

December 26, 2008

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

### Notice of the Organizational Change of a Subsidiary

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.

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 "KRF25"

- |        |  |   |
|--------|--|---|
| (i)    | Designation  | Tokumei-Kumiai KRF25  |
|        | Operator   | KRF25 Limited Liability Company   |
| (ii)   | Representative                                       | Representative Partner, Toyosu Grandsquare Limited Liability Intermediate Corporation |
|        | Executor   | Mitsutaka Nakamura  |
| (iii)  | Address  | 2-9, Shinbashi 2-chome, Minato-ku, Tokyo  |
| (iv)   | Establishment  | December 26, 2008   |
| (v)    | Business   | Real estate trust beneficiary interests investment                                    |
| (vi)   | Accounting term                                      | August 31   |
| (vii)  | Date of organizational change                        | December 26, 2008   |
| (viii) | Reason for organizational change                     | Investment in Tokumei-Kumiai  |
| (ix)   | Total amount of the investment in the Tokumei-Kumiai | ¥5,500 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>	¥ -	¥500 million
Ratio of the Company's investment in the <i>Tokumei-Kumiai</i>	- %	9.09%

### 3. Schedule

December 16, 2008	Resolutions of the board of directors
December 25, 2008	Investment in the Tokumei-Kumiai

### 4. Perspective

Profit distribution (based on Tokumei-Kumiai agreement) to the Company gained from the beneficiary interest in the real estate trust held by the operator of the Tokumei-Kumiai should contribute to the Company's consolidated and non-consolidated operating results.

The effects on our operating results are reflected on the financial results forecast publicly released on December 11, 2008.