

Translation Purpose Only

March 18, 2019

To All Concerned Parties

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

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Notice Concerning Execution of Short-term Borrowings

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that it has decided to execute short-term borrowings.

1. Execution of Short-term Borrowings**(1) Purpose**

To appropriate for a part of the payment of the acquisition of the properties (Ikebukuro GLOBE (50% co-ownership stake), SAKAE GLOBE (40% quasi co-ownership stake) and Shinsaibashi MG Building (60% co-ownership stake)), stated in the press release "Notice Concerning Acquisition of Real Estate Property in Japan and Trust Beneficiary Rights to Real Estate Property in Japan" announced on March 18, 2019.

(2) Details

- ① Drawdown Date : March 20, 2019
- ② Repayment of Principal : Payment in full on the maturity date
- ③ Loan Type : Unsecured, Unguaranteed
- ④ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
MUFG Bank, Ltd.	¥6,500 Million	April 22, 2019	0.10273% (Interest Rate is fixed until the maturity date.)
Mizuho Bank, Ltd.	¥7,500 Million	May 20, 2019	0.07818% (Interest Rate is fixed until the maturity date.)
Shinkin Central Bank	¥3,000 Million	May 20, 2019	0.08818 % (Interest Rate is fixed until the maturity date.)
Mizuho Trust & Banking Co., Ltd.	¥3,000 Million	May 20, 2019	0.08818% (Interest Rate is fixed until the maturity date.)
The Bank of Fukuoka, Ltd.	¥2,000 Million	May 20, 2019	0.07818 % (Interest Rate is fixed until the maturity date.)
Total	¥22,000 Million	—	—

2. Change in the Balance of Borrowings etc.

(Unit : ¥Million)

	Before This Financing	After This Financing	Variance
Short-term Borrowings	3,500	25,500	+22,000
Long-term Borrowings	84,900	84,900	—
Investment Corporation Bonds	5,000	5,000	—
Borrowings Total	93,400	115,400	+22,000

(*) Long-term Borrowings include the balance of borrowings due within one year.

3. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on September 26, 2018.

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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