

January 17, 2025

Company Name: **Leopalace21 Corporation**
Representative: Bunya Miyao, President and CEO
Code Number: 8848 (Tokyo Stock Exchange, Prime Market)
Contact: Shinji Takekura, Director, Chief of the Corporate Management Headquarters
Tel: +81-50-2016-2907
E-mail: ir@leopalace21.com

**Notice Concerning Status of Construction Defects for Buildings
Constructed by Leopalace21**

Leopalace21 Corporation (Headquarters: Nakano-ku, Tokyo; President and CEO: Bunya Miyao; the “Company”) has been taking measures to eliminate obvious defects by the end of December 2024, in accordance with the Notice Concerning Repair Plan of Construction Defects for Buildings Constructed by Leopalace21, which was announced on December 25, 2020. The Company is pleased to inform the status of its actions in defects elimination.

We deeply apologize to our tenants, apartment owners, and all other stakeholders for the long-term inconvenience caused by the construction defects problem. We would also like to express our sincere gratitude to the tenants and apartment owners for their understanding and cooperation.

The Company has investigated 175,119 units out of a total of 176,240 units in the subject buildings with obvious defects by the end of December 2024, for an investigation completion rate of 99.4%. The Company completed repairs and other measures for 77,196 units out of the 79,362 units with obvious defects identified because of the investigations, for a response completion rate of 97.3%.

The Company held repeated discussions with all tenants and building owners, requesting cooperation in investigations and repairs, adjusting schedules, and securing temporary housing during the repair period, all in consideration of everyone's convenience. As a result, the Company has completed the investigations and repairs of all obvious defects for which it obtained the cooperation of the tenants and building owners. The remaining 1,121 units that have not been investigated and 2,166 units that have been investigated but not yet repaired are the units that are currently occupied by the tenants under negotiation or units managed by other management companies. The Company will continue to discuss the issue and aim to resolve the problem as soon as possible.

For units where the other defects have not been resolved, the Company will continue to be prepared for responding to the requests of tenants and building owners and, in consultation with the specified administrative agencies, it will carefully consider their individual circumstances and proceed with repairs and other measures based on a response plan tailored to the circumstances of each apartment.

The Company will continue to put top priority on the safety of the tenants and their comfortable living environment, and will work to strengthen its quality control system to prevent any recurrence. With the opinions received from the stakeholders taken seriously, the Company remains committed to improving the quality of its apartments and services.

Apartment Series	Nº of buildings containing obvious defects	(a) Nº of all units which corresponds to Nº of buildings containing obvious defects	(b) Nº of units of which investigation completed ((b)/(a))	(c)	(d)
				Nº of units containing obvious defects	Nº of units with repairs completed and equivalent ((d)/(c))
Apartments managed by Leopalace21 * ¹	8,452	141,793	141,735 (99.9%)	59,995	59,103 (98.5%)
Apartments managed by the companies other than Leopalace21 * ²	2,819	34,447	33,384 (96.9%)	19,367	18,093 (93.4%)
Grand Total	11,271	176,240	175,119 (99.4%)	79,362	77,196 (97.3%)

*1 Apartments that were constructed by Leopalace21 and are managed by Leopalace21 itself, from tenant recruitment to building management.

*2 Apartments that were constructed by Leopalace21 and are managed by the companies other than Leopalace21, from tenant recruitment to building management.

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