

May 17, 2010

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>
--

Notification of Commencement of Sponsorship for Pacific Holdings, Inc., etc.,  
Currently in Need of Reorganization

Further to its March 31, 2010, press release titled "Approval of Reorganization of Pacific Holdings, Inc., etc., Currently in Need of Reorganization," Kenedix, Inc. (the "Company") hereby announces that it has completed the funds transfer and that the contract for its sponsorship of the three companies in need of reorganization – Pacific Holdings, Inc., Pacific Realty Corporation, and Pacific Properties Investment, Ltd. – has taken effect as of today. As sponsor, the Company intends to support the reconstruction of Pacific Holdings, Inc., etc.