

Translation of Japanese Original

September 29, 2017

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
Representative: Akihiro Asano, Executive Director
(Securities Code: 3453)

Asset Manager:
Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, President & CEO
Contact: Koichiro Nobata, Head of Planning Division,
Retail REIT Department
TEL: +81-3-5623-3868

Notice Concerning the Execution of Interest Rate Swap Agreement

Kenedix Retail REIT Corporation (“KRR”) announced today its decision to undertake the execution of an interest rate swap agreement regarding the long-term borrowing (Series 17-B) announced on September 27, 2017 in the press release titled “Notice Concerning the Debt Financing (Series 16/Series 17), Execution of Interest Rate Swaps and Early Repayment” as follows.

1. Details of interest rate swap agreement

Series		17-B
Counterparty		Sumitomo Mitsui Trust Bank, Ltd.
Notional amount (million yen)		500
Interest rates	Fixed interest rate for payment	0.28500%
	Floating interest rate for receipt	Base rate (JBA JPY 1-month TIBOR)
Commencement date		October 3, 2017
Termination date		October 3, 2027
Payment date		The first payment will be made at the end of October 2017, and on the last day of every month thereafter, with the last payment on the principal repayment day. (The interest payment will be made on the following business day in case such date falls on a day that is not a business day and the preceding business day in case such date falls in the next calendar month)

Note: By entering into the interest rate swap agreement, the interest rate for Series 17-B is essentially fixed at 1.03500%.

For further details concerning long-term borrowings (Series 17-B) as well as the reasons for our execution of the interest rate swap above, please refer to the KRR’s press release “Notice Concerning the Debt Financing (Series 16/Series 17), Execution of Interest Rate Swaps and Early Repayment” announced on September 27, 2017.

2. Future outlook

There are no changes to the forecasts of financial results of KRR published in the “Financial Report for the Fiscal Period Ended March 31, 2017” dated May 18, 2017 as the impact on the fiscal periods ending September 30, 2017 and March 31, 2018 is minimal.

Note: KRR’s website address: <http://www.krr-reit.com/en>

This notice is the English translation of the Japanese announcement on September 29, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.