

January 22, 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 Assets Under Management at the End of December 2013

As noted below, there was a net decrease of about 1.0 billion yen in the assets under management (AUM) at the Kenedix Group during the fourth quarter of 2013. This resulted in the total AUM balance of 1.2 trillion yen as of December 31, 2013.

Growth in AUM (Billions of Yen)

	Acquisitions	Dispositions	Net Increase (Decrease)	AUM at End of Period
FY2012	-	-	-	1,117.7
Q1 FY2013	46.5	37.2	9.2	1,127.0
Q2 FY2013	73.1	39.3	33.8	1,160.9
Q3 FY2013	69.0	22.5	46.4	1,207.3
Q4 FY2013	44.4	45.4	(1.0)	1,206.3
Cumulative Total	233.1	144.5	88.5	1,206.3

Major New Acquisitions in 4Q

Property Category	Location	Investor	Asset Size ^{*1}	Initial Kenedix Investment (Investment ratio)
Hotel	Nationwide	Foreign investor	Medium-scale	-
Retail facility	Tokyo	Domestic investor	Small-scale	About ¥0.3 billion (Mezzanine loan)
Retail facility	Hyogo	Foreign investor	Small-scale	-
Office, residential, etc. ^{*2}	Nationwide	Kenedix, Inc.	Medium-scale	About ¥2.5 billion (99%)

*1: Asset size is based on the total acquisition cost of each portfolio.

Small-scale: under ¥5bn Medium-scale: ¥5bn-¥10bn Large-scale: over ¥10bn

*2: Properties held by the subsidiary Space Design, Inc.

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.