

December 15, 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

<p>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.</p>
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Conclusion of Basic Contract for Sponsorship of Pacific Holdings, Inc., etc.,
Currently in Need of Reorganization

As per the November 30, 2009, press release titled “Further Amendment of Period for Granting of Preferential Negotiating Rights for Sponsorship of Pacific Holdings, Inc., etc., Currently in Need of Reorganization,” the period for which Kenedix, Inc. (the “Company”) and a foreign investment company, as a candidate for sponsor, were granted preferential negotiating rights with the trustee for corporate reorganization regarding the sponsorship of three companies in need of reorganization – Pacific Holdings, Inc., Pacific Realty Corporation, and Pacific Properties Investment, Ltd. –has been extended to December 31, 2009. Nevertheless, with arrangements between the related parties having been completed, on December 15, 2009, the foreign investment company (the Luxembourg-based investment company Kamoulox Investments S.à.r.l (“Kamoulox”)) and the Company have officially concluded a basic contract for the sponsorship of the corporate reorganization with the trustee.

Under this contract, the Company will work together with Kamoulox and the trustee going forward to formulate a reorganization plan for the corporate reconstruction.