

Presentation Materials

FY2008 First Quarter Consolidated Financial Results

**Sony Financial Holdings Inc.
August 13, 2008**

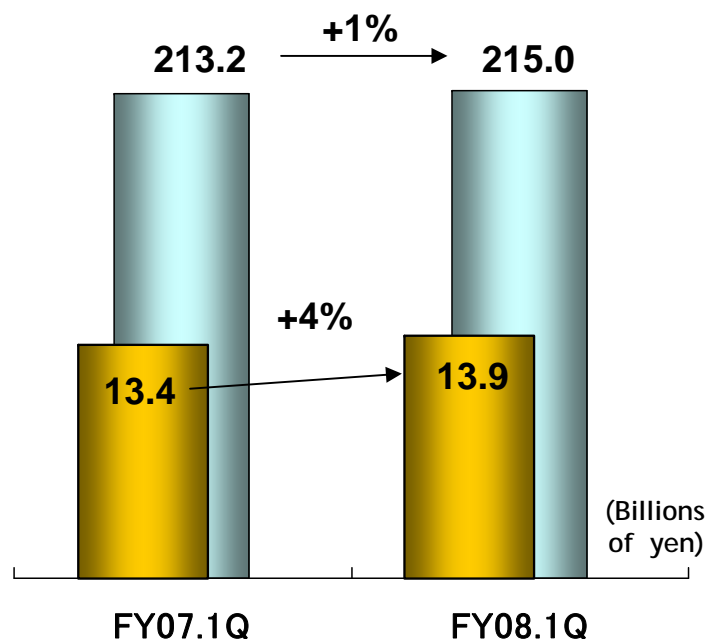
Disclaimers:

These presentation materials contain 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,” “possibility” and similar words 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.

Highlights of Group Consolidated Operating Performance for FY2008 1Q



■ Ordinary revenues ■ Ordinary profit



(Billions of yen)		FY2007 1Q	FY2008 1Q	Change	
				Change	%
Life insurance business	Ordinary revenues	193.9	190.9	-3.0	-2%
	Ordinary profit	12.2	12.3	+0.1	+1%
Non-life insurance business	Ordinary revenues	14.1	15.7	+1.5	+11%
	Ordinary profit	0.6	0.4	-0.1	-24%
Banking business	Ordinary revenues	5.3	8.6	+3.2	+61%
	Ordinary profit	0.5	1.0	+0.5	+106%
Corporate and eliminations	Ordinary revenues	(0.3)	(0.2)	+0.1	-
	Ordinary profit	0.0	0.0	+0.0	+146%
SFH Group, consolidated	Ordinary revenues	213.2	215.0	+1.8	+1%
	Ordinary profit	13.4	13.9	+0.5	+4%

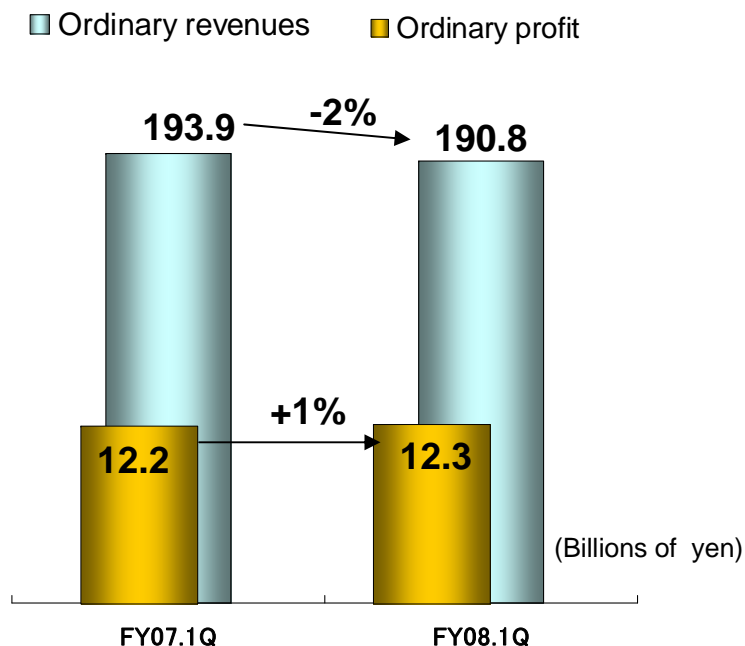
Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

Highlights of Group Consolidated Operating Performance for FY2008 1Q



- In the life insurance business, ordinary revenues fell, as gains on separate accounts (net) decreased, despite income from insurance premiums increased associated with a higher policy amount in force. Ordinary profit was almost flat as increases in income from insurance premiums and in interest and dividend income offset the decrease in gains on sale of securities.
- In the non-life insurance business, ordinary revenues increased due to favorable performance in its mainstay automobile insurance, which raised net premiums written. Ordinary profit declined owing primarily to an increase in operating expenses.
- In the banking business, both ordinary revenues and ordinary profits increased mainly due to higher net interest income, in line with the bank's business expansion.
- Consolidated ordinary revenues was almost flat (up 1%) compared with the same period of the previous fiscal year, to ¥215.0 billion. Consolidated ordinary profit increased 4% to ¥13.9 billion. Net income grew 7% to ¥7.8 billion.

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



Sony Life

- ◆ Ordinary revenues fell but ordinary profit rose compared to FY07.1Q
- ◆ New policy amount rose 3% compared with FY07 1Q
- ◆ Income from insurance premiums increased, in line with steady growth in policy amount in force
- ◆ As for investment income, interest and dividend income increased in general account assets
- ◆ Core profit amounted to ¥9.3 billion
- ◆ The lapse and surrender rate rose 0.03 percentage point year on year, to 1.59%

Note: Each figure for new policy amount, policy amount in force and lapse and surrender rate is calculated as the total of individual life insurance and individual annuities.

The lapse and surrender rate is calculated without offsetting policies that are reinstated.

(Billions of yen)	FY2007 1Q	FY2008 1Q	Change	
			Change	%
Ordinary revenues	193.9	190.8	-3.0	-2%
Income from insurance premiums	158.1	162.5	+4.4	+3%
Investment income	34.3	27.5	-6.8	-20%
Ordinary expenses	181.6	178.5	-3.1	-2%
Insurance claims and other payments	62.4	60.9	-1.4	-2%
Provision for policy reserve and others	89.9	89.4	-0.4	-1%
Investment expenses	4.6	2.6	-1.9	-42%
Operating expenses	22.3	22.7	+0.3	+2%
Ordinary profit	12.2	12.3	+0.0	+1%
Net income	6.4	7.0	+0.6	+9%

(Billions of yen)	07.6.30	08.3.31	08.6.30	Change from 08.3.31	
Securities	2,425.5	2,388.9	2,428.3	+39.3	+2%
Policy reserve	3,178.8	3,375.0	3,462.6	+87.5	+3%
Total net assets	216.1	182.6	168.7	-13.8	-8%
Total assets	3,522.5	3,659.7	3,724.5	+64.7	+2%
Of which, Separate account assets	348.9	321.7	336.8	+15.1	+5%

The figures above are on a non-consolidated basis.

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

Overview of Performance: Sony Life (Non-Consolidated)



(Billions of yen)

	FY2007 1Q	FY2008 1Q	Percentage change
New policy amount^{*1}	972.4	1,004.2	+3%
Annualized premiums from new policies^{*1}	15.8	16.2	+2%
Of which, third-sector products	3.4	3.5	+1%
Investment profit	29.7	24.8	-16%
Core profit	7.0	9.3	+33%
Negative spread	8.1	6.1	-25%
Lapse and surrender rate^{*1,*2}	1.56%	1.59%	+0.03pt

(Billions of yen)

	07.6.30	08.3.31	08.6.30	Change from 07.6.30	
Policy amount in force^{*1}	30,592.2	31,497.3	31,833.2	+1,239.9	+4%
Annualized premiums from insurance in force^{*1}	510.9	530.0	536.0	+25.1	+5%
Of which, third-sector products	119.3	122.8	123.6	+4.2	+4%

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

Notes:

*1 Each figure of new policy amount, annualized premiums from new policies, policy amount in force, annualized premiums from insurance in force and lapse and surrender rate is calculated as the total of individual life insurance and individual annuities.

*2 The lapse and surrender rate is calculated without offsetting policies that are reinstated.

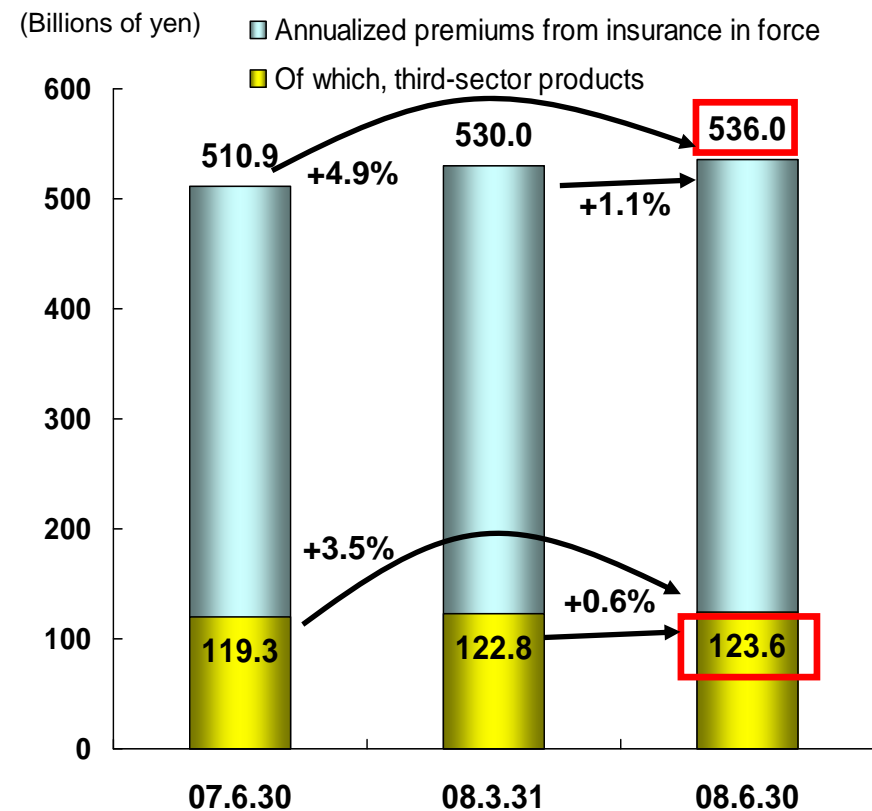
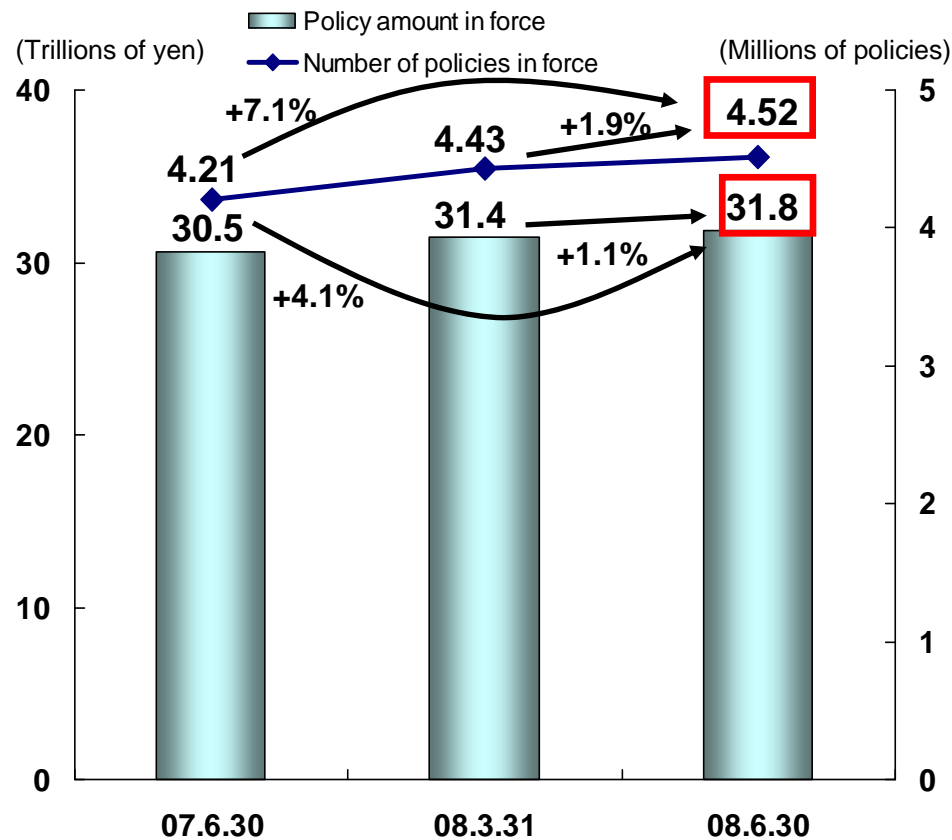
Sony Life Operating Performance (1)



(Billions of yen)

Policy Amount in Force
(Individual Life Insurance + Individual Annuities)

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

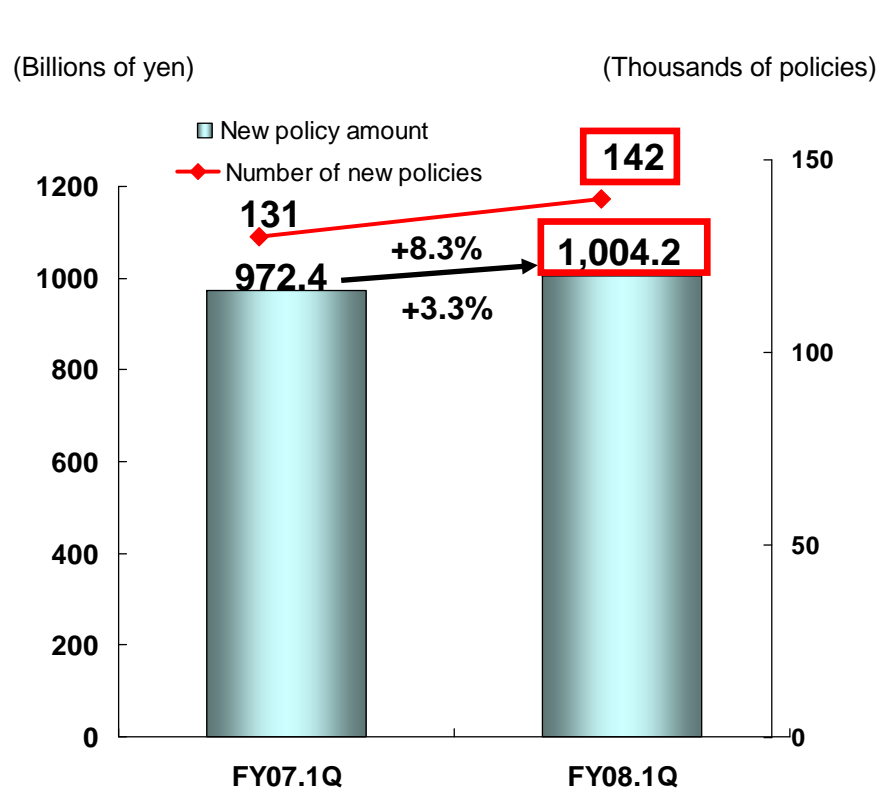


Line item amounts are truncated below ¥100 billion; numbers of policies are truncated below 10,000 policies; percentage change figures are rounded.

Line item amounts are truncated below ¥100 million.

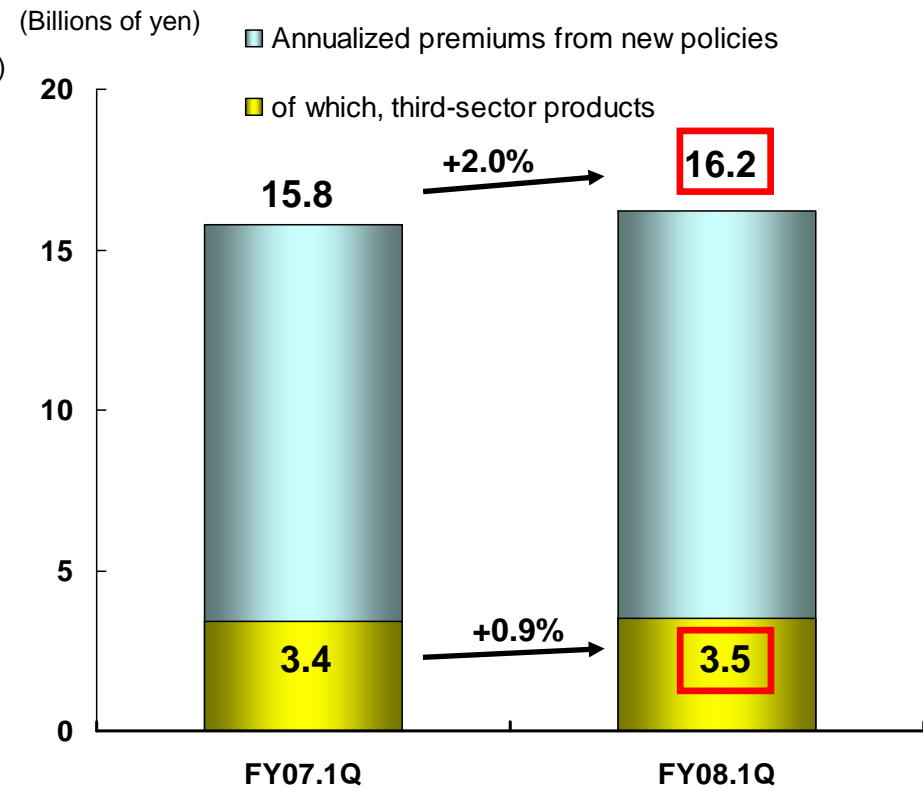
Sony Life Operating Performance (2)

New Policy Amount (Individual Life Insurance + Individual Annuities)



Line item amounts are truncated below ¥100 million; numbers of policies are truncated below 1,000 policies; percentage change figures are rounded.

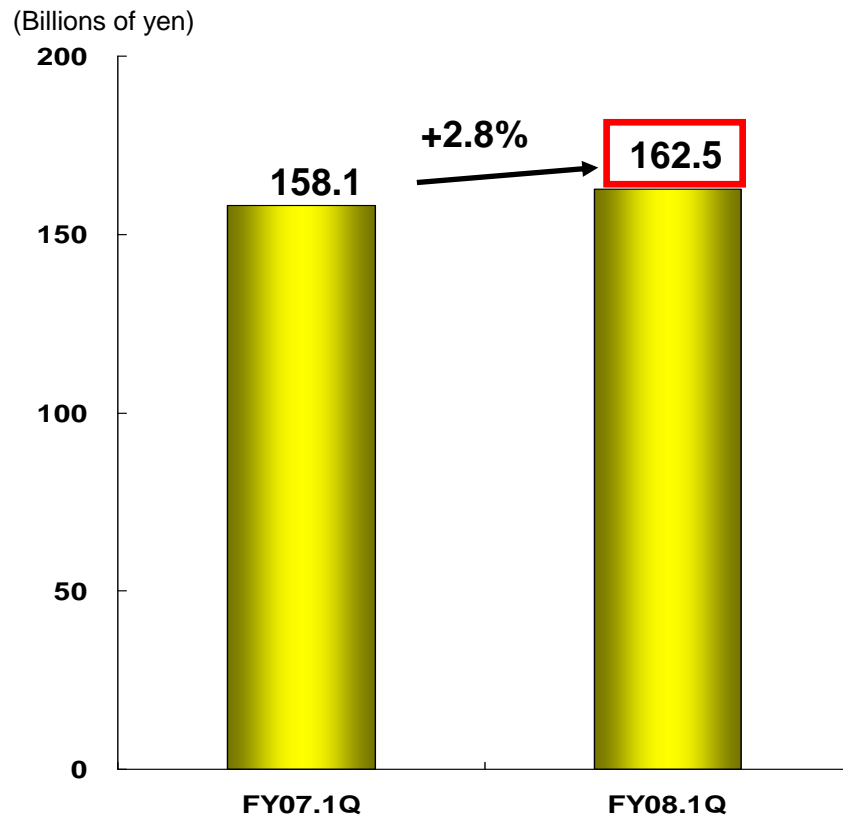
Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)



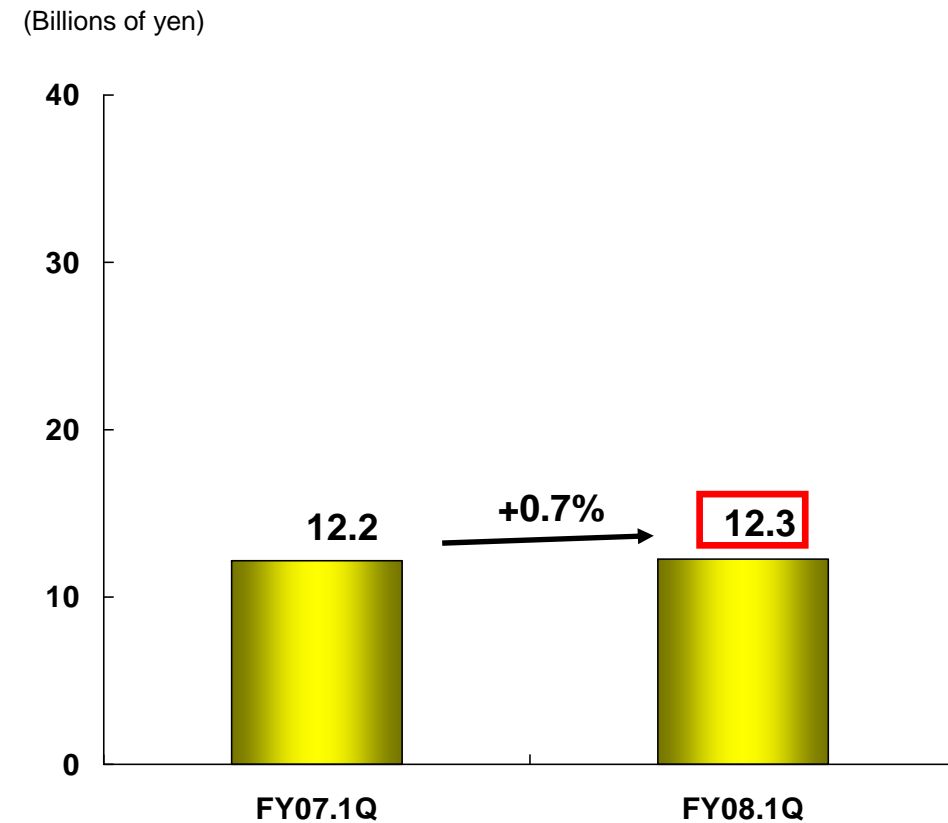
Line item amounts are truncated below ¥100 million.

Sony Life Operating Performance (3)

Income from Insurance Premiums



Ordinary Profit (Non-Consolidated)



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

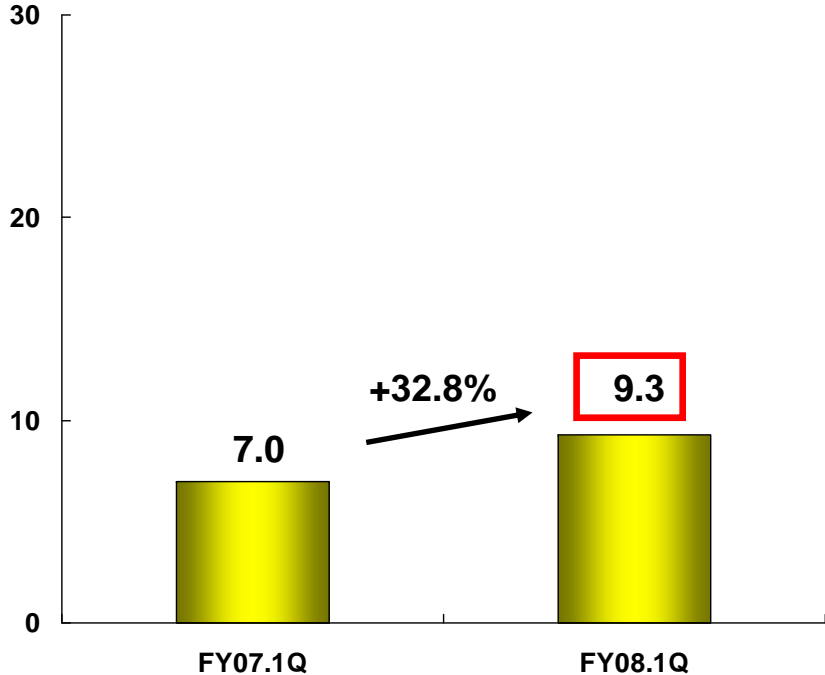
Sony Life Operating Performance (4)



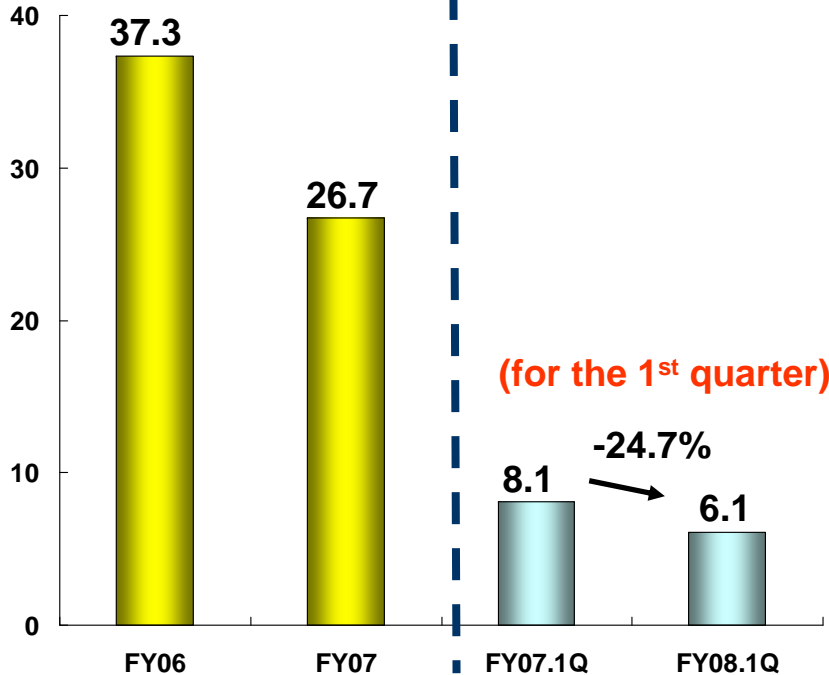
Core Profit

Negative Spread

(Billions of yen)



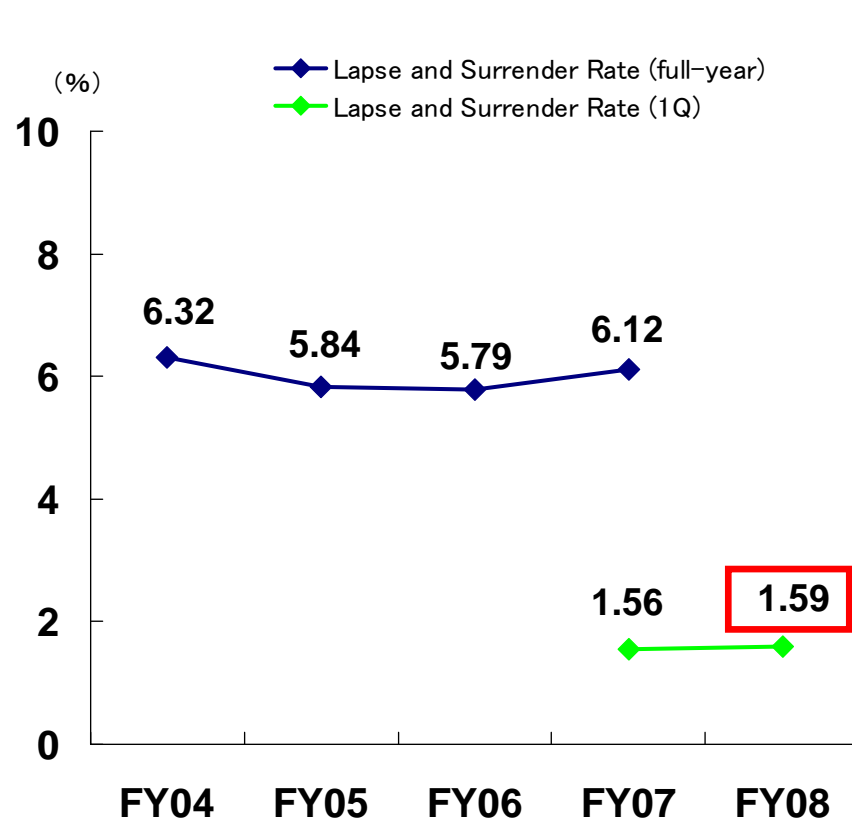
(Billions of yen)



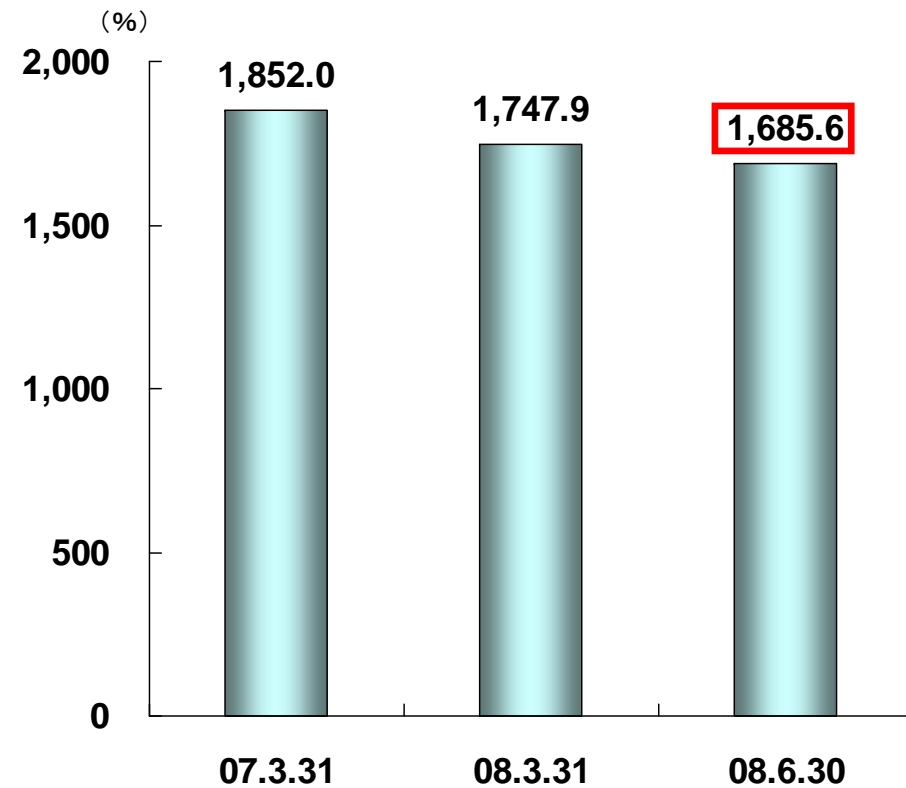
Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

Sony Life Operating Performance (5)

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



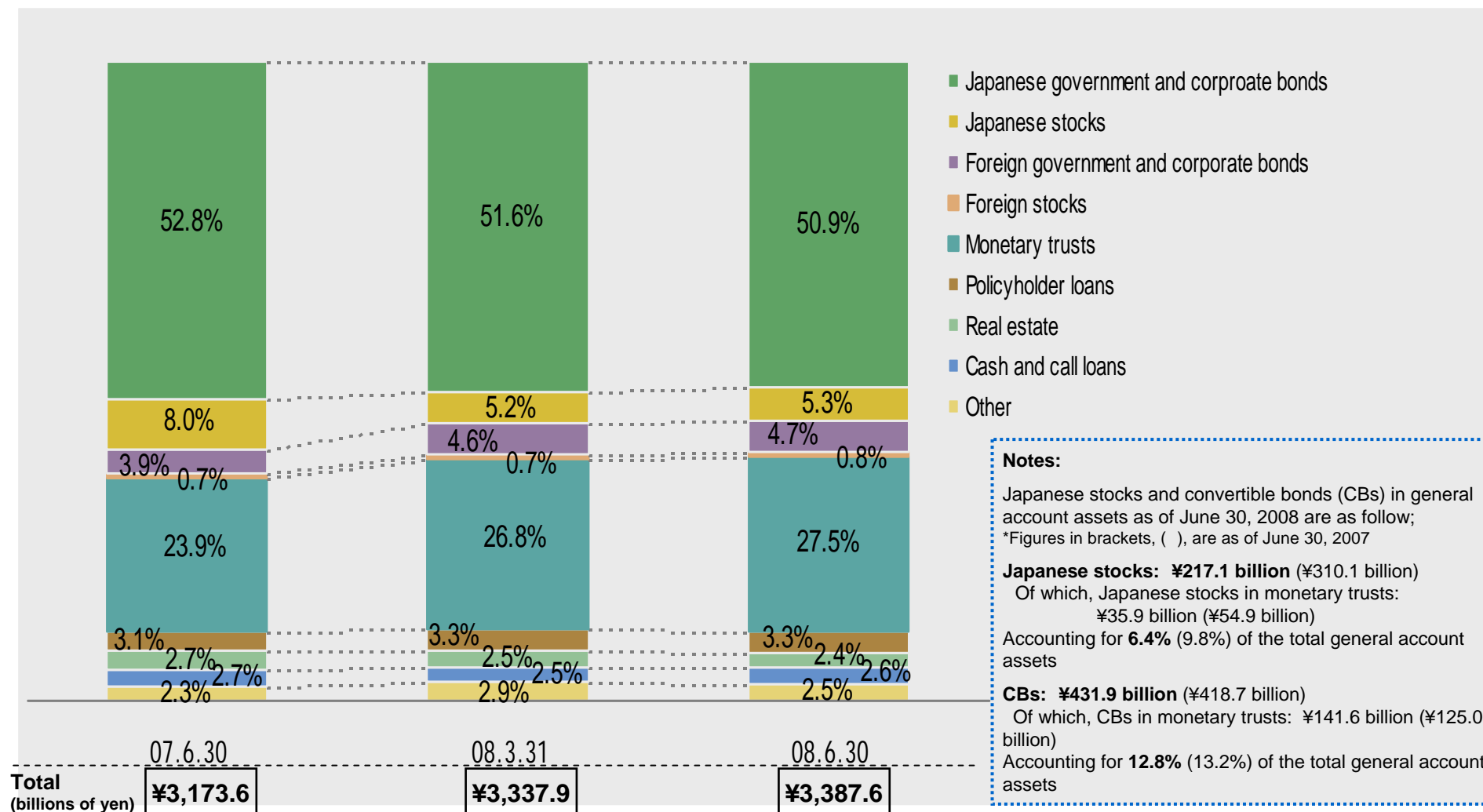
Solvency Margin Ratio



* The lapse and surrender rate is calculated without offsetting policies that are reinstated.

Sony Life Operating Performance (6)

Breakdown of General Account Assets



Sony Life Operating Performance (7)

Unrealized gains/losses on securities in general account assets

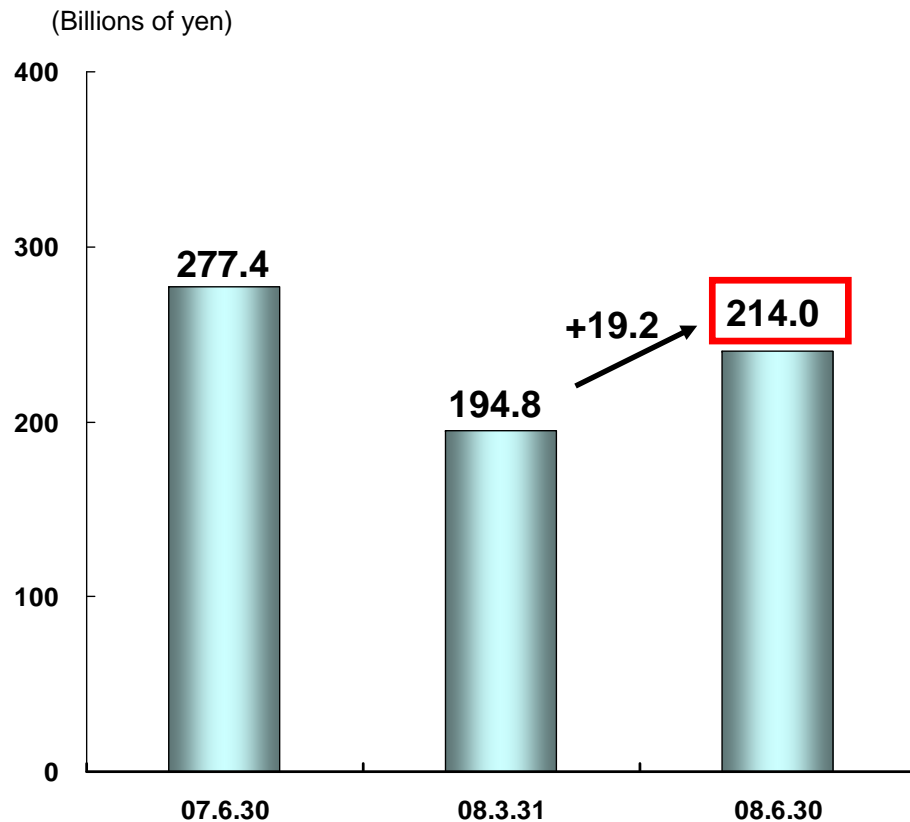
(Billions of yen)

	07.6.30	08.3.31	08.6.30	Change from 08.3.31
Japanese government and corporate bonds	39.4	83.4	28.9	-54.5
Japanese stocks	141.7	50.8	63.2	+12.3
Foreign securities	7.7	(9.5)	(5.8)	+3.6
Other securities	7.5	3.0	3.8	+0.8
Total	196.5	127.8	90.1	-37.6

Line item amounts are truncated below ¥100 million.

Sony Life Operating Performance (8)

Adjusted net worth for calculating Embedded Value



Line item amounts are truncated below ¥100 million.

(Adjusted net worth for EV is calculated as follows)

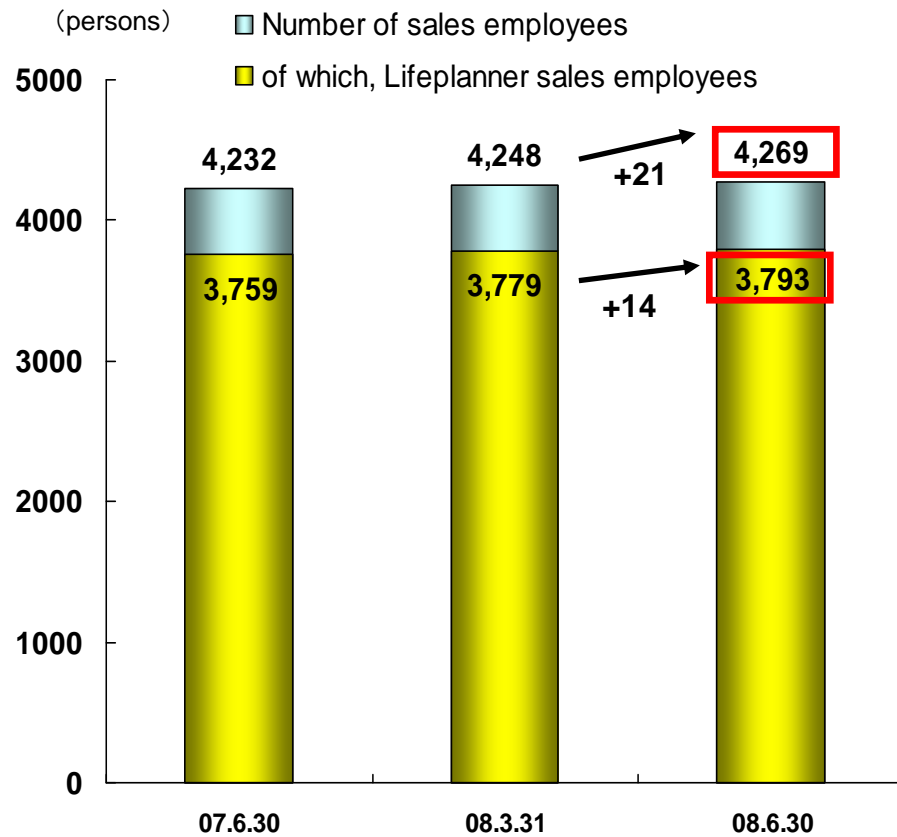
Adjusted net worth =

- (a) Total net assets in the balance sheets
(excluding net unrealized gains on bonds except for convertible and certain other bonds)
- + (b) Reserve for price fluctuations
- + (c) Contingency reserve
- + (d) Reserve for possible loan losses
- + (e) Net unrealized gains on land
- (f) Unfunded employees' retirement benefits liability
- (g) Deferred tax assets for (b), (c), (d), (e), and (f).

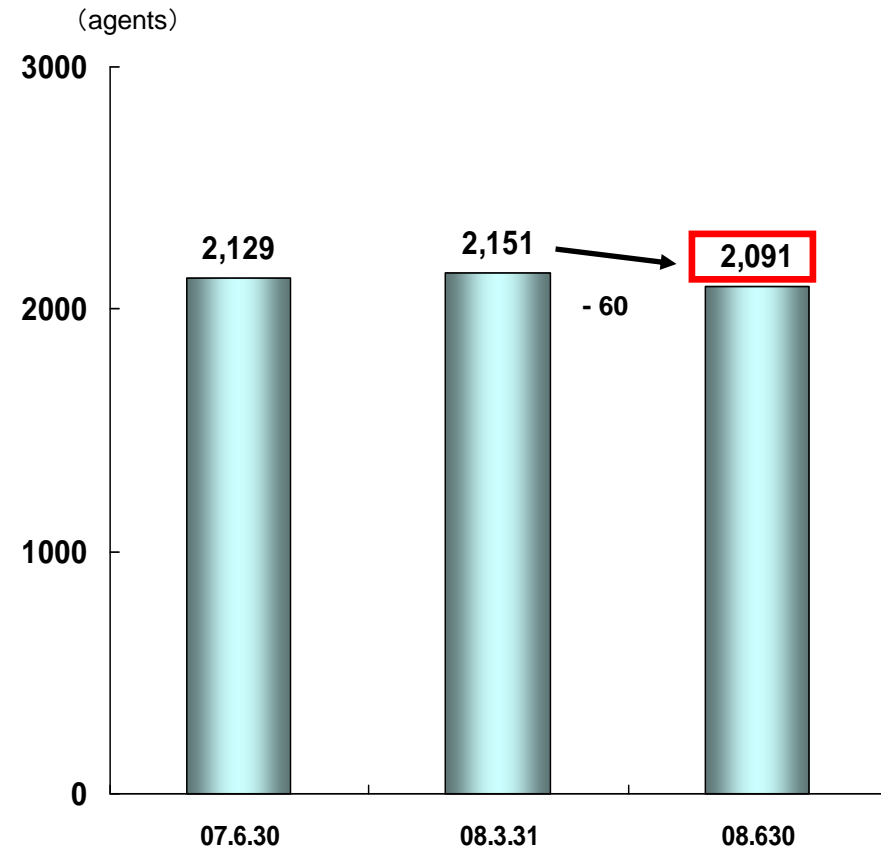
Embedded value (EV) is calculated as the sum of the above-mentioned "adjusted net worth" and "value of in-force business," the present value of future profits on in-force business. EV is regarded as one of indices used for assessing the corporate value of a life insurance company.

Sony Life Operating Performance (7)

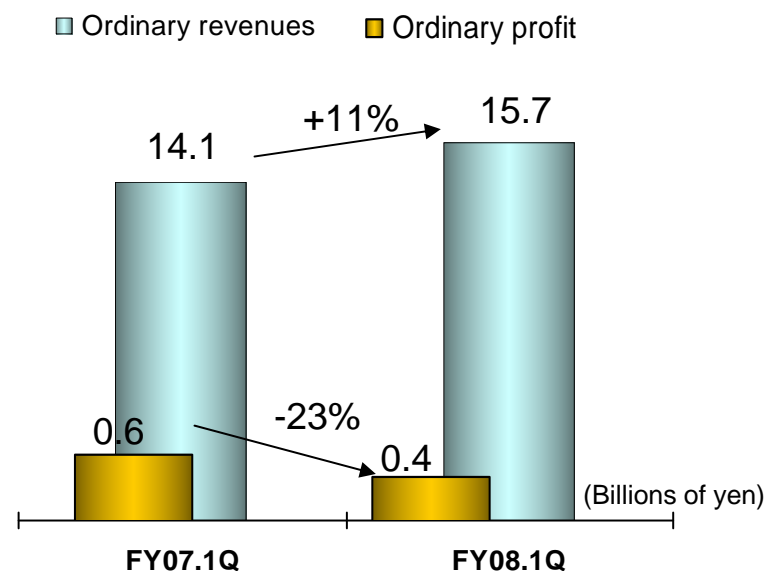
Number of Sales Employees (incl. Lifeplanner sales employees)



Number of Independent Agents



Highlights of Operating Performance: Sony Assurance



(Billions of yen)	FY2007 1Q	FY2008 1Q	Change	
			Change	%
Ordinary revenues	14.1	15.7	+1.5	+11%
Underwriting income	14.0	15.5	+1.5	+11%
Investment income	0.1	0.1	+0.0	+13%
Ordinary expenses	13.5	15.2	+1.6	+13%
Underwriting expenses	10.2	11.4	+1.2	+12%
Investment expenses	-	-	-	-
Operating, general and administrative expenses	3.2	3.7	+0.5	+5%
Ordinary profit	0.6	0.4	-0.1	-23%
Underwriting profit	0.4	0.3	-0.1	-35%
Net income	0.4	0.2	-0.1	-34%

Sony Assurance

- ◆ Ordinary revenues increased but ordinary profit dropped compared with FY07.1Q
- ◆ Ordinary revenues grew 11% year on year. Net premiums written amounted to ¥15.5 billion, owing to an increase in the number of policies in force for mainstay automobile insurance
- ◆ Ordinary profit declined due to increased operating expenses
- ◆ Combined ratio rose 2.4 percentage points, to 75.9% due to a year-on-year rise in both of net expense ratio and net loss ratio.

(Billions of yen)	07.6.30	08.3.31	08.6.30
Underwriting reserves	38.5	42.7	45.5
Total net assets	13.7	15.3	15.6
Total assets	69.6	78.6	81.4

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

Overview of Performance: Sony Assurance



(Billions of yen)

	FY2007 1Q	FY2008 1Q	Change
Direct premiums written	13.9	15.4	+11%
Net premiums written	13.9	15.5	+11%
Net losses paid	6.0	6.8	+13%
Net loss ratio	48.6%	49.8%	1.2 pt up
Net expense ratio	24.9%	26.1%	1.2 pt up
Combined ratio	73.5%	75.9%	2.4 pt up
Underwriting profits	0.4	0.3	-35%

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.

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

	07.6.30	08.3.31	08.6.30	Change from 07.6.30	
Number of policies in force	0.96 million	1.02 million	1.06 million	+0.10 million	+ 10%

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. These numbers are truncated below 10,000 policies.

Sony Assurance's Performance of Underwriting by type of policy



Direct premiums written

(millions of yen)	FY07 1Q	FY08 1Q	Change
Fire	56	68	+22%
Marine	-	-	-
Personal accident	1,546	1,630	+5%
Voluntary automobile	12,355	13,742	+11%
Compulsory automobile liability	-	-	-
Total	13,958	15,441	+11%

Net premiums written

(millions of yen)	FY07 1Q	FY08 1Q	Change
Fire	3	3	+3%
Marine	10	9	- 8%
Personal accident	1,563	1,720	+10%
Voluntary automobile	12,303	13,690	+11%
Compulsory automobile liability	113	105	- 7%
Total	13,994	15,529	+11%

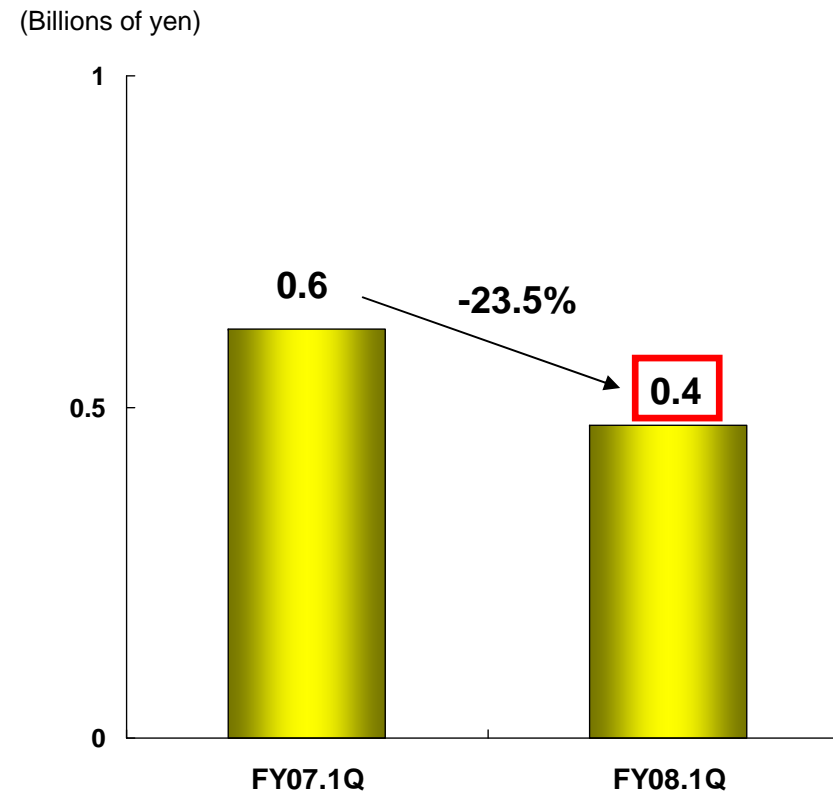
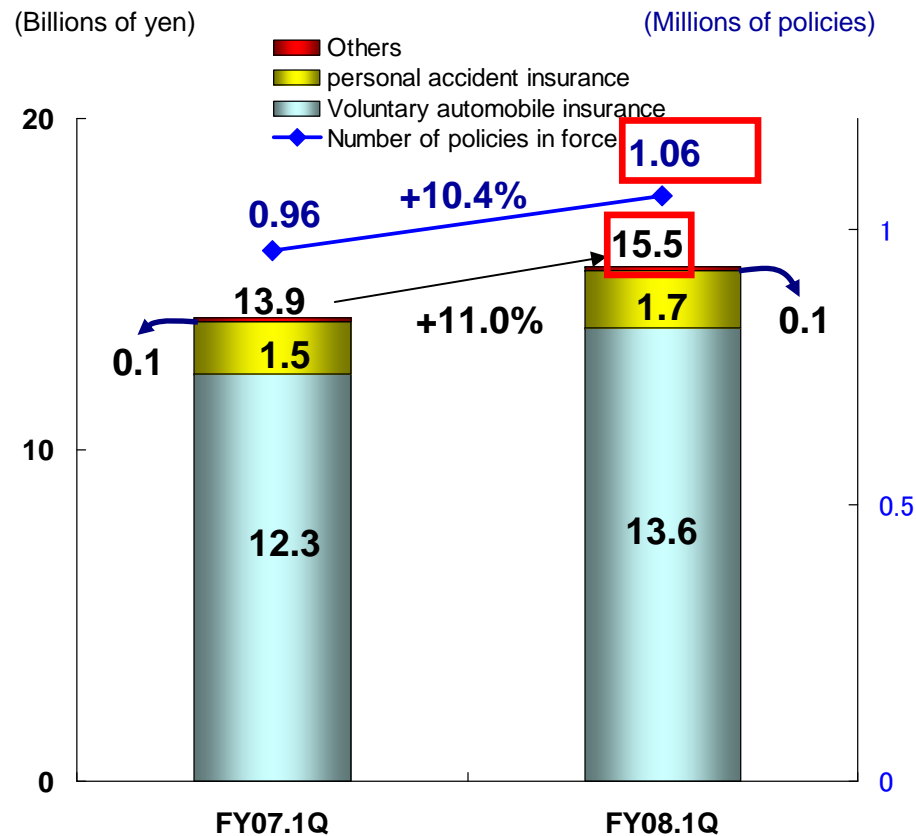
Net losses paid

(millions of yen)	FY07 1Q	FY08 1Q	Change
Fire	0	0	- 63%
Marine	5	3	- 27%
Personal accident	275	303	+10%
Voluntary automobile	5,681	6,436	+13%
Compulsory automobile liability	104	116	+11%
Total	6,067	6,859	+13%

Sony Assurance Operating Performance (1)

Net Premiums Written and Number of Policies in Force

Ordinary Profit



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. Most personal accident insurance is medical and cancer insurance.
Line item amounts are truncated below ¥100 million for net premiums written and truncated below 10,000 for the number of policies in force.

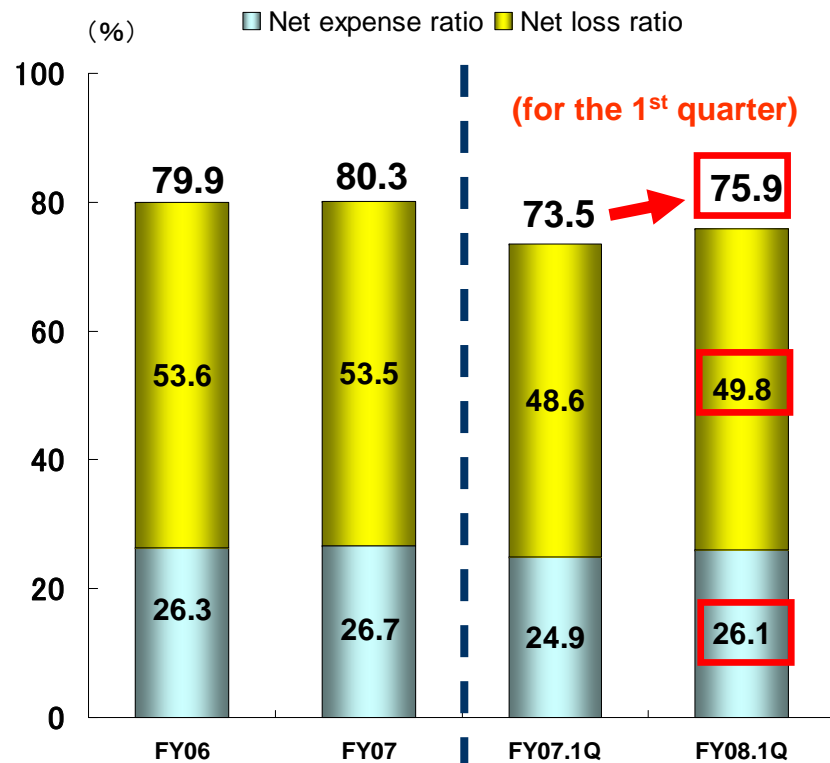
Line item amounts are truncated below ¥100 million.

Sony Assurance Operating Performance (2)



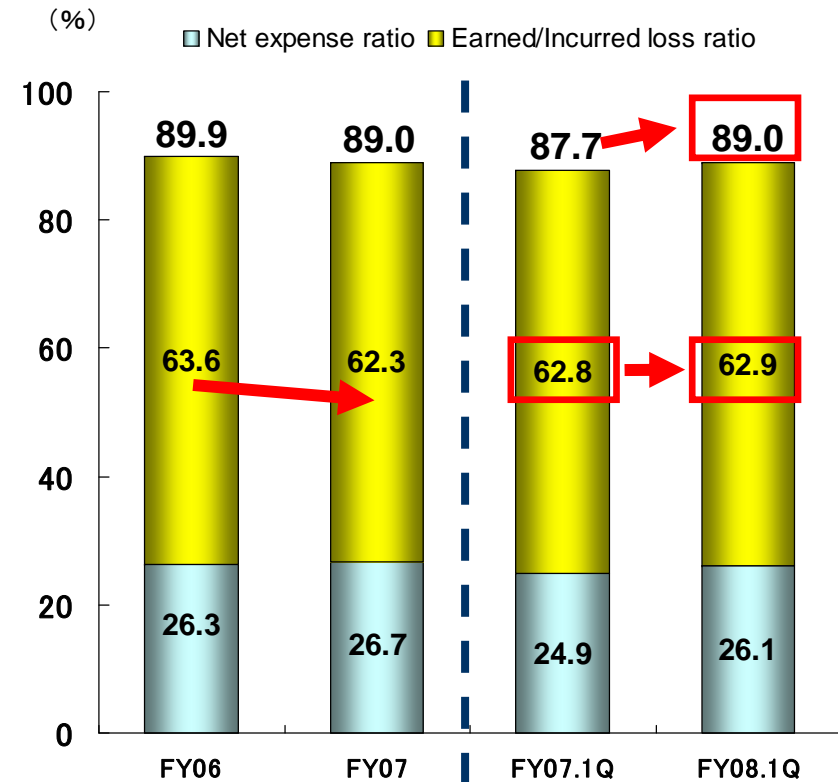
Combined ratio (Net expense ratio + Net loss ratio)

Net expense ratio + Earned/Incurred loss ratio



Net expense ratio is equal to the ratio of total underwriting costs to net premiums written

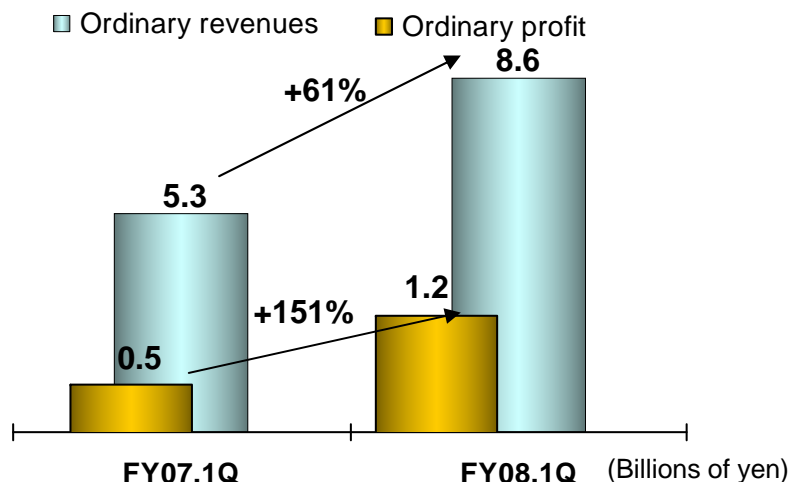
Net loss ratio is equal to the ratio of net losses paid and loss adjustment expenses to net premiums written.



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 premium.

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

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



(Billions of yen)	FY2007 1Q	FY2008 1Q	Change	
			Change	% Change
Ordinary revenues	5.3	8.6	+3.2	+61%
Gross operating profit	2.4	3.6	+1.1	+45%
Net interest income	1.3	1.0	-0.2	-17%
Net fees and commissions	0.06	0.006	-0.06	-90%
Net other operating income	1.0	2.5	+1.4	+129%
General and administrative expenses	1.9	2.3	+0.3	+18%
Ordinary profit	0.5	1.2	+0.7	+151%
Net income	0.5	0.7	+0.2	+48%
Net operating profit	0.5	1.2	+0.7	+148%

Sony Bank

- ◆ Both of ordinary revenues and ordinary profit increased, compared with FY07.1Q
- ◆ Net interest income and net other operating income increased, associated with business expansion.
- ◆ Gross operating profit totaled ¥3.6 billion; the sum of net interest income of ¥1.0 billion, net fees and commissions of ¥6.0 million and net other operating income of ¥2.5 billion.
- ◆ Net income amounted to ¥0.7 billion, up 0.2 billion year on year.
- ◆ Customer assets were up ¥99.3 billion from March 31, 2008, to ¥1,346.7 billion

(Billions of yen)	07.6.30	08.3.31	08.6.30
Securities	360.9	488.7	613.8
Loans	303.1	347.0	372.6
Deposits	796.5	1,144.3	1,241.2
Customer assets	901.9	1,247.3	1,346.7
Total net assets	37.2	35.7	41.3
Total assets	871.2	1,211.0	1,312.4
Capital adequacy ratio (domestic criteria)	11.21%	9.15%	10.20%

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

Overview of Performance: Sony Bank (Non-Consolidated)



(Billions of yen, thousands of accounts)

	07.6.30	08.3.31	08.6.30	Change from 08.3.31	
				Amount or number	%
Customer assets	901.9	1,247.3	1,346.7	+99.3	+8%
Deposits	796.5	1,144.3	1,241.2	+96.8	+8%
Yen deposits	674.4	892.6	988.6	+96.0	+11%
Foreign currency deposits	122.1	251.7	252.5	+0.8	+0%
Investment trusts	105.3	102.9	105.4	+2.5	+2%
Loan	303.1	347.0	372.6	+25.5	+7%
Mortgage loans	296.0	338.8	364.4	+25.5	+8%
Other loans	7.0	8.1	8.1	-0.0	- 0%
Number of accounts	507	610	640	+30	+5%

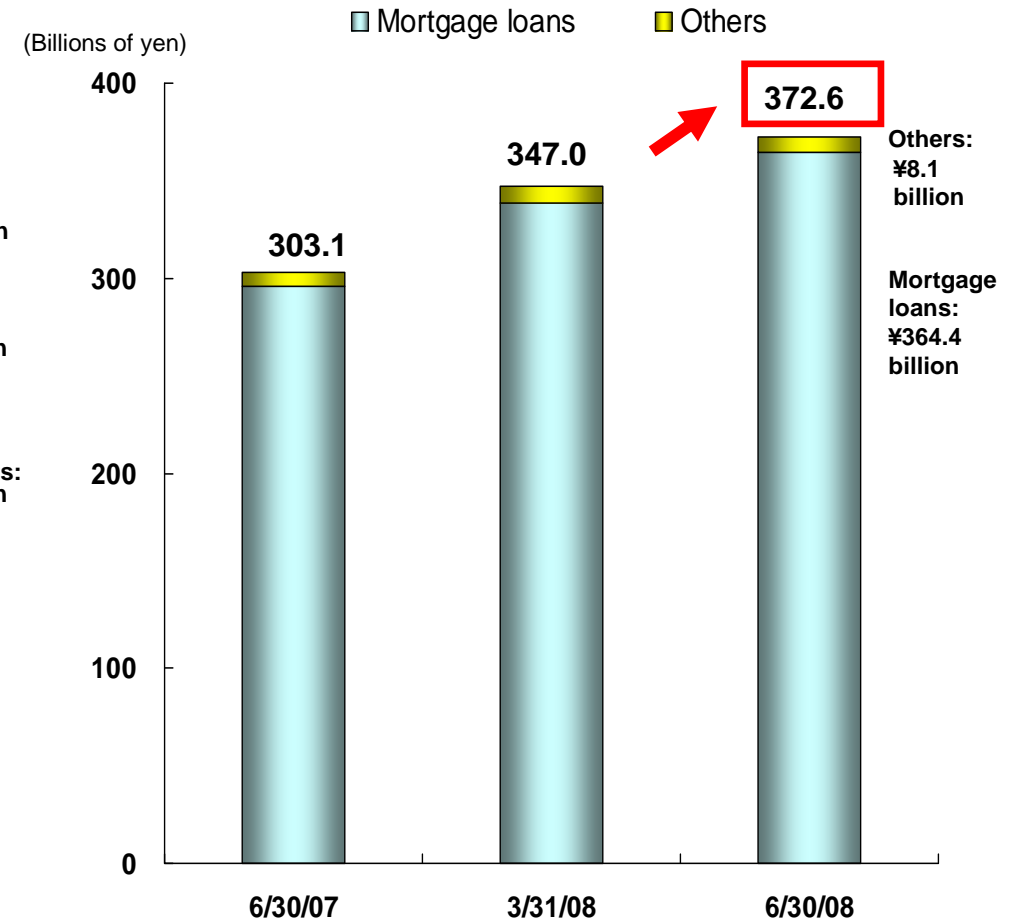
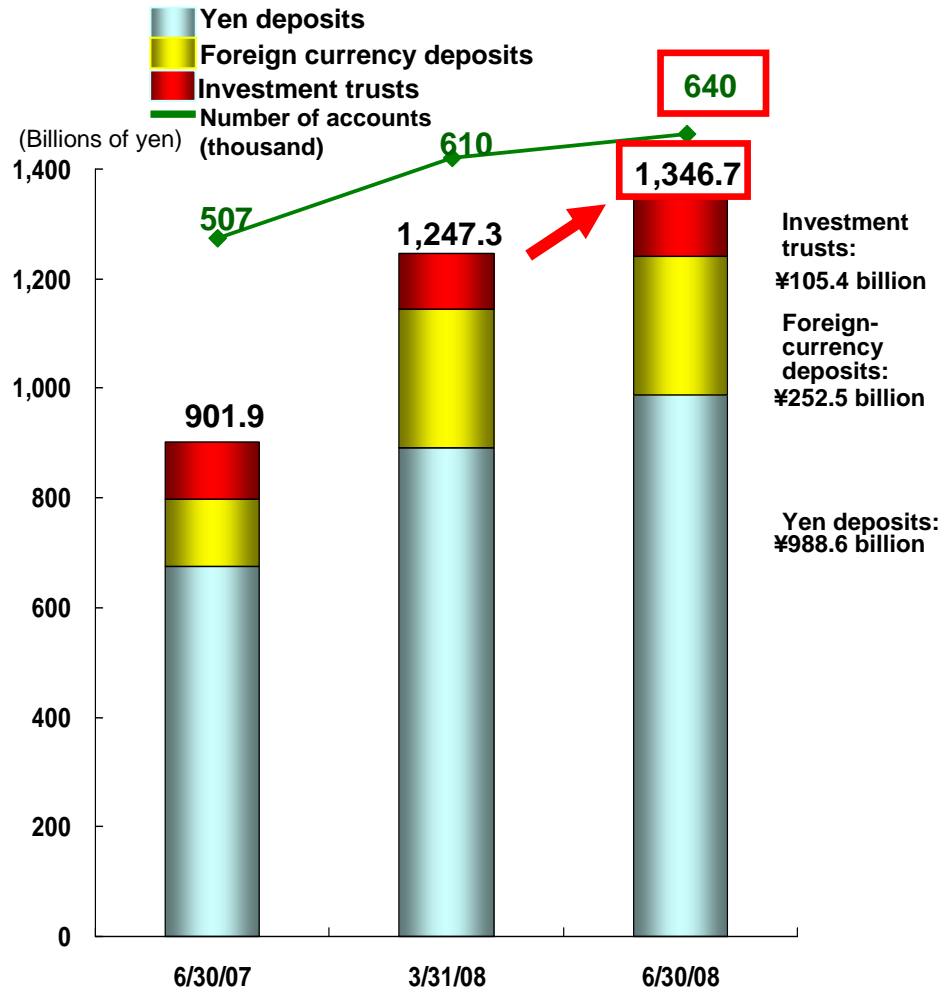
Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

Sony Bank Operating Performance (1)



Customer Assets (Deposits + Investment Trusts) and Number of Accounts

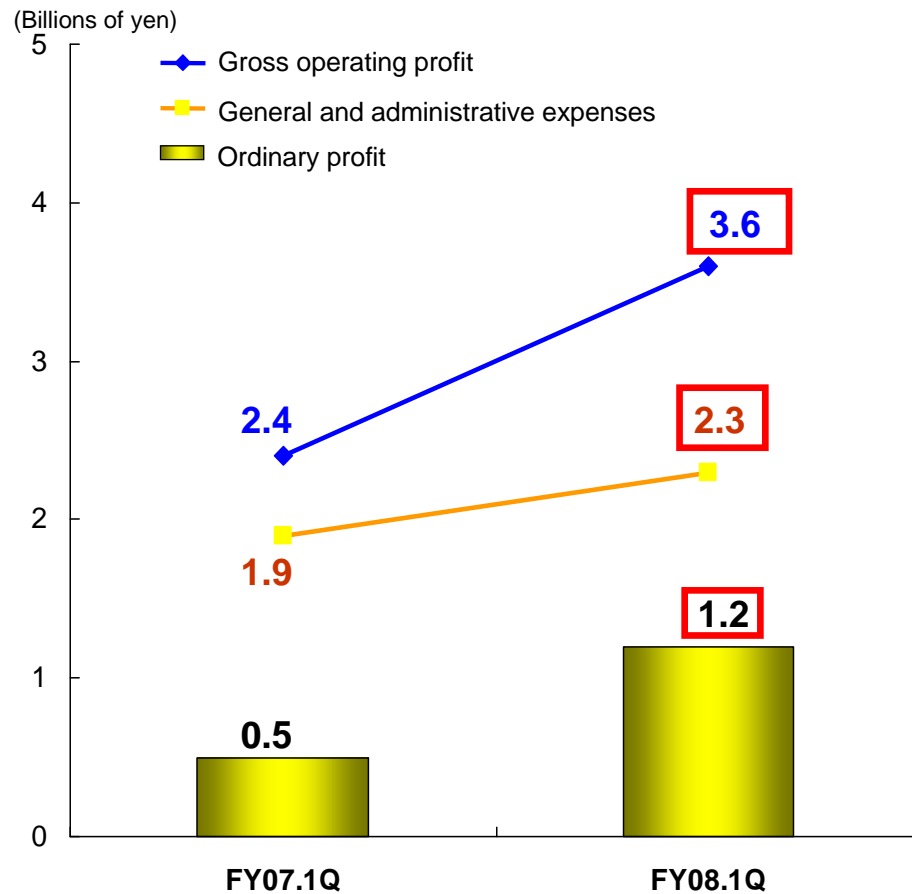
Loans



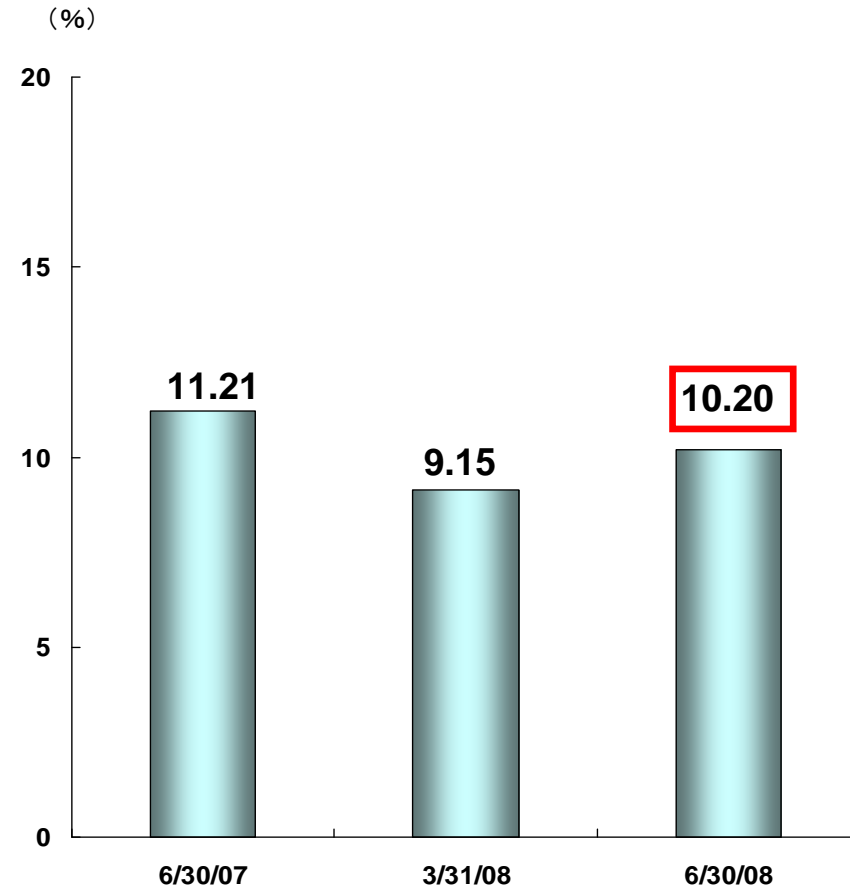
Amounts are truncated below ¥100 million.

Sony Bank Operating Performance (2)

Gross Operating Profit, General and Administrative Expenses, Ordinary Profit



Non-consolidated Capital Adequacy Ratio (Domestic Criteria)



Notes: Capital adequacy ratios as of June 30, 2007, March 31, 2008, and June 30, 2008 were calculated based on the standard stipulated in the Financial Services Agency Public Announcement No. 19 of 2006.

Amounts are truncated below ¥100 million.

Consolidated Operating Performance Forecast for FY2008



(Billions of yen; line item amounts are truncated below ¥100 million; changes are rounded)

	FY2004	FY2005	FY2006	FY2007	FY2008 (Interim forecast)	FY2008 (Full-year forecast)	% change
Consolidated ordinary revenues	653.2	758.7	759.2	822.1	430.0	884.0	+ 7.5%
<u>Of which, life insurance business</u>	604.0	696.4	689.5	741.3	386.0	793.0	+ 7.0%
<u>Of which, non-life insurance business</u>	38.1	45.7	51.0	55.6	30.0	59.8	+ 7.5%
<u>Of which, banking business</u>	11.3	17.2	19.4	25.9	14.4→15.8	30.7→33.0	+ 27.4%
Consolidated ordinary profit	12.2	25.3	18.3	44.5	18.0	37.0	-16.9%
<u>Of which, life insurance business</u>	17.0	24.3	14.8	39.0	17.0	34.0	-13.0%
<u>Of which, non-life insurance business</u>	(2.8)	(0.7)	2.0	2.8	0.6	1.3	-53.9%
<u>Of which, banking business</u>	(1.6)	2.2	1.3	2.4	0.5→1.3	1.3→2.0	-16.7%
Consolidated net income	6.3	11.5	10.0	24.2	10.0	21.0	-13.4%

Additional Information

We expect ordinary revenues to continue increasing, owing to the robust expansion of each business. However, ordinary profit is expected to decrease, for the reasons described below.

■ Life insurance business

The yield on general account investments is expected to fall, compared with FY2008.

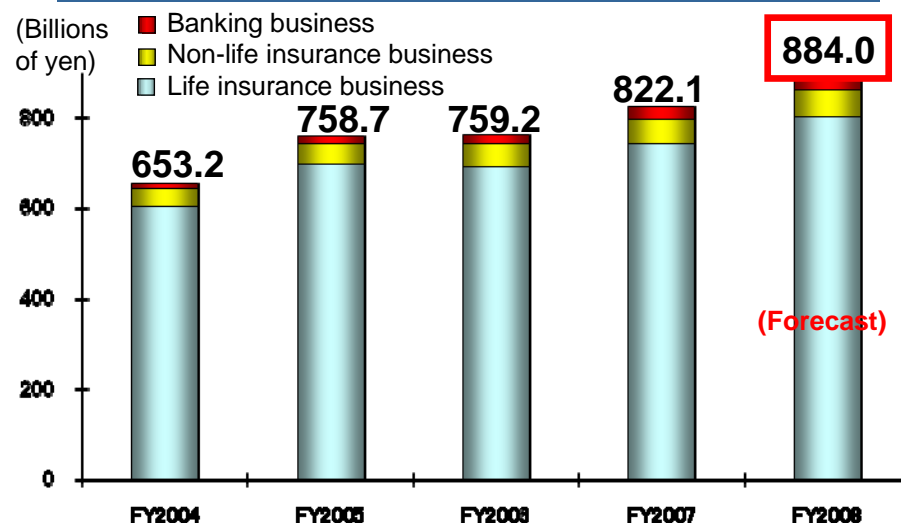
■ Non-life insurance business

The operating expense ratio is expected to rise slightly, owing to higher system-related expenses.

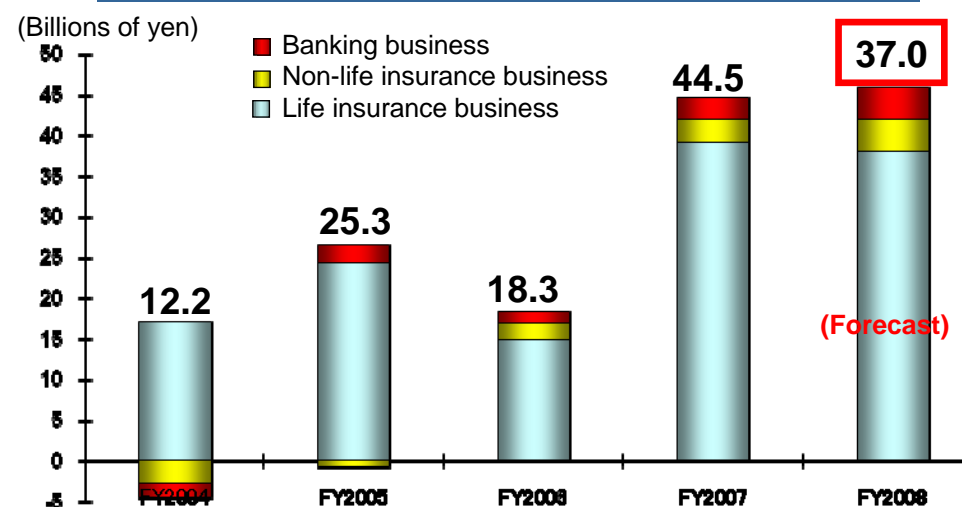
■ Banking business

Expenses are expected to increase: system-related and other expenses are expected to increase. Sony Bank Securities is expected to operate in the red initially, and goodwill will be amortized, among other factors.

Consolidated Ordinary Revenues



Consolidated Ordinary Profit

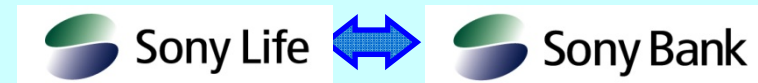


Other topics

Sony Life received permission to conduct banking agency business on behalf of Sony Bank

■ Started January 16, 2008

■ Products and services handled by Sony Life



1. Lifeplanner sales employees may explain the details of Sony Bank's mortgage loans and deliver applications.

→As a result, Sony Bank's mortgage loans handled by Lifeplanner sales employees expanded steadily and accounted for approximately 30% of new mortgage loans in FY08.1Q.

2. At Life Planning SQUARE, the showroom Sony Life operates in the Sony Building in Ginza, Tokyo, Sony Life may handle Sony Bank's mortgage loans, as well as set up new customer accounts at Sony Bank.

Major press releases announced during and after FY08.1Q

- | | |
|----------------|---|
| April 21, 2008 | Sony Bank started "Carbon Offsetting Investment Trust" offering scheme |
| April 23, 2008 | SFH raised capital of Sony Bank |
| April 28, 2008 | Sony Assurance started selling automobile insurance via bank's website |
| May 12, 2008 | Sony Bank started foreign exchange margin transactions |
| May 23, 2008 | SFH raised capital of Sony Life |
| July 1, 2008 | Sony Assurance opened its Sapporo Claims Service Center for receiving accident reports |
| July 30, 2008 | Sony Bank started distribution of its foreign exchange rates through the AppliCast Function on BRAVIA LCD televisions |
| August 1, 2008 | Seven Bank started a banking agency business on behalf of Sony Bank |
| August 4, 2008 | Sony Bank revised sales commission structure for investment trusts and introduced sales commission reduction program for funded plans |



Contact:

SFH Corporate Communications & Investor Relations Department
Sony Financial Holdings Inc.
TEL: +81-3-5785-1074