

**Consolidated Financial Summary (Japanese GAAP)
for the Fiscal Year Ended March 31, 2017**

May 15, 2017

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: Shigeru Ishii, President and Representative Director
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(Fractional amounts of less than ¥1 million are discarded.)

1. Consolidated financial results for the fiscal year ended March 31, 2017

(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 year ended March 31, 2017	1,381,667	1.4	66,326	(6.7)	41,621	(4.0)
For the year ended March 31, 2016	1,362,044	0.7	71,103	(21.1)	43,355	(20.3)

Note: Comprehensive Income: For the year ended March 31, 2017: ¥21,433 million: (69.9)%
For the year ended March 31, 2016: ¥71,105 million: (21.6)%

	Net Income per Share	Net Income per Share (Fully Diluted)	Net Income on Shareholders' Equity	Ordinary Profit on Total Assets	Ordinary Profit on Ordinary Revenues
	Yen	Yen	%	%	%
For the year ended March 31, 2017	95.69	95.68	6.9	0.6	4.8
For the year ended March 31, 2016	99.67	—	7.5	0.7	5.2

Notes: Equity in earnings (losses) of affiliates: For the year ended March 31, 2017: ¥(3,551) million
For the year ended March 31, 2016: ¥(718) million

(2) Financial conditions

	Total Assets	Total Net Assets	Net Asset Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	11,471,845	601,139	5.2	1,378.63
As of March 31, 2016	10,352,114	604,377	5.8	1,386.32

Notes: Net Assets Attributable to Shareholders: As of March 31, 2017: ¥599,630 million
As of March 31, 2016: ¥603,048 million

(3) Cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
For the year ended March 31, 2017	692,445	(624,749)	(34,057)	268,381
For the year ended March 31, 2016	602,475	(558,825)	(17,437)	233,620

2. Dividends

Record date	Dividend per Share					Annual Dividend Amount	Dividend Payout Ratio	Dividend on Net Assets
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
For the year ended March 31, 2016	—	0.00	—	55.00	55.00	23,924	55.2	4.2
For the year ended March 31, 2017	—	0.00	—	55.00	55.00	23,922	57.5	4.0
For the year ending March 31, 2018 (forecast)	—	0.00	—	55.00	55.00		57.0	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2018

(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, 2018	1,430,000	3.5	67,000	1.0	42,000	0.9	96.56

4. Notes

(1) Changes in significant subsidiaries during the period (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

Notes: For details, please refer to the section entitled “(1) Changes in accounting policies, accounting estimates and restatements of the Consolidated Financial Statements” under “5. Notes to the Consolidated Financial Statements” of Supplemental Materials on page 17.

(3) Number of shares outstanding (common stock)

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

As of March 31, 2017: 435,000,000 shares

As of March 31, 2016: 435,000,000 shares

(b) Number of treasury shares

As of March 31, 2017: 52,975 shares

As of March 31, 2016: 75 shares

(c) Weighted-average number of shares

For the year ended March 31, 2017: 434,978,040 shares

For the year ended March 31, 2016: 434,999,933 shares

Audit of Financial Statements

This earnings report is exempt from audit procedure.

Content of Supplemental Materials

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* The conference call for explaining the Sony Financial Group financial results will be held at 15:30 (Tokyo), May 15, 2017. Please note that our conference call will be held only in Japanese. We will upload the presentation materials with speech text on May 15, 2017 after 14:30 (Tokyo), and its Q&A summary at a later date on Earnings Releases and Presentation Materials page on our website: http://www.sonyfh.co.jp/en/financial_info/results/index.html

* We will upload the press releases on Sony Life's Market Consistent Embedded Value as of March 31, 2017, scheduled as below.

·Full report: Scheduled to be uploaded on May 22, 2017 at 15:00 (Tokyo)

Please see further details at our website: http://www.sonyfh.co.jp/index_en.html

* On May 15, 2017, 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 year ended March 31, 2017. SFH prepared an English-language summary of those Japanese announcements made by the above subsidiaries, solely for convenience of non-Japanese readers.

I. Qualitative Information and Financial Statements

1. Qualitative Information on Consolidated Operating Performance

1) Analysis of Operating Performance

During the year ended March 31, 2017 (from April 1, 2016 to March 31, 2017), the Japanese economy was in a state of modest recovery, against a backdrop of firm corporate earnings and steady improvements in the employment and income situation. However, the economy was also affected by overseas economic trends, which included changes in economic policies in the United Kingdom (U.K.) and the United States (U.S.), as well as the risk of downturns in China and other emerging market economies. As a result, the outlook was uncertain.

In bond markets, long-term interest rates in Japan, which had been trending downward, turned upward in July 2016. Following the results of the U.S. presidential elections in November 2016, yields on long-term government bonds rose around the world, prompting a further slight rise in interest rates. Long-term interest rates in Japan remained low, however, due to the Bank of Japan's monetary easing policy.

In foreign exchange markets, the U.K.'s decision to exit the European Union and waning expectations of a further interest rate hike in the U.S. led to yen appreciation. Thereafter, expectations surrounding the new U.S. administration's financial policies and the U.S. decision to raise interest rates in December 2016 caused the yen to depreciate against the U.S. dollar. From the beginning of 2017, growing uncertainty about U.S. policy operations caused the yen to trend slightly upward again.

Amid these circumstances, the Sony Financial Group sought to become the financial services group most highly trusted by customers. To this end, we undertook a variety of measures to maintain a sound financial base, reinforce and expand our product and service offerings in order to deliver high-value-added products and high-quality services to each of our customers, and enhance our internal control system.

Consolidated ordinary revenues increased 1.4% year on year, to ¥1,381.6 billion, owing to increases in ordinary revenues from all the businesses: life insurance, non-life insurance and banking businesses. **Consolidated ordinary profit** decreased 6.7% year on year, to ¥66.3 billion, owing to decreases in ordinary profit from the life insurance and the banking businesses, whereas ordinary profit from the non-life insurance business increased. **Profit attributable to owners of the parent**, after accounting for extraordinary losses, provision for reserve for policyholders' dividends and income taxes, was down 4.0% year on year, to ¥41.6 billion due to the decrease in ordinary profit.

Operating results by business segment are as described below.

Ordinary Revenues

(Billions of yen)

	Year ended March 31, 2016 (Apr. 1, 2015, to Mar. 31, 2016)	Year ended March 31, 2017 (Apr. 1, 2016, to Mar. 31, 2017)	Change (%)
Life insurance business	1,230.2	1,243.9	1.1
Non-life insurance business	96.9	102.3	5.6
Banking business	37.9	38.5	1.5
Subtotal	1,365.1	1,384.7	1.4
Other ^{*1}	-	0.2	-
Intersegment adjustments	(3.0)	(3.3)	-
Consolidated	1,362.0	1,381.6	1.4

Ordinary Profit

(Billions of yen)

	Year ended March 31, 2016 (Apr. 1, 2015, to Mar. 31, 2016)	Year ended March 31, 2017 (Apr. 1, 2016, to Mar. 31, 2017)	Change (%)
Life insurance business	60.2	56.8	(5.7)
Non-life insurance business	4.6	5.0	6.8
Banking business	5.9	5.0	(15.6)
Subtotal	70.8	66.8	(5.7)
Other ^{*1}	-	(0.7)	-
Intersegment adjustments ^{*2}	0.2	0.2	(18.7)
Consolidated	71.1	66.3	(6.7)

*1: "Other" consists of nursing care business which has been included in the scope of consolidation from the year ended March 31, 2017.

*2: Amounts in the "Intersegment adjustments" of the Ordinary profit are mainly from SFH.

2) Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018

For the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018), we expect business growth to continue in all the businesses.

Consolidated ordinary revenues are expected to increase, while consolidated ordinary profit and profit attributable to owners of the parent are expected to be essentially flat.

* The effects of market fluctuations after April 1, 2017 have not been incorporated within the forecast.

The forecast of consolidated financial results for the year ending March 31, 2018 below remains unchanged from the forecast announced on April 28, 2017.

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2017	Forecast for the year ending March 31, 2018	Change (%)
Ordinary revenues	1,381.6	1,430.0	3.5
Ordinary profit	66.3	67.0	1.0
Profit attributable to owners of the parent	41.6	42.0	0.9
Net income per share (Yen)	95.69	96.56	-

Forecast by business segment is as follows.

Forecast figures from each business reflect corporate and eliminations.

<Life insurance business>

Ordinary revenues are expected to increase year on year because we anticipate stable increases in insurance premium revenues. Ordinary profit is expected to be almost flat because we expect the provision of policy reserves to rise in line with revision in standard yields used for calculating policy reserves even though we expect an improvement in net gains/losses on derivative transactions to hedge market risks related to minimum guarantees for variable life insurance as well as an increase in profit from accumulated policies in force.

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2017	Forecast for the year ending March 31, 2018	Change (%)
Ordinary revenues	1,243.9	1,276.1	2.6
Ordinary profit	56.8	56.4	(0.7)

<Non-life insurance business>

Ordinary revenues are expected to increase year on year, in line with growth in net premiums written primarily for automobile insurance. Ordinary profit is expected to decrease year on year because we expect the loss ratio to be higher due to higher provision for reserve for outstanding losses than in the year ended March 31, 2017.

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2017	Forecast for the year ending March 31, 2018	Change (%)
Ordinary revenues	102.3	108.9	6.4
Ordinary profit	5.0	4.6	(8.0)

<Banking business>

Ordinary revenues are expected to increase year on year, due to stable business growth, reflecting a growing balance of mortgage loans and strengthened foreign currency business. Ordinary profit is expected to increase year on year, due mainly to efforts to appropriately control operating expenses and the increase in ordinary revenues.

(Billions of yen)

	(Reference) Actual results for the year ended March 31, 2017	Forecast for the year ending March 31, 2018	Change (%)
Ordinary revenues	38.5	40.6	5.4
Ordinary profit	5.0	6.6	30.6

2. Qualitative Information on Consolidated Financial Position

1) Assets, Liabilities and Net Assets

As of March 31, 2017, **total assets** amounted to ¥11,471.8 billion, up 10.8% from March 31, 2016. Among major components of assets, securities, mostly Japanese government bonds, amounted to ¥8,857.4 billion, up 10.4% from March 31, 2016. Loans came to ¥1,720.0 billion, up 13.5%.

Total liabilities were ¥10,870.7 billion, up 11.5% from March 31, 2016. Major components of liabilities included policy reserves and others of ¥8,113.1 billion, up 8.1%, and deposits totaled ¥2,071.0 billion, up 8.3%.

Total net assets were ¥601.1 billion, down 0.5% from March 31, 2016. This included net unrealized gains on other securities, net of taxes, which decreased ¥22.5 billion, to ¥134.8 billion.

2) Cash Flows

Net cash provided by operating activities for the year ended March 31, 2017, was ¥692.4 billion, primarily due to revenue from insurance premiums in the life insurance business, up ¥89.9 billion year on year.

Net cash used in investing activities was ¥624.7 billion, primarily due to payments to acquire securities in the life insurance business, which exceeded proceeds from sale and redemption of securities in the banking and the life insurance businesses as well as proceeds from net increase in collateral for securities lending transactions in the life insurance business, up ¥65.9 billion, year on year.

Net cash used in financing activities came to ¥34.0 billion primarily due to payments for cash dividends and redemption of bonds, up ¥16.6 billion year on year.

As a result of the above factors and others, cash and cash equivalents at March 31, 2017, were ¥268.3 billion, up ¥34.7 billion from March 31, 2016.

3. Basic Policy on Returns to Shareholders and Dividends for the Fiscal Year Ended March 31, 2017, and the Fiscal Year Ending March 31, 2018

Basic Policy on Returning Profits to Shareholders

SFH aims for steady increases in dividends in line with earnings growth over the medium to long term, while securing sufficient internal reserves to ensure the financial soundness of Group companies and to invest in growth fields. Management will examine earnings growth over the medium to long term by taking into account not only statutory profit but also other economic value-based profit indicators that are more suitable for valuing the growth of the life insurance business. Furthermore, management will determine specific dividend amounts for each year by taking into account a comprehensive range of factors surrounding the Sony Financial Group.

Dividends for the Fiscal Year Ended March 31, 2017, and the Fiscal Year Ending March 31, 2018

As previously announced, dividends for the year ended March 31, 2017, will be ¥55 per share (total amount of dividends: ¥23.922 billion).

For the year ending March 31, 2018, we forecast dividends of ¥55 per share, unchanged from the amount planned for the previous period.

The dividends based on the above Basic Policy on Returning Profits to Shareholders are expected to be more than 50% of net income per share for the foreseeable future.

We will continue to make dividend payments once a year, following the resolution of the general meeting of shareholders, with the dividend record date at the end of each year.

Please refer to the attached presentation materials for non-consolidated operating results of SFH's principal subsidiaries, Sony Life, Sony Assurance and Sony Bank for the year ended March 31, 2017.

II. Status of the Corporate Group

The Sony Financial Group is composed chiefly of Sony Life, Sony Assurance and Sony Bank. These companies are direct subsidiaries of SFH, the financial holding company.

From the year ended March 31, 2017, two companies were included in the scope of consolidation: Sony Lifecare Inc., which is a wholly owned subsidiary of SFH and a holding company that oversees the Group's operations in the nursing care business, and Lifecare Design Inc., which is a nursing care provider and a wholly owned subsidiary of Sony Lifecare Inc.

SFH is a specified listed company, etc., as defined by Article 49-2 of the Cabinet Office Ordinance on Restrictions on Securities Transactions, etc. As such, decisions founded on figures on a consolidated basis are subject to minor criteria on material facts related to insider trading regulations.

The Group seeks to become the most highly trusted financial services group by customers. To this end, the Group will combine many different financial functions (savings, investment, borrowing, and protection) to provide high-value-added products and high-quality financial services that meet every customer's financial needs. In accordance with this vision, the Group conducts the life insurance, non-life insurance and banking businesses and other, the principal operational contents of which are outlined below.

Life insurance business

(Consolidated subsidiary): Sony Life

(Affiliates accounted for by the equity method): AEGON Sony Life Insurance Co. (AEGON Sony Life), Ltd. and SA Reinsurance Ltd.

Sony Life provides tailored life insurance through detailed consulting performed by Lifeplanner sales employees and partners (independent agencies). AEGON Sony Life (a 50:50 joint venture between Sony Life and the AEGON International B.V. in the Netherlands) handles variable annuity products.

Non-life insurance business

(Consolidated subsidiary): Sony Assurance

Sony Assurance provides such products as automobile insurance and medical insurance, via the Internet and telephone.

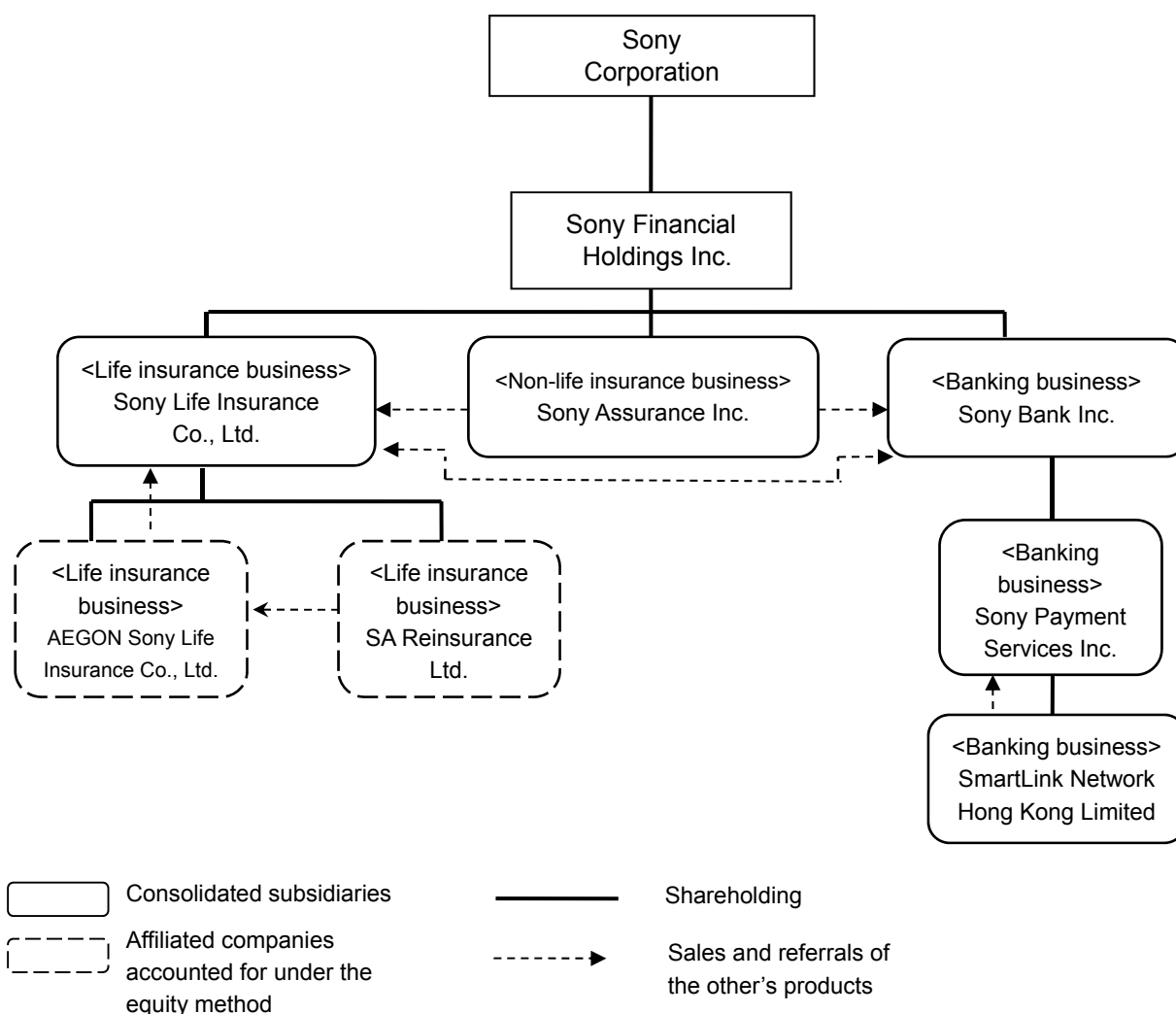
Banking business

(Consolidated subsidiaries): Sony Bank, Sony Payment Services Inc. (Sony Payment Services) and SmartLink Network Hong Kong Limited

Sony Bank's activities include handling deposits (yen and foreign currencies), mortgage loans, investment trusts and foreign exchange margin transactions via the Internet. The primary business of Sony Payment Services is the operation of a credit settlement operation.

SFH is a financial holding company established on April 1, 2004, as a corporate spin-off from Sony Corporation. Sony Corporation holds a 63% stake in SFH as of March 31, 2017.

[Organizational chart (Primary businesses)] (As of March 31, 2017)



III. Basic Views on Selection of Accounting Standards

SFH's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Japan. SFH is considering whether to adopt International Financial Reporting Standards ("IFRS") while closely monitoring the development of new accounting standards and the stance of regulatory bodies at home and abroad.

IV. Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
Assets		
Cash and due from banks	¥144,364	¥206,481
Call loans and bills bought	88,200	61,900
Monetary claims purchased	884	573
Monetary trusts	303,973	296,877
Securities	8,021,493	8,857,436
Loans	1,515,833	1,720,004
Tangible fixed assets	121,376	123,614
Land	83,007	83,007
Buildings	33,215	34,964
Leased assets	40	715
Construction in progress	213	132
Other tangible fixed assets	4,900	4,794
Intangible fixed assets	29,887	30,776
Software	29,836	30,146
Goodwill	19	49
Other intangible fixed assets	31	579
Due from agencies	–	0
Due from reinsurers	399	1,438
Foreign exchanges	1,139	7,268
Other assets	115,474	148,650
Net defined benefit asset	2,216	2,752
Deferred tax assets	8,181	15,313
Reserve for possible loan losses	(1,308)	(1,243)
Total Assets	¥10,352,114	¥11,471,845

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
Liabilities		
Policy reserves and others	¥7,504,420	¥8,113,153
Reserve for outstanding claims	67,177	71,306
Policy reserves	7,432,237	8,036,118
Reserve for policyholders' dividends	5,006	5,729
Due to agencies	2,455	2,616
Due to reinsurers	626	3,737
Deposits	1,912,592	2,071,091
Call money and bills sold	–	70,000
Borrowed money	40,000	90,000
Foreign exchanges	87	108
Bonds payable	20,000	10,000
Other liabilities	183,835	427,866
Reserve for employees' bonuses	3,557	3,694
Net defined benefit liability	29,263	31,399
Reserve for directors' retirement benefits	351	366
Special reserves	44,410	46,182
Reserve for price fluctuations	44,410	46,182
Deferred tax liabilities	5,647	–
Deferred tax liabilities on land revaluation	488	488
Total Liabilities	9,747,736	10,870,705
Net Assets		
Common stock	19,900	19,900
Capital surplus	195,277	195,277
Retained earnings	238,079	255,062
Treasury Stock	(0)	(81)
Total shareholders' equity	453,256	470,157
Net unrealized gains (losses) on other securities, net of taxes	157,364	134,849
Net deferred gains (losses) on hedging instruments, net of taxes	(2,347)	(1,154)
Land revaluation, net of taxes	(1,465)	(1,465)
Remeasurements of defined benefit plans, net of taxes	(3,760)	(2,756)
Total accumulated other comprehensive income	149,791	129,472
Subscription rights to shares	–	49
Non-controlling interests	1,329	1,460
Total Net Assets	604,377	601,139
Total Liabilities and Net Assets	¥10,352,114	¥11,471,845

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

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Ordinary Revenues	¥1,362,044	¥1,381,667
Ordinary Revenues from the Life Insurance Business	1,227,409	1,240,764
Income from insurance premiums	1,026,615	955,252
Insurance premiums	1,024,974	952,547
Ceded reinsurance commissions	1,640	2,704
Investment income	170,048	244,839
Interest income and dividends	140,981	147,785
Income from monetary trusts, net	11,973	4,493
Gains on trading securities, net	98	152
Gains on sale of securities	12,204	1,308
Gains on derivatives, net	4,768	–
Foreign exchange gains, net	–	14,670
Other investment income	21	5
Gains on separate accounts, net	–	76,423
Other ordinary income	30,745	40,672
Ordinary Revenues from the Non-life Insurance Business	96,904	102,337
Underwriting income	95,612	100,329
Net premiums written	95,549	100,274
Interest and dividends on deposits of premiums	62	55
Other underwriting income	0	–
Investment income	1,264	1,957
Interest income and dividends	1,313	1,327
Gains on sale of securities	12	685
Gains on redemption of securities	–	0
Transfer to interest and dividends on deposits of premiums	(62)	(55)
Other ordinary income	27	49
Ordinary Revenues from the Banking Business	37,731	38,318
Interest income	25,481	26,534
Interest income on loans	14,739	16,065
Interest income and dividends on securities	10,671	10,394
Interest income on call loans and bills bought	7	–
Interest income on deposits with banks	61	63
Interest income on interest rate swaps	–	8
Other interest income	2	1
Fees and commissions	6,679	6,673
Other operating income	5,189	4,871
Gains on foreign exchange transactions, net	4,263	4,431
Others	926	439
Other ordinary income	379	238
Other	–	247
Other ordinary income	–	247

(Continued)

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Ordinary Expenses	¥1,290,941	¥1,315,341
Ordinary Expenses from the Life Insurance Business	1,169,419	1,186,465
Insurance claims and other payments	363,370	372,407
Insurance claims	84,283	84,178
Annuity payments	11,496	12,019
Insurance benefits	74,842	98,252
Surrender payments	184,936	168,409
Other payments	5,711	3,122
Reinsurance premiums	2,099	6,423
Provision for policy reserves and others	613,480	596,742
Provision for reserve for outstanding claims	4,185	3,330
Provision for policy reserves	609,291	593,411
Interest portion of reserve for policyholders' dividends	2	0
Investment expenses	23,095	35,937
Interest expenses	53	44
Losses on redemption of securities	1	53
Losses on derivatives, net	–	30,050
Foreign exchange losses, net	2,798	–
Provision for reserve for possible loan losses	5	–
Depreciation of real estate for rent and others	1,825	1,779
Other investment expenses	3,675	4,008
Losses on separate accounts, net	14,735	–
Operating expenses	132,896	136,645
Other ordinary expenses	36,578	44,733
Ordinary Expenses from the Non-life Insurance Business	91,522	96,639
Underwriting expenses	67,326	70,094
Net losses paid	48,111	50,181
Loss adjustment expenses	7,098	7,458
Net commission and brokerage fees	1,043	1,187
Provision for reserve for outstanding losses	1,877	798
Provision for underwriting reserves	9,195	10,469
Other underwriting expenses	0	–
Investment expenses	4	3
Losses on sale of securities	4	0
Other investment expenses	–	3
Operating, general and administrative expenses	24,188	26,520
Other ordinary expenses	3	19

(Continued)

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Ordinary Expenses from the Banking Business	¥29,999	¥31,274
Interest expenses	8,884	8,554
Interest expenses on deposits	4,827	5,104
Interest expenses on call money and bills sold	5	(17)
Interest on borrowed money	32	19
Interest expenses on bonds	98	74
Interest expenses on interest rate swaps	3,921	3,372
Other interest expenses	0	0
Fees and commissions	2,437	3,648
Other operating expenses	181	86
General and administrative expenses	18,347	18,843
Other ordinary expenses	147	142
Other	–	962
Other ordinary expenses	–	962
Ordinary Profit	71,103	66,326
Extraordinary Losses	2,793	2,032
Losses on disposal of fixed assets	882	134
Impairment losses	470	118
Provision for special reserves	1,440	1,772
Provision for reserve for price fluctuations	1,440	1,772
Others	–	7
Provision for Reserve for Policyholders' Dividends	3,564	4,153
Income Before Income Taxes	64,744	60,140
Income Taxes – Current	26,191	23,129
Income Taxes – Deferred	(4,856)	(4,724)
Total Income Taxes	21,335	18,405
Profit	43,409	41,734
Profit Attributable to Non-controlling Interests	54	113
Profit Attributable to Owners of the Parent	¥43,355	¥41,621

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Profit	¥43,409	¥41,734
Other comprehensive income		
Net unrealized gains (losses) on other securities, net of taxes	30,198	(22,515)
Net deferred gains (losses) on hedging instruments, net of taxes	(261)	1,192
Land revaluation, net of taxes	14	–
Foreign currency translation adjustments	(1)	–
Remeasurements of defined benefit plans, net of taxes	(2,254)	1,021
Total other comprehensive income	27,695	(20,301)
Comprehensive income	¥71,105	¥21,433
(Details)		
Comprehensive income attributable to owners of the parent	71,068	21,301
Comprehensive income attributable to non-controlling interests	37	131

3. Consolidated Statements of Changes in Net Assets

For the year ended March 31, 2016

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	¥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	–	–	43,355	–	43,355
Purchase of treasury stock	–	–	–	(0)	(0)
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes during the period	–	–	25,955	(0)	25,954
Balance at the end of the period	¥19,900	¥195,277	¥238,079	¥ (0)	¥453,256

	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 period	¥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	–	–	–	–	–	–	–	43,355
Purchase of treasury stock	–	–	–	–	–	–	–	(0)
Net changes of items other than shareholders' equity	30,198	(261)	14	(0)	(2,237)	27,713	37	27,750
Total changes during the period	30,198	(261)	14	(0)	(2,237)	27,713	37	53,705
Balance at the end of the period	¥157,364	¥ (2,347)	¥ (1,465)	–	¥ (3,760)	¥149,791	¥1,329	¥604,377

For the year ended March 31, 2017

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the period	¥19,900	¥195,277	¥238,079	¥ (0)	¥453,256
Cumulative effects of changes in accounting policies	–	–	105	–	105
Restated balance at the beginning of the period	19,900	195,277	238,185	(0)	453,362
Changes during the period					
Dividends from surplus	–	–	(23,924)	–	(23,924)
Profit attributable to owners of the parent	–	–	41,621	–	41,621
Adjustments due to change of scope of consolidation	–	–	(818)	–	(818)
Purchase of treasury stock	–	–	–	(81)	(81)
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes during the period	–	–	16,877	(81)	16,795
Balance at the end of the period	¥19,900	¥195,277	¥255,062	¥ (81)	¥470,157

	Total accumulated other comprehensive income					Subscription rights to shares	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	Remeasurements of defined benefit plans, net of taxes	Total accumulated other comprehensive income			
Balance at the beginning of the period	¥157,364	¥ (2,347)	¥ (1,465)	¥ (3,760)	¥149,791	–	¥1,329	¥604,377
Cumulative effects of changes in accounting policies	–	–	–	–	–	–	–	105
Restated balance at the beginning of the period	157,364	(2,347)	(1,465)	(3,760)	149,791	–	1,329	604,482
Changes during the period								
Dividends from surplus	–	–	–	–	–	–	–	(23,924)
Profit attributable to owners of the parent	–	–	–	–	–	–	–	41,621
Adjustments due to change of scope of consolidation	–	–	–	–	–	–	–	(818)
Purchase of treasury stock	–	–	–	–	–	–	–	(81)
Net changes of items other than shareholders' equity	(22,515)	1,192	–	1,003	(20,319)	49	131	(20,138)
Total changes during the period	(22,515)	1,192	–	1,003	(20,319)	49	131	(3,343)
Balance at the end of the period	¥134,849	¥ (1,154)	¥ (1,465)	¥ (2,756)	¥129,472	¥49	¥1,460	¥601,139

4. Consolidated Statements of Cash Flows

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Cash flows from operating activities		
Income before income taxes	¥64,744	¥60,140
Depreciation of real estate for rent and others	1,825	1,779
Depreciation and amortization	10,067	10,944
Impairment losses	470	118
Amortization of goodwill	79	22
Increase (decrease) in reserve for outstanding claims	6,063	4,128
Increase in policy reserve	618,487	603,880
Increase in interest portion of reserve for policyholders' dividends	2	0
Increase (decrease) in reserve for policyholders' dividends	3,564	4,153
Increase (decrease) in reserve for possible loan losses	(113)	(65)
Increase (decrease) in net defined benefit liability	2,469	3,020
Increase (decrease) in reserve for directors' retirement benefits	69	14
Increase (decrease) in reserve for price fluctuations	1,440	1,772
Interest income and dividends	(167,777)	(175,647)
(Gains) losses on securities	7,620	(77,393)
Interest expenses	8,938	8,636
Exchange (gains) losses	22,924	(10,843)
Losses on disposal of tangible fixed assets	18	107
Equity in losses of affiliates	718	3,551
Net (increase) decrease in loans	(156,996)	(195,446)
Net increase in deposits	39,935	156,005
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	20,000	50,000
Net (increase) decrease in call loans and bills bought	5,115	311
Net increase (decrease) in call money and bills sold	(6,000)	70,000
Net (increase) decrease in foreign exchange (assets)	1,085	(6,129)
Net increase (decrease) in foreign exchange (liabilities)	40	21
Others, net	(16,020)	28,339
Subtotal	468,773	541,424
Interest and dividends received	180,527	188,230
Interest paid	(9,196)	(8,730)
Policyholders' dividends paid	(2,752)	(3,430)
Income taxes paid	(34,875)	(25,047)
Net cash provided by operating activities	602,475	692,445

(Continued)

(Millions of yen)

	For the year ended March 31, 2016	For the year ended March 31, 2017
Cash flows from investing activities		
Investments in monetary trusts	–	¥ (76)
Proceeds from sale of monetary trusts	¥48,465	5,160
Purchases of securities	(1,327,890)	(1,171,569)
Proceeds from sale and redemption of securities	698,310	375,241
Investments in loans	(56,782)	(57,798)
Collections of loans	28,761	27,949
Net increase (decrease) in collateral for securities lending transactions	62,804	247,803
Others	(567)	(35,401)
Total of net cash used in investment transactions	(546,898)	(608,689)
Total of net cash provided by (used in) operating activities and investment transactions	55,576	83,755
Purchases of tangible fixed assets	(2,049)	(3,977)
Purchases of intangible fixed assets	(6,927)	(9,024)
Purchase of securities of a non-consolidated subsidiary	(1,500)	–
Purchase of securities of affiliates	(1,450)	(3,045)
Others	–	(12)
Net cash used in investing activities	(558,825)	(624,749)
Cash flows from financing activities		
Cash dividends paid	(17,401)	(23,925)
Payments for Redemption of Bonds	–	(10,000)
Purchase of treasury stock	(0)	(81)
Others	(36)	(51)
Net cash provided by (used in) financing activities	(17,437)	(34,057)
Effect of exchange rate changes on cash and cash equivalents	(13)	(1)
Net increase (decrease) in cash and cash equivalents	26,197	33,636
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	–	1,124
Cash and cash equivalents at beginning of the period	207,422	233,620
Cash and cash equivalents at end of the period	¥233,620	¥268,381

5. Notes to the Consolidated Financial Statements

1) Changes in accounting policies, accounting estimates and restatements of the Consolidated Financial Statements

Changes in accounting policies

(Application of the “Revised Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No.26, March 28, 2016)(hereinafter, the “Recoverability Implementation Guidance”))

The Sony Financial Group has applied the Recoverability Implementation Guidance from the year ended March 31, 2017 and partially revised the accounting method of recoverability of deferred tax assets.

The Recoverability Implementation Guidance has been applied in accordance with the transitional treatment set forth in Article 49(4) of the Recoverability Implementation Guidance. The differences between (i) the amounts of deferred tax assets and deferred tax liabilities when provisions applicable from ① to ③ of Article 49(3) of the Recoverability Implementation Guidance were applied as of April 1, 2016, and (ii) the amounts of deferred tax assets and deferred tax liabilities at the end of the year ended March 31, 2016, were added to retained earnings as of April 1, 2016.

As a result, deferred tax assets increased ¥48 million and retained earnings rose ¥105 million, while deferred tax liabilities decreased ¥56 million as of April 1, 2016.

Reflecting the amount of impact of net assets at the beginning of the year ended March 31, 2017 resulted in ¥105 million increase in the beginning balance of retained earnings in the Consolidated Statements of Changes in Net Assets.

2) Segment Information

(1) Outline of reporting segments

The Sony Financial Group’ s reporting segments are components of the Group whose operating results are regularly reviewed by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance, for which discrete financial information is available.

SFH is the financial holding company of Sony Life Insurance Co., Ltd., Sony Assurance Inc., Sony Bank Inc., and Sony Lifecare Inc., and pursues financial group strategies. The subsidiaries make their own business plans and engage in business activities from which they may earn revenues and incur expenses, under the Insurance Business Law of Japan, the Banking Law of Japan, and other regulations.

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 year ended March 31, 2016

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues				
External customers	¥1,227,409	¥96,904	¥37,731	¥1,362,044
Intersegment	2,882	1	206	3,090
Total	1,230,292	96,905	37,937	1,365,135
Segment profit	60,224	4,680	5,988	70,893
Segment assets	8,033,369	172,370	2,140,286	10,346,027
Others				
Depreciation	7,279	2,645	2,449	12,373
Interest income and dividends	141,468	1,313	25,482	168,264
Interest expenses	53	-	9,022	9,076
Equity in earnings (losses) of affiliates	(718)	-	-	(718)
Investments in affiliates	11,389	-	-	11,389
Increase in tangible fixed assets and intangible fixed assets	¥3,214	¥2,898	¥2,706	¥8,818

For the year ended March 31, 2017

	Millions of yen					
	Life insurance business	Non-life insurance business	Banking business	Total	other	Total
Ordinary revenues						
External customers	¥1,240,764	¥102,337	¥38,318	¥1,381,420	¥247	¥1,381,667
Intersegment	3,161	0	196	3,358	-	3,358
Total	1,243,925	102,337	38,514	1,384,778	247	1,385,026
Segment profit	56,815	5,001	5,053	66,870	(714)	66,155
Segment assets	8,873,446	186,569	2,438,836	11,498,851	3,544	11,502,396
Others						
Depreciation	7,178	3,493	2,618	13,290	41	13,331
Interest income and dividends	148,300	1,327	26,533	176,162	0	176,162
Interest expenses	44	-	8,672	8,717	36	8,753
Equity in earnings (losses) of affiliates	(3,551)	-	-	(3,551)	-	(3,551)
Investments in affiliates	10,986	-	-	10,986	-	10,986
Increase in tangible fixed assets and intangible fixed assets	¥9,607	¥3,500	¥2,451	¥15,559	¥46	¥15,606

(Note) "Other" consists of Sony Lifecare Inc., a holding company that oversees the Sony Financial Group's operations in the nursing care business, and nursing-care provider Lifecare Design Inc., which have been included in the scope of consolidation from the year ended March 31, 2017.

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

	Millions of yen	
	For the year ended March 31, 2016	For the year ended March 31, 2017
Totals of reporting segments	¥1,365,135	¥1,384,778
Other	–	247
Adjustments for intersegment transactions	(3,090)	(3,358)
Ordinary revenues in statement of income	¥1,362,044	¥1,381,667

	Millions of yen	
	For the year ended March 31, 2016	For the year ended March 31, 2017
Totals of reporting segments	¥70,893	¥66,870
Other	–	(714)
Adjustments for intersegment transactions	8	9
Amount not allocated to reporting segments	200	161
Ordinary profit in statement of income	¥71,103	¥66,326

	Millions of yen	
	For the year ended March 31, 2016	For the year ended March 31, 2017
Totals of reporting segments	¥10,346,027	¥11,498,851
Other	–	3,544
Adjustments for intersegment transactions	(35,143)	(58,287)
Amount not allocated to reporting segments	41,230	27,736
Assets in balance sheets	¥10,352,114	¥11,471,845

	Millions of yen							
	For the year ended March 31, 2016				For the year ended March 31, 2017			
	Total	Other	Adjustments	Consolidated financial statements	Total	Other	Adjustments	Consolidated financial statements
Depreciation	¥12,373	¥–	¥16	¥12,390	¥13,290	¥41	¥24	¥13,356
Interest income and dividends	168,264	–	(486)	167,777	176,162	0	(514)	175,647
Interest expenses	9,076	–	(137)	8,938	8,717	36	(117)	8,635
Equity in earnings (losses) of affiliates	(718)	–	–	(718)	(3,551)	–	–	(3,551)
Investments in affiliates	11,389	–	–	11,389	10,986	–	–	10,986
Increase in tangible fixed assets and intangible fixed assets	¥8,818	¥–	¥0	¥8,819	¥15,559	¥46	¥269	¥15,875

Relative information

For the year ended March 31, 2016

1. Information by business segment

	Millions of yen			
	Life insurance business	Non-life insurance business	Banking business	Total
Ordinary revenues from external customers	¥1,227,409	¥96,904	¥37,731	¥1,362,044

2. Geographic segment information

(1) Ordinary revenues

Ordinary revenues information by geographic segment is not shown, as ordinary revenues from external customers in Japan accounted for more than 90% of ordinary revenues in the consolidated statements of income.

(2) Tangible fixed assets

Information on tangible fixed assets by geographic segment is not shown, as tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major client

Information by major client is not shown, as ordinary revenues from external customers who are major clients accounted for less than 10% of ordinary revenues in the consolidated statements of income.

For the year ended March 31, 2017

1. Information by business segment

	Millions of yen				
	Life insurance business	Non-life insurance business	Banking business	Others	Total
Ordinary revenues from external customers	¥1,240,764	¥102,337	¥38,318	¥247	¥1,381,667

2. Geographic segment information

(1) Ordinary revenues

Ordinary revenues information by geographic segment is not shown, as ordinary revenues from external customers in Japan accounted for more than 90% of ordinary revenues in the consolidated statements of income.

(2) Tangible fixed assets

Information on tangible fixed assets by geographic segment is not shown, as tangible fixed assets in Japan accounted for more than 90% of tangible fixed assets in the consolidated balance sheets.

3. Information by major client

Information by major client is not shown, as ordinary revenues from external customers who are major clients accounted for less than 10% of ordinary revenues in the consolidated statements of income.

Information on impairment losses on fixed assets by business segment
For the year ended March 31, 2016

Millions of yen						
	Reporting segments			Total	Others	Consolidated
	Life insurance business	Non-life insurance business	Banking business			
Impairment losses	¥362	—	—	¥362	¥107	¥470

For the year ended March 31, 2017

Millions of yen						
	Reporting segments			Total	Others	Consolidated
	Life insurance business	Non-life insurance business	Banking business			
Impairment losses	¥7	—	90	¥98	19	¥118

Information on amortization of goodwill and unamortized balance by business segment
For the year ended March 31, 2016

Millions of yen						
	Reporting segments			Total	Others	Consolidated
	Life insurance business	Non-life insurance business	Banking business			
Amortization of goodwill	—	—	¥79	¥79	—	¥79
Balance at end of period	—	—	¥19	¥19	—	¥19

For the year ended March 31, 2017

Millions of yen						
	Reporting segments			Total	Others	Consolidated
	Life insurance business	Non-life insurance business	Banking business			
Amortization of goodwill	—	—	¥19	¥19	3	¥22
Balance at end of period	—	—	—	—	49	¥49

Information on negative goodwill by business segment
No applicable items to be reported.

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

* SFH's scope of consolidation includes following companies:

Sony Financial Holdings Inc.
Sony Life Insurance Co. Ltd.
Sony Assurance Inc.
Sony Bank Inc.
Sony Payment Services Inc.
SmartLink Network Hong Kong Limited.
Sony Lifecare Inc.**
Lifecare Design Inc.**

** Sony Lifecare Inc. and Lifecare Design Inc. are included in the scope of consolidation from the first quarter ended June 30, 2016.

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 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.

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V. Attachment

Content of Presentation Material

Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 and Sony Life's MCEV as of March 31, 2017

• Consolidated Operating Results for the Fiscal Year Ended March 31, 2017 (FY2016)	3
• Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018 (FY2017) ...	31
• Changes in Medium-term Dividend Policy and Dividend Forecast for FY2017.....	33
• Sony Life's Preliminary MCEV and ESR as of March 31, 2017.....	35
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Presentation Material

Consolidated Financial Results for the Fiscal Year Ended March 31, 2017 and Sony Life's Preliminary MCEV as of March 31, 2017

Sony Financial Holdings Inc.
May 15, 2017

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Content



■ Consolidated Operating Results for the Fiscal Year Ended March 31, 2017 (FY2016)	P.3
■ Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018 (FY2017)	P.31
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■ Sony Life's Preliminary MCEV and ESR as of March 31, 2017	P.35
■ Appendix	P.38

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.

*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 Fiscal Year Ended March 31, 2017 (FY2016)

Management Message

Financial Results for FY2016

- ◆ Amid an environment of ultralow interest rates, we expeditiously introduced measures to improve profitability, and all three businesses steadily expanded their business scale.
- ◆ Sony Life ensured profitability through product revisions and product shifts toward US dollar-denominated insurance and term life insurance. Efforts to recruit Lifeplanner sales employees significantly outpaced plans, accelerating expansion of Sony Life's sales foundation. Ordinary profit was flat, but MCEV increased thanks to expanded business scale and a market recovery.

Forecast of Financial Results for FY2017

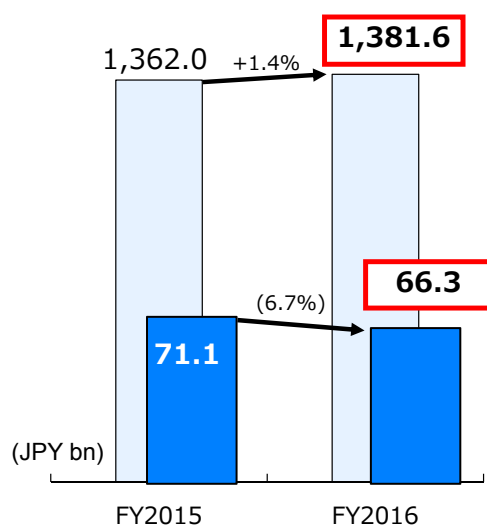
- ◆ We forecast that all three businesses will expand their business scale, but expect ordinary profit to be flat.
- ◆ At Sony Life, we expect ordinary profit to be flat due to an increase in the provision of policy reserves, stemming from the April 2017 revision in standard yields used for calculating policy reserves. However, we anticipate a rise in MCEV due to the steady accumulation of new business value.

Dividend Policy/ Shareholder Returns

- ◆ As the expansion of business scale accelerates, we will determine specific dividend amounts by taking into account not only statutory profit but also other economic value-based profit indicators.
- ◆ For FY2017, we plan to maintain the dividend amount at ¥55 per share. For the foreseeable future, we plan to pay a dividend corresponding to more than 50% of net income per share.

Highlights of Consolidated Operating Performance (1)

- Consolidated ordinary revenues
 ■ Consolidated ordinary profit



		(JPY bn)	FY2015	FY2016	Change	
Life insurance business	Ordinary revenues		1,230.2	1,243.9	+13.6	+1.1%
	Ordinary profit		60.2	56.8	(3.4)	(5.7%)
Non-life insurance business	Ordinary revenues		96.9	102.3	+5.4	+5.6%
	Ordinary profit		4.6	5.0	+0.3	+6.8%
Banking business	Ordinary revenues		37.9	38.5	+0.5	+1.5%
	Ordinary profit		5.9	5.0	(0.9)	(15.6%)
Intersegment adjustments*	Ordinary revenues		(3.0)	(3.1)	(0.0)	-
	Ordinary profit		0.2	(0.5)	(0.7)	-
Consolidated	Ordinary revenues		1,362.0	1,381.6	+19.6	+1.4%
	Ordinary profit		71.1	66.3	(4.7)	(6.7%)
	Profit attributable to owners of the parent		43.3	41.6	(1.7)	(4.0%)

*Ordinary profit in "Intersegment adjustments" is mainly from SFH. Nursing care business has been included in the scope of consolidation from FY16.1Q.

(Note) Comprehensive income : FY2015: ¥71.1 billion, FY2016: ¥21.4 billion

		(JPY bn)	Mar. 16	Mar. 17	Change from Mar. 16	
Consolidated	Net assets		604.3	601.1	(3.2)	(0.5%)
	Total assets		10,352.1	11,471.8	+1,119.7	+10.8%

Highlights of Consolidated Operating Performance (2)

■ **Life Insurance Business:** Ordinary revenues increased year on year, due to an increase in investment income in the separate account, which positive effect was partially offset by a decrease in insurance premium revenues led by a decline in sales of single premium products. Ordinary profit decreased due to a deterioration in performance at affiliated companies, although ordinary profit at Sony Life was flat year on year.

As for Sony Life, positive factors, including a decline in the provision of policy reserves for minimum guarantees for variable life insurance owing to a lower acquisition of new policies and an improvement in market conditions, and an increase in profit from accumulated policies in force, were offset by such negative factors as a deterioration in net gains/losses on derivative transactions to hedge market risks related to minimum guarantees for variable life insurance and lower gains on sale of securities in the general account.

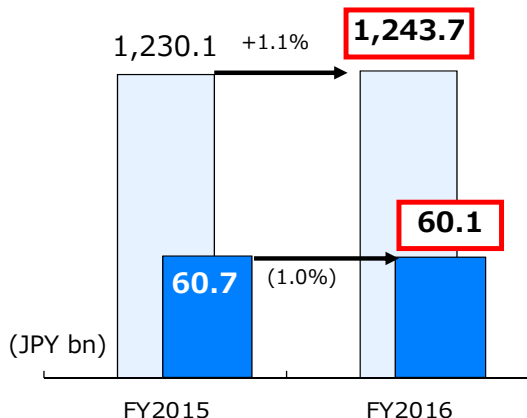
■ **Non-life Insurance Business:** Ordinary revenues rose year on year, owing to an increase in net premiums written primarily for mainstay automobile insurance. Ordinary profit increased year on year, due mainly to a decline in provision for reserve for outstanding losses, an increase in underwriting profit and higher investment income, partially offset by an increase in operating expense.

■ **Banking Business:** Ordinary revenues increased year on year due to an increase in interest income on loans in line with a favorably growing balance of mortgage loans, partially offset by a decrease in interest and dividend income on securities. Ordinary profit decreased year on year due to the lower level of interest rates, an increase in initial expenses led by a higher execution of mortgage loans, and lower volumes of foreign currency and investment trust transactions of customers.

■ **Consolidated ordinary revenues** increased 1.4% year on year, to ¥1,381.6 billion, owing to increases in ordinary revenues from all the businesses: life insurance business, non-life insurance and banking businesses. Consolidated ordinary profit decreased 6.7% year on year, to ¥66.3 billion, owing to decreases in ordinary profit from the life insurance and the banking businesses, whereas ordinary profit from the non-life insurance business increased. Profit attributable to owners of the parent was down 4.0% year on year, to ¥41.6 billion due to the decrease in consolidated ordinary profit.

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

□ Ordinary revenues ■ Ordinary profit



- ◆ Ordinary revenues increased year on year.
- ◆ Income from insurance premiums decreased led by a decline in sales of single premium products.
- ◆ Investment income increased due mainly to an increase in investment income in the separate account.
- ◆ Ordinary profit was flat year on year. This was due to positive factors, including a decline in the provision of policy reserves for minimum guarantees for variable life insurance owing to a lower acquisition of new policies and an improvement in market conditions, and an increase in profit from accumulated policies in force, were offset by such negative factors as a deterioration in net gains/losses on derivative transactions to hedge market risks related to minimum guarantees for variable life insurance and lower gains on sale of securities in the general account.

(JPY bn)	FY2015	FY2016	Change	
Ordinary revenues	1,230.1	1,243.7	+13.5	+1.1%
Income from insurance premiums	1,028.0	956.7	(71.3)	(6.9%)
Investment income	170.5	245.3	+74.8	+43.9%
Interest income and dividends	141.4	148.2	+6.8	+4.8%
Income from monetary trusts, net	11.9	4.4	(7.4)	(62.5%)
Gains on sale of securities	12.2	1.3	(10.8)	(89.3%)
Foreign exchange gains, net	–	14.6	+14.6	–
Gains on separate accounts, net	–	76.4	+76.4	–
Ordinary expenses	1,169.3	1,183.5	+14.2	+1.2%
Insurance claims and other payments	363.3	372.4	+9.0	+2.5%
Provision for policy reserves and others	613.4	596.7	(16.7)	(2.7%)
Investment expenses	23.3	36.1	+12.7	+54.7%
Losses on derivatives, net	–	30.0	+30.0	–
Losses on separate accounts, net	14.7	–	(14.7)	(100.0%)
Operating expenses	133.3	137.0	+3.7	+2.8%
Ordinary profit	60.7	60.1	(0.6)	(1.0%)
Net income	37.0	35.1	(1.9)	(5.2%)

(JPY bn)	Mar. 16	Mar. 17	Change from Mar. 16	
Securities	7,273.3	8,093.1	+819.8	+11.3%
Policy reserves	7,336.5	7,929.9	+593.4	+8.1%
Net assets	482.1	473.5	(8.6)	(1.8%)
Net unrealized gains on other securities	150.6	127.7	(22.8)	(15.2%)
Total assets	8,035.4	8,873.6	+838.2	+10.4%
Separate account assets	850.3	989.6	+139.2	+16.4%

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

(JPY bn)	FY2015	FY2016	Change
New policy amount	5,151.3	4,957.5	(3.8%)
Lapse and surrender amount	1,931.4	1,839.3	(4.8%)
Lapse and surrender rate	4.72%	4.27%	(0.45pt)
Policy amount in force	43,149.8	45,334.1	+5.1%
Annualized premiums from new policies	85.0	78.1	(8.1%)
Of which, third-sector products	15.7	15.7	+0.0%
Annualized premiums from insurance in force	781.3	820.8	+5.1%
Of which, third-sector products	179.7	187.4	+4.3%

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.

<Reasons for changes>

◆ Decreased due to lower sales of variable life insurance despite favorable sales of U.S. dollar-denominated insurance and term life insurance.

◆ Decreased due to lower sales of variable life insurance and single premium whole life products despite favorable sales of term life insurance and U.S. dollar-denominated insurance.

(JPY bn)	FY2015	FY2016	Change
Gains from investment, net (General account)	161.8	132.7	(18.0%)
Core profit	43.0	83.8	+94.9%
Positive spread	15.3	15.4	+0.7%

◆ Increased due to a decline in the provision of policy reserves for minimum guarantees for variable life insurance owing to a lower acquisition of new policies and an improvement in market conditions, and an increase in profit from accumulated policies in force.

	Mar. 16	Mar. 17	Change from Mar. 16
Non-consolidated solvency margin ratio	2,722.8%	2,568.8%	(154.0pt)

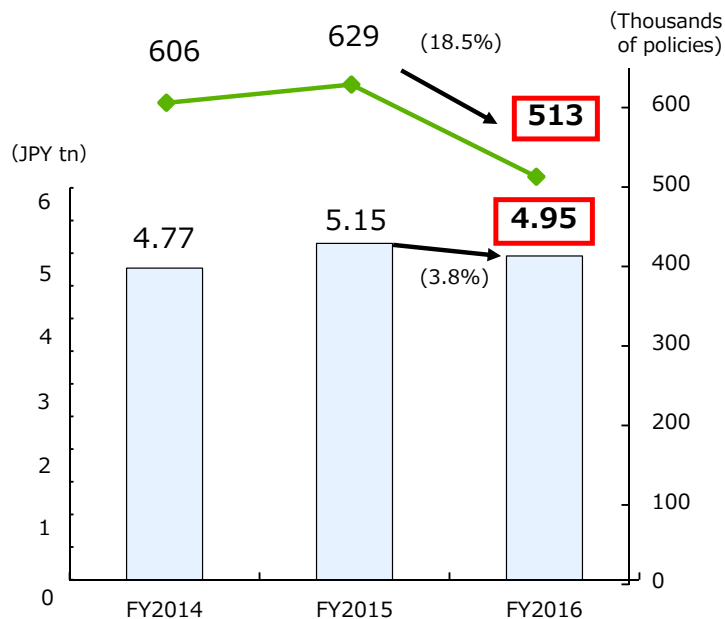
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8

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

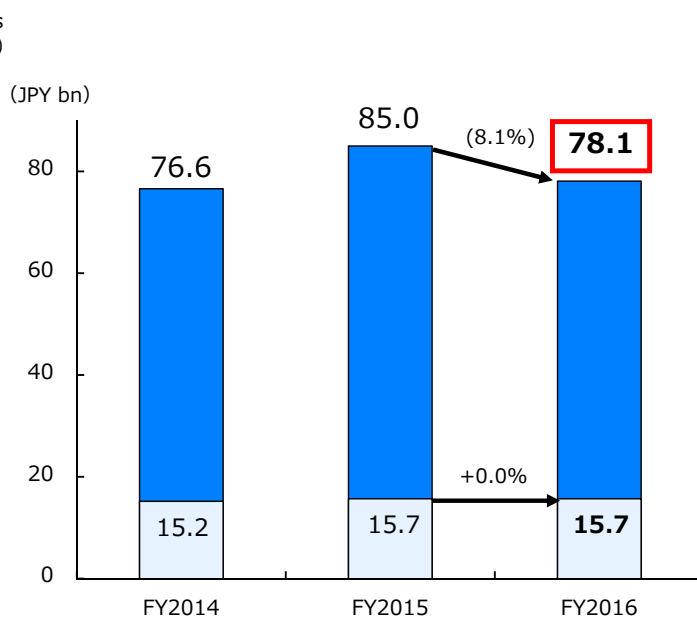
Number and Amount of New Policies (Individual Life Insurance + Individual Annuities)

□ New policy amount — Number of new policies



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

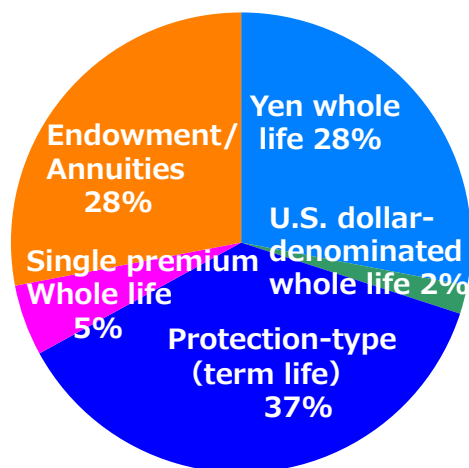
■ Annualized premiums from new policies □ Of which, third-sector



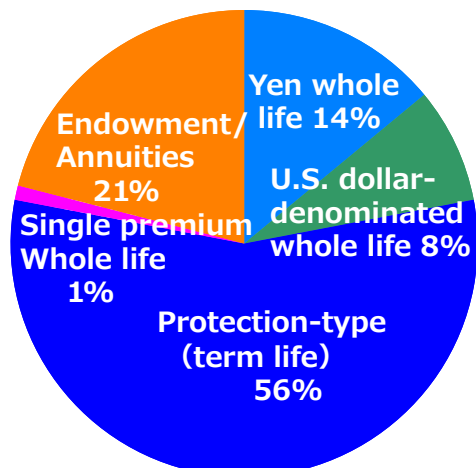
Operating Performance : Sony Life (Non-consolidated) (2)

Annualized Premiums from New Policies by Product

FY2015 (12M) ¥85.0 billion



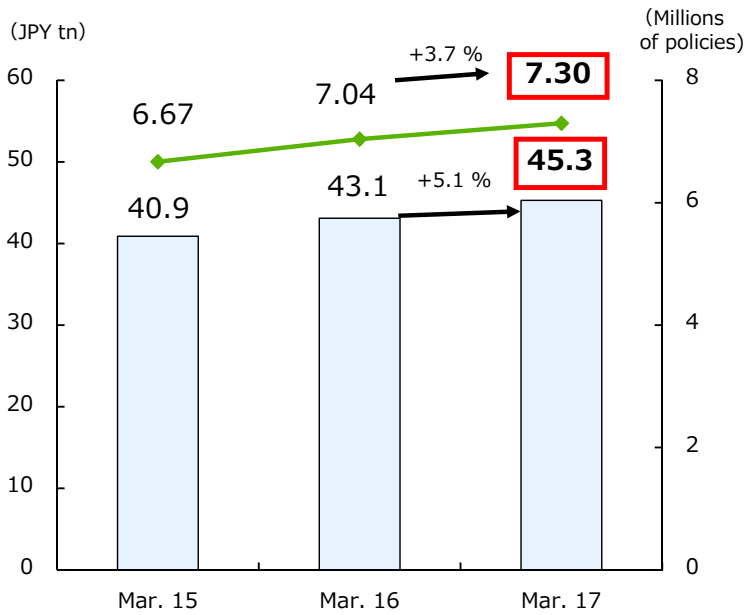
FY2016 (12M) ¥78.1 billion



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

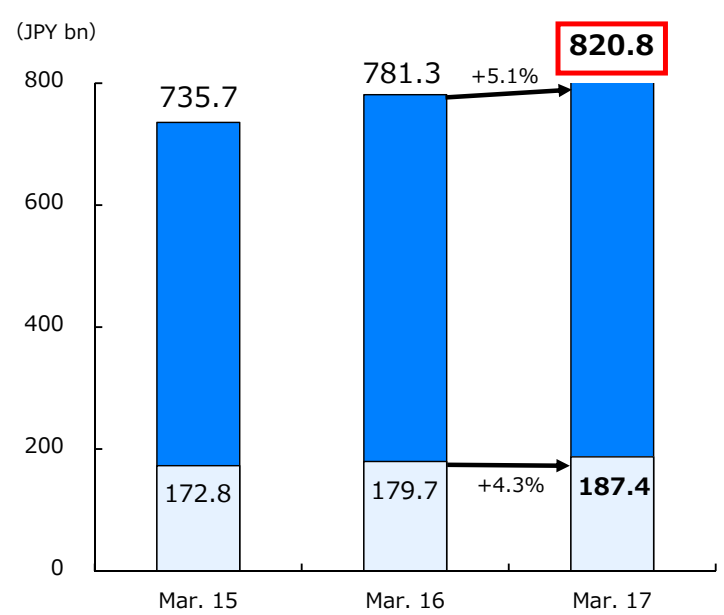
Number and Amount of Policies in Force (Individual Life Insurance + Individual Annuities)

□ Policy amount in force — Number of policies in force



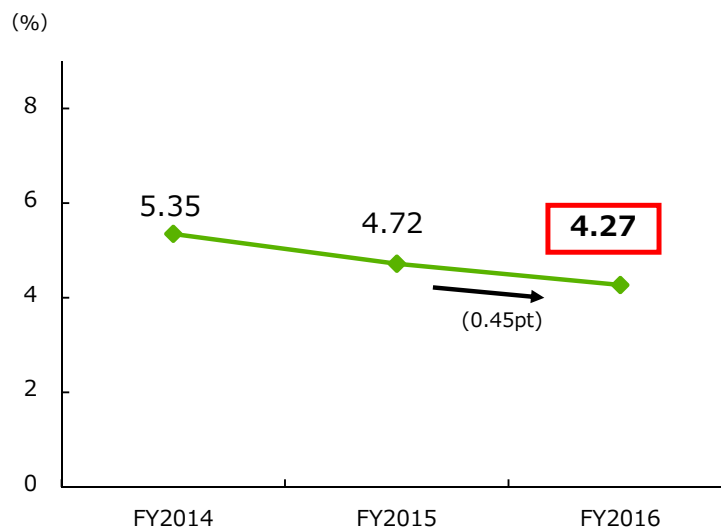
Annualized Premiums from Insurance in Force (Individual Life Insurance + Individual Annuities)

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



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

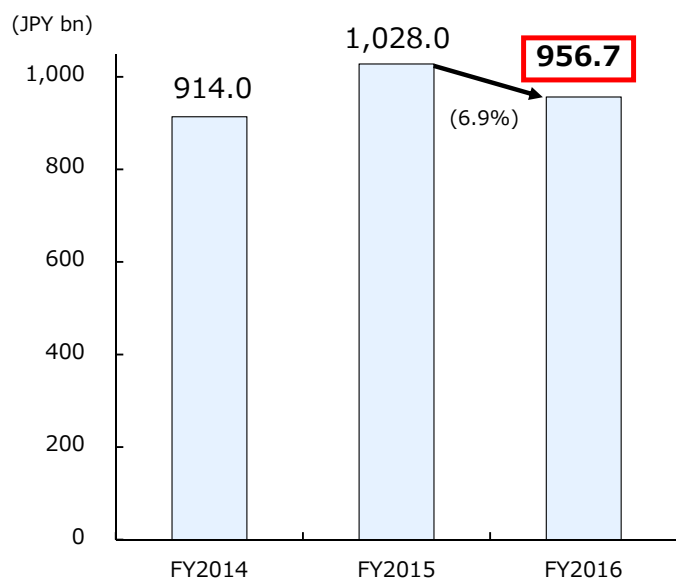
Lapse and Surrender Rate* (Individual Life Insurance + Individual Annuities)



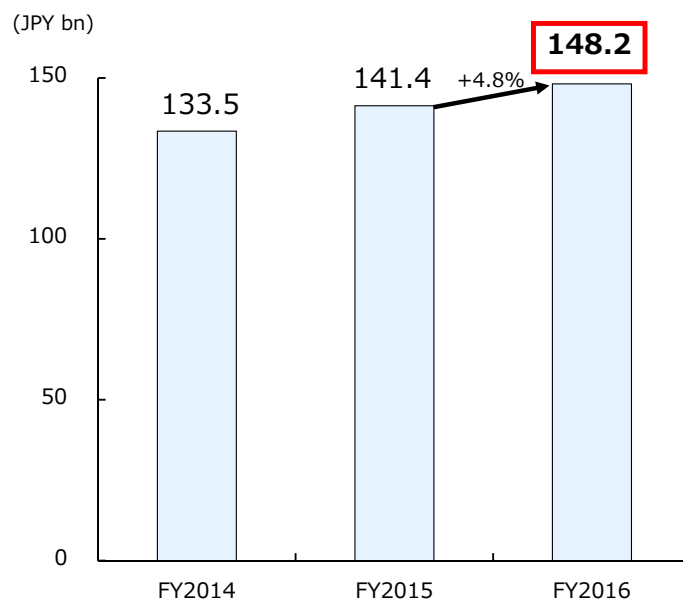
*The lapse and surrender rate shows the ratio derived by dividing the amount of lapses and surrenders, not adjusted for policy amount decreases, increases, and reinstatements, by the policy amount in force at the beginning of the fiscal year.

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

Income from Insurance Premiums

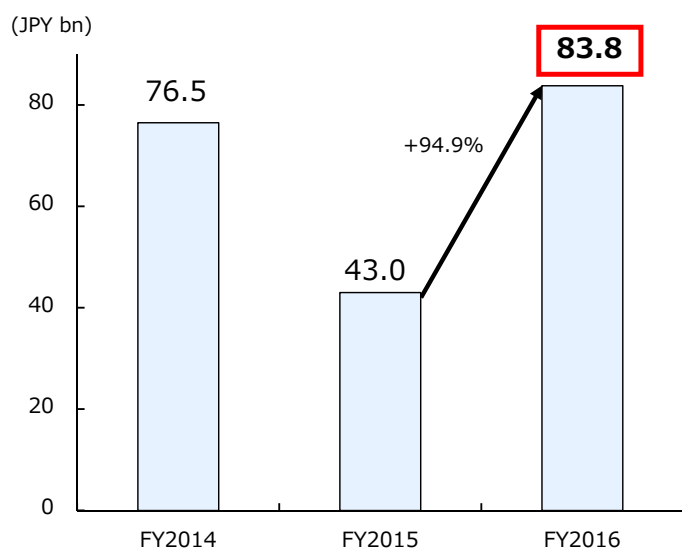


Interest Income and Dividends



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

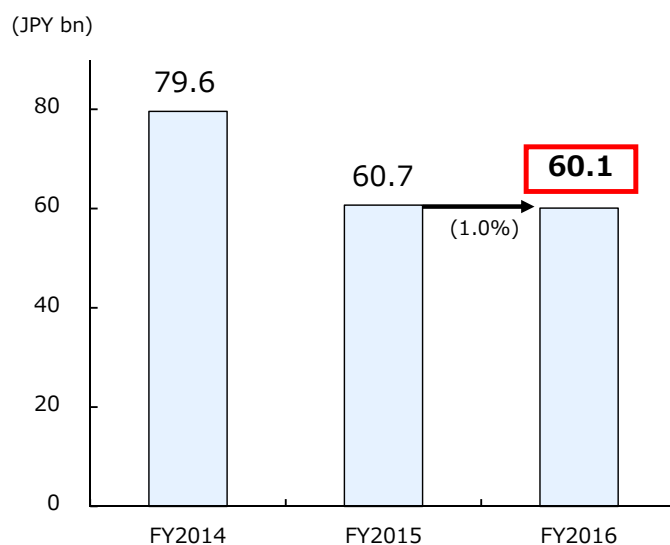
Core Profit



(Reference) Impact on core profit

	(JPY bn)	FY2014	FY2015	FY2016
Positive spread		13.0	15.3	15.4
Provision of policy reserves for minimum guarantees for variable life insurance (*)		(10.6)	(34.7)	(7.8)
Others		74.1	62.5	76.2

Ordinary Profit



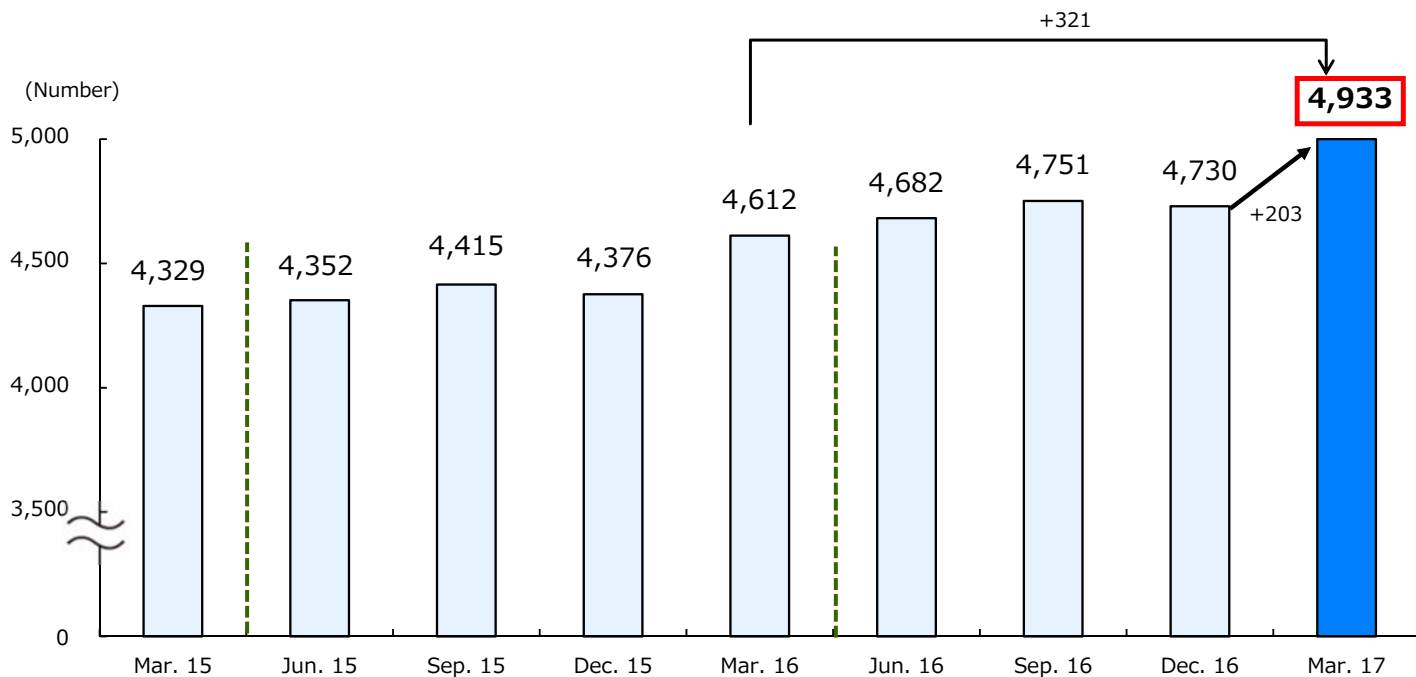
(Reference) Main differences from core profit

	(JPY bn)	FY2014	FY2015	FY2016
Capital gains (losses) excluding gains or losses on hedges (*)		10.7	20.4	(0.4)
Gains (losses) on hedges of variable life insurance		(2.3)	3.9	(15.6)
Provision of contingency reserve (*)		(5.0)	(6.4)	(7.2)

*"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.

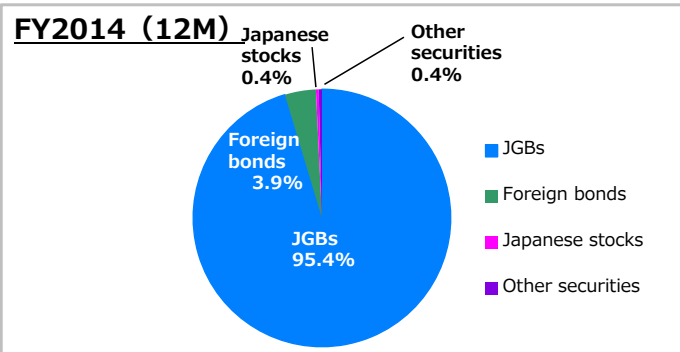
Operating Performance : Sony Life (Non-consolidated) (7)

Number of Lifeplanner Sales Employees

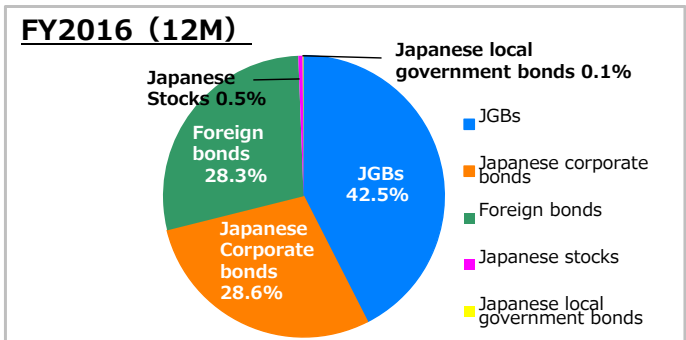
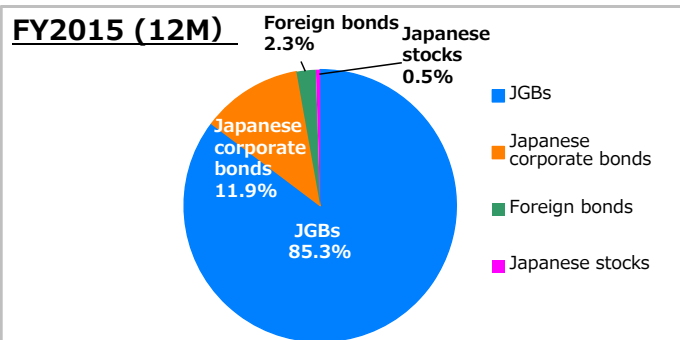


Operating Performance : Sony Life (Non-consolidated) (8)

Diversify asset management under the negative interest rate environment (purchase securities in the general account assets)



- Promote diversification of investment assets while continue to invest in assets that match the liability characteristics.
- Expand investments in ultralong-term Japanese corporate bonds (including FILP agency bonds)
- Significantly increase investments in U.S. government bonds, responding to higher sales of U.S. dollar denominated insurance policies.



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

Operating Performance : Sony Life (Non-consolidated) (9)

Breakdown of General Account Assets

(JPY bn)	Mar. 16		Mar. 17	
	Amount	%	Amount	%
Japanese bonds (including JGBs)	6,351.1	88.4%	6,828.7	86.6%
Japanese stocks	33.3	0.5%	37.6	0.5%
Foreign bonds	70.1	1.0%	274.3	3.5%
Foreign stocks	23.0	0.3%	31.5	0.4%
Monetary trusts	280.9	3.9%	273.8	3.5%
Policy loans	171.6	2.4%	180.3	2.3%
Real estate*	115.8	1.6%	117.5	1.5%
Cash and call loans	52.5	0.7%	40.8	0.5%
Others	86.4	1.2%	99.1	1.3%
Total	7,185.0	100.0%	7,884.0	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. 15 20.3 years

Mar. 16 21.8 years

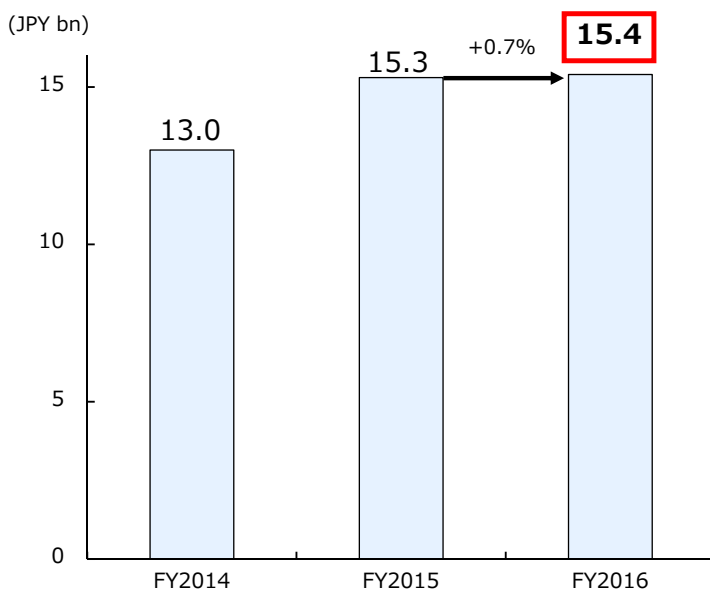
Mar. 17 21.3 years

- Investment in the monetary trusts is mainly into Japanese government 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: Mar. 17 . . . 90.1% (Mar. 16 . . . 92.3 %)

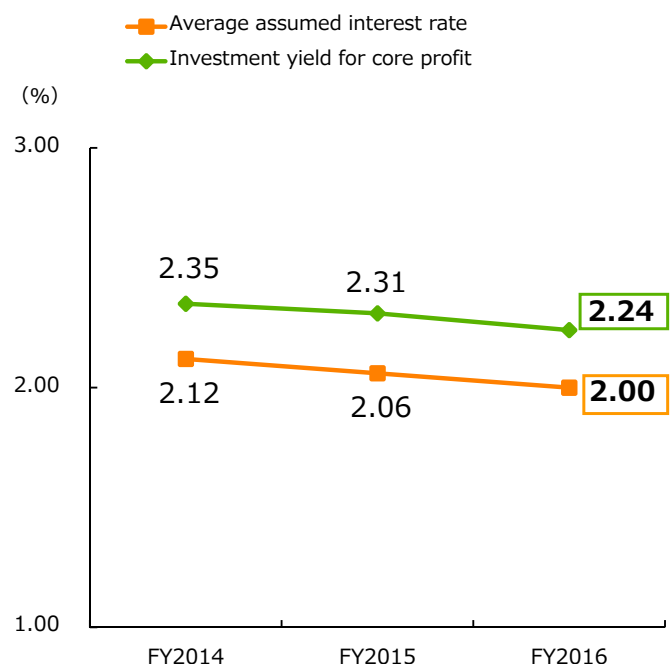
*Real estate is the total of land, buildings, and construction in progress.

Operating Performance : Sony Life (Non-consolidated) (10)

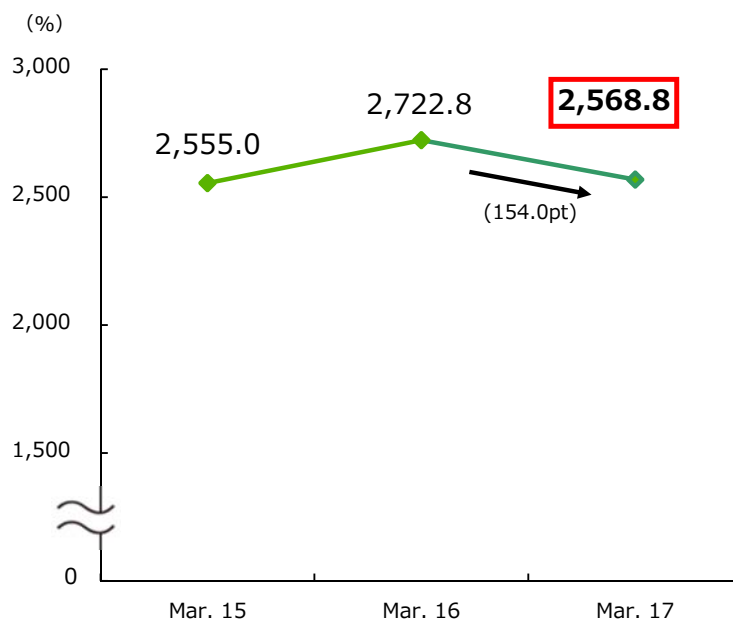
Positive Spread



Average Assumed Interest Rate and Investment Yield for Core Profit

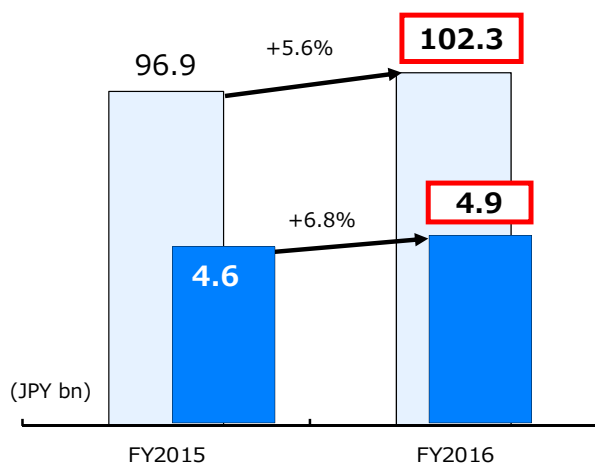


Non-consolidated Solvency Margin Ratio



Highlights of Operating Performance:
Sony Assurance

□ Ordinary revenues ■ Ordinary profit



	(JPY bn)	FY2015	FY2016	Change	
Ordinary revenues		96.9	102.3	+5.4	+5.6%
Underwriting income		95.6	100.3	+4.7	+4.9%
Investment income		1.2	1.9	+0.6	+54.9%
Ordinary expenses		92.2	97.3	+5.1	+5.5%
Underwriting expenses		67.7	70.5	+2.7	+4.1%
Investment expenses		0.0	0.0	(0.0)	(92.6%)
Operating general and administrative expenses		24.4	26.7	+2.3	+9.6%
Ordinary profit		4.6	4.9	+0.3	+6.8%
Net income		2.5	3.5	+0.9	+35.9%

- ◆ Both ordinary revenues and ordinary profit increased year on year.
- ◆ Ordinary revenues expanded owing to an increase in net premiums written primarily for mainstay automobile insurance.
- ◆ Ordinary profit increased due mainly to a decline in provision for reserve for outstanding losses, an increase in underwriting profit and higher investment income, partially offset by an increase in operating expenses.
- ◆ Net income increased owing to the recording of a loss on disposal of software in progress of ¥0.8 billion as an extraordinary loss in FY2015, in addition to the increase in ordinary profit.

	(JPY bn)	Mar. 16	Mar. 17	Change from Mar. 16	
Underwriting reserves		95.7	106.1	+10.4	+10.9%
Net assets		28.3	29.4	+1.1	+3.9%
Total assets		172.3	186.5	+14.2	+8.2%

Overview of Operating Performance: Sony Assurance

(JPY bn)	FY2015	FY2016	Change
Direct premiums written	94.3	99.0	+5.0%
Net premiums written	95.5	100.2	+4.9%
Net losses paid	48.1	50.1	+4.3%
Underwriting profit	3.4	3.0	(11.5%)
Net loss ratio	57.8%	57.5%	(0.3pt)
Net expense ratio	27.1%	28.3%	+1.2pt
Combined ratio	84.8%	85.8%	+1.0pt

<Reasons for changes>

◆ Increased mainly in its mainstay automobile insurance.

◆ Increased due to an increase in system-related expenses, in addition to higher marketing costs in line with new product launch.

Notes:

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

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

	FY2015	FY2016	Change
E. I. loss ratio	63.3%	62.3%	(1.0pt)
E. I. loss ratio + Net expense ratio	90.4%	90.6%	+0.2pt

◆ Declined due to a decrease in provision for reserve for outstanding losses, in addition to a persistently low car accident ratio in automobile insurance.

	Mar. 16	Mar. 17	Change from Mar. 16	
Number of policies in force	1.79 mn	1.89 mn	+0.09 mn	+5.3%
Non-consolidated solvency margin ratio	693.5%	730.8%	+37.3pt	

Note: The number of policies in force is the total of automobile insurance and medical insurance policies.

Sony Assurance's Underwriting Performance by Type of Policy

Direct Premiums Written

(JPY mn)	FY2015	FY2016	Change
Fire	348	245	(29.6%)
Marine	–	–	–
Personal accident	8,679	8,767	+1.0%
Voluntary automobile	85,308	90,001	+5.5%
Compulsory automobile liability	–	–	–
Total	94,336	99,014	+5.0%

Net Premiums Written

(JPY mn)	FY2015	FY2016	Change
Fire	44	24	(43.9%)
Marine	44	(2)	–
Personal accident	8,953	9,044	+1.0%
Voluntary automobile	85,123	89,746	+5.4%
Compulsory automobile liability	1,384	1,460	+5.5%
Total	95,549	100,274	+4.9%

*Medical insurance is included in personal accident.

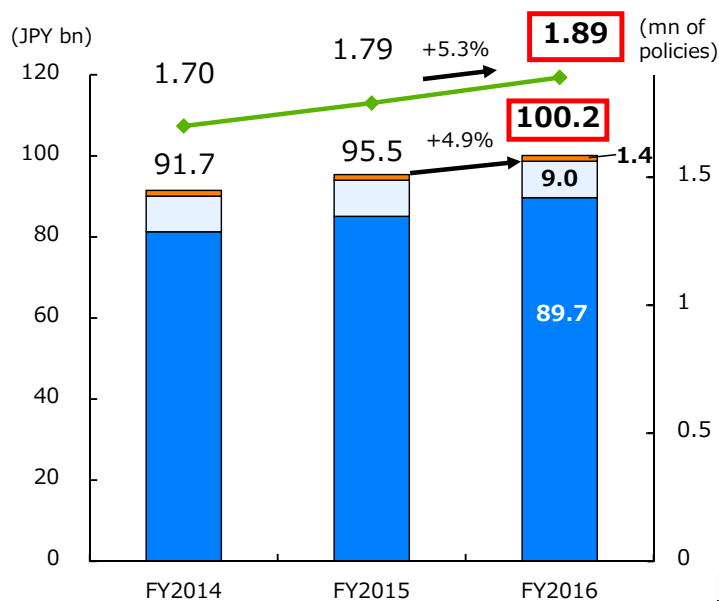
Net losses paid

(JPY mn)	FY2015	FY2016	Change
Fire	1	6	+298.1%
Marine	46	(6)	–
Personal accident	2,472	2,615	+5.8%
Voluntary automobile	44,320	46,263	+4.4%
Compulsory automobile liability	1,270	1,301	+2.5%
Total	48,111	50,181	+4.3%

Operating Performance: Sony Assurance (1)

Net Premiums Written and Number of Policies in Force

■ Voluntary automobile insurance □ Personal accident insurance
■ Others — Number of policies in force

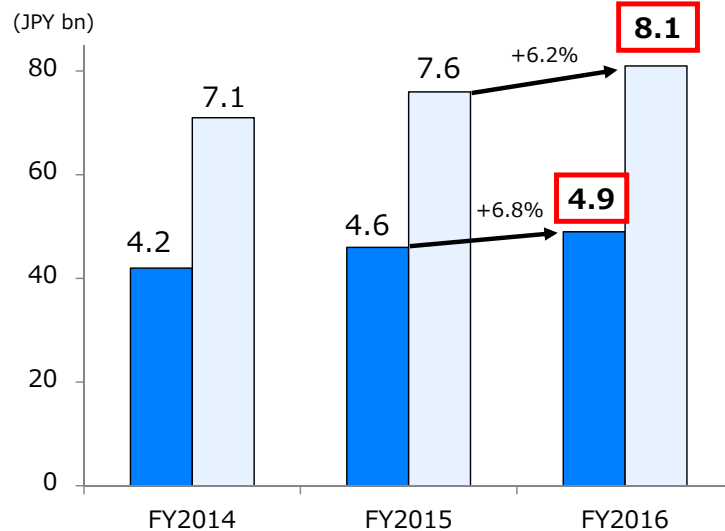


The number of policies in force is the total of automobile insurance and medical insurance policies.

More than 90% of personal accident insurance is medical insurance.

Ordinary Profit and Adjusted Ordinary Profit

■ Ordinary profit □ Adjusted ordinary profit



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

(Reference) Provision for catastrophe reserve

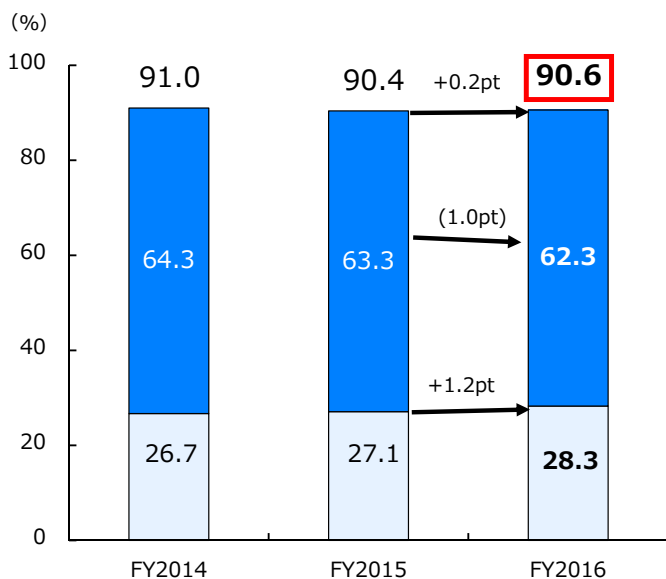
	(JPY bn)	FY2014	FY2015	FY2016
Provision for catastrophe reserve		2.8	3.0	3.1

*Provision for catastrophe reserve is described as positive amount.

Operating Performance: Sony Assurance (2)

Earned/Incurred Loss Ratio + Net Expense Ratio

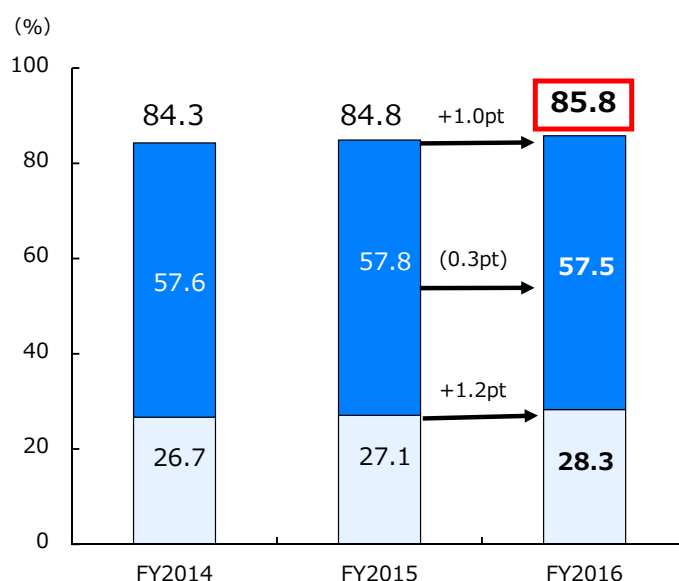
■ Earned/Incurred loss ratio □ Net expense ratio



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)

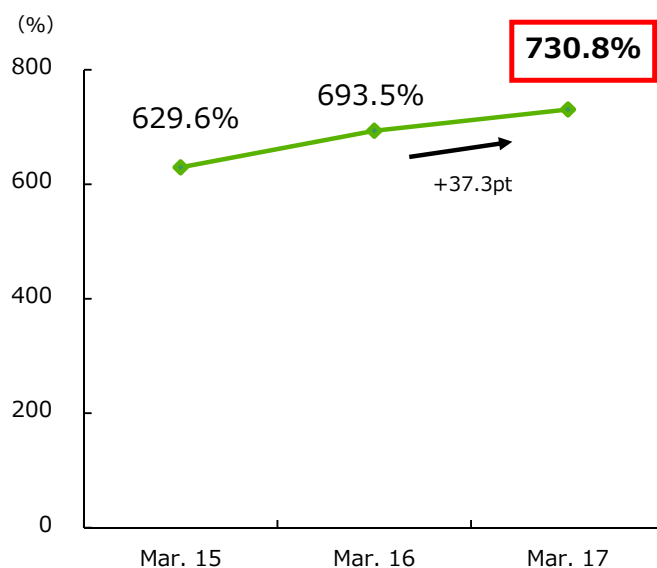
■ Net loss ratio □ Net expense ratio



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

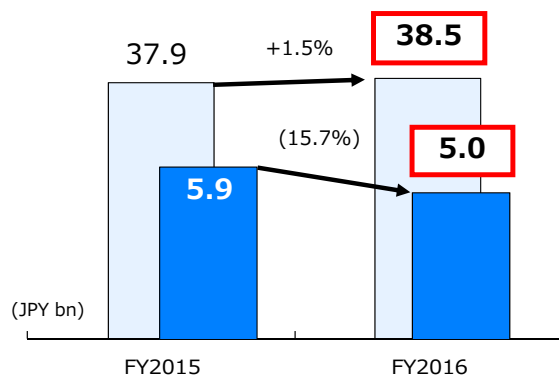
Operating Performance: Sony Assurance (3)

Non-consolidated Solvency Margin Ratio



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

- Consolidated ordinary revenues
- Consolidated ordinary profit



<Consolidated>

- ◆ Ordinary revenues increased due to an increase in interest income on loans in line with a favorably growing balance of mortgage loans, partially offset by a decrease in interest and dividend income on securities.
- ◆ Ordinary profit decreased due to the lower level of interest rates, an increase in initial expenses led by a higher execution of mortgage loans, and lower volumes of foreign currency and investment trust transactions of customers.

<Non-consolidated>

- ◆ Both gross operating profit and net operating profit decreased.
- Net interest income increased due to a rise in interest income on loans.
- Net fees and commissions decreased due to an increase in initial expenses led by a higher execution of mortgage loans.
- Net other operating income decreased due to lower fees and commissions from foreign currency transactions of customers.

<Consolidated>

	(JPY bn)	FY2015	FY2016	Change	
Consolidated ordinary revenues		37.9	38.5	+0.5	+1.5%
Consolidated ordinary profit		5.9	5.0	(0.9)	(15.7%)
Profit attributable to owners of the parent		3.9	3.3	(0.5)	(15.3%)

<Non-consolidated>

	(JPY bn)	FY2015	FY2016	Change	
Ordinary revenues		34.8	35.1	+0.2	+0.6%
Gross operating profit		21.6	21.1	(0.5)	(2.6%)
Net interest income		16.5	17.9	+1.3	+8.4%
Net fees and commissions		0.1	(1.5)	(1.7)	-
Net other operating income		5.0	4.7	(0.2)	(4.5%)
General and administrative expenses		15.9	16.5	+0.5	+3.3%
Net operating profit		5.7	4.6	(1.1)	(20.4%)
Ordinary profit		5.8	4.6	(1.2)	(20.9%)
Net income		3.9	3.1	(0.7)	(18.8%)

	(JPY bn)	Mar. 16	Mar. 17	Change from Mar. 16	
Net assets		77.4	81.3	+3.9	+5.0%
Net unrealized gains on other securities, net of taxes		3.3	4.7	+1.4	+43.4%
Total assets		2,126.5	2,424.2	+297.6	+14.0%

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

(JPY bn)	Mar. 16	Mar. 17	Change from Mar. 16	
Customer assets	2,034.4	2,227.1	+192.6	+9.5%
Deposits	1,923.5	2,112.9	+189.4	+9.9%
Yen	1,587.9	1,764.9	+177.0	+11.1%
Foreign currency	335.5	348.0	+12.4	+3.7%
Investment trusts	110.9	114.1	+3.1	+2.9%
Loans outstanding	1,344.1	1,539.6	+195.4	+14.5%
Mortgage loans	1,237.1	1,452.4	+215.3	+17.4%
Card loans	10.5	18.0	+7.5	+71.7%
Others	96.5	69.0	(27.4)	+28.5%
Number of accounts	1.13 mn	1.24 mn	+0.11 mn	+9.8%
Non-performing assets ratio *2 (Based on Financial Reconstruction Law)	0.23%	0.19%	(0.04pt)	
Capital adequacy ratio *3 (domestic criteria)	9.89%	9.75%	(0.14pt)	

<Reasons for changes>

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

◆ Increased despite the conversion from foreign currencies into yen, led by yen depreciation.

◆ Expanded reflecting higher demand for refinancing mortgage loans.

*1 Loans in others include corporate loans of ¥69.0billion

*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 P30.

Capital adequacy ratios has been calculated by applying fundamental internal rating based approach (FIRB) from March 31, 2017.

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

<Reference> On Managerial Accounting Basis

(JPY bn)	FY2015	FY2016	Change	
Gross operating profit	21.6	21.0	(0.5)	(2.6%)
Net interest income*1 ①	18.8	20.6	+1.8	+9.6%
Net fees and commissions*2 ②	0.9	(0.9)	(1.9)	—
Net other operating income*3	1.8	1.4	(0.4)	(23.0%)
Gross operating profit (core profit) (A) = ① + ②	19.7	19.6	(0.1)	(0.6%)
Operating expenses and other expenses ③	15.9	16.5	+0.6	+3.9%
Net operating profit (core profit) = (A) - ③	3.8	3.1	(0.7)	(19.2%)

■ 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.

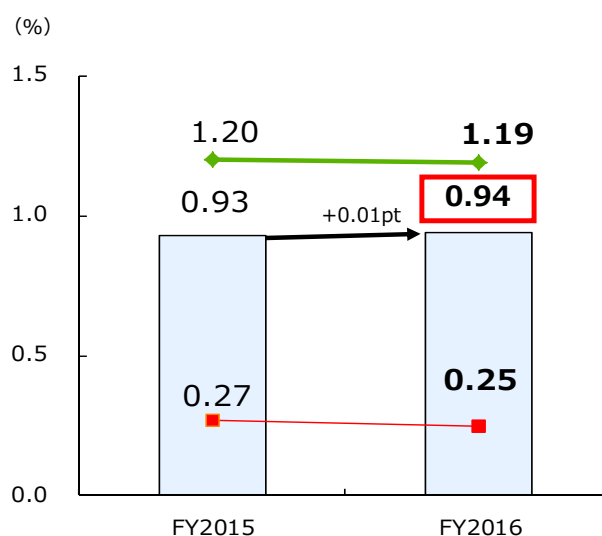
*3: Net other operating income: After the above adjustments (*1 and *2), mainly consists of profits and losses for bond and derivative dealing transactions.

■ 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)

◆ Yield on investment ◆ Yield on financing
□ Interest spread

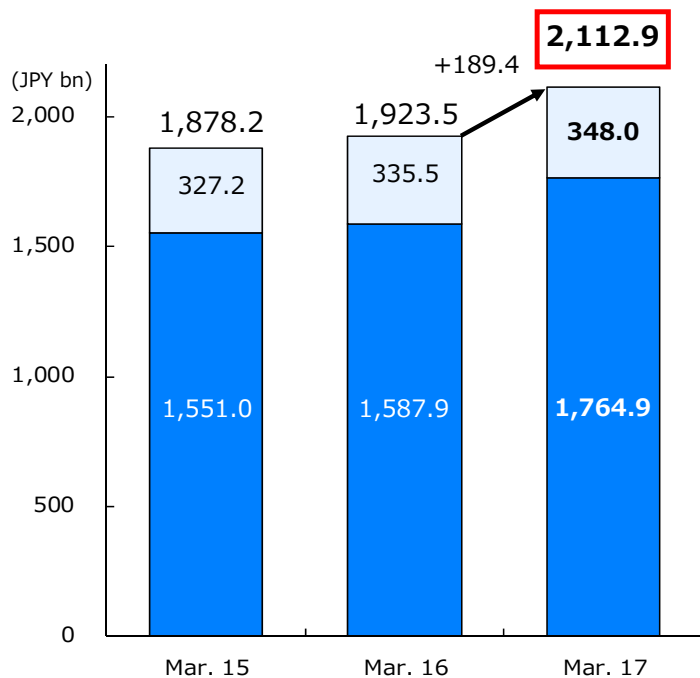


Note: Interest spread=(Yield on investment)-(Yield on financing)

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

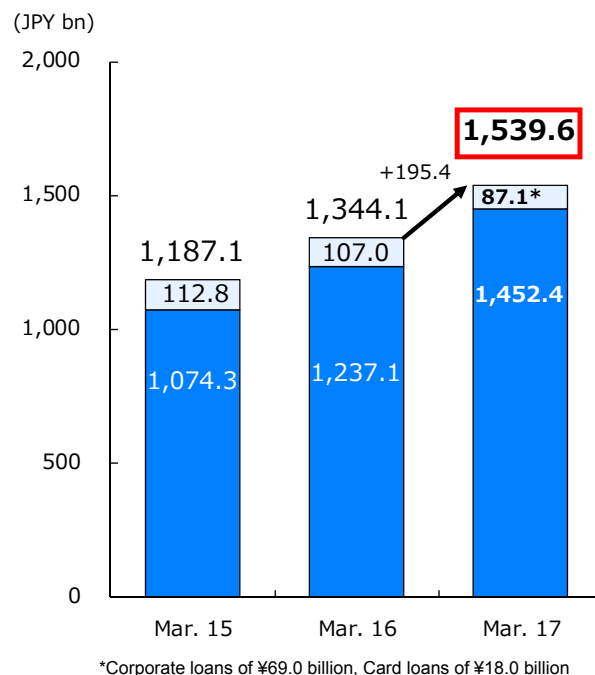
Deposits

■ Yen Deposits □ Foreign currency deposits



Loans

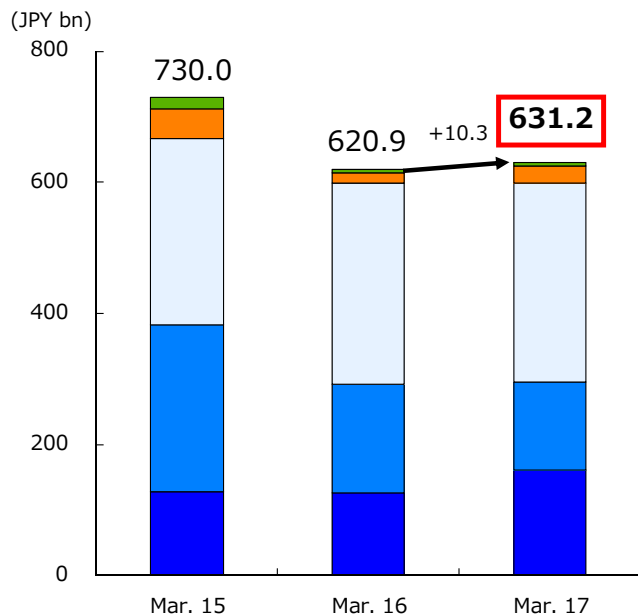
■ Mortgage loans □ Others



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

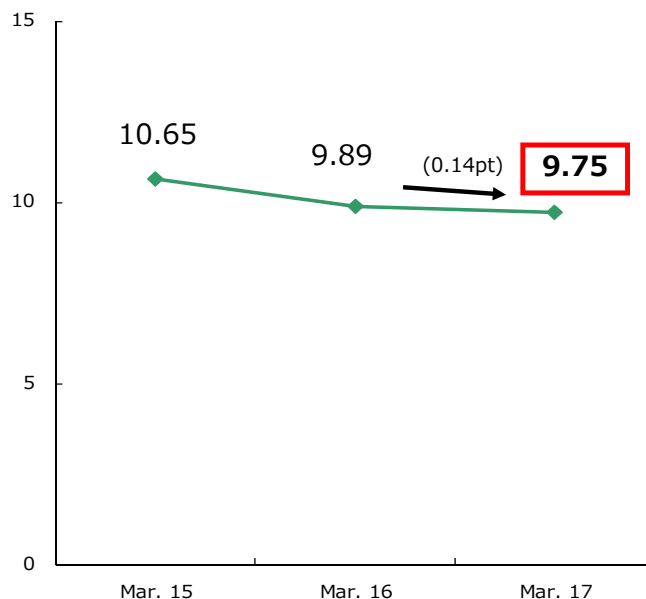
Balance of Securities by Credit Rating

■ AAA □ AA □ A
■ BBB □ Others



Non-Consolidated Capital Adequacy Ratio (Domestic Criteria)

(%)



Notes:

1. 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.
2. Capital adequacy ratios has been calculated by applying fundamental internal rating based approach (FIRB) from March 31, 2017.

Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2018 (FY2017)

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Forecast of Consolidated Financial Results for FY2017



Consolidated ordinary revenues are expected to increase, consolidated ordinary profit and profit attributable to owners of the parent are expected to be essentially flat.

	FY2016 (Actual)	FY2017 (Forecast)	Change
Consolidated ordinary revenues	1,381.6	1,430.0	+3.5%
Life insurance business	1,243.9	1,276.1	+2.6%
Non-life insurance business	102.3	108.9	+6.4%
Banking business	38.5	40.6	+5.4%
Consolidated ordinary profit	66.3	67.0	+1.0%
Life insurance business	56.8	56.4	(0.7%)
Non-life insurance business	5.0	4.6	(8.0%)
Banking business	5.0	6.6	+30.6%
Profit attributable to owners of the parent	41.6	42.0	+0.9%

For FY2017, stable business growth is expected to continue in all the businesses.

Consolidated ordinary revenues are expected to increase, while consolidated ordinary profit and profit attributable to owners of the parent are expected to be essentially flat.

<Segment information for ordinary revenues and ordinary profit>

■ **Life insurance business**

Ordinary revenues are expected to increase year on year because we anticipate stable increases in insurance premium revenues.

Ordinary profit is expected to be almost flat because we expect the provision of policy reserves to rise in line with revision in standard yields used for calculating policy reserves even though we expect an improvement in net gains/losses on derivative transactions to hedge market risks related to minimum guarantee for variable life insurance as well as an increase in profit from accumulated policies in force.

■ **Non-life insurance business**

Ordinary revenues are expected to increase year on year, in line with growth in net premiums written, primarily for automobile insurance.

Ordinary profit is expected to decrease year on year because we expect the loss ratio to be higher due to higher provision for reserve for outstanding losses than in FY2016.

■ **Banking business**

Ordinary revenues are expected to increase year on year, due to stable business growth, reflecting a growing balance of mortgage loans and strengthened foreign currency business

Ordinary profit is expected to increase year on year, due mainly to efforts to appropriately control operating expenses and the increase in ordinary revenues.

*Please see P41 for the detail of Life insurance business forecast.

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Changes in Medium-term Dividend Policy and Dividend Forecast for FY2017

Changes in Medium-term Dividend Policy and Dividend Forecast for FY2017



As the expansion of business scale accelerates, we will determine specific dividend amounts by taking into account not only statutory profit but also other economic value-based profit indicators

<Medium-term Dividend Policy>

- SFH aims for steady increases in dividends in line with earnings growth over the medium to long term, while securing sufficient internal reserves to ensure the financial soundness of Group companies and to invest in growth fields. Management will examine earnings growth over the medium to long term by taking into account not only statutory profit but also other economic value-based profit indicators that are more suitable for valuing the growth of the life insurance business. Furthermore, management will determine specific dividend amounts for each fiscal year by taking into account a comprehensive range of factors surrounding the Sony Financial Group.

■ Profit attributable to owners of the parent and dividend results/forecast

	FY2013	FY2014	FY2015	FY2016 (Plan)	FY2017 (Forecast)
Profit attributable to owners of the parent	¥40.5 billion	¥54.4 billion	¥43.3 billion	¥41.6 billion	¥42.0 billion
Net income per share	¥93.11	¥125.10	¥99.67	¥95.69	¥96.65
Dividend per share	¥30	¥40	¥55	¥55	¥55

* For the foreseeable future, we plan to pay a dividend corresponding to more than 50% of net income per share.

(Reference) Dividend payout ratio	32.2%	32.0%	55.2%	57.5%	57.0%
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Sony Life's Preliminary MCEV and ESR as of March 31, 2017

MCEV as of March 31, 2016 is restated by using ultimate forward rates (UFR).
The calculation of MCEV as of March 31, 2016 (after restated) and as of March 31, 2017, in accordance with the MCEV principles and verified by outside specialists, is scheduled to be announced on May 22, 2017. A part of the calculations of MCEV adopted simplified method for that as of December 31, 2016. Please keep in mind that the validity of these calculations has not been verified by outside specialists.

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

Sony Life's MCEV

(JPY bn)	Mar. 16	Dec. 16	Mar. 17	Change from Mar. 16	Change from Dec. 16
MCEV	1,330.1	1,282.7	1,441.1	+111.0	+158.4
Adjusted net worth	2,074.4	1,831.1	1,657.7	(416.7)	(173.4)
Value of existing business	(744.4)	(548.4)	(216.7)	+527.7	+331.7

(JPY bn)	FY15.4Q (3M)	FY16.1Q (3M)	FY16.2Q (3M)	FY16.3Q (3M)	FY16.4Q (3M)	FY16.4Q (12M)
New business value	3.9	(0.2)	5.0	10.2	14.1	29.1
New business margin	1.2%	(0.0%)	1.6%	4.0%	3.8%	2.2%

Notes:

1. Calculated MCEV as of December 31, 2016 by using updated economic assumptions and lapse and surrender rate from March 31, 2016.
2. New business value for FY16 is calculated accumulating new business value for each month based on economic assumptions at the end of each month. New business value for FY15.4Q (3M) is calculated accumulating new business value for each quarter based on economic assumptions at the end of each quarter.

◆ Reasons for changes in MCEV

- MCEV as of March 31, 2017 increased ¥158.4 billion from December 31, 2016, due mainly to an acquisition of new policies and a rise in interest rates in Japanese yen.

◆ New business value

- New business value was steadily increased due to a favorable sales and a rise in interest rates in Japanese yen, consequently, that for FY16.4Q (3M) was ¥14.1 billion while that for FY16.4Q (12M) was ¥29.1 billion.

*Please refer to the appendix P52 for trend on JGB yields.

(JPY bn)	Mar. 16	Dec. 16	Mar. 17
Insurance risk*	989.3	980.2	937.5
Market-related risk	324.2	369.5	405.1
<i>Of which, interest rate risk**</i>	255.2	288.5	308.9
Operational risk	31.4	31.1	28.1
Counter party risk	2.0	2.4	1.9
Variance effect	(374.4)	(390.4)	(392.0)
The risk amount based on economic value	972.4	992.9	980.6

(*) Risk amount excluding the variance effect within Life module and Health module.

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

(JPY bn)	Mar. 16	Dec. 16	Mar. 17
MCEV + Frictional costs	1,366.5	1,325.5	1,476.6
ESR	141%	134%	151%

Notes:

1. The risk amount based on economic value refers to the total amount of Sony Life's risks comprehensively examined by a market consistent approach, including insurance risk and market-related risk.
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 standard method.
3. $ESR = (MCEV + Frictional costs) / Risk\ amount\ based\ on\ economic\ value.$

◆ **The risk amount based on economic value as of March 31, 2017 amounted to ¥980.6 billion, down ¥12.3 billion from December 31, 2016, due mainly to a decrease in insurance risk reflecting a rise in interest rates.**

ESR as of March 31, 2017 was 151%, up 17pt from December 31, 2016 due mainly to a decrease in a risk amount and an increase in MCEV.

◆ **Sony Life will continue to improve ESR levels by accumulating new business value through reinforcing its sales capabilities as well as ensuring profitability.**

Appendix

Recent Topics 1

AEGON Sony Life Insurance

Launch of sales: December 1, 2009

Common stock: ¥30 billion (including capital reserves of 15 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 (30*) *As of May 15, 2017



SA Reinsurance Ltd

Established : October 29, 2009

Common stock: ¥15.9 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 March 31, 2017

Sony Life accounts for 20% of the amount of new mortgage loans for FY2016

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



Sony Assurance's Auto Insurance Sold by Sony Life

■ Sony Life accounts for approx. 4% of new automobile policies for FY2016

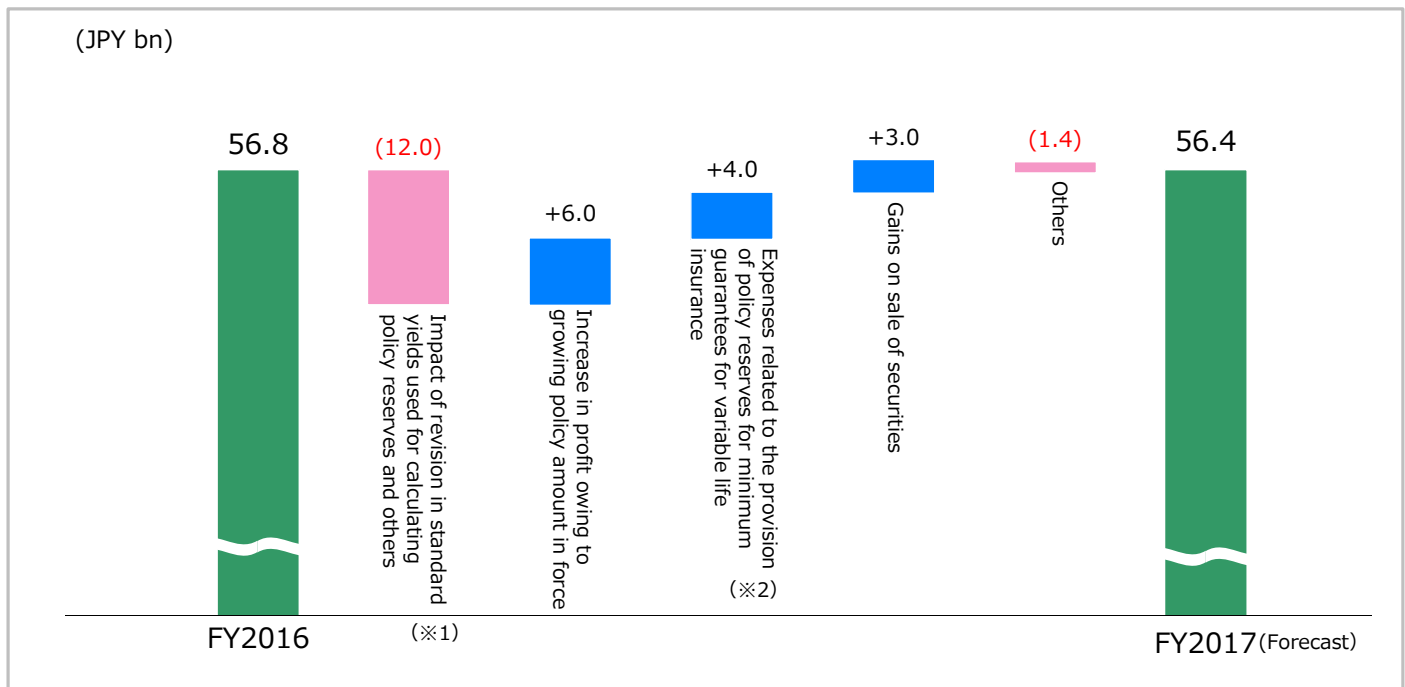
*Sony Life started handling automobile insurance in May 2001.



Recent Topics 2

2016-04-01	Sony Lifecare Group opened its first newly built nursing care home "SONARE Soshigaya-Okura" in Tokyo
2016-05-02	Sony Life commenced sale of a new product: "Level Premium Plan Term Life Insurance with Reduced Surrender Value (Disability/Nursing Care Type)" and "Level Premium Plan Term Life Insurance with No Surrender Value (Disability/Nursing Care Type)"
2016-06-23	SFH changed its President, Representative Director
2016-07-01	Sony Life opened a representative office in Singapore
2016-07-04	SFH and Sony Life relocated their headquarters to Chiyoda-ku, Tokyo
2016-10-01	Sony Life commenced sale of new product: "Non-participating Group Welfare Term Life Insurance"
2016-10-03	Sony Life adopted paperless insurance procedures for its policyholders
2016-10-25	Sony Life acquired an entity stake in ClearView Wealth Limited (Australia) and announced business alliance (entered into cooperation agreement on Jan. 13, 2017)
2016-10-31	Sony Bank began offering U.S. dollar-denominated active funds on investment trusts and revised the service site
2016-11-07	Sony Bank began offering foreign currency settlement services for teenage customers for Sony Bank WALLET
2016-12-01	Sony Assurance began offering new discount premiums for new customers who contracted automobile insurance via Internet (increased discount rates from ¥8,000 to ¥10,000)
2017-01-04	Sony Bank began offering new preferential services called "Club S"
2017-01-10	Sony Assurance commenced sale of new product: "ZiPPI" medical insurance to indemnify hospital inpatient expenses and revised "SURE" medical and cancer insurance
2017-02-01	Sony Assurance and Yahoo! JAPAN announced to begin joint research with a view to developing telematics insurance products and services for individuals using driving behavior data from car navigation systems
2017-02-20	Sony Life's Lifeplanner Sales Employees began handling Sumitomo Mitsui Trust Bank's life insurance trusts and other services
2017-03-01	Sony Life established a joint venture "IBJ Life Design Support Inc." with IBJ Inc.
2017-03-01	Sony Bank began issuing cards with a Sony Bank WALLET / "PlayStation" design through an alliance with Sony Interactive Entertainment Inc.
2017-04-02	Sony Life commenced sale of new product: "Living Benefit Decreasing Term Life Insurance (Living Standard Type / Non-Participating Type)"
2017-04-14	Sony Lifecare announced to convert Yuuai Holdings to a subsidiary
2017-04-28	Sony Bank announced changes of its President, Representative Director
2017-05-01	Sony Lifecare Group opened its second newly built nursing care home "SONARE Urawa" in Saitama Prefecture

Analysis on Ordinary Profit for Life Insurance Business



(※1) Including higher expenses in line with new policies and changes in product mix for new policies and others. However, excluding changes in provision of policy reserves for minimum guarantees for valuable life insurance.

(※2) Including changes in provision of policy reserves for minimum guarantees for valuable life insurance and gains (losses) on hedges of variable life insurance.

Sony Life's Product Revisions

◆ FY16 Product Revisions

(Sales suspension)

May: Single premium whole life insurance (non-notification type), Semi-participating individual annuities, Semi-participating endowment insurance (short-term payment), and Non-participating endowment insurance (short-term payment)

Jul.: Single premium semi-participating whole life nursing-care insurance

Oct.: Interest rate-sensitive whole life insurance

(Premium revisions)

Apr.: Single premium whole life insurance (non-notification type)

Jul.: Semi-participating endowment insurance, Non-participating endowment insurance

Oct.: Variable life insurance (whole life type), Limited payment whole life insurance, Living benefit whole life insurance (living standard type), Living benefit insurance (whole life type), Whole life nursing-care insurance (reduced surrender value), Semi-participating whole life nursing-care insurance, Specialty endowment insurance, Whole-life cancer insurance

◆ FY17 Premium Revisions

Apr.: Long-term level premium plan term life insurance (with disability benefit), Cancer hospitalization insurance and other products

Fair Value Information on Securities

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

(JPY bn)	Mar. 15			Mar. 16			Mar. 17		
	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	4,878.7	5,718.2	839.4	5,383.9	7,410.1	2,026.2	6,068.6	7,514.2	1,445.5
Policy reserve matching bonds	-	-	-	251.2	292.5	41.3	277.3	303.3	25.9
Available-for-sale securities	1,007.8	1,176.6	168.8	887.9	1,091.6	203.6	896.5	1,069.9	173.3
Japanese government and corporate bonds	974.6	1,120.1	145.5	854.3	1,040.3	186.0	852.6	1,013.3	160.7
Japanese stocks	13.4	29.4	16.0	13.6	25.6	12.0	13.6	27.0	13.3
Foreign securities	19.4	26.4	6.9	19.8	25.2	5.4	30.0	29.1	(0.8)
Other securities	0.3	0.6	0.3	0.1	0.3	0.1	0.1	0.3	0.1
Total	5,886.6	6,894.9	1,008.3	6,523.1	8,794.3	2,271.1	7,242.5	8,887.5	1,644.9

Notes:

- The above table includes monetary trusts other than trading-purpose securities.
- 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 Mar. 31, 2015; Carrying amount: ¥44.2 billion, Fair market value: ¥57.5 billion, Net unrealized gain (losses): ¥13.2 billion
As of Mar. 31, 2016; Carrying amount: None
As of Mar. 31, 2017; Carrying amount: None

Valuation gains (losses) on trading-purpose securities

(JPY bn)

Mar. 15		Mar. 16		Mar. 17	
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	2.2	0.1	2.0	(0.1)

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

Sony Life's Interest Income and Dividends (Details)

(JPY mn)	FY2015	FY2016	Change
Cash and deposits	0	0	+286.6%
Japanese government and corporate bonds	115,655	121,103	+4.7%
Japanese stocks	522	527	+0.9%
Foreign securities	7,246	8,886	+22.6%
Other securities	1,519	255	(83.2%)
Loans	6,174	6,377	+3.3%
Real estate	10,261	10,869	+5.9%
Others	71	265	+269.9%
Total	141,450	148,284	+4.8%

Sony Life's Capital Gains/Losses

(JPY mn)	FY15				FY16			
	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)
Capital gains	6,258	12,246	19,762	27,387	14,501	11,796	25,628	16,114
Income from monetary trusts, net	1,846	3,631	7,119	7,119	–	–	–	–
Income from trading securities, net	–	–	–	41	7	49	103	134
Gains on sale of securities	3,631	6,591	12,193	12,204	917	1,301	1,306	1,308
Gains on derivatives, net	–	1,676	–	4,768	8,821	4,577	–	–
Gains on hedges of variable life insurance	–	1,420	–	3,939	4,955	1,042	–	–
Gains on hedges of available-for-sale securities	–	–	–	117	3,021	1,386	–	–
Foreign exchange gains, net	780	146	435	–	–	–	24,218	14,670
Gains (losses) on sale of foreign bonds*	(64)	(64)	(64)	–	–	–	2,375	2,375
Other capital gains	–	199	13	3,253	4,754	5,868	–	–
Capital losses	2,839	518	758	2,951	3,407	5,688	39,882	32,276
Losses on monetary trusts, net	–	–	–	–	–	–	–	–
Losses on trading securities, net	75	419	143	–	–	–	–	–
Losses on sale of securities	–	–	–	–	–	–	–	–
Devaluation losses on securities	–	–	–	–	–	–	–	–
Losses on derivatives, net	2,097	–	515	–	–	–	34,275	30,050
Losses on hedges of variable life insurance	1,970	–	699	–	–	–	14,292	15,666
Losses on hedges of available-for-sale securities	–	–	–	–	–	–	2,265	2,460
Foreign exchange losses, net	–	–	–	2,798	3,139	5,023	–	–
Losses on sale of foreign bonds**	–	–	–	64	(1,681)	(2,375)	–	–
Other capital losses	665	99	99	153	267	665	5,606	2,226
Net capital gains (losses)	3,419	11,728	19,003	24,435	11,094	6,108	(14,253)	(16,162)

In FY16, recorded ¥3,683 million as a total of gains on sale of securities and foreign exchange gains on sale of foreign bonds.

* (losses) represents negative figures. ** (losses) represents positive figures. Notes on Sony Life's Capital Gains/Losses are disclosed in page 46.

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Sony Life's Capital Gains/Losses (continued)

(Note 1)

- Foreign exchange losses, net for FY16.1Q (3M) include foreign exchange losses of ¥4,280 million relating to U.S. dollar-denominated insurance. Moreover, other capital gains include the reversal of policy reserves for U.S. dollar-denominated insurance of ¥4,754 million relating to foreign exchange fluctuation.
- Foreign exchange losses, net for FY16.2Q (6M) include foreign exchange losses of ¥6,720 million relating to U.S. dollar-denominated insurance. Gains on derivatives, net include foreign exchange gains relating to U.S. dollar-denominated insurance of ¥ 1,337 million. Moreover, other capital gains include the reversal of policy reserves for U.S. dollar-denominated insurance of ¥5,868 million relating to foreign exchange fluctuation.
- Foreign exchange gains, net for FY16.3Q (9M) include foreign exchange gains of ¥21,805 million relating to U.S. dollar-denominated insurance. Losses on derivatives, net include foreign exchange losses relating to U.S. dollar-denominated insurance of ¥ 17,445 million. Moreover, other capital losses include the provision of policy reserves for U.S. dollar-denominated insurance of ¥4,941 million relating to foreign exchange fluctuation.
- Foreign exchange gains, net for FY16.4Q (12M) include foreign exchange gains of ¥12,389 million relating to U.S. dollar-denominated insurance. Losses on derivatives, net include foreign exchange losses relating to U.S. dollar-denominated insurance of ¥ 12,010 million. Moreover, other capital losses include the provision of policy reserves for U.S. dollar-denominated insurance of ¥1,560 million relating to foreign exchange fluctuation.

(Note2)

- Foreign exchange gains, net for FY15.1Q (3M) include foreign exchange gains of ¥673 million relating to U.S. dollar-denominated insurance. Moreover, other capital losses include the provision of policy reserves for U.S. dollar-denominated insurance of ¥656 million relating to foreign exchange fluctuation.
- Foreign exchange gains, net for FY15.2Q (6M) include foreign exchange gains of ¥164 million relating to U.S. dollar-denominated insurance. Moreover, other capital gains include the reversal of policy reserves for U.S. dollar-denominated insurance of ¥199 million relating to foreign exchange fluctuation.
- Foreign exchange gains, net for FY15.3Q (9M) include foreign exchange gains of ¥19 million relating to U.S. dollar-denominated insurance. Moreover, other capital gains include the reversal of policy reserves for U.S. dollar-denominated insurance of ¥13 million relating to foreign exchange fluctuation.
- Foreign exchange losses, net for FY15.4Q (12M) include foreign exchange losses of ¥3,094 million relating to U.S. dollar-denominated insurance. Moreover, other capital gains include the reversal of policy reserves for U.S. dollar-denominated insurance of ¥3,253 million relating to foreign exchange fluctuation.

(Note3)

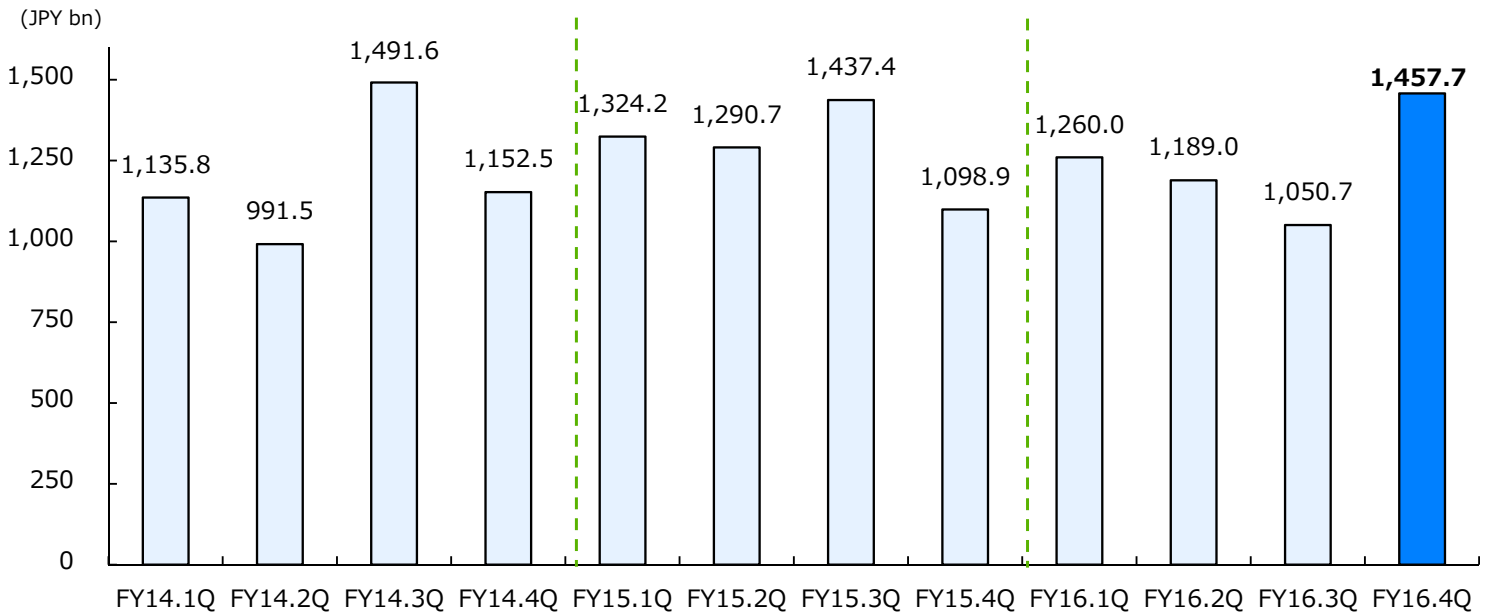
- The figures of income (losses) from monetary trust, net, income (losses) from trading securities, net, gains (losses) on derivatives and foreign exchange gains (losses), net were recorded after offsetting gains and losses of each item.

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Sony Life's Quarterly Trend on New Policy Amount

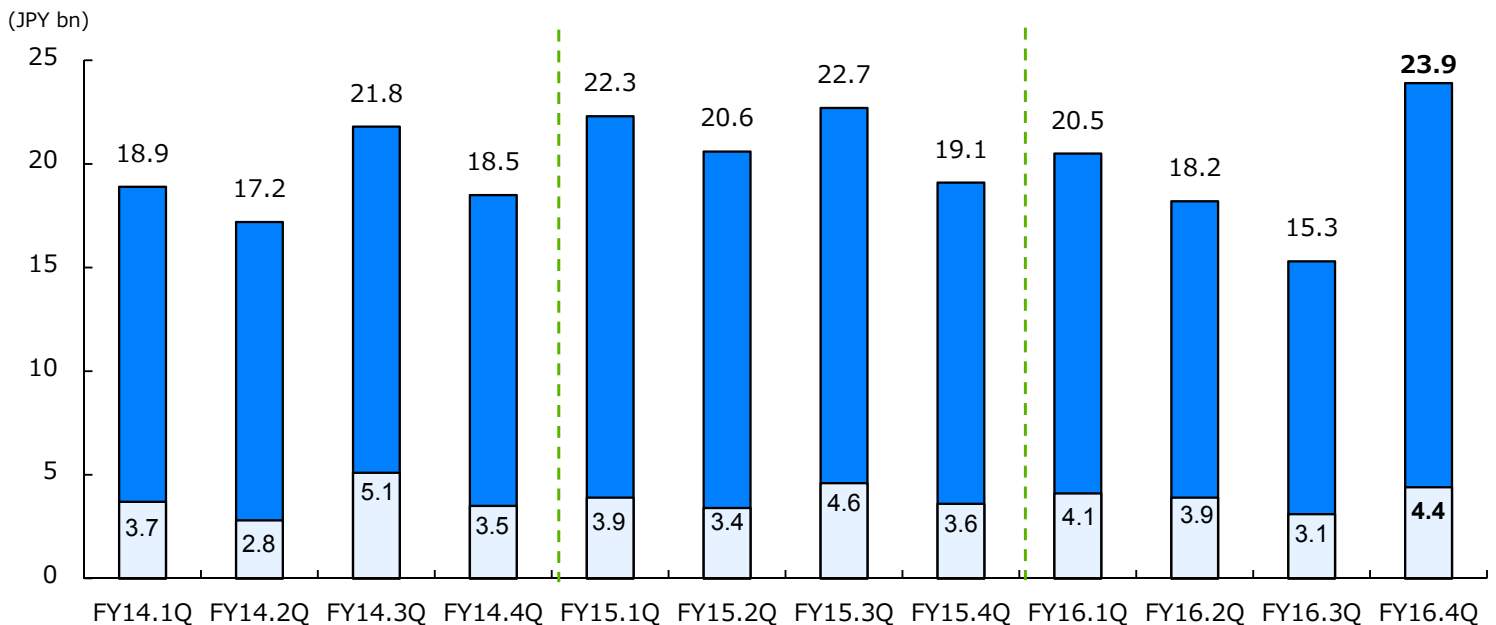
Quarterly Trend on New Policy Amount



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

Quarterly Trend on Annualized Premiums from New Policies

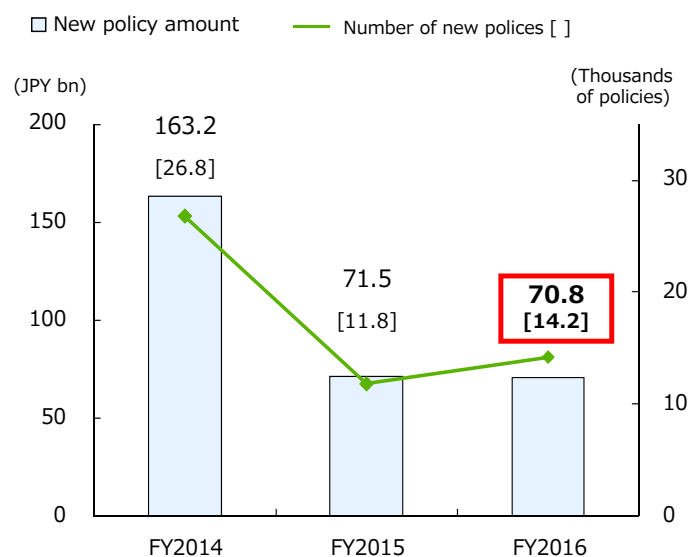
■ Annualized premiums from new policies □ Of which, third-sector



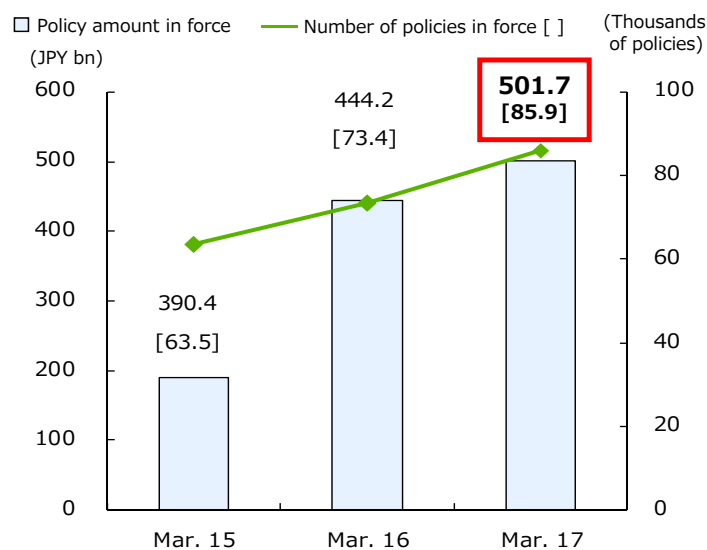
Operating Performance : AEGON Sony Life Insurance

*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

	(JPY bn)	FY2015	FY2016	Change
AEGON Sony Life Insurance		(3.2)	(4.4)	(1.2)
SA Reinsurance		1.8	(2.6)	(4.4)

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

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

■ Market-related Risk*1

	Sony Life	(Reference) EU Solvency II Implementing Measures (Delegated Regulation)
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)	Different percentage changes in interest rates are set for each term, from one year to 20 years. For terms longer than 20 years and through 90 years, percentage changes are set using linear interpolation, with negative 29% as the percentage change for 20 years and negative 20% as the percentage change for 90 years.
Equity risk	Listed equities 45%, Other securities 70%	Global 39%, Others 49%*2
Real estate risk	Actual real estate 25%	Same as on the left
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)	Credit risk = (market value) x (risk coefficient for each credit rating and duration) (Example) Rating A: Duration (Dur): 5-10 years Risk coefficient = 7.0% + 0.7% x (Dur - 5)
Currency risk	35% downside fluctuation	25% downside fluctuation

Notes
1. Principal items as of March 31, 2017.
2. Symmetric adjustment (an adjustment of ±10% of the average value of the stock price index during a defined period in the past) is applied.

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

■ Insurance Risk*1

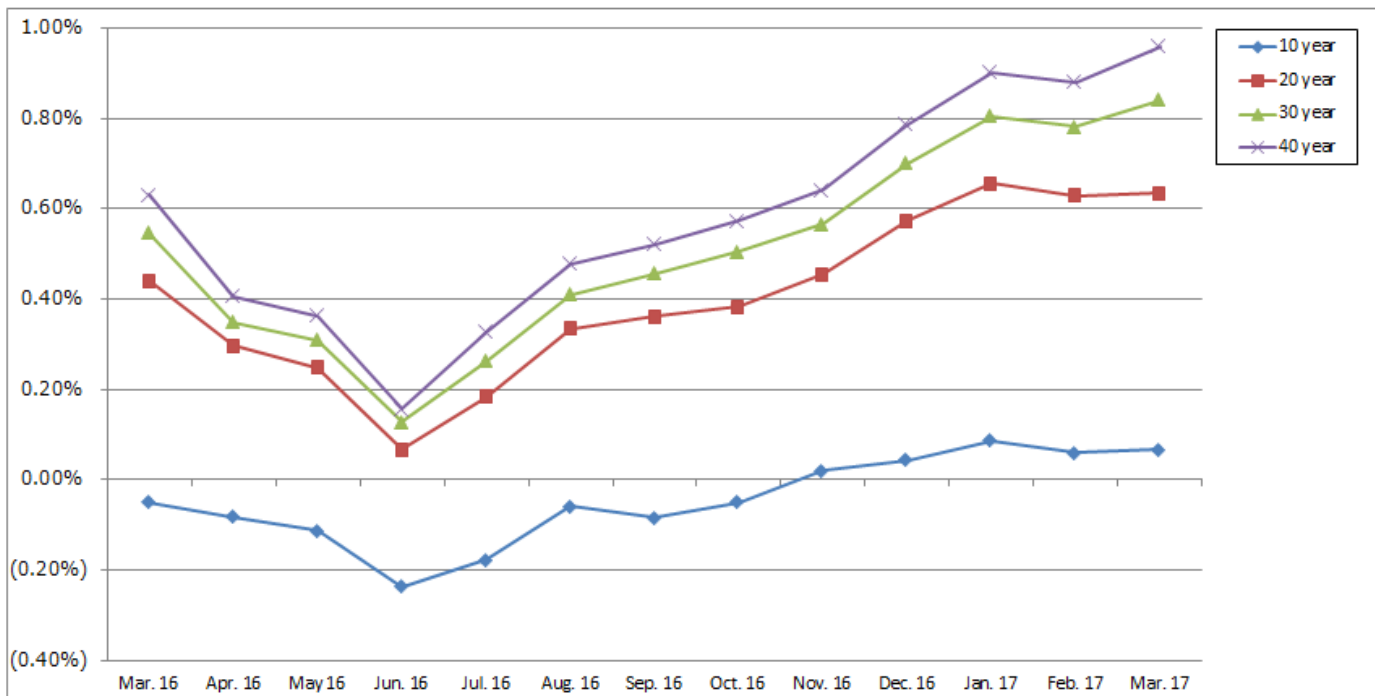
	Sony Life	(Reference) EU Solvency II Implementing Measures (Delegated Regulation)
Mortality risk	Mortality rate increases by 15% for each year elapsed	Same as on the left
Longevity risk	Mortality rate decreases by 20% for each year elapsed	Same as on the left
Lapse risk	The largest amount of these; *2 <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, 50% for Health module Decreases by 50% in the assumed rates of lapsation for Life module, 50% for Health module 40% 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 March 31, 2017.

2. At Sony Life, lapse risk is calculated by computing and adding together the largest amount of three options for each insurance policy

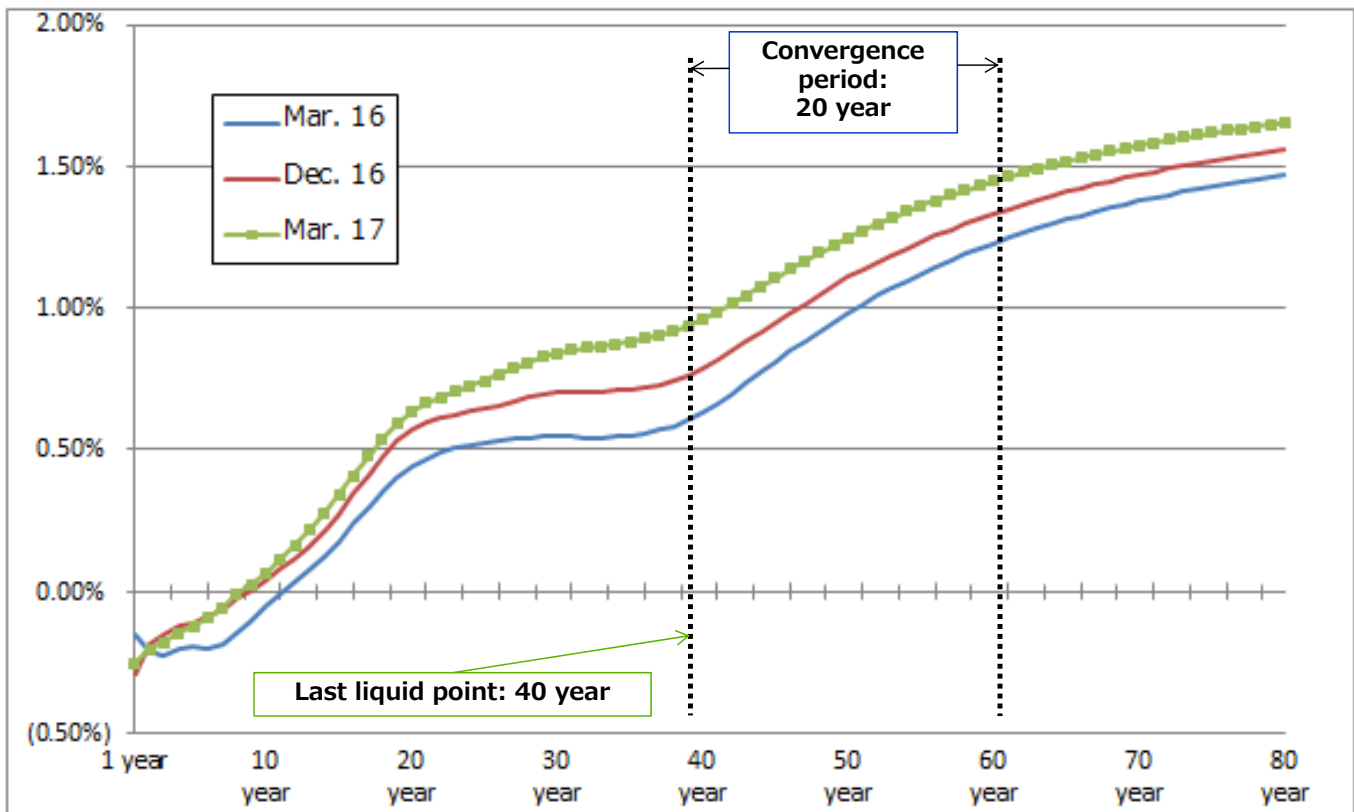
Trend on JGB Yields (Par rate)



As of the end of each month

	Mar. 16	Apr. 16	May 16	Jun. 16	Jul. 16	Aug. 16	Sep. 16	Oct. 16	Nov. 16	Dec. 16	Jan. 17	Feb. 17	Mar. 17
10 year	(0.05%)	(0.08%)	(0.11%)	(0.24%)	(0.18%)	(0.06%)	(0.08%)	(0.05%)	0.02%	0.04%	0.09%	0.06%	0.07%
20 year	0.44%	0.30%	0.25%	0.07%	0.18%	0.33%	0.36%	0.38%	0.46%	0.57%	0.66%	0.63%	0.64%
30 year	0.55%	0.35%	0.31%	0.13%	0.26%	0.41%	0.46%	0.51%	0.57%	0.70%	0.81%	0.78%	0.84%
40 year	0.63%	0.41%	0.36%	0.16%	0.33%	0.48%	0.52%	0.57%	0.64%	0.79%	0.90%	0.88%	0.96%

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%).



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