

FOR IMMEDIATE RELEASE

September 28, 2020

Company Name: **Leopalace21 Corporation**
Representative: Bunya Miyao, President and CEO
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Comments on Certain Media Reports Dated September 25

Leopalace21 (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the “Company”) recognized that Kyodo News Service reported on September 25 and other media followed about the Company’s consolidated financial results for the first quarter of the fiscal year ending March 2021. However, the Company did not make the announcement.

In the media reports, the net loss for the first quarter of the fiscal year ending March 2021 will exceed 12 billion yen, but the Company expects it to be 14.2 billion yen at this time. The Company has not revised a net loss of 8 billion yen, its full-year earnings forecast for the fiscal year ending March 2021, which was announced on 5 June, 2020.

The media reported that the Company will record excessive liabilities of more than 10 billion yen as of the end of June 2020. The Company expects the excessive liabilities of 11.8 billion yen and plans to release this figure on September 30 in its consolidated financial statements for the first quarter of the fiscal year ending March 2021.

We are working diligently to resolve the excessive liabilities as soon as possible, but there is nothing we have formally decided upon at this time.

We will disclose information when we make a decision which is subject to the required timely disclosure.

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