

Summary Information on Sony Assurance's Financial Results
for the Six Months Ended September 30, 2010

<Contents>

1. Balance Sheets	P.2
2. Statements of Income	P.3
3. Financial Summary (Year-on-Year Comparison)	P.4
4. Premiums and Losses Paid by Type of Policy	P.5
5. Risk-Monitored Loans	P.6
6. Securities	P.6
7. Solvency Margin Ratio	P.7

1. Balance Sheets

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
Assets:		
Cash and deposits	1,812	3,507
Securities	80,877	73,234
Tangible fixed assets	414	325
Intangible fixed assets	2,575	1,912
Other assets	12,084	13,553
Accounts receivable	7,622	9,326
Others	4,462	4,226
Deferred tax assets	6,202	5,807
Total Assets	103,967	98,340
Liabilities:		
Underwriting reserves	81,755	75,851
Reserve for outstanding losses	19,392	17,725
Underwriting reserves	62,362	58,125
Other liabilities	5,026	5,809
Income taxes payable	833	565
Others	4,193	5,243
Reserve for employees' retirement benefits	592	552
Reserve for directors' retirement benefits	31	28
Reserve for employees' bonuses	641	589
Reserve for price fluctuations and others	35	27
Reserve for price fluctuations	35	27
Total Liabilities	88,082	82,858
Net Assets:		
Shareholders' equity		
Common stock	20,000	20,000
Capital surplus	20,000	20,000
Retained deficits	(24,152)	(24,543)
Total shareholders' equity	15,847	15,456
Valuation and translation adjustments		
Net unrealized gains on other securities, net of taxes	38	25
Total valuation and translation adjustments	38	25
Total Net Assets	15,885	15,482
Total Liabilities and Net Assets	103,967	98,340

2. Statements of Income

(Millions of yen)

	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Ordinary Revenues	33,993	37,107
Underwriting income	33,636	36,722
<i>Net premiums written</i>	33,620	36,707
<i>Interest and dividends on deposits of premiums</i>	15	14
Investment income	341	371
<i>Interest income and dividends</i>	342	383
<i>Gains on sale of securities</i>	7	-
<i>Transfer to interest and dividends on deposits of premiums</i>	(15)	(14)
Other ordinary income	15	13
Ordinary Expenses	32,455	36,431
Underwriting expenses	24,566	27,944
<i>Net losses paid</i>	16,181	19,031
<i>Loss adjustment expenses</i>	1,972	2,343
<i>Net commissions and brokerage fees</i>	627	665
<i>Provision for reserve for outstanding losses</i>	1,086	1,666
<i>Provision for underwriting reserves</i>	4,698	4,236
Investment expenses	13	-
<i>Losses on sale of securities</i>	12	-
Operating, general and administrative expenses	7,869	8,456
Other ordinary expenses	6	29
Ordinary Profit	1,537	675
Extraordinary Losses	28	43
Losses on sale or disposal of fixed assets	21	35
Provision for reserve for price fluctuations and others	7	8
<i>Provision for reserve for price fluctuations</i>	7	8
Income Before Income Taxes	1,508	632
Income Taxes –current	1,102	643
Income Taxes –deferred	(627)	(402)
Total Income Taxes	474	241
Net Income	1,034	390

3. Financial Summary (Year-on-Year Comparison)

(Millions of yen)

		For the six months ended September 30, 2009	For the six months ended September 30, 2010	Change (Amount)	Change (%)
Gross direct premiums written		33,448	36,406	2,957	8.8 %
(Direct premiums written)		33,448	36,406	2,957	8.8
Ordinary Income (expenses)	Underwriting income	33,636	36,722	3,085	9.2
	<i>Net premiums written</i>	33,620	36,707	3,086	9.2
	Underwriting expenses	24,566	27,944	3,378	13.8
	<i>Net losses paid</i>	16,181	19,031	2,849	17.6
	<i>Loss adjustment expenses</i>	1,972	2,343	371	18.9
	<i>Net commissions and brokerage fees</i>	627	665	38	6.1
	Investment income	341	371	30	8.9
	<i>Interest income and dividends</i>	342	383	41	12.0
	<i>Gains on sale of securities</i>	7	—	(7)	(100.0)
	Investment expenses	13	—	(13)	(100.0)
<i>Losses on sale of securities</i>	12	—	(12)	(100.0)	
Operating, general and administrative expenses		7,869	8,456	586	7.5
(Operating, general and administrative expenses related to underwriting)		7,831	8,417	585	7.5
Other ordinary income (expenses), net		9	(16)	△ 25	(278.3)
Ordinary profit		1,537	675	△ 861	(56.0)
(Underwriting profit)		1,238	360	△ 877	(70.9)
Extraordinary gains (losses)	Extraordinary Gains	-	—	—	—
	Extraordinary Losses	28	43	15	55.5
	Extraordinary gains (losses), net	(28)	(43)	(15)	—
Income before income taxes		1,508	632	(876)	(58.1)
Income taxes -current		1,102	643	(458)	(41.6)
Income taxes –deferred		(627)	(402)	225	—
Total income taxes		474	241	(232)	(49.1)
Net Income		1,034	390	(643)	(62.2)
Ratios	Net loss ratio	54.0%	58.2%		
	Net expense ratio	25.2%	24.7%		

Notes: 1. Underwriting profit = Underwriting income – (Underwriting expenses + Operating, general and administrative expenses related to underwriting) ± Other income (expenses).

Other income (expenses) is the amount equivalent to the corporate income taxes for compulsory automobile liability insurance, etc.

2. Ratios are calculated as follows.

Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written x 100

Net expense ratio = (Net commissions and brokerage fees + Operating, general and administrative expenses / Net premiums written x 100

(Operating, general and administrative expenses is the amount related to underwriting)

4. Premiums and Losses Paid by Type of Policy

Direct Premiums Written

(Millions of yen)

	For the six months ended September 30, 2009			For the six months ended September 30, 2010		
	Amount	Composition	YoY Change	Amount	Composition	YoY Change
		%	%		%	%
Fire	137	0.4	(16.9)	71	0.2	(47.6)
Marine	—	—	—	—	—	—
Personal accident	3,442	10.3	4.8	3,551	9.8	3.1
Voluntary automobile	29,868	89.3	11.7	32,783	90.0	9.8
Compulsory automobile liability	—	—	—	—	—	—
Total	33,448	100.0	10.8	36,406	100.0	8.8

Net Premiums Written

(Millions of yen)

	For the six months ended September 30, 2009			For the six months ended September 30, 2010		
	Amount	Composition	YoY Change	Amount	Composition	YoY Change
		%	%		%	%
Fire	6	0.0	(23.0)	3	0.0	(44.0)
Marine	7	0.0	(62.3)	6	0.0	(6.0)
Personal accident	3,563	10.6	3.9	3,679	10.0	3.3
Voluntary automobile	29,752	88.5	11.7	32,648	88.9	9.7
Compulsory automobile liability	291	0.9	9.5	369	1.0	26.8
Total	33,620	100.0	10.8	36,707	100.0	9.2

Net Losses Paid

(Millions of yen)

	For the six months ended September 30, 2009			For the six months ended September 30, 2010		
	Amount	YoY Change	Net loss ratio	Amount	YoY Change	Net loss ratio
		%	%		%	%
Fire	0	1.5	76.0	0	(26.4)	116.1
Marine	1	(82.3)	20.8	7	393.5	109.4
Personal accident	705	13.9	22.0	776	10.1	24.0
Voluntary automobile	15,216	14.8	57.5	17,927	17.8	61.8
Compulsory automobile liability	258	7.6	88.7	319	23.9	86.7
Total	16,181	14.6	54.0	19,031	17.6	58.2

5. Risk-Monitored Loans

None

6. Securities

1. Held-to-maturity securities

(Millions of yen)

		As of September 30, 2010			As of March 31, 2010		
		Balance sheet amount	Fair value	Difference	Balance sheet amount	Fair value	Difference
Fair value is higher than balance sheet amount	Domestic bonds	62,823	64,464	1,641	50,936	51,543	607
	Foreign securities	695	712	17	598	616	18
	Subtotal	63,518	65,176	1,658	51,534	52,159	625
Fair value is lower than balance sheet amount	Domestic bonds	—	—	—	3,526	3,476	(50)
	Foreign securities	302	302	(0)	399	392	(6)
	Subtotal	302	302	(0)	3,926	3,869	(56)
Total		63,820	65,478	1,657	55,460	56,028	568

2. Available-for-sale securities

(Millions of yen)

		As of September 30, 2010			As of March 31, 2010		
		Balance sheet amount	Acquisition cost	Difference	Balance sheet amount	Acquisition cost	Difference
Balance sheet amount is higher than acquisition cost	Domestic bonds	7,974	7,884	89	10,063	9,983	79
Balance sheet amount is lower than acquisition cost	Domestic bonds	4,735	4,765	(30)	2,565	2,605	(39)
	Others	4,346	4,346	—	5,144	5,144	—
	Subtotal	9,082	9,112	(30)	7,710	7,750	(39)
Total		17,057	16,997	59	17,773	17,733	40

7. Solvency Margin Ratio

(Millions of yen)

	As of September 30, 2010	As of March 31, 2010
(A) Total solvency margin	28,437	27,444
Capital or treasury	15,847	15,456
Reserve for price fluctuations	35	27
Contingency reserve	7	6
Catastrophe reserve	12,493	11,918
Reserve for possible loan losses	-	-
Net unrealized gains on other securities (before subtracting tax effects)	53	36
Net unrealized gains on real estate	-	-
Excess refund reserve	-	-
Subordinated debt	-	-
Deductible items	-	-
Other	-	-
(B) Total risk $\sqrt{(R_1+R_2)^2+(R_3+R_4)^2}+R_5+R_6$	5,629	5,388
Ordinary insurance risk (R ₁)	4,834	4,599
Third-sector insurance risks (R ₂)	0	0
Assumed interest rate risks (R ₃)	11	10
Asset management risks (R ₄)	256	288
Business management risks (R ₅)	171	165
Major catastrophe risk (R ₆)	615	614
(C) Solvency margin ratio [(A) / {(B) × 1/2}] × 100	1,010.3 %	1,018.5 %

Note: The foregoing figures were calculated based on provisions in Articles 86 and 87 of the Insurance Business Law Enforcement Regulations and Ministry of Finance Announcement No. 50 (1996).

<Solvency Margin Ratio>

Non-life insurance companies maintain reserves to ensure their ability to pay claims when accidents occur and return contracted amounts at maturity on savings-type insurance. Non-life insurance companies must also maintain sufficient ability to pay in the event of a major catastrophe or a dramatic drop in the value of the assets they hold—risk events outside the normal scope of expectations.

Total risk (item (B) in the table above) indicates dangers outside the general scope of expectations. The solvency margin ratio (item (C) in the table above) is an indicator of an insurer's ability to pay, calculated as prescribed by the Insurance Business Law of Japan, based on its percentage holdings of capital and other reserves (in other words, the total solvency margin: as indicated by (A) above).

“Risk events outside the normal scope of expectations” refers to the total of the amounts represented by the following risks.

- (1) Insurance underwriting risks : Risks outside the scope of risk incorporated into the rate of accident occurrence (excluding major catastrophe risks)
(Ordinary insurance risks)
(Third-sector insurance risks)
- (2) Assumed interest rate risks : Risks that actual investment yields will fall below the investment yield assumed when calculating premiums
- (3) Asset management risks : Risks arising from such factors as unexpectedly large fluctuations in prices on owned securities and other assets
- (4) Business management risks : Unexpected risks to business management other than (1) through (3) above and (5)
- (5) Major catastrophe risks : Risks arising from major catastrophes (such as the Great Kanto Earthquake and the Ise Bay Typhoon)

A non-life insurer's ability to pay (total solvency margin), as indicated by such factors as its capital and reserves is the total of the insurer's net assets (excluding the amount of expected outflow from the company), reserves (such as the reserve for price fluctuations and special catastrophe reserve) and a portion of its net unrealized gain on real estate.

The solvency margin ratio is one of the objective indicators used by the insurance regulatory authorities to supervise insurers. If this ratio is 200% or higher, an insurer is judged to have sufficient ability to satisfy claims and other payments.