KENEDIX
Office Investment Corporation

Translation of Japanese Original

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To All Concerned Parties

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Notice Concerning the Change of Company Regulations (Management Guidelines of Office REIT Department) of the Asset Management Company

Kenedix Office Investment Corporation ("the Investment Corporation") has announced today, that Kenedix Real Estate Fund Management, Inc. ("the Asset Management Company"), the asset management company for the Investment Corporation, decided to change the company regulations on Office REIT Department (management guidelines of Office REIT Department, hereafter "Management Guidelines"). Details are as follows.

1. Reason for the Change of Management Guidelines

Following the sale of Residence Charmante Tsukishima, the only residential property owned by the Investment Corporation, the Asset Management Company has decided to change the definition of classification by use in "Office Buildings", "Central Urban Retail Properties" and "Others" that the Investment Corporation is investing in so as to further clarify that the Investment Corporation's policy is to build a portfolio centering on mid-sized office buildings in the Tokyo Metropolitan Area, and exclude "Residential Properties" from investment targets and eliminate the provisions on investment in "Residential Properties". Accordingly, the Investment Corporation's basic strategies, portfolio development policy, individual investment criteria, etc. shall be partially amended.

2. Date of Change

December 1, 2017

3. Main Changed Contents of Management Guidelines

(1) Change of Classification by Use in "Office Buildings", "Central Urban Retail Properties" and "Others"

The definition of classification by use in "Office Buildings", "Central Urban Retail Properties" and "Others" shall be changed as follows.

Office Buildings	Main buildings as components of properties, with floor area whose uses under the Building Standards Act include office, or assets underlying them
Central Urban Retail Properties	Retail properties with high tenant substitutability located in highly bustling districts (5 Central Wards of Tokyo (Chiyoda-ku, Chuo-ku, Minato-ku, Shinjuku-ku and Shibuya-ku in Tokyo 23 wards) or central parts of government-designated cities;

	the same shall apply hereafter.) that do not fall under the category of Office Buildings, or assets underlying them
Others	Land with third-party leasehold (limited proprietary right of land) or buildings that have floor area whose uses under the Building Standards Act are not subject to investment in accordance with the Investment Corporation's investment policy and that do not fall under the category of Office Buildings or Central Urban Retail Properties, or assets underlying them

Note: The Investment Corporation shall not invest in residential properties, logistics and warehouse facilities, amusement parks, medical, nursing and health care-related facilities and golf courses. However, if they are included in Office Buildings, Central Urban Retail Properties and Others that the Investment Corporation invests in or the Investment Corporation invests in these properties pertaining to such assets, this shall not apply.

(2) Elimination of Provisions on Investment in "Residential Properties"

The Investment Corporation shall delete the provisions on the investment in "Residential Properties" from "Investment Ratio Target by Type of Use", "Targets of Minimum and Maximum Investment Size per Investment Property" and "Individual Investment Criteria".

For details of portfolio development policy in terms of type of use after the change of Management Guidelines, please refer to the "Reference Material 1".

4. Other

Along with the change of Management Guidelines, the type of use and property number of several owned properties shall be changed as follows.

Property Name	New Type of Use	Previous Type of Use	New Property No.	Previous Property No.
KDX Yoyogi Building	Office Buildings (Mid-size)	Central Urban Retail Properties	A-120	C-2
Ginza 4chome Tower	Office Buildings (Other)	Central Urban Retail Properties	A-121	C-3

For the type of use, property number, etc. of properties owned by the Investment Corporation after the change of Management Guidelines, please refer to the "Reference Material 2".

Reporting and notifications with regard to this matter will be conducted in accordance with the Financial Instruments and Exchange Act, the Real Estate Brokerage Act, and other applicable laws and regulations.

Attached Materials

Reference Material 1 Portfolio Development Policy in Terms of Type of Use after the Change of Management Guidelines

Reference Material 2 Property Portfolio after the Change of Management Guidelines

The Investment Corporation's website: http://www.kdo-reit.com/en/

This notice is the English translation of the Japanese announcement on our website released on December 1, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference Material 1

Portfolio Development Policy in Terms of Type of Use after the Change of Management Guidelines

【After the Change】

Type of Use			Investment Ratio (Note)
Property Type	Office Buildings	Of office buildings, rental office buildings whose main use under the Building Standards Act is office and whose total floor area of the entire building stated in the certificate of all registered matters ("total floor area") fulfills the following criteria ("mid-sized office buildings") ・Tokyo 23 wards Total floor area 13,000 m^2 or less ・Outside Tokyo 23 wards Total floor area 20,000 m^2 or less	80-100%
		Of office buildings, those that do not fall under the category of mid-sized office buildings	0-20%
	Central Urban Retail Properties	Retail properties with high tenant substitutability located in highly bustling districts	
	Others	Land with third-party leasehold (limited proprietary right of land) or buildings with floor area whose use under the Building Standards Act is not subject to investment in accordance with the Guidelines	

Note: Investment ratio is calculated by dividing subtotal of acquisition price of each property type by total acquisition price of all property types.

(Reference)【Before the Change】

Type of Use			Investment Ratio (Note)
Property Type	Office Buildings	Rental office buildings whose main use is office and whose total floor area fulfills the following criteria ("mid-sized office buildings") ・Tokyo 23 wards Total floor area 13,000 m^2 or less ・Outside Tokyo 23 wards Total floor area 20,000 m^2 or less	80-100%
		Other than those above, Rental office buildings whose main use is office	0-20%
	Central Urban Retail Properties	Retail properties located in highly bustling districts	
	Residential Properties	Rental residential properties whose use of the majority of leasable area is residence	
	Others	Amusement parks, business hotels, parking, educational facilities, medical, nursing and health care-related facilities, land with third-party leasehold (limited proprietary right of land), etc.	

Note: Investment ratio is calculated by dividing subtotal of acquisition price of each property type by total acquisition price of all property types.

Reference Material 2

Property Portfolio after the Change of Management Guidelines

As of December 1, 2017

Type of Use	Area	No.	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)
Office Buildings (Mid-size)	5 Central Wards of Tokyo	A-1	KDX Nihonbashi 313 Building	Chuo-ku, Tokyo	5,940	1.5%
		A-3	Higashi-Kayabacho Yuraku Building	Chuo-ku, Tokyo	4,450	1.1%
		A-4	KDX Hatchobori Building	Chuo-ku, Tokyo	3,680	0.9%
		A-6	Harajuku F.F. Building	Shibuya-ku, Tokyo	2,450	0.6%
		A-7	KDX Minami Aoyama Building	Minato-ku, Tokyo	2,270	0.5%
		A-8	Kanda Kihara Building	Chiyoda-ku, Tokyo	1,950	0.5%
		A-13	KDX Kojimachi Building	Chiyoda-ku, Tokyo	5,950	1.5%
		A-17	KDX Ebisu Building	Shibuya-ku, Tokyo	4,640	1.1%
		A-19	KDX Hamamatsucho Building	Minato-ku, Tokyo	3,460	0.8%
		A-20	KDX Kayabacho Building	Chuo-ku, Tokyo	2,780	0.7%
		A-21	KDX Shinbashi Building	Minato-ku, Tokyo	3,728	0.9%
		A-27	KDX Kajicho Building	Chiyoda-ku, Tokyo	2,350	0.6%
		A-29	KDX Higashi-Shinjuku Building	Shinjuku-ku, Tokyo	2,950	0.7%
		A-32	KDX Shiba-Daimon Building	Minato-ku, Tokyo	6,090	1.5%
		A-37	KDX Ochanomizu Building	Chiyoda-ku, Tokyo	6,400	1.6%
		A-38	KDX Nishi-Shinjuku Building	Shinjuku-ku, Tokyo	1,500	0.3%
		A-41	KDX Shinjuku 286 Building	Shinjuku-ku, Tokyo	2,300	0.5%
		A-46	Hiei Kudan-Kita Building	Chiyoda-ku, Tokyo	7,600	1.9%
		A-51	KDX Hamacho Nakanohashi Building	Chuo-ku, Tokyo	2,310	0.5%
		A-55	Shin-toshin Maruzen Building	Shinjuku-ku, Tokyo	2,110	0.5%
		A-56	KDX Jimbocho Building	Chiyoda-ku, Tokyo	2,760	0.7%
		A-59	KDX Iwamoto-cho Building	Chiyoda-ku, Tokyo	1,864	0.4%
		A-60	KDX Harumi Building	Chuo-ku, Tokyo	10,250	2.6%
		A-61	KDX Hamamatsucho Dai-2 Building	Minato-ku, Tokyo	2,200	0.5%
		A-64	KDX Nihonbashi 216 Building	Chuo-ku, Tokyo	2,010	0.5%
		A-66	KDX Shinjuku Building	Shinjuku-ku, Tokyo	6,800	1.7%
		A-67	KDX Ginza 1chome Building	Chuo-ku, Tokyo	4,300	1.1%
		A-68	KDX Nihonbashi Honcho Building	Chuo-ku, Tokyo	4,000	1.0%
		A-71	KDX Iidabashi Building	Shinjuku-ku, Tokyo	4,670	1.2%
		A-73	KDX Hakozaki Building	Chuo-ku, Tokyo	2,710	0.6%
		A-74	KDX Shin-Nihonbashi Building	Chuo-ku, Tokyo	2,300	0.5%
		A-87	Itopia Nihonbashi SA Building	Chuo-ku, Tokyo	2,200	0.5%
		A-88	KDX Shinjuku 6-chome Building	Shinjuku-ku, Tokyo	1,900	0.4%
		A-89	KDX Takanawadai Building	Minato-ku, Tokyo	5,250	1.3%
		A-91	KDX Mita Building	Minato-ku, Tokyo	3,180	0.8%
		A-92	KDX Akihabara Building	Chiyoda-ku, Tokyo	2,600	0.6%
		A-93	KDX Iidabashi Square	Shinjuku-ku, Tokyo	4,350	1.1%
		A-107	KDX Ginza East Building	Chuo-ku, Tokyo	3,600	0.9%
		A-109	KDX Hamamatsucho Center Building	Minato-ku, Tokyo	3,950	1.0%
		A-112	KDX Toranomon 1chome Building	Minato-ku, Tokyo	15,550	4.0%
		A-113	KDX Shin-Nihonbashi Ekimae Building	Chuo-ku, Tokyo	3,829	0.9%
		A-114	KDX Nihonbashi Edo-dori Building	Chuo-ku, Tokyo	1,350	0.3%
		A-116	KDX Nishi-Shinbashi Building	Minato-ku, Tokyo	8,400	2.1%
		A-119	Shibuya 1717 Building	Shibuya-ku, Tokyo	3,500	0.9%
		A-120	KDX Yoyogi Building	Shibuya-ku, Tokyo	2,479	0.6%

Type of Use	Area	No.	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)
Office Buildings (Mid-size)	Tokyo Metropolitan Area (excluding 5 Central Wards)	A-5	KDX Nakano-Sakaue Building	Nakano-ku, Tokyo	2,533	0.6%
		A-14	KDX Funabashi Building	Funabashi, Chiba	2,252	0.5%
		A-16	Toshin 24 Building	Yokohama, Kanagawa	5,300	1.3%
		A-22	KDX Shin-Yokohama Building	Yokohama, Kanagawa	2,520	0.6%
		A-26	KDX Kiba Building	Koto-ku, Tokyo	1,580	0.4%
		A-30	KDX Nishi-Gotanda Building	Shinagawa-ku, Tokyo	4,200	1.0%
		A-31	KDX Monzen-Nakacho Building	Koto-ku, Tokyo	1,400	0.3%
		A-33	KDX Okachimachi Building	Taito-ku, Tokyo	2,000	0.5%
		A-34	KDX Hon-Atsugi Building	Atsugi, Kanagawa	1,305	0.3%
		A-35	KDX Hachioji Building	Hachioji, Tokyo	1,155	0.2%
		A-48	KDX Kawasaki-Ekimae Hon-cho Building	Kawasaki, Kanagawa	3,760	0.9%
		A-50	KDX Ikejiri-Oohashi Building	Meguro-ku, Tokyo	2,400	0.6%
		A-62	Koishikawa TG Building	Bunkyo-ku, Tokyo	3,080	0.7%
		A-63	KDX Gotanda Building	Shinagawa-ku, Tokyo	2,620	0.6%
		A-72	KDX Higashi-Shinagawa Building	Shinagawa-ku, Tokyo	4,590	1.1%
		A-78	KDX Tachikawa Ekimae Building	Tachikawa, Tokyo	1,267	0.3%
		A-83	KDX Fuchu Building	Fuchu, Tokyo	6,120	1.5%
		A-84	KDX Kasuga Building	Bunkyo-ku, Tokyo	2,800	0.7%
		A-85	KDX Nakameguro Building	Meguro-ku, Tokyo	1,880	0.4%
		A-86	KDX Omiya Building	Saitama, Saitama	2,020	0.5%
		A-90	KDX Ikebukuro Building	Toshima-ku, Tokyo	3,900	1.0%
		A-94	KDX Musashi-Kosugi Building	Kawasaki, Kanagawa	12,000	3.0%
		A-96	KDX Takadanobaba Building	Toshima-ku, Tokyo	3,650	0.9%
		A-99	KDX Ikebukuro West Building	Toshima-ku, Tokyo	1,934	0.4%
		A-101	KDX Yokohama Building	Yokohama, Kanagawa	7,210	1.8%
		A-102	KDX Yokohama Nishiguchi Building	Yokohama, Kanagawa	2,750	0.7%
		A-103	KDX Shin-Yokohama 214 Building	Yokohama, Kanagawa	2,200	0.5%
		A-117	BR Gotanda	Shinagawa-ku, Tokyo	2,200	0.5%
	Other Regional Areas	A-42	KDX Karasuma Building	Kyoto, Kyoto	5,400	1.3%
		A-44	KDX Sendai Building	Sendai, Miyagi	2,100	0.5%
		A-53	KDX Hakata-Minami Building	Fukuoka, Fukuoka	4,900	1.2%
		A-54	KDX Kitahama Building	Osaka, Osaka	2,220	0.5%
		A-58	KDX Nagoya Sakae Building	Nagoya, Aichi	7,550	1.9%
		A-69	KDX Kobayashi-Doshomachi Building	Osaka, Osaka	2,870	0.7%
		A-70	KDX Sapporo Building	Sapporo, Hokkaido	2,005	0.5%
		A-79	KDX Nagoya Ekimae Building	Nagoya, Aichi	7,327	1.8%
		A-82	KDX Higashi Umeda Building	Osaka, Osaka	2,770	0.7%
		A-97	KDX Utsunomiya Building	Utsunomiya, Tochigi	2,350	0.6%
		A-98	KDX Hiroshima Building	Hiroshima, Hiroshima	1,300	0.3%
		A-104	KDX Minami-Honmachi Building	Osaka, Osaka	2,200	0.5%
		A-106	KDX Sakura-dori Building	Nagoya, Aichi	5,900	1.5%
		A-110	KDX Shin-Osaka Building	Osaka, Osaka	4,550	1.1%
		A-111	KDX Nagoya Nichigin-mae Building	Nagoya, Aichi	3,500	0.9%
		A-118	Takeyama White Building	Sapporo, Hokkaido	1,800	0.4%
	Total of 89 Office Buildings (Mid-size)				**330,279**	**85.2%**

Type of Use	Area	No.	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)
Office Buildings (Other)	5 Central Wards of Tokyo	A-108	Pentel Building (Note 2)	Chuo-ku, Tokyo	3,350	0.8%
		A-115	ARK Mori Building	Minato-ku, Tokyo	4,169	1.0%
		A-121	Ginza 4chome Tower	Chuo-ku, Tokyo	9,800	2.5%
	Tokyo Metropolitan Area (excluding 5 Central Wards)	A-95	KDX Toyosu Grand Square Building	Koto-ku, Tokyo	8,666	2.2%
	Other Regional Areas	A-12	Portus Center Building	Sakai, Osaka	5,570	1.4%
		A-100	Senri Life Science Center Building	Toyonaka, Osaka	13,000	3.3%
Total of 6 Office Buildings (Other)					**44,555**	**11.4%**
Total of 95 Office Buildings					**374,835**	**96.7%**
Central Urban Retail Property	5 Central Wards of Tokyo	C-1	Frame Jinnan-zaka	Shibuya-ku, Tokyo	9,900	2.5%
Total of 1 Central Urban Retail Property					**9,900**	**2.5%**
Others	5 Central Wards of Tokyo	D-2	Shinjuku 6chome Building (Land)	Shinjuku-ku, Tokyo	2,880	0.7%
Total of 1 Others Property					**2,880**	**0.7%**
Total of 97 Properties					**387,615**	**100.0%**

Investment Security	5 Central Wards of Tokyo		G. K. KRF43 Silent Partnership Equity Interest	Shinjuku-ku, Tokyo	1,107	
Total of 1 Investment Security					**1,107**	

Note 1: The acquisition prices and ratios are rounded down to the nearest million and first decimal place, respectively.
Note 2: Building, site and the land for Pentel Building are counted as one property.