

**Consolidated Financial Summary (Japanese GAAP)
for the Three Months Ended June 30, 2020**

August 11, 2020

Company name: Sony Financial Holdings Inc.
 (URL: https://www.sonyfh.co.jp/index_en.html)
 Stock exchange listing: Tokyo Stock Exchange (code number: 8729)
 Representative: Masashi Oka, President & CEO, Representative Director
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(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the three months ended June 30, 2020

(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 three months ended June 30, 2020	540,626	30.7	20,461	(36.3)	13,127	(41.3)
For the three months ended June 30, 2019	413,654	—	32,100	—	22,361	—

Note: Comprehensive income: For the three months ended June 30, 2020: ¥ 20,327 million: (20.4)%
 For the three months ended June 30, 2019: ¥ 25,539 million: 62.2%

	Net Income per Share	Net Income per Share (Fully Diluted)
	Yen	Yen
For the three months ended June 30, 2020	30.18	30.17
For the three months ended June 30, 2019	51.40	51.39

Note: The year-on-year changes for the three months ended June 30, 2019 are not stated due to retroactive adjustment following a change in accounting policy.

(2) Financial condition

	Total Assets	Total Net Assets	Net Asset Ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	15,687,783	681,867	4.3
As of March 31, 2020	15,125,710	691,978	4.6

Note: Net assets attributable to shareholders: As of June 30, 2020: ¥ 679,309 million
 As of March 31, 2020: ¥ 689,512 million

2. Dividends

Record Date	Dividend per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Annual Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March 31, 2020	—	0.00	—	70.00	70.00
For the year ending March 31, 2021	—				
For the year ending March 31, 2021 (forecast)		—	—	—	—

Note: Sony Financial Holdings Inc. ("SFH") resolved at the meeting of its Board of Directors held on May 19, 2020 not to declare a dividend for the fiscal year ending March 2021 on the condition of the completion of the tender offer for the common shares and the stock acquisition rights of SFH conducted by Sony Corporation (the "Tender Offer"). As stated in the "Announcement Regarding the Result of Tender Offer for Shares, Etc. in Sony Financial Holdings Inc. by Sony Corporation, the Controlling Shareholder," dated July 14, 2020, SFH will not declare a dividend for the fiscal year ending March 2021 due to the completion of the Tender Offer on July 13, 2020.

3. Forecast of consolidated financial results for the year ending March 31, 2021

(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, 2021	1,796,000	0.8	96,000	(12.9)	63,000	(14.0)	144.81

Note: Changes in forecast of financial results since the most recent public announcement: None

4. Notes

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

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

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

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

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

(c) Changes in accounting estimates: None

(d) Restatements of the consolidated financial statements: None

(4) Number of shares outstanding (common stock)

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

As of June 30, 2020: 435,087,405 shares

As of March 31, 2020: 435,087,405 shares

(b) Number of treasury shares

As of June 30, 2020: 38,032 shares

As of March 31, 2020: 37,469 shares

(c) Weighted-average number of shares

For the three months ended June 30, 2020: 435,049,750 shares

For the three months ended June 30, 2019: 435,025,558 shares

Status of interim audit procedures

This document is exempt from interim audit procedures by certified public accountants or audit firm.

Content of Supplemental Materials

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* On August 11, 2020, Sony Financial Holdings Inc.'s (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 three months ended June 30, 2020. SFH has prepared an English-language summary of those Japanese announcements made by the above subsidiaries, solely for the convenience of non-Japanese readers.

Please see further details at our website: https://www.sonyfh.co.jp/en/financial_info/results/

I. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Cash and due from banks	¥ 549,964	¥ 559,700
Monetary claims purchased	6,006	5,293
Money held in trust	38,067	39,194
Securities	11,909,172	12,371,221
Loans	2,187,792	2,271,492
Tangible fixed assets	109,372	109,709
Intangible fixed assets	54,590	53,330
Due from reinsurers	4,936	4,718
Foreign exchanges	3,019	11,250
Other assets	221,762	222,562
Net defined benefit asset	3,391	3,489
Deferred tax assets	39,210	37,423
Reserve for possible loan losses	(1,575)	(1,602)
Total Assets	¥ 15,125,710	¥ 15,687,783

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Policy reserves and others	¥ 10,731,488	¥ 11,005,711
Reserve for outstanding claims	81,238	78,582
Policy reserves	10,645,842	10,922,809
Reserve for policyholders' dividends	4,407	4,319
Due to agencies	2,471	1,675
Due to reinsurers	5,745	4,654
Deposits	2,440,783	2,558,346
Call money and bills sold	151,256	196,241
Borrowed money	241,826	286,530
Foreign exchanges	684	517
Bonds payable	20,000	20,000
Other liabilities	747,676	841,642
Reserve for employees' bonuses	4,297	2,048
Net defined benefit liability	34,170	34,230
Reserve under the special laws	53,060	53,749
Reserve for price fluctuations	53,060	53,749
Deferred tax liabilities	160	459
Deferred tax liabilities on land revaluation	109	109
Total Liabilities	14,433,732	15,005,916
Net Assets		
Common stock	19,994	19,994
Capital surplus	191,224	191,224
Retained earnings	365,869	348,544
Treasury stock	(55)	(56)
Total shareholders' equity	577,033	559,706
Net unrealized gains (losses) on available-for-sale securities, net of taxes	116,126	123,021
Net deferred gains (losses) on hedging instruments, net of taxes	(373)	(241)
Land revaluation, net of taxes	(2,439)	(2,439)
Remeasurements of defined benefit plans, net of taxes	(835)	(737)
Total accumulated other comprehensive income	112,478	119,602
Subscription rights to shares	215	231
Non-controlling interests	2,250	2,326
Total Net Assets	691,978	681,867
Total Liabilities and Net Assets	¥ 15,125,710	¥ 15,687,783

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

(Millions of yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Ordinary Revenues	¥ 413,654	¥ 540,626
Ordinary Revenues from the Life Insurance Business	368,150	491,118
Income from insurance premiums	300,901	273,328
(Insurance premiums)	300,348	269,742
Investment income	64,357	211,721
(Interest income and dividends)	43,501	47,744
(Income from money held in trusts, net)	1,127	111
(Gains on trading securities, net)	7	41
(Gains on sale of securities)	1,238	—
(Gains on separate accounts, net)	18,480	163,823
Other ordinary income	2,891	6,068
Ordinary Revenues from the Non-life Insurance Business	31,865	35,362
Underwriting income	31,232	35,042
(Net premiums written)	30,418	32,868
(Interest and dividends on deposits of premiums)	19	19
(Reversal for reserve for outstanding losses and claims)	795	2,154
Investment income	628	305
(Interest income and dividends)	336	325
(Gains on sale of securities)	311	—
(Transfer to interest and dividends on deposits of premiums)	(19)	(19)
Other ordinary income	4	14
Ordinary Revenues from the Banking Business	11,856	12,114
Interest income	8,399	7,925
(Interest income on loans)	4,519	4,920
(Interest income and dividends on securities)	3,861	2,986
Fees and commissions	2,525	3,291
Other operating income	879	768
Other ordinary income	51	129
Other	1,782	2,030
Other ordinary income	1,782	2,030

(Continued)

(Millions of yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Ordinary Expenses	¥ 381,553	¥ 520,165
Ordinary Expenses from the Life Insurance Business	342,796	480,350
Insurance claims and other payments	109,439	117,362
(Insurance claims)	23,320	29,858
(Annuity payments)	3,318	3,947
(Insurance benefits)	26,639	31,013
(Surrender payments)	52,978	46,682
(Other payments)	950	963
Provision for policy reserves and others	168,995	271,755
Provision for reserve for outstanding claims	444	—
Provision for policy reserves	168,550	271,755
Interest portion of reserve for policyholders' dividends	0	0
Investment expenses	16,712	38,592
(Interest expenses)	748	470
(Losses on derivatives, net)	1,579	30,419
(Foreign exchange losses, net)	13,334	6,283
Operating expenses	37,346	41,547
Other ordinary expenses	10,302	11,092
Ordinary Expenses from the Non-life Insurance Business	27,757	28,035
Underwriting expenses	20,785	20,557
(Net losses paid)	14,183	12,750
(Loss adjustment expenses)	2,088	2,206
(Net commission and brokerage fees)	342	388
(Provision for underwriting reserves)	4,170	5,211
Operating, general and administrative expenses	6,971	7,474
Other ordinary expenses	0	3
Ordinary Expenses from the Banking Business	8,919	9,379
Interest expenses	2,413	1,679
(Interest expenses on deposits)	1,965	1,207
Fees and commissions	1,630	2,091
Other operating expenses	0	107
General and administrative expenses	4,871	5,370
Other ordinary expenses	3	132
Other	2,080	2,398
Other ordinary expenses	2,080	2,398
Ordinary Profit	32,100	20,461

(Continued)

(Millions of yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Extraordinary Losses	¥ 658	¥ 749
Losses on disposal of fixed assets	42	26
Impairment losses	1	33
Provision for reserve under the special laws	614	688
Provision for reserve for price fluctuations	614	688
Provision (Reversal) for Reserve for Policyholders' Dividends	102	100
Income Before Income Taxes	31,339	19,611
Income Taxes - Current	10,311	7,405
Income Taxes - Deferred	(1,412)	(998)
Total Income Taxes	8,899	6,407
Profit	22,440	13,203
Profit Attributable to Non-controlling Interests	78	75
Profit Attributable to Owners of the Parent	¥ 22,361	¥ 13,127

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the three months ended June 30, 2019	For the three months ended June 30, 2020
Profit	¥ 22,440	¥ 13,203
Other comprehensive income		
Net unrealized gains (losses) on available-for-sale securities, net of taxes	2,897	6,894
Net deferred gains (losses) on hedging instruments, net of taxes	(57)	131
Remeasurements of defined benefit plans, net of taxes	139	97
Share of other comprehensive income of affiliates accounted for using equity method	120	—
Total other comprehensive income	3,099	7,124
Comprehensive income	¥ 25,539	¥ 20,327
(Details)		
Comprehensive income attributable to owners of the parent	25,460	20,251
Comprehensive income attributable to non-controlling interests	79	76

3. Note on Going Concern

Not applicable.

4. Material Changes in Stockholders' Equity

Not applicable.

5. Changes in accounting policies

(Valuation of available-for-sale securities)

The Sony Financial Group has previously reported foreign currency translation differences on foreign currency-denominated debt securities, within available-for-sale securities in other comprehensive income. From the beginning of the three months ended June 30, 2020, Sony Life Insurance Co., Ltd. (Sony Life) changed its accounting policy, so that foreign currency translation differences related to changes in fair values in original currencies are recognized into net assets as net unrealized gains and losses on available-for-sale securities, net of taxes, while the remaining changes are recognized in foreign exchange gains and losses.

Sony Life changed its ALM operation policies from the viewpoint of liquidity risk management, and increased the weight of foreign currency denominated available-for-sale bonds within the holdings of securities due to the increase in sales of foreign currency denominated insurance contracts. Accordingly, Sony Life changed its accounting policy in order to mitigate mismatches in profit or loss arising from differences in accounting method for foreign currency translation between assets and liabilities, and to reflect the hedge effect more appropriately in financial statements. The change in accounting policy has been applied retroactively, and the amounts in the previous fiscal year were adjusted.

Compared to financial statements stated before, ordinary profit and income before income taxes decreased by ¥2,295 million, and income attributable to owners of the parent decreased by ¥1,652 million for the three months ended June 30, 2019. In addition, retained earnings at the beginning of the previous fiscal year decreased by ¥87 million, and net unrealized gains (losses) on available-for-sale securities, net of taxes increased by ¥87 million, reflecting the cumulative impact on net assets at the beginning of the previous consolidated fiscal year.

6. Segment Information

(1) Segment information by reportable segment

For the three months ended June 30, 2019

	Millions of yen					
	Life insurance business	Non-life insurance business	Banking business	Total	Other	Total
Ordinary revenues						
External customers	¥ 368,150	¥ 31,865	¥ 11,856	¥ 411,872	¥ 1,782	¥ 413,654
Intersegment	692	0	75	768	—	768
Total	368,842	31,865	11,931	412,640	1,782	414,422
Segment profit	¥ 26,025	¥ 3,892	¥ 2,438	¥ 32,355	¥ (298)	¥ 32,057

(Note) “Other” consists of the nursing care business and venture capital operations, which is not a reportable segment.

For the three months ended June 30, 2020

	Millions of yen					
	Life insurance business	Non-life insurance business	Banking business	Total	Other	Total
Ordinary revenues						
External customers	¥ 491,118	¥ 35,362	¥ 12,114	¥ 538,595	¥ 2,030	¥ 540,626
Intersegment	636	0	79	716	—	716
Total	491,754	35,363	12,194	539,312	2,030	541,342
Segment profit	¥ 11,350	¥ 7,093	¥ 2,302	¥ 20,745	¥ (368)	¥ 20,376

(Note) “Other” consists of the nursing care business and venture capital operations, which is not a reportable segment.

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

	Millions of yen			
	For the three months ended June 30, 2019		For the three months ended June 30, 2020	
Totals of reportable segments	¥	32,355	¥	20,745
Other		(298)		(368)
Amount not allocated to reportable segments		43		84
Ordinary profit in quarterly consolidated statement of income	¥	32,100	¥	20,461

(3) Changes in reporting segments

(Changes in accounting policies)

From the beginning of the three months ended June 30, 2020, the Sony Financial Group has changed the method of handling gains or losses on translation of foreign currency-denominated debt securities, within available-for-sale securities, to more appropriately reflect the effect of hedging exchange risks. Formerly, these gains or losses were fully recognized into net assets as net unrealized gains or losses on available-for-sale securities, net of taxes. Under the revised method, exchange rate differences related to changes in market value due to foreign currencies are recognized in net unrealized gains or losses on available-for-sale securities, net of taxes, and other differences are recognized in foreign exchange gains or losses. As a result, segment profit of the life insurance business segment decreased by ¥2,295 million for the three months ended June 30, 2019.

(4) Information on impairment loss on fixed assets and goodwill by reportable segment

Not applicable.

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, 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 Life With Insurance Co.,Ltd.*
- SA Reinsurance Ltd.*
- Sony Assurance Inc.
- Sony Bank Inc.
- Sony Payment Services Inc.
- SmartLink Network Hong Kong Limited.
- SmartLink Network Europe B.V.*
- Sony Lifecare Inc.
- Lifecare Design Inc.
- Proud Life Inc.
- Sony Financial Ventures Inc.
- SFV •GB L.P.

* SmartLink Network Europe B.V. was included in the scope of consolidation from the second quarter ended September 30, 2019, and Sony Life With Insurance Co.,Ltd. (former AEGON Sony Life Insurance Co., Ltd.)and SA Reinsurance Ltd. were included in the scope of consolidation from the fourth quarter ended March 31, 2020, respectively.

Statements made in this press release concerning the current plans, expectations, strategies and beliefs of the Sony Financial Group. Any statements contained herein that are not historical facts are forward-looking statements or pro forma information. 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 forward-looking statements and pro forma information 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 or pro forma information 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.

II. Attachment

Content of Presentation Material

Consolidated Financial Results for the Three Months Ended June 30, 2020 and Sony Life's MCEV as of June 30, 2020

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Consolidated Financial Results for the Three Months Ended June 30, 2020 and Sony Life's MCEV as of June 30, 2020

Sony Financial Holdings Inc.
August 11, 2020

AGENDA

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Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2021 (FY2020)	P. 17
Sony Life's MCEV as of June 30, 2020	P. 19
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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 are not historical facts are forward-looking statements or pro forma information. 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 forward-looking statements and pro forma information 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 or pro forma information 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.

(Note 1) 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.

(Note 2) “Lifeplanner” is a registered trademark of Sony Life.

(Note 3) From FY20.1Q, we have changed the method of handling gains (losses) on translation of foreign currency-denominated debt securities, within available-for-sale securities, to more appropriately reflect the effect of hedging exchange risks. Formerly, these gains (losses) were fully recognized into net assets as net unrealized gains (losses) on available-for-sale securities, net of taxes. Under the revised method, exchange rate differences related to changes in market value due to foreign currencies are recognized in net unrealized gains (losses) on available-for-sale securities, net of taxes, and other differences are recognized in foreign exchange gains (losses). This change in accounting method has been retroactively applied to FY2019.

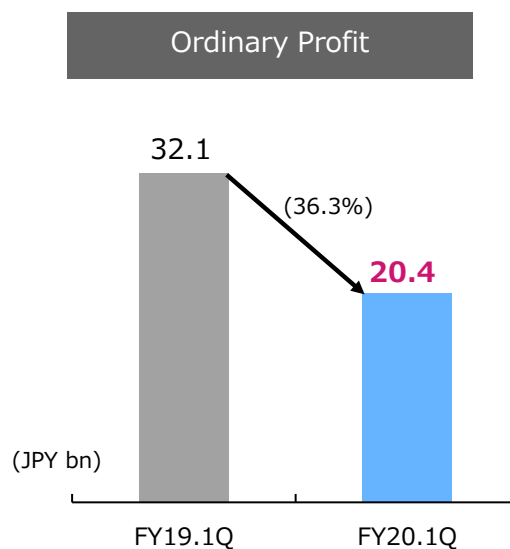
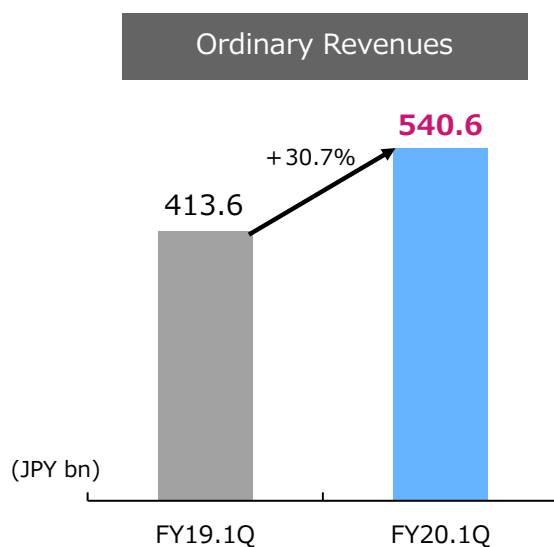


Consolidated Operating Results for the Three Months Ended June 30, 2020 (FY20.1Q)

Highlights of Consolidated Financial Results

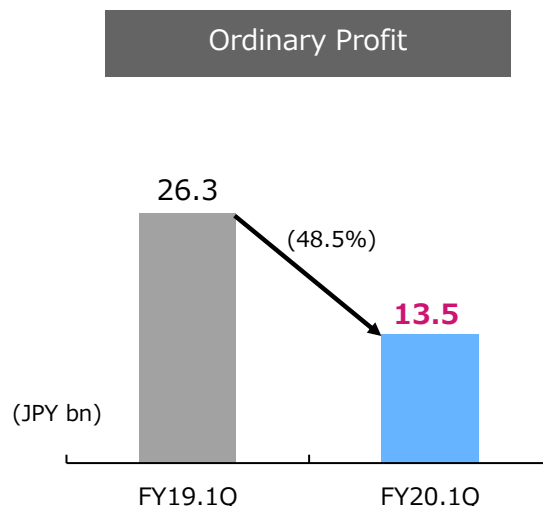
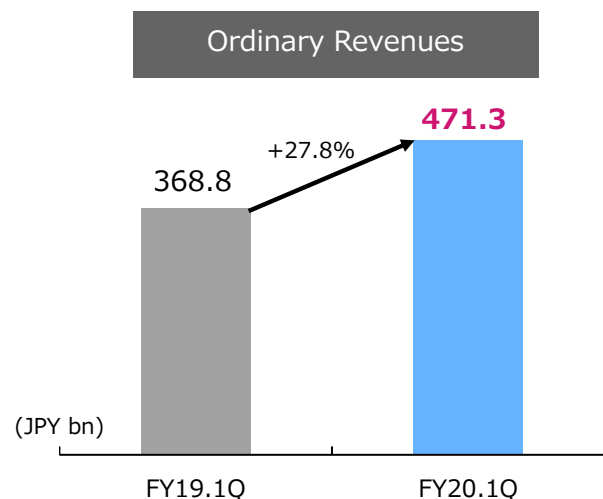


- ◆ Ordinary Revenues : Increased 30.7% year on year, to ¥540.6 billion, owing to increases in ordinary revenues from all the businesses: life insurance, non-life insurance and banking businesses.
- ◆ Ordinary Profit : Decreased 36.3% year on year, to ¥20.4 billion, as the ordinary profit from the non-life insurance business increased while ordinary profit from the life insurance and the banking businesses decreased.

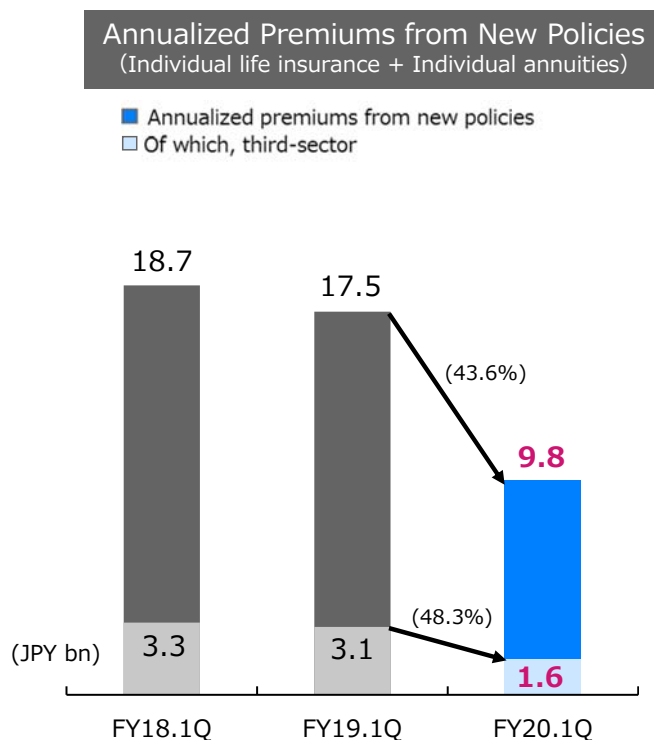
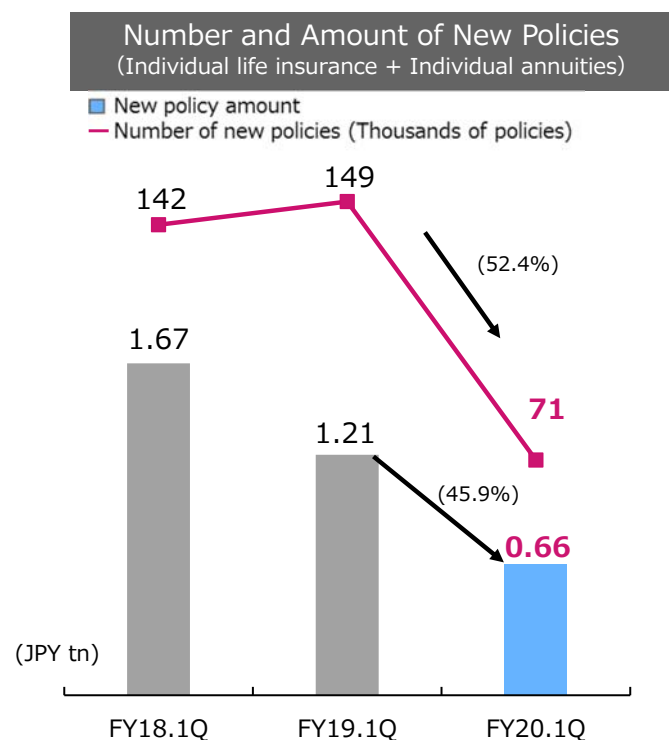


- ◆ Ordinary Revenues : Grew 27.8% year on year, to ¥471.3 billion, due to steady investment performance in the separate account.
- ◆ Ordinary Profit : Decreased 48.5% year on year, to ¥13.5 billion, due mainly to a deterioration in gains (losses) related to market fluctuations for variable life insurance* and the posting of countermeasure costs associated with the COVID-19 pandemic.

*The total of (a) the provision of policy reserves for minimum guarantees for variable life insurance according to market fluctuations and (b) net gains (losses) on derivative transactions to hedge market risks for the products.

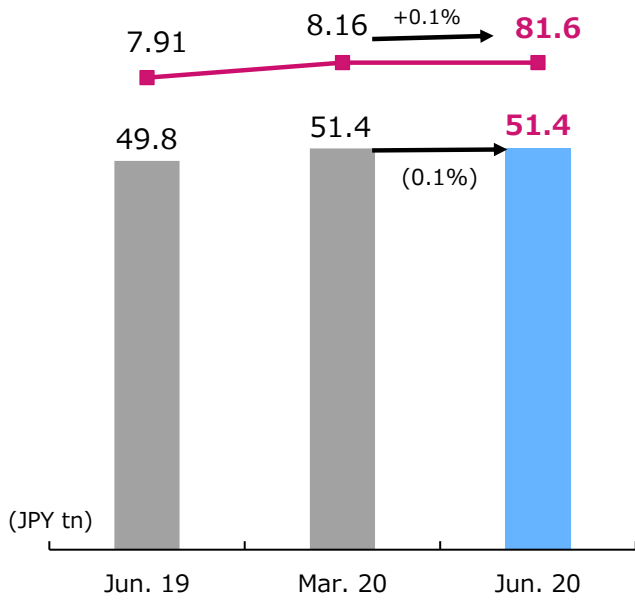


- ◆ New Policy Amount and Annualized Premiums from New Policies : Both decreased year on year, owing to our restraint of sales activities associated with the COVID-19 pandemic.



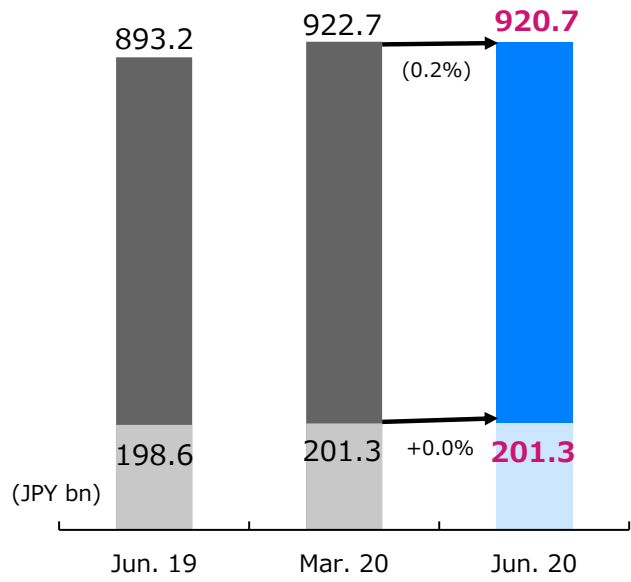
Number and Amount of Policies in Force
(Individual life insurance + Individual annuities)

■ Policy amount in force
— Number of policies in force (Millions of policies)



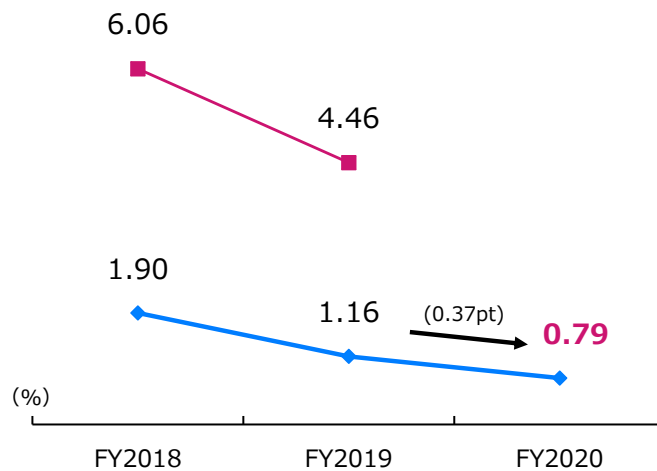
Annualized Premiums from Insurance in Force
(Individual life insurance + Individual annuities)

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



Lapse and Surrender Rate*
(Individual life insurance + Individual annuities)

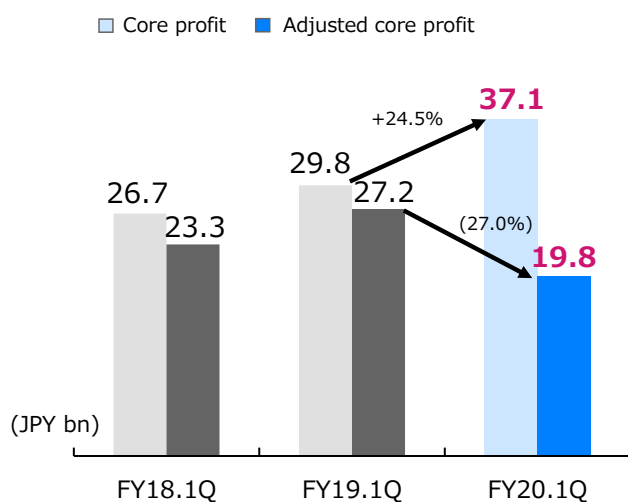
■ Annual ◆ 1Q



*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.

- ◆ Core Profit : Increased due to a decrease in provision of policy reserve for minimum guarantees for variable life insurance despite the posting of countermeasure costs associated with the CONVID-19 pandemic.

Core Profit and Adjusted Core Profit



◆ Details of core profit

(JPY bn)	FY18.1Q	FY19.1Q	FY20.1Q
Positive spread	4.2	4.7	5.2
Provision of policy reserve for minimum guarantees for variable life insurance*1	(0.8)	(2.0)	12.0
Adjusted core profit*2	23.3	27.2	19.8

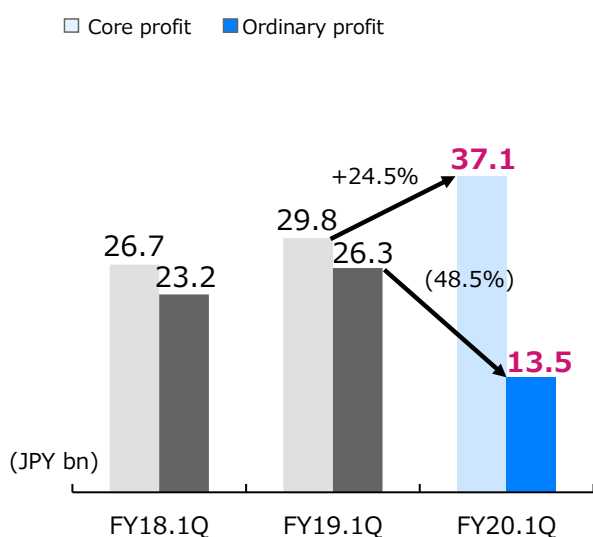
*1 Provision of policy reserves for minimum guarantees for variable life insurance is described as negative amount.

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

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

- ◆ Ordinary Profit: Decreased due to a deterioration in gains (losses) on hedges of variable life insurance despite an increase in core profit.

Core Profit and Ordinary Profit



◆ Difference from core profit

(JPY bn)	FY18.1Q	FY19.1Q	FY20.1Q
Core profit	26.7	29.8	37.1
Capital gains (losses)*1	2.6	0.2	(0.9)
Gains (losses) on hedges of variable life insurance*2	(3.9)	(1.4)	(20.7)
Provision of contingency reserves*3	(2.1)	(2.2)	(1.7)
Others	(0.0)	(0.0)	(0.0)
Ordinary profit	23.2	26.3	13.5

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

*2 Gains (losses) on hedges of variable life insurance offset the impact of market fluctuations on provision of policy reserves for minimum guarantees for variable life insurance on page 9.

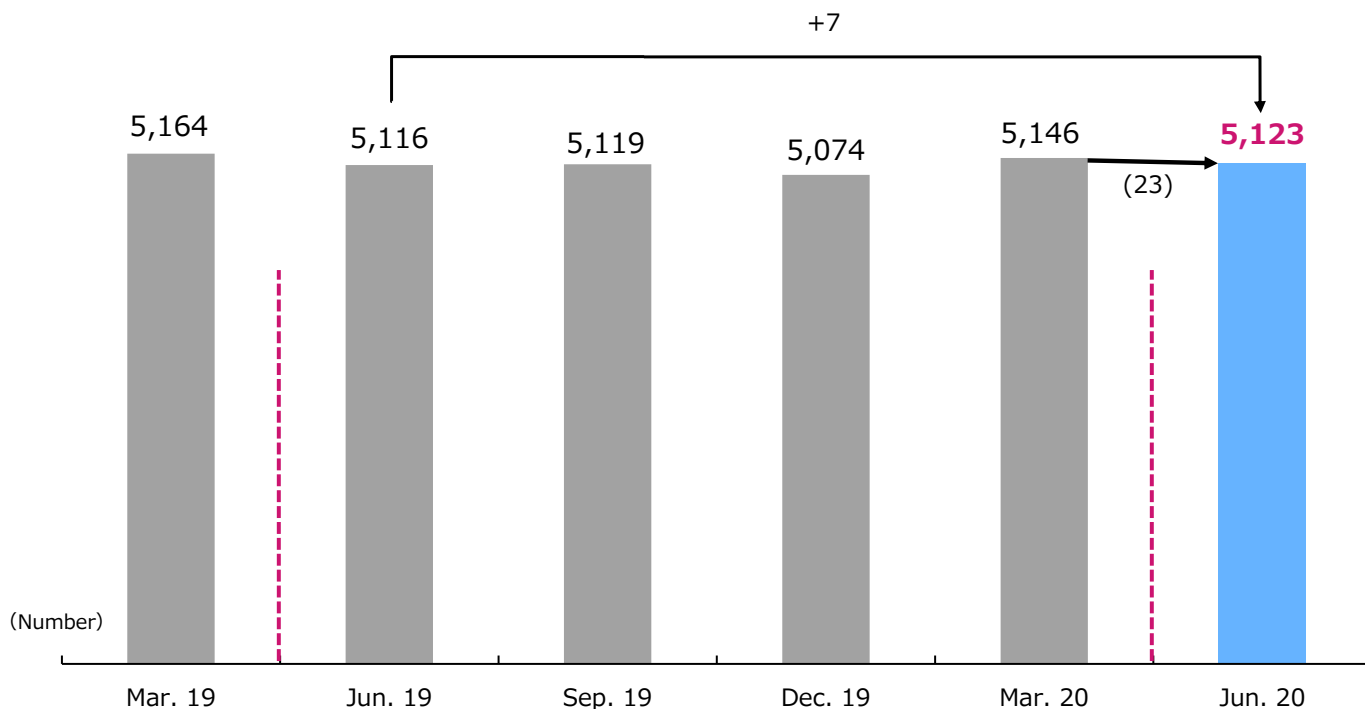
*3 Provision of contingency reserves are described as negative amount.

(Note) Regarding hedges of variable life insurance

Market fluctuations resulted in the following accounting gains (losses), due to differences between Japanese GAAP and economic value-based valuation. Please refer to page 35 for details.

(JPY bn)	FY18.1Q	FY19.1Q	FY20.1Q
Gains (losses) of variable life insurance related to market fluctuation	1.4	0.4	(4.8)

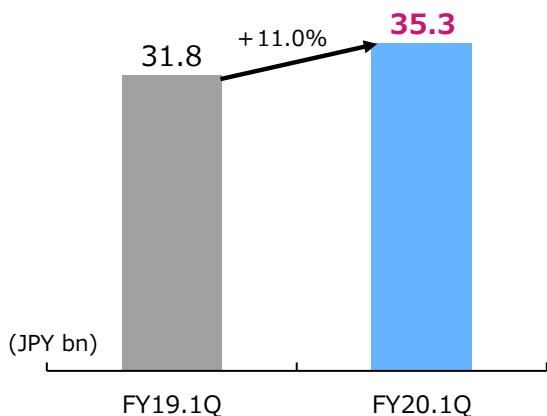
Number of Lifeplanner Sales Employees



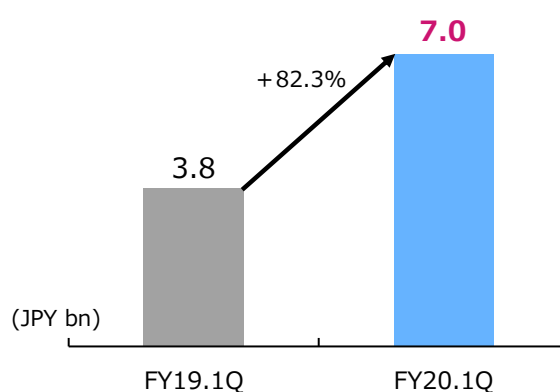
Highlights of Operating Performance : Sony Assurance

- ◆ Ordinary Revenues : Expanded 11.0% year on year, to ¥35.3 billion, owing mainly to an increase in net premium written for mainstay automobile insurance.
- ◆ Ordinary Profit : Increased 82.3% year on year, to ¥7.0 billion, due mainly to a decline in the loss ratio for automobile insurance.

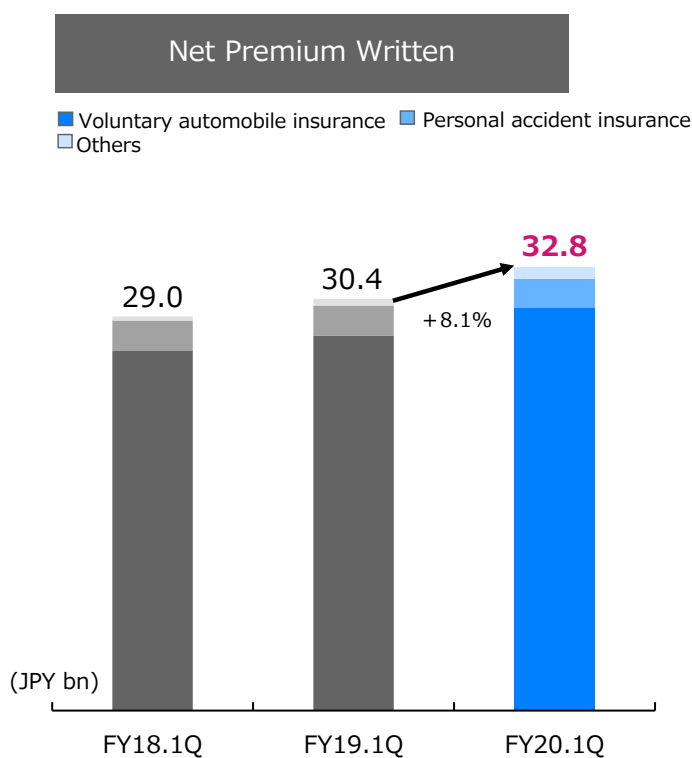
Ordinary Revenues



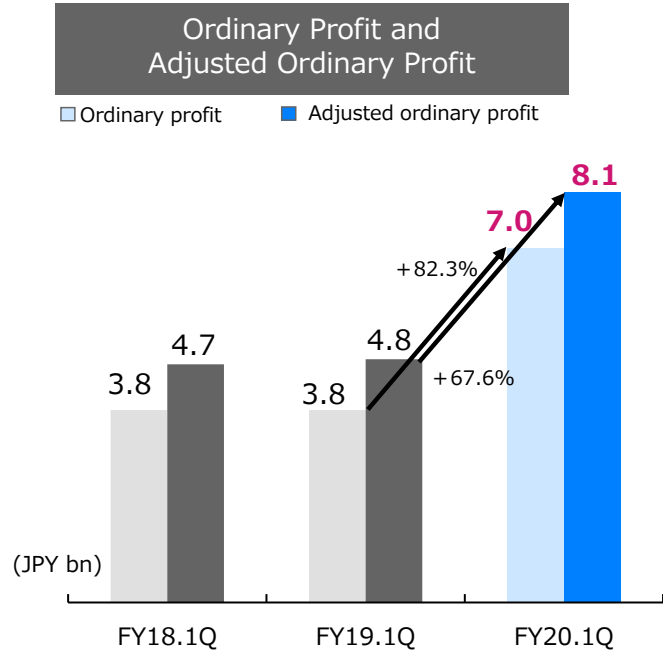
Ordinary Profit



◆ Net Premium Written : Increased due to stable sales of automobile insurance.



(Note) Most of personal accident insurance is medical insurance.



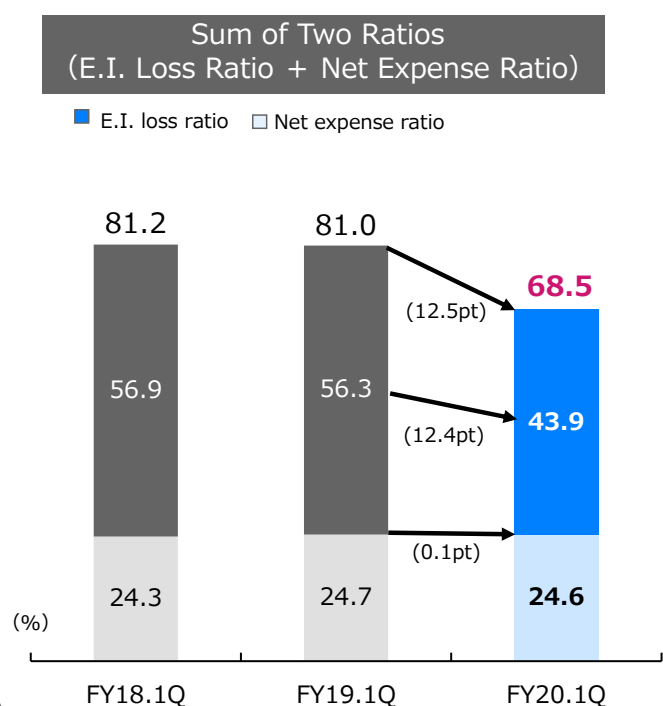
*Adjusted ordinary profit = Ordinary profit + Provision for catastrophe reserve

(Reference) Provision for catastrophe reserve

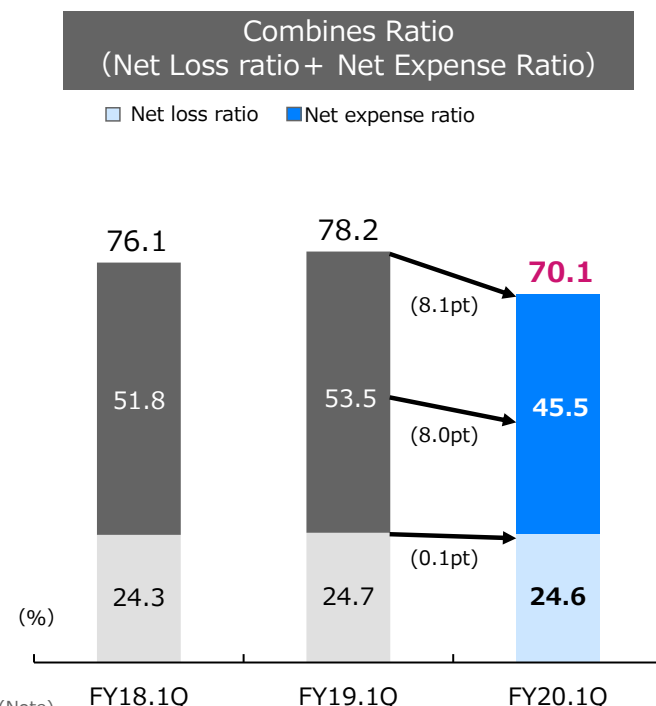
(JPY bn)	FY18.1Q	FY19.1Q	FY20.1Q
Provision for catastrophe reserve	0.9	0.9	1.0

(Note) Provision for catastrophe reserve is described as positive amount.

◆ Sum of Two Ratios : Declined due to a decrease in E.I. loss ratio.

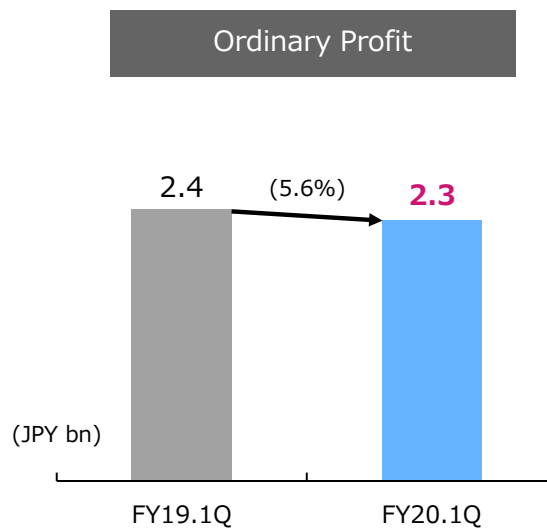
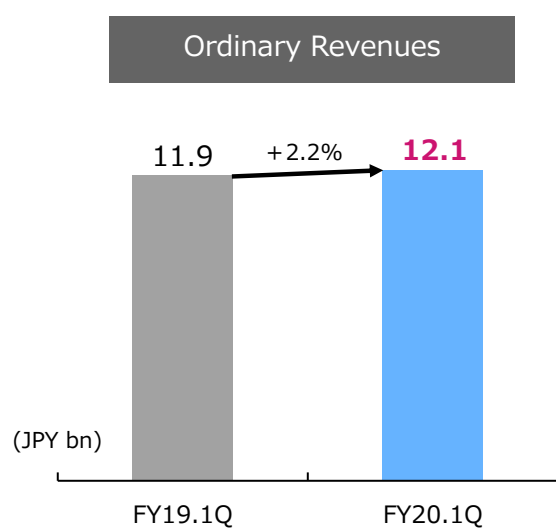


(Note) E.I. loss ratio = (Net losses paid + Provision for reserve for outstanding losses and claims + Loss adjustment expenses) / Earned premiums [Earthquake insurance and compulsory automobile liability insurance are excluded.]



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

- ◆ Ordinary Revenues : Increased 2.2% year on year, to ¥12.1 billion.
- ◆ Ordinary Profit : Down 5.6% year on year, to ¥2.3 billion.



Operating Performance : Sony Bank (Non-consolidated)

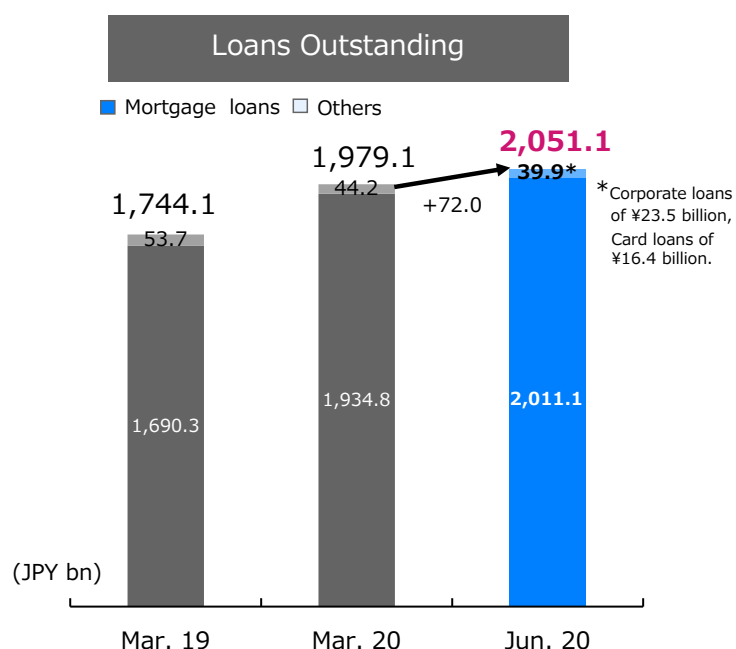
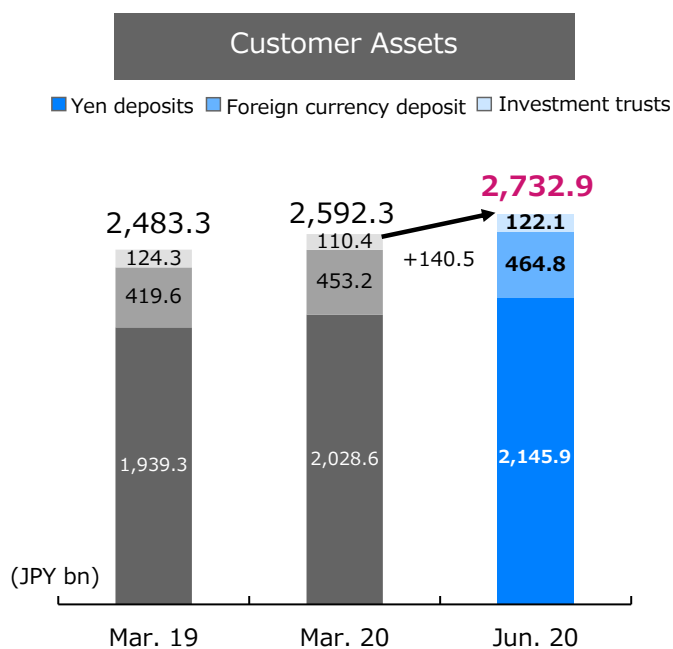


◆ Customer Assets

- Yen Deposits : Increased due to an increase in newly accumulated funds via the increased number of accounts.
- Foreign Currency Deposits : Increased due mainly to an increase in U.S. dollar deposits in line with appreciation of Japanese yen.

◆ Loans Outstanding

- Expanded due to a steady increase in mortgage loans.





Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2021 (FY2020)

Forecast of Consolidated Financial Results for FY2020



Ordinary revenues are expected to be roughly flat while ordinary profit and profit attributable to owners of the parents are expected to decrease.

- ◆ Ordinary revenues : Expected to be roughly flat, owing mainly to a decline in income from insurance premiums, primarily from single-premium insurance, despite an improvement in investment performance in the separate account, both in the life insurance.
- ◆ Ordinary profit : Expected to decrease due to the posting of countermeasure costs associated with the CONVID-19 pandemic. These higher costs will more than offset a decrease in costs related to the acquisition of new policies, which are expected to fall due to a decline in the new policy amount in the life insurance business.

(JPY bn)	FY2019 (Actual)	FY2020 (Forecast)	Change	
Ordinary revenues	1,781.4	1,796	+ 14.5	+0.8%
Ordinary profit	110.2	96	(14.2)	(12.9%)
Profit attributable to owners of the parents	73.2	63	(10.2)	(14.0%)



Sony Life's MCEV as of June 30, 2020

A part of the calculations of MCEV adopted simplified method for that as of June 30, 2020.
Please keep in mind that the validity of these calculations has not been verified by outside specialists.

Sony Life : MCEV and New Business Value



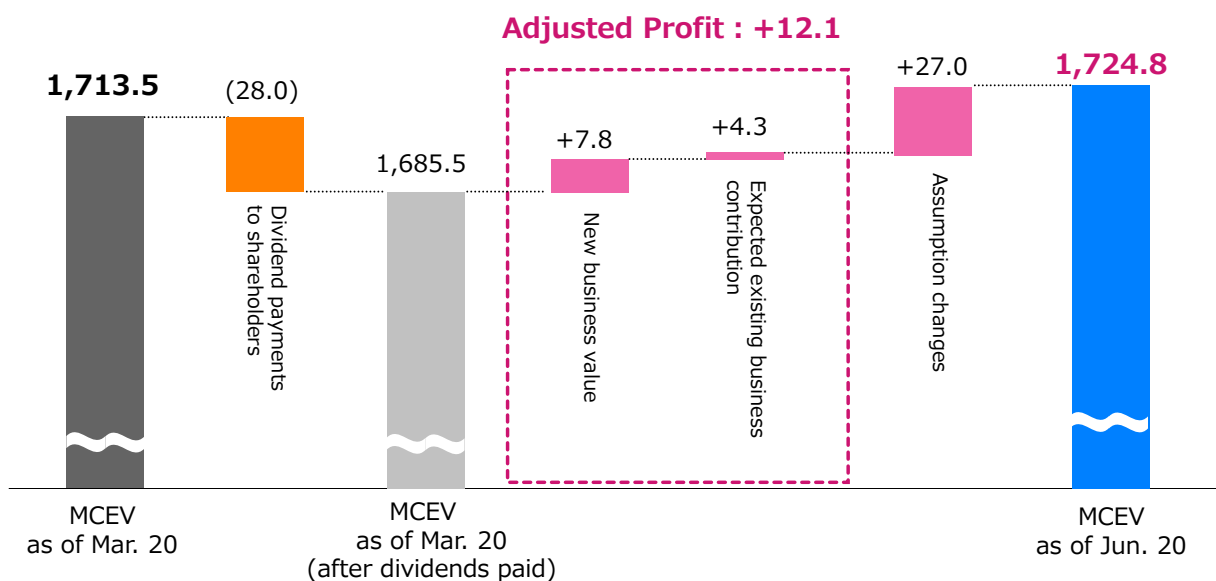
- ◆ Reasons for Changes in MCEV
 - MCEV as of June 30, 2020 increased ¥11.2 billion from March 31, 2020, due mainly to an increase in interest rates in Japanese yen.
- ◆ New Business Value / New Business Margin
 - New business value for FY20.1Q (3M) decreased from FY19.4Q (3M), to ¥7.8 billion, due mainly to lower sales volume in line with our restraint of sales activities associated with the COVID-19 pandemic.
 - New business margin for FY20.1Q (3M) was up 0.5pt from FY19.4Q (3M), due mainly to an increase in interest rates.

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20
MCEV	1,713.5	1,724.8	+11.2
Adjusted net worth	2,565.8	2,271.4	(294.3)
Value of existing business	(852.3)	(546.6)	+305.6

(JPY bn)	FY19.4Q (3M)	FY20.1Q (3M)
New business value	17.8	7.8
New business margin	3.9%	4.4%

(Note) Calculated MCEV as of June 30, 2020 by using mainly updated economic assumptions and lapse and surrender rate from March 31, 2020.

*Please refer to page 42-45 for trend on bond yields and yield curves.



(Note) Details on assumption changes : Insurance-related assumption changes: ¥(21.6) billion, economic variances changes (included interest rate fluctuation): +¥48.7 billion.



Sony Corporation Making SFH its Wholly-Owned Subsidiary

- ◆ May 19 : Sony Corporation (“Sony”), the controlling shareholder of SFH, announced the tender offer for SFH shares, etc.
 - Tender offer period : May 20, 2020 ~ Jul. 13, 2020
- ◆ Jul. 14 : Sony announced the result of tender offer for SFH shares, etc.
 - Sony’s ownership of SFH share, etc. after purchase, etc. : 93.47% (excluding treasury shares, as of Jul. 20, 2020)
- ◆ Jul. 20 : SFH approved Sony’s demand for cash-out of shares
- Future schedule (planned)
 - Jul. 20 ~ Aug. 30 : SFH shares to be designated by the TSE as stock to be delisted
 - Aug. 28 : Last trading day
 - Aug. 31 : Delisting date
 - Sep. 2 : Sony acquire SFH share subject to the cash-out and make SFH its wholly-owned subsidiary

Appendix |

- ◆ Sony Financial Group
 - Detail of Consolidated Adjusted Profit and Consolidated Adjusted Capital
 - Detail of Consolidated Adjusted ROE
 - Calculation of Consolidated Adjusted ROE
 - Update of Major KPIs
 - Financial Soundness
 - Results of Cross-selling
- ◆ Sony Life
 - Product Portfolio
 - Asset Management
 - General Account Assets
 - Interest Income and Dividends (Details)
 - Capital Gains (Losses)
 - Quarterly Trend on New Policy Amount
 - Quarterly Trend on Annualized Premiums from New Policies
 - Quarterly Trend on New Business Value
- ◆ Sony Financial Group
 - Our Perspective on Consolidated Group ESR
- ◆ Sony Financial Group
 - ESR
 - Operating Performance : Sony Life With Insurance
 - Trend on JGB Yields (Par rate)
 - Trend on Risk-free Rate (Japanese yen/Par rate)
 - Trend on U.S. Dollar Bonds Yields (Par rate)
 - Trend on Risk-free Rate (U.S. Dollar /Par rate)
- ◆ Financial Results of Each Group Company (Summary Financial Statements, etc.)
 - Consolidated/Sony Life/Sony Assurance/Sony Bank

◆ Adjusted profit (Numerator)

Sony Financial Group (consolidated) (JPY bn)	FY2019 (12M)	FY19.1Q (3M)	FY20.1Q (3M)
Consolidated adjusted profit	97.9	25.9	19.5

Sony Life (non-consolidated) (JPY bn)	FY2019 (12M)	FY19.1Q (3M)	FY20.1Q (3M)
New business value*	66.9	17.0	7.8
Expected existing business contribution*	15.7	3.7	4.3
Adjusted profit	82.6	20.8	12.1

Sony Assurance (JPY bn)	FY2019 (12M)	FY19.1Q (3M)	FY20.1Q (3M)
Net income	5.8	2.7	5.0
Provision amount for catastrophe reserve (after tax)	2.3	0.7	0.7
Provision amount for reserve for price fluctuations (after tax)	0.0	0.0	0.0
Adjusted profit	8.1	3.4	5.8

Sony Bank (consolidated) (JPY bn)	FY2019 (12M)	FY19.1Q (3M)	FY20.1Q (3M)
Profit attributable to owners of the parent	7.0	1.6	1.5

◆ Adjusted capital (Denominator)

Sony Financial Group (consolidated) (JPY bn)	FY2019	FY19.1Q	FY20.1Q
Consolidated adjusted capital	1,846.4	1,811.8	1,849.2

Sony Life (non-consolidated) (JPY bn)	FY2019	FY19.1Q	FY20.1Q
Adjusted capital (MCEV as of the beginning of the fiscal year less dividends paid plus MCEV as of the end of the fiscal year, divided by two)	1,700.8	1,669.6	1,705.1

Sony Assurance (JPY bn)	FY2019	FY19.1Q	FY20.1Q
Adjusted capital (The average amount of following items) [Net assets + Catastrophe reserve (after tax) + reserve for price fluctuations (after tax)]	55.3	53.2	59.6

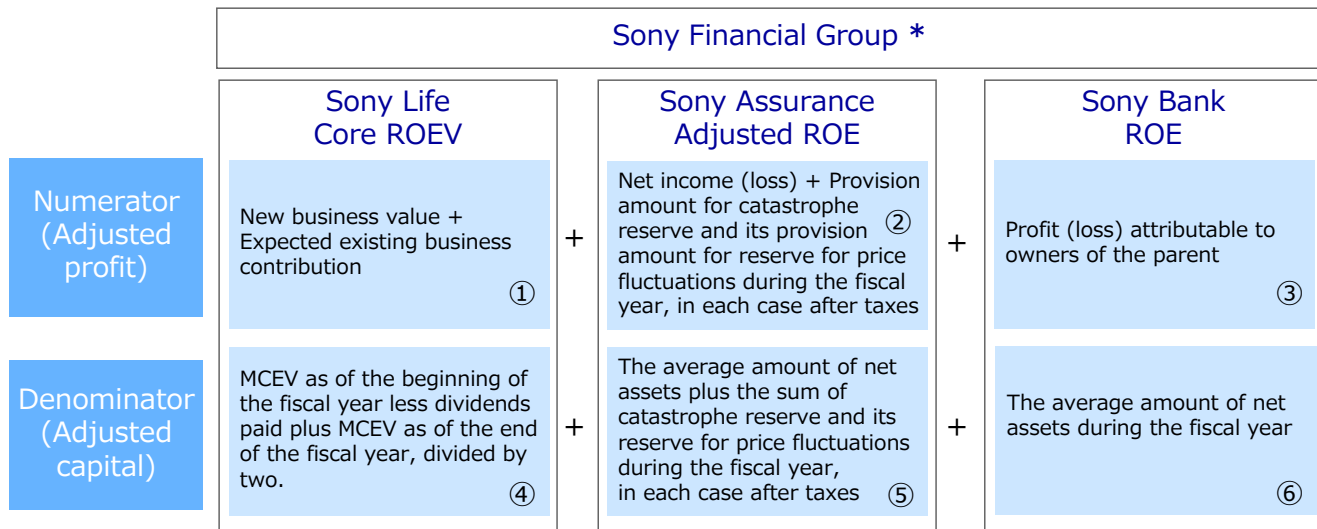
Sony Bank (consolidated) (JPY bn)	FY2019	FY19.1Q	FY20.1Q
Adjusted capital (The average amount of net assets during the period)	90.2	88.9	84.4

*Please keep in mind that the validity of these calculations has not been verified by outside specialists for the figures for FY19.1Q and FY20.1Q.

Detail of Consolidated Adjusted ROE

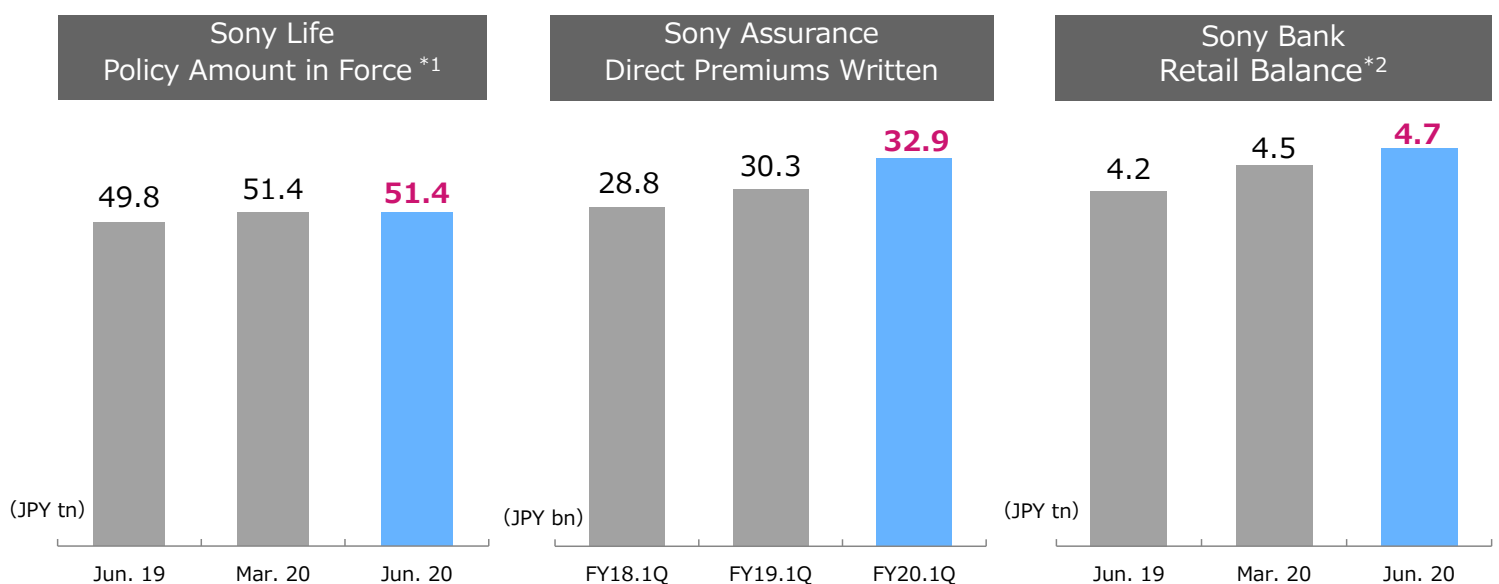
	FY2019 (12M)	FY19.1Q (3M)	FY20.1Q (3M)
Consolidated Adjusted ROE	5.3%	1.4%	1.1%
(Sony Life) Core ROEV	4.9%	1.2%	0.7%
(Sony Assurance) Adjusted ROE	14.7%	6.5%	9.8%
(Sony Bank) ROE	7.8%	1.8%	1.8%

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



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

Updated of Major KPIs



*1 Individual Life Insurance + Individual Annuities

*2 Sum of deposits, investment trusts, financial products intermediary services, mediated discretionary investment contracts and personal loans

(%)	Mar. 19	Mar. 20	Jun. 20	Change from Mar. 2020
Sony Life (non-consolidated) Solvency margin ratio	2,590.5%	2,476.3%	2,426.6%	(49.7pt)
Sony Assurance Solvency margin ratio	813.0%	872.3%	972.6%	+100.3pt
Sony Bank (non-consolidated) Capital adequacy ratio (domestic standard)	9.58%	8.85%	8.65%	(0.20pt)

(Note) Ratios less than the indicated unit have been truncated.

Results of Cross-selling

◆ Sony Bank's Mortgage Loans through Sony Life

Sony Life accounts for 9% of the amount of new mortgage loans for FY20.1Q (3M)

Sony Life accounts for 17% of the balance of mortgage loans as of June 30, 2020

(Note) Sony Life started handling banking agency business in January 2008.



◆ Sony Assurance's Automobile Insurance Sold by Sony Life

Sony Life accounts for 6% of new automobile policies for FY20.1Q (3Q)

(Note) Sony Life started handling automobile insurance in May 2001.

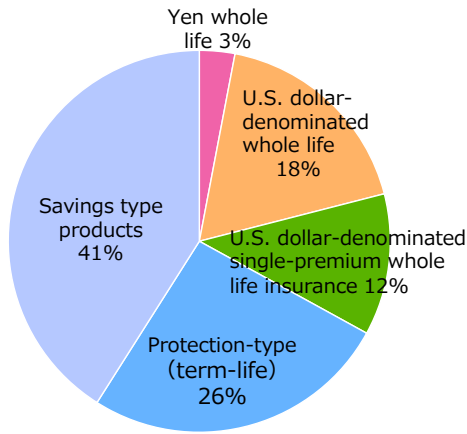


Sony Life's Product Portfolio (Annualized Premiums from New Policies by Product)



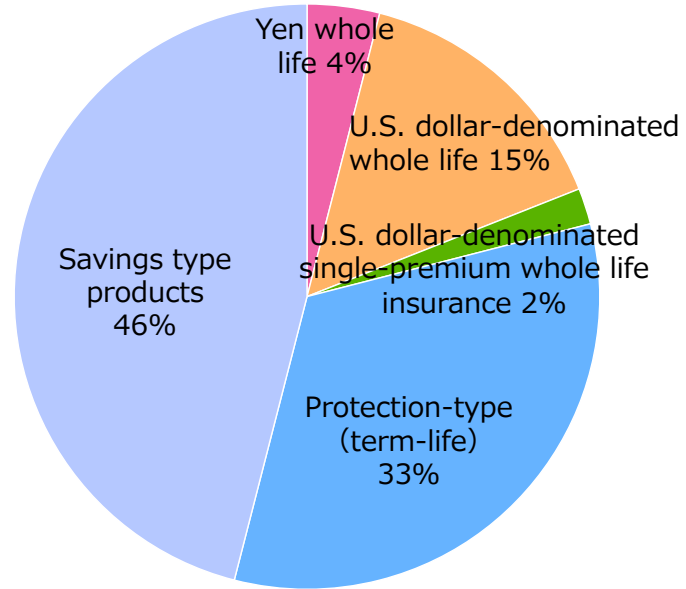
FY19.1Q (3M)

¥17.5 billion



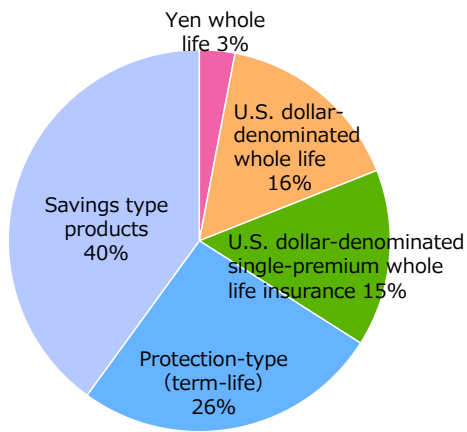
FY20.1Q (3M)

¥9.8 billion



FY19 (12M)

¥82.1 billion



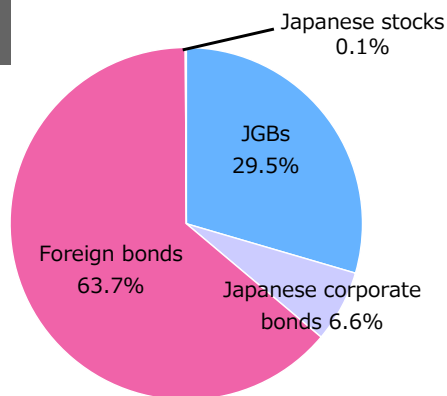
(Note) Savings type products : Endowment, annuities, and educational endowment insurances

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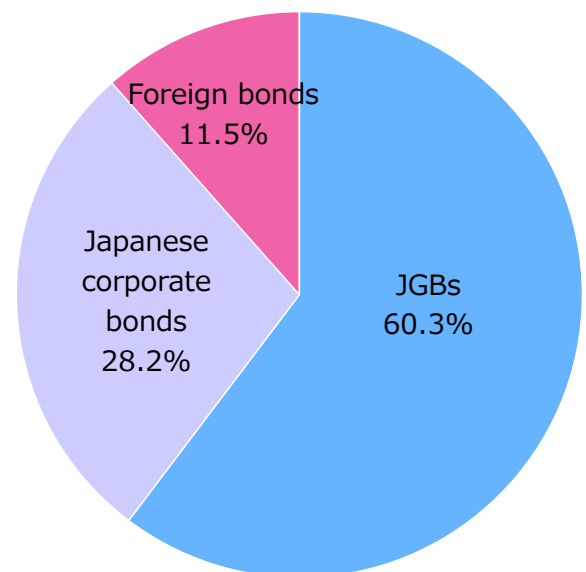
Sony Life's Asset Management (Purchase Securities in the General Account)



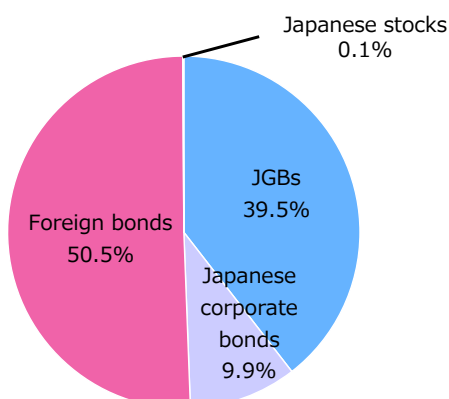
FY19.1Q (3M)



FY20.1Q (3M)



FY19 (12M)



(Note 1) Japanese corporate bonds include FILP agency bonds and Government-guaranteed bonds.

(Note 2) The graphs above are asset allocation for the relevant period. Total invested amount for the relevant period as 100%.
(excluding, investment in subsidiaries and affiliates, and strategic investments)

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◆ 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.

(JPY bn)	Mar. 20		Jun. 20	
	Amount	%	Amount	%
Japanese bonds (including JGBs)	8,364.5	84.4%	8,514.7	84.5%
Japanese stocks	28.0	0.3%	29.4	0.3%
Foreign bonds	966.9	9.8%	983.3	9.8%
Foreign stocks	28.6	0.3%	28.1	0.3%
Policy loans	208.0	2.1%	219.7	2.2%
Real estate*	92.5	0.9%	92.3	0.9%
Cash and call loans	79.8	0.8%	48.8	0.5%
Others	146.2	1.5%	164.4	1.6%
Total	9,914.9	100.0%	10,081.0	100.0%

◆ Yen Bond duration

Mar. 19 : 21.8 years

Mar. 20 : 21.8 years

Jun. 20 : 21.5 years

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

Sony Life's Interest Income and Dividends (Details)

(JPY mn)	FY19.1Q	FY20.1Q	Change
Japanese bonds (including JGBs)	33,011	34,597	+4.8%
Japanese stocks	81	29	(64.2%)
Foreign securities	6,141	8,907	+45.1%
Loans	1,736	1,688	(2.8%)
Real estate	2,422	2,415	(0.3%)
Others	109	105	(3.5%)
Total	43,501	47,743	+9.8%

(JPY mn)	FY19.1Q	FY20.1Q
Capital losses	14,939	28,891
Losses on derivatives, net	1,579	21,981
Losses on hedges of variable life insurance...(1)	1,781	20,878
Losses on hedges of available-for-sale securities...(2)	(222)	1,109
Losses on U.S. dollar-denominated insurance (foreign exchange losses)...(4)	7	(29)
Foreign exchange losses, net	13,334	6,680
Losses on U.S. dollar-denominated insurance...(4)	13,660	6,769
Losses on hedges of variable life insurance...(1)	(333)	(120)
Other capital losses	25	229
Impairment loss of Private Equity Funds	25	229

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

(JPY mn)	FY19.1Q	FY20.1Q
(1) Gains (losses) on hedges of variable life insurance	(1,447)	(20,758)
(2) Gains (losses) on hedges of available-for-sale securities	222	(1,109)
(3) Gains (losses) on sale of securities	1,238	—
(4) Gains (losses) on U.S. dollar-denominated insurance	(1,170)	398

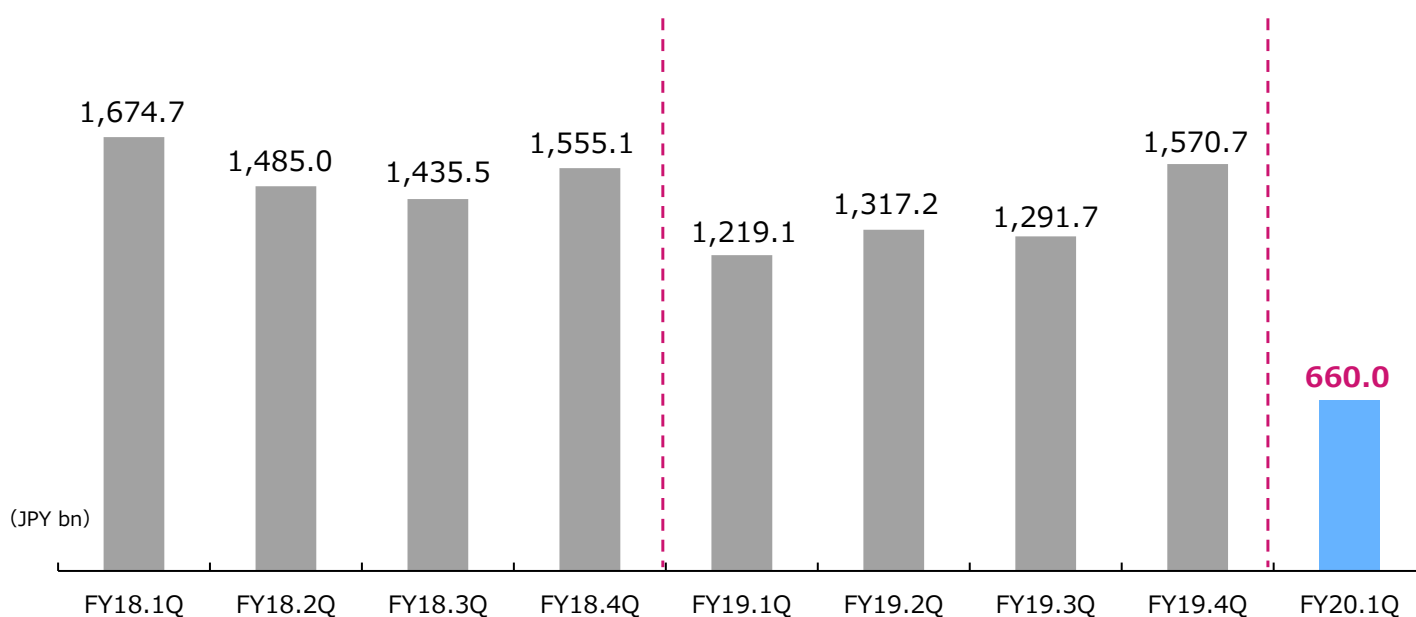
(JPY mn)	FY19.1Q	FY20.1Q
Capital gains	13,741	7,137
Gains on trading securities, net	5	—
Gains on sale of securities...(3)	1,238	—
Other capital gains (losses)	12,497	7,137
Gains on U.S. dollar-denominated insurance (the reversal of policy reserves for foreign exchange fluctuations)... (4)	12,497	7,137
Net capital gains (losses)	(1,197)	(21,753)

(Note 1) The figures of gains (losses) on trading securities, net, gains (losses) on derivatives and foreign exchange gains (losses), net were recorded after offsetting gains and losses of each item.

(Note 2) Sony Life increased its hedge ratio for variable life insurance and exchange fluctuation risk related to U.S. dollar-denominated insurance from FY2019 with a greater emphasis on suppressing capital fluctuations based on economic value, which are more suitable for valuing the growth of the life insurance business. However, assessment of the policy reserve and others differs between Japanese GAAP and economic value-based valuation, which makes Japanese GAAP accounting profits more susceptible to market conditions.

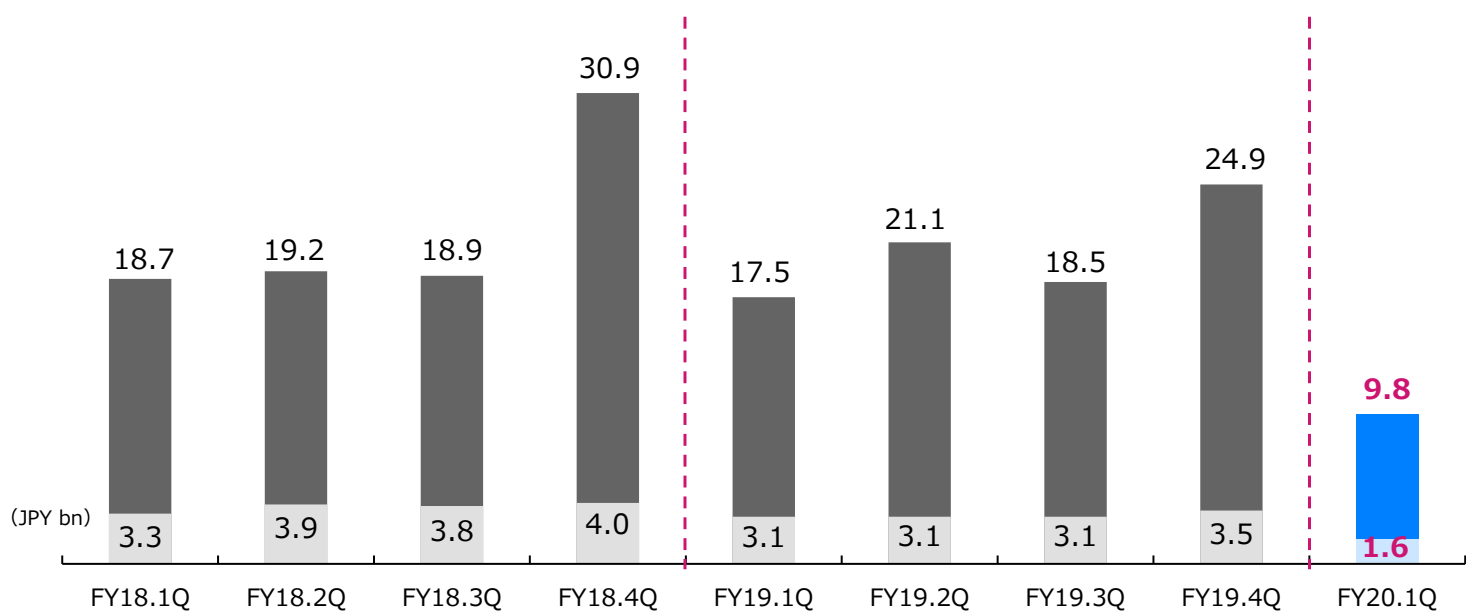
- Please refer page 10 for the relationship between the (1) Gains (Losses) on hedges of variable life insurance and fluctuation of liabilities, which are the hedged items.
- (4) Gains (losses) on U.S. dollar-denominated insurance under "Capital Gains (Losses) on Main Items, Net Amounts" are the net amount after offsetting net gains (losses) on hedges exchange fluctuation risk related to U.S. dollar-denominated insurance and fluctuation of liabilities which are the hedged items.

Sony Life's Quarterly Trend on New Policy Amount

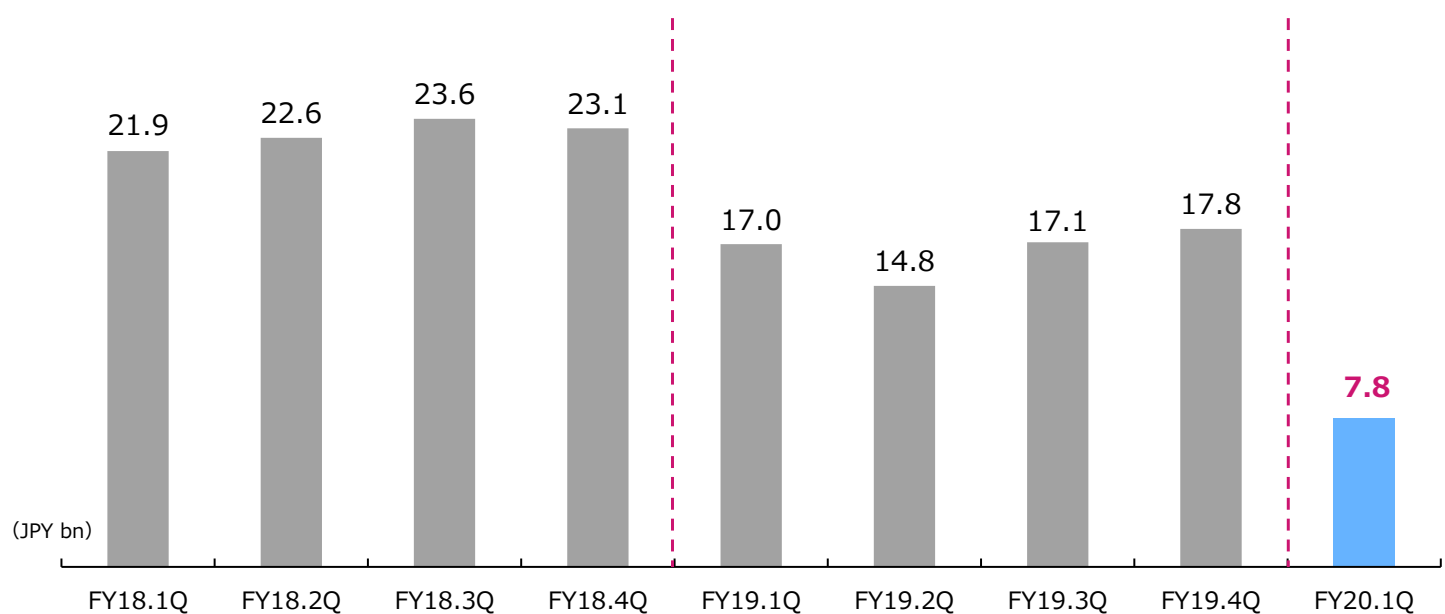


(Note) Individual Life Insurance + Individual Annuities

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



(Note) Individual Life Insurance + Individual Annuities



(Note) New business value is calculated accumulating new business value for each month based on economic assumptions at the end of each month.

- ◆ Consolidated Group ESR : Consolidated Group ESR is an indicator of capital sufficiency with respect to the Group's risk amount. Currently the target level of consolidated Group ESR is between 180% and 250% from the viewpoint of ERM to ensure financial soundness and capital efficiency.



(Note 1) We use consolidated Group ESR (an internal management indicator) to assist in making comprehensive management decisions. The indicator refers to the calculation methods used for European Solvency II and ICS, with some simplification. No third-party verification is conducted with respect to the calculation process or the appropriateness of its results.

(Note 2) Please refer to page 40 for Sony Life's ESR.

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Sony Life's ESR

- ◆ The risk amount based on economic value as of June 30, 2020 was ¥776.4 billion, decreased ¥28.8 billion from March 31, 2020, due mainly to a decrease in insurance risk resulting from higher interest rates.
- ◆ ESR as of June 30, 2020 was 226%, up 9pt from March 31, 2020 due mainly to a decrease in risk amount based on economic value.

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20
Insurance risk	607.6	568.8	(38.8)
Market-related risk	334.9	349.1	+14.2
Of which, interest rate risk	178.5	202.3	+23.8
Operational risk	40.3	37.2	(3.1)
Counter party risk	3.8	3.4	(0.3)
Variance effect	(181.5)	(182.3)	(0.7)
The risk amount based on economic value	805.2	776.4	(28.8)

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20
MCEV + Frictional costs	1,743.3	1,753.4	+10.0
ESR	216%	226%	+9pt

(Note 1) The risk amount based on economic value refers to the total amount of Sony Life's risks comprehensively examined by a market consistent approach, including insurance risk and market-related risk and others.

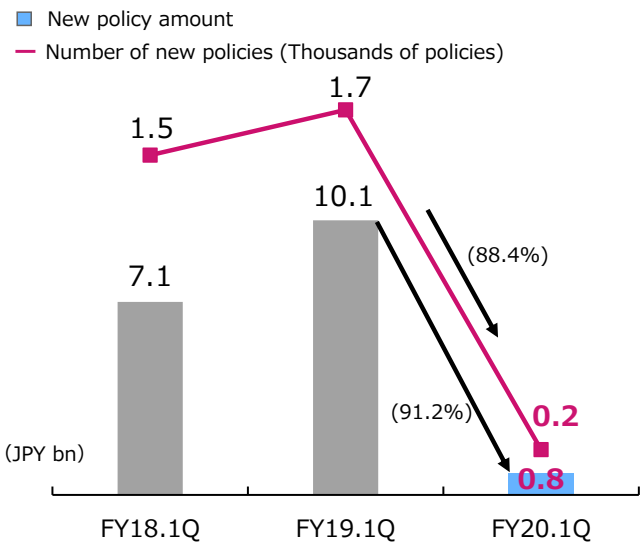
(Note 2) The solvency risk capital on an economic value basis is calibrated at VaR [99.5%] over one year and based on the internal model.

(Note 3) Risk amount excluding the variance effect within market-related risk.

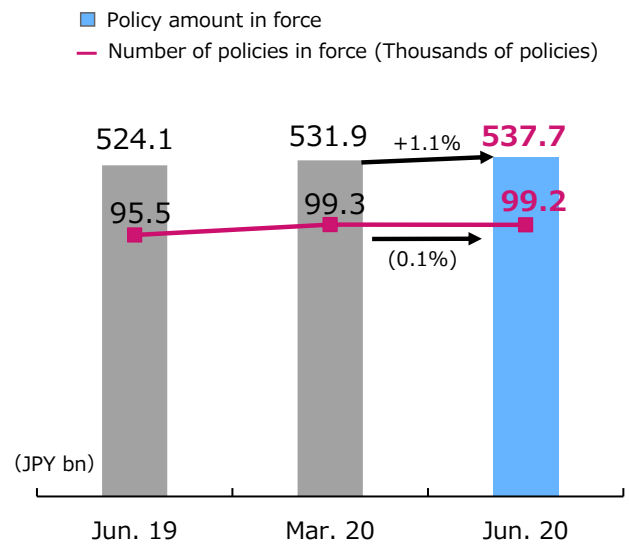
(Note 4) $ESR = (MCEV + Frictional costs) / Risk\ amount\ based\ on\ economic\ value$

◆ Sony Life With Insurance's new policy amount and policy amount in force

Number and Amount of New Policies*¹



Number and Amount of Policies in Force*²



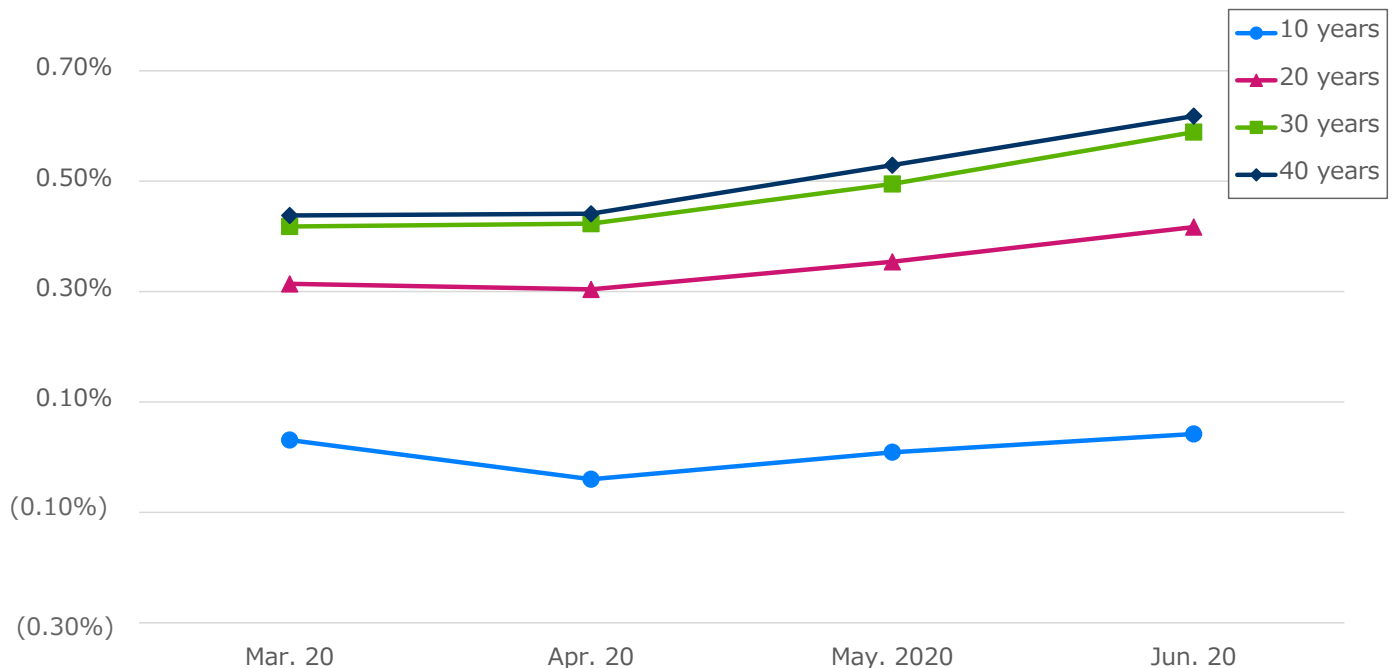
* Amounts for FY18.1Q are individual annuities while amounts for FY19.1Q and FY20.1Q are total of individual insurance and individual annuities.

◆ Net income (losses) for Sony Life With and SA Reinsurance

(JPY bn)	FY19.1Q	FY20.1Q	Change
Sony Life With Insurance	(0.4)	(0.0)	+0.3
SA Reinsurance	0.0	(2.1)	(2.2)

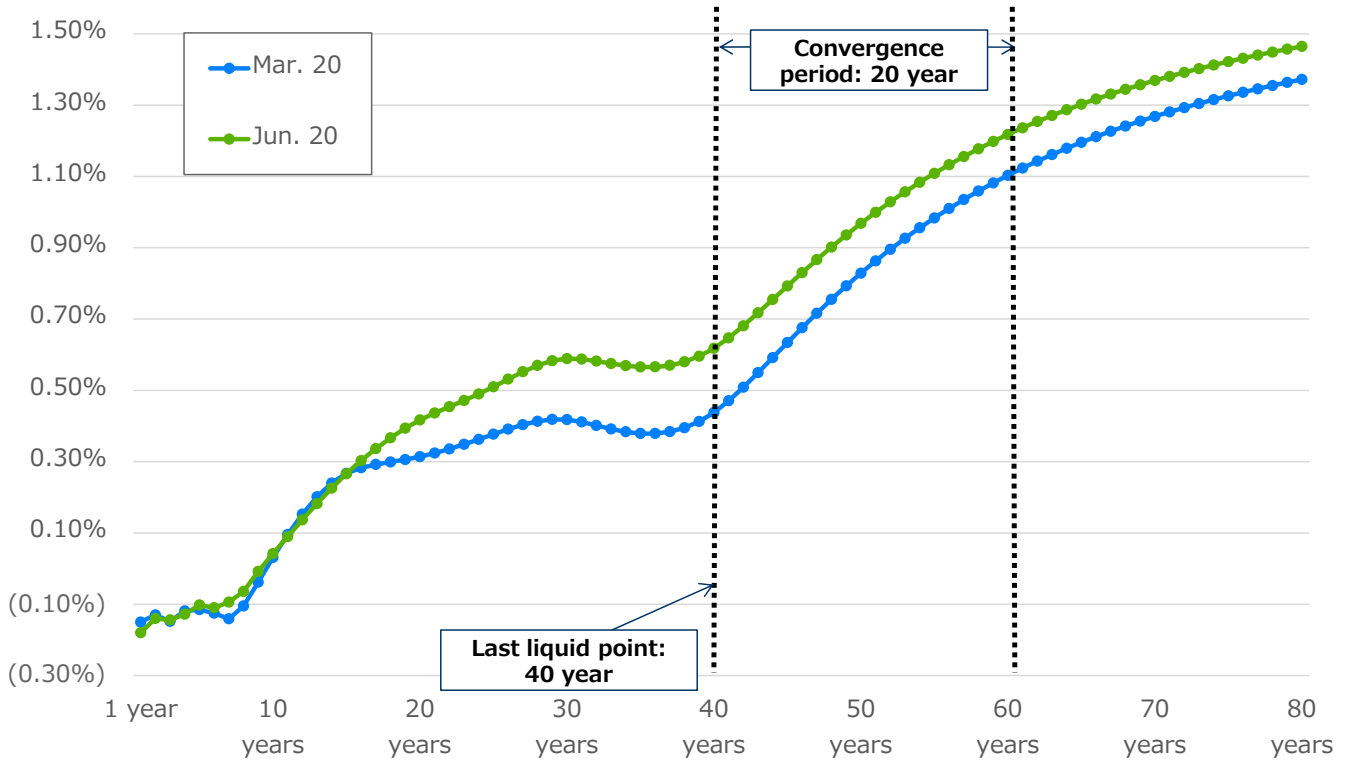
(Note) On Jan. 29, 2020, Sony Life With Insurance (former AEGON Sony Life Insurance) and SA Reinsurance converted into wholly owned subsidiary's of SFH and Sony Life. For FY19.1Q, 50% of the net income (losses) was recognized as investment profit (losses) on equity method in the SFH's consolidated net income. SA Reinsurance prepares its financial statements in accordance with U.S. GAAP.

Trend on JGB Yields (Par rate)



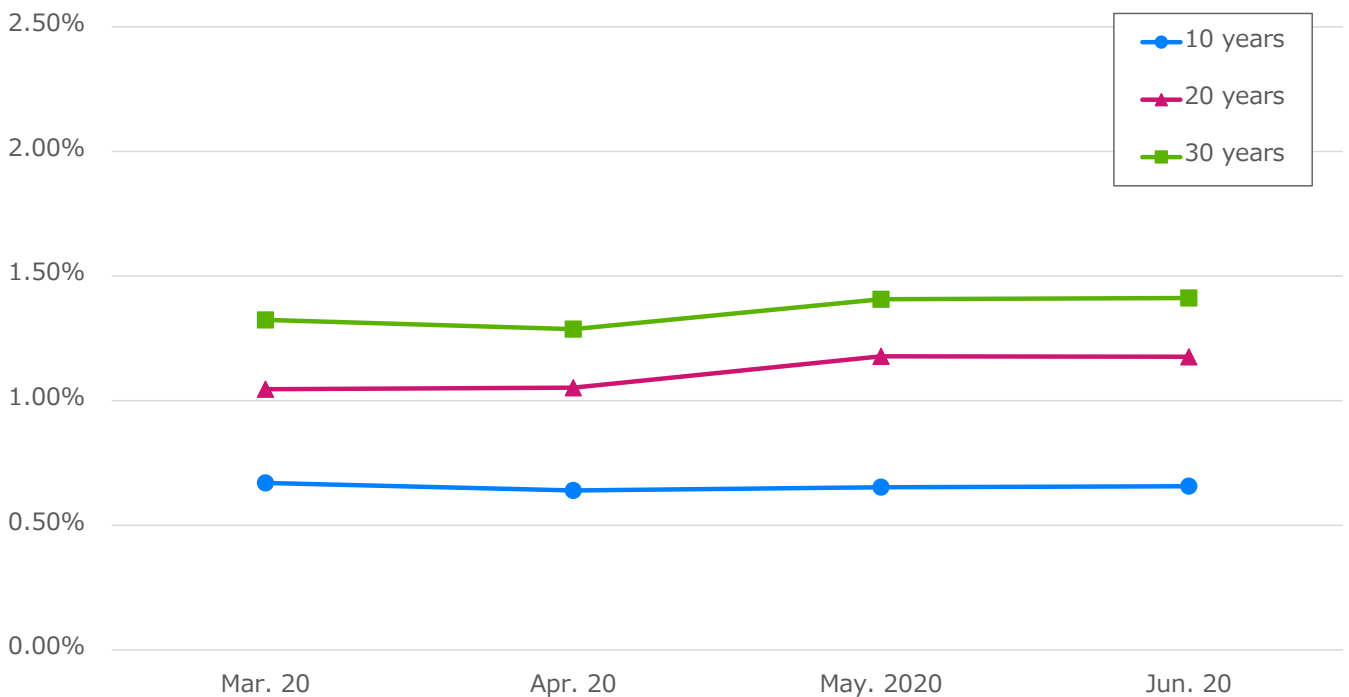
	Mar. 20	Apr. 20	May 20	Jun. 20
10 years	0.03%	(0.04%)	0.01%	0.04%
20 years	0.31%	0.30%	0.35%	0.42%
30 years	0.42%	0.42%	0.50%	0.59%
40 years	0.44%	0.44%	0.53%	0.62%

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

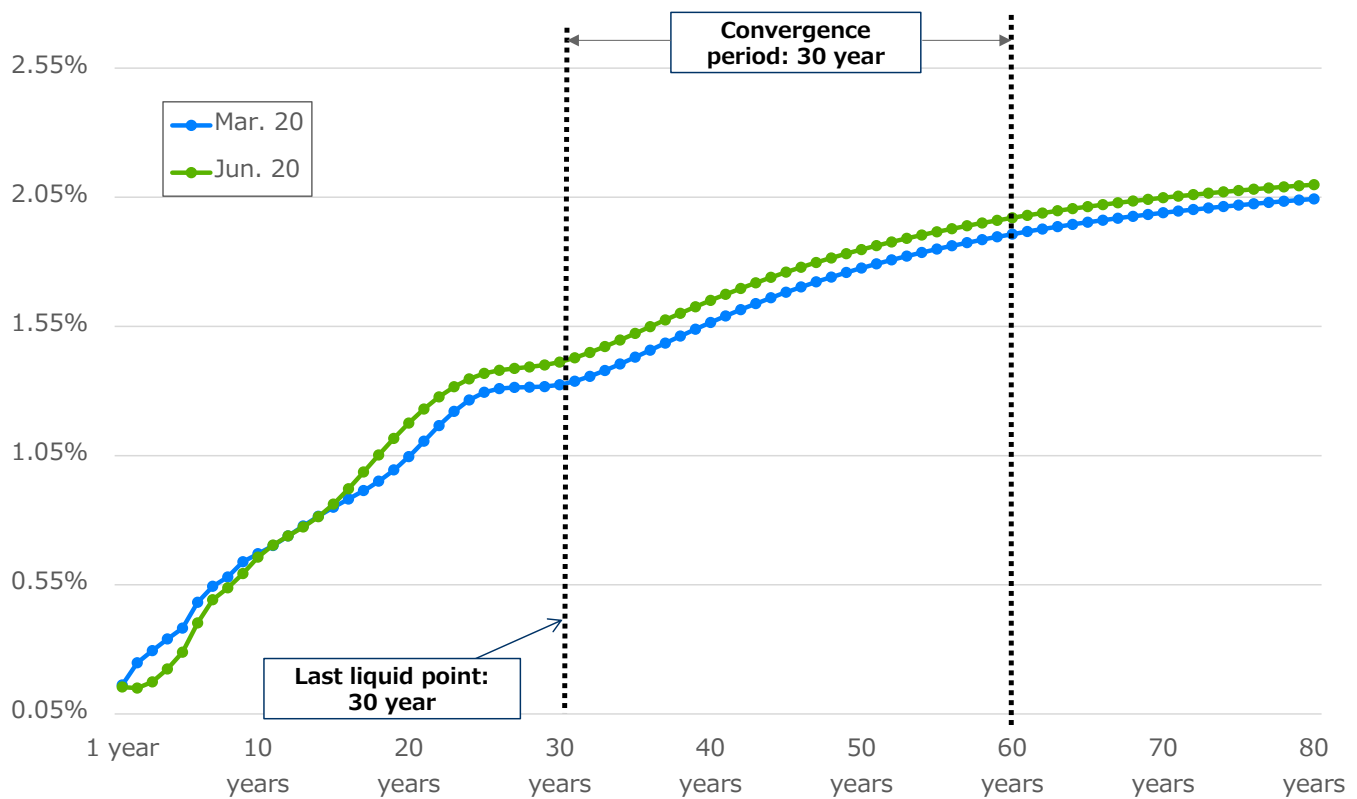


*For above risk-free rate, we employ the Smith-Wilson method for extrapolation so that the 60-year forward rate will coverage on the UFR [3.5%].

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



	Mar. 20	Apr. 20	May 20	Jun. 20
10 years	0.67%	0.64%	0.65%	0.66%
20 years	1.05%	1.05%	1.18%	1.18%
30 years	1.32%	1.29%	1.41%	1.41%



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

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Consolidated : Summary Financial Statements

		(JPY bn)	FY19.1Q	FY20.1Q	Change	
Life insurance business	Ordinary revenues		368.8	491.7	+122.9	+33.3%
	Ordinary profit		26.0	11.3	(14.6)	(56.4%)
Non-life insurance business	Ordinary revenues		31.8	35.3	+3.4	+11.0%
	Ordinary profit		3.8	7.0	+3.2	+82.3%
Banking business	Ordinary revenues		11.9	12.1	+0.2	+2.2%
	Ordinary profit		2.4	2.3	(0.1)	(5.6%)
Intersegment adjustments*	Ordinary revenues		1.0	1.3	+0.2	+29.6%
	Ordinary profit		(0.2)	(0.2)	(0.0)	–
Consolidated	Ordinary revenues		413.6	540.6	+126.9	+30.7%
	Ordinary profit		32.1	20.4	(11.6)	(36.3%)
	Profit attributable to owners of the Parent		22.3	13.1	(9.2)	(41.3%)

*"Intersegment adjustments" is from SFH, the nursing care business, and the venture capital business.

SmartLink Network Europe B.V. is included in the scope of consolidation from FY19.2Q, and Sony Life With Insurance and SA Reinsurance are included in the scope of consolidation from FY19.4Q, respectively.

(Note) Comprehensive income : FY19.1Q: ¥25.5 billion, FY20.1Q: ¥20.3 billion

		(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20	
Consolidated	Net assets		691.9	681.8	(10.1)	(1.5%)
	Total assets		15,125.7	15,687.7	+562.0	+3.7%

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Sony Life : Summary Financial Statements (Non-consolidated)



(JPY bn)	FY19.1Q	FY20.1Q	Change	
Ordinary revenues	368.8	471.3	+102.4	+27.8%
Income from insurance Premiums	301.4	270.4	(30.9)	(10.3%)
Investment income	64.3	194.6	+130.2	+202.4%
Interest income and dividends	43.5	47.7	+4.2	+9.8%
Gains on sale of Securities	1.2	–	(1.2)	(100.0%)
Gains on separate accounts, net	18.4	146.8	+128.4	+694.8%
Ordinary expenses	342.4	457.7	+115.2	+33.7%
Insurance claims and other payments	109.4	112.6	+3.1	+2.9%
Provision for policy reserves and others	168.9	262.9	+93.9	+55.6%
Investment expenses	16.7	30.4	+13.7	+82.3%
Losses on derivatives, net	1.5	21.9	+20.4	–
Foreign exchange losses, net	13.3	6.6	(6.6)	(49.9%)
Operating expenses	37.3	40.7	+3.3	+8.9%
Ordinary profit	26.3	13.5	(12.7)	(48.5%)
Net income	18.3	9.1	(9.2)	(50.1%)

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20	
Securities	10,629.9	10,985.5	+355.5	+3.3%
Policy reserves	9,959.8	10,222.7	+262.9	+2.6%
Net assets	539.5	517.1	(22.4)	(4.2%)
Net unrealized gains on other securities	125.0	121.5	(3.5)	(2.9%)
Total assets	11,237.1	11,593.9	+356.8	+3.2%
Separate account assets*	1,323.9	1,512.9	+188.9	+14.3%

(JPY bn)	FY19.1Q	FY20.1Q	Change	
Gains from investment, net (General account)	29.1	17.2	(11.8)	(40.8%)

*A portion of surplus investment funds are jointly invested, which amounted to ¥1.7 billion as of March 31, 2020.

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Sony Assurance : Summary Financial Statements (Underwriting Performance by Type of Policy)



(JPY bn)	FY19.1Q	FY20.1Q	Change	
Ordinary revenues	31.8	35.3	+3.4	+11.0%
Underwriting income	31.2	35.0	+3.8	+12.2%
Investment income	0.6	0.3	(0.3)	(51.3%)
Ordinary expenses	27.9	28.2	+0.2	+1.1%
Underwriting expenses	20.9	20.7	(0.2)	(1.0%)
Operating general and administrative expenses	7.0	7.5	+0.5	+7.2%
Ordinary profit	3.8	7.0	+3.2	+82.3%
Underwriting income	3.2	6.7	+3.5	+107.2%
Net income	2.7	5.0	+2.3	+83.8%

◆ Direct Premiums Written

(JPY mn)	FY19.1Q	FY20.1Q	Change
Fire	374	952	+154.3%
Marine	–	–	–
Personal accident	2,277	2,223	(2.4%)
Voluntary automobile	27,695	29,752	+7.4%
Compulsory automobile liability	–	–	–
Total	30,347	32,927	+8.5%

◆ Net Premiums Written

(JPY mn)	FY19.1Q	FY20.1Q	Change
Fire	197	543	+175.3%
Marine	–	0	–
Personal accident	2,244	2,294	+2.2%
Voluntary automobile	27,621	29,661	+7.4%
Compulsory automobile liability	354	368	+3.9%
Total	30,418	32,868	+8.1%

◆ Net losses paid

(JPY mn)	FY19.1Q	FY20.1Q	Change
Fire	3	19	+497.1%
Marine	(3)	0	–
Personal accident	763	804	+5.4%
Voluntary automobile	13,097	11,598	(11.4%)
Compulsory automobile liability	323	327	+1.3%
Total	14,183	12,750	(10.1%)

(Note) Medical insurance is included in personal accident.

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(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20	
Underwriting reserves	131.9	144.3	+5.2	+3.7%
Net assets	37.7	40.2	+2.4	+6.4%
Total assets	234.8	238.2	+3.3	+1.4%

◆ Consolidated

(JPY bn)	FY19.1Q	FY20.1Q	Change	
Ordinary revenues	11.9	12.1	+0.2	+2.2%
Ordinary profit	2.4	2.3	(0.1)	(5.6%)
Profit attributable to owners of the parent	1.6	1.5	(0.0)	(5.8%)

◆ Non-consolidated

(JPY bn)	FY19.1Q	FY20.1Q	Change	
Ordinary revenues	10.7	10.7	+0.0	+0.1%
Gross operating profit	6.2	6.6	+0.3	+5.7%
Net interest income	5.9	6.2	+0.2	+4.4%
Net fees and commissions	(0.6)	(0.2)	+0.3	—
Net other operating income	0.8	0.6	(0.2)	(24.7%)
General and administrative expenses	4.1	4.5	+0.4	+11.4%
Net operating profit	2.1	2.0	(0.1)	(5.8%)
Ordinary profit	2.1	2.0	(0.1)	(5.9%)
Net income	1.5	1.4	(0.0)	(6.0%)

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20	
Net assets	77.3	85.1	+7.7	+10.1%
Net unrealized gains on other securities, net of taxes	(10.2)	(0.7)	+9.5	—
Total assets	3,079.4	3,279.9	+200.4	+6.5%

◆ Balance of Securities by Credit Rating (Non-consolidated)

(JPY bn)	Mar. 20	Jun. 20	Change from Mar. 20	
AAA	308.1	340.3	+32.1	+10.4%
AA	67.4	67.0	(0.3)	(0.6%)
A	277.3	311.9	+34.5	+12.5%
BBB	28.9	34.4	+5.4	+18.9%
Others	21.4	22.9	+1.5	+7.0%
Total	703.3	776.7	+73.3	+10.4%



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