

**FOR IMMEDIATE RELEASE**

April 9, 2021

Company Name: **Leopalace21 Corporation**  
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**Notice Concerning an Administrative Action in light of Act on Architects  
and Building Engineers**

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") regrets to announce that Aichi Prefectural authorities ordered the Company on March 29, 2021 to cease for twelve months the operation of the registered office of first-class architects in Nagoya branch in accordance with Article 26 of Act on Architects and Building Engineers ("Act") and also suspended license for two months for one second-class architect who was formerly employed by the Company in accordance with Article 10 of the Act. The administrative actions have been taken in relation to the Company's construction defects problem.

We took the administrative actions seriously and strive to prevent the recurrence of the construction defects problem. We perceived the above administrative action for the second-class architect in addition to the previous cases of other architects as a penalty on the Company. We will continue to conduct proper daily operations by further reinforcing the compliance framework and strictly complying with the laws and regulations.

We deeply apologize for the concerns and inconveniences caused to the apartment owners, the tenants, the business partners, and all the stakeholders.

END