



Urban Development Together with Society

Safe and secure community development through both physical and social infrastructure advancement together with the local community

Basic Concept and Approach

The Mitsubishi Estate Group's urban development focuses on both physical and social infrastructure, in order to create communities where people can live, work, and relax in safety and security, as well as places conducive to raising children where the elderly can also live comfortably.

Management System

The Group is engaged in a range of businesses that are relevant to community development. In each of these business sectors, the company's departments and Group companies promote dialogue with local communities and various stakeholders. In this process, they seek to incorporate into their businesses initiatives that enable the Group to help solve social issues and ensure it coexists harmoniously with local communities. The CSR Committee and CSR & Environmental Sustainability Subcommittee, which discuss CSR issues overall, each meet twice a year to discuss and share information on each organization's initiatives to promote community development together with local communities.

* Please refer to pages 10-11 for information on objectives and key performance indicators (KPI).

Urban Development Enabling People to Live, Work and Relax—Safely and Securely

Holding Disaster Response Drills in Private-Public Collaboration

Every September, Mitsubishi Estate holds comprehensive emergency drills with the participation of all of its executives and employees and many others from Group companies and other parties. This tradition dates back to 1923, when the Great Kanto Earthquake struck Tokyo and the Estate Department of Mitsubishi Goshi Kaisha, the precursor of Mitsubishi Estate, provided emergency aid, primarily from the former Marunouchi Building, which had been completed that year. Building on this experience, disaster response drills have been held regularly since 1926.

In 2016, the 90th drill was carried out on September 1. Carried out in the neighborhood of Marunouchi, where the Group owns about 30 buildings, the drill assumed a scenario in which Marunouchi had been affected by an earthquake similar in magnitude to the Great East Japan Earthquake. With the invocation of the Anti-Disaster System, all employees took on their pre-planned roles as disaster response staff and practiced initial response, safety verification, information compilation and equipment operations.

This fiscal year, the drill focused on augmenting the aid to injured people and stranded commuters. Mitsubishi Estate carried out training in the emergency healthcare collaboration with Chiyoda Medical Association and St. Luke's MediLocus; training on emergency safety checks of buildings, which integrates the Group's technical expertise; and training on sanitation improvement operations by opening up the Otemachi Onsen hot spring facility for use by disaster response personnel.

In 2012 the company formed an agreement with Chiyoda Ward to receive stranded commuters in the event of a large-scale disaster. Under this agreement, 15 buildings owned by Mitsubishi Estate are designated to serve as temporary shelters to take in stranded commuters (as of September 1, 2016). In 2016, fire-fighting training was also carried out in collaboration with the local fire department and local firefighters at the Marunouchi Park Building, one of the 15 buildings covered by this agreement.

A disaster response drill was also carried out on January 12, 2017 at the Grand Front Osaka building in Osaka's Kita Ward, which the company operates. This drill focused on aid to injured and stranded commuters.

In the Marunouchi district in particular, we will work with the local fire department as well as our buildings' corporate tenants to keep enhancing the safety and security of the community, by ensuring there are adequate systems in place for emergencies.

KPI

Deepen disaster prevention measures through a system for healthcare collaboration in the event of a disaster and use of neighborhood disaster prevention groups



Medical operation training at St. Luke's MediLocus



Handling the injured in the North Building of Grand Front Osaka



Fire-fighting training at Marunouchi Park Building

Number of buildings that are to take in stranded commuters¹ or serve as tsunami evacuation sites² under agreements with local government authorities

KPI

20 sites

1. 18 sites in Tokyo
2. 2 sites in Osaka

Mitsubishi Estate's *Framework of Anti-Disaster Measures* and Anti-Disaster System

Mitsubishi Estate prepared its own *Framework of Anti-Disaster Measures* in 1981 to ensure that necessary measures are taken to protect human life and infrastructure in the event of a natural disaster or other emergency and to take appropriate and prompt recovery measures. The manual covers a wide range of measures in a detailed manner, including standard precautionary measures, assignment of responsibilities, plans for drills, plans for emergency measures in the event of a disaster and recovery measures. The Anti-Disaster System is put into action when a large-scale disaster occurs or is expected to occur. The Disaster Management Headquarters is established and all employees then become first-responders as disaster response staff engaging in various operations.



Building an Advanced Disaster-Resistant City with the Development of Otemachi Financial City Grand Cube

The Otemachi Financial City Grand Cube, an ultra-high-rise building with 31 floors above ground and four floors below ground in Marunouchi, Tokyo, was completed on April 1, 2016.

This building is unique because it was designed with advanced disaster preparedness functions that took into account the lessons learned in the Great East Japan Earthquake, which took place during the planning stage for its development. All conceivable flood damage measures were taken, such as installing flood barrier panels and water-tight doors and locating a stockpile warehouse and important offices on above-ground floors. Mitsubishi Estate has employed a full range of inventive methods in its quest to build an advanced disaster-resistant city. An urban water purification system was installed, which is a first for a private company, and a system that allows electricity, water and ventilation to function independently in the event that infrastructure stops operating in a disaster has also been installed. Having learned from heightened demand for bathing in the regions affected by the Great East Japan Earthquake, Mitsubishi Estate dug out hot springs from 1,500 meters below ground and opened a bathing facility. This facility

will be made available for use by disaster relief personnel in emergencies. The company has also developed collaborative systems, such as an affiliation with St. Luke's MediLocus, an international medical facility.

One year after opening, Grand Cube was designated a disaster response base by the Council for Area Development and Management of Otemachi, Marunouchi, and Yurakucho, and it will take an important role in improving disaster resilience for the area overall.



Purification facility for sewage



Exterior of Otemachi Financial City Grand Cube

Operating the Mitsubishi Ichigokan Museum, Tokyo

Mitsubishi Estate runs the Mitsubishi Ichigokan Museum in the Marunouchi area of Tokyo. This museum, which presents three different exhibitions each year focusing on modern art dating from the 1850s to the 1950s, is housed in a solid red brick building constructed in 1894 by Mitsubishi as the first Western-style office building. It was designed by the English architect Josiah Conder at the invitation of the Japanese government. Some of the building's original architectural components from the time it was constructed, such as the handrails for the staircases, have been reused in the interior.



Exterior of Mitsubishi Ichigokan Museum



Former bank lobby, which became Café1894

Number of visitors to Mitsubishi Ichigokan Museum (annual)



213,017
(fiscal 2016)

Empathy Week held at Mitsubishi Ichigokan Museum

The Mitsubishi Ichigokan Museum, operated by Mitsubishi Estate, aims to create an environment in which people with disabilities can appreciate art in comfort. The week of December 4–10, 2016, which includes Human Rights Day, was designated “Empathy Week,” when people with a disability certificate and one attendant were given free entry to the museum. During this week, 334 people (an average of 55.6 per day) presented their disability certificates in lieu of admission and enjoyed the museum. This was about 4.5 times higher than the number that usually uses that discount for people with disabilities.

During this week, eight Group employees volunteered to distribute pamphlets to encourage visitors to allow each other to view the art comfortably. They also provided support for people using wheelchairs and canes. This also offered a good opportunity for museum staff to review and improve barrier-free facilities and their approach to service.



Empathy Week leaflet



Urban Development Conducive to Child-Rearing and an Aging Population

Marunouchi Kids Academy 2016 Held

Mitsubishi Estate worked with the association Kindery International and Alpha Corporation Inc. to hold the Marunouchi Kids Academy 2016, a summer vacation event for the elementary school-age children of those who work in the Marunouchi area. This program has now been offered three years in a row.

This program was started to address the need for working parents who did not have any place to send their children during summer vacation. Children commuted to Marunouchi together with their parents, and while parents went to their offices, they participated in a wide range of programs such as work experience and camp. Mitsubishi Estate will continue to augment its support of its diverse employees and create a community in which employees raising children can also thrive.



Children try programming



Summer camp

Number of participants in seminars and events held by community development groups



11,120 people
a year

Number of buildings recognized as barrier-free under Barrier Free Law



13 buildings and projects

Addressing Three Major Deficiencies: Nutrition, Physical Exercise and Sleep

Will Conscious Marunouchi Project 2016

As part of its Food Education Marunouchi initiatives, Mitsubishi Estate has been continuing to offer the Will Conscious Marunouchi Project, which is designed to support women working in Marunouchi to eat well and take care of themselves so they can enjoy a healthier future. In 2016, the company launched a new three-year plan to find ways to help improve working women's daily habits.

Since the project was first launched in 2014, the Marunouchi Infirmary, which provides health measurements and counseling tailored to women, has won high praise. The infirmary has carried out surveys on the lives of over 1,800 working women. The results reveal that they often suffer from a severe lack of caloric intake, nutritional deficiencies and a lack of physical exercise and sleep. As a result, they face a heightened risk of early onset diabetes, depression and infertility. The new three-year plan addresses these health issues by offering ideas for



women that are easy to start and easy to continue, based on eating, moving and sleeping. In fiscal 2016, the plan's first fiscal year, we worked with companies and commercial stores in the Marunouchi area to examine the effects of the provisional ideas identified based on survey data compiled through that point. In September 2016, "Marunouchi Infirmary Café: check & eat" was carried out to provide nutritionally balanced breakfasts and lunch.

Start of Distribution of "marunouchi PASS," a Health Support App

In April 2016, Mitsubishi Estate started distribution of "marunouchi PASS," a free app for workers and visitors in the Marunouchi area that provides information on Marunouchi as well as membership benefits and a health-support feature that uses a step counting function on a smartphone.



Will Conscious Marunouchi



marunouchi PASS app screens

Cooperating with Local Communities



“Experience Nature” Project Brings Together Urban and Rural Communities

The Mitsubishi Estate Group established the Mitsubishi Estate Group Guidelines on Social Contribution Activities in April 2008. In that same period, members of Mitsubishi Estate's CSR Department participated in a tour of villages facing the problem of aging and declining populations. These tours were held by the NPO Egao Tsunagete (which literally means “connecting smiles” in Japanese), established in 2001 with the aim of creating a social model of how to build ties between urban and



Using timber grown in Yamanashi Prefecture forests



Junmai-shu sake made in Marunouchi

rural communities. Empathizing with this NPO's initiatives and activities, Mitsubishi Estate launched a project, now known as the “Experience Nature” Project. Since then, the company has held a wide range of experiential tours with the goal of making Japan a place where urban and rural communities recognize the problems they each face and help to revitalize one another. It has also developed products that make effective use of local resources such as homebuilding materials made from timber grown in Yamanashi Prefecture forests and a *junmai-shu* sake named Marunouchi. Mitsubishi Estate will continue to support activities to foster ties between urban and rural communities and build a more sustainable society in collaboration with Egao Tsunagete's programs that provide opportunities for city residents to interact with people in rural areas.

Number of participants in “Experience Nature” Projects

KPI Single year: **306**
Cumulative: **2,018**

Initiatives to Support Reconstruction Following the Great East Japan Earthquake

Supporting Producers in the Tohoku Area with Rebirth Tohoku Food Project

The Mitsubishi Estate Group has worked with the Marunouchi Chef's Club* since November 2011 to administer the Rebirth Tohoku Food Project. This project supports the food and food brands of the Tohoku area, which was severely damaged in the Great East Japan Earthquake. The Group highlights the appeal of foods from the affected regions by



developing new products and menus using ingredients from the Tohoku area and holding the Reconstruction Marche, and continues to disseminate information and cultivate networks to support the Tohoku area's recovery. Eight events have been held to date. The Group will continue to offer programs to link the Marunouchi and Tohoku area.

* Organization established in 2009 and chaired by Yukio Hattori, the promoter of the Food Education Marunouchi project, which involves 26 top chefs specializing in Japanese, French, Italian and Asian cuisines.

Eat Heartily Tohoku Canned Food Series

One of the initiatives in the Rebirth Tohoku Food Project is the Eat Heartily Tohoku canned food series, original canned products developed jointly with chefs in Miyagi Prefecture in the Tohoku area and local marine processing companies in Ishinomaki and Kesennuma from fiscal 2013 to fiscal 2015. The goal is to support the marine product industry and marine processing industry in Miyagi Prefecture, not just for the economic effect but also to foster a new sense of community in the local area that is effective in resolving issues specific to the area.

Starting with the first series, launched in March 2014, two different products were developed for both the second series and the third series, now totaling six products currently on the market. These products have won many prizes, including the Good Design Award, the Special Award in the Japan Management Association's KAICA Awards 2014, the Excellence Award in the Agricultural, Forestry and Fishery Product Category of the Food Action Nippon Award and the Special Prize for Reconstruction Support in the Japan Disaster Preparation Food Awards. As of March 31, 2017, 83,500 products have been sold, for a total value of approximately 47,160,000 yen.

In July 2016, the Eat Heartily Tohoku canned food series won the Special Prize for Reconstruction Support at the First Japan Disaster Preparation Food Awards, a recognition that is organized by the Disaster Prevention Safety Association. Taking the lessons learned from the experience of the Great East Japan Earthquake and the Kumamoto Earthquake, the awards were established with the aim of popularizing and educating about emergency and disaster preparedness foods. With 92 products from a total of 42 companies, the Eat Heartily Tohoku products were praised as impressive disaster preparedness foods that are produced locally and benefit the local community.

We will continue to help raise society's awareness of the importance of disaster preparedness through these products.



Award ceremony for Special Prize for Reconstruction Support at the First Japan Disaster Preparation Food Awards



Third series (launched in March 2016)

Comment from Staff



Hiroko Mizuta

CSR & Environmental Sustainability Department, Mitsubishi Estate Co., Ltd.

The Eat Heartily Tohoku series of original canned foods was developed as part of the Rebirth Tohoku Food Project, a program that supports reconstruction after the Great East Japan Earthquake. This project was started as an attempt to develop canned food for emergency food stocks at buildings, but reaching the final product was a difficult process. This was the first experience of its kind for the people involved in preparing the canned food, and they went through a process of trial and error, sharing their opinions, to create an entirely new appealing product. Their commitment and determination resulted in a truly exceptional product. Utilizing the techniques and experience acquired in this process, the local processing companies have been active and serving as key players in the local community. We have been focusing on expanding sales routes since 2016. We will continue to support the community by publicizing the region's appeal while developing self-subsistent, long-lasting products.



Communicating with Clients

"Five Eyes" to Create Quality Residences

Mitsubishi Jisho Residence Co., Ltd. strives to ensure the quality of its residences and provide prestigious condominiums that continue to give customers comfort and peace of mind with every passing year. The company uses "Five Eyes," a unique quality management standard used to ensure the quality of residences from various perspectives, to ensure that all customers continue to feel the same joy in their home, particularly as the purchase of a condominium is a satisfaction that should last a lifetime.

The Five Eyes are Check Eyes, Eco Eyes, Custom Eyes, Life Eyes and Community Eyes.



CHECK EYE'S

Check Eyes

Commitment to solid building quality

Mitsubishi Jisho Residence checks quality from the design stage to construction and completion, not only the items stipulated in the Japanese government's Housing Performance Indication System, but also items under its own standards. Information on this process is disclosed to customers.



ECO EYE'S

Eco Eyes

Commitment to supporting affordable, pleasant, environmentally responsible lifestyles

The company delivers condominiums built in line with the ideal of a home that is gentle on both the environment and the resident, where people can live in an environmentally friendly way without having to take on any major burdens.



CUSTOM EYE'S

Custom Eyes

Commitment to providing homeowners with the pleasure of designing their own living space

The company helps with the home's design after the contract is signed until the home is handed over, aiming to spread the joy of creating a living space that is unique to each resident, giving them the pleasure of selecting and creating their own home.



LIFE EYE'S

Life Eyes

Commitment to safety and security to protect customers' lifestyles

The company implements crime prevention measures to ensure that customers can live in safety and with peace of mind, and takes highly effective disaster preparedness measures.



COMMUNITY EYE'S

Community Eyes

Commitment to prosperous, refined lifestyles throughout the lifespan

Mitsubishi Jisho Residence wants to continue to foster customer ties that last for the long term, from the time they begin living in their condominium. The company builds personal relationships with residents and provides extensive support to help them live with peace of mind.

Five Eyes provides evidence of painstaking attention to detail, ensuring that The Parkhouse condominiums are residences for a lifetime. The Five Eyes standards are consistently followed in developing condominiums.

Putting Hospitality into Practice with the Mitsubishi Jisho Residence Lounge

The Mitsubishi Estate Group operates the Mitsubishi Jisho Residence Lounge on the first floor of the Shin-Yurakucho Building by the JR Yurakucho Station. This one-stop help desk provides a variety of information and services related to residences to customers, bringing together all the strengths of the Group's companies involved in the residential business. This space was renovated to expand the reception desk and help desk, making it even easier for customers to ask questions and creating a more pleasant space. The new space was opened in January 2017. The Residence Lounge offers a wealth of information and services for every phase of residence, including condominium purchase, brokerage, consultations on custom homes, condominium management, renovations, and rental operations. The knowledgeable concierges attentively provide detailed information to meet customer requests. In December 2016, in its endeavor to expand the reach of its value chain, the Group opened an event space in the Yokohama Minato Mirai area, where it holds Group company events and seminars. The Mitsubishi



Mitsubishi Jisho Residence Lounge

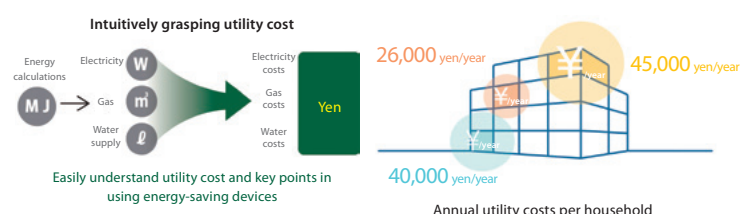
Estate Group pursues lifetime value for customers in its residential business, and to this end the Group provides high added value that truly lasts.

Condominium Household Account Books

As part of the Eco Eyes initiative, Mitsubishi Jisho Residence Co., Ltd. and MEC eco LIFE Co., Ltd. have been distributing Condominium Household Account Books to potential The Parkhouse condominium buyers, a program that started in June 2013. These account books make it easy to ascertain the cost of condominium living after moving in.

The account book presents "home fuel consumption," which shows the electricity charges for air conditioning and heating depending on use of condominium's energy-saving features; "lifestyle fuel costs" for electricity costs for electrical appliances such as lighting, water and sewage costs and gas rates and "other costs," which covers maintenance costs for the condominium. This gives a full picture of the total costs of living in a condominium.

This first attempt in the industry has won acclaim for stimulating customers' environmental awareness and creating new standards for selecting condominiums. It was selected for the fiscal 2015 Good Design Best 100, and was chosen from the top 100 for the Design for the Future Award (Ministry of Economy, Trade and Industry's Information Policy Bureau Director's Award). In addition, the Group won the Environment Minister's Award for Global Warming Prevention Activity in fiscal 2015 for its ongoing efforts extending to 8,000 houses.



More Safety and Comfort in Condominium Living: Launch of KATTE

MEC eco LIFE and Mitsubishi Jisho Residence are working together to gradually introduce KATTE, a common-use space offering various helpful amenities, to the entrance halls of newly built condominiums sold by Mitsubishi Jisho Residence. By adding both convenience and possibilities for interaction to the entrance hall—a place which conventionally is merely aesthetic—the Group is endeavoring to support comfortable, environmentally friendly, safe and secure lifestyles. The name “KATTE” was inspired by the Japanese word for “back door” (*katte-guchi*), in the hope of evoking in a contemporary way the casual, friendly communication among neighbors that traditionally took place at the back door.

The main amenity is a space with tools where residents can sort and open packages and mail that have been delivered, and/or pack items. A bulletin board where residents can share information is also available, for instance facilitating the exchange of used items. The space is designed to naturally prolong the time residents spend in the entrance hall, thereby fostering conversation in a relaxed atmosphere.

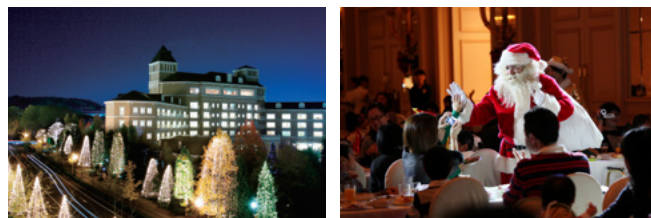
Residents in the condominiums where KATTE has been introduced report that they share information on events on the bulletin board and that communication among residents has picked up. The Group will continue to expand such initiatives, aspiring to go beyond building construction and extend its relationship with residents even after move-in.



Concept image for KATTE, a common-use space with enhanced amenities

Service Born from a Desire to Serve Guests

An event that took place on Christmas 2016 at the Mitsubishi Estate Group's Tohoku Royal Park Hotel Co., Ltd. demonstrates the essence of our spirit of service. A customer who had made reservations for the Christmas Party with Santa, a family event held at the hotel, was unable to attend because their child was sick. Understanding the parents' feelings, a staff member did not want this family to have an unhappy Christmas, and invited the child to have a picture with Santa on the last day of the event, believing the child would be well by that time. However, the staff member actually planned a surprise: when the family arrived at the hotel and were guided to the hall, not only did Santa appear, but music was played, and a professional photographer took pictures while an entertainer performed. After an event with a total of 200 families participating over three days, this special event was held for just one family. This commitment to pleasing guests is the very essence of service.



The Christmas Party with Santa that the family had originally planned to attend

Role Playing Competition in Which Staff Compete to See Who Is Best at Customer Interaction

On August 25, 2016, Mitsubishi Jisho Retail Property Management Co., Ltd. sponsored its first role-playing competition at Tokyo's Aqua City Odaiba.

In this competition, tenant employees who worked in the shopping center competed over their technique in interacting with customers through role play. Fourteen tenant employees working at commercial facilities operated by Mitsubishi Jisho Retail Property Management came from around the country to participate in this competition, which had a theme of "together with guests." They demonstrated their daily skills in front of five judges, including external judges, and people who had come to cheer them on. The employees themselves also judged the other participants. This was a great opportunity to objectively assess customer interaction techniques, and it also deepened ties between the company and tenants.

