

Presentation Material

Consolidated Financial Results for the Three Months Ended June 30, 2011

**Sony Financial Holdings Inc.
August 12, 2011**



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Disclaimers:

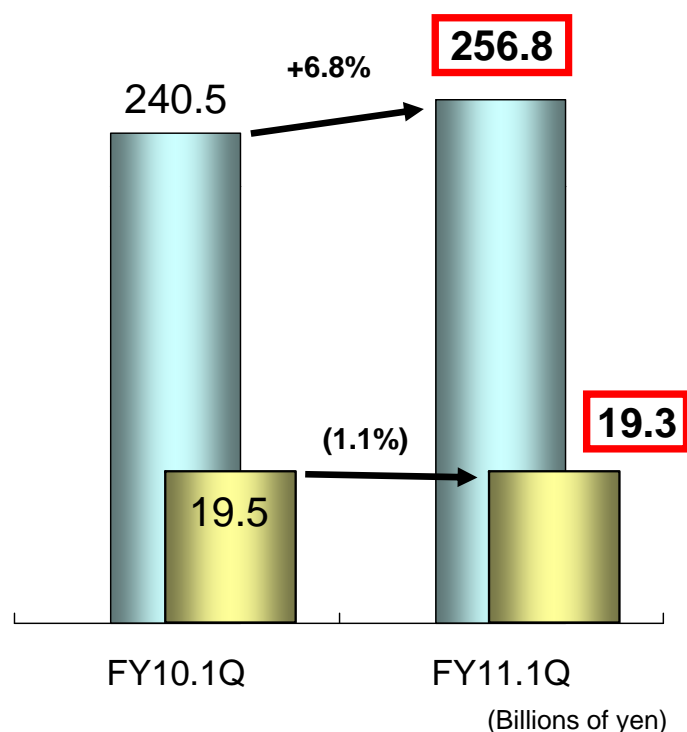
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Consolidated Operating Results for the Three Months Ended June 30, 2011

- ✓ For the three months ended June 30, 2011, consolidated ordinary revenues increased and consolidated ordinary profit was nearly flat year on year. The damage from the Great East Japan Earthquake on our operating results was limited.
- ✓ The life insurance business continued to grow in its policy amount in force, due to favorable sales of mainstay death-protection type and third-sector insurance products such as living benefit and nursing-care insurance.
- ✓ The non-life insurance business enjoyed brisk sales. The last year's upward trend in the loss ratio for automobile insurance showed signs of slowing in this first quarter.
- ✓ The banking business has improved its interest spread along with a growing balance of mortgage loans under unfavorable business conditions of low interest rates.

Highlights of Consolidated Operating Performance for the Three Months Ended June 30, 2011 (1)

□ Ordinary revenues □ Ordinary profit



		(Billions of yen)	FY10.1Q	FY11.1Q	Change	
Life insurance business	Ordinary revenues		214.1	229.3	+15.1	+7.1%
	Ordinary profit		18.5	17.6	(0.9)	(4.9%)
Non-life insurance business	Ordinary revenues		19.0	20.4	+1.4	+7.4%
	Ordinary profit		0.4	0.7	+0.3	+67.7%
Banking business	Ordinary revenues		7.7	7.4	(0.3)	(4.0%)
	Ordinary profit		0.5	0.8	+0.3	+74.8%
Intersegment adjustments*	Ordinary revenues		(0.4)	(0.4)	(0.0)	+7.5%
	Ordinary profit		0.0	0.0	+0.0	+17.2%
Consolidated	Ordinary revenues		240.5	256.8	+16.2	+6.8%
	Ordinary profit		19.5	19.3	(0.2)	(1.1%)
	Net income		10.3	10.8	+0.5	+4.9%

		(Billions of yen)	10.6.30	11.3.31	11.6.30	Change from 11.3.31	
Consolidated	Total assets		6,085.4	6,597.1	6,705.6	+108.4	+1.6%
	Net assets		283.0	294.8	309.6	+14.7	+5.0%

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

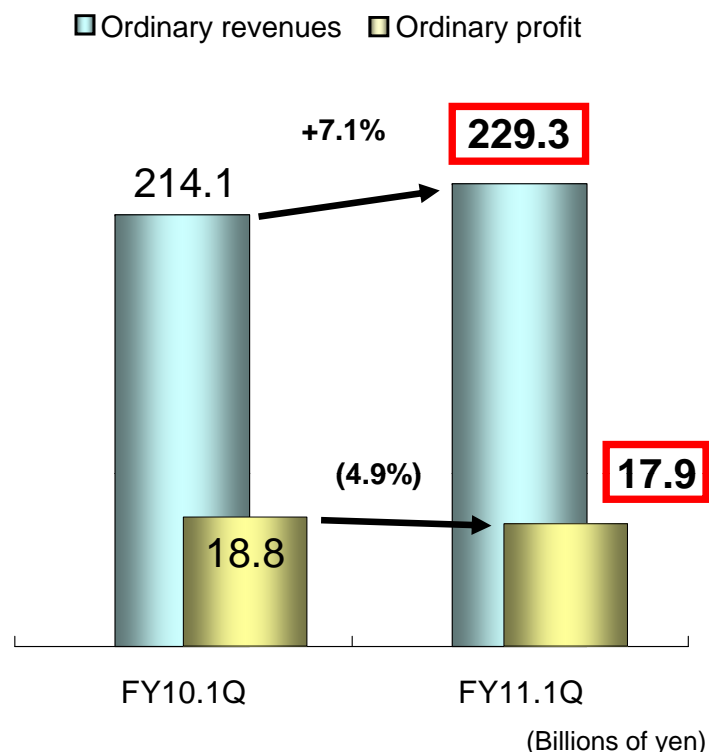
*Comprehensive income: FY10.1Q: ¥20.1 billion, FY11.1Q: ¥23.4 billion yen

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

Highlights of Consolidated Operating Performance for the Three Months Ended June 30, 2011 (2)

- Life Insurance: Ordinary revenues increased year on year, due to higher income from insurance premiums associated with a steady increase in the policy amount in force. Ordinary profit decreased slightly due to lower gains on sale of securities, reflecting the process of shifting its bond holdings to ultralong-term bonds to reduce interest rate risk, which offset the positive impact of a partial reversal of reserve for outstanding claims, which was accumulated after the Great East Japan Earthquake of March 2011, and a decrease in provision of policy reserves for minimum guarantees for variable life insurance.
- Non-life Insurance: Ordinary revenues increased year on year, due to increased net premiums written, as the number of insurance policies in force grew primarily for automobile insurance. Ordinary profit increased owing primarily to a rise in ordinary revenues and a lower provision of reserve for outstanding losses.
- Banking: Ordinary revenues decreased, owing mainly to a decrease in gains on foreign exchange transactions. Ordinary profit increased due to an increase in gross operating profit reflecting a decrease in interest expenses on yen deposits and an increase in interest income on loans led by the growing balance of mortgage loans. The increase in gross operating profit offset the negative impact of higher general and administrative expenses led primarily by personnel reinforcement of the full-scale entry into credit card business.
- Consolidated ordinary revenues increased 6.8% year on year, to ¥256.8 billion, however, consolidated ordinary profit decreased 1.1%, to ¥19.3 billion. Net income increased 4.9%, to ¥10.8 billion

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



- ◆ Ordinary revenues increased but ordinary profit decreased year on year.
- ◆ Income from insurance premiums increased due to a steady increase in the policy amount in force.
- ◆ Investment income decreased due to lower gains on sale of securities, reflecting the process of shifting its bond holdings to ultralong-term bonds to reduce interest rate risk, which offset the positive impact of higher interest income and dividends in the general account assets.
- ◆ Ordinary profit decreased slightly due to lower gains on sale of securities, which offset the positive impact of a partial reversal of reserve for outstanding claims, which was accumulated after the Great East Japan Earthquake of March 2011, and a decrease in provision of policy reserves for minimum guarantees for variable life insurance.

(Billions of yen)	FY10.1Q	FY11.1Q	Change	
Ordinary revenues	214.1	229.3	+15.2	+7.1%
Income from insurance premiums	182.6	194.6	+11.9	+6.6%
Investment income	30.3	29.0	(1.3)	(4.3%)
Interest income and dividends	20.5	23.2	+2.6	+13.0%
Income from monetary trusts, net	2.3	1.3	(1.0)	(43.6%)
Gains on sale of securities	7.4	0.5	(6.9)	(93.1%)
Gains on separate accounts, net	—	3.9	+3.9	—
Ordinary expenses	195.2	211.3	+16.1	+8.3%
Insurance claims and other payments	67.7	71.3	+3.5	+5.3%
Provision for policy reserves and others	67.2	108.1	+40.8	+60.8%
Investment expenses	32.9	3.0	(29.8)	(90.6%)
Losses on sale of securities	0.4	0.4	(0.0)	(9.1%)
Losses on separate accounts, net	30.0	—	(30.0)	(100.0%)
Operating expenses	23.8	25.1	+1.2	+5.2%
Ordinary profit	18.8	17.9	(0.9)	(4.9%)
Net income	10.1	10.1	+0.0	+0.1%

(Billions of yen)	10.6.30	11.3.31	11.6.30	Change from 11.3.31	
Securities	3,646.2	4,017.5	4,119.0	+101.4	+2.5%
Policy reserves	4,052.1	4,371.4	4,479.6	+108.1	+2.5%
Total net assets	205.2	215.3	228.4	+13.0	+6.1%
Net unrealized gains on other securities	26.2	7.0	18.9	+11.9	+170.4%
Total assets	4,343.1	4,723.3	4,807.7	+84.3	+1.8%
Separate account assets	349.4	398.1	408.6	+10.5	+2.6%

Overview of Performance: Sony Life (Non-consolidated)

(Billions of yen)	FY10.1Q	FY11.1Q	Change
New policy amount	1,065.3	1,054.4	(1.0%)
Lapse and surrender amount	527.8	530.3	+0.5%
Lapse and surrender rate	1.58%	1.53%	(0.05pt)
Policy amount in force	33,819.2	35,073.4	+3.7%
Annualized premiums from new policies	18.1	17.1	(5.1%)
Of which, third-sector products	4.1	4.2	+2.5%
Annualized premiums from insurance in force	582.4	611.5	+5.0%
Of which, third-sector products	135.0	143.1	+6.0%

(Billions of yen)	FY10.1Q	FY11.1Q	Change
Gains from investment, net (General account)	27.4	21.9	(20.0%)
Core profit	11.7	19.2	+62.9%
Negative spread	2.6	1.3	(50.0%)

	10.6.30	11.3.31	11.6.30	Change from 11.3.31
Solvency Margin Ratio	2,810.0%	2,900.1%	3,024.0%	+123.9pt

(Reasons for changes)

◆ Decreased, due mainly to lower sales of family income insurance, which is life insurance with disability benefit.

◆ Decreased due to the lowering lapse and surrender rates, mainly in family income insurance, which is life insurance with disability benefit.

◆ Decreased, due mainly to lower sales of educational endowment insurance and cancer hospitalization insurance.

◆ Increased, due mainly to higher sales of nursing-care insurance and living benefit insurance

◆ Decreased due to lower gains on sale of securities despite an increase in interest income and dividends.

◆ Increased reflecting the positive impact of a partial reversal of reserve for outstanding claims, which was accumulated after the Great East Japan Earthquake of March 2011, a decrease in provision of policy reserves for minimum guarantees for variable life insurance, and a decline in negative spread.

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.

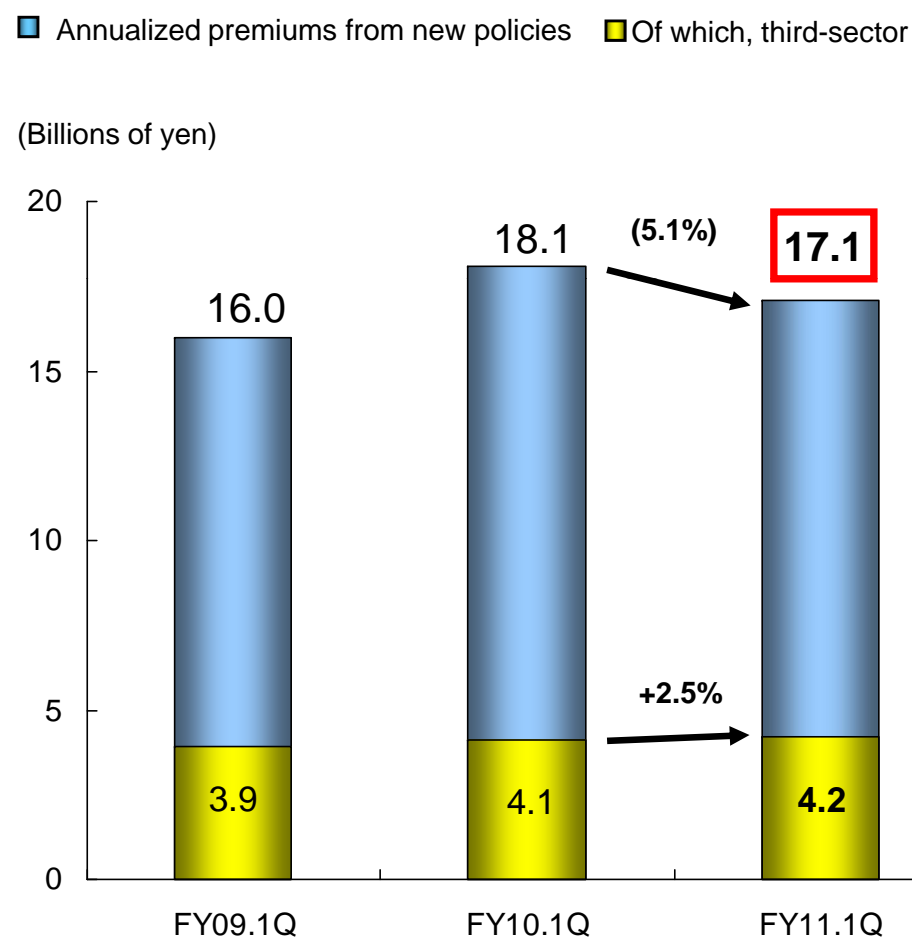
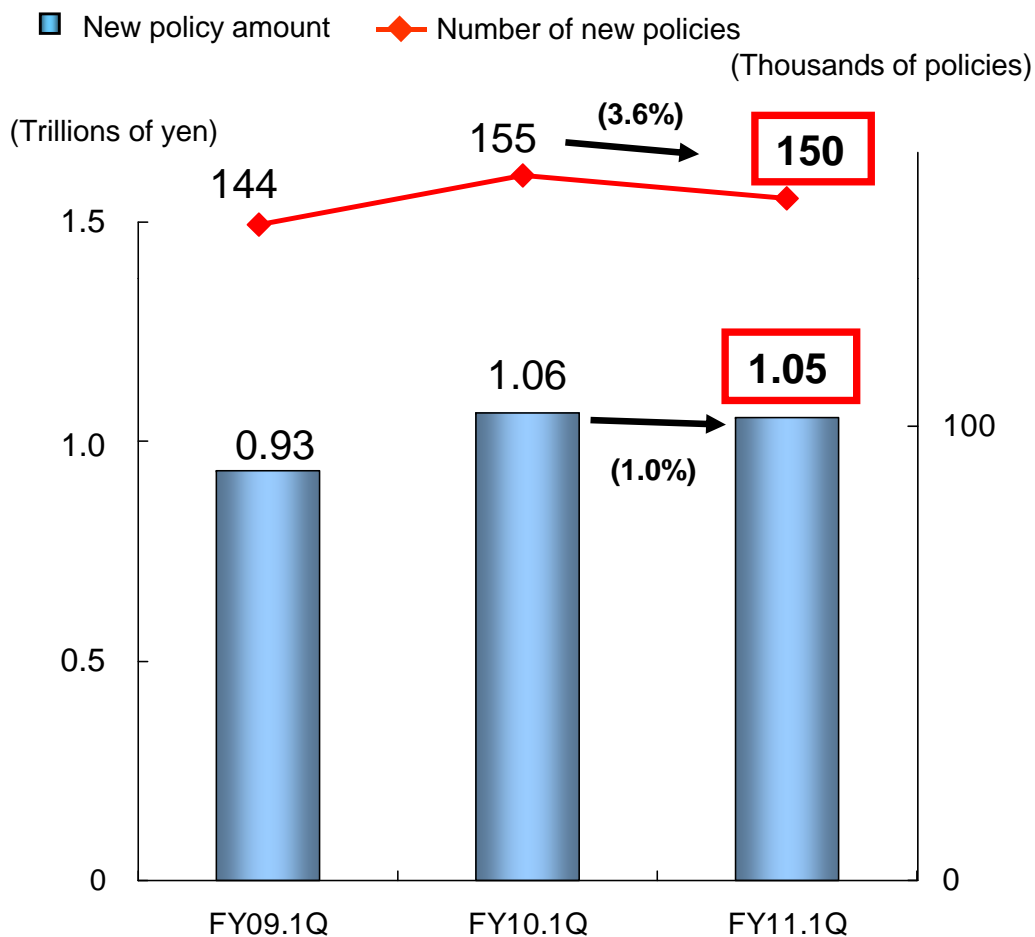
*2 The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

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)

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

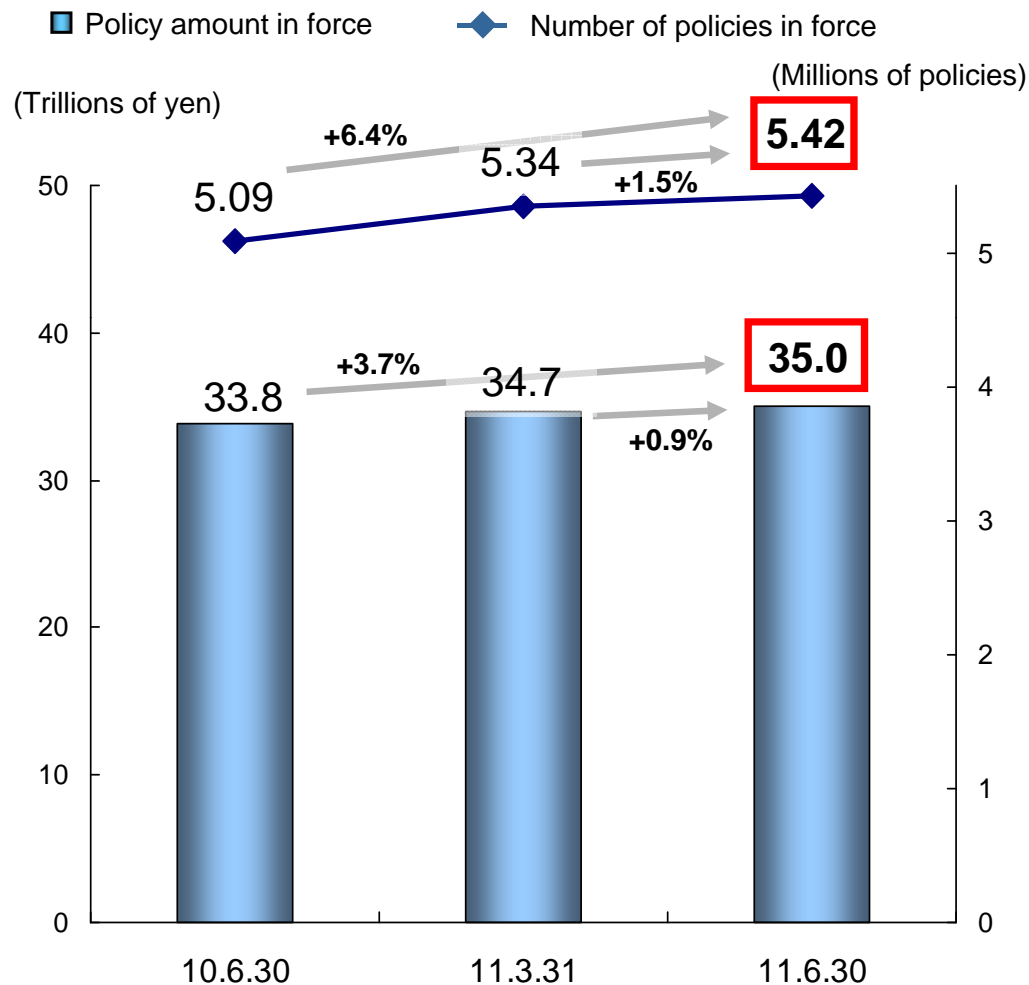


Line item amounts are truncated below ¥10 billion; numbers of policies are truncated below 1,000 policies; percentage change figures are rounded.

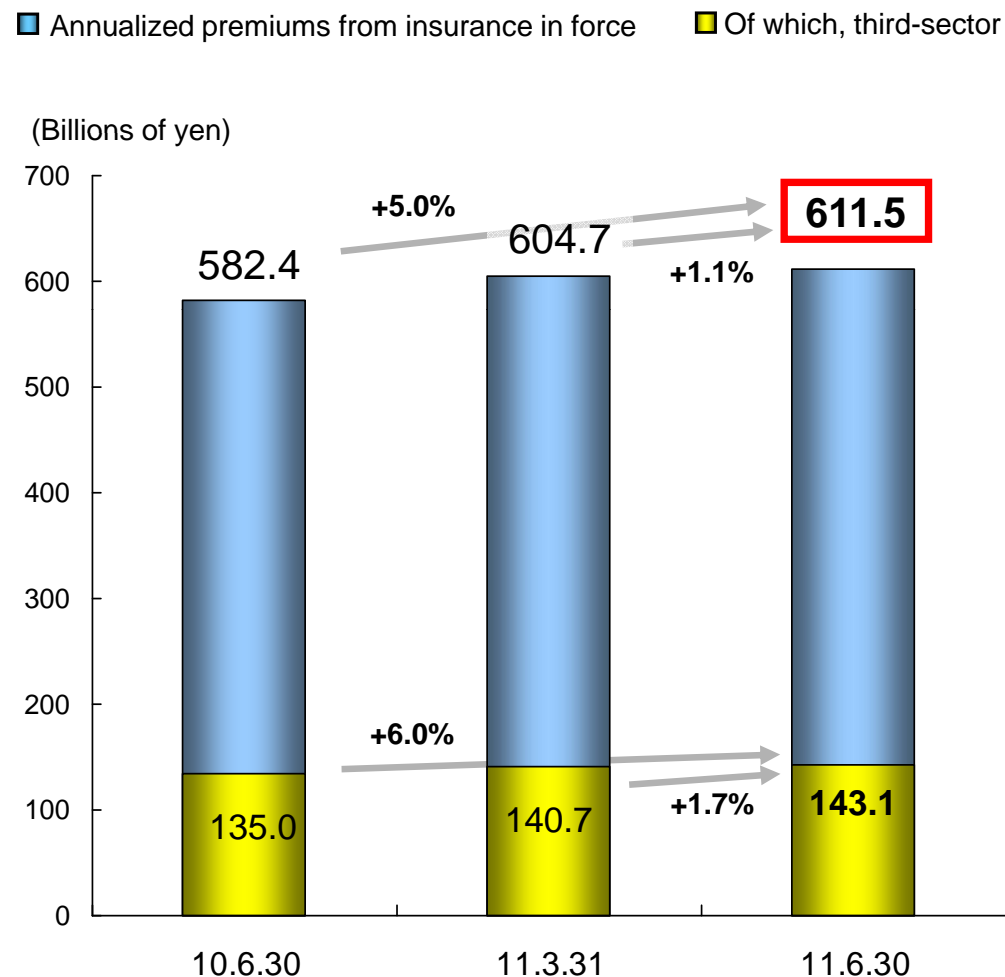
Line item amounts are truncated below ¥100 million; percentage figures are rounded.

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)

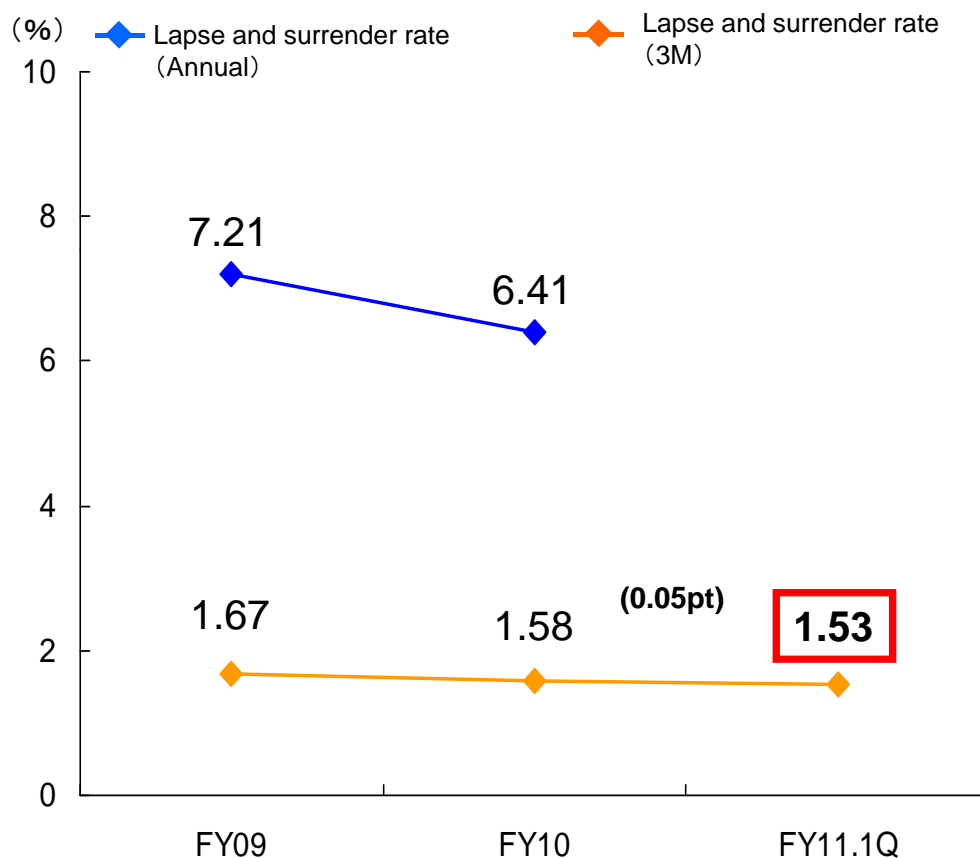


Line item amounts are truncated below ¥100 billion; numbers of policies are truncated below 10,000 policies; percentage change figures are rounded.

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

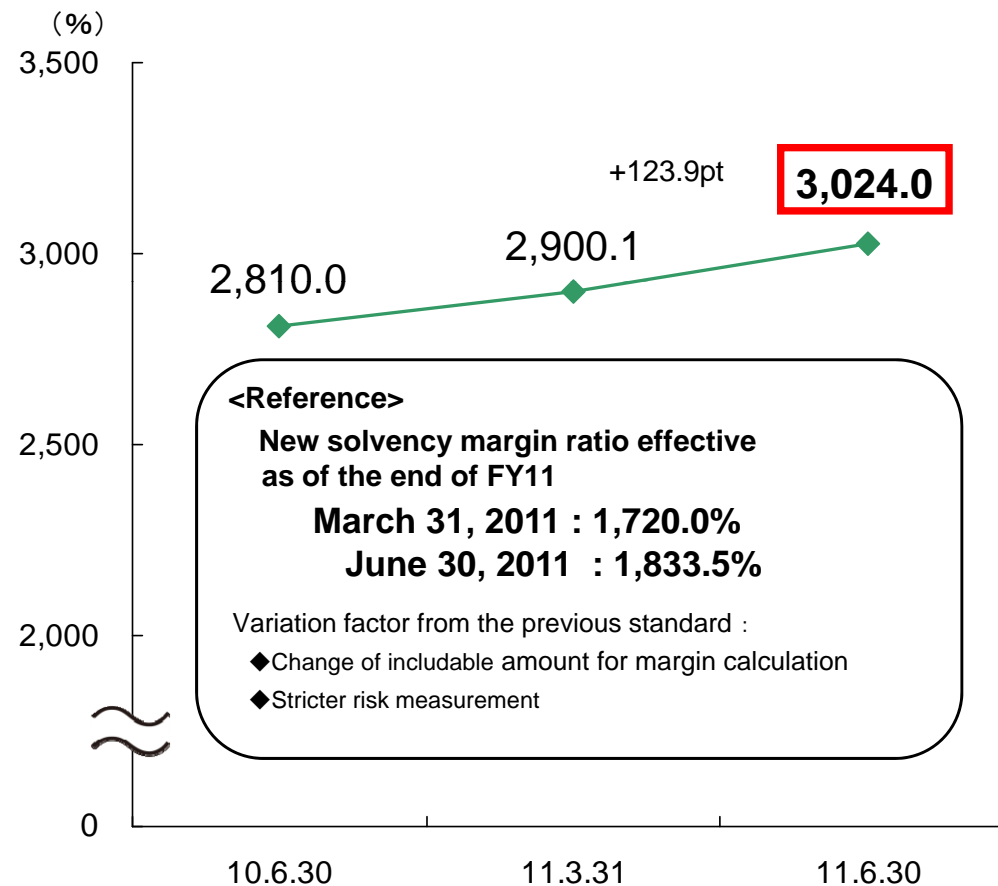
Sony Life Operating Performance (3)

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



*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.

Solvency Margin Ratio



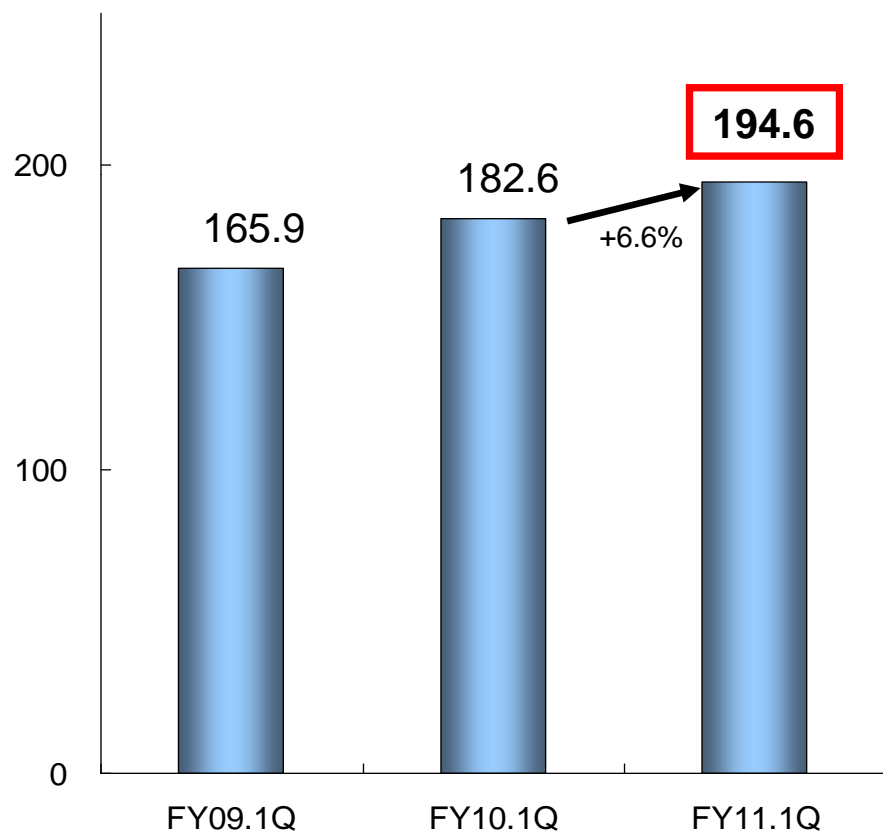
Note:
 Legislation concerning the calculation of the solvency margin ratio has been revised from the standpoint of raising its credibility, and these new standards are to become effective as of the end of fiscal 2011 (March 31, 2012). The above-stated figures are calculated on the assumption that these changes are applied at March 31 and June 30, 2011.

* New solvency margin ratio for Sony Life is also on P 34.

Sony Life Operating Performance (4)

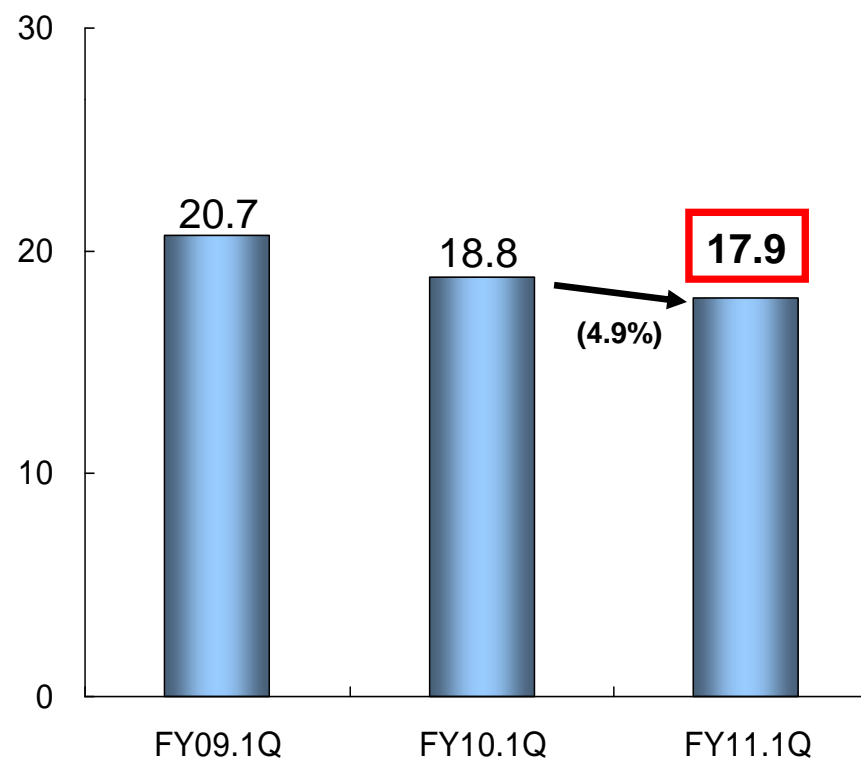
Income from Insurance Premiums

(Billions of yen)



Ordinary Profit

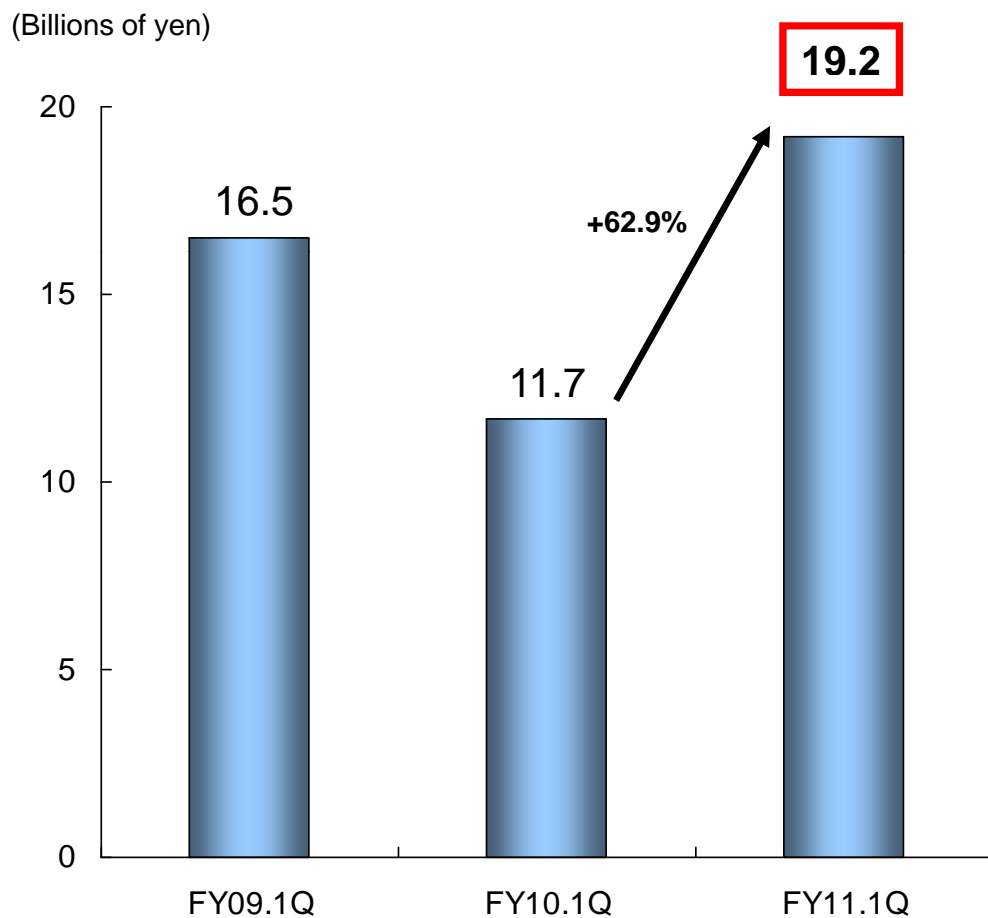
(Billions of yen)



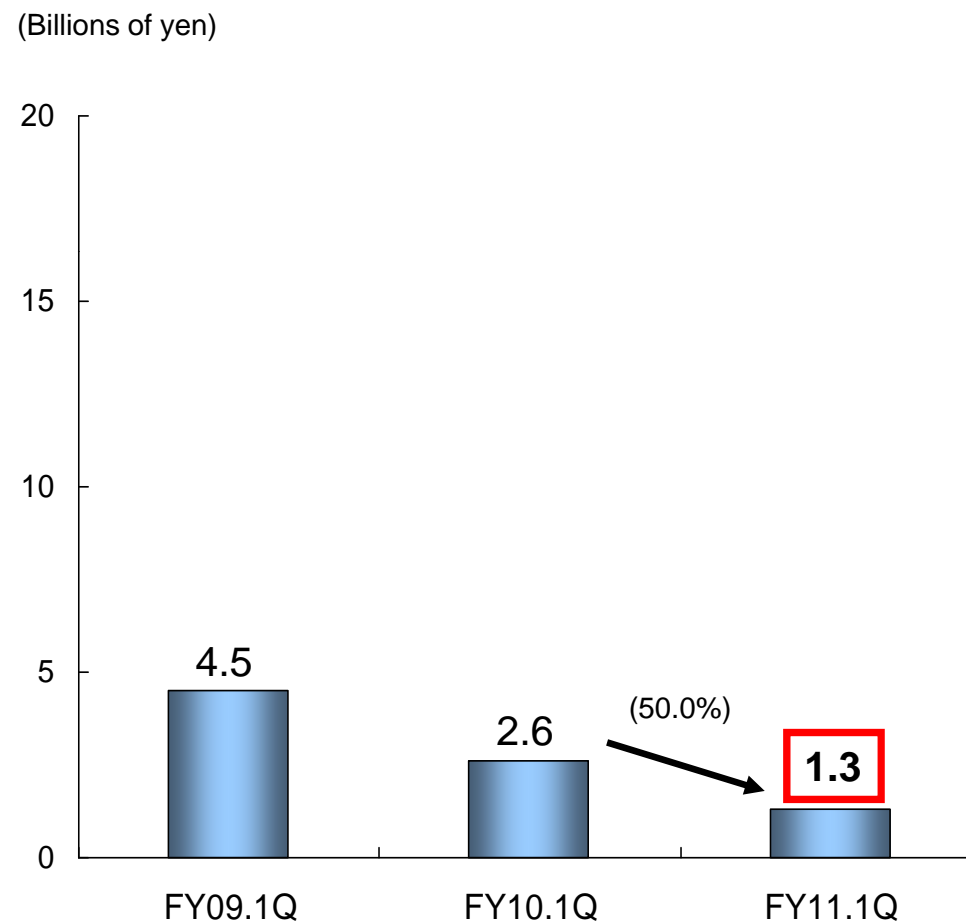
Line item amounts are truncated below ¥100 million; percentage figures are rounded.

Sony Life Operating Performance (5)

Core Profit



Negative Spread

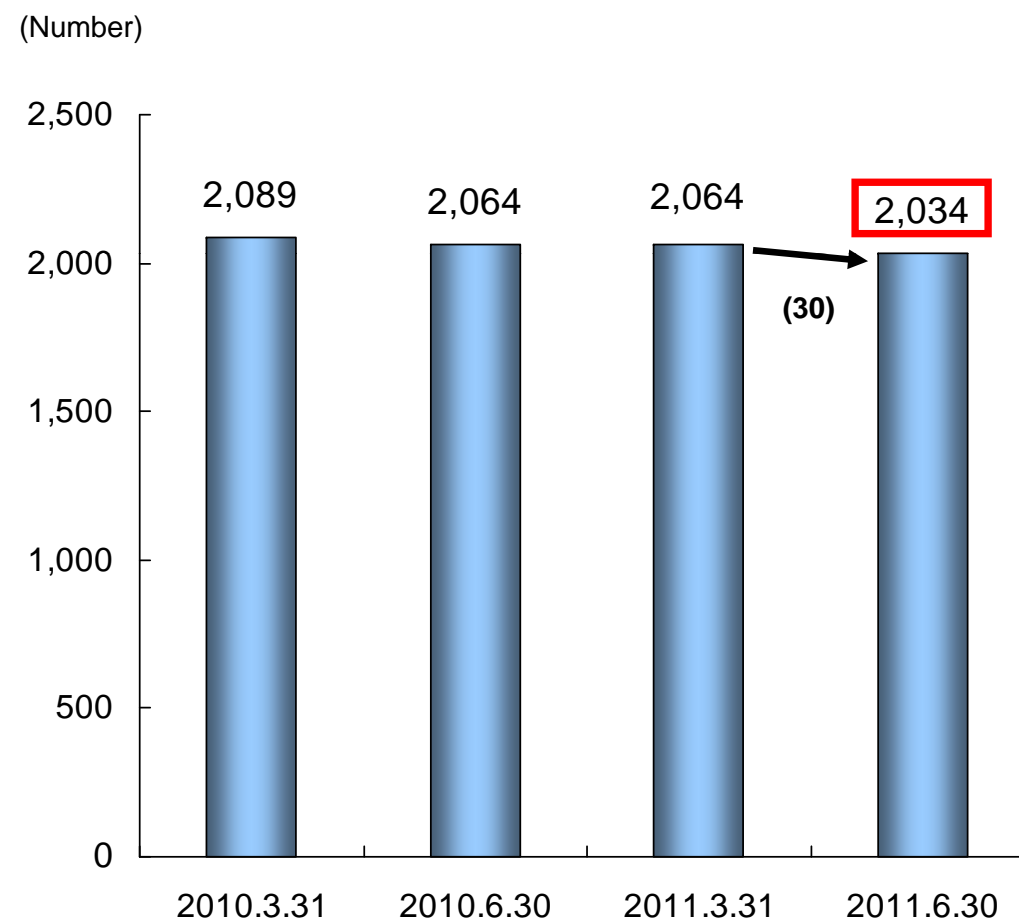
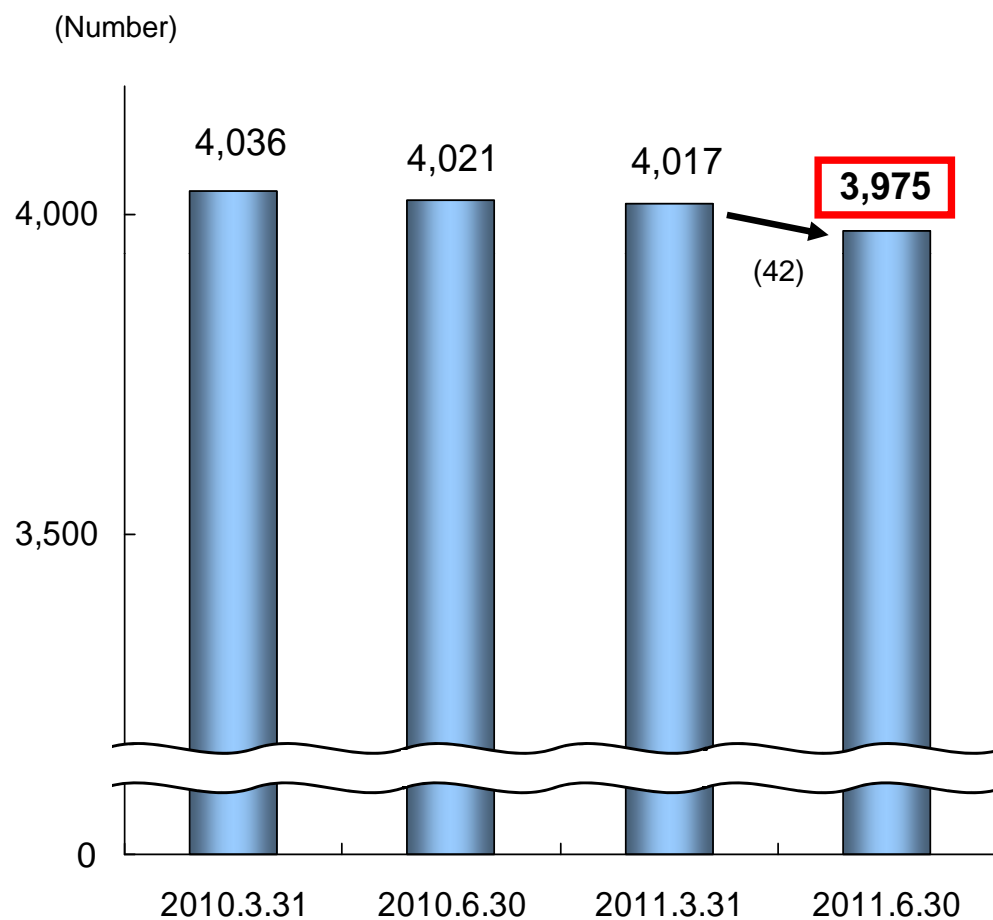


Line item amounts are truncated below ¥100 million; percentage figures are rounded.

Sony Life Operating Performance (6)

Number of Lifepanner Sales Employees

Number of Independent Agents



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

Breakdown of General Account Assets

(Billions of yen)	10.3.31		11.6.30	
	Amount	%	Amount	%
Japanese government and corporate bonds	3,499.9	80.9%	3,586.6	81.5%
Japanese stocks	64.0	1.5%	62.2	1.4%
Foreign securities	44.2	1.0%	52.7	1.2%
Foreign stocks	30.0	0.7%	30.2	0.7%
Monetary trusts	276.4	6.4%	280.3	6.4%
Policy loans	134.4	3.1%	134.5	3.1%
Real estate	75.1	1.7%	74.5	1.7%
Cash and call loans	80.0	1.9%	68.1	1.5%
Others	120.9	2.8%	109.4	2.5%
Total	4,325.2	100.0%	4,399.1	100.0%

<Asset management review>

- 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
<u>11.6.30</u>	<u>18.5 years</u>

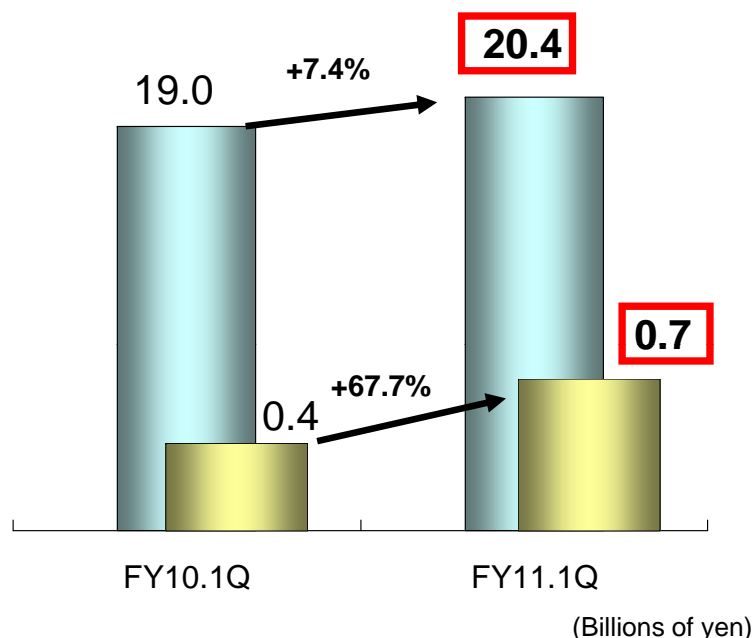
- Japanese stocks: Maintained the ratio of stock holding at the end of March 2009.

- 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 June 30, 2011: 87.9%, (As of March 31, 2011: 87.3%)

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 for automobile insurance.
- ◆ Ordinary profit increased due mainly to a rise in ordinary revenues and a lower provision of reserve for outstanding losses.

(Billions of yen)	FY10.1Q	FY11.1Q	Change	
Ordinary revenues	19.0	20.4	+1.4	+7.4%
Underwriting income	18.8	20.2	+1.3	+7.1%
Investment income	0.1	0.2	+0.0	+21.2%
Ordinary expenses	18.5	19.6	+1.0	+5.9%
Underwriting expenses	14.3	15.1	+0.7	+4.9%
Investment expenses	—	0.0	+0.0	—
Operating, general and administrative expenses	4.1	4.5	+0.4	+9.6%
Ordinary profit	0.4	0.7	+0.3	+67.7%
Net income	0.2	0.4	+0.2	+73.1%

(Billions of yen)	10.6.30	11.3.31	11.6.30	Change from 11.3.31	
Underwriting reserves	61.3	64.0	67.1	+3.0	+4.7%
Total net assets	15.7	16.7	17.2	+0.4	+3.0%
Total assets	101.3	109.3	112.2	+2.8	+2.6%

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

Overview of Performance: Sony Assurance

(Billions of yen)	FY10.1Q	FY11.1Q	Change
Direct premiums written	18.7	20.0	+6.9%
Net premiums written	18.8	20.2	+7.1%
Net losses paid	9.2	10.2	+10.8%
Underwriting profit	0.3	0.5	+78.6%
Net loss ratio	55.2%	56.9%	+1.7pt
Net expense ratio	23.9%	24.6%	+0.7pt
Combined ratio	79.1%	81.4%	+2.3pt

(Reasons for changes)

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

◆ Increased, owing mainly to an increase in the number of policies in force for automobile insurance.

◆ Increased, due primarily to the reinforcement of corporate systems and infrastructure based on the expansion of business operations.

◆ Increased, due to an increase in the number of policies in force for 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.

	10.6.30	11.3.31	11.6.30	Change from 11.3.31	
Number of policies in force	1.3 million	1.38 million	1.41 million	+0.02 million	+2.0%
Solvency margin ratio	1,029.7%	981.4%	996.5%	+15.1pt	

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.

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)	FY10.1Q	FY11.1Q	Change
Fire	31	32	+3.1%
Marine	—	—	—
Personal accident*	1,767	1,805	+2.2%
Voluntary automobile	16,938	18,184	+7.4%
Compulsory automobile liability	—	—	—
Total	18,737	20,022	+6.9%

Net Premiums Written

(Millions of yen)	FY10.1Q	FY11.1Q	Change
Fire	1	61	+3,516.4%
Marine	3	2	(27.3%)
Personal accident*	1,824	1,875	+2.8%
Voluntary automobile	16,871	18,117	+7.4%
Compulsory automobile liability	158	150	(5.6%)
Total	18,860	20,208	+7.1%

Net losses paid

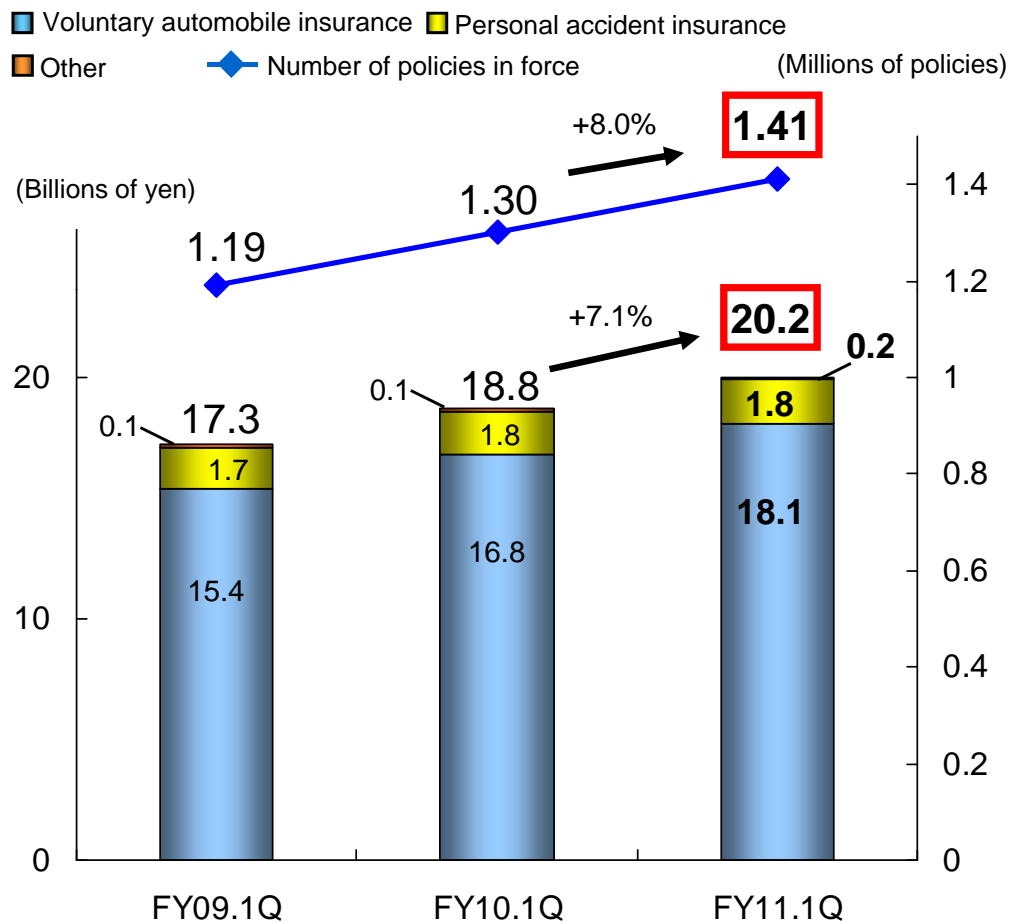
(Millions of yen)	FY10.1Q	FY11.1Q	Change
Fire	0	7	+65,393.4%
Marine	3	8	+159.1%
Personal accident*	378	426	+12.8%
Voluntary automobile	8,732	9,627	+10.3%
Compulsory automobile liability	153	197	+28.8%
Total	9,266	10,267	+10.8%

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

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

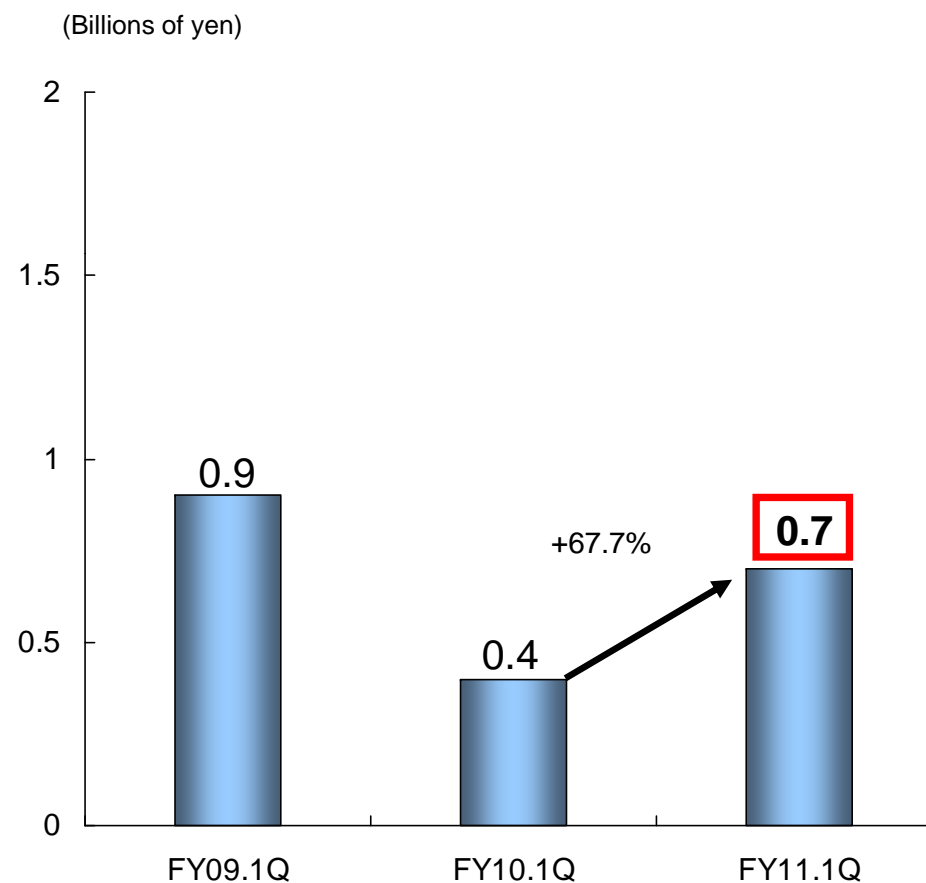
Sony Assurance Operating Performance (1)

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.

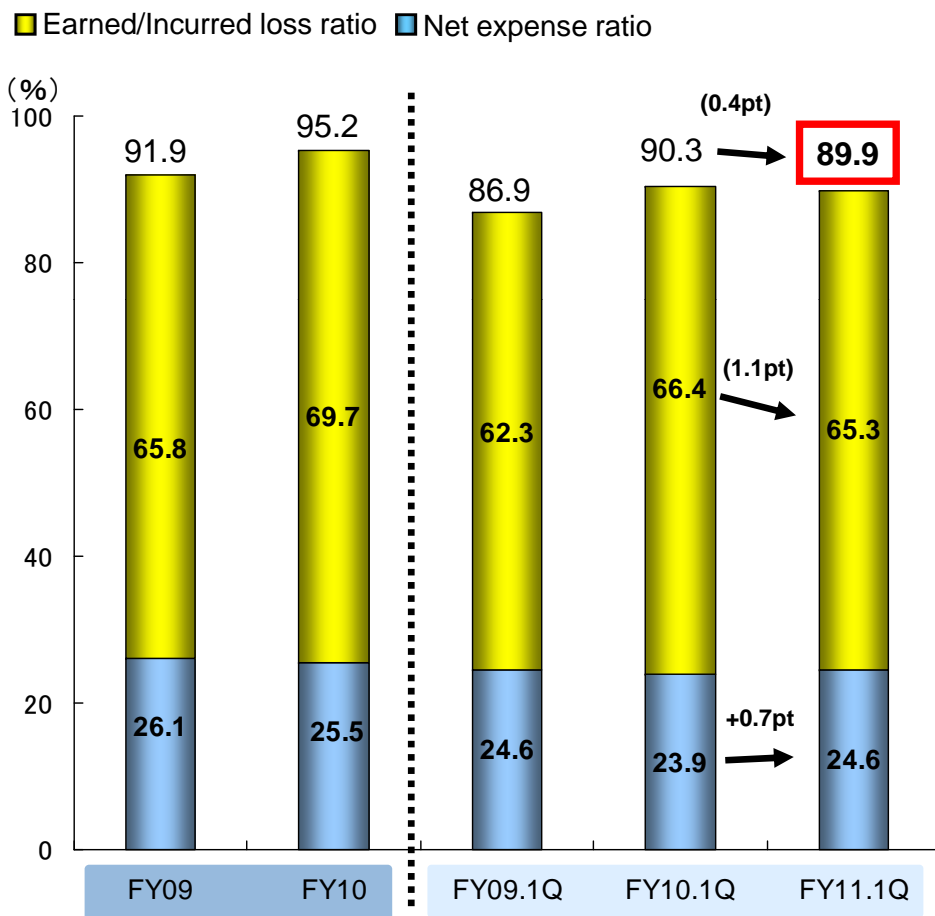
Ordinary Profit



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

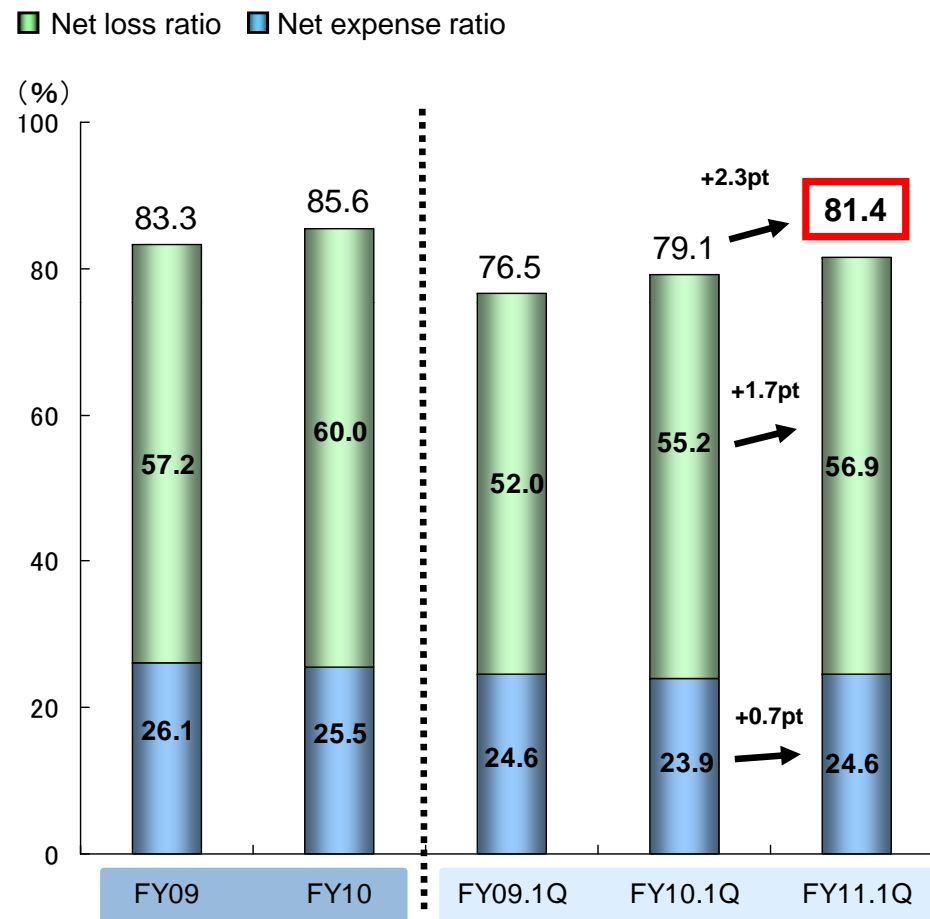
Sony Assurance Operating Performance (2)

Net Expense Ratio + Earned/Incurred Loss Ratio



Reference

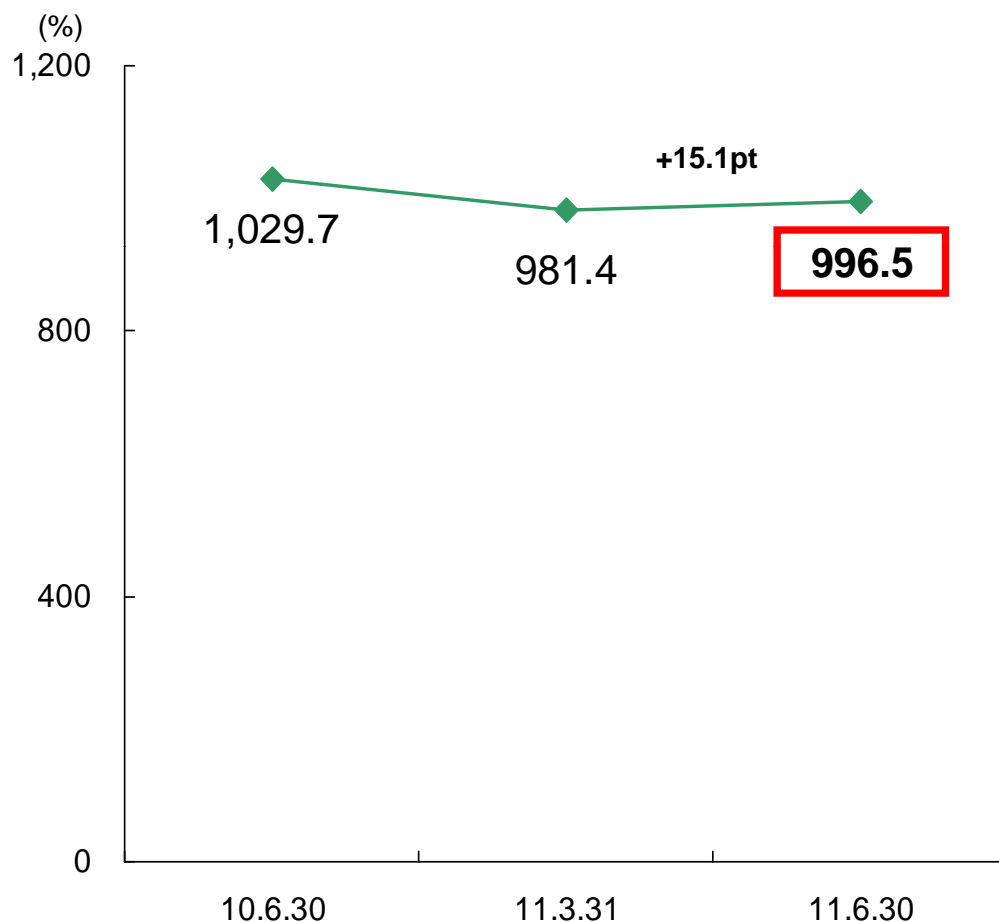
Combined Ratio (Net Expense Ratio + Net Loss Ratio)



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.

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



<Reference>

New solvency margin ratio effective as of the end of FY11

March 31, 2011 : 631.0%

June 30, 2011 : 640.3%

Variation factor from the previous standard

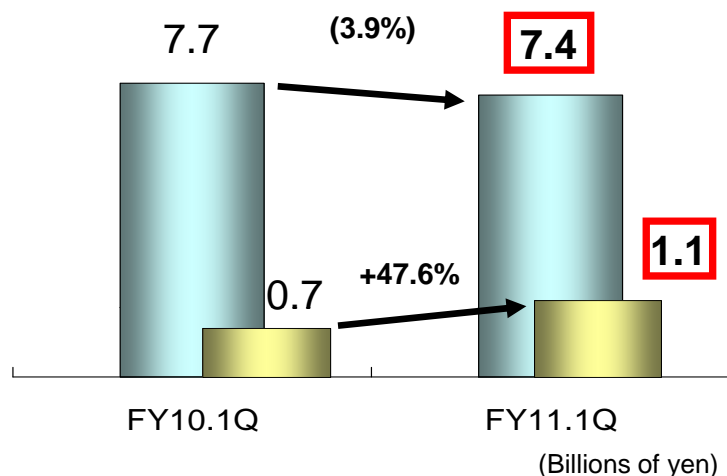
◆ Stricter risk measurement

Note:

Legislation concerning the calculation of the solvency margin ratio has been revised from the standpoint of raising its credibility, and these new standards are to become effective as of the end of fiscal 2011 (March 31, 2012). The above-stated figures are calculated on the assumption that these changes are applied at March 31, and June 30, 2011.

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

□ Ordinary revenues □ Ordinary profit



- ◆ Ordinary revenues decreased but ordinary profit increased year on year.
- ◆ Gross operating profit increased ¥0.4 billion year on year due mainly to an increase in net interest income.
 - Net interest income increased ¥0.6 billion owing primarily to a decrease in interest expenses on yen deposits and an increase in interest income on loans led by the growing balance of mortgage loans.
 - Net other operating income decreased ¥0.2 billion reflecting lower gains on bond dealing transactions.
- ◆ Net operating profit increased, owing to an increase in gross operating profit, which offset the negative impact of higher general and administrative expenses.
- ◆ Customer assets increased ¥16.6 billion from March 31, 2011, of which deposit balance increased ¥15.4 billion.

(Billions of yen)	FY10.1Q	FY11.1Q	Change	
Ordinary revenues	7.7	7.4	(0.3)	(3.9%)
Gross operating profit	4.0	4.5	+0.4	+10.6%
Net interest income	3.1	3.8	+0.6	+21.5%
Net fees and commissions	0.06	0.06	+0.00	+0.1%
Net other operating income	0.8	0.5	(0.2)	(30.6%)
General and administrative expenses	3.1	3.3	+0.1	+6.1%
Ordinary profit	0.7	1.1	+0.3	+47.6%
Net income	0.3	0.6	+0.2	+76.0%
Net operating profit	0.8	1.1	+0.3	+38.9%

(Billions of yen)	10.6.30	11.3.31	11.6.30	Change from 11.3.31	
Securities	903.0	940.1	930.3	(9.7)	(1.0%)
Loans	600.9	722.4	748.3	+25.8	+3.6%
Deposits	1,517.1	1,649.1	1,664.5	+15.4	+0.9%
Customer assets	1,613.0	1,755.5	1,772.2	+16.6	+0.9%
Total net assets	58.2	59.9	61.2	+1.2	+2.1%
Net unrealized gains (losses) on other securities (net of taxes)	1.0	0.4	1.4	+1.0	+250.2%
Total assets	1,637.3	1,761.8	1,782.5	+20.7	+1.2%

Line item amounts are truncated below ¥100 million (excluding net fees and commissions); percentage change figures are rounded.

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

	10.6.30	11.3.31	11.6.30	Change	
Customer assets	1,613.0	1,755.5	1,772.2	+16.6	+0.9%
Deposits	1,517.1	1,649.1	1,664.5	+15.4	+0.9%
Yen	1,189.1	1,289.8	1,299.4	+9.6	+0.7%
Foreign currency	327.9	359.2	365.0	+5.8	+1.6%
Investment trusts	95.9	106.4	107.6	+1.1	+1.1%
Loans outstanding	600.9	722.4	748.3	+25.8	+3.6%
Mortgage loans	562.4	656.0	676.1	+20.0	+3.1%
Others	38.4	66.4	72.1 ^{*1}	+5.7	+8.7%
Number of accounts (thousands)	809	859	869	+10	+1.2%
Capital adequacy ratio (*2) (domestic criteria)	12.20%	10.84%	10.65%	(0.19pt)	

(Reasons for changes)

◆ Foreign currency deposit increased reflecting growing demand for saving foreign currency under the market fluctuation even though the sharp hike in the yen might have the negative impact on the foreign exchange conversion.

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

*1 Loans in others include corporate loans of ¥64.4 billion.

*2 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 1,000 accounts; percentage change figures are rounded.

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

<Reference> On Managerial Accounting Basis

(Billions of yen)	FY10.1Q	FY11.1Q	Change	
Gross operating profit	4.0	4.5	+0.4	+10.6%
Net interest income ^{*1} ①	3.4	4.2	+0.8	+22.9%
Net fees and commissions ^{*2} ②	0.4	0.3	(0.1)	(25.7%)
Net other operating income ^{*3}	0.1	(0.0)	(0.2)	—
Gross operating profit (core profit) (A) = ①+②	3.9	4.6	+0.6	+17.8%
Operating expenses and other expenses ③	3.2	3.3	+0.1	+3.2%
Net operating profit (core profit) = (A)−③	0.6	1.2	+0.5	+88.9%

● 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.

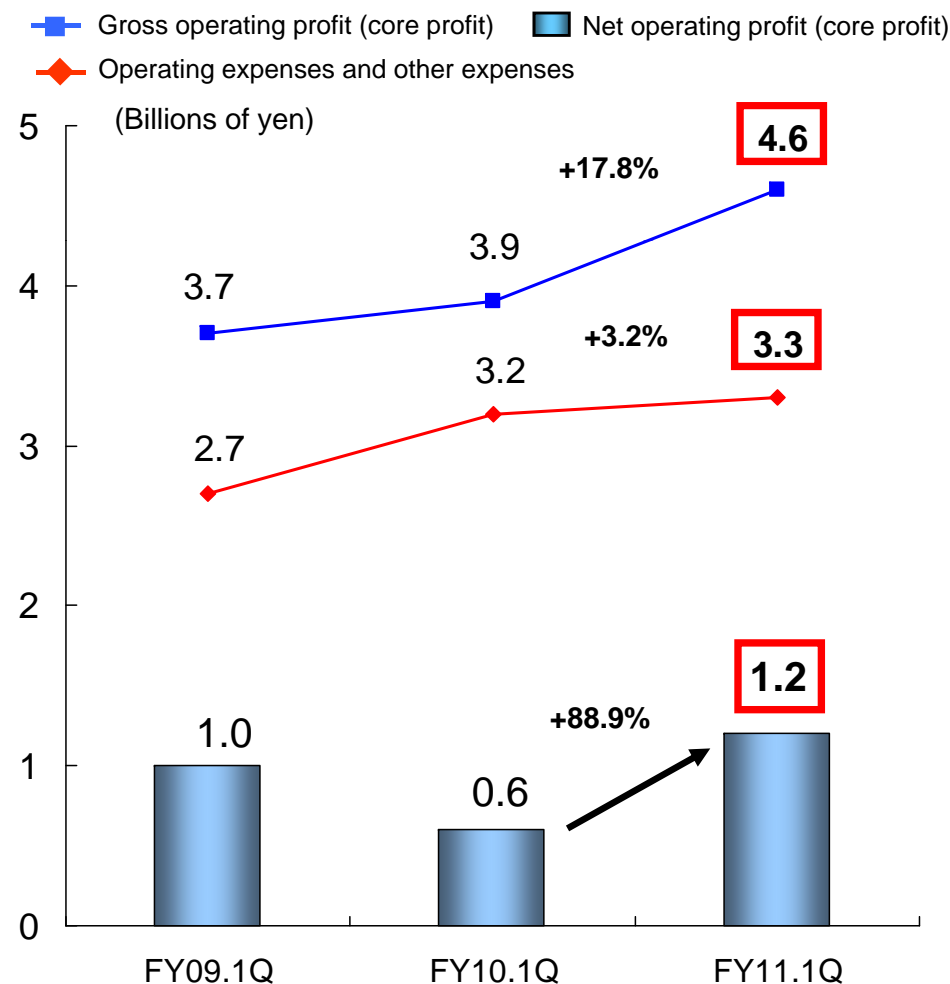
*3: Net other operating income: After the above adjustments (*1 and *2), consists of profits and losses for bond and derivative dealing transactions.

● 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>

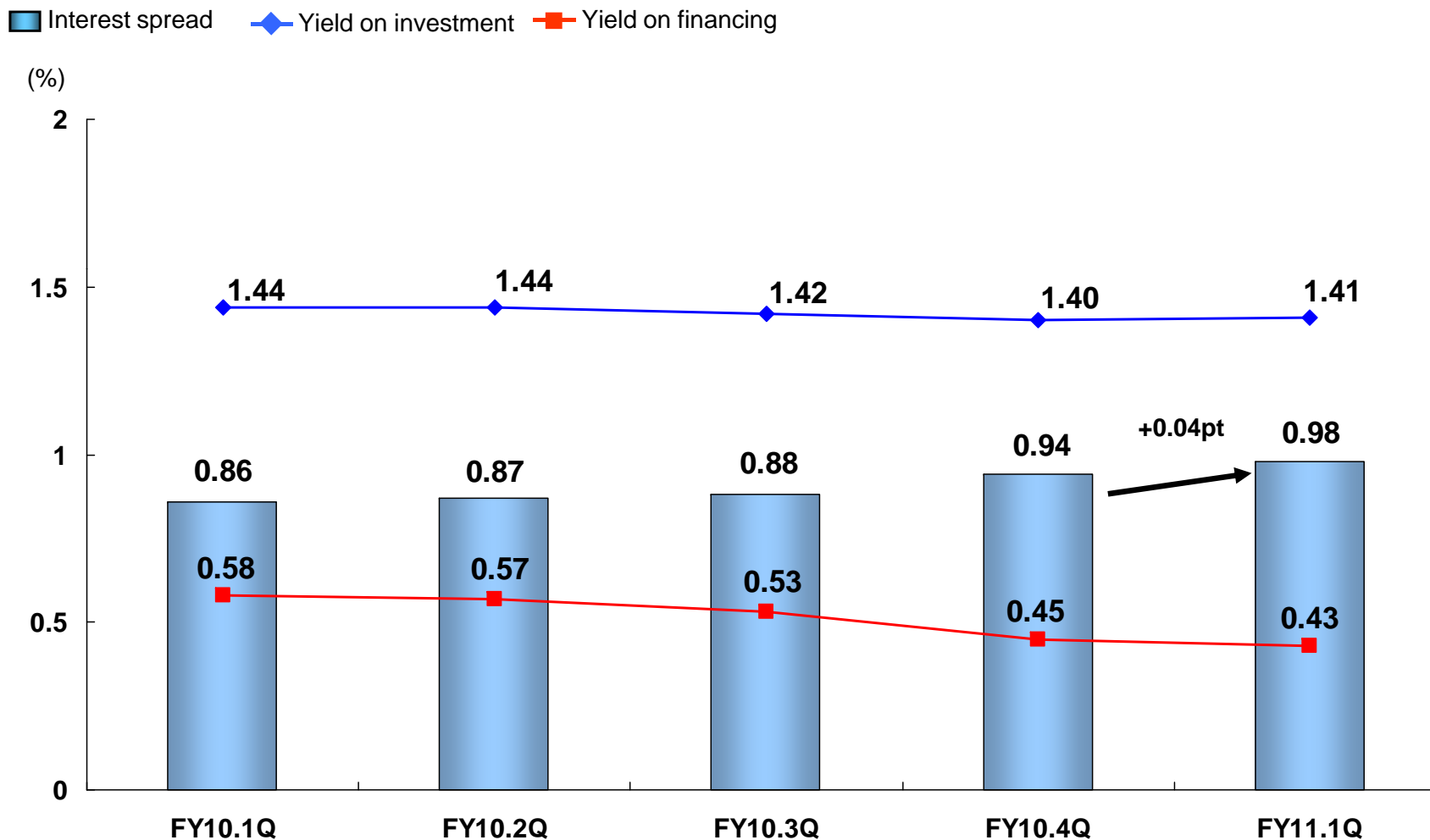
Net Operating Profit (Core Profit), Operating Expenses and Other Expenses & Gross Operating Profit (Core Profit)



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

Sony Bank Operating Performance (1)

<Reference> Interest Spread (Managerial Accounting Basis)



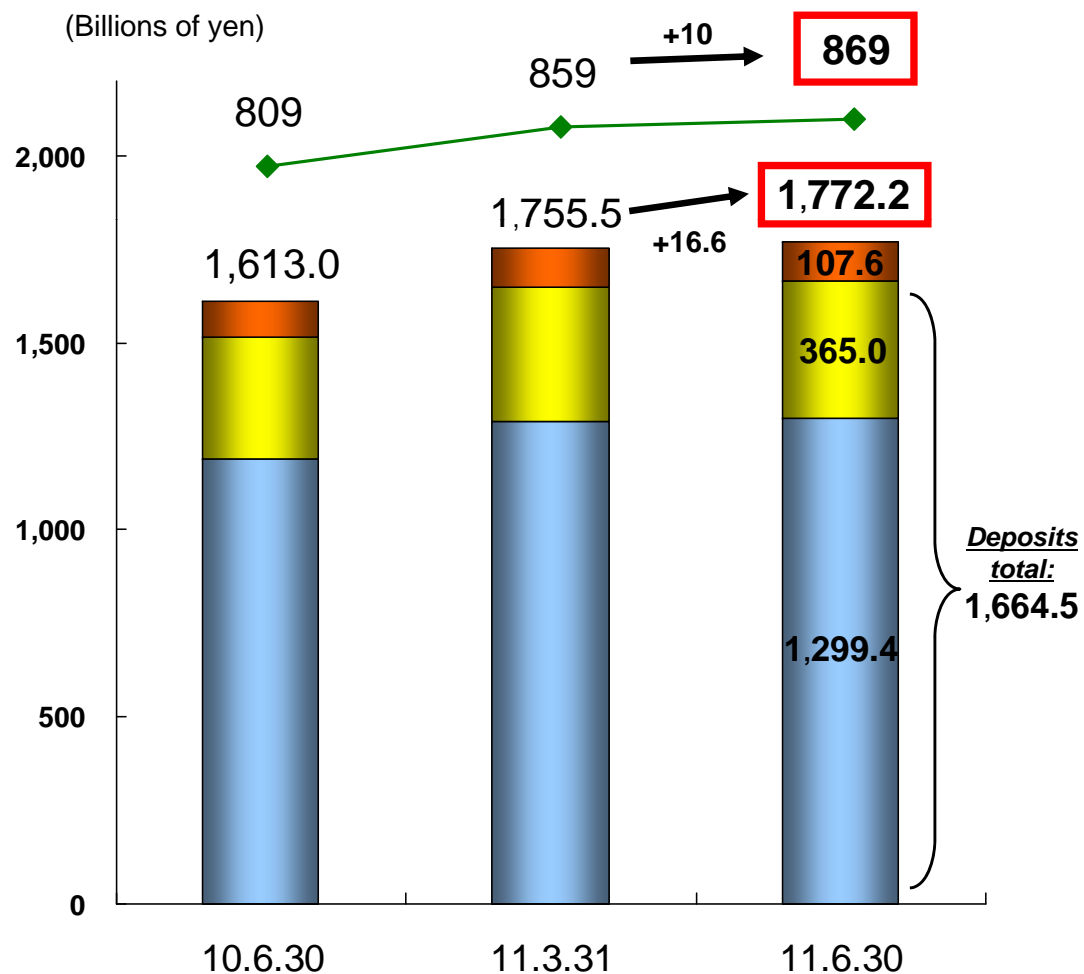
Notes: Interest spread = Yield on investment – Yield on financing

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

Sony Bank Operating Performance (2)

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

■ Yen deposits
 ■ Foreign currency deposits
 ■ Investment trusts
◆ Number of accounts (thousands)

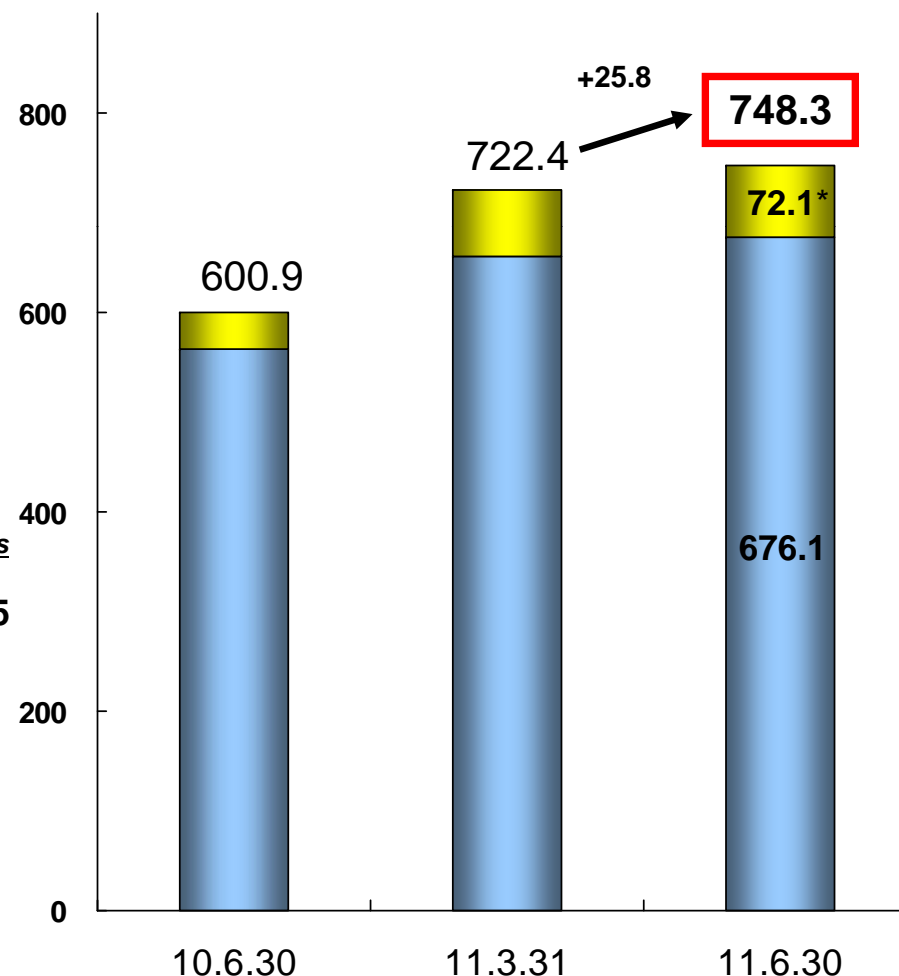


Loans

■ Mortgage loans
 ■ Others

*Including corporate loans of ¥64.4 billion.

(Billions of yen)



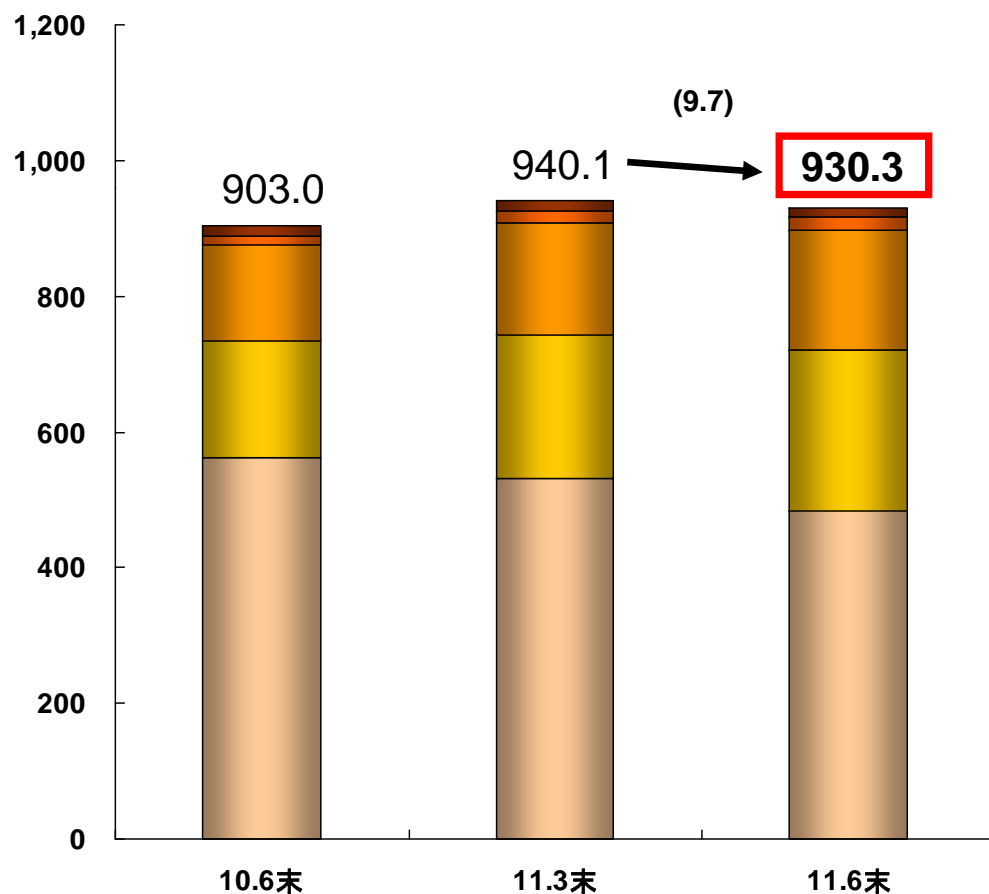
Line item amounts are truncated below ¥100 million; number of accounts are truncated below 1,000 accounts.

Sony Bank Operating Performance (3)

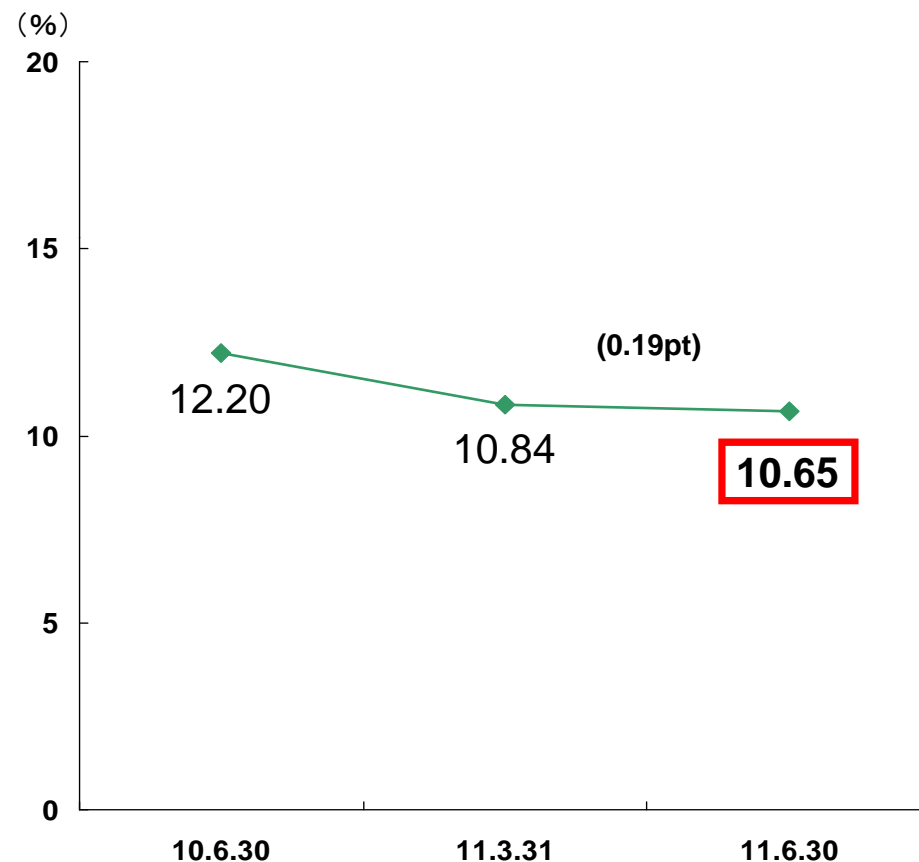
Balance of Securities by Credit Ratings

- AAA AA A
- BBB BB Other

(Billions of yen)



Non-Consolidated Capital Adequacy Ratio (Domestic Criteria)



* Sony Bank's non-consolidated capital adequacy ratio was calculated based on the standard stipulated by Article 14-2 of the Banking Act of Japan, in accordance with Financial Services Agency of Japan ("FSA") public ministerial announcement No. 19 of 2006.

Amounts are truncated below ¥100 million.

Consolidated Financial Forecast for the Year Ending March 31, 2012

Consolidated Financial Forecast for the Year Ending March 31, 2012

	FY10 Actual	1H FY11 Forecast	FY11 Forecast	Change FY10 actual vs. FY11 forecast
Consolidated ordinary revenues	1,002.2	497.0	1,022.0	+ 2.0%
<u>Life insurance business</u>	900.3	442.0	909.3	+ 1.0%
<u>Non-life insurance business</u>	74.1	40.1	80.4	+ 8.4%
<u>Banking business</u>	29.5	15.8	32.8	+ 11.0%
Consolidated ordinary profit	76.8	27.0	59.0	(23.2%)
<u>Life insurance business</u>	72.1	(change) 25.0	53.0	(26.6%)
<u>Non-life insurance business</u>	2.1	0.3 → 0.7	2.6	+ 21.2%
<u>Banking business</u>	2.4	1.7	4.1	+ 70.3%
Consolidated net income	41.7	13.0	29.0	(30.5%)

SFH's forecast of consolidated financial results for the six months ending September 30, 2011 and for the fiscal year ending March 31, 2012, is unchanged from the forecast announced on May 20, 2011.

■ Life insurance business

Ordinary revenues for FY11 are expected to increase 1.0% year on year, to ¥909.3 billion. We 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 26.6% year on year, to ¥53.0 billion. During FY10, the business generated net capital gains of ¥23.8 billion, reflecting the process of shifting bond holdings to ultralong-term bonds to reduce interest rate risk. However, we do not anticipate gains on the sale of securities for FY11.

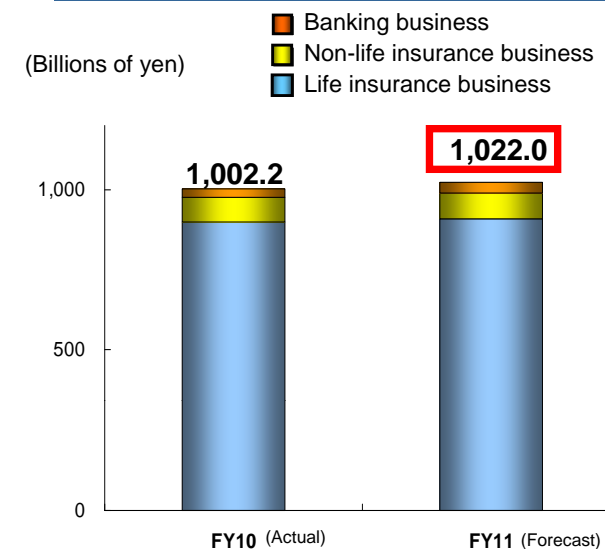
■ Non-life insurance business

Ordinary revenues for FY11 are expected to rise 8.4% year on year, to ¥80.4 billion, due to an increase in net premiums written, mainly for mainstay automobile insurance. Ordinary profit is expected to increase 21.2% year on year, to ¥2.6 billion, due mainly to the aforementioned increase in ordinary revenues and an expected improvement in the loss ratio in line with the February 2011 revision of automobile insurance premiums. This should offset an expected increase in the expense ratio in line with the planned reinforcement of corporate systems and infrastructure based on the expected expansion of business operations.

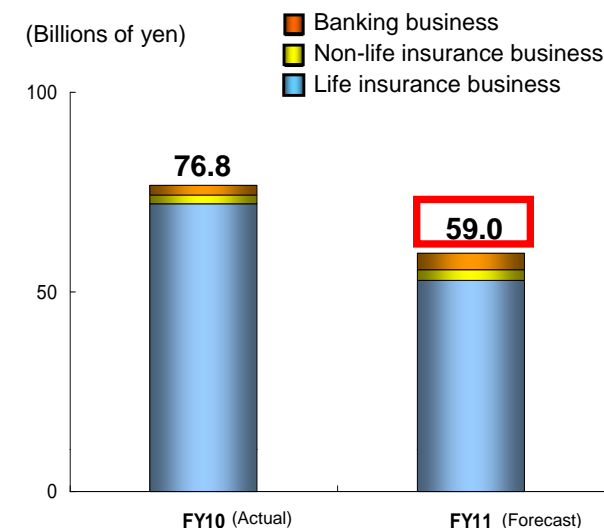
■ Banking Business

Ordinary revenues for FY11, are expected to increase 11.0% year on year, to ¥32.8 billion, owing to an increase in net interest income, bolstered mainly by a growing balance of loans, especially mortgages. Ordinary profit is expected to grow 70.3%, to ¥4.1 billion, from the previous fiscal year, as we anticipate a steady increase in gross operating profit, driven by business expansion that should offset an increase in general and administrative expenses related to new product and service development.

Consolidated Ordinary Revenues



Consolidated Ordinary Profit



Appendix

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: Individual Variable Annuities (5 types, 6 products)

Sales Channels: Lifeplanner sales employees and partner Banks (7*) As of August 12, 2011

Financial Highlights for FY11.1Q:

Number of new policies: 219, New policy amount: ¥1.6 billion

Number of policies in force: 1,425 policies, Policy amount in force: ¥15.2 billion



Sony Bank's Mortgage Loans through Sony Life

Sony Life accounts for 24% of the balance of mortgage loans as of June 30, 2011

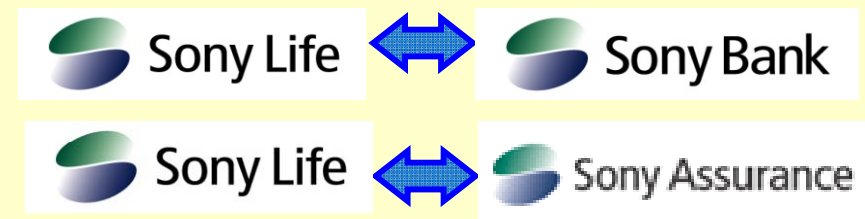
Sony Life accounts for 27% of the amount of new mortgage loans for FY11.1Q

*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 FY11.1Q

* Sony Life started handling automobile insurance in May 2001.



<Highlights for FY11.1Q>

- 2011-4-01 Sony Assurance declared conformity with the ISO 10002 International Standard for Complaints Management Systems
- 2011-4-28 Sony Assurance began offering a free application, “Trouble Navigation” to smart phone users
- 2011-5-01 Sony Bank entered credit card business; began issuing “Sony Card”
- 2011-5-02 Sony Life began sales of new income protection insurance to cover three major diseases (type II)
- 2011-5-16 Sony Bank began offering Brazilian real for foreign currency deposits
- 2011-7-01 Sony Bank acquired a 57% equity interest in SmartLink Network, Inc., an industry-leading provider of credit card settlement services
- 2011-8-01 Sony Bank added three monthly-dividend-type funds and an equity fund to its investment trust lineups
AEGON Sony Life Insurance began offering new individual variable annuity products, Winning Road II (GLWB type 2011) and W Account II (GMAB Type 2011)
- 2011-8-03 Sony Assurance began offering a free application, “Drivers’ Navigation” to smart phone users
- 2011-8-08 Sony Bank began offering new mortgage loan, named “*Variable Select Mortgage Loan*”

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)

	10.6.30			10.9.30			10.12.31			11.3.31			11.6.30		
	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	2,477.9	2,628.6	150.7	2,818.6	3,040.2	221.6	2,868.2	2,984.7	116.5	2,914.3	2,892.1	(22.1)	2,963.6	3,026.9	63.2
Available-for-sale securities	1,039.8	1,097.8	58.0	858.8	913.9	55.0	890.9	933.0	42.0	940.1	964.3	24.2	969.1	1,011.4	42.3
Japanese government and corporate bonds	973.8	1,030.3	56.5	794.8	848.5	53.6	824.9	859.9	35.0	884.4	904.1	19.7	909.9	947.5	37.6
(CBs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Japanese stocks	51.9	53.2	1.2	51.8	52.9	1.1	51.7	57.4	5.6	49.8	53.7	3.8	47.4	51.9	4.4
Foreign securities	2.0	2.0	0.0	-	-	-	1.9	1.8	(0.0)	1.9	1.8	(0.0)	10.3	10.2	(0.1)
Other securities	11.9	12.1	0.2	12.1	12.3	0.1	12.3	13.8	1.4	3.8	4.6	0.7	1.3	1.7	0.3
Total	3,517.8	3,726.5	208.7	3,677.5	3,954.1	276.6	3,759.2	3,917.8	158.6	3,854.4	3,856.5	2.0	3,932.7	4,038.4	105.6

● Valuation gains (losses) on trading-purpose securities

(Billions of yen)

10.6.30		10.9.30		10.12.31		11.3.31		11.6.30	
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
-	-	-	-	-	-	-	-	-	-

Notes:

- 1) Line item amounts are truncated below ¥100 million.
- 2) Amounts above include those categorized as "monetary trusts."

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
	11.3.31	11.6.30	11.3.31	11.6.30	11.3.31	11.6.30	
Total shareholders' equity	209.8	210.9	209.8	210.9	200.7	210.9	③ After estimated distributed income deducted
Net unrealized gains on other securities, net of taxes	7.0	18.9	7.0	18.9	—	—	
Net unrealized gains (losses) on available-for-sale securities	—	—	—	—	20.8	37.6	③ Before tax x 90%
Land revaluation, net of taxes	(1.4)	(1.4)	(1.4)	(1.4)	—	—	
Reserve for price fluctuations	—	—	16.7	18.6	16.7	18.6	
Contingency reserve	—	—	51.5	52.4	51.5	52.4	
General reserve for possible loan losses	—	—	—	—	0.0	0.0	
Net unrealized gains on real estate	—	—	1.9	1.9	1.0	1.0	② Before tax (after revaluation) ③ Before tax (Before revaluation) X85%
Excess amount of policy reserves based on Zillmer method	—	—	334.2	337.9	334.2	337.9	
Unallotted portion of reserve for policyholders' dividends	—	—	1.1	1.0	1.1	1.0	
Future profits	—	—	—	—	0.6	0.6	
Deferred tax assets	—	—	—	—	63.3	69.1	
Unrealized gains (losses) on held-to-maturity bonds	—	—	(22.1)	63.2	—	—	② Before tax
Deferred tax liabilities for available-for-sale securities	—	—	8.0	14.8	—	—	
Total	215.3	228.4	606.9	718.5	690.3	729.4	

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 ¥655.3 billion as of June 30, 2011.

Amounts are truncated below ¥100 million.

Sony Life's Solvency Margin Ratio

(Billions of yen)

Category	11.6.30 (Current)	11.6.30 (New)
Total solvency margin (A)	729.4	673.9
Common stock, etc	210.9	210.9
Reserve for price fluctuations	18.6	18.6
Contingency reserve	52.4	52.4
General reserve for possible loan losses	0.0	0.0
Net unrealized gains on other securities multiplied by 90% if gains or 100% if losses	37.6	37.6
Net unrealized gains on real estate multiplied by 85% if gains or 100% if losses	1.0	1.0
Excess amount of policy reserves based on Zillmer method	337.9	337.9
Unallotted portion of reserve for policyholders' dividends	1.0	1.0
Future profits	0.6	
Deferred tax assets	69.1	69.1
Subordinated debt	-	-
That portion of the excess amount of policy reserves based on Zillmer method and subordinated debt that is not included in the margin		(54.8)
Deductible items	-	-
Total risk $\sqrt{(R_1 + R_2)^2 + (R_3 + R_4 + R_5)^2} + R_6$ (B)	48.2	73.5
Insurance risk R1	20.2	20.2
Third-sector insurance risk R8	7.3	7.3
Assumed interest rate risk R2	11.6	28.0
Asset management risk R3	17.0	29.0
Business management risk R4	1.3	1.8
Minimum guarantee risk R7	9.2	8.9
Solvency margin ratio $[(A)/\{(B) \times 1/2\}] \times 100$	3,024.0%	1,833.5%

Note: Cabinet Office Ordinance No. 23 of 2010 and FSA public ministerial announcement No. 48 of 2010 prescribe a revision in the methods of calculating total solvency margin and total risk (increasing the strictness of margin inclusion, and making risk measurement stricter and more sensitive).

These changes are to be applied from the end of FY11. The above-stated figures are calculated on the assumption that these changes are applied as of June 30, 2011.

Amounts are truncated below ¥100 million.



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