

**Summary Information on Sony Life's Financial Results**  
**for the Six Months Ended September 30, 2013**

**<Contents>**

1. Key Performance Results	
(1) Policy Amount in Force and New Policy Amount	P.2
(2) Annualized Premiums	P.2
(3) Major P/L Items	P.3
(4) Total Assets	P.3
2. Status of Investment Assets (General Account)	
(1) Investment Environment	P.4
(2) Investment Policy	P.4
(3) Results of Investment	P.4
3. Status of Investment Assets (General Account)	
(1) Portfolio of General Account Assets	P.5
(2) Changes in General Account Assets by Category	P.5
(3) Investment Income	P.6
(4) Investment Expenses	P.6
(5) Valuation Gains (Losses) on Trading-purpose Securities	P.7
(6) Fair Value Information on Securities	P.7
(7) Fair Value Information on Monetary Trusts (General Account)	P.9
4. Non-consolidated Balance Sheets	P.10
5. Non-consolidated Statements of Income	P.11
6. Reconciliation to Core Profit and Non-consolidated Ordinary Profit	P.12
7. Loans by Borrower Category	P.13
8. Risk-monitored Loans	P.13
9. Solvency Margin Ratio	P.14
(Reference) Consolidated Solvency Margin Ratio	P.15
10. Status of Separate Account Assets	
(1) Balance of Separate Account Assets	P.16
(2) Policy Amount in Force (Separate Account)	P.16
(Reference) Holdings of Securitized Papers and Other Sub-prime Related Investments	P.17

# 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, 2012		As of March 31, 2013		As of September 30, 2013					
	Number	Amount	Number	Amount	Number	% YoY change	% change from March 31, 2013	Amount	% YoY change	% change from March 31, 2013
Individual life insurance	5,749	363,239	5,958	373,663	6,078	105.7	102.0	379,243	104.4	101.5
Individual annuities	74	3,828	82	4,127	86	116.6	105.8	4,327	113.0	104.9
Subtotal	5,823	367,068	6,041	377,790	6,165	105.9	102.0	383,571	104.5	101.5
Group life insurance	-	13,110	-	13,456	-	-	-	13,853	105.7	103.0
Group annuities	-	574	-	565	-	-	-	557	97.0	98.7

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, 2012				For the six months ended September 30, 2013					
	Number	Amount	New policies	Increase from conversion	Number	% YoY change	Amount	% YoY change	New policies	Increase from conversion
Individual life insurance	270	19,942	19,942	-	240	89	18,446	92.5	18,446	-
Individual annuities	4	197	197	-	6	150.7	302	153.2	302	-
Subtotal	274	20,139	20,139	-	246	89.9	18,748	93.1	18,748	-
Group life insurance	-	25	25	-	-	-	45	181.8	45	-
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, 2012	As of March 31, 2013	As of September 30, 2013	% YoY change	% change from March 31, 2013
	Individual life insurance	634,386	654,723	665,643	104.9
Individual annuities	14,188	15,214	15,855	111.7	104.2
Total	648,575	669,937	681,498	105.1	101.7
Of which, medical protection, living benefit protection, etc.	153,101	158,686	165,048	107.8	104.0

### New policies

(Millions of yen, %)

Category	For the six months ended September 30, 2012	For the six months ended September 30, 2013	% YoY change
	Individual life insurance	31,394	29,041
Individual annuities	768	1,126	146.7
Total	32,162	30,168	93.8
Of which, medical protection, living benefit protection, etc.	8,119	6,941	85.5

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, 2012	For the six months ended September 30, 2013	% YoY Change
Income from insurance premiums	428,846	437,980	102.1
Investment income	56,005	107,686	192.3
Insurance claims and other payments	135,344	155,054	114.6
Investment expenses	18,752	4,085	21.8

**(4) Total assets**

(Millions of yen, %)

Category	As of March 31, 2012	As of September 30, 2013	% Change from March 31, 2013
Total assets	5,952,750	6,247,480	105.0

## 2. Status of Investment Assets (General Account)

### (1) Investment Environment

During the six months ended September 30, 2013, the Japanese economy remained robust. Real GDP (2nd preliminary figures<sup>1</sup>) grew at a rate of 0.9% (annualized rate of 3.8%) during the April–June quarter, marking the third consecutive quarter of growth. Contributing to this expansion were demand factors such as capital investment and personal consumption. Growth in nominal GDP was 0.9% (annualized rate of 3.7%). Real GDP<sup>2</sup> for the July–September quarter is expected to reflect somewhat weaker economic growth; although a recovery in capital investment and housing is expected, the recovery in personal consumption is likely to ease.

The Japanese bond market experienced significant changes. Long-term interest rates plunged following the introduction of the “qualitative and quantitative easing” announced by the Bank of Japan on April 4, 2013. As a result, yields on 10-year Japanese government bonds (JGBs), an indicator of long-term interest rates, fell at one point from 0.551% as of March 31, 2013, to 0.325%—their lowest level on record. Moving into May, long-term interest rates turned back upward sharply as investors sold to lock in returns and due to a heightened sense that the United States might scale back its asset purchases, pushing yields on 10-year JGBs back upward to 0.996% at one point. Thereafter, the Bank of Japan’s purchases of JGBs put downward pressure on interest rates, causing long-term interest rates to fall back. For these reasons, prices remained volatile during the period. As of September 30, 2013, yields on 10-year JGBs were 0.686%, up slightly from their level as of March 31.

Stock market performance was firm. Against a backdrop of monetary easing by the Bank of Japan and ongoing yen depreciation, the Nikkei Stock Average rose from ¥12,397.91 on March 31, 2013, to ¥15,942.60 at one point in May. Given the ensuing sense of overheating, the market was characterized by an increase in selling to lock in profits, which pushed the Nikkei down to ¥12,415.85 at one point in June. After rising in July in tandem with the Upper House elections, the Nikkei remained in the range between ¥13,000 and ¥15,000. As reports of positive corporate performance increased, the lower end of the range trended upward. On September 30, 2013, the Nikkei closed at ¥14,455.80, up from its level as of March 31, 2013.

On foreign exchange markets, the yen traded primarily in the upper ¥90s against the U.S. dollar. The introduction of the “qualitative and quantitative easing” announced by the Bank of Japan in April, suggestions by U.S. Federal Reserve Board Chairman Ben Bernanke that the Fed might cut back on its asset purchases prompted depreciation of the yen from ¥94.22 to the U.S. dollar as of March 31, 2013, to ¥103.74 at one point in May. After that point, prices in emerging country stock markets softened due to the return of funds that had flowed there on concerns that the scale of U.S. quantitative easing might be decreasing, and yen buying prompted appreciation against the dollar, to ¥93.79 at one point in June. From July, the yen traded in a range of the upper ¥90s against the U.S. dollar. As of September 30, 2013, the yen was trading at ¥98.27 to the U.S. dollar. With a growing sense that economic indicators were bottoming out in the eurozone, the euro exchange rate remained strong against the yen. As of September 30, 2013, the yen was trading at ¥132.93 against the euro, compared with ¥120.76 as of March 31, 2013.

### (2) Investment Policy

Our investment policy is based on asset liability management (ALM), a strategy stemming from an understanding of the characteristics of insurance liabilities and prioritizing investments in assets that have corresponding characteristics. Specifically, as life insurance policies represent long-term liabilities, we invest primarily in ultralong-term JGBs that have a long term remaining until maturity. This approach allows us to appropriately control the risks associated with interest rate fluctuations on insurance liabilities. Meanwhile, we limit our investments in risky investments such as equities.

### (3) Results of Investment

As of September 30, 2013, general account assets totaled ¥5,645.9 billion, up 4.5%, or ¥243.7 billion, from March 31, 2013. Within the general account assets, investment in Japanese government and corporate bonds totaled ¥4,848.3 billion (accounting for 85.9% of total general account assets), foreign bonds ¥69.6 billion (1.2%), Japanese stocks ¥36.0 billion (0.6%), monetary trusts ¥302.5 billion (5.4%), policy loans ¥149.7 billion (2.7%), real estate ¥67.3 billion (1.2%), and cash and deposits and call loans ¥45.4 billion (0.8%).

<sup>1</sup> Announced on September 9, 2013

<sup>2</sup> Initial preliminary report expected on November 14, 2013

### 3. Status of Investment Assets (General Account)

#### (1) Portfolio of General Account Assets

(Millions of yen)

Category	As of March 31, 2013		As of September 30, 2013	
	Amount	%	Amount	%
Cash and deposits, call loans	103,321	1.9	45,474	0.8
Securities repurchased under resale agreements	-	-	-	-
Pledged money for bond borrowing transaction	-	-	-	-
Monetary claims purchased	-	-	-	-
Securities under proprietary accounts	-	-	-	-
Monetary trusts	306,122	5.7	302,532	5.4
Securities	4,683,747	86.7	4,984,611	88.3
JGBs, other bonds	4,561,048	84.4	4,848,373	85.9
Japanese stocks	31,106	0.6	36,001	0.6
Foreign securities	87,428	1.6	95,932	1.7
Bonds	62,022	1.1	69,626	1.2
Stocks, etc.	25,406	0.5	26,305	0.5
Other securities	4,164	0.1	4,303	0.1
Loans	145,104	2.7	149,813	2.7
Real estate	70,301	1.3	67,392	1.2
Deferred tax assets	13,724	0.3	15,762	0.3
Other assets	80,038	1.5	80,565	1.4
Reserve for possible loan losses	(235)	(0.0)	(242)	(0.0)
Total	5,402,126	100.0	5,645,909	100.0
Of which, foreign-currency-denominated assets	41,756	0.8	47,382	0.8

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

#### (2) Changes in General Account Assets by Category

(Millions of yen)

Category	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Cash and deposits, call loans	(6,306)	(57,847)
Securities repurchased under resale agreements	-	-
Pledged money for bond borrowing transaction	-	-
Monetary claims purchased	-	-
Securities under proprietary accounts	-	-
Monetary trusts	7,223	(3,589)
Securities	257,473	300,863
JGBs, other bonds	268,929	287,325
Japanese stocks	(12,151)	4,895
Foreign securities	427	8,503
Bonds	984	7,603
Stocks, etc.	(557)	899
Other securities	268	138
Loans	2,092	4,709
Real estate	(858)	(2,909)
Deferred tax assets	(3,414)	2,037
Other assets	5,718	526
Reserve for possible loan losses	(1)	(6)
Total	261,926	243,783
Of which, foreign-currency-denominated assets	(176)	5,625

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, 2012	For the six months ended September 30, 2013
Interest income and dividends	52,199	58,971
Interest income from deposits	0	0
Interest income and dividends from securities	44,048	50,988
Interest income from loans	2,705	2,820
Income from real estate for rent	5,431	5,145
Other	14	17
Gains on securities under proprietary accounts	-	-
Income from monetary trusts, net	2,622	2,674
Income from trading securities, net	-	-
Gains on sale of securities	1,169	1
Gains on sale of Japanese bonds	0	1
Gains on sale of Japanese stocks	1,169	-
Gains on sale of foreign securities	-	-
Other	-	-
Gains on redemption of securities	-	0
Gains on derivatives, net	-	172
Foreign exchange gains, net	-	-
Reversal of reserve for possible loan losses	-	-
Other investment income	13	3
Total	56,005	61,824

**(4) Investment Expenses**

(Millions of yen)

Category	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Interest expenses	22	24
Losses on securities under proprietary accounts	-	-
Losses on monetary trusts, net	-	-
Losses on trading securities, net	-	-
Losses on sale of securities	201	-
Losses on sale of Japanese bonds	-	-
Losses on sale of Japanese stocks	201	-
Losses on sale of foreign securities	-	-
Other	-	-
Devaluation losses on securities	327	-
Devaluation losses on Japanese bonds	-	-
Devaluation losses on Japanese stocks	327	-
Devaluation losses on foreign securities	-	-
Other	-	-
Losses on redemption of securities	-	-
Losses on derivatives, net	-	-
Foreign exchange losses	444	91
Provision for reserve for possible loan losses	1	6
Write-off of loans	-	-
Depreciation of real estate for rent and others	1,059	1,039
Other investment expenses	3,156	2,923
Total	5,213	4,085

## (5) Valuation Gains (Losses) on Trading-purposes Securities

(Millions of yen)

Category	As of March 31, 2013		As of September 30, 2013	
	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, 2013					As of September 30, 2013				
	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	3,874,232	4,425,970	551,737	551,737	-	4,129,033	4,548,069	419,035	419,274	238
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	-	-	-	-	-	-	-	-	-	-
Available-for-sale securities	955,999	1,079,296	123,296	123,344	47	1,009,034	1,119,633	110,598	111,281	682
JGBs, other bonds	925,308	1,036,956	111,648	111,648	-	974,981	1,072,448	97,467	97,886	419
Japanese stocks	14,760	20,994	6,233	6,281	47	16,248	24,997	8,748	8,941	192
Foreign securities	14,454	18,681	4,226	4,226	-	16,329	19,741	3,412	3,483	70
Bonds	14,454	18,681	4,226	4,226	-	16,313	19,726	3,412	3,483	70
Stocks, etc.	-	-	-	-	-	15	15	(0)	-	0
Other securities	1,476	2,664	1,188	1,188	-	1,476	2,445	969	969	-
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	4,830,232	5,505,267	675,034	675,082	47	5,138,068	5,667,703	529,634	530,555	921
JGBs, other bonds	4,756,200	5,410,686	654,486	654,486	-	5,054,115	5,559,286	505,171	505,590	419
Japanese stocks	14,760	20,994	6,233	6,281	47	16,248	24,997	8,748	8,941	192
Foreign securities	57,795	70,922	13,126	13,126	-	66,228	80,973	14,744	15,053	309
Bonds	57,795	70,922	13,126	13,126	-	66,213	80,958	14,744	15,053	309
Stocks, etc.	-	-	-	-	-	15	15	(0)	-	0
Other securities	1,476	2,664	1,188	1,188	-	1,476	2,445	969	969	-
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, 2013 amounted to ¥268,631 million and ¥34,577 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, 2013	As of September 30, 2013
Held-to-maturity securities		
Unlisted foreign bonds	-	-
Others	-	-
Policy reserve matching bonds		
Stocks of subsidiaries and affiliated companies	12,607	15,000
Available-for-sale securities	20,372	18,758
Unlisted domestic stocks (except OTC stocks)	4	4
Unlisted foreign stocks (except OTC stocks)	948	943
Unlisted foreign bonds	-	-
Others	19,419	17,810
Total	32,980	33,758

**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, 2013					As of September 30, 2013				
	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	3,874,232	4,425,970	551,737	551,737	-	4,129,033	4,548,069	419,035	419,274	238
Policy reserve matching bonds	-	-	-	-	-	-	-	-	-	-
Stocks of subsidiaries and affiliated companies	12,607	12,607	-	-	-	15,000	15,000	-	-	-
Available-for-sale securities	976,372	1,103,708	127,335	128,555	1,219	1,027,793	1,143,786	115,993	117,576	1,583
JGBs, other bonds	925,308	1,036,956	111,648	111,648	-	974,981	1,072,448	97,467	97,886	419
Japanese stocks	14,765	20,998	6,233	6,281	47	16,252	25,001	8,748	8,941	192
Foreign securities	15,403	20,083	4,679	4,679	-	17,272	21,296	4,023	4,094	70
Bonds	14,454	18,681	4,226	4,226	-	16,313	19,726	3,412	3,483	70
Stocks, etc.	948	1,401	452	452	-	958	1,569	610	611	0
Other securities	20,895	25,669	4,774	5,946	1,171	19,286	25,039	5,753	6,654	900
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total	4,863,212	5,542,285	679,073	680,292	1,219	5,171,826	5,706,855	535,029	536,850	1,821
JGBs, other bonds	4,756,200	5,410,686	654,486	654,486	-	5,054,115	5,559,286	505,171	505,590	419
Japanese stocks	24,872	31,106	6,233	6,281	47	27,252	36,001	8,748	8,941	192
Foreign securities	61,244	74,823	13,578	13,578	-	71,172	86,528	15,355	15,665	309
Bonds	57,795	70,922	13,126	13,126	-	66,213	80,958	14,744	15,053	309
Stocks, etc	3,448	3,901	452	452	-	4,958	5,569	610	611	0
Other securities	20,895	25,669	4,774	5,946	1,171	19,286	25,039	5,753	6,654	900
Monetary claims purchased	-	-	-	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-



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

(Millions of yen)

Category	As of March 31, 2013					As of September 30, 2013				
	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	306,122	306,122	-	-	-	302,532	302,532	-	-	-

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

**Monetary trusts for investment**

(Millions of yen)

Category	As of March 31, 2013		As of September 30, 2013	
	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, 2013					As of September 30, 2013				
	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	267,865	306,071	38,206	38,206	-	267,904	302,481	34,577	34,577	-

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, 2013	As of September 30, 2013
	Amount	Amount
<b>Assets:</b>		
Cash and deposits	27,373	41,436
Call loans	97,088	23,677
Monetary trusts	306,122	302,532
Securities	5,211,535	5,564,725
(Japanese government bonds)	4,669,003	4,967,304
(Japanese municipal bonds)	10,208	9,432
(Japanese corporate bonds)	41,092	40,286
(Japanese stocks)	61,884	71,962
(Foreign securities)	275,439	299,763
Loans	145,104	149,813
Policy loans	145,019	149,753
Commercial loans	85	60
Tangible fixed assets	70,969	67,989
Intangible fixed assets	26,102	24,629
Due from reinsurers	100	94
Other assets	54,865	57,062
Deferred tax assets	13,724	15,762
Reserve for possible loan losses	(235)	(242)
<b>Total Assets</b>	<b>5,952,750</b>	<b>6,247,480</b>
<b>Liabilities:</b>		
Policy reserves and others	5,501,850	5,795,726
Reserve for outstanding claims	24,646	24,702
Policy reserves	5,472,930	5,766,877
Reserve for policyholders' dividends	4,273	4,147
Due to agencies	2,431	1,671
Due to reinsurers	547	485
Other liabilities	49,844	47,456
Accrued income tax	15,586	7,946
Lease obligations	243	232
Asset retirement obligations	656	647
Others	33,357	38,629
Reserve for employees' retirement benefits	22,770	24,067
Reserve for directors' retirement benefits	171	57
Reserve for price fluctuations	32,264	36,342
Reserve for price fluctuations	32,264	36,342
Deferred tax liabilities on land revaluation	536	536
<b>Total Liabilities</b>	<b>5,610,417</b>	<b>5,906,345</b>
<b>Net Assets:</b>		
Common stock	70,000	70,000
Capital surplus	5,865	5,865
Capital reserve	5,865	5,865
Retained earnings	187,698	194,198
Earned reserve	15,478	17,718
Other retained earnings	172,219	176,479
Unappropriated retained earnings for the period	172,219	176,479
<b>Total shareholders' equity</b>	<b>263,563</b>	<b>270,063</b>
Net unrealized gains on other securities, net of taxes	80,283	72,585
Land revaluation, net of taxes	(1,513)	(1,513)
<b>Total valuation and translation adjustments</b>	<b>78,769</b>	<b>71,072</b>
<b>Total Net Assets</b>	<b>342,333</b>	<b>341,135</b>
<b>Total Liabilities and Net Assets</b>	<b>5,952,750</b>	<b>6,247,480</b>

## 5. Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2012	For the six months ended September 30, 2013
	Amount	Amount
Ordinary Revenues	488,960	549,531
Income from insurance premiums	428,846	437,980
(Insurance premiums)	428,237	437,632
Investment income	56,005	107,686
(Interest income and dividends)	52,199	58,971
(Income from monetary trusts, net)	2,622	2,674
(Gains on sale of securities)	1,169	1
(Gains on derivatives, net)	-	172
(Gains on separate accounts, net)	-	45,862
Other ordinary income	4,108	3,863
Ordinary Expenses	457,575	518,229
Insurance claims and other payments	135,344	155,054
(Insurance claims)	34,758	37,609
(Annuity payments)	4,430	5,106
(Insurance benefits)	16,897	19,378
(Surrender payments)	77,170	90,410
(Refund to policyholders)	1,145	1,616
Provision for policy reserves and others	242,037	294,006
Provision for reserve for outstanding claims	-	55
Provision for policy reserves	242,031	293,946
Interest on policyholders' dividend reserve	6	4
Investment expenses	18,752	4,085
(Interest expenses)	22	24
(Losses on sale of securities)	201	-
(Devaluation losses on securities)	327	-
(Losses on separate accounts, net)	13,538	-
Operating expenses	53,648	55,872
Other ordinary expenses	7,793	9,210
Ordinary Profit	31,384	31,302
Extraordinary Losses	3,381	4,118
Losses on disposal of fixed assets	14	19
Impairment losses	81	0
Provision for reserve for price fluctuations	3,285	4,078
Provision for reserve for price fluctuations	3,285	4,078
Others	-	19
Provision (reversal) for reserve for policyholders' dividends	(28)	62
Income Before Income Taxes	28,030	27,120
Income Taxes -current	11,592	8,053
Income Taxes -deferred	(1,964)	1,367
Total Income Taxes	9,627	9,421
Net Income	18,402	17,699

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

(Millions of yen)

		For the six months ended September 30, 2012	For the six months ended September 30, 2013
Core profit	A	33,309	33,586
Capital gains		1,169	215
Income from monetary trusts, net		-	-
Income from trading securities, net		-	-
Gains on sale of securities		1,169	1
Gains on derivatives, net		-	172
Foreign exchange gains, net		-	-
Other capital gains		-	41
Capital losses		1,008	285
Losses on monetary trusts, net		-	-
Losses on trading securities, net		-	-
Losses on sale of securities		201	-
Devaluation losses on securities		327	-
Losses on derivatives, net		-	-
Foreign exchange losses, net		444	91
Other capital losses		34	193
Net capital gains (losses)	B	161	(69)
Core profit plus net capital gains (losses)	A+B	33,470	33,516
Other one-time gains		-	-
Gains from reinsurance		-	-
Reversal of contingency reserve		-	-
Reversal of specific reserve for possible loan losses		-	-
Others		-	-
Other one-time losses		2,086	2,214
Losses from reinsurance		-	-
Provision for contingency reserve		1,965	2,103
Provision for specific reserve for possible loan losses		1	6
Provision for reserve for loan losses from borrowers in specific foreign countries		-	-
Write-off of loans		-	-
Others		119	104
Net other one-time gains (losses)	C	(2,089)	(2,214)
Ordinary profit	A+B+C	31,384	31,302

### Notes:

1. 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.
2. Core profit for the six months ended September 30, 2013 (A) includes income gains of ¥2,674 million in income from monetary trusts; other capital gains include reversal for policy reserves and others of ¥41 million for currency market fluctuations of products dominated in foreign currencies; other capital losses include impairment losses of ¥193 million from investment partnership; "Others" of other one-time losses included provision of additional policy reserve of ¥104 million.

## 7. Loans by Borrower Category

(Millions of yen, %)

Category	As of March 31, 2013	As of September 30, 2013
Bankrupt and quasi-bankrupt loans	-	-
Doubtful loans	-	-
Sub-standard loans	-	-
Sub-total	-	-
[% to total]	[-]	[-]
Normal loans	147,608	161,649
Total	147,608	161,649

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 interest are past due for three months or more (excluding loans described in notes 1. and 2. above) and loans on which 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 repayments or debt waiver) 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, 2013	As of September 30, 2013
Total solvency margin (A)	872,502	916,858
Common stock, etc.	252,363	269,073
Reserve for price fluctuations	32,264	36,342
Contingency reserve	59,561	61,664
General reserve for possible loan losses	0	0
Net unrealized gains on other securities multiplied by 90% (100% if losses)	114,602	104,394
Net unrealized gains on real estate multiplied by 85% (100% if losses)	(2,012)	(1,386)
Unallocated portion of reserve for policyholders' dividends	464	1,326
Amount excluded from deferred tax assets	-	-
Deferred tax assets	70,604	78,035
Excess amount of policy reserves based on Zillmer method	372,561	387,830
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	(27,907)	(19,422)
Deductible items	-	(1,000)
Total risk $\sqrt{(R_1 + R_6)^2 + (R_2 + R_3 + R_7)^2} + R_4$ (B)	76,472	78,868
Insurance risk R1	21,871	22,172
Third-sector insurance risk R8	8,307	8,374
Assumed interest rate risk R2	29,054	29,362
Asset management risk R3	27,592	28,919
Minimum guarantee risk R7	11,474	12,231
Business management risk R4	1,966	2,021
Solvency margin ratio $\frac{(A)}{(1/2) \times (B)} \times 100$	2,281.8%	2,325.0%

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.

## (Reference) Consolidated Solvency Margin Ratio

Although Sony Life is not required to prepare consolidated financial statements since it does not have consolidated subsidiaries, Sony Life discloses consolidated solvency margin ratio consolidated with its affiliated companies quarterly.

(Millions of yen)

Category	As of March 31, 2013	As of September 30, 2013
Total solvency margin (A)	855,444	897,501
Common stock, etc.	247,803	263,512
Reserve for price fluctuations	32,264	36,342
Contingency reserve	59,561	61,664
Catastrophe reserve	-	-
General reserve for possible loan losses	0	0
Net unrealized gains on other securities multiplied by 90% (100% if losses)	114,602	104,394
Net unrealized gains on real estate multiplied by 85% (100% if losses)	(2,012)	(1,386)
Unallocated portion of reserve for policyholders' dividends	464	1,326
Amount excluded from deferred tax assets	-	-
Deferred tax assets	70,604	78,035
Excess amount of policy reserves based on Zillmer method	372,561	387,830
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	(32,467)	(24,983)
Deductible items	(7,938)	(9,234)
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)	73,071	75,134
Insurance risk R1	21,871	22,172
Ordinary insurance risk R5	-	-
Major Catastrophe risk R6	-	-
Third-sector insurance risk R8	8,307	8,374
Insurance risk of small-amount short-term insurance providers R9	-	-
Assumed interest rate risk R2	29,054	29,362
Minimum guarantee risk R7	11,474	12,231
Asset management risk R3	23,934	24,919
Business management risk R4	1,892	1,941
Solvency margin ratio (A) $\frac{\text{---}}{(1/2) \times (B)} \times 100$	2,341.3%	2,389.0%

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.

## 10. Status of Separate Account Assets

### (1) Balance of Separate Account Assets

(Millions of yen)

Category	As of March 31, 2013	As of September 30, 2013
Individual variable life insurance and individual variable annuities	550,624	601,571
Group annuities	-	-
Total separate account	550,624	601,571

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, 2013		As of September 30, 2013	
	Number	Amount	Number	Amount
Variable life insurance (whole life type)	577	7,113,036	590	7,170,389
Variable life insurance (limited term type)	43	146,778	44	151,685
Variable life insurance (term type)	1	46,810	1	47,047
Total	622	7,306,626	636	7,369,122

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

#### Individual variable annuities

(Number: Thousand, Amount: Millions of yen)

Category	As of March 31, 2013		As of September 30, 2013	
	Number	Amount	Number	Amount
Individual variable annuities	27	146,759	28	148,942

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.



## (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, 2013, 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, 2013		
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, 2013		
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 ¥55.1 billion and unrealized gains of ¥11.5 billion as of September 30, 2013). These amounts are included in "Net unrealized gains (losses)" of Sony Life's "Fair Value Information on Securities" as of September 30, 2013.