

September 7, 2017

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation

Name of representative:

Naoki Fukuda, Executive Director

Roppongi Hills Mori Tower

6-10-1 Roppongi, Minato-ku, Tokyo, Japan

(Securities code:8963)

Asset manager:

Consonant Investment Management Co., Ltd.

Naoki Fukuda, CEO

Contact: Jun Komo

General Manager of Planning Department

(Tel. +81-3-5411-2731)

Notice concerning Changes in Major Shareholders, Parent Companies
and Specified Related Corporations at CIM

Invincible Investment Corporation (“INV”) today announced that, at Consonant Investment Management Co., Ltd. (“CIM”), the asset manager of INV, there will be the following changes in CIM’s major shareholders, parent companies and specified related corporations.

Regarding matters which have not yet been determined as of today, INV will announce such matters once they are determined.

1. Event leading up to the change

Currently, CIM is a wholly owned subsidiary of Calliope Godo Kaisha (“Calliope”), an affiliate of Fortress Investment Group LLC (“FIG”), and has been provided with sponsor support from FIG and its affiliates (collectively, “Fortress”) including (i) provision of pipeline properties pursuant to a memorandum of understanding concerning preferential negotiation rights regarding properties owned by affiliates of FIG, (ii) cooperation in hiring human resources, (iii) provision of advisory services, and (iv) information exchange concerning the real estate sale and rental markets.

FIG is listed on the New York Stock Exchange, and is a global investment management company with extensive experience in the investment management of residential and hotel properties in Japan. FIG is an indirect parent company of CIM and is deemed a specified related corporation, as stipulated under Article 12-3 of Cabinet Office Ordinance on Disclosure of Contents, etc. of Specified Securities. On February 15, 2017, FIG announced that FIG and SoftBank Group Corp. (“SoftBank Group”) entered into a definitive merger agreement under which SoftBank Group will acquire FIG, and the absorption-type merger in relation to this acquisition (the “Merger”) was approved at the extraordinary shareholders’

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meeting of FIG held on July 12, 2017. The Merger is expected to close by the end of 2017, subject to certain regulatory approvals and other customary closing conditions. When the Merger takes effect, there will be a change in the parent company and the specified related corporation of CIM.

It has been agreed that FIG will operate as an independent business within the SoftBank group under the continuing leadership of the senior principals of FIG. In addition, SoftBank Group has announced that it would maintain the leadership, business model, brand, personnel, operational processes and culture of FIG.

In addition, as of September 7, 2017 Calliope entered into an agreement with FIG and SoftBank Group concerning the transfer of issued shares of CIM owned by Calliope, 80% of which would be transferred to FIG or an affiliate designated by FIG, and 20% of which would be transferred to SoftBank Group or an affiliate designated by SoftBank Group (the "Share Transfer"). The Share Transfer is subject to customary conditions including the execution of definitive documentation and is expected to be completed by the end of March, 2018.

This announcement is to notify the expected change concerning major shareholders, parent companies, and specified related corporations of CIM in connection with the conclusion of basic agreement on the Share Transfer, along with that with respect to the Merger.

Since Fortress's initial investment in INV in July 2011, four months after the Tohoku earthquake, INV has focused on maximizing unitholder value and DPU growth through proactive asset management and external growth. In addition to offering a consistent pipeline of acquisition opportunities, Fortress supported a series of asset management initiatives led by CIM including an active rent increase program at the residential properties, multiple hotel revenue maximization strategies, and a continuous focus on expense reductions including custody fees, utility expenses, property management fees and interest charges. With support from Fortress, INV has also significantly repositioned its portfolio, especially by selling non-core assets and investing the proceeds into higher yielding strategic assets. The net outcome is that annual DPU is expected to increase from ¥400 per unit in 2011 to a DPU of ¥2,663 in 2016, which would be 6.6x over 5 years.

At the same time, INV has focused on further enhancing the portfolio and stabilizing the distributions from a long-term perspective. As INV's market capitalization has grown, it has been able to acquire larger, more substantial assets while maintaining the balance between residential properties, fixed hotel rents and variable hotel rents as well as increasing the geographic diversification of the hotels. Lastly, INV has expanded its lender group as well as obtained a credit rating, key elements behind its enhanced financial strength.

INV expects the planned acquisition by SoftBank Group of its asset manager, together with Fortress ownership, to significantly enhance the resources available to support INV's long-term growth. In addition to continued access to Fortress's global real estate expertise, INV will seek to leverage the resources that are expected to become available through SoftBank Group. SoftBank Group is currently one of the largest Japanese companies by market capitalization with extensive banking relationships. Moreover, SoftBank Group has market-leading expertise in technology fields such as digital marketing for both mobile and desktop, online payment systems, search engine optimization, AI and robotics. INV believes

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that deployment of technology into INV's real estate assets, especially its hotels, will enhance the ongoing initiatives to improve its digital marketing, minimize labor costs and increase customer engagement. For example, INV plans to pursue opportunities to better manage the increased number of foreign visitors and their related online research, bookings and payments, improve the process in setting hotel rates and manage overbooking through the use of sophisticated AI algorithms, and reduce labor costs while enhancing customer service through the use of robotics.

2. Planned date of the change

Change in line with the Merger: By December 31, 2017

Subject to certain regulatory approvals and other customary closing conditions

Change in line with the Share Transfer: By March 31, 2018

Subject to an execution of the definitive agreement and other customary closing conditions

3. Overview of major shareholders, parent companies and specified related corporations subject to the change

(1) After the Merger

When the Merger takes effect, SoftBank Group will be the ultimate parent company and the specified related corporation of CIM.

However, as of the date of this announcement, details regarding acquisition transactions by SoftBank Group and the change in the parent company and the specified related corporation of CIM have not yet determined, and INV will announce such matters once they are determined.

(2) After the Share Transfer

Calliope will no longer be a major shareholder, a parent company and specified related corporation of CIM after the execution of the Share Transfer.

After 80% of the issued shares of CIM, owned by Calliope, are transferred to FIG or an affiliate designated by FIG, such transferee will be deemed a major shareholder, a parent company and specified related corporation of CIM. Further, FIG is already a parent company and specified related corporation of CIM as of the date of this announcement.

Similarly, SoftBank Group or an affiliate designated by SoftBank Group will be deemed as a major shareholder of CIM once 20% of the issued shares of CIM are transferred to it.

However, since the definitive agreement regarding the Share Transfer is not yet executed, and the direct purchaser acquiring the shares of CIM is not yet determined, INV will announce such matters once they are determined.

4. Future outlook

(1) Change in INV's asset management agreement

There is no change scheduled as of today.

(2) Change in structure of CIM

There is no change scheduled in connection with the Merger as of today. Since the change in

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connection with the Share Transfer is not yet determined as of today, INV will announce such change once it is determined, if any.

- (3) Change in investment management decision-making process
There is no change scheduled as of today.
- (4) Change in rules concerning compliance, related-parties, etc.
There is no change scheduled as of today.
- (5) Change in investment policy
There is no change scheduled as of today.
- (6) Change in agreements with sponsors, etc.
There is no change scheduled as of today.
- (7) Continuation of INV's listing.
INV is scheduled to continue to be listed.
- (8) Future policy, etc.
In the event when matters to be disclosed concerning the execution of operation of INV and CIM arise, such matters will be promptly announced.

INV will complete required procedures in regard to the change pursuant to requirements, stipulated in the Financial Instrument and Exchange Act of Japan and other applicable laws and regulations.

Website of INV: <http://www.invincible-inv.co.jp/eng>