

FOR IMMEDIATE RELEASE

November 2, 2022

Company Name: **Leopalace21 Corporation**
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Notice Concerning Filing of Lawsuit

Leopalace21 (Headquarters: Nakano-ku, Tokyo; President and CEO: Bunya Miyao; the "Company") announced on October 21, 2022 in its disclosure of "(Progress of Disclosure) Comments on Certain Media Report about Leopalace21" that the Company had begun preparations to file a lawsuit against SHINCHOSHA Publishing Co., Ltd. The Company announced on November 2, 2022 that it filed a lawsuit on the same day.

1. Court and date of filing of the lawsuit

Court name: Tokyo District Court
Date of filing: November 2, 2022

2. Causes of the lawsuit and circumstances leading to filing of the lawsuit

SHINCHOSHA Publishing Co., Ltd. reported on October 13 and October 20, 2022 in its Shukan Shincho, a weekly magazine, that the Company manipulated the occupancy rates to produce false impression about the Company's earnings and others. However, the contents of these articles were false and differed from the facts.

It is clear that SHINCHOSHA Publishing Co., Ltd. is liable for the tort of libel for widely disseminating such false contents that undermined the Company's social credibility.

It is strongly inferred that Mr. Keiichiro Shinozaki took the initiative in preparing these articles, and there is no doubt that he was at least deeply involved in these articles and therefore also liable for the tort of libel, since SHINCHOSHA Publishing Co., Ltd. relied on information provided by Mr. Shinozaki and quoted his false statements.

3. Parties against whom the lawsuit was filed (titles are omitted)

- (1) Defendant's name: SHINCHOSHA Publishing Co., Ltd.
Address: 71 Yaraicho, Shinjuku-ku, Tokyo
Representative: Takanobu Sato, President
- (2) Defendant's name: Keiichiro Shinozaki
Ex-director of the Company who resigned in December, 2006,
President of Muse Co., Ltd., with its address at 1-11-6
Koenji-minami, Suginami-ku, Tokyo

4. Details of the lawsuit

The Company seeks publication of an apology by SHINCHOSHA Publishing Co., Ltd. and payment of damages by the two defendants based on the liability for tortious behavior.

5. Policy for future responses

The articles in question were factually incorrect and caused confusion among shareholders and investors in addition to damaging the Company's social credibility, and the Company intends to take decisive action to address the situation.

The Company will promptly announce any matters that should be disclosed in the future.

END