March 9, 2016

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 Change in Subsidiary and Acquisition of Assets

The Board of Directors of Kenedix, Inc. approved a resolution on March 9, 2016 to make a silent partnership (tokumei kumiai) investment in Aoyama North Side Godo Kaisha (the SPC), which is expected to become a consolidated subsidiary.

1. Overview

Once all terms have been finalized, the SPC will use funds from a silent partnership investment by Kenedix and a co-investor and from other sources to acquire the real estate trust beneficiary rights of a trust that owns an office building in Tokyo.

2. Reason for the acquisition

Through this investment, Kenedix expects to earn a real estate investment return while at the same time making preparations for the establishment of a core fund that will own this office building. The investment will boost assets under management (AUM) and contribute to increasing stable earnings mainly through the growth of the Asset Management Business.

3. Summary of the SPC

(1)	Name	Aoyama North Side Godo Kaisha	
(2)	Address	6-5 Nihonbashi Kabutocho, Chuo-ku, Tokyo	
(3)	Representative	Representative Partner: Aoyama North Side Ippan Shadan Hojin Executor: Tadatsugu Ishimoto	
(4)	Business	Purchasing, holding, disposing, etc. of real estate or real estate trust beneficiary rights	
(5)	Established	July 1, 2015	
(6)	Capital	1 million yen (Kenedix, Inc. 100%)	
(7)	Relationships between Kenedix and the SPC	Capital	No significant items.
		Personnel	No significant items.
		Business	No significant items.
(8)	Results of operations and financial condition for the last three years	No figures are shown because the SPC was established in July 2015.	

4. Amount and ratio of Kenedix investment

Kenedix investment (ratio)	Approx. 4.2 – 4.3 billion yen (Approx. 62%)

* The actual amount of the investment and the ownership ratio may be different because of changes in the terms of this transaction.

5. Summary of real estate in trust

(1) Name	Not disclosed according to the agreement with the seller
(2) Location	Tokyo
(3) Category	Office building

6. Schedule

Resolution date	March 9, 2016
Contract signing	Not yet determined
Asset purchase date	April 15, 2016 (planned)

7. Outlook

The impact on the 2016 results of operations is negligible. There is no change in the 2016 consolidated forecast announced on February 10, 2016. An announcement will be made promptly if a forecast is revised 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.