

Consolidated Statements of Shareholders' Equity

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
Common stock:				
Balance at beginning of the period	I 86,534	I 86,534	I 86,534	\$ 717,827
Conversion of convertible bonds:				
During fiscal 1997: 0 shares	0	△	△	△
During fiscal 1998: 0 shares	△	0	△	△
During fiscal 1999: 0 shares	△	△	0	0
Balance at end of the period	<u>I 86,534</u>	<u>I 86,534</u>	<u>I 86,534</u>	<u>\$ 717,827</u>
Capital surplus:				
Balance at beginning of the period	I115,195	I115,195	I115,195	\$ 955,579
Conversion of convertible bonds.....	0	0	0	0
Balance at end of the period	<u>I115,195</u>	<u>I115,195</u>	<u>I115,195</u>	<u>\$ 955,579</u>
Legal reserve*:				
Balance at beginning of the period	I 21,634	I 21,634	I △	\$ △
Transfer from unappropriated retained earnings	△	△	△	△
Balance at end of the period	<u>I 21,634</u>	<u>I 21,634</u>	<u>I △</u>	<u>\$ △</u>
Retained earnings:				
Balance at beginning of the period	I180,238	I209,435	I230,703	\$1,913,753
Legal reserve at beginning of the year*	△	△	21,634	179,461
Add△Net income	38,362	31,848	22,327	185,209
△Change in consolidated subsidiaries and equity-method companies	1,234	△	8,965	74,368
Deduct△Cash dividends.....	(10,393)	(10,393)	(10,393)	(86,213)
△Change in consolidated subsidiaries and equity-method companies	△	△	(15,201)	(126,097)
△Directors' and statutory auditors' bonuses	(6)	(187)	(181)	(1,501)
Balance at end of the period	<u>I209,435</u>	<u>I230,703</u>	<u>I257,854</u>	<u>\$2,138,980</u>

*In accordance with a change in accounting standards for the preparation of consolidated financial statements, beginning with the fiscal year ended March 31, 1999, legal reserve is included in retained earnings.
See notes to consolidated financial statements.

