

**English Translation of Original Japanese**

*This is a translation of the original notice in Japanese. In the event of any discrepancy, the original notice in Japanese shall prevail.*

Securities Code No. 8848

June 10, 2011

**To Our Shareholders**

Eisei Miyama  
President and CEO  
Leopalace21 Corporation  
2-54-11 Honcho, Nakano-ku, Tokyo

**Notice of the 38th Ordinary General Shareholders' Meeting**

Our hearts go out to those of you hurt by the Great East Japan Earthquake. We wish for quick recovery of the disaster areas.

You are cordially invited to attend the 38th Ordinary General Shareholders' Meeting of Leopalace21 Corporation ("the Company"). The meeting will be held as described below.

**If you are unable to attend the meeting, you may exercise your voting rights by either of the following methods. Please exercise your voting rights no later than 6:00 p.m. on Tuesday, June 28, 2011.**

**[Exercising your voting rights in writing]**

Please refer to pages 3 to 8 of the Reference Materials for the General Shareholders' Meeting, indicate "for" or "against" for each agenda item shown on the enclosed Voting Rights Exercise Form and return it in time for delivery by the deadline mentioned above.

In the event that no indication of "for" or "against" has been made, this shall be treated as the intent of approval.

**[Exercising your voting rights via the Internet, etc.]**

Please access the Voting Rights Exercise Site: <http://www.evot.jp/>, which is designated by the Company. Enter the "Login ID" and "Temporary Password" noted on the enclosed Voting Rights Exercise Form, refer to pages 3 to 8 of the Reference Materials for the General Shareholders' Meeting or reference materials on the Voting Rights Exercise Site, follow the instructions on the screen, and indicate "for" or "against" for each agenda item.

In addition, if you exercise your voting rights both in writing and via the Internet, the voting via the Internet shall prevail.

## Details

1. **Date and Time:** June 29, 2011 (Wednesday), 10:00 a.m.
2. **Place:** Leopalace21 Corporation, Head Office,  
Event Hall on B1 floor  
2-54-11 Honcho, Nakano-ku, Tokyo
3. **Agenda for the Meeting**  
**Matters to be reported:**
  1. Report on the Business Report, Consolidated Financial Statements, and Results of Audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the 38th Fiscal Term (from April 1, 2010 to March 31, 2011)
  2. Report on Non-consolidated Financial Statements for the 38th Fiscal Term (from April 1, 2010 to March 31, 2011)  
**Matters to be resolved:**
  - Proposal No. 1:** Amendment to the Articles of Incorporation
  - Proposal No. 2:** Appointment of Eight (8) Directors
  - Proposal No. 3:** Appointment of Two (2) Corporate Auditors

---

Note: For those attending the meeting in person, please present the enclosed Voting Rights Exercise Form at the reception desk.

Should any amendments be made to the Reference Materials for the General Shareholders' Meeting, the Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements, such amendments will be posted on the Company website at <http://www.leopalace21.co.jp/IR/>.

Trust banks and other nominee shareholders (including standing proxies) who have applied in advance to use the electronic voting platform operated by ICJ, Inc. (a joint-venture company established by Tokyo Stock Exchange, Inc. and others) may use this platform other than voting via the Internet to electronically exercise voting rights for the Company's General Shareholders' Meeting.

|   |
|---|
| <p>We would like to seek shareholders' understanding that an informal meet and greet and distribution of small gifts are not planned.</p> |
|---|

## Reference Materials for the General Shareholders' Meeting

### Proposal No. 1: Amendment to the Articles of Incorporation

#### 1. Rationale for amendment

In order to enhance liquidity of the Company's shares and to enable flexible fundraising to prepare for future business expansion, regarding the current Article 6 (Number of authorized shares) of the Articles of Incorporation, the number of authorized shares shall be increased from the current 250 million shares to 500 million shares.

#### 2. Details of amendment

Details of the amendment are as follows.

(Proposed amendments are underlined)

| Existing Articles of Incorporation  | Proposed Amendment   |
|---|--|
| Articles 1. – 5. <Omitted><br>Chapter 2 Shares<br>(Number of authorized shares)           | Articles 1. – 5. <As per the existent articles><br>Chapter 2 Shares<br>(Number of authorized shares) |
| Article 6. The Company's total number of authorized shares are <u>250 million</u> shares. | Article 6 The Company's total number of authorized shares are <u>500 million</u> shares.             |
| Articles 7. – 42. <Omitted>   | Articles 7. – 42. <As per the existent articles>   |

### Proposal No. 2: Appointment of Eight (8) Directors

The term of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Shareholders' Meeting. Accordingly, it is proposed that eight (8) Directors be reappointed.

| Candidate number | Name<br>(Date of birth)             | Career summary, and positions and duties in the Company<br>(Significant concurrent positions outside the Company)  | Number of the Company's shares held |
|------------------|-------------------------------------|--|-------------------------------------|
| 1                | Eisei Miyama<br>(November 13, 1957) | <p>October 1977      Joined Leopalace21 Corporation</p> <p>April 1990        Manager of the 3rd Sales Department, Leopalace21 Corporation</p> <p>June 1990         Director, Leopalace21 Corporation</p> <p>January 1993     Manager of the Saitama Sales Department, Leopalace21 Corporation</p> <p>January 1996     Executive Director of Management, Leopalace21 Corporation</p> <p>November 1996   General Manager of the Leasing Business Headquarters, Leopalace21 Corporation</p> <p>April 2003        Senior Managing Director, Leopalace21 Corporation</p> <p>June 2006        General Manager of the Broadband Business Headquarters, Leopalace21 Corporation</p> <p>October 2006     General Manager of the East Japan Sales Headquarters, Leasing Business Headquarters, Leopalace21 Corporation</p> <p>June 2007        General Manager of the Leasing Business Headquarters, Leopalace21 Corporation</p> | 128,700 shares                      |

| Candidate number | Name<br>(Date of birth) | Career summary, and positions and duties in the Company<br>(Significant concurrent positions outside the Company)  | Number of the Company's shares held |
|------------------|-------------------------|--|-------------------------------------|
|                  |                         | <p>April 2008 Deputy General Manager of the Sales Headquarters, Leopalace21 Corporation<br/>General Manager of the Silver Business Headquarters, Leopalace21 Corporation<br/>General Manager of the Hotel Business Headquarters, Leopalace21 Corporation</p> <p>April 2009 Senior Managing Director and Senior Executive Officer, Leopalace21 Corporation<br/>Manager of the Management Planning Headquarters, Leopalace21 Corporation</p> <p>November 2009 Manager of the Leasing Business Division, Leopalace21 Corporation<br/>Supervising Manager of Leopalace Center, Leasing Business Division, Leopalace21 Corporation<br/>Manager of the BB Promotion Department, Leasing Business Division, Leopalace21 Corporation</p> <p>December 2009 Vice President and Representative Director, Leopalace21 Corporation<br/>Manager of the 1st Sales Department, Leasing Business Division, Leopalace21 Corporation</p> <p>February 2010 President and CEO, Leopalace21 Corporation (incumbent)<br/>Manager of the Marketing and Sales Headquarters, Leopalace21 Corporation</p> <p>June 2010 President and CEO, Leopalace21 Corporation (incumbent)</p> |                                     |

| Candidate number | Name<br>(Date of birth)               | Career summary, and positions and duties in the Company<br>(Significant concurrent positions outside the Company)  | Number of the Company's shares held |
|------------------|---------------------------------------|--|-------------------------------------|
| 2                | Tadahiro Miyama<br>(January 21, 1966) | <p>September 1985    Joined Leopalace21 Corporation</p> <p>July 1998            General Manager of the Kanagawa Sales Headquarters, Leopalace21 Corporation</p> <p>October 2002        Manager of the Sales and Marketing General Headquarters, Leopalace21 Corporation</p> <p>June 2003            Director, Leopalace21 Corporation<br/>Deputy General Manager of the Sales and Marketing General Headquarters, Leopalace21 Corporation</p> <p>June 2006            Deputy General Manager of the Subcontracting Business Headquarters, Leopalace21 Corporation</p> <p>October 2006        Director and Managing Executive Officer, Leopalace21 Corporation<br/>General Manager of the Subcontracting Business Headquarters, Leopalace21 Corporation</p> <p>May 2007            Executive Director of Management, Leopalace21 Corporation</p> <p>June 2007            General Manager of the East Japan Sales Headquarters, Subcontracting Business Headquarters, Leopalace21 Corporation</p> <p>April 2009            Executive Director of Management and Managing Executive Officer, Leopalace21 Corporation<br/>Manager of the Sales and Marketing General Headquarters, Leopalace21 Corporation<br/>Manager of the Subcontracting Business Department, Leopalace21 Corporation<br/>Manager of the Subcontracting Sales Department, Leopalace21 Corporation</p> <p>October 2009        Manager of the Sales Planning Department, Subcontracting Business Division, Leopalace21 Corporation</p> <p>April 2010            Manager of the Construction Subcontracting Business Division, Leopalace21 Corporation<br/>Manager of the Eastern Japan Construction Subcontracting Department, the Construction Subcontracting Business Division, Leopalace21 Corporation</p> <p>May 2011            Director and Senior Executive Officer, Leopalace21 Corporation (incumbent)<br/>Manager of the Marketing and Sales Headquarters, Leopalace21 Corporation (incumbent)<br/>Manager of the Leasing Business Division, Leopalace21 Corporation (incumbent)</p> | 9,700 shares                        |
| 3                | Hiroyuki Miyata<br>(November 7, 1947) | <p>April 2008            Joined Leopalace21 Corporation<br/>Senior Executive Officer, Leopalace21 Corporation<br/>General Manager of the Administrative Headquarters, Leopalace21 Corporation</p> <p>June 2008            Director and Senior Executive Officer, Leopalace21 Corporation (incumbent)</p> <p>April 2009            Manager of the Management Headquarters, Leopalace21 Corporation</p> <p>November 2009      Manager of the Business Planning Headquarters, Leopalace21 Corporation</p> <p>May 2011            Manager of the General Planning Office, Leopalace21 (incumbent)</p>  | 9,000 shares                        |

| Candidate number | Name<br>(Date of birth)             | Career summary, and positions and duties in the Company<br>(Significant concurrent positions outside the Company)   | Number of the Company's shares held |
|------------------|-------------------------------------|---|-------------------------------------|
| 4                | Yoshikazu Miike<br>(July 8, 1957)   | <p>October 1980      Joined Leopalace21 Corporation</p> <p>April 1999        Manager of the Sales and Marketing General Headquarters, Leopalace21 Corporation</p> <p>June 1999         Director, Leopalace21 Corporation<br/>Deputy General Manager of the Sales and Marketing General Headquarters, Leopalace21 Corporation</p> <p>October 2003     Deputy General Manager of the Leasing Business Headquarters, Leopalace21 Corporation</p> <p>October 2006     Director and Managing Executive Officer, Leopalace21 Corporation (incumbent)<br/>Representative in charge of the Kyushu region, West Japan Sales Headquarters, Leasing Business Headquarters, Leopalace21 Corporation</p> <p>June 2007         Representative in charge of the West Japan regions, Leasing Business Headquarters, Leopalace21 Corporation</p> <p>April 2008        Representative in charge of the East Japan regions, Leasing Business Headquarters, Leopalace21 Corporation</p> <p>April 2009        Manager of the Related Business Headquarters, Leopalace21 Corporation<br/>Manager of the Silver Business Department, Leopalace21 Corporation</p> <p>April 2010        Manager of the Leasing Business Division, Leopalace21 Corporation<br/>Manager of the Western Japan Leasing and Administration Department, Leasing Business Division, Leopalace21 Corporation</p> <p>May 2011         Manager of the Related Businesses Division, Leopalace21 Corporation (incumbent)</p> | 64,900 shares                       |
| 5                | Kou Kimura<br>(January 19, 1955)    | <p>May 1984         Joined Leopalace21 Corporation</p> <p>May 1995         Manager of the Construction Department, Construction Division, Leopalace21 Corporation</p> <p>June 1999         Director, Leopalace21 Corporation</p> <p>May 2002         Manager of the Construction Division, Leopalace21 Corporation</p> <p>June 2006         General Manager of the Construction Headquarters, Leopalace21 Corporation</p> <p>October 2006     Director and Managing Executive Officer, Leopalace21 Corporation (incumbent)</p> <p>April 2009        Manager of the Construction Division, Leopalace21 Corporation</p> <p>April 2010        Manager of the Core Business Management Division, Leopalace21 Corporation</p> <p>May 2011         Manager of the Apartment Construction Subcontracting Business Division, Leopalace21 (incumbent)</p>  | 25,700 shares                       |
| 6                | Fumiaki Yamamoto<br>(April 1, 1957) | <p>April 2010        Joined Leopalace21 Corporation<br/>Managing Executive Officer, Leopalace21 Corporation<br/>Manager of the Business Structure Reform Headquarters, Leopalace21 Corporation</p> <p>June 2010        Director and Managing Executive Officer, Leopalace21 Corporation (incumbent)</p> <p>May 2011         Manager of the Business Management Headquarters, Leopalace21 Corporation (incumbent)</p>  | 2,200 shares                        |

| Candidate number | Name<br>(Date of birth)              | Career summary, and positions and duties in the Company<br>(Significant concurrent positions outside the Company)  | Number of the Company's shares held |
|------------------|--------------------------------------|--|-------------------------------------|
| 7                | Yuzuru Sekiya<br>(September 1, 1957) | <p>April 2010      Joined Leopalace21 Corporation on loan Executive Officer, Leopalace21 Corporation Deputy General Manager of Management Headquarters, Leopalace21 Corporation</p> <p>June 2010      Director and Executive Officer, Leopalace21 Corporation (incumbent)</p> <p>May 2011      Deputy Manager of the Business Management Headquarters, Leopalace21 Corporation (incumbent)</p> | 2,500 shares                        |
| 8                | Tetsuji Taya<br>(December 14, 1963)  | <p>April 2007      Board Member &amp; Managing Director, Industrial Growth Platform, Inc.</p> <p>September 2009      Representative Director, Industrial Growth Platform, Inc.</p> <p>June 2010      Director, Leopalace21 Corporation (incumbent)</p> <p>March 2011      Board Member &amp; Managing Director, Industrial Growth Platform, Inc.. (incumbent)</p>                              | –                                   |

Notes:

1. There is no particular conflict of interest between any of the candidates and the Company.
2. Mr. Tetsuji Taya is a candidate for Outside Director.
3. Mr. Tetsuji Taya will use his abundant knowledge and experience accumulated during his career as well as his keen insight to provide advice on the overall management of the Company and strengthen the monitoring functions of the execution of duties, therefore, we ask for his appointment as Outside Director.
4. Mr. Tetsuji Taya is currently an Outside Director of the Company. His term as an Outside Director will be one year at the conclusion of this General Shareholders' Meeting.
5. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into a limited liability agreement with Mr. Taya limiting his liability for damages under Article 423, Paragraph 1 of the Companies Act, to the minimum limit amount prescribed by laws and regulations. The Company will continue this agreement if his reappointment is approved.

### Proposal No. 3: Appointment of Two (2) Corporate Auditors

At the conclusion of this Ordinary General Shareholders' Meeting, the term of office of Corporate Auditor Koichi Fujiwara will expire, and Corporate Auditor Yoshinori Uehara will resign. It is therefore proposed that two (2) Corporate Auditors be appointed.

Corporate Auditor candidate Masumi Iwakabe is proposed as substitute for Corporate Auditor Yoshinori Uehara. In accordance with the Articles of Incorporation of the Company, Masumi Iwakabe's term will be until expiration of the term of Yoshinori Uehara, who is retiring.

The Board of Corporate Auditors has already given consent to this proposal.

The candidates for Corporate Auditor are as follows:

(\* means a new candidate.)

| Candidate number | Name<br>(Date of birth)               | Career summary and positions in the Company<br>(Significant concurrent positions outside the Company)  | Number of the Company's shares held |
|------------------|---------------------------------------|--|-------------------------------------|
| 1                | Koichi Fujiwara<br>(October 14, 1933) | April 1954      Joined the Metropolitan Police Department<br>August 1992      Assistant Commissioner of the Metropolitan Police Department<br>September 1992      Retired from Metropolitan Police Department<br>October 1999      Advisor of Sato Kogyo Co., Ltd.<br>June 2004      Executive Officer of JIKEIKAI Association<br>June 2007      Corporate Auditor, Leopalace21 Corporation (incumbent)        | —                                   |
| 2                | *Masumi Iwakabe<br>(August 26, 1951)  | July 2003      Joined Leopalace21 Corporation<br>August 2003      General Manager of the Public Relations Office, Leopalace21 Corporation<br>April 2008      Executive Officer, Leopalace21 Corporation<br>May 2008      Manager of President's Office, Leopalace21 Corporation<br>May 2011      Group Manager of the Public Relations Group, the General Planning Office, Leopalace21 Corporation (incumbent) | —                                   |

Notes:

1. There is no particular conflict of interest between the candidate and the Company.
2. Mr. Koichi Fujiwara is a candidate for Outside Corporate Auditor. The company designates him as an independent officer based on the provisions of Tokyo Stock Exchange, Inc., and has reported this to the Tokyo Stock Exchange.
3. Mr. Koichi Fujiwara is currently an Outside Corporate Auditor of the Company. His term as an Outside Corporate Auditor will reach four years at the conclusion of this General Shareholders' Meeting.
4. Mr. Koichi Fujiwara has advanced knowledge in various fields from his abundant previous business experience. He has already fully fulfilled his duties as an Outside Corporate Auditor for four years, therefore, it is judged that he will be able to continue to objectively conduct proper supervision of the management of the Company, and he is nominated as a candidate for Outside Corporate Auditor.  
Although Mr. Koichi Fujiwara has never participated in the management of a company other than as Outside Director or Outside Corporate Auditor, it is judged that he is able to execute the duties incumbent thereof for the aforementioned reasons.
5. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into a limited liability agreement with Mr. Koichi Fujiwara limiting his liability for damages under Article 423, Paragraph 1 of the Companies Act, to the minimum limit amount prescribed by laws and regulations. The Company will continue this agreement if his reappointment is approved.