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

May 9, 2019

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, CEO
Contact: Jun Komo
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Notice concerning Change of Investment Structure regarding Overseas Assets

Consonant Investment Management Co., Ltd. ("CIM"), the asset manager of Invincible Investment Corporation ("INV"), has decided today that INV will change the investment structure (the "Structure Change") in the Westin Grand Cayman Seven Mile Beach Resort & Spa and the Sunshine Suites Resort (collectively the "Cayman Hotels") from (i) a TK investment to (ii) direct ownership of the underlying assets of the TK investment. At completion, the tax issue will be resolved and the Cayman Hotels will provide INV with approximately 5 million JPY more in annualized earnings due to eliminating the SPC management costs. As a result of this transaction, there will be no material changes to INV's overall earnings and DPU as described below.

1. Background and Outline of the Structure Change

On April 1, 2019, an amended Act on Special Measures Concerning Taxation was enacted in Japan that amends the requirement that "a J-REIT must not hold 50% or more of the shares or investment in another corporation" (Note 1) by expanding the regulation to include investments in anonymous associations (*tokumei kumiai* or "TK"). As INV owns 100% of TK Interests with leasehold interest in the Cayman Hotels as underlying assets (the "TK Interest") there was a possibility that INV would fail to satisfy this new requirement. As previously announced, INV has been preparing to change the investment structure of the Cayman Hotels to direct ownership and now all consents from the Cayman Governor, INV's Lenders, and Marriott has been obtained. The transfer is expected to close on May 9, 2019 and there will be no more tax issue.

Specifically, INV and Seven Mile Resort Holdings Ltd., which is the current TK operator (the "TK Operator"), have agreed today to terminate the TK agreement as of May 9, 2019 (the "TK Termination Date"). INV will acquire the leasehold interest of the Cayman Hotels (Note 2) by way of a distribution in kind after the termination of the TK agreement, and will continue to operate the Cayman Hotels. The TK

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Operator will be dissolved, and INV will assume the agreements currently concluded between the TK Operator and Seven Mile Resort Management Ltd., a hotel management SPC. (Please see Appendix for the structure chart.)

INV expects that the cost to complete this restructuring will be less than JPY40 million. Such cost is expected to be incorporated into the book value as a part of the acquisition costs. There will be no gain or loss on the transfer of the asset, as the transfer will be done at book value. The Structure Change will result in annual cost savings of approximately 5 million JPY. In addition, there will be no more three month delay on earnings being recognized, which was caused by recognizing earnings through TK distributions prior to the Structure Change.

For INV's fiscal period ending June 30, 2019, INV will recognize the originally scheduled net income of the Cayman Hotels for the period of September 28, 2018 (acquisition date in Cayman local time) through March 31, 2019 plus the Cayman Hotels' earnings from April 1, 2019 through June 30, 2019 through distribution upon termination of the TK agreement or direct ownership income after the Structure Change versus the previous method of a three month delay. Moreover, for INV's fiscal period ending December 31, 2019, INV will recognize the Cayman Hotels' earnings from July 1, 2019 through December 31, 2019, instead of the originally scheduled net income of the Cayman Hotels for the period of April 1, 2019 through September 30, 2019. Given the one-time nature of above fluctuation, INV intends to pay out six months of income based on the originally anticipated forecasted period. As such, INV maintains its forecasts of financial results for the periods ending June 30, 2019 and December 31, 2019 which were announced in "Financial Summary for the December 2018 Fiscal Period (from July 1, 2018 to December 31, 2018)" dated February 21, 2019.

(Note 1) Under the special taxation measures applicable to J-REITs, distribution made by a J-REIT to its unitholders are deductible from the taxable income for Japanese corporate tax purposes if certain requirements (tax conduit requirements) are met.

(Note 2) Rights equivalent to long-term real estate leasehold rights in Japan (hereinafter referred to collectively as the "Leasehold"). INV will also acquire some movables including FF&E pertaining to hotel operations. "FF&E" is an abbreviation for furniture, fixtures and equipment, which are the assets necessary for hotel operation, such as furniture, fixtures, equipment and kitchen equipment (hereinafter the same).

2. Overview of the Cayman Hotels

Use	Property Number	Property Name	Location	Anticipated Acquisition Price (Note 1)	Book Value (Note 2)	Category of Specified Assets
Hotel	D200	Westin Grand Cayman Seven Mile Beach Resort & Spa	Grand Cayman, Cayman Islands	30,118 million yen (USD272,687,000)	30,118 million yen (USD272,687,000)	Leasehold
	D201	Sunshine Suites Resort		5,854 million yen (USD 53,001,000)	5,854 million yen (USD 53,001,000)	

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Use	Property Number	Property Name	Location	Anticipated Acquisition Price (Note 1)	Book Value (Note 2)	Category of Specified Assets
Total				35,972 million yen (USD 325,689,000)	35,972 million yen (USD 325,689,000)	-

(Note1) Exchange rate of 1 USD=110.45 is used based on the foreign exchange forward implemented in connection with the TK investment in the Cayman SPC (contract thereof was entered into on July 26, 2018 and implemented on September 26, 2018).

(Note2) Anticipated book value of each hotel as of May 9, 2019 recorded by the TK Operator.

For additional information on the Cayman Hotels, please refer to “Notice concerning Acquisition of TK Interest with Overseas Real Estate as Underlying Assets” dated July 17, 2018.

3. Transactions with Interested Persons

The Structure Change will be executed by terminating the TK agreement with the TK Operator. This transaction does not fall under the related party transactions described in the voluntary rules established by CIM as countermeasures against conflicts of interests in the management of INV’s investment. The TK Operator is not a Sponsor-related Person (Note). However, since the TK Operator and the asset manager of the TK Operator have received investments through funds managed by affiliates of Fortress Investment Group LLC (“FIG”) (FIG is considered a Sponsor-related Person as it is a subsidiary of SoftBank Group Corp., which directly and indirectly holds 100% of CIM’s outstanding shares), CIM has treated the termination of the TK agreement and a series of relevant transactions as equivalent to transactions with Sponsor-related Persons.

For the termination of the TK agreement and a series of relevant transactions, INV shall confirm the conditions of the transactions being fair in accordance with the Regulations on the Transactions with Sponsor-related Persons and the Manual for Management of the Transactions with Sponsor-related Persons, which are CIM’s internal rules. After deliberation and resolution of CIM’s compliance committee meeting held on April 23, 2019 and CIM’s investment committee meeting held on May 9, 2019, the board of directors of CIM and INV approved the termination of the TK agreement and a series of relevant transactions at their respective board meetings held on May 9, 2019. The Structure Change is being done at book value. For the avoidance of doubt, 100% of the economic benefit of the Cayman hotels belongs to INV, therefore neither the Sponsor nor any of its related entities will derive monetary gain or benefit as a result of this transaction.

(Note) A Sponsor-related Person is (i) any person who falls under the “Interested Persons, etc.” set forth in the Investment Trust Act and the Enforcement Order of the Investment Trust Act (Cabinet order No. 480 of 2000, as amended), (ii) all shareholders of CIM and (iii) special purpose companies (*tokubetsu mokuteki kaisha*) (a) which delegate their management to persons who fall under (ii) above, or (b) which are invested in by or through anonymous partnerships (*tokumei kumiai*) by persons who fall under (ii) above.

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4. Foreign Currency Exchange Risk Hedge Policy

INV has been hedging foreign currency fluctuation risks through the acquisition of puts and selling calls in order to hedge near term distributions. Specifically, INV has hedged approximately 85% of expected cash flow through December 31, 2020 at a rate of JPY 110.00 to one US Dollar. Going forward, INV will continue to hedge estimated cash flows in a similar manner.

5. Schedules

Structure change decision date:	May 9, 2019
TK termination agreement execution date:	May 9, 2019 (Cayman Island local time)
TK termination date:	
Date to implement distribution in kind:	

6. Future Outlook

The impact of the Structure Change on financial results is immaterial and therefore no changes are required for the forecasts of financial results for the fiscal periods ending June 2019 (from January 1, 2019 to June 30, 2019) and December 2019 (from July 1, 2019 to December 31, 2019).

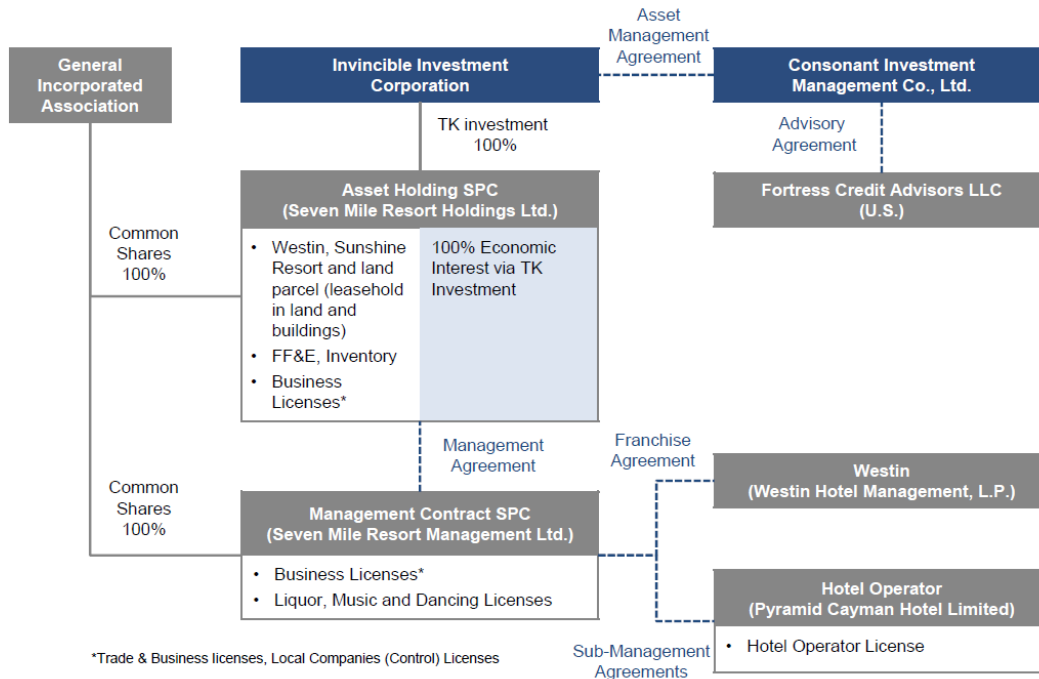
7. Other Matters that are Necessary for Investors to Properly Understand and Make Judgment on Relevant Information

With respect to the risks associated with the Structure Change, please refer to the content of "Investment Risks" stated in the semi-annual securities report (*yuka shoken hokokusho*) of INV for the fiscal period ended December 2018 (from July 1, 2018 to December 31, 2018) (available in Japanese only) filed on March 26, 2019.

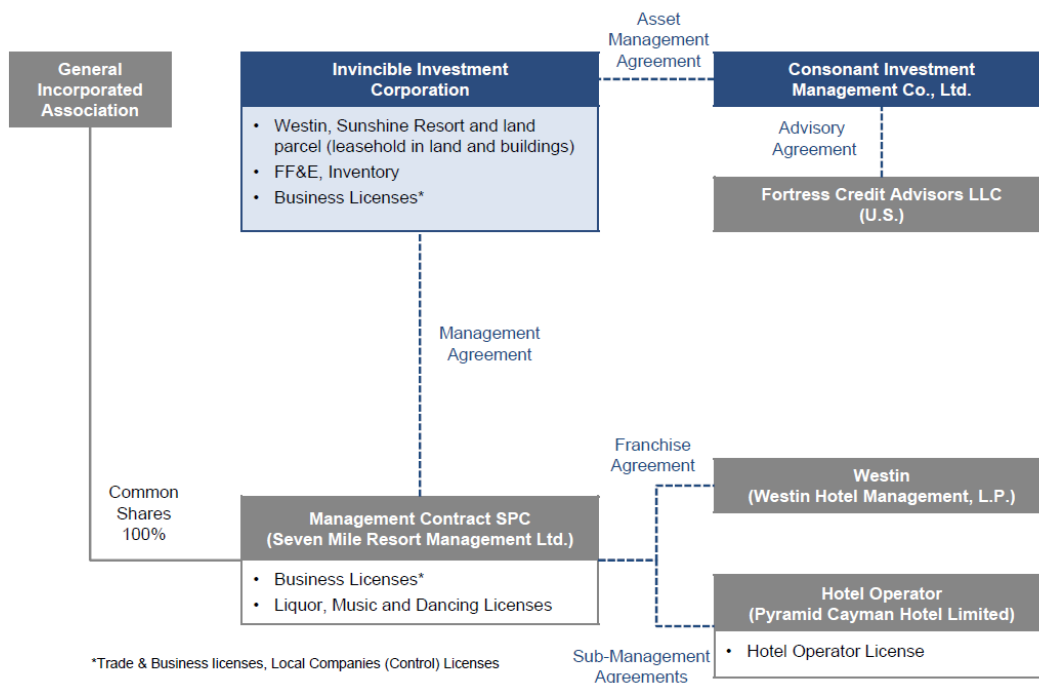
Website of INV: <http://www.invincible-inv.co.jp/eng>

Overview of the Structure Change

(1) Before the Structure Change



(2) After the Structure Change



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