

## Notice Regarding Response to Litigation Demand from Shareholder

**November 25, 2019** – As announced in the press release of Sekisui House, Ltd. (“the Company”) on October 1, 2019 titled “Notice Regarding Litigation Demand from the Same Shareholder,” the Company received the demand that it initiate litigation pursuing liability of Representative Directors Yoshihiro Nakai and Takashi Uchida, addressed by the individual shareholder who is the plaintiff of the shareholder derivative lawsuit against Representative Directors Toshinori Abe and Shiro Inagaki (“the Lawsuit”), to the Audit & Supervisory Board Members of the Company on September 30, 2019.

The demand was intended to add Representative Directors Yoshihiro Nakai and Takashi Uchida as defendants concerning the Lawsuit and the additional demand, which was announced in the press release of the Company on April 15, 2019 titled “Notice Regarding Litigation Demand from the Same Shareholder.” The basic fact of the claim is, same as that of the Lawsuit, Problems with the Purchase of the Land for Condominiums in which the Company incurred damages. The damages to be a target are also substantially same, and the demand seeks institution of a lawsuit to pursue liability of Representative Directors Yoshihiro Nakai and Takashi Uchida jointly and severally with Representative Directors Toshinori Abe and Shiro Inagaki, primarily demanding the payment of damages of an amount equivalent to the damages of 5,559 million yen the Company incurred by Problems together with a penalty for the delay in payment on the grounds that they made an error in judgment in the course of executing business and neglected their duties to supervise and monitor the other Directors and employees, and that they also violated the duty of care, and preliminarily demanding the payment of damages of an amount equivalent to the payment of 4,908,193,309 yen on the day of the transaction, which are part of the damages described above together with a penalty for the delay in payment on the grounds that they were negligent in the execution of their duties to prevent the spread of damages, and that they also violated the duty of care.

In response to the demand, the Audit & Supervisory Board established an internal response team under the Audit & Supervisory Board on October 4, 2019, and asked external attorneys to examine and collected their opinion, then policies to response was discussed at the meeting of the Audit & Supervisory Board Members held on November 21, 2019. As a result, all of the Audit & Supervisory Board Members decided that litigation for claiming damages against Representative Directors Nakai and Uchida would not be initiated.

The Company announces that a report about the decision from the Standing Audit & Supervisory Board Member Iwata to Representative Directors Nakai and Uchida was received today.



**For further information, please contact:**

Mr. Atsushi Yoshida

Chief Manager of Investor Relations Department

Sekisui House, Ltd.

Email: [info-ir@qz.sekisuihouse.co.jp](mailto:info-ir@qz.sekisuihouse.co.jp)