

Translation of Japanese Original

May 16, 2019

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,
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Notice Concerning Partial Succession of Alliance Agreement from
Sumitomo Mitsui Finance and Leasing Co., Ltd. to SMFL MIRAI Partners Co., Ltd.

Kenedix Retail REIT Corporation (“KRR”) announced today that KRR and Kenedix Real Estate Fund Management, Inc. (“the Asset Manager”), the asset manager for KRR, have decided to enter into an agreement with Sumitomo Mitsui Finance and Leasing Co., Ltd. (“SMFL”) and SMFL MIRAI Partners Co., Ltd. (“SMFL MIRAI Partners”), a wholly-owned subsidiary of SMFL, to partially succeed the alliance agreement signed on November 17, 2014 (“the Alliance Agreement”) from SMFL to SMFL MIRAI Partners (“the Alliance Agreement Succession”).

1. Reason for the Alliance Agreement Succession

SMFL, one of KRR and the Asset Manager's Alliance Companies, succeeded a part of its real estate leasing business to SMFL MIRAI Partners through an absorption-type company split. With this succession, it has been agreed that the Alliance Agreement be partially succeeded from SMFL to SMFL MIRAI Partners as well, specifically, services other than providing bridge finance to warehousing SPCs and securing personnel.

Even after the Alliance Agreement Succession, SMFL will continue to support KRR with the means of bridge finance to warehousing SPCs and cooperation for securing personnel.

2. Overview of SMFL MIRAI Partners

Company name	SMFL MIRAI Partners Co., Ltd.
Address	1-5-1 Otemachi, Chiyoda-ku, Tokyo
Name and title of representative	Tetsurou Terada, President
Description of business	<ol style="list-style-type: none"> 1. Sale/acquisition, exchange, development, leasing and management of real estate and facility operations 2. Sale/acquisition of trust beneficiary interest in real estate 3. Businesses related to the power generation business and the supply, sale and purchase of electricity, gas and other resources or energy, as well as the provision of products and services in the environmental and energy fields 4. Acquisition and leasing of a range of equipment and facilities, including ships, vehicles, industrial machinery, machine tools, electronic computers, office appliance, medical equipment, commercial equipment property, real estate, etc. 5. Acquisition of and investment in stocks and other securities 6. Marketing of life insurance policies 7. Brokerage, agency, survey and consulting of the businesses relating to the preceding items 8. All kinds of services ancillary/ related to the above businesses
Capital	200 million yen
Incorporation	October 1, 2018
Major shareholders, Shareholding ratios	Sumitomo Mitsui Finance and Leasing Co., Ltd. 100% (as of April 30, 2019, excluding treasury stocks)

Relationship between KRR/ the Asset Manager and SMFL MIRAI Partners	
Capital relationship	Not applicable
Personnel relationship	Not applicable
Business relationship	Not applicable
Related party transactions	Not applicable

As of April 30, 2019

3. Future outlook

The impact of the amendment to the forecasts is minimal, and please refer to the forecasts of financial results of KRR published in the “Financial Report for the Fiscal Period Ended March 31, 2019 (REIT) ” dated today.

KRR’s website address: <https://www.krr-reit.com/en/>

This notice is the English translation of the Japanese announcement on May 16, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.