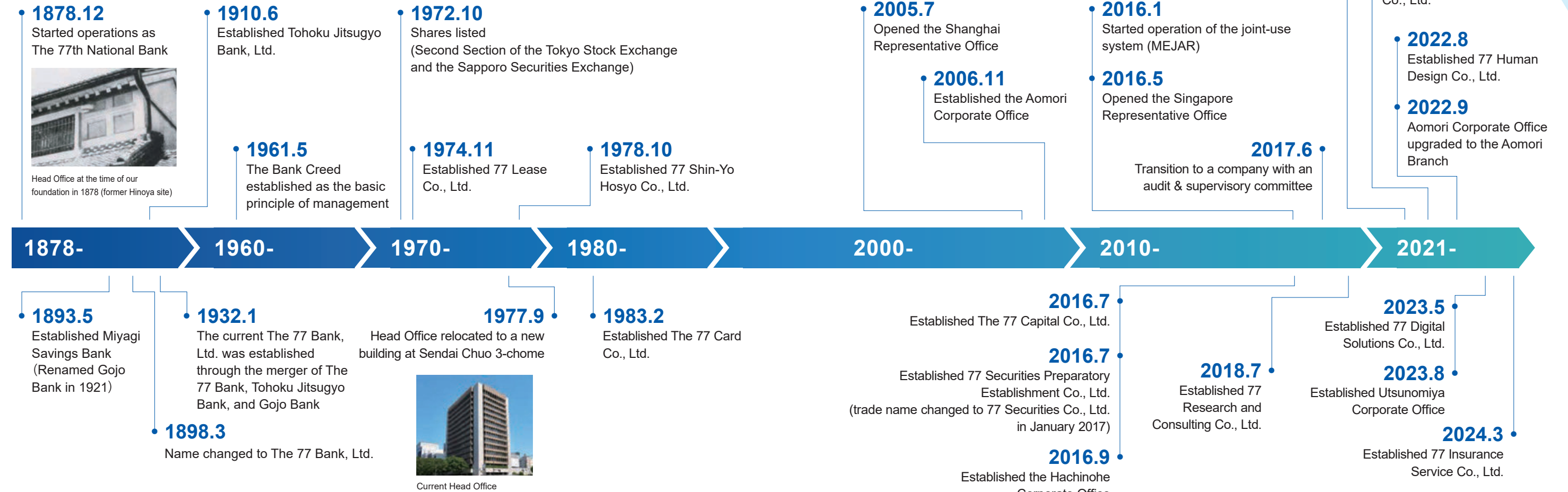


Our Path of Continuous Growth

Since its founding in 1878, The 77 Bank has overcome many difficulties and grown steadily while devoting itself to sound management under the management philosophy of “desiring communal prosperity and serving local communities.” Aiming to be a leading company creating a path to the future, we will continue to move forward together with our region.



A deep connection with Eiichi Shibusawa

Eiichi Shibusawa, a businessman who was known as “the father of Japanese capitalism,” had a strong interest in the Tohoku region through Munenari Date, who provided him with the opportunity to enter the Ministry of Finance. At the time, there was no bank based in Miyagi Prefecture and partially for this reason, prior to the opening of The 77th National Bank, Shibusawa provided advice on various matters, such as the nature of the banking business and basic management concepts, and guided the establishment of the Bank. Subsequently, he continued to provide investment as a shareholder, and seconded exceptional talent, including Keishi Endo (the second and fourth President) and Seikei Ono (the fifth President) from The Dai-ichi Bank Limited. Furthermore, Shibusawa provided both material and moral support to the Bank over many years, including through his transfer of The Dai-ichi Bank Limited's banking business in Miyagi Prefecture to The 77th National Bank and his appointment as Advisor in 1909.

Eiichi Shibusawa's spirit of “harmony of morality and the economy” lives on today in the line from the Bank Creed, which describes the Bank's management philosophy, that states “the Bank's progress goes hand in hand with prosperity in the local community.”

In July 2024, Eiichi Shibusawa's portrait was printed on the new 10,000-yen note. He was also set to feature in the issue of new banknotes in 1963, but ultimately the design was not adopted. This rare 1,000-yen note featuring him is on display in the 77 Bank Currency and Banking Museum (4F Head Office; free entry; reservation required), in addition to materials showing his connection with the bank.

Eiichi Shibusawa

1840–1931

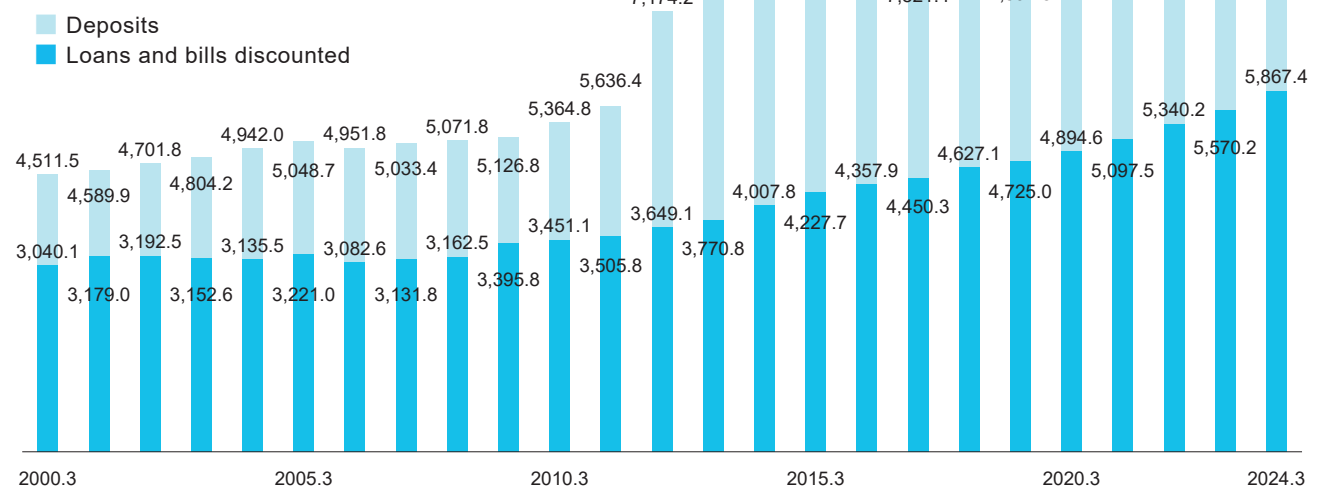


Photograph: Fukaya City



A sample of the rare 1,000-yen note alongside the new 10,000-yen note, on display in the 77 Bank Currency and Banking Museum

Term-end balance of deposits/loans and bills discounted (Billions of yen)



The Economy and Potential of Miyagi

Miyagi Prefecture, which is our main business base, is located in the southeast area of the Tohoku region, and is a key transport hub connecting the Greater Tokyo Area with the Tohoku region.

The prefectural capital, Sendai City, which became the 11th city designated by government ordinance in Japan in 1989, is home to the branches of many major companies from across Japan, and functions as a core city in the Tohoku region.

There are various projects underway, including plans for semiconductor-related companies to move to the area, and as such further economic growth is expected.

1 Expansion by semiconductor companies

SBI Holdings, Inc. and Taiwanese semiconductor giant Powerchip Semiconductor Manufacturing Corporation (PSMC) have jointly established JSMC Corporation, which has finalized plans to construct a semiconductor factory in the Northern Sendai No. 2 Core Industrial Park of Ohira Village, Kurokawa, Miyagi.

Project overview

- Total investment: Roughly JPY 800 bn (equivalent to roughly 8% of the gross prefectural product)
- Production scheduled to start in 2027 with full-scale operations commencing in 2029
- Employment plans for 1,200 people



Northern Sendai No. 2 Core Industrial Park
Image source: Ohira Village website

2 Sendai Urban Restructuring Project

(Project launched by Sendai City in July 2019, to continue through FY2030)

We wish to help Sendai City attain the position of the “town of choice” by improving its urban characteristics, as a place where both the natural environment with abundant greenery and a city function exist in harmony. To this end, we support the remodeling of obsolete buildings and promote their reconstruction in Sendai’s central business district, where people interact and conduct economic activities the most. In this way, we will create a virtuous economic cycle by supplying highly functional offices that satisfy companies’ needs and attracting enterprises to new offices.

Reconstruction of obsolete buildings and promotion of corporate relocation into the city

- Establishment of “Subsidy System for Promoting Building Reconstruction in Sendai City Center”
- Relaxation of floor-area ratio with a view toward “developing highly functional office”
- Enhancement of business attraction framework and subsidy systems, etc.



Image of Urban Restructuring Project (Sendai Station area)
Provided by: Sendai City

3 Start of operation of NanoTerasu, the next-generation synchrotron radiation facility

NanoTerasu is a next-generation synchrotron radiation facility located in the Aobayama New Campus of Tohoku University, which is about 9 minutes by subway from Sendai Station. Operations began in FY2024. Also called “a huge nano-level microscope,” the facility can observe and monitor the function of substances and the reaction of elemental surfaces at the atom/molecule level, something that is impossible with ordinary research facilities. It enables the precise analysis of various materials and biological tissues. It is expected to create innovation in the area of research and development of various industries including chemistry, food products, medical services, pharmaceutical and energy.

NanoTerasu not only serves as “a huge nano-level microscope,” but also creates nano-level data that is essential for research and development in various domains in the industrial and academic circles during the DX/GX era. In addition, it is expected to make a considerable contribution to boosting enterprise competitiveness by developing a new dimension of industry-academia cooperation.

Economic ripple effects (estimated by Tohoku Economic Federation)

- JPY 1,901.7 billion over the first 10 years of operation
- Local ripple effects within Miyagi Prefecture is JPY 277.7 billion
- The project is believed to contribute particularly in the areas such as fuel cell, gene drugs and nanocarbon materials



Overhead view of the next-generation synchrotron radiation facility
Provided by: Photon Science Innovation Center

4 Tohoku University's accreditation as a University for International Research Excellence

Having been a candidate for accreditation as a University for International Research Excellence, a program that aims to produce world-class research institutes, the Ministry of Education, Culture, Sports, Science and Technology announced that, following a review, Tohoku University has met the requirements for accreditation. As such, from October onwards Tohoku University is set to become the first university in Japan to be officially accredited under the program. By the end of FY2024, Tohoku University will receive approximately 10.0 billion yen in grants from the government's 10-trillion-yen university fund, which is expected to reinforce research and development in its specialist semiconductor- and bio-related fields. Through the full-scale operation of NanoTerasu and other collaborative projects between the industrial, government, academic, and financial sectors, we will work to contribute to Tohoku University-led innovations.



Teiji Tominaga, president of Tohoku University, briefing the press after results of the review
Photo: Tohoku University

Total area
7,282km²
(16th in Japan)

Number of households
1,035,949households
(14th in Japan)

Number of private companies
104,258
(16th in Japan)

Number of employees at private companies
1,031,186
(14th in Japan)

Population
2,257,472
(14th in Japan)

Number of homes
1,089,300
(14th in Japan)

Gross Prefectural Product (nominal)
9,485.2billion yen
(14th in Japan)

Source: 2024 Shape of Miyagi (Miyagi Prefectural Handbook)