

To whom it may concern:

Company name	Kenedix, Inc.
Representative	Atsushi Kawashima, President
Stock code	4321
Listing	First Section, Tokyo Stock Exchange
Contact	Taiji Yoshikawa, Director, Corporate Planning & Strategy
Telephone	+81-3-3519-2530

Supplementary Information to the Company's Press Release as of December 11, 2008

Described below is an abstract in English of the company announcement that was released in Tokyo. The translation is prepared and provided for the purpose of the readers' convenience only. All of readers are strongly recommended to refer to the original version in Japanese of the news release for complete and accurate information.

As of December 11, 2008, Kenedix, Inc. (the "Company") released the press release "Notice of the Revision on Full-Year Earnings Forecast for the Year Ending December 31, 2008, Recognition of Extraordinary Losses, Revision of the Dividend Forecast, and the Reduction of Executive Compensation." With regard to the content of the press release, the Company has made the following progress to date.

Details

1. Switching of short-term loans for senior health care properties into long-term loans

The short-term loans for senior health care properties totaling ¥3 billion were previously scheduled to mature in December, 2008. The Company switched these loans into long-term loans (three-year term) from Sumitomo Mitsui Banking Corporation as of December 18, 2008.

2. Trimming down the size of the Balance Sheets

With regard to the corporate Pension Fund No. 9 and 10 that the Company previously consolidated, the Company transferred the investments in the *Tokumei-Kumiai* (Common law limited partnership) that it held to a third party as of December 19, 2008. As a result, ¥86.8 billion in inventories and ¥63.8 billion in interest-bearing debt were eliminated from the Consolidated Balance Sheets of the Company.

Along with the sale of properties in progress, inventories recorded in the Consolidated Balance Sheets as of September 30, 2008, are estimated to be reduced by approximately ¥110 billion.

3. Organizing of a bridge fund for investment in a large-scale property held by the Company

The Company holds a large-scale office building called KDX Toyosu Grandsquare (hereinafter the "Property") on its principal account. The Property, completed in May 2008, is located in Koto-ku, Tokyo.

The disposition of the Property has taken more time than expected and the sales contract is forecast to conclude in a subsequent fiscal term. In order to continue to hold the Property, the Company needed to refinance the related loans with the maturity date of which was the end of December, 2008.

In such circumstances, Development Bank of Japan approved the refinance. Supported by Development Bank of Japan Inc. and our main bank, Sumitomo Mitsui Banking Corporation, the Company decided to organize a bridge fund for the Property as of December 26, 2008. Because the subordinated equity is contributed by the Company, the bridge fund, SPC, is a consolidated subsidiary of the Company. Through the bridge fund, stable funds are secured for two years of its management. We will continue to make efforts to sell the Property as soon as possible.

- Outline of the bridge fund

(1) Non-recourse lenders	Development Bank of Japan Inc., Sumitomo Mitsui Banking Corporation and one more bank
(2) Equity investors	Kenedix, Inc. and two domestic institutional investors
(3) Management term	2 years
(4) Property for the investment	KDX Toyosu Grandsquare

4. Status of sales negotiations for the large-scale Property held by the Company

As mentioned above, we secured a stable management structure for KDX Toyosu Grandsquare by organizing the bridge fund. We had been negotiating with a foreign investor to sell the Property with a target of concluding the sales contract by the end of December 2008. Being in agreement with the aforementioned foreign investor to continue negotiations in 2009, we intend to continue effort to sell the Property as soon as possible.