KENEDIX
Retail REIT Corporation

Translation of Japanese Original

August 25, 2022

To All Concerned Parties

REIT Issuer:
Kenedix Retail REIT Corporation
Representative: Moyuru Watanabe, Executive Director
(Securities Code: 3453)

Asset Manager:
Kenedix Real Estate Fund Management, Inc.
Representative: Masahiko Tajima, President & CEO
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Notice Concerning One-time Expense Incurred Due to Structural Issue of Property

Kenedix Retail REIT Corporation ("KRR") announced today that KRR discovered that it will incur an one-time expense ("the One-time Expense") due to structural issue at one of its properties, as described below.

1. Details of the One-time Expense
   KRR has discovered that in one of its properties, a portion of the electricity charges was borne by different parties due to the fact that wiring of electricity meters was not consistent in accordance with the status of ownership of the property. The settlement will be made within the parties for the past electricity charges. As a result, KRR will incur an expense of 106 million yen (before tax) in the fiscal period ending September 30, 2022.
   Note: Not disclosed as consents from the parties nor their related parties have not been obtained. Please note that the parties are not special related parties of KRR or the Asset Manager.

2. Outlook
   KRR expects an expense of 106 million yen as "other operating expenses" in the fiscal period ending September 30, 2022 (April 1, 2022 to September 30, 2022, "the Current Period") as above.
   As the One-time Expense will be recorded in the Current Period, there is no change in the forecasts for the fiscal period ending March 31, 2023 (October 1, 2022 to March 31, 2023).

(Reference) Forecasts for the Current Period and results for the previous fiscal period ended March 31, 2022

	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (excluding distributions in excess of earnings) (yen)	Distributions in excess of earnings per unit (yen)	Distributions per unit (including distributions in excess of earnings) (yen)
Forecasts for the Current Period	9,250	4,459	3,835	3,834	6,586	9	6,595
Results for the previous fiscal period	10,254	4,756	4,131	4,127	7,090	-	7,090

Notes:

1. Number of investment units outstanding at the end of fiscal period ending September 30, 2022: 582,177 units
   Number of investment units outstanding at the end of fiscal period ended March 31, 2022: 582,177 units
2. The One-time Expense is not included in the above forecasts for the fiscal period ending September 30, 2022, which is as of May 18, 2022.

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

This notice is the English translation of the Japanese announcement on August 25, 2022. However, no assurance or warranties are given for the completeness or accuracy of this English translation.