

**Summary of Q&A at Q1 FY2008 Teleconference for
Domestic Institutional Investors and Analysts**

Time/date: August 13, 2008, 17:30–18:10

Respondents: Hiromichi Fujikata, Executive Vice President and Representative Director of SFH
Masamitsu Shimaoka, Director of Sony Life
Masayoshi Fukuya, Executive Officer of Sony Assurance
Hidehiko Nakamura, Director and Chief Financial Officer of Sony Bank

Q&A (Summary)

Q1) Sony Corporation's results announcement included no comments regarding sensitivity analysis based on Sony Life's portfolio, mainly CBs. Can't you disclose its sensitivity analysis in line with shifts in the TOPIX index? I understand that this value changes in line with market fluctuations, but given that CB values rose little in the first quarter may we safely assume that values have decreased little since June, when market prices dropped, until the present?

A1) (SFH) With regard to the sensitivity analysis on Sony Life's convertible bonds, which Sony Corporation has disclosed in the past, at the end of December 2007 when TOPIX was 1,475 points, sensitivity to a 10% change in the TOPIX index amounted to approximately ¥16.0 billion. At the end of March 2008, when the TOPIX index was at 1,212 points, a 10% change resulted in a sensitivity of around ¥12.0 billion to ¥13.0 billion. As the TOPIX index at the end of June 2008 was 1,320 points—or between those two figures—and there was not a significant change in the balance of convertible bonds, I would ask you to assume their current value.

Q2) Sony Life's negative spread fell by around ¥2.0 billion. I believe that this reflects the effects of switching out longer-term bonds. Should we assume that negative spread for fiscal year 2008 on a full year basis will amount to around four times the quarterly figure of ¥6.1 billion?

A2) (Sony Life) Simply assuming that improvement in negative spread to be four times the first quarter amount is a little aggressive. There is no doubt that negative spread is improving, and income gains have certainly risen as we began shifting into longer-term bonds from the second half of fiscal year 2007. Broadly speaking, this direction will not change, but without having an overall picture of insurance revenues and expenses it is difficult to give a specific answer.

Q3) I have a question about the situation regarding the recruitment of Lifeplanner sales employees. Is the recruitment environment improving?

A3) (Sony Life) Our number of Lifeplanner sales employees is on an upward trend. We hope to

maintain this trend through continued hiring.

Q4) I have a question about Sony Assurance's earned loss ratio on an accrual basis. This figure has remained essentially unchanged year on year, but I understand that the company has incurred IT-related costs during the current term. May we assume that IT-related costs have an impact on operating expenses and also on loss adjustment expenses? If so, wouldn't the earned loss ratio actually improve on a pro forma basis?

A4) (Sony Assurance) IT-related costs are included in loss adjustment expenses, but their impact is not significant. Increases in loss adjustment expenses are mainly due to structural reinforcements, causing the earned loss ratio to rise around 0.5 percentage point year on year. However, the overall increase in the earned loss ratio was 0.1 percentage point, meaning that if loss adjustment expenses are excluded, the earned loss ratio actually decreased 0.4 percentage point. Sony Assurance assumes that the earned loss ratio was essentially unchanged year on year. (Note 1: Even when excluding IT-related costs when looking at the earned loss ratio) (Note 2: Please not that the above figures have been revised. Slightly different figures were reported during the conference call.)

Q5) I have a question regarding Lifeplanner sales employees. I understand that you have introduced a Junior Lifeplanner system. Would you please indicate the number of Junior Lifeplanner sales employees as of the end of June and comment on future recruitment plans?

A5) (Sony Life) As of the end of June, we had 22. Rather than increasing this number, we will put more emphasis on training and ensuring that we have a robust training system. For the foreseeable future, we expect these numbers to represent a relatively small percentage.

Q6) I understand that Sony Life's new policy acquisitions were strong, but could you comment specifically on the details of term life insurance and other death-protection insurance that performed well in the quarter? Were sales to small and medium-sized companies favorable? I would also like some details on the type of customers these products were sold to. I recall that sales of family income insurance were favorable last fiscal year, but have there been any significant changes in the product mix?

A6) (Sony Life) On a protection amount basis, death-protection insurance contributed to the total, centering on individual s rather than companies. The situation differs, depending on whether you look at the situation on the basis of insurance amount or premium amount, but the overall positive trends on death-protection insurance remained essentially unchanged. On the basis of annualized premiums, medical insurance appears to have bottomed out. We also saw a slight increase in savings-type products.

Q7) Sony Life discloses embedded value (EV). Do you plan to shift from traditional EV (TEV) to European EV (EEV)? If so, what is your schedule for making this change?

A7) (Sony Life) We are considering whether to begin disclosing market consistent embedded value (MCEV), which is a type of EEV, at some point after this November. We have not yet come to a final decision, however.