

[For Information Purpose Only.]

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

July 26, 2018

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation

Name of Representative:

Naoki Fukuda, Executive Director

Roppongi Hills Mori Tower

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(Securities code: 8963)

Asset manager:

Consonant Investment Management Co., Ltd.

Naoki Fukuda, CEO

Contact: Jun Komo

General Manager of Planning Department

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## **Notice concerning Acquisition of TK Interest with Overseas Real Estate as Underlying Assets**

### **(Continued)**

Invincible Investment Corporation ("INV") announces that Consonant Investment Management Co., Ltd. ("CIM"), the asset manager of INV, has decided to enter into a foreign exchange forward contract with regard to its acquisition of TK interest in the Westin Grand Cayman Seven Mile Beach Resort & SPA and the Sunshine Suites Resort ("Cayman Hotel TK Interest") as announced in "Notice concerning Acquisition of TK Interest with Overseas Real Estate as Underlying Assets" dated July 17, 2018. The amount of proceeds from the issuance of new investment units as announced in "Notice concerning Issuance of New Investment Units and Secondary Distribution of Investment Units" dated July 17, 2018 and "Notice concerning Determination of the Issue Value and Offer Price of Investment Units" dated July 25, 2018 has been substantially fixed, and therefore INV has executed such foreign exchange forward.

#### 1. Overview of the foreign exchange forward

|                           |                                     |
|---------------------------|-------------------------------------|
| (1) Counterparty          | Citigroup Global Markets Japan Inc. |
| (2) Contract amount       | USD 339,836,000 (Note 1)            |
| (3) Forward exchange rate | 1 USD = 110.45 JPY                  |
| (4) Agreement date        | July 26, 2018                       |
| (5) Delivery date         | September 26, 2018 (Note 2)         |

(Note 1) An amount equivalent to INV's entire anticipated investment amount for the Cayman Hotel TK Interest.

(Note 2) The anticipated investment date for the Cayman Hotel TK Interest is one business day prior to the Cayman SPC's acquisition date of the underlying assets, which will be closed by October 31, 2018 or another date separately agreed with the sellers. INV executes this foreign exchange forward assuming that INV will acquire the Cayman Hotel TK Interest on the delivery date, which is currently expected to be INV's anticipated investment date. However, the anticipated investment date is subject to change, depending on the progress of obtaining consents from Cayman Islands Government and other regulatory approval, in which case INV may execute a different foreign exchange

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forward taking into account the foreign exchange market situation at that point.

## 2. Reasons for executing foreign exchange forward

INV executes foreign exchange forward in order to hedge the foreign currency risk with regard to an amount INV will invest in US dollars with respect to the Cayman Hotel TK Interest for the period from today to the currently anticipated investment date. As a result of this foreign exchange forward, the anticipated investment amount will be fixed for JPY 37,534,886,200 (Note 1) in Japanese Yen denomination.

(Note 1) In “Notice concerning Acquisition of TK Interest with Overseas Real Estate as Underlying Assets” dated July 17, 2018, the anticipated acquisition price (INV’s anticipated investment amount) of USD 339,836,000 was translated to JPY 37,382 million, using an exchange rate of 1 USD=110 JPY (rounded down to the nearest yen) as of June 27, 2018 announced by Mizuho Bank Ltd.

## 3. Future Outlook

The impact to the INV’s financial results by the execution of this foreign exchange forward is minor. Moreover, as already announced, INV will explore potential strategy of hedging foreign currency fluctuation risks through currency option trading for receiving profit/loss distributions from the Cayman Hotel TK Interest, and the details will be announced on a later date once it is determined.

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