KENEDIX
Retail REIT Corporation

Translation of Japanese Original

May 11, 2018

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
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Notice Concerning the Change of Retail REIT Department's Organization, and Addition and Change of the Important Employees at the Asset Manager

Kenedix Retail REIT Corporation ("KRR") announced today that the Board of Directors of Kenedix Real Estate Fund Management, Inc. (the "Asset Manager"), the asset manager for KRR, has resolved to change Retail REIT Department's organization. The Asset Manager has also decided to add and change its important employees (collectively, "the Changes"). Details are as follows.
The Changes are intended to apply to Retail REIT Department only and there is no impact on the management structure other than Retail REIT Department.

1. Detail of the Organizational Change

(1) Change of Organization
Regarding Fund Management Division ("Fund Management Div."), Retail REIT Department of the Asset Manager, the Asset Manager changes its organization ("the Organizational Change") with the expansion of assets under management. Details are as follows.

- Divide Fund Management Div. into Asset Management Division ("Asset Management Div."), Retail REIT Department, which is responsible for the asset management of KRR, and Property Management Division ("Property Management Div."), which is responsible for the property management of KRR's properties.

(2) The Reason for the Organizational Change
"Fund Management Div." consists of "Asset Management Team" responsible for the asset management business and "Property Management Team" responsible for the property management business. By using the integrated asset management and property management services of the Asset Manager, KRR aims to strengthen relationships with tenants and make its portfolio more profitable. By the Organizational Change, these teams are planned to be promoted to "Divisions" to deal with the expansion of asset under management of KRR.
Accordingly, the Asset Manager clarifies the operational responsibilities of asset management business and property management business, achieves a further improvement of the investment management business and strengthens the organizational structure of the Asset Manager with promoting the efficiency and facilitation of investment management business.

(3) Organizational Chart of the Asset Manager after the Organizational Change
Please refer to Reference Material 1

(4) Separation of Duties of the Asset Manager after the Organizational Change
Please refer to Reference Material 2

(5) Effective Date
June 1, 2018

2. Addition and Change of Important Employees (Appointment of Division Heads) (as of June 1, 2018)

Name	Position (New)	Position (Old)
Hideaki Kimura	Head of Asset Management Division, Retail REIT Department	Head of Fund Management Division, Retail REIT Department
Jun Suzuki	Head of Property Management Division, Retail REIT Department (Note 2)	-

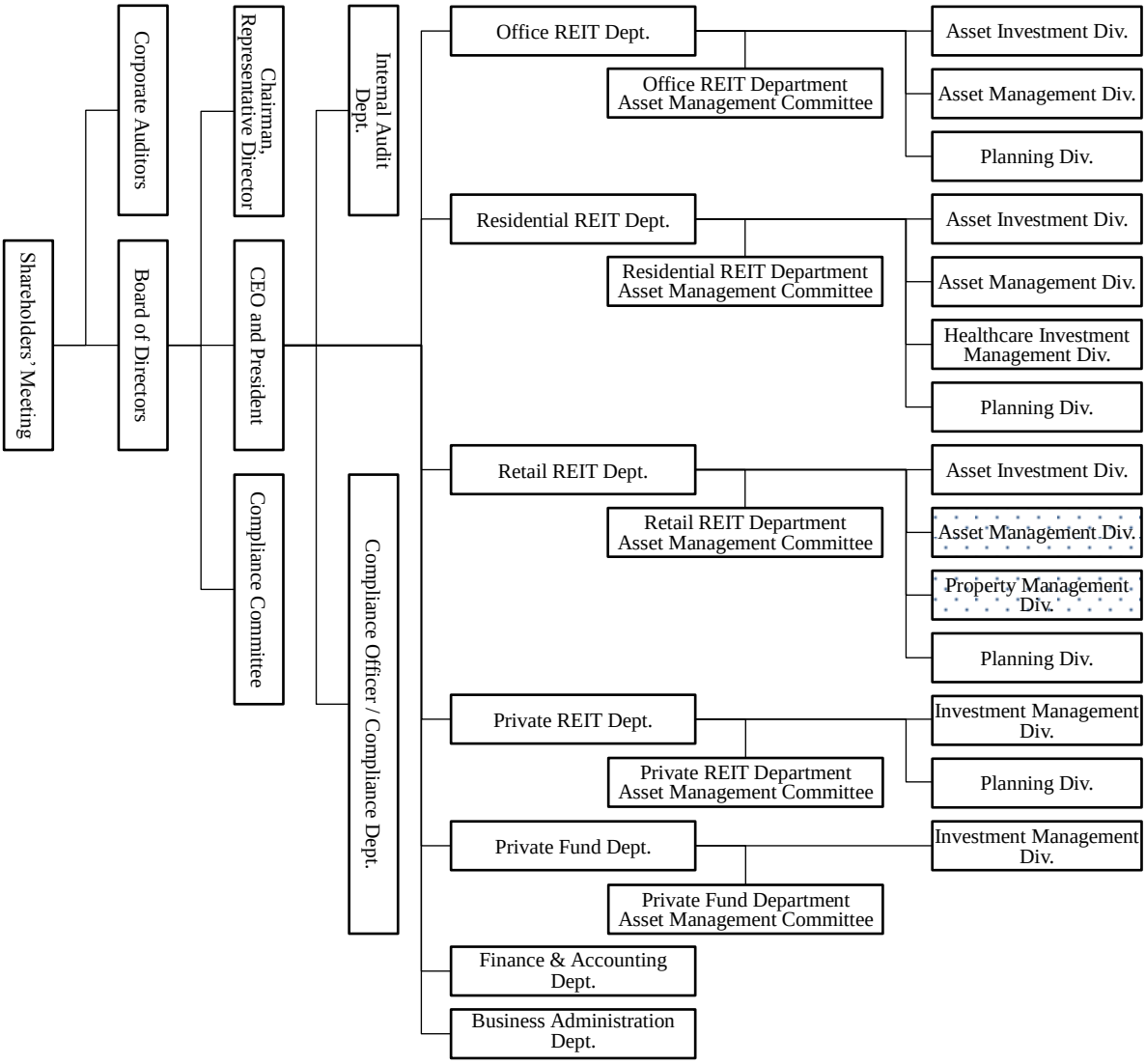
Note 1: Please refer to Reference Material 3 for the brief personal history.
Note 2: Corresponds to the addition of important employee.

Reporting and notifications with regard to the change of important employees will be conducted in accordance with the Financial Instruments and Exchange Law, the Building Lots and Buildings Transaction Business Law, and other applicable laws and regulations.

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

This notice is the English translation of the Japanese announcement on May 11, 2018. However, no assurances or warranties are given for the completeness or accuracy of this English translation.

Reference Material 1.
Organization Chart for the Asset Management Company after the Organizational Change



Reference Material 2.
Separation of Duties of the Asset Manager after the Organizational Change (Underlined parts are amended.)
(Before)

Name of Division	Separation of Duties
Retail REIT Department	Overall Asset Management Business ("KRR Asset Management Business") for KRR a. Asset Investment Division ・Items related to development and changes of KRR Asset Management Guidelines ・Items related to the acquisition and disposal of assets concerning the KRR Asset Management Business ・Items related to individual management of KRR's investment management risks (acquisition and disposal of assets) ・Research and analysis on the real estate market (related to KRR) ・Other incidental items above or related items b. Fund Management Division ・Items related to KRR Asset Management Business related asset management ・Items related to the management of budget and performance of real estate, etc. owned by KRR ・Items related to individual management of KRR investment risks (asset management) ・Items related to lease management for real estate, etc. owned by KRR ・Items related to building management for real estate, etc. owned by KRR ・Items related to cash deposits and withdrawals management for real estate, etc. owned by KRR ・Items related to development and changes of the KRR Property Management Guidelines ・Items related to individual management of the KRR real estate management risks (management) ・Items related to construction management for real estate, etc. owned by KRR ・Items related to individual management of the KRR real estate management risks (construction work) ・Other incidental items above or related items c. Planning Division ・Items related to direct financing such as the issuance of investment units and investment corporation bonds, from items related to fund raising of KRR ・Items related to KRR capital policy ・Items related to development and changes of the KRR medium-term business plan ・Items related to development and changes of the KRR annual business plan ・Items related to KRR IR activities ・Items related to disclosures of KRR (including semi annual report. Only support for Finance & Accounting Department for preparation of securities report and financial report) ・Items related to research and analysis on the real estate investment trust market (related to KRR) ・Items related to KRR's responses to the investors (excluding items related to general unitholders meeting) ・Items related to negotiations, etc. between regulatory authorities (related to KRR) ・Items related to responses, etc. to related organizations (related to KRR) ・Other incidental items above or related items

(After)

Name of Division	Separation of Duties
Retail REIT Department	Overall Asset Management Business ("KRR Asset Management Business") for KRR a.Asset Investment Division ・Items related to development and changes of KRR Asset Management Guidelines ・Items related to the acquisition and disposal of assets concerning the KRR Asset Management Business ・Items related to individual management of KRR's investment management risks (acquisition and disposal of assets) ・Research and analysis on the real estate market (related to KRR) ・Other incidental items above or related items b. Asset Management Division ・Items related to KRR Asset Management Business related asset management ・Items related to the management of budget and performance of real estate, etc. owned by KRR ・Items related to individual management of KRR investment risks (asset management) ・Items related to development and changes of the KRR Property Management Guidelines ・Items related to individual management of the KRR real estate management risks (management) ・Items related to construction management for real estate, etc. owned by KRR (excluding minor constructions) ・Items related to individual management of the KRR real estate management risks (construction work) ・Other incidental items above or related items c. Property Management Division ・Items related to lease management for real estate, etc. owned by KRR ・Items related to building management for real estate, etc. owned by KRR ・Items related to cash deposits and withdrawals management for real estate, etc. owned by KRR ・Items related to minor construction management for real estate, etc. owned by KRR ・Other incidental items above or related items d. Planning Division ・Items related to direct financing such as the issuance of investment units and investment corporation bonds, from items related to fund raising of KRR ・Items related to KRR capital policy ・Items related to development and changes of the KRR medium-term business plan ・Items related to development and changes of the KRR annual business plan ・Items related to KRR IR activities ・Items related to disclosures of KRR (including semi annual report. Only support for Finance & Accounting Department for preparation of securities report and financial report) ・Items related to research and analysis on the real estate investment trust market (related to KRR) ・Items related to KRR's responses to the investors (excluding items related to general unitholders meeting) ・Items related to negotiations, etc. between regulatory authorities (related to KRR) ・Items related to responses, etc. to related organizations (related to KRR) ・Other incidental items above or related items

Reference Material 3.
The Brief Personal History of the New Head of Asset Management Division, Retail REIT Department

Position	Name	Main Brief Personal History (Company name etc. at that time)	
Head of Asset Management Division, Retail REIT Department	Hideaki Kimura	April 1991	Kawasaki Steel Corporation
		July 2002	Kennedy-Wilson Japan Co., Ltd.
		July 2007	Kenedix Advisors, Inc.
		October 2013	Management Development Team , Fund Management Department, Kenedix, Inc.
		December 2014	Head of Fund Management Division, Retail REIT Department, Kenedix Real Estate Fund Management, Inc. (current position)
		June 2018	Head of Asset Management Division, Retail REIT Department, Kenedix Real Estate Fund Management, Inc. (to be appointed)

The Brief Personal History of the New Head of Property Management Division, Retail REIT Department

Position	Name	Main Brief Personal History (Company name etc. at that time)	
Head of Property Management Division, Retail REIT Department	Jun Suzuki	April 1998	Aim Create Co., Ltd.
		February 2006	Hudson Japan Co., Ltd.
		June 2011	First Brothers Co., Ltd.
		November 2014	Management Development Team , Fund Management Department, Kenedix, Inc.
		February 2015	Fund Management Division, Retail REIT Department, Kenedix Real Estate Fund Management, Inc.
		June 2018	Head of Property Management Division, Retail REIT Department, Kenedix Real Estate Fund Management, Inc. (to be appointed)