KENEDIX
Retail REIT Corporation

Translation of Japanese Original

April 19, 2016

To All Concerned Parties

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

Asset Manager:
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Notice Concerning Debt Financing (Determination of Interest Rate) and Execution of Interest Rate Swap Agreements

Regarding the new debt financing announced on April 18, 2016 in the press release titled "Notice Concerning the Borrowings (Series 6/Series 7) and Execution of Interest Rate Swap", Kenedix Retail REIT Corporation ("KRR") announced today the applicable interest rates for Long-term borrowing (Series 6-D). KRR also announced its decision to undertake the execution of interest rate swap agreements regarding Long-term borrowing (Series 6-B-1, 6-B-2, 6-C and 6-E) as follows.

1. Determination of interest rates

	Lender	Amount	Interest rate	Anticipated borrowing date	Maturity date
Long-term borrowing (Note 1) (Series 6-D)	Development Bank of Japan Inc.	890 million yen	0.76031% (Fixed rate) (Note 2)	April 21, 2016	September 30, 2024

Notes:
1. Long-term borrowing refers to debt financing with a period of more than one year from the borrowing date to the maturity date.
2. The rate is to be applied from April 21, 2016 through September 30, 2024

For details of Long-term borrowing (Series 6-D), please refer to the KRR's press release "Notice Concerning the Borrowings (Series 6/Series 7) and Execution of Interest Rate Swap" announced on April 18, 2016.

2. Details of the interest rate swap agreements

1. Interest rate swap agreement (Series 6-B-1)

Counterparty: SMBC Nikko Securities Inc.
Notional amount: 710 million yen
Interest rates: Fixed interest rate for payment: -0.05400%
Floating interest rate for receipt: base rate (JBA 1-month JPY TIBOR) (Note)
Commencement date: April 21, 2016
Termination date: September 30, 2019

Disclaimer: This press release is not an offer to sell or a solicitation of any offer to buy the securities of KRR in the United States or elsewhere. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the "Securities Act"). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from KRR and that will contain detailed information about KRR and its management, as well as KRR's financial statements. However, KRR will not undertake a public offering and sale of investment units in the United States, and the investment units have not been and will not be registered under the Securities Act.

Payment date:	The first payment will be made at the end of April 2016, and on the last day of every month thereafter, with the last interest payment on September 30, 2019 (The interest payment will be 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 swap agreement, the interest rate for Series 6-B-1 is essentially fixed at 0.36800%.

2. Interest rate swap agreement (Series 6-B-2)

Counterparty:	SMBC Nikko Securities Inc.
Notional amount:	620 million yen
Interest rates:	Fixed interest rate for payment: -0.05400% Floating interest rate for receipt: base rate (JBA 1-month JPY TIBOR) (Note)
Commencement date:	April 21, 2016
Termination date:	September 30, 2019
Payment date:	The first payment will be made at the end of April, 2016, and on the last day of every month thereafter, with the last interest payment on September 30, 2019 (The interest payment will be 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 swap agreement, the interest rate for Series 6-B-2 is essentially fixed at 0.36800%.

3. Interest rate swap transaction (Series 6-C)

Counterparty:	Nomura Securities Co., Ltd.
Notional amount:	450 million yen
Interest rates:	Fixed interest rate for payment: 0.13000% Floating interest rate for receipt: base rate (JBA 1-month JPY TIBOR)
Commencement date:	April 21, 2016
Termination date:	September 30, 2024
Payment date:	The first payment will be made at the end of April 2016, and on the last day of every month thereafter, with the last interest payment on September 30, 2024 (The interest payment will be 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 swap agreement, the interest rate for Series 6-C is essentially fixed at 0.80300%.

4. Interest rate swap transaction (Series 6-E)

Counterparty:	Nomura Securities Co., Ltd.
Notional amount:	2,670 million yen
Interest rates:	Fixed interest rate for payment: 0.18200% Floating interest rate for receipt: base rate (JBA 1-month JPY TIBOR)
Commencement date:	April 21, 2016
Termination date:	April 21, 2026
Payment date:	The first payment will be made at the end of April 2016, and on the last day of every month thereafter, with the last interest payment on April 21, 2026 (The interest payment will be 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 swap agreement, the interest rate for Series 6-E is essentially fixed at 0.93200%.

For details of Long-term borrowings (Series 6-B-1, 6-B-2, 6-C and 6-E) as well as the reasons for our execution

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of the interest rate swaps above, please refer to the KRR's press release "Notice Concerning the Borrowings (Series 6/Series 7) and Execution of Interest Rate Swap" announced on April 18, 2016.

3. Future outlook
   There are no changes to the forecasts of financial results of KRR published in the "Notice Concerning Revisions to Earnings and Distributions Forecasts for the Fiscal Periods Ended March 31, 2016 and Ending September 30, 2016, and Earnings and Distributions Forecasts for the Fiscal Period Ending March 31, 2017" dated March 31, 2016.

Note: KRR's website address: http://www.krr-reit.com/en

This notice is the English translation of the Japanese announcement on April 19, 2016. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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