

## **Translation Purpose Only**

March 17, 2016

### **To All Concerned Parties**

6-8-7 Ginza, Chuo-ku, Tokyo  
Frontier Real Estate Investment Corporation  
Kazuichi Nagata, Executive Director  
(Securities Code: 8964)

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### **Notice Concerning the Execution and the Repayment of Short-term Borrowings**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowing. The Investment Corporation, additionally, announces it would repay short-term borrowings on March 22, 2016. Details are provided below.

#### 1. The Execution of Short-term Borrowing

##### (1) Purpose

To appropriate for the repayment of short-term borrowings as of December 21, 2015, and for a part of the payment of the redemption of the 1st Unsecured Investment Corporation Bonds(Note 1), stated in the press release "Notice Concerning the Execution of New Borrowings and the Redemption of Investment Corporation Bonds" announced on March 7, 2016.

(Note 1)As the Investment Corporation has redeemed the investment corporation bonds by amount of ¥4,000 million of borrowings and amount of ¥1,000 million of cash on hand, on March 11, 2016, this new borrowing will be executed to cover the decreased amount in cash on hand due to utilization on March 22, 2016. Actually, the borrowing will be appropriated for a part of the redemption of investment corporation bonds.

##### (2) Details

- ① Drawdown Date : March 22, 2016
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

<b>Lender</b>	<b>Amount</b>	<b>Maturity Date</b>	<b>Interest Rate</b>
Mizuho Bank, Ltd.	¥4,000 Million	April 19, 2016	0.11364%

## 2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on March 22, 2016 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	¥2,000 Million	December 21, 2015	March 22, 2016	Payment in full on the maturity date	Unsecured Unguaranteed
Resona Bank, Limited.	¥1,000 Million				

## 3. Change in the Balance of Borrowings

(Unit : ¥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	3,000	4,000	+1,000
Long-term Borrowings	74,960	74,960	—
Borrowings Total	77,960	78,960	+1,000

(\*) Long-term Borrowings include the balance of borrowings due within one year.

## 4. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities registration statement submitted on September 29, 2015.

This document is released to media organizations through the “Kabuto Club”(the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.

Frontier Real Estate Investment website: <http://www.frontier-reit.co.jp/eng/>

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