

Sekisui House SI Investment Corporation Business Results for the 11th Fiscal Period

From October 1, 2010 to March 31, 2011

May 17, 2011

Business Results

for the 11th Fiscal Period

From October 1, 2010 to March 31, 2011

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1. Overview of the Eleventh Fiscal Period Ended March 31, 2011



Progress Highlights

Steady Progress in Phase I of the “Growth Strategy for a New Stage”

Previous fiscal period actual cash distribution: ¥8,160 per unit
(Fiscal period ended Sep. 2010 [10th fiscal period])

Current fiscal period actual cash distribution: **¥9,793** per unit
(Fiscal period ended Mar. 2011 [11th fiscal period])

Next fiscal period forecast cash distribution: **¥9,870** per unit
(Fiscal period ending Sep. 2011 [12th fiscal period])

Fiscal period ending September 2011 (12th fiscal period)

- **Jun. 2011 Acquisition of MITEZZA C6 (planned)**
Utilize asset management company's external acquisition channel
- **May 2011 Refinancing of ¥2.85 billion**
Achieve further reduction of borrowing costs

Fiscal period ended March 2011 (11th fiscal period)

LTV: 48.3%
Occupancy rate: 96.6%
(Entire portfolio)

- **Mar. 2011 Acquisition of Tre Di Casa SANGENJAYA**
Utilized the pipelines with Spring Investment

- **Feb. 2011 Refinancing of ¥15.2 billion**
Further promoted stabilizing of financial standing and achieved the targeted level



- **Oct. 2010 Acquisition of Prime Maison MUSASHINONOMORI, Prime Maison HIGASHISAKURA and Prime Maison KAYABAKOEN**
Conducted new borrowings totaling ¥2.8 billion
Utilized the pipelines with Sekisui House and launched a system of collaboration with the Sekiwa Real Estate Group

Fiscal period ended September 2010 (10th fiscal period)

- **Sep. 2010 Solicited anchor tenants for HAMAMATSU West Building at HAMAMATSU Plaza**
- **Jul./Aug. 2010 Refinancing of ¥14.6 billion**
Released collateral from all loans / six financial institutions newly participated

LTV: 47.1%
Occupancy rate: 96.9%
(Entire portfolio)

- **May 2010 Proposed the “Growth Strategy for a New Stage”**

(Note) Figures for LTV and occupancy rate are as of the end of the respective fiscal periods.

Mar. 2010 Started new system through collaboration with new sponsors (Sekisui House, Ltd. and Spring Investment Co., Ltd.)

Summary of Business Results for the Eleventh Fiscal Period Ended March 31, 2011

Comparison with Forecasts

	Fiscal Period Ended Mar. 31, 2011 (Forecasts as of Nov. 15, 2010)	Fiscal Period Ended Mar. 31, 2011 (182 days) (Actual)	Difference	
Operating revenue	¥3,448 million	¥3,462 million	¥13 million	0.4%
Operating income	¥1,614 million	¥1,655 million	¥41 million	2.6%
Ordinary income	¥1,088 million	¥1,144 million	¥55 million	5.1%
Net income	¥1,087 million	¥1,126 million	¥39 million	3.6%
Cash distributions per unit	¥9,450	¥9,793	¥343	3.6%

◆ Factors for differences between actual results and forecasts for the fiscal period ended March 31, 2011

- Operating income
 - Operating revenue
 - Increase in rent revenue: +¥11 million
 - Increase in other lease business revenue: +¥1 million
 - Operating expenses
 - Decrease in expenses related to rent business: -¥15 million
 - Decrease in other business expenses: -¥12 million
- Ordinary income
 - Decrease in non-operating expenses: -¥13 million
- Net income
 - Increase in extraordinary losses: +¥16 million

Comparison with Previous Fiscal Period

	Fiscal Period Ended Sep. 30, 2010 (183 days) (Actual)	Fiscal Period Ended Mar. 31, 2011 (182 days) (Actual)	Change	
Operating revenue	¥3,334 million	¥3,462 million	¥128 million	3.8%
Operating income	¥1,576 million	¥1,655 million	¥78 million	5.0%
Ordinary income	¥956 million	¥1,144 million	¥187 million	19.6%
Net income	¥938 million	¥1,126 million	¥187 million	20.0%
Cash distributions per unit	¥8,160	¥9,793	¥1,633	20.0%

◆ Factors for period-on-period changes to actual results for the fiscal period ended March 31, 2011

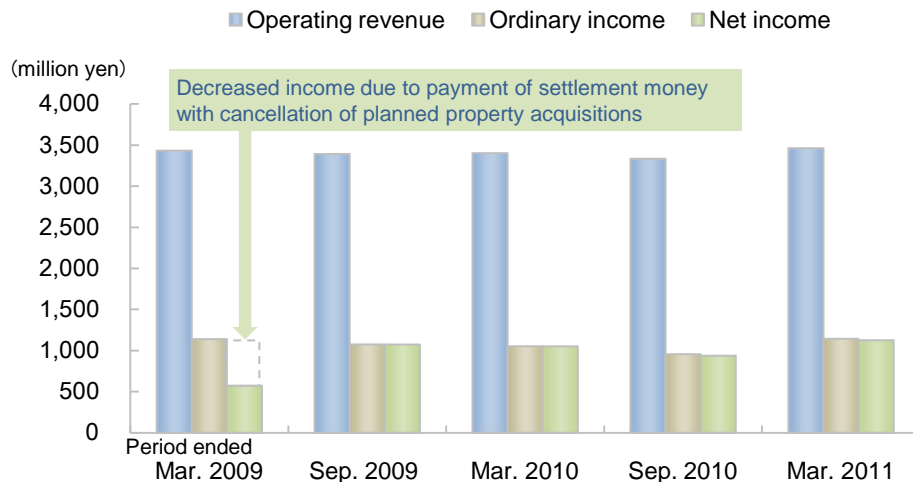
- Operating income
 - Operating revenue
 - Increase in rent revenue: +¥124 million
 - Increase in other lease business revenue: +¥3 million
 - Operating expenses
 - Increase in expenses related to rent business: +¥85 million
 - Decrease in other business expenses: -¥36 million
- Ordinary income
 - Decrease in non-operating expenses: -¥109 million
- Net income
 - Increase in extraordinary losses: +¥16 million
 - Decrease in income taxes: -¥16 million

Total assets	¥104,422 million	¥107,352 million	¥2,930 million
Interest-bearing debt	¥49,229 million	¥51,874 million	¥2,645 million
Net assets	¥51,462 million	¥51,650 million	¥187 million
Period-end investment unit price	¥294,300	¥377,500	
Number of investment units issued and outstanding	115,070 units	115,070 units	
Period-end market value	¥33,865 million	¥43,438 million	
Cash distributions	¥938 million	¥1,126 million	

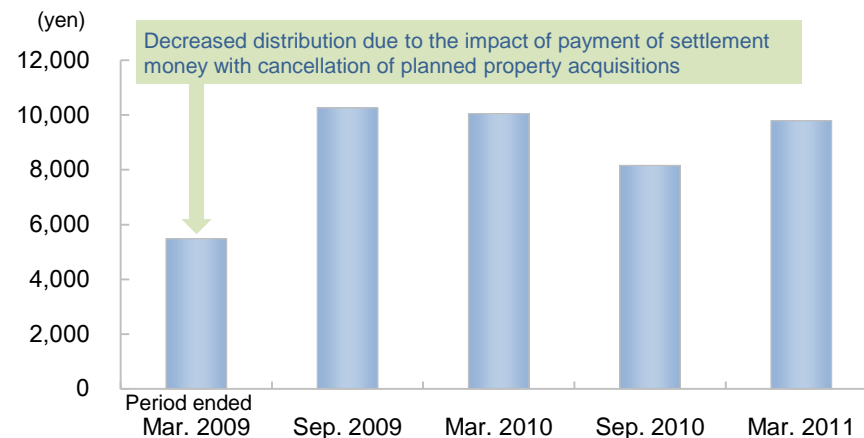
Notes: 1. Amounts less than the indicated unit are rounded down. 2. Percentage figures are rounded to the nearest first decimal place.

Business Results Summary

Operating Revenue, Ordinary Income and Net Income



Cash Distributions per Unit

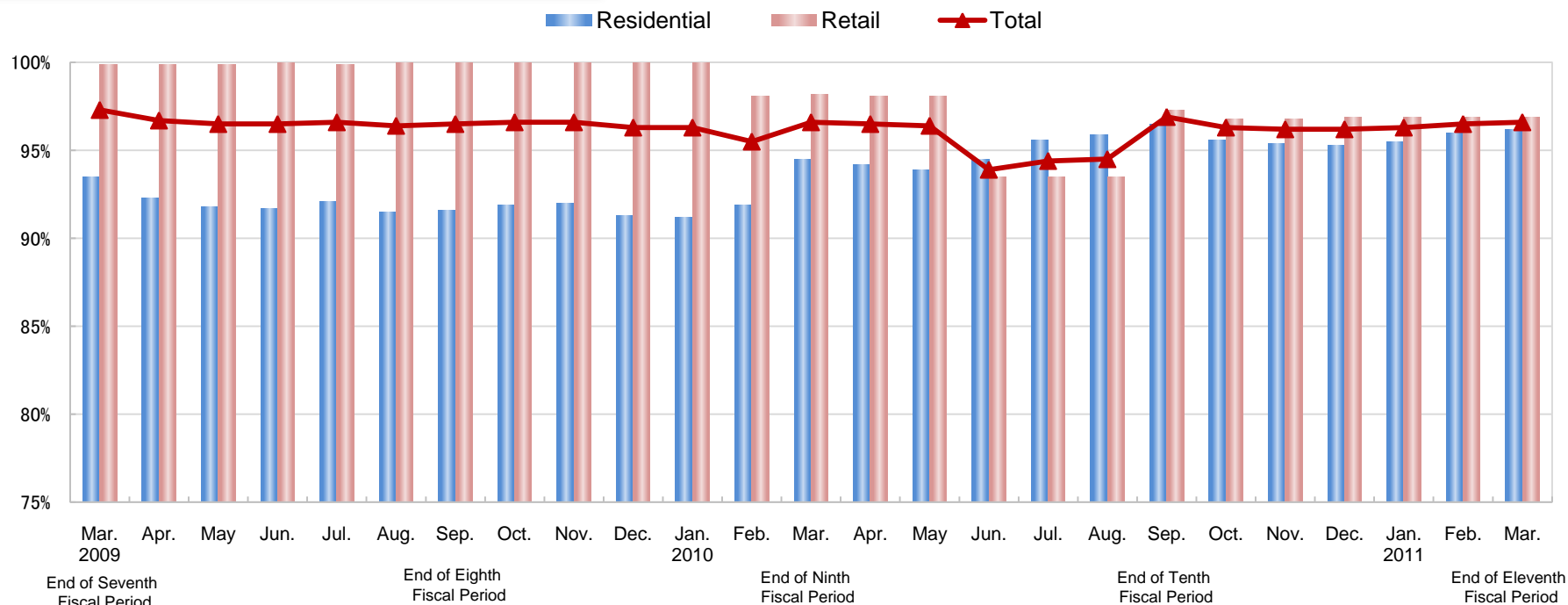


	Fiscal Period Ended Mar. 31, 2009 (182 days)	Fiscal Period Ended Sep. 30, 2009 (183 days)	Fiscal Period Ended Mar. 31, 2010 (182 days)	Fiscal Period Ended Sep. 30, 2010 (183 days)	Fiscal Period Ended Mar. 31, 2011 (182 days)
Operating revenue (million yen)	3,432	3,391	3,402	3,334	3,462
Ordinary income (million yen)	1,140	1,075	1,053	956	1,144
Net income (million yen)	574	1,074	1,052	938	1,126
Cash distributions per unit (yen)	5,485	10,262	10,052	8,160	9,793

Notes: Amounts less than the indicated unit are rounded down.

Occupancy Rates and NOI Yield

Monthly Occupancy Rates at a Glance



	Occupancy Rates	
	Fiscal period ended March 31, 2011 (eleventh fiscal period)	
	As of March 31, 2011	Average for eleventh fiscal period (Oct. 1, 2010 through Mar. 31, 2011)
Residential	96.2%	95.7%
Retail	96.9%	96.9%
Total	96.6%	96.4%

NOI Yields	
Fiscal period ended March 31, 2011 (eleventh fiscal period)	
	5.1%
	5.2%
	5.1%

Notes: 1. "Occupancy Rates" indicated in the graph describe the rate of total leased space to the total leasable space for assets held by the Investment Corporation as of the end of each month from March 2009 to March 2011.
 2. The average occupancy rate for the eleventh fiscal period ended March 31, 2011 indicates the average of occupancy rates as of the end of each month for the fiscal period from Oct. 1, 2010 through Mar. 31, 2011.
 3. The NOI yield in the table is obtained by dividing the annualized NOI by the total acquisition price for the fiscal period from Oct. 1, 2010 through Mar. 31, 2011.
 4. Percentage figures are rounded to the nearest first decimal place.

Impact of the Great East Japan Earthquake

Sekisui House SI Investment Corporation expresses its deepest condolences and sympathies to those who suffered from the Great East Japan Earthquake on March 11, 2011. Our sincere wish is for safety and quick recovery of the affected areas.

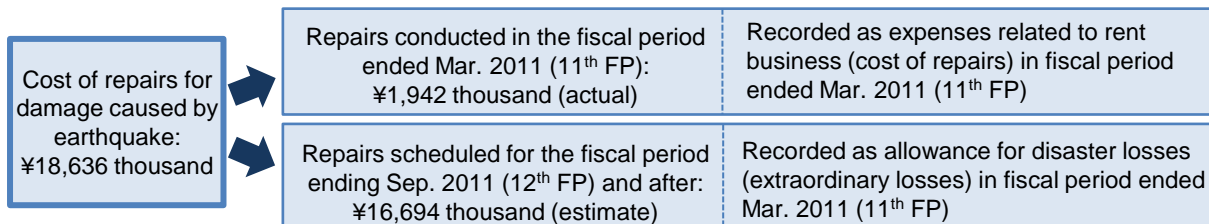
Damage Status from the Great East Japan Earthquake at Sekisui House SI Investment Corporation

Damaged Properties	Damage Status	Cost of Repairs (Estimate)
ACT HILLS YACHIYO	<ul style="list-style-type: none"> Cracks and exfoliated tiles on parts of external walls Rifts on interior cloths Partial malfunction of facilities 	¥13,839 thousand
Joy Square YUGAWARA	<ul style="list-style-type: none"> Partial breakage of anti-fire hanging walls in stores Cracks on floor and walls of common-use areas Partial damage of facilities, etc. 	¥710 thousand
Other 19 properties	<ul style="list-style-type: none"> Cracks and exfoliated tiles on parts of external walls Cracks on floor and walls of common-use areas Partial damage or malfunction of interior fittings and facilities 	¥4,087 thousand
21 out of 57 properties	Total	¥18,636 thousand

No report has been made on any damage, etc., including human casualties at tenants and other parties, that will give material impact on the status of management of the Investment Corporation.

Moreover, confirmation investigations with specialized third-party institutions were made concerning the impact of the earthquake on Tre Di Casa SANGENJAYA, which was acquired on March 25, 2011, and MITEZZA C6, scheduled for acquisition on June 10, 2011. The asset management company also conducted an investigation on their own. As a result, it was decided that there will be no material impact on the management of the properties after acquisitions, and the acquisition was conducted and the purchase agreement was concluded.

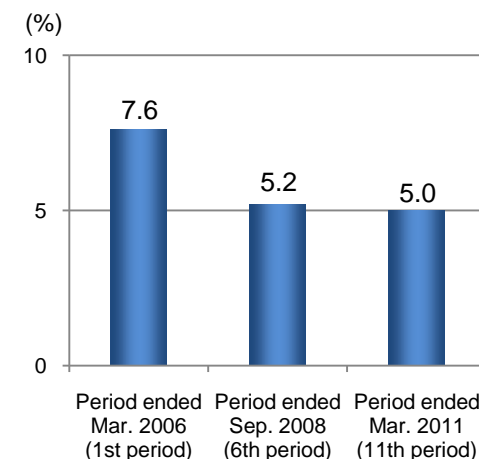
Accounting Treatment of Cost of Repairs Due to the Earthquake



[Points to note]

- It is planned to be permitted to record the allowance for disaster losses as losses under the "special account for disaster losses" pursuant to the specific circular, "Treatment of Corporation Tax on Expenses Related to the Great East Japan Earthquake (Circular on Law Interpretation)" delivered by the National Tax Agency as of April 20, 2011. As such, we consider that there will be no problem of "inconsistency between the accounting treatment and the taxation treatment."
- Due to the treatment mentioned above, this matter is not included in the "Assumptions for the Forecast of Results for the Fiscal Period ending September 2011 (Twelfth Fiscal Period)" disclosed in the "Financial Report for the Fiscal Period ended March 31, 2011" dated May 16, 2011 (Japanese only). However, please note that the indicated amount may be changed due to further investigations or aftershocks in the future.

Portfolio PML



[Reference] Growth Strategy for a New Stage

Announced in May 2010 with additions in November 2010

- Assuming implementation of 3 to 5 years -

Phase I (1 to 2 years)

Management Policy Prioritize the promotion of stabilizing our financial standing

Phase II (2 to 3 years)

Management Policy Enhance profitability by significantly increasing asset size

Financial Strategy

Utilization of the creditworthiness of the new sponsors

- Fix interest rates, extend the terms of loans and diversify repayment dates
- Release assets from collateral security
- Strengthen and broaden bank relationships

- Enhance our financial standing by implementing public offerings at an appropriate timing, size and structure
- Discuss diversifying financing methods

External growth Strategy

Utilization of the pipelines of the new sponsors

- Enhance information collection through utilization of the Pipeline Support Agreement
- Evaluate acquisition of property within existing borrowing capacity
- Proactively exchange opinions with personnel in charge of property development at Sekisui House

- Add high quality residential properties to the portfolio
- Discuss utilizing the warehousing function of the new sponsors

Internal Growth Strategy

Utilization of the know-how and networks of the new sponsors

- Utilize the leasing capability of Sekiwa Real Estate concerning residential properties
- Enhance the overall management effectiveness by strategically changing property management companies of retail facilities

- Utilize Sekiwa Real Estate Group as the property management company of residential properties acquired from the new sponsors
- Increase the value of retail facilities

Conversion to an integrated REIT corporation focusing on housing*

Strategic Goal

Aim to recover 6-monthly cash distributions to the ¥10,000 level at an early stage

Aim to grow earnings based on doubling of asset size to ¥200 billion with due consideration given to cash distribution level

*Thinking on "conversion to an integrated REIT corporation focusing on housing"

Aim to develop into a REIT that has a strong financial standing through increase of asset size focused on maximizing unitholder returns by building a portfolio centering on high-quality residential properties.



2. Business Results for the Eleventh Fiscal Period Ended March 31, 2011



Financial Strategy ~ Initiatives to Promote Stabilizing of Financial Standing (1) ~

Overview of Financing Activities

Promoted Stabilizing of Financial Standing and **Achieved the Targeted Level** Established in the Financial Strategy

	Loan Amount	Lender	Loan Term	Interest Rate/Spread	Collateral
New borrowings in Oct. 2010	¥2.8 billion	Four existing lenders including Mitsubishi UFJ Trust and Banking	2 years 5 months	Floating 0.8%	Unsecured
Refinancing in Feb. 2011	¥15.2 billion	Six existing lenders including Mizuho Corporate Bank	¥9.5 billion 3 years 6 months	Fixed	Unsecured
			¥5.7 billion 2 years 6 months	Floating 0.7%	
Refinancing in May 2011	¥2.85 billion	Three existing lenders including Development Bank of Japan	4 years 10 months	Fixed 0.8%	Unsecured

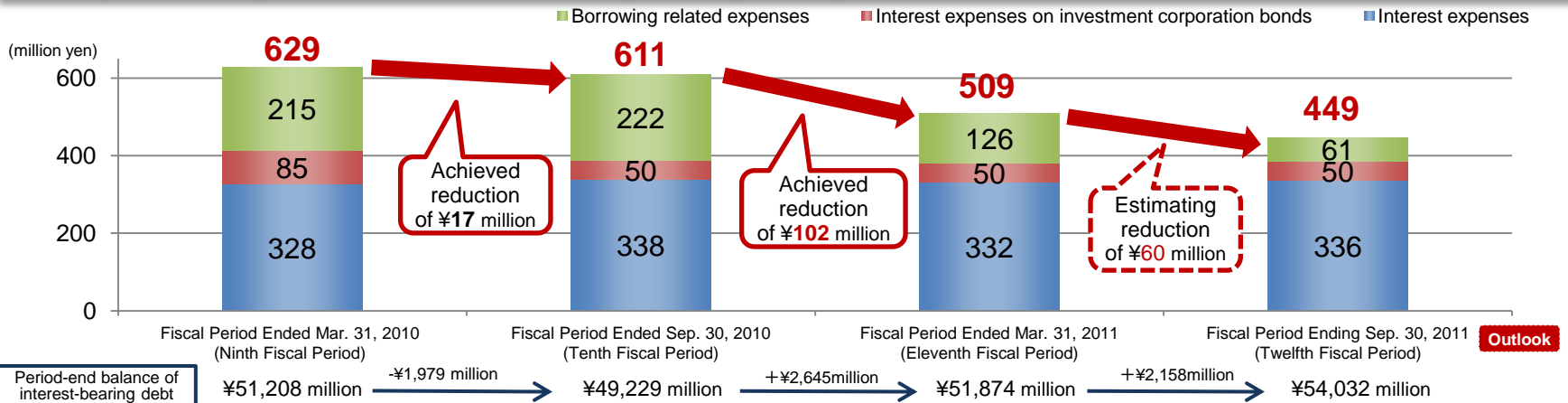
Sustention of Rating

As of April 13, 2011

- Rating agency
Rating and Investment Information, Inc. (R&I)
- Issuer rating
A (Rating outlook: Stable)

Reduction of Borrowing Costs

Steadily Realized Significant Reduction of Borrowing Costs by Utilizing the Creditworthiness of Sekisui House and Other Efforts



Notes: 1. Amounts are rounded down to the nearest million yen.

2. The fiscal period ending September 30, 2011 (twelfth fiscal period) outlook are figures based on the assumption that there are no new borrowings other than the refinancing implemented in May 2011 and the new borrowings and refinancing scheduled for June and July 2011.

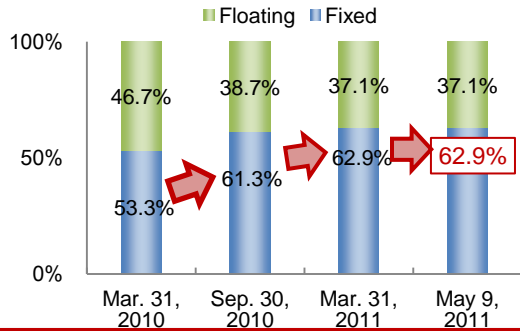
3. Assumptions are made that the refinancing and new borrowings scheduled for the fiscal period ending September 30, 2011 (twelfth fiscal period) will be implemented under similar economic conditions as the refinancing implemented in the fiscal period ended March 31, 2011 (eleventh fiscal period).

Financial Strategy ~ Initiatives to Promote Stabilizing of Financial Standing (2) ~

Fix Interest rates, Extend Loan Terms, and Diversify Repayment Dates

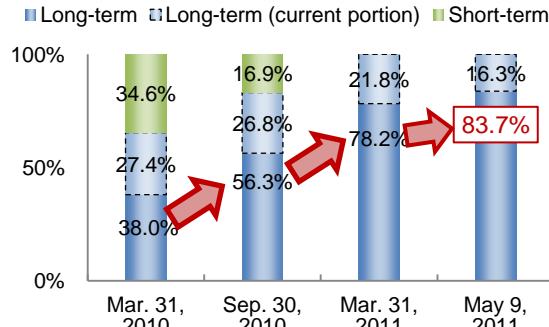
Targeted Levels Achieved for (1) Ratio of Fixed Rate Loans Payable, (2) Ratio of Long-term Liabilities and (3) Diversified Repayment Dates

Ratio of Fixed/Floating Rate Loans Payable
(Notes 1 and 2)



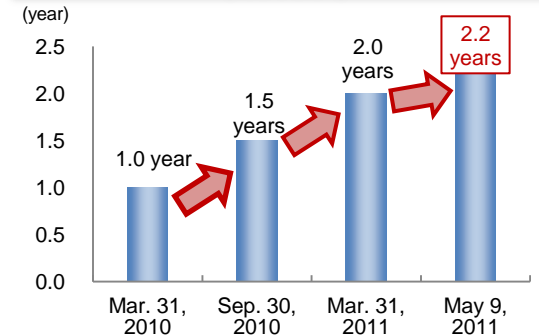
(1) Targeted ratio of fixed rate loans payable: 60 – 80%

Ratio of Long/Short-Term Loans Payable
(Notes 1 and 2)



(2) Targeted ratio of long-term liabilities: 80 – 90%

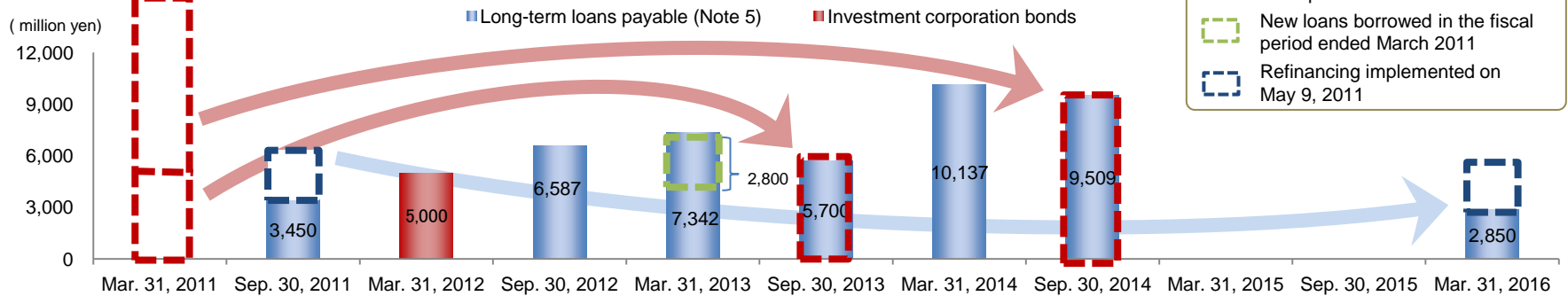
Changes in average remaining term of loans
(Note 3 and 4)



Average remaining term of loans was extended

Diversified Repayment Dates (Note 3)

As of May 9, 2011



(3) Diversified Repayment Dates: Set up Repayment Dates in Around 2 to 5 Years' Range, Centering on 3-Year Loan Terms

- Notes: 1. Percentage figures are rounded to the nearest first decimal place.
- 2. Stated as the percentage of total interest-bearing debt (borrowings + investment corporation bonds + interest-bearing tenant leasehold and security deposits).
- 3. Does not include interest-bearing tenant leasehold and security deposits.
- 4. The figures are the result of calculation based on the weighted average using the remaining terms from each date to the repayment (redemption) dates of loans and investment corporation bonds, and their balances, and rounded down to the nearest first decimal place.
- 5. Includes current portion of long-term loans payable.

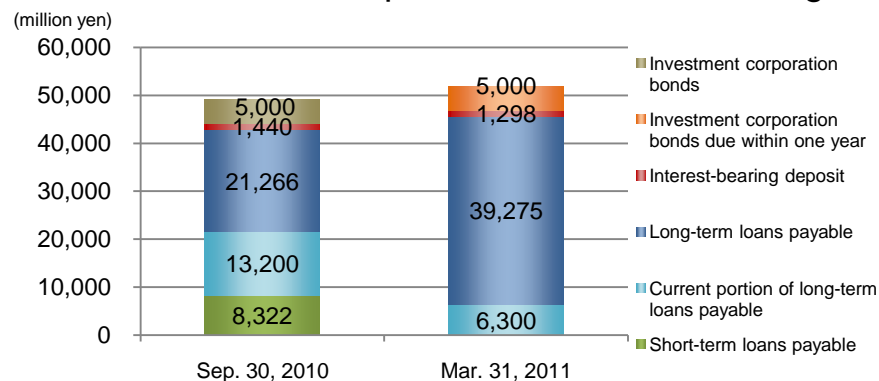
Financial Strategy ~Overview of Interest-Bearing Debt as of March 31, 2011~

Overview of Interest-Bearing Debt

	Outstanding Balance	Average Interest Rate on Procurement (Note 2)
Short-term loans payable	- million	-%
Long-term loans payable (Note 3)	¥45,575 million	1.4%
Interest-bearing deposits	¥1,298 million	2.0%
Investment corporation bonds (Note 3)	¥5,000 million	2.0%
Total interest-bearing debt	¥51,874 million	1.4%

LTV (Note 4)	48.3%
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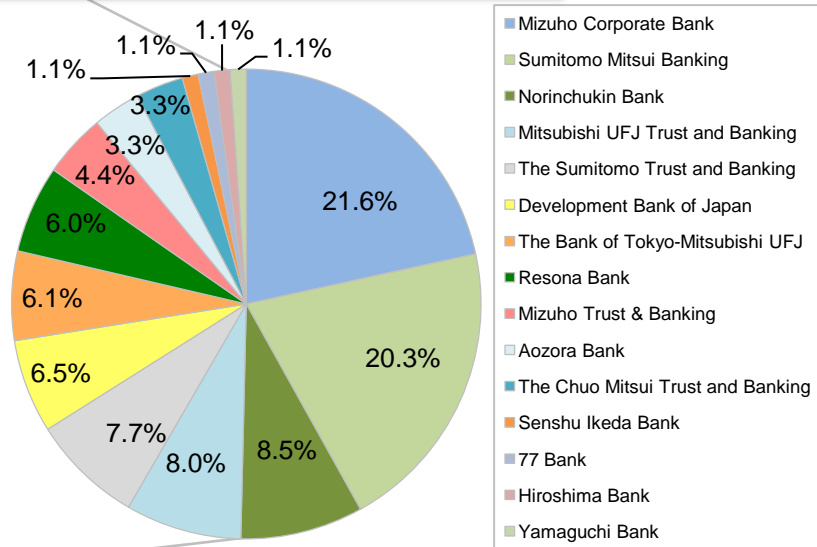
Period-on-Period Comparison of Interest-Bearing Debt



Loans Payable Outstanding by Financial Institution

Financial Institution	Outstanding Balance	Share
Mizuho Corporate Bank, Ltd.	¥9,832 million	21.6%
Sumitomo Mitsui Banking Corporation	¥9,273 million	20.3%
The Norinchukin Bank	¥3,852 million	8.5%
Mitsubishi UFJ Trust and Banking Corporation	¥3,642 million	8.0%
The Sumitomo Trust and Banking Co., Ltd.	¥3,500 million	7.7%
Development Bank of Japan Inc.	¥2,941 million	6.5%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,800 million	6.1%
Resona Bank, Ltd.	¥2,750 million	6.0%
Mizuho Trust & Banking Co., Ltd.	¥1,984 million	4.4%
Aozora Bank, Ltd.	¥1,500 million	3.3%
The Chuo Mitsui Trust and Banking Company, Limited	¥1,500 million	3.3%
The Senshu Ikeda Bank, Ltd.	¥500 million	1.1%
The 77 Bank, Ltd.	¥500 million	1.1%
The Hiroshima Bank, Ltd.	¥500 million	1.1%
The Yamaguchi Bank, Ltd.	¥500 million	1.1%
Total Debt	¥45,575 million	100.0%

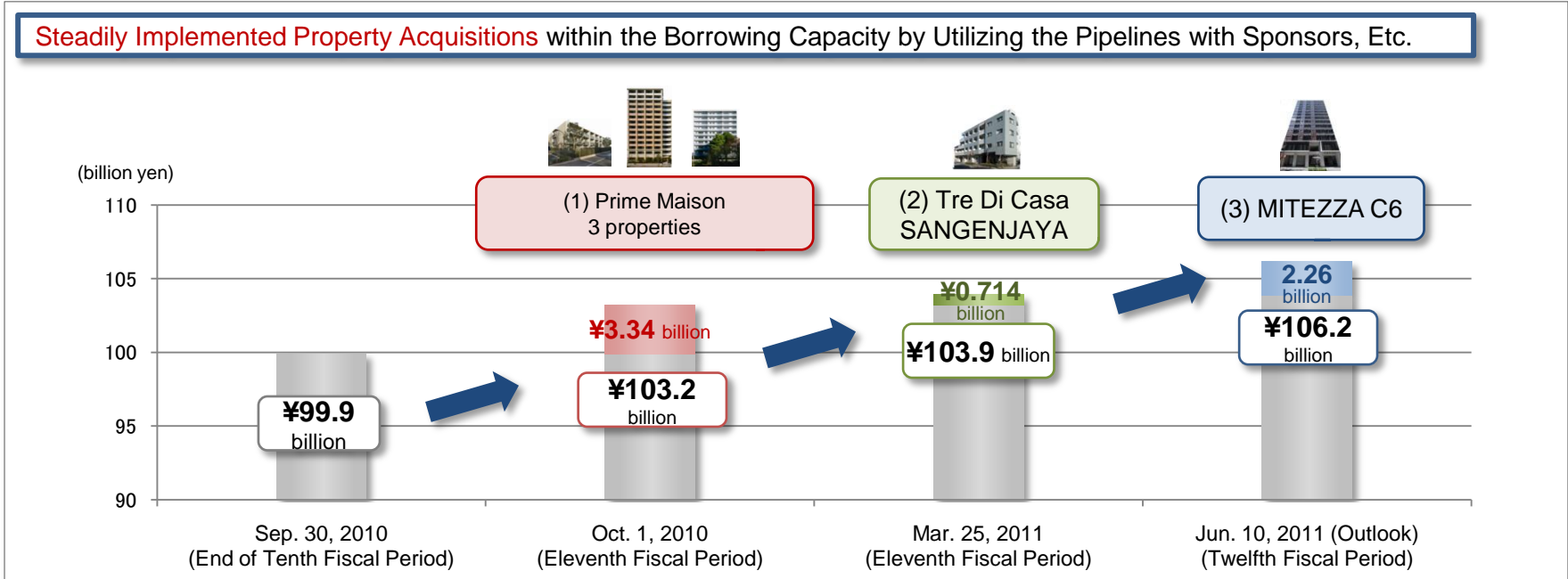
Maintained a bank formation comprised of major domestic financial institutions



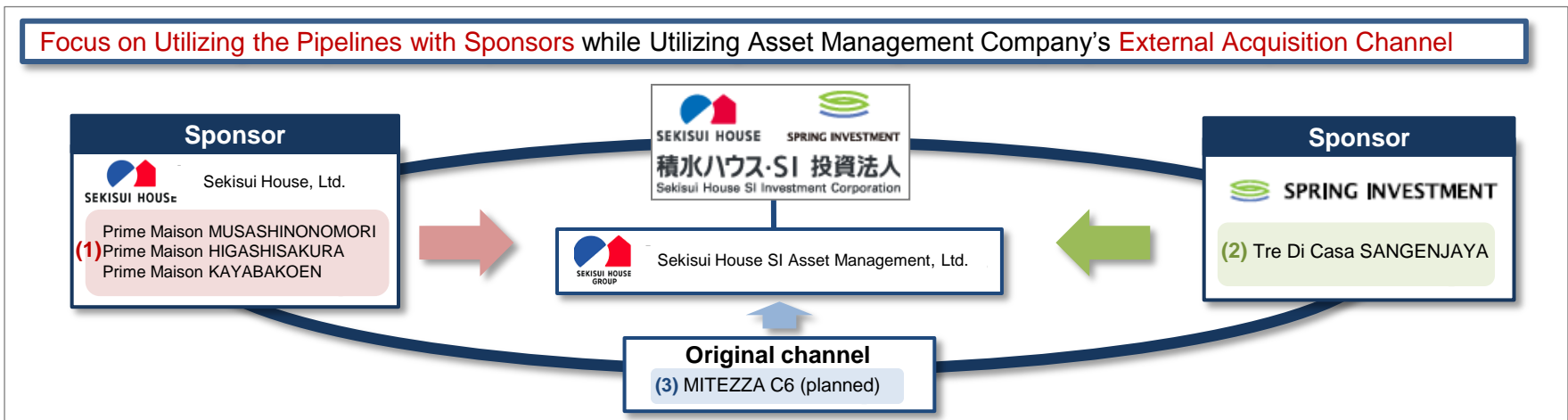
Notes: 1. Concerning figures in the graphs and tables above, amounts of less than one million yen are rounded down and percentage figures are rounded to the nearest first decimal place.
 2. The average interest rate on procurement is the weighted average of applied interest rates as of March 31, 2011, and the figures are rounded to the nearest first decimal place.
 3. Includes current portion of long-term loans payable and investment corporation bonds due within one year.
 4. LTV = Period-end total interest-bearing debt / Period-end total assets (Interest-bearing debt = Borrowings + Investment corporation bonds + Interest-bearing tenant leasehold and security deposits)

External Growth Strategy ~Property Acquisitions Utilizing the Pipelines with Sponsors, Etc. (1)~ 積水ハウス・SI 投資法人

Changes in Total Acquisition Prices



Secure Stable Opportunities for Property Acquisitions



External Growth Strategy ~Property Acquisitions Utilizing the Pipelines with Sponsors, Etc. (2)~ 積水ハウス・SI 投資法人

Properties Acquired in the Fiscal Period Ended March 31, 2011 (Eleventh Fiscal Period)

(1) Acquired 3 Prime Maison Series Properties Located in the “Greater Tokyo / Adjoining Cities” and “Major Regional Cities” Areas (Utilizing the Pipelines with Sekisui House)

Residence - 50 Prime Maison MUSASHINONOMORI



Residence - 51 Prime Maison HIGASHISAKURA



Residence - 52 Prime Maison KAYABAKOEN



Location	Josuihoncho, Kodaira-shi, Tokyo
Completed	Dec. 2007
Acquisition date	Oct. 1, 2010
Acquisition price	1.56 billion yen

Location	Higashisakura, Higashi-ku, Nagoya-shi, Aichi
Completed	Feb. 2008
Acquisition date	Oct. 1, 2010
Acquisition price	1.14 billion yen

Location	Kayaba, Chikusa-ku, Nagoya-shi, Aichi
Completed	Nov. 2006
Acquisition date	Oct. 1, 2010
Acquisition price	640 million yen

(2) Acquired a Property with Focus on Living Environment in the “Central Tokyo / Jonan Area” (Utilizing the Pipelines with Spring Investment)

Residence - 53 Tre Di Casa SANGENJAYA



Location	Shimouma, Setagaya-ku, Tokyo	Completed	Jan. 2008
Closest station	16-min. walk from Sangenjaya Station on the Tokyu Denen Toshi Line	Total leasable floor space	894.64m ²
Construction and number of floors	RC, 5F	Total number of leasable units	25(Include 1 store)
Site area	473.85m ²	Acquisition date	Mar. 25, 2011
Total floor area	1,006.89m ²	Acquisition price	714 million yen
Main residential type	Single and Compact Types	Appraisal value (Note)	724 million yen (As of Feb. 3, 2011)

Note: The appraisal value obtained as of the end of the fiscal period ended March 2011 (eleventh fiscal period) remained the same at ¥724 million.

External Growth Strategy ~Property Acquisitions Utilizing the Pipelines with Sponsors, Etc. (3)~ 積水ハウス・SI 投資法人

Properties Planned for Acquisition in the Fiscal Period ending September 30, 2011 (Twelfth Fiscal Period)

(3) Plans to Acquire a Property **Featuring Good Design and Located Near Station** in Greater Tokyo / Adjoining Cities
(Acquisition through Asset Management Company's Original Channel)

Residence - 54 MITEZZA C6 (Purchase agreement concluded on May 11, 2011)



A property winning the **Good Design Award 2008**

The property is a unique rental condominium designed for bicycle users, whose number is increasing in line with heightened consciousness for environmental and health issues, as assumed tenants. Still, it is equipped with functions and facilities which rental condominiums generally recognized to have high quality. In addition, pollen removal devices are installed at this designer property.



Bicycle maintenance space



Pollen removal device

Location	Oyamahigashicho, Itabashi -ku, Tokyo
Closest station	3-min. walk from Itabashi Kuyakusho-mae Station on the Subway Mita Line 10-min. walk from Oyama Station on the Tobu Tojo Line
Construction and number of floors	RC, 14F
Site area	773.48㎡
Total floor area	5,249.34㎡
Main residential type	Single Type
Completed	Mar. 2008
Total leasable floor space	4,036.66㎡
Total number of leasable units	124 (Including 4 offices)
Planned acquisition date	Jun. 10, 2011
Acquisition price	2.26 billion yen
Appraisal value	2.3 billion yen (As of April 1, 2011)

[Reference] Rental Housing Properties Owned by Sekisui House

Note: There is no specific plan to acquire the properties shown below.



Residencia Ginza East
Chuo-ku, Tokyo



Prime Maison GOKISO
Nagoya-shi, Aichi



Prime Maison YUHIGAOKA
Osaka-shi, Osaka



Prime Maison KITA TANABE
Osaka-shi, Osaka



Prime Maison TERIHA
Fukuoka-shi, Fukuoka

External Growth Strategy ~Direction of Future External Growth~

Modification to Management Guidelines (Change in Allocation Rates by Asset Class)

Increase Allocation Rates of Residential Properties, and Decrease the Rate of Retail Properties

Asset Class of Real Estate Related Assets		Allocation Rate (Acquisition Price Basis)	
		Before Modification	After Modification
Core Asset	Residences	45~75%	70~85%
	Retail	25~55%	15~30%
Balance asset	Office	0~15%	0~15%

Purpose of Modification

Prepare and reinforce infrastructure for implementing the "Conversion to an integrated REIT corporation focusing on housing", with an aim to achieve the Phase II strategic goals

Aim for external growth centering on high-quality rental housing developed by Sekisui House, the main sponsor



*The Investment Corporation intends to continue ownership of existing retail properties for some time.

Portfolio Development Policy for Residential Properties

Region Main investment targets are Central Tokyo / Jonan Area and Greater Tokyo / Adjoining Cities
Also diversify investments in Major Regional Cities in order to reduce regional economy risks and earthquake risks, etc.

Residential Type Focus on Single / Compact Types but also invest in Family / Large Types

<Image Chart>

Region	Residential Type	Single	Compact	Family/ Large
Central Tokyo / Jonan Area		Focused investment targets		
Greater Tokyo / Adjoining Cities				
Major Regional Cities		Targets for diversified investment		

Future Direction

- No major change from the portfolio development policy employed to date
- Continue to position properties with Single / Compact Types in the Central Tokyo / Jonan Area as focused investment targets, based on the thinking that such properties constitute the core of the rental housing market
- In addition, take advantage of the strengths of the Sekisui House Group for properties located in Major Regional Cities or properties with Family / Large Types, and proactively consider acquisitions of carefully selected properties that call for stable rental demand, in an effort to realize diversified investment to a certain degree

Strengths of Sekisui House

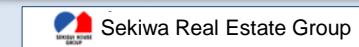
- The Sekisui House Group is a leading company of the housing industry and conducts business throughout Japan. It features strengths not only in the Tokyo metropolitan area but also in Major Regional Cities.
- It boasts development records of high-quality and versatile rental housing centering on the Compact / Family Types
- The networks of the Sekisui House Group exercise comprehensive capabilities that allow expectations for planning and development of high-quality, Single Type rental housing.

Pipelines for Property Acquisitions

Present Pipelines



Pipelines Expected to Expand in the Future

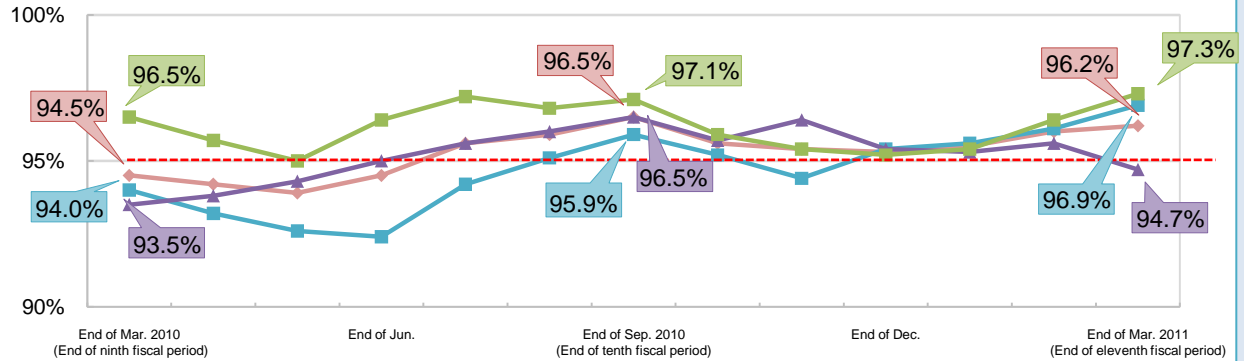


Internal Growth Strategy (Residential) ~Analysis of Occupancy and Rent Trends~

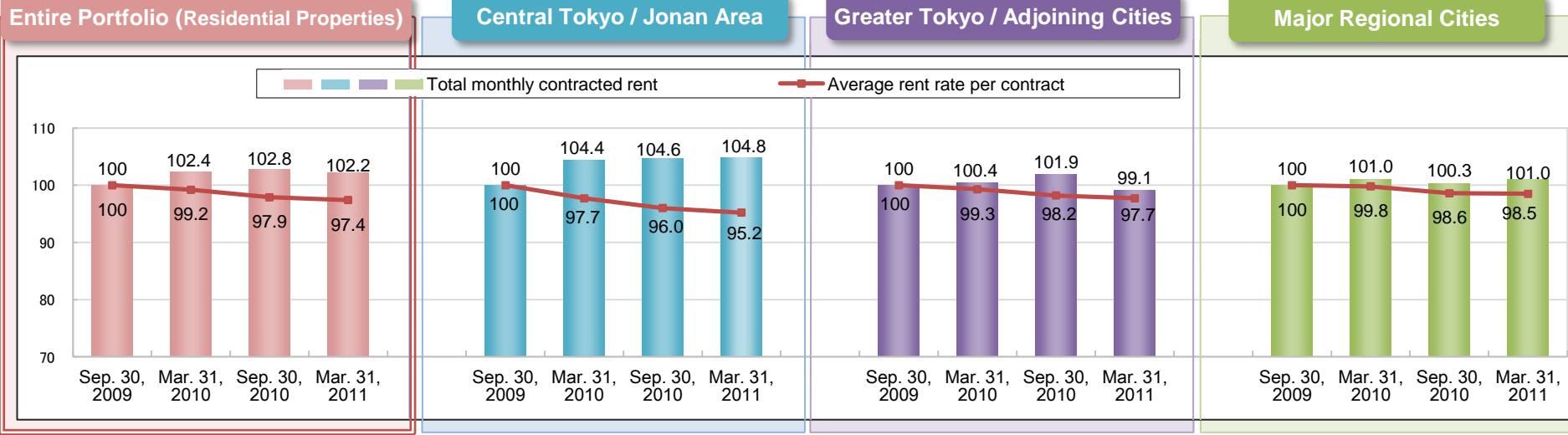
Occupancy Status by Region for Residential Properties Owned by the Investment Corporation (Note 1)



Average Occupancy Rates	
Entire Portfolio (Residential Properties)	95.7%
Central Tokyo / Jonan Area	95.6%
Greater Tokyo / Adjoining Cities	95.5%
Major Regional Cities	95.9%



Rent Revisions for Residential Properties Owned by the Investment Corporation (Note 2)



Generally maintained the same level of occupancy rates and total monthly contracted rents. Rent adjustments started to show signs of bottoming out. Will focus on maintaining high occupancy rates by setting rents at appropriate levels, closely watching the impact of the Great East Japan Earthquake on the real estate leasing market.

Notes: 1. The fiscal period end occupancy rates and the average occupancy rates for the period of residential properties by region include stores or offices in residential properties. In addition, the average occupancy rates for the period are the averages of the occupancy rates at the end of each month of the fiscal period. 2. Figures on the graph present changes from the end of the fiscal period ended September 30, 2009 (eighth fiscal period) based on the total contracted rent and average rent rate per contract as of September 30, 2009 being set as 100. Stores or offices in residential properties, and the 4 properties acquired in the fiscal period ended March 2011 (eleventh fiscal period), are not included in the base of calculations.

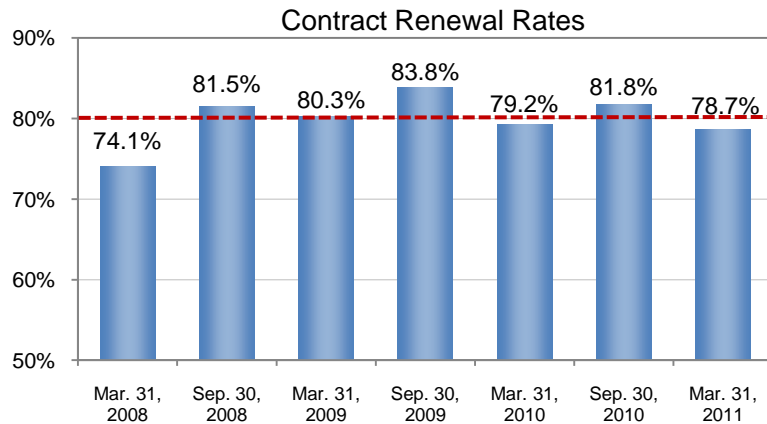
Internal Growth Strategy (Residence) ~Measures to Reduce Costs~

Cost Reductions by Maintaining or Increasing Contract Renewal Rates

Implemented various measures as indicated below during the fiscal period ended March 2011 (eleventh fiscal period), continuously aiming to maintain and increase contract renewal rates

- Make an approach at an early stage and individually to tenants with planned contract renewal
- Respond to requests collected from questionnaires to tenants at an early stage
- Thoroughly work to maintain and manage common-use areas and promote cleaning and beautifying

Following the previous fiscal period, successfully secured a **certain level of performance** by implementing elaborate measures for enhanced tenant satisfaction



Note: Renewal rate: The ratio of the number of residential units for which contracts were renewed against the number of residential units due for contract renewal during the fiscal period



In order to promote **improvements in profitability**, work to realize:

- Reduction of such costs as restoration and leasing associated with tenant replacement
- Maintenance and improvement of occupancy rates through decreased vacancy rates by continuously maintaining and increasing the contract renewal rates

Cost Reduction by Reviewing Basic Contracted Electric Capacity

Lowering of the basic contracted electric capacity by installing new equipment, which has been implemented from the eighth fiscal period ended September 30, 2009, was also continuously implemented in the eleventh fiscal period

Fiscal Period	Properties at which installation work was implemented	
Sep. 30, 2009 (eighth period)	J-FLATS YOKOHAMA (parking lots)	ACTHILLS YACHIYO
	FITL KAMEIDO	Spacia KAWASAKI II
Mar. 31, 2010 (ninth period)	J-FLATS YOKOHAMA	FITL SHINAGAWA SEASIDE
	Spacia HAKURAKU	J-FLATS HIGASHISHINAGAWA
	Spacia OISENDAIZAKA	J-FLATS ITABASHIKUYAKUSHOMAE
Sep. 30, 2010 (tenth period)	J-FLATS MINAMIHORIE	PREGIO NISHINAKAJIMA
	J-FLATS SHIJONISHINOTOIN	J-FLATS HAKATAHIGASHI
Mar. 31, 2011 (eleventh period)	Spacia AZABUJUBAN II	FITL KOMAGATA
	Spacia EBISU II	Spacia MACHIDA
	Spacia KANDA	Spacia KAWASAKI
	Spacia MEGUROFUDOMAE	-

Expects **cost reduction of about ¥2,110,000 / year** in total electricity costs for the 7 properties where the installation work was also implemented in the eleventh fiscal period

Cost Reduction by Reviewing Building Management (BM) Expenses

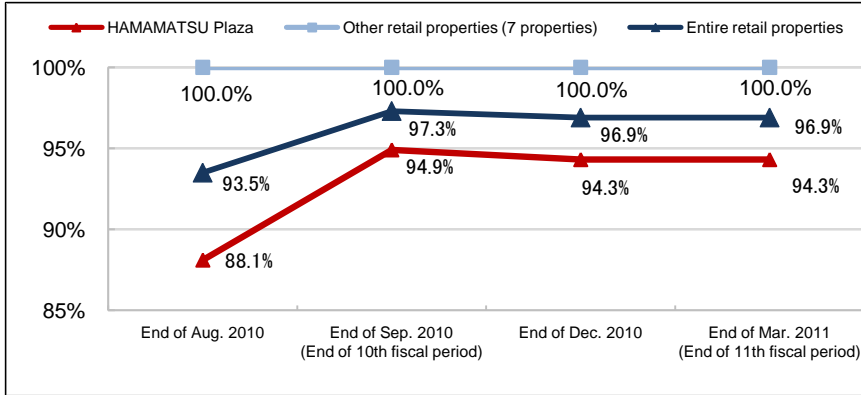
Reviewing of the BM expenses, which has been implemented from the ninth fiscal period ended March 2010, was implemented in the eleventh fiscal period also

⇒ **Realized further reduction of BM expenses while maintaining the level of services provided**

Cost reduction of ¥ 1,531,000 / year in total for the BM expenses achieved at the 5 properties for which the review was made
Cost reduction of ¥14,731,000 / year achieved when combined with the reduction of ¥13,199,000 realized in the fiscal period ended March 2010

Internal Growth Strategy (Retail) ~Occupancy and Leasing Status of Retail Properties~

Occupancy Status of Retail Properties



●HAMAMATSU Plaza

September 2010

Implemented renewal work with the intention of reviewing the target demographics and the concept of HAMAMATSU West Building

End of the fiscal period ended March 2011 (eleventh fiscal period)

A certain level of occupancy rate (94.3%) is maintained, but an issue to be solved is the leasing of the vacant compartments totaling 4,643.80 m²

Initiatives for Early Lease-up of HAMAMATSU West Building

- Implemented renewal work earlier than schedule for some vacant compartments **in order to solicit tenants at an early stage** (construction cost approx. ¥10 million ⇒ recorded for the fiscal period ended March 2011 (eleventh fiscal period))
- **Expanded leasing channels** centering on XYMAX CUBE Corporation, the property management company (Companies cooperating in leasing: real estate developers, advertisement agencies, etc.)
- Held an event after the renewal – the first joint event for the East and the West Areas of HAMAMATSU Plaza – as part of efforts for **enhanced recognition and vitalization of the facilities**



【Date: November 20 and 21, 2010 Number of attending customers: more than 8,000】

Status after Renewal

T.T BOWL
Hamamatsu Plaza West
Opened in Nov. 2010



Dance Studio MJ East
Opened in Dec. 2010



Nikken Gakuin
Hamamatsu School
Class opened in Jan. 2011



Major Changes in Other Retail Properties

●b-town JINGUMAE II

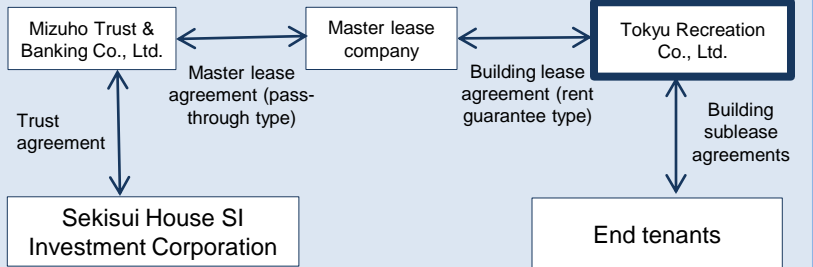
- Renewed agreement concluded with **Paul Smith Japan Limited**, the tenant, in accordance with the expiration of the fixed-term building lease agreement
Agreement term: April 1, 2011 – March 31, 2016
Leased (leasable) floor space: 499.67m² (Note)

(Note) Upon concluding the renewed agreement, the leased (leasable) floor space was changed from 494.84 m² to 499.67 m².

●b-toss IKEBUKURO

- Lawsuit underway with **Tokyu Recreation Co., Ltd.**, the tenant, on rent decrease
- Cancellation of the building lease agreement (rent guarantee type) offered by Tokyu Recreation as of April 1, 2011

Present Scheme



Internal Growth Strategy (Retail) ~Status of Contract Revisions with Existing Tenants~

■ Status of Contract Revisions with Existing Tenants (Tenant Changes between Oct. 1, 2010 and May 16, 2011)
[Beginning of Eleventh Fiscal Period - Announcement of the Eleventh Fiscal Period Results]

	Cases	Variation (monthly amount)	Percentage in Total Monthly Rents from Tenants of Retail Properties at End of Tenth Fiscal Period (Note 3)	Remarks
Rent Increase	0	-	-	
Rent unchanged	2 cases	-	-	
Rent Decrease	6 cases (Note 1)	-¥2,850 thousand	-1.7%	Added clauses to the agreements with some tenants, forbidding rent revisions or cancellation before expiration for the period through the end of agreement terms
Cancellation of Contract	3 cases (Note 2)	-¥3,368 thousand	-2.0%	

Notes 1. Includes a case in which the contracting party of the lease agreement for the administration building of HAMAMATSU Plaza was changed in accordance with the change of the property management company.

2. Includes a case in which the lease agreement for parking lots was cancelled.

3. The figures indicate the percentages of the variations (monthly amounts) given in the column to the left to the total monthly rents (including common charges and rents for parking lots) based on the lease agreements with tenants of retail properties valid as of the end of September 2010.

■ Status of Management of Entire Retail Properties (Eleventh Fiscal Period Results and Twelfth Fiscal Period Outlook)

	Fiscal Period Ended Mar. 31, 2011 (Eleventh Fiscal Period) Results	Fiscal Period Ending Sep. 30, 2011 (Twelfth Fiscal Period) Outlook
Average occupancy ratios for the period	96.9%	96.9%
NOI yields	5.2%	4.9%

The figures in the column of "Fiscal Period Ending Sep. 30, 2011 (Twelfth Fiscal Period) Outlook" have been calculated based on the valid lease agreements as of the end of the fiscal period ended March 2011 (eleventh fiscal period) and also factoring in the tenant changes anticipated as of the date of this material. The NOI yield for each fiscal period is the ratio calculated by dividing the annualized NOI of each fiscal period by the total amount of initial acquisition price of respective retail properties, rounded to the nearest first decimal place.

■ Assumptions for Expected NOI yield of the Twelfth Fiscal Period

■ Vacant Compartments Related

- Concerning vacant compartments as of the end of the fiscal period ended March 31, 2011 (eleventh fiscal period) in retail properties (4,643.80m² of the leasable floor space), conservative assumption is made that there will be a certain period during which these compartments will remain vacant



Corresponding Policy

[Aim to solicit tenants during the fiscal period ending September 2011 \(twelfth fiscal period\)](#)
Currently in talks with potential tenants for setting up stores

■ Existing Tenants Related

- In addition to the status of revisions to the content of contracts stated above, assumption is made that there will be a certain amount of decrease based on lease agreements for some tenants



Corresponding Policy

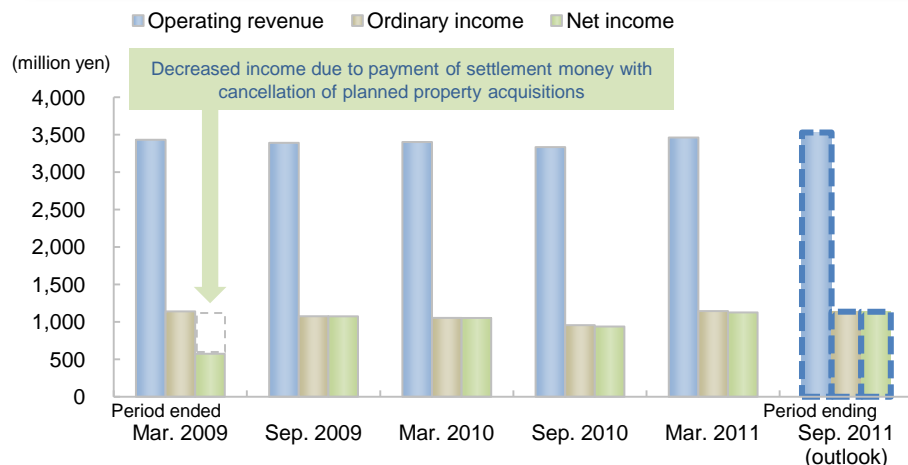
[Enhance relationships with existing tenants](#)
While the basic policy is to respond under the terms and conditions of current leasing agreements, take a case-by-case approach depending on the status of tenants

3. Forecasts for the Twelfth Fiscal Period Ending September 30, 2011 and Future Policy

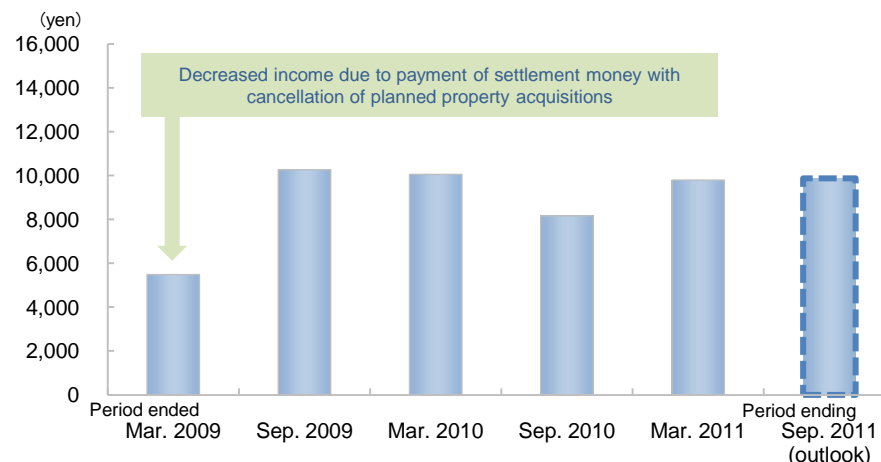


Forecasts for the Twelfth Fiscal Period Ending September 30, 2011

Operating Revenue, Ordinary Income and Net Income



Cash Distributions per Unit



	Fiscal Period Ended Mar. 31, 2009 (182 days)	Fiscal Period Ended Sep. 30, 2009 (183 days)	Fiscal Period Ended Mar. 31, 2010 (182 days)	Fiscal Period Ended Sep. 30, 2010 (183 days)	Fiscal Period Ended Mar.31, 2011 (182 days)	Fiscal Period Ending Sep. 30, 2011 (183 days) (outlook)
Operating revenue (million yen)	3,432	3,391	3,402	3,334	3,462	3,529
Ordinary income (million yen)	1,140	1,075	1,053	956	1,144	1,136
Net income (million yen)	574	1,074	1,052	938	1,126	1,135
Cash distributions per unit (yen)	5,485	10,262	10,052	8,160	9,793	9,870

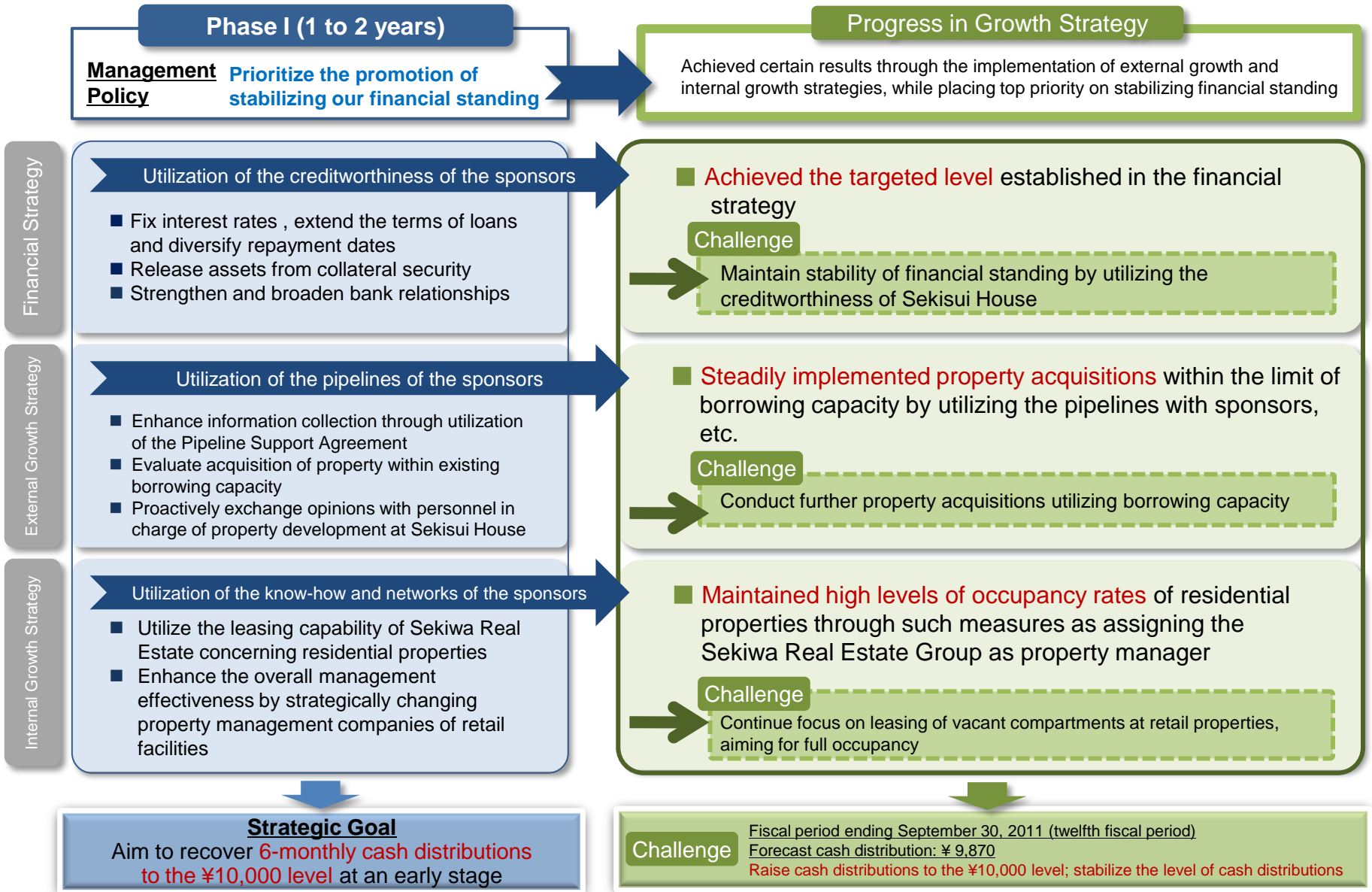
<Assumptions for forecast of fiscal period ending September 30, 2011>

- ◆ Assets under management: 58 properties in total comprising the 57 properties owned as of the fiscal period ended March 31, 2011 (eleventh fiscal period) plus MITEZZA C6 planned to be acquired on June 10, 2011
- ◆ Management fees: Approx. ¥313 million
- ◆ Noncurrent asset tax, etc. that will be allocated as expenses related to rent business: Approx. ¥222 million
- ◆ Depreciation and amortization: Approx. ¥671 million
- ◆ Interest expenses, loan origination fees, etc.: Approx. ¥449 million
- ◆ Number of investment units issued and outstanding: 115,070 units

Notes: 1. Amounts less than the indicated unit are rounded down.

2. The above figures are calculated based upon specific assumptions as of May 16, 2011. Actual operating revenue, ordinary income, net income and cash distributions per unit may differ as a result of subsequent acquisitions or sales of real estate, trends in real estate markets, changes in the operating environment or other conditions affecting the Investment Corporation. The above forecasts are not intended to be guarantees of business results or cash distributions.

Progress of Growth Strategy and Recognized Challenges



Current Policy

Forecast cash distribution per unit
for the fiscal period ending September 2011 (12th fiscal period)

Assumes to be **¥9,870**



Current Policy

- Raise cash distributions to the ¥10,000 level at an early stage
- Stabilize the level of cash distributions

Finance

- Maintain and enhance stability of financial standing (Secure implementation of refinancing and borrowings of funds for property acquisitions)
- Consider acquiring new credit ratings
- Optimize the proportion of fixed and floating interest rate borrowings (Carefully watch trends of long-term interest rates)

External Growth

- Secure closing of property acquisitions scheduled for June 2011
- Maintain and enhance cooperation relationship with property development divisions at Sekisui House
- Expand and enhance networks for property information

Internal Growth

- Maintain high levels of occupancy rates of residential properties and set appropriate rents based on respective property characteristics
- Improve occupancy rates of retail properties (expansion and enhancement of leasing structure for the HAMAMATSU West Building of HAMAMATSU Plaza)
- Further reduce fixed costs for the management of owned properties

Make up for the decreasing trend of revenues from retail properties by employing measures to reinforce profitability through external and internal growth primarily in residential properties

Major Economic Events Requiring Careful Observation Concerning Impacts of the Great East Japan Earthquake on the Investment Corporation

- Trends of the nuclear power plant issues and power supply (Impact on the **economy as a whole**)
- Trends in the real estate leasing market (Impact on **occupancy rates and rent levels**)
- Trends in the real estate transaction market (Impact on **property appraisal values**)
- Trends of corporate demands for funds (Impact on **financial institutions**)
- Trends of financial burdens on the government for demand for restoration (Impact on **interest rate rise**)
- Trends in the J-REIT market (Impact on **investment unit prices**)



4. Appendix



Prime Maison HIGASHISAKURA

Balance Sheets (1)

	10th fiscal period (As of September 30, 2010)		11th fiscal period (As of March 31, 2011)		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Assets						
Current assets						
Cash and deposits	2,539		1,731		-807	
Cash and deposits in trust	3,319		3,348		28	
Operating accounts receivable	55		52		-2	
Prepaid expenses	212		103		-108	
Deferred tax assets	0		0		-	
Other	8		9		0	
Allowance for doubtful accounts	-24		-20		3	
Total current assts	6,111	5.9	5,225	4.9	-886	-14.5
Noncurrent assets						
Property, plant and equipment						
Buildings in trust	41,121		43,402		2,281	
Accumulated depreciation	-4,778		-5,389		-611	
Buildings in trust, net	36,343		38,013		1,669	
Structures in trust	467		529		62	
Accumulated depreciation	-127		-142		-15	
Structures in trust, net	339		386		47	
Machinery and equipment in trust	421		646		225	
Accumulated depreciation	-111		-132		-20	
Machinery and equipment in trust, net	309		513		204	
Tools, furniture and fixtures in trust	24		38		13	
Accumulated depreciation	-9		-11		-1	
Tools, furniture and fixtures in trust, net	15		27		11	
Land in trust	60,997		62,963		1,965	
Construction in progress in trust	110		-		-110	
Total property, plant and equipment	98,115	93.9	101,904	94.9	3,788	3.9
Intangible assets						
Other	5		5		-0	
Total intangible assets	5	0.0	5	0.0	-0	-10.3
Investments and other assets						
Lease and guarantee deposits	10		10		-	
Long-term prepaid expenses	93		118		25	
Other	79		84		5	
Total investments and other assets	182	0.2	213	0.2	30	16.8
Total noncurrent assets	98,304	94.1	102,123	95.1	3,818	3.9
Deferred assets						
Investment corporation bond issuance costs	5		3		-2	
Total deferred assets	5	0.0	3	0.0	-2	-34.3
Total Assets	104,422	100.0	107,352	100.0	2,930	2.8

Balance Sheets (2)

	10th fiscal period (As of September 30, 2010)		11th fiscal period (As of March 31, 2011)		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Liabilities						
Current liabilities						
Operating accounts payable	57		155		97	
Short-term loans payable	3,200		-		-3,200	
Investment corporation bond due within one year	-		5,000		5,000	
Current portion of long-term loans payable	18,322		6,300		-12,022	
Accounts payable – other	269		284		14	
Accrued expenses	149		84		-65	
Income taxes payable	11		0		-11	
Consumption taxes payable	18		-		-18	
Advances received	410		420		10	
Allowance for disaster losses	-		16		16	
Other	6		20		14	
Total current liabilities	22,446	21.5	12,282	11.4	-10,164	-45.3
Noncurrent liabilities						
Investment corporation bond	5,000		-		-5,000	
Long-term loans payable	21,266		39,275		18,009	
Tenant leasehold and security deposits in trust	4,246		4,143		-102	
Total noncurrent liabilities	30,512	29.2	43,419	40.5	12,906	42.3
Total Liabilities	52,959	50.7	55,702	51.9	2,742	5.2
Net Assets						
Unitholders' equity						
Unitholders' capital	50,523	48.4	50,523	47.1	-	-
Surplus						
Unappropriated retained earnings (undisposed loss)	939		1,126		187	
Total surplus	939	0.9	1,126	1.0	187	20.0
Total unitholders' equity	51,462	49.3	51,650	48.1	187	0.4
Total Net Assets	51,462	49.3	51,650	48.1	187	0.4
Total Liabilities and Net Assets	104,422	100.0	107,352	100.0	2,930	2.8

Statements of Income

	10 th fiscal period from April 1, 2010 to September 30, 2010		11 th fiscal period from October 1, 2010 to March 31, 2011		Change	
	Million yen	Percent of total	Million yen	Percent of total	Million yen	Period on period (%)
Operating revenue						
Rent revenue - real estate	3,334		3,462		128	
Total operating revenue	3,334	100.0	3,462	100.0	128	3.8
Operating expenses						
Expenses related to rent business	1,401		1,487		85	
Asset management fee	207		207		0	
Asset custody fee	10		10		-0	
Administrative service fees	26		24		-2	
Directors' compensations	5		3		-1	
Provision of allowance for doubtful accounts	14		5		-9	
Other operating expenses	92		68		-23	
Total operating expenses	1,757	52.7	1,806	52.2	49	2.8
Operating Income	1,576	47.3	1,655	47.8	78	5.0
Non-operating income						
Interest income	1		0		-1	
Reversal of distributions payable	0		0		0	
Other	0		0		-0	
Total non-operating income	1	0.1	0	0.0	-0	-49.5
Non-operating expenses						
Interest expenses	338		332		-6	
Interest expenses on investment corporation bonds	50		50		0	
Amortization of investment corporation bond issuance costs	2		2		-0	
Borrowing related expenses	222		126		-95	
Other	8		0		-7	
Total non-operating expenses	622	18.7	512	14.8	-109	-17.7
Ordinary Income	956	28.7	1,144	33.0	187	19.6
Extraordinary Losses						
Provision of allowance for disaster losses	-		16		16	
Total extraordinary losses	-	-	16	0.4	16	-
Income before Income Taxes	956	28.7	1,127	32.6	171	17.9
Income taxes - current	12		0		-11	-95.1
Income taxes - deferred	5		-		-5	-100.0
Total income taxes	17	0.5	0	0.1	-16	-96.5
Net Income	938	28.2	1,126	32.5	187	20.0
Retained earnings brought forward	0	0.0	0	0.0	-0	-24.4
Unappropriated Retained Earnings (undisposed loss)	939	28.2	1,126	32.5	187	20.0

Statements of Cash Flows / Cash Distributions

Statements of Cash Flows

	10 th fiscal period from April 1, 2010 to September 30, 2010	11 th fiscal period from October 1, 2010 to March 31, 2011
	Million yen	Million yen
Net cash provided by (used in) operating activities		
Income before income taxes	956	1,127
Depreciation and amortization	613	650
Investment unit issuance expenses	7	-
Amortization of investment corporation bond issuance costs	2	2
Increase (decrease) in allowance for doubtful accounts	9	-3
Interest income	-1	-0
Interest expenses	389	383
Provision of allowance for disaster losses	-	16
Decrease (increase) in operating accounts receivable	13	2
Decrease (increase) in prepaid expenses	47	69
Increase (decrease) in operating accounts payable	-5	81
Increase (decrease) in accounts payable - other	-0	7
Increase (decrease) in accrued expenses	-0	-55
Increase (decrease) in consumption taxes payable	14	-18
Increase (decrease) in advances received	-8	10
Decrease (increase) in long-term prepaid expenses	-23	13
Other, net	-22	13
Subtotal	1,991	2,300
Interest income received	1	0
Interest expenses paid	-381	-375
Income taxes paid	-6	-11
Net cash provided by (used in) operating activities	1,605	1,913
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment in trust	-148	-4,432
Purchase of intangible assets	-5	-
Proceeds from tenant leasehold and security deposits in trust received	92	121
Repayments of tenant leasehold and security deposits in trust received	-280	-223
Decrease (increase) in investments and other assets	-4	-5
Net cash provided by (used in) investment activities	-346	-4,539

	10 th fiscal period from April 1, 2010 to September 30, 2010	11 th fiscal period from October 1, 2010 to March 31, 2011
	Million yen	Million yen
Net cash provided by (used in) financing activities		
Repayments of short-term loans payable	-9,354	-3,200
Proceeds from long-term loans payable	14,679	18,009
Repayments of long-term loans payable	-7,163	-12,022
Proceeds from issuance of investment units	1,811	-
Dividends paid	-1,052	-939
Net cash provided by (used in) financing activities	-1,078	1,847
Net increase (decrease) in cash and cash equivalents	179	-778
Cash and cash equivalents at beginning of period	5,678	5,858
Cash and cash equivalents at end of period	5,858	5,080

Cash Distributions

	10 th fiscal period from April 1, 2010 to September 30, 2010	11 th fiscal period from October 1, 2010 to March 31, 2011
	Yen	Yen
I Unappropriated retained earnings	939,029,614	1,126,993,023
II Cash Distributions	938,971,200	1,126,880,510
Cash distributions per unit	(8,160)	(9,793)
III Retained earnings brought forward	58,414	112,513

Summary of Selected Financial Data

	10 th fiscal period from April 1, 2010 to September 30, 2010	11 th fiscal period from October 1, 2010 to March 31, 2011
Business days	183	182
Total assets	104,422 million yen	107,352 million yen
Net assets	51,462 million yen	51,650 million yen
Unitholders' capital	50,523 million yen	50,523 million yen
Investment units outstanding	115,070 units	115,070 units
Net assets per unit	447,227 yen	448,860 yen
Total cash distributions	938 million yen	1,126 million yen
Cash distributions per unit	8,160 yen	9,793 yen
Ordinary income to total assets ¹ (annualized)	1.8%	2.2%
Return on unitholders' equity ² (annualized)	3.7%	4.4%
Unitholders' equity ratio ³	49.3%	48.1%
Total number of properties	53	57
Total rentable floor area	262,169.15m ²	272,273.12m ²
Period-end occupancy rate	96.9%	96.6%
Depreciation expense	612 million yen	649 million yen
Capital expenditures	29 million yen	346 million yen
Leasing Net Operating Income ⁴ (NOI)	2,545 million yen	2,625 million yen
Funds from Operation ⁵ (FFO)	1,552 million yen	1,777 million yen
FFO per unit	13,496 yen	15,445 yen
Total interest-bearing debt	49,229 million yen	51,874 million yen
Loan to Value ⁶ (LTV)	47.1%	48.3%
Interest-bearing debt ratio ⁷	49.4%	50.7%
Debt Service Coverage Ratio ⁸ (DSCR)	3.7 times	4.3 times

- (1) Ordinary income to total assets = Ordinary income (annualized) / Average total assets
Average total assets = (Period-beginning total assets + Period-end total assets) / 2
- (2) Return on unitholders' equity = Net income (annualized) / Average net assets
Average net assets = (Period-beginning net assets + Period-end net assets) / 2
- (3) Unitholders' equity ratio = Period-end net assets / Period-end total assets
- (4) Leasing NOI = Leasing operating income (= Rent revenue-real estate – Expenses related to rent business) + Depreciation and amortization (Expenses related to rent business)
- (5) FFO = Net income + Depreciation and amortization
- (6) LTV = Period-end interest-bearing debt / Period-end total assets
Interest-bearing debt = Borrowings + Investment corporation bonds + Interest-bearing leasehold and security deposits
- (7) Interest-bearing debt ratio = Period-end interest-bearing debt / (Period-end interest-bearing debt + Unitholders' capital)
- (8) DSCR = (Net income + Repayment of interest-bearing debt + Interest expenses + Depreciation and amortization) / (Repayment of interest-bearing debt + Interest expenses)

Note: Ratios are rounded to the nearest first decimal place.

Portfolio Summary

As of March 31, 2011 (End of Eleventh Fiscal Period)

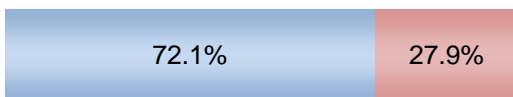
Total Acquisition Price (Note 1)	Occupancy Rate	Average Property Age (Note 2)
¥103,974 million (As of Jun. 10, 2011 (estimate) (Note 4): ¥106,234 million)	96.6%	6.6 years
Total Number of Properties	PML (Entire Portfolio)	Average Property Age (Note 2) (Residential Properties Only)
57 properties (As of Jun. 10, 2011 (estimate) (Note 4): 58 properties)	5.0%	5.0 years

Diversification by Asset Class (Note 3)

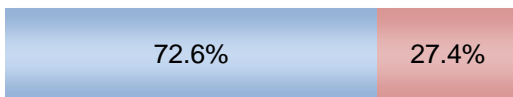
■ Residential ■ Retail



As of Mar.
31, 2011
(End of
Eleventh
Fiscal Period)

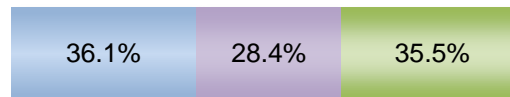
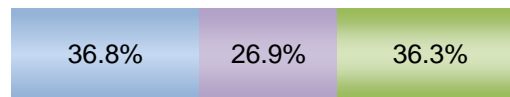
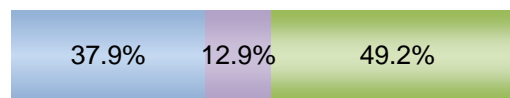


As of Jun.
10, 2011
(Estimate)
(Note 4)



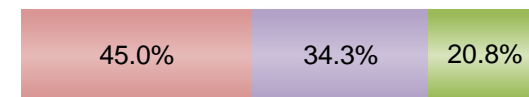
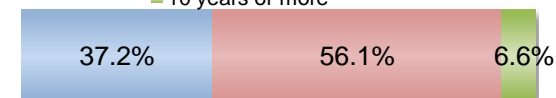
Diversification by Region (Note 3)

■ Central Tokyo/ Jonan Area
■ Greater Tokyo
■ Major Regional Cities



Diversification by Age (Note 3)

■ Less than 1 year
■ 1 year to less than 5 years
■ 5 years to less than 10 years
■ 10 years or more



- Notes:
- Concerning total acquisition prices, amounts of less than one million yen are rounded down.
 - Average property ages are the result of calculating the weighted average using investment ratios based on acquisition prices and rounded down to the nearest first decimal place.
 - Investment ratios by each category are calculated based on the acquisition price of each investment asset and rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100%.
 - Figures are inclusive of the trust beneficiary interest in real estate in Japan scheduled to be acquired on June 10, 2011 (MITEZZA C6).

Outline of Portfolio ~Residential Properties~

Primary Properties Owned

Central Tokyo / Jonan Area

Spacia GINZA



Spacia GOTANDA



Spacia OISENDAIZAKA



Spacia AZABUJUBAN III



Greater Tokyo/ Adjoining Cities

J-FLATS YOKOHAMA



Prime Maison MUSASHINONOMORI



Major Regional Cities

S-RESIDENCE
KYOBASHI

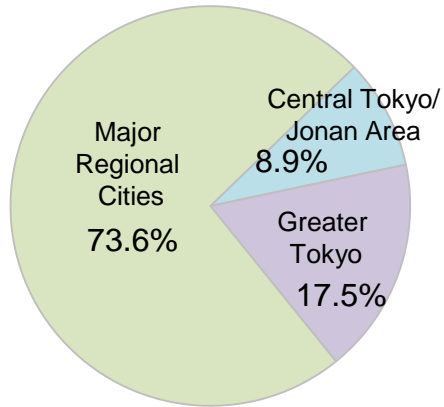


Prime Maison
HIGASHISAKURA



Outline of Portfolio ~Retail Properties~

Classification by Region (Retail Properties)



As of Mar. 31, 2011

Properties Owned

Central Tokyo / Jonan Area

b-town JINGUMAE II



b-town MINAMIAOYAMA



Greater Tokyo/ Adjoining Cities

b-toss IKEBUKURO



KOJIMA NEW KAMIFUKUOKA



Joy Square YUGAWARA



Major Regional Cities

HAMAMATSU Plaza



RINKU HAGURAZAKI Plaza



Bell Plaza Shopping Center



Note: Ratios are calculated based on the acquisition price of each property (retail properties) and are rounded to the nearest first decimal place. Accordingly, ratio totals may not add up to 100 percent.

Portfolio at a Glance (1)

Properties Owned as of March 31, 2011

Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
					Price (Million yen)	Ratio (%)		As of Sep. 30, 2010	As of Mar. 31, 2011	
Residence-1	Spacia GINZA	Ginza, Chuo-ku, Tokyo	636.36	7,836.57	5,290	5.1	5,080	97.7	96.8	February 07, 2005
Residence-3	Spacia AZABUJUBAN II	Roppongi, Minato-ku, Tokyo	677.45	2,317.87	1,730	1.7	1,490	94.7	91.3	January 16, 2004
Residence-4	Spacia EBISU II	Higashi, Shibuya-ku, Tokyo	561.58	2,452.69	1,960	1.9	1,740	92.3	100.0	June 13, 2003
Residence-5	Spacia EBISU III	Hiroo, Shibuya-ku, Tokyo	169.00	871.90	700	0.7	740	96.1	100.0	October 20, 2004
Residence-6	Spacia KANDA	Kandatacho, Chiyoda-ku, Tokyo	307.69	2,028.19	1,360	1.3	1,250	94.4	98.7	February 20, 2004
Residence-7	Spacia SENDAGAYA	Daikyo-cho, Shinjuku-ku, Tokyo	340.49	844.13	576	0.6	507	88.8	94.7	August 31, 2004
Residence-8	Spacia KITASHINJUKU	Kitashinjuku, Shinjuku-ku, Tokyo	504.41	2,204.07	1,290	1.2	1,330	100.0	100.0	August 06, 2004
Residence-9	Spacia MEGUROFUDOMAE	Nishigotanda, Shinagawa-ku, Tokyo	217.38	1,044.37	766	0.7	754	100.0	97.8	January 12, 2005
Residence-10	FITL KOMAGATA	Komagata, Taito-ku, Tokyo	663.54	3,406.10	1,870	1.8	1,830	96.2	95.3	July 28, 2004
Residence-11	Spacia MACHIDA	Haramachida, Machida-shi, Tokyo	587.48	4,033.59	1,360	1.3	1,320	99.2	99.1	February 23, 2004
Residence-12	Spacia KAWASAKI	Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	683.69	4,656.10	2,130	2.0	2,090	99.3	96.8	July 15, 2004
Residence-13	IMAIKE IRIS NIBANKAN	Imaike, Chikusa-ku, Nagoya-shi, Aichi	360.54	1,375.76	300	0.3	200	86.8	98.5	October 15, 1991
Residence-14	GRACIA FIS	Furuichiba, Saiwai-ku, Kawasaki-shi, Kanagawa	1,992.09	3,737.47	1,018	1.0	943	100.0	100.0	March 05, 1999
Residence-15	J-FLATS YOKOHAMA	Tsuruya-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	611.41	3,076.45	2,090	2.0	1,850	100.0	100.0	January 23, 2007
Residence-16	FITL KAMEIDO	Kameido, Koto-ku, Tokyo	438.43	2,899.67	1,650	1.6	1,440	97.8	97.0	November 30, 2005
Residence-17	Spacia MEGURO	Mita, Meguro-ku, Tokyo	578.01	1,283.92	887	0.9	926	95.5	94.4	November 28, 2005
Residence-18	ACT HILLS YACHIYO	Midorigaoka, Yachiyo-shi, Chiba	1,289.14	5,420.53	1,348	1.3	1,020	88.8	88.3	January 10, 1998
Residence-19	J-FLATS SUGAMO	Sugamo, Toshima-ku, Tokyo	965.70	2,785.83	1,510	1.5	1,440	95.0	92.3	February 22, 2007
Residence-20	S-RESIDENCE KYOBASHI	Higashinoda-cho, Miyakojima-ku, Osaka-shi, Osaka	799.68	5,995.82	2,774	2.7	2,550	96.0	100.0	March 02, 2006
Residence-21	EL CIELO MEGUROHONCHO	Megurohoncho, Meguro-ku, Tokyo	865.22	1,975.84	1,220	1.2	950	89.9	86.4	February 22, 2006
Residence-22	Spacia HAKURAKU	Rokkakubashi, Kanagawa-ku, Yokohama-shi, Kanagawa	457.54	1,593.68	844	0.8	750	98.2	98.2	February 02, 2006
Residence-23	J-FLATS MINAMIHORIE	Minamihorie, Nishi-ku, Osaka-shi, Osaka	475.06	1,994.14	1,055	1.0	899	98.4	98.2	February 19, 2007
Residence-24	Spacia GOTANDA ⁵	Nishigotanda, Shinagawa-ku, Tokyo	593.32	5,590.34	3,043	2.9	2,530	97.8	96.0	March 02, 2006
Residence-25	Spacia OISENDAIZAKA	Higashioi, Shinagawa-ku, Tokyo	558.39	3,440.73	2,440	2.3	2,160	97.9	98.7	August 10, 2006

Core Assets

Portfolio at a Glance (2)

Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
					Price (Million yen)	Ratio (%)		As of Sep. 30, 2011	As of Mar. 31, 2011	
Residence-26	FITL SHINAGAWA SEASIDE	Higashishinagawa, Shinagawa-ku, Tokyo	1,049.00	3,127.48	2,200	2.1	1,910	94.8	97.2	June 23, 2006
Residence-27	FITL MINAMIAZABU	Minamiazabu, Minato-ku, Tokyo	487.27	1,479.61	1,300	1.3	1,080	96.2	100.0	August 23, 2006
Residence-28	RARETE JYOUTOU	Noe, Jyoutou-ku, Osaka-shi, Osaka	740.49	2,232.26	1,075	1.0	913	95.1	98.5	August 31, 2006
Residence-29	Spacia TSUKAMOTO CROWN HEIM	Tsukamoto, Yodogawa-ku, Osaka-shi, Osaka	808.54	2,565.66	1,250	1.2	1,030	97.9	100.0	August 10, 2006
Residence-30	Spacia KAWASAKI II	Ogawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa	601.38	3,193.14	1,900	1.8	1,760	97.6	92.1	February 27, 2007
Residence-31	Spacia AZABUJUBAN III	Azabujuban, Minato-ku, Tokyo	380.26	2,097.45	2,700	2.6	2,190	96.9	100.0	February 22, 2007
Residence-33	FITL ITABASHIHONCHO	Yamato-cho, Itabashi-ku, Tokyo	220.85	1,446.78	1,000	1.0	838	96.9	90.7	February 27, 2007
Residence-34	FITL OIZUMIGAKUEN	Higashi-Oizumi, Nerima-ku, Tokyo	618.00	1,542.16	871	0.8	701	96.6	96.4	February 22, 2007
Residence-35	J-FLATS TENJINHIGASHI I	Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka	239.18	1,158.70	445	0.4	343	97.8	97.2	January 31, 2007
Residence-36	J-FLATS TENJINHIGASHI II	Susaki-machi, Hakata-ku, Fukuoka-shi, Fukuoka	514.89	2,108.69	840	0.8	625	96.4	96.3	May 23, 2007
Residence-37	J-FLATS SHIJONISHINOTOIN	Myodenji-cho, Shijo-sagaru, Nishinotoin-dori, Shimogyo-ku, Kyoto-shi, Kyoto	400.59	3,374.74	1,420	1.4	980	95.6	93.2	April 08, 2008
Residence-39	J-FLATS HIGASHISHINAGAWA	Higashi-Shinagawa, Shinagawa-ku, Tokyo	1,028.92	3,338.12	2,610	2.5	2,060	93.4	96.7	May 23, 2008
Residence-40	J-FLATS HACHIOJIMINAMINO	Nishikatakura, Hachioji-shi, Tokyo	1,134.50	2,243.06	1,000	1.0	919	94.2	88.4	March 6, 2007
Residence-41	PREGIO NISHINAKAJIMA	Higashinakajima, Higashiyodogawa-ku, Osaka-shi, Osaka	969.02	3,947.24	2,250	2.2	1,730	98.3	99.1	April 18, 2007
Residence-42	J-FLATS ITABASHIKUYAKUSHOMAE	Itabashi, Itabashi-ku, Tokyo	731.71	4,322.19	2,700	2.6	2,210	96.0	91.1	April 22, 2007
Residence-43	J-FLATS MUSASHIKOYAMA ⁵	Ebara, Shinagawa-ku, Tokyo	512.62	1,616.87	1,012	1.0	878	95.6	98.3	November 5, 2007
Residence-44	J-FLATS SENDAGI ⁵	Sendagi, Bunkyo-ku, Tokyo	250.44	1,239.10	757	0.7	615	90.9	100.0	January 9, 2008
Residence-45	J-FLATS YOTSUYASAKAMACHI ⁵	Sakamachi, Shinjuku-ku, Tokyo	905.08	3,675.01	2,300	2.2	1,790	98.8	96.0	March 29, 2008
Residence-46	J-FLATS HAKATAHIGASHI	Yoshizuka, Hakata-ku, Fukuoka-shi, Fukuoka	4,590.91	9,465.09	2,250	2.2	2,110	99.4	97.3	November 21, 2007
Residence-47	J-FLATS KAMIGOFUKU	Kamigofukumachi, Hakata-ku, Fukuoka-shi, Fukuoka	593.55	2,523.71	900	0.9	728	95.5	94.2	March 14, 2008
Residence-48	J-FLATS SANGENJAYA	Sangenjaya, Setagaya-ku, Tokyo	153.83	954.94	871	0.8	722	97.2	97.2	January 22, 2008
Residence-50	Prime Maison MUSASHINONOMORI	Josuihoncho, Kodaira-shi, Tokyo	5,116.62	4,412.42	1,560	1.5	1,630	-	96.9	December 19, 2007
Residence-51	Prime Maison HIGASHISAKURA	Higashisakura, Higashi-ku, Nagoya-shi, Aichi	846.05	3,517.62	1,140	1.1	1,220	-	93.6	February 15, 2008
Residence-52	Prime Maison KAYABAKOEN	Kayaba, Chikusa-ku, Nagoya-shi, Aichi	1,129.02	2,301.42	640	0.6	665	-	96.1	November 7, 2006
Residence-53	Tre Di Casa SANGENJAYA	Shimouma, Setagaya-ku, Tokyo	473.85	1,006.89	714	0.7	724	-	97.0	January 28, 2008
Residential Subtotal			39,830.17	141,756.11	74,916	72.1	66,160	96.5	96.2	

Core Assets

Portfolio at a Glance (3)

	Property No.	Property Name	Location	Site Area (m ²)	Total Floor Area (m ²)	Acquisition Price		Appraisal Value at End of Period (Million yen)	Occupancy Rate (%)		Completion Date
						Price (Million yen)	Ratio (%)		As of Sep 30, 2010	As of Mar. 31, 2011	
Core Assets	Retail-1	HAMAMATSU Plaza	Kaminishi-cho, Higashi-ku, Hamamatsu-shi, Shizuoka, etc.	135,817.46	73,250.17	15,360	14.8	12,000	94.9	94.3	(Note 6)
	Retail-2	b-town JINGUMAE II	Jingumae, Shibuya-ku, Tokyo	283.83	499.67	1,043	1.0	895	100.0	100.0	May 20, 2005
	Retail-3	RINKU HAGURAZAKI Plaza	Tajiri-cho Oaza, Gashouji, Sennan-gun, Osaka, etc.	53,231.66	—	4,697	4.5	3,854	100.0	100.0	—
	Retail-4	b-town MINAMIAOYAMA	Minamiaoyama, Minato-ku, Tokyo	385.32	797.63	1,530	1.5	1,280	100.0	100.0	February 28, 2006
	Retail-5	KOJIMA NEW KAMIFUKUOKATEN	Kamifukuoka, Fujimino-shi, Saitama	4,877.90	3,413.40	1,300	1.3	1,120	100.0	100.0	October 14, 1996
	Retail-7	b-toss IKEBUKURO	Nishi-Ikebukuro, Toshima-ku, Tokyo	223.38	1,474.21	1,980	1.9	1,550	100.0	100.0	November 12, 2005
	Retail-8	Joy Square YUGAWARA	Chuo, Yugawaramachi, Ashigarashimo-gun, Kanagawa	5,425.13	6,326.53	1,810	1.7	1,590	100.0	100.0	September 22, 2006
	Retail-9	Bell Plaza Shopping Center	Nakamaruko, Ueda-shi, Nagano	23,304.57	6,203.26	1,337	1.3	1,110	100.0	100.0	(Note 7)
	Retail Subtotal				223,549.25	91,964.87	29,058	27.9	23,399	97.3	96.9
As of March 31, 2011 Portfolio Total				263,379.42	233,720.98	103,974	100.0	89,559	96.9	96.6	

Owned as of September 30, 2010 53 properties 99,920 million yen

Acquired in the period ended March 31, 2011 4 properties 4,054 million yen

Owned as of March 31, 2011 57 properties 103,974 million yen

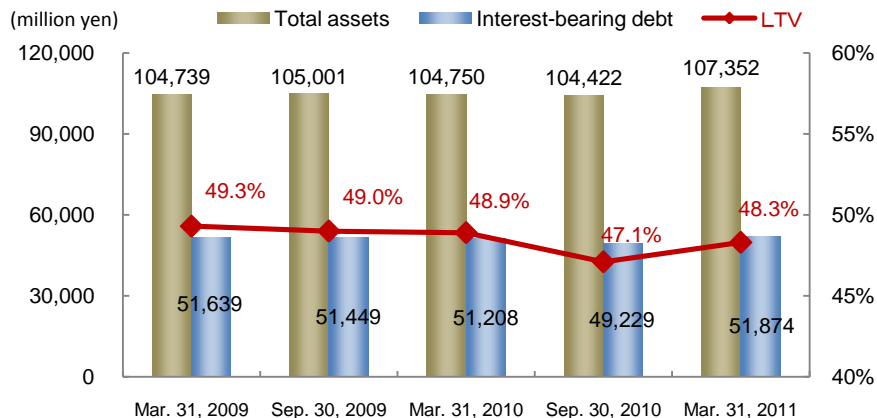
Scheduled to be acquired in the period ending September 30, 2011 (contract already concluded as of the date of this material) 1 property 2,260 million yen

Total 58 properties (estimate) 106,234 million yen (estimate)

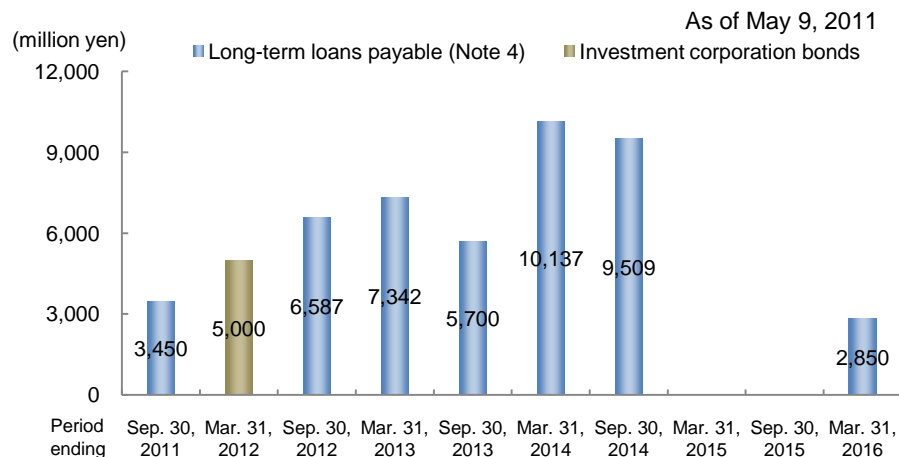
- Notes:
- Based on information as of March 31, 2011. Occupancy rates are rounded to the nearest first decimal place.
 - Concerning acquisition prices, amounts of less than one million yen are rounded down, and percentages indicate the portion of the portfolio's total acquisition price for properties owned and are rounded to the nearest first decimal place.
 - The listed site area and total floor area figures are based on indications given in the register. As for Rinku Hagurazaki Plaza, its total floor area is not described because the Investment Corporation acquired only the land and leases it (the buildings on it are owned by the tenants).
 - The appraisal value at end of period is the amount appraised based on an appraisal by a real estate appraiser rounded down to the nearest million yen.
 - The ratio of site rights (co-ownership rights) for Spacia GOTANDA, J-FLATS MUSASHIKOYAMA, J-FLATS SENDAGI and J-FLATS YOTSUYASAKAMACHI are 387,036/426,933, 117,678/127,609, 89,730/103,842 and 245,317/329,739, respectively. However, "Site Area" indicates the total land area of the real estate in trust, while "Total Floor Area" indicates the floor area of the entire building. The exclusive portions of the total floor area that the Investment Corporation has acquired are 3,637.18m², 1,148.58m², 867.27m² and 2,253.07m², respectively.
 - HAMAMATSU Plaza is a shopping-complex-type facility, with Hamamatsu West completed on October 20, 1979, the Ito-Yokado and administration buildings completed on November 7, 2000, and Akachanhonpo and Xebio buildings completed on November 9, 2000.
 - Bell-Plaza Shopping Center is a shopping-complex-type facility, with the Center building and Shop building completed on November 30, 1992 and the Restaurant building completed on July 12, 2006.

Key Financial Indices for Interest-Bearing Debt

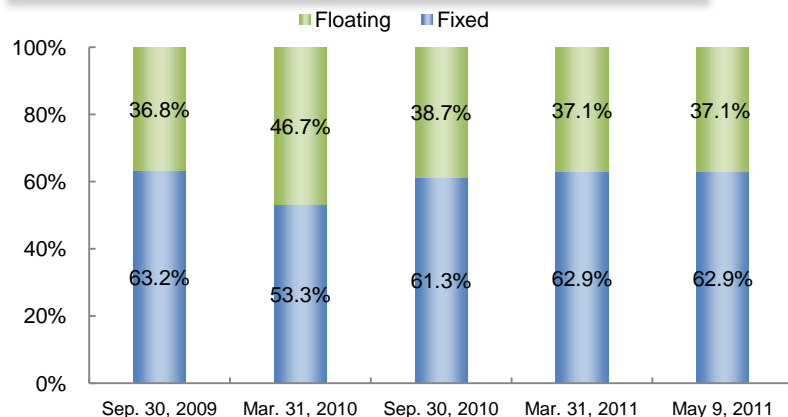
Changes in Total Assets, Total Interest-Bearing Debt and LTV (Notes 1 and 2)



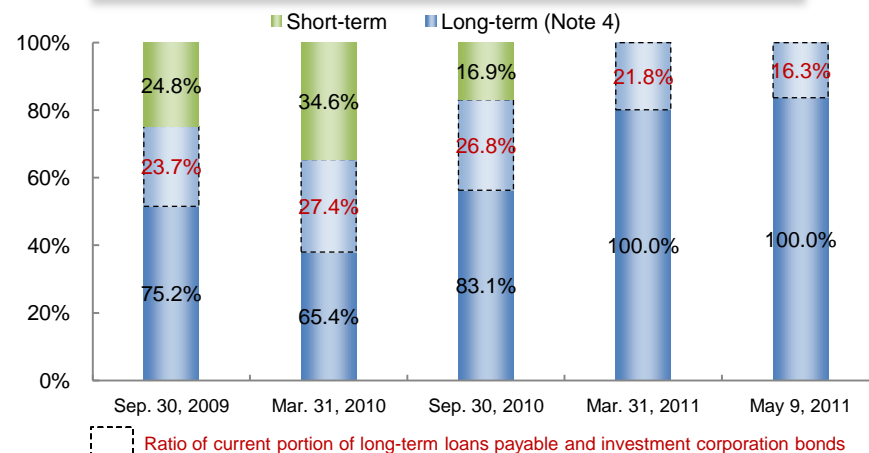
Diversification of Repayment Dates (Notes 3)



Ratio of Fixed / Floating Interest Rates (Notes 2 and 5)



Ratio of Long/Short-Term Loans Payable (Notes 2 and 5)



Notes: 1. LTV = Interest-bearing debt / Total assets at end of the period (where interest-bearing debt is the sum of loans payable, investment corporation bonds and interest-bearing tenant leasehold and security deposits).
 2. Percentage figures are rounded to the nearest first decimal place.
 3. Does not include interest-bearing tenant leasehold and security deposits.
 4. Includes current portion of long-term loans payable.
 5. Stated as the percentage of total interest-bearing debt.

Portfolio Development Policy

Investment Diversification by Asset Class and Geographical Region

After modifications made on May 16, 2011

Asset Class of Real Estate Related Assets		Allocation Rate	Region	Allocation Rate	Specific Areas
Core Assets	Residences	70~85%	Central Tokyo/ Jonan Area	Approx. 50% (Note 2)	Central Tokyo: Chiyoda Ward, Chuo Ward, Minato Ward, Bunkyo Ward, Shibuya Ward and Shinjuku Ward Jonan area: Setagaya Ward, Meguro Ward, Shinagawa Ward and Ota Ward
			Greater Tokyo/ Adjoining Cities	Approx. 80% including Central Tokyo and the Jonan Area (Note 2)	Tokyo: Areas other than Central Tokyo and the Jonan Area (excluding islands) Kanagawa Prefecture: Kawasaki City, Yokohama City and others Chiba Prefecture: Ichikawa City, Urayasu City, Funabashi City, Matsudo City and others Saitama Prefecture: Kawaguchi City, Toda City, Saitama City and others Additional areas within commuting distance
			Major Regional Cities (Note 1)	Approx. 20% (Note 2)	Sapporo City, Sendai City, Nagoya City, Kyoto City, Osaka City, Kobe City, Hiroshima City, Fukuoka City, Kitakyushu City and others Additional areas within commuting distance
	Retail Properties	15~30%	Based on an assessment of the specific characteristics of each property, region and trade zone		
Balance Assets	Office, etc.	0~15%	Based on an assessment of the specific characteristics of each property and region		

Notes: 1. "Major Regional Cities" refers to cabinet-order designated cities and cities in major regional areas that, in principle, have a population exceeding 500,000, or a commercial district of equivalent standing.
2. "Approx." means $\pm 10\%$.

Overview of Unitholders as of March 31, 2011

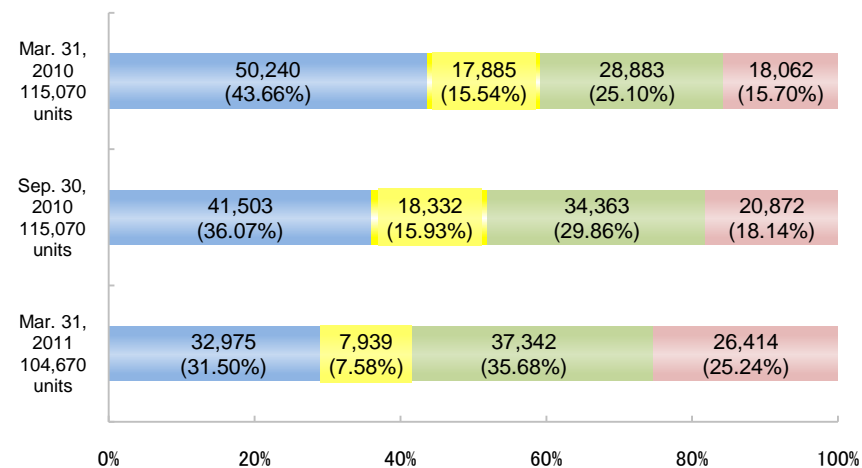
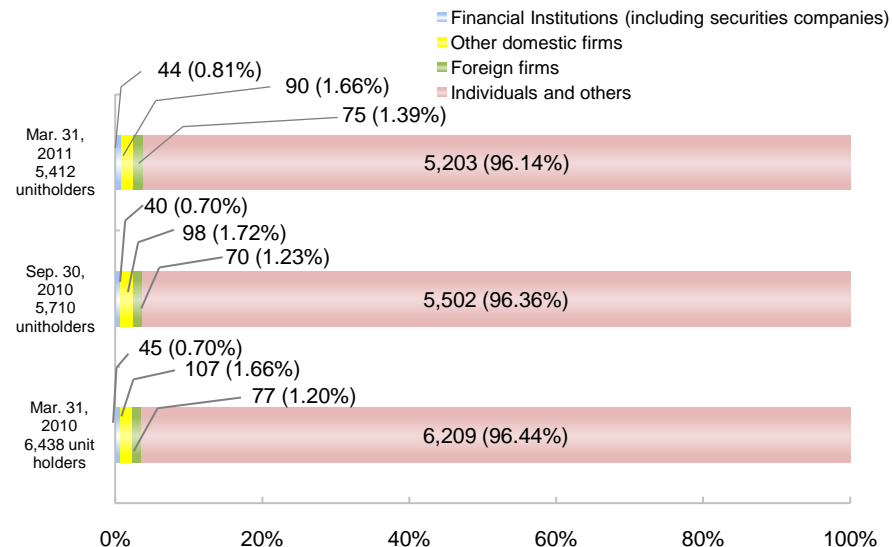
Major Unitholders

Name / Company Name	Investment Units Owned (units)	Ownership of Investment Units Outstanding (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	23,619	20.52
Goldman Sachs International	13,521	11.75
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	9,310	8.09
Sekisui House Ltd.	7,800	6.77
The Nomura Trust and Banking Co., Ltd. (Trust Account)	7,593	6.59
JOINT CORPORATION	5,400	4.69
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,342	4.64
Deutsche Bank AG London-PB Non-Treaty Clients 613	3,627	3.15
Spring Investors Co., Ltd.	2,600	2.25
Nomura Bank (Luxembourg) S.A.	2,572	2.23
Total	81,384	70.72

■ Note: The status of large holdings as determined by the large share holdings reports (including Reports of Changes) submitted by May 12, 2011 is as follows.

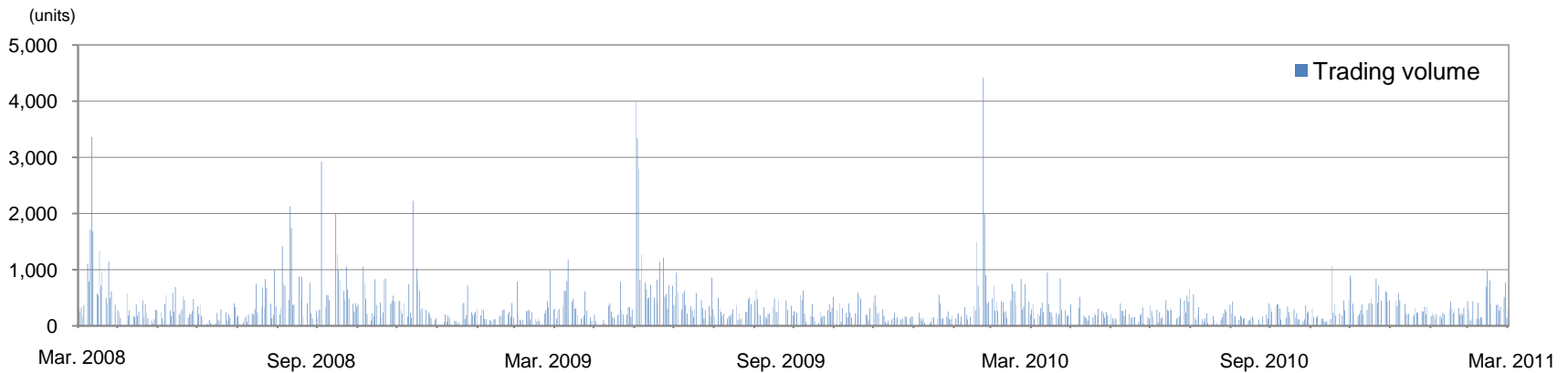
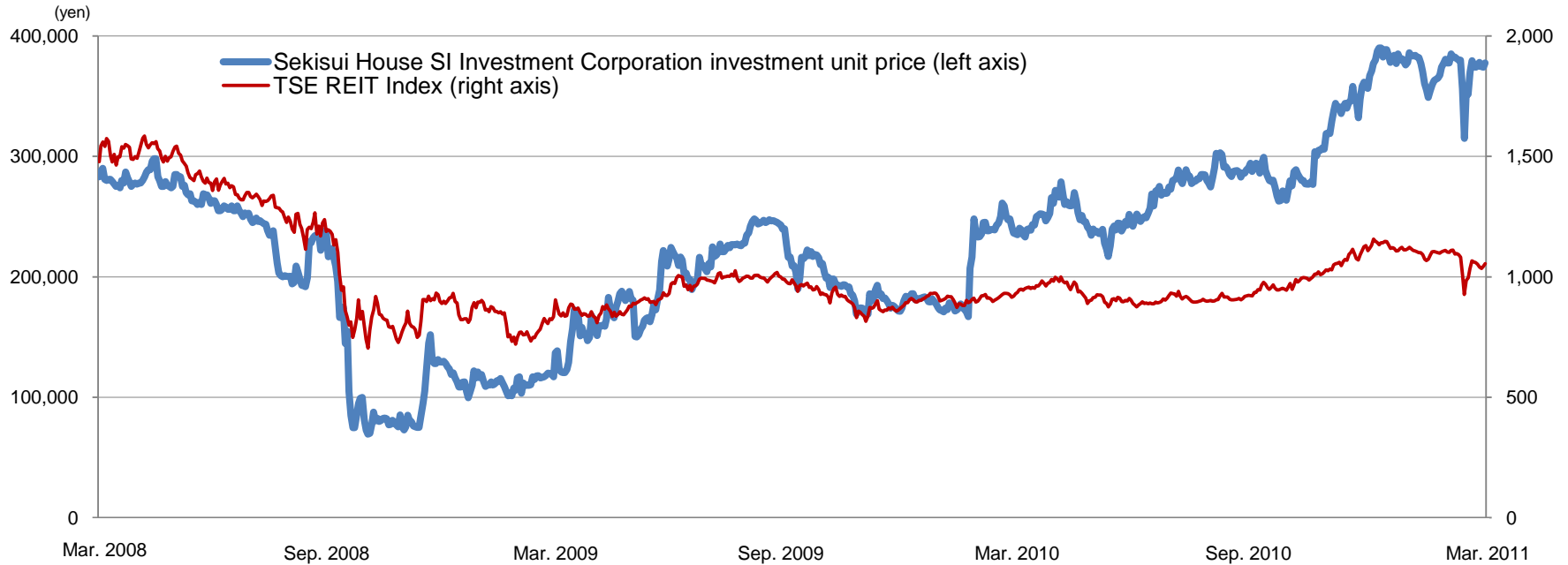
Name	Sumitomo Trust & Banking Co., Ltd.	Mizuho Securities Co., Ltd.	Tower Investment Management Co., Ltd.	DIAM Co., Ltd.	Mizuho Trust & Banking Co., Ltd.
Total units held	6,635 units	8,120 units	17,278 units	12,989 units	11,644 units
Total percentage of ownership	5.77%	7.06%	15.02%	11.29%	10.12%
Submission date	Jan. 11, 2011	Jan. 11, 2011	Mar. 7, 2011	Mar. 24, 2011	Apr. 6, 2011

Diversification of Unitholders



Historical Investment Unit Price

Sekisui House SI Investment Corporation Investment Unit Price Summary



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SPRING INVESTMENT

積水ハウス・SI 投資法人