

For Information Purpose Only.

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

February 21, 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 Execution of Put/Call Options**

Invincible Investment Corporation (“INV”) announces today that it has decided to enter into a series of contracts where INV is purchasing Put Options and selling Call Options on the JPY-USD (the “Contracts”) in order to hedge the foreign currency risk of USD based revenue from the Westin Grand Cayman Seven Mile Beach Resort & SPA and the Sunshine Suites Resort (the “Cayman Hotels”). INV will maintain the put/call options that have not expired yet, as announced in “Notice concerning Cancel of Existing Foreign Exchange Forward and Execution of Put/Call Options” dated November 2, 2018 and “Notice concerning Execution of Put/Call Options” dated March 4, 2019.

The Contracts were entered into as Puts and Calls to allow a fixed exchange rate of 110 JPY to one US Dollar for a period through December 31, 2021 at a cost of approximately 30 million JPY. INV believes these contracts benefit INV to help hedge against any USD-JPY fluctuation through the end of 2021. INV is hedging amounts that are estimated to be 85% of the estimated NOI amount from the Cayman Hotels from January 1, 2021 through December 31, 2021, which is in line with the past options.

### 1. Overview of the new put and call options

The below are the specific details around the purchase of four put options and the sale of four call options.

#### Purchase of Put Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 12,553,000 (Note1)
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	April 8, 2021

This English language notice is a translation of the Japanese-language notice released on February 21, 2020 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.

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 8,524,000 (Note1)
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	July 8, 2021

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 3,236,000 (Note1)
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	October 8, 2021

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 5,426,000 (Note1)
(3) Contract Type	Purchase of Put Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	January 7, 2022

## Sale of Call Options

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 12,553,000 (Note1)
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	April 8, 2021

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 8,524,000 (Note1)
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	July 8, 2021

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 3,236,000 (Note1)
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	October 8, 2021

(1) Counterparty	Nomura Securities Co., Ltd.
(2) Contract amount	USD 5,426,000 (Note1)
(3) Contract Type	Sale of Call Option
(4) Forward exchange rate	1 USD = 110.00 JPY
(5) Agreement date	February 21, 2020
(6) Expiration date	January 7, 2022

This English language notice is a translation of the Japanese-language notice released on February 21, 2020 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.

(Note 1) In order to avoid over-hedging, the contract amount is approximately 85% of the estimated NOI amount for the three month period ending the end of the month immediately prior to the expiration date. Since the estimated NOI amount is an estimate as of today, there is a possibility that the actual NOI amount will fall short of the estimated NOI amount and thus an over-hedge may occur.

## 2. Future Outlook

The impact to the INV's financial results by the execution of the Contracts is minimal.

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