

Consolidated Financial Summary for the Year Ended March 31, 2012

May 18, 2012

Company name: Sony Financial Holdings Inc.
(URL: http://www.sonyfh.co.jp/web/index_en.html)
Stock exchange listing: Tokyo Stock Exchange (code number: 8729)
Representative: Katsumi Ihara, President and Representative Director
Inquiries: Masaaki Konoo, General Manager—Corporate Communications & Investor Relations Dept.
(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the year ended March 31, 2012

(1) Operating results

| | Ordinary Revenues | | Ordinary Profit | | Net Income | |
|-----------------------------------|-------------------|----------|-----------------|----------|-----------------|----------|
| | Millions of yen | % change | Millions of yen | % change | Millions of yen | % change |
| For the year ended March 31, 2012 | 1,078,070 | 7.6 | 74,625 | (2.9) | 32,812 | (21.3) |
| For the year ended March 31, 2011 | 1,002,201 | 2.4 | 76,860 | (8.9) | 41,716 | (13.3) |

Note: Comprehensive Income: For the year ended March 31, 2012: ¥60,376 million: 88.9%
For the year ended March 31, 2011: ¥31,963 million: (55.0)%

| | Net Income per Share | Net Income per Share (Fully Diluted) | Net Income on Shareholders' Equity | Ordinary Profit on Total Assets | Ordinary Profit on Ordinary Revenues |
|-----------------------------------|----------------------|--------------------------------------|------------------------------------|---------------------------------|--------------------------------------|
| | Yen | Yen | % | % | % |
| For the year ended March 31, 2012 | 75.43 | — | 10.2 | 1.1 | 6.9 |
| For the year ended March 31, 2011 | 95.90 | — | 14.8 | 1.2 | 7.7 |

Notes: 1. Equity in earnings (losses) of affiliates: For the year ended March 31, 2012: ¥(1,179) million
For the year ended March 31, 2011: ¥ (944) million

2. Although a stock split was conducted during the year ended March 31, 2012, net income per share for the year ended March 31, 2011, was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(2) Financial conditions

| | Total Assets | Total Net Assets | Net Asset Ratio | Net Assets per Share |
|----------------------|-----------------|------------------|-----------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of March 31, 2012 | 7,241,414 | 347,800 | 4.8 | 796.64 |
| As of March 31, 2011 | 6,597,140 | 294,877 | 4.5 | 677.88 |

Notes: 1. Shareholders' equity: As of March 31, 2012: ¥346,540 million
As of March 31, 2011: ¥294,877 million

2. The net asset ratio is computed by dividing the amount of total net assets by total assets at the end of the fiscal period.

3. Although a stock split was conducted during the year ended March 31, 2012, net assets per share for the year ended March 31, 2011, was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(3) Cash flows

| | Cash Flows from Operating Activities | Cash Flows from Investing Activities | Cash Flows from Financing Activities | Cash and Cash Equivalents at end of fiscal year |
|-----------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| For the year ended March 31, 2012 | 524,264 | (512,198) | 1,782 | 175,651 |
| For the year ended March 31, 2011 | 527,582 | (559,771) | (6,560) | 161,803 |

2. Dividends

| Record date | Dividend per Share | | | | | Annual Dividend Amount | Dividend Payout Ratio | Dividend on Net Assets |
|---|--------------------|-------------|-------------|----------|--------------|------------------------|-----------------------|------------------------|
| | 1st quarter | 2nd quarter | 3rd quarter | Year-end | Annual Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| For the year ended March 31, 2011 | — | 0.00 | — | 20.00 | 20.00 | 8,700 | 20.9 | 3.1 |
| For the year ended March 31, 2012 | — | 0.00 | — | 20.00 | 20.00 | 8,700 | 26.5 | 2.7 |
| For the year ending March 31, 2013 (forecast) | — | — | — | — | — | — | — | — |

Notes: 1. Although a stock split was conducted during the year ended March 31, 2012, the dividend per share for the year ended March 31, 2011, was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

2. Prospective dividends for the year ending March 31, 2013, have not yet been determined.

3. Forecast of consolidated financial results for the year ending March 31, 2013

(Percentage figures represent changes from the results of the previous fiscal year.)

| | Ordinary Revenues | | Ordinary Profit | | Net Income | | Net Income per Share |
|------------------------------------|-------------------|----------|-----------------|----------|-----------------|----------|----------------------|
| | Millions of yen | % change | Millions of yen | % change | Millions of yen | % change | Yen |
| For the year ending March 31, 2013 | 1,115,000 | 3.4 | 67,000 | (10.2) | 37,000 | 12.8 | 85.06 |

Note: SFH previously announced its half-year results forecast. However, we decided to omit this announcement from the fiscal year ending March 31, 2013 reflecting the SFH Group's long-term business structure as a financial institution.

4. Notes

(1) Changes in scope of consolidation during the period under review (changes in specified subsidiaries accompanying changes in scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements

(a) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes

(b) Changes in accounting policies due to other reasons: None

(c) Changes in accounting estimates: None

(d) Restatements of the consolidated financial statements: None

(3) Number of shares outstanding (common stock)

(a) Number of shares outstanding (including treasury shares)

As of March 31, 2012: 435,000,000 shares

As of March 31, 2011: 435,000,000 shares

(b) Number of treasury shares

As of March 31, 2012: — shares

As of March 31, 2011: — shares

(c) Weighted-average number of shares

For the year ended March 31, 2012: 435,000,000 shares

For the year ended March 31, 2011: 435,000,000 shares

Audit of Quarterly Financial Statements

This earnings report is exempt from audit procedure based upon the Financial Instruments and Exchange Act. Audit procedures are underway as of the date of this report.

Content of Supplemental Materials

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(Attachment)

Consolidated Financial Results for the Year Ended March 31, 2012 and Sony Life's Preliminary Market Consistent Embedded Value

* We will upload the press releases on Sony Life's Market Consistent Embedded Value as of March 31, 2012, scheduled as below.

- Preliminary summary: Scheduled to be uploaded on May 18, 2012 at 15:00 (Tokyo)
- Detailed report: Scheduled to be uploaded on May 25, 2012 at 15:00 (Tokyo)

Please see further details at our website: http://www.sonyfh.co.jp/web/index_en.html

- * The Conference Call for explaining the SFH Group financial results will be held at 19:00 (Tokyo), May 18, 2012.

We are sorry for any inconvenience that our Conference Call will be held only in Japanese.

We will upload the Presentation Materials with speech text on May 18, 2012, and its Q&A summary later on Presentation Materials page on our website.

- * On May 18, 2012, SFH's significant subsidiaries: Sony Life Insurance Co., Ltd. (Sony Life), Sony Assurance Inc. (Sony Assurance) and Sony Bank Inc. (Sony Bank) will announce its financial results for the year ended March 31, 2012. SFH prepared an English-language summary of those Japanese announcements made by above subsidiaries, solely for convenience of non-Japanese readers.

Please see further details at our website: http://www.sonyfh.co.jp/web/en/financial_info_e/results.html

I. Qualitative Information and Financial Statements

1. Qualitative Information on Consolidated Operating Performance

1) Analysis of Operating Performance

During the year ended March 31, 2012 (April 1, 2011 through March 31, 2012), the Japanese economy, although depressed at one point as a consequence of the Great East Japan Earthquake, has rallied overall, staging a gradual recovery with resurgent business activity. However, this recovery is expected to remain sluggish for the foreseeable future, owing mainly to the downturn in the world economy caused by credit uncertainty in Europe and yen appreciation.

Against this backdrop, the SFH Group provided high-quality products and services with the aim of becoming one of the most highly trusted financial services groups. The Group also implemented various measures to satisfy increasingly diverse customer needs.

As for its operating results, **consolidated ordinary revenues** grew 7.6% compared with the previous fiscal year, to ¥1,078.0 billion, owing to increases in ordinary revenues from the life insurance business, the non-life insurance business, and the banking business. **Consolidated ordinary profit** decreased 2.9% year on year, to ¥74.6 billion. By business segment, ordinary profit from the life insurance decreased, whereas ordinary profit from the non-life insurance business and the banking business increased year on year.

Extraordinary losses were recorded during the year ended March 31, 2012 due mainly to the provision of a reserve for price fluctuations of ¥8.5 billion in the life insurance business, compared with a ¥7.1 billion provision during the previous fiscal year.

After accounting for extraordinary gains (losses), provision for reserve for policyholders' dividends and income taxes, **net income** for the year ended March 31, 2012 was down 21.3% year on year, to ¥32.8 billion due to an increase in deferred income taxes of ¥7.1 billion stemming from a reversal of deferred tax assets associated with the reduction in the corporate tax rate.

Segment Information by Business

< Life insurance business >

In the life insurance business, ordinary revenues increased 7.5% year on year, to ¥967.5 billion, due mainly to higher income from insurance premiums associated with steady increases in the policy amount in force, as well as an increase in investment income accompanied with market recovery towards the end of the fiscal year ended March 31, 2012. Ordinary profit decreased 5.5% year on year, to ¥68.1 billion, due to lower gains on sale of securities, reflecting the process of shifting bond holdings to ultralong-term bonds to reduce interest rate risk, whereas insurance claims and other payments relating to the Great East Japan Earthquake were lower than our estimates as of the end of the previous fiscal year.

< Non-life insurance business >

In the non-life insurance business, ordinary revenues increased 8.0% compared with the previous fiscal year, to ¥80.0 billion, due to an increase in net premiums written, as the number of insurance policies in force grew primarily for our mainstay automobile insurance. Ordinary profit increased 33.3% year on year, to ¥2.8 billion, due mainly to the increase in ordinary revenues and a reversal of catastrophe reserve, although a rise in net losses paid for automobile insurance resulted in the higher loss ratio.

< Banking business >

In the banking business, ordinary revenues increased 10.1% compared with the previous fiscal year, to ¥32.5 billion, due to an increase in net fees and commissions resulting from Sony Bank's acquisition of SmartLink Network, Inc. on July 1, 2011 as its consolidated subsidiary. Ordinary profit rose 43.9% year on year, to ¥3.4 billion due to a rise in gross operating profit resulting from an increase in net interest income. The net interest income increased due mainly to higher interest income on loans led by the growing balance of mortgage loans and a decrease in interest expenses on yen deposits.

Ordinary Revenues

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 | Change (%) |
|--------------------------------|--------------------------------------|--------------------------------------|------------|
| Life insurance business | 900,359 | 967,582 | 7.5 |
| Non-life insurance business | 74,166 | 80,096 | 8.0 |
| Banking business | 29,559 | 32,553 | 10.1 |
| Subtotal | 1,004,085 | 1,080,232 | 7.6 |
| Intersegment adjustments | (1,883) | (2,162) | - |
| Consolidated | 1,002,201 | 1,078,070 | 7.6 |

Ordinary Profit

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 | Change (%) |
|--------------------------------|--------------------------------------|--------------------------------------|------------|
| Life insurance business | 72,172 | 68,187 | (5.5) |
| Non-life insurance business | 2,144 | 2,859 | 33.3 |
| Banking business | 2,407 | 3,463 | 43.9 |
| Subtotal | 76,724 | 74,509 | (2.9) |
| Intersegment adjustments* | 135 | 116 | (14.0) |
| Consolidated | 76,860 | 74,625 | (2.9) |

*Amounts in the Ordinary profit in the “Intersegment adjustments” are mainly from SFH.

2) Consolidated Financial Forecast for the Year Ending March 31, 2013

SFH’s consolidated financial forecast for the fiscal year ending March 31, 2013 (April 1, 2012, through March 31, 2013), as follows, is unchanged from the forecast announced on May 10, 2012.

(Billions of yen)

| | (Reference) For the year ended March 31, 2012 | (Forecast) For the year ending March 31, 2013 |
|-------------------|--|--|
| Ordinary revenues | 1,078.0 | 1,115.0 |
| Ordinary profit | 74.6 | 67.0 |
| Net income | 32.8 | 37.0 |

Business segment forecasts for the fiscal year ending March 31, 2013 (April 1, 2012 through March 31, 2013) are as follows. Forecast figures from each business reflect corporate and eliminations.

<Life insurance business>

Ordinary revenues for the fiscal year ending March 31, 2013, are expected to increase 2.8% year on year, to ¥994.5 billion. In the current fiscal year, we do not expect to record the above-mentioned increase in investment income that we posted at the previous year-end due to the market, although we do anticipate that income from insurance premiums will increase in line with steady growth of the policy amount in force. We expect ordinary profit to decrease 9.8% year on year, to ¥61.5 billion. During the fiscal year ended March 31, 2012, Sony Life recorded a profit due to lower insurance claims and other payments relating to the Great East Japan Earthquake than we had estimated at the end of March 2011, as well as gains on sale of securities, reflecting the process of shifting bond holdings to ultralong-term bonds to reduce interest rate risk. However, we do not anticipate such gains for the year ending March 31, 2013.

(Billions of yen)

| | (Reference) For the year ended March 31, 2012 | (Forecast) For the year ending March 31, 2013 |
|-------------------|--|--|
| Ordinary revenues | 967.5 | 994.5 |
| Ordinary profit | 68.1 | 61.5 |

<Non-life insurance business>

Ordinary revenues for the year ending March 31, 2013 are expected to rise 8.4% year on year, to ¥86.8 billion, due to an increase in net premiums written, mainly for mainstay automobile insurance. Ordinary profit is expected to decrease 9.1% year on year, to ¥2.6 billion, mainly because we expect the loss ratio to stay at a high level and the expense ratio to slightly increase resulting from an increase in system-related expenses.

(Billions of yen)

| | (Reference) For the year ended March 31, 2012 | (Forecast) For the year ending March 31, 2013 |
|-------------------|--|--|
| Ordinary revenues | 80.0 | 86.8 |
| Ordinary profit | 2.8 | 2.6 |

<Banking business>

Ordinary revenues for the year ending March 31, 2013, are expected to increase 6.0% year on year, to ¥34.5 billion, owing mainly to a growing balance of loans, especially mortgages. Ordinary profit is expected to increase 3.9% year on year, to ¥3.6 billion, as we anticipate a steady increase in gross operating profit, driven by business expansion.

(Billions of yen)

| | (Reference) For the year ended March 31, 2012 | (Forecast) For the year ending March 31, 2013 |
|-------------------|--|--|
| Ordinary revenues | 32.5 | 34.5 |
| Ordinary profit | 3.4 | 3.6 |

2. Qualitative Information on Consolidated Financial Position

1) Assets, Liabilities and Net Assets

As of March 31, 2012, **total assets** amounted to ¥7,241.4 billion, up 9.8% from March 31, 2011. Among major components of assets, securities, mostly Japanese government bonds, amounted to ¥5,531.5 billion, up 9.9% from March 31, 2011. Loans came to ¥975.0 billion, up 13.7%, and monetary trusts amounted to ¥303.0 billion, up 4.2%.

Total liabilities were ¥6,893.6 billion, up 9.4% from March 31, 2011. Major components of liabilities included policy reserves and others of ¥4,963.0 billion, up 10.5%, and deposits totaled ¥1,760.8 billion, up 6.9%. In October 2011, SFH issued ¥10.0 billion in bonds and transferred the funds raised through this issue to Sony Bank as a loan aimed at reinforcing that company's financial base.

Total net assets were ¥347.8 billion, up 17.9% from March 31, 2011. This included net unrealized gains on other securities, net of taxes, which increased ¥28.4 billion, to ¥36.9 billion.

2) Cash Flows

Net cash provided by operating activities for the year ended March 31, 2012, was ¥524.2 billion, down ¥3.3 billion from the previous fiscal year. The major reasons were a decrease in inflows due to a decrease in customer yen deposits and a

decrease in call loans in the banking business, which offset an increase in inflows due to higher income from insurance premiums owing to steady increases in the policy amount in force in the life insurance business.

Net cash used in investing activities was ¥512.1 billion, down ¥47.5 billion from the previous fiscal year. The primary reason was a decrease in outflows owing to a decline in acquisition of securities resulting from a growing balance of loans, especially mortgages in the banking business.

Net cash provided by financing activities came to ¥1.7 billion, compared with net cash used in financing activities of ¥6.5 billion during the previous fiscal year. This increase in cash inflow was due to the bond issuance despite an increase in dividend payments.

As a result of the above factors, cash and cash equivalents at March 31, 2012, were ¥175.6 billion, up ¥13.8 billion from March 31, 2011.

3. Basic Policy on Returns to Shareholders and Dividends for the Year Ended March 31, 2012, and the Year Ended March 31, 2013

SFH places priority on returning profits to shareholders and raising return on equity. Our basic policy is to pay a stable dividend to shareholders while ensuring the high financial soundness needed to gain and maintain the confidence of the customers of the group companies as well as the internal reserves needed for future business development.

In the light of our overall operating performance, we propose to pay an annual cash dividend of ¥20 per share (total of ¥8.7 billion) for the year ended March 31, 2012, unchanged from the previous period.

We have not decided the level of the annual cash dividend per share for the year ending March 31, 2013. We will consider this level, taking future operating performance into account.

We will continue to make dividend payments once a year, following the resolution of the general meeting of shareholders, with the dividend record date at the end of each fiscal year.

Please refer to the attached presentation materials for non-consolidated operating results of SFH's principal subsidiaries, Sony Life, Sony Assurance and Sony Bank for the year ended March 31, 2012.

II. Status of the Corporate Group

On April 1, 2004, SFH was established as a financial holding company (an insurance holding company and a bank holding company) through a corporate separation from Sony Corporation. On October 11, 2007, SFH listed its common stock on the First Section of the Tokyo Stock Exchange, by publicly offering its shares to Japanese and overseas investors, resulting in Sony Corporation's ownerships to account for 60% of the total outstanding shares of SFH.

As of March 31, 2012, SFH Group included as direct subsidiaries Sony Life, Sony Assurance and Sony Bank and as indirect subsidiaries Sony Life Insurance (Philippines) Corporation, a subsidiary of Sony Life, and Sony Bank Securities Inc. (Sony Bank Securities) and SmartLink Network, Inc., subsidiaries of Sony Bank. It also includes AEGON Sony Life Insurance Co., Ltd. (AEGON Sony Life Insurance) and SA Reinsurance Ltd., as affiliated companies accounted for under the equity method.

- **Sony Financial Holdings Inc.** (Management control of its subsidiaries and all duties incidental to that role)
[Directly Held, indirectly held subsidiaries and affiliated companies accounted for under the equity method]

<Life insurance business>

- Sony Life Insurance Co., Ltd. (Wholly-owned by SFH)
- Sony Life Insurance (Philippines) Corporation (Wholly-owned by Sony Life)
- AEGON Sony Life Insurance Co., Ltd. (50%-owned by Sony Life)
- SA Reinsurance Ltd. (50%-owned by Sony Life)

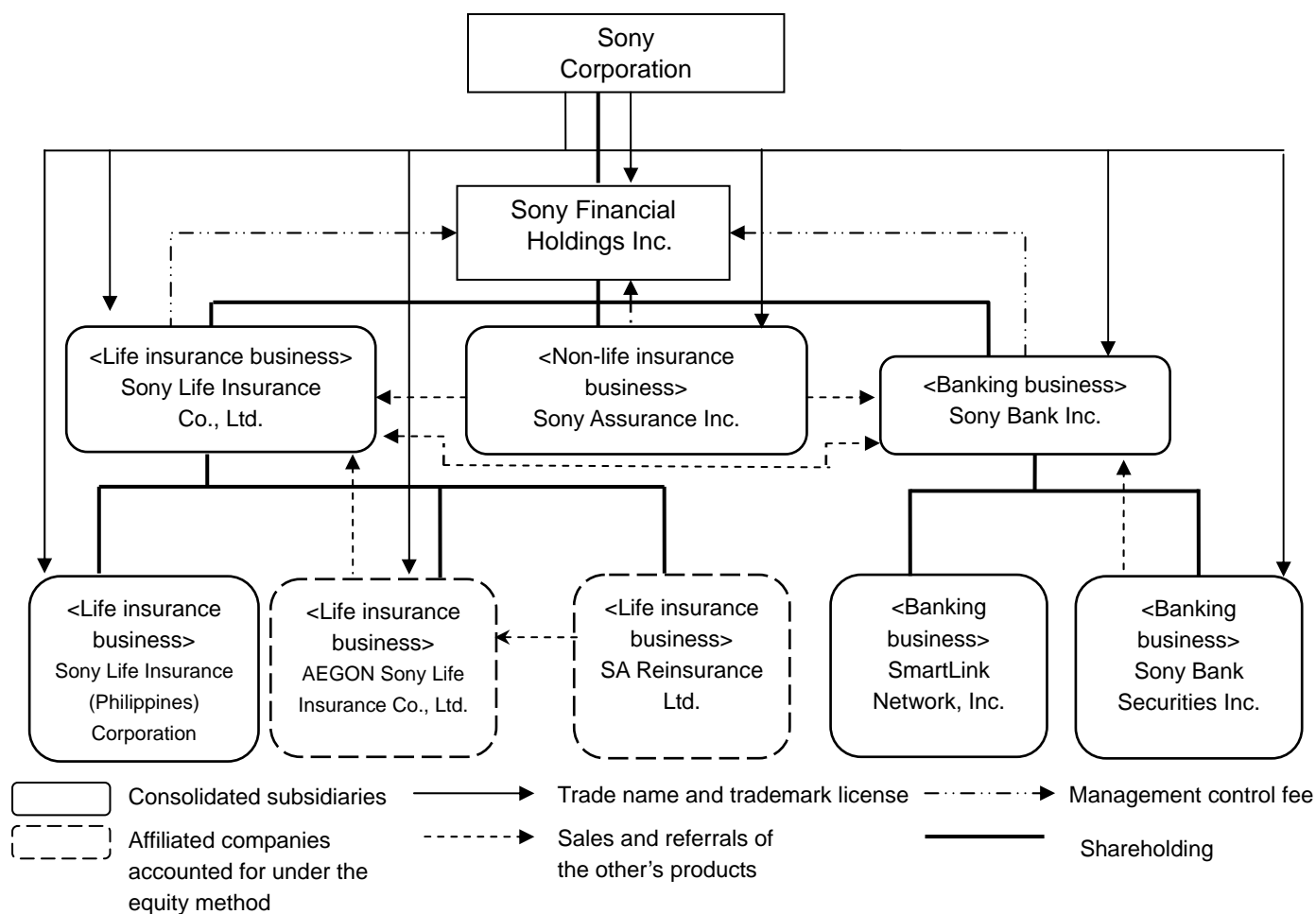
<Non-life insurance business>

- Sony Assurance Inc. (Wholly-owned by SFH)

<Banking business>

- Sony Bank Inc. (Wholly-owned by SFH)
- Sony Bank Securities Inc. (Wholly-owned by Sony Bank)
- SmartLink Network, Inc. (57% -owned by Sony Bank)

[Organizational chart] (As of March 31, 2012)



III. Management Policies

1. Company's Basic Management Policies

The SFH Group positions its corporate vision and philosophy as the basic policy for setting management strategy and expediting management decision-making. The Group's corporate vision and philosophies are described below.

a. Corporate Vision

The SFH Group seeks to become the most highly trusted financial services group by customers. To this end, the SFH Group will combine many different financial functions (savings, investment, borrowing, and protection) to provide high-value-added financial products and high-quality services that meet every customer's financial needs.

b. Corporate Principles

Put the Customer First

We will provide financial products and services that satisfy customers by embracing their individual views, to ensure that we help them lead prosperous lives with financial security.

Give Back to Society

We believe that a special commitment to the public good is demanded of a financial services enterprise. Conscious of this, we will realize our vision by upholding the highest ethics and a strong sense of purpose, and thereby give back to society. In addition, we will fulfill our responsibilities as a good corporate citizen and member of society.

Strive for Originality

We will constantly strive to come up with fresh ideas from basic principles as we pursue creativity and innovation, instead of merely following custom and convention.

Foster an Open Corporate Culture

We believe that every employee's contribution is important to develop our ideal of a financial services enterprise. We will thus foster an open corporate culture where employees can freely express their individuality and demonstrate their abilities to the fullest.

2. Key Management Benchmarks

SFH closely follows the following management benchmarks aiming at raising its corporate value.

- Consolidated ordinary revenues
- Consolidated ordinary profit
- Consolidated net income
- Consolidated adjusted ROE

Consolidated adjusted ROE is calculated as follows.

Consolidated adjusted ROE = consolidated adjusted profit divided by consolidated adjusted capital

Consolidated adjusted profit is calculated as the sum of the following:

- 1) Sony Life: The amount of increase in Embedded Value (EV* : adjusted net worth plus value of existing business) during the fiscal year plus dividends paid
- 2) Sony Assurance: The net income plus provision for catastrophe reserve and its provision for reserve for price fluctuations, in each case after taxes
- 3) Sony Bank: Net income

Consolidated adjusted capital is calculated as the sum of the following:

- 1) Sony Life: EV* as of the beginning of the fiscal year less dividends paid plus EV* as of the end of the fiscal year, divided by two
- 2) Sony Assurance: The average amount of net assets plus the sum of catastrophe reserve and its reserve for price fluctuations, in each case after taxes
- 3) Sony Bank: The average amount of net assets

*Sony Life discloses Market Consistent Embedded Value (“MCEV”). Sony Life’s MCEV is calculated in compliance with the European Insurance Chief Financial Officer (CFO) Forum Market Consistent Embedded Value Principles© (“MCEV Principles”), the international standard in disclosing MCEV published by the CFO Forum comprised of CFOs from major insurance companies in Europe.

Consolidated adjusted profit and consolidated adjusted capital take into consideration dividends from the Group subsidiaries and other special factors.

3. Medium- to Long-Term Management Strategies

The SFH Group aims to maximize the corporate value of the Group over the medium to long term by implementing the management strategies outlined below.

(a) Sustainable and Stable Growth of Group Companies

Sony Life: Sony Life provides detailed tailored consulting and follow-up services through life insurance professionals—Lifeplanner sales employees and Partners (independent agencies)—who have broad-ranging expertise and extensive experience in such areas as economics, finance and taxation. Sony Life strives to strengthen its capabilities and hone its competitive edge in the individual life insurance market by providing value in a way that only Sony Life can.

Sony Assurance: Capitalizing on the strengths of its position as a direct insurance provider that communicates with each of its customers directly via the Internet and the telephone, Sony Assurance precisely understands customer opinions and needs, and provides products and services from a customer viewpoint. Sony Assurance aims to increase its income from insurance premiums by offering reasonably priced insurance premiums realized by risk-segmented products and operational efficiency.

Sony Bank: Sony Bank is an Internet bank focused on the needs of individual customers. By maximizing information technologies, the bank works to provide fair and highly convenient financial products and services. By ensuring its trustworthiness in such ways, the bank is working to expand its operations further.

(b) Fostering Synergy among Group Companies

In addition to the growth of each company within the Group, we seek to enhance synergies among the companies of the SFH Group. Such efforts include the joint offering of products and services, the sharing of distribution channels and infrastructure and other forms of collaboration. By increasing intra-group synergies, SFH aims to offer customers attractive and high-value-added products and services that are unmatched by conventional financial institutions.

(c) Expanding into New Business Fields, Outside the Existing Framework

Through the growth of Group companies and increased synergies within the Group, we aim to move beyond the existing framework of the SFH Group. We are examining active advancements into new business fields that will raise our corporate value even further.

4. Tasks Ahead for the Company

We expect Japanese economic recovery to remain sluggish during the year ending March 31, 2013, due mainly to the likely aftermath of the European debt crisis and higher crude oil prices, which we will monitor carefully. However, we recognize signs of recovery supported by stable personal consumption and higher demand after the Great East Japan Earthquake. Regardless, the insurance and banking industries must serve their role in providing proper and stable financial services, while consistently executing growth strategies.

The SFH Group seeks to become the financial services group that is most highly trusted by customers. To this end, the Group has redoubled its internal control efforts focused on compliance, risk management, eradicating anti-social influences and ensuring the protection of personal information. The SFH Group has also explored its ideal of providing financial services for individual customers from various perspectives. We are working to realize our vision and achieve ongoing increases in corporate value by executing the above management strategies. At the same time, we identify our social role and mission as a financial institution as contributing to the realization of a sustainable society. We will fulfill our responsibilities to our stakeholders accordingly.

IV. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2011 | As of March 31, 2012 |
|---|----------------------|----------------------|
| Assets | | |
| Cash and due from banks | ¥90,455 | ¥118,877 |
| Call loans and bills bought | 78,500 | 66,300 |
| Monetary trusts | 290,736 | 303,058 |
| Securities | 5,031,024 | 5,531,585 |
| Loans | 857,436 | 975,032 |
| Tangible fixed assets | 77,171 | 75,169 |
| Land | 31,469 | 31,469 |
| Buildings | 44,088 | 41,906 |
| Leased assets | 232 | 208 |
| Other tangible fixed assets | 1,382 | 1,585 |
| Intangible fixed assets | 26,246 | 36,636 |
| Software | 25,190 | 35,661 |
| Goodwill | 1,002 | 839 |
| Other intangible fixed assets | 53 | 135 |
| Due from reinsurers | 108 | 79 |
| Foreign exchanges | 8,432 | 8,936 |
| Other assets | 88,320 | 92,416 |
| Deferred tax assets | 49,057 | 34,171 |
| Customers' liabilities for acceptances and guarantees | 1,000 | 1,000 |
| Reserve for possible loan losses | (1,349) | (1,848) |
| Total Assets | ¥6,597,140 | ¥7,241,414 |

(Millions of yen)

| | As of March 31, 2011 | As of March 31, 2012 |
|--|----------------------|----------------------|
| Liabilities | | |
| Policy reserves and others | ¥4,489,809 | ¥4,963,025 |
| Reserve for outstanding claims | 49,164 | 48,233 |
| Policy reserves | 4,435,804 | 4,910,669 |
| Reserve for policyholders' dividends | 4,839 | 4,122 |
| Due to agencies | 1,502 | 1,664 |
| Due to reinsurers | 799 | 647 |
| Deposits | 1,647,657 | 1,760,853 |
| Call money and bills sold | 10,000 | 10,000 |
| Borrowed money | 2,000 | 2,000 |
| Foreign exchanges | 17 | 35 |
| Bonds payable | — | 10,000 |
| Other liabilities | 110,119 | 93,563 |
| Reserve for employees' bonuses | 2,707 | 2,944 |
| Reserve for employees' retirement benefits | 18,698 | 21,547 |
| Reserve for directors' retirement benefits | 441 | 354 |
| Special reserves | 16,817 | 25,386 |
| Reserve for price fluctuations | 16,812 | 25,380 |
| Reserve for financial products transaction liabilities | 4 | 6 |
| Deferred tax liabilities on land revaluation | 693 | 589 |
| Acceptances and guarantees | 1,000 | 1,000 |
| Total Liabilities | 6,302,263 | 6,893,613 |
| Net Assets | | |
| Common stock | 19,900 | 19,900 |
| Capital surplus | 195,277 | 195,277 |
| Retained earnings | 74,565 | 98,677 |
| Total shareholders' equity | 289,742 | 313,854 |
| Net unrealized gains on other securities, net of taxes | 8,525 | 36,949 |
| Net deferred losses on hedging instruments, net of taxes | (1,558) | (2,414) |
| Land revaluation, net of taxes | (1,499) | (1,395) |
| Foreign currency translation adjustments | (331) | (453) |
| Total accumulated other comprehensive income | 5,135 | 32,685 |
| Minority interests | — | 1,260 |
| Total Net Assets | 294,877 | 347,800 |
| Total Liabilities and Net Assets | ¥6,597,140 | ¥7,241,414 |

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (Consolidated Statements of Income)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Ordinary Revenues | ¥1,002,201 | ¥1,078,070 |
| Ordinary Revenues from the Life Insurance Business | 898,513 | 965,555 |
| Income from insurance premiums | 769,711 | 815,382 |
| Insurance premiums | 767,640 | 813,930 |
| Ceded reinsurance commissions | 2,071 | 1,452 |
| Investment income | 119,287 | 133,670 |
| Interest income and dividends | 87,272 | 97,649 |
| Income from monetary trusts, net | 6,983 | 5,278 |
| Gains on sale of securities | 25,030 | 7,592 |
| Gains on redemption of securities | 0 | — |
| Other investment income | 1 | 12 |
| Gains on separate accounts, net | — | 23,137 |
| Other ordinary income | 9,514 | 16,501 |
| Ordinary Revenues from the Non-life Insurance Business | 74,164 | 80,094 |
| Underwriting income | 73,375 | 79,172 |
| Net premiums written | 73,343 | 79,141 |
| Interest and dividends on deposits of premiums | 31 | 31 |
| Investment income | 767 | 873 |
| Interest income and dividends | 784 | 874 |
| Gains on sale of securities | 3 | 23 |
| Gains on redemption of securities | 10 | 6 |
| Transfer to interest and dividends on deposits of premiums | (31) | (31) |
| Other ordinary income | 22 | 48 |
| Ordinary Revenues from the Banking Business | 29,523 | 32,420 |
| Interest income | 23,667 | 24,871 |
| Interest income on loans | 12,443 | 13,270 |
| Interest income and dividends on securities | 11,113 | 11,540 |
| Interest income on call loans and bills bought | 25 | 13 |
| Interest income on deposits with banks | 52 | 45 |
| Other interest income | 32 | 1 |
| Fees and commissions | 1,946 | 4,752 |
| Other operating income | 3,869 | 2,740 |
| Gains on foreign exchange transactions, net | 2,677 | 1,764 |
| Others | 1,192 | 976 |
| Other ordinary income | 40 | 56 |

(Continued)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Ordinary Expenses | ¥925,341 | ¥1,003,444 |
| Ordinary Expenses from the Life Insurance Business | 827,717 | 898,925 |
| Insurance claims and other payments | 297,973 | 287,451 |
| Insurance claims | 76,514 | 69,002 |
| Annuity payments | 8,224 | 8,577 |
| Insurance benefits | 38,346 | 42,209 |
| Surrender payments | 170,720 | 163,274 |
| Other payments | 1,853 | 2,302 |
| Reinsurance premiums | 2,314 | 2,085 |
| Provision for policy reserves and others | 392,766 | 471,593 |
| Provision for reserve for outstanding claims | 6,834 | — |
| Provision for policy reserves | 385,910 | 471,576 |
| Interest portion of reserve for policyholders' dividends | 21 | 17 |
| Investment expenses | 19,154 | 14,167 |
| Interest expenses | 56 | 55 |
| Losses on sale of securities | 1,867 | 2,607 |
| Devaluation losses on securities | 348 | 1,692 |
| Losses on redemption of securities | 23 | — |
| Foreign exchange losses, net | 618 | 1,373 |
| Provision for reserve for possible loan losses | 20 | 2 |
| Depreciation of real estate for rent and others | 2,471 | 2,257 |
| Other investment expenses | 6,278 | 6,178 |
| Losses on separate accounts, net | 7,470 | — |
| Operating expenses | 99,239 | 105,324 |
| Other ordinary expenses | 18,583 | 20,388 |
| Ordinary Expenses from the Non-life Insurance Business | 71,589 | 76,674 |
| Underwriting expenses | 54,123 | 57,673 |
| Net losses paid | 39,256 | 45,032 |
| Loss adjustment expenses | 4,782 | 5,081 |
| Net commission and brokerage fees | 957 | 972 |
| Provision for reserve for outstanding losses | 3,178 | 3,287 |
| Provision for underwriting reserves | 5,948 | 3,298 |
| Other underwriting expenses | 0 | 0 |
| Investment expenses | 2 | 4 |
| Losses on sale of securities | — | 0 |
| Losses on redemption of securities | 2 | 4 |
| Operating, general and administrative expenses | 17,427 | 18,918 |
| Other ordinary expenses | 36 | 77 |

(Continued)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Ordinary Expenses from the Banking Business | ¥26,033 | ¥27,844 |
| Interest expenses | 10,448 | 8,798 |
| Interest expenses on deposits | 8,402 | 6,879 |
| Interest expenses on call money and bills sold | 12 | 10 |
| Interest on borrowed money | 50 | 95 |
| Interest expenses on bonds | — | 23 |
| Interest expenses on interest rate swaps | 1,980 | 1,784 |
| Other interest expenses | 2 | 4 |
| Fees and commissions | 1,221 | 1,416 |
| Other operating expenses | 480 | 735 |
| General and administrative expenses | 13,360 | 16,322 |
| Other ordinary expenses | 523 | 571 |
| Ordinary Profit | 76,860 | 74,625 |
| Extraordinary Gains | 0 | 99 |
| Gains on disposal of fixed assets | 0 | 0 |
| Reversal of reserve for employees' retirement benefits | — | 99 |
| Extraordinary Losses | 8,801 | 9,073 |
| Losses on disposal of fixed assets | 72 | 77 |
| Impairment losses | 1,291 | 274 |
| Cumulative effect on application of accounting standard for asset retirement obligations | 290 | — |
| Provision for special reserves | 7,147 | 8,568 |
| Provision for reserve for price fluctuations | 7,147 | 8,568 |
| Others | — | 153 |
| Provision for Reserve for Policyholders' Dividends | 1,257 | 958 |
| Income Before Income Taxes | 66,800 | 64,693 |
| Income Taxes | 25,083 | 31,867 |
| - Current | 33,983 | 28,361 |
| - Deferred | (8,899) | 3,505 |
| Income Before Minority Interests | 41,716 | 32,825 |
| Minority interests in income | — | 13 |
| Net Income | ¥41,716 | ¥32,812 |

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Comprehensive Income)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|---|--------------------------------------|--------------------------------------|
| Income Before Minority Interests | ¥41,716 | ¥32,825 |
| Other comprehensive income | | |
| Net unrealized gains (losses) on other securities, net of taxes | (8,986) | 28,422 |
| Net deferred losses on hedging instruments, net of taxes | (598) | (855) |
| Land revaluation, net of taxes | — | 103 |
| Foreign currency translation adjustments | (168) | (122) |
| Share of other comprehensive income of affiliates accounted for using equity method | 0 | 1 |
| Total other comprehensive income | (9,752) | 27,550 |
| Comprehensive income | 31,963 | 60,376 |
| (Details) | | |
| Comprehensive income attributable to parent company | 31,963 | 60,362 |
| Comprehensive income attributable to minority interests | — | 13 |

3. Consolidated Statements of Changes in Net Assets

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Shareholders' Equity | | |
| Common stock | | |
| Balance at the beginning of the fiscal year | ¥19,900 | ¥19,900 |
| Changes during the period | | |
| Total changes during the period | — | — |
| Balance at the end of the current period | 19,900 | 19,900 |
| Capital surplus | | |
| Balance at the beginning of the fiscal year | 195,277 | 195,277 |
| Changes during the period | | |
| Total changes during the period | — | — |
| Balance at the end of the current period | 195,277 | 195,277 |
| Retained earnings | | |
| Balance at the beginning of the fiscal year | 39,350 | 74,565 |
| Changes during the period | | |
| Dividends from surplus | (6,525) | (8,700) |
| Net income | 41,716 | 32,812 |
| Reversal of land revaluation | 23 | — |
| Total changes during the period | 35,215 | 24,112 |
| Balance at the end of the current period | 74,565 | 98,677 |
| Total shareholders' equity | | |
| Balance at the beginning of the fiscal year | 254,527 | 289,742 |
| Changes during the period | | |
| Dividends from surplus | (6,525) | (8,700) |
| Net income | 41,716 | 32,812 |
| Reversal of land revaluation | 23 | — |
| Total changes during the period | 35,215 | 24,112 |
| Balance at the end of the current period | 289,742 | 313,854 |
| Total accumulated other comprehensive income | | |
| Net unrealized gains on other securities, net of taxes | | |
| Balance at the beginning of the fiscal year | 17,511 | 8,525 |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | (8,986) | 28,424 |
| Total changes during the period | (8,986) | 28,424 |
| Balance at the end of the current period | 8,525 | 36,949 |

(Continued)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Net deferred losses on hedging instruments, net of taxes | | |
| Balance at the beginning of the fiscal year | ¥(960) | ¥(1,558) |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | (598) | (855) |
| Total changes during the period | (598) | (855) |
| Balance at the end of the current period | (1,558) | (2,414) |
| Land revaluation, net of taxes | | |
| Balance at the beginning of the fiscal year | (1,475) | (1,499) |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | (23) | 103 |
| Total changes during the period | (23) | 103 |
| Balance at the end of the current period | (1,499) | (1,395) |
| Foreign currency translation adjustments | | |
| Balance at the beginning of the fiscal year | (163) | (331) |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | (168) | (122) |
| Total changes during the period | (168) | (122) |
| Balance at the end of the current period | (331) | (453) |
| Total accumulated other comprehensive income | | |
| Balance at the beginning of the fiscal year | 14,912 | 5,135 |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | (9,776) | 27,550 |
| Total changes during the period | (9,776) | 27,550 |
| Balance at the end of the current period | 5,135 | 32,685 |
| Minority interests | | |
| Balance at the beginning of the fiscal year | — | — |
| Changes during the period | | |
| Net changes of items other than shareholders' equity | — | 1,260 |
| Total changes during the period | — | 1,260 |
| Balance at the end of the current period | — | 1,260 |
| Total Net Assets | | |
| Balance at the beginning of the fiscal year | 269,439 | 294,877 |
| Changes during the period | | |
| Dividends from surplus | (6,525) | (8,700) |
| Net income | 41,716 | 32,812 |
| Reversal of land revaluation | 23 | — |
| Net changes of items other than shareholders' equity | (9,776) | 28,811 |
| Total changes during the period | 25,438 | 52,923 |
| Balance at the end of the current period | ¥294,877 | ¥347,800 |

4. Consolidated Statements of Cash Flows

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|--|--------------------------------------|--------------------------------------|
| Cash flows from operating activities | | |
| Income before income taxes | ¥66,800 | ¥64,693 |
| Depreciation of real estate for rent and others | 2,471 | 2,257 |
| Depreciation and amortization | 4,964 | 6,032 |
| Impairment losses | 1,291 | 274 |
| Amortization of goodwill | 501 | 560 |
| Increase (decrease) in reserve for outstanding claims | 10,013 | (930) |
| Increase in policy reserve | 391,858 | 474,875 |
| Increase in interest portion of reserve for policyholders' dividends | 21 | 17 |
| Increase (decrease) in reserve for policyholders' dividends | 1,257 | 958 |
| Increase in reserve for possible loan losses | 334 | 274 |
| Increase in reserve for employees' retirement benefits | 2,925 | 3,088 |
| Increase (decrease) in reserve for directors' retirement benefits | 80 | (87) |
| Increase (decrease) in reserve for price fluctuations | 7,147 | 8,568 |
| Increase in reserve for financial products transaction liabilities | 1 | 1 |
| Interest income and dividends | (111,723) | (123,395) |
| (Gains) losses on securities | (22,935) | (36,774) |
| Interest expenses | 10,504 | 8,853 |
| Exchange losses | 15,357 | 5,355 |
| Losses on disposal of tangible fixed assets | 338 | 78 |
| Equity in losses of affiliates | 944 | 1,179 |
| Net increase in loans | (136,126) | (113,103) |
| Net increase in deposits | 137,829 | 111,022 |
| Net (increase) decrease in call loans and bills bought | 45,079 | — |
| Net (increase) decrease in foreign exchange (assets) | (3,332) | (503) |
| Net increase (decrease) in foreign exchange (liabilities) | (3) | 18 |
| Others, net | 26,468 | 28,269 |
| Subtotal | 452,072 | 441,584 |
| Interest and dividends received | 118,903 | 132,119 |
| Interest paid | (11,123) | (9,192) |
| Policyholders' dividends paid | (1,516) | (1,692) |
| Income taxes paid | (30,752) | (38,554) |
| Net cash provided by operating activities | 527,582 | 524,264 |

(Continued)

(Millions of yen)

| | For the year ended March 31, 2011 | For the year ended March 31, 2012 |
|---|--------------------------------------|--------------------------------------|
| Cash flows from investing activities | | |
| Investments in monetary trusts | ¥(2,290) | ¥(500) |
| Proceeds from sale of monetary trusts | 33,381 | 6,000 |
| Purchases of securities | (1,441,560) | (1,037,882) |
| Proceeds from sale and redemption of securities | 886,094 | 563,557 |
| Investments in loans | (46,680) | (48,888) |
| Collections of loans | 19,263 | 23,333 |
| Total of net cash used in investment transactions | (551,791) | (494,379) |
| Total of net cash provided by (used in) operating activities and investment transactions | (24,209) | 29,884 |
| Purchases of tangible fixed assets | (1,112) | (955) |
| Proceeds from sale of tangible fixed assets | 1,450 | 0 |
| Purchases of intangible fixed assets | (8,310) | (14,880) |
| Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation | — | 346 |
| Payments for transfer of business | — | (2,328) |
| Others | (7) | (1) |
| Net cash used in investing activities | (559,771) | (512,198) |
| Cash flows from financing activities | | |
| Proceeds from issuance of bonds | — | 9,962 |
| Cash dividends paid | (6,521) | (8,696) |
| Balance from securitization of lease receivables | — | 550 |
| Others | (38) | (33) |
| Net cash provided by (used in) financing activities | (6,560) | 1,782 |
| Effect of exchange rate changes on cash and cash equivalents | (40) | (0) |
| Net increase (decrease) in cash and cash equivalents | (38,790) | 13,848 |
| Cash and cash equivalents at beginning of the fiscal year | 200,593 | 161,803 |
| Cash and cash equivalents at end of the fiscal year | ¥161,803 | ¥175,651 |

Note: Cash flows from investing activities include cash flows from lending operations of the insurance business.

5. Additional Information

(Amendments to amounts of deferred tax assets and deferred tax liabilities due to changes in the corporate income tax rate)

Following the promulgation of the “Act for Partial Amendment of the Income Tax Act, etc. for the Purpose of Creating a Taxation System Responding to Changes in Economic and Social Structures” (Act No. 114, 2011) and the “Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake” (Act No. 117, 2011) on December 2, 2011, the corporate income tax rate will be lowered and a special restoration surtax will be imposed from the fiscal year beginning on April 1, 2012. The effective statutory tax rate used by SFH for the calculation of deferred tax assets and deferred tax liabilities will consequently be revised from the current rate of 40.69% to 38.01% for provisional differences and others, expected to be eliminated from the consolidated fiscal year beginning April 1, 2012, through the consolidated fiscal year beginning on April 1, 2014, and will be 35.64% for provisional differences and others, expected to be eliminated in fiscal years beginning April 1, 2015, or thereafter.

The effective statutory tax rate for Sony Life Insurance Co., Ltd., and Sony Assurance Inc. will be reduced from 36.21% to 33.33% for provisional differences and others, expected to be eliminated during the period beginning from the fiscal year beginning on April 1, 2012, through the fiscal year beginning on April 1, 2014, and the tax rate on provisional differences and others, that are expected to be eliminated from the fiscal year beginning on April 1, 2015, or thereafter, will be 30.78%, because these portions of the tax base are not subject to taxes that are based on income. These changes in tax rates will reduce deferred tax assets (net of deferred tax liabilities) by ¥4,582 million, and will raise deferred income taxes by ¥7,104 million. Moreover, deferred tax liabilities on land revaluation will decline by ¥103 million, and land revaluation, net of tax, will increase by the same amount.

Additionally, beginning from the fiscal year starting on April 1, 2012, the use of tax loss carryforwards will be limited to the equivalent of 80% of taxable income before deducting tax loss carryforwards. This change has no effect on the Group’s performance.

6. Notes to the Consolidated Financial Statements

1) Segment Information

For the year ended March 31, 2011

(1) Outline of reporting segments

The SFH Group's reporting segments are components of the Group whose operating results are regularly reviewed by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance, for which discrete financial information is available.

SFH is the financial holding company of Sony Life Insurance Co., Sony Assurance Inc., and Sony Bank Inc., and pursues financial group strategies. The subsidiaries make their own business plans and engage in business activities from which they may earn revenues and incur expenses, under the Insurance Business Law of Japan, the Banking Law of Japan, and other regulations.

The SFH Group consists of three reporting segments: the life insurance business, the non-life insurance business and the banking business.

- The life insurance business consists of Sony Life Insurance Co., Ltd., Sony Life Insurance (Philippines) Corporation, AEGON Sony Life Insurance Co., Ltd. and SA Reinsurance Ltd.
- The non-life insurance business consists of Sony Assurance Inc.
- The banking business consists of Sony Bank Inc. and Sony Bank Securities Inc.

(2) Segment Information by reporting segment

| | Millions of yen | | | |
|---|-------------------------|-----------------------------|------------------|------------|
| | Life insurance business | Non-life insurance business | Banking business | Total |
| Ordinary revenues | | | | |
| External customers | ¥898,513 | ¥74,164 | ¥29,523 | ¥1,002,201 |
| Intersegment | 1,846 | 2 | 35 | 1,883 |
| Total | 900,359 | 74,166 | 29,559 | 1,004,085 |
| Segment profit | 72,172 | 2,144 | 2,407 | 76,724 |
| Segment assets | 4,721,641 | 109,382 | 1,761,072 | 6,592,097 |
| Others | | | | |
| Depreciation | 5,310 | 729 | 1,481 | 7,521 |
| Interest income and dividends | 87,695 | 784 | 23,666 | 112,146 |
| Interest expenses | 56 | — | 10,448 | 10,504 |
| Equity in earnings (losses) of affiliates | (944) | — | — | (944) |
| Investments in affiliates | 10,980 | — | — | 10,980 |
| Increase in tangible fixed assets and intangible fixed assets | ¥7,297 | ¥2,557 | ¥1,371 | ¥11,226 |

(3) Reconciliations of the totals of each segment item to corresponding enterprise amounts

| | Millions of yen |
|---|--------------------|
| | For the year ended |
| | March 31, 2011 |
| Totals of reporting segments | ¥1,004,085 |
| Adjustments for intersegment transactions | (1,883) |
| Ordinary revenues in statement of income | ¥1,002,201 |

| | Millions of yen |
|--|--------------------|
| | For the year ended |
| | March 31, 2011 |
| Totals of reporting segments | ¥76,724 |
| Adjustments for intersegment transactions | 12 |
| Amount not allocated to reporting segments | 123 |
| Ordinary profit in statement of income | ¥76,860 |

| | Millions of yen |
|--|--------------------|
| | For the year ended |
| | March 31, 2011 |
| Totals of reporting segments | ¥6,592,097 |
| Adjustments for intersegment transactions | (862) |
| Amount not allocated to reporting segments | 5,905 |
| Assets in balance sheets | ¥6,597,140 |

| | Millions of yen | | |
|---|-----------------------------------|-------------|-----------------------------------|
| | For the year ended March 31, 2011 | | |
| | Total | Adjustments | Consolidated financial statements |
| Depreciation | ¥7,521 | ¥1 | ¥7,522 |
| Interest income and dividends | 112,146 | (422) | 111,723 |
| Interest expenses | 10,504 | (0) | 10,504 |
| Equity in earnings (losses) of affiliates | (944) | — | (944) |
| Investments in affiliates | 10,980 | — | 10,980 |
| Increase in tangible fixed assets and intangible fixed assets | ¥11,226 | ¥17 | ¥11,243 |

For the year ended March 31, 2012

(1) Outline of reporting segments

The SFH Group's reporting segments are components of the Group whose operating results are regularly reviewed by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance, for which discrete financial information is available.

SFH is the financial holding company of Sony Life Insurance Co., Sony Assurance Inc., and Sony Bank Inc., and pursues financial group strategies. The subsidiaries make their own business plans and engage in business activities from which they may earn revenues and incur expenses, under the Insurance Business Law of Japan, the Banking Law of Japan, and other regulations.

The SFH Group consists of three reporting segments: the life insurance business, the non-life insurance business and the banking business.

- The life insurance business consists of Sony Life Insurance Co., Ltd., Sony Life Insurance (Philippines) Corporation, AEGON Sony Life Insurance Co., Ltd. and SA Reinsurance Ltd.
- The non-life insurance business consists of Sony Assurance Inc.
- The banking business consists of Sony Bank Inc., Sony Bank Securities Inc. and SmartLink Network, Inc.

(2) Segment Information by reporting segment

| | Millions of yen | | | |
|---|-------------------------|-----------------------------|------------------|------------|
| | Life insurance business | Non-life insurance business | Banking business | Total |
| Ordinary revenues | | | | |
| External customers | ¥965,555 | ¥80,094 | ¥32,420 | ¥1,078,070 |
| Intersegment | 2,027 | 1 | 133 | 2,162 |
| Total | 967,582 | 80,096 | 32,553 | 1,080,232 |
| Segment profit | 68,187 | 2,859 | 3,463 | 74,509 |
| Segment assets | 5,219,990 | 118,612 | 1,897,694 | 7,236,297 |
| Others | | | | |
| Depreciation | 5,567 | 1,033 | 1,822 | 8,422 |
| Interest income and dividends | 98,071 | 873 | 24,871 | 123,816 |
| Interest expenses | 55 | — | 8,825 | 8,880 |
| Equity in earnings (losses) of affiliates | (1,179) | — | — | (1,179) |
| Investments in affiliates | 9,718 | — | — | 9,718 |
| Increase in tangible fixed assets and intangible fixed assets | ¥9,081 | ¥4,256 | ¥2,722 | ¥16,060 |

(3) Reconciliations of the totals of each segment item to corresponding enterprise amounts

| | Millions of yen |
|---|--------------------------------------|
| | For the year ended March 31, 2012 |
| Totals of reporting segments | ¥1,080,232 |
| Adjustments for intersegment transactions | (2,162) |
| Ordinary revenues in statement of income | <u>¥1,078,070</u> |

| | Millions of yen |
|--|--------------------------------------|
| | For the year ended March 31, 2012 |
| Totals of reporting segments | ¥74,509 |
| Adjustments for intersegment transactions | 10 |
| Amount not allocated to reporting segments | 106 |
| Ordinary profit in statement of income | <u>¥74,625</u> |

| | Millions of yen |
|--|--------------------------------------|
| | For the year ended March 31, 2012 |
| Totals of reporting segments | ¥7,236,297 |
| Adjustments for intersegment transactions | (11,116) |
| Amount not allocated to reporting segments | 16,233 |
| Assets in balance sheets | <u>¥7,241,414</u> |

| | Millions of yen | | |
|--|-----------------------------------|-------------|---|
| | For the year ended March 31, 2012 | | |
| | Total | Adjustments | Consolidated financial statements |
| Depreciation | ¥8,422 | ¥7 | ¥8,430 |
| Interest income and dividends | 123,816 | (421) | 123,395 |
| Interest expenses | 8,880 | (27) | 8,853 |
| Equity in earnings (losses) of affiliates | (1,179) | — | (1,179) |
| Investments in affiliates | 9,718 | — | 9,718 |
| Increase in tangible fixed assets and intangible fixed assets | ¥16,060 | ¥27 | ¥16,088 |

Relative information

For the year ended March 31, 2011

1. Information by business segment

| | Millions of yen | | | |
|---|-------------------------|-----------------------------|------------------|------------|
| | Life insurance business | Non-life insurance business | Banking business | Total |
| Ordinary revenues from External customers | ¥898,513 | ¥74,164 | ¥29,523 | ¥1,002,201 |

2. Geographic segment information

(1) Ordinary revenues

Ordinary revenues information by geographic segment is not shown, as ordinary revenues from external customers in Japan accounted for more than 90% of ordinary revenues in the consolidated statements of income.

(2) Tangible fixed assets

Information on tangible fixed assets by geographic segment is not shown, as tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major client

Information by major client is not shown, as ordinary revenues from external customers who are major clients accounted for less than 10% of ordinary revenues in the consolidated statements of income.

For the year ended March 31, 2012

1. Information by business segment

| | Millions of yen | | | |
|---|-------------------------|-----------------------------|------------------|------------|
| | Life insurance business | Non-life insurance business | Banking business | Total |
| Ordinary revenues from External customers | ¥965,555 | ¥80,094 | ¥32,420 | ¥1,078,070 |

2. Geographic segment information

(1) Ordinary revenues

Ordinary revenues information by geographic segment is not shown, as ordinary revenues from external customers in Japan accounted for more than 90% of ordinary revenues in the consolidated statements of income.

(2) Tangible fixed assets

Information on tangible fixed assets by geographic segment is not shown, as tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major client

Information by major client is not shown, as ordinary revenues from external customers who are major clients accounted for less than 10% of ordinary revenues in the consolidated statements of income.

Information on impairment losses on fixed assets by business segment

For the year ended March 31, 2011

| | Millions of yen | | | | | |
|-------------------|-------------------------|-----------------------------|------------------|--------|--------|--------------|
| | Reporting segments | | | | Others | Consolidated |
| | Life insurance business | Non-life insurance business | Banking business | Total | | |
| Impairment losses | ¥1,291 | — | — | ¥1,291 | — | ¥1,291 |

For the year ended March 31, 2012

No significant items to be reported.

Information on amortization of goodwill and unamortized balance by business segment

For the year ended March 31, 2011

| | Millions of yen | | | | | |
|--------------------------|-------------------------|-----------------------------|------------------|--------|--------|--------------|
| | Reporting segments | | | | Others | Consolidated |
| | Life insurance business | Non-life insurance business | Banking business | Total | | |
| Amortization of goodwill | — | — | ¥501 | ¥501 | — | ¥501 |
| Balance at end of period | — | — | ¥1,002 | ¥1,002 | — | ¥1,002 |

For the year ended March 31, 2012

| | Millions of yen | | | | | |
|--------------------------|-------------------------|-----------------------------|------------------|-------|--------|--------------|
| | Reporting segments | | | | Others | Consolidated |
| | Life insurance business | Non-life insurance business | Banking business | Total | | |
| Amortization of goodwill | — | — | ¥560 | ¥560 | — | ¥560 |
| Balance at end of period | — | — | ¥839 | ¥839 | — | ¥839 |

Information on negative goodwill by business segment

For the year ended March 31, 2011

No significant items to be reported.

For the year ended March 31, 2012

No significant items to be reported.

2) Financial Instruments

(1) Fair value information on financial instruments

Below is fair value information on financial instruments as of March 31, 2012, excluding securities whose fair values are not readily determinable.

Financial assets

| | Millions of yen | | |
|-----------------------------------|---|------------|------------|
| | As of March 31, 2012 | | |
| | Consolidated balance sheet amount | Fair value | Difference |
| Cash and due from banks | ¥118,877 | ¥118,877 | — |
| Call loans and bills bought | 66,300 | 66,300 | — |
| Monetary trusts | 303,058 | 303,058 | — |
| Securities | | | |
| Trading securities | 430,490 | 430,490 | — |
| Held-to-maturity securities | 3,491,526 | 3,649,509 | ¥157,983 |
| Available-for-sale securities | 1,572,936 | 1,572,936 | — |
| Loans | 975,032 | | |
| Reserve for possible loan losses* | (1,385) | | |
| | 973,646 | 1,060,456 | 86,809 |
| Total Financial Assets | ¥6,956,836 | ¥7,201,628 | ¥244,792 |

* Excludes general and specific reserves for possible loan losses.

Financial liabilities

| | Millions of yen | | |
|-----------------------------|---|------------|------------|
| | As of March 31, 2012 | | |
| | Consolidated balance sheet amount | Fair value | Difference |
| Deposits | ¥1,760,853 | ¥1,761,516 | ¥663 |
| Call money and bills sold | 10,000 | 10,000 | — |
| Bonds payable | 10,000 | 10,028 | 28 |
| Total Financial Liabilities | ¥1,780,853 | ¥1,781,544 | ¥691 |

Derivative financial instruments

| | Millions of yen | | |
|--|---|------------|------------|
| | As of March 31, 2012 | | |
| | Consolidated balance sheet amount | Fair value | Difference |
| Hedge accounting not applied* | ¥1,091 | ¥1,091 | — |
| Hedge accounting applied | (16,101) | (16,101) | — |
| Total Derivative Financial Instruments | ¥(15,009) | ¥(15,009) | — |

* Figures are totals resulting from derivatives transactions, which are accounted for as other assets and liabilities on the consolidated balance sheets. If the total is a debt amount, the above figure is negative.

Calculation of the fair value of financial instruments

Financial Assets

Cash and due from banks, call loans and bills bought

The fair value is regarded as the carrying amount, as they are approximately equal.

Monetary trusts

In individual monetary trusts mainly for investment purposes, the fair value of bonds is the market price on financial instrument exchanges or the price indicated by a financial institution. Please see “investment in monetary trust,” which indicates fair values by purpose.

Securities

The fair value of stocks is the market price on stock market or financial instrument exchanges. The fair value of bonds and investment funds is the market price or the price indicated by a financial institution. Please see “investment in securities,” which indicates fair values by purpose.

Loans

(i) Loans in the banking business

The value of these loans is calculated by estimating their future cash flows and then applying a prescribed discount rate. The discount rate is determined by adding to the Libor-based yield curve a rate corresponding to a set risk premium. On loans to individual customers, the risk premium equals the rate used to determine the reserve for possible loan losses. For loans to corporate customers, the rate equals the cumulative default rate, determined by rating.

(ii) Policy loans in the life insurance business

Policyholder loans are valued by discounting future cash flows to their current value. For automatic premium loans, the book value is used as a near approximation of their fair value.

Financial Liabilities

Deposits

The value of deposits is calculated by type, by estimating their future cash flows and then applying a prescribed discount rate. The discount rate is determined by adding to the Libor-based yield curve a premium corresponding to the banking subsidiary’ s cumulative default rate by rating.

Call money and bills sold

The fair value is regarded as the carrying amount, as they are approximately equal.

Bonds payable

The fair value of bonds payable is the market price on bond and other markets.

Derivative Transactions

Please see “derivative financial instruments,” which indicates calculations of fair value.

Securities whose fair values are not readily determinable

| | Millions of yen |
|--|----------------------|
| | As of March 31, 2012 |
| Non-consolidated subsidiaries and affiliates that are unlisted*1 | ¥9,795 |
| Japanese stocks that are not listed on the stock market*1 | 4 |
| Investment in partnership*2 | 26,831 |
| Total | ¥36,631 |

*1. Unlisted stocks have no market prices and fair values are not readily determinable.

*2. Assets included in “investment in partnership” are stocks in unlisted companies.

Note: Impairment losses on non-consolidated subsidiaries stocks and investment in partnership were recognized as ¥320 million for the year ended March 31, 2012. Impairment losses are principally recorded when their fair value as of the end of the fiscal year has declined by 50% or more from the acquisition cost.

The future redemption schedule of monetary claims and securities with maturities

| | Millions of yen | | | |
|---|----------------------|-----------------------------|-------------------------------|---------------|
| | As of March 31, 2012 | | | |
| | 1 year or less | More than 1 year to 5 years | More than 5 years to 10 years | Over 10 years |
| Cash and due from banks | ¥118,877 | — | — | — |
| Call loans and bills bought | 66,300 | — | — | — |
| Securities | | | | |
| Held-to-maturity securities | 23,508 | ¥18,104 | ¥26,701 | ¥3,407,496 |
| Bonds | | | | |
| Japanese government and municipal bonds | 20,568 | 15,278 | 23,464 | 3,329,500 |
| Japanese corporate bonds | 2,540 | 2,526 | 3,137 | 22,896 |
| Others | 400 | 300 | 100 | 55,100 |
| Available-for-sale securities | 222,893 | 497,643 | 197,835 | 550,837 |
| Bonds | | | | |
| Japanese government and municipal bonds | 24,600 | 87,672 | 131,401 | 549,550 |
| Japanese corporate bonds | 122,995 | 140,341 | 28,129 | 100 |
| Others | 75,298 | 269,630 | 38,304 | 1,187 |
| Loans* | 15,755 | 65,743 | 36,770 | 717,794 |
| Total | ¥447,334 | ¥581,491 | ¥261,306 | ¥4,676,129 |

* This figure excludes loans of ¥138,801 million that have no fixed redemption period such as policyholder loans.

The future return schedule of deposits and other liabilities with interest

| | Millions of yen | | | | | |
|---------------------------|----------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-------------------|
| | As of March 31, 2012 | | | | | |
| | 1 year or less | More than 1 year to 2 years | More than 2 years to 3 years | More than 3 years to 4 years | More than 4 years to 5 years | More than 5 years |
| Deposits* | ¥1,675,928 | ¥22,119 | ¥15,030 | ¥8,528 | ¥3,601 | ¥35,645 |
| Call money and bills sold | 10,000 | — | — | — | — | — |
| Bonds payable | — | — | — | — | 10,000 | — |
| Total | ¥1,685,928 | ¥22,119 | ¥15,030 | ¥8,528 | ¥13,601 | ¥35,645 |

*Demand deposits are included in “1 year or less.”

3)Investments in Securities

Trading securities

| |
|--------------------|
| Millions of yen |
| For the year ended |
| March 31, |
| 2012 |
| Valuation losses |
| charged to income |
| ¥30,976 |

Held-to-maturity securities

| | Millions of yen | | | | | | | | |
|---|---|------------------------|------------|---|-------------------------|------------|-----------------------------------|-----------------------|------------|
| | As of March 31, 2012 | | | | | | | | |
| | Fair values exceeding the consolidated balance sheet amount | | | Fair values not exceeding the consolidated balance sheet amount | | | Total | | |
| | Consolidated balance sheet amount | Gross unrealized gains | Fair value | Consolidated balance sheet amount | Gross unrealized losses | Fair value | Consolidated balance sheet amount | Net unrealized losses | Fair value |
| Bonds | | | | | | | | | |
| Japanese government and municipal bonds | ¥3,078,311 | ¥158,094 | ¥3,236,406 | ¥338,078 | ¥(4,307) | ¥333,771 | — | — | — |
| Japanese corporate bonds | 31,376 | 1,504 | 32,880 | — | — | — | — | — | — |
| Others | 43,759 | 2,691 | 46,451 | — | — | — | — | — | — |
| Total | ¥3,153,447 | ¥162,290 | ¥3,315,737 | ¥338,078 | ¥(4,307) | ¥333,771 | ¥3,491,526 | ¥157,983 | ¥3,649,509 |

Available-for-sale securities

| | Millions of yen | | | | | | | | |
|---|---|------------------------|------------------|---|-------------------------|------------------|-----------------------------------|----------------------|------------------|
| | As of March 31, 2012 | | | | | | | | |
| | Fair values exceeding the consolidated balance sheet amount | | | Fair values not exceeding the consolidated balance sheet amount | | | Total | | |
| | Consolidated balance sheet amount | Gross unrealized gains | Acquisition cost | Consolidated balance sheet amount | Gross unrealized losses | Acquisition cost | Consolidated balance sheet amount | Net unrealized gains | Acquisition cost |
| Bonds | | | | | | | | | |
| Japanese government and municipal bonds | ¥772,338 | ¥35,754 | ¥736,584 | ¥63,908 | ¥(882) | ¥64,791 | — | — | — |
| Japanese corporate bonds | 272,219 | 1,625 | 270,594 | 22,929 | (213) | 23,143 | — | — | — |
| Equity securities | 29,313 | 6,225 | 23,088 | 6,256 | (480) | 6,737 | — | — | — |
| Others | 252,447 | 7,207 | 245,239 | 153,522 | (2,665) | 156,187 | — | — | — |
| Total | ¥1,326,319 | ¥50,812 | ¥1,275,506 | ¥246,617 | ¥(4,242) | ¥250,859 | ¥1,572,936 | ¥46,570 | ¥1,526,366 |

Note: This chart as of March 31, 2012, excludes ¥4 million in unlisted stocks and an investment in partnership of ¥26,831 million (consolidated balance sheet amounts).

Available-for-sale securities sold during the period

| | Millions of yen | | |
|---|-----------------------------------|----------------|-----------------|
| | For the year ended March 31, 2012 | | |
| | Sales | Gains on sales | Losses on sales |
| Bonds | | | |
| Japanese government and municipal bonds | ¥106,089 | ¥5,243 | ¥233 |
| Japanese corporate bonds | 14,867 | 125 | 209 |
| Equity securities | 18,939 | 1,862 | 2,411 |
| Others | 31,444 | 942 | 4 |
| Total | ¥171,341 | ¥8,173 | ¥2,858 |

Impairment of available-for-sale securities:

Available-for-sale securities with market value are considered impaired if the market value decreases materially below the acquisition cost and such decline is considered non-recoverable. The market value is recognized as the consolidated balance sheet amount and the write-down is accounted for as a devaluation loss for the fiscal year.

Impairment losses on available-for-sale securities were recognized as ¥1,470 million for the year ended March 31, 2012.

“Material decline” is indicated when the market value is 30% or less than the acquisition cost.

4) Investments in Monetary Trusts

Other monetary trusts

| | Millions of yen | | | |
|-----------------------|---|------------------------------|-------------------------------|---------------------|
| | As of March 31, 2012 | | | |
| | Consolidated balance sheet amount | Gross unrealized gains | Gross unrealized losses | Acquisition cost |
| Other monetary trusts | ¥303,058 | ¥20,359 | — | ¥282,699 |

Note: Jointly invested monetary trusts included in the table above amount to ¥271 million for the year ended March 31, 2012.

Impairment of other monetary trusts

Securities with market values that are included in monetary trusts for purposes other than trading, holding to maturity or policy reserve matching are considered impaired if their market value decreases materially below the acquisition cost and such decline is considered non-recoverable. Their market value is recognized as the consolidated balance sheet amount and the write-down is accounted for as a devaluation loss for the fiscal year.

No impairment loss was recognized for the year ended March 31, 2012.

“Material decline” is indicated when the market value is 30% or less than the acquisition cost.

5) Derivative Financial Instruments

(1) Hedge accounting not applied

Below is a summary of contractual or notional amounts, current market or fair values, valuation gains or losses, and the method of calculating the fair values of derivatives, classified by transaction, to which hedge accounting is not applied. Notional amounts do not indicate exposure to credit loss.

(i) Interest rate derivatives

| Millions of yen | | | |
|-------------------------------|-------------|------------|------------------|
| As of March 31, 2012 | | | |
| Notional amount | | Fair value | Valuation losses |
| Total | Over 1 year | | |
| Over-the-counter transactions | | | |
| Interest rate swaps | ¥20,000 | ¥20,000 | ¥(350) |
| Total | — | ¥(350) | ¥(350) |

Notes:

1. The above transactions are valued at market, and valuation losses are recorded in the consolidated statements of income.
2. Market value is calculated using discounted present value.

(ii) Currency derivatives

| Millions of yen | | | |
|--------------------------------------|-------------|------------|--------------------------|
| As of March 31, 2012 | | | |
| Notional amount | | Fair value | Valuation gains (losses) |
| Total | Over 1 year | | |
| Over-the-counter transactions: | | | |
| Forward foreign exchanges: | | | |
| Sold | ¥34,949 | — | ¥60 |
| Bought | 77,584 | — | (359) |
| Foreign exchange margin transactions | | | |
| Sold | 33,638 | — | 1,268 |
| Bought | 9,409 | — | 441 |
| Currency options | | | |
| Sold | 151 | — | (1) |
| Currency forward contracts | | | |
| Bought | 5,299 | — | 31 |
| Total | — | ¥1,441 | ¥1,443 |

Notes:

1. The above transactions are valued at market, and valuation gains and losses are recorded in the consolidated statements of income.
2. Market values are calculated using discounted present value and option pricing models.

(iii) Credit derivatives transactions

| Millions of yen | | | |
|-------------------------------|-------------|------------|-----------------|
| As of March 31, 2012 | | | |
| Notional amount | | Fair value | Valuation gains |
| Total | Over 1 year | | |
| Over-the-counter transactions | | | |
| Credit default options | | | |
| Bought | ¥1,367 | — | ¥0 |
| Total | — | ¥0 | ¥0 |

Notes:

1. The above transactions are valued at market, and valuation gains are recorded in the consolidated statements of income.
2. Market values are calculated based on factors such as the values of underlying assets and contract terms and other methods.
3. "Bought" represents transactions in which the credit risk is transferred.

(2) Hedge accounting applied

The following provides a summary of contractual or notional amounts, current market or fair values, valuation gains or losses, and the method of calculating the fair values of derivatives, classified by transactions, to which hedge accounting is applied. Notional amounts do not indicate exposure to credit loss.

(i) Interest rate derivatives

| Millions of yen | | | |
|-----------------------------|----------------|------------|--|
| As of March 31, 2012 | | | |
| Notional amount | | Fair value | Hedged item |
| Total | Over 1 year | | |
| Deferred hedge accounting | | | |
| Interest rate swaps | ¥134,709 | ¥133,989 | ¥(4,427) Loans |
| Fair value hedge accounting | | | |
| Interest rate swaps | 244,706 | 219,921 | (13,472) Available-for-sale securities (bonds) |
| Total | — | — | ¥(17,899) |

Notes:

1. SFH applies deferred hedge accounting and fair value hedge accounting in accordance with “Accounting and Auditing Treatments on Application of Accounting Standard for Financial Instruments in the Banking Industry” (Industry Audit Committee of Japanese Institute of Certified Public Accountants No. 24).
2. Market value is calculated using discounted present value.

(ii) Currency derivatives

| Millions of yen | | | |
|-----------------------------|----------------|------------|--|
| As of March 31, 2012 | | | |
| Notional amount | | Fair value | Hedged item |
| Total | Over 1 year | | |
| Fair value hedge accounting | | | |
| Currency swaps | ¥89,740 | ¥34,800 | ¥1,798 Available-for-sale securities (bonds) |
| Total | — | — | ¥1,798 |

Notes:

1. SFH applies mainly fair value hedge accounting.
2. Market value is calculated mainly using discounted present value and other methods.

6) Per Share Information

Net income per share is based on the weighted-average number of shares of common stock outstanding during the period. For the years ended March 31, 2011 and 2012, net income per share was ¥95.90 and ¥75.43, respectively. There were no potential dilutive securities. Net assets per share, based on the number of shares of common stock outstanding as of March 31, 2011, and 2012, were ¥677.88 and ¥796.64, respectively.

The basis for this calculation for the years ended March 31, 2011, and 2012 is net income of ¥41,716 million and ¥32,812 million, respectively, the entire amounts of which are applicable to common stock. The weighted-average number of shares outstanding for the years ended March 31, 2011, and 2012, was ¥435 million.

Note: Although a stock split was conducted during the year ended March 31, 2012, net income per share and net assets per share for the year ended March 31, 2011, were calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(Change in accounting policies)

From the year ending March 31, 2012, we have applied the “Accounting Standard for Earning Per Share”(Accounting Standards Board of Japan [ASBJ] Statement No.2 of June 30, 2010), the “Guidance on Accounting Standard for Earnings Per Share”(ASBJ Guidance No.4 of June 30, 2010), and the “Practical Solution on Accounting for Earnings Per Share”(ASBJ PITF No.9 of June 30, 2010).

7) Subsequent Events

There were no applicable subsequent events.

SFH's consolidated results* are prepared in accordance with accounting principles and practices generally accepted in Japan. As such, these figures differ in significant respects from financial information reported by SFH's parent company, Sony Corporation, which prepares its financial statements in accordance with accounting principles and practices generally, accepted in the United States.

*SFH's scope of consolidation includes Sony Financial Holdings Inc., Sony Life Insurance Co. Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Life Insurance (Philippines) Corporation, Sony Bank Securities Inc., and SmartLink Network, Inc. It also includes AEGON Sony Life Insurance Co., Ltd. and SA Reinsurance Ltd., as affiliated companies accounted for under the equity method. Smart Link Network, Inc. was not included in the scope of consolidation for the year ended March 31, 2011.

On May 10, 2012, Sony Corporation announced its consolidated financial results for the fiscal year ended March 31, 2012. SFH Group companies constitute the majority of Sony Group's financial services segment. However, the scope of Sony Group's financial services segment differs from the scope of SFH's consolidated results. For the scope of Sony Group's financial services segment, please refer to the May 10, 2012, news release by Sony Corporation.

This Consolidated Financial Summary contains statements concerning the current plans, expectations, strategies and beliefs of the SFH Group. Any statements contained herein that pertain to future operating performance and that are not historic facts are forward-looking statements. Forward-looking statements may include—but are not limited to—statements using words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “forecast,” “predict,” and “possibility” that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, are based on judgments made by the management of the SFH Group, based on information that is currently available to it. As such, these forward-looking statements are subject to various risks and uncertainties, and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. The SFH Group disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings. The information contained in this Consolidated Financial Summary does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

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http://www.sonyfh.co.jp/web/index_en.html

V. Attachment
Content of Presentation Material

| | | |
|----|---|----|
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| 2. | Consolidated Financial Forecast for the Year Ending March 31, 2013 | 27 |
| 3. | Dividend Policies | 29 |
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Presentation Material

Consolidated Financial Results for the Year Ended March 31, 2012 and Sony Life's Preliminary Market Consistent Embedded Value

Sony Financial Holdings Inc.
May 18, 2012

Content

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| ■ Consolidated Financial Forecast for the Year Ending March 31, 2013 | P.27 |
| ■ Dividend Policies | P.29 |
| ■ Sony Life's Preliminary MCEV as of March 31, 2012, and Risk Amount Based on Economic Value | P.31 |
| ■ Appendix | P.33 |

Disclaimers:

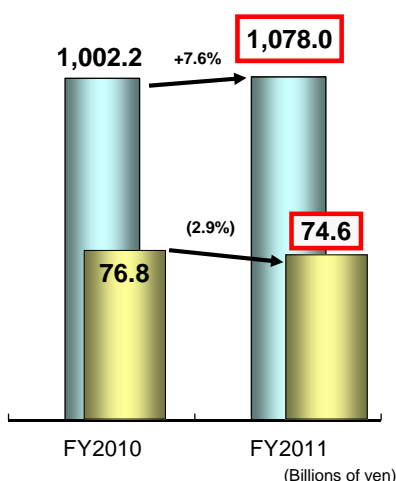
This presentation material contains statements concerning the current plans, expectations, strategies and beliefs of the Sony Financial Holdings Group (the "SFH Group"). Any statements contained herein that pertain to future operating performance and that are not historic facts are forward-looking statements. Forward-looking statements may include—but are not limited to—words such as "believe," "anticipate," "plan," "strategy," "expect," "forecast," "predict," and "possibility" that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, are based on judgments made by the management of the SFH Group, based on information that is currently available to it. As such, these forward-looking statements are subject to various risks and uncertainties, and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. The SFH Group disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings. The information contained in this presentation does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

Consolidated Operating Results for the Year Ended March 31, 2012

3

Highlights of Consolidated Operating Performance for the Year Ended March 31, 2012 (1)

■ Ordinary revenues ■ Ordinary profit



| (Billions of yen) | | FY2010 | FY2011 | Change | |
|-----------------------------|-------------------|---------|---------|--------|---------|
| Life insurance business | Ordinary revenues | 900.3 | 967.5 | +67.2 | +7.5% |
| | Ordinary profit | 72.1 | 68.1 | (3.9) | (5.5%) |
| Non-life insurance business | Ordinary revenues | 74.1 | 80.0 | +5.9 | +8.0% |
| | Ordinary profit | 2.1 | 2.8 | +0.7 | +33.3% |
| Banking business | Ordinary revenues | 29.5 | 32.5 | +2.9 | +10.1% |
| | Ordinary profit | 2.4 | 3.4 | +1.0 | +43.9% |
| Intersegment adjustments* | Ordinary revenues | (1.8) | (2.1) | (0.2) | — |
| | Ordinary profit | 0.1 | 0.1 | (0.0) | (14.0%) |
| Consolidated | Ordinary revenues | 1,002.2 | 1,078.0 | +75.8 | +7.6% |
| | Ordinary profit | 76.8 | 74.6 | (2.2) | (2.9%) |
| | Net income | 41.7 | 32.8 | (8.9) | (21.3%) |

*Amounts in the Ordinary profit in the "Intersegment adjustments" are mainly from SFH.

| (Billions of yen) | | 11.3.31 | 12.3.31 | Change from 11.3.31 | |
|-------------------|--------------|---------|---------|---------------------|--------|
| Consolidated | Total assets | 6,597.1 | 7,241.4 | +644.2 | +9.8% |
| | Net assets | 294.8 | 347.8 | +52.9 | +17.9% |

(Note) Comprehensive income: FY2010: ¥31.9 billion, FY2011: ¥60.3 billion

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

4

Highlights of Consolidated Operating Performance for the Year Ended March 31, 2012 (2)



<Comparison with the previous year>

- **Life Insurance:** Ordinary revenues increased, due mainly to higher income from insurance premiums associated with steady increases in the policy amount in force, as well as an increase in investment income accompanied with market recovery towards the end of the fiscal year. Ordinary profit decreased, due to lower gains on sale of securities, reflecting the process of shifting bond holdings to ultralong-term bonds to reduce interest rate risk, whereas insurance claims and other payments relating to the Great East Japan Earthquake were lower than our estimates as of the end of the previous fiscal year.
- **Non-life Insurance:** Ordinary revenues increased, due to an increase in net premiums written, as the number of insurance policies in force grew primarily for our automobile insurance. Ordinary profit increased, due mainly to the increase in ordinary revenues and a reversal of catastrophe reserve, although a rise in net losses paid for automobile insurance resulted in the higher loss ratio.
- **Banking:** Ordinary revenues increased, due to an increase in net fees and commissions resulting from Sony Bank's acquisition of SmartLink Network, Inc. on July 1, 2011 as its consolidated subsidiary. Ordinary profit rose due to a rise in gross operating profit resulting from an increase in net interest income. The net interest income increased due mainly to higher interest income on loans led by the growing balance of mortgage loans and a decrease in interest expenses on yen deposits.
- **Consolidated ordinary revenues** increased 7.6%, to ¥1,078.0 billion, however, **consolidated ordinary profit** decreased 2.9%, to ¥74.6 billion. **Consolidated net income** decreased 21.3%, to ¥32.8 billion due to the decline in consolidated ordinary profit and an increase in income taxes owing to a reversal of deferred tax assets associated with the reduction in the corporate tax rate.

<Comparison with Our Original Financial Forecast>

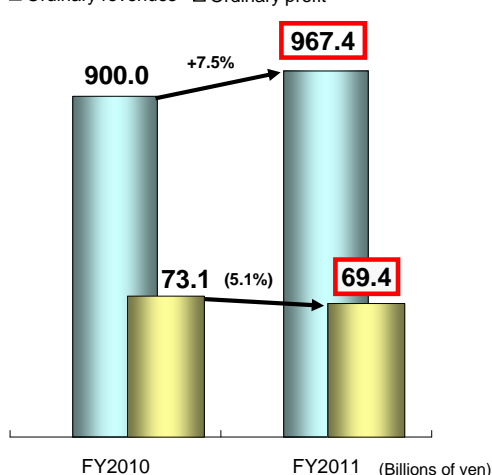
- In February, 2012, SFH revised upward consolidated ordinary revenues and consolidated ordinary profit on its FY11 forecast from the original announcement in May 2011. The major reasons for the revision were the lower insurance claims and other payments relating to the Great East Japan Earthquake than we had estimated at the end of March 2011, as well as gains on sale of securities during the third quarter.
The actual results of consolidated operating profit exceeded the revised forecast, due mainly to the market recovery during the fourth quarter.

5

Highlights of Operating Performance: Sony Life (Non-consolidated)



■ Ordinary revenues ■ Ordinary profit



- ◆ Ordinary revenues increased but ordinary profit decreased year on year.
- ◆ Income from insurance premiums increased owing to steady growth in the policy amount in force.
- ◆ Investment income increased due mainly to higher interest income and dividends, and an improved investment performance on separate accounts, which offset the negative impact of lower gains on sale of securities.
- ◆ Ordinary profit decreased due to lower gains on sale of securities, and lower insurance claims and other payments relating to the Great East Japan Earthquake than we had estimated as of the end of the previous fiscal year.

| (Billions of yen) | FY2010 | FY2011 | Change | |
|--|---------|---------|---------------------|----------|
| Ordinary revenues | 900.0 | 967.4 | +67.3 | +7.5% |
| Income from insurance premiums | 770.3 | 816.1 | +45.7 | +5.9% |
| Investment income | 119.5 | 133.9 | +14.4 | +12.1% |
| Interest income and dividends | 87.5 | 97.9 | +10.4 | +11.9% |
| Income from monetary trusts, net | 6.9 | 5.2 | (1.7) | (24.4%) |
| Gains on sale of securities | 24.9 | 7.5 | (17.4) | (69.8%) |
| Gains on separate accounts, net | — | 23.1 | +23.1 | — |
| Ordinary expenses | 826.9 | 897.9 | +71.0 | +8.6% |
| Insurance claims and other payments | 297.9 | 287.4 | (10.5) | (3.5%) |
| Provision for policy reserve and others | 392.7 | 471.5 | +78.8 | +20.1% |
| Investment expenses | 19.3 | 14.3 | (4.9) | (25.6%) |
| Losses on sale of securities | 1.8 | 2.6 | +0.7 | +39.7% |
| Losses on separate accounts, net | 7.4 | — | (7.4) | (100.0%) |
| Operating expenses | 99.3 | 105.4 | +6.1 | +6.2% |
| Ordinary profit | 73.1 | 69.4 | (3.7) | (5.1%) |
| Net income | 40.2 | 31.4 | (8.7) | (21.9%) |
| (Billions of yen) | 11.3.31 | 12.3.31 | Change from 11.3.31 | |
| Securities | 4,017.5 | 4,545.0 | +527.4 | +13.1% |
| Policy reserves | 4,371.4 | 4,843.0 | +471.5 | +10.8% |
| Total net assets | 215.3 | 264.8 | +49.4 | +23.0% |
| Net unrealized gains on other securities | 7.0 | 34.0 | +27.0 | +385.3% |
| Total assets | 4,723.3 | 5,222.8 | +499.5 | +10.6% |
| Separate account assets | 398.1 | 444.2 | +46.1 | +11.6% |

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

6

Overview of Performance: Sony Life (Non-consolidated)

| (Billions of yen) | FY2010 | FY2011 | Change |
|--|----------|----------|---------------------|
| New policy amount | 4,199.0 | 4,203.3 | +0.1% |
| Lapse and surrender amount | 2,143.6 | 2,056.2 | (4.1%) |
| Lapse and surrender rate | 6.41% | 5.93% | (0.48pt) |
| Policy amount in force | 34,748.5 | 36,077.0 | +3.8% |
| Annualized premiums from new policies | 71.2 | 70.8 | (0.5%) |
| Of which, third-sector products | 16.6 | 17.1 | +2.5% |
| Annualized premiums from insurance in force | 604.7 | 635.4 | +5.1% |
| Of which, third-sector products | 140.7 | 148.9 | +5.8% |
| (Billions of yen) | FY2010 | FY2011 | Change |
| Gains from investment, net (General account) | 107.6 | 96.4 | (10.4%) |
| Core profit | 56.2 | 71.6 | +27.3% |
| Negative spread | 6.3 | 1.5 | (76.2%) |
| | 11.3.31 | 12.3.31 | Change from 11.3.31 |
| Solvency Margin Ratio | 1,720.0% | 1,980.4% | +260.4pt |

(Reasons for changes)

- ◆ Remained flat, due mainly to increased sales of term life insurance, which offset a decrease in family income insurance, which is life insurance with disability benefit.
- ◆ Decreased due to the lowering lapse and surrender rates in most products, mainly in family income insurance, which is life insurance with disability benefit.
- ◆ Decreased due mainly to decreased sales of educational endowment insurance and medical insurance which offset increased sales of living benefit insurance and term life insurance.
- ◆ Decreased due to lower gains in sale of securities in line with the shift from investing in bonds with short terms to maturity to those with ultralong-terms, though interest income and dividends increased.
- ◆ Increased, mainly reflecting lower insurance claims and other payments relating to the Great East Japan Earthquake than we had estimated as of the end of the previous fiscal year, and a decrease in negative spread as well as a decrease in provision of policy reserve for minimum guarantee for variable life insurance.

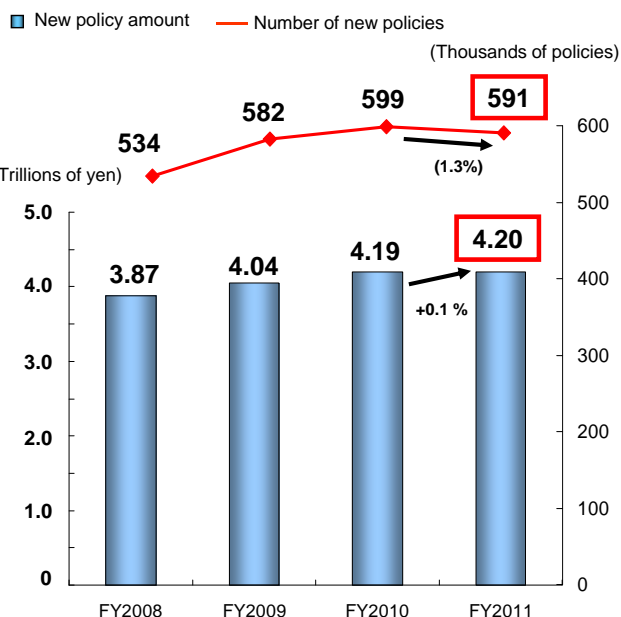
Notes:

- *1 Figures for new policy amount, lapse and surrender amount, lapse and surrender rate, policy amount in force, annualized premiums from new policies and annualized premiums from insurance in force are calculated as the total of individual life insurance and individual annuities.
- *2 The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.
- *3 The solvency margin ratio has been calculated according to the new standard, which became effective as of the end of fiscal 2011 (March 31, 2012).

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

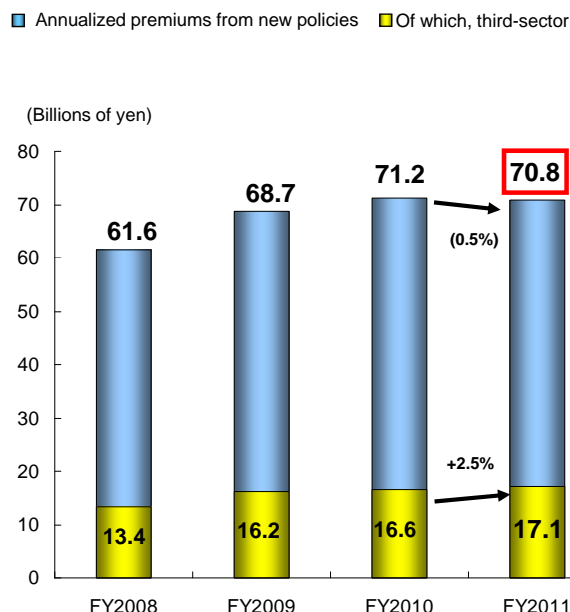
Sony Life Operating Performance (1)

Number and Amount of New Policies (Individual Life Insurance + Individual Annuities)



Line item amounts are truncated below ¥10 billion; numbers of policies are truncated below 1,000 policies; percentage change figures are rounded.

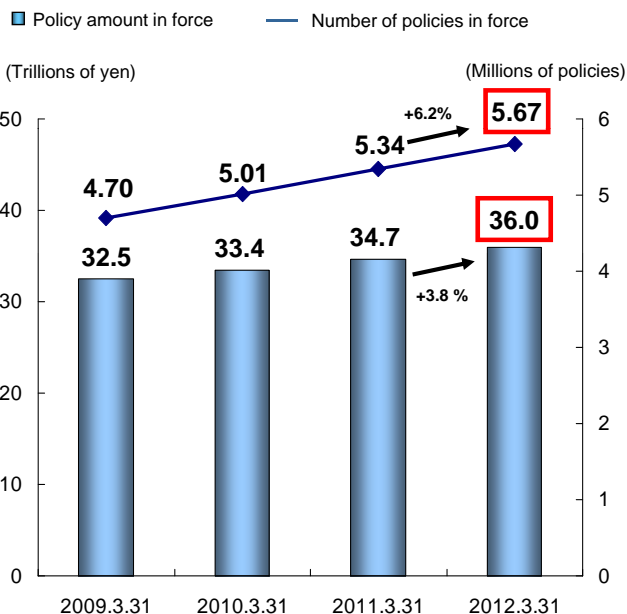
Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)



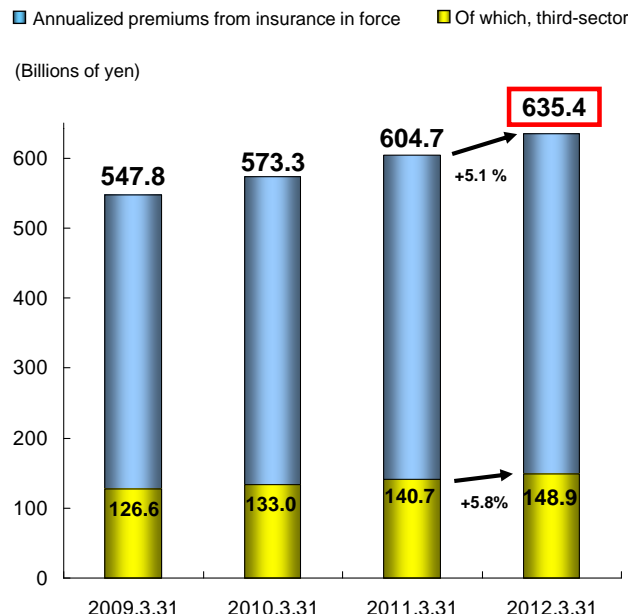
Line item amounts are truncated below ¥100 million; percentage figures are rounded.

Sony Life Operating Performance (2)

Number and Amount of Policies in Force (Individual Life Insurance + Individual Annuities)

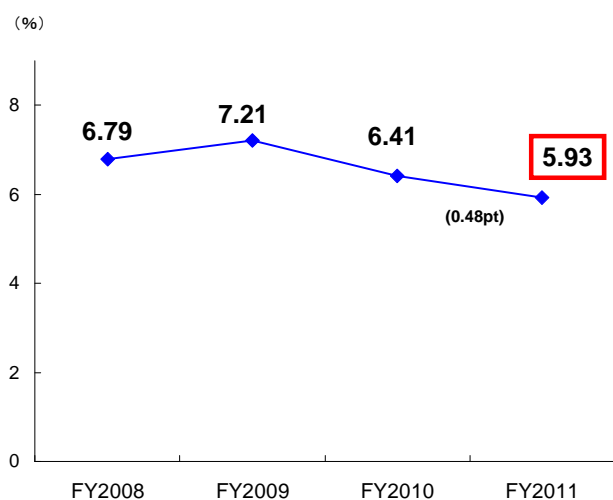


Annualized Premiums from Insurance in Force (Individual Life Insurance + Individual Annuities)

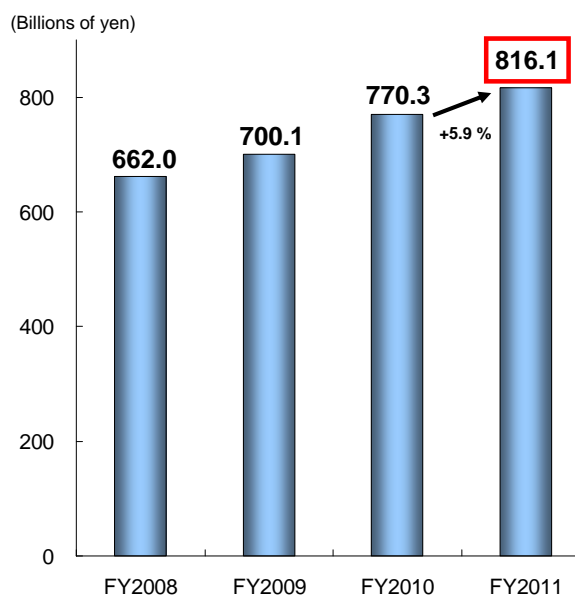


Sony Life Operating Performance (3)

Lapse and Surrender Rate* (Individual Life Insurance + Individual Annuities)



Income from Insurance Premiums



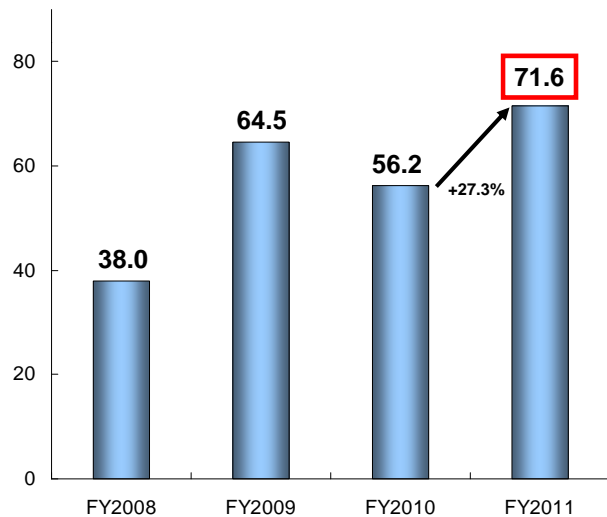
Sony Life Operating Performance (4)



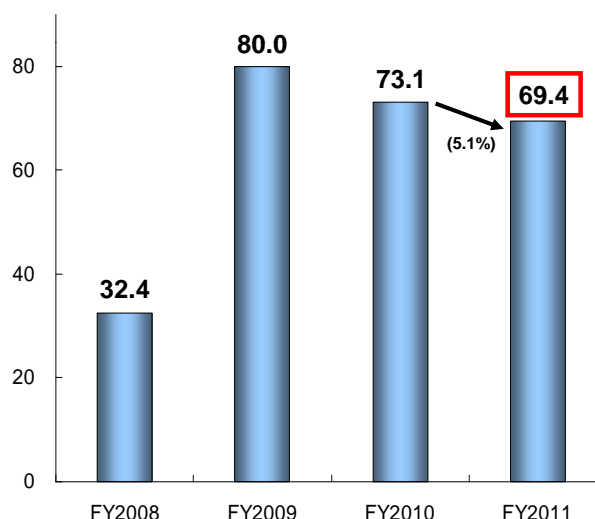
Core Profit

Ordinary Profit

(Billions of yen)



(Billions of yen)



Line item amounts are truncated below ¥100 million; percentage figures are rounded.

11

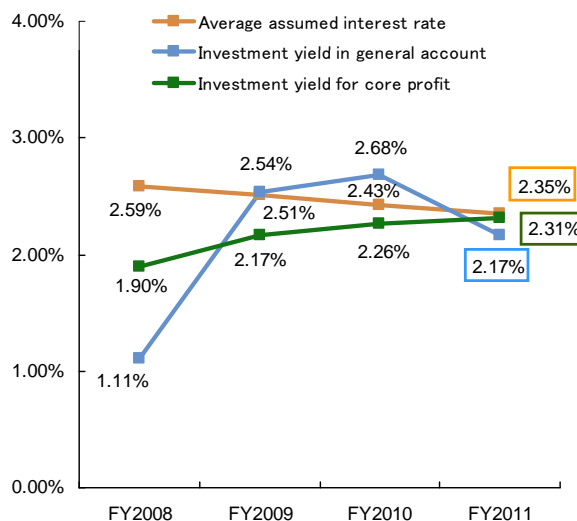
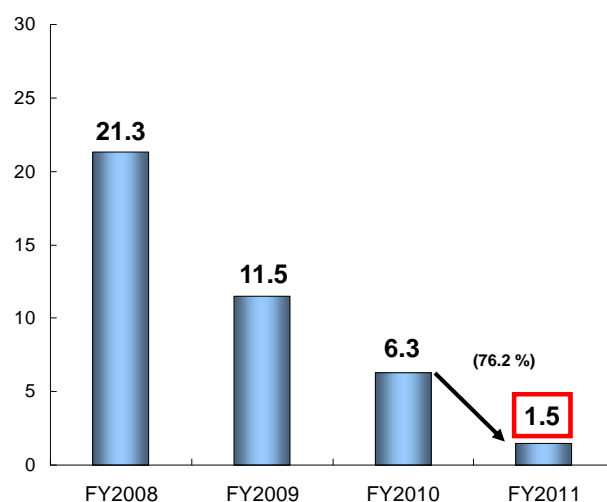
Sony Life Operating Performance (5)



Negative Spread

Average Assumed Interest Rate, Investment Yield for Core Profit and Investment yield in General Account

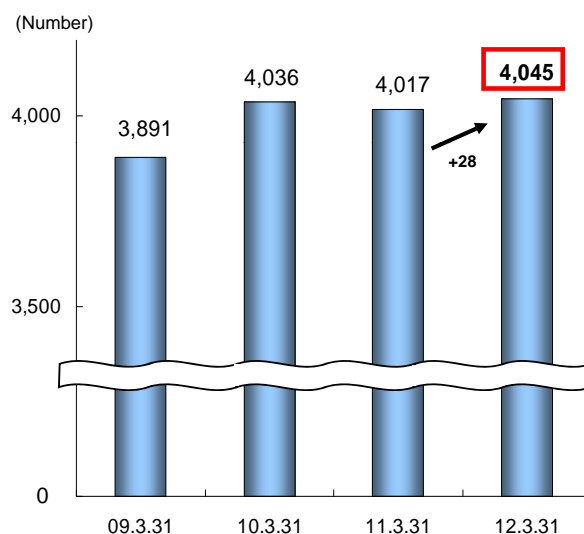
(Billions of yen)



Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

12

Number of Lifeplanner Sales Employees



Reference: Lifeplanner sales employees (rehired on a fixed-term contract basis after retirement)

| (Number) | 09.3.31 | 10.3.31 | 11.3.31 | 12.3.31 |
|--------------|---------|---------|---------|---------|
| Lifeplanner* | 30 | 39 | 49 | 71 |

* The table above indicates the number of Lifeplanner sales employees (rehired on a fixed-term contract basis after retirement); **these are not included in the graph above.**

* "Lifeplanner" is a registered trademark of Sony Life Insurance Co., Ltd.

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Sony Life Operating Performance (7)

Breakdown of General Account Assets

| (Billions of yen) | 2011.3.31 | | 2012.3.31 | |
|---|----------------|---------------|----------------|---------------|
| | Amount | % | Amount | % |
| Japanese government and corporate bonds | 3,499.9 | 80.9% | 3,975.7 | 83.2% |
| Japanese stocks | 64.0 | 1.5% | 45.0 | 0.9% |
| Foreign securities | 44.2 | 1.0% | 59.6 | 1.2% |
| Foreign stocks | 30.0 | 0.7% | 30.5 | 0.6% |
| Monetary trusts | 276.4 | 6.4% | 288.2 | 6.0% |
| Policy loans | 134.4 | 3.1% | 138.7 | 2.9% |
| Real estate | 75.1 | 1.7% | 72.9 | 1.5% |
| Cash and call loans | 80.0 | 1.9% | 64.8 | 1.4% |
| Others | 120.9 | 2.8% | 102.6 | 2.1% |
| Total | 4,325.2 | 100.0% | 4,778.5 | 100.0% |

<Asset management review>

On the asset side, we lengthened the duration of securities held to match the liability characteristics of insurance policies with long-term maturities with the aim of reducing interest rate risk.

Japanese government and corporate bonds:
Continue to accumulate ultralong-term bonds in FY11.



<Lengthened asset duration>

10.3.31 17.6 years
11.3.31 18.5 years
12.3.31 19.2 years

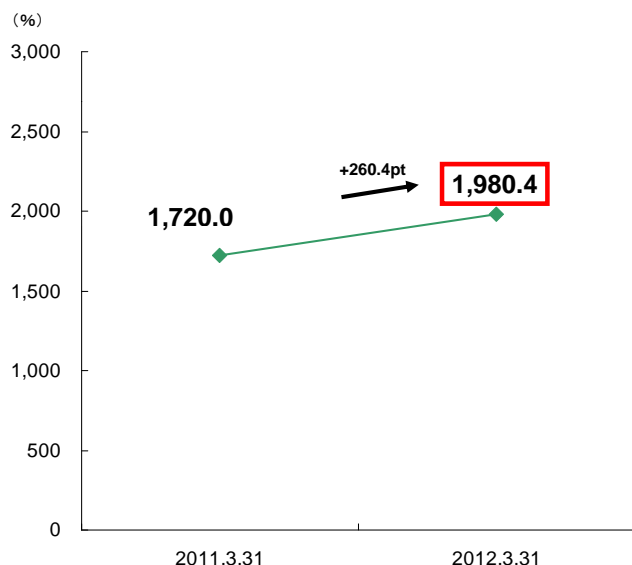
- Investment in the monetary trusts are mainly into Japanese government and corporate bonds.
- The holding ratio on the real status, of Japanese government and corporate bonds including those invested in monetary trusts in the general account assets:

As of March 31, 2012: 89.2%, (As of March 31, 2011: 87.3%)

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

14

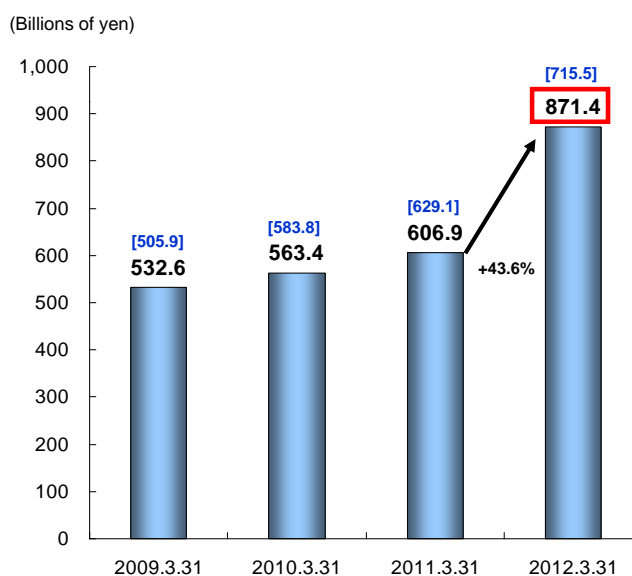
Solvency Margin Ratio



Note:

The solvency margin ratio has been calculated according to the new standard, which became effective as of the end of fiscal 2011 (March 31, 2012).

Adjusted Net Assets



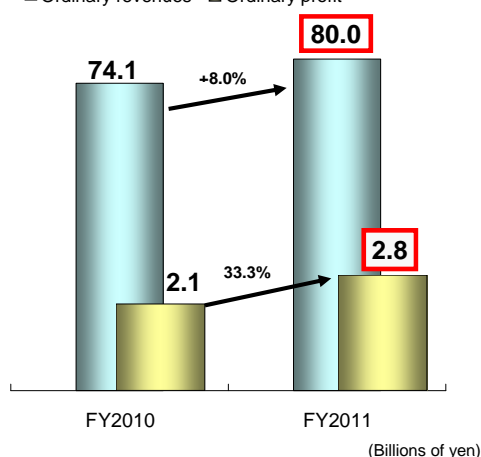
Note:

Amount in [] excludes unrealized gains (losses) on held-to-maturity securities and on policy reserve matching bonds.

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

Highlights of Operating Performance: Sony Assurance

■ Ordinary revenues ■ Ordinary profit



- ◆ Ordinary revenues and ordinary profit increased year on year.
- ◆ Ordinary revenues increased, due to an increase in net premiums written led by a growing number of in-force policies primarily in automobile insurance.
- ◆ Ordinary profit increased, due mainly to the increase in ordinary revenues as well as a reversal of catastrophe reserve, although a rise in net losses paid for automobile insurance resulted in the higher loss ratio.

| (Billions of yen) | FY2010 | FY2011 | Change | |
|--|--------|--------|--------|--------|
| Ordinary revenues | 74.1 | 80.0 | +5.9 | +8.0% |
| Underwriting income | 73.3 | 79.1 | +5.7 | +7.9% |
| Investment income | 0.7 | 0.8 | +0.1 | +13.8% |
| Ordinary expenses | 72.0 | 77.2 | +5.2 | +7.2% |
| Underwriting expenses | 54.4 | 58.0 | +3.5 | +6.6% |
| Investment expenses | 0.0 | 0.0 | +0.0 | +77.6% |
| Operating, general and administrative expenses | 17.4 | 19.0 | +1.5 | +9.1% |
| Ordinary profit | 2.1 | 2.8 | +0.7 | +33.3% |
| Net income | 1.2 | 1.2 | +0.0 | +0.2% |

| (Billions of yen) | 2011.3.31 | 2012.3.31 | Change from 11.3.31 | |
|-----------------------|-----------|-----------|---------------------|-------|
| Underwriting reserves | 64.0 | 67.3 | +3.2 | +5.1% |
| Total net assets | 16.7 | 18.0 | +1.2 | +7.4% |
| Total assets | 109.3 | 118.6 | +9.2 | +8.4% |

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

Overview of Performance: Sony Assurance

| (Billions of yen) | FY2010 | FY2011 | Change |
|-------------------------|--------|--------|--------|
| Direct premiums written | 72.8 | 78.3 | +7.5% |
| Net premiums written | 73.3 | 79.1 | +7.9% |
| Net losses paid | 39.2 | 45.0 | +14.7% |
| Underwriting profit | 1.4 | 2.1 | +43.5% |
| Net loss ratio | 60.0% | 63.3% | +3.3pt |
| Net expense ratio | 25.5% | 25.7% | +0.2pt |
| Combined ratio | 85.6% | 89.0% | +3.4pt |

(Reasons for changes)

◆ Increased owing to an increase in the number of policies in force primarily in automobile insurance.

◆ Increased owing mainly to an increase in the number of policies in force in automobile insurance, as well as rising unit cost of insurance claims.

◆ Increased due to an increase in the number of policies in force primarily in automobile insurance.

Net expense ratio is equal to the ratio of total underwriting costs to net premiums written.
Net loss ratio is equal to the ratio of net losses paid and loss adjustment expenses to net premiums written.

| | 2011.3.31 | 2012.3.31 | Change from 11.3.31 | |
|-----------------------------|--------------|--------------|---------------------|-------|
| Number of policies in force | 1.38 million | 1.49 million | +0.10 million | +7.6% |
| Solvency margin ratio | 631.0% | 557.8% | (73.2pt) | |

The number of policies in force is the total of automobile insurance and medical and cancer insurance, which accounts for 99% of net premiums written.
The solvency margin ratio has been calculated according to the new standard, which became effective as of the end of fiscal 2011 (March 31, 2012).

Line item amounts are truncated below ¥ 100 million; numbers of policies are truncated below 10,000 policies; percentage change figures are rounded.

Sony Assurance's Underwriting Performance by Type of Policy

Direct Premiums Written

| (Millions of yen) | FY2010 | FY2011 | Change |
|---------------------------------|--------|--------|--------|
| Fire | 185 | 176 | (4.8%) |
| Marine | — | — | — |
| Personal accident* | 7,135 | 7,424 | +4.0% |
| Voluntary automobile | 65,516 | 70,712 | +7.9% |
| Compulsory automobile liability | — | — | — |
| Total | 72,837 | 78,313 | +7.5% |

Net losses paid

| (Millions of yen) | FY2010 | FY2011 | Change |
|---------------------------------|--------|--------|--------|
| Fire | 0 | 40 | — |
| Marine | 11 | 138 | — |
| Personal accident* | 1,620 | 1,796 | +10.9% |
| Voluntary automobile | 36,941 | 42,193 | +14.2% |
| Compulsory automobile liability | 683 | 862 | +26.3% |
| Total | 39,256 | 45,032 | +14.7% |

Net Premiums Written

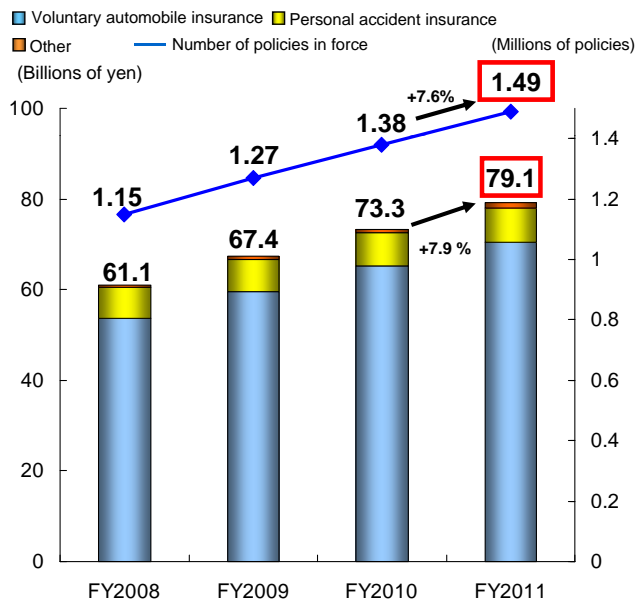
| (Millions of yen) | FY2010 | FY2011 | Change |
|---------------------------------|--------|--------|---------|
| Fire | 8 | 72 | +780.1% |
| Marine | 5 | 90 | — |
| Personal accident* | 7,369 | 7,626 | +3.5% |
| Voluntary automobile | 65,245 | 70,457 | +8.0% |
| Compulsory automobile liability | 714 | 893 | +25.1% |
| Total | 73,343 | 79,141 | +7.9% |

*SURE, medical and cancer insurance is included in personal accident.

Line item amounts are truncated below ¥ 1 million;
Percentage change figures are rounded.

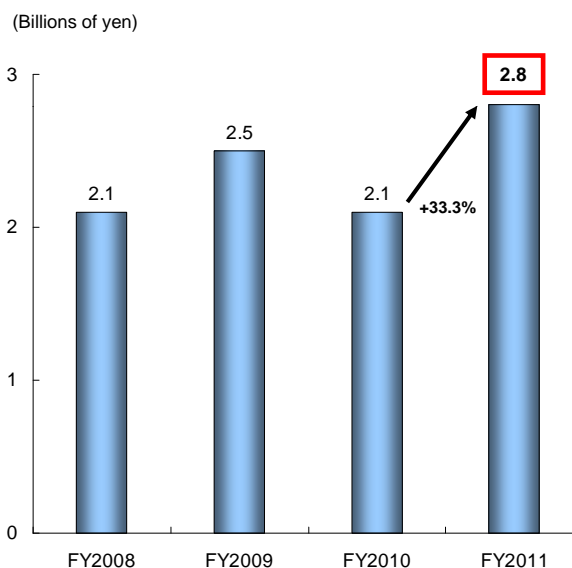
Sony Assurance Operating Performance (1)

Net Premiums Written and Number of Policies in Force



The number of policies in force is the total of automobile insurance and medical and cancer insurance policies, which account for 99% of net premiums written. More than 90% of personal accident insurance is medical and cancer insurance.

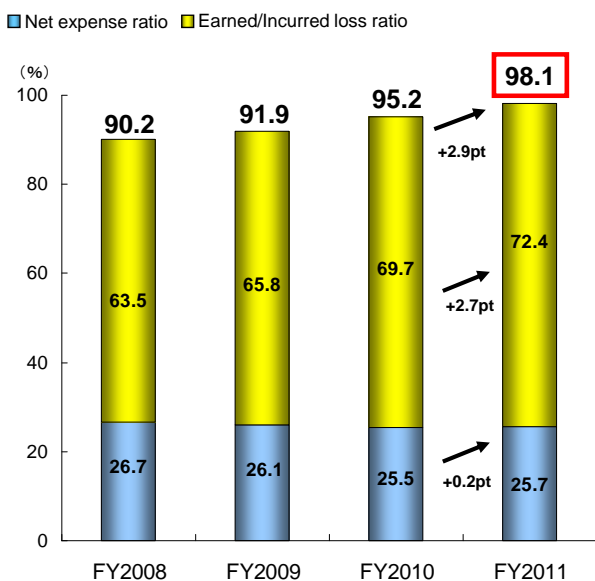
Ordinary Profit



Line item amounts are truncated below ¥100 million; numbers of policies are truncated below 10,000 policies; percentage change figures are rounded.

Sony Assurance Operating Performance (2)

Net Expense Ratio + Earned/Incurred Loss Ratio

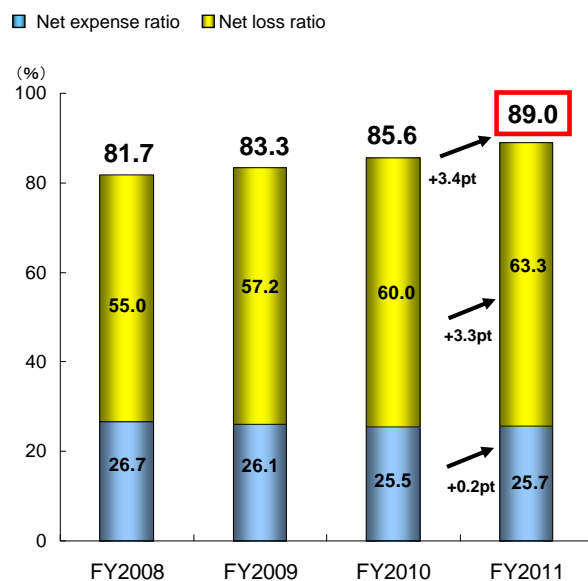


Earned/Incurred loss ratio is equal to the ratio of the sum of net losses paid, loss adjustment expenses and accumulation in provision for reserve for outstanding losses to earned premiums.

*Note that earthquake insurance and compulsory automobile liability insurance are excluded from the above calculation.

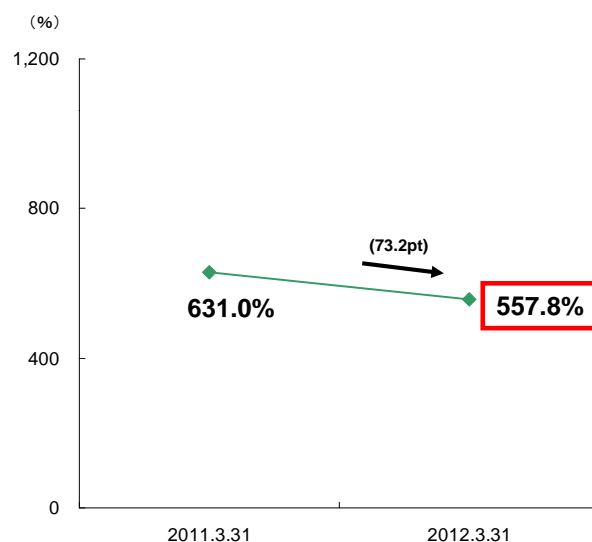
Reference

Combined Ratio (Net Expense Ratio + Net Loss Ratio)



Net expense ratio is equal to the ratio of total underwriting costs to net premiums written. Net loss ratio is equal to the ratio of net losses paid and loss adjustment expenses to net premiums written.

Solvency Margin Ratio



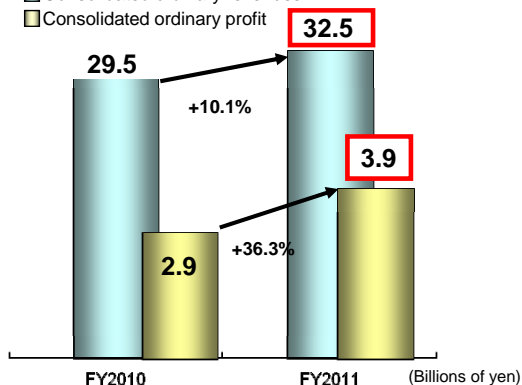
Note:

The solvency margin ratio has been calculated according to the new standard, which became effective as of the end of fiscal 2011 (March 31, 2012).

21

Highlights of Operating Performance: Sony Bank (Consolidated/Non-consolidated)

■ Consolidated ordinary revenues
■ Consolidated ordinary profit



<Consolidated>

◆ Consolidated ordinary revenues and profit both increased year on year, due to Sony Bank's acquisition of SmartLink network, Inc. as consolidated subsidiary, in addition to Sony Bank's business expansion.

<Non-consolidated>

◆ Gross operating profit increased ¥1.8 billion year on year due mainly to an increase in net interest income.

【Net interest income】

Increased ¥2.8 billion owing to an increase in interest income on loans and a decrease in interest expenses on yen deposits.

【Net other operating income】

Decreased ¥1.3 billion reflecting a decrease in gains on foreign exchange transactions.

◆ Net operating profit increased ¥0.7 billion, owing to the above-mentioned increase in gross operating profit, which offset negative impact of higher general and administrative expenses led primarily by personal reinforcement of the full scale entry into credit card business.

<Consolidated>

| (Billions of yen) | FY2010 | FY2011 | Change | |
|--------------------------------|--------|--------|--------|--------|
| Consolidated ordinary revenues | 29.5 | 32.5 | +2.9 | +10.1% |
| Consolidated ordinary profit | 2.9 | 3.9 | +1.0 | +36.3% |
| Consolidated net income | 1.5 | 1.7 | +0.1 | +10.4% |

<Non-consolidated>

| (Billions of yen) | FY2010 | FY2011 | Change | |
|-------------------------------------|--------|--------|--------|---------|
| Ordinary revenues | 29.5 | 30.0 | +0.5 | +1.9% |
| Gross operating profit | 16.4 | 18.3 | +1.8 | +11.4% |
| Net interest income | 13.2 | 16.1 | +2.8 | +21.6% |
| Net fees and commissions | (0.1) | 0.1 | +0.3 | — |
| Net other operating income | 3.3 | 2.0 | (1.3) | (39.8%) |
| General and administrative expenses | 12.6 | 13.8 | +1.2 | +9.6% |
| Ordinary profit | 3.3 | 4.0 | +0.6 | +19.4% |
| Net income | 2.0 | 2.3 | +0.2 | +13.9% |
| Net operating profit | 3.6 | 4.3 | +0.7 | +21.2% |

| (Billions of yen) | 2011.3.31 | 2012.3.31 | Change from 2011.3.31 | |
|---|-----------|-----------|-----------------------|--------|
| Total net assets | 59.9 | 62.7 | +2.8 | +4.7% |
| Net unrealized gains on other securities (net of taxes) | 0.4 | 1.7 | +1.3 | 314.5% |
| Total assets | 1,761.8 | 1,890.5 | +128.6 | +7.3% |

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

22

Overview of Performance: Sony Bank (Non-consolidated) (1)

| (Billions of yen) | 2011.3.31 | 2012.3.31 | Change | |
|--|-----------|----------------------------|----------|--------|
| Customer assets | 1,755.5 | 1,864.3 | +108.7 | +6.2% |
| Deposits | 1,649.1 | 1,762.2 | +113.1 | +6.9% |
| Yen | 1,289.8 | 1,390.5 | +100.6 | +7.8% |
| Foreign currency | 359.2 | 371.7 | +12.4 | +3.5% |
| Investment trusts | 106.4 | 102.0 | (4.4) | (4.2%) |
| Loans outstanding | 722.4 | 835.5 | +113.1 | +15.7% |
| Mortgage loans | 656.0 | 749.6 | +93.5 | +14.3% |
| Others | 66.4 | 85.9^{(*)1} | +19.5 | +29.4% |
| Number of accounts (10 thousands) | 85 | 89 | +4 | +4.7% |
| Capital adequacy ratio^{(*)2} (domestic criteria) | 10.84% | 11.58% | +0.74pt | |
| Tier 1 ratio | 10.41% | 9.63% | (0.78pt) | |

(Reasons for changes)

◆ Yen deposit increased due to an effect of special offer for winter 2011 bonus season.

◆ Foreign currency deposit increased, owing to stable demand of foreign currency-based investment backed by the ongoing yen appreciation throughout the fiscal year.

◆ Investment trusts decreased reflecting a decline in reference price.

◆ Loan balance increased due to increases in mortgage loans and corporate lending centering on syndicated loans.

◆ In October 2011, Sony Bank borrowed funds(¥10 billion) from SFH as subordinated loan to reinforce its financial base. The Tier 1 ratio was also kept at a high level.

*1. Loans in others include corporate loans of ¥78.7billion.

*2. Excludes accounts that have been dormant for a long period of time.

*3. Please refer to the graph of the non-consolidated capital adequacy ratio (domestic criteria) on P26.

Line item amounts are truncated below ¥100 million; numbers of accounts are truncated below 10 thousands accounts; percentage change figures are rounded.

23

Overview of Performance: Sony Bank (Non-consolidated) (2)

<Reference> On Managerial Accounting Basis

| (Billions of yen) | FY2010 | FY2011 | Change | |
|--|--------|--------------|--------|--------|
| Gross operating profit | 16.4 | 18.3 | +1.8 | +11.5% |
| Net interest income ^{(*)1} ① | 15.1 | 17.7 | +2.6 | +17.5% |
| Net fees and commissions ^{(*)2} ② | 0.8 | 1.1 | +0.3 | +40.8% |
| Net other operating income ^{(*)3} ③ | 0.4 | (0.6) | (1.0) | - |
| Gross operating profit (core profit) (A) = ①+② | 15.9 | 18.9 | +2.9 | +18.7% |
| Operating expenses and other expenses ③ | 12.8 | 13.9 | +1.1 | +8.6% |
| Net operating profit (core profit) = (A)-③ | 3.0 | 4.9 | +1.8 | +60.9% |

● Managerial accounting basis

The following adjustments are made to the figures on a financial accounting basis to account for profits and losses more appropriately.

*1: Net interest income: Includes profits and losses associated with fund investment recorded in net other operating income, including gains or losses from currency swap transactions.

*2: Net fees and commissions: Includes profits and losses for customer dealings in foreign currency transactions recorded in net other operating income.

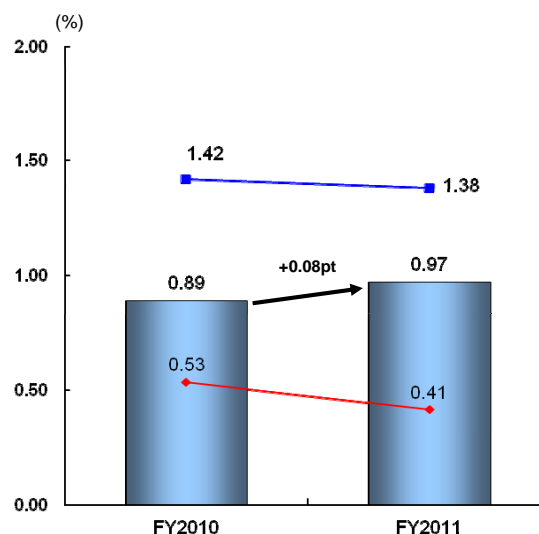
*3: Net other operating income: After the above adjustments (*1 and *2), consists of profits and losses for bond and derivative dealing transactions.

● Core profit

Profits and losses exclude net other operating income, which includes those on bond and derivative dealing transactions, and stands for Sony Bank's basic profits.

<Reference> Interest Spread (Managerial Accounting Basis)

■ Yield on investment ■ Yield on financing
■ Interest spread



Note: Interest spread=(Yield on investment)-(Yield on financing)

Yield on investment includes primarily gains or losses from currency swap transactions in net other operating income.

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

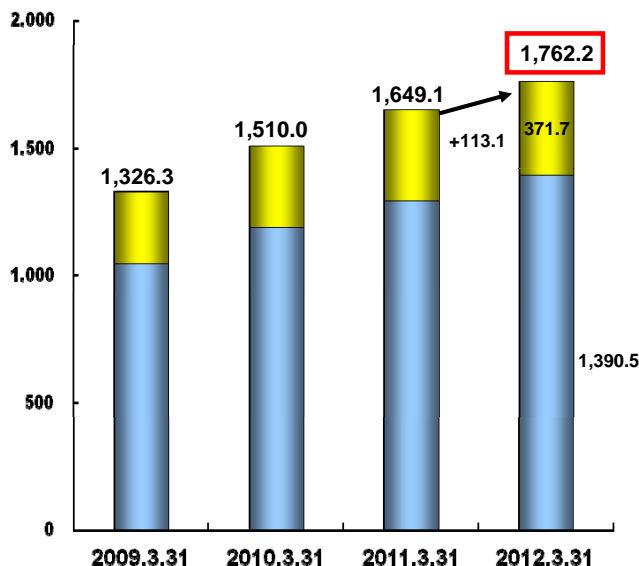
24

Operating Performance: Sony Bank (Non-consolidated) (1)

Deposits

■ Yen deposits ■ Foreign currency deposits

(Billions of yen)

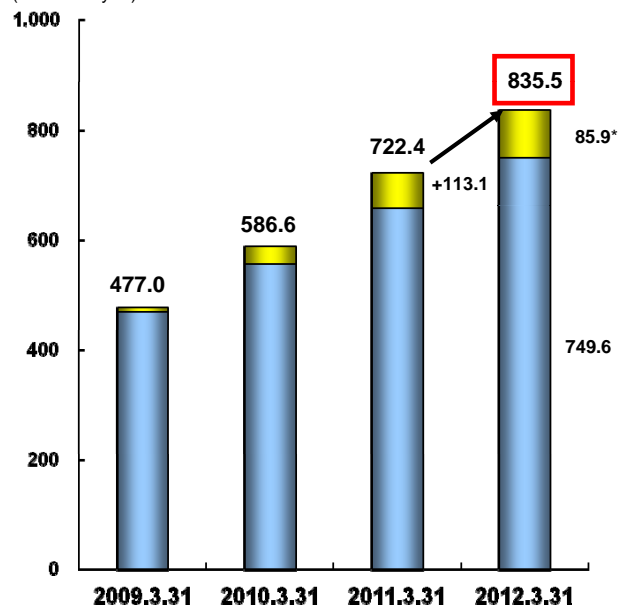


Loans

■ Mortgage loans ■ Others

*Including corporate loans of ¥78.7 billion.

(Billions of yen)



Line item amounts are truncated below ¥100 million

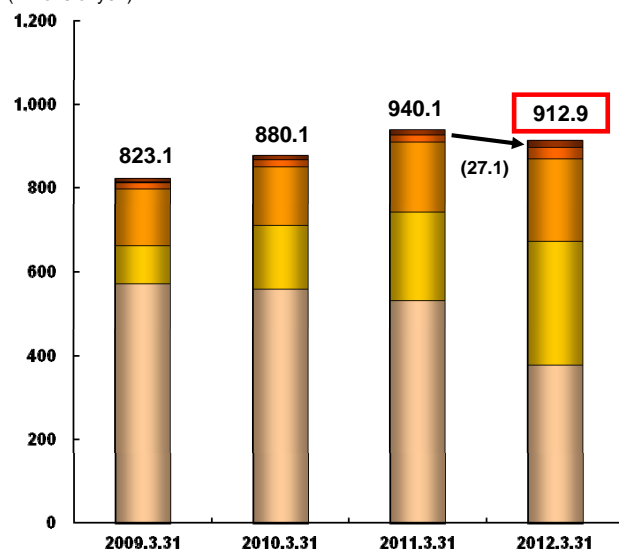
25

Operating Performance: Sony Bank (Non-consolidated) (2)

Balance of Securities by Credit Ratings

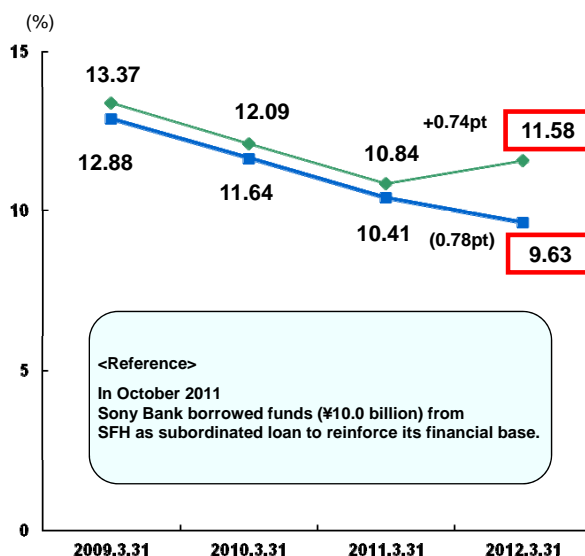
■ AAA ■ AA ■ A
■ BBB ■ Other

(Billions of yen)



Non-Consolidated Capital Adequacy Ratio (Domestic Criteria)

— Capital Adequacy Ratio — Tier1 Ratio



<Reference>

In October 2011
Sony Bank borrowed funds (¥10.0 billion) from
SFH as subordinated loan to reinforce its financial base.

* Sony Bank's non-consolidated capital adequacy ratio was calculated based on the standard stipulated by Article 14-2 of the Banking Act, in accordance with FSA Notification No. 19 (2006). The capital adequacy ratio newly adopted the special exception of the standard mentioned above, in accordance with the FSA Notification No. 79 (2008).

Amounts are truncated below ¥100 million.

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Consolidated Financial Forecast for the Year Ending March 31, 2013

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Consolidated Financial Forecast for the Year Ending March 31, 2013

■ Consolidated financial forecast for the year ending March 31, 2013

| (Billions of yen) | FY2011 Actual | FY2012 Forecast | Change |
|---------------------------------------|------------------|--------------------|---------|
| Consolidated ordinary revenues | 1,078.0 | 1,115.0 | +3.4% |
| Life insurance business | 967.5 | 994.5 | +2.8% |
| Non-life insurance business | 80.0 | 86.8 | +8.4% |
| Banking business | 32.5 | 34.5 | +6.0% |
| Consolidated ordinary profit | 74.6 | 67.0 | (10.2%) |
| Life insurance business | 68.1 | 61.5 | (9.8%) |
| Non-life insurance business | 2.8 | 2.6 | (9.1%) |
| Banking business | 3.4 | 3.6 | +3.9% |
| Consolidated net income | 32.8 | 37.0 | +12.8% |

■ Life insurance business

Ordinary revenues for FY2012 are expected to increase year on year. In the current fiscal year, we do not expect to record an increase in investment income that we posted at the previous year-end due to the market, although we do anticipate that income from insurance premiums will increase in line with steady growth of the policy amount in force.

Ordinary profit is expected to decrease, since we do not anticipate the profit recorded in the previous fiscal year. In the previous fiscal year, Sony Life recorded a profit due to lower insurance claims and other payments relating to the Great East Japan Earthquake than we had estimated at the end of March 2011, as well as gains on sale of securities, reflecting the process of shifting bond holdings to ultralong-term bonds. However, we do not anticipate such gains for FY2012.

■ Non-life insurance business

Ordinary revenues for FY2012 are expected to increase year on year, owing to an increase in net premiums written, primarily for automobile insurance.

Ordinary profit is expected to slightly decrease, mainly because we expect the loss ratio to stay at a high level and the expense ratio to slightly increase resulting from an increase in system-related expenses.

■ Banking Business

Ordinary revenues for FY2012 are expected to rise year on year, owing mainly to a growing balance of loans, especially mortgages.

Ordinary profit is expected to rise, as we anticipate a steady increase in gross operating profit, driven by business expansion.

<Reference>

Consolidated financial results for the year ended March 31, 2012

| | FY2011 Original Forecast (Announced on May 20, 2011) | FY2011 Revised Forecast (Announced on Feb. 2, 2012) | FY2011 Actual |
|---------------------------------------|--|--|------------------|
| (Billions of yen) | | | |
| Consolidated ordinary revenues | 1,022.0 | 1,047.0 | 1,078.0 |
| Consolidated ordinary profit | 59.0 | 67.0 | 74.6 |
| Consolidated net income | 29.0 | 29.0 | 32.8 |

<Reasons for the revision of the forecast>

- In the life insurance business, insurance claims and other payments relating to the Great East Japan Earthquake were lower than we had estimated at the end of March 2011.

- Also in the life insurance business, gains on sale of securities, reflecting the process of shifting its bond holdings to ultralong-term bonds, were recorded.

<Reason for a change from the revised forecast>

- Due to the market recovery for the forth quarter.

(Amounts are truncated below ¥100 million; percentage changes are rounded.)

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Dividend Policies

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Dividend Policies

■ Basic Policy on Returns to Shareholders and Dividends

SFH places priority on returning profits to shareholders and raising return on equity. Our basic policy is to pay a stable dividend to shareholders while ensuring the high financial soundness needed to gain and maintain the confidence of the customers of the group companies as well as the internal reserves needed for future business development.

■ Consolidated Net Income and Dividend Result/Forecast

| | FY2010 | FY2011 |
|-------------------------|---------------|----------------------|
| Consolidated net income | ¥41.7 billion | ¥32.8 billion |
| Annual dividend amount | ¥8.7 billion | ¥8.7 billion |
| Dividend per share | ¥20 | ¥20 |

*Amounts are truncated below ¥100 million.

We have not decided the level of the annual cash dividend per share for FY2012. We will consider this level, taking future operating performance into account.

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Sony Life's Preliminary MCEV as of March 31, 2012, and Risk Amount Based on Economic Value

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Sony Life's Preliminary MCEV as of March 31, 2012, and Risk Amount Based on Economic Value

MCEV results [Preliminary]

(Billions of yen)

| | 2011.3.31 (Interest swap rate) | 2011.3.31 (JGB yield) | 2012.3.31 (JGB yield) | Change 2011.3.31 (JGB yield) vs. 2012.3.31 (JGB yield) |
|-------------------------------------|-----------------------------------|--------------------------|--------------------------|--|
| MCEV | 853.6 | 913.5 | 1,041.5 | +128.1 |
| Adjusted net worth | 230.3 | 230.3 | 409.2 | +178.9 |
| Value of existing business | 623.3 | 683.2 | 632.4 | (50.8) |
| Of which, new business value | 56.8 | 61.7 | 65.2 | +3.5 |

- ◆ The value of existing business as of March 31, 2012, was down year on year, due mainly to a decline in ultralong-term interest rates, which offset the positive impact of the addition of new business and a reduction in the corporate tax rate. On the other hand, adjusted net worth as of March 31, 2012, was up, due primarily to an increase in prices of ultralong-term JGBs held from an ALM perspective. Consequently, MCEV as of March 31, 2012, was up from a year earlier.
- ◆ Sony Life used JGB yields as the risk-free rate when calculating MCEV as of March 31, 2012, rather than interest swap rates, which were used previously, as JGBs are considered securities with the lowest credit risk. JGBs are also regarded as superior yen-denominated liabilities in terms of investment availability in keeping with accounting and regulatory constraints and ultralong-term liquidity.
- ◆ The risk amount based on economic value (after tax) as of March 31, 2012, was **¥551.5 billion**. The risk amount based on economic value refers to the total amount of Sony Life's risks, comprehensively examined and including insurance underwriting risk and market risk. Sony Life ensures financial soundness by keeping these risks within a proper level of MCEV, which is capital based on economic value.

Note: Measurement of risk based on economic value takes one-year VaR to be 99.5% and is measured using an internal model that refers to the EU Solvency II (QIS5) standard model.

* Please keep in mind that the validity of these calculations has not been verified by outside specialists. The calculation of MCEV as of March 31, 2012, in accordance with the MCEV principles and verified by outside specialists, is scheduled to be announced on May 25, 2012.

*Amounts are truncated below ¥100 million.

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Appendix

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Negative impact from the Great East Japan Earthquake (Appendix)

■ Positive impact on FY11 consolidated ordinary profit of the Great East Japan Earthquake: ¥3.9 billion

(Principal Impact on Each Business)

Life Insurance Business

- Profit recorded as insurance claims and other payments relating to the Great East Japan Earthquake were lower than we had estimated as of the end of the previous fiscal year: ¥3.9 billion

Non-life Insurance Business

- Temporally slowdown in the sales of automobile insurance policies in April has recovered from May onward due to the brisk sales. The sales target of the new policies are back on track from the original projection

Banking Business

- Loan losses on mortgage loans in stricken region were limited to the operating results

■ Negative impact on FY10 consolidated ordinary profit of the Great East Japan Earthquake : ¥5.5 billion

(Principal Impact on Each Business)

Life Insurance Business

- Insurance claims and other payments (including provision for reserve for outstanding claims): ¥5.4 billion

Non-life Insurance Business

- Mainstay automobile insurance exempt from earthquakes and tsunamis

Banking Business

- Increased allowance for mortgage loans in stricken region

*Amounts are truncated below ¥100 million

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Recent Topics 1

AEGON SONY LIFE INSURANCE Sales Update

Launch of sales: December 1, 2009

Common stock: ¥20 billion (including capital surplus of ¥10 billion)

Equity ownership: Sony Life Insurance Co., Ltd. 50%, AEGON International B.V. 50%

Marketing products: Variable Individual Annuity (2 types, 3 products)

Sales Channels: Lifeplanner sales employees and affiliated Banks (8*) As of May 18, 2012

Financial Highlights for FY2011:

Number of new policies: 2,498, New policy amount: ¥17.5 billion

(Number of policies in force: 3,669 policies, Policy amount in force: ¥30.4 billion As of March 31, 2012)



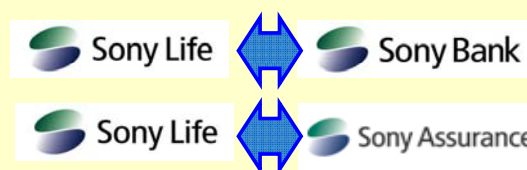
*Amounts are truncated below ¥100 million.

Sony Bank's Mortgage Loans through Sony Life

Sony Life accounts for 25% of the balance of mortgage loans as of March 31, 2012

Sony Life accounts for 27% of the amount of new mortgage loans for FY2011

*Sony Life started handling banking agency business in January 2008.



Sony Assurance's Auto Insurance Sold by Sony Life

Sony Life accounts for approx. 5% of new automobile policies for FY2011

* Sony Life started handling automobile insurance in May 2001.

"Lifeplanner" is a registered trademark of Sony Life Insurance Co., Ltd.

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Recent Topics 2

<Highlights for FY2011>

- Apr. 1, 2011 Non-Life Sony Assurance declared conformity with the ISO 10002 International Standard for Complaints Management Systems
- Apr. 28, 2011 Non-Life Sony Assurance began offering a free application, "Trouble Navigation" to smart phone users
- May 1, 2011 Banking Sony Bank entered credit card business; began issuing "Sony Card"
- May 2, 2011 Life Sony Life began sales of new income protection insurance to cover three major diseases (Type II)
- May 16, 2011 Banking Sony Bank began offering Brazilian real for foreign currency deposits
- July 1, 2011 Banking Sony Bank acquired a 57% equity interest in SmartLink Network, Inc., an industry-leading provider of credit card settlement services
- Aug. 3, 2011 Non-Life Sony Assurance began offering a free application, "Drivers' Navigation" to smart phone users
- Aug. 8, 2011 Banking Sony Bank began offering new mortgage loan, "Variable Select Mortgage Loan"
- Aug. 22, 2011 Banking Sony Bank opened representative office in Sydney
- Aug. 31, 2011 Non-Life Sony Assurance became the first company to receive Eco Mark Certification in automobile insurance
- Oct. 25, 2011 Holdings Sony Financial Holdings issued No. 1 unsecured corporate bonds
- Nov. 2, 2011 Life Sony Life began offering new product: Cancer Drug Therapy Rider
- Mar. 1, 2012 Non-Life Sony Assurance acquired a part of shares and share options in Anicom Holdings, Inc.

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<Basic Policy>

- Continue to invest in ultralong-term bonds from the ALM perspective, with the aim of stable growth of MCEV
- Carefully Invest in risk assets

| (Billions of yen) | Results for FY2011 / YoY change | | Plans for FY2012 |
|-------------------|---------------------------------|--------|------------------|
| Japanese stocks | 36.6 | (21.6) | Flat |
| JGBs, other bonds | 4,417.8 | +667.8 | Increase |
| Foreign stocks | 26.8 | +0.3 | Flat |
| Foreign bonds | 62.3 | +14.0 | Flat |
| Real estates | 79.9 | (1.4) | Flat |

*Amounts are truncated below ¥100 million.

Sony Life: Fair Value Information on Securities (General Account Assets)

Fair Value Information on Securities

●Fair value information on securities with market value (except trading-purpose securities)

(Billions of yen)

| | 2011.3.31 | | | 2011.6.30 | | | 2011.9.30 | | | 2011.12.31 | | | 2012.3.31 | | |
|-------------------------------|-----------------|------------|-------------------------------|-----------------|------------|-------------------------------|-----------------|------------|-------------------------------|-----------------|------------|-------------------------------|-----------------|------------|-------------------------------|
| | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) |
| Held-to-maturity securities | 2,914.3 | 2,892.1 | (22.1) | 2,963.6 | 3,026.9 | 63.2 | 3,100.0 | 3,248.8 | 148.8 | 3,263.7 | 3,416.1 | 152.4 | 3,404.8 | 3,560.6 | 155.8 |
| Available-for-sale securities | 940.1 | 964.3 | 24.2 | 969.1 | 1,011.4 | 42.3 | 964.7 | 1,020.8 | 56.0 | 901.7 | 955.6 | 53.8 | 895.1 | 956.1 | 40.9 |
| Domestic bonds | 884.4 | 904.1 | 19.7 | 909.9 | 947.5 | 37.6 | 909.8 | 964.6 | 54.7 | 848.9 | 901.2 | 52.3 | 849.1 | 902.6 | 53.4 |
| Domestic stocks | 49.8 | 53.7 | 3.8 | 47.4 | 51.9 | 4.4 | 36.50 | 37.8 | 1.2 | 34.5 | 35.3 | 0.7 | 29.1 | 34.9 | 5.8 |
| Foreign securities | 1.9 | 1.8 | (0.0) | 10.3 | 10.2 | (0.1) | 16.9 | 16.8 | (0.1) | 16.9 | 17.5 | 0.6 | 15.3 | 16.7 | 1.3 |
| Other securities | 3.8 | 4.6 | 0.7 | 1.3 | 1.7 | 0.3 | 1.3 | 1.5 | 0.1 | 1.3 | 1.4 | 0.1 | 1.4 | 1.7 | 0.2 |
| Total | 3,854.4 | 3,856.5 | 2.0 | 3,932.7 | 4,038.4 | 105.6 | 4,064.8 | 4,269.7 | 204.8 | 4,165.4 | 4,371.7 | 206.3 | 4,299.9 | 4,516.8 | 216.8 |

●Valuation gains (losses) on trading-purpose securities

(Billions of yen)

| 2011.3.31 | | 2011.6.30 | | 2011.9.30 | | 2011.12.31 | | 2012.3.31 | |
|----------------------|---|----------------------|---|----------------------|---|----------------------|---|----------------------|---|
| Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income |
| — | — | — | — | — | — | — | — | — | — |

Note: Line item amounts are truncated below ¥100 million.

Sony Life's Breakdown of Net Assets

Net Assets on BS, Real Net Assets and Solvency Margin

| (Billions of yen) | ① Net Assets (B/S) | | ② Real Net Assets | | ③ Solvency Margin | | Notes |
|--|--------------------|-----------|-------------------|-----------|-------------------|-----------|--|
| | 2011.3.31 | 2012.3.31 | 2011.3.31 | 2012.3.31 | 2011.3.31 | 2012.3.31 | |
| Total shareholders' equity | 209.8 | 232.2 | 209.8 | 232.2 | 200.7 | 223.1 | ③ After estimated distributed income deducted |
| Net unrealized gains on other securities, net of taxes | 7.0 | 34.0 | 7.0 | 34.0 | — | — | |
| Net unrealized gains (losses) on available-for-sale securities | — | — | — | — | 20.8 | 54.6 | ③ Before tax x 90% |
| Land revaluation, net of taxes | (1.4) | (1.3) | (1.4) | (1.3) | — | — | |
| Reserve for price fluctuations | — | — | 16.7 | 25.3 | 16.7 | 25.3 | |
| Contingency reserve | — | — | 51.5 | 55.3 | 51.5 | 55.3 | |
| Reserve for possible loan losses | — | — | — | — | 0.0 | 0.0 | |
| Net unrealized gains on real estate | — | — | 1.9 | 0.6 | 1.0 | (0.1) | ② Before tax (After revaluation) ③ Before tax (Before revaluation) X85% (X100% if losses) |
| Excess amount of policy reserves based on Zillmer method | — | — | 334.2 | 350.4 | 270.2 | 304.4 | After excluding non-include amount |
| Unallotted portion of reserve for policyholders' dividends | — | — | 1.1 | 0.7 | 1.1 | 0.7 | |
| Future profits | — | — | — | — | — | — | |
| Deferred tax assets | — | — | — | — | 63.3 | 58.7 | |
| Unrealized gains (losses) on held-to-maturity bonds | — | — | (22.1) | 155.8 | — | — | ② Before tax |
| Deferred tax liabilities for available-for-sale securities | — | — | 8.0 | 18.3 | — | — | |
| Total | 215.3 | 264.8 | 606.9 | 871.4 | 625.7 | 722.1 | |

Note: Real net assets excluding net unrealized gains (losses) on held-to-maturity securities and on policy reserve matching bonds, are ¥629.1 billion as of March 31, 2011 and ¥715.5 billion as of March 31, 2012.

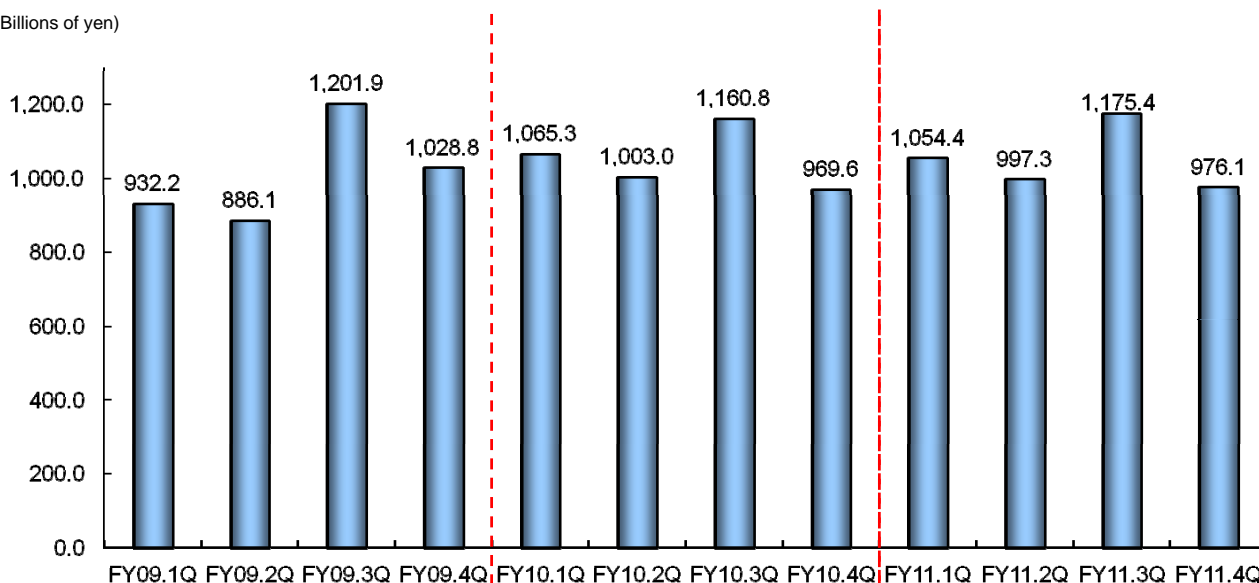
Amounts are truncated below ¥100 million.

Sony Life: New Policy Amount (quarterly trend)

New Policy Amount (quarterly trend)

■ New Policy Amount

(Billions of yen)



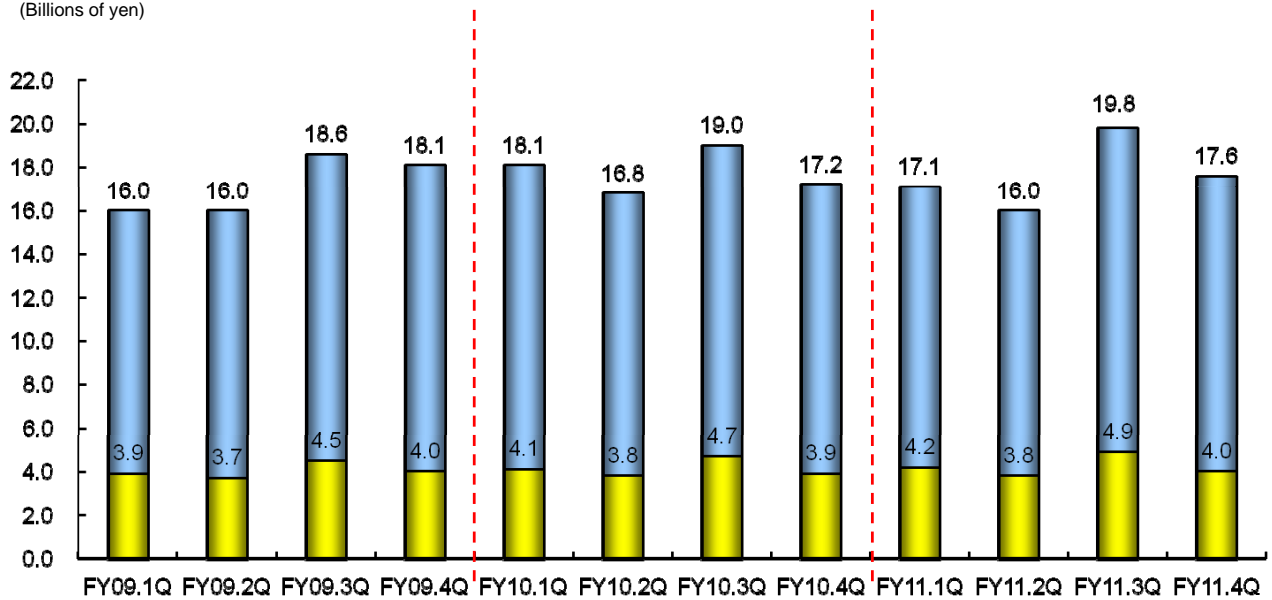
Amounts are truncated below ¥100 million.

Sony Life: Annualized Premiums from New Policies (quarterly trend)

Annualized Premiums from New Policies (quarterly trend)

■ Annualized Premiums from New Policies ■ Of which, Third-sector insurance

(Billions of yen)



Amounts are truncated below ¥100 million.



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