Summary of Consolidated Financial Results for the First Quarter of FY2011 (February 1, 2011 through April 30, 2011) (Japanese Standard)

June 9, 2011

Company name	: **Sekisui House, Ltd.** (URL http://www.sekisuihouse.co.jp)
Listed exchanges	: Tokyo(first section), Osaka(first section), Nagoya(first section)
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	: June 10, 2011
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 Three Months Ended April 30, 2011 (February 1, 2011 through April 30, 2011)

(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	%
Three months ended Apr. 30, 2011	328,768	0.8	8,150	92.1	8,434	86.5	3,008	62.9
Three months ended Apr. 30, 2010	326,237	23.6	4,243	-	4,523	-	1,846	-

	Net income per share	Fully diluted net income per share
	¥	¥
Three months ended Apr. 30, 2011	4.45	4.45
Three months ended Apr. 30, 2010	2.73	2.73

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥ million	¥ million	%	¥
As of April 30, 2011	1,363,513	735,618	53.9	1,086.87
As of January 31, 2011	1,341,308	738,029	54.9	1,090.67

(Reference) Shareholders' equity As of April 30, 2011: ¥734,385 million As of January 31, 2011: ¥736,962 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, 2011	-	13.00	-	8.00	21.00
Year ending Jan. 31, 2012	-				
Year ending Jan. 31, 2012 (forecast)		10.00	-	10.00	20.00

(Note) Revisions to the forecast of cash dividends in the current quarter: None
Breakdown of cash dividends for 2Q FY2010: Ordinary dividends: ¥8.00, 50th anniversary commemorative dividends: ¥5.00

3. Consolidated Results Forecast for FY2011 (February 1, 2011 through January 31, 2012)

(% 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	%	¥
Six months ending Jul. 31, 2011	734,000	(0.6)	28,000	6.1	28,000	8.6	14,000	2.8	20.72
Year ending Jan. 31, 2012	1,510,000	1.5	63,000	11.8	63,000	12.0	34,000	11.8	50.32

(Note) Revisions to the consolidated results forecast in the current quarter: None

4. Others (For further details, please see "2. Other Information" of the "Attached Material" on page 7.)

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries that caused a change in scope of consolidation): None

(Note) Changes in the status of specified subsidiaries during the period associated with change in scope of consolidation.

(2) Adoption of simplified accounting methods and special accounting practices for consolidated quarterly financial statements: Adopted

(Note) Application of simplified accounting methods and/or special accounting methods for preparation of the quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, and presentation for consolidated quarterly financial statements

(i) Changes caused by revisions of accounting standards etc.: Yes

(ii) Changes other than (i): None

(Note) Changes in accounting principles, procedures, or representation methods relating to the preparation of the consolidated financial statements described in "Changes in the Basis for Presentation of the Consolidated Financial Statements."

(4) Number of shares outstanding (common stock)

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

As of Apr. 30, 2011: 676,885,078 shares　　As of Jan. 31, 2011: 676,885,078 shares

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

As of Apr. 30, 2011: 1,194,722 shares　　As of Jan. 31, 2011: 1,187,859 shares

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

Three months ended Apr. 30, 2011: 675,692,706 shares　　Three months ended Apr. 30, 2010: 675,736,153 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 Three Months under Review" of the "Attached Material" on page 7.

TABLE OF CONTENTS OF THE ATTACHED MATERIAL

We wish to convey our deepest condolences for the victims of the Great East Japan Earthquake, and sincerely hope that the affected areas can achieve a quick recovery.

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

(1) Qualitative information regarding consolidated business results

In the first quarter of the consolidated fiscal year ending January 31, 2012, the Japanese economy staged a gradual recovery on the back of the strong growth achieved by the emerging economies and an economic recovery in North America. However, the Great East Japan Earthquake that struck in March 2011 has caused a significant impact on business activities, putting significant downward pressure on corporate earnings. Also, an appreciation of the yen and a decline in share prices in the financial and capital markets meant that the economic outlook remains uncertain.

In the housing market, with the continuation of housing support programs, including the eco-point system, subsidies, and tax incentives aimed at promoting more eco-friendly housing, demand for houses remained almost unchanged, despite concerns about an increase in the rate of the fall in land prices and a declining appetite for housing investments after the earthquake.

In this environment, immediately after the March 11 earthquake, Sekisui House established a disaster-response headquarters with its president assuming the head of the office. Under this initiative, Sekisui House sought to promptly confirm the safety of the owners of Sekisui houses and the damage to the houses. With respect to the Company's own sales bases, including branches, as well as its factories and other manufacturing facilities, no major damage was reported, and production and shipments were rapidly resumed. It also immediately started to undertake support activities, transporting stockpiled materials to the afflicted areas on the day when the disaster hit. The Company continued its efforts to promptly procure and deliver support goods, while it steadily constructed temporary housing with the cooperation of the government. Moreover, by allocating employees of Sekisui House Group companies and its partner companies to the disaster-hit areas, the Company is fully committed to recovery and reconstruction work.

Our business generally performed well, helped by steady orders, especially for detached houses, and rental housing which offset setbacks in areas hit by the devastating earthquake and tsunami.

In the first quarter of the consolidated fiscal year under review, net sales amounted to ¥328,768 million (up 0.8% year on year). Operating income amounted to ¥8,150 million (up 92.1% year on year), ordinary income to ¥8,434 million (up 86.5% year on year), net income to ¥3,008 million (up 62.9% year on year).

(Custom Detached Houses Business)

In the Custom Detached Houses Business, Sekisui House took steps to increase orders in line with the key initiative of its mid-term management plan, the "Green First Strategy" (as a driver of business growth in eco-friendly housing).
To respond to demand for the reconstruction of houses after the Great East Japan Earthquake, we also established a system for supplying the standardized housing packages of our steel-framed housing, wood-framed housing, and *Sekiwa no Ki no Ie* for customers in afflicted areas who are hoping for the early reconstruction of their houses.
Meanwhile, responding to an increase in orders for the wood-framed Sha-Wood line that used Bellburn, our original exterior wall, we concluded the transfer of the building material business of Kurosaki Harima Corporation, which

supplied the wall in question. By bringing the production Bellburn in-house, we aimed to improve our production capabilities and achieve cost cutting.
As a result, we achieved steady orders, mainly reflecting the continuation of the official stimulus measures.

Sales in the Custom Detached Houses Business amounted to ¥91,702 million for the first quarter of the consolidated fiscal year under review, and operating income to ¥5,145 million.

(Rental Housing Business)
In the Rental Housing Business, in February 2011, we launched POR+NUBE, a new product that adopted the new reinforced structural skeleton, and, as a standard feature, SHAIDD55, our original floor-sound insulation system that is able to significantly dampen the sound of impacts on the floor above. Moreover, as part of the our 50th anniversary events, we held the Sha-Maison Festa, an initiative to promote sales of rental housing, for the first time in early March 2011. The Festa attracted more visitors than we initially anticipated.
In our Sha-Maison low-rise apartments business, we also established a system to respond to the demand for construction in the afflicted areas by preparing standardized housing packages.

Sales in the Rental Housing Business amounted to ¥52,737 million for the first quarter of the consolidated fiscal year under review, and operating income to ¥1,634 million.

(Houses for Sale Business)
In the Houses for Sale Business, by holding the sales promotion event *Machinami Sankan-bi* (visits to existing subdivisions with superb living environments), Sekisui House effectively carried out the Green First Strategy, and strengthened its sales capabilities. Although certain regions showed signs of a recovery, reflecting the effects of government stimulus packages as was evident in the Custom Detached Houses Business, overall sales nationwide remained sluggish. In response, we took steps to streamline assets by continuing to adjust inventories.

Sales in the Houses for Sale Business amounted to ¥23,971 million for the first quarter of the consolidated fiscal year under review, and operating loss to ¥795 million.

(Condominiums Business)
In the Condominium Business, we began sales of new condominiums, including GRANDE MAISON SANGENJAYA PLACE, mainly in urban areas. However, as a result of initiatives to reduce inventories of sales properties, the number of properties supplied to the market declined, and orders remained sluggish.

Sales in the Condominiums Business amounted to ¥9,609 million for the first quarter of the consolidated fiscal year under review, and operating loss to ¥134 million.

(Urban Redevelopment Business)
In the Urban Redevelopment Business, we sold Daiba Garden City to Japan Excellent, Inc., a J-REIT. Meanwhile, we are steadily managing Hommachi Garden City, which commenced operations in 2010. We also completed the development of Garden City Shinagawa Gotenyama and Hommachi Minami Garden City in February and March, respectively, and began leasing activities.
Meanwhile, we are steadily managing rental properties held by the Sekisui House Group, including rental housing, Prime Maison, the occupancy rate of which showed sound improvement.

Sales in the Urban Redevelopment Business amounted to ¥19,907 million for the first quarter of the consolidated fiscal year under review, and operating income to ¥5,460 million.

(Remodeling Business)

In the Remodeling Business, based on the Green First Strategy, we proposed remodeling aimed at energy conservation, installing photovoltaic power generation systems and high-efficiency hot water supply systems by making active use of eco-point system for housing. We also held nationwide Spring Remodeling Fairs, and actively proposed remodeling of detached and rental houses to offer comfortable living to customers in accordance with individual and diversified lifestyles. Meanwhile, we focused on the recovery and reconstruction effort of the owners of our products immediately after the March 11 earthquake, and promptly responded to requests for repairs and related work. As a result, orders remained steady.

Sales in the Remodeling Business amounted to ¥20,362 million for the first quarter of the consolidated fiscal year under review, and operating income to ¥1,570 million.

(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 showed a steady increase. As the rental housing market picked up, particularly in urban areas, the Sekisui House Group was united in undertaking active sales promotions to attract new tenants. Moreover, by continuing to propose housing remodeling to owners in accordance with the needs in the market, we maintained high occupancy rates, especially in the Tokyo metropolitan area.

Sales in the Real Estate Management Fees Business amounted to ¥94,285 million for the first quarter of the consolidated fiscal year under review, and operating income to ¥4,373 million.

(Other Businesses)

In overseas business, sales of condominiums in Wentworth Point in Australia, which we are currently promoting, are growing strongly. The properties in Phase 1 that are expected to be delivered during the current term have already been sold out, and more than 90% of the other units that are currently being marketed are under contract. Moreover we began developing urban residential and commercial complexes in Washington State in the United States, and undertook large-scale urban development projects in Shenyang City and Suzhou City in China. We also started to construct a factory that will provide materials for built-to-order housing. In the exterior business, based on our philosophy of *Keinenbika*, a philosophy of building communities that grow attractive over time, we carried out operations by focusing on the *Gohon no ki* landscaping concept.

Sales in the Other Business amounted to ¥16,193 million for the first quarter of the consolidated fiscal year under review, and operating loss to ¥1,671 million.

(2) Qualitative Information Regarding Consolidated Financial Conditions

Total assets rose ¥22,404 million from the previous fiscal year, to ¥1,365,513 million at the end of the first quarter of the consolidated fiscal year ending January 31, 2012, primarily owing to an increase in tender bonds for the Suzhou and other projects. Liabilities increased ¥24,615 million, to 627,894 million, mainly reflecting the issuing of short-term bonds payable, offsetting payments for notes and accounts payable-trade and income taxes paid. Net assets decreased ¥2,410 million, to ¥735,618 million, chiefly reflecting cash dividends paid, offsetting an increase in net income.

Net cash provided by operating activities decreased ¥79,530 million (down ¥38,987 million from the previous fiscal year), primarily attributable to a fall in notes and accounts payable-trade, and an increased in inventories.

Net cash provided by investing activities decreased ¥10,039 million (down ¥3,004 million from the previous fiscal year). This was mainly attributable to purchases of property, plant and equipment through investments in leasing properties.

Net cash provided by financing activities increased ¥47,579 million (down ¥29,366 million from the previous fiscal year), primarily owing to the issuing of short-term bonds.

(3) Qualitative Information Regarding Consolidated Results Forecast

The Company will record an extraordinary loss of approximately ¥1.0 billion, reflecting the effects of the Great East Japan Earthquake, but the implications for the Company's operations and assets are limited. Given that sales activities are progressing steadily in accordance with the Green First Strategy, the consolidated results forecast for the fiscal year ending January 31, 2012 remains unchanged from the plan announced on March 7, 2011.

2. Other Information

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries that caused a change in scope of consolidation): Not applicable

(2) Adoption of simplified accounting methods and special accounting practices for consolidated quarterly financial statements:

1. Simplified accounting methods

① Method for valuation of inventories

With respect to the valuation of inventories, where inventories are deemed to have declined materially in value, the book value of such inventory is marked down to reflect the estimated net realizable amounts.

② Method for calculating deferred tax assets and liabilities

The recoverability of deferred tax assets is calculated on the results forecast in the consolidated financial results for the previous fiscal year, since it is deemed that the business environment and situation with regard to the occurrence of temporary differences have not undergone any material change since the end of the previous fiscal year.

2. Special accounting practices for consolidated quarterly financial statements: Not applicable

(3) Changes in accounting principles, procedures, and presentation for consolidated quarterly financial statements:

1. Changes in significant accounting standards

① Application of the Accounting Standard for Equity Method of Accounting for Investments and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method

The Accounting Standard for Equity Method of Accounting for Investments (Accounting Standards Board of Japan (ASBJ) Statement No. 16 on March 10, 2008), and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (Practical Issues Task Force (PITF) No. 24 on March 10, 2008) were applied from the first quarter of the consolidated fiscal year under review.

The application of the accounting standard and the practical solution described above did not have an impact on the consolidated quarterly financial statements.

② Application of the Accounting Standards for Asset Retirement Obligations

The Accounting Standards for Asset Retirement Obligations (Accounting Standards Board of Japan (ASBJ) Statement No. 18 on March 31, 2008) and the Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No. 21 on March 31, 2008) were applied from the first quarter of the consolidated fiscal year under review.

As a result of their application, operating income and ordinary income for the first quarter of the consolidated fiscal year under review decreased ¥46 million respectively, and income before income taxes and minority interests declined ¥734 million. The change in asset retirement obligations that resulted from the application of these accounting standards was ¥1,605 million.

2. Change in presentation

Notes to Consolidated Quarterly Statements of Income

Following the application of the Cabinet Office Ordinance Partially Revising Regulations on Terminology, Forms and Preparation of Financial Statements (Cabinet Office Ordinance No. 5, March 24, 2009) based on Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008), income before minority interests is presented in the consolidated statements of income for the first quarter of the fiscal year under review.

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3. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(¥ million)

	As of April 30, 2011	As of January 31, 2011
Assets		
Current assets		
Cash and deposits	110,665	151,983
Notes receivable, accounts receivable from completed construction contracts	38,359	35,545
Short-term investment securities	5	5
Costs on uncompleted construction contracts	15,825	12,212
Buildings for sale	137,926	131,737
Land for sale in lots	324,703	329,487
Undeveloped land for sale	76,770	70,835
Other inventories	7,996	6,162
Deferred tax assets	50,882	52,640
Other	78,205	34,282
Allowance for doubtful accounts	(2,356)	(2,361)
Total current assets	838,984	822,530
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	137,281	131,540
Machinery, equipment and vehicles, net	12,310	11,923
Land	193,179	193,249
Construction in progress	7,508	11,099
Other, net	4,549	4,319
Total property, plant and equipment	354,829	352,131
Intangible assets	11,807	9,809
Investments and other assets		
Investment securities	72,451	72,449
Long-term loans receivable	27,991	28,831
Deferred tax assets	19,826	18,650
Other	39,059	38,350
Allowance for doubtful accounts	(1,436)	(1,445)
Total investments and other assets	157,891	156,837
Total noncurrent assets	524,528	518,778
Total assets	1,363,513	1,341,308

(¥ million)

	As of April 30, 2011	As of January 31, 2011
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	78,852	104,631
Electronically recorded obligations-operating	38,444	45,083
Short-term bonds payable	50,000	-
Short-term loans payable	2,356	25
Current portion of long-term loans payable	28,809	27,454
Income taxes payable	3,006	9,038
Advances received on uncompleted construction contracts	77,661	75,539
Provision for bonuses	15,184	14,419
Allowance for directors' and corporate auditors' bonuses	-	662
Provision for warranties for completed construction	3,035	2,762
Other	45,397	44,471
Total current liabilities	342,748	324,088
Noncurrent liabilities		
Bonds payable	129,992	129,990
Long-term loans payable	54,472	54,560
Long-term lease and guarantee deposited	53,074	52,592
Provision for retirement benefits	36,983	34,914
Provision for directors' retirement benefits	898	1,023
Other	9,724	6,109
Total noncurrent liabilities	285,146	279,190
Total liabilities	627,894	603,279
Net assets		
Shareholders' equity		
Capital stock	186,554	186,554
Capital surplus	237,522	237,522
Retained earnings	306,963	309,361
Treasury stock	(1,421)	(1,416)
Total shareholders' equity	729,618	732,021
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,380	2,813
Deferred gains or losses on hedges	2	11
Foreign currency translation adjustment	2,384	2,115
Total valuation and translation adjustments	4,767	4,940
Subscription rights to shares	308	292
Minority interests	924	774
Total net assets	735,618	738,029
Total liabilities and net assets	1,363,513	1,341,308

(2) Consolidated Quarterly Statements of Income

For the three months ended April 30, 2010 and 2011

(¥ million)

	Feb. 1, 2010 – Apr. 30, 2010	Feb. 1, 2011 – Apr. 30, 2011
Net sales	326,237	328,768
Cost of sales	273,159	272,197
Gross profit	53,077	56,571
Selling, general and administrative expenses	48,834	48,420
Operating income (loss)	4,243	8,150
Non-operating income		
Interest income	253	154
Dividends income	11	12
Insurance agency commission	347	368
Equity in earnings of affiliates	156	53
Other	923	1,173
Total non-operating income	1,692	1,761
Non-operating expenses		
Interest expenses	680	454
Other	732	1,023
Total non-operating expenses	1,412	1,477
Ordinary income (loss)	4,523	8,434
Extraordinary loss		
Loss on disaster	-	1,055
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	687
Loss on sales and retirement of noncurrent assets	398	198
Loss on revaluation of investments in securities	-	182
Total extraordinary losses	398	2,123
Income (loss) before income taxes and minority interests	4,124	6,310
Income taxes-current	3,376	2,811
Income taxes-deferred	(1,098)	485
Total income taxes	2,278	3,296
Income (loss) before minority interests	-	3,014
Minority interests in income	(0)	5
Net income (loss)	1,846	3,008

(3) Consolidated Quarterly Statements of Cash Flows

(¥ million)

	Feb. 1, 2010 – Apr. 30, 2010	Feb. 1, 2011 – Apr. 30, 2011
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	4,124	6,310
Depreciation and amortization	3,823	4,189
Increase (decrease) in provision for retirement benefits	2,157	2,068
Interest and dividends income	(265)	(166)
Interest expenses	680	454
Equity in (earnings) losses of affiliates	(156)	(53)
Loss (gain) on revaluation of investments in securities	-	182
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	687
Decrease (increase) in notes and accounts receivable-trade	(21,091)	(2,814)
Decrease (increase) in inventories	10,032	(10,615)
Increase (decrease) in notes and accounts payable-trade	(22,056)	(26,601)
Increase (decrease) in advances received on uncompleted construction contracts	(5,281)	2,122
Other, net	(7,493)	(45,592)
Subtotal	(35,525)	(69,827)
Interest and dividends income received	238	192
Interest expenses paid	(779)	(432)
Income taxes paid	(4,477)	(9,465)
Income taxes refunded	-	1
Net cash provided by (used in) operating activities	(40,543)	(79,530)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(4,589)	(8,712)
Proceeds from sales of property, plant and equipment	114	1,099
Purchase of investment securities	(2,773)	(393)
Proceeds from sales of investment securities	8	104
Payments of loans receivable	(360)	(185)
Collection of loans receivable	952	1,010
Other, net	(386)	(2,962)
Net cash provided by (used in) investing activities	(7,034)	(10,039)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term bonds payable	10,000	50,000
Net increase (decrease) in short-term loans payable	-	2,330
Proceeds from long-term loans payable	-	1,152
Repayment of long-term loans payable	(3,007)	(457)
Proceeds from issuance of bonds	70,000	-
Purchase of treasury stock	(20)	(7)
Cash dividends paid	-	(5,406)
Other, net	(26)	(31)
Net cash provided by (used in) financing activities	76,945	47,579
Effect of exchange rate change on cash and cash equivalents	210	672
Net increase (decrease) in cash and cash equivalents	29,578	(41,317)
Cash and cash equivalents at beginning of period	148,630	151,983
Cash and cash equivalents at end of period	178,208	110,665

(4) Notes Regarding Assumption of a Going Concern

Not applicable

(5) Segment Information

[Segment Information by Each Business]

Three months ended April 30, 2010 (February 1, 2010 through April 30, 2010) (¥ million)

	Built to Order Housing	Real Estate for Sale	Real Estate for Leasing	Other Business	Total	Eliminations and back office	Consolidated
Sales							
(1) Sales to third parties	146,149	49,618	94,956	35,512	326,237	-	326,237
(2) Inter-group sales and transfers	2,269	-	433	791	3,494	(3,494)	-
Net sales	148,419	49,618	95,390	36,303	329,731	(3,494)	326,237
Operating income (loss)	9,822	(2,458)	4,260	1,178	12,803	(8,560)	4,243

[Segmental information]

1. Summary of reportable segments

The reportable segments of the Sekisui House Group are its constituent units for which separate financial information is obtained and examined on a regular basis by its manager to determine the allocation of management resources and evaluate business performance.

The Sekisui House Group operates a comprehensive housing businesses as a proactive creator of comfortable living environments. To achieve sustainable growth by optimizing its management resources, the Group has established business domains. Each domain operates by developing its own business strategies.

Consequently, the Group comprises segments based on the products and services provided by each business domain. The Group considers the Custom Detached Houses Business, the Rental Housing Business, the Houses for Sale Business, the Condominiums Business, the Urban Redevelopment Business, the Remodeling Business, and Real Estate Management Fees Business, excluding Other Businesses, as its reportable segments.

Main details of each reportable segment are as follows;

Custom Detached Houses Business:	Designing, constructing, and contracting for sale detached houses
Rental Housing Business:	Designing, constructing, and contracting for sale rental housing and other buildings
Houses for Sale Business:	Selling houses and real estate, and designing, constructing, and contracting for sale houses on residential land for sale
Condominiums Business:	Selling condominiums
Urban Redevelopment Business:	Developing office buildings, commercial facilities, and other facilities, and managing and maintaining its own properties
Remodeling Business:	Renovating housing
Real Estate Management Fees Business:	Leasing, managing, maintaining, and brokering real estate.

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

Three months ended April 30, 2011 (February 1, 2011 through April 30, 2011) (¥ million)

	Reportable Business Segments					
	Custom detached houses	Rental housing	Houses for sale	Condominiums	Urban redevelopment	Remodeling
Sales						
(1) Sales to third parties	91,702	52,737	23,971	9,609	19,907	20,362
(2) Inter-group sales and transfers	-	1,044	-	-	27	1
Net sales	91,702	53,782	23,971	9,609	19,934	20,364
Operating income (loss)	5,145	1,634	(795)	(134)	5,460	1,570

	Reportable Business Segments		Other Businesses (Note: 1)	Total	Adjustment (Note: 2)	Amounts on the consolidated financial statements
	Real estate management fees	Total				
Sales						
(1) Sales to third parties	94,285	312,575	16,193	328,768	-	328,768
(2) Inter-group sales and transfers	599	1,673	1,152	2,826	(2,826)	-
Net sales	94,885	314,249	17,346	331,595	(2,826)	328,768
Operating income (loss)	4,373	17,254	(1,671)	15,583	(7,432)	8,150

(Notes)

1. Other Businesses principally include the overseas business and the exterior business.

2. An adjustment of ¥7,432 million yen for segment income (loss) includes an elimination of inter-segment transactions of ¥882 million and corporate expenses of ¥6,550 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.

(Additional information)

The Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17 on March 27, 2009) and the Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20 on March 21, 2008) were applied from the first quarter of the consolidated fiscal year under review.

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

Not applicable

4. Supplemental Information

The State of Orders

[Consolidated] (¥ million)

	Three months ended April 30, 2010		Three months ended April 30, 2011		Year ended January 31, 2011	
	Orders	Accumulated Orders	Orders	Accumulated Orders	Orders	Accumulated Orders
Built to Order Housing	171,565	386,293	-	-	710,103	373,593
Real Estate for Sale	66,415	68,040	-	-	253,947	75,706
Real Estate for Leasing	94,956	-	-	-	377,667	-
Other	37,154	101,315	-	-	186,644	102,487
Total	370,092	555,649	-	-	1,528,362	551,787
Custom detached houses	-	-	116,967	249,520	-	-
Rental housing	-	-	65,886	220,924	-	-
Houses for sale	-	-	31,757	39,253	-	-
Condominiums	-	-	10,296	7,565	-	-
Urban redevelopment	-	-	6,707	-	-	-
Remodeling	-	-	24,165	17,824	-	-
Real estate management fees	-	-	94,285	-	-	-
Other Businesses	-	-	23,487	61,484	-	-
Total	-	-	373,552	596,571	-	-