

July 17, 2013

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Stock code: 4321  
Listing: First Section, Tokyo Stock Exchange  
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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 Revenue from New Asset Management and Other Businesses,  
and Revision to Full-year Forecast**

Kenedix, Inc. expects to record revenue from undertaking new asset management business and is announcing a revision to the consolidated forecast for 2013. Details are as follows.

1. Revenue from new asset management and other businesses

(1) Summary

Kenedix expects to receive an acquisition fee of approximately 0.6 billion yen in association with the decision on July 17, 2013 by Kenedix Residential Investment Corporation, which is managed by Kenedix consolidated subsidiary Kenedix Residential Partners, Inc., to purchase properties. These properties include Regalo Higashizakura, a residential property that is owned by Kenedix and is mentioned in the news release dated today titled "Notice of Extraordinary Loss on Sale of Fixed Assets and Partnership Distribution Loss."

(2) Impact on operating results

Kenedix expects to record revenue of about 0.6 billion yen in the third quarter of 2013 because of this new asset management business. As a result, Kenedix has revised its forecast for 2013. For more details, please refer to Item "2. Forecast revision."

## 2. Forecast revision

### (1) Summary

On July 17, 2013, Kenedix has made the following revision to its consolidated forecast for 2013 that was announced on February 14, 2013.

### (2) Revision to the consolidated forecast for 2013 (from January 1 to December 31, 2013)

(Millions of yen)	Revenue	Operating income	Ordinary income	Net income	Net income per share (Yen)
Previous forecast (A)	16,800	4,550	2,900	1,000	4.36
Revised forecast (B)	18,200	5,800	3,700	1,500	6.55
Change in amount (B – A)	1,400	1,250	800	500	
Percentage change (%)	8.3%	27.5%	27.6%	50.0%	
Reference: Results for the previous fiscal year (January 1 – December 31, 2012)	20,957	5,837	2,328	-10,128	-44.20

\* Net income per share is based on the number of shares outstanding following the 1-to-100 share split that took place on July 1, 2013.

## 3. Reason for the revision

Due to the expected receipt of an acquisition fee associated with the properties to be purchased by Kenedix Residential Investment Corporation and for other reasons as stated in Item 1 above, the asset management business is performing well in 2013. In addition, as was announced on July 2, 2013 in a news release titled “Notice of Change in Subsidiary and Acquisition of Properties,” Kenedix expects an increase of operating income for acquiring four residential properties using the company’s balance sheet. However, as is explained in the news release dated today titled “Notice of Extraordinary Loss on Sale of Fixed Assets and Partnership Distribution Loss,” Kenedix also expects to record cost of revenue and an extraordinary loss resulting from the sale of a residential property and other actions.

Kenedix originally planned to make about 5 billion yen of principal investments during 2013. However, in part because of an improvement in the real estate investment environment in Japan, Kenedix has already made many investments this year. These investments include the joint development of a logistics facility, a joint investment in a large office building in Tokyo and the acquisition of additional real estate in the Roppongi district of Minato-ku, Tokyo. To even better position the Kenedix Group for growth, the limit on cumulative investments in 2013 using Kenedix’s own account has been increased to about 6 billion yen.

Based on a reexamination of upcoming performance in 2013 in association with these events and decisions, Kenedix has revised its consolidated forecast for 2013.

### 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 Company. 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 Company 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.