

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 Partial Amendments to the Articles of Incorporation (Change in Address of Head Office) and Reduction of Capital Reserve and Appropriation of Surplus**

The Board of Directors of Kenedix, Inc. approved a resolution on February 25, 2014 to submit following proposals at the Company's 19th Ordinary General Meeting of Shareholders to be held on March 26, 2014: "Partial amendments to the Articles of Incorporation (Change in Address of Head Office)" and "Reduction of capital reserve and appropriation of surplus."

1. Partial amendments to the Articles of Incorporation (Change in Address of Head Office)

(1) Objective

Streamline operations.

(2) Description

The location of the head office will be changed from Tokyo's Minato-ku, as stated in Article 3 of the current Articles of Incorporation (Head Office Location), to Chuo-ku.

(3) Schedule

Resolution date for shareholders' meeting	March 26, 2014 (planned)
Effective date	March 26, 2014 (planned)

2. Reduction of capital reserve and appropriation of surplus

(1) Objective

The Company proposes to reduce the capital reserve to cover the deficit in retained earnings carried forward for the purpose of securing flexibility and mobility of its financial strategy going forward and to make possible an early resumption of dividend payments.

(2) Details

I. Reduction in amount of capital reserve

In accordance with the provisions of Paragraph1, Article 448 of the Companies Act, the Company will reduce the capital reserve by 11,714,250,268 yen and transfer an equivalent amount to other capital surplus.

- Amount of capital reserve to be reduced  
 Capital reserve: 11,714,250,268 yen (out of 40,496,497,868 yen)  
 Amount of capital reserve after reduction: 28,782,247,600 yen

## II. Appropriation of surplus

In accordance with the provision of Article 452 of the Companies Act, the full amount of 11,714,250,268 yen in other capital surplus following the transfer described in (1) will be transferred to retained earnings carried forward to cover the deficit.

- Reducing item and amount (change to original)  
Other capital surplus: 11,714,250,268 yen
  
- Increasing item and amount (change to original)  
Retained earnings carried forward: 11,714,250,268 yen

### (3) Schedule

Board of Directors' resolution	February 25, 2014
Resolution date for shareholders' meeting	March 26, 2014 (planned)
Effective date	March 27, 2014 (planned)

\* There is no procedure for creditors to submit objections because this reduction in amount of capital reserve is applicable to the proviso to Article 449, Paragraph 1 of the Companies Act.

### (4) Outlook

This reduction in the capital reserve and appropriation of surplus involves transfers of amounts within net asset items in the non-consolidated balance sheet. There is no change in the total amount of net assets and no effect on consolidated and non-consolidated results of operations.

#### **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.