

## SUMMARY OF FINANCIAL STATEMENTS (Non-consolidated)

February 1, 2004 – January 31, 2005

Sekiwa Real Estate Chugoku, Ltd.

March 1, 2005

Head office: Hiroshima, Japan

President & Representative Director: Kyoji Koyama  
 Date of the meeting of the board of directors: March 1, 2005  
 Date of the annual shareholder's meeting: April 22, 2005  
 U.S. GAAP Accounting Principles: Not adopted

Effective February 1, 2005, Sekiwa Real Estate Chugoku, Ltd. became a wholly owned subsidiary of Sekisui House, following which it was de-listed. Accordingly, its statements are presented by Sekisui House.

Ownership in Sekisui House at year end: 40.75%

### 1. Business Results

\*Please note that numbers less than a million yen are rounded down.

#### 1) Non-consolidated Business Results

	Millions of yen			
	Feb. 1, 2004 – Jan. 31, 2005		Feb. 1, 2003 – Jan. 31, 2004	
		Change %		Change %
Net earnings	15,344	9.0	14,077	13.9
Operating income	894	6.1	843	25.2
Recurring income	894	5.6	847	24.9
Net income	594	24.8	476	25.3
Net income per share (yen)	77.71		61.77	
Fully diluted net income per share (yen)	--		--	
Return on equity (%)	20.7%		19.3%	
Return on assets (%)	9.7%		10.1%	
Recurring income margin (%)	5.8%		6.0%	

(1) Gain (loss) from investments in subsidiaries and affiliates accounted for by the equity

Year ended January 31, 2005                      -- million yen      Year ended January 31, 2004                      -- million yen

(2) Average number of outstanding shares (consolidated) during the period:

Year ended January 31, 2005                      7,255,031 shares      Year ended January 31, 2004                      7,264,228 shares

(3) Changes to accounting principles                      Yes

(4) Percentages for net earnings, operating income, recurring income, and net income represent year-on-year changes.

#### 2) Dividends

	Dividend per share (yen)			Total dividend payments (Millions of yen)	Payout ratio	Total dividend / shareholders' equity
	Full-year	First-half	Second-half			
Year to Jan. 31, 2005	15.00	0.00	15.00	108	19.3%	3.5%
Year to Jan. 31, 2004	15.00	0.00	15.00	108	22.3%	4.1%

#### 3) Non-consolidated Financial Position

	Millions of yen	
	Feb. 1, 2004 – Jan. 31, 2005	
	Feb. 1, 2003 – Jan. 31, 2004	
Total assets	9,520	
Shareholders' equity	3,103	
Equity ratio (%)	32.6%	
Shareholders' equity per share (yen)	424.09	

(1) Outstanding shares at end of January 31, 2005                      7,246,062 shares      At end of January 31, 2004                      7,260,275 shares

(2) Number of treasury stocks at end of January 31, 2005                      38,138 shares      At end of January 31, 2004                      23,925 shares

#### 4) Non-consolidated Cash Flows

	Millions of yen	
	Feb. 1, 2004 – Jan. 31, 2005	
	Feb. 1, 2003 – Jan. 31, 2004	
Net cash provided by operating activities	1,121	
Net cash used in investing activities	(265)	
Net cash used in financing activities	(118)	
Cash and cash equivalents at end of period	7,415	

#### 2. Non-consolidated Results Forecast for the Year Ending January 31, 2006

	Millions of yen			
	Net earnings	Recurring income	Net income	Net income per share (yen)
Interim	8,488	503	287	--
Full year	17,100	920	524	68.04

Balance Sheet			
<i>Millions of yen</i>			
As of January 31, 2005			
(Assets)		(Liabilities)	
Current assets	7,938	Current liabilities	2,129
Cash and deposit	7,415	Accounts payable	9
Notes and accounts receivable	95	Advance received	1,062
Inventories	298	Tax payable	191
Deferred tax assets	87	Other current liabilities	865
Other current assets	49	Fixed liabilities	4,286
Less allowance for doubtful accounts	(9)	Accrued retirement benefit	147
Fixed assets	1,581	Custody deposit and guarantee	4,044
Tangible fixed assets	1,102	Other fixed liabilities	94
Buildings and structures	576	Total liabilities	6,416
Land	339		
Other	186	Shareholders' equity	
Intangible fixed assets	68	Paid-in capital	379
Investments and other assets	410	Additional paid-in capital	177
Investment in securities	79	Retained earnings	2,560
Long-term loans receivable	84	Unrealized holdings loss on securities	6
Deposit and guarantee	131	Treasury stock	(19)
Deferred tax assets	106	Total shareholders' equity	3,103
Other investments	9	Total liabilities and shareholders equity	9,520
Total assets	9,520		

Income Statement	
<i>Millions of yen</i>	
February 1, 2004 – January 31, 2005	
Net earnings	15,344
Cost of earnings	14,449
Operating income	894
Non-operating income	11
Other expenses	12
Recurring income	894
Extraordinary income	298
Extraordinary loss	117
Income before income taxes	1,075
Current income taxes	386
Deferred income taxes	94
Net income	594
Retained earnings brought forward from the preceding business term	6
Unappropriated retained earnings	601

Consolidated Statement of Cash Flow	
February 1, 2004 – January 31, 2005	
<i>Millions of yen</i>	
1. Cash flows from operating activities	
Income before income taxes	1,075
Depreciation and amortization	74
Increase in accounts receivable	15
Increase in advance received	104
Increase in deposit and guarantee	383
Other	(125)
Subtotal	1,529
Interests and dividends received	5
Income taxes paid	(413)
Net cash provided by operating activities	1,121
2. Cash flows from investing activities	
Purchase of property, plant and equipment	(181)
Purchase of intangible fix assets	(56)
Other	(26)
Net cash used in investing activities	(265)
3. Cash flows from financing activities	
Cash dividends paid	(108)
Purchase of treasury stock	(10)
Net cash used in financing activities	(118)
4. Net increase in cash and cash equivalents	737
5. Cash and cash equivalents at beginning of year	6,678
6. Cash and cash equivalents at end of year	7,415