

Sekisui House, Ltd.

Third Quarter of FY2012 (February 1, 2012 through October 31, 2012)

— Summary of Consolidated Financial Results —

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December 6, 2012

1. Topics in the Third Quarter

1: Higher sales and income with strong orders

- The supplied housing business (up ¥18.7 billion) and the development business (up ¥24.8 billion) contributed to higher sales.
- Accumulated orders in the Custom Detached Houses Business increased (by ¥23.3 billion year-on-year), and the Rental Housing Business overcame lower sales of temporary housing posted in FY2011 (¥15.5 billion).

2: The supplied housing business contributed to earnings. The Company's sound supplied stocks bolstered its performance.

- Remodeling Business: Demand for remodeling to enhance housing functionality, such as remodeling to adopt energy-saving functions, remained strong.
The number of remodeling projects to install solar systems reached 5,400 units, more than double the results for the whole previous year.
- Real Estate Management Fees: Earnings remained strong, with an increase in the number of units under management. Occupancy ratio was 96.0%.

3: Progress in Overseas Business

- Overseas Business posted operating income of ¥2.4 billion, mainly owing to the delivery of condominiums in Wentworth Point, Australia in the 3Q (¥10.9 billion) and the sale in the U.S. (¥12.9 billion).
- Investment balances total ¥219.1 billion, and accumulated orders total ¥65.6 billion (Australia and U.S.)

2. Performance Summary

(¥ millions)

	FY2011 3Q	FY2012		FY2012(Full-Year)	
		3Q	YoY	Forecasts	YoY
Net sales	1,112,091	1,141,180	2.6%	1,620,000	5.8%
Cost of sales	911,119	932,535	2.4%	1,319,000	5.1%
Gross profit	200,972	208,645	3.8%	301,000	9.3%
SG&A	151,267	157,161	3.9%	216,000	5.7%
Operating income	49,704	51,483	3.6%	85,000	19.9%
Ordinary income	49,856	53,290	6.9%	86,000	22.7%
Extraordinary loss	6,314	3,606	(42.9%)	4,000	(49.2%)
Net income	24,847	26,798	7.9%	44,000	51.9%

Sheet 2

3. Segment Information —1 Sales and Orders

(¥ millions)

(¥ millions)

	Sales			Orders		
	FY2011 3Q	FY2012		FY2011 3Q	FY2012	
		3Q	YoY		3Q	YoY
Custom detached houses	344,080	329,843	(4.1%)	359,539	376,294	4.7%
Rental housing	208,206	206,213	(1.0%)	227,744	240,419	5.6%
Houses for sale	91,700	86,080	(6.1%)	99,536	104,051	4.5%
Condominiums	23,511	28,075	19.4%	41,392	58,738	41.9%
Urban redevelopment	31,872	39,159	22.9%	18,672	39,159	109.7%
Remodeling	72,570	79,117	9.0%	80,748	86,838	7.5%
Real estate management fees	282,373	294,624	4.3%	282,373	294,624	4.3%
Overseas Business	18,850	37,514	99.0%	38,678	38,640	(0.1%)
Other Businesses	38,926	40,550	4.2%	41,222	46,642	13.1%
Total	1,112,091	1,141,180	2.6%	1,189,908	1,285,408	8.0%

Sheet 3

3. Segment Information

— 2 Operating income, OP margin and Gross margin

(¥ millions)

	Operating income			OP margin		Gross margin	
	FY2011 3Q	FY2012 3Q	Change	FY2011 3Q	FY2012 3Q	FY2011 3Q	FY2012 3Q
Custom detached houses	35,264	29,357	(5,907)	10.2%	8.9%	23.3%	22.8%
Rental housing	19,671	15,742	(3,929)	9.4%	7.6%	21.7%	19.9%
Houses for sale	1,489	1,181	(308)	1.6%	1.4%	14.4%	13.9%
Condominiums	(6,385)	108	6,493	(27.2%)	0.4%	(14.9%)	10.6%
Urban redevelopment	9,475	8,693	(782)	29.7%	22.2%	32.5%	25.1%
Remodeling	6,624	7,791	1,167	9.1%	9.8%	22.9%	23.1%
Real estate management fees	10,637	13,110	2,473	3.8%	4.4%	11.6%	12.4%
Overseas Business	(1,528)	2,452	3,980	(8.1%)	6.5%	17.5%	25.9%
Other Businesses	(1,422)	(1,042)	380	(3.7%)	(2.6%)	13.2%	14.5%
Eliminations and back office	(24,121)	(25,910)	(1,789)	—	—	—	—
Total	49,704	51,483	1,779	4.5%	4.5%	18.1%	18.3%

Sheet 4

4. Consolidated Balance Sheets — 1 Assets

(¥ millions)

	As of Jan. 31, 2012	As of Oct. 31, 2012	Change	
			Amounts	%
■ Current assets				
Cash and deposits	169,524	118,594	(50,929)	(30.0%)
Notes receivable, accounts receivable from completed construction contracts	36,530	48,424	11,893	32.6%
Costs on uncompleted construction contracts	8,344	15,442	7,097	85.1%
Buildings for sale	135,541	147,648	12,107	8.9%
Underdeveloped land and Land for sale in lots	465,635	475,375	9,739	2.1%
Other	100,497	104,577	4,079	4.1%
Total current assets	916,074	910,062	(6,011)	(0.7%)
■ Noncurrent assets				
Property, plant and equipment				
Buildings and structures	131,326	139,856	8,530	6.5%
Land	191,355	206,361	15,005	7.8%
Other	31,453	34,037	2,584	8.2%
Total property, plant and equipment	354,135	380,255	26,120	7.4%
Intangible assets	14,331	15,041	709	5.0%
Investments and other assets	161,287	165,304	4,017	2.5%
Total noncurrent assets	529,754	560,601	30,847	5.8%
Total assets	1,445,828	1,470,664	24,835	1.7%

Sheet 5

4. Consolidated Balance Sheets — 2 Liabilities and Net Assets

(¥ millions)

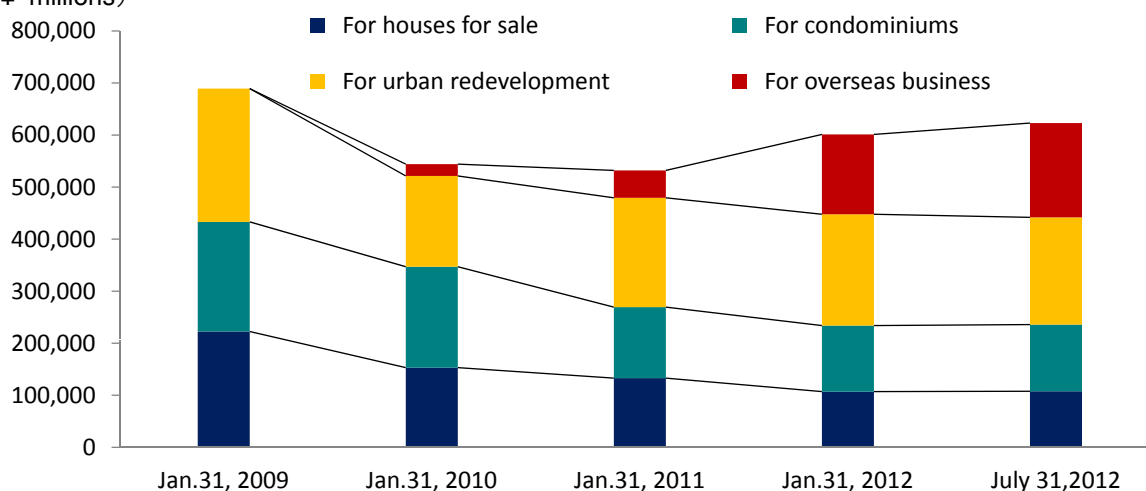
	As of Jan. 31, 2012	As of Oct. 31, 2012	Change	
			Amounts	%
■ Liabilities				
Current Liabilities				
Notes receivable, accounts payable for construction contracts	138,538	136,461	(2,077)	(1.5%)
Advances received on uncompleted construction contracts	76,272	99,261	22,988	30.1%
Current portion of bonds	59,995	59,999	3	0.0%
Loans payable (short-term & current portion of long-term)	21,079	16,274	(4,805)	(22.8%)
Other	112,366	90,068	(22,297)	(19.8%)
Total current liabilities	408,251	402,065	(6,186)	(1.5%)
Noncurrent liabilities				
Bonds payable	120,000	120,000	—	—
Long-term loans payable	62,660	71,544	8,884	14.2%
Other	104,542	113,397	8,855	8.5%
Total noncurrent liabilities	287,202	304,942	17,739	6.2%
Total liabilities	695,454	707,007	11,552	1.7%
■ Net assets				
Shareholders' equity	746,028	758,040	12,011	1.6%
Accumulated other comprehensive income	(2,198)	(1,206)	992	(45.1%)
Subscription rights to shares	365	412	47	12.9%
Minority interests	6,178	6,411	232	3.8%
Total Net Assets	750,374	763,656	13,282	1.8%
Total liabilities and net assets	1,445,828	1,470,664	24,835	1.7%
■ Interest bearing debts	265,331	269,410	4,079	1.5%

Sheet 6

4. Consolidated Balance Sheets

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

(¥ millions)



(¥ millions)

	Jan. 31, 2009	Jan. 31, 2010	Jan. 31, 2011	Jan. 31, 2012	Oct. 31, 2012
For overseas business	—	22,549	52,566	153,323	181,183
For urban redevelopment	256,004	174,428	210,056	213,893	206,016
For condominiums	210,725	193,908	136,535	126,945	128,130
For houses for sale	222,530	153,168	132,902	107,014	107,692
Total	689,259	544,054	532,060	601,177	623,023

Sheet 7

5. Consolidated Statements of Cash Flow

(¥ millions)

	FY2011 3Q	FY2012 3Q	Change
Net cash provided by (used in) operating activities	(15,689)	1,034	16,724
Net cash provided by (used in) investing activities	(23,534)	(39,988)	(16,454)
Free cash flow	(39,223)	(38,954)	(270)
Net cash provided by (used in) financing activities	21,253	(11,734)	(32,988)
Net increase (decrease) in cash and cash equivalents	(24,604)	(50,929)	(26,324)
Cash and cash equivalents at beginning of period	151,983	169,524	
Cash and cash equivalents at end of period	127,378	118,594	

	FY2011 3Q	FY2012 3Q	Change
Capital expenditures	25,989	45,266	19,276
Depreciation and amortization	13,332	13,857	525

Sheet 8

6. Full-Year Forecasts

(¥ millions)

	FY2011 Results	FY2012 (Full-Year)	
		Forecasts	YoY
Net sales	1,530,577	1,620,000	5.8%
Operating income	70,897	85,000	19.9%
Ordinary income	70,075	86,000	22.7%
Net income	28,962	44,000	51.9%
EPS (yen)	42.90	65.51	52.7%
ROA	5.28%	5.98%	—
ROE	3.91%	5.80%	—
Dividend per share (yen)	20.00	25.00	5.00
Payout ratio	46.62%	38.16%	—

Sheet 9

6. Full-Year Forecasts (Segment information)

—1 Sales and Orders

	Sales (¥ millions)				Orders (¥ millions)			
	FY2011 Results	FY2012(Full-Year)			FY2011 Results	FY2012(Full-Year)		
		Forecasts	Change	YoY		Forecasts	Change	YoY
Custom detached houses	475,330	485,000	9,670	2.0%	467,702	500,000	32,298	6.9%
Rental housing	289,027	290,000	973	0.3%	300,354	308,000	7,646	2.5%
Houses for sale	127,123	125,000	(2,123)	(1.7%)	124,312	132,000	7,688	6.2%
Condominiums	39,681	50,000	10,319	26.0%	60,717	61,000	283	0.5%
Urban redevelopment	37,720	45,000	7,280	19.3%	24,520	45,000	20,480	83.5%
Remodeling	102,180	114,000	11,820	11.6%	104,086	118,000	13,914	13.4%
Real estate management fees	378,247	395,000	16,753	4.4%	378,247	395,000	16,753	4.4%
Overseas Business	24,264	54,000	29,736	122.6%	60,021	55,000	(5,021)	(8.4%)
Other Businesses	57,002	62,000	4,998	8.8%	57,538	64,000	6,462	11.2%
Total	1,530,577	1,620,000	89,423	5.8 %	1,577,501	1,678,000	100,499	6.4%

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 Forecasts	FY2011 Results	FY2012 Forecasts
		Forecasts	Change	YoY				
Custom detached houses	52,476	51,000	(1,476)	(2.8%)	11.0%	10.5%	23.6%	23.5%
Rental housing	26,595	26,000	(595)	(2.2%)	9.2%	9.0%	21.5%	21.0%
Houses for sale	3,685	3,000	(685)	(18.6%)	2.9%	2.4%	14.2%	14.4%
Condominiums	(9,947)	600	10,547	—	(25.1%)	1.2%	(13.9%)	10.0%
Urban redevelopment	9,974	10,200	226	2.3%	26.4%	22.7%	29.5%	25.6%
Remodeling	9,624	11,000	1,376	14.3%	9.4%	9.6%	22.6%	21.9%
Real estate management fees	14,260	16,000	1,740	12.2%	3.8%	4.1%	11.7%	12.2%
Overseas Business	(3,176)	3,000	6,176	—	(13.1%)	5.6%	17.3%	25.0%
Other Businesses	(35)	0	35	—	(0.1%)	0.0%	15.2%	14.5%
Eliminations and back office	(32,560)	(35,800)	(3,240)	—	—	—	—	—
Total	70,897	85,000	14,103	19.9%	4.6%	5.2%	18.0%	18.6 %

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.