

Creating Workplaces that Enhance Employee Motivation and Skills

An environment in which all employees can perform their jobs in health and vigor and build on their skills to achieve personal goals is the key to a company's dynamism and growth. The Mitsubishi Estate Group has established a variety of programs that help its employees to develop into true professionals.

Initiatives in Human Resource Development

The Mitsubishi Estate Group is committed to building a work environment that empowers employees to develop their expertise, skills and creativity and gives them opportunities to create new value. This is the key not only to fostering a dedicated workforce, but also to strengthening the Group as a whole. With the aim of providing all employees with motivating workplaces and inspiring work, the Group constantly strives to improve its training, evaluation and hiring programs. In addition, the Group respects diverse individual values and lifestyles, supports employees' life plans and works to safeguard their health.

Initiatives in Accordance with "Action 2010"—Global Human Resource Development

The Mitsubishi Estate Group's new Medium-Term Management Plan, "Action 2010," which runs from fiscal 2008 to fiscal 2010, spells out the following as its basic policies for management infrastructure development: (1) dissemination of management policy throughout the company; (2) fostering a corporate culture that promotes a spirit of taking on challenges; and (3) globalization of management and personnel. Based on these policies, the Group is fostering human resources with a global mindset.

Moreover, in each expanding, diversifying and increasingly advancing Group segment, Mitsubishi Estate is working to reinforce and raise awareness of the corporate governance system, including risk management, compliance and internal controls.

Currently, the company is specifically formulating a vision of the types of employees it needs, establishing adequate training measures in light of its goals of encouraging employees to take up challenges and pursue innovation, and strategically re-assigning employees as advocated in "Action 2010." A working group has been formed to facilitate discussion among employees on the front line, including employees assigned to Group companies.

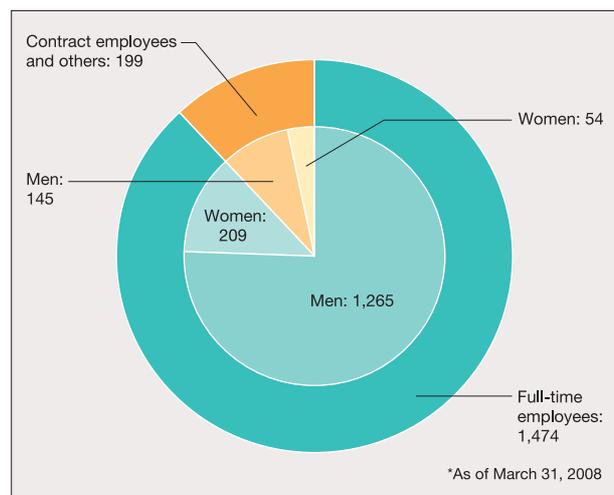
Education and Training System

In its new Medium-Term Management Plan, "Action 2010," the Mitsubishi Estate Group declares its intention of becoming "a global real estate solution provider—with development at its core," a vision for the future addressing the recent changes in the business environment. To train the employees it will need to realize this vision, Mitsubishi Estate is overhauling its skill development system with an emphasis on: (1) strategic assignment of employees; (2) training employees with a global mindset; and (3) building a common awareness of the need to foster employees within the Group.

At the very core of Mitsubishi Estate's skill development is rank-specific training tailored to the qualifications and positions of its employees, such as junior staff, mid-level staff and senior managers. The company strives to ensure that all employees are aware of their own roles and career paths at every stage.

Workforce Profile

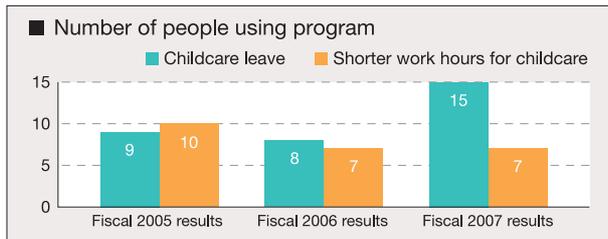
This graph shows the workforce of Mitsubishi Estate Co., Ltd.



(Including employees seconded to Group companies)

Specific Programs for Work-Life Balance

Mitsubishi Estate has established programs for childcare leave, shorter work hours for childcare, and family care leave so that its employees can choose the work schedule that best fits their lifestyle and achieve a balance between work and home life.



*No employees took nursing care leave.

Communication between Employees and Communication with Senior Management

As part of its efforts to create an open workplace, Mitsubishi Estate is actively pursuing communication between management and employees, as well as among employees. The president of Mitsubishi Estate holds meetings with small groups of junior staff to ascertain younger employees' opinions and foster an open atmosphere. The company has also set up a task force consisting of mid-level staff and junior staff to provide a forum for the mid-level staff to share their experiences as leaders and to encourage communication among them. Directors serve as mentors to the task force.

Revisions to Merit-based Evaluation for Administrative Employees

Mitsubishi Estate Co., Ltd., revised its merit-based evaluation tables for determining bonuses and pay raises in September 2007. The company's current priorities (as listed below) were reflected in the evaluation tables, in accordance with the corporate brand and the company's current orientation.

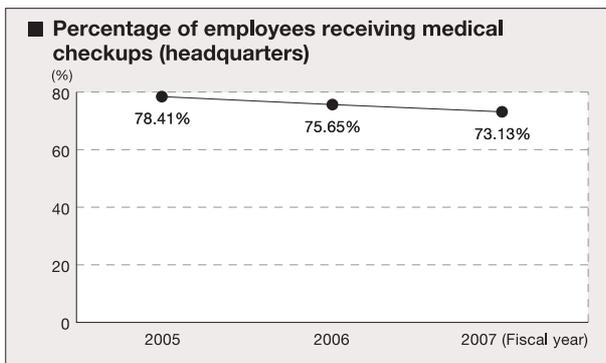
1. Employee training
2. Overall optimization and team work
3. Open mindedness
4. Interest in challenges
5. Compliance and customers as first priority
6. Integrity

These revisions were made so that the company's vision would be shared by employees and become firmly rooted throughout the workforce.

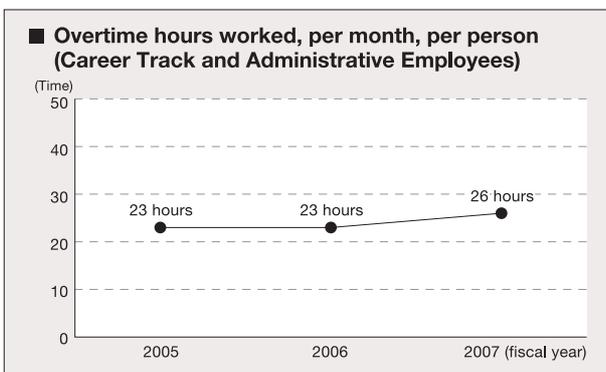
Specifically, some of the evaluation components were replaced by position and qualification, and other evaluation components were set for overall optimization, teamwork and employee training. In addition, definitions and observation points were revised for each evaluation component. As a result, efforts to address the above priority issues are moving forward with greater energy.

Employee Health Management

Mitsubishi Estate encourages all employees to take a regular health checkup once a year to protect and improve its employees' health. The checkup includes an enhanced examination for symptoms of adult-onset diseases, and follow-up checkups and checkups for people needing extra care are also available according to each individual's checkup results. In fiscal 2006, the company also added abdominal circumference measurements to the examination items for those who wish to diagnose metabolic syndromes. The company works hard to have as many employees as possible to take the checkup. The company has extended the checkup period to three months since 2005, and sends reminders for employees who missed their checkups so that they can schedule new appointments.



Mitsubishi Estate is striving to improve its measures for optimizing work hours. The company has made Wednesdays "no overtime days" to help prevent long work hours and overwork. In addition, all supervisors meet one-on-one with their subordinates to discuss workload and task difficulty as well as their health. Any employees with a tendency to overwork (more than 80 hours of overtime per month) are cautioned, while those working long hours are given checkups with industrial physicians.



Feature

Examples of efforts by Group companies

● Working to build trusting relationships with the company and families

In August 2007, Mitsubishi Estate Building Management Co., Ltd., which provides comprehensive building management and administration, invited its employees' children to visit the company for 2007 Building Management Kid's Day, held in the Marunouchi area and the Yokohama area. This event gave the children a work experience and was intended to remind them of the significance of working, foster work values and reinforce communication between parents and their children and among employees. The children helped their parents with their work, received an exploratory tour of the Marunouchi Building and sprinkled some water to cool the sidewalk. In the Marunouchi area, a total of 33 parents and children participated. This program will be offered again in August 2008 in the Marunouchi area.



● Support for employees' skill development

The Rockefeller Group, a Mitsubishi Estate subsidiary with headquarters in the U.S., has set up programs to support employees' skill development by paying the tuition for training to enhance employee skills and also covering the cost of individual educational seminars.

Creating Workplaces that Ensure Respect for Human Rights and Diversity

The Mitsubishi Estate Group Guidelines for Conduct clearly mandate respect for human rights. The Group works together as one to ensure that this commitment is put into practice everywhere.

Encouraging Respect for Human Rights and Diversity

Mitsubishi Estate holds a meeting of its Human Rights Education Committee (chaired by the deputy president) once a year to look at the status of its human rights initiatives in daily operations and human rights training, exchange views on ways to improve programs and discuss that fiscal year's activity plan and reports on recent human rights conditions.

Human Rights Training for All Employees

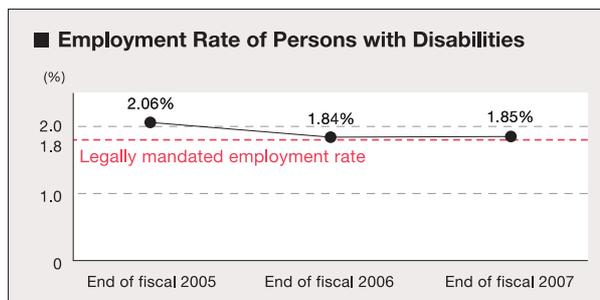
Mitsubishi Estate provides training on human rights during its annual rank-specific training for new hires and new senior staff. In fiscal 2007, the company also started to give all employees, including contract employees, theme-specific group training. Sexual harassment prevention was the theme in the first fiscal year, and will again be offered to all employees in fiscal 2008. Moreover, during human rights week in December every year, senior staff such as directors under the level of president and division managers as well as Group company employees attended a human rights lecture. In fiscal 2007, the theme was the company's responsibility to address social issues such as death from overwork and suicide related to overwork.



Hiring People with Disabilities and Re-Hiring Retirees

Mitsubishi Estate actively promotes the hiring of persons with disabilities, in accordance with the normalization concept advocated by the United Nations. As of the end of fiscal 2007, people with disabilities accounted for 1.85% of Mitsubishi Estate's workforce, surpassing Japan's legally mandated employment rate. The company plans to continue such hiring practices.

In accordance with the intent of Japan's revised Law Concerning Stabilization of the Employment of Older Persons, which went into effect on April 1, 2006, the company has introduced a job matching program allowing employees approaching mandatory retirement age who meet certain criteria to continuing working



even after retirement age if they wish. By keeping veteran employees active even after retirement age, this program is intended to help maintain high-quality service by passing down the knowledge, skills, know-how and human networks they have accumulated. As of March 31, 2008, there were 43 re-hired employees (41 men and two women).

Feature

Examples of initiatives by Group companies

- Female employees propose and pursue their own life plans

In March 2008, Mitsubishi Estate Building Management Co., Ltd., which provides comprehensive building management and administration, held the 2008 Building Management Lady's Day Forum: "Thinking about the Life I Want" in the Marunouchi Building's hall. This event, planned and carried out by female employees, provided an opportunity for them to rethink the meaning of work and their approach to it, as well as to consider their own life career design in terms of their personal values. The event drew 87 female employees. Prior to the event, a survey was conducted about thoughts on work and life among all employees. The results were presented at the event, and they demonstrated the wide variety of values and lifestyle beliefs. Lecturers spoke at the event, and group discussions were held.



2008 Building Management Lady's Day Forum

- Ongoing training on respect for human rights and diversity

The Rockefeller Group plans and holds training programs every year to create an environment with zero tolerance for discrimination and harassment. This training strengthens awareness among managers and employees.