

FOR IMMEDIATE RELEASE

March 7, 2013

Company Name: **Leopalace21 Corporation**
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**Notice Concerning Approval for Exercise of Stock Acquisition Rights
(with option to reset strike price) issued through Third Party Allotment
(Target Issue Program “TIP” subject to Issuer’s approval for exercise)**

Leopalace21 announces that it has granted approval for exercise of the 3rd series of stock acquisition rights (“SARs”) issued to Deutsch Bank AG, London Branch (“DBL”) through third party allotment on February 27, 2012, based upon prior agreement with DBL with respect to the SARs (Target Issue Program “TIP” subject to issuer’s approval for exercise).

1. Name of SARs	Leopalace21 Corporation 3 rd Series of Stock Acquisition Rights
2. Notification date of approval for exercise	March 6, 2013
3. Period during which SARs may be exercised	Within 20 business days of the date of approval for exercise (March 7, 2013 to April 4, 2013)
4. Number of SARs permitted to be exercised	14,000,000 (14,000,000 SARs in the 3 rd series, of which 14,000,000 SARs unexercised)
5. Class and number of shares issued upon exercise of SARs	Common stock One share issued for each SAR
6. Strike price of SARs	JPY 350

This translation is prepared for information purposes only. In the event of any inconsistency, the original terms in Japanese language should prevail.