

Translation of Japanese Original

May 17, 2018

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,
Retail REIT Department
TEL: +81-3-5623-3868

Notice Concerning Changes to the Articles of Incorporation and Appointment of Directors

Kenedix Retail REIT Corporation (“KRR” or “the Investment Corporation”) announced today that its Board of Directors held a meeting today to resolve on changes to its Articles of Incorporation and the appointment of new directors.

KRR plans to hold its Second General Meeting of Unitholders on June 15, 2018.

The aforementioned resolutions shall take effect upon approval by the General Meeting of Unitholders. Details of the resolutions are provided below.

1. Changes to the Articles of Incorporation

Reasons for the changes are as follows:

- (1) The Investment Corporation’s head office location will be changed from Chuo-ku, Tokyo to Chiyoda-ku, Tokyo since the head office location of Kenedix Real Estate Fund Management, Inc., the Investment Corporation’s Asset Management Company, has been changed to Chiyoda-ku, Tokyo (concerning Article 3 of the current Articles of Incorporation).
- (2) The timing of payment of the Accounting Auditor’s compensation will be changed to be no later than the last day of the month following the month when the Investment Corporation receives all audit reports in order to secure the flexibility in the timing of the payment (concerning Article 28 of the current Articles of Incorporation).
- (3) A provision will be revised to allow the Investment Corporation to invest in logistics facilities (concerning Article 31 of the current Articles of Incorporation).
- (4) With respect to the distribution policy, a provision will be revised so that the definition of profit from among the total monetary distributions to unitholders is made consistent with the provisions of the Act on Investment Trusts and Investment Corporations (the “Investment Trust Act”) (concerning Article 39 of the current Articles of Incorporation).
- (5) For the purpose of linking the asset management fees received by the Asset Management Company more closely with unitholder interest, the rate to calculate Asset Management Fee 1, which is linked to the Investment Corporation’s total assets, will be reduced from 0.3% to 0.27% while the rate to calculate Asset Management Fee 2, which is linked to distributions per unit, will be raised from 0.0012% to 0.0013%. In addition, to give the Asset Management Company a greater incentive to enhance unitholder interest, the investment unit performance fee will be introduced. This new fee will be paid if the total return on the Investment Corporation’s investment unit exceeds the total shareholder return of the Tokyo Stock Exchange

REIT Total Return Index. Furthermore, a provision will be added concerning the necessary adjustments to the formula used to calculate Asset Management Fee 2 and the investment unit performance fee so that the effect on Asset Management Fee 2 and the investment unit performance fee will be neutral when the Investment Corporation repurchases investment units or takes a similar action (concerning Attachment of the current Articles of Incorporation).

- (6) The changes in the provisions in the above (5) will be stipulated in the supplementary provisions so that such changes may be effective as of October 1, 2018 which is the first day of the Investment Corporation's eighth fiscal period (concerning Article 42 of the proposed amendments).
- (7) In addition to the above changes, expressions will be changed and clarified, words and phrases will be revised, and other changes will be made due to consistencies with the wording of applicable laws and clarification of provisions, etc.

(For more details regarding the changes to the asset management fee structure and the changes to the Articles of Incorporation, please refer to the "Outline of the Changes to the Asset Management Fee Structure" and the "Notice Concerning the Second General Meeting of Unitholders" attached, respectively.)

2. Appointment of Directors

Reasons for proposal of new directors are as follows:

- (1) This is to request the appointment of one (1) Executive Director (Candidate: Akihiro Asano) as of July 1, 2018 since Executive Director Akihiro Asano's term of office expires on June 30, 2018.
- (2) This is to request the appointment of one (1) Alternate Executive Director (Candidate: Koichiro Nobata) in preparation to avoid the case of vacant or having fewer Executive Directors than that designated by relevant regulatory requirements.
- (3) This is to request appointments of two (2) Supervisory Directors (Candidate: Yoshitoshi Yasu and Akiko Yamakawa) as of July 1, 2018 since Supervisory Director Yoshitoshi Yasu and Mai Ishiwatari's term of office expires on June 30, 2018.
- (4) This is to request the appointment of one (1) Alternate Supervisory Director (Candidate: Satoshi Hiyama) in preparation to avoid the case of vacant or having fewer Supervisory Directors than that designated by relevant regulatory requirements.

(For more details regarding the appointment of directors, please refer to the "Notice Concerning the Second General Meeting of Unitholders" attached.)

3. Schedule

May 17, 2018:	The Board of Director's approval for resolutions to be submitted to the Second General Meeting of Unitholders
May 25, 2018:	Notice of Convocation of the Second General Meeting of Unitholder (Scheduled)
June 15, 2018:	Second General Meeting of Unitholders (Scheduled)

Attachment 1: Outline of the Changes to the Asset Management Fee Structure

Attachment 2: Notice Concerning the Second General Meeting of Unitholders

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

This notice is the English translation of the Japanese announcement on May 17, 2018. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

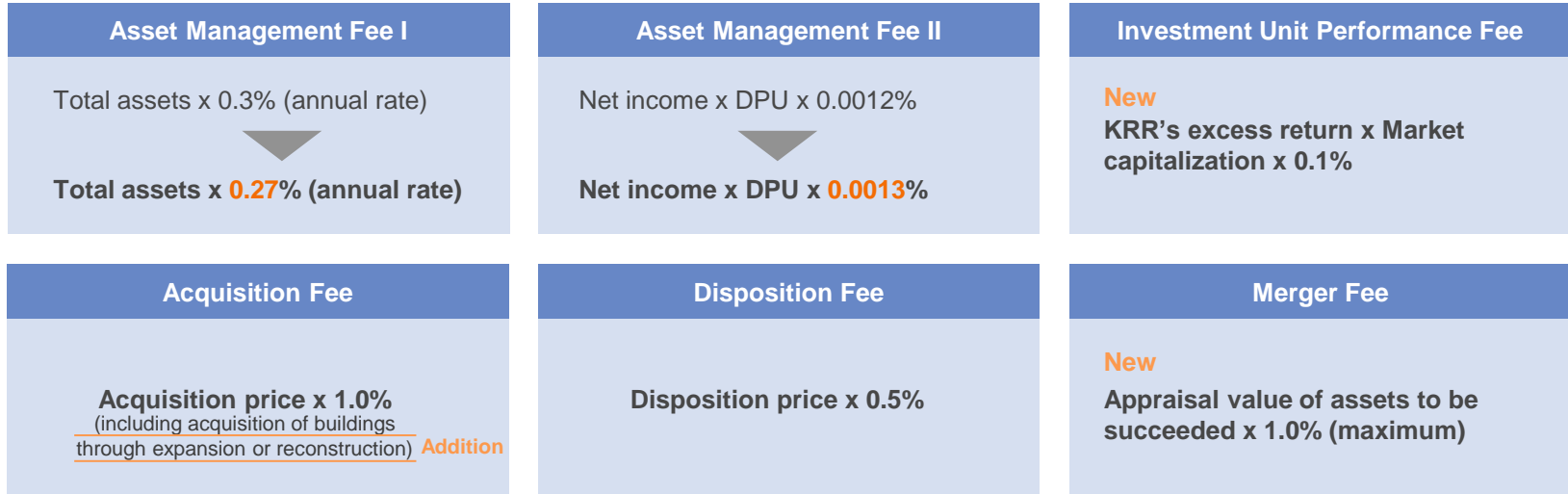
Change of fee structure to provide further incentives to enhance unitholder value

Revision of asset management fee rates and establishment of new fees

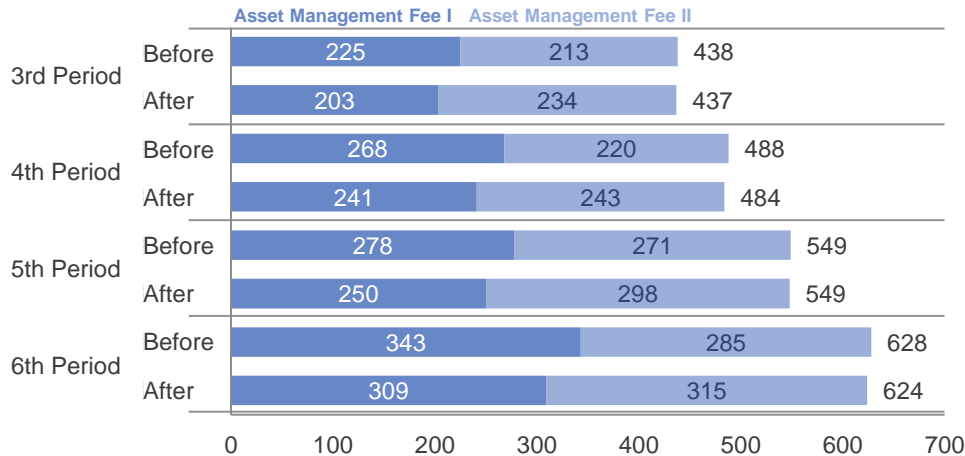
Revise to increase the linkage between the asset management fee and unitholder interests

Establish investment unit performance fee to provide an incentive for the asset manager to focus on the investment unit price

Establish merger fee and revise the acquisition fee

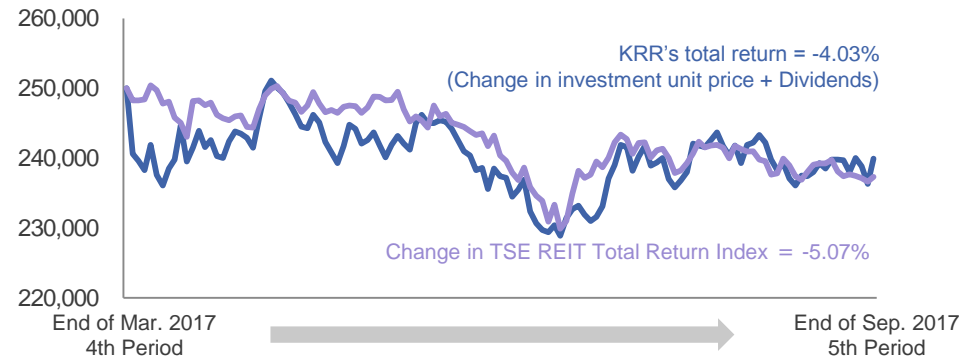


Asset management fee estimates retroactively calculated based on new rates (JPY mn)



Calculation method and the investment unit performance fee estimate

Investment unit performance fee = KRR's excess return x Market cap as of the end of the 4th period x 0.1%
 = 1.04% x JPY 105,612 mn x 0.1%
 = **JPY 1,097,071**
 *Zero when KRR's investment unit underperforms



May 25, 2018

To Our Investors

Akihiro Asano, Executive Director
Kenedix Retail REIT Corporation
6-5 Nihombashi Kabutocho, Chuo-ku, Tokyo

Notice Concerning the Second General Meeting of Unitholders

You are cordially invited to attend the Second General Meeting of Unitholders of Kenedix Retail REIT Corporation (“the Investment Corporation”). The Meeting will be held as described below. If you are unable to attend the Meeting, you can exercise your voting rights in writing. Please review the “Reference Material for the General Meeting of Unitholders” attached below, vote on the proposals in the enclosed Voting Rights Exercise Form, and return it by no later than Thursday, June 14, 2018, 5:00 p.m. In addition, the Investment Corporation established the provision of “deemed approval” in Article 15 of the current Articles of Incorporation pursuant to Article 93.1, of the Investment Trusts and Investment Corporations Law. Accordingly, if you are unable to attend the Meeting and are unable to vote using the Voting Rights Exercise Form, please be aware that you will be deemed as having attended and approved each agenda.

(Excerpt from the Investment Corporation’s Current Articles of Incorporation)
Article 15 (Deemed Approval)

1. Unitholder non-attendance at the General Meeting of Unitholders and non-voting shall be deemed as unitholder approval of agenda items submitted to the General Meeting of Unitholders (when multiple agenda items have been submitted, if any are contradictory, said agenda items shall be omitted).
2. The unitholder votes deemed as having approved agenda items according to the preceding Paragraph will be added to the votes cast by attending unitholders.

1. Date and Time

Friday, June 15, 2018, 11:00 a.m.
(start accepting 10:30 a.m.)

2. Place

2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo
Tokyo Stock Exchange, Inc. 2F, Tosho Hall

3. Agenda of the Meeting

Resolution Agendas:

Agenda No. 1: Changes to the Articles of Incorporation

Agenda No. 2: Election of One (1) Executive Director

Agenda No. 3: Election of One (1) Alternate Executive Director

Agenda No. 4: Election of Two (2) Supervisory Directors

Agenda No. 5: Election of One (1) Alternate Supervisory Director

(Requests)

- For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk.
- For those voting by proxy, a unitholder can vote by having another individual unitholder who holds voting rights attend the General Meeting of Unitholders and act as proxy. In that case, please submit a Power of Representation Form and a Voting Rights Exercise Form at the reception desk.
- Upon attendance, please bring this notice for resource-saving.

(Information)

- Method of Revising the Reference Materials of the General Meeting of Unitholders
When it is necessary to revise agendas contained in the Reference Materials for the General Meeting of Unitholders, we will post the revisions on the Investment Corporation's website (<http://www.krr-reit.com/en/>).
- After the General Meeting of Unitholders, Kenedix Real Estate Fund Management, Inc., the Investment Corporation's asset management company, plans to present the Asset Management Status Briefing.

Reference Material for the General Meeting of Unitholders

Agenda and Reference Items

Agenda No. 1: Changes to the Articles of Incorporation

1. Reasons for the Changes

- (1) The Investment Corporation's head office location will be changed from Chuo-ku, Tokyo to Chiyoda-ku, Tokyo since the head office location of Kenedix Real Estate Fund Management, Inc., the Investment Corporation's Asset Management Company, has been changed to Chiyoda-ku, Tokyo (concerning Article 3 of the current Articles of Incorporation).
- (2) The timing of payment of the Accounting Auditor's compensation will be changed to be no later than the last day of the month following the month when the Investment Corporation receives all audit reports in order to secure the flexibility in the timing of the payment (concerning Article 28 of the current Articles of Incorporation).
- (3) A provision will be revised to allow the Investment Corporation to invest in logistics facilities (concerning Article 31 of the current Articles of Incorporation).
- (4) With respect to the distribution policy, a provision will be revised so that the definition of profit from among the total monetary distributions to unitholders is made consistent with the provisions of the Act on Investment Trusts and Investment Corporations (the "Investment Trust Act") (concerning Article 39 of the current Articles of Incorporation).
- (5) For the purpose of linking the asset management fees received by the Asset Management Company more closely with unitholder interest, the rate to calculate Asset Management Fee 1, which is linked to the Investment Corporation's total assets, will be reduced from 0.3% to 0.27% while the rate to calculate Asset Management Fee 2, which is linked to distributions per unit, will be raised from 0.0012% to 0.0013%. In addition, to give the Asset Management Company a greater incentive to increase unitholder interest, the investment unit performance fee will be introduced. This new fee will be paid if the total return on the Investment Corporation's investment unit exceeds the total shareholder return of the Tokyo Stock Exchange REIT Total Return Index. Furthermore, a provision will be added concerning the necessary adjustments to the formula used to calculate Asset Management Fee 2 and the investment unit performance fee so that the effect on Asset Management Fee 2 and the investment unit performance fee will be neutral when the Investment Corporation repurchases investment units or takes a similar action (concerning Attachment of the current Articles of Incorporation).
- (6) The changes in the provisions in the above (5) will be stipulated in the supplementary provisions so that such changes may be effective as of October 1, 2018, which is the first day of the Investment Corporation's eighth fiscal period (concerning Article 42 of the proposed amendments).
- (7) In addition to the above changes, expressions will be changed and clarified, words and phrases will be revised, and other changes will be made due to consistencies with the wording of applicable laws and clarification of provisions, etc.

2. Details of the Amendments

Details of the amendments are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 3 (Head Office Location) The Investment Corporation locates the head office at <u>Chuo</u>-ku, Tokyo.</p>	<p>Article 3 (Head Office Location) The Investment Corporation locates the head office at <u>Chiyoda</u>-ku, Tokyo.</p>
<p>Article 18 (Number of Executive Officers and Composition of the Board of Directors) The Board of Directors of the Investment Corporation shall consist of Executive Directors and Supervisory Directors. There must be at least one Executive Director and at least two Supervisory Directors. However, the number of Supervisory Directors must be at least one more than the number of Executive Directors.</p>	<p>Article 18 (Number of Executive Officers and Composition of the Board of Directors) The Board of Directors of the Investment Corporation shall consist of Executive Directors and Supervisory Directors. There must be at least one Executive Director and at least two Supervisory Directors. However, the number of Supervisory Directors must be at least one more than the number of Executive Directors. (Note: Due to a minor amendment in Japanese, there is no effect in English)</p>
<p>Article 28 (Basis of the Accounting Auditor's Compensation) The Accounting Auditor's compensation shall be no more than 12 million yen for each fiscal period that is subject to audit and shall be an amount approved by the Board of Directors. The compensation shall be paid <u>within one month after receiving</u> all audit reports required by the Investment Trust Act and other regulatory requirements for the relevant fiscal period.</p>	<p>Article 28 (Basis of the Accounting Auditor's Compensation) The Accounting Auditor's compensation shall be no more than 12 million yen for each fiscal period that is subject to audit and shall be an amount approved by the Board of Directors. The compensation shall be paid <u>no later than the last day of the month following the month including receiving date of</u> all audit reports required by the Investment Trust Act and other regulatory requirements for the relevant fiscal period.</p>
<p>Article 31 (Investment Policies) 1. The real estate-related assets (as defined in Paragraph 4 of Article 32, and the same hereinafter) in which the Investment Corporation will primarily invest shall be real estate constituting the underlying substance of real estate-related assets or real estate-related assets where the main use of the underlying real estate is a retail facility.</p> <p>2. - 4. (Details omitted)</p>	<p>Article 31 (Investment Policies) 1. The real estate-related assets (as defined in Paragraph 4 of Article 32, and the same hereinafter) in which the Investment Corporation will primarily invest shall be real estate constituting the underlying substance of real estate-related assets or real estate-related assets where the main use of the underlying real estate is a retail facility, <u>a logistics facility or a facility associated with these facilities that is being used or can be used in conjunction with these facilities.</u></p> <p>2. - 4. (No change)</p>
<p>Article 39 (Cash Distribution Policies) (1) Distribution Policy The Investment Corporation shall, in principle, make distributions pursuant to the following policies.</p>	<p>Article 39 (Cash Distribution Policies) (1) Distribution Policy The Investment Corporation shall, in principle, make distributions pursuant to the following policies.</p>

Current Articles of Incorporation	Proposed Amendments
<p>a. The amount of profit included in total monetary distributions to unitholders <u>prescribed by the Investment Trust Act is the amount of balance sheet net assets after deducting the sum of unitholders' capital, etc. and is calculated in accordance with generally accepted accounting principles in Japan.</u></p> <p>b. (Details omitted) (2) - (5) (Details omitted)</p> <p>(Newly established)</p> <p>Attachment Asset Management Fees to the Asset Management Company Fees paid to the Asset Management Company to which the Investment Corporation entrusts the management of the assets it holds (the "Asset Management Company") are comprised of Asset Management Fees 1 and 2, acquisition fees <u>and</u> disposition fees, and the amounts, methods of calculation and payment dates respectively are as follows. The Investment Corporation will pay the above fees and the consumption taxes and regional consumption taxes thereon to the Asset Management Company by electronic bank transfer to a bank account which the Asset Management Company designates.</p> <p>(1) Asset Management Fee 1 Asset Management Fee 1 shall be the amount calculated by multiplying the amount of total assets by an annual rate of <u>0.3%</u> (in proportion to the actual number of days of the relevant fiscal period based on a 365-day year with amounts rounded down to the nearest one yen). <u>Total assets shall be the amount recorded in the Investment Corporation's balance sheet (limited only to those approved by Paragraph 2, Article 131, of the Investment Trust Act) for the fiscal period of the Investment Corporation immediately preceding the first day of the relevant fiscal period.</u></p> <p>The payment date of Asset Management Fee 1 shall be within the relevant fiscal period.</p>	<p>a. The amount of profit (<u>meaning profits as defined in Paragraph 1, Article 136, of the Investment Trust Act</u>) included in total monetary distributions to unitholders is calculated in accordance with generally accepted accounting standards and other <u>corporate accounting practices.</u></p> <p>b. (No change) (2) - (5) (No change)</p> <p><u>Chapter 11 Supplementary Provisions</u> <u>Article 42 (Effectuation of Changes)</u> <u>The changes to the Articles of Incorporation described in Attachment shall be effective as of October 1, 2018. This Article shall be deleted after the effectuation of such changes.</u></p> <p>Attachment Asset Management Fees to the Asset Management Company Fees paid to the Asset Management Company to which the Investment Corporation entrusts the management of the assets it holds (the "Asset Management Company") are comprised of Asset Management Fees 1 and 2, <u>investment unit performance fee</u>, acquisition fees, disposition fees <u>and merger fees</u>, and the amounts, methods of calculation and payment dates respectively are as follows. The Investment Corporation will pay the above fees and the consumption taxes and regional consumption taxes thereon to the Asset Management Company by electronic bank transfer to a bank account which the Asset Management Company designates.</p> <p>(1) Asset Management Fee 1 Asset Management Fee 1 shall be the amount calculated by multiplying the amount of total assets by an annual rate of <u>0.27%</u> (in proportion to the actual number of days of the relevant fiscal period based on a 365-day year with amounts rounded down to the nearest one yen).</p> <p>The payment date of Asset Management Fee 1 shall be within the relevant fiscal period.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(2) Asset Management Fee 2 Asset Management Fee 2 shall be the amount calculated by using the following formula for each fiscal period.</p> <p>Formula Net income before deducting Asset Management Fee 2 x Distributions per unit before deducting Asset Management Fee 2 x <u>0.0012%</u></p> <p><u>Net income before deducting Asset Management Fee 2 shall be net income before deducting Asset Management Fee 2 for the relevant fiscal period, non-deductible consumption taxes and taxes as calculated in accordance with generally accepted corporate accounting practices.</u></p> <p><u>Distributions per unit before deducting Asset Management Fee 2 shall be the amount calculated using the following formula.</u></p> <p><u>Distributions per unit before deducting Asset Management Fee 2 = A/B</u></p> <p><u>A: Net income before deducting Asset Management Fee 2 for each fiscal period minus the loss brought forward from the previous fiscal period, if there is one.</u></p> <p><u>B. Number of investment units issued as of the end of the relevant fiscal period</u></p> <p>The payment date of Asset Management Fee 2 shall be within one month of the approval by the Board of Directors of financial statements and other documents (<u>defined as financial statements, etc. specified in Article 129 of the Investment Trust Act</u>) for the relevant fiscal period.</p> <p>(Newly established)</p>	<p>(2) Asset Management Fee 2 Asset Management Fee 2 shall be the amount calculated by using the following formula for each fiscal period (<u>rounded down to the nearest one yen</u>).</p> <p>Formula Net income before deducting Asset Management Fee 2 x Distributions per unit before deducting Asset Management Fee 2 x <u>0.0013%</u></p> <p>The payment date of Asset Management Fee 2 shall be within one month of the approval by the Board of Directors of financial statements and other documents for the relevant fiscal period.</p> <p>(3) Investment Unit Performance Fee <u>The investment unit performance fee shall be the amount (rounded down to the nearest one yen) calculated every fiscal period using the following formula. However, the investment unit performance fee is 0 yen if the excess return on the Investment Corporation's investment units is negative.</u></p> <p><u>Formula</u> <u>Excess return on the Investment Corporation's investment units x Market capitalization of the Investment Corporation's investment units x 0.1%</u></p> <p><u>The payment date of the investment unit performance fee shall be within the relevant fiscal period.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(3) Acquisition Fees When the Investment Corporation has acquired specified assets, the acquisition fees shall be the amount calculated by multiplying the acquisition price (excluding, however, consumption taxes, regional consumption taxes and expenses associated with the acquisition) by 1.0%.</p> <p>The payment date of the acquisition fees shall be within one month of the date when the Investment Corporation acquired the relevant assets (<u>the date when the transfer of rights such as transfer of proprietary ownership goes into effect</u>).</p> <p>(4) Disposition Fees When the Investment Corporation has disposed specified assets, the disposition fees shall be the amount calculated by multiplying the disposition price (excluding, however, consumption taxes, regional consumption taxes and expenses associated with the disposition) by 0.5%.</p> <p>The payment date of the disposition fees shall be within one month from the date when the Investment Corporation disposed of the relevant assets (<u>the date when the transfer of rights such as transfer of proprietary ownership goes into effect</u>).</p>	<p>(4) Acquisition Fees When the Investment Corporation has acquired specified assets (<u>including the acquisition of a building due to a property expansion or reconstruction</u>), the acquisition fees shall be the amount calculated by multiplying the acquisition price (excluding, however, consumption taxes, regional consumption taxes and expenses associated with the acquisition) by 1.0% (<u>rounded down to the nearest one yen</u>). The payment date of the acquisition fees shall be within one month of the date when the Investment Corporation acquired the relevant assets.</p> <p>(5) Disposition Fees When the Investment Corporation has disposed specified assets, the disposition fees shall be the amount calculated by multiplying the disposition price (excluding, however, consumption taxes, regional consumption taxes and expenses associated with the disposition) by 0.5% (<u>rounded down to the nearest one yen</u>). The payment date of the disposition fees shall be within one month from the date when the Investment Corporation disposed of the relevant assets.</p>
<p>(Newly established)</p>	<p>(6) Merger Fees <u>When the Investment Corporation has effectuated a merger with another investment corporation, and the Asset Management Company conducts an examination and appraisal of the other investment corporation's assets and other work relating to the merger, and the merger takes effect, merger fees shall be the amount calculated by multiplying the appraisal value on the effective date of the merger of the real estate-related assets held by the other investment corporation on the effective date of the merger, by a fee rate up to a maximum of 1.0%, as separately agreed upon between the Investment Corporation and the Asset Management Company (rounded down to the nearest one yen).</u></p> <p><u>The payment date of the merger fees shall be within three months of the effective date of the merger.</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p>a. <u>“Total assets” means total assets stated in the balance sheet (limited to that approved by Paragraph 2, Article 131, of the Investment Trust Act) as of the end of the Investment Corporation’s fiscal period immediately prior to the first day of the fiscal period that is subject to Asset Management Fee 1 for each fiscal period.</u></p> <p>b. <u>“Net Income before deducting Asset Management Fee 2” means net income before deducting Asset Management Fee 2 for the relevant fiscal period, non-deductible consumption taxes and taxes as calculated in accordance with generally accepted corporate accounting practices in Japan for each of the Investment Corporation’s fiscal periods that is subject to Asset Management Fee 2.</u></p> <p>c. <u>“Distribution per unit before deducting Asset Management Fee 2” means the amount calculated using the following formula for each of the Investment Corporation’s fiscal periods that is subject to Asset Management Fee 2.</u> <u>Formula</u> <u>Distribution per unit before deducting Asset Management Fee 2 = A/B</u> <u>A: Net income before deducting Asset Management Fee 2 for each fiscal period minus the loss brought forward from the previous fiscal period, if there is one</u> <u>B: Number of investment units issued as of the end of the relevant fiscal period</u></p> <p>d. <u>“Financial statements, etc.” means the financial statements, etc. as provided under Article 129 of the Investment Trust Act.</u></p> <p>e. <u>“Excess return on the Investment Corporation’s investment units” means the amount calculated using the following formula for each of the Investment Corporation’s fiscal periods that is subject to the investment unit performance fee.</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>Formula</u> <u>Excess return on the Investment Corporation's investment units = A - B</u> <u>A: ((Number of additionally purchased investment units due to reinvestment of distribution in the Investment Corporation's fiscal period immediately prior to the first day of the relevant fiscal period of the Investment Corporation + 1) x Last price (closing price, but indicated price if there is no closing price (the lowest indicated selling price or highest indicated buying price, or the average of these two prices if both are announced) of the investment units on the last business day of the previous fiscal period; same in this Item e.) / Last price of the investment units on the last business day of the fiscal period before the previous fiscal period - 1) x 100</u> <u>B: (Last price of the Tokyo Stock Exchange (TSE) REIT Total Return Index that is announced by the Tokyo Stock Exchange on the last business day of the previous fiscal period / TSE REIT Total Return Index on the last business day of the fiscal period before the previous fiscal period - 1) x 100</u> <u>However, if it is not possible to obtain a last price for the TSE REIT Total Return Index because the Tokyo Stock Exchange does not announce this index or for some other reason, a number calculated by the Investment Corporation based on the calculation method used for the TSE REIT Total Return Index that was announced most recently for the relevant fiscal period is used instead for the calculation of the last price of this index.</u></p> <p>f. <u>"Market capitalization" means the amount calculated using the following formula for each of the Investment Corporation's fiscal periods that is subject to the investment unit performance fee.</u> <u>Formula</u> <u>Last price of the Investment Corporation's investment units on the last business day of the fiscal period before the previous fiscal period x Number of investment units issued as of the last business day of the fiscal period before the previous fiscal period</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p><u>g. “Acquisition price” means the purchase price, service provision amount or some other amount designated in a purchase and sale contract, service contract, or any contract in which specific assets are acquired (including the acquisition of a building due to a property expansion or reconstruction).</u></p> <p><u>h. “Date when the Investment Corporation acquired the relevant assets” means the date when the transfer of rights such as transfer of proprietary ownership on specified assets that are subject to acquisition fees goes into effect.</u></p> <p><u>i. “Date when the Investment Corporation disposed of the relevant assets” means the date when the transfer of rights such as transfer of proprietary ownership on specified assets that are subject to disposition fees goes into effect.</u></p> <p><u>j. “Merger” means either a merger that results in the establishment of a new company or an absorption-type merger.</u></p> <p><u>k. “Split ratio” means, when the Investment Corporation’s investment units have been split and the number of investment units issued has increased, the ratio calculated by dividing the number of investment units issued immediately after the enforcement of such split of investment units by the number of investment units issued immediately prior to the enforcement of such split of investment units.</u></p> <p><u>l. “Rights offering” means an issuance of new investment units through exercise of new investment unit subscription rights related to allotment without contribution to unitholders.</u></p> <p><u>m. “Last price” means the closing price. If there is no closing price, then this means the indicated price (the lowest indicated selling price or highest indicated buying price, or the average of these two prices if both are announced).</u></p>

Current Articles of Incorporation	Proposed Amendments
	<p>n. <u>“Ratio of allotment without contribution” means the ratio calculated using the following formula when the rights offering was made:</u> <u>Formula</u> <u>Ratio of allotment without contribution =</u> <u>A/B</u> <u>A: The number of investment units calculated by subtracting the number of investment units issued at deemed market price from the number of investment units issued immediately after such rights offering</u> <u>B: The number of investment units issued immediately prior to such rights offering</u></p> <p>o. <u>“Number of investment units issued at deemed market price” means, when the rights offering was made, the number of investment units calculated by multiplying the number of increased investment units by the ratio obtained by dividing the paid-in amount per unit at the time of exercise of investment unit subscription rights allocated without contribution through such offering rights by the market price per unit (or the ratio resolved at the Board of Directors; rounded down to the nearest one unit).</u></p> <p>p. <u>“Number of increased investment units” means the number of investment units increased through rights offering when such rights offering was made.</u></p>

Agenda No. 2: Election of One (1) Executive Director

This is to request the appointment of one Executive Director as of July 1, 2018 since Executive Director Akihiro Asano's term of office expires on June 30, 2018.

Concerning Agenda No. 2, the term of office of an Executive Director shall be two years, commencing July 1, 2018 as stipulated under Article 19, paragraph 2 of the current Articles of Incorporation.

Agenda No. 2 was unanimously approved for submission by all Supervisory Directors of the Investment Corporation at a Board of Directors meeting held on May 17, 2018.

The candidate for the Executive Director position is as follows.

Name (Birth Date)	Brief Personal History		Number of the Investment Corporation's units held
Akihiro Asano (June 8, 1971)	April 1994	Joined Mitsubishi Corporation, Development and Construction Division	0 Unit
	January 2001	External assignment to Mitsubishi Corp.-UBS Realty Inc.	
	January 2004	Joined Kennedy-Wilson Japan Co., Ltd., Real Estate Investment Advisory Department	
	January 2009	Assigned as an Outside Director of Mitsui & Co., Logistics Partners Ltd.	
	January 2013	Assigned as a General Manager of Strategic Investment Team 1 of Kenedix, Inc.	
	March 2014	Executive officer, General Manager of Strategic Investment Team 1 of Kenedix, Inc.	
	September 2014	Director and COO, General Manager of Retail REIT Division of Kenedix Real Estate Fund Management, Inc. (current position)	
	October 2014	Executive Director of Kenedix Retail REIT Corporation (current position)	

1. Corporate names are in principle stated at that time.
2. The abovementioned Executive Director candidate is currently the Director and COO, General Manager of Retail REIT Division of Kenedix Real Estate Fund Management, Inc., which the Investment Corporation has concluded the Asset Management Agreement.
3. There is no special interest between the Investment Corporation and the candidate other than above mentioned.
4. The abovementioned Executive Director candidate is currently executing the overall business of the Investment Corporation as the Executive Director of the Investment Corporation.

Agenda No. 3: Election of One (1) Alternate Executive Director

This is to request the appointment of one Alternate Executive Director in preparation to avoid the case of vacant or having fewer Executive Directors than that designated by relevant regulatory requirements.

Furthermore, the period during which the resolution on the appointment of one Alternate Executive Director under this Agenda remains effective shall be until June 30, 2020, when the term of office of the Executive Director under Agenda No. 2 expires, pursuant to the provisions in the text of Article 19, paragraph 3, subject to approval for Agenda No.2.

Allow us to be able to cancel the appointment by the resolution of a Board of Directors meeting about effect of appointment of an Alternate Executive Director only before the inauguration.

Agenda No. 3 was unanimously approved for submission by all Supervisory Directors of the Investment Corporation at a Board of Directors meeting held on May 17, 2018.

The candidate for the Alternate Executive Director is as follows.

Name (Birth Date)	Brief Personal History		Number of the Investment Corporation's units held
Koichiro Nobata (December 17, 1973)	April 1996 September 1998 January 2001 September 2002 August 2005 August 2007 February 2014 July 2014 September 2014	Joined The Fuji Bank, Ltd., Kyoto Branch Transferred to Capital Markets Trading Division Joined PricewaterhouseCoopers Financial Advisory Services Co., Ltd., Business Recovery Services Division Joined Mitsubishi Securities Corporation, Financial Solutions Division Joined Deutsche Securities Inc., Global Banking Division Joined Mizuho Securities Co., Ltd., Real Estate Finance Department Transferred to Corporate Planning Department Joined Kenedix Inc., Corporate Planning Department General Manager of Planning Department, Retail REIT Division of Kenedix Real Estate Fund Management, Inc. (current position)	0 Unit

1. The abovementioned Alternate Executive Director candidate is currently the General Manager of Planning Department, Retail REIT Division of Kenedix Real Estate Fund Management, Inc., which the Investment Corporation has concluded the Asset Management Agreement.
2. There is no special interest between the Investment Corporation and the candidate other than above mentioned.

Agenda No. 4: Election of Two (2) Supervisory Directors

This is to request appointments of two Supervisory Directors as of July 1, 2018 since Supervisory Director Yoshitoshi Yasu and Mai Ishiwatari's term of office expires on June 30, 2018.

Concerning Agenda No. 4, the term of office of Supervisory Directors shall be two years commencing July 1, 2018 as stipulated under Article 19, paragraph 2 of the current Articles of Incorporation.

The candidates for the Supervisory Director positions are as follows.

Candidate No.	Name (Birth Date)	Brief Personal History		Number of the Investment Corporation's units held
1	Yoshitoshi Yasu (December 12, 1953)	November 1980 March 1984 November 2004 November 2004 November 2004 November 2004 August 2007 June 2009 October 2010 November 2011 October 2012 September 2014 July 2016 June 2017	Joined Chuo Audit Corporation Became a Japanese certified public accountant Auditor of Stage Y2 Co., Ltd. (currently YOKU MOKU Holdings Co., Ltd.) (current position) Auditor of YOKU MOKU Co., Ltd. (current position) Auditor of YOKU MOKU Imaichi Co., Ltd. (currently YOKU MOKU Crea Co., Ltd.) (current position) Auditor of Fujiricoh Trading Co., Ltd. (current position) Joined Ernst & Young ShinNihon LLC Auditor of YMC Co., Ltd. (currently CLOVER Inc.) (current position) Established Yoshitoshi Yasu Certified Public Accountant Office (currently Yoshitoshi Yasu Certified Public Accountant / Tax Accountant Office) (current position) Became a Japanese Tax Accountant Auditor of Kabou-issin Co., Ltd. (current position) Outside Auditor of Loop Inc. Supervisory Director of Kenedix Retail REIT Corporation (current position) Directors and Audit Committee Member (Outside Director) of Loop Inc. (current position)	0 Unit
2	Akiko Yamakawa (April 5, 1973)	April 1999 April 2000 July 2017 July 2017	Joined Komatsu Koma & Nishikawa Law Office Joined Freshfields Bruckhaus Deringer LLP Member of the Basic Sub-committee of Labour Policy Council, Ministry of Health, Labour and Welfare (current position) Partner of Vanguard Lawyers Tokyo (current position)	0 Unit

1. There is no conflict of interest between the Investment Corporation and the candidates.
2. Yoshitoshi Yasu, the abovementioned Supervisory Director candidate is currently supervising the overall exercise of duties of the Investment Corporation's Executive Director.

Agenda No. 5: Election of One (1) Alternate Supervisory Director

This is to request the appointment of one Alternate Supervisory Director in preparation to avoid the case of vacant or having fewer Supervisory Directors than that designated by relevant regulatory requirements. Furthermore, the period during which the resolution on the appointment of one Alternate Supervisory Director under this Agenda remains effective shall be until June 30, 2020, when the term of office of the Supervisory Director under Agenda No. 4 expires, pursuant to the provisions in the text of Article 19, paragraph 3, subject to approval for Agenda No.4.

Allow us to be able to cancel the appointment by the resolution of a Board of Directors meeting about effect of appointment of an Alternate Supervisory Director only before the inauguration.

The candidate for the Alternate Executive Director is as follows.

Name (Birth Date)	Brief Personal History		Number of the Investment Corporation's units held
Satoshi Hiyama (October 15, 1972)	April 1998 April 2000 April 2002 April 2003 August 2004 October 2006 October 2015	Assistant Judge of Tokyo District Court Transferred to Supreme Court, General Secretariat, Civil Affairs Bureau Assistant Judge of Tokyo District Court Assistant Judge of Fukuoka District Court, Kokura Branch Joined Anderson Mori Joined Sudoh & Takai Law Offices Partner of Kikkawa Law Offices (current position)	0 Unit

1. There is no special interest between the Investment Corporation and the candidate.

Reference Matter

Regarding agendas to be submitted to the General Meeting of Unitholders, rules and regulations identified in "Deemed Approval," which are stipulated under Article 93, paragraph 1 of the Investment Trusts Law and Article 15 of the current Articles of Incorporation, shall not be applied to any of the agendas concerned if there are agendas that are, in intent, conflicting with each other. The Investment Corporation believes that Agendas 1 through 5 do not present any conflict in intent.