

FOR IMMEDIATE RELEASE

Activia Properties Inc.
21-1, Dogenzaka 1-chome, Shibuya-ku, Tokyo
Nobuhide Kashiwagi
Executive Director
(Code: 3279)

Asset Management Company
TLC REIT Management Inc.
Akira Kubo
President & CEO

Inquiries
Manabu Kamikawara
General Manager of Strategy Department
Activia Management Division
(Tel: +81-3-6455-3377)

Notice Concerning Borrowing of Funds

Activia Properties Inc. (“API”) announces that it decided to borrow funds (the “Borrowing”) today. Details are as follows:

I. Borrowings

1. Details of the borrowing

< Long-term borrowings >

Lender	Loan amount	Interest rate	Drawdown date (plan)	Due date (Note 1)	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Banking Corporation	6 billion yen	To be determined (Fixed rate) (Note 2) (Note 3)	January 12, 2024	January 12, 2030	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd. Development Bank of Japan Inc. Sumitomo Mitsui Banking Corporation	6 billion yen	To be determined (Fixed rate) (Note 2) (Note 3)	January 12, 2024	January 12, 2032	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.

(Note 2) Interest rate of the borrowing will be announced upon the determination.

(Note 3) The interest payment will be made on July 31, 2024 and the last days of January and July in each year thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

2. Reasons for the borrowing

API will use the funds from the borrowings to redeem long-term borrowings of 12 billion yen (the “Existing Long-term Borrowings”) with a due date of January 12, 2024. For the details of the Existing Long-term Borrowings, please refer to “Notice Concerning Borrowing of Funds” released on December 25, 2015, and “Notice Concerning Borrowings of Funds” released on December 24, 2019.

3. Amount, use and schedule of disbursement of funds to be raised

(1) Total amount

12 billion yen in total

(2) Specific purpose of use

Funds will be used to redeem the Existing Long-term Borrowings

(3) Scheduled date of disbursement

January 12, 2024

II. Status of borrowings payable, etc. after the Borrowing

1. Interest-bearing debt balance after the Borrowing

(In millions of yen)

	Before the Borrowing (As of December 22, 2023)	After the Borrowing (As of January 12, 2024)	Change
Short-term borrowings (Note)	0	0	0
Long-term borrowings to be repaid within one year	35,500	23,500	(12,000)
Long-term borrowings (Note)	202,650	214,650	12,000
Total amount of borrowings	238,150	238,150	0
Investment corporation bonds to be redeemed within one year	5,000	5,000	0
Investment corporation bonds	22,700	22,700	0
Total amount of borrowings and investment corporation bonds	265,850	265,850	0

(Note) Short-term borrowings refer to borrowings with a maturity period of one year or less, and long-term borrowings refer to borrowings with a maturity period of more than one year.

2. Basic financing information after the Borrowing

	Before the Borrowing (As of December 22, 2023)	After the Borrowing (As of July 12, 2024)	Change (point)
Long-term debt ratio (Note 1) (Note 4)	100.0%	100.0%	0.0
Long-term debt ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) (Note 2) (Note 4)	84.8%	89.3%	4.5
Fixed interest ratio (Note 3) (Note 4)	94.1%	94.1%	0.0

(Note 1) Long-term debt ratio is the ratio of the outstanding long-term borrowings (including the long-term borrowings to be repaid within one year) and investment corporation bonds (including the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 2) Long-term debt ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) is the ratio of the outstanding long-term borrowings (excluding the long-term borrowings to be repaid within one year) and investment corporation bonds (excluding the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 3) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt with fixed interest rates to the total of outstanding interest-bearing debt. The total of outstanding interest-bearing debt with fixed interest rates includes debts whose interest rates were converted into fixed interest rates by interest rate swap agreements.

(Note 4) Figures are rounded to the first decimal place.

III. Other

Regarding the risks related to the repayment of the Borrowing, there are no significant changes in the “Investment Risk” section of the securities report submitted on August 30, 2023.

*Website of API: <https://www.activia-reit.co.jp/en/>