

June 25, 2021

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

**Notice Concerning Repair Plan of Construction Defects for Buildings
Constructed by Leopalace21**

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the “Company”) today announced the following state of repair works from January till June 2021 and the repair plan for July 2021 onward considering the instructions given by the Ministry of Land, Infrastructure, Transport and Tourism dated December 25, 2020.

We sincerely apologize to all of our stakeholders, including tenants and apartment owners, for the serious concerns and inconvenience caused by the construction defects problem.

1. State of repair works from January till June 2021

The Company announced in the release dated December 25, 2020 that it should prioritize repairing the vacant rooms that were suspended for tenant recruitment due to obvious defects in order to materialize the business stability, and will realize repair completion about 6,000 rooms by the end of June 2021. The Company is pleased to announce that it completed repairs for 6,000 rooms as planned at the end of June and the accumulated number of rooms with repairs completed is reaching about 48,000.

2. Repair plan for July 2021 onward

The Company announced the continuing business and financial challenges in the financial statements disclosed on May 14, 2021, and it is of vital importance to focus on stabilizing its business and financial conditions as well as continuous profitability improvement and hence it makes every effort to recover the business.

Despite these circumstances, the Company will stick to the plan of repairing all obvious defects by the end of 2024 as it announced in the “Notice Concerning Repair Plan of Construction Defects for Buildings Constructed by Leopalace21” dated December 25, 2020, and surely execute the measures in response to the construction defects problem.

The Company will continue giving careful explanations for their understanding of the tenants, the apartment owners, and the relevant governmental bodies in good faith, and work to regain the trust by making steady progress toward resolving the problem.

END