March 28, 2016

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, CEO & President
Stock code: 4321
Listing: First Section, Tokyo Stock Exchange
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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 Investment in Silent Partnership

Kenedix, Inc. has decided to make a silent partnership (tokumei kumiai) investment in Godo Kaisha KSLF8 (the SPC), which will acquire a trust beneficiary right backed by five healthcare facilities. The SPC is expected to become a consolidated subsidiary.

1. Summary and reason for the investment

   The SPC plans to acquire five healthcare facilities using co-funding provided by Kenedix, Japan Senior Living Investment Corporation and other investors.

   Kenedix believes that this investment will earn returns and contribute to growth in assets under management and support the growth of Kenedix affiliated REITs.

2. Amount and ratio of investment in silent partnership

Kenedix, Inc.	3,710 million yen	(82.3%)
Japan Senior Living Investment Corporation	200 million yen	(4.4%)
Other several investors	600 million yen	(13.3%)
Total	4,510 million yen	(100.0%)

3. Summary of the underlying asset

Location	Kansai area
Category	Healthcare facilities (5 properties) *Intermediate nursing homes

4. Schedule

Date of investment in the SPC	March 28, 2016
Date of asset purchase using the SPC	March 29, 2016 (planned)

5. Outlook

   Kenedix expects to record an ordinary income of approximately 0.4 billion yen in 2016 from investment in the aforementioned SPC. 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.