

June 15, 2018

Financial Report for the Fiscal Period Ended April 30, 2018

(For the Reporting Period from November 1, 2017 to April 30, 2018)

Name of REIT issuer: Sekisui House Reit, Inc. (“SHR”)

Stock exchange listing: Tokyo Stock Exchange
 Securities code: 3309
 URL: <http://sekisuihouse-reit.co.jp/en/>
 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
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Scheduled date to file securities report: July 13, 2018
 Scheduled date to commence distribution payment: July 20, 2018
 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 April 30, 2018

(November 1, 2017 – April 30, 2018)

(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	%
April 30, 2018	4,655	1.6	2,994	0.2	2,622	(0.2)	2,621	(0.2)
October 31, 2017	4,580	10.5	2,987	10.5	2,626	10.3	2,625	10.3

Fiscal period ended	Net Income per Unit	Return on Equity	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
	Yen	%	%	%
April 30, 2018	1,352	2.3	1.3	56.3
October 31, 2017	1,368	2.4	1.3	57.3

(Note1) Net income per unit is calculated by dividing net income by the day-weighted average number of investment units outstanding during the period.

(Note2) SHR implemented a 2-for-1 split of the investment units on May 1, 2018 as the effective date. Net Income per Unit is calculated under assumption that the split implements on beginning of the 6th 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	%	%
April 30, 2018	2,705	2,621	0	0	100.0	2.3
October 31, 2017	2,710	2,625	0	0	100.0	2.3

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(Note) The payout ratio for the fiscal period ended October 31, 2017 is calculated by the following formula because the number of investment units changed during the period due to issuances of new investment units during the period.

$$\text{Payout ratio} = \text{Total distributions (excluding distributions in excess of earnings)} / \text{Net income} \times 100$$

(3) Financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Unit
As of	Millions of yen	Millions of yen	%	Yen
April 30, 2018	207,450	112,810	54.4	58,209
October 31, 2017	207,142	112,815	54.5	58,212

(Note) SHR implemented a 2-for-1 split of the investment units on May 1, 2018 as the effective date. Net Income per Unit is calculated under assumption that the split implements on beginning of the 6th period.

(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
April 30, 2018	4,000	(36)	(2,625)	9,613
October 31, 2017	2,836	(21,142)	14,803	8,274

2. Forecasts of performance for the fiscal period ending October 31, 2018 (May 1, 2018 – October 31, 2018) and the fiscal period ending April 30, 2019 (November 1, 2018 – April 30, 2019)

(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
October 31, 2018	12,136	160.7	5,570	86.0	4,878	86.0	7,178	173.8	1,531	0
April 30, 2019	12,078	(0.5)	6,346	13.9	5,604	14.9	5,603	(21.9)	1,526	0

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

For the fiscal period ending October 31, 2018: 1,908 yen
 For the fiscal period ending April 30, 2019: 1,489 yen

(Note1) The distributions per unit and the forecasted net income per unit are calculated based on the total number of investment units issued and outstanding as of the date of this document, 3,762,091, which was increased as a result of the split of the SHR's investment units and the merger of the SHR and SHI.

(Note2) For the fiscal period ending October 31, 2018, the distributions per unit are different from the forecasted net income per unit because it is premised that part of the gain on negative goodwill will be reserved as reserve for temporary difference adjustment (the "RTA").

(Note3) For the fiscal period ending April 30, 2019, the distributions per unit are different from the forecasted net income per unit because it is premised that source of the distributions will include 139 million yen which is the amount obtained by reversing the RTA.

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*** 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 April 30, 2018: 969,000 units
 - As of October 31, 2017: 969,000 units
- b. Number of treasury investment units at end of period
 - As of April 30, 2018: – units
 - As of October 31, 2017: – units

*** Status of audit procedures**

As of the time of disclosure of this financial report, audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act of Japan are not yet completed.

*** 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.