

March 8, 2011

**Statement by Minoru Mori, President MORI Building Co. Ltd.  
Announcement of New President**

(Translation of speech made at Press conference)

I am very grateful that so many of you were able to make time to come today despite the short notice. Let me start by expressing my appreciation for your continued understanding and support of our Company's activities.

Today marks an important day. I would like to announce that in June I will step down as President to assume the position of Chairman. The new President will be Shingo Tsuji who currently serves as Vice President.

For the past several years I have worked hard to find and train people to entrust the future of MORI Building and to build an organization that can respond to the major changes taking place in our world. It pleases me that I am now able to introduce the new President of MORI Building.

I was appointed President in 1993 after the collapse of the Bubble Economy and have been involved in the management of MORI Building with my father since the Company's founding, which means I have been dedicated to urban development as a businessman for half a century.

Our Company started with a small 4-story rental building in Toranomon and then grew via in what is now known as our 'numbered building era'. We then undertook the Ark Hills redevelopment project, Japan's first private urban redevelopment project, and eventually completed other projects such as Roppongi Hills and the Shanghai World Financial Center in China all under the Vertical Garden City concept.

I am grateful to the MORI Building officers and employees who have stood with me in what others then deemed a foolish vision. In retrospect we defied convention and built an urban model worthy of the new age knowledge and information society.

Our business is to create a platform for economic activity and for the activities of individuals. This is a long-range venture closely aligned with the greater economy and entails considerable social responsibility.

With the appointment of a new President, our Company will continue to execute this social responsibility into the future and continue to evolve the MORI Building urban development and organization structure as well as expand and grow our business both in Japan and abroad.

There are three requirements I looked for in my replacement.

The first is continuity for the MORI Building vision to evolve and expand it to “contribute to society through urban development.”

The second is the ability to execute with a strong will by tackling old concepts and difficult problems to create new and creative solutions.

The third is management capability. This means it is important to make decisions based on bringing out the full potential of individuals and the organization and building trust with those outside the Company. This requires making flexible, quick and comprehensive decisions based on gathering and analyzing a variety of information and opinions and proceeding with projects while continually getting feedback.

Shingo Tsuji has a natural ability to meet these requirements and I am confident he is the right person to whom we can entrust the future of MORI Building.

Under very difficult circumstances after the collapse of the Bubble Economy, Mr. Tsuji led a rights conversion plan that obtained the consent of the 400 rights-holders for the Roppongi Hills redevelopment and established the business model for the completely new urban management method we refer to as Town Management.

Later, with the rapid market decline due to the ‘Lehman Shock’, he not only recovered and maintained the utilization rate by revising our business strategy but was able to attract major tenants, and last year, as both the Vice President

and manager of the Business Planning Office, he created the Intermediate Business Plan that calls for a continuation of redevelopment and strengthening of the Company's financial position. Over the past several years Mr. Tsuji has been one of the main persons responsible for addressing the most difficult problems the Company has faced and he has performed far better than expected.

About a year and a half ago, I informed him that he should prepare to be the next President and since then we have worked on management issues closely together. This has given him a firm grounding in the entire spiritual as well as numerical aspects of running and managing MORI Building. I believe he will lead MORI Building to further growth without losing the essence of whom we are regardless of whatever we may face.

I thought from the time he joined that Company that he had great potential, so I am very pleased that he has developed to the point where he can shoulder this great responsibility for MORI Building. Also, since he is 50 years of age, he will have more than twice the youthful power as me. Ours is a long-term business, so at age 50 he has plenty of time to settle in and undertake long-term projects and implement a variety of innovations and reforms along the way.

Some of you may have thought that the next President would be selected directly from the Mori family. MORI Building has reached social prominence and I have long thought there was no need to restrict the management of the Company to only the Mori family. There are some advantages to family management and this move is not intended to refute that, but as I mentioned at the beginning, Mr. Tsuji is the one best able to meet my requirements as successor.

The officers and employees of the Company are also members of the Mori family and are talented in their own right, and their abilities will be used to the fullest. We will put the right people in the right jobs, and they have all told me they will support the new President. Our business has long project cycles, and thus it is important for us to keep our promises across generations, so I would like to ask our shareholders to help us to keep our promises with our new President.

In regards to me, as Chairman I will closely support the new President while

striving to promote our Vertical Garden City (VGC) concept in Japan and abroad. Let me say a few words about our VGC concept.

For half a century I have devoted my life to urban development, but recently my thinking regarding urban planning has undergone a paradigm shift. There is a greater need now more than ever for a new and bold type of urban redevelopment.

So what direction should these changes take and what kind of a city is suitable for the knowledge and information society? I have thought about this issue long and deep. What I have come to after many mistakes and repeated trial and error is the VGC.

This more than anything else is what will rehabilitate Japan and Tokyo amidst the global competition among cities and is also suitable for the knowledge and information society lifestyle.

The VGC highly concentrates a variety of human activities in the center of the city to create a place where people live in proximity to their place of work. This juxtaposition enhances individual creativity and provides people with the environment, time, and opportunity to make new associations and create new industries, ideas, and values.

The high-concentration of space created by combining land together not only provides room for living and working but also for culture and education, entertainment, and community activities, which makes it possible to achieve a better balance between life and work.

Further, making maximum use of the downtown and underground space makes it possible to have green spaces on the surface and saves the natural areas in the suburbs from destruction. Renewing our cities in this manner will reduce the load on the global environment.

We also desire cities to be very safe and durable by being able to withstand the earthquakes that are frequently occurring around the world. We need to use the latest technology to have people gather to cities rather than fleeing from the

buildings.

It pleases me that an increasing number of people in Japan and abroad are starting to think, "Maybe Mori is right". At this important time I want to use the latest computer graphics technology, the Internet, and other means to directly promote this type of new urban development to the general public in addition to government and urban development specialists. Obtaining broad support will accelerate and facilitate urban renewal and revitalize Tokyo and Japan.

We will present many opportunities to discuss these concepts with you, so I would like to ask for your continued guidance and cooperation.

In addition, the new President will have the task of fulfilling MORI Building's social responsibility amidst a challenging business environment. I would also like to ask that you also give him your guidance and support.

Thank you very much.