

January 23, 2020

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

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Notice Concerning Debt Financing (Series 31)

Kenedix Retail REIT Corporation (“KRR”) announced today its decision to undertake debt financing (for a total of 2,750 million yen).

1. Purpose of debt financing

The proceeds of this debt financing are to be used for the repayment of the Borrowing Series 25 (amount of JPY 2,750 million) with the repayment date of January 31, 2020. For details of the Series 25, please refer to “Notice Concerning Debt Financing (Series 25) and Execution of Interest Rate Swaps” dated February 8, 2019.

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
31	Sumitomo Mitsui Banking Corporation	2,750	Base rate (JBA JPY 1-month TIBOR) + 0.40000% (Note 2) (Note 3)	January 23, 2020	January 31, 2020	January 31, 2021	Unsecured, unguaranteed Repayment of principal in full on maturity date

(Notes)

- 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.
- The first interest payment will be made at the end of February 2020 and on the last day of every month thereafter, with the last interest payment on the principal repayment day.
- The JBA JPY TIBOR is available on the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/>).

3. Status of borrowings and investment corporation bonds after the borrowings (as of January 31, 2020)

(millions of yen)

	Before the borrowings	After the borrowings	Difference
Short-term borrowings (Note 1)	3,450.0	3,450.0	—
Long-term borrowings (Note 2)	100,450.0	100,450.0	—
Total borrowings	103,900.0	103,900.0	—
Investment corporation bonds	7,000.0	7,000.0	—
Total borrowings and investment corporation bonds	110,900.0	110,900.0	—

(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.

4. Other matters

Risks pertaining to the prepayment of the borrowed funds remain unchanged from those listed in the securities report of KRR submitted on December 26, 2019.

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

This notice is the English translation of the Japanese announcement on January 23, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.