

December 13, 2019

## Financial Report for the Fiscal Period Ended October 31, 2019

(For the Reporting Period from May 1, 2019 to October 31, 2019)

|  |  |
|--|--|
| Name of REIT issuer:                                       | Sekisui House Reit, Inc. (“SHR”)   |
| Stock exchange listing:                                    | Tokyo Stock Exchange   |
| Securities code:   | 3309   |
| URL:   | <a href="http://sekisuihouse-reit.co.jp/en/">http://sekisuihouse-reit.co.jp/en/</a>  |
| Representative:  | Junichi Inoue, Executive Director  |
| Asset management company:                                  | Sekisui House Asset Management, Ltd.   |
| Representative:  | Junichi Inoue, President & Representative Director                                   |
| Inquiries:   | Yoshiya Sasaki, Chief Manager, Investor Relations Department<br>TEL: +81-3-6447-4870 |
| Scheduled date to file securities report:                  | January 27, 2020   |
| Scheduled date to commence distribution payment:           | January 20, 2020   |
| Preparation of supplementary material on financial report: | Yes  |
| Holding of financial report presentation meeting:          | Yes (for institutional investors and analysts)                                       |

(Amounts truncated to the nearest million yen)

### 1. Summary of financial results for the fiscal period ended October 31, 2019

(May 1, 2019 – October 31, 2019)

#### (1) Operating results

(Percentages show changes from the previous period)

| Fiscal period ended | Operating Revenue |      | Operating Income |      | Ordinary Income |      | Net Income      |        |
|---------------------|-------------------|------|------------------|------|-----------------|------|-----------------|--------|
|                     | Millions of yen   | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen | %      |
| October 31, 2019    | 14,683            | 18.7 | 8,226            | 24.1 | 7,406           | 25.6 | 7,405           | 25.6   |
| April 30, 2019      | 12,369            | 1.6  | 6,627            | 14.4 | 5,894           | 15.4 | 5,894           | (20.4) |

| Fiscal period ended | Net Income per Unit | Return on Equity | Ordinary Income to Total Assets | Ordinary Income to Operating Revenue |
|---------------------|---------------------|------------------|---------------------------------|--------------------------------------|
|                     | Yen                 | %                | %                               | %                                    |
| October 31, 2019    | 1,775               | 2.8              | 1.4                             | 50.4                                 |
| April 30, 2019      | 1,566               | 2.4              | 1.3                             | 47.7                                 |

(Note) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units outstanding during the period.

#### (2) Distributions

| Fiscal period ended | Distributions per Unit (excluding Distributions in Excess of Earnings) | Total Distributions (excluding Distributions in Excess of Earnings) | Distributions in Excess of Earnings per Unit | Total Distributions in Excess of Earnings | Payout Ratio | Distributions to Net Assets |
|---------------------|--|---|--|---|--------------|-----------------------------|
|                     | Yen  | Millions of yen   | Yen  | Millions of yen                           | %            | %                           |
| October 31, 2019    | 1,631  | 6,994   | —  | —   | 91.9         | 2.5                         |
| April 30, 2019      | 1,594  | 5,996   | —  | —   | 101.8        | 2.4                         |

This is an English translation of summarized financial report translated for informational purposes only. If there is any discrepancy between the Japanese version and the English translation, the Japanese version shall prevail.

(Note 1) Total distribution for the fiscal period ended October 31, 2019 is the amount reserved 775 million yen out of the unappropriated retained earnings as reserve for reduction entry and added 364 million yen of reversal of reserve for temporary difference adjustment (“RTA”).

(Note 2) Total distribution for the fiscal period ended April 30, 2019 is the amount added 102 million yen of reversal of RTA to the unappropriated retained earnings.

### (3) Financial position

|                  | Total Assets    | Net Assets      | Equity Ratio | Net Assets per Unit |
|------------------|-----------------|-----------------|--------------|---------------------|
| As of            | Millions of yen | Millions of yen | %            | Yen                 |
| October 31, 2019 | 547,989         | 286,192         | 52.2         | 66,732              |
| April 30, 2019   | 474,985         | 245,695         | 51.7         | 65,308              |

### (4) Cash flows

|                     | Net Cash Provided by (Used in) Operating Activities | Net Cash Provided by (Used in) Investing Activities | Net Cash Provided by (Used in) Financing Activities | Cash and Cash Equivalents at End of Period |
|---------------------|---|---|---|--|
| Fiscal period ended | Millions of yen                                     | Millions of yen                                     | Millions of yen                                     | Millions of yen                            |
| October 31, 2019    | 12,246  | (70,577)  | 62,058  | 24,685                                     |
| April 30, 2019      | 7,719   | (20,005)  | 11,155  | 20,959                                     |

## 2. Forecasts of performance for the fiscal period ending April 30, 2020 (November 1, 2019 – April 30, 2020) and the fiscal period ending October 31, 2020 (May 1, 2020 – October 31, 2020)

(Percentages show changes from the previous period)

| Fiscal period ending | Operating Revenue |       | Operating Income |       | Ordinary Income |       | Net Income      |       | Distributions per Unit (excluding Distributions in Excess of Earnings) | Distributions in Excess of Earnings per Unit |
|----------------------|-------------------|-------|------------------|-------|-----------------|-------|-----------------|-------|--|--|
|                      | Millions of yen   | %     | Millions of yen  | %     | Millions of yen | %     | Millions of yen | %     | Yen  | Yen  |
| April 30, 2020       | 14,526            | (1.1) | 7,694            | (6.5) | 6,804           | (8.1) | 6,803           | (8.1) | 1,623  | —  |
| October 31, 2020     | 14,765            | 1.6   | 7,718            | 0.3   | 6,832           | 0.4   | 6,831           | 0.4   | 1,630  | —  |

(Reference) Forecasted net income per unit (Forecasted net income / Forecasted number of investment units at end of period)

For the fiscal period ending April 30, 2020: 1,586 yen  
 For the fiscal period ending October 31, 2020: 1,592 yen

(Note) Forecasted distribution for the fiscal period ending April 30, 2020 is the amount added 117 million yen of reversal of RTA and 38 million yen of reversal of reserve for reduction entry to the unappropriated retained earnings and forecasted distribution for the fiscal period ending October 31, 2020 is the amount added 136 million yen of reversal of RTA and 22 million yen of reversal of reserve for reduction entry to the unappropriated retained earnings.

**\* Other****(1) Changes in accounting policies, changes in accounting estimates, and retrospective restatement**

- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
- b. Changes in accounting policies due to reasons other than a. above: None
- c. Changes in accounting estimates: None
- d. Retrospective restatement: None

**(2) Number of investment units issued**

- a. Number of investment units issued at end of period (including treasury investment units)
  - As of October 31, 2019: 4,288,666 units
  - As of April 30, 2019: 3,762,091 units
- b. Number of treasury investment units at end of period
  - As of October 31, 2019: – units
  - As of April 30, 2019: – units

**\* Status of audit procedures**

This financial report is not subject to audit procedures by public accountants or audit corporations.

**\* Remarks on appropriate use of forecasts of performance and other special notes**

- Forward-looking statements presented in this financial report, including forecasts of performance, are based on information currently available to SHR and on certain assumptions it deems to be reasonable. As such, actual operating and other results may differ materially from these forecasts as a consequence of numerous factors. These forecasts do not guarantee the distribution amount.