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Real Estate Investment Trust Securities Issuer
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**Notice Concerning Revisions of Forecast of Management Status and Distribution
 for Fiscal Period Ending April 2015 and Fiscal Period Ending October 2015 and
 Forecast of Management Status and Distribution for Fiscal Period Ending April 2016**

Sekisui House Reit, Inc. ("SHR") announces the following revisions of the forecast of the management status and distribution for the fiscal period ending April 2015 (from September 8, 2014 to April 30, 2015) and fiscal period ending October 2015 (from May 1, 2015 to October 31, 2015) announced on December 3, 2014. SHR also newly announces the following forecast of the management status and distribution for the fiscal period ending April 2016 (from November 1, 2015 to April 30, 2016).

1. Reason for Revision of Forecast of Management Status and Distribution, Reason for Announcement

In line with the decisions made on the issuance of new investment units through public offering and the asset acquisition, etc. announced today in "Notice Concerning Issuance of New Investment Units and Secondary Distribution of Investment Units" and "Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate and its Lease (Hommachi Garden City)," SHR announces the following revisions of the forecast of the management status and distribution for the fiscal period ending October 2015 announced on December 3, 2014 due to changes in the assumptions used for calculation. SHR also newly announces the forecast of the management status and distribution for the fiscal period ending April 2016.

In addition, in line with the above, changes to the forecast of the management status and distribution for the fiscal period ending April 2015 arose as a result of reviewing the most recent management status, thus revisions are made based on the current forecast.

2. Content of Revision

(1) Content of Revision of Forecast of Management Status and Distribution for Fiscal Period Ending April 2015

	Operating revenue	Operating income	Ordinary income	Net income	Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit
Previous forecast (A)	2,108 mn yen	1,537 mn yen	914 mn yen	914 mn yen	1,447 yen	—
Revised forecast (B)	2,108 mn yen	1,573 mn yen	1,006 mn yen	1,005 mn yen	1,590 yen	—
Increase/decrease (B-A)	0 mn yen	35 mn yen	91 mn yen	90 mn yen	143 yen	—
Rate of increase/decrease	0.0%	2.3%	10.0%	9.9%	9.9%	—

Disclaimer: This translation is for informational purposes only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail. This document is an English translation of a press release for public announcement concerning forecast of management status for fiscal period ending April 2015 and fiscal period ending October 2015 of Sekisui House Reit, Inc., and has not been prepared for the purpose of solicitation of investment. We caution investors to refer to Sekisui House Reit, Inc.'s prospectus and notice of amendments thereto, if any, without fail and to undertake investment at their own decision and responsibility.

(2) Content of Revision of Forecast of Management Status and Distribution for Fiscal Period Ending October 2015

	Operating revenue	Operating income	Ordinary income	Net income	Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit
Previous forecast (A)	2,563 mn yen	1,702 mn yen	1,391 mn yen	1,391 mn yen	2,201 yen	—
Revised forecast (B)	3,379 mn yen	2,269 mn yen	1,923 mn yen	1,922 mn yen	2,420 yen	—
Increase/decrease (B-A)	816 mn yen	567 mn yen	531 mn yen	530 mn yen	219 yen	—
Rate of increase/decrease	31.8%	33.3%	38.2%	38.1%	10.0%	—

(3) Content of Forecast of Management Status and Distribution for Fiscal Period Ending April 2016

	Operating revenue	Operating income	Ordinary income	Net income	Distribution per unit (excluding distribution in excess of earnings)	Distribution in excess of earnings per unit
Revised forecast	3,467 mn yen	2,264 mn yen	1,938 mn yen	1,937 mn yen	2,440 yen	—

(Reference)

Fiscal period ending April 2015: Forecast number of investment units issued and outstanding at end of period: 632,000 units
 Fiscal period ending October 2015: Forecast number of investment units issued and outstanding at end of period: 794,000 units
 Fiscal period ending April 2016: Forecast number of investment units issued and outstanding at end of period: 794,000 units

(Notes)

1. The business periods of SHR are every year from May 1 to October 31 and from November 1 to April 30 in the following year, but the business period of the 1st fiscal period is from the date of incorporation of SHR (September 8, 2014) to April 30, 2015.
2. The calculation of the forecast figures above are the current figures calculated based on the assumptions stated in the attached "Assumptions Underlying Forecast of Management Status and Distribution for Fiscal Period Ending April 2015, Fiscal Period Ending October 2015 and Fiscal Period Ending April 2016." Accordingly, the actual operating revenue, operating income, ordinary income, net income and distribution per unit (excluding distribution in excess of earnings) may vary due to future additional acquisition or sale of real estate, etc., real estate market and other developments, the number to be issued of new investment units actually determined, change in other circumstances surrounding SHR and other factors. In addition, the forecast is not a guarantee of the amount of distribution.
3. The forecast may be revised in the event that discrepancies above a certain level from the forecast above are expected.
4. Figures are rounded down to the nearest specified unit and percentages are rounded to the nearest first decimal place. The same shall apply hereinafter.

*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

*Sekisui House Reit, Inc. website: <http://www.sekisuihouse-reit.co.jp/en/>

[Attachment]

**Assumptions Underlying Forecast of Management Status and Distribution for Fiscal Period Ending April 2015,
Fiscal Period Ending October 2015 and Fiscal Period Ending April 2016**

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> ● Fiscal period ending April 2015 (1st fiscal period): From September 8, 2014 to April 30, 2015 (235 days) ● Fiscal period ending October 2015 (2nd fiscal period): From May 1, 2015 to October 31, 2015 (184 days) ● Fiscal period ending April 2016 (3rd fiscal period): From November 1, 2015 to April 30, 2016 (182 days)
Assets under management	<ul style="list-style-type: none"> ● The assumption is that acquisition of trust beneficiary interest in real estate to be newly acquired (1 property) (the “to-be-acquired asset”) (For details of the to-be-acquired asset,” please refer to “Notice Concerning Acquisition of Trust Beneficiary Interests in Domestic Real Estate and its Lease (Hommachi Garden City)” announced today.) is made on May 19, 2015, in addition to trust beneficiary interests in real estate held by SHR (3 properties in total) (the “already-acquired assets” as of today, and that there will be no change in assets under management (acquisition of new property, sale of existing property, etc.) through to the end of the fiscal period ending April 2016 (3rd fiscal period) other than the acquisition of the to-be-acquired asset. ● The actual assets under management may vary due to change in assets under management.
Operating revenue	<ul style="list-style-type: none"> ● Lease business revenue of the already-acquired assets is calculated by taking into account lease agreements effective as of today, market trends and other factors and lease business revenue of the to-be-acquired asset is calculated by taking into account the information provided by the seller, etc. of the property, lease agreement that is scheduled to become effective on the scheduled date of acquisition of the to-be-acquired asset, market trends and other factors. ● Operating revenue is based on the assumption that there will be no delinquent or unpaid rent by tenants.
Operating expenses	<ul style="list-style-type: none"> ● Of expenses related to rent business, which constitute a major component of operating expenses, expenses other than depreciation are calculated by reflecting the factors causing fluctuation in expenses based on historical data taking into account the information provided by the previous owner, etc. of the respective asset for the already-acquired assets, and are calculated reflecting the factors causing fluctuation in expenses based on historical data taking into account the information provided by the seller, etc. of the property and lease agreement that is scheduled to become effective on the scheduled date of acquisition of the to-be-acquired asset. ● In general, fixed asset tax, city planning tax and depreciable asset tax in the fiscal year of acquisition of assets acquired are calculated on a pro rata basis and reimbursed at the time of acquisition with seller, but the amount equivalent to the reimbursement is included in the cost of acquisition and thus not recognized as expenses in the fiscal period of acquisition. Furthermore, the total amount of fixed asset tax, city planning tax and depreciable asset tax included in the acquisition amount of the to-be-acquired assets is assumed to be 109 million yen (corresponding to 227 days). In the case of already-acquired assets other than Hommachi Minami Garden City, fiscal 2015 fixed asset tax, city planning tax and depreciable asset tax are to be recognized as expenses starting from the fiscal period ending October 2015 (2nd fiscal period). In the case of Hommachi Minami Garden City, corresponding to the four months from January 1, 2015 to April 30, 2015 are scheduled to be recognized as expenses in the fiscal period ending April 2015 (1st fiscal period). In the case of asset to be acquired, the fiscal 2016 fixed asset tax, city planning tax and depreciable asset tax corresponding to the four months from January 1, 2016 to April 30, 2016 are scheduled to be recognized as expenses in the fiscal period ending April 2016 (3rd fiscal period). ● Repair expenses for buildings are recognized as expenses in the amount assumed to be necessary in the respective business period based on the amount projected by the asset management company (Sekisui House Investment Advisors, Ltd.), taking into account the amount on the engineering report and appraisal report. However, such factors as emergency repair expenses possibly arising from unforeseeable factors causing building damage, etc., the variation in the amount depending on the fiscal year generally being large and not being an amount that arises periodically may result in repair expenses in the respective business period differing materially from the forecast amount. ● Depreciation, which is calculated using the straight-line method inclusive of incidental expenses, etc., is expected to be 304 million yen in the fiscal period ending April 2015 (1st fiscal period), 564 million yen in the fiscal period ending October 2015 (2nd fiscal period) and 564 million yen in the fiscal period ending April 2016 (3rd fiscal period). ● Asset management fee is expected to be 142 million yen in the fiscal period ending April 2015 (1st fiscal period), 242 million yen in the fiscal period ending October 2015 (2nd fiscal period) and 269 million yen in the fiscal period ending April 2016 (3rd fiscal period).

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Non-operating expenses	<ul style="list-style-type: none"> As one-time expenses in the fiscal period ending April 2015 (1st fiscal period), SHR investment units listing/offering related expenses and deferred organization expenses of 208 million yen and expenses related to the issuance of new investment units through public offering and secondary distribution of investment units, which are resolved at a meeting of the board of directors held today, of approximately 41 million yen are expected. As one-time expenses in the fiscal period ending October 2015 (2nd fiscal period), expenses related to the issuance of new investment units through public offering and secondary distribution of investment units through public offering, which are resolved at a meeting of the board of directors held today, of approximately 22 million yen are expected. Interest expenses and other borrowing related expenses are expected to be 318 million yen in the fiscal period ending April 2015 (1st fiscal period), 325 million yen in the fiscal period ending October 2015 (2nd fiscal period) and 326 million yen in the fiscal period ending April 2016 (3rd fiscal period).
Loans	<ul style="list-style-type: none"> SHR's interest-bearing liabilities outstanding as of today is 55,000 million yen (entire amount in loans). The assumption is that short-term loans of 15,800 million yen are made in May 2015 from qualified institutional investors as provided in Article 2, Paragraph 3, Item 1 of the Financial Instruments and Exchange Act for part of acquisition fund, etc. of the to-be-acquired asset, and that new investment units of maximum 7,800 units are issued through third-party allotment as stated in "Investment units" below and part of borrowing is repaid using part of the proceeds as fund in the fiscal period ending October 2015 (2nd fiscal period). The assumption is that, out of the above short-term borrowings, borrowings other than those planned to be repaid in the fiscal period ending October 2015 (2nd fiscal period) are refinanced in the fiscal period ending October 2015 (2nd fiscal period). Expecting refund of consumption taxes accompanying the acquisition of the already-acquired assets during the fiscal period ending October 2015 (2nd fiscal period), the assumption is that the concerned refund will be used as the source of funds to repay a portion of loans. LTV at the end of the fiscal period ending April 2015 (1st fiscal period) is expected to be a 42.6% level, LTV at the end of the fiscal period ending October 2015 (2nd fiscal period) is expected to be a 40.6% level, and LTV at the end of the fiscal period ending April 2016 (3rd fiscal period) is expected to be a 40.6% level. The following formula is used in the calculation of LTV. $LTV = \text{Total interest-bearing liabilities} \div \text{Expected total assets} \times 100$ LTV may vary depending on the issue amount of the new investment units to be issued through public offering this time and the number of new investment units to be issued through third-party allotment.
Investment units	<ul style="list-style-type: none"> The assumption is that, in addition to the 632,000 units issued and outstanding as of today, the number of investment units scheduled to be newly issued through public offering (154,200 units) and in the issuance of new investment units by way of third-party allotment (maximum of 78,000 units) in line with the secondary distribution of investment units (over-allotment), for which resolution was passed at a meeting of the board of directors held today, will all be issued. The assumption is that there will be no change in the number of investment units due to issuance of new investment units, etc. other than the above through to the end of the fiscal period ending April 2016 (3rd fiscal period).
Distribution per unit (excluding distribution in excess of earnings)	<ul style="list-style-type: none"> Distribution per unit (excluding distribution in excess of earnings) is calculated by assuming the cash distribution policy set forth in the articles of incorporation of SHR. Distribution per unit (excluding distribution in excess of earnings) may vary due to various factors, including fluctuation in rent income accompanying change in assets under management, change in tenants, etc., or incurrence of unexpected repairs and fluctuation in interest rates.
Distribution in excess of earnings per unit	<ul style="list-style-type: none"> There are no plans at this time for distribution of cash in excess of earnings (distribution in excess of earnings per unit).
Other	<ul style="list-style-type: none"> The assumption is that there will be no revision of laws and regulations, tax systems, accounting standards, listing regulations, rules of The Investment Trusts Association, Japan, etc. that will impact the forecast figures above. The assumption is that there will be no unforeseen serious change in general economic trends and real estate market conditions, etc.