

FOR IMMEDIATE RELEASE

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Notice Concerning Recording of Non-Operating Profit (Foreign Exchange Gain)

Leopalace21 Corporation announces that it has recorded the following non-operating profit (foreign exchange gain) during the nine months ended December 31, 2012.

1. Content of the Non-Operating Profit

Leopalace21 and its overseas consolidated subsidiaries have incurred a loss of roughly ¥2.6 billion on foreign currency exchange during the first half of the fiscal year ending March 31, 2013 (April 1, 2012 to September 30, 2012). However, due to the depreciation of the yen, a foreign exchange gain of roughly ¥4.8 billion has been generated during the third quarter (October 1, 2012 to December 31, 2012), resulting in a non-operating profit of roughly ¥2.2 billion in foreign currency exchange during the nine months ended December 31, 2012.

The above amount is a valuation exchange gain in foreign currency markets at the end of the third quarter of the fiscal year ending March 31, 2013 (December 31, 2012). The amount of the foreign exchange gain may change as a result of foreign currency markets at the end of the fiscal year ending March 31, 2013.

2. Outlook

At the present time, there are no changes to the full year forecasts. If necessary, a revision to earnings forecasts will be issued as early as possible.

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