

Company Name: **Leopalace21 Corporation**  
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### Notice Concerning Corrected Revision of Earnings

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") regrets to announce the following correction on the revision of earnings forecasts which was announced on November 7, 2019.

#### 1. Reason for Correction

The Company made erroneous calculation for a valuation allowance for deferred tax assets. The numbers affected by the error in the below tables are underlined for the sake of comparison.

#### 2. Corrected Revision of Earnings Forecasts

[Consolidated]

Revision to earnings forecasts for the six months ended September 30, 2019

(April 1, 2019 through September 30, 2019)

(Million yen)

	Net sales	Operating profit	Recurring profit	Net income attributable to shareholders of the parent co.	Net income per share (yen)
Previous forecast (A)	241,100	(4,800)	(5,200)	(5,800)	(23.79)
Revised forecast (B)	221,500	(17,200)	(16,500)	<u>(24,500)</u>	<u>(100.17)</u>
Amount change (B – A)	(19,600)	(12,400)	(11,300)	<u>(18,700)</u>	
Percentage change	(8.1%)	—	—	—	
(Reference) Results for the six months ended September 30, 2018	255,479	7,192	7,159	5,819	(23.36)

Revision to earnings forecasts for the fiscal year ending March 31, 2020

(April 1, 2019 through March 31, 2020)

(Million yen)

	Net sales	Operating profit	Recurring profit	Net income attributable to shareholders of the parent co.	Net income per share (yen)
Previous forecast (A)	502,200	2,200	1,300	100	0.41
Revised forecast (B)	447,300	(28,000)	(27,800)	<u>(30,400)</u>	<u>(124.62)</u>
Amount change (B – A)	(54,900)	(30,200)	(29,100)	<u>(30,500)</u>	
Percentage change	(10.9%)	—	—	—	
(Reference) Results for the fiscal year ended March 31, 2019	505,223	7,390	7,063	(68,662)	(278.58)

[Non-consolidated]

Revision to earnings forecasts for the six months ended September 30, 2019

(April 1, 2019 through September 30, 2019)

(Million yen)

	Net sales	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	227,500	(4,800)	(5,100)	(20.92)
Revised forecast (B)	210,200	(16,500)	<u>(24,900)</u>	<u>(102.08)</u>
Amount change (B – A)	(17,300)	(11,700)	<u>(19,800)</u>	
Percentage change	(7.6%)	—	—	
(Reference) Results for the six months ended September 30, 2018	244,990	7,591	(5,101)	(20.48)

Revision to earnings forecasts for the fiscal year ending March 31, 2020

(April 1, 2019 through March 31, 2020)

(Million yen)

	Net sales	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	472,300	1,400	1,000	4.10
Revised forecast (B)	427,200	(26,900)	<u>(29,800)</u>	<u>(122.16)</u>
Amount change (B – A)	(45,100)	(28,300)	<u>(30,800)</u>	
Percentage change	(9.5%)	—	—	
(Reference) Results for the fiscal year ended March 31, 2019	477,834	6,817	(68,754)	(278.95)

### 3. Revision of Earnings Forecasts announced on November 7, 2019 (only for purpose of comparison)

[Consolidated]

Revision to earnings forecasts for the six months ended September 30, 2019

(April 1, 2019 through September 30, 2019)

(Million yen)

	Net sales	Operating profit	Recurring profit	Net income attributable to shareholders of the parent co.	Net income per share (yen)
Previous forecast (A)	241,100	(4,800)	(5,200)	(5,800)	(23.79)
Revised forecast (B)	221,500	(17,200)	(16,500)	<u>(21,400)</u>	<u>(87.50)</u>
Amount change (B – A)	(19,600)	(12,400)	(11,300)	<u>(15,600)</u>	
Percentage change	(8.1%)	—	—	—	
(Reference) Results for the six months ended September 30, 2018	255,479	7,192	7,159	5,819	(23.36)

Revision to earnings forecasts for the fiscal year ending March 31, 2020

(April 1, 2019 through March 31, 2020)

(Million yen)

	Net sales	Operating profit	Recurring profit	Net income attributable to shareholders of the parent co.	Net income per share (yen)
Previous forecast (A)	502,200	2,200	1,300	100	0.41
Revised forecast (B)	447,300	(28,000)	(27,800)	<u>(27,300)</u>	<u>(111.91)</u>
Amount change (B – A)	(54,900)	(30,200)	(29,100)	<u>(27,400)</u>	
Percentage change	(10.9%)	—	—	—	
(Reference) Results for the fiscal year ended March 31, 2019	505,223	7,390	7,063	(68,662)	(278.58)

[Non-consolidated]

Revision to earnings forecasts for the six months ended September 30, 2019

(April 1, 2019 through September 30, 2019)

(Million yen)

	Net sales	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	227,500	(4,800)	(5,100)	(20.92)
Revised forecast (B)	210,200	(16,500)	<u>(21,800)</u>	<u>(88.99)</u>
Amount change (B – A)	(17,300)	(11,700)	<u>(16,700)</u>	
Percentage change	(7.6%)	—	—	
(Reference) Results for the six months ended September 30, 2018	244,990	7,591	(5,101)	(20.48)

Revision to earnings forecasts for the fiscal year ending March 31, 2020

(April 1, 2019 through March 31, 2020)

(Million yen)

	Net sales	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	472,300	1,400	1,000	4.10
Revised forecast (B)	427,200	(26,900)	<u>(26,700)</u>	<u>(109.46)</u>
Amount change (B – A)	(45,100)	(28,300)	<u>(27,700)</u>	
Percentage change	(9.5%)	—	—	
(Reference) Results for the fiscal year ended March 31, 2019	477,834	6,817	(68,754)	(278.95)

END