

Sony Life's Supplementary Data for the Six Months Ended September 30, 2018 at Press Conference

(1) Status of Insurance Policies

(Millions of yen)

	For the six months ended Sep. 30, 2018			For the year ended Mar. 31, 2018	For the six months ended Sep. 30, 2017
		Change from Mar. 31, 2018	YoY change		
Annualized premiums from new policies	37,989	—	+17.3%	73,073	32,391
Of which, third-sector products	7,311	—	+22.0%	12,984	5,991
Annualized premiums of policies in force	864,668	+1.9%	+3.7%	848,823	833,509
Of which, third-sector products	194,918	+1.6%	+2.8%	191,895	189,603
Income from insurance premiums	542,005	—	+12.8%	1,059,269	480,491
Individual life insurance and annuities	537,793	—	+12.9%	1,050,339	476,351
Group insurance and annuities	3,083	—	(0.7%)	6,386	3,107
New policy amount	3,159,775	—	+41.6%	5,287,977	2,230,727
Policy amount in force	48,506,688	+2.7%	+4.9%	47,253,441	46,219,136
Lapse and surrender amount	1,587,351	—	+81.7%	2,250,823	873,448
Lapse and surrender rate (Policy amount basis) (%)	3.36	—	+1.43pt	4.97	1.93

- Notes: 1. The above figures excluding income from insurance premiums represent total amounts of individual life insurance and individual annuities.
2. The amounts of lapse and surrender as well as lapse and surrender rate do not include reinstatement.
3. Income from insurance premiums for the individual life insurance and annuities represents a total amount of those of individual life insurance and individual annuities. Income from insurance premiums for the group life insurance and annuities represents a total amount of those of group life insurance and group annuities.
4. Annualized premiums, which are total of individual life insurance and individual annuities, are converted to a per-year premium amount by multiplying individual premiums by a coefficient corresponding to the premium payment method. (For single premium policies, premiums are divided by the number of coverage years.)

(2) Status of Assets

		As of Sep. 30, 2018			As of Mar. 31, 2018	As of Sep. 30, 2017
			Change from Mar. 31, 2018	YoY change		
Total assets	(Millions of yen)	10,070,585	+5.3%	+9.4%	9,567,689	9,208,334
Real net assets (A)	(100 millions of yen)	25,587	(10.5%)	(2.1%)	28,597	26,122
Real net assets (B)	(100 millions of yen)	12,429	+0.1%	+3.3%	12,422	12,036
Solvency margin ratio	(%)	2,618.9	(5.4pt)	(12.9pt)	2,624.3	2,631.8

- Notes: Sony Life conducts overall asset-liability management (ALM) by determining the liability characteristics of its long-term insurance policies and marking to market both assets and liabilities. Consequently, the Company invests in long-term debt, chiefly long-term government bonds, to ensure adequate liquidity of assets. The majority of holdings are categorized as held-to-maturity bonds. "Real net assets" are a standard used by regulatory authorities, who may use this as a basis for issuing an order to suspend operations from the standpoint of management soundness. Real net assets (indicated as "Real net assets (A)") do not adequately reflect the results of ALM because although this measure includes the market value of assets, including held-to-maturity bonds, it does not reflect the market value of liabilities. If regulatory authorities were to appropriately reflect ALM activities, valuation would clearly exclude net unrealized gains (losses) on held-to-maturity bonds and policy-reserve-matching bonds. Accordingly, Sony Life calculates net real assets (shown as "Real net assets (B)") on this basis.

(3) Core Profit / Positive Spread

(Millions of yen)

	For the six months ended Sep. 30, 2018			For the year ended Mar. 31, 2018	For the six months ended Sep. 30, 2017
		Change from Mar. 31, 2018	YoY change		
Core profit	57,868	—	+31.8%	81,384	43,898

(100 millions of yen)

	Forecast for the year ending Mar. 31, 2019	For the year ended Mar. 31, 2018
Positive spread (Negative amount indicates negative spread)	decrease	177

(4) Policy and Other Reserves

(Millions of yen)

	As of Sep. 30, 2018			As of Mar. 31, 2018	As of Sep. 30, 2017
	Change from Mar. 31, 2018	YoY change			
Policy reserves (excluding contingency reserve)	8,894,900	+418,740	+734,402	8,476,160	8,160,498
General accounts (excluding contingency reserve)	7,627,934	+258,702	+530,403	7,369,232	7,097,531
Separate accounts (excluding contingency reserve)	1,266,965	+160,038	+203,998	1,106,927	1,062,967
Reserve for price fluctuations	48,967	+1,038	+2,057	47,929	46,909
Contingency reserve	94,325	+4,410	+8,248	89,915	86,076
Contingency reserve fund	—	—	—	—	—
Price fluctuations reserve fund	—	—	—	—	—

(5) Unrealized Gains (Losses)

(Millions of yen)

	As of Sep. 30, 2018			As of Mar. 31, 2018	As of Sep. 30, 2017
	Change from Mar. 31, 2018	YoY change			
Securities	1,468,313	(318,409)	(115,415)	1,786,723	1,583,729
Japanese stocks	14,731	(2,250)	(1,411)	16,982	16,143
Japanese bonds	1,491,321	(296,826)	(85,362)	1,788,148	1,576,684
Foreign securities	(37,866)	(19,338)	(28,659)	(18,528)	(9,206)
Real estate	69,127	+726	(1,434)	68,400	70,562

Notes: 1. Net unrealized gains (losses) on securities are calculated as the difference between the carrying value before mark-to-market and the fair market value for held-to-maturity securities and policy-reserve-matching bonds and net unrealized gains (losses) on available-for-sale securities, net of taxes, other than trading-purpose securities (The amount includes "money held in trust", but excludes trading-purpose securities).
2. Real estate for rent is directed to domestic real estate, including land lease right, and the amount is the level after revaluation.

(6) Investment Results

(Millions of yen)

	For the six months ended Sep. 30, 2018
Japanese stocks	27,895
Japanese bonds	9,135,417
Foreign stocks, etc.	19,051
Foreign bonds	440,320
Real estate	153,499

Note: 1. Japanese stocks exclude stocks of subsidiaries and affiliated companies, Japanese bonds include securities in money held in trust and Real estate is real estate for rent.
2. The amounts of the above table are fair value on Sep. 30, 2018

(7) Level of Indices where Unrealized Gains (Losses) on Assets are Break-even

	As of Sep. 30, 2018
Japanese stocks (NIKKEI Average) (yen)	7,951
Japanese stocks (TOPIX) (ppt)	599
Japanese bonds (%)	1.7
Foreign securities (yen)	110

Notes: 1. Japanese stocks are fully linked to the Nikkei Average and TOPIX, and valuations are calculated accordingly.
2. Japanese bonds calculations employ yields on newly issued 10-year JGBs, to one decimal place.
3. Calculations of foreign securities employ US dollar/yen conversions.

(8) Forecast for the Year Ending Mar. 31, 2019

	Forecast
Income from insurance premiums	increase
Core profit	increase
Policy amount in force	increase
Annualized premiums for policies in force	increase

(9) Number of Employees

	As of Sep. 30, 2018			As of Mar. 31, 2018	As of Sep. 30, 2017
		Change from Mar. 31, 2018	YoY change		
Sales employees	5,830	+0.1%	+3.3%	5,826	5,645
Office employees	2,508	+3.6%	+6.3%	2,420	2,359

(10) Over-the-counter Sales through Banks

(Millions of yen)

		For the six months ended Sep. 30, 2018		For the year ended Mar. 31, 2018	For the six months ended Sep. 30, 2017
			YoY change		
Variable annuities	Number of new policies	1	—	1	—
	Insurance premiums	3	—	0	—
Fixed annuities	Number of new policies	—	—	—	—
	Insurance premiums	—	—	—	—

Note: Insurance premiums refer to single premium amount for single premium policies, and a figure converted to a per-year premium for other policies.

(Millions of yen)

		For the six months ended Sep. 30, 2018		For the year ended Mar. 31, 2018	For the six months ended Sep. 30, 2017
			YoY change		
Single premium whole life insurance	Number of new policies	—	—	—	—
	Insurance premiums	—	—	—	—
Single premium endowment insurance	Number of new policies	—	—	—	—
	Insurance premiums	—	—	—	—

Note: Insurance premiums refer to single premium amount for single premium policies, and a figure converted to a per-year premium for other policies.

(Millions of yen)

		For the six months ended Sep. 30, 2018		For the year ended Mar. 31, 2018	For the six months ended Sep. 30, 2017
			YoY change		
Single premium life insurance	Number of new policies	—	—	—	—
	Insurance premiums	—	—	—	—
Level premium plan life insurance	Number of new policies	62	(53.7%)	264	134
	Insurance premiums	14	(69.6%)	93	49

Notes: 1. Insurance premiums refer to single premium amount for single premium policies, and a figure converted to a per-year premium for other policies.

2. Number of new policies for the six months ended September 30, 2018 includes products such as family income insurance with living standard rider, U.S. dollar-denominated whole life insurance, living benefit whole life insurance (living standard type).