

February 1, 2008

To whom it may concern

Company name: Kenedix, Inc.
Representative: Atsushi Kawashima, President
Stock code: 4321
Listing: First Section, Tokyo Stock Exchange
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Notice of the Organizational Change of a Subsidiary

The Company hereby announces that the below-mentioned *Tokumei-Kumiai* (Common law limited partnership) has become a consolidated subsidiary of the Company.

1. Reason for the organizational change

The below-mentioned *Tokumei-Kumiai* has become a consolidated subsidiary of the Company as a result of an investment by the Company into said *Tokumei-Kumiai*.

2. Outline of the subsidiary subject to the organizational change

(1) Outline of the Tokumei-Kumiai “KRF20”

- (i) Designation: Tokumei-Kumiai KRF20, Operator: KRF20 Limited Liability Company
- (ii) Representative: Representative Partner: KRF Limited Liability Intermediate Corporation, Executor: Mitsutaka Nakamura
- (iii) Address: 2-9, Shinbashi 2-chome, Minato-ku, Tokyo (Operator’s address)
- (iv) Establishment: February 1, 2008
- (v) Business: Real estate investment
- (vi) Accounting term: January 31
- (vii) Date of organizational change: February 1, 2008
- (viii) Reason for organizational change: Investment in Tokumei-Kumiai
- (ix) Total amount of the investment in the Tokumei-Kumiai:
¥32,219 million (as of its establishment)
- (x) Investment ratio in the Tokumei-Kumiai:

	Before the organizational change	After the organizational change
Balance of the amount invested by the Company in the <i>Tokumei-Kumiai</i>	¥ -	¥32,219 million
Ratio of the Company’s investment in the <i>Tokumei-Kumiai</i>	- %	100%

3. Perspective

Future benefits to be gained from the beneficiary right in the real estate trust held by the operator of the T Tokumei-Kumiai should contribute to improving the Company’s consolidated and non-consolidated operating results.

As the Tokumei-Kumiai plans to make additional real estate investments and continue fund-raising in the future, the Company is now conducting a complete check of the Tokumei-Kumiai’s effects on our operating results. Such effects due to future investments and fund-raising by the Tokumei-Kumiai will be reflected on the forecast financial results for the year ending December 31, 2008, which are scheduled to be publicly released on February 15, 2008.