

**Consolidated Financial Summary (Japanese GAAP)
for the Six Months Ended September 30, 2015**

November 12, 2015

Company name: Sony Financial Holdings Inc.
(URL: 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: Hiroaki Kiyomiya, Managing Director

(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the six months ended September 30, 2015

(1) Operating results

	Ordinary Revenues		Ordinary Profit		Profit Attributable to Owners of the Parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For the six months ended September 30, 2015	662,271	3.0	28,833	(38.6)	19,149	(38.6)
For the six months ended September 30, 2014	643,065	5.2	46,967	27.6	31,180	49.3

Note: Comprehensive Income: For the six months ended September 30, 2015: ¥16,481 million: (63.2%)
For the six months ended September 30, 2014: ¥44,785 million: 231.6%

	Net Income per Share	Net Income per Share (Fully Diluted)
	Yen	Yen
For the six months ended September 30, 2015	44.02	—
For the six months ended September 30, 2014	71.68	—

(2) Financial conditions

	Total Assets	Total Net Assets	Net Asset Ratio
	Millions of yen	Millions of yen	%
As of September 30, 2015	9,945,319	549,754	5.5
As of March 31, 2015	9,545,868	550,672	5.8

Note: Shareholders' equity: As of September 30, 2015: ¥548,444 million
As of March 31, 2015: ¥549,380 million

2. Dividends

	Dividend per Share				
Record date	1st quarter	2nd quarter	3rd quarter	Year-end	Annual Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March 31, 2015	—	0.00	—	40.00	40.00
For the year ending March 31, 2016	—	0.00			
For the year ending March 31, 2016 (forecast)			—	55.00	55.00

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

3. Forecast of consolidated financial results for the year ending March 31, 2016

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

	Ordinary Revenues		Ordinary Profit		Profit Attributable to Owners of the Parent		Net Income per Share
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Yen
For the year ending March 31, 2016	1,340,000	(0.9)	72,000	(20.1)	47,000	(13.6)	108.05

4. Notes

(1) Changes in scope of consolidation during the period under review (changes in specified subsidiaries accompanying changes in scope of consolidation): None

(2) 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: Yes

(b) Changes in accounting policies due to other reasons: None

(c) Changes in accounting estimates: None

(d) Restatements of the consolidated financial statements: None

Note: For details, please refer to the section entitled "Changes in accounting policies, accounting estimates and restatements of the consolidated financial statements" under "I. Notes Regarding Summary Information" on page 2 of the attachment.

(3) Number of shares outstanding (common stock)

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

As of September 30, 2015: 435,000,000 shares

As of March 31, 2015: 435,000,000 shares

(b) Number of treasury shares

As of September 30, 2015: 75 shares

As of March 31, 2015: 55 shares

(c) Weighted-average number of shares

For the six months ended September 30, 2015: 434,999,942 shares

For the six months ended September 30, 2014: 434,999,945 shares

Status of quarterly review procedures

Interim financial statements in this document are exempt from audit procedure based upon the Financial Instruments and Exchange Act. Audit procedures are underway as of the date of this report.

Content of Supplemental Materials

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* The Conference Call for explaining the Sony Financial Group financial results will be held at 17:00 (Tokyo), November 12, 2015.

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 November 12, 2015 after 15:00, and its Q&A summary at a later date on Earning Releases and Presentation Materials page on our website:

http://www.sonyfh.co.jp/en/financial_info/results/index.html

* On November 12, 2015, SFH's significant subsidiaries: Sony Life Insurance Co., Ltd. (Sony Life), Sony Assurance Inc. (Sony Assurance) and Sony Bank Inc. (Sony Bank) will announce their financial results for the six months ended September 30, 2015. SFH prepared an English-language summary of those Japanese announcements made by the above subsidiaries, solely for convenience of non-Japanese readers.

I. Notes Regarding Summary Information

Changes in Accounting Policies, Accounting Estimates and Restatements of the Consolidated Financial Statements

Changes in accounting policies

(Application of Accounting Standards for Business Combinations)

The Sony Financial Group has applied the “Revised Accounting Standards for Business Combinations” (ASBJ Statement No. 21, September 13, 2013), the “Revised Accounting Standards for Consolidated Financial Statements” (ASBJ Statement No. 22, September 13, 2013), the “Revised Accounting Standards for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and related standards from the first half of the fiscal year ending March 31, 2016. Accordingly, the method of presenting net income and other items was amended, and “minority interests” was changed to “non-controlling interests.” These reclassifications of the consolidated financial statements for the six months ended September 30, 2014 and the fiscal year ended March 31, 2015 have been made to conform to the presentation for the six months ended September 30, 2015.

II. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Cash and due from banks	¥134,803	¥74,528
Call loans and bills bought	77,234	188,190
Monetary trusts	336,842	312,182
Securities	7,377,545	7,655,530
Loans	1,349,586	1,434,629
Tangible fixed assets	123,083	122,674
Intangible fixed assets	33,366	31,961
Goodwill	99	59
Other intangible fixed assets	33,266	31,901
Due from reinsurers	297	347
Foreign exchanges	2,224	2,083
Other assets	102,756	111,311
Net defined benefit asset	3,005	3,126
Deferred tax assets	6,545	10,256
Reserve for possible loan losses	(1,422)	(1,501)
Total Assets	¥9,545,868	¥9,945,319

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Policy reserves and others	¥6,879,055	¥7,172,843
Reserve for outstanding claims	61,114	63,301
Policy reserves	6,813,749	7,104,914
Reserve for policyholders' dividends	4,191	4,627
Due to agencies	2,450	2,571
Due to reinsurers	675	598
Deposits	1,872,860	1,790,797
Call money and bills sold	6,000	6,000
Borrowed money	20,000	40,000
Foreign exchanges	46	85
Bonds payable	20,000	20,000
Other liabilities	122,340	289,716
Reserve for employees' bonuses	3,395	3,109
Net defined benefit liability	24,558	25,386
Reserve for directors' retirement benefits	338	294
Special reserves	42,969	43,660
Reserve for price fluctuations	42,969	43,660
Deferred tax liabilities on land revaluation	503	503
Total Liabilities	8,995,195	9,395,565
Net Assets		
Common stock	19,900	19,900
Capital surplus	195,277	195,277
Retained earnings	212,124	213,874
Treasury stock	(0)	(0)
Total shareholders' equity	427,301	429,051
Net unrealized gains (losses) on other securities, net of taxes	127,166	124,018
Net deferred gains (losses) on hedging instruments, net of taxes	(2,086)	(1,954)
Land revaluation, net of taxes	(1,480)	(1,480)
Foreign currency translation adjustments	0	1
Remeasurements of defined benefit plans, net of taxes	(1,522)	(1,192)
Total accumulated other comprehensive income	122,078	119,393
Non-controlling interests	1,292	1,310
Total Net Assets	550,672	549,754
Total Liabilities and Net Assets	¥9,545,868	¥9,945,319

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

(Millions of yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Ordinary Revenues	¥643,065	¥662,271
Ordinary Revenues from the Life Insurance Business	578,091	595,111
Income from insurance premiums	453,379	508,188
Insurance premiums	452,610	507,734
Ceded reinsurance commissions	768	453
Investment income	120,633	84,230
Interest income and dividends	65,649	69,616
Income from monetary trusts, net	2,646	6,188
Gains on trading securities	91	—
Gains on sale of securities	3,889	6,591
Gains on redemption of securities	1	—
Gains on derivatives, net	33	1,676
Foreign exchange gains, net	1,832	146
Other investment income	7	11
Gains on separate accounts, net	46,483	—
Other ordinary income	4,078	2,692
Ordinary Revenues from the Non-life Insurance Business	46,407	48,249
Underwriting income	45,774	47,601
Net premiums written	45,752	47,574
Interest and dividends on deposits of premiums	22	27
Other underwriting income	0	0
Investment income	617	631
Interest income and dividends	626	648
Gains on sale of securities	12	9
Transfer to interest and dividends on deposits of premiums	(22)	(27)
Other ordinary income	15	16
Ordinary Revenues from the Banking Business	18,567	18,910
Interest income	13,121	12,613
Interest income on loans	6,994	7,192
Interest income and dividends on securities	6,075	5,386
Interest income on call loans and bills bought	3	3
Interest income on deposits with banks	47	29
Others interest income	—	0
Fees and commissions	2,501	3,191
Other operating income	2,776	2,865
Gains on foreign exchange transactions, net	1,393	2,161
Others	1,383	704
Other ordinary income	168	240

(Continued)

(Millions of yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Ordinary Expenses	¥596,097	¥633,438
Ordinary Expenses from the Life Insurance Business	539,035	573,554
Insurance claims and other payments	173,004	173,103
Insurance claims	40,082	41,583
Annuity payments	5,215	5,283
Insurance benefits	20,664	23,736
Surrender payments	104,652	97,433
Other payments	1,430	4,083
Reinsurance premiums	958	982
Provision for policy reserves and others	293,672	287,219
Provision for reserve for outstanding claims	3,882	930
Provision for policy reserves	289,788	286,287
Interest portion of reserve for policyholders' dividends	1	1
Investment expenses	4,428	35,521
Interest expenses	15	24
Losses on trading securities, net	—	384
Losses on redemption of securities	0	—
Provision for reserve for possible loan losses	22	13
Depreciation of real estate for rent and others	920	914
Other investment expenses	3,470	2,228
Losses on separate accounts, net	—	31,956
Operating expenses	56,652	65,388
Other ordinary expenses	11,276	12,321
Ordinary Expenses from the Non-life Insurance Business	42,642	45,143
Underwriting expenses	31,807	33,230
Net losses paid	22,420	23,033
Loss adjustment expenses	3,397	3,568
Net commission and brokerage fees	481	493
Provision for reserve for outstanding losses	1,105	1,256
Provision for underwriting reserves	4,401	4,877
Others underwriting expenses	0	0
Investment expenses	0	2
Losses on sale of securities	0	2
Operating, general and administrative expenses	10,832	11,908
Other ordinary expenses	2	2

(Continued)

(Millions of yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Ordinary Expenses from the Banking Business	¥14,420	¥14,740
Interest expenses	4,816	4,532
Interest expenses on deposits	2,548	2,404
Interest expenses on call money and bills sold	3	3
Interest expenses on borrowed money	11	11
Interest expenses on bonds	49	49
Interest expenses on interest rate swaps	2,204	2,063
Others interest expenses	0	0
Fees and commissions	937	1,097
Other operating expenses	83	125
General and administrative expenses	8,562	8,822
Other ordinary expenses	20	162
Ordinary Profit	46,967	28,833
Extraordinary Losses	662	696
Losses on disposal of fixed assets	32	5
Impairment losses	0	0
Provision for special reserves	630	691
Provision for reserve for price fluctuations	630	691
Provision for Reserve for Policyholders' Dividends	219	647
Income Before Income Taxes	46,085	27,488
Income Taxes – Current	15,982	10,924
Income Taxes – Deferred	(1,093)	(2,601)
Total Income Taxes	14,888	8,322
Profit	31,197	19,166
Profit Attributable to Non-controlling Interests	16	16
Profit Attributable to Owners of the Parent	¥31,180	¥19,149

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Profit	¥31,197	¥19,166
Other comprehensive income		
Net unrealized gains (losses) on other securities, net of taxes	13,064	(3,148)
Net deferred gains (losses) on hedging instruments, net of taxes	64	132
Foreign currency translation adjustments	0	0
Remeasurements of defined benefit plans, net of taxes	459	331
Share of other comprehensive income of affiliates accounted for using equity method	0	—
Total other comprehensive income	13,588	(2,684)
Comprehensive income	¥44,785	¥16,481
(Details)		
Comprehensive income attributable to owners of the parent	44,769	16,463
Comprehensive income attributable to non-controlling interests	16	18

3. Consolidated Statements of Changes in Net Assets

For the six months ended September 30, 2014

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	¥19,900	¥195,277	¥164,790	¥(0)	¥379,967
Cumulative effects of changes in accounting policies	—	—	5,965	—	5,965
Restated balance at the beginning of the fiscal year	19,900	195,277	170,755	(0)	385,932
Changes during the period					
Dividends from surplus	—	—	(13,049)	—	(13,049)
Profit attributable to owners of the parent	—	—	31,180	—	31,180
Purchase of treasury stock	—	—	—	(0)	(0)
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes during the period	—	—	18,130	(0)	18,130
Balance at the end of the current period	¥19,900	¥195,277	¥188,885	¥(0)	¥404,062

	Total accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on other securities, net of taxes	Net deferred gains (losses) on hedging instruments, net of taxes	Land revaluation, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans, net of taxes	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥92,002	¥(2,388)	¥(1,513)	¥0	¥(2,292)	¥85,807	¥1,275	¥467,050
Cumulative effects of changes in accounting policies	—	—	—	—	—	—	—	5,965
Restated balance at the beginning of the fiscal year	92,002	(2,388)	(1,513)	0	(2,292)	85,807	1,275	473,015
Changes during the period								
Dividends from surplus	—	—	—	—	—	—	—	(13,049)
Profit attributable to owners of the parent	—	—	—	—	—	—	—	31,180
Purchase of treasury stock	—	—	—	—	—	—	—	(0)
Net changes of items other than shareholders' equity	13,064	64	—	0	459	13,588	17	13,606
Total changes during the period	13,064	64	—	0	459	13,588	17	31,736
Balance at the end of the current period	¥105,066	¥(2,323)	¥(1,513)	¥0	¥(1,833)	¥99,396	¥1,292	¥504,752

For the six months ended September 30, 2015

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the fiscal year	¥19,900	¥195,277	¥212,124	¥(0)	¥427,301
Changes during the period					
Dividends from surplus	—	—	(17,399)	—	(17,399)
Profit attributable to owners of the parent	—	—	19,149	—	19,149
Purchase of treasury stock	—	—	—	(0)	(0)
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes during the period	—	—	1,749	(0)	1,749
Balance at the end of the current period	¥19,900	¥195,277	¥213,874	¥(0)	¥429,051

	Total accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gains (losses) on other securities, net of taxes	Net deferred gains (losses) on hedging instruments, net of taxes	Land revaluation, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans, net of taxes	Total accumulated other comprehensive income		
Balance at the beginning of the fiscal year	¥127,166	¥(2,086)	¥(1,480)	¥0	¥(1,522)	¥122,078	¥1,292	¥550,672
Changes during the period								
Dividends from surplus	—	—	—	—	—	—	—	(17,399)
Profit attributable to owners of the parent	—	—	—	—	—	—	—	19,149
Purchase of treasury stock	—	—	—	—	—	—	—	(0)
Net changes of items other than shareholders' equity	(3,148)	132	—	0	330	(2,685)	18	(2,667)
Total changes during the period	(3,148)	132	—	0	330	(2,685)	18	(918)
Balance at the end of the current period	¥124,018	¥(1,954)	¥(1,480)	¥1	¥(1,192)	¥119,393	¥1,310	¥549,754

4. Segment Information

(1) Outline of reporting segments

The Sony Financial Group consists of three reporting segments: the life insurance business, the non-life insurance business and the banking business.

- The life insurance business consists of Sony Life Insurance Co., Ltd., AEGON Sony Life Insurance Co., Ltd., and SA Reinsurance Ltd.
- The non-life insurance business consists of Sony Assurance Inc.
- The banking business consists of Sony Bank Inc., Sony Payment Services Inc. and SmartLink Network Hong Kong Limited.

(2) Segment Information by reporting segment

For the six months ended September 30, 2014

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues				
External customers	¥578,091	¥46,407	¥18,567	¥643,065
Intersegment	1,385	0	89	1,475
Total	579,476	46,407	18,656	644,541
Segment profit	40,158	3,436	3,270	46,865
Segment assets	6,953,121	149,486	2,006,850	9,109,458
Others				
Depreciation	3,602	1,248	1,086	5,936
Interest income and dividends	65,888	626	13,121	79,636
Interest expenses	15	—	4,884	4,899
Equity in earnings (losses) of affiliates	(354)	—	—	(354)
Investments in affiliates	9,088	—	—	9,088
Increase in tangible fixed assets and intangible fixed assets	¥53,775	¥1,433	¥1,059	¥56,268

For the six months ended September 30, 2015

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues				
External customers	¥595,111	¥48,249	¥18,910	¥662,271
Intersegment	1,336	0	110	1,448
Total	596,448	48,250	19,020	663,719
Segment profit	22,566	2,751	3,410	28,728
Segment assets	7,758,583	164,931	2,010,520	9,934,035
Others				
Depreciation	3,594	1,244	1,177	6,016
Interest income and dividends	69,855	648	12,613	83,116
Interest expenses	24	—	4,600	4,625
Equity in earnings (losses) of affiliates	(396)	—	—	(396)
Investments in affiliates	10,188	—	—	10,188
Increase in tangible fixed assets and intangible fixed assets	¥1,302	¥1,753	¥1,085	¥4,141

(3) Reconciliations of the totals of each segment item to corresponding enterprise amounts

	Millions of yen	
	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Totals of reporting segments	¥644,541	¥663,719
Adjustments for intersegment transactions	(1,475)	(1,448)
Ordinary revenues in statement of income	¥643,065	¥662,271

	Millions of yen	
	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Totals of reporting segments	¥46,865	¥28,728
Adjustments for intersegment transactions	3	4
Amount not allocated to reporting segments	98	100
Ordinary profit in statement of income	¥46,967	¥28,833

	Millions of yen	
	For the six months ended September 30, 2014	For the six months ended September 30, 2015
Totals of reporting segments	¥9,109,458	¥9,934,035
Adjustments for intersegment transactions	(21,067)	(24,630)
Amount not allocated to reporting segments	31,836	35,913
Assets in balance sheets	¥9,120,226	¥9,945,319

	Millions of yen					
	For the six months ended September 30, 2014			For the six months ended September 30, 2015		
	Total	Adjustments	Consolidated financial statements	Total	Adjustments	Consolidated financial statements
Depreciation	¥5,936	¥9	¥5,945	¥6,016	¥8	¥6,024
Interest income and dividends	79,636	(239)	79,396	83,116	(238)	82,878
Interest expenses	4,899	(67)	4,831	4,625	(68)	4,556
Equity in earnings (losses) of affiliates	(354)	—	(354)	(396)	—	(396)
Investments in affiliates	9,088	—	9,088	10,188	—	10,188
Increase in tangible fixed assets and intangible fixed assets	¥56,268	¥1	¥56,270	¥4,141	¥0	¥4,142

5. Subsequent Events

There were no applicable subsequent events.

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 following companies

Consolidated subsidiaries:

Sony Financial Holdings Inc.

Sony Life Insurance Co. Ltd.

Sony Assurance Inc.

Sony Bank Inc.

Sony Payment Services Inc. (Changed its name from "SmartLink Network, Inc." on April 1, 2015.)

SmartLink Network Hong Kong Limited.

Affiliated companies accounted for under the equity method:

AEGON Sony Life Insurance Co., Ltd.

SA Reinsurance Ltd.

Statements made in this press release 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 historical facts are forward-looking statements. Forward-looking statements may include—but are not limited to—words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “assume,” “forecast,” “predict,” “propose,” “intend” and “possibility” that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, may also be included in other materials released to the public. These statements are based on assumptions, decisions and judgments made by the management of Sony Financial Group companies, and are based on information that is currently available to them. As such, they 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. Sony Financial Group companies are under no obligation to revise forward-looking statements in light of new information, future events or other findings. The information contained in this press release 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 to 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 in Japan or abroad.

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http://www.sonyfh.co.jp/index_en.html

III. Attachment

Content of Presentation Material

**Consolidated Financial Results for the Six Months Ended September 30, 2015 and
Sony Life’s Market Consistent Embedded Value as of September 30, 2015**

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Presentation Material

Consolidated Financial Results for the Six Months Ended September 30, 2015 and Sony Life's Market Consistent Embedded Value as of September 30, 2015

Sony Financial Holdings Inc.
November 12, 2015

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Disclaimers:

This presentation material 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 historical facts are forward-looking statements. Forward-looking statements may include—but are not limited to—words such as “believe,” “anticipate,” “plan,” “strategy,” “expect,” “assume,” “forecast,” “predict,” “propose,” “intend” and “possibility” that describe future operating activities, business performance, events or conditions. Forward-looking statements, whether spoken or written, may also be included in other materials released to the public. These statements are based on assumptions, decisions and judgments made by the management of Sony Financial Group companies, and are based on information that is currently available to them. As such, they 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. Sony Financial Group companies are under no obligation to revise forward-looking statements in light of new information, future events or other findings. The information contained in this presentation 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 to 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 in Japan or abroad.

*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.

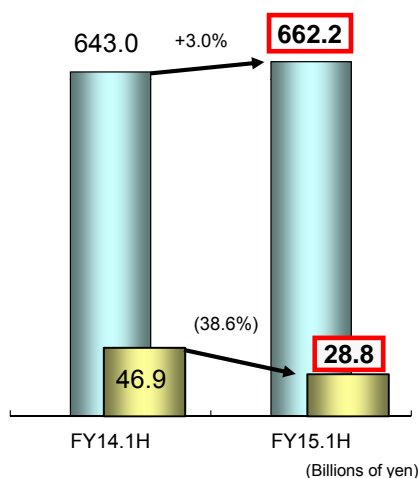
Consolidated Operating Results for the Six Months Ended September 30, 2015 (FY15.1H)

Management Message

- ◆ In FY15.1H, consolidated ordinary revenues increased in all three core businesses. Sony Life's new policy amount rose significantly, exceeding the record high amount posted in FY14.1H, and its business volume has been steadily expanding.
- ◆ Consolidated ordinary profit was down substantially year on year, and compared with our initial forecast. This decrease reflected Sony Life's substantial increase in the provision of policy reserves for minimum guarantees for variable life insurance, as well as increased expenses at the beginning of the policy period incurred by strong sales of new policies.
- ◆ Given the consolidated ordinary profit results in FY15.1H, we revised our full-year profit forecast downward. Although profit was down substantially at the beginning of the policy period due to higher sales of variable life insurance, this will contribute to future earnings growth.
- ◆ As our medium-term profit outlook remains unchanged, we maintain our initial dividend forecast for FY15 (¥55 per share).

Highlights of Consolidated Operating Performance for FY15.1H (1)

■ Consolidated ordinary revenues
■ Consolidated ordinary profit



(Billions of yen)		FY14.1H	FY15.1H	Change	
Life Insurance business	Ordinary revenues	579.4	596.4	+16.9	+2.9%
	Ordinary profit	40.1	22.5	(17.5)	(43.8%)
Non-life Insurance business	Ordinary revenues	46.4	48.2	+1.8	+4.0%
	Ordinary profit	3.4	2.7	(0.6)	(19.9%)
Banking business	Ordinary revenues	18.6	19.0	+0.3	+2.0%
	Ordinary profit	3.2	3.4	+0.1	+4.3%
Intersegment adjustments*	Ordinary revenues	(1.4)	(1.4)	+0.0	—
	Ordinary profit	0.1	0.1	+0.0	+2.4%
Consolidated	Ordinary revenues	643.0	662.2	+19.2	+3.0%
	Ordinary profit	46.9	28.8	(18.1)	(38.6%)
	Profit attributable to owners of the parent	31.1	19.1	(12.0)	(38.6%)

*Ordinary profit in "Intersegment adjustments" is mainly from SFH.

*Comprehensive income : FY14.1H: ¥44.7 billion, FY15.1H: ¥16.4 billion

(Billions of yen)		15.3.31	15.9.30	Change from 15.3.31	
Consolidated	Net assets	550.6	549.7	(0.9)	(0.2%)
	Total assets	9,545.8	9,945.3	+399.4	+4.2%

Highlights of Consolidated Operating Performance for FY15.1H (2)

■ **Life Insurance Business:** Policy amount in force increased steadily, reflecting a record-high new policy amount for this period (April 1 to September 30). Ordinary revenues increased year on year due to an increase in income from insurance premiums despite deteriorated investment performance in the separate account as a result of worsened financial market conditions. Ordinary profit decreased significantly year on year. This is due to a substantial increase in provision of policy reserves for minimum guarantees for variable life insurance as a result of an increase in new policy amount and worsened financial market conditions, partially offset by an increase in gains on sale of securities in the general account. Moreover, increased expenses incurred by strong sales of new policies and higher payment on insurance claims also contributed to the decrease in ordinary profit.

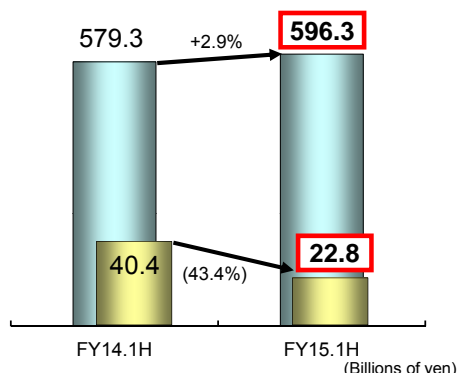
■ **Non-life Insurance Business:** Ordinary revenues expanded year on year, owing to an increase in net premiums written primarily for mainstay automobile insurance. Ordinary profit decreased year on year mainly due to a rise in operating expenses despite the increase in ordinary revenues.

■ **Banking Business:** Both ordinary revenues and ordinary profit increased year on year, mainly due to higher revenues related to mortgage loan and foreign currency transactions.

■ **Consolidated ordinary revenues** increased 3.0% year on year, to ¥662.2 billion, owing to increases in ordinary revenues from all the businesses: life insurance, non-life insurance and banking. Consolidated ordinary profit decreased 38.6% year on year, to ¥28.8 billion. By business segment, ordinary profit from the banking business increased, whereas ordinary profit from the life insurance and the non-life insurance businesses decreased. Profit attributable to owners of the parent was down 38.6% year on year, to ¥19.1 billion due to the decrease in ordinary profit.

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

■ Ordinary revenues ■ Ordinary profit



- ◆ Ordinary revenues increased but ordinary profit decreased year on year.
- ◆ Income from insurance premiums increased year on year, reflecting a steady increase in policy amount in force.
- ◆ Investment income decreased due to deteriorated investment performance in the separate account despite an increase in interest income and dividends in the general account.
- ◆ Ordinary profit decreased year on year due to a substantial increase in provision of policy reserves for minimum guarantees for variable life insurance as a result of an increase in new policy amount and worsened financial market conditions, partially offset by an increase in gains on sale of securities in the general account. Moreover, increased expenses incurred by strong sales of new policies and higher payment on insurance claims also contributed to the decrease in ordinary profit.

(Billions of yen)	FY14.1H	FY15.1H	Change	
Ordinary revenues	579.3	596.3	+16.9	+2.9%
Income from insurance premiums	454.0	508.7	+54.7	+12.1%
Investment income	120.8	84.4	(36.4)	(30.1%)
Interest income and dividends	65.8	69.8	+3.9	+6.0%
Income from monetary trusts, net	2.6	6.1	+3.5	+133.8%
Gains on sale of securities	3.8	6.5	+2.7	+69.5%
Gains on separate accounts, net	46.4	-	(46.4)	(100.0%)
Ordinary expenses	538.9	573.4	+34.5	+6.4%
Insurance claims and other payments	173.0	173.1	+0.0	+0.1%
Provision for policy reserves and others	293.6	287.2	(6.4)	(2.2%)
Investment expenses	4.5	35.6	+31.1	+681.2%
Losses on separate accounts, net	-	31.9	+31.9	-
Operating expenses	56.8	65.6	+8.7	+15.4%
Ordinary profit	40.4	22.8	(17.5)	(43.4%)
Net income	26.9	14.8	(12.0)	(44.9%)

(Billions of yen)	15.3.31	15.9.30	Change from 15.3.31	
Securities	6,543.7	6,899.6	+355.9	+5.4%
Policy reserves	6,727.2	7,013.5	+286.2	+4.3%
Net assets	432.5	432.3	(0.2)	(0.0%)
Net unrealized gains on other securities	118.1	117.7	(0.3)	(0.3%)
Total assets	7,301.3	7,758.8	+457.5	+6.3%
Separate account assets	793.3	796.6	+3.2	+0.4%

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

(Billions of yen)	FY14.1H	FY15.1H	Change
New policy amount	2,127.3	2,615.0	+22.9%
Lapse and surrender amount	862.5	951.5	+10.3%
Lapse and surrender rate	2.21%	2.33%	+0.12pt
Policy amount in force	39,952.7	42,143.0	+5.5%
Annualized premiums from new policies	36.2	43.0	+18.9%
Of which, third-sector products	6.5	7.3	+12.0%
Annualized premiums from insurance in force	715.4	759.1	+6.1%
Of which, third-sector products	169.7	176.1	+3.7%

Notes:

- 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.
- 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.

(Billions of yen)	FY14.1H	FY15.1H	Change
Gains from investment, net (General account)	69.8	80.7	+15.7%
Core profit	38.5	14.4	(62.5%)
Positive spread	5.5	7.3	+32.7%

	15.3.31	15.9.30	Change from 15.3.31
Non-consolidated solvency margin ratio	2,555.0%	2,657.7%	+102.7pt

<Reasons for changes>

- ◆ Increased due to higher sales of variable life insurance and family income insurance.

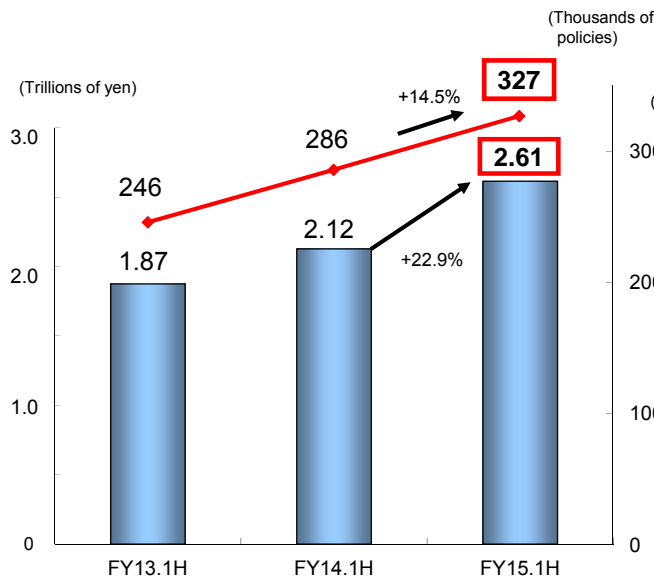
- ◆ Increased due to higher sales of variable life insurance.

- ◆ Decreased year on year due to a substantial increase in provision of policy reserves for minimum guarantees for variable life insurance as a result of an increase in new policy amount and worsened financial market conditions despite higher positive spread. Moreover, increased expenses incurred by strong sales of new policies and higher payment on insurance claims also contributed to the decrease in core profit.

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

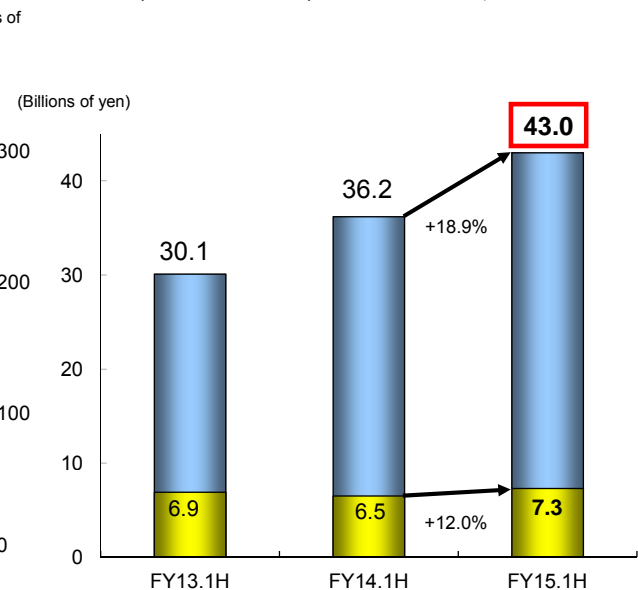
Number and Amount of New Policies (Individual Life Insurance + Individual Annuities)

■ New policy amount — Number of new policies



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

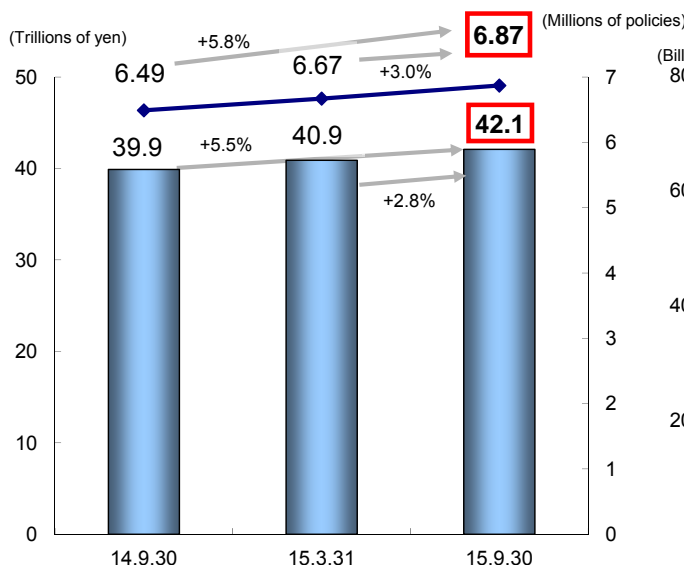
■ Annualized premiums from new policies ■ Of which, third-sector



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

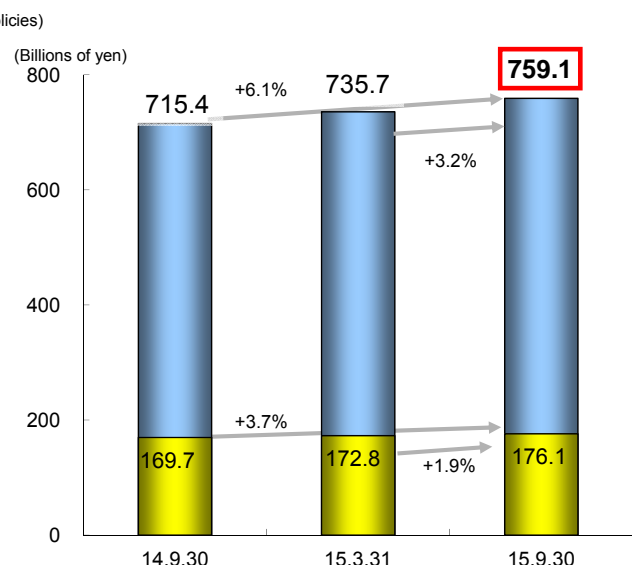
Number and Amount of Policies in Force (Individual Life Insurance + Individual Annuities)

■ Policy amount in force — Number of policies in force



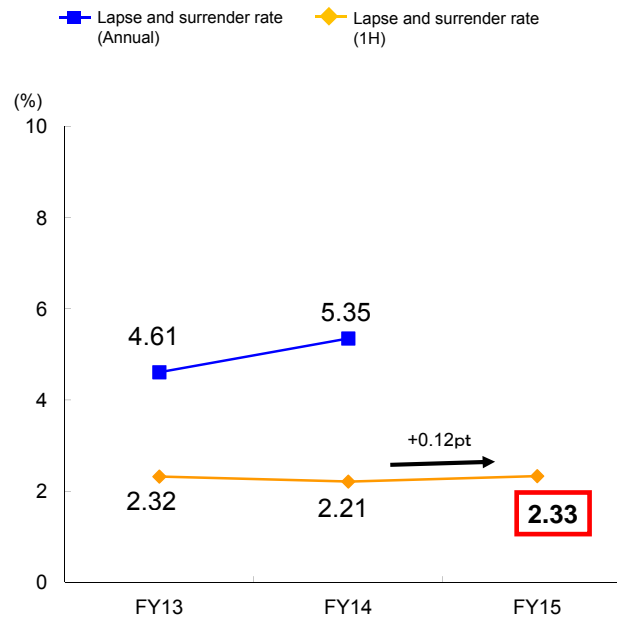
Annualized Premiums from Insurance in Force (Individual Life Insurance + Individual Annuities)

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



Operating Performance : Sony Life (Non-consolidated) (3)

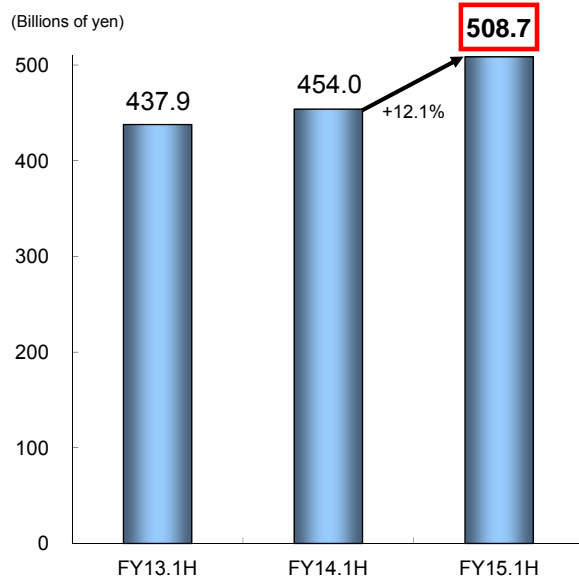
Lapse and Surrender Rate* (Individual Life Insurance + Individual Annuities)



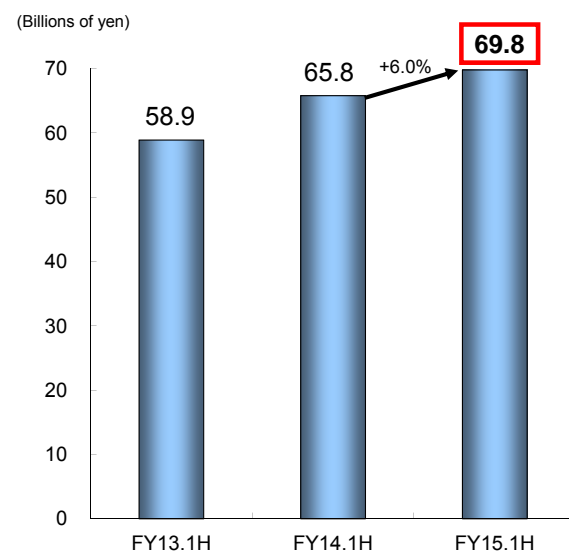
*The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

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

Income from Insurance Premiums



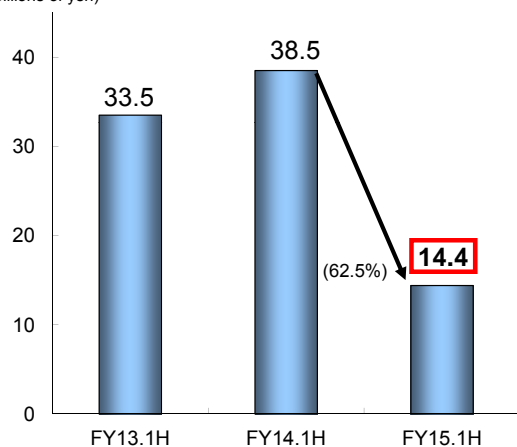
Interest Income and Dividends



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

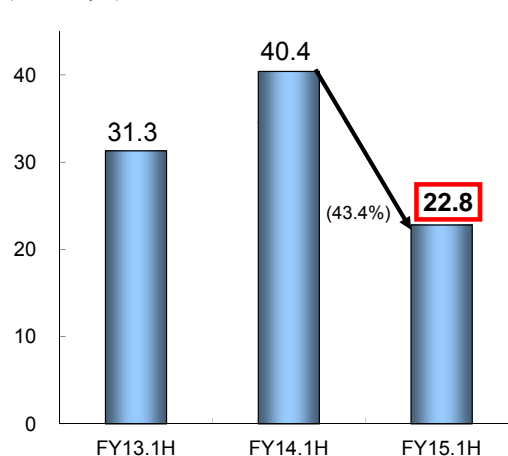
Core Profit

(Billions of yen)



Ordinary Profit

(Billions of yen)



(Reference) Impact on core profit

	(Billions of yen)		
	FY13.1H	FY14.1H	FY15.1H
Positive spread	3.3	5.5	7.3
Provision of policy reserves for minimum guarantees for variable life insurance (*1)	(1.2)	(2.5)	(22.1)
Effects by the revision of policy reserve discount rate (Interest rate-sensitive whole life insurance) (*2)	(5.7)	-	-

(Reference) Main differences from core profit

	(Billions of yen)		
	FY13.1H	FY14.1H	FY15.1H
Capital gains (losses) excluding gains or losses on hedges (*1)	(0.0)	4.4	10.3
Gains (losses) on hedges of variable life insurance	-	-	1.4
Provision of contingency reserve (*1)	(2.1)	(2.4)	(3.1)

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

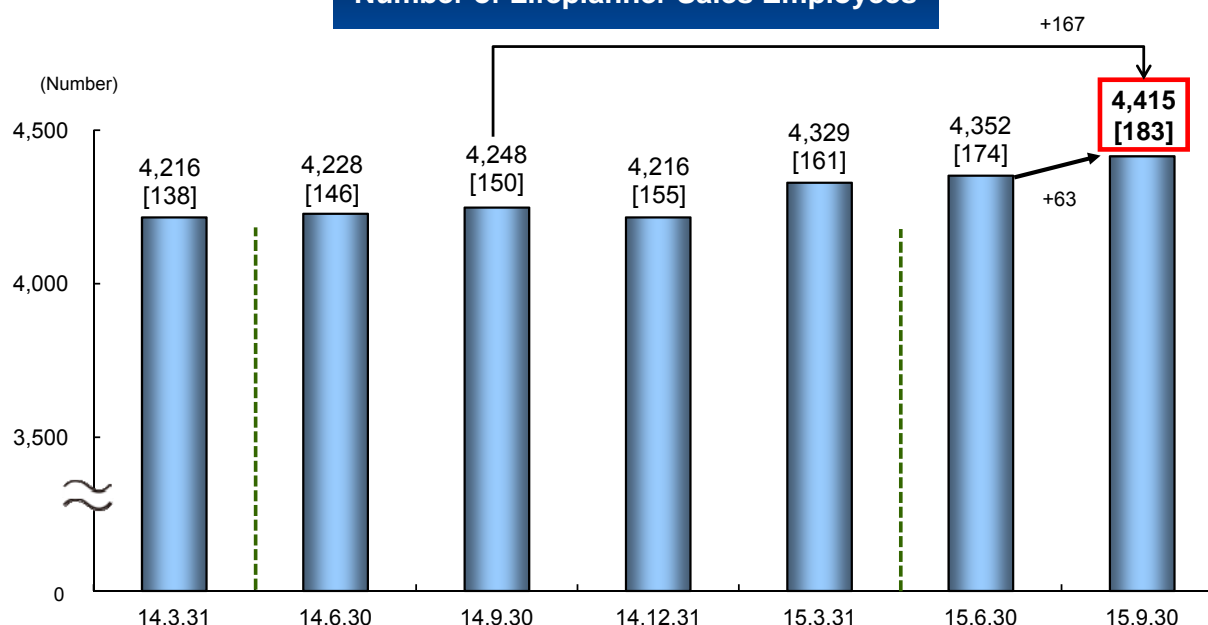
Capital gains (losses) exclude gains or losses on hedges of variable life insurance.

*2: The effected amount of a surge of sales of interest rate-sensitive whole life insurance due to a delay in rising insurance premiums (May 2013) against the revision of policy reserve discount rate.

Operating Performance : Sony Life (Non-consolidated) (6)

Number of Lifepanner Sales Employees

(Number)



Note: Figures in [] show the numbers of Lifepanner 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 Lifepanner sales employees that meet certain sales conditions and other requirement.

Operating Performance : Sony Life (Non-consolidated) (7)

Breakdown of General Account Assets

(Billions of yen)	15.3.31		15.9.30	
	Amount	%	Amount	%
Japanese government and corporate bonds	5,606.8	86.2%	6,027.4	86.6%
Japanese stocks	42.4	0.7%	34.0	0.5%
Foreign bonds	105.5	1.6%	66.0	0.9%
Foreign stocks	26.0	0.4%	25.5	0.4%
Monetary trusts	313.2	4.8%	289.1	4.2%
Policy loans	162.3	2.5%	167.8	2.4%
Real estate*	117.7	1.8%	116.8	1.7%
Cash and call loans	56.8	0.9%	153.9	2.2%
Others	76.7	1.2%	81.3	1.2%
Total	6,508.0	100.0%	6,962.2	100.0%

<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. 31, 2014: 19.7 years

Mar. 31, 2015: 20.3 years

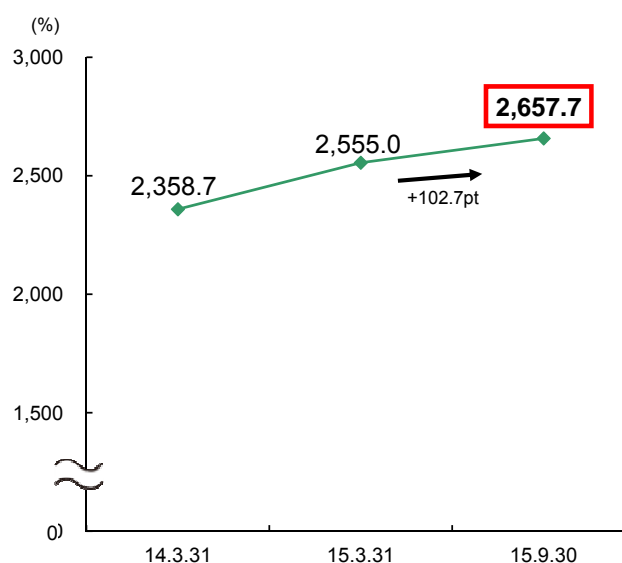
Sep. 30, 2015: 20.4 years

- 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 Sep. 30, 2015: 90.8% (As of Mar. 31, 2015: 91.0%)

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

Operating Performance : Sony Life (Non-consolidated) (8)

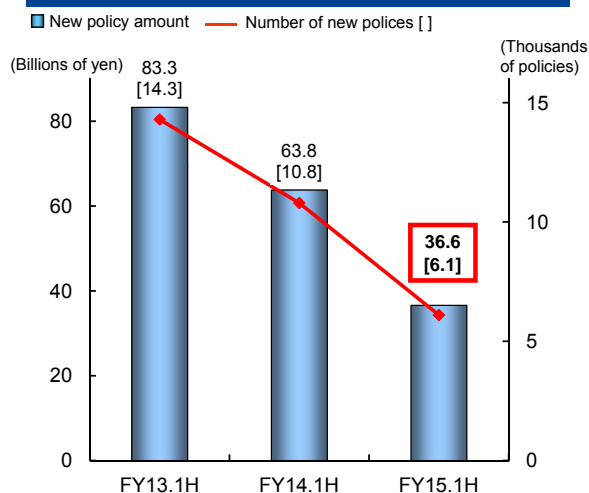
Non-consolidated Solvency Margin Ratio



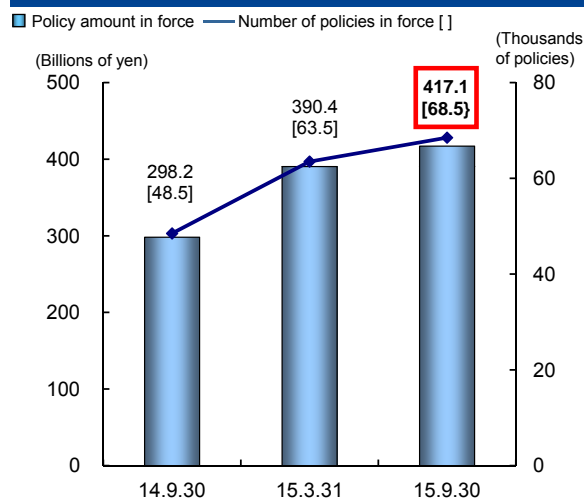
Operating Performance : AEGON Sony Life Insurance

*AEGON Sony Life Insurance sells individual variable annuities.

Number and Amount of New Policies



Number and Amount of Policies in Force



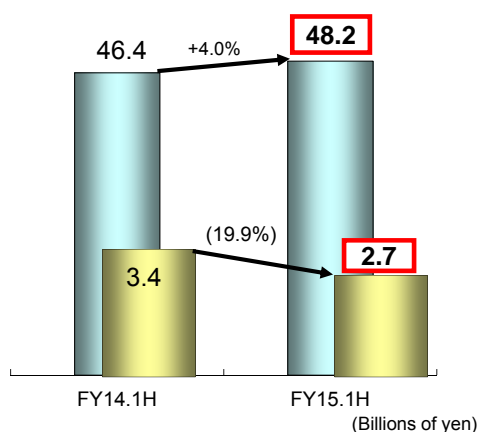
Net income (losses) for AEGON Sony Life Insurance and SA Reinsurance

	FY14.1H	FY15.1H	Change
AEGON Sony Life Insurance	(2.4)	(0.7)	+1.7
SA Reinsurance	1.7	(0.0)	(1.7)

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 profit attributable to owners of the parent.

Highlights of Operating Performance: Sony Assurance

□ Ordinary revenues □ Ordinary profit



- ◆ Ordinary revenues increased but ordinary profit decreased year on year.
- ◆ Ordinary revenues expanded year on year, owing to an increase in net premiums written primarily for mainstay automobile insurance.
- ◆ Ordinary profit decreased year on year mainly due to a rise in operating expenses despite the increase in ordinary revenues.

(Billions of yen)	FY14.1H	FY15.1H	Change	
Ordinary revenues	46.4	48.2	+1.8	+4.0%
Underwriting income	45.7	47.6	+1.8	+4.0%
Investment income	0.6	0.6	+0.0	+2.3%
Ordinary expenses	42.9	45.4	+2.5	+5.9%
Underwriting expenses	32.0	33.4	+1.4	+4.5%
Investment expenses	0.0	0.0	+0.0	—
Operating general and administrative expenses	10.9	12.0	+1.0	+9.9%
Ordinary profit	3.4	2.7	(0.6)	(19.9%)
Net income	2.3	1.9	(0.4)	(16.8%)

(Billions of yen)	15.3.31	15.9.30	Change from 15.3.31	
Underwriting reserves	86.5	91.3	+4.8	+5.6%
Net assets	24.7	27.2	+2.4	+10.0%
Total assets	157.9	164.9	+6.9	+4.4%

Overview of Operating Performance: Sony Assurance

(Billions of yen)	FY14.1H	FY15.1H	Change	<Reasons for changes>
Direct premiums written	45.0	46.9	+4.2%	
Net premiums written	45.7	47.5	+4.0%	◆ Increased mainly in its mainstay automobile insurance.
Net losses paid	22.4	23.0	+2.7%	
Underwriting profit	2.8	2.1	(24.6%)	◆ Increased mainly due to higher advertising expenses.
Net loss ratio	56.4%	55.9%	(0.5pt)	
Net expense ratio	25.4%	26.7%	+1.3pt	
Combined ratio	81.8%	82.7%	+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

	FY14.1H	FY15.1H	Change	
E. I. loss ratio	62.4%	62.4%	+0.0pt	◆ Remained at the same level reflecting persistently low car accident ratio.
E. I. loss ratio + Net expense ratio	87.8%	89.1%	+1.3pt	

Notes:

Earned/Incurred (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.]

	15.331	15.930	Change from 15.331	
Number of policies in force	1.70 million	1.75 million	+0.05 million	+3.1%
Non-consolidated solvency margin ratio	629.6%	676.7%	+47.1pt	

Note: 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.

Sony Assurance's Underwriting Performance by Type of Policy

Direct Premiums Written

(Millions of yen)	FY14.1H	FY15.1H	Change
Fire	119	199	+66.2%
Marine	—	—	—
Personal accident	4,277	4,321	+1.0%
Voluntary automobile	40,671	42,442	+4.4%
Compulsory automobile liability	—	—	—
Total	45,069	46,963	+4.2%

Net Premiums Written

(Millions of yen)	FY14.1H	FY15.1H	Change
Fire	16	28	+73.5%
Marine	84	22	(73.7%)
Personal accident	4,411	4,461	+1.1%
Voluntary automobile	40,568	42,349	+4.4%
Compulsory automobile liability	671	712	+6.2%
Total	45,752	47,574	+4.0%

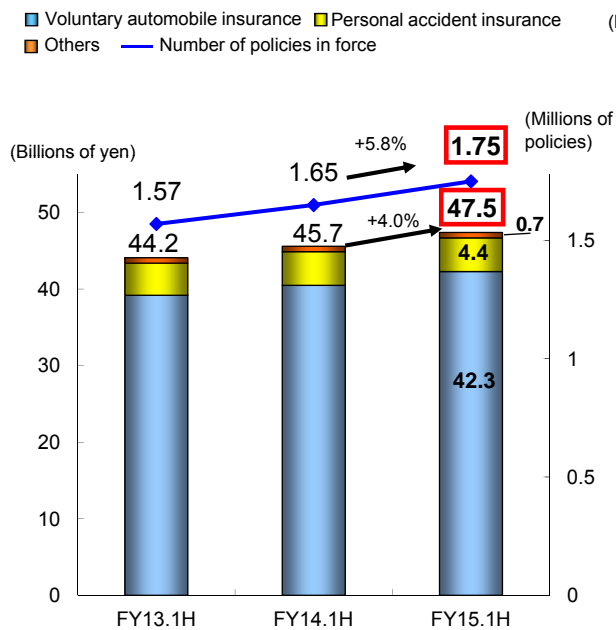
*Medical and cancer insurance is included in personal accident.

Net losses paid

(Millions of yen)	FY14.1H	FY15.1H	Change
Fire	2	0	(65.9%)
Marine	73	100	+36.4%
Personal accident	1,128	1,207	+7.1%
Voluntary automobile	20,616	21,096	+2.3%
Compulsory automobile liability	601	628	+4.6%
Total	22,420	23,033	+2.7%

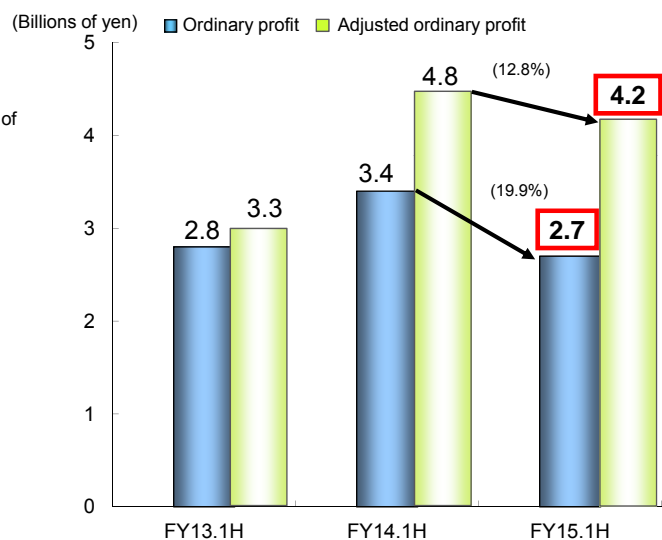
Operating Performance: Sony Assurance (1)

Net Premiums Written and Number of Policies in Force



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 90% of personal accident insurance is medical and cancer insurance.

Ordinary Profit and Adjusted Ordinary Profit



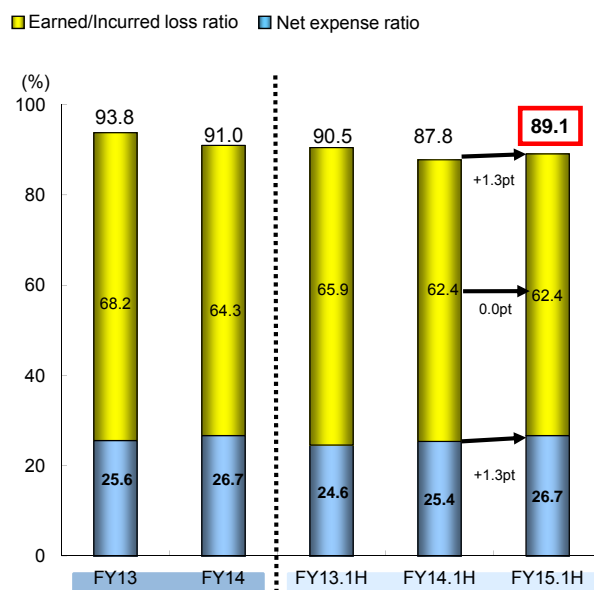
*Adjusted ordinary profit = Ordinary profit + Provision for catastrophe reserve

(Reference) Provision for catastrophe reserve		(Billions of yen)	
		FY13.1H	FY14.1H
Provision for catastrophe reserve		0.4	1.4
			FY15.1H
			1.5

*Provision for catastrophe reserve is described as positive amount

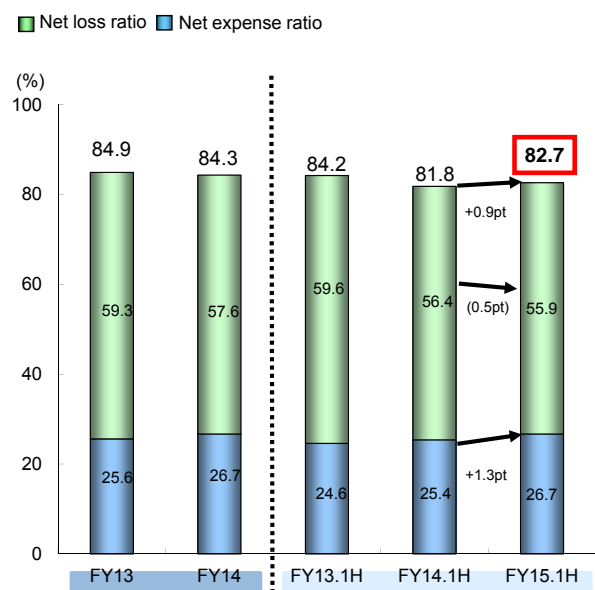
Operating Performance: Sony Assurance (2)

Earned/Incurred Loss Ratio + Net Expense Ratio



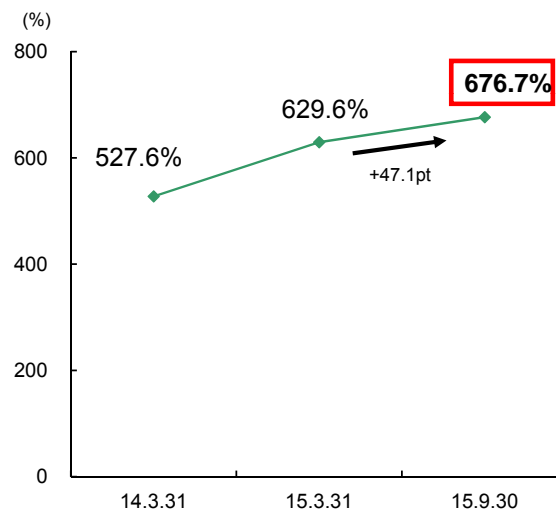
Notes:
Earned/Incurred loss ratio = (Net losses paid + Provision for reserve for outstanding losses + Loss adjustment expenses) / Earned premiums
[Earthquake insurance and compulsory automobile liability insurance are excluded from the above calculation.]

(Reference) Combined Ratio (Net Loss Ratio + Net Expense Ratio)



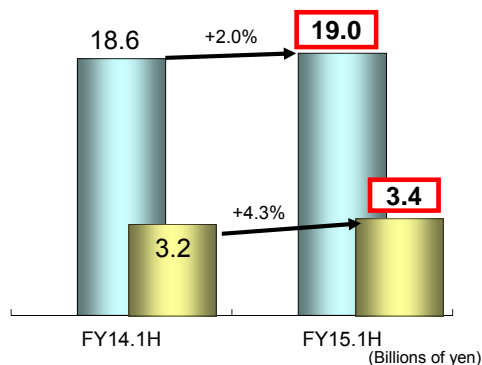
Notes:
Net loss ratio = (Net losses paid + Loss adjustment expenses) / Net premiums written
Net expense ratio = Expenses related to underwriting / Net premiums written

Non-consolidated Solvency Margin Ratio



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

■ Consolidated ordinary revenues
■ Consolidated ordinary profit



<Consolidated>

(Billions of yen)	FY14.1H	FY15.1H	Change	
Consolidated ordinary revenues	18.6	19.0	+0.3	+2.0%
Consolidated ordinary profit	3.2	3.4	+0.1	+4.3%
Profit attributable to owners of the parent	2.0	2.2	+0.1	+9.0%

<Non-consolidated>

(Billions of yen)	FY14.1H	FY15.1H	Change	
Ordinary revenues	17.3	17.5	+0.2	+1.4%
Gross operating profit	10.6	10.9	+0.3	+3.1%
Net interest income	8.2	8.0	(0.2)	(2.7%)
Net fees and commissions	(0.3)	0.2	+0.5	-
Net other operating income	2.6	2.7	+0.0	+1.7%
General and administrative expenses	7.5	7.6	+0.1	+1.6%
Net operating profit	3.1	3.3	+0.2	+6.5%
Ordinary profit	3.2	3.3	+0.1	+4.3%
Net income	2.0	2.2	+0.1	+8.9%

<Consolidated>

- ◆ Ordinary revenues and ordinary profit increased year on year, due to higher revenues related to mortgage loan and foreign currency transactions.

<Non-consolidated>

- ◆ Both gross operating profit and net operating profit increased year on year.
- Net interest income decreased, due to lower interest income and dividends on securities.
- Net fees and commissions increased, due to higher fees on mortgage loans.
- Net other operating income increased, due to higher gains on foreign exchange transactions stemming from customers' active trading whereas gains on the bond-dealing transaction was recorded in the same period of the previous fiscal year.

(Billions of yen)	15.3.31	15.9.30	Change from 15.3.31	
Net assets	77.0	76.1	(0.8)	(1.1%)
Net unrealized gains on other securities, net of taxes	6.6	3.3	(3.2)	(49.3%)
Total assets	2,062.5	1,998.3	(64.1)	(3.1%)

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

(Billions of yen)	14.9.30	15.3.31	15.9.30	Change from 15.3.31	
Customer assets	1,945.2	2,007.9	1,915.7	(92.1)	(4.6%)
Deposits	1,824.6	1,878.2	1,795.2	(83.0)	(4.4%)
Yen	1,483.8	1,551.0	1,476.4	(74.6)	(4.8%)
Foreign currency	340.8	327.2	318.7	(8.4)	(2.6%)
Investment trusts	120.5	129.6	120.5	(9.1)	(7.0%)
Loans	1,092.1	1,187.1	1,266.7	+79.5	+6.7%
Mortgage loans	983.2	1,074.3	1,154.4	+80.0	+7.5%
Others	108.8	112.8	112.3 ^{*1}	(0.4)	(0.4%)
Number of accounts	1.01 million	1.05 million	1.08 million	+0.02 million	+2.1%
Non-performing assets ratio ^{*2} (Based on Financial Reconstruction Law)	0.32%	0.28%	0.25%	(0.03pt)	
Capital adequacy ratio ^{*3} (domestic criteria)	11.80%	10.66%	10.59%	(0.07pt)	

<Reasons for changes>

◆ Yen deposit balance decreased reflecting severe interest rate competitions for yen time deposits.

◆ Yen-denominated balance of foreign currency deposit decreased due to yen appreciation.

◆ Loan balance expanded reflecting a growing balance of mortgage loans.

*1 Loans in others include corporate loans of ¥106.0billion

*2 Non-performing loans (loans based on the Financial Reconstruction Act) / Total loan exposure

*3 Please refer to the graph of the non-consolidated capital adequacy ratio (domestic criteria) on P28.

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

<Reference> On Managerial Accounting Basis

(Billions of yen)	FY14.1H	FY15.1H	Change	
Gross operating profit	10.6	10.9	+0.3	+3.2%
Net interest income ^{*1} ①	9.0	9.1	+0.1	+1.6%
Net fees and commissions ^{*2} ②	0.0	0.7	+0.6	—
Net other operating income ^{*3}	1.5	1.0	(0.5)	(32.7%)
Gross operating profit (core profit) (A)=①+②	9.0	9.9	+0.8	+9.3%
Operating expenses and other expenses ③	7.4	7.6	+0.2	+3.6%
Net operating profit (core profit) = (A) - ③	1.6	2.2	+0.5	+34.5%

■ 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.

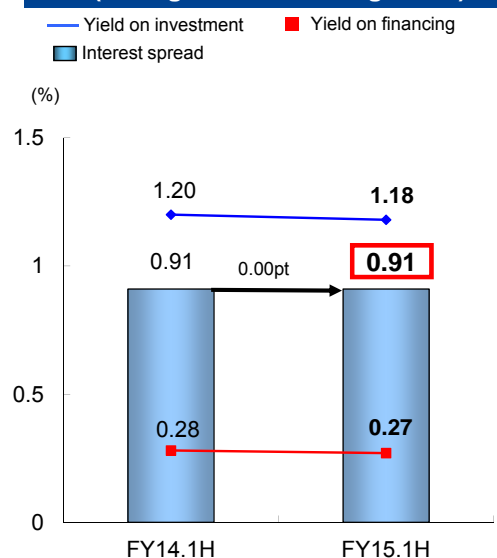
*2: Net fees and commissions: Includes profits and losses for customer dealings in foreign currency transactions recorded in net other operating income.

*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)



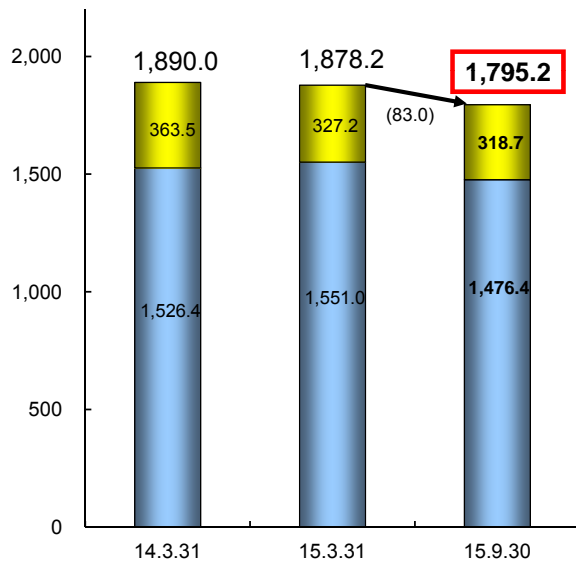
Note: Interest spread=(Yield on investment)-(Yield on financing)

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

Deposits

■ Yen deposits ■ Foreign currency deposits

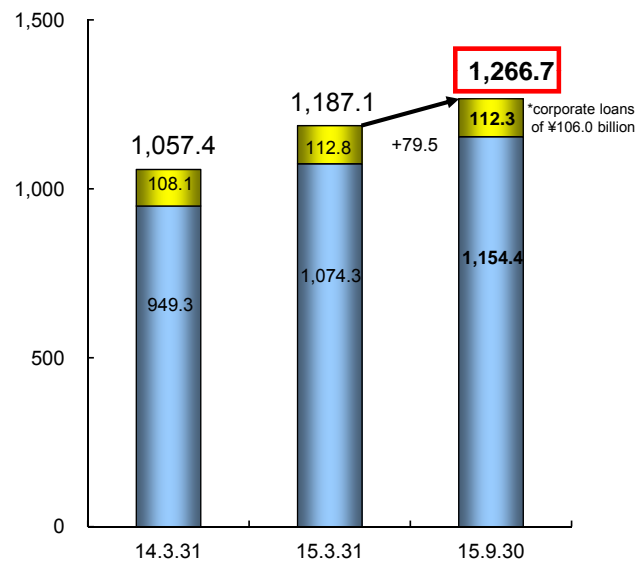
(Billions of yen)



Loans

■ Mortgage loans ■ Others

(Billions of yen)

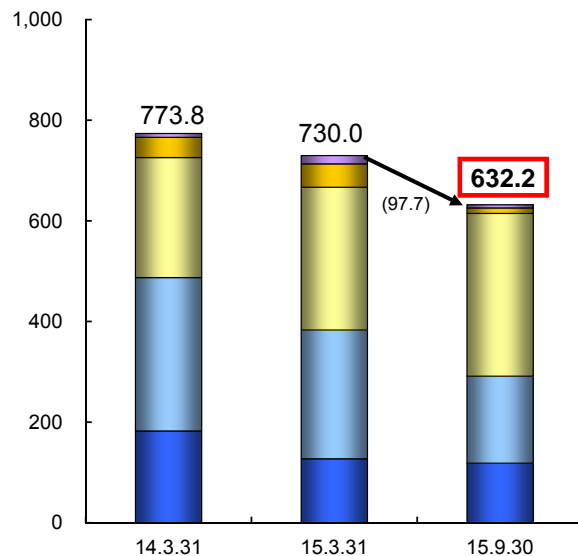


Operating Performance: Sony Bank (Non-consolidated) (2)

Balance of Securities by Credit Rating

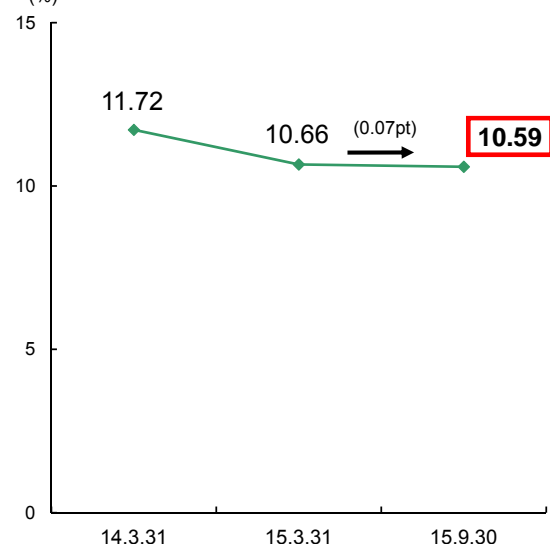
■ AAA ■ AA ■ A
■ BBB ■ Others

(Billions of yen)



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.

Consolidated Financial Forecast for the Year Ending March 31, 2016 (FY15)

Consolidated Financial Forecast for FY15

SFH revised its forecast upward for consolidated ordinary revenues but downward for consolidated ordinary profit and profit attributable to owners of the parent, from the forecast announced on April 30, 2015.

(Billions of yen)	FY14 (Actual)	FY15 (Forecast)	Change	FY15.1H (Actual)	Progress rate
Consolidated ordinary revenues	1,352.3	1,300.0⇒1,340.0	(3.9%)⇒(0.9%)	662.2	49.4%
Life insurance business	1,223.9	1,168.0⇒1,212.8	(4.6%)⇒(0.9%)	596.4	49.2%
Non-life insurance business	93.0	97.1	+4.4%	48.2	49.7%
Banking business	38.4	36.8	(4.2%)	19.0	51.7%
Consolidated ordinary profit	90.0	85.0⇒72.0	(5.6%)⇒(20.1%)	28.8	40.0%
Life insurance business	78.3	74.1⇒61.4	(5.4%)⇒(21.6%)	22.5	36.8%
Non-life insurance business	4.2	4.4	+4.5%	2.7	62.5%
Banking business	7.3	6.4	(12.7%)	3.4	53.3%
Profit attributable to owners of the parent	54.4	57.0⇒47.0	+4.7%⇒(13.6%)	19.1	40.7%

■ Life insurance business

Ordinary revenues for the full-year forecast have been revised upward due to better-than-expected first half results.

The reasons for the downward revision for ordinary profit are as follows.

- During the first half, provision of policy reserves for minimum guarantees for variable life insurance substantially exceeded our expectations at the beginning of the fiscal year due to strong sales of new policies, especially in variable life insurance, and worsened financial market conditions.
- The forecast for the second half of the fiscal year has been virtually unchanged as the following two reasons offset each other.
 - (1) Gains on sale of securities are expected to exceed our initial forecast as a result of the shift to investing in bonds with ultralong-term maturity.
 - (2) Provision of policy reserves for minimum guarantees for variable life insurance may continue to exceed our initial forecast.

■ Non-life insurance business

We have stayed our full-year forecast unchanged because the operating results in the first half were nearly the same as our initial forecast, and we expect this trend to continue in the second half.

■ Banking business

We have stayed our full-year forecast unchanged because we expect higher operating expenses in the second half although revenues related to mortgage loan and foreign currency transactions for the first half exceeded our initial expectations.

Sony Life's MCEV and Risk Amount Based on Economic Value as of September 30, 2015

Please keep in mind that the validity of these calculations of MCEV as of September 30, 2015, has not been verified by outside specialists.
A part of the calculations of MCEV as of September 30, 2015, adopted simplified method.

Sony Life's MCEV

(Billions of yen)	15.3.31	15.6.30	15.9.30	Change from 15.3.31	Change from 15.6.30
MCEV	1,322.9	1,388.8	1,388.2	+65.3	(0.6)
Adjusted net worth	1,119.2	1,017.1	1,082.7	(36.5)	+65.6
Value of existing business	203.7	371.8	305.5	+101.8	(66.3)

(Billions of yen)	15.3.31	15.6.30	15.9.30
New business value	48.6 (12M)	12.5 (3M)	20.1 (6M)
New business margin	3.8%	3.2%	2.6%

Notes:

1. New business margin equals new business value divided by present value of premium income.
2. In calculating MCEV as of June 30, 2015 and September 30, 2015, Sony Life updated economic assumptions and lapse and surrender rates from March 31, 2015.

◆ **Reasons for changes in MCEV**

- MCEV as of September 30, 2015 decreased ¥0.6 billion from June 30, 2015, mainly due to a decline in interest rates despite a favorable acquisition of new policies.
- MCEV as of September 30, 2015 increased ¥65.3 billion from March 31, 2015, mainly due to a rise in interest rates and an acquisition of new policies.

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

- New business value as of September 30, 2015 (6M) was ¥20.1 billion (¥40.2 billion / annualized).
- New business margin as of September 30, 2015 (6M) was down 0.6pt from June 30, 2015 (3M) mainly due to a decline in interest rates and was down 1.2pt from March 31, 2015 (12M) mainly due to a change of product mix.

*Please see page 41 for changes on new business value.
*Please see page 44 for trend on JGB yields.

(Billions of yen)	15.3.31	15.6.30	15.9.30
Insurance risk	724.2	732.8	752.9
Market-related risk	287.0	300.0	284.6
<i>Of which, interest rate risk*</i>	218.5	227.7	220.2
Operational risk	25.9	26.3	26.2
Counter party risk	1.8	2.1	3.1
Variance effect	(293.4)	(299.9)	(300.1)
Risk amount based on economic value	745.5	761.2	766.8

(*) Interest rate risk amount excluding the variance effect within market-related risk.

(Billions of yen)	15.3.31	15.6.30	15.9.30
MCEV	1,322.9	1,388.8	1,388.2
ESR	177%	182%	181%

Notes:

1. The risk amount based on economic value refers to the total amount of Sony Life's risks, comprehensively examined and including insurance risk and market-related risk.
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, which is a similar but modified model based on the EU Solvency II (QIS5) standard method.
3. ESR=MCEV/ Risk amount based on economic value.

◆ Maintained financial soundness by controlling market-related risk.

Appendix

Recent Topics 1

AEGON Sony Life Insurance

Launch of sales: December 1, 2009

Common stock: ¥26 billion (including capital surplus of ¥13 billion)

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

Marketing products: Individual Variable Annuities

Sales Channels: Lifeplanner sales employees and partner Banks (22*) *As of Nov 12, 2015



SA Reinsurance Ltd

Established: October 29, 2009

Common stock: ¥11 billion

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

Business: Reinsurance business

*AEGON Sony Life Insurance and SA Reinsurance are equity method companies, 50-50 joint ventures established by Sony Life and AEGON Group.

Sony Bank's Mortgage Loans through Sony Life

■ Sony Life accounts for 21% of the balance of mortgage loans as of Sep. 30, 2015

Sony Life accounts for 15% of the amount of new mortgage loans for FY15.1H

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



Sony Assurance's Auto Insurance Sold by Sony Life

■ Sony Life accounts for 4% of new automobile policies for FY15.1H

*Sony Life started handling automobile insurance in May 2001.



Recent Topics 2

<Highlights for FY2015.2Q>

- 2015-07-01 Sony Assurance commenced operations at "Kumamoto Contact Center"
- 2015-07-13 Sony Bank began handling a new type of card loans
- 2015-09-28 Sony Lifecare Group announced to open the first newly built nursing care home "SONARE Soshigaya-Okura" in April 2016
- 2015-10-19 Sony Bank announced to commence service of "Sony Bank WALLET", a cash card with Visa debit function, in January 2016
- 2015-11-02 Sony Life commenced sale of a new product: "Living Benefit Term Life Insurance (Living Standard Type) "

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)

	14.3.31			15.3.31			15.9.30		
	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	4,409.6	4,839.9	430.3	4,878.7	5,718.2	839.4	5,155.2	5,935.5	780.2
Policy reserve matching bonds	-	-	-	-	-	-	157.8	159.8	2.0
Available-for-sale securities	1,065.5	1,189.8	124.3	1,007.8	1,176.6	168.8	939.5	1,096.5	156.9
Japanese government and corporate bonds	1,035.9	1,146.7	110.8	974.6	1,120.1	145.5	907.2	1,045.4	138.2
Japanese stocks	12.2	21.2	8.9	13.4	29.4	16.0	13.6	25.9	12.3
Foreign securities	15.8	19.4	3.5	19.4	26.4	6.9	18.4	24.7	6.3
Other securities	1.4	2.5	1.0	0.3	0.6	0.3	0.1	0.2	0.1
Total	5,475.1	6,029.8	554.7	5,886.6	6,894.9	1,008.3	6,252.6	7,191.9	939.2

Notes:

1. The above table includes monetary trusts other than trading-purpose securities.

2. Derivative financial products such as principal protected 30 year notes with Nikkei 225 index-linked coupons are included in the "Held-to-maturity securities" above.
Principal protected 30 year notes with Nikkei 225 index-linked coupons.

As of March 31, 2014; Carrying amount: ¥43.8 billion, Fair market value: ¥56.0 billion, Net unrealized gain (losses): ¥12.2 billion

As of March 31, 2015; Carrying amount: ¥44.2 billion, Fair market value: ¥57.5 billion, Net unrealized gain (losses): ¥13.2 billion

As of Sep. 30, 2015 ; None

Valuation gains (losses) on trading-purpose securities

(Billions of yen)

14.3.31		15.3.31		15.9.30	
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
-	-	1.0	0.0	3.3	(0.3)

Note: The above chart includes trading-purpose securities included in "monetary trusts," etc.

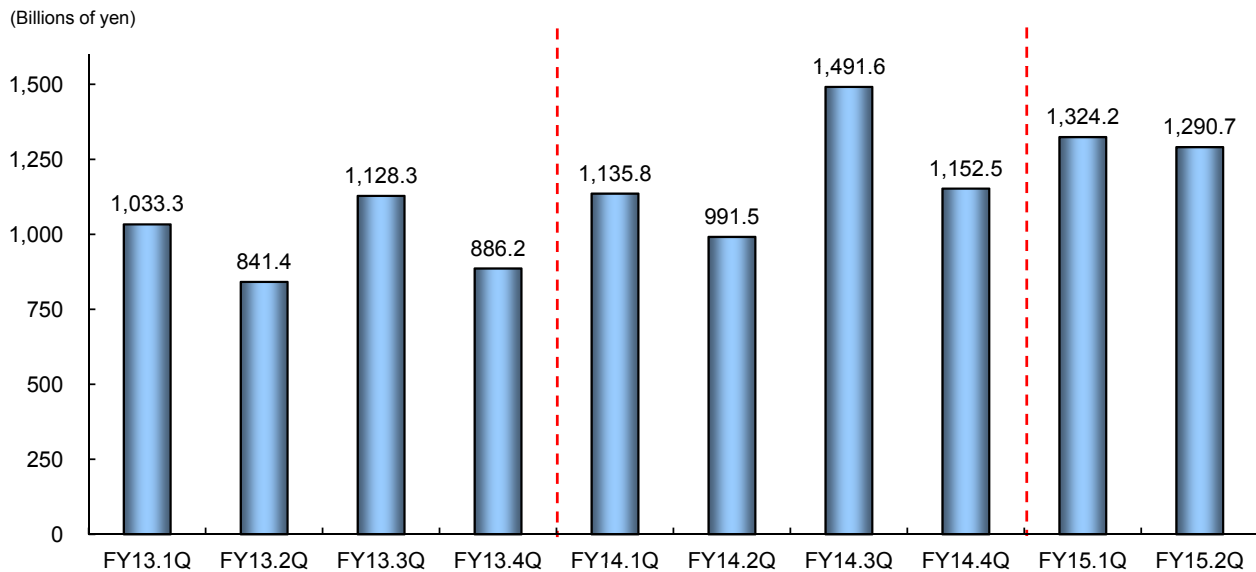
Sony Life's Interest Income and Dividends (Details)

(Millions of yen)

	FY14.1H	FY15.1H	Change
Cash and deposits	0	0	+185.3%
Japanese government and corporate bonds	52,735	56,333	+6.8%
Japanese stocks	221	263	+19.0%
Foreign securities	4,503	3,982	(11.6%)
Other securities	278	1,041	+273.4%
Loans	2,937	3,056	+4.1%
Real estate	5,170	5,135	(0.7%)
Others	32	33	+3.9%
Total	65,879	69,846	+6.0%

Sony Life's Quarterly Trend on New Policy Amount

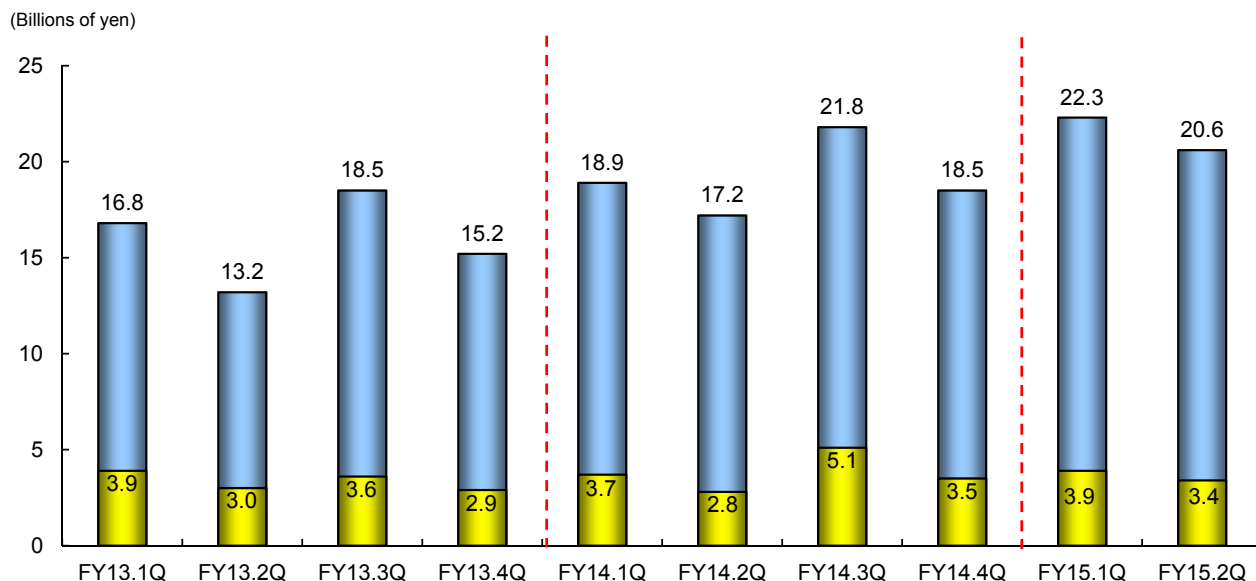
Quarterly Trend on New Policy Amount



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

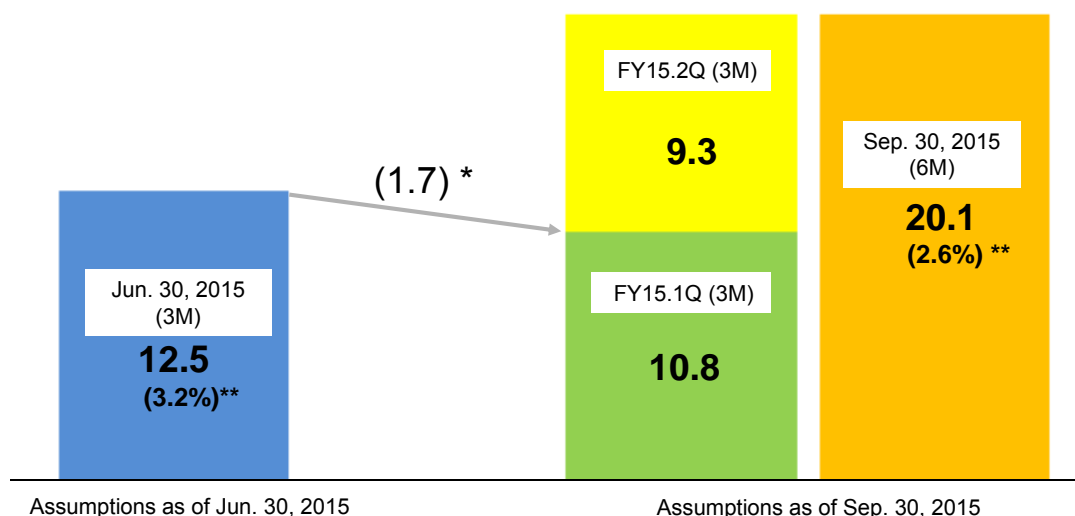
Quarterly Trend on Annualized Premiums from New Policies

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



Sony Life's Changes on New Business Value

(Billions of yen)



Notes:

*Effected amount by revaluating new business value as of Jun. 30, 2015 (3M) with the assumptions as of Sep. 30, 2015.

New business value decreased mainly due to a decline in interest rates.

*Figures in [] show new business margin.

Method of Measuring Risk Amount Based on Economic Value (1)

■ Market-related Risk¹

	Sony Life	(Reference) EU Solvency II (QIS5)
Interest rate risk Fluctuations in net asset value based on economic value in response to the shocks in the right columns. The same applies below.	Percentage increases or decreases differ for each currency and term. As for measuring interest rate risk in Japanese yen, introduced principal component analysis, where yield curve changes are disaggregated into three components, parallel shift, twist and butterfly, and the yield curve is shocked by each component. (Example) For Yen 30-year, 33% decrease (parallel shift), 28% decrease (twist), 8% decrease (butterfly)	Percentage increases or decreases differ for each currency and term but <u>no lower than 1%</u> (Example) For Yen 30-year, 30% decrease
Equity risk	Listed equities 45%, Other securities 70%	Global 30%, Others 40% ^{*2}
Real estate risk	Actual real estate 25%	Real estate 25%
Credit risk	Credit risk = (market value) x (risk coefficient for each credit rating) x duration Note that durations have caps and floors, depending on credit ratings. (Example) Rating A: Risk coefficient (1.4%), cap (23), floor (1)	Same as on the left
Currency risk	30% downside fluctuation	25% downside fluctuation

Notes

1. Principal items as of Sep. 30, 2015.

2. Standard risk coefficients are global: 39%/other: 49%. Symmetric adjustment (an adjustment of $\pm 10\%$ of the average value of the stock price index during a defined period in the past) is applied; as of the QIS5 trial introduction (Dec.31, 2009), these were 30%/40%.

Method of Measuring Risk Amount Based on Economic Value (2)

■ Insurance Risk¹

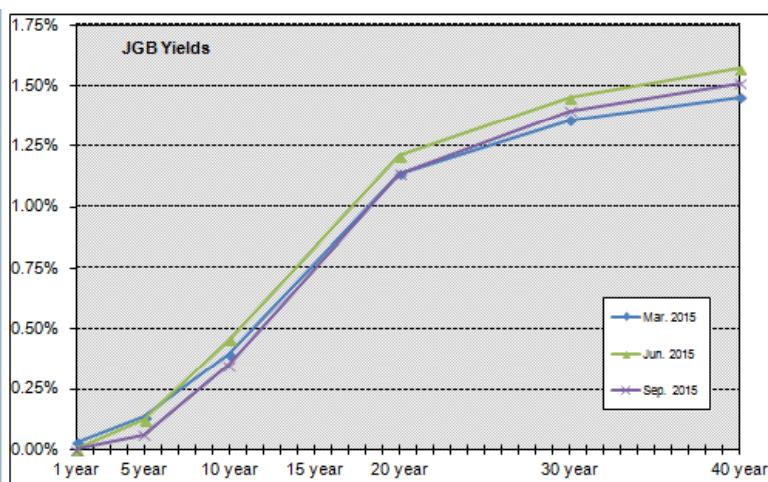
	Sony Life	(Reference) EU Solvency II (QIS5)
Mortality risk	Mortality rate increases by 15% for each year elapsed	Same as on the left
Longevity risk	Mortality rate decreases by 20% for each year elapsed	Same as on the left
Lapse risk	The largest amount of these; ² <ul style="list-style-type: none"> • Lapse rate increases by 50% for each year elapsed • Lapse rate decreases by 50% for each year elapsed • 30% of policies on which surrender value is in excess of best estimate liability are immediately surrendered 	The largest amount of these; <ul style="list-style-type: none"> • Increases by 50% in the assumed rates of lapsation for Life module, 20% for Health module • Decreases by 50% in the assumed rates of lapsation for Life module, 20% for Health module • 30% of policies (70% for group annuities, etc.) on which surrender value is in excess of best estimate liability are immediately surrendered
Expense risk	Operating expenses increase by 10% for each year elapsed Rate of inflation rises by 1%	Same as on the left
Disability risk	Rate of occurrence increases by 35% in the first fiscal year, rising by 25% for each year thereafter	Rate of occurrence increases by 35% in the first fiscal year, rising by 25% for each year thereafter. Recovery rate decreases by 20%.

Notes

1. Principal items as of Sep. 30, 2015.

2. At Sony Life, the largest amount of three options is calculated for each insurance policy

JGB Yields



As of the end of each month

JGB yields	Mar. 2015	Jun. 2015	Sep. 2015	Mar. 2015 →Sep. 2015	Jun. 2015 →Sep. 2015
1 year	0.03%	0.00%	0.00%	(0.03%)	0.00%
5 year	0.13%	0.12%	0.06%	(0.07%)	(0.06%)
10 year	0.40%	0.46%	0.35%	(0.05%)	(0.11%)
20 year	1.14%	1.21%	1.14%	0.00%	(0.07%)
30 year	1.36%	1.45%	1.40%	0.04%	(0.05%)
40 year	1.46%	1.57%	1.51%	0.06%	(0.06%)



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