities</b>		
Purchase of securities	(26,826)	-
Proceeds from redemption of securities	39,374	-
Purchase of property, plant and equipment	(76,693)	(66,930)
Proceeds from sale of property, plant and equipment	798	1,878
Purchase of intangible assets	(14,313)	(28,158)
Purchase of investment securities	(25,229)	(16,163)
Proceeds from sale and redemption of investment securities	38,492	16,811
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(557,022)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	122	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(854)	-
Loan advances	(76,849)	(8,190)
Proceeds from collection of loans receivable	2,191	314
Other, net	(878)	27,264
Net cash provided by (used in) investing activities	(697,687)	(73,172)

(Millions of yen)

	For the fiscal year ended January 31, 2025	For the fiscal year ended January 31, 2026
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(12,783)	(91,283)
Net increase (decrease) in short-term bonds payable	40,000	(40,000)
Proceeds from long-term borrowings	464,564	206,630
Repayments of long-term borrowings	(38,875)	(215,548)
Proceeds from issuance of bonds	352,540	140,000
Redemption of bonds	(16)	(8)
Dividends paid	(82,968)	(92,712)
Purchase of treasury shares	(18)	(14)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(180)	(26)
Other, net	(1,295)	(293)
Net cash provided by (used in) financing activities	720,967	(93,255)
Effect of exchange rate change on cash and cash equivalents	11,240	(5,278)
Net increase (decrease) in cash and cash equivalents	97,405	44,618
Cash and cash equivalents at beginning of period	292,901	390,307
Cash and cash equivalents at end of period	390,307	434,925

**(5) Notes to Consolidated Financial Statements**  
**(Notes Regarding Assumption of a Going Concern)**

None

**(Changes in accounting policies)**

(Adoption of the “Accounting Standard for Current Income Taxes” and other standards)

The Company has adopted the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter “Accounting Standard Revised in 2022”) and other standards from the beginning of the first quarter of the consolidated fiscal year under review.

With regard to the revision to classification to record income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of the Accounting Standard Revised in 2022 and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter “Guidance Revised in 2022.” During the first quarter of the consolidated fiscal year under review, the impact on the quarterly consolidated financial statements is immaterial.

With regard to the revision associated with the review of treatment in the consolidated financial statements in case that gain or loss on sale of shares of a subsidiary, etc. among consolidated companies is deferred for tax purpose, the Guidance Revised in 2022 has been applied from the beginning of the first quarter of the consolidated fiscal year under review. This change has not been retroactively applied because the impact is immaterial.

**(Related to Consolidated Balance Sheet)**

Changes in holding purpose

Real estate for sale of ¥2,079 million that were recorded under “buildings for sale” and “land for sale in lots” at the end of the previous consolidated fiscal year have been transferred to be recorded under “buildings and structures” and “land.” In addition, investment properties of ¥107,255 million that were recorded under “buildings and structures” and “land” at the end of the previous consolidated fiscal year have been transferred to be recorded under “buildings for sale” and “land for sale in lots.”

**(Related to Consolidated Statement of Income)**

Impairment losses

The Group recorded impairment losses on the following asset groups.

Previous consolidated fiscal year (February 1, 2024 – January 31, 2025)

Location	Usage	Type
Sano City, Tochigi, etc.	Real estate for leasing, etc.	Buildings, land, etc.

The Group recognizes impairment losses by grouping investment property on a property-by-property basis and other assets by business unit, whose profit and loss can be reasonably accounted for. In the fiscal year ended January 31, 2025, the carrying amount of real estate for leasing, etc. was reduced to the recoverable amount, and the reduction amount was recorded as an impairment loss under extraordinary losses.

(Breakdown of impairment losses)

Type	Amount (Millions of Yen)
Buildings and structures	12
Land	123
Other	12
Total	147

The recoverable amount of the above assets is measured mainly at net selling price, which is estimated using methods conforming to real estate appraisal standards.

Current consolidated fiscal year (February 1, 2025 – January 31, 2026)

None

**(Segment Information, etc)**

## [Segment Information]

## 1. Description of reportable segments

The reportable segments of the Group are components for which separate financial information is available and which are regularly reviewed by management to determine how to allocate management resources and evaluate business performance.

With “Make Home the Happiest Place in the World” as our Global Vision and deploying growth strategies focused on the residential business domain as our management policy, the Group conducts its business activities by drawing up strategies for each business area, aiming to become a global company that offers technologies, lifestyle design, and services.

The Group comprises segments that are based on business area-specific products and services. Excluding business areas in “Other,” the Group’s reportable segments are the detached houses, rental housing and commercial buildings, architectural / civil engineering, rental housing management, remodeling, development, and overseas business.

Details of each reportable segments are as follows:

Custom detached houses business:	Contracting of design and construction, and sale of detached houses (Main companies: Sekisui House, Ltd., Sekisui House Construction Group)
Rental housing and commercial buildings business:	Contracting of design and construction, and sale of rental housing, commercial buildings and other properties (Main companies: Sekisui House, Ltd., Sekisui House Construction Group)
Architectural/civil engineering business:	Constructing buildings for business use, etc. and contracting of design and execution of civil engineering works (Main companies: Konoike Construction Group)
Rental housing management business:	Leasing and management operations for rental housing and other buildings (Main companies: Sekisui House Real Estate Group)
Remodeling business:	Remodeling of detached houses, rental housing, and other buildings (Main companies: Sekisui House Remodeling, Ltd., Sekisui House Real Estate Group, Sekisui House Construction Group)
Development business:	Consisting of the following three businesses: Real estate and brokerage: Brokerage and sales of land for housing, existing houses and real estate (land, buildings) operated for profit (Main companies: Sekisui House, Ltd., Sekisui House Real Estate Group) Condominiums: Development, sales and management of condominiums for sale (Main companies: Sekisui House, Ltd., SEKISUI HOUSE GM PARTNERS, LTD.,) Urban redevelopment: Development, management and operation of office buildings, hotels, rental condominiums, etc. (Main companies: Sekisui House, Ltd., SH Hotel Management Co., Ltd.)
Overseas Business:	Sales of detached houses, development and sales of residential land, and development of condominiums for sales and rent etc., in overseas markets (Main companies: SEKISUI HOUSE US HOLDINGS, LLC SEKISUI HOUSE AUSTRALIA HOLDINGS PTY LIMITED)

## 2. Explanation of measurements of sales, profit (loss), asset, liability, and other items for each reportable segment

The accounting methods applied to the reported business segments are based on the accounting standards adopted for the preparation of consolidated financial statements.

## 3. Disclosure of sales, profit (loss), asset, liability, and other items for each reportable segment

Previous consolidated fiscal year (February 1, 2024 to January 31, 2025)

(Millions of Yen)

	Reportable Business Segments					
	Custom detached houses	Rental housing and commercial buildings	Architectural/civil engineering	Rental housing management	Remodeling	Development Business
Sales						
(1) Net Sales to third parties	478,998	536,984	322,456	680,651	182,369	567,145
(2) Inter-group sales and transfers	93	7,949	2,567	6,468	1,498	15,430
Net sales	479,091	544,934	325,024	687,119	183,868	582,576
Operating profit	46,069	81,796	15,218	56,804	26,624	70,285
Assets	43,592	48,524	277,069	75,132	25,428	1,136,239
Other items						
Depreciations	3,488	450	1,262	446	192	7,104
Investment in equity method affiliates	—	—	—	—	—	20,382
Net increase in property, plant and equipment and intangible assets	3,342	269	1,802	726	202	65,676

	Reportable Business Segments		Other (Note: 1)	Total	Adjustments (Note:2)	Amounts on the consolidated financial statements (Note: 3)
	Overseas Business	Total				
Sales						
(1) Sales to third parties	1,278,511	4,047,118	6,570	4,053,689	4,894	4,058,583
(2) Inter-group sales and transfers	—	34,007	7,496	41,504	(41,504)	—
Net sales	1,278,511	4,081,126	14,066	4,095,193	(36,610)	4,058,583
Operating profit	78,945	375,744	2,466	378,211	(46,844)	331,366
Assets	2,874,349	4,480,335	19,671	4,500,007	308,841	4,808,848
Other items						
Depreciations	12,688	25,633	199	25,832	9,402	35,235
Investment in equity method affiliates	83,622	104,004	7,331	111,336	(1,983)	109,352
Net increase in property, plant and equipment and intangible assets	5,434	77,455	104	77,560	22,331	99,891

## Notes

- “Other” is a business segment that is not included in the reportable segments.
- Adjustments are as follows:
  - The adjustment of ¥(46,844) million to segment profit includes an elimination of intersegment transactions of ¥276 million and corporate expenses of ¥(47,120) million that have not been allocated to each segment. Corporate expenses mainly include general and administrative expenses and experiment and research expenses that do not belong to any reportable segment.
  - The adjustment of ¥308,841 million to segment assets represents corporate assets. Corporate assets mainly consist of the parent company’s surplus funds (cash and securities), long-term investment funds (investment securities), and assets related to the administrative division.
  - The adjustment of ¥9,402 million to depreciation is depreciation related to company-wide assets.
  - The adjustment of ¥(1,983) million to investment in equity method affiliates is an elimination of intersegment transactions.
  - The adjustment of ¥22,331 million to increase in property, plant and equipment and intangible assets represents capital investments in head office facilities, etc.
- Segment profit is adjusted to correspond to operating profit in the consolidated financial statements.

Current consolidated fiscal year (February 1, 2025 to January 31, 2026)

(Millions of Yen)

	Reportable Business Segments					
	Custom detached houses	Rental housing and commercial buildings	Architectural/civil engineering	Rental housing management	Remodeling	Development Business
Sales						
(1) Net Sales to third parties	478,799	558,082	298,344	707,428	186,719	670,240
(2) Inter-group sales and transfers	153	6,730	3,949	5,193	1,238	11,748
Net sales	478,952	564,813	302,293	712,621	187,958	681,989
Operating profit	48,035	87,826	22,049	68,996	27,966	94,970
Assets	69,800	63,037	273,432	114,061	29,004	1,074,296
Other items						
Depreciations	3,424	451	1,453	2,093	217	6,675
Investment in equity method affiliates	—	—	—	—	—	16,160
Net increase in property, plant and equipment, and intangible assets	3,521	635	2,668	808	342	40,102

	Reportable Business Segments		Other (Note: 1)	Total	Adjustments (Note:2)	Amounts on the consolidated financial statements (Note: 3)
	Overseas Business	Total				
Sales						
(1) Sales to third parties	1,286,358	4,185,973	6,215	4,192,189	5,733	4,197,922
(2) Inter-group sales and transfers	—	29,013	10,235	39,249	(39,249)	—
Net sales	1,286,358	4,214,987	16,451	4,231,439	(33,516)	4,197,922
Operating profit	39,102	388,947	3,203	392,150	(50,747)	341,402
Assets	2,903,678	4,527,311	19,823	4,547,134	459,503	5,006,637
Other items						
Depreciations	15,703	30,018	194	30,213	12,548	42,761
Investment in equity method affiliates	84,001	100,161	7,866	108,027	(1,924)	106,103
Net increase in property, plant and equipment, and intangible assets	12,576	60,656	152	60,809	38,887	99,696

## Notes

1. "Other" is a business segment that is not included in the reportable segments.
2. Adjustments are as follows:
  - (1) The adjustment of ¥(50,747) million to segment profit includes an elimination of intersegment transactions of ¥(312) million and corporate expenses of ¥(50,434) million that have not been allocated to each segment. Corporate expenses mainly include general and administrative expenses and experiment and research expenses that do not belong to any reportable segment.
  - (2) The adjustment of ¥459,503 million to segment assets represents corporate assets. Corporate assets mainly consist of the parent company's surplus funds (cash and securities), long-term investment funds (investment securities), and assets related to the administrative division.
  - (3) The adjustment of ¥12,548 million to depreciation is depreciation related to company-wide assets.
  - (4) The adjustment of ¥(1,924) million to investment in equity method affiliates is an elimination of intersegment transactions.
  - (5) The adjustment of ¥38,887 million to increase in property, plant and equipment and intangible assets represents capital investments in head office facilities, etc.
3. Segment profit is adjusted to correspond to operating profit in the consolidated financial statements.

**(Per Share Information)**

	Feb. 1, 2024 – Jan. 31, 2025	Feb. 1, 2025 – Jan. 31, 2026
Net assets per share	¥3,027.64	¥3,300.57
Basic earnings per share	¥335.95	¥358.07
Diluted earnings per share	¥335.84	¥357.98

**(Note) Basis of Calculation**

## 1. Net assets per share

(Millions of Yen, Unless otherwise stated)

	As of January 31, 2025	As of January 31, 2026
Net assets on consolidated balance sheet	2,018,599	2,188,237
Difference between net assets on consolidated balance sheet and net assets related to common shares	56,399	48,681
(Share acquisition rights)	87	58
(Non-controlling interests)	56,311	48,622
Net assets related to common shares	1,962,199	2,139,555
Number of common shares issued (1,000 shares)	662,996	663,122
Number of treasury shares of common stock (1,000 shares)	14,902	14,884
Number of common shares used in calculating net assets per share (1,000 shares)	648,094	648,237

## 2. Basic earnings per share and diluted earnings per share

	Previous fiscal year (Feb. 1, 2024 - Jan. 31, 2025)	Current fiscal year (Feb. 1, 2025 - Jan. 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent	217,705	232,095
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent related to common shares	217,705	232,095
Average number of common shares during the period (1,000 shares)	648,036	648,185
Diluted earnings per share		
Adjustment to profit attributable to owners of parent	—	—
Increase in the number of common shares (1,000shares)		
Share acquisition rights	80	55
Performance share units	118	97
Summary of potential shares not included in calculation of diluted earnings per share due to no dilutive effect	—	—

**(Significant Subsequent Event)**

(Cancellation of Treasury Stock)

At the Board of Directors meeting held on March 5, 2026, the Company resolved to cancel treasury stock pursuant to Article 178 of the Corporate Act.

(1) Reason for share cancellation

To enhance the shareholder value through the reduction in the number of outstanding shares

(2) Method of share cancellation

Reduction in retained earnings

(3) Class of shares to be cancelled

Common stock

(4) Number of shares to be cancelled

11,700,000 shares (1.76% of total outstanding shares)

(5) Scheduled date of cancellation

April 24, 2026

(6) Total number of outstanding shares after cancellation

651,422,166 shares