

Curtis Freeze is elected as Gro-bels CEO

Announcement of CEO change

We would like to announce the election of a new CEO and Auditor. Regarding this issue, we will decide and seek approval for these changes at the 25 June 2010 shareholders meeting, board meeting and board of auditors meeting.

(1) CEO change

(Incoming CEO)

Curtis Freeze: Chief Executive Officer (formerly external board member)

Please see Note #4 for CV

(Outgoing CEO)

Shinichi Hisanaga: Former Chief Executive Officer

Please note that Mr. Hisanaga will also be vacating his director position

Reason for change:

Shinichi Hisanaga will be departing after returning the company to profitability in the business year ending March 2011 after the real estate market turmoil started by the global credit crisis. Mr. Hisanaga has decided to depart following 10 years of service as chief executive officer. Incoming CEO candidate, Curtis Freeze, has many years of experience the Japanese real estate business, and is dedicated to expanding the company's business valuation.

(2) Scheduled date of ascendance

25 June, 2010

(3) Other

3-1: New CEO candidate, Curtis Freeze, is currently the President of KK Prospect, however he will resign from that position concurrent with being elected Gro-bel's CEO, being fully focused on business here.

3-2: We will elect one additional new auditor for reinforcement of the auditing system. Please see Note #5 for details.

3-3: Final management team formation will include six directors (one less) and four auditors (one more). There are no additional scheduled personnel changes.

(4) Biography

Curtis Freeze

Date of Birth – 19 June, 1962

Education

Dec 1987 University of Hawai'i MBA (Management, International Finance)

Job History

Apr 1988 Nikko Securities Co., Ltd (Nikko Cordial Securities Inc) - joined

Sep 1989 Sharesan Lehman – joined

Jun 1990 DB morgon Grenfell Asset Management – joined (Senior Fund Manager)

Sep 1994 Prospect Asset Management Inc – founded (President)

Jun 2003 KK Prospect – Director

Sep 2004 Prospect Residential Advisors (Prospect REIT Advisors) – Director

Nov 2004 KK Prospect – President

Dec 2004 KK Prospect – Director

Sep 2005 Prospect Asset Management Inc – CIO (current position)

Apr 2007 KK Yasuragi – External director (current position)

Aug 2007 KK Prospect – President (current position)

Jun 2009 Gro-bels – External director (current position)

Nov 2009 Prospect REIT Advisors – Director (current position)

Number of held shares

(5) Regarding new auditor candidate

5-1: Auditor Yuki Ichikawa (currently: Lawyer, New York City, NY)

Please note that Mr. Ichikawa is also a candidate for external auditor.

5-2: Scheduled date of ascendance

25 June, 2010