

July 23, 2013

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, CEO & President
Stock code: 4321
Listing: First Section, Tokyo Stock Exchange
Contact: Masahiko Tajima, Executive Officer,
General Manager of Corporate
Planning Department

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 Expenses Resulting from Change in Subsidiary and Acquisition of Property

The Board of Directors of Kenedix, Inc. approved a resolution on July 23, 2013 to make a silent partnership (tokumei kumiai "TK") investment in Godo Kaisha KRF41, which is a special-purpose company (SPC). Effective from the current fiscal year KRF41 will be a consolidated subsidiary.

1. Overview

KRF41 will use funds from the TK investment by Kenedix to acquire the real estate trust beneficiary interests of a trust that owns an office building in the city of Kawasaki in Kanagawa prefecture.

2. Reason

The purpose is to increase earnings opportunities for principal investments using the Kenedix Group's balance sheet.

3. Overview of KRF41

(1) Name	Tokumei Kumiai KRF41 Operator: Godo Kaisha KRF41	
(2) Location	2-9 Shinbashi 2-chome, Minato-ku, Tokyo (address of operator)	
(3) Representative	Representative Partner: Ippan Shadan Hojin KRF Executor: Tadatsugu Ishimoto	
(4) Business	Purchasing, holding, disposing, etc. of real estate or real estate trust beneficiary interests	
(5) Established	June 3, 2013	
(6) Capital	1 million yen	
(7) Relationships between KRF41 and Kenedix	Capital	Not applicable.
	Personnel	Not applicable.
	Business	Not applicable.
(8) Results of operations and financial condition for the last three years	No figures are shown because KRF41 was established in June 2013.	

4. Investment ratio in silent partnership

	Before the change	After the change
Kenedix investment in silent partnership	-	1,190 million yen
Ratio of Kenedix investment in silent partnership	-	100%

