

Notes for Income Statement

1. Amounts less than millions are rounded down.
2. Net income per share is 23.64 yen.
3. Net income per share (diluted) is 23.04 yen.
4. Trading profits and trading losses are recognized by contract date basis, and includes interest received/paid, the amount of change in valuation gains/losses for securities, monetary claims and derivatives as of the consolidated interim term end date compared with that at the end of the previous term. The amounts of change of valuation gains/losses for derivatives are measured using the estimated settlement price assuming settlement in cash at the consolidated interim term end date.
5. Standards on recognizing rental revenue on lease transactions and revenue/cost on installment sales are as follows:
 - (1) Recognition of rental revenue on lease transactions
Basically, rental revenue is recognized on straight-line basis over the full term of the lease, based on the contractual amount of rental fees per month.
 - (2) Recognition of revenue and cost on installment sales
Basically, revenue and cost on installment sales is recognized on due-date basis over the full term of the installment.
6. Other income includes gains on sale of stocks and other securities and net income from unconsolidated entities by equity method, of 273,319 million yen and 16,675 million yen, respectively.
7. Other expenses include transfer to reserve for loan losses and write-off of loans of 146,932 million yen and 73,332 million yen, respectively.
8. Extraordinary losses includes amortized cost of unrecognized net obligation from initial application of the new accounting standard for employees retirement benefit in Japan of 10,529 million yen.
9. Effective April 1, 2000, a new accounting standard of employees retirement benefit is adopted in Japan. Accordingly, Operating profits and Income before income taxes and minority interests have increased compared with prior accounting method by 5,190 million yen and 16,661 million yen, respectively.
10. Effective April 1, 2000, a new accounting standard for financial instruments is adopted in Japan. Accordingly, the valuation methods of securities and derivatives excluding those in trading portfolio have been changed, and the hedge accounting has been applied. As a result, both Operating profits and Income before income taxes and minority interests have decreased compared with prior accounting by 2,893 million yen. And income and expenses relating to derivative transactions which meet the criteria for hedge accounting are presented by net by each account, which has been changed from prior accounting that presented net by each transaction. As a result, Operating income and Operating expenses have decreased by 193,945 million yen, respectively. However, Operating profits and Income before income taxes and minority interests have not changed.
11. Enterprise taxes other than relating to income are included in Other expenses. Effective April 1, 2000, the Special Ordinance Concerning Taxation Standard for Enterprise Taxes in Relation to Banks in the Tokyo Metropolis (Tokyo Metropolis Ordinance 145 of April 1, 2000) is enacted, and the enterprise taxes in Tokyo, which were included in Current income taxes for prior period, are now included in Other expenses by the amount of 3,700 million yen.