

February 12, 2020

Hironao Fukushima
Representative Director
Reno, Inc.

Tatsuya Ikeda
Representative Director
S-GRANT.CO., LTD.

To the shareholders of Leopalace21 Corporation:

As attached (see Attachment “Regarding My Role Upon Being Elected”), we are sharing with you a message from Mr. Omura, our nominee for board director in the upcoming extraordinary shareholders’ meeting for Leopalace21 Corporation, scheduled for February 27, 2020.

We believe that our proposed agenda item for this shareholders’ meeting (Election of one board director (Mr. Omura)) will be of benefit to all shareholders.

We hope that you understand our thoughts and agree with our proposed agenda item.

Additionally, when exercising your voting rights for this shareholders’ meeting, please ensure that you submit a voting form, and not a proxy form.

*The effectiveness of a proxy form may come into contention (proxy forms in favor of agenda items proposed by shareholders may not be exercised), and in cases where proposals are modified or a motion is proposed pertaining to procedural matters, the proxy will give the company a carte blanche.

February 12, 2020

Masahiro Omura

To the shareholders of Leopalace21 Corporation:

Regarding My Role Upon Being Elected

I have prepared this memo to explain my thoughts on the role I shall fulfill if and when I am elected as a board member in this upcoming extraordinary shareholders' meeting on February 27, in order to provide information to the shareholders to base their judgements on regarding whether to vote for or against the agenda item proposed by shareholders.

First of all, if I am elected as board member in the upcoming extraordinary shareholders' meeting, my tenure will be until the annual general shareholders' meeting scheduled for June this year, when the shareholders will vote on the election of all board directors (re-elections or new elections).

I believe that my first role will be to participate in board meetings as the eyes of the shareholders, promoting appropriate and timely disclosures for the purpose of sharing information regarding Leopalace's recently announced considerations of fundamental reforms as well as their direction and progress, to the shareholders, until the annual general shareholders' meeting.

I believe that my second role will be to voice my opinions, from the shareholders' perspective, regarding whether the policies of the fundamental reforms are purely for the purpose of maximizing enterprise value.

Even if I am elected, I will merely become a single member of the board of directors, and it certainly does not mean that I will single-handedly have the right to make decisions regarding the execution of operations of the Company.

I believe that my role in this situation will be to think about and share my thoughts on appropriate information disclosure and maximization of enterprise value, two items that the current board of directors are neglecting.