

Sony Life's Supplementary Data for the Six Months Ended September 30, 2019 at Press Conference

(1) Status of Insurance Policies

(Millions of yen)

	For the six months ended Sep. 30, 2019		YoY change	For the year ended Mar. 31, 2019	For the six months ended Sep. 30, 2018
		Change from Mar. 31, 2019			
Annualized premiums from new policies	38,674	—	+1.8%	87,918	37,989
Third-sector products	6,246	—	(14.6%)	15,251	7,311
Annualized premiums of policies in force	903,239	+1.6%	+4.5%	889,347	864,668
Third-sector products	199,464	+1.0%	+2.3%	197,520	194,918
Income from insurance premiums	665,428	—	+22.8%	1,136,104	542,005
Individual life insurance and annuities	661,674	—	+23.0%	1,126,485	537,793
Group insurance and annuities	2,624	—	(14.9%)	6,247	3,083
New policy amount	2,536,442	—	(19.7%)	6,150,493	3,159,775
Policy amount in force	50,330,729	+1.5%	+3.8%	49,570,879	48,506,688
Lapse and surrender amount	1,114,943	—	(29.8%)	2,858,321	1,587,351
Lapse and surrender rate (%)	2.25	—	(1.11pt)	6.06	3.36

- 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, 2019			As of Mar. 31, 2019	As of Sep. 30, 2018
		Change from Mar. 31, 2019	YoY change		
Total assets (Millions of yen)	10,897,415	+5.0%	+8.2%	10,380,148	10,070,585
Real net assets (A) (100 millions of yen)	38,603	+12.5%	+50.9%	34,323	25,587
Real net assets (B) (100 millions of yen)	13,452	+2.1%	+8.2%	13,180	12,429
Solvency margin ratio (%)	2,654.9	+64.4pt	+36.0pt	2,590.5	2,618.9

- 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 fair value of assets, including held-to-maturity bonds, it does not reflect the fair 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, 2019		YoY change	For the year ended Mar. 31, 2019	For the six months ended Sep. 30, 2018
		Change from Mar. 31, 2019			
Core profit	57,539	—	(0.6%)	97,242	57,868

(100 millions of yen)

	Forecast for the year ending Mar. 31, 2020	For the year ended Mar. 31, 2019
Positive spread	increase	182

(4) Policy and Other Reserves

(Millions of yen)

	As of Sep. 30, 2019			As of Mar. 31, 2019	As of Sep. 30, 2018
		Change from Mar. 31, 2019	YoY change		
Policy reserves (excluding contingency reserve)	9,578,410	+408,602	+683,510	9,169,808	8,894,900
General accounts (excluding contingency reserve)	8,213,449	+322,783	+585,514	7,890,665	7,627,934
Separate accounts (excluding contingency reserve)	1,364,961	+85,818	+97,995	1,279,143	1,266,965
Reserve for price fluctuations	51,318	+1,213	+2,351	50,105	48,967
Contingency reserve	103,296	+4,682	+8,970	98,613	94,325
Contingency reserve fund	—	—	—	—	—
Price fluctuations reserve fund	—	—	—	—	—

(5) Unrealized Gains (Losses)

(Millions of yen)

	As of Sep. 30, 2019			As of Mar. 31, 2019	As of Sep. 30, 2018
		Change from Mar. 31, 2019	YoY change		
Securities	2,698,027	+415,992	+1,229,713	2,282,034	1,468,313
Japanese stocks	7,287	(2,170)	(7,443)	9,458	14,731
Japanese bonds	2,561,782	+290,220	+1,070,460	2,271,562	1,491,321
Foreign securities	128,772	+127,900	+166,639	872	(37,866)
Real estate	99,763	+346	+30,636	99,416	69,127

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 is directed to domestic real estate for rent, 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, 2019
Japanese stocks	(3,240)
Japanese bonds	168,588
Foreign stocks, etc.	(474)
Foreign bonds	214,074
Real estate	(346)

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

	As of Sep. 30, 2019
Japanese stocks (NIKKEI Average) (yen)	8,524
Japanese stocks (TOPIX) (ppt)	622
Japanese bonds (%)	1.7
Foreign securities (yen)	92

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, 2020

	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, 2019			As of Mar. 31, 2019	As of Sep. 30, 2018
		Change from Mar. 31, 2019	YoY change		
Sales employees	5,781	(0.9%)	(0.8%)	5,834	5,830
Office employees	2,768	+5.4%	+10.4%	2,627	2,508

(10) Over-the-counter Sales through Banks

(Millions of yen)

		For the six months ended Sep. 30, 2019		For the year ended Mar. 31, 2019	For the six months ended Sep. 30, 2018
			YoY change		
Variable annuities	Number of new policies	—	—	4	1
	Insurance premiums	—	—	3	3
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, 2019		For the year ended Mar. 31, 2019	For the six months ended Sep. 30, 2018
			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, 2019		For the year ended Mar. 31, 2019	For the six months ended Sep. 30, 2018
			YoY change		
Single premium life insurance	Number of new policies	—	—	—	—
	Insurance premiums	—	—	—	—
Level premium plan life insurance	Number of new policies	33	(46.8%)	108	62
	Insurance premiums	8	(46.0%)	23	14

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, 2019 includes products such as variable life insurance (whole life type), educational endowment insurance, and U.S. dollar-denominated whole life insurance.