

November 18, 2015

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

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## **Notice concerning Revision of Forecast of Financial Results and Distributions for the 26th Fiscal Period Ending June 2016 and 27th Fiscal Period Ending December 2016**

Invincible Investment Corporation (“INV”) announces the revision of its financial results and distribution per unit (“DPU”) forecast for the fiscal periods ending June 2016 (26th fiscal period) and December 2016 (27th fiscal period), as previously announced in “Summary of Financial Results (REIT)” dated August 26, 2015 as follows, for the purpose of presenting forecast information on the condition that the agenda of partial amendment to the Articles of Incorporation regarding the asset management fees is approved at the General Meeting of Unitholders scheduled to be held on December 18, 2015 as announced today in “Notice concerning Amendments of Articles of Incorporation and Appointment of Directors”.

This English language notice is a translation of the Japanese-language notice released on November 18, 2015 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

## Details

- Revision of forecasts of financial results and DPU for the fiscal periods ending June 2016 (January 1, 2016 to June 30, 2016) and December 2016 (July 1, 2016 to December 31, 2016)

### <Fiscal Period Ending June 2016>

	Operating revenues	Operating income	Ordinary income	Net income	Total distribution amount
Previous forecast (A) (announced on August 26, 2015)	Million JPY 6,500	Million JPY 3,631	Million JPY 3,225	Million JPY 3,224	Million JPY 3,222
Revised forecast (B)	Million JPY 6,500	Million JPY 3,739	Million JPY 3,333	Million JPY 3,332	Million JPY 3,331
Amount of variance (B) – (A)	Million JPY —	Million JPY 108	Million JPY 108	Million JPY 108	Million JPY 108
Rate of variance ((B) – (A)) / (A)	% —	% 3.0	% 3.4	% 3.4	% 3.4

	Earnings per unit (Note)	Reversal of Surplus per unit (Note)	Distribution per unit (excluding excess profit distribution per unit) (Note)	Excess profit distribution per unit (Note)	Distribution per unit (including excess profit distribution per unit) (Note)
Previous forecast (A) (announced on August 26, 2015)	JPY 1,009	JPY 0	JPY 1,009	JPY 0	JPY 1,009
Revised forecast (B)	JPY 1,043	JPY 0	JPY 1,043	JPY 0	JPY 1,043
Amount of variance (B) – (A)	JPY 34	JPY —	JPY 34	JPY —	JPY 34
Rate of variance ((B) – (A)) / (A)	% 3.4	% —	% 3.4	% —	% 3.4

(Note) The number of investment units issued and outstanding at the end of the fiscal period: 3,193,686 units.

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<Fiscal period ending December 2016>

	Operating revenues	Operating income	Ordinary income	Net income	Total distribution amount
Previous forecast (A) (announced on August 26, 2015)	Million JPY 7,008	Million JPY 4,117	Million JPY 3,717	Million JPY 3,716	Million JPY 3,714
Revised forecast (B)	Million JPY 7,008	Million JPY 4,227	Million JPY 3,826	Million JPY 3,826	Million JPY 3,826
Amount of variance (B) – (A)	Million JPY —	Million JPY 109	Million JPY 109	Million JPY 109	Million JPY 111
Rate of variance ((B) – (A)) / (A)	% —	% 2.7	% 3.0	% 3.0	% 3.0

	Earnings per unit (Note)	Reversal of Surplus per unit (Note)	Distribution per unit (excluding excess profit distribution per unit) (Note)	Excess profit distribution per unit (Note)	Distribution per unit (including excess profit distribution per unit) (Note)
Previous forecast (A) (announced on August 26, 2015)	JPY 1,163	JPY 0	JPY 1,163	JPY 0	JPY 1,163
Revised forecast (B)	JPY 1,198	JPY 0	JPY 1,198	JPY 0	JPY 1,198
Amount of variance (B) – (A)	JPY 35	JPY —	JPY 35	JPY —	JPY 35
Rate of variance ((B) – (A)) / (A)	% 3.0	% —	% 3.0	% —	% 3.0

(Note) The number of investment units issued and outstanding at the end of the fiscal period: 3,193,686 units.

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(Reference)

For ease of reference, full-year figures for earnings per unit and distribution per unit (including excess profit distribution per unit) are summarized in the table below.

<Full-year 2016> (Aggregate of the fiscal periods ending in June 2016 and December 2016)

	Earnings per unit	Reversal of Surplus per unit	Distribution per unit (excluding excess profit distribution per unit)	Excess profit distribution per unit	Distribution per unit (including excess profit distribution per unit)
Previous forecast (A) (August 26, 2015)	JPY 2,172	JPY 0	JPY 2,172	JPY 0	JPY 2,172
Revised forecast (B)	JPY 2,241	JPY 0	JPY 2,241	JPY 0	JPY 2,241
Amount of variance (B)- (A)	JPY 69	JPY —	JPY 69	JPY —	JPY 69
Rate of variance ((B) – (A)) / (A)	% 3.2	% —	% 3.2	% —	% 3.2

## 2. Reasons for the revision of forecast of financial results and distribution

INV plans to propose an agendum of partial amendment to the Articles of Incorporation including an amendment to the asset management fees (Note) to be applied from January 2016 at the General Meeting of Unitholders scheduled to be held on December 18, 2015. INV is hereby announcing the forecast of the financial result and distribution for the fiscal period ending June 2016 and December 2016 for the purpose of presenting forecast information on the condition that the above proposal is approved at such meeting. Further, the assumptions underlying the forecast other than the asset management fees have not been changed from the previous forecast for the purpose of this forecast revision.

Under the current Articles of Incorporation, the asset management fee as applicable from January 2016 will be the monthly fees calculated as higher of either (A) the amount calculated by multiplying the total amount of the relevant assets recorded as of the end of each relevant month by 0.4%, and then dividing by 12 (disregarding any amounts less than one yen) or (B) 25 million yen. Upon the approval of the above proposal, the asset management fees as applicable from January 2016 to December 2016 will be the fees for every three months calculated as an amount not exceeding the lower of either (A) the amount calculated by multiplying the total amount of the relevant assets recorded as of the end of the relevant three months period by 0.4%, and then dividing by 4 (disregarding any amounts less than one yen) or (B) 125 million yen. INV estimates the effect of this amendment in the asset management fees as follows:

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	Previous Forecast (A) (JPY)	Revised Forecast (B) (JPY)	Amount of variance (B) - (A) (JPY)
Fiscal Period Ending June 2016	358 million	250 million	▲108 million
Fiscal Period Ending December 2016	359 million	250 million	▲109 million
Full Year 2016	717 million	500 million	▲217 million

As a result, INV estimates the total distribution amount for each fiscal period ending June 2016 and December 2016 is expected to be JPY 3,331 million and JPY 3,826 million, respectively, and DPU for each fiscal period is expected to be JPY 1,043 (3.4% increase from the previous forecast) and JPY 1,198 (3.0% increase from the previous forecast), respectively.

(Note) With respect to the asset management fees, which have been reduced as a temporary measure for the period from January 2013 to December 2015, the proposal is to reduce the amount of asset management fees for the period from January 2016 to December 2016 to the amount which is lower than the amount applicable if such reduction were not made, but which is higher than the amount applied in 2015, so that the amount of asset management fees become appropriate, considering the expansion of the INV's asset scale, profit level and other factors resulting from its internal and external growth.

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