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FOR IMMEDIATE RELEASE

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Notice Concerning Early Repayment of Funds

Activia Properties Inc. (“API”) announces that it decided to make early repayment of funds today. Details are as follows.

1. Early Repayment of Funds

(1) Details of the funds to be repaid

Lender	Loan Amount	Interest rate	Drawdown date	Due date	Borrowing and repayment methods, security, and guarantee
Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.6 billion yen	0.275% + Base rate (floating rate)	December 16, 2015	May 31, 2016	Borrowing based on a commitment line agreement as of June 11, 2015 with the lenders shown at left as the creditor, lump-sum repayment, unsecured and unguaranteed

(Note) Break-funding costs upon this prepayment will occur. However the impact of these costs on API is minimal.

(2) Amount to be repaid before maturity (principal)

1.6 billion yen

(3) Scheduled date of repayment before maturity

January 19, 2016

(4) Funds for repayment

Part of the net proceed from the issue of the New Investment Units through Third-Party Allotment which will be paid on January 6, 2016. For further details, please refer to the “Notice Concerning Determination

of the Number of New Investment Units to be issued through Third-Party Allotment” announced as of today.

2. Status of borrowings, etc. after the early repayment

(1) Interest-bearing debt after the early repayment

(in millions of yen)

	Before the early repayment (January 4, 2016)	After the early repayment (January 19, 2016)	Change
Short-term borrowings payable (Note 1)	6,250	4,650	Δ1,600
Long-term borrowings to be repaid within a year (Note 2)	27,400	20,400	Δ7,000
Long-term borrowings payable (Note 1) (Note 2)	107,350	114,350	7,000
Total borrowings payable	141,000	139,400	Δ1,600
Investment corporation bonds	8,000	8,000	0
Total borrowings payable and investment corporation bonds	149,000	147,400	Δ1,600
Other interest-bearing debt	0	0	0
Total interest-bearing debt	149,000	147,400	Δ1,600

(Note 1) Short-term borrowings payable refer to the borrowings with a maturity period of one year or less, and long-term borrowings payable refer to the borrowings with a maturity period of more than one year.

(Note 2) It reflects refinancing of a long-term borrowing of 7 billion yen on the due date of January 12, 2016. For further details, please refer to the “Notice Concerning Borrowing of Funds” announced on December 25, 2015.

(2) Basic financing information after the early repayment

	Before the early repayment (January 4, 2016)	After the early repayment (January 19, 2016)	Change (point)
Long-term borrowing ratio (Note 1) (Note 4)	95.8%	96.8%	1.0%
Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) (Note 2) (Note 4)	77.4%	83.0%	5.6%
Fixed interest ratio (Note 3) (Note 4)	81.4%	87.1%	5.6%

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

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

(Note 3) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt of fixed interest ratio to the total of outstanding interest-bearing debt and calculated after fixing the interest rate by interest rate swap agreement.

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

(Note 5) It reflects refinancing of a long-term borrowing of 7 billion yen on the due date of January 12, 2016. For further details, please refer to the “Notice Concerning Borrowing of Funds” announced on December 25, 2015.

3. Other

Regarding to 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 November 26, 2015.

*Distribution of this material: This material is distributed to the Kabuto Club; the press club for the Ministry of Land, Infrastructure, Transport and Tourism; and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport and Tourism.

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