

July 11, 2012

Company name: Kenedix, Inc.  
Representative: Atsushi Kawashima, President  
Stock code: 4321  
Listing: First Section, Tokyo Stock Exchange  
Contact: Masahiko Tajima, Executive Officer,  
General Manager of Corporate  
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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 Assets Under Management at the End of June 2012**

As noted below, there was a net increase of 7.6 billion yen in the assets under management (AUM) at the Kenedix Group (the "Group") during the second quarter of 2012 (April 1 to June 30, 2012). This resulted in the total AUM balance of 1,117.5 billion yen as of June 30, 2012.

Growth in AUM

(Billions of Yen)

	Acquisitions	Dispositions	Net Increase (Decrease)	AUM
FY2011	-	-	-	1,111.3
Q1 FY2012	14.2	15.8	(1.5)	1,109.8
Q2 FY2012	31.5	23.8	7.6	1,117.5
1H FY2012 (Cumulative)	45.8	39.7	6.1	1,117.5

In the second quarter of 2012, the Group succeeded in increasing AUM by 31.5 billion yen. The establishment of new funds for office buildings and retail facilities and the purchase of properties by J-REITs were responsible for most of this growth. On the other hand, there was a decrease of 23.8 billion yen as sales of properties continued to progress favorably. The result was a net increase of 7.6 billion yen in AUM in the second quarter. This represents a net increase of 6.1 billion yen in AUM from the end of FY2011.

The Group will continue to respond with flexibility to changes in market conditions with the goal of maintaining steady growth in AUM.

Note: The Group uses the following standards for calculating the balance of AUM.

- AUM includes all real estate properties where the Group performs asset management services.
- The balance of AUM is calculated based on the acquisition cost of properties (net of taxes). Costs associated with acquisitions, capital expenditures to enhance property's value and other related items, which are typically included in the book value of properties for accounting purposes, are not included in the calculation of AUM.
- AUM includes properties that the Group holds itself for a short period of time and provides asset management services to. AUM also includes properties held by J-REITs (Kenedix Realty Investment Corporation, Kenedix Residential Investment Corporation and Japan Logistics Fund, Inc.) who are managed by Kenedix affiliates.
- The balance of AUM may potentially decrease as a result of the Group's activities which include disposition of properties.