

February 4, 2008

Company name: Mitsubishi Estate Co., Ltd.
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Notice Concerning Public Tender Offer of Sunshine City Corporation

Mitsubishi Estate Co., Ltd. (“the Company” or “Tender Offeror”) today announces the resolution made at its Board of Directors’ meeting held on February 4, 2008, with regard to the public tender offer (“the Tender Offer”) of Sunshine City Corporation (“Target Company”). Details of the Tender Offer are as follows.

1. Rationale

(1) Overview of the Tender Offer

The Company possesses approximately 32.23% (figure is rounded to the nearest hundredth, unless otherwise noted), or 12,376,300 of the shares issued and outstanding of the Target Company as of February 4, 2008. Despite the Target Company’s current position as an equity-method affiliate of the Tender Offeror, the Tender Offeror decided upon the additional acquisition of up to 27.77%, or the equivalent of 10,663,700 shares, of the Target Company’s shares with the aim of further developing its relationship with the Target Company. The minimum purchase amount has not been set for this Tender Offer.

(2) Background of the Tender Offer

Pursuing a management goal of establishing a firm position as a next-generation real estate company that possesses excellent capabilities for the creation of real estate value centered on development, the Company and its subsidiaries and affiliates (“the Group”) conduct business operations in wide variety of fields, including the Building; Residential; Urban Development & Investment Management; International; Architectural Design & Engineering; Custom-Built Housing; Hotel; and Real Estate Service businesses.

Currently, the Group is promoting the reinforcement of its development capabilities as a part of its medium- and long-term growth strategies. In its Building business, the Group strives to improve the asset value of owned buildings and thus enhance its portfolio quality by reinvesting to achieve assets of higher productivity and growth potential. Simultaneously, the Group is working to reconstruct its core portfolio of properties in the Marunouchi district of Tokyo. In addition, the Group has positioned the shopping center business as a future growth area and plans to expand its business foundations in

this area, including through development projects in locations other than Marunouchi, by consolidating and reinforcing its development, management and administration capabilities. Amid a real estate investment market that is growing on the back of the accelerated securitization of real estate, the Group is taking full advantage of its real estate value-creating capabilities to aggressively implement nationwide income-generating real estate development, with the expectation of asset securitization through such means as the relevant asset sales to real estate funds in the in the Urban Development & Investment Management business. To this end, the Group is carrying out low-expenditure development projects, focusing on the utilization of external capital and exit strategies.

The Target Company, on the other hand, owns and manages Sunshine City, a multipurpose building that provides various urban functions in Ikebukuro, Tokyo. In addition to the office leasing business, the Target Company handles store leasing for the shopping center, manages such commercial and amusement facilities as the observatory deck and aquarium and operates related construction, clean-up and parking facility businesses. Inaugurated in 1978, Sunshine City has been playing a leading role in the Ikebukuro Subcenter Concept as the core of the redevelopment of the Ikebukuro area, which is aimed at creating a multifunction urban center.

Since the Target Company's establishment, the Tender Offeror has been playing a role in the Target Company's business development as the major shareholder and through the dispatch of its directors and employees. As a result of the additional purchase of the Target Company's shares, which took place in stages, the Company became the Target Company's largest shareholder as of February 4, 2008. Today, the Target Company is the Company's equity-method affiliate.

(3) Objective

Against the backdrop of aforementioned (2), the Company decided to implement a Tender Offer. In its judgment, the further reinforcement of cooperative relationship between the two parties, by enabling mutual benefits and making effective use of management resources, would significantly enhance both parties' corporate value and returns for shareholders.

Working closely with the Target Company, the Tender Offeror will be able to participate in the redevelopment of the Ikebukuro area, a move in line with its medium- and long-term growth strategy of "reinforcement of development capabilities." The Tender Offeror also aims to reinforce its shopping center business from a medium- to long-term perspective. Benefiting from the Target Company's know-how, the Tender Offeror will be able to promote diversified business operations through the integrated management of offices and retail facilities.

For its part, the Target Company has planned various redevelopment projects in the Ikebukuro area and needs support in refining and executing its strategy. For this reason, the Tender Offeror is focusing on building a closer

relationship with the Target Company so that together they can create a strategy to achieve more-than-expected growth while reinforcing their management foundations. Specifically, reinforcing the two companies' cooperative relationship will create new earnings opportunities, including those related to redevelopment projects in areas neighboring the Ikebukuro area, by enabling the realization of united business development backed by mutually shared office and retail facility management know-how. The Target Company's further growth will thus be ensured, while its employees' business opportunities will widen. Furthermore, the cooperation of two parties will contribute to the social infrastructure development in the Ikebukuro subcenter, helping to improve Ikebukuro's position in the competition among newly emerging city centers.

For these reasons, the Company decided to implement the Tender Offer of the Target Company. Recognizing the Target Company's management independence and the need to provide returns for other shareholders, however, this Tender Offer sets the following conditions: should the number of shares for sale from applying shareholders ("Applied Share Certificates") exceed 10,663,700 shares, all or part of the excess shares shall not be sold or purchased, or should the total number of Applied Share Certificates surpass the maximum planned number of shares to be sold, all or part of the excess shares shall not be sold or purchased. As of this release date, the Tender Offeror does not plan to make any additional purchase of the Target Company's shares subsequent to this Tender Offer.

The Tender Offeror and the Target Company commenced discussions regarding the further reinforcement of their cooperative relationship in October 2007 and entered into another round of talks regarding the implementation of the Tender Offer. Based on these discussions, the Target Company appointed the Sasaki Jimusho office of certified public accountants, a third-party CPA from outside of the Group, to conduct a stock evaluation. Following the CPA's recommendation, at a meeting held on February 4, 2008, the Target Company's Board of Directors unanimously resolved upon this Tender Offer setting a tender offer price ("the Purchase Price") and terms deemed fair and adequate based on the CPA's judgment with the expectation of reinforcing its management foundation, securing further growth potential and increasing its employees' career opportunities.

To avoid any conflict of interest, Nobuyuki Iizuka, a director of the Target Company who also represents the Tender Offeror as Representative Director and Deputy President, did not participate in the deliberations and resolution that took place at the aforementioned meeting of the Board of Directors.

The Target Company's Articles of Incorporation stipulate that its Board of Directors' must grant its approval when for any sale of shares ("Restriction on Transfer of Shares"). Therefore, in accordance with the rules stipulated in the Article 137 of the Corporation Law, the Tender Offeror will request the approval of the Target Company's Board of Directors regarding to the

acquisition of the Target Company's shares through the Tender Offer after the settlement date of the Tender Offer. The Target Company's Board of Directors resolved at its meeting to approve this item.

(4) Management policy following the Tender Offer

Following the Tender Offer, the Target Company will become a consolidated subsidiary of the Tender Offeror, which will possess the majority of voting rights. However, the Tender Offeror will continue to ensure the Target Company's management independence while respecting the Target Company's long-standing history and corporate management policies even after the Tender Offer. In doing so, the Tender Offeror strives to further strengthen the cooperative relationship with the Target Company in various business development projects including a redevelopment project aimed at maintaining and raising brand awareness for Sunshine City as well as enhancing the Target Company's corporate value. Moreover, the Tender Offeror will revise terms and conditions relating to business operations in an appropriate manner when possible while respecting the existing relationship between the Target Company and its clients.

(5) The Purchase Price calculation process

To determine a basis for the calculation of the Purchase Price, the Tender Offeror requested Mitsubishi UFJ Securities Co., Ltd. ("Mitsubishi UFJ Securities") to conduct a stock valuation based on the Target Company's financial and asset conditions inspected and to perform due diligence in December 2007. Mitsubishi UFJ Securities adopted the discounted cash flow method ("the DCF method") as well as the comparable companies method to calculate the Target Company's stock value. On January 31, 2008, the Tender Offeror received a stock valuation report for the Target Company from Mitsubishi UFJ Securities. The scope of the Target Company's value per share calculated using each method was as follows:

DCF method: ¥840-1,455

Comparable companies method: ¥952-2,201

Weighing the above two stock valuation methods, the Tender Offeror came into conclusion that the Purchase Prices should be determined based on the DCF method rather than the comparable companies method. This was due to the fact that, unlike the Target Company, the companies used for comparison in the comparable companies method were listed companies, and the earnings power of a real estate leasing company generally depends largely on its properties; therefore, the factors pertaining to individual companies are unique.

The Tender Offeror thus set the Purchase Price as ¥1,300 per share, giving due consideration to the comprehensive inspection of the Target Company's financial and asset condition through the due diligence check, the possibility of the Target Company granting approval for the Tender Offer and the premium for the Tender Offeror can expect.

2. Overview of the Purchase

(1) Outline of the Target Company

1. Name	Sunshine City Corporation	
2. Type of business	Leasing business handling offices, a shopping center and theater as well as management of observatory deck, aquarium, convention center and parking facilities	
3. Date of establishment	October 14, 1966	
4. Address of head office	3-1-1, Higashi-Ikebukuro, Toshima-ku, Tokyo	
5. Representative	Katsuhisa Shimada, President	
6. Amount of capital	¥19,200 million (as of September 30, 2007)	
7. Major shareholders and shareholding ratios	(As of September 30, 2007) Mitsubishi Estate Co., Ltd. 32.23% The Seibu Department Stores, Ltd. 11.87% Mizuho Corporate Bank, Ltd. 5.00% Mitsubishi Heavy Industries, Ltd. 4.22% The Tokyo Electric Power Company, Incorporated 3.58% Seibu Railway Co., Ltd. 2.52% The Bank of Tokyo-Mitsubishi UFJ, Ltd. 2.46% Credit Saison, Ltd. 2.24% Toshiba Corporation 2.01% JFE Steel Corporation 1.86% Hitachi, Ltd. 1.86%	
8. Relationship between the Tender Offeror and the Target Company	Equity capital	The Tender Offeror possesses 32.23%, or 12,376,300 shares issued and outstanding of the Target Company
	Personnel	Three directors and one auditor of the Target Company have been appointed from the Tender Offeror.
	Business	N/A
	Status	The Target Company is the Tender Offeror's equity-method affiliate.

Note: Information regarding the Target Company is based on the Target Company's interim financial report for fiscal 2007 (disclosed on December 25, 2007).

(2) Purchase period

(i) Purchase period during application

From Tuesday, February 5, 2008 through Thursday, March 13, 2008 (27 working days)

- (ii) Possibility for the extension of the Public Tender Offer Period upon the Target Company's request

In accordance with the Article 27 Item 10-3 of the Financial Instruments and Exchange Law (Law No. 25, 1948; hereinafter referred to as "the Law" including its revisions), the period of the Tender Offer shall be extended by 30 working days, making the final day of the Tender Offer period Tuesday, March 18, 2008, in the event the Target Company submits a written request for the extension of the Tender Offer period ("the Public Tender Offer Period").

(3) Price of Tender Offer

¥1,300 per share

Note: The Target Company is not a stock-issuing company, and does not issue share certificates.

(4) Basis for the calculation of the Tender Offer price

(i) Basis of calculation

On the occasion of determining the Tender Offer, the Tender Offeror referred to a stock valuation analysis report submitted by its financial advisor Mitsubishi UFJ Securities, which conducts stock valuation analyses using various means, including the DCF and comparable companies methods.

The stock valuation analyses carried out by Mitsubishi UFJ Securities were based on the Tender Offeror's business plan based on the Target Company's business plan. At the same time, the analyses included factors discounting its value, including its status as an unlisted company and low stock liquidity.

Based on the above-mentioned business plan, the Target Company's expected future free cash flow is discounted under the DCF method to the current value using a discount rate determined based on business risks in the Target Company's business sector. As a result, a scope of theoretical stock value was set between ¥840 and ¥1,455 per share.

In the comparable companies method, the Target Company's stock value was analyzed with reference to financial indices that included market stock prices and profitability of several listed real estate leasing companies whose annual operating revenues are relatively close to that of the Target Company. As a result, a scope of theoretical stock value was set between ¥952 and ¥2,201 per share.

Weighing the above two stock valuation methods, the Tender Offeror came into conclusion that the Purchase Price should be determined based on the DCF method rather than the comparable companies method. This was principally due to the fact that, unlike the Target Company, the companies used for comparison in the comparable companies method were listed companies, and the earnings power of a real estate company generally depends largely on its properties; therefore, the factors pertaining to individual companies are unique.

The Tender Offeror thus set the Purchase Price as ¥1,300 per share, giving due consideration to the comprehensive inspection of the Target Company's financial and asset condition through the due diligence check, the possibility of the Target Company granting approval for the Tender Offer and the premium the Tender Offeror can expect.

(ii) The calculation process

Since the Target Company is the Tender Offeror's equity-method affiliate, the Tender Offeror judged that the further reinforcement of cooperative relationship between the two parties, by enabling mutual benefits and making effective use of management resources, would significantly enhance both parties' corporate value and returns for shareholders. To that end, the Tender Offeror expects to create new earnings opportunities, including those related to redevelopment projects in areas neighboring the Ikebukuro area, where the Target Company conducts its business operations, thanks to the reinforcement of the two companies' cooperative relationship. In addition, the Tender Offeror anticipates the realization of the united business development backed by mutually shared office and commercial facility management know-how. These efforts are expected to build a closer relationship with the Target Company so that together they can create a strategy to achieve more-than-expected growth while reinforcing their management foundations. Under such circumstances, the Tender Offeror and the Target Company commenced discussions regarding the further reinforcement of their cooperative relationship in October 2007 and entered into another round of talks regarding the implementation of the Tender Offer to acquire additional shares of the Target Company.

To determine a basis for the calculation of the Purchase Price, the Tender Offeror requested Mitsubishi UFJ Securities to conduct a stock valuation based on an inspection of the Target Company's financial and asset conditions and to perform due diligence in December 2007. Mitsubishi UFJ Securities employed the DCF method as well as the comparable companies method to calculate the Target Company's stock value. On January 31, 2008, the Tender Offeror received a stock valuation report for the Target Company from Mitsubishi UFJ Securities. The scope of the Target Company's value per share calculated using each method was as follows:

DCF method:	¥840-1,455
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Comparable companies method:	¥952-2,201
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Weighing the above two stock valuation methods, the Tender Offeror came into conclusion that the Purchase Prices should be determined based on the DCF method rather than the comparable companies method. This was due to the fact that, unlike the Target Company, the companies used for comparison in the comparable companies method were listed companies, and the earnings power of a real estate company

generally depends largely on its properties; therefore, the factors pertaining to individual companies are unique.

The Tender Offeror thus set the Purchase Price as ¥1,300 per share, giving due consideration to the comprehensive inspection of the Target Company's financial and asset condition through the due diligence check, the possibility of the Target Company granting approval for the Tender Offer and the premium the Tender Offeror can expect.

Based on these discussions, the Target Company appointed the Sasaki Jimusho office of certified public accountants, a third-party CPA from outside of the Group, to conduct a stock evaluation. Following the CPA's recommendation, at a meeting held on February 4, 2008, the Target Company's Board of Directors unanimously resolved upon this Tender Offer to set the Purchase Price and terms deemed fair and adequate based on the CPA's judgment.

To avoid any conflict of interest, Nobuyuki Iizuka, a director of the Target Company who also represents the Tender Offeror as CEO and executive vice president, did not participate in the deliberations and resolution that took place at the aforementioned meeting of the Board of Directors.

- (ii) The relationship with the calculation institute Mitsubishi UFJ Securities is a calculation institute independent from both the Tender Offeror and the Target Company, and is not a related party to either company.

(5) The number of shares planned for purchase

Type of shares	1. Number of shares to be purchased	2. Number of shares to be overpurchased
Share certificates	10,663,700 shares	— share
Certificate of stock acquisition rights	—	—
Certificate of bond with stock acquisition rights	—	—
Trust beneficiary securities	—	—
Deposit receipt for share certificates and other securities	—	—
Total	10,663,700 shares	— share

Notes:

- When the total number of share certificates offered is less than the number of share certificates to be converted into stock (10,663,700 shares), all of the shares offered will be purchased. When the number of share certificates offered exceeds the number of share certificates to be converted into stock (10,663,700 shares), none of the excess shares, in all or in part shall be sold or purchased. Instead, a delivery or other settlement method will be applied in accordance with Article 27, Item 13-5, of the Law and determined using the calculation method for proportional purchase as stipulated in Article 32 of the Cabinet Office Regulation concerning public tender offers disclosed by parties other than the issuer of the stock (Ministry of Finance Ordinance No. 38, 1990; hereinafter referred to as "the Regulation").
- The Target Company is not a stock-issuing company, and does not issue share certificates.

(6) Stock ownership transfer due to the Tender Offer

Number of voting rights represented by the share certificates owned by the Tender Offeror before the Tender Offer	12,376,300	(Percentage of voting rights conferred by the share certificates before the Tender Offer 32.37%)
Number of voting rights represented by the share certificates owned by specially related parties before the Tender Offer	89,457	(Percentage of voting rights conferred by the share certificates before the Tender Offer 0.23%)
Number of voting rights represented by the share certificates for the Tender Offer	10,663,700	(Percentage of voting rights conferred by the share certificates after the Tender Offer 60.00%)
Total number of voting rights	38,235,120	

Notes:

1. The number of voting rights represented by the share certificates for the Tender Offer is the number of voting rights to be converted to share certificates of 10,663,700 for the Tender Offer.
2. The number of voting rights represented by the share certificates owned by specially related parties before the Tender Offer describes the total number of voting rights represented by the share certificates owned by each specifically related party. The figure also includes the number of voting rights owned by one of the specially related parties, the Directors' Share-Holding Association of the Target Company, Sunshine City Corporation (89,457 voting rights, rounded down/up to the nearest whole number). However, share certificates owned by the specially related party are also included in the Tender Offer, and, therefore, "the number of voting rights represented by the share certificates owned by specially related parties before the Tender Offer" is not added to the numerator when calculating "the percentage of voting rights conferred by the share certificates after the Tender Offer." The number of voting rights (164,880) represented by the 164,880 share certificates owned by another specially related party District Cooling and Heating System in East Ikebukuro is based on the cross-shareholding scheme. Therefore, such number is not included in "the number of voting rights represented by the share certificates owned by specially related parties before the Tender Offer."
3. "Total number of voting rights" represents the number of voting rights owned by shareholders as of September 30, 2007 and reported in the Target Company's interim earnings report for fiscal 2007 (disclosed on December 25, 2007). However, "the percentage of voting rights conferred by the share certificates after the Tender Offer" was calculated based on 38,400,000 voting rights, a figure that includes the number of voting rights (164,880) represented by the 164,880 crossholding share certificates since such crossholding shares are within the scope of the Tender Offer.
4. The Target Company is not a stock-issuing company, and does not issue share certificates.

(7) Purchase Price

¥13,862,810,000

Note: The Purchase Price is calculated by multiplying the number of shares to be purchased (10,663,700 shares) by the price per share (¥1,300).

(8) Settlement of the Tender Offer

(i) Name and address of the financial institute or bank that settles the Tender Offer

Mitsubishi UFJ Securities Co., Ltd.
2-4-1 Marunouchi, Chiyoda-ku, Tokyo

(ii) Settlement date

Wednesday, March 19, 2008

Note: In the event of the Target Company' submitting a request for the extension of Public Tender Offer Period in a written form, the settlement date will be Tuesday, March 25, 2008, in accordance with Article 27, Item 10-3, of the Law.

(iii) Settlement method

The Tender Offeror will send by regular post notification regarding the purchase through the Tender Offer to the relevant shareholders (or standing proxies for overseas shareholders) immediately after the close of the Public Tender Offer Period.

The purchase will be transacted in cash. Proceeds from the sale of the share certificates will be transmitted in order application to shareholders accounts as specified in their Tender Offer proxy immediately after the close of the Public Tender Offer Period.

(9) Other conditions and methods pertaining to the Tender Offer

(i) Changes in conditions stipulated in the Article 27, Item 13-4 of the Law and details

When the total number of Applied Share Certificates is less than "the maximum number of share certificates to be purchased" (10,663,700 shares), all of the Applied Share Certificates shall be sold and purchased.

When the total number of Applied Share Certificates is more than "the maximum number of share certificates to be purchased" (10,663,700 shares), all or part of the excess shares shall not be sold or purchased, and stock transfers and other settlements regarding the Tender Offer of the share certificates will be transacted in accordance with Article 27, Item 13-5, of the Law and determined using the calculation method for proportional purchase as stipulated in Article 32 of the Regulation.

When the total number of share certificates purchased from applying shareholders calculated and rounded off by the method for proportional purchase is less than "the maximum number of share certificates to be purchased," the Tender Offeror will purchase one share certificate from each applying shareholder whose number of eligible share certificates is truncated due to the rounding-off, until the total number of share certificates to be purchased reaches the maximum number stipulated. However, in the event that such additional purchases from several applying shareholders whose share certificates were truncated at an equal amount will cause the "the maximum number of share certificates to be purchased" to be exceeded, the Tender Offeror shall choose those shareholders from which it will purchase said certificates from among the relevant applying shareholders by drawing lots until "the maximum number of share certificates to be purchased" is reached.

When the total number of share certificates purchased from each applying shareholders calculated and rounded off by the method for

proportional purchase exceeds “the maximum number of share certificates to be purchased,” one share certificate to be purchased from each applying shareholder whose number of accepted share certificates is greater than that to be purchased from other shareholders as a result of rounding-off, will be deducted from the maximum number of share certificates to be purchased.” However, in the event that such reduction in the number of share certificates from several applying shareholders whose share certificates were equally rounded up will cause the total to fall short of “the maximum number of share certificates to be purchased,” the Tender Offeror shall choose those shareholders from which such share certificates will be deducted from among the relevant applying shareholders by drawing lots until “the maximum number of share certificates to be purchased” is reached.

- (ii) Conditions and details of such conditions that would cause the recall of the Tender Offer and rules for the disclosure of such a recall

In the event of the violation of any items stipulated in Article 14, Item 14-1-1 (a), (h), (l) and (r), Item 14-1-3 (a) and (g), as well as Article 14, Items 2-3 and 2-6, of the Enforcement Regulation for the Financial Instruments and Exchange Law (Government Ordinance No. 321, 1965; hereinafter referred to as “the Ordinance,” including its revisions), the Tender Offer may be recalled.

In case of a recall of the Tender Offer, the Tender Offeror will electronically distribute a public notice, and place a notification in the *Nihon Keizai Shimbun*. However, in the event that it is difficult to post such notification by the final day of the Tender Offer period, the Tender Offeror will make an announcement in accordance with Article 20 of the Regulation and post a public notice immediately after such announcement.

- (iii) Conditions and details of those conditions that would cause a reduction in the Purchase Price and rules for the disclosure of the Purchase Price reduction

In the event the Target Company engages in acts stipulated in Article 13, Item 1, of the Ordinance, the Tender Offeror will comply with the rules set in Article 19, Item 1, of the Regulation and may reduce the Purchase Price in accordance with Article 27, Item 6-1-1, of the Law. When reducing the Purchase Price, the Tender Offeror shall make electronic public notice and place a notification in the *Nihon Keizai Shimbun*. However, in the event that it is difficult to post such a notification by the final day of the Tender Offer period, the Tender Offeror will make an announcement in accordance with Article 20 of the Regulation and post a public notice immediately after such announcement. When the conditions of the Tender Offer are modified, those share certificates submitted for purchase before the relevant public

announcement shall be purchased under the modified purchase conditions.

(iv) Applying shareholders' rescission rights

An applying shareholder may terminate their agreement regarding the Tender Offer at any time during the Tender Offer period. When canceling the agreement, the relevant applying shareholder shall issue and send the application form for the Tender Offer and a written request for the cancellation of the agreement regarding the Tender Offer ("the Cancellation Document") to the headquarters or the branch office of the Tender Offer proxy within Japan where the relevant applying shareholder made the original arrangement. This process shall be completed by 4:00 p.m. on the final day of the Tender Offer period. Please note that if the Cancellation Document is sent by post, it must reach the relevant Tender Offer proxy by 4:00 p.m. on the final day of the Tender Offer period.

In the event of an applying shareholder canceling the agreement, the Tender Offeror will not claim compensation for damage or demand a penalty payment. As the Target Company of the Tender Offer is not a stock-issuing company, the Tender Offeror shall bear any cost entailed in returning the relevant documents, such as the "registration certificate" and "written request for the approval of stock transfer and shareholders' register transfer."

(v) Disclosure of changes in conditions of the purchase

The Tender Offeror may change the conditions of the purchase during the Tender Offer period except where prohibited by Article 27, Item 6-1 of the Law.

In this instance, the Tender Offeror shall make an electronic public notice and place a notification in the *Nihon Keizai Shimbun* regarding such change. However, in the event that it is difficult to post such a notification by the final day of the Tender Offer period, the Tender Offeror will make an announcement in accordance with Article 20 of the Regulation and post a public notice immediately after such announcement. When the conditions of the Tender Offer are modified, those share certificates submitted for purchase before the relevant public announcement shall be purchased under the modified purchase conditions.

(vi) Disclosure of amendment statement

In the event of the Tender Offeror submitting an amendment statement to the Director of the Kanto Local Finance Bureau, the Tender Offeror shall immediately disclose details regarding the announcement of the Tender Offer commencement as written in the amendment statement, in accordance with the rules stipulated in Article 20 of the Regulation. At

the same time, the Tender Offeror shall amend the instruction for the Tender Offer, and issue the revised instruction for the Tender Offer to the applying shareholders who have already received the instruction booklet. However, if the scope of revision is minimal, the Tender Offeror shall instead prepare a document describing the rationale behind the amendment and detailing the amended item and its content after the amendment and will post such document to the applying shareholders.

(vii) Disclosure of the result of the Tender Offer

The result of the Tender Offer shall be announced on the day following the final day of the Tender Offer period in the manner stipulated in Article 9-4 of the Ordinance and Article 30-2 of the Regulation.

(viii) Other

This Tender Offer shall not be implemented inside the United States nor its details provided to investors based in the United States, either directly or indirectly, not through the U.S. postal system, other interstate trade or means of international trade (including telephone, telex, facsimile, e-mail and communication over the Internet, but not limited to those means), nor shall it be offered through securities exchange facilities within the United States. No shareholder can apply for the Tender Offer from the United States using the abovementioned means or facilities.

Moreover, applications pertaining to the Tender Offer or other related documents shall not be sent or distributed to, from or within the United States by means of postal or other systems, and any document received or sent using such delivery and distribution will not be implemented. Any application that may infringe upon the above rules either directly or indirectly will not be accepted.

In the event of an application pertaining to the Tender Offer being submitted, the applying shareholders (or standing proxies for overseas shareholders) may be required to commit or attest to the following conditions to the Tender Offer proxy.

The applying shareholders shall not live in the United States at either the time of application or delivery of the application to the Tender Offer; Any information regarding the Tender Offer (including its copies) shall not be sent or distributed to, from or within the United States either directly or indirectly; For the delivery of signed documents, the applying shareholders shall not use the U.S. postal system, other interstate trade or means of international trade (including telephone, telex, facsimile, e-mail and communication over the Internet, but not limited to those means), or through securities exchanges facilities in the United States, either directly or indirectly; The applying shareholder shall not be a party that acts as a proxy without the original party's discretion nor shall the shareholder be an agent or mandatory representative (except in the case where a party other than the relevant applying

shareholder is charged with giving all the instructions regarding the purchase from outside of the United States).

(10) Date of announcement of the Tender Offer commencement
Tuesday, February 5, 2008

(11) Tender Offer proxy
Mitsubishi UFJ Securities Co., Ltd.
2-4-1 Marunouchi, Chiyoda-ku, Tokyo

3. Policies after the Public Tender Offer and Future Outlook

Once the Tender Offer has been completed, the Target Company will change from being the Tender Offeror's equity-method affiliate to being the Tender Offeror's consolidated subsidiary. As of the date of the announcement, the Tender Offeror does not plan to make additional purchases of the Target Company's shares.

The Tender Offer will have a minor effect on the consolidated and non-consolidated financial position of the Tender Offeror.

4. Other

(1) Agreement and details of the agreement between the Tender Offeror and the Target Company as well as between the directors of the two parties
The Target Company resolved to accept the Tender Offer at its Board of Directors' meeting held on February 4, 2008. To avoid any conflict of interest, Nobuyuki Iizuka, a director of the Target Company who also represents the Tender Offeror as Representative Director and Deputy President, did not participate in the deliberations and resolution that took place at the aforementioned meeting of the Board of Directors.

While the Target Company stipulates the Restriction on Transfer of Shares in its Articles of Incorporation, the Tender Offeror will request the approval of the Target Company's Board of Directors regarding the acquisition of the Target Company's shares through the Tender Offer after the settlement date of the Tender Offer in accordance with rules stipulated in the Article 137 of the Corporation Law. The Target Company's Board of Directors resolved at its meeting to approve this item.

(2) Other information necessary for the approval of the investors' application for the purchase
None

<p>* This press release is made with the aim of publicly announcing the Tender Offer and is not intended as an invitation to purchase. When applying to make such purchase, please read the instructions for the Tender Offer that have been made by the Company and apply for such purchase at your individual discretion. This press release does not comprise all or a part of an application or invitation to participate in the sale of share certificates, nor is it an invitation relating to the application for the purchase of such share certificates. Neither this press release (or a part of this press release) nor the fact of the distribution of this press release supports any agreement with regard to the relevant Tender Offer, and</p>
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no party can use these releases in such a way on the occasion of entering into the agreement.

(For Reference)

February 4, 2008

To whom it may concern:

Company Name: Sunshine City Corporation
Representative: Katsuhisa Shimada, President
and Chief Executive Officer
Contact: Takashi Ito,
Manager of General Affairs
Telephone: +81-3-3989-3321

Notice Concerning Approval of Public Tender Offer

Sunshine City Corporation (hereafter “the Company” or the “Target Company”) hereby announces that it has resolved at a meeting of the Board of Directors held on February 4, 2008 to approve a public tender offer (hereafter “the Tender Offer”) from Mitsubishi Estate Co., Ltd. (hereafter “the Tender Offeror”). Brief details follow.

1. Outline of Tender Offeror

1. Name	Mitsubishi Estate Co., Ltd.																		
2. Type of business	Real estate																		
3. Date of establishment	May 7, 1937																		
4. Address of head office	1-6-1 Otemachi, Chiyoda-ku, Tokyo																		
5. Representative	Keiji Kimura, President and Chief Executive Officer																		
6. Amount of capital	¥136,534 million (as of September 30, 2007)																		
7. Major shareholders and shareholding ratios	<table><tr><td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td><td>4.49%</td></tr><tr><td>State Street Bank and Trust Company (Standing proxy: Mizuho Corporate Bank, Ltd.)</td><td>4.34%</td></tr><tr><td>Meiji Yasuda Life Insurance Company (Standing proxy: Trust and Custody Services Bank, Ltd.)</td><td>3.79%</td></tr><tr><td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td><td>3.12%</td></tr><tr><td>Tokio Marine & Nichido Fire Insurance Co., Ltd.</td><td>2.93%</td></tr><tr><td>Japan Trustee Services Bank, Ltd. (Trust Account)</td><td>2.72%</td></tr><tr><td>State Street Bank and Trust Company 505103 (Standing proxy: Mizuho Corporate Bank, Ltd.)</td><td>2.25%</td></tr><tr><td>Taisei Corporation</td><td>2.10%</td></tr><tr><td>Takenaka Corporation</td><td>2.03%</td></tr></table>	The Master Trust Bank of Japan, Ltd. (Trust Account)	4.49%	State Street Bank and Trust Company (Standing proxy: Mizuho Corporate Bank, Ltd.)	4.34%	Meiji Yasuda Life Insurance Company (Standing proxy: Trust and Custody Services Bank, Ltd.)	3.79%	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3.12%	Tokio Marine & Nichido Fire Insurance Co., Ltd.	2.93%	Japan Trustee Services Bank, Ltd. (Trust Account)	2.72%	State Street Bank and Trust Company 505103 (Standing proxy: Mizuho Corporate Bank, Ltd.)	2.25%	Taisei Corporation	2.10%	Takenaka Corporation	2.03%
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Takenaka Corporation	2.03%																		

	Morgan Stanley & Co. International Limited (Standing Proxy: Morgan Stanley Japan Securities Co., Ltd.) 2.01% (as of September 30, 2007)	
8. Relationship between the Tender Offeror and the Target Company	Equity capital	The Tender Offeror's shareholding ratio of the Target Company is approximately 32.23% (rounded to the nearest hundredth), equivalent to 12,376,300 shares.
	Personnel	Three directors and one auditor of the Target Company have been appointed from the Tender Offeror.
	Business	N/A
	Status	The Target Company is an equity method affiliate of the Tender Offeror.

2. Opinion regarding the Tender Offer, basis and reasons thereof

1) Opinion regarding the Tender Offer

The decision to approve the Tender Offer was made at a meeting of the Board of Directors held on February 4, 2008.

2) Basis and reasons for the Tender Offer

The Tender Offeror resolved to implement a Tender Offer with the aim of further developing its relationship with the Company, an equity method affiliate, of which it currently maintains a 32.23% (rounded to the nearest hundredth) shareholding ratio, the equivalent of 12,376,300 shares, with regard to the Company's total issued and outstanding shares. In effect, the Tender Offeror will be granted an additional 27.77% (rounded to the nearest hundredth), the equivalent of 10,663,700 shares, of the Company's total issued and outstanding shares. This will bring the collective holdings of the Tender Offeror in the Company to the upper limit on such shareholdings (a lower limit on future purchases of share certificates has not been established under the Tender Offer.)

Directors of the Company in attendance at the meeting of the Board of Directors held on February 4, 2008, deliberated and unanimously resolved to approve the Tender Offer by the Tender Offeror for the reasons listed below. Please note, to avoid a conflict of interest with the Tender Offeror regarding the Tender Offer, Nobuyuki Iizuka, a director of the Company who also represents the Tender Offeror as CEO and executive vice president, did not participate in the deliberations and resolution that took place at the aforementioned meeting of the Board of Directors.

1. To further enhance cooperative systems with the Tender Offeror as well as to strengthen the management foundation of the Company through the complementary and effective use of each other's management resources.
2. To generate new profit-earning opportunities through enhanced collaboration with the Tender Offeror as well as to bring new growth to the Company and increase employees' opportunities for success through integrated business development enabled by/and the mutual exchange of know-how.

3. The Tender Offer price and terms were deemed fair and adequate based on the advice and stock evaluation provided by the Sasaki Jimusho office of certified public accountants, a third-party CPA expressly appointed by the Company for this purpose.

Despite set restrictions on Company share transfers, the Company's Board of Directors plans to approve the acquisition of shares by the Tender Offeror through the Tender Offer after the Tender Offer settlement date and upon request for approval by the Tender Offeror in accordance with Article 137 of the Corporation Law.

3. Provision of special interest to the Tender Offeror or special interest parties
N/A
4. Policy of fundamental matters related to control of the Company
N/A
5. Questions to the Tender Offeror
N/A
6. Requirement for extension of the period of the Tender Offer
N/A