December 21, 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 Sales of Assets (Office Building and Hotel)

Kenedix, Inc. will sell assets to Kenedix Private Investment Corporation as follows:

1. Reason for sale

Kenedix will sell an office building and a hotel listed below that are included in consolidated assets through its subsidiary. Kenedix believes that the sales of these assets will contribute to the formation and growth of the Kenedix Group's J-REIT investment portfolio.

2. Assets to be sold

| | Description and location | Selling price (Million yen, net of taxes) | Category |
|---|---|---|---|
| (1) | KDX Toyosu Gransquare (Koto-ku, Tokyo) | 12,285 | Office building |
| (2) | Shin-Osaka Esaka Tokyu REI Hotel (Suita, Osaka) | 4,000 | Hotel |

Note: Kenedix will sell 35% of the 40% interest it owns in the office building (1) above, leaving it with 5%.

3. Outline of purchaser

| | |
|---|---|
| Name | Kenedix Private Investment Corporation |

4. Schedule

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|---|---|
| Contract signing | December 21, 2016 |
| Transaction closing date | January 12, 2017 (tentative) |

5. Outlook

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.