

BUSINESS INFORMATION

BUILDING BUSINESS OPERATIONS

Enhancing Urban Functions from the Perspective of Area Management



Redevelopment continues to progress in the area adjacent to Tokyo Station. The Marunouchi Building opened in September 2002. Construction on The Industry Club of Japan and Mitsubishi Trust and Banking Building was completed in February 2003.

Marunouchi OAZO (right)

A multi-function development comprising office buildings, retail facilities and a hotel, Marunouchi OAZO is scheduled for completion in August 2004.

The Shin-Marunouchi Building Rebuilding Plan (far right)

Rebuilding plans proceed on schedule for the completion of the Shin-Marunouchi Building by the fiscal year ending March 31, 2008. This year has been designated the final year for completion of the first stage of the Marunouchi Redevelopment.



Tokyo Building Reconstruction Project (far left)

Currently under construction and expected to be completed in the fiscal year ending March 31, 2006, this will be the first building in Japan to take advantage of regulations allowing unused air rights to be transferred from another site in the district, to increase floor space.

Tosu Premium Outlets (left)

Opened in March 2004, this is the fourth premium outlet operated by Chelsea Japan, a partnership among Mitsubishi Estate, U.S.-based Chelsea Property Group, Inc. and Sojitz Corporation.

Building Business operations primarily handle the development, leasing and property management of office buildings in Japan's major cities, as well as management of large-scale shopping centers, operation of parking lots and operation of heating and cooling services throughout Japan, enhancing the capabilities of a city from the standpoint of area management.

Promoting Increased Interaction in the Marunouchi District

At the forefront of Building Business operations is the redevelopment of the Marunouchi district, a project, which in terms of infrastructure, corporate scale and population density, offers an overwhelming variety of business opportunities. Mitsubishi Estate's ultimate goal is to transform Marunouchi into a world-class center of dynamic interaction, thereby creating even more opportunity.

As a part of these efforts, we established Tokyo 21c Club, a facility located within the Marunouchi Building, to allow young up-and-comers to interact and exchange views. At the same time, we launched Marunouchi Frontier, a network aimed at supporting venture and new businesses, and actively solicited Japan's leading universities to locate their research facilities within the Marunouchi district. In addition, through Marunouchi Direct Access Limited, we provide the latest in optical fiber communications and through IT Plug-And-Go Services, offer the optimal IT office environment. In an age when security is of increasing concern within business circles, we also offer the Marunouchi R&A Service, a facility to recycle confidential documents after they have been appropriately processed and erased.

In its plans for redevelopment, Mitsubishi Estate strives to surpass the most demanding expectations by delivering additional services that can be found only in Marunouchi.

A City of Dynamic Change and Development

In an effort to raise awareness of Tokyo as an international city among business people all over the world, to maximize its full potential, and to deliver new functions that meet today's and tomorrow's business needs, Mitsubishi Estate must evolve beyond the role of developer to that of a producer.

Our principal priority is of course to upgrade the features of the 31 buildings owned and managed in the Marunouchi

area through rebuilding and renovation. The Marunouchi Building opened in September 2002, and The Industry Club of Japan and Mitsubishi Trust and Banking Building was completed in February 2003. Plans call for completion of Marunouchi OAZO in August 2004, rebuilding of the Tokyo Building by the fiscal year ending March 31, 2006 and rebuilding of the Hibiya Park Building and the Shin-Marunouchi Building by the fiscal year ending March 31, 2008. This will complete the first stage of the Marunouchi Redevelopment, a 10-year program, which commenced in 1998. Thereafter, we will continue to advance the second stage of the Marunouchi Redevelopment Project, investing ¥450 billion over a 10-year period commencing 2008 for the rebuilding of seven to eight buildings, the renovation of existing buildings, and further improvements to infrastructure.

Integral to our plans is the gradual development of the district as a whole. Key to creating a dynamic and vibrant city center is continuous change in tune with the needs of the day. Mitsubishi Estate is committed to delivering constant changes, bringing to the Marunouchi district a never-ending fresh appeal.

Shopping Center Business

Building Business operations include shopping centers in Tokyo (Daiba), Yokohama, Hakata and other locations, and work is also proceeding on the commercialization of Marunouchi, as part of its redevelopment. Mitsubishi Estate is also in a partnership with U.S.-based Chelsea Property Group, Inc. and Sojitz Corporation. Chelsea Japan operates outlet malls in Gotemba (Shizuoka Prefecture), Izumisano (Osaka Prefecture), and Sano (Tochigi Prefecture), and opened Tosu Premium Outlets in Tosu (Saga Prefecture) in March 2004. In Spring 2005, we plan to open Toki Premium Outlets in Toki (Gifu Prefecture) and will continue to expand our network of outlet malls across Japan.

RESIDENTIAL DEVELOPMENT OPERATIONS

Strong Performance in Condominiums Continues to Attract High Acclaim



Sanbancho Park Terrace Ouen (far left)
Sanbancho Park Terrace Ouen is a luxury 12-floor condominium complex comprising 102 units, situated on high ground in Sanbancho, Chiyoda Ward, Tokyo, currently under construction in collaboration with Mitsubishi Corporation. The project was constructed with advanced building techniques, minimizing the use of pillars and beams. The property boasts two-tier automated underground parking and a host of quality functions and features.

Park House Saitama Shin-Toshin MID TOWER (left)
The Park House Saitama Shin-Toshin MID TOWER is a large-scale 25-floor condominium complex of 226 units currently under construction in Kamiochiai, Chuo Ward, Saitama. In collaboration with the "Afternoon Tea" brand, the project is an "All Electric-Powered Condominium."



Izumi Park Town
Encompassing 1,070 hectares in total area, Izumi Park Town was first established in Sendai, Miyagi Prefecture in 1972 and is one of the largest multi-functional developments in the country, with a planned population of approximately 50,000 residents. In September 2004, Izumi Park Town will celebrate the 30th anniversary of its first housing lot sale.

Residential Development operations aim to provide ideal living environments, by developing and marketing condominiums, single-unit homes and residential land, as well as engaging in businesses such as condominium administration and consulting services for the optimal use of real estate.

Sustaining Solid Performance Based on Timely Market-Oriented Activities

In the fiscal year under review, the Company was able to sell 2,299 new condominiums. Leveraging its capabilities, from land acquisition through product planning, Mitsubishi Estate is well equipped to reduce the business cycle. At the same time, we work to strengthen marketing and secure sustainable profits. Working to enhance product quality, the Company engages leading designers and firms from a variety of industries to distinguish itself from its competitors. Through active collaboration with a broad cross section of companies, we are well positioned to deliver quality products that boast the latest in design and function.

The supply of condominiums primarily in the Tokyo Metropolitan area continues unabated. Mitsubishi Estate focuses on properties in popular urban areas that offer convenience through superior location and exhibit high turnover, large-scale properties with comprehensive communal facilities built with the environment in mind, and high-rise condominiums that provide spectacular views.

Responding to Diverse Lifestyles

A new housing option, cooperative housing, is gaining popularity with homeowners. The Company completed construction in February 2004 of Senzoku-ike STYLE HOUSE, the first cooperative housing units in Kamiikedai, Ota Ward, Tokyo. Mitsubishi Estate will continue to enhance the STYLE HOUSE brand by incorporating the opinions, comments and

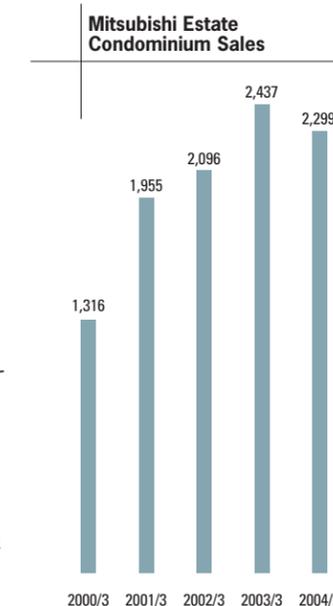
needs of customers. We are aiming for commercialization in mainly the Jonan district of Tokyo and metropolitan areas.

In April 2003, Mitsubishi Estate established the Residential Development & Leasing Office to develop leasing properties for eventual sale to mainly real estate funds. The Company will complete its first property under this scheme in September 2004 in Hatchobori, Chuo Ward, Tokyo. We expect to expand our business in this area targeting the single, "dual income no kids (DINKS)," and family markets.

Promising Quality Administration and Services

In order to provide property owners with quality care after taking up residence, Mitsubishi Estate undertakes property inspections and other after sales services, in line with its proprietary housing performance indication system. Following the introduction of housing performance indication system legislation in August 2002, the Company has stepped up efforts in this area. In order to provide owners with an indication of quality, an independent appraisal certificate accompanies condominiums for sale as well as the Company's own documentation at each stage of design, construction, completion and settlement.

Mitsubishi Jisho Community Service Co. Ltd. also provides support services and currently manages 30,000 condominium units. Mitsubishi Estate and related companies are making concerted efforts to provide excellent services and further improve condominium management.



ARCHITECTURAL DESIGN & ENGINEERING OPERATIONS

Outside the Group and Overseas — Proactive Development of Accumulated Know-How

Nippon Television Tower (right)

Completed in April 2003, 4 floors below ground level, 32 stories above
Owner: Nippon Television Network Corporation

M.M. Towers (far right)

Completed in November 2003, 1 floor below ground level, 30 stories above
Developers: Mitsubishi Estate Co., Ltd. and Maeda Construction Co., Ltd.



Nibancho Garden (far left)

Completed in April 2004, the Nibancho Garden offers the latest in office functionality, with floors 1 through 6 featuring in excess of 3,300m² of columnless space, and modern, high-grade rental housing on the upper levels. With its roof-top gardens and green landscaping, the property delivers harmonious coexistence with the environment and its surroundings.

Osaki 1-Chome Building (tentative name) (left)

Scheduled for completion in June 2005, the Osaki 1-Chome Building (tentative name) is under construction in Osaki, an area identified in need of urgent urban revitalization. In this project, landowners have leased their property holdings with the aim of maximizing efficiency and return. This is a prime example of the development securitization method, a method by which we deliver optimal asset solutions.

URBAN DEVELOPMENT AND INVESTMENT MANAGEMENT OPERATIONS

Prioritizing Development and Management in Business Opportunity Expansion

At the core of Mitsubishi Estate's Architectural Design & Engineering operations is Mitsubishi Jisho Sekkei Inc., a business engaged in the design and administration of construction and engineering projects, building renovation work, projects related to urban and regional development, as well as comprehensive consulting.

Steady Expansion in Contracts from Outside the Mitsubishi Estate Group

The major projects that were completed during the fiscal year ended March 31, 2004 included Nippon Television Tower, M.M. Towers and Leaf Minato Mirai. Also reflecting the healthy expansion of contracts from outside the Mitsubishi Estate Group, due for completion during the fiscal year ending March 31, 2005, are the planned redevelopment of the Meiji Yasuda-Life Building, Osaka Securities Exchange Building, and The House Minami-Azabu. In addition, our accumulated know-how has been brought to bear on the refurbishment and consulting businesses, which are both expected to show growth and are making a solid contribution to profit expansion.

A Far-Sighted Look into the Burgeoning Chinese Market

In recognizing a business opportunity in the Chinese market, an alliance was formed with a major design business in April 2003. Personnel exchanges are currently underway with the aim of forging cooperative relationships to better undertake specific projects in the future.

Mitsubishi Jisho Sekkei, and MEC Design International Corporation, which provides interior design services, both fully utilize the technological strengths that support the entire Mitsubishi Estate Group. As leading companies of building design in their industry, each aims to establish a brand, and to develop its businesses proactively.

Demand is increasing for income-generating real estate for investment purposes among institutional and individual investors. Based on the fundamental policy of developing and managing quality income-generating real estate, Urban Development and Investment Management operations respond to these demands through the development business, which encompasses the functions of development, and the management business, which fulfills the administrative function.

Actively Promoting the Development Business by Strengthening the Solutions Function

Development functions are undertaken with the purpose of promptly placing investment properties on the market and not for the purpose of long-term gain. In deed, an objective of the development business is to generate profit in the form of capital gains. Equally important, however, is to hasten the recovery of invested capital.

In April 2004, construction of Nibancho Garden, a multi-functional office building in Nibancho, Chiyoda Ward, Tokyo, was completed and the development opened at full occupancy. Construction is also proceeding smoothly on projects including the Osaki 1-Chome Building (tentative name) and the Kudan-Kita Project (tentative name). In connection with its development business, Mitsubishi Estate utilizes special-purpose companies (SPCs), while limiting the level of business risk. The Company plans to invest approximately ¥10 billion annually through its equity base. Mitsubishi Estate aims to expand operations further by making every effort to strengthen its solutions functions for the effective utilization of customers' assets.

Delivering a Broad Base of Real Estate Investment Services

In administrative functions, we offer fee-based management services through the operations of Japan Real Estate Asset Management Co., Ltd., the asset management company for Japan Real Estate Investment Corporation, a company listed on the Tokyo Stock Exchange as a Japan real estate investment trust (J-REIT). Another Group company, Mitsubishi Jisho Investment Advisors, Inc., offers comprehensive real estate investment advisory services.

As a fund manager, Mitsubishi Jisho Investment Advisors, Inc. included Kawasaki LeFRONT, a retail facility whose value was enhanced through efforts by the Mitsubishi Estate Group, in the MJ Retail Fund, a real estate private equity fund established in March 2004. This company provides us with a stable earnings stream. Mitsubishi Jisho Investment Advisors will continue efforts to acquire new projects and to increase assets it holds on deposit on behalf of clients.

Prioritizing development and administrative functions, we aim to expand business opportunities and respond to social and economic needs for the revitalization of real estate investment markets and urban redevelopment.

INTERNATIONAL BUSINESS OPERATIONS

Comprehensive, Worldwide Real Estate Services

Paternoster Square Redevelopment Project (right)

Located on an approximately 15,000m² site in London's financial district, this large-scale project comprises a four building facility complex. Completed in May 2003, its floor space totals approximately 88,000m².

The McGraw-Hill Building (far right)

Located in Manhattan, New York, this building was completed in March 1972. Five floors below ground and 51 stories above ground. Total floor space of 237,000m².



CUSTOM-BUILT HOUSING OPERATIONS

Emphasizing Comfort to Develop Products that Support High-Quality Lifestyles

Cerenity (above left)
"Cerenity" is an innovative open exterior design series product.

u:D (above right)
Open exterior design series

In International Business operations, Rockefeller Group, Inc. (RGI), a subsidiary of Mitsubishi Estate Co., Ltd., engages in the leasing and management of office buildings in such locations as New York (the Time-Life and McGraw-Hill buildings) and London (Paternoster Square), as well as real estate development across the United States. In addition, Cushman & Wakefield, Inc., an RGI subsidiary, offers comprehensive real estate services, centered on real estate brokerage worldwide.

Paternoster Square Redevelopment Project Completed

In the fiscal year ended March 31, 2004, RGI sold development properties in Florida, successfully generating development profits and cash flows for future investments.

May 2003 witnessed the completion of the Paternoster Square Redevelopment Project, a combined office-retail development comprising four buildings located in London's financial district close to St. Paul's Cathedral. With contracts exchanged with long-term tenants including the London

Stock Exchange, Goldman Sachs International and CB Richard Ellis, a stable income is expected.

In July 2003, one of the four buildings was sold to a British insurance company, which not only realized a profit from the development, but also accelerated the recovery of investment funds.

Amid the sluggish recovery in the U.S. real estate market, Cushman & Wakefield, Inc. has been making consistent efforts to secure profits by extending its market share and introducing efficient improvements in cost reduction.

Custom-Built Housing operations seek to supply the kind of quality housing that is the foundation of a rewarding life. Through Mitsubishi Estate Home Co., Ltd., our principal vehicle in these activities, we undertake construction contracts for custom-built housing for individuals as well as housing development companies.

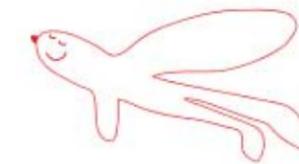
Enriching the Product Lineup by Emphasizing Function and Design

For the main thrust of our two-by-four construction method single unit house business, we pioneered and commercialized the "Aerotech" 24-hour central heating, cooling and ventilation system that has been installed in over 3,500, mainly open-design homes. Derived from the "Space that increases three-dimensionally" concept, "Aerotech" and the open-design concept are fully satisfying customer demands.

In April 2004, thinking the open-design concept that so reflects customer individuality was in need of further strengthening, the innovative "Cerenity" was marketed for the first time as the base design series. At the same time, "u:D," a new type of urban home

that first came on the market in the spring of 2002, had a new exterior design added to complete the product revamp. To further expand the lineup, in response to customer needs and the preference for city dwellings said to have begun with the offspring of the baby-boom generation, two innovative types (20 plans) have been added to the systemized open-design product "U-CONCE," making a total of seven types (50 plans) in all.

By establishing specialist segments, we are working to expand the condominium and house renovation business as well as increase contracts to build accommodation for rent (housing complexes built by the two-by-four or reinforced concrete methods), as the next pillars of the custom-built housing business.



Air mascot "Fu-san"
The "Aerotech" cartoon figure (Aerotech Mitsubishi Home)

HOTEL BUSINESS OPERATIONS

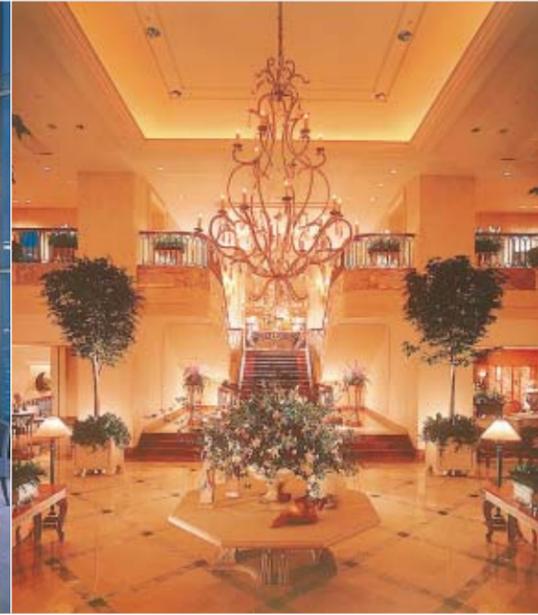
Enhancing Brand Power and Management Efficiency

Royal Park Shiodome Tower (right)

Located in Shiodome, Tokyo, this new style of hotel was created around the concepts of stylish space, a convenient environment and flexible service.

Yokohama Royal Park Hotel (far right)

This hotel occupies the 52nd to 67th floors of the Landmark Tower Yokohama skyscraper in Minato Mirai, Yokohama. At a height of over 210 meters, the hotel is said to be the highest in Japan, so it can offer breathtaking views that change with the time of day and season, and a new experience with every visit.



Liv Fitness Club Kita-Asaka (far left)

This large-scale Liv Fitness Club opened in May 2002 and features a 3,050m² training gym and a variety of relaxation facilities. It is an all-round club, complete with general-purpose spaces and other amenities.

Higashi-Fuji Country Club (left)

Nestling in the slopes of Mt. Fuji, the Higashi-Fuji Country Club is situated 600m above sea level. Its long golf course offers the beauty of flat fairways with an average width of 70m, lined with forest on both sides.

RECREATIONAL FACILITY OPERATIONS

Contributing to Rich and Healthy Lifestyles

In Hotel Business operations, Royal Park Hotels and Resorts Co., Ltd. integrates the administration and management of each hotel to enhance efficiency, accumulates administrative expertise and improves the level of management. In July 2003, the company opened its second city hotel in Tokyo, the Royal Park Shiodome Tower, in the much talked about Shiodome district. Together with hotels in Yokohama and Sendai, the Royal Park chain comprises a network of eight hotels offering 2,362 guestrooms.

A New Style of Hotel

The Royal Park Shiodome Tower offers a new paradigm in hotel experience, including the use of a time-sharing service where members are able to use guestrooms on an hourly basis. All 490 guestrooms feature personal computers equipped with a high-speed Internet connection and information available through a “cyber concierge.” The hotel also features such business amenities as dedicated meeting rooms, a 24-hour business service center and Japan’s first Mandara Spa for relaxation.

Increasing the Brand Value of Royal Park Hotels

The Royal Park Hotels chain was the first in Japan to introduce a global room reservation system concept that has been adopted as standard by all the large-scale hotel chains. Based on this system, we launched Royal Access, Royal Park Hotels’ central reservation office in July 2004, and will aggressively promote its use for hotels outside the Group.

We plan to increase the value of the Royal Park Hotels brand by strengthening the functions of the hotel chain. To this end we intend to actively share and apply common expertise throughout the Group garnered through the exchange of personnel.

The main activities in our Recreational Facility operations include the management of fitness clubs and golf courses and the development of businesses associated with increased leisure time and an aging society.

Developing Business in Response to Active Health-Related Needs

Liv Sports Co., Ltd., which operates nine branches of the Liv Fitness Club, one futsal (five-on-five soccer) club and two massage facilities within the Tokyo area, is turning in solid performances.

In the future, we plan to add to this base by opening new branches, taking over the management of fitness clubs affiliated with large corporations. In addition to the April 2004 post-refurbishment opening of a branch in Makuhashi, Chiba Prefecture, which we took over from another company, a new branch opened near Hashimoto Station in Sagami City in August.

Recent years have witnessed heightened consumer interest in health matters allied to a steadily aging society, which is expected to bring about an even greater increase in fitness needs. Family-oriented branches in suburban areas around Tokyo are at the core of active plans for future openings.

Increasing Management Efficiency in Golf Course Operations

In our golf course operations, Higashi-Fuji Country Club and its sister club Fuji International Golf Club in Shizuoka Prefecture, and Izumi Parktown Golf Club in Miyagi Prefecture are among those that the Company has developed. As well as being involved in the planning behind each club course and its facilities, and bringing them to fruition, progress is being made in efficiency improvements that will bring down costs. In the spring of 2004, remodeling of the greens at Izumi Parktown Golf Club was undertaken, which has added to their charm.

In addition, the division is developing its urban recreational facilities, such as its futsal business and membership-based tennis clubs.