

**Notes to Consolidated Statement of Income**

1. Amounts less than one million have been omitted.
2. Net income per share is 25.50 yen.
3. Net income per share (diluted) is 24.93 yen.
4. Trading profits and trading losses are recognized on a contract date basis, and include interest received/paid and the amount of change in valuation gains/losses for securities, monetary claims and derivatives as of the consolidated term end date compared with that at the end of the previous year. The amount of valuation gains/losses for derivatives is measured using the estimated settlement price assuming settlement in cash at the consolidated year end date.
5. Standards for recognizing rental income on lease transactions and income/expenses on installment sales are as follows:
  - (1) Recognition of Lease-related income on lease transactions  
Basically, Lease-related income is recognized on a straight-line basis over the full term of the lease, based on the contractual amount of lease fees per month.
  - (2) Recognition of income and expenses on installment sales  
Basically, Installment-related income and Installment-related expenses are recognized on a due-date basis over the full term of the installment.
6. Other income includes gains on sales of stocks and other securities, net gain from unconsolidated entities by the equity method and gain on establishment of trust for employee retirement benefit, of 475,976 million yen, 36,479 million yen and 24,006 million yen, respectively.
7. Other expenses include write-offs of loans of 556,661 million yen.
8. Extraordinary loss includes amortized cost of unrecognized net obligation from initial application of the new accounting standard for employees retirement benefit in Japan of 21,058 million yen.
9. Effective April 1, 2000, a new accounting standard of employees retirement benefit is adopted in Japan. Accordingly, Operating profit and Income before income taxes and minority interests have increased compared with prior accounting method by 10,360 million yen and 11,266 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 profit and Income before income taxes and minority interests have increased compared with prior accounting by 20,738 million yen. And 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. As a result, Operating income and Operating expenses have decreased by 493,177 million yen, respectively, though Operating profit 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 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 8,100 million yen.