

Summary Information on Sony Life's Financial Results
for the Six Months Ended September 30, 2012

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1. Key Performance Results

(1) Policy Amount in Force and New Policy Amount

Policy amount in force

(Number: Thousand, Amount: 100 millions of yen, %)

Category	As of September 30, 2011		As of March 31, 2012		As of September 30, 2012					
	Number	Amount	Number	Amount	Number	% YoY change	% change from March 31, 2012	Amount	% YoY change	% change from March 31, 2012
Individual life insurance	5,435	350,317	5,602	357,073	5,749	105.8	102.6	363,239	103.7	101.7
Individual annuities	63	3,394	71	3,697	74	117.7	104.2	3,828	112.8	103.5
Subtotal	5,498	353,711	5,673	360,770	5,823	105.9	102.6	367,068	103.8	101.7
Group life insurance	-	12,346	-	12,687	-	-	-	13,110	106.2	103.3
Group annuities	-	584	-	578	-	-	-	574	98.3	99.4

Notes:

1. The policy amount in force for individual annuities are equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which payments have commenced.
2. The policy amount in force for group annuities is equal to the amount of outstanding policy reserves.

New policy amount

(Number: Thousand, Amount: 100 millions of yen, %)

Category	For the six months ended September 30, 2011				For the six months ended September 30, 2012					
	Number	Amount	New policies	Increase from conversion	Number	% YoY change	Amount	% YoY change	New policies	Increase from conversion
Individual life insurance	280	20,335	20,335	-	270	96.6	19,942	98.1	19,942	-
Individual annuities	3	181	181	-	4	112.7	197	108.3	197	-
Subtotal	283	20,517	20,517	-	274	96.8	20,139	98.2	20,139	-
Group life insurance	-	20	20	-	-	-	25	122.8	25	-
Group annuities	-	-	-	-	-	-	-	-	-	-

Notes: 1. The new policy amount including increase from conversion for individual annuities is equal to the funds held at the time annuity payments commence.

2. The new policy amount for group annuities is equal to the initial premium payment.

(2) Annualized Premiums

Policy amount in force

(Millions of yen, %)

Category	As of September 30, 2011	As of March 31, 2012	As of September 30, 2012	% YoY change	% change from March 31, 2012
	Individual life insurance	605,293	621,647	634,386	104.8
Individual annuities	12,710	13,753	14,188	111.6	103.2
Total	618,004	635,401	648,575	104.9	102.1
Of which, medical protection, living benefit protection, etc	144,793	148,954	153,101	105.7	102.8

New policies

(Millions of yen, %)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012	% YoY change
	Individual life insurance	32,593	31,394
Individual annuities	688	768	111.5
Total	33,281	32,162	96.6
Of which, medical protection, living benefit protection, etc	8,130	8,119	99.9

Notes: 1. Annualized premiums refer to an amount that is calculated by multiplying individual premium amounts by a coefficient that differs depending on the premium payment methods, thereby converting the figure to a per-year premium. (For lump-sum payment policies, premiums are divided by the number of coverage years.)

2. "Medical protection, living benefit protection, etc" indicates the portion of annualized premiums for medical protection benefits (hospitalization benefits, surgical procedure benefits, etc.) and products with living benefit protection (benefits for specific illness, nursing care benefits, etc.).

(3) Major P/L Items

(Millions of yen, %)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012	% YoY Change
Income from insurance premiums	395,732	428,846	108.4
Investment income	52,047	56,005	107.6
Insurance claims and other payments	137,285	135,344	98.6
Investment expenses	29,384	18,752	63.8

(4) Total assets

(Millions of yen, %)

Category	As of March 31, 2011	As of September 30, 2012	% Change from March 31, 2012
Total assets	5,222,846	5,484,323	105.0

2. Status of Investment Assets (General Account)

(1) Investment Environment

During the six months ended September 30, 2012, the Japanese economy experienced significant changes. Real GDP (2nd preliminary figures¹) grew at a rate of 0.2% (annualized rate of 0.7%) during the April–June quarter. Personal consumption and housing investment supported this economic growth, against a backdrop of post-earthquake reconstruction demand and eco-car subsidies. Growth in nominal GDP, meanwhile, was a negative 0.3% during this quarter. Real GDP growth for the July–September quarter² is expected to be weaker, however, owing to economic deceleration overseas, causing a decline in exports, and sluggish domestic capital investment and personal consumption. Accordingly, there is a growing consensus that GDP growth will turn negative for the first time since the April–June 2011 quarter.

The Japanese bond market performed steadily. From April to July, long-term bond yields in developed economies such as the United States and Germany dropped sharply due to the growing severity of the European debt crisis and concerns of a global economic slowdown. Long-term yields in the Japanese bond market also moved downward. As an indicator of this trend, yields on 10-year Japanese government bonds (JGBs) fell at one point to 0.722% in late July. Thereafter, yields rose slightly on positive U.S. economic indicators and expectations that monetary easing by Japanese, European and U.S. central banks would provide an economic stimulus. However, by the end of September 2012 10-year JGB yields had fallen back to 0.778%, down substantially from their level of 0.989% as of March 31, 2012.

Stock market performance was soft. Against a backdrop of anxiety about global economic deceleration and ongoing yen appreciation, concerns about delayed recovery in corporate performance mounted, particularly in the manufacturing sector. The Nikkei Stock Average, at ¥10,083.56 on March 31, 2012, fell to ¥8,238.96 at one point in June. The Tokyo Stock Price Index (TOPIX), at 854.35 points on March 31, 2012, dropped as low as 692.18 at one point in June—the lowest level since the bursting of Japan’s economic bubble. Thereafter, monetary easing by the central banks of Japan, Europe and the United States prompted expectations of economic stimulus. This factor, plus a temporary reprieve in ongoing yen appreciation caused downward pressure on stock prices to ease slightly, but as of September 30, 2012, the Nikkei was ¥8,870.16, down substantially from its level on March 31, 2012.

On foreign exchange markets, the yen traded primarily in the range of ¥75–80 against the U.S. dollar. Concerns about a global economic slowdown led to buying of the yen as a “safe haven” currency. Narrowing interest rate spreads between the yen and the U.S. dollar also prompted yen appreciation. Furthermore, with the Japanese and U.S. central banks both expanding the scope of their quantitative easing measures, the range of trading between the two currencies remained unforeseeable. On September 30, 2012, the yen was trading at ¥77.96 to the U.S. dollar. As the European debt crisis grew increasingly serious, the yen appreciated against the euro, rising from ¥110.56 on March 31, 2012, to ¥94.12 in late July. However, agreement on a program to purchase sovereign debt then caused concerns of a credit spread to abate, again encouraging euro purchases. As of September 30, 2012, the euro was trading at ¥100.21.

(2) Investment Policy

Our basic investment policy on general account assets is to create an investment portfolio that generates stable profits over the medium to long term while considering the soundness of invested assets and their debt characteristics. We secure stable interest income by investing primarily in Japanese government and corporate bonds. From the perspective of ALM, we strive to increase the allocation of ultralong-term bonds. Regarding, investment of equity assets, we invest them by controlling the allocation and ensuring a balance between profitability and market risks.

(3) Results of Investment

As of September 30, 2012, general account assets totaled ¥5,040.4 billion, up 5.5%, or ¥261.9 billion, from March 31, 2012. Within the general account assets, investment in Japanese government and corporate bonds totaled ¥4,244.6 billion (accounting for 84.2% of total general account assets), foreign bonds ¥60.6 billion (1.2%), Japanese stocks ¥32.9 billion (0.7%), monetary trusts ¥295.5 billion (5.9%), policy loans ¥140.8 billion (2.8%), real estate ¥72.1 billion (1.4%), and cash and deposits and call loans ¥58.5 billion (1.2%).

¹ Announced on September 10, 2012.

² Initial preliminary report expected on November 12, 2012.

3. Status of Investment Assets (General Account)

(1) Portfolio of General Account Assets

(Millions of yen)

Category	As of March 31, 2012		As of September 30, 2012	
	Amount	%	Amount	%
Cash and deposits, call loans	64,869	1.4	58,562	1.2
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	-	-	-	-
Securities under proprietary accounts	-	-	-	-
Monetary trusts	288,297	6.0	295,520	5.9
Securities	4,114,529	86.1	4,372,002	86.7
JGBs, other bonds	3,975,755	83.2	4,244,685	84.2
Japanese stocks	45,052	0.9	32,901	0.7
Foreign securities	90,162	1.9	90,589	1.8
Bonds	59,632	1.2	60,617	1.2
Stocks, etc.	30,529	0.6	29,972	0.6
Other securities	3,558	0.1	3,827	0.1
Loans	138,909	2.9	141,002	2.8
Real estate	72,960	1.5	72,101	1.4
Deferred tax assets	26,986	0.6	23,571	0.5
Other assets	72,219	1.5	77,937	1.5
Reserve for possible loan losses	(214)	(0.0)	(216)	(0.0)
Total	4,778,556	100.0	5,040,483	100.0
Of which, foreign-currency-denominated assets	42,996	0.9	42,820	0.8

Note: Real estate is the total of land, buildings and construction in progress.

(2) Changes in General Account Assets by Categories

(Millions of yen)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012
Cash and deposits, call loans	(19,082)	(6,306)
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	-	-
Securities under proprietary accounts	-	-
Monetary trusts	10,226	7,223
Securities	230,677	257,473
JGBs, other bonds	234,817	268,929
Japanese stocks	(15,881)	(12,151)
Foreign securities	15,002	427
Bonds	15,233	984
Stocks, etc.	(231)	(557)
Other securities	(3,260)	268
Loans	2,752	2,092
Real estate	(1,036)	(858)
Deferred tax assets	(11,136)	(3,414)
Other assets	(7,684)	5,718
Reserve for possible loan losses	9	(1)
Total	204,726	261,926
Of which, foreign-currency-denominated assets	14,964	(176)

Note: Real estate is the total of land, buildings and construction in progress.

(3) Investment Income

(Millions of yen)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012
Interest income and dividends	47,478	52,199
Interest income from deposits	0	0
Interest income and dividends from securities	39,100	44,048
Interest income from loans	2,670	2,705
Income from real estate for rent	5,647	5,431
Other	60	14
Gains on securities under proprietary accounts	-	-
Income from monetary trusts, net	2,646	2,622
Income from trading securities, net	-	-
Gains on sale of securities	1,911	1,169
Gains on sale of Japanese bonds	39	0
Gains on sale of Japanese stocks	1,676	1,169
Gains on sale of foreign securities	194	-
Other	-	-
Gains on redemption of securities	-	-
Gains on derivatives, net	-	-
Foreign exchange gains, net	-	-
Reversal of reserve for possible loan losses	-	-
Other investment income	10	13
Total	52,047	56,005

(4) Investment Expenses

(Millions of yen)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012
Interest expenses	30	22
Losses on securities under proprietary accounts	-	-
Losses on monetary trusts, net	-	-
Losses on trading securities, net	-	-
Losses on sale of securities	1,528	201
Losses on sale of Japanese bonds	-	-
Losses on sale of Japanese stocks	1,528	201
Losses on sale of foreign securities	-	-
Other	-	-
Devaluation losses on securities	866	327
Devaluation losses on Japanese bonds	-	-
Devaluation losses on Japanese stocks	866	327
Devaluation losses on foreign securities	-	-
Other	-	-
Losses on redemption of securities	-	-
Losses on derivatives, net	-	-
Foreign exchange losses	693	444
Provision for reserve for possible loan losses	6	1
Write-off loans	-	-
Depreciation of real estate for rent and others	1,162	1,059
Other investment expenses	3,257	3,156
Total	7,545	5,213

(5) Valuation Gains (Losses) on Trading-purpose Securities

(Millions of yen)

Category	As of March 31, 2012		As of September 30, 2012	
	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
Trading-purpose securities	-	-	-	-

Note: The chart above includes trading-purpose securities in "monetary trusts" etc.

(6) Fair Value Information on Securities

a. Fair value information on securities with market value (except trading-purpose securities)

(Millions of yen)

Category	As of March 31, 2012					As of September 30, 2012				
	Carrying amount	Fair value	Net unrealized gains (losses)			Carrying amount	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses	Unrealized gains			Unrealized losses		
Held-to-maturity securities	3,404,821	3,560,687	155,865	160,172	4,307	3,632,978	3,838,414	205,435	206,635	1,199
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	895,142	956,125	60,983	61,345	361	915,079	992,963	77,883	78,681	798
JGBs, other bonds	849,186	902,676	53,490	53,490	-	876,782	950,909	74,126	74,181	54
Japanese stocks	29,106	34,970	5,863	6,225	361	20,618	22,789	2,170	2,913	743
Foreign securities	15,373	16,770	1,397	1,397	-	16,202	17,515	1,313	1,313	-
Bonds	15,373	16,770	1,397	1,397	-	16,202	17,515	1,313	1,313	-
Stocks, etc.	-	-	-	-	-	-	-	-	-	-
Other securities	1,476	1,708	232	232	-	1,476	1,749	273	273	-
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	4,299,963	4,516,813	216,849	221,518	4,668	4,548,058	4,831,377	283,319	285,317	1,998
JGBs, other bonds	4,211,145	4,417,819	206,674	210,981	4,307	4,466,659	4,746,413	279,754	280,724	969
Japanese stocks	29,106	34,970	5,863	6,225	361	20,618	22,789	2,170	2,913	743
Foreign securities	58,235	62,314	4,078	4,078	-	59,303	60,425	1,121	1,406	284
Bonds	58,235	62,314	4,078	4,078	-	59,303	60,425	1,121	1,406	284
Stocks, etc.	-	-	-	-	-	-	-	-	-	-
Other securities	1,476	1,708	232	232	-	1,476	1,749	273	273	-
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-

Notes:

1. The above table includes assets which are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Law of Japan.
2. The above table included monetary trusts other than trading-purpose securities, and their carrying amount and net unrealized gains (losses) as of September 30, 2012 amounted to ¥268,557 million and ¥27,543 million respectively.
3. Carrying amount represents the amount after deductions for depreciable costs and impairment losses, before mark-to-market.

b. Carrying amounts of securities without market value

(Millions of yen)

Category	As of March 31, 2012	As of September 30, 2012
Held-to-maturity securities		
Unlisted foreign bonds	-	-
Others	-	-
Policy reserve matching bonds	-	-
Stocks of subsidiaries and affiliated companies	15,625	15,655
Available-for-sale securities	27,090	26,779
Unlisted domestic stocks (except OTC stocks)	4	4
Unlisted foreign stocks (except OTC stocks)	1,084	1,103
Unlisted foreign bonds	-	-
Others	26,001	25,671
Total	42,715	42,435

c. Fair Value information consisting of that stated in the previous table-a and foreign exchange and other gains (losses) for table-1

(Millions of yen)

Category	As of March 31, 2012					As of September 30, 2012				
	Carrying amount	Fair value	Net unrealized gains (losses)			Carrying amount	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses				Unrealized gains	Unrealized losses	
Held-to-maturity securities	3,404,821	3,560,687	155,865	160,172	4,307	3,632,978	3,838,414	205,435	206,635	1,199
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	15,625	15,625	-	-	-	15,655	15,655	-	-	-
Available-for-sale securities	922,232	982,962	60,729	64,330	3,601	941,859	1,019,469	77,610	81,859	4,248
JGBs, other bonds	849,186	902,676	53,490	53,490	-	876,782	950,909	74,126	74,181	54
Japanese stocks	29,111	34,974	5,863	6,225	361	20,623	22,793	2,170	2,913	743
Foreign securities	16,457	18,024	1,567	1,567	-	17,305	18,751	1,445	1,445	-
Bonds	15,373	16,770	1,397	1,397	-	16,202	17,515	1,313	1,313	-
Stocks, etc.	1,084	1,254	169	169	-	1,103	1,236	132	132	-
Other securities	27,478	27,286	(191)	3,047	3,239	27,147	27,015	(132)	3,317	3,450
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	4,342,679	4,559,274	216,594	224,503	7,908	4,590,493	4,873,539	283,046	288,495	5,448
JGBs, other bonds	4,211,145	4,417,819	206,674	210,981	4,307	4,466,659	4,746,413	279,754	280,724	969
Japanese stocks	39,188	45,052	5,863	6,225	361	30,730	32,901	2,170	2,913	743
Foreign securities	64,867	69,116	4,248	4,248	-	65,955	67,209	1,254	1,539	284
Bonds	58,235	62,314	4,078	4,078	-	59,303	60,425	1,121	1,406	284
Stocks, etc	6,632	6,801	169	169	-	6,651	6,784	132	132	-
Other securities	27,478	27,286	(191)	3,047	3,239	27,147	27,015	(132)	3,317	3,450
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-

(7) Fair Value Information on Monetary Trusts (General Account)

(Millions of yen)

Category	As of March 31, 2012					As of September 30, 2012				
	Balance sheet amount	Fair value	Net unrealized gains (losses)			Balance sheet amount	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses				Unrealized gains	Unrealized losses	
Monetary trusts	288,297	288,297	-	-	-	295,520	295,520	-	-	-

Note: The table above includes ¥50 million of jointly invested monetary trusts.

Monetary trusts for investment

(Millions of yen)

Category	As of March 31, 2012		As of September 30, 2012	
	Balance sheet amount	Net valuation gains (losses) recorded in income	Balance sheet amount	Net valuation gains (losses) recorded in income
Monetary trusts for investment	-	-	-	-

Note: Monetary trusts includes cash and call loans, etc. held in monetary trusts.

Monetary trusts for held-to-maturity and policy reserve matching and other monetary trusts

(Millions of yen)

Category	As of March 31, 2012					As of September 30, 2012				
	Carrying amount	Fair value	Net unrealized gains (losses)			Carrying amount	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses				Unrealized gains	Unrealized losses	
Monetary trusts for held-to-maturity	-	-	-	-	-	-	-	-	-	-
Monetary trusts for policy reserve matching	-	-	-	-	-	-	-	-	-	-
Other monetary trusts	267,887	288,247	20,359	20,359	-	267,926	295,470	27,543	27,543	-

Note: Monetary trusts includes cash and call loans, etc. held in monetary trusts.

4. Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of September 30, 2012
	Amount	Amount
Assets:		
Cash and deposits	19,808	30,720
Call loans	56,300	43,200
Monetary trusts	288,297	295,520
Securities	4,545,019	4,799,115
(Japanese government bonds)	4,071,699	4,346,515
(Japanese municipal bonds)	10,485	10,250
(Japanese corporate bonds)	44,035	42,942
(Japanese stocks)	69,149	56,072
(Foreign securities)	230,172	231,624
Loans	138,909	141,002
Policy loans	138,782	140,895
Commercial loans	127	106
Tangible fixed assets	73,678	72,788
Intangible fixed assets	24,257	24,849
Due from reinsurers	65	497
Other assets	49,736	53,272
Deferred tax assets	26,986	23,571
Reserve for possible loan losses	(214)	(216)
Total Assets	5,222,846	5,484,323
Liabilities:		
Policy reserves and others	4,871,182	5,111,552
Reserve for outstanding claims	24,039	22,563
Policy reserves	4,843,020	5,085,051
Reserve for policyholders' dividends	4,122	3,936
Due to agencies	1,664	1,559
Due to reinsurers	581	517
Other liabilities	38,193	33,904
Accrued income tax	10,255	11,297
Lease obligations	263	253
Asset retirement obligations	642	649
Others	27,031	21,702
Reserve for employees' retirement benefits	20,310	21,556
Reserve for directors' retirement benefits	168	158
Reserve for price fluctuations	25,319	28,604
Reserve for price fluctuations	25,319	28,604
Deferred tax liabilities on land revaluation	589	589
Total Liabilities	4,958,009	5,198,442
Net Assets:		
Common stock	70,000	70,000
Capital surplus	5,865	5,865
Capital reserve	5,865	5,865
Retained earnings	156,335	165,638
Earned reserve	13,238	15,058
Other retained earnings	143,096	150,579
Unappropriated retained earnings for the period	143,096	150,579
Total shareholders' equity	232,200	241,503
Net unrealized gains on other securities, net of taxes	34,032	45,773
Land revaluation, net of taxes	(1,395)	(1,395)
Total valuation and translation adjustments	32,636	44,378
Total Net Assets	264,836	285,881
Total Liabilities and Net Assets	5,222,846	5,484,323

5. Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2011	For the six months ended September 30, 2012
	Amount	Amount
Ordinary Revenues	454,871	488,960
Income from insurance premiums	395,732	428,846
(Insurance premiums)	395,471	428,237
Investment income	52,047	56,005
(Interest income and dividends)	47,478	52,199
(Income from monetary trusts, net)	2,646	2,622
(Gains on sale of securities)	1,911	1,169
Other ordinary income	7,092	4,108
Ordinary Expenses	426,277	457,575
Insurance claims and other payments	137,285	135,344
(Insurance claims)	36,360	34,758
(Annuity payments)	3,913	4,430
(Insurance benefits)	16,264	16,897
(Surrender payments)	78,637	77,170
(Refund to policyholders)	1,106	1,145
Provision for policy reserves and others	200,866	242,037
Provision for policy reserves	200,858	242,031
Interest on policyholders' dividend reserve	7	6
Investment expenses	29,384	18,752
(Interest expenses)	30	22
(Losses on sale of securities)	1,528	201
(Devaluation losses on securities)	866	327
(Losses on separate accounts, net)	21,838	13,538
Operating expenses	51,576	53,648
Other ordinary expenses	7,165	7,793
Ordinary Profit	28,593	31,384
Extraordinary Losses	3,892	3,381
Losses on disposal of fixed assets	16	14
Impairment losses	0	81
Provision for reserve for price fluctuations	3,875	3,285
Provision for reserve for price fluctuations	3,875	3,285
Reversal of reserve for policyholders' dividends	37	28
Income Before Income Taxes	24,738	28,030
Income Taxes -current	9,588	11,592
Income Taxes -deferred	(513)	(1,964)
Total Income Taxes	9,075	9,627
Net Income	15,663	18,402

6. Reconciliation to Core Profit and Non-consolidated Ordinary Profit

(Millions of yen)

		For the six months ended September 30, 2011	For the six months ended September 30, 2012
Core profit	A	31,685	33,309
Capital gains		1,911	1,169
Income from monetary trusts, net		-	-
Income from trading securities, net		-	-
Gains on sale of securities		1,911	1,169
Gains on derivatives, net		-	-
Foreign exchange gains, net		-	-
Other capital gains		-	-
Capital losses		3,088	1,008
Losses on monetary trusts, net		-	-
Losses on trading securities, net		-	-
Losses on sale of securities		1,528	201
Devaluation losses on securities		866	327
Losses on derivatives, net		-	-
Foreign exchange losses, net		693	444
Other capital losses		-	34
Net capital gains (losses)	B	(1,176)	161
Core profit plus net capital gains (losses)	A+B	30,509	33,470
Other one-time gains		-	-
Gains from reinsurance		-	-
Reversal of contingency reserve		-	-
Reversal of specific reserve for possible loan losses		-	-
Others		-	-
Other one-time losses		1,915	2,086
Losses from reinsurance		-	-
Provision for contingency reserve		1,769	1,965
Provision for specific reserve for possible loan losses		6	1
Provision for reserve for loan losses from borrowers in specific foreign countries		-	-
Write-off of loans		-	-
Others		139	119
Net other one-time gains (losses)	C	(1,915)	(2,086)
Ordinary profit	A+B+C	28,593	31,384

Notes:

1. Core profit for the six months ended September 30, 2011 (A) includes income gains of ¥2,646 million in income from monetary trusts; "Others" of other one-time losses included provision of additional policy reserve of ¥139 million.
2. Core profit for the six months ended September 30, 2012 (A) includes income gains of ¥2,622 million in income from monetary trusts; other capital losses include impairment losses of ¥34 million from investment partnership; "Others" of other one-time losses included provision of additional policy reserve of ¥119 million.

7. Loans by Borrower Category

(Millions of yen, %)

Category	As of March 31, 2012	As of September 30, 2012
Bankrupt and quasi-bankrupt loans	—	—
Doubtful loans	—	—
Sub-standard loans	—	—
Sub-total	—	—
[% to total]	[—]	[—]
Normal loans	141,384	143,489
Total	141,384	143,489

Notes:

1. Bankrupt and quasi-bankrupt loans are loans to borrowers who are subject to bankruptcy, corporate reorganization or rehabilitation or other similar proceedings and other borrowers in serious financial difficulties.
2. Doubtful loans are loans to obligors (other than bankrupt and quasi-bankrupt obligors) with deteriorated financial condition and results of operations from which it is unlikely that the principal and interest on the loans will be recovered.
3. Sub-standard loans are loans on which principal and/or interests are past due for three months or more (excluding loans described in notes 1. and 2. above) and loans with terms and conditions have been amended in favor of the borrowers (e.g, reduction of the original interest rate, deferral of interest payments, extension of principal and/or waivers) in order to support the borrowers' recovery from financial difficulties (excluding loans described in notes 1. and 2. above and loans on which principal and/or interest are past due for three months or more).
4. Normal loans are all other loans.

8. Risk-monitored Loans

Not applicable

9. Solvency Margin Ratio

(Millions of yen)

Category	As of March 31, 2012	As of September 30, 2012
Total solvency margin (A)	722,175	792,486
Common stock, etc.	223,100	240,995
Reserve for price fluctuations	25,319	28,604
Contingency reserve	55,338	57,303
General reserve for possible loan losses	0	0
Net unrealized gains on other securities multiplied by 90% (100% if losses)	54,656	69,849
Net unrealized gains on real estate multiplied by 85% (100% if losses)	(173)	(156)
Unallocated portion of reserve for policyholders' dividends	700	1,126
Amount excluded from deferred tax assets	-	-
Deferred tax assets	58,774	66,732
Excess amount of policy reserves based on Zillmer method	350,404	361,303
Subordinated debt	-	-
The portion of the excess amount if policy reserves based on Zillmer method and subordinated debt that is not included in the margin	(45,945)	(33,272)
Deductible items	-	-
Total risk $\sqrt{(R_1 + R_6)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	72,930	73,732
Insurance risk R1	20,850	21,244
Third-sector insurance risk R8	7,509	7,650
Assumed interest rate risk R2	28,509	28,808
Minimum guarantee risk R7	9,904	10,117
Asset management risk R3	26,741	26,845
Business management risk R4	1,870	1,893
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	1,980.4%	2,149.6%

Notes: 1. The figures were calculated based on provisions in Articles 86 and 87 of the Ordinance for Enforcement of the Insurance Business Act of Japan and the Ministry of Finance Public Notice No. 50 of 1996.

2. Minimum guarantee risk was calculated based on the standardized approach.

10. Status of Separate Account Assets

(1) Balance of Separate Account Assets

(Millions of yen)

Category	As of March 31, 2012	As of September 30, 2012
Individual variable life insurance and individual variable annuities	444,289	443,839
Group annuities	-	-
Total separate account	444,289	443,839

Note: Assets relating to individual variable life insurance and individual variable annuities are jointly invested at Sony Life.

(2) Policy Amount in Force (Separate Account)

Individual variable life insurance

(Number: Thousand, Amount: Millions of yen)

Category	As of March 31, 2012		As of September 30, 2012	
	Number	Amount	Number	Amount
Variable life insurance (whole life type)	552	6,955,907	561	6,982,245
Variable life insurance (limited term type)	42	142,828	42	142,468
Variable life insurance (term type)	1	48,924	1	46,834
Total	596	7,147,660	605	7,171,547

Note: Amounts include the rider portion of variable life insurance.

Individual variable annuities

(Number: Thousand, Amount: Millions of yen)

Category	As of March 31, 2012		As of September 30, 2012	
	Number	Amount	Number	Amount
Individual variable annuities	28	149,528	27	147,188

Note: The amount of individual variable annuities is equal to the sum of (a) the funds to be held at the time annuity payments are to commence for policies for which annuity payments have not yet commenced and (b) the amount of policy reserves for policies for which payments have commenced.

11. Consolidated Summary

(1) Key Performance Indicators

(Millions of yen)

Category	For the six months ended September 30, 2011	For the six months ended September 30, 2012
Ordinary Revenues	454,987	489,063
Ordinary Profit	28,141	30,732
Net Income	15,219	17,825
Comprehensive Income	35,627	29,782

Category	As of March 31, 2012	As of September 30, 2012
Total assets	5,219,990	5,481,147
Solvency Margin Ratio	2,051.5%	2,228.2%

(2) Scope of Consolidation and Companies Accounted for under Equity Method

Number of consolidated subsidiaries	1
Number of non-consolidated subsidiaries accounted for under equity method	0
Number of affiliated companies accounted for under equity method	2

(3) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of September 30, 2012
	Amount	Amount
Assets:		
Cash and deposits	20,593	31,771
Call loans	56,300	43,200
Monetary trusts	288,297	295,520
Securities	4,541,228	4,794,602
Loans	138,931	141,028
Tangible fixed assets	73,690	72,800
Intangible fixed assets	24,257	24,852
Due from reinsurers	65	497
Other assets	49,799	53,326
Deferred tax assets	27,039	23,763
Reserve for possible loan losses	(214)	(216)
Total Assets	5,219,990	5,481,147
Liabilities:		
Policy reserves and others	4,871,461	5,111,876
Reserve for outstanding claims	24,041	22,566
Policy reserves	4,843,297	5,085,373
Reserve for policyholders' dividends	4,122	3,936
Due to agencies	1,664	1,559
Due to reinsurers	582	518
Other liabilities	38,251	33,961
Reserve for employees' retirement benefits	20,315	21,558
Reserve for directors' retirement benefits	168	158
Reserve for price fluctuations	25,319	28,604
Reserve for price fluctuations	25,319	28,604
Deferred tax liabilities on land revaluation	589	589
Total Liabilities	4,958,352	5,198,827
Net Assets:		
Common stock	70,000	70,000
Capital surplus	5,865	5,865
Retained earnings	153,479	162,204
Total shareholder's equity	229,344	238,069
Net unrealized gains on other securities, net of taxes	34,142	45,858
Land revaluation, net of taxes	(1,395)	(1,395)
Foreign currency translation adjustments	(453)	(212)
Total accumulated other comprehensive income	32,293	44,250
Total Net Assets	261,637	282,320
Total Liabilities and Net Assets	5,219,990	5,481,147

(4) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	For the six months ended September 30, 2011	For the six months ended September 30, 2012
	Amount	Amount
Ordinary Revenues	454,987	489,063
Income from insurance premiums	395,771	428,899
Investment income	52,123	56,098
(Interest income and dividends)	47,535	52,253
(Income from monetary trusts, net)	2,646	2,622
(Gains on sale of securities)	1,930	1,209
Other ordinary income	7,092	4,065
Ordinary Expenses	426,845	458,331
Insurance claims and other payments	137,299	135,349
(Insurance claims)	36,365	34,761
(Annuity payments)	3,913	4,430
(Insurance benefits)	16,264	16,897
(Surrender payments)	78,644	77,171
Provision for policy reserves and others	200,882	242,065
Provision for policy reserves	200,874	242,059
Interest on policyholders' dividend reserve	7	6
Investment expenses	29,403	18,818
(Interest expenses)	30	22
(Losses on sale of securities)	1,528	201
(Devaluation losses on securities)	866	327
(Losses on separate accounts, net)	21,838	13,538
Operating expenses	51,657	53,743
Other ordinary expenses	7,602	8,354
Ordinary Profit	28,141	30,732
Extraordinary Gains	0	-
Gains on sale of fixed assets	0	-
Extraordinary Losses	3,892	3,381
Losses on disposal of fixed assets	16	14
Impairment losses	0	81
Provision for reserve for price fluctuations	3,875	3,285
Provision for reserve for price fluctuations	3,875	3,285
Reversal of reserve for policyholders' dividends	37	28
Income Before Income Taxes	24,286	27,378
Income Taxes -current	9,588	11,592
Income Taxes -deferred	(521)	(2,039)
Total Income Taxes	9,066	9,553
Income Before Minority Interests	15,219	17,825
Net Income	15,219	17,825

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the six months ended September 30, 2011	For the six months ended September 30, 2012
	Amount	Amount
Income Before Minority Interests	15,219	17,825
Other Comprehensive Income	20,407	11,957
Net unrealized gains on other securities, net of taxes	20,423	11,715
Foreign currency translation adjustments	(13)	241
Share of other comprehensive income of affiliates accounted for using equity method	(2)	(0)
Comprehensive Income	35,627	29,782
Comprehensive income attributable to parent company	35,627	26,782
Comprehensive income attributable to minority interests	-	-

(5) Consolidated Solvency Margin Ratio

(Millions of yen)

Category	As of March 31, 2012	As of September 30, 2012
Total solvency margin (A)	706,777	776,530
Common stock, etc.	220,244	237,561
Reserve for price fluctuations	25,319	28,604
Contingency reserve	55,338	57,303
Catastrophe reserve	-	-
General reserve for possible loan losses	0	0
Net unrealized gains on other securities multiplied by 90% (100% if losses)	54,764	69,971
Net unrealized gains on real estate multiplied by 85% (100% if losses)	(173)	(156)
Unallocated portion of reserve for policyholders' dividends	700	1,126
Amount excluded from deferred tax assets	-	-
Deferred tax assets	58,774	66,732
Excess amount of policy reserves based on Zillmer method	350,404	361,303
Subordinated debt	-	-
The portion of the excess amount if policy reserves based on Zillmer method and subordinated debt that is not included in the margin	(48,801)	(36,706)
Deductible items	(9,793)	(9,210)
Total risk $\sqrt{(\sqrt{R_1^2 + R_2^2 + R_3 + R_5})^2 + (R_2 + R_3 + R_7)^2 + R_4 + R_6}$ (B)	68,900	69,698
Insurance risk R1	20,852	21,247
Ordinary insurance risk R5	-	-
Major Catastrophe risk R6	-	-
Third-sector insurance risk R8	7,510	7,651
Insurance risk of small-amount short-term insurance providers R9	-	-
Assumed interest rate risk R2	28,509	28,808
Minimum guarantee risk R7	9,904	10,117
Asset management risk R3	22,415	22,507
Business management risk R4	1,783	1,806
Solvency margin ratio (A) ————— x 100 (1/2) x (B)	2,051.5%	2,228.2%

Notes: 1. The figures were calculated based on provisions in Articles 86-2 and 88 of the Ordinance for Enforcement of the Insurance Business Act of Japan and Public Notice of Financial Services Agency No. 23 of 2011.
2. Minimum guarantee risk was calculated based on the standardized approach.

(Reference) Holdings of Securitized Papers and Other Sub-prime Related Investments

Sony Life's holdings of securitized papers and other sub-prime related investments as of September 30, 2012, are as follows. Sony Life holds no sub-prime related investments.

(1) Special-purpose entities (SPEs)

(100 millions of yen)

	Fair value	Unrealized gains (losses)	Gains (losses) recorded in income
Special purpose entities (SPEs)	—	—	—
ABCP	—	—	—
facilitated by Sony Life	—	—	—
SIV	—	—	—
facilitated by Sony Life	—	—	—
Other	—	—	—
facilitated by Sony Life	—	—	—

(2) Collateralized debt obligations (CDO)

(100 millions of yen)

	Fair value	Unrealized gains (losses)	Gains (losses) recorded in income
Collateralized debt obligations (CDO)	—	—	—
ABS	—	—	—
CDO	—	—	—
Senior	—	—	—
sub-prime (Alt-A exposure)	—	—	—
Mezzanine	—	—	—
sub-prime (Alt-A exposure)	—	—	—
Equity	—	—	—
sub-prime (Alt-A exposure)	—	—	—
CLO	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—
CBO	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—
Other	—	—	—
Senior	—	—	—
Mezzanine	—	—	—
Equity	—	—	—

(3) Other sub-prime (Alt-A exposure)

(100 millions of yen)

	Fair value	Unrealized gains (losses)	Gains (losses) recorded in income
Other sub-prime (Alt-A exposure)	—	—	—
Non-securitized loans	—	—	—
RMBS	—	—	—
Derivatives	—	—	—
Commitment line	—	—	—
Other	—	—	—

(4) Commercial mortgage-backed securities (CMBS)

(100 millions of yen)

	Fair value		Unrealized gains (losses)	Gains (losses) recorded in income
		As of March 31, 2012		
Commercial mortgage-backed securities (CMBS)	—	—	—	—
Japan	—	—	—	—
USA	—	—	—	—
EU	—	—	—	—
UK	—	—	—	—
Other	—	—	—	—

(5) Leveraged finance

(100 millions of yen)

	Fair value		Unrealized gains (losses)	Gains (losses) recorded in income
		As of March 31, 2012		
Leveraged finance	—	—	—	—
Communications	—	—	—	—
Electronics	—	—	—	—
Entertainment	—	—	—	—
Services	—	—	—	—
Other	—	—	—	—

(6) Other notes

Sony Life holds principal protected 30-year notes with NIKKEI 225 index-linked coupons (fair market value of ¥42.9 billion and unrealized losses of ¥0.1 billion as of September 30, 2012). These amounts are included in "Net unrealized gains (losses)" of Sony Life's "Fair Value Information on Securities" as of September 30, 2012.