KENEDIX
Retail REIT Corporation

Translation of Japanese Original

May 29, 2018

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 Agreement

Kenedix Retail REIT Corporation ("KRR") announced today the applicable interest rates for long term borrowings in the following table. KRR also announced its decision to undertake the execution of interest rate swap agreements as follows regarding the long-term borrowings (Series 20-A/Series 20-B-1/Series 20-B-3/Series 20-B-4) announced in the press release titled "Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated March 30, 2018 and the press release titled "(Correction) Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated April 2, 2018.

1. Determination of interest rate

Series	Lender	Amount (million yen)	Interest rate	Drawdown date	Principal repayment date
20-B-2	MUFG Bank, Ltd.	500	0.90000% (Fixed rate) (Note 1)	May 31, 2018	May 31, 2027

Notes:

1. The rate is to be applied from May 31, 2018 through May 31, 2027.

2. The above-mentioned borrowing is unsecured and unguaranteed.

For details of the above-mentioned borrowing, please refer to the KRR's press release "Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated March 30, 2018 and "(Correction) Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated April 2, 2018.

2. Details of interest rate swap agreements

Series		20-A
Counterparty		Nomura Securities Co., Ltd.
Notional amount (million yen)		1,000
Interest rates	Fixed interest rate for payment	0.25700%
	Floating interest rate for receipt	Base rate (JBA JPY 1-month TIBOR)
Commencement date		May 31, 2018
Termination date		May 31, 2026
Payment date		The first payment will be made at the end of June 2018, 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 20-A is essentially fixed at 0.90700%.

Series		20-B-1	20-B-3	20-B-4
Counterparty		Nomura Securities Co., Ltd.		
Notional amount (million yen)		1,500	500	500
Interest rates	Fixed interest rate for payment	0.29900%		
	Floating interest rate for receipt	Base rate (JBA JPY 1-month TIBOR)		
Commencement date		May 31, 2018		
Termination date		May 31, 2027		
Payment date		The first payment will be made at the end of June 2018, 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 20-B-1/Series 20-B-3/Series 20-B-4 is essentially fixed at 0.99900%.

For further details concerning long-term borrowings (Series 20-A/Series 20-B-1/Series 20-B-3/Series 20-B-4) as well as the reasons for our execution of the interest rate swap above, please refer to the KRR's press release "Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated March 30, 2018 and "(Correction) Notice Concerning Debt Financing (Series 20) and Execution of Interest Rate Swaps" dated April 2, 2018.

3. 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, 2018" dated May 17, 2018 as the impact on the financial results is minimal.

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

This notice is the English translation of the Japanese announcement on May 29, 2018. However, no assurance or warranties are given for the completeness or accuracy of this English translation.