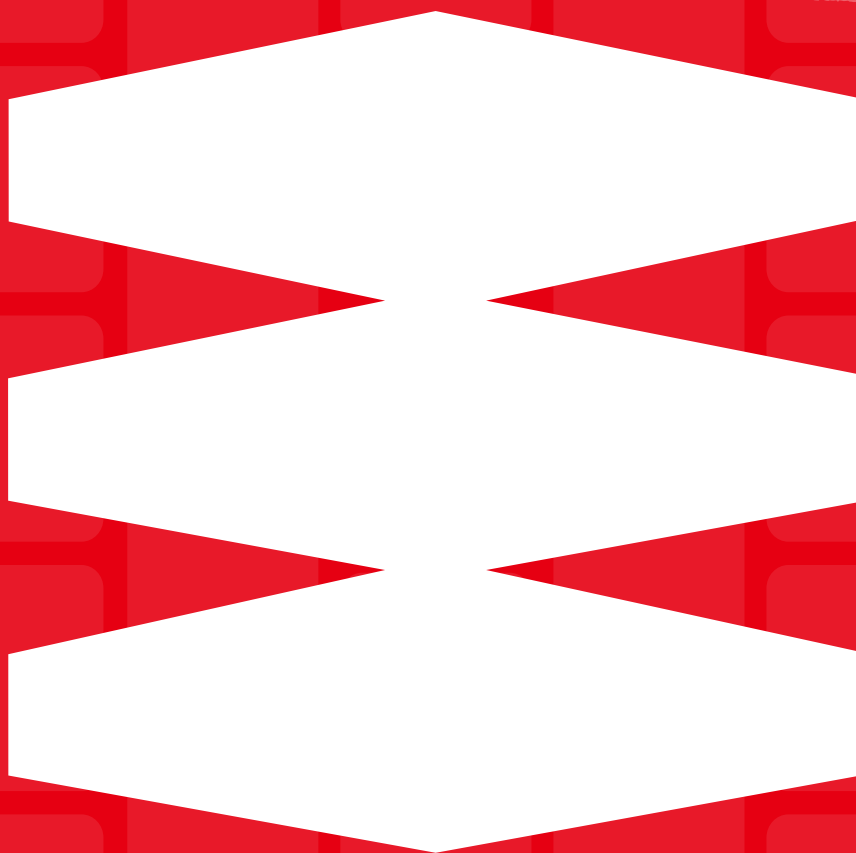


FINANCIAL STATEMENTS

Year Ended March 31, 2017

2 0 1 7



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.



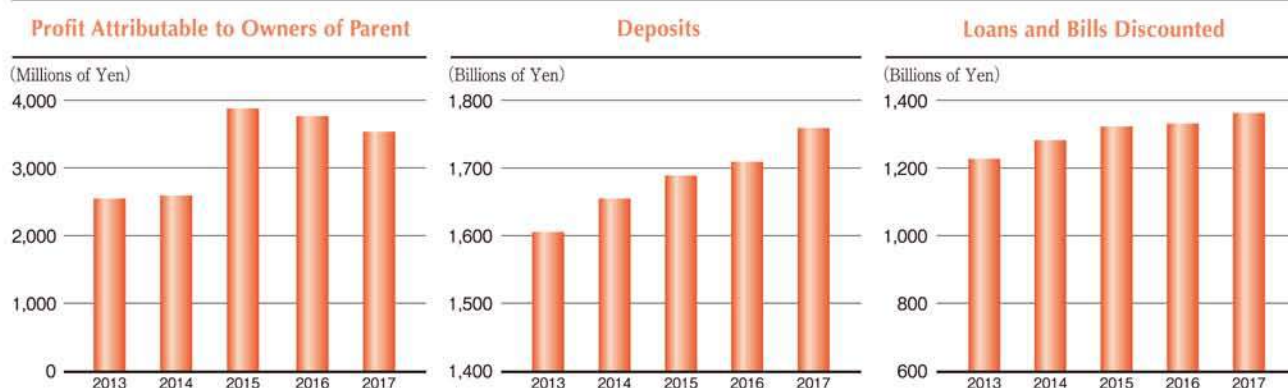
M. Watanabe
Mitsunori Watanabe, President

Consolidated Five-Year Financial Summary

Years ended March 31	Millions of Yen				
	2017	2016	2015	2014	2013
For the Year					
Total Income	¥ 32,826	¥ 32,960	¥ 34,144	¥ 33,100	¥ 33,925
Total Expenses	28,036	27,233	28,283	28,465	29,811
Profit before Income Taxes	4,789	5,727	5,860	4,635	4,114
Profit Attributable to Owners of Parent	3,548	3,677	3,891	2,594	2,536
At Year End					
Total Assets	¥1,981,186	¥1,943,624	¥1,916,135	¥1,870,815	¥1,782,491
Loans and Bills Discounted	1,375,057	1,334,087	1,324,067	1,281,950	1,233,712
Securities	443,715	436,942	451,980	415,983	413,378
Deposits	1,753,233	1,709,344	1,691,983	1,653,398	1,608,724
Total Net Assets	121,795	119,290	118,136	103,639	99,422

Profit attributable to owners of parent for year ended March 31, 2017, decreased year over year, reflecting the decline in interest income from loans due to a decrease in yields.

Total income decreased ¥134 million from the previous year to ¥32,826 million. Profit attributable to owners of parent decreased ¥129 million from the previous year to ¥3,548 million.



Consolidated Risk-Monitored Loans

Years ended March 31	Millions of Yen	
	2017	2016
Bankrupt loans	¥ 465 (0.03%)	¥ 868 (0.07%)
Non-accrual loans	18,494 (1.35%)	22,866 (1.71%)
Past due loans (3 months or more)	— (—%)	— (—%)
Restructured loans	823 (0.06%)	1,264 (0.09%)
Total	19,783 (1.44%)	24,999 (1.87%)

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

Consolidated Balance Sheets

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES

March 31, 2017 and 2016

	Millions of Yen		Thousands of U.S. Dollars	
	2017	2016	2017	
Assets				
Cash and Due from Banks	¥ 103,835	¥ 123,045	\$ 925,533	
Call Loans and Bills Bought	3,527	2,292	31,445	
Monetary Claims Bought	3,466	2,394	30,896	
Trading Account Securities	72	71	643	
Securities	443,715	436,942	3,955,037	
Loans and Bills Discounted	1,375,057	1,334,087	12,256,506	
Foreign Exchanges	2,268	2,338	20,224	
Lease Receivables and Investment Assets	8,635	7,003	76,969	
Other Assets	20,010	15,574	178,359	
Tangible Fixed Assets	10,768	11,003	95,984	
Buildings	5,439	5,757	48,487	
Land	3,506	3,514	31,258	
Lease Assets	2	53	25	
Construction in Progress	196	196	1,752	
Other Tangible Fixed Assets	1,622	1,481	14,462	
Intangible Fixed Assets	2,553	1,806	22,760	
Software	2,336	1,587	20,827	
Other Intangible Fixed Assets	216	219	1,933	
Net Defined Benefit Asset	3,693	3,757	32,920	
Deferred Tax Assets	289	292	2,577	
Customers' Liabilities for Acceptances and Guarantees	8,557	8,953	76,276	
Reserve for Possible Loan Losses	(5,264)	(5,939)	(46,926)	
Total Assets	¥ 1,981,186	¥ 1,943,624	\$ 17,659,203	
Liabilities and Net Assets				
Liabilities				
Deposits	¥ 1,753,233	¥ 1,709,344	\$ 15,627,360	
Payables under Securities Lending Transactions	12,104	12,238	107,890	
Borrowed Money	60,393	67,173	538,310	
Foreign Exchanges	4	1	40	
Other Liabilities	15,984	17,155	142,480	
Reserve for Employee Bonuses	573	625	5,115	
Net Defined Benefit Liability	182	183	1,625	
Reserve for Executive Officer Retirement Benefits	61	56	547	
Reserve for Reimbursement of Deposits	163	161	1,455	
Deferred Tax Liabilities	8,132	8,439	72,490	
Acceptances and Guarantees	8,557	8,953	76,276	
Total Liabilities	¥ 1,859,390	¥ 1,824,333	\$ 16,573,588	
Net Assets				
Capital Stock	¥ 15,295	¥ 15,295	\$ 136,335	
Capital Surplus	11,437	11,388	101,949	
Retained Earnings	72,949	70,249	650,235	
Treasury Stock	(61)	(56)	(546)	
Total Shareholders' Equity	99,621	96,876	887,973	
Net Unrealized Gains on Other Securities	21,797	22,898	194,293	
Net Deferred Losses on Hedges	(662)	(1,247)	(5,908)	
Remeasurements of Defined Benefit Plans	118	(183)	1,052	
Total Accumulated Other Comprehensive Income	21,252	21,468	189,437	
Non-Controlling Interests	920	945	8,205	
Total Net Assets	121,795	119,290	1,085,615	
Total Liabilities and Net Assets	¥ 1,981,186	¥ 1,943,624	\$ 17,659,203	

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2017 and 2016

Consolidated Statements of Income	Millions of Yen		Thousands of U.S. Dollars
	2017	2016	2017
Income			
Interest and Dividends on:			
Loans and Bills Discounts	¥ 14,066	¥ 14,935	\$ 125,381
Securities	3,453	3,751	30,784
Other	107	86	955
Fees and Commissions	6,226	6,157	55,502
Other Operating Income	1,776	1,383	15,830
Other Income	7,196	6,645	64,149
Total Income	32,826	32,960	292,601
Expenses			
Interest on:			
Deposits	759	1,334	6,771
Borrowings and Rediscounts	164	216	1,466
Other	700	798	6,242
Fees and Commissions Payments	1,757	1,751	15,664
Other Operating Expenses	113	185	1,015
General and Administrative Expenses	19,055	18,950	169,847
Other Expenses	5,486	3,995	48,901
Total Expenses	28,036	27,233	249,906
Profit before Income Taxes	4,789	5,727	42,695
Income Taxes			
Current	1,380	1,498	12,306
Deferred	(160)	505	(1,426)
Total Income Taxes	1,220	2,003	10,880
Profit	3,569	3,723	31,815
Profit Attributable to Non-Controlling Interests	20	45	184
Profit Attributable to Owners of Parent	¥ 3,548	¥ 3,677	\$ 31,631

Consolidated Statements of Comprehensive Income	Millions of Yen		Thousands of U.S. Dollars
	2017	2016	2017
Profit	¥ 3,569	¥ 3,723	\$ 31,815
Other Comprehensive Income	(211)	(1,494)	(1,885)
Net Unrealized Gains on Other Securities	(1,097)	(331)	(9,779)
Net Deferred Losses on Hedges	584	223	5,210
Remeasurements of Defined Benefit Plans	301	(1,386)	2,684
Comprehensive Income	3,357	2,228	29,930
Comprehensive Income Attributable to Owners of Parent	3,333	2,178	29,711
Comprehensive Income Attributable to Non-Controlling Interests	24	49	219
Per Share	Yen	Yen	U.S.Dollars
Net Income	¥ 263.55	¥ 273.07	\$ 2.35
Cash Dividends	35.75	7.50	0.32
Net Assets	8,978.11	8,788.70	80.03

1.The reverse stock split was implemented on October 1, 2016, at a rate of one common stock per ten, in which the Net Income per share and the Net Asset per share are calculated on the assumption that it took place at the beginning of previous consolidated fiscal year.

2.The reverse stock split was implemented on October 1, 2016, at a rate of one common stock per ten, in which the dividend per share for current consolidated fiscal year, ¥35.75, is the sum of the interim dividend, ¥3.25, and the term-end dividend, ¥32.50, of which the interim dividend, ¥3.25, is the dividend before the reverse stock split and the term-end dividend, ¥32.50, is the dividend after the reverse stock split.

Notes:

1.The original Japanese financial statements of The Mie Bank, Ltd. and its consolidated subsidiaries as of March 31, 2017 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 ¥112.19 per U.S.\$1.00, the exchange rate prevailing on March 31, 2017.

Consolidated Statements of Changes in Net Assets

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2017 and 2016

Millions of Yen

	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					Total Net Assets
	Net Unrealized Gains on Other Securities	Net Deferred Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	
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

	Shareholders' Equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at April 1, 2016	¥ 15,295	¥ 11,388	¥ 70,249	¥ (56)	¥ 96,876
Cumulative Effects of Changes in Accounting Policies			27		27
Restated Balance	15,295	11,388	70,276	(56)	96,903
Changes of Items during the Period					
Cash Dividends			(875)		(875)
Profit Attributable to Owners of Parent			3,548		3,548
Purchase of Treasury Stock				(5)	(5)
Disposal of Treasury Stock			(0)	0	0
Purchase of Shares of Consolidated Subsidiaries		49			49
Net Changes of Items other than Shareholders' Equity					
Total Changes of Items during the Period	—	49	2,673	(4)	2,717
Balance at March 31, 2017	¥ 15,295	¥ 11,437	¥ 72,949	¥ (61)	¥ 99,621

	Accumulated Other Comprehensive Income					Total Net Assets
	Net Unrealized Gains on Other Securities	Net Deferred Losses on Hedges	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income	Non-Controlling Interests	
Balance at April 1, 2016	¥ 22,898	¥ (1,247)	¥ (183)	¥ 21,468	¥ 945	¥ 119,290
Cumulative Effects of Changes in Accounting Policies					0	28
Restated Balance	22,898	(1,247)	(183)	21,468	946	119,319
Changes of Items during the Period						
Cash Dividends						(875)
Profit Attributable to Owners of Parent						3,548
Purchase of Treasury Stock						(5)
Disposal of Treasury Stock						0
Purchase of Shares of Consolidated Subsidiaries						49
Net Changes of Items other than Shareholders' Equity	(1,101)	584	301	(215)	(26)	(241)
Total Changes of Items during the Period	(1,101)	584	301	(215)	(26)	2,476
Balance at March 31, 2017	¥ 21,797	¥ (662)	¥ 118	¥ 21,252	¥ 920	¥ 121,795

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, 2016	\$ 136,335	\$ 101,510	\$ 626,162	\$ (503)	\$ 863,504
Cumulative Effects of Changes in Accounting Policies			245		245
Restated Balance	136,335	101,510	626,407	(503)	863,749
Changes of Items during the Period					
Cash Dividends			(7,801)		(7,801)
Profit Attributable to Owners of Parent			31,631		31,631
Purchase of Treasury Stock				(49)	(49)
Disposal of Treasury Stock			(2)	6	4
Purchase of Shares of Consolidated Subsidiaries		439			439
Net Changes of Items other than Shareholders' Equity					
Total Changes of Items during the Period	—	439	23,828	(43)	24,224
Balance at March 31, 2017	\$ 136,335	\$ 101,949	\$ 650,235	\$ (546)	\$ 887,973

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, 2016	\$ 204,107	\$ (11,118)	\$ (1,632)	\$ 191,357	\$ 8,432	\$ 1,063,293
Cumulative Effects of Changes in Accounting Policies					7	252
Restated Balance	204,107	(11,118)	(1,632)	191,357	8,439	1,063,545
Changes of Items during the Period						
Cash Dividends						(7,801)
Profit Attributable to Owners of Parent						31,631
Purchase of Treasury Stock						(49)
Disposal of Treasury Stock						4
Purchase of Shares of Consolidated Subsidiaries						439
Net Changes of Items other than Shareholders' Equity	(9,814)	5,210	2,684	(1,920)	(234)	(2,154)
Total Changes of Items during the Period	(9,814)	5,210	2,684	(1,920)	(234)	22,070
Balance at March 31, 2017	\$ 194,293	\$ (5,908)	\$ 1,052	\$ 189,437	\$ 8,205	\$ 1,085,615

Consolidated Statements of Cash Flows

THE MIE BANK, LTD. AND CONSOLIDATED SUBSIDIARIES Years ended March 31, 2017 and 2016

	Millions of Yen		Thousands of U.S. Dollars
	2017	2016	2017
Cash Flows from Operating Activities:			
Profit before Income Taxes	¥ 4,789	¥ 5,727	\$ 42,695
Depreciation	1,799	1,787	16,043
Losses on Impairment of Fixed Assets	141	47	1,261
Decrease in Reserve for Possible Loan Losses	(674)	(612)	(6,011)
Increase (Decrease) in Reserve for Employee Bonuses	(51)	16	(458)
Decrease (Increase) in Net Defined Benefit Asset	484	(588)	4,319
Increase in Net Defined Benefit Liability	10	11	96
Increase in Reserve for Executive Officer Retirement Benefits	4	0	43
Increase in Reserve for Reimbursement of Deposits	1	12	15
Interest and Dividend Income	(17,627)	(18,773)	(157,120)
Interest Expense	1,624	2,349	14,479
Securities Gains, Net	(578)	(599)	(5,158)
Foreign Exchange Losses, Net	0	0	1
Losses on Disposal of Fixed Assets, Net	103	11	926
Gains on Return of Assets from Retirement Benefits Trust	—	(80)	—
Net Change in Loans and Bills Discounted	(40,969)	(10,020)	(365,183)
Net Change in Deposits	43,888	17,361	391,201
Net Change in Borrowed Money(Excluding Subordinated Borrowings)	219	(1,003)	1,957
Net Change in Deposits with Banks	(4,811)	(157)	(42,890)
Net Change in Call Loans and Bills Bought and Others	(2,306)	4,691	(20,558)
Net Change in Trading Account Securities	(0)	(33)	(5)
Net Change in Payables under Securities Lending Transactions	(134)	12,238	(1,197)
Net Change in Foreign Exchanges (Asset)	69	(6)	616
Net Change in Foreign Exchanges (Liability)	3	1	28
Net Change in Lease Receivables and Investment Assets	(1,765)	(41)	(15,735)
Interest Income Received	18,839	20,017	167,927
Interest Expense Paid	(1,941)	(2,473)	(17,306)
Others	(5,122)	(1,386)	(45,659)
Sub-Total	(4,002)	28,498	(35,673)
Income Taxes Paid	(1,537)	(1,406)	(13,700)
Net Cash Provided by (Used in) Operating Activities	(5,539)	27,092	(49,373)
Cash Flows from Investing Activities:			
Purchases of Securities	(95,521)	(66,501)	(851,423)
Proceeds from Sale of Securities	26,197	24,002	233,512
Proceeds from Redemption of Securities	61,411	57,003	547,391
Purchases of Tangible Fixed Assets	(1,022)	(853)	(9,117)
Purchases of Intangible Fixed Assets	(1,613)	(584)	(14,383)
Proceeds from Sale of Tangible Fixed Assets	11	33	103
Others	(9)	(8)	(86)
Net Cash Provided by (Used in) Investing Activities	(10,546)	13,090	(94,003)
Cash Flows from Financing Activities:			
Repayment of Subordinated Borrowings	(7,000)	—	(62,394)
Cash Dividends Paid	(875)	(1,010)	(7,801)
Cash Dividends Paid to Non-Controlling Interests	(1)	(1)	(14)
Purchases of Treasury Stock	(5)	(7)	(49)
Proceeds from Sale of Treasury Stock	0	0	4
Repayment of Lease Obligation	(54)	(65)	(482)
Purchases of Stocks of Subsidiaries not Resulting in Change in Scope of Consolidation	—	(55)	—
Net Cash Used in Financing Activities	(7,935)	(1,140)	(70,736)
Effect of Foreign Exchange Rate Changes	(0)	(0)	(1)
Net Increase (Decrease) in Cash and Cash Equivalents	(24,021)	39,042	(214,113)
Cash and Cash Equivalents at Beginning of Period	122,715	83,672	1,093,816
Cash and Cash Equivalents at End of Period	¥ 98,693	¥ 122,715	\$ 879,703

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



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

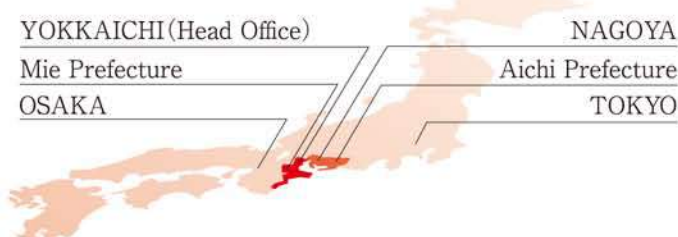
19-1, Nishiki 2-chome, Naka-ku, Nagoya 460-0003 TEL : +81-52-202-5585

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



(July 2017)

Number of branches by region

	Mie	Aichi	Tokyo	Osaka	Total
Branches	57	16	1	1	75
Consumer Loan Promotion Offices	6	5	—	—	11

(July 2017)

Board of Directors

Chairman of the Board

Junji Tanehashi

President

Mitsunori Watanabe

Directors

Ichiro Takuno
Takashi Yamamoto
Kozo Isshiki
Shinji Kataoka
Hisayoshi Hirose
Nobuyoshi Fujiwara
Kenichi Matsui
Hiromi Mochii

Auditors

Motohiro Yamaguchi
Eiji Maegawa
Tsuneaki Furukawa
Yuji Ito
Sumie Yoshida

(July 2017)

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

1,286

Stock Exchange Listing

Tokyo Stock Exchange
Nagoya Stock Exchange

Capital

¥15,295 million

Number of Shares of Common Stock

Authorized 25,000 thousand

Issued and Outstanding 13,483 thousand

Number of Shareholders

5,938

Capital Adequacy Ratio

(based on domestic standards) 8.15%

(As of March 31, 2017)