



May 15, 2009

Company Name: Leopalace21 Corporation  
Representative: Yoshiteru Kitagawa, President and CEO  
Code Number: 8848 (First Section, Tokyo Stock Exchange)  
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## Modification to Articles of Incorporation

At a meeting today, the Board of Directors of Leopalace21 Corporation (“the Company”) resolved to present “Modification to Articles of Incorporation” before the 36<sup>th</sup> Annual General Shareholders’ Meeting scheduled to take place on June 29, 2009.

### Details

#### 1. Purpose for Changing Articles of Incorporation

The “Law for Partial Amendments to the Law Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Stocks and Other Securities” (Law No. 88, 2004; “Streamlining Settlement Law”) came into effect on January 5, 2009. At this time, the stock for all publicly traded companies was transitioned to the book-entry transfer system (so-called electronic securities certificates).

In conjunction with this change, the Company proposes to make required changes to the Company Articles of Incorporation related to the deletion of unnecessary rules regarding stock certificates, beneficiary shareholders, and Beneficiary Shareholder Register. In addition, the Company shall create and maintain a Lost Stock Certificate Register, beginning on the day following the date of the enforcement of the Streamlining Settlement Law and continuing for one year. This change will also require a new addendum to the Company’s Articles of Incorporation.

Article 9 (Issuance of Stock Certificates) of the current Articles of Incorporation shall be deemed to have repealed by a resolution to change Articles of Incorporation effective as of January 5, 2009, the date of enforcement of the Supplemental Provisions to the Streamlining Settlement Law, according to Article 6 Paragraph 1 of said law.

2. Changes to Articles of Incorporation

The current Articles of Incorporation shall be changed as follows:

(changes denoted by underlines)

Current Articles of Incorporation	P r o p o s e d C h a n g e s
<p><u>(Issuance of Certificates)</u>            Article 9 <u>The Company shall issue stock certificates for Company stock.</u>            2. <u>Notwithstanding the preceding, the Company shall not issue stock certificates for fractional shares.</u>            Article 10 The Company shall appoint a Shareholder Register Administrator.            2. The Shareholder Register Administrator and the Shareholder Register Administrator’s place of business shall be determined according to Board of Director resolution, which shall be publicly announced.            3. <u>The Company shall entrust tasks related to the Shareholder Register (including Beneficiary Shareholder Register; same below), Share Options Register, and Lost Stock Certificate Register to the Shareholder Register Administrator; the Company shall not be directly involved in the performance of these tasks.</u></p>	<p>} <u>( deleted )</u>             Article 9 The Company shall appoint a Shareholder Register Administrator.            2. The Shareholder Register Administrator and the Shareholder Register Administrator’s place of business shall be determined according to Board of Director resolution, which shall be publicly announced.             } <u>( deleted )</u></p>
<p>Article 12 through Article 41 (text omitted)</p>	<p>Article 12 through Article 41 (no changes)</p>
<p><u>Supplementary Provisions</u>            Article 1 <u>The register of lost share certificates shall be kept at the office of the Shareholder Register Administrator. Matters related to the entry or recording into the register of lost share certificates shall be handled by the Shareholder Register Administrator; the Company shall not be directly involved in the performance of these tasks.</u>            Article 2 <u>The entry or recording into the register of lost share certificates shall be as determined by law or by the Articles of Incorporation, or according to share handling regulations established by the Board of Directors.</u>            Article 3 <u>Articles 1 through 3 of these Supplementary Provisions shall be deleted on January 6, 2010.</u></p>	<p>} <u>( deleted )</u></p>

3. Schedule

General Shareholders’ Meeting for changing Articles of Incorporation June 29, 2009  
 Effective Date of Changes to Articles of Incorporation June 29, 2009

End