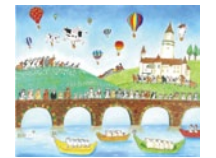




Mitsubishi Estate Group

CSR Report

2012



A Love for People
A Love for the City



Editorial Policy

The Mitsubishi Estate Group began publishing its *Environmental Report* in fiscal 2000 to provide an overview of its environmental initiatives. Beginning in fiscal 2005, the Group expanded the coverage of the report to include corporate social responsibility and began calling it the *CSR Report*.

Scope

The organizations covered in this report are Mitsubishi Estate and the 44 Group companies listed below.

Business Group	Company Name	Business Segment
Property Management and Office Leasing	Mitsubishi Estate Building Management Co., Ltd.	
	Mitsubishi Jisho Property Management Co., Ltd.	
	Hokuryo City Service Co., Ltd.	
	Yuden Building Kanri Co., Ltd.	
	Grand Parking Center Co., Ltd.	
Commercial Asset Management and Development	Tokyo Garage Co., Ltd.	Building Business
	Marunouchi Heat Supply Co., Ltd.	
	Sunshine City Corporation	
	Sunshine BS Corporation	
	Sunshine Enterprise Corporation	
	Ikebukuro District Heating and Cooling Co., Ltd.	
Retail Property	Tokyo Kotsu Kaikan Co., Ltd.	
	Marunouchi Direct Access Limited	
	Mitsubishi Jisho Retail Property Management Co., Ltd.	
	Yokohama Sky Building Co., Ltd.	
	Yokohama Swimming Center Co., Ltd.	
Residential Development	IMS Co., Ltd.	Residential Business
	Chelsea Japan Co., Ltd.	
	Izumi Park Town Service Co., Ltd.	
	Mitsubishi Jisho Community Co., Ltd.	
	MT Community Staff Co., Ltd.	
	Ryoei Life Service Co., Ltd.	
	Higashininhon Kaihatsu Co., Ltd.	
	MEC Urban Resort Tohoku Co., Ltd.	
	Mitsubishi Estate Home Co., Ltd.	
	Mitsubishi Estate Housing Components Co., Ltd.	
Mitsubishi Jisho Residence Co., Ltd.		
Investment Management	Towa Nasu Resort Co.	Investment Management
	MEC eco LIFE Co., Ltd.	
Architectural Design and Engineering	Mitsubishi Jisho Investment Advisors, Inc.	Architectural Design
	Japan Real Estate Asset Management Co., Ltd.	
Hotel Business	Mitsubishi Jisho Sekkei Inc.	Hotel Business
	MEC Design International Corporation	
	Royal Park Hotels and Resorts Co., Ltd.	
	Yokohama Royal Park Hotel Co., Ltd.	
	Tohoku Royal Park Hotel Co., Ltd.	
	Royal Park Shiodome Tower Co., Ltd.	
Real Estate Services	Royal Park Hotel Co., Ltd.	Real Estate Services
	Royal Park Hotel Management Co., Ltd.	
Corporate Group	Mitsubishi Real Estate Services Co., Ltd.	Other
	Mitsubishi Jisho House Net Co., Ltd.	
	MEC Information Development Co., Ltd.	
	Keiyo Tochi Kaihatsu Co., Ltd.	
	MEC Human Resources, Inc.	

In addition, the report covers some initiatives of the Rockefeller Group, a U.S.-based subsidiary, and MEC UK Limited, a UK-based subsidiary.

Environmental performance data* primarily covers the following organizations, which are among those that have acquired ISO 14001 certification.

- Property Management and Office Leasing Group and Commercial Asset Management and Development Group of Mitsubishi Estate Co., Ltd.
- Mitsubishi Jisho Community Co., Ltd.
- Mitsubishi Estate Home Co., Ltd.
- Mitsubishi Jisho Sekkei Inc.
- Royal Park Hotels and Resorts Co., Ltd.
- Royal Park Hotel Co., Ltd.

* Information and indicators of the environmental impact of business operations and environmental initiatives

Period

This report covers fiscal 2011 (April 1, 2011 to March 31, 2012), but also includes information pertaining to other fiscal years.

Reference guidelines

- *Sustainability Reporting Guidelines 2006*, Global Reporting Initiative (GRI)
- *Environmental Reporting Guidelines* (2012 edition), Ministry of the Environment, Japan

Please see pages 39–42 for the GRI Content Index.

Publication date: December 22, 2012

Next issue:

The next issue is scheduled for publication in December 2013.

Production overseen by:

CSR & Environmental Sustainability Department
Mitsubishi Estate Co., Ltd.
Otemachi Building, 6-1 Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8133 Japan
Tel: +81-3-3287-5780 Fax: +81-3-3211-5658

Contents

Editorial Policy / Contents	3
Message from the President	4
CSR Concept	6

Special Features

1 Working to Make Cities Even More Safe and Secure

Creating Eminently Livable Communities with Resiliency against Natural Disasters	8
--	---

2 Proposing Solutions That Offer Dreams and Inspiration

Comfortable Spaces and Services That Are Easy on People and the Environment	14
---	----



I nteracting with Local Communities and the Broader Society

Highlight: "Experience Nature" Project Brings Together Urban and Rural Communities	18
Basic Policy and Performance Highlights	20
Harmony with the Local Community	20
Support for Culture and the Arts	20
Environmental Conservation	21
Social Welfare	21

C ommitted to Environmental Sustainability

Basic Policy and Performance Highlights	22
Building a Low-Carbon Society	24
Creating a Sound Material-Cycle Society	25
Fostering Harmony between Nature and Human Society	26
Reducing Environmental Impact	27
Increasing Ecological Awareness	27

E ngaging Clients

Communicating with Clients	28
Safe and Secure Urban Development	29
Information for Everyone	30

C ooperating with Business Partners

S erving Shareholders and Investors

W orking Together with Employees

Initiatives in Human Resource Development	33
Creating a Vibrant Workplace	33
Building Workplaces Where Human Rights and Employee Diversity Are Respected	33
Supportive Workplaces for Employees	34

C orporate Governance

C ompliance

Opinions by the External Advisors on the CSR Committee	38
GRI Content Index	39



Finding business success by working with stakeholders to provide unique social value

Hirotaka Sugiyama

Hirotaka Sugiyama
President & CEO
Mitsubishi Estate Co., Ltd.

Leading in environmental concern, with an emphasis on sustainable development

The Mitsubishi Estate Group is engaged in a wide range of businesses, including the building business, the residential business, architectural design and engineering, the hotel business and real estate services. We believe that putting sustainable development into practice is the key to our growth in all of these areas.

This is why we were so committed to ensuring that the Marunouchi Redevelopment Project, launched in 1998, was eco-friendly in every respect. The concept of “eco-conscious” is an integral part of the Mitsubishi Estate Group Vision: BREAKTHROUGH 2020, our long-term vision for fiscal 2011 and beyond. We have also announced the Mitsubishi Estate Long-term Environmental Vision, the road map under which we will pursue cutting-edge initiatives in areas such as renewable energy use and research on environmental symbiosis technology. It is our public statement that we will seek to become an environmental leader in every field where we do business.

Our Kayabacho Project (tentative name) is a good example of our approach. Launched in 2012, this building construction project is incorporating practical applications of the technologies we developed in a prototype future office where we experimented with the ideal balance between energy conservation and comfort. We will solicit tenant input and use the results to provide feedback for the design of up-and-coming, large-scale buildings, aiming to set the standard for the office buildings of the future. In our residential business, we also proactively utilize solar power and solar hot water systems in condominiums and promote zero-energy homes in our custom-built homes.

We are also looking ahead to the next five or ten years, considering ways to further enhance the efficiency and self-sufficiency of district integrated energy use. All of these steps are designed to achieve our goal of making the Otemachi, Marunouchi and Yurakucho district one of the world’s leading “urban smart cities.”

Growing with our stakeholders by building safe, secure communities with superior appeal

At Mitsubishi Estate, we recognize that companies today are responsible to society for more than compliance and governance initiatives. We believe that our responsibility extends to creating value and fostering growth by providing platforms for customers and other local stakeholders to work together with our firm to address social challenges.

Since the devastating Great East Japan Earthquake and Tsunami, we have taken a variety of new steps to enhance the safety and security of communities and people’s individual lifestyles. We reinforced our business continuity plan (BCP) and are also working closely with local administrators and businesses in Marunouchi to revise the City-planning Guidelines to incorporate community disaster prevention and environmental measures and draft the new Business Continuity District (BCD) Plan for Otemachi, Marunouchi and Yurakucho.

As part of the Marunouchi Redevelopment Project, since fiscal 2001 we have been expanding on our Marunouchi Brand Strategy, which aims to transform the area into the most vibrant and interactive urban community in the world. Beginning in 2012, we will further augment its functions as a business center and spur its adaptation of globalization. We have already

been operating centers for new business incubation and the development of next-generation human resources, and have welcomed childcare providers to set up childcare facilities in office buildings. We have also invited in a general tourist information center for foreign travelers and are now working to set up a medical clinic for non-Japanese-speakers, as well as a new financial education and interaction center. Initiatives like these demonstrate our determination to facilitate new forms of interaction in the community and create diverse value suited to the changing times.

We believe that these initiatives will attract foreign companies and talented people, enhance Tokyo's stature in the competition among the world's top cities, and add new energy to Japan's economy. We see our mission as leading the way in urban planning that delivers superior social value in all of our businesses, while working together with customers and local stakeholders to envision the cities of the future and ensure mutual growth.

Giving back to society as only a leading community-building company can, by bringing stakeholders together

Our efforts designed specifically to give back to society are also motivated by the goal of growing continuously, together with our stakeholders.

Our "Experience Nature" project has brought urban and rural communities together since 2008. Based in Hokuto City in Yamanashi Prefecture, we work closely on the project with the NPO Egao Tsunagete (which means "connecting smiles" in Japanese). Since the beginning, we sought to make this project an integral part of the value chain in all of our businesses by inviting employees from all of our business units to participate. One example of this integration is the use of timber grown in Yamanashi Prefecture in our custom-built homes and the use of fresh foods grown there in several Marunouchi restaurants. Our experience with this approach informed the new Rebirth Tohoku Food Project, which aspires to revitalize the "Tohoku brand" by utilizing foods from the Tohoku region—which was devastated by the earthquake in 2011—in Marunouchi restaurants to support disaster recovery in the region. I am confident that CSR initiatives like these, so closely integrated with our core businesses, will continue to make a difference for years to come.

Recently, leading business thinkers have been advocating for creating shared value (CSV) that can benefit a wide range of stakeholders, and I am certain that our social contribution activities are already moving in this direction.

Broad employee participation in these activities will lead to the development of new initiatives unique to Mitsubishi Estate, creating ties among people and among companies and supporting the kind of long-term social contributions that can only be realized by a leading community-building company.

Leveraging Group strengths to foster employees and pursue our mission

Both our business efforts to develop appealing urban communities with superior safety, security, and environmental performance and our activities designed specifically to give back to society depend upon the ability of individual employees to see things like stakeholders do, identify their wishes and intentions, and consider what value is required and how it can be provided. Our corporate brand slogan, "A Love for People, A Love for the City," summarizes this approach. To make it a reality, we are making the most of the wide-ranging expertise of the Group's value chain "As One Team," frequently collaborating across individual companies and business groups.

In fiscal 2011, the Mitsubishi Estate Group launched the Hito-Machi Award (literally, "People and the City Award") to recognize Group employees' teamwork in devising small, everyday techniques and taking on new challenges. This award is intended to help employees demonstrate what it means to have "a love for people" and "a love for the city." There were 480 entries for this award Group-wide, showing an energy that represents major potential in creating the diverse value that communities need. I see this awards program as one driving force for building a sense of unity. It helps us to share best practices across the Group, and will spur on the efforts of Group companies to become No. 1 in their respective businesses.

The respect for human rights and diverse values and cultures enshrined in the Mitsubishi Estate Group Code of Conduct and the Mitsubishi Estate Group Guidelines for Conduct have become ever more relevant. We will continue to hold training programs and lectures on human rights, follow equitable hiring and job assignment practices, facilitate the career advancement of all employees regardless of gender, and proactively hire people with disabilities.

I see my most critical role as ensuring that employees can take a leading role in our initiatives "As One Team" to achieve growth together with our stakeholders. As we continue to actively support everyone working with the Mitsubishi Estate Group, I believe we will surely fulfill our basic mission to contribute to the creation of a truly meaningful society by building attractive, environmentally sound communities where people can live, work and relax with contentment.