October 5, 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 Concerning Acquisition of Shares of Property Development Company in Thailand

Kenedix Asia Pte. Ltd. ("Kenedix Asia"), the subsidiary in Singapore of Kenedix, Inc. ("Kenedix") closed an agreement with AIRA Capital Public Company Limited ("AIRA Capital"), a listed holding company in Thailand, to acquire 20% of the shares of AIRA Property Public Company Limited ("AIRA Property"), who is the property development company and the affiliate of AIRA Capital.

1. Reason for acquisition of shares

One of the major initiatives of the Kenedix's medium-term management plan "Partners in Growth 2017" established and announced on February 10, 2015 is expanding overseas operations by developing relationships with foreign investors, making further overseas investments and other overseas business activities. In this connection, Kenedix established Kenedix Asia in May 2015. After its establishment, Kenedix Asia acquired a 9-storey building complex that consists of office and serviced apartment in Hanoi, Vietnam, in December 2015.

Now, Kenedix Asia decided to acquire 20 % of the shares of AIRA Property, who is currently developing an office building at the center of Bangkok and is exploring opportunities to organize and manage a Real Estate Investment Trust (REIT) in Thailand in future. The collaboration between Kenedix's expertise in REIT management and AIRA Capital's knowledge and network in Thailand will accelerate the business expansion in Thailand through AIRA Property.

Through the further business development in Asian countries by Kenedix Asia, Kenedix is dedicated to delivering growth in asset under management and increasing stable earnings through asset management business.

2. Summary of the company

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|---|---|
| Name | AIRA Property Public Company Limited |
| Address | 319 Chamchuri Square Building, 12th Floor, Phayathai Road, Pathumwan, Bangkok 10330, Thailand |
| Representative | Nalinee Ngamsettamas, CEO |
| Business | Real estate development and related business |
| Capital | 500 million Thai Baht (approx. 1.5 billion JPY) |
| Established | 2015 |
| Shareholding ratios | AIRA Capital Public Company Limited 99.99%<br>Others 0.01% |

3. Summary of the transaction

| | |
|---|---|
| Total number of shares to be acquired | 10,000,000 ordinary shares<br>(20.0% of total outstanding ordinary shares) |
| Total value of shares to be acquired | Undisclosed |

4. Details of the seller

| | |
|---|---|
| Name | AIRA Capital Public Company Limited |
| Address | 319 Chamchuri Square Building, 12th floor, Phayathai Road, Pathumwan, Bangkok 10330, Thailand |
| Representative | Nalinee Ngamsettamas, CEO |
| Business | AIRA Capital Public Company Limited has been incorporated as a holding company to hold shares in several financial and other companies |
| Capital | 1.79 billion Thai Baht (approx. 5.4 billion JPY) |
| Established | 2010 |
| Major shareholders and shareholding ratios | JRK HOLDINGS LIMITED 36.75%<br>JURANGKOOL THAVEECHAT 13.15%<br>NGAMSETTAMAS NALINEE 5.84%<br>JUNGRUNGREANGKIT KOMOL 5.25%<br>JURANGKOOL NUTTAPOL 4.85% |
| Others | Listed on the Market for Alternative Investment (mai) in July 2014 (stock code: AIRA) |

5. Schedule

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| Agreement signing date | October 5, 2016 |
| Closing date | October 20, 2016 (tentative) |

6. Outlook

The impact on 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 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.