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For Immediate Release

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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 Borrowing

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

1. The Execution of Short-term Borrowing

(1) Rational

To appropriate for the repayment of short-term borrowing as of July 19, 2013.

(2) Details

① Drawdown Date : August 19, 2013

② Loan Type : Unsecured, Unguaranteed

③ Lender, Amount, Maturity Date and Interest Rate:

Lender	Amount	Maturity Date	Interest Rate
Sumitomo Mitsui Banking Corporation	￥3,000 Million	September 19, 2013	0.30000% (Interest Rate is fixed until the maturity date.)

2. The Repayment of Short-term Borrowing

Details of the repayment of short-term borrowing on August 19, 2013 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Sumitomo Mitsui Banking Corporation	￥3,000 Million	July 19, 2013	August 19, 2013	Payment in full on the maturity date	Unsecured Unguaranteed

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3. Change in the Balance of Borrowings

	Before This refinance(*2)	After This refinance	Variance
Short-term Borrowings	¥ 3,500 Million	¥ 3,500 Million	—
Long-term Borrowings(*1)	¥ 61,840 Million	¥ 61,840 Million	—
Investment Corporation Bonds	¥ 5,000 Million	¥ 5,000 Million	—
Borrowings Total	¥ 70,340 Million	¥ 70,340 Million	—

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

(*2) Borrowing and repayment stated in the press release “Notice Concerning the Execution of Long-term Borrowing and the Repayment of Short-term Borrowings” announced on August 14, 2013 is included.

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 March 27, 2013.

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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