

**FOR IMMEDIATE RELEASE**

November 27, 2020

Company Name: **Leopalace21 Corporation**  
Representative: Bunya Miyao, President and CEO  
Code Number: 8848 (Tokyo Stock Exchange, First Section)  
Contact: Shinji Takekura, Senior Department Manager  
Tel: +81-50-2016-2907  
E-mail: ir@leopalace21.com

**Notice Concerning Transferring Shares in a Subsidiary  
and Impact on the Scope of Consolidation**

Pursuant to a resolution at the Board of Directors meeting held on November 27, 2020, Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") announces that the Company determined to transfer the whole shares in Enplus Inc. ("Enplus") a subsidiary of the Company to RICOH LEASING COMPANY, LTD. ("Ricoh Leasing") as follows. As a result of the share transfer, Enplus will be excluded from the scope of consolidation of the Company.

1. Reason for transfer of shares

Enplus became a consolidated subsidiary of the Company in October 2017. Since then, Enplus has been mainly responsible for the relocation management business and the serviced apartment business.

During this period, Enplus has resolved issues related to international human resources in the group of the Company and contributed to the expansion of business domains for both international and domestic businesses. However, from the perspective of optimal allocation of resources throughout the group of the Company going forward, the Company decided to transfer the shares to Ricoh Leasing.

After considering various options, we determined that the best way for Enplus to further grow its business and increase its corporate value was to expand its business by adding Enplus' businesses of relocation management and commissioned management of serviced apartments to the "Social Innovation Business" of Ricoh Leasing which provides added value to its rental housing.

## 2. Outline of the subsidiary being transferred

(1) Name	Enplus Inc.	
(2) Address	Nomura Building 2nd Floor, 4-8 Yonbancho, Chiyoda-ku, Tokyo	
(3) Representative	Kana Kumoshita, CEO	
(4) Business description	Relocation management business Management of serviced apartment in terms of planning, operation and referral Property management business Brokerage business for overseas serviced apartments Leasing brokerage and brokerage business for foreign national tenants IT marketing business for foreign national tenants	
(5) Founded	May 2004	
(6) Capital	312 million yen	
(7) Major shareholders and shareholding ratio	Leopalace21 Corporation 98.3% Kana Kumoshita 1.7%	
(8) Relationship between the Company and Enplus	In terms of capital:	The Company owns 98.3% shares in Enplus.
	In terms of personnel:	The Company sends one director and one employee on secondment. The Company receives six employees from Enplus on secondment.
	In terms of business:	The Company has business relationship with Enplus in referral of customers.

## 3. Outline of the purchaser of the shares in Enplus

(1) Name	RICOH LEASING COMPANY, LTD.
(2) Address	New Otani Garden Court, 4-1, Kioi-cho, Chiyoda-ku, Tokyo
(3) Representative	Tokuharu Nakamura, President and CEO
(4) Business description	Leases and Installment Sales Business Financial Services Business
(5) Founded	December 1976
(6) Capital	7,896 million yen

(7) Major shareholders and shareholding ratio	Ricoh Co., Ltd.	33.7%
	Mizuho Leasing Company, Limited	20.0%
	BBH FOR FIDELITY PURITAN TR: FIDELITY SR INTRINSIC OPPORTUNITIES FUND	3.4%
	Custody Bank of Japan, Ltd. (Trust account)	3.4%
	The Master Trust Bank of Japan, Ltd.	3.1%
	BBH FOR FIDELITY LOW-PRICED STOCK FUND	2.3%
	DFA INTL SMALL CAP VALUE PORTFOLIO	1.2%
	STATE STREET BANK AND TRUST COMPANY 505001	1.1%
	Custody Bank of Japan, Ltd. (Trust account 5)	1.0%
	THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	1.0%
(8) Relationship between the Company and Ricoh Leasing	In terms of capital:	None
	In terms of personnel:	None
	In terms of business:	The Company has lease transactions for office machinery.

4. Number of shares transferred, value of the transfer and shareholding before and after the transfer

(1) Number of owned shares before the transfer	6,960 shares
(2) Number of owned shares to transfer	6,960 shares
(3) Value of the transfer	Due to confidentiality between the parties, the value of the transfer is not disclosed. The value is however determined by negotiations with the counterpart through a fair process.
(4) Number of owned shares after the transfer	0 shares

## 5. Timeline

(1) Date of resolution at the Board of Directors	November 27, 2020
(2) Date of concluding the share transfer agreement	November 30, 2020
(3) Effective date of share transfer	November 30, 2020 (planned)

## 6. Future Outlook

We are currently examining the impact of this matter on our earnings forecast for the year ending March 2021 and will promptly disclose any issues that need to be published due to further development.

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