

Translation Purpose Only

January 30, 2013

For Immediate Release

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

Asset Management Company:
Mitsui Fudosan Frontier REIT Management Inc.
Hiroshi Tanaka
Chief Executive Officer and Representative Director

Inquiries:
Mitsui Fudosan Frontier REIT Management Inc.
Tatsu Makino
Vice President, Finance Division and Director
Tel: +81-3-3289-0440

Notice Concerning the Execution of New Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute new borrowings. Details are provided below.

1. Rational

To appropriate for the payment of newly acquired property (Ikebukuro Square).

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

(1) Details of Short-term Borrowings

- ① Drawdown Date : February 1, 2013
- ② Loan Type : Unsecured, Unguaranteed
- ③ Lenders, Amount, Maturity Dates and Interest Rate : See accompanying table

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥3,000 Million	February 19, 2013	0.29119% (Interest rate is fixed until the maturity date.)
Mizuho Corporate Bank, Ltd.	¥6,000 Million	March 1, 2013	0.31500% (Interest rate is fixed until the maturity date.)
THE DAISHI BANK, LTD.	¥1,000 Million	August 1, 2013	0.33000% (Interest rate is fixed until the maturity date.)

(2) Details of Long-term Borrowings

- ① Drawdown Date : February 1, 2013
- ② Loan Type : Unsecured, Unguaranteed

Translation Purpose Only

③ Lenders, Amount, Maturity Dates and Interest Rates : See accompanying table

Lenders	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	¥3,000 Million	February 1, 2023	1.15625% (Interest rate is fixed until the maturity date.)
Mitsubishi UFJ Trust and Banking Corporation	¥2,500 Million	February 1, 2021	0.82000% (Interest rate is fixed until the maturity date.)
Mizuho Trust & Banking co., Ltd.	¥2,500 Million	February 3, 2020	0.69000% (Interest rate is fixed until the maturity date.)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥1,000 Million	February 1, 2018	0.47125% (Interest rate is fixed until the maturity date.)
The Bank of Fukuoka, Ltd.	¥1,000 Million	February 1, 2018	0.47125% (Interest rate is fixed until the maturity date.)

3. Change in the balance of borrowings

	Before This Financing	After This Financing	Variance
Short-term Borrowings	¥ 10,200 Million	¥ 20,200 Million	+ 10,000 Million
Long-term Borrowings	¥ 51,200 Million	¥ 61,200 Million	+ 10,000 Million
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 66,400 Million	¥ 86,400 Million	+20,000 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.

Translation Purpose Only

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/>

Disclaimer

This information was originally publicized in the original Japanese language and has been translated for reference purposes only. Frontier Real Estate Investment Corporation guarantees neither the completeness nor the accuracy of this English translation. For complete and accurate information, please refer to the press release in Japanese. In addition, this press release is not prepared as an inducement or invitation for investment. All readers are advised to consult their own investment advisors before investing in the Investment Corporation. Investment decisions are made at the investor's sole discretion and responsibility and are made at their own risk. The Investment Corporation and its affiliates disclaim any responsibility or liability for the consequence of investment in the Investment Corporation.