

August 22, 2018

Notice concerning parting wall investigation progress of
“Gold Nail” and “New Gold Nail” Series

Leopalace21 Corporation sincerely apologizes for the distress and trouble we have caused our stakeholders, due to the problem of parting wall construction deficiencies.

In our press release “Notice Concerning Repair Works on Discrepancies with Construction Certificate Documents” disclosed on April 27, we have announced that we will be completing inspections of “Gold Nail” and “New Gold Nail” series (“subject properties”) by July 2018. The current investigation progress status is as follows.

Of the 918 subject properties (buildings), investigations have been completed on 892 buildings, with an investigation rate of 97.1% (after the press release disclosure, 3 additional properties managed by other companies were confirmed, and the total has been increased to 918 buildings).

Concerning the 26 subject properties which have not been investigated (including three buildings planned to be demolished), we are currently consulting with apartment owners and related parties and adjusting dates for on-site investigation witnessing. We will continue to take effort in completing investigations as soon as possible.

For properties which repairs were deemed necessary due to results of investigations, repair works are sequentially conducted after consultations with specific administrative agencies. We ask tenants and apartment owners for their understanding while repair works take place. We aim for completion of repair works on the subject properties by January 31, 2019.

Leopalace21 Corporation

Emergency Headquarters for Parting Wall Construction Deficiencies