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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>