

Non-Consolidated Capital Adequacy Ratio

THE 77 BANK, LTD.
March 31, 2003 and 2002

		Millions of Yen		Millions of U.S. Dollars
		2003	2002	2003
Domestic standard				
Tier I capital:	Common stock	¥ 24,659	¥ 24,659	\$ 205
	Capital surplus	7,835	7,835	65
	Legal reserve	24,659	24,659	205
	Voluntary reserve	198,201	192,996	1,649
	Retained earnings	2,380	2,042	20
	Treasury stock	(870)	(23)	(7)
	Subtotal (A)	256,864	252,168	2,137
Tier II capital:	General reserve for possible loan losses	34,091	35,018	284
	Debt funding instruments and others		2,000	
	Subtotal	34,091	37,018	284
	Position included in stockholders' equity (B)	17,295	19,002	144
Deductions:	Cross-holdings with other financial institutions (C)			
Total capital:	(A) + (B) - (C) = (D)	274,159	271,170	2,281
Risk-adjusted assets:	On-balance-sheet	2,728,409	2,641,508	22,699
	Off-balance-sheet	38,739	78,838	322
	Subtotal (E)	2,767,148	2,720,346	23,021
Capital adequacy ratio (Domestic standard) = (D)/(E) x 100 (%)		9.90	9.96	

Note: The above chart is calculated using the method set forth by the Ministry of Finance as specified in Article 14, Paragraph 2, of the Banking Law of Japan.