

[Reference Disclosure] Key Performance Figures Based on U.S. GAAP (Complete Edition)

November 12, 2015
Sony Financial Holdings Inc.

Sony Corporation (“Sony”), the parent company of Sony Financial Holdings Inc. (“SFH”), prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). This reporting in accordance with U.S. GAAP includes the disclosure of financial information for the Sony Group’s Financial Services segment, including the Sony Financial Group. On the other hand, the Sony Financial Group, which accounts for the majority of the Sony Group’s Financial Services segment, discloses financial information in accordance with accounting principles generally accepted in Japan (“Japanese GAAP”). SFH has received inquiries from its shareholders and other investors about the differences between these two accounting standards.

In the insurance business, the differences between the two accounting standards are significant. These primarily derive from the differences of the accounting standards such as the liabilities for future insurance policy benefits and deferred insurance acquisition costs. Therefore, we provide supplementary information for Japanese and overseas investors to help their understanding of the Sony Financial Group’s operating performance. This document contains key financial information pertaining to the Sony Group’s Financial Services segment that Sony disclosed in accordance with U.S. GAAP.

Please note that the supplementary information has not been audited in accordance with the Companies Act, the Financial Instruments and Exchange Act or the standard of the Public Company Accounting Oversight Board (United States). SFH prepares its consolidated financial results on the basis of Japanese GAAP, and we therefore ask our shareholders and other investors to refer to figures based on Japanese GAAP.

Note: This release includes additional information from the previous release, [Reference Disclosure] Key Performance Figures Based on U.S. GAAP, disclosed on October 29, 2015, which describes the differences between key financial information for the Sony Group’s Financial Services segment under U.S. GAAP and the consolidated operating performance issued by the Sony Financial Group under Japanese GAAP.

(1) Performance Trends

Sony Group's Financial Services Segment <U.S. GAAP>

<Fiscal year basis>

(Billions of yen)

	FY10	FY11	FY12	FY13	FY14
Revenue	804.1	868.7	1,002.4	993.8	1,083.6
Operating income	117.2	129.3	142.2	170.3	193.3
<i>(Sony Life)</i>	<i>116.1</i>	<i>132.7</i>	<i>157.3</i>	<i>159.8</i>	<i>178.0</i>
Net income	70.1	112.0	99.0	116.1	151.1
Stockholders' equity of Financial Services*	720.5	817.1	970.9	1,079.7	1,247.8
Total assets	7,065.9	7,683.4	8,570.1	9,347.9	10,089.9

<Quarterly basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Revenue	247.0	269.6	304.9	262.2	279.4	210.7	-	-
Operating income	43.8	47.7	50.9	51.0	46.0	41.2	-	-
<i>(Sony Life)</i>	<i>37.2</i>	<i>45.7</i>	<i>51.2</i>	<i>43.9</i>	<i>40.9</i>	<i>34.7</i>	-	-
Net income	29.9	32.9	35.0	53.3	32.1	29.0	-	-
Stockholders' equity of Financial Services*	1,102.5	1,141.1	1,203.5	1,247.8	1,253.3	1,279.0	-	-
Total assets	9,452.7	9,650.2	9,987.3	10,089.9	10,278.6	10,485.2	-	-

<Year-to-date basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Revenue	247.0	516.5	821.5	1,083.6	279.4	490.1	-	-
Operating income	43.8	91.5	142.3	193.3	46.0	87.1	-	-
<i>(Sony Life)</i>	<i>37.2</i>	<i>82.9</i>	<i>134.1</i>	<i>178.0</i>	<i>40.9</i>	<i>75.6</i>	-	-
Net income	29.9	62.8	97.8	151.1	32.1	61.1	-	-
Stockholders' equity of Financial Services*	1,102.5	1,141.1	1,203.5	1,247.8	1,253.3	1,279.0	-	-
Total assets	9,452.7	9,650.2	9,987.3	10,089.9	10,278.6	10,485.2	-	-

Note: Figures on a quarterly basis and those on a year-to-date basis are expressed in billions of yen. However, the totals for the figure provided on a year-to-date basis may not necessarily total those on a quarterly basis. Fractional amounts of less than ¥0.1 billion are rounded.

*The figure of Stockholders' equity of Financial Services substantially corresponds to shareholders' equity under Japanese GAAP.

Sony Financial Holdings (Consolidated) <Japanese GAAP>

<Fiscal year basis>

(Billions of yen)

	FY10	FY11	FY12	FY13	FY14
Ordinary revenues	1,002.2	1,078.0	1,259.0	1,320.4	1,352.3
Ordinary profit	76.8	74.6	79.2	76.1	90.0
<i>(Sony Life)</i>	73.1	69.4	74.6	69.2	79.6
Profit attributable to owners of the parent *	41.7	32.8	45.0	40.5	54.4
Shareholders' equity	294.8	346.5	434.1	465.7	549.3
Total assets	6,597.1	7,241.4	8,096.1	8,841.3	9,545.8

<Quarterly basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Ordinary revenues	303.2	339.8	378.8	330.4	357.3	304.9	-	-
Ordinary profit	21.9	24.9	28.9	14.1	18.9	9.8	-	-
<i>(Sony Life)</i>	17.6	22.7	26.6	12.5	15.1	7.7	-	-
Profit attributable to owners of the parent *	14.5	16.6	19.3	3.8	12.8	6.3	-	-
Shareholders' equity	481.3	503.4	548.7	549.3	537.3	548.4	-	-
Total assets	8,933.6	9,120.2	9,437.9	9,545.8	9,732.9	9,945.3	-	-

<Year-to-date basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Ordinary revenues	303.2	643.0	1,021.8	1,352.3	357.3	662.2	-	-
Ordinary profit	21.9	46.9	75.8	90.0	18.9	28.8	-	-
<i>(Sony Life)</i>	17.6	40.4	67.1	79.6	15.1	22.8	-	-
Profit attributable to owners of the parent *	14.5	31.1	50.5	54.4	12.8	19.1	-	-
Shareholders' equity	481.3	503.4	548.7	549.3	537.3	548.4	-	-
Total assets	8,933.6	9,120.2	9,437.9	9,545.8	9,732.9	9,945.3	-	-

Note 1: Figures on a quarterly basis and those on a year-to-date basis are expressed in billions of yen. However, the totals for the figures provided on a year-to-date basis may not necessarily total those on a quarterly basis. Fractional amounts of less than ¥0.1 billion are discarded.

Note 2: When reporting its quarterly operating performance, SFH discloses figures on a year-to-date basis, so the figures provided on a quarterly basis are calculated as the difference of figures provided on a year-to-date basis.

* "Net income" described until FY14 - 4Q is changed into "Profit attributable to owners of the parent", due to the change in the accounting standard.

(2) Financial Forecast for the Fiscal 2015

Sony Group's Financial Services Segment <U.S. GAAP>

<Fiscal year basis>

(Billions of yen)

	FY14 Results	FY15 Forecast
Revenue	1,083.6	1,060
Operating income	193.3	175

Sony Financial Holdings (Consolidated) <Japanese GAAP>

<Fiscal year basis>

(Billions of yen)

	FY14 Results	FY15 Forecast
Ordinary revenues	1,352.3	1,340
Ordinary profit	90.0	72

(3) Differences between U.S.GAAP and Japanese GAAP

The periodic profit and loss of the insurance business where the number of insurance contracts in force is increasing generally tend to experience higher operating income under U.S. GAAP than the ordinary profit under Japanese GAAP, primarily due to the following two factors:

- Difference of the accounting standards for the liabilities for future insurance policy benefits and other
- Deferral and amortization of deferred insurance acquisition costs (only applicable under U.S. GAAP)

In addition, valuation gains or losses on compound financial instruments are recorded in the income statements under the U.S. GAAP.

For more detailed information, please refer to the Appendix, "Significant Differences between Japanese GAAP and U.S. GAAP".

Differences between key financial information for the Sony Group's Financial Services segment under U.S. GAAP and the consolidated operating performance reported by the Sony Financial Group under Japanese GAAP

<Fiscal year basis>

(Billions of yen)

	FY12	FY13	FY14
Sony Group's Financial Services Segment:			
Operating income <U.S. GAAP> (A)	142.2	170.3	193.3
Sony Financial Holdings (Consolidated):			
Ordinary profit <Japanese GAAP> (B)	79.2	76.1	90.0
Difference (A-B)	63.0	94.2	103.2
—Difference of the accounting standards for the liabilities for future insurance policy benefits and other	53.1	60.7	77.5
—Deferral/amortization of deferred insurance acquisition costs (net impact)	20.1	31.7	23.9
—The amounts of valuation gains or losses of compound financial instruments	6.5	3.8	1.5

<Quarterly basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Sony Group's Financial Services Segment:								
Operating income <U.S. GAAP> (A)	43.8	47.7	50.9	51.0	46.0	41.2	—	—
Sony Financial Holdings (Consolidated):								
Ordinary profit <Japanese GAAP> (B)	21.9	24.9	28.9	14.1	18.9	9.8	—	—
Difference (A-B)	21.8	22.7	21.9	36.8	27.0	31.3	—	—
—Difference of the accounting standards for the liabilities for future insurance policy benefits and other	14.7	15.3	9.3	38.1	21.9	25.6	—	—
—Deferral/amortization of deferred insurance acquisition costs (net impact)	5.5	9.0	9.1	0.3	7.1	1.9	—	—
—The amounts of valuation gains or losses of compound financial instruments	1.3	0.1	1.1	(0.9)	(2.0)	(0.7)	—	—

<Year-to-date basis>

(Billions of yen)

	FY14-1Q	FY14-2Q	FY14-3Q	FY14-4Q	FY15-1Q	FY15-2Q	FY15-3Q	FY15-4Q
Sony Group's Financial Services Segment:								
Operating income <U.S. GAAP> (A)	43.8	91.5	142.3	193.3	46.0	87.1	-	-
Sony Financial Holdings (Consolidated):								
Ordinary profit <Japanese GAAP> (B)	21.9	46.9	75.8	90.0	18.9	28.8	-	-
Difference (A-B)	21.8	44.5	66.4	103.2	27.0	58.3	-	-
—Difference of the accounting standards for the liabilities for future insurance policy benefits and other	14.7	30.0	39.3	77.5	21.9	47.5	-	-
—Deferral/amortization of deferred insurance acquisition costs (net impact)	5.5	14.5	23.6	23.9	7.1	9.0	-	-
—The amounts of valuation gains or losses of compound financial instruments	1.3	1.3	2.4	1.5	(2.0)	(2.7)	-	-

Note: Figures on a quarterly basis and those on a year-to-date basis are expressed in billions of yen. However, the sum of the figures provided on a year-to-date basis may not be necessarily the sum of those on a quarterly basis. Amounts of less than ¥0.1 billion in (B) are rounded down and the other rows are rounded off in ¥0.1 billion.

The net realized gains on available-for-sale securities for Sony Life Insurance Co. Ltd. <U.S. GAAP>

We provide the net realized gains on available-for-sale securities for Sony Life as supplementary information.

<Year-to-date basis>

(Billions of yen)

	FY13	FY14
Operating income	159.8	178.0
The net realized gains on available-for-sale securities	0.4	9.3
Difference	159.3	168.8

Note: Fractional amounts of less than ¥0.1 billion are rounded.

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, the SFH's parent company, which prepares its financial statements in accordance with U.S. GAAP.

Sony Financial Group's scope of consolidation and that of Sony Group's Financial Services segment are described below.

< Sony Financial Group's scope of consolidation under Japanese 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., Sony Payment Services Inc., and

SmartLink Network Hong Kong Limited. It also includes AEGON Sony Life Insurance Co., Ltd. and SA Reinsurance Ltd., as affiliated companies accounted for under the equity method. Sony Payment Services Inc. and SmartLink Network Hong Kong Limited were included in the scope of consolidation from the second quarter of the year ended March 31, 2012 and the fourth quarter of the year ended March 31, 2014, respectively. Sony Bank Securities Inc. and Sony Life Insurance (Philippines) Corporation were out of the scope of consolidation from the second quarter of the year ended March 31, 2013 and the third quarter of the year ended March 31, 2013, respectively and thereafter.

<Scope of consolidation of the Sony Group's Financial Services segment under U.S. GAAP>

Sony Group's Financial Services segment includes Sony Financial Holdings Inc., Sony Life Insurance Co. Ltd., Sony Assurance Inc., Sony Bank Inc., Sony Bank Securities Inc., Sony Payment Services Inc., SmartLink Network Hong Kong Limited and Sony Finance International, Inc. as consolidated subsidiaries. It also includes AEGON Sony Life Insurance Co., Ltd., SA Reinsurance Ltd., and SFI Leasing Company, Limited as affiliated companies accounted for under the equity method. However, from the fiscal year ended March 31, 2013, Sony Finance International, Inc., and the equity results of SFI Leasing Company, Limited, are not included in the Sony Group's Financial Services segment. Sony Bank Securities Inc. was out of the scope of consolidation from the second quarter of the year ended March 31, 2013 and thereafter.

*SmartLink Network, Inc. changed its corporate name to Sony Payment Services Inc. on April 1, 2015.

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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Appendix:

Significant Differences between Japanese GAAP and U.S. GAAP

SFH's consolidated results are prepared in accordance with accounting principles generally accepted in Japan ("Japanese GAAP") and provisions of the Insurance Business Act of Japan. 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 accounting principles generally accepted in the United States of America ("U.S. GAAP"). Significant differences between Japanese GAAP and U.S. GAAP are described below:

(1) Standards for recognizing income from insurance premiums in the life insurance business

Under U.S. GAAP, premium income on traditional insurance products is recognized as revenues during the premium-paying period. Income other than premium payments received under investment agreements or for separate agreements under universal life insurance (*), which are equivalent to deposits, is recognized as revenue. Under Japanese GAAP, all premiums paid by policyholders are recognized as revenues.

*Note: For Sony Life Insurance Co., Ltd., investment agreements primarily include lump-sum payment endowment insurance, lump-sum payment educational endowment insurance and individual annuities. Universal insurance mainly includes variable life insurance and interest-rate sensitive whole life insurance.

(2) Standards for recognizing net gains from investment in the life insurance business

The recognition of net gains from investment in the life insurance business, which are classified in separate accounts defined under the Insurance Business Act of Japan and which directly belong to policyholders, differs between Japanese GAAP and U.S. GAAP. Under U.S. GAAP, net gains or losses are always recorded as revenues, whereas under Japanese GAAP such figures are recognized as ordinary revenues if they are positive, and as ordinary expenses if negative.

(3) Policy reserves (future insurance policy benefit, etc.) in the insurance business

Since the method of calculation differs between Japanese regulations and U.S. GAAP, profits and losses during the period differ as well. Under the Insurance Business Act of Japan, insurance companies in Japan are required to accumulate a policy reserve for the fulfillment of future obligations such as payment of insurance benefits based on the accumulation method and actuarial assumptions approved by the authorities of the supervisory administrative agencies in Japan, whereas under U.S. GAAP, liabilities for future insurance policy benefits are primarily composed of the present value of estimated future payments to policyholders. Under U.S. GAAP, liabilities for future insurance policy benefits are computed based upon actuarial assumptions, such as future investment yield, mortality rates, morbidity rates, contingency rates and other factors. These assumptions are reviewed on a periodic basis. Liabilities for future insurance policy benefits also include liabilities for minimum guaranteed benefits related to certain insurance products such as variable insurance policies. With respect to liabilities for minimum guaranteed benefits, the relevant insurance policies differ between Japanese GAAP and U.S. GAAP.

(4) Deferral and amortization of deferred insurance acquisition costs

Under Japanese GAAP, insurance acquisition costs in the life insurance and non-life insurance businesses are charged as costs when incurred, whereas under U.S. GAAP insurance acquisition costs are deferred and amortized, in general, equally over the premium-paying period of the related insurance policies by using the same calculation basis used in computing future insurance policy benefit. The deferred insurance acquisition costs for variable insurance and other non-traditional life insurance policies are amortized over the expected life span of policies in proportion to the estimated gross profits. The estimated gross profits are reviewed in case the assumptions for calculations change materially due to significant fluctuations in the stock market and other

factors. Under U.S. GAAP, insurance acquisition costs include such items as commissions and medical examination and inspection report fees that directly relate to the costs of acquiring new insurance policies and renewing policies, as long as they are recoverable.

(5) Contingency reserve

Pursuant to provisions of the Insurance Business Act of Japan, to ensure the fulfillment of future obligations, insurance companies in Japan are required to accumulate a contingency reserve to account for the risk of insurance payment events occurring at a higher-than-expected rate due to higher-than-expected mortality and morbidity rates (insurance risks), the risk of actual investment yields being lower than the assumed investment yields relating to outstanding policies (assumed interest rate risk), the risk of actual investment results being lower than the amount guaranteed relating to the minimum guaranteed portion of variable life insurance or variable annuities (minimum guarantee risks) and other risks. The Insurance Business Act of Japan establishes an accumulation standard and a maximum amount of reserve for each risk. The contingency reserve can be reversed in regards to each risk. Contingency reserve is recorded as a component of policy reserve on the balance sheet. Under U.S. GAAP, there is no requirement for the provision of such a legal reserve.

(6) Catastrophe reserve

Pursuant to the provisions of the Insurance Business Act of Japan, non-life insurance companies in Japan are required to accumulate an amount based on premium income to cover losses due to catastrophic events. The catastrophe reserve acts as a provision against risks to which the law of large numbers is not applicable on a single-year basis, in consideration of the special characteristics of the non-life insurance business to cover a wide range of risks including disasters. The catastrophe reserve is reversed in fiscal years in which a catastrophe occurs. Furthermore, the catastrophe reserve is accounted for as a part of underwriting reserves on the balance sheet. There is no requirement for the accumulation of such a legal reserve under U.S. GAAP.

(7) Reserve for price fluctuations

Pursuant to provisions of the Insurance Business Act of Japan, insurance companies in Japan are required to accumulate a reserve to cover losses due to price fluctuations in assets subject to market price volatility, particularly investments in stocks, bonds and foreign currency-denominated investments. The Insurance Business Act of Japan establishes the accumulation standard and a maximum amount of reserve for each asset. The reserve for price fluctuations may be reversed to reduce losses arising from price fluctuations of those assets. Under U.S. GAAP, there is no requirement for the provision of such a legal reserve.

(8) Foreign currency transactions

The majority of the Sony Financial Group's operations in the banking business involve transactions denominated in foreign currencies. Under Japanese GAAP, transactions involving assets and liabilities denominated in foreign currencies are in principal translated to yen at the exchange rate prevailing on the date of the settlement of accounts, and any translation adjustments are recorded in the statements of income as foreign exchange gains or losses. For that reason, in the banking business, translation adjustments on those investments coming from foreign currency deposits (liabilities) are offset partially in the statements of income by ones from investments in available-for-sale bonds denominated in foreign currency (assets) for the purpose of covering those foreign currency deposits. However, under U.S. GAAP, although translation adjustments on foreign currency deposits (liabilities) are recorded in the statements of income, translation adjustments on available-for-sale bonds denominated in foreign currency (assets) are posted directly to net assets in accordance with fluctuations in the fair market value of securities held, and are therefore not recorded in the statements of income until maturity or sale. As such, under U.S. GAAP, asset-side

translation adjustments and liability-side translation adjustments are recorded differently. Therefore, foreign exchange gains or losses resulting from liability-side exchange rate fluctuations have a larger impact on profit under U.S. GAAP than is the case under Japanese GAAP.

(9) Accounting treatment of compound financial instruments (financial instruments including derivatives)

When accounting for compound financial instruments under U.S. GAAP, if such financial instruments are valued together, they are marked to market together regardless of the category in which they are held, and valuation gains or losses are recorded in the income statements. However, under Japanese GAAP the method for valuing these instruments differs depending on the category in which they are held. Consequently, the amounts of valuation gains or losses, gains or losses on sale, and impairment losses differ depending on whether U.S. GAAP or Japanese GAAP is applied.

(10) Accounting for policy reserve matching bonds

Life insurance businesses maintain policy reserves to ensure their ability to meet their long-term insurance obligations, and use bonds to manage the interest rate risk associated with the characteristics of those obligations. With the aim of reflecting the reality of managing this interest rate risk, under Japanese GAAP the “Temporary Treatment of Accounting and Auditing concerning Policy-Reserve-Matching Bonds in the Insurance Industry” (The Japanese Institute of Certified Public Accounts Industry Audit Committee Report No. 21) categorizes bonds used for this purpose as “policy reserve matching bonds,” authorizes their valuation and accounting treatment using the amortized cost method. During the fiscal year under review, Sony Life Insurance Co., Ltd. valued bonds categorized as “policy reserve matching bonds” using the amortized cost method in accordance with Japanese GAAP. However, as the accounting treatment recognized under Japanese GAAP is not applied under U.S. GAAP, such bonds are classified as securities available for sale, measured at fair value as of the date of the financial statements, and recorded the unrealized holding gains and losses (net of tax) in accumulated other comprehensive income. Gains or losses on sale of bonds are realized as profit or loss in the income statements.