



February 1, 2007

Company name: Sun Frontier Fudousan Co., Ltd.

Stock listing: JASDAQ

Code number: 8934

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

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Sun Frontier Fudousan Announces Offering of its Shares

Sun Frontier Fudousan Co., Ltd., announces that it has resolved as follows at a meeting of its Board of Directors held on February 1, 2007 in connection with the offering of its shares.

I. Offering of Shares (Secondary Offering by Underwriters)

1. Number of Shares to be Sold: 12,000 shares of the Company's common stock
2. Offer Price: Undecided (To be determined on any date from Tuesday February 13, 2007 through Thursday, February 15, 2007 [the "offer price determination date"]).
3. Selling Shareholders and
Number of Shares to be Sold: Tomoaki Horiguchi: 10,000 shares
Keiko Horiguchi: 2000 shares
4. Method of Offering: All shares are to be purchased by Daiwa Securities SMBC Co., Ltd., Ichiyoshi Securities Co., Ltd., Nomura Securities Co., Ltd., Shinko Securities Co., Ltd., and Cosmo Securities Co., Ltd., (the "underwriters"). The consideration of the underwriters for the offering shall be the aggregate amount of the offer price minus the aggregate subscription amount to be paid by the underwriters to the selling shareholders.
5. Subscription Period: Expected to be for three business days following the offer price determination date starting from the business day immediately after the offer price determination date
6. Delivery Date: Monday, February 26, 2007
7. Subscription Money: The same amount as the offer price per share
8. Unit of Offering: 1 share
9. The authority required for determination of all other necessary matters pertaining to the offering, including the offer price, is delegated to the President of the Company.
10. The Company filed a Securities Registration Notice on Thursday February 1, 2007 under the Securities and Exchange Law of Japan.



II. Offering of Shares (Over-allotment) (See Appendix 2. below)

1. Number of Shares to be Sold: 1000 shares of the Company's common stock

The above number of shares indicates the maximum number to be sold. The actual number of shares to be sold shall be determined on the offer price determination date depending on demand for the Company's shares in I. Offering of Shares (Secondary Offering by Underwriters) outlined above.

2. Offer Price: Undecided (identical offer price to the price of shares in I. Offering of Shares (Secondary Offering by Underwriters) outlined above.

3. Seller: Daiwa Securities SMBC Co., Ltd.

4. Method of Offering: In consideration of the demand for the Company's shares in I. Offering of Shares (Secondary Offering by Underwriters) outlined above, Daiwa Securities SMBC will sell additional shares of the Company's common stock borrowed from the Company's shareholders.

5. Subscription Period: Identical to the subscription period in I. Offering of Shares (Secondary Offering by Underwriters) outlined above.

6. Delivery Date: Identical to the delivery date in I. Offering of Shares (Secondary Offering by Underwriters) outlined above.

7. Subscription Money: Identical to the subscription money in I. Offering of Shares (Secondary Offering by Underwriters) outlined above.

8. Unit of Offering: 1 share

9. The authority required for determination of all other necessary matters pertaining to the offering, including the offer price, is delegated to the President of the Company.

10. The Company filed a Securities Registration Notice on Thursday February 1, 2007 under the Securities and Exchange Law of Japan.

Appendix

1. Purpose of the offering

Through the above offering, the Company aims to further enhance the liquidity of its shares by diversifying its shareholder distribution.

2. Offering through Over-allotment

In conjunction with the secondary offering of shares by the underwriters in I. Offering of Shares (Secondary Offering by Underwriters) (the "secondary offering by underwriters"), Daiwa Securities SMBC will offer a maximum of 1,000 shares of common stock borrowed from the Company's shareholders (the "borrowed shares") upon consideration of demand for the Company's shares. Accordingly, the number of shares to be sold through over-allotment indicates the maximum number of shares to be sold, and the number may be reduced or the offering through over-allotment may be cancelled altogether depending on demand for the Company's shares.

In this connection, Daiwa Securities SMBC shall be granted the right to acquire additional shares of the Company's common stock up to the limit of the number of shares related to the offering through over-allotment (the "Greenshoe Option"). The Greenshoe Option exercise period shall commence on the day



immediately following the last date of the subscription period for the secondary offering by underwriters and the offering through over-allotment and shall end on Friday, March 16, 2007.

Daiwa Securities SMBC may conduct stabilization transactions involving the Company's common shares during the subscription period for the secondary offering by underwriters and the offering through over-allotment, and it may use the shares purchased in these stabilization transactions to return the borrowed shares.

Additionally, Daiwa Securities SMBC may purchase the Company's common shares through the J Nasdaq Securities Exchange or the Tokyo Stock Exchange. It may do up to the maximum number of shares with respect to the offering through over-allotment from the day immediately following the last date of the subscription period for the secondary offering by underwriters and the offering through over-allotment until Friday, March 16, 2007 (the "syndicate cover transaction"). Daiwa Securities SMBC uses the shares purchased in such syndicate cover transactions to return the borrowed shares.

Daiwa Securities SMBC will execute the Greenshoe Option for the number of shares obtained by deducting the number of shares to be purchased through the above stabilization transactions and syndicate cover transactions for returning the borrowed shares from the number of shares to be offered through over-allotment.

Cautionary Statement

This press release was prepared for the purpose of public disclosure related to the offering of the Company's shares and not with the intention of soliciting investment. Investors are advised to read the Company's prospectus for new share issuance (and its amendments) before making discretionary investment decisions.