

Notes to Consolidated Statement of Operations

1. Amounts less than one million yen have been omitted.
2. Net loss per share was 84,324.99 yen.
From this fiscal year, SMFG applies 'Accounting Standard for Earnings Per Share' (Financial Accounting Standards No.2) and 'Implementation Guidance for Accounting Standard for Earnings Per Share' (Financial Accounting Standards Implementation Guidance No.4). This accounting change has no impact on net loss per share.
3. Profits and losses on trading transactions are recognized on a trade date basis, and recorded as 'Trading profits' and 'Trading losses.' Both accounts include interest received or paid during the fiscal year. The valuation differences of securities and money claims between the previous fiscal year-end and this fiscal year-end are recorded in the above-mentioned accounts. As for the derivatives, assuming that the settlement will be made in cash, valuation differences between this fiscal year-end and previous fiscal year-end are recorded in the above-mentioned accounts.
4. 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 monthly rent revenue.
 - (2) Recognition of income and expenses on installment sales
Basically, installment-sales-related income and installment-sales-related expenses are recognized on a due-date basis over the full term of the installment sales.
5. 'Other income' includes gains on sales of stocks and other securities of 54,004 million yen.
6. 'Other' in 'Other expenses' includes write-off of loans of 364,605 million yen and losses on devaluation of stocks of 507,624 million yen.
7. 'Other extraordinary gains' are gains on return of the entrusted portion of employee pension fund.
8. 'Other extraordinary losses' include amortized cost of unrecognized net obligation from initial application of the new accounting standard for employee retirement benefits of 23,158 million yen and losses on disposal of software of 15,014 million yen.