

(Table 1)

Capital Ratios of Central Banks: Ratios of Capital to Total Assets¹

	Japan (BOJ)	U.S.A. (FRB)	U.K. (BOE)	(ECB) on a non-consoli- dated basis	(ECB) on a consolidated basis	Europe (Major national central banks)			
						Germany	France	Italy	Netherlands
1999	4.5	1.9	2.3	6.7	6.9	2.1	1.9	5.6	6.9
2000	4.3	2.3	2.2	5.9	6.9	2.0	2.2	6.8	9.0
2001	3.7	2.2	3.3	6.6	7.8	2.1	2.4	7.1	10.6
2002	3.7	2.3	3.0	5.4	8.1	2.1	2.1	9.0	9.7

Reference: Capital ratios of other central banks

Colombia	61.4	Libya	14.9	Chad	5.2				
Namibia	54.0	Netherlands Antilles	14.3	Bangladesh	5.0				
Lesotho	53.2	Ethiopia	14.2	Gambia	4.9				
Thailand	50.0	Turkey	14.0	Gabon	4.9				
Paraguay	46.7	Rwanda	13.7	India	4.8				
Ecuador	46.4	Russia	13.6	Morocco	4.7				
Sweden	46.0	Macau SAR	13.5	Kenya	4.6				
Oman	44.6	Belarus	13.2	Guinea	4.6				
Bahrain	43.7	Bulgaria	12.7	Swaziland	4.5				
Bolivia	40.2	Armenia	12.0	Mauritius	4.4				
Solomon Islands	36.4	CEMAC ²	11.9	Congo	4.4				
Slovenia	34.4	Argentina	11.4	Tonga	4.2				
Venezuela	34.0	Tajikistan	11.3	Honduras	4.2				
Cambodia	33.9	Zambia	11.0	Bosnia and Herzegovina	4.0				
Denmark	33.9	Vanuatu	10.9	Lithuania	3.9				
Sierra Leone	33.4	Guatemala	10.9	Brazil	3.6				
Laos	32.6	Albania	10.7	South Africa	3.4				
Iceland	31.7	Ghana	9.7	Tunisia	3.4				
Hong Kong SAR	31.7	Uganda	9.3	Peru	3.4				
Comoros	29.9	El Salvador	9.3	United Arab Emirates	3.3				
Sao Tome and Principe	28.8	Equatorial Guinea	9.2	Cameroon	2.9				
Burundi	24.9	Vietnam	9.1	Hungary	2.5				
Indonesia	24.5	Moldova	8.4	Madagascar	2.2				
Nepal	24.1	Ukraine	8.0	Poland	2.2				
Kazakhstan	23.8	Maldives	7.9	Barbados	2.2				
Mozambique	23.5	Malawi	7.5	Yemen	1.8				
Sri Lanka	23.3	Azerbaijan	7.4	Jamaica	1.5				
Croatia	23.3	Syria	7.4	Central African Republic	1.4				
Estonia	22.2	Latvia	7.3	Czech Republic	1.3				
Liberia	21.5	Lebanon	7.0	Iran	0.9				
Papua New Guinea	20.6	Belize	6.9	China	0.9				
Haiti	19.9	Kyrgyzstan	6.7	Sudan	0.4				
Macedonia	19.4	Tanzania	6.7	Switzerland	0.2				
Nicaragua	19.0	New Zealand	6.5	Australia	0.1				
Malaysia	18.8	Zimbabwe	6.5	Canada	0.03				
Philippines	18.2	Georgia	6.1	Uruguay	-0.5				
Nigeria	18.0	Mauritania	6.1	Mexico	-0.9				
Samoa	17.5	Guyana	6.1	Surinam	-8.5				
Mongolia	16.5	Slovakia	5.9	Dominican Republic	-23.3				
Cape Verde	16.3	Chile	5.7						
Trinidad and Tobago	16.1	Angola	5.3						

Notes: 1. The figures are ratios of capital to total assets. The capital ratio of a central bank which is in effect insolvent can be a positive value if it has not recognized the losses.

The capital ratios of the Bank of Japan (as of end-March), the U.S. Federal Reserve (as of end-December), the Bank of England (as of end-February), and the European Central Bank (as of end-December) are calculated from their financial statements.

The capital ratio of the Bank of England is calculated using the total of assets and capital of the Banking Department and the Issue Department. The ratio of the European Central Bank (ECB) on a consolidated basis is calculated by combining the balance sheets of the national central banks (NCBs) under the ECB. Capital of the ECB and major NCBs does not include revaluation reserves.

Ratios of central banks other than the above four central banks are calculated from the International Financial Statistics (IFS). Total assets used to calculate the ratios are the total of capital accounts and major liabilities (i.e., reserve money, foreign liabilities, and central government deposits) in the column of monetary authorities in the IFS.

The period for calculation varies from country to country. Where the value of a capital account is not listed on the IFS, its value is taken from the annual report for a central bank of industrial countries, but in the case of those of other countries it is not included.

2. The Economic Community of Central African States.

(Chart 1)

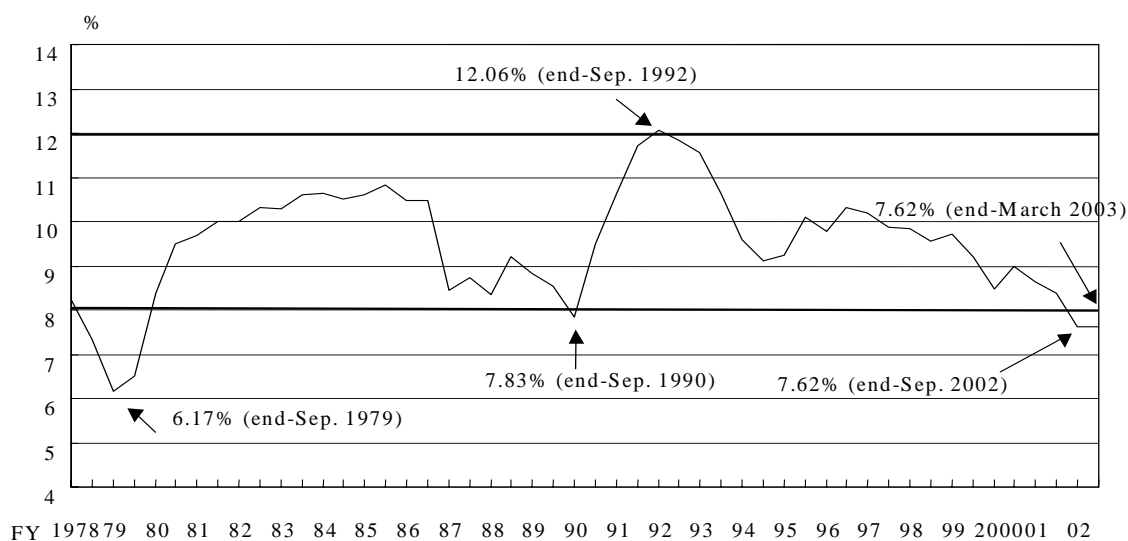
The Bank of Japan's Capital Base and Capital Ratio
(After the Appropriation of Net Income)¹

bil. yen, except where otherwise noted

Item	End of fiscal 2000 (March 31, 2001)	End of fiscal 2001 (March 31, 2002)	End of fiscal 2002 (March 31, 2003)	Changes from a year earlier	[Reference] End of the first half of fiscal 2002 (September 30, 2002)
Capital accounts (A)	2,331.6	2,404.8	2,494.0	+89.1	2,404.8
Capital	0.1	0.1	0.1	...	0.1
Legal reserve and others ²	2,331.5	2,404.7	2,493.9	+89.1	2,404.7
Reserves (B)	2,662.9	2,672.7	2,672.7	...	2,672.7
Reserve for possible loan losses (excluding special reserve)
Reserve for possible losses on securities transactions	2,595.4	2,243.3	2,243.3	...	2,243.3
Reserve for possible losses on foreign exchange transactions	67.5	429.3	429.3	...	429.3
Capital base (A)+(B)=(C)	4,994.5	5,077.5	5,166.7	+89.1	5,077.5
Annual average of banknotes issued (D)	55,573.9	60,520.1	67,754.4	+7,234.2	66,620.3
Capital ratio (C)/(D)x100 (percent)	8.98	8.38	7.62	-0.76	7.62

Notes: 1. "... " indicates that figures are not applicable.
2. Includes the special reserve (13 million yen).

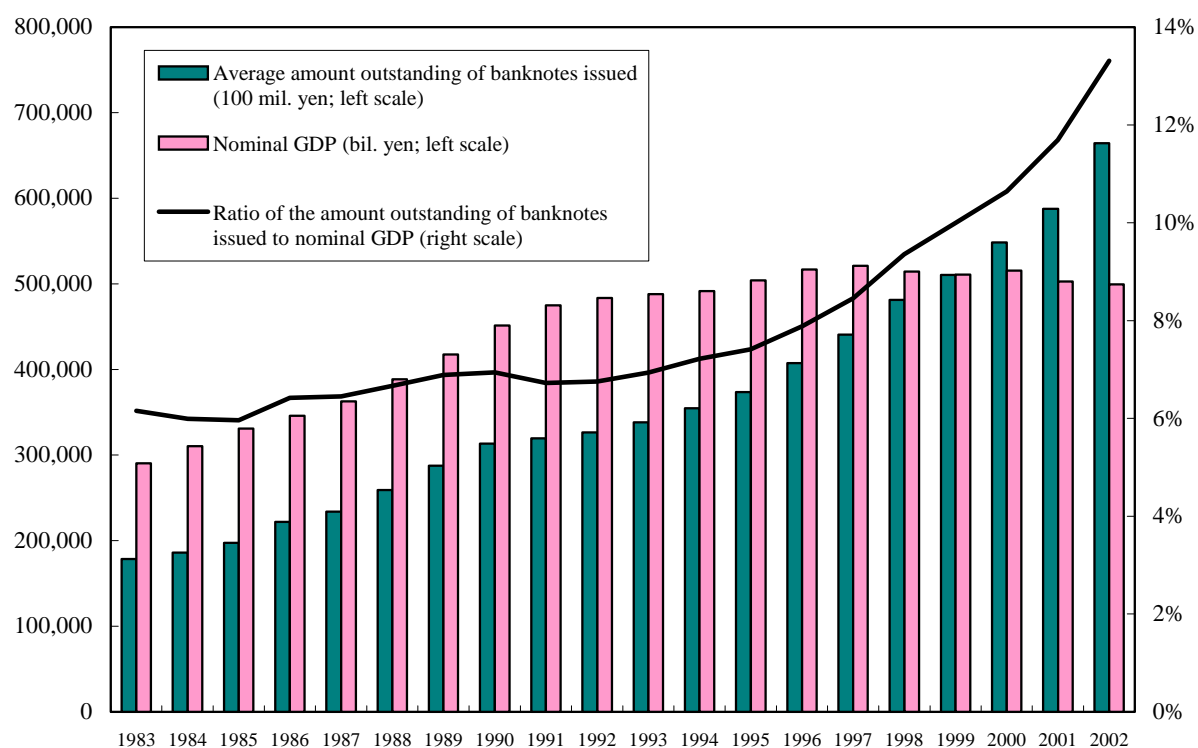
The Bank of Japan's Capital Ratio



Source: Bank of Japan, *Gyomu Gaikyo Sho* (Outline of Business Operations).

(Chart 2)

Banknotes Issued and Its Ratio to GDP



Source: Bank of Japan, *Monthly Report of Recent Economic and Financial Developments*.

(Chart 3)

The Balance Sheet of the Bank of Japan

bil. yen (As at September 30, 1997)

Assets		Liabilities and Capital Accounts	
Government securities	45,604	Banknotes	44,496
Long-term government bonds	22,632	Deposits of financial institutions	3,963
Treasury bills and financing bills	22,972	Deposits of the government	597
Bills purchased	4,776	Others	2,902
Foreign assets	3,294	Allowances and accrued liabilities	2,465
Others		Reserves	2,085
		Capital	0.1
	56,525		56,525

bil. yen (As at February 10, 2004)

Assets		Liabilities and Capital Accounts	
Government securities	91,787	Banknotes	70,237
Long-term government bonds	65,902	Current deposits	31,800
Treasury bills and financing bills	25,885	Deposits of the government	15,429
Bills purchased	26,040	Payables under repurchase agreements	15,724
Foreign currency assets	4,339	Bills sold	1,000
Pecuniary trust (stocks held as trust property)	1,906	Reserves	2,767
Total amount of stocks purchased	1,914	Legal and special reserves	2,494
Others		Capital	0.1
	140,925		140,925

Reference: Percentage Shares of Major Items on the Balance Sheet

% (As at September 30, 1997)

Assets		Liabilities and Capital Accounts	
Government securities	80.7	Banknotes	78.7
Long-term government bonds	40.0	Deposits of financial institutions	7.0
Treasury bills and financing bills	40.6	Deposits of the government	1.1
Bills purchased	8.4	Others	5.1
Foreign assets	5.8	Allowances and accrued liabilities	4.4
Others		Reserves	3.7
		Capital	0.0
	100.0		100.0

% (As at February 10, 2004)

Assets		Liabilities and Capital Accounts	
Government securities	65.1	Banknotes	49.8
Long-term government bonds	46.8	Current deposits	22.6
Treasury bills and financing bills	18.4	Deposits of the government	10.9
Bills purchased	18.5	Payables under repurchase agreements	11.2
Foreign currency assets	3.1	Bills sold	0.7
Pecuniary trusts (stocks held as trust property)	1.4	Reserves	2.0
Total amount of stocks purchased	1.4	Legal and special reserve	1.8
Others		Capital	0.0
	100.0		100.0

Note: Accounting items were reclassified in April 1998. Former "allowances and accrued liabilities" was reclassified as "reserves," and former "reserves" was renamed "legal and special reserves" in the current accounting definition.

Source: Bank of Japan, "Bank of Japan Accounts."