

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

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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. Key Operating Performance

## (1) Policy Amount in Force and New Policy Amount

### Policy amount in force

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

Category	As of December 31, 2018		As of March 31, 2019		As of December 31, 2019					
	Number	Amount	Number	Amount	Number	Comparison to Dec. 31, 2018	Comparison to Mar. 31, 2019	Amount	Comparison to Dec. 31, 2018	Comparison to Mar. 31, 2019
Individual life insurance	7,454	471,325	7,513	476,762	7,659	102.7	101.9	485,199	102.9	101.8
Individual annuities	314	17,614	334	18,946	411	130.8	123.0	24,017	136.3	126.8
Subtotal	7,769	488,940	7,847	495,708	8,070	103.9	102.8	509,217	104.1	102.7
Group life insurance	—	19,274	—	19,033	—	—	—	18,354	95.2	96.4
Group annuities	—	89	—	86	—	—	—	77	85.9	89.1

Notes: 1. The policy amount in force for individual 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.

2. The policy amount in force for group annuities is equal to the amount of policy reserves.

### New policy amount

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

Category	For the nine months ended December 31, 2018				For the nine months ended December 31, 2019					
	Number	Amount	New policies	Increase from conversion	Number	Comparison to FY18.3Q	Amount	Comparison to FY18.3Q	New policies	Increase from conversion
Individual life insurance	378	41,644	41,644	—	376	99.5	32,768	78.7	32,768	—
Individual annuities	66	4,309	4,309	—	83	125.3	5,513	127.9	5,513	—
Subtotal	445	45,953	45,953	—	460	103.4	38,282	83.3	38,282	—
Group life insurance	—	203	203		—	—	153	75.2	153	
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 sum of the initial premium payments.

## (2) Annualized Premiums

### Policy amount in force

(Millions of yen, %)

Category	As of December 31, 2018	As of March 31, 2019	As of December 31, 2019	Comparison to Dec. 31, 2018	Comparison to Mar. 31, 2019
	Individual life insurance	820,905	836,267	847,547	103.2
Individual annuities	50,285	53,079	64,125	127.5	120.8
Total	871,190	889,347	911,673	104.6	102.5
Medical protection, living benefit protection and other products	196,059	197,520	200,416	102.2	101.5

### New policies

(Millions of yen, %)

Category	For the nine months ended December 31, 2018	For the nine months ended December 31, 2019	Comparison to FY18.3Q
	Individual life insurance	47,011	44,970
Individual annuities	9,969	12,275	123.1
Total	56,980	57,245	100.5
Medical protection, living benefit protection and other products	11,159	9,373	84.0

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 single premium policies, premiums are divided by the number of coverage years.)

2. Annualized premiums for "medical protection, living benefit protection and other products" include those for medical protection benefits (hospitalization benefits, surgical procedure benefits, etc.) and living benefit protection (benefits for specific diseases, nursing care benefits, etc.).

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

### (1) Portfolio of General Account Assets

(Millions of yen)

Category	As of March 31, 2019		As of December 31, 2019	
	Amount	%	Amount	%
Cash and deposits, call loans	61,997	0.7	105,044	1.1
Securities repurchased under resale agreements	—	—	—	—
Pledged money for bond borrowing transaction	—	—	—	—
Monetary claims purchased	—	—	—	—
Securities under proprietary accounts	—	—	—	—
Money held in trust	269,387	3.0	263,212	2.7
Securities	8,339,691	91.9	8,938,924	91.7
Japanese bonds	7,745,342	85.3	7,968,299	81.7
Japanese stocks	28,611	0.3	25,469	0.3
Foreign securities	564,666	6.2	944,872	9.7
Bonds	542,126	6.0	926,946	9.5
Stocks, etc.	22,539	0.2	17,925	0.2
Other securities	1,071	0.0	282	0.0
Loans	198,410	2.2	204,683	2.1
Real estate	90,804	1.0	89,699	0.9
Deferred tax assets	14,248	0.2	20,731	0.2
Other assets	105,530	1.2	129,304	1.3
Reserve for possible loan losses	(623)	(0.0)	(667)	(0.0)
Total	9,079,446	100.0	9,750,933	100.0
Foreign currency-denominated assets	562,095	6.2	946,419	9.7

Note: The amount for real estate is equivalent to the total amount of land, buildings and construction in progress.

**(2) Fair Value Information on Securities**

a. Securities with fair value (except trading-purpose securities)

(Millions of yen)

Category	As of March 31, 2019					As of December 31, 2019				
	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	6,770,008	8,800,847	2,030,838	2,051,389	20,551	7,276,057	9,509,753	2,233,696	2,240,211	6,515
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208	777,908	888,957	111,048	111,363	314
Stocks of subsidiaries and affiliated companies	—	—	—	—	—	—	—	—	—	—
Available-for-sale securities	964,854	1,132,524	167,670	169,810	2,140	965,600	1,123,012	157,411	158,584	1,173
Japanese bonds	867,645	1,024,732	157,086	157,086	—	873,418	1,015,458	142,040	142,040	—
Japanese stocks	9,685	19,143	9,458	9,555	96	5,456	13,073	7,616	7,616	—
Foreign securities	87,357	88,341	984	3,027	2,043	86,725	94,480	7,754	8,927	1,173
Bonds	79,568	81,811	2,243	3,027	784	81,929	90,799	8,870	8,927	56
Stocks, etc.	7,788	6,529	(1,259)	—	1,259	4,796	3,680	(1,116)	—	1,116
Other securities	165	307	141	141	—	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>8,415,620</b>	<b>10,697,654</b>	<b>2,282,034</b>	<b>2,304,933</b>	<b>22,899</b>	<b>9,019,567</b>	<b>11,521,724</b>	<b>2,502,157</b>	<b>2,510,159</b>	<b>8,002</b>
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032	8,091,238	10,515,549	2,424,310	2,429,087	4,776
Japanese stocks	9,685	19,143	9,458	9,555	96	5,456	13,073	7,616	7,616	—
Foreign securities	547,671	548,543	872	17,642	16,770	922,872	993,101	70,229	73,454	3,225
Bonds	539,883	542,014	2,131	17,642	15,511	918,075	989,421	71,345	73,454	2,109
Stocks, etc.	7,788	6,529	(1,259)	—	1,259	4,796	3,680	(1,116)	—	1,116
Other securities	165	307	141	141	—	—	—	—	—	—
Monetary claims purchased	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—

Notes: 1. The above table includes assets that are permitted to be treated as equivalent to securities defined in the Financial Instruments and Exchange Act of Japan.

2. Carrying amount and net unrealized gains (losses) on money held in trust, including items other than trading-purpose securities, amounted to ¥232,566 million and ¥37,275 million as of March 31, 2019, respectively, and amounted to ¥232,627 million and ¥32,351 million as of December 31, 2019, respectively.

b. Carrying amounts of securities for which fair value cannot be measured reliably

(Millions of yen)

Category	As of March 31, 2019	As of December 31, 2019
Held-to-maturity securities	—	—
Unlisted foreign bonds	—	—
Others	—	—
Policy-reserve-matching bonds	—	—
Stocks of subsidiaries and affiliated companies	16,276	20,282
Available-for-sale securities	5,445	4,532
Unlisted domestic stocks (except OTC stocks)	159	159
Unlisted foreign stocks (except OTC stocks)	355	353
Unlisted foreign bonds	—	—
Others	4,929	4,019
<b>Total</b>	<b>21,721</b>	<b>24,814</b>

c. Fair Value information consisting of those stated in the previous Table a. and Table b. after evaluating foreign exchange and other gains (losses)

(Millions of yen)

Category	As of March 31, 2019					As of December 31, 2019				
	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	6,770,008	8,800,847	2,030,838	2,051,389	20,551	7,276,057	9,509,753	2,233,696	2,240,211	6,515
Policy-reserve-matching bonds	680,757	764,282	83,525	83,733	208	777,908	888,957	111,048	111,363	314
Stocks of subsidiaries and affiliated companies	16,276	16,280	4	4	—	20,282	20,285	3	3	—
Available-for-sale securities	970,299	1,141,169	170,869	173,361	2,491	970,132	1,129,655	159,522	161,260	1,738
Japanese bonds	867,645	1,024,732	157,086	157,086	—	873,418	1,015,458	142,040	142,040	—
Japanese stocks	9,845	19,303	9,458	9,555	96	5,616	13,232	7,616	7,616	—
Foreign securities	87,712	89,867	2,154	4,198	2,043	87,079	95,903	8,824	9,997	1,173
Bonds	79,568	81,811	2,243	3,027	784	81,929	90,799	8,870	8,927	56
Stocks, etc.	8,144	8,055	(88)	1,170	1,259	5,150	5,103	(46)	1,070	1,116
Other securities	5,095	7,265	2,170	2,521	351	4,019	5,059	1,040	1,605	564
Monetary claims purchased	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>8,437,341</b>	<b>10,722,579</b>	<b>2,285,238</b>	<b>2,308,489</b>	<b>23,251</b>	<b>9,044,381</b>	<b>11,548,652</b>	<b>2,504,270</b>	<b>2,512,838</b>	<b>8,567</b>
Japanese bonds	7,858,097	10,129,659	2,271,562	2,277,594	6,032	8,091,238	10,515,549	2,424,310	2,429,087	4,776
Japanese stocks	17,832	27,290	9,458	9,555	96	17,852	25,469	7,616	7,616	—
Foreign securities	556,316	558,364	2,047	18,817	16,770	931,271	1,002,574	71,303	74,528	3,225
Bonds	539,883	542,014	2,131	17,642	15,511	918,075	989,421	71,345	73,454	2,109
Stocks, etc.	16,433	16,349	(84)	1,175	1,259	13,195	13,152	(42)	1,073	1,116
Other securities	5,095	7,265	2,170	2,521	351	4,019	5,059	1,040	1,605	564
Monetary claims purchased	—	—	—	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—

(3) Fair Value Information on Money Held in Trust

(Millions of yen)

Category	As of March 31, 2019					As of December 31, 2019				
	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		
Money held in trust	269,387	269,387	—	—	—	263,212	263,212	—	—	—

Note: The above tables include jointly invested money held in trust, which amounted to ¥40 million as of March 31, 2019 and December 31, 2019, respectively.

Money held in trust for investment

Not applicable

Money held in trust for held-to-maturity, policy-reserve-matching and other

(Millions of yen)

Category	As of March 31, 2019					As of December 31, 2019				
	Carrying amount	Fair value	Net unrealized gains (losses)			Carrying amount	Fair value	Net unrealized gains (losses)		
			Unrealized gains	Unrealized losses	Unrealized gains			Unrealized losses		
Money held in trust for held-to-maturity	—	—	—	—	—	—	—	—	—	—
Money held in trust for policy-reserve-matching	—	—	—	—	—	—	—	—	—	—
Other money held in trust	232,071	269,346	37,275	37,275	—	230,820	263,171	32,351	32,351	—

### 3. Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
	Amount	Amount
Assets:		
<b>Cash and deposits</b>	<b>82,046</b>	<b>89,101</b>
<b>Call loans</b>	<b>93,700</b>	<b>91,400</b>
<b>Money held in trust</b>	<b>269,387</b>	<b>263,212</b>
<b>Securities</b>	<b>9,523,877</b>	<b>10,356,567</b>
Japanese government bonds	7,356,090	7,528,683
Japanese local government bonds	448	1,045
Japanese corporate bonds	536,373	599,604
Japanese stocks	49,381	48,924
Foreign securities	1,262,611	1,824,609
<b>Loans</b>	<b>198,410</b>	<b>204,683</b>
Policy loans	198,369	204,218
Commercial loans	41	464
<b>Tangible fixed assets</b>	<b>91,577</b>	<b>90,786</b>
<b>Intangible fixed assets</b>	<b>26,352</b>	<b>26,620</b>
<b>Due from reinsurers</b>	<b>1,036</b>	<b>741</b>
<b>Other assets</b>	<b>81,154</b>	<b>104,279</b>
<b>Prepaid pension costs</b>	<b>2,629</b>	<b>3,116</b>
<b>Deferred tax assets</b>	<b>14,248</b>	<b>20,731</b>
<b>Reserve for possible loan losses</b>	<b>(623)</b>	<b>(667)</b>
<b>Reserve for investment losses</b>	<b>(3,650)</b>	<b>(3,886)</b>
<b>Total Assets</b>	<b>10,380,148</b>	<b>11,246,686</b>
Liabilities:		
<b>Policy reserves and others</b>	<b>9,310,577</b>	<b>9,966,020</b>
Reserve for outstanding claims	37,610	38,517
Policy reserves	9,268,422	9,923,034
Reserve for policyholders' dividends	4,544	4,468
<b>Due to agencies</b>	<b>2,073</b>	<b>1,783</b>
<b>Due to reinsurers</b>	<b>5,528</b>	<b>4,316</b>
<b>Other liabilities</b>	<b>469,820</b>	<b>674,522</b>
Accrued income tax	13,914	8,287
Lease obligations	22	478
Asset retirement obligations	1,898	1,945
Others	453,984	663,810
<b>Reserve for employees' retirement benefits</b>	<b>28,002</b>	<b>29,275</b>
<b>Reserve under the special laws</b>	<b>50,105</b>	<b>52,051</b>
Reserve for price fluctuations	50,105	52,051
<b>Deferred tax liabilities on land revaluation</b>	<b>109</b>	<b>109</b>
<b>Total Liabilities</b>	<b>9,866,217</b>	<b>10,728,079</b>
Net Assets:		
<b>Common stock</b>	<b>70,000</b>	<b>70,000</b>
<b>Capital surplus</b>	<b>5,865</b>	<b>5,865</b>
Capital reserve	5,865	5,865
<b>Retained earnings</b>	<b>317,777</b>	<b>330,615</b>
Legal retained earnings	40,188	46,628
Other retained earnings	277,588	283,986
Unappropriated retained earnings	277,588	283,986
<b>Total shareholders' equity</b>	<b>393,642</b>	<b>406,480</b>
<b>Net unrealized gains (losses) on available-for-sale securities, net of taxes</b>	<b>122,727</b>	<b>114,566</b>
<b>Land revaluation, net of taxes</b>	<b>(2,439)</b>	<b>(2,439)</b>
<b>Total valuation and translation adjustments</b>	<b>120,288</b>	<b>112,127</b>
<b>Total Net Assets</b>	<b>513,930</b>	<b>518,607</b>
<b>Total Liabilities and Net Assets</b>	<b>10,380,148</b>	<b>11,246,686</b>

#### 4. Non-consolidated Statements of Income

(Millions of yen)

	For the nine months ended	For the nine months ended
	December 31, 2018	December 31, 2019
	Amount	Amount
<b>Ordinary Revenues</b>	<b>1,006,503</b>	<b>1,295,191</b>
<b>Income from insurance premiums</b>	<b>815,828</b>	<b>956,034</b>
Insurance premiums	813,871	954,067
<b>Investment income</b>	<b>145,495</b>	<b>288,078</b>
Interest income and dividends	124,403	134,526
Income from money held in trust, net	3,364	3,400
Gains on trading securities, net	—	156
Gains on sale of securities	4,581	2,979
Gains on separate accounts, net	—	147,013
<b>Other ordinary income</b>	<b>45,180</b>	<b>51,077</b>
<b>Ordinary Expenses</b>	<b>945,927</b>	<b>1,228,580</b>
<b>Insurance claims and other payments</b>	<b>344,334</b>	<b>379,875</b>
Insurance claims	69,873	72,765
Annuity payments	9,693	10,113
Insurance benefits	105,853	124,746
Surrender payments	148,589	162,222
Refund to policyholders	2,811	2,657
<b>Provision for policy reserves and others</b>	<b>423,685</b>	<b>655,518</b>
Provision for reserve for outstanding claims	431	907
Provision for policy reserves	423,253	654,611
Interest portion of reserve on policyholders' dividends	0	0
<b>Investment expenses</b>	<b>32,413</b>	<b>32,739</b>
Interest expenses	1,050	3,761
Losses on trading securities, net	286	—
Losses on sale of securities	34	50
Losses on valuation of securities	4,026	2,991
Losses on derivatives, net	784	19,557
Losses on separate accounts, net	22,799	—
<b>Operating expenses</b>	<b>107,188</b>	<b>114,828</b>
<b>Other ordinary expenses</b>	<b>38,305</b>	<b>45,619</b>
<b>Ordinary Profit</b>	<b>60,576</b>	<b>66,610</b>
<b>Extraordinary Losses</b>	<b>1,645</b>	<b>2,475</b>
Losses on disposal of fixed assets	43	32
Impairment losses	10	15
Provision for reserve under the special laws	1,591	1,946
Provision for reserve for price fluctuations	1,591	1,946
Valuation losses on stocks of subsidiaries	—	244
Provision for reserve for investment losses	—	236
<b>Provision for (Reversal of) Reserve for Policyholders' Dividends</b>	<b>(63)</b>	<b>234</b>
<b>Income Before Income Taxes</b>	<b>58,995</b>	<b>63,900</b>
<b>Income Taxes—Current</b>	<b>18,525</b>	<b>22,158</b>
<b>Income Taxes—Deferred</b>	<b>(1,116)</b>	<b>(3,296)</b>
<b>Total Income Taxes</b>	<b>17,408</b>	<b>18,862</b>
<b>Net Income</b>	<b>41,586</b>	<b>45,038</b>

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

(Millions of yen)

	For the nine months ended December 31, 2018	For the nine months ended December 31, 2019
Core profit	63,734	93,761
Capital gains	17,726	5,571
Income from money held in trust, net	—	—
Income from trading securities, net	—	149
Gains on sale of securities	4,581	2,979
Gains on derivatives, net	—	—
Foreign exchange gains, net	13,145	—
Other capital gains	—	2,442
Capital losses	14,420	25,750
Losses on money held in trust, net	—	—
Losses on trading securities, net	293	—
Losses on sale of securities	34	50
Losses on valuation of securities	4,026	2,991
Losses on derivatives, net	784	19,557
Foreign exchange losses, net	—	3,117
Other capital losses	9,280	32
Net capital gains (losses)	3,306	(20,178)
Core profit plus net capital gains (losses)	67,041	73,582
Other one-time gains	—	—
Gains from reinsurance	—	—
Reversal of contingency reserve	—	—
Reversal of specific reserve for possible loan losses	—	—
Others	—	—
Other one-time losses	6,465	6,971
Losses from reinsurance	—	—
Provision for contingency reserve	6,358	6,829
Provision for specific reserve for possible loan losses	1	46
Provision for reserve for possible loan losses for specific foreign countries	—	—
Write-off of loans	—	—
Others	105	95
Net other one-time gains (losses)	(6,465)	(6,971)
Ordinary profit	60,576	66,610

(Reference) The breakdown of Others

(Millions of yen)

	For the nine months ended December 31, 2018	For the nine months ended December 31, 2019
Core profit	12,652	965
Income gains in income from money held in trust	3,364	3,400
Interest income and dividends in income from trading securities	7	7
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts	9,280	(2,442)
Other capital gains	—	2,442
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts	—	2,442
Other capital losses	9,280	32
Impairment losses from investment partnership	—	32
Effect of change in the exchange rates related to foreign currency-denominated insurance contracts	9,280	—
Other one-time gains	—	—
One-time losses	105	95
Provision of additional policy reserve	105	95



## 6. Solvency Margin Ratio

(Millions of yen)

Category		As of March 31, 2019	As of December 31, 2019	
Total solvency margin	(A)	1,313,033	1,412,627	
Common stock, etc.		361,442	405,105	
Reserve for price fluctuations		50,105	52,051	
Contingency reserve		98,613	105,443	
General reserve for possible loan losses		2	0	
Net unrealized gains (losses) on available-for-sale securities (before tax deductions) and net deferred gains (losses) on hedging instruments (before tax deductions) x 90% (100% if losses)		153,782	143,569	
Net unrealized gains (losses) on real estate x 85% (100% if losses)		50,980	50,980	
Amount excluded from deferred tax assets		—	—	
Unallocated portion of reserve for policyholders' dividends		245	1,535	
Deferred tax assets		92,924	109,904	
Excess amount of policy reserves based on Zillmer method		544,688	552,256	
Subordinated debt		—	—	
The portion of the excess amount of policy reserves based on Zillmer method and subordinated debt that is not included in the margin		(34,281)	—	
Deductible items		(5,471)	(8,221)	
Total risk	$\sqrt{(R_1 + R_8)^2 + (R_2 + R_3 + R_7)^2} + R_4$	(B)	101,371	109,008
Insurance risk	R <sub>1</sub>		24,574	24,471
Third-sector insurance risk	R <sub>8</sub>		8,526	8,451
Assumed interest rate risk	R <sub>2</sub>		34,062	35,945
Minimum guarantee risk	R <sub>7</sub>		22,141	24,740
Asset management risk	R <sub>3</sub>		36,935	40,416
Business management risk	R <sub>4</sub>		2,524	2,680
Solvency margin ratio	$(A) / \left\{ \frac{1}{2} \times (B) \right\} \times 100$		2,590.5%	2,591.7%

Notes: 1. The above figures are 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 (1996).

2. Minimum guarantee risk is 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, 2019	As of December 31, 2019
Total solvency margin	(A)	1,302,890	1,403,372
Common stock, etc.		360,050	403,777
Reserve for price fluctuations		50,105	52,051
Contingency reserve		98,613	105,443
Catastrophe reserve		—	—
General reserve for possible loan losses		2	0
Net unrealized gains (losses) on available-for-sale securities (before tax deductions) and net deferred gains (losses) on hedging instruments (before tax deductions) x 90% (100% if losses)		153,782	143,569
Net unrealized gains (losses) on real estate x 85% (100% if losses)		50,980	50,980
Total amount of unrecognized net actuarial gains (losses) and unrecognized past service cost		(1,791)	(1,243)
Amount excluded from deferred tax assets		—	—
Unallocated portion of reserve for policyholders' dividends		245	1,535
Deferred tax assets		92,924	109,904
Excess amount of policy reserves based on Zillmer method		544,688	552,256
Subordinated debt		—	—
The portion of the excess amount of policy reserves based on Zillmer method and subordinated debt that is not included in the margin		(35,672)	—
Deductible items		(11,040)	(14,905)
Total risk	$\sqrt{(\sqrt{R_1^2+R_5^2+R_8+R_9})^2+(R_2+R_3+R_7)^2+R_4+R_6}$ (B)	98,666	105,902
Insurance risk	R <sub>1</sub>	24,574	24,471
Ordinary insurance risk	R <sub>5</sub>	—	—
Major catastrophe risk	R <sub>6</sub>	—	—
Third-sector insurance risk	R <sub>8</sub>	8,526	8,451
Insurance risk of small-amount short-term insurance providers	R <sub>9</sub>	—	—
Assumed interest rate risk	R <sub>2</sub>	34,062	35,945
Minimum guarantee risk	R <sub>7</sub>	22,141	24,740
Asset management risk	R <sub>3</sub>	34,119	37,211
Business management risk	R <sub>4</sub>	2,468	2,616
Solvency margin ratio	$(A) / \left\{ \frac{1}{2} \times (B) \right\} \times 100$	2,641.0%	2,650.3%

Notes: 1. The above figures are 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 (2011).

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

## 7. Status of Separate Account Assets

### (1) Balance of Separate Account Assets

(Millions of yen)

Category	As of March 31, 2019		As of December 31, 2019	
	Number	Amount	Number	Amount
Individual variable life insurance and individual variable annuities		1,300,701		1,495,753
Group annuities		—		—
Total separate account		1,300,701		1,495,753

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

### (2) Policy Amount in Force

#### Individual variable life insurance

(Number: Thousand, Amount: Millions of yen)

Category	As of March 31, 2019		As of December 31, 2019	
	Number	Amount	Number	Amount
Variable life insurance (whole life type)	836	7,980,475	831	7,782,806
Variable life insurance (limited term type)	152	922,336	174	1,117,657
Variable life insurance (term type)	12	685,553	13	758,580
Total	1,001	9,588,365	1,020	9,659,043

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

#### Individual variable annuities

(Number: Thousand, Amount: Millions of yen)

Category	As of March 31, 2019		As of December 31, 2019	
	Number	Amount	Number	Amount
Individual variable annuities	244	1,483,080	320	1,991,206

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.

## 8. Consolidated Summary

Not applicable