

**FOR IMMEDIATE RELEASE**

September 3, 2012

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**Notice Concerning Monthly Exercise Status 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 reports the following exercise status for August 2012 concerning the 1<sup>st</sup> series of stock acquisition rights (“SARs”) issued through third party allotment on February 27, 2012.

1. Name of SARs	Leopalace21 Corporation 1 <sup>st</sup> Series of Stock Acquisition Rights
2. Shares granted during subject month	710,700 shares (710,700 SARs)
3. Exercised face value during subject month and ratio of exercised to total SARs issued	177,675 thousand yen (5.08% of total SARs issued)
4. Number of unexercised SARs as of the end of July 2012	10,092,800 SARs (10,092,800 shares)
5. Number of unexercised SARs as of the end of August 2012	9,382,100 SARs (9,382,100 shares)

**6. Status of exercise during August 2012**

Exercise date	Shares granted		Strike price (yen)	Total face value of exercise (thousand yen)
	New issues (shares)	Transferred Treasury stock (shares)		
August 6 (Mon)	710,700	—	250	177,675

\* Shares outstanding as of July 2012: 179,351,115 shares (of which, Treasury stock: 4,569,120 shares)

7. Status concerning limitation of conversion (Compliance on limitation of conversion in pursuant to Corporate Code of Conduct #4)

① Cumulate number of shares granted (shares)	② Shares outstanding as of the date of SAR issue (shares)	③ Exercise ratio concerning limitation of conversion (①/②) (%)
710,700	175,443,915	0.41

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

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