

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

July 16, 2020

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 borrowings in the amount of JPY 1,600 million due on July 20, 2020, which is one of the tranches of the Term Loan (E) (Note) with a total outstanding amount of JPY 3,300 million.

(Note) For details of the Term Loan (E), please refer to "4. Details of Loan to be Repaid" below and the press releases entitled "Notice concerning Loan Transfer and New Loan" dated July 15, 2016 and "Notice concerning Loan Transfer" dated December 23, 2019.

2. Details of the New Borrowing (anticipated)

< Term Loan (N) >

2-Year Loan

- | | | |
|--------------------------------|---|---|
| (1) Lender | : | The Tokyo Star Bank, Limited |
| (2) Borrowing amount | : | JPY 600 million |
| (3) Interest rate, etc. | : | 1-month JPY TIBOR (Base Rate) + spread (0.25000%)
Variable interest rate (Note) |
| (4) Borrowing method | : | Borrowing based on separate term loan agreement dated July 16, 2020
Unsecured / with no guarantee |
| (5) Agreement date | : | July 16, 2020 |
| (6) Anticipated borrowing date | : | July 20, 2020 |
| (7) Interest payment date | : | (i) The last Japanese business day of each month before the principal maturity date, beginning with July 31, 2020, and (ii) the |

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- principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 20, 2022

< Term Loan (O) >

1-Year Loan

- (1) Lender : Development Bank of Japan Inc.
- (2) Borrowing amount : JPY 1,000 million
- (3) Interest rate, etc. : 1-month JPY TIBOR (Base Rate) + spread (0.25000%)
: Variable interest rate (Note)
- (4) Borrowing method : Borrowing based on separate term loan agreement dated July 16, 2020
Unsecured / with no guarantee
- (5) Agreement date : July 16, 2020
- (6) Anticipated borrowing date : July 20, 2020
- (7) Interest payment date : (i) The last Japanese business day of each month before the principal maturity date, beginning with July 31, 2020, and (ii) the principal maturity date
- (8) Principal repayment method : Lump-sum repayment on the principal maturity date
- (9) Principal maturity date : July 20, 2021

- (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 1,600 million
- (2) Use of proceeds
To be appropriated for the repayment of a tranche of Term Loan (E) due on July 20, 2020
- (3) Scheduled timing of disbursement
July 20, 2020

4. Details of Loan to be Repaid

Term Loan (E)

Lender	Borrowing Date	Balance before Repayment (JPY million)	Repayment Amount (JPY million)	Balance after Repayment (JPY million)	Interest Rate (annual)	Maturity Date	Borrowing Method
The Tokyo Star Bank, Limited The TOWA BANK, LTD.	July 20, 2016	1,600	1,600	—	0.56091% (Note)	July 20, 2020	Unsecured/ non-guaranteed
The Tokyo Star Bank, Limited	July 20, 2016	1,700	—	1,700	0.66091% (Note)	July 20, 2021	
Total		3,300	1,600	1,700			

(Note) The interest rates applicable as of July 16, 2020 are shown.

5. Future outlook

The impact of the New Borrowing on financial results is minimal. The forecasts of the financial results and distribution for the fiscal period ending December 2020 (35th Fiscal Period: from July 1, 2020 to December 31, 2020) will be announced later, once they are finalized.

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 December 2019 (from July 1, 2019 to December 31, 2019) (available in Japanese only) filed on March 25, 2020.

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

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

(Unit : JPY million)

	Before the New Borrowing (As of July 16, 2020)	After the New Borrowing (As of July 20, 2020)	Increase (Decrease)
Total loans	255,268	255,268	—
Total investment corporation bonds	8,200	8,200	—
Total interest-bearing liabilities	263,468	263,468	—
Total appraisal value of assets owned by INV (Note 1)	588,036	588,036	—
LTV (based on appraisal value) (Note 2) (%)	44.7	44.7	—

(Note 1) Based on the 148 properties owned by INV as of July 16, 2020 (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 147 properties (excluding preferred equity interest in the TMK) are based on figures stated in the appraisal reports on the valuation date of December 31, 2019. 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 implemented on September 26, 2018.

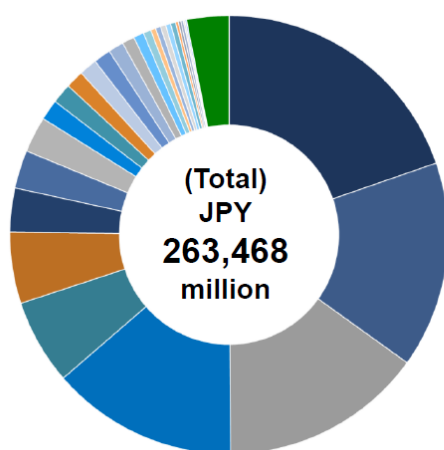
(Note 2) “LTV (based on appraisal value)” in the above table is calculated according to the following formula:

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

“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	19.7%	Shizuoka Bank	0.9%
MUFG	15.2%	Nishi-Nippon City Bank	0.8%
SMBC	15.0%	Hiroshima Bank	0.6%
SMTB	13.8%	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	1.5%	Kiyo Bank	0.2%
Daisan Bank	1.3%	Gunma Bank	0.1%
Aozora Bank	1.3%	Ikeda Sensyu Bank	0.1%
Nomura TB	1.3%	REIT Bond	3.1%
Tokyo Star Bank	1.1%		

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