May 31, 2018

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, President & CEO
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 Establishment of Core Fund for Hotels and Undertaking of Asset Management Business

Kenedix, Inc. has established a private core fund for investments in hotels in Japan and started operating this fund. Kenedix is providing asset management services for this fund.

1. Summary of the fund

Investment targets	Hotels in Japan
First holding property	A hotel in Urayasu-shi, Chiba
Type of fund	Core
Start of operations	May 31, 2018
Investment period	10 years (tentative)
Initial fund size	Approx. 13 billion yen
Investors	Several Japanese institutional investors
Asset manager	Kenedix, Inc.

Following the acquisition of its first property, this fund plans to invest in other hotels in Japan that have good prospects for stable cash flows for many years.

2. Kenedix initiatives

Kenedix believes that interest among investors in Japan and other countries in Japan's real estate market will continue to increase because of the stability of cash flows generated by properties in Japan. As Japan's largest independent real estate asset management company, Kenedix has considerable sourcing and asset management capabilities. Kenedix will continue to use these strengths to provide high-quality asset management services in order to meet the real estate investment demand of investors in Japan and other countries.

3. Outlook

There is no change in the 2018 consolidated forecast announced on February 9, 2018. 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 may 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 has no obligation to update forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law.