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FOR IMMEDIATE RELEASE

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Notice Concerning Revisions to PML in the Earthquake Risk Analysis

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) announces the revised PML (Probable Maximum Loss) for its properties as reported from Sompo Japan Nipponkoa Risk Management Inc. (hereinafter referred to as the “Evaluation Company”), who undertakes PML surveys and updated evaluation method as recent advancements have been made in the method to evaluate the risk of earthquakes. Details are as follows.

1. Results of revised PML (Note 1)

Property number	Property name	PML (%)	
		Before revision	After revision (Note 2)
UR-1	Tokyu Plaza Omotesando Harajuku	5.02	2.94
UR-2	Tokyu Plaza Akasaka (Note 4)	3.56	3.59
UR-3	Ebisu Q Plaza	2.29	5.72
UR-4	Shinbashi Place	4.72	6.82
UR-5	Kyoto Karasuma Parking Building	4.32	2.38
UR-6	Hitotsugi LIP	7.19	6.39
UR-7	Kobe Kyu Kyoryuchi 25Bankan	5.43	2.55
UR-8	Tokyu Plaza Sapporo (Note 4)	0.38	0.26
UR-9	Kamata Kosan Building	5.58	7.92
TO-1	TLC Ebisu Building	2.84	6.46
TO-2	A-PLACE Ebisu Minami	8.65	8.01
TO-3	Yoyogi Place (Note 3)	6.97	5.07
TO-4	Aoyama Plaza Building (Note 3) (Note 4)	10.73	8.88
TO-5	Luogo Shiodome	1.54	2.65
TO-6	Tokyo Kikai Honsha Building (Land) (Note 5)	-	-
TO-7	A-PLACE Ikebukuro	6.11	3.17
TO-8	TK Shinbashi Building (Note 3)	6.80	7.41

TO-9	Gotanda Front (Note 3)	4.16	6.08
TO-10	Shinagawa Place (Note 3)	6.56	4.85
TO-11	OSAKI WIZTOWER	2.50	2.44
O-1	Amagasaki Q's MALL (Land) (Note 5)	-	-
O-2	icot Nakamozu	11.68	4.84
O-3	icot Kongo (Note 4)	16.21	10.42
O-4	icot Mizonokuchi	8.09	8.25
O-5	icot Tama Center	2.45	1.80
O-6	Kanayama Center Place (Note 3)	10.80	5.31
O-7	Osaka Nakanoshima Building	10.63	7.88
O-8	icot Omori (formerly "J-CORE Omori")	6.50	3.86
Portfolio PML		4.57	2.24

(Note 1) PML (Probable Maximum Loss) refers to the percentage, not exceeding 90%, of expected damages caused if a maximum-level earthquake (an earthquake that happens once every 50 years with a 10% probability = statistically happens once every 475 years with an annual exceeding probability of 0.211%) happens during an assumed period for the economic life of a building (50 years = the useful life of a standard building) to the procurement cost for restoring those expected damages.

Expected loss amount includes only the direct loss of buildings (structure, coating, and building equipment) by the earthquake motion, and excludes the secondary damages, such as the loss of equipment or furniture, the loss from flood or fire, insurance for victims, operating loss by business interruption, and other.

(Note 2) Revised on October 1, 2014.

(Note 3) Property names for Yoyogi Place, Aoyama Plaza, TK Shinbashi Building, Gotanda Front, Shinagawa Place and Kanayama Center Place will be changed to A-PLACE Yoyogi, A-PLACE Aoyama, A-PLACE Shinbashi, A-PLACE Gotanda, A-PLACE Shinagawa and A-PLACE Kanayama, respectively on November 1, 2014. Please refer to "Notice Concerning the Change of Property Name" as announced on September 30, 2014.

(Note 4) Seismic strengthening was conducted on Tokyu Plaza Akasaka, Tokyu Plaza Sapporo, Aoyama Plaza Building and icot Kongo on April 2009, June 2007, July 2008 and July 2008, respectively.

(Note 5) As the Investment Corporation owns the land only for Tokyo Kikai Honsha Building (Land) and Amagasaki Q's MALL (Land), no PML is described for the properties.

2. Details of revised earthquake risk evaluation method

(Extracted from "PML Evaluation Report" by the Evaluation Company)

The Investment Corporation received an explanation about the revision of the earthquake risk evaluation method, as follows.

Before the revisions, the Evaluation Company calculated PML based on an evaluation system which was developed in 2007. Thereafter, advanced knowledge and technologies are accumulated through the earthquake research by the Ministry of Education, and the research in earthquakes, earthquake risks and geotechnique by various academic communities.

For more improved accuracy of its evaluations of earthquake risk, the Evaluation Company revised its evaluation method with using advanced knowledge and technologies.

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*Website of the Investment Corporation: <http://www.activia-reit.co.jp/english>