

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation

Name of representative:

Naoki Fukuda, Executive Director

Roppongi Hills Mori Tower

6-10-1 Roppongi, Minato-ku, Tokyo, Japan

(Securities code: 8963)

Asset manager:

Consonant Investment Management Co., Ltd.

Naoki Fukuda, CEO

Contact: Jun Komo

General Manager of Planning Department

(Tel. +81-3-5411-2731)

Notice concerning Prepayment of Loan

Invincible Investment Corporation (“INV”) decided today to prepay (the “Prepayment”) its short-term consumption tax loan in the New Syndicate Loan (H), as announced in the release “Notice concerning Debt Financing” on September 21, 2017.

1. Details and Reasons for the Prepayment

All of INV’s outstanding short-term consumption tax loan (in the amount of JPY 1,068 million) has been prepaid today from the refund of consumption tax concerning asset acquisitions and cash on hand in accordance with the terms of the relevant loan agreement.

Loan	Prepayment Amount (JPY million)	Prepayment Date	Source of Funds for Prepayment
New Syndicate Loan (H)	1,068	May 31, 2018	Refund of consumption tax with respect to asset acquisitions on October 13, 2017 and cash on hand

This English language notice is a translation of the Japanese-language notice released on May 31, 2018 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

2. Status of Loans after the Prepayment

(1) New Syndicate Loan (H)

(as of May 31, 2018)

Lender	Borrowing Date	Borrowing Amount Before the Prepayment (JPY million)	Prepayment Amount (JPY million)	Borrowing Amount After the Prepayment (JPY million)	Interest Rate (Annual Rate)	Maturity Date	Borrowing Method
Mizuho Bank, Ltd. Sumitomo Mitsui Banking Corporation Sumitomo Mitsui Trust Bank, Limited Citibank, N.A., Tokyo Branch Shinsei Bank, Limited Resona Bank, Limited Development Bank of Japan, Inc. AEON Bank, Ltd. The Bank of Fukuoka, Ltd. The Dai-ichi Life Insurance Company, Limited The Nomura Trust and Banking Co., Ltd. The Hiroshima Bank, Ltd.	October 13, 2017	1,068	1,068	—	—	October 13, 2018	Unsecured / with no guarantee
	October 13, 2017	2,000	—	2,000	0.25364% (Note1)	October 13, 2018	
	October 13, 2017	3,700	—	3,700	0.30364% (Note1)	October 13, 2019	
	October 13, 2017	1,868	—	1,868	0.35364% (Note1)	October 13, 2020	
	October 13, 2017	1,867	—	1,867	0.45364% (Note1)	October 13, 2021	
	October 13, 2017	5,365	—	5,365	0.65364% (Note1)	October 13, 2022	
	October 13, 2017	3,565	—	3,565	0.75364% (Note1)	October 13, 2023	
	October 13, 2017	3,560	—	3,560	0.85364% (Note1)	October 11, 2024	
Total		22,993	1,068	21,925			

(Note 1) The interest rates are applicable for the period from May 31, 2018 to June 28, 2018.

(Note 2) For details of the loan, please refer to the press release "Notice concerning Debt Financing" on September 21, 2017.

3. Balance of interest-bearing liabilities

(Unit : million yen)

	Before the prepayment (As of May 30, 2018)	After the prepayment (As of May 31, 2018)	Increase (Decrease)
Total loans	186,983	185,915	(1,068)
Total Investment corporation bonds	2,000	2,000	—
Total interest-bearing liabilities	188,983	187,915	(1,068)
Total Appraisal Value of Assets Owned by INV ¹	421,350	421,350	—
LTV (Based on Appraisal Value) ² (%)	44.6	44.6	—

(Note 1) For the 124 properties owned as of today, the 120 properties held as of December 31, 2017 is based on appraisal value stated in the appraisal reports on the valuation date of December 31, 2017 and the four properties acquired on February 7,

This English language notice is a translation of the Japanese-language notice released on May 31, 2018 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

2018 is based on appraisal value stated in the appraisal reports on the valuation date of January 1, 2018 respectively.

Preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset is counted as one property and the acquisition price of such preferred equity interest, JPY 17,845 million, is deemed as the appraisal value and included.

(Note 2) "LTV (Based on Appraisal Value)" in the above table is calculated according to the following formula:

$$\text{LTV (Based on Appraisal Value)} = \frac{\text{Total interest-bearing liabilities (excluding short-term consumption tax loan)}}{\text{Total Appraisal Value of Assets Owned by INV}} \times 100$$

"Total interest-bearing liabilities" does not include the interest-bearing liabilities of the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset.

(Note 3) The amounts are rounded down to the nearest million yen. The percentages are rounded to the nearest one decimal place.

4. Future Outlook

The impact of this prepayment to financial results is minimal and therefore no changes are required for the forecasts of the financial forecasts for the fiscal periods ending June 2018 (January 1, 2018 to June 30, 2018) and December 2018 (July 1, 2018 to December 31, 2018) as announced in the "Summary of Financial Results for the Fiscal Period Ended December 31, 2017" dated February 20, 2018.

Website of INV: <http://www.invincible-inv.co.jp/eng>