Translation Purpose Only

December 17, 2018

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 and 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 December 19, 2018. Details are provided below.

1. Execution of Short-term Borrowings

(1) Purpose

To appropriate for the repayment of short-term borrowings as of October 19, 2018.

(2) Details

① Drawdown Date : December 19, 2018
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
Mizuho Bank, Ltd.	¥1,000 Million	February 19, 2019	0.07818 % (Interest Rate is fixed until the maturity date.)
The 77 Bank, Ltd.	¥1,000 Million	February 19, 2019	0.07818 % (Interest Rate is fixed until the maturity date.)

2. Repayment of Short-term Borrowings

Details of the repayment of short-term borrowings on December 19, 2018 are as follows.

Lender	Borrowing Amount	Drawdown Date	Maturity Date	Repayment of Principal	Loan Type
Mizuho Bank, Ltd.	￥1,000 Million	October 19, 2018	December 19, 2018	Payment in full on the maturity date	Unsecured Unguaranteed
The 77 Bank, Ltd.	￥1,000 Million				

3. Change in the Balance of Borrowings etc.

(Unit : ￥Million)

	Before This refinance	After This refinance	Variance
Short-term Borrowings	2,000	2,000	—
Long-term Borrowings	86,400	86,400	—
Investment Corporation Bonds	5,000	5,000	—
Total	93,400	93,400	—

(*) 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 report submitted on September 26, 2018.

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Frontier Real Estate Investment website: http://www.frontier-reit.co.jp/eng/

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