

## Consolidated Financial Summary(Japanese GAAP) for the Nine Months Ended December 31, 2012

February 14, 2013

Company name: Sony Financial Holdings Inc.  
(URL: [http://www.sonyfh.co.jp/web/index\\_en.html](http://www.sonyfh.co.jp/web/index_en.html))  
Stock exchange listing: Tokyo Stock Exchange (code number: 8729)  
Representative: Katsumi Ihara, President and Representative Director  
Inquiries: Masaaki Konoo, General Manager—Corporate Communications & Investor Relations Dept.  
(Fractional amounts of less than ¥1 million are discarded.)

### 1. Consolidated financial results for the nine months ended December 31, 2012

#### (1) Operating results

	Ordinary Revenues		Ordinary Profit		Net Income	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For the nine months ended December 31, 2012	871,505	10.8	55,492	3.0	32,781	44.5
For the nine months ended December 31, 2011	786,368	5.4	53,892	(22.3)	22,690	(40.9)

Note: Comprehensive Income: For the nine months ended December 31, 2012: ¥46,867 million: 14.4%  
For the nine months ended December 31, 2011: ¥40,984 million: 7.3%

	Net Income per Share	Net Income per Share (Fully Diluted)
	Yen	Yen
For the nine months ended December 31, 2012	75.36	—
For the nine months ended December 31, 2011	52.16	—

#### (2) Financial conditions

	Total Assets	Total Net Assets	Net Asset Ratio
	Millions of yen	Millions of yen	%
As of December 31, 2012	7,796,769	385,968	4.9
As of March 31, 2012	7,241,414	347,800	4.8

Notes: Shareholders' equity: As of December 31, 2012 : ¥384,613 million  
As of March 31, 2012: ¥346,540 million

### 2. Dividends

Record date	Dividend per Share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March 31, 2012	—	0.00	—	20.00	20.00
For the year ending March 31, 2013	—	0.00	—		
For the year ending March 31, 2013 (forecast)				25.00	25.00

Notes: Changes in dividend forecast since the most recent public announcement: None

### 3. Forecast of consolidated financial results for the year ending March 31, 2013

(Percentage figures represent changes from the results of the previous fiscal year.)

	Ordinary Revenues		Ordinary Profit		Net Income		Net Income per Share
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Yen
For the year ending March 31, 2013	1,157,000	7.3	74,000	(0.8)	41,000	25.0	94.25

### 4. Notes

- (1) Changes in scope of consolidation during the period under review (changes in specified subsidiaries accompanying changes in scope of consolidation): Yes

Excluded: Two companies; Corporate name: Sony Bank Securities Inc. • Sony Life Insurance (Philippines) Corporation

Note: For details, please refer to the section entitled "1. Changes in scope of consolidation during the period under review" under "II. Notes Regarding Summary Information" on page 5 of the attachment.

- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: None

- (3) Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements

(a) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: None

(b) Changes in accounting policies due to other reasons: Yes

(c) Changes in accounting estimates: Yes

(d) Restatements of the consolidated financial statements: None

Notes: Article 10-5 of the Ordinance on Terminology, Forms and Preparation Methods of Quarterly Financial Statements, etc., has been applied. For details, please refer to the section entitled "2. Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements" under "II. Notes Regarding Summary Information" on page 5 of the attachment.

- (4) Number of shares outstanding (common stock)

- (a) Number of shares outstanding (including treasury shares)

As of December 31, 2012: 435,000,000 shares

As of March 31, 2012: 435,000,000 shares

- (b) Number of treasury shares

As of December 31, 2012: — shares

As of March 31, 2012: — shares

- (c) Weighted-average number of shares

For the nine months ended December 31, 2012: 435,000,000 shares

For the nine months ended December 31, 2011: 435,000,000 shares

### Status of quarterly review procedures

Quarterly review procedures are completed by PricewaterhouseCoopers Aarata in accordance with Article 193-2-1 of the Financial Instruments and Exchange Law of Japan. However, quarterly consolidated financial statements in this document are not subject to such quarterly review procedures.

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\* The Conference Call for explaining the Sony Financial Group financial results will be held at 16:00 (Tokyo), February 14, 2013.

We are sorry for any inconvenience that our Conference Call will be held only in Japanese.

We will upload the Presentation Materials with speech text on February 14, 2013 after 15:00, and its Q&A summary at a later date on Earnings Releases and Presentation Materials page on our website:

[http://www.sonyfh.co.jp/web/en/financial\\_info\\_e/results.html](http://www.sonyfh.co.jp/web/en/financial_info_e/results.html)

\* On February 14, 2013, SFH's significant subsidiaries: Sony Life Insurance Co., Ltd. (Sony Life), Sony Assurance Inc. (Sony Assurance) and Sony Bank Inc. (Sony Bank) will announce its financial results for the nine months ended December 31, 2012. SFH prepared an English-language summary of those Japanese announcements made by the above subsidiaries, solely for convenience of non-Japanese readers.

## I. Qualitative Information and Financial Statements

### 1. Qualitative Information on Consolidated Operating Performance

During the nine months ended December 31, 2012 (April 1, 2012 to December 31, 2012), **consolidated ordinary revenues** grew 10.8% compared with the same period of the previous fiscal year, to ¥871.5 billion, owing to increases in ordinary revenues from the all businesses: life insurance, non-life insurance and banking. **Consolidated ordinary profit** increased 3.0% year on year, to ¥55.4 billion. By business segment, ordinary profit from the life insurance business increased, whereas ordinary profit from the non-life insurance and banking businesses decreased year on year.

After accounting for extraordinary losses, provision of reserve for policyholders' dividends and income taxes, **consolidated net income** for the nine months ended December 31, 2012, was up 44.5% year on year, to ¥32.7 billion reflecting the previous period's increase in deferred income taxes owing to the partial reversal of deferred tax assets associated with the reduction in the corporate tax rate.

#### Segment Information by Business

Figures from each business do not reflect intersegment adjustments.

##### < Life insurance business >

In the life insurance business, income from insurance premiums increased 9.2% compared with the same period of the previous fiscal year, to ¥657.4 billion, owing to a steady increase in the policy amount in force. Investment income increased 33.3% to ¥111.5 billion due to an improvement in investment income on separate accounts due to the market recovery towards the end of December 2012. As a result, ordinary revenues increased 11.4% year on year, to ¥784.3 billion. Ordinary profit increased 4.4% year on year, to ¥51.7 billion, due mainly to a decrease in provision of policy reserves for minimum guarantees for variable life insurance and a recovery from negative spread into positive at Sony Life. These positive factors surpassed the company's negative effects stemming from recording higher profit in the previous period due to the reversal of reserve for outstanding claims related to the Great East Japan Earthquake and the sale of securities in line with shifting its bond holdings to ultralong-term bonds.

##### < Non-life insurance business >

In the non-life insurance business, net premiums written increased 6.0% compared with the same period of the previous fiscal year, to ¥62.9 billion, due to growth in the number of insurance policies in force centered on its mainstay automobile insurance. Consequently, ordinary revenues rose 6.1% year on year, to ¥63.8 billion. On the other hand, ordinary profit decreased 37.8% year on year, to ¥1.0 billion, owing to a rise in the loss ratio due mainly to higher insurance payments per claim for automobile insurance which offset the positive impact of increased ordinary revenues.

##### < Banking business >

In the banking business, ordinary revenues increased 5.5% compared with the same period of the previous fiscal year, to ¥25.1 billion, due to an increase in net fees and commissions resulting from Sony Bank's July 1, 2011 acquisition of SmartLink Network, Inc., which became its consolidated subsidiary. The operating results of SmartLink Network, Inc. are included in SFH's scope of consolidation from the beginning of the nine months of this fiscal year ended December 31, 2012, whereas they were included in only part of the previous period. Gross operating profit increased 1.9% year on year, to ¥15.3 billion, due to higher net interest income due to a growing balance of mortgage loans, as well as the aforementioned improvement in net fees and commissions, which offset a decrease in profit related to foreign currency transactions. General and administrative expenses increased 5.7% year on year, to ¥12.7 billion. As a result, ordinary profit decreased 1.0% year on year, to ¥2.5 billion.

Goodwill amortization of ¥0.3 billion\* is included in SFH's financial results in the banking business, although it is not included in Sony Bank's financial results (consolidated).

\* Goodwill arose through SFH's purchase in March 2008 of shares in Sony Bank held by minority interests, converting Sony Bank to a wholly owned subsidiary. This goodwill is being amortized on a straight-line basis over five years.

## Ordinary Revenues

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012	Change (%)
Life insurance business	703,971	784,377	11.4
Non-life insurance business	60,144	63,823	6.1
Banking business	23,840	25,149	5.5
Subtotal	787,956	873,350	10.8
Intersegment adjustments	(1,587)	(1,844)	—
Consolidated	786,368	871,505	10.8

## Ordinary Profit

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012	Change (%)
Life insurance business	49,591	51,789	4.4
Non-life insurance business	1,694	1,053	(37.8)
Banking business	2,534	2,507	(1.0)
Subtotal	53,819	55,351	2.8
Intersegment adjustments*	72	141	95.1
Consolidated	53,892	55,492	3.0

\*Amounts in the ordinary profit in the “Intersegment adjustments” are mainly from SFH.

## 2. Qualitative Information on Consolidated Financial Position

As of December 31, 2012, **total assets** amounted to ¥7,796.7 billion, up 7.7% from March 31, 2012. Among major components of assets, securities, mostly Japanese government bonds, amounted to ¥5,993.0 billion, up 8.3% from March 31, 2012. Loans came to ¥1,071.9 billion, up 9.9%, and monetary trusts amounted to ¥308.4 billion, up 1.8% from March 31, 2012.

**Total liabilities** were ¥7,410.8 billion, up 7.5% from March 31, 2012. Major components of liabilities included policy reserves and others of ¥5,378.9 billion, up 8.4%, and deposits totaled ¥1,868.3 billion, up 6.1%.

**Total net assets** were ¥385.9 billion, up 11.0% from March 31, 2012. This included net unrealized gains on other securities, net of taxes, which increased ¥14.0 billion, to ¥51.0 billion.

## 3. Consolidated Financial Forecast for the Year Ending March 31, 2013

SFH announced its revised consolidated financial forecast for the year ending March 31, 2013 (April 1, 2012, through March 31, 2013) on February 7, 2013. The previous forecast was announced on May 10, 2012.

SFH revised its consolidated financial forecast for the year ending March 31, 2013, as follows.

[For the full year]

(Billions of yen)

	(Actual) Year ended March 31, 2012 (Apr.1, 2011, to Mar. 31, 2012)	Updated forecast for the year ending March 31, 2013 (Apr. 1, 2012, to Mar. 31, 2013)
Ordinary revenues	1,078.0	1,157.0
Ordinary profit	74.6	74.0
Net income	32.8	41.0

(Reference)

Forecasts of ordinary revenues and ordinary profit from each business for the year ending March 31, 2013, are as follows. The previous forecasts were disclosed in the Consolidated Financial Summary for the year ended March 31, 2012, on May 18, 2012, except for ordinary revenues from the non-life insurance business, which was revised on November 14, 2012.

Actual results figures for the year ended March 31, 2012 from each business do not reflect intersegment adjustments whereas forecast figures for the year ending March 31, 2013 reflect them.

#### <Life insurance business>

As operating results for the nine months ended December 31, 2012 exceeded our previous forecast in the life insurance business, SFH revises upward its financial forecast for the year ending March 31, 2013.

The updated forecast reflects the movements of financial market in early January 2013 and other factors. However, the figures stated above may differ from actual results for a variety of reasons.

[For the full year]

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2012	Formerly announced forecast for the year ending March 31, 2013	<b>Updated forecast for the year ending March 31, 2013</b>
Ordinary revenues	967.5	994.5	<b>1,038.1</b>
Ordinary profit	68.1	61.5	<b>68.5</b>

#### <Non-life insurance business>

The forecast of ordinary revenues and ordinary profit for the year ending March 31, 2013, are unchanged.

[For the full year]

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2012	<b>Forecast for the year ending March 31, 2013</b>
Ordinary revenues	80.0	<b>85.0</b>
Ordinary profit	2.8	<b>2.6</b>

#### <Banking business>

The forecast of ordinary revenues and ordinary profit for the year ending March 31, 2013, are unchanged.

[For the full year]

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2012	<b>Forecast for the year ending March 31, 2013</b>
Ordinary revenues	32.5	<b>34.5</b>
Ordinary profit	3.4	<b>3.6</b>

Note: Fractional amounts of less than ¥ 0.1 billion are discarded for ordinary revenues, ordinary profit and net income.

## **II. Notes Regarding Summary Information**

### **1. Changes in scope of consolidation during the period under review**

Sony Bank Securities Inc. has been excluded from the scope of consolidation during the second quarter, owing to the transfer of all shares in the company by SFH's banking subsidiary (Sony Bank Inc.). Sony Life Insurance (Philippines) Corporation has been excluded from the scope of consolidation during the third quarter, owing to the transfer of all shares in the company by SFH's life insurance subsidiary (Sony Life Insurance Co., Ltd.).

### **2. Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements**

(Changes in method of depreciation for Tangible fixed assets)

In the past, SFH and its domestic consolidated subsidiaries used the declining-balance method to depreciate certain of their tangible fixed assets. However, to ensure consistency with SFH's parent company, this has been changed to the straight-line method, beginning in the first quarter of the fiscal year ending March 31, 2013. Consequently, during the nine months depreciation and amortization and depreciation of real estate for rent and others were each ¥302 million lower, and ordinary profit and income before income taxes were ¥302 million higher than they would have been under the previous method.

### **III. Consolidated Financial Statements**

#### **1. Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2012	As of December 31, 2012
<b>Assets</b>		
Cash and due from banks	¥118,877	¥96,231
Call loans and bills bought	66,300	50,400
Monetary trusts	303,058	308,443
Securities	5,531,585	5,993,027
Loans	975,032	1,071,943
Tangible fixed assets	75,169	73,856
Intangible fixed assets	36,636	37,846
Goodwill	839	403
Others	35,796	37,442
Due from reinsurers	79	267
Foreign exchanges	8,936	10,728
Other assets	92,416	125,041
Deferred tax assets	34,171	29,860
Customers' liabilities for acceptances and guarantees	1,000	1,000
Reserve for possible loan losses	(1,848)	(1,876)
<b>Total Assets</b>	<b>¥7,241,414</b>	<b>¥7,796,769</b>



(Millions of yen)

	As of March 31, 2012	As of December 31, 2012
<b>Liabilities</b>		
Policy reserves and others	¥4,963,025	¥5,378,958
Reserve for outstanding claims	48,233	51,282
Policy reserves	4,910,669	5,323,622
Reserve for policyholders' dividends	4,122	4,053
Due to agencies	1,664	1,450
Due to reinsurers	647	507
Deposits	1,760,853	1,868,301
Call money and bills sold	10,000	10,000
Borrowed money	2,000	2,000
Foreign exchanges	35	18
Bonds payable	10,000	10,000
Other liabilities	93,563	82,020
Reserve for employees' bonuses	2,944	1,708
Reserve for employees' retirement benefits	21,547	23,543
Reserve for directors' retirement benefits	354	381
Special reserves	25,386	30,321
Reserve for price fluctuations	25,380	30,321
Reserve for financial products transaction liabilities	6	—
Deferred tax liabilities on land revaluation	589	589
Acceptances and guarantees	1,000	1,000
<b>Total Liabilities</b>	<b>6,893,613</b>	<b>7,410,801</b>
<b>Net Assets</b>		
Common stock	19,900	19,900
Capital surplus	195,277	195,277
Retained earnings	98,677	122,759
Total shareholders' equity	313,854	337,936
Net unrealized gains on other securities, net of taxes	36,949	51,039
Net deferred losses on hedging instruments, net of taxes	(2,414)	(2,966)
Land revaluation, net of taxes	(1,395)	(1,395)
Foreign currency translation adjustments	(453)	—
Total accumulated other comprehensive income	32,685	46,677
Minority interests	1,260	1,354
<b>Total Net Assets</b>	<b>347,800</b>	<b>385,968</b>
<b>Total Liabilities and Net Assets</b>	<b>¥7,241,414</b>	<b>¥7,796,769</b>

**2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**(Consolidated Statements of Income)**

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012
Ordinary Revenues	¥786,368	¥871,505
Ordinary Revenues from the Life Insurance Business	702,472	782,667
Income from insurance premiums	601,520	656,715
Investment income	83,373	111,240
(Interest income and dividends)	72,314	80,092
(Income from monetary trusts, net)	3,958	3,934
(Gains on sale of securities)	7,088	2,458
(Gains on separate accounts, net)	—	24,739
Other ordinary income	17,578	14,711
Ordinary Revenues from the Non-life Insurance Business	60,142	63,823
Underwriting income	59,449	63,011
(Net premiums written)	59,426	62,987
(Interest and dividends on deposits of premiums)	23	24
Investment income	651	743
(Interest income and dividends)	647	743
(Gains on sale of securities)	23	24
(Transfer to interest and dividends on deposits of premiums)	(23)	(24)
Other ordinary income	42	68
Ordinary Revenues from the Banking Business	23,753	25,015
Interest income	18,551	19,238
(Interest income on loans)	9,919	10,367
(Interest income and dividends on securities)	8,593	8,814
Fees and commissions	3,263	3,968
Other operating income	1,892	1,715
(Gains on foreign exchange transactions, net)	1,329	1,157
Other ordinary income	46	92

(Continued)

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012
Ordinary Expenses	¥732,476	¥816,013
Ordinary Expenses from the Life Insurance Business	654,027	732,111
Insurance claims and other payments	216,472	215,554
(Insurance claims)	52,627	51,683
(Annuity payments)	5,735	6,704
(Insurance benefits)	33,552	37,398
(Surrender payments)	121,257	116,510
(Other payments)	1,803	1,833
Provision for policy reserves and others	315,000	409,557
Provision for policy reserves	314,989	409,547
Interest portion of reserve for policyholders' dividends	11	9
Investment expenses	29,728	9,317
(Interest expenses)	44	30
(Losses on sale of securities)	1,847	1,587
(Devaluation losses on securities)	1,470	327
(Losses on separate accounts, net)	18,792	—
Operating expenses	77,547	79,934
Other ordinary expenses	15,278	17,748
Ordinary Expenses from the Non-life Insurance Business	58,049	62,304
Underwriting expenses	43,905	47,340
(Net losses paid)	32,951	35,041
(Loss adjustment expenses)	3,797	4,241
(Net commission and brokerage fees)	761	734
(Provision for reserve for outstanding losses)	2,325	3,594
(Provision for underwriting reserves)	4,068	3,727
Investment expenses	2	5
Operating, general and administrative expenses	14,092	14,943
Other ordinary expenses	49	14

(Continued)

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012
Ordinary Expenses from the Banking Business	¥20,398	¥21,597
Interest expenses	6,558	6,138
(Interest expenses on deposits)	5,111	4,934
Fees and commissions	1,031	1,128
Other operating expenses	432	1,518
General and administrative expenses	11,879	12,631
Other ordinary expenses	496	181
Ordinary Profit	53,892	55,492
Extraordinary Gains	0	—
Gains on disposal of fixed assets	0	—
Extraordinary Losses	6,399	6,338
Losses on disposal of fixed assets	31	15
Impairment losses	249	82
Provision for special reserves	6,118	4,940
Provision for reserve for price fluctuations	6,118	4,940
Losses on sales of shares of subsidiaries and affiliates	—	1,299
Others	—	0
Provision (Reversal) for Reserve for Policyholders' Dividends	(113)	136
Income Before Income Taxes	47,606	49,017
Income Taxes	24,849	16,141
- Current	19,705	18,375
- Deferred	5,144	(2,233)
Income Before Minority Interests	22,756	32,875
Minority interests in income	66	94
Net Income	¥22,690	¥32,781

**2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

	For the nine months ended December 31, 2011	For the nine months ended December 31, 2012
Income Before Minority Interests	¥22,756	¥32,875
Other comprehensive income		
Net unrealized gains on other securities, net of taxes	19,377	14,090
Net deferred losses on hedging instruments, net of taxes	(1,102)	(552)
Land revaluation, net of taxes	103	—
Foreign currency translation adjustments	(149)	453
Share of other comprehensive income of affiliates accounted for using equity method	(2)	(0)
Total other comprehensive income	18,227	13,991
Comprehensive income	¥40,984	¥46,867
(Details)		
Comprehensive income attributable to parent company	40,918	46,773
Comprehensive income attributable to minority interests	66	94

### 3. Segment Information

For the nine months ended December 31, 2011

(1) Segment Information by reporting segment

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues				
External customers	¥702,472	¥60,142	¥23,753	¥786,368
Intersegment	1,499	1	86	1,587
Total	703,971	60,144	23,840	787,956
Segment profit	¥49,591	¥1,694	¥2,534	¥53,819

(2) Reconciliations of the totals of reportable segments' profit to quarterly consolidated statement of income

	Millions of yen
Totals of reporting segments	¥53,819
Adjustments for intersegment transactions	7
Amount not allocated to reportable segments	64
Ordinary profit in quarterly consolidated statement of income	¥53,892

(3) Information on impairment loss on fixed assets and goodwill by reporting segment

None

For the nine months ended December 31, 2012

(1) Segment Information by reporting segment

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues				
External customers	¥782,667	¥63,823	¥25,015	¥871,505
Intersegment	1,710	0	134	1,844
Total	784,377	63,823	25,149	873,350
Segment profit	¥51,789	¥1,053	¥2,507	¥55,351

(2) Reconciliations of the totals of reportable segments' profit to quarterly consolidated statement of income

	Millions of yen
Totals of reporting segments	¥55,351
Adjustments for intersegment transactions	5
Amount not allocated to reportable segments	136
Ordinary profit in quarterly consolidated statement of income	¥55,492

(3) Information on impairment loss on fixed assets and goodwill by reporting segment

None

#### 4. Subsequent Events

##### Issuance of Straight Bonds

December 25, 2012-At a Board of Directors' Meeting resolved to issue straight bonds.

Name	Sony Financial Holdings Inc. No. 2 Straight Bonds
Total amount	¥10 billion
Subscription date	January 31, 2013
Subscription amount	¥100 per each ¥100 of face value
Interest rate	0.434% per annum
Redemption date and method	February 5, 2018, lump-sum payment at maturity
Use of funds	Sony Financial Holdings used the funds raised through this issue as investment funds loaned to its wholly owned subsidiary, Sony Bank Inc.

SFH's consolidated results\* are prepared in accordance with Japanese GAAP. As such, these figures differ in significant respects from the financial information reported by Sony Corporation, the SFH's parent company, which prepares its financial statements in accordance with U.S. GAAP.

\*SFH's scope of consolidation includes Sony Financial Holdings Inc., Sony Life Insurance Co. Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Life Insurance (Philippines) Corporation, Sony Bank Securities Inc., and SmartLink Network, Inc. It also includes AEGON Sony Life Insurance Co., Ltd. and SA Reinsurance Ltd., as affiliated companies accounted for under the equity method. Sony Bank Securities Inc. and Sony Life Insurance (Philippines) Corporation were out of the scope of consolidation from August 1, 2012 and December 6, 2012, respectively and thereafter.

On February 7, 2013, Sony Corporation announced its consolidated financial results for the third quarter ended December 31, 2013 (October 1, 2012, to December 31, 2012). Sony Financial Group companies constitute the majority of Sony Group's Financial Services segment. However, the scope of Sony Group's Financial Services segment differs from the scope of SFH's consolidated results.

*This Consolidated Financial Summary contains statements concerning the current plans, expectations, strategies and beliefs of the Sony Financial Group. Any statements contained herein that pertain to future operating performance and that are not historic facts are forward-looking statements. Forward-looking statements may include—but are not limited to—words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “forecast,” “predict,” and “possibility” that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, are based on judgments made by the management of the Sony Financial Group, based on information that is currently available to it. As such, these forward-looking statements are subject to various risks and uncertainties, and actual business results may vary substantially from the forecasts expressed or implied in forward-looking statements. Consequently, investors are cautioned not to place undue reliance on forward-looking statements. The Sony Financial Group disclaims any obligation to revise forward-looking statements in light of new information, future events or other findings. The information contained in this Consolidated Financial Summary does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.*

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Website of Sony Financial Holdings Inc.

[http://www.sonyfh.co.jp/web/index\\_en.html](http://www.sonyfh.co.jp/web/index_en.html)



## **IV. Attachment**

Content of Presentation Material

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## Presentation Material

# Consolidated Financial Results for the Nine Months Ended December 31, 2012 and Sony Life's Market Consistent Embedded Value as of December 31, 2012

Sony Financial Holdings Inc.  
February 14, 2013

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### Disclaimers:

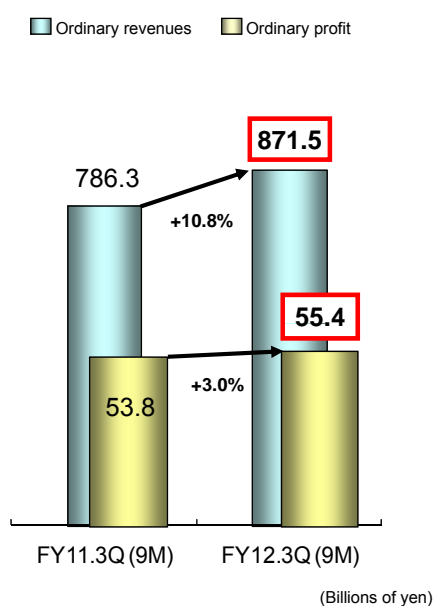
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## Consolidated Operating Results for the Nine Months Ended December 31, 2012

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### Highlights of Consolidated Operating Performance for the Nine Months Ended December 31, 2012 (1)



(Billions of yen)		FY11.3Q (9M)	FY12.3Q (9M)	Change	
Life Insurance Business	Ordinary revenues	703.9	784.3	+80.4	+11.4%
	Ordinary profit	49.5	51.7	+2.1	+4.4%
Non-life Insurance Business	Ordinary revenues	60.1	63.8	+3.6	+6.1%
	Ordinary profit	1.6	1.0	(0.6)	(37.8%)
Banking Business	Ordinary revenues	23.8	25.1	+1.3	+5.5%
	Ordinary profit	2.5	2.5	(0.0)	(1.0%)
Intersegment Adjustments*	Ordinary revenues	(1.5)	(1.8)	(0.2)	—
	Ordinary profit	0.0	0.1	+0.0	+95.1%
Consolidated	Ordinary revenues	786.3	871.5	+85.1	+10.8%
	Ordinary profit	53.8	55.4	+1.6	+3.0%
	Net income	22.6	32.7	+10.0	+44.5%

(Billions of yen)		12.3.31	12.12.31	Change from 12.3.31	
Consolidated	Total assets	7,241.4	7,796.7	+555.3	+7.7%
	Net assets	347.8	385.9	+38.1	+11.0%

\*Amounts in ordinary profit in the "Intersegment adjustments" are mainly from SFH.  
 \*Comprehensive income: FY11.3Q (9M): ¥40.9 billion, FY12.3Q(9M) : 46.8 billion.

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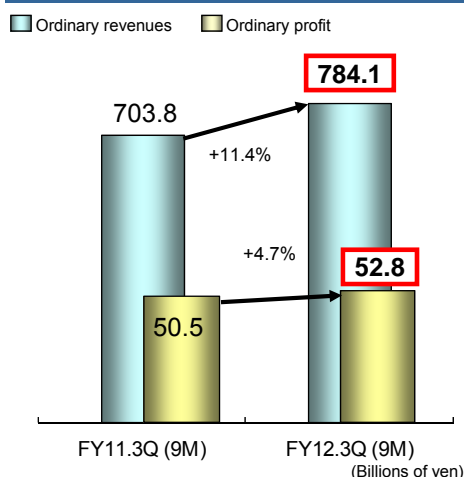
# Highlights of Consolidated Operating Performance for the Nine Months Ended December 31, 2012 (2)



- Life insurance business:** Ordinary revenues increased year on year due mainly to higher income from insurance premiums associated with steady growth in policy amount in force, as well as an improvement in investment income on separate accounts due to the market recovery towards the end of December 2012. Ordinary profit increased due mainly to a decrease in provision of policy reserves for minimum guarantees for variable life insurance and a recovery from negative spread into positive at Sony Life. These positive factors surpassed the company's negative effects stemming from recording higher profit in the previous period due to the reversal of reserve for outstanding claims related to the Great East Japan Earthquake and the sale of securities in line with shifting its bond holdings to ultralong-term bonds.
- Non-life insurance business:** Ordinary revenues increased year on year owing to an increase in net premiums written primarily for its mainstay automobile insurance. On the other hand, ordinary profit decreased year on year owing to an increase in the loss ratio due mainly to higher insurance payments per claim for automobile insurance.
- Banking business:** Ordinary revenues increased year on year due to an increase in net fees and commissions resulting from Sony Bank's July 1, 2011 acquisition of SmartLink Network, Inc., which became its consolidated subsidiary. The operating results of SmartLink Network, Inc., are included in SFH's scope of consolidation from the beginning of the nine months of this fiscal year ended December 31, 2012, whereas they were included in only part of the previous period. On the other hand, ordinary profit remained at the same levels as during the same period of the previous fiscal year because higher interest received on loans due to an increase in the balance of mortgage loans was offset by a decrease in profit related to foreign currency transactions.
- Consolidated ordinary revenues grew 10.8% year on year, to ¥871.5 billion, owing to increases in ordinary revenues from all businesses. Consolidated ordinary profit increased 3.0% year on year, to ¥55.4 billion, reflecting an increase in ordinary profit in the life insurance business, whereas ordinary profit from the non-life insurance and the banking business decreased year on year. Consolidated net income was up 44.5% year on year, to ¥32.7 billion, reflecting the previous period's increase in deferred income taxes owing to the partial reversal of deferred tax assets associated with the reduction in the corporate tax rate.

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



- Ordinary revenues and ordinary profit increased year on year.
- Income from insurance premiums increased due to a steady increase in the policy amount in force.
- Investment income increased year on year, reflecting an improvement in investment income on separate accounts due to the market recovery towards the end of December 2012.
- Ordinary profit increased due mainly to a decrease in provision of policy reserves for minimum guarantees for variable life insurance and a recovery from negative spread into positive at Sony Life. These positive factors surpassed the company's negative effects stemming from recording higher profit in the previous period due to the reversal of reserve for outstanding claims related to the Great East Japan Earthquake and the sale of securities in line with shifting its bond holdings to ultralong-term bonds.

(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change	
<b>Ordinary revenues</b>	703.8	784.1	+80.3	+11.4%
Income from insurance premiums	602.0	657.3	+55.2	+9.2%
Investment income	83.5	111.4	+27.8	+33.3%
Interest income and dividends	72.5	80.3	+7.8	+10.8%
Income from monetary trusts, net	3.9	3.9	(0.0)	(0.6%)
Gains on sale of securities	7.0	2.3	(4.6)	(66.6%)
Gains on separate accounts, net	-	24.7	+24.7	-
<b>Ordinary expenses</b>	653.3	731.2	+77.9	+11.9%
Insurance claims and other payments	216.4	215.5	(0.9)	(0.4%)
Provision for policy reserves and others	314.9	409.5	+94.5	+30.0%
Investment expenses	29.8	9.4	(20.3)	(68.3%)
Losses on sale of securities	1.8	1.5	(0.2)	(14.1%)
Losses on separate accounts, net	18.7	-	(18.7)	(100.0%)
Operating expenses	77.6	80.0	+2.3	+3.1%
<b>Ordinary profit</b>	50.5	52.8	+2.3	+4.7%
<b>Net income</b>	22.2	31.1	+8.8	+40.0%

(Billions of yen)	12.3.31	12.12.31	Change	
<b>Securities</b>	4,545.0	4,957.6	+412.6	+9.1%
<b>Policy reserves</b>	4,843.0	5,252.5	+409.5	+8.5%
<b>Total net assets</b>	264.8	298.6	+33.7	+12.8%
Net unrealized gains on other securities	34.0	45.7	+11.7	+34.5%
<b>Total assets</b>	5,222.8	5,660.8	+438.0	+8.4%
Separate account assets	444.2	487.8	+43.5	+9.8%

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

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



(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
New policy amount	3,227.1	3,215.9	(0.3%)
Lapse and surrender amount	1,561.9	1,451.5	(7.1%)
Lapse and surrender rate	4.50%	4.03%	(0.47pt)
Policy amount in force	35,807.9	37,203.6	+3.9%
Annualized premiums from new policies	53.1	51.1	(3.7%)
Of which, third-sector products	13.0	13.1	+0.9%
Annualized premiums from insurance in force	627.6	657.8	+4.8%
Of which, third-sector products	147.3	155.7	+5.7%
(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
Gains from investment, net (general account)	72.5	77.1	+6.5%
Core profit	50.9	57.0	+12.0%
Negative spread	(1.7)	1.1	—
	12.3.31	12.12.31	Change from 12.3.31
Non-consolidated solvency margin ratio	1,980.4%	2,240.5%	+260.1pt

## <Reasons for changes>

◆ Remained at the same level due to lower sales of family income insurance which offset higher sales of living benefit insurance, etc.

◆ Decreased due to the lowering lapse and surrender rates mainly in term-life insurance.

◆ Decreased due mainly to lower sales of cancer hospitalized insurance which offset higher sales of living benefit insurance, etc.

◆ Increased due to an increase in interest income and dividends which offset lower gains on sale of securities.

◆ Increased owing primarily to a decrease in provision of policy reserves for minimum guarantees for variable life insurance and a recovery from negative spread into positive (positive factors) despite recording higher profit in the previous period due to the reversal of reserve for outstanding claims related to the Great East Japan Earthquake(negative factor).

### Notes:

\*1 Figures for new policy amount, lapse and surrender amount, lapse and surrender rate, policy amount in force, annualized premiums from new policies and annualized premiums from insurance in force are calculated as the total of individual life insurance and individual annuities.

\*2 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.

\*3. The plus amount in negative spread indicates positive spread.

\*4 The non-consolidated solvency margin ratios are calculated based on the current standards applied from the end of fiscal 2011 (March 31, 2012).

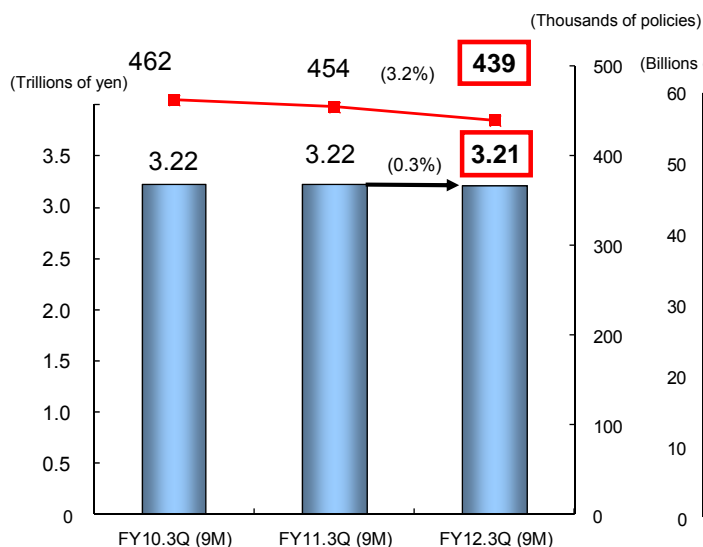
Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

## Sony Life Operating Performance (1)



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

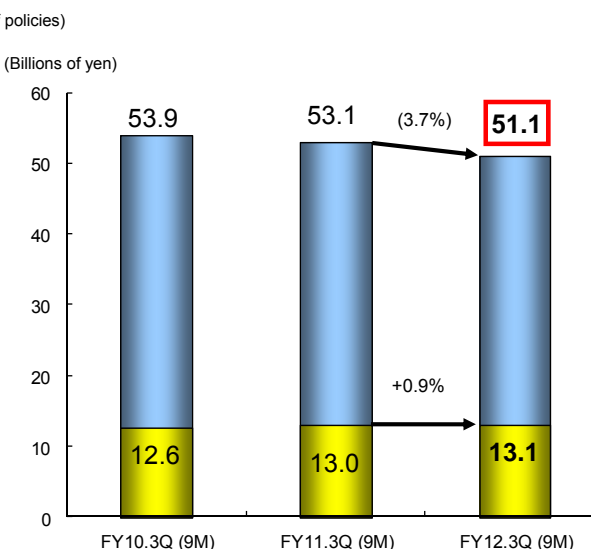
■ New policy amount    ■ Number of new policies



Line item amounts are truncated below ¥10 billion; numbers of policies are truncated below 1,000 policies; percentage change figures are rounded.

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

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

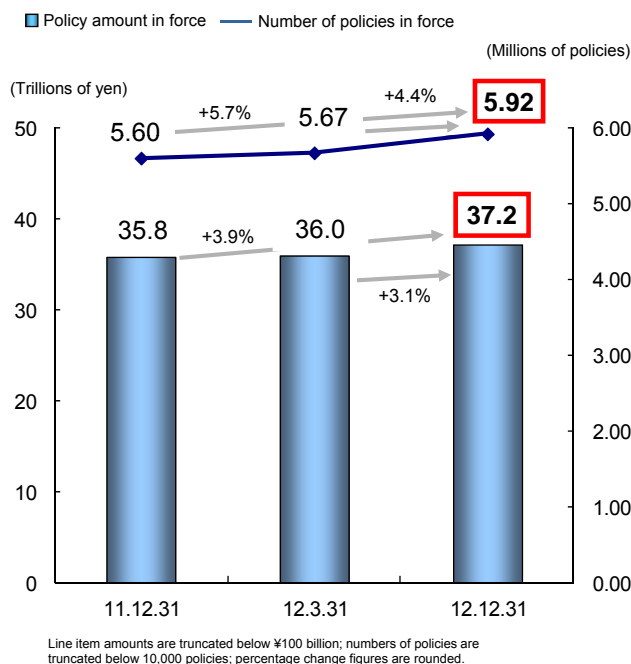


Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

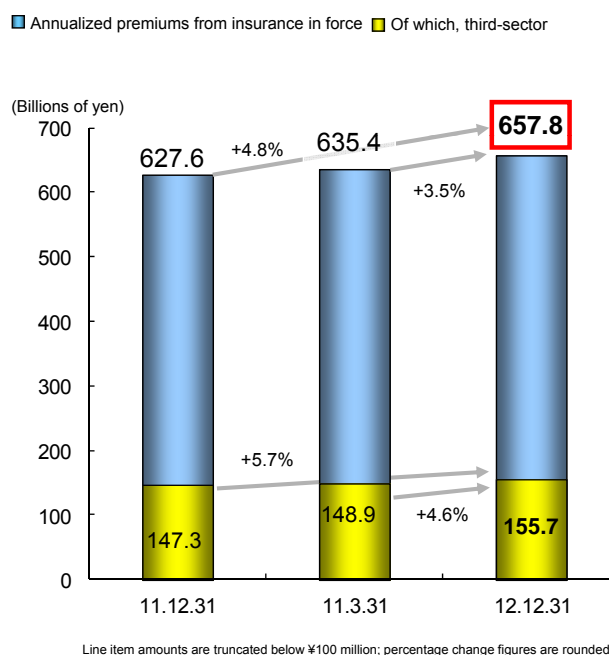
## Sony Life Operating Performance (2)



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



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

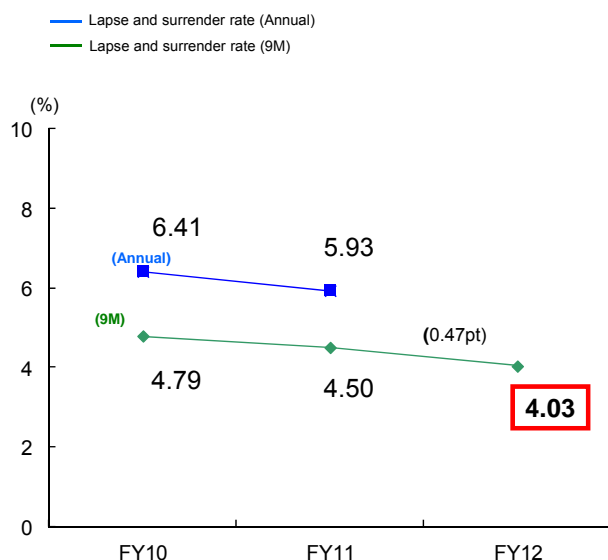


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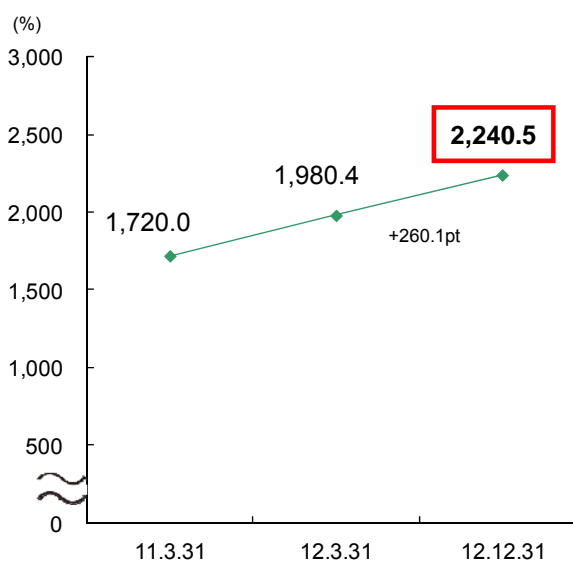
## Sony Life Operating Performance (3)



### Lapse and Surrender Rate\* (Individual Life Insurance + Individual Annuities) <Annual and 9M>



### Non-consolidated Solvency Margin Ratio



Note: The non-consolidated solvency margin ratios are calculated based on the current standards applied from the end of fiscal 2011 (March 31, 2012).

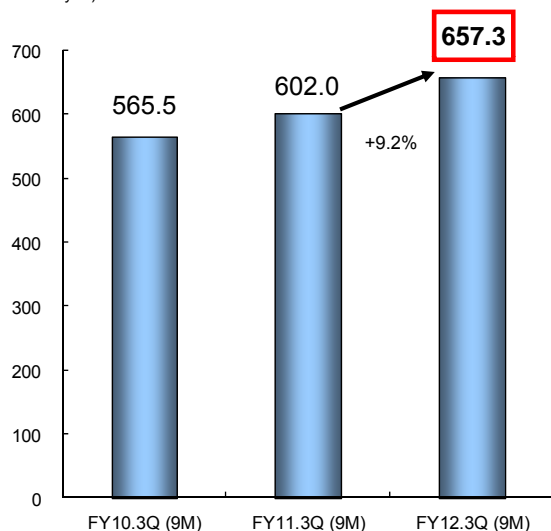
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## Sony Life Operating Performance (4)



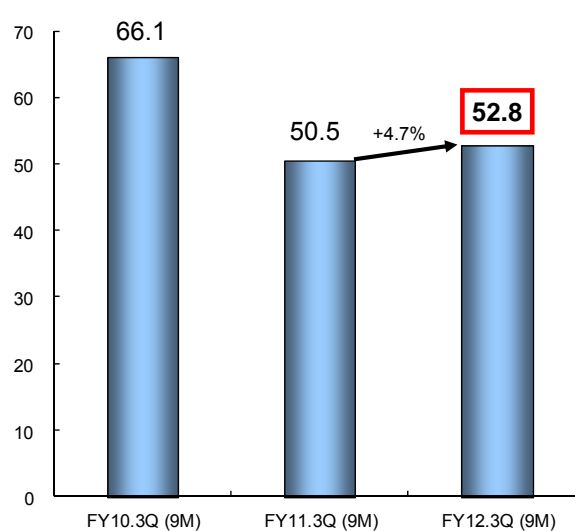
### Income from Insurance Premiums

(Billions of yen)



### Ordinary Profit

(Billions of yen)



Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

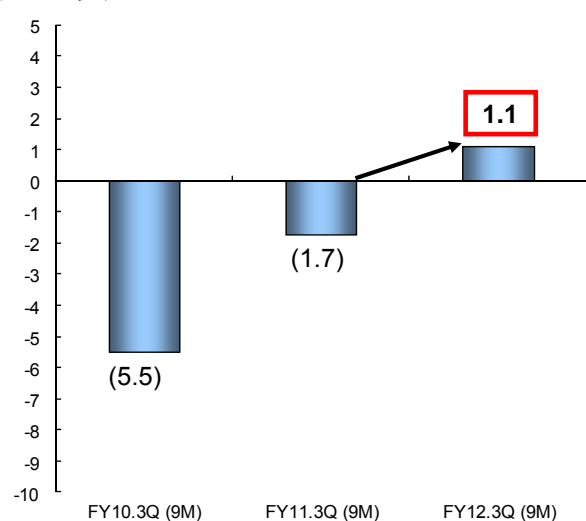
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## Sony Life Operating Performance (5)



### Negative Spread

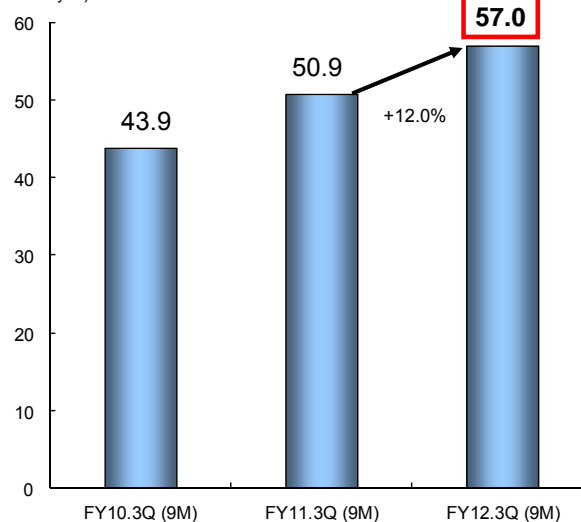
(Billions of yen)



\* The plus amount in negative spread indicates positive spread.

### Core Profit

(Billions of yen)



(Reference)  
Provision of policy reserves of the general account assets for minimum guarantee for variable life insurance

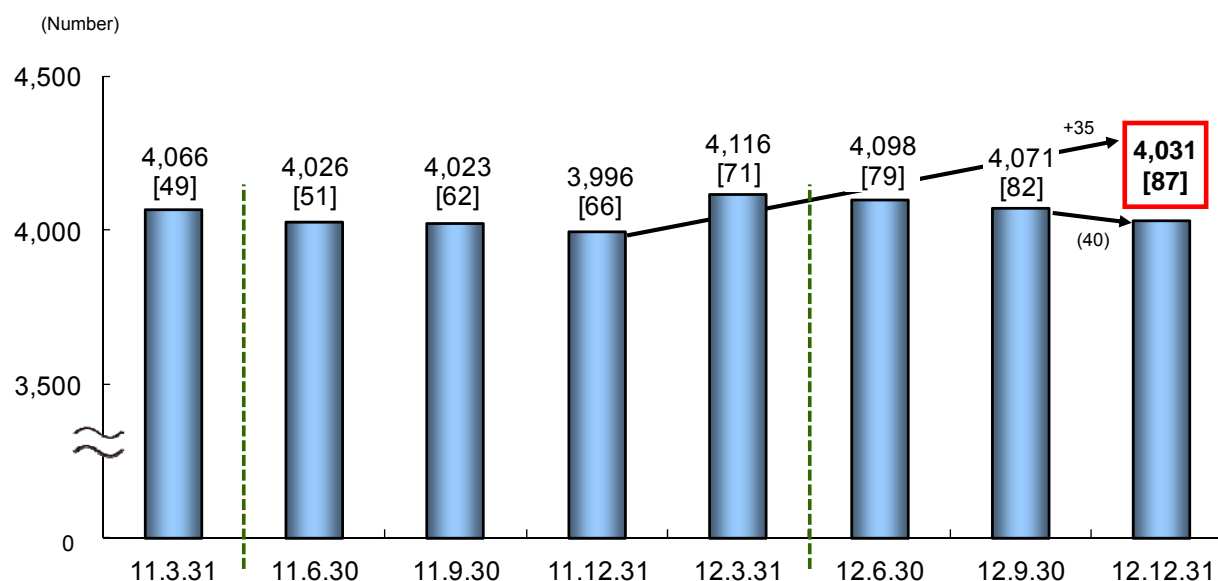
(Billions of yen)			
FY10.3Q (9M)	FY11.3Q (9M)	FY12.3Q (9M)	YonY Change
4.5	5.6	1.2	(4.4)

Line item amounts are truncated below ¥100 million; percentage figures are rounded.

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## Sony Life Operating Performance (6)

### Number of Lifeplanner Sales Employees



Note: Figures in [] show the number of Lifeplanner sales employees (rehired on a fixed-term contract basis after retirement) included in the overall numbers, those who have reached retirement age but who continue to work as Lifeplanner sales employees that meet certain sales conditions and other requirements.

\* "Lifeplanner" is a registered trademark of Sony Life Insurance Co., Ltd.

## Sony Life Operating Performance (7)

### Breakdown of General Account Assets

(Billions of yen)	12.3.31		12.12.31	
	Amount	%	Amount	%
Japanese government and corporate bonds	3,975.7	83.2%	4,370.5	84.5%
Japanese stocks	45.0	0.9%	28.5	0.6%
Foreign securities	59.6	1.2%	60.5	1.2%
Foreign stocks	30.5	0.6%	24.4	0.5%
Monetary trusts	288.2	6.0%	293.2	5.7%
Policy loans	138.7	2.9%	142.0	2.7%
Real estate	72.9	1.5%	71.5	1.4%
Cash and call loans	64.8	1.4%	58.1	1.1%
Others	102.6	2.1%	123.7	2.4%
<b>Total</b>	<b>4,778.5</b>	<b>100.0%</b>	<b>5,172.9</b>	<b>100.0%</b>

#### <Asset management review>

Japanese government and corporate bonds: Continue to accumulate ultralong-term bonds in FY12



#### [Lengthened asset duration]

11. 3. 31 18.5 year

12. 3. 31 19.2 year

12. 12. 31 19.1 year

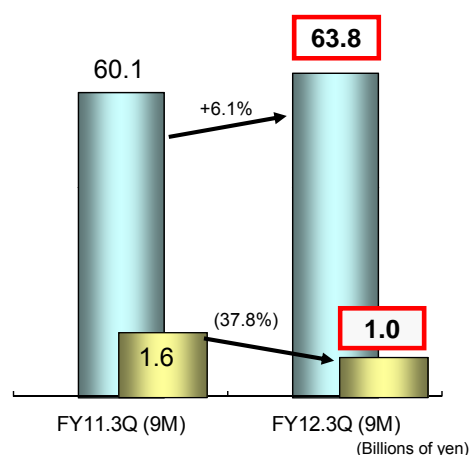
- Investment in the monetary trusts is mainly into Japanese government and corporate bonds.
- The holding ratio on the real status, of Japanese government and corporate bonds including those invested in monetary trusts in the general account assets: As of Dec. 31, 2012: 90.2% (As of March 31, 2012: 89.2%)



## Highlights of Operating Performance: Sony Assurance



■ Ordinary revenues ■ Ordinary profit



- ◆ Ordinary revenues increased but ordinary profit decreased year on year.
- ◆ Ordinary revenues increased year on year, owing to an increase in net premiums written, as the number of insurance policies in force grew primarily for automobile insurance.
- ◆ Ordinary profit decreased year on year, owing to a rise in the loss ratio due mainly to higher insurance payments per claim for automobile insurance.

(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change	
<b>Ordinary revenues</b>	60.1	63.8	+3.6	+6.1%
Underwriting income	59.4	63.0	+3.5	+6.0%
Investment income	0.6	0.7	+0.0	+14.2%
<b>Ordinary expenses</b>	58.4	62.7	+4.3	+7.4%
Underwriting expenses	44.1	47.6	+3.4	+7.8%
Investment expenses	0.0	0.0	+0.0	157.0%
Operating, general and administrative expenses	14.2	15.0	+0.8	+6.3%
<b>Ordinary profit</b>	1.6	1.0	(0.6)	(37.8%)
<b>Net income</b>	0.5	0.5	+0.0	+13.3%

(Billions of yen)	12.3.31	12.12.31	Change from 12.3.31	
<b>Underwriting reserves</b>	67.3	71.0	+3.7	+5.5%
<b>Total net assets</b>	18.0	18.7	+0.7	+4.2%
<b>Total assets</b>	118.6	123.3	+4.7	+4.0%

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

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## Overview of Operating Performance: Sony Assurance



(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
<b>Direct premiums written</b>	58.8	62.1	+5.7%
<b>Net premiums written</b>	59.4	62.9	+6.0%
<b>Net losses paid</b>	32.9	35.0	+6.3%
<b>Underwriting profit</b>	1.1	0.3	(69.7%)
<b>Net loss ratio</b>	61.8%	62.4%	+0.6pt
<b>Net expense ratio</b>	25.5%	25.5%	0.0pt
<b>Combined ratio</b>	87.4%	87.9%	+0.5pt

### <Reasons for changes>

- ◆ Increased owing to an increase in the number of policies in force for automobile insurance.
- ◆ Increased owing mainly to an increase in the number of insurance payments due to the higher number of policies in force for automobile insurance.
- ◆ Increased owing to higher insurance payments per claim and loss adjustment expenses for automobile insurance.

Notes:

Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written  
Net expense ratio = Expenses related to underwriting / Net premiums written

	12.3.31	12.12.31	Change from 12.3.31	
<b>Number of policies in force</b>	1.49 million	1.54 million	+0.05 million	+3.9%
<b>Non-consolidated solvency margin ratio</b>	557.8%	525.0%	(32.8pt)	

Note:

\*1 The number of policies in force is the total of automobile insurance and medical and cancer insurance, which accounts for 99% of net premiums written.

\*2 The non-consolidated solvency margin ratios are calculated based on the current standards applied from the end of fiscal 2011 (March 31, 2012).

Line item amounts are truncated below ¥100 million; number of policies are truncated below 10,000 policies; percentage change figures are rounded.

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# Sony Assurance's Underwriting Performance by Type of Policy



## Direct Premiums Written

(Millions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
Fire	118	171	+45.3%
Marine	—	—	—
Personal accident *	5,517	5,883	+6.6%
Voluntary automobile	53,177	56,129	+5.6%
Compulsory automobile liability	—	—	—
Total	58,812	62,185	+5.7%

## Net Premiums Written

(Millions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
Fire	68	80	+16.4%
Marine	50	105	108.5%
Personal accident*	5,681	6,073	+6.9%
Voluntary automobile	52,978	55,922	+5.6%
Compulsory automobile liability	647	805	+24.4%
Total	59,426	62,987	+6.0%

\*SURE, medical and cancer insurance is included in personal accident

## Net Losses Paid

(Millions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
Fire	40	0	(98.0%)
Marine	104	160	+53.8%
Personal accident*	1,352	1,467	+8.5%
Voluntary automobile	30,806	32,662	+6.0%
Compulsory automobile liability	647	750	+15.9%
Total	32,951	35,041	+6.3%

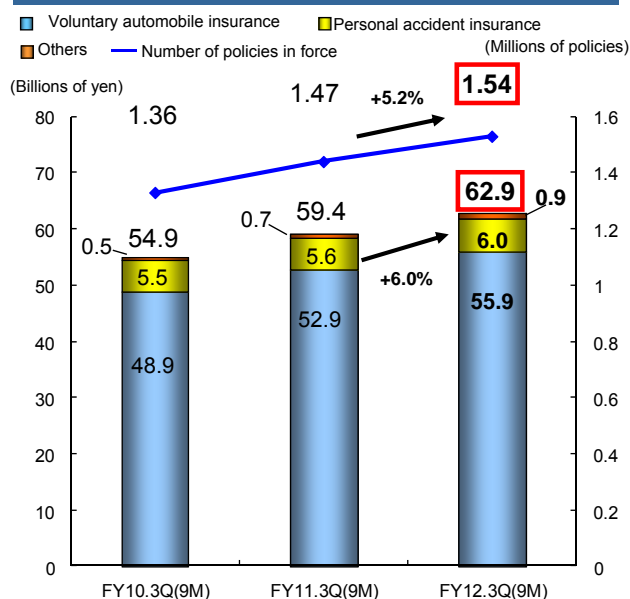
Line item amounts are truncated below ¥1 million; percentage change figures are rounded.

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# Sony Assurance Operating Performance (1)

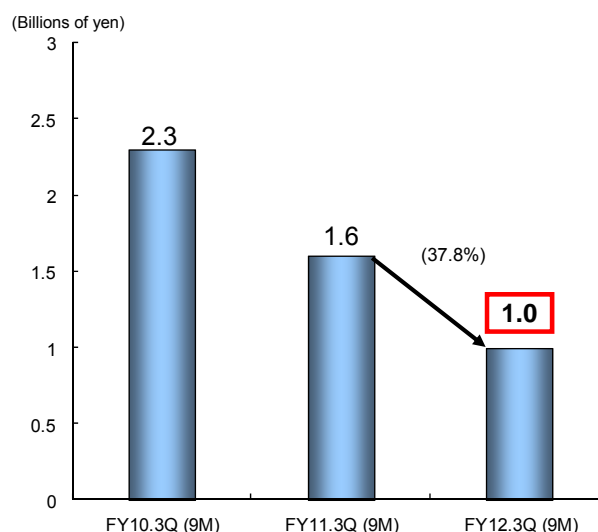


## Net Premiums Written <9M> and Number of Policies in Force (as of Dec. 31)



The number of policies in force is the total of automobile insurance and medical and cancer insurance policies, which account for 99% of net premiums written. More than 99% of personal accident insurance is medical and cancer insurance.

## Ordinary Profit



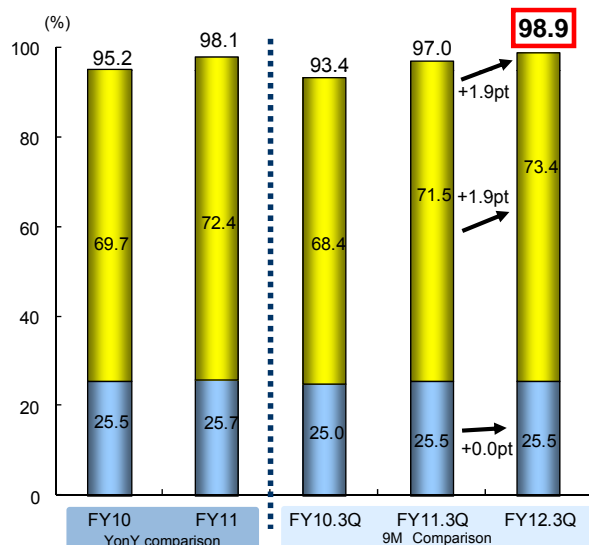
Line item amounts are truncated below ¥100 million; number of policies are truncated below 10,000 policies; percentage change figures are rounded.

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## Sony Assurance Operating Performance (2)

### Net Expense Ratio + Earned/Incurred Loss Ratio

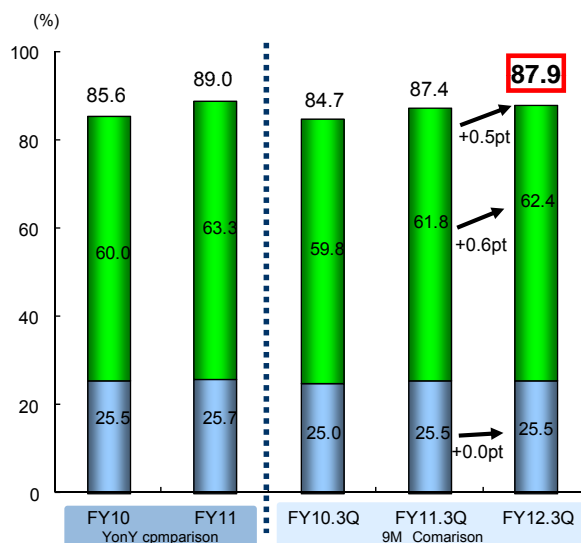
■ Earned/Incurred loss ratio ■ Net expense ratio



Note:  
Earned/Incurred 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.]

### <Reference> Combined Ratio (Net Loss Ratio + Net Expense Ratio)

■ Net loss ratio ■ Net expense ratio

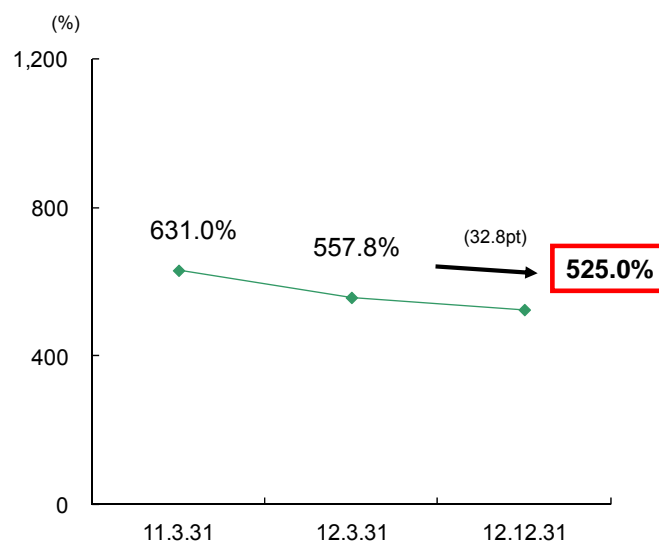


Notes:  
Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written  
Net expense ratio = Expenses related to underwriting / Net premiums written

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## Sony Assurance Operating Performance (3)

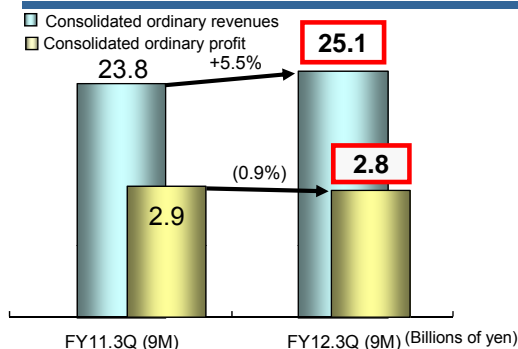
### Non-consolidated Solvency Margin Ratio



Note: The non-consolidated solvency margin ratios are calculated based on the current standards applied from the end of fiscal 2011 (March 31, 2012).

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



## <Consolidated>

- ◆ Consolidated ordinary revenues increased year on year due to an increase in net fees and commissions resulting from Sony Bank's acquisition of SmartLink Network, Inc. which became its consolidated subsidiary. Consolidated ordinary profit remained at the same levels. Consolidated net income increased due to recording deferred tax assets on the sale of Sony Bank Securities on August 1, 2012.

## <Non-consolidated>

- ◆ Gross operating profit decreased year on year.
  - Net interest income increased owing to an increase in interest income on loans led by a growing balance of mortgage loans and a decrease in interest expenses.
  - Net fees and commissions slightly decreased as Sony Bank stopped charging for FX transactions.
  - Net other operating income decreased reflecting lower gains on bond dealing transactions.
- ◆ Net operating profit decreased owing to higher general and administrative expenses led primarily by personnel reinforcement for business expansion.
- ◆ Net income (loss) decreased owing to recording extraordinary losses (¥2.8 billion) on the sale of Sony Bank Securities Inc.

## <Consolidated>

(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change	
Consolidated ordinary revenues	23.8	25.1	+1.3	+5.5%
Consolidated ordinary profit	2.9	2.8	(0.0)	(0.9%)
Consolidate net income	1.1	2.2	+1.1	+95.0%

## <Non-consolidated>

(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change	
Ordinary revenues	22.1	22.8	+0.6	+2.8%
Gross operating profit	13.6	13.3	(0.3)	(2.2%)
Net interest income	12.0	13.1	+1.0	+8.9%
Net fees and commissions	0.07	(0.00)	(0.07)	—
Net other operating income	1.4	0.1	(1.2)	(86.8%)
General and administrative expenses	10.2	10.5	+0.3	+3.0%
Net operating profit	3.1	2.8	(0.3)	(11.3%)
Ordinary profit	2.9	2.6	(0.2)	(8.9%)
Net income (loss)	1.6	(0.1)	(1.7)	-

(Billions of yen)	12.3.31	12.12.31	Change from 12.3.31	
Total net assets	62.7	64.4	+1.6	+2.6%
Net unrealized gains on other securities (net of taxes)	1.7	4.0	+2.3	+130.3%
Total assets	1,890.5	2,002.9	+112.4	+5.9%

Line item amounts are truncated below ¥100 million except for net fees and commissions; percentage change figures are rounded.

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



(Billions of yen)	11.12.31	12.3.31	12.12.31	Change from 12.3.31	
Customer assets	1,783.4	1,864.3	1,973.0	+108.7	+5.8%
Deposits	1,688.3	1,762.2	1,868.4	+106.1	+6.0%
Yen	1,334.0	1,390.5	1,488.9	+98.3	+7.1%
Foreign currency	354.3	371.7	379.4	+7.7	+2.1%
Investment trusts	95.0	102.0	104.6	+2.5	+2.5%
Loans outstanding	805.9	835.5	929.7	+94.2	+11.3%
Mortgage loans	722.7	749.6	830.6	+81.0	+10.8%
Others	83.2	85.9	99.1 <sup>*1</sup>	+13.1	+15.3%
Capital adequacy ratio (domestic criteria) <sup>*2</sup>	11.86%	11.58%	10.71%	(0.87pt)	
Tier1 ratio	9.85%	9.63%	8.91%	(0.72pt)	

## <Reasons for changes>

- ◆ Yen deposits increased due to the positive effect of special offer for summer 2012 bonus season, and shifting customer assets from foreign currencies to yen deposits backed by yen depreciation towards the end of December 2012.

- ◆ Foreign currency deposits increased reflecting a positive impact from foreign exchange conversion (+ ¥19.3 billion), despite a negative impact from converting more foreign currencies into yen led by yen depreciation towards the end of December 2012.

- ◆ Loan balance increased due to a growing balance of mortgage loans, in addition to a higher corporate loan balance centered on syndicated loans.

<sup>\*1</sup> Loans in others include corporate loans of ¥92.5 billion.

<sup>\*2</sup> Please refer to the graph of the non-consolidated capital adequacy ratio (domestic criteria) on P25.

Line item amounts are truncated below ¥100 million; percentage change figures are rounded.

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



## <Reference> On Managerial Accounting Basis

(Billions of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change	
<b>Gross operating profit</b>	13.5	<b>13.2</b>	(0.3)	(2.2%)
Net interest income <sup>*1</sup> ①	12.6	<b>13.0</b>	+0.4	+3.3%
Net fees and commissions <sup>*2</sup> ②	0.7	<b>0.4</b>	(0.3)	(42.0%)
Net other operating income <sup>*3</sup>	0.1	<b>(0.2)</b>	(0.3)	—
<b>Gross operating profit (core profit) (A)=①+②</b>	13.4	<b>13.5</b>	+0.0	+0.6%
<b>Operating expenses and other expenses ③</b>	10.4	<b>10.4</b>	+0.0	+0.6%
<b>Net operating profit (core profit) =(A) -③</b>	3.0	<b>3.0</b>	+0.0	+0.9%

### ● Managerial accounting basis

The following adjustments are made to the figures on a financial accounting basis to 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.

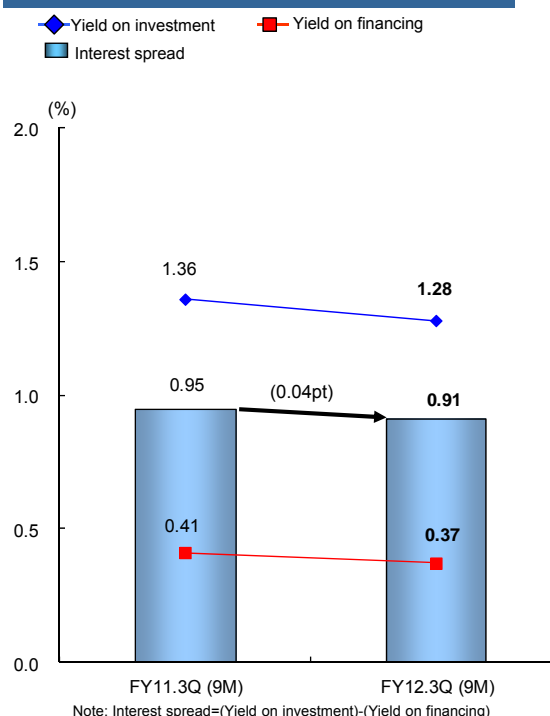
\*2: Net fees and commissions: Includes profits and losses for customer dealings in foreign currency transactions recorded in net other operating income.

\*3: Net other operating income: After the above adjustments (\*1 and \*2), consists of profits and losses for bond and derivative dealing transactions.

### ● Core basis

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)



Line item amounts are truncated below ¥100 million; percentage change figures are rounded.  
The calculation method on a managerial accounting basis was partly changed from this fiscal year. Accordingly, the figures for FY11.3Q were retroactively calculated.

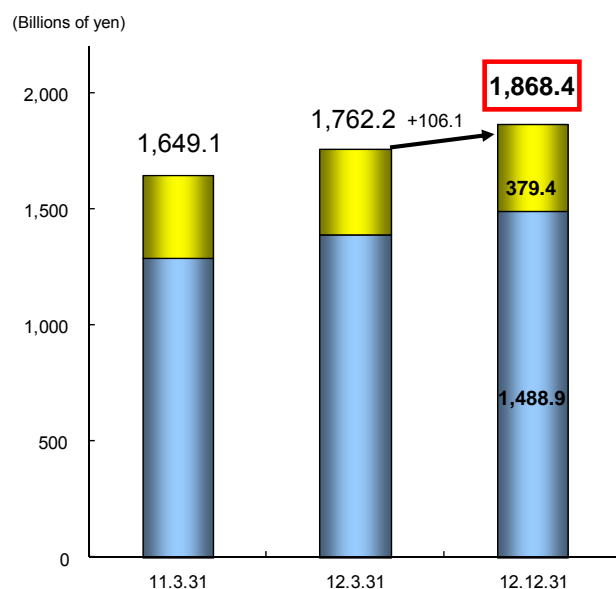
23

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



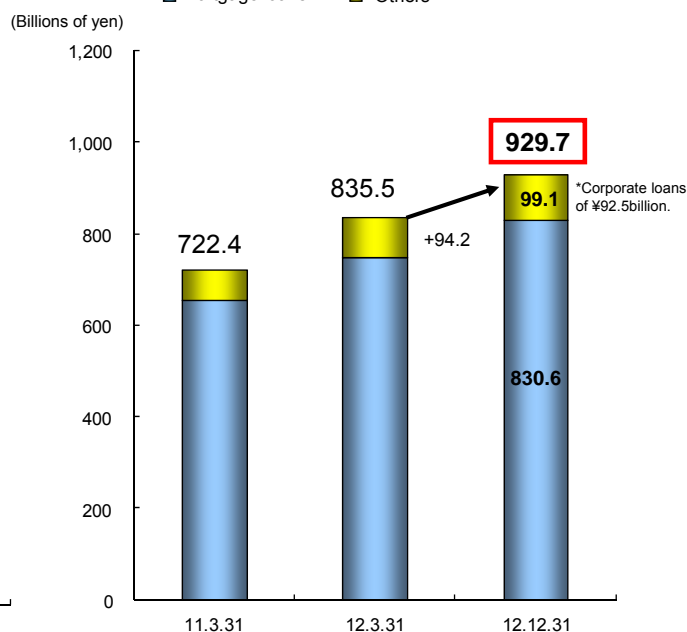
## Deposits

Yen deposits Foreign currency deposits



## Loans

Mortgage loans Others



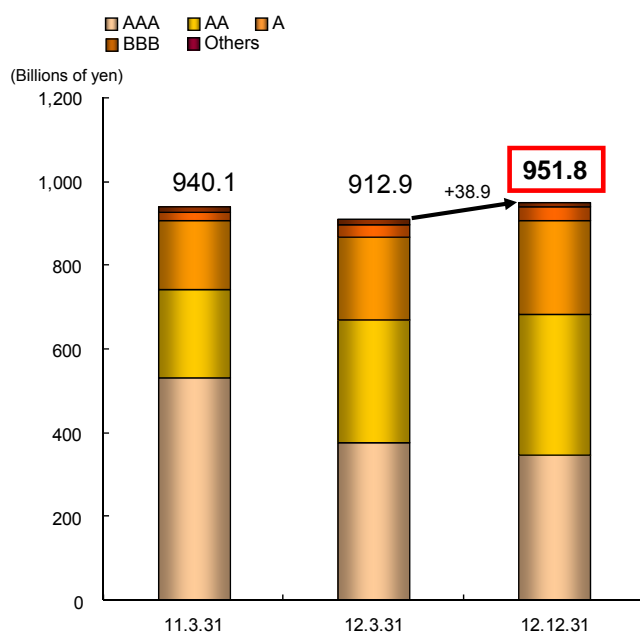
Line item amounts are truncated below ¥100 million.

24

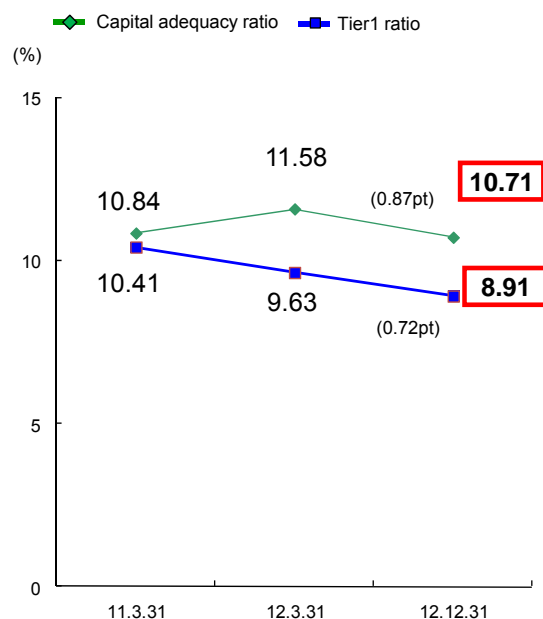
# Operating Performance: Sony Bank (Non-consolidated) (2)



## Balance of Securities by Credit ratings



## Non-consolidated Capital Adequacy Ratio (Domestic criteria)



\*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.

Line item amounts are truncated below ¥100 million.

## Consolidated Financial Forecast for the Year Ending March 31, 2013

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## Consolidated Financial Forecast for the Year Ending March 31, 2013

Ordinary revenues, ordinary profit and net income were revised upward.

(Billions of yen)	FY11 Actual	FY12 Revised Forecast	FY12 Previous Forecast	Change FY12 revised forecast vs. FY12 previous forecast
<b>Consolidated ordinary revenues</b>	1,078.0	1,157.0	1,115.0	+42.0
<u>Life insurance business</u>	967.5	1,038.1	994.5	+43.6
<u>Non-life insurance business</u>	80.0	85.0	85.0	-
<u>Banking business</u>	32.5	34.5	34.5	-
<b>Consolidated ordinary profit</b>	74.6	74.0	67.0	+7.0
<u>Life insurance business</u>	68.1	68.5	61.5	+7.0
<u>Non-life insurance business</u>	2.8	2.6	2.6	-
<u>Banking business</u>	3.4	3.6	3.6	-
<b>Consolidated net income</b>	32.8	41.0	37.0	+4.0

■ Life insurance business:

SFH revises upward its consolidated financial forecast for the year ending March 31, 2013. This is because the operating results in both ordinary revenues and ordinary profit for the nine months ended December 31, 2012 exceeded our previous forecast.

■ Non-life insurance business

The forecast of ordinary revenues and ordinary profit remains unchanged from the previous forecast.

■ Banking business

The forecast of ordinary revenues and ordinary profit remains unchanged from the previous forecast.

Notes:

1. Line item amounts are truncated below ¥100 million.

2. On February 7, 2013, we revised the financial forecast announced on May 10, 2012.

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# Sony Life's MCEV and Risk Amount Based on Economic Value as of December 31, 2012

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## Sony Life's MCEV and Risk Amount Based on Economic Value as of December 31, 2012

	(Billions of yen)	12.3.31 (JGB yield)	12.12.31 (JGB yield)	Change
<b>MCEV</b>		1,041.5	<b>1,079.4</b>	+37.8
Adjusted net worth		409.2	<b>450.3</b>	+41.1
Value of existing business		632.4	<b>629.1</b>	(3.3)

(1) Calculated MCEV for policies in force as of December 31, 2012 by using updated lapse and surrender rate and economic assumptions.

(2) Adopted simplified method for a part of MCEV calculations as of December 31, 2012.

(Reasons for change)

◆ **MCEV increased due to the steady addition of new business value.**

	(Billions of yen)	12.3.31	12.12.31	Change
The risk amount based on economic value		551.5	<b>602.6</b>	+51.1

Note: Measurement of risk based on economic value takes one-year VaR to be 99.5% and is measured using an internal model that refers to the EU Solvency II (QIS5) standard model.

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

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## Appendix

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### Recent Topics 1

#### **AEGON SONY LIFE INSURANCE Sales Update**

Launch of sales: December 1, 2009

Common stock: ¥20 billion (including capital surplus of ¥10 billion)

Equity ownership: Sony Life insurance Co., Ltd. 50%, AEGON・international B.V. 50%

Marketing products: Individual Variable Annuities (2 types, 4 products\*)

Sales Channels: Lifepanner sales employees and partner Banks (9\*) \*As of February 14, 2013

Financial Highlights for FY12.3Q(9M): Number of new policies: 3,974, New policy amount: ¥27.3 billion

Number of policies in force: 7,560, Policy amount in force: ¥57.7 billion (As of December 31, 2012)



#### **Sony Bank's Mortgage Loans through Sony Life**

■ Sony Life accounts for 25% of the balance of mortgage loans as of December 31, 2012

Sony Life accounts for 24% of the amount of new mortgage loans for FY12.3Q(9M).

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



#### **Sony Assurance's Auto Insurance Sold by Sony Life**

■ Sony Life accounts for approx. 5% of new automobile policies for FY12.3Q(9M).

\* Sony Life started handling automobile insurance in May 2001.



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## Recent Topics 2



## &lt;Highlight for FY12.3Q&gt;

- 2012-10-01 Sony Assurance made a commitment of an initial response by an appointed staff member within an hour after receiving an accident report for automobile insurance policyholders
- 2012-10-11 Sony Assurance added a GPS system to its free application, "Trouble Navigation" for smart phone users
- 2012-10-19 Sony Life launched the second phase of its "Co-Creation Project"
- 2012-10-22 Sony Bank began offering Chinese Yuan(CNH), South African Rand and Swedish Krona for foreign currency deposits
- 2012-11-01 Sony Assurance revised automobile insurance details including a discount on paperless insurance policies and establishing a new rider, commencing on or after November 1, 2012
- 2012-11-14 Sony Financial Holdings announced the dividend forecast (increased dividend) for the year ending March 31, 2013.
- 2012-12-01 Sony Bank reduced exchange transaction fees for its all twelve foreign currency deposits and revised preferential system.
- 2012-12-06 Sony Life transferred the business of Sony Life Insurance (Philippines) Corporation
- 2013-1-14 Sony bank launched new financial products intermediary services with Monex Group
- 2013-1-28 Sony bank began providing Windows 8 application, "Easy Foreign Currency Chart"
- 2013-1-31 Sony Financial Holdings issued No. 2 unsecured corporate bonds  
(The bonds were raised as a loan aimed at reinforcing Sony Bank's financial base on February 1, 2013)

## 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)

(Billions of yen)	11.3.31			12.3.31			12.12.31		
	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	2,914.3	2,892.1	(22.1)	3,404.8	3,560.6	155.8	3,741.8	3,901.8	159.9
Available-for-sale securities	940.1	964.3	24.2	895.1	956.1	60.9	929.0	1,004.4	75.3
Japanese government and corporate bonds	884.4	904.1	19.7	849.1	902.6	53.4	898.3	966.7	68.4
Japanese stocks	49.8	53.7	3.8	29.1	34.9	5.8	14.7	18.4	3.6
Foreign securities	1.9	1.8	(0.0)	15.3	16.7	1.3	14.4	17.3	2.8
Other securities	3.8	4.6	0.7	1.4	1.7	0.2	1.4	1.8	0.4
Total	3,854.4	3,856.5	2.0	4,299.9	4,516.8	216.8	4,670.9	4,906.2	235.3

#### ●Valuation gains (losses) on trading-purpose securities (Billions of yen)

11.3.31		12.3.31		12.12.31	
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
—	—	—	—	—	—

Notes: 1) Line item amounts are truncated below ¥100 million. 2) Amounts above include those categorized as "monetary trusts."

## Sony Life's Interest Income and Dividends (Details)



(Thousands of yen)	FY11.3Q (9M)	FY12.3Q (9M)	Change
Cash and deposits	8	8	+7.0%
Japanese government and corporate bonds	56,949,370	64,739,220	+13.7%
Japanese stocks	527,819	351,448	(33.4%)
Foreign securities	2,294,520	2,802,992	+22.2%
Other securities	241,659	177,645	(26.5%)
Loans	4,022,561	4,085,144	+1.6%
Real estate	8,438,666	8,143,397	(3.5%)
Others	74,081	57,550	(22.3%)
Total	72,548,689	80,357,408	+10.8%

Line item amounts are truncated below ¥1,000



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