

FOR IMMEDIATE RELEASE

November 8, 2019

Company Name: **Leopalace21 Corporation**
Representative: Bunya Miyao, President and CEO
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Notice Concerning Transfer of Shares in a Consolidated Subsidiary

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") announces the transfer of all shares in Life Living Co., Ltd. (hereinafter "Life Living"), a consolidated subsidiary of the Company.

1. Reason for the transfer

Life Living had a successful business achievement in development featuring four-story condominiums in reinforced-concrete structure and wooden apartment buildings in the Tokyo metropolitan area, Nagoya area and Fukuoka area. The Company acquired 100% ownership of Life Living in July, 2016 with a view to strengthen the Company's core businesses such as leasing business and development business. In the light of changing business climate surrounding the Company, we decided on transferring the business operations of Life Living so that they can continue and further expand their business.

2. Outline of Life Living

(1)	Name	Life Living Co., Ltd.	
(2)	Location	Leopalace Building No 6, 3-31-11 Hon-cho, Nakano-ku, Tokyo	
(3)	Representative	Hideki Suzuki, President and CEO	
(4)	Business description	Development and sale of real estate properties as an investment instrument	
(5)	Capital	100 million yen	
(6)	Establishment date	August 10, 2015	
(7)	Major shareholder, Shareholding ratio	Leopalace21 Corporation 100%	
(8)	Relationship with the Company	In terms of capital:	The Company holds 100% shares in Life Living.
		In terms of personal:	The Company holds the positions for one board member and one company auditor.
		In terms of business:	The Company loans funds and undertakes an entrusted business

(9)	performance and financial position for the past three fiscal years			
		Fiscal year ended Mar 31, 2017	Fiscal year ended Mar 31, 2018	Fiscal year ended Mar 31, 2019
	Net Assets	4,166 million yen	4,585 million yen	4,828 million yen
	Total Assets	5,025 million yen	5,854 million yen	7,626 million yen
	Net Sales	6,303 million yen	8,318 million yen	9,008 million yen
	Operating Profit	851 million yen	1,072 million yen	964 million yen
	Recurring Profit	844 million yen	1,074 million yen	912 million yen
	Net Income	547 million yen	692 million yen	593 million yen

3. Outline of the transferee

(1)	Name	Hajime Construction Co., Ltd.
(2)	Location	Toukyu Building East No 5, 2-25-5 Minami-ikebukuro, Toshima-ku, Tokyo
(3)	Representative	Tadayoshi Horiguchi, President and CEO
(4)	Business description	Development, building and sale of detached houses and condominiums, as well as contracted construction works
(5)	Capital	3,298 million yen
(6)	Establishment date	February 13, 1967
(7)	Major shareholder, Shareholding ratio	Iida Group Holdings Co., Ltd. 100%
(8)	Relationship with the Company	In terms of capital: None In terms of personal: None In terms of business: None Related party: Non-related party to the Company

4. Number of shares to transfer, value and state of shares before and after the transfer

(1)	Number of shares before the transfer	4,001 shares The Company holds 100%.
(2)	Number of shares to transfer	4,001 shares (Number of voting rights: 4,001)
(3)	Value of the transfer	Not to be disclosed due to the agreement between the contracting parties. The negotiation yielded the transfer value through the proper process.
(4)	Number of shares after the transfer	0 shares

5. Dates

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|------|---|------------------|
| (i) | Date of concluding the share transfer agreement | October 29, 2019 |
| (ii) | Execution date of share transfer | To be decided |

6. Impact on the business forecast

The Company believes that the transfer of the above-mentioned shares does not make a material enough impact on the consolidated business forecast.

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