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FOR IMMEDIATE RELEASE

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Notice of Revision to Forecast Management Performance for the
Period Ending May 31, 2015 and Notice of Forecast Management
Performance for the Period Ending November 30, 2015

Activia Properties Inc. (hereinafter referred to as the “Investment Corporation”) announces that it has revised the forecast to management performance (forecast values) of the period ending May 31, 2015 (December 1, 2014 - May 31, 2015) as announced on July 11, 2014 in the “Financial Report for the Fiscal Period Ended May 31, 2014”. Details are as follows.

In addition, it announces the forecasts of the management performance (forecast values) for the period ending November 30, 2015 (June 1, 2015 - November 30, 2015). Details are as follows.

1. Reason for the revision to forecast management performance

Considering the effect of the acquisition of assets as described in the “Notice of Acquisition of Assets and Lease Contract with New Tenants” and issuance of new investment units as described in the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced today, the Investment Corporation revised its forecast management performance of the period ending May 31, 2015 (December 1, 2014 - May 31, 2015) announced on July 11, 2014.

Also, it forecasts the period ending November 30, 2015 (June 1, 2015 - November 30, 2015) based on giving the effect of the acquisition of assets and issuance of new investment units.

The forecast for cash distribution per unit of the period ending November 30, 2014 (June 1, 2014 - November 30, 2014) announced on July 11, 2014, has not changed as of today.

Disclaimer: This press release is an announcement by Activia Properties Inc. concerning the forecasts for the period ending May 31, 2015 and for the period ending November 30, 2015, and has not been prepared for the purpose of solicitation for investment. Investors are asked to ensure that they read the prospectus for the issuance of new investment units, as well as any amendments thereto, prepared by Activia Properties Inc. before they invest and that they make decisions on investment at their own discretion.

2. The revision of the period ending May 31, 2015 (The 7th period)

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Cash distributions per unit (yen)	Optimal payable distributions per unit
Previous Forecast (A)	8,152	4,549	3,960	3,959	15,771	—
Revised Forecast (B)	9,087	5,193	4,503	4,502	16,246	—
Changes (B-A)	935	643	542	542	475	—
Changes (%)	11.5	14.1	13.7	13.7	3.0	—

(Reference) Expected number of investment units at the end of the period: 277,132

3. The forecast of the period ending November 30, 2015 (The 8th period)

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Cash distributions per unit (yen)	Optimal payable distributions per unit
Forecast	9,327	5,213	4,554	4,553	16,432	—

(Reference) Expected number of investment units at the end of the period: 277,132

(Notes)

1. The forecast values in this material are valid as of today, and are calculated based on the assumptions written in the exhibit "Assumptions for Forecasts of Management Performance for the Period Ending May 31, 2015 (December 1, 2014 - May 31, 2015) and for the Period Ending November 30, 2015 (June 1, 2015 - November 30, 2015)". Actual operating revenues, operating income, ordinary income, net income, and cash distributions per unit may change due to factors such as the acquisition and sale of real estate in the future, developments in the real estate market, the issuance of additional investment units in the future, and other changes in circumstances surrounding the Investment Corporation. The forecast values do not guarantee the amount of cash distributions.
2. The forecasts of the Investment Corporation may be revised if a substantial difference from the forecast values above is anticipated.
3. The values are truncated to the unit, and the percentage is rounded to first decimal place. The same applies below.

*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>

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【Exhibit】

Assumptions for Forecasts of Management Performance for the Period Ending May 31, 2015 (December 1, 2014 - May 31, 2015) and the Period Ending November 30, 2015 (June 1, 2015 - November 30, 2015)

Item	Assumptions
Accounting period	- The 7th period (December 1, 2014 to May 31, 2015) (182 days) - The 8th period (June 1, 2015 to November 30, 2015) (183 days)
Assets under management	- For the forecast management performance, it is assumed that there will be no changes in assets under management (such as the acquisition of new properties or the sale of existing properties) in relation to the real estate trust beneficiary rights to 30 properties comprising 28 properties that the Investment Corporation holds as of today (the “Currently Held Assets”) and Osaka Nakanoshima Building to be acquired on December 19, 2014 (additional acquisition of the remaining 50% co-ownership interest) and Shiodome Building (acquisition of a 15% co-ownership interest) and Market Square Sagamiara, both to be acquired on January 9, 2015, (hereafter the three properties to be acquired are collectively referred to as the “anticipated properties”) until the end of the period ending November 30, 2015 (the 8th period). (Note: Osaka Nakanoshima Building is calculated as one property by combining existing co-ownership interest and additional co-ownership interest to be acquired.) - Actual management performance may change due to changes in the assets under management.
Operating revenues	- Revenues from the leasing of the Currently Held Assets are calculated based on effective lease contracts as of today, and market movements. Revenues from the leasing of the anticipated properties are calculated based on the lease contract from the scheduled date of acquisition expected as of today as well as other factors. - Operating revenues are based on the assumption that tenants will pay rent without delinquency.
Operating expenses	- Of the expenses in the leasing business that are principal operating expenses, expenses other than depreciation are calculated reflecting variable expense factors based on past history. Expenses for the anticipated properties are calculated by reflecting variable expense factors and others based on the information provided by the current owner. - Although property taxes and city planning taxes on the anticipated properties are generally calculated on a pro-rata basis with the current owners and settled at the time of acquisition, the amount equivalent to the settlement money is not expensed in the period when the assets are acquired, as it is included in the acquisition cost. The total amount of property taxes, city planning taxes and other taxes on the anticipated properties that are included in the acquisition cost is assumed to be 124 million yen. Property taxes, city planning taxes, and other taxes on the Currently Held Assets to be expensed in the period ending May 31, 2015 (the 7th period) and the period ending November 30, 2015 (the 8th period) will be 576 million yen and 660 million yen, respectively. For the anticipated properties, property taxes, city planning taxes, and other taxes for fiscal 2015 will be expensed starting from the period ending November 30,

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	2015 (the 8th period) over Osaka Nakanoshima Building (additional acquisition of the remaining 50% co-ownership interest). Regarding Shiodome Building and Market Square Sagamihara, the taxes for fiscal 2016 will be expensed starting from the period ending May 31, 2016 (the 9th period) for Market Square Sagamihara and from the period ending November 30, 2016 (the 10th period) for Shiodome Building. • With respect to building repair expenses, the amount assumed to be necessary for each business period is expected based on a medium- and long-term repair and maintenance plan formulated by the asset management company. However, repair and maintenance expenses in each business period may differ largely from the expected amount for reasons, including that repair and maintenance expenses could suddenly arise due to damage to buildings from certain unexpected factors; that the amount of repair expenses generally varies considerably from year to year; and that repair expenses do not occur regularly. • Depreciation expenses including ancillary costs are calculated by the straight-line method. The forecast assumes 883 million yen in depreciation expenses in the period ending May 31, 2015 (the 7th period) and 906 million yen in the period ending November 30, 2015 (the 8th period).
Non-operating expenses	• For interest expenses and other borrowing costs, 608 million yen and 663 million yen are anticipated in the period ending May 31, 2015 (the 7th period) and in the period ending November 30, 2015 (the 8th period). • As the temporary expense, 84 million yen for the issuance new investment units as described in the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” announced as of today is assumed for the period ending May 31, 2015 (the 7th period).
Borrowings	• The Investment Corporation has a total outstanding balance of 110,800 million yen as of today (106,800 million yen in borrowings and 4,000 million yen in investment corporation bonds), and it is assumed that the Investment Corporation will borrow 18,600 million yen to acquire the anticipated properties on January 9, 2015, making the total outstanding balance 129,400 million yen. • It is assumed that the borrowings (4,000 million yen of the short-term borrowings and 6,000 million yen of the long-term borrowings for the 7th period, 12,000 million yen of the long-term borrowings for the 8th period) which shall be repaid by the period ending May 31, 2015 (the 7th period) or the period ending November 30, 2015 (the 8th period) , respectively, will be refinanced. • LTV at the end of the period ending May 31, 2015 and the period ending November 30, 2015 is anticipated to be 43.7%. • LTV is calculated based on the following formula: $\text{LTV} = \text{Balance of borrowings} / \text{Total assets} \times 100$
Investment units	• It is assumed that the new investment units in the amount of 24,050 units, resolved at the board of directors meeting today, and the third-party allotment in the amount of 2,020 units will be issued in addition to 251,062 units currently outstanding as of today. • It is assumed that no additional units will be issued by the period ending November 30, 2015 (the 8th period).

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	Distributions per unit for the period ending May 31, 2015 (the 7th period) and the period ending November 30, 2015 (the 8th period) are calculated based on the expected number of investment units issued at the end of the respective period, which is 277,132, including the number of investment units to be offered this time.
Cash distributions per unit	- Distributions (cash distributions per unit) are calculated on the fund distribution policy that is provided in the Articles of Incorporation. - Distributions per unit may change due to various factors including changes in rent revenues attributable to changes in the assets under management and changes in tenants, as well as the occurrence of unexpected repairs and maintenance.
Optimal payable distributions per unit	The Investment Corporation does not intend to pay optimal payable distributions per unit at this time.
Other	- It is assumed that a revision that will have an impact on the forecast values above will not be made in the laws, tax system, accounting standards, listing rules, or the rules of the Investment Trusts Association, Japan, and others. - It is assumed that an unexpected significant change will not arise in general economic behavior and real estate market conditions, and others.

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