

MARKET TREND SURVEY of

LARGE-SCALE OFFICE BUILDINGS IN TOKYO'S 23 WARDS ("Ku") (As of December 2003)

The Year 2003 Revealed the Dawn of "Urban Regeneration"

~ Supply Volume and Absorption Capacity in 2003 Reached Highest Levels Since the Survey was Started ~

>Concentration of office buildings to continue in the 3 central wards (Tokyo's Central Business District)

➢By offering global-standard "Total Area Management Services", fully mixeduse areas will set the pace for competition

Since 1986, Mori Building Company Ltd. (Headquarters: Minato-ku, Tokyo; President and CEO: Minoru Mori) has been regularly conducting surveys of large office buildings with floor space of over 10,000 m² (hereafter referred to as "Large-Scale Office Buildings") throughout Tokyo's 23 wards on the basis of publicly posted project plans (projected construction start and completion dates), on-site observation, and direct interviews with developers. In addition, we are now projecting office market trends, by analyzing from a variety of angles, data taken from a survey of the trends in demand (absorption capacity). The following are the findings of our latest research.

Outline of Market Trend Survey				
Survey period	: December end 2003			
Coverage	: Tokyo's 23 wards			
Type of property : Large office buildings with total floor space of over 10,000 m ² (built				
	after 1986)			

(Notes on the contents)

Supply volume in this survey refers to the gross total floor space of office accommodation in all large-scale office buildings completed after 1986, excluding floor space in those buildings reserved for other purposes, such as retail, residences, hotels and others. Absorption capacity: net increase of occupied total floor space in all large-scale office buildings completed after 1986 (total vacant floor space as of the end of the previous year + (plus) total newly supplied floor space – (minus) total vacant floor space as of the end of the current year). In order to facilitate comparison with supply volume, the total floor space (gross) is calculated based on the leased areas in the original data (net) converted to gross numbers using a ratio of 65.5%, which represents the average effective rentable ratio of typical large-scale office buildings.

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The Year 2003 marked the dawn of "Urban Regeneration", with supply volume and absorption capacity reaching the highest levels since our survey began. Concentration of office buildings will continue in the 3 central wards (Tokyo's Central Business District). Areas that will become more competitive are those that have incorporated global-standard "Area Management Services" and have achieved totally mixed-use composition.

Main Features of the Survey

[Supply Trends]

The supply volume reached a record 2.16 million m^2 in 2003, the largest amount since our survey began in 1986.

The supply volume in 2004 will be 1.23 million m^2 , 57% of what it was in 2003.

The annual average supply volume after 2004 will remain stable at an average level of 930,000m².

Concentration of supply in the 3 central wards (Chiyoda-ku, Minato-ku, Chuo-ku) of Metropolitan Tokyo will continue.

The trend toward larger-sized buildings will remain conspicuous.

[Demand Trends]

The new demand (absorption capacity) in 2003 was 2.23 million m², the highest level since our survey began. Vacancy rate in 2003 was 6.7%, marking a 1.4% improvement (reduction) over the 2002 rate of 8.1%.

Massive supply of new large-scale office buildings has triggered the materialization of potential demand, which had remained high mainly in the 3 central wards of Metropolitan Tokyo. Potential demand in the 3 central wards will remain high after 2004, with a continued demand for "centrally-located, newly-built and large floorplate" buildings.



[Office Market Projections]

Concentration of office buildings will increase in the 3 central wards, particularly, in "emergency development areas for urban regeneration" as designated by the 2002 legislation, including the "area around Loop Road No. 2, Akasaka and Roppongi" and the "area around Tokyo and Yurakucho stations" within the Tokyo Central Business District (the Tokyo CBD.) As the fierce competition between areas within the Tokyo CBD intensifies, it is vital for each area to come up with distinct appeal. There will be advantages for those areas that have adopted fully mixed-use purposes according to global standards.



1. General Trends in Supply

Supply in 2003 of 2.16 million m² : the largest volume since this survey began in 1986 Supply volume in 2004 to be 1.23 million m² — approximately 57% of 2003 Yearly average supply volume after 2004 to fluctuate stably at an average level of 0.93 million m²

First, we look at trends in supply. Figure 1 shows the supply trend of large-scale office buildings within Tokyo's 23 wards. The supply volume of 2.16 million m² in 2003 is the largest since our research began in 1986; however, it is expected to be about 1.23 million m² the next year — 57% of the 2003 peak. Looking beyond 2004, it does not appear that the outstanding volumes recorded in 1994 (1.83 million m²) or 2003 (2.16 million m²) will be repeated. The annual average level after 2004 is expected to stay around 0.93 million m², more or less the same level as the actual past annual average of 1.03 million m².

Figure 1: Fluctuation of supply volume of large-scale office buildings within Tokyo's 23 wards



When we look at the construction volume of all office buildings including small-scale office buildings of less than 10,000 m² (Figure 2), which are not included in this survey, the figure in 2003 is 1.38 million m², indicating that the decline trend we have seen since 2000, continued. The five-year average for construction volume around 1990 exceeded the 4 million mark, at a high 4.54 million m^2 – whereas the recent five-year average is 1.88 million m², about 40% of the average figure in 1990. In other words, the supply volume in the entire office building market, including smallscale office buildings, has faced a declining trend since 2000, with the total construction volume remaining at less than half the volume during the bubble period.





Figure 2: Fluctuation of total construction within Tokyo's 23 wards (including small-scale office buildings)



1-1 Supply Trend by Area

Concentration of supply in the 3 central wards to continue

We now look at the trends in supply by area. Figure 3 shows the supply trends of large-scale office buildings in the 3 central wards (Chiyoda-ku, Chuo-ku and Minato-ku) and the other 20 wards. Between 1992 and 1999, supply in the 3 central wards was exceeded by the supply in the other 20 wards. However, this was reversed in 2000; we see that in 2003, 1.81 million m², equivalent to 84% of the total supply volume of 2.16 million m², had been supplied in the 3 central wards. This trend of the supply in the 3 central wards exceeding that in the other 20 wards is expected to continue after 2004.



Figure 3: Fluctuation of supply volume of large-scale office buildings by area

In order to understand the trend more clearly, Figure 4 shows the share of the 3 central wards against the remaining 20 wards, shown in each six-year period and four years after 2004. During the periods "1986-91" and "1992-97", the percentage of the 3 central wards decreased from 58% to 34%. However this trend undergoes a reversal in 2000 with the concentration of supply in the 3 central wards expected to continue after 2004 onwards.

Now, let us look at the trend in supply including office buildings with floor space of less than 10,000 m², which are excluded from this survey. Figure 5 shows the construction of large- and small-scale office buildings by area. Similar to the supply trends of largescale office buildings, a reverse phenomenon is observed beginning in 1999 in which supply in the 3 central wards exceedeed that in the other 20 wards. Even in 2003, supply in the 3 central wards still continue to exceed that in the remaining 20 wards.

It is assumed therefore, that this trend of supply concentration in the 3 central wards will continue for both large-and small-scale buildings.

Figure 4: Supply volume of large-scale office buildings by area for each period



Figure 5: Large-and small-scale office buildings construction by area





1-2 Supply by Size

Trend toward larger buildings to be maintained

Next, we look at trends in supply by building size. In Figure 6, large-scale office buildings are divided into two groups: buildings with office floor space over 10,000 m² but less than 30,000 m², and buildings with office floor space over 30,000 m² (hereafter called "Extremely Large-scale Office Buildings"). Percentages are shown for each six-year period and the period after 2004.

The share of Extremely Large-scale Office Buildings, which was stable around 50% between 1986 and 1991, continues to increase and is expected



Figure 6: Supply volume of large-scale office buildings by

We now look at the supply trend including small-scale office buildings, which were excluded from this survey.

Looking at the fluctuation of construction by building size in Figure 7, when office building construction was booming around 1990, small-scale office buildings far outnumbered large-scale office buildings. However, a reversal has been witnessed recently, and construction of large-scale office buildings now far exceeds that of small-sized office buildings. The construction of small-scale office buildings continued to decrease in 2002 and 2003, with 2003 hitting the lowest level since 1986.

In other words, when reviewing the combination of both small-and large-scale buildings, the trend of increased large-scale building construction and decreased small-scale building construction is expected to continue in the future.





Note 1: Constructed floor areas of large-scale office buildings are those researched where construction commenced after 1986, and are compiled based on the year construction began.

Note 2: Constructed floor areas of small-scale office buildings are calculated on the basis of total constructed floor area for office use (Construction Research Institute) from which we deducted the constructed floor area of large-scale office buildings. Note 3: Construction statistics are calculated based on the building construction notice presented before construction. Therefore inconsistencies may occur with the actual construction.



2. General Trends in Demand

Demand (absorption capacity) in 2003: 2.23 million m², the largest since this survey was started, triggering dramatic improvement of vacancy rate to 6.7%: 1.4% lower than 2002 (8.1%)

We will now look at the trend in demand, using the concept of absorption capacity. As depicted in Figure 8, absorption capacity shows the newly absorbed area (vacant floor area at the end of the previous year + (plus) newly supplied floor area - (minus) vacant floor area at the end of the present year) in all large-scale office buildings completed after 1986.



Note: Total floor space (gross) is calculated on the basis of floor area for lease (net) grossed up by the ratio of 65.6%, the average effective rentable ratio of a typical large-scale office building.

Figure 9 shows the fluctuation of supply volume, absorption capacity and vacancy rate of large-scale office buildings completed after 1986. The absorption capacity in 2001 and 2002 remained low, thereby widening the gap between supply and demand. However, the absorption capacity in 2003 reached 2.23 million m², the highest level since this survey was started, and exceeding the supply volume of 2.16 million m². This massive absorption has triggered a dramatic improvement of vacancy rate to 6.7%, down 1.4% from 8.1% in 2002. On the other hand, the total vacancy rate in Tokyo's 23 wards, including small-scale office buildings with floor space of less than 10,000 m², has worsened from the previous year's 6.1% to 6.9% in 2003. This suggests that office buildings in general are still in a vulnerable situation with the exception of large-scale office buildings completed after 1986. <Reference>

In Figure 10, we have added the absorption capacity of super large office buildings (with floor space of more than $30,000 \text{ m}^2$) completed before 1985. We see that the absorption capacity for super large office buildings completed after 1986 had been massive in 2003, but has remained low for those completed before 1985. The decreases of 2002 and 2003 add up to 29,000 m², which is equivalent to 5% of 6.06 million m^2 , the gross floor area of office buildings completed before 1985. This suggests that demand for older buildings, even "centrallylocated and with large floorplates", remains low.







Figure 10: Fluctuation of absorption capacity: super large office buildings completed before 1985 and large-scale office buildings completed after 1986

2-1 Observation of Potential Demand Absorption

Potential demand absorbed mainly in the 3 central wards, triggered by the massive supply of new large-scale office buildings

In last year's survey, we presented two simulation scenarios for demand behavior. Scenario 1 (shown in Figure 11) projected that the vacancy rate for 2003 would become worse, owing to the wide gap between supply and demand in 2001 and 2002. In Scenario 2 (Figure 12), it was assumed that the long-term wait-and-see attitude by tenants was the main factor for the low absorption capacity in 2002; the mass supply in 2003 would trigger potential demand being absorbed, thereby rapidly decreasing the vacancy rate in 2003.

The actual absorption capacity in 2003 was 2.23 million m² and the vacancy rate for 2003 was 6.7%. Since both numbers are quite close to the projected figures in Scenario 2, we see that potential demand actually was absorbed, triggered by the mass supply of newly-built large-scale office buildings in 2003.

Demand projection from last year's survey

Figure 11: Scenario 1

 \sim Projection of absorption capacity and vacancy rate based on the correlation between supply volume and absorption capacity before 2002 \sim



 This projection was calculated on the basis of the correlation between the actual supply volume and absorption capacity from 1993 to 2002, using the least squares method (Coefficient - 0.70).

• Absorption capacity remains low in 2001 and 2002, showing a reverse trend to supply volume. This wide gap between supply and demand volumes is directly reflected in the projection figure, in which vacancy rate for 2003 worsens to 9.1% and is likely to remain at the same level.

Figure 12: Scenario 2

 \sim Projection of absorption capacity and vacancy rate, assuming that the potential demand that was not absorbed in 2002 will be gradually absorbed after 2003 \sim



Source: Compiled on the basis of Mori Building data

- A first projection number is calculated on the basis of the correlation between the actual supply volume and absorption capacity from 1993 to 2001, using the least squares method (Coefficient - 0.85).
- The gap between the projected figure of 1.21 million m² for 2002 and the actual 0.48 million m² is 0.73 m². This figure represents potential demand based on the wait-and-see attitude of tenants, which should be absorbed regularly in the 3 years following 2003. This figure and the first projection number will total to form the final projection number for this scenario.
- Vacancy rate for 2003 will decrease rapidly to 6.6%, and will continue to improve thereafter.

Vacancy rate is based on large-scale office buildings completed after 1986. Supply volume after 2003 are projected numbers as of December 2002.



Now let us look at potential demand in recent years, and what has actually been absorbed.

First, we will review the "Survey on Office Demand Fluctuation in Japan" which Sumitomo Life Research Institute has conducted through 2002. In this survey, forms were sent to companies inquiring about their expectations for requirements for new leased space and expectations of the amount of their space which may be subject to cancellation or reduction in each period (1999, 2000, 2001 and 2002) and beyond those dates. From this data we prepare projections for "Net Floor Space Demand", or in other words, potential demand for floor space in the 23 wards.

In reviewing Figure 13 which shows "Net Floor Space Demand" for each period under study, we see that net floor space demand in the 23 wards has continued to increase since the research began in 1999. "Net floor space demand" reached particularly high levels in the 23 wards during 2001 and 2002. Breakdown by area shows that demand in the 3 central wards exceeded total demand in the 23 wards. When looking at actual absorption capacity in 2003 (Figure 14), we see massive absorption capacity of 2.23 million m2 in the 23 wards, 83% of which (1.86 million m2) is concentrated in the 3 central wards. This illustrates that in 2003, high potential demand was finally absorbed, mainly in the 3 central wards.

Figure 13: Net demand floor space (potential demand) Net demand floor space = space for new leases - space for cancellation or reduction



Figure 14: Actual absorption capacity (2003)



Source: Compiled on the basis of Mori Building data



2-2 Future Trend of Supply and Demand

Potential demand in the 3 central wards to remain high after 2004, with continued demand for "centrally-located, newly-built and large floorplate" office buildings

In the previous section, we saw that potential (latent) demand, which had remained at a high level mainly in the 3 central wards, materialized in 2003. In this section, we will predict how the trend of supply and demand will fluctuate after the mass absorption in 2003 by reviewing our own "Survey on Office Needs in Tokyo's 23 Wards".

The aforementioned "Survey on Office Summary of "Survey on Office Needs in Tokyo's 23 Wards" by Mori Building

Demand Fluctuation in Japan" had been conducted by Sumitomo Life Insurance Institute until 2002. In 2003, Mori Building conducted similar research using the top 10,000 companies (ranked by capital) headquartered in Tokyo's 23 Wards.

Figure 15 shows expected new leased space requirements and expected amounts of space subject to cancellation or reduction. We notice that among the 1,777 respondents, 12% (213 companies) are planning to cancel or reduce space, and 21% (365 companies) are planning to lease new space in the next three years.

Looking at Figure 16, we see that the 3 central wards account for 64% of the expected new lease space requiremnents. This exceeds the amount of space expected to be cancelled or reduced in the 3 central wards, which is 58%. It is also higher than the percentage of total space located in the 3 central wards (59%) among all companies with valid replies.

In other words, it appears that for the next three years, plans for newly leased space exceed plans for cancellation, and this trend is particularly conspicuous in the 3 central wards.

In order to grasp the corporate trend for relocation, we will look at companies with simultaneous plans for both new leased space and cancellation of existing leases, and their expected new leased space by area (Figure 17). When cancellation is expected to take place within the 3 central wards, 79% expect to relocate within these 3 wards. When cancellation takes place in the other 20 wards, relocation within the same area remains to be only 57%, while 43% expect new leased space in the 3 central wards. Therefore, we know that "relocation from the surrounding areas into the central area" forms an additional factor, further enhancing the trend for corporate concentration into the central area.





Let us turn now to Figure 18, depicting "Net Floor Space Demand by Area", which is the gap between space subject to new leases and space subject to cancellation or reduction. Responses from 1,777 companies suggest that a "Net Floor Space Demand" of 266,000 m² exists in the 23 wards. In particular, the 3 central wards yield an existing "Net Floor Space Demand" of 224,000 m², equivalent to 85% of the total area. This tells us that potential demand in terms of volume will continue to concentrate in the 3 central wards in the future. The number of office workers working in the 23 wards for these 1,777 companies total 294,000, while the number of office workers in the 23 wards in 2003, as calculated by Sumitomo Life Research Institute, totaled 3.37 million. Correlating this number with the total net floor space demand for the 23 wards (266,000 m²), we can assume that there is "net floor space demand" of about 3 million m², 85% of which is concentrated in the 3 central wards. Although sampling errors may exist, and the populations of the two studies vary to a certain extent, it is reasonable to conclude that the potential demand in the 3 central wards remains quite high.

Finally, we will observe the reasons for relocation as referenced in Figure 19. It is apparent that among the reasons to relocate to "centrally-located, newlybuilt and large floorplate" office buildings, items such as "larger floorplates", "better facility", "better location", etc. rank among the top arguments, suggesting that demand for "centrally-located, newly-built and large floorplate" office buildings remains high.

Therefore, we believe that potential demand will remain high mainly in the 3 central wards after 2004. This potential demand is expected to materialize mainly in large-scale office buildings that are "centrally-located, newly-built with large floorplates". Figure 18: Net floor space demand (by area)

Net floor space demand = space subject to new lease - space subject to cancellation or reduction lion m^2



Tokyo's 23 wards 3 central wards 20 other wards Note: space subject to new leases with multiple replies are included into each area by dividing total area by the number of specific projects under consideration. Source: Compiled on the basis of Mori Building data

Figure 19: Reasons for relocation



Source: Compiled on the basis of Mori Building data



<Reference> Projection of future supply and demand (regression analysis based on the correlation between supply volume and absorption capacity)

By observing the simulation of future trends of supply and demand from the previous year's survey, we know that we were close to the scenario suggesting potential demand from 2002 would be gradually realized in 2003.

Figure 20 shows the projection of supply and demand based on last year's scenario, which assumes that potential demand of 2002 based on the wait-and-see attitude of tenants, will gradually materialize. In 2004, absorption capacity of 1.45 million m² will outpace supply volume of 1.23 million m² by 0.22 million m². The vacancy rate will improve by 1.5% from 6.7% in 2003 to 5.2%; this trend should continue and the rate is expected to fall to 3.6% in 2006. Looking back to just before and after 1994 when massive supply took place, we see that in 1993, the year before massive supply, the vacancy rate went up significantly. Then in 1994 and the two years that followed, the vacancy rate gradually went down. This projection shows the same trend as in the previous massive supply period.

However, we cannot be overly optimistic in the current situation, since the timing and scale of demand increase is largely influenced by economic trends, fluctuation in the number of employees, office space requirements per capita and trends in rent levels, in addition to supply trends staying at levels similar to average years.





[Calculation method]

- (1) A first projection figure was calculated based on the correlation between the actual supply volume and absorption capacity from 1993 to 2001, using the least squares method with a coefficient of 0.85. For 2002: 1.21 million m²; 2003: 2.02 million m²; 2004: 1.19 million m²; 2005: 1.01 million m²; 2006: 0.88 million m².
- (2) The gap between the projected figure of 1.21 million m² for 2002 and the actual 0.48 million m² is 0.73 million m². This figure is assumed to be the latent demand based on the wait-and-see attitude of tenants, which will be evenly distributed and added on the projected figures in (1) during the 3 years following 2003.
- (3) The projected figure for 2003 is 2.02 million m² while the actual figure is 2.23 million m² Therefore we can deduct that 0.21 million m² out of the potential demand of 0.73 million m² was the actual demand volume that materialized.
- (4) 0.73 millon m²minus 0.21 million m² is the potential demand assumed to be absorbed equally between 2004 and 2005, and is therefore added to the projected number in (1).



3. Office Building Market Prospects

In recent years, the main focus of concern has been the wide gap between supply and demand, due to the mass supply of newly built large-scale office buildings in 2003. This phenomenon attracted attention as the so-called "2003 problem". However, in the large-scale office building market, demand surpassing supply actually materialized in the form of an increase in absorption capacity, thereby bringing about improvement in vacancy rates. Though the "2003 problem" was said to become a societal problem, we can say that its influence over the large-scale office building market has been extremely small. While the total stock volume of office buildings in the 23 wards is approximately 81.5 million m², the total stock volume of large-scale office buildings built after 1986 is 18.5 million m², equal to only about a quarter of the total. This scarcity suggests that demand for large-scale office buildings will remain high. And demand for those scarce large-scale office buildings triggered absorption of potential demand, resulting in a concentration of companies in those areas where large-scale office building supply was located.

In this survey, we have seen that supply will continue to be concentrated in the 3 central wards, and in response to this trend, demand will also grow in the 3 central wards. As a result, concentration of demand and supply for offices in the 3 central wards will become more significant, which suggests that corporations will be further concentrated into these 3 wards in the future. We will now analyze the supply volume of large-scale office buildings in the main business areas in the 3 central wards, past and future, and make a projection on the future office market.





Figure 21 shows supply volume broken down by major business locations within the 3 central wards. Areas with a high volume of supply in the past and in future projections include: Akasaka/Roppongi, Shimbashi/Toranomon, Marunouchi/Otemachi, and Konan. On the other hand, when looking at the emergency development area for urban regeneration based on the "Law on Emergency Measures for Urban Regeneration", the abovementioned areas are more or less included within either "the area around Loop Road No. 2, Akasaka and Roppongi" or "the area around Tokyo and Yurakucho stations", except for the Konan area. Therefore, we see that "the area around Loop Road No. 2, Akasaka and Roppongi" and "the area around Tokyo and Yurakucho stations" will continue to be the poles for new supply. In these areas, working environments will further improve, triggering a further concentration of corporate headquarters, which in turn, will promote further development. Tokyo's Central Business District (CBD) will be formed around these poles.



In last year's survey, we mentioned that since the majority of buildings to be supplied in the future fulfill conditions of being "centrally located, newly-built and offering large floorplates", it is ever more important to focus on other attractive features for tenants in order to stay competitive. These include: 1) "total area development"— to increase the attractiveness of the entire area by improving its facilities and environment based on mid- and long-term policies in view of local characteristics and various needs from a hardware viewpoint and 2) advanced "town management"— for larger areas to provide people with timely information and other services to enhance the attractiveness of the area from a software standpoint. The combination of these two elements will be essential in future area management.

When reviewing recent trends, large developers are clearly becoming aware of the intensifying competition that exists between areas such as the Otemachi/Marunouchi/Yurakucho area, the Roppongi area and the Nihombashi area. As a result, all are actively promoting "area management" in order to improve their own competitiveness. Though 2003 had been reported as a negative year due to the so-called "2003 problem", we can say that it in fact marked the "Dawn for Urban Regeneration" in making the city more attractive — with the increasing high-quality (centrally-located, newly built and large floorplate) office building stock volume, as well as with "total area management" activities shifting into full swing.

Competition amongst Tokyo CBD areas will continue, and "area management" will become increasingly important in order to stay ahead. Fostering an environment that enhances "intellectual productivity" in offices is an important component of the "area management" strategy. The office is no longer contained as just a place to work in as it once was. Instead, it is combined with many complex functions such as restaurants and retail shops, hotels, culture, leisure and residences. And these can be harmonized from the viewpoints of both hardware and software. In taking this broader view, it is essential to create an area where a diversity of people can carry out exchanges and share their views in an efficient manner in terms of both time and space. Something else to consider is the so-called "2010 problem". With the baby-boomer generation retiring, the number of office workers may dramatically decrease. It is becoming increasingly important therefore, to establish a globalstandard office environment in order to encourage global players to enter it. When this occurs, and by all accounts it is already occurring, it will be essential to provide networking opportunities for these global players in the way of culture, entertainment and high-quality hotels. Residences must meet global standards, and living environments must be developed with international schools and highly skilled medical facilities in mind.

In the "Urban Regeneration Era", areas that offer global-standard mixed-use attractions, which enhance "intellectual productivity" will be advantageous in the intensifying competition within the Tokyo CBD.

Office buildings will continue to be concentrated in the 3 central wards, particularly in the Tokyo CBD, including "the area around Loop Road No. 2, Akasaka and Roppongi" and "the area around Tokyo and Yurakucho stations"

With the intensifying competition among areas in the Tokyo CBD, attractive features ("total area management") will become increasingly important. In particular, those fully mixed use areas with global-standard services will have an edge



*Supply volume announced by our company is "total floor area purely used for offices", which is different from the total areas shown below.

Name of Project	Floor Area			
(Name of Building)	(m ^²)	(Tsubo)	Development led by:	Location
2004				
Marunouchi 1-chome Urban Area 1 Development Project – Area A (tentative name)	225,000	68,063	Mitsubishi Estate Co., Ltd., Marunouchi Hotel Inc., Nippon Mutual Life Insurance Co.	Marunouchi, Chiyoda-ku
Redevelopment Project of Meiji Yasuda Life Insurance Building (tentative name)	148,728	44,990	Meiji Yasuda Life Insurance Company	Marunouchi, Chiyoda-ku
Chiyoda First Building West Wing	63,450	19,194	Nishi-Kanda 3 chome, North Block West Area Redevelopment Association	Nishi-Kanda, Chiyoda-ku
Nibancho Project (tentative name)	58,412	17,670	The Dai-ichi Mutual Life Insurance Co., Mitsubishi Estate Co., Ltd. Taivo Mutual Life Insurance	Nibancho, Chiyoda-ku
Nihonbashi 1-Chome Building	98,063	29,664	Mitsui Fudosan Co., Ltd., Tokyu Corp., Tokyu Land Corp.	Nihonbashi, Chuo- ku
Shiodome Sumitomo Building	99,399	30,069	Sumitomo Life Insurance Co., Sumitomo Realty & Development Co. Ltd.	Higashi- Shimbashi, Minato-ku
JR Shinagawa East Building	62,740	18,979	East Japan Railway Co., The EKIBIRU Development Co. Tokyo	Konan, Minato-ku
Shinagawa Seaside South Tower	51,200	15,488	Kajima Corporation	Higashi- Shinagawa, Shinagawa-ku
2005				Ŭ
Tokyo Building Reconstruction Project (tentative name)	150,000	45,375	Mitsubishi Estate Co., Ltd., East Japan Railway Co., The Bank of Tokyo-Mitsubishi, Ltd.	Marunouchi, Chiyoda-ku
Akihabara Dai Building (tentative name)	50,290	15,213	DAIBIRU Corp.	Soto-Kanda, Chiyoda-ku
Muromachi Mitsui Shinkan Building (tentative name)	130,750	39,552	Mitsui Fudosan Co., Ltd., Sembikiya- Sohonten, Ltd.	Nihonbashi- Muromachi, Chuo- ku
Ginza 8-chome Project	49,732	15,044	Mitsui Fudosan Co., Ltd	Ginza, Chuo-ku
Akasaka 1-chome Redevelopment Project (tentative name)	74,640	22,579	Kowa Real Estate Co., Ltd.	Akasaka, Minato- ku
Tokyo Shiodome Building	192,000	58,081	Mori Trust Co., Ltd., Sumitomo Reality & Development Co., Ltd.	Higashi- Shimbashi, Minato-ku
Redevelopment Project of Shirogane 1-chome East Urban Area/ Site B (tentative name)	50,324	15,223	Shirogane 1-chome East Area Redevelopment Association	Shirogane, Minato-ku
New Shibaura Development Project (tentative name)	141,891	42,922	Sony Life Insurance Co., Ltd.	Konan, Minato-ku
TX Building (tentative name)	99,990	30,247	TX Special Purpose Corporation	Toyosu, Koto-ku



Name of Project	Floor Area			
(Name of Building)	(m ²)	(Tsubo)	Development led by:	Location
2006				
Mitsubishi Corporation New Marunouchi Office Building (tentative name)	62,000	18,755	Mitsubishi Corp.	Marunouchi, Chiyoda-ku
UDX Building (tentative name)	161,676	48,907	UDX Special Purpose Corporation	Soto-Kanda, Chiyoda-ku
Kudan-Kita Project (tentative name)	58,900	17,817	The Mitusbishi Trust and Banking Corporation	Kudan-Kita, Chiyoda-ku
Toranomon 4-chome Project (office tower) (tentative name)	59,742	18,072	Kajima Corporation and 1 other company	Toranomon, Minato-ku
Mita 3-chome Project (tentative name)	99,662	30,148	SF Mita Special Purpose Corporation, Sumitomo Realty & Development Co., Ltd.	Mita, Minato-ku
TA Building (tentative name)	105,300	31,853	Ishikawajima-Harima Heavy Industries Co., Ltd.	Toyosu, Koto-ku
Development Project of Ariake Area, Southern LM2 (East and West Sites) (tentative name)	90,422	27,353	TOC Co., Ltd.	Ariake, Koto-ku
Redevelopment Project of Taihei 4-chome Kinshicho Office Tower (tentative name)	72,957	22,069	Tokyo Tatemono Co., Ltd.	Taihei, Suimda-ku
2007				
East Japan Railway Tokyo Station Nihonbashi Building (tentative name)	79,200	23,958	East Japan Railway Co.	Marunouchi, Chiyoda-ku
Redevelopment Project of Yurakucho Station (Urban Area 1) (tentative name)	75,000	22,688	Redevelopment Association of Yurakucho Station (Urban Area 1)	Yurakucho, Chiyoda-ku
Redevelopment project of Fujimi 2-chome, North area (tentative name)	75,300	22,780	Redevelopment Association of Fujimi 2- chome, North site	Fujimi, Chiyoda- ku
Tokyo Midtown Project, Site A (tentative name)	234,000	70,785	Mitsui Fudosan Co., Ltd., National Agricultural Association, Meiji Yasuda Life Insurance Company and 3 others	Akasaka, Minato- ku
Tokyo Midtown Project, Site B (tentative name)	80,000	24,200	Mitsui Fudosan Co., Ltd., National Agricultural Association, Meiji Yasuda Life Insurance Company and 3 others	Akasaka, Minato- ku
Development Project of Akasaka 5-chome, TBS Office Tower	177,000	53,543	Tokyo Broadcast System, Inc.	Akasaka, Minato- ku
Redevelopment Project of Nishi-Shinjuku 6-chome West, Area 6 (tentative name)	136,800	41,382	Nishi-Shinjuku 6-chome, West, Area 6, Redevelopment Association	Nishi-Shinjuku, Shinjuku-ku
Redevelopment Project of Osaki Station West Entrance East Area (tentative name)	155,000	46,888	Meidensha Corporation, World Trade Center Building, Inc.	Osaki, Shinagawa- ku
2008				
Redevelopment of Tokyo Station Yaesu area (First stage *1) (tentative name)	350,000	105,875	East Japan Railway Co., Mitsui Fudosan Co., Ltd., Kokusai Kanko Kaikan and 2 others	Marunouchi, Chiyoda-ku
Reconstruction Project of Shin-Marunouchi Building (tentative name) *2	195,000	58,988	Mitsubishi Estate Co., Ltd.,	Marunouchi, Chiyoda-ku

*1 Floor area figure is the total of stages 1 and 2. (The completion of stage 2 is 2011.) *2 Completion scheduled in FY2007.