

February 23, 2018

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 Change of Property Management Company and Master Lease Company (Umeda Gate Tower)

Activia Properties Inc. (“API”) announces that TLC REIT Management Inc. (“TRM”), to which API entrusts its asset management operations, decided today to change property management company (the “PM Company”) and master lease company (the “ML Company”).

1. Overview of the change of PM Company and ML Company

API plans to change the PM Company and ML Company of Umeda Gate Tower, one of its properties as below as of May 1, 2018.

Property number	Property name	Before change	After change
AA-10	Umeda Gate Tower	Marubeni Real Estate Management	Tokyu Community Corp.

2. Reasons of the change of PM Company and ML Company

Tokyu Community Corp. has strong track record in management of approximately 1,100 buildings and retail properties as of the end of March 2017. API entrusts the master lease and property management services to Tokyu Community Corp. for its 19 properties as of today, leveraging Tokyu Fudosan Holdings Group’s value chain.

The expertise of Tokyu Community Corp. pertaining to property management extends not only in eastern Japan but also in western Japan such as Osaka Nakanoshima Building (its occupancy rate as of the end of December 2017 recorded at 100%), along with an abundant know-how in property management with stratified ownership such as Umeda Gate Tower which requires coordination in various elements.

API highly appreciates the ability of Tokyu Community Corp. in property management and leasing, and thus decided to change as above.

3. Profile of the PM Company and ML Company

Name	Tokyu Community Corp.
Address	10-1, Yoga 4-chome, Setagaya-ku, Tokyo
Management	Katsuhide Saiga
Amount of Capital	1,653 million yen
Established	April 8, 1970
Business Description	1. Management, lease, purchase and sale, intermediary of land and building and management of condominium 2. Design, supervision, construction and contract of building and auxiliary equipment 3. Consulting related to management of land and building 4. Any other related businesses to each item listed above
Relationships with API and TRM	
Capital relationship	None
Personnel relationship	Certain personnel have been seconded to TRM from Tokyu Community Corp.
Business relationship	The trustee has contracted building maintenance agreement, lease agreement and property management agreement with Tokyu Community Corp. on the buildings with the trust beneficiary interest held by API.
Related party or not	Tokyu Community Corp. is not a related party of API, but is an interested party of TRM. Also, Tokyu Community Corp. is an interested party under Act on Investment Trusts and Investment Corporations (hereinafter referred to as the "ITA").

4. Transaction with related parties

Tokyu Community Corp. is a wholly owned subsidiary of Tokyu Fudosan Holdings Corporation which is the parent company of Tokyu Land Corporation, the parent company of TRM. Tokyu Community Corp. is an interested party as provided in Article 201 on ITA, Article 123 of the Enforcement Ordinance of ITA, and the regulations concerning transactions with interested parties in the internal regulations of TRM. Therefore, TRM carried out the appropriate procedures as provided in the regulations concerning transactions with interested parties to change the PM Company and ML Company.

5. Outlook

The impact on the management performance of API for the fiscal period ending May 2018 (the 13th fiscal period, from December 1, 2017 to May 31, 2018) and for the fiscal period ending November 2018 (the 14th period from June 1, 2018 to November 30, 2018) is not material.

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

<Reference>

PM Company after the change

Property number	Property name	PM Company
UR-1	Tokyu Plaza Omotesando Harajuku	Tokyu Land Corporation
UR-2	Tokyu Plaza Akasaka	Tokyu Land Corporation
UR-3	Q plaza EBISU	Tokyu Land SC Management Corporation
UR-4	Shinbashi Place	Tokyu Land SC Management Corporation
UR-5	Kyoto Karasuma Parking Building	Tokyu Land SC Management Corporation
UR-6	A-FLAG AKASAKA	Tokyu Land SC Management Corporation
UR-7	Kobe Kyu Kyoryuchi 25Bankan	Tokyu Land SC Management Corporation
UR-8	A-FLAG SAPPORO	Tokyu Land SC Management Corporation
UR-9	A-FLAG SHIBUYA	Tokyu Land SC Management Corporation
UR-10	Q plaza SHINSAIBASHI	Tokyu Land SC Management Corporation
UR-11	A-FLAG KOTTO DORI	Tokyu Community Corp.
UR-12	A-FLAG BIJUTSUKAN DORI	Tokyu Land SC Management Corporation
UR-13	A-FLAG DAIKANYAMA WEST	Tokyu Land SC Management Corporation
UR-14	A-FLAG KITA SHINSAIBASHI	Tokyu Land SC Management Corporation
UR-15	DECKS Tokyo Beach	Tokyu Land SC Management Corporation
TO-1	TLC Ebisu Building	Tokyu Community Corp.
TO-2	A-PLACE Ebisu Minami	Tokyu Community Corp.
TO-3	A-PLACE Yoyogi	Tokyu Community Corp.
TO-4	A-PLACE Aoyama	Tokyu Community Corp.
TO-5	Luogo Shiodome	Tokyu Community Corp.
TO-6	TAMACHI SQUARE (Land)	-
TO-7	A-PLACE Ikebukuro	Tokyu Community Corp.
TO-8	A-PLACE Shinbashi	Tokyu Community Corp.
TO-9	A-PLACE Gotanda	Tokyu Community Corp.
TO-10	A-PLACE Shinagawa	Tokyu Community Corp.
TO-11	OSAKI WIZTOWER	Tokyu Community Corp.
TO-12	Shiodome Building	Mitsubishi Jisho Property Management Co., Ltd
TO-13	A-PLACE Ebisu Higashi	Tokyu Community Corp.
TO-14	A-PLACE Shibuya Konnoh	Tokyu Community Corp.
TO-15	A-PLACE Gotanda Ekimae	Tokyu Community Corp.
TO-16	A-PLACE Shinagawa Higashi	Tokyu Community Corp.
AA-1	Amagasaki Q's MALL (Land)	-
AA-2	icot Nakamozu	Tokyu Land SC Management Corporation
AA-4	icot Mizonokuchi	Tokyu Land SC Management Corporation
AA-5	icot Tama Center	Tokyu Land SC Management Corporation
AA-6	A-PLACE Kanayama	Tokyu Community Corp.
AA-7	Osaka Nakanoshima Building	Tokyu Community Corp.
AA-8	icot Omori	Tokyu Land SC Management Corporation
AA-9	Market Square Sagamihara	Tokyu Land SC Management Corporation
AA-10	Umeda Gate Tower	Tokyu Community Corp.
AA-11	A-PLACE Bashamichi	Tokyu Community Corp.
AA-12	Commercial Mall Hakata	Tokyu Community Corp.