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FOR IMMEDIATE RELEASE

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Notice Concerning Borrowing of Funds

Activia Properties Inc. (“API”) announces today that it decided to borrow funds (the “Borrowing”). Details are as follows:

1. Details of the borrowing

< Long-term borrowing >

Lender	Loan amount	Interest rate	Drawdown date (plan)	Due date (Note 1)	Borrowing and repayment methods, security, and guarantee
Nippon Life Insurance Company	0.5 billion yen	0.25000% (Fixed rate) (Note 2)	March 31, 2021	March 31, 2025	Borrowing based on a borrowing agreement with the lenders shown at left as the creditor, lump-sum repayment, unsecured, and unguaranteed

(Note 1) If the due date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.

(Note 2) The interest payment will be made on the last day of September 2021 and the last days of March and September in each year thereafter as well as on the due date of the principal. (If an interest payment date is a non-business day, it shall be the following business day. If such day falls in the following month, it shall be the immediately preceding business day.)

2. Reasons for the borrowing

API will use the funds from the Borrowing to redeem a long-term borrowing of 0.5 billion yen which becomes mature on March 31, 2021 (the “Existing Long-term Borrowing”). For the details of the Existing Long-term Borrowing, please refer to “Notice Concerning Borrowing of Funds and Early Repayment of Borrowings” released on March 27, 2017.

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

(1) Total amount

0.5 billion yen in total

(2) Specific purpose of use

Funds will be used to redeem the Existing Long-term Borrowing

(3) Scheduled date of disbursement

March 31, 2021

4. Status of borrowings payable, etc. after the Borrowing

(1) Interest-bearing debt balance after the Borrowing

(In millions of yen)

	Before the Borrowing (As of March 24, 2021)	After the Borrowing (As of March 31, 2021)	Change
Short-term borrowings (Note)	0	0	0
Long-term borrowings to be repaid within one year	25,050	27,850	2,800
Long-term borrowings (Note)	196,300	193,500	(2,800)
Total amount of borrowings	221,350	221,350	0
Investment corporation bonds to be redeemed within one year	0	0	0
Investment corporation bonds	22,800	22,800	0
Total amount of borrowings and investment corporation bonds	244,150	244,150	0

(Note) 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.

(2) Basic financing information after the Borrowing

	Before the Borrowing (As of March 24, 2021)	After the Borrowing (As of March 31, 2021)	Change (point)
Long-term debt ratio (Note 1) (Note 4)	100.0%	100.0%	0
Long-term debt ratio (excluding the long-term borrowings to be repaid and investment corporation bonds to be redeemed within one year) (Note 2) (Note 4)	89.7%	88.6%	(1.1)
Fixed interest ratio (Note 3) (Note 4)	92.6%	92.6%	0

(Note 1) Long-term debt ratio is the ratio of the outstanding long-term borrowings (including the 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 2) Long-term debt 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 3) 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 4) Figures are rounded to the first decimal place.

5. Other

Regarding the risks related to the repayment of the Borrowing, there are no significant changes in the “Investment Risk” section of the securities report submitted on February 25, 2021.

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