FINANCIAL STATEMENTS

Year Ended March 31,2016

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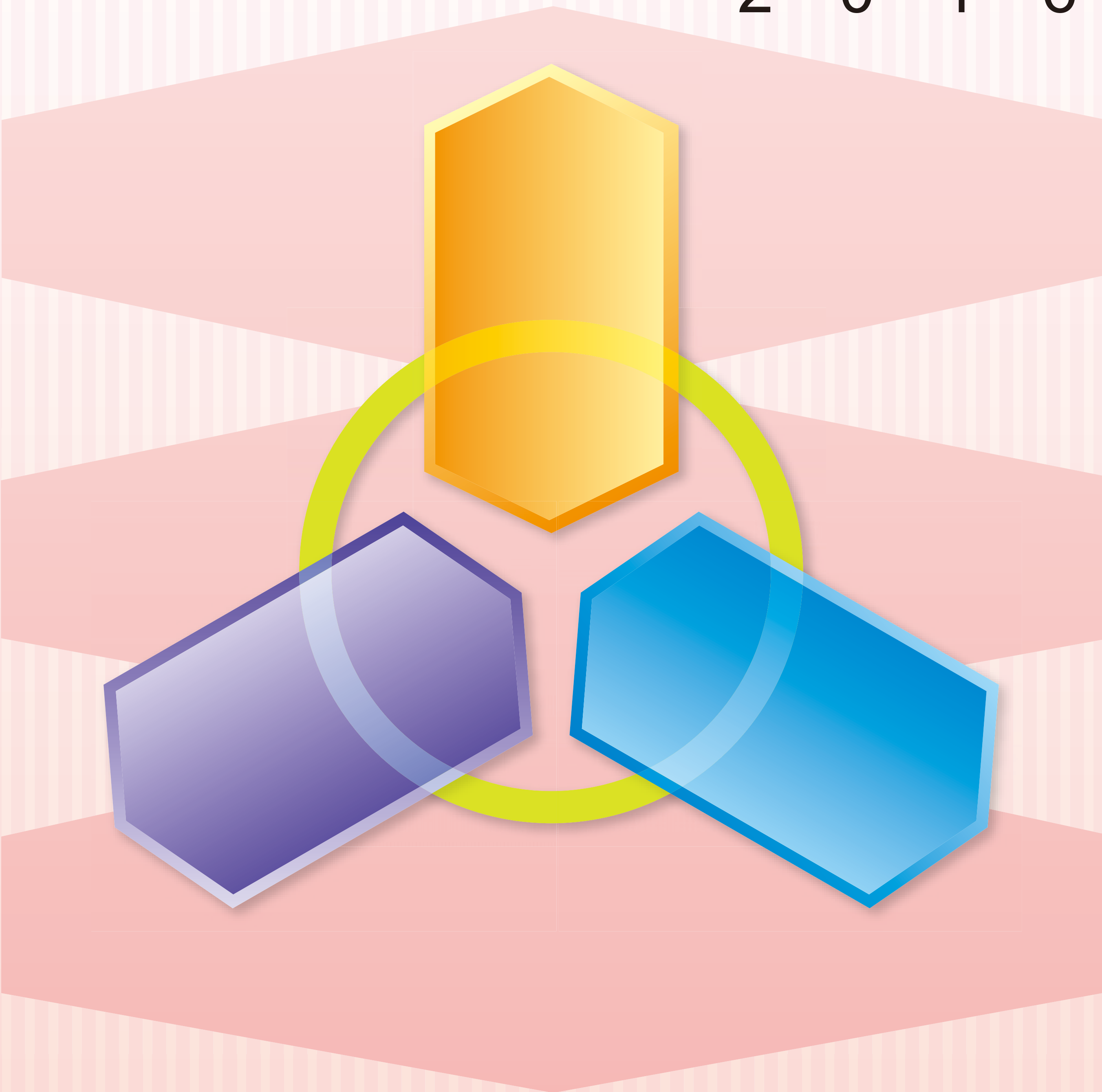


MIE BANK

7-8,Nishishinchi,Yokkaichi,Mie 510-0087,Japan
URL: http://www.miebank.co.jp

Message

Our managerial ideal is to become and to be perceived as a bank which develops together with the region in which it is based, a bank which is able to flourish together with its customers, and a bank which strides forward hand in hand with its shareholders and employees.
The Mie Bank, Ltd. focuses on community-based development while implementing measures to increase satisfaction among customers, shareholders, and employees based on our medium-term business plan "Growing—together with the community".
We have set a goal of becoming an ever-growing bank with a strong presence in the community, while expanding our range of customers and valuing increasing income.

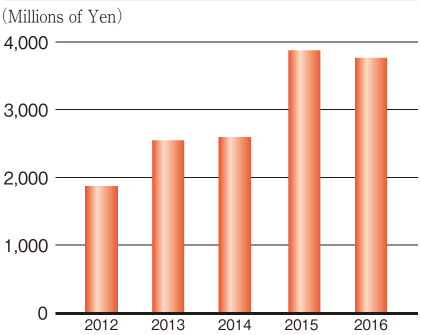
Mitsunori Watanabe, President

Consolidated Five-Year Financial Summary

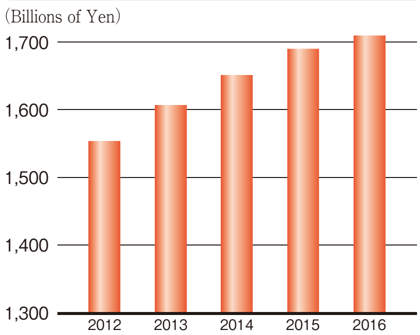
Years ended March 31	2016	2015	2014	2013	2012
	Millions of Yen				
For the Year					
Total Income	¥ 32,960	¥ 34,144	¥ 33,100	¥ 33,925	¥ 35,701
Total Expenses	27,233	28,283	28,465	29,811	31,673
Profit before Income Taxes	5,727	5,860	4,635	4,114	4,027
Profit Attributable to Owners of Parent	3,677	3,891	2,594	2,536	1,893
At Year End					
Total Assets	¥1,943,624	¥1,916,135	¥1,870,815	¥1,782,491	¥1,698,036
Loans and Bills Discounted	1,334,087	1,324,067	1,281,950	1,233,712	1,192,386
Securities	436,942	451,980	415,983	413,378	344,933
Deposits	1,709,344	1,691,983	1,653,398	1,608,724	1,556,643
Total Net Assets	119,290	118,136	103,639	99,422	88,193

Profit attributable to owners of parent for year ended March 31, 2016, decreased year over year, reflecting the decline in interest income from loans due to a decrease in yields.
Total income decreased ¥1,184 million from the previous year to ¥32,960 million. Profit attributable to owners of parent decreased ¥214 million from the previous year to ¥3,677 million.

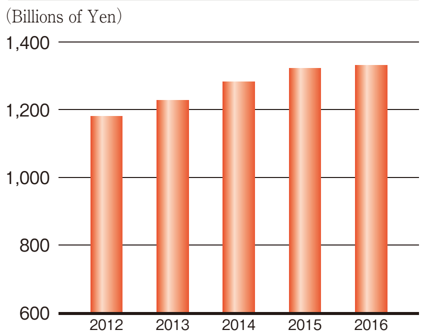
Profit Attributable to Owners of Parent



Deposits



Loans and Bills Discounted



Consolidated Risk-Monitored Loans

Years ended March 31	2016	2015
	Millions of Yen	
Bankrupt loans	¥ 868 (0.07%)	¥ 456 (0.03%)
Non-accrual loans	22,866 (1.71%)	26,024 (1.97%)
Past due loans (3 months or more)	— (—%)	— (—%)
Restructured loans	1,264 (0.09%)	1,277 (0.10%)
Total	24,999 (1.87%)	27,758 (2.10%)

Note : Percentage in parentheses refer to total term-end loan balance.

Consolidated Balance Sheets

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES

March 31, 2016 and 2015

	Millions of Yen		Thousands of U.S. Dollars
	2016	2015	2016
Assets			
Cash and Due from Banks	¥ 123,045	¥ 83,845	$ 1,092,568
Call Loans and Bills Bought	2,292	6,766	20,359
Monetary Claims Bought	2,394	2,612	21,265
Trading Account Securities	71	38	636
Securities	436,942	451,980	3,879,794
Loans and Bills Discounted	1,334,087	1,324,067	11,845,920
Foreign Exchanges	2,338	2,331	20,760
Lease Receivables and Investment Assets	7,003	7,154	62,191
Other Assets	15,574	13,882	138,291
Tangible Fixed Assets	11,003	11,281	97,703
Buildings	5,757	5,850	51,123
Land	3,514	3,587	31,209
Lease Assets	53	115	476
Construction in Progress	196	194	1,745
Other Tangible Fixed Assets	1,481	1,534	13,150
Intangible Fixed Assets	1,806	1,924	16,037
Software	1,587	1,707	14,092
Other Intangible Fixed Assets	219	217	1,945
Net Defined Benefit Asset	3,757	5,712	33,365
Deferred Tax Assets	292	385	2,601
Customers' Liabilities for Acceptances and Guarantees	8,953	10,703	79,498
Reserve for Possible Loan Losses	(5,939)	(6,551)	(52,736)
Total Assets	¥ 1,943,624	¥ 1,916,135	$ 17,258,252

	Millions of Yen		Thousands of U.S. Dollars
	2016	2015	2016
Liabilities and Net Assets			
Liabilities			
Deposits	¥ 1,709,344	¥ 1,691,983	$ 15,177,985
Payables under Securities Lending Transactions	12,238	—	108,670
Borrowed Money	67,173	68,177	596,462
Foreign Exchanges	1	0	12
Other Liabilities	17,155	16,767	152,332
Reserve for Employee Bonuses	625	608	5,551
Net Defined Benefit Liability	183	178	1,631
Reserve for Executive Officer Retirement Benefits	56	56	503
Reserve for Reimbursement of Deposits	161	148	1,434
Deferred Tax Liabilities	8,439	9,376	74,941
Acceptances and Guarantees	8,953	10,703	79,498
Total Liabilities	¥ 1,824,333	¥ 1,797,999	$ 16,199,019
Net Assets			
Capital Stock	¥ 15,295	¥ 15,295	$ 135,814
Capital Surplus	11,388	11,144	101,122
Retained Earnings	70,249	67,581	623,772
Treasury Stock	(56)	(49)	(501)
Total Shareholders' Equity	96,876	93,971	860,207
Net Unrealized Gains on Other Securities	22,898	23,234	203,328
Net Deferred Losses on Hedges	(1,247)	(1,471)	(11,076)
Remeasurements of Defined Benefit Plans	(183)	1,203	(1,626)
Total Accumulated Other Comprehensive Income	21,468	22,966	190,626
Non-Controlling Interests	945	1,198	8,400
Total Net Assets	119,290	118,136	1,059,233
Total Liabilities and Net Assets	¥ 1,943,624	¥ 1,916,135	$ 17,258,252

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2016 and 2015

Consolidated Statements of Income	Millions of Yen 2016	Millions of Yen 2015	Thousands of U.S. Dollars 2016
Income			
Interest and Dividends on:			
Loans and Bills Discounts	¥ 14,935	¥ 15,692	$ 132,616
Securities	3,751	3,705	33,315
Other	86	74	771
Fees and Commissions	6,157	6,440	54,678
Other Operating Income	1,383	1,441	12,282
Other Income	6,645	6,790	59,004
Total Income	32,960	34,144	292,666
Expenses			
Interest on:			
Deposits	1,334	1,385	11,852
Borrowings and Rediscounts	216	222	1,919
Other	798	908	7,091
Fees and Commissions Payments	1,751	1,668	15,549
Other Operating Expenses	185	189	1,649
General and Administrative Expenses	18,950	19,576	168,272
Other Expenses	3,995	4,331	35,481
Total Expenses	27,233	28,283	241,813
Profit before Income Taxes	5,727	5,860	50,853
Income Taxes			
Current	1,498	1,465	13,302
Deferred	505	447	4,491
Total Income Taxes	2,003	1,913	17,793
Profit	3,723	3,947	33,060
Profit Attributable to Non-Controlling Interests	45	56	407
Profit Attributable to Owners of Parent	¥ 3,677	¥ 3,891	$ 32,653

Consolidated Statements of Comprehensive Income	Millions of Yen 2016	Millions of Yen 2015	Thousands of U.S. Dollars 2016
Profit	¥ 3,723	¥ 3,947	$ 33,060
Other Comprehensive Income	(1,494)	11,949	(13,270)
Net Unrealized Gains on Other Securities	(331)	10,611	(2,943)
Net Deferred Losses on Hedges	223	353	1,988
Remeasurements of Defined Benefit Plans	(1,386)	985	(12,315)
Comprehensive Income	2,228	15,897	19,790
Comprehensive Income Attributable to Owners of Parent	2,178	15,828	19,348
Comprehensive Income Attributable to Non-Controlling Interests	49	69	442

Per Share	Yen 2016	Yen 2015	U.S.Dollars 2016
Net Income	¥ 27.30	¥ 28.88	$ 0.24
Cash Dividends	7.50	6.50	0.07
Net Assets	878.87	868.25	7.80

Notes:

1. The original Japanese financial statements of The Mie Bank, Ltd. and its consolidated subsidiaries as of March 31,2016 that are the basis of the accompanying English consolidated financial statements have been audited in accordance with auditing standards procedures and practices generally accepted and applied in Japan by AZSA & Co.
2. U.S.dollar amounts are converted from Japanese yen, solely for convenience, at the rate of ¥112.62 per U.S.$1.00, the exchange rate prevailing on March 31,2016.

Consolidated Statements of Changes in Net Assets

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2016 and 2015

Millions of Yen

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at April 1,2014	¥ 15,295	¥ 11,144	¥ 63,918	¥ (44)	¥ 90,313
Cumulative Effects of Changes in Accounting Policies			648		648
Restated Balance	15,295	11,144	64,566	(44)	90,961
Changes of Items during the Period					
Cash Dividends			(875)		(875)
Profit Attributable to Owners of Parent			3,891		3,891
Purchase of Treasury Stock				(6)	(6)
Disposal of Treasury Stock			(0)	1	1
Net Changes of Items other than Shareholders' Equity					
Total Changes of Items during the Period	—	—	3,015	(4)	3,010
Balance at March 31,2015	¥ 15,295	¥ 11,144	¥ 67,581	¥ (49)	¥ 93,971

	Accumulated Other Comprehensive Income					
	Net Unrealized Gains on Other Securities	Net Deferred Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	Total Net Assets
Balance at April 1,2014	¥ 12,634	¥ (1,824)	¥ 218	¥ 11,029	¥ 2,296	¥ 103,639
Cumulative Effects of Changes in Accounting Policies						648
Restated Balance	12,634	(1,824)	218	11,029	2,296	104,287
Changes of Items during the Period						
Cash Dividends						(875)
Profit Attributable to Owners of Parent						3,891
Purchase of Treasury Stock						(6)
Disposal of Treasury Stock						1
Net Changes of Items other than Shareholders' Equity	10,599	353	985	11,937	(1,098)	10,838
Total Changes of Items during the Period	10,599	353	985	11,937	(1,098)	13,849
Balance at March 31,2015	¥ 23,234	¥ (1,471)	¥ 1,203	¥ 22,966	¥ 1,198	¥ 118,136

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at April 1,2015	¥ 15,295	¥ 11,144	¥ 67,581	¥ (49)	¥ 93,971
Changes of Items during the Period					
Cash Dividends			(1,010)		(1,010)
Profit Attributable to Owners of Parent			3,677		3,677
Purchase of Treasury Stock				(7)	(7)
Disposal of Treasury Stock			(0)	0	0
Purchase of Shares of Consolidated Subsidiaries		244			244
Net Changes of Items other than Shareholders' Equity					
Total Changes of Items during the Period	—	244	2,667	(7)	2,904
Balance at March 31,2016	¥ 15,295	¥ 11,388	¥ 70,249	¥ (56)	¥ 96,876

	Accumulated Other Comprehensive Income					
	Net Unrealized Gains on Other Securities	Net Deferred Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	Total Net Assets
Balance at April 1,2015	¥ 23,234	¥ (1,471)	¥ 1,203	¥ 22,966	¥ 1,198	¥ 118,136
Changes of Items during the Period						
Cash Dividends						(1,010)
Profit Attributable to Owners of Parent						3,677
Purchase of Treasury Stock						(7)
Disposal of Treasury Stock						0
Purchase of Shares of Consolidated Subsidiaries						244
Net Changes of Items other than Shareholders' Equity	(335)	223	(1,386)	(1,498)	(252)	(1,750)
Total Changes of Items during the Period	(335)	223	(1,386)	(1,498)	(252)	1,154
Balance at March 31,2016	¥ 22,898	¥ (1,247)	¥ (183)	¥ 21,468	¥ 945	¥ 119,290

Consolidated Statements of Changes in Net Assets

	Thousands of U.S. Dollars				
	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at April 1,2015	$ 135,814	$ 98,952	$ 600,087	$ (438)	$ 834,415
Changes of Items during the Period					
Cash Dividends			(8,968)		(8,968)
Profit Attributable to Owners of Parent			32,653		32,653
Purchase of Treasury Stock				(63)	(63)
Disposal of Treasury Stock			(0)	0	0
Purchase of Shares of Consolidated Subsidiaries		2,170			2,170
Net Changes of Items other than Shareholders' Equity					
Total Changes of Items during the Period	—	2,170	23,685	(63)	25,792
Balance at March 31,2016	$ 135,814	$ 101,122	$ 623,772	$ (501)	$ 860,207

	Accumulated Other Comprehensive Income					
	Net Unrealized Gains on Other Securities	Net Deferred Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	Total Net Assets
Balance at April 1,2015	$ 206,306	$ (13,064)	$ 10,689	$ 203,931	$ 10,638	$1,048,984
Changes of Items during the Period						
Cash Dividends						(8,968)
Profit Attributable to Owners of Parent						32,653
Purchase of Treasury Stock						(63)
Disposal of Treasury Stock						0
Purchase of Shares of Consolidated Subsidiaries						2,170
Net Changes of Items other than Shareholders' Equity	(2,978)	1,988	(12,315)	(13,305)	(2,238)	(15,543)
Total Changes of Items during the Period	(2,978)	1,988	(12,315)	(13,305)	(2,238)	10,249
Balance at March 31,2016	$ 203,328	$ (11,076)	$ (1,626)	$ 190,626	$ 8,400	$1,059,233

Consolidated Statements of Cash Flows

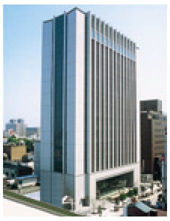
THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2016 and 2015

	Millions of Yen		Thousands of U.S. Dollars
	2016	2015	2016
Cash Flows from Operating Activities:			
Profit before Income Taxes	¥ 5,727	¥ 5,860	$ 50,853
Depreciation	1,787	2,229	15,871
Losses on Impairment of Fixed Assets	47	63	421
Gains on Negative Goodwill	—	(756)	—
Decrease in Reserve for Possible Loan Losses	(612)	(718)	(5,436)
Increase in Reserve for Employee Bonuses	16	30	148
Increase in Net Defined Benefit Asset	(588)	(583)	(5,222)
Increase in Net Defined Benefit Liability	11	9	104
Increase in Reserve for Executive Officer Retirement Benefits	0	13	4
Increase(Decrease) in Reserve for Reimbursement of Deposits	12	(0)	111
Interest and Dividend Income	(18,773)	(19,471)	(166,702)
Interest Expense	2,349	2,517	20,862
Securities Gains, Net	(599)	(758)	(5,322)
Foreign Exchange Losses (Gains), Net	0	(0)	2
Losses(Gains) on Disposal of Fixed Assets, Net	11	(62)	104
Gains on Return of Assets from Retirement Benefits Trust	(80)	—	(716)
Net Change in Loans and Bills Discounted	(10,020)	(42,117)	(88,976)
Net Change in Deposits	17,361	38,584	154,160
Net Change in Borrowed Money (Excluding Subordinated Borrowings)	(1,003)	(1,270)	(8,910)
Net Change in Deposits with Banks	(157)	(38)	(1,397)
Net Change in Call Loans and Bills Bought and Others	4,691	16,226	41,659
Net Change in Trading Account Securities	(33)	(27)	(298)
Net Change in Payables under Securities Lending Transactions	12,238	—	108,670
Net Change in Foreign Exchanges (Asset)	(6)	(45)	(56)
Net Change in Foreign Exchanges (Liability)	1	(4)	12
Net Change in Lease Receivables and Investment Assets	(41)	92	(364)
Interest Income Received	20,017	20,688	177,741
Interest Expense Paid	(2,473)	(2,677)	(21,961)
Others	(1,386)	(795)	(12,311)
Sub-Total	28,498	16,988	253,051
Income Taxes Paid	(1,406)	(1,507)	(12,485)
Net Cash Provided by Operating Activities	27,092	15,480	240,566
Cash Flows from Investing Activities:			
Purchases of Securities	(66,501)	(96,970)	(590,492)
Proceeds from Sale of Securities	24,002	10,301	213,125
Proceeds from Redemption of Securities	57,003	52,801	506,155
Purchases of Tangible Fixed Assets	(853)	(1,020)	(7,578)
Purchases of Intangible Fixed Assets	(584)	(641)	(5,192)
Proceeds from Sale of Tangible Fixed Assets	33	123	294
Purchases of Shares of Subsidiaries	—	(408)	—
Others	(8)	(16)	(79)
Net Cash Provided by (Used in) Investing Activities	13,090	(35,830)	116,233
Cash Flows from Financing Activities:			
Cash Dividends Paid	(1,010)	(875)	(8,968)
Cash Dividends Paid to Non-Controlling Interests	(1)	(2)	(15)
Purchases of Treasury Stock	(7)	(6)	(63)
Proceeds from Sale of Treasury Stock	0	1	0
Repayment of Lease Obligation	(65)	(65)	(581)
Purchases of Stocks of Subsidiaries not Resulting in Change in Scope of Consolidation	(55)	—	(496)
Net Cash Used in Financing Activities	(1,140)	(948)	(10,123)
Effect of Foreign Exchange Rate Changes	(0)	0	(2)
Net Increase(Decrease) in Cash and Cash Equivalents	39,042	(21,297)	346,674
Cash and Cash Equivalents at Beginning of Period	83,672	104,970	742,966
Cash and Cash Equivalents at End of Period	¥ 122,715	¥ 83,672	$ 1,089,640

Corporate Data

Operating Structure of the Bank and subsidiaries

The Mie Bank, Ltd.



- **Banking operations** — Head Office and 75 branches
- **Leasing operations** — ★The Miegin Sogo-Lease Co., Ltd.(Leasing business)
- **Credit guarantee operations** — ★The Miegin Shinyo-Hosho Co.,Ltd.(Credit guarantee business)
- **Other operations** — ★The Miegin Institute of Research Co., Ltd.(Research and consulting)
  - ★The Miegin Card Co., Ltd.(Credit card business)
  - ★The Miegin Computer Service Co., Ltd.(Computer software development)

★Consolidated subsidiaries

Organization Chart

- Shareholders' Meeting
- Board of Directors
- Management Committee
- Board of Corporate Auditors

- General Planning & Co-ordination Department
- Treasury Department
- General Affairs Department
- Personnel Department
- Operations Administration Department
- Information Technology Department
- Quality Improvement Department
- Business Planning Department
- Business Promotion Department
- Customers Loan Management Department
- Credit Supervision Department
- Secretariat
- Tokyo Liaison Office
- Audit Department
- Auditor's Office

(July 2016)

Foreign Exchange Offices

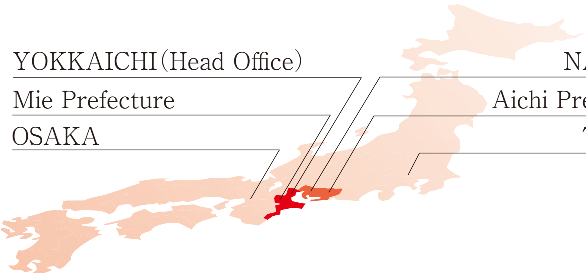
Main Office
7-8, Nishishinchi, Yokkaichi, Mie 510-0087 TEL : +81-59-353-3111

Tsu Branch
941, Sakaemachi 1-chome, Tsu, Mie 514-0004 TEL : +81-59-226-6155

Nagoya Branch
19-1, Nishiki 2-chome, Naka-ku, Nagoya 460-0003 TEL : +81-52-202-5585

Tokyo Branch
1-1, Kyobashi 1-chome, Chuo-ku, Tokyo 104-0031 TEL : +81-3-3241-7015

Osaka Branch
4-7, Imabashi 4-chome, Chuo-ku, Osaka 541-0042 TEL : +81-6-6222-1251



Number of branches by region

	Mie	Aichi	Tokyo	Osaka	Total
Branches	57	16	1	1	75
Corporate Business Offices	24	14	1	1	40
Consumer Loan Promotion Offices	6	7	—	—	13

(July 2016)

Board of Directors

Chairman of the Board
Junji Tanehashi

President
Mitsunori Watanabe

Directors
Ichiro Takuno
Takashi Yamamoto
Hiroya Yamamoto
Kozo Isshiki
Shinji Kataoka
Nobuyoshi Fujiwara
Kenichi Matsui
Hiromi Mochii

Auditors

Motohiro Yamaguchi
Eiji Maegawa
Tsuneaki Furukawa
Yuji Ito
Sumie Yoshida

(July 2016)

Corporate Outline

Date of Establishment
November 15, 1895

Head Office
7-8, Nishishinchi, Yokkaichi, Mie 510-0087 Japan
TEL : +81-59-353-3111 FAX : +81-59-355-8225
URL : http://www.miebank.co.jp
E-mail : kikaku@miebank.co.jp

Treasury Department
7-8, Nishishinchi, Yokkaichi, Mie 510-0087 Japan
TEL : +81-59-354-7151 FAX : +81-59-351-8892
SWIFT code : MIEB JP JT

Number of Employees 1,268

Stock Exchange Listing Tokyo Stock Exchange
Nagoya Stock Exchange

Capital ¥15,295 million

Number of Shares of Common Stock
Authorized 250,000 thousand
Issued and Outstanding 134,830 thousand

Number of Shareholders 6,681

Capital Adequacy Ratio
(based on domestic standards) 9.10%

(As of March 31, 2016)

Ratings

Japan Credit Rating Agency, Ltd. A

(July 2016)