

An aerial photograph of a city, likely Tokyo, showing a dense urban landscape with numerous buildings, roads, and green spaces. A prominent red rectangular overlay is positioned in the lower-left quadrant, containing white text. The text is centered within the red area and reads: "A Love for People", "A Love for the City", "—Forever Taking On New Challenges—", "The Mitsubishi Estate Group", and a paragraph of text below. The background image shows a mix of modern and older buildings, a large green park area at the top, and a river or canal on the left side. The overall scene is a detailed view of a city's infrastructure and urban planning.

A Love for People A Love for the City

—Forever Taking On New Challenges—
The Mitsubishi Estate Group

The Mitsubishi Estate Group is committed to fostering society's continuing development as it pursues its own growth. Mitsubishi Estate is building a strong corporate brand by integrating CSR initiatives into all of its daily operations.



The Mitsubishi Estate Group CSR Report 2009

CONTENTS

1	Introduction Message from the President	02
2	CSR at the Mitsubishi Estate Group	06
	· CSR Concept	06
	· Results of Mitsubishi Estate Group's CSR Activities in Fiscal 2008 and Fiscal 2009 Objectives	08
3	Special Feature 1 From Inspiration to Reality	11
	Environmental initiatives in the Otemachi, Marunouchi and Yurakucho district in 2009	
4	Special Feature 2 A Passion for Quality	16
	Giving customers their dream homes, filled with inspiration and joy	
5	Corporate Governance	20
6	Compliance System	22
7	Caring for the Global Environment	25
	· Environmental Management	26
	· Working to Build a Low-Carbon Society	28
	· Developing a Recycling-Oriented Society	31
	· Preservation of Biodiversity	32
	· Reducing Environmental Impact	32
8	Engaging Clients	33
	· Utilizing Clients' Opinions	34
	· Safe and Secure Urban Development	35
	· Fair Presentation and Explanations	36
9	Interacting with Local Communities and the Broader Society	37
	· Mitsubishi Estate's Approach to Social Contribution Activities	38
	· Social Contribution Performance	38
	· Examples of Key Social Contributions	38
	· "Experience Nature" Project	40
10	Cooperating with Business Partners	41
11	Serving Shareholders and Investors	42
12	Working Together with Employees	43
	· Initiatives in Human Resource Development	44
	· Initiatives to Foster Vibrant Workplaces	44
	· Creating a Workplace that Respects Human Rights and Employee Diversity	45
	· Supportive Workplaces for Employees	46
13	Views from the External Advisers on the CSR Committee	47
14	Editorial Policy	48



Envisioning the next century of
urban development to create
unparalleled value

Message from the President

Priority CSR issues for the immediate future

At the Mitsubishi Estate Group, we strive to fulfill the basic commitments of our Group Code of Conduct—to act with integrity, to earn the trust of our clients, and to maintain a vibrant workplace. In all this, our aim is to give back to society. As such, CSR stands at the very core of our business strategy. In February 2009, our CSR Committee resolved to take these efforts further by selecting three priority objectives for the next three to five years: (1) environmental management; (2) new social contribution programs that make the most of our unique resources; and (3) building a more vibrant workplace and pursuing world-class human resource development.

Stepping up environmental management

Mitsubishi Estate will promote environmental management, the first of the new priority issues, by contributing to the realization of a low-carbon, recycling-oriented society and helping to preserve biodiversity. We believe these efforts are integral to the quality of real estate products, and delivering these environmental benefits is a responsibility that all real estate solution providers should fulfill for the entire community, wherever they operate.

Currently, tenants account for approximately two-thirds of the energy consumption in rental buildings. Given this, we set up Global Warming Mitigation Measures Committees in all of the

Group's buildings in the Tokyo metropolitan region beginning in 2008. These councils work closely with the tenants to raise awareness of energy conservation and promote energy-saving initiatives.

These efforts to address environmental problems also extend to the housing business, where Mitsubishi Estate offers eco-friendly condominiums and homes built with enhanced heat insulation performance and latent heat-recovery hot water supply equipment. In 2008, Mitsubishi Estate established MEC Eco LIFE Co., Ltd., with the aim of reinforcing its capacity for research on the environment and design, and to promote solar power and other solutions needed to propose sustainable lifestyles to customers.



Leveraging our unique resources for society

Mitsubishi Estate is addressing the second of the near-term priorities—new social contribution programs that make the most of our unique resources—with the launch of our “Experience Nature” project in fiscal 2008. This program encourages interaction between cities and rural villages in a bid to foster vibrant communities in both areas.

In Japan, both rural villages and urban areas alike are confronted by various problems: the increase in abandoned farm land and the decline of the forestry industry, mental and physical health issues, and food safety and environmental problems. Gaining an understanding of each other's problems through interactions such as experiences in nature and agricultural work and creating a sustainable society supported by both cities and rural villages is the most important issue for Japanese society today, and holds important implications for CSR in the future. The Mitsubishi Estate Group is offering city residents opportunities for such exchanges, such as experience-based tours, while also considering ways to better utilize forests and other local resources. This initiative has just begun, but we believe that it has great potential for bringing together business and social contributions and are committed to bringing it to fruition..

Doing our best for our people

To achieve the third of the near-term priorities—building a more vibrant workplace and pursuing world-class human resource development—we will strive to build an environment in which all employees are enthusiastic about the significance of their daily work, focusing particularly on enhancing communication. The Mitsubishi Estate Group's commitment to creating new social value, building on the foundation of trust it has earned



from customers and society, has supported our business throughout the Group's history. Success in urban development for the next 100 years depends on human resources that think through every aspect of an issue, work actively and diligently, and are prepared for every challenge. Having clarified the traits it values in employees, Mitsubishi Estate launched a program to reform its human resource development system in April 2009.

Innovating in urban development

The Marunouchi Park Building and Mitsubishi Ichigokan were completed in April 2009 in the Marunouchi 2-chome area of Chiyoda ward. The first stage of Mitsubishi Estate's Marunouchi redevelopment project, which covered the ten-year period from 1998, focused on updating the area around Tokyo Station and rebuilding six buildings. In the project's second stage covering the ten-year period from 2008, the redevelopment will be extended and deepened so that its effect spreads to the entire area. The Marunouchi Park Building and Mitsubishi Ichigokan

Building represent the first part of this endeavor. This will be followed by the Marunouchi 1-4 Project (tentative name), which is due to be completed in fiscal 2011. The Mitsubishi Ichigokan Building will open its doors as a museum in April 2010, and is expected to become the core center for culture and the arts in the Marunouchi area.

Urban development depends on the ideas and collaboration of many people. In the Otemachi, Marunouchi and Yurakucho district, the Otemachi Marunouchi Yurakucho District Redevelopment Project Council (OMY Council) was launched in 1988, followed by the Advisory Committee on Otemachi-Marunouchi-Yurakucho Area Development in 1996. Adopting the public-private partnership (PPP) approach, the national government, local government bodies and land-owning companies collaborated to develop a basic concept and guidelines for the approximately 120-hectare development project. The PPP approach has given rise to various initiatives, including building height restriction per block, consolidated infrastructure such as parking lots, heat supply systems, and telecommunications, area-wide

planning to reduce radiant heat and secure wind channels, a joint trial to share electronic cars, and street performances and events to encourage tourism and foster a vibrant atmosphere. Mitsubishi Estate will use the expertise accumulated through this project in other regions, as well.

Mitsubishi Estate is determined to continue fulfilling its role and responsibilities as a real estate solutions provider in area-wide value enhancement initiatives like this one by promoting public-private collaboration and offering technological solutions. Urban development projects carried out in candid consultation with a range of stakeholders represent CSR in action. We believe that demonstrating a positive model of cooperation is one of the Mitsubishi Estate Group's responsibilities to society.

Looking back on fiscal 2008 and ahead to fiscal 2009 and beyond

In fiscal 2008, the global recession triggered an upturn in the

vacancy rate in the office building rental market as the corporate business environment rapidly deteriorated. Moreover, poor sentiment among potential buyers in the housing market, particularly for condominiums, radically transformed market conditions. Despite these conditions, the Mitsubishi Estate Group's sales grew due to the launch of new building operations and the addition of new consolidated subsidiaries. Despite this, however, the Group saw a decline in profit due to weaker earnings in the condominium business and the strong yen.

While the CSR measures and objectives that we committed to in last year's CSR report are all moving in the right direction, many issues have yet to be addressed, such as extending the reach of our efforts to subsidiaries and business partners as well as augmenting the programs themselves, and we are still midway to achieving our goals. However, we are confident that it is precisely in difficult times like these that a strong commitment to CSR opens doors to the future. Fiscal 2009 will

be an important year for setting the direction of the Group's CSR management and putting it into practice. We intend to focus on the three priority issues I mentioned above, and also plan to ensure that compliance—the basic premise for all of our activities—remains the top priority for management. The entire Group will work together as one to achieve our goals, putting CSR at the heart of our management to realize the commitment expressed in the brand slogan of the Mitsubishi Estate Group: "A Love for People and A Love for the City."

I recognize that, as chief executive, it is my role to drive these efforts forward and take responsibility for the results, and I pledge to advance the cause of ideal CSR management.

