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

December 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	: December 14, 2012
Date of scheduled payment of dividends	: -
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 Nine Months Ended October 31, 2012 (February 1, 2012 through October 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	%
Nine months ended Oct. 31, 2012	1,141,180	2.6	51,483	3.6	53,290	6.9	26,798	7.9
Nine months ended Oct. 31, 2011	1,112,091	4.9	49,704	69.9	49,856	71.0	24,847	83.4

(Note) Comprehensive income:
Nine months ended Oct. 31, 2012: ¥29,264 million (128.8%) Nine months ended Oct. 31, 2011: ¥12,791 million (-%)

	Net income per share	Fully diluted net income per share
	¥	¥
Nine months ended Oct. 31, 2012	39.90	37.10
Nine months ended Oct. 31, 2011	36.77	35.61

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	¥ million	¥ million	%
As of October 31, 2012	1,470,664	763,656	51.5
As of January 31, 2012	1,445,828	750,374	51.4

(Reference) Shareholders' equity As of Octber 31, 2012: ¥756,833 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	1,620,000	5.8	85,000	19.9	86,000	22.7	44,000	51.9	65.51

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

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 Oct. 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 Oct. 31, 2012: 5,220,746 shares　　As of Jan. 31, 2012: 5,211,881 shares

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

Nine months ended Oct. 31, 2012: 671,670,828 shares　　Nine months ended Oct. 31, 2011: 675,686,670 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 Nine 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 December 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 Nine Months under Review

(1) Qualitative Information Regarding Consolidated Business Results

In the first nine months of the consolidated fiscal year ending January 31, 2013, the Japanese economy was supported mainly by demand from reconstruction projects in the areas affected by the Great East Japan Earthquake. However, the outlook became increasingly uncertain, given the unreliable external economic environment in Europe, China, and other countries, as well as a slowdown in exports, capital spending, and other economic activities, which in turn reflected a downturn in the global economy.

In the housing market, the rate of decline in land prices continued to abate and new housing starts showed a gradual recovery, driven mainly by heightened awareness of housing safety, security, and energy issues. The market was also supported by the continuing official support, including subsidies for installing solar power generation systems. Meanwhile, following the approval of a consumption tax hike bill in the Diet, interest in future housing policy remained strong.

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." Following the launch of the "Green First Hybrid" last year, the Company improved its lineup of storage batteries as eco-friendly home products by introducing lithium storage batteries and systems that are linked with electric vehicles. 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.

Moreover, taking into account the progress of the medium-term management plan and the business environment, the Company developed a new three-year medium-term management plan that started from fiscal 2012, and was announced on November 15.

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.

The Company established its unique universal design standards in 2002. It has maintained these standards by holding experience-oriented training that uses "Nattoku Kobo Studio," a facility that offers experience in the home and living, and establishing an internal qualification system. These internal and external promotional activities for universal design led to the Company winning the Grand Award (the Economy, Trade and Industry Minister Prize) at the IAUD Award 2012, an award organized by the International Association for Universal Design (IAUD), in October 2012.

Regarding business performance, sales have progressed favorably with the Green First Strategy and the 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 nine months of the consolidated fiscal year under review, net sales amounted to ¥1,141,180 million (up 2.6% year-on- year). Operating income was ¥51,483 million (up 3.6% year-on-year), ordinary income was ¥53,290 million (up 6.9% year-on-year), and net income was ¥26,798 million (up 7.9% 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. In October, the Company started to sell new three-story products that were developed with the comprehensive renewal of the β system, the Company's unique construction method for mid-to-high-rise housing.

In the Sha-Wood wood framed house series, we promoted the appeal of our unique Bellburn earthenware exterior wall incorporated in the wood framed houses and worked to increase sales of our core products. 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. Bellburn was used in more than a half of Sha-Wood houses, and it won the 2012 Good Design Award.

The Company also continued its efforts to bolster orders for eco-friendly homes, including "Green First Hybrid." As a result, orders remained steady.

Sales in the Custom Detached Houses Business amounted to ¥329,843 million, down 4.1% year-on-year, and operating income to ¥29,357 million, down 16.8% year-on-year.

(Rental Housing Business)

In the Rental Housing Business, the Company launched CELEBLIO housing with support services for elderly people in September. This product is specifically designed for elderly residents by combining living support services with rental housing to offer a comfortable living environment. It is the first product of its kind in the industry. Demand from elderly people for housing that meets the requirements of their life stages is expected to increase in the future, and the Company aims to respond with initiatives that anticipate these needs.

In the meantime, Sekisui House held the Sha-Maison Festa, a sales promotion event, 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 ¥206,213 million, down 1.0% year-on-year, and operating income to ¥15,742 million, down 20.0% year-on-year.

(Houses for Sale Business)

In the Houses for Sale Business, as a leading smart house company, we focused on sales of a new high value-added home for sale that eliminates shortfalls in electric power and, during disasters, provides emergency power to enable safe and secure living to continue. Following the opening of Japan's first smart town, Smart Common City Akaishidai in Akaishidai on the outskirts of Sendai City in Miyagi Prefecture, we opened Smart Common Stage Keyakidaira, where 67 households were capable of producing electricity sufficient for 85 households, and Teriha Smart Town, which achieves zero CO_2

emissions. We also started new projects in three prefectures in the Tokai region. With these initiatives, we have been developing smart towns nationwide.

We are working to acquire new sites after inventory adjustments and the order is improving.

Sales in the Houses for Sale Business amounted to ¥86,080 million, down 6.1% year-on-year, and operating income to ¥1,181 million, down 20.7% 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 remained strong, particularly in urban areas.

Sales in the Condominiums Business amounted to ¥28,075 million, up 19.4% year-on-year, and operating income to ¥108 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, 10 properties including Prime Maison properties were sold to J-REIT Sekisui House SI Investment Corporation, which contributed to the construction of their 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. The Gotenyama project, a large-scale complex of offices and condominiums, won the Land, Infrastructure, Transport and Tourism Minister Prize, the highest prize, in the Roof, Wall and Special Green Technology Contest sponsored by the Organization for Landscape and Urban Green Infrastructure.

Sales in the Urban Redevelopment Business amounted to ¥39,159 million, up 22.9% year-on-year, and operating income to ¥8,693 million, down 8.3% 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 Remodeling Fair and Lifestyle Seminars.

We were also active in promoting sales of solar power generation systems in particular. As a result, our performance in this segment remained strong, and the number of units sold exceeded 5,400 in the nine months under review, more than double the result for the whole previous year.

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

Sales in the Remodeling Business amounted to ¥79,117 million, up 9.0% year-on-year, and operating income to ¥7,791 million, up 17.6% 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 ¥294,624 million, up 4.3% year-on-year, and operating income to ¥13,110 million, up 23.2% 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 ¥37,514 million, up 99.0% year-on-year, and operating income to ¥2,452 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 ¥40,550 million, up 4.2% year-on-year, and operating loss to ¥1,042 million.

(2) Qualitative Information Regarding Consolidated Financial Conditions

Total assets at the end of the first nine months under review increased ¥24,835 million, to ¥1,470,664 million, primarily because of a rise in land for sale for the overseas business. Liabilities increased ¥11,552 million, to ¥707,007 million, mainly reflecting increase in Advances received on uncompleted construction contracts. Net assets increased ¥13,282 million, to ¥763,656 million, chiefly owing to the posting of net income.

(3) Qualitative Information Regarding Consolidated Results Forecast

With aggressive business operation with the Green First Strategy as a cornerstone, each segment, including the Custom Detached House Business and the Rental Housing Business, are making favorable progress in both sales and orders so, at this time, there are no changes to the consolidated forecasts for the fiscal year ending January 31, 2013 from the plan announced on November 15, 2012.

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 third 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 October 31, 2012
Assets		
Current assets		
Cash and deposits	169,524	118,594
Notes receivable, accounts receivable from completed construction contracts	36,530	48,424
Short-term investment securities	5,000	2,098
Costs on uncompleted construction contracts	8,344	15,442
Buildings for sale	135,541	147,648
Land for sale in lots	340,631	393,619
Undeveloped land for sale	125,004	81,756
Other inventories	6,810	8,660
Deferred tax assets	50,248	50,156
Other	40,428	45,669
Allowance for doubtful accounts	(1,989)	(2,007)
Total current assets	916,074	910,062
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	131,326	139,856
Machinery, equipment and vehicles, net	10,394	13,095
Land	191,355	206,361
Construction in progress	16,667	17,042
Other, net	4,391	3,900
Total property, plant and equipment	354,135	380,255
Intangible assets	14,331	15,041
Investments and other assets		
Investment securities	65,855	63,913
Long-term loans receivable	35,795	39,241
Deferred tax assets	21,699	25,521
Other	38,948	37,683
Allowance for doubtful accounts	(1,012)	(1,055)
Total investments and other assets	161,287	165,304
Total noncurrent assets	529,754	560,601
Total assets	1,445,828	1,470,664

(¥ million)

	As of January 31, 2012	As of October 31, 2012
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	88,774	86,239
Electronically recorded obligations-operating	49,763	50,221
Short-term loans payable	18,970	15,357
Current portion of bonds	59,995	59,999
Current portion of long-term loans payable	2,108	916
Income taxes payable	27,043	14,311
Advances received on uncompleted construction contracts	76,272	99,261
Provision for bonuses	17,151	23,975
Provision for directors' bonuses	734	-
Provision for warranties for completed construction	3,091	3,036
Other	64,346	48,745
Total current liabilities	408,251	402,065
Noncurrent liabilities		
Bonds payable	70,000	70,000
Bonds with subscription rights to shares	50,000	50,000
Long-term loans payable	62,660	71,544
Long-term lease and guarantee deposited	52,293	53,350
Provision for retirement benefits	42,525	50,596
Provision for directors' retirement benefits	1,035	1,087
Other	8,687	8,362
Total noncurrent liabilities	287,202	304,942
Total liabilities	695,454	707,007
Net assets		
Shareholders' equity		
Capital stock	186,554	186,554
Capital surplus	237,522	237,522
Retained earnings	326,153	338,170
Treasury stock	(4,201)	(4,207)
Total shareholders' equity	746,028	758,040
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,575	2,050
Deferred gains or losses on hedges	(7)	(44)
Foreign currency translation adjustment	(3,766)	(3,212)
Total accumulated other comprehensive income	(2,198)	(1,206)
Subscription rights to shares	365	412
Minority interests	6,178	6,411
Total net assets	750,374	763,656
Total liabilities and net assets	1,445,828	1,470,664

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

(Consolidated Quarterly Statements of Income)

For the Nine months ended October 31, 2011 and 2012

(¥ million)

	Feb. 1, 2011 – Oct. 31, 2011	Feb. 1, 2012 – Oct. 31, 2012
Net sales	1,112,091	1,141,180
Cost of sales	911,119	932,535
Gross profit	200,972	208,645
Selling, general and administrative expenses	151,267	157,161
Operating income	49,704	51,483
Non-operating income		
Interest income	1,062	972
Dividends income	630	635
Foreign currency exchange gains	-	1,378
Equity in earnings of affiliates	296	77
Other	3,018	2,214
Total non-operating income	5,008	5,278
Non-operating expenses		
Interest expenses	1,510	1,244
Other	3,345	2,227
Total non-operating expenses	4,856	3,471
Ordinary income	49,856	53,290
Extraordinary loss		
Loss on valuation of investment securities	3,328	2,286
Loss on sales and retirement of noncurrent assets	837	969
Loss on impairment of fixed assets	167	350
Loss on disaster	1,293	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	687	-
Total extraordinary losses	6,314	3,606
Income before income taxes and minority interests	43,541	49,684
Income taxes-current	27,435	25,285
Income taxes-deferred	(8,764)	(3,880)
Total income taxes	18,670	21,405
Income before minority interests	24,870	28,279
Minority interests in income	23	1,480
Net income	24,847	26,798

(Consolidated Quarterly Statements of Comprehensive Income)

For the Nine months ended October 31, 2011 and 2012

(¥ million)

	Feb. 1, 2011 – Oct. 31, 2011	Feb. 1, 2012 – Oct. 31, 2012
Income before minority interests	24,870	28,279
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,187)	403
Deferred gains or losses on hedges	(19)	(37)
Foreign currency translation adjustment	(10,858)	622
Share of other comprehensive income of associates accounted for using equity method	(13)	(3)
Total other comprehensive income	(12,079)	985
Comprehensive income	12,791	29,264
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	12,815	27,790
Comprehensive income attributable to minority interests	(24)	1,474

(3) Notes Regarding Assumption of a Going Concern

Not applicable

(4) Segment Information

I. Nine months ended October 31, 2011 (February 1, 2011 through October 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	344,080	208,206	91,700	23,511	31,872	72,570	282,373
(2) Inter-group sales and transfers	-	1,862	-	-	79	102	1,686
Net sales	344,080	210,068	91,700	23,511	31,951	72,673	284,059
Operating income (loss)	35,264	19,671	1,489	(6,385)	9,475	6,624	10,637

	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	18,850	1,073,165	38,926	1,112,091	-	1,112,091
(2) Inter-group sales and transfers	-	3,730	3,781	7,512	(7,512)	-
Net sales	18,850	1,076,895	42,707	1,119,603	(7,512)	1,112,091
Operating income (loss)	(1,528)	75,248	(1,422)	73,826	(24,121)	49,704

Notes:

1. Other Businesses principally include the exterior business.
2. An adjustment of ¥24,121 million for segment income (loss) includes an elimination of inter-segment transactions of ¥2,307 million and corporate expenses of ¥21,814 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. Nine months ended October 31, 2012 (February 1, 2012 through October 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	329,843	206,213	86,080	28,075	39,159	79,117	294,624
(2) Inter-group sales and transfers	-	1,816	-	-	76	335	2,083
Net sales	329,843	208,030	86,080	28,075	39,235	79,453	296,708
Operating income (loss)	29,357	15,742	1,181	108	8,693	7,791	13,110

	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	37,514	1,100,629	40,550	1,141,180	-	1,141,180
(2) Inter-group sales and transfers	-	4,312	3,886	8,198	(8,198)	-
Net sales	37,514	1,104,941	44,437	1,149,379	(8,198)	1,141,180
Operating income (loss)	2,452	78,436	(1,042)	77,394	(25,910)	51,483

Notes:

1. Other Businesses principally include the exterior business.
2. An adjustment of ¥25,910 million for segment income (loss) includes an elimination of inter-segment transactions of ¥2,524 million and corporate expenses of ¥23,386 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 third 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 third 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)

	Nine months ended October 31, 2011		Nine months ended October 31, 2012		Year ended January 31, 2012	
	Orders	Accumulated Orders	Orders	Accumulated Orders	Orders	Accumulated Orders
Custom detached houses	359,539	239,714	376,294	263,078	467,702	216,628
Rental housing	227,744	227,313	240,419	253,307	300,354	219,101
Houses for sale	99,536	39,303	104,051	46,627	124,312	28,656
Condominiums	41,392	24,759	58,738	58,577	60,717	27,914
Urban redevelopment	18,672	-	39,159	-	24,520	-
Remodeling	80,748	22,199	86,838	23,647	104,086	15,927
Real estate management fees	282,373	-	294,624	-	378,247	-
Overseas Business	38,678	48,551	38,640	65,606	60,021	64,480
Other Businesses	41,222	27,763	46,642	32,094	57,538	26,002
Total	1,189,908	629,604	1,285,408	742,939	1,577,501	598,711