KENEDIX
Retail REIT Corporation

Translation of Japanese Original

April 22, 2021

To All Concerned Parties

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Kenedix Retail REIT Corporation
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(Securities Code: 3453)

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Notice Concerning Debt Financing (Series 39 / Series 40 / Series 41) and Execution of Interest Rate Swaps

Kenedix Retail REIT Corporation ("KRR") announced today its decision to undertake debt financing (for a total of 12,200 million yen, consisting of 5,500 million yen for the acquisition of properties and 6,700 million yen for refinancing) and the execution of interest rate swap transactions as follows.

1. Series 39

(1) Purpose of debt financing

The proceeds of this debt financing are to be used for the repayment of the borrowings, Series 13-A (amount of JPY 4,100 million) and Series 13-B (amount of JPY 1,700 million), with the repayment date of April 27, 2021. For details of the Series 13-A and Series 13-B, please refer to "Notice Concerning Debt Financing (Series 11/Series 12/Series 13/Series14) and Execution of Interest Rate Swap" dated April 14, 2017.

(2) Details of debt financing

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
39-A-1	Aozora Bank, Ltd.	500	Base rate (JBA JPY 3-month TIBOR) +0.40000% (Note 2) (Note 3)	April 23, 2021	April 27, 2021	April 30, 2026	Unsecured, unguaranteed Repayment of principal in full on maturity date
39-A-2	Mizuho Trust & Banking Co., Ltd.	200					
39-B	Sumitomo Mitsui Banking Corporation	1,000	Base rate (JBA JPY 3-month TIBOR) +0.42500% (Note 2) (Note 3)			October 31, 2026	
39-C	MUFG Bank, Ltd.	400	To be determined (Fixed rate) (Note 2) (Note 4)				

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Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
39-D-1	Sumitomo Mitsui Banking Corporation	1,600	Base rate (JBA JPY 3-month TIBOR) +0.47500% (Note 2) (Note 3)	April 23, 2021	April 27, 2021	October 31, 2027	Unsecured, unguaranteed Repayment of principal in full on maturity date
39-D-2	Mizuho Bank, Ltd.	400					
39-D-3	Sumitomo Mitsui Trust Bank, Ltd.	300					
39-D-4	Resona Bank, Ltd.	300					
39-E	MUFG Bank, Ltd.	600	To be determined (Fixed rate) (Note 2) (Note 4)				
39-F	Development Bank of Japan Inc.	500				April 30, 2031	

(Notes)
1. The interest payment and the principal repayment 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.
2. The first interest payment will be made at the end of July 2021 and the rest of the interest payments will be made on the last day of every three months thereafter, with the last interest payment on the principal repayment date.
3. The JBA JPY TIBOR is available on the JBA TIBOR Administration website (http://www. jbatibor.or.jp/english/).
4. The undecided matter will be announced after the decision is made.

2. Series 40

(1) Purpose of debt financing

The proceeds of this debt financing are to be used for the acquisition of 4 properties described in the press release "Notice Concerning Acquisition and Leasing of 4 Properties and Disposition of Property (Unicus Ina (20% quasi-co-ownership interest))" dated April 7, 2021 (total anticipated acquisition price of 22,340 million yen) (hereinafter referred to as "Properties to be Acquired") and certain related costs pertaining to the acquisitions. In addition, KRR intends to diverse its lenders through Series 40 and Series 40-D-2, each of which are respectively KRR's first borrowings from The 77 Bank, Ltd. and from Sumitomo Life Insurance Company. For details of the Properties to be Acquired, please refer to the press release "Notice Concerning Acquisition and Leasing of 4 Properties and Disposition of Property (Unicus Ina (20% quasi-co-ownership interest))" dated April 7, 2021.

(2) Details of debt financing

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
40-A	The 77 Bank, Ltd.	500	Base rate (JBA JPY 3-month TIBOR) + 0.35000% (Note 2) (Note 3)	April 27, 2021	April 30, 2021	April 30, 2026	Unsecured, unguaranteed Repayment of principal in full on maturity date
40-B	The Musashino Bank, Ltd.	500	To be determined (Fixed rate) (Note 2) (Note 4)				
40-C-1	Sumitomo Mitsui Banking Corporation	800	Base rate (JBA JPY 3-month TIBOR) + 0.50000% (Note 2) (Note 3)			April 30, 2028	
40-C-2	Sumitomo Mitsui Trust Bank, Ltd.	700					

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Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
40-C-3	Mizuho Trust & Banking Co., Ltd.	600	Base rate (JBA JPY 3-month TIBOR) +0.50000% (Note 2) (Note 3)	April 27, 2021	April 30, 2021	April 30, 2028	Unsecured, unguaranteed Repayment of principal in full on maturity date
40-C-4	Aozora Bank, Ltd.	600					
40-C-5	Mizuho Bank, Ltd.	500					
40-D-1	MUFG Bank, Ltd.	500	To be determined (Fixed rate) (Note 2) (Note 4)				
40-D-2	Sumitomo Life Insurance Company	500					
40-E	Development Bank of Japan Inc.	300				April 30, 2031	

(Notes)
1. The interest payment and the principal repayment 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.
2. For Series 40-A, 40-C, 40-D-1 and 40-E, the first interest payment will be made at the end of July 2021 and the rest of the interest payments will be made on the last day of every three months thereafter, with the last interest payment on the principal repayment date. For Series 40-B, the first interest payment will be made at the end of May 2021 and the rest of the interest payments will be made on the last day of every month thereafter, with the last interest payment on the principal repayment date. For Series 40-D-2, the first interest payment will be made at the end of October 2021 and the rest of the interest payments will be made on the last day of every six months thereafter, with the last interest payment on the principal repayment date.
3. The JBA JPY TIBOR is available on the JBA TIBOR Administration website (http://www. jbatibor.or.jp/english/).
4. The undecided matter will be announced after the decision is made.

3. Series 41

(1) Purpose

The proceeds of this debt financing are to be used for the repayment of the borrowing, Series 33 (initial amount of JPY 1,900 million, outstanding amount of JPY 900 million), with the repayment date of April 30, 2021. For details of the Series 33, please refer to "Notice Concerning Debt Financing (Series 33)" dated April 13, 2020.

(2) Details of debt financing

Series	Lender	Amount (millions of yen)	Interest rate (Note 1)	Contract date	Drawdown date	Principal repayment date (Note 1)	Collateral / Repayment method
41-A	Mizuho Bank, Ltd.	500	Base rate (JBA JPY 3-month TIBOR) +0.30000% (Note 2) (Note 3)	April 27, 2021	April 30, 2021	April 30, 2024	Unsecured, unguaranteed Repayment of principal in full on maturity date
41-B	MUFG Bank, Ltd.	200	To be determined (Fixed rate) (Note 2) (Note 4)			October 31, 2027	
41-C	Aozora Bank, Ltd.	200	Base rate (JBA JPY 3-month TIBOR) +0.50000% (Note 2) (Note 3)			April 30, 2028	

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(Notes)
1. The interest payment and the principal repayment 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.
2. The first interest payment will be made at the end of July 2021 and the rest of the interest payments will be made on the last day of every three months thereafter, with the last interest payment on the principal repayment date.
3. The JBA JPY TIBOR is available on the JBA TIBOR Administration website (http://www. jbatibor.or.jp/english/).
4. The undecided matter will be announced after the decision is made.

4. Interest rate swap transactions

(1) Purpose

KRR has decided to execute interest rate swap transactions for the Series 39-A, Series 39-B, Series 39-D, Series 40-A, Series 40-C, Series 41-A and Series 41-C as hedges against possible increases in future interest rates.

(2) Details of expected interest rate swap transactions

Series		39-A-1	39-A-2
Counterparty		To be determined (Note)	
Notional amount (millions of yen)		500	200
Interest rates	Fixed interest rate for payment	To be determined (Note)	
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)	
Commencement date		April 27, 2021	
Termination date		April 30, 2026	
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		39-B
Counterparty		To be determined (Note)
Notional amount (millions of yen)		1,000
Interest rates	Fixed interest rate for payment	To be determined (Note)
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)
Commencement date		April 27, 2021
Termination date		October 31, 2026
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		39-D-1	39-D-2	39-D-3	39-D-4
Counterparty		To be determined (Note)			
Notional amount (millions of yen)		1,600	400	300	300
Interest rates	Fixed interest rate for payment	To be determined (Note)			

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	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)
Commencement date		April 27, 2021
Termination date		October 31, 2027
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		40-A
Counterparty		To be determined (Note)
Notional amount (millions of yen)		500
Interest rates	Fixed interest rate for payment	To be determined (Note)
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)
Commencement date		April 30, 2021
Termination date		April 30, 2026
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		40-C-1	40-C-2	40-C-3	40-C-4	40-C-5
Counterparty		To be determined (Note)				
Notional amount (millions of yen)		800	700	600	600	500
Interest rates	Fixed interest rate for payment	To be determined (Note)				
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)				
Commencement date		April 30, 2021				
Termination date		April 30, 2028				
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		41-A
Counterparty		To be determined (Note)
Notional amount (millions of yen)		500
Interest rates	Fixed interest rate for payment	To be determined (Note)
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)
Commencement date		April 30, 2021
Termination date		April 30, 2024
Payment date		The first payment will be made at the end of July 2021, and the rest of the

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	payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

Series		41-C
Counterparty		To be determined (Note)
Notional amount (millions of yen)		200
Interest rates	Fixed interest rate for payment	To be determined (Note)
	Floating interest rate for receipt	Base rate (JBA JPY 3-month TIBOR)
Commencement date		April 30, 2021
Termination date		April 30, 2028
Payment date		The first payment will be made at the end of July 2021, and the rest of the payments will be made on the last day of every three months thereafter, with the last payment on the principal repayment date. (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) The undecided matter will be announced after the decision is made.

5. Status of borrowings and investment corporation bonds after the debt financing (as of April 30, 2021)

(millions of yen)

	Before the debt financing	After the debt financing	Difference
Short-term borrowings (Note 1)	-	-	-
Long-term borrowings (Note 2)	106,800.0	112,300.0	+5,500.0
Total borrowings	106,800.0	112,300.0	+5,500.0
Investment corporation bonds	8,000.0	8,000.0	–
Total borrowings and investment corporation bonds	114,800.0	120,300.0	+5,500.0

(Notes)

1. Short-term borrowings refer to the amount of debt financing with a period of less than or equal to one year from the borrowing date to the maturity date. However, in the case where the maturity date has been moved to a different business day because the maturity date of one year from the borrowing date is not a business day, and as a result the borrowing period surpasses one year, the borrowings are included in short-term borrowings.
2. Long-term borrowings refer to the amount of debt financing with a period of more than one year from the borrowing date to the maturity date.

6. Other matters

For risks pertaining to the debt financing, please refer to "Chapter 2 Reference – Part 2 Supplementary Information 2. Investment Risks" of the securities registration statement submitted on April 7, 2021

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

This notice is the English translation of the Japanese announcement on April 22, 2021. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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