KENEDIX
Retail REIT Corporation

Translation of Japanese Original

April 20, 2016

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: Ryosuke Homma, CEO and President
Contact: Koichiro Nobata, General Manager of Planning Department, Retail REIT Division
TEL: +81-3-5623-3868

Notice Concerning the Execution of an 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 7-B) announced on April 18, 2016 in the press release titled "Notice Concerning the Borrowings (Series 6/Series 7) and Execution of Interest Rate Swap" as follows.

1. Details of the interest rate swap agreement

Interest rate swap agreement (Series 7-B)

Counterparty:	SMBC Nikko Securities Inc.
Notional amount:	890 million yen
Interest rates:	Fixed interest rate for payment: 0.16100% Floating interest rate for receipt: base rate (JBA 1-month JPY TIBOR) (Note)
Commencement date:	April 22, 2016
Termination date:	October 31, 2025
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 October 31, 2025 (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 7-B is essentially fixed at 0.88800%.

For details of Long-term borrowings (Series 7-B) as well as the reasons for our execution 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.

2. 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 20, 2016. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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.