Activia Properties Inc.

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FOR IMMEDIATE RELEASE

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Notice Concerning Partial Early Repayment of Funds

Activia Properties Inc. ("API") announces today that it has decided to make partial early repayments of funds (the "Early Repayments"). Details are as follows.

1. Early repayments of funds

(1) Details of the funds to be repaid

Lender	Loan amount	Repayment amount	Loan amount after early repayment	Interest rate	Drawdown date	Due date	Scheduled date of early repayment
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd.	4 billion yen	4 billion yen	–	0.13% + Base rate (floating rate)	April 24, 2019	November 24, 2019	July 18, 2019
Sumitomo Mitsui Trust Bank, Limited Mizuho Bank, Ltd. MUFG Bank, Ltd.	5 billion yen	1 billion yen	4 billion yen	0.13% + Base rate (floating rate)	June 3, 2019	June 3, 2020	July 18, 2019

(Note 1) Break-funding costs upon the Early Repayments will occur. However, the impact of these costs on API is minimal.

(Note 2) For details of each borrowing above, please refer to the "Notice Concerning Borrowing of Funds" announced on April 19, 2019 and the "Notice Concerning Borrowings of Funds" announced on May 28, 2019, respectively.

(2) Funds for repayments

All of the net proceeds from the issuance of the 10th unsecured investment corporation bonds (green bonds) (with pari passu conditions among specified investment corporation bonds) (the "Investment Corporation Bonds") which will be paid on July 9, 2019, and cash on hand will be applied. For further details, please refer to the "Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)" announced as of today.

2. Status of borrowings, etc. after the Early Repayments

(1) Interest-bearing debt after the Early Repayments

(In millions of yen)

	Before the Early Repayments (As of July 3, 2019)	After the Early Repayments (As of July 18, 2019) (Note 1)	Change
Short-term borrowings (Note 2)	14,000	9,000	(5,000)
Long-term borrowings to be repaid within one year (Note 2)	12,000	10,300	(1,700)
Long-term borrowings (Note 2)	194,350	196,050	1,700
Total amount of borrowings	220,350	215,350	(5,000)
Investment corporation bonds to be redeemed within one year	6,000	6,000	0
Investment corporation bonds (Note 2)	8,000	13,000	5,000
Total amount of borrowings and investment corporation bonds	234,350	234,350	0

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (5 billion yen) will be issued on July 9, 2019.

(Note 2) Short-term borrowings refer to borrowings with a maturity period of one year or less, and long-term borrowings refer to borrowings with a maturity period of more than one year. Investment corporation bonds of 5 billion yen will be issued as of July 9, 2019, an early repayment of 4 billion yen and a partial early repayment of 1 billion yen will be executed as of July 18, 2019, as stated in "3. Amount of funds to be raised, use of proceeds and scheduled timing of expenditure". As a result, the amount of short-term borrowings will decrease by 5 billion yen and the amount of investment corporation bonds will increase by 5 billion yen. In addition, a long-term borrowing due within one year will be repaid, to the same extent as the amount of, and simultaneously with, a long-term borrowing scheduled to be made as of July 9, 2019. As a result, the amount of long-term borrowings to be repaid within one year will decrease by 1.7 billion yen and the amount of long-term borrowings will increase by 1.7 billion yen. For details of the said borrowing, please refer to the "Notice Concerning Borrowings of Funds" announced on June 20, 2019. Consequently, the amount of short-term borrowings will decrease by 5 billion yen, the amount of long-term borrowings to be repaid within one year will decrease by 1.7 billion yen, the amount of long-term borrowings will increase by 1.7 billion yen, and the amount of investment corporation bonds will increase by 5 billion yen, after the issuance as shown on the above table.

(2) Basic financing information after the Early Repayments

	Before the Early Repayments (As of July 3, 2019)	After the Early Repayments (As of July 18, 2019) (Note 1)	Change (point)
Long-term borrowing ratio (Note 2) (Note 5)	94.0%	96.2%	2.1
Long-term borrowing ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year)(Note 3) (Note 5)	86.3%	89.2%	2.9
Fixed interest ratio (Note 4) (Note 5)	89.0%	91.1%	2.1

(Note 1) The figures are based on assumption that the Investment Corporation Bonds (5 billion yen) will be issued on July 9, 2019.

(Note 2) Long-term borrowing ratio is the ratio of the outstanding long-term borrowings (including the portion of long-term borrowings to be repaid within one year) and investment corporation bonds (including the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 3) Long-term borrowing ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) is the ratio of the outstanding long-term borrowings (excluding the long-term borrowings to be repaid within one year) and investment corporation bonds (excluding the investment corporation bonds to be redeemed within one year) to the total of outstanding interest-bearing debt.

(Note 4) Fixed interest ratio is the ratio of the total of outstanding interest-bearing debt with fixed interest rates to the total of outstanding interest-bearing debt. The total of outstanding interest-bearing debt with fixed interest rates includes debts whose interest rates were converted into fixed interest rates by interest rate swap agreements.

(Note 5) Figures are rounded to the first decimal place.

3. Other

Regarding the risks related to the early repayments of funds, there are no significant changes in the "Investment Risk" section of the securities report submitted on February 26, 2019.

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