

**Consolidated Statements of Income**  
 MITSUBISHI ESTATE CO., LTD. AND CONSOLIDATED SUBSIDIARIES  
 Years Ended March 31, 1997, 1998 and 1999

	Millions of yen			Thousands of U.S. dollars
	1997	1998	1999	1999
Revenue from operations .....	1559,119	1548,731	1565,259	\$4,689,000
Cost of revenue from operations .....	447,360	444,359	438,171	3,634,766
Selling, general and administrative expenses .....	49,365	46,120	58,260	483,285
Operating income .....	62,394	58,252	68,828	570,949
<b>Other income:</b>				
Interest .....	5,417	2,834	2,399	19,900
Dividends.....	3,680	3,421	2,313	19,187
Other .....	10,352	11,153	8,400	69,681
Total .....	19,449	17,408	13,112	108,768
<b>Other expenses:</b>				
Interest .....	51,893	45,179	44,349	367,889
Other .....	9,547	10,701	5,775	47,905
Total .....	61,440	55,880	50,124	415,794
Income before taxes and special items .....	20,403	19,780	31,816	263,923
Special profit (loss), net (Note 5) .....	20,950	23,086	△	△
Net income before taxes and others.....	41,353	42,866	31,816	263,923
Income taxes (Notes 2 (F) and 12) .....	(490)	8,264	7,944	65,898
Amortization of goodwill* .....	1,361	1,321	△	△
Minority interests .....	2,120	1,433	1,545	12,816
Net income.....	I 38,362	I 31,848	I 22,327	\$ 185,209

	Yen			U.S. dollars
<b>Net income and dividends</b>				
per share (Note 2 (I)):				
Net income per share .....	I 29.53	I 24.51	I 17.19	\$ 0.143
Net income per share assuming full dilution.....	△	△	△	△
Cash dividends per share applicable to the year .....	8.00	8.00	8.00	0.066
Interest coverage ratio** .....	1.38	1.43	1.66	

\*In accordance with a change in accounting standards for the preparation of consolidated financial statements, beginning with the fiscal year ended March 31, 1999, amortization of goodwill is included in selling, general and administrative expenses.

\*\*Interest coverage ratio is calculated by dividing the sum of operating income, interest income and dividends by interest expense.  
 See notes to consolidated financial statements.