



## Senior Housing Properties Trust

NEWS RELEASE

# Senior Housing Properties Trust Announces Declaration of Five Star Senior Living Inc. Share Payment Dividend

12/4/2019

NEWTON, Mass.--(BUSINESS WIRE)-- **Senior Housing Properties Trust (Nasdaq: SNH)** today announced that its Board of Trustees has declared the pro rata distribution of the right to receive Five Star Senior Living Inc. (**Nasdaq: FVE or "Five Star"**) shares of common stock (the "Five Star Share Payment Dividend") payable to the holders of record of SNH's outstanding common shares of beneficial interest as of 5:00 p.m., Eastern Time, on December 13, 2019. The Five Star Share Payment Dividend and the related Five Star common share issuances are expected to occur on January 1, 2020, subject to possible extension to January 1, 2021.

The Five Star Share Payment Dividend is being made in connection with the Transaction Agreement (the "Transaction Agreement") entered into on April 1, 2019 between SNH and Five Star, pursuant to which SNH and Five Star agreed to modify their existing business arrangements. The Five Star Share Payment Dividend is subject to the satisfaction or waiver of certain conditions described in the Transaction Agreement, including the receipt of certain licensing and other regulatory approvals, including the effectiveness of Five Star's registration statement for the shares of Five Star common stock to be issued with respect to the Five Star Share Payment Dividend.

Based on the anticipated number of Five Star common shares outstanding following the Five Star common share issuances being made pursuant to the Transaction Agreement, SNH expects that its shareholders who receive the Five Star Share Payment Dividend will receive approximately 0.07 of a Five Star common share for each SNH

common share held, subject to the payment of cash in lieu of any fractional shares to be issued. No vote of SNH shareholders is required with respect to the FVE Share Payment Dividend, and SNH shareholders are not required to pay any consideration or surrender or exchange any SNH common shares in order to receive the Five Star Share Payment Dividend or any Five Star common shares in the related Five Star common share issuances.

The Five Star common shares to be issued in connection with the Five Star Share Payment Dividend will be issued pursuant to a Registration Statement on Form S-1, to be declared effective by the Securities and Exchange Commission ("SEC"). This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Senior Housing Properties Trust is a real estate investment trust, or REIT, which owns medical office and life science properties, senior living communities and wellness centers throughout the United States. SNH is managed by the operating subsidiary of The RMR Group Inc. (Nasdaq: RMR), an alternative asset management company that is headquartered in Newton, MA.

## WARNING REGARDING FORWARD-LOOKING STATEMENTS

This press release contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Also, whenever SNH uses words such as "believe", "expect", "anticipate", "intend", "plan", "estimate", "will", "may" and negatives or derivatives of these or similar expressions, SNH is making forward-looking statements. These forward-looking statements are based upon SNH's present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Actual results may differ materially from those contained in or implied by SNH's forward-looking statements as a result of various factors. Forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond SNH's control. For example:

- This press release states that SNH expects the Five Star Share Payment Dividend and related Five Star common share issuances to occur on January 1, 2020. However, the Five Star Share Payment Dividend and related Five Star common share issuances are subject to conditions, including, among others, the receipt of certain licensing and other regulatory approvals, including the effectiveness of Five Star's registration statement for the shares of Five Star common stock to be issued with respect to the Five Star Share Payment Dividend. SNH cannot be sure that any or all of such conditions will be satisfied or waived. If the closing of the restructuring transactions pursuant to the Transaction Agreement is extended, the Five Star Share Payment Dividend and Five Star common share issuances may be extended to January 1, 2021 or to some other date, the terms may change, or the Five Star Share Payment Dividend and the Five Star common share issuances

may not occur.

- The Five Star Share common share issuances are subject to the SEC declaring effective the registration statement on Form S-1 that Five Star previously filed with the SEC to register the Five Star common shares to be issued pursuant to the Transaction Agreement. When and whether the SEC declares the registration statement on Form S-1 effective is beyond Five Star's and SNH's control. SNH cannot be sure that the SEC will declare Five Star's registration statement on Form S-1 effective by December 31, 2019, or at all.

The information contained in SNH's filings with the SEC, including under "Risk Factors" in SNH's periodic reports, or incorporated therein, identifies other important factors that could cause SNH's actual results to differ materially from those stated in or implied by SNH's forward-looking statements. SNH's filings with the SEC are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

You should not place undue reliance upon forward-looking statements.

Except as required by law, SNH does not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.

A Maryland Real Estate Investment Trust with transferable shares of beneficial interest listed on the Nasdaq.  
No shareholder, Trustee or officer is personally liable for any act or obligation of the Trust.

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