

[For Information Purpose Only.  
The Japanese language press release should be referred to as the original.]

January 20, 2021

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 Debt Financing (Refinance)**

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

### 1. Reason for borrowing

INV has decided and executed a new loan agreement (the "New Borrowing") today in order to repay the Term Loan B (Note) due on January 22, 2021.

(Note) For details of the Term Loan (B), please refer to "4. Details of Loan to be Repaid" below and the press release entitled "Notice concerning Debt Financing" dated January 20, 2016.

### 2. Details of the New Borrowing (anticipated)

< Term Loan (R) >

1-Year Loan

- |                                |   |   |
|--------------------------------|---|---|
| (1) Lender                     | : | Sumitomo Mitsui Trust Bank, Limited   |
| (2) Borrowing amount           | : | JPY 3,400 million   |
| (3) Interest rate, etc.        | : | 1-month JPY TIBOR (Base Rate) + spread (0.25000%)<br>Variable interest rate (Note)  |
| (4) Borrowing method           | : | Borrowing based on separate term loan agreement dated January 20, 2021<br>Unsecured / with no guarantee   |
| (5) Agreement date             | : | January 20, 2021  |
| (6) Anticipated borrowing date | : | January 22, 2021  |
| (7) Interest payment date      | : | (i) The last Japanese business day of each month before the principal maturity date, beginning with February 26, 2021, and (ii) the principal maturity date |
| (8) Principal repayment method | : | Lump-sum repayment on the principal maturity date   |
| (9) Principal maturity date    | : | January 22, 2022  |

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## < Term Loan (S) >

### 1-Year Loan

- |                                |   |   |
|--------------------------------|---|---|
| (1) Lender                     | : | MUFG Bank, Ltd.   |
| (2) Borrowing amount           | : | JPY 850 million   |
| (3) Interest rate, etc.        | : | 1-month JPY TIBOR (Base Rate) + spread (0.25000%)<br>Variable interest rate (Note)  |
| (4) Borrowing method           | : | Borrowing based on separate term loan agreement dated January 20, 2021<br>Unsecured / with no guarantee   |
| (5) Agreement date             | : | January 20, 2021  |
| (6) Anticipated borrowing date | : | January 22, 2021  |
| (7) Interest payment date      | : | (i) The last Japanese business day of each month before the principal maturity date, beginning with February 26, 2021, and (ii) the principal maturity date |
| (8) Principal repayment method | : | Lump-sum repayment on the principal maturity date   |
| (9) Principal maturity date    | : | January 22, 2022  |

- (Note)
- Base rate applicable to each interest calculation period for the 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 (in case of the initial interest calculation period, two Japanese business days prior to the borrowing 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 (<https://www.invincible-inv.co.jp/en/finance/loan.html>).

## 3. Loan proceeds, use of proceeds and scheduled timing of disbursement

- (1) Loan proceeds  
JPY 4,250 million
- (2) Use of proceeds  
To be appropriated for the repayment of Term Loan (B)
- (3) Scheduled timing of disbursement  
January 22, 2021

#### 4. Details of loan to be repaid

##### Term Loan (B)

Lender	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
Sumitomo Mitsui Trust Bank, Limited MUFG Bank, Ltd.	Jan. 22, 2016	4,250	4,250	—	0.60000% (Note)	Jan. 22, 2021	Unsecured/ non-guaranteed

(Note) Figure is shown as virtually fixed interest rate because interest rate is fixed by interest rate swap agreement while it is a borrowing with floating interest rate. For details of the interest rate swap agreement, please refer to "Notice concerning Execution of Interest Rate Swap Agreements" dated March 4, 2016.

#### 5. Future outlook

The impact of the New Borrowing on financial results is minimal. Moreover, the forecast of financial results and DPU for the fiscal period ending June 2021 and onwards will be announced at a later date, once we have a clearer outlook.

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

With respect to the risks associated with the New Borrowing, please refer to the content of "Investment Risks" stated in the securities report for the fiscal period ended June 2020 (from January 1, 2020 to June 30, 2020) (available in Japanese only) filed on September 25, 2020.

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

[For reference only]

## ■ Change in balance of interest-bearing liabilities (anticipated)

(Unit : JPY million)

	Before the New Borrowing (As of January 20, 2021)	After the New Borrowing (As of January 22, 2021)	Increase (Decrease)
Total loans	254,388	254,388	—
Total investment corporation bonds	8,200	8,200	—
Total interest-bearing liabilities	262,588	262,588	—
Total appraisal value of assets owned by INV (Note 1)	549,253	549,253	—
LTV (based on appraisal value) (Note 2) (%)	47.8	47.8	—

(Note 1) Based on the 142 properties owned by INV as of today (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 141 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.

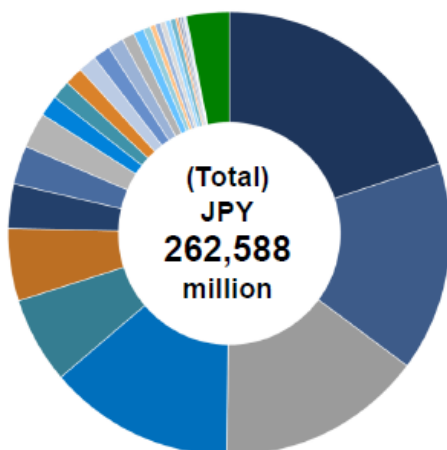
(Note 2) “LTV (based on appraisal value)” in the above table is calculated according to the following formula:  

$$\text{LTV (based on appraisal value)} = \frac{\text{Total interest-bearing liabilities (excluding short-term consumption tax loan)} + \text{Total appraisal value of assets owned by INV}}{\text{Total appraisal value of assets owned by INV}} \times 100$$

“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.

## ■ Lender formation after the New Borrowing (anticipated)



Mizuho Bank	19.9%	Shizuoka Bank	0.9%
MUFG	15.3%	Nishi-Nippon City Bank	0.8%
SMBC	15.0%	Hiroshima Bank	0.5%
SMTB	13.6%	Kagawa Bank	0.4%
Citibank	6.3%	Kiraboshi Bank	0.4%
Shinsei Bank	5.3%	Momiji Bank	0.4%
DBJ	3.2%	Yamaguchi Bank	0.4%
Resona Bank	2.8%	Chukyo Bank	0.4%
Aeon Bank	2.6%	Towa Bank	0.2%
Dai-ichi Life Insurance	1.5%	Tochigi Bank	0.2%
Fukuoka Bank	1.4%	Kiyo Bank	0.2%
Daisan Bank	1.3%	Gunma Bank	0.1%
Aozora Bank	1.3%	Sensyu Ikeda Bank	0.1%
Nomura TB	1.3%	REIT Bond	3.1%
Tokyo Star Bank	1.1%		

(Note) The prepayment of existing loans of JPY 10,000 million is planned to be made on January 29, 2021. For the balance of interest-bearing liabilities after the prepayment, please refer to “Notice concerning Prepayment of Loans” dated today.

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