

Kenedix Office Investment Corporation

KENEDIX
Office Investment Corporation

22nd Period Results (Ended April 2016)

June 14, 2016

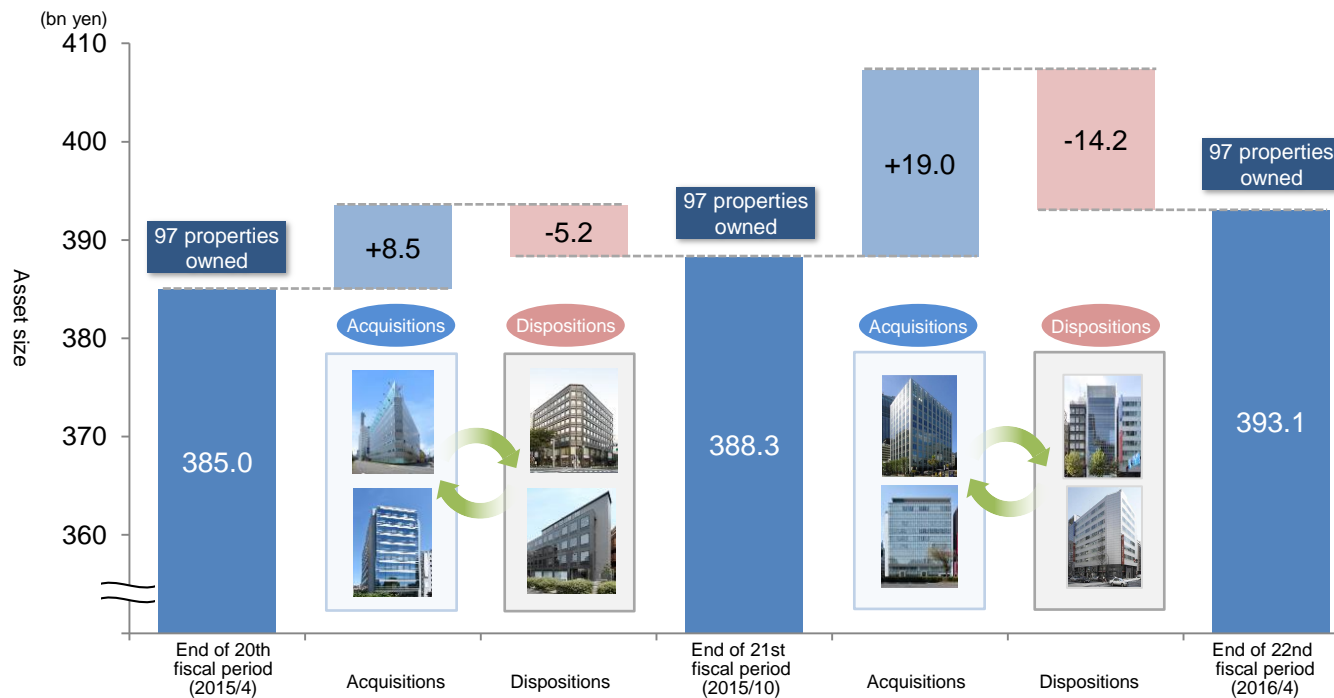
Updated presentation material for 22nd fiscal period

<Amended part>

P13: Amended the numerical value for "End of 22nd fiscal period (2016/4)" in a table of "Office building rent gap".

Track record and effect of property acquisitions and dispositions

- Rejuvenate portfolio, strengthen financial base and secure upside potential of earnings through dynamic acquisitions/disposition



	End of 20th fiscal period (2015/4)	Acquisitions	Dispositions	End of 21st fiscal period (2015/10)	Acquisitions	Dispositions	End of 22nd fiscal period (2016/4)
Average building age (Note 1)	22.1 years	26.3 years	37.6 years	22.5 years	3.8 years	45.7 years	21.2 years
NOI yield (Note 2)	4.5%	4.1%	2.7%	4.5%	4.1%	3.8%	4.4%
Office building rent gap (Note 3)	+3.1%	-10.7%	+38.6%	+0.0%	-6.1%	+21.3%	-1.9%
Appraisal profit/loss of portfolio (Note 4)	+1.9bn yen	+0.35bn yen	-0.48bn yen	+10.9bn yen	+0.75bn yen	+0.03bn yen	+17.4bn yen
Reserve for reduction entry	1.15bn yen	+0.39bn yen		1.54bn yen	+0.48bn yen		2.02bn yen

Achievement in 1 year	
-0.9 years	Lowering of age of properties
Expecting improvement in profitability with the leasing of KDX Iidabashi Square and increased potential of upward rent revisions	
+15.5bn yen	Strengthened financial base
+0.87bn yen	

Note 1: The average building age of the acquired/disposed properties is the weighted average of the acquired/disposed properties, as of the acquisition/disposition dates, based on their acquisition price (truncated to the first decimal place).

Note 2: The NOI yield for the properties acquired in the 21st fiscal period (2015/10) represents the weighted average of the actual NOI for the 22nd fiscal period based on the acquisition price; the NOI yield for the properties acquired in the 22nd fiscal period (2016/4) represents the weighted average of the NOI after adjustment for extraordinary factors for the year of the acquisition estimated by the Asset Management Company, based on the acquisition price; the NOI yield for the disposed properties represents the weighted average of the annualized actual NOI for the fiscal period which includes the date of disposition, based on the acquisition price (rounded to the first decimal place).

Note 3: The rent gap for the acquired properties represents the weighted average of the rent gap at the end of the fiscal period in which the properties were acquired based on the leasable area; the rent gap for the disposed properties represents the weighted average of the rent gap at the end of the latest fiscal period before disposition date based on the leasable area (rounded to the first decimal place), showing to what extent the tenant contract rent exceeds the market rent.

Note 4: The appraisal profit/loss of acquired properties is calculated by subtracting the total book value from the total appraisal value as of the end of 22nd fiscal period (2016/4); the appraisal profit/loss of disposed properties is calculated by subtracting the total book value from the total appraisal value as of the end of previous fiscal period before dispositions.