

July 11, 2014

Company name: Kenedix, Inc.  
Representative: Taisuke Miyajima, CEO & President  
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 Assets Under Management at the End of June 2014

The Kenedix Group's assets under management (AUM) totaled 1,252 billion yen at the end of the second quarter of 2014 (as of the end of June 2014). Details are as follows.

Growth in AUM\*

(Billions of Yen)

	Acquisitions	Dispositions	Net Increase (Decrease)	AUM at End of Period
FY2013	-	-	-	1,206.3
Q1 FY2014	157.8	93.1	64.7	1,271.0
Q2 FY2014	31.0	49.3	(18.2)	1,252.7
Cumulative Total	188.9	142.5	46.4	

\*Note: Including internal transactions between funds managed by the Kenedix Group

In the second quarter of 2014, the Group succeeded in increasing AUM by approximately 31.0 billion yen mainly due to the purchase of properties by a new fund for office buildings and J-REITs. On the other hand, there was a decrease of 49.3 billion yen in AUM as sales of properties continued to progress steadily.

The Group will continue responding with flexibility to changes in the favorable market conditions and selling properties with greater speed, while at the same time maintaining steady growth in AUM.

Major New Acquisitions in the Second Quarter (External transaction)

Property Category	Location	Investor	Asset Size <sup>*1</sup>
Office building	Tokyo	Kenedix Office Investment Corporation	Small-scale
Three office buildings	Tokyo	Foreign institutional investor	Small-scale

\*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

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 Office Investment Corporation, Kenedix Residential Investment Corporation, Japan Logistics Fund, Inc. and Kenedix Private Investment Corporation) 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.