
Presentation Materials

**Consolidated Financial Results
for Six Months Ended September 30, 2008**

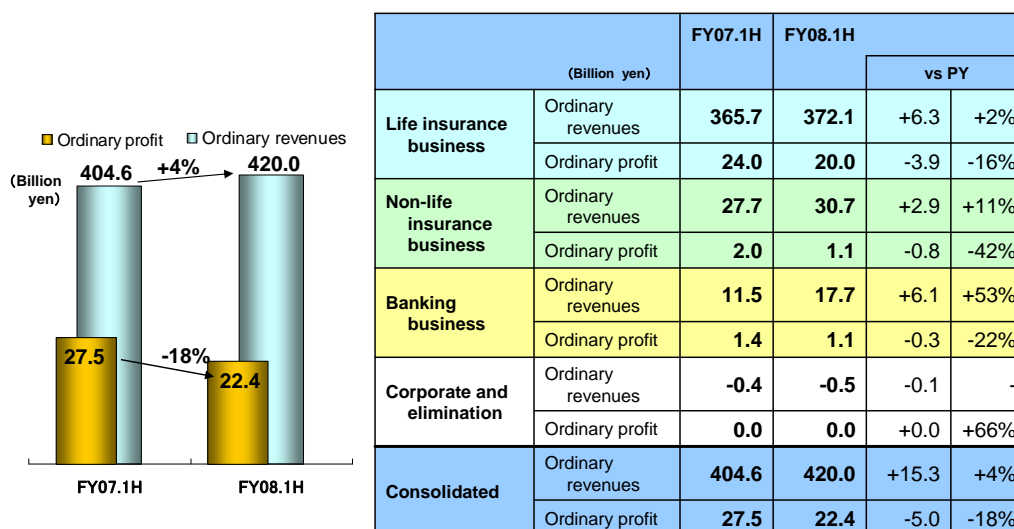
**Sony Financial Holdings Inc.
November 17, 2008**

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Highlights of Group Consolidated Operating Performance for FY2008 1H



		FY07.1H	FY08.1H	vs PY	
		(Billion yen)			
Life insurance business	Ordinary revenues	365.7	372.1	+6.3	+2%
	Ordinary profit	24.0	20.0	-3.9	-16%
Non-life insurance business	Ordinary revenues	27.7	30.7	+2.9	+11%
	Ordinary profit	2.0	1.1	-0.8	-42%
Banking business	Ordinary revenues	11.5	17.7	+6.1	+53%
	Ordinary profit	1.4	1.1	-0.3	-22%
Corporate and elimination	Ordinary revenues	-0.4	-0.5	-0.1	-
	Ordinary profit	0.0	0.0	+0.0	+66%
Consolidated	Ordinary revenues	404.6	420.0	+15.3	+4%
	Ordinary profit	27.5	22.4	-5.0	-18%

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

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During the six months ended September 30, 2008 (April 1, 2008 through September 30, 2008), consolidated ordinary revenues grew 4% compared with the same period of the previous fiscal year, to ¥420.0 billion owing to increases in ordinary revenues from all the businesses: life insurance, non-life insurance and banking.

Consolidated ordinary profit decreased 18% compared with the same period of the previous fiscal year, to ¥22.4 billion as ordinary profits from all the businesses declined.

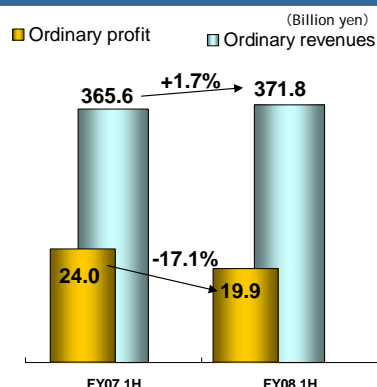
Net income decreased 27% compared with the same period of the previous fiscal year, to ¥12.1 billion.

Highlights of Group Consolidated Operating Performance for FY2008 1H



- In the life insurance business, both policy amount in force and new policy amount (for individual life insurance and individual annuities) increased. Ordinary revenues increased due to higher income from insurance premiums but ordinary profit decreased owing to deterioration of gains and losses from investments, larger amounts of insurance claims and other payments, and higher operating expenses.
- In the non-life insurance business, ordinary revenues increased as a result of an increase of underwriting profit, but ordinary profit declined due to higher operating expenses, mostly system-related expenses, as well as an increased amount of claims paid, led by those resulting from natural disasters.
- In the banking business, ordinary revenues grew, owing mainly to higher balance of investment assets in line with business expansion. Ordinary profit declined owing to higher interest expenses, increased general and administrative expenses, mostly system-related expenses, and amortization of goodwill.
- Consolidated ordinary revenues increased ¥15.3 billion, or 4%, year on year to ¥420.0 billion, as ordinary revenues from the three businesses increased. Consolidated ordinary profit decreased ¥5.0 billion, or 18%, year on year, to ¥22.4 billion. Net income decreased ¥4.5 billion, or 27%, year on year, to ¥12.1 billion due to a decreased ordinary profit.

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



(Billion yen)	FY07.1H	FY08.1H	vs PY	
Ordinary revenues	365.6	371.8	+6.1	+1.7%
Income from insurance premiums	318.5	327.0	+8.5	+2.7%
Investment income	44.7	43.2	-1.4	-3.2%
Ordinary expenses	341.5	351.8	+10.2	+3.0%
Insurance claims and other payments	117.4	125.8	+8.3	+7.1%
Provision for policy reserve and others	164.6	140.8	-23.8	-14.5%
Investment expenses	9.0	32.9	+23.9	+264.9%
Operating expenses	45.6	46.8	+1.1	+2.6%
Ordinary profit	24.0	19.9	-4.1	-17.1%
Net income	13.0	10.8	-2.2	-17.0%

Sony Life

- ◆ Ordinary revenues up but ordinary profit down year on year.
- ◆ New policy amount up 0.8% year on year.
- ◆ Income from insurance premiums increased owing to steady growth of policy amount in force.
- ◆ Core profit amounted to ¥16.5 billion
- ◆ The lapse and surrender rate rose 0.10 percentage point year on year, to 3.11%

Notes 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.

(Billion yen)	07.9.30	08.3.31	08.9.30	Change from 08.3.31	
Securities	2,410.9	2,388.9	2,449.0	+60.0	+2.5%
Policy reserve	3,253.5	3,375.0	3,514.8	+139.7	+4.1%
Total net assets	228.9	182.6	135.1	-47.5	-26.0%
Net Unrealized gains/losses on other securities (net of taxes)	134.4	82.7	21.3	-61.4	-74.2%
Total assets	3,607.1	3,659.7	3,785.3	+125.5	+3.4%
Separate account assets	347.0	321.7	310.0	-11.7	-3.7%

Line item amounts are truncated below ¥100 million; percentage change figures are rounded. The figures above are on a non-consolidated basis.

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Sony Life's ordinary revenues, on a non-consolidated basis, increased 1.7% from the same period of the previous fiscal year, to ¥371.8 billion, owing to a higher income from insurance premiums associated with a steady increase in policy amount in force.

Ordinary profit decreased 17.1% year on year, to ¥19.9 billion, due to larger amounts of insurance claims and other payments and operating expenses, as well as the deterioration of gains and losses from investments, associated with the decrease in the fair market value of securities stemmed from the worldwide financial market disruption.

Net income dropped 17.0% year on year, to ¥10.8 billion, reflecting a decrease in ordinary profit.

Overview of Performance: Sony Life (Non-Consolidated)



(Billion yen)

	FY07 1H	FY08.1H	Change
New policy amount*1	1,879.3	1,894.7	+0.8%
Annualized premiums from new policies*1	31.2	30.9	-0.9%
Of which, third sector products	6.5	6.5	-1.2%
Income from insurance premiums	318.5	327.0	+2.7%
Investment income, net	35.7	10.3	-71.1%
Core profit	13.9	16.5	+18.5%
Adjusted net assets	675.0	544.6	-19.3%
Negative spread	14.4	10.6	-26.4%
Lapse & surrender rate*1,2	3.01%	3.11%	+0.1pt

	07.9.30	08.3.31	08.9.30	Change from 07.9.30	
				Amount	%
Policy amount in force*1	30,878.7	31,497.3	32,065.4	1,186.7	+3.8%
Annualized premiums from insurance in force*1	517.4	530.0	540.9	23.4	+4.5%
Of which, third sector products	120.5	122.8	124.5	4.0	+3.4%
Solvency margin ratio	1,870.0%	1,747.9%	1,665.4%		-204.6pt

Notes:

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

*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.

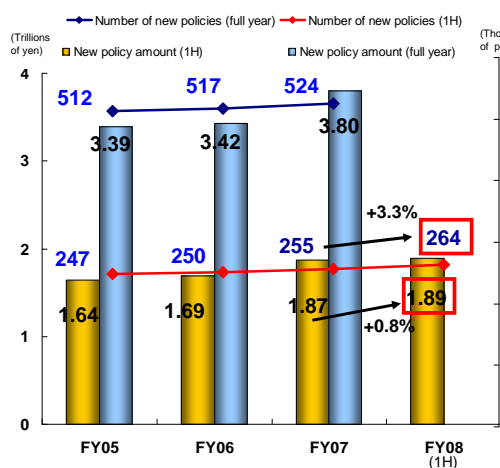
*2 The lapse and surrender rate is calculated without offsetting policies that are reinstated.

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Sony Life Operating Performance (1)

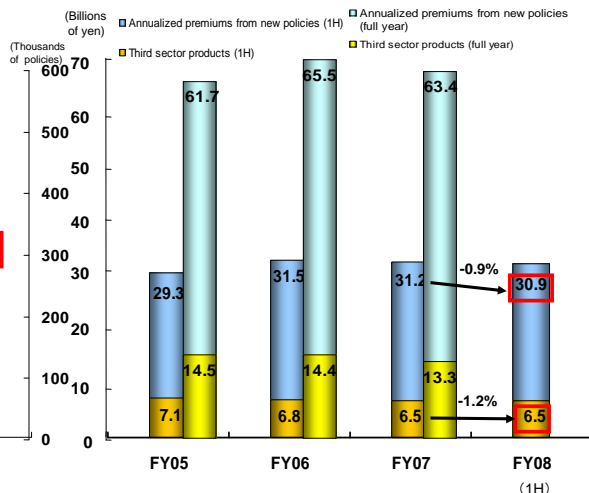


New Policy Amount (Individual Life Insurance + Individual Annuities)



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. Percentage figures are rounded.

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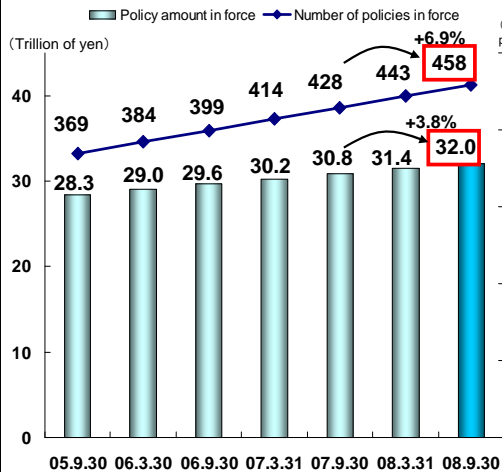
New policy amount for the total of individual life insurance and individual annuities increased 0.8% from the same period of the previous fiscal year, to ¥1,894.7 billion. The number of new policies also increased, rising 3.3% year on year, to 264 thousand.

Annualized premiums from new policies decreased 0.9% year on year, to ¥30.9 billion. Of this amount, the figures for the third-sector products dropped 1.2% year on year, to ¥6.5 billion.

Sony Life Operating Performance (2)

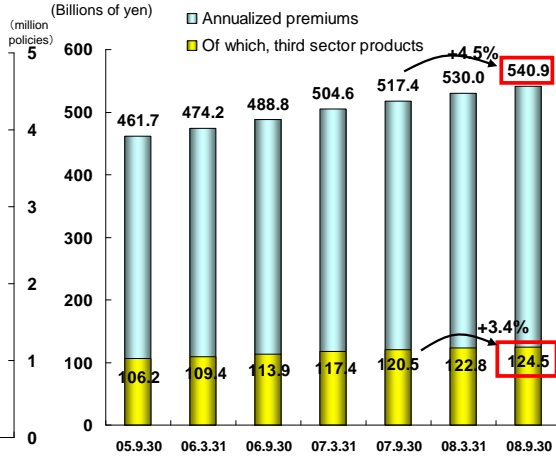


Policy Amount in Force (Individual Life Insurance + Individual Annuities)



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

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



Line item amounts are truncated below ¥100 million.

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Policy amount in force for the total of individual life insurance and individual annuities grew steadily, to ¥32,065.4 billion as of September 30, 2008, up 3.8% from September 30, 2007.

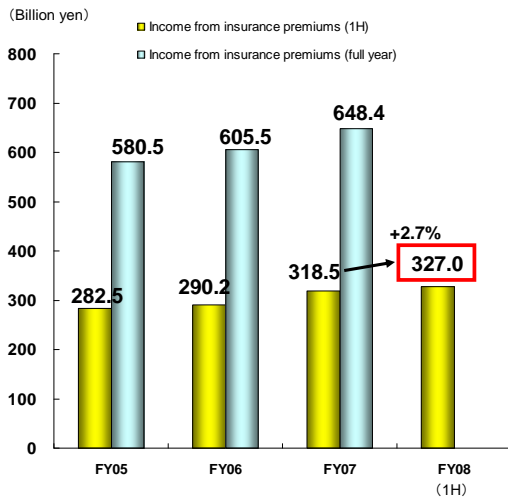
The number of policies in force increased 6.9% from September 30, 2007, to 4,584 thousand policies.

Annualized premiums from total policies as of September 30, 2008, were up 4.5% from September 30, 2007, totaling ¥540.9 billion. Of this amount, the figure for the third-sector products was up 3.4% from September 30, 2007, to ¥124.5 billion.

Sony Life Operating Performance (3)

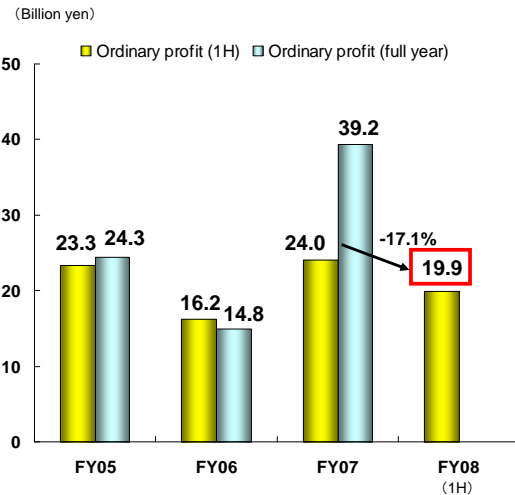


Income from Insurance Premiums



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

Ordinary Profit (Non-Consolidated)



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

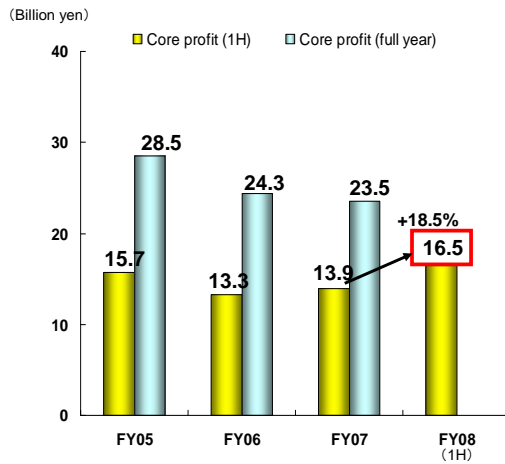
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Income from insurance premiums grew 2.7% from the same period of the previous fiscal year, to ¥327.0 billion, associated with a higher policy amount in force.

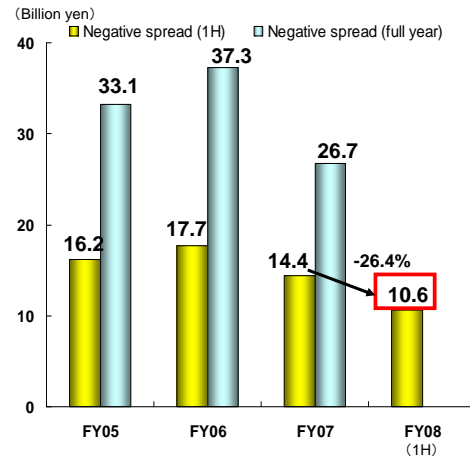
Sony Life's ordinary profit decreased 17.1% year on year, to ¥19.9 billion.

Sony Life Operating Performance (4)

Core Profit



Negative Spread



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

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

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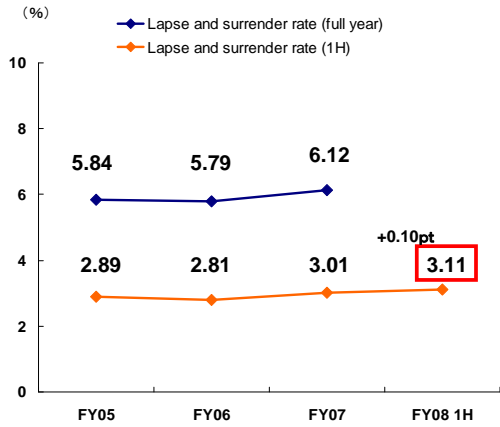
Core profit rose 18.5% year on year, to ¥16.5 billion, due to an increase in income from insurance premiums and in interest income and dividends.

The negative spread narrowed 26.4% year on year, to ¥10.6 billion, owing to an increase in interest and dividend income.

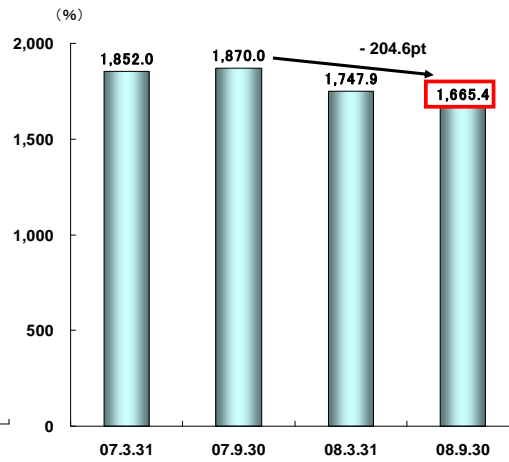
Sony Life Operating Performance (5)



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.

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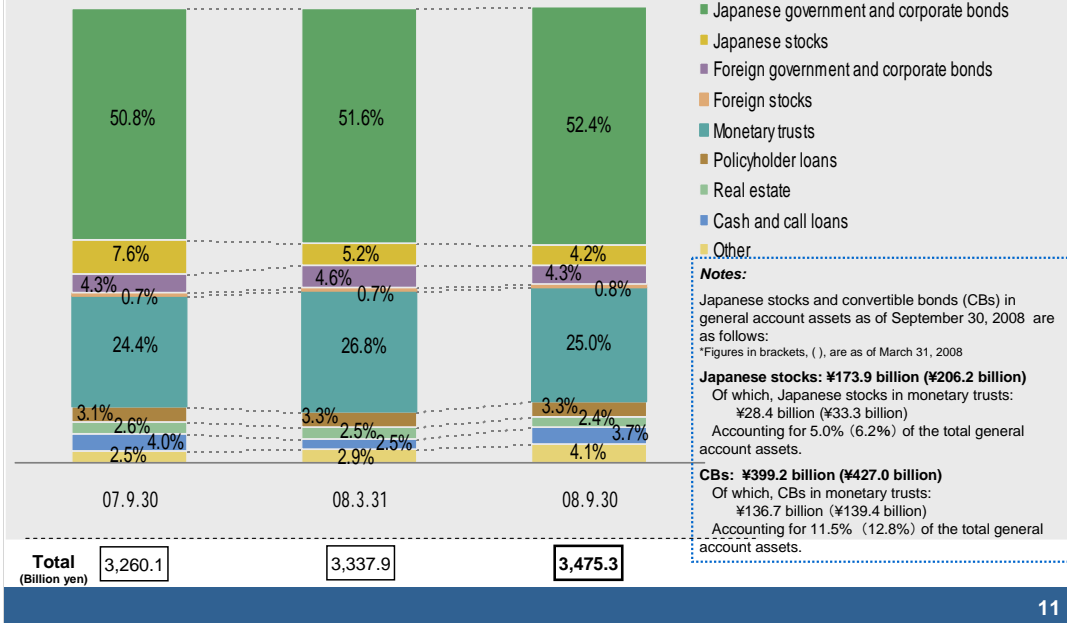
The lapse and surrender rate for the total of individual life insurance and individual annuities rose 0.10 percentage point from the same period of the previous fiscal year, to 3.11%.

Sony Life's solvency margin ratio, one indicator of the financial soundness of a life insurance company, remained high, at 1,665.4% as of September 30, 2008. Sony Life will continue working to maintain its sound financial base.

Sony Life Operating Performance (6)



Breakdown of General Account Assets



This is a breakdown of Sony Life's general account assets as of September 30, 2008, compared with that of September 30, 2007 and March 31, 2008.

Japanese stocks, including those in category of "monetary trusts" accounted for 5.0% of total general account assets as of September 30, 2008, while convertible bonds, that are included both in the category "Japanese government and corporate bonds" and in the category "monetary trusts" accounted for 11.5% of total general account assets.

Although financial market conditions have been extremely unstable since October 2008, we maintain an investment policy of gradually increasing our investment in ultra long-term bonds.

Sony Life Operating Performance (7)



Net Unrealized Gains/Losses on Available-for-sale Securities with Market Value

(Billion yen)	08.3.31	08.6.30	08.9.30
Japanese government and corporate bonds	83.4	28.6	19.0
CBs	9.2	8.4	-19.5
Japanese stocks	50.8	63.2	24.1
Foreign securities	-9.5	-5.8	-12.1
Other	3.0	3.8	1.9
Total	127.8	89.8	33.0

Line item amounts are truncated below ¥100 million.
Amounts above include those categorized in "monetary trusts".
Japanese government and corporate bonds of ¥19.0 billion as of September 30, 2008, do not include unrealized gains on held-to-maturity securities of ¥2.9 billion.

<Reference>

Announced on October 29, 2008

(Billion yen)	Net unrealized gains/losses on securities as of October 24, 2008 (Trial calculation)
Available-for-sale securities	-39.6
Japanese stocks	-22.8
CBs and other	-28.6
Stock-related derivative transactions	13.6

Notes:

- 1) Net unrealized gains/losses on available-for-sale securities in the chart above are calculated by subtracting the book value from the fair value and differ from the "net unrealized gains/losses on other securities, net of taxes" in the financial statements.
- 2) As of October 24, 2008, the weighted-average fair value of convertible bonds held by Sony Life was ¥91.9.
- 3) Stock-related derivative transactions in the chart above indicate transactions that Sony Life made on and after October 1, 2008, for the purpose of hedging against the price decline risks of Japanese stocks and convertible bonds held by Sony Life.

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We have disclosed the status of net unrealized gains/losses on available-for-sale securities with fair market value every quarter since March 31, 2008.

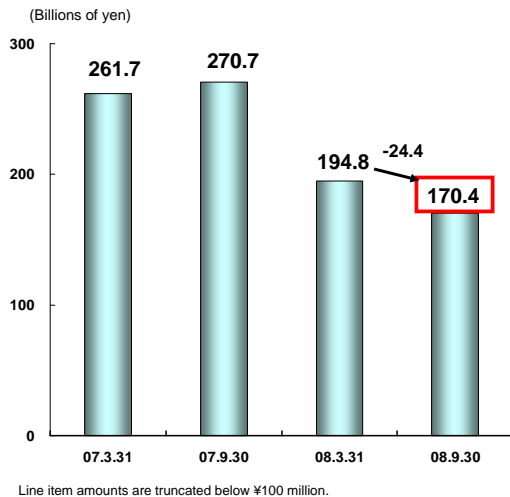
As of September 30, 2008, net unrealized gains on available-for-sale securities were ¥33.0 billion.

We hedge risk assets, mostly Japanese stocks, through derivative transactions, by carefully monitoring market conditions.

As a reference for investors, the table on the right shows the status of available-for-sale securities held and stock-related derivative transactions as of October 24, 2008, which we announced on October 29, 2008. We perceive Sony Life's financial base as being sufficiently sound.

Sony Life Operating Performance (8)

Adjusted net worth for calculating Embedded Value



(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.

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We disclose Sony Life's embedded value, or EV, once a year at fiscal year-end.

As of September 30, 2008, adjusted net worth, one component of EV, was ¥170.4 billion, down ¥24.4 billion from March 31, 2008.

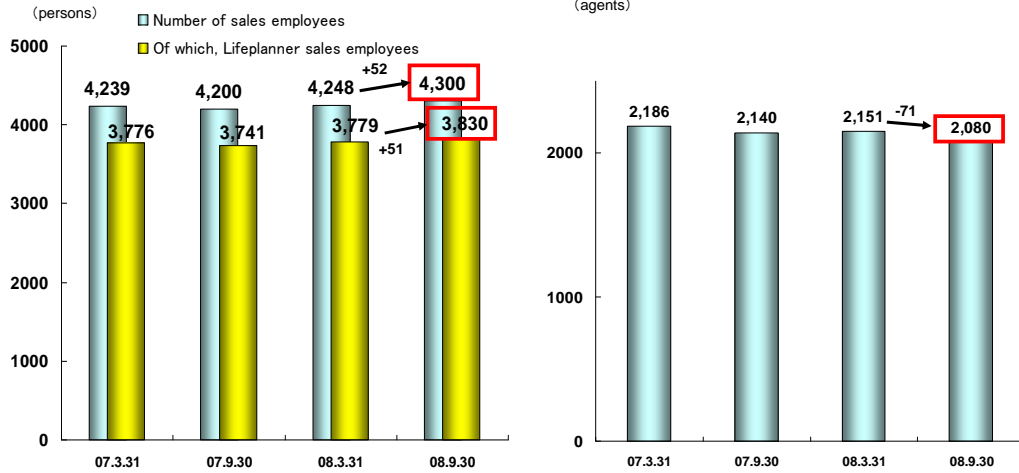
This decrease was mainly due to a decline in unrealized gains/losses mainly on Japanese stocks and convertible bonds, influenced by the deterioration of the market environment, despite a ¥10.0 billion increase in capital during the period.

In addition, we plan to change our disclosure of EV from the current traditional embedded value (TEV) to the market consistent embedded value (MCEV). We will announce MCEV results as of March 31, 2008, on November 28, 2008

Sony Life Operating Performance (8)

Number of Sales Employees (incl. Lifeplanner sales employees)

Number of Independent Agents



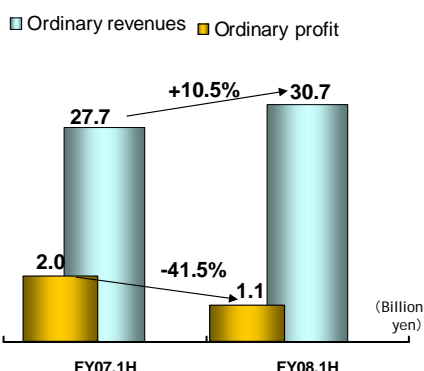
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As of September 30, 2008, the number of Lifeplanner sales employees was 3,830, up 51 from March 31, 2008.

The total number sales employees, which includes Lifeplanner sales employees, was 4,300, up 52 from March 31, 2008.

The number of independent agents was 2,080 as of September 30, 2008, down 71 from March 31, 2008.

Highlights of Operating Performance: Sony Assurance



Sony Assurance

- ◆ Ordinary revenues up but ordinary profit down year on year
- ◆ Net premiums written was ¥30.3 billion owing to higher number of automobile insurance policies, its mainstay products.
- ◆ Ordinary profit was ¥1.1 billion, owing to higher operating expenses and impact from natural disasters
- ◆ Combined ratio was up 2.2pt to 78.6%

(Billion Yen)	FY07.1H	FY08.1H	
			Change
Ordinary revenues	27.7	30.7	+2.9 +10.5%
Underwriting income	27.4	30.3	+2.8 +10.5%
Investment income	0.2	0.3	+0.0 +12.3%
Ordinary expenses	25.7	29.5	+3.7 +14.6%
Underwriting expenses	19.2	22.0	+2.8 +14.8%
Investment expenses	0.0	0.0	+0.0 +330.7%
Operating, general and administrative expenses	6.5	7.4	+0.9 +14.0%
Ordinary profit	2.0	1.1	-0.8 -41.5%
Net income	1.9	0.6	-1.2 -64.3%

(Billion Yen)	07.9.30	08.3.31	08.9.30	
				Change from 08.3.31
Underwriting reserves	39.6	42.7	47.2	+4.5 +10.7%
Total net assets	15.2	15.3	15.9	+0.5 +3.6%
Net unrealized gains/losses on other securities (net of taxes)	-0.0	-0.0	-0.1	-0.1 -
Total assets	73.4	78.6	84.3	+5.6 +7.2%

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

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Sony Assurance posted a 10.5% increase in ordinary revenues compared with the same period of the previous fiscal year, to ¥30.7 billion, primarily due to strong sales in its mainstay automobile insurance, which raised net premiums written.

Ordinary profit decreased 41.5% year on year, to ¥1.1 billion, owing primarily to increased operating expenses, mostly system-related expenses, as well as to an increased amount of claims paid, led by those resulting from natural disasters.

Net income declined 64.3% compared with the same period of the previous fiscal year, to ¥0.6 billion.

Overview of Performance: Sony Assurance



(Billion yen)

	FY07 1H	FY08 1H	Change
Direct premiums written	27.3	30.1	+10.5%
Net premiums written	27.4	30.3	+10.5%
Net losses paid	12.4	14.1	+13.2%
Net loss ratio	51.1%	52.4%	+1.3 pt
Net expense ratio	25.3%	26.2%	+0.9 pt
Combined ratio	76.4%	78.6%	+2.2 pt

	07.9.30	08.3.31	08.9.30	Change from 07.9.30	
				Number	%
Number of policies in force	0.97 million	1.02 million	1.08 million	+0.11 million	+11.3%
Solvency margin ratio	1,067.7%	1,073.9%	1,096.5%		+28.8 pt

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 an loss adjustment expenses to net premiums written.

The number of policies in force is the total of automobile insurance and medical and cancer insurance, which accounts for more than 98% of net premiums written.

These numbers are truncated below 10,000 policies.

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

Sony Assurance's Performance of Underwriting by type of policy



Net premiums written

	FY07.1H	FY08.1H	Change
Fire	7	8	+4.4%
Marine	22	19	-11.1%
Personal accident	3,183	3,430	+7.8%
Voluntary automobile	23,966	26,628	+11.1%
Compulsory automobile liability	284	265	-6.6%
Total	27,464	30,351	+10.5%

Direct premiums written

(Million Yen)

	FY07.1H	FY08.1H	Change
Fire	132	165	+24.7%
Marine	-	-	-
Personal accident	3,116	3,284	+5.4%
Voluntary automobile	24,070	26,731	+11.1%
Compulsory automobile liability	-	-	-
Total	27,319	30,181	+10.5%

Net losses paid

	FY07.1H	FY08.1H	Change
Fire	0	0	-50.3%
Marine	10	8	-18.0%
Personal accident	568	619	+9.0%
Voluntary automobile	11,681	13,256	+13.5%
Compulsory automobile liability	217	239	+10.2%
Total	12,478	14,124	+13.2%

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

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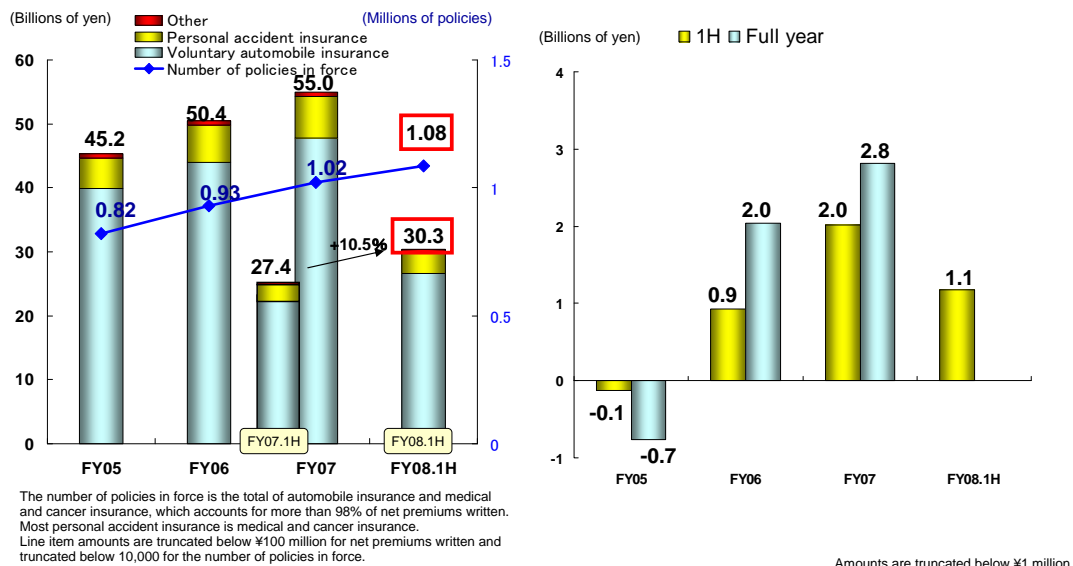
Direct premiums written, net premiums written, and net losses paid by type of category are as described in this page.

Sony Assurance Operating Performance (1)



Net Premiums Written and Number of Policies in Force

Ordinary Profit



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In terms of insurance underwriting performance, the number of policies in force grew steadily. As of September 30, 2008, the number of policies in force—the total of voluntary automobile insurance and medical and cancer insurance policies—was 1.08 million, up 11.3 % from September 30, 2007.

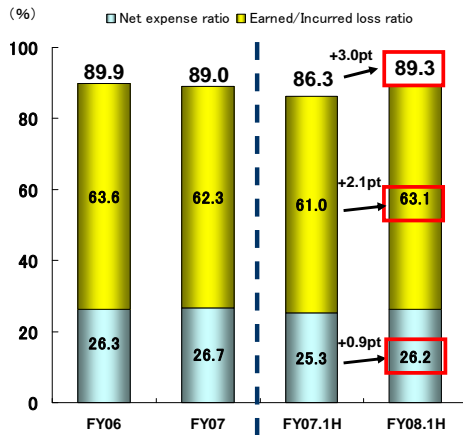
Direct premiums written increased 10.5% year on year, to ¥30.1 billion, associated with steady growth in the number of automobile insurance policies. Net premiums written also increased, rising 10.5% year on year, to ¥30.3 billion.

Ordinary profit decreased 41.5% year on year, to ¥1.1 billion, as explained before.

Sony Assurance Operating Performance (2)



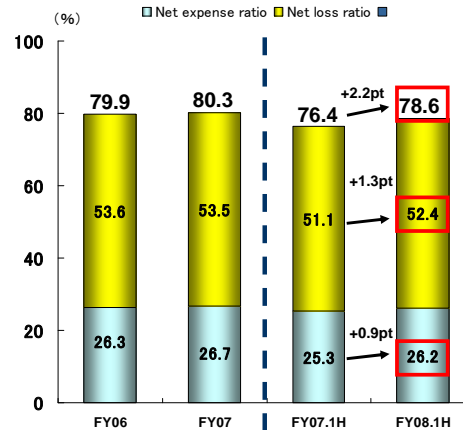
Net expense ratio + Earned/Incurred loss ratio



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 premium.
*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.

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To help you understand the actual condition of Sony Assurance, which is in a growth phase, at left we show the combined ratio calculated using the earned/incurred loss ratio rather than the net loss ratio.

The earned/incurred loss ratio rose 2.1 percentage points from the same period of the previous fiscal year. This rise includes the impact of changes in the calculation of underwriting reserves for personal accident insurance during the six months ended September 30, 2007. Excluding this effect, the earned/incurred loss ratio in the six months ended September 30, 2007 was 62.2%. This assumption results in an earned/incurred loss ratio up 0.9% as of September 30, 2008, a smaller increase than the 1.3 percentage point increase in the net loss ratio.

Furthermore, excluding the impact of natural disasters the earned/incurred loss ratio as of September 30, 2008, would have been at almost the same as the ratio as of September 30, 2007. Accordingly the earned/incurred loss ratio has remained stable since the year ended March 31, 2007.

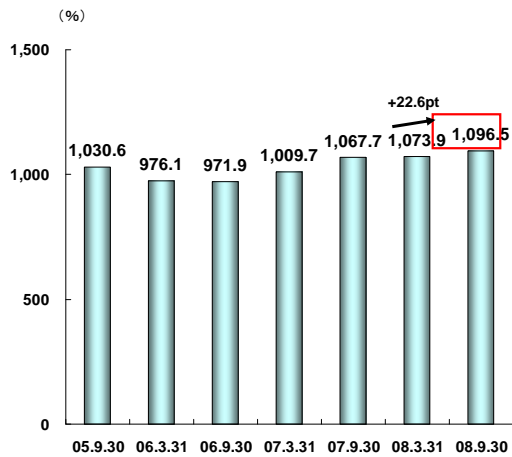
The net expense ratio rose 0.9 percentage point year on year, to 26.2%, owing to an increase primarily in system-related expenses, which more than offset operational efficiency improvement.

The chart at the right shows the net loss ratio. This ratio increased 1.3 percentage points year on year, to 52.4%, due to the impact of natural disasters. As a result, the combined ratio (the sum of the net loss ratio and the net expense ratio) rose 2.2 percentage points year on year, to 78.6%.

Sony Assurance Operating Performance (3)



Solvency Margin Ratio



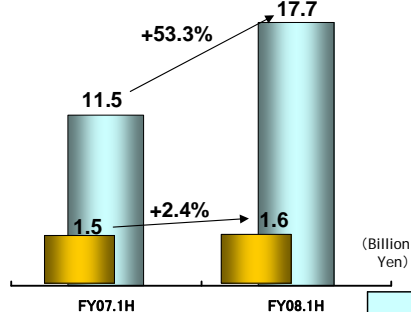
20

As of September 30, 2008, Sony Assurance's solvency margin ratio was 1,096.5%, up 22.6 percentage points from March 31, 2008, maintaining the high level.

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



□ Ordinary revenues ■ Ordinary profit



(Billion yen)	FY07.1H	FY08.1H	
			Change
Ordinary revenues	11.5	17.7	+6.1 +53.3%
Gross operating profit	5.4	6.6	+1.1 +20.7%
Net interest income	2.4	2.1	-0.3 -14.6%
Net fees and commissions	0.3	0.1	-0.2 -67.1%
Net other operating income	2.6	4.3	+1.7 +63.6%
General and administrative expenses	3.8	4.9	+1.0 +27.0%
Ordinary profit	1.5	1.6	+0.0 +2.4%
Net income	2.0	0.9	-1.0 -53.6%

Sony Bank

- ◆ Both ordinary revenues and ordinary profit up year on year.
- ◆ Gross operating income expanded due to increase in net other operating income.
- ◆ Net income declined compared to the same period of the previous fiscal year, when deferred tax assets were recorded.
- ◆ Customer assets was ¥1,433.1 billion. Loans reached ¥400.0 billion.

(Billion yen)	07.9.30	08.3.31	08.9.30	Change from 08.3.31	
Securities	348.3	488.7	667.3	+178.5	+36.5%
Loans	319.1	347.0	400.0	+52.9	+15.3%
Deposits	888.4	1,144.3	1,338.2	+193.8	+16.9%
Customer assets	1,006.0	1,247.3	1,433.1	+185.8	+14.9%
Net assets	38.2	35.7	36.6	+0.9	+2.6%
Net unrealized gains/losses on other securities (net of taxes)	-5.1	-9.0	-15.6	-6.5	-
Total assets	966.1	1,211.0	1,423.1	+212.1	+17.5%
Capital adequacy ratio (Domestic criteria)	10.94%	9.15%	8.88%	-0.27pt	

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

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On a non-consolidated basis, Sony Bank's ordinary revenues increased 53.3% compared with the same period of the previous fiscal year, to ¥17.7 billion, as a higher balance of investment assets and other factors, in line with business expansion, led to higher interest income and other operating income.

Owing to an increase in gross operating profit, ordinary profit increased 2.4% compared with the same period of the previous fiscal year, to ¥1.6 billion.

Net income decreased to ¥0.9 billion, down 53.6% compared with the same period of the previous fiscal year when the deferred tax assets were topped up at September 30, 2007.

Overview of Performance: Sony Bank (Non-Consolidated)



(Billion Yen)

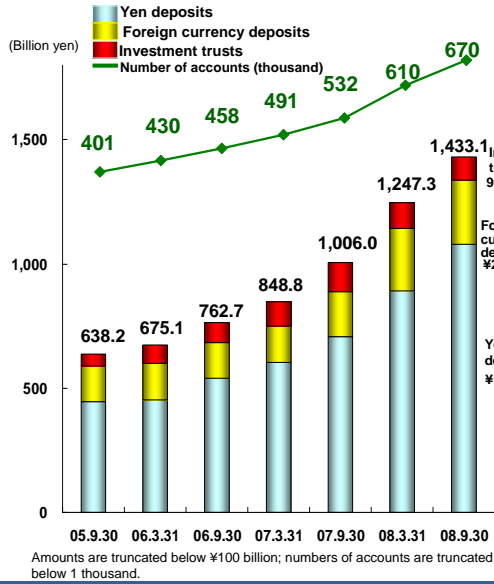
	07.9.30	08.3.31	08.9.30	Change from 08.3.31	
				Change	Change (%)
Customer assets	1,006.0	1,247.3	1,433.1	+185.8	+14.9%
Deposits	888.4	1,144.3	1,338.2	+193.8	+16.9%
Yen	708.8	892.6	1,079.7	+187.0	+21.0%
Foreign currency	179.6	251.7	258.4	+6.7	+2.7%
Investment trusts	117.6	102.9	94.9	-7.9	-7.8%
Loans	319.1	347.0	400.0	+52.9	+15.3%
Mortgage loans	311.4	338.8	391.5	+52.6	+15.5%
Other	7.6	8.1	8.4	+0.3	+3.8%
Number of accounts (thousand)	532	610	670	+60	+9.8%

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

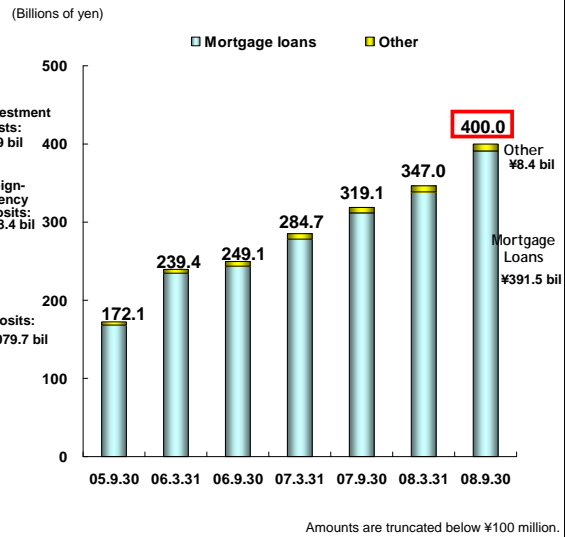
Sony Bank Operating Performance (1)



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



Loans



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As of September 30, 2008, customer assets (the sum of deposits and investment trusts) grew ¥185.8 billion, from March 31, 2008, to ¥1,433.1 billion, primarily due to an increase in yen time deposits.

Deposits for the total of yen deposits and foreign currency deposits increased ¥193.8 billion from March 31, 2008, to ¥1,338.2 billion. Investment trusts decreased ¥7.9 billion from March 31, 2008, to ¥94.9 billion.

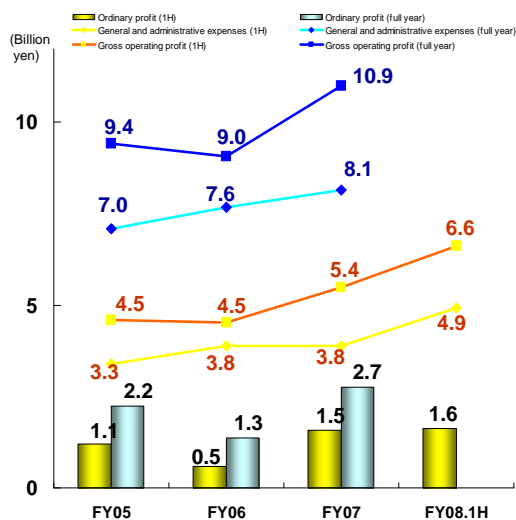
Loans expanded steadily to ¥400.0 billion, up ¥52.9 billion from March 31, 2008, as shown in the right graph.

As of September 30, 2008, the number of accounts was up 60 thousand from March 31, 2008, to 670 thousand.

Sony Bank Operating Performance (2)

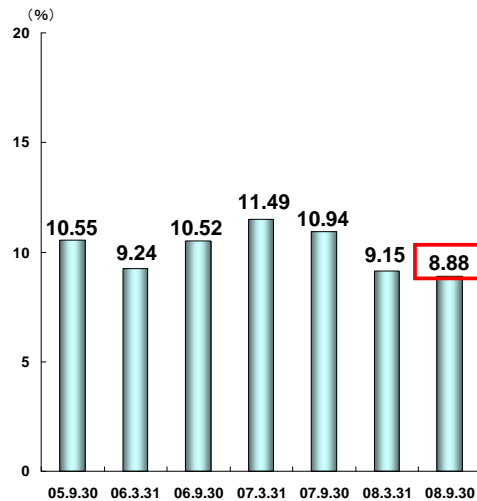


Gross Operating Profit, General and Administrative Expenses, Ordinary Profit



Amounts are truncated below ¥100 million.

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.

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In terms of profitability, Gross operating profit increased 20.7% from the same period of the previous fiscal year, to ¥6.6 billion, led by an increase in net other operating income.

With respect to the breakdown of gross operating profit, net interest income dropped 14.6% year on year, to ¥2.1 billion due to increased interest on deposits, and net fees and commissions declined 67.1% year on year, to ¥0.1 billion, owing primarily to a decrease in securities-related commissions. Net other operating income rose 63.6% from the same period of the previous fiscal year, to ¥4.3 billion, as a result of increased income from foreign exchange transactions derived from the investment of foreign currency deposits.

General and administrative expenses increased 27.0% year on year to ¥4.9 billion, due mainly to an increase in system-related expenses.

Next, we explain the capital adequacy status shown in the right hand.

Net unrealized losses on other securities, net of taxes, amounted to ¥15.6 billion, deteriorated by ¥6.5 billion from March 31, 2008 due primarily to the decline in the fair market value of corporate bonds and Japanese government bonds.

During the six months ended September 30, 2008, Sony Bank's capital was raised ¥6.0 billion. As a result, common stock and capital surplus as of September 30, 2008, were ¥28.0 billion and ¥18.0 billion, respectively. In addition, Sony Bank assumed ¥2.0 billion in subordinated debts from outside of the SFH Group. The increased capital and the subordinated borrowings were intended to ensure Sony Bank's financial soundness, considering the increased investment assets along with its business expansion.

As of September 30, 2008, Sony Bank's non-consolidated capital adequacy ratio (domestic criteria) was 8.88%, maintaining a sound level.

In view of the recent market environment, on November 12, 2008, Sony Bank's capital was raised a further ¥6.0 billion through the allocation of shares to SFH, with the aim of enhancing Sony Bank's financial soundness and achieving further growth.

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 (Full-year forecast)	% change from FY07
Consolidated ordinary revenues	653.2	758.7	759.2	822.1	884.0	+ 7.5%
Of which, life insurance business	604.2	696.6	689.8	741.3	793.0	+ 7.0%
Of which, non-life insurance business	38.1	45.7	51.0	55.6	59.8 → 60.7	+ 9.2%
Of which, banking business	11.3	17.2	19.4	25.9	33.0 → 33.5	+ 1.5%
Consolidated ordinary profit	12.2	25.3	18.3	44.5	37.0	-16.9%
Of which, life insurance business	17.1	24.3	14.8	39.0	34.0	-13.0%
Of which, non-life insurance business	(2.8)	(0.7)	2.0	2.8	1.3 → 2.1	-25.0%
Of which, banking business	(1.6)	2.2	1.3	2.4	2.0 → 1.4	-30.0%
Consolidated net income	6.3	11.5	10.0	24.2	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

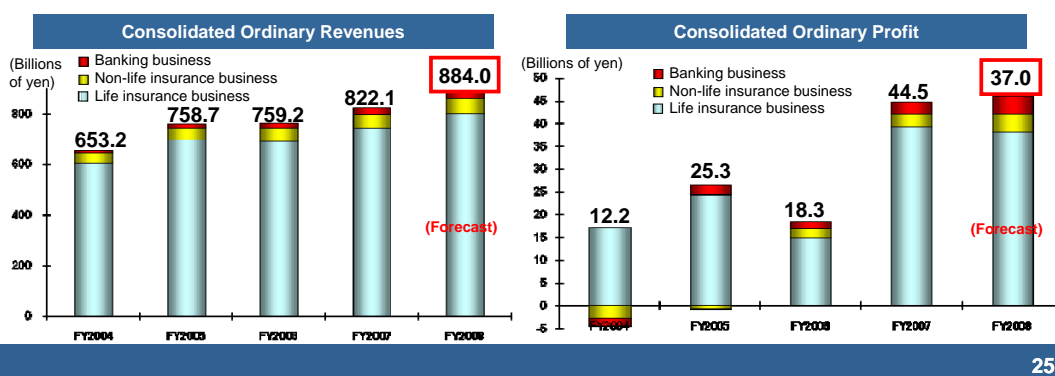
The yield on general account investments is expected to fall, compared with FY2008.

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.



SFH's consolidated financial results forecast for the year ending March 31, 2009 (April 1, 2008 through March 31, 2009) are unchanged from those announced on May 14, 2008.

With respect to the breakdown of each business, SFH changed its forecasts of ordinary revenues and ordinary profit both upward for the non-life insurance business for the year ending in March 31, 2009, from those originally announced in May, as stated here, owing to such factors as

- 1) Underwriting income during the six months ended September 30, 2008 was higher than originally expected,
- 2) The loss ratio for the period was within the range originally forecast, and
- 3) System-related expenses for the year ending March 31, 2009 are not expected to be as high as originally forecast.

In addition, SFH changed its forecasts of ordinary revenues upward but ordinary profit downward for the banking business for the year ending March 31, 2009, from those announced in August, as stated here, as ordinary revenues for the six months ended September 30, 2008 were higher than the original forecast due to steady business expansion, and considering the financial market environment as of September 30, 2008.

Our consolidated forecast for the year ending March 31, 2009, does not incorporate the potential impact of market fluctuations on and after October 1, 2008, as it is difficult to forecast the financial market conditions as of March 31, 2009.

Last, as one of recent topics, SFH announced on October 1, 2008, that it has obtained an AA-issuer rating from Rating and Investment Information, Inc. ("R&I").

Appendix

Appendix

Recent Topics



- Aug. 1** Sony Bank started tie up in conducting banking agency business with Seven Bank to offer Sony Bank's mortgage loans
- Oct. 1** Sony Financial Holdings (SFH) obtained AA- issuer rating from R&I, Japanese rating agency
- Oct. 1** Sony Life opened representative office in Beijing, PRC
- Oct. 13** Sony Bank introduced a fund sweep service tying with Sony Bank Securities
- Oct. 14** Sony Bank obtained AA- long-term senior debt rating from JCR , Japanese rating agency
- Oct. 20** Sony Bank started ATM affiliation with LAWSON ATM Networks to expand real money services to be provided throughout Japan
- Oct. 29** Sony Bank started handling credit cards with dual-currency settlement function
- Nov. 12** SFH injected capital (¥6.0 billion) to Sony Bank

Recent Topics

Comparison with Sony Corporation's Consolidated Financial Services Segment (Principal Differences between Japan GAAP and U.S. GAAP)



* "SFH" refers to "Sony Financial Holdings Inc."

	Financial Services Segment of Sony Corporation, Consolidated (U.S. GAAP)	SFH ¹ Consolidated (Japanese GAAP)
Treatment of new policy acquisition costs (Concerns the life insurance business and the medical care insurance portion of the non-life insurance business)	The portion of costs related to acquiring new policies or changes in these costs that is deemed recoverable is deferred.	Costs are treated as expenses during the period in which they are incurred.
Method of calculating policy reserves (insurance policy liabilities) (Concerns the life insurance business and the medical care insurance portion of the non-life insurance business)	Under U.S. GAAP, calculated according to the net level premium method using insurance actuarial figures.	Calculated according to methods approved by regulatory bodies. Computed with an emphasis on the early accumulation of policy reserves from the standpoint of protecting policyholders.
Treatment of the market value of convertible bonds held (Concerns the life insurance business)	Changes in the fair value (changes in the market value) of so-called "hybrid financial products," which include derivatives, are posted to the income statement as profits or losses.	Changes in fair value are posted to the balance sheets as increases or decreases in net assets.

Notes:

- The above-mentioned differences between U.S. GAAP and Japan GAAP are deemed material to SFH's consolidated ordinary profit for FY08. 1H.
- The scope of Sony Corporation's consolidated Financial Services segment and SFH's consolidation differ, as follows:
 - Sony Corporation's consolidated Financial Services segment: SFH, Sony Life Insurance Co., Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Finance International Inc., others. AEGON Sony Life Planning Co., Ltd. is also in the scope as an affiliated company accounted for under the equity method.
 - SFH consolidated: Sony Life Insurance Co., Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Bank Securities Inc., Sony Life Insurance (Philippines) Corporation. AEGON Sony Life Planning Co., Ltd. is also in the scope as an affiliated company accounted for under the equity method.
- Under U.S. GAAP, the book value at the date of conversion to shares is used as the market value of shares converted from convertible bonds (CBs), whereas under Japanese accounting principles the book value is carried as the CB acquisition price even after conversion. Consequently, total gains or losses on the sales of shares converted from CBs (differences between selling prices and book values), and total impairment losses (differences between market value and book value)—of stocks included in the scope of impairment loss accounting—differ depending on the use of U.S. or Japanese GAAP.

Comparison with Sony Corporation's Consolidated Financial Services Segment



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