

Basic Policy and Performance Highlights

Basic Environmental Policy

The Mitsubishi Estate Group Basic Environmental Policy is based on the Group's fundamental mission.

Mitsubishi Estate Group Basic Environmental Policy

The Mitsubishi Estate Group has developed an environmental management system and strives to protect the environment by promoting environmental initiatives and reducing environmental impact, as well as complying with all environmental laws and regulations. Mitsubishi Estate is determined to ensure that its business activities play a leading role in the development of sustainable communities.

1. Building a low-carbon society

We are proactive about the efficient use of resource and energy, and encourage the use of renewable energy to contribute to the creation of a low-carbon society.

2. Creating a sound material-cycle society

We strive to reduce, reuse, and recycle in every stage of our business, including planning, development, design, construction, management and dismantlement, in order to contribute to building a sound material-cycle society.

3. Fostering harmony between nature and human society

We endeavor to foster new cultural values and to practice environmental responsibility by demonstrating concern for biodiversity and developing attractive urban spaces that harmonize with the surrounding natural environment, thus helping to build a society that lives in harmony with nature.

4. Promoting environmental communication

We proactively provide information on the environment and communicate with society on a broad range of issues in our efforts to coordinate and cooperate with a wide range of stakeholders.

5. Increasing employees' ecological awareness

In our efforts to increase employees' awareness of environmental conservation issues and ensure highly effective environmental activities, we provide environmental education and awareness programs, aiming to develop an ecologically aware workforce.

Established on May 1, 2004
Revised on January 1, 2006 and April 1, 2010

Operational framework for environmental management

The Mitsubishi Estate Group has tasked the Environmental Subcommittee with conducting deliberations on CSR, including environmental issues, prior to meetings of the CSR Committee. This subcommittee met in July 2009 and February 2010 to discuss the status of various organizations' environmental initiatives and environmental objectives. In addition, an environmental director is appointed to take responsibility for the promotion of environmental management for the Group, and environmental management officers are appointed for each of Mitsubishi Estate's business areas and Group companies.

Development and administration of the environmental management system

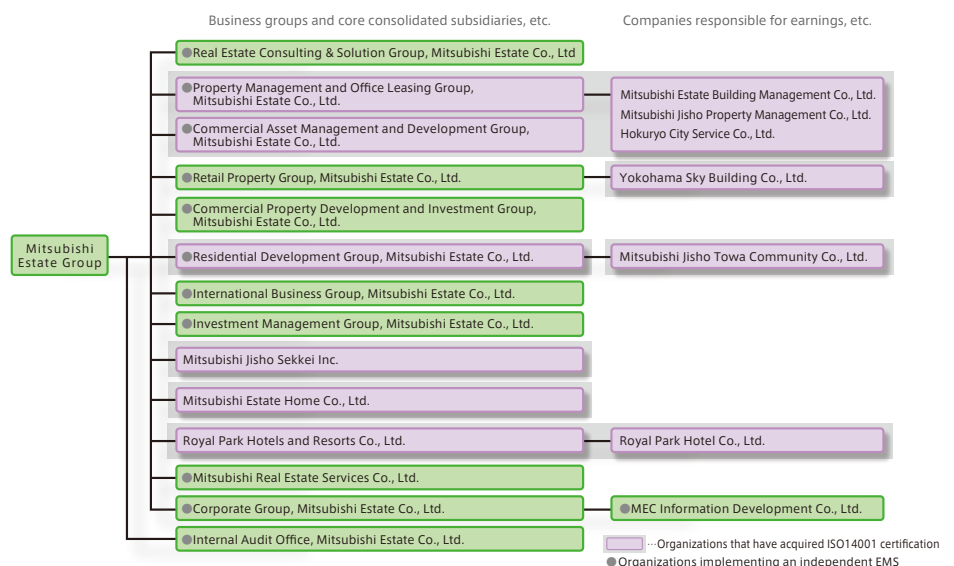
The Mitsubishi Estate Group has acquired ISO14001 certification for organizations with relatively significant environmental impact, and has also developed and is

administering an independent Environmental Management System corresponding to ISO14001 at organizations with relatively small environmental impact

In fiscal 2009, a total of seven organizations were operating an environmental management system certified under ISO14001 standards: Mitsubishi Estate's Property Management and Office Leasing Group and Commercial Asset Management and Development Group (concurrent certification with Mitsubishi Estate Building Management Co., Ltd., Mitsubishi Jisho Property Management Co., Ltd., and Hokuryo City Service Co., Ltd.); its Residential Development Group; Mitsubishi Jisho Sekkei Inc.; Mitsubishi Estate Home Co., Ltd.; Royal Park Hotels and Resorts Co., Ltd. (concurrent certification with Royal Park Hotel Co., Ltd.); Yokohama Sky Building Co., Ltd.; and Mitsubishi Jisho Towa Community Co., Ltd.

The independent EMS, which is primarily intended for office facilities, is used at Mitsubishi Estate Co., Ltd. (office activities), Mitsubishi Real Estate Services Co., Ltd., and MEC Information Development Co., Ltd.

Development and administration of Mitsubishi Estate Group's Environmental Management System (as of March 2010)



Building a Low-Carbon Society

Initiatives in the Building Management Business

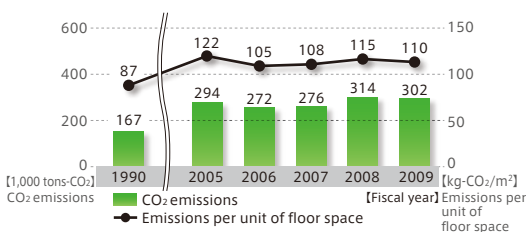
Building management programs to reduce CO₂ emissions

In fiscal 2009, the energy consumption of Mitsubishi Estate's thirty ISO14001-certified buildings stood at 6,396,354 GJ, and CO₂ emissions totaled 301,680 tons-CO₂. Compared to fiscal 2008 results, consumption decreased by 350,860 GJ, and CO₂ emissions decreased by 12,553 tons-CO₂.

In fiscal 2009, Mitsubishi Estate took steps such as setting air conditioners at warmer temperatures in the summer, partially stopping the hot-water supply, turning off some of the lights, and operating air conditioners/heaters more efficiently in ISO-certified buildings. As a result, energy consumption per unit of floor space was reduced from 2.47 GJ/m² in fiscal 2008 to 2.34 GJ/m², and CO₂ emissions per unit of floor space were reduced by 5kg-CO₂/m² to 110kg-CO₂/m².

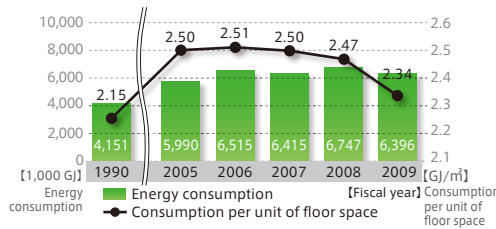
Mitsubishi Estate will continue working to meet its fiscal 2010 target of reducing energy consumption by more than 1.0% from the previous year, as the company strives to combat climate change through energy-saving programs conducted in cooperation with tenants.

CO₂ emissions and CO₂ emissions per unit of floor space from Mitsubishi Estate's ISO14001-certified buildings



* CO₂ emissions are calculated using the emissions coefficients determined for individual electrical power suppliers, reflecting actual status.
 * The number of ISO-certified buildings changes each fiscal year due to renovations and sales/purchases.
 * The data for 1990 includes buildings prior to renovations (such as the former Marunouchi Building).

Energy consumption and energy consumption per unit of floor space in Mitsubishi Estate's ISO14001-certified buildings

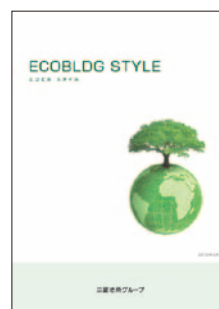


Global warming mitigation measures committees bring together tenants

By type of energy, electricity accounted for about 80% of the energy consumed in Mitsubishi Estate's thirty ISO14001-certified buildings, whereas by application, tenant use accounted for the majority of energy consumption.

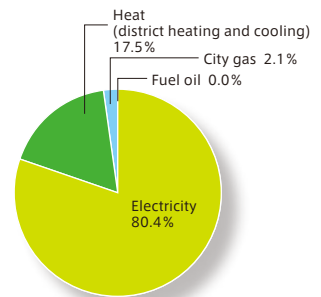
Given this, Mitsubishi Estate established a Global Warming Mitigation Measures Committee in November 2008 at each of its buildings in the Tokyo metropolitan area, including Yokohama, in an effort to work with tenants to reduce energy consumption.

Each committee meets twice a year, once in the spring and again in the fall. The committees distribute a pamphlet on energy conservation entitled ECOBLDG STYLE, provide an overview of revisions to the Tokyo Metropolitan Environmental Conservation Regulations and the Energy Conservation Law, explain

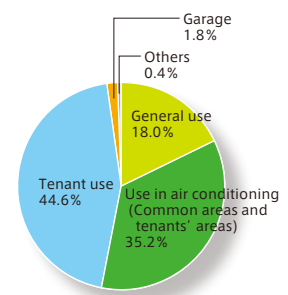


energy conservation programs carried out in buildings and specific reduction targets, and introduce energy conservation initiatives practiced by tenants. At spring meetings held each year prior to the Environmental Action Months (June-September), the committees confer on topics such as waste sorting and energy conservation.

Fiscal 2009 energy consumption by type (for thirty ISO14001-certified buildings)



Fiscal 2009 energy consumption by application (for thirty ISO14001-certified buildings)



Initiatives in the Building Management Business

Improving energy efficiency by using district heating and cooling systems

Marunouchi Heat Supply Co., Ltd., a district heating and cooling provider, has established an internal committee to consider environmental measures, and is proactively working to improve the environmental functions of its facilities to reduce CO₂ emissions and conserve energy.

In April 2009, the company completed two new plants in accordance with the redevelopment and renovation plan for the Otemachi, Marunouchi and Yurakucho district. The Otemachi

Conference Center Subplant will supply cold water and the Marunouchi 2-chome Center will serve as the main plant.

These two plants use highly efficient heat source equipment, such as inverter cooling equipment, and also utilize a flexible control system to accommodate varied load conditions. This enables effective energy use and reduces CO₂ emissions. Progress has also been made in building a system linked to neighboring districts with the aim of ensuring efficient energy use between districts and a stable supply of hot water. Marunouchi Heat Supply strives to run the plants effectively and use energy effectively.

The company is moving ahead to establish highly efficient new plants and renovate existing plants, with the goals of improving energy efficiency in the Otemachi, Marunouchi and Yurakucho district by 30% over 2007 levels by 2025 and reducing per-unit CO₂ emissions over that same period by 30%.



Marunouchi 2-chome Center

Initiatives in the Custom-Built Housing Business

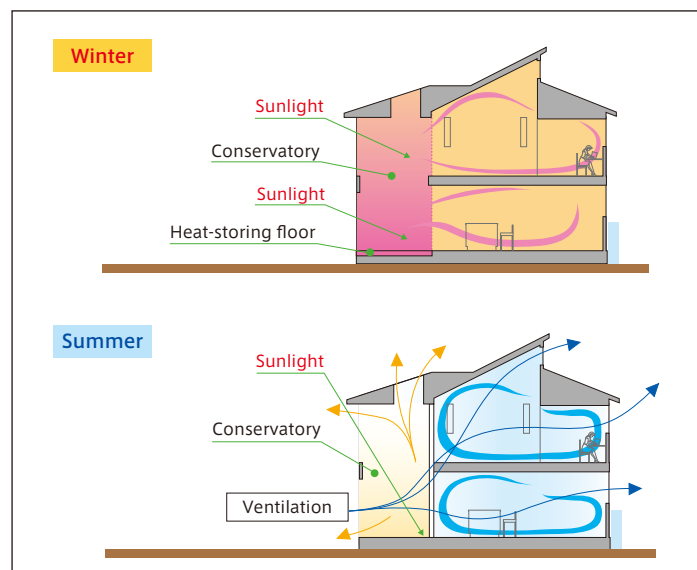
Using Aerotech and solar power to achieve zero-energy homes

Mitsubishi Estate Home's new Eco Life home Everie, introduced in 2009, has succeeded in reducing energy consumption by about 40% compared to conventional energy-saving homes by using cutting-edge technology such as super-insulation, super-airtight functions and the central air system Aerotech, and by adopting a passive design utilizing natural energy.

With Aerotech, a single unit is installed to give residents 24-hour control over ventilation, cooling and heating for the entire house. Not only does Aerotech offer comfortable temperatures throughout the year, but the temperature can be controlled in each room so that energy is not wasted.

Going forward, Mitsubishi Estate Home is working ultimately to develop an actual zero-energy home feasible for widespread construction by further raising the efficiency of Aerotech and installing

approximately 24 solar panels. In addition, the company is considering energy-saving materials such as functional window sashes and external blinds.



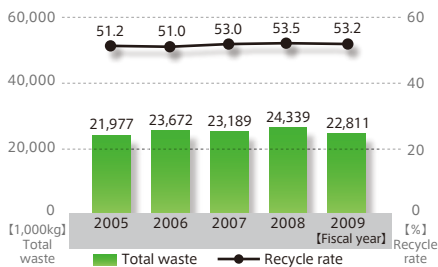
Making the most of natural energy

Creating a Sound Material-Cycle Society

Recycling waste generated by buildings

Mitsubishi Estate strives to improve the waste recycling rate in the buildings it manages and operates. Efforts include raising tenants' awareness of the need to sort waste thoroughly, as well as recycling kitchen waste from some buildings as livestock food and fertilizer.

■ Total waste and recycle rates for Mitsubishi Estate's ISO-certified buildings



■ Total waste by type and primary recycling end-points at Mitsubishi Estate's ISO-certified buildings

Type	FY	Amount [kg]	Change from previous year [kg]	Primary recycled end products
Paper suitable for reuse	2008	10,061,778	▲709,990	Recycled paper
	2009	9,351,788		
Bottles and cans	2008	1,465,271	▲160,185	Glass, metal
	2009	1,305,086		
Fluorescent lights	2008	24,812	▲2,416	Glass, aluminum
	2009	22,396		
Polystyrene foam	2008	38,646	▲334	Processed plastic products
	2009	38,312		
PET bottles	2008	477,179	8,768	Processed plastic products
	2009	485,947		
Recyclable kitchen waste	2008	959,911	▲23,065	Organic fertilizers and animal feed
	2009	936,846		
Non-recyclable kitchen waste and scraps*	2008	10,657,830	▲590,482	
	2009	10,067,348		
Industrial waste†	2008	653,263	▲49,708	
	2009	603,555		
Total	2008	24,338,689	▲1,577,412	
	2009	22,811,277		

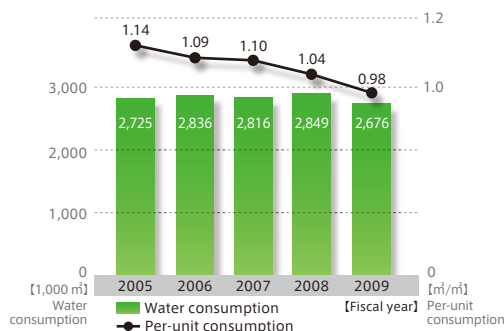
1. Non-recyclable kitchen waste and scraps includes paper and lunch boxes that are not suitable for reuse and are ultimately incinerated.
2. Industrial waste includes plastic products, metal scraps, ceramics and vinyl materials that are ultimately buried in landfill.

* Number of buildings included in scope of data differs by year due to rebuilding, sale and purchase.

Buildings' effective consumption of water resources

Mitsubishi Estate is working to curb water consumption at its buildings by taking measures to streamline water consumption such as adjusting the amount of water used in toilets and hot-water service rooms. Water consumption totaled 2,675,572 m³ in Mitsubishi Estate's ISO14001-certified buildings, down 6.1% compared to fiscal 2008, and water consumption per unit of floor space was 0.98 m³/m², down 0.06 m³/m². Building on this achievement, the company is working to meet its fiscal 2010 target of reducing water consumption in every building by more than 1.0% from the previous year. The company is also effectively using wastewater by purifying and reusing cooling tower blow water and kitchen wastewater as toilet flush water. As of March 2010, the Marunouchi Building, Mitsubishi UFJ Trust and Banking Building, Marunouchi Kitaguchi Building, Tokyo Building, Shin-Marunouchi Building, Landmark Tower Yokohama, Hibiya Kokusai Building, Shin-Aoyama Building, and Akasaka Park Building all reuse waste water, a total of about 455,211 m³ per year, thus helping to conserve water resources.

■ Water consumption and water consumption per unit of floor space (1,000 m³) in Mitsubishi Estate's ISO-certified buildings



Fostering Harmony between Nature and Human Society

Nature Info Plaza Marunouchi Saezurikan

This information center, located on the first floor of the Shin-Yurakucho Building (Chiyoda Ward, Tokyo), is operated by Mitsubishi Estate as part of its efforts to contribute to society. The facility is open to everyone as a place to enjoy, learn about and think about nature, and educates and provides information on the natural environment through exhibits planned under various themes, as well as seminars and workshops, in affiliation with environmental NPOs and NGOs. Field events held in the Marunouchi area attract many participants.

Voice

Staff views on the Nature Info Plaza Marunouchi Saezurikan

Many first-time visitors are initially surprised that the Nature Info Plaza even exists in the middle of the city, and are then struck by the rich natural life in the Marunouchi area. Since people of all ages and occupations use the Plaza for their own objectives as a place to learn, relax and share information, every day is different for us. We do not just give our visitors information in response to their questions, but try to help deepen their interest in the natural environment by exploring and thinking together. As we turn our eyes to the nature so close by, we realize that our lives are connected to the creatures living in the city. Then our boundaries expand further and a new curiosity is born. We think that the appeal of the Plaza is that it gives visitors new knowledge whenever they visit.



Osamu Furusawa (left) / Fumiko Fukasu (right)
CSR Department, Mitsubishi Estate Co., Ltd.

Reducing Environmental Impact

Acquiring certification of environmental functionality in U.S. and U.K.

In the U.S., the Rockefeller Group, a Mitsubishi Estate subsidiary with headquarters in the U.S., began seeking LEED¹ certification for all buildings developed by the Group in 2008. The Group earned certification for its buildings in Arizona and Georgia. The Group is also working to earn certification for its existing buildings, and earned LEED certification for its McGraw-Hill Building in New York. The Group is also working to improve its Energy Star rating (an energy conservation program) for the Time-Life Building, another New York property.

In the U.K., Mitsubishi Estate is proactively working to obtain BREEAM² certification for its new buildings. Central St Giles earned an "Excellent" rating, which was the highest ranking at the time of application.



The McGraw-Hill Building Central St Giles

1 Leadership in Energy & Environmental Design (LEED) is the U.S. Green Building Council's system for evaluating environmentally sustainable construction.

2 Building Research Establishment Environment Assessment Method (BREEAM) is a system for evaluating environmentally sustainable construction that was established by the Building Research Establishment (BRE) in the U.K.

Eco-friendly proposals by the Architectural Design and Engineering Business

Mitsubishi Jisho Sekkei Inc., which is responsible for design and project supervision, proactively addresses environmental issues in the belief that the environmental impact generated by a building during its lifecycle can be reduced effectively at the design stage. The firm's ISO14001 environmental management system even clearly commits it to make environmental technology proposals to clients.

The Midori Anzen headquarters building, commissioned by Midori Anzen Co., Ltd., and completed in March 2009, is one example of a project for which Mitsubishi Jisho Sekkei proposed environmental technology. An energy-saving air conditioning system using "breeze passes" was proposed, making this a comfortable building that contributes to a more sustainable society and improved environmental conservation.



Midori Anzen Co., Ltd., headquarters building (Shibuya Ward, Tokyo)

Increasing Employees' Ecological Awareness

Holding environmental campaigns for employees

Mitsubishi Estate has held environmental campaigns every year since fiscal 2000 to raise employees' environmental awareness, and holds events such as lectures by influential experts as well as panel exhibitions. Hiroki Hiramatsu, CEO of CSR Design & Landscape Co., Ltd., was invited to give a talk in June 2009, Japan's national Environment Month. Many employees from Mitsubishi Estate and its Group companies listened to his lecture, entitled "Raising Awareness of Green Buildings in the U.S." In the lecture, Mr. Hiramatsu explained the growing awareness of green buildings in the U.S. and the LEED certification system, teaching



the audience about measures designed to raise global competitiveness.

Environmental campaign lecture

CSR Lectures held

Mitsubishi Estate holds a CSR Lecture every year in October, which is CSR Promotion Month, for managers and executives including those at Group companies. The lecture topic is chosen from a wide range of CSR genres in accordance with social conditions in that particular year. In fiscal 2009, Naoki Adachi, CEO of Response Ability, Inc., gave a talk on biodiversity for the real estate industry.



CSR lecture