

May 30, 2013

FOR IMMEDIATE RELEASE

Activia Properties Inc.
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Haruki Sakane
Executive Director
(Code: 3279)

Asset Management Company
TLC Activia Investment Management Inc.
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Notice Concerning Appointment of Independent Auditor and
Change to Articles of Incorporation at Asset Management Company

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) announces that TLC Activia Investment Management Inc. (hereinafter referred to as the “Asset Manager”), to which Investment Corporation entrusts its asset management operations, decided at the Board of Directors Meeting today to submit the proposal of appointment of independent auditor and change to articles of incorporation to the General Shareholders’ Meeting (hereinafter referred to as the “Shareholders’ Meeting”) at June 24, 2013, as follows.

The change to Articles of Incorporation will be effective upon approval by the Shareholders’ Meeting.

1. Appointment of Independent Auditor

(1) Reason for the appointment

To enhance internal management system of the Asset Manager

(2) Name and address of independent auditor

Name: Ernst & Young ShinNihon LLC

Address: 2-3, Uchisaiwai-cho 2-chome, Chiyoda-ku Tokyo

2. Reason for and details of change to articles of incorporation

(1) Reason for the change

To appoint the independent auditor of the Asset Manager

(2) Details of the change

Before change	After change (proposal)
<p>Chapter 1 General Provisions (Institution)</p> <p>Article 4 The Asset Manager sets up the institution as stated below other than board of directors, and corporate auditors.</p> <p>(1) Board of Directors (2) Corporate Auditors</p>	<p>Chapter 1 General Provisions (Institution)</p> <p>Article 4 The Asset Manager sets up the institution as stated below other than board of directors, and corporate auditors.</p> <p>(1) Board of Directors (2) Corporate Auditors (3) <u>Independent Auditor</u></p>
<p>(Newly established)</p>	<p><u>Chapter 6 Independent Auditor</u> <u>(Procedure of appointment)</u></p> <p><u>Article 33 Independent auditor shall be appointed at the shareholders' meeting.</u></p> <p><u>2 Resolution of the independent auditor's appointment shall be made by a majority vote at a meeting attended by one-third and more of the shareholders who are entitled to participate in the vote.</u></p> <p><u>(Term of office)</u></p> <p><u>Article 34 Independent auditor's term of office shall continue until the conclusion of the general shareholders' meeting for the last fiscal year which ends within one year from the time of their appointment.</u></p> <p><u>2 Unless otherwise resolved at the general shareholders' meeting under the preceding paragraph, the independent auditor shall be deemed to have been reappointed at the general shareholders' meeting.</u></p>
<p>Chapter 6 Accounting (Fiscal year)</p> <p>Article 33 (Omission) (Record date of distribution of retained earnings)</p> <p>Article 34 (Omission) (Interim distribution)</p> <p>Article 35 (Omission) (Period of exclusion for cash distribution)</p> <p>Article 36 (Omission)</p>	<p><u>Chapter 7 Accounting</u> (Fiscal year)</p> <p><u>Article 35 (Not changed)</u> (Record date of distribution of retained earnings)</p> <p><u>Article 36 (Not changed)</u> (Interim distribution)</p> <p><u>Article 37 (Not changed)</u> (Period of exclusion for cash distribution)</p> <p><u>Article 38 (Not changed)</u></p>
<p>Chapter 7 Supplementary Provisions (Property's minimum amount contributed at establishment)</p> <p>Article 37 (Omission)</p>	<p>(Deletion)</p>

(The first fiscal year) Article 38 (Omission) (Name and address of incorporator) Article 39 (Omission)	
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(Note) This English translation of the original Japanese notice is provided solely for information purpose. Should there be any discrepancies between the translation and the Japanese original, the latter shall prevail.

(3) Schedule (plan)

Approval date at the Shareholders' Meeting	June 24, 2013
Effective date of change to articles of incorporation	July 1, 2013

3. Filings based on the laws and regulations

The Asset Manager will complete procedures with regard to the above changes pursuant to requirement stipulated in the Financial Instruments and Exchange Law, the Cabinet Office Ordinance regarding the Financial Instruments and Exchange Law and other applicable laws and regulations.

4. Outlook

Management performance of the Investment Corporation for the period ending May 2013 (the 3rd period: December 1, 2012 to May 31, 2013) and the period ending November 2013 (the 4th period: June 1, 2013 to November 30, 2013) will not be changed.

*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 the Investment Corporation: <http://www.activia-reit.co.jp/english>