

Company Name: **Leopalace21 Corporation**
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Notice Concerning Expansion of Shareholder Benefit Program

Leopalace21 Corporation (“the Company”) announces the following expansion to its shareholder benefit program, resolved at the meeting of its Board of Directors held on February 26, 2016.

1. Reasons for the expansion

The Company has offered a shareholder benefit program, in appreciation of the support of our shareholders, as well as to expand the number of individual shareholders and increase medium- to long-term ownership.

This expansion is implemented to show our gratitude for our shareholders whom have owned our shares in the long-term. At the same time, the Company aims to increase the number of investors who will become our shareholders in the long-term.

2. Details of the expansions

No. of shares owned	Benefits	Before expansion	After expansion	
			Period of ownership	
			Less than 3 years	More than 3 years
100 to 999 shares	Free night's stay at the Leopalace Resort Hotel	2 coupons	2 coupons	3 coupons
	50% discount on a nights' stay at Leopalace hotels within Japan	2 coupons	2 coupons	3 coupons
1,000 shares or more	Free night's stay at the Leopalace Resort Hotel	2 coupons	2 coupons	3 coupons
	50% discount on a nights' stay at Leopalace hotels within Japan	8 coupons	8 coupons	12 coupons

(Note) Shareholders who are recorded in the shareholder registry (as of March 31 or September 30) for 7 consecutive times or more under the same shareholder number, and own the predefined number of shares (100 to 999 shares or 1,000 shares or more) will be subject to a period of ownership of more than 3 years. If there is a change in shareholder number due to inheritance or removal from the shareholder registry, etc., the count will start from the next application date. Also, we are not able to send coupons outside of Japan.

3. Date of commencement

The above expansions will be implemented to shareholders owning more than 100 shares recorded in the shareholder registry as of March 31, 2016.

END