

August 24, 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.

## Notification of Retirement by Purchase of 1st Unsecured Publicly-Offered Bond

Kenedix, Inc. (the "Company") hereby announces that it has decided to retire by purchase a significant portion of its 1st Unsecured Publicly-Offered Bond (the "Bond"), issued on November 9, 2007, with a redemption date of November 9, 2010.

### 1. Background and reasons for redemption by purchase

The Company presently upholds its managerial policy to return to an offensive management position, including new investment, to further strengthen its financial base through a variety of measures and to seize opportunities for growth in line with changes in the market environment. The early retirement of the Bond reaching redemption in November 2010 will quickly resolve an important financial matter, thereby securing further stability and flexibility for the Company's management. The retirement of the Bond will also create a certain amount of earnings improvement by reducing the interest burden on the Company from the Bond until its redemption. The Company will continue to strengthen its financial base going forward to achieve increasingly robust growth under the Medium-Term Management Plan.

In addition to ¥5,451 million of the Company's existing cash on hand, up to ¥7,500 million of the funds procured by the capital increases via public offering and third-party allotment with payment dates of August 3 and August 4, 2010, will be used for the retirement by purchase of the Bond.

### 2. Effective date of retirement

August 31, 2010

### 3. Details of retirement

(1) Total amount outstanding prior to retirement:	¥14,900 million
(2) Total amount to be retired:	¥13,000 million
(3) Total amount outstanding after retirement:	¥1,900 million

### 4. Impact on business results

The retirement by purchase of the Bond is expected to reduce non-operating expenses by approximately ¥73 million from the decreased interest burden during the period to redemption, and a redemption differential associated with the retirement is expected to be recorded as extraordinary profit in the amount of roughly ¥49 million. Nevertheless, these amounts are within the scope of earnings improvement included in the forecasts for the current year currently announced by the Company, and those forecasts are not being revised at this time.

### [Reference]

#### Bond details

(1) Issue date:	November 9, 2007
(2) Total issue amount:	¥15,000,000,000
(3) Redemption date:	November 9, 2010
(4) Interest rate:	2.09%

#### Contact regarding purchase:

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### 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.