

FOR IMMEDIATE RELEASE

Notice Concerning Revision of Earnings and Dividend Forecasts
for the Fiscal Year Ended March 31, 2009

Leopalace21 Corporation (the Company) announces the following revisions to its full-year earnings and dividend forecast for the fiscal year ended March 31, 2009.

Due to effects of the global financial crisis, many of the Company's clients, such as car manufacturers, electrical equipment manufacturers, and temp agencies, have discontinued their contract with the Company's apartments. This resulted in a decline in occupancy rate of 3.85% compared to the previous year (annual average 88.51%), which lead consolidated sales to ¥732,200 million (previously announced forecast ¥735,800 million), ¥2,600 million lower than previously projected. Operating profit amounted to ¥49,700 million (previously announced forecast ¥53,700 million), ¥4,000 million lower than projected, and consolidated net income amounted to ¥9,700 million (previously announced forecast ¥12,600 million). With regard to the Company's achievement forecast for the fiscal year ending March 2010, the Company has estimated the market environment strictly, allowing ¥16,400 million in extraordinary expenses (previously announced forecast ¥6,900 million), due to impairment losses in real estate for sales and loss from devaluation of investment security, which lowered the net income. The estimate of the term-end dividend was to be announced, but have decided on non-dividend paying for this term, resulting only an interim dividend of ¥30.00 per share (payout ratio 48%).

(millions of yen)

Consolidated	Net sales	Operating profit	Recurring profit	Net income	Net income (loss) per share
Previous forecast	735,800	53,700	45,400	12,600	83.24
Revised forecast	732,200	49,700	46,400	9,700	64.08
Amount change	△ 2,600	△ 4,000	1,000	△ 2,900	-
Percentage change	△ 0.4%	△ 7.4%	2.2%	△ 23.0%	-
(Reference) Actual results for the FY 2008	672,973	71,402	60,847	342	2.15

(millions of yen)

Non-consolidated	Net sales	Operating profit	Recurring profit	Net income	Net income (loss) per share
Previous forecast	730,400	55,100	49,200	16,200	107.02
Revised forecast	727,300	51,000	48,400	8,900	58.79
Amount change	△ 3,100	△ 4,100	△ 800	△ 7,300	-
Percentage change	△ 0.4%	△ 7.4%	△ 1.6%	△ 45.1%	-
(Reference) Actual results for the FY 2008	666,472	71,007	61,813	3,164	19.55

(yen)

(Base date)	Dividend per share		
	End of 2nd quarter	End of FY	Annual
Previous forecast (Announced in February 2, 2009)	30.00	Not yet determined	Not yet determined
Revised forecast	-	0.00	30.00
Actual results for the FY ending March 31, 2009	30.00	-	-
Actual results for the FY ended March 31, 2008	30.00	50.00	80.00

end