

[For Information Purpose Only.]

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

October 30, 2020

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation

Name of Representative:

Naoki Fukuda, Executive Director
(Securities code: 8963)

Asset Manager:

Consonant Investment Management Co., Ltd.

Naoki Fukuda, President & CEO

Contact: Jun Komo

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Notice concerning Prepayment of Loan

Invincible Investment Corporation ("INV") today implemented the prepayment (the "Prepayment") of its short-term consumption tax loan that constitutes a portion of the New Syndicate Loan (P), which was announced in the press release "Notice concerning Debt Financing" dated December 9, 2019.

1. Details and Reasons for the Prepayment

The entire amount of INV's outstanding short-term consumption tax loan (in the amount of JPY 880 million) has been prepaid today upon the refund of consumption tax relating to asset acquisitions 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 (P)	880	October 30, 2020	Refund of consumption tax with respect to asset acquisitions on January 6, 2020 and cash on hand

This English language notice is a translation of the Japanese-language notice released on October 30, 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.

2. Status of Loans after the Prepayment

New Syndicate Loan (P)

(as of October 30, 2020)

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
Sumitomo Mitsui Trust Bank, Limited	January 6, 2020	880	880	-	-	January 6, 2021	Unsecured / with no guarantee
	January 6, 2020	1,550	-	1,550	0.41687% (Note 2)	January 6, 2023	
Sumitomo Mitsui Trust Bank, Limited Momiji Bank, Ltd. (Note 1) The Kiyo Bank, Ltd. (Note 1)	January 6, 2020	4,550	-	4,550	0.64291% (Note 2)	January 6, 2025	
Total		6,980	880	6,100			

(Note 1) A portion of INV's existing five-year tranche loan from Sumitomo Mitsui Trust Bank, Limited of JPY 4,550 million was transferred to Momiji Bank, Ltd. and The Kiyo Bank, Ltd. in the amount of JPY 1,000 and 500 million, respectively on February 28, 2020. For details of the loan transfer, please refer to "Notice concerning Loan Transfer" dated February 28, 2020.

(Note 2) Figures are shown as virtually fixed interest rates because interest rates are fixed by interest rate swap agreements while they are borrowings with floating interest rates. For details of the interest rate swap agreements, please refer to "Notice concerning Execution of Interest Rate Swap Agreements" dated December 27, 2019.

(Note 3) For details of the loans, please refer to "Notice concerning Debt Financing" dated December 9, 2019.

3. Change in Balance of Interest-bearing Liabilities, etc.

(Unit : million yen)

	Before the Prepayment (As of October 29, 2020)	After the Prepayment (As of October 30, 2020)	Increase (Decrease)
Total Loans	255,268	254,388	(880)
Total Investment Corporation Bonds	8,200	8,200	-
Total Interest-bearing Liabilities	263,468	262,588	(880)
Total Appraisal Value of Assets Owned by INV (Note 1)	561,103	561,103	-
LTV (Based on Appraisal Value) (%) (Note 2)	46.8	46.8	-

(Note 1) Based on the 148 properties owned by INV as at the Prepayment (including preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel and the overseas real estate assets ("The Westin Grand Cayman Seven Mile Beach Resort & Spa" and "Sunshine Suites Resort")). The appraisal values for the 147 properties (excluding preferred equity interest in the TMK) are based on figures stated in the appraisal reports on the valuation date of June 30, 2020. For the preferred equity interest in the TMK which holds Sheraton Grande Tokyo Bay Hotel as an underlying asset, the acquisition price (INV's investment amount) of such preferred equity interest, JPY 17,845 million, is deemed as the appraisal value. For the appraisal value of overseas real estate assets, the exchange rate of 1 USD=110.45 JPY is used under the foreign exchange forward entered into on July 26, 2018 and executed on September 26, 2018.

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(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 the Prepayment to financial results is minimal.

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