

Sekisui House , Ltd.

First Quarter of FY2011 (ending Jan. 31, 2012)

– Summary of Consolidated Financial Results –

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June 9, 2011

1. Topics in the First Quarter

1. Impact of the Great East Japan Earthquake

- The damage to own sales bases, factories, and other facilities was light.
We posted an extraordinary loss on the disaster of approximately ¥1 billion.
- There is growing demand for earthquake resistance performance.
SHEQAS, original seismic damping system, is attracting attention.
It is certified by the Minister of Land, Infrastructure, Transport and Tourism.

2. We are holding the Sha-Maison Festa event for the Rental Housing business

- The event leads to rental housing orders
- We are proposing our original floor-sound insulation system, SHAIDD55

3. Sale of *Daiba Garden City*

- Proceeds total approximately ¥ 11 billion and we posted a gain on the sale of real estate.

2. Overview

(¥ millions)

	FY2010 1Q	FY2011		FY2011 2Q (6 months) forecasts	
		1Q	YoY		
Net sales	326,237	328,768	0.8%	734,000	(0.6%)
Cost of sales	273,159	272,197	(0.4%)	602,500	(1.7%)
Gross profit	53,077	56,571	6.6%	131,500	4.4%
SG&A	48,834	48,420	(0.8%)	103,500	3.9%
Operating income	4,243	8,150	92.1%	28,000	6.1%
Ordinary income	4,523	8,434	86.5%	28,000	8.6%
Extraordinary loss	398	2,123	433.4%	1,700	5.7%
Net income	1,846	3,008	62.9%	14,000	2.8%

Sheet 2

3. Segment Information —1 Sales and Orders

Sales

(¥ millions)

	FY2010 1Q	FY2011	
		1Q	YoY
Custom detached houses	94,121	91,702	(2.6%)
Rental housing	58,368	52,737	(9.6%)
Houses for sale	29,349	23,971	(18.3%)
Condominiums	19,739	9,609	(51.3%)
Urban redevelopment	4,277	19,907	365.4%
Remodeling	19,398	20,362	5.0%
Real estate management fees	90,524	94,285	4.2%
Other Businesses	10,458	16,193	54.8%
Total	326,237	328,768	0.8%

Orders

(¥ millions)

	FY2010 1Q	FY2011	
		1Q	YoY
Custom detached houses	115,843	116,967	1.0%
Rental housing	59,924	65,886	9.9%
Houses for sale	38,935	31,757	(18.4%)
Condominiums	22,021	10,296	(53.2%)
Urban redevelopment	5,880	6,707	14.1%
Remodeling	22,230	24,165	8.7%
Real estate management fees	90,524	94,285	4.2%
Other Businesses	14,731	23,487	59.4%
Total	370,092	373,552	0.9%

Sheet 3

3. Segment Information

— 2 Operating income, Operating margin and Gross margin

(¥ millions)

	Operating income			Operating margin		Gross margin	
	FY2010 1Q	FY2011 1Q	YoY	FY2010 1Q	FY2011 1Q	FY2010 1Q	FY2011 1Q
Custom detached houses	6,323	5,145	(18.6%)	6.7%	5.6%	21.2%	20.7%
Rental housing	3,638	1,634	(55.1%)	6.1%	3.0%	19.1%	18.7%
Houses for sale	(1,825)	(795)	—	(6.2%)	(3.3%)	10.7%	13.7%
Condominiums	(186)	(134)	—	(0.9%)	(1.4%)	8.3%	8.9%
Urban redevelopment	704	5,460	675.6%	16.4%	27.4%	28.9%	29.3%
Remodeling	1,525	1,570	3.0%	7.9%	7.7%	23.3%	23.5%
Real estate management fees	3,715	4,373	17.7%	4.1%	4.6%	11.7%	12.1%
Other Businesses	(1,346)	(1,671)	—	(11.7%)	(9.6%)	11.2%	13.0%
Eliminations and corporate	(8,305)	(7,432)	—	—	—	—	—
Total	4,243	8,150	92.1%	1.3%	2.5%	16.3%	17.2%

Sheet 4

4. Consolidated Balance Sheets — 1 Assets

(¥ millions)

	FY2010 4Q	FY2011 1Q	Change	
			Amounts	%
■ Current assets				
Cash and deposits	151,983	110,665	(41,317)	(27.2%)
Notes receivable , accounts receivable from completed construction contracts	35,545	38,359	2,814	7.9%
Costs on uncompleted construction contracts	12,212	15,825	3,612	29.6%
Buildings for sale	131,737	137,926	6,188	4.7%
Underdeveloped land and Land for sale in lots	400,323	401,474	1,151	0.3%
Other	90,728	134,732	44,004	48.5%
Total current assets	822,530	838,984	16,454	2.0%
■ Noncurrent assets				
Property, plant and equipment				
Buildings and structures	131,540	137,281	5,741	4.4%
Land	193,249	193,179	(69)	(0.0%)
Other	27,342	24,368	(2,973)	(10.9%)
Total property, plant and equipment	352,131	354,829	2,697	0.8%
Intangible assets	9,809	11,807	1,997	20.4%
Investments and other assets	156,837	157,891	1,054	0.7%
Total noncurrent assets	518,778	524,528	5,750	1.1%
Total assets	1,341,308	1,363,513	22,204	1.7%

Sheet 5

4. Consolidated Balance Sheets — 2 Liabilities and Net Assets

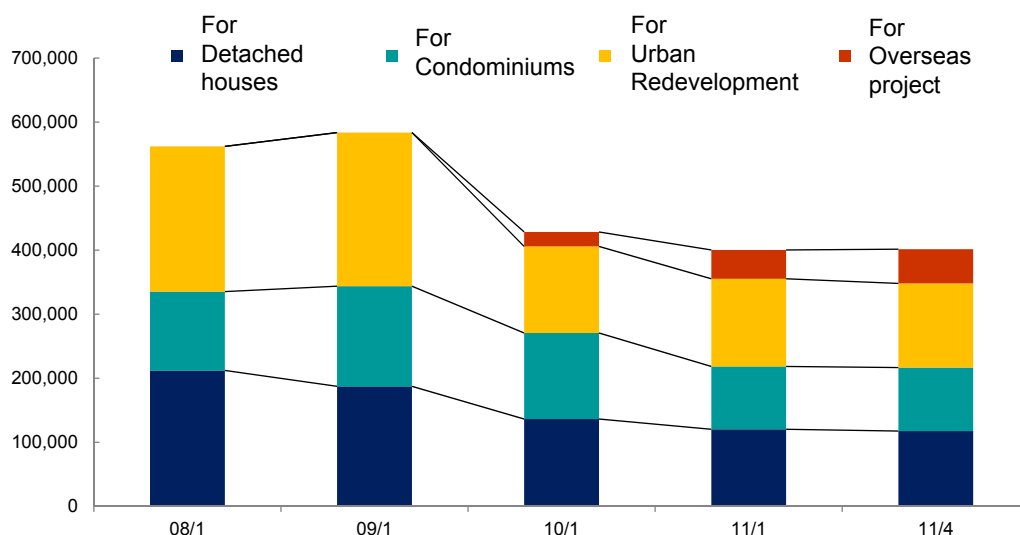
(¥ millions)

	FY2010 4Q	FY2011 1Q	Change	
			Amounts	%
■ Liabilities				
Current Liabilities				
Notes payable, accounts payable for construction contracts	149,714	117,296	(32,417)	(21.7%)
Advances received on uncompleted construction contracts	75,539	77,661	2,122	2.8%
Short-term bonds payable	—	50,000	50,000	—
Current portion of long-term loans payable	27,454	28,809	1,355	4.9%
Other	71,380	68,979	(2,400)	(3.4%)
Total current liabilities	324,088	342,748	18,659	5.8%
Noncurrent liabilities				
Bonds payable	129,990	129,992	1	0.0%
Long-term loans payable	54,560	54,472	(87)	(0.2%)
Other	94,639	100,681	6,041	6.4%
Total noncurrent liabilities	279,190	285,146	5,955	2.1%
Total liabilities	603,279	627,894	24,615	4.1%
■ Net assets				
Shareholder's equity	732,021	729,618	(2,403)	(0.3%)
Valuation and translation adjustments	4,940	4,767	(172)	(3.5%)
Subscription rights to shares	292	308	16	5.5%
Minority interests	774	924	149	19.4%
Total Net Assets	738,029	735,618	(2,410)	(0.3%)
Total liabilities and net assets	1,341,308	1,363,513	22,204	1.7%
■ Interest bearing debts	212,030	265,631	53,600	25.3%

Sheet 6

4. Consolidated Balance Sheets

— 3 Details of land for sale in lots and undeveloped land for sale by use



(¥ millions)

	Jan. 31, 2008	Jan. 31, 2009	Jan. 31, 2010	Jan. 31, 2011	Apr. 30, 2011
For overseas project	—	—	22,549	44,975	53,349
For urban redevelopment	226,737	239,983	135,206	136,939	131,478
For condominiums	123,097	156,237	134,323	98,042	99,007
For custom detached houses	212,233	187,483	136,332	120,365	117,639
Total	562,067	583,703	428,410	400,323	401,474

Sheet 7

5. Consolidated Statements of Cash Flow

(¥ millions)

	FY2010 1Q	FY2011 1Q
Net cash provided by (used in) operating activities	(40,543)	(79,530)
Net cash provided by (used in) investing activities	(7,034)	(10,039)
Free cash flow	(47,577)	(89,569)
Net cash provided by (used in) financing activities	76,945	47,579
Net increase (decrease) in cash and cash equivalents	29,578	(41,317)
Cash and cash equivalents at beginning of period	148,630	151,983
Cash and cash equivalents at end of period	178,208	110,665

	FY2010 1Q	FY2011 1Q
Capital expenditures	5,238	10,270
Depreciation and amortization	3,823	4,189

Sheet 8

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 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.

Sheet 9