

[For Information Purpose Only.]

The Japanese language press release should be referred to as the original.]

July 12, 2018

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

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Notice concerning Debt Financing (Refinance)

Invincible Investment Corporation ("INV") has determined today to obtain new debt financing (Refinance). Details are as follows.

1. Reason for Borrowing

INV has decided and executed an agreement for new borrowings (the "Borrowing") today in order to repay a portion of New Syndicate Loan (E) in the amount of 28,979 JPY million which is due on July 17, 2018, out of the outstanding amount of 86,937 million of New Syndicate Loan (E).

(Note) For details on the New Syndicate Loan (E) please refer to the press release entitled "Notice concerning Debt Financing and Prepayment of Existing Borrowings" dated June 25, 2015 and "Notice Concerning Implementation of Debt Financing and Prepayment of Existing Borrowings" dated July 16, 2015. Since maturity date July 16, 2018 is close for business (non-business day), as per provision of contract, the next business day July 17, 2018 will be the maturity date.

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2. Details of the Borrowing (anticipated)

< New Syndicate Loan (I) >

5 Year Tranche

- (1) Lenders : Mizuho Bank, Ltd.,
MUFG Bank, Ltd.
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
Shinsei Bank, Limited
Citibank, N.A., Tokyo Branch
- (2) Borrowing amount : JPY 9,659 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.50%)
(For the first calculation period, 2-month JPY TIBOR (Base Rate) + spread (0.50%)) (Note)
Variable interest rate
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 12, 2018
Unsecured / with no guarantee
- (5) Agreement date : July 12, 2018
- (6) Anticipated borrowing date : July 17, 2018
- (7) Interest payment date : (1) The last Japanese business day of each month before the principal maturity date, beginning with August 31, 2018, and (2) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 14, 2023

4 Year Tranche

- (1) Lenders : Mizuho Bank, Ltd.,
MUFG Bank, Ltd.
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
Shinsei Bank, Limited
Citibank, N.A., Tokyo Branch
- (2) Borrowing amount : JPY 9,660 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.40%)
(For the first calculation period, 2-month JPY TIBOR (Base Rate) + spread (0.40%)) (Note)
Variable interest rate
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 12, 2018
Unsecured / with no guarantee
- (5) Agreement date : July 12, 2018
- (6) Anticipated borrowing date : July 17, 2018
- (7) Interest payment date : (1) The last Japanese business day of each month before the principal maturity date, beginning with August 31, 2018, and (2)

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- the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 17, 2022
- 3 Year Tranche
- (1) Lenders : Mizuho Bank, Ltd.,
MUFG Bank, Ltd.
Sumitomo Mitsui Banking Corporation
Sumitomo Mitsui Trust Bank, Limited
Shinsei Bank, Limited
Citibank, N.A., Tokyo Branch
- (2) Borrowing amount : JPY 9,660 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.30%)
(For the first calculation period, 2-month JPY TIBOR (Base Rate) + spread (0.30%)) (Note)
- Variable interest rate
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 12, 2018
Unsecured / with no guarantee
- (5) Agreement date : July 12, 2018
- (6) Anticipated borrowing date : July 17, 2018
- (7) Interest payment date : (1) The last Japanese business day of each month before the principal maturity date, beginning with August 31, 2018, and (2) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 17, 2021

- (Note)
- Base rate applicable to the interest calculation period for interests to be paid on the relevant interest payment date shall be the 1-month JPY TIBOR announced by Japanese Bankers Association two Japanese business days prior to the immediately preceding interest payment date.
 - JPY TIBOR announced by the Japanese Bankers Association is available at its website (<http://www.jbatibor.or.jp/english/>).
 - Details of our debt financing is available at the "Borrowings & Investment Corporation Bonds" page of INV's website (<http://www.invincible-inv.co.jp/eng/cms/loan.html>).

3. Details of Prepayment New Syndicate Loan (E)

(As of July 12, 2018)

Lender	Borrowing Date	Balance before Repayment (JPY million)	Repayment (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Sumitomo Mitsui Banking Corporation Mizuho Bank, Ltd. MUFG Bank, Ltd. Shinsei Bank, Limited Citibank, N.A., Tokyo Branch Sumitomo Mitsui Trust Bank, Limited Resona Bank, Limited	July 16, 2015	28,979	28,979	—	0.37500 % (Note)	July 16, 2018	Unsecured/ non guarantee
	July 16, 2015	28,979	—	28,979	0.48000 % (Note)	July 16, 2019	
	July 16, 2015	28,979	—	28,979	0.59000 % (Note)	July 16, 2020	
Total		86,937	28,979	57,958			

(Note) These are borrowings with floating interest rates, but the interest rates are fixed through interest rate swap agreements. The interest rates in consideration of swaps are stated.

4. Future outlook

The impact of this borrowing to financial results is minimal and therefore no changes are required for the forecasts of the financial forecasts for the fiscal periods ending December 2018 (July 1, 2018 to December 31, 2018).

5. Loan proceeds, use of proceeds and scheduled timing of disbursement

(1) Loan proceeds

JPY 28,979 million

(2) Use of proceeds

To be appropriated for a repayment of New Syndicate Loan (E)

(3) Scheduled timing of expenditure

July 17, 2018

6. Other matters necessary for investors' appropriate understanding/judgment of the concerned information

With respect to the risks associated with the Borrowing, please refer to the content of "Investment Risks" stated in the securities report for the fiscal period ended December 2017 (from July 1, 2017 to December 31, 2017) (Japanese only) filed on March 26, 2018.

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

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■ Balance of interest-bearing liabilities

(Unit : million yen)

	Before the Borrowing (As of July 12, 2018)	After the Borrowing (As of July 17, 2018)	Increase (Decrease)
Total loans	187,415	187,415	—
Total Investment corporation bonds	2,000	2,000	—
Total interest-bearing liabilities	189,415	189,415	—
Total Appraisal Value of Assets Owned by INV ¹	428,750	428,750	—
LTV (Based on Appraisal Value) ² (%)	44.2	44.2	—

(Note 1) For the 126 properties owned as of the date of this announcement, the 120 properties held as of December 31, 2017 are based on appraisal value stated in the appraisal reports on the valuation date of December 31, 2017, the four properties acquired on February 7, 2018 are based on appraisal value stated in the appraisal reports on the valuation date of January 1, 2018, and the Two Hotels acquired on June 27, 2018 are based on appraisal value stated in the appraisal reports on the valuation date of April 1, 2018, respectively. For the preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset, 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:

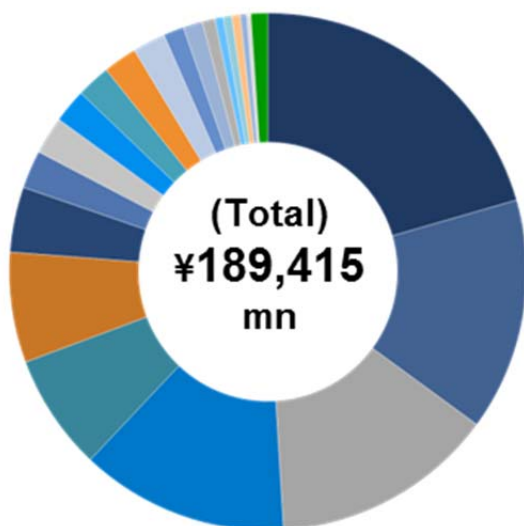
$$\text{LTV (Based on Appraisal Value)} = \frac{\text{Total interest-bearing liabilities}}{\text{Total Appraisal Value of Assets Owned by INV}} \times 100$$

"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.

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■ Lender formation after the Borrowing (anticipated)



Mizuho Bank	20.5%
MUFG	14.5%
SMBC	14.0%
SMTB	13.0%
Shinsei Bank	7.3%
Citibank	6.9%
Resona Bank	4.1%
DBJ	2.4%
Aeon Bank	2.4%
Japan Post Bank	2.1%
Tokyo Star Bank	2.1%
Dai-ichi Life Insurance	2.1%
Fukuoka Bank	2.1%
Shizuoka Bank	1.3%
Nomura TB	1.2%
Hirosihma Bank	0.8%
Kagawa Bank	0.5%
Daishi Bank	0.5%
Hyakugo Bank	0.5%
Towa Bank	0.4%
Gunma Bank	0.3%
REIT Bond	1.1%

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