

March 13, 2018

Company name: Kenedix, Inc.
Representative: Taisuke Miyajima, President & CEO
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 Sale of Equity-method Affiliate Stock and
Termination of Logistics Real Estate Acquisition Support Agreement**

Kenedix, Inc. signed an agreement today to sell part of its investment in Mitsui & Co., Logistics Partners Ltd. (“MLP”), an equity-method affiliate of Kenedix, to Mitsui & Co. Asset Management Holdings Ltd. (“MAH”). In addition, the logistics real estate acquisition support agreement signed on March 18, 2005 by Kenedix, MLP and Japan Logistics Fund, Inc., which outsources the management of its assets to MLP, has been terminated by mutual consent on March 13, 2018.

1. Overview

After discussions between Kenedix and MAH, the largest shareholder of MLP, about this cooperative framework, Kenedix reached the decision to sell part of its MLP stock to MAH. After the sale, MLP will no longer be an equity-method affiliate. In conjunction with this sale, the logistics real estate acquisition support agreement, which was signed on March 18, 2005, was terminated by mutual consent on March 13, 2018. Logistics facility fund activities will continue at Kenedix by using private and other funds to be established by Kenedix or its subsidiaries.

2. Number of shares to be sold and MLP shares held before and after the sale

Number of shares held before the sale	1,200 shares
Number of shares to be sold	600 shares
Number of shares held after the sale	600 shares

3. Schedule

Contract signing date	March 13, 2018
Transaction closing date	March 13, 2018

4. Outlook

Kenedix expects to record extraordinary income of approximately 0.8 billion yen resulting from this transaction in 2018. There is no change in the 2018 consolidated forecast announced on February 9, 2018. An announcement will be made promptly if a forecast revision is needed due to changes in the operating environment, real estate market or results of operations.

Cautionary Statement Concerning Forward-Looking Information

This press release contains forward-looking statements that may include “intends,” “will” and other similar words and phrases, statements regarding the intent, belief, strategy, plans or current expectations of Kenedix. 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. Kenedix has no obligation to update forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law.