

FOR IMMEDIATE RELEASE

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Notice Concerning Partial Early Repayment of Funds

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

1. Early repayment of funds

(1) Details of the funds to be repaid

Lender	Loan amount	Repayment amount	Loan amount after early repayment	Interest rate	Drawdown date	Due date	Scheduled date of early repayment
Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.5 billion yen	1.5 billion yen	–	0.13% + Base rate (floating rate)	September 21, 2016	May 31, 2017	February 10, 2017
Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.5 billion yen	1.5 billion yen	–	0.13% + Base rate (floating rate)	September 21, 2016	June 30, 2017	February 10, 2017
Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.4 billion yen	0.6 billion yen	1.8 billion yen	0.13% + Base rate (floating rate)	November 2, 2016	June 30, 2017	February 10, 2017
Sumitomo Mitsui Trust Bank, Limited Mitsubishi UFJ Trust and Banking Corporation Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2.4 billion yen	2.4 billion yen	–	0.13% + Base rate (floating rate)	December 26, 2016	May 31, 2017	February 10, 2017

(Note 1) Break-funding costs upon this repayment will occur. However the impact of these costs on API is minimal.

(Note 2) For details of each borrowing above, please refer to the “Notice Concerning Borrowing of Funds” announced on September 7, 2016, October 27, 2016 and November 21, 2016, respectively.

(2) Funds for repayment

All of the net proceeds from the issuance of the Investment Corporation 5th unsecured bonds (with pari passu conditions among specified investment corporation bonds), the Investment Corporation 6th unsecured bonds (with pari passu conditions among specified investment corporation bonds) and the Investment Corporation 7th unsecured bonds (with pari passu conditions among specified investment corporation bonds), all of which will be paid on February 2, 2017 (collectively, the “Investment Corporation Bonds”), 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 (January 27, 2017)	After the early repayment (February 10, 2017) (Note 1)	Change
Short-term borrowings payable (Note 2)	7,800	1,800	△6,000
Long-term borrowings to be repaid within a year	26,000	26,000	0
Long-term borrowings payable (Note 2)	133,350	133,350	0
Total borrowings payable	167,150	161,150	△6,000
Investment corporation bonds	10,000	16,000	6,000
Total borrowings payable and investment corporation bonds	177,150	177,150	0
Other interest-bearing debt	0	0	0
Total interest-bearing debt	177,150	177,150	0

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (¥6,000 million) will be issued on February 2, 2017.

(Note 2) The short-term borrowings payable refer to borrowings with a maturity period of one year or less, and the long-term borrowings payable refer to borrowings with a maturity period of more than one year.

(2) Basic financing information after the early repayment

	Before the early repayment (January 27, 2017)	After the early repayment (February 10, 2017) (Note 1)	Change (point)
Long-term borrowing ratio (Note 2) (Note 5)	95.6%	99.0%	3.4
Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) (Note 3) (Note 5)	80.9%	84.3%	3.4
Fixed interest ratio (Note 4) (Note 5)	89.9%	93.3%	3.4

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (¥6,000 million) will be issued on February 2, 2017.

(Note 2) The 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) The 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) The fixed interest ratio is the ratio of the total of outstanding fixed-rate interest-bearing debt, including liabilities whose interest rates are fixed through interest rate swap agreements, to the total of outstanding interest-bearing debt.

(Note 5) Figures are rounded to the first decimal place.

3. Other

There are no significant changes in the “Investment Risk” section of the securities registration report submitted on November 14, 2016 in relation to the risks related to the early repayment of funds.

*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>