

Committed to Environmental Sustainability

Environmental commitment is written specifically into the Mitsubishi Estate Group's mission statement. The Mitsubishi Estate Group Long-term Environmental Vision further dedicates the company to reducing the environmental impact of its business. Mitsubishi Estate aims to lead the way in sustainable urban development.

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 resources 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 2011 and January 2012 to discuss the status of various organizations' environmental initiatives and environmental objectives.

In addition, an environmental director is appointed at Mitsubishi Estate Co., Ltd. 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.

Mitsubishi Estate Group Long-term Environmental Vision

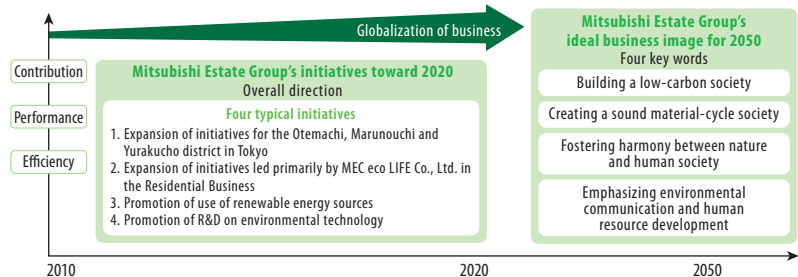
The Mitsubishi Estate Group has established the Mitsubishi Estate Group Long-term Environmental Vision, based on the Mitsubishi Estate Group Basic Environmental Policy, to proactively address environmental issues for the future. This vision clarifies the Group's commitment to actively contribute to society in order to reduce environmental impact.

Mitsubishi Estate Group Long-term Environmental Vision

For the Environmental Sustainability 2050

The Mitsubishi Estate Group's growth strategy is to refine its advanced environmental technology and take up the challenge of creating new value in all of its business activities.

In order to contribute to the realization of a sustainable society through business activities, the Group develops innovative technology and readies it for practical application and dissemination. In addition, the Group proposes the adoption of work-style and lifestyle changes to its customers, and thus it actively takes initiatives with the aim of enhancing environmental technologies in a multifaceted and cumulative manner over the long term.



Mitsubishi Estate Group Green Procurement Guidelines

The Mitsubishi Estate Group established its Green Procurement Guidelines with the aim of promoting the procurement of materials and equipment and the use of construction methods with low environmental impact (green procurement) in order to

help reduce adverse impact on the global environment and build environmentally sound communities.

These guidelines are applicable to all products, services, designs, and construction procured by the Mitsubishi Estate Group. The following items constitute the Group's basic policy for green procurement.

Basic policies under the Mitsubishi Estate Group Green Procurement Guidelines

1. Resource and energy conservation
2. Reduction of environmental pollutants
3. Conservation of biodiversity
4. Long-term usability
5. Recyclability
6. Use of recycled materials and parts
7. Ease of treatment and disposal
8. Curtailment of overall procurement

Environmental slogan and logo

The Mitsubishi Estate Group developed an environmental slogan and logo in March 2011 to strengthen dissemination of information on environmental coexistence and to raise environmental awareness internally and outside the company.

The slogan "For Sustainable Cities, For the Sustainable Earth" reflects the Group's aspirations to build a truly meaningful society by developing areas in an environmentally conscious way, to create new value by offering environmental technology, and to work together with others in the community to achieve these goals.



Mitsubishi Estate environmental slogan and logo

Development and administration of the environmental management system

The Mitsubishi Estate Group has acquired ISO 14001 certification for organizations with relatively significant environmental impact, and has also developed and is administering an independent Environmental Management System corresponding to ISO 14001 at organizations with relatively small environmental impact.

In fiscal 2011, five organizations* from the Mitsubishi Estate Group operated an environmental management system certified under ISO 14001 standards.

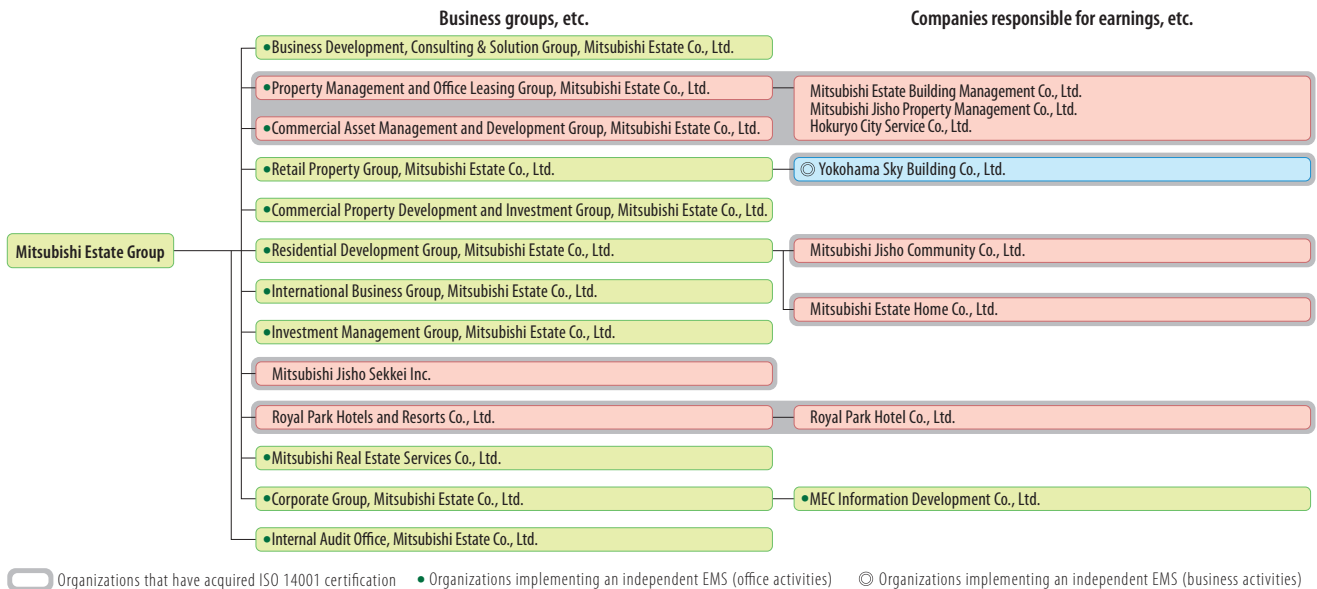
The independent EMS, which is primarily intended for office facilities, is

used at Mitsubishi Estate Co., Ltd. (office activities), Mitsubishi Real Estate Services Co., Ltd., and MEC Information Development Co., Ltd.

* 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.); Mitsubishi Jisho Community Co., Ltd.; Mitsubishi Estate Home Co., Ltd.; Mitsubishi Jisho Sekkei Inc.; Royal Park Hotels and Resorts Co., Ltd. (concurrent certification with Royal Park Hotel Co., Ltd.)

Yokohama Sky Building Co., Ltd. relinquished its ISO certification at the end of April 2011. The company will continue to set environmental objectives and goals for each fiscal year and run and manage its environmental program under its own system in line with the Group's Basic Environmental Policy.

Development and administration of Mitsubishi Estate Group's Environmental Management System (as of end of March 2011)



Building a Low-Carbon Society

Building management programs to reduce CO₂ emissions

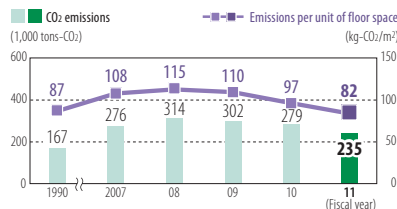
In fiscal 2011, the energy consumption of Mitsubishi Estate's thirty ISO 14001-certified buildings stood at 5,831,016 GJ, and CO₂ emissions totaled 235,176 tons-CO₂. Compared to fiscal 2010 results, consumption decreased by 871,487 GJ, and CO₂ emissions decreased by 43,954 tons-CO₂. This can be primarily attributed to the governmental order in the summer of 2011 to restrict the use of electricity pursuant to Clause 27 of Japan's Electricity Business Act. This has led to a significant decrease in electricity usage through the implementation of various power-saving measures and the cooperation of tenants.

In ISO 14001-certified buildings, the Group took several power-saving measures during the summer months, including reducing the number of fluorescent lights in common areas and requesting that tenants lower the level of illumination in their spaces. In addition, throughout the year the hot water supply is partially shut off and air conditioners/heaters are used more efficiently. As a result, energy use per unit of floor space fell 0.30 GJ/m² to 2.02 GJ/m² in fiscal 2011 compared to fiscal 2010, and CO₂ emissions per unit of floor space fell 15 kg-CO₂/m² to 82 kg-CO₂/m².

Mitsubishi Estate's fiscal 2012 target for reducing energy consumption in each building is the stricter of either a 2.0% reduction compared to fiscal 2010* or the reduction mandated by city regulations such as the Tokyo Metropolitan Ordinance on Environmental Preservation. The company strives to combat climate change through energy-saving programs conducted in cooperation with tenants.

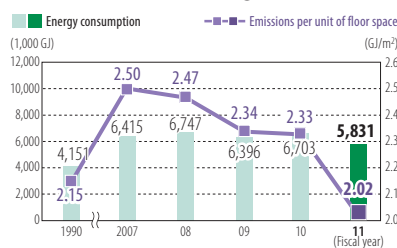
* The target for fiscal 2012 was raised to a 2.0% reduction compared to fiscal 2010, considering the unusual reductions in energy use in fiscal 2011 due to power-saving measures imposed following the earthquake in March 2011.

CO₂ emissions and CO₂ emissions per unit of floor space from Mitsubishi Estate's ISO 14001-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 may change 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 ISO 14001-certified buildings



* The number of ISO-certified buildings changes each fiscal year due to renovations and sales/purchases.

Collaborating with tenants to conserve energy

By type of energy, electricity accounted for about 80% of the energy consumed in Mitsubishi Estate's thirty ISO 14001-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.

This committee met twice in fiscal 2011, once in the spring and again in the fall. Using materials on energy conservation prepared for tenants, the committee explained the progress made in reducing CO₂ emissions in compliance with the Tokyo Metropolitan Ordinance on Environmental Preservation and the Act on the Rational Use of Energy, as well as measures to comply with

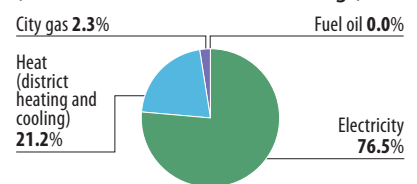
summer power-saving initiatives and their results. The committee will continue these activities, and will also produce and share informational materials about the energy conservation activities carried out in buildings and specific reduction targets, as well as the energy conservation initiatives practiced by tenants.

Moreover, e-Concierge, an Internet-based tenant information service available in certain buildings, was expanded in June 2010 to offer a new service that provides information to individual tenants on their energy use. This effort aims to reduce environmental impact in buildings overall by raising awareness of power and water conservation.

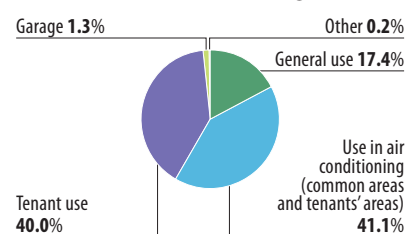


e-Concierge website

Fiscal 2011 energy consumption by type (for 30 ISO 14001-certified buildings)



Fiscal 2011 energy consumption by application (for 30 ISO 14001-certified buildings)

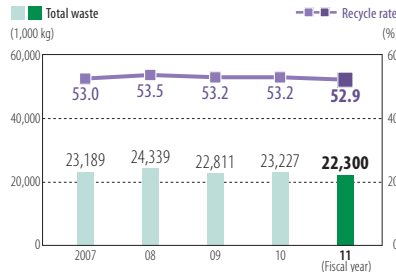


Creating a Sound Material-Cycle Society

Recycling waste generated by buildings

The Mitsubishi Estate Group strives to improve the waste-recycling rate in the buildings it manages and operates. Efforts include calling for tenants' cooperation in sorting waste, 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



* Number of buildings included in scope of data may differ by fiscal year due to renovations and sales/purchases.

Total waste by type and primary recycling end-points at Mitsubishi Estate's ISO-certified buildings¹

| Type | FY | Amount (kg) | Change from previous year (kg) | Primary recycled end-products |
|--|------|-------------|--------------------------------|-------------------------------------|
| Paper suitable for reuse | 2011 | 8,921,448 | -432,520 | Recycled paper |
| | 2010 | 9,353,968 | | |
| Bottles and cans | 2011 | 1,332,981 | -5,593 | Glass, metal |
| | 2010 | 1,338,574 | | |
| Fluorescent lights | 2011 | 18,259 | -2,171 | Glass, aluminum |
| | 2010 | 20,430 | | |
| Polystyrene foam | 2011 | 40,288 | -1,918 | Processed plastic products |
| | 2010 | 42,206 | | |
| PET bottles | 2011 | 553,542 | -53,450 | Processed plastic products |
| | 2010 | 606,992 | | |
| Recyclable kitchen waste | 2011 | 930,181 | -61,272 | Organic fertilizers and animal feed |
| | 2010 | 991,453 | | |
| Non-recyclable kitchen waste and scraps ² | 2011 | 9,689,160 | -349,870 | — |
| | 2010 | 10,039,030 | | |
| Industrial waste ³ | 2011 | 814,305 | -19,670 | — |
| | 2010 | 833,975 | | |
| Total | 2011 | 22,300,164 | -926,464 | — |
| | 2010 | 23,226,628 | | |

1. Number of buildings included in scope of data may differ by fiscal year due to renovations and sales/purchases.

2. Non-recyclable kitchen waste and scraps includes paper and lunch boxes that are not suitable for reuse and are ultimately incinerated.

3. Industrial waste includes plastic products, metal scraps, ceramics and vinyl materials that are ultimately buried in landfill.

Effective consumption of water resources in buildings

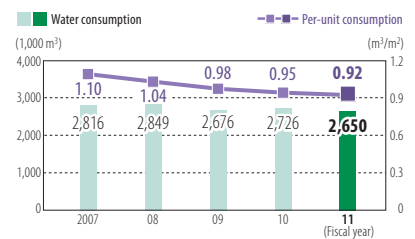
Mitsubishi Estate is working to curb water consumption at its buildings by taking measures to streamline water consumption such as adjusting the amount of water used in toilets and hot-water service rooms. In fiscal 2011, water consumption totaled 2,649,739 m³ in Mitsubishi Estate's ISO 14001-certified buildings, down 3.2% compared to fiscal 2010, and water consumption per unit of floor space was 0.92 m³/m², down 0.03 m³/m². Building on this achievement, the company is working

to meet its fiscal 2012 target of reducing water consumption in every building by more than 1.0% from the previous year.

The company is also effectively using reclaimed water by treating used water such as cooling tower blow water and kitchen wastewater and reusing it as toilet flush water. As of March 2012, 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, Akasaka Park Building, and Marunouchi Park Building all use reclaimed water, a total of about 522,950 m³ in fiscal 2011, thus helping to conserve water resources.

Water consumption and water consumption per unit of floor space (1,000 m³) in Mitsubishi Estate's ISO 14001-certified buildings



* Number of buildings included in scope of data may differ by fiscal year due to renovations and sales/purchases.

PSML receives the Clean City Awards' Platinum Award

Paternoster Square Management Limited (PSML), which manages Paternoster Square in London, was awarded the Platinum Award in the Small Site category at the City of London's Clean City Awards Ceremony in February 2012.

These awards recognize businesses located in London, the financial center of the UK and indeed the world, for a wide range of environmental programs, particularly waste reduction initiatives. Out of 1,600 entries overall in 2012, the Platinum Award was given to eight companies in the Small Site category. PSML also received the Platinum Award in 2010. This year the judges were particularly impressed by the efforts of Broadgate Estates, the property management company that looks after Paternoster Square, to involve tenants in its programs and keep the areas around retail units clean.



Clean City Award presentation ceremony

Fostering Harmony between Nature and Human Society

Encouraging use of Japan-grown timber—Sustainable 2×4 homes and acquisition of FSC-CoC Certification

Mitsubishi Estate Home Co., Ltd. is a custom-built housing company that makes comprehensive proposals to encourage the use of Japan-grown timber by proactively utilizing wood from thinned, small-diameter trees in 2×4 framed homes, which account for about 20% of all wood-built homes in Japan. This is intended to expand the base for the use of Japan-grown timber in the field of wood-built homes overall and enables the company to supply high-quality, long-life 2×4 framed homes that can be used cyclically over the long term. Japan-grown timber is used for about 50% of the structural materials of these homes, more than any other company in the 2×4 framed housing industry.

Moreover, the company is pursuing links with the “Experience Nature” project (see pages 18–19), an initiative implemented by the Mitsubishi Estate Group in Hokuto City in Yamanashi Prefecture, to promote use and application of timber grown in that prefecture. Beginning in August 2011, Japan-grown I-joists and LVL (laminated veneer lumber) material* made from larch trees were adopted. Lumber from larch trees will also be used in structural plywood in the future to boost the utilization rate even higher.

Mitsubishi Estate Housing Components Co., Ltd., which manufactures, processes and sells building materials, promotes the use of Japan-grown timber in the structural components of detached houses. This will lead to the appropriate and effective use of Japan’s forest resources, which absorb CO₂. When procuring Japan-grown timber, the company not

only makes sure that the timber has been legally harvested, but also uses timber that has been certified as having been grown in a forest planted according to a sustainable plan. In August 2010, the company obtained the Forest Stewardship Council’s chain of custody (CoC) certification, an international standard that sets certified products apart from others in the processing and distribution stages.

* Both materials are used in major structural components such as the beams and floor framing of wood-built homes.



Japan-grown I-joist and LVL newly adopted

Reducing Environmental Impact

Programs to earn DBJ Green Building Certification

In April 2011, the Development Bank of Japan (DBJ) established the DBJ Green Building Certification program for real estate properties developed with environmental awareness. Mitsubishi Estate looked into applying for certification for the buildings developed and owned by its Commercial Property Development and Investment Group, and its Kojimachi Front Building has now earned Gold-level certification as a property “with exceptionally high environmental and social awareness.”

DBJ assesses buildings with impressive environment and social awareness using its own comprehensive scoring model, which evaluates buildings in terms of ecology, risk management, community, and partnership with tenants. The buildings are then evaluated using a four-stage ranking system (platinum, gold, silver and bronze). DBJ was particularly impressed with several features of the Kojimachi Front Building: its CEC/L reduction rate,* which exceeded 50% thanks to the use of LED lighting; efforts to reduce the air conditioning

load by introducing a system that effectively regulates ventilation according to CO₂ density within the room as well as windows that can be opened and closed; and an approximately 30% reduction in the Perimeter Annual Load (PAL), an indicator of a building’s thermal insulation performance, by configuring apertures based on direction and using low-e double-glazed glass, which helps to preserve a room’s warmth.

With today’s growing expectations and interest in eco-friendly buildings, Mitsubishi Estate will continue to proactively present these appealing features to its stakeholder tenants and investors.

* Coefficient of energy consumption for lighting (CEC/L) is an indicator of the efficiency of energy used by lighting facilities.

Acquiring environmental certification in the U.S.

The Rockefeller Group, a Mitsubishi Estate subsidiary with headquarters in the U.S., seeks to obtain LEED* certification for all newly developed buildings.

As part of these efforts, the Rockefeller Group is working to earn Platinum status (the highest rank) LEED certification for BASF’s North American

headquarters building, located in Florham Park, New Jersey. The Group is also building a logistics facility for the major food products company General Mills in Fort Wayne, Indiana aiming to achieve Gold status. When complete, it will be the largest facility in the U.S. with Gold certification, surpassing the General Mills logistics facility in Georgia, which the Group also developed. Two buildings in Washington, D.C. also earned Gold status LEED in 2011 (1101 K Street and 1100 First Street). The Group is also working to earn certification on its existing property holdings, and has earned Silver status LEED certification for the Time-Life Building in New York City.

* Leadership in Energy and Environmental Design (LEED), a green building certification system developed by the U.S. Green Building Council that is awarded in the four levels of certified, silver, gold and platinum.



BASF North American headquarters building

Increasing Ecological Awareness

New environmental information newsletter: “For Sustainable Cities, For the Sustainable Earth”

The Mitsubishi Estate Group began issuing an in-house environmental information newsletter called “For Sustainable Cities, For the Sustainable Earth” twice a year in fiscal 2011 (the first issue was published on October 14, 2011). This newsletter brings together a wide range of information on the environment, including the Group’s environmental projects and internal environmental conservation activities,

and shares this information within the Group to raise environmental awareness and promote initiatives.

The Group plans to continue issuing this newsletter to give readers a better sense of environmental problems and consolidate information on achievements that provide hints for future programs and boost awareness.



Environmental information newsletter, “For Sustainable Cities, For the Sustainable Earth”