

Company Name: **Leopalace21 Corporation**
Representative: Bunya Miyao, President and CEO
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Notice Concerning Reduction of Common Stock

Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the "Company") announced the decision, under the approval of the Board of Directors on May 14, 2021, to submit a proposal on reduction of common stock to the Ordinary General Shareholders' Meeting to be held on June 29, 2021.

1. Purpose of reduction of common stock

In order to ensure the flexibility and speediness of the capital policy, the Company has decided to reduce the common stock, as stipulated in Article 447, Paragraph 1 of the Company Act.

There will be no change in the total number of outstanding shares and there will be no effect on the number of shares held by all shareholders. In addition, there will be no change in net assets and in net assets per share.

2. Main points in reduction of common stock

(1) Reduced amount of common stock

Reduce common stock by 81,182,359,829 yen from 81,282,359,829 yen to make the common stock of 100,000,000 yen.

(2) Method of reduction

There will be no change in the total number of outstanding shares. The entire amount of the reduction, 81,182,359,829 yen, will be transferred to other capital surplus.

3. Timeline in 2021

May 14 (Board of Directors Meeting)	Approval at the Board of Directors Meeting
June 29 (General Shareholders' Meeting)	Approval at the General Shareholders' Meeting
July 30 (planned)	Expiration of period for creditors' making objections
August 10 (planned)	Effective date

4. Impact on the Company's financial result

The above measure involves reassignments of funds within the net assets category with no changes in the amount of net assets and will not have any impact on the Company's business performance. The execution of the measure is subject to the approval at the Ordinary General Shareholders' Meeting to be held on June 29, 2021.

END