

The Spirit of Mitsubishi: The Three Principles

***Shoki
Hoko***

Corporate Responsibility to Society

Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.

***Shoji
Komei***

Integrity and Fairness

Maintain principles of transparency and openness, conducting business with integrity and fairness.

***Ritsugyo
Boeki***

International Understanding through Trade

Expand business, based on an all-encompassing global perspective.

The Three Principles enshrine the founding spirit of Mitsubishi, and serve as management guidelines shared by the Mitsubishi companies.



The Mission of the Mitsubishi Estate Group

We contribute to society through urban development.

By building attractive, environmentally sound communities where people can live, work and relax with contentment, we contribute to creating a truly meaningful society.

The Mitsubishi Estate Group Code of Conduct

**In order to carry out the Group Mission,
we pledge to observe the following Code of Conduct.**

1. We will act with integrity.

We will base our conduct on laws and ethics, and always reflect with humility upon our behavior, valuing our communication with society and placing priority in our corporate activities on earning trust through fairness and transparency.

2. We will strive to earn the trust of our clients.

We will approach all objectives from our clients' point of view, providing safe and reliable products and services, and make information available as appropriate.

3. We will strive to create a vibrant workplace.

While aiming at personal growth, we will respect the human rights and the diversity of opinion of others, and increase our creativity and professionalism while displaying our collective strengths as a team.

Established: December 1, 1997 Revised: August 1, 2002; January 1, 2006

Highlight

Second Stage of the Marunouchi Redevelopment Project A New Approach to Community and Environmental Harmony



The first stage of the Marunouchi redevelopment project ended with the completion of the Shin-Marunouchi Building in April 2007, 20 years after feasibility studies were first initiated and 10 years after the project was launched.

The second stage of the redevelopment project, now underway, is focused on the Otemachi, Marunouchi and Yurakucho district, rather than the area in front of Tokyo Station, which was the priority in the first stage.

This Highlight section presents Mitsubishi Estate's vision for the future of urban development, featuring innovative ways for community residents to live in harmony with the environment.

The development of Marunouchi, the first site to see truly modern urban development in Japan, began in 1890, about 120 years ago. With the aim of creating a business center to spearhead Japan's modernization, the Mitsubishi Company bought the site from Japan's then-Ministry of War when it sold the land for private use. That same year brought with it other signs that Japan was indeed becoming a modern nation—the first House of Representatives election was held, the Imperial Diet was convened, and telephone service started.

Mitsubishi Ichigokan, the first office building in Marunouchi, was completed four years later in 1894. Since then, the row of red brick buildings extending for approximately 200 meters along Babasaki-Dori Avenue has been known as the London Block for its European style.

The Otemachi, Marunouchi and Yurakucho district has a long development history. The first development took place during the Meiji and Taisho periods (1868-1925), and the second during the period of rapid growth that followed World War II. Today, the district is Japan's landmark business center, now covering about 120 hectares and home to approximately 4,000 companies employing about 214,000 people. This includes 81 companies listed on the first section of the Tokyo Stock Exchange, which alone boast a total of approximately 114 trillion yen in annual sales and account for about 20% of Japan's GDP.

Since the Meiji and Taisho periods, Mitsubishi Estate has been one of the major landowners driving development, holding about one-third of the buildings in the Otemachi, Marunouchi and Yurakucho district. Now, more than half a century since development began anew after World War II, Mitsubishi Estate is improving Marunouchi yet again in the redevelopment

project, representing another major era in the district's development history. The project provides Mitsubishi Estate with an ideal opportunity to demonstrate its innovative vision for the urban development of the future.

Urban development that preserves heritage while embracing the future

The Marunouchi redevelopment project began in 1998.

Mitsubishi Estate's basic policy for this development called for a transformation of the current district, which is focused on business, to a diverse area that is open to the outside world and encourages human interaction. Toshio Nagashima, Mitsubishi Estate's executive vice president, stated, "When I initially discussed the idea of a new redevelopment plan with top business leaders, they told me they wanted to create a business center that would also serve as a great place to relax or take a stroll. Their comments helped to inspire our vision of the Marunouchi we should build for the next generation."

Mitsubishi Estate renovated seven buildings during the first 10 years of the project, starting with the Marunouchi Building completed in August 2002 and followed by the Industry Club of Japan, the Mitsubishi UFJ Trust and Banking Building, Marunouchi OAZO (Marunouchi Kitaguchi Building), the Tokyo Building, the Peninsula Tokyo and the Shin-Marunouchi Building. The Shin-Marunouchi Building, completed in April 2007, was the crowning achievement of the first stage of the Marunouchi redevelopment project.





Toshio Nagashima
Representative Director,
Executive Vice President
Mitsubishi Estate Co., Ltd.

The Shin-Marunouchi Building not only provides a comfortable, high-quality office environment, but also encourages friendly interaction among its users. The building incorporates a wealth of innovations and structures that create an entirely new appeal for this modern urban area.

■ Mitsubishi Estate's Redevelopment Achievements in the Otemachi, Marunouchi and Yurakucho District

Stage	Name of building	Construction schedule for new building projects	
		Start	Completion
First	Marunouchi Building	April 1999	August 2002
	The Industry Club of Japan/ Mitsubishi UFJ Trust and Banking Building	December 2000	March 2003
	Marunouchi OAZO (Marunouchi Kitaguchi Building)	June 2001	September 2004
	Tokyo Building	October 2003	October 2005
	Shin-Marunouchi Building	March 2005	April 2007
	The Peninsula Tokyo	October 2004	May 2007
Second	Marunouchi Park Building/ Mitsubishi Ichigokan	February 2007	Spring 2009
	Marunouchi 1-4 Plan (Provisional name)	FY08	FY11

The Marunouchi redevelopment project aims to create an urban area boasting the world's most dynamic interaction. The project serves as a base for creating a new culture and business style, bringing together a sophisticated commercial zone with 153 unique stores—an area where both men and women can enjoy quality time—as well as facilities encouraging interaction between office users. The project also provides a home for the Entrepreneur Group for Growing Japan (EGG Japan), an “incubation office” that supports new business startups (refer to page 12), and Ecozzeria, an environmental strategy hub.

The concept for the Shin-Marunouchi Building, with four levels underground and 38 floors above ground, was created by Sir Michael Hopkins of London, one of the world's most distinguished architects. The design concept integrates cutting-edge images and a classical British style, creating an urban landscape based on the image of a gate to represent the entrance to Tokyo, along with the Marunouchi Building.

Hiroo Minamino, deputy general manager of Mitsubishi Estate's Commercial Development Department, Building Business Division, who also served as construction project leader for the Shin-Marunouchi Building, had this to say: “This building was not designed in isolation; rather, we tried to achieve a balance that would make it a twin tower to the Marunouchi Building, and create an elegant urban landscape befitting the hub of the area in front of Tokyo Station. The building is 198 meters high, and at the 31 meter point, a line was left to mark the height of the former Marunouchi Building, thus preserving a piece of Marunouchi heritage.”

Diverse environmental initiatives: Going beyond awareness to action

Mitsubishi Estate is not only committed to providing environmentally friendly design and facilities, but also takes initiatives to move the public from environmental awareness to action. The Group holds seminars and events to equip people to start protecting the environment, and also supports permanent installations like the Ecozzeria office in the Shin-Marunouchi Building.

The concept of harmony with the environment is a vital part of the Marunouchi redevelopment project. The Shin-Marunouchi Building has rooflines planted with trees at the seventh floor and the thirty-fourth floor, and solar panels that make the most of natural energy. The building uses an intermediary water supply system, including rain water, as well as a variety of other environmental innovations, such as micro-misters that emit nanosized mist along Marunouchi Naka-Dori Avenue's sidewalk to ease the heat island phenomenon and atrium floor heating using exhaust heat.

An essential part of the Shin-Marunouchi Building's commitment to proactive environmental measures is Ecozzeria, the environmental strategy hub located on the tenth floor. The word "ecozzeria" was coined from Italian to mean a gathering place for generating environmental awareness. This office is tasked with proposing new technologies, systems and lifestyles that will increase harmony with the environment through interaction between various people, things, objects and information on the environment.

Mitsubishi Estate provides various forums in which people can carefully consider harmonious coexistence between cities and the environment, including the Nature Info Plaza, which features photography exhibits, tours and seminars on living with nature, and the Otemachi Café, which promotes the concept of sustainability for Marunouchi and holds exhibits and seminars on the environment. Ecozzeria was originated in a desire to take this concept one step further, based on Mitsubishi Estate's experiences operating these two forums.

Ecozzeria consists of an open space in which environment-related visuals can be displayed, a salon space for conferences and symposiums on environment symbiosis technology and the "Touch the World Room," in which visitors can observe past and future changes in the global environment on a digital globe

1.28 meters in diameter. Another system also provides real-time information on the Otemachi, Marunouchi and Yurakucho district.

Mitsubishi Estate also took the environment into consideration when it dismantled the previous building. For example, some of the approximately 10,000 pine piles that formed the foundation of the building were reused as flooring in the Shin-Marunouchi Building's Ecozzeria, while others were reused as raw material for paper and other purposes. In addition, about 78,000 m³ in scrap concrete was recycled to make high-quality aggregates after pulverization at a special plant and removal of impurities, and then cast as concrete for the slab in the first floor of the Shin-Marunouchi Building.

The Otemachi Marunouchi Yurakucho District Redevelopment Project Council has addressed various issues with public collaboration for 20 years now. The Otemachi Marunouchi Yurakucho District Environmental Vision was established in fiscal 2007 to lay out a vision for a sustainable city that emphasizes harmony with the environment.

Shigeru Inoue, deputy general manager of Mitsubishi Estate's Area Planning Office, Building Business Division, who deals with environmental issues and is also Ecozzeria's producer, explained, "We need a good balance between the economy, culture, society and the environment to achieve a sustainable society, and Ecozzeria addresses the environmental component of this. Ecozzeria must not only adopt cutting-edge, environmentally friendly facilities, but must also reach out to people who work and shop in this district to inspire them to action."

Stakeholder OPINION

Recycling rate increased by collaboration

We set up a support center at the Shin-Marunouchi Building in coordination with our Tokyo head office to promote on-site recycling during construction, and achieved a 98% recycling rate for demolition and new construction. The demolition work had a nearly 100% recycling rate.

Kiyoto Masumura

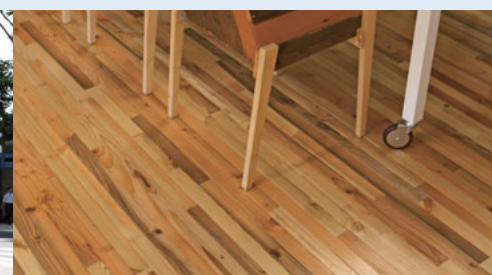
Work site project manager for new construction of the Shin-Marunouchi Building
Takenaka Corporation



Greening the walls of the Shin-Marunouchi Building



Micro-misters at the Shin-Marunouchi Building



Ecozzeria's flooring (using pine piles from previous building)

Next-generation neighborhoods: Built on community consensus

The first stage of the Marunouchi redevelopment project ended with the completion of the Shin-Marunouchi Building, and the second stage is now underway. It will include completion of the Marunouchi Park Building, scheduled for spring 2009, and the reconstruction of the Mitsubishi Ichigokan.

The first stage of the project drastically transformed Marunouchi. Name-brand stores have been attracted to the streets around Marunouchi Naka-Dori Avenue, and the commercial facilities in the renovated building have been expanded to develop the commercial area. This has increased the number of stores in the Otemachi, Marunouchi and Yurakucho district from about 290 before the Marunouchi Building was rebuilt to about 740 when the Shin-Marunouchi Building opened its doors.

It is not just the buildings and streets that have changed. The district has offered many events featuring street performers such as Heaven Artist and art events like Cow Parade and La Folle Journee au Japon, “A Day of Enthusiasm” Music Festival 2007. Educational events have also been held, including “Family Field Trips” and the “Summer Eco Kids Expedition in Otemachi Marunouchi Yurakucho.” These events have transformed Marunouchi from an area focused only on business to a real community that encourages lively interaction among a wide variety of people.

Previously, only businesspeople visited this district, but the redevelopment project has brought folks from all walks of life to enjoy Marunouchi.

In the second stage of the project, Mitsubishi Estate plans to invest approximately 450 billion yen in rebuilding and renovating seven or eight buildings. The first stage was focused on developing the area in front of Tokyo Station, but this second stage will expand and build upon the redevelopment of Marunouchi achieved thus far. In other words, the interaction generated in the first stage will now spread throughout the entire Otemachi, Marunouchi and Yurakucho district.

It is crucial that the appeal of the entire area be strengthened. In addition to augmenting and upgrading business-related functions, other aspects such as cultural arts and urban tourism will also be introduced so that the area functions as an integrated whole. Area management and harmony with the environment will also be improved. For example, we believe that urban design that incorporates techniques for preventing the heat island phenomenon, such as rooftop greening, water-retaining



Shigeru Inoue
Deputy General Manager,
Area Planning Office,
Building Business Division
Mitsubishi Estate Co., Ltd.

pavements and sprinkler devices, should be considered for the entire area.

The Marunouchi redevelopment project is characterized by collaboration among public and private sectors. When public officials and landowners share goals and have a system that encourages collaboration, it facilitates high-quality redevelopment. The project owes its great progress to the teamwork of the Otemachi Marunouchi Yurakucho District Redevelopment Project Council, composed of about 95 private organizations of landowners and others, and the Advisory Committee on Otemachi-Marunouchi-Yurakucho Area Development, a public body led by the Chiyoda Ward Office. The OMY Area Management Association, an NPO that supports urban management, also provides valuable collaboration to the project. Working together, these organizations are ensuring that the city is developed in a way that respects the environment and ensures sustainable development.

Mr. Nagashima stated, “It has already been 20 years since the council was formed, signaling the start of redevelopment in the Otemachi, Marunouchi and Yurakucho district. This district is the pride of Japan, and for this reason we have taken our time in redeveloping the area, ensuring an open process and inviting the opinions of many people. This process generated an original, new consensus on urban living that governed Mitsubishi Estate’s approach to urban development.”



Hiroo Minamino
Deputy General Manager,
Commercial Development
Department,
Building Business Division
Mitsubishi Estate Co., Ltd.

Stakeholder
OPINION

The need to share environmental data throughout the district

The NPO OMY Area Management Association*¹ has been working to invigorate neighborhoods, companies and people and to promote interaction for five years now. Its activities aim to ensure the safety and security of the area, raise land values and address long-standing environmental and other issues. The association has made many valuable contributions to the area, such as introducing a district heating and cooling system, cyclical water use, recycling of kitchen waste, greening of roofs and walls, and collaborative transport. As organizations with different histories are currently acting independently, it will be essential to develop systems for data sharing to ensure sound performance analysis.

*¹ This NPO serves primarily to bring greater vitality to neighborhoods and create opportunities for wide-ranging human participation and interaction in the Otemachi, Marunouchi and Yurakucho district. The Otemachi Marunouchi Yurakucho District Redevelopment Project Council is its parent organization, and it is made up of companies, groups, academics and lawyers involved in the district.



Shigetaka Kobayashi
Professor, Graduate School of Engineering, Yokohama National University
Administrative Director, OMY Area Management Association

Entrepreneur Group
for Growing Japan

Supporting new businesses with a diverse network

The Marunouchi redevelopment project is now fulfilling a new function, serving as a community that supports the development of new businesses for Japan's future. In 2000, at Mitsubishi Estate's request, Marunouchi Frontier was established as a support organization connecting large companies and venture capital companies, and in 2002, the Tokyo 21c Club was located in the Marunouchi Building. The club, a center for innovation that brings together businesspeople motivated to create new businesses that will shape Japan, serves as the base for Marunouchi Frontier. The Entrepreneur Group for Growing Japan (EGG Japan), which brings together the Tokyo 21c Club and 17 other "incubation offices," was set up in the Shin-Marunouchi Building.

EGG Japan does more than just provide rental space to venture capital companies. Tokyo 21c Club members develop new businesses by discussing cooperatives and conducting joint research in groups focused on one of more than 25 subjects and matching the needs and technological potential of large companies with those of venture capital companies. EGG Japan facilitates this work, and is also equipped with IT equip-

ment, a café and a meeting space which can be used by members without offices in Tokyo for business meetings.

Yumiko Nishimura, president and CEO of "e CONSERUVO," runs a new business in personal information management which has an "incubation office" at EGG Japan. She said, "EGG Japan is a high-quality support system that is easy to use and provides access to a large network of resources."

EGG Japan not only aims to help revitalize Japan's economy, but also to expand the number of companies that may lease from Mitsubishi Estate in the future by developing companies with growth potential. Katsunori Tanaka, deputy general manager of Mitsubishi Estate's Area Brand Management Department, Building Business Division, stated, "Offices supporting entrepreneurs in the Marunouchi Building were previously broken up into small, isolated segments. By engineering opportunities for many businesses to meet, we hope to enhance the intellectual assets of the Otemachi, Marunouchi and Yurakucho district."



Katsunori Tanaka
Deputy General Manager,
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Yumiko Nishimura
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