

Presentation Material

**Consolidated Financial Results
for the Nine Months Ended December 31, 2018
and
Sony Life's MCEV as of December 31, 2018**

**Sony Financial Holdings Inc.
February 13, 2019**

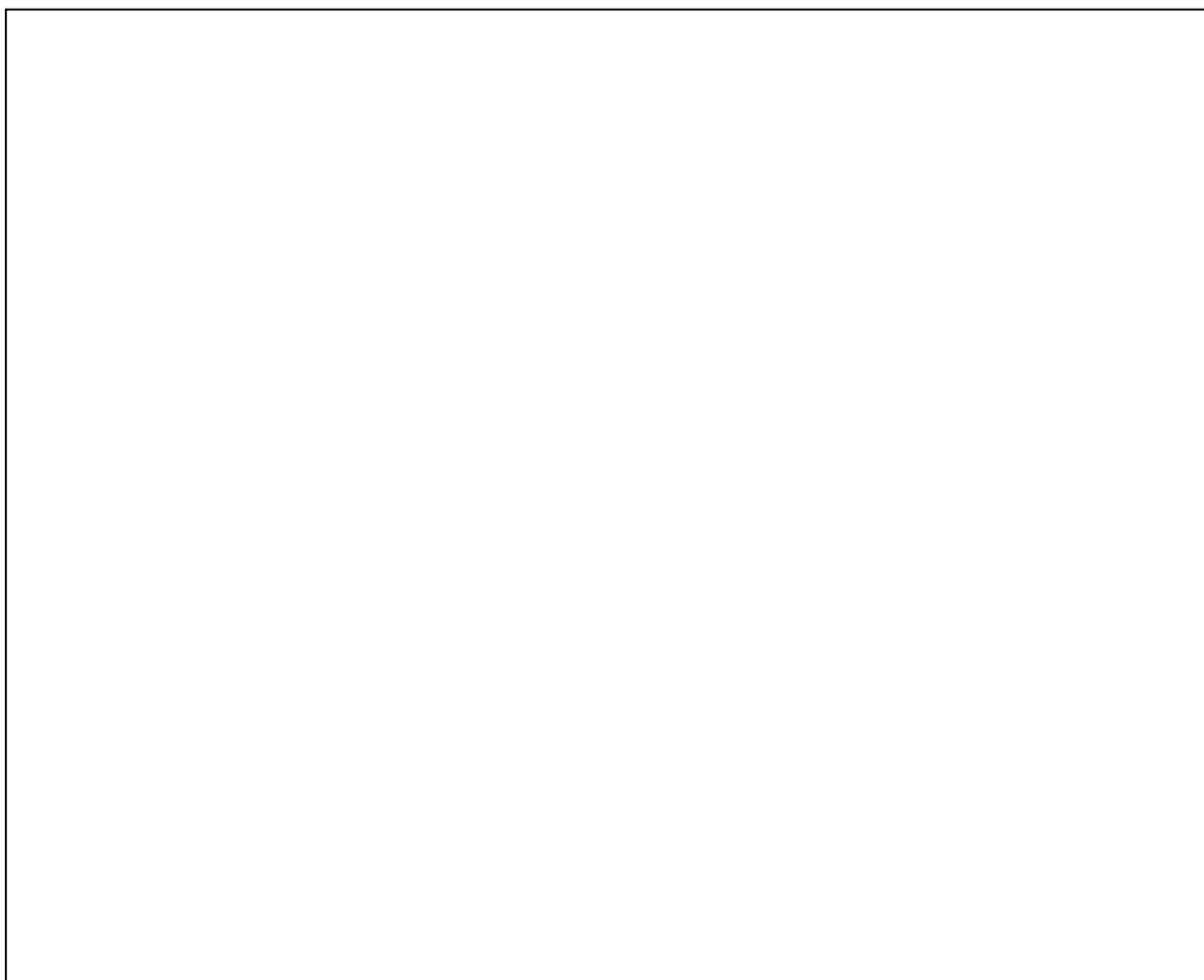
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Disclaimers:

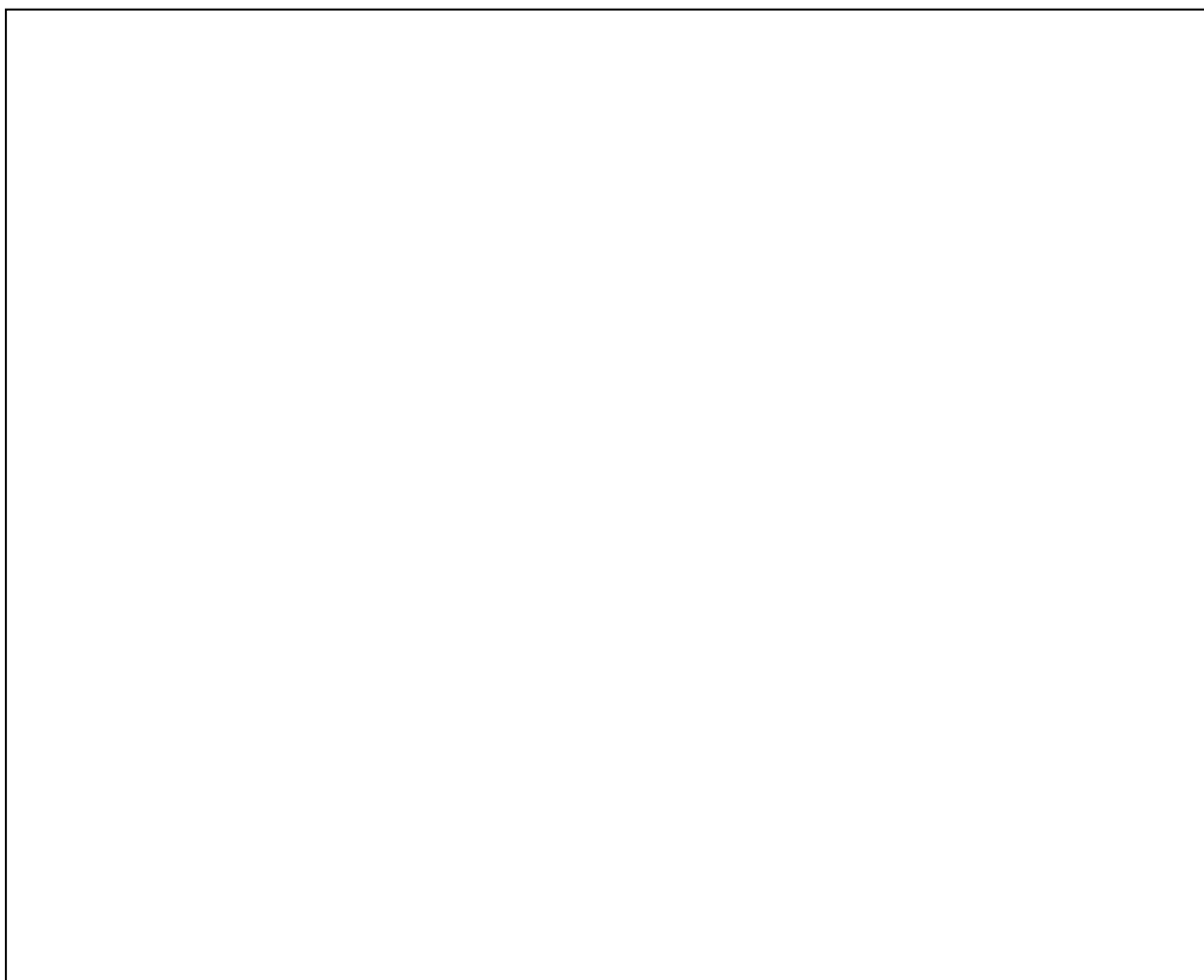
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*Unless otherwise indicated, in these materials figures less than the indicated unit have been truncated, while ratios and percentage changes have been rounded. Also, a “-” is used where percentage changes exceed 1,000% and in cases where one or both comparisons are negative.

* “Lifeplanner” is a registered trademark of Sony Life.



**Consolidated Operating Results
for the Nine Months Ended December 31, 2018
<FY18.3Q (9M)>**



Highlights of Consolidated Financial Results



- FY18.3Q (9M) consolidated financial results: Revenues down 4.0%, profits up 49.5% YoY.
 - Ordinary revenues: Down, mainly due to a worsening of gains from investment in separate accounts in the life insurance business. Revenues increased in the non-life insurance and the banking businesses.
 - Ordinary profit: Up, due to increases in each area of business: life insurance, non-life insurance and banking business.

- Sales performance: All three businesses continued to expand steadily. At Sony Life, the new policy amount steadily increased, owing to the favorable acquisition of family income insurance policies.

- Full-year forecasts: We have revised our forecasts from the figures announced on April 27, 2018, mainly because of deviations in the life insurance business from our initial expectations for FY18.3Q (9M).
 - Ordinary revenues: Revised to ¥1,530.0 billion (down 3.0% from previous forecast)
 - Ordinary profit: Revised to ¥92.0 billion (up 10.8% from previous forecast)
 - Profit attributable to owners of the parent: Revised to ¥60.0 billion (up 9.1% from previous forecast)

- Indicators based on economic value:
 - On December 31, 2018, MCEV was ¥1,664.6 billion. The QoQ decrease was attributable to a decline in the yen interest rate.
 - New business value in FY18.3Q (3M) was ¥23.7 billion. The QoQ increase was due to the steady acquisition of new policies.

On a consolidated basis, revenues were down but profits were up. The drop in ordinary revenues was attributable to a worsening in the market environment mainly in the life insurance business, caused a deterioration in gains from investment in separate accounts. Ordinary profit rose, due to increases in each area of business: life insurance, non-life insurance and banking businesses.

In the Sony Financial Group, all three businesses expanded steadily. At Sony Life, the new policy amount steadily increased, owing to the continued favorable acquisition of family income insurance policies.

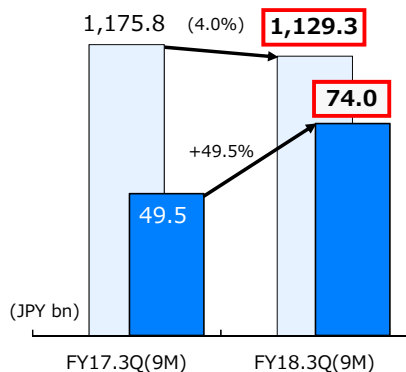
In the first nine months of fiscal 2018, performance deviated from our initially forecast levels, prompting us to revise our operating performance forecast for the full year. We revised downward our forecast for ordinary revenues, while raising forecasts for ordinary profit and profit attributable to owners of the parent.

MCEV was down from the end of the previous quarter, due in part to a decline in the yen interest rate. However, new business value was up quarter on quarter, owing to the steady acquisition of new policies.

Highlights of Consolidated Operating Performance

<Consolidated>

- Ordinary revenues
- Ordinary profit



| | | (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|-----------------------------|---|----------|-----------------|-----------------|--------|--------|
| Life insurance business | Ordinary revenues | | 1,062.1 | 1,006.6 | (55.5) | (5.2%) |
| | Ordinary profit | | 40.2 | 60.1 | +19.9 | +49.5% |
| Non-life insurance business | Ordinary revenues | | 82.4 | 86.2 | +3.8 | +4.7% |
| | Ordinary profit | | 5.0 | 7.3 | +2.3 | +46.7% |
| Banking business | Ordinary revenues | | 29.6 | 33.7 | +4.1 | +13.9% |
| | Ordinary profit | | 5.0 | 7.0 | +1.9 | +38.7% |
| Intersegment adjustments* | Ordinary revenues | | 1.5 | 2.6 | +1.0 | +66.1% |
| | Ordinary profit | | (0.8) | (0.5) | +0.2 | - |
| Consolidated | Ordinary revenues | | 1,175.8 | 1,129.3 | (46.5) | (4.0%) |
| | Ordinary profit | | 49.5 | 74.0 | +24.5 | +49.5% |
| | Profit attributable to owners of the parent | | 42.4 | 50.4 | +8.0 | +18.8% |

*"Intersegment adjustments" is from SFH, the nursing care business, and the venture capital business. Proud Life Inc. and Sony Financial Ventures Inc. are included in the scope of consolidation from FY17.2Q and FY18.2Q, respectively.

(Note) Comprehensive income : FY17.3Q(9M): ¥48.6 billion, FY18.3Q(9M): ¥38.5 billion

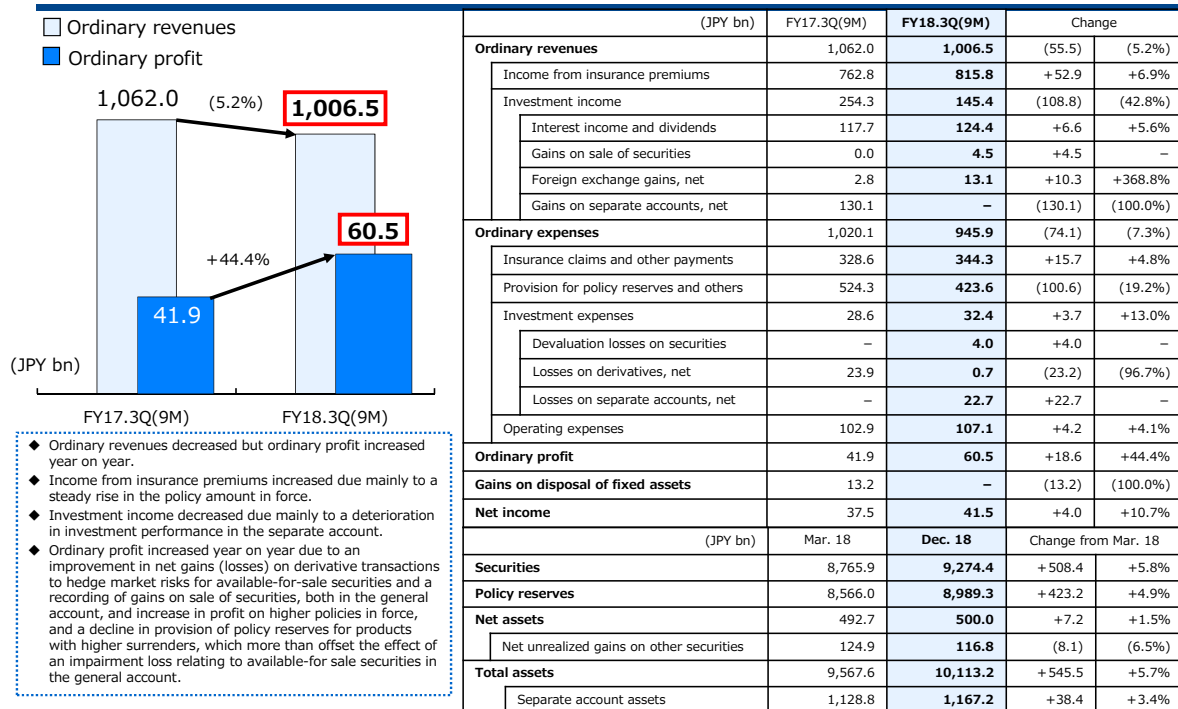
| | | (JPY bn) | Mar. 18 | Dec. 18 | Change from Mar. 18 | |
|--------------|--------------|----------|----------|----------|---------------------|-------|
| Consolidated | Net assets | | 625.4 | 637.9 | +12.5 | +2.0% |
| | Total assets | | 12,401.4 | 13,143.9 | +742.4 | +6.0% |

Ordinary revenues decreased 4.0% year on year, to ¥1,129.3 billion.

Ordinary profit increased 49.5% year on year, to ¥74.0 billion.

Profit attributable to owners of the parent was up 18.8% year on year, to ¥50.4 billion, owing to the increase in ordinary profit.

Highlights of Operating Performance: Sony Life (Non-consolidated)



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Sony Life's ordinary revenues decreased 5.2% year on year, to ¥1,006.5 billion, due mainly to a deterioration in investment performance in the separate account, partially offset by higher insurance premiums, due mainly to a steady rise in the policy amount in force.

Ordinary profit increased 44.4% year on year, to ¥60.5 billion, due to an improvement in net gains (losses) on derivative transactions to hedge market risks for available-for-sale securities and a recording of gains on sale of securities, both in the general account, and increase in profit on higher policies in force, and a decline in provision of policy reserves for products with higher surrenders, which more than offset the effect of an impairment loss relating to available-for sale securities in the general account.

Net income increased 10.7% year on year, to ¥41.5 billion.

Overview of Operating Performance: Sony Life (Non-consolidated)

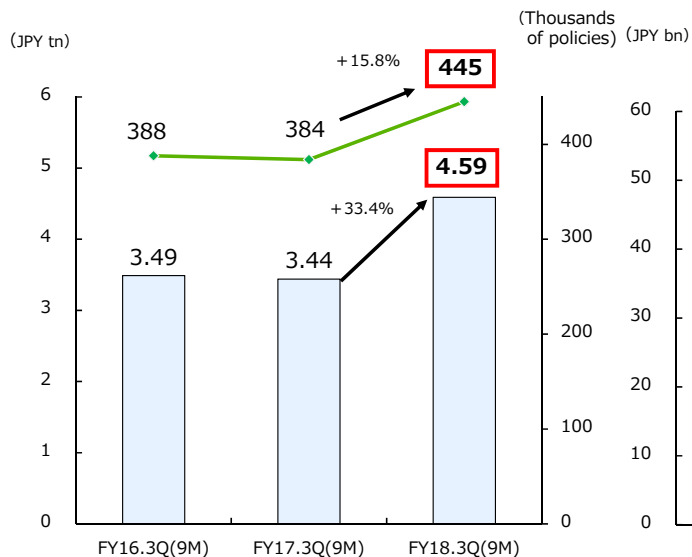
| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|---|-----------------|-----------------|---------------------------|--|
| New policy amount | 3,445.4 | 4,595.3 | +33.4% | ◆ Increased due to favorable sales of family income insurance. |
| Lapse and surrender amount | 1,330.3 | 2,222.2 | +67.0% | |
| Lapse and surrender rate | 2.94% | 4.71% | +1.77pt | |
| Annualized premiums from new policies | 51.9 | 56.9 | +9.8% | ◆ Increased due to cancellations of existing policies from certain customers taking out new policies such as family income insurance. This shift resulted from premium revisions, owing to the revision of the standard mortality tables. |
| Of which, third-sector products | 9.3 | 11.1 | +19.3% | |
| | | | | ◆ Increased due to favorable sales of individual annuities and U.S. dollar-denominated insurance. |
| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
| Gains from investment, net (General account) | 95.4 | 135.8 | +42.3% | |
| Core profit | 70.6 | 63.7 | (9.8%) | ◆ Decreased due to an increase in the provision of policy reserves for minimum guarantees for variable life insurance in line with worsened financial market conditions, which more than offset an increase in profit on higher policies in force and a decline in provision of policy reserves for products with higher surrenders. |
| Positive spread | 13.9 | 14.0 | +0.7% | |
| (JPY bn) | Mar. 18 | Dec. 18 | Change From Mar. 18 | |
| Policy amount in force | 47,253.4 | 48,894.0 | +3.5% | |
| Annualized premiums from insurance in force | 848.8 | 871.1 | +2.6% | |
| Of which, third-sector products | 191.8 | 196.0 | +2.2% | |
| Non-consolidated solvency margin ratio | 2,624.3% | 2,684.7% | +60.4pt | |

Note: Figures for new policy amount, lapse and surrender amount, lapse and surrender rate, annualized premiums from new policies, policy amount in force, and annualized premiums from insurance in force are calculated as the total of individual life insurance and individual annuities. The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

Operating Performance : Sony Life (Non-consolidated) (1)

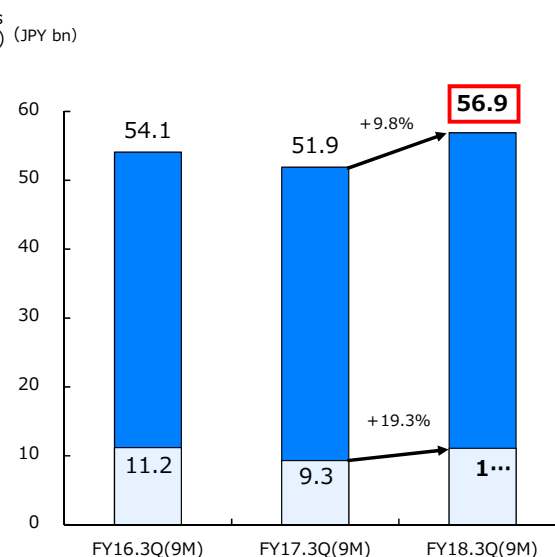
Number and Amount of New Policies (Individual Life Insurance + Individual Annuities)

□ New policy amount ◆ Number of new policies



Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)

■ Annualized premiums from new policies □ Of which, third-sector



(Left-hand graph)

New policy amount for the total of individual life insurance and individual annuities increased 33.4% year on year, to ¥4,595.3 billion, due to favorable sales of family income insurance.

In FY18.3Q (9M), new policy amount reached record high for the third-quarter period (9M).

The number of new policies increased 15.8% year on year, to 445 thousand policies.

(Right-hand graph)

Annualized premiums from new policies increased 9.8% year on year, to ¥56.9 billion, due to favorable sales of U.S. dollar-denominated insurance and individual annuities.

Of which, the figure for third-sector products increased 19.3% year on year, to ¥11.1 billion.

Operating Performance : Sony Life (Non-consolidated) (2)

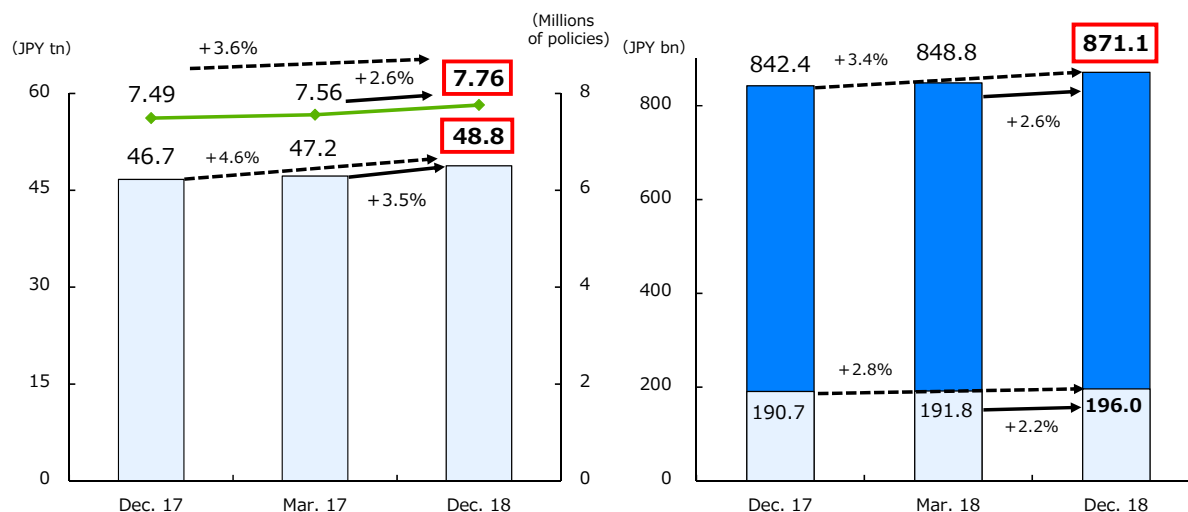


Number and Amount of Policies in Force (Individual Life Insurance + Individual Annuities)

Annualized Premiums from Insurance in Force (Individual Life Insurance + Individual Annuities)

□ Policy amount in force — Number of policies in force

■ Annualized premiums from insurance in force □ Of which, third-sector



Sony Life's policy amount in force which reflects new policy amount and lapse and surrender amount, is shown here.

(Left-hand graph)

Policy amount in force for the total of individual life insurance and individual annuities increased 3.5% from March 31, 2018, to ¥48.8 trillion.

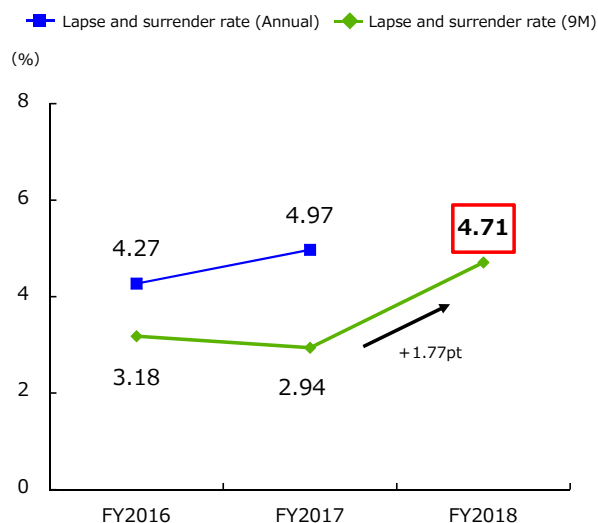
The number of policies in force increased 2.6% from March 31, 2018, to ¥7.76 million polices.

(Right-hand graph)

Annualized premiums from insurance in force increased 2.6% from March 31, 2018, to ¥871.1 billion.

Of which, the figure for third-sector products was up 2.2% from March 31, 2018, to ¥196.0 billion.

Lapse and Surrender Rate*
(Individual Life Insurance + Individual Annuities)



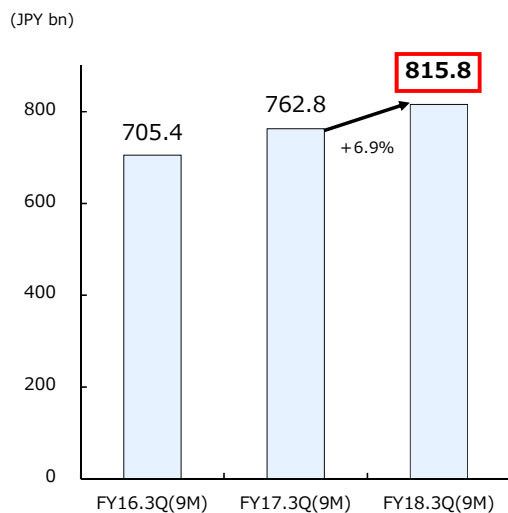
*The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

Lapse and surrender rate was up 1.77 percentage points year on year, to 4.71%.

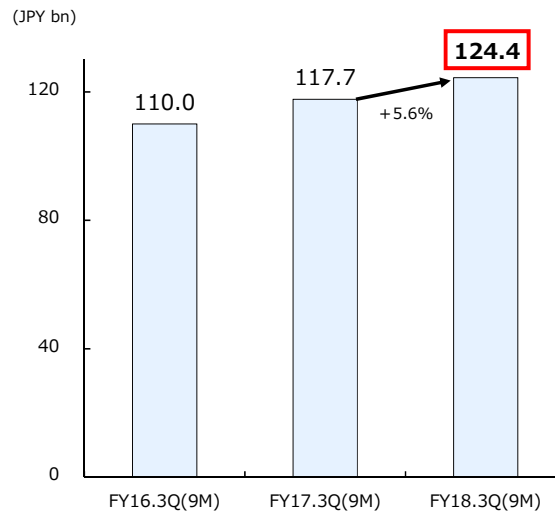
The increase in the lapse and surrender rate was mainly due to certain customers cancelling existing policies, taking out new policies such as family income insurance since premiums were revised in line with revisions of the standard mortality tables.

Operating Performance : Sony Life (Non-consolidated) (4)

Income from Insurance Premiums



Interest Income and Dividends



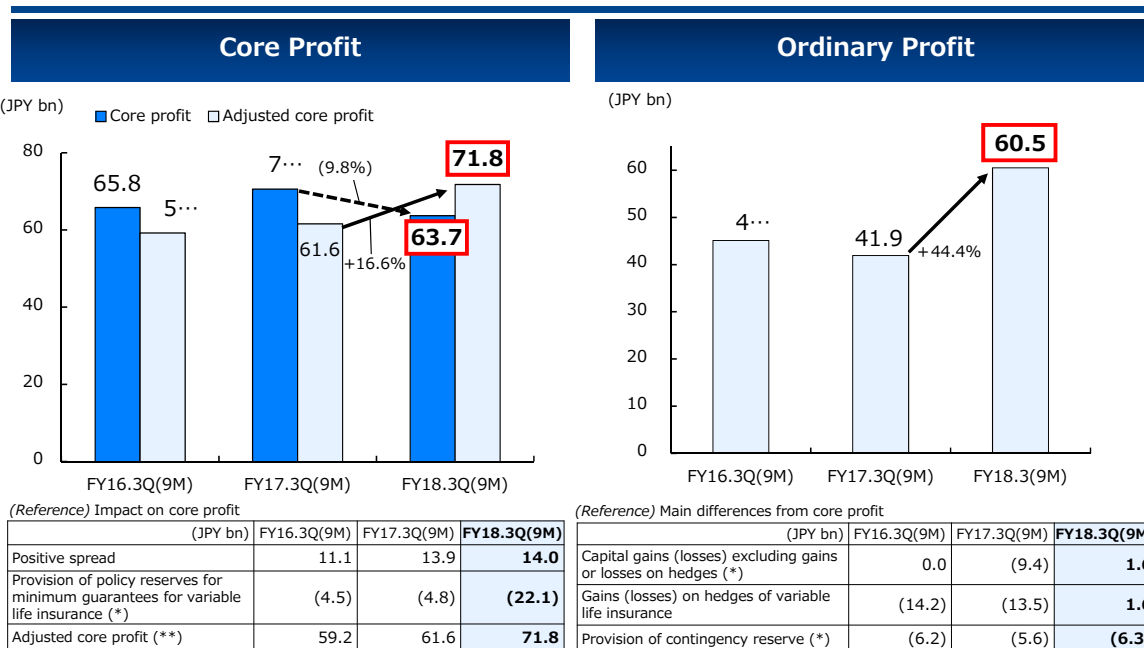
(Left-hand graph)

Income from insurance premiums increased 6.9% year on year, amounting to ¥815.8 billion, due to a steady rise in the policy amount in force.

(Right-hand graph)

Interest income and dividends increased 5.6% year on year, to ¥124.4 billion, reflecting an expansion in investment assets along with business expansion.

Operating Performance : Sony Life (Non-consolidated) (5)



**Provision of policy reserves for minimum guarantees for variable life insurance* and *Provision of contingency reserve* are described as negative amount.

Capital gains (losses) exclude gains or losses on hedges of variable life insurance.

**Adjusted core profit = (Core profit) - (Positive spread) - (Provision of policy reserves for minimum guarantees for variable life insurance)

(Left-hand graph)

Core profit decreased 9.8% year on year, to ¥63.7 billion, due to an increase in the provision of policy reserves for minimum guarantees for variable life insurance in line with worsened financial market conditions, which more than offset an increase in profit on higher policies in force and a decline in provision of policy reserves for products with higher surrenders.

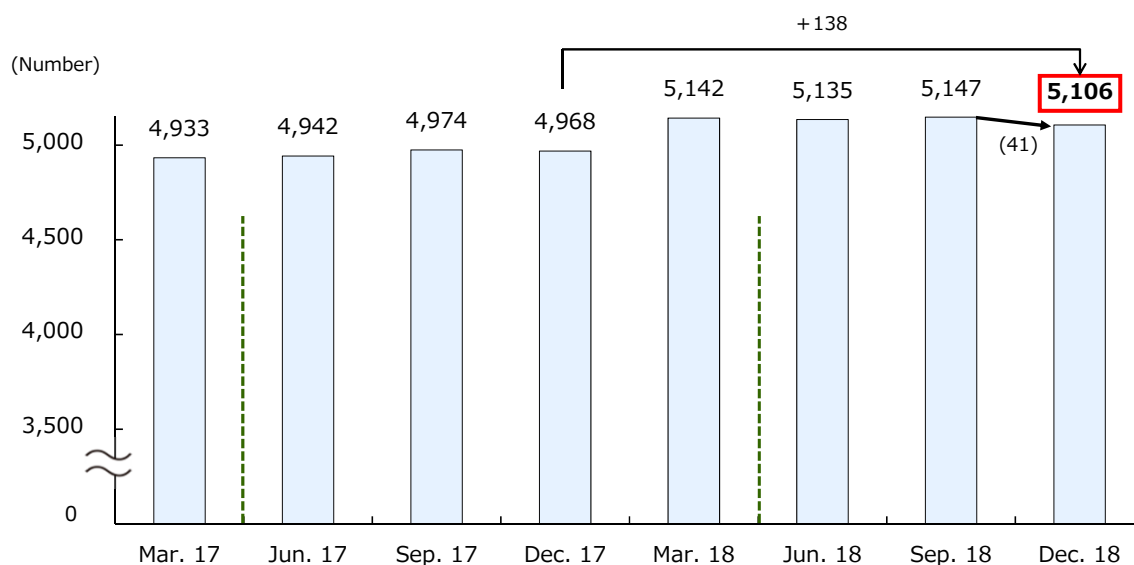
Adjusted core profit, which subtracting positive spread and provision of policy reserves for minimum guarantees for variable life insurance from core profit, increased 16.6% year on year, to ¥71.8 billion.

(Right-hand graph)

Ordinary profit increased 44.4% year on year, to ¥60.5 billion.

This rise was due to an improvement in net gains (losses) on derivative transactions to hedge market risks for available-for-sale securities and a recording of gains on sale of securities. Also, the above-mentioned decrease in core profit was offset through derivative transactions to hedge market risks on variable life insurance.

Number of Lifeplanner Sales Employees

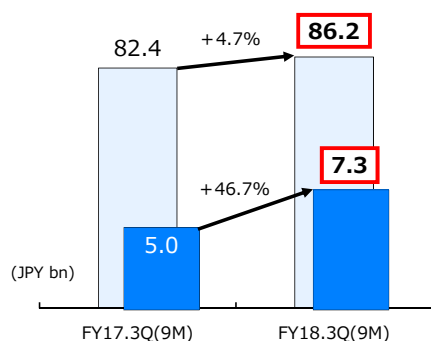


The number of Lifeplanner sales employees as of December 31, 2018, was 5,106, down 41 from September 30, 2018 and up 138 from December 31, 2017.

Since Sony Life does not hire new Lifeplanner sales employees in December, in addition to promoting Lifeplanner sales employees to unit manager in October, the number of Lifeplanner sales employees as of the end of December tends to be lower than that as of the end of September every year.

Highlights of Operating Performance: Sony Assurance

□ Ordinary revenues ■ Ordinary profit



- ◆ Both ordinary revenues and ordinary profit increased year on year.
- ◆ Ordinary revenues expanded owing to an increase in net premium written for mainstay automobile insurance.
- ◆ Ordinary profit increased year on year due mainly to a decline in the net expense ratio and the effect of higher revenues.

| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|---|-----------------|-----------------|--------|--------|
| Ordinary revenues | 82.4 | 86.2 | +3.8 | +4.7% |
| Underwriting income | 81.0 | 84.7 | +3.6 | +4.5% |
| Investment income | 1.3 | 1.5 | +0.1 | +13.0% |
| Ordinary expenses | 77.3 | 78.9 | +1.5 | +2.0% |
| Underwriting expenses | 56.7 | 58.4 | +1.6 | +2.9% |
| Operating general and administrative expenses | 20.6 | 20.4 | (0.1) | (0.7%) |
| Ordinary profit | 5.0 | 7.3 | +2.3 | +46.7% |
| Net income | 3.6 | 5.2 | +1.6 | +44.3% |

| (JPY bn) | Mar. 18 | Dec. 18 | Change from Mar. 18 | |
|------------------------------|---------|--------------|---------------------|-------|
| Underwriting reserves | 117.0 | 124.7 | +7.6 | +6.6% |
| Net assets | 33.1 | 35.3 | +2.1 | +6.5% |
| Total assets | 204.3 | 210.4 | +6.1 | +3.0% |

Sony Assurance's ordinary revenues expanded 4.7% year on year, to ¥86.2 billion, owing to an increase in net premium written for mainstay automobile insurance.

Ordinary profit increased 46.7% year on year, to ¥7.3 billion, due mainly to a decline in the net expense ratio and the effect of higher revenues.

Net income increased 44.3% year on year, to ¥5.2 billion.

Overview of Operating Performance: Sony Assurance

| (JPY bn) | FY17.3Q(9M) | FY18.3Q(9M) | Change | |
|-------------------------|-------------|--------------------|---------|--|
| Direct premiums written | 80.0 | 83.9 | +4.8% | ◆ Steadily increased in its mainstay automobile insurance. |
| Net premiums written | 81.0 | 84.6 | +4.5% | |
| Net losses paid | 38.5 | 42.0 | +9.1% | ◆ Rose due to higher insurance payments driven by natural disasters. |
| Underwriting profit | 3.7 | 5.9 | +58.3% | |
| Net loss ratio | 54.4% | 56.7% | +2.3pt | ◆ Declined due mainly to a decrease in system-related expenses. |
| Net expense ratio | 27.1% | 25.7% | (1.4pt) | |
| Combined ratio | 81.5% | 82.4% | +0.9pt | |

Notes:

Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written

Net expense ratio = Expenses related to underwriting / Net premiums written

| | FY17.3Q(9M) | FY18.3Q(9M) | Change | |
|--------------------------------------|-------------|--------------------|---------|--|
| E. I. loss ratio | 61.8% | 61.5% | (0.3pt) | ◆ Declines due mainly to a decrease in provision for reserve for outstanding losses. |
| E. I. loss ratio + Net expense ratio | 88.9% | 87.2% | (1.7pt) | |

Note: E.I. loss ratio = (Net losses paid + Provision for reserve for outstanding losses + Loss adjustment expenses) / Earned premiums
[Earthquake insurance and compulsory automobile liability insurance are excluded from the above calculation.]

| | Mar. 18 | Dec. 18 | Change from Mar. 18 |
|--|---------|----------------|---------------------|
| Non-consolidated solvency margin ratio | 782.1% | 872.5% | +90.4pt |

Sony Assurance's Underwriting Performance by Type of Policy

Direct Premiums Written

| (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) | Change |
|---------------------------------|-----------------|-----------------|--------------|
| Fire | 148 | 244 | +64.5% |
| Marine | – | – | – |
| Personal accident | 6,515 | 6,576 | +0.9% |
| Voluntary automobile | 73,379 | 77,103 | +5.1% |
| Compulsory automobile liability | – | – | – |
| Total | 80,043 | 83,924 | +4.8% |

Net Premiums Written

| (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) | Change |
|---------------------------------|-----------------|-----------------|--------------|
| Fire | 11 | 68 | +502.5% |
| Marine | 0 | (0) | – |
| Personal accident | 6,671 | 6,653 | (0.3%) |
| Voluntary automobile | 73,200 | 76,865 | +5.0% |
| Compulsory automobile liability | 1,132 | 1,110 | (1.9%) |
| Total | 81,016 | 84,699 | +4.5% |

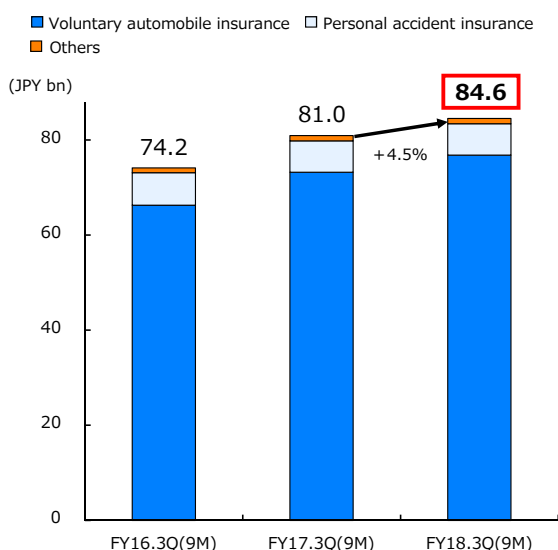
Net losses paid

| (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) | Change |
|---------------------------------|-----------------|-----------------|--------------|
| Fire | 5 | 11 | +102.0% |
| Marine | 2 | 10 | +273.5% |
| Personal accident | 2,029 | 2,218 | +9.3% |
| Voluntary automobile | 35,501 | 38,760 | +9.2% |
| Compulsory automobile liability | 995 | 1,030 | +3.5% |
| Total | 38,534 | 42,031 | +9.1% |

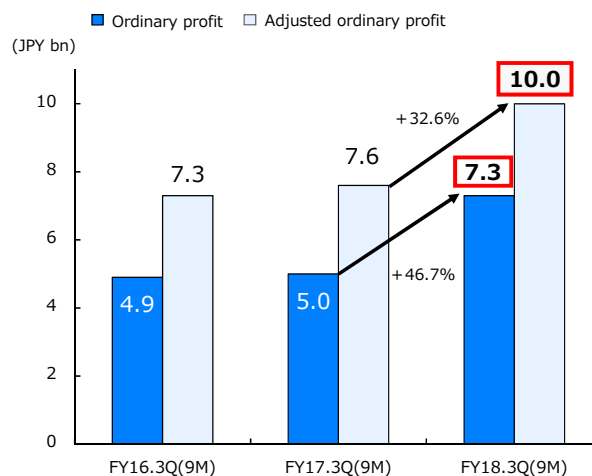
*Medical insurance is included in personal accident.

Operating Performance: Sony Assurance (1)

Net Premiums Written and Number of Policies in Force



Ordinary Profit and Adjusted Ordinary Profit



*Adjusted ordinary profit = Ordinary profit + Provision for catastrophe reserve
(Reference) Provision for catastrophe reserve

| (JPY bn) | FY16.3Q (9M) | FY17.3Q (9M) | FY18.3Q (9M) |
|-----------------------------------|-----------------|-----------------|-----------------|
| Provision for catastrophe reserve | 2.3 | 2.5 | 2.6 |

*Provision for catastrophe reserve is described as positive amount.

(Left-hand graph)

Net premiums written increased 4.5% year on year, to ¥84.6 billion due to stable sales of automobile insurance.

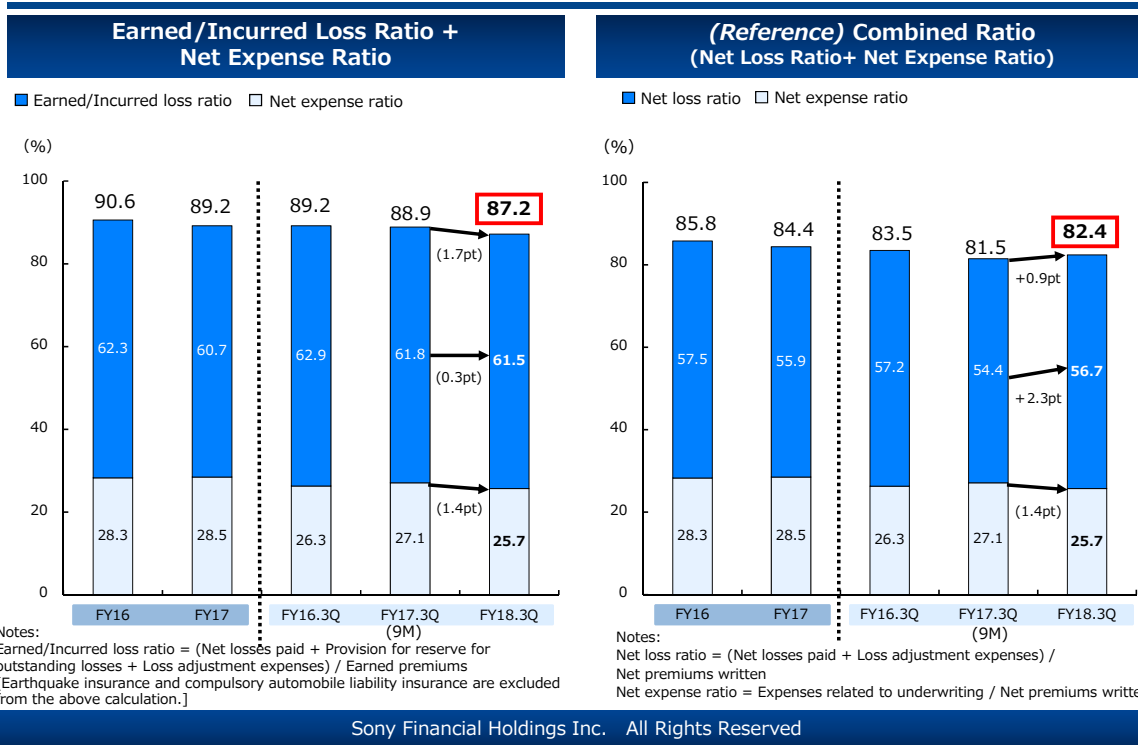
(Right-hand graph)

Ordinary profit increased year on year as described before.

Adjusted ordinary profit is an profit indicator on a managerial accounting basis. The figure is calculated by adjusting the amount of provision (reversal) for catastrophe reserve to ordinary profit.

Adjusted ordinary profit was ¥10.0 billion.

Operating Performance: Sony Assurance (2)



(Left-hand graph)

The Earned/Incurred (E.I.) loss ratio was down 0.3 percentage points year on year, to 61.5%, due mainly to a decrease in provision for reserve for outstanding losses.

The net expense ratio was down 1.4 percentage points year on year, to 25.7%, due mainly to a decrease in system-related expenses.

Consequently, the sum of the E.I. loss ratio and the net expense ratio was down 1.7 percentage points year on year, to 87.2%.

(Right-hand graph)

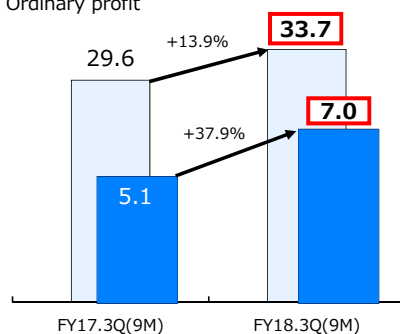
The net loss ratio was up 2.3 percentage points year on year, to 56.7%. This is different from the E.I. loss ratio, which reflects an increase or a decrease in provision for reserve for outstanding losses.

The combined ratio (the sum of the net loss ratio and the net expense ratio) was up 0.9 percentage points year on year, to 82.4%.

Highlights of Operating Performance: Sony Bank (Consolidated/Non-consolidated)

<Consolidated>

- Ordinary revenues
- Ordinary profit



<Consolidated>

- ◆ Both ordinary revenues and ordinary profit rose year on year due to increases in interest income on investment securities and on loans in line with a growing balance of mortgage loans.

<Non-consolidated>

- ◆ Both gross operating profit and net operating profit increased.
- Net interest income increased due to increased in interest income on investment securities and loans.

<Consolidated>

| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|---|--------------|--------------|--------|--------|
| Ordinary revenues | 29.6 | 33.7 | +4.1 | +13.9% |
| Ordinary profit | 5.1 | 7.0 | +1.9 | +37.9% |
| Profit attributable to owners of the parent | 3.3 | 4.6 | +1.3 | +40.3% |

<Non-consolidated>

| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|-------------------------------------|--------------|--------------|--------|--------|
| Ordinary revenues | 26.9 | 30.5 | +3.6 | +13.4% |
| Gross operating profit | 15.6 | 17.9 | +2.3 | +14.9% |
| Net interest income | 15.3 | 17.2 | +1.8 | +12.4% |
| Net fees and commissions | (2.4) | (2.3) | +0.1 | - |
| Net other operating income | 2.7 | 3.0 | +0.2 | +10.8% |
| General and administrative expenses | 11.6 | 11.7 | +0.0 | +0.8% |
| Net operating profit | 4.0 | 6.2 | +2.1 | +53.8% |
| Ordinary profit | 4.6 | 6.3 | +1.7 | +37.6% |
| Net income | 3.1 | 4.4 | +1.2 | +40.3% |

| (JPY bn) | Mar. 18 | Dec. 18 | Change from Mar. 18 | |
|--|---------|---------|---------------------|---------|
| Net assets | 85.7 | 84.1 | (1.5) | (1.8%) |
| Net unrealized gains on other securities, net of taxes | 6.0 | 2.3 | (3.6) | (60.8%) |
| Total assets | 2,635.0 | 2,815.8 | +180.8 | +6.9% |

On a consolidated basis, Sony Bank's ordinary revenues increased 13.9% year on year, to ¥33.7 billion, due to increases in interest income on investment securities and on loans in line with a growing balance of mortgage loans.

Ordinary profit increased 37.9% year on year, to ¥7.0 billion, for the same reasons as ordinary revenues.

On a non-consolidated basis, ordinary revenues and ordinary profit increased year on year for the same reasons as in the consolidated results.

Overview of Operating Performance: Sony Bank (Non-consolidated) (1)

| (JPY bn) | Dec. 17 | Mar. 18 | Dec. 18 | Change from Mar. 18 | |
|---|---------|---------|--------------------------|---------------------|---------|
| Customer assets | 2,338.2 | 2,343.0 | 2,453.6 | +110.5 | +4.7% |
| Deposits | 2,213.4 | 2,219.3 | 2,336.6 | +117.2 | +5.3% |
| Yen | 1,847.0 | 1,814.7 | 1,931.5 | +116.8 | +6.4% |
| Foreign currencies | 366.4 | 404.6 | 405.0 | +0.4 | +0.1% |
| Investment trusts | 124.7 | 123.7 | 117.0 | (6.7) | (5.4%) |
| Loans outstanding | 1,573.8 | 1,596.3 | 1,673.5 | +77.2 | +4.8% |
| Mortgage loans | 1,495.2 | 1,525.5 | 1,613.0 | +87.4 | +5.7% |
| Card loans | 18.6 | 18.8 | 18.3 | (0.5) | (2.9%) |
| Others | 59.9 | 51.8 | 42.2^{*1} | (9.6) | (18.6%) |
| Non-consolidated capital^{*2} Adequacy ratio (domestic standard) | 9.46% | 10.45% | 10.34% | (0.11pt) | |

<Reasons for changes>

◆ Increased due mainly to an increase in newly accumulated funds via the increased number of accounts, as well as a conversion from foreign currencies backed by yen depreciation.

◆ Decreased due to a conversion and a transfer from foreign ordinary deposits into yen deposits led by yen depreciation, despite an increase in foreign currency time deposits.

◆ Rose due to a steady increase in mortgage loans.

*1 Loans in others include corporate loans of ¥42.2 billion

*2 Please refer to the graph of the non-consolidated capital adequacy ratio (domestic standard) on page 23.

Overview of Operating Performance: Sony Bank (Non-consolidated) (2)

<Reference> On Managerial Accounting Basis

| (JPY bn) | FY17.3Q (9M) | FY18.3Q (9M) | Change | |
|--|-----------------|-----------------|--------|--------|
| Gross operating profit | 15.6 | 17.9 | +2.3 | +15.0% |
| Net interest income ^{*1} ① | 17.0 | 18.9 | +1.8 | +11.1% |
| Net fees and commissions ^{*2} ② | (2.1) | (1.9) | +0.1 | — |
| Net other operating income ^{*3} | 0.6 | 0.9 | +0.2 | +43.3% |
| Gross operating profit (core profit)(A) = ① + ② | 14.9 | 16.9 | +2.0 | +13.7% |
| Operating expenses and other Expenses ③ | 11.6 | 11.7 | +0.1 | +1.4% |
| Net operating profit (core profit) = (A) - ③ | 3.3 | 5.2 | +1.8 | +56.7% |

■ Managerial accounting basis

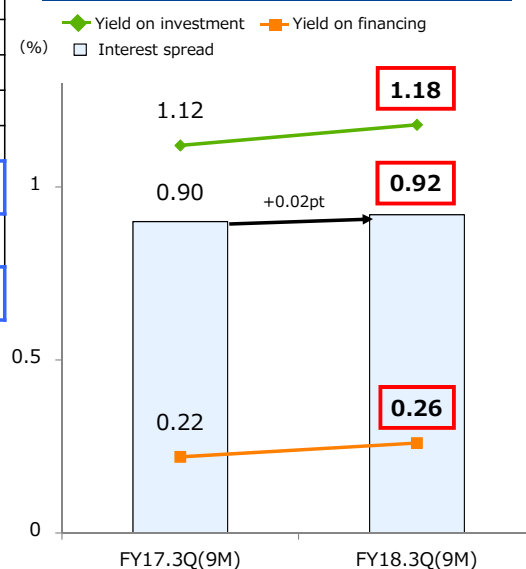
The following adjustments are made to the figures on a financial account for profits and losses more appropriately.

- *1: Net interest income: Includes profits and losses associated with fund investment recorded in net other operating income, including gains or losses from currency swap transactions.
- *2: Net fees and commissions: Includes profits and losses for customer dealings in foreign currency transactions recorded in net other operating income.
- *3: Net other operating income: After the above adjustments (*1 and *2), mainly consists of profits and losses for bond and derivative dealing transactions.

■ Core profit

Profits and losses exclude net other operating income, which includes those on bond and derivative dealing transactions, and stands for Sony Bank's basic profits.

<Reference> Interest Spread (Managerial Accounting Basis)



Note: Interest spread=(Yield on investment)-(Yield on financing)

We break down gross operating profit on a managerial accounting basis to facilitate an understanding of operational sources of revenues and profits.

(Left-hand table)

Net interest income increased 11.1% year on year, to ¥18.9 billion, due to increases in interest income on investment securities and on loans in line with a growing balance of mortgage loans.

Net fees and commissions remained at the same levels, to a loss of ¥1.9 billion.

Consequently, gross operating profit on a core profit basis increased 13.7% year on year, to ¥16.9 billion. Net operating profit on a core profit basis increased 56.7% year on year, to ¥5.2 billion.

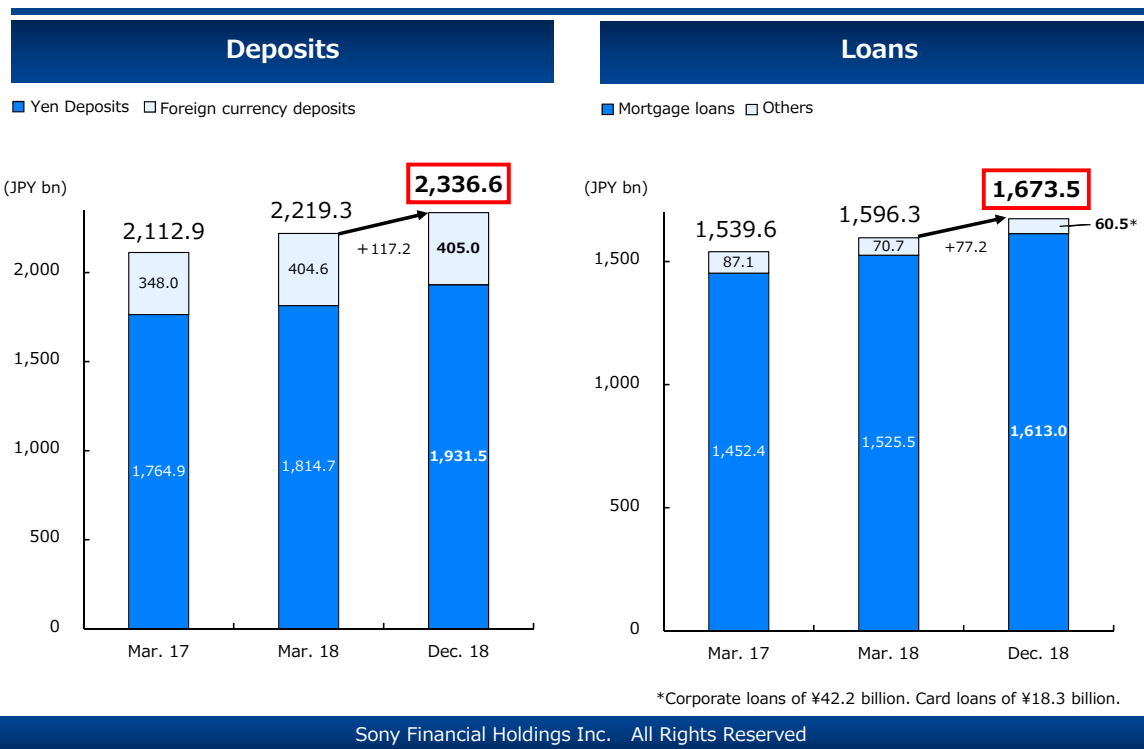
(Right-hand graph)

The yield on investment for FY18.3Q (9M) was 1.18%.

The yield on financing for FY18.3Q (9M) was 0.26%.

Consequently, interest spread for FY18.3Q (9M) was 0.92%.

Operating Performance: Sony Bank (Non-consolidated) (1)



(Left-hand graph)

As of December 31, 2018, deposits (the sum of Japanese yen and foreign currency deposits) amounted to ¥2,336.6 billion, up ¥117.2 billion from March 31, 2018.

Of this amount, the yen deposit balance amounted to ¥1,931.5 billion, up ¥116.8 billion from March 31, 2018, as yen ordinary deposits increased due mainly to an increase in newly accumulated funds via the increased number of accounts, as well as a conversion from foreign currencies backed by yen depreciation.

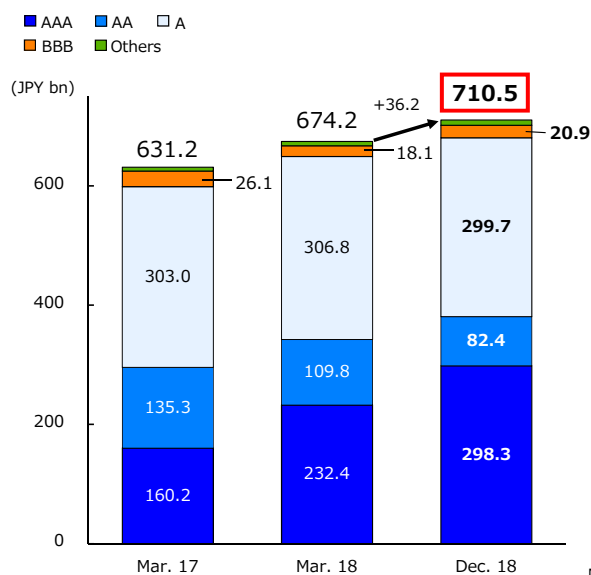
The yen-denominated balance of foreign currency deposits amounted to ¥405.0 billion, remained at the same levels from March 31, 2018, reflecting a conversion and a transfer from foreign ordinary deposits into yen deposits led by yen depreciation, despite an increase in foreign currency time deposits.

(Right-hand graph)

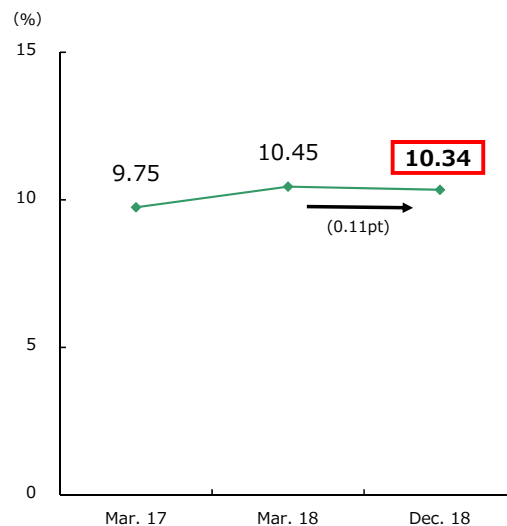
The loan balance as of December 31, 2018 expanded ¥77.2 billion from March 31, 2018, to ¥1,673.5 billion, due to a steady increase in mortgage loans.

Operating Performance: Sony Bank (Non-consolidated) (2)

Balance of Securities by Credit Rating



Non-Consolidated Capital Adequacy Ratio (Domestic Standard)



Note: Calculated based on the standard FSA Notification No. 19 (2006), which establishes standards based on Article 14-2 of the Banking Act of Japan for determining the capital adequacy of a bank in light of the assets held by the bank.

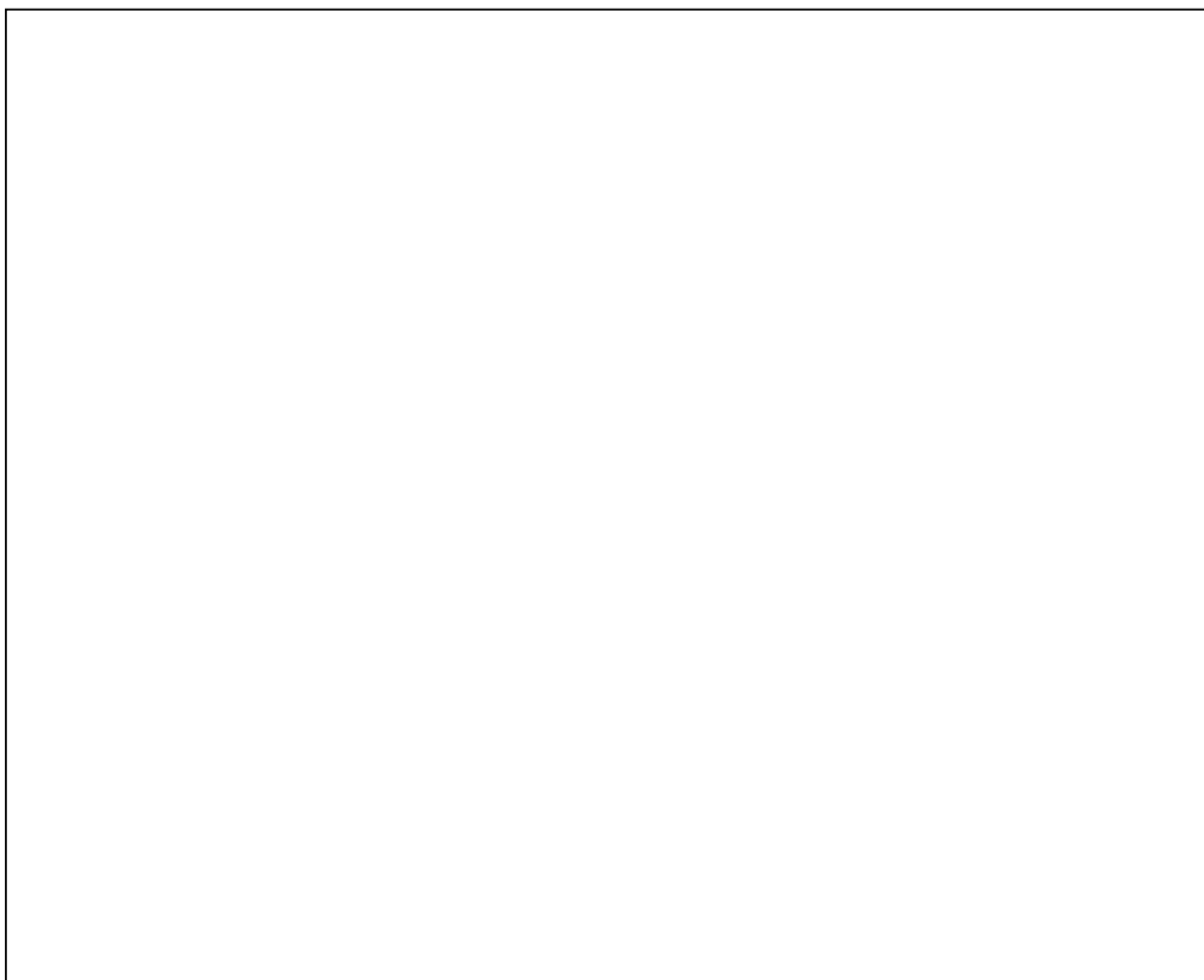
(Left-hand graph)

As of December 31, 2018, the balance of securities amounted to ¥710.5 billion, up ¥36.2 billion from March 31, 2018. Sony Bank continuously invests in highly rated bonds.

(Right-hand graph)

As of December 31, 2018, Sony Bank's non-consolidated capital adequacy ratio (domestic standard) was 10.34%, down 0.11 percentage points from March 31, 2018. Sony Bank maintains financial soundness.

Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2019 (FY18)



Forecast of Consolidated Financial Results for FY18

We have revised downward our full-year forecast for ordinary revenues from the figure announced on April 27, 2018. Meanwhile, we have revised our forecasts for ordinary profit and profit attributable to owners of the parent upward.

| (JPY bn) | FY17 (Actual) | FY18 (Forecast) | Change | FY18.3Q (Actual) | Progress rate |
|--|---------------|--------------------------|--------|------------------|---------------|
| Ordinary revenues | 1,503.6 | 1,578.0 ⇒ 1,530.0 | +1.8% | 1,129.3 | 73.8% |
| Life insurance business | 1,351.2 | 1,416.1 ⇒ 1,366.0 | +1.1% | 1,006.6 | 73.7% |
| Non-life insurance business | 110.0 | 112.3 ⇒ 115.0 | +4.5% | 86.2 | 75.0% |
| Banking business | 39.9 | 42.8 ⇒ 44.7 | +11.9% | 33.7 | 75.5% |
| Ordinary profit | 66.8 | 83.0 ⇒ 92.0 | +37.6% | 74.0 | 80.5% |
| Life insurance business | 54.1 | 70.9 ⇒ 78.1 | +44.2% | 60.1 | 77.0% |
| Non-life insurance business | 6.5 | 6.5 ⇒ 6.8 | +3.4% | 7.3 | 108.7% |
| Banking business | 7.1 | 7.0 ⇒ 8.3 | +16.1% | 7.0 | 84.9% |
| Profit attributable to owners of the parent | 51.8 | 55.0 ⇒ 60.0 | +15.6% | 50.4 | 84.1% |

<Ordinary revenues and ordinary profit in each business>

■ Life insurance business

We have revised downward our forecast for ordinary revenues because performance in FY18.3Q (9M) was below our initial expectations. However, we have revised upward our forecast for ordinary profit. Despite the recording of an impairment loss relating to available-for-sale securities in the general account in FY18.3Q (9M), an increase in lapses caused the provision of policy reserve to undershoot initial expectations. Also, in the general account, net gains (losses) on derivative transactions to hedge market risk related to available-for-sale securities outpaced our expectations.

■ Non-life insurance business

We have revised upward our forecast for ordinary revenues, as automobile insurance premium revenues exceeded our initial expectations. Although we expect to see increases in operating expenses and the provision for policy reserves in FY18.4Q (3M), we have revised upward our ordinary profit forecast because performance in FY18.3Q (9M) exceeded initial expectations.

■ Banking business

We have revised upward our forecast for ordinary revenues and ordinary profit because results in FY18.3Q (9M) were higher than expected, owing to such factors as higher interest income on investment securities.

We revised downward our forecast for ordinary revenues mainly because performance in the life insurance business during the first nine months of the fiscal year was lower than we had initially expected.

Conversely, we revised upward our forecasts for ordinary profit and profit attributable to owners of the parent, because these profit categories were higher than we had initially anticipated in the life insurance business for the first nine months of the fiscal year.

Ordinary profit and net income in the life insurance business were higher than initially expected despite the recording of an impairment loss relating to available-for-sale securities in the general account. One reason was that an increase in lapses caused the provision of policy reserve to undershoot initial expectations. Also, in the general account, net gains (losses) on derivative transactions to hedge market risk related to available-for-sale securities outpaced our expectations.

Our dividend forecast for the fiscal year ending March 31, 2019, is unchanged ¥62.5 per share, an increase of ¥2.5 per share compared with fiscal 2017.

Sony Life's MCEV and ESR as of December 31, 2018

Some parts of the calculations of MCEV adopted simplified method except for those as of March 31, 2018.
Please keep in mind that the validity of these calculations has not been verified by outside specialists.

*In this part, figures, ratios and percentage changes have been rounded.

| (JPY bn) | Mar. 18 | Sep. 18 | Dec. 18 | Change from Mar. 18 | Change from Sep. 18 |
|----------------------------|---------|---------|----------------|---------------------|---------------------|
| MCEV | 1,633.2 | 1,715.3 | 1,664.6 | +31.5 | (50.6) |
| Adjusted net worth | 1,786.1 | 1,560.0 | 1,824.1 | +38.0 | +264.1 |
| Value of existing business | (152.9) | 155.3 | (159.4) | (6.5) | (314.7) |

| (JPY bn) | FY17.4Q (3M) | FY18.1Q (3M) | FY18.2Q (3M) | FY18.3Q (3M) | FY18.3Q (9M) |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| New business value | 21.2 | 21.9 | 22.6 | 23.7 | 68.2 |
| New business margin | 6.1% | 7.1% | 6.9% | 7.3% | 7.1% |

◆ **Reasons for changes in MCEV**

- MCEV as of December 31, 2018 decreased ¥50.6 billion from September 30, 2018, due mainly to a decrease in interest rates in Japanese yen.

◆ **New business value / New business margin**

- New business value for FY18.3Q (3M) was ¥23.7 billion, due to a steady acquisition of new policies.
- New business margin for FY18.3Q (3M) was up 0.4pt from FY18.2Q (3M), due mainly to the level of U.S. dollar interest rates was higher through FY18.3Q (3M) compared with FY18.2Q (3M).

Notes:

1. Calculated MCEV as of June 30, 2018 onward by using mainly updated economic assumptions and lapse and surrender rate from March 31, 2018.
2. New business value and new business margin are calculated accumulating new business value for each month based on economic assumptions at the end of each month. The figures for FY18 onward reflect the revision in the insurance risk measurement method and others which revised in March 31, 2018. For details of the revision in the insurance risk measurement method and others, please refer to the Presentation Materials "Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 and Sony Life's Preliminary MCEV as of March 31, 2018."

*Please refer to the appendix page 41-44 for trend on bond yields and yield curves.

Sony Life's MCEV as of December 31, 2018 was ¥1,664.6 billion, decreased ¥50.6 billion from September 30, 2018, due mainly to a decrease in interest rates in Japanese yen.

New business value for FY18.3Q (3M) was ¥23.7 billion, due to a steady acquisition of new policies.

New business margin for FY18.3Q (3M) was up 0.4 percentage points from FY18.2Q (3M), due mainly to the level of U.S. dollar interest rates was higher through FY18.3Q (3M) compared with FY18.2Q (3M).

| (JPY bn) | Mar. 18 | Sep. 18 | Dec. 18 |
|--|---------|---------|----------------|
| Insurance risk | 497.5 | 488.7 | 513.9 |
| Market-related risk | 380.6 | 407.6 | 385.3 |
| <i>Of which, interest rate risk</i> | 275.3 | 300.7 | 264.1 |
| Operational risk | 31.0 | 33.0 | 31.9 |
| Counter party risk | 2.6 | 2.7 | 2.9 |
| Variance effect | (182.0) | (187.8) | (185.9) |
| The risk amount based on economic value | 729.7 | 744.1 | 748.0 |

| (JPY bn) | Mar. 18 | Sep. 18 | Dec. 18 |
|--------------------------------|---------|---------|----------------|
| MCEV + Frictional costs | 1,655.8 | 1,731.6 | 1,685.7 |
| ESR | 227% | 233% | 225% |

- ◆ The risk amount based on economic value as of December 31, 2018 amounted to ¥748.0 billion, up ¥3.9 billion from September 30, 2018, due mainly to an increase in insurance risk.
- ◆ ESR as of December 31, 2018 was 225%, down 7pt from September 30, 2018.

Notes:

1. The risk amount based on economic value refers to the total amount of Sony Life's risks comprehensively examined by a market consistent approach, including insurance risk and market-related risk and others.
2. The solvency risk capital on an economic value basis is calibrated at VaR (99.5) over one year and based on the internal model.
3. Risk amount excluding the variance effect within market-related risk.
4. ESR=(MCEV + Frictional costs) / Risk amount based on economic value.

The risk amount based on economic value as of December 31, 2018 amounted to ¥748.0 billion, up ¥3.9 billion from September 30, 2018, due mainly to an increase in insurance risk.

ESR as of December 31, 2018 was 225%, down 7 percentage points from September 30, 2018.

Consolidated adjusted ROE for FY18.3Q (9M) was 5.1%.
For details, please refer to page 45 to 47.

Appendix



◆ Sony Bank's Mortgage Loans through Sony Life

Sony Life accounts for 11% of the amount of new mortgage loans for FY18.3Q (9M)
Sony Life accounts for 20% of the balance of mortgage loans as of December 31, 2018

*Sony Life started handling banking agency business in January 2008.

◆ Sony Assurance's Automobile Insurance sold by Sony Life

Sony Life accounts for 5% of new automobile policies for FY18.3Q (9M)

*Sony Life started handling automobile insurance in May 2001.

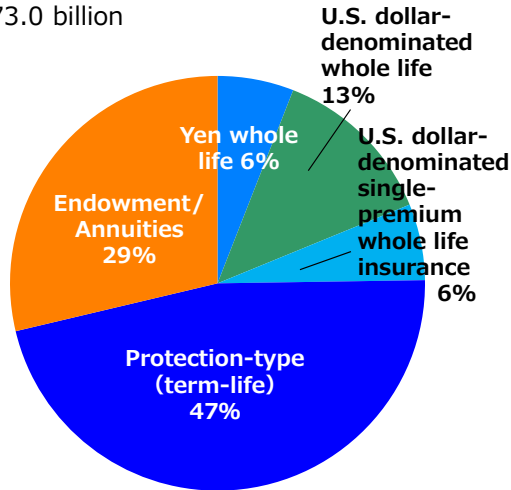
◆ Highlights on and after FY18.3Q

| | |
|------------|---|
| 2018-10-01 | Sony Bank began offering new mortgage loan, "Fixed-rate Select Mortgage Loan" and new group credit life insurance with disease protection rider |
| 2018-10-15 | Sony Assurance began selling new internet-only fire insurance |
| 2018-11-30 | Sony Financial Ventures Invested in CROWD CREDIT, Inc., a Social Lending Company |
| 2018-12-12 | Sony Life extended its simplified claims process for hospitalization benefits and operation insurance benefits |
| 2019-1-31 | Sony Lifecare announced to open new 5 th nursing care home in Shinjuku, Tokyo *planning to open in spring, 2020 |

Annualized Premiums from New Policies by Product

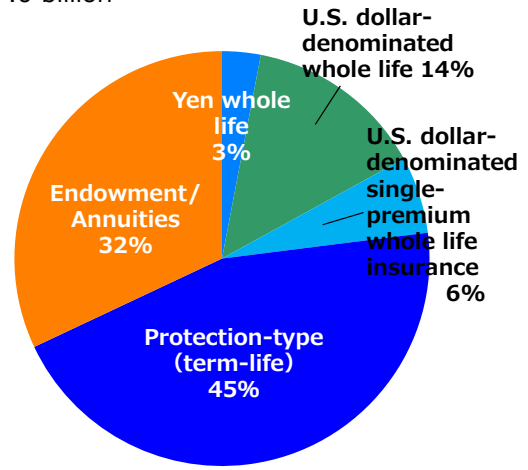
FY17 (12M)

¥73.0 billion



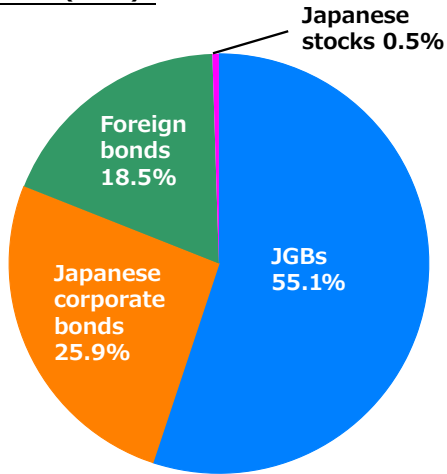
FY18.3Q (9M)

¥57.0 billion

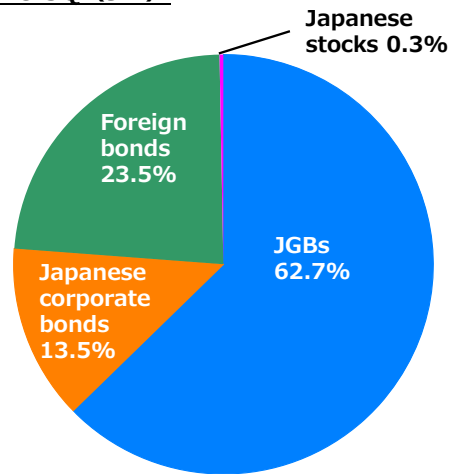


Purchase Securities in the General Account

FY17 (12M)



FY18.3Q (9M)



Notes:

1. Japanese corporate bonds include FILP agency bonds and Government-guaranteed bonds.
2. The graphs above are asset allocation for the relevant period. Total invested amount for the relevant period as 100%. (excluding, investment in subsidiaries and affiliates, and strategic investments)

Breakdown of General Account Assets

| | Mar. 18 | | Dec. 18 | |
|--|---------|--------|----------------|---------------|
| | Amount | % | Amount | % |
| Japanese bonds (including JGBs) | 7,281.1 | 86.3% | 7,637.9 | 85.4% |
| Japanese stocks | 38.4 | 0.5% | 29.2 | 0.3% |
| Foreign bonds | 366.5 | 4.3% | 503.4 | 5.6% |
| Foreign stocks | 30.3 | 0.4% | 24.2 | 0.3% |
| Money held in trust | 270.5 | 3.2% | 267.6 | 3.0% |
| Policy loans | 189.4 | 2.2% | 195.6 | 2.2% |
| Real estate* | 92.3 | 1.1% | 91.1 | 1.0% |
| Cash and call loans | 40.8 | 0.5% | 55.4 | 0.6% |
| Others | 129.1 | 1.5% | 141.0 | 1.6% |
| Total | 8,438.8 | 100.0% | 8,945.9 | 100.0% |

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

<Asset management review>

We have continued to accumulate ultralong-term bonds to match the liability characteristics of insurance policies with long-term maturities with the aim of reducing interest rate risk.



<Bond duration>

Mar. 17 21.3 years

Mar. 18 21.4 years

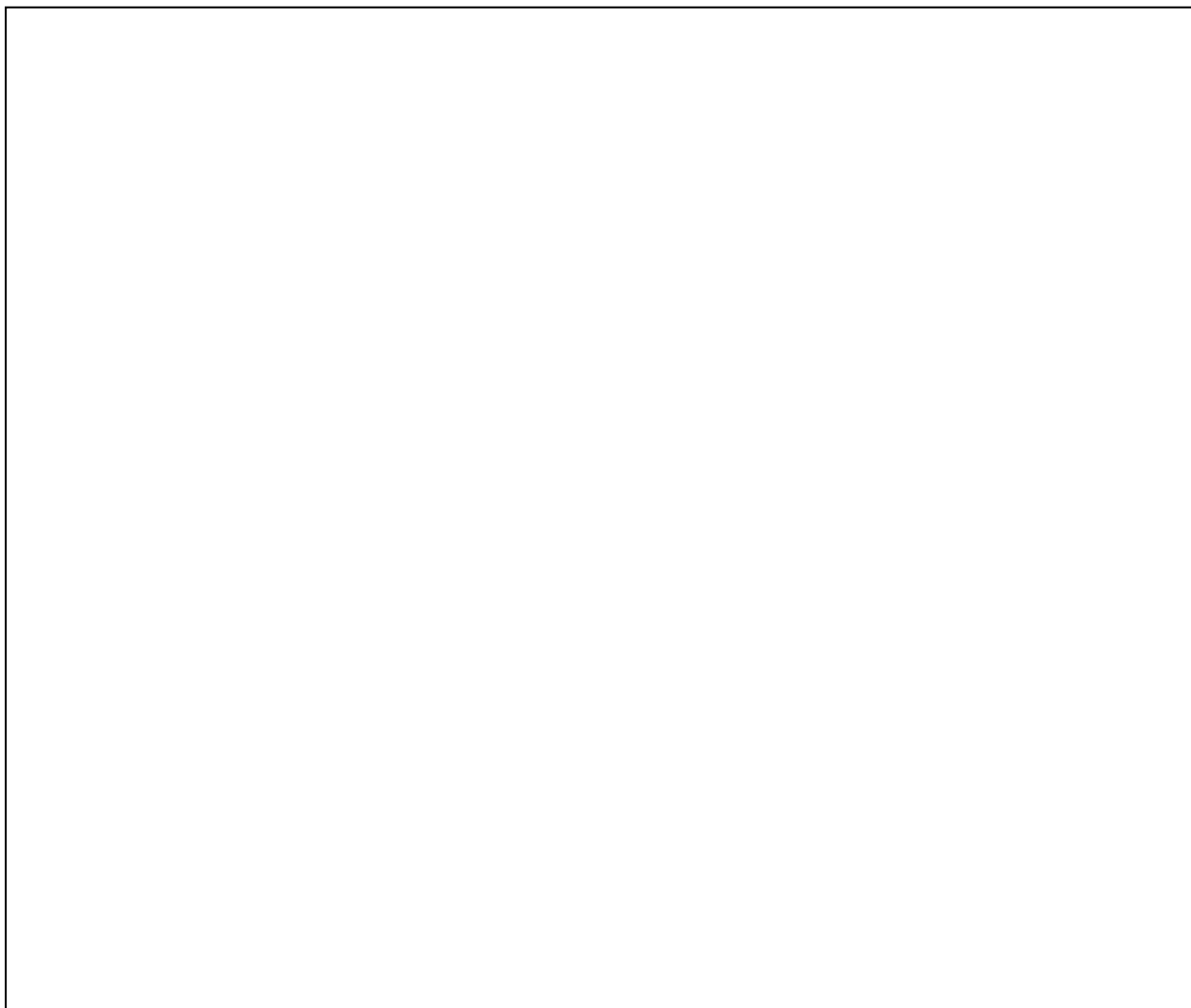
Dec. 18 21.3 years

- Investment in the money held in trust is mainly into Japanese bonds.
- The holding ratio on the real status of Japanese bonds including those invested in money held in trust in the general account :

Mar. 17 . . . 90.1%

Mar. 18 . . . 89.5%

Dec. 18 . . . 88.4%



Sony Life: Fair Value Information on Securities (General Account Assets)



Fair Value Information on Securities

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

| (JPY bn) | Mar. 17 | | | Mar. 18 | | | Dec. 18 | | |
|---------------------------------|-----------------|----------------|-------------------------------|-----------------|----------------|-------------------------------|-----------------|-----------------|-------------------------------|
| | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) | Carrying amount | Fair value | Net unrealized gains (losses) |
| Held-to-maturity securities | 6,068.6 | 7,514.2 | 1,445.5 | 6,467.9 | 8,050.6 | 1,582.6 | 6,711.2 | 8,320.7 | 1,609.5 |
| Policy reserve matching bonds | 277.3 | 303.3 | 25.9 | 401.9 | 436.8 | 34.8 | 603.6 | 647.4 | 43.8 |
| Available-for-sale securities | 896.5 | 1,069.9 | 173.3 | 921.9 | 1,091.1 | 169.1 | 965.1 | 1,123.7 | 158.6 |
| Japanese bonds (including JGBs) | 852.6 | 1,013.3 | 160.7 | 847.0 | 1,002.1 | 155.0 | 867.3 | 1,017.7 | 150.4 |
| Japanese stocks | 13.6 | 27.0 | 13.3 | 13.6 | 30.6 | 16.9 | 10.5 | 20.3 | 9.7 |
| Foreign securities | 30.0 | 29.1 | (0.8) | 61.0 | 58.1 | (2.9) | 87.1 | 85.3 | (1.7) |
| Other securities | 0.1 | 0.3 | 0.1 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.1 |
| Total | 7,242.5 | 8,887.5 | 1,644.9 | 7,791.9 | 9,578.6 | 1,786.7 | 8,279.9 | 10,091.8 | 1,811.9 |

Note: The above table includes money held in trust other than trading-purpose securities.

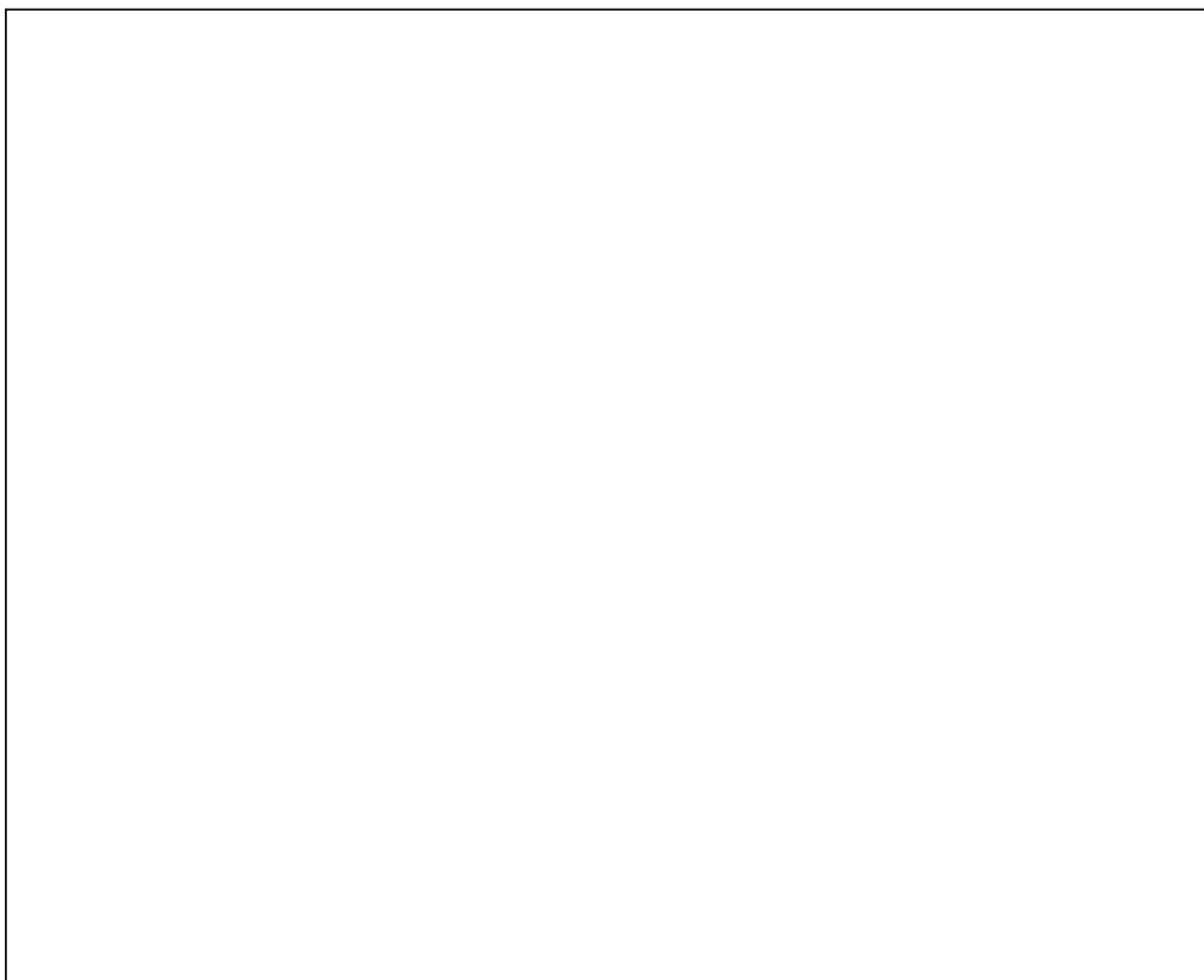
Valuation gains (losses) on trading-purpose securities

(JPY bn)

| Mar. 17 | | Mar. 18 | | Dec. 18 | |
|----------------------|---|----------------------|---|----------------------|---|
| Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income | Balance sheet amount | Net valuation gains (losses) recorded in income |
| 2.0 | (0.1) | – | (0.0) | 1.1 | (0.3) |

Sony Life's Interest Income and Dividends (Details)

| (JPY mn) | FY17.3Q(9M) | FY18.3Q(9M) | Change |
|------------------------------------|----------------|--------------------|---------------|
| Cash and deposits | 0 | 0 | + 145.4% |
| Japanese bonds (including JGBs) | 93,504 | 97,082 | + 3.8% |
| Japanese stocks | 380 | 377 | (0.9%) |
| Foreign securities | 10,479 | 14,538 | + 38.7% |
| Other securities | 127 | 293 | + 130.9% |
| Loans | 4,957 | 5,124 | + 3.4% |
| Real estate | 8,048 | 6,578 | (18.3%) |
| Others | 290 | 409 | + 40.9% |
| Total | 117,788 | 124,403 | + 5.6% |



Sony Life's Capital Gains (Losses)

| (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) | (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------------|--------------|---|--------------|--------------|
| Capital losses | 25,809 | 14,420 | Capital gains | 2,851 | 17,726 |
| Losses on trading securities, net | – | 293 | Income from trading securities, net | 47 | – |
| Losses on sale of securities…(3) | 0 | 34 | Gains on sale of securities…(3) | 0 | 4,581 |
| Devaluation losses on securities…(4) | – | 4,026 | Gains on derivatives, net | – | – |
| Losses on derivatives, net | 23,990 | 784 | Foreign exchange gains, net | 2,804 | 13,145 |
| Losses on hedges of variable life insurance…(1) | 13,515 | (1,696) | Gains on U.S. dollar-denominated insurance (foreign exchange gains in separate accounting) …(5) | 2,189 | 13,036 |
| Losses on hedges of available-for-sale securities…(2) | 5,877 | (1,692) | Other capital gains | – | – |
| Losses on U.S. dollar-denominated insurance…(5) | 3,445 | 4,141 | Net capital gains (losses) | (22,958) | 3,306 |
| Foreign exchange losses, net | – | – | | | |
| Other capital losses | 1,819 | 9,280 | | | |
| Losses on U.S. dollar-denominated insurance (the provision of policy reserves for foreign exchange fluctuations)…(5) | 1,155 | 9,280 | | | |

Note: The figures of income (losses) from trading securities, net, gains (losses) on derivatives and foreign exchange gains (losses), net were recorded after offsetting gains and losses of each item.

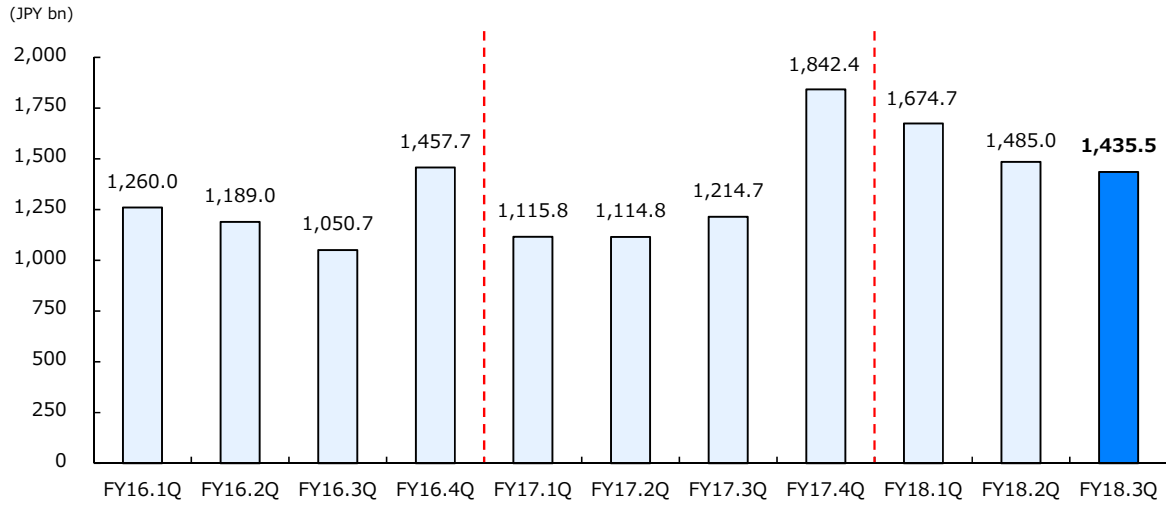
● Capital Gains (Losses) on Main Items, Net Amounts

| (JPY mn) | FY17.3Q (9M) | FY18.3Q (9M) |
|---|--------------|--------------|
| (1) Gains (Losses) on hedges of variable life insurance | (13,515) | 1,696 |
| (2) Gains (losses) on hedges of available-for-sale securities | (5,877) | 1,692 |
| (3) Gains (losses) on sale of securities | 0 | 4,547 |
| (4) Devaluation losses on securities | – | (4,026) |
| (5) Gains (losses) on U.S. dollar-denominated insurance | (2,411) | (384) |

Sony Life's Quarterly Trend on New Policy Amount



Quarterly Trend on New Policy Amount (Individual Life Insurance + Individual Annuities)



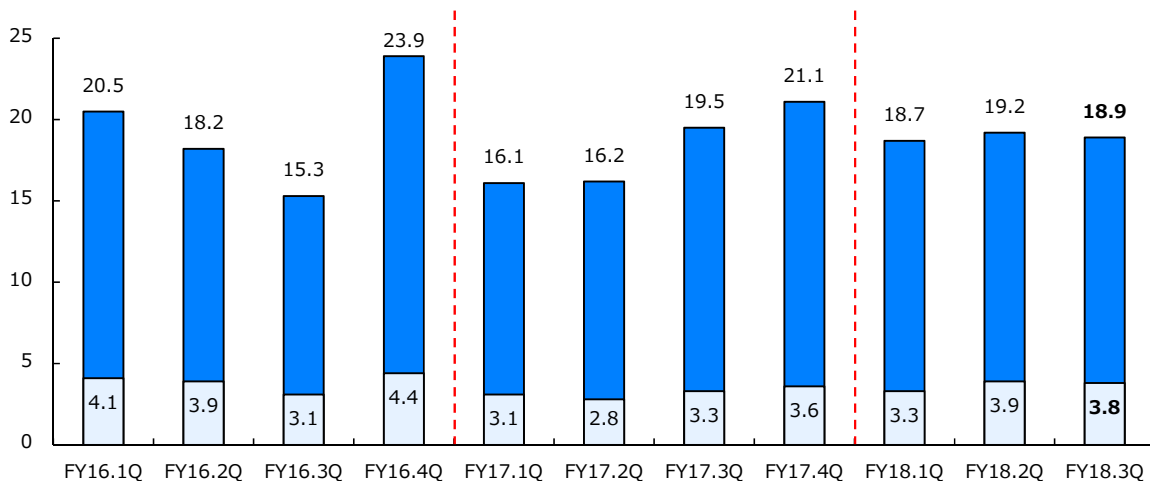
Sony Life's Quarterly Trend on Annualized Premiums from New Policies



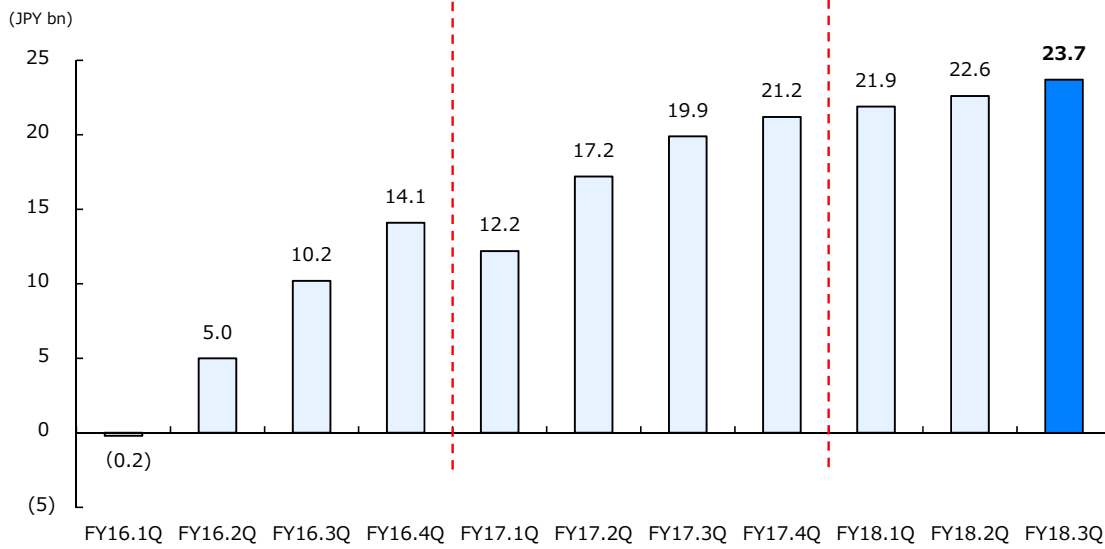
Quarterly Trend on Annualized Premiums from New Policies (Individual Life Insurance + Individual Annuities)

■ Annualized premiums from new policies □ Of which, third-sector

(JPY bn)



Quarterly Trend on New Business Value

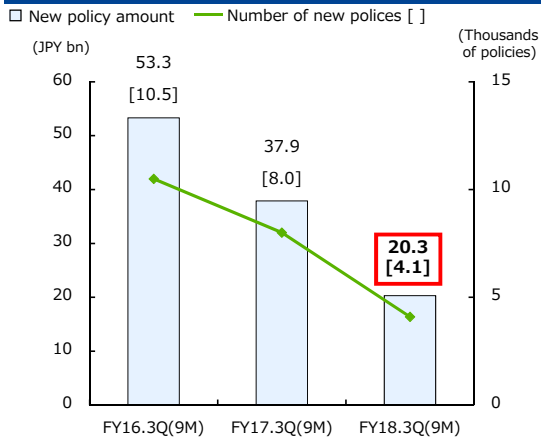


Note: New business value is calculated accumulating new business value for each month based on economic assumptions at the end of each month. The figures for FY18 onward reflect the revision in the insurance risk measurement method and others which revised on March 31, 2018.

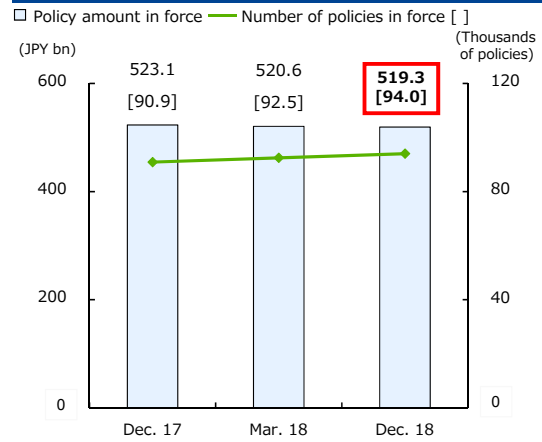


◆AEGON Sony Life Insurance sells individual variable annuities.

Number and Amount of New Policies



Number and Amount of Policies in Force

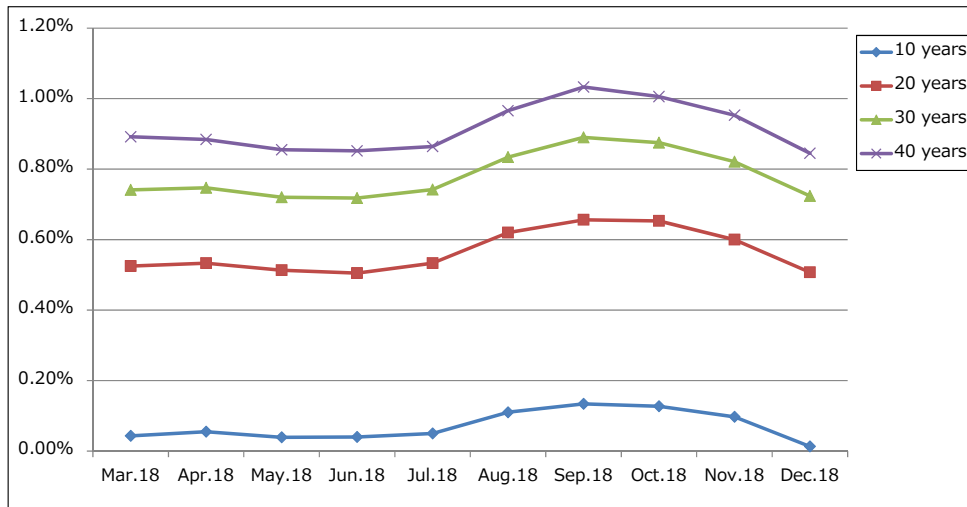


Net income (losses) for AEGON Sony Life Insurance and SA Reinsurance

| | (JPY bn) | FY17.3Q(9M) | FY18.3Q(9M) | Change |
|----------------------------------|----------|-------------|-------------|--------|
| AEGON Sony Life Insurance | | (3.3) | (2.6) | +0.7 |
| SA Reinsurance | | (0.2) | 1.7 | +2.0 |

AEGON Sony Life Insurance and SA Reinsurance are equity method companies, 50-50 joint venture established by Sony Life and AEGON Group. SA Reinsurance prepares its financial statements in accordance with U.S. GAAP. 50% of the net income (losses) for AEGON Sony Life Insurance and SA Reinsurance are recognized as investment profit (losses) on equity method in the SFH's consolidated net income.

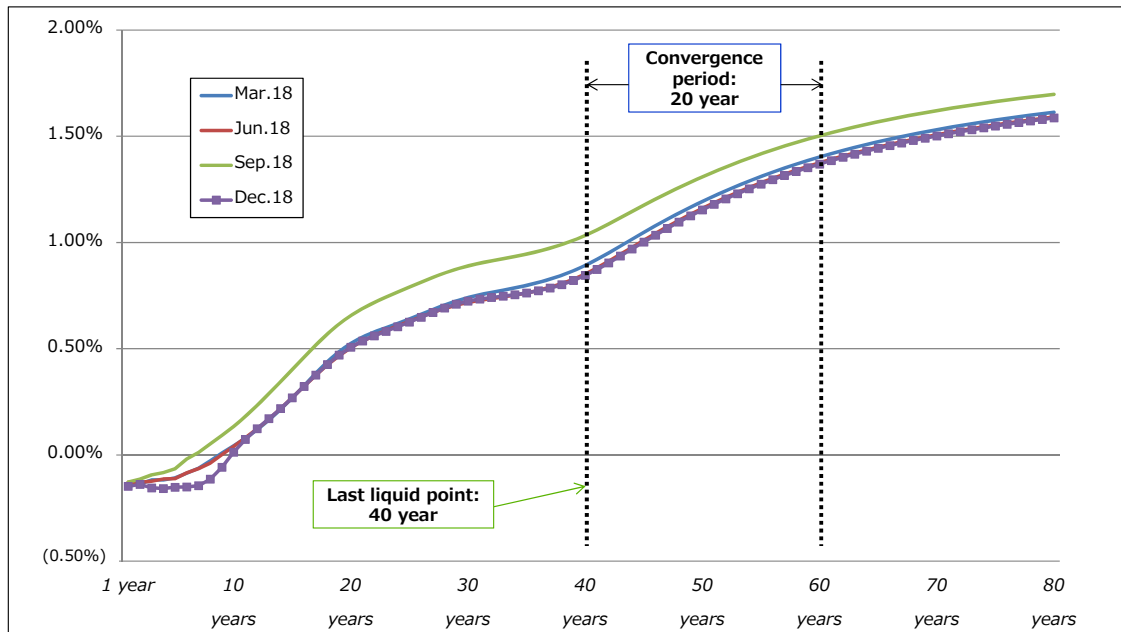
Trend on JGB Yields (Par rate)



As of the end of each month

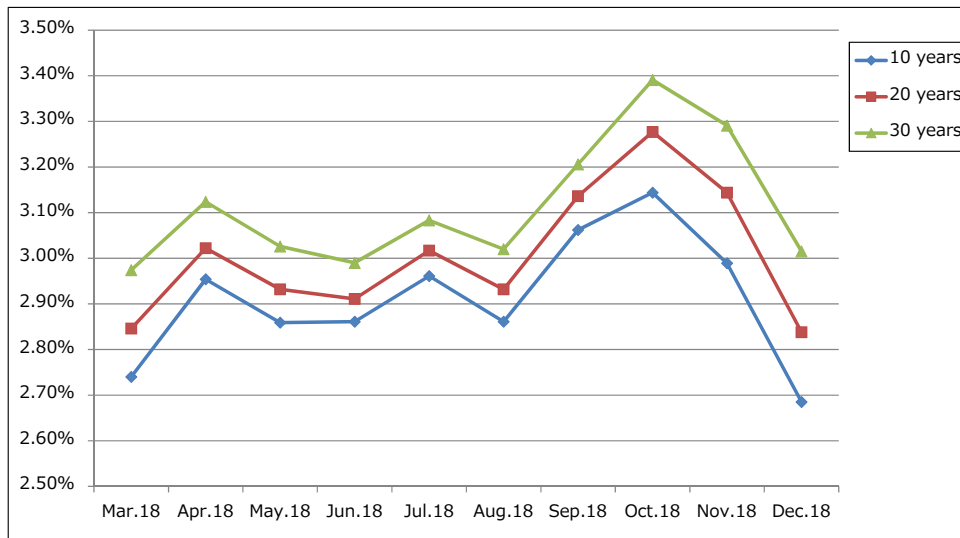
| | Mar.18 | Apr.18 | May.18 | Jun.18 | Jul.18 | Aug.18 | Sep.18 | Oct.18 | Nov.18 | Dec.18 |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 10 years | 0.04% | 0.06% | 0.04% | 0.04% | 0.05% | 0.11% | 0.13% | 0.13% | 0.10% | 0.01% |
| 20 years | 0.53% | 0.53% | 0.51% | 0.51% | 0.53% | 0.62% | 0.66% | 0.65% | 0.60% | 0.51% |
| 30 years | 0.74% | 0.75% | 0.72% | 0.72% | 0.74% | 0.83% | 0.89% | 0.88% | 0.82% | 0.72% |
| 40 years | 0.89% | 0.88% | 0.86% | 0.85% | 0.86% | 0.97% | 1.03% | 1.01% | 0.95% | 0.85% |

Trend on Risk-free Rate (Japanese yen/Par rate)



*For above risk-free rate, we employ the Smith-Wilson method for extrapolation so that the 60-year forward rate will coverage on the UFR (3.5%).

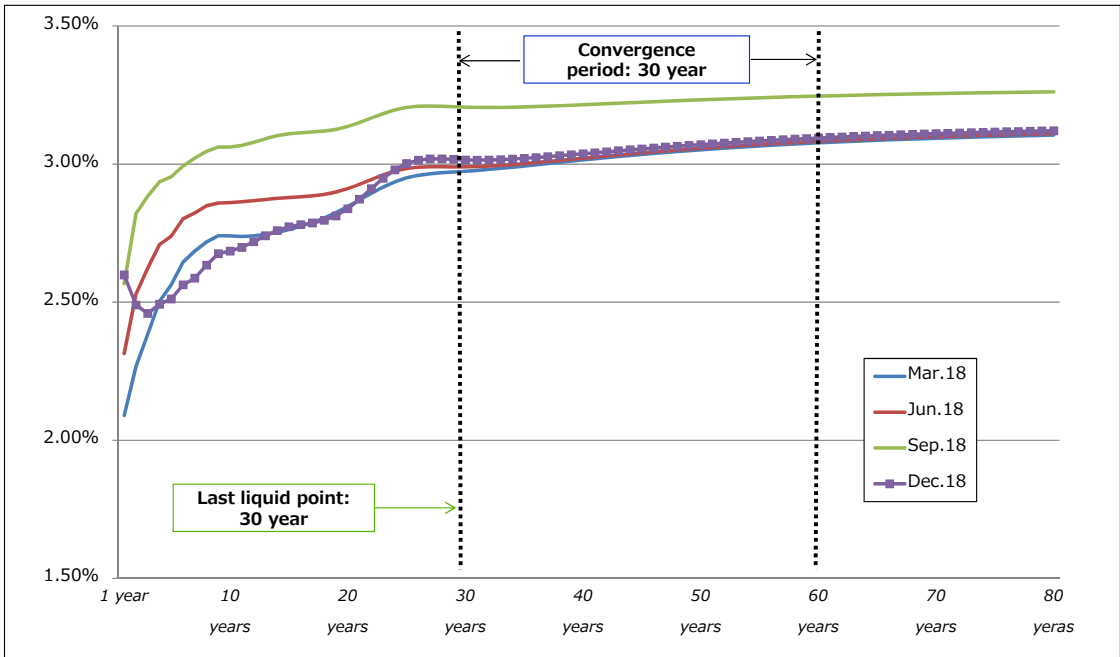
Trend on U.S. Dollar Bonds Yields (Par rate)



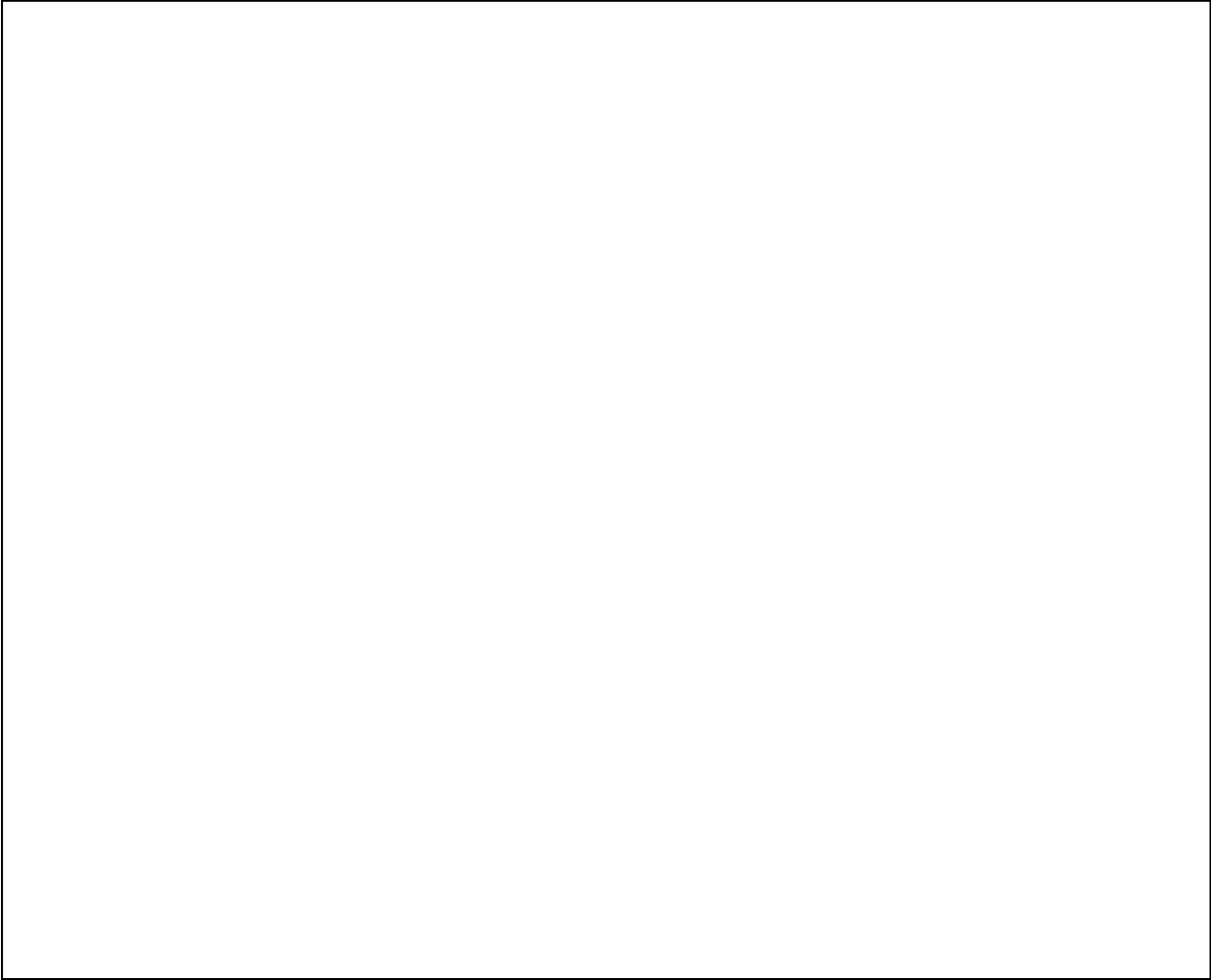
As of the end of each month

| | Mar.18 | Apr.18 | May.18 | Jun.18 | Jul.18 | Aug.18 | Sep.18 | Oct.18 | Nov.18 | Dec.18 |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 10 years | 2.74% | 2.95% | 2.86% | 2.86% | 2.96% | 2.86% | 3.06% | 3.14% | 2.99% | 2.69% |
| 20 years | 2.85% | 3.02% | 2.93% | 2.91% | 3.02% | 2.93% | 3.14% | 3.28% | 3.14% | 2.84% |
| 30 years | 2.97% | 3.12% | 3.03% | 2.99% | 3.08% | 3.02% | 3.21% | 3.39% | 3.29% | 3.02% |

Trend on Risk-free Rate (U.S. Dollar /Par rate)



*For above risk-free rate, we employ the Smith-Wilson method for extrapolation so that the 60-year forward rate will coverage on the UFR (3.5%).



Detail of Consolidated Adjusted ROE

| | FY2017 (12M) | FY17.3Q (9M) | FY18.3Q (9M) |
|-------------------------------|-----------------|-----------------|-------------------------|
| Consolidated Adjusted ROE | 6.1% | 4.5% | 5.1% |
| (Sony Life) Core ROEV* | 5.9% | 4.2% | 4.8% |
| (Sony Assurance) Adjusted ROE | 16.1% | 12.5% | 14.3% |
| (Sony Bank) ROE | 5.5% | 3.9% | 5.3% |

*The figures for FY17 and FY17.3Q excluded the impact of the revision in the insurance risk measurement method and others for Sony Life.

Detail of Consolidated Adjusted Profit and Consolidated Adjusted Capital

Adjusted profit (Numerator)

| Sony Financial Group (consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------|--------------|--------------|
| Adjusted profit (consolidated) | 98.8 | 70.8 | 90.8 |

| Sony Life (non-consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------|--------------|--------------|
| New business value ^① | 70.4 | 49.2 | 68.2 |
| Expected existing business contribution ^② | 16.3 | 12.8 | 10.7 |
| Adjusted profit | 86.7 | 62.0 | 78.9 |

| Sony Assurance (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|---|--------|--------------|--------------|
| Net income | 4.8 | 3.6 | 5.2 |
| Provision amount for catastrophe reserve (after tax) | 2.4 | 1.8 | 1.9 |
| Provision amount for reserve for price fluctuations (after tax) | 0.0 | 0.0 | 0.0 |
| Adjusted profit | 7.3 | 5.5 | 7.2 |

| Sony Bank (consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------|--------------|--------------|
| Profit attributable to owners of the parent | 4.7 | 3.3 | 4.6 |

Adjusted capital (Denominator)

| Sony Financial Group (consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|---------|--------------|----------------|
| Adjusted capital (consolidated) | 1,607.6 | 1,592.2 | 1,773.5 |

| Sony Life (non-consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|---|---------|--------------|----------------|
| ① MCEV as of the beginning of the fiscal year | 1,441.0 | 1,441.0 | 1,633.1 |
| ② Dividends paid | 23.1 | 23.1 | 26.2 |
| ③ MCEV as of the end of the period ^{**3} | 1,536.5 | 1,509.5 | 1,664.6 |
| Adjusted capital (① - ② + ③) / 2 | 1,477.2 | 1,463.7 | 1,635.7 |

| Sony Assurance (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------|--------------|--------------|
| ① The average amount of net assets during the period | 33.1 | 31.6 | 35.3 |
| ② The average amount of catastrophe reserve (after tax) during the period | 15.0 | 14.4 | 17.0 |
| ③ The average amount of reserve for price fluctuations (after tax) during the period | 0.1 | 0.1 | 0.1 |
| Adjusted capital (① + ② + ③) | 45.2 | 44.1 | 50.4 |

| Sony Bank (consolidated) (JPY bn) | FY2017 | FY17.3Q (9M) | FY18.3Q (9M) |
|--|--------|--------------|--------------|
| Adjusted capital (The average amount of net assets during the period) | 85.1 | 84.3 | 87.3 |

*1. Please keep in mind that the validity of these calculations has not been verified by outside specialists for the figures for FY17.3Q and FY18.3Q.

*2. Please keep in mind that the validity of these calculations has not been verified by outside specialists.

*3. The figures for FY17 and FY17.3Q excluded the impact of the revision in the insurance risk measurement method and others.

Note: The figures on this page unit have been truncated. Therefore, some figures may differ from other pages.

Definition of Consolidated Adjusted ROE

Calculation of Consolidated Adjusted ROE

Since each company of Sony Financial Group differs by industry such as insurance and banking, each group company calculate its "Adjusted ROE" based on adjusted profit and adjusted capital to realize its corporate value and capital efficiency.

| Sony Financial Group * | | | |
|---|---|---|--|
| | Sony Life Core ROEV | Sony Assurance Adjusted ROE | Sony Bank ROE |
| Numerator (Adjusted profit) | New business value + Expected existing business contribution ① | + Net income (loss) + Provision amount for catastrophe reserve and its provision amount for reserve for price fluctuations, in each case after taxes ② | + Profit (loss) attributable to owners of the parent ③ |
| Denominator (Adjusted capital) | + MCEV as of the beginning of the fiscal year less dividends paid plus MCEV as of the end of the fiscal year, divided by two. ④ | + The average amount of net assets plus the sum of catastrophe reserve and its reserve for price fluctuations during the fiscal year, in each case after taxes ⑤ | + The average amount of net assets during the fiscal year ⑥ |

* Consolidated Adjusted ROE = Consolidated Adjusted Profit divided by Consolidated Adjusted Capital
 Consolidated Adjusted Profit = ①+②+③
 Consolidated Adjusted Capital = ④+⑤+⑥



Contact :
Investor Relations Department
Sony Financial Holdings Inc.
TEL : +81-3-5290-6500

