

FOR IMMEDIATE RELEASE

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### Notice Concerning Change of Tenants (Commencement of Lease) (Shinbashi Place)

In relation to Shinbashi Place (the “Property”), Activia Properties Inc. (“API”) announces that it has concluded below lease agreements (the “Agreements”) with tenants.

Details are as follows:

#### 1. Overview of the Agreements

##### Agreement 1

(1) Name of the tenant	- (Note 1)
(2) Date of the contract	February 6, 2018
(3) Term of the lease	May 15, 2018-May 31, 2023 (Fixed term)
(4) Leased area	677.51 m <sup>2</sup>
(5) Ratio of leased area to total leasable area of the Property	11.1% (Note 2)
(6) Ratio of leased area to total leasable area of API's portfolio	0.2% (Note 3)
(7) Monthly rent	- (Note 1)
(8) Tenant leasehold and security deposits	- (Note 1)

##### Agreement 2

(1) Name of the tenant	COSMOHEALTH Co., Ltd.
(2) Date of the contract	February 6, 2018
(3) Term of the lease	May 15, 2018-May 31, 2021 (Fixed term)
(4) Leased area	677.51 m <sup>2</sup>
(5) Ratio of leased area to total leasable area of the Property	11.1% (Note 2)
(6) Ratio of leased area to total leasable area of API's portfolio	0.2% (Note 3)
(7) Monthly rent	- (Note 1)
(8) Tenant leasehold and security deposits	- (Note 1)

(Note 1) Not disclosed because the tenant approval was not obtained.

(Note 2) Calculated based on the estimated total leasable area of the Property as of today (6,117.48 m<sup>2</sup>).

(Note 3) Calculated based on the estimated total leasable area of API's portfolio as of today (395,557.19 m<sup>2</sup>).

## 2. Background of the conclusion of the Agreements

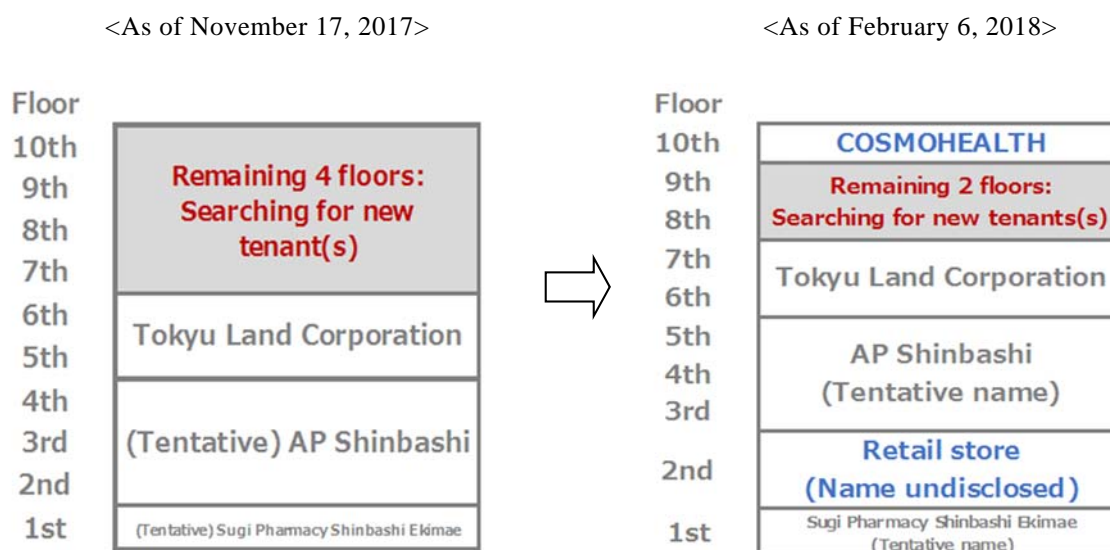
As announced in "Notice Concerning Change in Tenant (Commencement of Lease)" released on November 17, 2017, for the Property which the current tenant will vacate as of May 14, 2018, we have already concluded lease agreements with three new tenants. And today we entered into the Agreements with other two tenants without generating vacant period.

With regard to TC-forum CO., LTD. and Tokyu Land Corporation which were originally scheduled to occupy from the second to sixth floors of the Property, as part of leveraging Tokyu Fudosan Holdings Group's value chain, these two group companies will move into other floors upon the conclusion of the Agreements and one of the above mentioned two new tenants will occupy the second floor to open a retail store.

Upon the conclusion of the Agreements, with approximately three months left before termination of the lease of the current tenant, approximately 80% of the total area of the Property has been re-leased. We will continue diligently searching for tenant(s) for the remaining area.

API judges that the anticipated lessees of the Property satisfy the criteria for the selection of tenants stated in the "Report on the Management Structure and System of the Issuer of Real Estate Investment Trust Units and Related Parties" submitted by TLC REIT Management Inc. ("TRM"), the Asset Manager to which API entrusts its asset management, on August 25, 2017.

<Reference: Floor plan>



## 3. Outlook

Due to the conclusion of the Agreements, there will be no material impact on API's management performance for the fiscal period ending May 31, 2018 (the 13th fiscal period, from December 1, 2017 to May 31, 2018) and the fiscal period ending November 30, 2018 (the 14th fiscal period, from June 1, 2018 to November 30, 2018).

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