

**Translation Purpose Only**

March 20, 2023

**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 Conclusion of Interest Rate Swap Agreement**

Frontier Real Estate Investment Corporation (the "Investment Corporation") hereby announces that today it has decided to conclude interest rate swap agreement relating to the long-term borrowing. Details are provided below.

## 1. The Conclusion of Interest Rate Swap Agreement

## (1) Purpose

To hedge the risk of interest rate fluctuations with respect to the long-term borrowing with Sumitomo Mitsui Banking Corporation executed on February 1, 2023. For details on this long-term borrowing, please refer to the "Notice Concerning Execution and Repayment of Long-term Borrowing" released on January 30, 2023.

## (2) Details

Interest rate swap agreement

Counterparty	Notional Amount	Interest Rate <sup>(*)</sup>		Commencement Date	Termination Date
		Fixed Payment	Variable Receipt		
Sumitomo Mitsui Trust Bank, Limited	¥3,000 Million	0.67750%	Base interest rate (1-month JBA Japanese Yen TIBOR)	April 3, 2023	February 3, 2031

(\*) The first date for both the payment of the fixed interest rate and the receipt of the floating interest rate will be May 1, 2023, followed by the 1st of every month thereafter (or the following business day if such date is not a business day).

<Hedge target >

Lender	Amount	Interest Rate(*)	Drawdown Date	Maturity Date
Sumitomo Mitsui Banking Corporation	¥3,000 Million	Base interest rate (1-month JBA Japanese Yen TIBOR)+0.22500%	February 1, 2023	February 3, 2031

(\*) The interest rate of long-term borrowing will be fixed at 0.90250% by executing the interest rate swap agreement.

## 2. Others

Regarding the repayment risk of the above-mentioned long-term borrowing, there is no significant change to the "Investment risks" description in the latest securities report submitted on September 29, 2022.

Frontier Real Estate Investment Corporation website: <https://www.frontier-reit.co.jp/en/>

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