

Summary of Consolidated Financial Results for the 2Q FY2009



— Results summary —

【 Income statement 】	(millions of yen)				
	2Q FY08	2Q FY09	YoY (%)	Forecast for FY09	YoY (%)
Net sales	783,447	668,012	-14.7	1,380,000	-8.9
Gross profit	161,470	104,092	-35.5	221,500	-23.9
SG&A	110,526	101,096	-8.5	200,000	-8.0
Operating income	50,943	2,995	-94.1	21,500	-70.9
Recurring income	51,922	2,653	-94.9	21,000	-72.8
Extraordinary income	-	-	-	-	-
Extraordinary loss	4,333	5,798	33.8	7,300	-85.2
Net income	28,006	-2,373	-	6,000	-47.9

- » Net sales ¥668,012 million yen, year-on-year decrease of 14.7%
 -Delay in recovery of housing market due to weak consumer confidence in the wake of last year's rapid economic downturn has had a lingering impact on the level of our orders.
 -Urban redevelopment business is in the off-crop season.
- » Gross profit Decreased by 35.5% year-on-year to ¥104,092 million, as sales declined and urban redevelopment business in the off-crop season
- » SG&A Decreased by ¥9.4 billion (-8.5%) to ¥101,096 million as a result of implementing cost reduction
 Advertising and selling expenses decreased by ¥4.6 billion and other expenses by ¥4.8 billion
- » Operating income ¥2,995 million
- » Recurring income ¥2,653 million following the increase in loans
- » Extraordinary loss Posted ¥4,155 million of cost of business structure improvements
- » Net loss ¥2,373 million

— Segment information —

【Sales】	(millions of yen)				
	2Q FY08	2Q FY09	YoY (%)	Forecast for FY09	YoY (%)
Built to Order Housing	320,549	281,344	-12.2	610,000	-10.7
Real Estate for Sale	203,379	134,993	-33.6	265,000	-16.5
Real Estate for Leasing	177,243	182,040	2.7	366,000	2.5
Other Business	82,274	69,633	-15.4	139,000	-11.4
Consolidated	783,447	668,012	-14.7	1,380,000	-8.9

- Trend in sales ¥668,012 million, a decrease by 14.7% year-on-year
- » Built to Order Housing Decrease by 12.2% year-on-year; detached houses -13.1%, low-rise apartments -10.3%
- » Real Estate for Sale Drop by 33.6% year-on-year, as urban redevelopment business is in the off-crop season and sales of condominiums remained sluggish
- » Real Estate for Leasing Increased by 2.7% as sales of Sekiwa Real Estate Group companies grew.
- » Other Business Down by 15.4% year-on-year, due to decreases in sales of RC contracts and exterior businesses

(millions of yen)

(millions of yen)

【Orders】	2Q FY08	2Q FY09	YoY (%)	Forecast for FY09	YoY (%)
Built to Order Housing	383,123	306,731	-19.9	641,000	-4.3
Real Estate for Sale	221,700	133,002	-40.0	271,000	-9.6
Real Estate for Leasing	177,243	182,040	2.7	366,000	2.5
Other Business	80,661	74,977	-7.0	149,000	1.8
Consolidated	862,728	696,751	-19.2	1,427,000	-3.1

Trend in orders

Totaled ¥696,751 million, down by 19.2% year-on-year.

Both orders and accumulated orders are on a recovery path for detached houses, thanks to the effects of expanded mortgage tax break and other housing related tax credits and promotion of sales of *Green First* models, our eco-friendly housing lines.

(millions of yen)

【Accumulated orders】	As of Jan. 31, 2009	As of Jul. 31, 2009	FY09/FY08	As of Jan. 31, 2010(F)	YoY (%)
Built to Order Housing	339,702	365,089	7.5	370,702	9.1
Real Estate for Sale	71,101	69,109	-2.8	77,101	8.4
Real Estate for Leasing	-	-	-	-	-
Other Business	92,427	97,771	5.8	102,427	10.8
Consolidated	503,230	531,970	5.7	550,230	9.3

— Summary of Balance Sheets —

◇Assets Decreased by ¥33,893 million from the end of the previous fiscal year to ¥1,353,344 million

(millions of yen)

	As of Jan. 31, 2009	As of Jul. 31, 2009	Change
Cash and deposits	124,517	103,069	-21,448
Land for sale and undeveloped land for sale	583,703	572,402	-11,300

- Land for sale and undeveloped land for sale increased by approx. ¥17 billion as a result of the acquisition of land for projects in Australia.
- Land for sale decreased due to the promotion of sales of existing held-for-sale properties.

◇Liabilities Dropped by ¥30,569 million from the end of the previous year to ¥602,538 million

(millions of yen)

	As of Jan. 31, 2009	As of Jul. 31, 2009	Change
Interest bearing debts	249,981	260,125	10,144

- Long-term debt increased in order to meet capital requirements for overseas business.

◇Net assets Declined by ¥3,324 million from the end of the previous fiscal year to ¥750,806 million

- Retained earnings decreased by ¥10,493 million following dividends payments and net loss for the period

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