

**Notes to Nonconsolidated Statement of Income**

1. Amounts less than one million have been omitted.
2. Income on transactions with subsidiaries is 43,105 million yen.  
Expenses on transactions with subsidiaries is 148,580 million yen.
3. Trading profits and trading losses are recognized on a 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 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 year end date.
4. 'Other' in Other income includes gains on establishment of retirement benefit trust of 23,300 million yen.
5. Other extraordinary loss represents amortized cost of unrecognized net obligation from initial application of the new accounting standard for employee retirement benefit in Japan.
6. Effective April 1, 2000, a new accounting standard of employees retirement benefit is adopted in Japan. Accordingly, Operating profit and Income before income taxes have increased compared with prior accounting method by 10,513 million yen and 12,309 million yen, respectively.
7. 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 profit and Income before income taxes have increased compared with prior accounting by 21,524 million yen. Income and expenses relating to derivative transactions that 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. Operating profit and Income before income taxes have not been affected by this change, but Operating income and Operating expenses have decreased by 473,585 million yen respectively, because Interest on interest rate swaps were offset between income and expenses by 388,872 million yen, Other interest income and Other interest expenses were by 77,885 million yen, and Gains on sales of bonds and Losses on sales of bonds were by 6,827 million yen.
8. Enterprise taxes other than relating to income are included in 'Other' 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 Income taxes, Current for prior period, are now included in Other in Other expenses by the amount of 8,100 million yen.