Invincible Investment Corporation

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To All Concerned Parties

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Notice concerning Revision of Forecasted Results for 17th Fiscal Period Ended December 2011

Invincible Investment Corporation (INV) announces the revision of its forecasted results for the17th fiscal period ended December 2011 (from July 1, 2011 to December 31, 2011) announced in the financial summary (*Kessan-Tanshin*) for the 16th Fiscal Period (from January 1, 2011 to June 30, 2011) dated August 26, 2011 as stated below.

1. Revision of forecasted results for 17th fiscal period (from July 1, 2011 to December 31, 2011)

	Operating revenues	Operating income	Ordinary income	Net income
Previous forecast (A) (August 26, 2011)	Million JPY 2,274	Million JPY −516	Million JPY −3,716	Million JPY −2,756
Revised forecast (B)	Million JPY 2,202	Million JPY −409	Million JPY −3,466	Million JPY −2,476
Amount of variance (B) – (A)	Million JPY −71	Million JPY 106	Million JPY 250	Million JPY 280
Rate of variance [(B) − (A)] ÷ (A)	% −3.2	% –	% –	% –
(Reference) Actual results (16th fiscal period)	Million JPY 2,277	Million JPY 800	Million JPY −52	Million JPY –1,308

	Distribution per unit (excluding exceeding profit distribution per unit)	Exceeding profit distribution per unit	Reversal of earned surplus	Total distribution amount
Previous forecast (A) (August 26, 2011)	JPY 200	JPY –	Million JPY 3,026	Million JPY 269
Revised forecast (B)	JPY 200	JPY –	Million JPY 2,745	Million JPY 269
Amount of variance (B) – (A)	JPY –	JPY –	Million JPY –280	Million JPY –
Rate of variance [(B) − (A)] ÷ (A)	% –	% –	% –9.3	% –
(Reference) Actual results (16th fiscal period)	JPY 200	JPY –	Million JPY 1,435	Million JPY 127

(Note 1) Distributions per unit of the fiscal period ended December 2011 in the previous forecast and the present revised forecast are calculated based on the number of investment units issued and outstanding at the end of the 17th fiscal period ended December 2011: 1,348,292 units. Also, distribution per unit in actual results is calculated based on the number of investment units issued and outstanding at the end of the 16th fiscal period ended June 2011: 636,695 units.

(Note 2) Total distribution amount (Revised forecast) for the 17th fiscal period ended December 2011 is calculated using the following formula:

Total distribution amount (JPY 269 million) =
Net income (JPY −2,476 million) + Reversal of earned surplus (JPY 2,745million)

(Note 3) Figures are rounded down to the indicated unit and percentages are rounded to one decimal place.

2. Reason for revision of forecasted results for 17th fiscal period

As most of the performance results for the 17th fiscal period have become clear during the course of closing procedures, the revision to the forecasted results has been decided to be made at this time.

The main factors for fluctuations are as follows:

(1) Operating expenses decrease JPY 178 million due to the conduction of cost reductions etc. ((a) Reductions of fees for administrative agent and custody of assets (b) Decrease of several expenses related to the sale of New Edobashi Building) and due to a fall of other expenses to a level below the previoiusly-assumed level.

(Note) As for the cost reductions, please refer to the press release titled “Notice concerning Various Measures for Cost Reductions etc. and External Growth” dated October 31, 2011.

(2) Regarding exit fees of the borrowings: Term Loan (Shinsei Trust A) (hereinafter, “Shinsei Trust Loan A”) and Term Loan (Term Loan B) (hereinafter, “Shinsei Trust Loan B”) which were conducted on July 29, 2011, as a result of discussion among parties concerned, it has become clear that the initial-assumed total fees (JPY 1,530 million) to be paid are scheduled to decease JPY 93 million (Note 1) at this point in time so finance related costs are expected to decrease the amount of such reduction.

Also, interest expenses are expected to decrease JPY 33 million due to the execution (Note

2) etc.; of partial repayment (JPY 5,589 million) and the waiver of the claim of the remainder (JPY 25 million) of Term Loan (Shinsei Trust and & Banking Co., Ltd.) (hereinafter, the “Securitized Loan”); and of the additional debt financing (JPY 900 million) to Term Loan (Syndicate A) (hereinafter, “Syndicate Loan A”); and of the partial repayments (JPY 200 million each (Total: JPY 400 million)) both in Shinsei Trust Loan A and Shinsei Trust Loan B.

(Note 1) The exit fees after such deduction is expected to be JPY 1,436 million.

(Note 2) Regarding the repayment before the maturity date in the Securitized Loan, please refer to the press release titled “Notice concerning Repayment of Borrowing before Maturity Date” dated October 21, 2011 and for the additional debt financing, the partial repayments both in Shinsei Trust Loan A and Shinsei Trust Loan B, please refer to the press release titled “Notice concerning Additional Debt Financing and Repayment of Borrowing and Determination of Interest Rate”. Dated October 21, 2011

(3) Regarding the Securitized Loan, since the lender waived its claim of the remainder of JPY 25 million, the amount of such waiver of its claim is scheduled to be recognized as the extraordinary profits.

(4) Operating revenues are expected to decrease JPY 71 million due to the sale of New Edobashi Building during the fiscal period ended December 2011 and due to a fall of rental revenues etc. to a level below the previoiusly-assumed level.

Furthermore, the detail of Pre-Conditions and Assumptions Underlying Forecasted Performance, please see “(attachment)” in this document.

3. Other: about earned surplus

Following upon such revision of forecasted results, balance of earning surplus is expected to become JPY 299 million (Previous forecast: JPY 18 million) after the distribution of the 17th fiscal period ended December 2011.

4. Future outlook

Announcement of the financial summary (*Kessan-Tanshin*) for the 17th fiscal period ended December 2011 (July 1, 2011 to December 31, 2011) is scheduled to be made on February 22, 2012.

(Disclaimer)

The amounts for the 17th fiscal period above are the expected amounts based on current assumptions. Please take due note that the statements on the expected amounts assumed above are not provided as a guarantee of these by INV and the expected amounts assumed above are no more than amounts calculated based on certain presumptions assumed by INV.

Invincible Investment Corporation

(Attachment)

<Pre-Conditions and Assumptions Underlying Forecasted Performance for 17th Fiscal Period (from July 1, 2011 to December 31, 2011)>

Item	Assumptions
Fiscal period	From July 1, 2011 to December 31, 2011
Assets under management	Since New Edobashi Building was sold as of October 21, 2011, the number of the properties held by INV as of today becomes 54. For the details of the sales of New Edobashi building, please refer to the press release titled “Notice concerning Sale of Asset (New Edobashi Building)” dated October 21, 2011.
Units outstanding	1,348,292 units
Interest-bearing liabilities	Repayments of the existing borrowings and new borrowings were conducted as of July 29, 2011. Also, as a result of the sale of New Edobashi Building as of October 21, 2011, the partial repayment in the Securitized Loan was made before the maturity date and the lender waived its claim of the remainder of the loan (JPY 25 million) as of the same day. Furthermore, the additional debt financing to the Syndicate Loan A and the partial repayments (JPY 200 million each (Total: JPY 400 million)) both in the Shinsei Trust Loan A and the Shinsei Trust Loan B were conducted as of October 31, 2011. As a result of these, the balance of the outstanding borrowings as of the end of December, 2011 becomes JPY 31,734 million.
Operating revenues	INV assumes it will incur operating revenues of JPY 2,202 million. The breakdown is as follows: • Rental revenues JPY 2,202 million
Operating expenses	INV assumes it will incur property related expenses of JPY 1,137 million. The breakdown is as follows: • Facility management fees JPY 395 million (of which, repair costs) (JPY 49 million) • Taxes and other public charges JPY 150 million • Insurance expenses JPY 4 million • Other expenses JPY 165 million • Depreciation expenses JPY 422 million In addition, other than the property related expenses, INV assumes it will incur operating expenses (excluding loss from sales of properties) of JPY 461 million. Moreover, INV assumes it will incur JPY 1,012 million as a loss from sales of properties associated with the sale of New Edobashi Building.

Item	Assumptions
Non-operating expenses	INV assumes it will incur non-operating expenses of JPY 3,060 million. The breakdown is as follows: • Interest revenues JPY 766 million • Finance related costs JPY 2,155 million (of which, fees to Calliope) (JPY 336 million) (of which, exit fees(Note)) (JPY 1,436 million) • Other non-operating expenses JPY 138 million JPY 3,060 million Finance related costs are scheduled to include expenses payable as exit fees in the amount of JPY 1,436 million (The amount of accrued expenses: JPY 1,372 million) that are to be recorded on an accrual basis. (Note) As mentioned above, JPY 93 million is scheduled to be deducted from the initial-assumed exit fees of JPY 1,530 million at this point in time so the exit fees is expected to be JPY 1,436 million.
Extraordinary profits	INV assumes it will record extraordinary profits of JPY 1,000 million in gain on forgiveness of debts. The breakdown is as follows: Gain on forgiveness of debts for the Securitized Loan • the amount implemented on July 29, 2011 JPY 975 million • the amount implemented on October 21, 2011 JPY 25 million
Extraordinary loss	INV assumes it will incur extraordinary loss of JPY 9 million. The breakdown is as follows: • Loss on disaster JPY 9 million In addition, loss on disaster posts the estimated amount of repair costs arising from the Great East Japan Earthquake. INV expects capital expenditures of JPY 53 million. Of these, INV expects the primary capital expenditures arising from restoration work for the Earthquake will be JPY 8 million.
Distribution per unit	The distribution per unit is calculated in accordance with the cash distribution policy set forth in INV's Articles of Incorporation. INV assumes that, by utilizing JPY 2,745 million out of the earned surplus of JPY 3,044 million which is the balance after the distribution of the 16th fiscal period ended June 2011, JPY 269 million (the distribution per unit : JPY 200)will be distributed in the 17th fiscal period. The distribution per unit may vary due to various factors, such as fluctuations in rental revenues in accordance with changes in the portfolio composition, changes in the tenant composition, etc. and incurrence of unexpected repairs.
Exceeding profit distribution per unit	INV currently does not expect to make distributions exceeding profits (exceeding profit distribution per unit).
Other	INV assumes there will be no amendments to laws and ordinances, the taxation system, accounting standards and other regulations that will affect the foregoing forecasts. In addition, INV assumes there will be no unforeseen material changes in the environment, including general economic trends and real estate market conditions.