

August 19, 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.

## Announcement of New Asset Management Contract

The Kenedix Group (the "Group") hereby announces that it has concluded a new asset management contract for a real estate portfolio that is scheduled to be sold by Japan Retail Fund Investment Corporation (stock code: 8953) to a fund created by Kenedix, Inc. (the "Company") and other equity investor.

### 1. Portfolio Overview

- (1) Asset size: ¥33.2 billion
- (2) Seller: Japan Retail Fund Investment Corporation
- (3) Equity investors: A foreign equity investor, Kenedix, Inc. (small co-investment) (tentative)
- (4) Portfolio: A total of 18 office and residential properties received as part of Japan Retail Fund Investment Corporation's merger with LaSalle Japan REIT Inc. on March 1, 2010.

### 2. Schedule

- Commencement of asset management contract: August 19, 2010
- Conclusion of contract for sale: August 19, 2010
- Delivery: September 3, 2010 (tentative)

### 3. Background

With domestic and foreign investors becoming increasingly active in searching for investment opportunities in the Japanese real estate investment market, "sourcing capability" – the ability to procure and acquire quality investment projects – is becoming an increasingly important factor of differentiation in the competitiveness of real estate asset managers. The Group is steadily sourcing investment projects utilizing its established network in the real estate investment market, and with this project is demonstrating the strength of its sourcing capability by successfully acquiring for a fund a quality real estate portfolio from one of the industry's leading J-REITs.

In addition, the Group intends to enhance the investment efficiency of this portfolio when it is acquired by procuring debt financing with superior terms from financial institutions, thereby also demonstrating the Group's "financing capability." The Group will be responsible for managing this portfolio as a real estate asset manager, with the aim of maximizing its investment return utilizing its expertise in terms of its "asset management capability"

With conditions in the real estate investment market returning to normal, the Group will continue to utilize its strengths in the speed and flexibility of its asset management services to seize earnings opportunities, including new fund creation and restructuring proposals. The Group will continue to respond flexibly and quickly to changes in the market environment to steadily obtain its earnings opportunities.

#### Cautionary Statement Concerning Forward-Looking Information

This press release contains forward-looking statements that include "intends," "will" and other similar words and phrases, statements regarding the intent, belief, strategy, plans or current expectations of the Group. Such forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. The Group does not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law.