Medium-Term Management Plan

May 2010

Leopalace21 Corporation

Contents

1. Basic Policies of the Medium-Term Management Plan

Basic Policies of the Medium-Term Management Plan

Shift to a stable earnings structure with earnings balanced between the Apartment Construction Subcontracting Business and the Leasing Business

We will improve the business structure with a new business model centered on the stock of units under management (Leasing Business division), with the goals of stabilizing earnings and regaining a growth track.

1 Shift to a Focus on the Stock of Units under Management, and Improve the Earnings Balance

Based on our "New Area Strategy" designed to maximize earnings in the Leasing Business, we will establish a sustainable and stable business foundation by achieving an earnings balance between the Apartment Construction Subcontracting Business and the Leasing Business.

2 Organization restructuring and rebuilding of governance focused on establishing a new earnings management structure

We established a Business Structure Reform Headquarters to clarify responsibilities and authority, and strengthen internal controls. We will promote business restructuring in order to establish an earnings-management structure that achieves balanced earnings in the core businesses overall from the standpoint of the Leasing Business.

3 Shift to a Low-Cost Structure

We will strategically optimize the highly profitable Apartment Construction Subcontracting Business, and fundamentally revise the cost structure. Specifically, we will lower consolidated SG&A expenses from an estimated ¥79.3 billion (SG&A ratio of 12.8%) in the fiscal year ended March 2010, to ¥52.7 billion (9.6%) in the fiscal year ending March 2013.

4 Manage Related Businesses from the Standpoint of Concentrating Management Resources on Core Businesses

We will manage related businesses with priority on synergy with core businesses, in order to maximize consolidated earnings and efficiency.

5 Stabilize the Financial Position

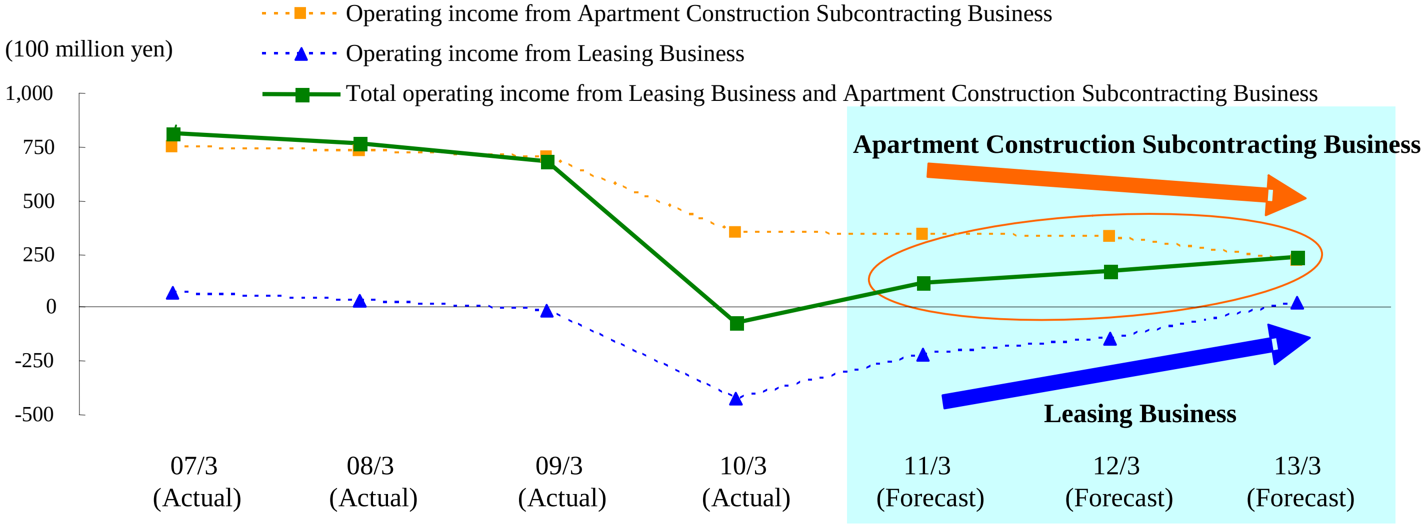
We will continue to focus on *Motazaru Keiei** ("non-ownership management") to tighten the balance sheet, reduce interest-bearing debt, and emphasize cash flow in operations.

* The Company's model for core businesses is based on construction of apartments on behalf of property owners and entering master-lease agreements with these apartment owners. We then lease apartments to individual tenants. This model enables us to continue growing our business and earnings without requiring the Company to own the underlying assets or take on debt.

2. Background of the Medium-Term Management Plan (FY 2011/03–FY 2013/3)

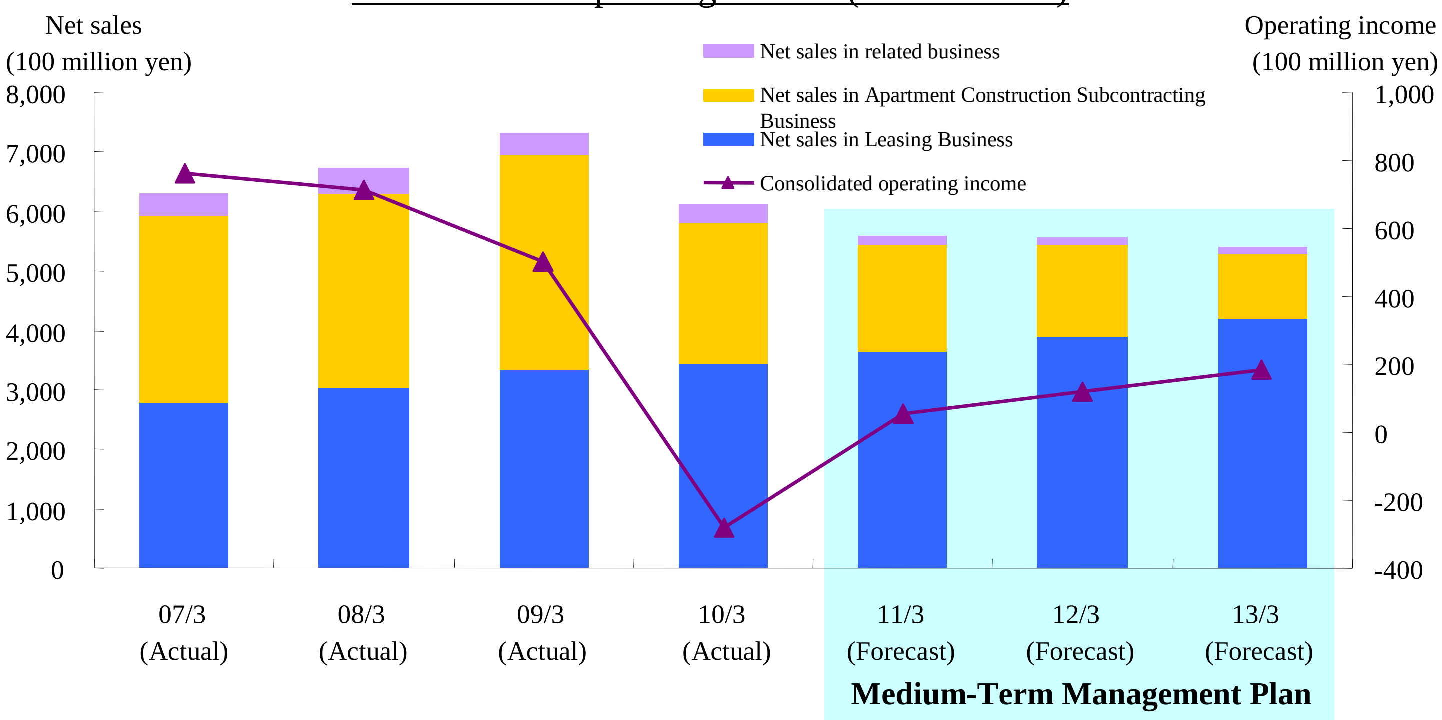
Background of the Medium-Term Management Plan

Operating Income from Apartment Construction Subcontracting and Leasing Business (Consolidated)



[Basic Policies]
"Stabilize Earnings Base by Improving Balance Between Apartment Construction Subcontracting and Leasing"

Net Sales and Operating Income (Consolidated)



As a result of the global financial crisis Leopalace21's Apartment Construction Subcontracting Business has experienced numerous apartment order cancellations because we are no longer able to offer non-recourse loans, and because financial institutions have become much more severe in their screening of loan applications. The Company's Leasing Business has suffered a sharp decline in occupancy rates because large manufacturers have had to make sudden, large-scale layoffs of temporary and contract workers due to production cutbacks.

The current economic environment in Japan is clearly showing signs of recovery, but we believe that the Company should now focus primarily on dealing with long-term deflationary trends.

In response to this situation in May 2010 the Company will introduce the Medium-Term Management Plan, a major revision of its business plan, and will begin carrying out a structural reform of its business operations.

3. Outline of the Medium-Term Management Plan

i. Action Plans
ii. New Organization to Implement New Strategies
iii. Cost Cutting Measures
iv. Numerical Targets (Overview) — Consolidated —
v. Numerical Targets (by Segment) — Consolidated —

Action Plans
— Intensive Implementation in the First Year of the Plan —

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Basic Strategies

Enable the Leasing Business to show a profit as soon as possible
Shift to a more stable earnings structure based on leasing revenues

Improve Linkage between Apartment Construction Subcontracting and Leasing
Shift from a "Product Out" model to a "Market Out" management model

Fundamentally reform cost structure
(Develop a cost structure that is responsive to fluctuations in earnings)
Shift to a low-cost structure

Challenges and Countermeasures

- Need more sophisticated pricing strategy (to be achieved through the Leasing ALM system)
  Stricter profit and loss management by area and by property
- Improve occupancy rates ("New Channels Strategy")
  - "Leopalace Partners"
  - Outbound telemarketing + Internet sales
  - Overseas offices
  - Corporate sales

- Promote new product strategy to suit our New Area Strategy
  Pursue an area-based order volume plan in line with new supply plans
  Strengthen new product lineup and promote regional strategies
  Introduce strategic products for urban areas (VERDURE, Leffect)

- Reduce unit prices for apartment construction, and rectify rents due on master lease agreements with apartment owners
- Reduce consolidated SG&A expenses

Improve Governance

Key changes to organizational structure

Business Structure Reform Headquarters (New)

+

- Rent Administration Department (New)
- Area Strategies Department (Area Strategies Committee) (New)
- Purchasing Department (Cost Reduction Committee) (New)

+

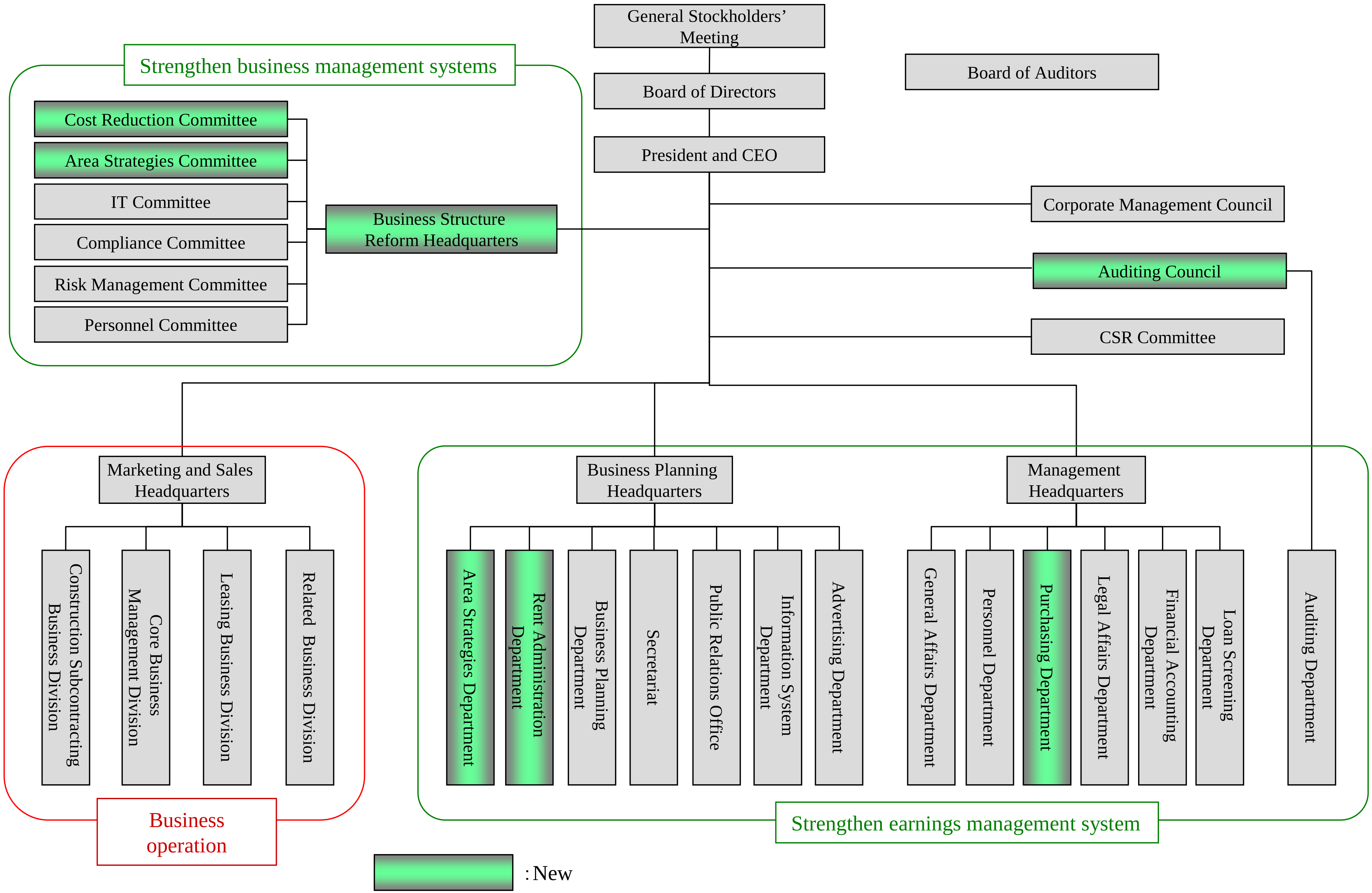
Promote revision of our business portfolio

- Focus management resources on core businesses
  (Manage related businesses to maximize synergy with core businesses)

Financial stability

- Streamline the balance sheet
  (Sell fixed assets, control capital expenditures, reduce interest-bearing debt)

New Organization to Implement New Strategies



Cost Cutting Measures

■ **Make it possible to generate profits even after strategic retrenchment of highly profitable Apartment Construction Subcontracting Business**

Thorough cost-cutting

- Reduce unit cost of apartment construction
- Reduce sales costs in Leasing Business
- Rectify rents due on master lease agreements
- Reduce SG&A expenses

Apartment Construction Subcontracting Order → **Tenant Recruitment**

Reduce unit costs of construction

■Lower materials procurement costs

Rectify rents due on master lease agreements

■Properties where lease fees have remained fixed for over 10 years (39,300 units)
→Adjust lease fees based on current market prices

Reduce sales costs

■Reduce fixed expenses through introduction of “Leopalace Partners” system

Reduce SG&A Expenses

■ Reduce SG&A expenses
¥79.3 billion in FY2010/3 (SG&A ratio of 12.8%) → ¥52.7 billion in the FY2013/3 (SG&A ratio of 9.6%)

Numerical Targets (Overview) — Consolidated —

(100 million yen)	FY2010/3 (Actual)	Medium-Term Management Plan FY2011/3 (Forecast)	Medium-Term Management Plan FY2012/3 (Forecast)	Medium-Term Management Plan FY2013/3 (Forecast)
Net sales	6,203	5,647	5,606	5,467
Selling, general & administrative expenses	793	594	572	527
Operating income (loss)	(297)	53	117	183
Operating margin	-4.8%	0.9%	2.1%	3.3%
Recurring income (loss)	(338)	34	98	164
Recurring margin	-5.5%	0.6%	1.7%	3.0%
Net income (loss)	(790)	30	52	92
Net margin	-12.7%	0.5%	0.9%	1.7%
Total assets	3,965	3,540	3,319	3,236
Net assets	709	736	788	880
Equity ratio	17.9%	20.8%	23.8%	27.2%
ROE	-72.8%	4.0%	6.8%	11.0%
EPS (Yen)	(521.91)	19.14	34.32	60.72
EBITDA	(234)	112	177	243
EBITDA margin	-3.8%	2.0%	3.2%	4.5%
Orders received	1,677	1,560	1,300	1,000
Orders received outstanding (Percent of Completion method for subcontracted construction projects)	1,836	1,596	1,336	1,236
Average No. of managed units (1,000 units)	532	566	592	613
Average occupancy rate during FY	82.3%	83.7%	84.5%	86.2%

*EBITDA = *Operating income + Depreciation*

Numerical Targets (By Segment) — Consolidated —

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(100 million yen)	FY2010/3 (Actual)	Medium-Term Management Plan FY2011/3 (Forecast)	Medium-Term Management Plan FY2012/3 (Forecast)	Medium-Term Management Plan FY2013/3 (Forecast)
Net sales	6,203	5,647	5,606	5,467
Leasing Business	3,427	3,637	3,877	4,194
Apartment Subcontracting Construction Business	2,370	1,801	1,561	1,101
Related Businesses	440	235	195	199
(Eliminations on consolidation)	(34)	(29)	(29)	(29)
Operating income (loss)	(297)	53	117	183
Operating margin	-4.8%	0.9%	2.1%	3.3%
Leasing Business	(478)	(226)	(151)	22
Operating margin	-14.0%	-6.2%	-3.9%	0.5%
Apartment Subcontracting Construction Business	297	339	326	214
Operating margin	12.5%	18.9%	20.9%	19.5%
Related Businesses	(81)	(31)	(25)	(21)
Operating margin	-18.4%	-12.8%	-12.6%	-10.4%
(Eliminations on consolidation)	(34)	(31)	(35)	(34)

4. Specific Strategies for Core Businesses

i. New Area Strategy
ii. Leasing Business Strategy (New Channel Strategy, Leasing ALM System)
iii. Numerical Targets for Leasing Business
iv. Apartment Construction Subcontracting Business Strategy (Product Strategy)
v. Numerical Targets for Apartment Construction Subcontracting Business

New Area Strategy

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■ Shifting from "Product Out" to "Market Out" Model

The New Area Strategy involves revising our conventional "Product Out Supply Plan," which was the basis of our Apartment Construction Subcontracting Business, and shifting to a "Market Out Supply Plan" business model, based on our Leasing Business, which will take advantage of our ability to attract new tenants.

Conventional Strategy

Distinguish ourselves from the competition by supplying good properties + providing good services (Product Out)

This business model is centered on the Apartment Construction Subcontracting Business. The key to success is to develop leasing demand forecasts and utilize this data to generate orders for apartment construction on a consignment basis.

Tenants ← Lease marketing ← New supply ← **Subcontract sales** **(Basis)**

New Area Strategy

Determine how best to increase a property's appeal to tenants (Market Out)

This business model is centered on the Leasing Business. First, improve tenant recruitment capability of each sales channel, while at the same time introducing new products that meet the strategic needs of specific areas.

(Basis) **Tenants** → Lease marketing → Product planning → New supply → Subcontract sales

Evaluating the ability of each channel to attract new tenants

1. Directly managed office
2. "Leopalace Partners" offices
3. Corporate sales
4. Affiliated agents
5. Internet sales
6. Overseas offices
7. Outbound telemarketing

"Product Strategies" for different market areas

1.Urban center product strategy
- i. VERDURE
- ii. Leffect

2.Nationwide products
- i. Lavo Speranza
- ii. LEPIDO
- iii. Lavo familia

Leasing Business Strategy New Channel Strategy – 1 –

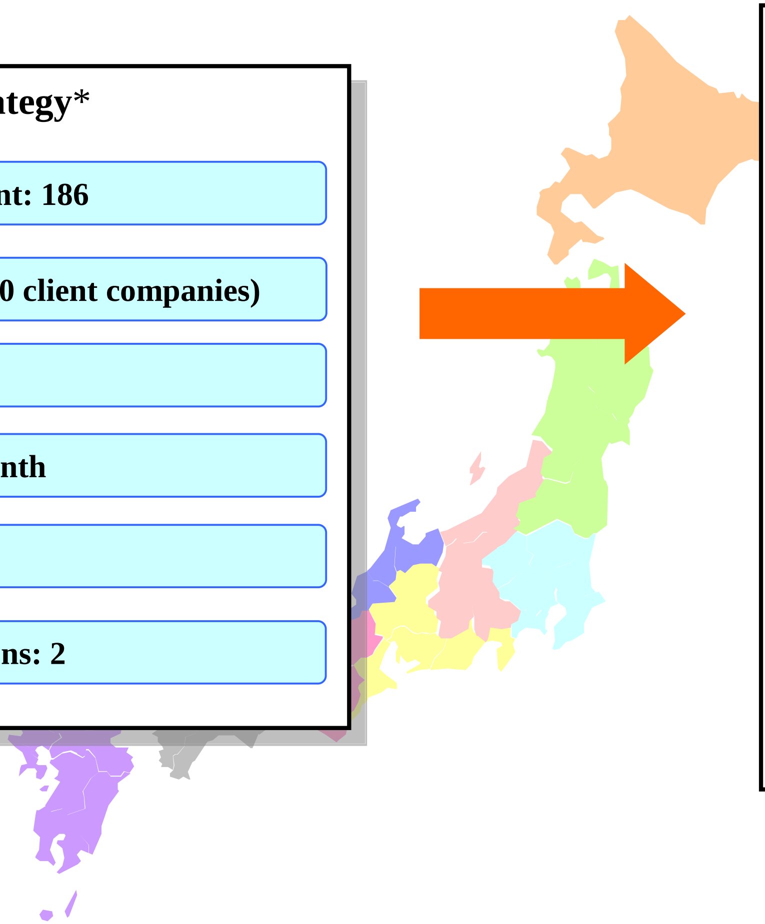
■ New Channel Strategy: Development of “Leopalace Partners”

For our new Leasing Business strategy to be successful we must face the challenge of achieving our goal of having 620,000 apartment units under management by 2013. With such a large stock of apartments, it will be essential to adopt strategies to attract large numbers of tenants without increasing fixed costs. By adding “Leopalace Partners” (which will include outside franchises as well as independent franchises spun off from within the Company and operated by former Company staff members) to our marketing network, we will be able to expand our marketing channels and increase the number of units under lease. In addition, this will have the effect of shifting some of our SG&A expenses to variable expenses, thus making it possible to reduce our fixed costs.

Conventional Strategy*

1. **Offices under direct management: 186**
2. **Corporate sales: 7 offices (41,000 client companies)**
3. **Affiliated companies: 8,000**
4. **Web site: 20 million hits per month**
5. **Overseas offices: 6**
6. **Outbound telemarketing locations: 2**

*As of March 2010



New Channel Strategy

1. **Offices under direct management**
2. **Corporate sales**
3. **Affiliated companies**
4. **Web site**
5. **Overseas offices**
6. **Outbound telemarketing & Internet sales**
7. **“Leopalace Partners”**

Channels to be reinforced (items 2, 5, 6 and 7 shown in orange)

Leasing Business Strategy New Channel Strategy – 2 –

■ The "Leopalace Partners" program will increase occupancy rates and lower SG&A expenses, leading to higher profitability

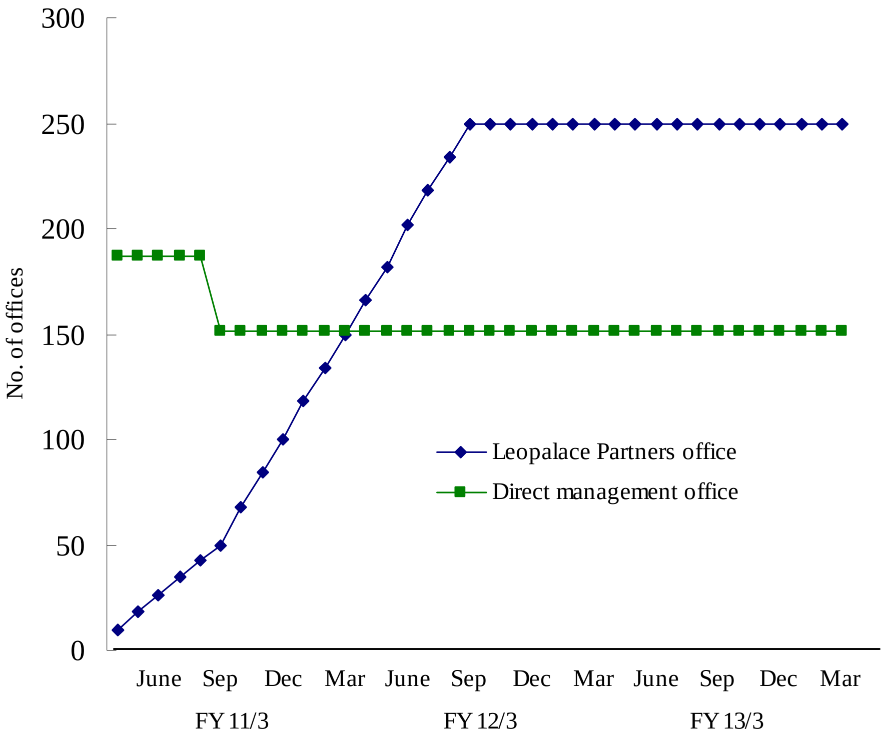
Under this program we plan to have 250 franchise offices in operation by the end of fiscal 2012. Together with our directly managed offices, this will give us a total of 400 offices. The program will be effective in raising and stabilizing occupancy rates, and will enable us to get a better grasp of market trends. It will also help us to solve the problems we are facing with regard to the expansion in the number of units we will have under management, and mounting fixed costs.

Increase/stabilize occupancy rates by increasing avenues for tenant recruitment.

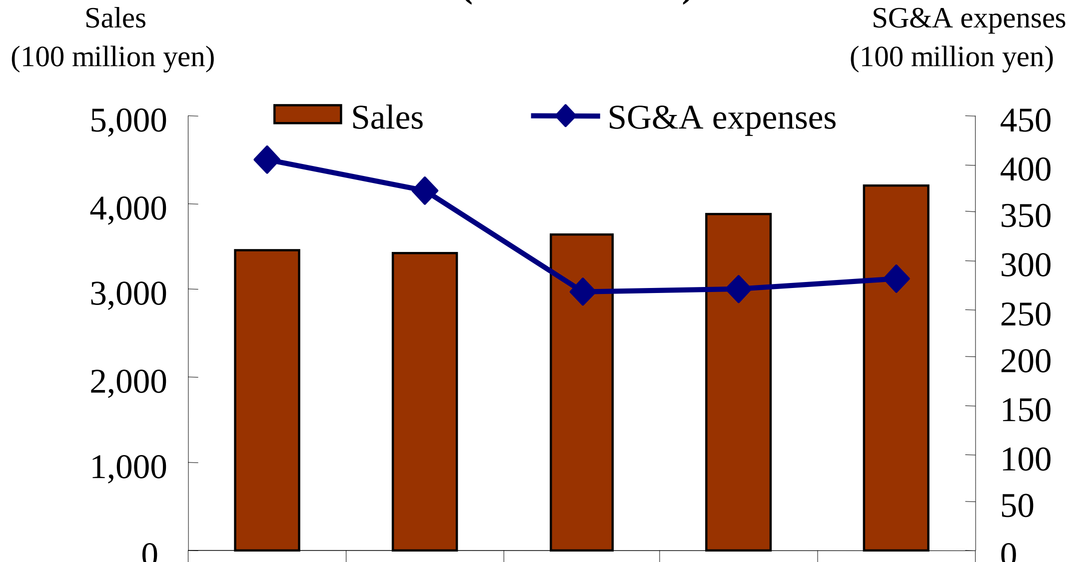
Increase effectiveness of tenant recruitment strategies through better understanding of market trends.
Supply products that meet the needs of the target area.

Avoid increasing the number of directly managed offices.
Shift from fixed to variable costs, and reduce SG&A expenses.

Sales Office Development Plan



Leasing Business Sales and SG&A Expense Levels (Consolidated)



	09/3 (Actual)	10/3 (Actual)	11/3 (Forecast)	12/3 (Forecast)	13/3 (Forecast)
Sales	3,460	3,427	3,637	3,877	4,194
SG&A expenses	406	372	267	271	280

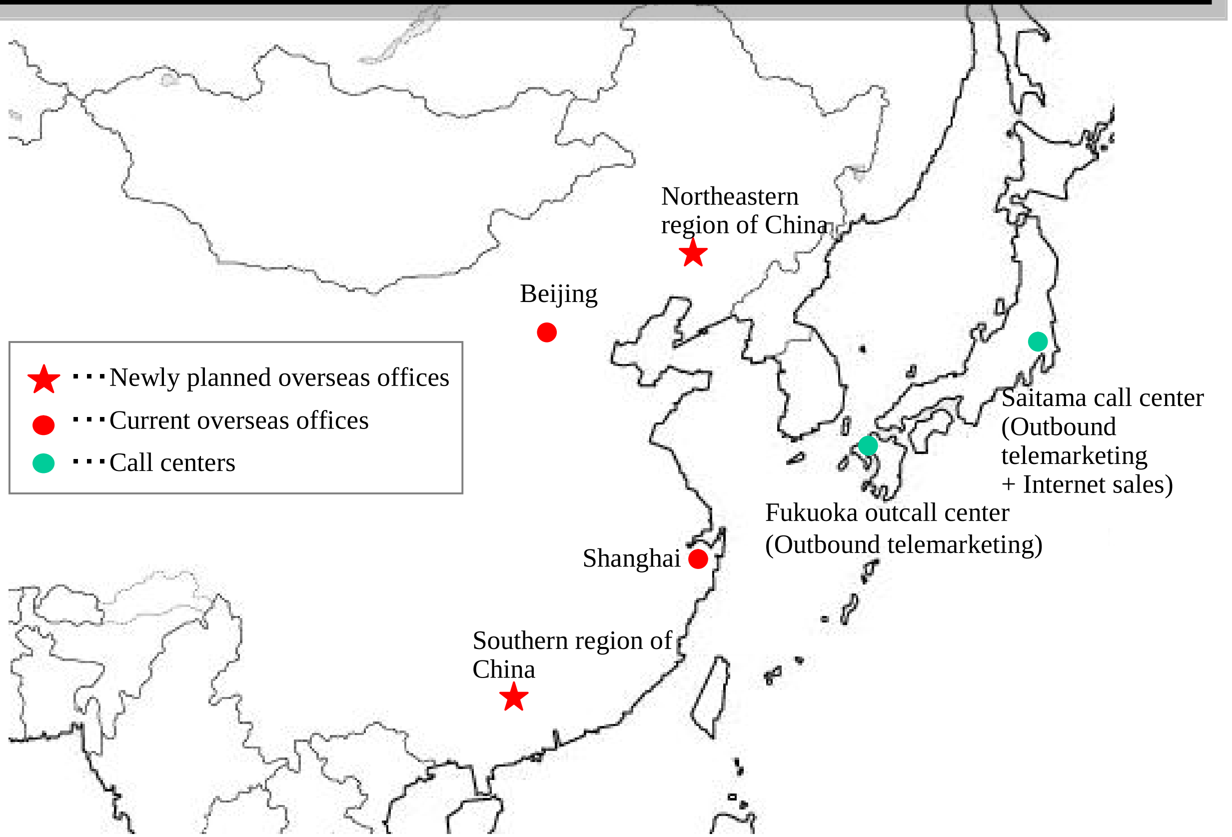
■China Business

A new initiative that bears watching as a potential business channel is our China business.
The number of Chinese nationals who use our apartments is increasing year by year, and the rate of growth among Chinese renters is greater than that of any other nationality. We expect this trend to continue in the future. Therefore, we plan to open two additional offices in the north eastern region and the southern region of China. This will give us a total of four offices in China.

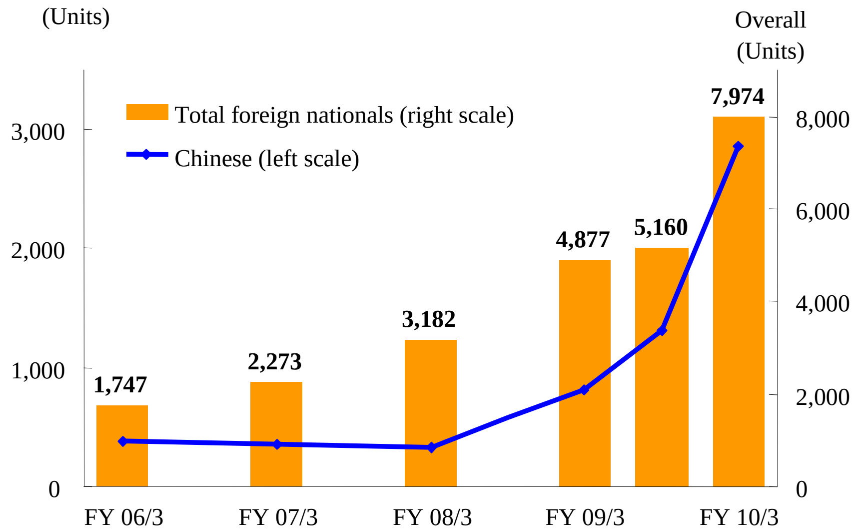
■Outbound Telemarketing and Internet Sales

Another significant channel involves marketing without the use of physical offices. Outbound telemarketing is an approach that involves phoning potential tenants. This method is currently being employed by nine sections, established in Saitama and Fukuoka.

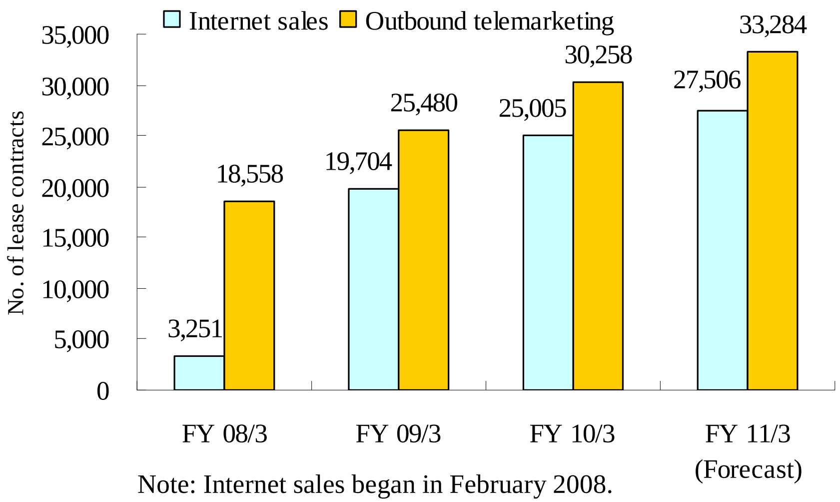
Internet sales involve attracting tenants by responding via email or telephone to queries received over the Internet. Internet sales are being managed by section 10 at our Saitama call center.



Number of Units under Management Leased by Chinese Nationals



Number of Lease Contracts Generated by Outbound Telemarketing and Internet Sales



Note: Internet sales began in February 2008.

Leasing Business Strategy New Channel Strategy – 4 –

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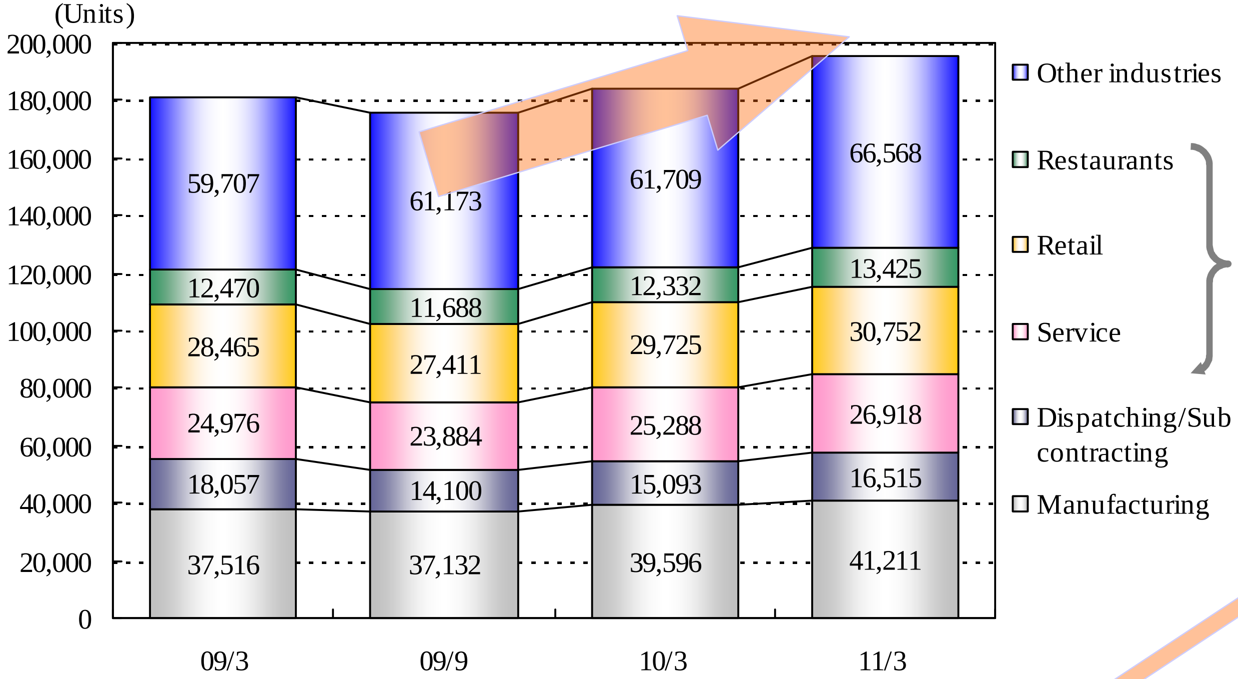
■Corporate sales
(1) Reinforce risk management by analyzing needs of growth industries, and by diversification of corporate clients
(2) Reinforce our company housing services program by effectively utilizing our “Leopalace Leasing” subsidiary

Units Under Lease by Type of Industry



◆Units leased by corporate clients had been declining, but have now been increasing since September 2009.

Continue to promote corporate sales
Expand earnings by improving occupancy rates

Carried out studies of demand trends specifically for corporate clients

Industries and businesses expected to grow in the future:
Service industry, Retailing, Restaurants, Manufacturing

Reinforce marketing approaches to future growth industries

(Risk hedge)
Ratio of corporate clients = 40% of the overall total
(Maintain the relative proportions of individual and corporate clients)

Strengthen linkage with “Leopalace Leasing,” a provider of company housing services

Offering company housing services…
Increased convenience; will help attract corporate clients
Attract clients from the family-type housing market

Reinforce marketing efforts through cooperation between Head Office Corporate Sales Division and company housing service provider

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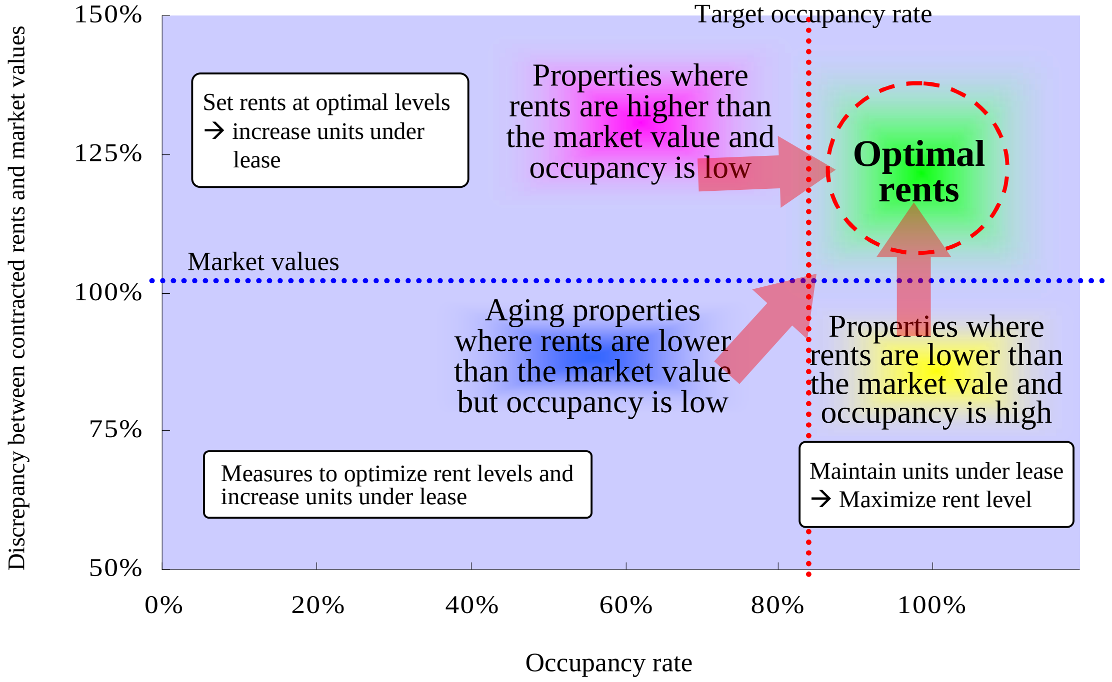
■ "Leasing ALM System" will support the new channel strategy

Our "Leasing ALM System" will be the optimal operating system for backing up our new channel strategy. The Leasing ALM system enables us to manage individual properties from a long-term perspective, based on a multi-faceted analysis, to optimize the operation of each building under management. Once the Leasing ALM system comes on line (scheduled for May 2010) we will be able to quickly and accurately track market trends by analyzing the occupancy rates of each individual property under management, and this will help us to optimize rents due on master lease agreements. This will help us to improve earnings in the Leasing Business.

Map Comparing Contracted Rents with Market Values (Example)

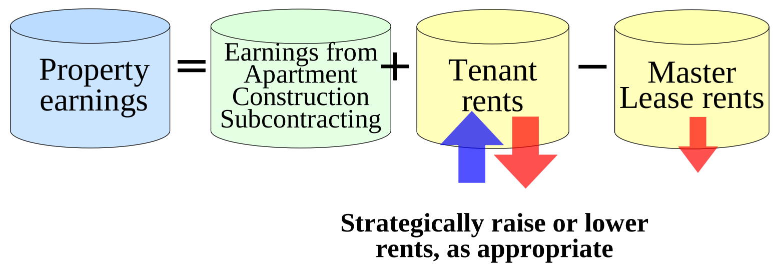


Establish optimal rent level by property…
Maximize earnings by optimizing rent levels for each property, based on local conditions

Rectify rent levels ⇄ Maximize units under lease = Maximize earnings

Our Leasing ALM system will enable us to determine optimal rent levels

By property…
Maximize total earnings through long-term earnings management



– Set initial rent levels from a long-term perspective
  Reduce rents due on master lease agreements by lowering construction unit costs

– Revise rent levels
  Expand strategic revision of rent levels based on market trends

Careful monitoring of optimal rent level position

Maximize Leasing Business earnings

Leasing Business Strategy (Provision for Apartment Vacancy Loss)

■ Change in method of calculating provision for apartment vacancy loss

In order to be able to make a more strategic assessment of downside risk in leasing, we will shift to a system that carefully reflects long-term occupancy rate projections for each individual property.

Conventional calculation method	Future projections are based on past results for each property

¥21.4 billion

(FY10/3 Balance)

- This method assumes that past results will continue forever
- Focus on past results can cause a time lag to develop between forecasts and actual conditions
- Projections do not reflect marketing strategies

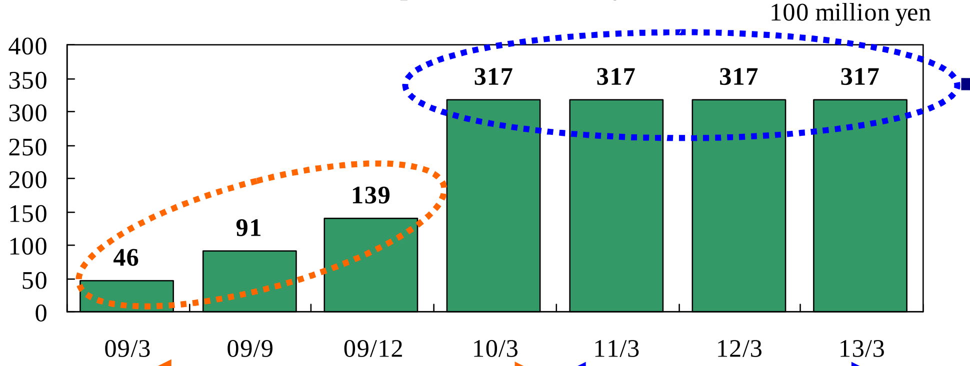
More detailed

New method of calculation	Forecasts based on recent occupancy status + marketing strategies

¥31.7 billion

(FY10/3 Effect of accounting change)
+ ¥10.3 billion

Provision for apartment vacancy loss levels



(Occupancy rates fall)

・By maximizing earnings by property, the number of properties that develop a "negative spread" is reduced

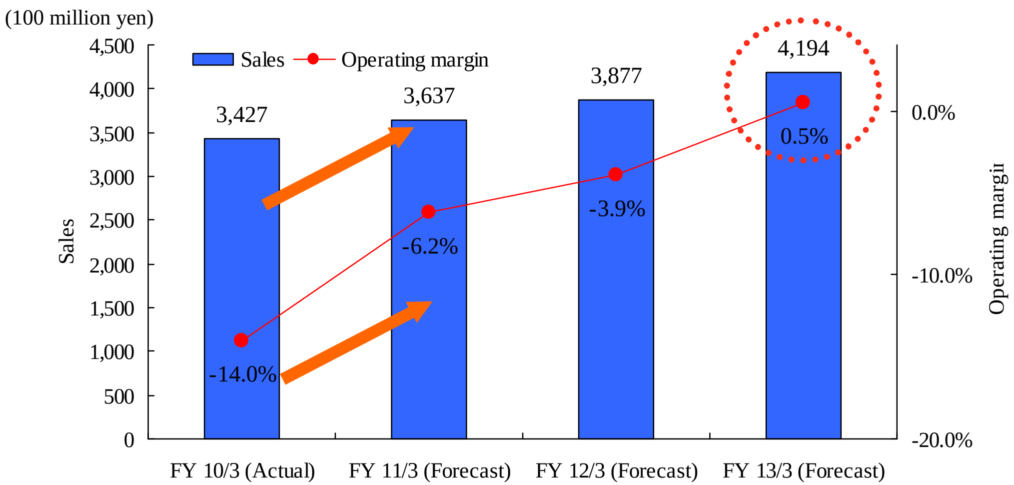
Moving toward a vacancy loss reserve with provisions/reversals ±0

Recovery of the Leasing Business balance sheet

Numerical Targets for the Leasing Business

Through our "Leopalace Partners" new channel strategy and our "Leasing ALM system," over the next three years we will increase the number of units under lease by 90,000 while cutting SG&A expenses by ¥9 billion.

Leasing Division		Medium-Term Management Plan		
(100 million yen)	FY2010/3 (Actual)	FY2011/3 (Forecast)	FY2012/3 (Forecast)	FY2013/3 (Forecast)
Net sales	3,427	3,637	3,877	4,194
Gross income	(106)	41	120	302
Gross margin	-3.1%	1.1%	3.1%	7.2%
Selling, general & administrative expenses	372	267	271	280
Operating income (loss)	(478)	(226)	(151)	22
Operating margin	-14.0%	-6.2%	-3.9%	0.5%
Managed units (average during period/1,000 units)	532	566	592	613
Occupied units (average during period/1,000 units)	437	473	500	528
Occupancy rate	82.3%	83.7%	84.5%	86.2%
No. of LP centers (at the end of FY)	192	156	156	156



■Increase occupancy rates by supplying properties in urban markets

■Cut fixed costs and sharply reduce SG&A expenses

Operating income forecast to be in the black by FY 2013/3

Apartment Construction Subcontracting Business Strategy
Product Strategy – 1 – Overall

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■ **Strengthening the product lineup and regional strategies**

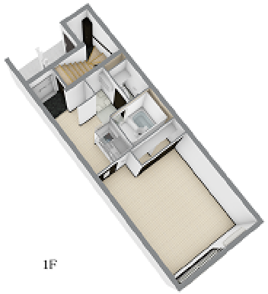
Expanding from its specialty in providing 1K (one-room apartments) we offer a full product lineup by introducing large-type 1K and family-type units.

レオパレス21

Traditional 1K
Leopalace21 Series
「Con Grazia」
(19.87㎡–23.18㎡)

LEONEXT

Terrace house-type
LEONEXT Series
「Lavo Speranza」
(20.40㎡–41.40㎡)

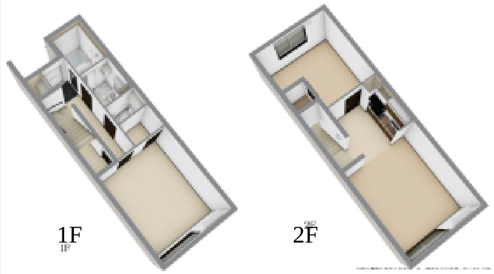


LEONEXT

Large-type 1K
LEONEXT Series
「LEPIDO」
(26.08㎡–51.51㎡)

LEONEXT

Family-type Unit
LEONEXT Series
「Lavo Familia」
(40.26㎡–56.45㎡)



Urban areas (city centers, commercial districts)

Suburban areas (outlying neighborhoods, regional cities)

Increase supply in areas with high demand

Upgraded one room to target a single person in their 30s or above

Maisonette-type unit for family use

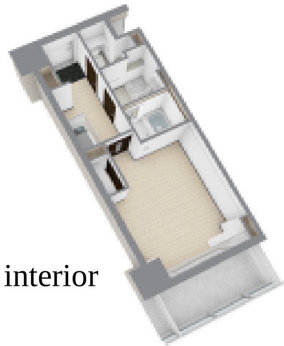
Broaden range of tenant targets with new products

■ Develop a product strategy based on New Area Strategy (Key areas)

As our first urban-type designer’s condominium, we plan to introduce “Verdure,” a new product in our LEONEXT series, in certain key markets. We will also introduce “Leffect,” a new product specially designed for use on very small plots of land in urban areas. This will make it possible to construct apartments on lots that in the past have been difficult to build on.

VERDURE exterior view (artist’s conception)

VERDURE entrance (artist’s conception)



VERDURE interior

Urban style “Designer Condominium (for lease)”
LEONEXT Series
“VERDURE”

Leffect exterior view (artist’s conception)

Leffect interior

Designed for very small plots of land
LEONEXT Series
“Leffect”

Numerical Targets for Apartment Construction Subcontracting Business

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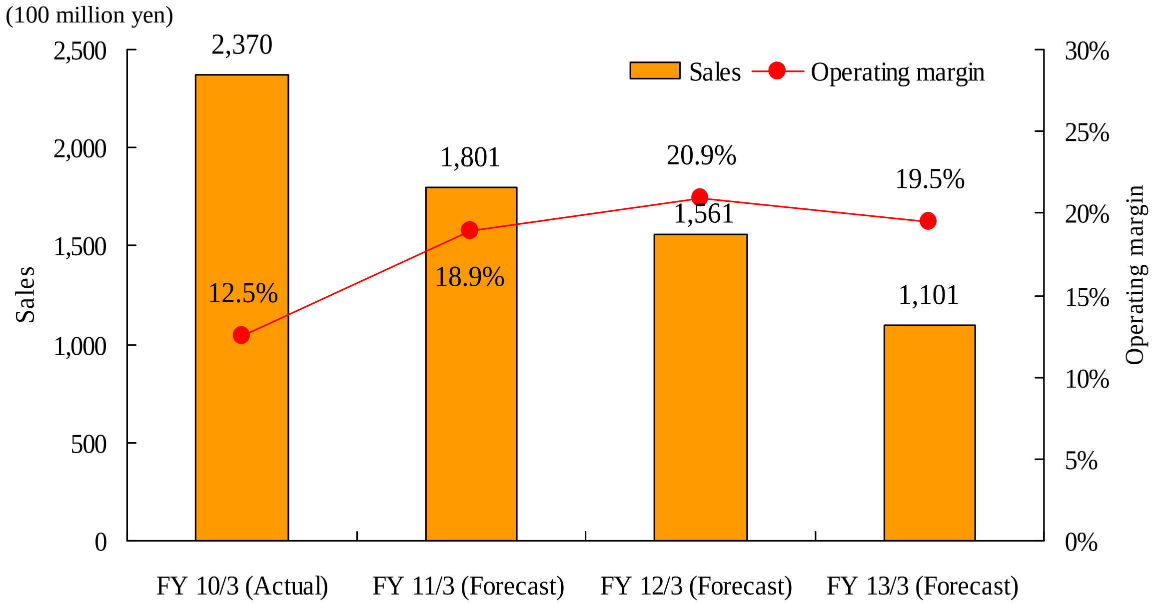
Apartment Construction Subcontracting Division		Medium-Term Management Plan		
(100 million yen)	FY2010/3 (Actual)	FY2011/3 (Forecast)	FY2012/3 (Forecast)	FY2013/3 (Forecast)
Net sales	2,370	1,801	1,561	1,101
Gross income	638	611	565	399
Gross margin	26.9%	34.0%	36.2%	36.3%
Selling, general & administrative expenses	340	272	239	184
Operating income	297	339	326	214
Operating margin	12.5%	18.9%	20.9%	19.5%
Orders received	1,677	1,560	1,300	1,000
Orders received outstanding (percent of completion method for subcontracted construction projects)	1,836	1,596	1,336	1,236
Number of buildings completed	2,565	2,380	2,034	1,446
Average sales amount per building, million yen	92	76	77	76



■ **Total revenue will fall, but operating income will be relatively unchanged.**

■ **The Subcontracting Business will restrict its marketing focus to projects that can be projected to secure stable earnings for the Leasing Business.**

5. Specific Strategies for Related Businesses

i. Specific Strategies for Related Businesses
ii.Current Status and Measures Implemented in Related Businesses

Specific Strategies for Related Businesses

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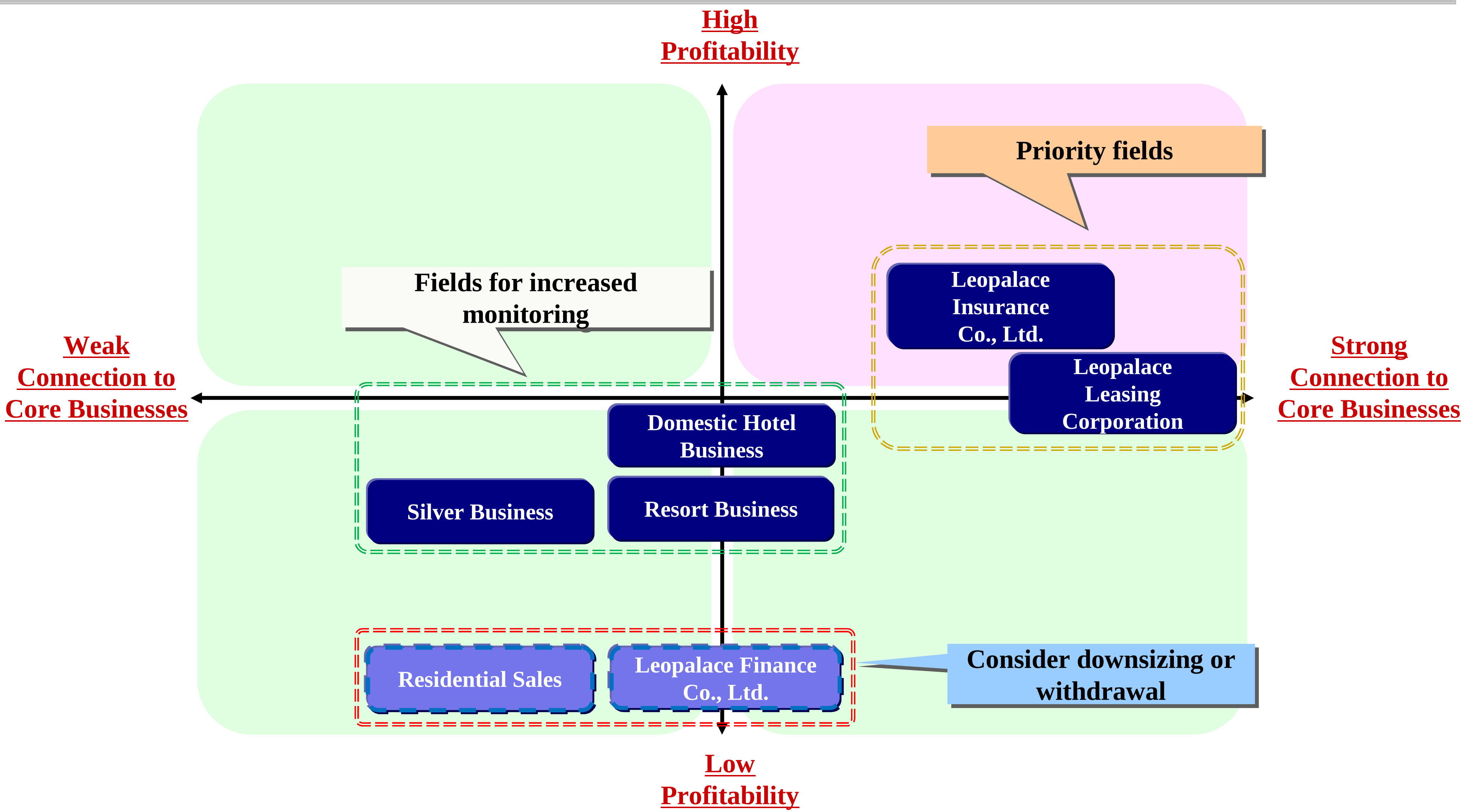
We will continue to place priority on concentrating management resources in core businesses and enhance monitoring of related business to clarify order of priority during the medium-term management plan.



Current Status and Measures Implemented in Related Businesses

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Businesses for Priority Focus

Leopalace Leasing Corporation

Develop brokerage operations for company housing provider services and family-type properties
→ Expand and develop service menu (website systems, etc.) to respond to needs of corporate clients

Leopalace Insurance Co., Ltd.

Introduce new insurance products for the new types of family-oriented properties we are planning to supply
Provision for underwriting reserve will fall, and business is forecast to be in the black from FY2011/3

Businesses for Enhanced Monitoring

Silver Business

Attract new clients and improve capacity utilization rates, reinforce home-based nursing services

Resort Business

Focus on appeal as comprehensive resort and cut costs

Domestic Hotel Business

Increase capacity utilization and cut costs
Improve synergy with core businesses through corporate sales and by involving apartment owners in tenant recruitment

Businesses for Downsizing or Withdrawal

Residential Real Estate Sales Business

Complete disposal of inventory

Leopalace Finance Co., Ltd.

Revise financial strategy to place main priority on securing cash flow and stop offering credit

6. Financial Strategies

Financial Strategies

■ Return to *Motazaru Keiei* ("non-ownership management")

Suspend all non-essential capital expenditures

■Invest in system development only (FY11/3 ¥3.7 billion; FY12/3 ¥0.8 billion; FY13/3 ¥0.1 billion)

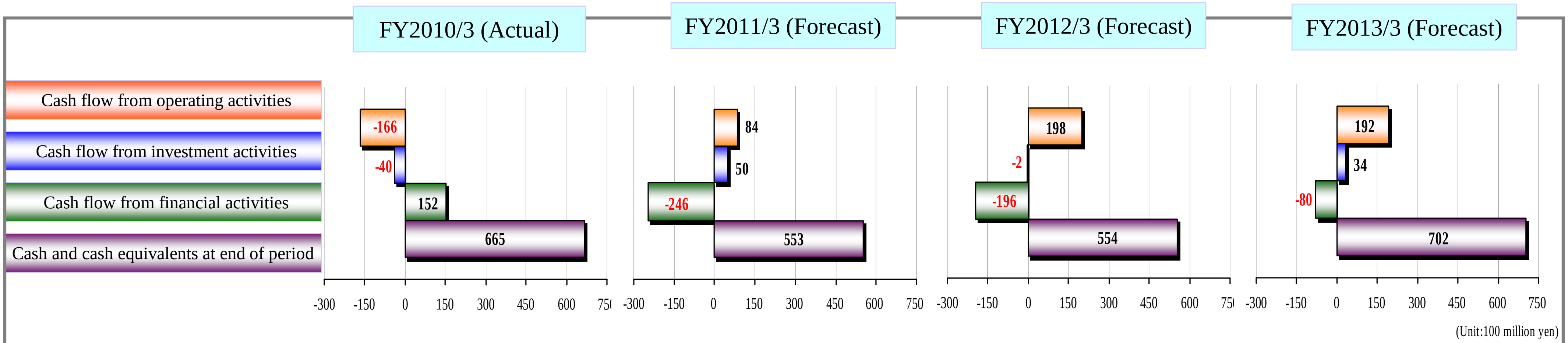
Suspend large-scale development projects

■No new expenses

Reduce interest-bearing debt → Promote return to sound financial health

■ Cash flow forecast

Summary cash flow statement (non-consolidated)



Free cash flow (cash flow from operations + cash flow from investments)

FY2010/3 (Actual)	FY2011/3 (Forecast)	FY2012/3 (Forecast)	FY2013/3 (Forecast)
¥(20.7) billion	¥13.4 billion	¥19.6 billion	¥22.6 billion

7. CSR Measures

CSR Measures

■ Leopalace21's CSR Measures

Leopalace21 will contribute as a corporate citizen to the creation of a sustainable society. ⇒ Four Fundamental Principles

■ Offer high-quality service and rewarding lifestyles

- Offer a variety of plans to suit different lifestyles
- 24-hour apartment management support

Our policy is to promote CSR through our actual business operations. To do this we will focus on developing a diverse product lineup that meets the various needs of tenants, while at the same time focusing on development of new products to serve the extensive needs of landowners.

We also provide 24-hour call center support for tenants, with service in four different languages. In December 2008 we acquired ISO9001 certification for quality management systems (the updated 2008 version) for the Head Office and all branch offices.

■Contribute to local communities, and provide a positive work environment

- Charitable donations and collection of contributions for relief efforts
- Clean campaigns
- "Children's 110"
- Creation of dynamic workplace environments
- Support for sports programs
- Group blood donor programs

As a company whose business activities have a strong impact on people's everyday lives, we are actively engaged in a number of programs to support local communities, such as making donations and collecting contributions for domestic and international relief efforts, working with apartment owners to organize community cleanup activities, and supporting child safety through participation in the "Children's 110" program so that children can recognize our offices as places of refuge should they ever find themselves in need or in danger. We have also set up a special subsidiary company to support the disabled, and we place a strong focus on creating dynamic workplace environments.

■ Ensure sound and transparent management practices

- Proactive IR programs
- Development of compliance system

We have established a "Charter of Corporate Ethics" to guide our business development and to ensure that our activities are firmly grounded in compliance with legal and social standards. We have set up a compliance "hotline," distributed a compliance manual to all directors and employees, and are conducting ongoing training programs for compliance education. We are also actively promoting a variety of IR programs. To achieve corporate transparency our policy is to disseminate information in a timely manner. We are making full use of an entire range of IR tools and events, and we are steadily improving our IR website.

■Be a corporation friendly to the environment

- Participation in the "Challenge 25" campaign
- Participation in the "Eco-cap Movement"
- Testing the use of solar electric panels at model rooms, and at company-owned condominiums

We are participating in the "Challenge 25" program, which is an extension of the former "Team Minus 6%" program designed to help prevent global warming.

We have implemented a car sharing program that involves the use of 400 vehicles kept in the parking lots of company apartment buildings. The Company has instituted a system whereby all air conditioners turn off automatically after three continuous hours of operation. In these ways Leopalace21 is working to take advantage of its scale (550,000 units nationwide) to help protect the environment.

We will strengthen and expand our management structure based on CSR, and seek sustainable development.

Disclaimer

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