

**Summary Information on Sony Bank's Financial Results**  
**for the Six Months Ended September 30, 2016**

**<Contents>**

1. Consolidated Balance Sheets	P.2
2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	P.3
(1) Consolidated Statements of Income	P.3
(2) Consolidated Statements of Comprehensive Income	P.3
3. Fair Value Information (Consolidated)	P.4
4. Non-consolidated Balance Sheets	P.5
5. Non-consolidated Statements of Income	P.6
6. Supplementary Information	P.7
(1) Interest spread (Non-consolidated)	P.7
(2) Deposits and loans (Non-consolidated)	P.7
(3) Balance of time deposits by remaining period (Non-consolidated)	P.8
(4) Balance of securities by ratings (Non-consolidated)	P.8
(5) Loans by Borrower Category (Non-consolidated)	P.8
(6) General and Administrative Expenses (Non-consolidated)	P.9
(7) Number of Executives and Employees (Non-consolidated)	P.9
(8) Non-consolidated Capital Adequacy Ratio (Domestic Criteria)	P.10
(9) Consolidated Capital Adequacy Ratio (Domestic Criteria)	P.10

# 1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of September 30, 2016
<b>Assets:</b>		
Cash and due from banks	114,213	83,073
Monetary claims purchased	884	720
Monetary trusts	23,000	23,000
Securities	618,942	588,973
Loans	1,344,184	1,460,692
Foreign exchanges	1,139	5,458
Other assets	31,507	34,267
Tangible fixed assets	1,057	940
Intangible fixed assets	4,711	4,696
Deferred tax assets	1,681	1,354
Reserve for possible loan losses	(1,035)	(1,091)
<b>Total Assets</b>	<b>2,140,286</b>	<b>2,202,085</b>
<b>Liabilities:</b>		
Deposits	1,921,805	1,986,610
Borrowed money	60,000	60,000
Foreign exchanges	87	140
Other liabilities	78,084	75,467
Reserve for employees' bonuses	714	419
Net defined benefit liability	1,103	1,142
Reserve for directors' retirement benefits	41	48
Provision for reimbursement of deposits	58	59
<b>Total Liabilities</b>	<b>2,061,895</b>	<b>2,123,888</b>
<b>Net Assets:</b>		
Common stock	31,000	31,000
Capital surplus	21,000	21,000
Retained earnings	24,419	23,653
<b>Total shareholders' equity</b>	<b>76,419</b>	<b>75,653</b>
Net unrealized gains (losses) on other securities, net of taxes	3,331	3,825
Net deferred gains (losses) on hedging instruments, net of taxes	(2,531)	(2,497)
Remeasurements of defined benefit plans, net of taxes	(157)	(149)
<b>Total accumulated other comprehensive income</b>	<b>643</b>	<b>1,178</b>
Non-controlling interests	1,329	1,364
<b>Total Net Assets</b>	<b>78,391</b>	<b>78,196</b>
<b>Total Liabilities and Net Assets</b>	<b>2,140,286</b>	<b>2,202,085</b>

## 2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### (1) Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2015	For the six months ended September 30, 2016
<b>Ordinary Revenues</b>	<b>19,020</b>	<b>18,610</b>
Interest income	12,612	12,756
(Interest income on loans)	7,192	7,785
(Interest income and dividends on securities)	5,386	4,937
Fees and commissions	3,301	3,502
Other operating income	2,865	2,225
Other ordinary income	240	125
<b>Ordinary Expenses</b>	<b>15,610</b>	<b>16,825</b>
Interest expenses	4,600	4,345
(Interest expenses on deposits)	2,405	2,518
Fees and commissions	1,806	2,544
Other operating expenses	125	78
General and administrative expenses	8,913	9,712
Other ordinary expenses	164	143
<b>Ordinary Profit</b>	<b>3,409</b>	<b>1,784</b>
<b>Extraordinary Losses</b>	<b>3</b>	<b>63</b>
Losses on disposal of fixed assets	3	56
Other extraordinary losses	-	7
<b>Income Before Income Taxes</b>	<b>3,406</b>	<b>1,721</b>
<b>Income Taxes —Current</b>	<b>1,053</b>	<b>412</b>
<b>Income Taxes —Deferred</b>	<b>94</b>	<b>129</b>
<b>Total Income Taxes</b>	<b>1,147</b>	<b>542</b>
<b>Profit</b>	<b>2,258</b>	<b>1,178</b>
<b>Profit Attributable to Non-controlling Interests</b>	<b>16</b>	<b>33</b>
<b>Profit Attributable to Owners of the Parent</b>	<b>2,241</b>	<b>1,144</b>

### (2) Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2015	For the six months ended September 30, 2016
Profit	2,258	1,178
Other Comprehensive Income		
Net unrealized gains (losses) on other securities, net of taxes	(3,263)	494
Net deferred gains (losses) on hedging instruments, net of taxes	132	33
Foreign currency translation adjustment	0	-
Remeasurements of defined benefit plans, net of taxes	5	9
Total other comprehensive income	(3,126)	536
Comprehensive Income	(867)	1,715
(Details)		
Comprehensive income attributable to parent company	(885)	1,680
Comprehensive income attributable to non-controlling interests	18	35

### 3. Fair Value Information (Consolidated)

#### (1) Fair value information on securities

##### i) Held-to-maturity bonds (As of September 30, 2016)

	(Millions of yen)		
	Balance sheet amount	Fair value	Difference
<b>Held-to-maturity bonds of which fair value exceeds balance sheet amount</b>			
Japanese government bonds	7,985	8,152	166
Japanese corporate bonds	245	252	6
Subtotal	8,231	8,404	173
<b>Held-to-maturity bonds of which fair value does not exceed balance sheet amount</b>			
Japanese government bonds	-	-	-
Japanese corporate bonds	-	-	-
Subtotal	-	-	-
<b>Total</b>	<b>8,231</b>	<b>8,404</b>	<b>173</b>

##### ii) Available-for-sale securities (As of September 30, 2016)

	(Millions of yen)		
	Balance sheet amount	Acquisition cost	Difference
<b>Available-for-sale securities of which balance sheet amount exceeds acquisition cost</b>			
Bonds	169,475	158,733	10,742
Japanese government bonds	73,585	66,084	7,500
Japanese local government bonds	36,730	35,339	1,390
Japanese corporate bonds	59,160	57,308	1,851
Others	311,684	304,420	7,263
Foreign bonds	307,008	301,414	5,594
Others	4,675	3,006	1,669
Subtotal	481,160	463,154	18,006
<b>Available-for-sale securities of which balance sheet amount does not exceed acquisition cost</b>			
Bonds	4,004	4,015	(11)
Japanese government bonds	-	-	-
Japanese local government bonds	-	-	-
Japanese corporate bonds	4,004	4,015	(11)
Others	96,229	96,568	(269)
Foreign bonds	96,229	96,568	(269)
Others	-	-	-
Subtotal	100,303	100,584	(281)
<b>Total</b>	<b>581,463</b>	<b>563,739</b>	<b>17,724</b>

#### (2) Fair value information on monetary trusts

##### i) Other monetary trusts (As of September 30, 2016)

	(Millions of yen)				
	Balance sheet amount	Acquisition cost	Difference	Of which, balance sheet amount exceeds acquisition cost	Of which, balance sheet amount does not exceed acquisition cost
<b>Other monetary trusts</b>	23,000	23,000	-	-	-

Note: "Difference" consists of "Of which, balance sheet amount exceeds acquisition cost" and "Of which, balance sheet amount does not exceed acquisition cost."

#### 4. Non-consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2015 (A)	As of September 30, 2016 (B)	Change (B-A)	As of March 31, 2016 (C)	Change (B-C)
<b>Assets:</b>					
Cash and due from banks	43,958	80,697	36,738	110,669	(29,971)
Call loans	6,000	-	(6,000)	-	-
Monetary claims purchased	-	720	720	884	(163)
Monetary trusts	23,000	23,000	-	23,000	-
Securities	632,226	591,024	(41,202)	620,993	(29,969)
Loans	1,266,766	1,460,692	193,925	1,344,184	116,508
Foreign exchanges	2,083	5,458	3,375	1,139	4,319
Other assets	20,332	24,611	4,278	21,272	3,338
Tangible fixed assets	742	596	(146)	667	(70)
Intangible fixed assets	3,037	3,089	52	3,253	(164)
Deferred tax assets	1,416	1,208	(207)	1,536	(328)
Reserve for possible loan losses	(1,219)	(1,091)	128	(1,035)	(55)
<b>Total Assets</b>	<b>1,998,343</b>	<b>2,190,007</b>	<b>191,663</b>	<b>2,126,564</b>	<b>63,442</b>
<b>Liabilities:</b>					
Deposits	1,795,204	1,989,611	194,407	1,923,506	66,105
Call money	6,000	-	(6,000)	-	-
Borrowed money	60,000	60,000	-	60,000	-
Foreign exchanges	85	140	55	87	53
Other liabilities	59,772	61,884	2,112	64,088	(2,203)
Reserve for employees' bonuses	336	350	13	645	(295)
Reserve for employees' retirement benefits	706	771	65	731	40
Reserve for directors' retirement benefits	15	23	8	20	3
Provision for reimbursement of deposit	31	59	27	58	0
<b>Total Liabilities</b>	<b>1,922,152</b>	<b>2,112,841</b>	<b>190,689</b>	<b>2,049,136</b>	<b>63,705</b>
<b>Net Assets:</b>					
Common stock	31,000	31,000	-	31,000	-
Capital surplus	21,000	21,000	-	21,000	-
Retained earnings	22,974	23,837	863	24,627	(790)
Total shareholders' equity	74,974	75,837	863	76,627	(790)
Net unrealized gains (losses) on other securities, net of taxes	3,354	3,825	471	3,331	494
Net deferred gains (losses) on hedging instruments, net of taxes	(2,137)	(2,497)	(360)	(2,531)	33
Total valuation and translation adjustments	1,217	1,327	110	800	527
<b>Total Net Assets</b>	<b>76,191</b>	<b>77,165</b>	<b>973</b>	<b>77,428</b>	<b>(262)</b>
<b>Total Liabilities and Net Assets</b>	<b>1,998,343</b>	<b>2,190,007</b>	<b>191,663</b>	<b>2,126,564</b>	<b>63,442</b>

## 5. Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2015 (A)	For the six months ended September 30, 2016 (B)	Change (B-A)	(Reference) For the year ended March 31, 2016
<b>Ordinary Revenues</b>	<b>17,572</b>	<b>16,924</b>	<b>(648)</b>	<b>34,892</b>
Interest income	12,612	12,756	143	25,482
(Interest income on loans)	7,192	7,785	593	14,739
(Interest income and dividends on securities)	5,386	4,937	(448)	10,671
Fees and commissions	1,853	1,816	(37)	3,842
Other operating income	2,865	2,225	(640)	5,189
(Gains on foreign exchange transactions)	2,161	2,053	(107)	4,263
Other ordinary income	240	125	(114)	377
<b>Ordinary Expenses</b>	<b>14,188</b>	<b>15,300</b>	<b>1,111</b>	<b>29,035</b>
Interest expenses	4,600	4,345	(254)	9,021
(Interest expenses on deposits)	2,405	2,518	113	4,829
Fees and commissions	1,652	2,320	668	3,692
Other operating expenses	125	78	(46)	181
General and administrative expenses	7,647	8,412	765	15,991
Other ordinary expenses	163	142	(20)	148
<b>Ordinary Profit</b>	<b>3,383</b>	<b>1,623</b>	<b>(1,760)</b>	<b>5,857</b>
Income Before Income Taxes	3,383	1,623	(1,760)	5,857
Income Taxes -Current	1,044	368	(675)	1,920
Income Taxes -Deferred	80	135	54	24
Total Income Taxes	1,124	503	(621)	1,944
<b>Net Income</b>	<b>2,259</b>	<b>1,120</b>	<b>(1,139)</b>	<b>3,912</b>

### (Reference) Non-consolidated Statements of Income for the three months ended September 30, 2016

(Millions of yen)

	For the three months ended September 30, 2015 (A)	For the three months ended September 30, 2016 (B)	Change (B-A)
<b>Ordinary Revenues</b>	<b>8,923</b>	<b>8,513</b>	<b>(409)</b>
Interest income	6,289	6,435	146
(Interest income on loans)	3,634	3,941	306
(Interest income and dividends on securities)	2,643	2,477	(165)
Fees and commissions	1,015	919	(95)
Other operating income	1,486	1,088	(397)
(Gains on foreign exchange transactions)	1,173	1,064	(108)
Other ordinary income	132	69	(62)
<b>Ordinary Expenses</b>	<b>7,401</b>	<b>7,607</b>	<b>205</b>
Interest expenses	2,252	2,168	(84)
(Interest expenses on deposits)	1,161	1,279	117
Fees and commissions	821	1,236	414
Other operating expenses	125	2	(123)
General and administrative expenses	4,104	4,139	34
Other ordinary expenses	97	61	(36)
<b>Ordinary Profit</b>	<b>1,521</b>	<b>906</b>	<b>(614)</b>
Income Before Income Taxes	1,521	906	(614)
Income Taxes —Current	681	356	(325)
Income Taxes —Deferred	(168)	(77)	90
Total Income Taxes	513	278	(234)
<b>Net Income</b>	<b>1,007</b>	<b>627</b>	<b>(379)</b>

## 6. Supplementary Information

### (1) Interest spread (Non-consolidated)

		(%)	
		For the six months ended September 30, 2015	For the six months ended September 30, 2016
<b>Yield on investment</b>	①	1.26	1.22
Yield on loans		1.17	1.11
Yield on securities		1.54	1.69
<b>Financing cost</b>	②	1.29	1.28
Yield on financing	③	0.48	0.43
Yield on deposits		0.25	0.25
Yield on external liabilities*		0.54	0.44
Expense ratio		0.81	0.86
<b>Interest spread</b>	①-③	0.78	0.78
<b>Overall profit margin</b>	①-②	(0.02)	(0.05)

Note: External liabilities are equal to a total of call money and borrowed money.

### (2) Deposits and Loans (Non-consolidated)

	(Millions of yen, %)					
	For the six months ended September 30, 2015			For the six months ended September 30, 2016		
	Balance at the end	Average balance	Yield	Balance at the end	Average balance	Yield
Deposits	1,795,204	1,856,968	0.25	1,989,611	1,941,266	0.25
Yen deposits	1,476,414	1,539,355	0.13	1,649,703	1,607,936	0.14
Ordinary deposits	532,021	533,584	0.01	529,949	526,182	0.00
Time deposits	944,375	1,005,716	0.20	1,119,538	1,081,507	0.21
Foreign currency deposits	318,790	317,612	0.83	339,908	333,330	0.79
Ordinary deposits	169,911	161,395	0.13	180,422	176,628	0.16
Time deposits	148,879	156,217	1.55	159,455	156,677	1.51
Loans	1,266,766	1,223,701	1.17	1,460,692	1,397,321	1.11
Mortgage loans	1,154,436	1,109,572	1.21	1,362,923	1,291,158	1.08
Others	112,329	114,129	0.76	97,768	106,163	1.48

Note: The average balance of foreign currency deposits during the term is calculated as the average during the period of the yen equivalent value of each day's foreign currency deposit balance.

**(3) Balance of Time Deposits by Remaining Period (Non-consolidated)**

(Millions of yen)

Remaining period	As of September 30, 2015			As of September 30, 2016		
	Yen	Foreign currency	Total	Yen	Foreign currency	Total
Less than 3 months	56,081	82,650	138,731	265,852	104,475	370,328
3 months or more, less than 6 months	501,130	33,241	534,372	439,372	33,847	473,219
6 months or more, less than 1 year	211,972	23,218	235,190	232,146	16,884	249,031
1 year or more, less than 2 years	19,647	6,919	26,566	40,763	2,602	43,366
2 years or more, less than 3 years	9,092	2,704	11,797	7,606	1,642	9,248
3 years or more	79,294	144	79,439	62,097	2	62,100
<b>Total</b>	<b>877,219</b>	<b>148,879</b>	<b>1,026,098</b>	<b>1,047,839</b>	<b>159,455</b>	<b>1,207,295</b>

Note: The above table does not include thrift saving deposits.

**(4) Balance of Securities by Rating (Non-consolidated)**

(Millions of yen, %)

Ratings	As of September 30, 2015		As of September 30, 2016	
	Balance	Composition	Balance	Composition
AAA	118,567	18.8	122,766	20.8
AA	172,806	27.3	171,785	29.1
A	323,632	51.2	275,118	46.5
BBB	10,976	1.7	15,348	2.6
Unrated	6,244	1.0	6,005	1.0
<b>Total</b>	<b>632,226</b>	<b>100.0</b>	<b>591,024</b>	<b>100.0</b>

Notes: 1. Sony bank uses the Basel III standardized approach and classifies its securities, based on rating by five rating agencies: Moody's Investors Service, Standard & Poor's, Rating and Investment Information, Japan Credit Rating Agency and Fitch Ratings.

2. The unrated items on the above table include ¥3,955 million of investments in unrated investment trusts and ¥2,050 million of investments in shares of a subsidiary.

**(5) Loans by Borrower Category (Non-consolidated)**

(Millions of yen)

Category	As of September 30, 2015	As of September 30, 2016
	Amount	Amount
Bankrupt and quasi-bankrupt loans	671	688
Doubtful loans	1,002	1,057
Sub-standard loans	1,447	1,321
Normal loans	1,266,339	1,463,705
<b>Total</b>	<b>1,269,461</b>	<b>1,466,772</b>



**(6) General and Administrative Expenses (Non-consolidated)**

	(Millions of yen, %)			
	For the six months ended September 30, 2015		For the six months ended September 30, 2016	
	Amount	%	Amount	%
Personnel expenses	2,146	28.1	2,196	26.1
Non-personnel expenses	5,060	66.2	5,677	67.5
Depreciation and amortization	599	7.8	637	7.5
Taxes	440	5.7	538	6.4
<b>Total</b>	<b>7,647</b>	<b>100.0</b>	<b>8,412</b>	<b>100.0</b>

**(7) Number of Executives and Employees (Non-consolidated)**

	(Persons)	
	As of September 30, 2015	As of September 30, 2016
Executive management	9	10
Directors	6	6
Statutory auditors	3	4
Employees	460	470

Notes: 1. The number of directors include one outside director and the number of statutory auditors include three non-executive statutory auditors.

2. The number of employees exclude temporary employees and subcontracted employees seconded to Sony Bank.

**(8) Non-consolidated Capital Adequacy Ratio (Domestic Standard)**

(Millions of yen, %)

	As of September 30, 2015	As of March 31, 2016	As of September 30, 2016
Capital Adequacy Ratio	10.58	9.89	9.57
Total Capital	93,189	90,280	91,509
Total Required Capital	35,214	36,485	38,209

Note: The non-consolidated capital adequacy ratio (domestic standard) was calculated based on the standard stipulated by Article 14-2 of the Banking Act, in accordance with FSA Notification No. 19 (2006).

**(9) Consolidated Capital Adequacy Ratio (Domestic Standard)**

(Millions of yen, %)

	As of September 30, 2015	As of March 31, 2016	As of September 30, 2016
Capital Adequacy Ratio	10.56	9.84	9.53
Total Capital	93,860	90,655	91,913
Total Required Capital	35,549	36,823	38,553

Note: The consolidated capital adequacy ratio (domestic standard) was calculated based on the standard stipulated by Article 14-2 of the Banking Act, in accordance with FSA Notification No. 19 (2006).