Consolidated Financial Statements Summary for the Second Quarter of FY2012 (February 1, 2012 through July 31, 2012) (Japanese Standard)

September 6, 2012

Company name	: Sekisui House, Ltd. (URL http://www.sekisuihouse.co.jp)
Listed exchanges	: Tokyo, Osaka, Nagoya
Stock code	: 1928
Representative	: Toshinori Abe, President and Representative Director
Inquiries	: Fumiaki Hirabayashi, Director and Senior Managing Officer Head of Corporate Communications Dept. Tel +81 6 6440 3111
Filing date of quarterly securities report	: September 13, 2012
Date of scheduled payment of dividends	: September 28, 2012
Quarterly earnings supplementary explanatory documents	: Yes
Quarterly earnings results briefing	: Yes (for institutional investors and analysts, in Japanese)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Results for the Six Months Ended July 31, 2012 (February 1, 2012 through July 31, 2012)

(1) Consolidated Financial Results (% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended Jul. 31, 2012	758,008	1.6	33,274	2.2	34,257	5.2	17,075	1.2
Six months ended Jul. 31, 2011	746,393	1.0	32,552	23.4	32,568	26.3	16,868	23.8

(Note) Comprehensive income:
Six months ended Jul. 31, 2012: ¥19,141 million (2.6%) Six months ended Jul. 31, 2011: ¥18,652 million (-%)

	Net income per share	Fully diluted net income per share
	¥	¥
Six months ended Jul. 31, 2012	25.42	23.64
Six months ended Jul. 31, 2011	24.96	24.69

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	¥ million	¥ million	%
As of July 31, 2012	1,451,243	762,279	52.1
As of January 31, 2012	1,445,828	750,374	51.4

(Reference) Shareholders' equity As of July 31, 2012: ¥755,516 million As of January 31, 2012: ¥743,830 million

2. Cash Dividends

	Cash dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	¥	¥	¥	¥	¥
Year ended Jan. 31, 2012	-	10.00	-	10.00	20.00
Year ending Jan. 31, 2013	-	12.00			
Year ending Jan. 31, 2013 (forecast)			-	13.00	25.00

(Note) Revised dividend forecast for the quarter under review: None

3. Consolidated Results Forecast for FY2012 (February 1, 2012 through January 31, 2013)

(% figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Year ending Jan. 31, 2013	1,650,000	7.8	85,000	19.9	86,000	22.7	44,000	51.9	65.51

(Note) Revised forecast for the quarter under review: Yes

4. Others

(1) Changes in significant subsidiaries (changes in specific subsidiaries that caused a change in scope of consolidation): None

(2) Application of accounting treatment specific to the preparations for consolidated quarterly financial statements: None

(3) Changes in accounting policies, accounting estimates and restatements

(a) Changes in accounting policies due to amendment of accounting standards: Not applicable

(b) Changes in accounting policies due other than (a): Applicable

(c) Changes in accounting estimates: Not applicable

(d) Restatements: Not applicable

(4) Number of shares outstanding (common stock)

(i) Number of shares outstanding at the end of each period (including treasury stock):

As of Jul. 31, 2012: 676,885,078 shares　　As of Jan. 31, 2012: 676,885,078 shares

(ii) Number of treasury stock at the end of each period:

As of Jul. 31, 2012: 5,210,489 shares　　As of Jan. 31, 2012: 5,211,881 shares

(iii) Average number of shares outstanding in each period (cumulative quarterly consolidated accounting period):

Six months ended Jul. 31, 2012: 671,671,974 shares　　Six months ended Jul. 31, 2011: 675,689,264 shares

*** Implementation Status of Quarterly Review Processes**

At the time of disclosure of this report, the procedures for review of quarterly consolidated financial statements, pursuant to the Financial Products and Exchange Law, have not been completed.

*** Notes Regarding the Appropriate Use of Results Forecasts and Other Important Matters**

This document contains forward-looking statements based on judgments and estimates derived from information available to the Company at the time of this release, and is therefore subject to risks and uncertainties. Actual future results may differ materially from any projections presented here due to a variety of factors, including economic conditions surrounding the business domain of the Company and Group companies, as well as market trends.

For details of results forecast, please refer to “(3) Qualitative Information Regarding Consolidated Results Forecast” in “1. Qualitative Information Regarding Consolidated Results for the Six Months under Review” of the “Attached Material” on page 7.

(Obtaining supplementary explanatory documents)

The Company plans to hold a briefing for institutional investors and analysts on September 6, 2012. Relevant financial explanatory documents to be handed out at the briefing will be posted on our official website on the same day.

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1. Qualitative Information Regarding the Consolidated Results for the Six Months under Review

(1) Qualitative Information Regarding Consolidated Business Results

In the first six months of the fiscal year ending January 31, 2013, the Japanese economy was initially buoyed by positive developments such as modest stock market gains and demand associated with the recovery from the Great East Japan Earthquake. However, negative factors such as the European debt crisis, concern over the global economic slowdown, and the strong yen gave rise to growing unease over future corporate performance.

In the housing market, the rate of the decline in land prices continues to abate and new housing starts have begun to climb. The government has also been providing sustained support for the acquisition of housing through initiatives such as a system of subsidies for installing solar power generation systems, and the number of users has increased, reflecting heightened awareness of housing safety, security and energy issues. Meanwhile, in addition to the withdrawal of home fuel cell subsidies and the partial withdrawal of the housing eco-point system in response to this, developments such as the approval of a consumption tax hike bill by the Lower House fanned interest in future housing policy.

Under these circumstances, the Company entered the final year of its three-year medium term management plan which began in FY2010, and pursued business activities based on its fundamental "Green First Strategy," with a view to catalyzing further growth in businesses which have been progressing favorably. As well as expanded sales of eco-friendly homes in the Custom Detached Houses Business and Rental Housing Business, sales of solar power generation systems in the Remodeling Business also made strong headway. Further, the effect of sales promotion events such as *Sumai no Sankan-bi* (visits to newly built houses) and Sha-Maison Festa also became apparent, resulting in a solid overall performance.

In 2008, the Company received certification as an "Eco-First Company" from the Ministry of the Environment and has been taking proactive measures to make progress toward the realization of a low-carbon society and, in March, we renewed our "Eco-First Promise" and promised the Minister of the Environment that we would take new steps, including the popularization of the "Green First Hybrid," which incorporates an electric power supply system that uses a Home Energy Management System (HEMS) for control of solar batteries, fuel cells, and storage batteries.

Regarding business performance, sales have progressed favorably with the Green First Strategy and the gradual rise in recovery demand in the disaster area, among other factors. Orders for both the Custom Detached Houses Business and the Rental Housing Business have been solid.

In the first six months of the consolidated fiscal year under review, net sales amounted to ¥758,008 million (up 1.6% year-on- year). Operating income was ¥33,274 million (up 2.2% year-on-year), ordinary income was ¥34,257 million (up 5.2% year-on-year), and net income was ¥17,075 million (up 1.2% year-on-year).

Business results by segments are as follows.

In addition, from the first quarter accounting period, "Overseas Business," which had been included in "Other Businesses," has changed to a reportable segment and, with regard to the comparable numbers from the first quarter of the previous fiscal year noted below, the numbers from the first quarter of the previous fiscal year have been reclassified to the segment demarcation following the change for comparison.

(Custom Detached Houses Business)

In the Custom Detached Houses Business, we worked to increase sales of our core products, introducing a luxury modern model to the IS ROY+E series of steel frame detached houses with our unique exterior wall Dyne Wall in June, and continuing to the emphasize the appeal of our unique Bellburn earthenware exterior wall incorporated in the Sha-Wood wood framed house series. We also proposed products such as the Green First Hybrid, and worked to expand orders of eco-friendly housing.

In February, a new production line was built at the Shizuoka factory for Bellburn, which increased production capacity by a factor of 2.5 over the previous level, creating a system that enables us to meet customer demand.

As a result of these business promotions and the success of the Green First Strategy, orders have been favorable.

Sales in the Custom Detached Houses Business amounted to ¥223,206 million, down 2.0% year-on-year, and operating income to ¥20,458 million, down 14.6% year-on-year.

(Rental Housing Business)

In the Rental Housing Business, Sekisui House held the Sha-Maison Festa, a sales promotion event, in March and appealed our rental housing such as Sha-Maison Gardens. On the other hand, the Company has been holding seminars on the increase in the inheritance tax expected in the future, and has been proactively soliciting orders.

Further, our unique high sound insulation system SHAIDD55 for reducing floor impact noise from upper floors won the 20th Technical Development Award of the Acoustical Society of Japan for its contribution to the advancement and development of acoustical engineering technology.

As a result of these business promotions, the efficacy of sales promotion events has been shown to be successful and orders have moved positively.

Sales in the Rental Housing Business amounted to ¥139,506 million, up 4.6% year-on-year, and operating income to ¥11,056 million, down 8.8% year-on-year.

(Houses for Sale Business)

In the Houses for Sale Business, as a leading smart house company, we began to propose smart towns nationwide, proactively marketing a new, high value-added home for sale. Continuing on from the opening of Japan's first smart town, Smart Common City Akaishidai in Akaishidai on the outskirts of Sendai City in Miyagi Prefecture, in Koga City, Ibaraki Prefecture, sales have commenced for Smart Common Stage Keyakidaira where 67 households are capable of producing electricity sufficient for 85 households, helping to eliminate shortfalls in electric power and, during disasters, to provide emergency power to allow safe and secure living to continue.

Overall, orders were weak. However, we are working to acquire new sites after inventory adjustments and the order environment is improving.

Sales in the Houses for Sale Business amounted to ¥58,471 million, down 10.7% year-on-year, and operating income to ¥1,003 million, down 27.9% year-on-year.

(Condominiums Business)

In the Condominium Business, sales commenced for the Grande Maison Komae in Komae City, Tokyo, which features the first ever use of "double energy creation" with the SOLAMO gas hot water system using solar power and the gas cogeneration systems sold by Tokyo Gas Co., Ltd. in a multiple family dwelling. We also started the construction of Grande Maison Ohori Park in Fukuoka City, which will be Japan's first condominium with home fuel cells in all units, as part of efforts to pursue the Green First Strategy in Condominiums Business as well, and we implemented sales strategies designed to enhance brand value.

As a result of this business promotion, orders for new units offered for sale have been positive.

Sales in the Condominiums Business amounted to ¥20,288 million, up 4.0% year-on-year, and operating income to ¥245 million.

(Urban Redevelopment Business)

In the Urban Redevelopment Business, occupancy rates of Sekisui House Group's rental properties such as its Prime Maison series rental apartments remained firm. In addition, four Prime Maison properties were sold to J-REIT Sekisui House SI Investment Corporation, which contributed to the construction of a new portfolio. In Kita-ku, Tokyo, the construction of a multigenerational type rental condominium, where households with children and elderly households interact in the same space, Mast Life Furukawa Teien, was completed, presenting new rental housing to the market.

Sales in the Urban Redevelopment Business amounted to ¥18,908 million, down 26.4% year-on-year, and operating income to ¥3,026 million, down 56.4% year-on-year.

(Remodeling Business)

In the Remodeling Business, under the banner of "Green First Remodeling," we have been appealing to market needs by selling and proactively proposing solar power generation systems installation, insulation improvement remodeling, remodeling to improve energy conservation and efficiency. In addition, we have worked to strengthen sales by holding sales promotion events such as the Spring Remodeling Fair and Lifestyle Seminars.

Business is progressing steadily, with sales of solar power generation systems already exceeding last year's annual sales.

As a result of this business progress, orders have been positive.

Sales in the Remodeling Business amounted to ¥54,711 million, up 9.6% year-on-year, and operating income to ¥5,718 million, up 16.8% year-on-year.

(Real Estate Management Fees Business)

In the Real Estate Management Fees Business, the number of units of Sha-Maison low-rise apartments for block leasing and management by Sekiwa Real Estate companies enjoyed a steady growth. Demand has increased in the rental housing market in urban areas and the Group is cooperating to encourage occupancy. Further, by making proposals for remodeling to meet the needs of the market, occupancy rates have remained high, particularly in the Tokyo area.

Sales in the Real Estate Management Fees Business amounted to ¥196,032 million, up 4.3% year-on-year, and operating income to ¥8,304 million, up 13.6% year-on-year.

(Overseas Business)

In the Overseas Business, in addition to the favorable progress of condominium sales at Wentworth Point in Australia and at the Punggol Site in Singapore, etc., sales of subdivisions were strong at Camden Hills in Australia and in the United States, largely in the Houston area of Texas. On the other hand, in Shenyang, China, a steel frame housing factory was completed and the production of industrialized housing has begun.

Sales in the Overseas Business amounted to ¥19,034 million, up 98.1% year-on-year, and operating income to ¥1,095 million.

(Other Businesses)

In the Exterior Business, the Company proposed landscaping to plant trees native to each area in line with its "*Gohon no ki*" landscaping concept. It also made proactive proposals for comprehensive exterior designs with detached and rental housing designed to complement the neighboring townscape.

Sales in the Other Businesses amounted to ¥27,848 million, up 3.0% year-on-year, and operating loss to ¥499 million.

(2) Qualitative Information Regarding Consolidated Financial Conditions

Total assets at the end of the first six months under review increased ¥5,414 million, to ¥1,451,243 million, primarily because of a rise in land for sale for the overseas business. Liabilities decreased ¥6,490 million, to ¥688,964 million, mainly reflecting payments for notes and accounts payable-trade and income taxes paid. Net assets increased ¥11,905 million, to ¥762,279 million, chiefly owing to the posting of net income.

(3) Qualitative Information Regarding Consolidated Results Forecast

As the business performance in each segment have been solid thanks to aggressive sales promotion with the Green First Strategy, and profitability has also improved, we have revised our consolidated results forecast for the fiscal year ending January 31, 2013 announced on March 8, 2012 as follows: operating income of ¥85 billion (up 19.9% year-on-year), ordinary income of ¥86 billion (up 22.7% year-on-year), and net income of ¥44 billion (up 51.9% year-on-year).

2. Matters Regarding Summary Information (Others)

(1) Changes in Significant Subsidiaries (changes in specific subsidiaries that caused a change in scope of consolidation):
Not applicable

(2) Application of Accounting Treatment Specific to the Preparations for Consolidated Quarterly Financial Statements:
Not applicable

(3) Changes in Accounting Policies, Accounting Estimates and Restatements:

(Changes in Accounting Policies)

Change in the Method of Calculating the Income and Expenses of Overseas Subsidiaries into Yen

The income and expenses of overseas subsidiaries have, until now, been calculated using the yen exchange rate on the spot foreign exchange market on the consolidated balance sheet date but, as it is expected that the importance of overseas sales by overseas subsidiaries will increase in the future, to lessen the impact of temporary fluctuations in the foreign exchange market on periodic profit or loss and to more appropriately reflect the business performance of overseas subsidiaries in the consolidated financial statements, beginning with the current first quarter consolidated accounting period, the method of calculating yen exchange rates has been changed to the average foreign exchange rate for the period.

As a result of this change, the impact on the profit and loss of the previous cumulative second quarter and the cumulative effect up to the start of the current consolidated fiscal year has been negligible so it has not been applied retroactively.

(4) Additional information:

(Application of Accounting Standard for Accounting Changes and Error Correction)

Changes in accounting or correction of past errors from the start of the consolidated first quarter period under review will be made by the application of Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No. 24, December 4, 2009) and Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No. 24, December 4, 2009.)

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3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(¥ million)

	As of January 31, 2012	As of July 31, 2012
Assets		
Current assets		
Cash and deposits	169,524	135,229
Notes receivable, accounts receivable from completed construction contracts	36,530	40,400
Short-term investment securities	5,000	2,097
Costs on uncompleted construction contracts	8,344	8,112
Buildings for sale	135,541	144,867
Land for sale in lots	340,631	393,262
Undeveloped land for sale	125,004	80,953
Other inventories	6,810	7,053
Deferred tax assets	50,248	45,558
Other	40,428	44,937
Allowance for doubtful accounts	(1,989)	(1,949)
Total current assets	916,074	900,525
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	131,326	139,603
Machinery, equipment and vehicles, net	10,394	13,801
Land	191,355	198,632
Construction in progress	16,667	14,192
Other, net	4,391	4,152
Total property, plant and equipment	354,135	370,383
Intangible assets	14,331	15,033
Investments and other assets		
Investment securities	65,855	64,104
Long-term loans receivable	35,795	39,250
Deferred tax assets	21,699	24,887
Other	38,948	38,122
Allowance for doubtful accounts	(1,012)	(1,063)
Total investments and other assets	161,287	165,300
Total noncurrent assets	529,754	550,717
Total assets	1,445,828	1,451,243

(¥ million)

	As of January 31, 2012	As of July 31, 2012
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	88,774	91,730
Electronically recorded obligations-operating	49,763	46,660
Short-term loans payable	18,970	17,754
Current portion of bonds	59,995	59,998
Current portion of long-term loans payable	2,108	2,171
Income taxes payable	27,043	10,685
Advances received on uncompleted construction contracts	76,272	87,195
Provision for bonuses	17,151	13,137
Provision for directors' bonuses	734	-
Provision for warranties for completed construction	3,091	3,083
Other	64,346	54,576
Total current liabilities	408,251	386,994
Noncurrent liabilities		
Bonds payable	70,000	70,000
Bonds with subscription rights to shares	50,000	50,000
Long-term loans payable	62,660	70,591
Long-term lease and guarantee deposited	52,293	53,242
Provision for retirement benefits	42,525	47,956
Provision for directors' retirement benefits	1,035	1,036
Other	8,687	9,143
Total noncurrent liabilities	287,202	301,970
Total liabilities	695,454	688,964
Net assets		
Shareholders' equity		
Capital stock	186,554	186,554
Capital surplus	237,522	237,522
Retained earnings	326,153	336,510
Treasury stock	(4,201)	(4,199)
Total shareholders' equity	746,028	756,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,575	1,829
Deferred gains or losses on hedges	(7)	(33)
Foreign currency translation adjustment	(3,766)	(2,667)
Total accumulated other comprehensive income	(2,198)	(871)
Subscription rights to shares	365	394
Minority interests	6,178	6,368
Total net assets	750,374	762,279
Total liabilities and net assets	1,445,828	1,451,243

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

(Consolidated Quarterly Statements of Income)

For the Six months ended July 31, 2011 and 2012

(¥ million)

	Feb. 1, 2011 – Jul. 31, 2011	Feb. 1, 2012 – Jul. 31, 2012
Net sales	746,393	758,008
Cost of sales	614,519	620,712
Gross profit	131,874	137,296
Selling, general and administrative expenses	99,321	104,021
Operating income	32,552	33,274
Non-operating income		
Interest income	593	598
Dividends income	619	621
Equity in earnings of affiliates	264	29
Other	2,207	2,074
Total non-operating income	3,684	3,323
Non-operating expenses		
Interest expenses	958	825
Other	2,710	1,515
Total non-operating expenses	3,668	2,340
Ordinary income	32,568	34,257
Extraordinary loss		
Loss on valuation of investment securities	639	1,746
Loss on sales and retirement of noncurrent assets	449	786
Loss on impairment of fixed assets	-	350
Loss on disaster	1,272	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	687	-
Total extraordinary losses	3,049	2,883
Income before income taxes and minority interests	29,518	31,373
Income taxes-current	14,661	12,203
Income taxes-deferred	(2,030)	1,369
Total income taxes	12,631	13,572
Income before minority interests	16,886	17,801
Minority interests in income	18	725
Net income	16,868	17,075

(Consolidated Quarterly Statements of Comprehensive Income)

For the Six months ended July 31, 2011 and 2012

	Feb. 1, 2011 – Jul. 31, 2011	Feb. 1, 2012 – Jul. 31, 2012
Income before minority interests	16,886	17,801
Other comprehensive income		
Valuation difference on available-for-sale securities	349	176
Deferred gains or losses on hedges	(37)	(26)
Foreign currency translation adjustment	1,425	1,157
Share of other comprehensive income of associates accounted for using equity method	27	32
Total other comprehensive income	1,765	1,340
Comprehensive income	18,652	19,141
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	18,633	18,403
Comprehensive income attributable to minority interests	19	738

(3) Notes Regarding Assumption of a Going Concern

Not applicable

(4) Segment Information

I. Six months ended July 31, 2011 (February 1, 2011 through July 31, 2011)

1. Sales and operating income (loss) by reportable business segment

(¥ million)

	Reportable Business Segments						
	Custom detached houses	Rental housing	Houses for sale	Condominiums	Urban redevelopment	Remodeling	Real estate management fees
Sales							
(1) Sales to third parties	227,866	133,365	65,460	19,500	25,694	49,903	187,947
(2) Inter-group sales and transfers	-	1,419	-	-	53	91	1,155
Net sales	227,866	134,784	65,460	19,500	25,748	49,994	189,102
Operating income (loss)	23,953	12,127	1,392	(5,756)	6,935	4,895	7,312

	Reportable Business Segments		Other Businesses (Note: 1)	Total	Adjustments (Note:2)	Amounts on the consolidated financial statements (Note: 3)
	Overseas business	Total				
Sales						
(1) Sales to third parties	9,609	719,347	27,046	746,393	-	746,393
(2) Inter-group sales and transfers	-	2,719	2,514	5,233	(5,233)	-
Net sales	9,609	722,067	29,560	751,627	(5,233)	746,393
Operating income (loss)	(1,516)	49,344	(744)	48,599	(16,046)	32,552

Notes:

1. Other Businesses principally include the exterior business.
2. An adjustment of ¥16,046 million for segment income (loss) includes an elimination of inter-segment transactions of ¥1,590 million and corporate expenses of ¥14,456 million that have not been allocated to each segment. Corporate expenses mainly include selling, general and administration expenses and experiment and research expenses that do not belong to any reportable segments.
3. Operating income (loss) by business segment is adjusted to correspond to operating income in the consolidated quarterly statements of income.

II. Six months ended July 31, 2012 (February 1, 2012 through July 31, 2012)

1. Sales and operating income (loss) by reportable business segment

(¥ million)

	Reportable Business Segments						
	Custom detached houses	Rental housing	Houses for sale	Condominiums	Urban redevelopment	Remodeling	Real estate management fees
Sales							
(1) Sales to third parties	223,206	139,506	58,471	20,288	18,908	54,711	196,032
(2) Inter-group sales and transfers	-	1,364	-	-	51	128	1,204
Net sales	223,206	140,870	58,471	20,288	18,960	54,839	197,236
Operating income (loss)	20,458	11,056	1,003	245	3,026	5,718	8,304

	Reportable Business Segments		Other Businesses (Note: 1)	Total	Adjustments (Note:2)	Amounts on the consolidated financial statements (Note: 3)
	Overseas business	Total				
Sales						
(1) Sales to third parties	19,034	730,160	27,848	758,008	-	758,008
(2) Inter-group sales and transfers	-	2,748	2,590	5,339	(5,339)	-
Net sales	19,034	732,908	30,439	763,347	(5,339)	758,008
Operating income (loss)	1,095	50,908	(499)	50,409	(17,134)	33,274

Notes:

1. Other Businesses principally include the exterior business.
2. An adjustment of ¥17,134 million for segment income (loss) includes an elimination of inter-segment transactions of ¥1,599 million and corporate expenses of ¥15,534 million that have not been allocated to each segment. Corporate expenses mainly include selling, general and administration expenses and experiment and research expenses that do not belong to any reportable segments.
3. Operating income (loss) by business segment is adjusted to correspond to operating income in the consolidated quarterly statements of income.

2. Matters regarding changes in reporting segments

(Change in segmentation)

From the consolidated first quarter period under review, the method of reporting the Overseas Business, which had been included in Other Businesses, has changed because it has grown in importance and is now a reportable segment.

In addition, segment information shown for the previous consolidated cumulative second quarter has been prepared based on the reportable segment demarcations after the change.

(Change in the Method of Calculating the Income and Expenses of Overseas Subsidiaries into Yen)

As stated in the "Changes in the Accounting Policies," the income and expenses of overseas subsidiaries have, until now, been calculated using the yen exchange rate on the spot foreign exchange market on the consolidated balance sheet date but, beginning with the current first quarter consolidated accounting period, the method of calculating yen exchange rates has been changed to the average foreign exchange rate for the period.

As a result of this change, the impact on the value of reportable segment net sales and profit or loss during the previous consolidated cumulative second quarter was negligible so it has not been applied retroactively.

(5) Notes Regarding Significant Changes in the Amount of Shareholders' Equity

Not applicable

4. Supplemental Information

The State of Orders

[Consolidated] (¥ million)

	Six months ended July 31, 2011		Six months ended July 31, 2012		Year ended January 31, 2012	
	Orders	Accumulated Orders	Orders	Accumulated Orders	Orders	Accumulated Orders
Custom detached houses	248,736	245,126	255,077	248,498	467,702	216,628
Rental housing	151,486	225,896	158,027	237,622	300,354	219,101
Houses for sale	67,177	33,184	67,956	38,140	124,312	28,656
Condominiums	27,460	14,837	39,323	46,949	60,717	27,914
Urban redevelopment	12,494	-	18,908	-	24,520	-
Remodeling	54,552	18,670	57,234	18,450	104,086	15,927
Real estate management fees	187,947	-	196,032	-	378,247	-
Overseas business	39,026	58,139	29,432	74,878	60,021	64,480
Other Businesses	29,314	27,735	31,414	29,569	57,538	26,002
Total	818,196	623,590	853,406	694,109	1,577,501	598,711