

November 27, 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.

Announcement of Operational Tie-Up with MAX-REALTY INC.

At its meeting held on November 27, 2009, the Board of Directors of Kenedix, Inc., resolved to enter into an operational tie-up for asset management operations with MAX-REALTY INC. as follows:

1. Reasons for operational tie-up

Kenedix is a real estate asset management company that has operated since real estate securitization first appeared in Japan, and as of the end of September 2009 had more than ¥900 billion in assets under management. At Present, Kenedix is working to further strengthen its asset management capabilities with the aim of continuously increasing assets under management, by striving to identify quality properties and provide investment opportunities to overseas and domestic investors with an interest in investing in Japanese real estate.

MAX-REALTY INC. was established through capital investments by companies including XYMAX corporation and Sumitomo Mitsui Banking Corporation to provide asset management businesses for real estate investment, based on the concept of the "fusion of real estate and financial consulting expertise."

With the gradual abatement of the turmoil in the real estate investment market triggered by the subprime loan problem and exacerbated by the "Lehman shock," Kenedix and MAX-REALTY INC. have concluded a basic agreement for an operational tie-up, to quickly establish a predominant position within the increasingly selective real estate asset management industry by mutually making use of each company's management resources, including their specialist expertise in real estate management and fund procurement, and information networks.

The details of the tie-up follow below.

2. Details of operational tie-up for new real estate funds

(1) Concept planning

In addition to property sourcing, the two companies will aim to jointly create new funds and undertake consulting operations for customers by utilizing their experience, networks and expertise in real estate management.

(2) Investor solicitation

The two companies will use their investor networks developed to date to jointly bring in and cultivate investors for the creation of new funds.

(3) Fund procurement

The two companies will use their various relationships with financial institutions, including main banks and shareholders, to cooperate in the area of fund procurement.

(4) Fund management (investment management, unwinding)

The two companies will use their experience and expertise in fund management developed to date to cooperate in fund management and property sales.

3. Overview of MAX-REALTY

(1) Company name	MAX-REALTY INC.		
(2) Address	3-9, Ginza 1-chome, Tokyo, Japan		
(3) Representative	Masafumi Shimada, President		
(4) Main businesses	Real estate asset management, real estate consulting		
(5) Paid-in Capital	¥150 million		
(6) Date established	November 1, 2002		
(7) Major shareholders	XYMAX corporation 35.0%, Sumitomo Mitsui Banking Corporation 5.0%, etc.		
(8) Relationships with Kenedix, Inc.	Capital	There is no significant capital relationship between the two companies, and there are no significant capital relationships between persons or companies affiliated with Kenedix, Inc., and persons or companies affiliated with MAX-REALTY INC.	
	Personal	There are no significant personal relationships between the two companies, and there are no significant personal relationships between persons or companies affiliated with Kenedix, Inc., and persons or companies affiliated with MAX-REALTY INC.	
	Transactions	There are no significant transactional relationships between the two companies, and there are no significant transactional relationships between persons or companies affiliated with Kenedix, Inc., and persons or companies affiliated with MAX-REALTY INC.	
	Related parties	MAX-REALTY INC. is not related to Kenedix, Inc., and no persons or companies affiliated with MAX-REALTY INC. are related to Kenedix, Inc.	
(9) Non-consolidated Financial Data			
	Year ended Mar.31, 2007	Year ended Mar.31, 2008	Year ended Mar.31, 2009
Net assets	3,503 Million yen	4,063 Million yen	4,248 Million yen
Total assets	4,355 Million yen	4,721 Million yen	4,487 Million yen
Net assets per share	583,868 yen	677,203 yen	708,055 yen

Revenue	3,000 Million yen	2,463 Million yen	1,255 Million yen
Operating income	1,739 Million yen	1,275 Million yen	531 Million yen
Ordinary income	2,058 Million yen	1,357 Million yen	690 Million yen
Net income	1,157 Million yen	803 Million yen	416 Million yen
Net income per share	192,948 yen	133,972 yen	69,461 yen
Dividends per share	25,000 yen	35,000 yen	38,500 yen

4. Schedule

(1) Board of Directors' meeting	November 27, 2009
(2) Conclusion of contract for operational tie-up	December 1, 2009
(3) Commencement of operations	December 1, 2009

5. Future outlook

The effect of this matter on Kenedix's business results going forward has not been determined.