February 13, 2017

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 Regarding Reduction of Capital Reserve

The Board of Directors of Kenedix, Inc. approved a resolution on February 13, 2017 to submit a proposal to reduce capital reserve as follows at the Ordinary General Meeting of Shareholders to be held on March 29, 2017.

1. Objectives

The purpose of the reduction in capital reserve and the transfer of the reduced amount to other capital surplus is securing mobility of its capital policy going forward, including stock repurchase.

2. Details

The capital reserve will be reduced by 10,000,000,000 yen and transferred an equivalent amount to other capital surplus.
(Reference: Capital reserve as of December 31, 2016 was 18,798,413,834 yen)

3. Schedule of the reduction of capital reserve (tentative)

(1) Resolution date for shareholders' meeting	March 29, 2017 (tentative)
(2) Official end of period for creditors to submit objections	May 25, 2017 (tentative)
(3) Effective date	June 1, 2017 (tentative)

4. Outlook

The reduction of capital reserve involves transfer of amounts within net asset items. There is no change in the total amount of net assets and no effect on profit or loss.

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 Kenedix. 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. Kenedix 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.