

**FOR IMMEDIATE RELEASE**

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**Notice Concerning Revision of Earnings Forecasts**

Leopalace21 Corporation (“the Company”), in consideration of recent performance, announces the following revisions to its earnings forecasts for the fiscal year ended March 31, 2012 (April 1, 2011 through March 31, 2012) from those announced on February 3, 2012.

**1. Revision of Earnings Forecasts**

- (1) Revision to consolidated earnings forecasts for the fiscal year ended March 31, 2012 (April 1, 2011 through March 31, 2012)

(Million yen)

	Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)	Net income (loss) per share
Previous forecast (A)	459,100	4,700	400	900	5.32
Revised forecast (B)	459,400	5,000	2,800	1,600	9.47
Amount change (B – A)	300	300	2,400	700	
Percentage change	0.1%	6.4%	600.0%	77.8%	
(Reference) Results for the fiscal year ended March 31, 2011	484,390	(23,607)	(31,808)	(40,889)	(261.03)

- (2) Revision to non-consolidated earnings forecasts for the fiscal year ended March 31, 2012 (April 1, 2011 through March 31, 2012)

(Million yen)

	Net sales	Recurring income (loss)	Net income (loss)	Net income (loss) per share
Previous forecast (A)	453,100	600	1,100	6.50
Revised forecast (B)	453,300	2,600	1,400	8.28
Amount change (B – A)	200	2,000	300	
Percentage change	0.0%	333.3%	27.3%	
(Reference) Results for the fiscal year ended March 31, 2011	478,109	(30,596)	(39,814)	(254.17)

## **2. Reasons for the Revision**

Net sales and operating profit are expected to be as predicted. An impairment loss of approximately 2.6 billion yen has been reported, but a decrease in foreign exchange loss due to the depreciation of the yen toward the end of the term will lead to an increase in recurring income and net income compared to previous forecasts.

In the “Notice Concerning Revision of Earnings Forecasts and Review of the Medium-Term Management Plan” of October 28, 2011, we announced that we had commenced preparations for a new medium term management plan (for the period between the fiscal year ended March 2013 and the fiscal year ended March 2015 (tentative)). The preparation work is currently underway, and we plan to disclose an outline of the plan at the announcement of the financial results of the current fiscal year ended in March 2012.

Note: Revised business forecasts are calculated based on information available to the Company as of this announcement. Actual results may differ from these forecasts for a variety of reasons.

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