

Sekisui House, Ltd.

FY2011 (ended Jan. 31, 2012)

– Summary of Consolidated Financial Results –

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March 8, 2012

1. Topics in the FY2011

1. Increased both sales and profits, which exceeded the second-year target of mid-term management plan.

- Net sales amounted ¥1,530.5 billion, up 2.8% year-on-year, and operating income to ¥70.8 billion, up 25.8%.
- Success of Green First Strategy: In FY2011, 11,225 homes equipped with solar power generation system and 5,356 homes equipped with fuel cell system were sold.

2. Orders for overseas business proceeded successfully.

- The condominiums business in Australia reported the sale of ¥7.2 billion.
- Investment balances total ¥182.8 billion following the acquisition of real estate in China and U.S., etc.
- Accumulated orders for the entire overseas business total ¥64.4 billion.

3. Full-year dividend for FY2011 is 20 yen.

- Net income totaled ¥28.9 billion, down 4.8% year-on-year. Effects caused by the changes in income tax rate, etc. is ¥5.2 billion.
- Dividend per share for FY2011 is 20 yen as scheduled. We plan to pay out 25 yen for FY2012.

2. Performance summary

(¥ millions)

	FY2010 Results	FY2011	
		Results	YoY
Net sales	1,488,369	1,530,577	2.8%
Cost of sales	1,231,161	1,255,253	2.0%
Gross profit	257,208	275,324	7.0%
SG&A	200,853	204,426	1.8%
Operating income	56,354	70,897	25.8%
Ordinary income	56,271	70,075	24.5%
Extraordinary income	134	—	—
Extraordinary loss	2,592	7,874	203.7%
Net income	30,421	28,962	(4.8%)

Sheet 2

3. Segment Information —1 Sales and Orders

(¥ millions)

(¥ millions)

	Sales				Orders		
	FY2010 Results	FY2011			FY2010 Results	FY2011	
		Results	YoY			Results	YoY
Custom detached houses	455,239	475,330	4.4%	Custom detached houses	469,232	467,702	(0.3%)
Rental housing	277,659	289,027	4.1%	Rental housing	267,202	300,354	12.4%
Houses for sale	146,470	127,123	(13.2%)	Houses for sale	145,974	124,312	(14.8%)
Condominiums	77,185	39,681	(48.6%)	Condominiums	68,579	60,717	(11.5%)
Urban redevelopment	22,208	37,720	69.8%	Urban redevelopment	35,408	24,520	(30.8%)
Remodeling	91,443	102,180	11.7%	Remodeling	95,094	104,086	9.5%
Real estate management fees	361,988	378,247	4.5%	Real estate management fees	361,988	378,247	4.5%
Other Businesses	56,173	81,267	44.7%	Other Businesses	84,881	117,560	38.5%
Total	1,488,369	1,530,577	2.8%	Total	1,528,362	1,577,501	3.2%

Sheet 3

3. Segment Information

— 2 Operating income, OP margin and Gross margin

(¥ millions)

	Operating income Results			OP margin Results		Gross margin Results	
	FY2010	FY2011	YoY	FY2010	FY2011	FY2010	FY2011
Custom detached houses	45,772	52,476	14.6%	10.1%	11.0%	22.9%	23.6%
Rental housing	26,195	26,595	1.5%	9.3%	9.2%	21.3%	21.5%
Houses for sale	516	3,685	613.6%	0.4%	2.9%	12.0%	14.2%
Condominiums	(1,009)	(9,947)	—	(1.3%)	(25.1%)	6.8%	(13.9%)
Urban redevelopment	4,812	9,974	107.2 %	21.6%	26.4%	28.6%	29.5%
Remodeling	8,530	9,624	12.8%	9.3%	9.4%	22.8%	22.6%
Real estate management fees	12,429	14,260	14.7%	3.4%	3.8%	11.0%	11.7%
Other Businesses	(6,016)	(3,211)	—	(9.9%)	(4.0%)	9.4%	15.8%
Eliminations and back office	(34,876)	(32,560)	—	—	—	—	—
Total	56,354	70,897	25.8%	3.8%	4.6%	17.3%	18.0%

Sheet 4

4. Consolidated Balance Sheets — 1 Assets

(¥ millions)

	As of Jan.31, 2011	As of Jan. 31, 2012	Change	
			Amounts	%
■ Current assets				
Cash and deposits	151,983	169,524	17,540	11.5%
Notes receivable, accounts receivable from completed construction contracts	35,545	36,530	985	2.8%
Costs on uncompleted construction contracts	12,212	8,344	(3,867)	(31.7%)
Buildings for sale	131,737	135,541	3,803	2.9%
Underdeveloped land and Land for sale in lots	400,323	465,635	65,312	16.3%
Other	90,728	100,497	9,769	10.8%
Total current assets	822,530	916,074	93,543	11.4%
■ Noncurrent assets				
Property, plant and equipment				
Buildings and structures	131,540	131,326	(214)	(0.2%)
Land	193,249	191,355	(1,893)	(1.0%)
Other	27,342	31,453	4,111	15.0%
Total property, plant and equipment	352,131	354,135	2,003	0.6%
Intangible assets	9,809	14,331	4,522	46.1%
Investments and other assets	156,837	161,287	4,450	2.8%
Total noncurrent assets	518,778	529,754	10,976	2.1%
Total assets	1,341,308	1,445,828	104,520	7.8%

Sheet 5

4. Consolidated Balance Sheets — 1 Assets

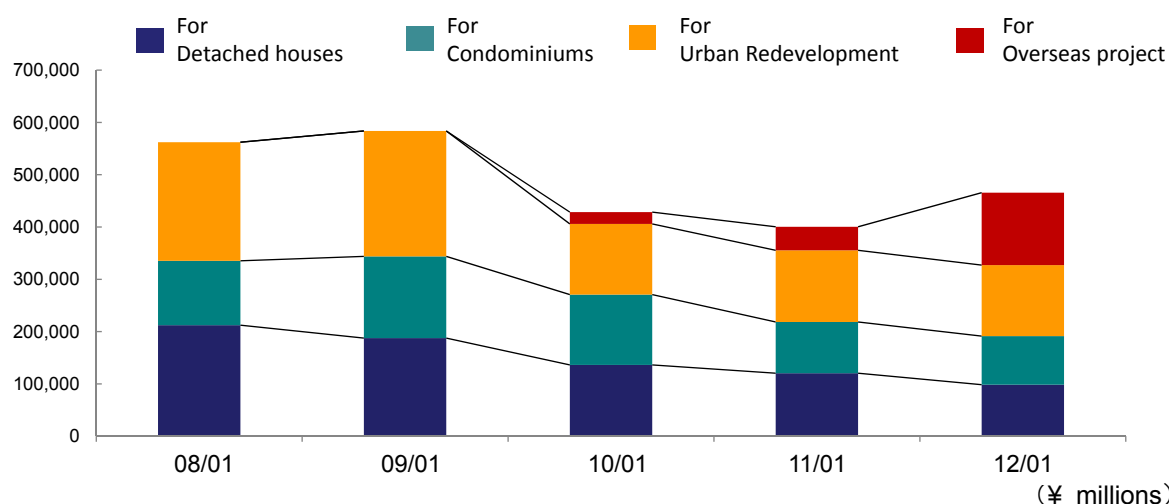
(¥ millions)

	As of Jan.31, 2011	As of Jan. 31, 2012	Change	
			Amounts	%
■ Liabilities				
Current Liabilities				
Notes receivable, accounts payable for construction contracts	149,714	138,538	(11,176)	(7.5%)
Advances received on uncompleted construction contracts	75,539	76,272	733	1.0%
Current portion of bonds	—	59,995	59,995	—
Loans payable(short-term¤t portion of long-term)	27,479	21,079	(6,400)	(23.3%)
Other	71,354	112,366	41,011	57.5%
Total current liabilities	324,088	408,251	84,163	26.0%
Noncurrent liabilities				
Bonds payable	129,990	120,000	(9,990)	(7.7%)
Long-term loans payable	54,560	62,660	8,100	14.8%
Other	94,639	104,542	9,902	10.5%
Total noncurrent liabilities	279,190	287,202	8,011	2.9%
Total liabilities	603,279	695,454	92,175	15.3%
■ Net assets				
Shareholder's equity	732,021	746,028	14,006	1.9%
Accumulated other comprehensive income	4,940	(2,198)	(7,138)	—
Subscription rights to shares	292	365	72	24.8%
Minority interests	774	6,178	5,404	697.9%
Total Net Assets	738,029	750,374	12,344	1.7%
Total liabilities and net assets	1,341,308	1,445,828	104,520	7.8%
■ Interest bearing debts	212,030	265,331	53,300	25.1%

Sheet 6

4. Consolidated Balance Sheets

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



	Jan.31, 2008	Jan.31, 2009	Jan.31, 2010	Jan.31, 2011	Jan.31, 2012
For overseas project	—	—	22,549	44,975	138,531
For urban redevelopment	226,737	239,983	135,206	136,939	135,707
For condominiums	123,097	156,237	134,323	98,042	93,026
For custom detached houses	212,233	187,483	136,332	120,365	98,370
Total	562,067	583,703	428,411	400,323	465,635

Sheet 7

5. Consolidated Statements of Cash Flow

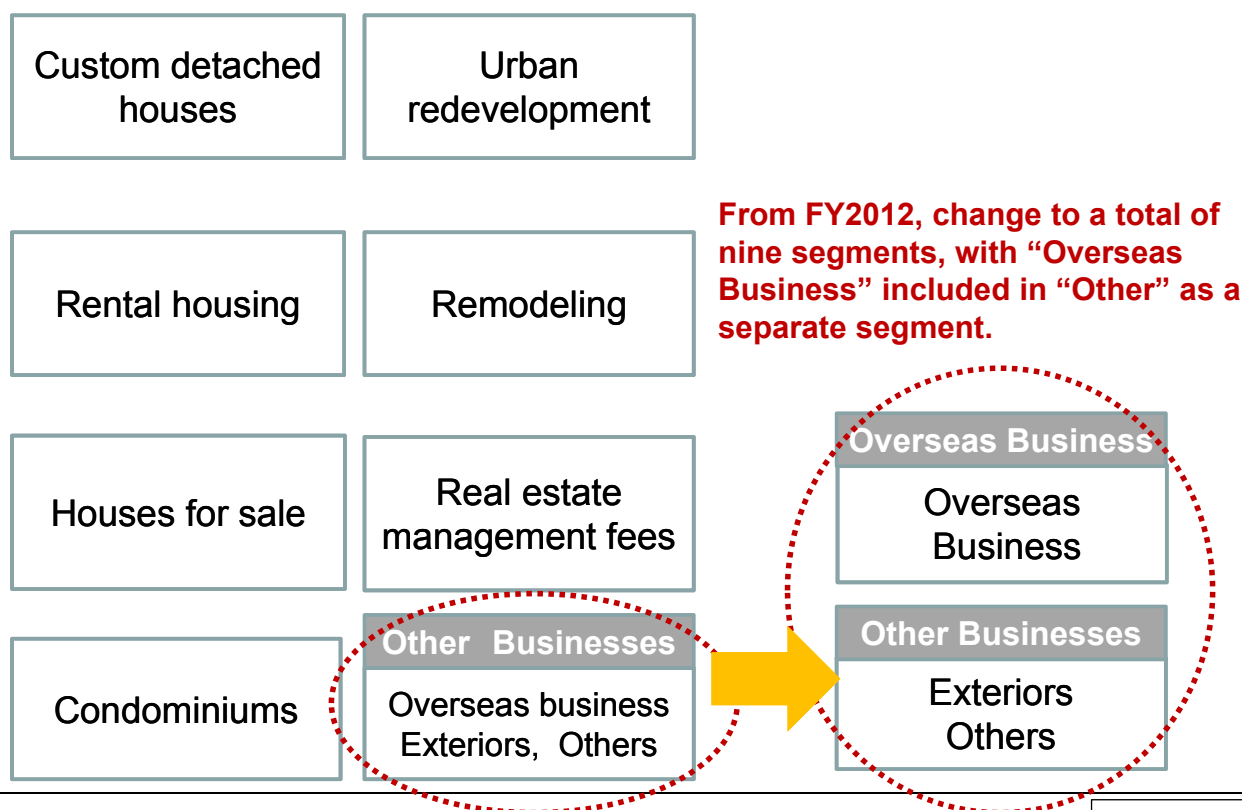
(¥ millions)

	FY2010 Results	FY2011 Results	Change
Net cash provided by (used in) operating activities	85,061	26,306	(58,754)
Net cash provided by (used in) investing activities	(20,989)	(42,928)	(21,939)
Free cash flow	64,072	(16,621)	(80,694)
Net cash provided by (used in) financing activities	(60,132)	38,002	98,135
Net increase (decrease) in cash and cash equivalents	3,352	17,540	14,188
Cash and cash equivalents at beginning of period	148,630	151,983	
Cash and cash equivalents at end of period	151,983	169,524	

	FY2010 Results	FY2011 Results	Change
Capital expenditures	32,690	43,312	10,622
Depreciation and amortization	16,383	18,034	1,651

Sheet 8

6. Change in Segments



Sheet 9

7. Business Performance Forecasts

(¥ millions)

	FY2011 Results	FY2012(Full-Year)	
		Forecasts	YoY
Net sales	1,503,577	1,650,000	7.8%
Operating income	70,897	80,000	12.8%
Ordinary income	70,075	79,500	13.4%
Net income	28,962	42,000	45.0%
EPS (yen)	42.90	62.53	45.8%
ROA (%)	5.28	5.67	0.39pt
ROE (%)	3.91	5.55	1.64pt
Dividend per share (yen)	20.00	25.00	25.0%
Payout ratio (%)	46.62	39.98	(6.64pt)

Sheet 10

7. Business Performance Forecasts —1 Sales and Orders

(¥ millions)

	Sales		
	FY2011 Results	FY2012(Full-Year) Forecasts	YoY
Custom detached houses	475,330	485,000	2.0%
Rental housing	289,027	285,000	(1.4%)
Houses for sale	127,123	127,000	(0.1%)
Condominiums	39,681	48,000	21.0%
Urban redevelopment	37,720	58,000	53.8%
Remodeling	102,180	130,000	27.2%
Real estate management fees	378,247	395,000	4.4%
Overseas business	24,264	60,000	147.3%
Other Businesses	57,002	62,000	8.8%
Total	1,530,557	1,650,000	7.8%

(¥ millions)

	Orders		
	FY2011 Results	FY2012(Full-Year) Forecasts	YoY
Custom detached houses	467,702	495,500	5.9%
Rental housing	300,354	305,000	1.5%
Houses for sale	124,312	129,500	4.2%
Condominiums	60,717	61,000	0.5%
Urban redevelopment	24,520	58,000	136.5%
Remodeling	104,086	135,700	30.4%
Real estate management fees	378,247	395,000	4.4%
Overseas business	60,021	62,000	3.3%
Other Businesses	57,538	66,300	15.2%
Total	1,577,501	1,708,000	8.3%

Sheet 11

7. Business Performance Forecasts

—2 Operating income, OP margin and Gross margin

(¥ millions)

	Operating income				OP 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%	23.8%
Rental housing	26,595	25,500	(1,095)	(4.1%)	9.2%	8.9%	21.5%	21.6%
Houses for sale	3,685	3,000	(685)	(18.6%)	2.9%	2.4%	14.2%	14.2%
Condominiums	(9,947)	500	10,477	—	(25.1%)	1.0%	(13.9%)	12.1%
Urban redevelopment	9,974	8,000	(1,974)	(19.8%)	26.4%	13.8%	29.5%	15.5%
Remodeling	9,624	10,500	876	9.1%	9.4%	8.1%	22.6%	19.7%
Real estate management fees	14,260	15,000	740	5.2%	3.8%	3.8%	11.7%	11.5%
Overseas Business	(3,176)	3,000	6,176	—	(13.1%)	5.0%	17.3%	24.7%
Other Businesses	(35)	0	35	—	(0.1%)	0.0%	15.8%	13.7%
Eliminations and back office	(32,560)	(36,500)	(3,940)	—	—	—	—	—
Total	70,897	80,000	9,103	12.8%	4.6%	4.8%	18.0%	18.2%

Sheet 12

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.