

Company Name: **Leopalace21 Corporation**
 Representative: Eisei Miyama, President and CEO
 Code Number: 8848 (Tokyo Stock Exchange, First Section)
 Contact: Bunya Miyao, General Manager
 Tel: +81-3-5350-0216
 E-mail: ir@leopalace21.com

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 first half of the fiscal year ending March 31, 2013 (April 1, 2012 through September 30, 2012) from those announced on May 11, 2012.

1. Revision of Earnings Forecasts

- (1) Revision to first half consolidated earnings forecasts for the fiscal year ended March 31, 2013 (April 1, 2012 through September 30, 2012)

(Million yen)

	Net sales	Operating income (loss)	Recurring income (loss)	Net income (loss)	Net income (loss) per share (yen)
Previous forecast (A)	219,600	(1,600)	(2,600)	(2,900)	(17.13)
Revised forecast (B)	219,900	1,800	(1,700)	(2,200)	(13.15)
Amount change (B – A)	300	3,400	900	700	
Percentage change	0.1%	–	–	–	
(Reference) Results for the first half of the fiscal year ended March 31, 2012	223,044	(2,191)	(6,187)	(5,203)	(30.82)

- (2) Revision to first half non-consolidated earnings forecasts for the fiscal year ended March 31, 2013 (April 1, 2012 through September 30, 2012)

(Million yen)

	Net sales	Recurring income (loss)	Net income (loss)	Net income (loss) per share (yen)
Previous forecast (A)	216,400	(2,900)	(3,100)	(18.32)
Revised forecast (B)	217,100	(1,200)	(1,700)	(10.31)
Amount change (B – A)	700	1,700	1,400	
Percentage change	0.3%	–	–	
(Reference) Results for the first half of the fiscal year ended March 31, 2012	220,133	(5,435)	(4,452)	(26.37)

2. Reasons for the Revision

Net sales are expected to be as previously forecasted. Operating profit is expected to recover drastically compared to the previous forecast and be in the black, due to earnings improvement in the Leasing Business. Recurring loss and net loss will improve compared to previous forecasts, although being in the red due to an unrealized foreign exchange loss of roughly 2.6 billion yen.

The full-year forecasts for the fiscal year ending March 31, 2013 will not be changed from previous forecasts.

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.

END