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For Immediate Release

Mitsui Fudosan Announces Management Reform, Reorganization and Personnel Changes

Mitsui Fudosan Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange, Osaka Securities Exchange and Sapporo Stock Exchange with the securities code number 8801. Mitsui Fudosan is headquartered in Tokyo, Japan.

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Based on the Medium Term Group Management Plan (FY 2000 to 2002) announced in May 2000, Mitsui Fudosan is proceeding with measures to achieve financial targets and determine the optimal organization structure to support a sound base for future growth. As a continuation of these efforts, we announce the following management reforms and personnel changes, which were decided at today's meeting of the Board of Directors, to accompany reorganization measures.

1. Background

Amid the ongoing paradigm shift in the real estate market in Japan, investors have shifted emphasis from asset appreciation to cash flow and total return. In the past several years, funds have flowed into real estate investments through the financial markets using such methods as securitization, and the real estate and capital markets have become more directly linked. Moreover, this month will mark the establishment of a real estate investment trust market, known as J-REITs, listed on the Tokyo Stock Exchange. Mitsui Fudosan considers this a landmark event for the further development of the real estate investment market in Japan.

With a clear recognition of the importance of this paradigm shift, Mitsui Fudosan has worked to transform the conventional business model of the real estate industry through such policies as expanding non-asset businesses. The fundamental policy of our Medium Term Group Management Plan is to raise earnings power and boost growth prospects, and we are vigorously implementing strategic measures called for in the Plan.

Trends in the real estate industry are resulting in a more open and transparent real estate market and driving opportunities for Mitsui Fudosan in non-asset businesses, including the management and administration of customer-owned assets, in addition to the Company's own properties. As a result, a management strategy of rapid business development able to better maximize customer and shareholder value has become possible. To capitalize on these opportunities, we have recognized the need to reform our management structure to enhance soundness, efficiency and transparency.

For business implementation, management has also recognized the urgent need to build an efficient organization with thorough compliance procedures, while making concerted efforts throughout the Group to realize customer-oriented operations.

2. Management Reform

With the aim of enhancing soundness and efficiency, Mitsui Fudosan will introduce a "Corporate Officer System" on April 1, 2001. This system will separate the roles of policy determination and implementation, both of which are currently assumed by directors. Furthermore, to raise the transparency of operations and ensure a multifaceted management approach, we will introduce the following measures.

Introduce "Corporate Officer System"

Officers will be appointed by the Board of Directors and implement policies determined by the Board. As the Chief Executive Officer, the President will have ultimate responsibility for policy execution, followed by Executive Vice Presidents, Senior Executive Officers, Executive Officers and Officers.

As a result, the role of policy implementation will be transferred from directors to Corporate Officers. The system aims to flexibly allocate responsibility for operations and create an optimal management structure for our current operating environment and business model.

Streamline the Number of Directors

The Board of Directors determine policies on a Company-wide and Group-wide basis on behalf of shareholders, and fulfill the role of supervising operational implementation.

Along with the introduction of the Corporate Officer System for implementation, the number of Directors will be reduced to an optimal level to fulfill the above-mentioned roles following approval at the annual general shareholders' meeting in June 2001.

In advance of this measure, the number of Representative Directors will be changed effective

April 1, 2001.

The Chairman of the Board will not take on an additional role as a Corporate Officer.

Raise the External Auditor Ratio Above 50%

To improve management transparency, the Company intends to raise the proportion of external auditors to above 50% of total corporate auditors, following approval at the annual general shareholders' meeting scheduled for June 2001.

Reinforce the Compliance System

With the aim of strengthening the compliance system, executives with responsibility for compliance will be selected from among Directors and Corporate Officers, and the Company intends to establish an internal compliance committee.

Establish Advisory Committee

The Company intends to establish an Advisory Committee in the first half of the next fiscal year. The aim of this measure is to provide a wide range of opinions from external experts to support a multifaceted approach to management issues.

The Advisory Committee will comprise a number of leaders from business and academia and will report directly to the Company's President.

3. Reorganization

The following organizational reforms were decided to strengthen non-asset businesses, introduce a corporate execution system in line with compliance standards, and thoroughly apply a customer-oriented policy.

(1) Characteristics and Purposes of Reorganization

1. *The reorganization aims to reinforce Mitsui Fudosan's asset strategy by establishing the Principal Investments Division, in which asset management of the Company is concentrated. The reorganization also aims to strengthen non-asset businesses by ascertaining the roles of the Office Building Division and Commercial Properties Division to provide services as part of our non-asset businesses.*

— Establish the Principal Investments Division, which will create a Company-wide asset strategy and concentrate Company assets allocated to the Office Building Division and Commercial Properties Division

— Establish the Principal Investments Department within the Principal Investments Division to create and manage an investment framework for each division and

department, and assign asset performance targets for the Office Building Division and Commercial Properties Division

2. *The reorganization aims to position and further strengthen the Real Estate Services Division to engage in marketing to acquire new business opportunities through tie-ups with each division and department in addition to the function of promoting non-asset businesses.*
 - Strengthen the functions of the Appraisal Department in response to the growing need for due diligence services in addition to appraisal
 - Development promotion functions including project management services in the Real Estate Services Division will be transferred to each division and department. (The Development Planning Department will be phased out. The Shiodome Project Department will be transferred to the Office Building Division.)
3. *The reorganization aims to enhance the transparency and efficiency of the tenant management system and administrative management structure in the Office Building Division.*
 - In the Office Building Leasing and Marketing Department, establish the Leasing and Marketing Office (I), which is responsible for marketing properties under management, and the Leasing and Marketing Office (II), which is responsible for corporate marketing as related to office needs, with a Marketing Section placed in each. In addition, a Leasing Agency Section will be established to handle marketing of properties that are consigned by third parties
 - A company will be established to handle office management work consigned from real estate investment funds scheduled to list on the real estate investment trust market
4. *The reorganization aims to create a function-specific organization with a customer (tenant)-oriented perspective to strengthen new business acquisition opportunities, including commercial property operations, and strengthen existing facility management and administration functions.*
 - The Commercial Properties Development Department will be established to strengthen and increase the efficiency of business planning and promotion functions for new commercial facilities
 - The Commercial Properties Management Department will be established to reinforce management and administrative functions of existing shopping centers and outlet malls
 - The Hotel Development Group, Urban Entertainment Facilities Department, will be reorganized into the Hotel Development Department

5. *The reorganization aims to accelerate and reinforce after-sales services by placing them under direct control of the Company to increase customer satisfaction in the condominium sales business.*
 - After Service Centers will be established in the Urban Development Department (I), Urban Development Department (II), Chiba Branch, Yokohama Branch and the Residential Development Department of the Kansai Head Office
 - As a result, a structure will be put in place to directly deal with customer needs, as with the Mitsui Open Communication (MOC) monitoring system used in planning to meet customer needs
 - We will aim to bolster consigned management services by moving after-sales services that were relegated to an affiliated company to a structure dedicated to consigned management services received from the condominium management association, while continuing to receive consignment of management work from the condominium management association as before

6. *The reorganization aims to strengthen assessment and research functions related to the real estate investment market.*
 - Establish the Real Estate Investment Research Institute to support information disclosure functions for surveys and research of market conditions and investors related to the real estate investment market

7. *The reorganization aims to bolster corporate information disclosure functions for shareholders and investors.*
 - Establish the Investor Relations Group in the Accounting and Finance Department to strengthen corporate information disclosure functions for shareholders and investors and to facilitate feedback of capital market data to management

(2) Summary of Other Measures

1. FIABCI Department
 - Discontinue the FIABCI Department

2. Office Building Division
 - Establish the Office Building Project Planning Department to strengthen business opportunity acquisition functions, including office management services.
 - Establish the Office Building Development Department to promote development of office buildings
 - Discontinue the Office Building Portfolio Management Department in line with the establishment of the Office Building Project Planning Department and the Office Building Development Department

- Accept the Shiodome Project Department from the Real Estate Services Division.
- Change names of Office Building Property Management Department (I) and Office Building Property Management Department (II) to Office Management Services Department (I) and Office Management Services Department (II)

3. Newly Established Departments

- Establish the Development Planning Department (I) and Toyosu-Project Development Planning Department to undertake business planning and promotion of individual and combined development projects

4. Transfer <Retirement> of Representative Directors (Effective April 1, 2001)

< Retiring Representative Directors > () Indicates New Post

Representative Director, Senior Managing Director	Hisamitsu Tsubahara (Senior Managing Director)
Representative Director, Senior Managing Director	Tadamasa Nishihara (Senior Managing Director)
Representative Director, Senior Managing Director	Yoshihiko Katori (Senior Managing Director)

5. Appointment of Representative Directors and Senior Managing Directors and Managing Directors (Effective April 1, 2001)

Representative Director, Chairman of the Board	Jun-Ichirô Tanaka
Representative Director, President and CEO	Hikomichi Iwasa
Representative Director, Executive Vice President	Kazuo Sato
Representative Director, Executive Vice President	Moriya Saito
Senior Managing Director	Hisamitsu Tsubahara
Senior Managing Director	Tadamasa Nishihara
Senior Managing Director	Yoshihiko Katori
Senior Managing Director	Yotaro Hayashi
Managing Director	Kouichi Ohmuro
Managing Director	Osamu Ogawa

6. Board of Directors (Effective April 1, 2001)

Representative Director, Chairman of the Board	Jun-Ichirô Tanaka
Representative Director, President and CEO	Hiromichi Iwasa
Representative Director, Executive Vice President	Kazuo Sato
Representative Director, Executive Vice President	Moriya Saito
Audit Department, General Administration Department, Personnel Department, Mitsui Fudosan Group Planning Division, Kansai Head Office, Branches and Offices	
Senior Managing Director	Hisamitsu Tsubahara
Corporate Communications Department, Accounting and Finance Department, Corporate Planning and Research Department, Real Estate Investment Research Institute, Real Estate Securitization Department	
Senior Managing Director	Tadamasa Nishihara
Commercial Properties Division, Area Development Department	
Senior Managing Director	Yoshihiko Katori
Executive Secretarial Department, Principal Investments Division	
Senior Managing Director	Yotaro Hayashi
Information Systems Department, Space & Environment Institute, Real Estate Services Division, Development Planning Department (I), Toyosu-Project Development Planning Department	
Managing Director	Kouichi Ohmuro
Office Building Division, International Department	
Managing Director	Osamu Ogawa
New Business Planning Department, Residential Development Division, CARE DESIGN Business Planning Department	
Director	Hirohiko Kamei
Director	Yuji Yokoyama
Director	Kazuichi Nagata
Director	Mitsuhiro Matsumoto
Director	Minoru Sato
Director	Takayuki Namae
Director	Kuniaki Ikeya
Director	Tatsuo Soda

7. Changes in the Board of Directors (Effective April 1, 2001)

New Position (Or Added Positions)	Eliminated Position	Continuous Position	Name
		Representative Director, Chairman of the Board	Jun-Ichirô Tanaka
		Representative Director, President and CEO	Hirromichi Iwasa
		Representative Director, Executive Vice President	Kazuo Sato
Audit Department, General Administration Department, Personnel Department, Mitsui Fudosan Group Planning Division, Kansai Head Office, Branches and Offices		Representative Director, Executive Vice President	Moriya Saito
Corporate Communications Department, Accounting and Finance Department, Corporate Planning and Research Department, Real Estate Investment Research Institute, Real Estate Securitization Department	Representative Director	Senior Managing Director	Hisamitsu Tsubahara
Commercial Properties Division, Area Development Department	Representative Director	Senior Managing Director	Tadamasa Nishihara
Executive Secretarial Department, Principal Investments Division	Representative Director	Senior Managing Director	Yoshihiko Katori

Senior Managing Director Information Systems Department, Space & Environment Institute, Real Estate Services Division, Development Planning Department (I), Toyosu-Project Development Planning Department	Managing Director		Yotaro Hayashi
Office Building Division, International Department		Managing Director	Kouichi Ohmuro
New Business Planning Department, Residential Development Division, CARE DESIGN Business Planning Department		Managing Director	Osamu Ogawa
		Director	Hirohiko Kamei
		Director	Yuji Yokoyama
		Director	Kazuichi Nagata
		Director	Mitsuhiro Matsumoto
		Director	Minoru Sato
		Director	Takayuki Namae
		Director	Kuniaki Ikeya
		Director	Tatsuo Soda

8. Appointment of Corporate Officers (Effective April 1, 2001)

President and Chief Executive Officer	Hiromichi Iwasa
Executive Vice President	Kazuo Sato
Executive Vice President	Moriya Saito (Personnel Department Related Operations, Branches and Offices)
Senior Executive Officer	Hisamitsu Tsubahara (Corporate Communications Department, Accounting and Finance Department, Corporate Planning and Research Department Related Operations)
Senior Executive Officer	Tadamasa Nishihara (Commercial Properties Division, Area Development Department Related Operations; General Manager, Commercial Properties Division)
Senior Executive Officer	Yoshihiko Katori (Executive Secretarial Department, Principal Investments Division Related Operations; General Manager, Principal Investments Division)
Senior Executive Office	Yotaro Hayashi (Space & Environment Institute, Real Estate Services Division, Development Planning Department (I), Toyosu-Project Development Planning Department Related Operations; General Manager, Real Estate Services Division)
Executive Officer	Kouichi Ohmuro (Office Building Division, International Department Related Operations; General Manager, Office Building Division)
Executive Officer	Osamu Ogawa (Residential Development Division, CARE DESIGN Business Planning Department Related Operations; General Manager, Residential Development Division)
Executive Officer	Hirohiko Kamei (Kansai Head Office; General Manager, Kansai Head Office)
Executive Officer	Yuji Yokoyama (Audit Department, General Administration Department, Real Estate Investment Research Institute, Real Estate Securitization Department Related Operations)
Executive Officer	Kazuichi Nagata (Information Systems Department, New Business Planning Department, Mitsui Fudosan Group Planning Division Related Operations; General Manager, Mitsui Fudosan Group Planning Division)
Officer	Mitsuhiro Matsumoto (Representative Director and

	President, Mitsui Harbour and Urban Construction Co., Ltd.)
Officer	Minoru Sato (General Manager, Corporate Planning and Research Department)
Officer	Takayuki Namae (General Manager, Personnel Department)
Officer	Kuniaki Ikeya(General Manager, Urban Development Department (I), Residential Development Division)
Officer	Tatsuo Soda (General Manager, Accounting and Finance Department)
Officer	Yoshiki Kageyama (Deputy General Manager, Office Building Division and General Manager, Office Building Development Department)
Officer	Nobumi Tobari (General Manager, Corporate Communications Department)
Officer	Shigeo Sasaki (General Manager, Office Management Services Department (I), Office Building Division)
Officer	Takayoshi Saito (General Manager, International Department)
Officer	Takashi Ikeda (General Manager, Urban Development Department (II), Residential Development Division)
Officer	Ryouji Nakamura (General Manager, Area Development Department)

9. Transfers (unofficial) of Directors, Corporate Auditors and Corporate Officers (Effective June, 2001)

New Position (Or Added Positions)	Eliminated Position	Continuous Position	Name
Special Advisor	Representative Director, Executive Vice President		Kazuo Sato
	Director	Executive Officer	Hirohiko Kamei
	Director	Executive Officer	Yuji Yokoyama
	Director	Executive Officer	Kazuichi Nagata
	Director	Officer	Mitsuhiro Matsumoto

	Director	Officer	Minoru Sato
	Director	Officer	Takayuki Namae
	Director	Officer	Kuniaki Ikeya
	Director	Officer	Tatsuo Soda
Corporate Auditor			Akira Watanabe
Advisor	Corporate Auditor		Shin-ya Taira

The above transfers are expected to be finalized at the general shareholders' meeting at the end of June 2001 and by the Board of Directors.

10. Personal Histories of New Appointees

(1) New Corporate Officers (Effective April 1, 2001; excluding Directors)

Yoshiki Kageyama

Date of Birth June 27, 1948

Resume

- March 1971 Graduated Hitotsubashi University, Law Department
- April 1971 Entered Mitsui Fudosan
- April 1994 General Manager, Saitama Branch
- April 1997 General Manager, Project Planning Department (II)
- April 1998 General Manager, Development Consulting Department (II), Real Estate Services Division
- April 1999 General Manager, Development Planning Department, Real Estate Services Division

Nobumi Tobari

Date of Birth March 8, 1947

Resume

- March, 1971 Graduated Tokyo University, Economics Department
- April, 1971 Entered Mitsui Fudosan
- April, 1997 General Manager, Corporate Communications Department

Shigeo Sasaki

Date of Birth September 26, 1948

Resume

- March 1971 Graduated Hitotsubashi University, Sociology Department
- April 1971 Entered Mitsui Fudosan

April 1997 General Manager, Office Building Marketing
Department (III), Office Building Marketing Division

April 1999 General Manager, Office Building Property
Management Department (I), Office Building Division

Takayoshi Saito

Date of Birth January 8, 1949

Resume March, 1971 Graduated Keio University, Law Department

April, 1971 Entered Mitsui Fudosan

April, 1997 General Manager, International Department

Takashi Ikeda

Date of Birth May 1, 1949

Resume March, 1972 Graduated Keio University, Economics Department

April, 1972 Entered Mitsui Fudosan

April, 1998 General Manager, Real Estate Services Department,
Real Estate Services Division

April, 2000 General Manager, Urban Development Department
(II), Residential Development Division

Ryouji Nakamura

Date of Birth October 2, 1949

Resume March 1972 Graduated Waseda University, Political Economy
Department

April 1972 Entered Mitsui Fudosan

April 1997 General Manager, Hiroshima Branch

April 2000 General Manager, Area Development Department

(1) New Corporate Auditor Candidate (unofficial)

Akira Watanabe

Date of Birth October 21, 1928

Resume March 1953 Graduated Tokyo University, Law Department

1956 Passed the Bar

1959 Registered Lawyer

Work Lawyer (Member of Daini Tokyo Bar Association)

11. Division Management Changes (Excluding Executive Officers)

New Position	Eliminated Position	Continuo u s	N a m e
General Manager, General Administration Department & Audit Department	General Manager, Subsidiaries and Affiliates Support Department, Mitsui Fudosan Group Planning Division		Takao Iwadou
General Manager, Executive Secretarial Department	General Manager, Construction Planning Department, Real Estate Services Division		Masahiko Kurosu
General Manager, Real Estate Investment Research Institute			Ichiro Kusama
General Manager, Mitsui Fudosan Group Planning Department, Mitsui Fudosan Group Planning Division	General Manager, Office Building Property Management Department (), Office Building Division		Ken Tanaka
General Manager, Subsidiaries and Affiliates Support Department, Mitsui Fudosan Group Planning Division			Hiroshi Konno
General Manager, Construction Planning Department, Real Estate Service Division			Jun Yasuda
General Manager, Development Consulting Department & Gotanda Project Department, Real Estate Services Division			Katsuji Yamamasu

General Manager, Principal Investments Department, Principal Investments Division	General Manager, Executive Secretarial Department		Junichi Kogo
General Manager, Shiodome Project Department, Office Building Division			Fusanobu Oka
General Manager, Office Management Services Department (II), Office Building Division	General Manager, Oita Branch		Junichi Tanaka
General Manager, Commercial Properties Development Department, Commercial Properties Division			Yoshiaki Iinuma
General Manager, Commercial Properties Management Department, Commercial Properties Division	General Manager, Shopping Center Department, Commercial Properties Division		Hirosi Tanabe
General Manager, Hotel Development Department, Commercial Properties Division			Hiroshi Abe
General Manager, Toyosu-Project Development Planning Department & Development Planning Department (I)	General Manager, Shiodome Project Department, Real Estate Services Division		Norio Takezaki
General Manager, Fukuoka Branch	General Manager, Gotanda Project Department, Real Estate Services Division		Toshiharu Hino
General Manager, Oita Branch			Masao Murata
Representative Director and President, Cany Corporation	General Manager, FIABCI Department		Kozo Sawai

Representative Director, Senior Managing Director, Nippon Midori Development Co., Ltd.			Makoto Fujibayashi
Representative Director and President, Garden Hotels Co., Ltd.			Akio Hoya

The End

Note: Attached materials include Organizational Chart (Effective April 1, 2001)