

FOR IMMEDIATE RELEASE

March 30, 2012

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Notice Concerning Recording of Non-Operating Expense (Foreign Exchange Loss)

Leopalace21 Corporation announces that it has incurred the following non-operating expense (foreign exchange loss) during the fiscal year ending March 31, 2012 (April 1, 2011 – March 31, 2012).

1. Content of the Non-Operating Expense

Leopalace21 and its overseas consolidated subsidiaries have incurred a loss of ¥3.2 billion on foreign currency exchange due to the appreciation of the yen during the nine months ended December 31, 2011. However, due to the change in the exchange rate, there was a gain of ¥2.6 billion during the fourth quarter (January through March), resulting in a foreign exchange loss of ¥0.6 billion during the fiscal year ending March 31, 2012.

2. Outlook

A foreign exchange loss of ¥3.2 billion was incorporated in the full year earnings forecast announced on February 3, 2012, so there will be a ¥2.6 billion improvement in terms of foreign exchange loss. With regard to full year earnings, Leopalace21 is currently finalizing financial statements, and if necessary, a revision to earnings forecasts will be issued as early as possible.

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