

FOR IMMEDIATE RELEASE

March 9, 2021

Company Name: **Leopalace21 Corporation**
Representative: Bunya Miyao, President and CEO
Code Number: 8848 (Tokyo Stock Exchange, First Section)
Contact: Shinji Takekura, Senior Department Manager
Tel: +81-50-2016-2907
E-mail: ir@leopalace21.com

Notice Concerning Debt Waiver for Enplus Inc.

As announced in the "Notice Concerning Transferring Shares in a Subsidiary and Impact on the Scope of Consolidation" on November 27, 2020, Leopalace21 Corporation (hereinafter "the Company") transferred all of its shares in Enplus Inc. (hereinafter "Enplus"), then a consolidated subsidiary of the Company, to RICOH LEASING COMPANY, LTD. (hereinafter, "Ricoh Leasing") on November 30, 2020. Based on the share transfer agreement it entered into with Ricoh Leasing, the Company has agreed to waive a portion of the loan to Enplus and has confirmed the amount to be waived on this day as follows.

1. Reason Behind Debt Waiver

On November 27, 2020, the Company entered into a share transfer agreement with Ricoh Leasing in order to transfer all of its shares in Enplus, then a consolidated subsidiary of the Company, to Ricoh Leasing and implemented the transfer on November 30, 2020. Under the conditions of the share transfer agreement, the Company and Ricoh Leasing have agreed for the Company to waive a portion of the loan to Enplus. The amount of waiver has been confirmed today as shown in 3. below.

2. Outline of Enplus

(1) Name	Enplus Inc.
(2) Address	Nomura Building 2nd Floor, 4-8 Yonbancho, Chiyoda-ku, Tokyo
(3) Representative	Kana Kumoshita, Representative Director
(4) Business description	Relocation management business Management of serviced apartment in terms of planning, operation and referral Property management business Brokerage business for overseas serviced apartments

	Leasing brokerage and brokerage business for foreign national tenants IT marketing business for foreign national tenants	
(5) Capital	312 million yen	
(6) Founded	May 2004	
(7) Major shareholders and shareholding ratio	RICOH LEASING COMPANY, LTD.	98.3%
	Kana Kumoshita	1.7%
(8) Relationship between the Company and Enplus	In terms of capital:	There are no items to be described.
	In terms of personnel:	The Company sends one director and one employee on secondment.
	In terms of business:	There are no items to be described.

3. Details of Debt Waiver

(1) Type of receivables to be waived	Loans receivable
(2) Amount of receivables to be waived	325 million yen
(3) Date of confirming the amount of waiver	March 8, 2021

4. Future Outlook

As for the above-mentioned debt waiver, we will record an extraordinary loss of 325 million yen in the non-consolidated financial statements for the year ending March 31, 2021. For the consolidated financial statements ending March 2021, we will record an extraordinary loss of 111 million yen.

As we have taken the debt waiver into consideration at the time of announcing the revision of earnings forecasts dated February 12, 2021, there are no changes to the consolidated earnings forecasts.

END