

Sekisui House, Ltd.

Second Quarter of FY2012 (ending Jan. 31, 2013)

— Summary of Consolidated Financial Results —

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September 6, 2012

1. Topics in the Second Quarter

1: Full-year income target revised upwards

Operating income revised up by ¥5 billion
(Initial plan ¥80 billion → Revised to ¥85 billion)

- The income structure improved.
In addition, Condominiums and Overseas Businesses moved into the black.

2: Progress faster than planned in the Green First Strategy

Consistent performance led by our environment strategy since the
Announcement of the Environment Future Plan in 1999.

- Green First adoption rate for FY2012 2Q: 84 % for detached houses, and adoption rate for rental housing has been also favorable (39%).
- Orders for remodeling for solar power generation system for the first half of FY2012 : 3,513 buildings (Full-year results for FY2011: 2,569 buildings)
We will aim for further order expansion with the Green First Remodeling Strategy.

3: Overseas Business beginning to produce a result

- Segment income turned into the black (FY2011 2Q: ¥-1.5 billion → FY2012 2Q: ¥1 billion)
- Sales of ¥8.2 billion in the U.S. project contributed to higher income.
In the second half, condominiums in Wentworth Point, Australia are to be delivered.
- Investment balances total ¥218.3 billion, and accumulated orders total ¥74.8 billion (Australia and U.S.).

2. Performance Summary

(¥ millions)

	FY2011 2Q	FY2012		FY2012(Full-Year)	
		2Q	YoY	Forecasts	YoY
Net sales	746,393	758,008	1.6%	1,650,000	7.8%
Cost of sales	614,519	620,712	1.0%	1,349,000	7.5%
Gross profit	131,874	137,296	4.1%	301,000	9.3%
SG&A	99,321	104,021	4.7%	216,000	5.7%
Operating income	32,552	33,274	2.2%	85,000	19.9%
Ordinary income	32,568	34,257	5.2%	86,000	22.7%
Extraordinary loss	3,049	2,883	(5.5%)	4,000	(49.2%)
Net income	16,868	17,075	1.2%	44,000	51.9%

Sheet 2

3. Segment Information —1 Sales and Orders

(¥ millions)

	Sales		
	FY2011 2Q	FY2012	
		2Q	YoY
Custom detached houses	227,866	223,206	(2.0%)
Rental housing	133,365	139,506	4.6%
Houses for sale	65,460	58,471	(10.7%)
Condominiums	19,500	20,288	4.0%
Urban redevelopment	25,694	18,908	(26.4%)
Remodeling	49,903	54,711	9.6%
Real estate management fees	187,947	196,032	4.3%
Overseas business	9,609	19,034	98.1%
Other Businesses	27,046	27,848	3.0%
Total	746,393	758,008	1.6%

(¥ millions)

	Orders		
	FY2011 2Q	FY2012	
		2Q	YoY
Custom detached houses	248,736	255,077	2.5%
Rental housing	151,486	158,027	4.3%
Houses for sale	67,177	67,956	1.2%
Condominiums	27,460	39,323	43.2%
Urban redevelopment	12,494	18,908	51.3%
Remodeling	54,552	57,234	4.9%
Real estate management fees	187,947	196,032	4.3%
Overseas business	39,026	29,432	(24.6%)
Other Businesses	29,314	31,414	7.2%
Total	818,196	853,406	4.3%

Sheet 3

3. Segment Information

— 2 Operating income, OP margin and Gross margin

(¥ millions)

	Operating income			OP margin		Gross margin	
	FY2011 2Q	FY2012 2Q	Change	FY2011 2Q	FY2012 2Q	FY2011 2Q	FY2012 2Q
Custom detached houses	23,953	20,458	(3,495)	10.5%	9.2%	23.5%	22.8%
Rental housing	12,127	11,056	(1,071)	9.1%	7.9%	21.3%	20.0%
Houses for sale	1,392	1,003	(389)	2.1%	1.7%	14.2%	13.7%
Condominiums	(5,756)	245	6,001	(29.5%)	1.2%	(18.8%)	11.1%
Urban redevelopment	6,935	3,026	(3,909)	27.0%	16.0%	29.3%	19.4%
Remodeling	4,895	5,718	823	9.8%	10.5%	23.1%	23.2%
Real estate management fees	7,312	8,304	992	3.9%	4.2%	11.6%	12.2%
Overseas business	(1,516)	1,095	2,611	(15.8%)	5.8%	16.2%	29.1%
Other Businesses	(744)	(499)	245	(2.8%)	(1.8%)	12.9%	14.3%
Eliminations and back office	(16,046)	(17,134)	(1,088)	-	-	-	-
Total	32,552	33,274	722	4.4%	4.4%	17.7%	18.1%

Sheet 4

4. Consolidated Balance Sheets — 1 Assets

(¥ millions)

	As of Jan. 31, 2012	As of July 31, 2012	Change	
			Amounts	%
■ Current assets				
Cash and deposits	169,524	135,229	(34,294)	(20.2%)
Notes receivable, accounts receivable from completed construction contracts	36,530	40,400	3,869	10.6%
Costs on uncompleted construction contracts	8,344	8,112	(232)	(2.8%)
Buildings for sale	135,541	144,867	9,326	6.9%
Underdeveloped land and Land for sale in lots	465,635	474,216	8,580	1.8%
Other	100,497	97,698	(2,799)	(2.8%)
Total current assets	916,074	900,525	(15,548)	(1.7%)
■ Noncurrent assets				
Property, plant and equipment				
Buildings and structures	131,326	139,603	8,276	6.3%
Land	191,355	198,632	7,276	3.8%
Other	31,453	32,147	694	2.2%
Total property, plant and equipment	354,135	370,383	16,247	4.6%
Intangible assets	14,331	15,033	702	4.9%
Investments and other assets	161,287	165,300	4,013	2.5%
Total noncurrent assets	529,754	550,717	20,963	4.0%
Total assets	1,445,828	1,451,243	5,414	0.4%

Sheet 5

4. Consolidated Balance Sheets — 2 Liabilities and Net Assets

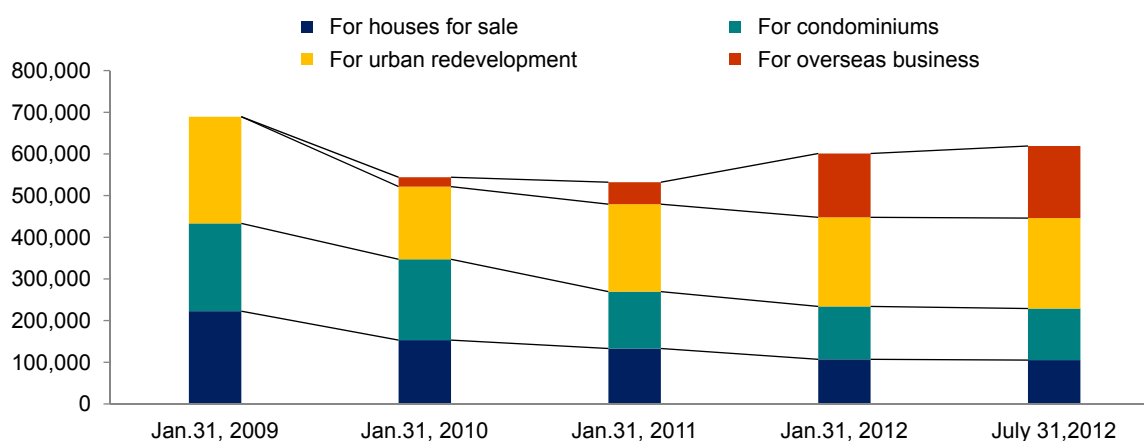
(¥ millions)

	As of Jan. 31, 2012	As of July 31, 2012	Change	
			Amounts	%
■ Liabilities				
Current Liabilities				
Notes receivable, accounts payable for construction contracts	138,538	138,391	(146)	(0.1%)
Advances received on uncompleted construction contracts	76,272	87,195	10,922	14.3%
Current portion of bonds	59,995	59,998	2	0.0%
Loans payable (short-term & current portion of long-term)	21,079	19,925	(1,153)	(5.5%)
Other	112,366	81,483	(30,883)	(27.5%)
Total current liabilities	408,251	386,994	(21,257)	(5.2%)
Noncurrent liabilities				
Bonds payable	120,000	120,000	-	-
Long-term loans payable	62,660	70,591	7,930	12.7%
Other	104,542	111,378	6,836	6.5%
Total noncurrent liabilities	287,202	301,970	14,767	5.1%
Total liabilities	695,454	688,964	(6,490)	(0.9%)
■ Net assets				
Shareholders' equity	746,028	756,387	10,358	1.4%
Accumulated other comprehensive income	(2,198)	(871)	1,327	(60.4%)
Subscription rights to shares	365	394	28	7.9%
Minority interests	6,178	6,368	190	3.1%
Total Net Assets	750,374	762,279	11,905	1.6%
Total liabilities and net assets	1,445,828	1,451,243	5,414	0.4%
■ Interest bearing debts	265,331	272,126	6,795	2.6%

Sheet 6

4. Consolidated Balance Sheets

— 3 Details of Real Estate (Buildings and Land) for Sale by Segments



(¥ millions)

	Jan. 31, 2009	Jan. 31, 2010	Jan. 31, 2011	Jan. 31, 2012	July 31, 2012
For overseas business	-	22,549	52,566	153,323	173,105
For urban redevelopment	256,004	174,428	210,056	213,893	216,970
For condominiums	210,725	193,908	136,535	126,945	123,877
For houses for sale	222,530	153,168	132,902	107,014	105,130
Total	689,259	544,054	532,060	601,177	619,084

Sheet 7

5. Consolidated Statements of Cash Flow

(¥ millions)

	FY2011 2Q	FY2012 2Q	Change
Net cash provided by (used in) operating activities	(28,300)	(6,773)	21,526
Net cash provided by (used in) investing activities	(18,482)	(27,078)	(8,596)
Free cash flow	(46,782)	(33,851)	12,930
Net cash provided by (used in) financing activities	48,621	(366)	(48,987)
Net increase (decrease) in cash and cash equivalents	2,698	(34,294)	(36,992)
Cash and cash equivalents at beginning of period	151,983	169,524	
Cash and cash equivalents at end of period	154,681	135,229	

	FY2011 2Q	FY2012 2Q	Change
Capital expenditures	18,162	30,250	12,088
Depreciation and amortization	8,861	9,055	194

Sheet 8

6. Full-Year Forecasts

(¥ millions)

	FY2011 Results	FY2012 (Full-Year)		
		Initial Forecasts	Revised Forecasts	Revised YoY
Net sales	1,530,577	1,650,000	1,650,000	7.8%
Operating income	70,897	80,000	85,000	19.9%
Ordinary income	70,075	79,500	86,000	22.7%
Net income	28,962	42,000	44,000	51.9%
EPS (yen)	42.90	62.53	65.51	52.7%
ROA	5.28%	5.67%	6.02%	—
ROE	3.91%	5.55%	5.80%	—
Dividend per share (yen)	20.00	25.00	25.00	5.00
Payout ratio	46.62%	39.98%	38.16%	—

Sheet 9

6. Full-Year Forecasts (Segment information)

—1 Sales and Orders

Sales

Orders

(¥ millions)

	FY2011 Results	FY2012(Full-Year)			FY2011 Results	FY2012(Full-Year)	
		Initial Forecasts	Revised Forecasts	Revised YoY		Initial Forecasts	Revised Forecasts
Custom detached houses	475,330	485,000	485,000	2.0%	467,702	495,500	500,000
Rental housing	289,027	285,000	290,000	0.3%	300,354	305,000	308,000
Houses for sale	127,123	127,000	125,000	(1.7%)	124,312	129,500	132,000
Condominiums	39,681	48,000	50,000	26.0%	60,717	61,000	61,000
Urban redevelopment	37,720	58,000	58,000	53.8%	24,520	58,000	58,000
Remodeling	102,180	130,000	125,000	22.3%	104,086	135,700	130,000
Real estate management fees	378,247	395,000	395,000	4.4%	378,247	395,000	395,000
Overseas business	24,264	60,000	60,000	147.3%	60,021	62,000	62,000
Other Businesses	57,002	62,000	62,000	8.8%	57,538	66,300	64,000
Total	1,530,577	1,650,000	1,650,000	7.8%	1,577,501	1,708,000	1,710,000

Sheet 10

6. Full-Year Forecasts (Segment information)

— 2 Operating income, Operating margin and Gross margin

(¥ millions)

	Operating income				Operating margin		Gross margin	
	FY2011 Results	FY2012(Fiscal Year)			FY2011 Results	FY2012 Revised Forecasts	FY2011 Results	FY2012 Revised Forecasts
		Initial Forecasts	Revised Forecasts	Change				
Custom detached houses	52,476	51,000	51,000	(1,476)	11.0%	10.5%	23.6%	23.5%
Rental housing	26,595	25,500	26,000	(595)	9.2%	9.0%	21.5%	21.0%
Houses for sale	3,685	3,000	3,000	(685)	2.9%	2.4%	14.2%	14.4%
Condominiums	(9,947)	500	600	10,547	(25.1%)	1.2%	(13.9%)	10.0%
Urban redevelopment	9,974	8,000	8,000	(1,974)	26.4%	13.8%	29.5%	15.5%
Remodeling	9,624	10,500	12,500	2,876	9.4%	10.0%	22.6%	21.6%
Real estate management fees	14,260	15,000	16,500	2,240	3.8%	4.2%	11.7%	12.2%
Overseas business	(3,176)	3,000	3,000	6,176	(13.1%)	5.0%	17.3%	22.5%
Other Businesses	(35)	0	0	35	(0.1%)	0.0%	15.2%	14.5%
Eliminations and back office	(32,560)	(36,500)	(35,600)	(3,040)	—	—	—	—
Total	70,897	80,000	85,000	14,103	4.6%	5.2%	18.0%	18.2%

Sheet 11

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.