

Translation Purpose Only

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For Immediate Release

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Frontier Real Estate Investment Corporation
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(Securities Code: 8964)

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Notice Concerning the Execution and the Repayment of Short-term Borrowing

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 borrowing on February 22, 2013. Details are provided below.

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowing as of February 24, 2012.

(2) Details

- ① Drawdown Date : February 22, 2013
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥200 Million	March 19, 2013	0.36428% (Interest Rate is fixed until the maturity date)

2. The Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on February 22, 2013 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥500 Million	February 24, 2012	February 22, 2013	Payment in full on the maturity date	Unsecured Unguaranteed

(*) Short-term Borrowing (¥300 million) will be covered with cash on hand.

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3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 22,200 Million	¥ 21,900 Million	–300 Million
Long-term Borrowings	¥ 61,200 Million	¥ 61,200 Million	–
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	–
Borrowings Total	¥ 88,400 Million	¥ 88,100 Million	–300 Million

(*) 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 February 15, 2013.

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

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