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FOR IMMEDIATE RELEASE

Activia Properties Inc.
1-1 Minami-Aoyama 1-chome, Minato-ku, Tokyo
Nariaki Hosoi
Executive Director
(Code: 3279)

Asset Management Company
TLC REIT Management Inc.
Hiroyuki Tohmata
President & CEO

Inquiries
Kazuyuki Murayama
General Manager of Strategy Department
Activia Management Division
(Tel: +81-3-6804-5671)

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.	5 billion yen	2 billion yen	3 billion yen	0.13% + Base rate (floating rate)	March 16, 2017	March 16, 2018	February 21, 2018

(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 the above borrowing, please refer to the “Notice Concerning Borrowing of Funds” announced on March 10, 2017.

(2) Funds for repayment

All of the net proceeds from the issuance of the Investment Corporation 8th unsecured bonds (with pari passu conditions among specified investment corporation bonds) and the Investment Corporation 9th unsecured bonds (with pari passu conditions among specified investment corporation bonds), both of which will be paid on February 13, 2018 (collectively, the “Investment Corporation Bonds”), and cash on hand will be applied. 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 (February 6, 2018)	After the early repayment (February 21, 2018) (Note 1)	Change
Short-term borrowings payable (Note 2)	14,100	12,100	(2,000)
Long-term borrowings to be repaid within a year	19,500	19,500	0
Long-term borrowings payable (Note 2)	149,750	149,750	0
Total borrowings payable	183,350	181,350	(2,000)
Investment corporation bonds	16,000	18,000	2,000
Total borrowings payable and investment corporation bonds	199,350	199,350	0
Other interest-bearing debt	0	0	0
Total interest-bearing debt	199,350	199,350	0

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (¥2,000 million) will be issued on February 13, 2018.

(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 (February 6, 2018)	After the early repayment (February 21, 2018) (Note 1)	Change (point)
Long-term borrowing ratio (Note 2) (Note 5)	92.9%	93.9%	1.0
Long-term borrowing ratio (excluding long-term borrowings to be repaid within a year) (Note 3) (Note 5)	83.1%	84.1%	1.0
Fixed interest ratio (Note 4) (Note 5)	92.9%	93.9%	1.0

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (¥2,000 million) will be issued on February 13, 2018.

(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 statement submitted on November 28, 2017 in relation to the risks related to the early repayment of funds.

*Website of API: <https://www.activia-reit.co.jp/en/>