

**Translation Purpose Only**

February 15, 2013

**For Immediate Release**

6-8-7 Ginza, Chuo-ku, Tokyo  
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 Borrowings**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowings. The Investment Corporation, additionally, announces it would repay short-term borrowings on February 19, 2013. Details are provided below.

1. The Execution of Short-term Borrowings

(1) Rational

To appropriate for the repayment of short-term borrowings as of August 20, 2012, January 18, 2013, January 21, 2013, and February 1, 2013.

(2) Details

- ① Drawdown Date : February 19, 2013
- 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	March 5, 2013	0.35500% (February 19, 2013 ~ February 25, 2013)
Sumitomo Mitsui Trust Bank, Limited	¥2,000 Million	March 19, 2013	0.35500%(*) (Interest Rate is fixed until the maturity date)
Mitsubishi UFJ Trust and Banking Corporation	¥200 Million	March 19, 2013	0.35500% (Interest Rate is fixed until the maturity date)

(\* ) Interest rate on and after February 26, 2013 will be announced when they are determined.

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## 2. The Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on February 19, 2013 are as follows.

Lenders	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	¥3,000 Million	February 1, 2013	February 19, 2013	Payment in full on the maturity date	Unsecured Unguaranteed
Sumitomo Mitsui Trust Bank, Limited	¥2,000 Million	January 18, 2013			
	¥1,000 Million	January 21, 2013			
Mitsubishi UFJ Trust and Banking Corporation	¥1,200 Million	August 20, 2012			

## 3. Change in the Balance of Borrowings

	Before This refinance	After This refinance	Variance
Short-term Borrowings	¥ 20,200 Million	¥ 22,200 Million	+2,000 Million
Long-term Borrowings	¥ 61,200 Million	¥ 61,200 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 86,400 Million	¥ 88,400 Million	+2,000 Million

(\*1) Short-term Borrowing (¥2,000 million) will be covered with cash on hand.

(\*2) Short-term Borrowings also include new borrowings (¥4,000 Million), stated in the press release “Notice Concerning the Execution of New Borrowings” announced on February 15, 2013.

(\*3) 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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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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