

This announcement is prepared for the purpose of public disclosure regarding issuance of new shares of the Company by way of public offering and does not constitute a solicitation of an offer for the purchase of any securities within or outside of Japan. This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer of securities for sale in the United States. The securities of the Company referred to below have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered or sold in the United States absent registration or an exception from registration under the Securities Act. No public offering of securities of the Company will be made in the United States.

July 30, 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

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 Determination of Number of New Shares to be Issued

Kenedix, Inc. (the "**Company**") hereby announces that, relating to issuance of new shares of its common stock by way of public offering as resolved at the meeting of the board of directors on July 15, 2010, the number of new shares to be issued has been determined, upon exercise of the option to purchase additional newly issued shares of common stock granted to the international managers in connection with the international offering, as set forth below.

Number of shares to be issued upon exercise of the option granted to the international managers:
115,204 shares

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Reference

1. Number of Newly Issued Shares Offered by way of Offering (Public Offering)

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|-----|---|---|
| (1) | Number of Shares to be Offered | 1,019,204 shares of common stock of the Company which is the sum of (i) and (ii) below. |
| | | (i) 904,000 shares of common stock of the Company to be purchased and underwritten by the underwriters in each of the offerings below. |
| | | a) Japanese Public Offering 343,464 shares |
| | | b) International Offering 560,536 shares |
| | | (ii) 115,204 shares of common stock of the Company to be issued upon exercise of the options granted to the International Managers for the purchase of the additionally issued common stock of the Company. |
| (2) | Aggregate Issue Price | 15,140,275,420 yen |
| (3) | Total Amount to be Paid | 14,178,146,844 yen |
| (4) | Amount of Stated Capital and Additional Paid-in Capital to be Increased | The amount of stated capital to be increased:
7,089,073,422 yen
The amount of additional paid-in capital to be increased:
7,089,073,422 yen |

2. Change in the total number of issued shares as a result of this capital increase by Public Offering

Total number of issued shares at present (as of June 30, 2010): 1,211,982 shares

Increase in the number of shares as a result of this capital increase by Public Offering: 1,019,204 shares

Total number of issued shares after this capital increase by Public Offering: 2,231,186 shares

3. Use of proceeds

Of the maximum total net amount of 15,004,905,781 yen, which is the sum of the approximate total net amount from the Japanese Public Offering, from the International Offering, from the capital increase by way of third-party allotment to one of the Japanese Underwriters for the Japanese Public Offering and from the capital increase by way of third-party allotment to ITOCHU,

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the Company plans to use approximately 7.5 billion yen in connection with the repayment of an aggregate principal amount of 14.9 billion yen of bonds of the Company scheduled to mature on November 9, 2010. The remaining amount is expected to be used to further the Company's strategies, including acquiring minority interests in funds and newly acquiring real estate assets with the goal of reselling to funds. Until the proceeds are actually used, they will be held at a deposit account.