

September 16, 2009

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

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 Regarding Filings of Shelf Registration Statement for
Future Issuances of Shares and Bonds with Stock Acquisition Rights

Kenedix, Inc. (the "Company") hereby announces that its board of directors has resolved to file Shelf Registration Statements (*hakkotorokusho*) in relation to the future issuances of shares and bonds with stock acquisition rights as set forth below.

(Background of the Shelf Registration Statement Filings)

As announced on August 11, 2009, the Company is currently working to build and develop a stable profit structure, while at the same time accelerating the downsizing of its balance sheet and increasing its assets under management. The Company recorded a positive consolidated net income for the second quarter period of fiscal year 2009 and a positive consolidated operating cash flow for the six month period of fiscal year 2009. In addition, the Company is working to enhance its financial strength through the implementation of various measures including financial support from its primary banks in the form of syndicated loans in the amount of JPY 15.8 billion in March 2009 from Sumitomo Mitsui Banking Corporation and Bank of Tokyo-Mitsubishi UFJ, Ltd. (acting as joint arrangers). As a result of such measures, the explanatory notes regarding the Company as a going concern that were included in the Company's financial statements and the related auditors' reports for the year ended December 2008 and the first quarter of the year ended December 2009 have become unnecessary. Despite experiencing the global turmoil in the financial markets and the significantly poor liquidity of the real estate investment market, Kenedix Group has successfully reduced its assets, including a reduction of its total assets from JPY 433.8 billion as of June 30, 2008 to JPY 212.8 billion as of June 30, 2009, by way of various measures: among others, by selling the properties that it owned. The Company will continue to employ its efforts in management in order to enhance its financial strength and stability and will take an active position in coming years by implementing more forceful measures to improve its profitability, such as creating new funds, while at the same time continuing to obtain support from its principal banks.

As part of implementing the above measures for the enhancement of its financial strength and stability, the Company has filed shelf registration statements for common stock and bonds with stock acquisition rights that will permit the Company to issue new common stock and bonds with stock acquisition rights from time to time. The Company intends to deal with the exercise of options by bondholders to redeem the Zero Coupon Convertible Bonds due 2011 (the "2011 Bonds"), which options will become exercisable in December 2009, through future issuances of common stock and bonds with stock acquisition rights by utilizing these shelf registration statements and other methods of finance. The Company recognizes that dealing with the exercise of options by bondholders to redeem the 2011 Bonds, which are expected to amount to up to JPY 20

This document is prepared for the purpose of public disclosure regarding the filings of Shelf Registration Statements for shares and bonds with stock acquisition rights of the Company and does not constitute a solicitation of an offer for the purchase of any securities within or outside of Japan. This document is neither an offer to sell nor a solicitation of an offer to buy the shares or bonds with stock acquisition rights in the United States. The shares and bonds with stock acquisition rights have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Act"), and may not be offered or sold in the United States or to the U.S. persons (as defined United States Securities Act of 1933) for their account or interest, without registration or an applicable exemption from the registration requirements under the Act. No public offering of securities will be conducted in the United States.

billion, is a significant business challenge. The Company intends to deal with the exercise of such options by taking various measures, such as obtaining financing by the issuance of common stocks and conducting an exchange offer made to the holders of the 2011 Bonds. As the Company considers dealing with the exercise of options by bondholders to redeem the 2011 Bonds, it may consult with such bondholders.

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PARTICULARS

(Shelf Registration Statement for Shares)

Type of Securities	Common stock of the Company
Planned Effective Period	Within one year commencing from the effective date of the Shelf Registration Statement (From September 27, 2009 until September 26, 2010)
Planned Amount of Issuance	Up to JPY 12 billion
Use of Proceeds	The Company plans to use all or a portion of the proceeds for the repurchase and/or redemption of its outstanding 2011 Bonds
Offering Method	Public offering

(Shelf Registration Statement for Bonds with Stock Acquisition Rights)

Type of Securities	Bonds with stock acquisition rights of the Company
Planned Effective Period	Within one year commencing from the effective date of the Shelf Registration Statement (From September 27, 2009 until September 26, 2010)
Planned Amount of Issuance	Up to JPY 8 billion
Use of Proceeds	N/A
Offering Method	Exchange offer made to the holders of the 2011 Bonds (issuance of bonds with stock acquisition rights in consideration of the 2011 Bonds). The type of shares to be acquired by bondholders exercising stock acquisition rights will be common stock of the Company, and the number of such shares will not exceed the number of shares that may be acquired by bondholders exercising stock acquisition rights attached to the 2011 Bonds

(Note) The “Planned Amount of Issuance” in each case above is the issuance amount in connection with the Japanese offering. The Company is considering an international offering in addition to the Japanese offering, and if the Company conducts the Japanese offering and international offering of shares and bonds with stock acquisition rights through these shelf registration statements, it is planned that the total amount of the issuance of such shares and bonds with stock acquisition rights for both the Japanese offering and international offering will not exceed JPY 20 billion.

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