August 28, 2015

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, CEO & President
Stock code: 4321
Listing: First Section, Tokyo Stock Exchange
Contact: Masahiko Tajima, Director,
Head of Corporate Planning Department

Please note that this document is a translation of the official announcement that was released in Tokyo. The translation is prepared and provided for the purpose of the readers' convenience only.
All readers are strongly recommended to refer to the original Japanese version of the news release for complete and accurate information.

Notice of Establishment of Development Fund with Re-Seed

Kenedix, Inc. has established a development fund and will enter into development and asset management of hotel assets. Details are as follows.

1. Summary of the project

As a part of its real estate investments, Kenedix is investing in a redevelopment project (hereafter "the Project") in the Roppongi district in Tokyo through its consolidated subsidiary.

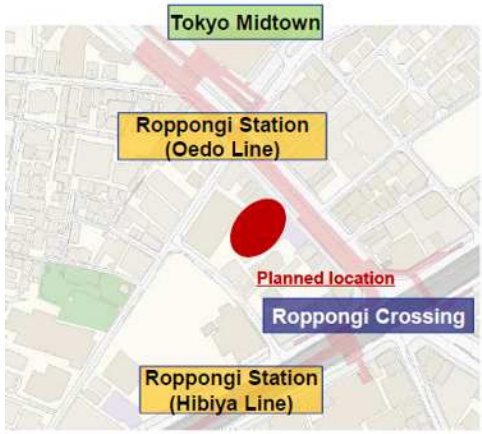
Kenedix and Real Estate Sustainability & Energy Efficiency Diffusion Organization (Re-Seed) have invested jointly in the Project. In addition the Project has also received additional development loans from multiple financial institutions and will develop and manage an urban hotel as a development fund.

This is a joint project with Re-Seed, an organization engaged in encouraging construction of high-quality earthquake-resistant green buildings. This urban renaissance redevelopment project involves construction of environmentally friendly quality real estate. Kenedix has contracted for the development and management of the property and has obtained certification under the Real Estate Specified Joint Enterprise Act. The Project also represents a progressive approach to development projects using the special business scheme under the Real Estate Specified Joint Enterprise Act.

After the redevelopment, Hankyu Hanshin Hotels Co., Ltd. plans to open a hotel using the *remm* brand with operations centered on lodging and based on its concept of offering guests better and more comfortable sleep.

2. Profile of redevelopment





Project name	Roppongi 7-chome Project (tentative name)
Address	Roppongi 7-chome, Minato-ku, Tokyo
Usage (planned)	Hotel, retail stores
Structure and scale (planned)	Steel-frame reinforced concrete structure, one underground and 21 above-ground floors
Construction period (planned)	Plan to start in August 2015 and complete in March 2017

3. Outlook

There is no change in the 2015 consolidated forecast announced on August 7, 2015. An announcement will be made promptly if a forecast revision is needed due to changes in the operating environment, real estate market or results of operations.

Cautionary Statement Concerning Forward-Looking Information

This press release contains forward-looking statements that include “intends,” “will” and other similar words and phrases, statements regarding the intent, belief, strategy, plans or current expectations of the Company. Such forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. The Company does not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law.