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FOR IMMEDIATE RELEASE

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## Notice Concerning Borrowing of Funds

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) announces that it decided to borrow funds today. Details are as follow:

### 1. Borrowing of Funds

#### Short-term borrowing

Financial institution	Total amount to be borrowed	Interest rate	Drawdown date (plan)	Due date	Borrowing and repayment methods, security, and guarantee
Mitsubishi UFJ Trust and Banking Corporation	3 billion yen	0.15% + Base rate (Note)	August 30, 2013	August 30, 2014	Borrowing based on a loan agreement with the lender shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note) Interest payments will be made on the last day of September 2013 first, the last day of each month thereafter, and the due date of the principal (if this day is a non-business day, the following business day. If this day comes in the following month, the immediately preceding business day).

The base rate used for the calculation period for interest to be paid on interest payment dates is the 1-month Japanese Yen TIBOR of the Japanese Bankers Association, two business days before the interest payment date immediately preceding each interest payment date. The base rate corresponding to the first interest calculation period is based on drawdown date. However, if the calculation period is less than one month, the base rate will be the one corresponding to the period that will be calculated based on a method provided for in the agreement.

After this, the Investment Corporation will not announce the interest rate decisions for its borrowings on a floating-rate basis. For changes in the Japanese Yen TIBOR of the Japanese Bankers Association, the base rate, please check the website of the Japanese Bankers Association (<http://www.zenginkyo.or.jp/tibor/>).

### 2. Reasons for the borrowing

The Investment Corporation will appropriate the borrowed funds to acquire the real estate trust beneficiary interest to the Hitotsugi LIP and for related expenses. For the details of the property to be

acquired, please refer to the “Notice of Acquisition of Asset (Hitotsugi LIP)” announced today.

### 3. Amount, use and schedule of disbursement of funds to be raised

#### (1) Amount of funds to be raised

A total of 3 billion yen

#### (2) Specific use of funds to be raised

Funds will be used to acquire the Hitotsugi LIP and to cover related expenses

#### (3) Time of disbursement

August 30, 2013

### 4. Status of loans payable, etc. after the borrowing

#### (1) Interest-bearing debt after the borrowing

(In millions of yen)

	Before the borrowing (As of August 27, 2013)	After the borrowing (As of August 30, 2013)	Change
Short-term loans payable (Note)	0	3,000	3,000
Long-term loans to be repaid within a year	10,000	10,000	0
Long-term loans payable (Note)	75,000	75,000	0
Total loans payable	85,000	88,000	3,000
Investment corporation bonds	0	0	0
Total loans payable and investment corporation bonds	85,000	88,000	3,000
Other interest-bearing debt	0	0	0
Total interest-bearing debt	85,000	88,000	3,000

(Note) Short-term loans payable are loans payable that will come due within one year, while long-term loans payable are loans payable that will come due after one year.

#### (2) Basic financing information after the borrowing

	Before the borrowing (As of August 27, 2013)	After the borrowing (As of August 30, 2013)	Change (point)
Long-term borrowing ratio (Note1) (Note4)	100.0%	96.6%	Δ3.4%
Long-term borrowing ratio (excluding long-term loans to be repaid within a year) (Note2) (Note4)	88.2%	85.2%	Δ3.0%
Fixed interest ratio (Note3) (Note4)	74.1%	71.6%	Δ2.5%

(Note1) Long-term borrowing ratio is the ratio of the long-term outstanding borrowings including the long-term loans to be repaid within a year to the total of interest-bearing debt.

(Note2) Long-term borrowing ratio (excluding long-term loans to be repaid within a year) is the ratio of the long-term outstanding borrowings excluding the long-term loans to be repaid within a year to the total of interest-bearing debt.

(Note3) Fixed interest ratio is the ratio of the total of interest-bearing debt of fixed interest ratio to the total of interest-bearing debt and calculated after fixing the interest rate by interest rate swap agreement.

(Note4) The numbers are rounded to the first decimal place.

## 5. Other

There are no significant changes in the “Investment Risk” of the securities report submitted on August 27, 2013, in relation to the risks related to the repayment of the borrowing.

\*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>