

Translation of Japanese Original

April 20, 2023

To All Concerned Parties

REIT Issuer:
Kenedix Office Investment Corporation
Hiroaki Momoi, Executive Director
(Securities Code: 8972)

Asset Management Company:
Kenedix Real Estate Fund Management, Inc.
Hikaru Teramoto, President & CEO

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Notice Concerning Sale of Investment Asset (Silent Partnership Equity Interest)

Kenedix Office Investment Corporation (“the Investment Corporation”) announced today, that Kenedix Real Estate Fund Management, Inc. (“the Asset Management Company”), the Asset Management Company for the Investment Corporation, decided to sell the following assets (“the Sale”).

1. Outline of the Sale

(1) Asset Name	G. K. KRF43 Silent Partnership Equity Interest (50.0% equity interest) (Note 1) (Note 2)	G. K. KRF43 Silent Partnership Equity Interest (50.0% equity interest) (Note 1) (Note 2)
(2) Type of Property to be Sold	Equity interest in silent partnership investing in real estate in trust beneficiary interest (the “Beneficiary Interest”) (Note 1)	
(3) Real Estate in Trust	Shinjuku Sanei Building (“the Property”)	
(4) Anticipated Sale Price (Note 3)	1,150 million yen	1,150 million yen
(5) Assumed Book Value (Note 4)	538 million yen	538 million yen
(6) Difference between Anticipated Sale Price and Assumed Book Value: (4)-(5) (Note 5)	611 million yen	611 million yen
(7) Buyer	Not disclosed (non-related party)	Not disclosed (non-related party)
(8) Brokerage	No	No
(9) Date of Contract	April 20, 2023	April 20, 2023
(10) Scheduled Date of Sale	May 31, 2023	December 20, 2023
(11) Use of Proceeds	Cash on hand	Cash on hand
(12) Settlement Method	Payment in full on settlement	Payment in full on settlement

Note 1: The asset is a silent partnership interest in a silent partnership operated by G.K. KRF 43 (“the G.K.”).

Note 2: The silent partnership equity interest, date of sale contract and scheduled sale date, which are specified in each sale contract, are shown.

Note 3: Sale costs and distributions payable are excluded. (Amounts are truncated to the nearest unit. The same applies below.)

Note 4: Assumed book value is as of scheduled date of contract excluding distributions payable.

Note 5: Figures are referential amount, calculated as a difference between anticipated sale price and assumed book value, and different from gain or loss on sale.

2. Reason for the Sale

The Investment Corporation seeks to enhance the quality of the portfolio by arranging reshuffles and sales of properties before potential deterioration in asset profitability. Moreover, a comprehensive consideration of the present and future portfolio structural objectives, the real estate market trends, and the characteristic assessment of

properties within the portfolio are conducted, while engaging in acquisitions of properties according to management strategies.

Although the subject assets were acquired with an additional acquisition on the horizon, there have been changes thereafter in the member composition of the silent partnership and circumstances surrounding the Property. Comprehensively taking into account the possibility of increases in costs associated with the Property in the future and the situation of the leasing market in the area where the Property is located, among other things, the Asset Management Company decided on the Sale because the anticipated sale price significantly higher than the book value was offered, despite the stable distributions currently received.

3. Overview of the Silent Partnership Equity Interest

Name of Operator	G.K. KRF 43								
Silent Partnership Agreement Valid Until	March 31, 2024								
Total Amount of Silent Partnership Equity Interest ^(Note 1)	4.1 billion yen Of the above amount, amount of contribution of the Investment Corporation: 1,107 million yen (27.0%)								
Overview of the Silent Partnership Agreement	The outline of the silent partnership is as follows.								
	As of November 30, 2022								
	G.K. KRF43								
	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">(Assets)</td> <td style="width: 50%; text-align: center;">(Liabilities)</td> </tr> <tr> <td style="text-align: center;">Trust beneficiary interest in real estate, etc. ^(Note 2): 13.0 billion yen</td> <td style="text-align: center;">Non-recourse loan, etc.: 8.7 billion yen</td> </tr> <tr> <td></td> <td style="text-align: center;">(Equity)</td> </tr> <tr> <td></td> <td style="text-align: center;">Net assets including silent partnership equity interest, etc.: 4.3 billion yen</td> </tr> </table>	(Assets)	(Liabilities)	Trust beneficiary interest in real estate, etc. ^(Note 2) : 13.0 billion yen	Non-recourse loan, etc.: 8.7 billion yen		(Equity)		Net assets including silent partnership equity interest, etc.: 4.3 billion yen
(Assets)	(Liabilities)								
Trust beneficiary interest in real estate, etc. ^(Note 2) : 13.0 billion yen	Non-recourse loan, etc.: 8.7 billion yen								
	(Equity)								
	Net assets including silent partnership equity interest, etc.: 4.3 billion yen								
Notes:									
<p>1. As for the total amount of silent partnership equity interest, the Investment Corporation has invested 1,107 million yen (27.0%). Furthermore, two Japanese general business corporations have invested 1,640 million yen (40.0%) and 1,353 million yen (33.0%) respectively in the silent partnership.</p> <p>2. The appraisal value, calculated by multiplying the value indicated by the income approach of the entire building by co-ownership interest as of January 31, 2023 is 15.0 billion yen. Please refer to “4. Details of the Beneficiary Interest” below for the overview of the Property.</p>									
Calculation period:									
<p>The 3 months commencing March 1 through May 31, June 1 through August 31, September 1 through November 30 and December 1 through end of February next year of each year. Furthermore, the final calculation period shall commence on the day after the last day of the calculation period immediately before the termination date of the Silent Partnership Agreement through the termination date of the Silent Partnership Agreement.</p>									

	Distribution of profit or loss: Profit or loss during each calculation period shall be distributed to respective silent partner according to their investment ratio.
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4. Details of the Beneficiary Interest

Property Name		Shinjuku Sanei Building ^(Note 1)
Type of Specified Asset		Trust beneficiary interest in real estate
Trustee		Mizuho Trust & Banking Co., Ltd.
Trust Term		March 31, 2014 to March 31, 2029
Location (Address)		1-22-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Usage		Offices, Retail, Storage, Parking
Type of Structure		Steel-frame, steel-frame reinforced concrete, reinforced concrete structure; 2 underground and 15 above-ground floors
Site Area	Land	1,815.44 m ² ^(Note 1)
	Building (Total Floor Area)	31,136.24 m ² ^{(Note 1) (Note 2)}
Type of Ownership	Land	Proprietary ownership (ownership area ratio 59.2%) ^(Note 1)
	Building	Proprietary ownership (co-ownership ratio 59%) ^(Note 1)
Completion Date		December 10, 1979
Appraisal	Appraisal Value	15,000 million yen ^(Note 3)
	Base Date for Appraisal	January 31, 2023
	Appraiser	Not disclosed ^(Note 4)
Number of End Tenants		31 (As of February 28, 2023. The same applies below.)
Total Leasable Floor Area		12,112.55 m ² ^(Note 5)
Total Leased Floor Area		12,112.55 m ² ^(Note 5)
Occupancy Ratio		100%
Monthly Rental Income (Excluding Consumption Tax)		74,925 thousand yen ^{(Note 6) (Note 7)}
Security and Guarantee Deposit		690,456 thousand yen ^{(Note 6) (Note 7)}
Other	<p>Notes:</p> <ol style="list-style-type: none"> The trustee holds the ownership of 1,815.44 m² out of 3,062.86 m² of total site area and co-ownership of the building (co-ownership ratio 59%). The remaining 1,247.42 m² out of the total site area is held by the Japanese general corporation (“the other co-owner”), the co-owner of the building. Furthermore, the trustee and the other co-owner made mutual consent to access each other’s land as the building’s premises. The indicated figure is for total floor area of entire building. Remaining co-ownership (co-ownership ratio 41%) is hold by the other co-owner. The appraisal value, calculated by multiplying value indicated by income approach of the entire building by co-ownership interest, is shown. The information is not disclosed based on a notification from the appraisal company that information disclosure by indicating the name of the relevant company is difficult because the content of the appraisal of the Property is limited to certain related parties. The total leasable floor area or the total floor area of the entire building are allocated proportionally based on the ratio of co-ownership interest of trustee. Regarding end tenants who were lessees as of February 28, 2023, the aggregate amount of monthly rent and common service charge specified in the lease contract and the aggregate 	

	<p>amount of lease and guarantee deposits specified in the lease contract are allocated proportionally based on the ratio of co-ownership interest of trustee.</p> <p>7. Monthly rental income and guarantee deposit information is exclusive of parking amounts, cost of utilities and other revenues and is rounded down to the nearest thousand.</p>
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5. Buyer's Profile

The buyer is not disclosed because the consent of the buyer has not been obtained regarding the company name and other information. In addition, there is no special capital relationship, no special personnel relationship or no special business relationship between the Investment Corporation or the Asset Management Company and the buyer. Furthermore, the buyer is neither a related party, etc. as defined in the Investment Trusts and Investment Corporations Law ("the Investment Trust Law") nor a related party as defined in the Office REIT Department Related-party Transaction Rules of the Asset Management Company.

6. Details of Brokerage

Not applicable.

7. Related-party Transaction

The sale of the Property does not constitute the related-party transaction.

8. Date of the Sale

	G. K. KRF43 Silent Partnership Equity Interest (50.0% equity interest)	G. K. KRF43 Silent Partnership Equity Interest (50.0% equity interest)
Determination Date of the Sale and Date of Contract	April 20, 2023	April 20, 2023
Settlement and Sale Date	May 31, 2023 (Scheduled)	December 20, 2023 (Scheduled)

Note: The contract on the transfer of status as a member, etc. of the silent partnership (the "Sale Contract") regarding the Sale qualifies as a forward commitment of the Investment Corporation as stipulated in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set forth by the Financial Services Agency. The Sale Contract stipulates that a penalty charge in the event of a violation of the provisions of the Sale Contract by the Investment Corporation or the purchaser is an amount equivalent to 10% of the sale price.

9. Outlook

In the Sale, the difference between anticipated sale price and assumed book value is 611 million yen both in the periods ending in October 31, 2023 and April 30, 2024, and even taking other expenses related to the Sale into consideration, a gain on the sale of securities is expected to occur. Currently, the entire amount of a gain on the sale of securities that arises because of the Sale is planned to be used as distributions, and accordingly, the Investment Corporation will revise the amount of partial reversal of retained earnings for the fiscal period ending October 31, 2023, which was assumed in the Financial Report for the Fiscal Period Ended October 31, 2022 (REIT). The Investment Corporation plans to announce details of the impact on distributions including this amended amount from the fiscal period ending April 30, 2023 (from November 1, 2022 to April 30, 2023) in "Financial Report for The Fiscal Period Ended April 30, 2023 (REIT)" dated June 13, 2023.

Attached Material

Reference Material : Property Portfolio after the Sale

The Investment Corporation's website: <https://www.kdo-reit.com/en/>

This notice is the English translation of the Japanese announcement on our website released on April 20, 2023. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Reference Material

Property Portfolio after the Sale

As of December 20, 2023

Type of Use	Area	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)	Date of Acquisition (Note 2)
Office Buildings (Mid-size)	5 Central Wards of Tokyo	KDX Hamamatsucho Place	Minato-ku, Tokyo	20,700	4.6%	July 2, 2018
		KDX Shinbashi Ekimae Building	Minato-ku, Tokyo	16,300	3.6%	June 30, 2020
		KDX Toranomon 1chome Building	Minato-ku, Tokyo	14,616	3.2%	March 30, 2016
		KDX Harumi Building	Chuo-ku, Tokyo	10,250	2.3%	June 30, 2008
		KDX Edobashi Building	Chuo-ku, Tokyo	9,600	2.1%	June 30, 2022
		KDX Nishi-Shinbashi Building	Minato-ku, Tokyo	8,400	1.9%	February 1, 2017
		Hiei Kudan-Kita Building	Chiyoda-ku, Tokyo	7,600	1.7%	February 1, 2008
		KDX Shinjuku Building	Shinjuku-ku, Tokyo	6,800	1.5%	February 18, 2010
		KDX Ochanomizu Building	Chiyoda-ku, Tokyo	6,400	1.4%	April 2, 2007
		KDX Shiba-Daimon Building	Minato-ku, Tokyo	6,090	1.3%	March 1, 2007
		KDX Kojimachi Building	Chiyoda-ku, Tokyo	5,950	1.3%	November 1, 2005
		KDX Nihonbashi 313 Building	Chuo-ku, Tokyo	5,940	1.3%	August 1, 2005
		KDX Takanawadai Building	Minato-ku, Tokyo	5,250	1.2%	November 19, 2013
		KDX Idabashi Building	Shinjuku-ku, Tokyo	4,670	1.0%	July 22, 2011
		KDX Ebisu Building	Shibuya-ku, Tokyo	4,640	1.0%	May 1, 2006
		Higashi-Kayabacho Yuraku Building	Chuo-ku, Tokyo	4,450	1.0%	August 1, 2005
		KDX Idabashi Square	Shinjuku-ku, Tokyo	4,350	1.0%	January 10, 2014
		KDX Ginza 1chome Building	Chuo-ku, Tokyo	4,300	0.9%	November 12, 2010
		KDX Hamamatsucho Center Building	Minato-ku, Tokyo	3,950	0.9%	September 1, 2015
		KDX Shin-Nihonbashi Ekimae Building	Chuo-ku, Tokyo	3,829	0.8%	August 2, 2016
		KDX Shinbashi Building (Note 2)	Minato-ku, Tokyo	3,728	0.8%	May 1, 2006
		KDX Hatchobori Building	Chuo-ku, Tokyo	3,680	0.8%	August 1, 2005
		KDX Ginza East Building	Chuo-ku, Tokyo	3,600	0.8%	March 13, 2015
		KDX Shibuya Nanpeidai Building	Shibuya-ku, Tokyo	3,500	0.8%	August 10, 2017
		KDX Hamamatsucho Building	Minato-ku, Tokyo	3,460	0.8%	May 1, 2006
		KDX Kanda Ekimae Building	Chiyoda-ku, Tokyo	3,300	0.7%	February 7, 2020
		KDX Mita Building	Minato-ku, Tokyo	3,180	0.7%	November 18, 2013
		KDX Higashi-Shinjuku Building	Shinjuku-ku, Tokyo	2,950	0.7%	September 1, 2006
		KDX Kayabacho Building	Chuo-ku, Tokyo	2,780	0.6%	May 1, 2006
		KDX Jimbocho Building	Chiyoda-ku, Tokyo	2,760	0.6%	March 31, 2008
		KDX Hakozaeki Building	Chuo-ku, Tokyo	2,710	0.6%	July 22, 2011
		KDX Akihabara Building	Chiyoda-ku, Tokyo	2,600	0.6%	November 19, 2013
		KDX Yoyogi Building	Shibuya-ku, Tokyo	2,479	0.5%	September 30, 2005
		Harajuku F.F. Building	Shibuya-ku, Tokyo	2,450	0.5%	August 1, 2005
		KDX Kajicho Building	Chiyoda-ku, Tokyo	2,350	0.5%	July 3, 2006
		KDX Hamacho Nakanohashi Building	Chuo-ku, Tokyo	2,310	0.5%	February 1, 2008
		KDX Shinjuku 286 Building	Shinjuku-ku, Tokyo	2,300	0.5%	June 1, 2007
		KDX Minami Aoyama Building	Minato-ku, Tokyo	2,270	0.5%	August 1, 2005
		Nihonbashi Horidomecho First	Chuo-ku, Tokyo	2,200	0.5%	August 19, 2013
		Shin-toshin Maruzen Building	Shinjuku-ku, Tokyo	2,110	0.5%	February 29, 2008
KDX Nihonbashi 216 Building	Chuo-ku, Tokyo	2,010	0.4%	December 1, 2009		
KDX Kanda Kitaguchi Building	Chiyoda-ku, Tokyo	1,950	0.4%	August 1, 2005		
KDX Shinjuku 6-chome Building	Shinjuku-ku, Tokyo	1,900	0.4%	September 13, 2013		
KDX Iwamoto-cho Building	Chiyoda-ku, Tokyo	1,864	0.4%	May 1, 2008		
KDX Nishi-Shinjuku Building	Shinjuku-ku, Tokyo	1,500	0.3%	April 2, 2007		

Type of Use	Area	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)	Date of Acquisition (Note 2)
Office Buildings (Mid-size)	Tokyo Metropolitan Area (excluding 5 Central Wards)	KDX Musashi-Kosugi Building	Kawasaki, Kanagawa	12,000	2.6%	March 20, 2014
		KDX Yokohama Kannai Building	Yokohama, Kanagawa	9,500	2.1%	January 31, 2018
		KDX Yokohama Building	Yokohama, Kanagawa	7,210	1.6%	October 29, 2014
		KDX Fuchu Building	Fuchu, Tokyo	6,120	1.4%	September 21, 2012
		Toshin 24 Building	Yokohama, Kanagawa	5,300	1.2%	May 1, 2006
		KDX Higashi-Shinagawa Building	Shinagawa-ku, Tokyo	4,590	1.0%	July 22, 2011
		KDX Nishi-Gotanda Building	Shinagawa-ku, Tokyo	4,200	0.9%	December 1, 2006
		KDX Ikebukuro Building	Toshima-ku, Tokyo	3,900	0.9%	November 18, 2013
		KDX Takadanobaba Building	Toshima-ku, Tokyo	3,650	0.8%	May 30, 2014
		Koishikawa TG Building	Bunkyo-ku, Tokyo	3,080	0.7%	November 18, 2009
		KDX Kasuga Building	Bunkyo-ku, Tokyo	2,800	0.6%	September 21, 2012
		KDX Yokohama Nishiguchi Building	Yokohama, Kanagawa	2,750	0.6%	December 2, 2014
		KDX Gotanda Building	Shinagawa-ku, Tokyo	2,620	0.6%	November 18, 2009
		KDX Nakano-Sakaue Building	Nakano-ku, Tokyo	2,533	0.6%	August 1, 2005
		KDX Shin-Yokohama Building	Yokohama, Kanagawa	2,520	0.6%	May 1, 2006
		KDX Funabashi Building	Funabashi, Chiba	2,252	0.5%	March 1, 2006
		BR Gotanda	Shinagawa-ku, Tokyo	2,200	0.5%	April 5, 2017
		KDX Omiya Building	Saitama, Saitama	2,020	0.4%	March 26, 2013
		KDX Okachimachi Building	Taito-ku, Tokyo	2,000	0.4%	March 1, 2007
		KDX Ikebukuro West Building	Toshima-ku, Tokyo	1,934	0.4%	September 3, 2014
		KDX Nakameguro Building	Meguro-ku, Tokyo	1,880	0.4%	September 21, 2012
		KDX Monzen-Nakacho Building	Koto-ku, Tokyo	1,400	0.3%	January 19, 2007
		KDX Tachikawa Ekimae Building	Tachikawa, Tokyo	1,267	0.3%	December 26, 2011
		KDX Hachioji Building	Hachioji, Tokyo	1,155	0.3%	March 1, 2007
	Other Regional Areas	KDX Nagoya Sakae Building (Note 2)	Nagoya, Aichi	7,550	1.7%	April 25, 2008
		KDX Nagoya Ekimae Building	Nagoya, Aichi	7,327	1.6%	December 26, 2011
		KDX Sendai Honcho Building	Sendai, Miyagi	6,360	1.4%	April 28, 2022
		KDX Sakura-dori Building	Nagoya, Aichi	5,900	1.3%	January 9, 2015
		KDX Karasuma Building	Kyoto, Kyoto	5,400	1.2%	June 1, 2007
		KDX Tosabori Building	Osaka, Osaka	5,000	1.1%	January 31, 2020
		KDX Hakata-Minami Building	Fukuoka, Fukuoka	4,900	1.1%	February 1, 2008
		KDX Shin-Osaka Building	Osaka, Osaka	4,550	1.0%	September 1, 2015
		KDX Nagoya Nichigin-mae Building	Nagoya, Aichi	3,500	0.8%	March 15, 2016
		KDX Kobe Building	Kobe, Hyogo	3,450	0.8%	August 1, 2022
		KDX Kobayashi-Doshomachi Building	Osaka, Osaka	2,870	0.6%	December 1, 2010
		KDX Higashi Umeda Building	Osaka, Osaka	2,770	0.6%	March 28, 2012
KDX Utsunomiya Building	Utsunomiya, Tochigi	2,350	0.5%	May 30, 2014		
KDX Kitahama Building	Osaka, Osaka	2,220	0.5%	February 1, 2008		
KDX Minami-Honmachi Building	Osaka, Osaka	2,200	0.5%	December 2, 2014		
KDX Sendai Building	Sendai, Miyagi	2,100	0.5%	June 1, 2007		
KDX Sapporo Building	Sapporo, Hokkaido	2,005	0.4%	March 25, 2011		
KDX Sapporo Kitaguchi Building	Sapporo, Hokkaido	1,800	0.4%	July 20, 2017		
KDX Hiroshima Building	Hiroshima, Hiroshima	1,300	0.3%	September 1, 2014		
Total of 88 Office Buildings (Mid-size)				382,461	84.4%	-

Type of Use	Area	Property Name	Location	Acquisition Price (million yen) (Note 1)	Ratio (Note 1)	Date of Acquisition (Note 2)	
Office Buildings (Other)	5 Central Wards of Tokyo	Ginza 4chome Tower	Chuo-ku, Tokyo	9,800	2.2%	August 19, 2013	
		ARK Mori Building	Minato-ku, Tokyo	4,169	0.9%	December 1, 2016	
		Pentel Building (Note 3)	Chuo-ku, Tokyo	3,350	0.7%	March 26, 2015	
	Tokyo Metropolitan Area (excluding 5 Central Wards)	Mitsubishijuko Yokohama Building	Yokohama, Kanagawa	14,720	3.2%	December 7, 2017	
		KDX Chofu Building	Chofu, Tokyo	8,700	1.9%	July 14, 2019	
		KDX Toyosu Grand Square	Koto-ku, Tokyo	8,666	1.9%	May 30, 2014	
	Other Regional Areas	Senri Life Science Center Building	Toyonaka, Osaka	13,000	2.9%	October 15, 2014	
		Portus Center Building	Sakai, Osaka	5,570	1.2%	September 21, 2005	
	Total of 8 Office Buildings (Other)				67,975	15.0%	-
	Total of 96 Office Buildings				450,436	99.4%	Portfolio PML 3.1%
Others	5 Central Wards of Tokyo	Shinjuku 6chome Building (Land)	Shinjuku-ku, Tokyo	2,880	0.6%	April 18, 2014	
		Total of 1 Others Property				2,880	0.6%
Total of 97 Properties				453,316	100.0%	-	

Note 1: The (anticipated) acquisition prices and ratios are rounded down to the nearest million and first decimal place respectively.

Note 2: For the property with multiple acquisition dates due to additional acquisition, etc., the first acquisition date is shown.

Note 3: Building, site and the land for Pentel Building are counted as one property.