

January 14, 2014

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 Sub-leasing Agreement and Associated Expenses

The Board of Directors of Kenedix, Inc. approved a resolution on January 14, 2014 to sign a sub-leasing agreement as follows.

1. Overview

Kenedix has decided to sign a sub-leasing agreement for the vacant sections of an office building in Tokyo that Kenedix is managing.

2. Reason for the purchase

For the purpose of increasing sub-leasing business opportunities, as well as maintaining and raising assets under management, which is one goal of the current medium-term management plan.

3. Outlook

There is no impact on the 2013 results.

Kenedix expects that rents based on the sub-leasing agreement will result in cost of revenue of about 0.1 billion yen in 2014. Kenedix plans to announce the 2014 forecast with the announcement of 2013 results of operations (scheduled for February 14, 2014).

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.