

(Reference) Reorganization of the Kenedix Group

("Notice of Signing of Memorandum Concerning Reorganization" announced on May 28, 2013)

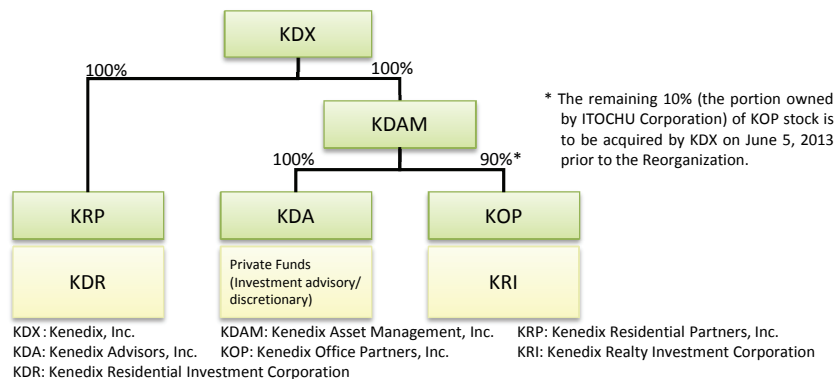


Purpose of reorganization

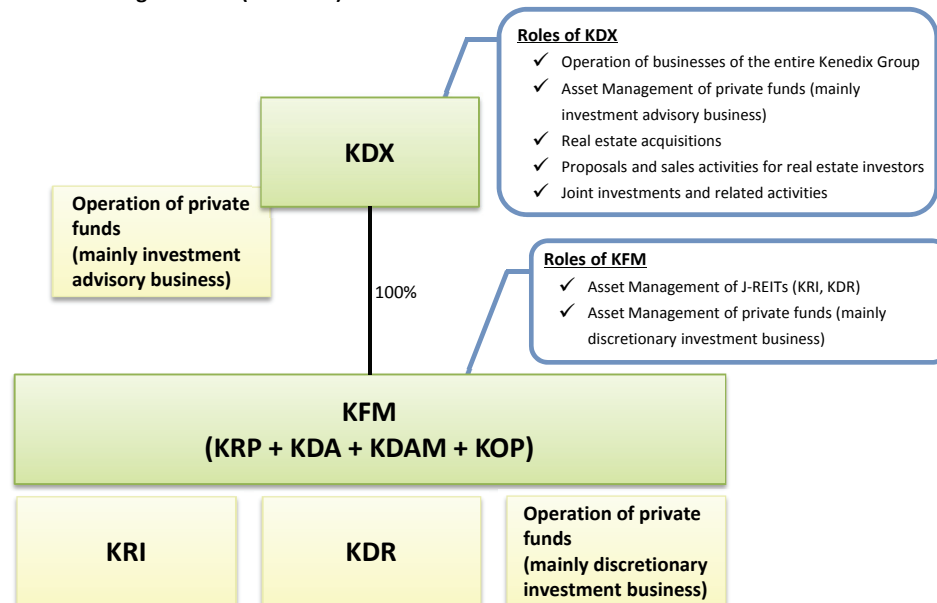
- ❑ Consolidating together the real estate asset management know-how throughout the whole Group
- ❑ Greatly increasing the asset management capability and competitiveness of the Group by strategically strengthening the resources deployed in the acquisition and management of real estate investment targets
- ❑ Building up a structure that contributes to the benefit of our client investors by reinforcing our internal management systems
- ❑ Aiming to improve the efficiency of the asset management operations within the Group

The Kenedix Group before/after the reorganization

<Before the reorganization>



<After the reorganization (tentative)>



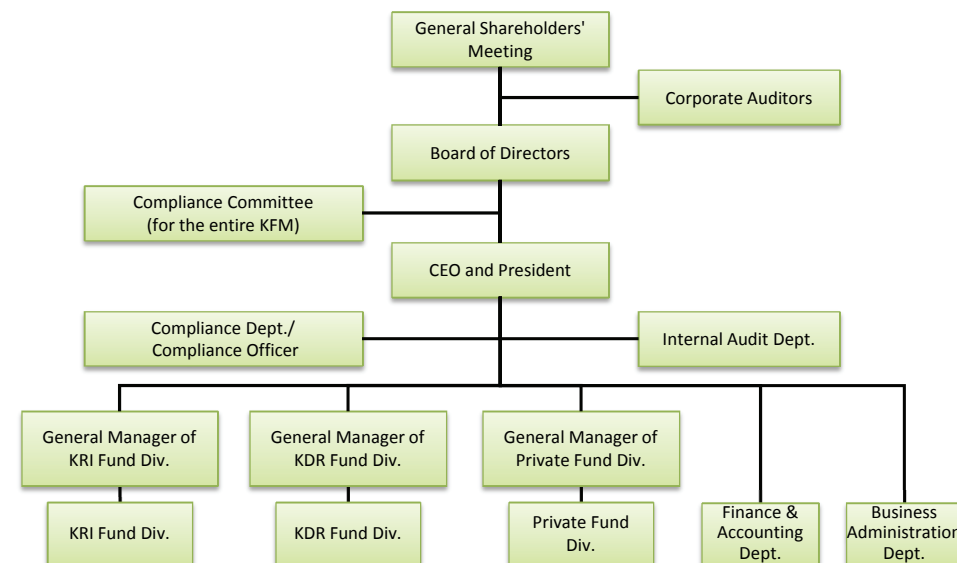
Overview of organizational restructuring

1. Merger between KDA and KDAM
(KDA is to be the surviving corporate entity, KDAM is to be dissolved)
2. Succession of the business by KDX as a result of the KDA corporate split
(Mainly the asset management operations based on investment advisory agreements will be separated off and be succeeded by KDX)
3. The merger of KOP, KRP, and KDA and the change of name to Kenedix Real Estate Fund Management, Inc. (KFM)
(KRP is to be the surviving corporate entity, and KOP and KDA are to be dissolved)

Timetable

Board of Directors meeting to approve the reorganization and Signing of Memorandum of Understanding	Middle of July 2013 (tentative)
Planned implementation date (effective date)	Within six months following October 1, 2013 (tentative)

Organizational Chart of Kenedix Real Estate Fund Management, Inc. (tentative)



This presentation was prepared for the purpose of explaining the business operations and strategies of Kenedix and the Kenedix Group. This is not a solicitation to invest in Kenedix. Although Kenedix has carefully checked the contents of this presentation, Kenedix makes no guarantee whatsoever concerning the accuracy, usefulness or suitability of this information. In addition, the contents of this presentation may be revised at any time without prior notice. This presentation includes forecasts, outlooks, goals, plans and other forward-looking statements about results of operations, the financial condition and other aspects of the operations of Kenedix and the Kenedix Group. These statements are based on current forecasts, beliefs, assessments and other items. Furthermore, certain assumptions are used to prepare forecasts, outlooks, goals, plans and other statements concerning the future. Due to the nature of these statements and assumptions, there is no assurance that these statements will match future events. In addition, these statements may be inaccurate from an objective standpoint and future results of operations may differ greatly from these statements. There are many uncertainties and risk factors that may cause these differences. Please refer to the latest materials released by Kenedix for information about items that are regarded as possible major risk factors at this time. Kenedix holds the copyright to this presentation unless specifically designated otherwise.