January 27, 2016

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Listing: First Section, Tokyo Stock Exchange
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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 Corporate Governance Guidelines

The Board of Directors of Kenedix, Inc. approved a resolution at a meeting held today (January 27, 2016) to establish Corporate Governance Guidelines.

1. Reason for Establishment

   Kenedix has established Corporate Governance Guidelines in accordance with Tokyo Stock Exchange's Corporate Governance Code that came into effect in June 2015 as a part of its Securities Listing Regulations. These Guidelines are based on the spirit and intent of the Corporate Governance Code and ensure the Company's sustainable growth and increased corporate value over the medium to long-term.

2. Composition of the Guidelines

   The following items comprise the Guidelines:

   Introduction
   History
   Mission Statement
   Corporate Mission
   Long-term Vision
   Chapter I: General Provisions
   Chapter II: Corporate Governance System
   Chapter III: Relations with Shareholders and Other Stakeholders
   Supplementary Provisions

   Please refer to "Corporate Governance Guidelines" for details.

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.

Corporate Governance Guidelines

Established: January 27, 2016

Kenedix, Inc.

Introduction
History
Mission Statement
Corporate Mission
Long-term Vision

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Supplementary Provisions

— Introduction —

The Japanese real estate securitization market began emerging in the 1990s, in the midst of the country's real estate recession, developing as the number of market participants increased. Kenedix Inc. (hereinafter, the "Company") has expanded in line with the market's growth. Real estate investment and operation has taken on a growing significance as the financial market environment has changed and money has entered the real estate market from a broad range of domestic and overseas sources, including public pensions and individual investments, in the aim of securing stable earnings. At the same time, a market that was once characterized by corporate real estate holdings has shifted to one marked by a diversity of real estate funds, such as J-REITs and private funds. These trends have accelerated as demands for better corporate capital efficiency have increased. In this environment, we believe the Company's role has taken on an increased significance in terms of connecting investors' fund management needs and investment real estate.

To fulfill this role and ensure the Company's sustainable growth and increased corporate value over the medium to long term, the Company has formulated and hereby publicizes these Corporate Governance Guidelines.

— History —

Kenedix, Inc. was established in 1995. The Company made a full-fledged entry into the real estate asset management business in 1999, and has developed its business through the application of advanced investment and financial approaches.

The Company's asset management business, which began with the management of private real estate funds, has expanded into the management of several J-REITs, and is currently expanding its scope of operations to include long-term core funds. Based on the asset management expertise the Company has accumulated to date, it has recently been cultivating such markets as overseas real estate and infrastructure assets. As Japan's largest independent real estate asset management company, going forward the Company plans to continue expanding its business by extending the scope of its operations in line with the needs of its client investors.

— Mission Statement —

Kenedix is dedicated to realizing the full potential of real estate.

In pursuit not only of increasing assets under management and realizing short-term investment yields, Kenedix, Inc. assesses real estate locations and property characteristics as it seeks to combine optimal asset management strategies, timing and financial approaches based on investors' needs, maintaining a strong conviction toward asset management that "realize the full potential of real estate."

The Company has formulated a mission statement that elucidates its commitment to real estate value creation: "Kenedix is dedicated to realizing the full potential of real estate."

— Corporate Mission —

- Business Objective “For What?”

We contribute to society by making the best use of investment capital and creating value from real estate.

- Business Field “For Whom?”

We offer the best investment opportunities to our clients by committing to multiple roles globally as a real estate asset manager.

- Business Principle “How?”

We confront new business challenges through our management speed and flexibility while emphasizing stability and fairness.

The Company formulated this corporate mission in 2009 amid the major upheavals of the global financial crisis to express the Company’s universal sense of value based on its organizational memories and discipline.

— Long-term Vision —

Kenedix Vision 2025: Delivering Growth via the Kenedix Model
Goals for 2025 are AUM of \4 trillion,
Kenedix Group market cap of \2 trillion and an ROE of 15%

This vision clearly expresses the “Kenedix Model.” Namely, “Kenedix does not own real estate directly. Properties are held by funds that are established and managed by the Kenedix Group.” Our core strengths are the “independence” to work with diverse business partners, “flexibility and creativity” in our management decisions, “innovation” in our approaches, the challenge of applying our “expertise” to create real estate value, and a high degree of “transparency” in our dissemination of information. The awareness of these strengths among our management and employees is the driving force behind the “Kenedix Model.”

Rather than using a business model based on obtaining leasing revenue earned on real estate holdings and achieving increases in real estate prices, the Company aims to increase assets under management (AUM) as the earnings base by providing better investment opportunities and robust asset management capabilities. In this manner, the Group targets AUM of \4 trillion, market capitalization of \2 trillion and ROE of 15%.

Chapter I General Provisions

Article 1 Objectives

These guidelines seek to explicitly state the fundamental stance and policy of Kenedix, Inc. (hereinafter, the "Company") on its corporate governance as a good corporate citizen. Through the suitable verification of their effectiveness and appropriateness, the Company seeks to ensure their ongoing development, fulfill its responsibilities to stakeholders, including its clients, business partners, shareholders, local communities and employees, and contribute to the Company's sustainable growth and increases in corporate value.

Article 2 Basic Views on Corporate Governance

The Company has configured its corporate governance to strike an appropriate balance between independence and autonomy ("offensive" and "defensive" functions) and a strong sense of ethics. The Company accords one of its highest management priorities to employing an appropriate management system and a thorough internal control system, making positive and decisive management decisions based on appropriate processes, and ensuring their accountability.

Chapter II Corporate Governance System

Article 3 The Company's Approach to the Corporate Governance System

The Company has adopted the "Company with a Board of Corporate Auditors" as a form of corporation organization based on the Companies Act, in the aim of combining the Board of Directors' decision-making and monitoring functions with respect to operational execution with the audit authority of the Board of Corporate Auditors.

In addition to this organizational form, to augment the Board of Directors monitoring function and ensure governance with a high degree of transparency and fairness, the Company establishes nomination and remuneration advisory committees as voluntary committees. The majority of these committees' members and their chairs are independent outside directors.

Through these overlapping organizational forms, the Company has created a hybrid type of Board of Directors that balances the decision-making and monitoring functions for operational execution and promotes sound corporate management that achieves both independence and autonomy.

Article 4 Roles and Responsibilities of the Board of Directors

(1) Given its ongoing fiduciary responsibility and accountability, the Board of Directors endeavors to fulfill its responsibilities to stakeholders through decision-making on the execution of important operations and the exercise of appropriate monitoring functions and

strives to ensure the Company's sustainable growth and increases in corporate value over the medium to long term. Monitoring by the Board of Directors emphasizes the following points.

(i) The formulation and verification of Board of Directors resolution and management plans from the perspective of promoting the Company's sustainable growth and ensuring increased corporate value over the medium to long term

(ii) From the perspective of supervising management, the determination of executive remuneration, the nomination of director and corporate auditor candidates and the appointment and dismissal of the senior management (indicates representative directors and directors with specific titles, hereinafter the same shall apply)

(iii) From the perspective of ensuring appropriateness, supervising conflicts of interest and the system for managing conflicts of interest

(2) Standards for the execution of important operations deliberated on and reported at the Board of Directors are clearly defined in the Regulations of the Board of Directors and other regulations with description of the transfer of authority to subordinate organizations. In addition to standards of quantitative importance, the standards include qualitative elements, taking into consideration the appropriate management of risks inherent in operational execution.

Article 5 Board of Directors Composition

To fulfill the roles and responsibilities stated in the preceding article, the Company's Board of Directors is composed in consideration of diversity and balance of personnel necessary to conduct appropriate and swift decision-making and highly effective monitoring, as well as the diversity of personnel. In addition, the Board is composed simply and of an appropriate scale, considering such factors as the expansion of business and the transfer of authority to the management (indicates internal directors and executive officers, hereinafter the same shall apply).

In addition, the Company elects multiple highly independent outside directors to ensure management transparency and fairness, appropriately reflect in the Company's management the opinions of people with extensive experience and knowledge, and energize deliberations by fostering constructive discussions of proposals presented by the management from different perspectives.

Advice to and monitoring of the management are the functions the Company's Board of Directors expects from independent outside directors. With regard to monitoring in particular, the Company recognizes the importance of incorporating perspectives not only of shareholders but also of other stakeholders, including the Company's clients, business partners, local communities and employees. Having in place independent outside directors with an objective and independent stance develops an environment that supports appropriate risk-taking by the management.

Article 6 Roles and Responsibilities of Corporate Auditors and the Board of Corporate

Auditors

Corporate auditors and the Board of Corporate Auditors, ever mindful of fiduciary responsibility and accountability, ensure corporate soundness and fulfill their responsibilities to stakeholders by conducting independent and highly objective audits of the execution of duties by directors and the status of the internal control systems of the Company and its subsidiaries. In addition, they support the Company's sustainable growth and increases in corporate value from the perspective of audits.

In accordance with their roles, individual corporate auditors participate actively in Board of Directors' meetings and various internal meetings in order to gather information that will contribute to highly effective audits.

In addition, corporate auditors and the Board of Corporate Auditors coordinate as necessary with the independent outside directors, Internal Auditing Department and accounting auditor to enhance audit effectiveness. Furthermore, by appropriately exchanging opinions and information with the management, corporate auditors and the Board of Corporate Auditors correct information gaps between themselves and the management, appropriately recognize management issues and invigorate Board of Directors deliberations.

Article 7 Board of Corporate Auditors Composition

To fulfill the roles and responsibilities stated in the preceding article, the Board of Corporate Auditors is composed of independent outside members, who constitute at least half of the board's members, and internal corporate auditors, whose full-time status ensures their familiarity with the Company's operations. Corporate auditors request reports from authorized directors and employees, take charge of the information-gathering capacity based on rights such as the examination of Company operations and assets, and implement an effective audit. Also, at least one person who has expertise that includes a knowledge of finance and accounting is appointed as a corporate auditor.

Article 8 Nomination and Remuneration Advisory Committees

To supplement the Board of Directors monitoring function and ensure highly transparent and fair governance, the Company establishes nomination and remuneration advisory committees as optional committees comprised mainly of and chaired by independent outside directors. The principal roles of these committees are as follows.

(1) Advice regarding executive personnel administration

The nomination and remuneration advisory committees, with regard to executive appointments, receive advice from the chairman of the Board of Directors in the case of directors and from the chairman of the Board of Directors entrusted by the Board of Corporate Auditors in the case of corporate auditors, deliberate director and corporate auditor personnel administration (including but not limited to the nomination of executive candidates and succession planning for the senior management) and report the findings of those deliberations to the Board of Directors.

Based on the findings of the nomination and remuneration advisory committees, the Board of Directors determines proposals for the appointment of directors for submission at the General Shareholders' Meeting. Also based on these findings, after obtaining Board of Corporate Auditors consent the Board of Directors determines proposals for the appointment of corporate auditors for submission at the General Shareholders' Meeting. These findings regarding proposals for the appointment of corporate auditors do not interfere with the right of Board of Corporate Auditors to submit claims regarding appointment agenda items and appointment proposals of corporate auditors as stipulated in the Companies Act.

(2) Advice regarding executive remuneration

In response to advice from the chairman of the Board of Directors with regard to director remuneration, the nomination and remuneration advisory committees deliberate director remuneration policies, systems, categories and amounts, and report the results of their findings to the Board of Directors.

Based on the findings of the nomination and remuneration advisory committees, the Board of Directors determines the remuneration of individual directors.

Article 9 Qualification for Directors and Nomination Procedures

The Board of Directors determines the Company's director candidates based on the nomination policies described below. Nomination procedures are in accordance with Article 8. (1).

(1) Ensure people who sufficiently understand the Company's stance with regard to its mission, vision and corporate governance and have a strong sense of ethics.

(2) Ensure people who have extensive work experience and a high degree of wisdom and expertise enabling them to make decisions on the execution of important operations and perform appropriate monitoring functions.

(3) Ensure a balance and diversity of knowledge, experience and capabilities to enable the functioning of the Board of Directors as a whole.

(4) Independent outside director candidates shall meet the requirement for outside directors prescribed by the Companies Act and the independence criteria set by the Tokyo Stock Exchange, thereby confirming their independence from the Company's management.

Article 10 Qualification for Corporate Auditors and Nomination Procedures

Based on the nomination policies below, the Board of Directors determines the Company's corporate auditor candidates following approval by the Board of Corporate Auditors. Nomination procedures are in accordance with Article 8. (1).

(1) Ensure people who sufficiently understand the Company's stance with regard to its mission, vision and corporate governance and have a strong sense of ethics.

(2) Ensure people who have extensive work experience and a high degree of wisdom and

expertise in order to audit the execution of operations by directors with a fair and unbiased attitude and independent perspective and contribute to enhancing the level of the Company's corporate governance.

(3) Ensure a balance and diversity of knowledge, experience and capabilities to enable the functioning of the Board of Corporate Auditors as a whole.

(4) Outside corporate auditor candidates shall meet the requirement for outside corporate auditors prescribed by the Companies Act and the independence criteria set by the Tokyo Stock Exchange, thereby confirming their independence from the Company's management.

Article 11 Remuneration of Directors and Corporate Auditors

The Company considers ensuring the ongoing presence of excellent human resources who can contribute to its sustainable growth and increases in corporate value to be an important management priority.

From this perspective, the Company's basic policies regarding the remuneration of directors, etc. are to 1) reflect their level of contribution to sustainable growth and increases in corporate value, 2) appropriately reflect corporate and individual performance and 3) share with shareholders any share price fluctuation risk.

The frameworks of remuneration for directors and corporate auditors are as follows.

(1) Director remuneration

The Company positions the remuneration of directors (excluding independent outside directors) as a sound incentive for achieving its medium- to long-term vision. Accordingly, from the perspectives of fixed and variable compensation, the applicable performance period and cash and shares (common interest with shareholders), compensation comprises three types: 1) a fixed amount of cash remuneration as base remuneration, 2) cash remuneration linked with short-term operating performance and 3) share compensation linked with medium-term operating performance. Each year, the nomination and remuneration advisory committees deliberate the appropriateness of these remuneration policies, systems, categories and amounts, thereby ensuring ongoing transparency, fairness and objectivity.

Remuneration for independent outside directors consists only of a fixed amount of cash remuneration as base remuneration, from the perspective of their role and independence.

(2) Corporate auditor remuneration

From the perspective of their role and independence, remuneration for corporate auditors consists only of a fixed amount of cash remuneration as base remuneration set within the scope of remuneration resolved at the General Shareholders' Meeting.

Article 12 Provision of Information to Independent Outside Directors and Independent Outside Corporate Auditors

The Company considers correcting the gap between the information possessed by its management and that possessed by outside directors and outside corporate auditors to be important in appropriately reflecting experience and knowledge of independent outside directors and independent outside corporate auditors (hereinafter, "outside executives") in Board of Directors deliberations, invigorating these deliberations, enhancing their effectiveness and contributing to their quality. The Company implements the following measures for correcting the information gaps, and the Board of Directors confirms that these measures are being appropriately implemented.

(1) People attending Board of Directors' meetings are provided in advance with materials for deliberation. In addition, opportunities are provided to explain agenda items to outside executives in advance, as necessary.

(2) Meetings are held to provide information to outside executives or to have discussion. In principle, these meetings are set on the same day as regular Board of Directors' meetings. These meetings explain an overview of items that are to be tabled at upcoming Board of Directors' meetings and their state of progress, share management and other information and provide other opportunities for outside executives to enhance their specialized knowledge.

In addition, outside executives may request the attendance of the management, Group company executives, legal advisors, the accounting auditor and other members to share valuable information, thereby contributing to Board of Directors effectiveness and invigorating deliberations.

(3) Outside executives may voluntarily participate as observers in other types of internal meetings.

(4) The Board of Directors secretariat exists as a vehicle for providing necessary information to the Board of Directors in a timely manner. For independent outside directors in particular, the secretariat places a person in charge separately as a pipeline to the management and internal departments to provide necessary information in a timely manner.

Article 13 Policies for Training Directors and Corporate Auditors

The Company supports the execution of duties by directors and corporate auditors by providing them in a timely manner with the necessary information, training and opportunities to acquire knowledge in order to fulfill their roles and responsibilities required at the Company in accordance with the status of its directors and corporate auditors (newly appointed or reappointed, outside or internal, assuming office or already in office, common to all executives, etc.).

Article 14 Evaluation of Board of Directors Effectiveness

The Company analyzes the effectiveness of the Board of Directors by such methods as 1) conducting hearings of Board of Directors effectiveness by the Board of Directors secretariat,

2) having all directors complete self-evaluations of their duty execution status and 3) having all outside executives evaluate Board of Directors effectiveness. The Board of Directors conducts discussion and evaluates its effectiveness on this analysis, which are linked to enhancing Board of Directors functions and improving the management structure and the effectiveness.

Article 15 External Auditors

The Company recognizes that its accounting auditor fulfills an important role as an organization of joint-stock corporation to enhance its corporate governance. At the same time, based on a relationship of mutual trust the Company and its accounting auditor create a cooperative relationship while maintaining a sense of tension by ensuring independence. In addition, the external auditor, senior management, independent outside directors and corporate auditors exchange opinions as necessary to enhance their mutual coordination and work jointly to ensure appropriate audits.

In addition, the Board of Corporate Auditors has formulated “Practical guidelines related to the evaluation and selection of accounting auditors.” These guidelines aim to ensure the appropriate selection of the external auditor by evaluating their independence and expertise, appropriateness and effectiveness of their audit activities and other factors.

Chapter III Relations with Shareholders and Other Stakeholders

Article 16 Status of Information Disclosure

To realize effective corporate governance, the Company disseminates high-value-added information by disclosing its mission statement, corporate mission, long-term vision, management plans, and other financial and non-financial information in a fair and timely manner, providing it in a detailed yet easy-to-understand manner.

Article 17 System for Managing Related-Party Transactions

To ensure that transactions between the Company and its executives, principal shareholders and other related parties and transactions among the related parties do not harm the interests of the Company, its clients or its shareholders, the Company has formulated “Related-party Transaction Rules,” which define its decision-making process and basic stance on transactions.

Related-party transactions prescribed in these rules are deliberated for such aspects as appropriateness and fairness by the Fund Compliance Committee, composed of outside committee members who have no conflicts of interest with the Company. In addition, each quarter the content of such transactions is reported to the Board of Directors, which ensures the appropriate operations.

In particular, transactions with a specified degree of importance, such as transactions with

directors, are deliberated by the Board of Directors, require the Board's approval and, as necessary, appropriate disclosure.

Article 18 Systems for Managing Insider Transactions

As an entity involved in the trading of financial instruments that has numerous opportunities to come into contact with insider information in the course of its operations, the Company recognizes insider trading to be a betrayal of the trust of all stakeholders and accordingly strives to prevent such actions by maintaining a sense of ethics that is even higher than that required of general corporations. The Company has formulated the "Rules on the Prevention of Insider Trading" and created a structure to prevent insider trading before it occurs even among its executives. The Company implements the following measures based on these rules.

(1) In the event the Company's executives have access to information that could be considered insider information related to the Company or other listed companies in the course of their duties, this reality is reported without delay to the person responsible for handling information, information is managed appropriately, and necessary measures are enacted to prevent this information from being communicated.

(2) In the event the Company's executives engage in transaction of the Group's shares, they must apply in writing beforehand and obtain the approval of the person responsible for handling information.

(3) Each year, the Company's executives undergo training by the Compliance Department on the prevention of insider trading. This training is aimed not only at ensuring familiarity and compliance with related legislation but also at enhancing their sense of ethics.

Article 19 Whistleblowing System

The Company has formulated the "Rules Related to the Whistleblowing System" and established a whistleblowing system to quickly detect legal violations and function as an appropriate self-cleansing process.

This system establishes multiple contact points, including outside attorneys independent from the management, and can be used by all Group executives and employees. Furthermore, to ensure the system's effectiveness, measures are in place to alleviate anxiety about whistleblowing, such as protecting whistleblower anonymity and preventing any disadvantageous treatment to whistleblowers.

The Board of Directors receives reports of the result of investigations of whistleblowing activity, absent specific information about the whistleblower, and regularly supervises the system's status of operation.

Article 20 Policy on Cross-Shareholdings

The Company may hold shares in business partner companies in real estate or related

businesses (hereinafter, “cross-shareholdings”) in the aim of maintaining or strengthening relations with these companies.

Each year, the Board of Directors verifies the effects of holding cross-shareholdings and their economic rationale and considers whether to continue cross-shareholdings, among other considerations.

With regard to the exercise of voting rights on cross-shareholdings, in line with the holding purpose, in principle the Company votes in favor of proposals made by investee companies. However, in the event of long-term stagnation in the investee company’s operating performance or the receipt of information regarding serious compliance violations the Company judges whether to vote in favor of each proposal after gathering sufficient information about those proposals, including through dialogue with the investee company, and giving consideration to those proposals.

Article 21 Basic Strategy for Capital Policy, etc.

The Company’s basic strategy on capital policy is as follows.

(1) Company management maintains an awareness of the below-mentioned focus policies to maintain the proper balance among financial soundness, capital efficiency and shareholder distributions while taking into account the cycle of the real estate market.
- Hold non-consolidated interest-bearing debt to a suitable level for financial soundness
- Maintain the proper balance between real estate investments and shareholders’ equity
- Pay a dividend every year based on Base Earnings*
- Increase retained earnings preparation for flexible shareholder distribution

(2) The Company formulates medium-term management plans and discloses numerical targets for profitability and capital efficiency.

* The Company defines “Base Earnings” as total gross profit from its Asset Management Business and Real Estate Related Business less selling, general and administrative expenses. This figure is a management indicator that indicates the stable and core portion of the Company’s earnings.

Article 22 Basic Policy on Control of the Company

At present, the Company has not formulated any specific basic policy regarding parties controlling the Company’s finances or business policies. However, recognizing the importance of responding appropriately to any purchase transaction that may harm the Company’s corporate value to ensure the common interests of the shareholders, the Company will consider basic policies with regard to controlling the Company after obtaining advice from attorneys and other specialists.

Article 23 Policy for Constructive Dialogue with Shareholders

The Company considers transparency an important element supporting its long-term vision,

the Kenedix Model, and recognizes engaging in constructive dialogue with shareholders and clients to be important to communicate its management policy in an easy-to-understand manner in ensuring and realizing its vision.

Based on this understanding, to contribute to the Company's sustainable growth and medium- to long-term increases in corporate value, the Company strives to engage in constructive dialogue with shareholders and other investors, promoting an understanding of its management strategy and management plans, and reflecting feedback from this dialogue in its management strategy and management plans.

The Company has formulated the following policies for constructive dialogue with shareholders and other investors. By responding to requests for dialogue (interviews) with institutional investors, including existing shareholders to the extent reasonable, the Company engages in active investor relations (IR) activities aimed at contributing to increases in corporate value over the medium to long term.

(1) To realize constructive dialogue with shareholders, the Company has designated the director in charge of IR as the person responsible for its IR department.

(2) To promote dialogue, the Corporate Planning Department is designated as the department in charge of IR. This department takes the lead in coordinating with other Company departments.

(3) As methods for dialogue, the Company conducts individual and small meetings with institutional investors in Japan and overseas, holds briefings for individual investors and augments its methods for dialogue through issuance of third-party corporate research reports.

(4) Questions and opinions that arise in dialogue with investors are promptly fed back to the Company's senior management and shared with the Board of Directors, as necessary.

(5) The Company pays careful attention when managing insider information, and conducts fair disclosure appropriately.

Article 24 Securing the Rights and Equal Treatment of Shareholders

To substantively ensure the rights of shareholders, the Company creates an environment for the effective exercise of these rights and strives to secure substantive equality for all shareholders, including minority shareholders and foreign shareholders.

(1) The Company recognizes questions at General Shareholders' Meetings and shareholders' statements of intentions through the exercise of voting rights to be extremely important elements for achieving effective corporate governance. Accordingly, the Company schedules General Shareholders' Meetings appropriately to ensure an ample period of time for shareholders to exercise their rights and implements the following measures for creating an environment that allows shareholders to exercise their rights appropriately.

- To enable sufficient consideration of General Shareholders' Meeting proposals, the Company sends out Notices of General Shareholders' Meetings at least three weeks

prior to these meetings. In addition, prior to sending out these notices, the Company discloses the content of these notices on Tokyo Stock Exchange TDnet (a system for communicating information for timely disclosure, hereinafter the same shall apply), the ICJ platform for the electronic exercise of rights by institutional investors and the Company's website.

- Given that foreign shareholders consistently account for a certain percentage of the Company's shareholders, the Company provides English translations of its General Shareholders' Meeting Notices at least three weeks prior to these meetings on Tokyo Stock Exchange TDnet, the ICJ platform for the electronic exercise of rights by institutional investors and the Company's website.

(2) In voting at General Shareholders' Meetings, the Board of Directors responds appropriately by analyzing the results of voting on Company proposals that were approved but that sustained a substantial number of opposing votes. If a certain percentage of opposing votes are not sustained, the Company considers that this level has not been reached, depending on the content and nature of proposals.

(3) In line with its internal regulations, the Company has in place a structure for responding appropriately to the exercise of rights by minority shareholders as recognized in the Companies Act and ensures their substantive rights.

(4) As the attendance of institutional investors who hold shares nominally through trust banks and other names at General Shareholders' Meetings instead of their nominee shareholders to exercise voting rights themselves has the potential to confuse General Shareholders' Meeting operations, such as the need to confirm proxy rights, at present the Company does not recognize this participation. The Company plans to consult with trust banks and other parties in regard to responding to such possible requests in the future.

Article 25 Sustainability

The Company's business management places an importance on social and environmental issues. The Company responds appropriately to issues related to sustainability and reports their status to the Board of Directors, as necessary. The Company respects real estate-related environmental legislation and regulations, manages its operations with an emphasis on conserving energy and reducing environmental impact, and strives to bolster the environmental awareness of Group executives and employees.

Supplementary Provisions

1. These guidelines were enacted on January 27, 2016. However, the nomination and remuneration advisory committees (Article 8) will be established after its members and chairs are appointed at a Board of Directors' meeting to be held on March 25, 2016.
2. These guidelines are revised or abolished by resolution of the Board of Directors.