

November 15, 2018

**Notice Concerning the Third-Party Allotment of New Shares Issued and  
Subscription of New Stock Acquisition Rights**

ARDEPRO Co., Ltd. (“the Company”), at its Board of Directors’ meeting held on November 15, 2018, passed resolutions concerning the third-party allotment of new shares issued (“Shares”) and subscription of new stock acquisition rights (“Stock Acquisition Rights”). The third-party allotment of new shares issued and subscription of new stock acquisition rights are collectively referred to as “the Third-Party Allotment.” Brief details are as follows.

I Concerning the third-party allotment of new shares issued and subscription of new stock acquisition rights

1. Outline

<Outline of the third-party allotment of new shares issued>

(1) Payment date	December 3, 2018 (Monday)
(2) No. of new shares issued	9,433,900 shares
(3) Issuance price	¥53.00 per share
(4) Amount of funds procured	¥499,996,700 Please refer to 2. (2) Specific application of funds procured and planned expenditure schedule for details of the net estimated amount after deducting the estimated amount of associated issuance expenses.
(5) Subscription or allotment method (allotment recipient)	The Shares will be allotted to Block King Limited Liability Business Partnership by way of third-party allotment.
(6) Other	Each of the above items is subject to filings under the Financial Instruments and Exchange Act of Japan coming into effect.

(Note) 1. The total issuance value is the total amount paid in accordance with the Companies Act of Japan.

<Outline of the subscription of new stock acquisition rights>

(1) Date of allotment	December 3, 2018 (Monday)
(2) No. of new stock acquisition rights	377,358 shares
(3) Issuance price	Total of ¥21,509,406 (¥57.00 per share of new stock acquisition rights)
(4) No. of dilutive shares attributable to this issuance	37,735,800 shares
(5) Amount of funds procured	¥2,021,506,806 (Breakdown) Portion of new stock acquisition rights issued ¥21,509,406 Portion of new stock acquisition rights exercised ¥1,999,997,400 The aforementioned amount of funds procured is the total amount paid after assuming that all new stock acquisition rights are exercised. If the event that new stock acquisition rights are not exercised within the

	exercise period of new stock acquisition rights, and in the event that new stock acquisition rights acquired by the Company are canceled, the aforementioned amount of funds procured will decline.
(6) Exercise price	¥53.00 per share
(7) Subscription or allotment method (allotment recipient)	By way of third-party allotment to the following recipient: Block King Limited Liability Business Partnership 377,358 shares
(8) Other	(1) Transfer restrictions The transfer of new stock acquisition rights is subject to approval of the Company's Board of Directors. (2) Acquisition terms The Company can decide by resolution of its Board of Directors that it will acquire new stock acquisition rights and the date on which it will acquire new stock acquisition rights (Acquisition Date) at any time after the allotment date of new stock acquisition rights. Following the Board of Directors' resolution, the Company shall notify holders of new stock acquisition rights to be acquired of the Acquisition Date 14 days prior to the Acquisition Date. Come the Acquisition Date, the Company will then be able to acquire all or part of new stock acquisition rights remaining at a price equivalent to the amount paid per new stock acquisition right. (3) Other Each of the above items is subject to filings under the Financial Instruments and Exchange Act of Japan coming into effect.

## 2. Purpose of and reason for subscription

### (1) Purpose of and reason for fund procurement

The ARDEPRO Group is engaged in the management of a real estate revitalization business (see Note). Regarding the issuance of the Shares, the funds procured will be allocated to the repayment of borrowings from domestic financial institutions for subsidiary limited company Yayoi Management. In connection with the issuance and exercise of Stock Acquisition Rights, the funds procured will be used to acquire real estate for sale.

### (2) Specific application of funds procured and planned expenditure schedule

<Specific application of funds procured through the issuance the Shares and Stock Acquisition Rights>

(Unit: million yen)		
Specific application of funds	Amount	Planned expenditure schedule
① Repayment of borrowings for subsidiary limited company Yayoi Management	500	December 2018
② Acquisition of real estate for sale	16	From December 2018 to November 2020

<Specific applications of funds procured through the exercise of Stock Acquisition Rights>

(Unit: million yen)

Specific application of funds	Amount	Planned expenditure schedule
① Acquisition of real estate for sale	2,000	From December 2018 to November 2020