

August 25, 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  
Contact: Jun Komo  
General Manager of Planning Department  
(Tel. +81-3-5411-2731)

## **Notice concerning Differences between Forecast and Actual Financial Results and Distribution for the 34th Fiscal Period Ended June 2020**

Invincible Investment Corporation (“INV”) today announced the differences between its forecast of financial results and Distribution per Unit (“DPU”) for the fiscal period ended June 2020 (34th Fiscal Period), as announced in “Notice concerning Revision of Forecast of Financial Results and Distribution for the 34th Fiscal Period Ending June 2020” dated May 11, 2020, and the actual results announced today. The forecast of financial results and DPU for the fiscal period ending December 2020 (35th Fiscal Period) remains unchanged as TBD and will be announced at a later date once finalized.

1. Differences between the forecast and actual financial results and distribution for the fiscal period ended June 2020 (from January 1, 2020 to June 30, 2020)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Total Distribution Amount
Previous forecast (A) (announced on May 11, 2020)	JPY million 8,923	JPY million 1,269	JPY million 187	JPY million 186	JPY million 182
Actual Results (B)	JPY million 9,410	JPY million 1,496	JPY million 424	JPY million 423	JPY million 420
Amount of Variance (B) – (A)	JPY million 487	JPY million 227	JPY million 237	JPY million 237	JPY million 237
Rate of variance ((B) – (A)) / (A)	% 5.5	% 17.9	% 126.9	% 127.3	% 130.0

This English language notice is a translation of the Japanese-language notice released on August 25, 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.

	Earnings per Unit (Note 1)	Distribution per Unit (Excluding Excess Profit Distribution per Unit) (Note 1)	Excess Profit Distribution per Unit (Note 1)	Distribution per Unit (Including Excess Profit Distribution per Unit) (Note 1)
Previous forecast (A) (announced on May 11, 2020)	JPY 30	JPY 30	JPY -	JPY 30
Actual Results (B)	JPY 69	JPY 69	JPY -	JPY 69
Amount of Variance (B) – (A)	JPY 39	JPY 39	JPY -	JPY 39
Rate of variance ((B) – (A)) / (A)	% 130.0	% 130.0	% -	% 130.0

(Note 1) The total number of investment units issued and outstanding at the end of the fiscal period: 6,096,840 units

## 2. Reasons behind the differences

Differences are primarily due to the fact that (i) the total of the additional burden on INV of property management costs and increased amount of management fees from March to June 2020 pursuant to a Memorandum of Understanding to amend each fixed-term building lease and property management agreement entered into with INV's main tenants, MyStays Hotel Management Co., Ltd. and its affiliate, on May 11, 2020, was JPY 1,350 million, which was less by JPY 135 million compared to initially estimated JPY 1,485 million, and (ii) depreciation expenses was less by JPY89 million than estimated as the capital expenditure was lower than expected. As a result, net income increased by JPY 237 million (+127.3%).

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

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