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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	0.45 billion	0.13% + Base rate (floating rate)	December 16, 2015	May 31, 2016	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed
Mitsubishi UFJ Trust and Banking Corporation	0.45 billion				
Mizuho Bank, Ltd.	0.45 billion				
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	0.45 billion				
Sumitomo Mitsui Banking Corporation	0.225 billion				
Development Bank of Japan Inc.	0.225 billion				
Total	2.25 billion				

(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)

2.25 billion yen

(3) Scheduled date of repayment before maturity

February 12, 2016

(4) Funds for repayment

All of the net proceeds from the issue of the Investment Corporation 4th unsecured bonds (with pari passu conditions among specified investment corporation bonds) (“the Investment Corporation bonds”) which will be paid on February 3, 2016 and cash on hand. For further details, please refer to the “Notice Concerning Issuance of Investment Corporation Bonds” 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 (As of January 28, 2016)	After the early repayment (As of February 12, 2016) (Note 1)	Change
Short-term borrowings payable (Note 2)	4,650	2,400	Δ2,250
Long-term borrowings to be repaid within a year	20,400	20,400	0
Long-term borrowings payable (Note 2)	114,350	114,350	0
Total borrowings payable	139,400	137,150	Δ2,250
Investment corporation bonds	8,000	10,000	2,000
Total borrowings payable and investment corporation bonds	147,400	147,150	Δ250
Other interest-bearing debt	0	0	0
Total interest-bearing debt	147,400	147,150	Δ250

(Note 1) The calculation is based on the issuance of the Investment Corporation bonds (¥2 billion) on February 12, 2016.

(Note 2) 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.

(2) Basic financing information after the early repayment

	Before the early repayment (As of January 28, 2016)	After the early repayment (As of February 12, 2016) (Note 1)	Change (point)
Long-term borrowing ratio (Note 2) (Note 5)	96.8%	98.4%	1.5%
Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) (Note 3) (Note 5)	83.0%	84.5%	1.5%
Fixed interest ratio (Note 4) (Note 5)	87.1%	88.6%	1.5%

- (Note 1) The calculation is based on the issuance of the Investment Corporation bonds (¥2 billion) on February 12, 2016.
- (Note 2) 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 3) 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 4) 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 5) Figures are rounded to the first decimal place.

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>