

**Translation Purpose Only**

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**For Immediate Release**

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(Securities Code: 8964)

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

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute long-term and short-term borrowings. The Investment Corporation, additionally, announces it would repay long-term and short-term borrowings on February 20, 2012. Details are provided below.

1. The Execution of Long-term and Short-term Borrowings

(1) Rational

To appropriate for the repayment of long-term borrowing as of February 19, 2009 and short-term borrowings as of November 21, 2011.

(2) Details

- ① Drawdown Date : February 20, 2012
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Date and Interest Rate:

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥3,000 Million	February 20, 2020	1.16875% (Interest rate is fixed until the maturity date.)
	¥5,000 Million	July 19, 2012	0.38000%(*) (February 20, 2012 ~ March 18, 2012)
Mizuho Corporate Bank, Ltd.	¥1,300 Million	June 19, 2012	0.38000%(*) (February 20, 2012 ~ March 18, 2012)

(\* ) Interest rate on and after March 19, 2012 will be announced when they are determined.

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## 2. The Repayment of Long-term and Short-term Borrowings

Details of the repayment of long-term and short-term borrowings on February 20, 2012 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥6,000 Million	February 19, 2009	February 20, 2012	Payment in full on the maturity date	Unsecured Unguaranteed
	¥2,000 Million	November 21, 2011			
Mizuho Corporate Bank, Ltd.	¥1,300 Million	November 21, 2011			

## 3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 14,200 Million	¥ 17,200 Million	+ 3,000 Million
Long-term Borrowings	¥ 47,220 Million	¥ 44,220 Million	- 3,000 Million
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	-
Borrowings Total	¥ 66,420 Million	¥ 66,420 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 September 28, 2011.

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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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