

[For Information Purpose Only.

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

May 15, 2020

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation  
Naoki Fukuda, Executive Director  
(Securities code: 8963)

Asset Manager:

Consonant Investment Management Co., Ltd.  
Naoki Fukuda, President & CEO  
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## **Notice concerning Partial Unwinding of Put/Call Options**

Invincible Investment Corporation ("INV") announces today that INV has implemented the unwinding (the "Unwinding") of the following put/call options (the "Put/Call Options") that were carried out with respect to cash flows from the Westin Grand Cayman Seven Mile Beach Resort & SPA and the Sunshine Suites Resort (the "Cayman Hotels").

INV has carried out the Put/Call Options in order to hedge the fluctuation of exchange rates in relation to cash flows from the Cayman Hotels, designating an amount of approximately 85% of the assumed NOI for the Cayman Hotels as the hedged amount. However, the operations of the Cayman Hotels have been suspended since late March 2020 due to the spread of the COVID-19 virus, and it is anticipated that income from the Cayman Hotels will significantly decrease during the period from April to June 2020. Therefore, INV has implemented the Put/Call Options (contract amount: USD 7,979,000), among the transactions which were announced in "Notice concerning Execution of Put/Call Options" dated March 4, 2019, prior to the expiration date (July 8, 2020), and sold yen and purchased US dollar in the same amount based on the U.S. dollar spot rate as of today, and thus unwound the Put/Call Options.

Except for the Put/Call Options, which are subject to the Unwinding, INV will maintain the put/call options that have not expired yet, as announced in each of "Notice concerning Execution of Put/Call Options" dated March 4, 2019 and February 21, 2020.

This English language notice is a translation of the Japanese-language notice released on May 15, 2020 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.

## 1. Overview of the Put/Call Options

The below are the specific details around the Put/Call Options subject to the Unwinding.

### Purchase of Put Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 7,979,000
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	March 4, 2019
(6) Expiration date	July 8, 2020

### Sale of Call Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 7,979,000
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	March 4, 2019
(6) Expiration date	July 8, 2020

## 2. Methods and Details of the Unwinding

INV unwound the Put/Call Options by implementing the Put/Call Options prior to the expiration date and sold yen and purchased US dollar in the amount of USD 7,979,000, the same amount as the contract amount of the Put/Call Options, at the spot rate (1 USD = 107.34 JPY) as of May 15, 2020.

As a result, it is expected that approximately 0.7 million yen will be recorded as non-operating expenses for the fiscal period ending June 2020.

## 3. Future Outlook

The impact to the INV's financial results by the Unwinding is minor.

Website of INV: <https://www.invincible-inv.co.jp/en/>