

December 21, 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 of the Organizational Change of a Subsidiary

Kenedix, Inc. (the "Company") hereby announces that it has made the silent partnership outlined below its consolidated subsidiary.

1. Reason for change

The silent partnership outlined below has been made a consolidated subsidiary of the Company as a result of the Company's investment in that silent partnership.

2. Overview of subsidiary subject to the organizational change

Overview of silent partnership Silver Wave

- (1) Name: Silver Wave  
Operator: Silver Wave LLC
- (2) Representative: Representative Partner: Silver Wave General Incorporated Association  
Executor : Tadatsugu Ishimoto
- (3) Address (Operator): 2-9, Shinbashi 2-chome, Minato-ku, Tokyo
- (4) Business: Investment in real estate trust beneficiary interests
- (5) Fiscal year end: October 31
- (6) Date of organizational change: October 1, 2010
- (7) Reason for organizational change: Investment in silent partnership
- (8) Total capital of silent partnership: ¥6,016 million
- (9) Overall investment ratio in silent partnership:

	Before Change	After Change
Company investment in silent partnership (when created)	¥—million	¥3,016 million
Company investment ratio in silent partnership	—%	50.13%

3. Schedule

September 28, 2010: The Company's Board of Directors' resolution for investment in silent partnership

October 1, 2010: Investment in silent partnership

4. Future outlook

Distributions paid to the Company from the profits obtained from the real estate trust beneficiary interests held by the silent partnership operator, based on the silent partnership contract, will contribute to the Company's consolidated and non-consolidated results.

The impact on results for the current fiscal year is reflected in the business results forecast announced on June 25, 2010.

**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.