

Summary Information on Sony Bank's Financial Results
for the Nine Months Ended December 31, 2019

<Contents>

1. Consolidated Balance Sheets	P.2
2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	P.3
3. Non-consolidated Balance Sheets	P.4
4. Non-consolidated Statements of Income	P.5
5. Supplementary Information	P.6
(1) Deposits and Loans (Non-consolidated)	P.6
(2) Balance of Time Deposits by Remaining Period (Non-consolidated)	P.6
(3) Balance of Securities by Ratings (Non-consolidated)	P.6
(4) Risk-monitored Loans (Non-consolidated)	P.6
(5) Consolidated Capital Adequacy Ratio (Domestic Standard)	P.7
(6) Non-consolidated Capital Adequacy Ratio (Domestic Standard)	P.8

Disclaimer:

This English translation is prepared for the readers' convenience. When there are any discrepancies between original Japanese version and English translation version, the original Japanese version always prevails.

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets:		
Cash and due from banks	344,377	372,103
Monetary claims purchased	4,916	6,461
Money held in trust	21,937	22,244
Securities	694,447	734,154
Loans	1,744,103	1,874,417
Foreign exchanges	8,471	9,346
Other assets	51,685	50,824
Tangible fixed assets	1,633	1,477
Intangible fixed assets	6,903	6,463
Deferred tax assets	1,305	514
Reserve for possible loan losses	(903)	(899)
Total Assets	2,878,879	3,077,108
Liabilities:		
Deposits	2,358,182	2,494,841
Call money and bills sold	130,611	175,612
Payables under repurchase agreements	20,290	37,740
Borrowed money	210,000	210,000
Foreign exchanges	244	580
Other liabilities	67,752	63,085
Reserve for employees' bonuses	777	350
Net defined benefit liability	1,323	1,356
Provision for reimbursement of deposits	125	87
Total Liabilities	2,789,308	2,983,654
Net Assets:		
Common stock	31,000	31,000
Capital surplus	21,000	21,000
Retained earnings	33,067	35,458
Total shareholders' equity	85,067	87,458
Net unrealized gains (losses) on available-for-sale securities, net of taxes	3,974	4,545
Net deferred gains (losses) on hedging instruments, net of taxes	(1,260)	(610)
Remeasurements of defined benefit plans, net of taxes	(106)	(96)
Total accumulated other comprehensive income	2,606	3,838
Non-controlling interests	1,896	2,157
Total Net Assets	89,570	93,454
Total Liabilities and Net Assets	2,878,879	3,077,108

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

(1) Consolidated Statements of Income

	(Millions of yen)	
	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Ordinary Revenues	33,767	36,731
Interest income	23,598	25,520
Interest income on loans	13,036	13,941
Interest income and dividends on securities	10,509	11,524
Fees and commissions	6,593	8,450
Other operating income	3,171	2,514
Other ordinary income	404	244
Ordinary Expenses	26,726	28,582
Interest expenses	6,359	7,150
Interest expenses on deposits	4,867	5,699
Fees and commissions	6,110	6,530
Other operating expenses	106	1
General and administrative expenses	13,862	14,815
Other ordinary expenses	287	85
Ordinary Profit	7,041	8,148
Extraordinary Gains	—	16
Other extraordinary gains	—	16
Extraordinary Losses	19	—
Losses on disposal of fixed assets	19	—
Income Before Income Taxes	7,021	8,164
Income Taxes—Current	2,141	2,254
Income Taxes—Deferred	19	246
Total Income Taxes	2,160	2,500
Profit	4,860	5,663
Profit Attributable to Non-controlling Interests	190	259
Profit Attributable to Owners of the Parent	4,670	5,403

(2) Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit	4,860	5,663
Other Comprehensive Income		
Net unrealized gains (losses) on available-for-sale securities, net of taxes	(3,668)	571
Net deferred gains (losses) on hedging instruments, net of taxes	(61)	650
Remeasurements of defined benefit plans, net of taxes	11	11
Total other comprehensive income	(3,717)	1,233
Comprehensive Income	1,142	6,896
(Details)		
Comprehensive income attributable to owners of the parent	950	6,635
Comprehensive income attributable to non-controlling interests	191	260

3. Non-consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2018 (A)	As of December 31, 2019 (B)	Change (B-A)	As of March 31, 2019 (C)	Change (B-C)
Assets:					
Cash and due from banks	343,534	366,129	+22,595	343,063	+23,066
Monetary claims purchased	5,751	6,461	+709	4,916	+1,544
Money held in trust	21,000	22,244	+1,244	21,937	+307
Securities	710,553	736,175	+25,621	696,468	+39,707
Loans	1,673,578	1,874,417	+200,838	1,744,103	+130,314
Foreign exchanges	11,139	9,346	(1,793)	8,471	+874
Other assets	43,905	40,006	(3,899)	35,443	+4,563
Tangible fixed assets	1,119	996	(122)	1,092	(95)
Intangible fixed assets	4,553	4,805	+252	5,200	(394)
Deferred tax assets	1,612	351	(1,260)	1,133	(781)
Reserve for possible loan losses	(895)	(899)	(4)	(903)	+3
Total Assets	2,815,853	3,060,035	+244,182	2,860,925	+199,109
Liabilities:					
Deposits	2,336,616	2,499,745	+163,128	2,358,985	+140,760
Call money	122,378	175,612	+53,233	130,611	+45,000
Payables under repurchase agreements	30,162	37,740	+7,578	20,290	+17,450
Borrowed money	190,000	210,000	+20,000	210,000	—
Foreign exchanges	330	580	+249	244	+335
Other liabilities	50,570	44,403	(6,167)	51,717	(7,313)
Reserve for employees' bonuses	512	273	(238)	677	(403)
Reserve for employees' retirement benefits	986	1,045	+58	994	+50
Provision for reimbursement of deposits	115	87	(28)	125	(37)
Total Liabilities	2,731,673	2,969,488	+237,815	2,773,646	+195,841
Net Assets:					
Common stock	31,000	31,000	—	31,000	—
Capital surplus	21,000	21,000	—	21,000	—
Retained earnings	30,958	34,612	+3,653	32,565	+2,046
Total shareholders' equity	82,958	86,612	+3,653	84,565	+2,046
Net unrealized gains (losses) on available-for-sale securities, net of taxes	2,369	4,545	+2,176	3,974	+571
Net deferred gains (losses) on hedging instruments, net of taxes	(1,147)	(610)	+537	(1,260)	+650
Total valuation and translation adjustments	1,221	3,935	+2,713	2,713	+1,221
Total Net Assets	84,180	90,547	+6,367	87,279	+3,268
Total Liabilities and Net Assets	2,815,853	3,060,035	+244,182	2,860,925	+199,109

4. Non-consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2018 (A)	Nine months ended December 31, 2019 (B)	Change (B-A)	(Reference) For the year ended March 31, 2019
Ordinary Revenues	30,551	33,138	+2,586	41,707
Interest income	23,598	25,520	+1,922	31,926
Interest income on loans	13,036	13,941	+904	17,473
Interest income and dividends on securities	10,509	11,524	+1,015	14,382
Fees and commissions	3,377	4,857	+1,480	5,338
Other operating income	3,171	2,514	(656)	3,926
Gains on foreign exchange transactions	2,876	2,277	(599)	3,599
Other ordinary income	404	244	(159)	515
Ordinary Expenses	24,173	25,834	+1,660	33,009
Interest expenses	6,358	7,149	+790	8,643
Interest expenses on deposits	4,867	5,699	+831	6,747
Fees and commissions	5,720	6,083	+363	7,573
Other operating expenses	106	0	(105)	485
General and administrative expenses	11,701	12,527	+826	15,901
Other ordinary expenses	286	73	(213)	405
Ordinary Profit	6,378	7,303	+925	8,698
Income Before Income Taxes	6,378	7,303	+925	8,698
Income Taxes—Current	1,942	2,001	+58	2,828
Income Taxes—Deferred	17	242	+224	(155)
Total Income Taxes	1,959	2,243	+283	2,673
Net Income	4,418	5,059	+641	6,025

5. Supplementary Information

(1) Deposits and Loans (Non-consolidated)

(Millions of yen, %)

	For the nine months ended December 31, 2018			For the nine months ended December 31, 2019		
	Balance at the end	Average balance	Yield	Balance at the end	Average balance	Yield
Deposits	2,336,616	2,282,376	0.28	2,499,745	2,423,821	0.31
Yen deposits	1,931,584	1,882,017	0.09	2,047,813	1,977,822	0.10
Ordinary deposits	776,439	737,891	0.00	876,071	812,874	0.00
Time deposits	1,153,770	1,143,031	0.16	1,169,734	1,163,364	0.16
Foreign currency deposits	405,031	400,358	1.15	451,931	445,998	1.27
Ordinary deposits	168,490	172,527	0.41	176,924	176,389	0.40
Time deposits	236,441	227,756	1.71	274,861	269,506	1.83
Loans	1,673,578	1,629,224	1.06	1,874,417	1,806,165	1.02
Mortgage loans	1,613,004	1,562,263	0.98	1,827,406	1,756,117	0.96
Others	60,573	66,960	2.78	47,011	50,048	3.42

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

(Millions of yen)

Remaining period	As of December 31, 2018			As of December 31, 2019		
	Yen	Foreign currency	Total	Yen	Foreign currency	Total
Less than 3 months	449,702	137,907	587,609	439,825	169,153	608,978
3 months or more, less than 6 months	173,953	44,091	218,045	191,446	52,999	244,445
6 months or more, less than 1 year	323,845	40,520	364,365	351,325	43,206	394,532
1 year or more, less than 2 years	52,479	10,922	63,401	51,618	6,563	58,182
2 years or more, less than 3 years	16,802	2,992	19,795	14,906	2,928	17,835
3 years or more	51,139	7	51,146	29,703	8	29,712
Total	1,067,921	236,441	1,304,363	1,078,827	274,861	1,353,688

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

(3) Balance of Securities by Rating (Non-consolidated)

(Millions of yen, %)

Ratings	As of December 31, 2018		As of December 31, 2019	
	Balance	Composition	Balance	Composition
AAA	298,337	42.0	329,382	44.7
AA	82,440	11.6	62,499	8.5
A	299,797	42.2	306,494	41.6
BBB	20,986	2.9	30,602	4.2
Unrated	8,990	1.3	7,196	1.0
Total	710,553	100.0	736,175	100.0

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

2. The unrated items on the above table include ¥5,145 million of investments in unrated investment trusts, and ¥2,050 million of investments in shares of a subsidiary.

(4) Risk-monitored Loans (Non-consolidated)

(Millions of yen)

Category	As of December 31, 2018	As of December 31, 2019
	Amount	Amount
Bankrupt loans	159	198
Non-accrual delinquent loans	1,165	1,109
Past due loans (3 months or more)	—	—
Restructured loans	774	968
Total	2,099	2,276

(5) Consolidated Capital Adequacy Ratio (Domestic Standard)

		(Millions of yen, %)	
		As of December 31, 2019	
Core capital: instruments and reserves			
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings			87,458
Capital and capital surplus			52,000
Retained earnings			35,458
Accumulated other comprehensive income included in core capital			(96)
Remeasurements of defined benefit plans			(96)
Eligible capital instruments included in core capital: instruments and reserves			6,177
Non-controlling interests included in core capital subject to transitional arrangements			1,078
Core capital: instruments and reserves	(A)		94,617
Core capital: regulatory adjustments			
Total amount of intangible assets (excluding those relating to mortgage servicing rights)			4,484
Other intangible assets excluding goodwill and mortgage servicing rights			4,484
Shortfall of eligible reserves to expected losses			843
Core capital: regulatory adjustments	(B)		5,327
Capital			
Capital	((A) - (B))	(C)	89,289
Risk-weighted assets			
Total amount of credit risk-weighted assets			579,255
Total amount included in risk-weighted assets subject to transitional arrangements			(10,273)
Exposure to other financial institutions			(10,273)
Total amount of operational risk equivalent / 8%			50,119
Adjustment to credit risk-weighted assets			320,199
Total amount of risk-weighted assets	(D)		949,574
Capital adequacy ratio			
Capital adequacy ratio	((C) / (D))		9.40%
		(Millions of yen)	
		As of December 31, 2019	
Consolidated total capital requirements (Domestic standard) (Total risk-weighted assets by 4%)			37,982

(6) Non-consolidated Capital Adequacy Ratio (Domestic Standard)

(Millions of yen, %)

		As of December 31, 2019	
Core capital: instruments and reserves			
Directly issued qualifying common share capital or preferred share capital with a compulsory conversion clause plus related capital surplus and retained earnings			86,612
Capital and capital surplus			52,000
Retained earnings			34,612
Eligible capital instruments included in core capital: instruments and reserves			6,177
Core capital: instruments and reserves	(A)		92,789
Core capital: regulatory adjustments			
Total amount of intangible assets (excluding those relating to mortgage servicing rights)			3,334
Other intangible assets excluding goodwill and mortgage servicing rights			3,334
Shortfall of eligible reserves to expected losses			843
Core capital: regulatory adjustments	(B)		4,178
Capital			
Capital	((A) - (B))	(C)	88,611
Risk-weighted assets			
Total amount of credit risk-weighted assets			580,662
Total amount included in risk-weighted assets subject to transitional arrangements			(10,273)
Exposure to other financial institutions			(10,273)
Total amount of operational risk equivalent / 8%			43,500
Adjustment to credit risk-weighted assets			318,881
Total amount of risk-weighted assets	(D)		943,044
Capital adequacy ratio			
Capital adequacy ratio	((C) / (D))		9.39%

(Millions of yen)

		As of December 31, 2019	
Non-consolidated total capital requirements (Domestic standard) (Total risk-weighted assets by 4%)			37,721