

February 18, 2008

For Immediate Release

2-17-22 Akasaka, Minato-ku, Tokyo
 Frontier Real Estate Investment Corporation
 Shunpei Nishikata, Executive Director
 (Securities Code : 8964)

Asset Management Company:
 Frontier REIT Management Inc.
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 Chief Executive Officer And Representative Director

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Notice Concerning Transfer of Shares in Asset Management Company

Frontier Real Estate Investment Corporation (the “Investment Corporation”) today announced that Frontier REIT Management Inc., the Investment Corporation’s asset management company (the “Asset Management Company”) approved the transfer of its shares at a meeting of its Board of Directors. Relevant details are as follows.

1. Background of share transfer

The Asset Management Company today gave its approval for Mitsui Fudosan Co., Ltd. (“Mitsui Fudosan”) to acquire all the outstanding Asset Management Company shares from Japan Tobacco Inc. (“JT”). As announced in the “Notice Concerning Collaboration with Mitsui Fudosan Co., Ltd.”, the Investment Corporation and the Asset Management Company have determined and reached agreement on collaboration with Mitsui Fudosan that contributes to the Investment Corporation’s external and internal growth.

2. Structure of Shareholding

(Before Share Transfer)

Shareholder	Address	Number of Shares Held	Percentage of Shares Held (%)
Japan Tobacco Inc.	2-2-1, Toranomom, Minato ward, TOKYO	9,000	100
Total	—	9,000	100

(After Share Transfer)

Shareholder	Address	Number of Shares Held	Percentage of Shares Held (%)
Mitsui Fudosan Co., Ltd.	2-1-1, Nihonbashi-Muromachi, Chuo ward, TOKYO	9,000	100
Total	—	9,000	100

3. Share Transfer Schedule

February 18, 2008	Approval of the share transfer by a resolution of the Asset Management Company's Board of Directors
February 18, 2008	Execution of Share Transfer Agreement
March 24, 2008	Transfer of Shares

4. Outline of Transferee

Business Name	Mitsui Fudosan Co., Ltd.
Address of Head Office	2-2-1, Nihonbashi-Muromachi, Chuo ward, TOKYO
Representatives	President and CEO Hiromichi Iwasa
Capital	¥174,296 Million
Major Shareholder	The Master Trust Bank of Japan, Ltd (Trust Account) (as of September 30, 2008)
Primary Business	① Possession, disposition and lease of real estate ② Management and use of real estate ③ Purchase and sale, brokerage and appraisal of real estate

Details of the aforementioned transfer will be registered with the Commissioner of the Financial Services Agency pursuant to the related provisions of the Financial Instruments and Exchange Law and notification thereof provided to the Minister of Land, Infrastructure, Transport and Tourism pursuant to the conditions to the approval for discretionary agents of real estate transactions.

- 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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