



August 4, 2006

Company name: Sun Frontier Fudousan Co., Ltd.

Stock listing: JASDAQ

Code number: 8934

URL: <http://www.sunfrt.co.jp>

Address: 13F, Toho Hibiya Building, 2-2, Yurakucho 1-chome, Chiyoda-ku, Tokyo 100-0006

Representative: Tomoaki Horiguchi, President

Inquiry: Shigeru Noda, General Manager, Corporate Planning Division

(Phone: +81-3-5521-1551, E-mail: ir@sunfrt.co.jp)

Regarding issuance of new shares through third party allotment

At a Meeting of the Board of Directors held on June 23, 2006, the Company voted to issue new shares through third party allotment, and has set 5,000 as the maximum total number of new shares that it will grant to a party. A party has indicated that it will exercise some of its rights to receive an allotment of the new shares granted to it. This is outlined below.

1. Issuance of new shares through third party allotment

(1) Number of shares to be issued: 3,413 shares

(Total number of shares planned for allotment: 5,000 shares)

(2) Issue price: ¥217,120 per share

(3) Total issue value: ¥741,030,560

(4) Increase in capital: ¥370,515,280

(5) Increase in additional paid-in capital: ¥370,515,280

(6) Offer period: August 8, 2006

(7) Payment date: August 8, 2006

(8) Party accepting third party allotment: Daiwa Securities SMBC Co. Ltd.

2. Total shares outstanding following the third party allotment of new shares

(1) Current shares outstanding: 325,898 shares (as of August 4, 2006)

(2) Increase in shares from third party allotment: 3,413 shares

(3) Total shares outstanding following increase from third party allotment: 329,311 shares

3. Use of funds raised

The third party allotment of new shares will raise ¥735,030 thousand after taxes and the public offering of new shares, which was decided on the same day as the third party allotment of new shares, will raise ¥7,541,200 thousand. The company plans to allocate the entire combined amount to acquiring property in the replanning business.